



Koprivnica, 4th October 2013

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

**Re: Severance payments for surplus workers
- notice**

Podravka Inc. Management Board has reached a resolution on severance payments for surplus workers within Podravka d.d. and its subsidiaries in the Republic of Croatia, continuing thus the restructuring process, with the purpose of increasing the efficiency of business and ensuring jobs sustainability.

Severance payments will include about 150 workers of Podravka Group in Croatia, and they will receive HRK 4,000.00 per each year spent at the company.

Total amount of severance payments to be paid to workers will be about HRK 15 million, and its return is expected within the following 12 months.

Podravka Inc.