

Based on the decision to implement the Restructuring Program adopted by the General Assembly of the socially owned company under restructuring “International CG”, Belgrade (hereinafter: the Company), Resolution of the Privatization Agency on adoption of the Restructuring Program, as well as the Decision to adopt the Amendments to the Restructuring Program enacted by the General Assembly of the socially owned company under restructuring “International CG”, Belgrade, and Resolution of the Privatization Agency on adoption of the amendments to the Restructuring Program, in accordance with Article 28 of the Law on Privatization (“Official Gazette of the Republic of Serbia” no. 38/2001, 18/2003, 45/2005 and 123/2007) and Article 9 of the Law on the Privatization Agency (“Official Gazette of the Republic of Serbia” no. 38/2001 and 135/05), the Privatization Agency (hereinafter: the Agency) and the Company are hereby jointly announcing:

Public invitation for participation in the Public Tender for sale of the following assets of the Company, with the accompanying equipment and the right of use, located on mountain Kopaonik: **Hotel Grand, Hotel “Suncani Vrhovi”, Residential apartment units on Kopaonik , Restaurant ”Zvrk“**

Hotel Grand

Hotel Grand has a total area of 18,237 m², with a right of use over the part of land plot 4/20 Cadastre Municipality Kopaonik (parcelling process underway) around the object, used as a hotel

Hotel “Suncani Vrhovi”

Hotel “Suncani Vrhovi” (“Konaci Apartments”) consists of 6 interconnected semi-circle pavilions with a total area of 29,635 m², with a right of use over the part of land plot 4/20 CM Kopaonik (parcelling process underway) around the object, used as a hotel;

Residential apartment units on Kopaonik

102 residential apartments with a total area of 2,743 m²;

Restaurant ”Zvrk“

as is

(hereinafter: **Subject of Sale**)

Tender Code: **KOP 25/08**

1. Information about the company:

Address: Narodnih Heroja 43, Belgrade, Republic of Serbia

Tel: +381(11) 31 13 010

Fax: +381(11) 31 19 598

Core activity: Consulting and management services authorized in foreign trade transactions

Capital structure: 100% socially owned

Additional information about the Subject of Sale is available at the following website:

http://www.priv.yu/pregled_preduzeca/pdf/e-teaser_10044.pdf

More details about the Subject of Sale, Information Memorandum with the list of assets comprising the Subject of Sale, Instructions to Bidders, and draft of the Sale and Purchase Agreement, are integral elements of the Tender Documents and will be available to all interested tender participants after the signing of the Confidentiality Agreement and the payment of the tender documents fee.

The tender documents fee is EUR 10,000.00 (ten thousand euros).

The Agency has appointed the consortium consisting of BDO BC Excel, Horwath Consulting, and “Spasic and Partners” Law Firm as its advisor for this privatization procedure (hereinafter: the Advisor).

1. A Bid may be submitted by:

A. A potential bidder that fulfills the following requirements:

- it has purchased the tender documents
- it has signed the Confidentiality Agreement and
- fulfills one of the following conditions:

- it is a legal entity which operates internationally under the trademark (brand name) in the hotel resort business, with minimum four star international rating, and operates with at least 10 mountain or other hotel resorts, each with minimum four star international rating,

or

- it is a legal entity which can secure a Management Contract from a legal entity which operates internationally under the trademark (brand name) in the hotel resort business, with minimum four star international rating and operates with at least 10 mountain or other hotel resorts, each with minimum four star international rating,

If the interested bidder is a subsidiary that does not meet the conditions of this Clause of the Public Invitation, its parent company has the right to submit a Bid if it meets the specified conditions. The parent company has the right to submit a Bid if its subsidiary purchased the Tender Documents.

If the interested bidder is a parent company that does not meet the conditions of this Clause of the Public Invitation, its subsidiary has the right to submit a Bid if it meets the specified conditions. The subsidiary has the right to submit a Bid if its parent company purchased the Tender Documents.

B) If an interested bidder is a Consortium, it is mandatory that it cumulatively fulfills the following requirements:

- All Consortium members have made the decision to organize and join the Consortium;
- All Consortium members have signed a written Consortium Agreement and notarized it at Court, or another competent body (in case of foreign legal entities and individuals);

- Each Consortium member assumes unlimited joint and several liability or obligations arising from or in relation to this Tender, in line with the Consortium Agreement;
- The Consortium Agreement specifies each member's percentage in the acquisition of the Subject of Sale;

- All Consortium members have signed a notarized Power of Attorney for the representing member of the Consortium;
- All Consortium members have signed the Confidentiality Agreement;
- At least one of the Consortium members has purchased the tender documents and
- At least one Consortium member must be:

- a legal entity which operates internationally under the trademark (brand name) in the hotel resort business, with minimum four star international rating, and operates with at least 10 mountain or other hotel resorts, each with minimum four star international rating,

or

- a legal entity which can secure a Management Contract from a legal entity which operates internationally under the trademark (brand name) in the hotel resort business, with minimum four star international rating and operates with at least 10 mountain or other hotel resorts, each with minimum four star international rating,

3. Minimum price

The minimum price for the Subject of Sale is set at: EUR 23,000,000.00 (twenty three million euros).

4. Development - Investment Requirements:

- Retaining current function of hotel and business-residential suites for at least the next 10 years;
- Upgrading to a level of minimum four international stars for the Hotel "Grand" within 2 years from the takeover;
- Upgrading to a level of minimum four international stars for the Hotel "Suncani Vrhovi" within 3 years from the takeover;
- Retaining the current use of apartments used by employees in a period of 3 years from the closing of transaction.

5. Minimum social program

Minimum social program is a mandatory condition which every bidder must fully accept and includes employment of 253 employees of the Company along with the purchase of the property which is the Subject of Sale.

6. The Agency is hereby inviting all parties interested in participating in the tender to submit a written request for purchasing the tender documents and pay the tender documents fee not later than by September 12, 2008 (inclusive).

Tender documents will be made available to the interested parties from **August 11, 2008**.

A written request for purchasing the tender documents shall be submitted to the Advisor by mail, e-mail or facsimile, clearly marked with "Request for purchasing the tender documents – Tender Code **KOP 25/08**".

Upon receiving the request, an invoice for payment of the tender documents fee and the Confidentiality Agreement for signature, shall be forwarded to the Tender participant's authorized representative by mail, e-mail or facsimile. Signed Confidentiality Agreement shall be immediately faxed and mailed back to the Advisor to the addresses below.

Upon receipt of the signed Confidentiality Agreement, evidence of the Power of Attorney for the person who signed the Confidentiality Agreement, and evidence of payment of the tender documents fee, the Advisor shall, upon expiration of deadline stated in item 2 of this Clause, send the relevant tender documents to the Tender Participant by mail/e-mail, or hand it to its authorized representative.

The Advisor and the Agency shall not be held liable for any loss or delay that may occur in the delivery of any document.

7. The deadline for submission of Bids for acquisition of the Subject of Sale by interested bidders is September 22, 2008 by 16:30 hours Belgrade time.

The Agency reserves the right to amend any and all the elements of the Public Invitation, if necessary.

8. As a prerequisite for bid submission, it is necessary to submit the Bid Bond in the amount of EUR 6,000,000.00 (Euro six million).

9. All inquiries relating to this Public Invitation should be directed to the contact persons at the address bellow, in Serbian or English:

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