



Atlantic Grupa d.d.

Non-consolidated financial results for the year ended 31 December 2014 (unaudited)

ATLANTIC GRUPA d.d., Joint Stock Company for Domestic and Foreign Trade, Miramarska 23, 10000 Zagreb, Croatia, tel: +385 (1) 24 13 900, fax: +385 (1) 24 13 901, www.atlanticgrupa.com. The Company is registered with the Commercial Court of Zagreb, Company Registration Number (MBS): 080245039; Company Identification Number (MB): 1671910; Personal Identification Number (PIN): 71149912416. IBAN: HR2624840081101427897, Raiffeisenbank Austria d.d., Petrinjska 59, 10000 Zagreb; HR5024840081500117544, Raiffeisenbank Austria d.d., Petrinjska 59, 10000 Zagreb; HR9223600001101842569, Zagrebačka banka d.d., Trg bana Josipa Jelačića 10, 10000 Zagreb; HR4624020061100280870, Erste&Steiermarkische Bank d.d., Jadranski trg 3a, 51000 Rijeka; HR7423400091110356539, Privredna banka Zagreb d.d., Radnička cesta 50, 10000 Zagreb; HR7625030071100076424, Sberbank d.d., Varšavska 9, 10000 Zagreb. The number of shares and their nominal value: 3,334,300 shares, each in the nominal amount of HRK 40.00. Share capital: 133,372,000.00 HRK, paid in full. Management Board: E. Tedeschi, M. Veber, N. Vranković, Z. Stanković; President of the Supervisory Board: Z. Adrović.

Content:

- I. Report on business results for the year ended 31 December 2014**
- II. Unaudited non-consolidated financial reports for the year ended 31 December 2014**
- III. Statement of liability for preparation of financial reports**

General information:

Atlantic Grupa d.d. was incorporated in Republic of Croatia in 2002. Atlantic Grupa d.d. is domiciled in Zagreb, Miramarska 23, Croatia.

Atlantic Grupa d.d. performs corporate activities such as planning entrepreneurial functions, organisation of principal activities, gathering and utilising financial assets, defining strategy and development of business activities of Atlantic Grupa.

On December 31th 2014 Atlantic Grupa employed 94 employees.

Management Board members:

- ❖ Emil Tedeschi, President of the Management Board
- ❖ Mladen Veber, Senior Group Vice President for Business Operations
- ❖ Neven Vranković, Group Vice President for Corporate Affairs
- ❖ Zoran Stanković, Group Vice President for Finance

Supervisory Board members:

- ❖ Zdenko Adrović, President
- ❖ Lada Tedeschi Fiorio, Vice President
- ❖ Siniša Petrović, member
- ❖ Peter Elam Håkansson, member
- ❖ Franz Josef Flosbach, member
- ❖ Saša Pekeč, member
- ❖ Vedrana Jelušić-Kašić, member

On December 31th 2014 share capital of Atlantic Grupa d.d. totalled HRK 133,372,000.00 divided into 3,334,300 ordinary shares in the nominal amount of HRK 40.00.

Financial results for the year ended 31 December 2014:

For the year ended 31 December 2014 Atlantic Grupa d.d. reported HRK 113,226,531.00 of operating income, attributed in total to other operating income.

In the same period, Atlantic Grupa d.d. reported HRK 92,405,400.00 of operating costs. Employee benefits expenses in the amount of HRK 42,166,365.00 related to net salaries, taxes and contributions from salary expenses and contributions on salary, and also other expenses in the amount of HRK 36,578,139.00 represent the largest amount of operating costs. Other costs relate to maintenance, rent, sponsorship and other services.

For the year ended 31 December 2014 financial income amounted HRK 3,212,823.00, while financial expenses amounted to HRK 25,203,109.00.

Atlantic Grupa d.d. reported HRK 2,135,168.00 of net loss for the year ended 31 December 2014.

ATLANTIC GRUPA d.d.

**INTERIM CONDENSED NON-CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (UNAUDITED)**

Annex 1.

Reporting period

1.1.2014

to

31.12.2014

Quarterly financial report TFI-PODTax number (MB): **01671910**Company registration number (MBS): **080245039**Personal identification number (OIB): **71149912416**Issuing company: **ATLANTIC GRUPA d.d.**Postal code and place: **10000****Zagreb**Street and house number: **MIRAMARSKA 23**E-mail address: **atlantic@atlantic.hr**Internet address: **www.atlantic.hr**

Municipality/city code and name

County code and name

Number of employees: **94**

(period end)

Consolidated report: **NO**NKD code: **51900**

Companies of the consolidation subject (according to IFRS)

Seat:

MB:

Bookkeeping service:

Contact person: **Ilincić Tatjana**

(only surname and name)

Telephone: **012413927**Telefaks: **012413002**E-mail address: **tatjana.ilincic@atlanticgrupa.com**Family name and name: **Stanković Zoran**

(person authorized to represent the company)

L.S.

(signature of the person authorized to represent the company)

BALANCE SHEET

AS AT 31 DECEMBER 2014

Position	AOP	Previous period	Current period
1	2	3	4
ASSETS			
A) RECEIVABLES FOR SUBSCRIBED NOT PAID CAPITAL	001		
B) NON-CURRENT ASSETS (003+010+020+029+033)	002	1.492.403.605	1.578.025.900
I. INTANGIBLE ASSETS (004 do 009)	003	4.816.979	6.625.840
1. Expenditure for development	004		
2. Concessions, patents, licenses, trademarks, service marks, software and other rights	005	1.358.812	4.212.882
3. Goodwill	006		
4. Advances for purchase of intangible assets	007		
5. Intangible assets in progress	008	3.458.167	2.412.958
6. Other intangible assets	009		
II. PROPERTY, PLANT AND EQUIPMENT (011 do 019)	010	16.389.381	14.567.328
1. Land	011		
2. Buildings	012	10.867.129	9.185.422
3. Plant and equipment	013		
4. Tools, working inventory and transportation assets	014	3.763.153	4.288.705
5. Biological assets	015		
6. Advances for purchase of tangible assets	016	308.174	47.441
7. Tangible assets in progress	017	1.392.217	987.052
8. Other tangible assets	018	58.708	58.708
9. Investment in real-estate	019		
III. NON-CURRENT FINANCIAL ASSETS (021 do 028)	020	1.468.110.125	1.554.818.225
1. Share in related parties	021	1.467.198.710	1.553.475.644
2. Loans to related parties	022		
3. Participating interests (shares)	023	46.326	46.326
4. Loans to companies with participating interest	024		
5. Investments in securities	025	370	370
6. Loans, deposits, etc.	026	864.719	1.295.885
7. Other non-current financial assets	027		
8. Equity-accounted investments	028		
IV. RECEIVABLES (030 do 032)	029	0	0
1. Receivables from related parties	030		
2. Receivables arising from sales on credit	031		
3. Other receivables	032		
V. DEFERRED TAX ASSET	033	3.087.120	2.014.507
C) CURRENT ASSETS (035+043+050+058)	034	92.623.954	65.263.903
I. INVENTORIES (036 do 042)	035	0	0
1. Raw materials and supplies	036		
2. Production in progress	037		
3. Finished products	038		
4. Merchandise	039		
5. Advances for inventories	040		
6. Long term assets held for sale	041		
7. Biological assets	042		
II. RECEIVABLES (044 do 049)	043	88.937.576	60.952.947
1. Receivables from related parties	044	85.532.496	56.831.572
2. Receivables from end-customers	045	251.528	163.509
3. Receivables from participating parties	046		
4. Receivables from employees and members of the company	047	0	
5. Receivables from government and other institutions	048	2.907.571	3.224.402
6. Other receivables	049	245.981	733.464
III. CURRENT FINANCIAL ASSETS (051 do 057)	050	15.000	465.997
1. Share in related parties	051		
2. Loans to related parties	052		
3. Participating interests (shares)	053		
4. Loans to companies with participating interest	054		
5. Investments in securities	055		
6. Loans, deposits, etc.	056	15.000	465.997
7. Other financial assets	057		
IV. CASH AND CASH EQUIVALENTS	058	3.671.378	3.844.959
D) PREPAYMENTS AND ACCRUED INCOME	059	1.092.151	1.513.265
E) TOTAL ASSETS (001+002+034+059)	060	1.586.119.710	1.644.803.068

BALANCE SHEET

AS AT 31 DECEMBER 2014

Position	AOP	Previous period	Current period
1	2	3	4
A) ISSUED CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	1.208.968.963	1.172.806.387
I. SUBSCRIBED SHARE CAPITAL	063	133.372.000	133.372.000
II. CAPITAL RESERVES	064	882.596.886	882.575.161
III. RESERVES FROM PROFIT (066+067-068+069+070)	065	-15.511	-76.266
1. Legal reserves	066		
2. Reserve for own shares	067		
3. Treasury shares and shares (deductible items)	068	15.511	76.266
4. Statutory reserves	069		
5. Other reserves	070		
IV. REVALUATION RESERVES	071	-2.337.767	-1.262.684
V. RETAINED EARNINGS OR LOSS CARRIED FORWARD (073-074)	072	215.749.082	160.333.344
1. Retained earnings	073	215.749.082	160.333.344
2. Loss carried forward	074		
VI. NET PROFIT OR LOSS FOR THE PERIOD (076-077)	075	-20.395.727	-2.135.168
1. Net profit for the period	076		
2. Net loss for the period	077	20.395.727	2.135.168
VII. MINORITY INTEREST	078		
B) PROVISIONS (080 do 082)	079	8.827.137	7.632.758
1. Provisions for pensions, severance pay and similar liabilities	080	8.077.137	7.352.758
2. Provisions for tax liabilities	081		
3. Other provisions	082	750.000	280.000
C) NON-CURRENT LIABILITIES (084 do 092)	083	175.085.494	145.239.654
1. Liabilities to related parties	084	61.101.144	30.645.884
2. Liabilities for loans, deposits, etc.	085		
3. Liabilities to banks and other financial institutions	086		
4. Liabilities for advances	087		
5. Trade payables	088		
6. Commitments on securities	089	113.984.350	114.593.770
7. Liabilities to companies with participating interest	090		
8. Other non-current liabilities	091		
9. Deferred tax liabilities	092		
D) CURRENT LIABILITIES (094 do 105)	093	192.044.688	316.369.773
1. Liabilities to related parties	094	151.392.542	200.504.729
2. Liabilities for loans, deposits, etc.	095		
3. Liabilities to banks and other financial institutions	096	1.023.541	101.448.632
4. Liabilities for advances	097		
5. Trade payables	098	6.820.521	7.881.522
6. Commitments on securities	099	1.361.015	1.332.750
7. Liabilities to companies with participating interest	100		
8. Liabilities to employees	101	1.420.552	1.665.174
9. Taxes, contributions and similar liabilities	102	2.051.015	1.800.766
10. Liabilities arising from share in the result	103	111.382	111.799
11. Liabilities arising from non-current assets held for sale	104		
12. Other current liabilities	105	27.864.120	1.624.401
E) ACCRUED EXPENSES AND DEFERRED INCOME	106	1.193.428	2.754.496
F) TOTAL EQUITY AND LIABILITIES (062+079+083+093+106)	107	1.586.119.710	1.644.803.068

INCOME STATEMENT

FOR THE PERIOD ENDED 31 DECEMBER 2014

Income statement					
period 01.01.2014. to 31.12.2014.					
Company: Atlantic grupa d.d.					
Position	AOP	Previous period	Previous period	Current period	Current period
		Cummulative	Quarter	Cummulative	Quarter
1	2	3	4	5	6
I. OPERATING INCOME (112 do 113)	111	104.519.168	38.279.410	113.226.531	32.264.924
1. Rendering of services	112				
2. Other operating income	113	104.519.168	38.279.410	113.226.531	32.264.924
II. OPERATING COSTS (115+116+120+124+125+126+129+130)	114	97.404.408	36.185.295	92.405.400	19.603.417
1. Change in inventories of work in progress	115				
2. Material expenses (117 do 119)	116	104.639	31.565	101.633	37.452
a) Costs of raw materials	117	104.639	31.565	101.633	37.452
b) Cost of goods sold	118				
c) Other material expenses	119				
3. Employee benefits expenses (121 do 123)	120	41.441.498	13.317.631	42.166.365	11.906.249
a) Net salaries	121	22.007.536	8.722.130	19.926.742	5.595.161
b) Tax and contributions from salary expenses	122	14.436.143	3.411.934	16.182.987	4.580.696
c) Contributions on salary	123	4.997.819	1.183.567	6.056.636	1.730.393
4. Depreciation and amortisation	124	2.706.596	753.358	4.241.448	1.172.896
5. Other expenses	125	38.602.024	11.561.771	36.578.139	1.991.602
6. Write down of assets (127+128)	126	15.228.250	15.228.250	44.660	0
a) non-current assets (except financial assets)	127				
b) current assets (except financial assets)	128	15.228.250	15.228.250	44.660	0
7. Provisions	129				
8. Other operating costs	130	-678.599	-4.707.280	9.273.155	4.495.218
III. FINANCIAL INCOME (132 do 136)	131	7.312.013	3.603.524	3.212.823	496.301
1. Interest, foreign exchange differences, dividends and similar income from related parties	132	4.000.000	4.000.000		
2. Interest, foreign exchange differences, dividends and similar income from third parties	133	3.312.013	-396.476	3.212.823	496.301
3. Income from investments in associates and joint ventures	134				
4. Unrealised gains (income) from financial assets	135				
5. Other financial income	136				
IV. FINANCIAL EXPENSES (138 do 141)	137	32.950.803	6.640.498	25.203.109	6.952.469
1. Interest, foreign exchange differences, dividends and similar income from related parties	138	7.886.222	1.589.841	6.227.543	1.372.401
2. Interest, foreign exchange differences, dividends and similar income from third parties	139	25.064.581	5.050.657	18.975.566	5.580.068
3. Unrealised losses (expenses) from financial assets	140				
4. Other financial expenses	141				
V. SHARE OF PROFIT FROM ASSOCIATED COMPANIES	142				
VI. SHARE OF LOSS FROM ASSOCIATED COMPANIES	143				
VII. EXTRAORDINARY - OTHER INCOME	144				
VIII. EXTRAORDINARY - OTHER EXPENSES	145				
IX. TOTAL INCOME (111+131+144)	146	111.831.181	41.882.934	116.439.354	32.761.225
X. TOTAL EXPENSES (114+137+143+145)	147	130.355.211	42.825.793	117.608.509	26.555.886
XI. PROFIT OR LOSS BEFORE TAXES (146-147)	148	-18.524.030	-942.859	-1.169.155	6.205.339
1. Profit before taxes (146-147)	149	0	0	0	6.205.339
2. Loss before taxes (147-146)	150	18.524.030	942.859	1.169.155	0
XII. TAXATION	151	1.870.809	-1.231.304	966.013	2.933.016
XII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	-20.394.839	288.445	-2.135.168	3.272.323
1. Profit for the period (149-151)	153	0	288.445	0	3.272.323
2. Loss for the period (151-148)	154	20.394.839	0	2.135.168	0

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 DECEMBER 2014

Cash flow statement - indirect method			
period 01.01.2014. to 31.12.2014.			
Company: Atlantic grupa d.d.			
Position	AOP	Previous period	Current period
1	2	3	4
CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	001	-18.524.030	-1.169.155
2. Depreciation and amortisation	002	2.706.596	4.241.448
3. Decrease of current liabilities	003	2.340.779	2.472.854
4. Decrease of current receivables	004	511.616	569.296
5. Decrease of inventories	005		
6. Other cash flow increases	006	9.416.640	1.775.353
I. Total increase of cash flow from operating activities	007	-3.548.399	7.889.795
1. Decrease of current liabilities	008		
2. Increase of current receivables	009		
3. Increase of inventories	010		
4. Other cash flow decreases	011		
II. Total decrease of cash flow from operating activities	012	0	0
A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES	013	0	7.889.795
A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES	014	3.548.399	0
CASH FLOW FROM INVESTING ACTIVITIES			
1. Proceeds from sale of non-current assets	015		
2. Proceeds from sale of non-current financial assets	016		
3. Interest received	017	702.603	13.888
4. Dividend received	018	20.000.000	26.773.842
5. Other proceeds from investing activities	019	18.945.388	87.003
III. Total cash inflows from investing activities	020	39.647.991	26.874.733
1. Purchase of non-current assets	021	11.724.157	4.228.255
2. Purchase of non-current financial assets	022	4.800	86.276.934
3. Other cash outflows from investing activities	023	417.309	962.000
IV. Total cash outflows from investing activities	024	12.146.266	91.467.189
B1) NET INCREASE OF CASH FLOW FROM INVESTING ACTIVITIES	025	27.501.725	0
B2) NET DECREASE OF CASH FLOW FROM INVESTING ACTIVITIES	026	0	64.592.456
CASH FLOW FROM FINANCING ACTIVITIES			
1. Proceeds from issue of equity securities and debt securities	027		
2. Proceeds from loans and borrowings	028	74.462.000	144.629.684
3. Other proceeds from financing activities	029		
V. Total cash inflows from financing activities	030	74.462.000	144.629.684
1. Repayment of loans and bonds	031	57.370.000	52.242.024
2. Dividends paid	032	30.008.052	35.009.919
3. Repayment of finance lease	033		
4. Purchase of treasury shares	034	9.062.534	501.500
5. Other cash outflows from financing activities	035		
VI. Total cash outflows from financing activities	036	96.440.586	87.753.443
C1) NET INCREASE OF CASH FLOW FROM FINANCING ACTIVITIES	037	0	56.876.241
C2) NET DECREASE OF CASH FLOW FROM FINANCING ACTIVITIES	038	21.978.586	0
Total increases of cash flows	039	1.974.740	173.581
Total decreases of cash flows	040	0	0
Cash and cash equivalents at the beginning of period	041	1.696.638	3.671.378
Increase of cash and cash equivalents	042	1.974.740	173.581
Decrease of cash and cash equivalents	043	0	0
Cash and cash equivalents at the end of period	044	3.671.378	3.844.959

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 DECEMBER 2014

STATEMENT OF CHANGES IN EQUITY

period 1.1.2014 to 31.12.2014

Position	AOP	Previous year	Current year
1	2	3	4
1. Subscribed share capital	001	133.372.000	133.372.000
2. Capital reserves	002	882.596.886	882.575.161
3. Reserves from profit	003	-15.511	-76.266
4. Retained earnings or loss carried forward	004	215.749.082	160.333.344
5. Net profit or loss for the period	005	-20.395.727	-2.135.168
6. Revaluation of tangible assets	006		
7. Revaluation of intangible assets	007		
8. Revaluation of available for sale assets	008		
9. Other revaluation	009	-2.337.767	-1.262.684
10. Total equity and reserves (AOP 001 to 009)	010	1.208.968.963	1.172.806.387
11. Foreign exchange differences from foreign investments	011		
12. Current and deferred taxes	012		
13. Cash flow hedge	013	2.070.156	1.075.083
14. Change of accounting policies	014		
15. Correction of significant mistakes of prior period	015		
16. Other changes	016	-50.799.048	-37.237.659
17. Total increase or decrease of equity (AOP 011 to 016)	017	-48.728.892	-36.162.576



Atlantic Grupa d.d.
Miramarska 23
Zagreb

Register number: 1671910

Zagreb, 23 February 2015

Pursuant to the article 407. to 410. of the Capital market Law (Official Gazette 88/08, 146/08 and 74/09) the President of the Management Board of Atlantic Grupa d.d., Miramarska 23, Zagreb provides

MANAGEMENT BOARD'S STATEMENT OF LIABILITY

The consolidated and separate financial statements of Atlantic Grupa d.d. have been prepared pursuant to the International Financial Reporting Standards (IFRS) and Croatian Accounting Law.

The non-consolidated financial statements for the period from 1 January 2014 till 31 December 2014 present complete and fair view of assets and liabilities, profit and loss, financial position and operations of the Company.

The management report for the year ended 31 December 2014 presents true and fair presentation of development and results of the Company's operations with description of significant risks and uncertainties for the Company.

President of the Management Board

Emil Tedeschi

ATLANTIC GRUPA joint stock company for internal and external trade,

Zagreb, Miramarska 23, Croatia, tel: +385 (1) 24 13 900, fax: +385 (1) 24 13 901, www.atlanticgrupa.com.

The company is registered with the Commercial Court in Zagreb, registration number: 080245039, OIB (personal identification number): 71149912416.
Account number: 2484008-1101427897 Raiffeisenbank Austria d.d., Zagreb, Petrinjska 59; The authorized share capital: 133.372.000,00 kn, paid in cash completely.

The number of shares and their nominal value: 3.334.300 shares, each in the nominal amount of 40,00kn.

The Management Board: Emil Tedeschi, M. Veber, N. Vranković, Z. Stanković; The President of Supervisory Board: Z. Adrović.



Contact:

Atlantic Grupa d.d.
Miramarska 23
10 000 Zagreb
Croatia

Tel. +385 1 2413 908

E-mail: ir@atlanticgrupa.com

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