



**ULJANIK** d.d.

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**Semiannual Report  
for the period from 01.01 to 30.06.2013**

**(nonconsolidated)**

**Pula, July 2013**

<b>BALANCE SHEET</b>			
<b>as of 30.06.2013.</b>			
<b>Company: ULJANIK D.D.</b>			
Position	AOP	Previous period	Current period
1	2	3	4
<b>A) RECEIVABLES FOR SUBSCRIBED AND NON - PAID CAPITAL</b>	<b>001</b>	<b>0</b>	<b>0</b>
<b>B) LONG - TERM ASSETS (003+010+020+029+033)</b>	<b>002</b>	<b>186.003.953</b>	<b>284.529.044</b>
I. INTANGIBLE ASSETS (004 to 009)	003	0	0
1. Assets development	004	0	0
2. Concessions, patents, licence fees, merchandise and service brands, software and other rights	005	0	0
3. Goodwill	006	0	0
4. Prepayments for purchase of intangible assets	007	0	0
5. Intangible assets in preparation	008	0	0
6. Other intangible assets	009	0	0
II. TANGIBLE ASSETS (011 to 019)	010	1.886.480	111.570
1. Land	011	0	0
2. Buildings	012	1.758.417	0
3. Plant and equipment	013	0	0
4. Instruments, plant inventories and transportation assets	014	90.137	73.644
5. Biological assets	015	0	0
6. Prepayments for tangible assets	016	0	0
7. Tangible assets in preparation	017	0	0
8. Other material assets	018	37.926	37.926
9. Investment in buildings	019	0	0
III. LONG-TERM FINANCIAL ASSETS (021 to 028)	020	174.117.473	274.417.474
1. Shares (stocks) in related parties	021	173.945.983	274.245.984
2. Loans given to related parties	022	0	0
3. Participating interests (shares)	023	0	0
4. Loans to entrepreneurs in whom the entity hold participating interests	024	0	0
5. Investment in securities	025	171.490	171.490
6. Loans, deposits and similar assets	026	0	0
7. Other long - term financial assets	027	0	0
8. Investments accounted by equity method	028	0	0
IV. RECEIVABLES (030 to 032)	029	10.000.000	10.000.000
1. Receivables from related parties	030	0	0
2. Receivables based on trade loans	031	0	0
3. Other receivables	032	10.000.000	10.000.000
V. DEFERRED TAX ASSETS	033	0	0
<b>C) SHORT- TERM ASSETS (035+043+050+058)</b>	<b>034</b>	<b>135.522.601</b>	<b>40.912.751</b>
I. INVENTORIES (036 to 042)	035	0	0
1. Raw material	036	0	0
2. Work in progress	037	0	0
3. Finished goods	038	0	0
4. Merchandise	039	0	0
5. Prepayments for inventories	040	0	0
6. Long - term assets held for sale	041	0	0
7. Biological assets	042	0	0
II. RECEIVABLES (044 to 049)	043	15.792.266	21.385.201
1. Receivables from related parties	044	9.908.526	14.582.486
2. Accounts receivable	045	139.180	561.694
3. Receivables from participating entrepreneurs	046	0	0
4. Receivables from employees and shareholders	047	0	0
5. Receivables from government and other institutions	048	734.476	1.240.091
6. Other receivables	049	5.010.084	5.000.930
III. SHORT - TERM FINANCIAL ASSETS (051 to 057)	050	90.550.000	19.470.000
1. Shares (stocks) in related parties	051	0	0
2. Loans given to related parties	052	89.800.000	18.720.000
3. Participating interests (shares)	053	0	0
4. Loans to entrepreneurs in whom the entity hold participating interests	054	0	0
5. Investment in securities	055	0	0
6. Loans, deposits and similar assets	056	750.000	750.000
7. Other financial assets	057	0	0
IV. CASH AT BANK AND IN CASHIER	058	29.180.335	57.550
<b>D) PREPAID EXPENSES AND ACCRUED INCOME</b>	<b>059</b>	<b>0</b>	<b>0</b>
<b>E) TOTAL ASSETS (001+002+034+059)</b>	<b>060</b>	<b>321.526.554</b>	<b>325.441.795</b>
<b>F) OFF-BALANCE SHEET NOTES</b>	<b>061</b>		

<b>LIABILITIES AND CAPITAL</b>			
<b>A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)</b>	<b>062</b>	<b>320.458.830</b>	<b>322.708.023</b>
I. SUBSCRIBED CAPITAL	063	302.062.500	302.062.500
II. CAPITAL RESERVES	064	15.191.367	15.191.367
III. RESERVES FROM PROFIT (066+067-068+069+070)	065	0	-4.696.875
1. Reserves prescribed by law	066	0	0
2. Reserves for treasury stocks	067	0	0
3. Treasury stocks and shares (deduction)	068	0	4.696.875
4. Statutory reserves	069	0	0
5. Other reserves	070	0	0
IV. REVALUATION RESERVES	071	0	0
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	072	0	3.204.963
1. Retained earnings	073	0	3.204.963
2. Accumulated loss	074	0	0
VI. PROFIT / LOSS FOR THE CURRENT YEAR (076-077)	075	3.204.963	6.946.068
1. Profit for the current year	076	3.204.963	6.946.068
2. Loss for the current year	077	0	0
VII. MINORITY INTEREST	078	0	0
<b>B) PROVISIONS (080 to 082)</b>	<b>079</b>	<b>0</b>	<b>0</b>
1. Provisions for pensions, severance pay and similar liabilities	080	0	0
2. Reserves for tax liabilities	081	0	0
3. Other reserves	082	0	0
<b>C) LONG TERM LIABILITIES (084 to 092)</b>	<b>083</b>	<b>0</b>	<b>0</b>
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	0	0
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 w hom the entity holds participating interests	090	0	0
8. Other long-term liabilities	091	0	0
9. Deferred tax liability	092	0	0
<b>D) SHORT - TERM LIABILITIES (094 to 105)</b>	<b>093</b>	<b>987.724</b>	<b>2.733.772</b>
1. Liabilities to related parties	094	787.145	41.888
2. Liabilities for loans, deposits etc.	095	0	0
3. Liabilities to banks and other financial institutions	096	0	0
4. Liabilities for received prepayments	097	0	0
5. Accounts payable	098	22.808	89.825
6. Liabilities arising from debt securities	099	0	0
7. Liabilities to entrepreneurs in w hom the entity holds participating interests	100	0	0
8. Liabilities to employees	101	39.323	232.460
9. Liabilities for taxes, contributions and similar fees	102	116.503	347.073
10. Liabilities to share - holders	103	0	0
11. Liabilities for long term assets held for sale	104	0	0
12. Other short - term liabilities	105	21.945	2.022.526
<b>E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO FUTURE PERIOD</b>	<b>106</b>	<b>80.000</b>	<b>0</b>
<b>F) TOTAL CAPITAL AND LIABILITIES (062+079+083+093+106)</b>	<b>107</b>	<b>321.526.554</b>	<b>325.441.795</b>
<b>G) OFF-BALANCE SHEET NOTES</b>	<b>108</b>		
<b>APPENDIX TO BALANCE SHEET (only for consolidated financial statements)</b>			
<b>A) CAPITAL AND RESERVES</b>			
1. Attributed to equity holders of parent company	109		
2. Attributed to minority interests	110		

<b>PROFIT AND LOSS ACCOUNT</b>					
for period 01.01.2013. to 30.06.2013.					
Company: ULJANIK D.D.					
Position	AOP	Previous period		Current period	
		Cummulative	Periodical	Cummulative	Periodical
1	2	3	4	5	6
<b>I. OPERATING REVENUES (112+113)</b>	111	6.802.161	4.013.997	7.001.727	5.999.815
1. Sales revenues	112	5.768.049	4.010.640	4.233.089	3.232.135
2. Other operating revenues	113	1.034.112	3.357	2.768.638	2.767.680
<b>II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)</b>	114	3.663.283	2.972.396	3.900.653	3.204.851
1. Changes in the value of work in progress and finished goods	115	0	0	0	0
2. Material costs (117 to 119)	116	263.795	163.703	210.991	152.680
a) Raw material and material costs	117	41.855	21.722	46.425	34.505
b) Costs of goods sold	118	0	0	0	0
c) Other external costs	119	221.940	141.981	164.566	118.175
3. Staff costs (121 to 123)	120	534.525	267.075	899.882	652.543
a) Net salaries and wages	121	264.260	132.201	437.350	319.585
b) Costs for taxes and contributions from salaries	122	193.746	97.605	343.627	246.750
c) Contributions on gross salaries	123	76.519	37.269	118.905	86.208
4. Depreciation	124	46.783	24.736	47.232	25.971
5. Other costs	125	2.818.179	2.516.881	2.742.548	2.373.657
6. Impairment (127+128)	126	0	0	0	0
a) Impairment of long-term assets (excluding financial assets)	127	0	0	0	0
b) Impairment of short-term assets (excluding financial assets)	128	0	0	0	0
7. Provisions	129	0	0	0	0
8. Other operating expenses	130	1	1	0	0
<b>III. FINANCIAL INCOME (132 to 136)</b>	131	961.611	874.179	3.846.684	2.050.411
1. Interest income, foreign exchange gains, dividends and similar income from related parties	132	214.667	142.945	3.284.662	1.507.331
2. Interest income, foreign exchange gains, dividends and similar income from non-related parties	133	746.944	731.234	562.022	543.080
3. Share in income from affiliated entrepreneurs and participating interests	134	0	0	0	0
4. Unrealized gains (income) from financial assets	135	0	0	0	0
5. Other financial income	136	0	0	0	0
<b>IV. FINANCIAL EXPENSES (138 to 141)</b>	137	49.599	22.687	1.690	1.680
1. Interest expenses, foreign exchange losses and similar expenses from related parties	138	0	0	0	0
2. Interest expenses, foreign exchange losses and similar expenses from non-related parties and other entities	139	49.599	22.687	1.690	1.680
3. Unrealized losses (expenses) on financial assets	140	0	0	0	0
4. Other financial expenses	141	0	0	0	0
<b>V. INCOME FROM INVESTMENT SHARE IN PROFIT OF ASSOCIATED ENTREPRENEURS</b>	142	0	0	0	0
<b>VI. LOSS FROM INVESTMENT SHARE IN LOSS OF ASSOCIATED ENTREPRENEURS</b>	143	0	0	0	0
<b>VII. EXTRAORDINARY - OTHER INCOME</b>	144	0	0	0	0
<b>VIII. EXTRAORDINARY - OTHER EXPENSES</b>	145	0	0	0	0
<b>IX. TOTAL INCOME (111+131+142 + 144)</b>	146	7.763.772	4.888.176	10.848.411	8.050.226
<b>X. TOTAL EXPENSES (114+137+143 + 145)</b>	147	3.712.882	2.995.083	3.902.343	3.206.531
<b>XI. PROFIT OR LOSS BEFORE TAXATION (146-147)</b>	148	4.050.890	1.893.093	6.946.068	4.843.695
1. Profit before taxation (146-147)	149	4.050.890	1.893.093	6.946.068	4.843.695
2. Loss before taxation (147-146)	150	0	0	0	0
<b>XII. PROFIT TAX</b>	151	0	0	0	0
<b>XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)</b>	152	4.050.890	1.893.093	6.946.068	4.843.695
1. Profit for the period(149-151)	153	4.050.890	1.893.093	6.946.068	4.843.695
2. Loss for the period (151-148)	154	0	0	0	0
<b>APPENDIX TO P&amp;L (only for consolidated financial statements)</b>					
<b>XIV. PROFIT OR LOSS FOR THE PERIOD</b>					
1. Attributed to equity holders of parent company	155				
2. Attributed to minority interests	156				
<b>STATEMENT OF COMPREHENSIVE INCOME (IFRS)</b>					
<b>I. PROFIT OR LOSS FOR THE PERIOD (= 152)</b>	157	4.050.890	1.893.093	6.946.068	4.843.695
<b>II. OTHER COMPREHENSIVE INCOME / LOSS BEFORE TAX(159 to 165)</b>	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
<b>III. TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>	166	0	0	0	0
<b>IV. NET OTHER COMPREHENSIVE INCOME/ LOSS FOR THE PERIOD (158-166)</b>	167	0	0	0	0
<b>V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD(157+167)</b>	168	4.050.890	1.893.093	6.946.068	4.843.695
<b>APPENDIX to Statement of comprehensive income (only for consolidated financial statements)</b>					
<b>VI. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD</b>					
1. Attributed to equity holders of parent company	169				
2. Attributed to minority interests	170				

<b>CASH FLOW STATEMENT - Indirect method</b>			
<b>period 01.01.2013. to 30.06.2013.</b>			
<b>Company: ULJANIK D.D.</b>			
Naziv pozicije	AOP	Previous period	Current period
1	2	3	4
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
1. Profit before tax	001	4.050.890	6.946.068
2. Depreciation	002	46.783	47.232
3. Increase in short-term liabilities	003	0	1.666.048
4. Decrease in short term receivables	004	643.394	0
5. Decrease in inventories	005	0	0
6. Other cash flow increases	006	0	1.732.388
<b>I. Total increase in cash flow from operating activities (001 to 006)</b>	<b>007</b>	<b>4.741.067</b>	<b>10.391.736</b>
1. Decrease in short - term liabilities	008	2.482.257	0
2. Increase in short - term receivables	009	0	5.592.934
3. Increase in inventories	010	0	0
4. Other cash flow decreases	011	892.568	8.327.908
<b>II. Total decrease in cash flow from operating activities (008 to 011)</b>	<b>012</b>	<b>3.374.825</b>	<b>13.920.842</b>
<b>A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES (007-012)</b>	<b>013</b>	<b>1.366.242</b>	<b>0</b>
<b>A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES (012-007)</b>	<b>014</b>	<b>0</b>	<b>3.529.106</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
1. Cash flow from sale of long - term tangible and intangible assets	015	0	4.492.817
2. Cash inflows from sale of equity and debt financial instruments	016	0	0
3. Interest receipts	017	889.755	3.830.917
4. Dividend receipts	018	2.811	4.174
5. Other cash inflows from investing activities	019	48.000.000	112.430.000
<b>III. Total cash inflows from investing activities(015 to 019)</b>	<b>020</b>	<b>48.892.566</b>	<b>120.757.908</b>
1. Cash outflows for purchase of long - term tangible and intangible assets	021	2.689	4.711
2. Cash outflows for purchase of equity and debt financial instruments	022	0	100.300.001
3. Other cash outflows from investing activities	023	51.600.000	41.350.000
<b>IV. Total cash outflows from investing activities (021 to 023)</b>	<b>024</b>	<b>51.602.689</b>	<b>141.654.712</b>
<b>B1) NET INCREASE OF CASH FLOW FROM INVESTING ACTIVITIES(020-024)</b>	<b>025</b>	<b>0</b>	<b>0</b>
<b>B2) NET DECREASE OF CASH FLOW FROM INVESTING ACTIVITIES(024-020)</b>	<b>026</b>	<b>2.710.123</b>	<b>20.896.804</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
1. Cash receipts from issuance of equity and debt financial instruments	027	0	0
2. Cash inflows from loans, debentures, credits and other borrowings	028	0	0
3. Other cash inflows from financing activities	029	0	0
<b>V. Total cash inflows from financing activities (027 to 029)</b>	<b>030</b>	<b>0</b>	<b>0</b>
1. Cash outflows for repayment of loans and bonds	031	0	0
2. Dividends paid	032	0	0
3. Cash outflows for finance lease	033	0	0
4. Cash outflows for purchase of own stocks	034	0	4.696.875
5. Other cash outflows from financing activities	035	0	0
<b>VI. Total cash outflows from financing activities (031 do 035)</b>	<b>036</b>	<b>0</b>	<b>4.696.875</b>
<b>C1) NET INCREASE OF CASH FLOW FROM FINANCING ACTIVITIES (030-036)</b>	<b>037</b>	<b>0</b>	<b>0</b>
<b>C2) NET DECREASE OF CASH FLOW FROM FINANCING ACTIVITIES (036-030)</b>	<b>038</b>	<b>0</b>	<b>4.696.875</b>
Total increases of cash flows (013 – 014 + 025 – 026 + 037 – 038)	039	0	0
Total decreases of cash flows (014 – 013 + 026 – 025 + 038 – 037)	040	1.343.881	29.122.785
Cash and cash equivalents at the beginning of period	041	4.284.988	29.180.335
Increase in cash and cash equivalents	042	0	0
Decrease in cash and cash equivalents	043	1.343.881	29.122.785
Cash and cash equivalents at the end of period	044	2.941.107	57.550

<b>STATEMENT OF CHANGES IN EQUITY</b>			
from	1.1.2013	to	30.6.2013
Position	AOP	Previous year	Current year
1	2	3	4
1. Subscribed capital	001	670.875.900	302.062.500
2. Capital reserves	002	0	15.191.367
3. Reserves from profit	003	0	-4.696.875
4. Retained earnings or accumulated loss	004	-454.421.763	3.204.963
5. Profit / loss for the current year	005	4.050.890	6.946.068
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
<b>10. Total capital and reserves (AOP 001 to 009)</b>	<b>010</b>	220.505.027	322.708.023
11. Currency gains and losses arising from net investments 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 policies	014	0	0
15. Correction of significant errors in prior periods	015	0	0
16. Other changes in capital	016	4.050.890	102.202.996
<b>17. Total increase or decrease in capital (AOP 011 to 016)</b>	<b>017</b>	4.050.890	102.202.996
17 a. Attributed to equity holders of parent company	018		
17 b. Attributed to minority interest	019		

Items decreasing the capital are entered with a negative number sign  
Data entered under AOP marks 001 to 009 are entered as situation on the Balance Sheet date

## Notes on Financial Reports for 1st Semester 2013

1. The amounts given in the Financial Reports are expressed in kuna, unless otherwise stated.
2. In the reporting period the Company has acquired own shares in the total amount of 4,697 thousand kuna.
3. In the reporting period the Company has sold jointly owned property-business premises at the purchase price of 599 thousand EUR.
4. On 31.05.2013 the Company has signed the Contract regarding investing rights into the equity capital by which it increased the equity capital of its subsidiary ULJANIK Brodogradilište d.d. by investing its receivables in the form of loans amounting to 119 mil kuna.
5. The Company has, on 28.06.2013, signed the Contract for selling and transfer of shares of BI 3. MAJ with the selling price of 1.00 kuna.
6. In the financial period there were no changes in the accounting policy.

## Management Report for the period from January – June 2013

### Introduction

ULJANIK d.d. is a joint stock company founded as per the Laws and Regulations of the Republic of Croatia. The Company's head office is in Pula, at the address Flaciusova 1.

According to the Notice regarding classification of business subjects as per national classification of activities of the State Institute for Statistics, Zagreb, the Company has the numerical class mark 7010 – management activities, business subject identification number is 03229238, and Company's identification number 562 43843109.

On 30.06.2013 the Company employed 14 employees.

### Changes in the Management and Supervisory Board

Since 27.04.2013 the Company has a new Management comprising of:

Gianni Rosanda, President of the Management Board  
Marinko Brgić, Member of the Management Board  
Veljko Grbac, Member of the Management Board

On the basis of the General Assembly Decision brought on 26.04.2013, the Company has a new Supervisory Board comprising of:

Renata Kašnjar-Putar, President of the Supervisory Board  
Đino Šverko, Deputy of the President of the Supervisory Board  
Andrija Hren, Member of the Supervisory Board  
Vladimir Žmak, Member of the Supervisory Board  
Rajko Kutlača, Member of the Supervisory Board

### Ownership structure

The Company's equity capital amounting to 302,062,500.00 kuna is being divided among 3,356,250 regular shares having mark ULJN-R-A, with the individual nominal amount of 90.00 HRK.

#### STATUS on 30.06.2013

No.	Shareholder	Ticker	Number of shares	Percent stake in the share capital
1	AUDIO (0/1) / HZMO - HRVATSKI ZAVOD ZA MIROVINSKO OSIGURANJE (1/1)	ULJN-R-A	259.731	7,7387
2	HRVATSKA POŠTANSKA BANKA D.D. (0/1) / KAPITALNI FOND D.D. (1/1)	ULJN-R-A	222.222	6,6211
3	CROATIA OSIGURANJE D.D. (1/1)	ULJN-R-A	166.666	4,9658
4	HRVATSKA POŠTANSKA BANKA D.D. (0/1) / FOND ZA FINANCIRANJE RAZGRADNJE NEK (1/1)	ULJN-R-A	166.666	4,9658
5	HYPO ALPE - ADRIA - BANK D.D. (0/1) / PBZ CROATIA OSIGURANJE OBVEZNI MIROVINSKI FOND (1/1)	ULJN-R-A	133.333	3,9727
6	HZZO - HRVATSKI ZAVOD ZA ZDRAVSTVENO OSIGURANJE (1/1)	ULJN-R-A	130.157	3,8780
7	CROATIA OSIGURANJE D.D. (1/1) / ŽIVOTNO OSIGURANJE	ULJN-R-A	111.111	3,3106
8	SOCIETE GENERALE - SPLITSKA BANKA D.D. (0/1) / ERSTE PLAVI OBVEZNI MIROVINSKI FOND (1/1)	ULJN-R-A	111.111	3,3106
9	HRVATSKA BRODOGRADNJA - JADRANBROD D.D. (1/1)	ULJN-R-A	104.375	3,1099
10	ADRIJSKA GRUPA D.D. (1/1)	ULJN-R-A	83.000	2,4730
11	DOMAĆA FIZIČKA OSOBA (7.187)	ULJN-R-A	1.550.298	46,1914
12	STRANA OSOBA ( 14)	ULJN-R-A	3.323	0,0990
13	OSTALI DIONIČARI *** ( 45)	ULJN-R-A	314.257	9,3633
<b>TOTAL</b>			<b>3.356.250</b>	<b>100,0000</b>

Overall number of shareholders on 30.06.2013 = 7,256 shareholders



## BUSINESS ACTIVITIES

In the first semester of 2013 **ULJANIK d.d.** has achieved a positive financial result amounting to 6,946 thousand kuna. The total income amounts to 10,848 thousand kuna, while the overall expenditure amounts to 3,902 thousand kuna.

In the considered period, based on transactions with subsidiary companies an income of 7,424 thousand kuna has been realized. The material expenses amount to 211 thousand kuna which is 53 thousand kuna less compared to the same period of the previous year, while personnel expenses amount to 900 thousand kuna which is 68% less in comparison to the same period of the previous year.

in 000 HRK	I-VI/2012	I-VI/2013
Income from sales	5,768	4,233
Earnings from business activities (earnings before interest and taxes)	3,139	3,101
Profit after tax (loss) periods	4,051	6,946

  

in 000 HRK	31.12.2012	30.06.2013
Liquid assets and short term financial assets	119,730	19,528
Total assets	321,526	325,442
Principal amount	320,459	322,708

## Risk Management

The Company is primarily subject to risk due to changes in exchange rate, credit risk, cash liquidity risk as well interest rate risk.

Foreign currency exchange risk is the risk represented by the fact that the financial instruments value would change amid changes of the exchange rate. The Company's claims and obligations are expressed in kuna, and the Company is not significantly exposed to foreign currency risk.

The credit risk represents the risk of one party not fulfilling its obligations in the financial instrument and that by not doing so will cause financial loss to the other side. The Company minimizes that risk by continuously monitoring the Buyer's demands, while suspicious demands are reserved for regular appraisal, and are changed if necessary.

Liquidity risk, which is deemed financing risk, represents the risk that the Company will encounter difficulties in gathering funds for settling obligations related to financial instruments. The Company pays a lot of attention to the cash flow, by monitoring real daily changes, therefore significant problems related to liquidity are not expected.

The interest risk represents the risk that the value of financial instruments will change amid changes of market interest rates. Interest risk of the Company results from received and given long-term and short-term credits and loans.

## Subsidiaries

- ULJANIK Brodogradilište d.d. (ULJANIK Shipyard jsc)
- ULJANIK Strojogradnja d.d. (ULJANIK Mechanical Engineering jsc)
- ULJANIK Poslovno informacijski sustavi d.o.o. (ULJANIK Business IT Systems jsc)
- ULJANIK Brodograđevni projekti d.o.o. (ULJANIK Shipbuilding projects jsc)
- ULJANIK Financije d.o.o. (ULJANIK Finances jsc)
- ULJANIK Standard d.o.o. (ULJANIK Standard jsc)

All the stated companies are 100% owned by ULJANIK d.d.

On 28.06.2013 ULJANIK d.d. signed the Contract on selling and transfer of shares of BI 3. MAJ d.d. for purchasing 1,051,118 shares having a nominal value of 100.00 kuna which is 83.33 % of the equity capital of BI 3. MAJ for which ULJANIK undertook to pay the selling price in the amount of 1.00 kuna (one kuna).

As per Contract ULJANIK is obliged within 1 year from gaining the BI 3. MAJ d.d. shares to offer to the workers of the Company BI 3. MAJ d.d. those shares owned by ULJANIK which exceed 75% share of the overall equity capital of BI 3. MAJ.

## Own shares

Uljanik d.d. has gained 104,375 own shares which represents 3.1099% of the Company's equity capital. The shares are acquired at a price of 45.00 kuna per share. After this acquisition, the overall number of treasury shares amounts to 104,375 which represents 3.1099% of Company's equity capital. The acquisition of shares was carried out on 13.06.2013.

## Development of the Company

In the first semester of 2013 the Company and the Group as an entity have intensely worked on the development and improvement of the organization in order to increase the efficiency of all management processes as well as optimization of complex shipbuilding processes and integration with the shipyard 3. MAJ from Rijeka, and which will be continued in the future.

## STATEMENT ON MANAGEMENT RESPONSIBILITY

Financial Reports for the period from 1<sup>st</sup> January to 30<sup>th</sup> June 2013 are draw up in accordance with the International Standards of Financial Reporting (MSFI) as well as the Accounting Act and offer an integral and truthful presentation of assets and obligations, losses and profit, financial status and business activities of the Company.

Signed on behalf of the Management Board:

Gianni Rossanda, President of the Management Board

ULJANIK d.d.  
Flaciusova 1  
52100 Pula

Pula, July 2013

  
**ULJANIK** d.d.  
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