

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

**ANNUAL FINANCIAL REPORT AND CONSOLIDATED AND  
NON-CONSOLIDATED FINANCIAL REPORT FOR  
COMPANY  
LUKA PLOČE FOR YEAR 2015.**

Ploče, February 2016.

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**b) STATEMENTS OF PERSONS RESPONSIBLE FOR PREPARATION OF FINANCIAL REPORTS**

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**ANNUAL REPORT OF THE LUKA PLOČE DD COMPANY  
AND GROUP FOR YEAR 2015.**

Ploče, February 2016.



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

### LUKA PLOČE d.d. IN PERIOD 01.01.2015. – 31.12.2015.

#### FINANCIAL RESULTS OF THE LUKA PLOČE d.d. IN 2015:

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- Traffic of cargo through the port of Ploče: 2,83 million tones of cargoes representing 4,7% increase in comparison with the same period of the previous year.
- Operating revenue: 137,05 million kuna representing the increase of 30,32% in comparison with the same period of the previous year.
- Operating expenses : 126,14 million kuna representing 28,91 % increase in comparison with the same period of the previous year.
- EBITDA :18,57 million kuna
- EBITDA margin: 13,55%
- EBIT: 10,90 million kuna
- EBIT margin: 7,95%
- Net PROFIT: 30,41 million kuna



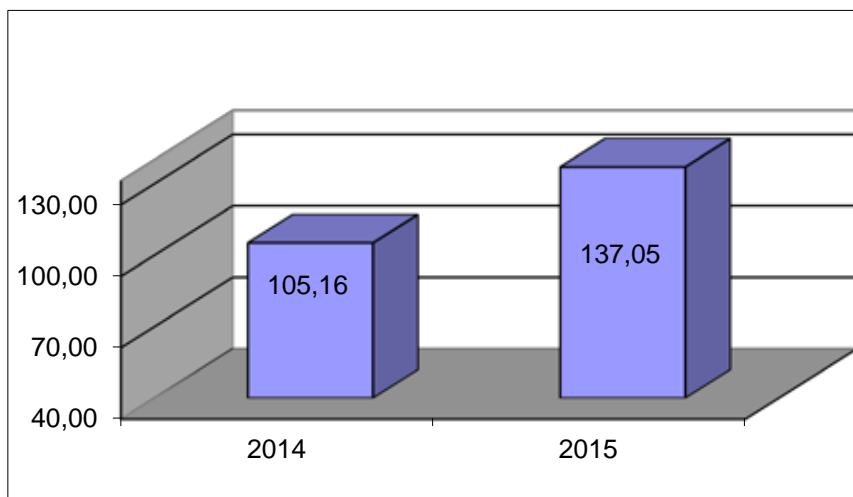
## LUKA PLOČE d.d. REVENUES

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Operating revenues in year 2015. amounted to 137,05 million kuna which is 30,32 % increase over the previous year.

Sales revenues amounted to 128,47 million kuna which is an 33,85% increase over the previous year.

Structure of the Luka Ploče d.d. operating revenue (in mil kuna)



Within the structure of total revenues operating income represents 87,54 % of the total revenue. Revenues from sales make 82,06%, and other revenues make 5,48 % of total revenues. Key items are financial revenues that make up 12,46% of total revenue.



## **OPERATING EXPENSES**

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Operating expenses amounted to 126,14 million kuna which is the increase of 28,91 % in comparison to the same period of the previous year.

Most significant increase was the increase of materials and energy.

## **EBITDA (Earnings before interest, taxes and depreciation) Luka Ploče d.d.**

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EBITDA amounted to 18,57 million kuna for the year 2015., representing a 16,00 million kuna increase in comparison to the same period of the previous year.

## **EBIT LUKA PLOČE d.d.**

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EBIT amounted to 10,91 million kuna representing the increase of 49,19 million kuna in comparison to the same period of the previous year.

- *EBITDA includes revenues from interests received on behalf of short term deposits which are treated by the Company and by the Group as operational revenues.*



## **NET PROFIT of the LUKA PLOČE d.d.**

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Luka Ploče d.d. recorded a net profit of 30,41 million kuna. Gross profit margin is 22,18% . In the area of financial activities: foreign exchange gains income of 19,50 million kuna has been generated with a positive result of 19,92 million kuna .

### **Currency exchange data – medium rate of Croatian National Bank**

	Kune prema EUR-u		Kune prema USD-u	
		Na kraju razdoblja		Na kraju razdoblja
31.12.2014. godine		7,66		6,30
31.12.2015. godine		7,63		6,99

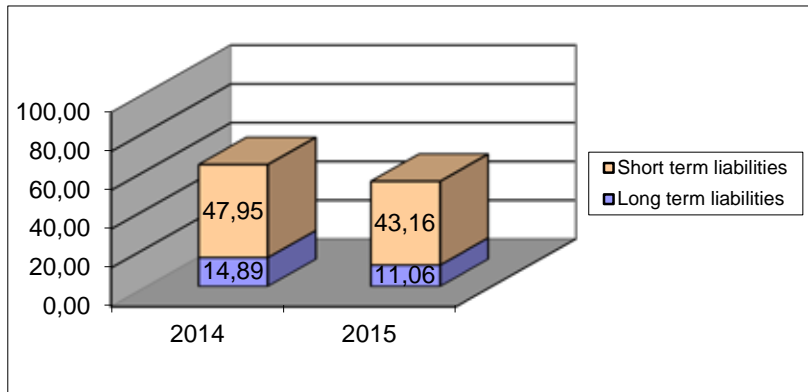
## **FINANCIAL POSITION**

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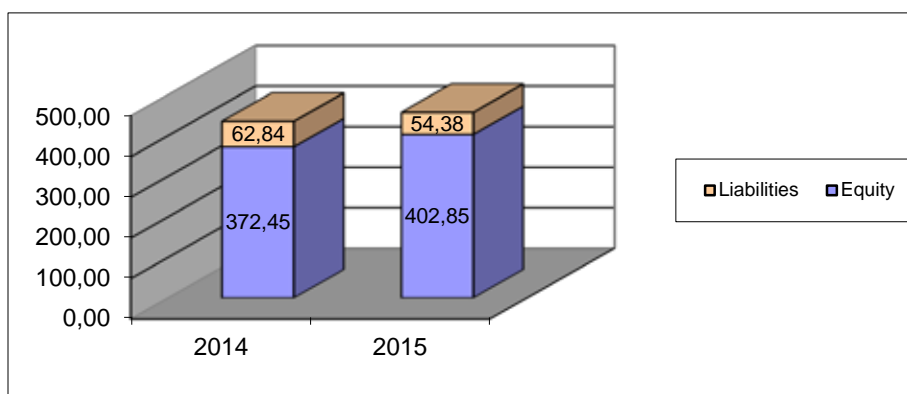
The trend of balance sheet positions characterized by a strong position of financial assets and growth of equity and reserves , demonstrates a long-term financial stability of the Company .



### The structure of financial liabilities of Luka Ploče Group (in mill kuna)



### Structure of the sources of funding of Luka Ploče Group (in mill kuna)







## KEY INDICATORS LUKA PLOČE d.d.

Indicators	REALIZED 2014	REALIZED 2015
<b>Liquidity ratios</b>		
Working Capital	234.583.311	221.884.000
Current liquidity	5,89	6,12
Turnover of working capital	0,45	0,62
Days of working capital	808	585,81
Days in period	365	365
<b>Debt indicators</b>		
Current liabilities / equity	0,13	0,11
Long term liabilities/ equity	0,04	0,03
Borrowings /equity	0,12	0,03
Total liabilities / assetss	0,14	0,13
<b>Profitability ratios</b>	<b>REALISED 2014</b>	<b>REALISED 2015</b>
EBITDA margin	15,22%	13,55%
EBIT margin	6,95%	7,95%
<b>Productivity Indicators</b>		
Number of employees	455	452
Revenue per employee (in kunas)	232.965	303.208



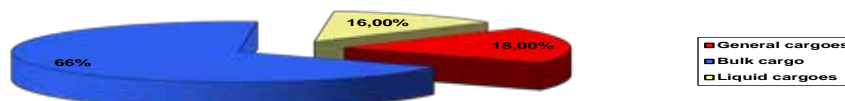
## SALES AND MARKETING

Total volume of cargo reloaded in the 2015. totals to 2.830.652 tons, which represents a 5% increase in comparison to the year 2014. when the total volume recorded was 2.703.727 tones. The prevailing cargo type in the overall structure are bulk cargo, which have recorded increase of 1%. General cargo volumes has decreased by 5%, while liquid cargo recorded a increase of 37%.

Volumes as per the type of cargo (in tones)

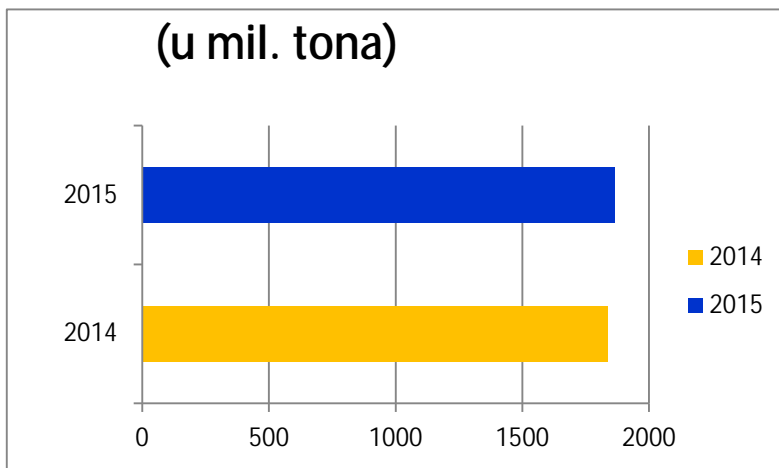
<b>TYPE OF CARGO</b>	<b>2015.</b>	<b>2014.</b>	<b>Indeks 2015./2014.</b>
General cargo	503.029	527.240	<b>95</b>
Bulk cargo	1.863.114	1.838.346	<b>101</b>
Liquid cargo	464.652	338.141	<b>137</b>
<b>TOTAL</b>	<b>2.830.652</b>	<b>2.703.727</b>	<b>105</b>

Structure as per the type of cargo in 2015.



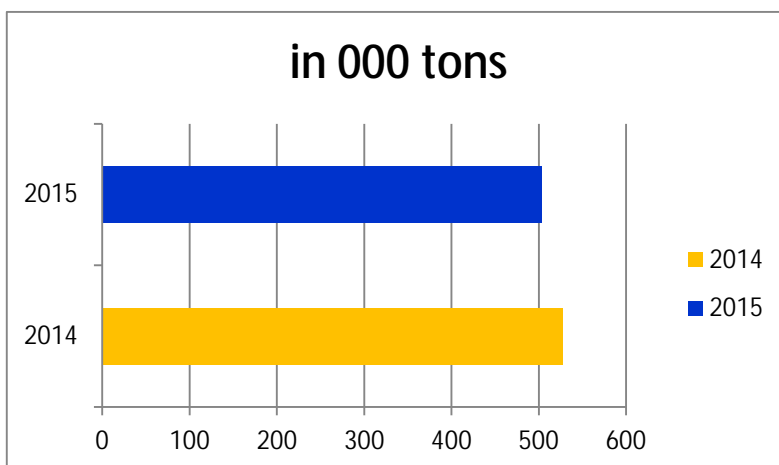


### Bulk cargo



The volume of bulk cargo traffic in year 2015. has increased by 1% in comparison with the year 2014. Handling of metallurgical coal is prevailing within the structure of reloaded bulk cargo.

### General cargo

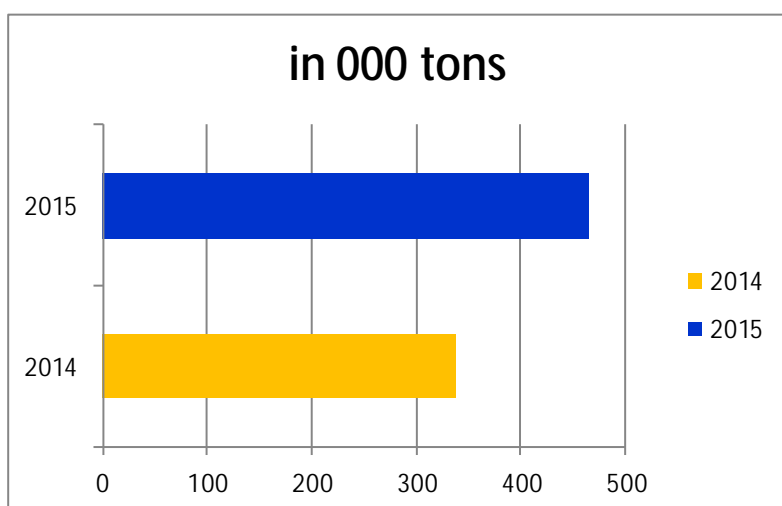




Port of Ploče has had a 5% decrease of general cargoes in year 2015. in comparison to the previous year 2014., mainly as a result of decrease in metallurgical products reloading ( steel billets, al. ingots, reinforced steel)., reloading of steel sheets, jumbo bags and other general cargoes.

**Container** trafficc has increased by 23% in year 2015. with 20.676 TEUs compared to previous year 2014. when 16.859 TEUs have been reloaded. In general, the increase in number of containers was largely impacted by the increased reloading of wood, oils and high tax cargoes that are transported in containers.

### Liquid cargo



Volume of liquid cargoes have increased by 37% in year 2015. in comparison to the same period of the previous year.



**MANAGEMENT BOARD'S REPORT ON THE POSITION OF THE LUKA PLOČE  
GROUP IN PERIOD 01.01.2015. – 31.12.2015.**

**FINANCIAL RESULTS OF THE LUKA PLOČE GROUP. IN 2015:**

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Luka Ploče Group monitors and presents operating revenues, operating profit , capital investments , total assets and total liabilities for the following activities :

- Cargo handling (loading, unloading, transshipment, finishing, weighing general cargo , bulk and liquid cargo ) and represents the parent company.
- Storing of liquid oil derivatives.
- freight forwarding services , maritime services ( mooring , unmooring cargo and passenger ships )
- secondary activities ( maintenance , catering and similar activities )

Results of above stated activities for the year ending on December 31<sup>st</sup> 2015. are as given below:

- Revenue\$ from sales: 155,30 million kuna representing the increase of 32,89 % in comparison with the same period of the previous year.
- Operating expenses : 142,94 million kuna representing 25,14 % increase in comparison with the same period of the previous year.
- EBITDA :21,89 million kuna
- EBITDA margin: 14,09%
- EBIT: 12,37 million kuna
- EBIT margin: 7,96%
- Net PROFIT: 31,58 million kuna



## KEY INDICATORS LUKA PLOČE GROUP

Indicators	REALIZED 2014	REALIZED 2015
<b>Liquidity ratios</b>		
Working Capital	241.908.977	206.226.000
Current liquidity	5,76	4,03
Turnover of working capital	0,51	0,75
Days of working capital	717	486
Days in period	365	365
<b>Debt indicators</b>		
Current liabilities / equity	0,13	0,15
Long term liabilities/ equity	0,05	0,07
Borrowings /equity	0,13	0,06
Total liabilities / assetss	0,15	0,18
<b>Profitability ratios</b>	<b>REALIZED 2014</b>	<b>REALIZED 2015</b>
EBITDA margin	10,80%	14,09%
EBIT margin	1,70%	7,96%
<b>Productivity Indicators</b>		
Number of employees	587	584
Revenue per employee (in thousands)	209.834	265.924



## RISKS

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In addition to the general impact of the economic crisis, the Port of Ploče is faced with the risk of competition from other ports that have reduced costs of internal transport.

Port of Ploče is primarily focused on working with a limited number of clients in the industrial and market environment that is subject to price fluctuations within the global market which highly impacts to the level of cargo traffic through Ploče port.

Ploče Port is still operating on the rail corridor with multiple operators and authorities, making it difficult to access and expand its business in further markets.

Construction of the road section of Corridor Vc is slow, and certainly affects the competitive role of the Ploče Port in comparison to other ports, particularly in the field of container transport.

## EXPECTATIONS

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Maintaining regular and stable business operation of the Company

Intensify investments towards the development of the Company, especially to the new Bulk cargo terminal in order to increase volume of cargoes, revenues, competitiveness of the port and to meet the environmental standards of port activities.

In the coming year we are planning capital investments in the amount of 107 million kunas.

Ploče, February 25<sup>th</sup> 2016.

Capt. Ivan Pavlović dipl. ing.

President of Board

**Appendix 1**

Reporting period:

1.1.2015

to

31.12.2015

**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](mailto:financije@luka-ploce.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 **584**  
(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 PLOČE 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****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
4. (Proposed) Decision from the authorised body on establishing the annual financial statements
5. Decision on proposed distribution of profit or covering of loss

M.P.

(signed by authorised person for representation)



**BALANCE SHEET**  
**AS OF 31.12.2015.**

<b>Luka Ploče Group</b>			
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>	177.928.658	254.282.678
I. INTANGIBLE ASSETS (004 to 009)	<b>003</b>	1.421.853	1.091.279
1. Assets development	<b>004</b>		
2. Concessions, patents, licences fees, trade and service marks, software and other rights	<b>005</b>	11.071	72.920
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>	1.410.782	1.018.359
II. TANGIBLE ASSETS (011 to 019)	<b>010</b>	172.848.763	248.441.423
1. Land	<b>011</b>	2.138.881	2.138.881
2. Buildings	<b>012</b>	21.769.489	21.094.650
3. Plant and equipment	<b>013</b>	71.074.419	64.854.038
4. Tools, facility inventory and transport assets	<b>014</b>	4.885.533	4.070.908
5. Biological assets	<b>015</b>		
6. Prepayments for tangible assets	<b>016</b>	131.228	27.583.564
7. Tangible assets in progress	<b>017</b>	67.886.504	123.832.732
8. Other tangible assets	<b>018</b>		
9. Investments in buildings	<b>019</b>	4.962.709	4.866.650
III. LONG-TERM FINANCIAL ASSETS (021 to 028)	<b>020</b>	474.629	1.995.509
1. Investments (shares) with related parties	<b>021</b>		
2. Loans given to related parties	<b>022</b>		
3. Participating interest (shares)	<b>023</b>	432.483	1.953.515
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>	42.146	41.994
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>	3.183.413	2.754.467
1. Receivables from related parties	<b>030</b>		
2. Receivables from based on trade loans	<b>031</b>	3.153.340	2.724.394
3. Other receivables	<b>032</b>	30.073	30.073
V. DEFERRED TAX ASSETS	<b>033</b>		
<b>C) SHORT TERM ASSETS (035+043+050+058)</b>	<b>034</b>	292.780.380	269.277.636
I. INVENTORIES (036 to 042)	<b>035</b>	1.665.131	2.154.294
1. Raw-material and supplies	<b>036</b>	1.551.484	1.869.557
2. Work in progress	<b>037</b>		
3. Finished goods	<b>038</b>		
4. Merchandise	<b>039</b>	113.455	75.796
5. Prepayments for inventories	<b>040</b>	192	208.941
6. Long - term assets held for sales	<b>041</b>		
7. Biological assets	<b>042</b>		
II. RECEIVABLES (044 to 049)	<b>043</b>	35.154.675	62.225.602
1. Receivables from related parties	<b>044</b>		
2. Accounts receivable	<b>045</b>	28.562.375	54.203.563
3. Receivables from participating parties	<b>046</b>		
4. Receivables from employees and members of related parties	<b>047</b>		
5. Receivables from government and other institutions	<b>048</b>	3.969.889	3.507.143
6. Other receivables	<b>049</b>	2.622.411	4.514.896
III. SHORT TERM FINANCIAL ASSETS (051 to 057)	<b>050</b>	225.972.031	189.130.540
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>	159.357	193.041
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>	225.812.674	188.937.499
7. Other financial assets	<b>057</b>		
IV. CASH AT BANK AND IN CASHIER	<b>058</b>	29.988.543	15.767.200
<b>D) PREPAID EXPENSES AND ACCRUED REVENUE</b>	<b>059</b>		
<b>E) TOTAL ASSETS (001+002+034+059)</b>	<b>060</b>	470.709.038	523.560.314
<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>	398.042.801	429.617.829
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>	37.268.266	38.197.834
1. Reserves prescribed by law	<b>066</b>	5.443.738	6.763.047
2. Reserves for treasury shares	<b>067</b>	7.838.243	7.838.243
3. Treasury stocks and shares (deduction)	<b>068</b>		
4. Statutory reserves	<b>069</b>		
5. Other reserves	<b>070</b>	23.986.285	23.596.544
IV. REVALUATION RESERVES	<b>071</b>		
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	<b>072</b>	74.356.424	102.539.823
1. Retained earnings	<b>073</b>	74.356.424	102.539.823
2. Accumulated loss	<b>074</b>		
VI. PROFIT/LOSS FOR THE CURRENT YEAR (076-077)	<b>075</b>	29.148.312	31.586.285
1. Profit for the current year	<b>076</b>	29.148.312	31.586.285
2. Loss for the current year	<b>077</b>		
VII. MINORITY INTERESTS	<b>078</b>	-24.088	
<b>B) PROVISIONS (080 to 082)</b>	<b>079</b>	2.659.972	4.385.413
1. Provisions for pensions, severance pay, and similar liabilities	<b>080</b>	2.466.907	2.508.366
2. Reserves for tax liabilities	<b>081</b>		
3. Other reserves	<b>082</b>	193.065	1.877.047
<b>C) LONG - TERM LIABILITIES (084 to 092)</b>	<b>083</b>	19.167.170	26.505.454
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>	17.206.077	24.774.588
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>	1.961.093	1.730.866
9. Deferred tax liability	<b>092</b>		
<b>D) SHORT - TERM LIABILITIES (094 to 105)</b>	<b>093</b>	50.839.095	63.051.618
1. Liabilities to related parties	<b>094</b>		
2. Liabilities for loans, deposits etc.	<b>095</b>		
3. Liabilities to banks and other financial institutions	<b>096</b>	35.141.596	7.642.800
4. Liabilities for received prepayments	<b>097</b>	305.920	1.684.916
5. Accounts payable	<b>098</b>	5.604.448	46.501.296
6. Liabilities arising from debt securities	<b>099</b>		
7. Liabilities to entrepreneurs in whom the entity holds participating interests	<b>100</b>	1.158.894	641.820
8. Liabilities to employees	<b>101</b>	3.598.711	3.480.877
9. Liabilities for taxes, contributions and similar fees	<b>102</b>	4.550.498	2.392.638
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>	479.028	707.271
<b>E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO FUTURE PERIOD</b>	<b>106</b>		
<b>F) TOTAL – CAPITAL AND LIABILITIES (062+079+083+093+106)</b>	<b>107</b>	470.709.038	523.560.314
<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>	398.066.889	429.617.829
2. Attributed to minority interest	<b>110</b>	-24.088	

**PROFIT AND LOSS ACCOUNT**  
period from 01.01.2015. until 31.12.2015.

Luka Ploče Group			
Position	AOP	Previous period cumulative	Previous period three months
1	2	3	4
<b>I. OPERATING REVENUE (112+113)</b>	<b>111</b>	123.172.603	155.309.813
1. Sales revenue	112	113.244.452	147.794.544
2. Other operating revenues	113	9.928.151	7.515.269
<b>II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)</b>	<b>114</b>	<b>121.134.647</b>	<b>142.941.862</b>
1. Changes in value of work in progress and finished products	115		
2. Material costs (117 to 119)	116	32.399.554	59.244.616
a) Raw material and material costs	117	13.062.621	40.333.742
b) Costs of goods sold	118		
c) Other external costs	119	19.336.933	18.910.874
3. Staff costs (121 to 123)	120	61.429.242	62.393.537
a) Net salaries and wages	121	38.871.814	39.849.318
b) Cost for taxes and contributions from salaries	122	13.688.741	13.395.217
c) Contributions on gross salaries	123	8.868.687	9.149.002
4. Depreciation	124	10.593.896	9.522.655
5. Other costs	125	16.261.274	11.781.054
6. Impairment (127+128)	126	450.681	0
a) Impairment of long-term assets (financial assets excluded)	127		
b) Impairment of short - term assets (financial assets excluded)	128	450.681	
7. Provisions	129		
8. Other operating costs	130		
<b>III. FINANCIAL INCOME (132 to 136)</b>	<b>131</b>	<b>28.298.929</b>	<b>20.178.023</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	27.945.946	20.156.991
3. Share in income from affiliated entrepreneurs and participating interests	134	352.983	21.032
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>960.342</b>	<b>481.141</b>
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	960.342	481.141
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>151.471.532</b>	<b>175.487.836</b>
<b>X. TOTAL EXPENSES (114+137+143 + 145)</b>	<b>147</b>	<b>122.094.989</b>	<b>143.423.003</b>
<b>XI. PROFIT OR LOSS BEFORE TAXATION (146-147)</b>	<b>148</b>	<b>29.376.543</b>	<b>32.064.833</b>
1. Profit before taxation (146-147)	149	29.376.543	32.064.833
2. Loss before taxation (147-146)	150	0	0
<b>XII. PROFIT TAX</b>	<b>151</b>	<b>232.823</b>	<b>478.548</b>
<b>XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)</b>	<b>152</b>	<b>29.143.720</b>	<b>31.586.285</b>
1. Profit for the period (149-151)	153	29.143.720	31.586.285
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	29.148.312	31.586.285
2. Attributed to minority interest	156	-4.592	
<b>STATEMENT OF OTHER COMPREHENSIVE INCOME (IFRS)</b>			
<b>I. PROFIT OR LOSS FOR THE PERIOD (= 152)</b>	<b>157</b>	<b>29.143.720</b>	<b>31.586.285</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>29.143.720</b>	<b>31.586.285</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**  
**period from 01.01.2015 until 31.12.2015.**

<b>Luka Ploče Group</b>			
<b>Position</b>	<b>AOP</b>	<b>Previous year</b>	<b>Current year</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
1. Profit before tax	<b>001</b>	29.376.543	32.064.833
2. Depreciation	<b>002</b>	10.593.896	9.522.655
3. Increase in short term liabilities	<b>003</b>	2.702.456	39.773.774
4. Decrease in short term receivables	<b>004</b>		
5. Decrease in inventories	<b>005</b>		
6. Other increase in cash flow	<b>006</b>		
<b>I. Total increase in cash flow from operating activities (001 to 006)</b>	<b>007</b>	42.672.895	81.361.262
1. Decrease in short term liabilities	<b>008</b>		
2. Increase in short term receivables	<b>009</b>	2.343.358	31.069.188
3. Increase in inventories	<b>010</b>	103.783	489.163
4. Other decrease in cash flow	<b>011</b>	19.258.046	21.812.089
<b>II. Total decrease in cash flow from operating activities (008 to 011)</b>	<b>012</b>	21.705.187	53.370.440
<b>A1) NET INCREASE IN CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>013</b>	20.967.708	27.990.822
<b>A2) NET DECREASE IN IN CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>014</b>	0	0
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
1. Cash inflows from sales of long-term tangible and intangible assets	<b>015</b>	8.776.316	
2. Cash inflows from sales of equity and debt instruments	<b>016</b>		
3. Interests receipts	<b>017</b>	598.158	6.088.508
4. Dividend receipts	<b>018</b>		
5. Other cash inflows from investing activities	<b>019</b>	194.215.000	275.747.420
<b>III. Total cash inflows from investing activities (015 to 019)</b>	<b>020</b>	203.589.474	281.835.928
1. Cash outflow for purchase of long-term tangible and intangible assets	<b>021</b>	49.220.362	84.975.419
2. Cash outflow for acquisition of equity and debt financial instruments	<b>022</b>		1.500.000
3. Other cash outflow for investing activities	<b>023</b>	196.848.000	217.837.976
<b>IV. Total cash outflow for investing activities (021 to 023)</b>	<b>024</b>	246.068.362	304.313.395
<b>B1) NET INCREASE IN CASH FLOW FROM INVESTING ACTIVITIES (020-024)</b>	<b>025</b>	0	0
<b>B2) NET DECREASE IN CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>026</b>	42.478.888	22.477.467
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>			
1. Cash inflow from issuing property and debt financial instruments	<b>027</b>		
2. Proceeds from the credit principal, promissory notes, borrowings and other loans	<b>028</b>	32.335.941	14.911.971
3. Other proceeds from financial activities	<b>029</b>		
<b>V. Total cash inflows from financial activities (027 to 029)</b>	<b>030</b>	32.335.941	14.911.971
1. Cash outflow for repayment of credit principal and bonds	<b>031</b>	11.230.623	34.646.669
2. Cash outflow for dividends paid	<b>032</b>		
3. Cash outflow for financial lease	<b>033</b>		
4. Cash outflow for purchase of treasury shares	<b>034</b>		
5. Other cash outflow for financial activities	<b>035</b>		
<b>VI. Total cash outflow for financial activities (031 to 035)</b>	<b>036</b>	11.230.623	34.646.669
<b>C1) NET INCREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>037</b>	21.105.318	0
<b>C2) NET DECREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>038</b>	0	19.734.698
Total increase in cash flow (013 – 014 + 025 – 026 + 037 – 038)	<b>039</b>	0	0
Total decrease in cash flow (014 – 013 + 026 – 025 + 038 – 037)	<b>040</b>	405.862	14.221.343
Cash and cash equivalents at the beginning of the period	<b>041</b>	30.394.405	29.988.543
Increase of cash and cash equivalents	<b>042</b>		
Decrease of cash and cash equivalents	<b>043</b>	405.862	14.221.343
Cash and cash equivalents at the end of the period	<b>044</b>	29.988.543	15.767.200

**STATEMENT OF CHANGES IN EQUITY**  
for the period **1.1.2015** to **31.12.2015**

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>	37.268.266	38.197.834
4. Retained earnings or accumulated loss	<b>004</b>	74.332.336	102.539.823
5. Profit or loss for the current year	<b>005</b>	29.148.312	31.586.285
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>	398.042.801	429.617.829
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
<b>17 a. Attributed to equity holders of parent company</b>	<b>018</b>	398.066.889	429.617.829
<b>17 b. Attributed to minority interest</b>	<b>019</b>	-24.088	

Items which decrease capital are given with the negative prefix

## Management Liability statement

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Pursuant to the Croatian Accounting Law, the Management Board is responsible for ensuring that non-consolidated and consolidated financial statements are prepared for each financial year in accordance with the International Financial Reporting Standards ("IFRS") approved by the European Union ("EU") which give a true and fair view of the state of affairs and results of Luka Ploče d.d. and of the companies being consolidated ("Group") for that period.

The Management Board has a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. For this reason, the Management Board continues to adopt the going concern basis in preparing the financial statements.

In preparing those financial statements, the responsibilities of the Management Board include ensuring that:

- suitable accounting policies are selected and then applied consistently;
- judgements and estimates are reasonable and prudent;
- applicable accounting standards are followed,
- the financial statements are prepared on the going concern basis unless it inappropriate to presume that the Company and Group will continue in business.

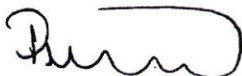
The Management Board is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Company and of the Group, and must also ensure that their financial statements comply with the Croatian Accounting Law. The Management Board is also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Management Board is also responsible to prepare annual financial statement in accordance with the legal and regulatory requirements and submit it to the Supervisory Board together with the consolidated and unconsolidated financial statements. After that, the Supervisory Board shall approve the annual consolidated and non-consolidated financial statements before their submittal for approval to the General Assembly.

Non-consolidated and consolidated financial reports have been approved by the Management Board on February 25<sup>th</sup> 2016. for their submittal for approval to the General Assembly, and are signed below:

Ivan Pavlović

*President*



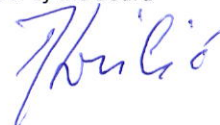
Željka Dodig

*Member of the Board*



Tomo Krilić

*Member of the Board*



Luka Ploče d.d.

Trg kralja Tomislava 21

20340 Ploče

Ploče, February 25th 2016.

