MERCATOR GROUP MEDIUM-TERM BUSINESS PLAN FOR THE PERIOD 2013-2016

Poslovni sistem Mercator, d.d.

October 2012

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SUMMARY

Expected economic and competitive environment

In the coming years, conditions in all markets of Mercator's operations are forecast to remain harsh and gradual improvement is not expected until late 2014. Forecasts for Montenegro and Bosnia and Herzegovina are somewhat less bleak as slightly higher levels of economic growth are expected than in other markets. Unemployment rate in the region is relatively high, which wields a negative effect on consumer expectations regarding consumption and financial situation in the future. Also expected to dampen the consumption is the increase of VAT rate in Serbia and further depreciation of the Serbian dinar in the period 2013-2016.

Future development

The monetization project is in progress with completion planned in 2012. The proceeds from sale and leaseback of property will be used to reduce the debt. Throughout 2013 and in the first half of 2014, divestment will also be a priority.

In early 2013, the entire Mercator Group will be reorganized, which will be followed by centralization of support functions. This will optimize the business processes and improve cost efficiency. The Group is also expecting an improvement in performance resulting from Croatia's accession to the European Union in the second half of 2013 as synergies will be reaped in all fields of operation, particularly through reduction of fixed and administrative operating expenses.

In logistics, we shall carry on the processes of optimization of the entire supply chain. In order to attain optimum usage of logistics facilities and to optimize the logistics expenses, we are planning to revise the entire logistics infrastructure in Slovenia and in Croatia in the second half of 2014.

In 2013, we intend to consolidate the business operations of subsidiaries in Slovenia, Serbia, Croatia and Bosnia and Herzegovina.This will ensure a single and unified approach to the suppliers and allow us to reap the synergies with our basic market (FMCG) program, to optimize administration functions and IT support, and to generate tax savings.

In international markets, we are launching the project of reducing currency risk, currency translations differences and optimizing loan portfolio at the level of Southeastern Europe.

Investment activities

Mercator Group's investment activities in the coming medium-term period will be restricted and focused on the investments with the highest potential for growth and profit. New retail area will be acquired through lease and investments will be focused on refurbishment and update of the existing retail network. Mercator Group is planning to invest a total of EUR 280 million in the period 2013-2016.

Employees

Consistently with the strategy of optimizing the Mercator Group business model, we shall launch the project of simplifying the organization and processes. This will allow us to optimize the number of employees and thus to improve employee productivity in all markets of the Group's operations; particular emphasis will be placed on efficiency of administrative services. As the volume of operations rises, the number of employees will be increasing from 2014 on. Thus, Mercator Group is expected to have 24,118 employees at the end of 2016; however, employee productivity will be improved by a target rate of at least 3% per year.

Revenue and profit

In the coming medium-term period, Mercator Group operations will be focused on the core retail activities and on the improvement of cost efficiency of every company within the Mercator Group. In 2016, the strategy anticipates operating profit to be at 4% of revenue (EBIT margin), which would place us above the average for this indicator relative to our competition in recent years. Mercator Group Management Board has adopted several measures which are already being implemented and which will improve the cost efficiency and allow optimization of business activities. This includes a drastic cut in administrative expenses.

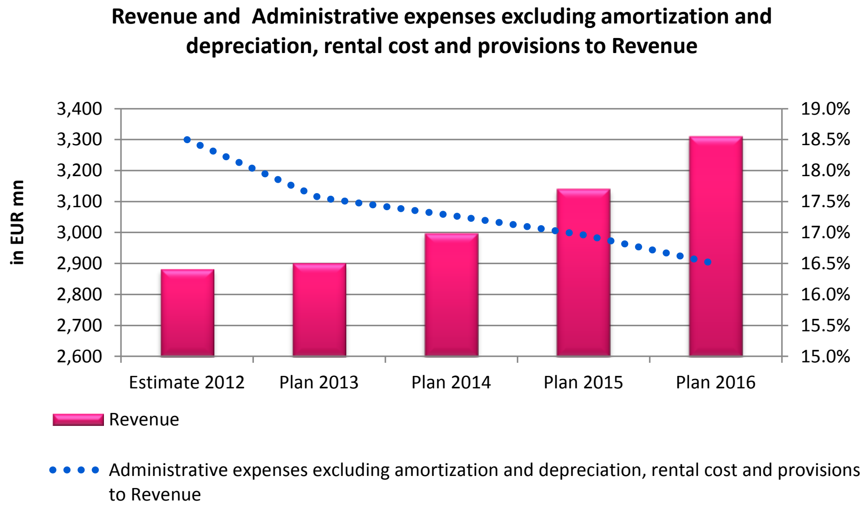
The strategy specifies Mercator Group revenue in 2016 at EUR 3.3 billion, which means that average annual revenue growth rate will amount to 3.5 percent.

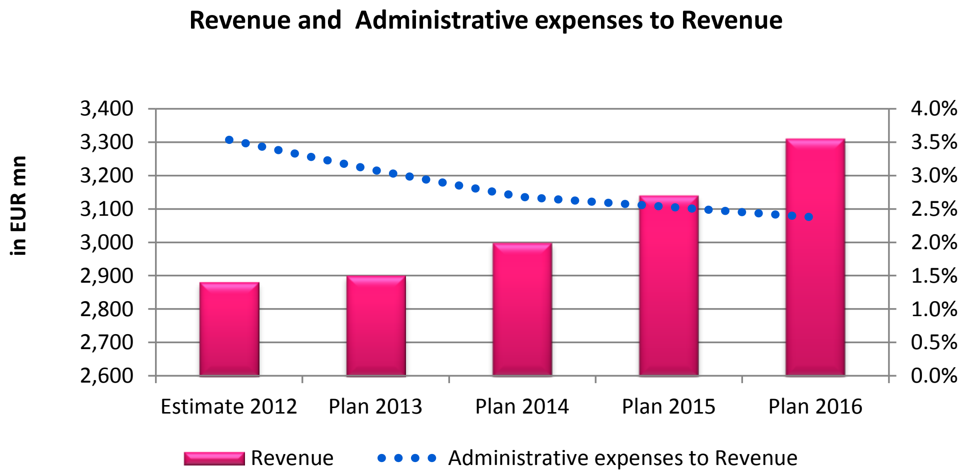
Positive effects of the adopted measures and new approaches in marketing will be partly manifest in the operating results for 2013, while a part of the savings will be shared with the consumers as we make our offer even more competitive. The strategy anticipates profit for 2016 to reach EUR 77 million.

Generation of cash flows

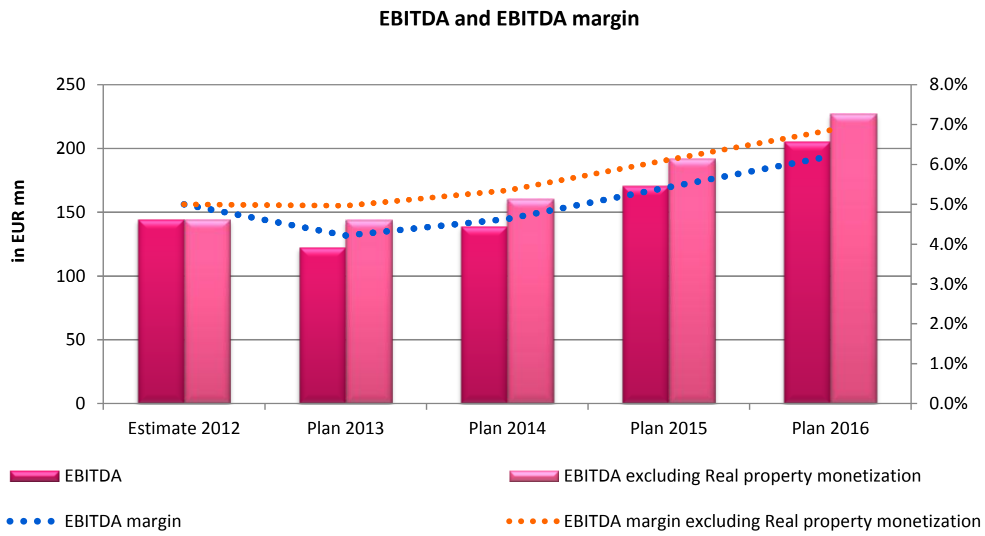
In 2013, Mercator Group gross cash flow from operating activities (EBITDA) is planned in the amount of EUR 123 million. The drop is a result of the planned monetization of real property in December 2012, which will result in lower debt and interest expense on the one hand, while rental expenses will rise as a result of leasebacks on the other. Increase of cash flow from operating activities is planned starting in 2014 and beyond when economic situation in the region are expected to stabilize and start improving. Mercator Group is planning to generate gross cash flow from operating activities (EBITDA) in the amount of EUR 205.4 million in 2016.

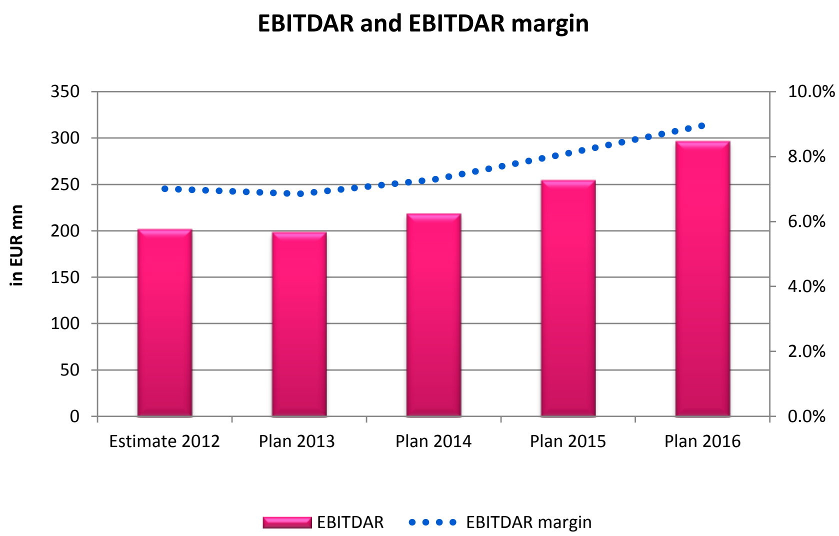
KEY DEVELOPMENT INDICATORS FOR THE MERCATOR GROUP





Note: Estimate for 2012 is based on Mercator Group regular operations and it does not include revaluation adjustments, write-downs or write-offs of assets, which could potentially prove necessary for 2012. The estimate also does not include the results of the currently ongoing real property appraisal.





ANTICIPATED MACROECONOMIC MOVEMENT

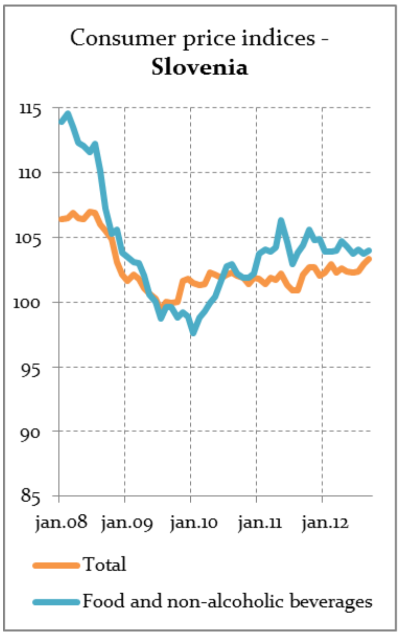
EFFECT OF ECONOMIC CONDITIONS AND COMPETITION ON MERCATOR GROUP OPERATIONS

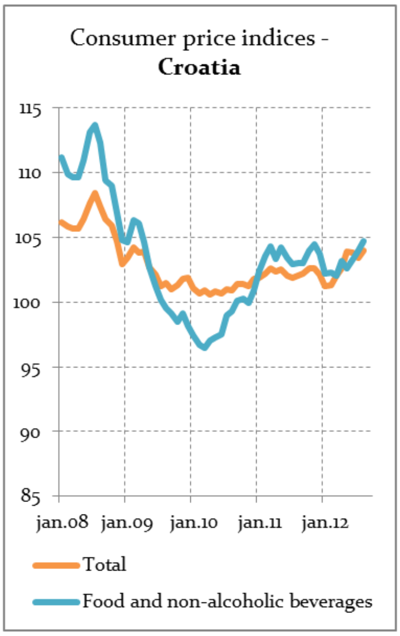
Economic conditions in Mercator's target markets

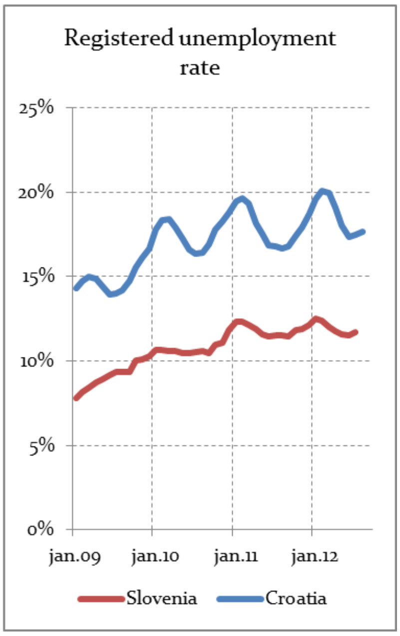
Mercator Group will focus its operating activities in the medium-term period from 2013 to 2016 on the current markets of the European Union (Slovenia and Croatia) and current markets of the Southeastern Europe (Serbia, Bosnia and Herzegovina, and Montenegro).

European Union

Unemployment rate has increased significantly in recent years in Slovenia as well as in Croatia, as a result of the recession, which had a negative impact on the purchasing power of the consumers. Consumer purchasing power took a further blow as consumer prices rose. Some forecasts from recent years about an economic recovery taking place in 2012 or 2013 where therefore false. A drop in GDP is forecast for Slovenia and Croatia in 2013; low growth is expected for 2014, and moderate growth for the years thereafter. However, some caution is called for regarding these forecasts as well as downward adjustments are possible.







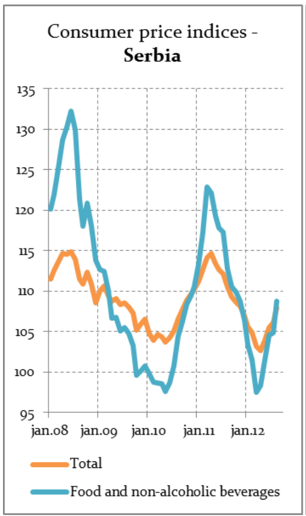
Note:

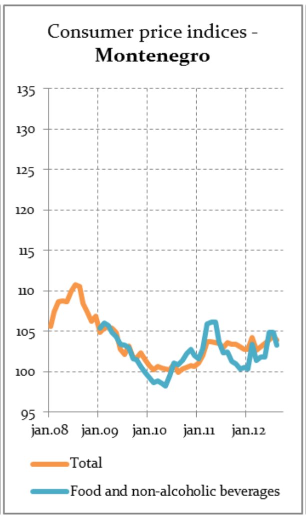
- Consumer price index: annual increase in consumer prices (monthly indices relative to the corresponding month of the previous year)

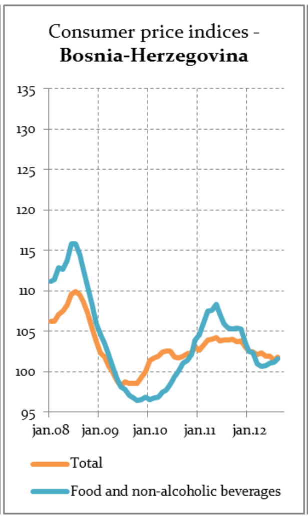
Sources: SURS (Slovenia), DZS (Croatia)

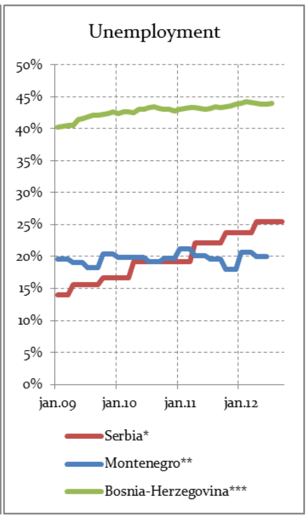
Southeastern Europe

Due to lower average personal income and even higher unemployment rates, low purchasing power is characteristic of the Southeastern European markets. Increase in consumer prices has exerted further pressure on consumption. In the long run, we may expect these markets to converge and close in on the gap in development; however, in a time of economic slowdown, considerable increase in purchasing power cannot be expected for these markets even in the medium run. Serbian GDP is expected to drop in 2013 and to grow at a low to moderate rate in the years that follow. Growth in Montenegro is expected to be moderate in 2013 and beyond. For Bosnia and Herzegovina, low growth is predicted for 2013, followed by moderate to somewhat higher growth after that. In markets of Southeastern Europe, caution with regard to these forecasts is required as well, as negative adjustments to the forecasts are possible.









Notes:

- Consumer price index: annual increase in consumer prices (monthly indices relative to the corresponding month of the previous year)
- * Serbia – unemployment survey; semiannual data is extrapolated to months
- ** Montenegro– unemployment survey; quarterly data is extrapolated to months
- *** B&H – registered unemployment rate

Sources: RZS (Serbia), MONSTAT (Montenegro), BHAS (B&H)

Competitive conditions in Mercator's target markets

Mercator Group is operating in a region that is rather diverse in terms of development level or modernization and consolidation of trade/retail. Each market has its particularities, but strong international or regional competition is present throughout.

European Union

Slovenia is among the European markets with the highest rate of consolidation as three leading retailers represent more than 60% of the total market. However, the competitiveness is highly stringent as discount retailers have become important players in the market in recent years, in addition to the traditional retailers. The discount retailers can be expected to continue to invest in new retail area in the coming years, and to increase their market shares further. Continued expansion of retail area in this relatively saturated market will increase the pressure on performance of all present retailers.

In Croatia, retail is also highly competitive. In addition to leading local retailer, several strong international and regional players are present as well. There is currently only one discount retailer in the country, which, however, has managed to win a considerable market share. Retail is also considerably regionally scattered and at the same time it is one fo the most investment saturated European countries. Consolidation can be expected to continue in the coming years with entry of another international retailer (either organically or by acquisition of an existing local retailer) is also a possibility. We assume, that further escalation of competitiveness will not allow survival for all retailers currently present in the market.

Slovenia and to a lesser extent also Croatia have relatively developed fast-moving consumer goods markets where modern sales channels represent a considerable portion of the market. In the coming years, we can expect the trends that are already present in Western Europe, e.g. in store format development ("multi-channel retailing": e.g. development of convenience stores and new "order and collect" solutions for the web store), in brand or banner development (expansion and upgrade of the offer, increase of market share) etc.

Southeastern Europe

In terms of concentration and modernization, Southeastern European markets are less developed. The development can be expected to continue in the coming years, with the role of traditional channels diminishing, the offer being adjusted to the shopping behaviour, and with development of new store formats, services, and technologies.

Serbian retail market is less consolidated than it is in the more developed markets. In 2011, international group Delhaize entered the market by acquisition of the leading retailer Delta Maxi. Trade in Serbia can be expected to be consolidated relatively quickly in the years ahead, which can be an opportunity for Mercator as well. As the country continues its way of accession to the European Union, interest of regionally present retailers in this market will increase; this also applies to discount retailers.

Retail market in Montenegro, where Mercator is the market leader, is relatively non-consolidated. Further consolidation is expected in the coming years with entry of new regional players.

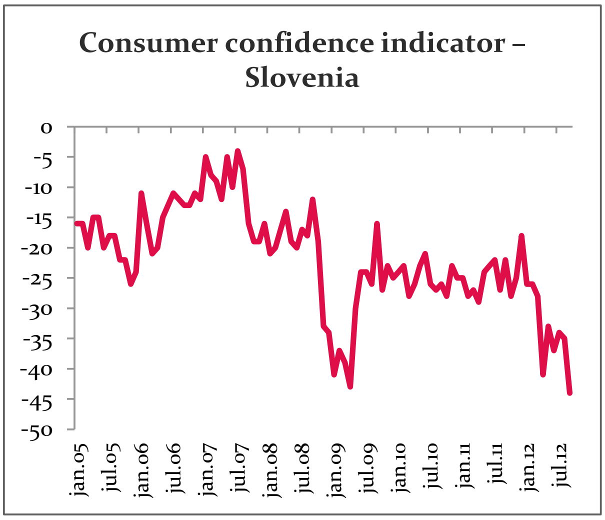
In Bosnia and Herzegovina, consolidation of trade is also relatively low. Consolidation and intensive development of modern store formats are expected in the years ahead.

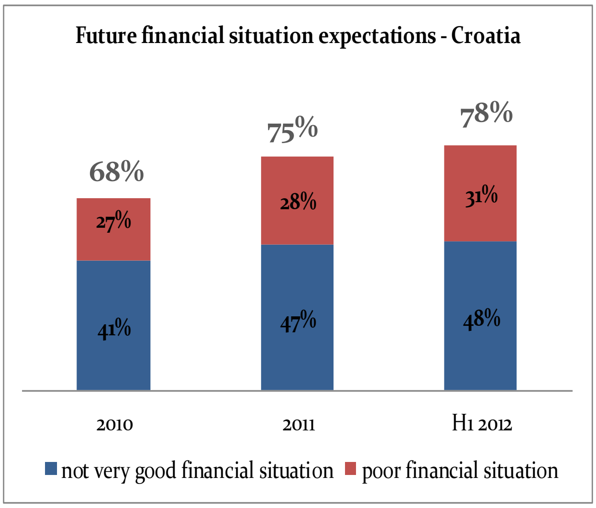
Expected consumer behaviour and effect of the market situation on consumption

The recession is increasingly felt by the consumers and their expectations are pessimistic. This is reflected in the **changes in shopping behaviour, prudent and rational approach to shopping, and low level of consumer confidence.**

The consumers are **rational** – they are looking for the best price to quality ratio and are therefore more inclined towards buying the private label products. Indeed, private label sales are rising in all markets of Mercator's operations. Consumers also tend to shop at several different retailers and they keep track of special offers. In search of low-priced offer, they shop more frequently at discount retailers.

Indicators regarding future consumer behaviour are negative: the consumers are expecting **lower income** and **lower consumption**.





Sources: SURS (Slovenia)
Nielsen Global Consumer Confidence Study (Croatia)

MERCATOR GROUP STRATEGIC POLICIES

MERCATOR GROUP BUSINESS STRATEGY

Vision

Mercator will be the largest, the most successful and the most efficient retailer in the region.

Mission

- A satisfied customer recognizes us as the best retailer that offers everything a discount store can offer, and much more.
- Employees with **smiles on their faces and sparkles in their eyes** are our key competitive advantage. They will be able to develop their potential in a stable environment.
- We are striving towards a **stable ownership structure** that will support the company development based on merit and results.
- Mercator is striving to win the **confidence of all stakeholders.**

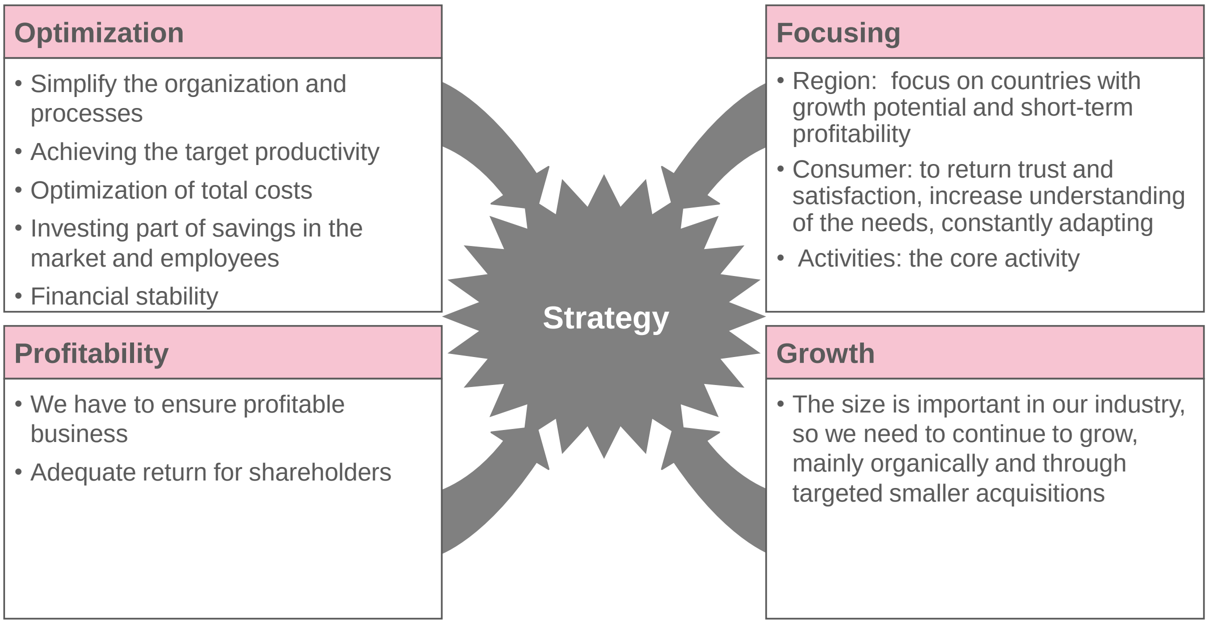
Principles of corporate governance

Our work shall be:

Motivated
Elementarily simple
Rational
Common goal oriented
Ambitious
Thorough
Oriented on profitability and development
Rapturous

Key strategic policies

In the period ahead of us, we shall focus even more on our core activity in our five top markets, both in terms of contents and geographically. We shall devote our attention to the key pillars of our performance in order to attain our strategic goals.



Market position

Mercator will remain the leading retailer in Slovenia. In the medium-term period, we shall stabilize the market share and focus on improving competitiveness. We shall maintain the current total retail area by 2016. Our portfolio will be optimized: some stores will be shut down, some new ones will be opened, and some existing ones will be expanded or scaled back. We will be primarily focused on the renovation of an existing retail units and a greater emphasis will be placed on smaller store formats.

In Croatia, efficiency needs to be improved and fixed operating costs reduced. In the medium-term period ahead, we shall maintain our market share by further expansion and propagation of smaller formats at the expense of traditional retail, and by stabilizing the revenue at major formats.

In the Southeastern European markets, our market shares will be boosted by favouring supermarkets and smaller store formats at the expense of traditional retail (Serbia, Montenegro, Bosnia and Herzegovina) and by stabilizing the revenue of major formats (Serbia).

PLANNED BUSINESS ACTIVITIES

Following is a description of business activities planned by the Mercator Group in respective areas and fields of operation in order to successfully pursue our strategy and goals.

MARKETING

Optimization of retail unit operations

In the future, sales network will be restructured in order to optimize the operations and promote the level of service at the stores. Structure of retail area will be changing in the medium-term period, while the total area will remain unchanged. Focus on smaller store formats like supermarkets and neighbourhood stores that offer consumers everyday solutions at every step will be of key importance.

In Croatia, Getro format stores will be scaled down; offer and unit operation will be optimized to suit the local characteristics.

Restructuring is also planned for the retail network in the markets of Southeastern Europe. Development will be targeted at smaller store formats in city centers an refurbishment of retail units with the highest potential. Development will also take the direction of setting up franchise and web operations. In order to attain the target market shares, we shall expand in selected markets by acquisitions of smaller trade companies.

Improvement of competitiveness

Consistently with our vision and mission, Mercator Group's marketing strategy for the period 2012-2016 is fully focused on the consumers, placing them at the heart of our efforts. Marketing activities support Mercator Group's strategic business policies.

FOCUS:

- Activities focused on core retail business.
- Offering favorable prices to consumers, ensuring offer of goods in all price levels.
- Activities designed for different store formats.

GROWTH:

- Activities aimed at increasing the number of customers in neighborhood and supermarket stores.
- Activities aimed at increasing shopping spend at hypermarkets.
- Activities focused on segments of active families and urban consumers as well as loyalty card holders.
- Reaching growth with new retail channel.

MARKETING ACTIVITIES SUPPORTING BUSINESS OBJECTIVES

PROFITABILITY:

- Attractive sales promotions for consumers.
- Further alignment of loyalty system with the needs of consumers.

OPTIMIZATION:

- Restructuring of retail network and optimization of store formats.

Croatia's accession to the European Union will allow greater synergies in joint marketing activities, joint development of customer loyalty system and call center, as well as joint activities for different segments of target customers.

In the Southeastern European markets, more stress will be placed on establishing segmentation of customers and on adjustment of activities and offer to customer segments by categories and store formats. We shall cut back the number of marketing activities and make them more effective. We shall continue to bring our customer loyalty system closer to the consumers. At the level of the entire Mercator Group, we shall attain synergies for prepared creative solutions.

Cooperation with the suppliers in order to improve the value added

Establishing global supply will be an important process in the coming period as it will allow us to focus on the purchasing and sourcing strategies of categories and to reap market synergies. As Croatia's accession into the European Union will open up the possibilities of greater synergies in supply of trade goods; subsequently, other markets of operation will be included as well. We shall ensure business growth of both the Mercator Group and the suppliers by cooperating more closely and by connecting the markets, as well as by increasing the value added for the consumer. According to the needs of the consumers, we shall restructure the offer of individual store formats in order to boost the volume of sales and to allow easier planning of production output for our suppliers, thus generating savings in the supply chain.

Improving customer relationship

We have classified our customers in five segments on which we shall be focused and to which activities and offer will be adjusted:

- younger customers who are socially active, accept novelties and pursue the most recent trends; they refuse to be connected to the low-priced products;
- families that are price-sensitive and look for special offers and benefits; they are looking to be self-sufficient, they care about the local community;
- families looking for the best value for money; they are rational in their shopping, as well as responsible towards the environment and aware of the current trends;
- customers whose key value is independence; they dislike routine and their individualism is manifest in their shopping behaviour – they are loyal to the brands that support their social image;
- elderly customers shopping for traditional products and basic food ingredients; they are modest and they value family and friends.

DEVELOPMENT OF NEW STORE FORMATS

Multi-level brand strategy

Having expanded its retail network to Southeastern European countries, Mercator is now present in markets of different economic maturity and efficiency.

In order to best adapt to the needs of the customers in all markets of our operations and to improve our responsiveness regarding the offer of high-quality goods at reasonable prices, a multi-level brand strategy was developed to include the premium, value, and economy segments (P-V-E):

Mercator

- premium = super-standard sales program,
- value = mass market offer, emphasis on price/quality ratio

Roda, Getro and DP Marketi

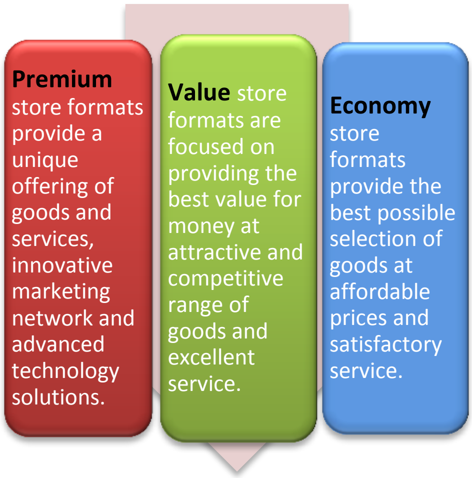
- economy = affordable and cost-effective store format
- value = mass market offer, emphasis on price/quality ratio

Due to the large span of market control (P-V-E), Mercator will use a maximum of two banners or "brands" for its fast-moving consumer goods stores in each market. Selling under different banners allows Mercator to adapt as much as possible to the needs and desires of the customers in all markets of Mercator's operations as we manage our offer in pursuit of quality, safety, freshness, and local sourcing.

Multi-format strategy

In order to adapt as much as possible to the needs of our customers and to improve our responsiveness in terms of offer of quality goods at the right prices in particular and mutually different micro-locations, we have developed a multi-level store format positioning strategy, as follows:

- **Premium store format** = super-standard formats
- **Value store format** = "mass market" store formats
- **Economy store format** = rational and cost effective store formats



COUNTRY	BANNER	POSITIONING	FORMAT
Slovenia	Mercator	Value	Hypermarket Supermarket Neighbourhood stores Upscale convenience
		Economy	Cash&Carry
Croatia	Mercator	Value	Hypermarket Supermarket Neighbourhood stores Upscale convenience
	Getro	Economy	Cash&Carry
Serbia	Mercator	Premium	Upscale convenience Convenience stores
	Roda	Value	Hypermarket Supermarket Neighbourhood stores
		Economy	Cash&Carry
Montenegro	Mercator	Premium	Upscale convenience Convenience stores
	Roda	Value	Hypermarket Supermarket Neighbourhood stores
		Economy	Cash&Carry
Bosnia and Herzegovina	Mercator	Value	Hypermarket Supermarket Neighbourhood stores Upscale convenience
	DP Marketi	Value	Supermarket Neighbourhood stores

Store format strategy

Store format strategy is based on the function of an individual format and the benefits it provides to the consumers according to their various shopping intentions and needs.
Hypermarkets: catering to weekly and monthly shopping needs of consumers, with emphasis on stock-up, top-up, and non-food modules;
Supermarkets: catering to weekly shopping through stock-up and top-up modules;
Neighbourhood stores: providing for daily needs of the consumers, predominantly with the top-up module;
Convenience stores: meeting the instant needs with the grab & go module.

Strategy of each store format is based on monitoring the trends and social-demographic, technological, and economic factors that affect the shopping behaviour of the consumers. In the coming years, individual store formats will see their entire marketing mix revised in order to adapt it to particular target customer segments. The following activities will be conducted in this regard:

- establishing the right ratio between key modules that define a store format (stock-up, top-up, grab & go, and non-food modul);
- segmented pricing within a particular brand category or segment;
- transparent and focused market communication;
- innovative and future-minded technological and digital solutions.

Assortment

In the coming period, we shall intensify our focus on the consumer by developing the strategies, roles, and tactics of brand categories for various segments of customers and store formats, and by efficient management of the marketing mix for the target brand categories. We shall upgrade the assortments by store formats in order to optimize our offer within particular brand categories and to provide the offer of all price levels. In the future, stress will remain on the offer of fresh program, local sourcing, attractive offer of private label products, and joint synergies of seasonal products with all Mercator markets.

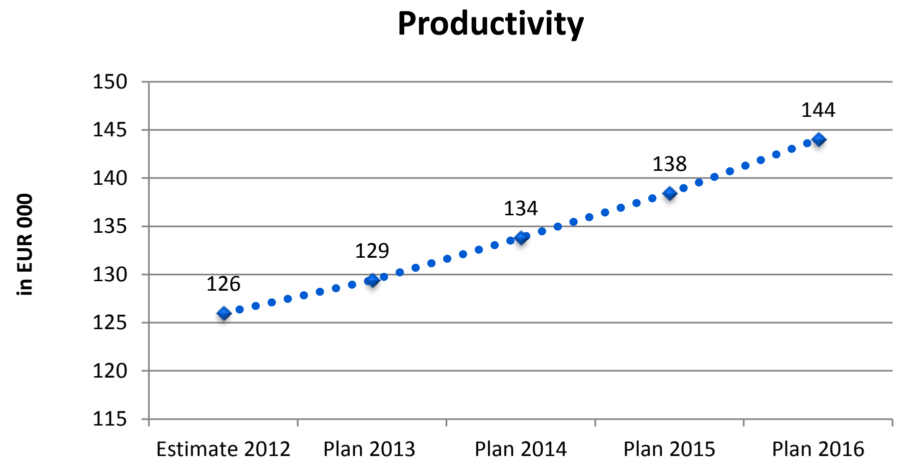
Logistics

Logistics is an important part of providing the right and timely offer in the stores. In order to improve the service in the entire supply chain, we shall conduct the measures of continuous inventory replenishment on the store shelves. To optimize operations, we shall continue to implement new support systems for ordering of trade goods, consolidate supplies, and plan, purchasing and replenish our inventories in cooperation with the suppliers. Croatia's accession into the European Union will also allow synergies in logistics and cutting down transport expenses.

Efficient supply chain is particularly important for refrigerated programs which require special temperature conditions in order to maintain adequate quality until delivery to the store. We shall continue to build our competitiveness on the offer of refrigerated fresh programs in all markets of our operations.

HUMAN RESOURCE MANAGEMENT

Consistently with the strategy of optimizing the Mercator Group business model, we shall launch the project of simplifying the organization of processes in the medium-term period 2013-2016. This will allow us to optimize the number of employees and thus to improve employee productivity in all markets of the Group for at least 3 percent annually.



In education, particular attention in the medium term period will be paid to employee training, training of leaders at all levels, and training of shop assistants, young talented employees, and internal instructors. Direct connections between all markets will allow open mutual learning and transfer of sound practices and corporate culture at the Mercator Group.

Key human resource management activities will be aimed in the following areas:

Development of leadership: evaluation of leader competencies will be followed by training provided mainly by internal instructors. We shall conduct workshops and internal coaching sessions. We shall develop a leadership competence center, upgrade our targeted leadership skills, and identify talent. We shall revise the system for talented and key employee management.

Internal and external recruitment: internal recruitment will allow our employees to work in other fields where human resources are needed and thus maintain their employability. In external recruitment and staffing, we shall develop new recruitment methods through social networks and cooperation with schools that provide the most of our new employees.

Employee training: training network will include development of knowledge and skills of sales personnel in order to improve their service at the store (professional attitude and expert knowledge, friendliness, responsiveness). We shall manage the Shop Manager School and Mercator Business Academy; we shall introduce the Mercator Retail Academy for young employees in operations whom we identify as having leadership potential. We shall develop e-learning for those with access to a computer, which will allow us to optimize training and education costs.

Motivation and rewards: within our possibilities, we shall motivate rewarding individual and group performance; we shall develop tools to measure work efficiency. We shall organize traditional internal events: Mercator Award, The Best Boss, The Best Store, Internal Instructor Convention, and Key Employee Council.

Occupational health and safety: we shall expand the activities for promoting employee health in order to improve awareness and maintain their health. Our Humanitarian Foundation will provide aid to our employees who are ill or in social distress. We shall motivate the development of new business services of our social enterprise.

Corporate culture development: by implementing the Mercator Creator project, we shall develop a system of mass improvements of our employees. Corporate principle of "open door" will simplify internal communication and allow more cooperation between sectors and fields. We shall develop the dialogue with social partners and organize open door days for children; our inter-generational cooperation efforts will involve development of solidarity as we build on the advantages of both the young and the older generation. Appropriate work–life balance will be provided for the employees; junior experts and parents of small children will be allowed flexible working hours, within the given possibilities.

REAL ESTATE MANAGEMENT

In addition to obtaining new retail area primarily based on leaseholds, Mercator Group investment plans for the medium-term period will be focused primarily on refurbishments or updates of the Group's own retail network. Within the project Real property monetization, a sale and lease-back of real estate property is planned in December 2012. Proceeds will be allocated for reduction of debt.

Furthermore, Mercator Group shall carry out various development activities to optimize Mercator's real estate management, and analyze the possibilities to update the concept of Mercator's shopping centers, to improve the composition of third-party providers and the mix of products and services there, and to establish strategic partnerships with renowned international providers. Based on the findings, shopping centers will be refurbished and relationships with local and international investors will be actively developed as the Group seeks for opportunities in their projects.

In the medium-term period at hand, we shall invest a total of EUR 280 million; this will include the following projects, by years:

in EUR mn	Plan 2013	Plan 2014	Plan 2015	Plan 2016
Planned investments	***50***	***50***	***80***	***100***

Planned openings

Slovenia

- Mercator Center Novo mesto Bršljin

The center will have a total area of 13,251 square meters while the area of the property on which it is located shall amount to 38,103 square meters. Program mix will be offered in a hypermarket, Intersport, Modiana, Beautique, M holidays, over 30 other outlets leased to third-party providers of supplementary offer, and a Lumpi playroom. This opening, listed for December 3, 2012, will add 10,531 square meters to the retail space disposable to Mercator for its own operations and for lease to third party providers. 400 parking spots will be available for the customers.

Serbia

- Hypermarket and Intersport at the Voždovac Stadium shopping center

Hypermarket and Intersport in Voždovac will span 4,130 square meters and 963 square meters, respectively; both will be a part of a trade center. The launch is scheduled for March 2013.

Bosnia and Herzegovina

- Trade center Bihać

Total area of the center will amount to 13,847 square meters. Program mix will be offered in a supermarket, Intersport, Modiana, Beautique, and several other outlets leased to third-party providers of supplementary offer. This opening, listed for November 2013, will add 9,789 square meters to the retail space disposable to Mercator for its own operations and for lease to third party providers.

- Supermarket Rebrovac in Banja Luka

Supermarket in Banja Luka will have a total area of 420 square meters. The launch is scheduled for March 2013.

SUPPLEMENTARY OPERATING ACTIVITIES

M holidays

Mercator is constantly expanding and improving its offer of quality tourist services by adding new tourist arrangements. In the uncertain economic conditions, restricted disposable income translates into changed travelling habits of consumers. They tend to prefer shorter holidays at nearby destinations.

In the future, we shall optimize our office network and connect the offices to the call center in order to attain a higher level of service quality. In order to provide a competitive level of service, we also introduced web sale of tourist arrangements. We shall also develop the offer of tourist services tailored to target segments of Mercator's customers and Mercator Pika card holders.

M-Energija

International retailers mostly provide petrol stations on the parking lots of their existing trade centers. Such offer advances the level of convenience for the customers, as they can both shop and replenish the fuel tanks of their cars. From the aspect of a retailer, introduction of petrol stations within the trade centers is important for making larger store formats more attractive; it is, namely, these formats that have seen the hardest challenges as a result of curbed spending in times of economic uncertainty.

MAXEN MAXIMALNA ENERGIJA

In the coming years, the company M - Energija, d.o.o., is planning further revenue growth and improvement of overall performance. Activities will be related to the market program; they will involve improvement of offer at the petrol stations. Also, further steps will be taken to provide excellence of the self-service, to establish trust in the self-service refuelling and electronic payment, and to provide communication support in the areas of petrol stations. In addition to the network of self-service petrol stations that Mercator acquired from the company En Plus, further expansion will be mostly aimed at recognition of locations next to existing Mercator or trade centers.

M Gostinstvo

In Slovenia and internationally, the HoReCa industry has suffered due to a drop of purchasing power, rising unemployment, and rising consumer prices. Lower discretionary income, a result of the harsh economic conditions, means that consumers are less likely to dine out as they are looking to save for the rising prices of food and fuel.

Gostinstvo

In the medium-term period at hand, M Gostinstvo is planning to improve efficiency and performance, closing of unprofitable units and to attain greater synergies with the market program. Processes of pooling purchasing activities and internal sourcing within the company Poslovni sistem Mercator, d.d., will be launched. Standards and norms will be specified in order to guarantee distinctiveness in quality and contents of the service. New attractive products and new marketing activities will be introduced in order to improve recognition of individual units and to find new customers. Moreover, web presence of hospitality services will also be upgraded by descriptions of units and offer.

Wholesale

Wholesale services are offered to all legal entities (enterprises), such as: franchise customers, other wholesalers, hospitality service providers, and small retailers, as well as individual entrepreneurs, and budget users. Sale is conducted both through warehouse operations and through Cash & Carry outlets.

In the future, our activities will be targeted on consolidating Mercator's position of the leading market program (FMCG) wholesaler for final wholesale users. Further growth will be generated by establishing fair business relationships with the customers, especially entrepreneurs and enterprises. We shall carry on our individual approach to customers in wholesale and provide quality supplies to our strategic partners and key accounts.

Social enterprise

The company Mercator IP, d.o.o., is committed to sustainable corporate social responsibility and to respect of moral and ethical values of the employees, both with and without disabilities. Modern social economy does not deny the economic value of employees with disabilities and our company is aware of such value. We are therefore looking for new creative solutions, developing relevant skills, and using various incentives to put their working and creative ability to productive use in an economical way. We are aware that people are one of the decisive factors of our success. Thus, we are paying particular attention to adjusting the workplaces to the employees and thus to providing good working condition, professional growth, and sound work performance. In the future our company will begin performing services for companies in Mercator Group that we can carry out at lower cost than outside contractors. We will seek new market opportunities, and to develop new high-quality products and services.

Grosuplje Bakery

Offer of bread and pastry from the Pekarna Grosuplje (Grosuplje Bakery) is a major competitive advantage for Mercator. A trend of declining sales in the bread category can be seen in the market. Therefore, activities will be targeted at further improvement of efficiency and performance, as well as at development of new trendy products. In our production processes we are maintaining some traditional procedures of bread making. In this way, we are nurturing the heritage and tradition of master bakers.

In order to optimize our operations, we shall focus on the improvement of technological and business processes and our offer. In addition to the focus on the Slovenian market, we shall increase exports of partly pre-baked products to Croatian market. According to the requirements and growth potentials in respective customer segments, we shall provide the offer of products at all price levels. From the aspect of growth, we shall examine the possibility of expanding our production capacity and improve the quality of finishing the partly pre-baked products at the stores.

DEVELOPMENT OF ORGANIZATION AND PROCESS STANDARDIZATION

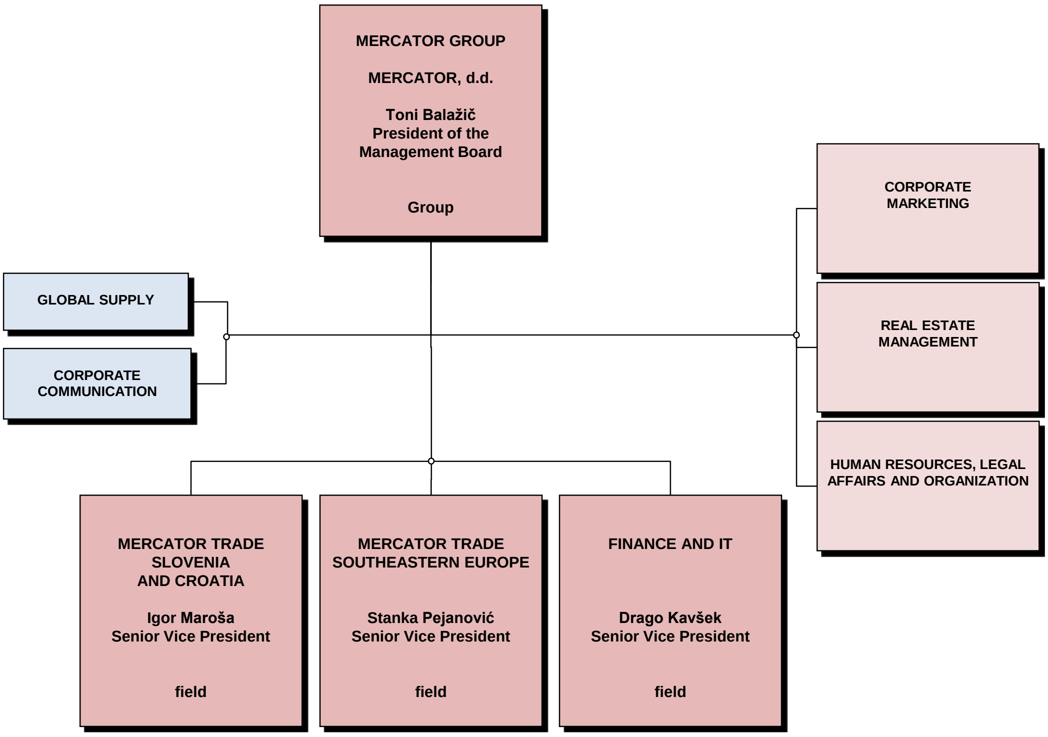
Activities in development of organization and process standardization in the medium-term period will include efforts to make our operations efficient and transparent, to rationalize the existing and to introduce new certified systems geared towards the relevant market requirements, and to implement the planned and new optimization projects.

Mercator Group macro-organizational structure

The Supervisory Board appointed a 4-member Management Board and on June 18, 2012, adopted the Management Board Act of the Poslovni sistem Mercator, d.d., which defines the fields of work, conditions, and powers and authorizations of the Management Board President and members. The number of Management Board members and division of fields of work is consistent with Mercator Group's new macro-organizational structure. Some fields of work of the Management Board President will be managed by assistants of the President of the Management Board for Corporate marketing, Real estate management and HR, legal affairs, and organization.

Due to the synergy effects and rationalization of business operations, the Management Board of Mercator, d.d., will prepare a new macro-organizational structure of the Mercator Group.

Planned Mercator Group macro-organizational structure:



Activities in organization development and process standardization

Organizational management provides efficient and transparent operations. In 2013, organizational changes will require efficient management of organizational structures and systematization of workplaces, as well as standardization of organizational models for the entire Mercator Group. Central management of organizational structures and job catalogue for the Mercator Group, employing information technology, allows the analysis of organization, number of administration and operations employees, and performance of individual Mercator Group companies down to each organizational unit or cost centre. We shall continue to develop the IT system for support to organizational management in such way that the process of data capturing, analysis, and reporting is even more effective. Based on the analyses, we shall continue to conduct preventive or corrective measures, improve and standardize the operating processes.

Operating standards support the dissemination and upgrade of the corporate culture and knowledge at the Mercator Group. In 2013, we shall rationalize the certified management systems, provide up-to-date management of the collection of organizational rules, carry on the training and consulting for users on document creation and management of non-compliance, and thus to actively take part in the establishment and management of all systems of continuous improvements at the Mercator Group. We shall continue to conduct internal controls at the stores and warehouses of Mercator Group trade companies, and to prevent non-compliance of goods and services. We shall provide IT support and the tools required to manage organizational rules, system of non-compliance, recommendations and commendations, corrective and preventive measures, and projects.

Operations optimization projects allow including, in a timely manner, the contemporary knowledge, best internal and external practice, and innovative proposals into the operations of a particular company of the Mercator Group in order to make operations standardized and cost-efficient.

In the medium-term period, the key goals of business optimization/operations optimization are to simplify, cut the cost of, and harmonize the operations in a way that will provide permanent effects, transparent operations, and the ability to quickly adjust to changes in the markets of our operations. We shall simplify the processes and lower the operating expenses by standardizing, revising, and providing IT support to key processes. In 2013, we shall introduce the revised and IT-supported private label life cycle management process, and revise and provide IT support to the process of sales promotion activities. Logistics processes at the stores will be standardized and supported with relevant IT. We shall maximize the synergies in the markets of Slovenia and Croatia in both core and support activities. In our core activity, the focus will be on maintaining local characteristics; in support activities, it will be on maximizing savings.

In 2012 and 2013, we shall prepare and implement over 50 short-term measures to cut the costs of purchasing and use of non-trade goods and services.

FINANCIAL MANAGEMENT

In the period 2013 – 2016, Mercator Group will finance its operations by combining retained earnings, long-term and short-term bank loans, commercial papers, and financial and operating lease; this will provide effective financing activities with adequate level of financial stability. One of the objectives is to improve the maturity structure of financing and to provide an appropriate liquidity cushion so that Mercator Group will always meet its obligations when they fall due. At the same time, one of the key objectives is reducing the net financial debt of the Mercator Group to the level, where the business operation will be stable despite the uncertain economic situation.

Following are the objectives of Mercator Group financing activities in the period 2013 – 2016:

- Reducing Mercator Group's debt relative to the cash flow generated by operating activities

Year	2011	Estimate 2012	Plan 2013	Plan 2014	Plan 2015	Plan 2016
Net financial debt (in EUR mn)	***1,091***	***792***	***707***	***650***	***605***	***557***
Net financial debt / EBITDA	***6.4***	***5.4***	***5.7***	***4.7***	***3.5***	***2.7***

At the end of 2012, planned net debt will be importantly decreased relative to the year before by the planned monetization and as a result, the ratio between net debt and EBITDA (gross cash flow from operating activities) will also be reduced.

- Improvement of the maturity structure of financial liability

In the period 2013-2016, Mercator Group is planning to improve the maturity structure of financial liabilities relative to 2011 (the share of long-term financial liabilities will amount to 70%)

- Diversification of financing sources and increased role of alternative sources of investment financing
    - monetization of selected existing real estate is planned;
    - we shall continue to obtain new business facilities through long-term operating lease as an alternative source of financing our retail network development;
    - after the stabilization of volatility on the international financial markets, we shall look at alternative sources of funding (bonds etc.).

- Improvement of working capital management at the Mercator Group

We are planning to improve working capital management, by optimizing logistics and conclude financing agreement for the Pika card holders with banks, and by other activities. This will have a positive impact on the amount of short-term debt.

Year	Estimate 2012	Plan 2013	Plan 2014	Plan 2015	Plan 2016
Inventory to total revenue	10.2%	9.2%	8.4%	7.7%	7.1%
Receivables to total revenue	8.5%	7.8%	6.8%	6.6%	6.4%
Payables to total revenue	21.7%	22.2%	21.1%	20.9%	20.7%
Decrease in assets included in working capital (in EUR mn)	-107.6	-22.3	-24.9	-36.3	-33.9

- Finding internal reserves and providing adequate liquidity during harsh economic conditions
  - proactive and efficient management of liquid assets;
  - proactive and efficient management of financial risks.

According to macroeconomic forecasts, anticipated euro zone inflation, changes in oil prices, current level of swap interest rates, and decrease in EURIBOR seen in the second half of 2012, it is our estimate that the average level of 6m EURIBOR in 2013 will amount to approximately 0.6%. At Mercator, we expect that the improvement in economic conditions and increased inflation rate in euro zone will keep the average annual 6m EURIBOR in the period 2013-2015 between 0.4% and 2.0%.

PROJECTED MERCATOR GROUP FINANCIAL STATEMENTS IN THE PERIOD 2013-2016

MERCATOR GROUP COMPOSITION

Plan 2013 - 2016	
MERCATOR OPERATIONS SLOVENIA AND CROATIA	
Poslovni sistem Mercator, d.d., Slovenia	
Mercator IP, d.o.o., Slovenia (100.0%)	M - Tehnika, d.d., Slovenia (100.0%)
M.COM, d.o.o., Slovenia (100.0%)	Mercator - Optima, d.o.o., Slovenia (100.0%)
M - Energija, d.o.o., Slovenia (100.0%)	Mercator - H, d.o.o., Croatia (99.9%)
Mercator - Emba, d.d., Slovenia (100.0%)	· Mercator centar tehnike d.o.o. za trgovinu i usluge, Croatia (100.0%)
Intersport ISI, d.o.o., Slovenia (100.0%)	· Intersport H, d.o.o., Croatia (100.0%)
Modiana, d.o.o., Slovenia (100.0%)	· Modiana, d.o.o., Croatia (100.0%)
MERCATOR OPERATIONS SOUTHEASTERN EUROPE	
Mercator - S, d.o.o., Serbia (100.0%)	Mercator - BH, d.o.o., Bosnia and Herzegovina (100.0%)
· Intersport S-ISI, d.o.o., Serbia (100.0%)	· Intersport BH, d.o.o., Bosnia and Herzegovina (100.0%)
· Modiana, d.o.o., Serbia (100.0%)	· Modiana, d.o.o., Bosnia and Herzegovina (100.0%)
M - BL, d.o.o., Bosnia and Herzegovina (100.0%)	Mercator - CG, d.o.o., Montenegro (100.0%)
MERCATOR REAL ESTATE	
Investment Internacional, d.o.o.e.l., Macedonia (100.0%)	Argentum - E, d.o.o., Slovenia (100.0%)
M - nepremičnine, d.o.o., Slovenia (100.0%)	Argentum - F, d.o.o., Slovenia (100.0%)
Argentum - A, d.o.o., Slovenia (100.0%)	Argentum - G, d.o.o., Slovenia (100.0%)
Argentum - B, d.o.o., Slovenia (100.0%)	Argentum - H, d.o.o., Slovenia (100.0%)
Argentum - C, d.o.o., Slovenia (100.0%)	Argentum - I, d.o.o., Slovenia (100.0%)
Argentum - D, d.o.o., Slovenia (100.0%)	

Changes in the composition of the Mercator Group

In the following years, Mercator Group companies will be consolidated with a view of a uniform approach and efficient management of all activities in a given markets.

In the medium-term period, we are planning to focus on the strategically relevant markets and to gradually withdraw from the markets of Albania and Bulgaria which are of lesser strategic relevance.

PROJECTED MERCATOR GROUP FINANCIAL STATEMENTS WITH NOTES

Condensed consolidated statement of financial position

in EUR 000	Estimate 2012*	Plan 2013	Plan 2014	Plan 2015	Plan 2016
ASSETS					
Non-current assets					
Property, plant and equipment and intangible assets	1,724,439	1,663,770	1,649,083	1,666,610	1,699,678
Loans and deposit, other receivables	77,395	69,814	65,806	61,577	57,258
	1,801,834	**1,733,584**	**1,714,889**	**1,728,188**	**1,756,937**
Current assets					
Inventories	277,510	257,144	248,658	237,375	232,433
Trade and other receivables	252,162	205,127	207,298	211,225	216,412
Cash and cash equivalents, loans and deposit	24,215	26,992	27,585	29,027	29,919
	553,887	**489,263**	**483,541**	**477,627**	**478,765**
Total assets	**2,355,720**	**2,222,847**	**2,198,431**	**2,205,814**	**2,235,701**
EQUITY	**732,443**	**732,752**	**750,611**	**775,702**	**822,504**
LIABILITIES					
Non-current liabilities					
Trade and other payables, deffered tax liabilities	40,119	39,517	39,684	39,938	40,314
Financial liabilities	615,309	553,147	509,939	476,800	440,577
Provisions	30,319	29,830	29,813	29,927	29,849
	685,747	**622,494**	**579,436**	**546,665**	**510,739**
Current liabilities					
Trade and other payables, current tax liabilities	668,452	625,071	643,811	673,193	707,885
Financial liabilities	263,704	237,063	219,014	204,600	188,819
Derivative financial liabilities	5,375	5,466	5,559	5,654	5,755
	937,531	**867,600**	**868,385**	**883,447**	**902,458**
Total liabilities	**1,623,278**	**1,490,095**	**1,447,820**	**1,430,112**	**1,413,197**
Total equity and liabilities	**2,355,720**	**2,222,847**	**2,198,431**	**2,205,814**	**2,235,701**

* Estimate for 2012 is based on Mercator Group regular operations and it does not include revaluation adjustments, write-downs or write-offs of assets, which could potentially prove necessary for 2012. The estimate also does not include the results of the currently ongoing real property appraisal.

Condensed consolidated income statement

in EUR 000	Estimate 2012*	Plan 2013	Plan 2014	Plan 2015	Plan 2016
Revenue	2,881,333	2,900,231	2,997,136	3,139,905	3,310,673
Cost of sales	(2,752,481)	(2,774,675)	(2,862,390)	(2,973,559)	(3,111,630)
Gross profit	**128,852**	**125,556**	**134,745**	**166,346**	**199,043**
Administrative expenses	(101,857)	(89,263)	(80,242)	(79,382)	(78,620)
Other income	35,285	11,644	10,774	11,206	11,733
Profit from operating activities	**62,280**	**47,937**	**65,278**	**98,170**	**132,156**
Net finance expenses	**(69,085)**	**(41,324)**	**(40,704)**	**(38,421)**	**(37,396)**
Profit before income tax	**(6,805)**	**6,613**	**24,574**	**59,749**	**94,759**
Tax	(5,716)	(3,587)	(7,642)	(12,519)	(17,781)
Result for the financial period	**(12,521)**	**3,025**	**16,932**	**47,230**	**76,979**
EBITDA	**144,078**	**123,238**	**138,692**	**170,471**	**205,356**
EBITDAR	**201,975**	**199,730**	**218,499**	**254,333**	**296,467**

Expenses

in EUR 000	Estimate 2012*	Plan 2013	Plan 2014	Plan 2015	Plan 2016
Cost of material	77,707	78,829	81,946	86,283	91,227
Cost of service	227,215	231,257	237,570	246,950	258,334
Amortization and depreciation	81,798	75,301	73,414	72,301	73,200
Cost of provisions	675	69	70	72	74
Labour costs	294,659	286,426	289,309	294,690	299,516
Other expenses	14,450	14,122	14,175	14,619	15,044
TOTAL COSTS	**696,504**	**686,005**	**696,485**	**714,915**	**737,395**

* Estimate for 2012 is based on Mercator Group regular operations and it does not include revaluation adjustments, write-downs or write-offs of assets, which could potentially prove necessary for 2012. The estimate also does not include the results of the currently ongoing real property appraisal.

Financial indicators

	Estimate 2012*	Plan 2013	Plan 2014	Plan 2015	Plan 2016
INDICATORS OF PROFITABILITY					
Return on equity	-1.7%	0.4%	2.3%	6.4%	10.1%
Return on sales	-0.4%	0.1%	0.6%	1.5%	2.3%
Return on assets	-0.5%	0.1%	0.8%	2.1%	3.4%
Gross profit margin	4.5%	4.3%	4.5%	5.3%	6.0%
INDICATORS OF FINANCIAL STRUCTURE					
Financial liabilities / equity	1.2	1.1	1.0	0.9	0.8
Net financial debt / equity	1.1	1.0	0.9	0.8	0.7
Equity and provisions to total equity and liabilities	32.4%	34.3%	35.5%	36.5%	38.1%
Financial liabilities to total equity and liabilities	37.3%	35.5%	33.2%	30.9%	28.2%
Trade and other payables to total equity and liabilities	31.6%	31.5%	32.7%	33.9%	35.1%
Net financial debt / EBITDA	5.5	5.7	4.7	3.5	2.7
INDICATORS OF PRODUCTIVITY					
Revenue per employee (in EUR 000)	126.0	129.4	133.8	138.4	144.0
Revenue / labour costs	9.8	10.1	10.4	10.7	11.1
Labour costs / revenue	10.2%	9.9%	9.7%	9.4%	9.0%
Labour costs to total value added	67.2%	69.9%	67.6%	63.4%	59.3%
Value added per employee (in EUR 000)	19.2	18.3	19.1	20.5	22.0
INDICATORS OF ASSETS PRODUCTIVITY AND ABILITY TO GENERATE CASH FLOWS					
EBIT / revenue	2.2%	1.7%	2.2%	3.1%	4.0%
EBITDA / revenue	5.0%	4.2%	4.6%	5.4%	6.2%
EBITDAR / revenue	7.0%	6.9%	7.3%	8.1%	9.0%
EBITDA / invested capital at the beginning of the year	7.8%	8.1%	9.6%	12.2%	14.9%

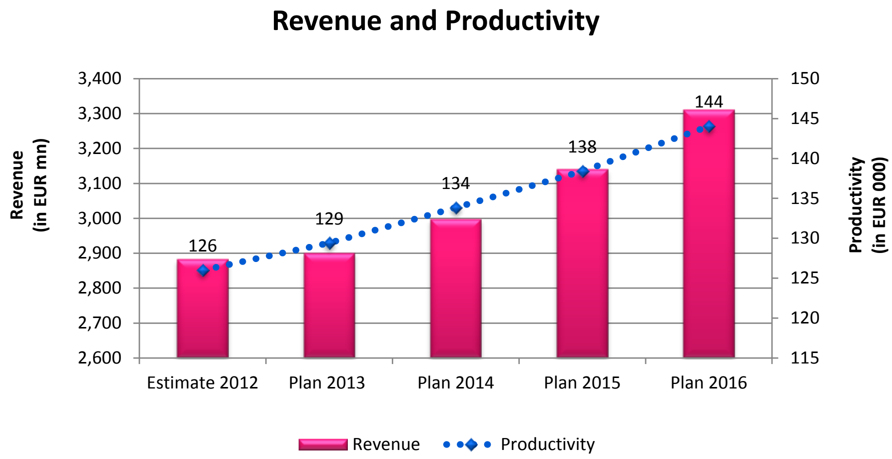
* Estimate for 2012 is based on Mercator Group regular operations and it does not include revaluation adjustments, write-downs or write-offs of assets, which could potentially prove necessary for 2012. The estimate also does not include the results of the currently ongoing real property appraisal.

Notes to projected consolidated income statement

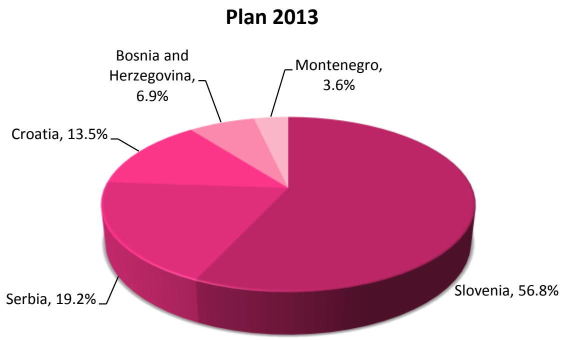
Revenue

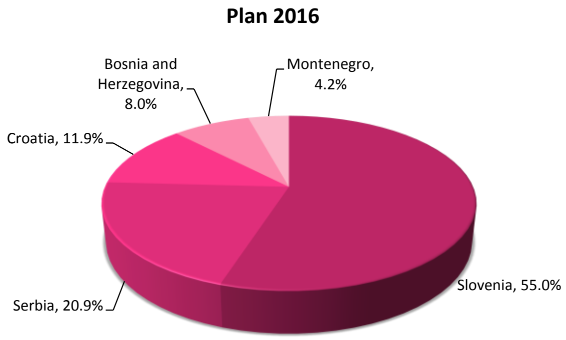
Average annual increase in Mercator Group revenue in the medium-term period from 2012 to 2016 will amount to 3.5%. Growth will be lower in the first years, but it will pick up after 2014, which is consistent with the expected changes in macroeconomic indicators in the markets of Mercator Group operations, and planned investment and divestment.

Revenue in 2016 is thus planned at EUR 3,310.7 million.



The most substantial revenue increase of 6.0 percent annually will be seen in our international markets while the annual growth rate for Slovenia is lower at 3.4 percent.



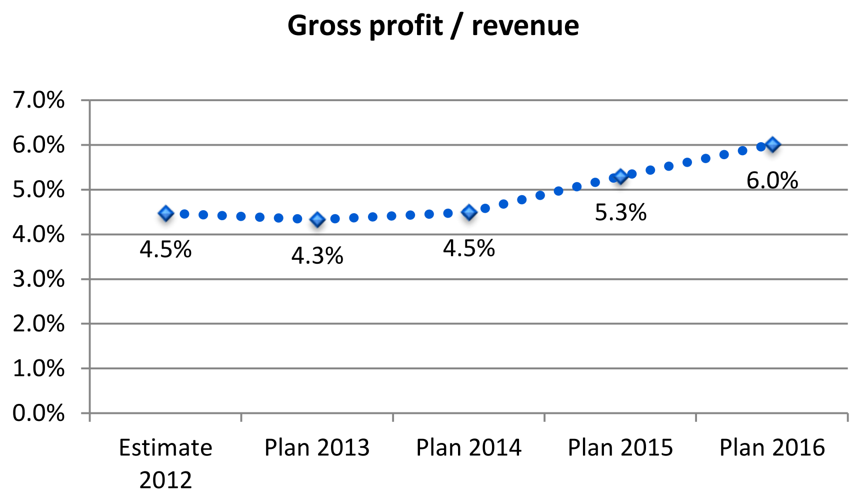


Cost of sales and gross profit

Cost of sales in the period 2013 – 2016 will grow at an average rate of 3.9 percent annually, which is a lower growth rate than that of revenue. Lower growth will be attained by cost rationalization of operations, the positive effects of which will be partly visible in 2013 and even more intensively from 2014.

Gross profit is planned at EUR 125.6 million for 2013 and the share of gross profit in revenue is planned at 4.3%. Decrease of gross profit in 2013 will be the result of higher rental expenses, a consequence of real property monetization, as well as other non-recurring effects of rationalization projects.

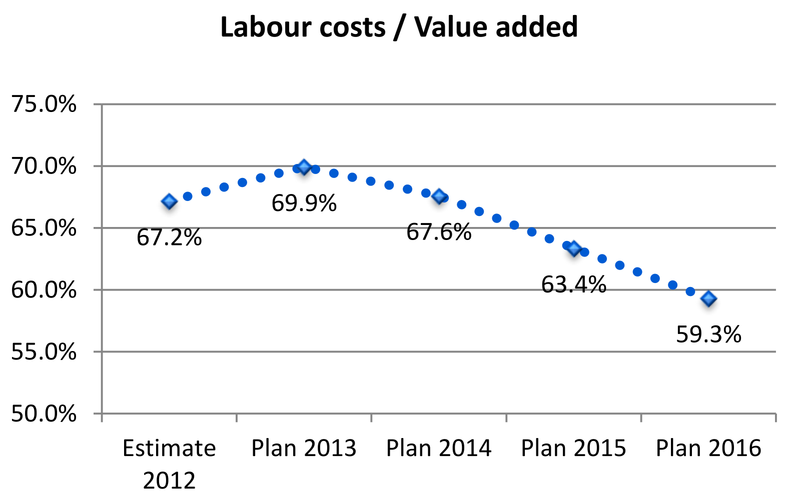
In the years 2014 – 2016, growth of gross profit is planned at 21.5 percent, mostly due to positive effects of cost rationalization, increase in revenue and improvement of purchasing terms and conditions.



Administrative expenses

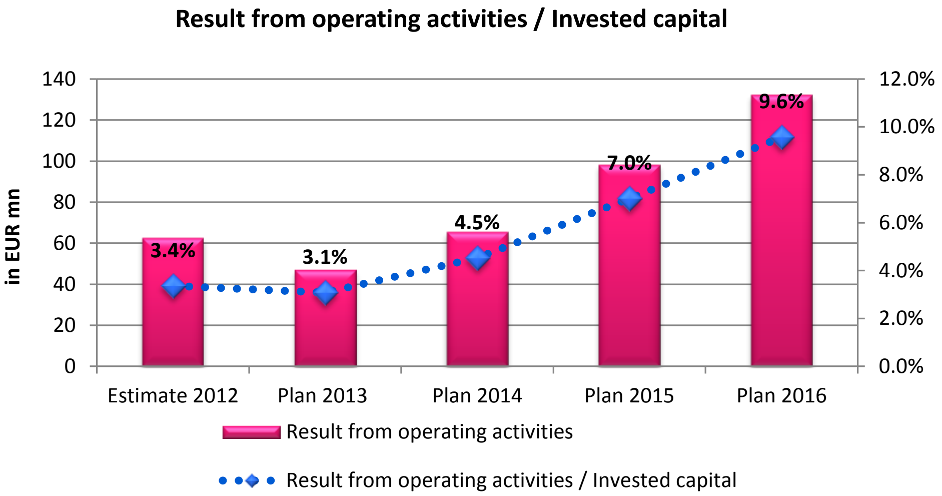
Planned cost rationalization for the period 2013 – 2016 also involves decrease of administrative expenses. Estimated administrative expenses for 2013 amount to EUR 89.3 million per year. By the year 2016 when they will amount to EUR 78.6 million, they will be cut by an average of 4.1 percent per year.

Estimated share of administrative expenses in revenue for 2012 is 3.5%. This share is planned to drop throughout the medium-term period. In 2016, it will amount to 2.4%.



Results from operating activities

In 2013, Mercator Group result from operating activities is planned at EUR 47.9 million. Leading to the drop in the operating result are the effects of monetization process, which include higher rental expenses on the one hand, but also lower amortization and depreciation, lower interest expenses, and debt on the other. Results from operating activities is planned at EUR 132.2 million in 2016.



Finance income and expenses

Planned net finance expenses amount to EUR 41.3 million in 2013. They mostly pertain to finance expenses for interest and planned expenses from currency translation differences which are a result of volatility of exchange rates of foreign currencies. Relative to the 2012 estimate, net finance expenses will drop by 40.2 percent, especially due to lower interest expenses as the Mercator Group debt is slashed with the monetization project.

In the period 2013 – 2016, net financial expenses are planned to drop by 3.3 percent, which is a result of the decrease in the Group's net debt. Debt will be reduced by improvements in operations, lower investment activities, and intensive divestment of non-core assets and activities that are no longer recognized as Mercator's priorities. Net financial expenses in 2016 are planned at EUR 37.4 million.

Profit before income tax

In 2013, Mercator Group is planning to improve its profitability. Profit before income tax will amount to EUR 6.6 million; at the same time, we are planning our profitability to improve drastically as a result of all measures that will be conducted. Hence, Mercator Group's profit before income tax for 2016 is planned at nearly EUR 95 million.

Profit for the period

Profit for 2013 is planned at EUR 3 million. In 2016, the Group is planning profit of EUR 77 million.

EBITDA and EBITDAR

EBITDA for 2013 is planned at EUR 123.2 million. According to the 2012 estimate, EBITDA will drop by 14.5 percent as a result of the monetization of real property planned for December 2012.

In the medium-term period 2013 – 2016, average annual EBITDA growth is planned at 9.3 percent, which represents EUR 205.4 million of EBITDA in 2016. Average annual growth of EBITDAR in the period at hand is planned at 10.1 percent, which represents EUR 296.5 million in 2016. Planned growth is mostly the result of rationalization of operations and business functions, and the cost efficiency measures.

Notes to projected consolidated statement of financial position

Property, plant, and equipment, and intangible assets

Planned value of property, plant, and equipment, investment property, and intangible assets as at December 31, 2013 amounts to EUR 1,663.8 million, which is EUR 60.7 million less than estimated for December 31, 2012. Additional decrease in value is planned for the end of 2014, which is consistent with the dynamics of investment, divestment, and amortization and depreciation. Planned value of real property does not include the effects of property appraisal which shall be conducted in the last quarter of 2012.

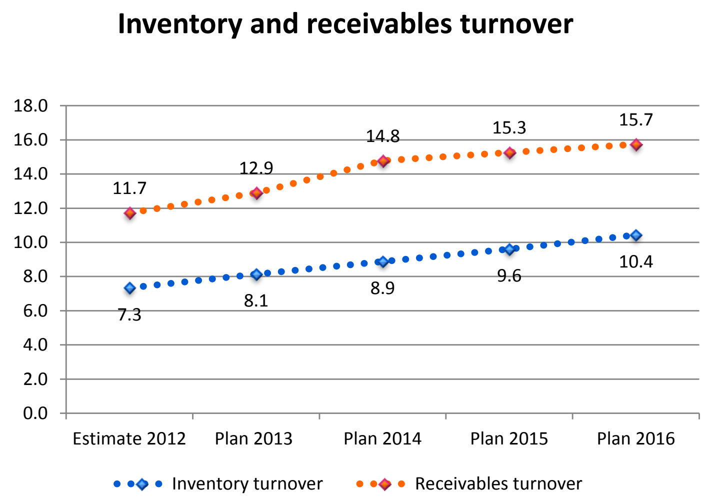
Inventories

Inventories at the end of 2013 are planned at EUR 257.1 million, representing 52.6% of current assets. Inventories are projected at EUR 232.4 million as at December 31, 2016, accounting for 48.5 percent of total current assets.

Efficient working capital management is an important approach to improvement of operations and performance as it will allow us to release additional funds tied up in working capital, and use them to decrease our short-term debt.

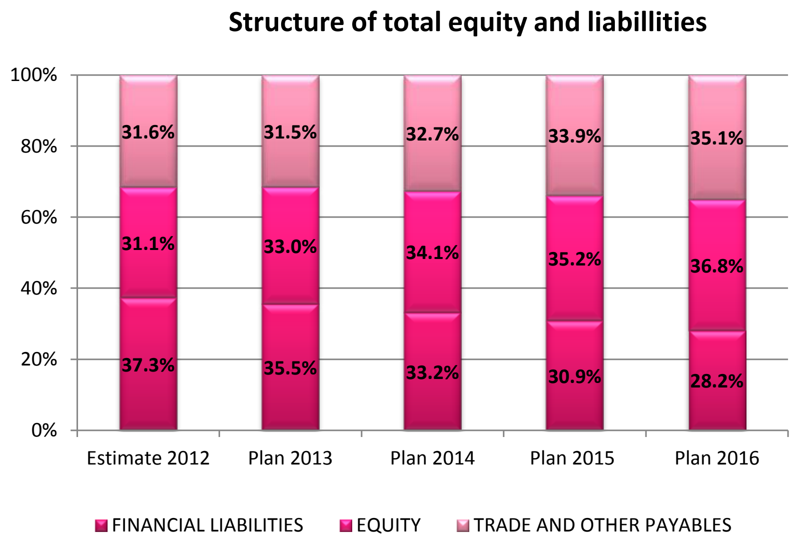
Trade and other receivables

Trade and other receivables as at December 31, 2013 are planned at EUR 205.1 million, or 18.7 percent less than estimated for December 31, 2012. Decrease in trade and other receivables will be the result of more efficient working capital management and involvement of a banking group in the financing of the Pika card receivables. In the coming years, the value of receivables is planned consistently with the increased volume of operations; the value of receivables as at December 31, 2016 is planned at EUR 216.4 million.



Equity

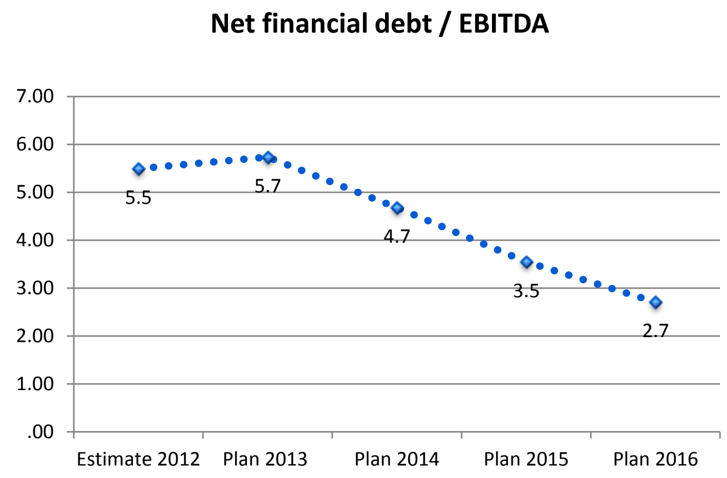
In the period 2013 – 2016, the value of equity is planned based on the net income generated and planned translation differences.



Financial liabilities

As at December 31, 2013, financial liabilities are planned at EUR 790.2 million, which is 10.1 percent less than the estimate for the end of 2012. As at the end of 2013, long-term financial liabilities will represent 70.0% of total financial liabilities, with short-term liabilities accounting for the remaining 30.0% (estimated ratio will remain the same as estimated for December 31, 2012).

In the period 2013 – 2016, the value of financial liabilities is planned consistently with anticipated requirements and financial covenants agreed upon with our creditor banks. Throughout the medium-term period, decreasing our financial liabilities is planned as the Group intends to use the proceeds from real estate monetized by the end of 2012 for reduction of debt.



Trade and other payables

As at December 31, 2013, trade and other payables are planned at EUR 664.6 million, which is 6.2 percent less than the estimate for the end of 2012. In the period 2013 – 2016, the value of trade payables is planned according to the anticipated increase in operating volume and working capital management policy. As at December 31, 2016, trade and other payables are planned at EUR 748.2 million.