Unaudited Interim Report

January – June 2015

Gorenje Group and the parent company Gorenje, d.d., prepared pursuant to International Financial Reporting Standards – IFRSs

Management Board of Gorenje, d.d.
Velenje, August 2015

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Performance Highlights of the Gorenje Group

CORE FINANCIAL INDICATORS FOR Q2 2015

- EUR 289.8m of revenue were generated in the second quarter. Revenue generated in the second quarter are higher by 8.2% if compared to Q1 2015. Revenue in Q2 2015 indicating a decline of 7.1% if compared to Q2 2014. Lower revenue was, however, also planned for the second quarter of 2015.The lag behind the fiscal year 2014 declined in Q2 2015.
- Revenue generated through the Home segment’s core activity amounted to EUR 248.8m. Q2 2015 records a 11.0 percent growth with respect to Q1 2015 and a 6.2% decline in revenue if compared to Q2 2014. The decline in revenue is predominantly the result of sales in Russia, Ukraine, Germany and the markets of Scandinavia.
- EBITDA was EUR 17.9m. The EBIDTA as well shows growth of 13.4% in view of Q1 2015 and a decline of 18.7% with respect to Q2 2014. EBITDA margin of 6.2% shows a decline of 0.9 p.p. if compared to the EBITDA margin in 2014 and by 0.6 p.p. higher in view of the EBIDTA margin in Q1 2015.
- EBIT was recorded at EUR 6.3m. We achieved a 41 percent growth of the EBIT in Q2 2015 if compared to Q1 2015 and a 44.6 percent decline in view of the equivalent period in 2014. The EBIT margin was 2.1% and is higher from the EBIT margin in Q1 2015 by 0.6 p.p. It is, however, lower by 1.4 p.p. if compared to the equivalent period in 2014.
- Group's operations resulted in a loss for Q2 2015 that amounted to EUR -4.8m.
- Q2 2015 was marked by the negative impact of the USD strengthening over EUR. The respective strengthening of the currency ratio adversely impacted the increase in purchase prices of material and raw materials and on purchase costs of those appliances that are not manufactured in-house and acquired in USD. The negative impact of the strong US dollar was partly mitigated by higher sales denominated in USD and the conclusion of forward contracts. The negative impact on the margin (EBITDA / EBIT) exceeded EUR 2.0m in Q2 2015 and was EUR -1.9m in view of the Group's net result.
- Revenue of the Group declined by EUR 13.0m in Q2 2015 as a result of the circumstances in Russia. Lower volume of sales in Russia caused a margin shortfall (EBITDA / EBIT) of EUR 2.4m. The impact of lower volume of sales additionally worsened the effects of exchange losses related to the Russian rouble in the amount of EUR 5.0m. Russia's total negative impact on the Group's net result in Q2 2015 was EUR 7.4m.
- Group's operations in Q2 2015 would result in positive figures if the total negative effect in Russia would not be taken into account.
- Cash flows from operating and investing activities were negative in the amount of EUR 11.4m and were by EUR 3.6m worse than in the Q2 2014.
- Activities that were set while adopting the business plan for 2015 had positive impacts in the second quarter of 2015 (mostly in May and June), which are reflected in higher sales activities as well in the gradual improvement of the operating result. Lay-off related measures which were adopted in early Q2, were already suspended at the end of this quarter. Additional new employments were made in the production for meeting the increased customer demand for the third quarter. In accordance with the planned dynamics for 2015, we expect a significant growth in revenue in the second half-year and consequently also an improved operating result.

CORE FINANCIAL INDICATORS FOR H1 2015

- We have generated EUR 557.8m of revenue, which is 7.8% below the H1 2014 balance.
- Lower revenue recorded is in compliance with the planned sales dynamics for the first half-year of 2015.
- Revenue recorded and made through the Home segment’s core activity amounted to EUR 472.8m (7.2% below the H1 2014 balance).
- Without the impact of exchange rate fluctuations, the Home segment’s organic decline in revenue amounted to 5.0% if compared to the first half-year of 2014.
- EBITDA was EUR 33.7m (20.6% less than in the first six months in 2014). EBITDA margin of 6.0% shows a decline of 1.0 p.p.
- EBIT amounted to EUR 10.7m and indicates a 49.2 percent decrease, whereas the EBIT margin declined to 1.9%, which is lower from the H1 2014 balance by 1.6 p.p.
- Group's operations resulted in a negative balance with a loss of EUR -6.9m.
- H1 2015 was marked by the already stated adverse effect of the USD strengthening over EUR (see previous page). In the first half-year of 2015, the negative impact on the Group's margin (EBITDA / EBIT) was EUR 4.8m and EUR 2.6m on the Group's net result.
- Due to the impact caused by Russia, Group's revenue declined by EUR 27.9m in the first six months of 2015. Lower volume of sales resulted in a margin shortfall (EBITDA / EBIT) of EUR 4.7m. The impact of lower sales additionally worsened the effects of exchange losses related to the Russian rouble in the amount of EUR 5.1m.

EURm	Q2 2014	Q2 2015	Index	H1 2014	H1 2015	Index	Plan 2015	Q2 2015/ Plan 2015
Revenue	**312.0**	**289.8**	**92.9**	**604.7**	**557.8**	**92.2**	**1.224.1**	**45.6**
EBITDA	**22.0**	**17.9**	**81.3**	**42.4**	**33.7**	**79.4**	**91.4**	**36.8**
EBITDA margin (%)	*7.1%*	*6.2%*	*/*	*7.0%*	*6.0%*	*/*	*7.5%*	*/*
EBIT	**11.3**	**6.3**	**55.4**	**21.1**	**10.7**	**50.8**	**41.7**	**25.8**
EBIT margin (%)	*3.6%*	*2.2%*	*/*	*3.5%*	*1.9%*	*/*	*3.4%*	*/*
Profit or loss before tax	**2.7**	**-4.6**	**/**	**4.8**	**-5.3**	**/**	**9.3**	**/**
Profit or loss for the period	**2.1**	**-4.8**	**/**	**3.1**	**-6.9**	**/**	**6.1**	**/**
ROS (%)	*0.7%*	*-1.7%*	*/*	*0.5%*	*-1.2%*	*/*	*0.5%*	*/*
Net financial debt[1]	**404.2**	**408.3**	**101.0**	**404.2**	**408.3**	**101.0**	**321.0**	**127.2**
Net financial debt / EBITDA	**4.9**	**5.3**	**/**	**4.9**	**5.3**	**/**	**3.5**	**/**

MARKETS

- Sales growth within the Business Segment Home was recorded in Eastern Europe on the markets of the Czech Republic, Slovakia, Poland, Hungary, Slovenia, Bosnia and Herzegovina, Macedonia, Bulgaria and Romania. As for Western Europe, sales growth was generated on the markets of Benelux, mostly in the Netherlands. Significant growth, with respect to markets outside Europe, was recorded in Australia where were started to market also the Gorenje brand, in addition to sales of the Asko premium brand. Sales of the premium Asko brand was strengthened also in Asia. Sales to industrial partners have increased as well, primarily on markets outside Europe (North America, Asia).

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[1] Financial debt - cash

- The decline in revenue within the Home segment is primarily the result of the downward sales spiral in Russia and Ukraine. With respect to the worsening of macroeconomic circumstances and the fluctuation of the Russian rouble, activities were adopted in Q2 2015 that brought along improvements in May and June already and which shall be even stronger in the second half-year. No signs of improvement were recorded by operations in Ukraine, yet we maintain our market shares and adjust the costs of the sales organisation on the market. In H1 2015, the macroeconomic and political tension in Ukraine had an adverse effect on Gorenje's operating activity on that market, whereas also no market recovery is expected in near future. Measures were therefore adopted based on which costs of the sales organisation were adjusted in a scope that enables the retaining of market shares on this demanding market.
- With respect to Western Europe, lower sales were recorded in Germany and on markets of Scandinavia (Gorenje brand) and Great Britain. Concurrently with the price repositioning, we launched stronger promotion sales in May on the markets of Germany. Sales recovered in June on the Scandinavian markets as well, mostly sales of the Asko premium brand.
- In the markets outside Europe, the Business Segment Home incurred a 12% percent decline in sales as a result of optimising inventories at the distributor for the North American markets. Volume of sales increased however in Australia, Brazil and India and with respect to individual industrial customers in North America. Within the Home segment's sales structure, sales made outside European markets accounted for 10.9% of total sales in H1 2015 (0.7 p.p. less than in the previous year's half-year).
- The sales volume of small household appliances recorded a decrease of 6.1%, which is entirely related to the lower economic activity in Ukraine. On other markets, however, growth in sales of small household appliances was achieved based on which the shortfall in Ukraine is more and more compensated for.
- The Group increased its sale of innovative[2] appliances. The share of these appliances within the total sales structure grew to 7.8% (1.1 p.p. more if compared to the previous year's same period). Regardless of lower sales volume of premium appliances[3], also their share within the total sales structure was increased and was recorded at 16.6% (0.1 p.p. more than in the comparable period in 2014). The product-sales structure of the Home segment is improved through the focused sales of innovative and premium appliances.

COST MANAGEMENT

- By means of successful work in the field of supply and production:
    - risk management due to fluctuations in exchange rates and purchase prices of global raw materials,
    - activities related to optimising cost of material in direct production,
    - supply with components from low-priced countries,

  we have managed to adjust costs of material and raw materials with respect to lower sales and production made. The latter is attributable also to optimising the purchase chain (cost of logistics). Effects of lower purchase prices would be even higher if the USD against EUR would not strengthen.
- The strengthening of USD against EUR also adversely affected the purchase values of appliances that are not manufactured in-house (small household appliances and appliances of the supplementary programme).
- The negative impact of the strong USD on the purchase prices was partly mitigated through entering into forward contracts.

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[2] Innovative appliances: appliances within individual group of products with the so-called »innovative functionalities« are more energy efficient (efficient storage, lower energy and water consumption).
[3] Premium appliances: Atag and Asko brands, appliances from the Gorenje Design lines (Gorenje Simplicity, Gorenje Ora Ito, Gorenje Pininfarina, Gorenje Classico, Gorenje One, Gorenje Karim Rashid, Gorenje Color edition, Gorenje +, Gorenje Retro)

- Costs of fuels were also partly adjusted to the lower volume of production.
- Costs of services decreased by 7.1% or EUR 7.3m (in terms of percentage, they declined 0.7 p.p. less than revenue; the reason behind the slower adjustment of cost of services to revenue movement lies in higher costs of accelerating the sales and improving the operational excellence. Systematic introduction and monitoring of measures for achieving cost efficiency contributed to lower costs of services. The decrease in costs of services was largely impacted by costs of logistics, as a result of achieved lower prices of sea and road transport and transportation mode optimisation.
- Employee benefits expense decreased by 0.8% or EUR 0.9m. In spite of lowering the average number of employees in the Group by 175 if compared to the last year's same period, the employee benefits expense could in Slovenia not entirely be adjusted to the lower revenue balance in such short period due to the rigid work legislation and the Social agreement. In cooperation with social partners, the number of employees at the production site in Slovenia was adjusted in Q2 2015 with respect to actual requirements. Temporary layoffs were introduced but at the end of June already suspended due to higher number of orders, whereas also additional employments were made in the production due to confirmed major orders for the third quarter.

INDEBTEDNESS

- In view of H1 2014, Gorenje's total financial liabilities (gross indebtedness) grew by EUR 6.3m. The movement of financial liabilities is in line with the interim seasonal dynamics. Their balance was adversely affected also by other financial liabilities, which in view of the previous year's same period show an increase of EUR 13.4m. Other financial liabilities arise on the fair value of concluded but not yet implemented forward exchange contracts earmarked for hedging against interest rate and currency risks (Russian rouble in particular). The Group incurs most of its negative cash flows from operating and investing activities in the first six months of the fiscal year. Compared to the last year's same period, the net financial liabilities (net financial debt)[4] increased by EUR 4.1m and thereby resulted in a net financial debt/EBIDTA ratio of 5.3.
- EUR 66.4m of negative cash flows from operating and investing activities were recorded, indicating that the result worsened over the H1 2014 balance by EUR 26.0m. The deterioration is the result of slower inventory turnover of finished products and merchandise due to:
    - lower sales (mostly in Russia, Ukraine and Germany),
    - significantly higher number of orders expected for Q3 2015.

  Trade liabilities declined as well due to lower production volume.

DEVELOPMENT AND NEW PRODUCTS

- Pursuant to the Group's strategic goal, we have increased investments in product development costs, which account for 2.9% of Group's revenue (0.6 p.p. more than in the same period in 2014).
- Key innovations that were launched in the first half-year of 2015 comprise:
    - the new generation of built-in ovens under the Gorenje brand that were launched on most of the markets,
    - the new Essential washing machine,
    - preparations for the launch of the new Magna premium collection of cooking appliances,
    - preparations and the launch of the new Gorenje by Starck appliances, designed by Philippe Starck,
    - preparations and launch of new appliances from the Gorenje Infinity line.

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[4] Sum of the Group's current and non-current financial liabilities less cash and cash equivalents as at the end of the reporting period.

SALES FORECAST FOR Q3 2015

In Q2 2015, higher sales dynamics were recorded by the Home segment already in May and June if compared to the previous month.

Most of the sales growth in the Home segment is expected for the second half-year. In view of orders received we estimate that in Q3 2015 revenue shall increase by more than 3% percent if compared to the same period in 2014 and more than 10% over the Q2 2015 balance.

Improved sales are expected for Q3 2015 on the Western European markets, mainly in Germany and Scandinavia.

As for Eastern European markets, significant sales growth is expected mostly in Russia, where sales are forecasted to reach the Q3 2014 balance. Other markets of Eastern Europe, with the exception of Ukraine, shall keep the favourable growth dynamics from the first half-year of 2015.

Growth is anticipated also on the markets outside Europe for both, the Asko premium brand and the Gorenje brand, as well as for the sales to industrial partners.

In view of the sales forecast of the Home segment for Q3 2015, we will in the period January - September 2015 significantly reduce the lag in sales with respect to the equivalent period in 2014. We estimate that the sales volume in the first nine months of 2015 will be in line with the dynamics set in 2015 annual plan.

Further improvement of the regional and product structure of sales is expected in the third quarter of 2015. Further growth in sales of the Asko premium brand is planned as well. In addition, we will achieve higher utilisation of production capacities. All the above stated will have a positive impact on the movement of Group's profitability (EBITDA / EBIT).

We estimate to achieve the level of sales revenue by the end of 2015 as planned for the respective year.

In addition to the sales volume and structure, the Group's net operating result will primarily be impacted also by foreign currency ratios, particularly the Russian rouble and the US dollar in relation to euro.

STATEMENT OF MANAGEMENT'S RESPONSIBILITY

The Management Board is responsible for the preparation of the half-yearly report of Gorenje, d.d., and the Gorenje Group, as well as the financial statements, in a manner providing the public with a true and fair presentation of the financial position and the results of operations of Gorenje, d.d., and its subsidiaries in the first half-year of 2015.

The Management Board confirms that the financial statements of Gorenje, d.d., and the Gorenje Group have been prepared **in conformity with applicable accounting policies, that the accounting estimates have been prepared under the principles of prudence and due diligence, and that the financial statements of the Company and the Group give a true and fair view of their financial position and the results of their operations in the first half-year of eta 2015.**

The Management Board is also responsible for adequate and orderly accounting and the adoption of appropriate measures for safeguarding property and other assets, and confirms that the **financial statements of Gorenje, d.d., and the Gorenje Group, together with the accompanying notes, have been prepared under the assumption of going concern and in compliance with applicable legislation and the International Financial Reporting Standards as adopted by the European Union**.

The Management Board confirms that, to the best of its knowledge, the **half-yearly accounting report has been prepared in compliance with the accounting reporting framework, and that it gives a true and fair view of the assets and liabilities, financial position, and the profit or loss of the controlling company and other companies included in the consolidation of the Gorenje Group**.

The president and members of the Management Board of Gorenje, d.d., are **familiar with the contents of integral parts of the half-yearly report of Gorenje, d.d., and the Gorenje Group for 2015, and thus also with the entire half-yearly report. We agree with the report hereof, and confirm this with our signatures.**

Management Board members

- Franc Bobinac, President of the Management Board
- Peter Groznik, Member of the Management Board
- Marko Mrzel, Member of the Management Board
- Branko Apat, Member of the Management Board
- Drago Bahun, Member of the Management Board and

Workers' Director

- Peter Kukovica, Member of the Management Board

MANAGEMENT REPORT

Operating Performance of the Gorenje Group

EURm	Q2 2014	Q2 2015	Index	H1 2014	H1 2015	Index
Revenue	312.0	289.8	92.9	604.7	557.8	92.2
CM[5]	130.8	123.4	94.4	258.1	241.6	93.6
CM (%)	*41.9%*	*42.6%*	/	*42.7%*	*43.3%*	/
EBIT	11.3	6.3	55.4	21.1	10.7	50.8
EBIT margin (%)	*3.6%*	*2.2%*	/	*3.5%*	*1.9%*	/
Profit or loss for the period	2.1	-4.8	/	3.1	-6.9	/
ROS (%)	*0.7%*	*-1.7%*	/	*0.5%*	*-1.2%*	/

The Group generated EUR 557.8m of **revenue** showing a decline of 7.8% over the 2014 balance. The Home segment recorded a 7.2 percent fall in revenue. If the impact of exchange rate fluctuations is not taken into account, the Home segment's organic decline in revenue amounts to 5.0%. We succeeded in keeping the relative contribution margin by means of partial price increases in individual markets and by improving the sales structure. The absolute amount of the generated contribution margin has decreased mostly due to the material decline in revenue on markets of Russia, Ukraine and Scandinavia. The strengthening of the USD against EUR had also an adverse effect on the contribution margin. The previously mentioned strengthening had a negative impact on the profitability of the small household appliances programme, which is predominantly purchased in USD. A similar trend prevails also in the purchase of large household appliances that are not manufactured in-house. The relevant strengthening of USD compared to EUR also adversely affected the input prices of material and raw materials purchased in USD. Negative effects of the strengthening of the USD/EUR ratio was mitigated by means of accelerating sales in USD, in particular on the North American markets. Nonetheless, the said currency ratio had a negative impact on the margin (EBITDA/EBIT) in the amount of EUR 4.7m. The negative effects were additionally mitigated by purchasing forward contracts that were earmarked for hedging against USD exchange rate fluctuations which failed, however, to neutralise the already mentioned margin shortfall in full.

Foreign currency fluctuations significantly affected sales mostly in the markets of Eastern Europe. Without considering other categories (i.e. exchange rate hedging, adjusting prices to markets, product structure, etc.), the impact of foreign currency fluctuations[6] on the Group's organic growth in revenue in key markets was as follows:

Business Segment Home EURm	**Currency impact on revenue**	**Actual revenue H1 2015**	**Actual revenue H1 2015 valued at exchange rate H1 2014**	**Actual revenue H1 2014**	**Actual growth (%)**	**Organic growth (%)**
West	**-0.3**	**219.5**	**219.8**	**226.3**	**-3.0%**	**-2.9%**
East	**-13.1**	**201.7**	**214.8**	**224.1**	**-10.0%**	**-4.1%**
Other	**2.0**	**51.6**	**49.7**	**59.1**	**-12.6%**	**-15.9%**
TOTAL	**-11.4**	**472.8**	**484.3**	**509.5**	**-7.2%**	**-5.0%**

[5] Contribution margin at the level of difference between revenue and cost of goods and material.
[6] While calculating the impacts of foreign currency fluctuations on the sale's organic growth, we take into account revenue generated in the local currency in H1 2015, which are evaluated with the average exchange rates achieved in each currency in H1 2014. The calculated revenue in EUR is thereupon compared with the actual generated revenue in EUR recorded in the observed period.

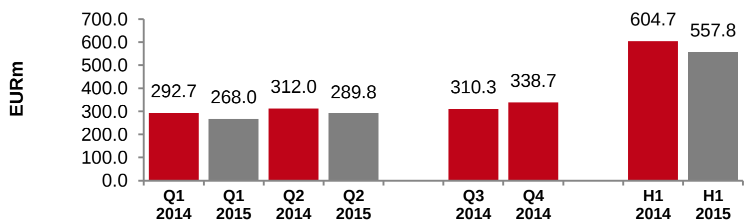
The Group applies a centralised policy of exchange rate hedging within the policy of its currency risk management. The Group is exposed to changes in local currencies against EUR, which is the Group's main functional currency. The respective exposure is measured and managed in connection with cash flows planned in the annual period, and the revaluation of balance sheet items expressed in local currencies. The fundamental goal of currency risk management lies in hedging against the business plan's exposure by minimising the adversely impact of exchange rate fluctuations on the Group's net result and cash flows. In order to hedge against currency risks, we primarily apply internal methods of currency risk management (balancing of cash flows and balance sheet) and enter into derivatives (particularly forward exchange contracts) for currencies to which the Group is exposed to.

Sales growth within the Business Segment Home was recorded in Eastern Europe on the markets of the Czech Republic, Slovakia, Poland, Hungary, Slovenia, Bosnia and Herzegovina, Macedonia, Bulgaria and Romania. As for Western Europe, sales growth was generated on the markets of Benelux, mostly in the Netherlands. Significant growth, with respect to markets outside Europe, was recorded in Australia where we started to market also the Gorenje brand, in addition to sales of the Asko premium brand. Sales of the premium Asko brand was strengthened also in Asia. Sales to industrial partners have increased as well, primarily on markets outside Europe (North America, Asia).

The decline in revenue within the Home segment is primarily the result of the downward sales spiral in Russia and Ukraine. With respect to the worsening of macroeconomic circumstances and the fluctuation of the Russian rouble, activities were adopted in Q2 2015 that brought along improvements in May and June already and which shall be even stronger in the second half-year. No signs of improvement were recorded by operations in Ukraine, yet we maintain our market shares and adjust the costs of the sales organisation on the market. In H1 2015, the macroeconomic and political tension in Ukraine had an adverse effect on Gorenje's operating activity on that market, whereas also no market recovery is expected in near future. Measures were therefore adopted based on which costs of the sales organisation were adjusted in a scope that enables the retaining of market shares on this demanding market.

With respect to Western Europe, lower sales were recorded in Germany and on markets of Scandinavia (Gorenje brand) and Great Britain. Concurrently with the price repositioning, we launched stronger promotion sales in May on the markets of Germany. Impacts were partly recorded in June sales, while higher impacts are expected in the second half of 2015. Sales recovered in June on the Scandinavian markets as well, mostly sales of the Asko premium brand.
In the markets outside Europe, the Business Segment Home incurred a 12% percent decline in sales as a result of optimising inventories at the distributor for the North American markets. Volume of sales increased however in Australia, Brazil and India and with respect to individual industrial customers in North America. Within the Home segment's sales structure, sales made outside European markets accounted for 10.9% of total sales in H1 2015 (0.7 p.p. less than in the previous year's half-year).

Revenue of the Gorenje Group



Revenue by geographical segment

EURm	Q2 2014	%	Q2 2015	%	Change (%)	H1 2014	%	H1 2015	%	Change (%)
Western Europe	111.9	35.8	113.0	39.0	+1.0%	230.2	38.1	224.7	40.3	-2.4%
Eastern Europe	166.2	53.3	145.7	50.3	-12.3%	315.4	52.1	281.4	50.4	-10.8%
Other	33.9	10.9	31.1	10.7	-8.4%	59.1	9.8	51.7	9.3	-12.6%
Total Group	**312.0**	**100.0**	**289.8**	**100.0**	**-7.1%**	**604.7**	**100.0**	**557.8**	**100.0**	**-7.8%**
Western Europe	109.9	41.5	109.9	44.2	0.0%	226.3	44.4	219.5	46.4	-3.0%
Eastern Europe	121.3	45.7	107.8	43.3	-11.1%	224.1	44.0	201.7	42.7	-10.0%
Other	33.9	12.8	31.1	12.5	-8.4%	59.1	11.6	51.6	10.9	-12.6%
Total Home	**265.1**	**100.0**	**248.8**	**100.0**	**-6.2%**	**509.5**	**100.0**	**472.8**	**100.0**	**-7.2%**

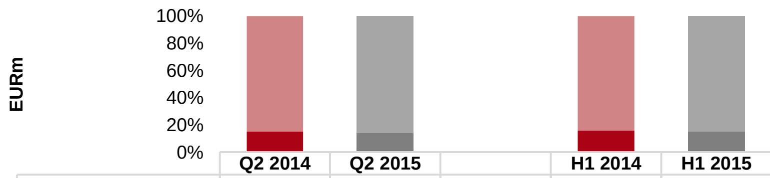
- **Western Europe** includes Austria, Germany, Italy, France, Denmark, Sweden, Belgium, Finland, Great Britain, Greece, Norway, the Netherlands, Spain, Switzerland, Ireland, Luxembourg, Malta, Portugal;
- **Eastern Europe** includes Ukraine, Russia, Macedonia, Croatia, Serbia, Montenegro, Albania, Bosnia and Herzegovina, Belarus, Kosovo, Moldova, Latvia, Lithuania, Estonia, Slovenia, Czech Republic, Hungary, Poland, Bulgaria, Romania, Slovakia;
- **Other** refers to all other countries outside of Europe.

Geographical sales structure of the Business Segment Home shows that:

- our sales in Western Europe decreased by 3.0%. Lower revenue was planned.
- our sales in Eastern Europe generated 10% less revenue. If the impact of exchange rate fluctuations is not taken into account, our organic decline in revenue in Eastern Europe amounts to 4.1%.

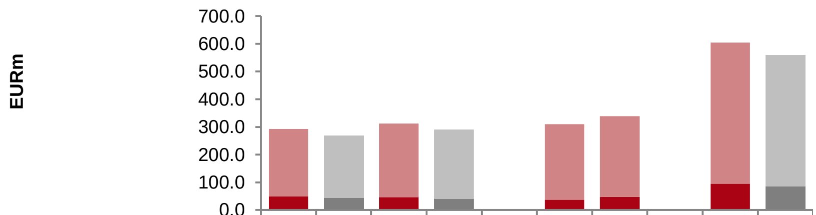
The achieved **revenue structure by business segments** shows that the Home segment generated 84.8% of Group's total revenue (an increase of 0.5 p.p. if compared to the equivalent period in 2014; the share's change is attributable to lower revenue generated through the sale of coal within portfolio-related activities, the changed dynamics in the medical-related field of business, and lower revenue from machine and tool manufacture).

Group's revenue structure by business segment



	Q2 2014	Q2 2015		H1 2014	H1 2015
Home	**85.0%**	**85.9%**		**84.3%**	**84.8%**
Portfolio Investments	**15.0%**	**14.1%**		**15.7%**	**15.2%**

Revenue by business segment



	Q1 2014	Q1 2015	Q2 2014	Q2 2015		Q3 2014	Q4 2014		H1 2014	H1 2015
Home	**244.4**	**224.0**	**265.1**	**248.8**		**273.1**	**291.4**		**509.5**	**472.8**
Portfolio Investments	**48.3**	**44.0**	**46.9**	**41.0**		**37.2**	**47.3**		**95.2**	**85.0**

EUR 472.8m of revenue was recorded within the **Business Segment Home** showing a 7.2 percent decline compared to H1 2014.

EUR 85.0m of revenue was generated in the **Business Segment Portfolio Investments,** which is 10.7% or EUR 10.2m less if compared to H1 2014. The decrease in revenue is the result of lower income generated on the sale of coal and medical equipment, machine and tool manufacture.

Movement of profitability of the Group at the EBIT level:

EURm	Development
EBIT January - June 2014	**21.1**
Contribution margin at the level of cost of goods and material	-16.4
Cost of services	7.2
Employee benefits expense	0.9
Amortisation and depreciation expense	-1.6
Other operating expenses	0.3
Other operating income	-0.8
EBIT January - June 2015	**10.7**

Earnings before interest and taxes (EBIT): we achieved a positive EBIT in the amount of EUR 10.7m. With respect to H1 2014, the EBIT was EUR 10.4m or 49.2% lower, which is mostly the result of the lower contribution margin at the level of cost of goods and material due to:

- impact of lower sales in Russia, where a margin shortfall (EBITDA/EBIT) was recorded in the amount of EUR 4.7m;
- strengthening of the USD against EUR that adversely affected the profitability of the programme of small and large household appliances not manufactured in-house and mostly purchased in USD (the estimated margin shortfall (EBITDA / EBIT) exceeds EUR 4m);
- strengthening of the USD compared to EUR that, however, negatively impacted the input prices of material and raw materials, which are purchased in USD (estimated effect exceeds EUR 2m).

The above-stated adverse effects were mitigated by:

- successful management of the purchase prices of material and raw materials (including the management of transport prices on the side of inbound logistics, which are reflected in the purchase prices of material and raw materials),
- optimising the costs of material and raw materials in direct production,
- supply with components from low-priced countries,
- successful management of fuel costs with respect to lower volume of production,
- lowering cost of services (by 7.1% or EUR 7.3m); costs of services declined mostly due to lower costs of logistics (lower prices of ship and truck transports agreed),
- partial hedging the net currency exposure to USD on the purchase side,

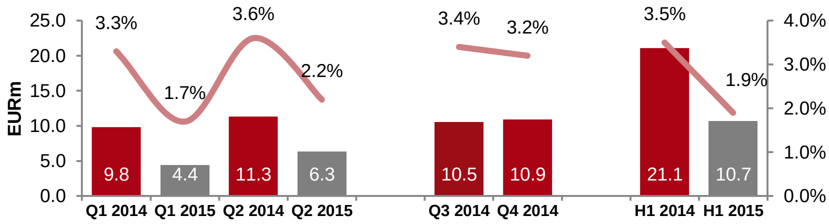
Employee benefits expense decreased by 0.8% or EUR 0.9m. In spite of lowering the average number of employees in the Group by 175 if compared to the last year’s same period, the employee benefits expense could in Slovenia not entirely be adjusted to the lower revenue balance in such short period due to the rigid work legislation and the Social agreement. In cooperation with social partners, the number of employees at the production site in Slovenia was adjusted in Q2 2015 with respect to actual requirements. Temporary layoffs were introduced but at the end of June already suspended due to higher number of orders, whereas also additional employments were made in the production due to confirmed major orders for the third quarter.

In addition, we have adjusted the sales price policy in individual markets of Western and Eastern Europe for the purpose of price repositioning. The adjusting of price policy had a short-term impact on the lower sales volume planned. Positive impacts of this price policy adjustment are expected in future periods in form of improving the sales profitability.

The Group increased its sale of innovative[7] appliances. The share of these appliances within the total sales structure grew to 7.8% (1.1 p.p. more if compared to the previous year's same period). Regardless of the lower sales volume of premium appliances[8], also their share within the total sales structure was increased and was recorded at 16.6% (0.1 p.p. more than in the comparable period in 2014). The product-sales structure of the Home segment is improved through focused sales of innovative and premium appliances.

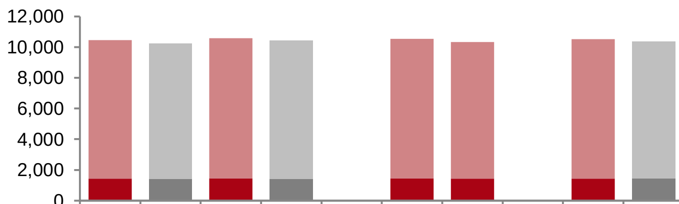
Other operating income decreased due to lower amount of subsidies received, and lower income generated on reversal of provisions. Other operating income are slightly lower if compared to previous year's same period.

EBIT and EBIT margin



Gorenje Group's average number of employees was 10,348 or 175 less than in the equivalent period in 2014. The number of employees was partly adjusted to the lower sales volume in production companies (in the parent company, Mora and in Valjevo) and also in individual sales companies within the Home segment (in Scandinavia, Russia, Croatia, and Ukraine). The number of employees in the Business Segment Portfolio Investments was kept on the same level.

Average number of employees by business segment

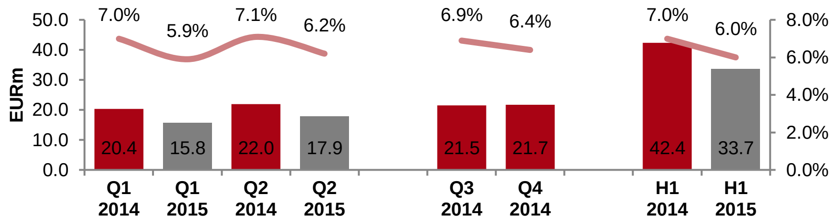


	Q1 2014	Q1 2015	Q2 2014	Q2 2015	Q3 2014	Q4 2014	H1 2014	H1 2015
Total:	10,462	10,253	10,584	10,444	10,549	10,324	10,523	10,348
Home	9,037	8,830	9,144	9,008	9,102	8,888	9,091	8,919
Portfolio Investments	1,425	1,423	1,440	1,436	1,447	1,436	1,432	1,429

[7] Innovative appliances: appliances within individual group of products with the so-called »innovative functionalities« are more energy efficient (efficient storage, lower energy and water consumption).
[8] Premium appliances: Atag and Asko brands, appliances from the Gorenje Design lines (Gorenje Simplicity, Gorenje Ora Ito, Gorenje Pininfarina, Gorenje Classico, Gorenje One, Gorenje Karim Rashid, Gorenje Color edition, Gorenje +, Gorenje Retro)

The Group generated **earnings before interest, taxes, depreciation and amortisation (EBITDA)** in the amount of EUR 33.7m, which is EUR 8.7m or 20.6% less than in the same period in 2014.

EBITDA and EBITDA margin

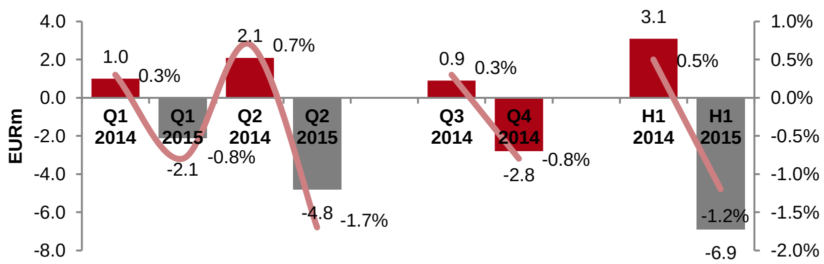


Group's result from financing activities was negative in the amount of EUR 16.0m, which shows an improvement over the H1 2014 balance by EUR 0.3m or 2.1%. The negative result from financing activities was mainly impacted by interest expenses that amounted in the first six months of 2015 to EUR 8.8m and indicate a decline by 4.4% over the equivalent period in 2014, and the negative balance of exchange rate differences in the amount of EUR 4.8m (negative impact of the Russian rouble in the amount of EUR 5.6m), which is EUR 2.7m less than in the same period in 2014.

Income tax expense disclosed at EUR 1.6m includes current and deferred income tax. Current tax refers to the tax that will be paid on profit for the period per individual Group companies. Deferred tax is disclosed upon accounting of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts for tax reporting purposes. Temporary differences, which generally have the biggest impact on deferred taxes, are tax relief amounts in connection with investments, investments relating to research and development, and amounts of tax losses from previous periods, which largely refer to the parent company.

Gorenje Group's **loss for the period** amounted to EUR -6.9m.

Profit or loss for the period and ROS

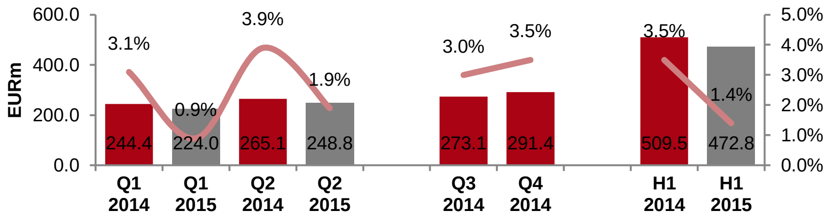


Operating Performance by Business Segment

Home

EURm	Q2 2014	Q2 2015	Index	H1 2014	H1 2015	Index
Revenue	265.1	248.8	93.8	509.5	472.8	92.8
CM[9]	110.9	103.5	93.3	217.0	201.5	92.8
CM (%)	*41.8%*	*41.6%*	/	*42.6%*	*42.6%*	/
EBIT	10.3	4.8	46.7	18.0	6.8	37.9
EBIT margin (%)	*3.9%*	*1.9%*	/	*3.5%*	*1.4%*	/

Revenue and the EBIT margin of the Business Segment Home



The Home segment's movement of revenue growth in terms of individual market is presented on previous pages of this report.

Our Home segment records a positive **EBIT** in the amount of EUR 6.8m. With respect to the equivalent period in 2014, the EBIT shows a decline of EUR 11.2m and is mostly the result of the lower contribution margin at the level of cost of goods and material. The aforesaid is attributable to the previously described lower volume of sales in Russia and the strengthening of the USD against EUR. In addition, the Home's lower EBIT is attributable to higher amortisation and depreciation expense arising in connection with completing development-related projects that were activated at the year-end of 2014.

We successfully curbed the purchase prices for material and raw materials and adjusted the cost of fuels to the lower volume of production. We have also successfully adjusted cost of services, which were lower by EUR 5.7m and had a large positive impact on the profitability at the EBIT level. The largest decline in cost of services was achieved in the field of logistics. Employee benefits expense have decreased by EUR 1.1m.

Movement of profitability at the EBIT level:

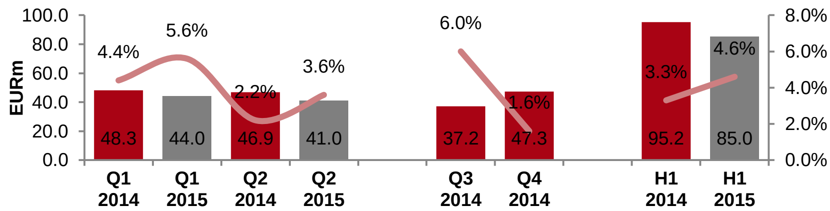
EURm	Development
EBIT January - June 2014	**18.0**
Contribution margin at the level of cost of goods and material	-15.5
Cost of services	5.7
Employee benefits expense	1.1
Amortisation and depreciation expense	-1.7
Other operating expenses	0.1
Other operating income	-0.9
EBIT January - June 2015	**6.8**

[9] Contribution margin at the level of difference between revenue and cost of goods and material.

Portfolio Investments

EURm	Q2 2014	Q2 2015	Index	H1 2014	H1 2015	Index
Revenue	46.9	41.0	87.5	95.2	85.0	89.3
CM[10]	19.9	19.9	100.1	41.1	40.1	97.8
CM (%)	*42.4%*	*48.5%*	/	*43.2%*	*47.3%*	/
EBIT	1.0	1.5	142.9	3.2	3.9	123.8
EBIT margin (%)	*2.2%*	*3.6%*	/	*3.3%*	*4.6%*	/

Revenue and the EBIT margin of the Business Segment Portfolio Investments



Our Portfolio Investments segment recorded a 10.7 percent decline in revenue as a result of lower income generated through the sale of coal, which pertains to the uneven dynamics in sales of coal. Less revenue was also generated in the field medical equipment, where the volume of sales depends on the movement of investments made by health institutions in Slovenia and Serbia. Lower prices of secondary raw materials resulted in lower revenue balance within the Ecology segment and lower cost of material of this segment.

Regardless of the lower revenue, we achieved an **EBIT** of EUR 3.9m or EUR 0.7m more from the EBIT recorded in the same period in 2014. Lower cost of services in the amount of EUR 1.5m had the largest **positive** impact on the profitability of EBIT.

Lower contribution margin is attributable to the lower volume of sales. Considering the lower level of sales, the cost of services decreased relatively even more (by EUR 1.5m) which, on the other hand, had a positive impact on EBIT. The EBIT and the EBIT margin were fundamentally improved, which is mostly attributable to the Ecology segment (waste management).

Other categories of **operating expenses** or **income** had no material impact on profitability at the level of EBIT.

Movement of profitability at the EBIT level:

EURm	Development
EBIT January - June 2014	**3.2**
Contribution margin at the level of cost of goods and material	-0.9
Cost of services	1.5
Employee benefits expense	-0.2
Amortisation and depreciation expense	0.0
Other operating expenses	0.2
Other operating income	0.1
EBIT January - June 2015	**3.9**

[10] Contribution margin at the level of difference between revenue and cost of goods and material.

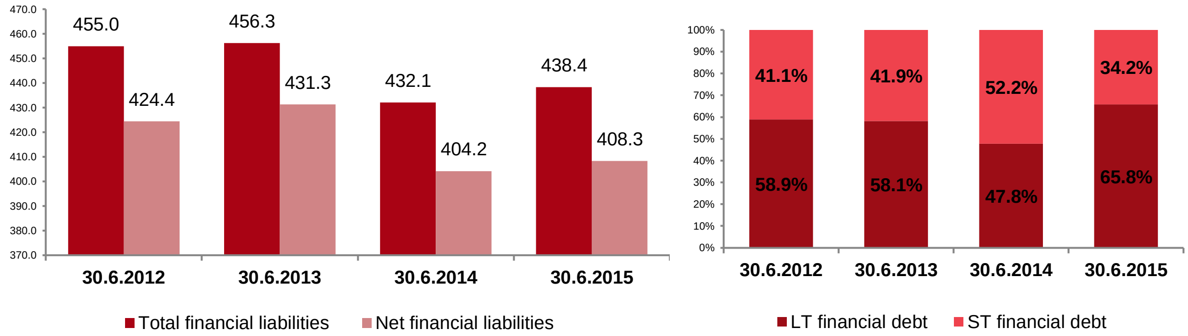
Financial Performance of the Gorenje Group

Group's financial operations

The primary source of Group's liquidity for servicing financial and other liabilities is provided through operative sales activities in the segments Home and Portfolio Investments, and within these the free cash flow generated. The policy of replacing due non-current financial sources with raising new ones is hereby observed, based on which we strive to preserve or improve the relevant maturity structure. In addition, we are constantly renewing current loans or increase them for the purpose of increasing the liquidity reserve (mostly through revolving loans and bank overdrafts).

In H1 2015, the Group repaid EUR 35.0m of currently due long-term borrowings. As of 20 February 2015, we have issued 10-month commercial papers bearing an interest rate of 2.20% p.a., in the total par value of EUR 27m. In addition to the previous year's issue of the 5-year bonds, nearly a quarter of sources within the Group's structure of financial liabilities were acquired on the capital markets.

Movement of total and net financial liabilities in Q2 for the period 2012-2015 (EURm)[11] and the maturity structure of financial liabilities



As at 30 June 2015, **total financial liabilities** amounted to EUR 438.4m, showing an increase of EUR 6.3m if compared to the previous year's same period. Movement of financial liabilities complies with the interim seasonal dynamics when most of the Group's negative cash flows from operating and investing activities are generated in Q1 2015. The dynamics in the first six months of 2015 was less favourable than in the equivalent period last year, which is primarily the result of negative changes in the working capital. Financial liabilities comprise also liabilities under the fair value of forward contracts concluded but not yet realised and earmarked for hedging against interest rate and currency fluctuations. As for the **maturity structure of financial liabilities,** 65.8% refer to non-current sources whereby the remaining stake denotes current sources. Compared to the 30 June 2014 balance, the maturity structure improved by 17.9 p.p.

By the end of June 2015, **net financial liabilities** (measured as the difference between total financial liabilities and cash and cash equivalents) amounted to EUR 408.3m and show an increase of EUR 4.1m over the same period in 2014. They, as well, were negatively impacted by the fair value of the forward contracts concluded but not yet realised.

As at 30 June 2015, the Group disclosed a liquidity reserves in the amount of EUR 70.3m in form of approved but undrawn current borrowings in addition to bank balances of EUR 30.1m, which may also be used to bridge payments on currently due liabilities. The Group is together with existing and new bank

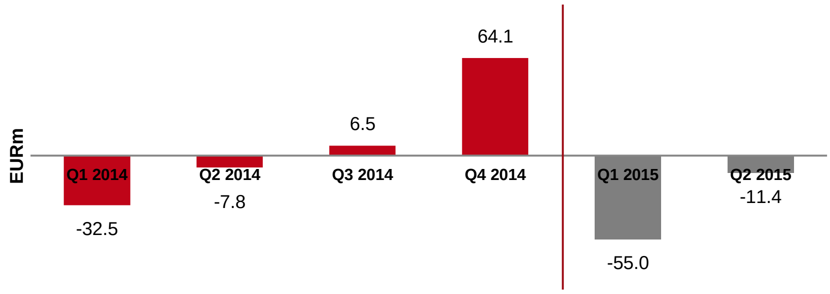
[11] Accounting view

partners engaged in activities to further servicing due financial liabilities and optimising costs of financing, to additional improvement of the loans' maturity structure and balancing the amount of the liquidity reserve. Thus, Gorenje, d.d., signed at the end of April a contract with a bank group that is already one of Gorenje Group's partners and raised a non-current borrowing in the amount of EUR 65m. The respective borrowing was utilised in early May. The Group thereby ensured alternative financing of currently due long-term borrowings in 2015 and at the same time improved the maturity structure of sources of financing.

Cash flows of the Gorenje Group

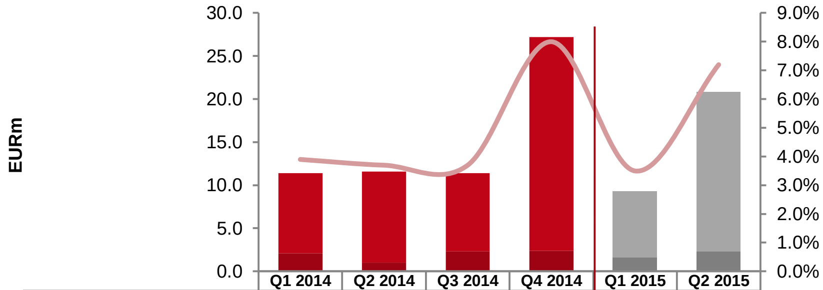
In Q2 2015, the Group recorded EUR 11.4m of negative cash flows from operating and investing activities, which is by EUR 3.6m worse than in the Q2 2014. This dynamics is typical, as the Group generates most of negative cash flows from operating and investing activities in the first quarter of the year.

Cash flows from operating and investing activities



Investments amounted to EUR 20.8m in Q2 2015 or EUR 9.2m more than in the equivalent period in 2014. The largest portion recorded at EUR 18.5m refers to the Home segment. The largest share of investments comprises the continuation and completion of previous year's projects, in particular the development of washing machines, the new Retro generation of fridge freezers, the development of the new generation of Asko and Gorenje dishwashers, the improvement of the new generation of built-in ovens, as well as certain other minor projects. Investments recorded by the segment Portfolio Investments amounted to EUR 2.3m and the largest portion thereof was invested in ecology, tool manufacturing and ceramics.

Investments by business segment



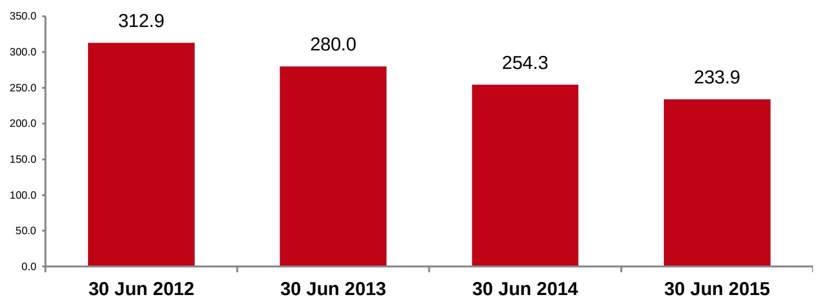
	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015
Home	9.3	10.6	9.1	24.8	7.7	18.5
Portfolio Investments	2.1	1.0	2.3	2.4	1.6	2.3
CAPEX margin (%)	3.9%	3.7%	3.7%	8.0%	3.5%	7.2%

As at 30 June 2015, Group's investments in net working capital[12] amounted to EUR 233.9m and compared to 31 December 2014 - from which the cash flow movement for 2015 is calculated – indicates an increase by EUR 58.8m. The working capital's increase in view of the 2014 year-end balance was mostly impacted by lower trade payables and higher balance of inventories. If compared to the previous year's equivalent period, investments in net working capital declined by EUR 20.4m which is mostly attributable to lower inventories and trade receivables.

Investments in net working capital

EURm	30 Jun 2012	30 Jun 2013	30 Jun 2014	30 June 2015
+ Inventories	255.0	267.5	256.0	248.8
+ Trade receivables	272.4	228.2	229.1	203.9
+ Other current assets	51.0	58.1	45.5	45.7
- Trade payables	-171.2	-183.3	-189.7	-177.6
- Other current liabilities	-94.3	-90.5	-86.6	-86.9
= Net working capital	**312.9**	**280.0**	**254.3**	**233.9**

Movement of net working capital in Q2 in the 2012-2015 period (EURm)



At the end of Q2 2015, **trade receivables** were recorded at EUR 203.9m and compared to 31 December 2014 - from which the cash flow movement for 2015 is calculated – show an increase of EUR 21.3m. An increase in receivables with respect to the previous period is a reflection of the common annual dynamics. Trade receivables declined, however, by EUR 25.3m if compared to Q2 2014. The average turnover of receivables in the first six months of 2015 was 62 days, which is shorter from the average turnover of receivables in H1 2014 by 3 days.

At the end of H1 2015, **inventories** amounted to EUR 248.8m and with respect to 31 December 2014 – date from which the cash flow movement for 2015 is calculated – show a growth by EUR 29.0m. Inventories declined, however, by EUR 7.2m over the last year's equivalent period. Inventory turnover amounted to 76 days and increased by 3 days if compared to the same period in 2014. The setback is the result of slower inventory turnover of finished products and merchandise which resulted from:

- lower sales (mostly in Russia, Ukraine and Germany),
- significantly higher number of orders expected for Q3 2015.

The production volume was adjusted already in Q2. In addition to adjusting the production, further target measures were adopted for better managing the slow-moving inventories of finished products and merchandise at the level of individual companies.

[12] Net working capital = inventories + trade receivables +other current assets – trade payables – other current liabilities

As at 30 June 2015, **trade payables** amounted to EUR 177.6m and compared to 31 December 2014 – date from which the cash flow movement for 2015 is calculated – show a decline of EUR 25.0m. Trade payables decreased by EUR 12.2m with respect to the equivalent period in 2014.

Certain financial risks have a significant impact on the Group's cash flow management

With regard to the category of **financial risks**, the fierce macroeconomic situation and political risks in certain markets led the Group to pay special attention to an efficient **credit risk** management. Credit risk is thereby balanced through the on-going control of credit limits approved by credit insurance companies, appropriate collection of receivables, and regular communication with credit insurance companies and business partners. The balance of bad debts is reviewed and analysed on an on-going basis and proper measures are implemented (e.g. collection, mortgage collections, suspension of supplies to customers with weak credit ratings, etc.). We have a strict set of rules on what is deemed suitable collateral for the sale of goods, and a defined level of the maximum possible exposure by individual companies, customers, etc.

Currency risks are to the widest possible extent hedged and minimised by natural cash flow balancing for each currency that, mostly in case of sales companies, is impossible to be fully implemented. The Group systematically applies forward exchange contracts for most of the currencies that are not part of the euro zone in order to hedge against currency risk. In addition, we are seeking additional possibilities for increasing the scope of natural hedging. In the medium term, we hedge against currency risk by adjusting sales prices on an on-going basis, by applying cost optimisation and by means of increasing natural hedging on the purchase/sale side.

The biggest exchange gains were in the first six months of 2015 recorded with the US dollar as a result of forward exchange contracts concluded for hedging against cash flow exposure on the purchase side, whereas exchange losses with the Russian rouble.

We are managing the **risk of short-term liquidity** by means of approved revolving credit lines per Group companies, approved bank account overdrafts, and bank balances. As at the end of H1 2015, the undrawn part of current and non-current credit lines amounted to EUR 70.3m and bank balances to an additional EUR 30.1m.

Summary of the Operating Performance of Gorenje, d.d.

Operating performance of Gorenje, d.d.

EURm	Q2 2014	Q2 2015	Index	H1 2014	H1 2015	Index
Revenue	**170.6**	**155.5**	**91.1**	**349.3**	**316.1**	**90.5**
CM[13]	54.4	50.7	93.2	110.2	100.8	91.5
CM (%)	*31.9%*	*32.6%*	*/*	*31.6%*	*31.9%*	*/*
EBITDA	**9.6**	**8.0**	**83.3**	**21.8**	**15.9**	**72.9**
EBITDA margin (%)	*5.6%*	*5.1%*	*/*	*6.2%*	*5.0%*	*/*
EBIT	**4.4**	**2.0**	**45.5**	**11.4**	**4.0**	**35.1**
EBIT margin (%)	*2.6%*	*1.3%*	*/*	*3.3%*	*1.3%*	*/*
Profit or loss before tax	**1.5**	**-3.7**	**/**	**5.7**	**-2.4**	**/**
Profit or loss for the period	**1.8**	**-3.6**	**/**	**6.0**	**-2.4**	**/**
ROS (%)	*1.1%*	*-2.3%*	*/*	*1.7%*	*-0.8%*	*/*
ROA (%)	*0.8%*	*-1.5%*	*/*	*1.3%*	*-0.5%*	*/*
ROE (%)	*2.0%*	*-3.9%*	*/*	*3.4%*	*-1.3%*	*/*
Employee / end of period	**4.138**	**4.052**	**97.9**	**4.138**	**4.052**	**97.9**
Employee / average	**4.138**	**4.052**	**97.9**	**4.142**	**4.065**	**98.1**

Revenue generated by the parent company amounted to EUR 316.1m and show a decline of EUR 33.2m or 9.5% over the H1 2014 balance.

The Business Segment Home recorded revenue in the amount of EUR 292.8m or 9.3% less than in the same period in 2014, which is primarily the result of:

- lower sales of products manufactured in-house by 8.1%,
- lower sales of home appliances via dealers by 6.7%.

Revenue generated through sales beyond the Business Segment Home amounted to EUR 19.6m and show a decrease over the H1 2014 balance by 16.8%, which is attributable mostly to lower income from sale of coal and lower income generated through the Solar programme.

The contribution margin (gross margin) at the level of the difference between revenue, cost raw materials, material, and purchase cost of goods sold, including related change in inventories, declined by EUR 9.5m over the equivalent period in 2014. The absolute amount of gross margin decreased mostly because of the material fall in sales on the Russian market. The strengthening of the USD against EUR had an additional impact on lowering the contribution margin. The previously mentioned strengthening had a negative impact on the profitability of the small household appliances programme, which is predominantly acquired in USD. A similar trend prevails also in the purchase of large household appliances that are not manufactured in-house. The relevant change of USD compared to EUR had also an adverse effect on the input prices of material and raw materials acquired in the USD.

We tried to mitigate the mentioned negative impacts by means of preventive and curative measures, whereby lower costs of services in the amount of EUR 2.4m or 6.0% (mainly relating to lower costs of logistics) had the utmost positive effect on the profitability. Negative impact by the strong USD on purchase prices was partly limited through entering into forward contracts.

[13] Contribution margin at the level of difference between revenue and cost of goods and material.

Employee benefits expense was reduced by 1.1% of EUR 0.5m with regard to the equivalent period in 2014, which is the result of lower average number of staff that follows the production requirements.

In view of H1 2014, amortisation and depreciation expense increased in the first six months of the year by 14.1%, largely as a result of completing development projects that were activated in the second half-year of 2014.

Compared to last year's same period, the parent company's result from financing activities worsened by 12.0% or by EUR 680k, which is mostly attributable to the negative effect of derivatives realised and the negative valuation of realised derivatives that were used to hedge against currency risks.

The above-mentioned elements had an adverse effect on EBIT and the profit or loss for the period.

Movement of the parent company's profitability at the level of profit or loss for the period:

EURm	Development
Profit of loss for January - June 2014	**6.0**
Contribution margin at the level of cost of goods and material	-8.3
Cost of services	2.4
Employee benefits expense	0.5
Amortisation and depreciation expense	-1.5
Other operating expenses	0.4
Other operating income	-0.8
Financial result	-0.7
Income tax expense and deferred taxes	-0.4
Profit or loss for January - June 2015	**-2.4**

Ownership Structure and the GRVG Share

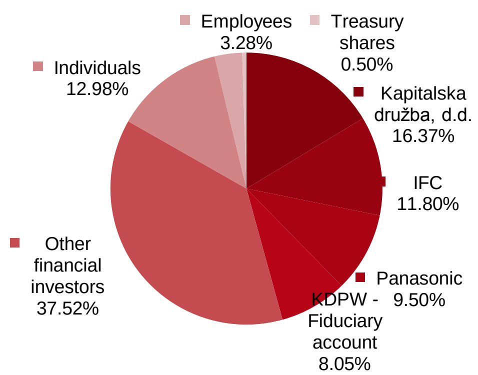
Ownership structure

As of **30 June 2015, 16,676 shareholders** were entered in the share register indicating that the number of shareholders declined by 0.9% over the year-end balance of 2014 (17,000).

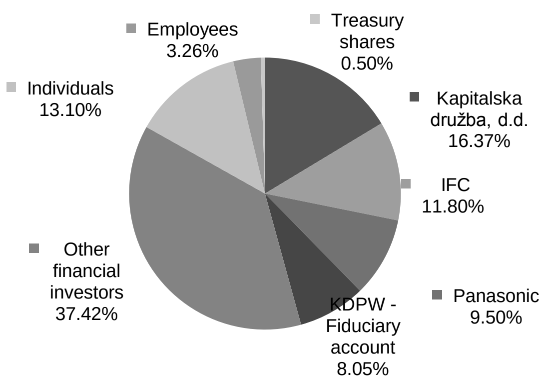
Gorenje's ten major shareholders and owners

Ten major shareholder	No. of shares (31 Dec 2014)	Equity interest in %	No. of shares (30 Jun 2015)	Equity interest in %
KAPITALSKA DRUŽBA, D.D.	3,998,653	16.37%	3,998,653	16.37%
IFC	2,881,896	11.80%	2,881,896	11.80%
PANASONIC CORPORATION	2,320,186	9.50%	2,320,186	9.50%
KDPW – FIDUCIARY ACCOUNT	1,965,628	8.05%	1,965,628	8.05%
Alpen.SI, mixed flexible sub-fund	1,179,102	4.83%	1,031,188	4.22%
HOME PRODUCTS EUROPE B.V.	1,070,000	4.38%	1,070,000	4.38%
BNP PARIBAS SECURITIES SERVICES S.C.A.	464,732	1.90%	479,732	1.96%
AUERBACH GRAYSON & COMPANY LLC	/	/	470,607	1.93%
ZAGREBAČKA BANKA D.D. – FIDUCIARY ACCOUNT	456,399	1.87%	445,432	1.82%
EECF AG	411,727	1.69%	/	/
RAIFFEISEN BANK AUSTRIA D.D. – FIDUCIARY ACCOUNT	395,944	1.62%	501,444	2.05%
Total major shareholders	**15,144,267**	**62.00%**	**15,164,766**	**62.09%**
Other shareholders	9,280,346	38.00%	9,259,847	37.91%
Total	**24,424,613**	**100%**	**24,424,613**	**100%**

Ownership structure at 31 December 2014



Ownership structure at 30 June 2015



The number of own shares or treasury shares equals the 2014 year-end balance i.e. at **121,311 treasury shares**, which accounts for **0.4967%** of total share capital.

The number of shares held by Supervisory Board and Management Board members

Supervisory Board	31 Dec 2014		30 Jun 2015	
Total:	**3,508**	**0.0144%**	**3,508**	**0.0144%**
Peter Kobal	1,355	0.0055%	1,355	0.0055%
Krešimir Martinjak	115	0.0005%	115	0.0005%
Jurij Slemenik	2,038	0.0083%	2,038	0.0083%

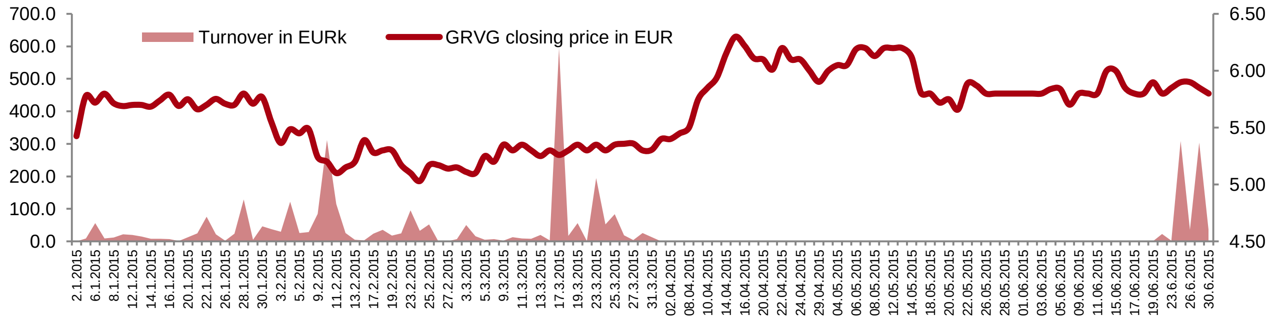
Management Board	31 Dec 2014		30 Jun 2015	
Total:	**21,394**	**0.0876%**	**21,394**	**0.0876%**
Franc Bobinac	4,096	0.0168%	4,096	0.0168%
Branko Apat	626	0.0026%	626	0.0026%
Drago Bahun	9,082	0.0372%	9,082	0.0372%
Marko Mrzel	450	0.0018%	450	0.0018%
Peter Groznik	7,140	0.0292%	7,140	0.0292%

The number of company's shares held by Supervisory Board and Management Board members has not changed in the period from 30 June 2015 to the date of this public announcement.

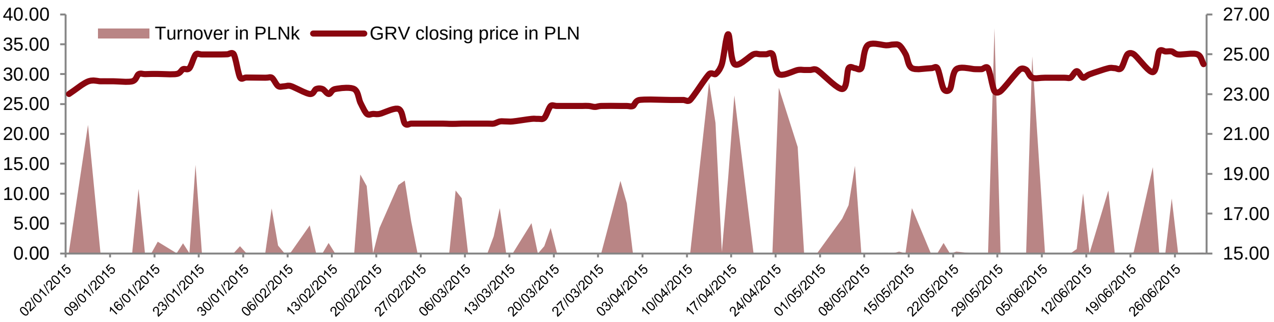
GRVG share

As at the last trading day in June 2015, the **closing price per share** on the Ljubljana Stock Exchange as the primary market was recorded at EUR 5.80 and shows an increase of 3.2% if compared to the last trading day in 2014 (EUR 5.62). The prime market index SBITOP declined in the same period by 6.3%. Total turnover on the Ljubljana and Warsaw Stock Exchange was in the first half-year of 2015 recorded 664,398 shares, indicating that the average daily turnover on the Ljubljana Stock Exchange was 5,235 shares and 167 shares on the Warsaw Stock Exchange. Compared to the year-end balance of 2014, the closing price of the share on the Warsaw Stock Exchange grew by 2.9% (from PLN 23.82/EUR 5.58 to PLN 24.50/EUR 5.83).

Movement of the GRVG share and daily turnover on the Ljubljana Stock Exchange in the period January - June 2015



Movement of the GRV share and daily turnover on the Warsaw Stock Exchange in the period January – June 2015



Basic and diluted earnings per share are calculated as the ratio between the profit or loss of the parent company's owners and the average number of shares issued, less the average balance of treasury shares (24,303,302 shares) amounts to EUR -0.29 (2014: EUR 0.04).

Book value of the GRVG share as at 30 June 2015 amounted to EUR 14.85 (EUR 15.65 as at 31 March 2014). It is calculated as the ratio between the book value of the Group's ordinary share capital and the number of issued shares, exclusive of the number of treasury shares as at 31 December 2014 (24,303,302 shares).

The ratio between the market value and the book value of the GRVG share is recorded at 0.39 (0.36 as at 31 March 2014).

Dividend policy

Due to the economic crisis that had a fundamental impact on Gorenje Group's operations since the last quarter of 2008, no dividends were paid out for the years 2008, 2009, 2010, 2012 and 2013. A dividend payout in the amount of EUR 0.15 gross per share was carried out for the financial year 2011. The Management and Supervisory Board proposed during the Shareholders' Meeting held on 3 July 2015 a dividend payout for the fiscal year 2014 at EUR 0.06, which was also passed.

Significant Events after the Balance Sheet Date

The 22nd Shareholders' Meeting of Gorenje, d.d., convened on 3 July 2015 with 50.09% of the voting-right-bearing capital represented.

As at 7 July 2015, Panasonic Corporation and Gorenje Group signed an amendment to the Strategic Alliance Agreement from 5 July 2013 by means of which they have agreed to expand their strategic business cooperation to several new business segments, in addition to the already existing areas of cooperation. Based on this amendment, the strategic cooperation will be expanded mostly to the following new business segments: (a) purchase of materials and components, (b) manufacturing innovation, (c) consumer (aftersales) services, (d) logistics, (e) quality assurance, and (f) distribution of large and small household appliances on selected markets.

Gorenje, d.d., signed on 24 July 2015 with the Polish company Tesla Recycling S.K.A., a daughter company of Elemental Holding, S.A., a share sale and purchase agreement to divest the majority shareholding in its Daughter Company Gorenje Surovina, d.o.o., including the latter's Daughter Companies Kemis Valjevo, d.o.o., Kemis BH, d.o.o., and Cleaning System S, d.o.o., Šabac.

Gorenje, d.d., and Gorenje Surovina, d.o.o., signed on 19 August 2015 with the company HIS gradbeništvo in inženiring d.o.o., which holds a 49-percent stake in the company Publicus, d.o.o., an agreement to divest their majority shareholding in their subsidiary Publicus, d.o.o., Ljubljana, complete with the subsidiary Ekogor, d.o.o., Jesenice.

No other significant events occurred after the date of compiling the balance sheet as of 30 June 2015.

Significant Business Events in 2015

JANUARY

Gorenje presenting advanced solutions for more cooking pleasure at LivingKitchen in Cologne

We have again taken part in the biennial LivingKitchen show, a part of the globally renowned furniture fair IMM in Cologne, Germany. Gorenje presented customers and fair visitors its new generation of cooking built-in appliances and other novelties.

FEBRUARY

As of 20 February 2015, we have issued 10-month commercial papers bearing an interest rate of 2.20% p.a., in the total par value of EUR 27m or 35% more than initially planned. The respective issue of commercial papers is a part of our strategy to disperse financial sources in pursuance of which we have in 2014 issued bonds worth EUR 73m.

MARCH

Gorenje with heating segment at the Dom and ISH tradeshows

In the period from 9 to 15 March 2015, Gorenje participated at the Dom tradeshow in Ljubljana and the ISH tradeshow in Frankfurt and presented its novelties from the heating segment, among them the new generation of water heaters that offers an energy-efficient use. The new water heater from the Style line, which is the thinnest water heater produced in Europe, and the new sanitary heat pump, distinguished by its technical characteristics and advanced design, received most of the attention. Gorenje exhibited also the latest air-conditioning appliances and boilers at the Dom tradeshow, whereas in Frankfurt the sanitary equipment was on display.

APRIL

Negotiations on the possible divestment of the majority shareholding in Gorenje Surovina

Gorenje and the Polish company Elemental Holding SA started on 3 April 2015 negotiations on the divestment of the majority shareholding in its subsidiary Gorenje Surovina. Negotiations also involve certain other subsidiaries of Gorenje Surovina. The purpose of the negotiations is to specify the scope, value, and terms of sale.

Silver medal for Orodjarna

Gorenje Orodjarna traditionally participated at the international Forma Tool tradeshow, which commenced in Celje from 21 to 24 April 2015. Tool for recasting sheet metal and a measurement device for permanent testing of dishwashers were exhibited. We have received a silver medal for developing and manufacturing a tool that produces the outer face of the front side of the Panasonic washing machine, which consists of four recasting operations.

MAY

Gorenje the most trusted home appliance brand for the 9th consecutive year

In the Trusted Brand consumer survey conducted annually by the Reader's Digest magazine, Gorenje was voted the most trusted brand in Slovenia in the global competition of home appliance brands.

Gorenje available also through the John Lewis online shop

The retailer John Lewis has chosen Gorenje to be among the brands offered on their web site www.JohnLewis.com. John Lewis, as one of the biggest retailer with an annual turnover of GBP 10b and 5 million customers, is an ideal option for promoting Gorenje high-quality products.

Opening of the new Gorenje Studio in Sarajevo and the Family Day event

A new Gorenje Studio was opened in Sarajevo on 16 May 2015 extending over 215 square meters. A Gorenje Family Day was also organised for this occasion and a donation made to the Vladimir Nazor Education and Rehabilitation Centre. "*Our primary task is to maintain Gorenje's recognisability and its leading position on the household appliance market in Bosnia and Herzegovina. This is certainly implemented by means of extending the network of shops and thereby coming to all our loyal customers even closer*," said Mr. Uroš Marolt, Managing Director of Gorenje Commerce.

JUNE

Gorenje and Bobinac amongst most prominent

Gorenje and its president and CEO Franjo Bobinac were ranked amongst the most prominent in the survey Ugled 2015 (Reputation 2015) which is carried out in Slovenia by market research company Kline & partner for 20 years.

In the eyes of business circles Gorenje ranks third, just after two pharmaceutical companies, and is outstanding mostly because of quality, innovations and attractiveness of products. Franjo Bobinac, second only to the Jože Colarič, president and CEO at Krka, is well respected particularly because “he emphasises the quality of products and services” and “supports investments in research and development”.

Extremely high ranks of Gorenje and Bobinac are important contribution towards higher reputation of the Industry and reputation of the Managers’ profession.

Gorenje awarded the exclusive OPUS Kuala Lumpur project in Malaysia

During a ceremony hosted in Kuala Lumpur on 10 June 2015, Mr. Matthew Tee, representative of Star Effort Sdn Bhd (a subsidiary of Bina Puri Properties Sdn Bhd) signed a partnership agreement with Gorenje, represented by Mr. Janko Le Ulaga, Regional Sales manager for South-East Asia, and Mr. Michael Foster, CEO of the Calvin Klein Furniture Company, to fit all 357 units in the future exclusive Opus Kuala Lumpur residential area.

Opus Kuala Lumpur, with a total value of EUR 73m, is part of the new emerging centre in Kuala Lumpur that covers a good 740.000 m^2. The project is expected to be completed in 2017.

Gorenje will contribute the whole set of products for kitchen and home – oven, hood, cooker, refrigerator, washer–dryer appliances, and thus provide the future residents a true Gorenje ”Life Simplified” experience. In the past years, Gorenje is gaining reputation with project-related business in Asia. Up till present day, Gorenje participated in more than 20 exclusive projects in Hong Kong and in past two years appears also in South-East Asia. It is present in Malaysia since 2013 and the Opus represents the first step to bigger recognisability of the Gorenje brand also on that market.

JULY

Gorenje – Best from Serbia

Organized by Serbia’s Chamber of Commerce, the Ministry of Trade, Tourism, and Telecommunication, and the daily newspaper *Privredni pregled* (Business Review), the campaign "Best from Serbia" was carried out for the 11th consecutive year. The campaign is presenting awards to the best domestic brands and companies for their financial and market achievements.

According to consumers and the expert jury, Gorenje was named *The Best International Brand Made in Serbia*. Gorenje is present in Serbia with three factories – in Valjevo, Stara Pazova, and Zaječar – as well as a sales organisation in Belgrade and wide-spread sales network. It employs nearly 2,000 staff and ranks among the top five Serbian exporters.

First official presentation of the new HomeMade line in Asia

The Architect Expo tradeshow commenced in the Impact Arena in Bangkok this year, where our distributor Hafele for the first time officially presented Gorenje's HomeMade line of built-in appliances. Thus, 200,000 visitors had the opportunity to see Gorenje's ovens, hoods, refrigerators and cookers for the first time in Asia, among which the small-sized (45 cm) steam oven, refrigerators of the Ion Generation and the IQcook hob draw most of interest. The Hafele team demonstrated on a daily basis the simple use of Gorenje appliances and we are proud that the response was so positive.

First launch of Asko products at the exhibition-sales showroom in Israel

After the successful launch and strengthening of the Gorenje trademark on the Israeli market, the Gorenje Group opened its showroom in Jerusalem, where the Asko brand was premiered. It was very well received by visitors as a range of premium appliances for the most demanding customers are offered.

Gorenje is distinguished on the demanding Israeli market for its technologically perfected and superiorly designed home appliances that offer numerous competitive advantages. The showrooms in Tel Aviv and Jerusalem significantly contribute to the latter.

Both offer a live experience as visitors can actually also test the appliances. The advantages of Gorenje and Asko appliances are presented live by known chefs during culinary events.

The highly successful Gorenje Group's presence on the Israeli market is the result of strategic activities that anticipate among others the shift from the Pan-European to the global market presence.

Red dots for eight Gorenje Group appliances

Gorenje Group was also this year among the receivers of the Red Dot Award, which is deemed one of the most significant international design awards. Gorenje+ hood, the Atag gas-induction hob, the warming drawer, the steam oven, and the Asko and Atag hoods were awarded for their exceptional design achievements.

ACCOUNTING REPORT

Reporting entity

Gorenje, d.d., is a company headquartered in Slovenia. The address of the registered head office is at Partizanska 12, SI-3320 Velenje.

Consolidated financial statements of Gorenje, d.d., for the period January-June that ended 30 June 2015 include the parent company and its subsidiaries (hereinafter jointly referred to as 'the Group'), equity interests in jointly controlled companies, and equity interests in associated companies. The Group's core activity is manufacturing and sale of home appliances.

Basis of preparation

(a) Statement of compliance

Consolidated interim financial statements are compiled pursuant to IAS 34 – Interim Financial Reporting, and pursuant to provisions of the Companies Act. The financial statements do not include all information required by the entire IFRSs. The selected explanatory information is included in the report in order to clarify the business events and transactions material for the understanding of the changes in the financial position and income or results of the Gorenje Group in the period since the compilation of the latest annual consolidated financial statements.

The Management Board of Gorenje, d.d., confirmed these interim financial statements on 24 July 2015.

((b) Use of estimates and judgements

In the course of drawing up these interim financial statements, the company management made judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue, and expenses. Actual results may differ from these estimates.

Material estimates of uncertainty and critical judgements or evaluations made by the management in the process of pursuing the accounting policies, which have the strongest effect on the amounts in the financial statements are similar to those used by the management when drawing up the consolidated financial statements as at 31 December 2014.

Fundamental Accounting Policies and Significant Notes to the Financial Statements

Accounting policies applied in these interim financial statements are identical to those used in the consolidated financial statements compiled as at 31 December 2014.

Comparable information is in a material scope harmonised with the presentation of information during the current year. Where necessary, comparable information was adjusted in such a way that it matched the presentation of information for the current year.

Changes in the Composition of the Gorenje Group

Changes that occurred in the composition of the Gorenje Group up to and including 30 June 2015 were as follows:

- As of 11 February 2015, the parent company Gorenje, d.d., acquired from GEOPLIN d.o.o. Ljubljana an equity interest in the company GGE družba za izvajanje energetskih storitev, d.o.o., and thereby became its 50 percent owner.
- Gorenje Studio d.o.o. Beograd recorded changes in its ownership structure, according to which Gorenje d.o.o. Beograd has withdrawn as its shareholder and was as of 30 April 2014 succeeded by Gorenje Beteiligungs m.b.h.
- Gorenje Studio d.o.o. Ljubljana recorded changes in its ownership structure, according to which Gorenje GSI d.o.o. has withdrawn as its shareholder and was as of 25 May 2015 succeeded by Gorenje Beteiligungs m.b.h.

In addition to the parent company Gorenje, d.d., the following companies were included in the consolidated financial statements of the Gorenje Group:

Companies operating in Slovenia		**Equity interest in %**	**Business segment**
1.	Gorenje I.P.C., d.o.o., Velenje	100.00	BSH
2.	Gorenje GTI, d.o.o., Velenje	100.00	BSPI
3.	Gorenje Gostinstvo, d.o.o., Velenje	100.00	BSPI
4.	Energygor, d.o.o., Velenje	100.00	BSPI
5.	Kemis, d.o.o., Vrhnika	100.00	BSPI
6.	Gorenje Orodjarna, d.o.o., Velenje	100.00	BSPI
7.	ZEOS, d.o.o., Ljubljana	51.00	BSPI
8.	Gorenje Surovina, d.o.o., Maribor	100.00	BSPI
9.	Indop, d.o.o., Šoštanj	100.00	BSPI
10.	ERICo, d.o.o., Velenje	51.00	BSPI
11.	Gorenje design studio, d.o.o., Velenje	52.00	BSH
12.	PUBLICUS, d.o.o., Ljubljana	51.00	BSPI
13.	EKOGOR, d.o.o., Jesenice	51.00	BSPI
14.	Gorenje GAIO, d.o.o, Šoštanj	100.00	BSPI
15.	Gorenje GSI, d.o.o., Ljubljana	100.00	BSH
16.	Gorenje Keramika, d.o.o., Velenje	100.00	BSPI
17.	Gorenje Surovina Fotoreciklaža, d.o.o., Maribor	51.00	BSPI
18.	Gorenje Studio, d.o.o., Ljubljana	100.00	BSH

Foreign operations		**Equity interest in %**	**Business segment**
1.	Gorenje Beteiligungs GmbH, Austria	100.00	BSH
2.	Gorenje Austria Handels GmbH, Austria	100.00	BSH
3.	Gorenje Vertriebs GmbH, Germany	100.00	BSH
4.	Gorenje Körting Italia S.r.l., Italy	100.00	BSH
5.	Gorenje France S.A.S., France	100.00	BSH
6.	Gorenje Belux S.a.r.l., Belgium	100.00	BSH

7.	Gorenje Espana, S.L., Spain	100.00	BSH
8.	Gorenje UK Ltd., Great Britain	100.00	BSH
9.	Gorenje Group Nordic A/S, Denmark	100.00	BSH
10.	Gorenje AB, Sweden	100.00	BSH
11.	Gorenje OY, Finland	100.00	BSH
12.	Gorenje AS, Norway	100.00	BSH
13.	Gorenje spol. s r.o., Czech Republic	100.00	BSH
14.	Gorenje real spol. s r.o., Czech Republic	100.00	BSH
15.	Gorenje Slovakia s.r.o., Slovakia	100.00	BSH
16.	Gorenje Magyarország Kft., Hungary	100.00	BSH
17.	Gorenje Polska Sp. z o.o., Poland	100.00	BSH
18.	Gorenje Bulgaria EOOD, Bulgaria	100.00	BSH
19.	Gorenje Zagreb, d.o.o., Croatia	100.00	BSH
20.	Gorenje Skopje, d.o.o., Macedonia	100.00	BSH
21.	Gorenje Commerce, d.o.o., Bosnia and Herzegovina	100.00	BSH
22.	Gorenje, d.o.o., Serbia	100.00	BSH
23.	Gorenje Podgorica , d.o.o., Montenegro	99.975	BSH
24.	Gorenje Romania S.r.l., Romania	100.00	BSH
25.	Gorenje aparati za domaćinstvo, d.o.o., Serbia	100.00	BSH
26.	Mora Moravia s r.o., Czech Republic	100.00	BSH
27.	Gorenje - kuchyně spol. s r.o., Czech Republic	100.00	BSH
28.	KEMIS-Termoclean, d.o.o., Croatia	100.00	BSPI
29.	Kemis - BH, d.o.o., Bosnia and Herzegovina	100.00	BSPI
30.	Gorenje Studio, d.o.o., Serbia	100.00	BSH
31.	Gorenje Gulf FZE, United Arab Emirates	100.00	BSH
32.	Gorenje Tiki, d.o.o., Serbia	100.00	BSH
33.	Gorenje Istanbul Ltd., Turkey	100.00	BSH
34.	Gorenje TOV, Ukraine	100.00	BSH
35.	ST Bana Nekretnine, d.o.o., Serbia	100.00	BSPI
36.	Kemis Valjevo, d.o.o, Serbia	100.00	BSPI
37.	Kemis – SRS, d.o.o., Bosnia and Herzegovina	100.00	BSPI
38.	ATAG Nederland BV, the Netherlands	100.00	BSH
39.	ATAG België NV, Belgium	100.00	BSH
40.	Intell Properties BV, the Netherlands	100.00	BSH
41.	Gorenje Nederland BV, the Netherlands	100.00	BSH
42.	Gorenje Kazakhstan, TOO, Kazakhstan	100.00	BSH
43.	»Euro Lumi & Surovina« SH.P.K., Kosovo	51.00	BSPI
44.	OOO Gorenje BT, Russia	100.00	BSH
45.	Gorenje GTI, d.o.o., Beograd, Serbia	100.00	BSPI
46.	Asko Appliances AB, Sweden	100.00	BSH
47.	Gorenje North America, Inc., USA	100.00	BSH
48.	Asko Appliances Pty, Australia	100.00	BSH
49.	Asko Appliances OOO, Russia	100.00	BSH

50.	»Gorenje Albania« SHPK, Albania	100.00	BSH
51.	Gorenje Home d.o.o., Zaječar, Serbia	100.00	BSH
52.	ORSES d.o.o., Beograd, Serbia	100.00	BSPI
53.	Gorenje Ekologija, d.o.o., Stara Pazova, Serbia	100.00	BSPI
54.	Gorenje Corporate GmbH, Austria	100.00	BSH
55.	Cleaning system S, d.o.o., Serbia	100.00	BSPI
56.	ZEOS eko-sistem d.o.o., Bosnia and Herzegovina	49.45	BSPI
57.	Gorenje Solarna energija Solago, d.o.o., Serbia	100.00	BSPI
58.	Gorenje Sola - Home, d.o.o., Serbia	100.00	BSPI
59.	Gorenje do Brasil Ltda., Brasil	100.00	BSH
60.	Gorenje Asia Ltd., China	100.00	BSH
61.	Gorenje MDM d.o.o. Kragujevac, Serbia	100.00	BSPI

BSH – Business Segment Home
BSPI – Business Segment Portfolio Investments

Associates:

- Gorenje Projekt, d.o.o., Velenje
- GGE družba za izvajanje energetskih storitev, d.o.o. (GGE d.o.o.), Ljubljana
- RCE – Razvojni center energija d.o.o. (RCE d.o.o.), Velenje
- Econo Projektiranje d.o.o., Ljubljana
- ENVITECH D.O.O., Belgrade, Serbia
- Gorenje Electronics Trading LLC, Dubai, United Arab Emirates
- Gorenje Projekt, d.o.o., Belgrade, Serbia
- Tosidos, d.o.o., Ljubljana

Representative offices of Gorenje, d.d., abroad:

- in Kiev (Ukraine),
- in Athens (Greece),
- in Shanghai (China),
- in Almaty (Kazakhstan), and
- in Kishinev (Moldova).

Unaudited Condensed Consolidated Financial Statements of the Gorenje Group

Condensed Consolidated Balance Sheet of the Gorenje Group

EURk	Balance at 30 Jun 2014	%	Balance at 31 Dec 2014	%	Balance at 30 Jun 2015	%
ASSETS	**1,167,908**	**100.0%**	**1,102,398**	**100.0%**	**1,144,049**	**100.0%**
Non-current assets	**591,827**	**50.7%**	**594,578**	**53.9%**	**596,725**	**52.2%**
Intangible assets	172,802	14.8%	181,600	16.5%	186,945	16.4%
Property, plant and equipment	348,471	29.8%	356,089	32.3%	355,130	31.1%
Investment property	27,732	2.4%	18,931	1.7%	17,461	1.5%
Non-current investments	6,500	0.6%	5,125	0.5%	4,591	0.4%
Investments in associates	868	0.1%	1,122	0.1%	1,174	0.1%
Non-current trade receivables	10,694	0.9%	6,988	0.6%	7,017	0.6%
Deferred tax assets	24,760	2.1%	24,723	2.2%	24,407	2.1%
Current assets	**576,081**	**49.3%**	**507,820**	**46.1%**	**547,324**	**47.8%**
Non-current assets held for sale	1,469	0.1%	1,648	0.1%	1,660	0.1%
Inventories	255,977	21.9%	219,799	19.9%	248,823	21.8%
Current investments	17,507	1.5%	20,481	1.9%	18,844	1.6%
Trade receivables	229,131	19.6%	182,589	16.6%	203,876	17.8%
Other current assets	44,080	3.8%	47,241	4.3%	44,035	3.9%
Cash and cash equivalents	27,917	2.4%	36,062	3.3%	30,086	2.6%
EQUITY AND LIABILITIES	**1,167,908**	**100.0%**	**1,102,398**	**100.0%**	**1,144,049**	**100.0%**
Equity	**378,210**	**32.4%**	**380,267**	**34.5%**	**360,801**	**31.6%**
Share capital	92,240	7.9%	101,922	9.3%	101,922	8.9%
Share premium	175,568	15.0%	175,698	15.9%	175,698	15.4%
Revenue reserves	95,818	8.2%	99,301	9.0%	99,301	8.7%
Treasury shares	-3,170	-0.3%	-3,170	-0.3%	-3,170	-0.3%
Retained earnings	15,818	1.4%	10,365	0.9%	3,361	0.3%
Translation reserve	-6,190	-0.5%	-17,600	-1.6%	-12,846	-1.1%
Fair value reserve	5,131	0.4%	10,912	1.0%	-6,528	-0.6%
Equity of holders of the parent	**375,215**	**32.1%**	**377,428**	**34.2%**	**357,738**	**31.3%**
Equity of non-controlling interests	**2,995**	**0.3%**	**2,839**	**0.3%**	**3,063**	**0.3%**
Non-current liabilities	**287,920**	**24.7%**	**348,390**	**31.6%**	**368,708**	**32.2%**
Provisions	66,419	5.7%	64,125	5.8%	65,063	5.7%
Deferred income	5,366	0.5%	5,270	0.5%	5,435	0.4%
Non-current operating liabilities	6,708	0.6%	5,937	0.5%	6,797	0.6%
Deferred tax liabilities	2,667	0.2%	2,988	0.3%	2,993	0.3%
Non-current financial liabilities	206,760	17.7%	270,070	24.5%	288,420	25.2%
Current liabilities	**501,778**	**42.9%**	**373,741**	**33.9%**	**414,540**	**36.2%**
Current financial liabilities	225,375	19.3%	97,536	8.8%	150,012	13.1%
Trade payables	189,733	16.2%	202,615	18.4%	177,571	15.5%
Other current liabilities	86,670	7.4%	73,590	6.7%	86,957	7.6%

Condensed Consolidated Income Statement of the Gorenje Group

EURk	**Q2 2014**	**%**	**Q2 2015**	**%**	**Jan - Jun 2014**	**%**	**Jan - Jun 2015**	**%**
Revenue	**311,992**	**96.2%**	**289,835**	**96.1%**	**604,709**	**94.7%**	**557,760**	**92.8%**
Change in inventories	7,977	2.5%	7,726	2.6%	25,827	4.0%	35,794	6.0%
Other operating income	4,289	1.3%	4,024	1.3%	8,306	1.3%	7,508	1.2%
Gross profit	**324,258**	**100.0%**	**301,585**	**100.0%**	**638,842**	**100.0%**	**601,062**	**100.0%**
Cost of goods, materials and services	-240,696	-74.2%	-223,006	-73.9%	-474,325	-74.3%	-446,511	-74.3%
Employee benefits expense	-56,493	-17.4%	-55,972	-18.6%	-112,292	-17.6%	-111,388	-18.5%
Amortisation and depreciation expense	-10,667	-3.3%	-11,609	-3.8%	-21,269	-3.3%	-22,927	-3.8%
Other operating expenses	-5,067	-1.6%	-4,722	-1.6%	-9,830	-1.5%	-9,504	-1.6%
Operating profit	**11,335**	**3.5%**	**6,276**	**2.1%**	**21,126**	**3.3%**	**10,732**	**1.8%**
Finance income	798	0.2%	-1,454	-0.5%	2,035	0.3%	3,081	0.5%
Finance expenses	-9,506	-2.9%	-9,400	-3.1%	-18,377	-2.9%	-19,082	-3.2%
Net finance expenses	**-8,708**	**-2.7%**	**-10,854**	**-3.6%**	**-16,342**	**-2.6%**	**-16,001**	**-2.7%**
Share in profits or losses in associates	38	0.0%	13	0.0%	-32	0.0%	-79	0.0%
Profit or loss before tax	**2,665**	**0.8%**	**-4,565**	**-1.5%**	**4,752**	**0.7%**	**-5,348**	**-0.9%**
Income tax expense	-620	-0.2%	-261	-0.1%	-1,696	-0.2%	-1,580	-0.3%
Profit or loss for the period	**2,045**	**0.6%**	**-4,826**	**-1.6%**	**3,056**	**0.5%**	**-6,928**	**-1.2%**
Attributable to non-controlling interests	**58**	**0.0%**	**15**	**0.0%**	**67**	**0.0%**	**76**	**0.0%**
Attributable to equity holders of the parent	**1,987**	**0.6%**	**-4,841**	**-1.6%**	**2,989**	**0.5%**	**-7,004**	**-1.2%**
Basic and diluted earnings per share (in EUR)	0.09		0.2		0.14		-0.29	

Condensed Consolidated Statement of Other Comprehensive Income of the Gorenje Group

EURk	Jan - Jun 2014	Jan - Jun 2015
Profit or loss for the period	**3,056**	**-6,928**
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss	**0**	**0**
Change in fair value of land		
Items that may be reclassified subsequently to profit or loss	**-5,631**	**-12,686**
Net change in fair value of available-for-sale financial assets	-14	13
Change in effective portion of gains and losses on hedging instruments in a cash flow hedge	-2,698	-17,911
Change in effective portion of gains and losses on hedging instruments in a cash flow hedge, reclassified to profit or loss	-1,018	495
Income tax on other comprehensive income	-146	-37
Translation reserve	-1,755	4,754
Other comprehensive income for the period	**-5,631**	**-12,686**
Total comprehensive income for the period	**-2,575**	**-19,614**
Attributable to equity holders of the parent	-2,642	-19,690
Attributable to non-controlling interests	67	76

Condensed Consolidated Statement of Cash Flows of the Gorenje Group

	EURk	Jan - Jun 2014	Jan - Jun 2015
A.	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit or loss for the period	**3,056**	**-6,928**
	Adjustments for:		
	-Depreciation of property, plant and equipment	18,089	18,501
	-Amortisation of intangible assets	3,180	4,426
	-Investment income	-2,035	-3,081
	-Finance expenses	18,409	19,161
	-Gain on sale of property, plant and equipment	-12	-561
	-Income tax expense	1,696	1,580
	Operating profit before changes in net operating current assets and provisions	**42,383**	**33,098**
	Change in trade and other receivables	-18,428	-18,542
	Change in inventories	-19,626	-29,024
	Change in provisions	-914	1,103
	Change in trade and other payables	-13,582	-10,817
	Cash generated from operations	**-52,550**	**-57,280**
	Interest paid	-10,680	-9,310
	Income tax paid	-2,246	-1,508
	Net cash from operating activities	**-23,093**	**-35,000**
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Proceeds from sale of property, plant and equipment	3,000	5,184
	Interest received	1,032	763
	Dividends received	-32	-79
	Acquisition of property, plant and equipment	-14,785	-20,262
	Other investments	-743	85
	Acquisition of intangible assets	-8,151	-9,866
	Net cash used in investing activities	**-19,679**	**-24,175**
C.	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Borrowings / Repayment of borrowings	31,189	53,199
	Net cash used in financing activities	**31,189**	**53,199**
	Net change in cash and cash equivalents	-11,583	-5,976
	Cash and cash equivalents at beginning of period	39,500	36,062
	Cash and cash equivalents at end of period	27,917	30,086

Condensed Consolidated Statement of Change in Equity of the Gorenje Group

EURk	Share capital	Share premium	Revenue reserves				Treasury shares	Retained earnings		Translation reserve	Fair value reserve	Equity holders of the parent	Non-controlling interests	Total
			Legal reserves	Statu-tory reserves	Treasury share reserve	Other revenue reserves		Profit or loss from previous periods	Profit or loss for the period					
Opening balance at 1 Jan 2014	**92,240**	**175,568**	**12,896**	**6,923**	**3,170**	**72,829**	**-3,170**	**39,540**	**-26,711**	**-4,435**	**9,007**	**377,857**	**2,813**	**380,670**
Total comprehensive income for the period														
Profit or loss for the period									2,989			**2,989**	**67**	**3,056**
Total other comprehensive income										-1,755	-3,876	-5,631	0	-5,631
Total comprehensive income for the period	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**2,989**	**-1,755**	**-3,876**	**-2,642**	**67**	**-2,575**
Transactions with owners (when acting as owners) recognised directly in equity														
Contributions by owners and distribution to owners														
Capital increase												0		0
Transfer of profit or loss from previous period to retained earnings or losses								-26,711	26,711			0		0
Total contributions by owners and distributions to owners	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**-26,711**	**26,711**	**0**	**0**	**0**	**0**	**0**
Change in equity interests in subsidiaries that do not result in a loss of control														
Change in equity interests												0	115	115
Total changes in equity interests in subsidiaries	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**115**	**115**
Total transactions with owners	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**-26,711**	**26,711**	**0**	**0**	**0**	**115**	**115**
Closing balance at 30 Jun 2014	**92,240**	**175,568**	**12,896**	**6,923**	**3,170**	**72,829**	**-3,170**	**12,829**	**2,989**	**-6,190**	**5,131**	**375,215**	**2,995**	**378,210**

EURk	Share capital	Share premium	Revenue reserves: Legal reserves	Revenue reserves: Statu-tory reserves	Revenue reserves: Treasury share reserve	Revenue reserves: Other revenue reserves	Treasury shares	Retained earnings: Profit or loss from previous periods	Retained earnings: Profit or loss for the period	Translation reserve	Fair value reserve	Equity holders of the parent	Non-controlling interests	Total
Opening balance at 1 Jan 2015	**101,922**	**175,698**	**12,896**	**7,556**	**3,170**	**75,679**	**-3,170**	**12,829**	**-2,464**	**-17,600**	**10,912**	**377,428**	**2,839**	**380,267**
Total comprehensive income for the period														
Profit or loss for the period									-7,004			**-7,004**	76	-6,928
Total other comprehensive income										4,754	-17,440	-12,686	0	-12,686
Total comprehensive income for the period	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**-7,004**	**4,754**	**-17,440**	**-19,690**	**76**	**-19,614**
Transactions with owners (when acting as owners) recognised directly in equity														
Contributions by owners and distribution to owners														
Capital increase												0		0
Transfer of profit or loss from previous period to retained earnings or losses								-2,464	2,464			0		0
Total contributions by owners and distributions to owners	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**-2,464**	**2,464**	**0**	**0**	**0**	**0**	**0**
Change in equity interests in subsidiaries that do not result in a loss of control														
Change in equity interests												0	**148**	148
Total changes in equity interests in subsidiaries	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**148**	**148**
Total transactions with owners	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**-2,464**	**2,464**	**0**	**0**	**0**	**148**	**148**
Closing balance at 30 Jun 2015	**101,922**	**175,698**	**12,896**	**7,556**	**3,170**	**75,679**	**-3,170**	**10,365**	**-7,004**	**-12,846**	**-6,528**	**357,738**	**3,063**	**360,801**

Notes to the Condensed Consolidated Financial Statements of the Gorenje Group

Fair value

Fair values and book values of assets and liabilities

EURk	Book value 31 Dec 2014	Fair value 31 Dec 2014	Book value 30 Jun 2015	Fair value 30 Jun 2015
Available-for-sale investments	3,646	3,646	3,718	3,718
Non-current loans and deposits	4,205	4,205	3,640	3,640
Non-current trade receivables	6,988	6,988	7,017	7,017
Current loans and deposits	12,969	12,969	13,284	13,284
Derivatives	2,393	2,393	-17,320	-17,320
Trade receivables	182,589	182,589	203,876	203,876
Other current assets	-37,646	-37,646	34,030	34,030
Cash and cash equivalents	36,062	36,062	30,086	30,086
Non-current financial liabilities (variable interest rate)	-203,672	-203,672	-222,336	-222,336
Non-current financial liabilities (fixed interest rate)	-66,398	-55,298	-66,084	-56,077
Non-current trade payables	-5,937	-5,937	-6,797	-6,797
Current financial liabilities	-96,229	-96,229	-131,079	-131,079
Trade payables	-202,615	-202,615	-177,571	-177,571
Other current payables	-37,813	-37,813	-41,519	-41,519
Total	**-401,458**	**-390,358**	**-367,055**	**-357,048**

Fair value scale

31 December 2014

(EURk)	Level 1[14]	Level 2[15]	Level 3[16]	Total
Available-for-sale financial assets	675	88	2,883	3,646
Derivatives – assets	-	3,700	-	3,700
Derivatives – liabilities	-	-1,307	-	-1,307
Land and investment property	-	-	60,767	60,767

30 June 2015

(EURk)	Level 1	Level 2	Level 3	Total
Available-for-sale financial assets	687	90	2,941	3,718
Derivatives – assets	-	1,613	-	1,613
Derivatives – liabilities	-	-18,933	-	-18,933
Land and investment property	-	-	60,107	60,107

Related party transactions

	Value of transaction		Balance	
EURk	Jan - Jun 2014	Jan - Jun 2015	30 Jun 2014	30 Jun 2015
Revenue				
Gorenje Group companies	738	962	702	953
Costs				
Gorenje Group companies	392	204	408	93

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[14] Level 1: stock price (unadjusted) on the active market of identical assets and liabilities,
[15] Level 2: data differing from stock price data (these are included in Level 1) monitored with the intention of direct or indirect valuation of assets and liabilities,
[16] Level 3: data on the value of assets and liabilities not based on the active market.

Significant events after the balance sheet date

The 22nd Shareholders' Meeting of Gorenje, d.d., convened on 3 July 2015 with 50.09% of the voting-right-bearing capital represented.

As at 7 July 2015, Panasonic Corporation and Gorenje Group signed an amendment to the Strategic Alliance Agreement from 5 July 2013 by means of which they have agreed to expand their strategic business cooperation to several new business segments, in addition to the already existing areas of cooperation. Based on this amendment, the strategic cooperation will be expanded mostly to the following new business segments: (a) purchase of materials and components, (b) manufacturing innovation, (c) consumer (aftersales) services, (d) logistics, (e) quality assurance, and (f) distribution of large and small household appliances on selected markets.

Gorenje, d.d., signed on 24 July 2015 with the Polish company Tesla Recycling S.K.A., a daughter company of Elemental Holding, S.A., a share sale and purchase agreement to divest the majority shareholding in its Daughter Company Gorenje Surovina, d.o.o., including the latter's Daughter Companies Kemis Valjevo, d.o.o., Kemis BH, d.o.o., and Cleaning System S, d.o.o., Šabac.

Gorenje, d.d., and Gorenje Surovina, d.o.o., signed on 19 August 2015 with the company HIS gradbeništvo in inženiring d.o.o., which holds a 49-percent stake in the company Publicus, d.o.o., an agreement to divest their majority shareholding in their subsidiary Publicus, d.o.o., Ljubljana, complete with the subsidiary Ekogor, d.o.o., Jesenice.

No other significant events occurred after the date of compiling the balance sheet as of 30 June 2015.

Business and Geographical Segments of the Gorenje Group

EURk	Business Segment Home		Business Segment Portfolio Investments		Group	
	Jan - Jun 2014	Jan - Jun 2015	Jan - Jun 2014	Jan - Jun 2015	Jan - Jun 2014	Jan - Jun 2015
Revenue from sales to third parties	509,557	472,827	95,152	84,933	604,709	557,760
Inter-segment sale	3,289	2,431	5,339	5,596	8,628	8,027
Interest income	941	674	91	89	1,032	763
Interest expenses	9,043	8,499	176	316	9,219	8,815
Amortisation and depreciation expense	18,696	20,335	2,573	2,592	21,269	22,927
Operating profit or loss before tax	1,841	-8,877	2,911	3,529	4,752	-5,348
Income tax expense	1,417	1,211	279	369	1,696	1,580
Profit or loss for the period	424	-10,088	2,632	3,160	3,056	-6,928
Total assets *	991,668	1,028,681	110,730	115,368	1,102,398	1,144,049
Total liabilities *	669,453	730,130	52,678	53,118	722,131	783,248

* Note: data as at 31 December 2014 were used for the year 2014

EURk	Western Europe		Eastern Europe		Other		Group	
	Jan - Jun 2014	Jan - Jun 2015	Jan - Jun 2014	Jan - Jun 2015	Jan - Jun 2014	Jan - Jun 2015	Jan - Jun 2014	Jan - Jun 2015
Revenue from sales to third parties	230,191	224,724	315,414	281,395	59,104	51,641	604,709	557,760

Financial Indicators

	Jan - Jun 2014	Jan - Jun 2015
INDICATORS OF PROFITABILITY		
Net return on sales (ROS)	0.5%	-1.2%
Net return on assets (ROA)	0.5%	-1.2%
Net return on equity (ROE)	1.6%	-3.7%
ASSET INDICATORS		
Asset turnover ratio	1.04	0.99
Inventory turnover ratio	4.91	4.76
Current trade receivables turnover ratio	5.53	5.77
INVESTMENT INDICATORS		
Fixed assets (PPE) to total assets	0.45	0.47
Current assets to total assets	0.51	0.52
INDICATORS OF FINANCIAL COMPOSITION		
Long-term coverage of non-current assets	1.13	1.22
Equity to total liabilities	0.32	0.32
Long-term to total liabilities	0.57	0.64
Equity to fixed assets (carrying value)	0.73	0.67
Quick ratio (liquid assets to current liabilities)	0.09	0.12
(Liquid assets + current receivables) to current liabilities	0.64	0.72
Current ratio	1.15	1.32
Net financial liabilities to equity	1.02	1.08
OPERATING PERFORMANCE INDICATORS		
Operating income to operating expenses	1.03	1.02
Revenue per employee (EUR)	57,465	53,900
Value added per employee (EUR)	14,700	14,017

Unaudited Condensed Financial Statements of Gorenje, d.d.

Condensed Balance Sheet of Gorenje, d.d.

EURk	Balance at 30 Jun 2014	%	Balance at 31 Dec 2014	%	Balance at 30 Jun 2015	%
ASSETS	**914,718**	**100.0%**	**910,137**	**100.0%**	**952,470**	**100.0%**
Non-current assets	**475,014**	**51.9%**	**487,383**	**53.6%**	**503,000**	**52.8%**
Intangible assets	27,015	2.9%	33,247	3.7%	38,215	4.0%
Property, plant and equipment	168,156	18.4%	180,660	19.8%	183,128	19.2%
Investment property	25,053	2.7%	16,729	1.8%	15,343	1.6%
Investments in subsidiaries	235,666	25.8%	238,363	26.2%	246,864	25.9%
Investments in associates	941	0.1%	341	0.1%	509	0.1%
Other non-current investments	690	0.1%	689	0.1%	1,690	0.2%
Deferred tax assets	17,493	1.9%	17,354	1.9%	17,251	1.8%
Current assets	**439,704**	**48.1%**	**422,754**	**46.4%**	**449,470**	**47.2%**
Inventories	90,419	9.9%	96,138	10.6%	93,501	9.8%
Current investments	134,839	14.7%	137,280	15.1%	168,017	17.7%
Trade receivables	192,538	21.1%	167,714	18.4%	170,721	17.9%
Other current assets	15,251	1.7%	11,368	1.2%	13,701	1.4%
Cash and cash equivalents	6,657	0.7%	10,254	1.1%	3,530	0.4%
EQUITY AND LIABILITIES	**914,718**	**100.0%**	**910,137**	**100.0%**	**952,470**	**100.0%**
Equity	**354,580**	**38.8%**	**365,910**	**40.2%**	**363,656**	**38.2%**
Share capital	92,240	10.1%	101,922	11.2%	101,922	10.7%
Share premium	157,705	17.3%	157,835	17.3%	157,835	16.6%
Revenue reserves	95,818	10.5%	99,301	10.9%	99,301	10.4%
Treasury shares	-3,170	-0.4%	-3,170	-0.3%	-3,170	-0.3%
Retained earnings	7,334	0.8%	4,220	0.5%	1,785	0.2%
Fair value reserve	4,653	0.5%	5,802	0.6%	5,983	0.6%
Non-current liabilities	**206,542**	**22.5%**	**256,032**	**28.1%**	**279,043**	**29.3%**
Provisions	22,355	2.4%	21,929	2.4%	20,195	2.1%
Non-current financial liabilities	184,187	20.1%	234,103	25.7%	258,848	27.2%
Current liabilities	**353,596**	**38.7%**	**288,195**	**31.7%**	**309,771**	**32.5%**
Current financial liabilities	181,435	19.9%	113,990	12.5%	152,700	16.0%
Trade payables	145,519	15.9%	154,786	17.0%	123,092	12.9%
Other current liabilities	26,642	2.9%	19,419	2.2%	33,979	3.6%

Condensed Income Statement of Gorenje, d.d.

EURk	Q2 2014	%	Q2 2015	%	Jan - Jun 2014	%	Jan - Jun 2015	%
Revenue	**170,681**	**97.2%**	**155,520**	**98.7%**	**349,327**	**97.4%**	**316,059**	**96.4%**
Change in inventories	2,469	1.4%	199	0.1%	4,796	1.3%	7,780	2.4%
Other operating income	2,531	1.4%	1,928	1.2%	4,613	1.3%	3,808	1.2%
Gross profit	**175,681**	**100.0%**	**157,647**	**100.0%**	**358,736**	**100.0%**	**327,647**	**100.0%**
Cost of goods, materials and services	-141,163	-80.4%	-125,547	-79.6%	-287,340	-80.1%	-262,508	-80.1%
Employee benefits expense	-23,590	-13.4%	-22,795	-14.5%	-47,058	-13.1%	-46,531	-14.2%
Amortisation and depreciation expense	-5,205	-3.0%	-6,010	-3.8%	-10,403	-2.9%	-11,866	-3.6%
Other operating expenses	-1,399	-0.8%	-1,315	-0.8%	-2,575	-0.7%	-2,740	-0.8%
Operating profit	**4,324**	**2.4%**	**1,980**	**1.3%**	**11,360**	**3.2%**	**4,002**	**1.3%**
Finance income	4,807	2.7%	3,097	2.0%	6,699	1.9%	7,382	2.2%
Finance expenses	-7,652	-4.3%	-8,777	-5.6%	-12,389	-3.5%	-13,752	-4.2%
Net finance expenses	**-2,845**	**-1.6%**	**-5,680**	**-3.6%**	**-5,690**	**-1.6%**	**-6,370**	**-2.0%**
Profit or loss before tax	**1,479**	**0.8%**	**-3,700**	**-2.3%**	**5,670**	**1.6%**	**-2,368**	**-0.7%**
Income tax expense	337	0.2%	132	0.1%	295	0.1%	-67	-0.1%
Profit or loss for the period	**1,816**	**1.0%**	**-3,568**	**-2.2%**	**5,965**	**1.7%**	**-2,435**	**-0.8%**
Basic and diluted earnings per share (in EUR)	0.08		-0.15		0.27		-0.10	

Condensed Statement of Other Comprehensive Income of Gorenje, d.d.

EURk	Jan - Jun 2014	Jan - Jun 2015
Profit or loss for the period	**5,965**	**-2,435**
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss	**0**	**0**
Change in fair value of land	0	0
Items that may be reclassified subsequently to profit or loss	**708**	**181**
Net change in fair value of available-for-sale financial assets	-14	13
Change in effective portion of gains and losses on hedging instruments in a cash flow hedge	1,886	-290
Change in effective portion of gains and losses on hedging instruments in a cash flow hedge, reclassified to profit or loss	-1,018	495
Income tax on other comprehensive income	-146	-37
Other comprehensive income for the period	**708**	**181**
Total comprehensive income for the period	**6,673**	**-2,254**

Condensed Statement of Cash Flows of Gorenje, d.d.

	EURk	Jan - Jun 2014	Jan - Jun 2015
A.	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit or loss for the period	**5,965**	**-2,435**
	Adjustments for:		
	-Depreciation of property, plant and equipment	9,119	9,623
	-Amortisation of intangible assets	1,284	2,243
	-Investment income	-6,699	-7,382
	-Finance expenses	12,389	13,752
	-Gain on sale of property, plant and equipment	-19	-94
	-Income tax expense	-295	67
	Operating profit before changes in net operating assets and provisions	**21,744**	**15,774**
	Change in trade and other receivables	1,041	-5,499
	Change in inventories	5,392	2,637
	Change in provisions	-830	-1,734
	Change in trade and other payables	-15,760	-21,749
	Cash generated from operations	**-10,157**	**-26,345**
	Interest paid	-8,503	-7,055
	Net cash from operating activities	**3,084**	**-17,626**
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Proceeds from sale of property, plant and equipment	1,751	3,250
	Interest received	1,721	1,670
	Dividends received	2,408	920
	Disposal of subsidiary	250	0
	Acquisition of subsidiary	0	-8,500
	Acquisition of property, plant and equipment	-6,688	-13,688
	Acquisition of investment property	-9	0
	Other investments	-42,912	-29,420
	Acquisition of intangible assets	-6,647	-7,212
	Net cash used in investing activities	**-50,126**	**-52,980**
C.	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Borrowing / Repayment of borrowings	38,795	63,882
	Net cash used in financing activities	**38,795**	**63,882**
	Net change in cash and cash equivalents	-8,247	-6,724
	Cash and cash equivalents at beginning of period	14,904	10,254
	Cash and cash equivalents at end of period	6,657	3,530

Condensed Statement of Changes in Equity of Gorenje, d.d.

EURk	Share capital	Share premium	Revenue reserves				Treasury shares	Retained earnings		Fair value reserve	Total
			Legal reserves	Statutory reserves	Treasury share reserve	Other re-venue reserves		Profit or loss from previous periods	Profit or loss for the period		
Opening balance at 1 Jan 2014	**92,240**	**157,705**	**12,896**	**6,923**	**3,170**	**72,829**	**-3,170**	**151**	**1,218**	**3,945**	**347,907**
Total comprehensive income for the period											
Profit for the period									5,965		5,965
Total other comprehensive income										708	708
Total comprehensive income for the period	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**5,965**	**708**	**6,673**
Transactions with owners (when acting as owners) recognised directly in equity											0
Contributions by owners and distribution to owners											0
Capital increase											0
Total contributions by owners and distribution to owners	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total transactions with owners	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Closing balance at 30 Jun 2014	**92,240**	**157,705**	**12,896**	**6,923**	**3,170**	**72,829**	**-3,170**	**151**	**7,183**	**4,653**	**354,580**

EURk	Share capital	Share premium	Revenue reserves				Treasury shares	Retained earnings		Fair value reserve	Total
			Legal reserves	Statutory reserves	Treasury share reserve	Other re-venue reserves		Profit or loss from previous periods	Profit or loss for the period		
Opening balance at 1 Jan 2015	**101,922**	**157,835**	**12,896**	**7,556**	**3,170**	**75,679**	**-3,170**	**1,369**	**2,851**	**5,802**	**365,910**
Total comprehensive income for the period											
Profit for the period									-2,435		-2,435
Total other comprehensive income										181	181
Total comprehensive income for the period	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**-2,435**	**181**	**-2,254**
Transactions with owners (when acting as owners) recognised directly in equity											0
Contributions by owners and distribution to owners											0
Capital increase											0
Total contributions by owners and distribution to owners	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total transactions with owners	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Closing balance at 30 Jun 2015	**101,922**	**157,835**	**12,896**	**7,556**	**3,170**	**75,679**	**-3,170**	**1,369**	**416**	**5,983**	**363,656**

Notes to the Condensed Financial Statements of Gorenje, d.d.

Fair values and book values of assets and liabilities

EURk	Book value	Fair value	Book value	Fair value
	31 Dec 2014	31 Dec 2014	30 Jun 2015	30 Jun 2015
Available -for-sale investments	2,847	2,847	2,919	2,919
Non-current loans	17	17	1,019	1,019
Current loans	131,357	131,357	159,568	159,568
Derivatives	741	741	88	88
Trade receivables	167,714	167,714	170,721	170,721
Other current assets	9,488	9,488	9,777	9,777
Cash and cash equivalents	10,254	10,254	3,530	3,530
Non-current financial liabilities (variable interest rate)	-168,141	-168,141	-192,869	-192,869
Non-current financial liabilities (fixed interest rate)	-65,962	-54,478	-65,979	-56,015
Current financial liabilities	-112,880	-112,880	-152,026	-152,026
Trade payables	-154,786	-154,786	-123,092	-123,092
Other current liabilities	-10,372	-10,372	-18,633	-18,633
Total	**-189,723**	**-178,239**	**-204,977**	**-195,013**

Fair value scale

31 December 2014

EURk	Level 1[17]	Level 2[18]	Level 3[19]	Total
Available-for-sale financial assets	155	-	2,692	2,847
Derivatives - assets	-	1,851	-	1,851
Derivatives - liabilities	-	-1,110	-	-1,110
Land and investment property	-	-	38,023	38,023

30 June 2015

EURk	Level 1	Level 2	Level 3	Total
Available-for-sale financial assets	168	-	2,751	2,919
Derivatives - assets	-	762	-	762
Derivatives - liabilities	-	-674	-	-674
Land and investment property	-	-	37,379	37,379

Related party transactions

EURk	Value of transaction		Balance	
	Jan - Jun 2014	Jan - Jun 2015	30 Jun 2014	30 Jun 2015
Revenue	263,370	240,200		
Trade receivables			150,688	136,850
Trade payables			34,917	24,264
Loans granted			121,082	153,453
Borrowings raised			32,895	55,112

[17] Level 1: stock price (unadjusted) on the active market of identical assets and liabilities,
[18] Level 2: data differing from stock price data (these are included in Level 1) monitored with the intention of direct or indirect valuation of assets and liabilities,
[19] Level 3: data on the value of assets and liabilities not based on the active market.

Financial Indicators

	Jan - Jun 2014	Jan - Jun 2015
INDICATORS OF PROFITABILITY		
Net return on sales (ROS)	1.71%	-0.77%
Net return on assets (ROA)	1.32%	-0.52%
Net return on equity (ROE)	3.40%	-1.34%
ASSET INDICATORS		
Asset turnover ratio	0.78	0.68
Inventory turnover ratio	7.50	6.67
Current trade receivables turnover ratio	3.60	3.74
INVESTMENT INDICATORS		
Fixed assets (PPE) to total assets	0.24	0.25
Current assets to total assets	0.52	0.53
INDICATORS OF FINANCIAL COMPOSITION		
Long-term coverage of non-current assets	1.18	1.28
Equity to total liabilities	0.39	0.38
Long-term to total liabilities	0.61	0.67
Equity to fixed assets (carrying value)	1.61	1.54
Quick ratio (liquid assets to current liabilities)	0.40	0.55
(Liquid assets + current receivables) to current liabilities	0.99	1.15
Current ratio	1.24	1.45
Net financial liabilities to equity	0.63	0.66
OPERATING PERFORMANCE INDICATORS		
Operating income to operating expenses	1.03	1.01
Revenue per employee (EUR)	84,338	77,751
Value added per employee (EUR)	16,615	15,350

Information Regarding the Report and its Public Announcement

Pursuant to provisions of the Code of Warsaw Stock Exchange, Rules and Regulations of the Ljubljana Stock Exchange and the applicable legislation, the company Gorenje, d.d., Partizanska 12, SI-3320 Velenje, hereby announces the **unaudited non-consolidated financial statements of Gorenje, d.d., and unaudited consolidated financial statements of the Gorenje Group for the period January – June 2015**. The unaudited financial statements of Gorenje, d.d., and the Gorenje Group were presented to the Supervisory Board at its **12th regular session** held on 20 August 2015. The financial statements are available for review at the headquarters of Gorenje, d.d., at Partizanska 12, SI-3320 Velenje, whereas announcements shall be available in the Ljubljana Stock Exchange electronic info system, the SEOnet (www.ljse.si), the Warsaw Stock Exchange via the ESPI system (www.gpw.pl), and the company's web site at www.gorenjegroup.com, **on 21 August 2015**.

Forward-looking Statements

This announcement includes forward-looking information and forecasts – i.e. statements regarding the future, rather than the past, and regarding events within the framework and in relation to the currently effective legislation on publicly traded companies and securities and pursuant to the Rules and Regulations of the Ljubljana and Warsaw Stock Exchange. These statements can be identified by the words such as "expected", "anticipated", "forecast", "intended", "planned or budgeted", "probable or likely", "strive/invest effort to", "estimated", "will", "projected", or similar expressions. These statements include, among others, financial goals and targets of the parent company Gorenje, d.d., and the Gorenje Group for the upcoming periods, planned or budgeted operations, and financial plans. These statements are based on current expectations and forecasts and are subject to risk and uncertainty, which may affect the actual results, which may in turn differ from the information stated herein for various reasons. Various factors, many of which are beyond reasonable control by Gorenje, affect the operations, performance, business strategy, and results of Gorenje. Thus actual results, performance, or achievements of Gorenje may differ materially from the expected results, performance, or achievements as stated in these forward-looking statements. These factors include but are not necessarily limited to following: consumer demand and market conditions in geographical segments or regions and in industries in which the Gorenje Group is conducting its operating activities; effects of exchange rate fluctuations; competitive downward pressure on downstream prices; major loss of business with a major account/customer; the possibility of late payment on the part of customers; decrease in prices as a result of persistently harsh market conditions, in an extent much higher than currently expected by Gorenje's Management Board; success of development of new products and their implementation in the market; development of manufacturer's liability for the product; progress of attainment of operative and strategic goals regarding efficiency; successful identification of opportunities for growth and mergers and acquisitions, and integration of such opportunities into the existing operations; further volatility and aggravation of circumstances in capital markets; progress in attainment of goals regarding structural reorganization and reorganization in purchasing. If one or more risks or uncertainties are in fact materialised or if the said assumptions are proven wrong, actual results may deviate materially from those stated as expected, hoped for, forecast, projected, planned, probable, estimated, or anticipated in this announcement. Gorenje allows any update or revision of these forecasts in light of development differing from the expected events.