



Pursuant to Article 5 of the Rules on Contents and Manner of Public Companies' Reporting and Notification on Holding of Voting Shares (Official Gazette of the RS, nos. 100/2006, 116/2006 and 37/2009) management of the joint stock company NIS a.d. Novi Sad issues the following:

## STATEMENT

### ON SEMIANNUAL BUSINESS PLAN FOR THE SECOND HALF OF 2011

1.	<b>Business name</b>	DRUŠTVO ZA ISTRAŽIVANJE, PROIZVODNJU, PRERADU, DISTRIBUCIJU I PROMET NAFTE I NAFTNIH DERIVATA I ISTRAŽIVANJE I PROIZVODNJU PRIRODNOG GASA NAFTNA INDUSTRIJA SRBIJE A.D. NOVI SAD	
	<b>Registered seat and address</b>	Novi Sad, Narodnog fronta 12	
	<b>Corporate ID Number</b>	20084693	
	<b>Tax ID Number</b>	104052135	
2.	<b>Web site</b>	<a href="http://www.nis.rs">www.nis.rs</a>	
	<b>e-mail address</b>	<a href="mailto:office@nis.rs">office@nis.rs</a>	
3.	<b>Number and date of the Resolution on registration with the Business Registers Agency</b>	BD 92142 as of 29.09.2005.	
4.	<b>Business activity (code and description)</b>	0610 – Crude oil extraction	
5.	<b>Board of Directors</b>	Yakovljević Vadim Vladislavovič, Chairman Kravčenko Kirill Albertovič, member Černer Anatolij Moisejevič, member Antonov Igor Konstantinovič, member Krylov Aleksandr Vladimirovič, member Drasković Danica, member Martinović Nikola, member Baryšnikov Vladislav Valerijevič, member Seksnja Stanislav, member Slobodan Milosavljević, member	
6.	<b>Main data on semiannual business plan for the current year, including data on key substantive events and transactions carried out by the date of their publishing, having significant impact on company's financial position, success and cash flow</b>		
	<b>Operational indicator</b>	<b>Measurement Unit</b>	<b>Plan VII-XII 2011.</b>
	Domestic oil and gas production	thousand of conditional tons	774,5
	Domestic oil production	thousands of tons	530,1
	Oil processing volume excluding third parties	thousands of tons	1.250,3
	Total sales of oil products	thousands of tons	1.402,7
	Oil products local market sales	thousands of tons	1.250,5
	<b>CAPEX*</b>	<b>Measurement Unit</b>	<b>Plan VII-XII 2011.</b>
	GPN loan	mIn. EUR	142,7
	NIS OCF	bln. RSD	10,4
	<i>*VAT excluded</i>		
	<b>Cash Flow from Operations</b>	<b>Measurement Unit</b>	<b>Plan VII-XII 2011.</b>
	OCF	bln. RSD	23



Income statement		Measurement Unit	Plan VII-XII 2011.		
EBITDA		bln. RSD	30,4		
Amortization expenses		bln. RSD	-3,4		
Net financial income		bln. RSD	-0,9		
Net other expenses and incomes		bln. RSD	0,3		
Net foreign exchange differences		bln. RSD	-9,5		
Income tax		bln. RSD	-1,4		
Net profit (loss)		bln. RSD	15,5		
<b>Business plan for the first half of 2011 with overview of its implementation</b>					
Operational indicator	Measurement Unit	Plan I-VI 2011.	Realization I-VI 2011.	Change	
				Value	%
Domestic oil and gas production	thousand of conditional tons	712,7	730,2	17,5	2,46%
Domestic oil production	thousands of tons	493,2	497,5	4,3	0,87%
Oil processing volume excluding third parties	thousands of tons	1.170,9	1.180,4	9,5	0,81%
Total sales of oil products	thousands of tons	1.142,9	1.139,4	-3,5	-0,31%
Oil products local market sales	thousands of tons	1.014,2	986,9	-27,30	-2,69%
CAPEX*	Measurement Unit	Plan I-VI 2011.	Realization I-VI 2011.	Change	
				Value	%
GPN loan	mln. EUR	84,11	56,6	-27,51	-32,71%
NIS OCF	bln. RSD	3,62	2,9	-0,72	-19,89%
<i>*VAT excluded</i>					
Cash Flow from Operations	Measurement Unit	Plan I-VI 2011.	Realization I-VI 2011.	Change	
				Value	%
OCF	bln. RSD	7,4	12,9	5,5	74,32%
Income statement	Measurement Unit	Plan I-VI 2011.	Realization I-VI 2011.	Change	
				Value	%
EBITDA	bln. RSD	16,28	20,52	4,24	26,04%
Amortization expenses	bln. RSD	-2,91	-3,29	-0,38	-13,06%
Net financial income	bln. RSD	-1,21	-1	0,21	17,36%
Net other incomes and expenses	bln. RSD	-0,07	0,3	0,37	528,57%
Net foreign exchange differences	bln. RSD	1,79	6,36	4,57	255,31%
Income tax	bln. RSD	-1,79	-1,47	0,32	17,88%
Net profit (loss)	bln. RSD	12,09	21,41	9,32	77,09%

**Note:** Information on planned values of indicators in this Statement is from updated business plan prevailing on the date of the Statement (for the first half of 2011 and also for the second half of 2010).

This document may contain forward-looking statements. Forward-looking statements are statements that are not historical facts; they include statements about our beliefs and expectations and the assumptions underlying them and are based on plans, estimates and projections as they are currently available to the management. Forward-looking statements therefore speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events. By their very nature, forward-looking statements involve risks and uncertainties. A number of important factors could therefore cause actual results to differ materially from those contained in any forward-looking statement

Novi Sad, October 25<sup>th</sup> 2011

Kirill Kravchenko, General Manager