PUBLIC NOTICE

REGARDING THE ACQUISITION OF THE COMPANY ATAG

27 June 2008

gorenje

ATAG

SHOWROOM IMPRESSIONS

ATAG

Pelgrim

ETNA

CONTENTS

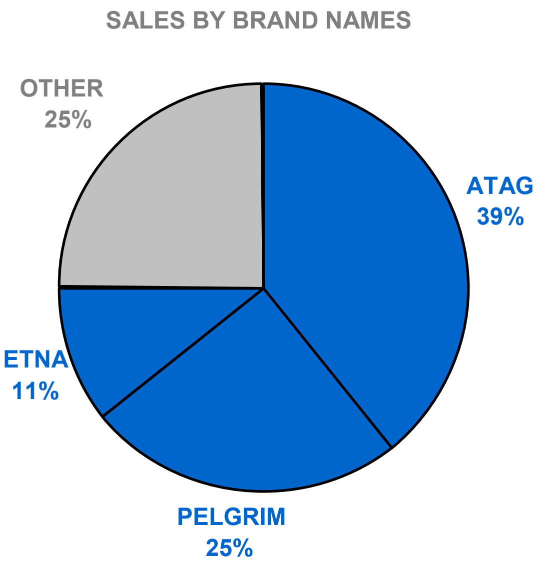
ATAG Europe BV

- Headquarters: Duiven, The Netherlands
- 3 complementary Brand Names:
  - ATAG since 1948
  - Pelgrim since 1920
  - ETNA since 1856
- 420 employees (380 The Netherlands, 40 Belgium)
- 2007 revenue from sales: EUR 150 million
- Market share: the Netherlands > 30%, Belgium 10%

ATAG Europe BV

- Own Brands in the high, middle and low (entry) price segments
- Sales under own brand names: 75% of sales

→ other: OEM, Private label, Retail brands, …



Strengths and Opportunities:

- Strong and wide range of the own brand names
- Leading market share and high positioned own brand names on BENELUX markets
- Sales of the free-standing appliances on BENELUX markets
- Gain of the prestigeous brand name for the Gorenje Group, particularly for the Western European markets
- Purchase synergies

SWOT analysis

Strengths and Opportunities:

- Good organization and effectiveness of the business model (supplementary program)
- Increase of cooperation between Gorenje and Atag
- High skilled management team
- Upgrading of the project engineering within the Gorenje Group

Threats :

- Coordination between brand names – fit into the Gorenje Group
- Question, regarding the expansion of the current sales abroad / local market effectiveness

FINANCIAL RESULTS OF THE COMPANY ATAG Europe BV

Profit and Loss Statement (in EUR Thousand)	2005	2006	2007
Revenue from sales	**124,283**	**138,082**	**148,846**
Changes in inventories	9,290	12,840	14,301
Gross operating yield	**133,573**	**150,922**	**163,147**
Cost of goods and materials	-78,634	-85,546	-93,293
Cost of services	-2,777	-3,103	-3,401
Personnel expenses	-16,273	-18,003	-19,455
Other operating expenses	-13,338	-12,866	-13,652
EBITDA	**13,261**	**18,564**	**19,045**
Depreciation and amortization expense	-3,131	-3,394	-3,085
EBIT	**10,130**	**15,170**	**15,960**
Financial income/expenses - net	-361	-679	-743
PBT	**9,769**	**14,491**	**15,217**
Income tax expensei	-3,415	-4,262	-4,108
Net profit)	**6,354**	**10,229**	**11,109**

Net Cash Flows (in EUR Thousand)	2005	2006	2007
Net profit	**6,354**	**10,229**	**11,109**
+ Depreciation and amortization expense	3,131	3,394	3,085
- Investments	-3,805	-1,761	-2,038
- Net working capital	973	3,022	1,881
Net Cash Flow	**6,653**	**14,884**	**14,037**

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KEY POINTS OF THE DEAL

- **Acquisition price for 100 % stake amounted to EUR 130 million**
- **Gorenje pays with own shares and the rest by cash**
  → 1,070,000 own shares by the price not lower than 6 – months average (EUR 36,83)
- **Agreed lock-up of shares for the period of 4 years**
- **The shares will also be pledged for the period of 4 years in favour of Gorenje, d.d., against potential risks originating from pre-acquisition period**
- **After the Deal Closing, Mr. Philip Sluiter becomes the member of the Gorenje Management Board, responsible for**
  → Business operation of the Gorenje Group in Benelux
  → Supplementary program of the Gorenje Group
  → Development of the brand name ATAG as prestige's Gorenje Group brand name for built-in appliances
- **Consolidation in the Gorenje Group from 1st of July 2008 onwards**

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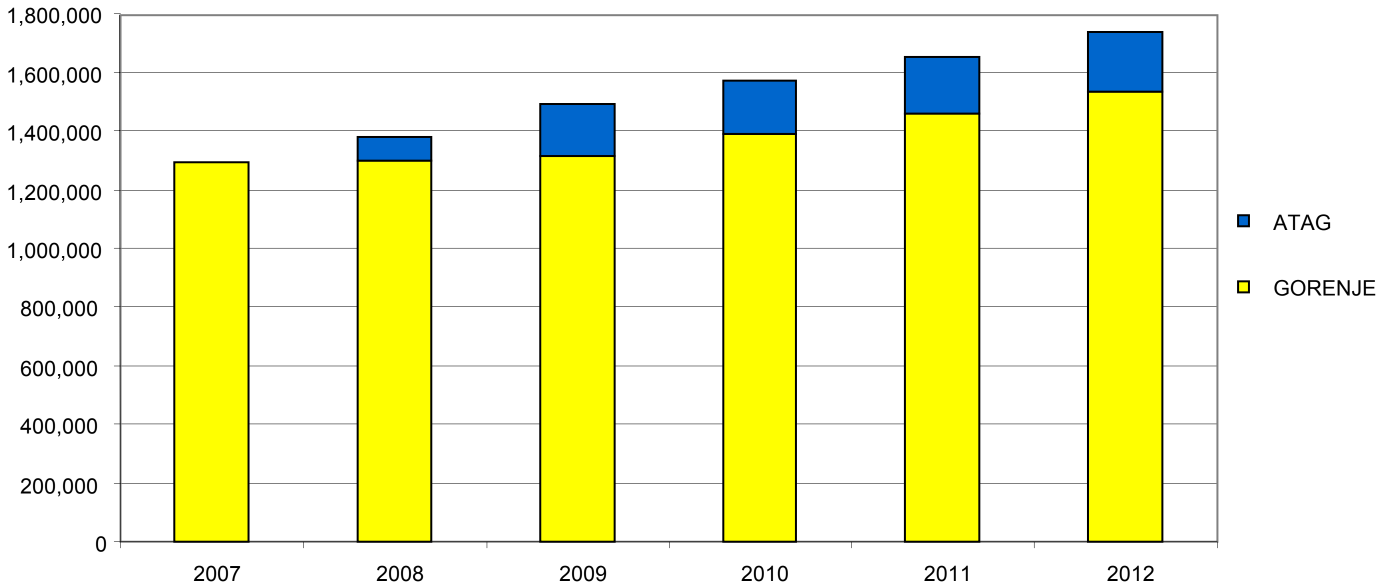
PLANNED IMPACT OF THE ACQUISITION ON THE GORENJE GROUP PERFORMANCE - SIDE BY SIDE analysis

PLANNED REVENUES FROM SALES – GORENJE GROUP
(‘000 EUR)



Growths of the Revenue in case of the closing day on 1 July 2008.

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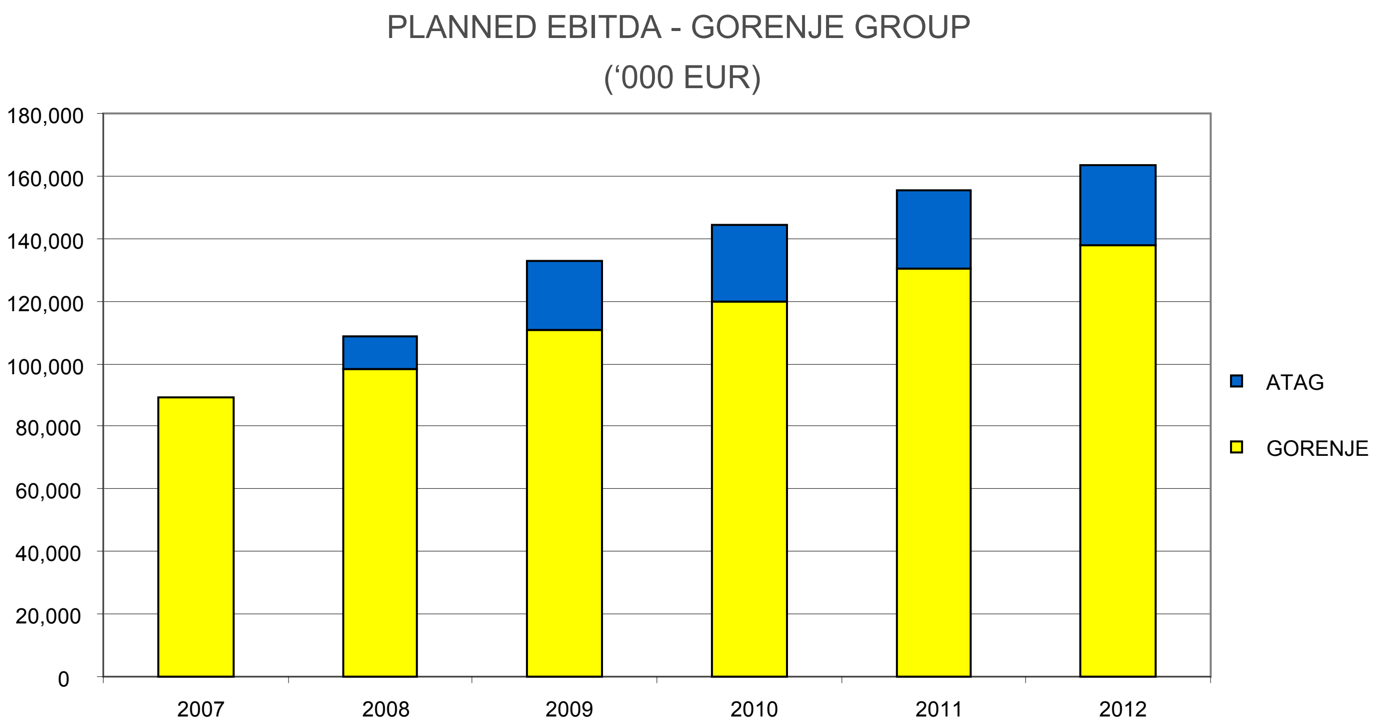
PLANNED IMPACT OF THE ACQUISITION ON THE GORENJE GROUP PERFORMANCE - SIDE BY SIDE analysis



Growths of the EBITDA in case of the closing day on 1 July 2008.

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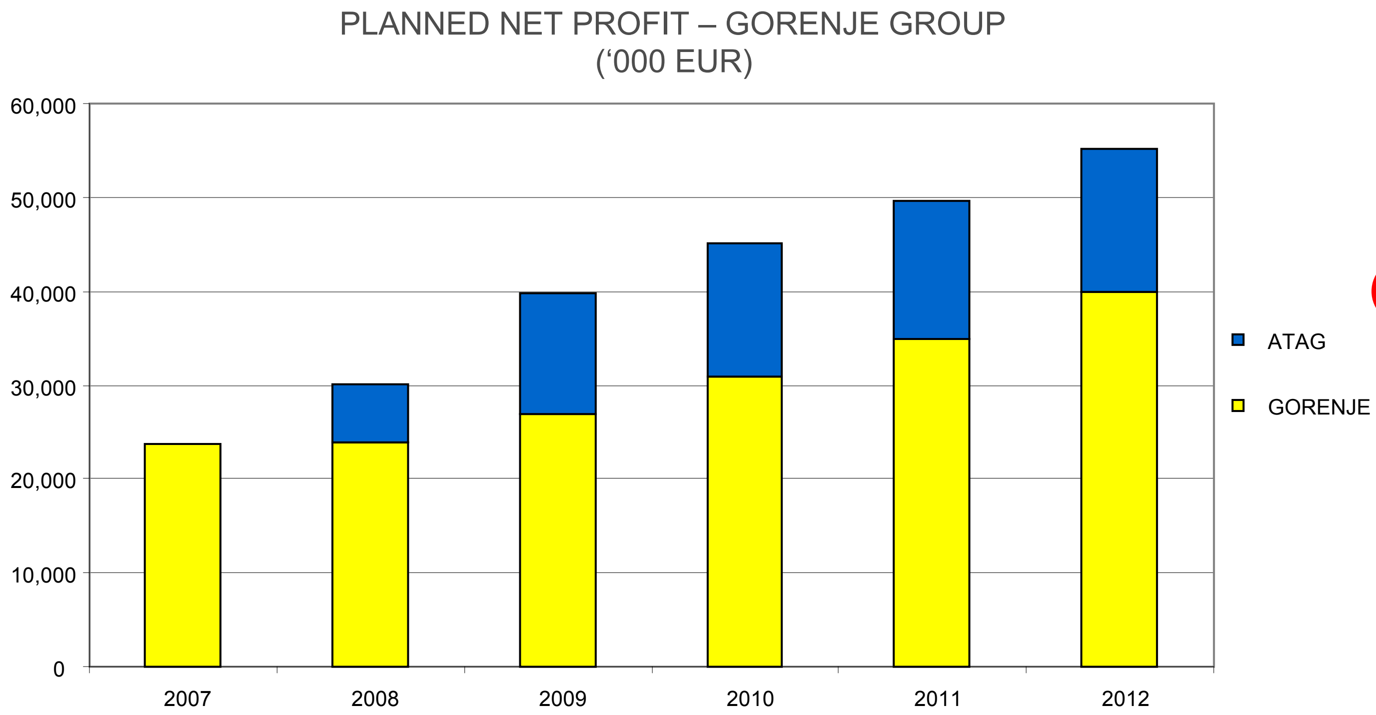
PLANNED IMPACT OF THE ACQUISITION ON THE GORENJE GROUP PERFORMANCE - SIDE BY SIDE analysis



Growths of the Net profit in case of the closing day on 1 July 2008.

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PLANNED IMPACT OF THE ACQUISITION ON THE GORENJE GROUP PERFORMANCE - SIDE BY SIDE analysis

In EUR Thousand or %	2007	2008 [1]	2009 [2]
Revenue from sales, net	**1,293,438**	**1,377,847**	**1,491,203**
EBITDA	**89,449**	**108,763**	**133,075**
EBIT	**36,233**	**49,487**	**63,064**
Net profit	**23,664**	**30,040**	**39,831**
EBITDA Margin [3]	**6.92%**	**7.89%**	**8.92%**
Return on Sales (ROS) [3]	**1.83%**	**2.18%**	**2.67%**
Return on assets (ROA)	**2.39%**	**2.77%**	**3.62%**
Return on Equity (ROE)	**6.71%**	**7.08%**	**8.49%**
Earnings per share (EPS) in EUR - diluted	**2.03**	**2.16**	**2.77**

(1) Considering consolidation from 1st of July 2008
(2) Data for the year 2009 are based on the present estimations of the both companies, considering their strategic plan.
(3) EBITDA Margin and ROS calculated as % from Revenue from sales.

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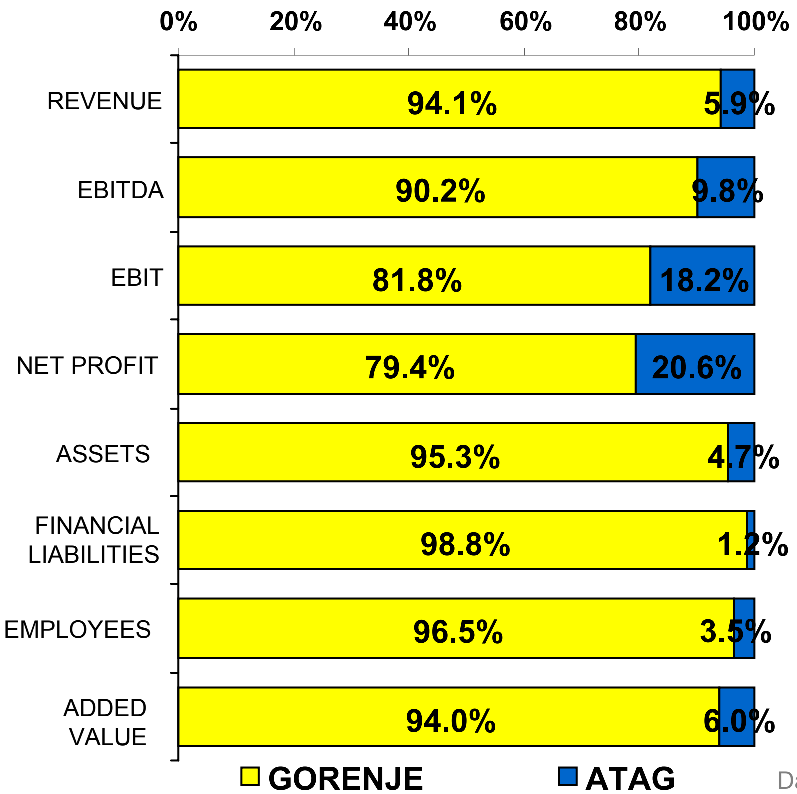
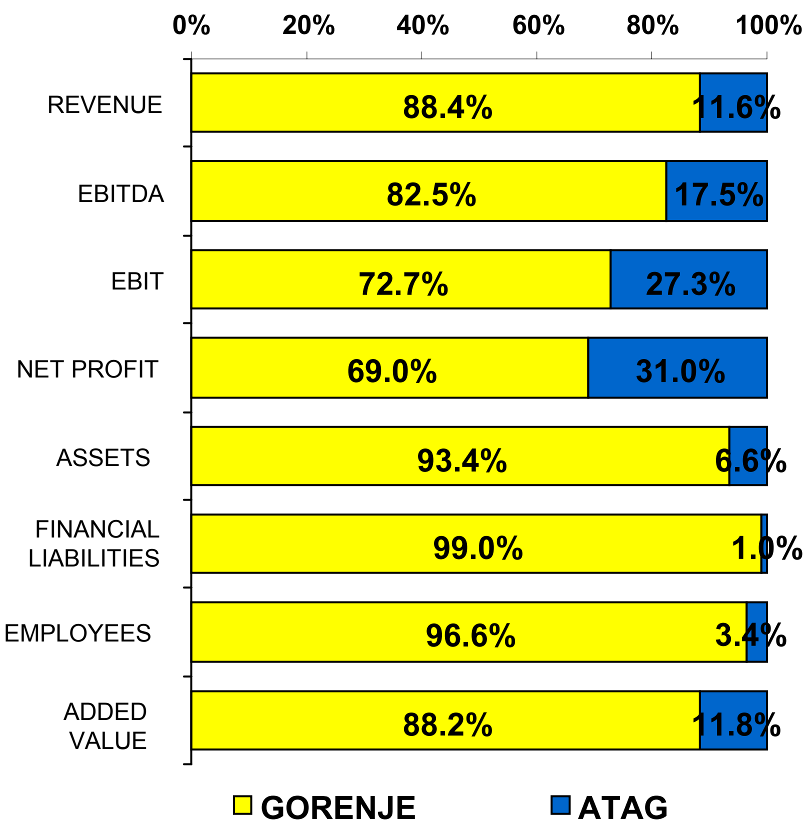
PLANNED IMPACT OF THE ACQUISITION ON THE GORENJE GROUP PERFORMANCE - SIDE BY SIDE analysis (PLAN 2008)



	GORENJE Plan	ATAG Plan / 2	GROUP Consolidated
REVENUE	1,300,352	80,995	1,377,847
EBITDA	98,078	10,685	108,763
EBIT	42,502	8,985	49,487
NET PROFIT	26,503	6,183	30,040
ASSETS	1,020,108	56,562	1,209,925
FINANCIAL LIABILITIES	317,571	5,650	411,421
EMPLOYEES	11,563	420	11,983
ADDED VALUE	326,362	20,939	347,301

Data are taking into account the business plan of the Gorenje Group and of the company ATAG Europe BV for the year 2008, with the consolidation from 1st of July 2008. Consolidated ratios are considering the debt level, disposal of own shares and cost of financing, all as part of the acquisition.

PLANNED IMPACT OF THE ACQUISITION ON THE GORENJE GROUP PERFORMANCE - SIDE BY SIDE analysis (e2009)



	GORENJE e 2009	ATAG e 2009	GROUP Consolidated
REVENUE	1,327,874	173,329	1,491,203
EBITDA	109,802	23,273	133,075
EBIT	49,461	18,600	63,061
NET PROFIT	27,510	12,322	39,831
ASSETS	1,132,575	76,363	1,208,938
FINANCIAL LIABILITIES	380,771	4,650	385,421
EMPLOYEES	11,794	420	12,214
ADDED VALUE	331,987	44,486	376,473

Data are taking into account the whole year estimation of the Gorenje Group and of the Company ATAG Europe BV in the year 2009.

PLANNED IMPACT OF THE ACQUISITION ON THE GORENJE GROUP PERFORMANCE

Historical milestone of Gorenje operation and the winning combination with the positive impacts:

Market position

- To accomplish the strategy of growth of Gorenje as Pan-European supplier in the industry
- To strengthen the market position of the Gorenje Group Brand Names on the West-European Markets
- To round up the portfolio of the brand names with high positioned brand name ATAG
- To fill up sales grey spots on the Benelux market, and to gain from 10 to 30% of the market share of brands ATAG, Etna, Pelgrim

Synergies

- Excellent strategic match with the potential of the faster joint growth of the both companies
- Sales/Marketing, Purchase, Product/R&D and Production Synergies

Financial impacts

- Favourable impact of the Acquisition on the principal financial ratios (Growth of Sales, EBITDA, Net profit, ROS, ROE,...)
- Further growth of the Shareholder Value Creation

PHILIP ALEXANDER SLUITER - Curriculum Vitae

- Age of 45, married, 3 children
- **Education:**
  - 1986 – Mechanical engineering & Business science, Technical Academy
  - 1989 – Master of Science/ Dipl. Ing., Information Technology/ Business management, Technical University
- **Awards:**
  - 1999 - King William 1st price for young entrepreneurship
  - 2000 - “Entrepreneur of the year” Province Gelderland Award

- **Business:**
  - Till 1992 – Continental Can Europe, project manager
  - From January 1992 – independent entrepreneur
  - 1992 - 2005 – Take-over and restructuring of miscellaneous companies in various industries. Corporation with several informal investors and venture capital companies.
  - Since January 2006 – CEO of ATAG Europe bv

- **Miscellaneous:**
  - Member of Advisory Council of the Twente University
  - Member of Supervisory Board of Techfund
  - Member of Supervisory Board of TIIN Buy Out Fund
  - President of Hockey Club Arnhem

ATAG Europe BV

Headquarters : Duiven, the Netherlands