

LUKA PLOČE d.d.  
Trg kralja Tomislava 21  
20 340 Ploče  
OIB: 51228874907

**LUKA PLOČE d.d.**

**UNAUDITED NON CONSOLIDATED REPORT  
FOR PERIOD  
FROM 01.01. UNTIL 31.12.2017.**

Ploče, February 2018.

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LUKA PLOČE d.d.  
Trg kralja Tomislava 21  
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**MANAGEMENT REPORT FOR YEAR 2017.**

Ploče, February 2018.

## FINANCIAL RESULTS OF THE LUKA PLOČE d.d. IN 2017:

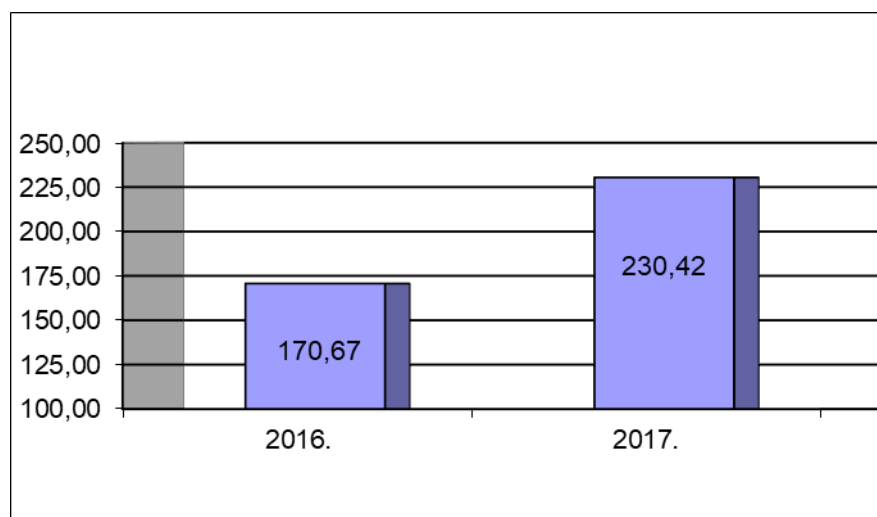
- Cargo traffic volume through Ploče port: 3,19 million tones of cargoes representing 18.05% increase in comparison with the same period of the previous year.
- Operating revenues: 230,42 million kuna representing the increase of 35,01% in comparison with the same period of the previous year.
- Operating expenses: 224,20 million kuna representing 30,07 % increase in comparison with the same period of the previous year.
- EBITDA: 12,72 million kuna
- EBITDA margin: 5,52%
- EBIT: 6,23 million kuna
- EBIT margin: 2,70%
- Net PROFIT: 518,49 thousands kuna

## LUKA PLOČE d.d. REVENUES

Operating revenues in year 2017. amounted to 230,42 million kuna which is 35,01% increase over the previous year.

Sales revenues amounted to 228,33 million kuna which is an 37,45% increase over the previous year. That increase is a result of increased cargo traffic volume and increased revenue from sale of goods.

Structure of the Luka Ploče d.d. operating revenue (in mil kuna)



Within the structure of total revenues, operating revenues represent 100,00 % of the total revenue. Sales revenues represent 99,09% and other revenues represent 0,91 % of the total revenues .

### **OPERATING EXPENSES of Luka Ploče d.d.**

Operating expenses amounted to 224,20 million kuna which is the increase of 30,07 % in comparison to the same period of the previous year.

Most significant increase was the increase of costs of materials and staff costs due to the merger of Luka Ploče Održavanje I.I.c to Luka Ploče j.s.c.

In the structure of total expenditures, operating expenses account for 96.72% of total expenditures, financial expenses (unrealized exchange rate differences) account for 3.24%.

The most significant changes compared to the comparative period last year were the negative unrealized foreign exchange gains of HRK 7.5 million, and they were generated by itemizing the balance sheet items at the middle exchange rate of the NBH as of 31.12.2017. for dollars and euros to kuna.

### **Currency exchange data – middle exchange rate of the Croatian National Bank**

	Kuna to EUR		Kuna to USD	
	Average	At the end of period	Average	At the end of period
<b>Twelve months of year 2016.</b>	<b>7,53</b>	<b>7,56</b>	<b>6,80</b>	<b>7,17</b>
<b>Twelve months of year 2017.</b>	<b>7,46</b>	<b>7,51</b>	<b>6,62</b>	<b>6,27</b>

### **EBITDA\* (Earnings before interest, taxes and depreciation) Luka Ploče d.d.**

EBITDA\* amounted to 12,72 million kuna for the year 2017., representing a 3,05 million kuna increase in comparison to the previous year.

### **EBIT LUKA PLOČE d.d.**

EBIT amounted to 6,23 million kuna representing the increase of 4,26 million kuna in comparison to the previous year.

· EBITDA includes interest income on short-term deposits being treated by the Group and the Company treat as operating revenues

## **NET PROFIT of the LUKA PLOČE d.d.**

Luka Ploče d.d. has recorded a net profit of 518,49 thousand kuna as a result of the recognition of deferred tax assets that will charge gross profit in future years.

## **FINANCIAL POSITION of Luka Ploče d.d.**

**Long-term assets** recoded an increase of 39,42% in 2017. in comparison to the year 2016. due to the increased item of investments: investment towards plant and equipment of the Bulk cargo Terminal.

**Short-term assets** increased by 10,08%. The largest increase has been recorded at the stocks of trade goods and receivables form customers.

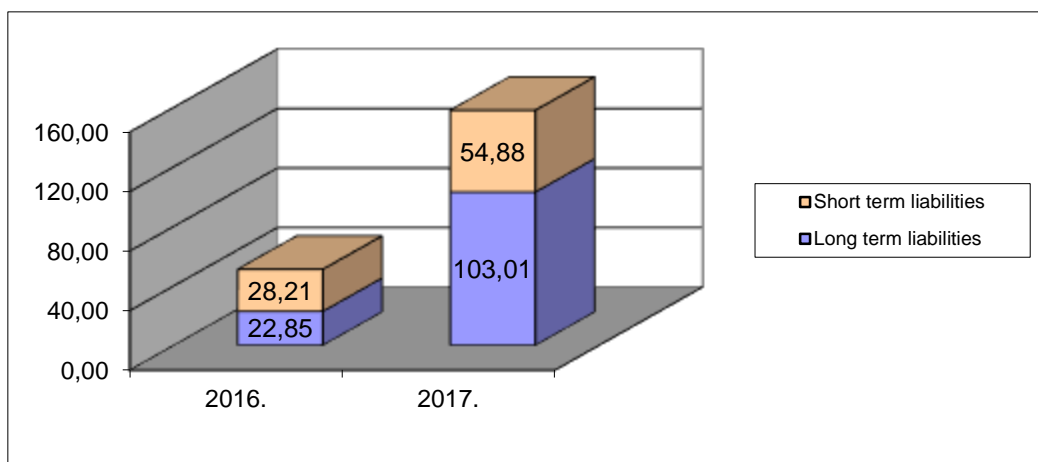
**Long-term liabilities** have increased due to investment from long-term sources to Bulk cargo Terminal.

**Short term liabilities** recorded an increase in liabilities to suppliers.

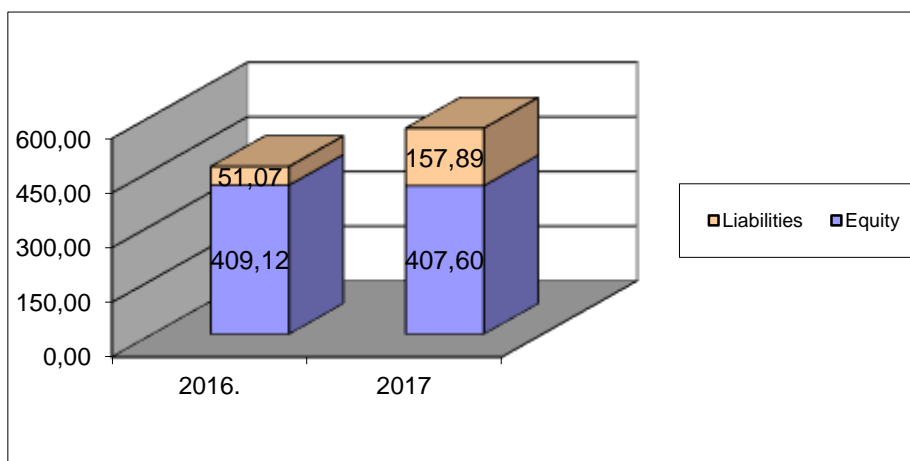
The highest item within the liabilities is the capital and reserves with a share of 72,08% of the total liabilities.

Long-term and short-term financial liabilities comprise 27,92% of the total liabilities and capital.

### The structure of financial liabilities of Luka Ploče d.d. (in mill kuna)



### Structure of the sources of funding of Luka Ploče d.d. (in mill kuna)



## Key indicators Luka Ploče d.d.

Indicators		
	REALIZED 2016	REALIZED 2017
<b>Liquidity ratios</b>		
Working Capital (in kuna)	226.228.000	223.627.771
Current liquidity	9,02	5,07
Turnover of working capital	0,75	1,03
Days of working capital	483,31	354,23
Days in period	365	365
<b>Debt indicators</b>		
Short term liabilities / equity	0,07	0,13
Long term liabilities/ equity	0,06	0,25
Loans /equity	0,05	0,27
Total liabilities / assetss	0,12	0,38
<b>Profitability ratios</b>		
EBITDA margin	5,66	5,52
EBIT margin	1,15	2,70
Net margin	3,67	0,23
<b>Productivity Indicators</b>		
Number of employees	445	493
Revenue per employee (in kuna)	383.533	467.397



## FINANCIAL RESULTS OF THE LUKA PLOČE GROUP IN 2017:

Luka Ploče Group monitors and presents operating revenues, operating profit, capital investments , total assets and total liabilities for the following activities :

- Cargo handling (loading, unloading, transshipment, finishing, weighing general cargo , bulk and liquid cargo ) and represents the parent company.
- freight forwarding services, maritime services ( mooring , unmooring of cargo and passenger ships )
- secondary activities (catering and similar activities)

Results of above stated activities for the year ending on December 31<sup>st</sup> 2017. are as given below:

- Operating Revenues: 240,95 million kuna representing the increase of 31,54 % in comparison with the same period of the previous year.
- Operating expenses : 233,60 million kuna representing 12,74 % increase in comparison with the same period of the previous year.
- EBITDA : 14,34 million kuna
- EBITDA margin: 5,95%
- EBIT: 7,35 million kuna
- EBIT margin: 3,05%
- Net PROFIT : 1,30 million kuna

## Key indicators Luka Ploče Group

Indicators		
	REALIZED 2016	REALIZED 2017
<b>Liquidity ratios</b>		
Working Capital (in kuna)	233.801.744	230.954.516
Current liquidity	9,95	5,25
Turnover of working capital	0,78	1,04
Days of working capital	466	350
Days in period	365	365
<b>Debt indicators</b>		
Short term liabilities / equity	0,06	0,13
Long term liabilities/ equity	0,06	0,26
Loans /equity	0,05	0,27
Total liabilities / assetss	0,10	0,27
<b>Profitability ratios</b>		
EBITDA margin	-8,3	6,0
EBIT margin	-13,1	3,1
Net margin	-10,08	0,5
<b>Productivity Indicators</b>		
Number of employees	584	552
Revenue per employee (in kuna)	313.662	436.514

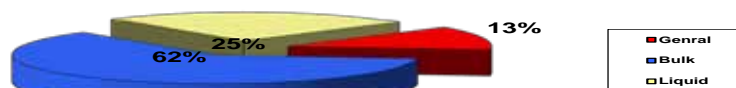
## SALES AND MARKETING

Total volume of cargo reloaded in the 2017. totals to 3.194.963 tons, which represents a 18% increase in comparison to the year 2016. when the total volume recorded was 2.706.442 tones. The prevailing cargo type in the overall structure is bulk cargo, comprising 62% of the total cargo traffic volume. General cargo volume represent a share of 13%, while the liquid cargo volume represents a share of 25% of the total cargo traffic volume.

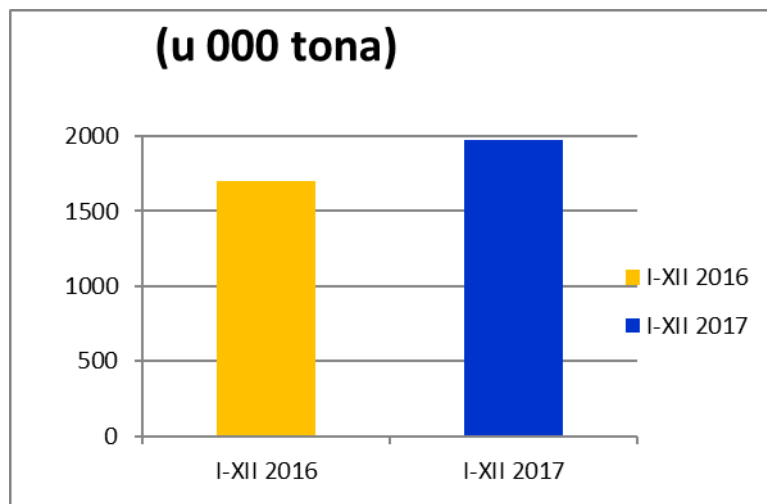
Volumes as per the type of cargo (in tones)

<b>TYPE OF CARGO</b>	<b>2017.</b>	<b>2016.</b>	<b>Indeks 2017./2016.</b>
General cargo	417.583	441.585	95
Bulk cargo	1.973.160	1.697.234	116
Liquid cargo	804.220	567.603	142
<b>TOTAL</b>	<b>3.194.963</b>	<b>2.706.422</b>	<b>118</b>

Structure as per the type of cargo in 2017.



## Bulk cargo



The bulk cargo prevails in the structure of all cargo types reloading in 2017, which represents increase of 16% than in the previous year.

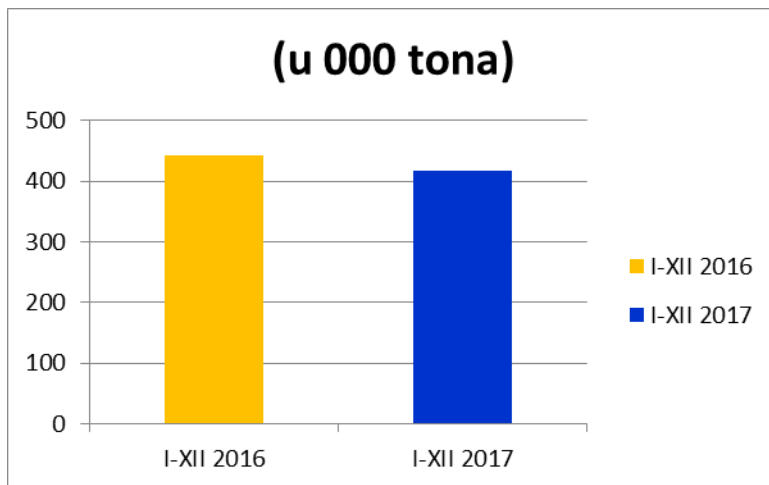
Metallurgical coal is predominant in its structure.

This year, transshipment of coal for Italian coal-fired power plants for the new client was started, and a transshipment of petrol coke for Cemex was re-established.

Also significant is the increase in the volume of reloading of scrap iron.

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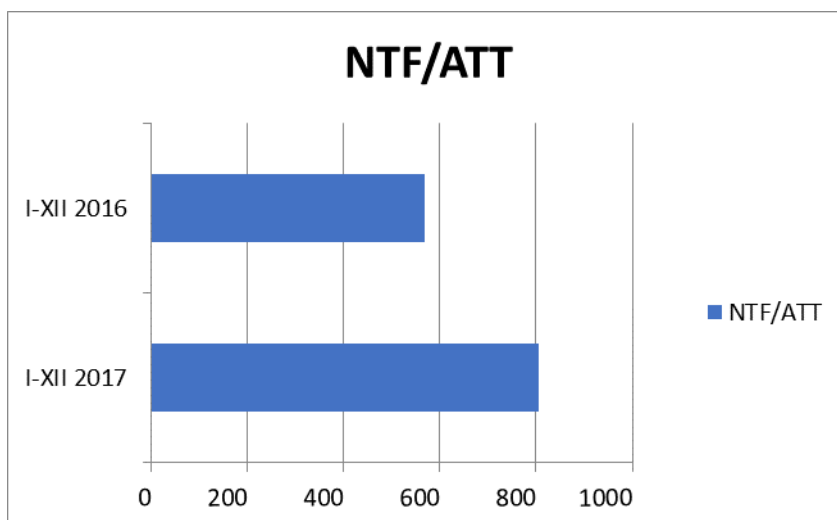
## General cargo



General cargoes reloading has recorded a 5% decrease in year 2017. in comparison to the year 2016. The decrease is a result of decreased volume of reloading of steel billets and iron products.

In 2017 24.123 TEUs were reloaded, while in 2016 20.965 TEUs were reloaded, representing the increase of 15%.

## Liquid cargo



Volume of liquid cargoes have increased by 42% in year 2017. in comparison to the year 2016.

## EXPECTATIONS

Strategic goals of Luka Ploče d.d. is to achieve traffic volume growth and profitability in the coming years.

The focus is on the growth of volume of bulk cargoes reloading, increase of transshipment of energetic coal for Italy for Enel's needs, with whom the existing contract is extended.

In the structure of general cargoes we expect further growth in the segment of containers, timber and especially of aluminum products.

The MAERSK container operator has resumed container traffic through the port of Ploče with whom we signed the contract. There is an interest of other shipping companies for returning to the port of Ploče.

We expect a significant increase in transport of fir timber in the container filling segment; the increase in the reefer container reloading.

There is a seemingly increase in reloading of scrap iron, and in reloading volume of steel billets for the needs of the Bosnia and Hercegovina market.

By the continuous reorganization of the company, investments in renewal of reloading equipment and human resources, the strong foundation for future growth and development have been set.

Ploče, February 28<sup>th</sup> 2018.

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Capt.Ivan Pavlović dipl.ing.

President of the Board

**Appendix 1**

Reporting period:

01.01.2017.

to

31.12.2017.

**Quarterly financial report of entrepreneur - TFI-POD**

Registration number (MB) | 03036138 |

Identification number of subject | 0900065233 |

Personal identification number  
(OIB) | 5122874907 |

Issueer company: | LUKA PLOČE d.d. |

Postal code and place | 20340 | PLOČE |

Street and number | TRG KRALJA TOMISLAVA 21 |

E-mail address: | [financije@luka-ploce.hr](mailto:financije@luka-ploce.hr) |Internet adress: | [www.luka-ploce.hr](http://www.luka-ploce.hr) |

Code and name of comune/town | 335 | PLOČE |

Code and county name | 19 | DUBROVAČKO-NERETVANSKA |

Number of employees | 493 |  
(at quarter end)

Consolidated statement | NO |

NKD/NWC code: | 5224 |

Subsidiaries subject to consolidation (according to IFRS):

Personal identification number (OIB)

Book keeping service:

Contact person: | DODIG ŽELJKA |

Phone number: | 020 603 223 |

Fascimile: | 020 679 170 |

E-mail address: |

Surname and name | PAVLOVIĆ IVAN |

(authorised person for representation)

**Disclosure documents:**

1. Financial report (Balance sheet, profit and loss account, cash flow statement, change in capital statement)
2. Management Bord's Interim Report
3. Statements of the persons responsible for preparation of financial reports

M.P.

(signed by authorised person for representation)

**BALANCE SHEET**  
as of 31.12.2017.

Luka Ploče d.d.			
Position	AOP	Previous year	Current year
1	2	3	4
<b>ASSETS</b>			
<b>A) RECEIVABLES FOR SUBSCRIBED BUT NOT PAID-IN CAPITAL</b>	<b>001</b>		
<b>B) LONG-TERM ASSETS (003+010+020+029+033)</b>	<b>002</b>	205.745.874	286.990.088
I. INTANGIBLE ASSETS (004 to 009)	<b>003</b>	1.199.637	2.780.028
1. Assets development	<b>004</b>		
2. Concessions, patents, licences fees, trade and service marks, software and other rights	<b>005</b>		
3. Goodwill	<b>006</b>		
4. Prepayments for purchase of intangible assets	<b>007</b>		1.757.193
5. Intangible assets in preparation	<b>008</b>		
6. Other intangible assets	<b>009</b>	1.199.637	1.022.835
II. TANGIBLE ASSETS (011 to 019)	<b>010</b>	190.668.584	272.737.272
1. Land	<b>011</b>	2.138.881	2.138.881
2. Buildings	<b>012</b>	8.685.628	8.512.500
3. Plant and equipment	<b>013</b>	55.506.249	50.971.457
4. Tools, facility inventory and transport assets	<b>014</b>	9.090.253	8.245.416
5. Biological assets	<b>015</b>		
6. Prepayments for tangible assets	<b>016</b>	21.870.479	22.498.309
7. Tangible assets in progress	<b>017</b>	88.606.503	175.696.176
8. Other tangible assets	<b>018</b>		
9. Investments in buildings	<b>019</b>	4.770.591	4.674.533
III. LONG-TERM FINANCIAL ASSETS (021 to 028)	<b>020</b>	11.559.076	7.581.439
1. Investments (shares) with related parties	<b>021</b>	11.479.576	7.501.939
2. Loans given to related parties	<b>022</b>		
3. Participating interest (shares)	<b>023</b>	79.500	79.500
4. Loans to entrepreneurs in whom the entity holds participating interests	<b>024</b>		
5. Investments in securities	<b>025</b>		
6. Loans, deposits and similar assets	<b>026</b>		
7. Other long - term financial assets	<b>027</b>		
8. Investments accounted by equity method	<b>028</b>		
IV. RECEIVABLES (030 to 032)	<b>029</b>	2.318.577	1.996.062
1. Receivables from related parties	<b>030</b>		
2. Receivables from based on trade loans	<b>031</b>	2.318.577	1.996.062
3. Other receivables	<b>032</b>		
V. DEFERRED TAX ASSETS	<b>033</b>		1.895.287
<b>C) SHORT TERM ASSETS (035+043+050+058)</b>	<b>034</b>	254.445.492	278.515.499
I. INVENTORIES (036 to 042)	<b>035</b>	1.133.337	31.431.970
1. Raw-material and supplies	<b>036</b>	1.050.098	2.755.348
2. Work in progress	<b>037</b>		
3. Finished goods	<b>038</b>		
4. Merchandise	<b>039</b>		28.655.457
5. Prepayments for inventories	<b>040</b>	83.239	21.165
6. Long - term assets held for sales	<b>041</b>		
7. Biological assets	<b>042</b>		
II. RECEIVABLES (044 to 049)	<b>043</b>	62.054.118	73.634.279
1. Receivables from related parties	<b>044</b>	4.065.154	1.957.518
2. Accounts receivable	<b>045</b>	52.146.759	67.416.010
3. Receivables from participating parties	<b>046</b>	9.223	13.497
4. Receivables from employees and members of related parties	<b>047</b>	47.850	3.378
5. Receivables from government and other institutions	<b>048</b>	3.511.734	1.913.089
6. Other receivables	<b>049</b>	2.273.398	2.330.787
III. SHORT TERM FINANCIAL ASSETS (051 to 057)	<b>050</b>	155.760.735	134.972.099
1. Shares (stocks) in related parties	<b>051</b>		
2. Loans given to related parties	<b>052</b>		
3. Participating interests (shares)	<b>053</b>	279.577	350.875
4. Loans to entrepreneurs in whom the entity holds participating interests	<b>054</b>		
5. Investments in securities	<b>055</b>		
6. Loans, deposits, etc.	<b>056</b>	155.481.158	134.621.224
7. Other financial assets	<b>057</b>		
IV. CASH AT BANK AND IN CASHIER	<b>058</b>	35.497.302	38.477.151
<b>D) PREPAID EXPENSES AND ACCRUED REVENUE</b>	<b>059</b>		
<b>E) TOTAL ASSETS (001+002+034+059)</b>	<b>060</b>	460.191.366	565.505.587
<b>F) OFF-BALANCE RECORDS</b>	<b>061</b>		



Position	AOP	Previous year	Current year
1	2	3	4
<b>LIABILITIES AND CAPITAL</b>			
<b>A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)</b>	<b>062</b>	409.121.249	407.603.472
I. SUBSCRIBED CAPITAL	<b>063</b>	169.186.800	169.186.800
II. CAPITAL RESERVES	<b>064</b>	88.107.087	88.107.087
III. RESERVES FROM PROFIT (066+067-068+069+070)	<b>065</b>	39.011.478	39.187.369
1. Reserves prescribed by law	<b>066</b>	8.283.449	8.459.340
2. Reserves for treasury shares	<b>067</b>	8.904.560	8.904.560
3. Treasury stocks and shares (deduction)	<b>068</b>	1.066.317	1.066.317
4. Statutory reserves	<b>069</b>		
5. Other reserves	<b>070</b>	22.889.786	22.889.786
IV. REVALUATION RESERVES	<b>071</b>		
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	<b>072</b>	106.552.736	110.603.727
1. Retained earnings	<b>073</b>	106.552.736	110.603.727
2. Accumulated loss	<b>074</b>		
VI. PROFIT/LOSS FOR THE CURRENT YEAR (076-077)	<b>075</b>	6.263.148	518.489
1. Profit for the current year	<b>076</b>	6.263.148	518.489
2. Loss for the current year	<b>077</b>		
VII. MINORITY INTERESTS	<b>078</b>		
<b>B) PROVISIONS (080 to 082)</b>	<b>079</b>	3.166.282	2.244.578
1. Provisions for pensions, severance pay, and similar liabilities	<b>080</b>	1.587.189	1.474.391
2. Reserves for tax liabilities	<b>081</b>		
3. Other reserves	<b>082</b>	1.579.093	770.187
<b>C) LONG - TERM LIABILITIES (084 to 092)</b>	<b>083</b>	19.685.967	100.769.809
1. Liabilities to related parties	<b>084</b>		
2. Liabilities for loans, deposits etc.	<b>085</b>		
3. Liabilities to banks and other financial institutions	<b>086</b>	18.174.439	99.467.312
4. Liabilities for received prepayments	<b>087</b>		
5. Accounts payable	<b>088</b>		
6. Liabilities arising from debt securities	<b>089</b>		
7. Liabilities to entrepreneurs in whom the entity holds participating interests	<b>090</b>		
8. Other long-term liabilities	<b>091</b>	1.511.528	1.302.497
9. Deferred tax liability	<b>092</b>		
<b>D) SHORT - TERM LIABILITIES (094 to 105)</b>	<b>093</b>	28.217.868	54.887.728
1. Liabilities to related parties	<b>094</b>	4.029.373	2.046.190
2. Liabilities for loans, deposits etc.	<b>095</b>		
3. Liabilities to banks and other financial institutions	<b>096</b>	2.916.231	8.705.113
4. Liabilities for received prepayments	<b>097</b>		
5. Accounts payable	<b>098</b>	16.213.557	37.972.062
6. Liabilities arising from debt securities	<b>099</b>		
7. Liabilities to entrepreneurs in whom the entity holds participating interests	<b>100</b>	646.448	1.009.642
8. Liabilities to employees	<b>101</b>	2.548.628	2.868.643
9. Liabilities for taxes, contributions and similar fees	<b>102</b>	1.499.385	1.680.257
10. Liabilities to share - holders	<b>103</b>		
11. Liabilities for long-term assets held for sale	<b>104</b>		
12. Other short - term liabilities	<b>105</b>	364.246	605.821
<b>E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO FUTURE PERIOD</b>	<b>106</b>		
<b>F) TOTAL – CAPITAL AND LIABILITIES (062+079+083+093+106)</b>	<b>107</b>	460.191.366	565.505.587
<b>G) OFF-BALANCE RECORDS</b>	<b>108</b>		
<b>APPENDIX to balance sheet(to be filled in by entrepreneur that prepares consolidated annual financial report)</b>			
<b>CAPITAL AND RESERVES</b>			
1. Attributed to equity holders of parent company	<b>109</b>	0	0
2. Attributed to minority interest	<b>110</b>		

**PROFIT AND LOSS ACCOUNT**  
in period from 01.01.2017. until 31.12.2017.

Luka Ploče d.d.		in Kunas			
Position	AOP	Previous year		Current year	
		Cummulative	Quarter	Cummulative	Quarter
1	2	3	4	5	6
<b>I. OPERATING REVENUE (112+113)</b>	<b>111</b>	170.672.223	54.730.147	230.426.537	72.465.199
1. Sales revenue	112	166.123.664	52.107.430	228.337.618	71.201.374
2. Other operating revenues	113	4.548.559	2.622.717	2.088.919	1.263.825
<b>II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)</b>	<b>114</b>	168.704.111	53.468.010	224.198.908	69.800.499
1. Changes in value of work in progress and finished products	115				115
2. Material costs (117 to 119)	116	104.296.961	36.452.161	156.906.179	52.804.044
a) Raw material and material costs	117	8.062.291	2.146.646	10.394.445	2.966.579
b) Costs of goods sold	118	73.851.144	28.562.755	126.356.014	46.054.669
c) Other external costs	119	22.383.526	5.742.760	20.155.720	3.782.796
3. Staff costs (121 to 123)	120	45.766.299	11.651.306	49.398.753	13.124.889
a) Net salaries and wages	121	28.726.821	7.289.384	31.222.919	8.345.570
b) Cost for taxes and contributions from salaries	122	10.322.542	2.668.597	10.925.282	2.852.876
c) Contributions on gross salaries	123	6.716.936	1.693.325	7.250.552	1.926.443
4. Depreciation	124	7.693.810	2.007.234	6.488.647	376.928
5. Other costs	125	10.941.057	3.351.490	10.805.389	2.894.583
6. Impairment (127+128)	126	5.984	5.819	82.197	82.197
a) Impairment of long-term assets (financial assets excluded)	127				
b) Impairment of short-term assets (financial assets excluded)	128	5.984	5.819	82.197	82.197
7. Provisions	129			517.743	517.743
8. Other operating costs	130				
<b>III. FINANCIAL INCOME (132 to 136)</b>	<b>131</b>	4.442.532	4.442.532	0	0
1. Interest income, foreign exchange gains, dividends and similar income from related	132				
2. Interest income, foreign exchange gains, dividends and similar income from non -	133	4.442.532	4.442.532		
3. Share in income from affiliated entrepreneurs and participating interests	134				
4. Unrealized gains (income) from financial assets	135				
5. Other financial income	136				
<b>IV. FINANCIAL EXPENSES (138 to 141)</b>	<b>137</b>	147.496	-138.745	7.604.427	6.036.357
1. Interest expenses, foreign exchange losses, dividends and similar expenses from related	138				
2. Interest expenses, foreign exchange losses, dividends and similar expenses from non -	139	147.496	-138.745	90.646	12.380
3. Unrealized losses (expenses) on financial assets	140			7.513.781	6.023.977
4. Other financial expenses	141				
<b>V. INCOME FROM INVESTMENT - SHARE IN PROFIT OF ASSOCIATED ENTREPRENEURS</b>	<b>142</b>				
<b>VI. LOSS FROM INVESTMENT - SHARE IN LOSS OF ASSOCIATED ENTREPRENEURS</b>	<b>143</b>				
<b>VII. EXTRAORDINARY - OTHER INCOME</b>	<b>144</b>		-1.732.700		
<b>VIII. EXTRAORDINARY - OTHER EXPENSES</b>	<b>145</b>				
<b>IX. TOTAL INCOME (111+131+142 + 144)</b>	<b>146</b>	175.114.755	57.439.979	230.426.537	72.465.199
<b>X. TOTAL EXPENSES (114+137+143 + 145)</b>	<b>147</b>	168.851.607	53.329.265	231.803.335	75.836.856
<b>XI. PROFIT OR LOSS BEFORE TAXATION (146-147)</b>	<b>148</b>	6.263.148	4.110.714	-1.376.798	-3.371.657
1. Profit before taxation (146-147)	149	6.263.148	4.110.714	0	0
2. Loss before taxation (147-146)	150	0	0	1.376.798	3.371.657
<b>XII. PROFIT TAX</b>	<b>151</b>			-1.895.287	-1.895.287
<b>XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)</b>	<b>152</b>	6.263.148	4.110.714	518.489	-1.476.370
1. Profit for the period (149-151)	153	6.263.148	4.110.714	518.489	0
2. Loss for the period (151-148)	154	0	0	0	1.476.370
<b>APPENDIX to P&amp;L account (to be filled in by entrepreneur that prepares consolidated financial report)</b>					
<b>XIV. PROFIT OR LOSS FOR THE PERIOD</b>					
1. Attributed to equity holders of parent company	155				
2. Attributed to minority interest	156				
<b>STATEMENT OF OTHER COMPREHENSIVE INCOME (IFRS)</b>					
<b>I. PROFIT OR LOSS FOR THE PERIOD (= 152)</b>	<b>157</b>	6.263.148	4.110.714	518.489	-1.476.370
<b>II. OTHER COMPREHENSIVE INCOME / LOSS BEFORE TAX (159 to 165)</b>	<b>158</b>	0	0	0	0
1. Exchange differences on translation of foreign operations	159				
2. Movements in revaluation reserves of long-term tangible and intangible assets	160				
3. Profit or loss from reevaluation of financial assets available for sale	161				
4. Gains or losses on efficient cash flow hedging	162				
5. Gains or losses on efficient hedge of a net investment in foreign countries	163				
6. Share in other comprehensive income / loss of associated companies	164				
7. Actuarial gains / losses on defined benefit plans	165				
<b>III. TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>166</b>				
<b>IV. NET OTHER COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (158-166)</b>	<b>167</b>	0	0	0	0
<b>V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (157+167)</b>	<b>168</b>	6.263.148	4.110.714	518.489	-1.476.370
<b>APPENDIX to Statement of other comprehensive income (to be filled in by entrepreneur that prepares consolidated financial report)</b>					
<b>VI. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD</b>					
1. Attributed to equity holders of parent company	169				
2. Attributed to minority interest	170				

**STATEMENT OF CASH FLOWS - INDIRECT METHOD**  
in period from 01.01.2017 until 31.12.2017.

Luka Ploče d.d.		in Kunas		
Position	AOP	Previous year	Current year	
1	2	3	4	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
1. Profit before tax	001	6.263.148	-1.376.798	
2. Depreciation	002	7.693.810	6.488.647	
3. Increase in short term liabilities	003		20.138.517	
4. Decrease in short term receivables	004	212.331		
5. Decrease in inventories	005			
6. Other increase in cash flow	006		7.434.760	
<b>I. Total increase in cash flow from operating activities (001 to 006)</b>	<b>007</b>	14.169.289	32.685.126	
1. Decrease in short term liabilities	008	13.223.429		
2. Increase in short term receivables	009		13.243.812	
3. Increase in inventories	010	5.499	30.298.633	
4. Other decrease in cash flow	011	3.591.620	1.411.021	
<b>II. Total decrease in cash flow from operating activities (008 to 011)</b>	<b>012</b>	16.820.548	44.953.466	
<b>A1) NET INCREASE IN CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>013</b>	0	0	
<b>A2) NET DECREASE IN IN CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>014</b>	2.651.259	12.268.340	
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
1. Cash inflows from sales of long-term tangible and intangible assets	015	27.720.000	59.806	
2. Cash inflows from sales of equity and debt instruments	016	1.500.000		
3. Interests receipts	017			
4. Dividend receipts	018		6.416	
5. Other cash inflows from investing activities	019	258.085.624	148.620.421	
<b>III. Total cash inflows from investing activities (015 to 019)</b>	<b>020</b>	287.305.624	148.686.643	
1. Cash outflow for purchase of long-term tangible and intangible assets	021	52.721.285	87.370.460	
2. Cash outflow for acquisition of equity and debt financial instruments	022			
3. Other cash outflow for investing activities	023	214.390.000	133.702.397	
<b>IV. Total cash outflow for investing activities (021 to 023)</b>	<b>024</b>	267.111.285	221.072.857	
<b>B1) NET INCREASE IN CASH FLOW FROM INVESTING ACTIVITIES (020-024)</b>	<b>025</b>	20.194.339	0	
<b>B2) NET DECREASE IN CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>026</b>	0	72.386.214	
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>				
1. Cash inflow from issuing property and debt financial instruments	027			
2. Proceeds from the credit principal, promissory notes, borrowings and other loans	028	16.467.362	90.096.083	
3. Other proceeds from financial activities	029			
<b>V. Total cash inflows from financial activities (027 to 029)</b>	<b>030</b>	16.467.362	90.096.083	
1. Cash outflow for repayment of credit principal and bonds	031	5.908.250	2.461.680	
2. Cash outflow for dividends paid	032			
3. Cash outflow for financial lease	033			
4. Cash outflow for purchase of treasury shares	034			
5. Other cash outflow for financial activities	035			
<b>VI. Total cash outflow for financial activities (031 to 035)</b>	<b>036</b>	5.908.250	2.461.680	
<b>C1) NET INCREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>037</b>	10.559.112	87.634.403	
<b>C2) NET DECREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>038</b>	0	0	
Total increase in cash flow (013 – 014 + 025 – 026 + 037 – 038)	<b>039</b>	28.102.192	2.979.849	
Total decrease in cash flow (014 – 013 + 026 – 025 + 038 – 037)	<b>040</b>	0	0	
Cash and cash equivalents at the beginning of the period	<b>041</b>	7.395.110	35.497.302	
Increase of cash and cash equivalents	<b>042</b>	28.102.192	2.979.849	
Decrease of cash and cash equivalents	<b>043</b>			
Cash and cash equivalents at the end of the period	<b>044</b>	35.497.302	38.477.151	

**STATEMENT OF CHANGES IN EQUITY**  
for the period **1.1.2017** to **31.12.2017**

Position	AOP	Previous year	Current year
1	2	3	4
1. Subscribed capital	<b>001</b>	169.186.800	169.186.800
2. Capital reserves	<b>002</b>	88.107.087	88.107.087
3. Reserves from profit	<b>003</b>	39.011.478	39.187.369
4. Retained earnings or accumulated loss	<b>004</b>	106.552.736	110.603.727
5. Profit or loss for the current year	<b>005</b>	6.263.148	518.489
6. Revaluation of long - term tangible assets	<b>006</b>		
7. Revaluation of intangible assets	<b>007</b>		
8. Revaluation of financial assets available for sale	<b>008</b>		
9. Other revaluation	<b>009</b>		
<b>10. Total capital and reserves (AOP 001 to 009)</b>	<b>010</b>	409.121.249	407.603.472
11. Currency gains and losses arising from net investement in foreign operations	<b>011</b>		
12. Current and deferred taxes (part)	<b>012</b>		
13. Cash flow hedging	<b>013</b>		
14. Changes in accounting policy	<b>014</b>		
15. Correction of significant errors in prior period	<b>015</b>		
16. Other changes of capital	<b>016</b>		
<b>17. Total increase or decrease in capital (AOP 011 to 016)</b>	<b>017</b>	0	0
<hr/>			
17 a. Attributed to equity holders of parent company	<b>018</b>		
17 b. Attributed to minority interest	<b>019</b>		

Items which decrease capital are given with the negative prefix

## MANAGEMENT LIABILITY STATEMENT

Hereby , pursuant the Article 410. of the Capital Market Act we declare that according to our best knowledge, financial reports for the reporting period are prepared in accordance with applicable financial reporting standards.

Financial Statements for the 4<sup>th</sup> quarter of year 2017. give a complete and true representation of assets and obligations, profit and loss, financial position and business activities of the Company.

Željka Dodig

Capt. Ivan Pavlović

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Member of the Board ,  
Financial affairs

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President of the Board