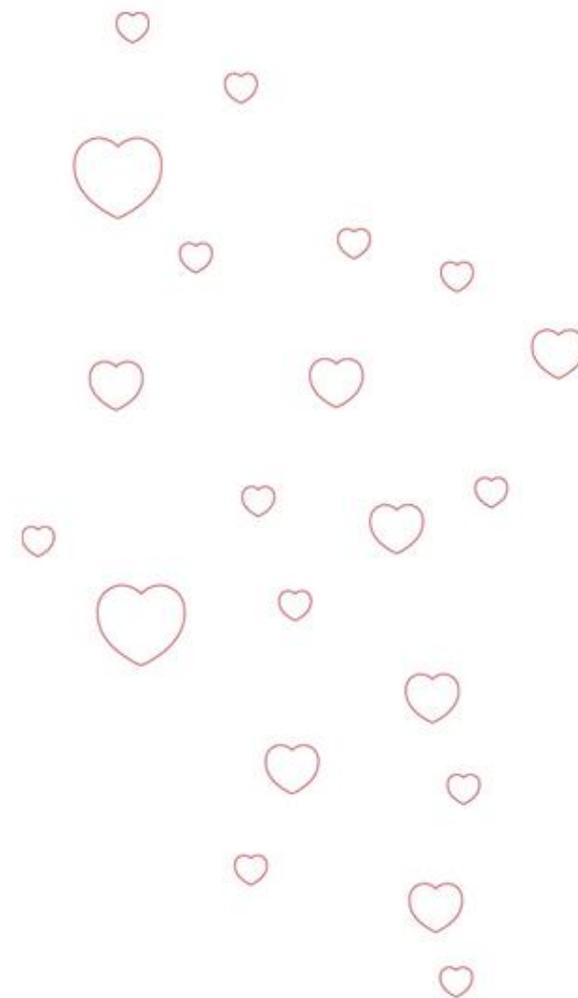


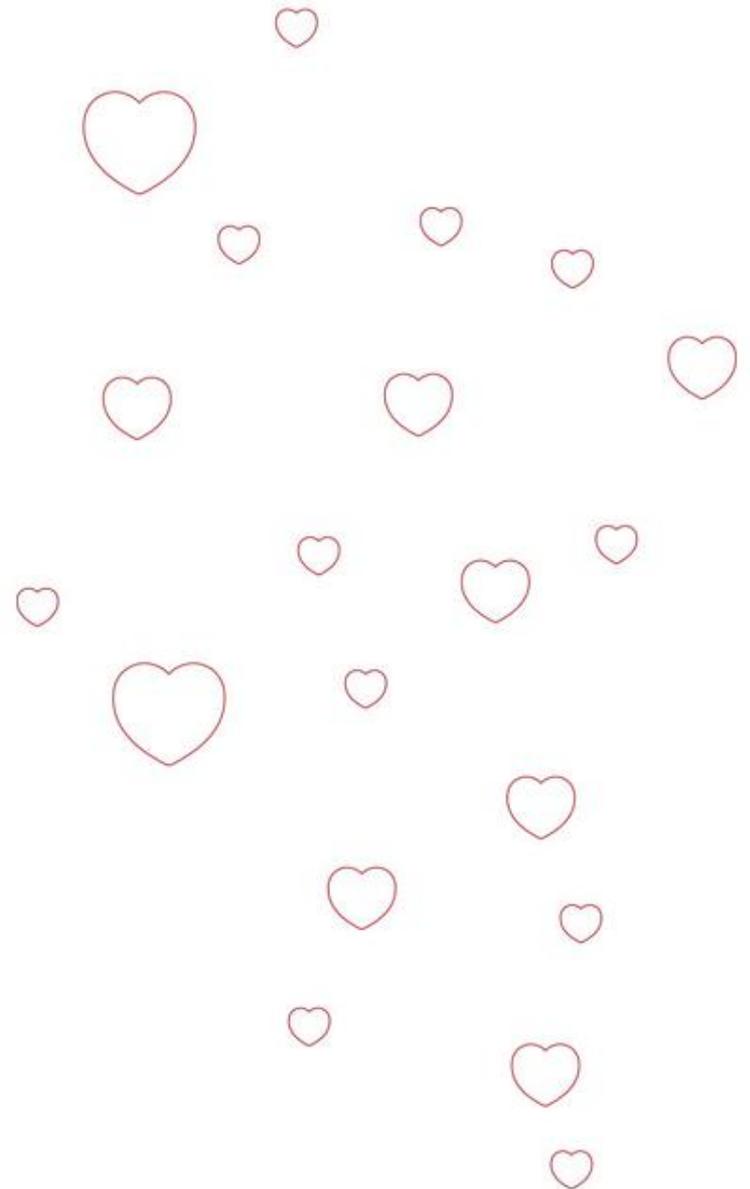
Podravka Group

Beograd, November 2013



Content

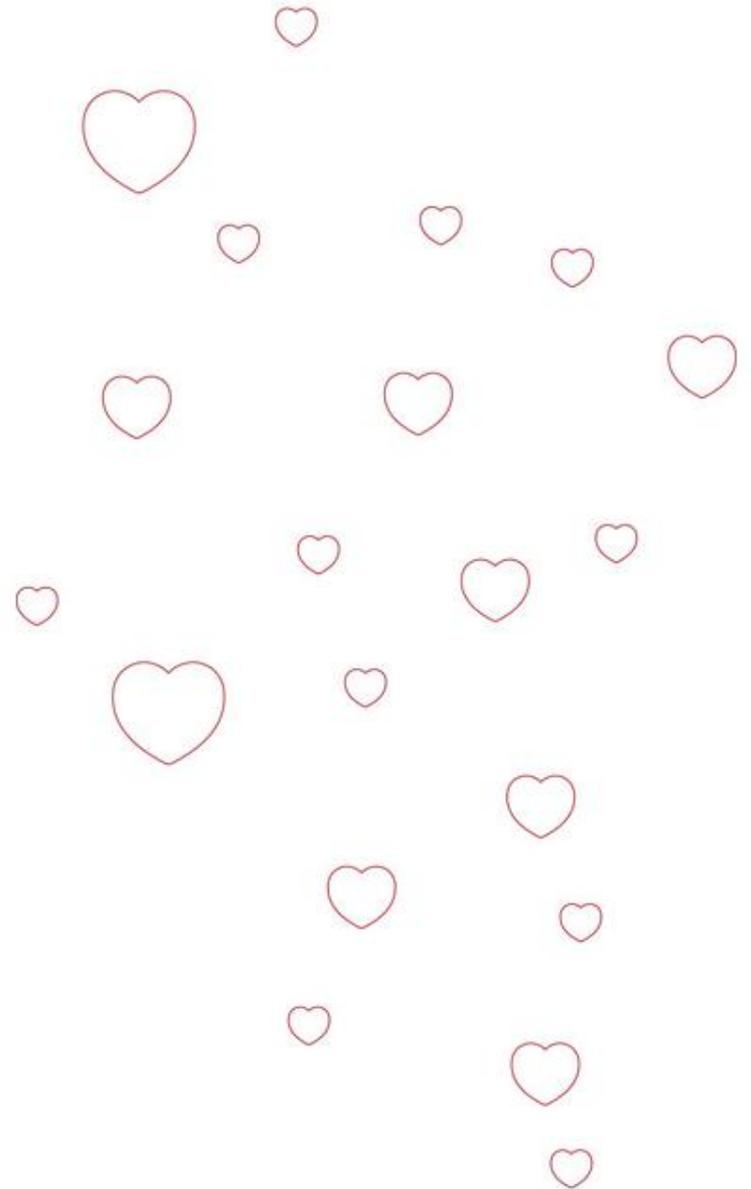
About Podravka Group
Overview of key events
Sales
Business results
Share



Disclaimer

This presentation contains certain forward-looking statements with respect to the financial condition, results of operations and business of the Podravka Group. These forward-looking statements represent the Company's expectations or beliefs concerning future events and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements.

About Podravka Group

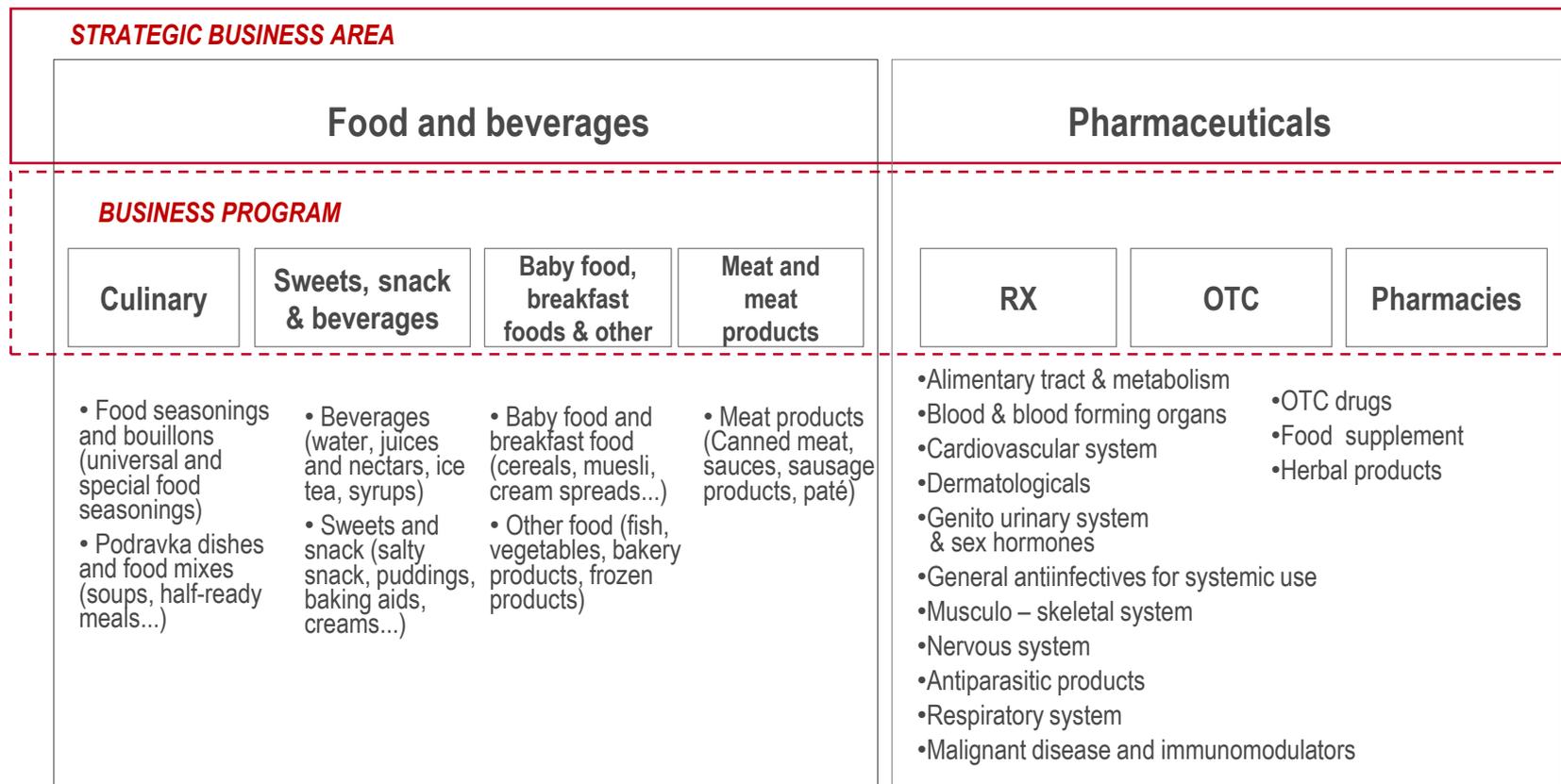


Podravka is well known branded food company

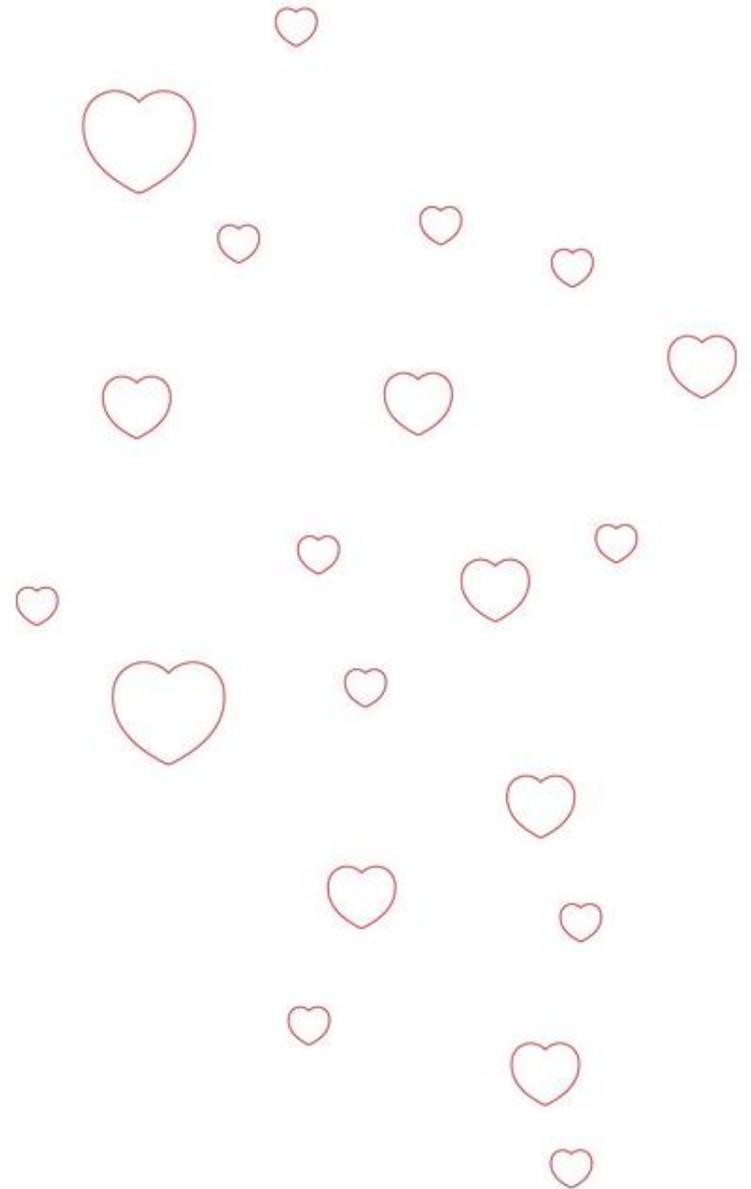
- Podravka is one of the largest branded food companies in the region
- Podravka owns Belupo, the second pharmaceutical company per MS in Croatia
- we have companies in 20 countries, production facilities mostly in Croatia, and also in Czech Republic and Poland (food), Bosnia&Herzegovina (drugs)
- strong distribution network in ten European countries
- 6,018 employees



Compound of two Strategic Business Areas (SBA)



Overview of key events



Jan - Sep 2013 main highlights

Podravka Group

- **All levels of profitability** of the Podravka Group have recorded growth in the first nine months of 2013 and a significant positive shift of profit margins is evident.
- **The gross profit** of the Podravka Group amounted to HRK 1,079.8 million and is 4% higher than in the same period of the year before. Gross margin is at the level of 41.2%, which is an increase of 250bp.
- **The EBITDA** grew 11% and is HRK 271.8 million. **The net profit** is HRK 97.3 million, which is 55% higher compared to the same period of last year. The EBITDA margin is at a level of 10.4%, which is an increase of 130bp and the net margin is 3.7% making it 140bp higher than last year.
- **The total costs/expenses** are 4% lower primarily due to lower employee costs as a result of the carried out redundancy programme and more favourable trends of raw material prices.
- **The total sales** of the Podravka Group in the first nine months of 2013 is HRK 2,618.9 million, which represents a 3% drop of sales compared to the same period of 2012. Sales of the Strategic Business Area (SBA) Food and Beverages amounted to HRK 2,032.8 million and is 4% lower compared to the same period of the year before, while the sales of the SBA Pharmaceuticals is HRK 586.1 million, which is a sales increase of 1%.

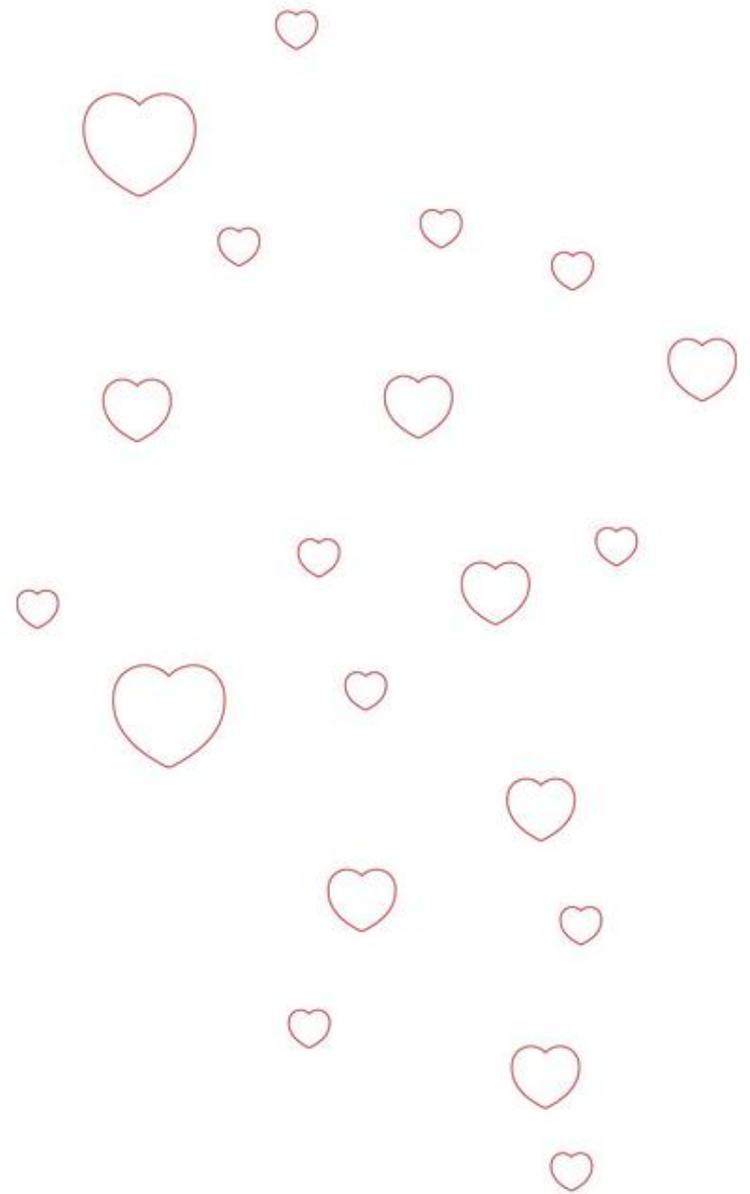
Jan - Sep 2013 main highlights

Podravka Group

- **At the General Assembly of Podravka d.d.**, held on 20 June 2013, draft resolutions of both the Management Board and the Supervisory Board were accepted. The main changes refer to the Articles of Associations, are:

- ⇒ the Government is no longer able to directly nominate two members of the Supervisory Board;
 - ⇒ possible increase of the company capital in a manner that the Management Board, with an approval by the Supervisory Board, would be able to pass a resolution on Company recapitalization, to the amount of half of the share capital;
 - ⇒ reducing the company share capital in the amount of HRK 542 million in order to cover accumulated losses from previous periods. The reduction of company share capital shall be performed by reducing the nominal amount of regular shares from HRK 300.00 to HRK 200.00 per share. This also creates presuppositions for shareholders to make future decisions on the distribution of profit (dividend payment, retaining profit, increase of share capital and similar);
- **Podravka continues with the already started restructuring process** and has announced the divesting of the business programmes Beverages, Bakery and a part of the Frozen programme, accordingly.

Sales

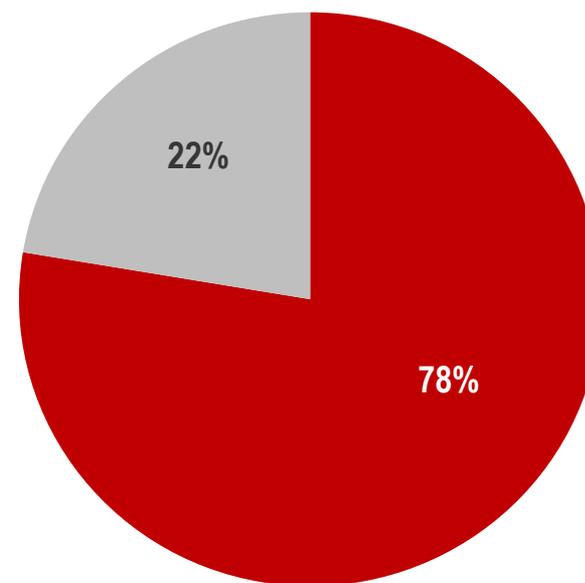


Lower sales in SBA F&B due to exit from low-profitable programs

Podravka Group Jan-Sep 2013

Total sales	HRK 2,618.9 mn	-3%
Food and beverages	HRK 2,032.8 mn	-4%
• Culinary		0%
• Sweets, snack and beverages		-4%
• Baby food, breakfast foods and other food		-1%
• Meat and meat products		-19%
Pharmaceuticals	HRK 586.1 mn	+1%
• Ethical drugs		-1%
• Non-prescription drugs		+1%

Sales structure for the period Jan-Sep 2013



 Food and beverages

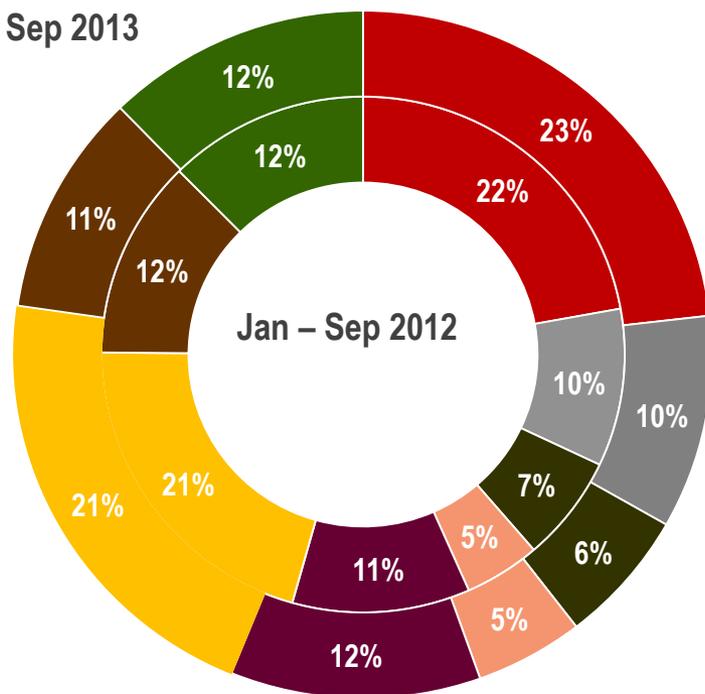
 Pharmaceuticals

cca. HRK 40 mn of lower sales results from the initiated restructuring process, respectively from programs which have been designated for sale:

- HRK 25 mn lower sales of fresh meat
- HRK 12 mn lower sales of Beverages
- HRK 3 mn lower sales of Bakery and Frozen programmes

Sales structure of SBA Food & Beverages per product group

Jan – Sep 2013



change
Jan – Sep 2013 / Jan – Sep 2012

Food seasonings and bouillons	+1%
Podravka dishes and food mixes	-2%
Beverages	-9%
Sweets and snack	+3%
Baby food and breakfast food	+2%
Other food (fish, vegetables, bakery products...)	-2%
Meat and meat products	-19%
Other (non organic)	-5%

Sales of SBA Food & Beverages in Jan-Sep 2013

HRK 2,032.8 mn

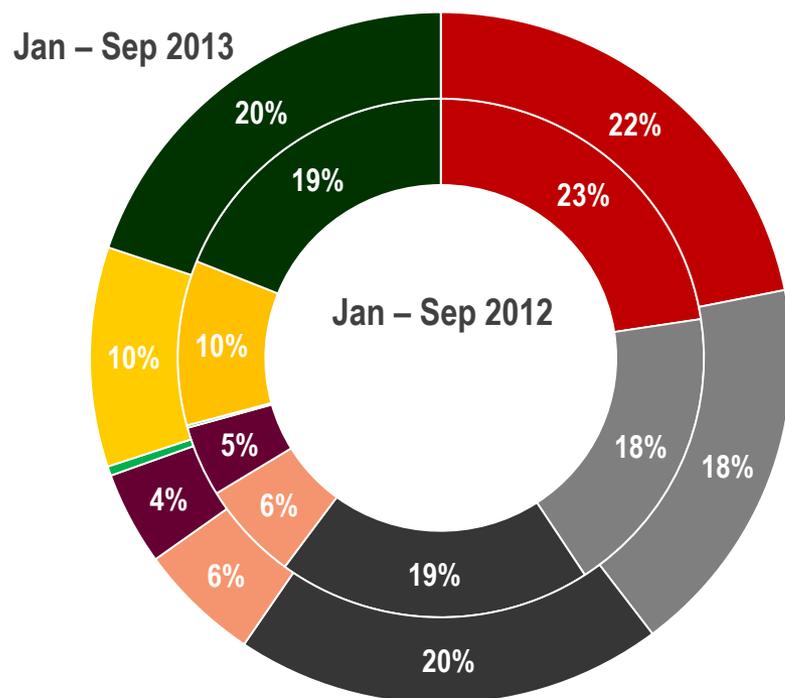


-4%

Sales of SBA Food & Beverages in Jan-Sep 2012

HRK 2,109.2 mn

Sales structure of SBA Pharmaceuticals according product group



	change Jan – Sep 2013 / Jan – Sep 2012
■ Blood & Blood forming organs, Heart & Cardiovascular system	-3%
■ Musculoskeletal & Nervous system	-1%
■ Dermatologicals	+3%
■ General anti-infectives & Antiparasitic Medicines	-8%
■ Respiratory, Digestive & Genitourinary system	0%
■ Malignant disease and immunomodulators	+189%
■ OTC	+1%
■ Other	+6%

Sales of SBA Pharmaceuticals in Jan-Sep 2013

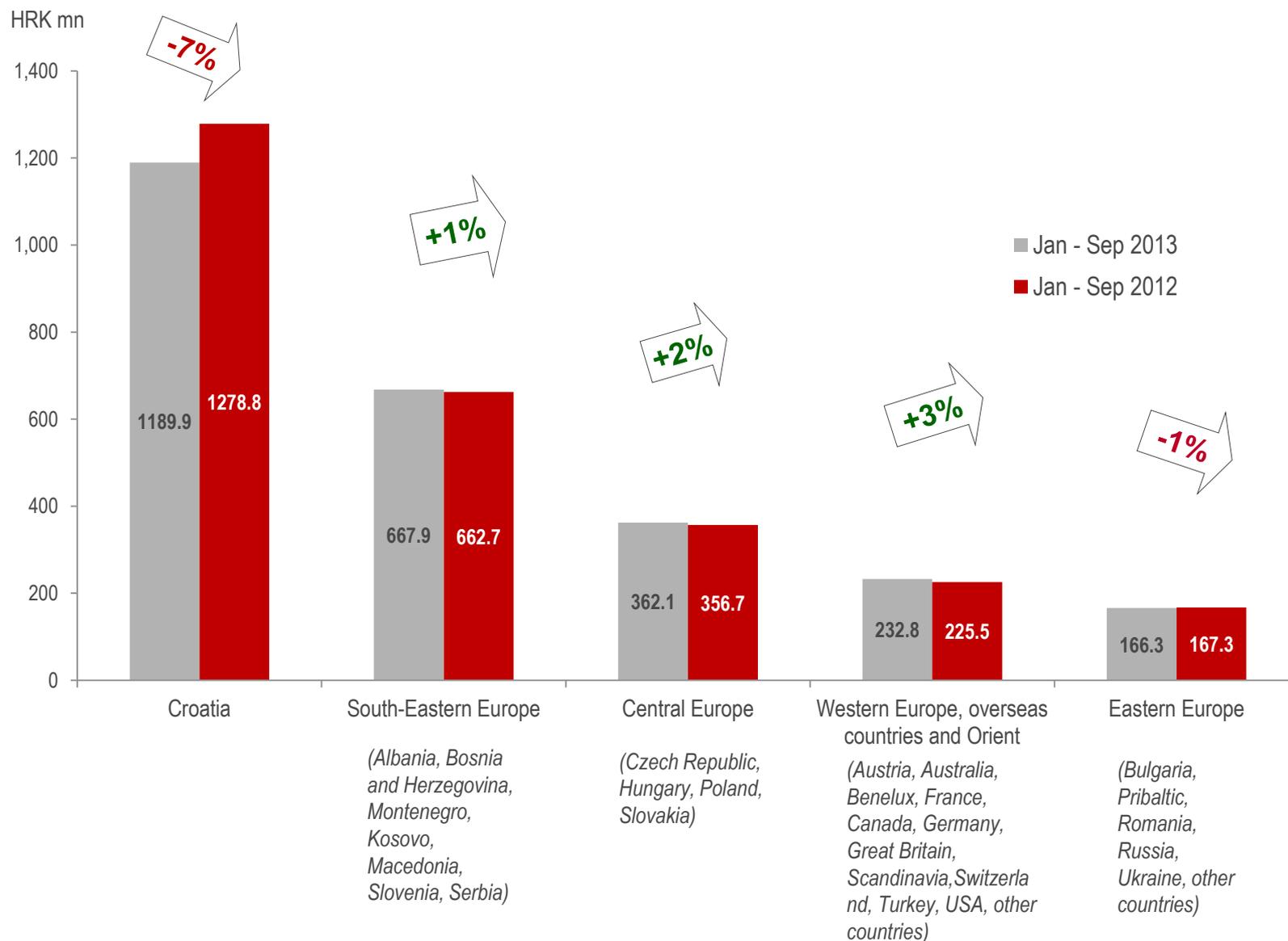
HRK 586.1 mn

+1%

Sales of SBA Pharmaceuticals in Jan-Sep 2012

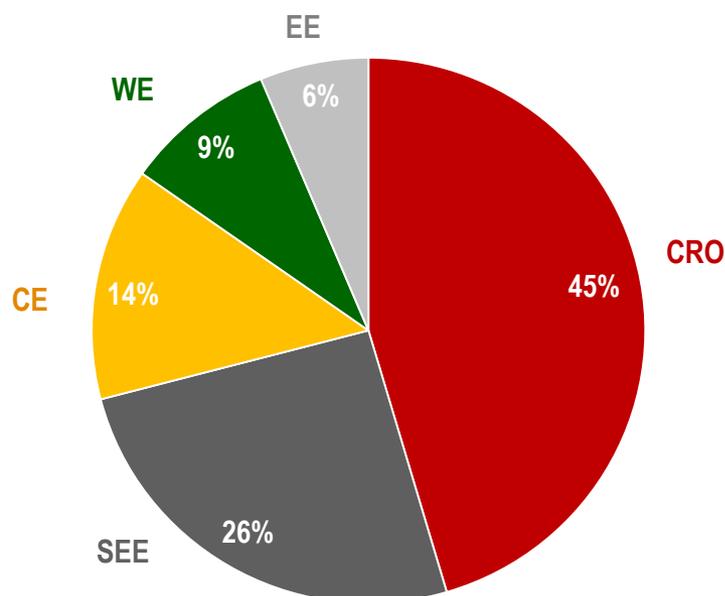
HRK 581.8 mn

Sales growth in most foreign markets



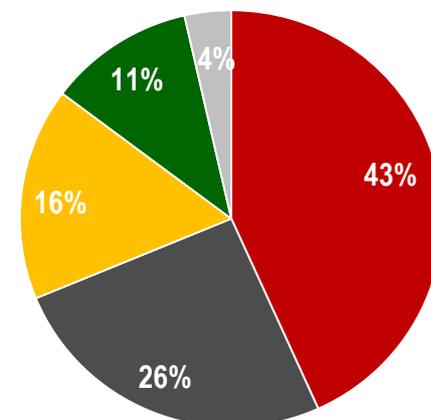
Sales structure per markets for Jan – Sep 2013

Sales structure of Podravka Group per markets

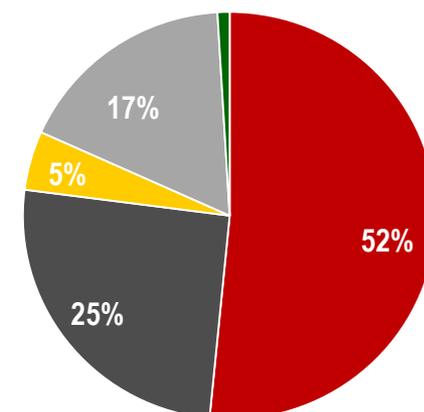


- Croatia
- South-East Europe (Albania, Bosnia and Herzegovina, Montenegro, Kosovo, Macedonia, Slovenia, Serbia)
- Central Europe (Czech Republic, Hungary, Poland, Slovakia)
- Western Europe, overseas countries & the Orient (Austria, Australia, Benelux, France, Canada, Germany, Great Britain, Scandinavia, Switzerland, Turkey, USA, other countries)
- Eastern Europe (Bulgaria, Pribaltic, Romania, Russia, Ukraine, other countries)

Sales structure of SBA F&B per markets



Sales structure of SBA Pharmaceuticals per markets



Croatian market

Market characteristics

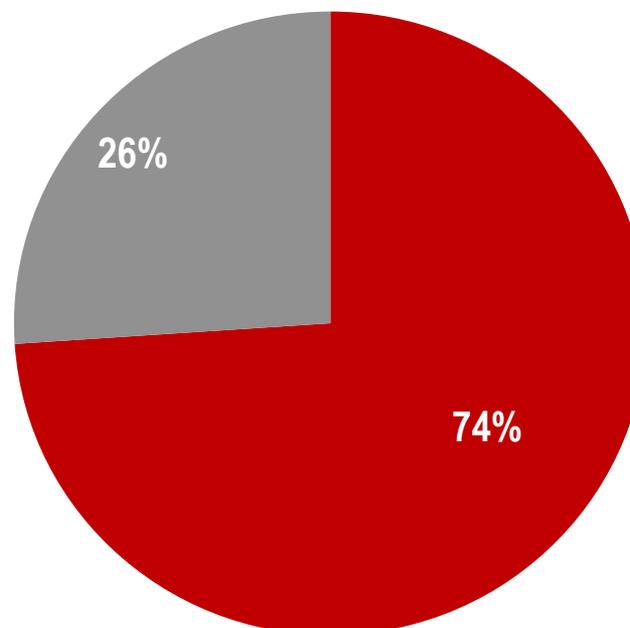
total sales HRK 1,189.9 mn

decrease of total sales **-7%**

unfavorable macroeconomic trends in Croatia

decrease of F&B partly due to targeted reduce of sales of fresh meat (characterised by low profitability) and Beverages, Bakery and part of frozen program which are designated for sales

Sales per SBA



■ Food & Beverages **-9%**

■ Pharmaceuticals **-2%**

South-East Europe market

Market characteristics

total sales HRK 667.9 mn

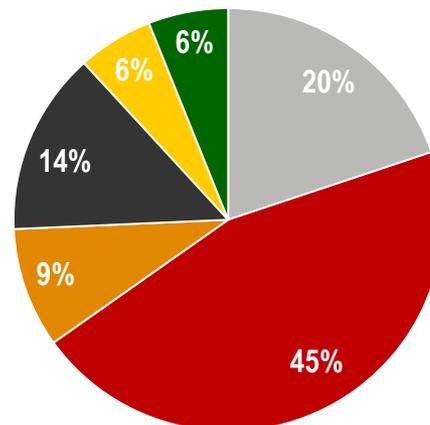
increase of total sales +1%

B&H: sales drop of SBA F&B

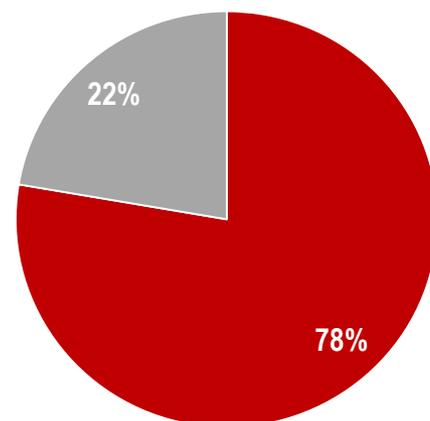
Macedonia: higher sales of SBA F&B (fish products)

Serbia: higher sales of SBA F&B (food seasonings, soups, tea)

Sales per countries



Sales per SBA



change

■ Slovenia	+1%
■ B&H	-2%
■ Macedonia	+5%
■ Serbia	+3%
■ Kosovo	+8%
■ Montenegro	+1%
■ Food & beverages	0%
■ Pharmaceuticals	+2%

SEE: Albania, Bosnia and Herzegovina, Montenegro, Kosovo, Macedonia, Slovenia, Serbia

Central Europe market

Market characteristics

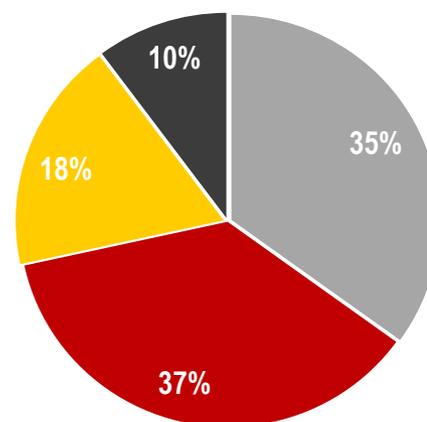
total sales HRK 362.1 mn

total sales increase **+2%**

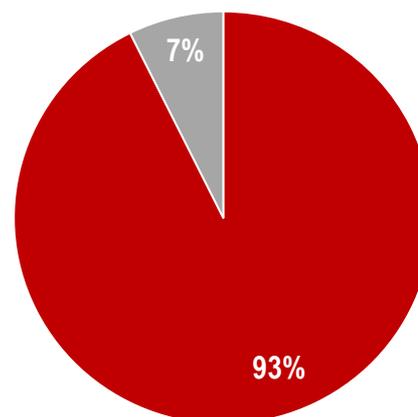
Poland: significant sales growth of food seasonings

Czech Republic: sales drop of SBA F&B (rice)

Sales per countries



Sales per SBA



change

■ Czech Republic	-6%
■ Poland	+7%
■ Slovakia	+2%
■ Hungary	+10%

■ Food & beverages	+1%
■ Pharmaceuticals	+5%

Western Europe, Overseas countries & the Orient

Market characteristics

total sales HRK 232.8 mn

total sales growth **+3%**

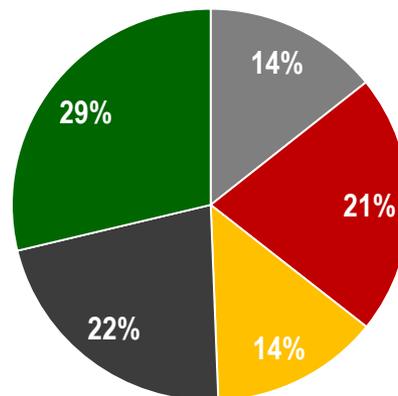
Australia: unfavorable exchange rate movements and sales of some categories

Germany: sales growth of food seasonings

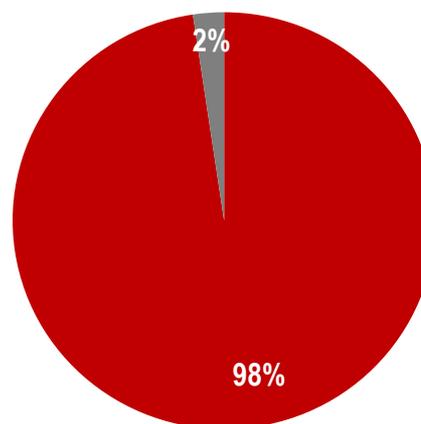
good sales in Scandinavia, Great Britain, Italy

Austria: sales growth of food seasonings

Sales per countries



Sales per SBA



	change
Austria	+13%
Australia	-9%
USA	+3%
Germany	+3%
Other countries	+9%

Food & beverages	3%
Pharmaceuticals	+34%

WE, OC & the Orient: Austria, Australia, Benelux, France, Canada, Germany, Great Britain, Italy, Scandinavia, Switzerland, Turkey, USA, other countries of WE

Market characteristics

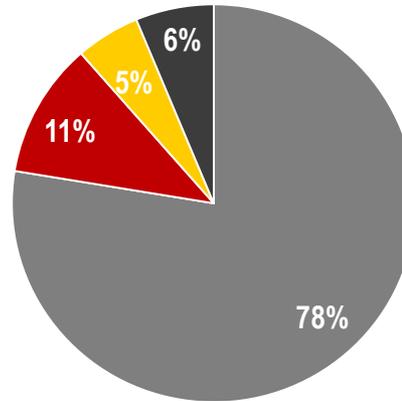
total sales HRK 166.3 mn

total sales drop **-1%**

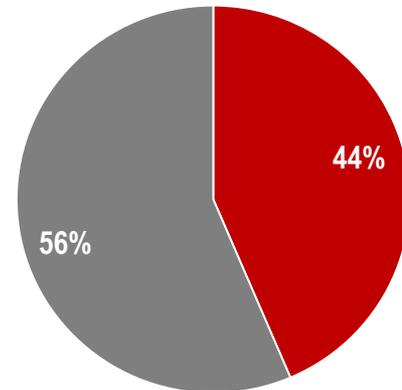
Russia: sales growth of SBA Pharmaceuticals and tomato based products but sales drop of SBA F&B

Romania: sales drop of food seasonings

Sales per countries



Sales per SBA



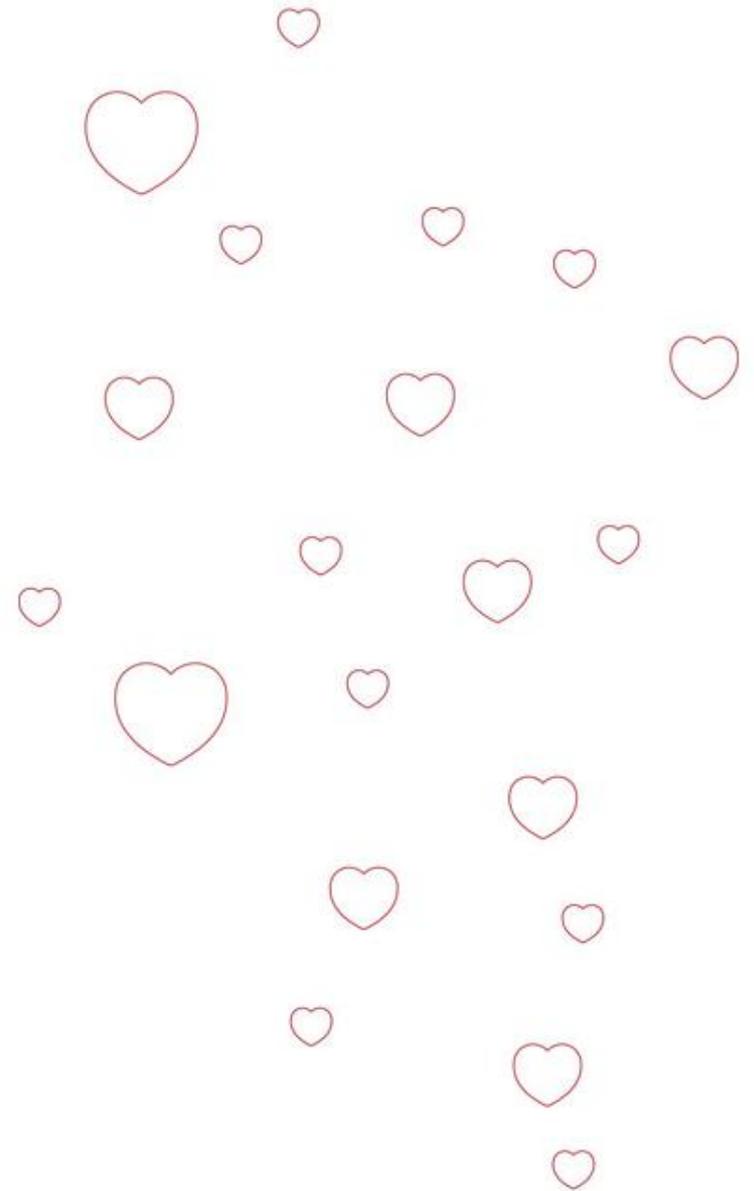
change

Russia	-1%
Romania	-13%
Pribaltic countries	+11%
Other countries	+52%

Food & beverages	-8%
Pharmaceuticals	+6%

EE: Pribaltic, Romania, Russia, Ukraine, other countries of EE

Business results



Profitability of the Podravka Group

in HRK million

PODRAVKA GROUP	REPORTED RESULTS		CORRECTED RESULTS		change (reported results)	change (corrected results)
	Jan – Sep 2013	Jan – Sep 2012	Jan – Sep 2013	Jan – Sep 2012	Jan-Sep 2013 / Jan-Sep 2012	Jan-Sep 2013 / Jan-Sep 2012
Sales revenue	2,618.9	2,691.0	2,618.9	2,691.0	-3%	-3%
Gross profit	1,079.8	1,040.7	1,079.8	1,040.7	4%	4%
EBITDA	271.8	243.8	311.0	292.0	11%	7%
EBIT	159.1	122.3	198.4	176.4	30%	12%
Net profit	97.3	62.9	136.6	116.9	55%	17%
<i>Profit margins%</i>						
Gross margin	41.2	38.7	41.3	38.7	250bp	250bp
EBITDA margin	10.4	9.1	11.9	10.9	130bp	100bp
EBIT margin	6.1	4.5	7.6	6.6	160bp	100bp
Net margin	3.7	2.3	5.2	4.3	140bp	90bp

Profitability of SBA Food & Beverages

in HRK million

SBA Food & Beverages	REPORTED RESULTS		CORRECTED RESULTS		change (reported results)	change (corrected results)
	Jan – Sep 2013	Jan – Sep 2012	Jan – Sep 2013	Jan – Sep 2012	Jan-Sep 2013 / Jan-Sep 2012	Jan-Sep 2013 / Jan-Sep 2012
Sales revenue	2,032.8	2,109.2	2,032.8	2,109.2	-4%	-4%
Gross profit	759.4	726.1	759.4	726.1	5%	5%
EBITDA	167.9	129.8	200.8	171.7	29%	17%
EBIT	87.8	43.0	120.9	90.8	104%	33%
Net profit	54.7	12.2	87.8	60.8	349%	46%
<i>Profit margins %</i>						
Gross margin	37.4	34.4	37.4	34.4	300bp	300bp
EBITDA margin	8.3	6.1	9.9	8.1	220bp	180bp
EBIT margin	4.3	2.0	5.9	4.3	230bp	160bp
Net margin	2.7	0.6	4.3	2.8	210bp	150bp

Profitability of SBA Pharmaceuticals

in HRK million

SBA Pharmaceuticals	REPORTED RESULTS		CORRECTED RESULTS		change (reported results)	change (corrected results)
	Jan – Sep 2013	Jan – Sep 2012	Jan – Sep 2013	Jan – Sep 2012	Jan-Sep 2013 / Jan-Sep 2012	Jan-Sep 2013 / Jan-Sep 2012
Sales revenue	586.1	581.8	586.1	581.8	1%	1%
Gross profit	320.4	314.6	320.4	314.6	2%	2%
EBITDA	104.0	114.0	110.2	120.3	-9%	-8%
EBIT	71.2	79.4	77.5	85.6	-10%	-9%
Net profit	42.6	50.7	48.8	56.9	-16%	-14%
Profit margins %						
Gross margin	54.7	54.1	54.7	54.1	60bp	60bp
EBITDA margin	17.7	19.6	18.8	20.7	-190bp	-190bp
EBIT margin	12.2	13.7	13.2	14.7	-50bp	-150bp
Net margin	7.3	8.7	8.3	9.8	-40bp	-150bp

Better debt ratios and profitability ratios

PODRAVKA GROUP BALANCE SHEET	30 September 2013	31 December 2012	30 September 2012
HRK mn			
Non-current assets	1,669.8	1,721.1	1,846.8
Current assets	1,871.6	1,896.5	1,981.3
<i>Inventories</i>	637.1	631.1	710.5
<i>Trade and other receivables</i>	986.4	1,074.6	1,125.0
<i>Cash and cash equivalents</i>	184.1	118.2	86.2
<i>Other current assets</i>	64.0	72.6	59.7
TOTAL ASSETS	3,541.4	3,617.7	3,828.1
Shareholders' equity*	1,689.6	1,595.8	1,731.2
Non-controlling interests	33.6	32.0	31.0
Non-current liabilities	646.3	780.3	797.1
<i>Long-term borrowings</i>	589.7	727.3	753.3
<i>Other non-current liabilities</i>	56.5	53.1	43.8
Current liabilities	1,171.9	1,209.5	1,268.9
<i>Trade and other liabilities</i>	650.8	720.1	784.4
<i>Short-term borrowings</i>	501.1	470.6	475.3
<i>Other current liabilities</i>	20.1	18.8	9.2
TOTAL EQUITY AND LIABILITIES	3,541.4	3,617.7	3,828.1

* attributable to the equity holders of the parent

** ratios are annualised and calculated based on corrected results (without one offs)

DEBT RATIOS	30 September 2013	31 Dec 2012	30 September 2012
-------------	----------------------	----------------	----------------------

Debt / equity*	65%	75%	71%
Debt / assets	31%	33%	32%
Net debt	906.7	1,079.7	1,142.4
Net debt / corr. EBITDA**	2.74	3.18	3.00

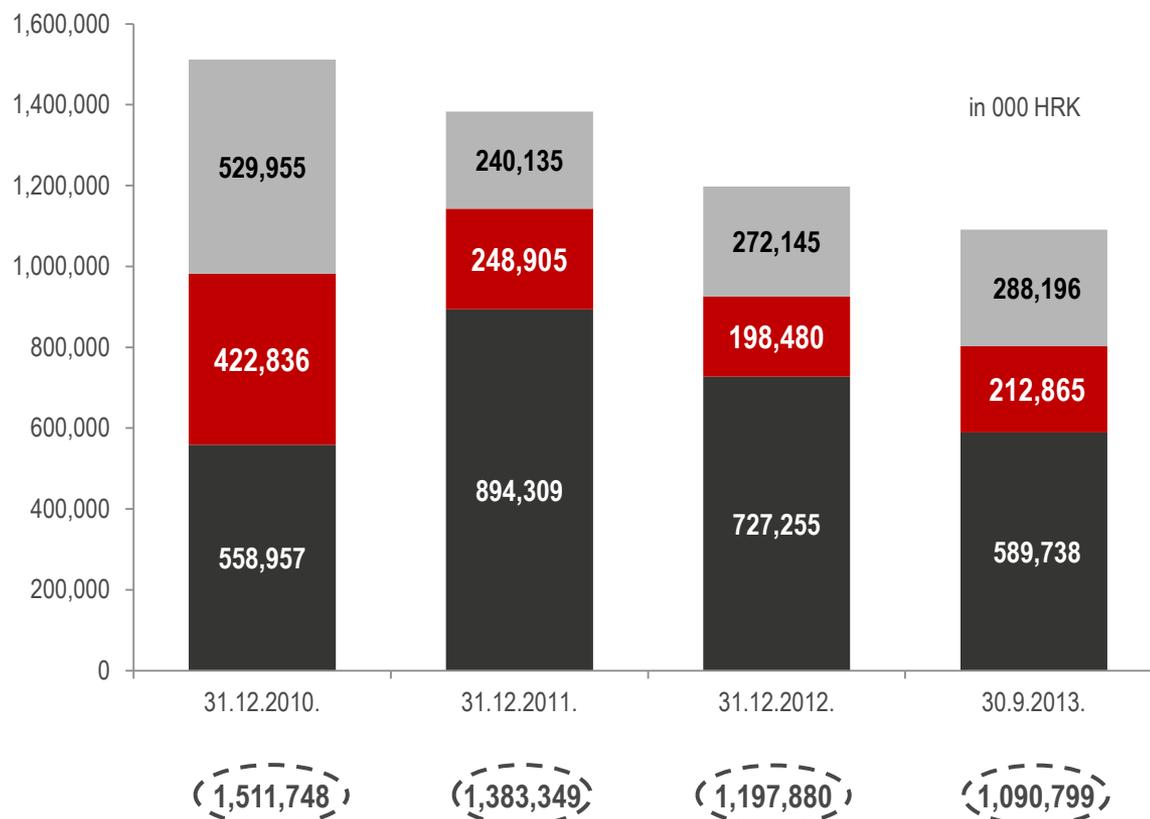
LIQUIDITY RATIOS

Cash ratio	0.16	0.10	0.07
Quick ratio	1.00	1.05	0.95
Current ratio	1.60	1.57	1.56

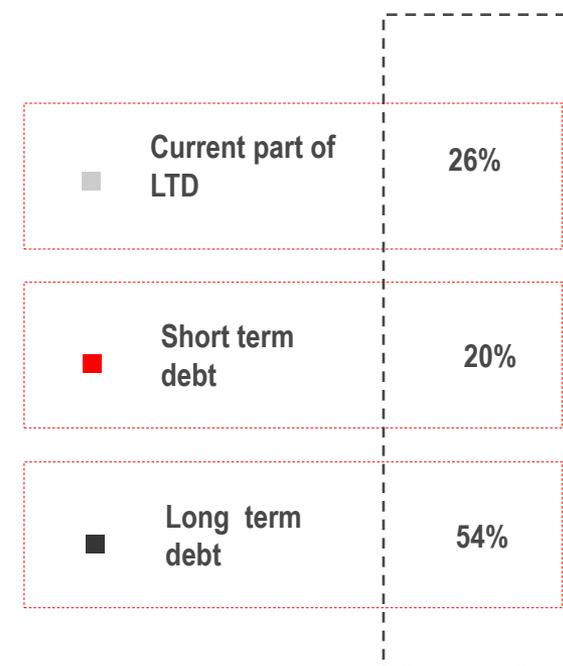
PROFITABILITY RATIOS

Corr. ROE**	7.8%	7.1%	6.9%
Corr. ROA**	3.7%	3.1%	3.3%

Decreasing indebtedness in 1-9 2013 for HRK 107 mn



Debt structure 30 September 2013

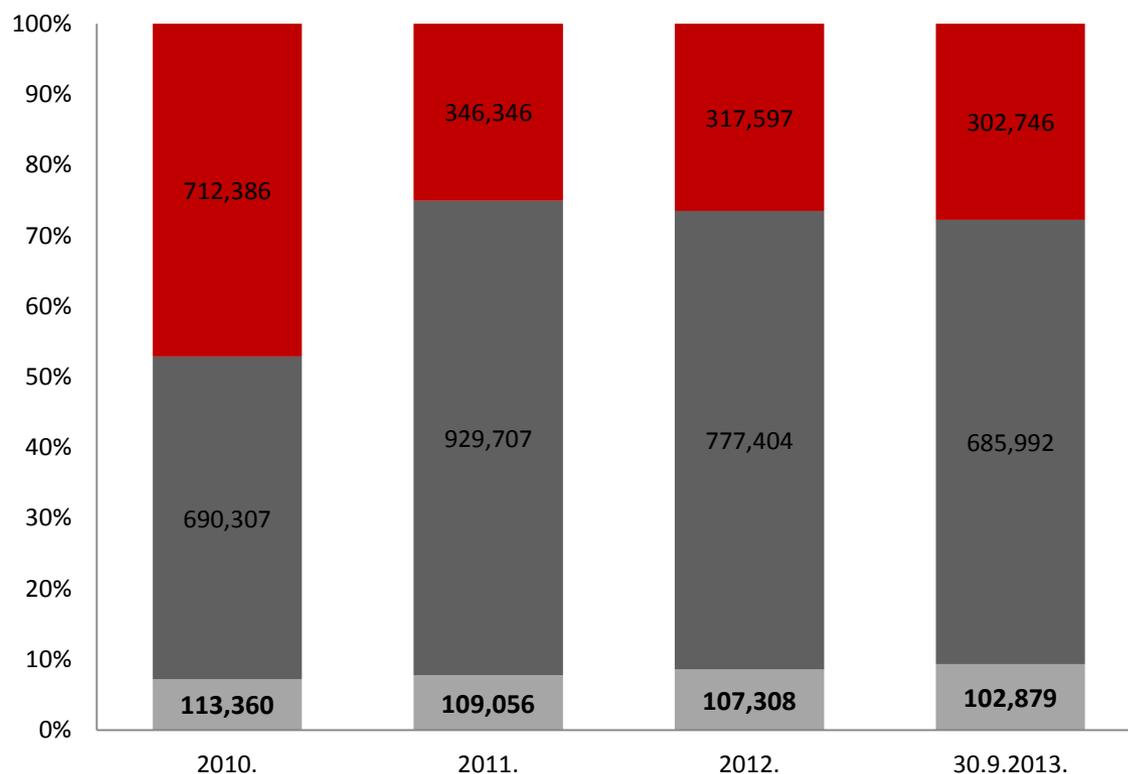


Decreasing indebtedness for HRK 107.1 mn

Currency structure of the Group's debt

2009 – 30/09/2013

in 000 HRK



	Debt structure per currency on 30/09/2013	change (30/09/2012 to 31/12/2012)
■ HRK	28%	-5%
■ EUR	63%	-12%
■ other currencies	9%	-1%

Decrease in total costs due to lower COGS and G&A

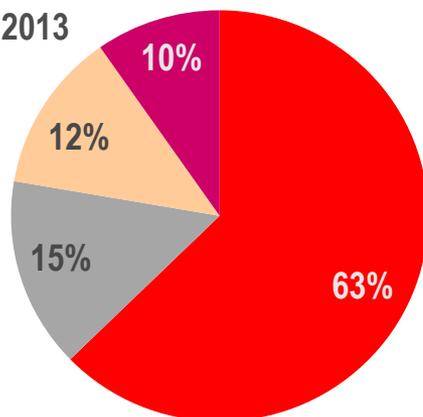
HRK 2,455.9 mn

HRK 2,568.4 mn

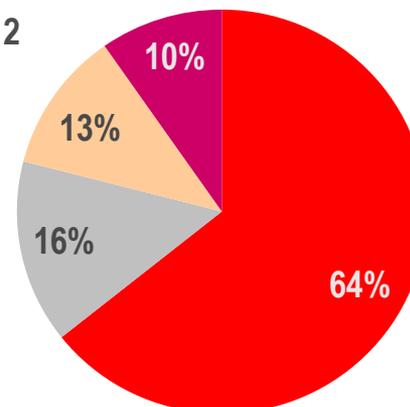
OPERATING COSTS

Structure of operating costs

1-9 2013

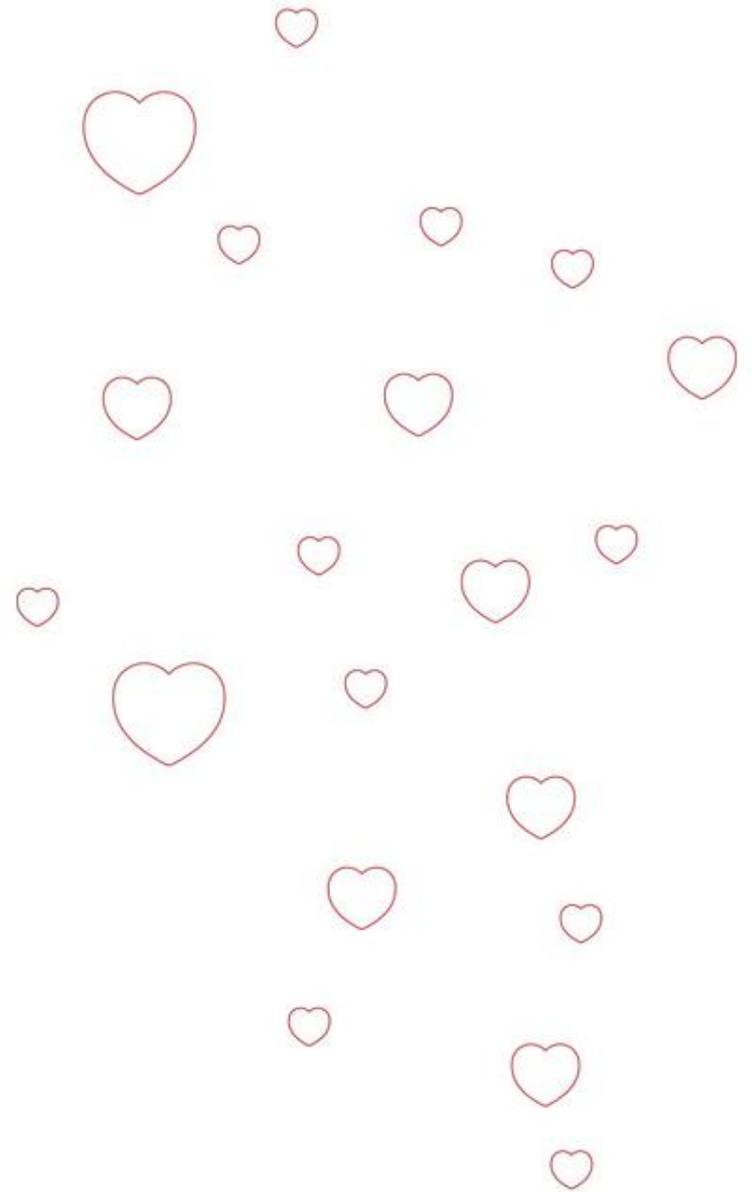


1-9 2012



	change 2013 / 2012	% of sales 1-9 / 2013	% of sales 1-9 / 2012
■ Cost of goods sold	-7%	59%	61%
■ Selling & distribution costs	-2%	14%	14%
■ Marketing expenses	+6%	12%	11%
■ General & administrative expenses	-5%	9%	9%
■ ■ ■ ■ Total	-4%	94%	95%

Share



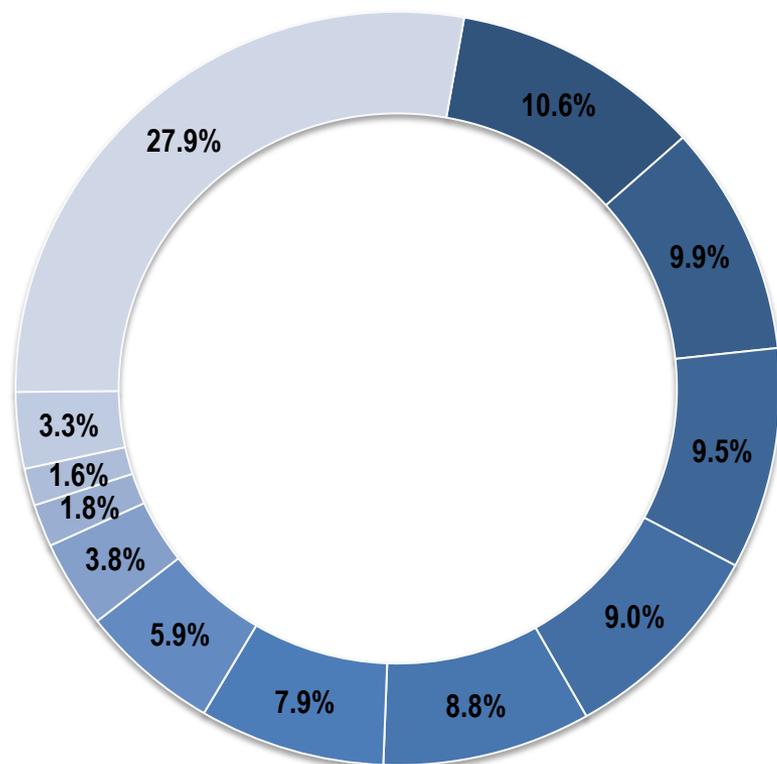
CROBEX and price of PODR-R-A movement



Close price on 15 November 2013
Market capitalization

HRK 241.25
HRK 1,307.6 mn

Shareholders structure as of 08 November 2013



▶ TOP 10	68.8%
▶ other legal and natural persons	31.2%

■ RSC/CIPI	575,598
■ RSC/Republik of Croatia	535,857
■ Erste plavi MPF	514,863
■ AZ MPF	488,106
■ PBZ Croatia osiguranje MPF	477,957
■ Unicredit Bank Austria AG*	426,041
■ Kapitalni fond d.d.	321,804
■ Raiffeisen MPF	203,266
■ PBZ d.d.*	98,891
■ PBZ d.d./State street client account	86,596
■ Treasury account	177,511
Other	1,513,513
Total	5,420,003

RSC (Resctructuring and Sale Center), CIPI (Croatian Institute for Pension Insurance), MPF (Mandatory Pension Fund)

*omnibus custody account

Always with a heart



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www.podravka.com