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Sales and profitability growth in first nine months

Zagreb, October 30th 2012. - In the first nine months of 2012, Atlantic Grupa reported sales in the amount of HRK 3,6 billion, which is 5,3 % higher compared to the same period last year. The operating profit before interest, taxes depreciation and amortization (EBITDA) increased by 10,9 % reaching a figure of HRK 446 million, with net profit after minority interests of HRK 71,2 million, which is 9,6 % higher compared to the same period last year. All Strategic Business Units contributed to the overall growth in sales, while the most significant influence was recorded by the Strategic Business Units Savoury Spreads (10,8%), Pharma and Personal Care (9,8%), Coffee (9,4%) and Sports and Functional Food (7,4%).

“Efforts made by employees and the strategic thinking of the management resulted in an increase of Atlantic Grupa’s sales in the first nine months of 2012, while the focus on integration and synergies within the system resulted in the improved Group’s profitability. We are especially pleased by the fact that such results have been achieved in a particularly challenging macroeconomic situation in the region and beyond. In the period ahead, we will continue to be focused on the organic growth, cost optimisation and operational risk management in order to achieve the set business goals”, commented President of the Management Board, Mr. Emil Tedeschi.

In the first nine months 2012, the second phase of integration of Droga Kolinska into Atlantic Grupa system continued, with the focus on the consolidation of production capacities within the system. Consequently, manufacturing of Multipower beverages was moved from the contractual manufacturer to Atlantic’s own premises in Rogaška Slatina. The management continues with the evaluations of cost-effectiveness of transferring the remaining service production to Atlantic’s plants.



New products have been launched in all business units, while existing products have been brought into new markets. For example, new brands of spring and mineral waters were launched on the Croatian market (Kala and Kalnička) which substituted the former brands Unique and Kapljica in the water segment. A new product from the Argeta product range - Argeta Delight, was launched in the region, while a new product from the beverages segment - Cockta Rossa - has registered excellent results during the season. Argeta stands out with extraordinary results outside the region as well, with 26 % market share in Austria, while the Snacks assortment (Štark), thanks to distribution of its extended product range, recorded more than doubled growth in Croatia.

The Croatian market is individually the largest market of Atlantic Grupa with 27,4 percent share, followed by Serbia with 23,8 percent, Slovenia with 12,4 percent, Bosnia & Herzegovina with 8,1 percent, the remaining regional markets with 6,3 percent, while the key Western European markets account for 8.4 percent of total sales. The Russian and Eastern European markets with the share of 4.6 percent in total sales record the highest growth of 36,1 percent. The remaining markets account for 9 percent in total sales.

Atlantic Grupa's own brands account for 73.1 percent of company sales, external brands from distribution portfolio account for 15.5 percent, sales of the pharmacy chain Farmacia account for 6.1 percent, while Atlantic Grupa's private label production for large systems in Croatia and abroad account for 5.3 percent of sales.