

**Gorenje in the first nine months with a very sound business performance.
Gorenje is well prepared for further tense situation.**

The Supervisory Board of the company Gorenje, d.d., announced today, at its 21st planned Meeting, the business performance and results of the Gorenje Group for the first nine months of 2008. In the opinion of the Supervisory Board, the business performance was good, when comparing year on year results, as well as the planned objectives for 2008. Despite a difficult trading environment, which was already predicted for the third quarter, following the cooling down of the overall economic activity and looming recession, the Gorenje Group is proceeding with a very sound business performance.

Consolidated Revenue amounted to 992 million euros, showing a 4.4 % increase compared to the 9M 2007 and has reached 76.36 % of the 2008 plan. As from July 1st 2008, the company ATAG Europe B.V. was included into the preparation of the consolidated financial statements of the Gorenje Group. The achieved revenue of the company ATAG Europe B.V. amounted to 34 million euros from the period of July through to September 2008.

EBITDA amounted to 69,2 million euros, which is 11.9 % more than in the same period in 2007. The decrease in the cost of goods, raw materials and services has had a positive impact on the EBITDA growth. This is primarily due to the restructuring of the sales product portfolio, the replacement of the more costly components with the lower priced ones from other lower cost markets and the well planned purchase of the raw materials for the first half of the year. The higher and non planned growth in personal expenses has not had a favourable impact on EBITDA growth.

EBIT amounted to 26.1 million euros, showing a strong 15.7% growth. The higher growth in the EBIT compared to that of the EBITDA is a result of faster revenue growth of the Trade and services division, which has less linked fixed assets and consequently less Depreciation and amortization costs.

Profit before Tax (PBT) amounted to 20.2 million euros, which exceeds the figure reported in the same period in 2007 by 11.7 %. The slightly slower increase in the growth of EBIT was due to less favourable results of the net financial income/expenses.

A consolidated net profit of 15.4 million euros exceeds the figure reported in the same period in 2007 by 14 %.

Considering the current business results achieved, the Gorenje Group performance in the first nine months of 2008 was good, despite the current difficult business environment and is in line with the planned forecast for 2008.

The World financial crisis and recession has also affected Gorenje, however the Management Board is trying hard to soften such effects as much as possible. Gorenje has a well-structured and implemented sales and distribution network in more than 70 countries, which ensures less exposure to risk due to the differing market situations in each country. The Western European demand for household appliances is falling, however Gorenje's sales are comparable and on par with last years results, which means, that in relation to our competitors we are in fact increasing our market share. The Management Board of Gorenje has decided that based on the current situation, effects and projected forecast, that it will keep existing plans unchanged for the year and will maintain predicted revenue and profit forecasts. Members of the board, together with all employees will continue to implement in an intensive manner the planned objectives for this year and will ensure maximum flexibility in adjusting the business processes to the market conditions. We are talking about the guidelines, which are agreed by the workers' council and the labour union, and are constantly being supervised in accordance with the regular procedure, however the guidelines will be due to the very difficult situation closely monitored.

Alongside Gorenje's core business activity, Gorenje has cleverly orientated itself into other growth areas. This year ecological and energy efficient operations show great promise and are successfully supporting the home appliance division during these difficult times.

The Gorenje Group is currently fulfilling its financial and other liability obligations, however we have adopted several internal measures to focus on key areas such as process optimizations, net working capital, and cost cutting measures in the short term to limit the dependency of Gorenje from the banking and financial sectors. The Gorenje Group has business contacts with more than 20 different banking groups in Slovenia and abroad which has allowed our loan portfolio to be evenly spread out. We are currently strengthening our existing contacts to ensure a re-investment of loans in the future.

The Management Board is actively pursuing its objectives on a daily basis in order to reach the planned goals in all key business categories for 2008. Members of the board, together with all staff members will continue to implement in an intensive manner the planned objectives for this year. Alternative plans for the future will also be reviewed and prepared.

Information relating to this announcement will be available on the official web site of Gorenje d.d., Velenje, Slovenia (www.gorenje.com) for at least 5 years following the official announcement date.

Gorenje, d.d.,
Management Board

Velenje, Slovenia, the 5th of November 2008