

The logo consists of the word "PETROL" in white, bold, uppercase letters, centered within a solid red rectangular background.

Presentation Document

Admission of 6-month commercial papers
issued by Petrol d.d., Ljubljana under identification code PEK02
to trading on a regulated market



Ljubljana, September 2012

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Presentation Document summary prepared upon admission of 6-month commercial papers issued by Petrol d.d., Ljubljana under identification code PEK02 to trading on a regulated market

1. Issuer of the securities

The commercial papers are issued by Petrol, Slovenska energetska družba, d.d., Dunajska cesta 50, 1527 Ljubljana, Slovenia (hereinafter referred to as 'Petrol d.d., Ljubljana' or the 'Issuer').

The Issuer's share capital, as entered into the Companies Register, totals EUR 52,240,977.04.

2. Description of the securities

Security type: A money market instrument – a commercial paper – issued under identification code PEK02.

The commercial papers are registered to a name, issued in book-entry form and entered into the central registry of dematerialised securities operated by KDD – the Central Securities Clearing Corporation.

Maturity of the commercial papers: The maturity date of the commercial papers is 27 March 2013.

Interest rate and interest calculation method: The interest rate is 3.80% p.a. A commercial paper is a discount security. Interest is accounted for in advance and deducted as a discount to the commercial paper's nominal value upon payment of the commercial paper.

Interest is calculated using the linear method, taking into account the actual number of days in the interest-accruing period and 360 as the number of days in a year. Interest is rounded up to two decimal places and calculated for an interest-bearing period beginning on 27 September 2012 and ending on the maturity date of the commercial papers, i.e. 27 March 2013.

Obligation settlement method and timing: Obligations arising from the commercial papers are paid in EUR.

No interest is paid. Interest is accounted for in advance and deducted as a discount to the commercial paper's nominal value upon payment of the commercial paper.

Obligations arising from the commercial papers are settled upon their maturity, i.e. on 27 March 2013, at an amount equalling the nominal value of the commercial papers. The payment is made in full and in a single transaction.

The Issuer will settle the obligations arising from the commercial papers based on ownership records obtained from the central securities registry of KDD – the Central Securities Clearing Corporation and make payments either to the accounts of registered holders of the commercial papers or their proxies or to the accounts of other beneficiaries when the obligations fall due. Other type of payment of the Issuer's commercial paper obligations is possible only upon prior Issuer's notification about the methods of payment of its commercial paper obligations.

A beneficiary of the payment made based on obligations arising from the commercial papers is a person who is the legal holder of a commercial paper or another person who is, according to the information contained in the central registry, four working days prior to maturity entered in the central

registry of KDD – the Central Securities Clearing Corporation.

If the beneficiary of a commercial paper does not receive funds in their account on the due date of receivables arising from commercial papers, they must immediately inform the Issuer thereof and provide the latter with correct account details or other suitable information enabling the Issuer to credit the beneficiary's account. If details about the beneficiary are incomplete and do not allow the Issuer to credit the funds arising from commercial paper obligations that have fallen due in the manner determined herein or in another manner stipulated by the Issuer in accordance with regulations, the funds arising from such commercial paper obligations shall not be subject to interest accrual as of the maturity of the commercial papers.

If the date on which the commercial paper obligations fall due is not a working day in the Republic of Slovenia, the payments are made on the next working day following the day on which the payment was due. In this case the beneficiary is not entitled to interest for the period between the date on which the commercial paper obligations fell due and the next working day. A working day is the day on which it is possible to execute payments made in the local currency during normal business hours in the Republic of Slovenia and which is not a Saturday, Sunday, national holiday or other public holiday.

Underlying assets: The commercial papers are not backed by any specific collateral or guarantee. The settlement of commercial paper obligations is guaranteed against the Issuer's entire assets.

Other rights conferred by the securities: The commercial papers confer on the beneficiaries the right to receive the payment of the principal at maturity, which equals the nominal value of the commercial papers, the right to use the commercial papers freely or have them pledged as security, and other rights under applicable regulations governing securities.

The commercial papers do not confer any other rights, including the possibility of exchanging them for other types of securities. Also, they do not confer the right to a share of the Issuer's profit. The commercial papers do not contain any provisions that would give the Issuer the right to call them for redemption before their maturity. The holder of the commercial papers does not have the right to require the Issuer to settle its receivables arising from the commercial papers ahead of schedule or to settle those receivables before their maturity date.

THE ISSUER'S COMMITMENTS AND LIMITATIONS: The Issuer does not subject itself to any commitments or limitations regarding its operating policies in connection with the issue of the commercial papers.

3. Total nominal value of the entire issue

The total nominal value of the entire issue of the commercial papers is EUR 45,846,000.00.

4. Denomination structure

The nominal value of a commercial paper is EUR 1,000.00. The entire issue of the commercial papers contains 45,846 denominations of EUR 1,000.00.

5. Trading venue

The commercial papers will be traded on the structured products market of the Ljubljana Stock Exchange.

6. Price of commercial papers

Commercial papers are purchased at a discount to their nominal value. The theoretical value of the commercial papers on a particular date preceding their maturity date is calculated using the formula presented in Section 4 herein.

7. Other important facts about the Issuer

The commercial papers have been issued for the purpose of ensuring continuous short-term financing of the Issuer's operations and diversifying the base of short-term debt investors to banks and institutional investors.

The papers have been issued using the public offering procedure, which does not require compliance with the rules regarding the publication of a prospectus and other rules relating to the public offering of securities as laid down in Chapter 2 of the Financial Instruments Market Act.

The papers will be issued in book-entry form and entered into the securities accounts of commercial paper holders opened with KDD – the Central Securities Clearing Corporation, in accordance with its rules. Once issued, the commercial papers will be freely transferable, subject to applicable regulations, as may be amended from time to time, and the rules for operations of KDD – the Central Securities Clearing Corporation.

Section 2 of the Presentation Document details risks that could affect the Issuer's ability to meet its obligations towards investors. The most relevant and probable business risks comprise all financial risks: price, foreign exchange, credit, liquidity and interest rate risks. To control and manage those risks, the most rigorous control system possible is required. The Petrol Group uses such a system, which is described in more detail in sections dealing with individual financial risks. In addition to the financial risks, most relevant and probable risks include financial environment risks, commercial risks, strategic decision-making risks, business and financial decision-making risks, economic environment risks, and legislation and regulation risks.

Risks related to the commercial papers:

- **Liquidity of the commercial papers:** Despite the admission of the commercial papers to trading on the regulated securities market of the Ljubljana Stock Exchange, no assurance can be given that there will be active trading in the commercial papers or that such trading will continue until the final maturity of the commercial papers. Should there be no active trading, this can adversely affect the market price and liquidity of the commercial papers.
- **Risk of default:** The commercial papers are not backed by any specific collateral or guarantee. The settlement of commercial paper obligations is guaranteed against the Issuer's entire assets. In the case of bankruptcy or liquidation of the Issuer, the payment of receivables of commercial paper holders would be made equal to the payment of receivables of other non-collateralised and unsubordinated creditors of the Issuer.
- **Interest rate risk:** Upon issue, the commercial papers are paid up at a discount based on a fixed interest rate and they do not bear interest. This means that the amount of obligations arising from the commercial papers upon maturity is fixed and is not exposed to the interest rate risk.
- **Regulated market price volatility risk:** Changes in the selling price of the commercial papers on the regulated market depend on the demand and supply of the commercial papers and on interest rate fluctuations on the market. Surplus demand for the commercial papers could result in higher selling prices thereof, while the prices would drop in the case of excessive supply. If market interest rates increased, the holders of the commercial papers could seek higher yields, leading to a decrease in the selling price of the commercial papers on the regulated market. If market

interest rates decreased, the holders of the commercial papers could expect lower yields, leading to an increase in the selling price of the commercial papers on the regulated market.

All information regarding the Issuer, its operations, business activities, legal status and financial position is available on the Issuer's website <http://www.petrol.si>.

8. Brokerage companies involved in the initial offering of the commercial papers

All activities regarding the admission of the commercial papers to a regulated market are organised and performed by Nova Ljubljanska banka d.d., Ljubljana, Trg republike 2, 1520 Ljubljana.

9. Important notice

The Presentation Document summary should be considered as an introduction to the Presentation Document and thus be read in conjunction with the Presentation Document, which contains detailed information giving insight into the Issuer's legal status, financial position, business opportunities and the rights conferred by the commercial papers.

LIST OF ABBREVIATIONS

Abbreviation	Explanation
ATVP	The Securities Market Agency
VAT	Value added tax
EUR	The euro
KDD – the Central Securities Clearing Corporation	KDD – Centralna klirinško depotna družba d.d., Ljubljana
Ljubljana Stock Exchange	Ljubljanska borza vrednostnih papirjev, d.d., Ljubljana
NLB d.d.	Nova Ljubljanska banka d.d., Ljubljana
Commercial paper	A money market instrument – the 6-month commercial paper issued by Petrol d.d., Ljubljana under identification code PEK02
Petrol d.d., Ljubljana or the Issuer or the Company	Petrol, Slovenska energetska družba, d.d., Ljubljana
Presentation Document	Presentation Document prepared for admission of the 6-month commercial papers issued by Petrol d.d., Ljubljana under identification code PEK02 to trading on a regulated market
SEOnet	An electronic dissemination information system of the Ljubljana Stock Exchange
Petrol Group	Petrol d.d., Ljubljana as the controlling company and its subsidiaries, jointly controlled entities and associates
USD	The US dollar
Companies Act	The Companies Act as published in the Official Gazette of the Republic of Slovenia No. 42/06 and its subsequent amendments
Takeovers Act	The Takeovers Act as published in the Official Gazette of the Republic of Slovenia No. 79/2006 and its subsequent amendments
FIMA	The Financial Instruments Market Act as published in the Official Gazette of the Republic of Slovenia No. 67/07 and its subsequent amendments

LIST OF REFERENCES

All information regarding the Issuer, its operations, business activities, legal status and financial position is available on the Issuer's website <http://www.petrol.si>.

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1. IMPORTANT NOTICE

As the Issuer of the commercial papers, the company Petrol d.d., Ljubljana is responsible for the information provided in the Presentation Document.

Petrol d.d., Ljubljana intends to carry out four consecutive issues of money market instruments – the six-month freely transferrable registered commercial papers, where the maturity date of the previous issue will equal the payment date for the next issue, in line with market conditions prevailing on that date. The characteristics of each issue will be determined before each initial offering of the commercial papers.

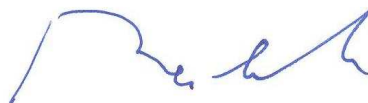
They have been issued using the public offering procedure, which does not require compliance with the rules regarding the publication of a prospectus and other rules relating to the public offering of securities as laid down in Chapter 2 of the Financial Instruments Market Act.

All information regarding the Issuer's operations, its business activities, legal status and financial position which could materially affect investors' decisions to purchase the commercial papers is available in documents published on the Issuer's website www.petrol.si. Potential investors are thus fully entitled and it is their responsibility to make their own additional inquiries and analyses regarding the Issuer's operations, financial position and creditworthiness to the extent and manner they deem necessary or appropriate.

Ljubljana, September 2012



Janez Živko
Member of the Management Board



Tomaž Berločnik, MSc
President of the Management Board

2. RISK FACTORS

Below we present the risks that could affect the Issuer's ability to meet its obligations towards its investors. The list of the risk factors indicated below is not exhaustive. While making their investment decisions, investors therefore also need to consider other factors that could affect their decisions.

2.1. Risks associated with the Issuer and its risk management system

The Petrol Group uses a comprehensive business risk management system to continuously monitor risks in its business environment. Its business risk management policy is integrated into the process of strategic business planning and operational decision-making. It thus makes sure that the Group's key risks are identified, exposed, assessed and controlled in due time.

Petrol's business risk model consists of two major groups: environment risks and performance risks.

The most relevant and probable business risks comprise all financial risks: price, foreign exchange, credit, liquidity and interest rate risks. To control and manage those risks, the most rigorous control system possible is required. The Petrol Group uses such a system, which is described in more detail in sections dealing with individual financial risks. In addition to the financial risks, most relevant and probable risks include financial environment risks, commercial risks, strategic decision-making risks, business and financial decision-making risks, economic environment risks, and legislation and regulation risks.

Individual financial risks to which the Petrol Group is exposed and the procedures put in place to hedge against them are detailed below.

Price and foreign exchange risk

The Petrol Group purchases petroleum products under international market conditions, pays for them mostly in US dollars and sells them in local currencies. Because the global oil market and the US dollar market constitute two of the most volatile global markets, the Petrol Group is exposed to both the price risk (changes in the prices of petroleum products) and the foreign exchange risk (changes in the EUR/USD exchange rate) while pursuing its core line of business. The petroleum product pricing model allows for changes in global petroleum product prices and exchange rates to be passed on to domestic selling prices. The exposure of the Petrol Group to price and foreign exchange risks is thus considerably reduced.

As regards supplying electricity to end customers, the controlling company has managed price and quantity risks in an appropriate manner by matching the terms of sale applying to customers with suppliers' terms of procurement.

The controlling company supervises and offers advice on hedging against foreign exchange risks also at the level of subsidiaries. This mainly concerns the risks arising from changes in the EUR/HRK exchange rate in Croatia. Because there were no significant fluctuations in the EUR/HRK exchange rate in the first six months of 2012, no forward contracts to hedge the foreign exchange risk were concluded.

Transactions with derivatives are entered into only to hedge against price and foreign exchange risks and not for reasons of speculative nature.

Credit risk

In 2011 the operating receivables management system was overhauled to provide for even more efficient control. We have updated the instructions on the management of receivables from legal entities, we stepped up the collection of receivables, we are quicker to discontinue sales on open account to defaulting customers and we accelerated the use of legal remedies to collect receivables. Particular attention is given to an individual treatment of major customers. In the first six months of 2012, we have tightened even more the conditions for approving the amount of exposure (limits) to individual buyers and expanded the range of first-class credit insurance instruments as a requirement to approve sales (mortgages, pledges, bank guarantees, insurance with SID - Prva kreditna zavarovalnica d.d. Ljubljana, collaterals, corporate guarantees, securities, promissory notes, bills of exchange etc.).

In the first six months of 2012, significant attention was still devoted to the collection of receivables from construction companies in Slovenia and collection of receivables in SEE markets where the solvency of the business sector is even worse than in Slovenia. Receivables are systematically monitored by age, region and organisational unit as well as by quality and individual customer. To monitor receivables, we use a joint computer-based receivables management application which provides us with automated control over the exposure to individual customers and the possibility to respond immediately.

Credit risk was the most significant risk to which the parent company was exposed in connection with electricity sales to natural and legal entities in the first six months of 2012, but was successfully managed using the above measures.

Despite the general weakening of the financial strength of our customers due to liquidity problems, decreased production and a drop in exports, we estimate that credit risks are successfully managed within the Petrol Group. Our estimate is based on the nature of our products, our market share, our large customer base and the big range of credit insurance instruments. In the first six months of 2012, however, the Petrol Group too was unable to completely avoid the consequences of a large number of bankruptcies, compulsory composition proceedings and personal bankruptcies, with forecasts for the second half of the year not looking any better.

Liquidity risk

The financial crisis in the Slovene and global financial market resulted in a substantially increased vigilance of the banking sector when it comes to financing individuals and companies.

Despite the above, we managed to secure for the Petrol Group sufficient short-term funds in the first six months of 2012, which provided us with good-quality short-term financing. In 2012 the levels of petroleum product prices still require a high amount of short-term financing, which is being successfully ensured for the time being. According to petroleum product price forecasts for the coming months, the prices should remain on a par with the current prices as they are not expected to rise given the drop in demand in the EU. Despite the current price forecasts, we are constantly actively working with existing banking partners to increase our credit lines and also looking for new banking partners.

Cash flow management requires considerable attention and prudence, especially as regards the planning of cash inflows from lay away sales, because a large number of our customers have problems financing their operations due to a general increase in the number of defaults and weaker sales.

The Petrol Group is capable of meeting all of its outstanding liabilities at any given moment. The Group's successful operations in particular are a guarantee for the Group's long-term solvency and

increase the amount of its equity capital. In December 2011, Petrol carried out another issue of ordinary registered bonds worth EUR 33 million, followed by a successful issue of its commercial papers worth EUR 50 million at the end of March. The first in the series of consecutive issues of commercial papers received a warm welcome from investors, who submitted binding offers for the purchase of commercial papers in a total nominal value that was more than double the total nominal value initially envisaged for the entire issue. At the beginning of June 2012, Petrol then entered into two contracts for so-called *Schuldscheindarlehen* loans (loans against borrower's note) amounting to EUR 30 million. Finally, at the end of June 2012, our subsidiary in Croatia has received a long-term loan for the amount of EUR 50 million and with the repayment period of 10 years on the basis of insurance underwritten by SID Bank. These contracts show the tremendous trust and respect enjoyed by Petrol in the international financial market.

Interest rate risk

The Petrol Group regularly monitors its exposure to the interest rate risk. The controlling company's long-term loans contain a variable interest rate which is linked to EURIBOR. The average EURIBOR rate was lower in the first six months of 2012 than at the end of 2011 and still remains very low. The Petrol Group's overall borrowing interest rate was thus lower in the first six months of 2012 than at the end of 2011. This is chiefly the result of low EURIBOR rates and Petrol's very favourable short-term financing interest rates.

To hedge against exposure to the interest rate risk, a portion of variable interest rates is transformed into a fixed interest rate using derivative financial instruments. The exposure to the interest rate risk can be hedged up to 75 percent of the Petrol Group's net interest position. When deciding whether to pursue additional hedging activities, forecasts regarding interest rate changes are considered. The time of hedging and the type of instruments used to this effect are determined on the basis of market conditions. In the first six months of 2012, Petrol did not increase the extent of interest rate hedging relative to the end of 2011, issuing the commercial papers carrying a fixed interest rate instead. Interest rate changes are monitored on a regular basis, and according to forecasts rapid increases in interest rates are not expected. As a result, no additional interest rate hedges were concluded.

2.2. Risks related to commercial papers

Liquidity of the commercial papers

Despite the admission of the commercial papers to trading on the regulated securities market of the Ljubljana Stock Exchange, no assurance can be given that there will be active trading in the commercial papers or that such trading will continue until the final maturity of the commercial papers. Should there be no active trading, this can adversely affect the market price and liquidity of the commercial papers.

Risk of default

The commercial papers are not backed by any specific collateral or guarantee. The settlement of commercial paper obligations is guaranteed against the Issuer's entire assets. In the case of bankruptcy or liquidation of the Issuer, the payment of receivables of commercial paper holders would be made equal to the payment of receivables of other non-collateralised and unsubordinated creditors of the Issuer.

Interest rate risk

Upon issue, the commercial papers are paid up at a discount based on a fixed interest rate and they do not bear interest. This means that the amount of obligations arising from the commercial papers upon maturity is fixed and is not exposed to the interest rate risk.

Regulated market price volatility risk

Changes in the selling price of the commercial papers on the regulated market depend on the demand and supply of the commercial papers and on interest rate fluctuations on the market. Surplus demand for the commercial papers could result in higher selling prices thereof, while the prices would drop in the case of excessive supply. If market interest rates increased, the holders of the commercial papers could seek higher yields, leading to a decrease in the selling price of the commercial papers on the regulated market. If market interest rates decreased, the holders of the commercial papers could expect lower yields, leading to an increase in the selling price of the commercial papers on the regulated market.

3. INFORMATION CONCERNING THE COMMERCIAL PAPERS BEING ADMITTED TO THE REGULATED SECURITIES MARKET

3.1. Description of the securities

Security type

A money market instrument – a commercial paper – issued under identification code PEK02.

Size of the commercial paper issue

The total nominal value of the entire issue of the commercial papers is EUR 45,846,000.00.

The nominal value of a commercial paper is EUR 1,000.00. The entire issue of the commercial papers contains 45,846 denominations of EUR 1,000.00.

3.2. Underlying law

The commercial papers are issued under Slovene law. Any disputes regarding the commercial papers shall be referred to a competent court in Ljubljana.

3.3. Form of the securities

The commercial papers are registered to a name, issued in book-entry form and entered into the central registry of dematerialised securities operated by KDD – the Central Securities Clearing Corporation.

3.4. Legal tender used in respect of the commercial paper issue

The commercial papers have been paid up in EUR.

3.5. Classification of the commercial papers

The commercial papers do not contain any provisions that would affect their classification or subordination to any other existing or future obligations of the Issuer.

3.6. Description of rights related to the commercial papers

3.6.1. Status of commercial paper obligations

The commercial papers are not backed by any specific collateral or guarantee. The settlement of commercial paper obligations is guaranteed against the Issuer's entire assets.

Other rights conferred by the commercial papers

The commercial papers confer on the beneficiaries the right to receive the payment of the principal at maturity, which equals the nominal value of the commercial papers, the right to use the commercial papers freely or have them pledged as security, and other rights under applicable regulations governing securities.

The commercial papers do not confer any other rights, including the possibility of exchanging them for other types of securities. Also, they do not confer the right to a share of the Issuer's profit. The commercial papers do not contain any provisions that would give the Issuer the right to call them for redemption before their maturity. The holder of the commercial papers does not have the right to require the Issuer to settle its receivables arising from the commercial papers ahead of schedule or to settle those receivables before their maturity date.

3.6.2. Commitments and limitations related to the commercial paper issue

The Issuer does not subject itself to any commitments or limitations regarding its operating policies in connection with the issue of the commercial papers.

3.7. Interest rate and interest calculation method

The interest rate is 3.80% p.a.

A commercial paper is a discount security. Interest is accounted for in advance and deducted as a discount to the commercial paper's nominal value upon payment of the commercial paper.

Interest is calculated using the linear method, taking into account the actual number of days in the interest-accruing period and 360 as the number of days in a year. Interest is rounded up to two decimal places and calculated for an interest-bearing period beginning on 27 September 2012 and ending on the maturity date of the commercial papers, i.e. 27 March 2013.

Interest is calculated using the following formula:

$$I = (N - SP)$$

I = interest as a discount to the nominal value of a commercial paper
, in EUR

N = nominal value of a commercial paper, in EUR

SP = initial offering selling price of a commercial paper, in EUR

Commercial papers are purchased at a discount to their nominal value. The selling price of the commercial papers in the initial offering and the theoretical value of the commercial papers on a particular date preceding their maturity date are calculated using the formula presented in Section 4 herein.

3.8. Obligation settlement method and timing

Obligations arising from the commercial papers are paid in EUR.

No interest is paid. Interest is accounted for in advance and deducted as a discount to the commercial paper's nominal value upon payment of the commercial paper.

Obligations arising from the commercial papers are settled upon their maturity, i.e. on 27 March 2013, at an amount equalling the nominal value of the commercial papers. The payment is made in full and in a single transaction.

The Issuer will settle the obligations arising from the commercial papers based on ownership records obtained from the central securities registry of KDD – the Central Securities Clearing Corporation and make payments either to the accounts of registered holders of the commercial papers or their proxies or to the accounts of other beneficiaries when the obligations fall due. Other type of payment of the Issuer's commercial paper obligations is possible only upon prior Issuer's notification about the methods of payment of its commercial paper obligations.

A beneficiary of a commercial paper is a person that is the legal holder of the commercial paper or another person who is, according to the data of the central registry, four working days prior to maturity entered in the central registry of KDD – the Central Securities Clearing Corporation.

If the beneficiary of a commercial paper does not receive funds in their account on the due date of receivables arising from commercial papers, they must immediately inform the Issuer thereof and provide the latter with correct account details or other suitable information enabling the Issuer to credit the beneficiary's account. If details about the beneficiary are incomplete and do not allow the Issuer to credit the funds arising from commercial paper obligations that have fallen due in the manner determined herein or in another manner stipulated by the Issuer in accordance with regulations, the funds arising from such commercial paper obligations shall not be subject to interest accrual as of the maturity of the commercial papers.

If the date on which the commercial paper obligations fall due is not a working day in the Republic of Slovenia, the payments are made on the next working day following the day on which the payment was due. In this case the beneficiary is not entitled to interest for the period between the date on which the commercial paper obligations fell due and the next working day. A working day is the day on which it is possible to execute payments made in the local currency during normal business hours in the Republic of Slovenia and which is not a Saturday, Sunday, national holiday or other public holiday.

Pursuant to the Code of Obligations, the rights to claim the settlement of commercial paper obligations become statute-barred within five years of maturity.

3.9. Representation of commercial paper holders

No organisation is representing the interests of commercial paper holders in relation to the Issuer.

3.10. Commercial paper issue method

On 12 September 2012, the Issuer's Management Board adopted a decision to carry out the second in a series of consecutive issues of commercial papers of Petrol d.d., Ljubljana (under identification code PEK02), adopting a declaratory decision regarding the final total nominal value of the issue and the number of PEK02 commercial paper denominations on 25 September 2012.

The commercial papers have been issued for the purpose of ensuring continuous short-term financing of the Issuer's operations and diversifying the base of short-term debt investors to banks and institutional investors.

The papers have been issued using the public offering procedure, which does not require compliance with the rules regarding the publication of a prospectus and other rules relating to the public offering of securities as laid down in Chapter 2 of the Financial Instruments Market Act.

The papers are issued in book-entry form and entered into the securities accounts of commercial paper holders opened with KDD – the Central Securities Clearing Corporation, in accordance with its rules.

3.11. Transfer of commercial papers

Once issued, the commercial papers are freely transferable, subject to applicable regulations, as may be amended from time to time, and the rules for operations of KDD – the Central Securities Clearing Corporation.

3.12. Tax information

The below description of taxation of interest arising from disposal of a commercial paper (discounted security) before its maturity or from redemption of a commercial paper prior to or upon maturity is a general description and does not purport to be legal or tax advice to a buyer or seller of a commercial paper nor can it be taken to constitute a comprehensive description of all tax consequences that may be relevant to holders of commercial papers. The description is based on Slovene tax regulations applicable at the time this document was formulated. The Issuer notes that the legislation may be amended and that the tax position may be affected by foreign tax regulations. The persons who have doubts about taxation of interest arising from commercial papers or taxes payable on disposal of commercial papers are recommended to consult a qualified consultant.

3.12.1. Tax on interest

(a) Legal entities

Interest arising from disposal of a commercial paper before its maturity or redemption of a commercial paper prior to or upon maturity comprises income and is as such included in the corporate income tax base of a taxable resident or taxable non-resident's business unit in Slovenia. The general corporate income tax rate in Slovenia for the year 2012 is 18%, for 2013 17%, for 2014 16% and for 2015 and onwards 15%.

Considering that commercial papers will be admitted to trading on the regulated market of the Ljubljana Stock Exchange, that they do not include an option of being exchanged for an equity security and that they have been issued by a company founded under Slovene law, the interest payable to a legal entity that is a non-resident for tax purposes and does not have a non-resident's business unit in Slovenia will not be subject to withholding tax.

(b) Natural persons

The tax base for interest arising from disposal of a commercial paper (discounted security) before its maturity or redemption of a commercial paper prior to or upon maturity equals the interest accrued from the day of acquisition until the day of disposal or redemption of a commercial paper. Interest is determined using the constant yield method. Realisation of a commercial paper is also deemed to constitute redemption. The tax base thus equals interest accounted or accrued in the period a commercial paper was held, irrespective of the purchase/selling price of the commercial paper if the paper was acquired or disposed of on the secondary market.

Interest accruing to a natural person who is a resident of Slovenia is subject to personal income tax at a 20% rate in 2012 and at a 25% rate in 2013 and onwards. If a natural person receives interest as income from private business, which constitutes part of total tax base applying to income from private business that is subject to a progressive tax rate, the tax rate may be up to 41% (or up to 50% for the years 2013 and 2014, in accordance with the Fiscal Balance Act).

Considering that commercial papers will be admitted to trading on the regulated market of the Ljubljana Stock Exchange, that they do not include an option of being exchanged for an equity security and that they have been issued by a company founded under Slovene law, non-residents are not liable for personal income tax on interest arising from these commercial papers in Slovenia.

A natural person who is liable for personal income tax on interest and receives interest without withholding tax, must by the 15th day following the end of the calendar quarter in which they received interest, file a personal income tax return for interest and pay the assessed tax after receiving the relevant tax assessment.

3.12.2. Capital gains tax

Legal entities

Gains from the sale of commercial papers comprise taxable income of legal entities liable for corporate income tax – residents and non-residents earning income from activities or business performed in or through a business unit in Slovenia.

Natural persons

In accordance with the Personal Income Tax Act, capital gains from disposal of commercial papers are not subject to personal income tax.

Nevertheless, if such gains form part of income from private business of a natural person who is a resident of Slovenia for tax purposes, such income is considered in the annual tax base assessment for tax on income from private business.

3.12.3. Value added tax

Pursuant to the VAT Act, securities transactions are exempt from VAT.

Interest on commercial papers is under the law exempt from VAT, as a result of which VAT is not charged or paid.

4. OFFERING TERMS AND CONDITIONS

The commercial papers have been issued using the public offering procedure, which does not require compliance with the rules regarding the publication of a prospectus and other rules relating to the public offering of securities as laid down in Chapter 2 of the Financial Instruments Market Act.

During the initial offering, the entire issue of the commercial papers was subscribed and paid up by 43 investors.

In this offering, the commercial papers were subscribed and purchased at a discount to their nominal value. The selling price of the commercial papers at the initial offering was calculated as a percentage of the commercial papers' nominal value using the following formula:

$$SP = SP_Q \times N$$

$$N = EUR1,000.00$$

$$SP_Q = \frac{100}{\left(1 + IR \times \frac{d}{360}\right)}$$

SP	= initial offering selling price of a commercial paper, in EUR
SP _Q	= initial offering selling price of a commercial paper expressed as a quote, in %
N	= nominal value of a commercial paper, expressed in EUR
d	= number of days left to maturity of a commercial paper issue
360	= number of days in a year
IR	= annual interest rate applicable to a commercial paper, in %

The nominal value of a commercial paper expressed as a quote equals 100%, with the selling price of a commercial paper expressed as a quote amounting to a percentage of this value. The selling price of the commercial papers in the initial offering and expressed as a quote was rounded up to three decimal places and stood at 98.125% on 27 September 2012 (181 days left to maturity).

5. TRADING VENUE

The PEK02 commercial papers will be traded on the structured products market of the Ljubljana Stock Exchange.

Other than the regulated securities market of the Ljubljana Stock Exchange, there is no other regulated securities market in Slovenia where securities are traded.

The Issuer did not enter into any agreements with any party on brokerage on the secondary market and provision of liquidity of commercial papers.

Activities regarding the admission of the commercial papers to trading on the regulated market are organised and performed by NLB d.d.

6. STATUTORY AUDITOR

The Issuer's auditor for the financial years 2009, 2010 and 2011 was the auditing firm KPMG Slovenija, Podjetje za revidiranje, d.o.o., Železna cesta 8a, 1000 Ljubljana, Slovenia.

7. INFORMATION ABOUT THE ISSUER

In addition to the controlling company Petrol d.d., Ljubljana, the Petrol Group consisted of eight more local and fourteen foreign subsidiaries, three jointly controlled entities and five associates on 30 June 2012. The Petrol Group operates in nine markets, i.e. in Slovenia, SE Europe countries and Cyprus. The principal activity of the parent company Petrol d.d., Ljubljana is trading in petroleum products and selling supplementary merchandise and services.

The Petrol Group is the largest Slovene energy group and is developing into a major regional provider of comprehensive energy and environmental products and services. The Petrol Group's core business consists of oil and merchandise sales, in relation to which its leading position in the domestic market is being upgraded by an accelerated expansion of its business to foreign markets. The widespread and strategically positioned network of service stations offering drivers more than merely a point of service is one of the main competitive advantages of the Petrol Group. Lately, the Petrol Group has been increasingly focusing on the development of its energy-related activities.

7.1. Selected financial information

Business highlights of 2011

THE PETROL GROUP	UM	RESULTS		Index 2011 / 2010
		2011	2010	
Net sales revenue	EUR million	3.270,4	2.802,8	117
Gross profit	EUR million	325,7	294,5	111
Operating profit	EUR million	81,0	63,0	129
Net profit	EUR million	52,3	35,5	148
Equity	EUR million	441,6	404,6	109
Total assets	EUR million	1.537,0	1.265,5	121
EBITDA ¹	EUR million	115,6	95,8	121
EBITDA / Average fixed assets	%	16,5	15,9	104
EBITDA / Gross profit	%	35,5	32,5	109
Operating costs / Gross profit	%	77,2	81,0	95
Added value / Employee	EUR thousand	55,6	51,0	109
Net debt / Equity ²		1,25	1,17	106
Earnings per share ³	EUR	24,0	16,0	151
Share price as at period end	EUR	155	272	57
Volume of petroleum products sold	million tons	2,38	2,35	101
Volume of LPG sold	thousand tons	56,4	47,8	118
Volume of natural gas sold	thousand m ³	114.062	104.239	109
Electricity sold	MWh	1.081.768	356.703	303
Heat sold	MWh	71.909	65.317	110
Revenue from the sale of merchandise	EUR million	435,9	416,6	105
Investments in fixed assets	EUR million	82,1	65,9	125
Number of service stations as at period end		454	441	103
Number of gas concessions as at period end		30	29	103
Number of employees (including at third-party managed service stations) as at period end		3.897	3.520	111

1 EBITDA = Operating profit + Depreciation and amortisation net of depreciation of environmental fixed assets

2 Net debt / Equity = (Non-current and current financial liabilities - Cash and cash equivalents) / Equity

3 Earnings per share = Net profit for the year attributable to owners of the controlling company / Weighted average number of ordinary shares issued, excluding own shares

Business highlights of the first six months of 2012

The Petrol Group	Unit	I-VI 2012	I-VI 2011	Index 2012 / 2011
Sales revenues	EUR million	1,767.9	1,504.6	118
Gross profit or loss	EUR million	157.3	150.9	104
Operating profit or loss	EUR million	39.1	38.9	101
Profit before tax	EUR million	32.2	24.3	132
Net profit or loss	EUR million	23.0	21.0	109
EBITDA	EUR million	58.0	55.6	104
Non-current (long-term) assets as per day	EUR million	788.3	613.2	129
Earnings per share	EUR	10.8	10.3	105
Net debt / equity		1.46	1.27	114

The Petrol Group	Unit	I-VI 2012	I-VI 2011	Index 2012 / 2011
Volume of petroleum products sold	thousand tons	1,183.1	1,085.1	109
Volume of liquefied petroleum gas sold	thousand tons	31.7	25.3	125
Volume of natural gas sold	thousand m ³	67,211	63,730	105
Electricity sold	MWh	1,141,733	517,164	221
Heat sold	MWh	41,241	45,687	90
Revenue from the sale of merchandise	EUR million	236.5	215.1	110
Investments in fixed assets	EUR million	78.8	17.8	443
Number of service stations on the last day of the period ¹		457	454	101

¹Number of service stations for the year 2011 as at 31.12.2011.

The Petrol Group continues to perform well also in 2012, concluding the first six-month period with strong operating results despite the still difficult economic situation in Slovenia, the EU and the SE Europe markets where it operates. In Slovenia and Croatia, Petrol's biggest sales markets, a drop in economic activity and private consumption accompanied by increasing unemployment can be observed. In Slovenia, the market situation is further deteriorated by a decline in construction activity – on the downward trend since 2008 – as well as by payment defaults and lack of companies' liquidity.

More detailed information about the Issuer, its operations, business activities, legal status and financial position is available on the Issuer's website <http://www.petrol.si>.