

24th June 2011

ANNOUNCEMENT: Court decision on prohibition of trademark exploitation no. P-4600/2011

On 24th of June 2011, Magma d.d. received a Court decision (hereinafter: Decision) on prohibition of trademark exploitation, which was issued by Commercial Court in Zagreb on 17th of June 2011. Commercial Court in Zagreb reached a temporary Decision that prohibits the company Adria Design Ltd., Baštijanova 52a, Zagreb, registered at the Commercial Court in Zagreb under no. MBS: 080703462, OIB: 53686561440, any use and disposal of any kind, including but not limited to transfer, encumber or any other exploitation of or encumber in whole or in part in all the territories in which those rights are protected or registered for trademark protection, the following trademarks and trademark applications: TURBO LIMAČ, BE MY BEAR, Bearfoot, BOYZ INA, BTS, Bubu, COCONUT baby, Coconut Girl, Girlz INA X-KID.

Abovementioned Decision is fully effective until definitive Court decision is reached or Court determines otherwise. If the Decision is to be appealed, it shall not effect it's execution, since it will be carried out regardless.

Adria design d.o.o. is expected to comply with the Decision in entirely and immediately stop using trademark TURBO LIMAČ and other related trademarks in all 29 stores and to inform the competent authorities and to inform the competent authorities of the Republic of Serbia to stop the process that was initiated by Adria design d.o.o.

Magma international d.o.o. Serbia reserves the right to compensation for the so far caused damage.

Magma d.d.