

Zagreb, 9 September 2010

ZAGREB STOCK EXCHANGE

Ivana Lučića 2a
10000 Zagreb

Subject: Signing of the 420 kV transmission line Sima – Samnanger Construction Contract

Dear Sirs,

We feel free to inform you that a construction contract for the construction of the 420 kV and 90 km long Sima – Samnanger power line has been signed today between Dalekovod d.d. Zagreb and Statnett, the Norwegian state-owned power grid operator. Erection works total more than 20 mil EUR. Expected commencement date is 1 October 2010.

Construction encompasses civil engineering works, erection of the steel-lattice towers, and electrical installation works (conductor, OPGWs and earth wire works).

The aim of the power line construction is to boost up the reliability of electricity transfer to end-users, which will notably increase the capacities of electricity transmission, and the reliability of customer supply for the whole region, with Bergen being the region's centre.

Due to the inaccessibility of the terrain, the construction of this transmission line will be performed with the assistance of helicopters, which is nothing out of the ordinary when it comes to power line construction in Norway, where security and environment protection demands are very high on the priority list. Special demands during the construction of this power line are expected at fiord crossings (3 crossings in total), which will present additional challenge, and will require additional prudence in regard to the length of the crossings (span between the towers is around 3 km) and time frames set forth for their construction.

It is necessary to underline, that at the beginning of 2010 Dalekovod and Statnett entered into steelwork delivery for the same power line under a special contract, which, in addition to procuring construction works, presents a significant success since it comes as a confirmation of the previously finely performed works in Norway.

Dalekovod has once again confirmed the continuity of co-operation with the Scandinavian market, with the intention of long-term presence at the said market, which is at the same time a very desirable market, but also extremely demanding, since quality, reliability and trust among the partners are on the top of the priority list.

Sincerely,

Dalekovod d.d.