

2013



LUKA KOPER GROUP

**NON-AUDITED REPORT OF LUKA KOPER GROUP AND
LUKA KOPER D.D., JANUARY – DECEMBER 2013**

Koper, February 2013

CONTENTS

BUSINESS REPORT	1
PERFORMANCE HIGHLIGHTS OF THE LUKA KOPER GROUP	1
INTRODUCTORY NOTE.....	3
PRESENTATION OF LUKA KOPER GROUP	4
CORPORATE MANAGEMENT AND GOVERNANCE	6
SIGNIFICANT EVENTS JANUARY – DECEMBER 2013	8
RELEVANT POST-BALANCE-SHEET EVENTS.....	14
PERFORMANCE ANALYSIS OF LUKA KOPER GROUP	15
MARKETING & SALES	21
LKPG SHARE.....	22
FINANCIAL REPORT	26
CONSOLIDATED FINANCIAL STATEMENTS OF LUKA KOPER GROUP.....	26
NON-CONSOLIDATED FINANCIAL STATEMENTS OF	34
LUKA KOPER D. D.	34
MANAGEMENT BOARD STATEMENT OF RESPONSIBILITY	41

BUSINESS REPORT

PERFORMANCE HIGHLIGHTS OF THE LUKA KOPER GROUP

COMPARISON OF ACTUAL AND PLANNED RESULTS OF THE LUKA KOPER GROUP, JANUARY – DECEMBER 2013

(in euro)	Jan - Dec 2013	Plan Jan - Dec 2013	Index Result/Plan
Operating revenues	144,235,477	144,813,508	100
Operating profit (EBIT)	12,917,953	18,899,841	68
EBITDA	41,101,265	47,008,747	87
Net profit	8,465,740	13,337,425	63
Investments in real-estate, plant and equipment and intangible assets	14,589,299	33,800,819	43
Cargo throughput (in tonnes)	17,999,663	17,673,249	102

COMPARISON OF ACTUAL RESULTS OF THE LUKA KOPER GROUP, JANUARY – DECEMBER 2013 AND 2012

(in euro)	Jan - Dec 2013	Jan - Dec 2012	Index 2013/2012
From Income Statement			
Operating revenues	144,235,477	141,732,087	102
Operating profit (EBIT)	12,917,953	19,184,237	67
EBITDA	41,101,265	47,216,586	87
Financing gain (loss)	-5,563,490	-6,054,587	92
Pre-tax profit	7,354,463	13,129,650	56
Net profit	8,465,740	10,498,559	81
Cargo throughput (in tonnes)	17,999,663	17,880,698	101

(in euro)	31 st Dec 2013	31 st Dec 2012	Index 2013/2012
From Statement of Financial Position			
Assets	446,109,204	463,397,435	96
Non-current assets	404,938,527	428,249,680	95
Current assets, and deferred costs & accrued revenues	41,170,677	35,147,755	117
Equity	259,920,379	249,328,319	104
Non-current liabilities and provisions	155,109,347	150,435,553	103
Current liabilities, and accrued costs & deferred revenues	31,079,478	63,633,563	49
Financial liabilities	153,750,652	183,799,962	84

(as percentage)	Jan - Dec 2013	Jan - Dec 2012	Index 2013/2012
Indicators			
Return on sales (ROS)	8.96%	13.54%	66
Net return on equity (ROE) ¹	3.32%	4.29%	77
Net return on assets (ROA) ¹	1.86%	2.23%	83
EBITDA margin	28.50%	33.31%	86
Financial liabilities / equity	59.15%	73.78%	80

(in euro)	Jan - Dec 2013	Jan - Dec 2012	Index 2013/2012
From Cash Flow Statement			
Investments in real-estate, plant and equipment and intangible assets	14,589,299	18,639,095	78

***COMPARISON OF LUKA KOPER D.D. ACTUAL RESULTS, JANUARY
– DECEMBER 2013 AND 2012***

(in euro)	Jan - Dec 2013	Jan - Dec 2012	Index 2013/2012
From Income Statement			
Net profit	4,612,246	7,527,590	61

¹ The indicators are calculated on the basis of annualised data.

INTRODUCTORY NOTE

Compliant with the *Market and Financial Instruments Act RS*, *Ljubljana Stock Exchange Rules* as well as *Guidelines on Disclosure for Listed Companies*, *Luka Koper d.d.*, Vojkovo Nabrežje 38, Koper, Slovenia, discloses this Non-Audited Report on the performance of *Luka Koper d.d.* and the *Luka Koper Group* for January – December 2013.

This Non-Audited Report on the performance of *Luka Koper d.d.* and the *Luka Koper Group* for January – December 2013 can be examined at *Luka Koper d.d.*'s registered headquarters at Vojkovo Nabrežje 38, 6501 Koper, Slovenia, and shall also be accessible via the company's website www.luka-kp.si from 14th February 2014 onwards.

The company promptly publishes any pertinent changes to information contained in the prospectus for stock exchange listing on *SEOnet*, the electronic information system of the *Ljubljana Stock Exchange*.

This Non-Audited Report on the performance of *Luka Koper d.d.* and the *Luka Koper Group* for January – December 2013 was addressed by the company's Supervisory Board at its regular session of 14th February 2014.

PRESENTATION OF LUKA KOPER GROUP

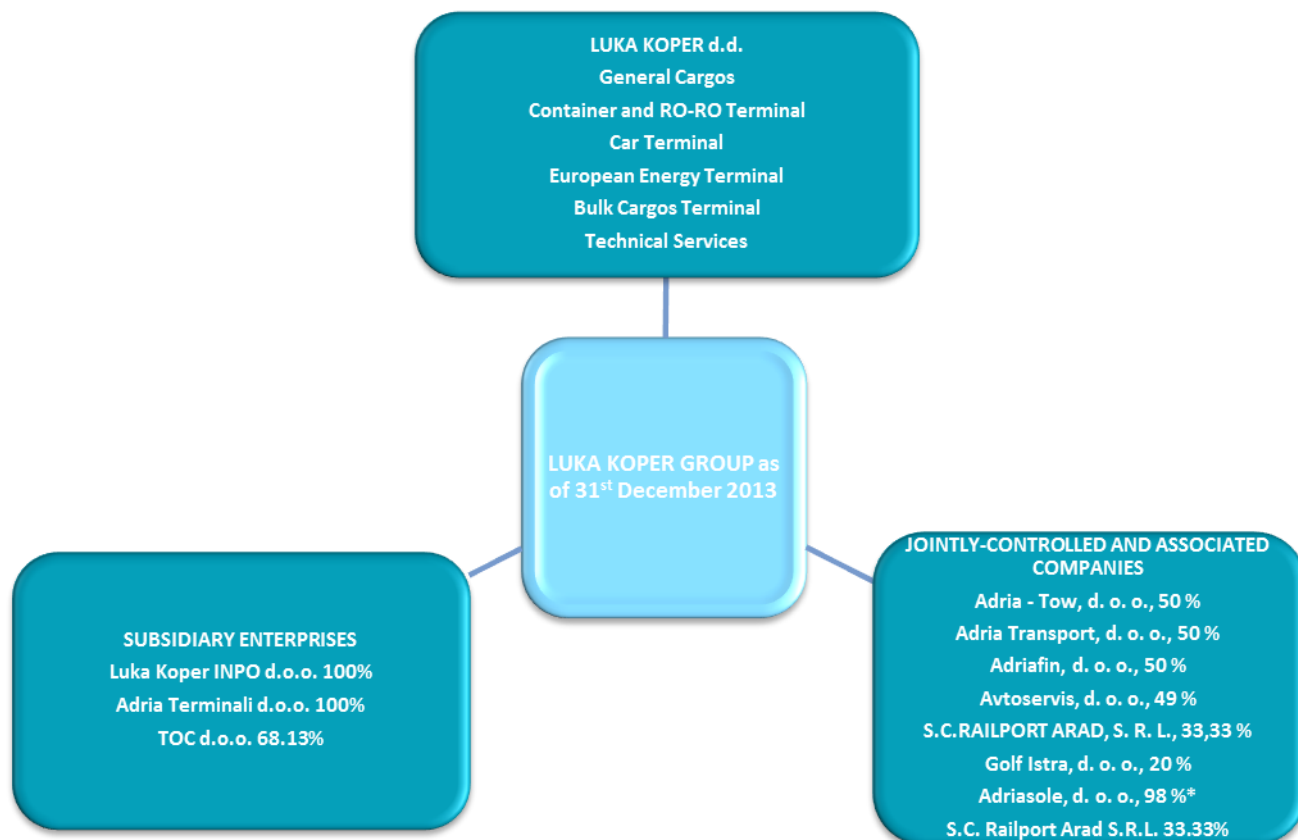
Luka Koper d.d., a port operator and logistics provider with its registered office in Koper, Slovenia, is the parent company of the *Luka Koper Group* of enterprises.

Luka Koper d.d.'s ID as of 14th February 2014:

<i>Company title</i>	<i>Luka Koper, a public limited liability port and logistics system operator</i>
<i>Short title</i>	<i>Luka Koper d. d.</i>
<i>Registered office</i>	<i>Vojkovo Nabrežje 38, Koper, Slovenia</i> <i>Telephone: 05 66 56 100</i> <i>Fax: 05 63 95 020</i> <i>Email: portkoper@luka-kp.si</i> <i>Website: www.luka-kp.si</i>
<i>Company registration</i>	<i>Application No. 066/10032200, registered at the Koper District Court, Slovenia</i>
<i>Registration number</i>	<i>5144353</i>
<i>Tax number</i>	<i>SI 89190033</i>
<i>Share capital</i>	<i>€ 58,420,964.78</i>
<i>Number of shares</i>	<i>14,000,000 ordinary no-par-value shares</i>
<i>Shares listing</i>	<i>Ljubljana Stock exchange, prime market</i>
<i>Share ticker symbol</i>	<i>LKPG</i>
<i>Management Board President</i>	<i>Gašpar Gašpar Mišič</i>
<i>Management Board Member</i>	<i>Andraž Novak</i>
<i>Management Board Member</i>	<i>Jože Jaklin</i>
<i>Management Board Member – Workers Director</i>	<i>Matjaž Stare</i>
<i>Supervisory Board President</i>	<i>Alenka Žnidaršič Kranjc</i>
<i>Number of consolidated companies</i>	<i>11</i>
<i>Luka Koper d.d. core activity</i>	<i>Seaport and logistics system operator and service provider</i>
<i>Luka Koper Group activities</i>	<i>Various support and ancillary services in relation to core activity</i>

Companies consolidated within the *Luka Koper Group* provide various services which accomplish the comprehensive operation of the Port of Koper. In addition to the parent

company, *Luka Koper d.d.*, the *Luka Koper Group* was comprised of the following subsidiary enterprises as well as jointly-controlled and associated companies as of 31st December 2013:



* The company *Adria sole d.o.o.* is not controlled in compliance with International Accounting Standards 27 (13). Although *Luka Koper d.d.* holds a 98-percent stake in *Adria sole d.o.o.*, decision making requires the consent of the partner pursuant to an agreement. Compliant with provisions of IAS 28 (7), *Adria sole d.o.o.* has been classified as an associated company.

The *Luka Koper Group* also holds stakes in the companies listed below which are classified as assets held for disposal through sale:

- *Intereuropa d.d.* - 7.13% of total equity, 11.65% of ordinary shares,
- *Logis Nova d.o.o.* - 96.26%,
- *Adria Investicije d.o.o.* - 100%,
- *Luka Koper Pristan d.o.o.* - 100%.

In April 2013, *Luka Koper d.d.* commenced a procedure to dispose of its *Luka Koper Pristan d.o.o.* subsidiary. The company was accordingly classified in the group of non-current assets (disposal group) held for sale.

CORPORATE MANAGEMENT AND GOVERNANCE

Luka Koper d. d. Management Board

As of 31st December 2013, the *Luka Koper d.d.* Management Board was comprised of the following members:

- Gašpar Gašpar Mišič, Management Board President, appointed on 26th August 2013 for a five-year term, took office on 7th September 2013;
- Marko Rems, Member of the Management Board, commenced a five-year term on 1st March 2010; he resigned as a Management Board Member on 5th September 2013; in accordance with the agreement mandate terminated on 31st January 2014;
- Matjaž Stare, Workers Director, commenced a five-year term on 18th October 2010.

Appointed on 7th September 2012 for a maximum term of one-year, Bojan Brank performed the function of Management Board President prior to 7th September 2013.

A presentation of the *Luka Koper d.d.* Management Board members is available on the company's website: www.luka-kp.si.

Post-balance-sheet changes in the composition of the Management Board

At its regular session of 13th December 2013, *Luka Koper d.d.*'s Supervisory Board appointed Mr Jože Jaklin the Management Board Member responsible for finance and accounting for a five-year term. Mr Jaklin took office on 1st February 2014.

At its regular session of 10th January 2014, *Luka Koper d.d.* Supervisory Board appointed Mr Andraž Novak the Management Board Member responsible for operations and sales for a five-year term. Mr Novak took office on 13th January 2014.

New composition of the Management Board as of 14th February 2014:

- Gašpar Gašpar Mišič, Management Board President, appointed on 26th August 2013 for a five-year term, took office on 7th September 2013;
- Andraž Novak, Management Board Member, commenced a five-year term on 13th January 2014;
- Jože Jaklin, Management Board Member, commenced a five-year term on 1st February 2014;
- Matjaž Stare, Workers Director, commenced a five-year term on 18th October 2010.

Luka Koper d. d. Supervisory Board

The Supervisory Board of *Luka Koper d.d.* is composed of nine members, of whom six are elected by the General Assembly of Shareholders, and three by the Workers' Council; members are elected for a four-year term. As of 31st December 2013, the Supervisory Board was comprised of the following members:

Supervisory Board members as representatives of shareholders:

- Dr Alenka Žnidaršič Kranjc, Supervisory Board President, a representative of shareholders, commenced a four-year term: 7th October 2013 (23rd General Assembly of Shareholders);
- Dr Elen Twrđy, Deputy President of Supervisory Board, a representative of shareholders, commenced a four-year term: 7th October 2013 (23rd General Assembly of Shareholders);
- Rado Antolovič, Supervisory Board Member, a representative of shareholders, commenced a four-year term: 7th October 2013 (23rd General Assembly of Shareholders);
- Andrej Šercer, Supervisory Board Member, a representative of shareholders, commenced a four-year term: 7th October 2013 (23rd General Assembly of Shareholders);
- Žiga Škerjanec, Supervisory Board Member, a representative of shareholders, commenced a four-year term: 7th October 2013 (23rd General Assembly of Shareholders);
- Sabina Mozetič, Supervisory Board Member, a representative of Koper Municipality, commenced a four-year term: 12th July 2011 (19th General Assembly of Shareholders).

Prior to 15th July 2013, the Supervisory Board was comprised of the following members as representatives of shareholders: Dr Janez Požar, Supervisory Board President; Tomaž Može, Supervisory Board Deputy President; Bojan Brank, Supervisory Board Member; Dr Marko Simonetti, Supervisory Board Member; Jordan Kocjančič, Supervisory Board Member; Sabina Mozetič, Supervisory Board Member.

At its 8th July 2013 meeting, the General Assembly of Shareholders appointed five new members due to the expiry of the terms of office of five existing Supervisory Board members. Between 15th July and 7th October 2013, the Supervisory Board was comprised of the following members as shareholders' representatives: Dino Klobas, Supervisory Board President; Nikolaj Abrahamsberg, Supervisory Board Deputy President; Vinko Može, Supervisory Board Member; Dr Andrej Godec, Supervisory Board Member; Jordan Kocjančič, Supervisory Board Member; Sabina Mozetič, Supervisory Board Member. The Supervisory Board President Dino Klobas resigned as of 6th September 2013.

Supervisory Board members as representatives of employees

- Mr. Mladen Jovičič, Employee Representative; commenced a four-year term on 18th March 2013.

- Mr. Stojan Čepar, Employee Representative; commenced a four-year term on 18th March 2013.
- Mr. Nebojša Topič, Employee Representative; commenced a four-year term on 28th July 2012.

External member of the Supervisory Board Audit Committee:

- Ms. Blanka Vezjak, external member of Supervisory Board Audit Committee, was appointed at the Supervisory Board meeting of 11th September 2009, and re-appointed on 12th August 2013.

SIGNIFICANT EVENTS JANUARY – DECEMBER 2013

JANUARY

- The *Capital Assets Agency of the Republic of Slovenia (AUKM)* submitted a request for a General Assembly of *Luka Koper d.d.* shareholders.
- *Luka Koper d.d.* adopted the company's energy policy as a guideline to enhance energy efficiency and thereby contribute to a more reliable energy supply, reduce environmental impact and further improve the company's performance.

FEBRUARY

- The company published the Non-Audited Business Report of *Luka Koper d.d.* and the *Luka Koper Group* for January – December 2012.
- Company executives visited partners in South Korea and presented them the port's latest accomplishments as well as the further possibilities for cargo distribution via the Port of Koper.
- Following the withdrawal of the Port of Ravenna from the *North Adriatic Ports Association*, representatives of the ports of Koper, Trieste, Venice and Rijeka met to review and reconfirm the Association's vision and mission.
- Greek *MCCL Group* established a new RO-RO service between Koper and the Black Sea Port of Poti in Georgia.
- Within the EU-funded *EMPIRIC* (Enhancing Multimodal Platforms, Inland waterways and Railways services Integration in Central Europe) project, *Luka Koper* organised a conference on the possibilities of improving the efficiency of the logistics chain for highly perishable goods via the Port of Koper.
- *Luka Koper d.d.*'s Workers' Council published its position against the sale of Slovenia's only seaport.

MARCH

- The company published a call for a General Assembly of *Luka Koper d.d.* shareholders, and, prior to the meeting, a proposal by the shareholder Koper Municipality on the appointment of a Supervisory Board member.
- Slovenia's Minister of Economic Development, Mr. Stanko Stepišnik, the Mayor of Koper Municipality, Mr. Boris Popovič, and *Luka Koper d.d.* Management Board President Mr. Bojan Brank, jointly signed a letter in support of the economic development efforts being made by the local community and the Port of Koper.
- Koper's Passenger Terminal receives a *Best Destination Experience* award at the world's largest cruise fair.
- *Luka Koper d.d.*'s best suppliers in 2012 received awards.
- Trade risk and credit insurance specialist *Coface* grants *Luka Koper Pristan d.o.o.* an *Excellent SME Slovenia* certificate, which corroborates the company's business excellence.
- In the context of the *Zlata Nit* research project, *Luka Koper d.d.* was placed among the seven best employers in Slovenia in 2012.
- 207 applicants applied in response to this year's call by *Luka Koper* for bursaries and sponsorship under its *Living with the Port* fund. In accordance with the company's orientation towards sustainable development and support to the broader local community, *Luka Koper* funded 104 projects in the total value of € 63,000.

APRIL

- At its 4th April 2013 session, the *Luka Koper d.d.* Supervisory Board endorsed the Annual Report of *Luka Koper d.d.* and the *Luka Koper Group* for 2012.
- At the same session, the Supervisory Board endorsed the Management Board's proposal on the allocation of distributable net profit as follows:
 - a portion of distributable profit in the amount of € 2,380,000 will be disbursed as dividends in the gross value of € 0.17 per ordinary share,
 - the remaining portion of distributable profit in the amount of € 1,383,795 shall be retained.
- Shareholders did not vote in favour of the replacement of the *Luka Koper d.d.* Supervisory Board at the General Assembly. Shareholders endorsed the instigation of an audit of the company's unaudited transactions and the provision of a report in relation to any eventual harmful business transactions; in response to this the notary drew attention to the fact that any such appointment of a special auditor was not congruent with the Companies Act RS, and was likely to draw an action for annulment. At the General Assembly, shareholders were also presented with the 18th March 2013 resolution adopted by the *Luka Koper d.d.* Workers' Council, namely, the

re-appointment of Mr. Mladen Jovičič and Mr. Stojan Čepar as Employee Representatives on the company's Supervisory Board for a four-year term.

- *Luka Koper* presented its operations and plans to Slovene institutional investors at the annual investment conference organised by *Ljubljana Stock Exchange*.
- As anticipated at the General Assembly, the *VZMD* (Pan-Slovenian Shareholders' Association) brought an action for the annulment of Resolution No. 4 of 5th April 2013 General Assembly of *Luka Koper* shareholders.
- On 26th April 2013, *Luka Koper d.d.* sold 615,730 *Intereuropa* (IEKG) shares to its *LK INPO d.o.o.* subsidiary. *Luka Koper d.d.* henceforth holds 1,344,783 IEKG shares which accounts for 7.99% of *Intereuropa d.d.* voting rights.
- Preliminary archaeological excavations were completed at a plot at the foot of Sermin Hill, a location identified by the company in collaboration with the Ministry of Transport and Spatial Development as an alternative site for the disposal of silt from dredging operations. Following this investigation, the company was required by Slovenia's Institute for the Protection of Cultural Heritage to ensure the presence of archaeologists during the implementation of ground works related to silt disposal. Project documentation for the acquisition of a permit to use this plot as a landfill site is currently being elaborated.
- At the end of April, *Luka Koper d.d.*, *Luka Koper INPO d.o.o.* and *Adria Terminali d.o.o.* were subject to regular external audits of their quality management systems in accordance with ISO 9001:2008 standards and the environmental protection system according to ISO 14001 standards. The parent company was also subject to a regular audit of its BS OHSAS 18001:2007 occupational health and safety regime, as well as a surveillance audit of its ISO 22000:2005 food safety management system in accordance with the provisions of EC 1221:2009. *Luka Koper Group* companies successfully passed these audits and extended the validity of their respective certificates.
- *Luka Koper* commenced construction of a facility for port machinery service and repair.

MAY

- Company representatives met with existing and potential business partners at a *Luka Koper Day* event in Bratislava
- As a consequence of the dismissal of Mr Aldo Babič from his position as Deputy President of *Luka Koper* Management Board on the grounds of culpability and consequently Aldo Babič's lawsuit against the company, the *LK* Management Board received on 22nd May 2013 Enforcement Order No. 0284 I 86/20123 from Koper District Court in relation to the recovery of receivables by Mr Babič. This Order is made on the basis of the final ruling of the Koper Labour Court by way of which *Luka Koper d.d.* is bound to acknowledge Mr Babič, as creditor, all rights deriving from employment, including the calculation and remuneration of monthly salary between

15th July 2009 and 9th July 2012, as well as the payment of pertaining contributions and tax in relation to this amount. Mr Babič's claim is in the net amount of € 480,877.34, minus a portion in the amount of € 104,965.87 which was paid to him by the company on 28th March 2013 - i.e. the sum which *Luka Koper d.d.* believes the applicant was entitled according to the judgement. Accordingly, *Luka Koper d.d.* has submitted an objection against the Enforcement Order as well as a proposal to postpone execution. The competent Labour Court has twice ruled in favour of *Luka Koper d.d.* with regard to this matter, but a third ruling - by this same court - was in favour of Mr Babič. A second instance Labour Court has endorsed this third ruling and it is now legally binding. As mentioned above, *Luka Koper d.d.* has filed an application for extraordinary remedy in relation to this case.

JUNE

- The Government RS endorsed the 2011-2015 development programme for the Port of Koper.
- The Government RS adopted a resolution on a 102,077.49 m² expansion of the Port of Koper zone. This land shall be used for the disposal of sea sediments from dredging.
- Japanese shipowner *Mitsui O.S.K. Lines (MOL)* has returned to the Port of Koper, offering container shipping services to and from the Far East.
- At its 14th June 2013 session, *Luka Koper d.d.* Supervisory Board gave its consent to commence procedures for the extension of the southern portion of Pier I, an investment which will increase capacities at the Container Terminal from the existing 720,000 TEUs to 950,000 TEUs per annum. The project, which will be implemented in stages, shall be completed by 2018. Compliant with the National Spatial Plan for the comprehensive spatial arrangement of the Port of Koper as well as the supplemented five-year port development plan adopted by the Government RS, the total cost of this investment is estimated to be 78 million euros.
- Koper District Court annulled the decision adopted by shareholders at the 21st General Assembly which instructed the company's Supervisory Board to audit *Luka Koper d.d.*'s non-audited business transactions for the 2007-2011 period.
- *Luka Koper* published public call for tenders in relation to the disposal of its *Prenočišče Prisoje* real-estate investment.

JULY

- Shareholders attending the 22nd General Assembly of *Luka Koper d.d.* held on 8th July 2013:
 - were presented with the 2012 Annual Report for the *Luka Koper Group* and *Luka Koper d.d.*;
 - adopted the proposed resolution on the allocation of distributable profit for 2012 in the amount of € 3,763,795 as follows:
 - a portion of distributable profit in the amount of € 2,380,000 to be disbursed as dividends in the gross value of € 0.17 per share,

- the remaining distributable profit in the amount of € 1,383,795 to remain undistributed;
 - endorsed the work of the Management and Supervisory Boards during 2012;
 - appointed the auditors *Ernst & Young d.o.o.*, Dunajska Cesta 111, Ljubljana, Slovenia, as the company's external auditor for fiscal 2013;
 - appointed five new members of the Supervisory Board as follows: Vinko Može, Andrej Godec, Dino Klobas, Nikolaj Abrahamsberg and Jordan Kocjančič;
 - adopted the resolution on the amount of remuneration and attendance fees for members of the Supervisory Board as well as Supervisory Board Commissions for the following twelve months;
 - rejected the resolution authorising *Luka Koper d.d.* to acquire and dispose of treasury stock.
- *Luka Koper d.d.* took out a seven-year loan in the amount of € 20 million to refinance a portion of its financial liabilities that become due later in the year.
- Borut Muženič of *Luka Koper d.d.* received *Primorska Chamber of Commerce and Industry's* 2012 Best Innovation Award.

AUGUST

- At its constitutional session of 12th August 2013, the members of the *Luka Koper d.d.* Supervisory Board elected Mr Dino Klobas as its President, and Mr Nikolaj Abrahamsberg as Deputy President.
- At its regular session of 26th August 2013, *Luka Koper d.d.*'s Supervisory Board appointed Mr Gašpar Gašpar Mišič as President of the Management Board for a five-year term, commencing 7th September 2013.
- On 28th August 2013, *Slovenska Odškodninska Družba* submitted a request for the call of the General Assembly of shareholders to *Luka Koper d.d.*'s Management Board.
- Rail operator *Baltic Rail* established a new container service between Koper and the Polish city of Wroclaw.

SEPTEMBER

- On 5th September 2013, the company's Management Board published a call for 23rd General Assembly of *Luka Koper d.d.* shareholders.
- On 5th September 2013, member of the *Luka Koper d.d.* Management Board Marko Rems, tendered his resignation from the Management Board to the President of the *Luka Koper* Supervisory Board.
- On 6th September 2013, Mr Dino Klobas resigned from his position as President of the *Luka Koper* Supervisory Board.
- The Austrian rail logistics provider *Rail Cargo Austria* established a new regular service linking Koper with Munich and Southern Germany.

- Visitors toured the port by boat, bus and bicycle at *Luka Koper's Open Port Day*. This year's novelty was a stop at the Container Terminal.
- Koper's Passenger Terminal broke a daily record for the number of passengers visiting the port - 5,927.
- At its regular session, the Supervisory Board endorsed the project for the construction of a storage area behind berth 7C at the Container Terminal. This investment forms part of a larger project for the extension of the southern section of Pier I, which shall increase capacities at the Container Terminal.
- Borut Muženič of *Luka Koper d.d.* received 2012 Best Innovation Award from the national *Chamber of Commerce and Industry*.

OCTOBER

- At the 23rd General Assembly of *Luka Koper d.d.* held on 7th October 2013, the shareholders recalled the Supervisory Board members Nikolaj Abrahamsberg, Vinko Može, Andrej Godec and Jordan Kocjančič, and appointed Rado Antolovič, Elen Twrdy, Andrej Šercer, Žiga Škerjanc and Alenka Žnidaršič Kranjc in their place. The General Assembly also adopted amendments to the company's Statute. These have yet to be enforced due to the fact that in November 2013, the Minor Shareholders Association of Slovenia filed a complaint at the Koper District Court against the resolution of the 23rd General Assembly implementing the amendments to the *Luka Koper d.d.* Statute.
- At its constitutional meeting of 16th October 2013, the Supervisory Board elected its President and Deputy President. Alenka Žnidaršič Kranjc was appointed the President, and Elen Twrdy was appointed Deputy President, of the Supervisory Board.
- *Luka Koper d.d.* was issued permits for the construction and use of landfill sites at plots 7A and 799/29. The sites are intended for the disposal of excavated materials from dredging operations aimed at deepening Basin I adjacent Koper's Container Terminal quayside.
- *Luka Koper d.d.* presented its operations at the *Cruise Shipping Asia-Pacific 2013 B2B* event in Singapore.
- Upon the 10th anniversary of Koper's *Phoenician Express* direct container service, *Luka Koper d.d.* received special recognition as the best port in the Northern Adriatic from France's *CMA-CGM* shipping company.

NOVEMBER

- On 4th November 2013 - on the basis of the 16th October 2013 resolution of the Supervisory Board - *Luka Koper d.d.* published a call for applications for membership of its Management Board, i.e. for two Management Board members respectively responsible for finance & accounting, and operations & sales.
- On 14th November 2013, *Luka Koper d.d.* received notice from the Koper District Court as to the action brought by the Minor Shareholders Association of Slovenia in

relation to the annulment of resolutions adopted by the General Assembly on 7th October 2013. The applicant has enforced the judicial protection anticipated at the General Assembly meeting in relation to the Resolution No.3 amendments of the company Statute.

- *Luka Koper d.d.* won the *NETKO 2014* award - the so-called Slovenian web Oscar - for its *Living with the Port* website - www.zivetispristaniscem.si.
- The company signed a letter of intent with the Koper Secondary Technical School in relation to closer collaboration in the field of target education and training.
- Slovenia's Environment Agency extended *Luka Koper d.d.*'s *EMAS* system registration for a further three years.
- MEPs voted to include the Port of Koper in the Baltic - Adriatic and Mediterranean corridor of *TEN-T* – the *Trans-European Transport Network*.

DECEMBER

- *Luka Koper d.d.*'s Supervisory Board appointed Jože Jaklin as the Management Board member responsible for finance and accounting, this for a five-year term commencing on 1st February 2014.
- At the *Luka Koper Days*, company executives met with business partners from Austria and Hungary.
- *Luka Koper* attended the traditional meeting with investors organised by the *Ljubljana Stock Exchange*.
- *Luka Koper* was visited by Slovenia's Minister of Economic Development and Technology Mr Stanko Stepišnik.
- In collaboration with the *Chamber of Commerce and Industry of Slovenia*, *Luka Koper* organised a conference entitled "*The future of Slovenian logistics and its contribution to regional development.*"
- At a pre-New-Year reception, company executives met with representatives of the Port of Koper community as well as business partners from the Czech Republic and Slovakia.
- On 31st December 2013, the Container Terminal surpassed the 600,000 TEU threshold - a record quantity of containers handled in a single year.

RELEVANT POST-BALANCE-SHEET EVENTS

JANUARY 2014

- *Luka Koper d.d.*'s Supervisory Board appointed Andraž Novak as the Management Board member responsible for operations and sales for a five-year term commencing 13th January 2014.
- On 21st January 2014, *Slovenska Odškodninska Družba* submitted a request for the call of the General Assembly of shareholders to *Luka Koper d.d.*'s Management Board.

PERFORMANCE ANALYSIS OF LUKA KOPER GROUP

In 2013, the *Luka Koper Group* handled 18 million tonnes of cargo, which is two percent ahead of the plan and a one percent year-on increase. The more than 600,000 TEUs handled in 2013 also broke the record for container freight passing through the Port of Koper.

In 2013, the *Luka Koper Group* generated operating revenues in the amount of 144.2 million euros, which was in line with the plan and 2.5 million euros (two percent) ahead of the 2012 level.

Operating profit amounts to 12.9 million euros, which is 6.3 million euros (thirty-three percent) down on 2012. Said decrease can be attributed to the impairment of real-estate values in the amount of 8.3 million euros, together with labour costs which rose by 2.4 million euros in 2013. Had the value of real-estate not been impaired, operating profit for 2013 would have amounted to 21.2 million euros, i.e. 2.1 million euros (eleven percent) ahead of 2012. Actual operating profit is 6 million euros (thirty-two percent) down on the planned volume due to the unanticipated impairment of real-estate values.

Net profit for 2013 amounted to 8.5 million euros, which is 2 million euros (nineteen percent) down on the net profit recorded in 2012. Deferred taxes increased 2013 net profit by 1.5 million euros. Deferred taxes were increased by 1.6 million euros as a consequence of the sale of 615,730 *Intereuropa d.d.* shares to the *Luka Koper INPO d.o.o.* subsidiary, a transfer accomplished for the purposes of tax optimisation. Had the value of real-estate and financial investments in *Intereuropa d.d.* not been impaired, net profit for 2013 would have amounted to 17.4 million euros.

OPERATING REVENUES

In 2013, the *Luka Koper Group* generated 144.2 million euros in operating revenues, which is in accordance with anticipations and 2.5 million euros (two percent) ahead of operating revenues in 2012. The largest year-on growth was recorded in container freight, followed by general and liquid cargos.

In the last quarter of 2013, the *Luka Koper Group* generated 37.7 million euros in operating revenues, which is 0.3 million euros (one percent) down on Q4 2012 as well as 1.6 million euros (four percent) ahead of the planned volume.

Figure 1: Luka Koper Group operating revenues

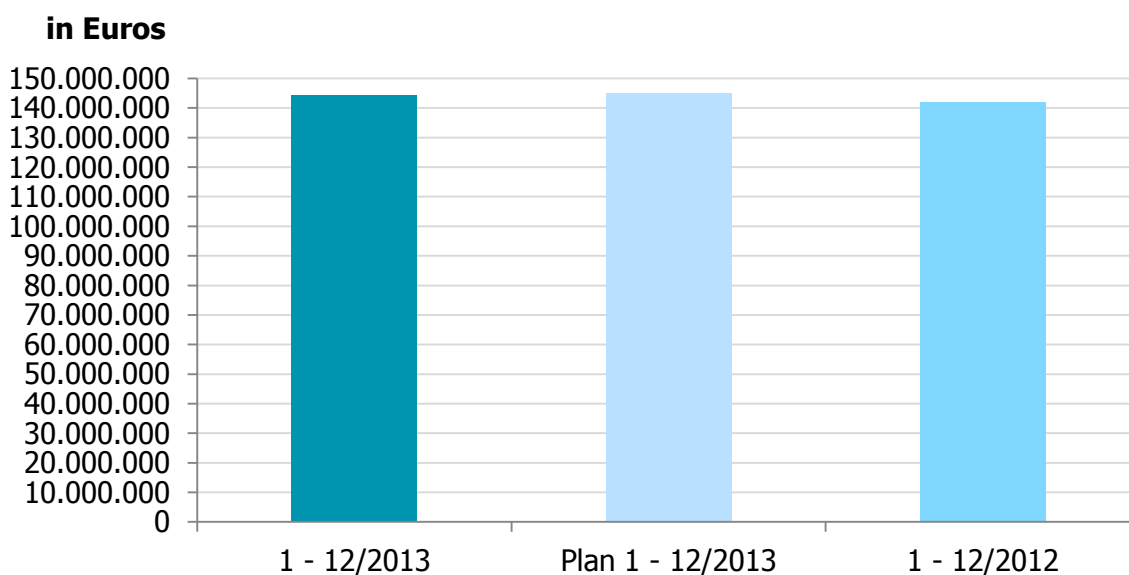


Table 1: Operating revenues by cargo type in 2013 and 2012

OPERATING REVENUES (in euro)	Jan-Dec 2013	Jan-Dec 2012	Index 2013/2012
General cargoes	32,254,456	31,300,110	103
Container freight	37,990,193	32,485,352	117
Vehicles	14,996,239	16,178,114	93
Liquid cargoes	7,437,469	7,046,887	106
Break bulk cargoes	31,462,090	33,551,646	94
Other operating revenues	20,095,030	21,169,978	95
TOTAL	144,235,477	141,732,087	102

In 2013, operating revenues generated by general cargoes were 0.95 million euros (three percent) ahead of the 2012 level. This growth is mostly attributable to the increase in the throughput of ferrous manufactures as well as the rise in timber exports to the countries of North Africa.

The operating revenues generated by container freight recorded a 5.5 million euros (seventeen percent) upturn. The increase is mainly due to the eight percent rise in the throughput of full containers, as well as the growth in revenues from storage fees consequent to new storage tariffs, the provision of new services and a new system for charging for the delivery of containers to other locations.

Operating revenues from Car Terminal vehicle throughput are 1.2 million euros (seven percent) down on the 2012 level. The downturn can be attributed to a decline in vehicle shipments and lower revenues from storage fees.

Despite the downturn in liquid cargos, operating revenues recorded a 0.4 million euros (six percent) year-on increase, which can in part be attributed to a new cargo type. Furthest to this, due to the conclusion of fixed-price contracts with clients, liquid cargo revenues are to a large extent not throughput dependent.

Operating revenues generated by bulk and break bulk cargos in 2013 were 2.1 million euros (six percent) down on the 2012 level. The decrease is due, in particular, to a decrease in the transshipment of bulk cargos for the Italian market. In addition, a decline was also recorded in relation to revenues from storage charges.

Other operating revenues in 2013 amount to 20.1 million euros, which is 1.1 million euros (5 percent) down on 2012. 1.8 million euros as revenues for the provision of public utility services in the maintenance of port infrastructure was deferred in 2013, compared with 1.2 million euros a year previously.

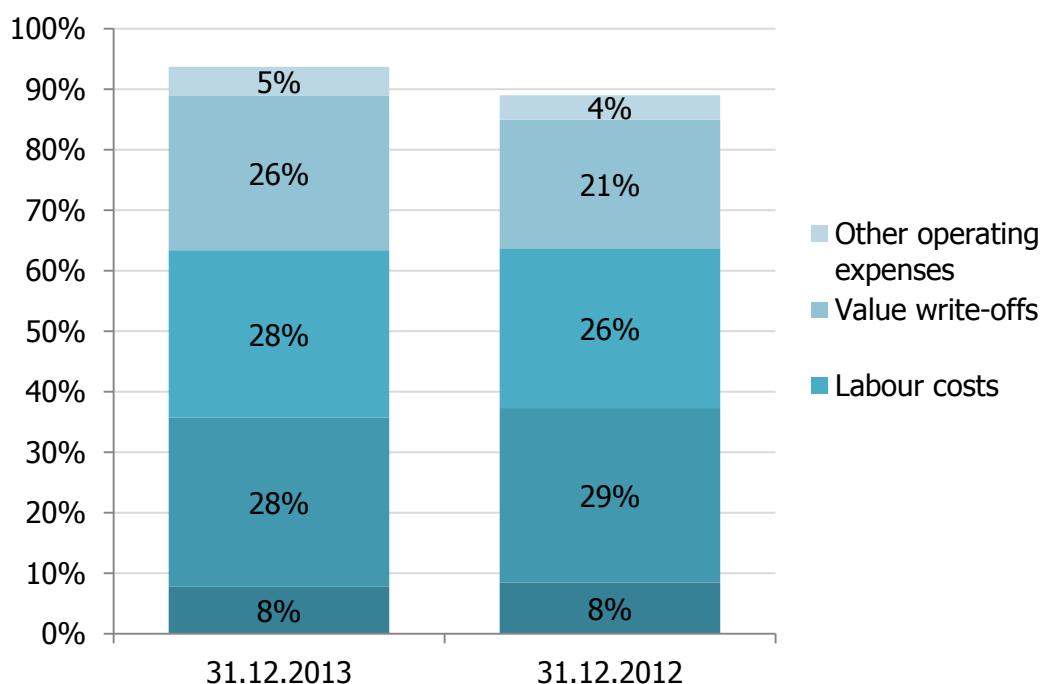
OPERATING EXPENSES

Luka Koper Group's operating expenses in 2013 amounted to 135.2 million euros, which is a year-on increase of 9 million euros (seven percent). Operating expenses are equivalent to 93.7 percent of operating revenues, which is a year-on increase of 4.7 percentage points.

The rise in operating expenses is due to the value write-offs from the impairment of real-estate in the amount of 8.3 million euros which was recognised in the final quarter of 2013. In addition, labour costs rose by 2.4 million euros.

Growth was recorded in value write-offs (4.3 percentage points), labour costs (1.2 percentage points) and other operating expenses (1 percentage point); material and service costs decreased.

Figure 2: Structure of Luka Koper Group operating expenses as a percentage of operating revenues



MATERIAL COSTS

Material costs in 2013 amounted to 11.2 million euros, which is a six percent year-on decrease mainly attributable to the lower costs of electricity and fuel – down by 0.6 million euros (eight percent).

SERVICE COSTS

Service costs in the amount of 40.3 million euros were 0.6 million euros (one percent) down on the 2012 level. The costs of service provision were 0.9 million euros (four percent) lower as a consequence of the reclassification of service costs pertaining to railway wagon handling from other service costs to service costs in the provision of port services. Other service costs were 0.2 million euros (two percent) higher due to higher concession costs.

LABOUR COSTS

Labour costs in 2013, amounting to 39.9 million euros, recorded a 2.4 million euro (seven percent) increase over 2012. This can be attributed to the rise in basic salaries and performance-related remunerations on the basis of an existing agreement; these increments were performed in February 2013 (+0.8%) and in August 2013 (+1.9%). In addition to the inclusion of payment claims from previous years in the amount of 0.4 million euros, the rise also included an increase in performance-related payments and the so-called 13th salary.

As of 31st December 2013, there were 21 (two percent) fewer employees in *Luka Koper Group* companies than there had been a year previously. In addition, the organisational structure of individual workplaces also altered.

VALUE WRITE-OFFS

2013 value write-offs in the amount of 36.8 million were 6.7 million euros (twenty-two percent) ahead of the previous year. The major portion - amounting to 28.2 million euros - can be attributed to amortisation which recorded a one percent year-on increase. Consequent to the impairment of real-estate, revaluation operating expenses rose by 6.5 million euros in 2013. In 2013, real-estate impairments amounted to 8.3 million euros, whereas they only amounted to 1.7 million euros in 2012.

OTHER OPERATING EXPENSES

Other operating expenses in 2013, in the amount of 7 million euros, were 1.2 million (twenty-one percent) up on last year's level due to provisions formed to cover anticipated losses from litigation and claims for damages.

OPERATING PROFIT

In 2013, the *Luka Koper Group* generated operating profit in the amount of 12.9 million euros, which is 6.3 million euros (thirty-three percent) down on 2012.

EBIDTA amounts to 41.1 million euros, which is 6.1 million euros (thirteen percent) down on the 2012 level as well as 5.9 million euros (thirteen percent) down on the planned volume. This decrease can be attributed to the impairment of the real-estate value amounting to 8.3 million euros, and, to a lesser extent, higher labour costs. Had there been no impairment of real-estate value, EBIDTA would have amounted to 49.4 million euros, i.e. 2.2 million euros (five percent) ahead of 2012 level. EBIDTA is 5.9 million euros (thirteen percent) down on the planned volume.

FINANCIAL REVENUES AND FINANCIAL EXPENSES

In 2013, the *Luka Koper Group* generated 1.6 million euros in financial revenues which is 0.6 million euros (twenty-seven percent) down on 2012 level due to a decrease in the financial revenues from loans granted to others.

The *LK Group's* financial expenses in the amount of 7.1 million euros were one million euros (thirteen percent) down on 2012 level. Financial expenses from financial liabilities were reduced by 1.6 million euros as a result of the lower EURIBOR interest reference rate together with reduced indebtedness. Financial expenses from impairment and value write-offs increased by 0.5 million euros in particular due to the impairment of financial

investments in the amount of 2.7 million euros. In 2012 financial investments were impaired in the amount of 2.2 million euros.

PRE-TAX PROFIT AND NET PROFIT

The *Luka Koper Group's* pre-tax profit for 2013 amounted to 7.4 million euros, which is 5.8 million euros (forty-four percent) down on 2012.

Net profit of the Group in 2013 amounted to 8.5 million euros, which is 19 percent less than in 2012.

Net profit was increased by 1.5 million euros due to deferred taxes. The deferred taxes were in the amount of 1.6 million euros increased by the sale of 615,730 IEKG (*Intereuropa d.d.*) shares to its *Luka Koper INPO d.o.o.* subsidiary for the purposes of tax optimisation.

The *LK Group's* net profit in 2013 amounted to 8.5 million euros, which is 2 million euros (nineteen percent) less than in 2012.

ASSETS AND LIABILITIES

The balance sheet total of the *Luka Koper Group* amounted to 446.1 million euros as of 31st December 2013, which is 17.3 million euros (four percent) down on 31st December 2012.

Non-current assets, which account for 91 percent of balance sheet total, were 23.3 million down on 31st December 2012. The largest decline can be attributed to the amortisation of real-estate, plant and equipment, impairments in the amount of 8.3 million euros, and the reclassification of real-estate rented by *Luka Koper Pristan d.o.o.* to assets held for sale (disposal group). The total value of non-current financial investments rose to 3.3. million euros as a consequence of the higher trading price being enjoyed by *Krka d.d.* shares.

Current assets increased by 5.8 million euros and amounted to 39.4 million euros as of 31st December 2012. Assets held for sale recorded an increase in the amount of 4.3 million euros due to the reclassification of the net assets (i.e. total assets reduced by the amount of liabilities and rented real-estate) of the *Luka Koper Pristan d.o.o.* subsidiary. Operating receivables rose by 2.5 million euros. Within the short-terms loans category, bank deposits decreased by 2.5 million euros as a consequence of repayments.

As of 31st December 2013, *Luka Koper Group* equity amounted to 259.9 million euros and accounts for fifty-eight percent of balance sheet total. Non-current liabilities and long-term provisions, together with long-term deferred revenues in the amount of 155.1 million euros, account for thirty-five percent of total equity and liabilities.

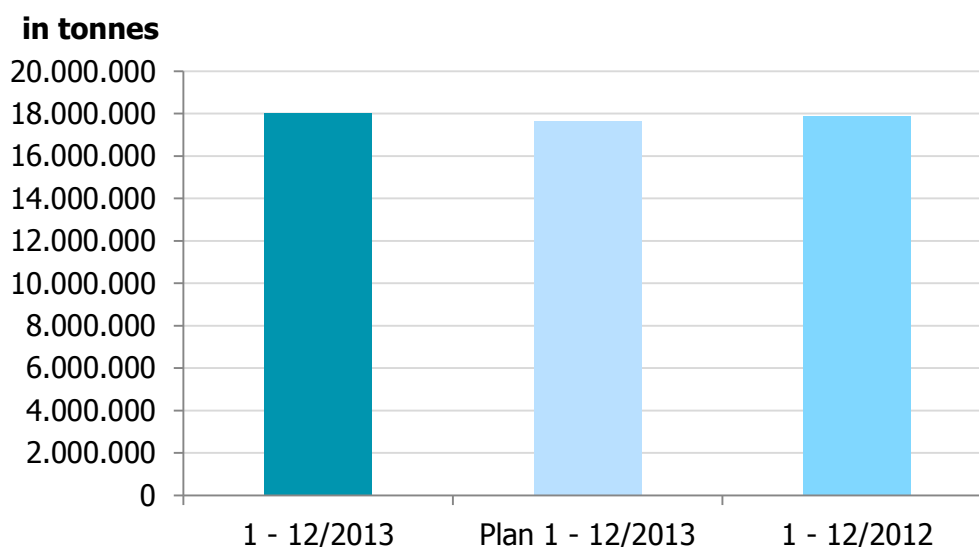
As of 31st December 2013, financial liabilities amounted to 153.8 million euros, which is thirty million euros down on 31st December 2012. Short-term loans from banks were reduced.

Financial liabilities account for 59.2 percent of equity, which is 14.6 percentage points less than on 31st December 2012 and is demonstrative of the further financial strengthening of the *Luka Koper Group*.

MARKETING & SALES

Cargo throughput in 2013 exceeded anticipations as well as last year's total. As of 31st December 2013, the Container Terminal achieved a record 600,000 TEU annual throughput, while *Luka Koper* handled a record 18 million tonnes of cargo. Year-on growth in cargo throughput was recorded in relation to general cargoes and container freight, whereas the volumes of other cargo categories were somewhat down on last year's level.

Figure 3: Cargo throughput (tonnage measure) in 2013 and 2012, and 2013 plan



Cargo throughput

Table 2: Cargo throughput by type (tonnage measure)

CARGO TYPES (in tonnes)	Jan-Dec 2013	Jan-Dec 2012	Index 2013/2012
General cargoes	1,659,405	1,438,833	115
Container freight	5,849,694	5,292,047	111
Vehicles	662,169	674,692	98
Liquid cargoes	2,840,588	3,194,636	89
Bulk and break bulk cargoes	6,987,806	7,280,490	96
TOTAL	17,999,662	17,880,698	101

Table 3: Container (in TEUs) and vehicle (in units) throughput in 2013 and 2012

CARGO TYPES	Jan-Dec 2013	Jan-Dec 2012	Index 2013/2012
Container freight – in TEU	600,441	570,744	105
Vehicles – in units	463,375	479,820	97

In 2013, the *Luka Koper Group* handled fifteen percent more general cargo than in 2012, and this was mainly due to a larger throughput of ferrous products.

The *LK Group* handled 600,000 TEUs which is a year-on increase of five percent. The throughput of loaded containers recorded eight percent growth, which is indicative of the fact that freight trade via the Port of Koper has increased to a larger degree than is demonstrated by the actual growth in the total throughput of containers. The throughput of empty containers decreased by ten percent.

The *LK Group* handled 463,000 vehicles in 2013, which is a year-on decrease of four percent. Imports and exports maintained an approximate balance, with 273,000 vehicles shipped into the port, and 190,000 vehicles shipped from the port.

Liquid cargo throughput recorded a year-on decline of eleven percent. Due to fixed price contracts in relation to these cargos, lower volumes did not substantially impact actual revenues.

The volume of bulk and break bulk cargo handled by the *Luka Koper Group* in 2013 was four percent down on the 2012 level. This can, in particular, be attributed to reduced transshipment of break bulk cargos for the Italian market. Overseas exports decreased by 12 percent and mounted to 1.3 million tonnes, while imports in the amount of 5.7 million tonnes recorded a two percent year-on decline.

LKPG SHARE

On 31st December 2013, the number of *Luka Koper d.d.* shareholders stood at 12,352 which is a four percent year-on decrease. The ten largest shareholders held 76.60 percent of all *Luka Koper d.d.* stock. The Republic of Slovenia, with its 51-percent stake, is the company's largest shareholder.

Table 4: Ten largest shareholders in Luka Koper d.d., as of 31st December 2013

Shareholder	No. of shares	Percentage stake
1. Republika Slovenija	7,140,000	51.00%

2.	Slovenska Odškodninska Družba d.d.	1,557,857	11.13%
3.	Kapitalska Družba d.d.	696,579	4.98%
4.	Mestna Občina Koper	466,942	3.34%
5.	Unicredit Bank Austria AG - Fiduciarni	246,950	1.76%
6.	KD Galileo Fleksibilna Struktura Naložb	158,230	1.13%
7.	Perspektiva FT d.o.o.	125,895	0.90%
8.	Eaton Vance Parametric Emerging Markets Fund	118,550	0.85%
9.	Aktsiaselts Trigon Funds	108,647	0.78%
10.	Zavarovalnica Triglav d.d.	104,756	0.75%
Ten largest shareholders - total		10,724,406	76.60%
Total shares		14,000,000	100.00%

Trading in the LKPG share

Table 5: Relevant data on the LKPG share

	2013	2012
Number of shares as of 31 st December	14,000,000	14,000,000
Number of ordinary no-par-value shares	14,000,000	14,000,000
Closing price as of 31 st December (in euro)	9.40	7.95
Book value of share as of 31 st December	17.29	16.81
Price-to-Book (P/B) ratio	0.54	0.47
Average weighted market price (in euro) ²	9.16	8.01
Average book value of share (v euro) ³	17.38	16.60
Ratio between average weighted market price and average book value of the share	0.53	0.48
Net earnings per share (EPS) (in euro) ⁴	0.33	0.54
Ratio between market price and earnings per share (P/E) ⁴	28.57	14.79
Market capitalisation as of 31 st December (in million euro)	131.6	111.3
Turnover - all Jan. to Dec. transactions (in million euro)	7.9	3.4

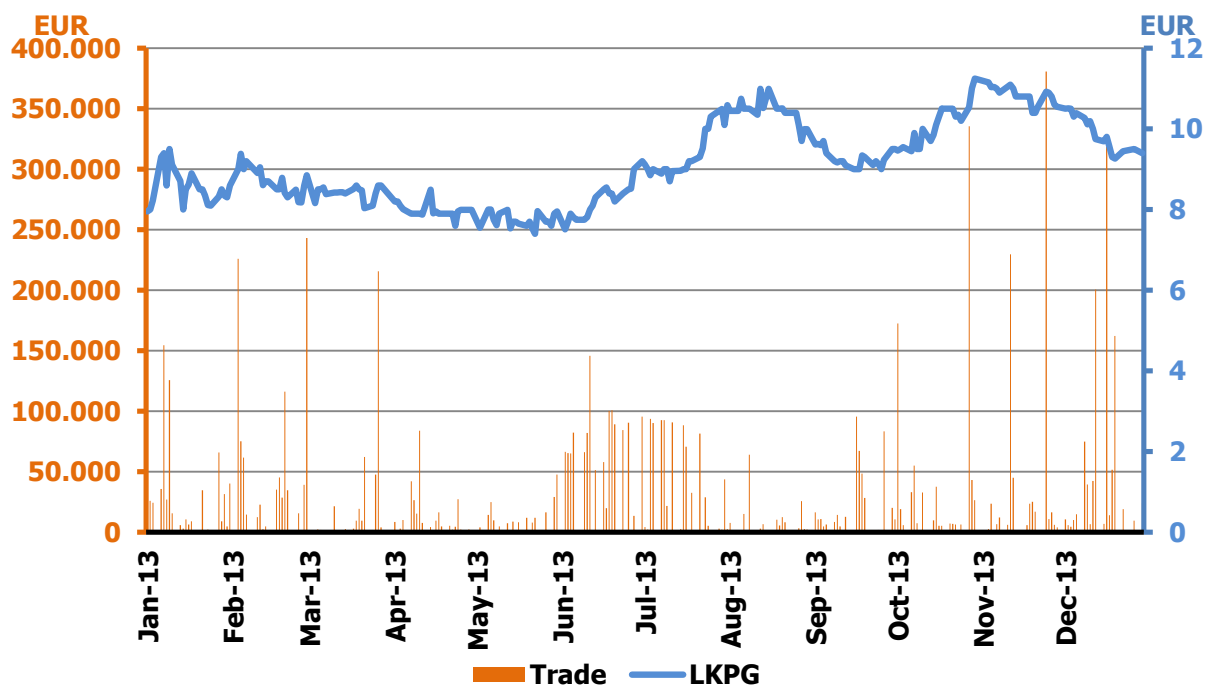
In 2013, the average closing price of a *Luka Koper d.d.* share stood at € 9.12 in 2013, whilst its overall trading value fluctuated between € 7.40 and € 11.25. The highest daily trading price was € 11.44, and the lowest € 7.25. As of 31st December 2013, *Luka Koper d.d.*'s market capitalisation amounted to € 131,600,000. In 2013, the price of an LKPG share increased more than Ljubljana Stock Exchange SBITOP index, which rose by just 2.53 percent over the year compared to LKPG's 18.24 percent growth. 864,642 shares changed ownership in 2,148 transactions and block trades over the period, while the aggregate value of transactions amounted to € 7,916,947, which is a year-on increase of 232 percent.

Figure 4: Movement of the LKPG closing price and the value of daily trades, January-December 2013

² Weighted average market price is calculated as a ratio between total value of LKPG stock exchange transactions and the aggregate number of LKPG shares traded across the period.

³ Average book value of the LKPG share is calculated on the basis of average monthly ratios between equity and number of ordinary shares.

⁴ Indicators are calculated on the basis of annualised data.



Number of LKPG shares held by Supervisory and Management Board members

As of 31st December 2013, the following members of the *Luka Koper d.d.* Supervisory Board held shares in the company:

Nebojša Topič, Supervisory Board member	9
---	---

None of the Management Board members held shares in the company as of 31st December 2013.

Dividend policy

The *Luka Koper d.d.* dividend policy combines the shareholders' strive for dividend yield with the requirement that net profit is reinvested into the business.

Luka Koper d.d.'s distributable profit for fiscal 2012 amounted to 7.5 million euros. The company's Management and Supervisory Boards proposed that the General Assembly should distribute dividends for 2012 in the amount of 17 eurocents per share; this resolution was adopted by the General Assembly on 8th July 2013. The dividends were disbursed on 6th September 2013.

Over the coming years, and taking into consideration plans for investment into port infrastructure and plant, the company anticipates the distribution of up to one-third of net profit as dividends.

Treasury stock, authorised capital, conditional increase in share capital

Luka Koper d.d. didn't hold any treasury stock as of 31st December 2013. The company Statute doesn't anticipate any category of authorised capital by way of which the Management Board may increase share capital, and further to this the company had no grounds for any conditional increase in share capital in the January to December 2013 period.

FINANCIAL REPORT

CONSOLIDATED FINANCIAL STATEMENTS OF LUKA KOPER GROUP

Table 6: Income Statement of Luka Koper Group

(in euro)	2013 Non-audited	2012 Audited
Operating revenues	144,235,477	141,732,087
Other revenues	3,887,272	3,631,671
Material costs	11,233,214	11,954,886
Service costs	40,294,532	40,885,307
Labour costs	39,907,233	37,490,357
Value write-offs	36,812,630	30,112,501
Other operating revenues	6,957,187	5,736,470
Operating profit	12,917,953	19,184,237
Financial revenues from profit participation	1,310,725	1,057,061
Financial revenues from loans granted	150,722	989,952
Financial revenues from operating receivables	99,716	96,340
Financial expenses from financial investments	2,685,613	2,167,628
Financial expenses from financial liabilities	4,351,740	5,968,102
Financial expenses from operating liabilities	87,300	62,210
Financial gain (loss)	-5,563,490	-6,054,587
Pre-tax profit	7,354,463	13,129,650
Corporation tax	368,300	1,394,257
Deferred taxes	-1,479,577	1,236,834
Total net profit for the period	8,465,740	10,498,559
Net profit for the period – majority shareholders	8,456,698	10,478,881
Net profit for the period – minority shareholders	9,042	19,678
Net earnings per share: basic and diluted	0.60	0.75

Table 7: Comprehensive Income Statement of Luka Koper Group

	2013 Non-audited	2012 Audited
(in euro)		
Net profit for the period	8,465,740	10,498,559
Changes in surplus from revaluation of financial assets available for sale	4,294,107	-1,195,797
Change in fair value of hedging instruments	753,816	-1,123,620
Deferred taxes	-627,395	366,279
Other components of comprehensive income	53,949	372
Other comprehensive income	4,474,477	-1,952,766
Total comprehensive income for the period	12,940,217	8,545,793
Total comprehensive income for the period – controlling shareholder	12,931,175	8,525,741
Total comprehensive income for the period – non-controlling shareholders	9,042	20,052

Table 8: Statement of Financial Position of Luka Koper Group

(in euro)	31.12.2013 Non-audited	31.12.2012 Audited
ASSETS		
Real-estate, plant and equipment	329,209,903	351,319,247
Real-estate investments	14,381,228	20,310,622
Intangible assets and long-term deferred costs	5,591,405	5,882,038
Non-current financial investments	44,697,605	41,381,973
Loans granted	1,548,089	1,526,547
Non-current operating receivables	6,088	5,243
Deferred tax assets	9,504,209	7,824,010
Non-current assets	404,938,527	428,249,680
Assets (disposal group) held for sale	10,291,946	5,992,398
Financial investments and loans granted	735,800	3,278,291
Operating receivables	25,244,459	22,713,218
Cash and cash equivalents	3,153,730	1,608,345
Current assets	39,425,935	33,592,252
Deferred costs and accrued revenues	1,744,742	1,555,503
TOTAL ASSETS	446,109,204	463,397,435
EQUITY AND LIABILITIES		
Share capital	58,420,965	58,420,965
Capital reserves	89,562,703	89,562,703
Revenue reserves	78,792,228	78,904,872
Revaluation surplus	9,225,036	4,750,559
Retained net profit	15,325,515	10,845,942
Net profit for the financial year	8,456,698	6,715,086
Equity – controlling shareholder	259,783,145	249,200,127
Equity – non-controlling shareholders	137,234	128,192
Provisions and long-term accruals	14,819,654	12,053,082
Loans	136,972,581	135,262,778
Other financial liabilities	1,099,393	1,607,383
Non-current operating liabilities	95,541	201,430
Deferred tax liabilities	2,122,178	1,310,880
Non-current liabilities	140,289,693	138,382,471
Liabilities (disposal group) held for sale	80,377	-
Loans	15,211,280	46,586,860
Other financial liabilities	467,398	342,941
Corporation tax liabilities	368,300	808,070
Other current liabilities	12,829,467	14,110,063
Current liabilities	28,956,822	61,847,934
Accrued costs and deferred revenues	2,122,656	1,785,629
TOTAL EQUITY AND LIABILITIES	446,109,204	463,397,435

Table 9: Cash Flow Statement of Luka Koper Group

(in euro)	2013 Non-audited	2012 Audited
Cash flows from operating activities		
Net profit for the period	8,465,740	10,498,559
Adjustments for:		
Amortisation	28,183,312	28,032,349
Value write-offs and losses from the sale of real-estate, plant, equipment and real-estate investments	8,481,011	1,725,828
Profit from the sale of real-estate, plant, equipment, intangible assets and real-estate investments	-19,806	-85,705
Allowance for receivables	18,787	105,514
Financial revenues	-1,561,163	-2,143,353
Financial expenses	7,124,653	8,197,940
Corporation tax and revenues (expenses) from deferred taxes	-1,111,277	2,631,091
Operating profit before changes in net current assets and taxes	49,581,257	48,962,223
Change in net current assets and provisions		
Change in operating receivables	-1,905,605	302,551
Change in deferred costs and accrued revenues	-189,239	-1,002,755
Change in operating liabilities	-861,460	-1,462,614
Change in provisions	2,766,572	-382,842
Change in accrued costs and deferred revenues	337,027	483,851
Corporation tax	-573,798	-1,071,989
Cash inflows (outflows) from operating activities	49,154,754	45,828,425
Cash flows from investments		
Interest received	250,438	1,086,292
Dividend received	1,310,725	1,057,061
Proceeds from sale of real estate, plant and equipment and intangible assets	828,120	97,530
Proceeds from sale and reduction of financial investments and loans granted	4,361,472	719,795
Acquisition of real estate, plant and equipment, and intangible assets	-14,589,299	-18,639,095
Acquisition of financial investments and increase of loans granted	-925,448	-426,491
Cash inflows (outflows) from investments	-8,763,992	-16,104,908
Cash flows from financing activities		

Interest paid	-4,439,040	-6,030,312
Proceeds from received non-current loans	20,165,000	28,206,296
Proceeds from received current loans	15,586,803	31,037,369
Expenses in the repayment of non-current loans	-3,243,917	-2,737,602
Expenses in the repayment of current loans	-64,591,379	-79,629,193
Change in equity	31,843	-
Dividend paid	-2,354,687	-
Cash inflows (outflows) from financing activities	-38,845,377	-29,153,442
Opening balance of cash and cash equivalents	1,608,345	1,038,270
Financial gain (loss) for the period	1,545,385	570,075
Closing balance of cash and cash equivalents	3,153,730	1,608,345

Table 10: Statement of Changes in Equity of Luka Koper Group in 2013

(in euro) Non-audited	Share capital	Capital reserves	Legal reserves	Other revenue reserves	Total revenue reserves	Retained net profit	Net profit for the year	Revaluation surplus	Equity of controlling shareholders	Equity of non-controlling shareholders	Total equity
Closing balance as of 31st December 2012	58,420,965	89,562,703	18,877,761	60,027,111	78,904,872	10,845,942	6,715,086	4,750,559	249,200,127	128,192	249,328,319
Opening balance as of 1st January 2013	58,420,965	89,562,703	18,877,761	60,027,111	78,904,872	10,845,942	6,715,086	4,750,559	249,200,127	128,192	249,328,319
Changes of equity – transactions with shareholders											
Dividend reimbursement	-	-	-	-	-	-2,380,000	-	-	-2,380,000	-	-2,380,000
Other changes in equity	-	-	-	-	-	31,843	-	-	31,843	-	31,843
	-	-	-	-	-	-2,348,157	-	-	-2,348,157	-	-2,348,157
Total comprehensive income for the period											
Net profit for the reporting period	-	-	-	-	-	-	8,456,698	-	8,456,698	9,042	8,465,740
Change in surplus from revaluation of financial investments	-	-	-	-	-	-	-	5,101,872	5,101,872	-	5,101,872
Other components of comprehensive income for the reporting period	-	-	-	-	-	-	-	-627,395	-627,395	-	-627,395
	-	-	-	-	-	-	8,456,698	4,474,477	12,931,175	9,042	12,940,217
Changes in equity											
Allocation of the remaining portion of net profit to other components of equity	-	-	-	-	-	6,715,086	-6,715,086	-	-	-	-
Other changes in equity	-	-	-112,644	-	-112,644	112,644	-	-	-	-	-
	-	-	-112,644	-	-112,644	6,827,730	-6,715,086	-	-	-	-
Closing balance as of 31st December 2013	58,420,965	89,562,703	18,765,117	60,027,111	78,792,228	15,325,515	8,456,698	9,225,036	259,783,145	137,234	259,920,379

Table 11: Statement of Changes in Equity of Luka Koper Group in 2012

(in euro) Audited	Share capital	Capital reserves	Legal reserves	Other revenue reserves	Total revenue reserves	Retained net profit	Net profit for the year	Revaluation surplus	Equity of controlling shareholders	Equity of non-controlling shareholders	Total equity
Closing balance as of 31st December 2011	58,420,965	89,562,703	18,882,889	56,263,316	75,146,205	10,411,742	443,364	6,703,699	240,688,678	108,140	240,796,818
Opening balance as of 1st January 2012	58,420,965	89,562,703	18,882,889	56,263,316	75,146,205	10,411,742	443,364	6,703,699	240,688,678	108,140	240,796,818
Changes of equity – transactions with shareholders											
Other changes in equity	-	-	-5,128	-	-5,128	-9,164	-	-	-14,292	-	-14,292
	-	-	-5,128	-	-5,128	-9,164	-	-	-14,292	-	-14,292
Total comprehensive income for the period	-	-	-	-	-	-	10,478,881	-	10,478,881	19,678	10,498,559
Net profit for the reporting period	-	-	-	-	-	-	10,478,881	-	10,478,881	19,678	10,498,559
Change in surplus from revaluation of financial investments	-	-	-	-	-	-	-	-2,319,419	-2,319,419	-	-2,319,419
Other components of comprehensive income for the reporting period	-	-	-	-	-	-	-	366,279	366,279	374	366,653
	-	-	-	-	-	-	10,478,881	-1,953,140	8,525,741	20,052	8,545,793
Changes in equity											
Allocation of the remaining portion of net profit to other components of equity	-	-	-	-	-	443,364	-443,364	-	-	-	-
Allocation of a portion of net profit for the reporting period to other equity components according to the resolution of the Management and Supervisory Boards	-	-	-	3,763,795	3,763,795	-	-3,763,795	-	-	-	-
	-	-	-	3,763,795	3,763,795	443,364	-4,207,159	-	-	-	-

Closing balance as of 31st December 2012	58,420,965	89,562,703	18,877,761	60,027,111	78,904,872	10,845,942	6,715,086	4,750,559	249,200,127	128,192	249,328,319
--	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	------------------	------------------	--------------------	----------------	--------------------

NON-CONSOLIDATED FINANCIAL STATEMENTS OF LUKA KOPER D. D.

Table 12: Income Statement of Luka Koper d.d.

(in euro)	2013 Non-audited	2012 Audited
Operating revenues	136,808,792	133,329,178
Other revenues	1,487,461	1,034,300
Material costs	10,324,499	10,950,674
Service costs	40,945,827	41,491,867
Labour costs	34,350,388	31,474,106
Value write-offs	35,174,939	28,518,731
Other operating expenses	6,940,384	5,678,739
Operating profit	10,560,216	16,249,361
Financial revenues from profit participation	1,557,522	1,615,928
Financial revenues from loans granted	126,530	988,619
Financial revenues from operating receivables	92,409	90,036
Financial expenses from financial investments	4,744,844	2,997,688
Financial expenses from financial liabilities	4,542,225	6,272,504
Financial expenses from operating liabilities	81,922	63,281
Financial gain (loss)	-7,592,530	-6,638,890
Pre-tax profit	2,967,686	9,610,471
Corporation tax	-	947,871
Deferred taxes	-1,644,560	1,135,010
Net profit for the period	4,612,246	7,527,590
Net earnings per share – basic and diluted	0.33	0.54

Table 13: Comprehensive Income Statement of Luka Koper d.d.

(in euro)	2013 Non-audited	2012 Audited
Net profit for the period	4,612,246	7,527,590
Change in surplus from revaluation of financial assets held for sale	4,294,107	-1,195,798
Change in fair value of hedging instruments	753,816	-1,123,620
Deferred taxes	-626,643	366,279
Other components of comprehensive income	45,098	-
Other comprehensive income	4,466,378	-1,953,139
Total comprehensive income for the period	9,078,624	5,574,451

Table 14: Statement of Financial Position of Luka Koper d.d.

(in euro)	31.12.2013 Non-audited	31.12.2012 Audited
ASSETS		
Real-estate, plant and equipment	314,789,140	327,801,022
Real-estate investments	23,638,779	35,342,753
Intangible assets and long-term deferred costs	5,085,761	5,324,587
Non-current financial investments	42,541,896	42,260,883
Loans granted	1,384,563	1,517,396
Non-current operating receivables	6,088	5,243
Deferred tax assets	9,850,919	7,976,607
Non-current assets	397,297,146	420,228,491
Assets (disposal group) held for sale	8,233,179	5,988,745
Financial investments and loans granted	534,983	3,525,810
Operating receivables	24,042,183	20,629,730
Cash and cash equivalents	895,323	629,077
Current assets	33,705,668	30,773,362
Deferred costs and accrued revenues	1,741,728	1,528,525
TOTAL ASSETS	432,744,542	452,530,378
EQUITY AND LIABILITIES		
Share capital	58,420,965	58,420,965
Capital reserves	89,562,703	89,562,703
Revenue reserves	78,792,226	78,792,226
Revaluation surplus	9,216,938	4,750,560
Retained net profit	1,415,638	-
Net profit for the year	4,612,246	3,763,795
Equity	242,020,716	235,290,249
Provisions, and accrued costs & deferred revenues	10,354,268	6,627,678
Loans	147,223,161	145,446,353
Other financial liabilities	988,486	1,496,476
Non-current operating liabilities	60,090	164,000
Deferred tax liabilities	2,122,178	1,310,880
Non-current liabilities	150,393,915	148,417,709
Loans	15,211,280	46,586,860
Other financial liabilities	466,845	342,941
Corporation tax liabilities	-	361,684
Other current liabilities	12,463,705	13,233,174
Current liabilities	28,141,830	60,524,659
Accrued costs and deferred revenues	1,833,813	1,670,083
TOTAL EQUITY AND LIABILITIES	432,744,542	452,530,378

Table 15: Cash Flow Statement of Luka Koper d.d.

(in euro)	2013 Non-audited	2012 Audited
Cash flows from operating activities		
Net profit for the period	4,612,246	7,527,590
Adjustments for:		
Amortisation	26,679,349	26,481,697
Value write-offs and losses from the sale of real-estate, plant, equipment and real-estate investments	8,480,558	1,713,735
Profit from sale of real-estate, plant and equipment, intangible assets and real-estate investments	-9,040	-80,053
Bad receivables allowance	48,769	78,388
Financial revenues	-1,776,461	-2,694,582
Financial expenses	9,368,991	9,333,472
Corporation tax and revenues (expenses) from deferred taxes	-1,644,560	2,082,881
Operating profit before changes in net current assets and taxes	45,759,852	44,443,128
Change in net current assets and provisions		
Change in operating receivables	-2,369,877	780,893
Change in deferred costs and accrued revenues	-213,203	-988,097
Change in operating liabilities	-1,235,063	-1,086,731
Change in provisions	3,726,590	601,075
Change in accrued costs and deferred revenues	163,730	471,583
Corporation tax	749,339	-723,368
Cash inflows (outflows) from operating activities	46,581,368	43,498,483
Cash flows from investments		
Interest received	218,939	1,078,654
Dividends received	1,557,522	1,615,928
Proceeds from sale of real estate, plant and equipment, and intangible assets	801,490	72,773
Proceeds from sale of real-estate investments	-	21,427
Proceeds from sale and reduction of financial investments and loans granted	4,461,472	782,564
Acquisition of real-estate, plant and equipment and intangible assets	-14,285,804	-17,698,772
Acquisition of real-estate investments	-	-69,447
Acquisition of financial investments and increase of loans granted	-105,508	-526,549
Cash inflows (outflows) from investments	-7,351,889	-14,723,422
Cash flows from financing activities		

Interest paid	-4,624,147	-6,335,784
Proceeds from non-current loans received	20,642,005	30,160,127
Proceeds from current loans received	18,451,803	31,037,369
Expenses from repayment of non-current loans	-3,653,917	-4,279,637
Expenses from repayment of current loans	-67,456,133	-79,629,193
Change in equity	31,843	-
Paid dividends	-2,354,687	-
Cash inflows (outflows) from financing activities	-38,963,233	-29,047,118
Opening balance of cash and cash equivalents	629,077	901,134
Financial gain (loss) for the period	266,246	-272,057
Closing balance of cash and cash equivalents	895,323	629,077

Table 16: Statement of Changes in Equity of Luka Koper d.d., 2013

(in euro)	Share capital	Capital reserves	Legal Reserves	Other revenue reserves	Total revenue reserves	Retained Net Profit	Net profit for the year	Revaluation surplus	Total Equity
Non-audited									
Closing balance as of 31st December 2012	58,420,965	89,562,703	18,765,115	60,027,111	78,792,226	-	3,763,795	4,750,560	235,290,249
Opening balance as of 1st January 2013	58,420,965	89,562,703	18,765,115	60,027,111	78,792,226	-	3,763,795	4,750,560	235,290,249
Change of equity – transactions with shareholders									
Reimbursement of dividends	-	-	-	-	-	-2,380,000	-	-	-2,380,000
Other changes of equity	-	-	-	-	-	31,843	-	-	31,843
	-	-	-	-	-	-2,348,157	-	-	-2,348,157
Total comprehensive income for the period	-								
Net profit for the reporting period	-	-	-	-	-	-	4,612,246	-	4,612,246
Change in surplus from revaluation of financial investments	-	-	-	-	-	-	-	5,093,021	5,093,021
Other components of the comprehensive income for the reporting period	-	-	-	-	-	-	-	-626,643	-626,643
	-	-	-	-	-	-	4,612,246	4,466,378	9,078,624
Changes in equity									
Allocation of the remaining portion of net profit for the period to other components of equity	-	-	-	-	-	3,763,795	-3,763,795	-	-
	-	-	-	-	-	3,763,795	-3,763,795	-	-
Closing balance as of 31st December 2013	58,420,965	89,562,703	18,765,115	60,027,111	78,792,226	1,415,638	4,612,246	9,216,938	242,020,716

Table 17: Statement of Changes in Equity of Luka Koper d.d., 2012

(in euro) Audited	Share Capital	Capital reserves	Legal Reserves	Other revenues reserves	Total revenue reserves	Retained net profit	Net profit for the year	Revaluation surplus	Total Equity
Closing balance as of 31st December 2011	58,420,965	89,562,703	18,765,115	56,263,316	75,028,431	-	-	6,703,698	229,715,797
Opening balance as of 1st January 2012	58,420,965	89,562,703	18,765,115	56,263,316	75,028,431	-	-	6,703,698	229,715,797
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-
Net profit for the reporting period	-	-	-	-	-	-	7,527,590	-	7,527,590
Change in surplus of revaluation of financial investments	-	-	-	-	-	-	-	-2,319,418	-2,319,418
Other components of the comprehensive income for the reporting period	-	-	-	-	-	-	-	366,279	366,279
	-	-	-	-	-	-	7,527,590	-1,953,139	5,574,451
Changes in equity									
Allocation of a portion of net profit for the reporting period to other equity components according to the resolution of the Management and Supervisory Boards	-	-	-	-	-	3,763,795	-3,763,795	-	-
	-	-	-	-	-	3,763,795	-3,763,795	-	-
Closing balance as of 31st 2012	58,420,965	89,562,703	18,765,115	56,263,316	75,028,431	3,763,795	3,763,795	4,750,559	235,290,248

MANAGEMENT BOARD STATEMENT OF RESPONSIBILITY

The Management Board of *Luka Koper d.d.* herein declares that the non-audited condensed financial statements of *Luka Koper d.d.* and the condensed consolidated financial statements of the *Luka Koper Group* of companies for the period ending 31st December 2013 have been compiled in order that they shall provide a true and fair disclosure of the financial condition as well as the business performance and cash flows of *Luka Koper d.d.* and the *Luka Koper Group*. The condensed financial statements January to December 2013 have been compiled in accordance with the same accounting policies and principles applicable in the compilation of *Luka Koper d.d.* and *Luka Koper Group* 2012 annual reports.

These condensed statements for the period ending 31st December 2013 have been compiled in accordance with International Financing Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB) and the European Union; they are also in compliance with the Companies Act RS, and should be considered in relation to the annual audited statements for the fiscal year ending 31st December 2012.

The Management Board shall be held responsible for the implementation of measures guaranteeing the preservation of *Luka Koper d.d.* and *Luka Koper Group* assets together with the prevention and detection of fraud and other irregularities as well as their elimination.

The Management Board declares that the associated companies of the *Luka Koper Group* made mutual transactions on the basis of concluded agreements in which market prices for products and services were applied; namely, no business was conducted under unusual terms and conditions.



Gašpar Gašpar Mišič
Management Board President



Andraž Novak
Management Board Member



Jože Jaklin
Management Board Member



Matjaž Stare
Management Board Member – Workers Director

Koper, Slovenia, 14th February 2014