



Koprivnica, 21<sup>st</sup> April 2015

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

**Re: Podravka Inc. signed the Share Sale and Purchase Agreement for acquiring the shares of Žito Inc. Ljubljana – Notice**

Pursuant to the provisions of the Capital Market Law and the Zagreb Stock Exchange Rules, we hereby inform you that on 21<sup>nd</sup> April 2015 Podravka signed the Share Sale and Purchase Agreement with the consortium of sellers on acquiring 183.386 (51,55 %) of the shares of the company Žito, Inc., headquartered in Ljubljana - Šmartinska cesta 154, 1000 Ljubljana, Republic of Slovenia, registered with the court/business register of the Republic of Slovenia, managed by the Agency for Slovenian Business Register and services („AJPES“) under the number 5391814000, and also listed on the Ljubljana Stock Exchange (hereinafter: Žito). The consortium of the sellers are comprised of Slovenski državni holding d.d., Modra zavarovalnica, d. d., KD Kapital, d. o. o., KD Skladi, d. o. o., Adriatic Slovenica, d. d. and NLB Skladi, d. o. o.

Based on this Agreement, Podravka Inc. shall acquire the majority package of 51.55% shares of Žito, registered under the no. ISIN SI0031108440, for the price of EUR 180,1 per share, or for the full amount of EUR 33.027.818, after receiving the approvals from the authorised regulatory agencies for protection of market competition and upon completion of contractual pre-conditions.

Podravka and Žito have a very complementary product range – they are food products with similar models of production, sales, promotion, distribution and logistics.

What is also significant is the fact that Žito has a leading position in several product categories, such as bakery products, flour and mill products, teas, mono-seasonings and frozen bakery and other products.

With this purchase of shares of Žito, Podravka consolidates its position, i.e. becomes a leader in several product categories – significantly improving its market strength and negotiating power with the buyers.

Expanding business in complementary food products, Podravka opens the possibilities for synergies in the area of expenses, products, production, sales and marketing, improving the business efficiency and increasing competitiveness.

Podravka Inc.