



TVORNICA ŠEĆERA d.d.
VIROVITICA, MATIJE GUPCA 254

**STATEMENT OF PERSON RESPONSIBLE FOR PRODUCTION OF THE
SEMIANNUAL REPORT FOR 1H 2014**

With this statement, in compliance with article 407, paragraph 2, an article 410 of the Law on capital market, I state that to the best of our knowledge

- the set of financial reports of VIRO TVORNICA ŠEĆERA d.d., Virovitica for the period I-VI 2014, produced by applying International standards of financial reporting and in compliance with the Croatian Law on Accounting, provides an integral and true overview of assets and liabilities, loss and profit, financial position and operations of the company.
- the Management report contains a true overview of business results and position of the company, with a description of the most significant risks and uncertainties to which the company is exposed.

In Virovitica, on July 25, 2014

RESPONSIBLE PERSON

PRESIDENT OF THE
MANAGEMENT BOARD:



Željko Zadro, dipl.oec

Appendix 1

Reporting period:

01.01.2014

to

30.06.2014

Quarterly Financial Report - TFI-POD

Registration number (MB) | 01650971 |

Identification number of subject (MBS) | 010049135 |

Personal identification number (OIB) | 04525204420 |

Issuer company: VIRO TVORNICA ŠEĆERA d.d.

Postal code and place | 33000 | VIROVITICA

Street and number | MATIJE GUPCA 254 |

E-mail address: viro@secerana.hr

Internet address: www.secerana.hr

Code and name of comune/town | 491 | VIROVITICA

Code and county name | 10 | VIROVITIČKO-PODRAVSKA

Number of employees | 196

(at quarter end)

Consolidated statement | NO |

NKD/NWC code: | 1081 |

Subsidiaries subject to consolidation (according to IFRS):

Registration number:

Subsidiary name	Registration number

Book keeping service: | |

Contact person: SMOJVER ZDENKA

(fill in only surname and name of contact person)

Phone number: 033840122

Fascimile: 033840103

E-mail address: racunovodstvo-viro@secerana.hr

Surname and name: ZADRO ŽELJKO

(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. Statement of responsible persons for preparation of financial statements
3. Report of the Management Board on position of the Company



(signed by authorised person for representation)

BALANCE SHEET

as at

30.06.2014

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	775.985.064	755.751.730
I. INTANGIBLE ASSETS (004 to 009)	003	316.235	224.834
1. Assets development	004	195.493	95.440
2. Concessions, patents, licences fees, trade and service marks, software and other rights	005	120.742	129.394
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	215.793.031	201.357.145
1. Land	011	5.548.592	5.548.592
2. Buildings	012	82.190.900	79.617.453
3. Plant and equipment	013	121.912.660	109.332.793
4. Tools, facility inventory and transport assets	014		
5. Biological assets	015		
6. Prepayments for tangible assets	016	562.042	1.162.963
7. Tangible assets in progress	017	3.046.425	3.237.672
8. Other tangible assets	018	9.300	9.300
9. Investments in buildings	019	2.523.112	2.448.372
III. LONG-TERM FINANCIAL ASSETS (021 to 028)	020	559.875.798	554.169.751
1. Investments (shares) with related parties	021	419.450.043	419.450.043
2. Loans given to related parties	022	107.437.102	98.332.260
3. Participating interest (shares)	023		
4. Loans to entrepreneurs in whom the entity holds participating interests	024		
5. Investments in securities	025		1.829
6. Loans, deposits and similar assets	026	32.988.653	36.385.619
7. Other long - term financial assets	027		
8. Investments accounted by equity method	028		
IV. RECEIVABLES (030 to 032)	029	0	0
1. Receivables from related parties	030		
2. Receivables from based on trade loans	031		
3. Other receivables	032		
V. DEFERRED TAX ASSETS	033		
C) SHORT TERM ASSETS (035+043+050+058)	034	597.160.584	497.468.385
I. INVENTORIES (036 to 042)	035	242.757.915	212.045.554
1. Raw-material and supplies	036	58.277.961	25.897.294
2. Work in progress	037		39.552.262
3. Finished goods	038	142.138.156	48.555.095
4. Merchandise	039	38.981.065	38.367.766
5. Prepayments for inventories	040	3.360.733	59.673.137
6. Long - term assets held for sales	041		
7. Biological assets	042		
II. RECEIVABLES (044 to 049)	043	113.893.822	99.651.850
1. Receivables from related parties	044	18.580.617	11.062.886
2. Accounts receivable	045	77.165.193	80.210.066
3. Receivables from participating parties	046		
4. Receivables from employees and members of related parties	047	1.838	
5. Receivables from government and other institutions	048	18.024.163	8.312.335
6. Other receivables	049	122.011	66.563
III. SHORT TERM FINANCIAL ASSETS (051 to 057)	050	96.712.123	108.578.730
1. Shares (stocks) in related parties	051		
2. Loans given to related parties	052	49.051.228	68.953.690
3. Participating interests (shares)	053		
4. Loans to entrepreneurs in whom the entity holds participating interests	054		
5. Investments in securities	055		
6. Loans, deposits, etc.	056	16.058.515	20.939.904
7. Other financial assets	057	31.602.380	18.685.136
IV. CASH AT BANK AND IN CASHIER	058	143.796.724	77.192.251
D) PREPAID EXPENSES AND ACCRUED REVENUE	059	6.748.252	3.425.219
E) TOTAL ASSETS (001+002+034+059)	060	1.379.893.900	1.256.645.334
F) OFF-BALANCE RECORDS	061	163.693.716	69.254.446

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	696.742.017	694.569.521
I. SUBSCRIBED CAPITAL	063	249.600.060	249.600.060
II. CAPITAL RESERVES	064	10.368.101	10.368.101
III. RESERVES FROM PROFIT (066+067-068+069+070)	065	56.346.673	56.346.673
1. Reserves prescribed by law	066	12.480.003	12.480.003
2. Reserves for treasury shares	067	43.866.670	43.866.670
3. Treasury stocks and shares (deduction)	068	0	0
4. Statutory reserves	069		
5. Other reserves	070		
IV. REVALUATION RESERVES	071	1.222.294	0
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	072	366.184.481	380.427.183
1. Retained earnings	073	366.184.481	380.427.183
2. Accumulated loss	074		
VI. PROFIT/LOSS FOR THE CURRENT YEAR (076-077)	075	13.020.408	-2.172.496
1. Profit for the current year	076	13.020.408	
2. Loss for the current year	077		2.172.496
IX. MINORITY INTERESTS	078		
B) PROVISIONS (080 to 082)	079	0	0
1. Provisions for pensions, severance pay, and similar liabilities	080		
2. Reserves for tax liabilities	081		
3. Other reserves	082		
C) LONG - TERM LIABILITIES (084 to 092)	083	220.700.195	198.264.268
1. Liabilities to related parties	084		
2. Liabilities for loans, deposits etc.	085	15.290.681	13.148.658
3. Liabilities to banks and other financial institutions	086	205.409.514	185.115.610
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	461.214.194	363.396.960
1. Liabilities to related parties	094	568.146	395.749
2. Liabilities for loans, deposits etc.	095	8.458.487	34.676.776
3. Liabilities to banks and other financial institutions	096	183.304.662	181.438.074
4. Liabilities for received prepayments	097	61.072.205	6.325.565
5. Accounts payable	098	146.758.286	44.275.252
6. Liabilities arising from debt securities	099		
7. Liabilities to entrepreneurs in whom the entity holds participating interests	100		
8. Liabilities to employees	101	1.697.852	1.211.891
9. Liabilities for taxes, contributions and similar fees	102	7.350.150	707.965
10. Liabilities to share - holders	103	32.539	31.703
11. Liabilities for long-term assets held for sale	104		
12. Other short - term liabilities	105	51.971.867	94.333.985
E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO FUTURE PERIOD	106	1.237.494	414.585
F) TOTAL – CAPITAL AND LIABILITIES (062+079+083+093+106)	107	1.379.893.900	1.256.645.334
G) OFF-BALANCE RECORDS	108	163.693.716	69.254.446
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		
2. Attributed to minority interest	110		

PROFIT AND LOSS ACCOUNT
for the period 01.01.2014. do 30.06.2014.

VIRO TVORNICA ŠEĆERA d.d.

Item	AOP code	Last year		Current year	
		Comulative	Quartely	Comulative	Quartely
1	2	3	4	5	6
I. OPERATING REVENUE (112+113)	111	226.037.039	134.053.607	265.371.374	131.315.610
1. Sales revenue	112	221.964.938	133.597.933	263.185.952	129.554.319
2. Other operating revenues	113	4.072.101	455.674	2.185.422	1.761.291
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)	114	208.456.156	121.276.686	266.612.753	133.477.524
1. Changes in value of work in progress and finished products	115	-29.681.895	21.030.167	42.346.396	-6.184.149
2. Material costs (117 to 119)	116	194.614.549	76.644.507	171.778.328	105.702.550
a) Raw material and material costs	117	88.532.986	13.007.872	66.247.212	58.683.256
b) Costs of goods sold	118	87.771.857	51.972.642	87.646.797	38.409.151
c) Other external costs	119	18.309.706	11.663.993	17.884.319	8.610.143
3. Staff costs (121 to 123)	120	15.753.689	8.456.323	11.444.448	5.666.895
a) Net salaries and wages	121	9.387.408	4.967.327	6.893.593	3.388.360
b) Cost for taxes and contributions from salaries	122	4.289.419	2.373.998	2.964.906	1.452.217
c) Contributions on gross salaries	123	2.076.862	1.114.998	1.585.949	826.318
4. Depreciation	124	18.321.900	9.117.186	17.940.279	8.882.067
5. Other costs	125	6.601.472	4.931.208	8.030.438	5.204.473
6. Impairment (127+128)	126	0	0	11.684.404	11.684.404
a) Impairment of long-term assets (financial assets excluded)	127				
b) Impairment of short-term assets (financial assets excluded)	128			11.684.404	11.684.404
7. Provisions	129				
8. Other operating costs	130	2.846.441	1.097.295	3.388.460	2.521.284
III. FINANCIAL INCOME (132 to 136)	131	10.848.717	9.751.620	11.545.543	8.192.650
1. Interest income, foreign exchange gains, dividends and similar income from related	132	818.652	614.926	5.773.619	3.217.491
2. Interest income, foreign exchange gains, dividends and similar income from non -	133	9.630.565	8.737.194	5.771.924	4.975.159
3. Share in income from affiliated entrepreneurs and participating interests	134				
4. Unrealized gains (income) from financial assets	135	399.500	399.500		
5. Other financial income	136				
IV. FINANCIAL EXPENSES (138 do 141)	137	6.656.721	2.681.434	12.476.660	5.099.931
1. Interest expenses, foreign exchange losses, dividends and similar expenses from related	138	1.848	231	1.161.627	1.161.627
2. Interest expenses, foreign exchange losses, dividends and similar expenses from non -	139	6.654.873	2.726.703	9.903.155	4.702.808
3. Unrealized losses (expenses) on financial assets	140		-45.500	250.000	250.000
4. Other financial expenses	141		0	1.161.878	-1.014.504
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	236.885.756	143.805.227	276.916.917	139.508.260
X. TOTAL EXPENSES (114+137+143 + 145)	147	215.112.877	123.958.120	279.089.413	138.577.455
XI. PROFIT OR LOSS BEFORE TAXATION (146-147)	148	21.772.879	19.847.107	-2.172.496	930.805
1. Profit before taxation (146-147)	149	21.772.879	19.847.107	0	930.805
2. Loss before taxation (147-146)	150	0	0	2.172.496	0
XII. PROFIT TAX	151				
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	21.772.879	19.847.107	-2.172.496	930.805
1. Profit for the period (149-151)	153	21.772.879	19.847.107	0	930.805
2. Loss for the period (151-148)	154	0	0	2.172.496	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				
2. Attributed to minority interest	156				
STATEMENT OF OTHER COMPREHENSIVE INCOME (IFRS)					
I. PROFIT OR LOSS FOR THE PERIOD (= 152)	157	21.772.879	19.847.107	-2.172.496	930.805
II. OTHER COMPREHENSIVE INCOME / LOSS BEFORE TAX (159 do 165)	158	1.251.999	626.000	1.222.294	596.295
1. Exchange differences on translation of foreign operations	159				
2. Movements in revaluation reserves of long-term tangible and intangible assets	160	1.251.999	626.000	1.222.294	596.295
3. Profit or loss from reevaluation 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				
IV. NET OTHER COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (158-166)	167	1.251.999	626.000	1.222.294	596.295
V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (157+167)	168	23.024.878	20.473.107	-950.202	1.527.100
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				
2. Attributed to minority interest	170				

STATEMENT OF CASH FLOWS - INDIRECT METHOD

for the period 01.01.2014 do 30.06.2014

Item	AOP code	Last year	Current year
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Profit before tax	001	21.772.879	-2.172.496
2. Depreciation	002	18.321.900	17.940.279
3. Increase in short term liabilities	003	9.113.655	
4. Decrease in short term receivables	004		14.241.972
5. Decrease in inventories	005		30.712.361
6. Other increase in cash flow	006	6.044.024	3.323.033
I. Total increase in cash flow from operating activities (001 to 006)	007	55.252.458	64.045.149
1. Decrease in short term liabilities	008		122.168.935
2. Increase in short term receivables	009	18.361.294	
3. Increase in inventories	010	26.813.709	
4. Other decrease in cash flow	011	7.455.367	20.907.715
II. Total decrease in cash flow from operating activities (008 to 011)	012	52.630.370	143.076.650
A1) NET INCREASE IN CASH FLOW FROM OPERATING ACTIVITIES	013	2.622.088	
A2) NET DECREASE IN IN CASH FLOW FROM OPERATING ACTIVITIES	014		79.031.501
CASH FLOW FROM INVESTING ACTIVITIES			
1. Cash inflows from sales of long-term tangible and intangible assets	015		162.040
2. Cash inflows from sales of equity and debt instruments	016		
3. Interests receipts	017	458.845	6.119.947
4. Dividend receipts	018		
5. Other cash inflows from investing activities	019	14.964.828	10.330.618
III. Total cash inflows from investing activities (015 to 019)	020	15.423.673	16.612.605
1. Cash outflow for purchase of long-term tangible and intangible assets	021	1.598.751	3.575.032
2. Cash outflow for acquisition of equity and debt financial instruments	022		
3. Other cash outflow for investing activities	023	120.053.216	4.624.571
IV. Total cash outflow for investing activities (021 do 023)	024	121.651.967	8.199.603
B1) NET INCREASE IN CASH FLOW FROM INVESTING ACTIVITIES (020-024)	025		8.413.002
B2) NET DECREASE IN CASH FLOW FROM INVESTING ACTIVITIES	026	106.228.294	
CASH FLOW FROM FINANCIAL ACTIVITIES			
1. Cash inflow from issuing property and debt financial instruments	027		
2. Proceeds from the credit principal, promissory notes, borrowings and other loans	028	302.028.479	66.235.737
3. Other proceeds from financial activities	029	91.500.000	125.000.000
V. Total cash inflows from financial activities (027 to 029)	030	393.528.479	191.235.737
1. Cash outflow for repayment of credit principal and bonds	031	168.466.440	84.715.164
2. Cash outflow for dividends paid	032		
3. Cash outflow for financial lease	033	3.527.468	3.626.547
4. Cash outflow for purchase of treasury shares	034		
5. Other cash outflow for financial activities	035	109.310.400	98.880.000
VI. Total cash outflow for financial activities (031 to 035)	036	281.304.308	187.221.711
C1) NET INCREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES	037	112.224.171	4.014.026
C2) NET DECREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES	038		
Total increase in cash flow (013 – 014 + 025 – 026 + 037 – 038)	039	8.617.965	
Total decrease in cash flow (014 – 013 + 026 – 025 + 038 – 037)	040		66.604.473
Cash and cash equivalents at the beginning of the period	041	4.468.679	143.796.724
Increase of cash and cash equivalents	042	8.617.965	0
Decrease of cash and cash equivalents	043	0	66.604.473
Cash and cash equivalents at the end of the period	044	13.086.644	77.192.251

STATEMENT OF CHANGES IN EQUITY
for the period **01.01.2014** do **30.06.2014**

Item 1	AOP code 2	Last year 3	Current year 4
1. Subscribed capital	001	249.600.060	249.600.060
2. Capital reserves	002	10.368.101	10.368.101
3. Reserves from profit	003	56.346.673	56.346.673
4. Retained earnings or accumulated loss	004	366.184.481	380.427.183
5. Profit or loss for the current year	005	13.020.408	-2.172.496
6. Revaluation of long - term tangible assets	006	1.222.294	
7. Revaluation of intangible assets	007		
8. Revaluation of financial assets available for sale	008		
9. Other revaluation	009		
10. Total capital and reserves (AOP 001 do 009)	010	696.742.017	694.569.521
11. Currency gains and losses arising from net investement in foreign operations	011		
12. Current and deferred taxes (part)	012		
13. Cash flow hedging	013		
14. Changes in accounting policy	014		
15. Correction of significant errors in prior period	015		
16. Other changes of capital	016		
17. Total increase or decrease in capital (AOP 011 do 016)	017	0	0
17 a. Attributed to equity holders of parent company	018		
17 b. Attributed to minority interest	019		

Notes

THERE WERE NO ACCOUNTING POLICY CHANGES IN RELATION TO HTE ANNUAL FINANCIAL REPORT FOR YEAR 2013.