

Zagreb, 21 February 2019

PRIVREDNA BANKA ZAGREB - DIONIČKO DRUŠTVO
Zagreb, Radnička cesta 50
LEI: 549300ZHFZ4CSK7VS460
ISIN: HRPBZ0RA0004
TICKER: PBZ-R-A
Zagreb Stock Exchange – Regular Market

**Croatian Financial Services Supervisory Agency
Zagreb, Račkoga 6**

**Zagreb Stock Exchange
Zagreb, I. Lučića 2a**

Re: Dividend distribution proposal

Further to the announcement of 19 February 2019 and following the meeting of the Supervisory Board of the Bank, we would like to disclose that the Management Board and the Supervisory Board have established the draft Decision on the allocation of the Bank's profit earned in 2018 that will be submitted to the Annual General Meeting of the Bank called for 2 April 2019 to propose the payment of a dividend of HRK 72.58 per share in line with the previous announcement.

At the same meeting, the Supervisory Board nominated Mr Ignacio Jose Jaquotot Calvo as candidate for a member of the Supervisory Board of the Bank. The decision on his election will be made by the General Meeting of the Bank.

The Supervisory Board of the Bank adopted the decision to renew, for another three years, the terms of office of the members of the Management Board of the Bank Ms Andrea Pavlović and Mr Darko Drozdek, effective respectively from 15 May 2019 and 24 October 2019, subject to prior approval of the Croatian National Bank for the performance of the function of member of the management board of a credit institution.

The resumes of the candidates will be available on the Bank's website.

Privredna banka Zagreb d.d.

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Radnička cesta 50, HR-10000 Zagreb, Croatia; Phone +385 1 636 0000, Fax +385 1 636 0063; www.pbz.hr; SWIFT: PBZGHR2X. Registered at the Commercial Court in Zagreb under the number 080002817, statistical No. 3269841, TPIN (OIB) 02535697732, IBAN: HR64 2340 0091 0000 0001 3. Share capital in the amount of HRK 1,907,476,900.00 has been fully paid in and divided into 19,074,769 shares, nominal value HRK 100.00 each. Management Board: Dinko Lucić (President), Alessio Cioni (Deputy President), Andrea Pavlović, Darko Drozdek, Draženko Kopljar, Ivan Gerovac, Ivan Krolo, Supervisory Board: Giovanni Boccolini (President)