



CORPORATE COMMUNICATION

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*MEDIA RELEASE*

PODRAVKA GROUP AUDITED BUSINESS RESULTS FOR 2011

***Podravka Group total sales in 2011 was HRK 3,625.2 million, which is 3% growth comparing to 2010.***

***Podravka Group net profit is HRK 69.3 million***

Operating profit remains as in non-audited results, while reduced net profit is a result of additional impairment of assets acquired through acquisitions in previous years.

Realised net profit of the Podravka Group amounts to HRK 69.3 million, while the net margin is 1.9%. Comparing to the disclosed non-audited reports, there are some differences in EBITDA, EBIT and net profit levels due to additional impairment of assets acquired through acquisitions in previous years. Realized EBITDA is HRK 415.5 million which is 15% growth, while EBITDA corrected for extraordinary items is reduced by 11%.

SBA Food and Beverages sales was HRK 2,828.9 million. i.e. it grew 2%, while SBA Pharmaceuticals sales was HRK 796.3 million, which is 7% growth comparing to the same period last year.

Growth of SBA Food and Beverages was recorded on Podravka's foreign markets, with the biggest increase on the markets of SouthEast Europe (7%), where the highest contribution was given by the market of Serbia (16%), Bosnia and Herzegovina (6%) and Slovenia (4%). The sales increase of the SBA Pharmaceuticals is mostly contributed by foreign markets which recorded 13% growth, with the highest contribution coming from the markets of Russia (22%), Bosnia and Herzegovina (8%) and Slovenia (28%).



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Podravka brands continued to hold their market positions that were during 2011 under the influence of the economic crisis.

Total value of capital investments, in modernization and expansion of existing production capacities was HRK 102.2 million and was in total financed from own sources.

In 2011 there was additional reduction of credit indebtedness amounting to HRK 128.4 million.

On publishing the business results for 2011, Podravka Management Board president Zvonimir Mršić said:

*"For Podravka, 2011 was the year of consolidations and creation of healthy foundations to be able to make significant steps forward in the future. New Management Board has set itself ambitious plans based on sales growth, efficiency and profitability. We want to accomplish all that by optimizing the product portfolio and to focus on the brands that represent the power of the company. Taking into consideration competitiveness on the market, innovativeness and increased productivity will be those to warrant Podravka a leading position in the region. Podravka is returning to the values it has built for years, and that will enable the company further development, satisfied employees and happy shareholders, taking into consideration the wishes of our consumers."*

More information on Podravka Group business results for 2011 are to be found on Podravka web site at [Investors / Financial reports / Disclosure of financial results](#).