



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 2010

1.	Business name	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		
	Registered seat and address	Novi Sad, Narodnog fronta 12		
	Corporate ID Number	20084693		
	Tax ID Number	104052135		
2.	Web site	www.nis.rs		
	e-mail address	office@nis.rs		
3.	Number and date of the Resolution on registration with the Business Entities Register	BD 92142 as of 29.09.2005.		
4.	Business activity (code and description)	0610 – Crude oil extraction		
5.	Board of Directors	Jakovljević Vladimir Vladislavovič, President Petrović Dušan, member Kravčenko Kirill Albertovič, member Černer Anatolij Moisejevič, member Antonov Igor Konstantinovič, member Drasković Danica, member Đibalić Aleksandar Mihailovič, member Martinović Nikola, member Barišnjić Vladislav, member Seksnja Stanislav, member		
6.	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			
	Operational indicator		Measurement Unit	Plan VII-XII 2010.
	Domestic production of oil and gas		thousands of conditional tons	653,4
	Domestic production of oil		thousands of tons	459,2
	Oil processing volume excluding third parties		thousands of tons	1.451,1
	Total sales of oil products		thousands of tons	1.409,1
	Oil products local market sales		thousands of tons	1.244,1



CAPEX		Measurement Unit	Plan VII-XII 2010.
GPN loan		million EUR	69.8
NIS OCF		billion RSD	4.4
Cash Flow from Operations		Measurement Unit	Plan VII-XII 2010.
OCF		billion RSD	5.8
Income statement		Plan VII-XII 2010. (billion RSD)	
EBITDA			17.6
Amortization expenses			-2.8
Net financial income			-1.5
Net other income			0.9
Net foreign exchange differences			-1.9
Income tax			-0.3
Net profit (loss)			12.1

Discrepancy in calculations is caused by the approximation error. Net profit (loss) is calculated by use of real values of projections, and not by subtraction of rounded values for particular items in Income statement.

Business plan for the first six months with overview of its implementation

Business operations of NIS a.d. Novi Sad in the initial six months of 2010 have mostly been affected by fluctuations of the foreign exchange market.

Good operating results have been realized, both in oil production and refining, as well as in maintaining sales levels on Serbian market in the situation of consumption decrease, and the export on foreign markets has been realized. The amount of debts towards suppliers has been decreased and the collection of claims from the client improved. As far as financial indicators are concerned, EBITDA has been increased due to the prices that were formed at the higher level than expected and decrease of the business operational expenses.

The company's business result is profit, which prior to losses due to foreign exchange differences amounted to RSD 6.2 billion. However, due RSD currency slide a foreign exchange loss of RSD 15.8 billion was made, the business profit is annulled.

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

In Novi Sad, on 27 October 2010

Kirill Kravchenko, the General Manager