

Management Board

According to statutory authority as indicated in Article 18c) of the Articles of Association of the company Dalekovod d.d., with registered seat in Zagreb, Ulica Marijana Čavića 4 (hereinafter referred to as: "**Company**"), in connection with Article 323 of the Companies' Act ("Official Gazette" No. 111/93, 34/99, 121/99, 52/00, 118/03, 107/07, 146/08 and 137/09), the Management Board of the Company did at its meeting which was held in Zagreb on June 09th 2011 make the following

DECISION
ON
AN INCREASE IN SHARE CAPITAL (AUTHORIZED CAPITAL)
OF THE COMPANY AND ISSUANCE OF NEW SHARES

- I. The share capital of the Company is increased by issuing new non-materialized bearer ordinary shares by payment of contributions in cash.
- II. The share capital of the Company is increased from amount of HRK 270,251,200.00 (two hundred seventy million two hundred and fifty-one thousand two hundred Kuna) by the amount of HRK 16,475,300.00 (sixteen million four hundred seventy-five thousand and three hundred Kuna) to total amount of HRK 286,726,500.00 (two hundred eighty-six million seven hundred twenty-six thousand five hundred Kuna).
- III. The share capital is increased by payment of 164,753 (one hundred sixty-four thousand seven hundred fifty-three) of new non-materialized bearer shares, each to nominal amount of HRK 100 (one hundred Kuna) with total nominal amount of HRK 16,475,300.00 (sixteen million four hundred seventy-five thousand and three hundred Kuna).
- IV. New ordinary shares of the Company are issued for amount of HRK 245.00 (two hundred forty-five Kuna) for each new ordinary share and the Subscriber of new shares is obligated to make the payment for this amount. Within the meaning of the provision of Article 304, paragraph 3 of the Companies' Act, the new shares shall not be issued below this amount.
- V. The new ordinary shares shall give its holder the same rights as all other ordinary shares issued by the Company.
- VI. The subscription and payment for the new shares shall last for 2 (two) workdays running from the date of effectiveness of this Decision. The deadline for payment for the new shares is 2 (two) days beginning from the date of subscription (signing of the subscription form). Except if the subscription and payment of shares are completely performed prior to expiry of the above mentioned deadline, the Management Board of the Company is empowered to conclude issuance prior to the expiry of the above indicated deadlines.
- VII. All new ordinary shares shall be subscribed and paid by TELEGRA Ltd. for designing,

production, installation and maintenance of intelligent traffic systems and telecommunication infrastructure, with registered seat in Sveta Nedelja, Plešivička 3, Company number 80367121.

- VIII. The Management Board of the Company determines hereby that other shareholders of the Company do not have pre-emptive subscription rights, and that this pre-emptive right is excluded in whole according to this Decision according to provision of Article 18c) paragraph 4 of the Articles of Association.
- IX. The successful subscription and payment of new shares is determined according to the position of subscription and payments on the date of expiry of the deadline for subscription and payment of shares. The issue of shares shall be deemed to have been successful if within the deadline determined in advance for the subscription and payment, the persons indicated in item VII of this Decision have been subscribed and have paid 95% (ninety-five per cent) of the offered shares.
- X. In the event of making the Decision, the subscription of shares is performed by making a statement in writing (in the form of subscription form) to the Listing Agent, namely to Interkapital vrijednosni papiri d.o.o. ("Listing Agent") at the registered seat of the Agent Masarykova 1, Zagreb, or in the premises of the Company, at Ulica Marijana Čavića 4, Zagreb, until Friday, June 10th 2011 at 18.00 o'clock. The shares are paid by payment in cash to a special account of the Company, under number 2360000-1400492266 with Zagrebačka banka d.d. within deadlines as indicated in item VI of this Decision.
- XI. The Management Board and the Supervisory Board of the Company shall undertake all required legal actions and submit applications to the Commercial Court in Zagreb for the entry of this Decision and entry of an increase in share capital in the court register.
- XII. This Decision comes into force on the date of the decision made by the Supervisory Board which gives the consent to the Management Board to make this Decision within the meaning of the provision of Article 325, paragraph 1 of the Companies' Act.

On behalf of the Management Board

Luka Miličić, M.Sc.
President of the Management Board