

Croatian Financial Services  
Supervisory Agency

Miramarska 24 b  
10000 Zagreb

Zagreb, on 21<sup>th</sup> May 2013

**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 120 pieces of own shares of common stock (ticker KOEI-R-A) which comprise 0,005 per cent of the share capital.

The shares were purchased on 20<sup>th</sup> May 2013 through a bargain at the average price of HRK 740,00. The transaction was made on the Zagreb Stock Exchange.

After the aforementioned acquisition, Končar – Electrical Industry Inc. owns 397 of own shares (ticker KOEI-R-A) which comprise 0.015 per cent of the share capital and provide 0.044 per cent of the votes at the Assembly.

Yours faithfully,

Management Board of Končar – Electrical Industry Inc.