

THE PORT OF RIJEKA J. S. C.

**UNAUDITED NONCONSOLIDATED
FINANCIAL STATEMENT
FOR 1st JANUARY-31st DECEMBER 2017**

THE MANAGEMENT BOARD'S REPORT

The Port of Rijeka j. s. c.

Riva 1, HR-51 000 RIJEKA

Personal identification number: 92590920313

Rijeka, February 2018



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IN THE PERIOD BETWEEN 1ST JANUARY AND 31ST DECEMBER 2017

GENERAL INFORMATION

The Port of Rijeka j. s. c. is the largest concessionaire for the transshipment of dry cargo in the area of the port of Rijeka and is a market-oriented company, the main business activity of which is providing port services. The Company holds the concession until 2042.

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

KEY EVENTS

THE CHANGE IN THE STRUCTURE OF OWNERSHIP

- In June 2017, the Administrative Council of the Restructuring and Sales Center (CERP) adopted the decision on initiating the process to sell the shares of the company The Port of Rijeka j. s. c., outside the book of orders, through a block transaction at the Zagreb Stock Exchange. The sale pertains to 1,584,124 shares of the company the Port of Rijeka j. s. c., having the total nominal value of 63,364,960.00 Kuna, making 11.75% of the Company's share capital, out of which 884,929 shares making 6.56% of the Company's share capital is owned by the Republic of Croatia, 484,780 shares making 3.60% of the Company's share capital is owned by the Croatian Health Insurance Institute, 214,196 shares making 1.59% of the Company's share capital is owned by the Croatian Pension Insurance Institute and 219 shares making 0.002% of the Company's share capital is owned by CERP.
- On 7th September 2017, the block transaction was executed at the Zagreb Stock Exchange, pursuant to the decision regarding the selection of the most favorable binding offer for the purchase of shares of the company the Port of Rijeka j. s. c. submitted by the bidder OT Logistics S.A. Before the execution of the transaction, OT Logistics S.A. held 2,805,232 shares of the Company, whereas after purchasing 1,584,124 shares it owns a total of 4,389,356 shares, which represents 32.56% of all voting shares issued by The Port of Rijeka j. s. c.
- On 15th September 2017, OT Logistics S.A. concluded an inter-shareholder Agreement with AZ Mirovinski Fondovi and Erste Mirovinski Fondovi, following which they jointly hold 7,631,110 shares or 56.61% of the share capital of The Port of Rijeka j. s. c. The inter-shareholder agreement regulates the harmonized implementation of voting rights of the parties at the General Assembly of the Target Company.
- In the middle of November 2017, OT Logistics S.A. announced the bid to takeover the remaining shares of The Port of Rijeka j. s. c., which was accepted by 148 shareholders and by which 364,115 shares making 2.70% of share capital were purchased, increasing the ownership share of OT Logistics S.A. to a total of 35.26% of shares.
- On 27th December 2017, the extraordinary General Assembly of the shareholders of the Port of Rijeka j. s. c. was held and the decision was adopted to appoint Zbigniew Nowik, Duško Grabovac and Jerzy Majewski to the Supervisory Board of the Company. Pursuant to the provisions of the Capital Market Act and the Rules of the Zagreb Stock Exchange, on the same day – 27th December 2017 – the constituting meeting of the Supervisory Board of The Port of Rijeka j. s. c. was held, in which the decision was made on the election of the president of the

Supervisory Board (Alen Jugović was elected) and the Decision was adopted on the election of the vice-president of the Supervisory Board of the Port of Rijeka j. s. c. (Zbigniew Nowik was elected).

- On the day of 29th December 2017, PFR TOWARZYSTWO FUNDUSZY INWESTYCYJNYCH S.A. purchased 8.75% of shares on the secondary market from OT Logistics S.A., thereby decreasing the ownership share of OT Logistics S.A. to 26.51% of the share capital.
- On 29th December 2017, the meeting of the Supervisory Board of The Port of Rijeka j. s. c. was held, at which the Decision on electing the members of the Management Board of the Port of Rijeka j. s. c. was adopted. Jędrzej Mirosław Mierzewski was appointed as the president of the Management Board, whereas Vedran Tićac was appointed as the member of the Management Board. The term of office for the president and the member of the Management Board begins on 1st January 2018.

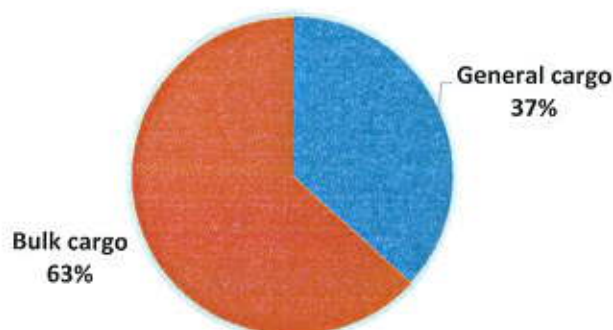
SALES PERFORMANCE INDICATORS

In 2017, the total throughput of all dry cargos in the port of Rijeka, consisting of the Port of Rijeka j. s. c., amounted to 2,547,238 tons of cargo. In relation to quantity, this is a 17% increase compared to the results in 2016, when 2,183,980 tons of cargo were transshipped.

Diagram: The structure of throughput of The Port of Rijeka j. s. c.

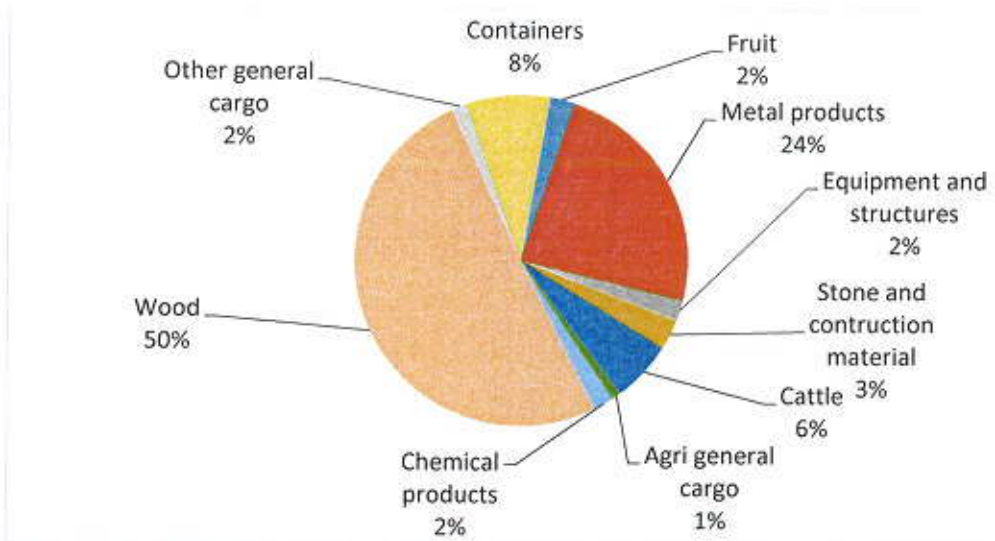
TOTAL THROUGHPUT	Realization 2016	Plan 2017	Realization 2017	Index 2017/2016	Index 2017/Plan
The Port of Rijeka j. s. c.	2.183.980	2.778.362	2.547.238	117	92
General cargo (tons)	989.384	1.139.817	933.850	94	82
Bulk cargo (tons)	1.194.596	1.638.545	1.613.388	135	98

Diagram: The structure of cargo of The Port of Rijeka j. s. c.



The total throughput of general cargo amounted to 933.850 tons, which is a 6% decrease compared to last year’s 989.384 tons, whereas the bulk cargo with 1.613.388 tons in 2017 has increased by 35% compared to 1.613.388 tons in 2016.

Diagram: The structure of general cargo



Metal products have recorded the throughput of 221,241 tons, which makes 51% of the throughput planned for 2017. The greatest reason for a weaker realization of the plan is a significantly decreased possibility to market semi-finished products of ferrous metallurgy in overseas destinations. The result of this is that the traditional partners market their products increasingly in the countries of the European Union under more favorable prices. Compared to the previous year, the throughput of refrigerated cargo has significantly decreased – by 39%. The reason for this is a lower yield due to a long period of strong monsoons i.e. adverse weather conditions.

Stone and construction material have also shown a somewhat larger throughput, 81% more than the one forecasted for 2017 and 9% more than in 2016.

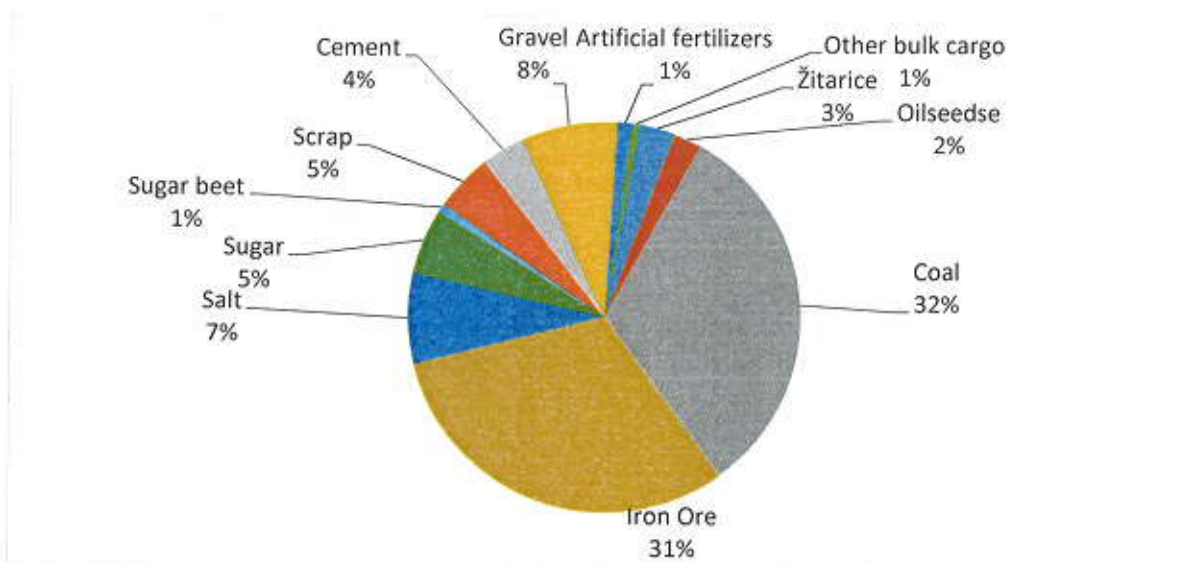
The throughput of wood in the port of Rijeka has increased by 15% compared to the previous year, whereas 94% of the Plan was realized. In the case of the throughput of wood, hard wood recorded a 21% increase, while soft wood recorded a 2% increase compared to the observed period of 2016.

A total of 36,947 containers expressed in TEUs were transhipped at the terminals under concession of The Port of Rijeka j. s. c.

The total bulk cargo throughput in 2017 amounted to 1,613,388 tons. Compared to the throughput of 1,194,596 tons achieved in 2016, this represents a 35% increase and 98% of the planned throughput.

The structure of bulk cargo shows the largest share of coal and iron ore, with 1,017,402 tons that were transhipped through the Bakar Terminal. In relation to the transshipment of iron ore, there is a significant growth trend of 200% compared to 2016. The throughput of grains amounted to 87% of the realization in the previous year, whereas the throughput of oilseeds (soy) in this reporting period fell significantly due to the crisis in the Agrokor group, which was the largest buyer of soy imported through the port of Rijeka.

Diagram: The structure of bulk cargo



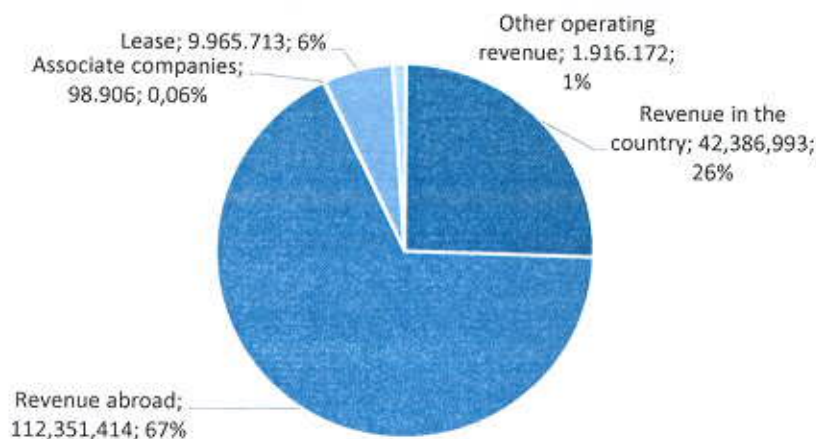
FINANCIAL PERFORMANCE INDICATORS

Revenue structure

The total revenue in 2017 amounts to 179.802 million Kuna, which is at the level of 2016. The largest share in the structure of the total revenue is the operating revenue amounting to 166.719 million Kuna, which is the result at the level of 2016.

The throughput, which has increased by 17% compared to 2016, generated the key operating revenue from the core business activity – revenue from sales of services in the country and abroad. 154,738 million Kuna was earned from the sales of services in the domestic and the foreign market, which makes 93% of the operating revenue and represents a growth of 8% compared to 2016.

Diagram: The structure of operating revenue

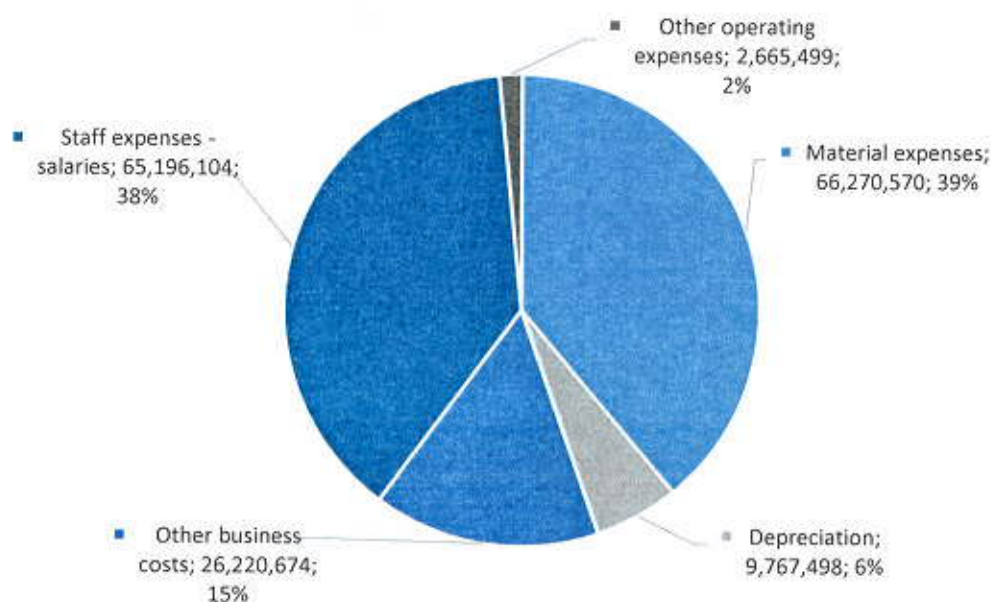


Expenses structure

Total expenses in 2017 amount to 179.086 million Kuna, which is a 1% increase compared to 2016. The operating expenses for the stated period amount to 170.181 million Kuna and are at the level of 2016.

Other tangible rights include the total cost of agreed severance packages in the amount of 1.820 million Kuna for 27 employees, whose employment contracts were terminated with severance pay.

Diagram: The structure of operating expenses



Financial performance

For the financial year 2016, EBIT amounts to -3.462 million Kuna, EBITDA amounts to 6.366 million Kuna. The total revenue was higher than the total expenses, which resulted in the profit before tax of 716,626 Kuna.

Balance sheet

On 31st December 2017, the assets/liabilities value amounted to 725.163 million Kuna.

The key changes related to the structure of the balance sheet:

- Short-term assets – the share of financial assets (deposits with banks and shares in money market funds) has decreased from 24.7% to 9.7% of the assets, due to the investment in the Škrljevo Project.

- Long-term tangible assets – the share has increased from 69% to 86% of the assets due to the increase of the tangible assets in preparation – the Škrljevo Project.
- Short-term obligations – the share has decreased from 7.9% to 7.4% of the liabilities due to the repayment of a part of the loan and the decreased obligations towards the employees.
- Long-term provisions have decreased from 1.4% to 0.4% for pensions and employment anniversary rewards

Key performance indicators

Indicators	Realization 2016	Realization 2017	Index
<i>Liquidity ratios</i>			
Working capital	169,594,110	47,997,235	28
Current liquidity	3.9	1.89	48
<i>Debt indicators</i>			
Short-term liabilities/capital	0.09	0.09	100
Long-term liabilities/capital	0.08	0.06	75
Loans/capital	0.05	0.05	100
Total liabilities/assets	0.17	0.13	76
<i>Profitability ratios</i>			
EBIT in Kuna	-2,730,338	-3,461,976	
EBITDA in Kuna	9,970,146	6,366,353	
EBITDA margin	5.96%	3.90%	
EBIT margin	-1.63%	-2.10%	
<i>Productivity indicators</i>			
Number of employees	630	605	96
Revenue per employee (in thousands)	284	297	105

APPENDIX 1

Reporting period:

01.01.2017.

to

31.12.2017.

QUARTERLY FINANCIAL REPORT OF ENTREPRENEUR

Registration number (MB): 03330494

Identification number of subject (MBS): 040141664

Personal identification number (OIB): 92590920313

Issuer company: PORT OF RIJEKA j.s.c.

Postal code and place: 51000

RIJEKA

Street and number: Riva 1

E-mail address: uprava@lukarijeka.hr

Internet adresa: www.lukarijeka.hr

Code and name of town: 373 RIJEKA

Code and county name: 8 PRIMORSKO-GORANSKA

Number of employees: 605
(at the end of the year)

Consolidated statement: NO

NKD/NWC code: 5224

Subsidiaries subject to consolidation (according to IFRS):

Headquarters:

Registration number:

Subsidiaries subject to consolidation (according to IFRS):	Headquarters:	Registration number:

Book keeping service:

Contact person: Reljac Janja
authorised person for representation

Phone number: 051/496-533

Fascimile: 051/496-008

E-mail address: fin@lukarijeka.hr

Surname and name:

Disclosure documents:

1. Financial statements (balance sheet, profit and loss account, cash flow statement...)
2. Interim management Report
3. Statement of responsible persons for preparation of financial statements

LUKA RIJEKA d.d.
Rijeka, M.P. Riva 1



BALANCE SHEET
as of 31.12.2017.

PORT OF RIJEKA j.s.c.		<i>in Kunas</i>		
Position	AOP	Previous year	Current year	
1	2	3	4	
ASSETS				
A) RECEIVABLES FOR SUBSCRIBED BUT NOT PAID IN CAPITAL	001	0	0	
B) LONG-TERM ASSETS (003+010+020+029+033)	002	508.324.716	622.394.138	
I. INTANGIBLE ASSETS (004 to 009)	003	743.068	480.873	
1. Assets development	004	0	0	
2. Concessions, patents, licences fees, trade and service marks, software and other rights	005	743.068	480.873	
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	471.956.377	587.661.301	
1. Land	011	229.075.870	229.075.870	
2. Buildings	012	108.742.540	108.637.611	
3. Plant and equipment	013	1.710.894	2.089.174	
4. Tools, facility inventory and transport assets	014	52.286.980	50.718.889	
5. Biological assets	015	0	0	
6. Prepayments for tangible assets	016	20.702.110	212.500	
7. Tangible assets in progress	017	52.529.875	190.496.124	
8. Other tangible assets	018	325.736	325.736	
9. Investments in buildings	019	6.582.372	6.105.397	
III. LONG-TERM FINANCIAL ASSETS (021 to 028)	020	12.025.892	12.057.013	
1. Investments (shares) with related parties	021	11.767.170	11.767.170	
2. Loans given to related parties	022	0	0	
3. Participating interest (shares)	023	40.000	40.000	
4. Loans to entrepreneurs in whom the entity holds participating interests	024	0	0	
5. Investments in securities	025	218.722	249.843	
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	5.640.419	4.339.884	
1. Receivables from related parties	030	0	0	
2. Receivables from based on trade loans	031	5.640.419	4.339.884	
3. Other receivables	032	0	0	
V. DEFERRED TAX ASSETS	033	17.958.960	17.855.067	
C) SHORT TERM ASSETS (035+043+050+058)	034	228.007.798	101.723.130	
I. INVENTORIES (036 to 042)	035	901.345	728.012	
1. Raw-material and supplies	036	826.345	728.012	
2. Work in progress	037	0	0	
3. Finished goods	038	0	0	
4. Merchandise	039	0	0	
5. Prepayments for inventories	040	75.000	0	
6. Long-term assets held for sales	041	0	0	
7. Biological assets	042	0	0	
II. RECEIVABLES (044 to 049)	043	41.497.769	28.425.789	
1. Receivables from related parties	044	325.199	399.569	
2. Accounts receivable	045	24.688.373	26.114.669	
3. Receivables from participating parties	046	0	0	
4. Receivables from employees and members of related parties	047	2.691	1.643	
5. Receivables from government and other institutions	048	16.026.122	1.843.107	
6. Other receivables	049	455.184	66.801	
III. SHORT TERM FINANCIAL ASSETS (051 to 057)	050	182.209.855	70.249.290	
1. Shares (stocks) in related parties	051	0	0	
2. Loans given to related parties	052	0	0	
3. Participating interest (shares)	053	0	0	
4. Loans to entrepreneurs in whom the entity holds participating interests	054	0	0	
5. Investments in securities	055	0	0	
6. Loans, deposits, etc.	056	182.209.855	70.249.290	
7. Other financial assets	057	0	0	
IV. CASH AT BANK AND IN CASHIER	058	3.398.829	2.320.039	
D) PREPAID EXPENSES AND ACCRUED REVENUE	059	680.665	1.045.720	
E) TOTAL ASSETS (001+002+034+059)	060	737.013.179	725.162.988	
F) OFF-BALANCE RECORDS	061	804.016	804.016	

LIABILITIES AND CAPITAL			
A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	616.020.188	616.687.878
I. SUBSCRIBED CAPITAL	063	539.219.000	539.219.000
II. CAPITAL RESERVES	064	38.623.828	38.623.828
III. RESERVES FROM PROFIT(066+067-068+069+070)	065	0	0
1. Reserves prescribed by law	066	0	0
2. Reserves for treasury shares	067	0	0
3. Treasury stocks and shares (deduction)	068	0	0
4. Statutory reserves	069	0	0
5. Other reserves	070	0	0
IV. REVALUATION RESERVES	071	36.669.177	36.713.003
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	072	1.265.202	1.508.182
1. Retained earnings	073	1.265.202	1.508.182
2. Accumulated loss	074	0	0
VI. PROFIT/LOSS FOR THE CURRENT YEAR (076-077)	075	242.981	623.865
1. Profit for the current year	076	242.981	623.865
2. Loss for the current year	077	0	0
VII. MINORITY INTERESTS	078	0	0
B) PROVISIONS (080 to 082)	079	10.565.286	2.655.584
1. Provisions for pensions, severance pay, and similar liabilities	080	3.201.648	2.655.584
2. Reserves for tax liabilities	081	0	0
3. Other reserves	082	7.363.638	0
C) LONG - TERM LIABILITIES (084 to 092)	083	49.266.034	36.394.081
1. Liabilities to related parties	084	0	0
2. Liabilities for loans, deposits etc.	085	3.104.021	0
3. Liabilities to banks and other financial institutions	086	26.047.030	20.651.835
4. Liabilities for received prepayments	087	0	0
5. Accounts payable	088	12.073.361	7.700.624
6. Liabilities arising from debt securities	089	0	0
7. Liabilities to entrepreneurs in whom the entity holds participating interests	090	0	0
8. Other long-term liabilities	091	0	0
9. Deferred tax liability	092	8.041.622	8.041.622
D) SHORT-TERM LIABILITIES (094 to 105)	093	58.413.688	53.725.895
1. Liabilities to related parties	094	632.951	897.286
2. Liabilities for loans, deposits etc.	095	10.738.248	11.052.473
3. Liabilities to banks and other financial institutions	096	6.857.917	5.407.461
4. Liabilities for received prepayments	097	0	0
5. Accounts payable	098	26.124.912	25.484.934
6. Liabilities arising from debt securities	099	0	0
7. Liabilities to entrepreneurs in whom the entity holds participating interests	100	0	0
8. Liabilities to employees	101	3.586.459	3.461.160
9. Liabilities for taxes, contributions and similar fees	102	4.754.918	3.905.421
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	5.718.283	3.517.160
E) DEFERRED SETTLEMENTS OF CHARGES AND INCOME DEFERRED TO FUTURE PERIOD	106	2.747.983	15.699.550
F) TOTAL - CAPITAL AND LIABILITIES (062+079+083+093+106)	107	737.013.179	725.162.988
G) OFF - BALANCE RECORDS	108	804.016	804.016
APPENDIX to balance sheet(to be filled in by entrepreneur that prepares consolidated annual financial report)			
A) CAPITAL AND RESERVES			
1. Attributed to equity holders of parent company	109	0	0
2. Attributed to minority interest	110	0	0

APPENDIX to balance sheet(to be filled in by entrepreneur that prepares consolidated annual financial report)

PROFIT AND LOSS ACCOUNT
from 01.01.2017. until 31.12.2017.

PORT OF RIJEKA j.s.c.		<i>in Kunas</i>			
Position	AOP	Previous period cumulative	Previous period quarter	Current period cumulative	Current period quarter
1	2	3	4	5	6
I. OPERATING REVENUE (112+113)	111	167.349.031	53.895.050	166.719.198	40.993.515
1. Sales revenue	112	144.044.294	39.308.212	154.837.313	38.413.355
2. Other operating revenues	113	23.304.737	14.586.838	11.881.885	2.580.160
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)	114	170.079.389	47.997.992	170.181.175	44.168.654
1. Changes in value of work in progress and finished products	115	0	0	0	0
2. Material costs (117 to 119)	116	62.681.224	17.379.389	66.270.570	17.322.057
a) Raw material and material costs	117	18.672.029	5.057.649	18.718.779	5.339.325
b) Costs of goods sold	118	0	0	0	0
c) Other external costs	119	44.009.195	12.321.740	47.551.791	11.982.732
3. Staff costs (121 to 123)	120	67.159.875	16.494.496	65.196.104	16.382.144
a) Net salaries and wages	121	41.703.223	10.331.896	40.918.663	10.347.767
b) Cost for taxes and contributions from salaries	122	15.601.503	3.743.690	14.720.486	3.632.775
c) Contributions on gross salaries	123	9.855.149	2.418.910	9.556.955	2.401.602
4. Depreciation	124	10.530.394	3.525.674	9.767.498	2.295.748
5. Other costs	125	25.514.300	7.695.090	26.220.674	7.505.841
6. Impairment (127+128)	126	2.170.090	2.170.090	60.830	60.830
a) Impairment of long - term assets (financial assets excluded)	127	0	0	0	0
b) Impairment of short - term assets (financial assets excluded)	128	2.170.090	2.170.090	60.830	60.830
7. Provisions	129	0	0	0	0
8. Other operating costs	130	2.023.486	733.253	2.665.499	602.034
III. FINANCIAL INCOME (132 to 136)	131	11.568.847	6.486.225	13.083.648	755.030
1. Interest income,foreing exchange gains,dividends and similar income from related parties	132	0	0	0	0
2. Interest income,foreing exchange losses,dividends and similar expenses from non related parties	133	11.568.847	6.633.980	6.546.318	754.022
3. Share in income from affiliated entrepreneurs and participating	134	0	0	6.537.330	1.008
4. Unrealized losses (expenses) on financial assets	135	0	0	0	0
5. Other financial income	136	0	-147.755	0	0
IV. FINANCIAL EXPENSES (138 to 141)	137	7.752.671	3.820.490	8.905.045	947.794
1. Interest expenses,foreing exchange losses,dividends and similar expenses from related parties	138	0	0	0	0
2. Interest expenses,foreing exchange losses,dividends and similar expenses from non related parties	139	6.509.647	3.509.823	7.542.890	630.937
3. Unrealized losses (expenses) on financial assets	140	0	0	0	0
4. Other financial expenses	141	1.243.024	310.667	1.362.155	316.857
V. INCOME FROM INVESTMENT - SHARE IN PROFIT OF ASSOCIATED	142	0	0	0	0
VI. LOSS FROM INVESTMENT - SHARE IN LOSS OF ASSOCIATED	143	0	0	0	0
VII. EXTRAORDINARY- OTHER INCOME	144	0	0	0	0
VIII.EXTRAORDINARY - OTHER EXPENSES	145	0	0	0	0
IX. TOTAL INCOME (111+131+142+144)	146	178.917.878	60.381.275	179.802.846	41.748.545
X. TOTAL EXPENSES (114+137+143+145)	147	177.832.040	51.818.482	179.086.220	45.116.448
XI. PROFIT OR LOSS BEFORE TAXATION (146-147)	148	1.085.838	8.562.793	716.626	-3.367.903
1. Profit before taxation (146-147)	149	1.085.838	8.562.793	716.626	0
2. Loss before taxation (147-146)	150	0	0	0	3.367.903
XII. PROFIT TAX	151	842.857	842.857	92.761	0
XIII. PROFIT OR LOSS FOR THE THE PERIOD (148-151)	152	242.981	7.719.936	623.865	-3.367.903
1. Profit for the period (149-151)	153	242.981	7.719.936	623.865	0
2. Loss for the period (151-148)	154	0	0	0	3.367.903

APPENDIX to P&I account (to be filled in by entrepreneur that prepares consolidated financial report)					
XIV. PROFIT OR LOSS FOR THE PERIOD					
1. Attributed to equity holders of parent company	155	0	0	0	0
2. Attributed to minority interest	156	0	0	0	0
STATEMENT OF OTHER COMPREHENSIVE INCOME (IFRS)					
I. PROFIT OR LOSS FOR THE PERIOD (= 152)	157	242.981	7.719.936	623.865	-3.367.903
II. OTHER COMPREHENSIVE INCOME /LOSS BEFORE TAX (159 to 165)	158	9.534	9.534	54.959	54.959
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 reevaluation of financial assets available for sale	161	9.534	9.534	54.959	54.959
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	163	0	0	0	0
6. Share in other comprehensive income/loss of associated companies	164	0	0	0	0
7. Actuarial gains /losses on defined benefit plans	165	0	0	0	0
III. TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD	166	-892.563	-892.563	11.132	11.132
IV. NET OTHER COMPREHENSIVE INCOME OR LOSS FOR THE	167	902.097	902.097	43.827	43.827
V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (157+167)	168	1.145.078	8.622.033	667.692	-3.324.076
APPENDIX to Statement of other comprehensive income (to be filled in by entrepreneur that prepares consolidated financial report)					
VI. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD					
1. Attributed to equity holders of parent company	169	0	0	0	0
2. Attributed to minority interest	170	0	0	0	0

STATEMENT OF CASH FLOWS - Indirect method
from 01.01.2017. until 31.12.2017.

PORT OF RIJEKA j.s.c.	<i>in Kunas</i>			
	Position	AOP	Previous year	Current year
	1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES				
1. Profit before tax	001	1.085.838	716.626	
2. Depreciation	002	10.530.394	9.767.498	
3. Increase in short term liabilities	003	4.344.723	0	
4. Decrease in short term receivables	004	0	14.372.515	
5. Decrease in inventories	005	161.645	173.333	
6. Other increase in cash flow	006	0	0	
I. Total increase in cash flow operating activities (001 to 006)	007	16.122.600	25.029.972	
1. Decrease in short term liabilities	008	0	3.551.563	
2. Increase in short term receivables	009	11.059.367	0	
3. Increase in inventories	010	0	0	
4. Other decrease in cash flow	011	11.963.971	3.595.047	
II. Total decrease in cash flow from operating activities (008 to 011)	012	23.023.338	7.146.610	
A1) NET INCREASE IN CASH FLOW FROM OPERATING ACTIVITIES (007-012)	013	0	17.883.362	
A2) NET DECREASE IN CASH FLOW FROM OPERATING ACTIVITIES	014	6.900.738	0	
CASH FLOW FROM INVESTING ACTIVITIES				
1. Cash inflows from sales of long - term tangible and intangible assets	015	774.701	519.745	
2. Cash inflows from sales of equity and debt instruments	016	0	0	
3. Interests receipts	017	3.829.437	1.913.031	
4. Dividend receipts	018	8.396	6.537.330	
5. Other cash inflows from investing activities	019	3.290.630	2.982.908	
III. Total cash inflows from investing activities (015 to 019)	020	7.903.164	11.953.014	
1. Cash outflow for purchase of long - term tangible and intangible assets	021	46.448.595	125.564.488	
2. Cash outflow for acquisition of equity and debt financial instruments	022	0	0	
3. Other cash outflow for investing activities	023	0	0	
IV. Total cash outflow for investing activities (021 to 023)	024	46.448.595	125.564.488	
B1) NET INCREASE IN CASH FLOW FROM INVESTING ACTIVITIES (020-024)	025	0	0	
B2) NET DECREASE IN CASH FLOW FROM INVESTING ACTIVITIES(024-020)	026	38.545.431	113.611.474	
CASH FLOW FROM FINANCIAL ACTIVITIES				
1. Cash inflow from issuing property and debt financial instruments	027	0	0	
2. Proceeds from the credit principal, promissory notes, borrowings and other loans	028	0	0	
3. Other proceeds from financial activities	029	61.071.032	111.960.565	
V. Total cash inflows from financial activities (027 to 029)	030	61.071.032	111.960.565	
1. Cash outflow for repayment of credit principal and bonds	031	13.208.691	16.196.320	
2. Cash outflow for dividends paid	032	0	0	
3. Cash outflow for financial lease	033	66.985	0	
4. Cash outflow for purchase of treasury shares	034	0	0	
5. Other cash outflow for financial activities	035	1.533.742	1.114.923	
VI. Total cash outflow for financial activities (031 to 035)	036	14.809.418	17.311.243	
C1) NET INCREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES (030-036)	037	46.261.614	94.649.322	
C2) NET DECREASE IN CASH FLOW FROM FINANCIAL ACTIVITIES (036-030)	038	0	0	
Total increase in cash flow (013-014+025-026+037-038)	039	815.445	0	
Total decrease in cash flow (014-013+026-025+038-037)	040	0	1.078.790	
Cash and cash equivalents at the beginning of the period	041	2.583.384	3.398.829	
Increase of cash and cash equivalents	042	815.445	0	
Decrease of cash and cash equivalents	043	0	1.078.790	
Cash and cash equivalents at the end of the period	044	3.398.829	2.320.039	

STATEMENT OF CHANGES IN EQUITY
for the period 01.01.2017. to 31.12.2017.

in Kunas

Position	AOP	Previous year	Current year
1	2	3	4
1. Subscribed capital	001	539.219.000	539.219.000
2. Capital reserves	002	38.623.828	38.623.828
3. Reserves from profit	003	0	0
4. Retained earnings or accumulated loss	004	1.265.202	1.508.182
5. Profit or loss for the current year	005	242.981	623.865
6. Revaluation of long - term tangible assets	006	36.634.056	36.634.056
7. Revaluation of intangible assets	007	0	0
8. Revaluation of financial assets available for sale	008	35.121	78.947
9. Other revaluation	009	0	0
10. Total capital and reserves (AOP 001 to 009)	010	616.020.188	616.687.878
11. Currency gains and losses arising from net investment in foreign operations	011	0	0
12. Current and deferred taxes (part)	012	0	0
13. Cash flow hedging	013	0	0
14. Changes in accounting policy	014	0	0
15. Correction of significant errors in prior period	015	0	0
16. Other changes of capital	016	0	0
17. Total increase or decrease in capital (AOP 011 to 016)	017	0	0
17 a. Attributed to equity holders of parent company	018	0	0
17 b. Attributed to minority interest	019	0	0

Items which decrease capital are given with the negative prefix.

In Rijeka, 28th February 2018

Pursuant to the Capital Market Act, Vesna Juretić, the director of the Financial and Accounting Sector and Janja Reljac, Assistant to the Director of the Financial and Accounting Sector, as persons responsible for preparing quarterly statements of the company The Port of Rijeka j. s. c., from Rijeka, Riva 1, personal identification number 92590920313 (hereinafter: the Company), hereby give the following

STATEMENT

According to our best knowledge

- The summarized set of consolidated and non-consolidated financial statements for the fourth quarter of 2017, prepared by applying the relevant financial reporting standards, provides a comprehensive and true account of the assets and liabilities, the profit and loss, the financial position and the business performance of the Company and the companies included in consolidation.
- The provisional report of the Company's Management Board for the period from 1st January 2017 until 31st December 2017, contains a true account of the development and the business performance results, as well as the position of the Company and the companies included in consolidation, in addition to the description of the most significant risks and uncertainties to which the Company and the companies included in consolidation are exposed.

Janja Reljac
Assistant to the Director of the Sector

Vesna Juretić
Director of the Sector



LUKA RIJEKA d.d.
Rijeka, Riva 1

