



CORPORATE COMMUNICATIONS

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MEDIA RELEASE

Podravka forms new market regions and strengthens international business

At Podravka Management Board session held today a plan was presented to further strengthen business internationalization and form new market regions, the result of which is changed business reporting, effective as of 1 January 2015. This significantly reduces present level of markets complexity management, the goal of which is to use more effectively own size and knowledge, and providing better quality and cost efficient support to the markets on which Podravka performs its business operations. Uniting various functions within newly formed zones will enable markets to increase their focus on creating additional demand.

"With the new organization of markets management and redefining market zones we intend to increase our efforts in better usability of our size and presence around the world. With an optimal balance of category focus and geography regions we create better terms for further growth and development of our company. In the next five years we intend to gain two thirds of income from international markets" - Zvonimir Mršić, Podravka Management Board President said.

As mentioned, as of 1 January 2015 reporting on Podravka Group business, for the business segment Food, will begin according to the new market regions. There will be four newly formed regions: *Adria* region with the market of Croatia and present markets of South-East Europe, then the region *Europe* with the markets of EU, then the region *Russia and CIS* and the region *New markets* with America, Asia, Australia and Africa.

In addition, it is worth mentioning that new company registration procedure will soon be completed for one in Dubai (UAE), and procedures have been started for company registration in Dar es Salaam (Tanzania) and representative office in Beijing (China), creating preconditions for starting business on these very potent markets.