



## **ANNOUNCEMENT OF THE COUNTER-PROPOSAL OF THE 18<sup>th</sup> REGULAR SHAREHOLDERS' MEETING OF NOVA KBM d.d.**

**Based on the rules of the Ljubljana Stock Exchange and the legislation in force, the Management Board of Nova KBM d.d., Maribor, announces the following information:**

The Management Board of Nova KBM d.d. Ulica Vita Kraigherja 4, 2505 Maribor, announces in compliance with Articles 299 and 300 of the Companies Act (ZGD-1), the counter-proposal of the shareholder – the PanSlovenian Shareholders' Association, Salendrova 4, 1000 Ljubljana, dated 10 June 2009, and received on 11 June 2009, to the resolution proposals of points 5 and 8 of the agenda of the 18<sup>th</sup> Shareholders' Meeting of Nova KBM, d.d., Maribor, called for 8 July 2009, which runs as follows:

In compliance with Article 300 of the Companies Act (ZGD-1), the PanSlovenian Shareholders' Association (VZMD), Salendrova 4, 1000 Ljubljana, represented by the president Kristijan Verbič (hereinafter referred to as the »Proposer«) files grounded counter-proposals and announces that during the Shareholders' Meeting it will object to the proposal of the Management Board and the Supervisory Board, and that it will dispose other shareholders to vote in favour of its counter-proposals.

### **Counter-proposal to point 5 of the agenda - Proposal for the authorisation of the Bank's Management Board for acquiring the Bank's own shares**

#### *Counter-proposal to the resolution:*

Based on Article 247 of the Companies Act (ZGD-1), the Shareholders' Meeting authorises the Bank's Management Board to acquire, in the name and for the account of the Bank, the Bank's own shares under the following conditions:

- the portion of the Bank's own shares shall stay below 2 per cent of the share capital,
- the Bank will not acquire its own shares solely for the purpose of trading, but will offer them for sale to the Bank's employees and to persons affiliated to the Bank (second indent of the first paragraph of Article 247 of the Companies Act), or in order to provide compensation for shareholders under provisions of the Companies Act (third indent of the first paragraph of Article 247 of the Companies Act), and
- the purchase price per share shall be at least €1.00, and shall not exceed the book value of the share disclosed in the latest published financial report of Nova KBM d.d.

The Bank may dispose of its own shares at the price per share which has to be above the weighted average purchase price, and is at least equal to the weighted average market price of the share in the last three-month period before the conclusion of the shares sale agreement.

The authorisation for the acquiring of the Bank's own shares issued to the Management Board is valid for a maximum of 15 months from the adoption of the resolution.

#### **Grounds for the counter-proposal:**

The Proposer proposes that the authorisation for acquiring the Bank's own shares issued to the Management Board shall specifically state the purposes of acquisition (for sale to the Bank's employees and to persons affiliated with the Bank, and for other purposes provided by law), shall be



given for a smaller number of shares and for a shorter period than proposed at the call of the Shareholders' Meeting. As the purpose of the acquisition of the Bank's own share is not clearly determined in the call (except for the reason of preserving the shareholders' value on the regulated market, which, in the opinion of the Proposer, is not one of the legally permissible purposes for acquiring a company's own shares as determined by the first paragraph of Article 247 of the Companies Act), the Proposer can only support the purpose of the acquisition of the Bank's own shares being the sale to the Bank's employees and to persons affiliated with the Bank, or in order to provide compensation for shareholders under provisions of the Companies Act. The Proposer also proposes that the permissible price range shall be determined at which the Bank may in future dispose of its own shares acquired.

*The position of the Management Board of Nova KBM d.d. to the counter-proposal:*

The Management Board opposes the counter-proposal of the shareholder because it has established that the proposal for the authorisation issued to the Bank's Management Board for the acquiring of the Bank's own shares, submitted by the Management and Supervisory Board, is in compliance with the legislation in force, and has a clearly specified purpose. The Management Board does not support the purpose determined by the proposal of the shareholder, i.e. that the Bank's own shares may be acquired for the sale to the Bank's employees and to persons affiliated with the Bank, or in order to provide compensation for shareholders under provisions of the Companies Act.

#### **Counter-proposal to point 8 of the agenda - Appointment of Supervisory Board members**

*Counter-proposal to the resolution:*

Based on the notice of resignation dated 7 April 2009, the Shareholders' Meeting takes note of the resignation of the existing member of the Supervisory Board of Nova KBM d.d. Aljoša Valentinčič. Instead of Aljoša Valentinčič, Janez Košak is appointed as the new member of the Supervisory Board. His term of office begins on 25 July 2009 and lasts until the end of the residual term of office of the discharged member of the Supervisory Board, i.e. until 14 July 2012.

#### **Grounds for the counter-proposal:**

The PanSlovenian Shareholders' Association (VZMD), the Proposer of the counter-proposal, proposes to the Shareholders' Meeting to appoint a member of the Supervisory Board who will adequately represent the ownership structure of the Bank or an important portion of its owners in the supervisory body – retail investors, the number of which in the ownership structure is over 100,000, and represent approximately 25 per cent of the Bank's share capital. The Proposer is of the opinion that the current composition of the Supervisory Board does not reflect the ownership structure, which significantly changed after the public offering of the Bank's shares by the Republic of Slovenia, based on which more than 110,000 citizens - retail investor - entered into the ownership of the Bank. These retail investors do not have a representative on the Supervisory Board that would be considered appropriate under the provisions of the Corporate Governance Code. At the last year's Shareholders' Meeting of Nova KBM d.d., the VZMD already filed such constructive and reasoned proposal (Borut Bratina and Ludvik Toplak). This proposal was not accepted due to the ungrounded proposal and the voting of the majority owner, despite the fact that it was – by the direct authorisation issued to Kristijan Verbič, president of the VZMD – supported by 3,808 shareholders. Therefore, the Proposer once again proposes an uncontested professional Janez Košak to be appointed as a new member of the Supervisory Board. Mr. Košak is member of the Expert Council of the VZMD, and has invaluable experience in banking, finance, analyses, negotiations, and development. The proposed candidate meets all the criteria for a supervisory board member, in accordance with the Banking Act, the Companies Act, and the Bank's Articles of Association. Since 1 August 1991, the proposed candidate has been acting as a vice-governor of the Bank of Slovenia, and his mandate as a vice-governor terminates on 24 July 2009. We attach all the necessary documents to the proposal including the CV, his statement and the consent.



This announcement will be available on the Nova KBM d.d. website ([www.nkbm.si](http://www.nkbm.si)) from 11 June 2009, for at least 5 years from the date of announcement.

Management Board of Nova KBM d.d.