

Croatian Financial Services  
Supervisory Agency

Miramarska 24 b  
10000 Zagreb

Zagreb, on 11<sup>th</sup> September 2012

**Subject: Končar – Electrical Industry Inc. - Notice regarding the acquisition of own shares**

Pursuant to Article 430 of the Croatian Capital Market Act, Končar – Electrical Inc. with headquarters in Zagreb, Fallerovo šetalište 22, is issuing the acquisition of 755 pieces of own shares of common stock (ticker KOEI-R-A) which comprise 0,029 per cent of the share capital.

The shares were purchased on 11<sup>th</sup> September 2012 through a bargain at the average price of HRK 534,31. The transaction was made on the Zagreb Stock Exchange.

After the aforementioned acquisition, Končar – Electrical Industry Inc. owns 10.369 of own shares (ticker KOEI-R-A) which comprise 0.403 per cent of the share capital and provide 0.403 per cent of the votes at the Assembly.

Yours faithfully,

Management Board of Končar – Electrical Inc.