



**DECLARATION BY THE MANAGING BOARD OF
INTEREUROPA D.D. RELATING TO THE
PROVISION 7.1.4. OF THE PUBLIC CORPORATION
MANAGEMENT CODE**

Koper, 14 March 2006



The Company Intereuropa, Globalni logistični servis, d.d., Vojkovo nabrežje 32, 6000 Koper (Global Logistics Service, Ltd. Co.) in view of the provision 7.1.4 of the Public Corporation Management Code stipulating that “for the purpose of comparability of the financial statements, the Company should compile and publish the year-end and interim consolidated and non-consolidated financial statements based on the International Financial Reporting Standards (IFRS)” within the Declaration on Compliance With the Public Corporation Management Code of 14 March 2006, is publishing as follows:

The Company Intereuropa, Globalni logistični servis, d.d., Vojkovo nabrežje 32, Koper, is the controlling company (the Parent Company) of the Intereuropa Group and has prepared and published its consolidated financial statements for the financial year 2005 in accordance with the requirements of the Regulation of the European Parliament and the Council, No. 1606/2002 of 19 July 2002, the International Financial Reporting Standards (IFRS), and in the reporting terms as defined by the Ljubljana Stock Exchange Rules and other relevant laws.

The Company Intereuropa, Globalni logistični servis, d.d., Vojkovo nabrežje 32, Koper, has prepared and published its financial statements in accordance with the Slovenian Accounting Standards (SRS).

Following the Resolution adopted by the General Meeting, the Parent Company will be drawing up and publishing its financial statements applicable to all the accounting terms following 1st January 2006 for the Company Intereuropa, globalni logistični servis, d.d. only under the International Financial Reporting Standards (IFRS).

STATEMENT OF GROUNDS

The Companies Act (ZGD) binds the Slovenian companies to prepare their financial statements for the financial year 2005 only under the provisions of the Slovenian Accounting Standards (SRS). The Accumulated Profit of the companies established in the financial statements under the SRS is the baseline for the shareholders to decide on the use of profit.

In the year 2005, we complied with the requirements of the Regulation by the European Parliament and Council No. 1606/2002 of 19 July 2002, which imposes on public companies to prepare their consolidated financial statements under the IFRS, and prepared the financial statements for the Intereuropa Group under the IFRS.

The General Meeting adopted on 15 July 2005 the Resolution which binds Intereuropa to transition to the International Financial Reporting Standards (IFRS) and applying them to the

Parent Company of the Intereuropa Group, with effect from 1 January 2006 and for a term of five years at the least.

The differences between the SRS and IFRS are relevant differences that have a significant bearing on the substance of the items in financial statements, express the financial position and performance of the Company over the reporting term.

The Managing Board of the Company observes that companies were not given sufficient time to prepare the comprehensive reporting system in accordance with the Ljubljana Stock Exchange Rules, as these were only published in the second half of the financial year (Official Gazette of the Republic of Slovenia, *Ur.list RS* No. 80/2005 of 29 August 2005).

For this reason, we will not publish the financial statements for the Company Intereuropa GLS, d.d. prepared under the IFRS, and the consolidated financial statements for the Intereuropa Group prepared under the SRS for the financial year 2005. The Managing Board further undertakes that following the Resolution of the General Meeting, the Parent Company will also be using the IFRS with effect from 1 January 2006.