



ULJANIK PLOVIDBA d.d.

UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD

JANUARY - MARCH 2013

Pula, April 2013

CONTENT:

Financial Statements of ULJANIK PLOVIDBA d.d.
(unaudited) for the period January – March 2013

Notes

Management Report

Statement of the person responsible for preparing Financial Statements

Attachment 1.

Reporting period:

1.1.2013

to

31.3.2013

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Quarterly financial statement of the entrepreneur - TFI-PODTax number (MB): **03292754**Company registration number (MBS): **040010793**Personal identification number (OIB): **49693360447**Issuing company: **ULJANIK PLOVIDBA D.D.**Postal code and place: **52100** **PULA**Street and house number: **CARRARINA 6**E-mail address: **uljanik-plovidba@pu.t-com.hr**Internet address: **www.uljanikplovidba.com**Municipality/city code and name: **359** **PULA**County code and name: **18** **ISTARSKA**Number of employees **32**
(quarter end)Consolidated report: **NO**NKD code: **5020**

Companies of the consolidation subject (according to IFRS):


Seat:

MB:

Bookkeeping service:

Contact person: **VANESA PERUŠKO TOPIĆ**
(please enter only contact person's family name and name)Telephone: **052 211544**Telefax: **052 492598**E-mail address: **vanesa.topic@uljanikplovidba.com**Family name and name: **DRAGUTIN PAVLETIĆ**
(person authorized to represent the company)**Documents to be published:**

1. Financial statements (balance sheet, profit and loss statement, cash flow statement, statement of changes in equity, and notes to financial statements)
2. Report of the Management Board on the Company Status
3. Statement of persons responsible for the drawing-up of financial statements

ULJANIK PLOVIDBA d.d. 

Signature of the person authorized to represent the company)

BALANCE SHEET
as of 31.03.2013.

Company: ULJANIK PLOVIDBA D.D.			
Position	AOP	Previous period	Current period
1	2	3	4
A) RECEIVABLES FOR SUBSCRIBED AND NON - PAID CAPITAL	001		
B) LONG - TERM ASSETS (003+010+020+029+033)	002	514.696.775	531.091.549
I. INTANGIBLE ASSETS (004 to 009)	003	18.083	8.485
1. Assets development	004		
2. Concessions, patents, licence fees, merchandise and service brands, software and other rights	005	18.083	8.485
3. Goodwill	006		
4. Prepayments for purchase of intangible assets	007		
5. Intangible assets in preparation	008		
6. Other intangible assets	009		
II. TANGIBLE ASSETS (011 to 019)	010	3.423.634	3.388.711
1. Land	011	121.829	121.829
2. Buildings	012	3.086.978	3.074.316
3. Plant and equipment	013	133.955	117.680
4. Instruments, plant inventories and transportation assets	014	80.872	74.886
5. Biological assets	015		
6. Prepayments for tangible assets	016		
7. Tangible assets in preparation	017		
8. Other material assets	018		
9. Investment in buildings	019		
III. LONG-TERM FINANCIAL ASSETS (021 to 028)	020	455.914.810	470.904.788
1. Shares (stocks) in related parties	021	452.785.992	467.775.951
2. Loans given to related parties	022		
3. Participating interests (shares)	023	3.128.818	3.128.837
4. Loans to entrepreneurs in whom the entity hold participating interests	024		
5. Investment in securities	025		
6. Loans, deposits and similar assets	026		
7. Other long - term financial assets	027		
8. Investments accounted by equity method	028		
IV. RECEIVABLES (030 to 032)	029	55.340.248	56.789.565
1. Receivables from related parties	030	44.026.161	45.502.309
2. Receivables based on trade loans	031	11.314.087	11.287.256
3. Other receivables	032		
V. DEFERRED TAX ASSETS	033		
C) SHORT- TERM ASSETS (035+043+050+058)	034	160.958.012	161.646.782
I. INVENTORIES (036 to 042)	035		
1. Raw material	036		
2. Work in progress	037		
3. Finished goods	038		
4. Merchandise	039		
5. Prepayments for inventories	040		
6. Long - term assets held for sale	041		
7. Biological assets	042		
II. RECEIVABLES (044 to 049)	043	94.380.806	101.812.100
1. Receivables from related parties	044	78.394.982	82.017.408
2. Accounts receivable	045	15.066.685	18.675.879
3. Receivables from participating entrepreneurs	046		
4. Receivables from employees and shareholders	047		
5. Receivables from government and other institutions	048	876.843	1.059.484
6. Other receivables	049	42.296	59.329
III. SHORT - TERM FINANCIAL ASSETS (051 to 057)	050	66.459.298	56.742.059
1. Shares (stocks) in related parties	051		
2. Loans given to related parties	052	51.294.286	52.958.669
3. Participating interests (shares)	053		
4. Loans to entrepreneurs in whom the entity hold participating interests	054		
5. Investment in securities	055		
6. Loans, deposits and similar assets	056	15.165.012	3.783.390
7. Other financial assets	057		
IV. CASH AT BANK AND IN CASHIER	058	117.908	3.092.623
D) PREPAID EXPENSES AND ACCRUED INCOME	059	4.837	4.837
E) TOTAL ASSETS (001+002+034+059)	060	675.659.624	692.743.168
F) OFF-BALANCE SHEET NOTES	061		

LIABILITIES AND CAPITAL			
A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	486.100.077	505.820.405
I. SUBSCRIBED CAPITAL	063	232.000.000	232.000.000
II. CAPITAL RESERVES	064	-19.729.681	-19.729.681
III. RESERVES FROM PROFIT (066+067-068+069+070)	065	36.635.168	36.359.646
1. Reserves prescribed by law	066	14.466.350	14.466.350
2. Reserves for treasury stocks	067	36.382.812	36.382.812
3. Treasury stocks and shares (deduction)	068	14.213.994	14.489.516
4. Statutory reserves	069		
5. Other reserves	070		
IV. REVALUATION RESERVES	071	41.648.179	56.638.157
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	072	153.016.100	195.546.411
1. Retained earnings	073	153.016.100	195.546.411
2. Accumulated loss	074		
VI. PROFIT / LOSS FOR THE CURRENT YEAR (076-077)	075	42.530.311	5.005.872
1. Profit for the current year	076	42.530.311	5.005.872
2. Loss for the current year	077		
VII. MINORITY INTEREST	078		
B) PROVISIONS (080 to 082)	079	1.956.929	1.956.929
1. Provisions for pensions, severance pay and similar liabilities	080	1.956.929	1.956.929
2. Reserves for tax liabilities	081		
3. Other reserves	082		
C) LONG TERM LIABILITIES (084 to 092)	083	91.475.122	91.259.533
1. Liabilities to related parties	084		
2. Liabilities for loans, deposits etc.	085	91.475.122	91.259.533
3. Liabilities to banks and other financial institutions	086		
4. Liabilities for received prepayments	087		
5. Accounts payable	088		
6. Liabilities arising from debt securities	089		
7. Liabilities to entrepreneurs in whom the entity holds participating interests	090		
8. Other long-term liabilities	091		
9. Deferred tax liability	092		
D) SHORT - TERM LIABILITIES (094 to 105)	093	96.123.515	93.705.028
1. Liabilities to related parties	094		
2. Liabilities for loans, deposits etc.	095	3.558.000	3.558.000
3. Liabilities to banks and other financial institutions	096	86.727.305	83.724.706
4. Liabilities for received prepayments	097	138.844	138.844
5. Accounts payable	098	182.744	699.005
6. Liabilities arising from debt securities	099		
7. Liabilities to entrepreneurs in whom the entity holds participating interests	100		
8. Liabilities to employees	101	1.185.523	1.181.278
9. Liabilities for taxes, contributions and similar fees	102		
10. Liabilities to share - holders	103	2.555.391	2.552.543
11. Liabilities for long term assets held for sale	104		
12. Other short - term liabilities	105	1.775.708	1.850.652
E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO FUTURE PERIOD	106	3.981	1.273
F) TOTAL CAPITAL AND LIABILITIES (062+079+083+093+106)	107	675.659.624	692.743.168
G) OFF-BALANCE SHEET NOTES	108		
APPENDIX TO BALANCE SHEET (only for consolidated financial statements)			
A) CAPITAL AND RESERVES			
1. Attributed to equity holders of parent company	109		
2. Attributed to minority interests	110		

PROFIT AND LOSS ACCOUNT
for period 01.01.2013. to 31.03.2013.

Company: ULJANIK PLOVIDBA D.D.

Position	AOP	Previous period		Current period	
		Cummulative	Periodical	Cummulative	Periodical
1	2	3	4	5	6
I. OPERATING REVENUES (112+113)	111	4.514.185	4.514.185	4.943.408	4.943.408
1. Sales revenues	112	4.482.585	4.482.585	4.943.408	4.943.408
2. Other operating revenues	113	31.600	31.600		
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)	114	3.307.566	3.307.566	3.095.720	3.095.720
1. Changes in the value of work in progress and finished goods	115				
2. Material costs (117 to 119)	116	213.825	213.825	188.732	188.732
a) Raw material and material costs	117	63.260	63.260	56.629	56.629
b) Costs of goods sold	118				
c) Other external costs	119	150.565	150.565	132.103	132.103
3. Staff costs (121 to 123)	120	2.278.236	2.278.236	2.248.843	2.248.843
a) Net salaries and wages	121	1.160.587	1.160.587	1.163.138	1.163.138
b) Costs for taxes and contributions from salaries	122	785.469	785.469	788.785	788.785
c) Contributions on gross salaries	123	332.180	332.180	296.920	296.920
4. Depreciation	124	65.128	65.128	44.521	44.521
5. Other costs	125	750.377	750.377	613.624	613.624
6. Impairment (127+128)	126	0	0		
a) Impairment of long-term assets (excluding financial assets)	127				
b) Impairment of short-term assets (excluding financial assets)	128				
7. Provisions	129				
8. Other operating expenses	130				
III. FINANCIAL INCOME (132 to 136)	131	28.926.831	28.926.831	7.703.097	7.703.097
1. Interest income, foreign exchange gains, dividends and similar income from related parties	132	22.494.320	22.494.320		
2. Interest income, foreign exchange gains, dividends and similar income from non-related	133	6.432.511	6.432.511	7.703.097	7.703.097
3. Share in income from affiliated entrepreneurs and participating interests	134				
4. Unrealized gains (income) from financial assets	135				
5. Other financial income	136				
IV. FINANCIAL EXPENSES (138 to 141)	137	10.065.345	10.065.346	4.501.180	4.501.180
1. Interest expenses, foreign exchange losses and similar expenses from related parties	138				
2. Interest expenses, foreign exchange losses and similar expenses from non - related parties	139	10.065.345	10.065.346	4.501.180	4.501.180
3. Unrealized losses (expenses) on financial assets	140				
4. Other financial expenses	141				
V. INCOME FROM INVESTMENT SHARE IN PROFIT OF ASSOCIATED ENTREPRENEURS	142				
VI. LOSS FROM INVESTMENT SHARE IN LOSS OF ASSOCIATED ENTREPRENEURS	143				
VII. EXTRAORDINARY - OTHER INCOME	144				
VIII. EXTRAORDINARY - OTHER EXPENSES	145				
IX. TOTAL INCOME (111+131+142 + 144)	146	33.441.016	33.441.016	12.646.505	12.646.505
X. TOTAL EXPENSES (114+137+143 + 145)	147	13.372.911	13.372.912	7.596.900	7.596.900
XI. PROFIT OR LOSS BEFORE TAXATION (146-147)	148	20.068.105	20.068.104	5.049.605	5.049.605
1. Profit before taxation (146-147)	149	20.068.105	20.068.104	5.049.605	5.049.605
2. Loss before taxation (147-146)	150	0	0	0	0
XII. PROFIT TAX	151	336.401	336.401	43.733	43.733
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	19.731.704	19.731.703	5.005.872	5.005.872
1. Profit for the period(149-151)	153	19.731.704	19.731.703	5.005.872	5.005.872
2. Loss for the period (151-148)	154	0	0	0	0
APPENDIX TO P&L (only for consolidated financial statements)					
XIV. PROFIT OR LOSS FOR THE PERIOD					
1. Attributed to equity holders of parent company	155				
2. Attributed to minority interests	156				
STATEMENT OF COMPREHENSIVE INCOME (IFRS)					
I. PROFIT OR LOSS FOR THE PERIOD (= 152)	157	19.731.704	19.731.703	5.005.872	5.005.872
II. OTHER COMPREHENSIVE INCOME / LOSS BEFORE TAX(159 to 165)	158	-14.486.485	-14.486.485	14.989.977	14.989.977
1. Exchange differences on translation of foreign operations	159	-14.486.485	-14.486.485	14.989.977	14.989.977
2. Movements in revaluation reserves of long-term tangible and intangible assets	160				
3. Profit or loss from revaluation of financial assets available for sale	161				
4. Gains or losses on efficient cash flow hedging	162				
5. Gains or losses on efficient hedge of a net investment in foreign countries	163				
6. Share in other comprehensive income / loss of associated companies	164				
7. Actuarial gains / losses on defined benefit plans	165				
III. TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD	166	-2.897.297	-2.897.297	2.997.995	2.997.995
IV. NET OTHER COMPREHENSIVE INCOME/ LOSS FOR THE PERIOD (158-166)	167	-11.589.188	-11.589.188	11.991.982	11.991.982
V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD(157+167)	168	8.142.516	8.142.515	16.997.854	16.997.854
APPENDIX to Statement of comprehensive income (only for consolidated financial statements)					
VI. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD					
1. Attributed to equity holders of parent company	169				
2. Attributed to minority interests	170				

CASH FLOW STATEMENT - Indirect method
period 01.01.2013. to 31.03.2013.

Company: ULJANIK PLOVIDBA D.D.			
Position	AOP	Previous period	Current period
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Profit before tax	001	20.068.105	5.049.605
2. Depreciation	002	65.128	44.521
3. Increase in short-term liabilities	003	627.192	584.112
4. Decrease in short term receivables	004		
5. Decrease in inventories	005		
6. Other cash flow increases	006	100.072	
I. Total increase in cash flow from operating activities (001 to 006)	007	20.860.497	5.678.238
1. Decrease in short - term liabilities	008		
2. Increase in short - term receivables	009	21.625.068	7.431.294
3. Increase in inventories	010		
4. Other cash flow decreases	011	356.516	46.441
II. Total decrease in cash flow from operating activities (008 to 011)	012	21.981.584	7.477.735
A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES (007-012)	013	0	0
A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES (012-007)	014	1.121.087	1.799.497
CASH FLOW FROM INVESTING ACTIVITIES			
1. Cash flow from sale of long - term tangible and intangible assets	015		
2. Cash inflows from sale of equity and debt financial instruments	016		
3. Interest receipts	017		
4. Dividend receipts	018		
5. Other cash inflows from investing activities	019		
III. Total cash inflows from investing activities(015 to 019)	020	0	0
1. Cash outflows for purchase of long - term tangible and intangible assets	021	24.983	
2. Cash outflows for purchase of equity and debt financial instruments	022		
3. Other cash outflows from investing activities	023		
IV. Total cash outflows from investing activities (021 to 023)	024	24.983	0
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	24.983	0
CASH FLOW FROM FINANCING ACTIVITIES			
1. Cash receipts from issuance of equity and debt financial instruments	027	35.000.000	
2. Cash inflows from loans, debentures, credits and other borrowings	028	44.176.066	9.174.251
3. Other cash inflows from financing activities	029		8.267.922
V. Total cash inflows from financing activities (027 to 029)	030	79.176.066	17.442.173
1. Cash outflows for repayment of loans and bonds	031	8.108.420	12.392.439
2. Dividends paid	032		
3. Cash outflows for finance lease	033		
4. Cash outflows for purchase of own stocks	034	14.611	275.522
5. Other cash outflows from financing activities	035	70.000.000	
VI. Total cash outflows from financing activities (031 do 035)	036	78.123.031	12.667.961
C1) NET INCREASE OF CASH FLOW FROM FINANCING ACTIVITIES (030-036)	037	1.053.035	4.774.212
C2) NET DECREASE OF CASH FLOW FROM FINANCING ACTIVITIES (036-030)	038	0	0
Total increases of cash flows (013 – 014 + 025 – 026 + 037 – 038)	039	0	2.974.715
Total decreases of cash flows (014 – 013 + 026 – 025 + 038 – 037)	040	93.035	0
Cash and cash equivalents at the beginning of period	041	116.134	117.908
Increase in cash and cash equivalents	042	0	2.974.715
Decrease in cash and cash equivalents	043	93.035	0
Cash and cash equivalents at the end of period	044	23.099	3.092.623

STATEMENT OF CHANGES IN EQUITY
from 1.1.2013 to 31.3.2013

Position	AOP	Previous year	Current year
1	2	3	4
1. Subscribed capital	001	232.000.000	232.000.000
2. Capital reserves	002	-19.729.681	-19.729.681
3. Reserves from profit	003	36.635.168	36.359.646
4. Retained earnings or accumulated loss	004	153.016.100	195.546.411
5. Profit / loss for the current year	005	42.530.311	5.005.872
6. Revaluation of long - term tangible assets	006		
7. Revaluation of intangible assets	007		
8. Revaluation of financial assets available for sale	008		
9. Other revaluation	009	41.648.179	56.638.157
10. Total capital and reserves (AOP 001 to 009)	010	486.100.077	505.820.405
11. Currency gains and losses arising from net investments in foreign operations	011	-6.150.460	14.989.977
12. Current and deferred taxes (part)	012		
13. Cash flow hedging	013		
14. Changes in accounting policies	014		
15. Correction of significant errors in prior periods	015		
16. Other changes in capital	016	37.336.096	4.730.351
17. Total increase or decrease in capital (AOP 011 to 016)	017	31.185.636	19.720.328
17 a. Attributed to equity holders of parent company	018		
17 b. Attributed to minority interest	019		

Items decreasing the capital are entered with a negative number sign

Data entered under AOP marks 001 to 009 are entered as situation on the Balance Sheet date

NOTES TO THE FINANCIAL STATEMENTS AS AT 31.03.2013

GENERAL INFORMATION

ULJANIK PLOVIDBA, pomorski promet, d.d. Pula, was established in Croatia. The Company is registered at the Commercial Court in Pazin.

Uljanik Plovidba d.d. Pula is the 100% owner of its subsidiary UNITED SHIPPING SERVICES ONE INC., registered in Liberia and the 100% owner of the company REAL d.o.o., Pula.

The ownership structure as at 31st March 2013 is composed of small shareholders.

The registered office of the Company is at Pula, Carrarina 6, Croatia.

The principal activities of the Company are international maritime transport, providing of services in maritime transport and travel agency operations;

As at 31st March 2013 the Company had 32 employees (2012: 32).

The financial statements for the Company have been prepared in accordance with the Law on Accounting and the International Financial Reporting Standards ('IFRS'), the application of which has been approved by the Croatian Financial Reporting Standards Board, and in accordance with the Regulation on the Structure and Content of the Annual Accounts.

The following are the notes explaining single categories in the financial statements of the Company:

1. Operating income for the first quarter of 2013 is slightly higher with respect to the same period in 2012 due to income from management services for the new vessels, while operating expenses show a slight decline in comparison to the comparative period of the previous year.
2. Financial income and expenses have significantly decreased in the first quarter of 2013 in comparison to the same period of 2012. The main reason for the decrease in financial income, besides the lower interest earned on outstanding loans and lower foreign exchange gains, is that the Company has not transferred retained profit from the subsidiary in the current period. The decrease in financial expenses is related to lower interest and lower foreign exchange losses with respect to the same period of 2012.
3. The long-term financial assets have been increased due to the adjustment of the value of the investment into the foreign subsidiary into its counter-value in HRK according to the mean rate of exchange for the USD at the end of the accounting period (rate of

NOTES TO THE FINANCIAL STATEMENTS AS AT 31.03.2013

exchange for USD at 31.03.2013: 5.918807 HRK; at 31.12.2012: 5.726794 HRK). As at 31st March 2013 the investments in foreign subsidiary United Shipping Services One Inc. amounted to 78,067,413 USD i.e. 462,065,950 HRK.

4. The long-term USD loans have been expressed in their equivalent value in HRK according to the mean rate of exchange of the Croatian National Bank as at 31st March 2013 and have been repaid regularly.
5. In the first quarter of 2013 the Company purchased treasury shares in the total amount of 275.5 thousand HRK.
6. Revaluation reserves that were created on the basis of the adjustment of the investment in the foreign subsidiary, at the mean rate of exchange for the USD as at 31st March 2013, amount to 56,638 thousand HRK.

For ULJANIK PLOVIDBA d.d. Pula

A handwritten signature in black ink, appearing to read 'D. Pavletić', enclosed within a large, loopy oval shape.

Dragutin Pavletić
Director of ULJANIK PLOVIDBA d.d.

Pula, 25th April 2013

MANAGEMENT REPORT FOR THE PERIOD 01-03/2013

The business activity of ULJANIK PLOVIDBA (the Company) and its foreign subsidiaries in the first quarter of 2013 was regular, although strongly affected by the negative fluctuations in the shipping market in both dry cargo and tanker sectors. In this period the Company:

- a) realized commercial loss as a result of operating losses of vessels in connection to the negative fluctuations in the global shipping market,
- b) maintained constant employment of vessels with the continuation of the Company's fleet high efficiency trend,
- c) fulfilled all its loan payment obligations with the positive effects of lower interest rates and with maintaining all original agreed credit terms,
- d) decreased operating expenses of the vessels,
- e) proceeded with full implementation of the safety and quality system on the vessels and in the office, with continuous increase in the quality and expertise of the employees and maintenance of a high level of professionalism,
- f) maintained high efficiency of vessels' management,
- g) collected all contracted freights from the Charterers of all vessels,
- h) maintained the personnel structure both at sea and on shore.

A review of the functions in the Company is given below:

1. COMMERCIAL ASPECT

The operating result for the period I-III 2013 has been under the direct impact of low freight rates in the shipping market and has been realised on the same level as in the comparative period of the year 2012. The total result was lower due to a lower financial income recorded in the current period.

2. PERSONNEL

As at 31.03.2013 the Company had 32 employees. The Company employs exclusively Croatian seafarers on all vessels in its fleet.

3. TECHNICAL ASPECT

In the period January-March 2013 there was no regular Dry Docking. The company keeps maintaining high efficiency of vessel exploitation.

4. ACQUISITION OF TREASURY SHARES

In the period I-III 2013, the Company acquired treasury shares in accordance with art. 233, section 3, point 2 of the Companies Act. The company acquired treasury shares in the amount of 275.5 thousand HRK.

5. IMPORTANT EVENTS IN 2013

On 15th January 2013 the subsidiary United Shipping Services One Inc. has entered into a contract on the sale of 100% of its own shares in United Shipping Services Fifteen Inc. to Uljanik Brodogradilište d.d. Pula.

6. COMPANY GROWTH

The Strategy of development of ULJANIK PLOVIDBA d.d. until the year 2015 envisages the continuation of the primary maritime activity in two sectors, transport of dry cargo and transport of petroleum products and chemicals. The Company intends to continue participating on the new and second hand vessel market with the purpose to optimise its fleet and fleet efficiency. Even though its principal business will continue to be operation and management of its own fleet, the development of the Company shall also be aimed at ship management for other ship owners.

7. COMPANY ACTIVITIES CONCERNING RESEARCH AND DEVELOPMENT

Within its ship management operations, the Company continuously engages in research which is primarily connected with the introduction of new technical solutions and technologies related to vessel exploitation.

8. BUSINESS RISKS

It is well known that the principal activities that the Company engages in, i.e. international maritime transport and ship management are among the most risky activities and that they are directly connected with significant business risks, of which the currently most risky are:

- global economic trends;
- the risk of interest rate increase;
- the volatility of USD exchange rate in relation to other currencies;
- significant oscillations in the value of the vessels;
- the risk of strict conditions of business operation;
- long and uncertain period of return on capital;
- fluctuation in the basic costs of business operation;
- workforce fluctuation.

9. CORPORATE MANAGEMENT CODE

The Company fully complies with its Corporate Management Code.

Pula, 30th April 2013

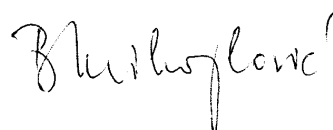


Dragutin Pavletić, Director

STATEMENT OF THE PERSON RESPONSIBLE FOR PREPARING FINANCIAL STATEMENTS

Unaudited financial reports of ULJANIK PLOVIDBA d.d. (hereafter: Company) for the period January – March 2013, to the best of my knowledge, have been prepared according to International Financial Reporting Standards and they contain an overall and true presentation of assets, liabilities, losses and profits, the financial position and activities of the Company.

Financial-accounting manager



Bojana Mihajlović

Pula, 25th April, 2013