

**Summary prospectus for the public offer of shares of  
Gorenje gospodinjski aparati d.d., Partizanska 12, SI - 3503  
Velenje, Slovenia**



## **Summary prospectus for the public offer of shares of Gorenje gospodinjski aparati d.d.**

### **1. The issuer of the shares**

The issuer of the shares is Gorenje gospodinjski aparati, d.d., Partizanska 12, SI - 3503 Velenje, Slovenia.

Its share capital, entered in the court register, is EUR 66,378,217.32, and is divided into 15,906,876 ordinary, freely transferable no par shares in a registered form.

### **2. The type of the shares**

The shares are ordinary, freely transferable no par shares issued in a registered, book-entry form, with the symbol GRVG and ISIN code SI0031104076.

This prospectus relates to 1,876,876 ordinary, freely transferable no par shares in a registered form.

### **3. The total amount of the issue**

This prospectus relates to 1,876,876 ordinary, freely transferable, no par shares in a registered form, in the total amount of EUR 7,832,064.76, which are without par value. The issue price shall be EUR 13.32 per share, and the total selling price of all 1,876,876 shares shall be EUR 24,999,988.32.

### **4. The number of shares**

The issuer's share capital is divided into 15,906,876 ordinary, freely transferable no par shares in a registered form. They were issued as no par value shares in a book-entry form. This prospectus relates to 1,876,876 ordinary, freely transferable, no par shares in a registered form at maximum, in the total amount of EUR 7,832,064.76.

After the issue of new shares, the issuer's share capital shall be EUR 74,210,282.09 at maximum and divided into 17,783,752 ordinary, freely transferable no par shares in a registered form at maximum.

### **5. The offer price**

The new shares shall be offered at the price of EUR 13.32 per share, so that the total amount of the issue of shares to which this prospectus relates shall be EUR 24,999,988.32 at maximum.

### **6. The rights attached to the shares**

As regards the attached rights, the shares to which this prospectus relates are substantially the same as the issuer's existing ordinary, freely transferable no par shares in a registered form, with the symbol GRVG, which afford the following rights to their voters:

- one vote at the general meeting of shareholders,
- a proportionate share of the accumulated profit available for distribution,
- a proportionate share of the remaining assets on the issuer's liquidation or bankruptcy.

## **7. The time period during which the offer will be open**

The offer shall start on the fourth day following publication of this prospectus and shall have three rounds; the investors shall be informed of the exact dates by means of a management board's notice. The first subscription round shall last twenty days, the second subscription round fifteen days, and the third subscription round, if there is one, twenty days.

## **8. Description of the offer**

### **a) Categories of potential investors**

The new shares shall be offered to the existing shareholders in the first two rounds. Any shares offered in the first two rounds but not subscribed and paid for shall be offered in the third round to third persons.

### **b) Share allotment**

The existing shareholders with the pre-emption right shall be informed by means of a management board's notice of the number of new shares that they may subscribe and pay for in proportion to the number of shares held by each of them upon publication of this prospectus.

In the first round, the shares shall be offered for subscription and payment to the existing shareholders in proportion to their interest in the issuer's share capital upon publication of this prospectus, their number rounded up to the nearest whole number. Any shares not subscribed in the first round shall be offered in the second round without any limitations to all shareholders entered in the issuer's share register upon publication of this prospectus. Any shares not subscribed in the first two rounds by the existing shareholders shall be offered in the third round to third persons.

If the number of shares subscribed and paid for in the second round exceeds the number of shares not subscribed and paid for in the first round, the bidders shall be allowed to subscribe and pay for a proportional number of shares calculated based on the ratio of the number of shares not subscribed and paid for in the first round to the number of shares subscribed and paid for in the second round.

Shareholders and third persons shall have the possibility in all three rounds to limit, on the subscription statement (form), the number of shares they want to subscribe for by fixing in advance the maximum interest in the issuer's share capital they want to hold when it is increased pursuant to the resolution adopted by the general meeting of shareholders of 25 May 2010.

Upon subscription, subscribers must pay in full the issue price of each share subscribed for.

The issuer shall send a notice of the number of shares allotted to all existing shareholders and investors who have subscribed and paid for the shares (this number might be zero if they fail to pay in full for at least one share), most likely within five business days of publication of the public offer outcome.

### **c) Successful offer and outcome publication**

The offer shall be successful if at least 70 percent of the shares offered are subscribed and paid for within the statutory deadlines set out in this prospectus. If the offer is not successful, subscribers shall be refunded their payments without interest within 15 days of the subscription and payment deadline. The total number of shares allotted and the distribution of shares allotted shall be published on the issuer's website ([www.gorenje.com](http://www.gorenje.com)) and on the website of the Ljubljana Stock Exchange (SEOnet).

## 9. Subscription points

The issuer's subscription points shall be the branches of the NLB d.d. bank.

The shares offered shall be subscribed for by completing a subscription statement (form) at any of the subscription points set out below during regular working hours, except for the last day of each subscription round, when they shall be subscribed for by 1 p.m.

The existing shareholders may subscribe for the shares in the first and second round at the following branches of the NLB d.d. bank during regular working hours:

	Subscription point	Address	Place	Working hours (workdays only)
	Podružnica Ljubljana-Center			
1	Poslovalnica za hitre storitve in svetovanje	Trg republike 2	1520 Ljubljana	8.00-18.00
2	Poslovalnica Mestna hranilnica ljubljanska	Čopova ulica 3	1520 Ljubljana	8.30-13.00 and 15.00-17.00
	Podružnica Šiška-Bežigrad			
3	Poslovalnica Šiška	Celovška cesta 89	1520 Ljubljana	8.30-13.00 and 15.00-17.00
4	Poslovalnica Bežigrad	Linhartova cesta 3	1520 Ljubljana	8.30-13.00 and 15.00-17.00
	Podružnica Moste			
5	Poslovalnica Litija	Jerebova ulica 14	1270 Litija	8.00-12.00 and 14.30-17.00
	Podružnica Vič-Notranjska			
6	Poslovalnica Vič	Cesta na Brdo 9	1520 Ljubljana	8.30-13.00 and 15.00-17.00
7	Poslovalnica Vrhnika	Trg Karla Grabeljška 2a	1360 Vrhnika	8.00-12.00 and 14.30-17.00
8	Poslovalnica Postojna	Vojkova ulica 9	6230 Postojna	8.00-12.00 and 14.30-17.00
	Podružnica Kočevje			
9	Poslovalnica Kočevje	Trg zbora odposlancev 66	1330 Kočevje	8.00-12.00 and 14.30-17.00
	Podružnica Gorenjska in Kamnik			
10	Poslovalnica Kranj	Koroška cesta 21	4000 Kranj	8.00-12.00 and 14.30-17.00
11	Poslovalnica Duplica	Ljubljanska cesta 45	1241 Kamnik	9.00-17.00
	Podružnica Savinjsko-Šaleška			
12	Poslovalnica Rudarska	Rudarska cesta 3	3320 Velenje	9.00-18.00
13	Poslovalnica Gorenje	Partizanska cesta 12	3320 Velenje	8.00-15.30
14	Poslovalnica Celje	Mariborska cesta 1	3000 Celje	8.00-12.00 and 14.30-17.00

	Podružnica Podravje			
15	Poslovalnica Maribor	Titova cesta 2	2000 Maribor	8.00-12.00 and 14.30-17.00
16	Poslovalnica Prešernova	Prešernova ulica 6	2250 Ptuj	8.00-12.00 and 14.30-17.00
	Podružnica Dolenjska in Bela krajina			
17	Poslovalnica Seidlova	Seidlova cesta 3	8000 Novo mesto	8.00-18.00
18	Poslovalnica Črnomelj	Trg svobode 2	8340 Črnomelj	8.00-12.00 and 14.30-17.00
	Podružnica Posavje-Krško			
19	Poslovalnica Krško	Trg Matije Gubca 1	8270 Krško	8.30-17.00
	Podružnica Pomurje			
20	Poslovalnica Murska Sobota	Trg zmage 7	9000 Murska Sobota	8.00-17.00
	Podružnica Nova Gorica			
21	Poslovalnica Nova Gorica	Bevkov trg 3	5000 Nova Gorica	8.00-12.00 and 14.30-17.00
	Podružnica Koper			
22	Poslovalnica Koper	Pristaniška ulica 45	6000 Koper	8.00-13.00 and 15.30-17.00
	Podružnica Domžale			
23	Poslovalnica Domžale 1	Ljubljanska cesta 62	1230 Domžale	8.00-18.00
	Podružnica Koroška			
24	Poslovalnica Slovenj Gradec	Glavni trg 30	2380 Slovenj Gradec	8.30-13.00 and 15.00-17.00
	Podružnica Zasavje			
25	Poslovalnica Trbovlje	Trg revolucije 25 c	1420 Trbovlje	8.00-18.00

Third persons may subscribe for the shares in the third round at the following branch of the NLB d.d. bank: NLB d.d., Investment banking sector, Čopova 3, 1000 Ljubljana.

## 10. Regulated market on which the shares shall be admitted to trading

The shares shall be admitted to trading on a regulated market, that is the prime market of the Ljubljana Stock Exchange, where the issuer's existing shares with the symbol GRVG have already been admitted to trading.

## **11. Other important issuer-related facts**

The issuer's general meeting of shareholders of 28 May 2010 adopted a resolution to increase the issuer's share capital by EUR 7,832,064.76 by issuing 1,876,876 new, ordinary, freely transferable no par shares in a registered form. The issuer's general meeting of shareholders of 28 May 2010 further adopted a resolution to increase the issuer's share capital by another EUR 7,832,064.76 at maximum by issuing, against cash contributions, 1,876,876 ordinary, freely transferable no par shares in a registered form at maximum. The Celje district court entered, by a decision no. Srg 2010/19414 of 2 June 2010, the general meeting of shareholders' resolution to increase share capital from EUR 58,546,152.56 to EUR 66,378,217.32 by issuing 1,876,876 new, ordinary, freely transferable no par shares in a registered form, so that the issuer's share capital be divided into 15,906,876 ordinary, freely transferable no par shares in a registered form. The Celje district court further entered, by the said decision of 2 June 2010, the general meeting of shareholders' resolution to further increase share capital from EUR 66,378,217.32 to EUR 74,210,282.09 at maximum by issuing 1,876,876 new, ordinary, freely transferable no par shares in a registered form at maximum, so that the issuer's share capital be divided into 17,783,752 ordinary, freely transferable no par shares in a registered form at maximum. First increase of share capital from EUR 58,546,152.56 to EUR 66,378,217.32 was successfully completed when the Celje district court entered the decision no. Srg 2010/23517 of 5 July 2010 about issuing 1,876,876 new, ordinary, freely transferable no par shares in a registered form, entirely registered and paid by company IFC.

Issuing new shares will allow the Gorenje Group to increase the pace at which it implements its strategic plan that provides for its revenues to grow to EUR 1.5 billion by 2014 based on internal (organic) or external (inorganic) growth, followed by a corresponding equity growth. Issuing new shares will also allow the Gorenje Group to increase the pace at which it develops new products and services, to carry out takeovers, if any, and to restructure the product portfolio of the Household Appliances Division and of the Ecology, Energy and Services Division that have a higher growth potential.

The financial and economic crisis that started in 2008 and continued throughout 2009 affected also the operations of the Gorenje Group. It changed the structure of goods sold by it and decreased the volume of orders received by it. Group companies responded by adopting measures described in detail in sections 17, 18.1 and 18.2. These helped the Gorenje Group to improve its position in its key markets compared to its competitors, as described in section 14.3.

## 12. Issuer-related risks

The issuer is daily exposed to various risks in its operations. Continuous changes and the accelerated internationalisation of its production and sales capacities increase the Gorenje Group's exposure to various risk types. The issuer is aware that for its long-term existence and further development, identification and management of the said risks are important, which is the main task of the risk management council established by the Gorenje Group three years ago.

The risks to which the issuer is exposed could be classified into three categories:

- business risks,
- financial risks, and
- operating risks.

<b>Business risks</b>	• <b>external risks</b>
	• sales risks
	• purchase risks
	• product risks
	• development risks
	• human resources risks
<b>Financial risks</b>	• property loss risks
	• credit risks
	• currency risks
	• interest rate risks
<b>Operating risks</b>	• liquidity risks
	• production risks
	• information system risks
	• organisational risks
	• logistic risks
	• tax risks
	• fire risks

There are also the risks associated with the issuer's shares, among them share liquidity and market risks.

All the above issuer-related risks are described in detail in section 4, "Risk factors", of this prospectus.

Other facts important for the investors' decision-making are set out in the prospectus for public offering of the shares of Gorenje, d.d.



### **13. Share-related risks**

**Share liquidity:** the issuer's shares have been admitted to trading on a regulated market, that is on the prime market of the Ljubljana Stock Exchange, where their trading has continued on an uninterrupted basis. The issuer's newly issued shares will also be admitted to trading on the regulated market of the Ljubljana Stock Exchange. Their price will be subject to the laws of supply and demand. The absence of active trading may have an adverse effect on their market price and liquidity.

**Market risk:** known also as systematic risk, this is the risk of a sudden and prolonged fall in all share prices due to the general market and business conditions. There exists also the unsystematic risk associated only with the issuer.

### **14. Brokerage firm involved in the public offer**

The issuer invited Nova Ljubljanska banka, d.d., Ljubljana, Trg Republike 2, Ljubljana to get involved in the public offer of the issuer's new shares on the regulated market. The firm will provide service without liability of repurchase.

### **15. Important warning**

Together with this prospectus, the issuer has prepared also a prospectus providing an insight into its legal and financial position, as well as into its business opportunities and the rights attached to the shares.

Pursuant to the Financial Instruments Market Act (ZTFI), the issuer herewith includes the following warnings:

The summary prospectus contains only the basic information of the shares and their issuer, for which reason it should be understood as an introduction to the prospectus. The investors should base each decision on the purchase of the issuer's shares on their acquaintance with or examination of the prospectus as a whole, which contains detailed information of the issuer's legal and financial position, as well as on its business opportunities and the rights attached to the shares.

The persons who prepared the summary prospectus shall be responsible for any inaccurate or misleading information in it as compared to the other passages of the prospectus.

The prospectus is available at the issuer's registered office, on its web site ([www.gorenje.com](http://www.gorenje.com)), and on the web site of the Ljubljana Stock Exchange (SEOnet).

If an investor initiates legal proceedings as plaintiff in relation to the information contained in this prospectus, it shall at its own expense provide a translation of this prospectus into the court's official language prior to such proceedings. The persons who have prepared this prospectus, including its translation, and requested its notification shall be liable to payment of compensation, but only if this prospectus is misleading, inaccurate or internally inconsistent when read together with other parts of the prospectus.





