

In accordance with the Article 28 of the Law on Privatization ("Official Gazette of the Republic of Serbia" nos. 38/2001 and 18/2003),

the Privatization Agency of the Republic of Serbia (hereinafter: "the Agency") hereby announces a:

PUBLIC INVITATION

For participation at a Public Tender for divestment of 70% of socially owned capital in the entity undergoing privatization:

D.P. "Rubin"

Tender Code: RUB 12/04

1. The Agency offers for sale 70% of socially owned capital of D.P. Rubin, Krusevac (hereinafter "entity undergoing privatization"), a renowned producer of wine, spirits and soft drinks.

The total of socially owned capital of the entity undergoing privatization is 195,634,000.00 CSD, and it is represented with 97,817 shares, with nominal value of 2,000.00 CSD.

2. Details about the Company:

Address: Nade Markovic 57, 37000 Krusevac, Serbia & Montenegro

Phone: +381 37 412 699

Fax: +381 37 38980

Industry: Production of wine, spirits and soft drinks.

More details about the entity undergoing privatization are available at

http://www.priv.yu/pegled_preduzeca/pdf/e-teaser_131.pdf

Detailed information on the entity undergoing privatization along with the Information Memorandum (hereinafter "the Tender Documents") will be made available to all interested parties after signing the Confidentiality Undertaking and purchasing the Tender Documents. The Tender Documents fee is EUR 5,000.00 (Euro five thousand) plus EUR 1,000.00 (Euro one thousand) sales tax.

The Agency has appointed EPIC Financial Consulting Gesellschaft mbH ("EPIC") to act as Consultant in this privatization process.

3. Following parties may submit a bid:

(i) A potential bidder that fulfills the following requirements:

- Has purchased the Tender Documents; and
- That it:
 - a) has either been engaged in production and/or trade of wine, and/or spirits, and/or soft drinks for at least the last 5 years, and has achieved with this business activity a total operating revenue in excess of EUR 25 million (Euro twenty five million) in 2003;
 - b) or is a Financial Investor (legal entity whose core business is investment of money, that exists for at least 3 years including investment companies, mutual funds, insurance companies, pension funds and investment banks) with a minimum of EUR 50 million in operating assets in 2003;
 - c) or is an Investor that has achieved a total operating revenue of more than EUR 50 million (Euro fifty million) in 2003.

If a Potential Investor is a subsidiary that does not fulfill the requirements of this Clause of the Public Invitation, the right to submit a bid has their parent company if they fulfill the stated requirements. The parent company has right to submit the bid even though the subsidiary has purchased the Tender Documents.

If a Potential Investor is a parent company that does not fulfill the requirements of this Clause of the Public Invitation, the right to submit a bid has their subsidiary if they fulfill the stated requirements. The subsidiary has right to submit the bid even though the parent company has purchased the Tender Documents.

(ii) If a Potential Investor is a Consortium it is necessary that they fulfill the following requirements:

- All Consortium members have made the decision on organizing and entering into the Consortium;
- That all the Consortium members have made a written Consortium Agreement and notarized it at the Court;
- Each member of the Consortium assumes a several and joint unlimited liability by the provisions of the Consortium Agreement;
- The Consortium Agreement specifies each member's percentage in the acquisition of the capital of the entity undergoing privatization ;
- All Consortium members have signed a Notarized Power of Attorney for the representing member of the Consortium;
- All Consortium members have signed the Confidentiality Undertaking;
- At least one of the Consortium members has purchased the Tender Documents;

- At least one of the Consortium members with the share in the Consortium of not less than 51% fulfills one of the following requirements:
 - a) It has been engaged in production and/or trade of wine, and/or spirits, and/or soft drinks for at least the last 5 years, and has achieved with this business activity a total operating revenue in excess of EUR 25 million (Euro twenty five million) in 2003;
 - b) It is a Financial Investor (legal entity whose core business is investment of money, that exists for at least 3 years including investment companies, mutual funds, insurance companies, pension funds and investment banks) with a minimum of EUR 50 million in operating assets in 2003;
 - c) It is an Investor that has achieved a total operating revenue of more than EUR 50 million (Euro fifty million) in 2003.

4. The Agency hereby invites all the interested parties to submit a written request for the Tender Documents for the entity undergoing privatization, by **October 22, 2004**;

The Tender Documents shall be available to the interested parties starting from September 27, 2004.

The written request for purchasing the Tender Documents shall be sent by post, e-mail or facsimile to EPIC and shall clearly display the reference "Request for Tender Documents – Tender Code RUB 12/04.

Upon receiving the request, an invoice for paying the Tender Documents Fee as well as the Confidentiality Undertaking for signature shall be forwarded to the Tender Participant's authorized representative by post, e-mail or facsimile. The signed Confidentiality Undertaking shall be immediately faxed and mailed back to EPIC to the address below.

Upon receiving the signed Confidentiality Undertaking and evidence of payment of the Tender Documents Fee, EPIC shall immediately forward the relevant Tender Documents to the Tender Participant by mail or hand it to their authorized Representative.

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

5. The deadline for submission of the final binding offers by the bidders is **December 8, 2004, at 05:00 p.m.** (Belgrade time). If necessary, the Agency reserves the right to amend the deadlines of this Public Announcement. As a prerequisite for submitting a bid, it is necessary to pay a deposit or submit a bid bond in the amount of EUR 100,000.00 (Euro one hundred thousand).

6. All the questions relating to this Public Invitation should be directed to EPIC contact persons below:

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