

Zagreb, 20 Sep 2012

**ZAGREB STOCK EXCHANGE**

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10000 Zagreb

Subject: Beginning of the construction of 750 kV transmission lines in Ukraine

Dear Sirs,

We are free to inform you that a ceremonial opening of the construction of two 750 kV transmission lines that shall connect the Rivnenska and Hmelnicka nuclear power plants with the S/S Kijevska in Ukraine took place on 19 Sep 2012.

Within the above project, DALEKOVOD shall construct a section of the 750 kV transmission line that shall connect the NPP Hmelnicka and the NPP Černobilska with the S/S Kijevska. It should be noted that a contract on the construction of the above transmission line, worth 71 million euros, had already been signed at the beginning of 2011 with the Ukrainian State Electricity Company UKRENERGO.

In the past year and a half from signing the contract, DALEKOVOD has successfully completed the first stage of the project, made up of design of the transmission line, repurchase of land on the transmission line route and all other preliminary works that are required for successful beginning of civil engineering works.

The ceremonial opening was hosted by the President of Ukraine, Mr. Viktor Yanukovych, and the event was also attended by the representatives of DALEKOVOD. The opening was organized in form of a video conference that connected the central dispatcher hall of the State Electricity Company „Ukrenergo“ in Kiev with the village Nalivajlovka, in the Makarovska region, where the construction had already started by erecting the first tower.

This project is funded by the European Reconstruction and Development Bank and its total value amounts to 400 million euros. The project is considered to be one of the largest investments in the Ukraine's power industry since its independence.

With the construction of the above transmission lines, transmission capacities of the Ukrainian electric power network shall be significantly boosted, the production capacities of the NPP Rivnenska and the NPP Hmelnicka shall be used to the maximum and the safety of the electric power supply of Kiev and other large industrial cities, that are nowadays facing problems due to wear and tear of the transmission network, shall be enhanced.

In April 2012 DALEKOVOD was awarded a certificate for successful completion of the construction of the 330 kV Dniester-Bar transmission line in Ukraine. Besides the construction of the new 750 kV transmission line, DALEKOVOD has also been currently engaged in construction of the 330 kV S/S Bar.

Gallery of photos: <http://www.president.gov.ua/ru/gallery/2047.html>

Sincerely yours,

Dalekovod d.d.