

SUMMARY OF LUKA KOPER, D.D. AND LUKA KOPER GROUP BUSINESS PLAN FOR 2017 AND PERFORMANCE ESTIMATE FOR 2016

At its ordinary session held on 16 December 2016, the supervisory board of the company Luka Koper, d.d. was acquainted with the Business Plan of the company Luka Koper, d.d. and the Luka Koper Group for 2017 as well as with the Estimate of business performance for 2016, and granted its approval with regard to the Business Plan.

ESTIMATE OF BUSINESS PERFORMANCE IN 2016

MARITIME THROUGHPUT

On 12 December 2016, Luka Koper marked a new milestone in the company's history by registering a record throughput of containers and vehicles. Namely, the company transhipped the 800 thousandth container and 700 thousandth vehicle, whereas the crowning achievement was represented by the arrival to the port of Koper of the largest container ship so far. By the end of 2016, the Company anticipates a record volume of general cargoes throughput as well.

By the end of 2016, the maritime throughput is expected to reach 22 million tonnes which is by 6 percent above the level of maritime throughput registered in 2015 and by 3 percent above the maritime throughput volume planned for 2016. The containers throughput for 2016 is estimated at 844 thousand TEU whereas the vehicles throughput is expected to reach the level of 739.5 thousand vehicles.

ESTIMATE OF BUSINESS PERFORMANCE OF THE COMPANY LUKA KOPER, D. D. IN 2016

By considering the successful performance in the first three quarters of 2016 and by taking into consideration the anticipated performance in the last quarter of 2016, the company Luka Koper, d. d. estimates that net sales revenue will amount to 189.2 million euros in 2016, which is by 9 percent above the level of net sales revenue registered in 2015 and 3 percent above the figure of net sales revenue planned for 2016. In 2016, the net sales revenue generated from the commercial activity will exceed the planned level by 6 percent whereas the revenue generated from the economic public service of maintenance of the port infrastructure intended for the public transport will lag behind the planned level by 36 percent and will consequently influence the total exceeding of the revenues planned for 2016 by 3 percent. In 2016, net sales revenue of the company Luka Koper, d. d. will represent 95 percent of all generated net sales revenue of the Luka Koper Group.

In 2016, earnings before interest and tax (EBIT) will amount to 45 million euros which is by 16 percent above the EBIT level registered in 2015 and by 6 percent above the figure planned for 2016. Earnings before interest, tax, depreciation and amortisation (EBITDA) will total 70.5 million euros in 2016, thus exceeding the EBITDA level achieved in 2015 by 8 percent and the EBITDA planned for

2016 by 4 percent. In 2016, net profit will total 39.5 million euros, which is by 37 percent above the net profit figure achieved in 2015 and by 13 percent above the net profit level planned for 2016.

ESTIMATE OF BUSINESS PERFORMANCE OF THE LUKA KOPER GROUP IN 2016

The Luka Koper Group is expected to conclude the business year 2016 with 199.5 million euros of net sales revenue which is by 8 percent above the net sales revenue level achieved in 2015 and by 2 percent above the net sales revenue figure planned for 2016. In 2016, net sales revenue generated from the commercial activity will exceed the planned level by 5 percent whereas the revenue generated from the economic public service of maintenance of the port infrastructure intended for the public transport will lag behind the plan by 36 percent which will consequently influence the total exceeding of revenues planned for 2016 by 2 percent.

In 2016, earnings before interest and tax (EBIT) will total 49.3 million euros which is by 16 percent above the EBIT figure registered in 2015 and by 8 percent above the EBIT level planned for 2016. Earnings before interest, tax, depreciation and amortisation (EBITDA) will amount to 75.8 million euros in 2016, which is by 8 percent above the EBITDA figure registered in 2015 and by 5 percent above the EBITDA level planned for 2016. In 2016, net profit will total 43.4 million euros which is by 34 percent above the net profit level registered in 2015 and by 15 percent above the figure planned for 2016.

BUSINESS PLAN FOR 2017

The successful performance in the business year 2016 and the adopted business plan for 2017 will lead to the successful implementation of the business strategy of the Luka Koper Group by the year 2020, as adopted in August 2015. An indicator of this is especially the growing throughput in both strategic commercial groups, namely containers and vehicles. Nevertheless, the meeting of the set business plan in the future will again strongly depend on the implementation of the planned investments to be made in the port infrastructure. The biggest challenge with this regard is represented by the timely obtaining of all approvals and permits required for the implementation of the planned investments and additional spatial capacities which influences the limitations in the growth in turnover, causes higher operational costs and lower efficiency of business processes.

MARITIME THROUGHPUT

In 2017, the maritime throughput is planned on the level of 22.8 million tonnes which represents a 4 percent increase compared to the estimated maritime throughput in 2016.

BUSINESS PLAN OF THE COMPANY LUKA KOPER, D. D. FOR 2017

The growth in throughput in 2017 will also trigger the increase in net sales revenue. Namely, net sales revenue will total 209.6 million euros in 2017, which is by 11 percent above the net sales revenue estimated for 2016. The increase in net sales revenue is expected in all groups of goods. In 2017, net sales revenue from commercial activities will amount to 194.8 million euros and will exceed the net sales revenues of 2016 by 8 percent. Revenues generated from the economic public service of maintenance of the port infrastructure intended for the public transport, generated in 2017, will amount 14.8 million euros and will exceed those from 2016 by 76 percent due to anticipated larger volume of maintenance which will consequently influence the total exceeding of net sales revenue registered in 2016 by 11 percent.

Net profit planned for 2017 amounts to 46.5 million euros, which is by 18 percent above the net profit estimated for 2016. The cost of investments in 2017 is planned in the amount of 57.3 million euros. The most important investments will be made in the upgrade of the container terminal with the extension of the south part of the first pier, in the construction of the new RO-RO berths in the third basin and in the construction of a multi-purpose warehouse on the second pier.

BUSINESS PLAN OF THE LUKA KOPER GROUP FOR 2017

In 2017, net sales revenue will total 215.4 million euros, which is by 8 percent above the estimated net sales revenue to be registered in 2016. A 97 percent of all net sales revenue of the Luka Koper Group planned for 2017 will be generated by the company Luka Koper, d.d. due to its increased net sales revenue in all groups of goods. Net sales revenue generated from commercial activities in 2017 will exceed the figure achieved in 2016 by 5 percent whereas the revenue generated from the economic public service of maintenance of the port infrastructure intended for the public transport generated in 2017 will exceed the level generated in 2016 by 76 percent, which will consequently influence the total exceeding of the net sales revenue registered in 2016 by 8 percent.

Net profit planned for the year 2017 totals 47.5 million euros, which is by 9 percent above the net profit estimated for 2016. Costs of investments planned for 2017 amount to 58.1 million euros. A 99 percent of investments planned for 2017 will be performed by the company Luka Koper, d.d.

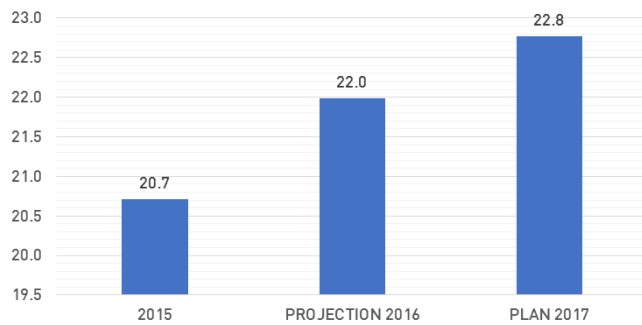
BUSINESS HIGHLIGHTS OF LUKA KOPER, D.D. AND LUKA KOPER GROUP IN 2017

22,767,168 TON

MARITIME THROUGHPUT

PLAN 2017/PROJECTION 2016 **+4 %**

Maritime throughput (in million tonnes)



209,570,765 EUR

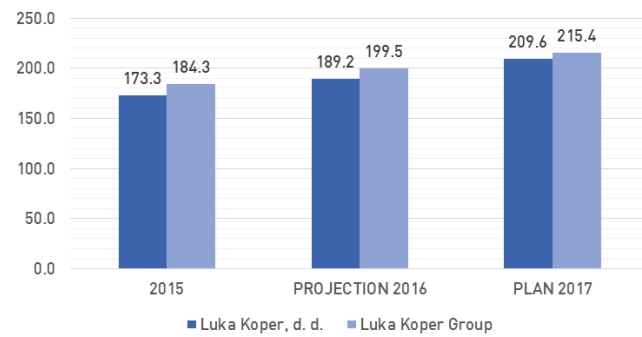
LUKA KOPER, D. D.

NET SALES REVENUES

2017/PROJECTION 2016 **+11 %**

PLAN

Net sales revenues (in million euros)



215,383,022 EUR

LUKA KOPER GROUP

NET SALES REVENUES

2017/PROJECTION 2016 **+8 %**

PLAN

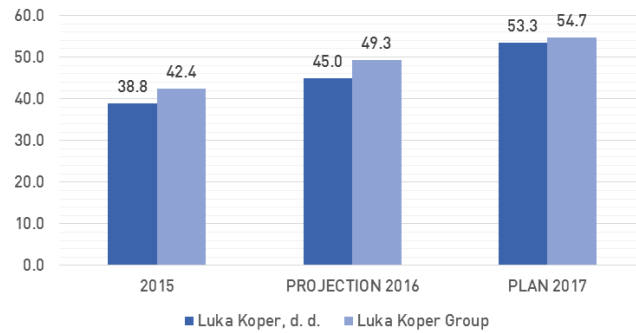
53,348,775 EUR

LUKA KOPER, D. D.

OPERATING RESULT (EBIT)

PLAN 2017/PROJECTION 2016 **+19 %**

Operating result (EBIT) (in million euros)



54,652,350 EUR

LUKA KOPER GROUP

OPERATING RESULT (EBIT)

2017/PROJECTION 2016 **+11%**

PLAN

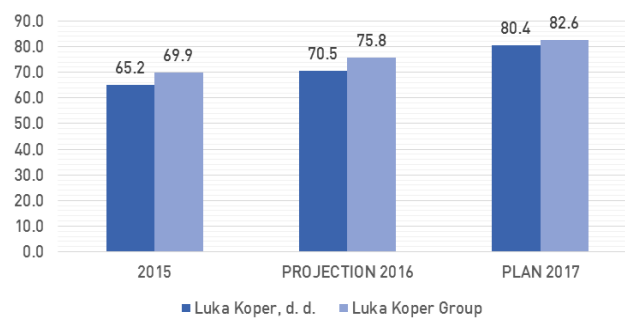
80,391,487 EUR

LUKA KOPER, D. D.

OPERATING EARNINGS BEFORE
AMORTIZATION (EBITDA)

PLAN 2017/PROJECTION 2016 **+14 %**

Operating earning before amortization (EBITDA) (in million euros)



82,590,452 EUR

LUKA KOPER GROUP

OPERATING EARNINGS BEFORE
AMORTIZATION (EBITDA)

PLAN 2017/PROJECTION 2016 **+9%**

46,521,694 EUR

LUKA KOPER, D. D.

NET OPERATING PROFIT

PLAN 2017/PROJECTION 2016 **+18 %**

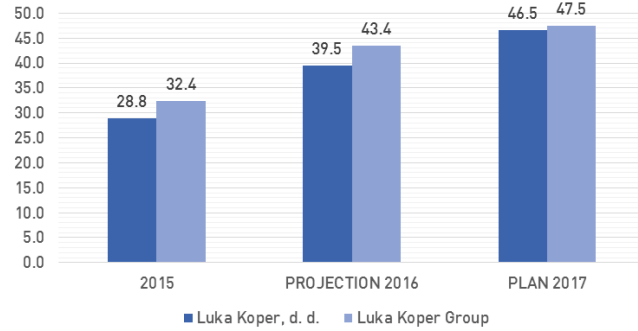
47,463,951 EUR

LUKA KOPER GROUP

NET OPERATING PROFIT

PLAN 2017/PROJECTION 2016 **+9 %**

Net operating profit (in million euros)



57,288,481 EUR

LUKA KOPER, D. D.

INVESTMENTS

PLAN 2017/PROJECTION 2016 **+3 %**

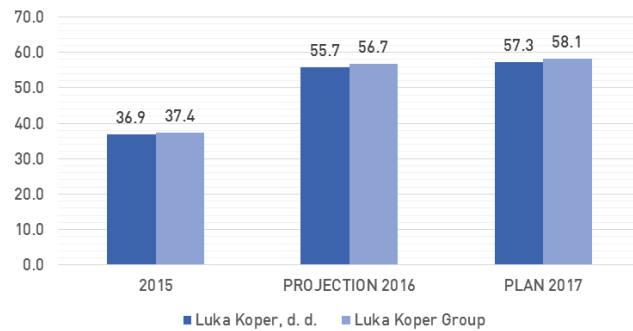
58,096,302 EUR

LUKA KOPER GROUP

INVESTMENTS

PLAN 2017/PROJECTION 2016 **+2 %**

Investment (in million euros)



137,377,452 EUR

LUKA KOPER, D. D.
FINANCIAL LIABILITIES

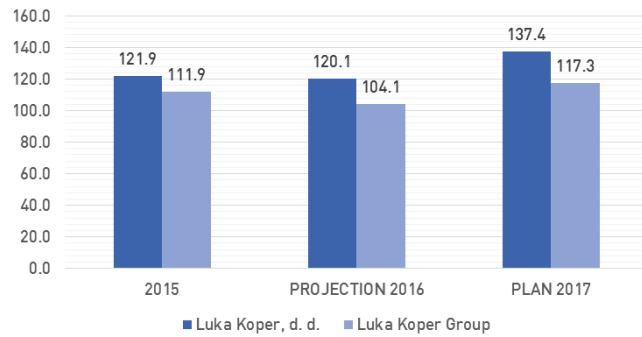
PLAN 2017/PROJECTION 2016 **+14 %**

117,347,122 EUR

LUKA KOPER GROUP
FINANCIAL LIABILITIES

PLAN 2017/PROJECTION 2016 **+13 %**

Financial liabilities (in million euros)



1.7

LUKA KOPER, D. D.
NET FINANCIAL DEBT / EBITDA

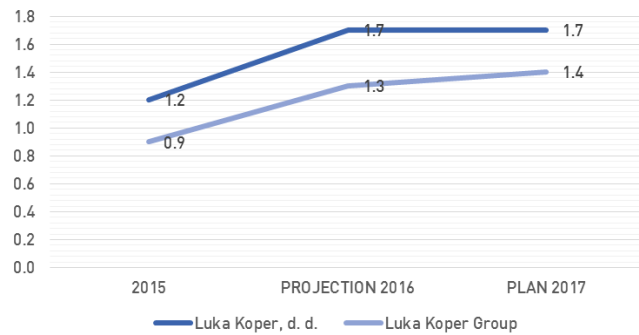
PLAN 2017/PROJECTION 2016 **-2%**

1.4

LUKA KOPER GROUP
NET FINANCIAL DEBT / EBITDA

PLAN 2017/PROJECTION 2016 **+5 %**

Net financial debt / EBITDA



14.4 %

LUKA KOPER, D. D.

NET RETURN ON EQUITY (ROE)

PLAN 2017/PROJECTION 2016 **+8%**

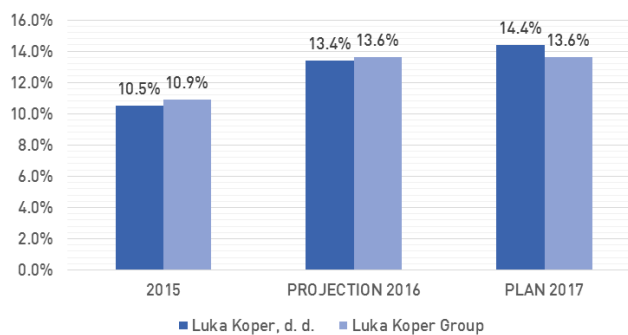
13.6 %

LUKA KOPER GROUP

NET RETURN ON EQUITY (ROE)

PLAN 2017/PROJECTION 2016 **+0%**

Net return on equity (ROE)



KEY BUSINESS INDICATORS OF LUKA KOPER, D.D. AND LUKA KOPER GROUP FOR 2017

(in EUR)	Luka Koper, d. d.			Luka Koper Group		
Income statement	PROJECTION 2016	PLAN 2017	Index Plan 2017 / Proj. 2016	PROJECTION 2016	PLAN 2017	Indeks Plan 2017 / Proj. 2016
Net sales revenues	189,179,556	209,570,765	111	199,512,422	215,383,022	108
Operating result (EBIT)	44,965,133	53,348,775	119	49,251,537	54,652,350	111
Operating earning before amortisation (EBITDA)	70,535,673	80,391,487	114	75,789,841	82,590,452	109
Net operating profit	39,452,835	46,521,694	118	43,384,228	47,463,951	109

Statement of financial position	PROJECTION 31.12.2016	PLAN 31.12.2017	Index Plan 2017 / Proj. 2016	PROJECTION 31.12.2016	PLAN 31.12.2017	Indeks Plan 2017 / Proj. 2016
Assets	472,941,918	511,606,743	108	488,580,723	523,094,478	107
Equity	305,405,371	338,776,121	111	332,725,636	367,038,642	110
Financial liabilities	120,139,184	137,377,452	114	104,108,604	117,347,122	113

Indicators (in %)	PROJECTION 2016	PLAN 2017	Index Plan 2017 / Proj. 2016	PROJECTION 2016	PLAN 2017	Indeks Plan 2017 / Proj. 2016
Return on sales (ROS)	23.8%	25.5%	107	24.7%	25.4%	103
Net return on equity (ROE)	13.4%	14.4%	108	13.6%	13.6%	100
Net return on assets (ROA)	8.6%	9.5%	110	9.1%	9.4%	103
EBITDA margin	37.3%	38.4%	103	38.0%	38.3%	101
Financial liabilities /equity	39.3%	40.6%	103	31.3%	32.0%	102
Net financial debt/EBITDA	1.7	1.7	98	1.3	1.4	105

Statement of cash flows	PROJECTION 2016	PLAN 2017	Index Plan 2017 / Proj. 2016	PROJECTION 2016	PLAN 2017	Indeks Plan 2017 / Proj. 2016
Investment in property, plant and equipment, investment property and intangible assets	55,719,628	57,288,481	103	56,707,722	58,096,302	102

Maritime throughput (in tonnes)	PROJECTION 2016	PLAN 2017	Index Plan 2017 / Proj. 2016	PROJECTION 2016	PLAN 2017	Indeks Plan 2017 / Proj. 2016
Maritime throughput	21,982,670	22,767,168	104	21,982,670	22,767,168	104

Number of employees	PROJECTION 2016	PLAN 2017	Index Plan 2017 / Proj. 2016	PROJECTION 2016	PLAN 2017	Indeks Plan 2017 / Proj. 2016
Number of employees	886	931	105	1,071	1,120	105