



MANAGEMENT BOARD

Koprivnica, 13th February 2015

PODRAVKA D.D.
UNCONSOLIDATED QUARTERLY FINANCIAL REPORT
1. - 12. 2014.



MANAGEMENT BOARD

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General information

Podravka prehrambena industrija d.d., Koprivnica, is incorporated in the Republic of Croatia. Today it is included in leading companies in industry operating in the area of South-Eastern and Central and Eastern Europe. The principal activity of the Company comprises production of a wide range of foodstuffs and non-alcoholic beverages.

The Company is headquartered in Koprivnica, Croatia, Ante Starčevića 32.

The Company's shares are listed on the official market of the Zagreb Stock Exchange.

Management Board on 31th December 2014:

President	Zvonimir Mršić
Member	Olivija Jakupec
Member	Miroslav Klepač
Member	Hrvoje Kolarić

The unconsolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS").



MANAGEMENT BOARD

Koprivnica, 13th February 2015

MANAGEMENT REPORT ON THE ACHIEVED BUSINESS RESULTS OF PODRAVKA D.D. FOR THE PERIOD JANUARY – DECEMBER 2014

Sales were HRK 1.756,0 million in the reporting period, 6% down on year-on year basis. A decrease is mainly driven by lower sales on domestic market burdened by challenging economic situation, strong pressure by competitors, including private label producers, as well as impact of discontinued business programmes initiated in 2013 (beverages and bakery).

Gross profit rose by 2% to HRK 661,1 million. Gross profit margin has reached a level of 37,6% representing an increase of 290 bp vs last year.

Total operating costs declined 12% year-on-year to HRK 1.690,6 million. Significant share of the operating costs make material costs (67%) and personell costs (19%) which have played important role in the operating costs decrease.

Compared to the same period of last year, material costs declined 7% as a result of not only lower sales volumes, but also positive raw material pricing trend, savings in logistics and marketing functions. Personell costs decreased 7% supported by lower number of employees as a result of restructuring process.

As part of restructuring process in 2014, 261 employees have left the company with severance payments in the amount of HRK 34.4 million (1.-12.2013.: HRK 37.5 million). 2014 restructuring process includes also 8,9 mil HRK of severance payments for the employees which will leave company by the end of February 2015.

10% depreciation costs decrease is driven by reclassified long term assets to assets held for sale at the end of 2013.

Other operating costs show significant decrease of 64% vs last year, based on lower investments in subsidiaries and assets held for sale value impairments. Other long term and short term assets value impairments also showed a decrease, mainly due to lower provisions for bad debts coming from lower sales and improved efficiency in credit management and lower brands value impairments vs previous period.



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Reported EBITDA rose by HRK 61,5 million to HRK 221,5 million, while EBITDA margin has reached the level of 12.6%.¹

Net financial income in period 1.-12.2014. are HRK 84.7 million, and are higher compared to the same period of last year by 90%. The increase is caused by higher dividends received from related parties in the amount of HRK 110,0 million (1-12.2013.: 100,0 HRK million), as well as lower interest expenses as a consequence of refinancing by favourable terms and lower exchange rates impact.

2014 Net profit was also under impact of favourable tax benefits related to planned share capital increase in 2015.

Net profit rose by HRK 150,3 million compared with previous year to HRK 201,7 million, including HRK 43,3 million exceptional items related to severance costs and HRK 110,0 million above mentioned dividends income.

The total assets value on 31.12.2014. is showing HRK 2.582,7 million, representing an increase of HRK 183,5 million compared to 2013 year end.

Significant increase in assets value is driven by long-term intangible assets which came from signed contracts on the transfer of trademarks and recipes between Podravka d.d. and PIK Vrbovec d.d.. Podravka d.d. has acquired the canned meat program and brands of PIK Vrbovec d.d. This acquisitions should ensure Podravka to significantly increase its market share in the segment of meat pate, with a good position for expansion in regional markets.

Furthermore, part of the total assets value increase is driven by inventories increase which include assets held for sale. Podravka has purchased additional real estate for further sale, while some real estate is taken over from the subsidiaries merged in q3 2014.

Inventories have also grew due to purchasing of some raw materials, like wheat and tomato concentrate for smooth production process. Trade goods and finished products also recorded an increase due to mentioned takeover of meat pate and canned meat from PIK Vrbovec d.d.

Related companies Poni d.o.o., Podravka Inženjering d.o.o., and Koti Nekretnine d.o.o. were merged to company Podravka d.d. at the beginning of the year.. Two more subsidiaries mergers (Ital-ice d.o.o. and Lero d.o.o.) have taken place according to decision from Commercial Court in Varaždin on 22.7.2014. Subsidiaries were merged to Podravka d.d. according to simplified

¹ Reporting EBITDA corrected for the value adjustment of assets held for sale, which is stated in the amount of depreciation of respective asset.



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procedure in a way that the entire assets of the merged companies was transferred to Podravka d.d. which is shown as decrease of shares in related parties on one side and increase in assets held for sale on other.

Short term financial assets decrease is attributed to the above mentioned subsidiaries merger, as well as higher value of related parties loan repayments.

Accounts payables have been decreased compared to the year end as a result of continuing effort to meet contractual payment days and positive impact of shorter payment terms reflected in discounts on purchase prices of some raw materials.

The indebtedness as of December 31st 2014. amounts to HRK 864,6 million and has increased by HRK 4 million compared to 2013 year end. It contains HRK 694,7 million of long term loans, HRK 167,2 million short term loans and HRK 2,7 million of interest rate swaps.

At the beginning of July Podravka d.d. and European Bank for Reconstruction and Development, together with three commercial banks entered into a syndicated loan agreement to refinance existing credit commitments replacing short-term for long-term credit obligations with significantly lower interest rate and prolonged maturities.

Weighted average cost of debt on 31st December 2014 was 3.2%.

Higher inflows and an increase in cash level despite higher indebtedness, has led to HRK 775,8 million net debt as of December 31st 2014., and is HRK 11,9 million lower compared to 2013 year end.

On 25 August 2014, at public auctions for the sale of shares of Mirna d.d. through the trading system of Zagrebačka burza d.d. in the procedure of out-of-court settlement, Podravka d.d. acquired 198,209 shares of Mirna d.d., which represents 53.9% of the total issued shares of the company. Podravka d.d. acquired shares of Mirna d.d. at HRK 38.02 per share, or for a total of HRK 7.5 million. The shares of the company carried the voluntary pledge on behalf of Podravka d.d. as security for loans granted by Podravka during 2009.

By acquiring these shares, on 29 September 2014 Podravka d.d., in accordance with the Act on the Takeover of Joint Stock Companies, issued a bid for taking over the remaining shares of Mirna d.d. at the price of HRK 38.02 per share, other than those carrying pledges. The takeover bid was accepted by seven shareholders, whereby Podravka d.d. acquired additional 37,153 shares, or additional 10.09% of the total issued shares of Mirna d.d. Following the takeover bid, Podravka d.d. became the holder of 235,362 shares of Mirna d.d. or 63.95% of the total issued shares.



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Although as at 31 December 2014 Podravka d.d. held 63.95% shares of Mirna d.d. with voting rights and managed the company's processes through the appointed Management Board, due to significant legal uncertainties related to initiated but not finalised legal actions, significant operational restrictions in the company management related to the frozen account and significant administrative uncertainties related to possible initiation of bankruptcy procedure whereby the control over the company would be taken by the bankruptcy manager, Podravka d.d. considers that the conditions which would result in gaining control over the company Mirna d.d. and consequently in the consolidation of the company into the Group have not been met.



President of the Management Board:

Zvonimir Mršić

A handwritten signature in blue ink, appearing to read "Zvonimir Mršić".

Appendix 1

Reporting period:

1.1.2014.

to

31.12.2014.

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 adress: www.podravka.com

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

Code and county name **6** **KOPRIVNIČKO-KRIŽEVAČKA** Number of employees **2884**

(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: **Brajević Iva**
(authorised person for representation)

Phone number: **048 651 228** Fascimile: **048 220 562**

E-mail address: Iva.Brajevic@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 of changes in shareholders' equity and notes to the financial statements)
2. Interim management Report
3. Statement of responsible persons for preparation of financial statements



(Handwritten signature)

(signed by authorised person for representation)

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BALANCE SHEET
as at 31.12.2014.

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	0	0
B) LONG-TERM ASSETS (003+010+020+029+033)	002	1.216.973.678	1.316.850.000
I. INTANGIBLE ASSETS (004 to 009)	003	98.325.947	131.249.857
1. Assets development	004	0	0
2. Concessions, patents, licences fees, trade and service marks, software and other rights	005	95.339.734	123.959.977
3. Goodwill	006	0	0
4. Prepayments for purchase of intangible assets	007	0	0
5. Intangible assets in preparation	008	2.986.213	7.289.880
6. Other intangible assets	009	0	0
II. TANGIBLE ASSETS (011 to 019)	010	693.485.729	696.007.450
1. Land	011	39.499.992	39.690.515
2. Buildings	012	423.066.363	397.566.604
3. Plant and equipment	013	181.774.393	190.426.114
4. Tools, facility inventory and transport assets	014	5.988.589	7.710.488
5. Biological assets	015	0	0
6. Prepayments for tangible assets	016	2.356.450	880.766
7. Tangible assets in progress	017	40.046.390	58.995.088
8. Other tangible assets	018	753.552	737.875
9. Investments in buildings	019	0	0
III. LONG-TERM FINANCIAL ASSETS (021 to 028)	020	387.810.822	452.626.748
1. Investments (shares) with related parties	021	375.382.888	372.392.313
2. Loans given to related parties	022	7.583.333	73.250.000
3. Participating interest (shares)	023	907.000	2.319.795
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	3.937.601	4.664.640
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	37.351.180	36.965.945
C) SHORT TERM ASSETS (035+043+050+058)	034	1.173.654.394	1.257.415.768
I. INVENTORIES (036 to 042)	035	364.525.930	536.075.990
1. Raw-material and supplies	036	96.958.234	117.405.771
2. Work in progress	037	22.927.744	27.484.468
3. Finished goods	038	101.827.104	114.038.787
4. Merchandise	039	56.411.831	67.434.594
5. Prepayments for inventories	040	5.441.050	0
6. Long - term assets held for sales	041	80.959.967	209.712.370
7. Biological assets	042	0	0
II. RECEIVABLES (044 to 049)	043	567.831.305	574.902.173
1. Receivables from related parties	044	367.850.454	358.862.505
2. Accounts receivable	045	194.190.983	176.896.430
3. Receivables from participating parties	046	0	0
4. Receivables from employees and members of related parties	047	716.595	568.443
5. Receivables from government and other institutions	048	4.735.926	5.765.821
6. Other receivables	049	337.347	32.808.974
III. SHORT TERM FINANCIAL ASSETS (051 to 057)	050	168.389.169	57.652.190
1. Shares (stocks) in related parties	051	75.125.754	20.000
2. Loans given to related parties	052	86.694.897	54.672.815
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	5.514.691	476.000
6. Loans, deposits, etc.	056	1.053.827	2.483.375
7. Other financial assets	057	0	0
IV. CASH AT BANK AND IN CASHIER	058	72.907.990	88.785.415
D) PREPAID EXPENSES AND ACCRUED REVENUE	059	8.633.708	8.456.397
E) TOTAL ASSETS (001+002+034+059)	060	2.399.261.780	2.582.722.165
F) OFF-BALANCE RECORDS	061	593.358.567	608.580.439

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	1.134.309.526	1.337.863.908
I. SUBSCRIBED CAPITAL	063	1.084.000.600	1.084.000.600
II. CAPITAL RESERVES	064	44.785.613	45.763.751
III. RESERVES FROM PROFIT (066+067-068+069+070)	065	-45.842.810	5.523.313
1. Reserves prescribed by law	066	0	2.568.306
2. Reserves for treasury shares	067	21.761.692	67.604.502
3. Treasury stocks and shares (deduction)	068	67.604.502	67.604.502
4. Statutory reserves	069	0	0
5. Other reserves	070	0	2.955.007
IV. REVALUATION RESERVES	071	0	0
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	072	0	902.407
1. Retained earnings	073	0	902.407
2. Accumulated loss	074	0	0
VI. PROFIT/LOSS FOR THE CURRENT YEAR (076-077)	075	51.366.123	201.673.837
1. Profit for the current year	076	51.366.123	201.673.837
2. Loss for the current year	077	0	0
IX. MINORITY INTERESTS	078	0	0
B) PROVISIONS (080 to 082)	079	37.775.002	30.539.209
1. Provisions for pensions, severance pay, and similar liabilities	080	14.955.100	14.460.800
2. Reserves for tax liabilities	081	0	0
3. Other reserves	082	22.819.902	16.078.409
C) LONG - TERM LIABILITIES (084 to 092)	083	527.132.538	694.686.322
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	527.132.538	694.686.322
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	641.787.764	473.188.131
1. Liabilities to related parties	094	44.371.311	50.437.132
2. Liabilities for loans, deposits etc.	095	0	429.443
3. Liabilities to banks and other financial institutions	096	336.081.529	173.261.915
4. Liabilities for received prepayments	097	887.840	0
5. Accounts payable	098	225.461.258	214.401.372
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	29.095.432	28.770.202
9. Liabilities for taxes, contributions and similar fees	102	2.260.814	1.843.358
10. Liabilities to share - holders	103	681.138	676.868
11. Liabilities for long-term assets held for sale	104	0	0
12. Other short - term liabilities	105	2.948.642	3.367.841
E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO FUTURE PERIOD	106	58.256.950	46.444.595
F) TOTAL – CAPITAL AND LIABILITIES (062+079+083+093+106)	107	2.399.261.780	2.582.722.165
G) OFF-BALANCE RECORDS	108	593.358.567	608.580.439
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 1.1.2014. to 31.12.2014.

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	1.912.179.508	487.266.382	1.808.000.173	461.384.427
1. Sales revenue	112	1.876.859.005	474.468.381	1.755.983.329	449.249.987
2. Other operating revenues	113	35.320.503	12.798.001	52.016.844	12.134.440
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)	114	1.918.034.607	572.357.856	1.690.634.666	452.470.360
1. Changes in value of work in progress and finished products	115	6.160.046	25.458.741	-17.602.358	7.017.292
2. Material costs (117 to 119)	116	1.210.180.322	296.350.518	1.129.844.118	290.609.055
a) Raw material and material costs	117	653.699.778	150.422.745	621.546.584	155.747.756
b) Costs of goods sold	118	315.325.052	65.489.241	274.035.293	65.199.812
c) Other external costs	119	241.155.492	80.438.532	234.262.241	69.661.487
3. Staff costs (121 to 123)	120	353.153.057	86.686.883	329.270.249	80.052.394
a) Net salaries and wages	121	219.527.819	43.856.819	197.696.583	38.298.441
b) Cost for taxes and contributions from salaries	122	86.153.773	27.430.870	83.044.801	25.800.912
c) Contributions on gross salaries	123	47.471.465	15.399.194	48.528.865	15.953.041
4. Depreciation	124	84.985.112	20.683.565	76.457.368	20.793.236
5. Other costs	125	124.787.229	42.312.722	134.979.825	40.939.955
6. Impairment (127+128)	126	35.210.170	15.478.991	0	0
a) Impairment of long-term assets (financial assets excluded)	127	10.530.732	10.530.732	0	0
b) Impairment of short - term assets (financial assets excluded)	128	24.679.438	4.948.259	0	0
7. Provisions	129	0	-754.123	0	0
8. Other operating costs	130	103.558.671	86.140.559	37.685.464	13.058.428
III. FINANCIAL INCOME (132 to 136)	131	138.112.976	113.900.355	149.915.871	112.753.437
1. Interest income, foreign exchange gains, dividends and similar income from related parties	132	111.753.392	102.094.052	120.022.743	112.638.936
2. Interest income, foreign exchange gains, dividends and similar income from non - related parties	133	22.174.091	11.844.315	29.890.863	275.457
3. Share in income from affiliated entrepreneurs and participating interests	134	0	0	0	0
4. Unrealized gains (income) from financial assets	135	4.185.493	-38.012	2.265	-160.956
5. Other financial income	136	0	0	0	0
IV. FINANCIAL EXPENSES (138 do 141)	137	93.512.926	24.222.192	65.222.306	8.538.768
1. Interest expenses, foreign exchange losses, dividends and similar expenses from related parties	138	22.517.209	417.665	2.125.866	128.649
2. Interest expenses, foreign exchange losses, dividends and similar expenses from non - related parties	139	70.995.717	23.804.527	63.053.539	8.368.218
3. Unrealized losses (expenses) on financial assets	140	0	0	42.901	42.901
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	2.050.292.484	601.166.737	1.957.916.044	574.137.864
X. TOTAL EXPENSES (114+137+143 + 145)	147	2.011.547.533	596.580.048	1.755.858.972	461.010.128
XI. PROFIT OR LOSS BEFORE TAXATION (146-147)	148	38.744.951	4.586.689	202.059.072	113.127.736
1. Profit before taxation (146-147)	149	38.744.951	4.586.689	202.059.072	113.127.736
2. Loss before taxation (147-146)	150	0	0	0	0
XII. PROFIT TAX	151	-12.621.172	-12.621.172	385.235	-16.727.673
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	51.366.123	17.207.861	201.673.837	129.855.409
1. Profit for the period (149-151)	153	51.366.123	17.207.861	201.673.837	129.855.409
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	51.366.123	17.207.861	201.673.837	129.855.409
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	51.366.123	17.207.861	201.673.837	129.855.409
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 1.1.2014. to 31.12.2014.

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	38.744.951	202.059.072
2. Depreciation	002	84.985.112	76.457.368
3. Increase in short term liabilities	003	0	25.002.293
4. Decrease in short term receivables	004	25.068.718	2.392.668
5. Decrease in inventories	005	18.535.238	0
6. Other increase in cash flow	006	143.638.538	19.968.090
I. Total increase in cash flow from operating activities (001 to 006)	007	310.972.557	325.879.492
1. Decrease in short term liabilities	008	1.603.364	0
2. Increase in short term receivables	009	0	0
3. Increase in inventories	010	0	42.797.657
4. Other decrease in cash flow	011	113.329.699	117.357.494
II. Total decrease in cash flow from operating activities (008 to 011)	012	114.933.063	160.155.151
A1) NET INCREASE IN CASH FLOW FROM OPERATING ACTIVITIES (007-012)	013	196.039.494	165.724.340
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	448.477	2.278.978
2. Cash inflows from sales of equity and debt instruments	016	0	0
3. Interests receipts	017	13.176.969	11.405.728
4. Dividend receipts	018	0	25.000.000
5. Other cash inflows from investing activities	019	39.728.965	64.297.311
III. Total cash inflows from investing activities (015 to 019)	020	53.354.411	102.982.017
1. Cash outflow for purchase of long-term tangible and intangible assets	021	40.562.662	113.748.837
2. Cash outflow for acquisition of equity and debt financial instruments	022	16.795.015	1.806.020
3. Other cash outflow for investing activities	023	15.861.744	111.757.732
IV. Total cash outflow for investing activities (021 do 023)	024	73.209.421	227.312.589
B1) NET INCREASE IN CASH FLOW FROM INVESTING ACTIVITIES (020-024)	025	0	0
B2) NET DECREASE IN CASH FLOW FROM INVESTING ACTIVITIES (024-020)	026	19.855.010	124.330.572
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	146.933.661	885.235.745
3. Other proceeds from financial activities	029	0	0
V. Total cash inflows from financial activities (027 to 029)	030	146.933.661	885.235.745
1. Cash outflow for repayment of credit principal and bonds	031	267.243.650	910.044.911
2. Cash outflow for dividends paid	032	0	0
3. Cash outflow for financial lease	033	24.014.218	707.178
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	291.257.868	910.752.089
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	144.324.207	25.516.344
Total increase in cash flow (013 – 014 + 025 – 026 + 037 – 038)	039	31.860.277	15.877.425
Total decrease in cash flow (014 – 013 + 026 – 025 + 038 – 037)	040	0	0
Cash and cash equivalents at the beginning of the period	041	41.047.713	72.907.990
Increase of cash and cash equivalents	042	0	15.877.425
Decrease of cash and cash equivalents	043	-31.860.277	0
Cash and cash equivalents at the end of the period	044	72.907.990	88.785.415

STATEMENT OF CHANGES IN EQUITY
for the period 1.1.2014. to 31.12.2014.

Obligator: Podravka prehrambena industrija d.d., Koprivnica			
Item	AOP code	Last year	Current year
1	2	3	4
1. Subscribed capital	001	1.084.000.600	1.084.000.600
2. Capital reserves	002	44.785.613	45.763.751
3. Reserves from profit	003	-45.842.810	5.523.313
4. Retained earnings or accumulated loss	004	0	902.407
5. Profit or loss for the current year	005	51.366.123	201.673.837
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	1.134.309.526	1.337.863.908
11. Currency gains and losses arising from net investement in forelgn 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	52.482.055	203.554.382
17. Total increase or decrease in capital (AOP 011 do 016)	017	52.482.055	203.554.382
17 a. Attributed to equity holders of parent company	018	0	0
17 b. Attributed to minority interest	019	0	0

Notes:

Accounting policies in year 2014. did not change.



MANAGEMENT BOARD

Koprivnica, 13th February 2015

**STATEMENT FROM EXECUTIVES RESPONSIBLE FOR PREPARING
FINANCIAL STATEMENTS**

Financial statements of Podravka d.d. for the period January – December 2014 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.

Corporate accounting and Taxes :
Iva Brajević



Board Member:
Miroslav Klepač