

In accordance with Item 6.20. of the Articles of Association of Krka, tovarna zdravil, d. d., Novo mesto, Šmarješka cesta 6, Novo mesto the company's Management Board convenes the

**12th Annual General Meeting of Krka, tovarna zdravil, d. d., Novo mesto,
at 13.00 on Thursday 5 July 2007 at Hotel Šport, Otočec ob Krki, Slovenia.**

The Notary Public, Andrej Tiran of Novo mesto will attend the General Meeting.

Agenda and proposed resolutions:

1. The opening of the company's General Meeting and election of its working bodies

Proposed resolution:

Dušan Jenko is appointed as Chair of the General Meeting, and IXTLAN Forum, d.o.o., Ljubljana as vote enumerators.

2. Presentation of the Management Board's Annual Report, the Auditor's Report, and the Supervisory Board's Report on its verification and approval of the 2006 Annual Report, adoption of the 2006 accumulated profit appropriation and discharge of liability for the Management and Supervisory Boards for 2006.

Proposed resolutions:

2.1. The General Meeting adopts the information on the Annual Report for the 2006 financial year, the Supervisory Board's report on its verification and approval of the Annual Report.

2.2. The accumulated profit for 2006 in the amount of SIT 24,763,877,074 or € 103,337,828 is allocated as follows:

- for dividends SIT 1,917.12 or € 8.00 gross per share
- to other profit reserves SIT 9,142,053,664.99 SIT or € 38,149,113.94
- to carry forward to the next year SIT 9,142,053,664.99 SIT or € 38,149,113.94.

The payout of dividends will start 60 days after the General Meeting date. The shareholder records in the share register at the KDD - Central Securities Clearing Corporation Inc., Ljubljana with the record date of 10 July 2007 will be applied for dividend payment.

2.3. The General Meeting approves and gives consent to the work of the Management Board and Supervisory Board for their work in the 2006 financial year, and discharges them from liability for performance of their duties in 2006.

3. Conversion of company's share capital into euros

Proposed resolution:

The company's share capital, which amounts to SIT 14,170,448,000 shall be converted into euros in the method defined in the first paragraph of Article 693 of the Companies Act (ZGD-1), and shall amount to € 59,126,194.28. The difference in the amount of € 6,037.40 that arises in the conversion pursuant to the provision mentioned shall be transferred to the capital reserves and the share capital will be reduced by that amount.

4. Amendment to Articles of Association

Proposed resolution:

The enclosed text of proposed amendments to the Articles of Association is approved.

5. Introduction of no par-value shares

Proposed resolution:

Pursuant to the provisions of the Articles of Association of the company Krka, d.d., Novo mesto, no par-value shares shall be introduced in such manner that each nominal share of value SIT 4,000 shall be replaced by ten no par-value shares, and following the conversion of the company's share capital, which amounts to € 59,126,194.28, divided into 35,426,120 ordinary no-par value shares that shall be bearer securities.

The company's Management Board must submit an order to the KDD - Central Securities Clearing Corporation Inc. to enter the changes in share register such that no par-value shares are introduced within two months from 10 July 2007 at the latest and to ensure as little disturbance as possible to the share trading.

6. Discussion and adoption of resolution on appointment of auditor

Proposed resolution:

KPMG Slovenija, podjetje za revidiranje, d.o.o., Ljubljana is appointed as the company's auditor for the 2007 financial year.

7. Definition of directors' fees for participation in Supervisory Board meetings and Supervisory Board committee meetings

Proposed resolution:

The following is determined:

- directors' fee for participation in meetings of the Krka, d.d., Novo mesto Supervisory Board:

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|---|-------------------|
| - for the President of the Supervisory Board | € 1,072.50 |
| - for members of the Supervisory Board | € 825.00 |

- directors' fee for participation in Supervisory Board committee meetings:

| | |
|---|-----------------|
| - for the president of the Committee | € 825.00 |
| - for members of the Committee | € 634.50 |
| - for the President of the Supervisory Board | € 634.50 |

In the case of correspondence meetings, the directors' fee is calculated at 80% of the regular fee.

The possibility of remunerating Supervisory Board members via participation in profit is regulated in Item 6.16. of the company's Articles of Association, with reference to Item 6.7.

All amounts stated are gross.

The resolution applies from the General Meeting onwards, and replaces the resolution adopted at the 2006 Annual General Meeting.

Shareholders, and their representatives and proxies, have the right to participate in the General Meeting. A power of attorney must be provided in writing and must be held at the registered office of the company for the full duration of the authorisation.

The right to participate and exercise voting rights at the General Meeting is only granted to shareholders entered on 26 June 2007 in the shareholder register at KDD - Central Securities Clearing Corporation Inc., Ljubljana, and their representatives and proxies who present or send written notice of participation in the General Meeting no later than three days before the date of the meeting. Proxies must, in addition to the notice, also present a written power of attorney within the same time limit.

Participants register in the reception hall where the General Meeting will take place, where they will confirm their attendance with a signature, and take receipt of the meeting material and voting tools. The hall will be opened one hour before the opening of the meeting in order to determine the presence of shareholders and/or their proxies or representatives and to compile and sign off the list of all shareholders present in person or by proxy. The voting



tools are collected at least half hour before the meeting starts.

The complete material for the General Meeting is available for review by shareholders at the company's registered office every working day from 10.00 to 13.00, and on the company website (www.krka.si), and the website of the Ljubljana stock exchange (seonet.ljse.si) from the day of the meeting notice until the day of the General Meeting.

Shareholders may submit countermotions, including an explanation, to the company's Management Board within seven days from the publication of the notice convening the General Meeting.

Jože Colarič
President of the Management Board

Novo mesto, 1 June 2007