

Zagreb, 27th July 2012

ZAGREB STOCK EXCHANGE

Ivana Lučića 2a
10 000 Zagreb

Subject: Notification about the Supervisory Board session

Dear Sirs,

We hereby inform you that as of 30th Sept 2012 the Supervisory Board has reached a decision to absolve of duties two of the Dalekovod d.d. Management Board members: Mr. Luka Miličić, who has agreed to be retired, and Mr. Damir Skansi, who will be reassigned to a new post as the Management Board advisor.

Mr. Miličić has spent his entire professional life working with Dalekovod, and over the past 15 years he has been the President of the Company's Management Board. It is under his leadership that Dalekovod has thrived in terms of growth and development, and went from being a small, local company to, in Croatian terms at least, a large corporation, present on world markets as a recognisable brand with a diverse portfolio of products and services. During this period the Company has significantly increased its intellectual capacities, by hiring and developing hundreds of experts, especially engineers, but other highly trained, university educated personnel as well, which presents a quality base for further growth and development of the Company.

Mr. Miličić has initiated and started off operational and financial restructuring of the Group, which has yielded results in the first half year period of 2012. By stabilising the Group's operational activities grounds were made for Mr. Miličić to go into retirement. Dalekovod would like to use this opportunity to thank Mr. Miličić for all that he's done for the Company and its employees.

The Supervisory Board has appointed Mr. Matjaž Gorjup, master of mechanical engineering, to the post of President of the Management Board. Mr. Gorjup has a university degree from the Technical Faculty in Graz, Austria, and has filled the post of managing manufacturing companies, such as packaging companies, automobile companies, pharmaceuticals, tobacco industry company and high voltage insulator industry in Austria, the Czech Republic, China, Slovenia, Macedonia and Croatia. In most of these firms Mr. Gorjup was assigned to restructure their operational and financial activities, and has produced results.

The Supervisory Board has also appointed Mr. Marko Jurković, master of electrical engineering, to the post of Management Board member in charge of restructuring, strategic positioning, and Group's operational excellence. Mr. Jurković has a degree from the Faculty of Electrical Engineering and Computing (FER) in Zagreb, and has been to NYU Stern School of Business and IESE Business School where he's obtained an MBA degree. In his 12 years long career, Mr. Jurković has worked with EnergoControl (power plants engineering company), PLIVA (pharmaceutical firm), McKinsey&Co (management consulting firm), and Worley Parsons (provider of professional services to the energy, resource, and complex process industries), where he's managed and contributed to big power supply

projects in Central and Eastern Europe and Russian Federation, as well as in reorganisation and restructuring projects of large corporations in our own region.

The new Management Board members' term of office runs from 1st Oct 2012, and will run for the following 5 years.

The Supervisory Board believes that these newly appointed members of Dalekovod's Management Board will strengthen the Company, whilst they, being experienced individuals with proven skills and know how will make a significant contribution to the Company's internationalisation, end of operational and financial restructuring, and further development of the Company into a subject of global importance in the power supply and transmission sector.

Kind regards,

Dalekovod d.d.