

The Management Board of PETROL, Slovenian Energy Company, d.d., Ljubljana, Dunajska cesta 50, LJUBLJANA, pursuant to provisions of Article 66 of the Securities Market Act, Articles 6 and 7 of the Resolution on the Detailed Contents and Publication of Announcements by Public Companies, and Articles 38 and 42 of the Stock Exchange Rules

hereby notify

shareholders of the following price sensitive information: On 17th May, 2006 the Management Board received a court decision issued by the Higher Court in Ljubljana, ref. No. 8 Pg 287/04-2 dated 4th April, 2006, according to which, and in connection with the court decision issued by the District Court in Ljubljana, ref. No. 8 Pg 287/2004-18 dated 12th January, 2005, the defendant – the Republic of Slovenia is obliged to pay to Petrol d.d. Ljubljana the amount of SIT 947,544,095.00 together with statutory default interest running from 2nd March, 2001, as well as legal costs within 15 days from the date of finality of the above-mentioned first court decision.

Description of the business event: Due to unreasonably long term for decision-making in the administrative procedure on tax obligations of Petrol d.d., Ljubljana, damage occurred to Petrol d.d., Ljubljana resulting from payment of statutory default interest. As the definite decision was not issued by the tax authorities within the defined time limit, the above-mentioned court decisions now impose on the Republic of Slovenia compensation of the injured party for damage.

This notification will be announced on the official company website www.petrol.si for at least seven days.

*Petrol d.d., Ljubljana
Management Board*