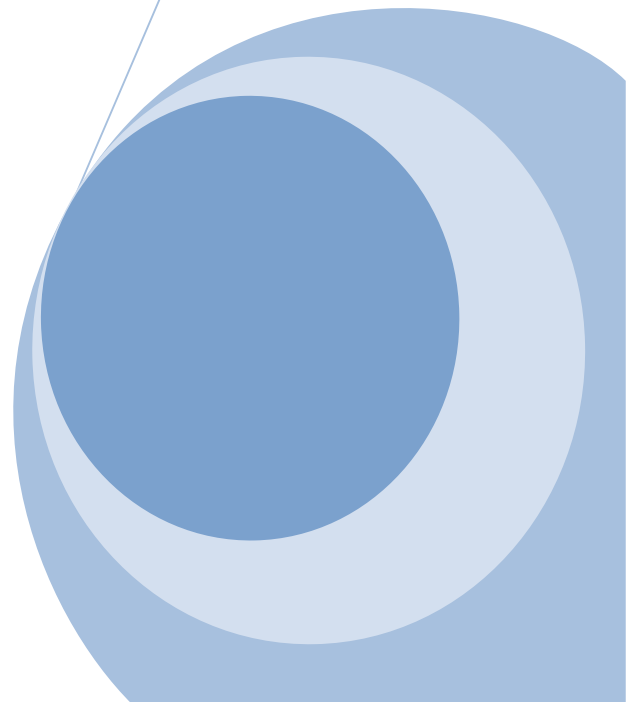




**Annual Management Report of AD
Plastik Group and the Company AD
Plastik Inc. Solin for 2014
Temporary unaudited financial report**

Solin, February 2015





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a) Management Report of AD Plastik Group and the company AD Plastik Inc.Solin for 2014

Financial results of AD Plastik Group for the period 01.01. - 31.12.2014

Indicator	01.01.- 31.12.2013	01.01.- 31.12.2014
Sales revenue (thousands of HRK)	817.591	866.852
EBITDA (thousands of HRK)	71.578	61.811
Net profit (thousands of HRK)	27.652	1.326

In 2014 AD Plastik Group (hereinfter: ADP Group) recorded an increase in sales revenue of 6,0%, compared to the previous year due to the sales growth in Croatia.

A large investment cycle which began in 2012 was completed in late 2014 by the handover of development projects to the serial production.

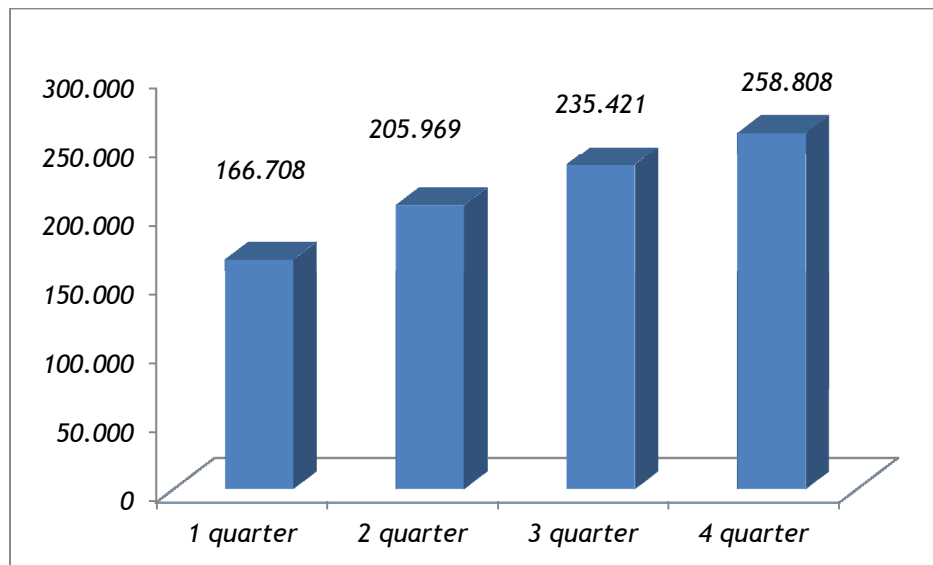
The main reasons because of which in 2014 the profitability did not increase compared to the year 2013 are the following:

- Deterioration in market conditions and decrease in sales on the russian market;
- Significant depreciation of the Russian ruble within the meaning of sales prices in Russia;
- Adjustment of serial production related to a large number of development projects and new products.

A successful start of sales of new models of automobiles on the market has generated the growth of production in Croatia and therefore the increase in sales revenues at the level of ADP Group. This is evident from the dynamics of sales revenue growth per quarter in 2014 as shown in image 1. If we compare the revenues of the first and last quarter of the reporting year an increase in sales revenue of more than 50% is recorded.



Image 1. Sales revenue for ADP Group without associated companies EAPS and FADP in 2014 per quarters in (000) HRK



Expectations in 2015

In 2015 we expect a **further revenue growth** for ADP Group of **at least 12%** despite predictions of a further decline in new car sales in Russia. Moreover, we expect a revenue increase in Croatia more than 25%. According to the above mentioned information we also expect an increase in profitability/**EBITDA margin of at least 9%**.

Credit indebtedness of AD Plastik Group at the end of the fourth quarter amounted to 493 million HRK which represents a reduction in loan liabilities of 17,8 milion HRK compared to the end of third quarter. With regard to the completion of a significant investment cycle in 2014 we expect to reduce loan liabilities by the end of 2015. We plan to reduce the indicator **net financial debt/ EBITDA of the Group** with the consolidation of the corresponding part of ownership of EAPS and FADP from the level of **3,18** at the end of 2014 to less than **2,8** in 2015. Also, we are negotiating with the banks in order to continue the process of refinancing the part of short-term loans to convert them into long-term loans.

With the aim of getting a clearer picture of bussines of ADP Group, we prepared abbreviated consolidated profit and loss account of ADP Group with consolidated profit and loss account of associated companies Euro APS, Romania and FADP, Russia for the years 2013 and 2014, in which ADP Group has 50% that is 40% of ownership.

Table 2. Profit and loss account of ADP Group with consolidation of corresponding part of ownership in Euro APS and FADP for the years 2013 and 2014 in thousands of HRK

Positions	ADP Group with consolidation of belonging part of ownership in EURO APS and FADP	ADP Group with consolidation of belonging part of ownership in EURO APS and FADP
	2013.	2014.
OPERATING REVENUES	1.369.868	1.354.020
Sales revenue	1.334.867	1.323.867
Other revenues	35.001	30.153
OPERATING EXPENSES	1.289.131	1.295.942
Material expenses	776.217	806.450
Staff costs	214.224	222.297
Amortization	68.450	73.323
Other expenses	230.241	193.873
FINANCIAL REVENUES	15.749	28.782
FINANCIAL EXPENSES	61.654	76.592
TOTAL REVENUE	1.385.618	1.382.802
TOTAL EXPENSES	1.350.785	1.372.534
Profit before taxation	34.833	10.268
Profit tax	7.181	8.942
PROFIT FOR THE PERIOD	27.652	1.326

Overview and comparison of key indicators of ADP Group with the consolidation of associated companies and without consolidation of associated companies are shown in the table 3.

Table 3. Financial indicators of ADP Group in 2014 in thousands of HRK

Indicator	ADP Group with consolidation of belonging part of ownership in EURO APS and FADP	AD Plastik Group - without consolidation of associated companies
	2014.	2014.
Business revenues	1.354.020	894.605
Net financial debt	418.200	476.127
EBITDA (earnings before interest and taxes, depreciation and amortization)	131.401	61.811
Price (share price)/Sales (revenue)	0,25	0,38
Price (share price)/EBITDA	2,56	5,44
Net financial debt/EBITDA	3,18	7,70

* The last price on 06th of February 2015 was used for the share price calculation



Below we are presenting the most important events in 2014 per companies of AD Plastik Group.

AD Plastik Inc., Solin

The serial production of all three vehicles for the project Edison (Renault Twingo, Smart 2S and 4S) started during 2014. Furthermore, the company started with the serial production regarding projects for the customers Hella, PSA, Ford, VW and Webasto (BMW). These projects ensure a high capacity utilization for the plants in Croatia.

In the parent company was recorded an increase in sales revenue of 13% in the reporting year compared to the previous year.

Due to the low profitability of the food packaging program and the orientation on core business a strategic decision on termination of this program has been performed.

According to the decision of the Ministry of Economy, based on realized investments in Croatia for the project Edison, it is planned the use of reduced rate of income tax (from 20% to 0%).

In the last quarter of the previous year AD Plastik Inc. won the award by Renault for an exceptional contribution in the area of Corporate Social Responsibility.

ADP Mladenovac, Serbia

The serial production of headliners for the project Edison and grab handles for Fiat, Italy started in 2014. The realization of grab handles project for the customers Renault and Fiat/Chrysler for several vehicles and locations is in process.

The company increased the volume of deliveries of raw material for the production of carpets for our plants PHR in Russia and EAPS in Romania.

In the fourth quarter was made a deal for the production of blow molded products for the customer Fiat, Poland; the start of serial production is planned for the third quarter of 2015. The expected revenue from this deal amounts to approximately 2,4 million EUR during the complete duration of this project.

Furthermore, new deals for Alfa Romeo and Maserati were made. The expected revenue from this deal amounts to approximately 7 million EUR during the complete duration of this project; the start of serial production is planned for the first quarter of 2016.

ZAO PHR (ADP Togliatti, Russia)/ADP Kaluga

Due to market disturbances and economic situation in Russia the planned increase in sales in 2014 was not achieved which resulted in 25% lower revenues than planned and in unused capacities.

In 2014 occurred a significant depreciation of the Russian ruble by 50% that is by 37% in the last quarter only which negatively affected the business of Russian plants.

In order to be protected from exchange rate volatility and negative impact on business the following measures were taken:

- Monthly changes of prices were agreed with the customers in December (before on a quarterly basis)*
- Revaluation of fixed assets was performed*
- Intensified activities on localization of raw materials*



EURO APS, Romania

In the reporting period was achieved a stabile production and a growth in sales compared to the prevoius year as the result of an increase in serial deliveries of the models Sandero and Duster and an increase in delivered quantities for Morocco, Algeria, Iran and other markets.

FADP Luga, Russia

The achieved sales realization is lower compared to the previous year. The activities of plant preparation for the acceptance of new projects (interior positions for the vehicles Ford Fiesta an Ecosport, and Nissan X-trail) are in process.

Results of associated companies EAPS Romania and FADP Holding France are included in the Group result under the equity method.

ADP Group

On 31.12.2014 the Group had 3.139 employees, out of that 1.283 in the parent company AD Plastik Inc. Solin.

In the Group`s balance sheet positions relative to December 31st, 2013 the greatest changes were recorded in these positions:

- (AOP 003) Intangible assets (increase of 38,7 milion HRK) - due to the increased investments in development projects;
- (AOP 013 and AOP 017) Plants and machinery and Tangible assets in progress (increase of 70,5 milion HRK and decrease of 36,6 milion HRK) - mainly due to putting into use the new paintshop and other equipment related to new projects;
- (AOP 045) Trade receivables (increase of 41,69 milion HRK) - due to increased sales;
- (AOP 059) Prepayment and accrued income (decrease of 104,7 milion HRK) - due to realization of new projects which includes the sales of finished tools;
- (AOP 086 and 096) Long-term and Short-term debts towards financial institutions (increase of 48,6 milion and decrease of 43,8 milionHRK) - refinancing of the part of short-term into long-term loans;
- (AOP 098) Accounts payable (increase of 110,6 milion HRK) - partly due to the increase in sales and inventory in Croatia and disturbances in Russia;
- (AOP 106) Deferred payment of costs and future income (decrease of 38,4 milion HRK) -mostly due to the sales of finished tools for new projects.



b) Financial reports of AD Plastik Group



Appendix 1			
Reporting period:	01.01.2014.	till	31.12.2014.
Annual financial statement of the entrepreneur - GFI-POD			
Register number (MB):	03440494		
Entity register number (MBS):	060007090		
Personal identification number (PIN):	48351740621		
Issuing company:	AD PLASTIK d.d.		
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: 3.139 (at the end of the trimester)
Consolidated report:	YES		NCA code: 2932
Names of consolidation subjects (according to IMSF)	Seat:	REG.NO.:	
AD PLASTIK d.d.	Solin, Hrvatska	03440494	
ZAO PHR	Samara, Ruska Federacija	103630022193	
AD PLASTIK d.o.o.	Novo Mesto, Slovenija	1214985000	
ZAO ADP LUGA	Luga, Ruska Federacija	107471000032	
ADP d.o.o.	Mladenovac, Srbija	20787538	
Bookkeeping service:			
Contact person:	Marica Jakelić (only the name and surname of the contact person to be entered)		
Telephone:	021/206-660	Fax:	021/275-660
E-mail address:	marica.jakelic@adplastik.hr		
Name and surname:	Katija Klepo (person authorised for representation)		
Documentation for publishing:			
1. Unaudited annual Financial statements			
2. Annual report,			
3. Statement of the person responsible for compiling financial statements.			
Place of the seal		(signature of the person authorised for representation)	



1. Balance sheet

Assets

BALANCE SHEET			
as at 31.12.2014.			
Taxpayer: GROUP AD PLASTIK			
ITEM	AOP ind.	Preceding year	Current year
1	2	3	4
ASSETS			
A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID	001		
B) FIXED ASSETS (003+010+020+029+033)	002	1.000.000.619	1.078.370.814
I. INTANGIBLE ASSETS (004 up to 009)	003	121.104.322	159.856.517
1. Development costs	004	30.563.507	52.765.175
2. Concessions, patents, licenses, trademarks, softwares and other rights	005	6.081.747	4.381.405
3. Goodwill	006	25.389.920	25.389.920
4. Advances for purchase of intangible assets	007		
5. Intangible assets in preparation	008	56.799.613	76.527.291
6. Other intangible assets	009	2.269.535	792.726
II. TANGIBLE ASSETS (011 up to 019)	010	711.217.340	737.614.872
1. Land	011	143.636.038	142.392.044
2. Buildings	012	236.922.153	232.286.674
3. Plants and machinery	013	181.325.304	251.860.789
4. Tools, plant & office inventory, furniture & transport means	014	15.629.764	10.990.506
5. Biological assets	015		
6. Payments on account for tangible assets	016	6.544.099	8.141.012
7. Tangible assets in preparation	017	127.159.982	90.609.994
8. Other tangible assets	018		1.333.853
9. Investment in real estate	019		
III. FIXED FINANCIAL ASSETS (021 up to 028)	020	165.686.310	149.510.378
1. Shares in affiliated undertakings	021		
2. Loans to affiliated undertakings	022		
3. Participating interests (shares)	023	101.012.324	93.747.365
4. Given loans to companies in which exist participating interests	024	50.102.505	44.155.524
5. Investments in securities	025	63.855	63.855
6. Other loan, deposits etc	026	14.507.626	11.543.634
7. Other fixed financial assets	027		
8. Investment stated in equity method	028		
IV. RECEIVABLES (030 up to 032)	029	0	0
1. Receivables from associated undertakings	030		
2. Receivables from sales on credit	031		
3. Other receivables	032		
V. DEFERRED TAX ASSETS	033	1.992.647	31.389.047
C) CURRENT ASSETS (035+043+050+058)	034	351.527.466	371.641.095
I. INVENTORY (036 up to 042)	035	94.792.369	102.154.247
1. Materials and supplies	036	64.277.480	73.843.731
2. Work in progress	037	3.687.875	6.583.058
3. Finished goods	038	17.811.402	18.979.085
4. Commercial goods	039	8.197.505	2.022.472
5. Advances for inventories	040	818.107	
6. Long term assets held for sale	041		725.901
7. Biological assets	042		
II. RECEIVABLES (044 up to 049)	043	210.988.973	249.372.155
1. Receivables from associated undertakings	044		
2. Trade receivables	045	136.517.734	178.208.146
3. Receivables from participating companies	046	11.917.016	10.094.921
4. Receivables from employees and members of the business	047	597.479	529.640
5. Receivables from government and other institutions	048	15.446.967	25.203.977
6. Other receivables	049	46.509.777	35.335.471
III. CURRENT FINANCIAL ASSETS (051 up to 057)	050	16.803.056	12.401.924
1. Shares in affiliated undertakings	051		
2. Loans to affiliates	052		
3. Participating interests (shares)	053		
4. Given loans to companies in which exist participating interests	054	16.793.680	
5. Investments in to securities	055		
6. Other loan, deposits etc	056	9.376	3.209.419
7. Other financial assets	057		9.192.505
IV. CASH AT BANK AND IN HAND	058	28.943.068	7.712.769
D) PREPAYMENTS AND ACCRUED INCOME	059	184.902.952	80.225.783
E) TOTAL ASSETS (001+002+034+059)	060	1.536.431.037	1.530.237.692
F) OUT-OF-BALANCE ITEMS	061	16.699.991	19.465.770

Liabilities

LIABILITIES			
A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	702.805.785	605.504.853
I. SUBSCRIBED SHARE CAPITAL	063	419.958.400	419.958.400
II. CAPITAL RESERVES	064	183.508.545	183.513.200
III. RESERVES FROM GAIN (066+067-068+069+070)	065	30.195.177	26.677.818
1. Legal reserves	066	6.142.459	6.140.130
2. Reserves for own shares	067	4.753.103	3.400.600
3. Own stocks and shares (deductible item)	068	4.753.103	3.400.600
4. Statutory reserves	069	38.119	
5. Other reserves	070	24.014.599	20.537.688
IV. REVALUATION RESERVES	071	10.185.353	-51.575.107
V. RETAINED EARNINGS OR LOSS BROUGHT FORWARD (073-074)	072	31.288.154	25.598.143
1. Retained earnings	073	31.288.154	25.598.143
2. Loss brought forward	074		
VI. CURRENT YEAR PROFIT OR LOSS (076-077)	075	27.660.899	1.334.960
1. Current year profit	076	27.660.899	1.334.960
2. Current year loss	077		
VII. MINOR INTEREST	078	9.257	-2.561
B) PROVISIONS (080 up to 082)	079	8.074.578	6.400.943
1. Provisions for pensions, severance pay and similar obligations	080	1.084.238	687.919
2. Provisions for tax liabilities	081		
3. Other provisions	082	6.990.340	5.713.024
C) LONG TERM LIABILITIES (084 up to 092)	083	256.042.084	336.780.827
1. Liabilities to related parties	084		
2. Commitments for loans, deposits, etc	085	6.387.912	7.510.497
3. Liabilities to banks and other financial institutions	086	249.428.260	298.013.576
4. Liabilities for advances	087		
5. Trade payables	088		18.307.346
6. Commitments on securities	089		
7. Liabilities to companies in which are participating interests	090		
8. Other long term liabilities	091		
9. Deferred tax liabilities	092	225.912	12.949.408
D) SHORT TERM LIABILITIES (094 do 105)	093	513.478.118	563.911.421
1. Liabilities to related parties	094		
2. Commitments for loans, deposits, etc	095	1.145.000	7.909.443
3. Liabilities to banks and other financial institutions	096	238.817.578	195.018.828
4. Liabilities for advances	097	94.659.904	59.629.891
5. Trade payables	098	156.084.720	266.724.339
6. Commitments on securities	099		
7. Liabilities to companies in which are participating interests	100	32.480	1.674.486
8. Liabilities towards employees	101	8.624.454	10.490.789
9. Liabilities for taxes, contributions and other benefits	102	11.060.608	17.249.743
10. Liabilities to share in the result	103	27.856	
11. Amount based on fixed assets intended to sale	104		
12. Other short-term liabilities	105	3.025.518	5.213.902
E) DEFERRED PAYMENT OF COSTS AND FUTURE INCOME	106	56.030.472	17.639.648
F) TOTAL LIABILITIES (062+079+083+093+106)	107	1.536.431.037	1.530.237.692
G) OUT-OF BALANCE ITEMS	108	16.699.991	19.465.770
ADDENDUM TO BALANCE SHEET(filled in by the entrepreneur compiling the consolidated annual financial statement)			
A) CAPITAL AND RESERVES			
1. Ascribed to the holders of the parent company capital	109	702.796.528	605.507.414
2. Ascribed to minority interest	110	9.257	-2.561



2. Profit and loss account

PROFIT AND LOSS ACCOUNT			
in period from 01.01.2014. till 31.12.2014.			
Taxpayer: GROUP AD PLASTIK			
ITEM	AOP ind.	Preceding year	Current year
1	2	3	5
I. OPERATING TURNOVER (112+113)	111	839.129.501	894.605.365
1. Income from sales	112	817.591.425	866.852.288
2. Other operating income	113	21.538.076	27.753.077
II. OPERATING CHARGES (115+116+120+124+125+126+129+130)	114	817.920.093	891.175.393
1. Changes in the value of inventories of work in progress and finished goods	115	-7.195.371	-3.662.808
2. Material charges (117 up to 119)	116	464.162.396	531.747.516
a) Costs of raw materials and consumables	117	377.099.080	433.990.846
b) Costs of sales	118	32.244.258	35.661.230
c) Other external charges	119	54.819.058	62.095.440
3. Staff costs (121 up to 123)	120	151.052.551	163.674.852
a) Salaries and wages	121	94.615.244	101.924.725
b) Costs of taxes and social security	122	29.908.071	32.533.990
c) Duties on wages	123	26.529.236	29.216.137
4. Depreciation	124	50.369.728	58.381.502
5. Other costs	125	145.671.566	128.603.306
6. Impairment (127+128)	126	0	0
a) fixed assets (excluding financial assets)	127		
b) current assets (excluding financial assets)	128		
7. Provisions	129	7.310.132	5.807.501
8. Other operating expenses	130	6.549.091	6.623.524
III. FINANCIAL INCOME (132 up to 136)	131	24.049.389	36.694.304
1. Interests, exchange rate differenc, dividends with affiliates	132	3.527.822	13.881.911
2. Interests, exch. rate differenc., dividends with non-affiliates	133	12.169.136	14.900.229
3. Part of income from affiliates and participated interests	134	8.314.536	7.912.164
4. Non-realized financial income	135		
5. Other financial income	136	37.895	
IV. FINANCIAL CHARGES (138 up to 141)	137	58.560.502	72.525.541
1. Interests, exchange rate differenc, dividends with affiliates	138	13.151.919	6.438.272
2. Interests, exch. rate differenc., dividends with non-affiliates	139	45.126.798	65.135.678
3. Non-realized financial charges	140		
4. Other financial charges	141	281.785	951.591
V. SHARE OF PROFIT FROM ASSOCIATED COMPANIES	142	41.707.908	33.980.234
VI. SHARE OF LOSS FROM ASSOCIATED COMPANIES	143		
VII. EXTRAORDINARY – OTHER INCOME	144		
VIII. EXTRAORDINARY – OTHER CHARGES	145		
IX. TOTAL INCOME (111+131+142 + 144)	146	904.886.798	965.279.903
X. TOTAL CHARGES (114+137+143 + 145)	147	876.480.595	963.700.934
XI. PROFIT OR LOSS BEFORE TAXATION (146-147)	148	28.406.203	1.578.969
1. Profit before taxation (146-147)	149	28.406.203	1.578.969
2. Loss before taxation (147-146)	150	0	0
XII. PROFIT TAX	151	754.102	252.680
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	27.652.101	1.326.289
1. PROFIT FOR THE PERIOD (149-151)	153	27.652.101	1.326.289
2. LOSS FOR THE PERIOD (151-148)	154	0	0

2. Profit and loss account - extension

ADDENDUM TO ATS (filled in by the entrepreneur compiling the consolidated annual financial statement)			
XIV. PROFIT OR LOSS FOR THE CURRENT PERIOD			
1. Attributable to equity holders	155	27.660.899	1.334.960
2. Attributable to minority interests	156	-8.798	-8.671
Report for other comprehensive income (only for the taxpayer applying IFRS)			
I. PROFIT OR LOSS FOR THE CURRENT PERIOD (= 152)	157	27.652.101	1.326.289
II. OTHER COMPREHENSIVE INCOME / LOSS BEFORE TAXATION (159 up to 165)	158	0	-79.510.132
1. Exchange differences on translation of foreign operations	159		-143.409.253
2. Movements in revaluation reserves of fixed and intangible assets	160		63.899.121
3. Profit or loss from revaluation of financial assets available for sale	161		
4. Gains or losses on effective cash flow protection	162		
5. Gains or losses on effective hedge of a net investment abroad	163		
6. Share of other comprehensive income / loss of associated companies	164		
7. Actuarial gains / losses on defined benefit plans	165		
III. TAX ON OTHER COMPREHENSIVE INCOME FOR THE CURRENT PERIOD	166		-17.749.672
IV. OTHER COMPREHENSIVE NET PROFIT OR LOSS	167	0	-61.760.460
V. OTHER COMPREHENSIVE PROFIT OR LOSS FOR THE PERIOD (157+167)	168	27.652.101	-60.434.171
ADDENDUM TO Report for other comprehensive income (filled in by the entrepreneur compiling the consolidated annual			
VI. OTHER COMPREHENSIVE PROFIT OR LOSS FOR THE PERIOD			
1. Attributable to equity holders	169	27.660.899	-60.422.011
2. Attributable to minority interests	170	-8.798	-12.160



3. Cash flow (indirect method)

CASH FLOW REPORT – Indirect method			
in period from 01.01.2014. till 31.12.2014.			
Taxpayer: GROUP AD PLASTIK			
ITEM	AOP ind.	Preceding year	Current year
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Profit before taxation	001	28.406.203	1.578.969
2. Depreciation	002	50.369.728	58.381.502
3. Increase of current liabilities	003	223.647.968	43.711.420
4. Decrease of current receivables	004		18.660.055
5. Decrease in stocks	005		
6. Other increase of cash flow	006	694.676	
I. Total increase of cash flow from operating activities (001 - 006)	007	303.118.575	122.331.946
1. Decrease of current liabilities	008		
2. Increase of current receivables	009	77.483.458	
3. Increase in stocks	010	10.807.254	7.361.878
4. Other decrease of cash flow	011		29.396.400
II. Total decrease of cash flow from operating activities (008 – 011)	012	88.290.712	36.758.278
A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES (012-007)	013	214.827.863	85.573.668
A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES (012-007)	014	0	0
CASH FLOWS FROM INVESTMENT ACTIVITIES			
1. Cash inflows from sale of fixed intangible and tangible assets	015		
2. Cash inflows from sale of ownership and debt instruments	016		
3. Cash inflows from interest	017	21.885.416	6.406.722
4. Cash inflows from dividends	018	26.538.412	41.227.210
5. Other cash inflows from investment activities	019		
III. Total cash inflows from investment activities (015-019)	020	48.423.828	47.633.932
1. Cash expenditures for purchase of fixed tangible and intangible assets	021	224.082.741	123.531.229
2. Cash expenditures for acquisition of ownership and debt instruments	022		
3. Other cash expenditures from investment activities	023		
IV. Total cash expenditures from investment activities (021-023)	024	224.082.741	123.531.229
B1) NET INCREASE OF CASH FLOW FROM INVESTMENT ACTIVITIES (020-024)	025	0	0
B2) NET DECREASE OF CASH FLOW FROM INVESTMENT ACTIVITIES (024-020)	026	175.658.913	75.897.297
CASH FLOW FROM FINANCIAL ACTIVITIES			
1. Cash inflows from issuing ownership and debt financial instruments	027		20.577.064
2. Cash inflows from credit principal, debentures, loans and other borrowings	028	54.352.239	80.738.743
3. Other inflows from financial activities	029		
V. Total cash inflows from financial activities (027-029)	030	54.352.239	101.315.807
1. Cash expenditures for the payment of credit principal and debentures	031	11.490.630	
2. Cash expenditures for the payment of dividends	032	33.621.322	33.342.576
3. Cash expenditures for financial lease	033		
4. Cash expenditures for repurchase of own shares	034	476.872	1.308.059
5. Other cash expenditures from financial activities	035	31.549.042	97.571.842
VI. Total cash expenditures from financial activities (031-035)	036	77.137.866	132.222.477
C1) NET INCREASE OF CASH FLOW FROM FINANCIAL ACTIVITIES (030-036)	037	0	0
C2) NET DECREASE OF CASH FLOW FROM FINANCIAL ACTIVITIES (036-030)	038	22.785.627	30.906.670
Total cash flow increase (013-014+025-026+037-038)	039	16.383.323	0
Total cash flow decrease (014-013+026-025+038-037)	040	0	21.230.299
Cash and cash equivalents at the beginning of the period	041	12.559.745	28.943.068
Cash and cash equivalents increase	042	16.383.323	
Cash and cash equivalents decrease	043		21.230.299
Cash and cash equivalents at the end of the period	044	28.943.068	7.712.769



4. Report on changes to capital

REPORT ON CHANGES TO CAPITAL			
for period	1.1.2014	till	31.12.2014
Taxpayer: GROUP AD PLASTIK			
ITEM	AOP ind.	Preceding year	Current year
1	2	3	4
1. Subscribed capital	001	419.958.400	419.958.400
2. Capital reserves	002	183.508.545	183.513.200
3. Reserves from profit	003	30.204.434	26.675.257
4. Retained profit or loss carried over	004	31.288.154	25.598.143
5. Current year profit or loss	005	27.660.899	1.334.960
6. Revalorisation of fixed material assets	006		
7. Revalorisation of intangible assets	007		
8. Revalorisation of financial assets available for sale	008		
9. Other revalorisation	009	10.185.353	-51.575.107
10. Total capital and reserves (AOP 001-009)	010	702.805.785	605.504.853
11. Exchange rate variations from net investments into foreign business operations	011		-143.409.253
12. Current and deferred taxes (part)	012		17.749.672
13. Cash flow protection	013		
14. Changes in bookkeeping policies	014		
15. Correction of significant mistakes from the previous period	015		
16. Other changes to capital	016		63.899.121
17. Total capital increase or decrease (AOP 011 - 016)	017	0	-61.760.460
17a. Ascribed to holders of the holders company capital	018	702.796.528	605.507.414
17b. Ascribed to minority interest	019	9.257	-2.561



c) Financial reports of the Company AD Plastik Inc. Solin

Appendix 1			
Reporting period:	01.01.2014.	till	31.12.2014.
Annual financial statement of the entrepreneur - GFI-POD			
Register number (MB):	03440494		
Entity register number (MBS):	060007090		
Personal identification number (PIN):	48351740621		
Issuing company:	AD PLASTIK d.d.		
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: 1.283 (at the end of the trimester)
Consolidated report:	NO		NCA code: 2932
Names of consolidation subjects (according to IMSF)	Seat:	REG.NO.:	
Bookkeeping service:			
Contact person:	Marica Jakelić (only the name and surname of the contact person to be entered)		
Telephone:	021/206-660	Fax:	021/275-660
E-mail address:	marica.jakelic@adplastik.hr		
Name and surname:	Katija Klepo (person authorised for representation)		
Documentation for publishing:			
1. Unaudited annual Financial statements			
2. Annual report			
3. Statement of the person responsible for compiling financial statements.			
	Place of the seal	(signature of the person authorised for representation)	

5 . Balance sheet - Assets

BALANCE SHEET			
as at 31.12.2014.			
Taxpayer: AD PLASTIK d.d.			
ITEM	AOP ind.	Preceding year	Current year
1	2	3	4
ASSETS			
A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID	001		
B) FIXED ASSETS (003+010+020+029+033)	002	844.652.339	1.068.446.077
I. INTANGIBLE ASSETS (004 up to 009)	003	58.817.539	94.910.816
1. Development costs	004	22.063.521	30.072.242
2. Concessions, patents, licenses, trademarks, softwares and other rights	005	3.675.095	2.084.626
3. Goodwill	006		
4. Advances for purchase of intangible assets	007		
5. Intangible assets in preparation	008	33.078.923	62.753.948
6. Other intangible assets	009		
II. TANGIBLE ASSETS (011 up to 019)	010	500.584.584	516.005.560
1. Land	011	139.976.599	139.976.599
2. Buildings	012	163.569.130	160.193.937
3. Plants and machinery	013	89.953.041	132.706.184
4. Tools, plant & office inventory, furniture & transport means	014	8.416.379	7.193.289
5. Biological assets	015		
6. Payments on account for tangible assets	016		
7. Tangible assets in preparation	017	98.669.435	75.935.551
8. Other tangible assets	018		
9. Investment in real estate	019		
III. FIXED FINANCIAL ASSETS (021 up to 028)	020	284.719.815	240.391.988
1. Shares in affiliated undertakings	021	89.694.982	49.449.132
2. Loans to affiliated undertakings	022	78.039.462	83.204.401
3. Participating interests (shares)	023	52.311.385	51.975.442
4. Given loans to companies in which exist participating interests	024	50.102.505	44.155.524
5. Investments in securities	025	63.855	63.855
6. Other loan, deposits etc	026	14.507.626	11.543.634
7. Other fixed financial assets	027		
8. Investment stated in equity method	028		
IV. RECEIVABLES (030 up to 032)	029	0	203.130.119
1. Receivables from associated undertakings	030		203.130.119
2. Receivables from sales on credit	031		
3. Other receivables	032		
V. DEFERRED TAX ASSETS	033	530.401	14.007.594
C) CURRENT ASSETS (035+043+050+058)	034	354.831.285	279.674.948
I. INVENTORY (036 up to 042)	035	37.351.285	57.116.363
1. Materials and supplies	036	23.857.478	39.966.215
2. Work in progress	037	1.853.641	5.007.723
3. Finished goods	038	11.064.194	11.464.195
4. Commercial goods	039	575.972	678.230
5. Advances for inventories	040		
6. Long term assets held for sale	041		
7. Biological assets	042		
II. RECEIVABLES (044 up to 049)	043	259.861.187	205.039.045
1. Receivables from associated undertakings	044	144.490.516	23.079.178
2. Trade receivables	045	55.959.929	135.360.569
3. Receivables from participating companies	046	11.917.016	3.967.451
4. Receivables from employees and members of the business	047	537.181	412.509
5. Receivables from government and other institutions	048	7.362.338	16.537.451
6. Other receivables	049	39.594.207	25.681.887
III. CURRENT FINANCIAL ASSETS (051 up to 057)	050	43.087.764	15.719.018
1. Shares in affiliated undertakings	051		
2. Loans to affiliates	052	26.284.708	13.415.236
3. Participating interests (shares)	053		
4. Given loans to companies in which exist participating interests	054	16.793.680	
5. Investments in to securities	055		
6. Other loan, deposits etc	056	9.376	2.303.782
7. Other financial assets	057		
IV. CASH AT BANK AND IN HAND	058	14.531.049	1.800.522
D) PREPAYMENTA AND ACCRUED INCOME	059	119.103.092	60.227.300
E) TOTAL ASSETS (001+002+034+059)	060	1.318.586.716	1.408.348.325
F) OUT-OF-BALANCE ITEMS	061	4.592.542	4.592.542

Balance sheet - Liabilities

LIABILITIES			
A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	685.882.725	636.176.859
I. SUBSCRIBED SHARE CAPITAL	063	419.958.400	419.958.400
II. CAPITAL RESERVES	064	183.075.797	183.075.797
III. RESERVES FROM GAIN (066+067-068+069+070)	065	30.143.451	26.666.540
1. Legal reserves	066	6.128.852	6.128.852
2. Reserves for own shares	067	4.753.103	3.400.600
3. Own stocks and shares (deductible item)	068	4.753.103	3.400.600
4. Statutory reserves	069		
5. Other reserves	070	24.014.599	20.537.688
IV. REVALUATION RESERVES	071	10.185.353	-43.578.013
V. RETAINED EARNINGS OR LOSS BROUGHT FORWARD (073-074)	072	0	0
1. Retained earnings	073		
2. Loss brought forward	074		
VI. CURRENT YEAR PROFIT OR LOSS (076-077)	075	42.519.724	50.054.135
1. Current year profit	076	42.519.724	50.054.135
2. Current year loss	077		
VII. MINOR INTEREST	078		
B) PROVISIONS (080 up to 082)	079	6.002.894	5.711.384
1. Provisions for pensions, severance pay and similar obligations	080	1.084.238	687.919
2. Provisions for tax liabilities	081		
3. Other provisions	082	4.918.656	5.023.465
C) LONG TERM LIABILITIES (084 up to 092)	083	204.715.674	285.341.402
1. Liabilities to related parties	084	11.138.228	4.788.417
2. Commitments for loans, deposits, etc	085		
3. Liabilities to banks and other financial institutions	086	193.577.446	262.076.953
4. Liabilities for advances	087		
5. Trade payables	088		18.307.346
6. Commitments on securities	089		
7. Liabilities to companies in which are participating interests	090		
8. Other long term liabilities	091		
9. Deferred tax liabilities	092		168.686
D) SHORT TERM LIABILITIES (094 do 105)	093	403.652.012	471.877.742
1. Liabilities to related parties	094	7.212.655	16.108.503
2. Commitments for loans, deposits, etc	095	1.145.000	1.145.000
3. Liabilities to banks and other financial institutions	096	206.140.015	175.280.880
4. Liabilities for advances	097	70.943.829	47.245.211
5. Trade payables	098	107.064.333	210.516.463
6. Commitments on securities	099		
7. Liabilities to companies in which are participating interests	100	32.480	
8. Liabilities towards employees	101	5.630.417	7.957.519
9. Liabilities for taxes, contributions and other benefits	102	3.258.615	10.389.507
10. Liabilities to share in the result	103	27.856	
11. Amount based on fixed assets intended to sale	104		
12. Other short-term liabilities	105	2.196.812	3.234.659
E) DEFERRED PAYMENT OF COSTS AND FUTURE INCOME	106	18.333.411	9.240.938
F) TOTAL LIABILITIES (062+079+083+093+106)	107	1.318.586.716	1.408.348.325
G) OUT-OF BALANCE ITEMS	108	4.592.542	4.592.542
ADDENDUM TO BALANCE SHEET(filled in by the entrepreneur compiling the consolidated annual financial statement)			
A) CAPITAL AND RESERVES			
1. Ascribed to the holders of the parent company capital	109		
2. Ascribed to minority interest	110		



6. Profit and loss account

PROFIT AND LOSS ACCOUNT			
in period from 01.01.2014. till 31.12.2014.			
Taxpayer: AD PLASTIK d.d.			
ITEM	AOP ind.	Preceding year	Current year
1	2	3	5
I. OPERATING TURNOVER (112+113)	111	543.869.007	612.762.181
1. Income from sales	112	525.513.070	595.356.647
2. Other operating income	113	18.355.937	17.405.534
II. OPERATING CHARGES (115+116+120+124+125+126+129+130)	114	517.072.975	590.800.774
1. Changes in the value of inventories of work in progress and finished goods	115	-2.994.579	-3.560.035
2. Material charges (117 up to 119)	116	284.578.402	365.568.498
a) Costs of raw materials and consumables	117	203.004.349	270.421.238
b) Costs of sales	118	49.053.087	51.780.438
c) Other external charges	119	32.520.966	43.366.822
3. Staff costs (121 up to 123)	120	90.448.107	97.934.585
a) Salaries and wages	121	54.268.864	58.760.751
b) Costs of taxes and social security	122	22.612.027	24.483.646
c) Duties on wages	123	13.567.216	14.690.188
4. Depreciation	124	30.002.103	33.032.924
5. Other costs	125	108.344.600	89.386.702
6. Impairment (127+128)	126	0	0
a) fixed assets (excluding financial assets)	127		
b) current assets (excluding financial assets)	128		
7. Provisions	129	5.909.783	5.786.782
8. Other operating expenses	130	784.559	2.651.318
III. FINANCIAL INCOME (132 up to 136)	131	50.333.095	63.828.475
1. Interests, exchange rate differenc, dividends with affiliates	132	6.613.751	5.747.282
2. Interests, exch. rate differenc., dividends with non-affiliates	133	8.474.150	9.182.148
3. Part of income from affiliates and participated interests	134	35.245.194	48.899.045
4. Non-realized financial income	135		
5. Other financial income	136		
IV. FINANCIAL CHARGES (138 up to 141)	137	34.699.605	35.592.148
1. Interests, exchange rate differenc, dividends with affiliates	138	5.075.498	2.123.210
2. Interests, exch. rate differenc., dividends with non-affiliates	139	29.624.107	33.468.938
3. Non-realized financial charges	140		
4. Other financial charges	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 CHARGES	145		
IX. TOTAL INCOME (111+131+142 + 144)	146	594.202.102	676.590.656
X. TOTAL CHARGES (114+137+143 + 145)	147	551.772.580	626.392.922
XI. PROFIT OR LOSS BEFORE TAXATION (146-147)	148	42.429.522	50.197.734
1. Profit before taxation (146-147)	149	42.429.522	50.197.734
2. Loss before taxation (147-146)	150	0	0
XII. PROFIT TAX	151	-90.202	143.599
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	42.519.724	50.054.135
1. PROFIT FOR THE PERIOD (149-151)	153	42.519.724	50.054.135
2. LOSS FOR THE PERIOD (151-148)	154	0	0

ADDENDUM TO ATS (filled in by the entrepreneur compiling the consolidated annual financial statement)			
XIV. PROFIT OR LOSS FOR THE CURRENT PERIOD			
1. Attributable to equity holders	155		
2. Attributable to minority interests	156		
Report for other comprehensive income (only for the taxpayer applying IFRS)			
I. PROFIT OR LOSS FOR THE CURRENT PERIOD (= 152)	157	42.519.724	50.054.135
II. OTHER COMPREHENSIVE INCOME / LOSS BEFORE TAXATION (159 up to 165)	158	0	-67.204.208
1. Exchange differences on translation of foreign operations	159		-67.204.208
2. Movements in revaluation reserves of fixed and intangible assets	160		
3. Profit or loss from revaluation of financial assets available for sale	161		
4. Gains or losses on effective cash flow protection	162		
5. Gains or losses on effective hedge of a net investment abroad	163		
6. Share of other comprehensive income / loss of associated companies	164		
7. Actuarial gains / losses on defined benefit plans	165		
III. TAX ON OTHER COMPREHENSIVE INCOME FOR THE CURRENT PERIOD	166		-13.440.841
IV. OTHER COMPREHENSIVE NET PROFIT OR LOSS	167	0	-53.763.367
V. OTHER COMPREHENSIVE PROFIT OR LOSS FOR THE PERIOD (157+167)	168	42.519.724	-3.709.232
ADDENDUM TO Report for other comprehensive income (filled in by the entrepreneur compiling the consolidated annual			
VI. OTHER COMPREHENSIVE PROFIT OR LOSS FOR THE PERIOD			
1. Attributable to equity holders	169		
2. Attributable to minority interests	170		



7. Cash flow (indirect method)

CASH FLOW REPORT – Indirect method			
in period from 01.01.2014. till 31.12.2014.			
Taxpayer: AD PLASTIK d.d.			
ITEM	AOP ind.	Preceding year	Current year
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Profit before taxation	001	42.429.522	50.197.734
2. Depreciation	002	30.002.103	33.032.924
3. Increase of current liabilities	003	136.497.168	92.184.323
4. Decrease of current receivables	004		66.064.002
5. Decrease in stocks	005		
6. Other increase of cash flow	006		
I. Total increase of cash flow from operating activities (001 - 006)	007	208.928.793	241.478.983
1. Decrease of current liabilities	008		
2. Increase of current receivables	009	84.362.586	
3. Increase in stocks	010	6.377.942	19.765.078
4. Other decrease of cash flow	011	90.202	13.477.193
II. Total decrease of cash flow from operating activities (008 – 011)	012	90.830.730	33.242.271
A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES (012-007)	013	118.098.063	208.236.712
A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES (012-007)	014	0	0
CASH FLOWS FROM INVESTMENT ACTIVITIES			
1. Cash inflows from sale of fixed intangible and tangible assets	015		
2. Cash inflows from sale of ownership and debt instruments	016		
3. Cash inflows from interest	017	21.885.416	6.406.722
4. Cash inflows from dividends	018	26.538.412	41.227.210
5. Other cash inflows from investment activities	019		
III. Total cash inflows from investment activities (015-019)	020	48.423.828	47.633.932
1. Cash expenditures for purchase of fixed tangible and intangible assets	021	124.535.404	84.547.177
2. Cash expenditures for acquisition of ownership and debt instruments	022		
3. Other cash expenditures from investment activities	023		
IV. Total cash expenditures from investment activities (021-023)	024	124.535.404	84.547.177
B1) NET INCREASE OF CASH FLOW FROM INVESTMENT ACTIVITIES (020-024)	025	0	0
B2) NET DECREASE OF CASH FLOW FROM INVESTMENT ACTIVITIES (024-020)	026	76.111.576	36.913.245
CASH FLOW FROM FINANCIAL ACTIVITIES			
1. Cash inflows from issuing ownership and debt financial instruments	027		71.696.573
2. Cash inflows from credit principal, debentures, loans and other borrowings	028	94.535.540	80.625.728
3. Other inflows from financial activities	029		
V. Total cash inflows from financial activities (027-029)	030	94.535.540	152.322.301
1. Cash expenditures for the payment of credit principal and debentures	031	59.367.822	
2. Cash expenditures for the payment of dividends	032	33.621.322	33.342.576
3. Cash expenditures for financial lease	033		
4. Cash expenditures for repurchase of own shares	034	418.936	1.308.059
5. Other cash expenditures from financial activities	035	34.936.489	301.725.660
VI. Total cash expenditures from financial activities (031-035)	036	128.344.569	336.376.295
C1) NET INCREASE OF CASH FLOW FROM FINANCIAL ACTIVITIES (030-036)	037	0	0
C2) NET DECREASE OF CASH FLOW FROM FINANCIAL ACTIVITIES (036-030)	038	33.809.029	184.053.994
Total cash flow increase (013-014+025-026+037-038)	039	8.177.458	0
Total cash flow decrease (014-013+026-025+038-037)	040	0	12.730.527
Cash and cash equivalents at the beginning of the period	041	6.353.591	14.531.049
Cash and cash equivalents increase	042	8.177.458	
Cash and cash equivalents decrease	043		12.730.527
Cash and cash equivalents at the end of the period	044	14.531.049	1.800.522



8. Report on changes to capital

REPORT ON CHANGES TO CAPITAL				
	for period	1.1.2014	till	31.12.2014
Taxpayer: AD PLASTIK d.d.				
ITEM	AOP ind.	Preceding year	Current year	
1	2	3	4	
1. Subscribed capital	001	419.958.400	419.958.400	
2. Capital reserves	002	183.075.797	183.075.797	
3. Reserves from profit	003	30.143.451	26.666.540	
4. Retained profit or loss carried over	004			
5. Current year profit or loss	005	42.519.724	50.054.135	
6. Revalorisation of fixed material assets	006			
7. Revalorisation of intangible assets	007			
8. Revalorisation of financial assets available for sale	008			
9. Other revalorisation	009	10.185.353	-43.578.013	
10. Total capital and reserves (AOP 001-009)	010	685.882.725	636.176.859	
11. Exchange rate variations from net investments into foreign business operations	011		-67.204.208	
12. Current and deferred taxes (part)	012		13.440.841	
13. Cash flow protection	013			
14. Changes in bookkeeping policies	014			
15. Correction of significant mistakes from the previous period	015			
16. Other changes to capital	016			
17. Total capital increase or decrease (AOP 011 - 016)	017	0	-53.763.367	
17a. Ascribed to holders of the holders company capital	018			
17b. Ascribed to minority interest	019			

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

According to the best of my knowledge:

1. Unaudited financial reports of AD Plastik Group and the Company AD Plastik Inc. Solin for the period of 01.01. - 31.12.2014, have been prepared in accordance with the application of corresponding financial reporting standards, they give a complete and true view of the assets and liabilities, profit and loss, a financial position and business of the issuer and the companies included in the consolidation as a whole.
2. Managing report gives a true view of development of results and business and the position of the issuer and companies included in the consolidation, with the description of key risks and uncertainties to which the issuer and the company are exposed as a whole.
3. This report may contain certain statements concerning the future business of AD Plastik Group and the Company. The above forward-looking statements reflect the current views of the Company regarding future events and they are based on assumptions and they subject to risks and uncertainties. A large number of factors can cause that the actual results, performances or achievements of AD Plastik Group or the Company can be different from the results or performances expressed or implied in these forward-looking statements.

Accounting Department Manager

Marica Jakelić



Board Member for Finance and
Accounting

Katija Klepo

