

Pursuant to the Articles 28, 69, 70 and 72 of the Law on Privatization (Official Gazette of RS, no. 38/2001, 18/2003 and 45/2005), Article 9 of the Law on the Privatization Agency (Official Gazette RS, no. 38/2001 and 135/2004) Articles 9 and 10 of the Law on the Share Fund (Official Gazette RS, no. 38/2001 and 45/2005), and Government Resolution 05 No. 023-5985/2007 dated October 4, 2007, the Privatization Agency (hereinafter: the «Agency») announces :

**PUBLIC INVITATION  
for participation in the public tender  
for sale of 986,107 shares with ISIN (CFI): RSLASTE96552, (ESVUFR), without indicated nominal  
value (hereinafter: «Block of Shares») representing 64.41102% of the total registered capital of:**

**Saobraćajno preduzeće  
Lasta AD Beograd**

(hereinafter: "Company")

Tender Code: **LST 31/07**

- 1 Total registered capital of the Company consists of 44.57399% of the capital owned by the Share Fund of the Republic of Serbia, 10.93000% of the capital owned by the Republic of Serbia, 8.90703% of the capital owned by the Pension and Disability Insurance Fund (PIO) and 35.58898% of the capital owned by other shareholders.
- 2 The Agency is offering for sale the Block of Shares consisting of 986,107 shares with ISIN (CFI): RSLASTE96552, (ESVUFR), without indicated nominal value, out of which 682,410 shares are owned by the Share Fund, 167,334 shares are owned by the Republic of Serbia, and 136,363 shares are owned by the PIO Fund, representing 64.41102% of the total registered capital of the Company.
- 2.a The Bidder is obliged to offer the price per share for all shares of the Company, given that upon signing of the Agreement for Sale and Purchase of the Block of Shares, the Share Fund shall invite all remaining individual shareholders to join their shares with the shares in the portfolio of the Republic of Serbia, Share Fund and PIO Fund (i.e. Block of Shares) for the purpose of sale.
- 3 Information about the Company:

Address: Autoput Beograd Nis 4, Belgrade, Republic of Serbia  
Phone: +381(11) 2882 016  
Fax: +381(11) 4880 296  
Core Activity: Transport of passengers in city traffic

More details about the Company are available at:

[http://www.priv.yu/pregled\\_preduzeca/pdf/e-teaser\\_1050.pdf](http://www.priv.yu/pregled_preduzeca/pdf/e-teaser_1050.pdf)

Detailed information about the Company, as well as the Information Memorandum (hereinafter: "Tender Documents") shall be available to all interested tender participants after signing of the Confidentiality Agreement and payment of the Tender Documents Fee.

The Tender Documents Fee is EUR 10,000.00 (Euro ten thousand).

The Agency has appointed Consortium consisting of: BPA London Limited, Great Britain, Tomić and Partners Law Office, Belgrade and MGI Revizija i računovodstvo, Belgrade, as the advisor in this privatization procedure (hereinafter: "Advisor").

**4** A bid may be submitted by:

A. An interested bidder that fulfills cumulatively the following conditions:

- it has purchased the Tender Documents, and
- it has been engaged in transport of passengers in road and/or city traffic for at least the last 3 consecutive business years, and in the year 2007 it performed this activities by using vehicle pool of at least 250 busses, and achieved operating revenues of not less than EUR 150,000,000 (Euro one hundred and fifty million) in 2006, either individually or at consolidated level, through subsidiaries in which it has at least 50% ownership.

The parent company that fulfills the conditions specified in Clause 4A of this Public Invitation has the right to submit the bid if its subsidiary purchased the Tender Documents.

The subsidiary that fulfills the conditions specified in Clause 4A of this Public Invitation of this Public Invitation has the right to submit the bid if its parent company purchased the Tender Documents.

A bid may also be submitted by a company fully (100%) owned by the parent company provided that it fulfills cumulatively the following requirements:

- the parent company fulfills the conditions set out in this Clause of the Public Invitation, and
- the parent company assumed unlimited joint and several liability for undertaking all actions and obligations of that company in relation to this Tender.

B. If an interested bidder is a Consortium, it must cumulatively fulfill the following conditions:

- All Consortium members have passed the Decision on organizing and entering the Consortium,
- All Consortium members have concluded a written Consortium Agreement and certified it with the Court, i.e. other competent body (in case of foreign legal entities and natural persons),
- Each Consortium member assumed unlimited joint and several liability by the provisions of the Consortium Agreement,
- The Consortium Agreement specifies each member's percentage in the acquisition of the capital of the Company, provided that one Consortium Member has no less than 51% share in the Consortium (hereinafter "Consortium Leader")
- All Consortium members have signed a certified Power of Attorney for the member representing the Consortium,
- All Consortium members have signed the Confidentiality Agreement,
- At least one member of the Consortium has purchased Tender Documents, and
- The Consortium Leader fulfills one of the following conditions: it has been engaged in transport of passengers in road and/or city traffic for at least the last 3 consecutive business years, and in the year 2007 it performed this activities by using vehicle pool of at least 250 busses, and achieved operating revenues of not less than EUR 150,000,000 (Euro one hundred and fifty million) in 2006, either individually or at consolidated level, through subsidiaries in which it has at least 50% ownership.

A bid may also be submitted by a company fully (100%) owned by the Consortium, provided that it fulfills cumulatively the following requirements:

- ownership structure of the company must be identical to ownership structure of the Consortium, and
- Consortium assumed unlimited joint and several liability for undertaking all actions and obligations of such company in relation to this Tender.

**5** The Agency hereby invites all interested parties to submit a written request for purchasing the Tender Documents for the Company, no later then by **January 18, 2008**, by 16.30 hours (Belgrade time).

**Tender Documents will be available to interested parties from November 26, 2007.**

Written requests for purchasing the Tender Documents shall be submitted to the Advisor by mail, e-mail, or fax, clearly marked with "Request for Purchasing the Tender Documents – Tender Code: **LST 31/07**".

Upon receipt of this request, an invoice for payment of the Tender Documents Fee, as well as the Confidentiality Agreement for signature, shall be forwarded to the applicant's authorized representative by mail, e-mail, or fax. The signed Confidentiality Agreement must be immediately faxed and mailed back to the Advisor at the address below.

Upon receipt of the signed Confidentiality Agreement, the proof of authorization for the person who signed the Confidentiality Agreement, and the proof of payment of the Tender Documents Fee, the Advisor shall, after the lapse of the deadline set out in Paragraph 2 of this Clause, deliver the 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 liable in case of loss or delay that may occur in delivery of any document.

- 6** The deadline for submitting final binding offers for purchasing the Block of Shares by interested bidders is **February 8, 2008 at 16.30** (Belgrade time).

If necessary, the Privatization Agency retains the right to change the terms and conditions of this Public Invitation. As a prerequisite for submitting a bid, it is required to pay deposit or to submit a Bid Bond in the amount of EUR 1,000,000 (Euro one million).

- 7** For any questions pertaining to this Public Invitation, interested parties may contact persons listed below, in Serbian or English language.

**Privatization Agency**

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