

Shipping and tourism

November 4<sup>th</sup> 2013

## Bottom Line Showed Improvement

(HRK 000)	2011	2012	Change %	9M12	9M13	Change %
Sales	533.558	473.725	-11,2%	368.071	349.107	-5,2%
EBITDA	211.784	94.477	-55,4%	102.765	148.781	44,8%
EBIT	76.975	-30.788	-	13.749	37.450	172,4%
Net profit / loss	15.507	-76.576	-	-20.139	5.165	-
EpS (HRK)	11,11	N/A	N/A	-	-	-
EBITDA margin	35,7%	18,3%	-1,754 bps	25,4%	35,5%	+1010 bp
Profit margin	2,6%	-14,9%	-1,697 bps	-5,0%	1,2%	+620 bp
ROE	1,0%	-5,1%	N/A	-	-	-
ROA	0,6%	-2,5%	N/A	-	-	-
P/E*	31,7	N/A	N/A	-	-	-
P/S*	0,9	1,0	12,6%	-	-	-

\* Multiples are calculated based on the market price as of October 31, 2013 (HRK 352.78)

Source: Atlantska Plovdba

**Atlantska plovdba ended 9M13 with a sales of HRK 349.1m (-5.2% YoY).** Average BDI index in the first nine months of 2013 was 997 points, while in the same period of 2012 it was 909 points and 920 points on a full year basis. At the end of last week BDI index finished at 1,525 points.

In 9M12 Atlantska Plovdba had a fleet of **16 ships in total 880,364 dwt**. Within tourist segment Atlantska Plovdba had shares in hotels Grand Hotel Imperial (81.57 %), Hotel Lapad (99.66 %) and Atlant travel agency (100 %).

In 9M13 Atlantska plovdba had **15 ships in total 872,984 dwt**, share in hotels and agency. Due to this fact we see that Atlantska plovdba had real decrease in sales despite of improved conditions on the dry bulk market. If the positive sentiment continues on dry bulk market, we expect positive impact on Atlantska plovdba business results at the beginning of 2014, because company mostly use time charter contracts.

Within the tourism industry, Atlantska plovdba had better results on the top line (sales of hotels and agency increase by 5.4% YoY), while operating income was HRK 17.5m (in the same period last year operating income was HRK 15.1m).

**Finally, bottom line shows a net profit in the amount of HRK 5.2m**, contributed by HRK 9.6m loss from Shipping and HRK 14.8m profit from the tourism segment.

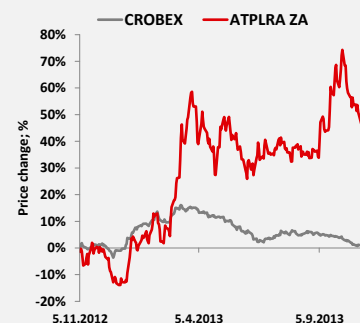
**Because 9M13 results are in line with our expectations, we therefore remain the target price for the shares of Atlantska plovdba from our last update.**

## ATPLRA ZA

1 Y target price: HRK 170.90

### GENERAL SHARE INFORMATION

Bloomberg ticker	ATPLRA ZA
Number of shares	1.395.520
Market capitalization (HRKm)	502,4
1Y high/low (HRK)	406,99 / 195,00
1Y average daily turnover (HRKm)	0,2
Free Float	79,3%
Index member	YES
Website	<a href="http://www.atlant.hr">www.atlant.hr</a>



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The author of fundamental analyses in this report is Tomislav Bajić. Tomislav Bajić is employed in InterCapital Securities Ltd registered in Zagreb, Masarykova 1 as Head of Research. InterCapital Securities Ltd is supervised by Croatian Financial Services Supervisory Agency (HANFA).

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**Hold** - equities with expected absolute revenue of 0%-10% in the monitored time period

**Buy** - equities with expected absolute revenue of 10%-20% in the monitored time period

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### 3Q 2013 (1 July - 30 September 2013)

	Number	Share	Companies which InterCapital Securities Ltd. provided investment banking service within last 12 months
Strong Buy	5	29,4%	-
Buy	3	17,6%	-
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Sell	1	5,9%	-
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## Chronology of share recommendations

Date	Report	Recommendation	Market price	Target price
Dec 31, 2008	Initial analysis	<b>HOLD</b>	HRK 685.00	HRK 694.00
July 27, 2010	Update	<b>HOLD</b>	HRK 787.00	HRK 808.22
Oct 12, 2011	Update	<b>BUY</b>	HRK 394.99	HRK 467.14
Aug 31, 2012	Update	<b>SELL</b>	HRK 210.50	HRK 170.90

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