

Reporting period 01.01.2010. to 31.12.2010.

**Trimestral financial statement of the entrepreneur - TFI-POD**

Register number (MB): 03440494  
 Entity register number (MBS): 060007090  
 Personal identification number (OIB): 48351740621

Issuing company: AD PLASTIK d.d. (SC)

Post code and place: 21210 Solin

Street and house number: Matoševa 8

E-mail address: adplastik@adplastik.hr

Internet address: www.adplastik.hr

Municipality/city code and name: 406 Solin

County code and name: 17 Splitsko-dalmatinska No. Of employees 887

(at the end of the trimester)

Consolidated report NO NCA code: 2932

Names of consolidation subjects (according to IFRS)	Seat	Register number (MB)

Bookkeeping service:

Contact person: Marica Jakelić  
 (only the name and surname of the contact person to be entered)

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Name and surname: Katija Klepo  
 (person authorised for representation)

Documentation for publishing:

1. Financial statements (balance sheet, profit and loss account, cash flow report, report on changes to the capital, and notes accompanying financial statements)
2. Statement of the persons responsible for compiling financial statements
3. Management report on the company's business



*Klepo*  
 (signature of the person authorised for representation)

<b>BALANCE</b>			
	status as of	31.12.2010.	
			amounts in HRK
Item	AOP designation	Previous period	Current period
1	2	3	4
<b>ACTIVE</b>			
<b>A) CLAIMS FOR SUBSCRIBED CAPITAL UNPAID</b>	<b>001</b>		
<b>B) FIXED ASSETS</b>	<b>002</b>	<b>638.380.477</b>	<b>700.212.819</b>
I. IMMATERIAL ASSETS	<b>003</b>	54.660.314	42.788.430
II. MATERIAL ASSETS	<b>004</b>	415.012.228	437.564.696
III. FIXED FINANCIAL ASSETS	<b>005</b>	168.707.935	219.859.693
IV. CLAIMS	<b>006</b>	0	0
V. DEFERRED TAX ASSETS	<b>007</b>	0	0
<b>C) CURRENT ASSETS</b>	<b>008</b>	<b>331.197.898</b>	<b>301.179.838</b>
I. RESERVES	<b>009</b>	37.296.824	35.520.133
II. CLAIMS	<b>010</b>	227.646.380	195.807.862
III. CURRENT FINANCIAL ASSETS	<b>011</b>	60.782.119	66.551.032
IV. CASH AT BANK AND IN HAND	<b>012</b>	5.472.575	3.300.811
<b>D) PAID EXPENSES OF THE FUTURE PERIOD AND CALCULATED INCOME</b>	<b>013</b>	<b>58.539.684</b>	<b>76.405.163</b>
<b>E) LOSS EXCEEDING CAPITAL AMOUNT</b>	<b>014</b>		
<b>F) TOTAL ACTIVE</b>	<b>015</b>	<b>1.028.118.059</b>	<b>1.077.797.820</b>
<b>G) OFF-BALANCE RECORDS</b>	<b>016</b>	7.149.642	7.149.642
<b>PASSIVE</b>			
<b>A) CAPITAL AND RESERVES</b>	<b>017</b>	<b>636.976.764</b>	<b>667.209.601</b>
I. CAPITAL STOCK (SUBSCRIBED)	<b>018</b>	419.958.400	419.958.400
II. CAPITAL RESERVES	<b>019</b>	180.641.899	181.239.161
III. RESERVES FROM PROFIT	<b>020</b>	4.983.689	21.783.330
IV. REVALORISATION RESERVES	<b>021</b>	8.489.504	8.489.504
V. RETAINED PROFIT	<b>022</b>		
VI. LOSS CARRIED OVER	<b>023</b>		
VII. BUSINESS YEAR PROFIT	<b>024</b>	22.903.272	35.739.206
VIII. BUSINESS YEAR LOSS	<b>025</b>		
IX. MINORITY INTEREST	<b>026</b>		
<b>B) RESERVES</b>	<b>027</b>		<b>9.140.467</b>
<b>C) FIXED LIABILITIES</b>	<b>028</b>	<b>153.194.194</b>	<b>123.169.601</b>
<b>D) CURRENT LIABILITIES</b>	<b>029</b>	<b>236.597.348</b>	<b>274.796.247</b>
<b>E) DEFERRED PAYMENT OF EXPENSES AND INCOME OF THE FUTURE PERIOD</b>	<b>030</b>	<b>1.349.753</b>	<b>3.481.904</b>
<b>F) TOTAL - PASSIVE</b>	<b>031</b>	<b>1.028.118.059</b>	<b>1.077.797.820</b>
<b>G) OFF-BALANCE RECORDS</b>	<b>032</b>	7.149.642	7.149.642
<b>ADDENDUM TO THE BALANCE SHEET (filled in by the entrepreneur compiling the consolidated annual financial statement)</b>			
<b>CAPITAL AND RESERVES</b>			
1. Ascribed to holders of the parent company capital	<b>033</b>		
2. Ascribed to minority interest	<b>034</b>		

PROFIT AND LOSS ACCOUNT						
		for the period from	01.01.2010.	to	31.12.2010.	
						amounts in HRK
Item	AOP design.	Previous period		Current period		
		Cumulative	Trimester	Cumulative	Trimester	
1	2	3	4	5	6	
<b>I. BUSINESS INCOME</b>	<b>035</b>	<b>506.554.498</b>	<b>151.532.046</b>	<b>552.964.892</b>	<b>149.330.236</b>	
1. Sales income	036	496.715.777	146.661.466	537.853.043	138.610.988	
2. Income based on the use of own products, goods and services	037	1.321.634	773.830	1.858.211	598.479	
3. Other business income	038	8.517.087	4.096.750	13.253.638	10.120.769	
<b>II. BUSINESS EXPENSES</b>	<b>039</b>	<b>486.505.635</b>	<b>145.297.911</b>	<b>530.267.115</b>	<b>144.817.983</b>	
1. Decrease of the value of unfinished production reserves	040	6.329.124	1.226.234			
2. Increase of the value of unfinished production reserves	041			2.975.287	2.338.838	
3. Material expenses	042	294.635.069	85.841.451	339.739.808	81.578.401	
4. Staff expenses	043	90.667.539	25.612.270	93.024.790	22.037.294	
5. Amortisation	044	45.488.375	16.043.225	41.923.570	10.382.519	
6. Other expenses	045	45.374.337	14.182.480	45.481.392	21.311.246	
7. Value adjustment	046					
8. Reserves	047			9.140.467	9.140.467	
9. Other business expenses	048	4.011.191	2.392.251	3.932.375	2.706.894	
<b>III. FINANCIAL INCOME</b>	<b>049</b>	<b>40.949.476</b>	<b>15.409.454</b>	<b>57.107.586</b>	<b>28.606.778</b>	
1. Interest, currency exchange rate variations, dividends and similar income from relations with associated entrepreneurs	050	3.261.220	1.478.636	5.284.366	1.276.355	
2. Interest, currency exchange rate variations, dividends and similar income from relations with non-associated entrepreneurs	051	25.862.917	8.444.409	29.274.789	10.572.748	
3. Part of income from associated entrepreneurs and participating interests	052	11.825.339	5.486.409	22.548.431	16.757.675	
4. Unrealised profit (income)	053					
5. Other financial income	054					
<b>IV. FINANCIAL EXPENSES</b>	<b>055</b>	<b>38.095.067</b>	<b>13.863.346</b>	<b>44.066.157</b>	<b>13.341.503</b>	
1. Interests, currency exchange rate variations and other expenses with associated entrepreneurs	056					
2. Interests, currency exchange rate variations and other expenses with non-associated entrepreneurs	057	38.095.067	13.863.346	35.109.564	12.462.270	
3. Unrealised financial assets losses (expenses)	058			8.956.593	879.233	
4. Other financial expenses	059					
<b>V. OFF-BALANCE - OTHER INCOME</b>	<b>060</b>					
<b>VI. OFF-BALANCE - OTHER EXPENSES</b>	<b>061</b>					
<b>VII. TOTAL INCOME</b>	<b>062</b>	<b>547.503.974</b>	<b>166.941.500</b>	<b>610.072.478</b>	<b>177.937.014</b>	
<b>VIII. TOTAL EXPENSES</b>	<b>063</b>	<b>524.600.702</b>	<b>159.161.257</b>	<b>574.333.272</b>	<b>158.159.486</b>	
<b>IX. PROFIT BEFORE TAXATION</b>	<b>064</b>	<b>22.903.272</b>	<b>7.780.243</b>	<b>35.739.206</b>	<b>19.777.528</b>	
<b>X. LOSS BEFORE TAXATION</b>	<b>065</b>					
<b>XI. INCOME TAX</b>	<b>066</b>					
<b>XII. PERIOD PROFIT</b>	<b>067</b>	<b>22.903.272</b>	<b>7.780.243</b>	<b>35.739.206</b>	<b>19.777.528</b>	
<b>XIII. PERIOD LOSS</b>	<b>068</b>					
<b>ADDENDUM TO THE P&amp;L (filled in by the entrepreneur compiling the consolidated annual financial statement)</b>						
<b>XIV.* PROFIT ASCRIBED TO HOLDERS OF THE PARENT COMPANY CAPITAL</b>	<b>069</b>					
<b>XV.* PROFIT ASCRIBED TO THE MINORITY INTEREST</b>	<b>070</b>					
<b>XVI.* LOSS ASCRIBED TO HOLDERS OF TH PARENT COMPANY CAPITAL</b>	<b>071</b>					
<b>XVII.* LOSS ASCRIBE TO THE MINORITY INTEREST</b>	<b>072</b>					

## CASH FLOW REPORT - Indirect method

in the period from **1.1.2010** to **31.12.2010**

amounts in HRK

Item	AOP designati	Previous period	Current period
1	2	3	4
<b>CASH FLOW FROM BUSINESS ACTIVITIES</b>			
1. Profit before taxation	073	22.903.272	35.739.206
2. Amortisation	074	45.488.375	41.923.570
3. Increase of current liabilities	075	39.246.662	49.471.518
4. Decrease of current claims	076		13.973.039
5. Decrease in reserves	077	12.412.524	1.776.691
6. Other increase of cash flow	078	8.480.648	1.460.342
<b>I. Total increase of cash flow from business activities</b>	<b>079</b>	<b>128.531.481</b>	<b>144.344.366</b>
1. Decrease of current liabilities	080		
2. Increase of current claims	081	48.864.968	
3. Increase of reserves	082		
4. Other decrease of cash flow	083		
<b>II. Total decrease of cash flow from business activities</b>	<b>084</b>	<b>48.864.968</b>	<b>0</b>
<b>A1) NET INCREASE OF CASH FLOW FROM BUSINESS ACTIVITIES</b>	<b>085</b>	<b>79.666.513</b>	<b>144.344.366</b>
<b>A2) NET DECREASE OF CASH FLOW FROM BUSINESS ACTIVITIES</b>	<b>086</b>		
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>			
1. Cash inflows from sale of fixed material and immaterial assets	087	1.554.405	9.498.308
2. Cash inflows from sale of ownership and debt instruments	088		
3. Cash inflows from interest	089	4.803.621	9.275.345
4. Cash inflows from dividends	090		
5. Other cash inflows from investment activities	091		
<b>III. Total cash inflows from investment activities</b>	<b>092</b>	<b>6.358.026</b>	<b>18.773.653</b>
1. Cash expenditures for purchase of fixed material and immaterial assets	093	14.025.095	52.604.154
2. Cash expenditures for acquisition of ownership and debt financial instruments	094	19.903.069	47.814.237
3. Other cash expenditures from investment activities	095		
<b>IV. Total cash expenditures from investment activities</b>	<b>096</b>	<b>33.928.164</b>	<b>100.418.391</b>
<b>B1) NET INCREASE OF CASH FLOW FROM INVESTMENT ACTIVITIES</b>	<b>097</b>		
<b>B2) NET DECREASE OF CASH FLOW FROM INVESTMENT ACTIVITIES</b>	<b>098</b>	<b>27.570.138</b>	<b>81.644.738</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>			
1. Cash inflows from issuing ownership and debt financial instruments	099		
2. Cash inflows from credit principal, debentures, loans and other borrowings	100		
3. Other inflows from financial activities	101	12.172.011	
<b>V. Total cash inflows from financial activities</b>	<b>102</b>	<b>12.172.011</b>	<b>0</b>
1. Cash expenditures for the payment of credit principal and debentures	103	58.906.495	30.024.593
2. Cash expenditures for the payment of dividends	104		5.837.295
3. Cash expenditures for financial lease	105		
4. Cash expenditures for repurchase of own shares	106	2.767.960	
5. Other cash expenditures from financial activities	107		29.009.504
<b>VI. Total cash expenditures from ifnancial activities</b>	<b>108</b>	<b>61.674.455</b>	<b>64.871.392</b>
<b>C1) NET INCREASE OF CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>109</b>		
<b>C2) NET DECREASE OF CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>110</b>	<b>49.502.444</b>	<b>64.871.392</b>
Total cash flow increase	111	2.593.931	
Total cash flow decrease	112		2.171.764
Cash and cash equivalents at the beginning of the period	113	2.878.644	5.472.575
Cash and cash equivalents increase	114	2.593.931	
Cash and cash equivalents decrease	115		2.171.764
Cash and cash equivalents at the end of the period	116	5.472.575	3.300.811

REPORT ON CHANGES TO CAPITAL OF THE STOCK COMPANY					
	from	1.1.2010	to	31.12.2010	
					amounts in HRK
Item	AOP design.	Previous period	Increase	Decrease	Current period
1	2	31.12. of previous year		3	4
1. Subscribed capital	117	419.958.400			419.958.400
2. Capital reserves	118	180.641.899	597.262		181.239.161
3. Reserves from profit	119	4.983.689	16.799.641		21.783.330
4. retained profit or loss carried over	120				0
5. Current year profit or loss	121	22.903.272	35.739.206	22.903.272	35.739.206
6. Revalorisation of fixed material assets	122				0
7. Revalorisation of immaterial assets	123				0
8. Revalorisation of financial assets available for sale	124				0
9. Other revalorisation	125	8.489.504			8.489.504
10. Currency exchange rate variations from the item of net investments into foreign	126				
11. Current and deferred taxes (part)	127				
12. Cash flow protection	128				
13. Changes in bookkeeping policies	129				
14. Correction of significant mistakes from the previous period	130				
15. Other changes to capital	131				
<b>16. Total capital increase or decrease</b>	<b>132</b>	<b>636.976.764</b>	<b>53.136.109</b>	<b>22.903.272</b>	<b>667.209.601</b>
16a. Ascribed to holders of the parent company capital	133				
16b. Ascribed to minority interest	134				

## Notes to Financial Statements

\*1 Change in tangible assets is result of investment in buildings and land in Solin and new equipment reduced by corresponding amortization and selling of long term assets.

\*2 Increase in long term financial assets is result of investment increase in Faurecia ADP Holding and given long term loan to Faurecia ADP Luga. Beside that in this line there are results from associated companies based on equity method (EURO APS, Faurecia ADP Holding and SG Plastik).

\*3 There is an increase of short term loans in ADP Luga until the end of share capital reducing process in the same company. There is also increase in short term liabilities for received prepayments on a name of tooling for new projects.

\*4 Increase in other operating income relate to selling of assets – equipment, tooling and income from sued claims.

\*5 Provisions relate to potential risks of litigation, unused vacation and severance pay in parent Company.

\*6 Purchase of non-current financial assets relate to investment increase in Faurecia ADP Holding, and shares in result in associated companied according to equity method (EURO APS, Faurecia FADP Holding and SG Plastik).



**Management Interim Report of the AD Plastik  
group and Company AD Plastik Inc. Solin for the  
fourth quarter of 2010.**

**Solin, January 2011.**

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## a) Introduction to the report

### Financial highlights: 01.01. – 31.12.2010.

Indicator	Cumulative to 31.12. 2010.	Cumulative to 31.12.2009.	Rate changes (%)	Fourth Quarter 2010.	Fourth Quarter 2009.	Rate changes (%)
Income from sales (000 HRK)	693.679	597.178	8%	183.503	181.736	1%
Total income (000 HRK)	871.826	661.966	32%	192.062	187.678	2%
Net profit (000 HRK)	54.011	16.113	235%	24.613	11.232	119%

#### ❖ **Decrease the group debt**

The coefficient of the group debt increased from 0,40 to 0,37.

### Key developments in 2010th

#### ❖ **Realization of joint venture contract with the company Faurecia Automotive Holdings (FAH)**

The contract was signed for joint operations in the Russian market for automobile production and sale.

#### ❖ **The Renault award for the best automotive suppliers in the Euroasia for the AD Plastik and subsidiary ZAO PHR - Russia**

#### ❖ **Listing on the Official Market of the Zagreb Stock Exchange on October 1th, 2010.**

## b) **Management interim Report of the AD Plastik group for the period: 01.01. – 31.12.2010.**

Main business activity of AD Plastik group is manufacture of plastic parts for automobile industry. Besides this activity, the Group also manufactures package for food industry, products for households, etc.

On December 31th, 2010 the Group employed 2.387 employees, from which 887 were employed in the company AD Plastik Inc. Solin (parent Company).

On December 31th, 2010 the amount of the stock amounted kuna 419.958.400.

There was no change in the Management structure of the parent Company but in the Supervisory Board there was change of one member.

There was no significant change in the ownership structure. Prevent Global, owner of the 25,8% shares, is in the bankruptcy and the stocks are deposited in two Slovenian banks.

At the end of April company AD Plastik and French company Faurecia Automotive Holdings (FAH) realized joint venture contract for the purpose of common business running on the Russian market for automobile production and sale.



AD Plastik company and subsidiary ZAO PHR have received award for the products quality as the best Renault supplier in the Eurasia.

During the period from January to December 2010 the Group realized total income to the amount of kuna 871,8 million that represents 32% more than during the same period in the previous year when the income amounted kuna 661,97 million.

For the same period the parent Company realized total income to the amount of kuna 610,1 million that represents 11% more than during the same period in the previous year when the income amounted kuna 547,5 million.

Total expenditure of the Group business during the accounting period was kuna 813,7 million that represents 26% than during the same period in the previous year when total expenditure of business was kuna 645,9 million.

On the item reservations in business expenditure assets reserves are in the parent Company and relating to the potential risks of litigation, unused vacation and severance pay.

Total expenditure of the parent Company during the accounting period amount kuna 574,3 million that represents 9,5% more than during the same period in the previous year when total expenditure of business running amounted kuna 524,6 million.

During the monitored period the Group realized profit to the amount of kuna 54 million, while during the same period in the previous year it realized the profit to the amount of kuna 16,1 million.

During the same period the parent Company realized profit to the amount of kuna 35,7 million, while during the same period in the previous year it realized the profit to the amount of kuna 22,9 million.

Realized result was better than the planned result for the same period.

The financial reports can be subject of the some positions changes and as such represent unaudited preliminary financial reports to the auditors to provide opinions and accepting the final annual reports by the Management Board.

Audit of financial reports is in the progress and we do not expect significant impact on Group result in this report.

The basic consolidated financial reports of the Group are: consolidated data from the annual accounts for the AD Plastik Inc. Solin, ADP Luga, Russian Federation, ZAO PHR, Russian Federation and AD Plastik Ltd, Slovenia.

The results of the associated companies EAPS Romania, FADP Holding France and SG Plastik Ltd. Solin were included in the result of the parent Company by equity method.

### **c) Outlook for 2011th**

According to the 2011th budget we expect that the result will be approximately at the level of 2010th realization.

## **Financial reports of AD Plastik Group**

## 1. Balance sheet

Position (in HRK)	31.12.2010.	31.12.2009.	Note
Intangible assets	45.287.667	59.379.477	
Tangible assets	515.460.924	498.608.272	*1
Long-term financial assets	100.342.503	49.284.107	*2
Receivables			
Deferred tax assets	58.044		
<b>Long-term assets</b>	<b>661.149.138</b>	<b>607.271.856</b>	
Inventory	52.550.909	71.713.187	*3
Receivables	210.450.286	232.685.776	
Short-term financial assets	66.557.049	47.375.244	
Cash at bank and in hand	9.636.233	13.146.715	
<b>Short-term assets</b>	<b>339.194.477</b>	<b>364.920.922</b>	
<b>Paid future expenses/calculated income</b>	<b>76.426.962</b>	<b>58.541.664</b>	
<b>Loss above subscriben capital</b>			
<b>Total assets</b>	<b>1.076.770.577</b>	<b>1.030.734.442</b>	
<b>Off balanced sheet items</b>	<b>7.149.642</b>	<b>7.149.642</b>	
Share capital	419.958.400	419.958.400	
Capital reserves	181.284.652	160.483.340	
Reserves from profit	2.315.349	5.075.219	
Revaluation reserves	8.489.504	8.489.504	
Retained earnings		2.160.849	
Loss carried forward			
Net profit for the period	53.994.230	16.268.594	
Loss for the period			
Minority interest	24.990	768.257	
<b>Capital and reservs</b>	<b>666.067.125</b>	<b>613.204.163</b>	
<b>Reserving</b>	<b>9.140.467</b>		
<b>Long-term liabilities</b>	<b>123.239.265</b>	<b>153.262.003</b>	
<b>Short-term liabilities</b>	<b>274.841.816</b>	<b>262.907.577</b>	*4
<b>Overdraft/factoring</b>	<b>3.481.904</b>	<b>1.360.699</b>	
<b>Total liabilities</b>	<b>1.076.770.577</b>	<b>1.030.734.442</b>	
<b>Off balanced sheet items</b>	<b>7.149.642</b>	<b>7.149.642</b>	
<b>Annex to balance sheet</b>			
<b>Capital and reserves</b>			
Attributable to equity holders	666.042.135	612.435.906	
Attributable to minority interests	24.990	768.257	

\*1 AD Plastik bought land and building on location Solin during 2010.

\*2 Long term financial assets is bigger because of investment increase in Fuarecia ADP Holding and given long term loan to Faurecia ADP Luga. Beside that in this line there are results from associated companies based on equity method (EURO APS, Faurecia ADP Holding and SG Plastik).

\*3 There was an decrease in inventory in parent Company and because of inventory sales in company ADP Luga.

\*4 There was decrease in short term loans and suppliers, and increase in short term liabilities for received prepayments on a name of tooling for new projects.

## 2. Profit and loss account

Position (in HRK)	31.12.2010.		31.12.2009.		Note
	Cumulative	4. Q	Cumulative	4. Q	
Income from sales	693.678.593	183.502.512	597.177.874	181.735.598	
Income from usage of own products, merchandise and serv.	1.858.211	598.479	1.321.633	773.829	
Other operating income	98.026.317	7.960.529	10.324.674	5.168.553	*5
<b>Operating income</b>	<b>793.563.121</b>	<b>192.061.520</b>	<b>608.824.181</b>	<b>187.677.980</b>	
Decrease of work in the progress and finished products			6.308.871	781.940	
Increase of work in the progress and finished products	2.937.761	1.762.393			
Material expenses	457.110.167	106.291.164	361.179.992	110.804.370	*6
Employee costs	121.656.365	29.913.287	114.151.972	32.118.956	
Amortisation	55.005.019	15.722.269	51.881.850	17.786.294	
Other expenses	55.403.673	25.647.320	49.044.960	15.729.317	
Revaluation					
Reserves	9.140.467	3.352.976			*7
Other operating costs	61.825.180	5.259.782	4.011.191	2.392.251	*8
<b>Operating costs</b>	<b>757.203.110</b>	<b>184.424.405</b>	<b>586.578.836</b>	<b>179.613.128</b>	
Interest, foregin exchange differences, dividens (subsidiaries)	22.887.644	4.827.339	13.489.491	5.346.754	
Interst, foregin exchange differences, dividens (non subs.)	32.827.247	13.245.864	27.826.690	9.469.143	
Income from investment in associates and join ventures	22.548.431	16.757.675	11.825.339	5.486.410	
Unrealised gains (income)					
Other financial income					
<b>Financial income</b>	<b>78.263.322</b>	<b>34.830.878</b>	<b>53.141.520</b>	<b>20.302.307</b>	*9
Interest, foregin exc. differences and other expenses (sub.)	12.116.218	3.173.948	18.626.263	2.296.813	
Interest, foregin exc. differences and other expenses (non sub.)	35.396.978	12.540.535	40.647.361	14.838.039	
Unrealised losses (expenses) from financial assets	8.956.593	879.233			
Other financial expenses					
<b>Financial expenses</b>	<b>56.469.789</b>	<b>16.593.716</b>	<b>59.273.624</b>	<b>17.134.852</b>	*9
<b>Extraordinary - other income</b>					
<b>Extraordinary - other expenses</b>					
<b>Total income</b>	<b>871.826.443</b>	<b>226.892.398</b>	<b>661.965.701</b>	<b>207.980.287</b>	
<b>Total expenses</b>	<b>813.672.899</b>	<b>201.018.121</b>	<b>645.852.460</b>	<b>196.747.980</b>	
<b>Profit before taxes</b>	<b>58.153.544</b>	<b>25.874.277</b>	<b>16.113.241</b>	<b>11.232.307</b>	
<b>Loss before taxes</b>					
<b>Tax</b>	<b>4.142.506</b>	<b>1.261.640</b>			
<b>Net profit for the period</b>	<b>54.011.038</b>	<b>24.612.637</b>	<b>16.113.241</b>	<b>11.232.307</b>	
<b>Loss for the period</b>					
<b>Annex to Income statment</b>					
XIV.* Profit attributable to equity holders	53.994.230	24.607.352	16.268.594	10.672.991	
XV.* Profit attributable to minority interests	16.808	5.285		559.316	
XVI.* Loss attributable to equity holders					
XVII.* Loss attributable to minority interests			155.353		

\*5 Increase in other operating income relate to selling of assets in ADP Luga. The difference between income and expenses has no impact on result of the Group.

\*6 Material expenses increase is result of production increase, selling of inventory in ADP Luga Russia and change of product range.

\*7 Reserves are calculated because of potential risks of litigation, unused vacation and severance pay in parent Company.

\*8 Other operating costs include unamortized value of sold long-term assets in ADP Luga.

\*9 Financial income and expenses relate to interests, foreign exchange differences and shares in result in associated companied according to equity method (EURO APS, Faurecija FADP Holding and SGP).

### 3. Cash flow (indirect method)

Position (in HRK)	Current period	Previous period	Note
<b>Cash flow from operating activities</b>			
Profit before tax	58.153.544	16.113.241	
Amortisation	55.005.019	51.881.850	
Increase of current liabilities	23.195.911	37.857.544	
Decrease of current receivables	4.350.192		
Decrease of inventories	19.162.278	18.316.866	
Other cash flow increase			
<b>Total increase of cash flow from operating activities</b>	<b>159.866.944</b>	<b>124.169.501</b>	
Decrease of current liabilities			
Increase of current receivables		61.321.084	
Increase of inventories			
Other cash flow decrease	1.911.717	12.446.267	
<b>Total decrease of cash flow from operating activities</b>	<b>1.911.717</b>	<b>73.767.351</b>	
<b>Net increase/decrease of cash flow from operating activities</b>	<b>157.955.227</b>	<b>50.402.150</b>	
<b>Cash flow from investing activities</b>			
Proceeds from sale of non-current assets	46.689.522	1.554.405	
Proceeds from sale of non-current financial assets			
Interest received	9.275.345	4.803.621	
Dividend received			
Other proceeds from investing activities			
<b>Total cash inflows from investing activities</b>	<b>55.964.867</b>	<b>6.358.026</b>	
Purchase of non-current assets	104.455.383	21.601.399	*10
Purchase of non-current financial assets	34.222.399		*11
Other cash outflows from investing activities			
<b>Total cash outflows from investing activities</b>	<b>138.677.782</b>	<b>21.601.399</b>	
<b>Net increase/decrease of cash flow from investing activities</b>	<b>-82.712.915</b>	<b>-15.243.373</b>	
<b>Cash flow from financial activities</b>			
Proceeds from issues of equity securities and debt securities			
Proceeds from loans and borrowings			
Other proceeds from financial activities		37.888.629	
<b>Total cash inflows from financial activities</b>		<b>37.888.629</b>	
Repayment of loans and bonds	30.022.738	59.741.975	
Dividends paid	5.837.295		
Repayment of financial lease			
Purchase of treasury shares		2.767.960	
Other cash outflows from financial activities	35.871.797	5.181.972	
<b>Total cash outflows from financial activities</b>	<b>71.731.830</b>	<b>67.691.907</b>	
<b>Net increase/decrease of cash flow from financial activities</b>	<b>-71.731.830</b>	<b>-29.803.278</b>	
<b>Total increase of cash flow</b>		<b>5.355.499</b>	
<b>Total decrease of cash flow</b>	<b>3.510.482</b>		
<b>Cash and cash equivalents at beginning of period</b>	<b>13.146.715</b>	<b>7.791.217</b>	
<b>Increase of cash and cash equivalents</b>		<b>5.355.499</b>	
<b>Decrease of cash and cash equivalents</b>	<b>3.510.482</b>		
<b>Cash and cash equivalents at the end of period</b>	<b>9.636.233</b>	<b>13.146.716</b>	

\*10 Purchase of non-current assets relate to investments in land, buildings, equipment and intangible assets in parent Company and also investments in building and equipment in ZAO PHR.

\*11 Purchase of non-current financial assets relate mostly to investment increase in Faurecia ADP Holding.

#### **4. Report on changes of capital**

<b>Position (in HRK)</b>	<b>31.12.2009.</b>	<b>Increase</b>	<b>Decrease</b>	<b>Current period</b>
Subscribed capital	419.958.400			419.958.400
Capital reserves	160.483.340	20.801.312		181.284.652
Net income reserves	5.075.219		2.734.880	2.340.339
Retained earnings or loss carried forward	2.929.106		2.929.106	0
Net profit or loss for the period	16.268.594	37.725.636		53.994.230
Revaluation of property, plant and equipment				
Revaluation of intangible assets				
Revaluation of available for sale financial assets				
Other revaluation	8.489.504			8.489.504
Foreign exchange differences from investments				
Current and deferred tax (part)				
Hedging				
Change of accounting policies				
Change of prior period error				
Other changes in equity				
<b>Total increase or decrease of equity</b>	<b>613.204.163</b>	<b>58.526.948</b>	<b>5.663.986</b>	<b>666.067.125</b>
Attributable to equity holders	612.435.906			666.042.135
Attributable to minority interests	768.257			24.990

**Financial reports of the company AD Plastik Inc. Solin**

## 5. Balance sheet

Position (in HRK)	31.12.2010.	31.12.2009.	Note
Intangible assets	42.788.430	54.660.314	
Tangible assets	437.564.696	415.012.228	*1
Long-term financial assets	219.859.693	168.707.935	*2
Receivables			
Deferred tax asset			
<b>Long-term assets</b>	<b>700.212.819</b>	<b>638.380.477</b>	
Inventory	35.520.133	37.296.824	
Receivables	195.807.862	227.646.380	
Short-term financial assets	66.551.032	60.782.119	
Cash at bank and in hand	3.300.811	5.472.575	
<b>Short-term assets</b>	<b>301.179.838</b>	<b>331.197.898</b>	
<b>Paid future expenses/calculated income</b>	<b>76.405.163</b>	<b>58.539.684</b>	
<b>Loss above subscribed capital</b>			
<b>Total assets</b>	<b>1.077.797.820</b>	<b>1.028.118.059</b>	
<b>Off balanced sheet items</b>	<b>7.149.642</b>	<b>7.149.642</b>	
Share capital	419.958.400	419.958.400	
Capital reserves	181.239.161	180.641.899	
Reserves from profit	21.783.330	4.983.689	
Revaluation reserves	8.489.504	8.489.504	
Retained earnings			
Loss carried forward			
Net profit for the period	35.739.206	22.903.272	
Loss for the period			
<b>Capital and reserves</b>	<b>667.209.601</b>	<b>636.976.764</b>	
<b>Reserving</b>	<b>9.140.467</b>	<b>0</b>	
<b>Long-term liabilities</b>	<b>123.169.601</b>	<b>153.194.194</b>	
<b>Short-term liabilities</b>	<b>274.796.247</b>	<b>236.597.348</b>	*3
<b>Overdraft/factoring</b>	<b>3.481.904</b>	<b>1.349.753</b>	
<b>Total liabilities</b>	<b>1.077.797.820</b>	<b>1.028.118.059</b>	
<b>Off balanced sheet items</b>	<b>7.149.642</b>	<b>7.149.642</b>	

\*1 Change in tangible assets is result of investment in buildings and land in Solin and new equipment reduced by corresponding amortization and selling of long term assets.

\*2 Increase in long term financial assets is result of investment increase in Faurecia ADP Holding and given long term loan to Faurecia ADP Luga. Beside that in this line there are results from associated companies based on equity method (EURO APS, Faurecia ADP Holding and SG Plastik).

\*3 There is an increase of short term loans in ADP Luga until the end of share capital reducing process in the same company. There is also increase in short term liabilities for received prepayments on a name of tooling for new projects.



## 6. Profit and loss account

Position (in HRK)	31.12.2010.		31.12.2009.		Note
	Cumulative	4. Q	Cumulative	4. Q	
Income from sales	537.853.043	138.610.988	496.715.777	146.661.466	
Income from usage of own products, merchandise and serv.	1.858.211	598.479	1.321.634	773.830	
Other operating income	13.253.638	10.120.769	8.517.087	4.096.750	*4
<b>Operating income</b>	<b>552.964.892</b>	<b>149.330.236</b>	<b>506.554.498</b>	<b>151.532.046</b>	
Decrease of work in progress and finished products			6.329.124	1.226.234	
Increase of work in progress and finished products	2.975.287	2.338.838			
Material expenses	339.739.808	81.578.401	294.635.069	85.841.451	
Employee costs	93.024.790	22.037.294	90.667.539	25.612.270	
Amortisation	41.923.570	10.382.519	45.488.375	16.043.225	
Other expenses	45.481.392	21.311.246	45.374.337	14.182.480	
Revaluation					
Reserves	9.140.467	9.140.467			*5
Other operating costs	3.932.375	2.706.894	4.011.191	2.392.251	
<b>Operating costs</b>	<b>530.267.115</b>	<b>144.817.983</b>	<b>486.505.635</b>	<b>145.297.911</b>	
Interest, foregin exchange differences, dividens (subsidiaries)	5.284.366	1.276.355	3.261.220	1.478.636	
Interest, foregin exchange differences, dividens (non subs.)	29.274.789	10.572.748	25.862.917	8.444.409	
Income from investments in associates and join ventures	22.548.431	16.757.675	11.825.339	5.486.409	
Unrealised gains (income)					
Other financial income					
<b>Financial income</b>	<b>57.107.586</b>	<b>28.606.778</b>	<b>40.949.476</b>	<b>15.409.454</b>	
Interest, foregin exh. differences and other expenses (sub.)					
Interest, foregin exc. differences and other expenses (non sub.)	35.109.564	12.462.270	38.095.067	13.863.346	
Unrealised losses (expenses) from financial assets	8.956.593	879.233			
Other financial expenses					
<b>Financial expenses</b>	<b>44.066.157</b>	<b>13.341.503</b>	<b>38.095.067</b>	<b>13.863.346</b>	
<b>Extraordinary - other income</b>					
<b>Extraordinary - other expenses</b>					
<b>Total income</b>	<b>610.072.478</b>	<b>177.937.014</b>	<b>547.503.974</b>	<b>166.941.500</b>	
<b>Total expenses</b>	<b>574.333.272</b>	<b>158.159.486</b>	<b>524.600.702</b>	<b>159.161.257</b>	
<b>Profit before taxes</b>	<b>35.739.206</b>	<b>19.777.528</b>	<b>22.903.272</b>	<b>7.780.243</b>	
<b>Loss before taxes</b>					
<b>Tax</b>					
<b>Net profit for the period</b>	<b>35.739.206</b>	<b>19.777.528</b>	<b>22.903.272</b>	<b>7.780.243</b>	
<b>Loss for the period</b>					

\*4 Increase in other operating income relate to selling of assets – equipment, tooling and income from sued claims.

\*5 Provisions relate to potential risks of litigation, unused vacation and severance pay in parent Company.

## 7. Cash flow (indirect method)

Position (in HRK)	Current period	Previous period	Note
<b>Cash flow from operating activities</b>			
Profit before tax	35.739.206	22.903.272	
Amortisation	41.923.570	45.488.375	
Increase of curent liabilities	49.471.518	39.246.662	
Decrease of curent receivables	13.973.039	0	
Decrease of inventories	1.776.691	12.412.524	
Other cash flow increase	1.460.342	8.480.648	
<b>Total increase of cash flow from operating activities</b>	<b>144.344.366</b>	<b>128.531.481</b>	
Decrease of curent liabilities			
Increase of curent receivables		48.864.968	
Increase of inventories			
Other cash flow decrease			
<b>Total decrease of cash flow from operating activities</b>	<b>0</b>	<b>48.864.968</b>	
<b>Net increase/decrease of cash flow from operating activities</b>	<b>144.344.366</b>	<b>79.666.513</b>	
<b>Cash flow from investing activities</b>			
Proceeds from sale of non-current assets	9.498.308	1.554.405	
Proceeds from sale of non-current financial assets	0	0	
Interest received	9.275.345	4.803.621	
Dividend received	0	0	
Other proceeds from investing activities	0	0	
<b>Total cash inflows from investing activities</b>	<b>18.773.653</b>	<b>6.358.026</b>	
Purchase of non-curent assets	52.604.154	14.025.095	
Purchase of non-curent financial assets	47.814.237	19.903.069	*6
Other cash outflows from investing activities	0	0	
<b>Total cash outflows from investing activities</b>	<b>100.418.391</b>	<b>33.928.164</b>	
<b>Net increase/decrease of cash flow from investing activities</b>	<b>-81.644.738</b>	<b>-27.570.138</b>	
<b>Cash flow from financial activities</b>			
Proceeds from issue of equity securities and debt securities	0	0	
Proceeds from loans and borrowings	0	0	
Other proceeds from financial activities	0	12.172.011	
<b>Total cash inflows from financial activities</b>	<b>0</b>	<b>12.172.011</b>	
Repayment of loans and bonds	30.024.593	58.906.495	
Dividens paid	5.837.295	0	
Repayment of finance lease	0	0	
Purchase of treasury shares	0	2.767.960	
Other cash outflows from financial activities	29.009.504	0	
<b>Total cash outflows from financial activities</b>	<b>64.871.392</b>	<b>61.674.455</b>	
<b>Net increase/decrease of cash flow from financial activities</b>	<b>-64.871.392</b>	<b>-49.502.444</b>	
<b>Total increase of cash flow</b>	<b>0</b>	<b>2.593.931</b>	
<b>Total decrease of cash flow</b>	<b>2.171.764</b>	<b>0</b>	
<b>Cash and cash equivalents at beginning of period</b>	<b>5.472.575</b>	<b>2.878.644</b>	
<b>Increase of cash and cash equivalents</b>		<b>2.593.931</b>	
<b>Decrease of cash and cash equivalents</b>	<b>2.171.764</b>		
<b>Cash and cash equivalents at the end of period</b>	<b>3.300.811</b>	<b>5.472.575</b>	

\*6 Purchase of non-current financial assets relate to investment increase in Faurecia ADP Holdingu, and shares in result in associated companied according to equity method (EURO APS, Faurecija FADP Holding and SGP).

## **8. Report on changes of capital**

<b>Position (in HRK)</b>	<b>31.12.2009.</b>	<b>Increase</b>	<b>Decrease</b>	<b>31.12.2010.</b>
Subscribed capital	419.958.400			419.958.400
Capital reserves	180.641.899	597.262		181.239.161
Net income reserves	4.983.689	16.799.641		21.783.330
Retained earnings or loss carried forward				
Net profit or loss for the period	22.903.272	35.739.206	22.903.272	35.739.206
Revaluation of property, plant and equipment				
Revaluation of intangible assets				
Revaluation of available for sale financial assets				
Other revaluation	8.489.504			8.489.504
Foreign exchange differences from investments				
Current and deferred taxes (part)				
Hedging				
Change of accounting policies				
Change of prior period error				
Other changes in equity				
<b>Total increase or decrease of equity</b>	<b>636.976.764</b>	<b>53.136.109</b>	<b>22.903.272</b>	<b>667.209.601</b>

**d) Statement of the person responsible for drafting the financial reports**

According to my best knowledge:

- Short set of unaudited consolidated quarterly financial reports for the period: 01.01. to 31.12.2010, were implemented with corresponding reporting standards, giving a complete and truthful overview of the asset, liabilities, profit and loss, financial status and operations of the issuer and the companies who was included in the consolidation,
- Report contains truthful overview of the development and business results and issuer status and the companies who were included in the consolidation, with a description of significant risks and uncertainties to which the issuer and the companies are exposed as a whole.

Management Board member

Katija Klepo, BSEc



Management Board president

Josip Boban, BSC

