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Based on Article 38 of the Law on Privatization ("Official Gazette of the RS", no-s: 38/01, 18/03 and 45/05), the Law on Share Fund ("Official Gazette of the RS", no-s: 38/01 and 45/05), the Law on the Privatization Agency ("Official Gazette of the RS" no-s: 38/01, 135/04) and Article 9 of the Decree on sale of capital and property by Public auction ("Official Gazette of the RS" no. 52/05), the Privatization Agency and the Share Fund announce:

PUBLIC INVITATION FOR PARTICIPATION IN PUBLIC AUCTION

Basic data on Auction sale

By this offer the Privatization Agency and the Share Fund, offer for sale the share of the Republički Fond za penzijsko i invalidsko osiguranje (Pension Fund of the Republic of Serbia) in the capital of the enterprise «INTERNATIONAL TRADE» d.o.o., amounting to 10,00% of the total capital of the enterprise and the share of the Akcijski Fond Republike Srbije (Share Fund of the Republic of Serbia) in the capital of the «INTERNATIONAL TRADE» d.o.o., amounting to 30,00% of the total capital of the enterprise. Totally is being offered for sale 40,00% of the total capital of the enterprise.

Those who are interested may purchase auction documents at the price of: **CSD 15.000**, after receipt of invoice from the Privatization Agency. VAT is not calculated in the price. Purchase of the auction documents is obligatory. After the payment evidence has been submitted, the auction documents may be collected at the following address:

Privatization Agency, Belgrade, 23 Terazije St, from 09:00 – 17:00, in period from 21.08.2006 until 19.09.2006.

CLOSING DATE FOR THE APPLICATION SUBMISSION IS 20 September 2006, BY 17:00.

Filled application, which is a part of the auction documents, with the signed draft of the Sales-Purchase Agreement and the deposit payment evidence, is to be submitted in a sealed envelope with the inscription: "APPLICATION FOR PARTICIPATION IN THE PUBLIC AUCTION 280906, Privatization Agency, Belgrade, 23 Terazije St".

IF THERE IS NAME OF THE ENTERPRISE ON THE ENVELOPE, THE SHARES OF WHICH ARE SUBJECT OF SALE, OR FULL AUCTION SALE CODE, THE APPLICATION MAY BE REJECTED.

THE AUCTION SHALL BE HELD ON: 28 September 2006.

at the address: **Privatization Agency, Belgrade, 23 Terazije St, 2nd floor, Large Hall**, at **15:00**. Registration of the auction participants shall be held at the same address on: **28 September 2006, from 13:00 – 14:50.**

Means of payment may be in domestic currency and in foreign convertible currency. A declared buyer is to pay off the Sales-Purchase price at once.

The deposit amount is to be paid to the account of the Privatization Agency of the RS, no: 840-871621-94, ref.number 280906a - 1741.

In case that the first class bank guarantee has been submitted as the means of deposit payment, it is to be due within 48 hours after the declaration a buyer.

Deposit for participation in the public auction is to be returned within 8 days after the public auction has been held, to the participants not to be declared a buyer, except to the participant, who has bid the second-ranked offer.

Privatization Agency keeps the right to change the auction date, as well as the closing date for the application submission if necessary, but also to inform the interested parties on those changes, if any, until the auction date at the latest.

* Deposit amount, stated in EUR, was calculated according to the official exchange rate on 16 August 2006.

** The entire business income and expense data, stated in EUR, were calculated according to the average annual real exchange rates.

Brief description of the PUBLIC AUCTION procedure

Sale of shares by the public auction method is carried out by the Auction Commission, which is to be established by the Privatization Agency and the Share Fund. The Commission supervises the capital sale by the auction, registers the auction participants, pronounces the auction for unsuccessful, signs the minutes and performs other activities of importance for the auction implementation in accordance with the Law. The conditions for the auction to be carried out have been fulfilled, if at least one person has obtained the auction participant status and if it is represented personally or by an authorized representative. At the time ordered for the opening of the PUBLIC AUCTION, the auctioneer shall open the bidding.

If there is more than one person at the first bidding, the auctioneer announces the initial price, as well as each further increase. In case that none of the interested parties reacts after the third call for acceptance of the newly established price, the auctioneer shall declare the auction finished by hammering. The selling price becomes the highest offered amount, and the participant who has been the first to offer the highest price is declared a buyer. If after announcing of the initial price there have been no interested parties even after the third call, the auction is declared unsuccessful, and the participants lose right to be returned the deposit.

If only one party, who has obtained the auction participant status, attends the bidding, that party is invited three times to accept the initial price. If the party accepts the initial price, it is declared a buyer, whereat the initial price becomes at the same time the selling price. If the participant does not accept the initial price, the auction is declared unsuccessful, and she/he loses the right to be returned the deposit.

1) Basic information on the enterprise INTERNATIONAL TRADE doo za proizvodnju, trgovinu i usluge Beograd, Terazije 45

Auction Sale Code: 280906a-1741

Official ID number of the Subject: 07737521

Field of work: DOO za proizvodnju, trgovinu i usluge

Deposit for auction participation amounts to: CSD 192.650 or *EUR 2.324

Initial auction sale price amounts to: CSD 385.300

Balance sheet per year:	2004		2005	
	CSD	**EUR	CSD	**EUR
Shown in:				
Total business revenues	1.721.000	23.574	1.672.000	20.168
Total business expenses	2.209.000	30.259	2.270.000	27.382