

Reporting period

01.01.2010.

to

30.09.2010.

Trimestral financial statement of the entrepreneur - TFI-POD

Register number (MB): 03440494

Entity register number (MBS): 060007090

Personal identification numberj (OIB): 48351740621

Issuing company: AD PLASTIK d.d. (SC)

Post code and place: 21210 Solin

Street and house number: Matoševa 8

E-mail address: adplastik@adplastik.hr

Internet address: www.adplastik.hr

Municipality/city code and name: 406 Solin

County code and name: 17 Splitsko-dalmatinska

No. Of employees 2.271

(at the end of the trimester)

Consolidated report YES

NCA code: 2932

Names of consolidation subjects (according to IFRS):

Seat:

Register number (MB):

AD PLASTIK d.d.	Solin, Croatia	03440494
ZAO PHR	Samara, Russian Federation	103630022193
AD PLASTIK d.o.o.	Novo Mesto, Slovenia	1214985000
ZAO ADP LUGA	Luga, Russian Federation	107471000032

Bookkeeping service:

Contact person: Marica Jakelić

(only the name and surname of the contact person to be entered)

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Name and surname: Katija Klepo

(person authorised for representation)

Documentation for publishing:

1. Financial statements (balance sheet, profit and loss account, cash flow report, report on changes to the capital, and notes accompanying financial statements)
2. Statement of the persons responsible for compiling financial statements
3. Management report on the company status




(signature of the person authorised for representation)

BALANCE
status as of

30.09.2010.

amounts in HRK

Item	AOP designation	Previous period	Current period
1	2	3	4
ACTIVE			
A) CLAIMS FOR SUBSCRIBED CAPITAL UNPAID	001		
B) FIXED ASSETS	002	607.271.856	652.657.278
I. IMMATERIAL ASSETS	003	59.379.477	50.873.105
II. MATERIAL ASSETS	004	498.608.272	517.255.643
III. FIXED FINANCIAL ASSETS	005	49.284.107	84.354.449
IV. CLAIMS	006		
V. DEFERRED TAX ASSETS	007		174.081
C) CURRENT ASSETS	008	364.920.922	323.360.774
I. RESERVES	009	71.713.187	54.377.900
II. CLAIMS	010	232.685.776	196.943.610
III. CURRENT FINANCIAL ASSETS	011	47.375.244	59.438.942
IV. CASH AT BANK AND IN HAND	012	13.146.715	12.600.322
D) PAID EXPENSES OF THE FUTURE PERIOD AND CALCULATED INCOME	013	58.541.664	65.143.733
E) LOSS EXCEEDING CAPITAL AMOUNT	014		
F) TOTAL ACTIVE	015	1.030.734.442	1.041.161.785
G) OFF-BALANCE RECORDS	016	7.149.642	7.149.642
PASSIVE			
A) CAPITAL AND RESERVES	017	613.204.163	639.424.482
I. CAPITAL STOCK (SUBSCRIBED)	018	419.958.400	419.958.400
II. CAPITAL RESERVES	019	160.483.340	181.282.980
III. RESERVES FROM PROFIT	020	5.075.219	287.316
IV. REVALORISATION RESERVES	021	8.489.504	8.489.504
V. RETAINED PROFIT	022	2.160.849	
VI. LOSS CARRIED OVER	023		
VII. BUSINESS YEAR PROFIT	024	16.268.594	29.386.878
VIII. BUSINESS YEAR LOSS	025		
IX. MINORITY INTEREST	026	768.257	19.404
B) RESERVES	027	0	5.787.491
C) FIXED LIABILITIES	028	153.262.003	130.416.918
D) CURRENT LIABILITIES	029	262.907.577	260.655.494
E) DEFERRED PAYMENT OF EXPENSES AND INCOME OF THE FUTURE PERIOD	030	1.360.699	4.877.400
F) TOTAL - PASSIVE	031	1.030.734.442	1.041.161.785
G) OFF-BALANCE RECORDS	032	7.149.642	7.149.642
ADDENDUM TO THE BALANCE SHEET (filled in by the entrepreneur compiling the consolidated annual financial statement)			
CAPITAL AND RESERVES			
1. Ascribed to holders of the parent company capital	033	612.435.906	639.405.078
2. Ascribed to minority interest	034	768.257	19.404

PROFIT AND LOSS ACCOUNT

for the period from **01.01.2010.** to **30.09.2010.**

amounts in HRK

Item	AOP design.	Previous period		Current period	
		Cumulative	Trimester	Cumulative	Trimester
1	2	3	4	5	6
I. BUSINESS INCOME	035	421.146.201	144.338.086	601.501.601	143.486.245
1. Sales income	036	415.442.276	142.995.101	510.176.081	142.953.887
2. Income based on the use of own products, goods and services	037	547.804	425.275	1.259.732	306.765
3. Other business income	038	5.156.121	917.710	90.065.788	225.593
II. BUSINESS EXPENSES	039	406.965.708	138.878.643	572.778.705	127.970.782
1. Decrease of the value of unfinished production reserves	040	5.526.931	673.283		
2. Increase of the value of unfinished production reserves	041			1.175.368	1.782.267
3. Material expenses	042	250.375.622	83.506.339	406.158.920	88.203.868
4. Staff expenses	043	82.033.016	27.260.016	91.743.078	28.480.161
5. Amortisation	044	34.095.556	11.451.542	39.282.750	11.106.344
6. Other expenses	045	33.315.643	15.306.886	29.756.353	8.304.013
7. Value adjustment	046				
8. Reserves	047			5.787.491	-7.376.609
9. Other business expenses	048	1.618.940	680.577	1.225.481	1.035.272
III. FINANCIAL INCOME	049	32.839.213	9.851.526	43.432.444	14.892.574
1. Interest, currency exchange rate variations, dividends and similar income from relations with associated entrepreneurs	050	8.142.737	-519.464	18.060.305	-1.169
2. Interest, currency exchange rate variations, dividends and similar income from relations with non-associated entrepreneurs	051	18.357.547	8.351.321	19.581.383	11.625.014
3. Part of income from associated entrepreneurs and participating interests	052	6.338.929	2.019.669	5.790.756	3.268.729
4. Unrealised profit (income)	053				
5. Other financial income	054				
IV. FINANCIAL EXPENSES	055	42.138.772	10.593.834	39.876.073	21.176.239
1. Interests, currency exchange rate variations and other expenses with associated entrepreneurs	056	16.329.450	2.489.067	8.942.270	6.004.863
2. Interests, currency exchange rate variations and other expenses with non-associated entrepreneurs	057	25.809.322	8.170.832	22.856.443	10.027.418
3. Unrealised financial assets losses (expenses)	058		-66.065	8.077.360	5.143.958
4. Other financial expenses	059				
V. OFF-BALANCE - OTHER INCOME	060				
VI. OFF-BALANCE - OTHER EXPENSES	061				
VII. TOTAL INCOME	062	453.985.414	154.189.612	644.934.045	158.378.819
VIII. TOTAL EXPENSES	063	449.104.480	149.472.477	612.654.778	148.147.021
IX. PROFIT BEFORE TAXATION	064	4.880.934	4.717.135	32.279.267	9.231.798
X. LOSS BEFORE TAXATION	065				
XI. INCOME TAX	066			2.880.886	2.644.272
XII. PERIOD PROFIT	067	4.880.934	4.717.135	29.398.401	6.587.526
XIII. PERIOD LOSS	068				
ADDENDUM TO THE P&L (filled in by the entrepreneur compiling the consolidated annual financial statement)					
XIV.* PROFIT ASCRIBED TO HOLDERS OF THE PARENT COMPANY CAPITAL	069	5.595.603	4.450.865	29.386.878	6.576.949
XV.* PROFIT ASCRIBED TO THE MINORITY INTEREST	070		266.270	11.523	10.577
XVI.* LOSS ASCRIBED TO HOLDERS OF THE PARENT COMPANY CAPITAL	071				
XVII.* LOSS ASCRIBED TO THE MINORITY INTEREST	072	714.669			

CASH FLOW REPORT - Indirect method

in the period from 1.1.2010 to 30.9.2010

amounts in HRK

Item	AOP designation	Previous period	Current period
1	2	3	4
CASH FLOW FROM BUSINESS ACTIVITIES			
1. Profit before taxation	073	4.880.934	32.279.267
2. Amortisation	074	34.095.556	39.282.750
3. Increase of current liabilities	075	14.812.978	7.052.109
4. Decrease of current claims	076		29.140.097
5. Decrease in reserves	077	35.309.168	17.335.287
6. Other increase of cash flow	078	3.654.182	
I. Total increase of cash flow from business activities	079	92.752.818	125.089.510
1. Decrease of current liabilities	080		
2. Increase of current claims	081	17.261.549	
3. Increase of reserves	082		
4. Other decrease of cash flow	083		9.057.254
II. Total decrease of cash flow from business activities	084	17.261.549	9.057.254
A1) NET INCREASE OF CASH FLOW FROM BUSINESS ACTIVITIES	085	75.491.269	116.032.256
A2) NET DECREASE OF CASH FLOW FROM BUSINESS ACTIVITIES	086		
CASH FLOW FROM INVESTMENT ACTIVITIES			
1. Cash inflows from sale of fixed material and immaterial assets	087	5.167.443	46.872.141
2. Cash inflows from sale of ownership and debt instruments	088		
3. Cash inflows from interest	089	3.835.565	8.457.384
4. Cash inflows from dividends	090		
5. Other cash inflows from investment activities	091		
III. Total cash inflows from investment activities	092	9.003.008	55.329.525
1. Cash expenditures for purchase of fixed material and immaterial assets	093	17.855.386	96.295.890
2. Cash expenditures for acquisition of ownership and debt financial instruments	094	8.077.731	34.222.399
3. Other cash expenditures from investment activities	095		
IV. Total cash expenditures from investment activities	096	25.933.117	130.518.289
B1) NET INCREASE OF CASH FLOW FROM INVESTMENT ACTIVITIES	097		
B2) NET DECREASE OF CASH FLOW FROM INVESTMENT ACTIVITIES	098	16.930.109	75.188.764
CASH FLOW FROM FINANCIAL ACTIVITIES			
1. Cash inflows from issuing ownership and debt financial instruments	099		
2. Cash inflows from credit principal, debentures, loans and other borrowings	100		
3. Other inflows from financial activities	101	23.738.067	
V. Total cash inflows from financial activities	102	23.738.067	0
1. Cash expenditures for the payment of credit principal and debentures	103	53.094.576	22.845.085
2. Cash expenditures for the payment of dividends	104		5.784.750
3. Cash expenditures for financial lease	105		
4. Cash expenditures for repurchase of own shares	106	764.831	
5. Other cash expenditures from financial activities	107	19.863.256	12.760.050
VI. Total cash expenditures from financial activities	108	73.722.663	41.389.885
C1) NET INCREASE OF CASH FLOW FROM FINANCIAL ACTIVITIES	109		
C2) NET DECREASE OF CASH FLOW FROM FINANCIAL ACTIVITIES	110	49.984.596	41.389.885
Total cash flow increase	111	8.576.564	
Total cash flow decrease	112		546.393
Cash and cash equivalents at the beginning of the period	113	7.791.217	13.146.715
Cash and cash equivalents increase	114	8.576.564	
Cash and cash equivalents decrease	115		546.393
Cash and cash equivalents at the end of the period	116	16.367.781	12.600.322

REPORT ON CHANGES TO CAPITAL OF THE STOCK COMPANY

from 1.1.2010 to 30.9.2010

amounts in HRK

Item	AOP design.	Previous period	Increase	Decrease	Current period
1	2	31.12. of previous year		3	4
1. Subscribed capital	117	419.958.400			419.958.400
2. Capital reserves	118	160.483.340	20.799.640		181.282.980
3. Reserves from profit	119	5.075.219		4.787.903	287.316
4. retained profit or loss carried over	120	2.829.106		2.909.702	19.404
5. Current year profit or loss	121	16.268.594	13.118.284		29.386.878
6. Revalorisation of fixed material assets	122				
7. Revalorisation of immaterial assets	123				
8. Revalorisation of financial assets available for sale	124				
9. Other revalorisation	125	8.489.504			8.489.504
10. Currency exchange rate variations from the item of net investments into foreign business	126				
11. Current and deferred taxes (part)	127				
12. Cash flow protection	128				
13. Changes in bookkeeping policies	129				
14. Correction of significant mistakes from the previous period	130				
15. Other changes to capital	131				
16. Total capital increase or decrease	132	613.204.163	33.917.924	7.697.605	639.424.482
16a. Ascribed to holders of the parent company capital	133	612.435.906			639.405.078
16b. Ascribed to minority interest	134	768.257			19.404

Financial reports notes

*1 Decrease in intangible assets is the result of value adjustments of projects.

*2 Increase in tangible assets is the result of buying real estate from AD Brodovi d.o.o. and transfer of tools from short-term assets to long-term assets for ZAO PHR.

*3 Long-term assets increased due to founding share in joint venture with Faurecia and ZAO PHR recapitalization.

*4 Inventory has been reduced due to transfer short-term tangible assets to long-term tangible assets in the ZAO PHR, also sale of inventory of ADP Luga and decrease inventory in parent Company.

*5 Reservation which are included in the balance sheet are related to the exchange differences in the ZAO PHR.

*6 The increase material costs are the result of inventory sale of ADP Luga and for purchase and supply of material for FADP (which we are shareholders in the joint venture with Faurecia company, our share in the investment in the amounts to 40%).

*7 Reservations shown in a PnL are the result of the constant change in exchange rate of RUR for EUR.

*8 Part of Income and expenditure from the joint venture is result of the realised Income and expenditure from the companies in which we have joint venture with Faurecia. The value is shown with share part method.

**Management Interim Report of the AD
Plastik group and company AD Plastik
Inc. Solin for the period: 01.01. -
30.09.2010.**

Solin, October 2010.



Management Interim Report of the AD Plastik group and company AD Plastik Inc. Solin for the period: 01.01. - 30.09.2010.

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a) Introduction to the report

Improving business performance

❖ **Income advanced (Group) to 644,9 mil. kuna**

Total income is better than the same period last year (42,1%)

❖ **Profit advanced (Group) to 29,4 mil. kuna**

Group profit in the same period last year: 4,9 mil. kuna

❖ **Group achieved result is better than planed for the same period**

Achieved Net profit is beter than planed for 46,3% (planned net profit: 20,1 mil. kuna).

Financial highlights: 01.01. – 30.09.2010.

Indicator	Cumulative to 30.09. (2010)	Cumulative to 30.09. (2009)	Rate changes (%)
Income from sales (000 HRK)	601.502	421.146	43%
Total income (000 HRK)	644.934	453.985	42%
Net profit (000 HRK)	29.398	4.881	502%
Indebtedness	0,38	0,39	-5%

Key developments in 2010th

❖ **Realisation of joint venture contract with the company Faurecia Automotive Holdings (FAH)**

The contract was signed for joint operations in the Russian market for automobile production and sale.

❖ **Listing on the Official Market of the Zagreb Stock Exchange on September 30th, 2010.**

Management Interim Report of the AD Plastik group and company AD Plastik Inc. Solin for the period: 01.01. - 30.09.2010.

b) Management Interim Report of the AD Plastik group and company AD Plastik Inc. Solin for the period: 01.01. – 30.09.2010.

Main business activity of AD Plastik group is manufacture of plastic parts for automobile industry. Besides this activity, the Group also manufactures package for food industry, products for households, etc.

On September 30th, 2010 the Group employed 2.271 employees, from which 910 were employed in the company AD Plastik Inc. Solin (parent Company).

On September 30th, 2010 the amount of the stock amounted kuna 419.958.400.

There were no changes in the Management structure of the parent Company neither any significant changes in the ownership structure and in the Supervisory Board of the parent Company one member was changed.

The parent Company does not participate in significant legal disputes that could be significant for business running and also there are no cases of significant uncertainty of income collection.

At the end of April company AD Plastik and French company Faurecia Automotive Holdings (FAH) realized joint venture contract for the purpose of common business running on the Russian market for automobile production and sale.

During the period from January to September 2010 the Group realized total income to the amount of kuna 644,9 million that represents 42,1% more than during the same period in the previous year when the income amounted kuna 453,9 million. Planned income was 556,1 million kuna.

For the same period the parent Company realized total income to the amount of kuna 432,13 million that represents 13,5% more than during the same period in the previous year when the income amounted kuna 380,6 million.

Total expenditure of the Group business running during the accounting period amount kuna 612,7 million that represents 36,4% more than during the same period in the previous year when total expenditure of business running amounted kuna 449,1 million. Planned expenditure was 536 million kuna.

On the item of reservations in business expenditure assets to the amount of kuna 5,8 million were reserved due to positive exchange rate differentials.

Total expenditure of the parent Company during the accounting period amount kuna 416,2 million that represents 13,9% more than during the same period in the previous year when total expenditure of business running amounted kuna 365,4 million.

Management Interim Report of the AD Plastik group and company AD Plastik Inc. Solin for the period: 01.01. - 30.09.2010.

During the monitored period the Group realized profit to the amount of kuna 29,4 million, while during the same period in the previous year it realized the profit to the amount of kuna 4,9 million.

During the same period the parent Company realized profit to the amount of kuna 15,9 million, while during the same period in the previous year it realized the profit to the amount of kuna 15,1 million.

Realized result was better than the planned result for the same period.

c) Outlook for remaining period 2010th

In respect to the trend of realisation we expect that the result for the year 2010 will be better than planned, for the Group as well for the parent Company.

Management Interim Report of the AD Plastik group and company AD Plastik
Inc. Solin for the period: 01.01. - 30.09.2010.

Financial reports of AD Plastik group

Management Interim Report of the AD Plastik group and company AD Plastik Inc. Solin for the period: 01.01. - 30.09.2010.

1. Balance sheet

Assets

Position (in HRK)	30.09.2010.	30.09.2009.	31.12.2009.	Note
Intangible assets	50.873.105	69.661.349	59.379.477	*1
Tangible assets	517.255.643	497.199.237	498.608.272	*2
Long-term financial assets	84.354.449	43.659.581	49.284.107	*3
Receivables				
Deferred tax assets	174.081			
Long-term assets	652.657.278	610.520.167	607.271.856	
Inventory	54.377.900	54.720.885	71.713.187	*4
Receivables	196.943.610	194.540.545	232.685.776	
Short-term financial assets	59.438.942	75.424.234	47.375.244	
Cash at bank and in hand	12.600.322	16.367.781	13.146.715	
Short-term assets	323.360.774	341.053.445	364.920.922	
Paid future expenses/calculated income	65.143.733	52.627.239	58.541.664	
Loss above subscribed capital				
Total assets	1.041.161.785	1.004.200.851	1.030.734.442	
Off balanced sheet items	7.149.642	7.149.642	7.149.642	

*1 Decrease in intangible assets is the result of value adjustments of projects.

*2 Increase in tangible assets is the result of buying real estate from AD Brodovi d.o.o. and transfer of tools from short-term assets to long-term assets for ZAO PHR.

*3 Long-term assets increased due to founding share in joint venture with Faurecia and ZAO PHR recapitalization.

*4 Inventory has been reduced due to transfer short-term tangible assets to long-term tangible assets in the ZAO PHR, also sale of inventory of ADP Luga and decrease inventory in parent Company.

Liabilities

Position (in HRK)	30.09.2010.	30.09.2009.	31.12.2009.	Note
Share capital	419.958.400	419.958.400	419.958.400	
Capital reserves	181.282.980	161.026.731	160.483.340	
Reserves from profit	287.316	5.074.314	5.075.219	
Revaluation reserves	8.489.504	8.489.504	8.489.504	
Retained earnings		3.444.244	2.160.849	
Loss carried forward				
Net profit for the period	29.386.878	4.880.934	16.268.594	
Loss for the period				
Minority interest	19.404	193.734	768.257	
Capital and reserves	639.424.482	603.067.861	613.204.163	
Reserving	5.787.491			*5
Long-term liabilities	130.416.918	159.908.401	153.262.003	
Short-term liabilities	260.655.494	235.832.379	262.907.577	
Overdraft/factoring	4.877.400	5.392.210	1.360.699	
Total liabilities	1.041.161.785	1.004.200.851	1.030.734.442	
Off balanced sheet items	7.149.642	7.149.642	7.149.642	
Annex to balance sheet				
Capital and reserves				
Attributable to equity holders	639.405.078	602.874.127	612.435.906	
Attributable to minority interests	19.404	193.734	768.257	

*5 Reservation which are included in the balance sheet are related to the exchange differences in the ZAO PHR.

Management Interim Report of the AD Plastik group and company AD Plastik Inc. Solin for the period: 01.01. - 30.09.2010.

2. Profit and loss account

Position (in HRK)	30.09.2010.		30.09.2009.		Note
	Cumulative	3. Q	Cumulative	3. Q	
Income from sales	510.176.081	142.953.887	415.442.276	142.995.101	
Income from usage of own products, merchandise and serv.	1.259.732	306.765	547.804	425.275	
Other operating income	90.065.788	225.593	5.156.121	917.710	
Operating income	601.501.601	143.486.245	421.146.201	144.338.086	
Decrease of work in the progress and finished products			5.526.931	873.283	
Increase of work in the progress and finished products	1.175.368	1.782.267			
Material expenses	406.158.920	88.203.868	250.375.622	83.506.339	*6
Employee costs	91.743.078	28.480.161	82.033.016	27.260.016	
Amortisation	39.282.750	11.106.344	34.095.556	11.451.542	
Other expenses	29.756.353	8.304.013	33.315.643	15.306.886	
Revaluation					
Reserves	5.787.491	-7.376.609			*7
Other operating costs	1.225.481	1.035.272	1.618.940	680.577	
Operating costs	572.778.705	127.970.782	406.965.708	138.878.643	
Interest, foreign exchange differences, dividends (subsidiaries)	18.060.305	-1.169	8.142.737	-519.464	
Interest, foreign exchange differences, dividends (non subs.)	19.581.383	11.625.014	18.357.547	8.351.321	
Income from investment in associates and joint ventures	5.790.756	3.268.729	6.338.929	2.019.669	*8
Unrealised gains (income)					
Other financial income					
Financial income	43.432.444	14.892.574	32.839.213	9.851.526	
Interest, foreign exc. differences and other expenses (sub.)	8.942.270	6.004.863	16.329.450	2.489.067	
Interest, foreign exc. differences and other expenses (non sub.)	22.856.443	10.027.418	25.809.322	8.170.832	
Unrealised losses (expenses) from financial assets	8.077.360	5.143.958		-66.065	
Other financial expenses					
Financial expenses	39.876.073	21.176.239	42.138.772	10.593.834	
Extraordinary - other income					
Extraordinary - other expenses					
Total income	644.934.045	158.378.819	453.985.414	154.189.612	
Total expenses	612.654.778	149.147.021	449.104.480	149.472.477	
Profit before taxes	32.279.267	9.231.798	4.880.934	4.717.135	
Loss before taxes					
Tax	2.880.866	2.644.272			
Net profit for the period	29.398.401	6.587.526	4.880.934	4.717.135	
Loss for the period					
Annex to Income statement					
XIV.* Profit attributable to equity holders	29.386.878	6.576.949	5.595.603	4.450.865	
XV.* Profit attributable to minority interests	11.523	10.577		266.270	
XVI.* Loss attributable to equity holders					
XVII.* Loss attributable to minority interests			714.669		

*6 The increase material costs are the result of inventory sale of ADP Luga and for purchase and supply of material for FADP (which we are shareholders in the joint venture with Faurecia company, our share in the investment in the amounts to 40%).

*7 Reservations shown in a PnL are the result of the constant change in exchange rate of RUR for EUR.

*8 Part of Income and expenditure from the joint venture is result of the realised Income and expenditure from the companies in which we have joint venture with Faurecia. The value is shown with share part method.

3. Cash flow (indirect method)

Position (in HRK)	Current period	Previous period
Cash flow from operating activities		
Profit before tax	32.279.267	4.880.934
Amortisation	39.282.750	34.095.556
Increase of curent liabilities	7.052.109	14.812.978
Decrease of curent receivables	29.140.097	
Decrease of inventories	17.335.287	35.309.168
Other cash flow increase		3.654.182
Total increase of cash flow from operating activities	125.089.510	92.752.818
Decrease of curent liabilities		
Increase of curent receivables		17.261.549
Increase of inventories		
Other cash flow decrease	9.057.254	
Total decrease of cash flow from operating activities	9.057.254	17.261.549
Net increase/decrease of cash flow from operating activities	116.032.256	75.491.269
Cash flow from investing activities		
Proceeds from sale of non-current assets	46.872.141	5.167.443
Proceeds from sale of non-current financial assets		
Interest received	8.457.384	3.835.565
Dividend received		
Other proceeds from investing activities		
Total cash inflows from investing activities	55.329.525	9.003.008
Purchase of non-curent assets	96.295.890	17.855.386
Purchase of non-curent financial assets	34.222.399	8.077.731
Other cash outflows from investing activities		
Total cash outflows from investing activities	130.518.289	25.933.117
Net increase/decrease of cash flow from investing activities	-75.188.764	-16.930.109
Cash flow from financial activities		
Proceeds from issues of equity securities and debt securities		
Proceeds from loans and borrowings		
Other proceeds from financial activities		23.738.067
Total cash inflows from financial activities		23.738.067
Reapayment of loans and bonds	22.845.085	53.094.576
Dividens paid	5.784.750	
Reapayment of financial lease		
Purchase of treasury shares		764.831
Other cash outflows from financial activities	12.760.050	19.863.256
Total cash outflows from financial activities	41.389.885	73.722.663
Net increase/decrease of cash flow from financial activities	-41.389.885	-49.984.596
Total increase of cash flow		8.576.564
Total decrease of cash flow	546.393	
Cash and cash equivalents at beginning of period	13.146.715	7.791.217
Increase of cash and cash equivalents		8.576.564
Decrease of cash and cash equivalents	546.393	
Cash and cash equivalents at the end of period	12.600.322	16.367.781

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4. Report on changes of capital

Position (in HRK)	31.12.2009.	Increase	Decrease	Current period
Subscribed capital	419.958.400			419.958.400
Capital reserves	160.483.340	20.799.640		181.282.980
Net income reserves	5.075.219		4.787.903	287.316
Retained earnings or loss carried forward	2.929.106		2.909.702	19.404
Net profit or loss for the period	16.268.594	13.118.284		29.386.878
Revaluation of property, plant and equipment				
Revaluation of intangible assets				
Revaluation of available for sale financial assets				
Other revaluation	8.489.504			8.489.504
Foregin exchange differences from investments				
Current and deferred tax (part)				
Hedging				
Change of accounting policies				
Change of prior period error				
Other changes in equity				
Total increase or decrease of equity	613.204.163	33.917.924	7.697.605	639.424.482
Attributable to equity holders	612.435.906			639.405.078
Attributable to minority interests	768.257			19.404

Financial reports of the company AD Plastik Inc. Solin

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5. Balance sheet

Assets

Position (in HRK)	30.09.2010.	30.09.2009.	31.12.2009.	Note
Intangible assets	46.665.192	64.296.434	54.660.314	*1
Tangible assets	448.011.080	422.699.270	415.012.228	*2
Long-term financial assets	204.352.276	138.496.778	168.707.934	*3
Receivables				
Deferred tax asset				
Long-term assets	699.028.548	625.492.482	638.380.476	
Inventory	33.830.031	22.021.978	37.296.824	
Receivables	176.377.161	215.219.552	227.646.380	
Short-term financial assets	59.439.078	87.342.776	60.782.119	
Cash at bank and in hand	4.211.088	8.556.061	5.472.575	
Short-term assets	273.857.358	333.140.367	331.197.898	*4
Paid future expenses/calculated income	65.142.187	52.627.239	58.539.684	
Loss above subscribed capital				
Total assets	1.038.028.093	1.011.260.088	1.028.118.058	
Off balanced sheet items	7.149.642	7.149.642	7.149.642	

*1 Decrease in intangible assets is the result of project value adjustment.

*2 Tangible assets have been increased as the result of buying real estate from AD Brodovi d.o.o..

*3 Long-term financial assets have been increased as the result of investment in joint venture with Faurecia.

*4 Short-term assets have been decreased because of the speed up of inventory turnover and the better collection of receivables.

Liabilities

Position (in HRK)	30.09.2010.	30.09.2009.	31.12.2009.	Note
Share capital	419.958.400	419.958.400	419.958.400	
Capital reserves	181.239.161	182.645.027	180.641.899	
Reserves from profit	21.783.330	4.983.689	4.983.689	
Revaluation reserves	8.489.504	8.489.504	8.489.504	
Retained earnings				
Loss carried forward				
Net profit for the period	15.961.678	15.123.028	22.903.272	
Loss for the period				
Capital and reserves	647.432.073	631.199.648	636.976.764	*5
Reserving				
Long-term liabilities	130.350.247	160.350.735	153.194.194	*6
Short-term liabilities	255.368.373	214.106.622	236.597.347	
Overdraft/factoring	4.877.400	5.603.083	1.349.753	
Total liabilities	1.038.028.093	1.011.260.088	1.028.118.058	
Off balanced sheet items	7.149.642	7.149.642	7.149.642	

*5 Increase of reserves and current profit.

*6 Decrease of indebtedness (as a result of decrease of loans and liabilities of suppliers) which now amounts to 37%.

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6. Profit and loss account

Position (in HRK)	30.09.2010.		30.09.2009.		Note
	Cumulative	3. Q	Cumulative	3. Q	
Income from sales	399.242.055	110.292.107	350.054.311	121.471.124	
Income from usage of own products, merchandise and serv.	1.259.732	306.765	547.804	425.275	
Other operating income	3.132.869	928.643	4.420.337	633.282	
Operating income	403.634.656	111.527.515	355.022.452	122.529.681	*7
Decrease of work in progress and finished products			5.102.890	85.949	
Increase of work in progress and finished products	636.449	537.041			
Material expenses	258.161.407	68.450.556	208.793.618	72.218.890	*8
Employee costs	70.987.496	23.162.281	65.055.269	22.215.087	
Amortisation	31.541.051	10.636.443	29.445.150	9.787.869	
Other expenses	24.170.146	8.761.782	31.191.857	15.041.710	
Revaluation					
Reserves					
Other operating costs	1.225.481	1.035.272	1.618.940	680.577	
Operating costs	385.449.132	111.509.293	341.207.724	119.858.184	*9
Interest, foregin exchange differences, dividends (subsidiaries)	4.008.011	1.144.646	6.461.485	2.111.919	
Interest, foregin exchange differences, dividends (non subs.)	18.702.041	11.744.493	12.739.606	3.279.956	
Income from investments in associates and join ventures	5.790.756	3.268.729	6.338.930	2.019.670	
Unrealised gains (income)					
Other financial income					
Financial income	28.500.808	16.157.868	25.540.021	7.411.545	
Interest, foregin exch. differences and other expenses (sub.)					
Interest, foregin exc. differences and other expenses (non sub.)	22.647.294	9.935.500	24.231.721	8.381.599	
Unrealised losses (expenses) from financial assets	8.077.360	5.143.958		-66.065	
Other financial expenses					
Financial expenses	30.724.654	15.079.458	24.231.721	8.315.534	
Extraordinary - other income					
Extraordinary - other expenses					
Total income	432.135.464	127.685.383	380.562.473	129.941.226	
Total expenses	416.173.786	126.588.751	365.439.445	128.173.718	
Profit before taxes	15.961.678	1.096.632	15.123.028	1.767.508	
Loss before taxes					
Tax					
Net profit for the period	15.961.678	1.096.632	15.123.028	1.767.508	
Loss for the period					

*7 Growth of total sales has been 13,6% better than in the same period of the previous year, and is 14,4% better than the plan.

*8 The growth index of materials used has increased because of the changes in the product mix.

*9 Management of the rest of costs (salary, other production costs, costs outside the mix of products) has led to significant saves, as a result of which the complete index of companies expenses is bellow the growth index of sales and is 12,9%.

7. Cash flow (indirect method)

Position (in HRK)	Current period	Previous period
Cash flow from operating activities		
Profit before tax	15.961.678	15.123.028
Amortisation	31.541.051	29.445.150
Increase of curent liabilities	22.298.673	21.009.267
Decrease of curent receivables	44.666.716	
Decrease of inventories	3.466.793	27.687.369
Other cash flow increase		
Total increase of cash flow from operating activities	117.934.911	93.264.814
Decrease of curent liabilities		
Increase of curent receivables		30.525.694
Increase of inventories		
Other cash flow decrease	5.776.369	
Total decrease of cash flow from operating activities	5.776.369	30.525.694
Net increase/decrease of cash flow from operating activities	112.158.542	62.739.120
Cash flow from investing activities		
Proceeds from sale of non-current assets		
Proceeds from sale of non-current financial assets		
Interest received		
Dividend received		
Other proceeds from investing activities		
Total cash inflows from investing activities		
Purchase of non-curent assets	56.544.781	15.305.032
Purchase of non-curent financial assets	34.222.399	8.077.731
Other cash outflows from investing activities		
Total cash outflows from investing activities	90.767.180	23.382.763
Net increase/decrease of cash flow from investing activities	-90.767.180	-23.382.763
Cash flow from financial activities		
Proceeds from issue of equity securities and debt securities		
Proceeds from loans and borrowings		
Other proceeds from financial activities		18.835.845
Total cash inflows from financial activities		18.835.845
Repayment of loans and bonds	22.843.947	51.749.954
Dividens paid		
Repayment of finance lease		
Purchase of treasury shares		764.831
Other cash outflows from financial activities	78.902	
Total cash outflows from financial activities	22.922.849	52.514.785
Net increase/decrease of cash flow from financial activities	-22.922.849	-33.678.940
Total increase of cash flow		5.677.417
Total decrease of cash flow	1.531.487	
Cash and cash equivalents at beginning of period	5.742.575	2.878.644
Increase of cash and cash equivalents		5.677.417
Decrease of cash and cash equivalents	1.531.487	
Cash and cash equivalents at the end of period	4.211.088	8.556.061

Management Interim Report of the AD Plastik group and company AD Plastik Inc. Solin for the period: 01.01. - 30.09.2010.

8. Report on changes of capital

Position (in HRK)	31.12.2009.	Increase	Decrease	Current period
Subscribed capital	419.958.400			419.958.400
Capital reserves	180.641.899	597.262		181.239.161
Net income reserves	4.983.689	16.799.641		21.783.330
Retained earnings or loss carried forward				
Net profit or loss for the period	22.903.272	15.961.678	22.903.272	15.961.678
Revaluation of property, plant and equipment				
Revaluation of intangible assets				
Revaluation of available for sale financial assets				
Other revaluation	8.489.504			8.489.504
Foregin exchange differences from investments				
Current and deferred taxes (part)				
Hedging				
Change of accounting policies				
Change of prior period error				
Other changes in equity				
Total increase or decrease of equity	636.976.764	33.358.581	22.903.272	647.432.073

d) Statement of the person responsible for drafting the financial reports

According to my best knowledge:

1. Financial reports of AD Plastik group and company AD Plastik Inc. Solin, were drafted in accordance with implementation of corresponding reporting standards in the Republic of Croatia. These reports provide complete and truthful overview of the assets, liabilities, profit and loss, financial status and business running of the Group.
2. Report on business running contains truthful overview of the business results and status of AD Plastik group and company AD Plastik Inc. Solin.

On behalf of the Management Board

Katija Klepo, BSEc.
Member of the Board
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21210 Solin
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