

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

LUKA PLOČE GROUP

**UNAUDITED CONSOLIDATED REPORT
FOR PERIOD
FROM 01.01. UNTIL 30.09.2014.**

Ploče, October 2014.



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BUSINESS REPORT OF LUKA PLOČE d.d.
IN PERIOD 01.01.2014. – 30.09.2014.

Management Board's Statement on the position of the Luka Ploče Group accompanying the financial statements for the third quarter of year 2014:

Financial results of Luka Ploče Group. in the third quarter of year 2014. are:

- Revenues from sales: 88,52 million kuna representing the increase of 3,39 % in comparison with the same period of the previous year.
- EBITDA (profit before interests, taxation and depreciation): 13,37 million kuna
- EBITDA margin: 14,76 %
- EBIT: 5,436 million kuna
- EBIT margin: 6,00 %
- Net profit 12,10 million kuna
- Cash flow from operating activities: 19,40 million kuna

Indicators						
	REALIZED 1-9/2013	REALIZED 1-9/2014	INDEKS	ANTICIPATED 1-9/2014.	ANTICIPATED 1-9/2014.	INDEKS
Liquidity ratios						
Working Capital	240.137.636	242.749.906	101,09%	213.955.632	242.749.906	113,46%
Current liquidity	10,18	15,13	148,63%	15,23	15,13	99,39%
Turnover of working capital	0,36	0,37	103,02%	0,38	0,37	98,52%
Days of working capital	746	724	97,07%	713	724	101,51%
Days in period	270	270		270	270	
Debt indicators						
Current liabilities / equity	0,07	0,05	63,59%	0,04	0,05	109,52%
Long term liabilities/ equity	0,07	0,08	127,61%	0,08	0,08	100,09%
Borrowings /equity	0,09	0,08	91,32%	0,08	0,08	
Total liabilities / assetss	0,11	0,11	94,83%	0,10	0,11	
Profitability ratios						
EBITDA margin	3,40%	14,76%	433,74%	23,48%	14,76%	62,89%
EBIT margin	-7,08%	6,00%	-84,75%	14,10%	6,00%	42,57%
Net margin	-4,17%	13,36%	-320,37%	17,08%	13,36%	78,22%
Productivity Indicators						
Number of employees	593	589	99,33%	589	589	100,00%
Revenue per employee (in thousands)	146.646	153.759	104,85%	137.562	153.759	111,77%
Profit per employee (in thousands)	6.114	20.537	-335,91%	23.491	20.537	87,43%

Business operation of Luka Ploče Group is in accordance with the planned operations for the third quarter of year 2014.

In Ploče, October 30th 2014.

Capt.Ivan Pavlović dipl.ing.

President of Board

Appendix 1

Reporting period:

01.01.2014.

to

30.09.2014.

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 | 589 |
(at quarter end)

Consolidated statement | YES |

NKD/NWC code: | 5224 |

Subsidiaries subject to consolidation (according to IFRS):

Personal identification number (OIB)

LUKA PLOČE TRGOVINA d.o.o. | LUČKA CESTA b.b. PLOČE | 18102992360 |

POMORSKI SERVIS - LUKA PLOČ d.o.o. | LUČKA BOSANSKA OBALA b.b. PLOČE | 18875024938 |

LUKA PLOČE - ODRŽAVANJE d.o.o. | LUČKA CESTA b.b. PLOČE | 87501430734 |

LUKA ŠPED d.o.o. | LUČKA CESTA b.b. PLOČE | 28527523504 |

LUKA PLOČE USLUGE d.o.o. | LUČKA CESTA b.b. PLOČE | 38548671304 |

PLOČANSKA PLOVIDBA d.o.o. | LUČKA CESTA b.b. PLOČE | 39778257122 |

HLADNJAČA PLOČE d.o.o. | LUČKA CESTA b.b. PLOČE | 59501819409 |

LUKA PLOČE ENERGIJA | TRG KRALJA TOMISLAVA 21 | 18309760889 |

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 30.09.2014.

Luka Ploče Group			
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	152.909.512	170.054.189
I. INTANGIBLE ASSETS (004 to 009)	003	39.788	14.483
1. Assets development	004		
2. Concessions, patents, licences fees, trade and service marks, software and other rights	005	39.788	14.483
3. Goodwill	006		
4. Prepayments for purchase of intangible assets	007		
5. Intangible assets in preparation	008		
6. Other intangible assets	009		
II. TANGIBLE ASSETS (011 to 019)	010	149.170.393	166.340.075
1. Land	011	2.138.881	2.138.881
2. Buildings	012	22.271.342	21.938.771
3. Plant and equipment	013	78.745.475	73.717.116
4. Tools, facility inventory and transport assets	014	6.167.000	5.230.275
5. Biological assets	015		
6. Prepayments for tangible assets	016	61.928	290.940
7. Tangible assets in progress	017	34.727.000	58.037.369
8. Other tangible assets	018		
9. Investments in buildings	019	5.058.767	4.986.723
III. LONG-TERM FINANCIAL ASSETS (021 to 028)	020	121.152	121.452
1. Investments (shares) with related parties	021		
2. Loans given to related parties	022		
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	41.652	41.952
7. Other long - term financial assets	027		
8. Investments accounted by equity method	028		
IV. RECEIVABLES (030 to 032)	029	3.578.179	3.578.179
1. Receivables from related parties	030		
2. Receivables from based on trade loans	031	3.578.179	3.578.179
3. Other receivables	032		
V. DEFERRED TAX ASSETS	033		
C) SHORT TERM ASSETS (035+043+050+058)	034	266.290.825	259.567.822
I. INVENTORIES (036 to 042)	035	1.561.348	1.958.245
1. Raw-material and supplies	036	1.484.000	1.857.910
2. Work in progress	037		
3. Finished goods	038		
4. Merchandise	039	77.348	100.335
5. Prepayments for inventories	040		
6. Long - term assets held for sales	041		
7. Biological assets	042		
II. RECEIVABLES (044 to 049)	043	35.496.205	36.992.389
1. Receivables from related parties	044		
2. Accounts receivable	045	32.343.385	31.315.716
3. Receivables from participating parties	046		47.744
4. Receivables from employees and members of related parties	047		31.318
5. Receivables from government and other institutions	048	918.000	1.871.639
6. Other receivables	049	2.234.820	3.725.972
III. SHORT TERM FINANCIAL ASSETS (051 to 057)	050	198.838.867	197.988.985
1. Shares (stocks) in related parties	051		
2. Loans given to related parties	052		
3. Participating interests (shares)	053	459.260	104.260
4. Loans to entrepreneurs in whom the entity holds participating interests	054		
5. Investments in securities	055		
6. Loans, deposits, etc.	056	198.379.607	197.884.725
7. Other financial assets	057		
IV. CASH AT BANK AND IN CASHIER	058	30.394.405	22.628.203
D) PREPAID EXPENSES AND ACCRUED REVENUE	059		387.714
E) TOTAL ASSETS (001+002+034+059)	060	419.200.337	430.009.725
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	368.898.769	381.006.572
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	37.356.523	37.356.523
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	24.074.542	24.074.542
IV. REVALUATION RESERVES	071		
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	072	79.077.214	74.259.980
1. Retained earnings	073	79.077.214	74.259.980
2. Accumulated loss	074		
VI. PROFIT/LOSS FOR THE CURRENT YEAR (076-077)	075	-4.809.359	12.096.182
1. Profit for the current year	076		12.096.182
2. Loss for the current year	077	4.809.359	
VII. MINORITY INTERESTS	078	-19.496	
B) PROVISIONS (080 to 082)	079	2.562.464	2.562.661
1. Provisions for pensions, severance pay, and similar liabilities	080	2.170.596	2.369.596
2. Reserves for tax liabilities	081		
3. Other reserves	082	391.868	193.065
C) LONG - TERM LIABILITIES (084 to 092)	083	21.585.915	27.264.935
1. Liabilities to related parties	084		
2. Liabilities for loans, deposits etc.	085		
3. Liabilities to banks and other financial institutions	086	19.396.379	26.775.399
4. Liabilities for received prepayments	087		300.000
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	189.536
9. Deferred tax liability	092		
D) SHORT - TERM LIABILITIES (094 to 105)	093	26.004.755	17.090.973
1. Liabilities to related parties	094		
2. Liabilities for loans, deposits etc.	095		
3. Liabilities to banks and other financial institutions	096	12.104.904	2.633.599
4. Liabilities for received prepayments	097		1.829
5. Accounts payable	098	5.453.344	7.794.395
6. Liabilities arising from debt securities	099		
7. Liabilities to entrepreneurs in whom the entity holds participating interests	100	789.209	693.260
8. Liabilities to employees	101	3.543.758	3.469.124
9. Liabilities for taxes, contributions and similar fees	102	3.516.169	2.352.150
10. Liabilities to share - holders	103		
11. Liabilities for long-term assets held for sale	104		
12. Other short - term liabilities	105	597.371	146.616
E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO FUTURE PERIOD	106	148.434	84.584
F) TOTAL – CAPITAL AND LIABILITIES (062+079+083+093+106)	107	419.200.337	428.009.725
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	368.918.265	381.006.572
2. Attributed to minority interest	110	-19.496	0

PROFIT AND LOSS ACCOUNT
as of 01.01.2014. until 30.09.2014.

Luka Ploče Group					
Position	AOP	Previous period cumulative	Previous period three months	Current period cumulative	Current period three months
1	2	3	4	5	6
I. OPERATING REVENUE (112+113)	111	86.961.370	26.507.671	90.563.771	28.208.060
1. Sales revenue	112	85.618.114	26.302.519	88.521.253	27.685.811
2. Other operating revenues	113	1.343.256	205.152	2.042.518	522.249
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)	114	93.121.203	32.369.033	85.127.336	28.773.120
1. Changes in value of work in progress and finished products	115				
2. Material costs (117 to 119)	116	24.343.980	8.716.445	24.621.441	8.523.765
a) Raw material and material costs	117	10.288.935	3.920.274	10.292.252	3.324.954
b) Costs of goods sold	118				
c) Other external costs	119	14.055.045	4.796.171	14.329.189	5.198.811
3. Staff costs (121 to 123)	120	45.088.554	14.158.231	45.967.066	15.340.993
a) Net salaries and wages	121	29.104.476	9.129.147	29.072.466	9.680.000
b) Cost for taxes and contributions from salaries	122	9.990.770	3.151.395	10.317.060	3.386.071
c) Contributions on gross salaries	123	5.993.308	1.877.689	6.577.540	2.274.922
4. Depreciation	124	9.120.092	3.064.517	7.935.235	2.740.068
5. Other costs	125	14.568.577	6.429.840	6.555.713	2.157.302
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			47.881	10.992
III. FINANCIAL INCOME (132 to 136)	131	4.786.632	1.928.255	10.376.125	4.795.004
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	4.786.632	1.928.255	10.303.970	4.722.849
3. Share in income from affiliated entrepreneurs and participating interests	134			72.155	72.155
4. Unrealized gains (income) from financial assets	135				
5. Other financial income	136				
IV. FINANCIAL EXPENSES (138 to 141)	137	2.252.301	537.379	3.716.378	224.086
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	1.952.301	237.379	3.716.378	224.086
3. Unrealized losses (expenses) on financial assets	140				
4. Other financial expenses	141	300.000	300.000		
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	91.748.002	28.435.926	100.939.896	33.003.064
X. TOTAL EXPENSES (114+137+143 + 145)	147	95.373.504	32.906.412	88.843.714	28.997.206
XI. PROFIT OR LOSS BEFORE TAXATION (146-147)	148	-3.625.502	-4.470.486	12.096.182	4.005.858
1. Profit before taxation (146-147)	149	0	0	12.096.182	4.005.858
2. Loss before taxation (147-146)	150	3.625.502	4.470.486	0	0
XII. PROFIT TAX	151				
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	-3.625.502	-4.470.486	12.096.182	4.005.858
1. Profit for the period (149-151)	153	0	0	12.096.182	4.005.858
2. Loss for the period (151-148)	154	3.625.502	4.470.486	0	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	-3.625.502	-4.470.486	12.096.182	4.005.858
II. OTHER COMPREHENSIVE INCOME / LOSS BEFORE TAX (159 to 165)	158	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 revaluation 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	0	0
V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (157+167)	168	-3.625.502	-4.470.486	12.096.182	4.005.858
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

period from 01.01.2014. until 30.09.2014.

Luka Ploče Group			
Position	AOP	Previous year	Current year
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Profit before tax	001	-4.239.949	12.096.182
2. Depreciation	002	11.705.244	7.935.235
3. Increase in short term liabilities	003		2.245.102
4. Decrease in short term receivables	004		
5. Decrease in inventories	005	1.000.125	
6. Other increase in cash flow	006	2.947.744	
I. Total increase in cash flow from operating activities (001 to 006)	007	11.413.164	22.276.519
1. Decrease in short term liabilities	008	2.493.785	
2. Increase in short term receivables	009	9.085.452	1.436.711
3. Increase in inventories	010		396.897
4. Other decrease in cash flow	011	17.665.092	1.042.562
II. Total decrease in cash flow from operating activities (008 to 011)	012	29.244.329	2.876.170
A1) NET INCREASE IN CASH FLOW FROM OPERATING ACTIVITIES	013	0	19.400.349
A2) NET DECREASE IN IN CASH FLOW FROM OPERATING ACTIVITIES	014	17.831.165	0
CASH FLOW FROM INVESTING ACTIVITIES			
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	239.644.864	
5. Other cash inflows from investing activities	019		
III. Total cash inflows from investing activities (015 to 019)	020	239.676.864	0
1. Cash outflow for purchase of long-term tangible and intangible assets	021	8.987.206	25.358.561
2. Cash outflow for acquisition of equity and debt financial instruments	022		
3. Other cash outflow for investing activities	023	197.430.875	
IV. Total cash outflow for investing activities (021 to 023)	024	206.418.081	25.358.561
B1) NET INCREASE IN CASH FLOW FROM INVESTING ACTIVITIES (020-024)	025	33.258.783	0
B2) NET DECREASE IN CASH FLOW FROM INVESTING ACTIVITIES	026	0	25.358.561
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	7.626.580
3. Other proceeds from financial activities	029		
V. Total cash inflows from financial activities (027 to 029)	030	414.316	7.626.580
1. Cash outflow for repayment of credit principal and bonds	031	9.276.453	
2. Cash outflow for dividends paid	032		
3. Cash outflow for financial lease	033		9.434.570
4. Cash outflow for purchase of treasury shares	034	419.556	
5. Other cash outflow for financial activities	035		
VI. Total cash outflow for financial activities (031 to 035)	036	9.696.009	9.434.570
C1) NET INCREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES	037	0	0
C2) NET DECREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES	038	9.281.693	1.807.990
Total increase in cash flow (013 – 014 + 025 – 026 + 037 – 038)	039	6.145.925	
Total decrease in cash flow (014 – 013 + 026 – 025 + 038 – 037)	040		7.766.202
Cash and cash equivalents at the beginning of the period	041	24.248.480	30.394.405
Increase of cash and cash equivalents	042	6.145.925	0
Decrease of cash and cash equivalents	043	0	7.766.202
Cash and cash equivalents at the end of the period	044	30.394.405	22.628.203

STATEMENT OF CHANGES IN EQUITY

for the period **1.1.2014** to **30.9.2014**

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	37.356.523	37.356.523
4. Retained earnings or accumulated loss	004	79.057.718	74.259.980
5. Profit or loss for the current year	005	-4.809.359	12.096.182
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	368.898.769	381.006.572
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	368.918.265	381.006.572
17 b. Attributed to minority interest	019	-19.496	

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.

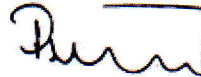
Consolidated financial Statements for the third quarter of year 2014. give a complete and true representation of assets and obligations, profit and loss, financial position and business activities of the Company and of the companies being consolidated therein.

Željka Dodig



Member of the Board
Financial affairs

Capt. Ivan Pavlović



President of the Board