

Zagreb, May 04 2011

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: Management Board Meeting

May 4, 2011 - The Management Board of INA-INDUSTRIJA NAFTE, d.d. at its session yesterday temporarily suspended Mr. Bojan Milković from performing the duties of Chief Executive Officer and Executive Director for BD Exploration & Production for a period of 35 days. The temporary suspension was made based on the personal request of Mr. Milković in relation to the ongoing investigation proceedings against him.

At the same meeting Mr Želimir Šikonja's term of office as acting Executive Director for Exploration and Production was prolonged until the termination of the aforementioned temporary suspension or until further decision.

The Management Board also unanimously prolonged authorization of its President, Mr Zoltán Áldott, for the supervision of functions directly subordinated to Chief Executive Officer until the termination of the aforementioned temporary suspension or until further decision.

The above mentioned decisions clearly show the unity of the Management Board in a period when the focus is on the transformation and development of the Company, including implementation of major investment projects to support strong regional growth and were brought in order to ensure the stabile and uninterrupted business activities.

The Company underlines that these decisions are strictly temporary and do not represent long term solution.

**INA-INDUSTRIJA NAFTE, d.d.**

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