



KRKA, tovarna zdravil, d. d., Novo mesto
Management Board

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TO THE GENERAL MEETING OF THE PUBLIC LIMITED COMPANY
KRKA, d. d., Novo mesto

MATERIALS RELATED TO ITEM 1 OF THE AGENDA

ELECTION OF THE WORKING BODIES OF THE GENERAL MEETING

The Management and Supervisory Boards propose to the General Meeting to elect the working bodies of the General Meeting.

Proposed resolution:

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

Novo mesto, 11 May 2011

Jože Colarič
President of the Management Board
and Chief Executive



KRKA, tovarna zdravil, d. d., Novo mesto
Management Board
Supervisory Board

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TO THE GENERAL MEETING OF THE PUBLIC LIMITED COMPANY
KRKA, d. d., Novo mesto

MATERIALS RELATED TO ITEM 2 OF THE AGENDA

PRESENTATION OF THE ANNUAL REPORT BY THE MANAGEMENT BOARD, INCLUDING INFORMATION ON REMUNERATION OF MEMBERS OF THE MANAGEMENT AND SUPERVISORY BOARDS, THE AUDITOR'S REPORT AND THE SUPERVISORY BOARD'S REPORT ON ITS VERIFICATION AND APPROVAL OF THE 2010 ANNUAL REPORT, ADOPTION OF THE RESOLUTION ON USE OF 2010 ACCUMULATED PROFIT AND DISCHARGE OF LIABILITY FOR THE MANAGEMENT AND SUPERVISORY BOARDS FOR 2010

The Management and Supervisory Boards propose to the General Meeting to discuss and adopt the resolution on presentation of the Annual Report by the Management Board for the 2010 financial year, including information on remuneration of members of the Management and Supervisory Boards, the Report on verification of the Annual Report and approval to discuss and adopt the resolution on the use of accumulated profit as well as the resolution on granting the discharge of liability to the Management and Supervisory Boards for 2010.

Proposed resolutions:

2.1. The General Meeting adopts the information on the Management Board's Annual Report for the 2010 financial year, including the remuneration of members of the Management and Supervisory Boards, the Auditor's Report and the Supervisory Board's Report on its verification and approval of the Annual Report.

2.2. The accumulated profit for 2010 in the amount of EUR 168,944,967.18 is allocated as follows:

- To dividends **EUR 47,119,511.60 (1.40 EUR gross per share)**
- To other profit reserves **EUR 60,912,727.79**
- To carry forward to the next year **EUR 60,912,727.79**

The payout of dividends is to commence within 60 days after the General Meeting according to the shareholder records in the share register kept at KDD-Central Securities Clearing Corporation, Ljubljana as of 12 July 2011 (record date 2).

2.3. The General Meeting approves the work of and gives its consent to:

- **The Management Board, and**
- **The Supervisory Board**

for the 2010 financial year and discharges each of them from liability for performance of their duties.

Novo mesto, 11 May 2011

Jože Colarič
President of the Management Board
and Chief Executive

Jože Lenič, M.Sc.
President of the Supervisory Board

Enclosure:

- Annual Report together with the Supervisory Board's Report



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TO THE GENERAL MEETING OF THE PUBLIC LIMITED COMPANY
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MATERIALS RELATED TO ITEM 3 OF THE AGENDA

DISCUSSION AND ADOPTION OF THE RESOLUTION ON THE REMUNERATION OF SUPERVISORY BOARD MEMBERS

Proposed resolution:

3.1. The Supervisory Board (SB) members and members of the SB committees of Krka, d. d., Novo mesto are entitled to the attendance fee for preparation to and for attending the SB meetings and remuneration in the following gross amounts:

- The attendance fee for each SB meeting is**
 - For each SB member** EUR 275

- The attendance fee for each SB committee meeting is**
 - For each committee member** EUR 220
 - For the SB president for attending committee meeting** EUR 220

The SB members and/or SB committees members are not entitled to attendance fee, if they already received attendance fees in the business year that amount to 50% of the yearly compensation for performing their duties.

- Annual remuneration for performing duties in the SB

	Remuneration for performing duties	Supplement for additional tasks	Total
SB President	EUR 15,500	EUR 7,750	EUR 23,250
Deputy SB President	EUR 15,500	EUR 7,750	EUR 23,250
Committee President	EUR 15,500	EUR 7,750	EUR 23,250
SB member (all are also members of committees)	EUR 15,500	EUR 3,875	EUR 19,375

SB members are entitled to monthly allowances for their remuneration.

- 3.2. The attendance fees and travel expenses are paid out to the SB members and SB committee members in accordance with the respective regulations of Krka, d. d., Novo mesto. The accommodation costs may be reimbursed if the distance from the permanent or temporary place of residence of the SB member or SB committee member to the place of performing their duties is at least 100 kilometres and if the member was not able to return to the place of residence, because there was no public transport envisaged according to the time table or due to other objective reasons.**
- 3.3. This resolution will enter into force and is applied with the date of adoption at the General Meeting. This adopted resolution nullifies the resolution adopted by the 14th General Meeting on 2 July 2009.**

Novo mesto, 11 May 2011

Jože Colarič
President of the Management Board
and Chief Executive

Jože Lenič, M.Sc.
President of the Supervisory Board

KRKA, tovarna zdravil, d. d., Novo mesto
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TO THE GENERAL MEETING OF THE PUBLIC LIMITED COMPANY
KRKA, d. d., Novo mesto

MATERIALS RELATED TO ITEM 4 OF THE AGENDA

NULLIFICATION OF THE 14th GENERAL MEETING RESOLUTION ON THE AUTHORISATION FOR ACQUISITION OF OWN SHARES AND ITS SUBSTITUTION WITH THE NEW RESOLUTION

Proposed resolution:

4.1 The 14th General Meeting resolution on the Authorisation for acquisition of own shares is nullified and substituted with the new resolution.

The General Meeting gives the Management Board the Authorisation to acquire own shares:

- i. The General Meeting authorizes the Management Board to acquire own shares, given that the total percentage of acquired shares along with existing treasury shares will not exceed 10% of issued capital, which is 3,542,612 shares.**
- ii. This Authorisation is valid for 36 months from the date of adoption.**
- iii. The company may acquire own shares on the regulated market at respective market prices. The company may also acquire shares outside regulated market. When purchasing own shares on regulated market or non-regulated market, the purchase price must not be lower than the book value based on the latest available audited business statements for the Krka Group. Also, the purchase price must not exceed the price-to-earnings multiple 30, based on net profit of majority shareholders as stated in the last available audited financial statements of the Krka Group.**
- iv. Own shares acquired following the authorisation concerned and the authorisation from the 2nd General Meeting of 5 November 1997 and the 14th General Meeting of 2 July 2009, may be disposed of in the following way:**
 - To be exchanged for equity-stakes in other companies, based on company's M&A strategy,**



- To be sold to a strategic partner,
 - To be used for secondary listing of shares on stock exchanges outside of the Republic of Slovenia.
- v. Upon the disposal of own shares in accordance with item iv. of this resolution, the pre-emptive right of the existing shareholders is entirely excluded.

Novo mesto, 11 May 2011

Jože Colarič
President of the Management Board
and Chief Executive

Jože Lenič, M.Sc.
President of the Supervisory Board



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MATERIALS RELATED TO ITEM 5 OF THE AGENDA

DISCUSSION AND ADOPTION OF RESOLUTION ON APPOINTMENT OF THE AUDITOR

The Supervisory Board proposes to the General Meeting to appoint the company auditor for 2011.

Proposed resolution:

KPMG Slovenija, podjetje za revidiranje, d. o. o., Ljubljana is appointed as the company auditor for the 2011 financial year.

Novo mesto, 11 May 2011

Jože Lenič, M.Sc.
President of the Supervisory Board