



dioničko društvo
za proizvodnju i
promet sladoleda
i smrznute hrane



Zagreb, 30th October 2013

3rd Quarter Interim Management Report 2013

Decrease in operating income in the third quarter was largely due to the cessation of activity of buying milk as of 1st July 2013. What marked the first nine months of the year 2013 were adverse weather conditions in the summer months, which caused the decrease in sales of the group Ice cream. Operating expenses in the reporting period decreased by 1% cumulatively, or 6% in the quarter. A decrease in operating expenses was due to constant work on improving the business resulting in better personal organization for sales and distribution and savings on labour costs.

The decrease in revenue from the sale of ice cream was compensated by the growth in sales of Frozen Food products group.

Operating profit decreased by 6% compared to the previous year due to changes in the structure of the business income. The previous year resulted in a higher level of other operating income due to the sale of fixed assets and materials related to the activities of maintenance of refrigeration equipment which is a one-time income. If we exclude the impact of one-time income in the previous year, then the decline in operating profit amounts to 2.5% as a result of the decline in sales of ice cream in the nine-month period of the year 2013.

The increase in financial expenses and the decrease in financial income was further affected by the decline in profit before tax compared to the same period last year.

Observing the balance sheets at the end of the period, there is an evident decrease in the working capital in accordance with the regular schedule for the end of the ice cream season. Pursuant to the decision of the General Assembly and in accordance with the Policy for dividend payments, on 23rd September 2013 dividend was paid to the shareholders in the amount of HRK37,042,560 , i.e. 118HRK per share.

In the reporting period there were no changes in accounting policies or accounting methods that would affect the display of position in the accounting statements.

The Company owns 100 % of the share capital of the company Irida Ltd., Daruvar , Croatia , 100 % of the share capital of the company Ledo d.o.o. Čitluk , Bosnia and Herzegovina , 100 % of the share capital of the company Ledo d.o.o. Ljubljana , Slovenia , 100 % of the share capital of the company Ledo Kft Budapest, Hungary, 100 % of the share capital of the company Ledo d.o.o. Pristina , Kosovo , 100 % of the share capital Ledo d.o.o. Podgorica , Montenegro , and 100 % of the share capital Frikom Ltd. Belgrade . Investments in the previously mentioned companies are stated at acquisition cost .

President of the Management Board



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

Kontakt:
Centrala: 01/2385-555; Uprava: 2385-501
Prodaja: 01/2385-551; Marketing i razvoj: 01/2385-628;
Nabava: 01/2385-505; Međunarodne operacije: 01/2385-630;
Proizvodnja: 01/2385-768; Sektor financija: 01/2385-667;
Sektor pravnih i općih poslova: 01/2385-525
Fax: 01/2385-669, 01/2385-511, 01/2385-631

IBAN HR39 2503 0071 1000 2063 6
SWIFT YBCRHR22
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
mr.sc.Tomislav Kitonić
član Uprave
Ankica Slobodanac, dipl.oec.,
Predsjednik Nadzornog odbora
Ljerka Puljić, dipl.oec..

Annex 1.

Reporting period

01.01.13

to

30.09.13

Quarterly financial report TFI-POD

Tax number (MB): 03218821

Company registration number (MBS): 080002964

Personal identification number (OIB): 87955847581

Issuing company: LEDO d.d.

Postal code and place: 10000

Zagreb

Street and house number: Marijana Čavića 1a

E-mail address: financije@ledo.hr

Internet address: www.ledo.hr

Municipality/city code and name: 133 Zagreb

County code and name: 21 Grad Zagreb

Number of employees: 991
(period end)

Consolidated report: NO

NKD code: 1052

Entities in consolidation (according to IFRS):

Registered seat:

Tax number (MB):

Bookkeeping service:

Contact person: Lisjak Jelena
(only surname and name)

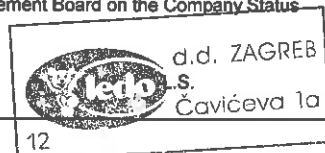
Telephone: 01/2385-723

Telefaks: 01/2385-686

E-mail address: 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 the Company Status



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(signature of authorized representative)

Balance Sheet
as of 30.9.2013.

Company: LEDO d.d.			
Position	AOP	Previous period	Current period
1	2	3	4
ASSETS			
A) RECEIVABLES FOR SUBSCRIBED AND NON-PAID CAPITAL	001	0	0
B) NON-CURRENT ASSETS (003+010+020+029+033)	002	1.315.401.934	1.362.986.554
I. INTANGIBLE ASSETS (004 do 009)	003	4.293.735	3.636.616
1. Expenditure for development	004	0	0
2. Concessions, patents, license fees, trademarks, service marks, software and other rights	005	4.293.735	3.345.142
3. Goodwill	006	0	0
4. Advances for purchase of intangible assets	007	0	0
5. Intangible assets in progress	008	0	291.474
6. Other intangible assets	009	0	0
II. PROPERTY, PLANT AND EQUIPMENT (011 do 019)	010	205.819.364	212.114.779
1. Land	011	81.806.430	81.806.430
2. Buildings	012	43.792.426	41.080.625
3. Plant and equipment	013	70.247.495	78.098.999
4. Tools, working inventory and transportation assets	014	7.445.627	9.006.202
5. Biological assets	015	0	0
6. Advances for purchase of tangible assets	016	407.150	0
7. Tangible assets in progress	017	2.120.236	2.122.523
8. Other tangible assets	018	0	0
9. Investment in real-estate	019	0	0
III. NON-CURRENT FINANCIAL ASSETS (021 do 028)	020	1.105.057.927	1.147.004.251
1. Share in related parties	021	1.095.376.331	1.131.916.558
2. Loans given to related parties	022	0	0
3. Participating interests (shares)	023	5.025.700	5.025.700
4. Loans given to companies in which the entity holds participating interest	024	0	0
5. Investments in securities	025	3.706.667	8.950.319
6. Loans, deposits and similar assets	026	949.229	1.111.674
7. Other non-current financial assets	027	0	0
8. Equity-accounted investments	028	0	0
IV. RECEIVABLES (030 do 032)	029	0	0
1. Receivables from related parties	030	0	0
2. Receivables arising from sales on credit	031	0	0
3. Other receivables	032	0	0
V. DEFERRED TAX ASSETS	033	230.908	230.908
C) CURRENT ASSETS (035+043+050+058)	034	1.481.385.911	812.199.539
I. INVENTORIES (036 do 042)	035	217.260.365	178.186.428
1. Raw materials and supplies	036	96.659.045	79.735.522
2. Production in progress	037	1.020.225	910.247
3. Finished goods	038	44.565.545	40.198.043
4. Merchandise	039	74.956.267	55.918.702
5. Advances for inventories	040	59.283	1.423.914
6. Long term assets held for sale	041	0	0
7. Biological assets	042	0	0
II. RECEIVABLES (044 do 049)	043	173.805.487	322.368.062
1. Receivables from related parties	044	49.898.661	132.828.046
2. Receivables from end-customers	045	118.945.531	185.731.099
3. Receivables from participating entities	046	0	0
4. Receivables from employees and members of the company	047	352.160	598.996
5. Receivables from government and other institutions	048	3.548.974	2.235.232
6. Other receivables	049	1.060.161	974.689
III. CURRENT FINANCIAL ASSETS (051 do 057)	050	1.077.417.188	294.058.936
1. Share in related parties	051	0	0
2. Loans given to related parties	052	1.067.829.190	293.401.574
3. Participating interests (shares)	053	0	0
4. Loans given to companies in which the entity holds participating interest	054	0	0
5. Investments in securities	055	9.440.341	245.000
6. Loans, deposits and similar assets	056	147.637	412.362
7. Other financial assets	057	0	0
IV. CASH AND CASH EQUIVALENTS	058	12.902.891	17.586.113
D) PREPAYMENTS AND ACCRUED INCOME	059	255.143	2.080.680
E) TOTAL ASSETS (001+002+034+059)	060	2.797.042.988	2.177.266.773
F) OFF BALANCE SHEET ITEMS	061		

EQUITY AND LIABILITIES			
A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	1.746.247.424	1.805.565.509
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	48.872.346	50.653.596
1. Legal reserves	066	4.183.230	5.964.480
2. Reserve for own shares	067	0	0
3. Treasury shares and stakes (deductible items)	068	0	0
4. Statutory reserves	069	0	0
5. Other reserves	070	44.689.116	44.689.116
IV. REVALUATION RESERVES	071	59.370.473	59.370.473
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	072	672.549.623	766.658.426
1. Retained earnings	073	672.549.623	766.658.426
2. Accumulated loss	074	0	0
VI. NET PROFIT OR LOSS FOR THE PERIOD (076-077)	075	132.932.613	96.360.645
1. Net profit for the period	076	132.932.613	96.360.645
2. Net loss for the period	077	0	0
VII. MINORITY INTEREST	078	0	0
B) PROVISIONS (080 do 082)	079	1.264.205	1.264.205
1. Provisions for pensions, severance pay and similar liabilities	080	1.264.205	1.264.205
2. Provisions for tax liabilities	081	0	0
3. Other provisions	082	0	0
C) NON-CURRENT LIABILITIES (084 do 092)	083	105.620.967	167.305.327
1. Liabilities to related parties	084	90.547.440	152.231.800
2. Liabilities for loans, deposits, etc.	085	0	0
3. Liabilities to banks and other financial institutions	086	0	0
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	15.073.527	15.073.527
D) CURRENT LIABILITIES (094 do 105)	093	943.042.733	202.002.460
1. Liabilities to related parties	094	812.551.815	61.708.147
2. Liabilities for loans, deposits, etc.	095	0	0
3. Liabilities to banks and other financial institutions	096	18.000.000	18.000.000
4. Liabilities for advances	097	0	0
5. Trade payables	098	97.853.370	79.873.317
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	5.856.105	6.337.803
9. Liabilities for taxes, contributions and similar fees	102	8.487.293	35.864.143
10. Liabilities to shareholders arising from share in the result	103	186.050	186.050
11. Liabilities arising from non-current assets held for sale	104	0	0
12. Other current liabilities	105	108.100	33.000
E) ACCRUED EXPENSES AND DEFERRED INCOME	106	867.659	1.129.272
F) TOTAL EQUITY AND LIABILITIES (062+079+083+093+106)	107	2.797.042.988	2.177.266.773
G) OFF BALANCE SHEET ITEMS	108		
ADDITION TO BALANCE SHEET (only for consolidated financial statements)			
ISSUED CAPITAL AND RESERVES			
1. Attributable to majority owners	109		
2. Attributable to minority interest	110		

Income statement
period 01.01.2013. to 30.09.2013.

Company: LEDO d.d.

Position	AOP	Previous period	Previous period	Current period	Current period
		Cummulative	Quarter	Cummulative	Quarter
1	2	3	4	5	6
I. OPERATING INCOME (112 do 113)	111	975.614.751	423.839.889	957.607.020	403.335.212
1. Sales revenue	112	959.165.082	412.703.119	946.059.485	398.075.673
2. Other operating income	113	16.449.669	11.136.770	11.547.535	5.259.539
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)	114	852.623.257	375.508.170	844.339.359	353.010.815
1. Change in Inventories of work in progress and finished goods	115	2.268.166	15.699.423	4.229.727	18.142.098
2. Material expenses (117 do 119)	116	650.721.794	281.896.593	642.517.141	254.637.635
a) Costs of raw materials	117	278.177.227	119.884.945	287.005.241	113.299.780
b) Cost of goods sold	118	266.548.101	116.477.839	242.721.169	90.261.956
c) Other material expenses	119	105.996.466	45.533.809	112.790.731	51.075.899
3. Staff costs (121 do 123)	120	98.855.225	37.282.225	84.860.794	32.402.489
a) Net salaries and wages	121	58.844.470	22.238.863	51.114.003	19.413.231
b) Tax and contributions from salary expenses	122	26.549.908	10.251.891	22.676.733	8.778.637
c) Contributions on gross salaries	123	13.460.847	4.791.471	11.070.058	4.210.621
4. Depreciation and amortisation	124	23.471.232	7.637.844	23.292.302	7.597.943
5. Other expenses	125	74.986.462	32.838.513	89.194.899	40.149.455
6. Write down of assets (127+128)	126	819.280	5.660	29.671	72
a) non-current assets (excluding financial assets)	127	0	0	0	0
b) current assets (excluding financial assets)	128	819.280	5.660	29.671	72
7. Provisions	129	0	0	0	0
8. Other operating costs	130	501.098	147.912	214.825	81.123
III. FINANCIAL INCOME (132 do 136)	131	21.332.478	9.138.993	18.388.173	2.982.505
1. Interest, foreign exchange gains, dividends and similar income from related parties	132	15.632.543	7.092.720	14.837.141	2.764.854
2. Interest, foreign exchange gains, dividends and similar income from third parties	133	5.699.935	2.046.273	3.551.032	217.651
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	0	0
IV. FINANCIAL EXPENSES (138 do 141)	137	14.231.831	6.656.325	18.776.076	6.798.856
1. Interest, foreign exchange losses, dividends and similar expenses from related parties	138	5.541.653	2.674.386	11.985.323	3.323.028
2. Interest, foreign exchange losses, dividends and similar expenses from third parties	139	7.331.935	2.623.696	6.790.753	3.475.828
3. Unrealised losses (expenses) from financial assets	140	0	0	0	0
4. Other financial expenses	141	1.358.243	1.358.243	0	0
V. SHARE OF PROFIT FROM ASSOCIATED COMPANIES	142	0	0	0	0
VI. SHARE OF LOSS FROM ASSOCIATED COMPANIES	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+144)	146	996.947.229	432.978.882	975.995.193	406.317.717
X. TOTAL EXPENSES (114+137+143+145)	147	866.855.088	382.164.495	863.115.435	359.809.671
XI. PROFIT OR LOSS BEFORE TAXES (146-147)	148	130.092.141	50.814.387	112.879.758	46.508.046
1. Profit before taxes (146-147)	149	130.092.141	50.814.387	112.879.758	46.508.046
2. Loss before taxes (147-146)	150	0	0	0	0
XII. CORPORATE INCOME TAX	151	11.633.618	311.814	16.519.113	4.699.795
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	118.458.523	50.502.573	96.360.645	41.808.251
1. Profit for the period (149-151)	153	118.458.523	50.502.573	96.360.645	41.808.251
2. Loss for the period (151-148)	154	0	0	0	0
ADDITION TO PROFIT AND LOSS ACCOUNT (only for consolidated financial statements)					
XIV. PROFIT OR LOSS FOR THE PERIOD					
1. Attributable to majority owners	155				
2. Attributable to minority interest	156				
STATEMENT OF OTHER COMPREHENSIVE INCOME (only for IFRS adopters)					
I. PROFIT OR LOSS FOR THE PERIOD (=152)	157	118.458.523	50.502.573	96.360.645	41.808.251
II. OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAXES (159 TO 165)	158	0	0	0	0
1. Exchange differences from international settlement	159				
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				
III. TAXATION OF OTHER COMPREHENSIVE INCOME FOR THE PERIOD	166				
IV. NET OTHER COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (158 TO 166)	167	0	0	0	0
V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (157+167)	168	118.458.523	50.502.573	96.360.645	41.808.251
ADDITION TO STATEMENT OF OTHER COMPREHENSIVE INCOME (only for consolidated financial statements)					
VI. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD					
1. Attributable to majority owners	169				
2. Attributable to minority interest	170				

Cash flow statement - indirect method
period 01.01.2013. to 30.09.2013.

Company: LEDO d.d.

Position	AOP	Previous period	Current period
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Profit before tax	001	130.092.141	112.879.758
2. Depreciation and amortisation	002	23.471.232	23.292.302
3. Increase in current liabilities	003	0	0
4. Decrease in current receivables	004	2.065.911	0
5. Decrease of inventories	005	0	39.073.937
6. Other cash flow increases	006	0	50.140.180
I. Total increase of cash flow from operating activities	007	155.629.284	225.386.177
1. Decrease in current liabilities	008	25.347.400	738.515.985
2. Increase in current receivables	009	0	149.714.953
3. Increase of inventories	010	4.406.735	0
4. Other cash flow decreases	011	4.990.335	37.112.684
II. Total decrease of cash flow from operating activities	012	34.744.470	925.343.622
A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES	013	120.884.814	0
A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES	014	0	699.957.445
CASH FLOW FROM INVESTING ACTIVITIES			
1. Receipts from sale of non-current assets	015	321.423	543.531
2. Receipts from sale of non-current financial assets	016	0	0
3. Interest received	017	659.086	14.078.131
4. Dividend received	018	0	0
5. Other proceeds from investing activities	019	0	984.945.887
III. Total cash inflows from investing activities	020	980.509	999.567.549
1. Purchase of non-current assets	021	22.322.173	29.438.440
2. Purchase of non-current financial assets	022	4.014.954	41.783.879
3. Other cash outflows from investing activities	023	552.118	211.019.261
IV. Total cash outflows from investing activities	024	26.889.245	282.241.580
B1) NET INCREASE OF CASH FLOW FROM INVESTING ACTIVITIES	025	0	717.325.969
B2) NET DECREASE OF CASH FLOW FROM INVESTING ACTIVITIES	026	25.908.736	0
CASH FLOW FROM FINANCING ACTIVITIES			
1. Cash inflows from issuing equity and debt financial instruments	027	0	0
2. Cash inflows from loans, debentures, credits and other borrowings	028	957.900	198.696.825
3. Other proceeds from financing activities	029	0	0
V. Total cash inflows from financing activities	030	957.900	198.696.825
1. Repayment of loans and bonds	031	0	168.779.377
2. Dividends paid	032	1.911	37.042.560
3. Cash outflows for finance lease	033	0	0
4. Purchase of treasury shares	034	0	0
5. Other cash outflows from financing activities	035	93.713.200	5.560.190
VI. Total cash outflows from financing activities	036	93.715.111	211.382.127
C1) NET INCREASE OF CASH FLOW FROM FINANCING ACTIVITIES	037	0	0
C2) NET DECREASE OF CASH FLOW FROM FINANCING ACTIVITIES	038	92.757.211	12.685.302
Total increases of cash flow	039	2.218.867	4.683.222
Total decreases of cash flow	040	0	0
Cash and cash equivalents at the beginning of the period	041	8.254.644	12.902.891
Increase of cash and cash equivalents	042	120.884.814	717.325.969
Decrease of cash and cash equivalents	043	118.665.947	712.642.747
Cash and cash equivalents at the end of period	044	10.473.511	17.586.113

STATEMENT OF CHANGES IN EQUITY

period **01.01.13** to **30.09.13**

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	48.872.346	50.653.596
4. Retained earnings or accumulated loss	004	672.549.623	766.658.426
5. Net profit or loss for the period	005	132.932.613	96.360.645
6. Revaluation of tangible assets	006	60.294.107	60.294.107
7. Revaluation of intangible assets	007	0	0
8. Revaluation of financial assets available for sale	008	-923.634	-923.634
9. Other revaluation	009	0	0
10. Total equity and reserves (AOP 001 to 009)	010	1.746.247.424	1.805.565.509
11. Currency profit or loss arising from net investments in foreign operations	011		
12. Current and deferred taxes	012		
13. Cash flow hedge	013		
14. Change of accounting policies	014		
15. Correction of significant errors in prior periods	015		
16. Other changes in capital	016		
17. Total increase or decrease of equity (AOP 011 to 016)	017	0	0
17 a. Attributable to majority owners	018		
17 b. Attributable to minority interest	019		

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.



dioničko društvo
za proizvodnju i
promet sladoleda
i smrznute hrane



Zagreb, 30.10.2013.

DECLARATION OF KEY PERSONNEL RESPONSIBLE FOR PREPARATION OF FINANCIAL STATEMENTS

Financial statements for Ledo d.d. for the period from 01.01.2013 till 30.09.2013. 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

