

Zagreb, 04 June 2012

INA INDUSTRIJA NAFTE, d.d.
Av. V. Holjevca 10
10 000 Zagreb, Croatia
Ordinary shares INA-R-A ISIN HRINA0RA0007
Listed on the Zagreb Stock Exchange official market
Announcement in line with Capital Markets Act

Subject: Announcement

From 02 June to 04 June 2012, a number of statements have been made in media regarding company's financial position. In respect of the statements INA would like to make the following announcement:

According to the statements made in the media, Company bank loans, allowed overdrafts and long-term loans (INA's total obligations) are twice as high as last year.

INA hereby would like to inform capital market participants, that such information is incorrect, as INA's net indebtedness (or, as quoted in the media, *the total obligations*) has been constantly decreased over the past periods and accordingly is not twice as high as last year.

As reported in the quarterly capital market reports, the net indebtedness of INA has decreased from HRK 10.0 bn at the end of 2010 to HRK 9.1 bn by the end of 2011 and has been further reduced by 6% to HRK 8.6 bn by the first quarter of 2012. INA also notes that contrary to what is written in the article, the situation cannot be compared to 2008 and 2009, as INA repaid its debts towards the Croatian Government in 2010 and since then it has been paying its tax obligations within the set deadlines, therefore the statements made in the media are incorrect and without grounds.

INA's current financial and liquidity situation is stable and the management is committed to further improve it.

INA-INDUSTRIJA NAFTE, d.d.

OIB:27759560625

Tel. + 385 1 645 0000

Fax. + 385 1 645 2444

e-mail: investitori@ina.hr
