

LUKA PLOČE d.d.  
Trg kralja Tomislava 21  
20 340 Ploče  
OIB: 51228874907

**LUKA PLOČE d.d.**

**UNAUDITED NON CONSOLIDATED  
REPORT  
FOR PERIOD 01.01.2011. - 31.12.2011.**

Ploče, February 2012.

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Reporting period:

01.01.2011.

to

31.12.2011.

**Annual financial statement of the entrepreneur - GFI-POD**

Registration number (MB) | 03036138 |

Identification number of subject | 0900065233 |

Personal identification number | 5122874907 |  
(OIB)

Issuer company: LUKA PLOČE d.d.

Postal code and place | 20340 |

PLOČE

Street and number | TRG KRALJA TOMISLAVA 21 |

E-mail address: [financije@luka-ploce.htnet.hr](mailto:financije@luka-ploce.htnet.hr)Internet address: [www.luka-ploce.hr](http://www.luka-ploce.hr)

Code and name of comune/town | 335 | PLOČE |

Code and county name | 19 | DUBROVAČKO-NERETVANSKA |

Number of employees | 619 |  
(at quarter end)

Consolidated statement | No |

NKD/NWC code: | 5224 |

Subsidiaries subject to consolidation (according to IFRS):

Personal identification number (OIB)

Book keeping service: | |

Contact person: DODIG ŽELJKA  
(fill in only surname and name of contact person)

Phone number: 020 603 223 |

Fascimile: 020 679 170

E-mail address: |

Surname and name | PAVLOVIĆ IVAN |  
(authorised person for representation)**Disclosure documents:**

1. Annual financial statements (balance sheet, profit and loss account, cash flow statement, statement of changes in shareholders' equity)
2. Report of the Management Board on position of the Company
3. Statement of responsible person for preparation of financial statements

M.P.

(signed by authorised person for representation)

**BALANCE SHEET**  
as of 31.12.2011.

Company: LUKA PLOČE D.D.

Position	AOP	Previous year	Current year
1	2	3	4
<b>ASSETS</b>			
<b>A) RECEIVABLES FOR SUBSCRIBED BUT NOT PAID-IN CAPITAL</b>	<b>001</b>		
<b>B) LONG-TERM ASSETS (003+010+020+029+033)</b>	<b>002</b>	<b>117.862.917</b>	<b>382.284.899</b>
I. INTANGIBLE ASSETS (004 to 009)	<b>003</b>	<b>0</b>	<b>0</b>
1. Assets development	<b>004</b>		
2. Concessions, patents, licences fees, trade and service marks, software and other rights	<b>005</b>		0
3. Goodwill	<b>006</b>		
4. Prepayments for purchase of intangible assets	<b>007</b>		
5. Intangible assets in preparation	<b>008</b>		
6. Other intangible assets	<b>009</b>		
II. TANGIBLE ASSETS (011 to 019)	<b>010</b>	<b>95.692.220</b>	<b>116.707.867</b>
1. Land	<b>011</b>	2.138.881	2.138.881
2. Buildings	<b>012</b>	9.475.804	9.286.804
3. Plant and equipment	<b>013</b>	68.390.106	91.745.291
4. Tools, facility inventory and transport assets	<b>014</b>	9.968.021	8.222.277
5. Biological assets	<b>015</b>		
6. Prepayments for tangible assets	<b>016</b>	307.575	
7. Tangible assets in progress	<b>017</b>		
8. Other tangible assets	<b>018</b>		
9. Investments in buildings	<b>019</b>	5.411.833	5.314.614
III. LONG-TERM FINANCIAL ASSETS (021 to 028)	<b>020</b>	<b>17.717.376</b>	<b>261.457.709</b>
1. Investments (shares) with related parties	<b>021</b>	17.240.437	17.940.437
2. Loans given to related parties	<b>022</b>		
3. Participating interest (shares)	<b>023</b>		
4. Loans to entrepreneurs in whom the entity holds participating interests	<b>024</b>		
5. Investments in securities	<b>025</b>		
6. Loans, deposits and similar assets	<b>026</b>		240.040.333
7. Other long - term financial assets	<b>027</b>	476.939	3.476.939
8. Investments accounted by equity method	<b>028</b>		
IV. RECEIVABLES (030 to 032)	<b>029</b>	<b>4.453.321</b>	<b>4.119.323</b>
1. Receivables from related parties	<b>030</b>		
2. Receivables from based on trade loans	<b>031</b>	4.453.321	4.119.323
3. Other receivables	<b>032</b>		
V. DEFERRED TAX ASSETS	<b>033</b>		
<b>C) SHORT TERM ASSETS (035+043+050+058)</b>	<b>034</b>	<b>127.317.000</b>	<b>77.072.173</b>
I. INVENTORIES (036 to 042)	<b>035</b>	<b>1.361.287</b>	<b>1.401.585</b>
1. Raw-material and supplies	<b>036</b>	1.361.287	1.305.688
2. Work in progress	<b>037</b>		
3. Finished goods	<b>038</b>		
4. Merchandise	<b>039</b>		
5. Prepayments for inventories	<b>040</b>		95.897
6. Long - term assets held for sales	<b>041</b>		
7. Biological assets	<b>042</b>		
II. RECEIVABLES (044 to 049)	<b>043</b>	<b>51.284.917</b>	<b>41.467.829</b>
1. Receivables from related parties	<b>044</b>	12.722.523	12.200.640
2. Accounts receivable	<b>045</b>	35.916.566	28.103.711
3. Receivables from participating parties	<b>046</b>		1.591
4. Receivables from employees and members of related parties	<b>047</b>		4.300
5. Receivables from government and other institutions	<b>048</b>	1.437.942	676.356
6. Other receivables	<b>049</b>	1.207.886	481.231
III. SHORT TERM FINANCIAL ASSETS (051 to 057)	<b>050</b>	<b>3.833.255</b>	<b>4.382.491</b>
1. Shares (stocks) in related parties	<b>051</b>		
2. Loans given to related parties	<b>052</b>		
3. Participating interests (shares)	<b>053</b>	2.330.615	275.388
4. Loans to entrepreneurs in whom the entity holds participating interests	<b>054</b>		
5. Investments in securities	<b>055</b>		
6. Loans, deposits, etc.	<b>056</b>	1.502.640	4.107.103
7. Other financial assets	<b>057</b>		
IV. CASH AT BANK AND IN CASHIER	<b>058</b>	70.837.541	29.820.268
<b>D) PREPAID EXPENSES AND ACCRUED REVENUE</b>	<b>059</b>		<b>5.628.192</b>
<b>E) TOTAL ASSETS (001+002+034+059)</b>	<b>060</b>	<b>245.179.917</b>	<b>464.985.264</b>
<b>F) OFF-BALANCE RECORDS</b>	<b>061</b>		

Position	AOP	Previous year	Current year
1	2	3	4
<b>LIABILITIES AND CAPITAL</b>			
<b>A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)</b>	<b>062</b>	<b>187.184.299</b>	<b>382.788.442</b>
I. SUBSCRIBED CAPITAL	063	89.045.600	169.186.800
II. CAPITAL RESERVES	064		90.158.850
III. RESERVES FROM PROFIT (066+067-068+069+070)	065	<b>35.176.363</b>	<b>35.671.840</b>
1. Reserves prescribed by law	066	3.382.017	4.157.437
2. Reserves for treasury shares	067	8.904.560	8.624.617
3. Treasury stocks and shares (deduction)	068		
4. Statutory reserves	069		
5. Other reserves	070	22.889.786	22.889.786
IV. REVALUATION RESERVES	071		
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	072	<b>47.453.935</b>	<b>62.186.916</b>
1. Retained earnings	073	47.453.935	62.186.916
2. Accumulated loss	074		
VI. PROFIT/LOSS FOR THE CURRENT YEAR (076-077)	075	<b>15.508.401</b>	<b>25.584.036</b>
1. Profit for the current year	076	15.508.401	25.584.036
2. Loss for the current year	077		
VII. MINORITY INTERESTS	078		
<b>B) PROVISIONS (080 to 082)</b>	<b>079</b>	<b>7.716.263</b>	<b>6.888.269</b>
1. Provisions for pensions, severance pay, and similar liabilities	080	7.716.263	6.888.269
2. Reserves for tax liabilities	081		
3. Other reserves	082		
<b>C) LONG - TERM LIABILITIES (084 to 092)</b>	<b>083</b>	<b>27.834.000</b>	<b>48.347.256</b>
1. Liabilities to related parties	084		
2. Liabilities for loans, deposits etc.	085		
3. Liabilities to banks and other financial institutions	086	24.931.418	45.662.623
4. Liabilities for received prepayments	087		
5. Accounts payable	088		
6. Liabilities arising from debt securities	089		
7. Liabilities to entrepreneurs in whom the entity holds participating interests	090		
8. Other long-term liabilities	091	2.902.582	2.684.633
9. Deferred tax liability	092		
<b>D) SHORT - TERM LIABILITIES (094 to 105)</b>	<b>093</b>	<b>22.089.386</b>	<b>25.843.331</b>
1. Liabilities to related parties	094	3.598.758	3.837.714
2. Liabilities for loans, deposits etc.	095		
3. Liabilities to banks and other financial institutions	096	6.363.913	11.134.305
4. Liabilities for received prepayments	097		
5. Accounts payable	098	6.478.067	3.860.917
6. Liabilities arising from debt securities	099		
7. Liabilities to entrepreneurs in whom the entity holds participating interests	100		1.864.449
8. Liabilities to employees	101	3.458.183	3.302.172
9. Liabilities for taxes, contributions and similar fees	102	1.744.972	1.787.998
10. Liabilities to share - holders	103		
11. Liabilities for long-term assets held for sale	104		
12. Other short - term liabilities	105	445.493	55.776
<b>E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO FUTURE PERIOD</b>	<b>106</b>	<b>355.969</b>	<b>1.117.966</b>
<b>F) TOTAL – CAPITAL AND LIABILITIES (062+079+083+093+106)</b>	<b>107</b>	<b>245.179.917</b>	<b>464.985.264</b>
<b>G) OFF-BALANCE RECORDS</b>	<b>108</b>		
<b>APPENDIX to balance sheet(to be filled in by entrepreneur that prepares consolidated annual financial report)</b>			
<b>CAPITAL AND RESERVES</b>			
1. Attributed to equity holders of parent company	109		
2. Attributed to minority interest	110		

**PROFIT AND LOSS ACCOUNT**  
for the period 01.01.2011. to 31.12.2011.

Company: LUKA PLOČE D.D.			
Position	AOP	Previous year	Current year
1	2	3	4
<b>I. OPERATING REVENUE (112+113)</b>	<b>111</b>	<b>136.878.291</b>	<b>127.832.170</b>
1. Sales revenue	112	132.438.208	126.185.096
2. Other operating revenues	113	4.440.083	1.647.074
<b>II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)</b>	<b>114</b>	<b>126.670.660</b>	<b>123.442.851</b>
1. Changes in value of work in progress and finished products	115		
2. Material costs (117 to 119)	116	43.746.937	42.763.115
a) Raw material and material costs	117	12.796.352	12.531.066
b) Costs of goods sold	118	40.479	
c) Other external costs	119	30.910.106	30.232.049
3. Staff costs (121 to 123)	120	54.663.175	52.556.000
a) Net salaries and wages	121	34.774.962	33.576.263
b) Cost for taxes and contributions from salaries	122	11.826.224	11.228.530
c) Contributions on gross salaries	123	8.061.989	7.751.207
4. Depreciation	124	8.986.483	9.556.870
5. Other costs	125	11.783.899	13.933.784
6. Impairment (127+128)	126	2.009.091	2.438.838
a) Impairment of long-term assets (financial assets excluded)	127		
b) Impairment of short - term assets (financial assets excluded)	128	2.009.091	2.438.838
7. Provisions	129	2.552.092	513.319
8. Other operating costs	130	2.928.983	1.680.925
<b>III. FINANCIAL INCOME (132 to 136)</b>	<b>131</b>	<b>6.810.617</b>	<b>23.667.019</b>
1. Interest income, foreign exchange gains, dividends and similar income from related	132		
2. Interest income, foreign exchange gains, dividends and similar income from non -	133	6.799.876	23.667.019
3. Share in income from affiliated entrepreneurs and participating interests	134	10.741	
4. Unrealized gains (income) from financial assets	135		
5. Other financial income	136		
<b>IV. FINANCIAL EXPENSES (138 to 141)</b>	<b>137</b>	<b>1.509.847</b>	<b>2.472.302</b>
1. Interest expenses, foreign exchange losses, dividends and similar expenses from	138		
2. Interest expenses, foreign exchange losses, dividends and similar expenses from non -	139	1.509.847	2.472.302
3. Unrealized losses (expenses) on financial assets	140		
4. Other financial expenses	141		
<b>V. INCOME FROM INVESTMENT - SHARE IN PROFIT OF ASSOCIATED ENTREPRENEURS</b>	<b>142</b>		
<b>VI. LOSS FROM INVESTMENT - SHARE IN LOSS OF ASSOCIATED ENTREPRENEURS</b>	<b>143</b>		
<b>VII. EXTRAORDINARY - OTHER INCOME</b>	<b>144</b>		
<b>VIII. EXTRAORDINARY - OTHER EXPENSES</b>	<b>145</b>		
<b>IX. TOTAL INCOME (111+131+142 + 144)</b>	<b>146</b>	<b>143.688.908</b>	<b>151.499.189</b>
<b>X. TOTAL EXPENSES (114+137+143 + 145)</b>	<b>147</b>	<b>128.180.507</b>	<b>125.915.153</b>
<b>XI. PROFIT OR LOSS BEFORE TAXATION (146-147)</b>	<b>148</b>	<b>15.508.401</b>	<b>25.584.036</b>
1. Profit before taxation (146-147)	149	15.508.401	25.584.036
2. Loss before taxation (147-146)	150	0	0
<b>XII. PROFIT TAX</b>	<b>151</b>		
<b>XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)</b>	<b>152</b>	<b>15.508.401</b>	<b>25.584.036</b>
1. Profit for the period (149-151)	153	15.508.401	25.584.036
2. Loss for the period (151-148)	154	0	0
<b>APPENDIX to P&amp;L account (to be filled in by entrepreneur that prepares consolidated financial report)</b>			
<b>XIV. PROFIT OR LOSS FOR THE PERIOD</b>			
1. Attributed to equity holders of parent company	155		
2. Attributed to minority interest	156		
<b>STATEMENT OF OTHER COMPREHENSIVE INCOME (IFRS)</b>			
<b>I. PROFIT OR LOSS FOR THE PERIOD (= 152)</b>	<b>157</b>	<b>15.508.401</b>	<b>25.584.036</b>
<b>II. OTHER COMPREHENSIVE INCOME / LOSS BEFORE TAX (159 to 165)</b>	<b>158</b>	<b>0</b>	<b>0</b>
1. Exchange differences on translation of foreign operations	159		
2. Movements in revaluation reserves of long - term tangible and intangible assets	160		
3. Profit or loss from reevaluation of financial assets available for sale	161		
4. Gains or losses on efficient cash flow hedging	162		
5. Gains or losses on efficient hedge of a net investment in foreign countries	163		
6. Share in other comprehensive income / loss of associated companies	164		
7. Actuarial gains / losses on defined benefit plans	165		
<b>III. TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>166</b>		
<b>IV. NET OTHER COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (158-166)</b>	<b>167</b>	<b>0</b>	<b>0</b>
<b>V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (157+167)</b>	<b>168</b>	<b>15.508.401</b>	<b>25.584.036</b>
<b>APPENDIX to Statement of other comprehensive income (to be filled in by entrepreneur that prepares consolidated financial report)</b>			
<b>VI. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD</b>			
1. Attributed to equity holders of parent company	169		
2. Attributed to minority interest	170		

**STATEMENT OF CASH FLOWS - INDIRECT METHOD**  
for the period 01.01.2011. to 31.12.2012.

Company: LUKA PLOČE D.D.			
Position	AOP	Previous year	Current year
1	2	3	4
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
1. Profit before tax	001	15.508.401	25.584.036
2. Depreciation	002	8.986.483	9.556.870
3. Increase in short term liabilities	003	4.823.164	3.753.945
4. Decrease in short term receivables	004		9.817.088
5. Decrease in inventories	005	76.660	0
6. Other increase in cash flow	006	355.969	4.384.327
<b>I. Total increase in cash flow from operating activities (001 to 006)</b>	<b>007</b>	<b>29.750.677</b>	<b>53.096.266</b>
1. Decrease in short term liabilities	008		
2. Increase in short term receivables	009	2.225.210	
3. Increase in inventories	010		40.298
4. Other decrease in cash flow	011	479.081	0
<b>II. Total decrease in cash flow from operating activities (008 to 011)</b>	<b>012</b>	<b>2.704.291</b>	<b>40.298</b>
<b>A1) NET INCREASE IN CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>013</b>	<b>27.046.386</b>	<b>53.055.968</b>
<b>A2) NET DECREASE IN IN CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>014</b>	<b>0</b>	<b>0</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
1. Cash inflows from sales of long-term tangible and intangible assets	015	5.435.021	
2. Cash inflows from sales of equity and debt instruments	016		
3. Interests receipts	017		
4. Dividend receipts	018		4.500
5. Other cash inflows from investing activities	019		
<b>III. Total cash inflows from investing activities (015 to 019)</b>	<b>020</b>	<b>5.435.021</b>	<b>4.500</b>
1. Cash outflow for purchase of long-term tangible and intangible assets	021	7.502.806	31.826.339
2. Cash outflow for acquisition of equity and debt financial instruments	022		
3. Other cash outflow for investing activities	023		
<b>IV. Total cash outflow for investing activities (021 to 023)</b>	<b>024</b>	<b>7.502.806</b>	<b>31.826.339</b>
<b>B1) NET INCREASE IN CASH FLOW FROM INVESTING ACTIVITIES (020-024)</b>	<b>025</b>	<b>0</b>	<b>0</b>
<b>B2) NET DECREASE IN CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>026</b>	<b>2.067.785</b>	<b>31.821.839</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>			
1. Cash inflow from issuing property and debt financial instruments	027		170.300.050
2. Proceeds from the credit principal, promissory notes, borrowings and other loans	028		22.970.250
3. Other proceeds from financial activities	029		109.049
<b>V. Total cash inflows from financial activities (027 to 029)</b>	<b>030</b>	<b>0</b>	<b>193.379.349</b>
1. Cash outflow for repayment of credit principal and bonds	031	5.527.611	12.590.418
2. Cash outflow for dividends paid	032		
3. Cash outflow for financial lease	033		
4. Cash outflow for purchase of treasury shares	034		
5. Other cash outflow for financial activities	035		243.040.333
<b>VI. Total cash outflow for financial activities (031 to 035)</b>	<b>036</b>	<b>5.527.611</b>	<b>255.630.751</b>
<b>C1) NET INCREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>037</b>	<b>0</b>	<b>0</b>
<b>C2) NET DECREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>038</b>	<b>5.527.611</b>	<b>62.251.402</b>
Total increase in cash flow (013 – 014 + 025 – 026 + 037 – 038)	<b>039</b>	<b>19.450.990</b>	<b>0</b>
Total decrease in cash flow (014 – 013 + 026 – 025 + 038 – 037)	<b>040</b>	<b>0</b>	<b>41.017.273</b>
Cash and cash equivalents at the beginning of the period	<b>041</b>	51.386.551	70.837.541
Increase of cash and cash equivalents	<b>042</b>	19.450.990	
Decrease of cash and cash equivalents	<b>043</b>		41.017.273
Cash and cash equivalents at the end of the period	<b>044</b>	70.837.541	29.820.268

**STATEMENT OF CHANGES IN EQUITY**  
for the period **1.1.2011** to **31.12.2011**

Position	AOP	Previous year	Current year
1	2	3	4
1. Subscribed capital	<b>001</b>	89.045.600	169.186.800
2. Capital reserves	<b>002</b>		90.158.850
3. Reserves from profit	<b>003</b>	35.176.363	35.671.840
4. Retained earnings or accumulated loss	<b>004</b>	47.453.935	62.186.916
5. Profit or loss for the current year	<b>005</b>	15.508.401	25.584.036
6. Revaluation of long - term tangible assets	<b>006</b>		
7. Revaluation of intangible assets	<b>007</b>		
8. Revaluation of financial assets available for sale	<b>008</b>		
9. Other revaluation	<b>009</b>		
<b>10. Total capital and reserves (AOP 001 to 009)</b>	<b>010</b>	<b>187.184.299</b>	<b>382.788.442</b>
11. Currency gains and losses arising from net investement in foreign operations	<b>011</b>		
12. Current and deferred taxes (part)	<b>012</b>		
13. Cash flow hedging	<b>013</b>		
14. Changes in accounting policy	<b>014</b>		
15. Correction of significant errors in prior period	<b>015</b>		
16. Other changes of capital	<b>016</b>		
<b>17. Total increase or decrease in capital (AOP 011 to 016)</b>	<b>017</b>	<b>0</b>	<b>0</b>
17 a. Attributed to equity holders of parent company	<b>018</b>		
17 b. Attributed to minority interest	<b>019</b>		



Pursuant to the article 410. of the Capital market Law (Official Gazette 88/08. and 146/08) the President of the Management board of Luka Ploče d.d. provides

## **MANAGEMENT BOARD'S STATEMENT OF LIABILITY**

Financial statements of the Luka Ploče d.d. have been prepared pursuant to the International Financial Reporting Standards (IFRS) and Accounting Law.

The financial statements for the period from January 01<sup>st</sup> to December 31<sup>st</sup> 2011. present complete and fair view of assets and liabilities, profit and loss, financial position and operations of the Company.

**Capt. Ivan Pavlović**

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**President of the Management Board**