



Medika d.d.
Zagreb, Capraška 1

**INTERIM REPORT
for the first nine months of 2012
Medika d.d. Zagreb**

October 2012

Report Submitted by Member of the Management Board – Medika d.d.

Comment on the result for the first nine months of 2012

Sales revenue of Medika in the first nine months of 2012 is by 3.7% higher comparing to the same period of previous year.

The operative profit rate EBIT amounts to HRK 29.1 mil or 1.78% and EBITDA amounts to HRK 39.0 mil or 2.39%.

The realized operating profit is by HRK 3.8 mil lower comparing to the same period of previous year. Since the exchange rate of euro was growing in the last quarter of 2011, purchase prices of inventory translated to kuna were higher which resulted in increased cost of goods sold. At the same time, sales prices remained at the same level until 11 May 2012 when new list of medicines became effective which resulted in decreased sales margin.

The realized net profit amounts to HRK 15.0 million, which is 87.4% higher comparing to the same period of previous year which is influenced by net financial expense. Net finance expense is by HRK 13.8 million lower comparing to the same period of previous year. Decrease is resulted by changes in net exchange rate differences which are for the first nine months of 2012 positive and amounts to HRK 4.5 million, while in the same period of previous year they were negative and amounted to HRK 7.7 million.

Key indicators	I-IX 2012.	I-IX 2011.	Change I-IX 2012. / I-IX 2011.
Sales revenue (000 HRK)	1,621,021	1,563,335	3.7%
EBITDA margin	2.39%	2.80%	-0.41%
EBIT margin	1.78%	2.10%	-0.32%
Net profit (000 HRK)	15,030	8,019	87.4%

Key events

Temporarily financing of new Government resulted in lower collection of trade receivables in the first quarter of 2012 so the Company increased its indebtedness at business banks to maintain liquidity.

In April of 2012 Medika purchased land and building at the current location of distributive and warehouse centre Osijek so long term assets were increased by HRK 7.0 million.

In May of 2012 partial financial recovery of health system was made and received funds were partially used to lower indebtedness.

In June 2012 Company granted 252 treasury shares to key management.

Based on the Contract on incorporation of limited liability company Litmus d.o.o., Medika transferred into newly founded company its share into Primus nekretnine d.o.o. and has paid in HRK 450 thousand by which it gained share of 41.53% in Litmus d.o.o.. Company Litmus d.o.o. is inscribed into Trade Court Register as at 06 August 2012.

During September restructuring of borrowings was made by which borrowings in foreign currency were converted in borrowings in kuna (by which currency exposure risk was eliminated) with lower interest rate and the maturity was changed (part of the short-term loans was converted into long-term loan).

Balance sheet

Total assets are lower by 1% comparing to beginning of the year as a result of the lower short term assets.

Long term assets are at the same level comparing to 31.12.2011. In April of 2012 Medika purchased land and building at the current location of distributive and warehouse centre Osijek. On that ground long term assets were increased by HRK 7.0 million. Although investment was made, due to the influence of accumulated depreciation long-term assets have not grown.

Long-term finance assets are lower by HRK 747 thousand. This is influenced by lower balance of share in the related parties which is by HRK 852 thousand lower. Based on the Contract on incorporation of limited liability company Litmus d.o.o., Medika transferred into newly founded company its share into Primus nekretnine d.o.o. and has paid in HRK 450 thousand by which it gained share of 41.53% in Litmus d.o.o.. Share in Primus nekretnine d.o.o. amounted to HRK 20.0 million, while share in Litmus d.o.o. amounts to HRK 19.1 million.

Inventory balance is higher for HRK 10.0 million or 5.4% comparing to previous year due to increased procurement due to sales growth.

Short-term assets amount to HRK 1 billion 507 million, whereof HRK 1 billion 287 million relate to total receivables. Trade receivables and receivables from related parties amount to HRK 1 billion 282 million and have increased by 2.1% comparing to the beginning of the year as a result of increase in sales and slower collection of receivables.

A short-term financial assets amount to HRK 4.7 million, whereof HRK 4.5 million relates to endorsed bills of exchange receivables. Bills of exchange as a payment instrument were endorsed to suppliers and one business bank. Given the fact that the risk of nonpayment is on the Company, at the same time, the Company recorded liability for endorsed bills of exchange in "Liabilities for securities". Comparing to the beginning of the year, receivables for endorsed bills of exchange are lower for HRK 33.5 million.

In capital and reserves there is a change in treasury shares and capital reserves since 252 treasury shares were granted to the key management.

Long term liabilities are higher by HRK 134.4 million comparing to 31.12.2011 which is entirely due to increase in liabilities to banks and other financial institutions. During September restructuring of borrowings was made and the maturity was changed, as explained earlier.

Short-term liabilities amount to HRK 1 billion 272 million whereof HRK 1 billion 179 million relates to the liabilities to suppliers and liabilities to related parties, HRK 78.9 million to debt (HRK 78.4 million relates to short term loans and HRK 495 thousand relates to finance lease), and HRK 4.5 million on liabilities for securities, as previously explained.

Risks

The most significant risk for Medika d.d. business within market risks is a long collection period of receivables, especially HZZO and HZZO related receivables. Therefore, a significant amount of working capital is not available what has an influence on cash flows and timely settlement of Medika d.d. liabilities.

As these receivables are either dependent from or owned by State, risk of collection is not high, but this increases the need for future financing, which increases finance expenses.

Significant risk for Medika d.d. business is a continuous decrease in the price of prescription medication on HZZO list and administrative approach in determining prices and margins of medication. To lower this risk, Medika d.d. focused on increase of variety of products which are not limited by law in respect of the price of the product.

Currency risk is a significant financial risk. Most of inventories are purchased from foreign suppliers in foreign currencies. Additionally, part of borrowings from banks have exchange rate clauses. The Company does not use financial instruments to protect itself from currency risk.

Interest risk of the Company arises from received long term and short term borrowing, with a variable interest rate.

Majority of the credit risk relates to trade receivables. Credit risk is higher when dealing with pharmacies, which have potential going concern issue. Hospitals which have longer collection period do not have a going concern issue and collection issue.

Expectations

Medika d.d. business plan for 2012 stipulates growth of sales. In accordance with the growth of sales, a higher market share is expected. The Company will continue with its core business: distribution of medications and medical products and will strongly develop operations with products that make the core business of the firm.

Jasminko Herceg
Board member

Medika dd
Zemunik

Appendix 1.

Reporting period:

1.1.2012

do

30.9.2012

Quarterly financial statements TFI-POD

Registration number (MB): 03209741

Identification number of company (MBS): 080027531

Personal identification number (OIB): 94818858923

Issuer: Medika d.d.

Postal code and city: 10000 ZAGREB

Address: CAPRAŠKA 1

e-mail: medika.uprava@medika.hr

web page: www.medika.hr

Code and name of municipality/city: 133 ZAGREB

Code and county name: 21 GRAD ZAGREB Number of employees: 353
(end of reporting period)

Consolidated statements: NO Šifra NKD-a: 4646

Consolidating entities (according to IFRS):

Headquarters:

MB:

Bookkeeping service:

Contact person: RADMILOVIĆ DIJANA
(only surname and name of contact person)

Telephone number: 012412551

Telefaks: 012371441

e-mail: medika.uprava@medika.hr

Name: HERCEG JASMINKO
(authorised person)**Documentation for publishing:**

1. Financial statements (Balance sheet, Profit and loss account, Cash flow statements, Statements of changes in equity and Notes to financial statements)
2. Interim report,
3. Statement of Liability.

M.P.

Medika d.d.

(signature of authorised person)

BALANCE SHEET
balance as at 30.09.2012

Issuer: MEDIKA d.d.			
Description	AOP mark	Previous period	Current period
1	2	3	4
ASSETS			
A) RECEIVABLES FOR SUBSCRIBED BUT NOT PAID-IN CAPITAL	001		
B) NON-CURRENT ASSETS (003+010+020+029+033)	002	235.450.613	235.282.692
I. INTANGIBLE ASSETS (004 to 009)	003	26.212.397	24.869.430
1. Research and development	004		
2. Concessions, patents, licences, trademarks, software and other rights	005	14.164.717	11.074.150
3. Goodwill	006	11.929.586	11.929.586
4. Advances for intangible assets	007		
5. Intangible assets under construction	008	118.094	1.865.694
6. Other intangible assets	009		
II. TANGIBLE ASSETS (011 to 019)	010	148.382.613	150.304.854
1. Land	011	15.994.715	15.994.715
2. Buildings	012	113.099.346	110.257.580
3. Equipment and machinery	013	6.098.713	6.063.407
4. Furniture, fittings and vehicles	014	9.872.591	8.692.267
5. Biological assets	015		
6. Advances for tangible assets	016	3.911	3.911
7. Tangible assets under construction	017	2.584.587	8.564.224
8. Other tangible assets	018	728.750	728.750
9. Investment property	019		
III. NON-CURRENT FINANCIAL ASSETS (021 to 028)	020	60.398.725	59.651.530
1. Investment in subsidiaries and associates	021	60.000.000	59.148.400
2. Loans to related parties	022		
3. Loans given to minority interest	023		
4. Loans given to participating parties	024		
5. Investment in securities	025		
6. Loans given, deposits and similar	026	398.725	503.130
7. Other non-current financial assets	027		
8. Investments at equity method	028		
IV. RECEIVABLES (030 to 032)	029	0	0
1. Receivables from related parties	030		
2. Receivables for credit sales	031		
3. Other receivables	032		
V. DEFERRED TAX ASSET	033	456.878	456.878
C) CURRENT ASSETS (035+043+050+058)	034	1.522.695.393	1.507.050.769
I. INVENTORY (036 To 042)	035	185.941.455	195.901.328
1. Raw material	036	114.635	160.063
2. Work in progress	037		
3. Finished products	038		
4. Trade goods	039	183.227.276	194.429.915
5. Advances for inventories	040	2.599.544	1.311.350
6. Non-current assets available for sale	041		
7. Biological assets	042		
II. RECEIVABLES (044 to 049)	043	1.260.733.997	1.286.957.198
1. Receivables from related parties	044	174.609.427	179.079.902
2. Trade receivables	045	1.080.763.294	1.102.805.252
3. Receivables from participating parties	046		
4. Receivables from employees	047	50.740	43.309
5. Receivables from the state and other institutions	048	3.328.648	2.186.265
6. Other receivables	049	1.981.888	2.842.470
III. CURRENT FINANCIAL ASSETS (051 to 057)	050	40.442.582	4.708.364
1. Investment in subsidiaries and associates	051		
2. Loans to related parties	052		
3. Equity investments	053		
4. Loans given to participating parties	054		
5. Investment in securities	055	39.360.000	4.500.000
6. Loans given, deposits and similar	056	1.082.582	208.364
7. Other financial assets	057		
IV. CASH IN BANK AND ON HAND	058	35.577.359	19.483.879
D) PREAPID EXPENSES AND ACCRUED INCOME	059	608.660	1.218.266
E) TOTAL ASSETS (001+002+034+059)	060	1.758.754.666	1.743.551.727
G) OFF BALANCE SHEET ITEMS	061	152.322.674	193.128.522

EQUITY AND LIABILITIES			
A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	309,402,019	324,022,618
I. SHARE CAPITAL	063	60,388,000	60,388,000
II. CAPITAL RESERVES	064	-6,863,284	-7,542,807
III. RESERVES FROM RETAINED EARNINGS (066+067+068+069+070)	065	83,398,115	83,667,810
1. Legal reserves	066	7,277,713	7,277,713
2. Reserves for treasury shares	067	60,000,000	60,000,000
3. Treasury shares	068	15,676,088	15,406,393
4. Statutory reserves	069		
5. Other reserves	070	31,796,490	31,796,490
IV. REVALUATION RESERVES	071		
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	072	160,033,917	172,479,188
1. Retained earnings	073	160,033,917	172,479,188
2. Accumulated loss	074		
VI. PROFIT OR LOSS FOR THE PERIOD (076-077)	075	12,445,271	15,030,427
1. Profit for the period	076	12,445,271	15,030,427
2. Loss for the period	077		
VII. MAJORITY INTERESTS	078		
B) PROVISIONS (080 To 082)	079	420,100	420,100
1. Provisions for retirement, severance payment and similar	080	420,100	420,100
2. Tax provisions	081		
3. Other provisions	082		
C) NON-CURRENT LIABILITIES (084 to 092)	083	11,150,740	145,561,158
1. Liabilities to related parties	084		
2. Borrowings and deposits	085		
3. Liabilities to banks and other financial institutions	086	11,150,740	145,561,158
4. Liabilities for advances received	087		
5. Trade payables	088		
6. Liabilities for securities	089		
7. Liabilities to participating parties	090		
8. Other non-current liabilities	091		
9. Deferred tax liability	092		
D) CURRENT LIABILITIES (094 to 105)	093	1,434,866,863	1,272,203,610
1. Liabilities to related parties	094	129,304,315	147,536,142
2. Borrowings and deposits	095		
3. Liabilities to banks and other financial institutions	096	310,480,067	78,865,280
4. Liabilities for advances received	097	646,152	
5. Trade payables	098	941,607,851	1,031,333,198
6. Liabilities for securities	099	38,010,000	4,500,000
7. Liabilities to participating parties	100		
8. Liabilities to employees	101	6,518,126	4,473,419
9. Liabilities for taxes and contributions	102	3,688,245	3,307,791
10. Dividend payables	103	1,034	1,034
11. Liabilities for non-current assets available for sale	104		
12. Other current liabilities	105	4,611,073	2,186,746
E) DEFERRED INCOME AND ACCRUED EXPENSES	106	2,914,944	1,344,241
F) TOTAL EQUITY AND LIABILITIES (062+079+083+093+106)	107	1,758,754,666	1,743,551,727
G) OFF BALANCE SHEET ITEMS	108	152,322,674	193,128,522
SUPPLEMENT TO BALANCE SHEET (for consolidated financial statements)			
A) CAPITAL AND RESERVES			
1. Attributable to equity holders	109		
2. Attributable to minority interest	110		

Note 1.: Supplement to balance sheet is filled for consolidated financial statements.

PROFIT AND LOSS
for period from 01.01.2012 to 30.09.2012

Issuer: MEDIKA d.d.

Description	AOP mark	Previous period		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
I. OPERATING REVENUES (112+113)	111	1.570.852.120	522.165.716	1.633.451.793	538.346.457
1. Revenues from sale	112	1.563.334.809	520.127.857	1.621.020.550	535.794.654
2. Other operating revenues	113	7.517.311	2.037.859	12.431.243	2.551.803
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)	114	1.537.921.553	510.576.016	1.604.326.474	529.966.483
1. Change in value of work in progress and finished goods	115				
2. Material expenses (117 to 119)	116	1.457.538.040	488.679.595	1.523.850.914	502.373.381
a) Raw materials	117	6.217.216	2.149.828	6.798.614	2.191.173
b) Cost of goods sold	118	1.436.490.764	481.912.779	1.501.352.385	495.101.875
c) Other expenses	119	14.830.060	4.616.988	15.699.915	5.080.333
3. Employee expenses (121 to 123)	120	38.049.390	12.727.135	37.381.090	12.314.905
a) Net salaries	121	21.702.767	7.256.725	21.442.796	7.130.179
b) Tax and contributions from salaries	122	10.784.072	3.602.605	10.759.294	3.559.900
c) Contributions on salaries	123	5.582.557	1.867.805	5.179.000	1.624.820
4. Depreciation and amortization	124	11.080.678	3.504.728	9.837.384	3.218.056
5. Other expenses	125	21.365.762	5.664.558	18.357.086	6.060.141
6. Impairment (127+128)	126	9.887.671	0	14.900.000	6.000.000
a) of non-current assets (financial assets excluded)	127				
b) of current assets (financial assets excluded)	128	9.887.671		14.900.000	6.000.000
7. Provisions	129				
8. Other operating expenses	130				
III. FINANCE INCOME (132 to 136)	131	3.247.146	-441.040	8.573.399	5.149.834
1. Interests, foreign exchanges and dividend from related parties	132	18.157			
2. Interests, foreign exchanges and dividend from non-related parties	133	3.228.989	-441.040	8.573.399	5.149.834
3. Share of profit from associate	134				
4. Unrealised gains	135				
5. Other financial income	136				
IV. FINANCE EXPENSES (138 to 141)	137	24.722.283	12.649.718	16.226.679	4.761.105
1. Interests, foreign exchanges and dividend from related parties	138				
2. Interests, foreign exchanges and dividend from non-related parties	139	24.722.283	12.649.718	16.226.679	4.761.105
3. Unrealised losses	140				
4. Other finance expenses	141				
V. SHARE OF PROFIT FROM ASSOCIATE	142				
VI. SHARE OF LOSS FROM ASSOCIATE	143				
VII. EXTRAORDINARY - OTHER INCOME	144				
VIII. EXTRAORDINARY - OTHER EXPENSES	145				
IX. TOTAL INCOME (111+131+142 + 144)	146	1.574.099.266	521.724.676	1.642.025.192	543.496.291
X. TOTAL EXPENSES (114+137+143 + 145)	147	1.562.643.836	523.225.734	1.620.553.153	534.727.588
XI. PROFIT OR LOSS BEFORE TAX (146-147)	148	11.455.430	-1.501.058	21.472.039	8.768.703
1. Profit before tax (146-147)	149	11.455.430	0	21.472.039	8.768.703
2. Loss before tax (147-146)	150	0	1.501.058	0	0
XII. INCOME TAX	151	3.436.629	-450.317	6.441.612	2.630.611
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	8.018.801	-1.050.741	15.030.427	6.138.092
1. Profit for the period (149-151)	153	8.018.801	0	15.030.427	6.138.092
2. Loss for the period (151-148)	154	0	1.050.741	0	0

SUPPLEMENT TO PROFIT AND LOSS (for consolidated financial statements)

XIV. PROFIT OR LOSS FOR THE PERIOD					
1. Attributable to equity holders	155				
2. Attributable to minority interest	156				
OTHER COMPREHENSIVE INCOME REPORT (for IFRS reporting)					
I. PROFIT OR LOSS FOR THE PERIOD (= 152)	157	8.018.801	-1.050.741	15.030.427	6.138.092
II. OTHER COMPREHENSIVE PROFIT/LOSS BEFORE TAX (159 to 165)	158	0	0	0	0
1. Exchange differences on translation of foreign operations	159				
2. Changes in revaluation reserves for non-current tangible and intangible assets	160				
3. Profit or loss from revaluation of financial assets available for sale	161				
4. Gains or losses from efficient cash flow hedging	162				
5. Gains or losses from efficient hedge of net investment abroad	163				
6. Share in other comprehensive profit/loss of associates	164				
7. Actuarial gains/losses on defined benefit plans	165				
III. TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD	166				
IV. NET OTHER COMPREHENSIVE PROFIT OR LOSS FOR THE PERIOD (158-166)	167	0	0	0	0
V. COMPREHENSIVE PROFIT OR LOSS FOR THE PERIOD (157+167)	168	8.018.801	-1.050.741	15.030.427	6.138.092
APPENDIX to Other comprehensive income report (to be filled for consolidated financial statements)					
VI. COMPREHENSIVE PROFIT OR LOSS					
1. Attributable to equity holders	169				
2. Attributable to minority interest	170				

STATEMENT OF CASH FLOW - Indirect method
for period from 01.01.2012 to 30.09.2012

Issuer: MEDIKA d.d.			
Description	AOP mark	Previous period	Current period
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Profit before tax	001	11.455.430	21.472.039
2. Depreciation and amortisation	002	11.080.678	9.837.384
3. Increase of current liabilities	003	70.851.062	102.461.533
4. Decrease of current receivables	004		
5. Decrease of inventories	005	29.240.828	
6. Other increase of cash flow	006		
I. Total increase of cash flow from operating activities (001 to 006)	007	122.627.998	133.770.956
1. Decrease of current liabilities	008		
2. Increase of current receivables	009	161.465.074	26.223.201
3. Increase of inventories	010		9.959.873
4. Other decrease of cash flow	011	6.949.695	7.458.914
II. Total decrease of cash flow from operating activities (008 to 011)	012	168.414.769	43.641.988
A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES (007-012)	013	0	90.128.968
A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES (012-007)	014	45.786.771	0
CASH FLOW FROM INVESTING ACTIVITIES			
1. Proceeds from sale of tangible and intangible assets	015	266.064	374.663
2. Proceeds from sale of equity and debt securities	016		
3. Interest received	017	212.602	345.694
4. Dividends received	018		
5. Other proceeds from investing activities	019		
III. Total proceeds from investing activities (015 to 019)	020	478.666	720.357
1. Purchase of tangible and intangible assets	021	3.878.860	8.408.890
2. Purchase of equity and debt securities	022		
3. Other purchases resulting from investing activities	023		
IV. Total purchases resulting from investing activities (021 to 023)	024	3.878.860	8.408.890
B1) NET INCREASE OF CASH FLOW FROM INVESTING ACTIVITIES (020-024)	025	0	0
B2) NET DECREASE OF CASH FLOW FROM INVESTING ACTIVITIES (024-020)	026	3.400.194	7.688.533
CASH FLOW FROM FINANCING ACTIVITIES			
1. Proceeds from issuance of equity and debt securities	027		
2. Proceeds from borrowings	028	135.654.951	270.500.000
3. Other proceeds from financing activities	029		
V. Total proceeds from financing activities (027 to 029)	030	135.654.951	270.500.000
1. Repayments of borrowings	031	100.855.163	365.287.574
2. Dividends paid	032	377.389	
3. Repayments of finance lease	033	1.638.942	1.522.113
4. Purchase of treasury shares	034	1.995.000	2.224.228
5. Other purchases resulting from financing activities	035		
VI. Ukupno novčani izdaci od financijskih aktivnosti (031 to 035)	036	104.866.494	369.033.915
C1) NET INCREASE OF CASH FLOW FROM FINANCING ACTIVITIES (030-036)	037	30.788.457	0
C2) NET DECREASE OF CASH FLOW FROM FINANCING ACTIVITIES (036-030)	038	0	98.533.915
Total increase of cash flow (013 – 014 + 025 – 026 + 037 – 038)	039	0	0
Total decrease of cash flow (014 – 013 + 026 – 025 + 038 – 037)	040	18.398.508	16.093.480
Cash and cash equivalents at beginning of the period	041	26.568.598	35.577.359
Increase of cash and cash equivalents	042		
Decrease of cash and cash equivalents	043	18.398.508	16.093.480
Cash and cash equivalents at end of the period	044	8.170.090	19.483.879

STATEMENT OF CHANGES IN EQUITY
for period from 1.1.2012 to 30.9.2012

Description	AOP mark	Previous period	Current period
1	2	3	4
1. Share capital	001	60.388.000	60.388.000
2. Capital reserves	002	-6.863.284	-7.542.807
3. Reserves from retained earnings	003	83.398.115	83.667.810
4. Retained earnings or accumulated loss	004	160.033.917	172.479.188
5. Profit or loss for the period	005	12.445.271	15.030.427
6. Revaluation of 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	309.402.019	324.022.618
11. Foreign exchanges from the foreign investments	011		
12. Current and deferred tax (part)	012		
13. Cash flow hedge	013		
14. Changes of accounting policies	014		
15. Correction of material mistakes from previous period	015		
16. Other changes of equity	016		
17. Total increase or decrease of equity (AOP 011 to 016)	017	0	0
17 a. Attributable to equity holders	018		
17 b. Attributable to minority interest	019		

Stavke koje umanjuju kapital upisuju se s negativnim predznakom
Podaci pod AOP oznakama 001 do 009 upisuju se kao stanje na datum bilance

Zagreb, 25 October 2012

Pursuant to the articles 407. to 410. of the Capital market Law (Official Gazette 88/08 and 146/08) Management Board member Jasminko Herceg provides

MANAGEMENT BOARD'S STATEMENT OF LIABILITY

Consolidated and unconsolidated financial statements of Medika d.d. have been prepared pursuant to the International Financial Reporting Standards (IFRS) and Croatian Accounting Law.

Consolidated and unconsolidated financial statements for the period from 01 January 2012 to 30 September 2012 present complete and fair view of assets and liabilities, profit and loss, financial position and operations of the Company and the Group.

The interim management report for the period ended 30 September 2012 presents true and fair presentation of development and results of the operations of the Company and the Group with description of significant risks and uncertainties for the Company and the Group.


Jasminko Herceg
Management Board member

Medika d.d.
Capraška