

Zagreb, 22 Dec 2011

ZAGREB STOCK EXCHANGE

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10000 Zagreb

Subject: Dalekovod signed a Contract for Performance of Equipment Installation Works in the 400 kV Barkeryd Substation in Sweden

Dear Sirs,

we are free to inform you that Dalekovod d.d. signed a Contract for performance of installation and assembly works in the Barkeryd substation with the company Alstom Grid from Sweden on 21 December 2011 in Västerås, Kingdom of Sweden. It is a new 400 kV substation (one 400 kV plant, transformer T1 400/1430 kV, one 130 kV plant, control building for control of the telecommunication equipment and two convertors). The main contractor of works is Alstom Grid that opted for Dalekovod d.d. as a partner for performance of most of the works.

The Investor of works is Svenska Kraftnat (Swedish National Network), a company with huge plans in expansion of the Swedish electric power network and provision of connection with the Norwegian and Finish electric power network.

The construction of the new 400 kV S/S Barkeryd is one of the investments that shall significantly contribute to increasing the electricity output from the nuclear plants nearby and to providing a connection with the Norwegian electric power network. The above is only one segment of the "South-West Link" Project, the aim of which is to facilitate the restriction in transmission of electricity between Norway and Sweden. In this way the functioning of the Nordic market of electricity shall improve and answers to the climatic political questions shall be given, as the rehabilitation of the national network is necessary in order to enable the expansion of wind power plants in the following decade.

The value of the contract is estimated at EURO 1.7 mill. The works shall start in the above substation at the beginning of April 2012 and end in October 2013.

Alstom, a company with 125-year experience, is one of three world-renowned companies engaged in transmission of electricity. It boasts of innovative technologies and while performing its operation it pays special attention to safety, reliability and increase of the electricity grid capacity. The Alstom clients are world-renowned national electricity corporations, as e.g. EDF (France), Duke Energy (USA), RWE and E:ON (Germany), Vattenfall (Sweden) etc. The mission of Alstom is to help the electricity corporations and

large electrical industries to satisfy the ever growing needs of consumers for electricity by offering innovative and competitive solutions.

This Contract, being of utmost importance for Dalekovod d.d. due to the challenging investment plans in Sweden, presents the beginning of a successful business co-operation between the companies Dalekovod d.d. and Alstom Grid.

Yours respectfully,

Dalekovod d.d.