

INVITATION TO SUBMIT AN INDICATION OF INTEREST TO SUBSCRIBE FOR NEW ORDINARY SHARES OF THE ISSUER DALEKOVOD Plc.

The Management Board of the company Dalekovod Plc., joint stock company engaged in engineering, production and construction, registered in Zagreb, Marijana Čavića 4, entered in the court register of the Commercial Court in Zagreb under the company number (MBS) 080010093, OIB 47911242222 (hereinafter referred to as: "Issuer" or "Company"), is according to Article 323 of the Companies' Act and Article 18 of the Memorandum of Association, alongside the consent granted by the Company's Supervisory Board empowered to make a decision on an increase in share capital of the Company and issuance of new shares by payment in cash thereby excluding the pre-emption right at the time of subscription of shares (hereinafter referred to in the text "Decision").

The Management Board of the Company is currently considering the Decision and is using this Invitation to address qualified investors within the meaning of the provision of Article 343, item 6 of the Capital Market Act (hereinafter referred to in the text "Qualified Investors"), indicating the following important components of the Decision:

The share capital of the Company is to be increased from the amount of HRK 229,381,200.00 by the amount of up to HRK 57,345,300.00 to the amount of up to HRK 286,726,500.00 by issuing up to 573,453 bearer ordinary shares, in non-materialized form, ticker DLKV-R-A, with single nominal amount of HRK 100.00 (hereinafter referred to in the text: "New ordinary shares").

According to the provisions of Article 324, paragraph 2, Article 308, paragraph 4 of the Companies' Act and Article 18 of the Memorandum of Association, the intention of the Decision is to exclude the pre-emptive right of the existing shareholders to subscription of the New ordinary shares.

The Decision is to allow the subscription of the New ordinary shares only to Qualified investors. The Management Board of the Company intends to use an exception as indicated in Article 351, paragraph 1, item 1 of the Capital Market Act and conduct a public offering of the New ordinary shares without publication of the Prospectus.

Should the increase in share capital according to the Decision be successfully implemented, the Management Board of the Company shall undertake all actions required to have the New ordinary shares listed in the Zagreb Stock Exchange within a period of 90 days starting from the date of subscription of an increase in share capital in the court register of the Commercial Court in Zagreb.

The New ordinary shares shall give their holders same rights as all the other shares issued by the Company.

The Agent and the Sole Bookrunner is InterCapital Securities Ltd. ("Agent") from Zagreb, while the legal advisor in the transaction is law company Bogdanović, Dolički & Partners from Zagreb.

Accordingly, we are inviting you to submit your indication of interest to subscribe New ordinary shares (hereinafter referred to as: "Indication") in the form attached to this Invitation. The Management Board of the Company emphasizes that making the Statement is not considered to be the subscription of the New ordinary shares, that the Issuer has no obligation to issue shares to the investor submitting the Indication and that the investor submitting the Indication shall be considered obligated to pay for the New ordinary shares only provided that (1) the Decision is made and (2) the investor

submitting the Indication executes and delivers the Subscription form to the Issuer within the meaning of the provision of Article 198 of the Companies' Act.

The Indication submitted by the investors shall include the bid price per share and quantity of shares that they intend to buy.

The bid price per share must be indicated within the price range from **HRK 228 to HRK 254**. This range is only of indicative character and the price at which the New ordinary shares will be issued may be within, above or below the indicated range. It is allowed to submit multiple Indications at different price levels with different quantities that are mutually exclusive. It is allowed to change and withdraw given Indications until the closing of the Book of Indications. A received Indication shall be considered if: (1) it complies with the form attached to this Invitation, (2) an investor submitting the Indication is a Qualified investor, (3) the Indication shows an intention of subscribing minimum of 500 New ordinary shares and (4) the Statement is submitted to the Agent that runs the Book of Indications by e-mail to Ante.Patrk@intercapital.hr or by fax to +385 1 4825 859 no later than on Wednesday, 25th of May 2011 by 16.00 CET time when the Book of Indications will be closed. The Agent may request from investors to prove their status of a qualified investor and should the Agent fail to receive it until the closing of the Book, the Agent may reject the Indication as an invalid one.

In the event that collected Indications exceeds a total number of shares Company intends to issue (i.e. 573,453 shares), the Management Board and the Agent reserve the right to reject or allocate smaller number of shares than indicated. While determining the basis for allocation, the Management Board and the Agent will consider several factors, including the quality of an investor as well as level and character of the demand for the New ordinary shares, with the purpose of obtaining a combination of long-term investors to a greater extent and enabling efficient and liquid secondary trading of shares to a smaller extent, the time of submitting the Indication, where earlier submissions will be prioritized. The Agent and the Management Board are not obligated to allocate New ordinary shares on a pro-rata basis.

The Management Board of the Company reserves the right to terminate this process of issuance of New ordinary shares at any time prior to making the Decision without further explanation. Furthermore, the Agent reserves the right to close the Book of Indications, if in the Agent's opinion sufficient quantity of Indications has been received.

The Management Board of the Company advises all investors considering to submit their Indication of Interest to familiarize with the publicly available data on the Company's web pages or on the ZSE.

Zagreb, May 23rd 2011

Daniel Nevidal
InterCapital Securities Ltd.
Member of the Management Board

Luka Miličić
Dalekovod Plc.
President of the Management Board

APPENDIX 1

**INDICATION OF INTEREST TO SUBSCRIBE FOR NEW ORDINARY SHARES
OF THE ISSUER DALEKOVOD Plc.**

All terms in this Statement written with initial capital letter that are not defined in this Statement and unless otherwise defined, shall have the same meaning assigned to them in the Invitation for submitting the Indication of interest to subscribe for New ordinary shares of the Issuer Dalekovod Plc of 23rd of May 2011.

According to this Indication, we have an intention of subscribing _____ of the New ordinary shares, in words _____ of the New ordinary shares at the price of HRK _____ per share, in words _____ for each New ordinary share that we intends to subscribe.

We agree with all conditions indicated in the Invitation.

[COMPANY NAME, SIGNATURE OF AN AUTHORISED PERSON]

APPENDIX 2

INFORMATION ON THE CAPITAL INCREASE PROCESS

The capital increase of Dalekovod Plc. is governed by Croatian law and market standards. The capital increase process requires investors to deposit money for new shares on designated Company's account and the funds have to be transferred in Croatian kuna only. To the best of our knowledge, it usually takes up to 8 working days from payment date until new shares will be created and credited against investor's account with Croatian Clearing and Depository Agency.

The capital increase process is expected to have the following timeline:

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| 1) Until 16.00 CET, Wed, 25 th May | Closing of the Books & Allocation |
| 2) 09.00 CET, Thu, 26 th May | Management Board meeting of Dalekovod Plc to bring the Decision to issue New ordinary shares with exclusion of pre-emptive rights |
| 3) 09.00 CET, Fri, 26 th May | Supervisory Board meeting of Dalekovod Plc to approve MB's Decision |
| 4) End of Tue, 31 st May | Investors' have to deposit funds to the Company's designated account |
| 5) End of Fri 10 th June | It is expected that New ordinary Shares will be credited to Investor's account |