

Croatian Financial Services
Supervisory Agency

Miramarska 24 b
10000 Zagreb

Zagreb, on 12th December 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 Industry Inc. with headquarters in Zagreb, Fallerovo šetalište 22, is issuing the acquisition of 530 pieces of own shares of common stock (ticker KOEI-R-A) which comprise 0,020 per cent of the share capital.

The shares were purchased on 12th December 2012 through a bargain at the average price of HRK 630,00. The transaction was made on the Zagreb Stock Exchange.

After the aforementioned acquisition, Končar – Electrical Industry Inc. owns 12.254 of own shares (ticker KOEI-R-A) which comprise 0.476 per cent of the share capital and provide 0.476 per cent of the votes at the Assembly.

Yours faithfully,

Management Board of Končar – Electrical Industry Inc.