



CORPORATE COMMUNICATION

Koprivnica, 21 January 2013

MEDIA RELEASE

Podravka continues to reorganize its business

Podravka d.d. Management Board announces Provision Program for Podravka Group

Provision Program includes stimulating severance payments amounting to HRK 3,000.00 for each year spent within Podravka Group.

This Resolution is a part of the continued reorganization process within the company, with the purpose of optimizing expenses and increasing business efficiency, sustainability of jobs and Podravka's long-term competitiveness on domestic and foreign markets.

"Podravka is on a turning point when changes are necessary in order to ensure a long-term and sustainable growth. In order to have a long-term and sustainable company growth, we need to ensure sustainable jobs and increase efficiency, with reducing business costs. We will be implementing a Provision Program which will provide for workers financially and existentially through a stimulating severance pay, which will amount to three thousand kunas for each year of continuous work at Podravka" – Podravka Management Board President Zvonimir Mršić said.

Restructuring of Podravka will be performed in several steps, and after the restructuring was started and then stopped several years ago, this is the beginning of a new restructuring cycle, a step which is necessary and very well

devised, with the purpose of strengthening the company in comparison to the competition on the ever more demanding domestic and foreign markets.