



MANAGEMENT BOARD

Koprivnica, 24 July 2015

PODRAVKA INC.
UNCONSOLIDATED QUARTERLY FINANCIAL REPORT
FOR 1 – 6 2015 PERIOD



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Content:

- **General information**
- **Management report on the achieved business results of Podravka Inc. for the period January – June 2015**
- **Unconsolidated financial reports for the period January – June 2015**
- **Statement from executives responsible for preparing financial statements**



MANAGEMENT BOARD

General information

Podravka prehrambena industrija d.d., Koprivnica, is incorporated in the Republic of Croatia. Today it is included in leading companies in industry operating in the area of South-Eastern, Central and Eastern Europe. The principal activity of the Company comprises production of a wide range of foodstuffs and non-alcoholic beverages.

The Company is headquartered in Koprivnica, Croatia, Ante Starčevića 32.

The Company's shares are listed on the official market of the Zagreb Stock Exchange.

Management Board members as at 30 June 2015

President	Zvonimir Mršić
Member	Olivija Jakupec
Member	Miroslav Klepač
Member	Hrvoje Kolarić

The unconsolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS").



MANAGEMENT BOARD

Koprivnica, 24 July 2015

MANAGEMENT REPORT ON THE ACHIEVED BUSINESS RESULTS OF PODRAVKA INC. FOR THE PERIOD JANUARY – JUNE 2015

Significant events in 1 – 6 2015

Podravka d.d. share capital increase and ESOP¹

On 3 June 2015, the General Assembly of Podravka d.d., among other decisions, adopted the decision to increase the share capital by issuing new regular shares and to introduce ESOP. According to the decision, on 7 July 2015 the subscription of new shares of Podravka d.d. was initiated, in the first round only for the employees of Podravka d.d. and related companies that had the employee status as at 3 June 2015 and in the second round for the shareholders that were registered as shareholders with the Central Depository and Clearing Company as at 3 June 2015. The last day of the second round of the share capital increase was 20 July 2015. The existing shareholders and employees initially subscribed any paid more than 2.26 million of new shares of the total available 1.7 million, which shows great interest in the purchase of Podravka d.d. shares.

The share capital was increased by issuing 1,700,000 new regular shares with individual nominal value of HRK 220.00. New regular shares were issued at the price of HRK 300.00 per share, whereby the amount of HRK 510 million was raised. The raised amount is planned to be used primarily to finance the acquisition of the company Žito d.d., while the remaining amount will be used to invest in business expansion to new markets and to finance the construction of the new solid, semi-solid and liquid drugs factory of Belupo d.d..

As part of the share capital increase process, the ESOP programme was initiated with the aim to further develop employee loyalty through participation in the company's ownership, increase in Podravka's productivity based on medium-term and long-term

¹ Employee Stock Ownership Programme.



MANAGEMENT BOARD

effects of the programme (motivation, efficiency, reliability, commitment...), including employees in share ownership at special terms, connecting employee interests with interests of the owners and creating additional impetus in achieving the company strategy, in the sense of connecting growth interests and profitability on the one hand and long-term benefits for the workers on the other.

Detailed information on the share capital increase and related documents are available on the websites of the Zagreb Stock Exchange (www.zse.hr) and the Podravka Group (www.podravka.hr).

Podravka concluded the agreement on acquiring 51.55% of Žito d.d. shares

As at 21 April 2015, Podravka concluded the Agreement on the acquisition of shares of the company Žito d.d., one of the largest and most prominent producers in the food industry in Slovenia, greatly recognised in the markets of South East Europe. The consortium of sellers is composed of Slovenski državni holding d.d. and Modra zavarovalnica, d.d., KD Kapital, d.o.o., KD Skladi, d.o.o., Adriatic Slovenica, d.d. and NLB Skladi, d.o.o.

Based on the Agreement, and after receiving an approval from the authorised Agencies for the protection of market competition and after meeting the contractual terms and conditions, Podravka will acquire the majority package of 51.55 percent of regular shares of Žito, at the price of EUR 180.1 per share, i.e. for the total amount of EUR 33,027,818. After acquiring the majority package, Podravka will, in accordance with the regulations of the Republic of Slovenia, be obliged to submit a binding bid for the remaining shares of Žito whereby, depending on the interest of the remaining shareholders to sell shares, the total value of the transaction possibly increases to EUR 57,670,361.

With the stated acquisition, Podravka consolidates its position and becomes a leader in several additional product categories – significantly improving its market position.

After this transaction is completed, the Podravka Group will be at the top of the food industry in the market of Slovenia, with total annual revenue amounting to approximately HRK 900 million. Total consolidated annual revenue of the Podravka Group after the takeover of Žito will be approximately HRK 4.5 billion.

Podravka and Žito have a very complementary product range – food products with similar models of production, sales, promotion, distribution and logistics. Žito has a wide portfolio of recognisable brands holding the leading or the second positions in the market, such



MANAGEMENT BOARD

as the umbrella brand Žito (flour and bakery products), Zlato polje (rice, pasta, mill products), Maestro (monospices), 1001 Cvet (teas), Natura (cereals and pulses), Gorenjka (chocolate), Šumi (candies).

Extending the business in complementary product groups, opportunities are created for the production, and sales and marketing synergies, improving the operational efficiency of both companies and increasing their competitiveness. It is particularly worth emphasising that this opens the possibility of selling Žito products through the Podravka's sales and distribution network in more than 20 countries around the world.

New organization of markets management and further strengthening of international operations

In the Podravka d.d. Management Board meeting held on 13 January 2015, the decision was made to form new market regions and to further strengthen business internationalization. There are four newly-formed regions: the Adria region including the market of Croatia and the previous South East Europe market, the Europe region including the previous markets of Western Europe and Central Europe, the Russia, CIS and Baltic region and the New markets region including America, Asia, Australia and Africa. The new organisation of markets management significantly simplifies the previous markets management complexity, increases the opportunities for a more efficient utilisation of own size and knowledge and provides a better and more cost-efficient support to markets where the Podravka Group operates.

One of the preconditions for the commencement of operations in international markets estimated as very potent was to register Podravka's company in Dubai (United Arab Emirates), Dar es Salaam (Tanzania) and the representative office in Beijing (China).

Podravka's decision to initiate the procedure for merging Danica d.o.o.

Continuing the implementation of measures to improve operational efficiency, Podravka's management made the decision to initiate the procedure for merging the limited liability subsidiary DANICA d.o.o.

Podravka's meat industry Danica d.o.o. has been operating as a separate entity for twenty years. After conducting business analyses of all business programmes within the Podravka Group, it was determined that by integrating Danica d.o.o., i.e. the meat programme, into the Podravka's food and drinks segment, a better focus on the development of this programme will be achieved, together with additional savings in



MANAGEMENT BOARD

almost all business processes, and thus presuppositions for better management of this business programme will be created.

Certain restructuring measures, i.e. business rationalisation, have been implemented in Danica d.o.o. over the past three years. Financial business indicators have been improved, and further improvements can be achieved through the full integration of the meat programme into the Podravka's food segment.

It is planned that the full integration process be completed by the end of September 2015. The intention of this merger is to advance the development of Podravka's meat cans and meat products portfolio and to generate additional funds for strengthening the competitive position of this production programme on the increasingly demanding market.

Mirna d.d.'s account unblocked

On 25 August 2014, at public auctions for the sale of shares of Mirna d.d. through the trading system of Zagrebačka burza d.d. in the procedure of out-of-court settlement, Podravka d.d. acquired 198,209 shares of Mirna d.d., which represents 53.9% of the total issued shares of the company. Podravka d.d. acquired shares of Mirna d.d. at HRK 38.02 per share, or for a total of HRK 7.5 million. The shares of the company carried the voluntary lien on behalf of Podravka d.d. as security for loans granted by Podravka during 2009.

By acquiring these shares, on 29 September 2014 Podravka d.d., in accordance with the Act on the Takeover of Joint Stock Companies, issued a bid for taking over the remaining shares of Mirna d.d. at the price of HRK 38.02 per share, other than those carrying pledges. The takeover bid was accepted by seven shareholders, whereby Podravka d.d. acquired additional 37,153 shares, or additional 10.09% of the total issued shares of Mirna d.d. Following the takeover bid, Podravka d.d. became the holder of 235,362 shares of Mirna d.d. or 63.95% of the total issued shares.

In December 2014, Management of Mirna d.d. submitted a request to initiate the pre-bankruptcy settlement proceeding following the freezing of Mirna d.d. account, which was rejected. However, as at 29 January 2015, the Commercial Court in Rijeka decided to initiate the preliminary procedure for determining whether the conditions are met for initiating the bankruptcy procedure of the company Mirna d.d. As part of this, the temporary bankruptcy manager was appointed, and the hearing was scheduled for 30 March 2015.



MANAGEMENT BOARD

At the hearing held as at 30 March on the Commercial Court in Rijeka it was established that there are no longer reasons to initiate the bankruptcy procedure over Mirna d.d. from Rovinj. Considering that by the completion of the preliminary procedure, the debtor Mirna d.d. became solvent as its account was unblocked, reasons envisaged by law for further bankruptcy procedures are no longer valid. Podravka d.d. as the majority shareholder of Mirna d.d. directly settled a significant amount of due claims by Mirna d.d. and provided guarantees for settling other claims by the creditors of Mirna d.d. which are registered in the register of FINA. This creates preconditions for further normal operations of Mirna d.d.

On 9 July 2015, Podravka acquired additional 11.64% shares of the company Mirna d.d., reaching 75.59% ownership share in the company.

Key business highlights of 1 – 6 2015

The first half 2015 has brought HRK 844.9 million of sales revenues, 1.5% higher compared to the same period last year. Growth was mainly driven by Soups subcategory in Adria region as a result of sales of wider range of soups assortment in retail stores.

Total operating expenses fell by 0.2% to HRK 804.1 million helped by HRK 31.2 million missing severance costs burden from the first half of 2014. Without severance payments impact, operating costs are showing an increase, coming from activities related to Žito and Mirna Inc. acquisitions.

Operating profit stepped-up by 39.5% to HRK 72.7 million strongly impacted by 2014 severance costs included in 2014 operating result.

Net financial income in the amount of HRK 8.7 million includes recognition of income coming from the fair valuation of the land invested into Belupo Inc. share capital increase, while last year's comparative period recorded net financial expenses in amount of HRK 11.2 million.

As a result of all mentioned above the Company recorded net profit in amount of HRK 69.3 million in the first half of 2015.

Podravka Inc. total assets as at 30 June 2015 were HRK 2,633.9 million which is HRK 51.2 million higher when compared to the 2014 year end. The most significant changes occurred in trade receivables and cash and cash equivalents. Trade receivables increased by 8.9% as a result of their seasonality since the Company is traditionally



MANAGEMENT BOARD

showing an increase in sales orders during pre-summer season comparing to the year end. At the same time cash and cash equivalents decreased by HRK 72.7 million compared to the end of 2014, which is explained later in this section. On the liabilities side, long term liabilities to banks and other financial institutions decreased following the repayment of a portion of long term liabilities. Simultaneously, short term liabilities to banks and other financial institutions increased as a result of new short term loans for maintaining expected liquidity levels in the first half of 2015. New short term loans were, among others, used to settle due liabilities of Mirna Inc. in order to avoid bankruptcy proceedings, as well as for financing Žito acquisition pre-activities. Share capital was increased following the General assembly decision to reinvest part of 2014 net profit from 3 June 2015. In accordance with that decision, nominal value of Podravka Inc. shares was increased from HRK 200.00 to HRK 220.00, which resulted with 10.0% share capital increase compared to 2014 year end.

Cash flow from business activities was negative HRK 22.2 million in the first half of 2015 as a result of increased short term receivables connected to the acquisition activities. At the same time cash flow from investing activities was negative HRK 37.4 million mostly as a result of capital expenditures, while cash flow from financing activities was negative HRK 13.1 million mostly as a consequence of higher repayments than received loans. Received and repaid loans were related to usual credit activities that involve short term loans for liquidity, partial repayment of credit liabilities and other standard credit activities, including activities related to the Mirna Inc. and Žito acquisition. Altogether in the first half of 2015 cash and cash equivalents decreased by HRK 72.7 million resulting in HRK 16.1 million of cash and cash equivalents as at 30 June 2015.

President of the Management Board:



Zvonimir Mršić



MANAGEMENT BOARD

UNCONSOLIDATED FINANCIAL REPORTS FOR THE PERIOD JANUARY – JUNE 2015



MANAGEMENT BOARD

Appendix 1

Reporting period:

1.1.2015.

to

30.03.2015.


Quarterly financial report of entrepreneur - TFI-POD

Registration number (MB)	83454088	
Identification number of subject (MBS)	01000549	
Personal identification number (OIB)	18928523252	
Issuer company:	PODRAVKA prehrambena industrija d.d., KOPRIVNICA	
Postal code and place:	48000 KOPRIVNICA	
Street and number:	ANTE STARČEVIĆA 32	
E-mail address:	podravka@podravka.hr	
Internet address:	www.podravka.com	
Code and name of consumption:	201 KOPRIVNICA	
Code and county name:	6 KOPRIVNIČKO-KRŽEVAČKA	
Number of employees (at quarter end)	2994	
Consolidated statement:	NO	
NKD/MWC code:	1039	
Subsidiaries subject to consolidation (according to IFRS):	Headquarters:	Registration number:

Book keeping service:		
Contact person:	Brajević Iva	
(authorized person for representation)		
Phone number:	048 951 228	Facsimile: 048 220 562
E-mail address:	iva.brajevic@podravka.hr	
Surname and name:	Mršić Zvonimir	
(authorized person for representation)		

Disclosure documents:

1. Financial statements (balance sheet, profit and loss account, cash flow statement, statement of changes in shareholders' equity and notes to the financial statements)
2. Interim management Report
3. Statement of responsible persons for preparation of financial statements


(signed by authorized person for representation)





MANAGEMENT BOARD

PROFIT AND LOSS ACCOUNT
for the period 1.1.2015. to 30.06.2015.

Obligator: Podravka prehrambena industrija d.d., Koprivnica					
Item	ADP code	Last Year		Current year	
		Cumulative	Quarterly	Cumulative	Quarterly
		2	3	2	3
I. OPERATING REVENUE (112+113)	111	818.975.412	471.258.194	876.244.792	451.292.752
1. Sales revenue	112	832.425.911	484.119.189	884.901.048	440.222.768
2. Other operating revenues	113	25.613.601	16.924.001	31.843.142	17.628.974
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)	114	805.912.182	422.728.061	804.083.042	422.728.022
1. Changes in value of work in progress and Finished products	115	8.885.201	6.502.012	9.142.481	7.191.949
2. Material costs (117 to 119)	116	532.832.688	279.799.248	545.378.496	286.861.679
a) Raw material and material costs	117	293.232.288	148.898.992	295.499.858	150.118.782
b) Costs of goods sold	118	121.960.218	73.865.276	142.835.644	76.808.303
c) Other material costs	119	117.639.182	57.035.980	107.042.994	59.934.594
3. Staff costs (121 to 123)	120	168.885.421	84.888.021	168.577.804	82.204.245
a) Net salaries and wages	121	99.121.025	48.786.494	98.284.683	49.852.189
b) Cost for taxes and contributions from salaries	122	43.278.752	22.881.338	43.192.518	22.144.188
c) Contributions on gross salaries	123	26.485.644	13.220.289	27.099.603	12.207.868
4. Depreciation	124	25.148.911	17.574.076	25.582.014	20.217.022
5. Other costs	125	67.696.514	24.562.626	69.015.676	25.918.889
6. Impairment (127+128)	126	-5.980.002	-2.058.136	-604.621	-627.122
a) Impairment of long-term assets (financial assets excluded)	127	0	0	0	0
b) Impairment of short-term assets (financial assets excluded)	128	-5.980.002	-2.058.136	-604.621	-627.122
7. Provisions	129	335.592	338.882	0	0
8. Other operating costs	130	17.005.215	8.329.624	20.585.886	8.788.224
III. FINANCIAL INCOME (132 to 136)	131	18.221.132	16.941.735	21.982.274	22.945.022
1. Interest income, foreign exchange gains, dividends and similar income from related parties	132	4.482.867	1.486.842	27.082.273	3.467.022
2. Interest income, foreign exchange gains, dividends and similar income from non-related parties	133	11.630.888	8.276.887	13.158.866	7.528.000
3. Share in income from affiliated entrepreneurs and participating interests	134	0	0	13.564.288	13.888.208
4. Unrealized gains (income) from financial assets	135	907.211	-121.580	1.347.209	1.347.209
5. Other financial income	136	0	0	0	0
IV. FINANCIAL EXPENSES (138 to 141)	137	27.470.808	13.423.891	23.280.895	12.542.801
1. Interest expenses, foreign exchange losses, dividends and similar expenses from related parties	138	2.841.222	2.497.461	3.822.813	3.368.228
2. Interest expenses, foreign exchange losses, dividends and similar expenses from non-related parties	139	24.427.622	11.527.126	19.457.852	8.823.229
3. Unrealized losses (expenses) on financial assets	140	0	0	0	-262.271
4. Other financial expenses	141	0	0	0	0
V. INCOME FROM INVESTMENT - SHARE IN PROFIT OF ASSOCIATED ENTREPRENEURS	142	0	0	0	0
VI. LOSS FROM INVESTMENT - SHARE IN LOSS OF ASSOCIATED ENTREPRENEURS	143	0	0	0	0
VII. EXTRAORDINARY - OTHER INCOME	144	0	0	0	0
VIII. EXTRAORDINARY - OTHER EXPENSES	145	0	0	0	0
IX. TOTAL INCOME (111+131+142 + 144)	146	214.242.541	207.680.849	209.792.064	181.577.754
X. TOTAL EXPENSES (114+137+143 + 145)	147	223.271.266	126.551.898	227.368.627	123.271.272
XI. PROFIT OR LOSS BEFORE TAXATION (146-147)	148	40.919.476	45.120.951	81.205.127	41.306.482
1. Profit before taxation (146-147)	148	40.919.476	45.120.951	81.205.127	41.306.482
2. Loss before taxation (147-146)	149	0	0	0	0
XII. PROFIT TAX	151	7.368.052	7.388.852	11.894.321	11.894.321
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	33.551.424	37.732.099	69.310.806	29.412.161
1. Profit for the period (148-151)	152	33.551.424	37.732.099	69.310.806	29.412.161
2. Loss for the period (151-148)	153	0	0	0	0
APPENDIX to P&L account (to be filled in by entrepreneur that prepares consolidated financial report)					
XIV. PROFIT OR LOSS FOR THE PERIOD					
1. Attributed to equity holders of parent company	155	0	0	0	0
2. Attributed to minority interest	156	0	0	0	0
STATEMENT OF OTHER COMPREHENSIVE INCOME (OCI)					
I. PROFIT OR LOSS FOR THE PERIOD (152)	157	33.551.424	37.732.099	69.310.806	29.412.161
II. OTHER COMPREHENSIVE INCOME / LOSS BEFORE TAX (159 to 165)	158	0	0	0	0
1. Exchange differences on translation of foreign operations	159	0	0	0	0
2. Movements in revaluation reserves of long-term tangible and intangible assets	160	0	0	0	0
3. Profit or loss from revaluation of financial assets available for sale	161	0	0	0	0
4. Gains or losses on efficient cash flow hedging	162	0	0	0	0
5. Gains or losses on efficient hedge of a net investment in foreign countries	163	0	0	0	0
6. Share in other comprehensive income / loss of associated companies	164	0	0	0	0
7. Actuarial gains / losses on defined benefit plans	165	0	0	0	0
III. TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD	166	0	0	0	0
IV. NET OTHER COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (158-166)	167	0	0	0	0
V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (157+167)	168	33.551.424	37.732.099	69.310.806	29.412.161
APPENDIX to Statement of other comprehensive income (to be filled in by entrepreneur that prepares consolidated financial report)					
VI. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD					
1. Attributed to equity holders of parent company	169	0	0	0	0
2. Attributed to minority interest	170	0	0	0	0



MANAGEMENT BOARD

BALANCE SHEET

as at 30.06.2015.

Obligator: Podravka prehrambena industrija d.d., Koprivnica			
Item	ADP code	Last year (net)	Current year (net)
1	2	3	4
ASSETS			
A) RECEIVABLES FOR SUBSCRIBED BUT NOT PAID-IN CAPITAL	001	0	0
B) LONG-TERM ASSETS (003+010+020+029+033)	002	1.216.850.000	1.212.854.366
I. INTANGIBLE ASSETS (004 to 009)	003	121.249.657	120.992.132
1. Assets development	004	0	0
2. Concessions, patents, licences fees, trade and service marks, software and other rights	005	123.959.577	114.611.809
3. Goodwill	006	0	0
4. Prepayments for purchase of intangible assets	007	0	0
5. Intangible assets in preparation	008	7.289.680	15.380.274
6. Other intangible assets	009	0	0
II. TANGIBLE ASSETS (011 to 019)	010	696.007.450	686.120.537
1. Land	011	33.620.570	28.379.651
2. Buildings	012	397.596.604	387.703.372
3. Plant and equipment	013	193.426.174	201.136.260
4. Tools, facility inventory and transport assets	014	7.710.488	8.694.287
5. Biological assets	015	0	0
6. Prepayments for tangible assets	016	880.789	3.172.463
7. Tangible assets in progress	017	58.566.088	48.444.127
8. Other tangible assets	018	737.875	730.637
9. Investments in buildings	019	0	0
III. LONG-TERM FINANCIAL ASSETS (021 to 028)	020	452.626.748	489.304.418
1. Investments (shares) with related parties	021	372.382.313	385.405.028
2. Loans given to related parties	022	73.250.000	85.973.631
3. Participating interest (shares)	023	2.219.793	917.568
4. Loans to entrepreneurs in whom the entity holds participating interests	024	0	0
5. Investments in securities	025	0	0
6. Loans, deposits and similar assets	026	4.904.640	4.026.289
7. Other long - term financial assets	027	0	0
8. Investments accounted by equity method	028	0	0
IV. RECEIVABLES (030 to 032)	029	0	0
1. Receivables from related parties	030	0	0
2. Receivables from based on trade loans	031	0	0
3. Other receivables	032	0	0
V. DEFERRED TAX ASSETS	033	36.963.845	36.332.390
C) SHORT TERM ASSETS (035+043+050+056)	034	1.257.415.763	1.253.608.493
I. INVENTORIES (036 to 042)	035	526.076.990	537.873.697
1. Raw-material and supplies	036	117.481.771	120.306.907
2. Work in progress	037	27.484.469	19.213.333
3. Finished goods	038	114.028.707	124.725.001
4. Merchandise	039	67.434.564	69.534.515
5. Prepayments for inventories	040	0	0
6. Long - term assets held for sales	041	209.712.377	206.094.441
7. Biological assets	042	0	0
II. RECEIVABLES (044 to 049)	043	594.902.173	625.898.730
1. Receivables from related parties	044	355.662.505	375.384.766
2. Accounts receivable	045	178.086.430	222.448.878
3. Receivables from participating parties	046	0	0
4. Receivables from employees and members of related parties	047	669.443	553.280
5. Receivables from government and other institutions	048	5.765.821	482.622
6. Other receivables	049	32.008.974	27.026.984
III. SHORT TERM FINANCIAL ASSETS (051 to 057)	050	57.652.160	73.023.196
1. Shares (stocks) in related parties	051	20.000	20.000
2. Loans given to related parties	052	54.672.813	69.909.253
3. Participating interests (shares)	053	0	0
4. Loans to entrepreneurs in whom the entity holds participating interests	054	0	0
5. Investments in securities	055	476.000	1.746.936
6. Loans, deposits, etc.	056	2.483.373	1.955.935
7. Other financial assets	057	0	291.174
IV. CASH AT BANK AND IN CASHIER	058	69.785.415	75.106.831
D) PREPAID EXPENSES AND ACCRUED REVENUE	059	8.456.397	67.330.049
E) TOTAL ASSETS (001+002+034+059)	060	2.582.722.165	2.633.694.873
F) OFF-BALANCE RECORDS	061	509.589.435	599.272.993



MANAGEMENT BOARD

Obligator: Podravka prehrambena Industrija d.d., Koprivnica				
Item	ICP code	Last year (net)	Current year (net)	
1	2	3	4	
LIABILITIES AND CAPITAL				
A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	1.337.903.808	1.400.967.820	
I. SUBSCRIBED CAPITAL	063	1.084.000.800	1.192.400.800	
II. CAPITAL RESERVES	064	45.703.751	45.223.417	
III. RESERVES FROM PROFIT (065+067-068+069+070)	065	5.523.313	99.098.603	
1. Reserves prescribed by law	066	2.568.586	12.651.099	
2. Reserves for treasury shares	067	67.604.502	147.604.502	
3. Treasury stocks and shares (deduction)	068	67.604.502	67.305.062	
4. Statutory reserves	069	0	0	
5. Other reserves	070	2.955.027	6.149.052	
IV. REVALUATION RESERVES	071	0	0	
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	072	902.407	902.407	
1. Retained earnings	073	902.407	902.407	
2. Accumulated loss	074	0	0	
VI. PROFIT/LOSS FOR THE CURRENT YEAR (075-077)	075	201.673.837	68.344.606	
1. Profit for the current year	076	201.673.837	68.344.606	
2. Loss for the current year	077	0	0	
IX. MINORITY INTERESTS	078	0	0	
B) PROVISIONS (080 to 082)	079	30.539.209	28.649.972	
1. Provisions for pensions, severance pay, and similar liabilities	080	14.493.800	14.493.800	
2. Reserves for tax liabilities	081	0	0	
3. Other reserves	082	16.079.409	14.159.172	
C) LONG - TERM LIABILITIES (084 to 092)	083	894.688.302	818.079.779	
1. Liabilities to related parties	084	0	0	
2. Liabilities for loans, deposits etc.	085	0	0	
3. Liabilities to banks and other financial institutions	086	894.688.302	818.079.779	
4. Liabilities for received prepayments	087	0	0	
5. Accounts payable	088	0	0	
6. Liabilities arising from debt securities	089	0	0	
7. Liabilities to entrepreneurs in whom the entity holds participating interests	090	0	0	
8. Other long-term liabilities	091	0	0	
9. Deferred tax liability	092	0	0	
D) SHORT - TERM LIABILITIES (094 to 105)	093	473.188.131	527.830.048	
1. Liabilities to related parties	094	50.437.532	25.079.697	
2. Liabilities for loans, deposits etc.	095	429.443	429.968	
3. Liabilities to banks and other financial institutions	096	173.261.918	252.502.473	
4. Liabilities for received prepayments	097	0	37.903	
5. Accounts payable	098	214.401.372	205.169.935	
6. Liabilities arising from debt securities	099	0	0	
7. Liabilities to entrepreneurs in whom the entity holds participating interests	100	0	0	
8. Liabilities to employees	101	28.776.202	33.420.799	
9. Liabilities for taxes, contributions and similar fees	102	1.043.358	98.262.021	
10. Liabilities to share - holders	103	676.868	676.868	
11. Liabilities for long-term assets held for sale	104	0	0	
12. Other short - term liabilities	105	3.267.841	4.461.407	
E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO FUTURE PERIOD	106	46.444.585	42.382.262	
F) TOTAL - CAPITAL AND LIABILITIES (062+079+083+093+106)	107	2.582.722.185	2.633.894.873	
G) OFF-BALANCE RECORDS	108	608.585.439	608.272.903	
APPENDIX to balance sheet (to be filled in by entrepreneur that prepares consolidated annual financial report)				
CAPITAL AND RESERVES				
1. Attributed to equity holders of parent company	109	0	0	
2. Attributed to minority interest	110	0	0	



MANAGEMENT BOARD

STATEMENT OF CASH FLOWS - INDIRECT METHOD
for the period 1.1.2015. to 30.06.2015.

Obligator: Podravka prehrambena industrija d.d., Koprivnica			
Item	AOP code	Last year	Current year
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Profit before tax	001	40.909.476	61.339.120
2. Depreciation	002	35.149.971	39.083.014
3. Increase in short term liabilities	003	0	10.750.609
4. Decrease in short term receivables	004	0	0
5. Decrease in inventories	005	0	0
6. Other increase in cash flow	006	6.093.991	7.544.540
I. Total increase in cash flow from operating activities (001 to 006)	007	83.052.438	139.217.269
1. Decrease in short term liabilities	008	3.163.806	0
2. Increase in short term receivables	009	11.887.441	109.246.005
3. Increase in inventories	010	26.495.287	6.415.635
4. Other decrease in cash flow	011	20.071.210	45.723.446
II. Total decrease in cash flow from operating activities (008 to 011)	012	61.617.744	161.385.086
A1) NET INCREASE IN CASH FLOW FROM OPERATING ACTIVITIES (007-012)	013	21.434.694	0
A2) NET DECREASE IN IN CASH FLOW FROM OPERATING ACTIVITIES (012-007)	014	0	22.167.797
CASH FLOW FROM INVESTING ACTIVITIES			
1. Cash inflows from sales of long-term tangible and intangible assets	015	2.029.184	4.399.101
2. Cash inflows from sales of equity and debt instruments	016	0	0
3. Interests receipts	017	2.220.139	4.103.735
4. Dividend receipts	018	0	0
5. Other cash inflows from investing activities	019	9.039.578	6.502.971
III. Total cash inflows from investing activities (015 to 019)	020	13.288.901	17.005.807
1. Cash outflow for purchase of long-term tangible and intangible assets	021	66.532.364	32.221.825
2. Cash outflow for acquisition of equity and debt financial instruments	022	16.008	1.854.322
3. Other cash outflow for investing activities	023	12.007.200	20.395.502
IV. Total cash outflow for investing activities (021 do 023)	024	78.555.572	54.471.649
B1) NET INCREASE IN CASH FLOW FROM INVESTING ACTIVITIES (020-024)	025	0	0
B2) NET DECREASE IN CASH FLOW FROM INVESTING ACTIVITIES (024-020)	026	65.266.671	37.375.842
CASH FLOW FROM FINANCIAL ACTIVITIES			
1. Cash inflow from issuing property and debt financial instruments	027	0	0
2. Proceeds from the credit principal, promissory notes, borrowings and other loans	028	409.763.594	95.243.263
3. Other proceeds from financial activities	029	0	1.302.800
V. Total cash inflows from financial activities (027 to 029)	030	409.763.594	96.546.063
1. Cash outflow for repayment of credit principal and bonds	031	349.340.637	107.718.768
2. Cash outflow for dividends paid	032	0	0
3. Cash outflow for financial lease	033	344.432	365.900
4. Cash outflow for purchase of treasury shares	034	0	1.996.300
5. Other cash outflow for financial activities	035	0	0
VI. Total cash outflow for financial activities (031 to 035)	036	349.685.069	109.651.108
C1) NET INCREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES (030-036)	037	54.078.515	0
C2) NET DECREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES (036-030)	038	0	13.134.945
Total increase in cash flow (013 – 014 + 025 – 026 + 037 – 038)	039	10.246.546	0
Total decrease in cash flow (014 – 013 + 026 – 025 + 038 – 037)	040	0	72.678.584
Cash and cash equivalents at the beginning of the period	041	72.907.990	88.765.415
Increase of cash and cash equivalents	042	10.246.546	0
Decrease of cash and cash equivalents	043	0	72.678.584
Cash and cash equivalents at the end of the period	044	83.154.536	16.106.831



MANAGEMENT BOARD

STATEMENT OF CHANGES IN EQUITY
for the period 1.1.2015. to 30.06.2015.

Obligator: Podravka prehrambena industrija d.d., Koprivnica			
Item	ADP code	Last year	Current year
1	2	3	4
1. Subscribed capital	001	1.084.000.800	1.192.400.860
2. Capital reserves	002	45.763.751	45.223.417
3. Reserves from profit	003	5.523.313	69.096.530
4. Retained earnings or accumulated loss	004	902.407	902.407
5. Profit or loss for the current year	005	201.673.837	69.344.806
6. Revaluation of long - term tangible assets	006	0	0
7. Revaluation of intangible assets	007	0	0
8. Revaluation of financial assets available for sale	008	0	0
9. Other revaluation	009	0	0
10. Total capital and reserves (ADP 001 do 009)	010	1.337.863.998	1.406.967.820
11. Currency gains and losses arising from net investment in foreign operations	011	0	0
12. Current and deferred taxes (part)	012	0	0
13. Cash flow hedging	013	0	0
14. Changes in accounting policy	014	0	0
15. Correction of significant errors in prior period	015	0	0
16. Other changes of capital	016	203.554.382	69.103.912
17. Total increase or decrease in capital (ADP 011 do 016)	017	203.554.382	69.103.912
17 a. Attributed to equity holders of parent company	018	0	0
17 b. Attributed to minority interest	019	0	0

Notes to the financial statements:

Accounting policies in year 2015 did not change.



MANAGEMENT BOARD

STATEMENT FROM EXECUTIVES RESPONSIBLE FOR PREPARING FINANCIAL STATEMENTS

Koprivnica, 24 July 2015

STATEMENT FROM EXECUTIVES RESPONSIBLE FOR PREPARING FINANCIAL STATEMENTS

Financial statements of Podravka d.d. for the period January – June 2015 have been prepared in compliance with the Accounting Act of the Republic of Croatia and International Financial Reporting Standards (IFRS) and provide an overall and true presentation of assets, liabilities, profit and loss, financial position and business operations.

Financial statements of Podravka d.d. for the period January – June 2015 were approved by the Management Board on 24th July 2015.

Corporate Accounting and Taxes Director:
Iva Brajević

Board Member:
Miroslav Klepac



MANAGEMENT BOARD

Contact

Podravka d.d.

Ante Starčevića 32, 48 000 Koprivnica, Croatia

www.podravka.hr

Investor relations

e-mail: ir@podravka.hr

Tel: +385 48 65 16 65

Mob: +385 99 43 85 007