



**ATLANTIC GRUPA d.d.**

**Miramarska 23**

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**BOND: ATGR-R-A / ISIN:HRATGRRRA0003**  
**ATGR-O-169A / ISIN:HRATGRO169A0**

**LISTING: Zagreb Stock Exchange**

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### **Atlantic Grupa: Sales and net profit growth coupled with reorganization of distribution**

In the first nine months of 2015, Atlantic Grupa recorded sales of HRK 4.0 billion, which is a 4.8 percent growth compared to the same period of the previous year. Earnings before interest and taxes (EBIT) amount to HRK 341.1 million and is lower by 9.9 percent, mainly due to the increase in prices of raw materials and unfavourable foreign currency exchange rate movements, while net profit after minority interests amounts to HRK 228.1 million, which is a 9.0 percent growth. Until the end of the year, management will keep the focus on the internationalization and growth in the existing markets and risk management, liquidity and financial liabilities management.

Among key business developments in the first nine months, we point out the new organisation of distribution operations through two main zones: Zone East and Zone West, following the process of the intensive internationalisation and strengthening of distribution functions outside the region, reflected also in the establishment of own distribution companies in Austria and Germany. In this period, the agreement with the new principal Phillips Croatia additionally extended the distribution portfolio on the Croatian market. Also, after less than a year since the beginning of construction, the new energy bars factory in Nova Gradiška, in which HRK 100 million were invested, began its operations. The latest acquisition of Atlantic Grupa – the company Foodland, was fully successfully integrated in the Atlantic Grupa's business system and today with the Bakina tajna brand it presents a new business unit, Gourmet. Finally, according to the latest survey of Euromoney, the leading global financial magazine, in the third quarter Atlantic Grupa received the award as the best-managed company in Croatia and the best-managed company in the food and beverages sector in Central and Eastern Europe.



Analysing the sales structure, the greatest contribution to the overall growth of Atlantic Grupa in the first nine months of 2015 was made by the Strategic Business Unit Savoury Spreads with a 12.9 percent growth, the Strategic Business Unit Snacks with a 5.0 percent growth, the Strategic Business Unit with a 4.7 percent growth, the Strategic Distribution Unit Croatia with a 10.6 percent growth and the Strategic Distribution Unit Serbia with an 8.3 percent growth. With 19.5 percent share in the total sales, coffee stands out as the largest individual category with sales of HRK 777.2 million in the first nine months.

Analysed by markets, the highest and equal growth of 9.6 percent was recorded in the markets of Bosnia and Herzegovina and Serbia, which is the Atlantic Grupa's second largest market with a 22.6 percent share in the total revenues. In the Croatian market, which has the largest share in sales of 26.8 percent, the growth was 9.4 percent.

Atlantic Grupa own brands participate in sales with 65.3 percent, the distribution of principal brands with 19.2 percent, the pharmacy chain Farmacia with 6.3 percent, while the products that Atlantic Grupa produces as private labels for large business systems in the country and abroad participate in the total sales with 9.3 percent.

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