

PERFORMANCE ANALYSES

For the period January - December 2016

According to the unaudited stand alone and consolidated Income statement for the period January - December 2016, Alkaloid AD Skopje achieved positive financial results.

Accounting policies and evaluation methods

There were no changes in the accounting policies and evaluation methods in the positions of the financial statements of Alkaloid AD Skopje in 2016.

Total revenues

The total stand alone revenues for January - December 2016 in the amount of 6.691.889 thousand denars have increased for 5%, compared to 2015. The largest portion of 96% in the total revenues belongs to the sales revenues, which compared to 2015 have increased for 7%.

The total consolidated revenues for January - December 2016 in the amount of 8.594.098 thousand denars have increased for 4%, compared to 2015. The largest portion of 96% in the total revenues belongs to the sales revenues, which compared to 2015 have increased for 6%.

Total expenses

The total stand alone expenses for January - December 2016 in the amount of 5.913.845 thousand denars have increased for 5% compared to 2015.

The total consolidated expenses for January - December 2016 in the amount of 7.752.050 thousand denars have increased for 4% compared to 2015.

Dividend

The dividends approved by shareholders on 4 April 2016 were Denar 329.211 thousands or gross 230 denars for one ordinary share. Net dividend for 2015 is 207 denars for one ordinary share.

Investments

The total investments in non-current assets in January - December 2016 are in the amount of 712.283 thousand denars.

Borrowings

The total consolidated borrowings as at 31.12.2016 are in the amount of 507.609 thousand denars.

New employments

There were 157 new employments for the period January - December 2016 in Alkaloid in Republic of Macedonia.

Significant Income statement positions

The achieved stand alone and consolidated results for the period January - December 2016, the proportions, dynamics and comparison with the previous year are as follows:

Stand alone sales

Market	(In 000 MKD)				
	2016		2015		Ind
	Sales	%	Sales	%	16/15
Domestic market	2.509.795	39	2.394.855	40	105
Foreign market	3.908.786	61	3.623.083	60	108
Total:	6.418.581	100	6.017.938	100	107

Consolidated sales

Market	(In 000 MKD)				
	2016		2015		Ind
	Sales	%	Sales	%	16/15
Macedonia	3.321.026	40	3.235.800	41	103
Southeast Europe	2.862.703	35	2.757.292	35	104
Russia and CIS	511.440	6	452.731	6	113
Western Europe (EU and EFTA)	1.437.985	17	1.292.800	16	111
Other (USA, Turkey etc.)	159.616	2	121.791	2	131
Total foreign market	4.971.744	60	4.624.614	59	108
Total:	8.292.770	100	7.860.414	100	106

Out of the total consolidated sales, 60% were realized in the foreign market. The highest rise in export markets was seen in the following countries: USA – 30%, Russia – 15%, Romania – 63%, Slovenia - 13%, Poland – 141%, Great Britain – 125%, Hungary- 135%, Turkey – 72%, Czech Republic - 122%, Albania – 47% etc.

Group of products	(In 000 MKD)				
	2016		2015		Ind
	Sales	%	Sales	%	16/15
Antibiotics	1.037.294	13	997.589	13	104
OTC products	1.566.125	19	1.413.463	18	111
Cardiovascular products	1.431.452	17	1.371.036	17	104
Neurological products	1.110.285	13	1.067.263	14	104
Other	824.962	10	796.004	10	104
Total products - Alkaloid	5.970.118	72	5.645.355	72	106
Commodities	891.395	11	911.911	12	98
Sevices and other revenue	48.872	1	34.121	-	143
Total Pharmaceuticals	6.910.385	83	6.591.387	84	105
Total Chemistry	256.855	3	218.764	3	117
Total Cosmetics	822.820	10	784.027	10	105
Total Botanicals	302.710	4	266.236	3	114
Total:	8.292.770	100	7.860.414	100	106

Significant Income statement positions (continued)
Earning before interest, taxes, depreciation and amortization (EBITDA)

	(In 000 MKD)				
	2016		2015		Ind
	Amount	% in Sales	Amount	% in Sales	16/15
Stand alone EBITDA	1.208.749	19	1.070.096	18	113
Consolidated EBITDA	1.296.424	16	1.157.094	15	112

Net profit

	(In 000 MKD)				
	2016		2015		Ind
	Amount	% in Sales	Amount	% in Sales	16/15
Stand alone Net profit	704.270	11	645.654	11	109
Consolidated Net profit	731.818	9	666.467	8	110

Stand alone Net profit for 2016 is 704,270 thousand denars, which compared to last year has increased for 9%.

Consolidated Net profit for 2016 is 731,818 thousand denars, which compared to last year has increased for 10%.