



Atlantic Grupa d.d.

**Non-consolidated financial results
for the FY13 (audited)**

Content:

- I. Report on business results for the FY13**

- II. Audited non-consolidated financial reports for the FY13**

General information:

Atlantic Grupa d.d. was incorporated in the Republic of Croatia in 2002. Atlantic Grupa d.d. is domiciled in Zagreb, Miramarska 23, Croatia. On December 31st 2013 Atlantic Grupa employed 82 employees.

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

Management Board members:

- ❖ Emil Tedeschi, President of the Management Board
- ❖ Mladen Veber, Senior Vice President for business operations
- ❖ Neven Vranković, Vice President for Corporate Affairs
- ❖ Zoran Stanković, Vice President for Finance, IT and Business Development

Supervisory Board members:

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

On December 31st 2013 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 FY13:

For the year ended 31 December 2013 Atlantic Grupa d.d. reported HRK 108,520 thousand of total operating income.

In the same period, Atlantic Grupa d.d. reported HRK 97,405 thousand of total operating costs. Staff costs in the amount of HRK 53,111 thousand related to gross salaries, share options granted and other staff costs, and other operating costs in the amount of HRK 50,947 thousand related to rent, transportation services, entertainment, intellectual services, maintenance and other costs represent the largest amount of total operating costs.

For the year ended 31 December 2013 financial income amounted to HRK 3,312 thousand while financial expenses amounted to HRK 32,951 thousand.

Atlantic Grupa d.d. reported HRK 20,395 thousand of net loss for the year ended 31 December 2013.

ATLANTIC GRUPA d.d.

**CONDENSED NON-CONSOLIDATED FINANCIAL STATEMENTS FOR THE
YEAR 2013 (AUDITED)**

ATLANTIC GRUPA d.d.**INCOME STATEMENT****FOR THE YEAR ENDED 31 DECEMBER 2013***(all amounts expressed in thousands of HRK)*

	2013	2012
Revenues	100,518	85,466
Other income	8,002	8,237
Staff costs	(53,111)	(41,767)
Marketing and promotion costs	(6,095)	(5,633)
Depreciation and amortisation	(2,707)	(1,963)
Other operating costs	(50,947)	(31,385)
Other gains – net	15,455	4,074
Operating profit	11,115	17,029
Finance income	3,312	4,211
Finance costs	(32,951)	(32,707)
Finance costs – net	(29,639)	(28,496)
(Loss) / Profit before tax	(18,524)	(11,467)
Income tax (expense) / credit	(1,871)	(429)
(Loss) / Profit for the year	(20,395)	(11,896)

ATLANTIC GRUPA d.d.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2013

(all amounts expressed in thousands of HRK)

	<u>2013</u>	<u>2012</u>
Loss for the year	(20,395)	(11,896)
Other comprehensive income:		
<i>Items that will not be reclassified to profit or loss</i>		
Actuarial loss from defined benefit plans	(4)	-
	<u>(4)</u>	<u>-</u>
<i>Items that may be subsequently reclassified to profit or loss</i>		
Cash flow hedge	2,070	319
	<u>2,070</u>	<u>319</u>
Total other comprehensive income	<u>2,066</u>	<u>319</u>
Total comprehensive loss	<u>(18,329)</u>	<u>(11,577)</u>

ATLANTIC GRUPA d.d.

BALANCE SHEET

AT 31 DECEMBER 2013

(all amounts are expressed in thousands of HRK)

	31 December 2013	31 December 2012
ASSETS		
Non-current assets		
Property, plant and equipment	16,388	9,470
Intangible assets	4,817	2,719
Investments in subsidiaries and joint ventures	1,467,199	1,467,562
Deferred income tax assets	3,087	5,095
Available-for-sale financial assets	47	42
Trade and other receivables	865	438
	<u>1,492,403</u>	<u>1,485,326</u>
Current assets		
Trade and other receivables	87,325	165,224
Income tax receivable	2,721	1,620
Cash and cash equivalents	3,671	1,697
	<u>93,717</u>	<u>168,541</u>
Total assets	<u>1,586,120</u>	<u>1,653,867</u>
EQUITY AND LIABILITIES		
Capital and reserves attributable to owners of the Company		
Share capital	133,372	133,372
Share premium	882,597	882,748
Treasury shares	(16)	-
Cash flow hedge reserves	(2,338)	(4,408)
Retained earnings	195,355	245,986
Total equity	<u>1,208,970</u>	<u>1,257,698</u>
Non-current liabilities		
<i>Borrowings</i>	175,085	203,923
<i>Provisions</i>	155	138
	<u>175,240</u>	<u>204,061</u>
Current liabilities		
Trade and other payables	37,108	45,856
<i>Borrowings</i>	150,401	121,814
<i>Provisions</i>	8,672	8,180
Derivative financial instruments	5,729	16,258
	<u>201,910</u>	<u>192,108</u>
Total liabilities	<u>377,150</u>	<u>396,169</u>
Total equity and liabilities	<u>1,586,120</u>	<u>1,653,867</u>

ATLANTIC GRUPA d.d.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2013

<i>(in thousands of HRK)</i>	Share capital (Note 19)	Cash flow hedge reserves	Retained earnings	Total
At 1 January 2012	1,015,904	(4,727)	224,357	1,235,534
Comprehensive income:				
Net loss for the year	-	-	(11,896)	(11,896)
Other comprehensive income	-	319	-	319
Total comprehensive income/(loss)	-	319	(11,896)	(11,577)
Transaction with owners				
Purchase of treasury shares	(5,393)	-	-	(5,393)
Share based payment	5,609	-	247	5,856
Effect of merger	-	-	33,278	33,278
At 31 December 2012	1,016,120	(4,408)	245,986	1,257,698
Comprehensive income:				
Net loss for the year	-	-	(20,395)	(20,395)
Other comprehensive income	-	2,070	(4)	2,066
Total comprehensive income/(loss)	-	2,070	(20,399)	(18,329)
Transaction with owners				
Purchase of treasury shares	(9,063)	-	-	(9,063)
Share based payment	8,896	-	(224)	8,672
Dividends relating to 2012	-	-	(30,008)	(30,008)
At 31 December 2013	1,015,953	(2,338)	195,355	1,208,970

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 DECEMBER 2013

(all amounts expressed in thousands of HRK)

	2013	2012
Cash flows used in operating activities:		
Cash generated from/ (used in) operations	21,071	(22,060)
Income tax paid	(1,482)	(1,724)
Interest paid	(23,139)	(21,819)
	<u>(3,550)</u>	<u>(45,603)</u>
Cash flows from/(used in) investing activities		
Purchases of property, plant and equipment and intangible assets	(11,723)	(8,582)
Proceeds from sale of property, plant and equipment	-	57
Proceeds from liquidation and disposal of investment in subsidiary	363	3,500
Repayments of loans receivable and deposits placed - net	18,161	6,177
Investments in subsidiaries	-	(4,088)
Cash acquired through merger	-	32
Dividends received	20,000	-
Interest received	702	14
	<u>27,503</u>	<u>(2,890)</u>
Cash flows (used in)/from financing activities		
Purchase of treasury shares	(9,063)	(5,393)
Dividends paid	(30,008)	-
Proceeds from borrowings	74,462	114,184
Repayment of borrowings	(57,370)	(62,399)
	<u>(21,979)</u>	<u>46,392</u>
Net increase/(decrease) in cash and cash equivalents	<u>1,974</u>	<u>(2,101)</u>
Cash and cash equivalents at beginning of year	1,697	3,798
Cash and cash equivalents at end of year	<u>3,671</u>	<u>1,697</u>



Contact:

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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 kuna, 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.