



**ATLANTIC GRUPA d.d.**  
**Miramarska 23**  
**10 000 Zagreb**

**SECURITY**                    **ATGR-R-A / ISIN:HRATGRRRA0003**  
**ATGR-O-169A / ISIN:HRATGRO169A0**  
**QUOTATION**                **Zagreb Stock Exchange**

**Zagreb, 24 February 2014**

### **Atlantic Grupa: Business growth in line with expectations**

In 2013 Atlantic Grupa recorded sales of HRK 5,051.3 million which is a 2.5% growth compared to the previous year. Earnings before interest and taxes (EBIT) of HRK 424.6 million grew 6.4% compared to the normalized EBIT in 2012. Net profit after minorities in 2013 was HRK 194.9 million due to, among other, significantly reduced interest expenses following the previous year's refinancing.

„Despite aggravated business conditions in the last several years, especially in the SEE region where Atlantic Grupa realises the majority of its revenues, the company continued with business growth fulfilling for the seventh consecutive year the announced expectations. Following achieved results and growth in the CIS markets and key European markets we confirm the company's strategic focus on internalization and international potential of our brands like Argeta, Donat Mg, Multipower, Cedevita GO! and Bebi. At the same time we continue to invest in development of our own brands and in expansion and strengthening of the distribution operations. In the following period the company will continue to be focused on business development, risk management, liquidity maintenance and debt management”, Emil Tedeschi, CEO of Atlantic Grupa, pointed out.

Beginning of the year for Atlantic Grupa's business was marked by implementation of new commercial terms and conditions in the Croatian market. The rest of the year was marked by the expansion of distribution portfolio which was crowned by taking over the distribution of Unilever for Croatia and Slovenia. As one of the leading global producers of consumer goods, Unilever's portfolio includes globally famous brands Knorr, Hellman's, Axe, Rexona, Brut, Signal, Coccolino, Domestos, Cif and many others. The agreement, considering the total annual value of the portfolio sales, has the total value of HRK 240 million. By signing the preliminary contract in the Industrial park Nova Gradiška in the third quarter of 2013, Atlantic Grupa

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The company has been registered with: the Commercial Court in Zagreb, Court Registration Number: 080245039 Company number: 1671910, PIN:  
71149912416.

Account number: 2484008-1101427897 Raiffeisenbank Austria d.d., Zagreb, Petrinjska 59.  
Number of shares and their nominal amount: 3.334.300 shares, each in the nominal amount of HRK 40,00; Share capital HRK 133,372,000.00, fully paid.  
Management Board: Emil Tedeschi, M. Veber, N. Vranković, Z. Stanković, Supervisory Board Chairman: Z. Adrović.



started the investment in the new factory for the production of energy bars from the sports and functional food product range. This is a project with the total value of HRK 120 million, which will create 50 new jobs in the first year of the production, and with the planned business growth, 160 new jobs will be created in the end. After the required preparations, the beginning of the factory construction is planned for April 2014, and the first products from the new lines are expected in the market in the 1Q 2015.

The growth of Atlantic Grupa's sales was mainly impacted by the growth of sales in the strategic business units Sports and Functional Food (growth of 14.9%) with the best results achieved in the German, Spanish and Russian markets, Pharma and Personal Care (5.1%) with growth in the Croatian and Russian markets, and Snacks (2.8%) with growth in the Serbian, Macedonian and Croatian markets. Coffee with 21.5% of share in total sales stands out as the largest single category with HRK 1,087.2 million of sales.

Sales profile by markets reveals that the largest growth was achieved in the markets of Russia and CIS countries (22.2%) and therewith this market comprised 5.9% of share in total sales. Key European markets (Germany, UK, Italy, Switzerland, Austria, Sweden, Spain) that have 11.7% of share in total sales, achieved growth of 8.7%. Slovenia as the third largest single market posted growth of 6.3%. The Croatian market is the largest single market with 24.8% of share in total sales, followed by the Serbian market with 24.1%.

Atlantic Grupa's own brands accounted for 72.5% of total sales, distribution of principal brands 15.0%, the pharmacy chain Farmacia 6.1%, while products that Atlantic Grupa produces as private labels for big business systems in Croatia and abroad accounted for 6.4% of total sales.

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