



**Medika** d.d.  
Zagreb, Capraška 1

**INTERIM REPORT  
for I-III 2015  
Medika d.d. Zagreb**

**April 2015**

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## Report Submitted by Director

### ***Comment on the business results for the first three months of 2015***

Medika d.d. („Company“) has realised total revenue in the first three months of 2015 in amount of HRK 596.2 million which is by 12,84% higher comparing to the same period of previous year.

Sales revenues which amount to HRK 584.2 million for the first three months of 2015 are by 11.71% higher comparing to the same period of previous year.

Share of sales revenues in the total revenue is 98.00% while in the same period of previous year it was 98.99%.

Other operating revenues which amount to HRK 7.1 million are higher comparing to the same period of previous year by HRK 3.2 million. Since the share of other operating revenues in total revenue was only 0.74% in the first three months of 2014, and in the first three months of 2015 is only 1.19%, this increase is not that significant.

Out of the total sales revenues, 99.91% revenues are generated on domestic market, while 0.09% is generated on the foreign market. This structure has not significantly changed in the first three months of 2015 comparing to the same period of previous year.

Material expenses amount to HRK 556.7 million and are 12.75% higher comparing to the same period of previous year. Since the operating expenses are growing slower, share of material expenses in the operating expenses is by 0.36% higher comparing to the same period of previous year and amounts to 95.41%.

Employee expenses are higher by 1.82% comparing to the same period of previous year. Their share in the operating expenses amounts to 2.18% while in the same period of previous year it amounted to 2.40%. Increase in employee expenses is influenced by higher number of employees.

Finance expenses have decreased compared to the same period of previous year by HRK 1.5 million, which is 30.60%. Their share in the total expenses is by 0.36% lower compared to the same period of previous year and amounts 0.58%. This decrease is the result of lower foreign exchange differences and lower interest expenses as a result of lower interest rates and lower average indebtedness in the first three months of 2015 comparing to the same period of previous year.

Gross margin in the first three months of 2014 amounted to 6.89%, while in the first three months of 2015 amounts 5.90%, which is decrease of 0.99%. Decrease is a result of increase in net sales revenue 11.71% while net cost of goods sold has increased more, which is 12.90%. Due to these movements, margin has decreased.

Gross profit (profit before taxation) amounts to HRK 9.2 million, while in the same period of previous year amounted to HRK 3.9 million, which is increase of HRK 5.3 million. Higher gross profit is result of greater increase of total income (increase of 12.84% comparing to the same period of previous year) in relation to the increase of total expenses (decrease of 11.92% comparing to the same period of previous year).

Operative earnings amount to HRK 7.8 million and are by HRK 435 thousand, or 5.93%, higher comparing to the same period of previous year because of higher increase of operating revenues in the first three months of 2015 comparing to the same period of previous year (increase of HRK 64.4 million) in relation to the increase of operating expenses (increase of HRK 64.0 million).

Realised net profit amounts to HRK 6.9 million.

Transactions with the related parties in the first three months of 2015 generated total revenues in amount of HRK 69.1 million, which is 3.83% less of generated revenue in the same period of previous year when it amounted to HRK 71.9 million. Decrease is a result of decrease of number of pharmacies in Prima Pharne Group and decrease of sale prices due to the changes of List of medicinal products.

Trade goods purchased from the related parties amount to HRK 31.4 million, while in the same period of previous year they amounted to HRK 47.9 million. Decrease is partly result of lower sales prices on List of medicinal products.

Total assets are by 6.99% higher comparing to the beginning of the year which is mostly influenced by increase of short term assets.

Long term assets have increased comparing to the beginning of the year for HRK 4.3 million, which is 1.77%. Long term intangible assets are lower comparing to the beginning of the year for HRK 316 thousand, which is mainly a result of amortization. Long term tangible assets have increased comparing to the beginning of the year for HRK 4.7 million, which is 2.90%. This is the result of new additions and increase in investment in new business centre Osijek.

Long term financial assets and deferred tax assets are almost at the same level comparing to the beginning of the year.

Short term assets amount to HRK 1 billion 671.2 million and are by HRK 119.6 million, or 7.71%, higher comparing to the beginning of the year. In the structure of short term assets all balances (inventory, receivables and financial assets) have increased.

Inventory has increased by HRK 2.8 million comparing to the beginning of the year which is a result of higher procurement due to the sales increase.

Total receivables amount to HRK 1 billion 233.1 million and are higher for HRK 124.2 million, which is 11.20%, comparing to the beginning of the year. Trade receivables and receivables from related parties amount to HRK 1 billion 222.1 million and have increased by 11.35% comparing to the beginning of the year.

Short term financial assets amount to HRK 178.2 million and mostly relates to short term given loans. Comparing to beginning of the year financial assets have increased for HRK 29.9 million due to approved new loans to business partners.

In equity there was change in treasury shares and capital reserves due to the granting of treasury shares to the management.

Long term liabilities are higher comparing to the beginning of the year for HRK 6.5 million which is entirely influenced by increase in liabilities to banks and other financial institutions.

Short term liabilities amount to HRK 1 billion 441.0 million out of which HRK 1 billion 126.5 million relates to trade payables and liabilities to related parties and HRK 294.8 million to indebtedness (HRK 239.9 million to short term loans and HRK 900 thousand to finance lease).

Trade payables and liabilities to related parties are higher for HRK 72.0 million comparing to the beginning of the year.

Total loans liabilities of Medika amounts to HRK 314.0 million which is increase of HRK 42.8 million comparing to the beginning of the year. Out of the total loans liabilities, HRK 20.1 million relates to long term loans and HRK 293.9 million to short term loans. Long term loans have increased due to the long term loan for financing investment in new business centre in Osijek. All loans are in kuna and there is no exposure to foreign exchange risk at this balance sheet items.

### ***Key events***

Total pharmaceutical market in the first three months of 2015 has increased comparing to the same period of previous year. At the same time, sales of Medika have increased more comparing to the market increase, which resulted in higher market share in 2015.

With the changes at of List of medicinal products sales prices were lowered which resulted in lower sales margin comparing to the same period of the previous year.

In equity there was change in treasury shares and capital reserves due to the granting of treasury shares to the management.

Due to the lower cash inflow in the third quarter, the Company increased indebtedness comparing to the beginning of the year.

### ***Expected future development of the Company***

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.

### ***Treasury shares***

As at 31.03.2015, Medika holds 1,035 treasury shares.

### ***Subsidiaries and associates***

The Company has 100% of ownership in subsidiary Zdravstvena ustanova Ljekarne Prima Pjarme and associate Litmus d.o.o. in which it holds 41.53% of ownership.

ZU Ljekarne Prima Pharme has 100% of ownership ZU Ljekarne Delonga, ZU Ljekarne Ines Škoko, ZU Ljekarne Atalić and associate ZU Ljekarne Jagatić in which it holds 49% of ownership.

### ***Related parties***

The company with major voting rights, a parent company Mavota d.o.o. owns 47.38% of the Company and has 49.06% of shares with voting rights.

Pliva Hrvatska d.o.o., Zagreb owns 25.32% of the Company and has 26.22% of the voting rights. Given the share in the ownership and business transactions with the Company, Pliva Hrvatska has significant influence on the current operations of the Company.

### ***Financial risks and exposure to price risk, credit risk, liquidity and cash flow risk***

Within financial risks, foreign exchange risk is significant. The Company's purchase of goods is partly realised on the foreign market. The Company is therefore exposed to foreign exchange risk arising from various changes in foreign exchange rates mainly linked to the EUR.

As the Company has no significant interest-bearing assets, the Company's income and operating cash flows are substantially independent of changes in market interest rates.

The Company's interest rate risk arises from the borrowings with variable interest rates. Borrowings with fixed interest rates expose the Company to the fair value interest rate risk exposure.

The Company does not use derivative instruments to actively hedge cash flow and fair value interest rate risk exposure. However, the Company continuously monitors changes in interest rates. Various scenarios are simulated taking into account refinancing, renewal of existing positions and alternative financing.

Price risk arises from a continuous decrease in the price of HZZO's List of medicinal products and administrative approach in determining prices and margins of medicinal products. To lower this risk, the Company focused on increase of variety of products which are not limited by law in respect of the price of the product.

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

The most significant risk 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 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.

Jasminko Herceg, dipl.oec.

Director



**Medika** d.d.  
ZAGREB, Capraška 1

**Appendix 1.**

Reporting period:

1.1.2015.

to

31.3.2015.

**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: 383  
(end of reporting period)

Consolidated statements: NO

NKD code: 4646

Consolidated entities (according to IFRS):

Headquarters:

MB:

Bookkeeping service:

Contact person: RADMILOVIĆ DIJANA  
(only name of the contact person)

Telephone number: 012412551

Fax: 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.  
ZAGREB, Capraška  
(signature of authorised person)

**BALANCE SHEET**  
balance as at 31.3.2015.

Issuer: MEDIKA d.d.			
Description	AOP mark	Previous period	Current period
1	2	3	4
<b>ASSETS</b>			
<b>A) RECEIVABLES FOR SUBSCRIBED BUT NOT PAID-IN CAPITAL</b>	<b>001</b>		
<b>B) NON-CURRENT ASSETS (003+010+020+029+033)</b>	<b>002</b>	244.906.254	249.248.889
<b>I. INTANGIBLE ASSETS (004 to 009)</b>	<b>003</b>	17.634.786	17.318.514
1. Research and development	004		
2. Concessions, patents, licences, trademarks, software and other rights	005	3.799.079	3.463.358
3. Goodwill	006	11.929.586	11.929.586
4. Advances for intangible assets	007	43.035	
5. Intangible assets under construction	008	1.863.086	1.925.570
6. Other intangible assets	009		
<b>II. TANGIBLE ASSETS (011 to 019)</b>	<b>010</b>	160.984.034	165.656.412
1. Land	011	15.994.715	15.994.715
2. Buildings	012	99.198.609	98.265.931
3. Equipment and machinery	013	4.327.186	4.269.112
4. Furniture, fittings and vehicles	014	7.233.750	8.363.347
5. Biological assets	015		
6. Advances for tangible assets	016	839.804	124.842
7. Tangible assets under construction	017	32.571.220	37.821.840
8. Other tangible assets	018	818.750	816.625
9. Investment property	019		
<b>III. NON-CURRENT FINANCIAL ASSETS (021 to 028)</b>	<b>020</b>	65.755.234	65.741.763
1. Investment in subsidiaries and associates	021	59.353.400	59.353.400
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	6.401.834	6.388.363
7. Other non-current financial assets	027		
8. Investments at equity method	028		
<b>IV. RECEIVABLES (030 to 032)</b>	<b>029</b>	0	0
1. Receivables from related parties	030		
2. Receivables for credit sales	031		
3. Other receivables	032		
<b>V. DEFERRED TAX ASSET</b>	<b>033</b>	532.200	532.200
<b>C) CURRENT ASSETS (035+043+050+058)</b>	<b>034</b>	1.551.604.566	1.671.187.625
<b>I. INVENTORY (036 To 042)</b>	<b>035</b>	229.320.141	232.072.835
1. Raw material	036	127.534	149.888
2. Work in progress	037		
3. Finished products	038		
4. Trade goods	039	224.504.490	229.471.056
5. Advances for inventories	040	4.688.117	2.451.891
6. Non-current assets available for sale	041		
7. Biological assets	042		
<b>II. RECEIVABLES (044 to 049)</b>	<b>043</b>	1.108.901.197	1.233.097.945
1. Receivables from related parties	044	225.132.479	232.896.097
2. Trade receivables	045	872.355.337	989.161.242
3. Receivables from participating parties	046		
4. Receivables from employees	047	40.214	29.367
5. Receivables from the state and other institutions	048	9.228.075	9.023.316
6. Other receivables	049	2.145.092	1.987.923
<b>III. CURRENT FINANCIAL ASSETS (051 to 057)</b>	<b>050</b>	148.273.952	178.173.959
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		
6. Loans given, deposits and similar	056	148.273.952	178.173.959
7. Other financial assets	057		
<b>IV. CASH IN BANK AND ON HAND</b>	<b>058</b>	65.109.276	27.842.886
<b>D) PREPAID EXPENSES AND ACCRUED INCOME</b>	<b>059</b>	2.140.099	3.895.735
<b>E) TOTAL ASSETS (001+002+034+059)</b>	<b>060</b>	1.798.650.919	1.924.332.249
<b>G) OFF BALANCE SHEET ITEMS</b>	<b>061</b>	161.014.153	159.492.883

<b>EQUITY AND LIABILITIES</b>			
<b>A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)</b>	<b>062</b>	<b>449,518,920</b>	<b>458,105,733</b>
I. SHARE CAPITAL	063	134,967,180	134,967,180
II. CAPITAL RESERVES	064	-9,243,180	-8,652,683
III. RESERVES FROM RETAINED EARNINGS (066+067-068+069+070)	065	88,587,744	89,677,247
1. Legal reserves	066	13,953,444	13,953,444
2. Reserves for treasury shares	067	53,324,269	53,324,269
3. Treasury shares	068	10,486,459	9,396,956
4. Statutory reserves	069	31,796,490	31,796,490
5. Other reserves	070		
IV. REVALUATION RESERVES	071		
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	072	173,738,701	235,207,176
1. Retained earnings	073	173,738,701	235,207,176
2. Accumulated loss	074		
VI. PROFIT OR LOSS FOR THE PERIOD (076-077)	075	61,468,475	6,906,813
1. Profit for the period	076	61,468,475	6,906,813
2. Loss for the period	077		
VII. MAJORITY INTERESTS	078		
<b>B) PROVISIONS (080 To 082)</b>	<b>079</b>	<b>562,715</b>	<b>562,715</b>
1. Provisions for retirement, severance payment and similar	080	562,715	562,715
2. Tax provisions	081		
3. Other provisions	082		
<b>C) NON-CURRENT LIABILITIES (084 to 092)</b>	<b>083</b>	<b>17,464,937</b>	<b>23,953,402</b>
1. Liabilities to related parties	084		
2. Borrowings and deposits	085		
3. Liabilities to banks and other financial institutions	086	17,464,937	23,953,402
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		
<b>D) CURRENT LIABILITIES (094 to 105)</b>	<b>093</b>	<b>1,329,643,375</b>	<b>1,441,041,939</b>
1. Liabilities to related parties	094	121,317,815	109,130,114
2. Borrowings and deposits	095		
3. Liabilities to banks and other financial institutions	096	257,184,099	294,831,716
4. Liabilities for advances received	097	1,296,785	959,381
5. Trade payables	098	933,176,663	1,017,352,460
6. Liabilities for securities	099		
7. Liabilities to participating parties	100		
8. Liabilities to employees	101	7,022,980	5,445,196
9. Liabilities for taxes and contributions	102	6,466,811	8,819,945
10. Dividend payables	103	1,034	1,034
11. Liabilities for non-current assets available for sale	104		
12. Other current liabilities	105	3,177,188	4,502,093
<b>E) DEFERRED INCOME AND ACCRUED EXPENSES</b>	<b>106</b>	<b>1,460,972</b>	<b>668,460</b>
<b>F) TOTAL EQUITY AND LIABILITIES (062+079+083+093+106)</b>	<b>107</b>	<b>1,798,650,919</b>	<b>1,924,332,249</b>
<b>G) OFF BALANCE SHEET ITEMS</b>	<b>108</b>	<b>161,014,153</b>	<b>159,492,883</b>
<b>SUPPLEMENT TO BALANCE SHEET (for consolidated financial statements)</b>			
<b>A) CAPITAL AND RESERVES</b>			
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 1.1.2015. to 31.3.2015.

Issuer: MEDIKA d.d

Description	AOP mark	Previous period		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
<b>I. OPERATING REVENUES (112+113)</b>	<b>111</b>	<b>526.896.643</b>	<b>526.896.643</b>	<b>591.335.096</b>	<b>591.335.096</b>
1. Revenues from sale	112	522.999.001	522.999.001	584.245.640	584.245.640
2. Other operating revenues	113	3.897.642	3.897.642	7.089.456	7.089.456
<b>II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)</b>	<b>114</b>	<b>519.552.107</b>	<b>519.552.107</b>	<b>583.555.364</b>	<b>583.555.364</b>
1. Change in value of work in progress and finished goods	115				
2. Material expenses (117 to 119)	116	493.808.702	493.808.702	556.749.301	556.749.301
a) Raw materials	117	2.313.389	2.313.389	2.286.422	2.286.422
b) Cost of goods sold	118	486.950.017	486.950.017	549.746.450	549.746.450
c) Other expenses	119	4.545.296	4.545.296	4.716.429	4.716.429
3. Employee expenses (121 to 123)	120	12.466.429	12.466.429	12.693.355	12.693.355
a) Net salaries	121	7.211.805	7.211.805	7.473.739	7.473.739
b) Tax and contributions from salaries	122	3.612.781	3.612.781	3.419.825	3.419.825
c) Contributions on salaries	123	1.641.843	1.641.843	1.799.791	1.799.791
4. Depreciation and amortization	124	3.100.819	3.100.819	2.278.315	2.278.315
5. Other expenses	125	4.288.788	4.288.788	9.050.415	9.050.415
6. Impairment (127+128)	126	5.887.369	5.887.369	2.783.978	2.783.978
a) of non-current assets (financial assets excluded)	127				
b) of current assets (financial assets excluded)	128	5.887.369	5.887.369	2.783.978	2.783.978
7. Provisions	129				
8. Other operating expenses	130				
<b>III. FINANCE INCOME (132 to 136)</b>	<b>131</b>	<b>1.429.537</b>	<b>1.429.537</b>	<b>4.831.328</b>	<b>4.831.328</b>
1. Interests, foreign exchanges and dividend from related parties	132				
2. Interests, foreign exchanges and dividend from non-related parties	133	1.429.537	1.429.537	4.831.328	4.831.328
3. Share of profit from associate	134				
4. Unrealised gains	135				
5. Other financial income	136				
<b>IV. FINANCE EXPENSES (138 to 141)</b>	<b>137</b>	<b>4.901.908</b>	<b>4.901.908</b>	<b>3.401.976</b>	<b>3.401.976</b>
1. Interests, foreign exchanges and dividend from related parties	138				
2. Interests, foreign exchanges and dividend from non-related parties	139	4.901.908	4.901.908	3.401.976	3.401.976
3. Unrealised losses	140				
4. Other finance expenses	141				
<b>V. SHARE OF PROFIT FROM ASSOCIATE</b>	<b>142</b>				
<b>VI. SHARE OF LOSS FROM ASSOCIATE</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>528.326.180</b>	<b>528.326.180</b>	<b>596.166.424</b>	<b>596.166.424</b>
<b>X. TOTAL EXPENSES (114+137+143 + 145)</b>	<b>147</b>	<b>524.454.015</b>	<b>524.454.015</b>	<b>586.957.340</b>	<b>586.957.340</b>
<b>XI. PROFIT OR LOSS BEFORE TAX (146-147)</b>	<b>148</b>	<b>3.872.165</b>	<b>3.872.165</b>	<b>9.209.084</b>	<b>9.209.084</b>
1. Profit before tax (146-147)	149	3.872.165	3.872.165	9.209.084	9.209.084
2. Loss before tax (147-146)	150	0	0	0	0
<b>XII. INCOME TAX</b>	<b>151</b>	<b>968.041</b>	<b>968.041</b>	<b>2.302.271</b>	<b>2.302.271</b>
<b>XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)</b>	<b>152</b>	<b>2.904.124</b>	<b>2.904.124</b>	<b>6.906.813</b>	<b>6.906.813</b>
1. Profit for the period (149-151)	153	2.904.124	2.904.124	6.906.813	6.906.813
2. Loss for the period (151-148)	154	0	0	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)**

<b>I. PROFIT OR LOSS FOR THE PERIOD (= 152)</b>	<b>157</b>	<b>2.904.124</b>	<b>2.904.124</b>	<b>6.906.813</b>	<b>6.906.813</b>
<b>II. OTHER COMPREHENSIVE PROFIT/LOSS BEFORE TAX (159 to 165)</b>	<b>158</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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				
<b>III. TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>166</b>				
<b>IV. NET OTHER COMPREHENSIVE PROFIT OR LOSS FOR THE PERIOD (158-166)</b>	<b>167</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>V. COMPREHENSIVE PROFIT OR LOSS FOR THE PERIOD (157+167)</b>	<b>168</b>	<b>2.904.124</b>	<b>2.904.124</b>	<b>6.906.813</b>	<b>6.906.813</b>

**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 1.1.2015. to 31.3.2015.

Issuer: MEDIKA d.d.			
Description	AOP mark	Previous period	Current period
1	2	3	4
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
1. Profit before tax	001	3.872.165	9.209.084
2. Depreciation and amortisation	002	3.100.819	2.278.315
3. Increase of current liabilities	003	83.973.631	73.750.946
4. Decrease of current receivables	004		
5. Decrease of inventories	005		
6. Other increase of cash flow	006	9.534.012	
<b>I. Total increase of cash flow from operating activities (001 to 006)</b>	<b>007</b>	<b>100.480.627</b>	<b>85.238.345</b>
1. Decrease of current liabilities	008		
2. Increase of current receivables	009	122.997.853	124.196.748
3. Increase of inventories	010	8.604.182	2.752.694
4. Other decrease of cash flow	011		34.986.416
<b>II. Total decrease of cash flow from operating activities (008 to 011)</b>	<b>012</b>	<b>131.602.035</b>	<b>161.935.858</b>
<b>A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES (007-012)</b>	<b>013</b>	<b>0</b>	<b>0</b>
<b>A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES (012-007)</b>	<b>014</b>	<b>31.121.408</b>	<b>76.697.513</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
1. Proceeds from sale of tangible and intangible assets	015	2.120	261.700
2. Proceeds from sale of equity and debt securities	016		
3. Interest received	017	1.225.705	3.529.536
4. Dividends received	018		
5. Other proceeds from investing activities	019		
<b>III. Total proceeds from investing activities (015 to 019)</b>	<b>020</b>	<b>1.227.825</b>	<b>3.791.236</b>
1. Purchase of tangible and intangible assets	021	3.452.444	6.634.421
2. Purchase of equity and debt securities	022		
3. Other purchases resulting from investing activities	023		
<b>IV. Total purchases resulting from investing activities (021 to 023)</b>	<b>024</b>	<b>3.452.444</b>	<b>6.634.421</b>
<b>B1) NET INCREASE OF CASH FLOW FROM INVESTING ACTIVITIES (020-024)</b>	<b>025</b>	<b>0</b>	<b>0</b>
<b>B2) NET DECREASE OF CASH FLOW FROM INVESTING ACTIVITIES (024-020)</b>	<b>026</b>	<b>2.224.619</b>	<b>2.843.185</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
1. Proceeds from issuance of equity and debt securities	027		
2. Proceeds from borrowings	028	67.536.601	91.114.751
3. Other proceeds from financing activities	029		
<b>V. Total proceeds from financing activities (027 to 029)</b>	<b>030</b>	<b>67.536.601</b>	<b>91.114.751</b>
1. Repayments of borrowings	031	39.666.667	48.333.333
2. Dividends paid	032		
3. Repayments of finance lease	033	670.355	507.110
4. Purchase of treasury shares	034		
5. Other purchases resulting from financing activities	035		
<b>VI. Ukupno novčani izdaci od financijskih aktivnosti (031 to 035)</b>	<b>036</b>	<b>40.337.022</b>	<b>48.840.443</b>
<b>C1) NET INCREASE OF CASH FLOW FROM FINANCING ACTIVITIES (030-036)</b>	<b>037</b>	<b>27.199.579</b>	<b>42.274.308</b>
<b>C2) NET DECREASE OF CASH FLOW FROM FINANCING ACTIVITIES (036-030)</b>	<b>038</b>	<b>0</b>	<b>0</b>
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	6.146.448	37.266.390
Cash and cash equivalents at beginning of the period	041	51.657.754	65.109.276
Increase of cash and cash equivalents	042		
Decrease of cash and cash equivalents	043	6.146.448	37.266.390
Cash and cash equivalents at end of the period	044	45.511.306	27.842.886

**STATEMENT OF CHANGES IN EQUITY**  
for period from **1.1.2015** to **31.3.2015**

Description	AOP mark	Previous period	Current period
1	2	3	4
1. Share capital	001	134,967,180	134,967,180
2. Capital reserves	002	-9,243,180	-8,652,683
3. Reserves from retained earnings	003	88,587,744	89,677,247
4. Retained earnings or accumulated loss	004	173,738,701	235,207,176
5. Profit or loss for the period	005	61,468,475	6,906,813
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		
<b>10. Total capital and reserves (AOP 001 to 009)</b>	<b>010</b>	<b>449,518,920</b>	<b>458,105,733</b>
11. Foreign exchanges from the foreign investments	011		
12. Current and deferred tax (part)	012		
13. Cash flow hedge	013		
14. Cghanges of accounting policies	014		
15. Correction of material mistakes from previous period	015		
16. Other changes of equity	016		
<b>17. Total increase or decrease of equity (AOP 011 to 016)</b>	<b>017</b>	<b>0</b>	<b>0</b>
17 a. Attributable to equity holders	018		
17 b. Attributable to minority interest	019		

Balances that decrease equity are presented with the minus  
Data in AOP 001 to 009 are presented as the balance as at balance sheet date

Zagreb, 28 April 2015

Pursuant to the article 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 to 31 March 2015 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 from 01 January to 31 March 2015 gives 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.

  
**Medika** d.d.  
ZAGREB Capraška  
Jasminko Herceg  
*Director*