



CORPORATE GOVERNANCE CODE COMPLIANCE STATEMENT

Krka, d. d., Novo mesto (hereafter: the Company) informs the interested public that for the period from 18 March 2004 until the date of this statement it has complied with the Corporate Governance Code (Official Gazette of the Republic of Slovenia, no 44/04, hereafter: the Code) except with the following provisions of the Code:

2.3.7.

The Company has not fully complied with Code provisions regarding disclosure of the management board remuneration. The Company used different management board remuneration breakdown in the 2003 annual report. The differences with the Code are due to the absence of relevant guidelines for remuneration disclosure upon preparation of the 2003 annual report.

2.3.10.

The Company does not have internal act in force that would regulate trading with Company's and subsidiaries' shares. Insider information regulation is included in the Company's Information Confidentiality Policy. The insider trading reporting of management board and supervisory board members is determined by the relevant resolutions of the management and supervisory board.

3.4.3.

The Company has not complied with the Code provisions regarding disclosure of the supervisory board remuneration due to the reasons mentioned in 2.3.7.

7.1.7.

The Company has not yet released the financial calendar.

The Company will regularly publish the Code Compliance Statement in the annual reports of the Company.

Novo mesto, 27 September 2004

Krka, d. d., Novo mesto
Management Board