

Zagreb, 16 August 2012

**ZAGREB STOCK EXCHANGE**  
Ivana Lučića 2a  
10000 Zagreb

Subject : Dalekovod has managed to enter the Polish market

Dear Sirs,

We are free to inform you that Dalekovod has been trying for years to enter the large, but very demanding, Polish market. For that purpose, in 2004 the company Dalekovod Polska d.d. was set up in Warsaw. Due to the strong competition of local companies in Poland, it has been difficult for Dalekovod to establish its position on the above market. Nevertheless, after persistent and diligent work, and a thorough study of the Polish legislation and regulations and analysis of the Polish market, Dalekovod has started to obtain the first results.

Aside from several low value contracts that were awarded to Dalekovod in the previous years, Dalekovod has also been awarded a few significant contracts, within the framework of the WZRT Sp. Zo.o. Consortium, on modernisation of the transmission line network (110 kV transmission lines, substations, installation of OPGW). It should be noted that importance of the above low value contracts (four contracts of total value being ca € 18 mil.) arises from the fact that they lead to the creation of the company's brand and entry of Dalekovod into a very closed Polish market.

Apart from the Consortium that was set up with WZRT Sp., Dalekovod has also been co-operating with the ZUE SA Group. It is with the above group that Dalekovod has been participating jointly in several new tenders. Co-operation with the ZUE SA Group has been offering huge potentials in large tenders, esp. those related to construction of 400 kV transmission lines. Taking into account the fact that a new cycle of investments in the Polish transmission line network has been announced, the goal of the company Dalekovod, or Dalekovod Polska d.d., as the company daughter, is to expand co-operation with local partners, as their support, on the Polish market and to strengthen the presence of the above companies on the large Polish market as well.

Your sincerely,

Dalekovod d.d.