



Mercator

Pursuant Article 18 and 19 of the company bylaws, the Management Board and the Supervisory Board of the company POSLOVNI SISTEM MERCATOR, d.d., headquartered in Ljubljana, Dunajska cesta 107, hereby convene the

**14th regular Shareholders Assembly
held on Tuesday, on August 26th 2008 at 1 PM,
at the company headquarters.**

I. AGENDA AND PROPOSED RESOLUTIONS

1. Opening of the assembly and election of the Shareholders Assembly Operational Bodies

RESOLUTION PROPOSAL:

The Shareholders Assembly operational bodies shall be elected.

2. Adoption of resolutions on the allocation of distributable profit, payment of dividends and discharging the Management and Supervisory Board

a) Adoption of resolution on the allocation of distributable profit and payment of dividend

RESOLUTION PROPOSAL:

1. Distributable profit as at December 31st 2007 in the amount of EUR 22,063,739.40 is to be allocated as follows:
 - ◇ Part of the distributable net profit in the amount of EUR 16,002,784.25 shall be allocated for the payment of dividends in gross amount of EUR 4.25 per ordinary share;
 - ◇ Remaining part of the distributable net profit in the amount of EUR 6,060,955.15 shall be allocated to other reserves from profit.
2. Dividends shall be paid out in cash within 30 days after the adoption of the resolution, to those shareholders that will be registered as owners of shares with the KDD – Central Securities Clearing Corporation as at August 29th 2008.

b) Granting discharge to the Supervisory Board

RESOLUTION PROPOSAL:

Shareholders Assembly hereby grants discharge to the company Supervisory Board for the 2007 business year.

c) Granting discharge to the Management Board

RESOLUTION PROPOSAL:

Shareholders Assembly hereby grants discharge to the company Management Board for the 2007 business year.

3. Report on acquisition and disposal of own / treasury shares

4. Appointment of new Supervisor

RESOLUTION PROPOSAL:

Mr. Wolfgang Putschek, Ph. D. is appointed as the member of the Supervisory Board for the term of office from the date of appointment to 30 Oct. 2009.

5. Participation of employees in company profit

RESOLUTION PROPOSAL:

The Shareholders' Assembly backs the motion for the introduction of participation of employees in profit of the company starting from the year 2009 onwards, and hereby authorizes the Management and the Supervisory Board to prepare the draft proposal of required amendments to the Company By-laws and the draft agreement regarding the participation in profit until the following regular meeting of the Shareholders' Assembly in accordance with the Participation of Employees in Profit Act (Official Journal RS # 25/2008)

6. Appointment of the authorized auditing company for the year 2008

RESOLUTION PROPOSAL:

The auditing company KPMG Slovenia, podjetje za revidiranje, d.o.o., Železna cesta 8a, Ljubljana, shall be appointed as the company auditor for the year 2008.

Resolutions in the sections 1, 2, 3 and 5 are proposed by the Management Board and Supervisory Board jointly, while the resolution in sections 4 and 6 is proposed solely by the Supervisory Board.

II. DISCLOSURE / AVAILABILITY OF THE DOCUMENTATION

The documentation for the agenda, including the resolution proposals and the adopted annual report, Supervisory Board report, and other documents, is available to the company shareholders at company headquarters in Ljubljana, Dunajska cesta 107 (ground floor), every workday from the announcement of the convocation until the day of the Shareholders Assembly from 9 to 12 AM; all relevant documentation is

also published on the stock market's electronic information dissemination system and on the company website at **www.mercator.si**.

III. TIME OF ASSEMBLY

The assembly is convened to begin at 1 PM. If quorum is not reached at that time, the Assembly shall be rescheduled for the same day and same place at 2 PM, regardless of the extent of share capital representation.

The room/hall in which the assembly is to take place shall be open 30 minutes before the beginning of the Assembly.

IV. TERMS OF ATTENDANCE

The following persons may attend and take part in the Assembly:

Shareholders, their representatives or proxies, who register their attendance in writing no later than three days before the Assembly. Upon registration, shareholder representatives and proxies must submit a written letter of authorization which shall remain in custody of the company.

Management Board President
Mr. Žiga Debeljak

Supervisory Board President
Mr. Robert Šega