



MANAGEMENT BOARD

Koprivnica, 18th July 2013

QUARTERLY FINANCIAL REPORT PODRAVKA d.d.

1. – 6. 2013.

Appendix 1
Reporting period:

1.1.2013

to

30.6.2013.

Quarterly financial report of entrepreneur - TFI-POD

Registration number (MB) **03454088**

Identification number of subject (MBS) **010006549**

Personal identification number (OIB) **18928523252**

Issuer company: **PODRAVKA prehrambena industrija d.d., KOPRIVNICA**

Postal code and place **48000** **KOPRIVNICA**

Street and number **ANTE STARČEVIĆA 32**

E-mail address: podravka@podravka.hr

Internet address: www.podravka.com

Code and name of comune/town **201** **KOPRIVNICA**

Code and county name **6** **KOPRIVNIČKO-KRIŽEVAČKA**

Number of employees **3.347**

(at quarter end)

Consolidated statement **NO**

NKD/NWC code: **1039**

Subsidiaries subject to consolidation (according to IFRS):

Headquarters

Registration number:

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

Book keeping service:

Contact person: **Celiščak Draga**
(authorised person for representation)

Phone number: **048 651 200**

Fascimile: **048 220 562**

E-mail address: draga.celiscak@podravka.hr

Surname and name **Mršić Zvonimir**
(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




(signed by authorised person for representation)

BALANCE SHEET
as at 30.6.2013.

Obligator: Podravka prehrambena industrija d.d., Koprivnica			
Item	AOP code	Last year (net)	Current year (net)
1	2	3	4
ASSETS			
A) RECEIVABLES FOR SUBSCRIBED BUT NOT PAID-IN CAPITAL	001		
B) LONG-TERM ASSETS (003+010+020+029+033)	002	1.479.050.198	1.424.581.860
I. INTANGIBLE ASSETS (004 to 009)	003	115.583.415	115.519.118
1. Assets development	004	0	0
2. Concessions, patents, licences fees, trade and service marks, software and other rights	005	115.005.032	110.558.838
3. Goodwill	006	0	0
4. Prepayments for purchase of intangible assets	007	0	0
5. Intangible assets in preparation	008	578.383	4.960.280
6. Other intangible assets	009	0	0
II. TANGIBLE ASSETS (011 to 019)	010	840.975.306	813.945.430
1. Land	011	24.706.887	24.703.373
2. Buildings	012	518.508.235	502.056.401
3. Plant and equipment	013	240.632.428	233.762.176
4. Tools, facility inventory and transport assets	014	4.185.776	3.844.567
5. Biological assets	015	0	0
6. Prepayments for tangible assets	016	178.756	731.975
7. Tangible assets in progress	017	51.993.995	48.085.548
8. Other tangible assets	018	769.229	761.390
9. Investments in buildings	019	0	0
III. LONG-TERM FINANCIAL ASSETS (021 to 028)	020	497.761.469	470.387.304
1. Investments (shares) with related parties	021	440.304.164	440.304.164
2. Loans given to related parties	022	53.844.277	26.922.138
3. Participating interest (shares)	023	907.000	907.000
4. Loans to entrepreneurs in whom the entity holds participating interests	024	0	0
5. Investments in securities	025	0	0
6. Loans, deposits and similar assets	026	2.706.028	2.254.002
7. Other long - term financial assets	027	0	0
8. Investments accounted by equity method	028	0	0
IV. RECEIVABLES (030 to 032)	029	0	0
1. Receivables from related parties	030	0	0
2. Receivables from based on trade loans	031	0	0
3. Other receivables	032	0	0
V. DEFERRED TAX ASSETS	033	24.730.008	24.730.008
C) SHORT TERM ASSETS (035+043+050+058)	034	1.027.867.684	1.040.366.145
I. INVENTORIES (036 to 042)	035	305.405.025	282.606.123
1. Raw-material and supplies	036	117.387.470	98.458.679
2. Work in progress	037	27.472.950	17.829.705
3. Finished goods	038	102.724.922	102.996.173
4. Merchandise	039	54.515.859	60.017.742
5. Prepayments for inventories	040	0	0
6. Long - term assets held for sales	041	3.303.824	3.303.824
7. Biological assets	042	0	0
II. RECEIVABLES (044 to 049)	043	520.110.791	533.171.043
1. Receivables from related parties	044	306.885.784	280.239.205
2. Accounts receivable	045	199.479.752	244.634.023
3. Receivables from participating parties	046	0	0
4. Receivables from employees and members of related parties	047	1.520.428	912.185
5. Receivables from government and other institutions	048	12.049.222	6.631.769
6. Other receivables	049	175.605	753.861
III. SHORT TERM FINANCIAL ASSETS (051 to 057)	050	161.304.155	152.857.433
1. Shares (stocks) in related parties	051	59.880.215	59.880.215
2. Loans given to related parties	052	98.087.528	76.214.544
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	3.334.211	16.556.891
6. Loans, deposits, etc.	056	2.201	205.783
7. Other financial assets	057	0	0
IV. CASH AT BANK AND IN CASHIER	058	41.047.713	71.731.546
D) PREPAID EXPENSES AND ACCRUED REVENUE	059	10.179.880	9.673.668
E) TOTAL ASSETS (001+002+034+059)	060	2.517.097.762	2.474.621.673
F) OFF-BALANCE RECORDS	061	570.344.390	583.868.311

Obligator: Podravka prehrambena industrija d.d., Koprivnica

Item	AOP code	Last year (net)	Current year (net)
1	2	3	4
LIABILITIES AND CAPITAL			
A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	1.081.827.471	1.089.402.222
I. SUBSCRIBED CAPITAL	063	1.626.000.900	1.626.000.900
II. CAPITAL RESERVES	064	25.561.463	25.561.463
III. RESERVES FROM PROFIT (066+067-068+069+070)	065	-37.910.250	-37.910.251
1. Reserves prescribed by law	066	6.849.365	6.849.365
2. Reserves for treasury shares	067	21.761.692	21.761.692
3. Treasury stocks and shares (deduction)	068	67.604.502	67.604.502
4. Statutory reserves	069	0	0
5. Other reserves	070	1.083.195	1.083.194
IV. REVALUATION RESERVES	071	0	0
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	072	-511.133.833	-531.824.642
1. Retained earnings	073	0	0
2. Accumulated loss	074	511.133.833	531.824.642
VI. PROFIT/LOSS FOR THE CURRENT YEAR (076-077)	075	-20.690.809	7.574.752
1. Profit for the current year	076	0	7.574.752
2. Loss for the current year	077	20.690.809	0
IX. MINORITY INTERESTS	078	0	0
B) PROVISIONS (080 to 082)	079	34.727.787	40.779.576
1. Provisions for pensions, severance pay, and similar liabilities	080	15.414.100	15.414.100
2. Reserves for tax liabilities	081	0	0
3. Other reserves	082	19.313.687	25.365.476
C) LONG - TERM LIABILITIES (084 to 092)	083	683.721.067	585.544.367
1. Liabilities to related parties	084	0	0
2. Liabilities for loans, deposits etc.	085	0	0
3. Liabilities to banks and other financial institutions	086	683.721.067	585.544.367
4. Liabilities for received prepayments	087	0	0
5. Accounts payable	088	0	0
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	0	0
D) SHORT - TERM LIABILITIES (094 to 105)	093	655.821.988	692.745.385
1. Liabilities to related parties	094	50.548.956	45.287.892
2. Liabilities for loans, deposits etc.	095	0	0
3. Liabilities to banks and other financial institutions	096	308.698.786	334.797.865
4. Liabilities for received prepayments	097	2.376.660	0
5. Accounts payable	098	248.398.644	264.843.055
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	30.164.814	35.317.709
9. Liabilities for taxes, contributions and similar fees	102	2.919.909	1.543.528
10. Liabilities to share - holders	103	681.378	681.138
11. Liabilities for long-term assets held for sale	104	0	0
12. Other short - term liabilities	105	12.032.841	10.274.198
E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO FUTURE PERIOD	106	60.999.448	66.150.123
F) TOTAL – CAPITAL AND LIABILITIES (062+079+083+093+106)	107	2.517.097.761	2.474.621.673
G) OFF-BALANCE RECORDS	108	570.344.390	583.868.311
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	0	0
2. Attributed to minority interest	110	0	0

PROFIT AND LOSS ACCOUNT
for the period 1.1.2013. to 30.6.2013.

Obligator: Podravka prehrambena industrija d.d., Koprivnica

Item	AOP code	Last Year		Current year	
		Cumulative	Quarterly	Cumulative	Quarterly
1	2	3	4	5	6
I. OPERATING REVENUE (112+113)	111	929.658.808	506.992.713	902.571.888	490.104.317
1. Sales revenue	112	893.740.006	476.378.559	888.498.847	480.659.761
2. Other operating revenues	113	35.918.802	30.614.154	14.073.041	9.444.556
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)	114	882.233.280	483.255.632	883.284.052	469.852.126
1. Changes in value of work in progress and finished products	115	12.412.580	20.429.892	10.081.917	9.851.415
2. Material costs (117 to 119)	116	567.009.029	302.307.640	565.071.481	315.917.417
a) Raw material and material costs	117	318.444.333	159.084.728	311.306.636	159.183.931
b) Costs of goods sold	118	149.727.765	84.924.614	150.664.447	88.710.073
c) Other external costs	119	98.836.931	58.298.298	103.100.398	68.023.413
3. Staff costs (121 to 123)	120	198.823.208	100.954.256	177.316.821	92.246.370
a) Net salaries and wages	121	120.980.351	61.916.135	109.737.816	56.935.075
b) Cost for taxes and contributions from salaries	122	48.934.168	24.441.863	43.468.724	22.755.590
c) Contributions on gross salaries	123	28.908.689	14.596.258	24.110.281	12.555.705
4. Depreciation	124	42.555.393	21.265.679	42.814.056	21.444.116
5. Other costs	125	45.143.923	30.142.206	61.469.167	20.485.463
6. Impairment (127+128)	126	826.806	0	10.036.097	0
a) Impairment of long-term assets (financial assets excluded)	127	0	0	0	0
b) Impairment of short-term assets (financial assets excluded)	128	826.806	0	10.036.097	0
7. Provisions	129	1.963.777	1.180.192	1.654.464	965.582
8. Other operating costs	130	13.498.564	6.975.867	14.840.049	8.941.763
III. FINANCIAL INCOME (132 to 136)	131	19.607.832	5.778.792	28.283.927	17.439.479
1. Interest income, foreign exchange gains, dividends and similar income from related parties	132	8.692.824	3.645.338	6.861.653	2.320.776
2. Interest income, foreign exchange gains, dividends and similar income from non-related parties and	133	10.913.535	2.133.454	17.013.607	12.943.186
3. Share in income from affiliated entrepreneurs and participating interests	134	0	0	0	0
4. Unrealized gains (income) from financial assets	135	1.473	0	4.408.667	2.175.517
5. Other financial income	136	0	0	0	0
IV. FINANCIAL EXPENSES (138 do 141)	137	41.852.132	17.480.133	39.997.012	17.273.136
1. Interest expenses, foreign exchange losses, dividends and similar expenses from related parties	138	4.287.255	1.214.585	10.715.859	7.654.402
2. Interest expenses, foreign exchange losses, dividends and similar expenses from non-related parties	139	37.341.927	16.254.102	29.281.153	9.618.734
3. Unrealized losses (expenses) on financial assets	140	222.950	11.446	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	949.266.840	512.771.505	930.855.815	507.543.796
X. TOTAL EXPENSES (114+137+143 + 145)	147	924.085.412	500.735.765	923.281.064	487.125.262
XI. PROFIT OR LOSS BEFORE TAXATION (146-147)	148	25.181.228	12.035.740	7.574.751	20.418.534
1. Profit before taxation (146-147)	149	25.181.228	12.035.740	7.574.751	20.418.534
2. Loss before taxation (147-146)	150	0	0	0	0
XII. PROFIT TAX	151	0	0	0	0
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	25.181.228	12.035.740	7.574.751	20.418.534
1. Profit for the period (149-151)	153	25.181.228	12.035.740	7.574.751	20.418.534
2. Loss for the period (151-148)	154	0	0	0	0
APPENDIX to P&L account (to be filled in by entrepreneur that prepares consolidated financial report)					
XIV. PROFIT OR LOSS FOR THE PERIOD					
1. Attributed to equity holders of parent company	155	0	0	0	0
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	25.181.228	12.035.740	7.574.751	20.418.534
II. OTHER COMPREHENSIVE INCOME / LOSS BEFORE TAX (159 do 165)	158	0	0	0	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	0	0
4. Gains or losses on efficient cash flow hedging	162	0	0	0	0
5. Gains or losses on efficient hedge 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	0	0
IV. NET OTHER COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (158-166)	167	0	0	0	0
V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (157+167)	168	25.181.228	12.035.740	7.574.751	20.418.534
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	0	0	0	0
2. Attributed to minority interest	170	0	0	0	0

STATEMENT OF CASH FLOWS - INDIRECT METHOD

for the period 1.1.2013. to 30.6.2013.

Obligator: Podravka prehrambena industrija d.d., Koprivnica			
Item	AOP code	Last year	Current year
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Profit before tax	001	25.181.228	7.574.752
2. Depreciation	002	42.555.393	42.814.056
3. Increase in short term liabilities	003	30.255.000	21.482.000
4. Decrease in short term receivables	004	0	0
5. Decrease in inventories	005	25.800.777	28.796.400
6. Other increase in cash flow	006	2.181.000	11.727.000
I. Total increase in cash flow from operating activities (001 to 006)	007	125.973.398	112.394.208
1. Decrease in short term liabilities	008	0	0
2. Increase in short term receivables	009	23.900.000	41.518.000
3. Increase in inventories	010	0	0
4. Other decrease in cash flow	011	15.651.000	20.252.000
II. Total decrease in cash flow from operating activities (008 to 011)	012	39.551.000	61.770.000
A1) NET INCREASE IN CASH FLOW FROM OPERATING ACTIVITIES (007-012)	013	86.422.398	50.624.208
A2) NET DECREASE IN IN CASH FLOW FROM OPERATING ACTIVITIES (012-007)	014	0	0
CASH FLOW FROM INVESTING ACTIVITIES			
1. Cash inflows from sales of long-term tangible and intangible assets	015	51.000	253.200
2. Cash inflows from sales of equity and debt instruments	016	61.000	0
3. Interests receipts	017	16.305.000	13.464.425
4. Dividend receipts	018	0	0
5. Other cash inflows from investing activities	019	24.011.000	40.744.000
III. Total cash inflows from investing activities (015 to 019)	020	40.428.000	54.461.625
1. Cash outflow for purchase of long-term tangible and intangible assets	021	42.142.000	15.954.000
2. Cash outflow for acquisition of equity and debt financial instruments	022	0	0
3. Other cash outflow for investing activities	023	5.815.000	162.000
IV. Total cash outflow for investing activities (021 do 023)	024	47.957.000	16.116.000
B1) NET INCREASE IN CASH FLOW FROM INVESTING ACTIVITIES (020-024)	025	0	38.345.625
B2) NET DECREASE IN CASH FLOW FROM INVESTING ACTIVITIES (024-020)	026	7.529.000	0
CASH FLOW FROM FINANCIAL ACTIVITIES			
1. Cash inflow from issuing property and debt financial instruments	027	0	0
2. Proceeds from the credit principal, promissory notes, borrowings and other loans	028	18.987.000	50.723.000
3. Other proceeds from financial activities	029	0	0
V. Total cash inflows from financial activities (027 to 029)	030	18.987.000	50.723.000
1. Cash outflow for repayment of credit principal and bonds	031	113.455.000	107.562.000
2. Cash outflow for dividends paid	032	0	0
3. Cash outflow for financial lease	033	895.000	1.447.000
4. Cash outflow for purchase of treasury shares	034	0	0
5. Other cash outflow for financial activities	035	0	0
VI. Total cash outflow for financial activities (031 to 035)	036	114.350.000	109.009.000
C1) NET INCREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES (030-036)	037	0	0
C2) NET DECREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES (036-030)	038	95.363.000	58.286.000
Total increase in cash flow (013 – 014 + 025 – 026 + 037 – 038)	039	0	30.683.833
Total decrease in cash flow (014 – 013 + 026 – 025 + 038 – 037)	040	16.469.602	0
Cash and cash equivalents at the beginning of the period	041	69.132.910	41.047.713
Increase of cash and cash equivalents	042	0	30.683.833
Decrease of cash and cash equivalents	043	16.469.602	0
Cash and cash equivalents at the end of the period	044	52.663.308	71.731.546

STATEMENT OF CHANGES IN EQUITY
for the period 1.1.2013. to 30.6.2013.

Obligator: Podravka prehrambena industrija d.d., Koprivnica			
Item	AOP code	Last year	Current year
1	2	3	4
1. Subscribed capital	001	1.626.000.900	1.626.000.900
2. Capital reserves	002	25.561.463	25.561.463
3. Reserves from profit	003	-37.910.250	-37.910.250
4. Retained earnings or accumulated loss	004	-511.133.833	-531.824.642
5. Profit or loss for the current year	005	-20.690.809	7.574.752
6. Revaluation of long - term tangible assets	006	0	0
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 do 009)	010	1.081.827.471	1.089.402.223
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	25.181.228	7.574.752
17. Total increase or decrease in capital (AOP 011 do 016)	017	25.181.228	7.574.752
17 a. Attributed to equity holders of parent company	018	0	0
17 b. Attributed to minority interest	019	0	0

Notes:

The accounting policy in 2013. did not change.



COMPANY MANAGEMENT

Koprivnica, 18th July 2013

MANAGEMENT REPORT ON THE ACHIEVED BUSINESS RESULTS OF PODRAVKA D.D. FOR THE PERIOD JANUARY – JUNE 2013

Sales income realised in period 1. – 6. 2013. in the amount of HRK 888.5 million are 1% lower compared with the same period of last year.

Other operating income in period 1.-6.2013 is HRK 14.1 million and are 61% lower compared to period 1.-6.2012.

The total operating costs and expenses is achieved in the amount of HRK 883.3 million and are on the same period of last year.

The majority of operating costs and expenses refers to material costs (64%) and employee costs also hold a significant share in the structure of operating costs and expenses (20%).

7

Financial income in the period 1.-6.2013. is HRK 28.3 million and are 56% higher than those realized in the same period of the year before.

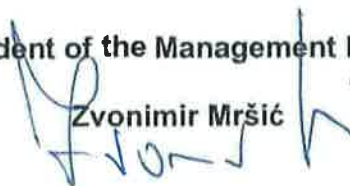
Financial expenses in the period 1.-6.2013. is HRK 40.0 million and are 4% lower than those realized in the same period of the year before.

The realised operating profit is HRK 12.7 million, while the net profit of the period 1.-6.2013. is HRK 7.6 million.

The total value of assets of the Podravka d.d. as of 30 June 2013 is HRK 2,474.6 million and compared to the year end of 2012 is HRK 42.5 million less. The highest contribution on decrease of assets is coming lower long-term tangible assets which have decreased for HRK 27.0 million. Inventories also recorded a drop, and compared to the end of 2012 are lower for HRK 22.8 million.

The indebtedness of the Podravka Group as of 30 June 2013 is HRK 917.3 million and compared to the year end of 2012 has been decrease by HRK 71.0 million. The net debt as of 30 June 2013 is HRK 845.6 million which is a decrease of HRK 101.7 million compared to the year 2012.

President of the Management Board:


Zvonimir Mršić



COMPANY MANAGEMENT

Koprivnica, 18th July 2013

STATEMENT FROM EXECUTIVES RESPONSIBLE FOR PREPARING FINANCIAL STATEMENTS

Financial statements of Podravka d.d. for the period January – June 2013 have been prepared in compliance with the Accounting Act of the Republic of Croatia and International Financial Reporting Standards (IFRS) and provide an overall and true presentation of assets, liabilities, profit and loss, financial position and business operations.

During the observed period, there were no changes in accounting policies of the Podravka d.d

Finance Director:

Draga Celiščak

Board Member:

Miroslav Klepač