

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

LUKA PLOČE GROUP

**UNAUDITED CONSOLIDATED REPORT
FOR PERIOD
FROM 01.01. UNTIL 30.09.2018.**

Ploče, October 2018.



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**BUSINESS REPORT OF LUKA PLOČE GROUP
IN PERIOD 01.01.2018. – 30.09.2018.**

Management Board's Statement on the position of the Luka Ploče Group for the third quarter of year 2018.

Financial results of Luka Ploče Group for the third quarter of year 2018. are:

- Luka Ploče Group comprises Luka Ploče d.d., Pomorski servis Luka Ploče d.o.o, Luka Šped d.o.o. and Pločanska plovidba d.o.o.
- Operating revenues are 177,38 million kuna and have reported an increase of 6,95 % in comparison to the same period of the previous year.
- Operating expenses are 173,63 million kuna. Without expenses attributed to the sale of goods they recorded an increase of 6,23 % in comparison to the previous reporting period.
- EBITDA (profit before interests, taxation and depreciation): 8,88 million kuna
- EBITDA margin: 5,01 %
- EBIT: 3,75 million kuna
- EBIT margin: 2,11 %
- Net profit 3,85 million kuna

Indicators	Realized 1-9/2017	Realized 1-9/2018	2018/2017
Liquidity ratios			
Working capital	249.538.639	228.684.239	-8,36%
Current liquidity	21,51	11,21	-47,88%
Turnover of working capital	0,66	0,78	16,71%
Days of working capital	406,24	348,09	-14,32%
Days in period	270	270	
Debt indicators			
Current liabilities / equity	0,03	0,05	83,16%
Long term liabilities/ equity	0,12	0,27	119,80%
Borrowings /equity	0,12	0,28	139,83%
Total liabilities / assetss	0,15	0,32	118,08%
Profitability ratios			
EBITDA margin	6,73%	5,01%	-25,63%
EBIT margin	2,81%	2,11%	-24,77%
NET margin	1,83%	2,17%	19,03%
Productivity Indicators			
Number of employees	553	534	-3,44%
Revenue per employee (in thousands)	299.909	332.176	10,76%

In Ploče, October 29th 2018.

Capt.Ivan Pavlović dipl.ing.

President of Board

Appendix 1

Reporting period:

01.01.2018.

to

30.09.2018.

Annual financial statement of the entrepreneur - GFI-POD

Registration number (MB): 03036138

Identification number of subject: 0900065233

Personal identification number (OIB): 5122874907

Issuer company: LUKA PLOČE

Postal code and place: 20340 PLOČE

Street and number: TRG KRALJA TOMISLAVA 21

E-mail address: financije@luka-ploce.hrInternet address: www.luka-ploce.hr

Code and name of comune/town: 335 PLOČE

Code and county name: 19 DUBROVAČKO-NERETVANSKA

Number of employees (at quarter end): 534

Consolidated statement: YES

NKD/NWC code: 5224

Subsidiaries subject to consolidation (according to IFRS):

Personal identification number (OIB)

POMORSKI SERVIS - LUKA PLOČE d.o.o. LUČKA BOSANSKA OBALA b.b. PLOČE 18875024938

LUKA ŠPED d.o.o. LUČKA CESTA b.b. PLOČE 28527523504

PLOČANSKA PLOVIDBA d.o.o. LUČKA CESTA b.b. PLOČE 39778257122

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 Board'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 30.09.2018.

Luka Ploče Group			
Position	AOP	Previous year	Current year
1	2	3	4
ASSETS			
A) RECEIVABLES FOR SUBSCRIBED BUT NOT PAID-IN CAPITAL	001		
B) LONG-TERM ASSETS (003+010+020+029+033)	002	338.717.118	300.104.482
I. INTANGIBLE ASSETS (004 to 009)	003	999.573	720.742
1. Assets development	004		
2. Concessions, patents, licences fees, trade and service marks, software and other rights	005		
3. Goodwill	006		
4. Prepayments for purchase of intangible assets	007		
5. Intangible assets in preparation	008		
6. Other intangible assets	009	999.573	720.742
II. TANGIBLE ASSETS (011 to 019)	010	279.729.789	294.872.717
1. Land	011	2.138.881	2.138.881
2. Buildings	012	8.711.808	8.593.450
3. Plant and equipment	013	52.749.690	50.612.090
4. Tools, facility inventory and transport assets	014	11.503.199	17.315.130
5. Biological assets	015		
6. Prepayments for tangible assets	016	22.498.309	22.393.690
7. Tangible assets in progress	017	177.453.369	189.216.987
8. Other tangible assets	018		
9. Investments in buildings	019	4.674.533	4.602.489
III. LONG-TERM FINANCIAL ASSETS (021 to 028)	020	54.096.407	621.153
1. Investments (shares) with related parties	021		
2. Loans given to related parties	022		
3. Participating interest (shares)	023	584.807	584.807
4. Loans to entrepreneurs in whom the entity holds participating interests	024		
5. Investments in securities	025		
6. Loans, deposits and similar assets	026	53.511.600	36.346
7. Other long - term financial assets	027		
8. Investments accounted by equity method	028		
IV. RECEIVABLES (030 to 032)	029	1.996.062	1.994.583
1. Receivables from related parties	030		
2. Receivables from based on trade loans	031	1.996.062	1.994.583
3. Other receivables	032		
V. DEFERRED TAX ASSETS	033	1.895.287	1.895.287
C) SHORT TERM ASSETS (035+043+050+058)	034	231.797.188	249.827.410
I. INVENTORIES (036 to 042)	035	31.595.404	3.969.265
1. Raw-material and supplies	036	2.881.487	3.926.669
2. Work in progress	037		
3. Finished goods	038		
4. Merchandise	039	28.688.799	42.057
5. Prepayments for inventories	040	25.118	539
6. Long - term assets held for sales	041		
7. Biological assets	042		
II. RECEIVABLES (044 to 049)	043	74.334.949	73.895.875
1. Receivables from related parties	044		
2. Accounts receivable	045	69.668.992	71.031.197
3. Receivables from participating parties	046		11.288
4. Receivables from employees and members of related parties	047		5.419
5. Receivables from government and other institutions	048	2.068.307	2.695.237
6. Other receivables	049	2.597.650	152.734
III. SHORT TERM FINANCIAL ASSETS (051 to 057)	050	81.770.381	1.176.809
1. Shares (stocks) in related parties	051		
2. Loans given to related parties	052		
3. Participating interests (shares)	053	350.875	350.875
4. Loans to entrepreneurs in whom the entity holds participating interests	054		
5. Investments in securities	055		
6. Loans, deposits, etc.	056	81.419.506	825.934
7. Other financial assets	057		
IV. CASH AT BANK AND IN CASHIER	058	44.096.454	170.785.461
D) PREPAID EXPENSES AND ACCRUED REVENUE	059		1.252.754
E) TOTAL ASSETS (001+002+034+059)	060	570.514.306	551.184.646
F) OFF-BALANCE RECORDS	061		

Position	AOP	Previous year	Current year
1	2	3	4
LIABILITIES AND CAPITAL			
A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	411.086.997	414.924.524
I. SUBSCRIBED CAPITAL	063	169.186.800	169.186.800
II. CAPITAL RESERVES	064	88.107.087	88.107.087
III. RESERVES FROM PROFIT (066+067-068+069+070)	065	39.187.369	39.187.369
1. Reserves prescribed by law	066	8.459.340	8.459.340
2. Reserves for treasury shares	067	8.904.560	8.904.560
3. Treasury stocks and shares (deduction)	068	1.066.317	1.066.317
4. Statutory reserves	069		
5. Other reserves	070	22.889.786	22.889.786
IV. REVALUATION RESERVES	071		
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	072	113.348.531	114.588.668
1. Retained earnings	073	113.348.531	114.588.668
2. Accumulated loss	074		
VI. PROFIT/LOSS FOR THE CURRENT YEAR (076-077)	075	1.257.210	3.854.600
1. Profit for the current year	076	1.257.210	3.854.600
2. Loss for the current year	077		
VII. MINORITY INTERESTS	078		
B) PROVISIONS (080 to 082)	079	2.505.250	2.505.249
1. Provisions for pensions, severance pay, and similar liabilities	080	1.735.063	1.735.062
2. Reserves for tax liabilities	081		
3. Other reserves	082	770.187	770.187
C) LONG - TERM LIABILITIES (084 to 092)	083	102.555.672	111.358.948
1. Liabilities to related parties	084		
2. Liabilities for loans, deposits etc.	085		
3. Liabilities to banks and other financial institutions	086	101.253.175	110.057.413
4. Liabilities for received prepayments	087		
5. Accounts payable	088		
6. Liabilities arising from debt securities	089		
7. Liabilities to entrepreneurs in whom the entity holds participating interests	090		
8. Other long-term liabilities	091	1.302.497	1.301.535
9. Deferred tax liability	092		
D) SHORT - TERM LIABILITIES (094 to 105)	093	54.366.387	20.992.700
1. Liabilities to related parties	094		0
2. Liabilities for loans, deposits etc.	095		
3. Liabilities to banks and other financial institutions	096	9.386.252	7.007.217
4. Liabilities for received prepayments	097	87.357	88.356
5. Accounts payable	098	38.158.114	8.053.827
6. Liabilities arising from debt securities	099		
7. Liabilities to entrepreneurs in whom the entity holds participating interests	100	1.021.481	250.341
8. Liabilities to employees	101	3.135.449	3.259.941
9. Liabilities for taxes, contributions and similar fees	102	1.969.882	1.984.397
10. Liabilities to share - holders	103		
11. Liabilities for long-term assets held for sale	104		
12. Other short - term liabilities	105	607.852	348.621
E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO FUTURE PERIOD	106		1.403.225
F) TOTAL – CAPITAL AND LIABILITIES (062+079+083+093+106)	107	570.514.306	551.184.646
G) OFF-BALANCE RECORDS	108		0
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	411.086.997	414.924.524
2. Attributed to minority interest	110	0	

PROFIT AND LOSS ACCOUNT
in period from 01.01.2018. until 30.09.2018.

Luka Ploče Group							in Kunas				
Position							AOP	Previous year		Current year	
								Cummulative	Quarter	Cummulative	Quarter
1							2	3	4	5	6
I. OPERATING REVENUE (112+113)							111	165.849.587	60.496.176	177.381.896	56.046.779
1. Sales revenue							112	164.734.262	60.337.542	176.325.837	57.993.557
2. Other operating revenues							113	1.115.325	158.634	1.056.059	-1.946.778
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)							114	161.191.708	58.020.848	173.633.957	54.903.969
1. Changes in value of work in progress and finished products							115				0
2. Material costs (117 to 119)							116	102.101.471	37.884.050	113.021.198	35.717.437
a) Raw material and material costs							117	8.878.977	1.650.401	10.140.829	3.433.809
b) Costs of goods sold							118	80.625.028	32.290.053	89.824.942	28.152.211
c) Other external costs							119	12.597.466	3.943.596	13.055.427	4.131.417
3. Staff costs (121 to 123)							120	43.935.985	14.765.401	44.602.261	15.248.503
a) Net salaries and wages							121	27.797.763	9.325.643	28.053.331	9.549.451
b) Cost for taxes and contributions from salaries							122	9.700.492	3.277.209	10.058.607	3.487.118
c) Contributions on gross salaries							123	6.437.730	2.162.549	6.490.323	2.211.934
4. Depreciation							124	6.505.426	2.186.394	5.131.300	1.701.002
5. Other costs							125	8.632.028	3.168.205	10.879.198	2.237.027
6. Impairment (127+128)							126	16.798	16.798	0	0
a) Impairment of long-term assets (financial assets excluded)							127		16.798		0
b) Impairment of short - term assets (financial assets excluded)							128	16.798		0	0
7. Provisions							129				0
8. Other operating costs							130				0
III. FINANCIAL INCOME (132 to 136)							131	0	0	200.863	200.863
1. Interest income, foreign exchange gains, dividends and similar income from related							132				0
2. Interest income, foreign exchange gains, dividends and similar income from non -							133			200.863	200.863
3. Share in income from affiliated entrepreneurs and participating interests							134				0
4. Unrealized gains (income) from financial assets							135				0
5. Other financial income							136				0
IV. FINANCIAL EXPENSES (138 to 141)							137	1.630.023	82.118	94.202	-1.434.649
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	139.725	82.118	94.202	28.721
3. Unrealized losses (expenses) on financial assets							140	1.490.298			
4. Other financial expenses							141				-1.463.370
V. INCOME FROM INVESTMENT - SHARE IN PROFIT OF ASSOCIATED ENTREPRENEURS							142				0
VI. LOSS FROM INVESTMENT - SHARE IN LOSS OF ASSOCIATED ENTREPRENEURS							143				0
VII. EXTRAORDINARY - OTHER INCOME							144				0
VIII. EXTRAORDINARY - OTHER EXPENSES							145				0
IX. TOTAL INCOME (111+131+142 + 144)							146	165.849.587	60.496.176	177.582.759	56.247.642
X. TOTAL EXPENSES (114+137+143 + 145)							147	162.821.731	58.102.966	173.728.159	53.469.320
XI. PROFIT OR LOSS BEFORE TAXATION (146-147)							148	3.027.856	2.393.210	3.854.600	2.778.322
1. Profit before taxation (146-147)							149	3.027.856	2.393.210	3.854.600	2.778.322
2. Loss before taxation (147-146)							150	0	0	0	0
XII. PROFIT TAX							151				
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)							152	3.027.856	2.393.210	3.854.600	2.778.322
1. Profit for the period (149-151)							153	3.027.856	2.393.210	3.854.600	2.778.322
2. Loss for the period (151-148)							154	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	3.027.856	2.393.210	3.854.600	2.778.322
2. Attributed to minority interest							156				
STATEMENT OF OTHER COMPREHENSIVE INCOME (IFRS)											
I. PROFIT OR LOSS FOR THE PERIOD (= 152)							157	3.027.856	2.393.210	3.854.600	2.778.322
II. OTHER COMPREHENSIVE INCOME / LOSS BEFORE TAX (159 to 165)							158	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				
III. TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD							166				
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	3.027.856	2.393.210	3.854.600	2.778.322
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				
2. Attributed to minority interest							170				

STATEMENT OF CASH FLOWS - INDIRECT METHOD
in period from 01.01.2018 until 30.09.2018.

Luka Ploče Group	in Kunas		
Position	AOP	Previous year	Current year
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Profit before tax	001	-594.325	3.854.600
2. Depreciation	002	6.989.018	5.131.300
3. Increase in short term liabilities	003	29.734.934	
4. Decrease in short term receivables	004		
5. Decrease in inventories	005		27.626.139
6. Other increase in cash flow	006	6.179.059	918.336
I. Total increase in cash flow from operating activities (001 to 006)	007	42.308.686	37.530.375
1. Decrease in short term liabilities	008		30.104.287
2. Increase in short term receivables	009	15.545.716	1.373.493
3. Increase in inventories	010	29.733.912	
4. Other decrease in cash flow	011	2.962.629	
II. Total decrease in cash flow from operating activities (008 to 011)	012	48.242.257	31.477.780
A1) NET INCREASE IN CASH FLOW FROM OPERATING ACTIVITIES	013	0	6.052.595
A2) NET DECREASE IN IN CASH FLOW FROM OPERATING ACTIVITIES	014	5.933.571	0
CASH FLOW FROM INVESTING ACTIVITIES			
1. Cash inflows from sales of long-term tangible and intangible assets	015	59.806	
2. Cash inflows from sales of equity and debt instruments	016		
3. Interests receipts	017		
4. Dividend receipts	018		7.218
5. Other cash inflows from investing activities	019	18.732.382	133.702.397
III. Total cash inflows from investing activities (015 to 019)	020	18.792.188	133.709.615
1. Cash outflow for purchase of long-term tangible and intangible assets	021	9.806.128	19.965.042
2. Cash outflow for acquisition of equity and debt financial instruments	022		
3. Other cash outflow for investing activities	023		
IV. Total cash outflow for investing activities (021 to 023)	024	9.806.128	19.965.042
B1) NET INCREASE IN CASH FLOW FROM INVESTING ACTIVITIES (020-024)	025	8.986.060	113.744.573
B2) NET DECREASE IN CASH FLOW FROM INVESTING ACTIVITIES	026	0	0
CASH FLOW FROM FINANCIAL ACTIVITIES			
1. Cash inflow from issuing property and debt financial instruments	027		
2. Proceeds from the credit principal, promissory notes, borrowings and other loans	028	2.071.577	9.176.446
3. Other proceeds from financial activities	029		
V. Total cash inflows from financial activities (027 to 029)	030	2.071.577	9.176.446
1. Cash outflow for repayment of credit principal and bonds	031	2.848.925	2.284.607
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		
VI. Total cash outflow for financial activities (031 to 035)	036	2.848.925	2.284.607
C1) NET INCREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES	037	0	6.891.839
C2) NET DECREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES	038	777.348	0
Total increase in cash flow (013 – 014 + 025 – 026 + 037 – 038)	039	2.275.141	126.689.007
Total decrease in cash flow (014 – 013 + 026 – 025 + 038 – 037)	040	0	0
Cash and cash equivalents at the beginning of the period	041	41.821.313	44.096.454
Increase of cash and cash equivalents	042	2.275.141	126.689.007
Decrease of cash and cash equivalents	043	0	0
Cash and cash equivalents at the end of the period	044	44.096.454	170.785.461

STATEMENT OF CHANGES IN EQUITY

for the period **1.1.2018** to **30.9.2018**

Position	AOP	Previous year	Current year
1	2	3	4
1. Subscribed capital	001	169.186.800	169.186.800
2. Capital reserves	002	88.107.087	88.107.087
3. Reserves from profit	003	39.187.369	39.187.369
4. Retained earnings or accumulated loss	004	113.348.531	114.588.668
5. Profit or loss for the current year	005	1.257.210	3.854.600
6. Revaluation of long - term tangible assets	006		
7. Revaluation of intangible assets	007		
8. Revaluation of financial assets available for sale	008		
9. Other revaluation	009		
10. Total capital and reserves (AOP 001 to 009)	010	411.086.997	414.924.524
11. Currency gains and losses arising from net investement in foreign operations	011		
12. Current and deferred taxes (part)	012		
13. Cash flow hedging	013		
14. Changes in accounting policy	014		
15. Correction of significant errors in prior period	015		
16. Other changes of capital	016		
17. Total increase or decrease in capital (AOP 011 to 016)	017	0	0
17 a. Attributed to equity holders of parent company	018	411.086.997	414.924.524
17 b. Attributed to minority interest	019	0	

Items which decrease capital are given with the negative prefix

MANAGEMENT LIABILITY STATEMENT

Hereby , pursuant to 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 third quarter of year 2018. give a complete and true representation of assets and obligations, profit and loss, financial position and business activities of the Company and companies being consolidated therein.

Željka Dodig

Capt. Ivan Pavlović

Member of the Board ,
Financial affairs

President of the Board