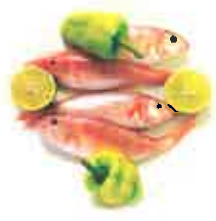




## Ledo Group

# Interim Management Report for the third quarter of 2014





dioničko društvo  
za proizvodnju i  
promet sladoleda  
i smrznute hrane



Zagreb, October 30, 2014

## Interim Management Report for the third quarter of 2014

Consolidated Statements of the Ledo Group for the nine months of 2014 consist of the company Ledo dd as the parent company and the following subsidiaries: Frikom d.o.o. Belgrade, Ledo d.o.o. Citluk, Ledo Sh.p.k Kosovo, Ledo Kft. Budapest, Ledo d.o.o. Ljubljana, Irida d.o.o. Daruvar, Ledo D.o.o. Podgorica and New Harmony d.o.o. Trstenik. The consolidated financial statements for the nine-month period of 2014 include all listed companies except Nova Sloga d.o.o. Trstenik. The reason is that as of 24 June 2014 Frikom d.o.o., the former owner of Nova Sloga d.o.o. pursuant to a contract of sale purchase sold its share to the company Agrokor d.d. This transaction is a confirmation of the focus of the Ledo Group on the ice-cream business. The stated event affects the comparability of the two periods in the financial statements.

As with the parent company, so at the Group level, the preparations for the season were extensive and ranged from the development of a new product range, to the creation of packaging design, through procurement of raw materials to investments in sales equipment. More than 90 new products were developed, new product categories were created (eg, desserts, bars), expansion of the category of multipack ice cream was continued, activities were intensified in the catering (HORECA) sales channel and a new channel of communication with B2B buyers was formed. Interesting campaigns tailored to important events were launched - campaign with ice cream 'Vatreni' was launched on

**Ledo d.d.**  
M. Čavića 1a,  
10000 Zagreb  
Hrvatska  
MB: 3218821  
OIB: 87955947581

[www.ledo.hr](http://www.ledo.hr)

**Kontakt**  
Centrala: 01/2385-555; Uprava: 01/2385-501, fax: 01/2385-511  
Prodaja: 01/2385-551; Izvoz: 01/2385-630;  
Marketing i razvoj: 01/2385-628; Nabava: 01/2385-505;  
Proizvodnja: 01/2385-768;  
Financije: 01/2385-667, fax: 01/2385-686  
Korporativne aktivnosti: 01/2385-525

**IBAN** HR39 2503 0071 1000 2063 6  
**SWIFT** VBCRHR22  
kod SBERBANK d.d., upisano u registar Trgovačkog suda u Zagrebu  
pod brojem: MBS 080002964.  
Temeljni kapital Društva iznosi 119.289.600,00 kuna uplaćen u  
cijelosti. Izdano je 313.920 dionica u nominalnom iznosu od  
380,00 kuna po dionici.

**Uprava**  
Predsjednik Uprave  
Hrvoje Kratjević, dipl.oec  
Član Uprave  
Ankica Slobodanac, dipl.oec  
Predsjednik Nadzornog odbora  
Ljerkica Puljić, dipl.oec



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the occasion of the World Cup in Brazil, and Teenage Mutant Ninja Turtles for the movie with the same name.

The emphasis on the importance of healthy eating and promotion of a healthy frozen concept *Smrznut je zdravo* also continued as well as the continuation with products that encourage greater consumption of ice cream in the winter (mousse, souffle, etc.) and thereby further reduce the seasonality of the business.

In the reporting period, emphasis is placed on increasing business efficiency through the introduction of new software solutions for warehouse management (which allows faster commissioning and preparation of orders) and solutions for developing relationships with customers.

Looking at the positions of the income statement, revenue decline of 4% of sales can be seen compared to the same period last year, however, these data are not fully comparable due to the sale of Nova Sloga and getting out of the business with the purchase of milk, as these revenues in previous year were included. If we observe, the consolidated revenue from sales of own products and merchandise of the companies that are currently part of the Group Ledo then there is an obvious drop in revenues of 3% in the first nine months of 2014. Products from category Frozen Food recorded sales growth, while group Icecream decreased sales by 8%.

The reason for this decline are bad weather conditions, exacerbated by severe floods, which are affected the most Serbia and Bosnia and Herzegovina, but also bad economic situation and the loss of purchasing power in Bosnia and Herzegovina. As a result, the share of both companies in consolidated sales revenues declined in favor of the parent

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Prodaja: 01/2385-551; Izvoz: 01/2385-630;  
Marketing i razvoj: 01/2385-628; Nabava: 01/2385-505;  
Proizvodnja: 01/2385-768;  
Financije: 01/2385-667, fax: 01/2385-686  
Korporativne aktivnosti: 01/2385-525

**IBAN** HR39 2503 0071 1000 2063 6  
**SWIFT** VBCRHR2Z  
kod SBERBANK d.d., upisano u registar Trgovačkog suda u Zagrebu  
pod brojem: MBS 080002964.  
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Predsjednik Nadzornog odbora  
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company Ledo d.d. Zagreb. In the total consolidated income the largest share belongs to ice cream and that is 51%, which is a slight decrease compared to the same period last year, which affected the overall profitability of the Group. The profit from operations plus depreciation and amortization (EBITDA) fell by 13% compared to the same period last year due to a drop in revenues from ice cream as the most profitable product group. In total EBITDA the largest share belongs to Ledo Zagreb with 44%, followed by 28% of Frikom and Ledo Citluk with 16%. Despite the poor weather conditions and a decline in profitability, Ledo Group has managed to maintain, and in certain markets even increase its market share.

Income from financing is significantly higher than expenses, primarily due to sales of Nova Sloga because the profits generated in that transaction were recorded within that category. Another reason for the profits generated by financial transactions are higher income from interest in relation to interest expense.

It is important to emphasize that the bottom line was also impacted by the penalty imposed to Frikom d.o.o. by decisions of the Administrative Court and the Supreme Court of the Republic of Serbia, which is presented in the context of the position of extraordinary expenditures. The profit before tax alone, as a result of all the mentioned impacts, decreased by 6% compared to the same period last year.

As far as the balance sheet positions, there is a visible change related to the sales of the company Nova Sloga on most positions, especially on the reduction of goodwill by HRK 27 million which was credited to equity. At the same time, there is a significant increase in working capital and borrowing, however, it is a normal movement of that part of the season. Capital expenditures amounted to HRK 82 million and majority of the

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Proizvodnja: 01/2385-768;  
Financije: 01/2385-667, fax: 01/2385-686  
Korporativne aktivnosti: 01/2385-525

**IBAN** HR39 2503 0071 1000 2063 6  
**SWIFT** VBCRHR22  
kod SBERBANK d.d., upisano u registar Trgovačkog suda u Zagrebu  
pod brojem: MBS 080002964.  
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cijelosti. Izdano je 313.920 dionica u nominalnom iznosu od  
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investments were related to the cooling equipment and the equipment for the sales support.

In the statement of cash flows there are still present effects of buying of shares of Frikom, and effects of the sale of Nova Sloga are also visible.

The consolidated financial statements of Ledo d.d. prepared for the nine-month period of 2014 are presented fairly and truthfully and in accordance with International Financial Reporting Standards, which have been consistently applied in relation to the previous years.

All materially significant transactions are appropriately recorded in the accounting records which form the basis of the financial statements.



President of the Management Board

Hrvoje Kraljević

**Annex 1.**

Reporting period

1.1.2014

to

30.9.2014

**Quarterly financial report TFI-POD**

Tax number (MB): 03218821

Company registration number (MBS): 080002964

Personal identification number (OIB): 87955947581

Issuing company: LEDO d.d.

Postal code and place: 10000 Zagreb

Street and house number: Marijana Čavića 1a

E-mail address: [financije@ledo.hr](mailto:financije@ledo.hr)Internet address: [www.ledo.hr](http://www.ledo.hr)

Municipality/city code and name: 133 Zagreb

County code and name: 21 Grad Zagreb

Number of employees: 2629

Consolidated report: YES

(period end)

NKD code: 1052

Entities in consolidation (according to IFRS):

Registered seat:

Tax number (MB):

Irida d.o.o.

Ulica P. Zrinskog 34; Daruvar

72383446154

Frikom d.o.o.

Zrenjaninski put bb, Beograd, Srbija

07042728

Ledo d.o.o. Čitluk

Industrijska zona; Tromeđa bb; Čitluk, BiH

4227031530007

Ledo d.o.o.

Liješnje bb; Podgorica, Crna Gora

02126265

Ledo kft.

2111 Szada 098/3 Hrszm Mađarska

10579967-2-13

Ledo d.o.o. Ljubljana

1231 Ljubljana-Črnuče, Brnčičeva ul 45

1216350

Ledo Sh.p.k.

Milloseve p.n., 1500 Obiliq, Kosovo

600042741

Bookkeeping service:

Contact person: Lisjak Jelena

(only surname and name)

Telephone: 01/2385-723

Telefaks: 01/2385-686

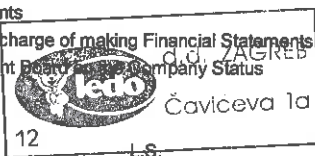
E-mail address: [financije@ledo.hr](mailto:financije@ledo.hr)

Family name and name: Slobodanac Ankica

(authorized representatives)

**Documents to be published:**

1. Financial Statements (Balance Sheet, Profit and Loss Account, Cash Flow Statement, Change in Capital Statement and Notes to Financial Statements)
2. Statement of persons in charge of making Financial Statements
3. Report of the Management Board on Company Status



(signature of authorized representative)

**Balance Sheet**  
as of 30.09.2014.

Company: LEDO Consolidated

Position 1	AOP 2	Previous period 3	Current period 4
<b>ASSETS</b>			
<b>A) RECEIVABLES FOR SUBSCRIBED NOT PAID CAPITAL</b>	<b>001</b>	0	0
<b>B) NON-CURRENT ASSETS (003+010+020+029+033)</b>	<b>002</b>	773.406.355	774.652.426
<b>I. INTANGIBLE ASSETS (004 do 009)</b>	<b>003</b>	119.617.599	91.533.334
1. Expenditure for development	<b>004</b>	0	0
2. Concessions, patents, license fees, trademarks, service marks, software and other rights	<b>005</b>	5.794.459	5.520.916
3. Goodwill	<b>006</b>	113.701.435	85.921.275
4. Advances for purchase of intangible assets	<b>007</b>	0	0
5. Intangible assets in progress	<b>008</b>	0	0
6. Other intangible assets	<b>009</b>	121.705	91.143
<b>II. PROPERTY, PLANT AND EQUIPMENT (011 do 019)</b>	<b>010</b>	581.677.084	524.005.765
1. Land	<b>011</b>	143.303.610	118.623.125
2. Buildings	<b>012</b>	180.294.603	145.636.258
3. Plant and equipment	<b>013</b>	181.644.776	199.202.003
4. Tools, working inventory and transportation assets	<b>014</b>	51.901.723	54.121.146
5. Biological assets	<b>015</b>	0	0
6. Advances for purchase of tangible assets	<b>016</b>	368.831	617.588
7. Tangible assets in progress	<b>017</b>	18.548.729	603.453
8. Other tangible assets	<b>018</b>	5.578.125	5.179.247
9. Investment in real-estate	<b>019</b>	36.687	22.945
<b>III. NON-CURRENT FINANCIAL ASSETS (021 do 028)</b>	<b>020</b>	63.043.864	150.169.772
1. Share in related parties	<b>021</b>	0	0
2. Loans given to related parties	<b>022</b>	0	0
3. Participating interests (shares)	<b>023</b>	5.025.700	5.505.120
4. Loans given to companies in which the entity holds participating interest	<b>024</b>	0	0
5. Investments in securities	<b>025</b>	9.288.841	10.540.582
6. Loans, deposits and similar assets	<b>026</b>	43.001.997	128.638.887
7. Other non-current financial assets	<b>027</b>	1.286.285	1.284.369
8. Equity-accounted investments	<b>028</b>	4.441.041	4.200.834
<b>IV. RECEIVABLES (030 do 032)</b>	<b>029</b>	154.569	315.074
1. Receivables from related parties	<b>030</b>	0	0
2. Receivables arising from sales on credit	<b>031</b>	0	0
3. Other receivables	<b>032</b>	154.569	315.074
<b>V. DEFERRED TAX ASSETS</b>	<b>033</b>	8.913.239	8.628.481
<b>C) CURRENT ASSETS (035+043+050+058)</b>	<b>034</b>	1.413.541.145	1.707.851.760
<b>I. INVENTORIES (036 do 042)</b>	<b>035</b>	404.495.605	390.914.140
1. Raw materials and supplies	<b>036</b>	130.118.944	152.801.431
2. Production in progress	<b>037</b>	60.222.691	71.960.955
3. Finished goods	<b>038</b>	89.952.667	75.773.937
4. Merchandise	<b>039</b>	120.696.857	84.912.559
5. Advances for inventories	<b>040</b>	2.040.031	4.053.230
6. Long term assets held for sale	<b>041</b>	1.464.415	1.412.028
7. Biological assets	<b>042</b>	0	0
<b>II. RECEIVABLES (044 do 049)</b>	<b>043</b>	412.271.604	602.280.113
1. Receivables from related parties	<b>044</b>	0	0
2. Receivables from end-customers	<b>045</b>	384.935.336	582.799.607
3. Receivables from participating entities	<b>046</b>	0	0
4. Receivables from employees and members of the company	<b>047</b>	1.329.029	1.511.037
5. Receivables from government and other institutions	<b>048</b>	22.241.892	14.451.443
6. Other receivables	<b>049</b>	3.765.347	3.518.026
<b>III. CURRENT FINANCIAL ASSETS (051 do 057)</b>	<b>050</b>	543.224.950	688.675.850
1. Share in related parties	<b>051</b>	0	0
2. Loans given to related parties	<b>052</b>	0	0
3. Participating interests (shares)	<b>053</b>	0	0
4. Loans given to companies in which the entity holds participating interest	<b>054</b>	0	0
5. Investments in securities	<b>055</b>	13.491.919	12.326.037
6. Loans, deposits and similar assets	<b>056</b>	529.733.031	676.349.813
7. Other financial assets	<b>057</b>	0	0
<b>IV. CASH AND CASH EQUIVALENTS</b>	<b>058</b>	53.548.966	25.981.657
<b>D) PREPAYMENTS AND ACCRUED INCOME</b>	<b>059</b>	4.376.641	10.939.393
<b>E) TOTAL ASSETS (001+002+034+059)</b>	<b>060</b>	2.191.324.141	2.493.443.579
<b>F) OFF BALANCE SHEET ITEMS</b>	<b>061</b>		

<b>EQUITY AND LIABILITIES</b>			
<b>A) ISSUED CAPITAL AND RESERVES (063+064+065+071+072+075+078)</b>	<b>062</b>	1.556.750.758	1.669.874.017
I. SUBSCRIBED SHARE CAPITAL	063	119.289.600	119.289.600
II. CAPITAL RESERVES	064	713.232.769	713.232.769
III. RESERVES FROM PROFIT (066+067-068+069+070)	065	105.646.727	107.033.191
1. Legal reserves	066	27.245.336	27.213.636
2. Reserve for own shares	067	0	0
3. Treasury shares and stakes (deductible items)	068	0	0
4. Statutory reserves	069	747.211	0
5. Other reserves	070	77.654.180	79.819.555
IV. REVALUATION RESERVES	071	63.521.944	63.521.944
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	072	368.514.094	460.835.256
1. Retained earnings	073	368.514.094	460.835.256
2. Accumulated loss	074	0	0
VI. NET PROFIT OR LOSS FOR THE PERIOD (076-077)	075	186.545.624	205.961.257
1. Net profit for the period	076	186.545.624	205.961.257
2. Net loss for the period	077	0	0
VII. MINORITY INTEREST	078	0	0
<b>B) PROVISIONS (080 do 082)</b>	<b>079</b>	3.691.970	3.543.522
1. Provisions for pensions, severance pay and similar liabilities	080	3.677.000	3.543.522
2. Provisions for tax liabilities	081	0	0
3. Other provisions	082	14.970	0
<b>C) NON-CURRENT LIABILITIES (084 do 092)</b>	<b>083</b>	16.408.619	53.020.941
1. Liabilities to related parties	084	0	0
2. Liabilities for loans, deposits, etc.	085	0	34.172
3. Liabilities to banks and other financial institutions	086	0	36.896.025
4. Liabilities for received advances	087	0	0
5. Trade payables	088	0	0
6. Commitments on securities	089	0	0
7. Liabilities to companies in which the entity holds participating interest	090	0	0
8. Other non-current liabilities	091	0	0
9. Deferred tax liabilities	092	16.408.619	16.090.744
<b>D) CURRENT LIABILITIES (094 do 105)</b>	<b>093</b>	610.098.864	755.508.392
1. Liabilities to related parties	094	0	0
2. Liabilities for loans, deposits, etc.	095	39.179.849	18.077.816
3. Liabilities to banks and other financial institutions	096	384.653.011	436.407.902
4. Liabilities for advances	097	1.314.837	526.188
5. Trade payables	098	147.975.360	239.803.764
6. Commitments on securities	099	0	0
7. Liabilities to companies in which the entity holds participating interest	100	0	0
8. Liabilities to employees	101	13.801.034	15.145.129
9. Liabilities for taxes, contributions and similar fees	102	21.391.571	43.492.485
10. Liabilities to shareholders arising from share in the result	103	321.227	312.109
11. Liabilities arising from non-current assets held for sale	104	0	0
12. Other current liabilities	105	1.461.975	1.742.999
<b>E) ACCRUED EXPENSES AND DEFERRED INCOME</b>	<b>106</b>	4.373.930	11.496.707
<b>F) TOTAL EQUITY AND LIABILITIES (062+079+083+093+106)</b>	<b>107</b>	2.191.324.141	2.493.443.579
<b>G) OFF BALANCE SHEET ITEMS</b>	<b>108</b>	0	0
<b>ADDITION TO BALANCE SHEET (only for consolidated financial statements)</b>			
<b>ISSUED CAPITAL AND RESERVES</b>			
1. Attributable to majority owners	109	1.556.750.758	1.669.874.017
2. Attributable to minority interest	110	0	0



period 01.01.2014. to 30.09.2014.

Company: LEDO Consolidated

Position	AOP	Previous period	Previous period	Current period	Current period
		Cummulative	Quarter	Cummulative	Quarter
1	2	3	4	5	6
<b>I. OPERATING INCOME (112 do 113)</b>	<b>111</b>	1.774.430.265	721.619.279	1.694.667.172	727.931.496
1. Sales revenue	112	1.772.819.912	721.019.110	1.693.860.141	728.085.742
2. Other operating income	113	1.610.353	600.169	807.031	-154.246
<b>II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)</b>	<b>114</b>	1.515.746.183	605.207.911	1.473.730.172	631.074.697
1. Change in Inventories of work in progress and finished goods	115	12.896.171	25.567.188	-5.471.264	20.685.359
2. Material expenses (117 do 119)	116	1.107.637.910	423.271.818	1.124.375.094	484.396.131
a) Costs of raw materials	117	642.137.676	201.584.261	523.325.451	198.109.842
b) Cost of goods sold	118	348.797.655	140.207.702	387.922.199	191.382.101
c) Other material expenses	119	216.702.379	81.499.895	233.127.444	94.924.188
3. Staff costs (121 do 123)	120	179.739.989	63.982.168	180.683.246	64.508.619
a) Net salaries and wages	121	108.863.342	38.541.206	108.342.904	38.294.069
b) Tax and contributions from salary expenses	122	46.768.225	17.242.427	46.809.225	16.991.946
c) Contributions on gross salaries	123	24.108.422	8.198.445	25.531.117	9.260.604
4. Depreciation and amortisation	124	72.002.682	23.720.633	67.204.749	23.782.783
5. Other expenses	125	142.123.883	68.067.294	104.074.724	36.885.593
6. Write down of assets (127+128)	126	1.141.977	494.723	2.863.623	818.232
a) non-current assets (excluding financial assets)	127	293	0	0	0
b) current assets (excluding financial assets)	128	1.141.684	494.723	2.863.623	818.232
7. Provisions	129	0	0	0	0
8. Other operating costs	130	204.591	104.307	0	0
<b>III. FINANCIAL INCOME (132 do 136)</b>	<b>131</b>	28.067.682	7.210.157	80.454.500	28.846.835
1. Interest, foreign exchange gains, dividends and similar income from related parties	132	0	0	0	0
2. Interest, foreign exchange gains, dividends and similar income from third parties	133	28.067.682	7.210.157	55.003.310	28.991.744
3. Part of income from associates and participating interests	134	0	0	0	0
4. Unrealised gains (Income) from financial assets	135	0	0	0	0
5. Other financial income	136	0	0	25.451.190	-142.809
<b>IV. FINANCIAL EXPENSES (138 do 141)</b>	<b>137</b>	37.368.205	14.768.623	43.047.803	22.399.545
1. Interest, foreign exchange losses, dividends and similar expenses from related parties	138	0	0	0	0
2. Interest, foreign exchange losses, dividends and similar expenses from third parties	139	36.583.473	13.995.891	43.047.803	22.399.545
3. Unrealised losses (expenses) from financial assets	140	0	0	0	0
4. Other financial expenses	141	772.732	772.732	0	0
<b>V. SHARE OF PROFIT FROM ASSOCIATED COMPANIES</b>	<b>142</b>	0	0	0	0
<b>VI. SHARE OF LOSS FROM ASSOCIATED COMPANIES</b>	<b>143</b>	0	0	0	0
<b>VII. EXTRAORDINARY - OTHER INCOME</b>	<b>144</b>	0	0	0	0
<b>VIII. EXTRAORDINARY - OTHER EXPENSES</b>	<b>145</b>	0	0	23.994.811	-134.731
<b>IX. TOTAL INCOME (111+131+144)</b>	<b>146</b>	1.802.497.027	728.729.436	1.775.121.672	756.780.331
<b>X. TOTAL EXPENSES (114+137+143+145)</b>	<b>147</b>	1.553.102.388	619.076.534	1.540.772.786	653.338.501
<b>XI. PROFIT OR LOSS BEFORE TAXES (146-147)</b>	<b>148</b>	249.395.539	108.762.902	234.348.886	103.440.830
1. Profit before taxes (146-147)	149	249.395.539	108.762.902	234.348.886	103.440.830
2. Loss before taxes (147-146)	150	0	0	0	0
<b>XII. CORPORATE INCOME TAX</b>	<b>151</b>	25.041.959	8.021.702	28.387.629	9.864.440
<b>XII. PROFIT OR LOSS FOR THE PERIOD (148-151)</b>	<b>152</b>	224.353.580	100.731.200	205.961.257	93.576.390
1. Profit for the period (149-151)	153	224.353.580	100.731.200	205.961.257	93.576.390
2. Loss for the period (151-148)	154	0	0	0	0
<b>ADDITION TO PROFIT AND LOSS ACCOUNT (only for consolidated financial statements)</b>					
<b>XIV. PROFIT OR LOSS FOR THE PERIOD</b>					
1. Attributable to majority owners	155	224.353.580	100.731.200	205.961.257	93.576.390
2. Attributable to minority interest	156	0	0	0	0
<b>STATEMENT OF OTHER COMPREHENSIVE INCOME (only for IFRS adopters)</b>					
<b>I. PROFIT OR LOSS FOR THE PERIOD (=152)</b>	<b>157</b>	224.353.580	100.731.200	205.961.257	93.576.390
<b>II. OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAXES (159 TO 165)</b>	<b>158</b>	2.918.182	14.315.189	-16.933.533	-5.534.882
1. Exchange differences from international settlement	159	2.918.182	14.315.189	-16.933.533	-5.534.882
2. Changes in revaluation reserves of long-term tangible and intangible assets	160				
3. Profit or loss from re-evaluation of financial assets held for sale	161				
4. Profit or loss from cash flow hedging	162				
5. Profit or loss on efficient hedge of net investments in foreign countries	163				
6. Share in other comprehensive income/loss of associated companies	164				
7. Actuarial gains/losses from defined benefit plans	165				
<b>III. TAXATION OF OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>166</b>				
<b>IV. NET OTHER COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (158 TO 166)</b>	<b>167</b>	2.918.182	14.315.189	-16.933.533	-5.534.882
<b>V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (157+167)</b>	<b>168</b>	227.271.762	115.046.389	189.027.724	88.041.508
<b>ADDITION TO STATEMENT OF OTHER COMPREHENSIVE INCOME (only for consolidated financial statements)</b>					
<b>VI. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD</b>					
1. Attributable to majority owners	169	227.271.762	115.046.389	189.027.724	88.041.508
2. Attributable to minority interest	170	0	0	0	0

**Cash flow statement - indirect method**  
**period 01.01.2014. to 30.09.2014.**

<b>Company: LEDO Consolidated</b>			
Position	AOP	Previous period	Current period
1	2	3	4
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
1. Profit before tax	001	249.395.539	234.348.886
2. Depreciation and amortisation	002	72.002.662	67.204.749
3. Increase in current liabilities	003	0	91.828.404
4. Decrease in current receivables	004	0	0
5. Decrease of inventories	005	39.826.900	13.529.079
6. Other cash flow increases	006	69.985.298	78.070.164
<b>I. Total increase of cash flow from operating activities</b>	<b>007</b>	<b>431.210.399</b>	<b>484.981.282</b>
1. Decrease in current liabilities	008	770.938.852	0
2. Increase in current receivables	009	196.266.848	186.635.841
3. Increase of inventories	010	0	0
4. Other cash flow decreases	011	82.273.186	145.143.819
<b>II. Total decrease of cash flow from operating activities</b>	<b>012</b>	<b>1.049.478.886</b>	<b>331.779.660</b>
<b>A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>013</b>	<b>0</b>	<b>153.201.622</b>
<b>A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>014</b>	<b>618.268.487</b>	<b>0</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
1. Receipts from sale of non-current assets	015	1.290.586	1.519.999
2. Receipts from sale of non-current financial assets	016	0	128.702.539
3. Interest received	017	19.007.155	30.547.075
4. Dividend received	018	0	0
5. Other proceeds from investing activities	019	634.783.947	0
<b>III. Total cash inflows from investing activities</b>	<b>020</b>	<b>655.081.688</b>	<b>160.769.613</b>
1. Purchase of non-current assets	021	60.323.852	79.514.913
2. Purchase of non-current financial assets	022	42.448.131	0
3. Other cash outflows from investing activities	023	0	233.618.437
<b>IV. Total cash outflows from investing activities</b>	<b>024</b>	<b>102.771.983</b>	<b>313.133.350</b>
<b>B1) NET INCREASE OF CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>025</b>	<b>552.309.705</b>	<b>0</b>
<b>B2) NET DECREASE OF CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>026</b>	<b>0</b>	<b>152.363.737</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
1. Cash inflows from issuing equity and debt financial instruments	027	0	0
2. Cash inflows from loans, debentures, credits and other borrowings	028	201.757.834	88.649.338
3. Other proceeds from financing activities	029	0	0
<b>V. Total cash inflows from financing activities</b>	<b>030</b>	<b>201.757.834</b>	<b>88.649.338</b>
1. Repayment of loans and bonds	031	73.886.529	20.332.473
2. Dividends paid	032	37.042.560	95.988.269
3. Cash outflows for finance lease	033	1.965.084	733.810
4. Purchase of treasury shares	034	0	0
5. Other cash outflows from financing activities	035	0	0
<b>VI. Total cash outflows from financing activities</b>	<b>036</b>	<b>112.894.173</b>	<b>117.054.552</b>
<b>C1) NET INCREASE OF CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>037</b>	<b>88.863.661</b>	<b>0</b>
<b>C2) NET DECREASE OF CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>038</b>	<b>0</b>	<b>28.405.214</b>
Total increases of cash flow	039	22.904.879	0
Total decreases of cash flow	040	0	27.567.329
Cash and cash equivalents at the beginning of the period	041	42.974.913	53.548.986
Increase of cash and cash equivalents	042	641.173.366	153.201.622
Decrease of cash and cash equivalents	043	618.268.487	180.768.951
Cash and cash equivalents at the end of period	044	65.879.792	25.981.657

**STATEMENT OF CHANGES IN EQUITY**

period **1.1.2014** to **30.9.2014**

	Position	AOP	Previous year	Current year
	1	2	3	4
1. Subscribed share capital		001	119.289.600	119.289.600
2. Capital reserves		002	713.232.769	713.232.769
3. Reserves from profit		003	105.646.727	107.033.191
4. Retained earnings or accumulated loss		004	368.514.094	460.835.256
5. Net profit or loss for the period		005	186.545.624	205.961.257
6. Revaluation of tangible assets		006	64.646.977	64.646.977
7. Revaluation of intangible assets		007	0	0
8. Revaluation of financial assets available for sale		008	-1.125.033	-1.125.033
9. Other revaluation		009	0	0
<b>10. Total equity and reserves (AOP 001 to 009)</b>		<b>010</b>	<b>1.556.750.758</b>	<b>1.669.874.017</b>
11. Currency profit or loss arising from net investments in foreign operations		011	5.162.302	-16.933.533
12. Current and deferred taxes		012	0	0
13. Cash flow hedge		013	0	0
14. Change of accounting policies		014	0	0
15. Correction of significant errors in prior periods		015	0	0
16. Other changes in capital		016	112.467.833	130.056.792
<b>17. Total increase or decrease of equity (AOP 011 to 016)</b>		<b>017</b>	<b>117.630.135</b>	<b>113.123.259</b>
17 a. Attributable to majority owners		018	117.630.135	113.123.259
17 b. Attributable to minority interest		019	0	0



dioničko društvo  
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## Notes with financial statements

Notes to Financial Statements provide additional and supplementary informations which are not presented in the statement of financial position, income statement, cash flow statement and statement of changes in equity in accordance with the regulations of the relevant international financial reporting standards.

In the observed period there were no significant events that would affect the understanding of financial position and success of the Company.

**Ledo d.d.**  
M. Caviča 1a,  
10000 Zagreb  
Hrvatska  
MB: 3218821  
OIB: 87955947581

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Marketing i razvoj: 01/2385-628; Nabava: 01/2385-505;  
Proizvodnja: 01/2385-768;  
Financije: 01/2385-667, fax: 01/2385-686  
Korporativne aktivnosti: 01/2385-525

**IBAN** HR39 2503 0071 1000 2063 6  
**SWIFT** VBCRHR22  
kod SBERBANK d.d., upisano u registar Trgovačkog suda u Zagrebu  
pod brojem: MBS 080002964.  
Temeljni kapital Društva iznosi 119.289.600,00 kuna uplaćen u  
cijelosti. Izdano je 313.920 dionica u nominalnom iznosu od  
380,00 kuna po dionici.

**Uprava**  
Predsjednik Uprave  
Hrvoje Kraljević, dipl.oec  
član Uprave  
Ankica Slobodanac, dipl.oec  
Predsjednik Nadzornog odbora  
Ljerka Puljić, dipl.oec



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## Declaration of key personnel responsible for preparation of financial statements

Consolidated financial statements for Ledo d.d. for the period from January 1, 2014 till 30 Septmeber, 2014 are prepared in accordance with the International Financial Reporting Standards and they give a complete and true state of assets and liabilities, financial result and affairs of Ledo d.d.

Management report contains true and fair view of affairs and results of Ledo d.d. and all material significant transactions are stated appropriately.

Head of Accounting department

Jelena Lisjak

Finance Director

Ankica Slobodanac



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