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SECURITY: ATGR / ISIN:HRATGRRA0003
3ATG / ISIN: HRATGRO216A9
LISTING: Zagreb Stock Exchange

Zagreb, December 19, 2017

Change in the announced outlook for 2017

Pursuant to Articles 459 and 460 of Capital Markets Act, Atlantic Grupa d.d. (hereon in the text: the Company) hereby announces the change in the outlook for 2017, previously announced on October 31 2017 as a part of unaudited consolidated financial results of the Company for the first nine months of 2017. The expected revenue remains at the previously announced level, i.e. in the amount of HRK 5,300 million, while the change relates to the higher expected profitability at the EBITDA and EBIT level and to the lower level of interest expense, in relation to the previously announced outlook.

The expected profitability at the EBITDA level for 2017 amounts to HRK 520 million (previously announced expected profitability at the EBITDA level amounted to HRK 475 million) which represents the growth of 9.6% compared to the results of 2016, while the expected profitability at the EBIT level for 2017 amounts to HRK 345 million (previously announced profitability at the EBIT level amounted to HRK 310 million) which represents the growth of 12.1% compared to the results 2016. The growth in profitability is a result of the more favourable customers mix, the positive developments on the regional and Russian markets, the more efficient market investments and strict control of expenses and risks, from which the largest impact had the more favourable dollar exchange rate and the green coffee beans prices, as well as the efficient management of above mentioned risks.

The expected interest expenses for 2017 amount to HRK 55 million (previously announced interest expenses amounted to HRK 65 million) which represents the fall of 29.8% compared to the results of 2016, as a result of more favourable interest rates due to better operative results and the continued deleveraging.

Atlantic Grupa d.d.

The expectations of the management are based on unaudited consolidated financial results of the Company for the first eleven months of 2017 and do not include one-off profit from the sale of the factories in Nova Gradiška and Bleckede to the Belgium company Aminolabs which amounts to HRK 66,9 million.

The predictive statements include risks and uncertainties as they are related to the events that could, but do not have to happen and they are not the guarantee of the future results of Atlantic Grupa. The actual results can differ from these expectations and do not have to be a prediction of the future results. The above-mentioned expectations are not the call to buy or sell the shares of Atlantic Grupa, or the recommendation for investment.