

**INTERIM REPORT
for I-III 2013
Group Medika**

April 2013.

Report Submitted by Member of the Management Board – Medika d.d.

Comment on the business results for the first quarter of 2013

Medika Group („Group“) has realised total revenue in the first three months of 2013 in amount of HRK 582.9 million which is by 0.78% higher comparing to the same period of previous year.

Sales revenues which amount to HRK 578.0 million for the first three months of 2013 are by 0.88% higher comparing to the same period of previous year. Share of sales revenues in the total revenue is 99.16% and has not significantly changed comparing to the same period of previous year when it was 99.07%

Other operating revenues which amount to HRK 4.6 million are higher comparing to the same period of previous year by 40.73%. Since the share of other operating revenues in total revenue was only 0.56% in the first quarter of 2012, and in the first quarter of 2013 is only 0.78%, this growth is not that significant.

Out of the total sales revenues, 99.92% revenues are generated on domestic market, while 0.08% is generated on the foreign market. This structure for the first quarter of 2013 is not significantly changed comparing to the first quarter of 2012.

Material expenses amount to HRK 529.1 million and are almost on the same level comparing to the same period of previous year. Since the operating expenses are growing, share of material expenses in the operating expenses is by 0.65% lower comparing to the same period of previous year and amounts to 90.76%.

Employee expenses amount to HRK 23.1 million and are at the same level comparing to the same period of previous year. Share of employee expenses in the operating expenses is 4.05% and has not significantly changed comparing to the same period of previous year.

Finance expenses have increased compared to the same period of previous year by 22.07% and their share in the total expenses is by 0.21% higher compared to the same period of previous year and amounts 1.21%. Net foreign exchange differences are negative and amount to HRK 2.5 million, while in the same period of previous year they were positive and amounted to HRK 1.9 million. Interest expenses amount to HRK 4.4 million, which is by 1.2 million kuna lower comparing to the same period of previous year. Lower interest expense is a result of lower average indebtedness in the first quarter of 2013 comparing to the same period of previous year and lower contracted interest rates in the first quarter of 2013 comparing to the first quarter of 2012.

Gross margin in the first three months of 2012 amounted to 9.64% while in the first three months of 2013 amounts 10.40% which is increase of 0.76%. Increase is result of increased net sales revenue which is by 0.88% higher while net cost of goods sold has grown slower, that is 0.03%. Increased sales revenue is a result of lower total credit notes given to the buyers, while total credit notes received from the suppliers remained at the approximately same level comparing to the same period of previous year. Due to this movements, price difference has increased.

Gross profit (profit before taxation) amounts to HRK 5.0 million and is by 15.20% lower comparing to the same period of previous year. Lower gross profit is result of greater growth of total expenses (growth of 0.94% comparing to the same period of previous year) in relation to the growth of total revenue (growth of 0.78% comparing to the same period of previous year).

Operative earnings amount to HRK 11.7 million and are by HRK 2.2 million, or 23.32%, higher comparing to the same period of previous year because of higher growth of operating revenues in the first quarter of 2013 comparing to the same period of previous year (growth of 1.10%) in relation to the growth of operating expenses (growth of 0.73%).

Realized net profit amounts to HRK 3.5 million.

Transactions with the related parties in the first quarter of 2013 generated total revenue in amount of HRK 7.6 million, while in the same period of previous year total revenue amounted to HRK 7.0 million, which is increase of 8.70%.

Trade goods purchased from the related parties amount to HRK 55.6 million, while in the same period of previous year they amounted to HRK 49.4 million. Increase is result of increased sales revenue.

Total assets are by 5.49% higher comparing to the beginning of the year which is mostly influenced by increase of short term assets.

Long term assets are by 1.28% lower comparing to the beginning of the year. In the structure of the long term assets, long term material and immaterial assets are lower, while long term financial assets and deferred tax assets are at the same level comparing to the beginning of the year.

Since there was no major additions in 2013, long term material and immaterial assets are lower due to the depreciation and amortization.

Inventory has increased by HRK 10.6 million comparing to the beginning of the year due to the increase in sales.

Short term assets amount to HRK 1 billion 731 million out of which HRK 1 billion 492 million relates to total receivables. Trade receivables and receivables from related parties amount to HRK 1 billion 481 million and have grown by 8.26% comparing to the beginning of the year, which is result of sales growth and lower collectability of trade receivables. Receivables from the state and other institutions are HRK 2.7 million higher comparing to 31.12.2012. out of the total amount HRK 3.6 million relates to receivable for income tax paid. During 2012 total amount of prepayments for income tax was larger than the amount of actual income tax calculated at the end of the year.

Short term financial assets amount to HRK 1.0 million and relates to given loans and deposits. In relation to 31.12.2012 financial assets have grown for HRK 551 thousand due to the increase in given loans.

There was no change in the capital and reserves.

Long term liabilities are higher comparing to 31.12.2012 for HRK 5.1 million which is entirely influenced by increase in liabilities to banks and other financial institutions.

Short term liabilities amount to HRK 1 billion 589 million out of which 1 billion 303 million relates to trade payables and liabilities to related parties, HRK 259.1 to indebtedness (HRK 257.0 million to short term loans and HRK 2.1 million to finance lease)

Key events

Total pharmaceutical market in the first three months of 2013 has decreased comparing to the same period of previous year. At the same time, sales decrease of Medika is lower, so the market share has grown in 2013.

During the first quarter of 2013 Medika has increased its indebtedness for HRK 76.1 million for the liquidity purposes since the collectability of the receivables was low. All loans are in kuna so on this accounts there is no exposure to foreign exchange risk.

During the first quarter of 2013 business centre Osijek was moved to the new (leased) location and the process of obtaining the licences for the new distributive warehouse centre in Osijek has begun.

During 2013 Ljekarna Alagić and ZU Ljekarne Čaić were merged with ZU Ljekarne Prima Pharme.

Expected future development of the Group

The Company will continue with its core business: distribution of medications and medical products and will strongly develop operations with products that make the core business of the firm.

Development strategy of Prima Pharme is to expand network of pharmacies on whole territory of Croatia.

Treasury shares

During the first quarter of 2013 there was no trading with the treasury shares.

Subsidiaries and associates

The Company has 100% of ownership in subsidiary Zdravstvena ustanova Ljekarne Prima Pharme and associate Litmus d.o.o. in which it holds 41.53% of ownership.

ZU Ljekarne Prima Pharme has 100% of ownership ZU Ljekarne Delonga, ZU Ljekarne Ines Škoko, ZU Ljekarne Atalić and associate ZU Ljekarne Jagatić in which it holds 49% of ownership.

Related parties

The company with major voting rights, or a parent company Mavota d.o.o. owns 47.38% of the Company and has 50.1% of shares with voting rights.

Pliva Hrvatska d.o.o., Zagreb owns 25.32% of the Company and has 26.78% of the voting rights. Given the share in the ownership and business transactions with the Company, Pliva Hrvatska has significant influence on the current operations of the Company.

Financial risks and exposure to price risk, credit risk, liquidity and cash flow risk

Within financial risks, foreign exchange risk is significant. The Company's purchase of goods is predominantly realised on the foreign market. Furthermore, a part of the borrowings is linked to foreign currencies. The Company is therefore exposed to foreign exchange risk arising from various changes in foreign exchange rates mainly linked to the EUR, which may have an impact on future operating results and cash flows.


As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

The Group's interest rate risk arises from issued bonds and commercial bills and long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk.

Price risk arises from a continuous decrease in the price of prescription medication on HZZO list and administrative approach in determining prices and margins of medication. To lower this risk, the Group focused on increase of variety of products which are not limited by law in respect of the price of the product.

Majority of the credit risk relates to trade receivables. Credit risk is higher when dealing with pharmacies, which have potential going concern issue. Hospitals which have longer collection period do not have a going concern issue and collection issue.

The most significant risk within market risks is a long collection period of receivables, especially HZZO and HZZO related receivables. Therefore, a significant amount of working capital is not available what has an influence on cash flows and timely settlement of Medika liabilities. As these receivables are either dependent from or owned by State, risk of collection is not high, but this increases the need for future financing, which increases finance expenses.


Jasminko Herceg, dipl.oec.
Member of the Management Board

Appendix 1.

Reporting period:

1.1.2013

to

31.3.2013

Quarterly financial statements TFI-POD

Registration number (MB): 03209741

Identification number of
company (MBS): 080027531Personal identification
number (OIB): 94818858923

Issuer: MEDIKA d.d.

Postal code and city: 10000

ZAGREB

Address: CAPRAŠKA 1

e-mail: medika.uprava@medika.hr

web page: www.medika.hr

Code and name of
municipality/city: 133 ZAGREB

Code and county name: 21

Number of employees: 715
(end of reporting period)

Consolidated statements: YES

NKD code: 4646

Consolidating entities (according to IFRS):

Headquarters:

MB:

ZU Ljekarne Prima Pharme

Split

0694975

ZU Ljekarne Delonga

Okrug Gornji

1605747

ZU Ljekarne Ines Škoko

Zagreb

02708396

ZU Ljekarne Atalić

Osijek

0845124

Bookkeeping service:

Contact person: RADMILOVIĆ DIJANA

(only surname and name of contact person)

Telephone number: 012412551

Fax: 012371441

e-mail: medika.uprava@medika.hr

Name: HERCEG JASMINKO

(authorised person)

Documentation for publishing:

1. Financial statements (Balance sheet, Profit and loss account, Cash flow statements, Statements of changes in equity and Notes to financial statements)
2. Interim report,
3. Statement of Liability.

M.P.

(signature of authorised person)

BALANCE SHEET
balance as at 31.3.2013

Issuer: MEDIKA d.d.			
Description	AOP mark	Previous period	Current period
1	2	3	4
ASSETS			
A) RECEIVABLES FOR SUBSCRIBED BUT NOT PAID-IN CAPITAL	001		
B) NON-CURRENT ASSETS (003+010+020+029+033)	002	401.271.400	396.152.617
I. INTANGIBLE ASSETS (004 to 009)	003	190.018.605	188.312.507
1. Research and development	004		
2. Concessions, patents, licences, trademarks, software and other rights	005	119.368.923	117.598.993
3. Goodwill	006	69.067.158	69.067.158
4. Advances for intangible assets	007		
5. Intangible assets under construction	008	1.431.474	1.501.514
6. Other intangible assets	009	151.050	144.842
II. TANGIBLE ASSETS (011 to 019)	010	159.679.286	156.752.054
1. Land	011	15.994.715	15.994.715
2. Buildings	012	114.021.920	113.030.950
3. Equipment and machinery	013	6.849.842	5.451.929
4. Furniture, fittings and vehicles	014	12.926.956	12.384.662
5. Biological assets	015		
6. Advances for tangible assets	016	75.911	165.578
7. Tangible assets under construction	017	9.062.792	8.977.070
8. Other tangible assets	018	747.150	747.150
9. Investment property	019		
III. NON-CURRENT FINANCIAL ASSETS (021 to 028)	020	50.542.468	50.009.238
1. Investment in subsidiaries and associates	021	39.930.648	39.360.781
2. Loans to related parties	022		
3. Loans given to minority interest	023		
4. Loans given to participating parties	024		
5. Investment in securities	025		
6. Loans given, deposits and similar	026	10.611.820	10.648.457
7. Other non-current financial assets	027		
8. Investments at equity method	028		
IV. RECEIVABLES (030 to 032)	029	0	0
1. Receivables from related parties	030		
2. Receivables for credit sales	031		
3. Other receivables	032		
V. DEFERRED TAX ASSET	033	1.031.041	1.078.818
C) CURRENT ASSETS (035+043+050+058)	034	1.614.749.646	1.730.861.244
I. INVENTORY (036 To 042)	035	216.662.233	227.297.984
1. Raw material	036	402.359	402.116
2. Work in progress	037		
3. Finished products	038		
4. Trade goods	039	214.425.320	225.516.919
5. Advances for inventories	040	1.834.554	1.378.949
6. Non-current assets available for sale	041		
7. Biological assets	042		
II. RECEIVABLES (044 to 049)	043	1.378.079.533	1.492.062.446
1. Receivables from related parties	044	20.129.487	21.833.380
2. Trade receivables	045	1.347.386.888	1.458.688.772
3. Receivables from participating parties	046		
4. Receivables from employees	047	2.933.763	466.639
5. Receivables from the state and other institutions	048	5.838.255	8.496.043
6. Other receivables	049	1.791.140	2.577.612
III. CURRENT FINANCIAL ASSETS (051 to 057)	050	467.595	1.019.060
1. Investment in subsidiaries and associates	051		
2. Loans to related parties	052		
3. Equity investments	053		
4. Loans given to participating parties	054		
5. Investment in securities	055	878	1.232
6. Loans given, deposits and similar	056	466.717	1.017.828
7. Other financial assets	057		
IV. CASH IN BANK AND ON HAND	058	19.540.285	10.481.754
D) PREAPID EXPENSES AND ACCRUED INCOME	059	1.112.739	762.350
E) TOTAL ASSETS (001+002+034+059)	060	2.017.133.785	2.127.776.211
G) OFF BALANCE SHEET ITEMS	061	191.982.318	196.199.571

EQUITY AND LIABILITIES			
A) CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	375.304.880	378.770.924
I. SHARE CAPITAL	063	60.388.000	60.388.000
II. CAPITAL RESERVES	064	-7.542.807	-7.542.807
III. RESERVES FROM RETAINED EARNINGS (066+067-068+069+070)	065	83.667.810	83.667.810
1. Legal reserves	066	7.277.713	7.277.713
2. Reserves for treasury shares	067	60.000.000	60.000.000
3. Treasury shares	068	15.406.393	15.406.393
4. Statutory reserves	069		
5. Other reserves	070	31.796.490	31.796.490
IV. REVALUATION RESERVES	071		
V. RETAINED EARNINGS OR ACCUMULATED LOSS (073-074)	072	190.520.524	238.791.876
1. Retained earnings	073	190.520.524	238.791.876
2. Accumulated loss	074		
VI. PROFIT OR LOSS FOR THE PERIOD (076-077)	075	48.271.353	3.466.045
1. Profit for the period	076	48.271.353	3.466.045
2. Loss for the period	077		
VII. MAJORITY INTERESTS	078		
B) PROVISIONS (080 To 082)	079	679.210	679.210
1. Provisions for retirement, severance payment and similar	080	679.210	679.210
2. Tax provisions	081		
3. Other provisions	082		
C) NON-CURRENT LIABILITIES (084 to 092)	083	152.318.189	157.431.840
1. Liabilities to related parties	084		
2. Borrowings and deposits	085		
3. Liabilities to banks and other financial institutions	086	136.976.412	142.090.063
4. Liabilities for advances received	087		
5. Trade payables	088		
6. Liabilities for securities	089		
7. Liabilities to participating parties	090		
8. Other non-current liabilities	091		
9. Deferred tax liability	092	15.341.777	15.341.777
D) CURRENT LIABILITIES (094 to 105)	093	1.487.431.652	1.589.252.008
1. Liabilities to related parties	094	165.181.135	172.434.612
2. Borrowings and deposits	095		
3. Liabilities to banks and other financial institutions	096	191.835.452	259.097.393
4. Liabilities for advances received	097	803.234	
5. Trade payables	098	1.092.523.997	1.131.482.420
6. Liabilities for securities	099		
7. Liabilities to participating parties	100		
8. Liabilities to employees	101	9.810.439	9.350.983
9. Liabilities for taxes and contributions	102	6.497.959	5.054.171
10. Dividend payables	103	1.034	1.034
11. Liabilities for non-current assets available for sale	104		
12. Other current liabilities	105	20.778.402	11.831.395
E) DEFERRED INCOME AND ACCRUED EXPENSES	106	1.399.854	1.642.229
F) TOTAL EQUITY AND LIABILITIES (062+079+083+093+106)	107	2.017.133.785	2.127.776.211
G) OFF BALANCE SHEET ITEMS	108	191.982.318	196.199.571
SUPPLEMENT TO BALANCE SHEET (for consolidated financial statements)			
A) CAPITAL AND RESERVES			
1. Attributable to equity holders	109	375.304.880	378.770.924
2. Attributable to minority interest	110		

Note 1.: Supplement to balance sheet is filled for consolidated financial statements.

PROFIT AND LOSS
for period from 1.1.2013 do 31.3.2013

Issuer: MEDIKA d.d.

Description	AOP mark	Previous period		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
I. OPERATING REVENUES (112+113)	111	576.271.559	576.271.559	582.617.087	582.617.087
1. Revenues from sale	112	573.021.597	573.021.597	578.043.534	578.043.534
2. Other operating revenues	113	3.249.962	3.249.962	4.573.553	4.573.553
II. OPERATING EXPENSES (115+116+120+124+125+126+129+130)	114	566.817.432	566.817.432	570.957.976	570.957.976
1. Change in value of work in progress and finished goods	115				
2. Material expenses (117 to 119)	116	528.917.478	528.917.478	529.079.172	529.079.172
a) Raw materials	117	3.109.683	3.109.683	3.414.966	3.414.966
b) Cost of goods sold	118	517.804.257	517.804.257	517.937.067	517.937.067
c) Other expenses	119	8.003.538	8.003.538	7.727.139	7.727.139
3. Employee expenses (121 to 123)	120	23.070.160	23.070.160	23.110.093	23.110.093
a) Net salaries	121	13.245.376	13.245.376	13.465.260	13.465.260
b) Tax and contributions from salaries	122	6.465.017	6.465.017	6.613.493	6.613.493
c) Contributions on salaries	123	3.359.767	3.359.767	3.031.340	3.031.340
4. Depreciation and amortization	124	4.183.615	4.183.615	3.991.446	3.991.446
5. Other expenses	125	6.446.179	6.446.179	8.427.265	8.427.265
6. Impairment (127+128)	126	4.200.000	4.200.000	6.350.000	6.350.000
a) of non-current assets (financial assets excluded)	127				
b) of current assets (financial assets excluded)	128	4.200.000	4.200.000	6.350.000	6.350.000
7. Provisions	129				
8. Other operating expenses	130				
III. FINANCE INCOME (132 to 136)	131	2.158.191	2.158.191	324.237	324.237
1. Interests, foreign exchanges and dividend from related parties	132				
2. Interests, foreign exchanges and dividend from non-related parties	133	2.158.191	2.158.191	324.122	324.122
3. Share of profit from associate	134				
4. Unrealised gains	135				
5. Other financial income	136			115	115
IV. FINANCE EXPENSES (138 to 141)	137	5.731.162	5.731.162	6.996.037	6.996.037
1. Interests, foreign exchanges and dividend from related parties	138				
2. Interests, foreign exchanges and dividend from non-related parties	139	5.731.162	5.731.162	6.996.037	6.996.037
3. Unrealised losses	140				
4. Other finance expenses	141				
V. SHARE OF PROFIT FROM ASSOCIATE	142				
VI. SHARE OF LOSS FROM ASSOCIATE	143				
VII. EXTRAORDINARY - OTHER INCOME	144				
VIII. EXTRAORDINARY - OTHER EXPENSES	145				
IX. TOTAL INCOME (111+131+142 + 144)	146	578.429.750	578.429.750	582.941.324	582.941.324
X. TOTAL EXPENSES (114+137+143 + 145)	147	572.548.594	572.548.594	577.954.013	577.954.013
XI. PROFIT OR LOSS BEFORE TAX (146-147)	148	5.881.156	5.881.156	4.987.311	4.987.311
1. Profit before tax (146-147)	149	5.881.156	5.881.156	4.987.311	4.987.311
2. Loss before tax (147-146)	150	0	0	0	0
XII. INCOME TAX	151	1.763.537	1.763.537	1.521.266	1.521.266
XIII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	4.117.619	4.117.619	3.466.045	3.466.045
1. Profit for the period (149-151)	153	4.117.619	4.117.619	3.466.045	3.466.045
2. Loss for the period (151-148)	154	0	0	0	0

SUPPLEMENT TO PROFIT AND LOSS (for consolidated financial statements)

XIV. PROFIT OR LOSS FOR THE PERIOD

1. Attributable to equity holders	155				
2. Attributable to minority interest	156				

OTHER COMPREHENSIVE INCOME REPORT (for IFRS reporting)

I. PROFIT OR LOSS FOR THE PERIOD (= 152)	157	4.117.619	4.117.619	3.466.045	3.466.045
II. OTHER COMPREHENSIVE PROFIT/LOSS BEFORE TAX (159 to 165)	158	0	0	0	0
1. Exchange differences on translation of foreign operations	159				
2. Changes in revaluation reserves for non-current tangible and intangible assets	160				
3. Profit or loss from revaluation of financial assets available for sale	161				
4. Gains or losses from efficient cash flow hedging	162				
5. Gains or losses from efficient hedge of net investment abroad	163				
6. Share in other comprehensive profit/loss of associates	164				
7. Actuarial gains/losses on defined benefit plans	165				
III. TAX ON OTHER COMPREHENSIVE INCOME FOR THE PERIOD	166				
IV. NET OTHER COMPREHENSIVE PROFIT OR LOSS FOR THE PERIOD (158-166)	167	0	0	0	0
V. COMPREHENSIVE PROFIT OR LOSS FOR THE PERIOD (157+167)	168	4.117.619	4.117.619	3.466.045	3.466.045

APPENDIX to Other comprehensive income report (to be filled for consolidated financial statements)

VI. COMPREHENSIVE PROFIT OR LOSS

1. Attributable to equity holders	169				
2. Attributable to minority interest	170				

STATEMENT OF CASH FLOW - Indirect method
for period from 1.1.2013 to 31.3.2013

Issuer: MEDIKA d.d.			
Description	AOP mark	Previous period	Current period
1	2	3	4
CASH FLOW FROM OPERATING ACTIVITIES			
1. Profit before tax	001	5.881.156	4.987.311
2. Depreciation and amortisation	002	4.183.615	3.991.446
3. Increase of current liabilities	003	103.279.718	34.558.431
4. Decrease of current receivables	004		
5. Decrease of inventories	005		
6. Other increase of cash flow	006		
I. Total increase of cash flow from operating activities (001 to 006)	007	113.344.489	43.537.188
1. Decrease of current liabilities	008		
2. Increase of current receivables	009	126.022.747	113.982.913
3. Increase of inventories	010	15.602.994	10.635.751
4. Other decrease of cash flow	011	2.277.861	406.536
II. Total decrease of cash flow from operating activities (008 to 011)	012	143.903.602	125.025.200
A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES (007-012)	013	0	0
A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES (012-007)	014	30.559.113	81.488.012
CASH FLOW FROM INVESTING ACTIVITIES			
1. Proceeds from sale of tangible and intangible assets	015	17.622	824.681
2. Proceeds from sale of equity and debt securities	016		
3. Interest received	017	89.918	228.605
4. Dividends received	018		
5. Other proceeds from investing activities	019		
III. Total proceeds from investing activities (015 to 019)	020	107.540	1.053.286
1. Purchase of tangible and intangible assets	021	2.631.769	820.468
2. Purchase of equity and debt securities	022		
3. Other purchases resulting from investing activities	023		
IV. Total purchases resulting from investing activities (021 to 023)	024	2.631.769	820.468
B1) NET INCREASE OF CASH FLOW FROM INVESTING ACTIVITIES (020-024)	025	0	232.818
B2) NET DECREASE OF CASH FLOW FROM INVESTING ACTIVITIES (024-020)	026	2.524.229	0
CASH FLOW FROM FINANCING ACTIVITIES			
1. Proceeds from issuance of equity and debt securities	027		
2. Proceeds from borrowings	028	83.138.808	80.000.000
3. Other proceeds from financing activities	029		
V. Total proceeds from financing activities (027 to 029)	030	83.138.808	80.000.000
1. Repayments of borrowings	031	71.926.031	7.099.602
2. Dividends paid	032		
3. Repayments of finance lease	033	553.458	703.735
4. Purchase of treasury shares	034		
5. Other purchases resulting from financing activities	035		
VI. Ukupno novčani izdaci od finansijskih aktivnosti (031 to 035)	036	72.479.489	7.803.337
C1) NET INCREASE OF CASH FLOW FROM FINANCING ACTIVITIES (030-036)	037	10.659.319	72.196.663
C2) NET DECREASE OF CASH FLOW FROM FINANCING ACTIVITIES (036-030)	038	0	0
Total increase of cash flow (013 – 014 + 025 – 026 + 037 – 038)	039	0	0
Total decrease of cash flow (014 – 013 + 026 – 025 + 038 – 037)	040	22.424.023	9.058.531
Cash and cash equivalents at beginning of the period	041	40.578.821	19.540.285
Increase of cash and cash equivalents	042		
Decrease of cash and cash equivalents	043	22.424.023	9.058.531
Cash and cash equivalents at end of the period	044	18.154.798	10.481.754

STATEMENT OF CHANGES IN EQUITY
for period from **1.1.2013** to **31.3.2013**

Description 1	AOP mark 2	Previous period 3	Current period 4
1. Share capital	001	60.388.000	60.388.000
2. Capital reserves	002	-7.542.807	-7.542.807
3. Reserves from retained earnings	003	83.667.810	83.667.810
4. Retained earnings or accumulated loss	004	190.520.524	238.791.876
5. Profit or loss for the period	005	48.271.353	3.466.045
6. Revaluation of tangible assets	006		
7. Revaluation of intangible assets	007		
8. Revaluation of financial assets available for sale	008		
9. Other revaluation	009		
10. Total capital and reserves (AOP 001 to 009)	010	375.304.880	378.770.924
11. Foreign exchanges from the foreign investments	011		
12. Current and deferred tax (part)	012		
13. Cash flow hedge	013		
14. Changes of accounting policies	014		
15. Correction of material mistakes from previous period	015		
16. Other changes of equity	016		
17. Total increase or decrease of equity (AOP 011 to 016)	017	0	0
17 a. Attributable to equity holders	018		
17 b. Attributable to minority interest	019		

Stavke koje umanjuju kapital upisuju se s negativnim predznakom
Podaci pod AOP oznakama 001 do 009 upisuju se kao stanje na datum bilance

Zagreb, 24 April 2013

Pursuant to the article 407. to 410. of the Capital market Law (Official Gazette 88/08 and 146/08) Management Board member Jasminko Herceg provides

MANAGEMENT BOARD'S STATEMENT OF LIABILITY

Consolidated and unconsolidated financial statements of Medika d.d. have been prepared pursuant to the International Financial Reporting Standards (IFRS) and Croatian Accounting Law.

Consolidated and unconsolidated financial statements for the period from 01 January to 31 March 2013 present complete and fair view of assets and liabilities, profit and loss, financial position and operations of the Company and the Group.

The interim management report for the period from 01 January to 31 March 2013 gives true and fair presentation of development and results of the operations of the Company and the Group with description of significant risks and uncertainties for the Company and the Group.


Jasminko Herceg
Member of the Management Board


Dioničko društvo za trgovinu lijekovima i sanitetskim materijalom
Capraška 1