



Koprivnica, 6th November 2012

- THE ZAGREB STOCK EXCHANGE
- CROATIAN FINANCIAL SERVICES SUPERVISORY AGENCY
- CROATIAN NEWS AGENCY
- COMPANY WEB SITE

**Re: Resolution by Podravka d.d. Management Board
- product portfolio revision process continued**

Pursuant to the provisions of the Zagreb Stock Exchange Rules and the Capital Market Law, we hereby inform that the process of Podravka product portfolio revision continues.

After completing product portfolio sales and profitability analysis per markets, Podravka d.d. Management Board passed a resolution on further discontinuation of 660 products, which were sold on various markets. Total annual sales of these products in 2011 was HRK 11.5 million, which will have a positive effect on gross margin amounting to HRK 1.2 million.

Also, a resolution was passed on bakery business restructuring, with the purpose of reducing production expenses and improving profitability of the bakery program.

PODRAVKA d.d.