



LUKA RIJEKA D.D.

**UNAUDITED CONSOLIDATED
FINANCIAL REPORT
FOR 01.01.-30.09.2015.**

MANAGEMENT REPORT

Luka Rijeka d.d.

Riva 1, HR-51 000 RIJEKA
OIB: 92590920313

Rijeka, october 2015.

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UNAUDITED CONSOLIDATED FINANCIAL REPORT FOR PERIOD 01.01.-30.09.2015.

MANAGEMENT STATEMENT OF LIABILITY

MANAGEMENT REPORT ON THE BUSINESS RESULTS OF COMPANY LUKA RIJEKA D.D. FOR PERIOD 01.01.-30.09.2015.

KEY FINANCIAL INDICATORS

in mil. HRK	01.01.-30.09.2014.	01.01.-30.09.2015.	index
Operating revenue	133,857	135,963	102
Revenue from services in domestic and foreign market	117,728	125,104	106
Operating expences	130,417	132,54	102
EBIT	3,440	3,424	100
EBITDA	10,239	10,748	105
Total income	135,580	137,372	101
Total expences	133,781	135,415	101
Profit before taxation	1,799	1,957	109
Assets/Liabilities	594,142	835,898	141
Long - term assets	525,605	538,024	102
Capital and reserves	428,26	691,612	161

Indicators	REALIZED 1-9/2014	REALIZED 1-9/2015	re..15/ re.14
<i>Liquidity rations</i>			
Workin capital	-12.195.346	249.204.564	
Current liquidity	0,83	7,22	8,70 x
<i>Debt indicators</i>			
Short - term liabilites/capital	0,17	0,06	-65,27%
Long - term liabilities/capital	0,19	0,13	-32,22%
Borrowings/capital	0,18	0,06	-63,19%
Total liabilities/assets	0,25	0,15	-40,16%
<i>Profitability rations</i>			
EBITDA margin	7,65%	7,90%	3,27%
EBIT margin	2,57%	2,52%	-1,95%
NETmargin	1,33%	1,42%	6,77%
<i>Productivity indicators</i>			
Number of employees	705	668	-5,25%
Revenue per employee (in thousands)	192	206	6,93%

NATURAL INDICATORS

Total cargo traffic of all dry cargo in port of Rijeka, consisting of Luka Rijeka d.d. and associate company Adriatic Gate Container Terminal, in period of first nine months of 2015. was 3.135.204 tons of cargo, which presents 7% growth in regarding to the same period of the previous year, when it was transported 2.920.927 tons of cargo.

Cargo traffic	01.01.-30.09.2014.	01.01.-30.09.2015.	index
Luka Rijeka d.d. (LR)	1.892.666	2.037.961	108
General cargo (tons)	890.301	862.408	97
Bulk cargo (tons)	1.002.365	1.175.553	117
AGCT-container terminal			
AGCT-tons	1.028.261	1.097.243	107
AGCT-TEU	113.276	120.535	106
LR + AGCT (tons)	2.920.927	3.135.204	107

Total cargo traffic of Luka Rijeka d.d. in period of first nine months of 2015. was 2.037.961 tons of cargo and presents 8% increase regarding to the same period of the previous year.

BOARD OF DIRECTORS

Vedran Devčić, President

Linda Sciucca, Member

Nenad Janjić, Member

LUKA RIJEKA d.d.
Rijeka, Riva 1

Appendix 1

Reporting period:

1.1.2015.

to

30.09.2015.

Quarterly financial report of entrepreneur - TFI-POD

Registration number (MB) 03330494

Identification number of subject 040141664

Personal identification number (OIB) 92590920313

Issuer company: LUKA RIJEKA d.d.

Postal code and place 510000 RIJEKA

Street and number Riva 1

E-mail address: uprava@lukarijeka.hr

Internet address: www.lukarijeka.hr

Code and name of comune/town 373 RIJEKA

Code and county name 8 PRIMORSKO-GORANSKA Number of employees 684

Consolidated statement YES NKD/NWC code: 5224

Subsidiaries subject to consolidation (according to IFRS): Headquarters Registration number:

Subsidiaries subject to consolidation (according to IFRS):	Headquarters	Registration number:
<u>LUKA PRIJEVOZ d.o.o.</u>	<u>ŠKRLJEVO</u>	<u>01230000</u>
<u>STANOVI d.o.o.</u>	<u>RIJEKA</u>	<u>01230077</u>

Book keeping service:

Contact person: Janja Reljac

(authorised person for representation)

Phone number: 051/496-533 Fascimile: 051/496-008

E-mail address: fin@lukarijeka.hr

Surname and name Vedran Devčić

(authorised person for representation)

Disclosure documents:

1. Financial statements (balance sheet, profit and loss account, cash flow statement, statement shareholders' equity and notes to the financial statements)
2. Interim management Report
3. Statement of responsible persons for preparation of financial statements

LUKA RIJEKA d.d.
Rijeka, Riva 1


(signed by authorised person for representation)

BALANCE SHEET
as of 30.09.2015

LUKA RIJEKA d.d.	In Kunas			
	Position	AOP	Previous year	Current year
	1	2	3	4
ASSETS				
A) RECEIVABLES FOR SUBSCRIBED BUT NOT PAID-IN CAPITAL	001	0	0	
B) LONG-TERM ASSETS (003+010+020+029+033)	002	527.564.163	538.024.430	
I. INTANGIBLE ASSETS (004 to 009)	003	771.804	751.844	
1. Assets development	004	0	0	
2. Concessions, patents, licences fees, trade and service marks, software and other rights	005	771.804	751.844	
3. Goodwill	006	0	0	
4. Prepayments for purchase of intangible assets	007	0	0	
5. Intangible assets in preparation	008	0	0	
6. Other intangible assets	009	0	0	
II. TANGIBLE ASSETS (011 to 019)	010	419.393.563	431.843.347	
1. Land	011	228.973.255	228.973.255	
2. Buildings	012	109.753.187	109.216.360	
3. Plant and equipment	013	2.122.367	2.015.140	
4. Tools, facility inventory and transport assets	014	54.032.561	59.195.806	
5. Biological assets	015	0	0	
6. Prepayments for tangible assets	016	3.895	3.895	
7. Tangible assets in progress	017	17.034.734	25.053.301	
8. Other tangible assets	018	325.736	325.736	
9. Investments in buildings	019	7.147.828	7.059.854	
III. LONG-TERM FINANCIAL ASSETS (021 to 028)	020	91.421.146	89.388.273	
1. Investments (shares) with related parties	021	89.164.264	89.164.264	
2. Loans given to related parties	022	0	0	
3. Participating interest (shares)	023	40.000	40.000	
4. Loans to entrepreneurs in whom the entity holds participating interests	024	0	0	
5. Investments in securities	025	2.216.882	184.009	
6. Loans, deposits and similar assets	026	0	0	
7. Other long - term financial assets	027	0	0	
8. Investments accounted by equity method	028	0	0	
IV. RECEIVABLES (030 to 032)	029	8.697.493	8.697.493	
1. Receivables from related parties	030	0	0	
2. Receivables from based on trade loans	031	8.379.109	8.379.109	
3. Other receivables	032	318.384	318.384	
V. DEFERRED TAX ASSETS	033	7.280.157	7.343.473	
C) SHORT TERM ASSETS (035+043+050+056)	034	60.889.363	289.281.842	
I. INVENTORIES (036 to 042)	035	1.083.877	1.270.084	
1. Raw-material and supplies	036	1.083.877	1.270.084	
2. Work in progress	037	0	0	
3. Finished goods	038	0	0	
4. Merchandise	039	0	0	
5. Prepayments for inventories	040	0	0	
6. Long - term assets held for sales	041	0	0	
7. Biological assets	042	0	0	
II. RECEIVABLES (044 to 049)	043	37.972.160	29.621.334	
1. Receivables from related parties	044	303.586	299.509	
2. Accounts receivable	045	36.634.547	26.787.739	
3. Receivables from participating parties	046	0	0	
4. Receivables from employees and members of related parties	047	3.672	2.774	
5. Receivables from government and other institutions	048	876.883	1.761.545	
6. Other receivables	049	153.472	769.767	
III. SHORT TERM FINANCIAL ASSETS (051 to 057)	050	19.211.742	254.932.974	
1. Shares (stocks) in related parties	051	0	0	
2. Loans given to related parties	052	0	0	
3. Participating interests (shares)	053	0	0	
4. Loans to entrepreneurs in whom the entity holds participating interests	054	0	0	
5. Investments in securities	055	0	0	
6. Loans, deposits, etc	056	19.211.742	254.932.974	
7. Other financial assets	057	0	0	
IV. CASH AT BANK AND IN CASHIER	058	2.621.584	3.457.450	
D) PREPAID EXPENSES AND ACCRUED REVENUE	059	527.037	8.591.274	
E) TOTAL ASSETS (001+002+034+059)	060	588.980.563	835.897.546	
F) OFF-BALANCE RECORDS	061	804.016	804.016	

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	390.013.988	691.612.223
I. SUBSCRIBED CAPITAL	063	598.047.500	539.219.000
II. CAPITAL RESERVES	064	4.967.857	40.752.572
III. RESERVES FROM PROFIT (066+067-068+069+070)	065	0	0
1. Reserves prescribed by law	066	0	0
2. Reserves for treasury shares	067	0	0
3. Treasury stocks and shares (deduction)	068	0	0
4. Statutory reserves	069	0	0
5. Other reserves	070	0	0
IV. REVALUATION RESERVES	071	36.110.845	35.752.056
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	072	-243.323.339	73.931.357
1. Retained earnings	073	1.635.962	73.931.357
2. Accumulated loss	074	244.959.301	0
VI. PROFIT/LOSS FOR THE CURRENT YEAR (076-077)	075	-5.788.875	1.957.238
1. Profit for the current year	076	0	1.957.238
2. Loss for the current year	077	5.788.875	0
VII. MINORITY INTERESTS	078	0	0
B) PROVISIONS (080 to 082)	079	17.824.835	17.301.835
1. Provisions for pensions, severance pay, and similar liabilities	080	4.751.555	4.228.555
2. Reserves for tax liabilities	081	0	0
3. Other reserves	082	13.073.280	13.073.280
C) LONG - TERM LIABILITIES (084 to 092)	083	79.493.950	86.902.113
1. Liabilities to related parties	084	0	0
2. Liabilities for loans, deposits etc.	085	14.818.613	14.818.613
3. Liabilities to banks and other financial institutions	086	34.278.790	41.686.953
4. Liabilities for received prepayments	087	0	0
5. Accounts payable	088	15.843.734	15.843.734
6. Liabilities arising from debt securities	089	0	0
7. Liabilities to entrepreneurs in whom the entity holds participating interests	090	0	0
8. Other long-term liabilities	091	0	0
9. Deferred tax liability	092	14.552.813	14.552.813
D) SHORT - TERM LIABILITIES (094 to 105)	093	101.200.627	40.077.278
1. Liabilities to related parties	094	0	11.798
2. Liabilities for loans, deposits etc.	095	13.335.435	6.371.843
3. Liabilities to banks and other financial institutions	096	39.904.581	2.887.953
4. Liabilities for received prepayments	097	0	0
5. Accounts payable	098	35.391.381	22.315.483
6. Liabilities arising from debt securities	099	0	0
7. Liabilities to entrepreneurs in whom the entity holds participating interests	100	0	0
8. Liabilities to employees	101	4.178.132	3.649.313
9. Liabilities for taxes, contributions and similar fees	102	4.300.719	2.913.158
10. Liabilities to share - holders	103	0	0
11. Liabilities for long-term assets held for sale	104	0	0
12. Other short - term liabilities	105	4.090.379	1.927.730
E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO FUTURE PERIOD	106	447.163	4.097
F) TOTAL – CAPITAL AND LIABILITIES (062+079+083+093+106)	107	588.980.563	835.897.546
G) OFF-BALANCE RECORDS	108	804.016	804.016
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	390.013.988	691.612.223
2. Attributed to minority interest	110	0	0

PROFIT AND LOSS ACCOUNT
from 01.01.2015 until 30.09.2015.

LUKA RIJEKA d.d.					
Position	AOP	previous period cumulative	previous period quarter	current period cumulative	current period cumulative
1	2	3	4	5	6
I. OPERATING REVENUE (112+113)	111	133.856.858	40.272.597	135.963.493	44.612.914
1. Sales revenue	112	120.550.812	38.961.101	126.734.287	41.692.681
2. Other operating revenues	113	13.305.846	3.291.496	9.229.206	2.920.233
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)	114	130.416.769	40.319.772	132.539.626	45.011.365
1. Changes in value of work in progress and finished products	115	0	0	0	0
2. Material costs (117 to 119)	116	45.474.226	12.209.271	48.057.993	16.505.157
a) Raw material and material costs	117	18.321.266	5.176.718	16.032.239	5.161.021
b) Costs of goods sold	118	0	0	0	0
c) Other external costs	119	29.152.962	7.032.553	32.025.754	11.344.136
3. Staff costs (121 to 123)	120	57.071.144	19.259.964	56.191.056	19.122.315
a) Net salaries and wages	121	34.910.055	11.676.114	34.690.969	12.306.736
b) Cost for taxes and contributions from salaries	122	14.021.719	4.744.518	13.211.276	3.995.126
c) Contributions on gross salaries	123	8.139.370	2.839.334	8.288.811	2.820.453
4. Depreciation	124	6.798.930	1.505.025	7.323.942	2.036.202
5. Other costs	125	17.856.400	6.813.320	18.894.907	7.112.159
6. Impairment (127+128)	126	1.207.732	0	25.466	25.466
a) Impairment of long-term assets (financial assets excluded)	127	0	0	0	0
b) Impairment of short-term assets (financial assets excluded)	128	1.207.732	0	25.466	25.466
7. Provisions	129	0	0	0	0
8. Other operating costs	130	2.008.335	532.192	2.046.262	210.066
III. FINANCIAL INCOME (132 to 136)	131	1.723.092	500.260	1.408.836	833.427
1. Interest income, foreign exchange gains, dividends and similar income from related	132	0	0	0	0
2. Interest income, foreign exchange gains, dividends and similar income from non -	133	1.723.092	500.260	956.292	833.427
3. Share in income from affiliated entrepreneurs and participating interests	134	0	0	0	0
4. Unrealized gains (income) from financial assets	135	0	0	0	0
5. Other financial income	136	0	0	452.544	0
IV. FINANCIAL EXPENSES (138 to 141)	137	3.364.272	846.334	2.875.465	668.772
1. Interest expenses, foreign exchange losses, dividends and similar expenses from related	138	0	0	0	0
2. Interest expenses, foreign exchange losses, dividends and similar expenses from non -	139	3.364.272	846.334	2.875.465	668.772
3. Unrealized losses (expenses) on financial assets	140	0	0	0	0
4. Other financial expenses	141	0	0	0	0
V. INCOME FROM INVESTMENT - SHARE IN PROFIT OF ASSOCIATED ENTREPRENEURS	142	0	0	0	0
VI. LOSS FROM INVESTMENT - SHARE IN LOSS OF ASSOCIATED ENTREPRENEURS	143	0	0	0	0
VII. EXTRAORDINARY - OTHER INCOME	144	0	0	0	0
VIII. EXTRAORDINARY - OTHER EXPENSES	145	0	0	0	0
IX. TOTAL INCOME (111+131+142 + 144)	146	135.578.750	40.772.857	137.372.329	45.446.341
X. TOTAL EXPENSES (114+137+143 + 145)	147	133.781.041	41.166.106	135.415.091	45.680.137
XI. PROFIT OR LOSS BEFORE TAXATION (146-147)	148	1.798.709	-393.249	1.957.238	-233.796
1. Profit before taxation (146-147)	149	1.798.709	0	1.957.238	0
2. Loss before taxation (147-146)	150	0	393.249	0	233.796
XII. PROFIT TAX	151	0	0	0	0
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	1.798.709	-393.249	1.957.238	-233.796
1. Profit for the period (149-151)	153	1.798.709	0	1.957.238	0
2. Loss for the period (151-148)	154	0	393.249	0	233.796
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	1.798.709	-393.249	1.957.238	-233.796
2. Attributed to minority interest	156	0	0	0	0
STATEMENT OF OTHER COMPREHENSIVE INCOME (IFRS)					
I. PROFIT OR LOSS FOR THE PERIOD (= 152)	157	1.798.709	-393.249	1.957.238	-233.796
II. OTHER COMPREHENSIVE INCOME / LOSS BEFORE TAX (159 to 165)	158	0	0	-422.105	0
1. Exchange differences on translation of foreign operations	159	0	0	0	0
2. Movements in revaluation reserves of long-term tangible and intangible assets	160	0	0	0	0
3. Profit or loss from reevaluation of financial assets available for sale	161	0	0	-422.105	0
4. Gains or losses on efficient cash flow hedging	162	0	0	0	0
5. Gains or losses on efficient hedges of a net investment in foreign countries	163	0	0	0	0
6. Share in other comprehensive income / loss of associated companies	164	0	0	0	0
7. Actuarial gains / losses on defined benefit plans	165	0	0	0	0
III. TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD	166	0	0	-63.316	0
IV. NET OTHER COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (158-166)	167	0	0	-358.789	0
V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (157+167)	168	1.798.709	-393.249	1.598.449	-233.796
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	1.798.709	-393.249	1.598.449	-233.796
2. Attributed to minority interest	170	0	0	0	0

STATEMENT OF CASH FLOWS - INDIRECT METHOD
from 01.01.2015. until 30.09.2015.

Company: LUKA RIJEKA d.d.			
Position	AOP	Previous year	Current year
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Profit before tax	001	1.798.709	1.957.238
2. Depreciation	002	6.798.930	7.323.942
3. Increase in short term liabilities	003	0	0
4. Decrease in short term receivables	004	0	8.350.826
5. Decrease in inventories	005	0	0
6. Other increase in cash flow	006	0	3.746.619
I. Total increase in cash flow from operating activities (001 to 006)	007	8.597.639	21.378.625
1. Decrease in short term liabilities	008	2.171.293	17.143.129
2. Increase in short term receivables	009	2.288.542	0
3. Increase in inventories	010	131.614	186.207
4. Other decrease in cash flow	011	291.565	0
II. Total decrease in cash flow from operating activities (008 to 011)	012	4.883.014	17.329.338
A1) NET INCREASE IN CASH FLOW FROM OPERATING ACTIVITIES	013	3.714.625	4.049.289
A2) NET DECREASE IN IN CASH FLOW FROM OPERATING ACTIVITIES	014	0	0
CASH FLOW FROM INVESTING ACTIVITIES			
1. Cash inflows from sales of long-term tangible and intangible assets	015	1.558.738	22.480
2. Cash inflows from sales of equity and debt instruments	016	0	0
3. Interests receipts	017	302.252	593.754
4. Dividend receipts	018	95.537	0
5. Other cash inflows from investing activities	019	2.246.325	2.349.936
III. Total cash inflows from investing activities (015 to 019)	020	4.202.852	2.966.170
1. Cash outflow for purchase of long-term tangible and intangible assets	021	3.681.064	17.235.083
2. Cash outflow for acquisition of equity and debt financial instruments	022	0	0
3. Other cash outflow for investing activities	023	0	0
IV. Total cash outflow for investing activities (021 to 023)	024	3.681.064	17.235.083
B1) NET INCREASE IN CASH FLOW FROM INVESTING ACTIVITIES (020-024)	025	521.788	0
B2) NET DECREASE IN CASH FLOW FROM INVESTING ACTIVITIES	026	0	14.268.913
CASH FLOW FROM FINANCIAL ACTIVITIES			
1. Cash inflow from issuing property and debt financial instruments	027	0	300.000.000
2. Proceeds from the credit principal, promissory notes, borrowings and other loans	028	29.400.000	15.552.601
3. Other proceeds from financial activities	029	0	2.063.312
V. Total cash inflows from financial activities (027 to 029)	030	29.400.000	317.615.913
1. Cash outflow for repayment of credit principal and bonds	031	32.870.850	50.605.991
2. Cash outflow for dividends paid	032	0	0
3. Cash outflow for financial lease	033	861.632	1.021.458
4. Cash outflow for purchase of treasury shares	034	0	0
5. Other cash outflow for financial activities	035	0	254.932.974
VI. Total cash outflow for financial activities (031 to 035)	036	33.732.482	306.560.423
C1) NET INCREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES	037	0	11.055.490
C2) NET DECREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES	038	4.332.482	0
Total increase in cash flow (013 – 014 + 025 – 026 + 037 – 038)	039	0	835.866
Total decrease in cash flow (014 – 013 + 026 – 025 + 038 – 037)	040	96.069	0
Cash and cash equivalents at the beginning of the period	041	2.411.852	2.621.584
Increase of cash and cash equivalents	042	0	835.866
Decrease of cash and cash equivalents	043	96.069	0
Cash and cash equivalents at the end of the period	044	2.315.783	3.457.450

STATEMENT OF CHANGES IN EQUITY
for the period 1.1.2015 to 30.9.2015

Position	AOP	Previous year	Current year
1	2	3	4
1. Subscribed capital	001	598,047,500	539,219,000
2. Capital reserves	002	66	40,752,572
3. Reserves from profit	003	0	0
4. Retained earnings or accumulated loss	004	-193,782,250	73,931,357
5. Profit or loss for the current year	005	1,798,709	1,957,238
6. Revaluation of long - term tangible assets	006	22,198,140	35,752,056
7. Revaluation of intangible assets	007	0	0
8. Revaluation of financial assets available for sale	008	0	0
9. Other revaluation	009	0	0
10. Total capital and reserves (AOP 001 to 009)	010	428,260,165	691,612,223
11. Currency gains and losses arising from net investement in foreign operations	011	0	0
12. Current and deferred taxes (part)	012	0	0
13. Cash flow hedging	013	0	0
14. Changes in accounting policy	014	0	0
15. Correction of significant errors in prior period	015	0	0
16. Other changes of capital	016	0	0
17. Total increase or decrease in capital (AOP 011 to 016)	017	0	0
17 a. Attributed to equity holders of parent company	018	428,260,165	691,612,223
17 b. Attributed to minority interest	019	0	0

Items which decrease capital are given with the negative prefix

October 2015, Rijeka

Pursuant to Article 410, Paragraph 2, and Article 407, Paragraph 2, Point 3 of the Act on the Capital Market, individuals accountable for making financial statements: President of the Management Board Vedran Devčić, with Members of the Management Board Linda Sciucca and Nenad Janjić hereby issue a

STATEMENT

Which, conscientiously and according to their best knowledge, confirms their liability for realistic and objective display of unaudited consolidated financial statement for 9 months period (01/01 – 30/09 2015) of the Luka Rijeka d.d in accordance with the Act of Accounting (Official Gazette of the Republic of Croatia 109/2007), International Accounting Standards (IAS) of financial reporting recognized by the European Commission and published in the Official Journal of the European Commission and the accounting policies of the Group, including appropriate publishing of all information in accordance with the Act and above Standards. With applying above-mentioned Standards, financial statements of the Group provide an overall and authentic review of assets and liabilities, as well as Group's business results.

Management Board
Vedran Devčić, President
Linda Sciucca, Member
Nenad Janjić, Member

LUKA RIJEKA d.d.
Rijeka, Riva 1