



**ATLANTIC GRUPA d.d.**

**Miramarska 23**

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**BOND: ATGR-R-A / ISIN:HRATGRRRA0003**  
**ATGR-O-169A / ISIN:HRATGRO169A0**

**LISTING: Zagreb Stock Exchange**

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#### **Atlantic Grupa: Significant revenue and net profit growth**

In 2015, Atlantic Grupa recorded sales of HRK 5.4 billion, which is a 5.6 percent growth compared to the previous year. Earnings before interest and taxes (EBIT) amount to HRK 404.0 million, and are lower by 8.3 percent, primarily due to the increase in prices of raw materials and unfavourable foreign currency exchange rate movements, while net profit after minority interests amounts to HRK 242.3 million, which is a 21.1 percent growth compared to 2014.

Among key business developments in 2015, we point out the reorganization of distribution operations with the establishment of distribution companies in the markets of Germany and Austria, which proves the strong focus on further internationalization. The year was marked by further strengthening of distribution in the region, and in Croatia we should mention the contract with the new principal, Phillips Hrvatska. Also, after less than a year since the beginning of construction, the new energy bars factory in Nova Gradiška, in which HRK 100 million were invested, began its operations. The latest Atlantic Grupa's acquisition – the company Foodland, was successfully integrated, and today with the Bakina tajna brand it presents a new business unit, Gourmet. At the end of the year, the agreement on the sale of the tea business was signed with the Spider Group, a long-term contractual partner in the production of teas under Cedevita and Naturavita brands. In 2016, the focus will remain on the internationalization and growth in the existing markets, and special attention will be given to liquidity, financial liabilities and risk management.

“Despite challenging macroeconomic conditions on most markets, in 2015 we recorded sales growth and improvement in net profitability and, according to the latest survey of Euromoney, Atlantic Grupa received the award as the best-managed company in Croatia and the best-managed company in the food and beverages sector in Central and Eastern Europe. Continuing the development of operations in the region, the focus of our future development is on the developed western markets, where our brands Argeta, Bakina tajna, Donat Mg,



Cedevita and Multipower have the greatest potential”, Emil Tedeschi, the President of the Management Board of Atlantic Grupa said.

Analysing the sales structure, the greatest contribution to the overall growth of Atlantic Grupa in 2015 was made by the Strategic Business Unit Savoury Spreads with a 14.2 percent growth, the Strategic Business Unit Coffee with a 5.7 percent growth, the Strategic Business Unit Beverages with a 4.3 percent growth, the Strategic Distribution Unit Croatia with a 11.1 percent growth and the Strategic Distribution Unit Serbia with an 8.5 percent growth. With 20.1 percent share in the total sales, coffee stands out as the largest individual category with sales of HRK 1.085 billion.

Analysed by markets, the highest growth of 9.7% percent was recorded in the market of Serbia, which holds a 23.2 percent share in the total revenues, followed by the market of Croatia with a 9.6% growth, which is the Atlantic Grupa's largest market with a 26.1 percent share. Own brands of Atlantic Grupa participate in sales with 65.3 percent, the distribution of principals' brands with 19.7 percent, the pharmacy chain Farmacia with 6.2 percent, while the products that Atlantic Grupa produces as private labels for large business systems in the country and abroad participate in the total sales with 8.7 percent.

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