



CORPORATE COMMUNICATION

Koprivnica, 29 October 2010

*MEDIA RELEASE*

### ***Podravka Group business results for first nine months 2010***

#### **Net profit in the first nine months increased by 95 %**

In the first nine months 2010 Podravka Group net profit is HRK 82.3 mln which is significant increase of 95% comparing to the same period last year.

Podravka Group operating costs decreased by HRK 115.3 million, i.e. 5%, while operating profit increased by 29%.

Podravka Group total sales in the first nine months 2010 was HRK 2,593.8 mln which is 3% decrease compared to last year.

Sales of SBA (Strategic Business Area) Food and Beverages was HRK 2,078.9 mln, i.e. due to the fact that domestic market was faced with reduced consumption caused by poor economic situation and decreased turnover in retail where 3% decrease was recorded, while foreign markets record 3% growth comparing to the year before. Foreign markets that realized increased sales are the markets of Western Europe, overseas countries and the Far East 20%, while the market of Central Europe realized 6%.

Sales of SBA Pharmaceuticals was HRK 514.9 mln, which is 2% decrease, while foreign markets realized 10% sales growth compared to the same period last year.

On publishing the business results, Podravka Management Board president Miroslav Vitković said:

*"In spite of economic crisis surrounding us, we are satisfied with the results achieved, which shows how successful we are in overcoming the numerous obstacles that are coming our way. Evidence is also the fact that conducted optimisation of the organization and better cost management on all levels brought significant savings, which confirms that we are on the right track to realize our set goals. When it comes to foreign markets, we are encouraged by the fact that we are certainly building good positions for our brands and the consumers trust our brands more and more."*



CORPORATE COMMUNICATION

*More information on Podravka Group business results for the first nine months 2010 please find at Podravka web site at [Investors / Financial reports / Disclosure of financial results](#).*