

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

**LUKA PLOČE d.d.**

**UNAUDITED NON CONSOLIDATED REPORT  
FOR PERIOD  
FROM 01.01. UNTIL 31.03.2014.**

Ploče, April 2014.

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### **a) MANAGEMENT BOARD'S REPORT ON THE POSITION OF THE COMPANY:**

- Balance sheet
- P & L (profit and loss account)
- Cash flow statement
- Change in capital statement

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**BUSINESS REPORT OF LUKA PLOČE d.d.**  
**IN PERIOD 01.01.2014. – 01.04.2014.**

**Management Board's Statement on the position of the Company accompanying the financial statements  
for the first quarter of year 2014:**

Financial results of Luka Ploče d.d. in the first quarter of year 2014. are:

- Traffic of cargo through the port of Ploče: 727,75 thousand tones of cargoes representing 9,6 % increase in comparison with the same period of the previous year.
- Revenues from sales: 26,00 million kuna representing the increase of 0,68 % in comparison with the same period of the previous year.
- EBITDA (profit before interests, taxation and depreciation): 4,56 million kuna
- EBITDA margin: 17,55 % representing 47,22 % increase in comparison with the same period of the previous year.
- EBIT: 2,4 million kuna
- EBIT margin: 9,37 %
- Net profit 6,64 million kuna
- Cash flow from operating activities: 3,79 million kuna

<b>Indicators</b>			
	<b>REALIZED 1-3/2013</b>	<b>REALIZED 1-3/2014</b>	<b>realiz 14/ realized 13</b>
<b>Liquidity ratios</b>			
Working Capital	267.303.438	237.014.630	-11,33%
Current liquidity	9,5	10,8	13,73%
Turnover of working capital	0,1	0,1	13,55%
Days of working capital	931,6	820,5	-11,93%
Days in period	90	90	
<b>Debt indicators</b>			
Current liabilities / equity	0,09	0,07	-21,31%
Long term liabilities/ equity	0,12	0,07	-42,57%
Borrowings /equity	0,12	0,09	-31,45%
Total liabilities / assetss	0,17	0,12	-29,49%
<b>Profitability ratios</b>			
EBITDA margin	11,92%	17,55%	47,22%
EBIT margin	2,22%	9,37%	321,60%
<b>Productivity Indicators</b>			
Number of employees	556	459	-17,45%
Revenue per employee (in thousands)	46.444	56.643	21,96%

Business operation of Luka Ploče d.d. was in accordance with the planned operations for the first quarter of year 2014.

In Ploče, April 30th 2014

Capt.Ivan Pavlović dipl.ing.

President of Board

**Appendix 1**

Reporting period:

01.01.2014.

to

31.03.2014.

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

Registration number (MB) 03036138

Identification number of subject 0900065233

Personal identification number (OIB) 5122874907

Issueer company: LUKA PLOČE

Postal code and place 20340 PLOČE

Street and number TRG KRALJA TOMISLAVA 21

E-mail address: [financije@luka-ploce.hr](mailto:financije@luka-ploce.hr)Internet adress: [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 459  
(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 shareholder's equity)
2. Report of the Management Board on position of the Company
3. Statement of responsible persons for preparation of financial statements

M.P.

(signed by authorised person for representation)

**BALANCE SHEET**  
as of 31.03.2014.

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>	135.435.872	139.380.496
I. INTANGIBLE ASSETS (004 to 009)	<b>003</b>	6.119.326	5.940.827
1. Assets development	<b>004</b>		
2. Concessions, patents, licences fees, trade and service marks, software and other rights	<b>005</b>	6.119.326	5.940.827
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>	89.085.537	87.549.793
1. Land	<b>011</b>	2.138.881	2.138.881
2. Buildings	<b>012</b>	8.908.802	8.861.552
3. Plant and equipment	<b>013</b>	64.117.515	62.738.961
4. Tools, facility inventory and transport assets	<b>014</b>	5.789.478	5.476.850
5. Biological assets	<b>015</b>		
6. Prepayments for tangible assets	<b>016</b>	9.000	
7. Tangible assets in progress	<b>017</b>	3.063.094	3.298.796
8. Other tangible assets	<b>018</b>		
9. Investments in buildings	<b>019</b>	5.058.767	5.034.753
III. LONG-TERM FINANCIAL ASSETS (021 to 028)	<b>020</b>	36.863.686	42.522.553
1. Investments (shares) with related parties	<b>021</b>	22.337.876	27.887.876
2. Loans given to related parties	<b>022</b>	14.446.310	14.555.177
3. Participating interest (shares)	<b>023</b>	79.500	79.500
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>		
7. Other long - term financial assets	<b>027</b>		
8. Investments accounted by equity method	<b>028</b>		
IV. RECEIVABLES (030 to 032)	<b>029</b>	3.367.323	3.367.323
1. Receivables from related parties	<b>030</b>		
2. Receivables from based on trade loans	<b>031</b>	3.367.323	3.367.323
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>	260.295.283	259.280.756
I. INVENTORIES (036 to 042)	<b>035</b>	228.059	551.699
1. Raw-material and supplies	<b>036</b>	228.059	551.699
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>		
6. Long - term assets held for sales	<b>041</b>		
7. Biological assets	<b>042</b>		
II. RECEIVABLES (044 to 049)	<b>043</b>	36.706.698	40.194.535
1. Receivables from related parties	<b>044</b>	4.282.708	4.968.378
2. Accounts receivable	<b>045</b>	29.630.344	32.885.096
3. Receivables from participating parties	<b>046</b>	68	64.232
4. Receivables from employees and members of related parties	<b>047</b>	21.032	22.122
5. Receivables from government and other institutions	<b>048</b>	890.752	1.375.445
6. Other receivables	<b>049</b>	1.881.794	879.262
III. SHORT TERM FINANCIAL ASSETS (051 to 057)	<b>050</b>	198.608.116	197.887.561
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>	459.260	459.260
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>	198.148.856	197.428.301
7. Other financial assets	<b>057</b>		
IV. CASH AT BANK AND IN CASHIER	<b>058</b>	24.752.410	20.646.961
<b>D) PREPAID EXPENSES AND ACCRUED REVENUE</b>	<b>059</b>		1.932.785
<b>E) TOTAL ASSETS (001+002+034+059)</b>	<b>060</b>	395.731.155	400.594.037
<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>	346.063.885	352.708.202
I. SUBSCRIBED CAPITAL	<b>063</b>	169.186.800	169.186.800
II. CAPITAL RESERVES	<b>064</b>	88.107.087	88.107.087
III. RESERVES FROM PROFIT (066+067-068+069+070)	<b>065</b>	36.171.767	36.171.768
1. Reserves prescribed by law	<b>066</b>	5.443.738	5.443.738
2. Reserves for treasury shares	<b>067</b>	7.838.243	7.838.244
3. Treasury stocks and shares (deduction)	<b>068</b>		
4. Statutory reserves	<b>069</b>		
5. Other reserves	<b>070</b>	22.889.786	22.889.786
IV. REVALUATION RESERVES	<b>071</b>		
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	<b>072</b>	57.946.839	52.598.231
1. Retained earnings	<b>073</b>	57.946.839	52.598.231
2. Accumulated loss	<b>074</b>		
VI. PROFIT/LOSS FOR THE CURRENT YEAR (076-077)	<b>075</b>	-5.348.608	6.644.316
1. Profit for the current year	<b>076</b>		6.644.316
2. Loss for the current year	<b>077</b>	5.348.608	
VII. MINORITY INTERESTS	<b>078</b>		
<b>B) PROVISIONS (080 to 082)</b>	<b>079</b>	2.157.919	1.826.238
1. Provisions for pensions, severance pay, and similar liabilities	<b>080</b>	1.766.051	1.766.051
2. Reserves for tax liabilities	<b>081</b>		
3. Other reserves	<b>082</b>	391.868	60.187
<b>C) LONG - TERM LIABILITIES (084 to 092)</b>	<b>083</b>	21.464.054	21.860.686
1. Liabilities to related parties	<b>084</b>		
2. Liabilities for loans, deposits etc.	<b>085</b>		
3. Liabilities to banks and other financial institutions	<b>086</b>	19.274.518	19.671.150
4. Liabilities for received prepayments	<b>087</b>		
5. Accounts payable	<b>088</b>		
6. Liabilities arising from debt securities	<b>089</b>		
7. Liabilities to entrepreneurs in whom the entity holds participating interests	<b>090</b>		
8. Other long-term liabilities	<b>091</b>	2.189.536	2.189.536
9. Deferred tax liability	<b>092</b>		
<b>D) SHORT - TERM LIABILITIES (094 to 105)</b>	<b>093</b>	26.045.297	23.061.052
1. Liabilities to related parties	<b>094</b>	3.709.339	3.726.925
2. Liabilities for loans, deposits etc.	<b>095</b>		
3. Liabilities to banks and other financial institutions	<b>096</b>	12.044.904	10.486.359
4. Liabilities for received prepayments	<b>097</b>		
5. Accounts payable	<b>098</b>	4.653.407	3.949.013
6. Liabilities arising from debt securities	<b>099</b>		383.833
7. Liabilities to entrepreneurs in whom the entity holds participating interests	<b>100</b>	789.145	418.965
8. Liabilities to employees	<b>101</b>	2.575.665	2.517.772
9. Liabilities for taxes, contributions and similar fees	<b>102</b>	2.024.369	1.368.717
10. Liabilities to share - holders	<b>103</b>		
11. Liabilities for long-term assets held for sale	<b>104</b>		
12. Other short - term liabilities	<b>105</b>	248.468	209.468
<b>E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO FUTURE PERIOD</b>	<b>106</b>		1.137.859
<b>F) TOTAL – CAPITAL AND LIABILITIES (062+079+083+093+106)</b>	<b>107</b>	395.731.155	400.594.037
<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	<b>109</b>		
2. Attributed to minority interest	<b>110</b>	0	0

**PROFIT AND LOSS ACCOUNT**  
period from 01.01.2014. until 31.03.2014.

LUKA PLOČE d.d.					
Position	AOP	previous period cumulative	previous period quarter	current period cumulative	current period cumulative
1	2	3	4	5	6
<b>I. OPERATING REVENUE (112+113)</b>	<b>111</b>	26.340.490	26.340.490	25.998.971	25.998.971
1. Sales revenue	112	24.611.640	24.611.640	25.556.074	25.556.074
2. Other operating revenues	113	1.728.850	1.728.850	442.897	442.897
<b>II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)</b>	<b>114</b>	24.563.179	24.563.179	23.524.208	23.524.208
1. Changes in value of work in progress and finished products	115				
2. Material costs (117 to 119)	116	8.516.736	8.516.736	8.813.313	8.813.313
a) Raw material and material costs	117	2.629.953	2.629.953	2.650.241	2.650.241
b) Costs of goods sold	118				
c) Other external costs	119	5.886.783	5.886.783	6.163.072	6.163.072
3. Staff costs (121 to 123)	120	11.892.006	11.892.006	10.829.771	10.829.771
a) Net salaries and wages	121	7.692.022	7.692.022	6.933.797	6.933.797
b) Cost for taxes and contributions from salaries	122	2.610.624	2.610.624	2.458.893	2.458.893
c) Contributions on gross salaries	123	1.589.360	1.589.360	1.437.081	1.437.081
4. Depreciation	124	2.504.505	2.504.505	2.126.300	2.126.300
5. Other costs	125	1.649.932	1.649.932	1.754.824	1.754.824
6. Impairment (127+128)	126	0	0	0	0
a) Impairment of long-term assets (financial assets excluded)	127				
b) Impairment of short-term assets (financial assets excluded)	128				
7. Provisions	129				
8. Other operating costs	130				
<b>III. FINANCIAL INCOME (132 to 136)</b>	<b>131</b>	8.132.458	8.132.458	4.482.317	4.482.317
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	8.132.458	8.132.458	4.482.317	4.482.317
3. Share in income from affiliated entrepreneurs and participating interests	134				
4. Unrealized gains (income) from financial assets	135				
5. Other financial income	136				
<b>IV. FINANCIAL EXPENSES (138 to 141)</b>	<b>137</b>	262.035	262.035	312.764	312.764
1. Interest expenses, foreign exchange losses, dividends and similar expenses from related	138				
2. Interest expenses, foreign exchange losses, dividends and similar expenses from non -	139	262.035	262.035	312.764	312.764
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>	34.472.948	34.472.948	30.481.288	30.481.288
<b>X. TOTAL EXPENSES (114+137+143 + 145)</b>	<b>147</b>	24.825.214	24.825.214	23.836.972	23.836.972
<b>XI. PROFIT OR LOSS BEFORE TAXATION (146-147)</b>	<b>148</b>	9.647.734	9.647.734	6.644.316	6.644.316
1. Profit before taxation (146-147)	149	9.647.734	9.647.734	6.644.316	6.644.316
2. Loss before taxation (147-146)	150	0	0	0	0
<b>XII. PROFIT TAX</b>	<b>151</b>				
<b>XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)</b>	<b>152</b>	9.647.734	9.647.734	6.644.316	6.644.316
1. Profit for the period (149-151)	153	9.647.734	9.647.734	6.644.316	6.644.316
2. Loss for the period (151-148)	154	0	0	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>	9.647.734	9.647.734	6.644.316	6.644.316
<b>II. OTHER COMPREHENSIVE INCOME / LOSS BEFORE TAX (159 to 165)</b>	<b>158</b>	0	0	0	0
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>	0	0	0	0
<b>V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (157+167)</b>	<b>168</b>	9.647.734	9.647.734	6.644.316	6.644.316
<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

period 01.01.2014. until 31.03.2014.

Company: LUKA PLOČE			
Position	AOP	Previous year	Current year
1	2	3	4
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
1. Profit before tax	001	-5.348.608	6.644.316
2. Depreciation	002	9.675.732	2.126.300
3. Increase in short term liabilities	003		117.753
4. Decrease in short term receivables	004		
5. Decrease in inventories	005	37.422	
6. Other increase in cash flow	006	3.532.825	4.319.065
<b>I. Total increase in cash flow from operating activities (001 to 006)</b>	<b>007</b>	<b>7.897.371</b>	<b>13.207.434</b>
1. Decrease in short term liabilities	008	1.170.745	
2. Increase in short term receivables	009	2.156.908	4.004.586
3. Increase in inventories	010		323.640
4. Other decrease in cash flow	011	14.603.076	2.485.356
<b>II. Total decrease in cash flow from operating activities (008 to 011)</b>	<b>012</b>	<b>17.930.729</b>	<b>6.813.582</b>
<b>A1) NET INCREASE IN CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>013</b>	<b>0</b>	<b>6.393.852</b>
<b>A2) NET DECREASE IN IN CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>014</b>	<b>10.033.358</b>	<b>0</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
1. Cash inflows from sales of long-term tangible and intangible assets	015	32.000	
2. Cash inflows from sales of equity and debt instruments	016		
3. Interests receipts	017		
4. Dividend receipts	018		
5. Other cash inflows from investing activities	019	236.976.475	194.215.000
<b>III. Total cash inflows from investing activities (015 to 019)</b>	<b>020</b>	<b>237.008.475</b>	<b>194.215.000</b>
1. Cash outflow for purchase of long-term tangible and intangible assets	021	4.410.232	421.056
2. Cash outflow for acquisition of equity and debt financial instruments	022	1.300.000	5.550.000
3. Other cash outflow for investing activities	023	197.430.875	196.816.940
<b>IV. Total cash outflow for investing activities (021 to 023)</b>	<b>024</b>	<b>203.141.107</b>	<b>202.787.996</b>
<b>B1) NET INCREASE IN CASH FLOW FROM INVESTING ACTIVITIES (020-024)</b>	<b>025</b>	<b>33.867.368</b>	<b>0</b>
<b>B2) NET DECREASE IN CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>026</b>	<b>0</b>	<b>8.572.996</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>			
1. Cash inflow from issuing property and debt financial instruments	027		
2. Proceeds from the credit principal, promissory notes, borrowings and other loans	028	414.316	74.887
3. Other proceeds from financial activities	029		
<b>V. Total cash inflows from financial activities (027 to 029)</b>	<b>030</b>	<b>414.316</b>	<b>74.887</b>
1. Cash outflow for repayment of credit principal and bonds	031	8.938.009	2.001.192
2. Cash outflow for dividends paid	032		
3. Cash outflow for financial lease	033		
4. Cash outflow for purchase of treasury shares	034	419.556	
5. Other cash outflow for financial activities	035	10.260.060	
<b>VI. Total cash outflow for financial activities (031 to 035)</b>	<b>036</b>	<b>19.617.625</b>	<b>2.001.192</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>19.203.309</b>	<b>1.926.305</b>
Total increase in cash flow (013 – 014 + 025 – 026 + 037 – 038)	<b>039</b>	<b>4.630.701</b>	<b>0</b>
Total decrease in cash flow (014 – 013 + 026 – 025 + 038 – 037)	<b>040</b>	<b>0</b>	<b>4.105.449</b>
Cash and cash equivalents at the beginning of the period	<b>041</b>	<b>20.121.709</b>	<b>24.752.410</b>
Increase of cash and cash equivalents	<b>042</b>	<b>4.630.701</b>	<b>0</b>
Decrease of cash and cash equivalents	<b>043</b>	<b>0</b>	<b>4.105.449</b>
Cash and cash equivalents at the end of the period	<b>044</b>	<b>24.752.410</b>	<b>20.646.961</b>



## STATEMENT OF CHANGES IN EQUITY

for the period **1.1.2014** to **31.3.2014**

Position	AOP	Previous year	Current year
1	2	3	4
1. Subscribed capital	<b>001</b>	169.186.800	169.186.800
2. Capital reserves	<b>002</b>	88.107.087	88.107.087
3. Reserves from profit	<b>003</b>	36.171.767	36.171.768
4. Retained earnings or accumulated loss	<b>004</b>	57.946.839	52.598.231
5. Profit or loss for the current year	<b>005</b>	-5.348.608	6.644.316
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>	346.063.885	352.708.202
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>	0	0
17 a. Attributed to equity holders of parent company	<b>018</b>		
17 b. Attributed to minority interest	<b>019</b>		

Items which decrease capital are given with the negative prefix

## **MANAGEMENT LIABILITY STATEMENT**

Disclosed financial Statements are compiled in accordance with provisions of the Croatian Accounting Act (Official Gazette 109/07), Company Law ( Official Gazette 111/93, 34/99, 121/99, 52/00, 118/03, 107/07, 146/08, 137/09, 152/11, 111/12, 144/12), Capital Market Act (Official Gazette 88/08, 146/08, 74/09) and the Rules of the Zagreb Stock Exchange in structure and content as prescribed by the Ordinance on the structure and content of periodic financial reports for Issuer during the Year set forth by the Croatian Financial Services Supervisory Agency (Official Gazette 47/11).

Financial Statements for the first quarter of year 2014. give a complete and true representation of assets and obligations, losses and gains, financial status and business activities of the Company.

Capt. Ivan Pavlović

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President of the Board