

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 31.12.2014.**

Ploče, February 2015.

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

- Balance sheet
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Appendix 1

Reporting period:

01.01.2014.

to

31.12.2014.

Annual financial statement of the entrepreneur - GFI-POD

Registration number (MB) | 03036138 |

Identification number of subject | 0900065233 |

Personal identification number
(OIB) | 5122874907 |

Issuer company: | LUKA PLOČE |

Postal code and place | 20340 | PLOČE |

Street and number | TRG KRALJA TOMISLAVA 21 |

E-mail address: | financije@luka-ploce.hr |Internet address: | www.luka-ploce.hr |

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

Code and county name | 19 | DUBROVAČKO-NERETVANSKA |

Number of employees | 455 |
(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. 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 31.12.2014.

LUKA PLOČE d.d.			
Position	AOP	Previous year	Current year
1	2	3	4
ASSETS			
A) RECEIVABLES FOR SUBSCRIBED BUT NOT PAID-IN CAPITAL	001		
B) LONG-TERM ASSETS (003+010+020+029+033)	002	135.435.872	152.759.794
I. INTANGIBLE ASSETS (004 to 009)	003	6.119.326	1.410.782
1. Assets development	004		
2. Concessions, patents, licences fees, trade and service marks, software and other rights	005	6.119.326	
3. Goodwill	006		
4. Prepayments for purchase of intangible assets	007		
5. Intangible assets in preparation	008		
6. Other intangible assets	009		1.410.782
II. TANGIBLE ASSETS (011 to 019)	010	89.085.537	108.413.988
1. Land	011	2.138.881	2.138.881
2. Buildings	012	8.908.802	8.877.954
3. Plant and equipment	013	64.117.515	63.835.366
4. Tools, facility inventory and transport assets	014	5.789.478	4.530.426
5. Biological assets	015		
6. Prepayments for tangible assets	016	9.000	
7. Tangible assets in progress	017	3.063.094	24.068.652
8. Other tangible assets	018		
9. Investments in buildings	019	5.058.767	4.962.709
III. LONG-TERM FINANCIAL ASSETS (021 to 028)	020	36.863.686	39.921.700
1. Investments (shares) with related parties	021	22.337.876	36.166.876
2. Loans given to related parties	022	14.446.310	3.675.324
3. Participating interest (shares)	023	79.500	79.500
4. Loans to entrepreneurs in whom the entity holds participating interests	024		
5. Investments in securities	025		
6. Loans, deposits and similar assets	026		
7. Other long - term financial assets	027		
8. Investments accounted by equity method	028		
IV. RECEIVABLES (030 to 032)	029	3.367.323	3.013.324
1. Receivables from related parties	030		
2. Receivables from based on trade loans	031	3.367.323	3.013.324
3. Other receivables	032		
V. DEFERRED TAX ASSETS	033		
C) SHORT TERM ASSETS (035+043+050+058)	034	260.295.283	282.530.677
I. INVENTORIES (036 to 042)	035	228.059	472.332
1. Raw-material and supplies	036	228.059	472.332
2. Work in progress	037		
3. Finished goods	038		
4. Merchandise	039		
5. Prepayments for inventories	040		
6. Long - term assets held for sales	041		
7. Biological assets	042		
II. RECEIVABLES (044 to 049)	043	36.706.698	35.957.137
1. Receivables from related parties	044	4.282.708	5.560.098
2. Accounts receivable	045	29.630.344	25.179.106
3. Receivables from participating parties	046	68	
4. Receivables from employees and members of related parties	047	21.032	
5. Receivables from government and other institutions	048	890.752	3.882.785
6. Other receivables	049	1.881.794	1.335.148
III. SHORT TERM FINANCIAL ASSETS (051 to 057)	050	198.608.116	229.676.844
1. Shares (stocks) in related parties	051		
2. Loans given to related parties	052		
3. Participating interests (shares)	053	459.260	159.357
4. Loans to entrepreneurs in whom the entity holds participating interests	054		
5. Investments in securities	055		
6. Loans, deposits, etc.	056	198.148.856	229.517.487
7. Other financial assets	057		
IV. CASH AT BANK AND IN CASHIER	058	24.752.410	16.424.364
D) PREPAID EXPENSES AND ACCRUED REVENUE	059		
E) TOTAL ASSETS (001+002+034+059)	060	395.731.155	435.290.471
F) OFF-BALANCE RECORDS	061		

Position	AOP	Previous year	Current year
1	2	3	4
LIABILITIES AND CAPITAL			
A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	346.063.885	372.450.063
I. SUBSCRIBED CAPITAL	063	169.186.800	169.186.800
II. CAPITAL RESERVES	064	88.107.087	88.107.087
III. RESERVES FROM PROFIT (066+067-068+069+070)	065	36.171.767	36.171.767
1. Reserves prescribed by law	066	5.443.738	5.443.738
2. Reserves for treasury shares	067	7.838.243	7.838.243
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	57.946.839	52.598.231
1. Retained earnings	073	57.946.839	52.598.231
2. Accumulated loss	074		
VI. PROFIT/LOSS FOR THE CURRENT YEAR (076-077)	075	-5.348.608	26.386.178
1. Profit for the current year	076		26.386.178
2. Loss for the current year	077	5.348.608	
VII. MINORITY INTERESTS	078		
B) PROVISIONS (080 to 082)	079	2.157.919	1.917.676
1. Provisions for pensions, severance pay, and similar liabilities	080	1.766.051	1.857.489
2. Reserves for tax liabilities	081		
3. Other reserves	082	391.868	60.187
C) LONG - TERM LIABILITIES (084 to 092)	083	21.464.054	12.975.366
1. Liabilities to related parties	084		
2. Liabilities for loans, deposits etc.	085		
3. Liabilities to banks and other financial institutions	086	19.274.518	11.014.273
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	2.189.536	1.961.093
9. Deferred tax liability	092		
D) SHORT - TERM LIABILITIES (094 to 105)	093	26.045.297	47.947.366
1. Liabilities to related parties	094	3.709.339	4.512.507
2. Liabilities for loans, deposits etc.	095		
3. Liabilities to banks and other financial institutions	096	12.044.904	33.545.010
4. Liabilities for received prepayments	097		
5. Accounts payable	098	4.653.407	4.302.092
6. Liabilities arising from debt securities	099		
7. Liabilities to entrepreneurs in whom the entity holds participating interests	100	789.145	1.073.807
8. Liabilities to employees	101	2.575.665	2.751.551
9. Liabilities for taxes, contributions and similar fees	102	2.024.369	1.541.640
10. Liabilities to share - holders	103		
11. Liabilities for long-term assets held for sale	104		
12. Other short - term liabilities	105	248.468	220.759
E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO FUTURE PERIOD	106		
F) TOTAL – CAPITAL AND LIABILITIES (062+079+083+093+106)	107	395.731.155	435.290.471
G) OFF-BALANCE RECORDS	108		
APPENDIX to balance sheet(to be filled in by entrepreneur that prepares consolidated annual financial report)			
CAPITAL AND RESERVES			
1. Attributed to equity holders of parent company	109		
2. Attributed to minority interest	110	0	0

PROFIT AND LOSS ACCOUNT
from 01.01.2014. until 31.12.2014.

LUKA PLOČE d.d.			
Position	AOP	previous period cumulative	previous period quarter
1	2	3	4
I. OPERATING REVENUE (112+113)	111	107.894.974	106.000.092
1. Sales revenue	112	99.751.165	95.979.474
2. Other operating revenues	113	8.143.809	10.020.618
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)	114	105.610.503	98.690.335
1. Changes in value of work in progress and finished products	115		
2. Material costs (117 to 119)	116	33.955.088	35.228.084
a) Raw material and material costs	117	8.852.601	9.360.825
b) Costs of goods sold	118		
c) Other external costs	119	25.102.487	25.867.259
3. Staff costs (121 to 123)	120	44.198.686	45.486.517
a) Net salaries and wages	121	28.548.499	28.726.810
b) Cost for taxes and contributions from salaries	122	9.771.372	10.211.135
c) Contributions on gross salaries	123	5.878.815	6.548.572
4. Depreciation	124	9.675.732	8.702.541
5. Other costs	125	16.641.847	9.122.410
6. Impairment (127+128)	126	1.139.150	150.783
a) Impairment of long-term assets (financial assets excluded)	127		
b) Impairment of short - term assets (financial assets excluded)	128	1.139.150	150.783
7. Provisions	129		
8. Other operating costs	130		
III. FINANCIAL INCOME (132 to 136)	131	0	27.575.984
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		27.575.984
3. Share in income from affiliated entrepreneurs and participating interests	134		
4. Unrealized gains (income) from financial assets	135		
5. Other financial income	136		
IV. FINANCIAL EXPENSES (138 to 141)	137	7.633.079	8.499.563
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	7.633.079	699.563
3. Unrealized losses (expenses) on financial assets	140		
4. Other financial expenses	141		7.800.000
V. INCOME FROM INVESTMENT - SHARE IN PROFIT OF ASSOCIATED ENTREPRENEURS	142		
VI. LOSS FROM INVESTMENT - SHARE IN LOSS OF ASSOCIATED ENTREPRENEURS	143		
VII. EXTRAORDINARY - OTHER INCOME	144		
VIII. EXTRAORDINARY - OTHER EXPENSES	145		
IX. TOTAL INCOME (111+131+142 + 144)	146	107.894.974	133.576.076
X. TOTAL EXPENSES (114+137+143 + 145)	147	113.243.582	107.189.898
XI. PROFIT OR LOSS BEFORE TAXATION (146-147)	148	-5.348.608	26.386.178
1. Profit before taxation (146-147)	149	0	26.386.178
2. Loss before taxation (147-146)	150	5.348.608	0
XII. PROFIT TAX	151		
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	-5.348.608	26.386.178
1. Profit for the period (149-151)	153	0	26.386.178
2. Loss for the period (151-148)	154	5.348.608	0
APPENDIX to P&L account (to be filled in by entrepreneur that prepares consolidated financial report)			
XIV. PROFIT OR LOSS FOR THE PERIOD			
1. Attributed to equity holders of parent company	155		
2. Attributed to minority interest	156		
STATEMENT OF OTHER COMPREHENSIVE INCOME (IFRS)			
I. PROFIT OR LOSS FOR THE PERIOD (= 152)	157	-5.348.608	26.386.178
II. OTHER COMPREHENSIVE INCOME / LOSS BEFORE TAX (159 to 165)	158	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		
III. TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD	166		
IV. NET OTHER COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (158-166)	167	0	0
V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (157+167)	168	-5.348.608	26.386.178
APPENDIX to Statement of other comprehensive income (to be filled in by entrepreneur that prepares consolidated financial report)			
VI. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD			
1. Attributed to equity holders of parent company	169		
2. Attributed to minority interest	170		

STATEMENT OF CASH FLOWS - INDIRECT METHOD
from 01.01.2104. until 31.12.2014.

Company: LUKA PLOČE			
Position	AOP	Previous year	Current year
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Profit before tax	001	-5.348.608	26.386.178
2. Depreciation	002	9.675.732	8.702.541
3. Increase in short term liabilities	003		818.459
4. Decrease in short term receivables	004		
5. Decrease in inventories	005	37.422	
6. Other increase in cash flow	006	3.532.825	
I. Total increase in cash flow from operating activities (001 to 006)	007	7.897.371	35.907.178
1. Decrease in short term liabilities	008	1.170.745	
2. Increase in short term receivables	009	2.156.908	2.646.542
3. Increase in inventories	010		244.273
4. Other decrease in cash flow	011	14.603.076	14.275.094
II. Total decrease in cash flow from operating activities (008 to 011)	012	17.930.729	17.165.909
A1) NET INCREASE IN CASH FLOW FROM OPERATING ACTIVITIES	013	0	18.741.269
A2) NET DECREASE IN IN CASH FLOW FROM OPERATING ACTIVITIES	014	10.033.358	0
CASH FLOW FROM INVESTING ACTIVITIES			
1. Cash inflows from sales of long-term tangible and intangible assets	015	32.000	314.994
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
III. Total cash inflows from investing activities (015 to 019)	020	237.008.475	194.529.994
1. Cash outflow for purchase of long-term tangible and intangible assets	021	4.410.232	23.399.211
2. Cash outflow for acquisition of equity and debt financial instruments	022	1.300.000	21.629.000
3. Other cash outflow for investing activities	023	197.430.875	196.817.000
IV. Total cash outflow for investing activities (021 to 023)	024	203.141.107	241.845.211
B1) NET INCREASE IN CASH FLOW FROM INVESTING ACTIVITIES (020-024)	025	33.867.368	0
B2) NET DECREASE IN CASH FLOW FROM INVESTING ACTIVITIES	026	0	47.315.217
CASH FLOW FROM FINANCIAL ACTIVITIES			
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	31.975.525
3. Other proceeds from financial activities	029		
V. Total cash inflows from financial activities (027 to 029)	030	414.316	31.975.525
1. Cash outflow for repayment of credit principal and bonds	031	8.938.009	11.729.623
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	
VI. Total cash outflow for financial activities (031 to 035)	036	19.617.625	11.729.623
C1) NET INCREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES	037	0	20.245.902
C2) NET DECREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES	038	19.203.309	0
Total increase in cash flow (013 – 014 + 025 – 026 + 037 – 038)	039	4.630.701	0
Total decrease in cash flow (014 – 013 + 026 – 025 + 038 – 037)	040	0	8.328.046
Cash and cash equivalents at the beginning of the period	041	20.121.709	24.752.410
Increase of cash and cash equivalents	042	4.630.701	
Decrease of cash and cash equivalents	043		8.328.046
Cash and cash equivalents at the end of the period	044	24.752.410	16.424.364

STATEMENT OF CHANGES IN EQUITY
for the period **1.1.2014** to **31.12.2014**

Position	AOP	Previous year	Current year
1	2	3	4
1. Subscribed capital	001	169.186.800	169.186.800
2. Capital reserves	002	88.107.087	88.107.087
3. Reserves from profit	003	36.171.767	36.171.767
4. Retained earnings or accumulated loss	004	57.946.839	52.598.231
5. Profit or loss for the current year	005	-5.348.608	26.386.178
6. Revaluation of long - term tangible assets	006		
7. Revaluation of intangible assets	007		
8. Revaluation of financial assets available for sale	008		
9. Other revaluation	009		
10. Total capital and reserves (AOP 001 to 009)	010	346.063.885	372.450.063
11. Currency gains and losses arising from net investement in foreign operations	011		
12. Current and deferred taxes (part)	012		
13. Cash flow hedging	013		
14. Changes in accounting policy	014		
15. Correction of significant errors in prior period	015		
16. Other changes of capital	016		
17. Total increase or decrease in capital (AOP 011 to 016)	017	0	0
17 a. Attributed to equity holders of parent company	018		
17 b. Attributed to minority interest	019		

Items which decrease capital are given with the negative prefix

MANAGEMENT LIABILITY STATEMENT

Hereby , pursuant the Article 410. of the Capital Market Act we declare that according to our best knowledge, financial reports for the reporting period are prepared in accordance with applicable financial reporting standards.

Financial Statements for the year 2014. give a complete and true representation of assets and obligations, profit and loss, financial position and business activities of the Company.

Željka Dodig

Capt. Ivan Pavlović

Member of the Board ,
Financial affairs

President of the board