



TVORNICA ŠEĆERA d.d.
ZAGREB, ULICA GRADA VUKOVARA 269 g

**STATEMENT OF PERSON RESPONSIBLE FOR PRODUCTION OF THE
SEMIANNUAL REPORT FOR 1H 2015**

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., Zagreb for the period I-VI 2015, 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 27, 2015

RESPONSIBLE PERSON

PRESIDENT OF THE
MANAGEMENT BOARD:


TVORNICA ŠEĆERA d.d.
ZAGREB

Željko Zadro, dipl.oec

Appendix 1

Reporting period:

01.01.2015

to

30.06.2015

Quarterly Financial Report - TFI-PODRegistration number (MB) Identification number of subject (MBS) Personal identification number (OIB) Issuer company: Postal code and place Street and number: E-mail address: Internet address: Code and name of comune/town Code and county name Number of employees Consolidated statement

(at quarter end)

NKD/NWC code:

Subsidiaries subject to consolidation (according to IFRS):

Registration number:

Book keeping service: Contact person:

(fill in only surname and name of contact person)

Phone number: Fascimile: E-mail address: Surname and name:

(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 30.06.2015

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	722.754.354	701.854.490
I. INTANGIBLE ASSETS (004 to 009)	003	107.764	92.850
1. Assets development	004		
2. Concessions, patents, licences fees, trade and service marks, software and other rights	005	107.764	92.850
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	186.018.070	172.610.454
1. Land	011	5.548.592	5.548.592
2. Buildings	012	76.745.263	73.942.358
3. Plant and equipment	013	98.044.216	86.615.345
4. Tools, facility inventory and transport assets	014		
5. Biological assets	015		
6. Prepayments for tangible assets	016		466.880
7. Tangible assets in progress	017	3.297.068	3.729.088
8. Other tangible assets	018	9.300	9.300
9. Investments in buildings	019	2.373.631	2.298.891
III. LONG-TERM FINANCIAL ASSETS (021 to 028)	020	536.628.520	529.151.186
1. Investments (shares) with related parties	021	419.450.043	419.450.043
2. Loans given to related parties	022	91.163.404	81.980.530
3. Participating interest (shares)	023		
4. Loans to entrepreneurs in whom the entity holds participating interests	024		
5. Investments in securities	025	1.829	3.247
6. Loans, deposits and similar assets	026	26.013.244	27.717.366
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	504.045.176	623.535.133
I. INVENTORIES (036 to 042)	035	328.405.604	348.321.029
1. Raw-material and supplies	036	24.346.161	26.015.874
2. Work in progress	037		37.427.402
3. Finished goods	038	242.054.551	112.718.024
4. Merchandise	039	4.512.584	116.276.345
5. Prepayments for inventories	040	57.492.308	55.883.384
6. Long - term assets held for sales	041		
7. Biological assets	042		
II. RECEIVABLES (044 to 049)	043	103.055.920	181.400.791
1. Receivables from related parties	044	23.148.850	10.811.916
2. Accounts receivable	045	39.032.135	145.789.735
3. Receivables from participating parties	046		
4. Receivables from employees and members of related parties	047	50	105
5. Receivables from government and other institutions	048	40.731.922	24.706.382
6. Other receivables	049	142.963	92.653
III. SHORT TERM FINANCIAL ASSETS (051 to 057)	050	57.483.376	57.511.102
1. Shares (stocks) in related parties	051		
2. Loans given to related parties	052	37.883.980	8.219.007
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	10.946.857	10.485.857
7. Other financial assets	057	8.652.539	38.806.238
IV. CASH AT BANK AND IN CASHIER	058	15.100.276	36.302.211
D) PREPAID EXPENSES AND ACCRUED REVENUE	059	7.525.706	2.534.530
E) TOTAL ASSETS (001+002+034+059)	060	1.234.325.236	1.327.924.153
F) OFF-BALANCE RECORDS	061	213.764.364	170.466.281

Item	AOP code	Last year (net)	Current year (net)
1	2	3	4
A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	635.215.955	658.972.789
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		
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	072	380.427.183	318.901.121
1. Retained earnings	073	380.427.183	318.901.121
2. Accumulated loss	074		
VI. PROFIT/LOSS FOR THE CURRENT YEAR (076-077)	075	-61.526.062	23.756.834
1. Profit for the current year	076		23.756.834
2. Loss for the current year	077	61.526.062	
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	178.558.830	154.764.666
1. Liabilities to related parties	084		
2. Liabilities for loans, deposits etc.	085	9.972.178	6.490.489
3. Liabilities to banks and other financial institutions	086	168.586.652	148.274.177
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	417.237.577	513.444.540
1. Liabilities to related parties	094	253.895	1.075.664
2. Liabilities for loans, deposits etc.	095	10.518.487	9.765.612
3. Liabilities to banks and other financial institutions	096	126.698.673	96.110.378
4. Liabilities for received prepayments	097	2.514.105	68.511.315
5. Accounts payable	098	171.660.194	252.301.716
6. Liabilities arising from debt securities	099		
7. Liabilities to entrepreneurs in whom the entity holds participating interests	100		
8. Liabilities to employees	101	1.351.986	1.286.652
9. Liabilities for taxes, contributions and similar fees	102	762.818	9.744.439
10. Liabilities to share - holders	103	31.703	31.703
11. Liabilities for long-term assets held for sale	104		
12. Other short - term liabilities	105	103.445.716	74.617.061
E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO FUTURE PERIOD	106	3.312.874	742.158
F) TOTAL – CAPITAL AND LIABILITIES (062+079+083+093+106)	107	1.234.325.236	1.327.924.153
G) OFF-BALANCE RECORDS	108	213.764.364	170.466.281
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 01.01.2015. do 30.06.2015.

VIRO TVORNICA ŠEĆERA d.d.

Item	AOP code	Last year		Current year	
		Comulative	Quarterly	Comulative	Quarterly
1	2	3	4	5	6
I. OPERATING REVENUE (112+113)	111	265.371.374	131.315.610	393.197.348	199.710.494
1. Sales revenue	112	263.185.952	129.554.319	392.308.491	199.365.692
2. Other operating revenues	113	2.185.422	1.761.291	888.857	344.802
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)	114	266.612.753	133.477.524	370.222.721	180.066.260
1. Changes in value of work in progress and finished products	115	42.346.396	-6.184.149	91.909.124	49.442.928
2. Material costs (117 to 119)	116	171.778.328	105.702.550	245.266.573	113.897.677
a) Raw material and material costs	117	66.247.212	58.683.256	93.858.390	-232.054
b) Costs of goods sold	118	87.646.797	38.409.151	135.547.810	105.995.206
c) Other external costs	119	17.884.319	8.610.143	15.860.373	8.134.525
3. Staff costs (121 to 123)	120	11.444.448	5.666.895	9.422.389	4.653.985
a) Net salaries and wages	121	6.893.593	3.388.360	5.803.500	2.871.561
b) Cost for taxes and contributions from salaries	122	2.964.906	1.452.217	2.242.018	1.102.018
c) Contributions on gross salaries	123	1.585.949	826.318	1.376.871	680.406
4. Depreciation	124	17.940.279	8.882.067	15.933.610	7.890.251
5. Other costs	125	8.030.438	5.204.473	5.178.492	2.888.023
6. Impairment (127+128)	126	11.684.404	11.684.404	0	0
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	3.388.460	2.521.284	2.512.533	1.293.396
III. FINANCIAL INCOME (132 to 136)	131	11.545.543	8.192.650	9.136.727	5.779.510
1. Interest income, foreign exchange gains, dividends and similar income from related	132	5.773.619	3.217.491	2.792.233	1.362.858
2. Interest income, foreign exchange gains, dividends and similar income from non-related	133	5.771.924	4.975.159	6.344.494	4.416.652
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 do 141)	137	12.476.660	5.099.931	8.354.520	4.546.615
1. Interest expenses, foreign exchange losses, dividends and similar expenses from related	138	1.161.627	1.161.627	927.316	766.011
2. Interest expenses, foreign exchange losses, dividends and similar expenses from non-related	139	9.903.155	4.702.808	7.212.521	3.641.748
3. Unrealized losses (expenses) on financial assets	140	250.000	250.000		
4. Other financial expenses	141	1.161.878	-1.014.504	214.683	138.856
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	276.916.917	139.508.260	402.334.075	205.490.004
X. TOTAL EXPENSES (114+137+143 + 145)	147	279.089.413	138.577.455	378.577.241	184.612.875
XI. PROFIT OR LOSS BEFORE TAXATION (146-147)	148	-2.172.496	930.805	23.756.834	20.877.129
1. Profit before taxation (146-147)	149	0	930.805	23.756.834	20.877.129
2. Loss before taxation (147-146)	150	2.172.496	0	0	0
XII. PROFIT TAX	151				
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	-2.172.496	930.805	23.756.834	20.877.129
1. Profit for the period (149-151)	153	0	930.805	23.756.834	20.877.129
2. Loss for the period (151-148)	154	2.172.496	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				
2. Attributed to minority interest	156				
STATEMENT OF OTHER COMPREHENSIVE INCOME (IFRS)					
I. PROFIT OR LOSS FOR THE PERIOD (= 152)	157	-2.172.496	930.805	23.756.834	20.877.129
II. OTHER COMPREHENSIVE INCOME / LOSS BEFORE TAX (159 do 165)	158	1.222.294	596.295	0	0
1. Exchange differences on translation of foreign operations	159				
2. Movements in revaluation reserves of long-term tangible and intangible assets	160	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	1.222.294	596.295	0	0
V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (157+167)	168	-950.202	1.527.100	23.756.834	20.877.129
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 01.01.2015 do 30.06.2015

Item	AOP code	Last year	Current year
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Profit before tax	001	-2.172.496	23.756.834
2. Depreciation	002	17.940.279	15.933.610
3. Increase in short term liabilities	003		127.548.134
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	3.323.033	4.991.176
I. Total increase in cash flow from operating activities (001 to 006)	007	64.045.149	172.229.754
1. Decrease in short term liabilities	008	122.168.935	
2. Increase in short term receivables	009		78.344.871
3. Increase in inventories	010		19.915.425
4. Other decrease in cash flow	011	20.907.715	8.037.037
II. Total decrease in cash flow from operating activities (008 to 011)	012	143.076.650	106.297.333
A1) NET INCREASE IN CASH FLOW FROM OPERATING ACTIVITIES	013		65.932.421
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	3.192
2. Cash inflows from sales of equity and debt instruments	016		
3. Interests receipts	017	6.119.947	3.192.927
4. Dividend receipts	018		40.596
5. Other cash inflows from investing activities	019	10.330.618	9.852.877
III. Total cash inflows from investing activities (015 to 019)	020	16.612.605	13.089.592
1. Cash outflow for purchase of long-term tangible and intangible assets	021	3.575.032	2.514.272
2. Cash outflow for acquisition of equity and debt financial instruments	022		
3. Other cash outflow for investing activities	023	4.624.571	2.375.543
IV. Total cash outflow for investing activities (021 do 023)	024	8.199.603	4.889.815
B1) NET INCREASE IN CASH FLOW FROM INVESTING ACTIVITIES (020-024)	025	8.413.002	8.199.777
B2) NET DECREASE IN CASH FLOW FROM INVESTING ACTIVITIES	026		
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	66.235.737	29.478.521
3. Other proceeds from financial activities	029	125.000.000	189.000.000
V. Total cash inflows from financial activities (027 to 029)	030	191.235.737	218.478.521
1. Cash outflow for repayment of credit principal and bonds	031	84.715.164	78.310.976
2. Cash outflow for dividends paid	032		
3. Cash outflow for financial lease	033	3.626.547	3.327.808
4. Cash outflow for purchase of treasury shares	034		
5. Other cash outflow for financial activities	035	98.880.000	189.770.000
VI. Total cash outflow for financial activities (031 to 035)	036	187.221.711	271.408.784
C1) NET INCREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES	037	4.014.026	
C2) NET DECREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES	038		52.930.263
Total increase in cash flow (013 – 014 + 025 – 026 + 037 – 038)	039		21.201.935
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	143.796.724	15.100.276
Increase of cash and cash equivalents	042	0	21.201.935
Decrease of cash and cash equivalents	043	66.604.473	0
Cash and cash equivalents at the end of the period	044	77.192.251	36.302.211

STATEMENT OF CHANGES IN EQUITY

for the period 01.01.2015 do 30.06.2015

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	380.427.183	318.901.121
5. Profit or loss for the current year	005	-61.526.062	23.756.834
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		
10. Total capital and reserves (AOP 001 do 009)	010	635.215.955	658.972.789
11. Currency gains and losses arising from net investment 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		