

KONČAR – Electrical Industry Inc. Supervisory Board Meeting held

Pursuant the provision of Article 403 of the Capital Market Act (Official Journal No. 88/2008) and Article 146 of the Zagreb Stock Exchange Rules, we advise you that Končar – Electrical Industry Inc. Supervisory Board Meeting was held on 4th April, 2011.

At the stated Meeting, Končar – Electrical Industry Inc. Supervisory Board adopted 2010 Financial Reports for the Company Končar – Electrical Industry Inc. and the Končar Group Consolidated Financial Reports including other reports and the Auditors Opinion. Financial Reports were audited by two auditing companies: Grant Thornton, Zagreb and Reconsult Inc., Zagreb, and both expressed the opinion that a true and fair financial position of the Company and the Group was presented as of 31st December, 2010 from the point of view of all materially significant aspect as well as business results, changes in capital and cash flows of the Company and the Group in 2010 were presented in accordance with the Accounting Act and the International Financial Reporting Standards .

The Supervisory Board adopted the Managing Board Report on the position of the Company Končar – Electrical Industry Inc. and the Končar Group in the year 2010. A Draft Decision on allocation of 2010 profits was defined and forwarded to Končar – Electrical Industry Inc. Annual General Meeting for adoption.

The date of holding of the Annual General Meeting of the Company would be determined later on.

Končar – Electrical Industry Inc. Managing Board

In Zagreb, on 4th April, 2011