

Based on Articles 28, 69 paragraph 3 and 70 of the Law on Privatization ("Official Gazette of the RoS", Nos. 38/2001, 18/2003 and 45/2005), Article 9 of the Law on the Privatization Agency ("Official Gazette of the RoS", Nos. 38/2001 and 135/2004), and Articles 9 and 10 of the Law on the Share Fund ("Official Gazette of the RoS", Nos. 38/2001 and 45/2005),

PRIVATIZATION AGENCY
(hereinafter: "Agency")
issues this:
PUBLIC INVITATION

for participation in the public tender for sale of 34,073 shares with CFI code: ESVUFR, ISIN number: RSOPTKE72156, with nominal value of 800 RSD (hereinafter "Block of Shares"), representing 59.86121% of the total capital of the company:

Akcionarsko drustvo za izradu i promet optičke robe "OPTIKA", Beograd
(hereinafter: "Company")

Tender Code: **OPT 20/07**

1. Total registered capital of the Company consists of 49.86121% of the capital owned by the Share Fund of the Republic of Serbia, 10.00% of the capital owned by the PIO Fund, and 40.13879% of the capital owned by individual shareholders.
2. The Agency is offering for sale the Block of Shares comprised of 34,073 shares with CFI code: ESVUFR, ISIN number: RSOPTKE72156, with nominal value of 800 RSD, of which 28,381 shares are owned by the Share Fund, and 5,692 shares are owned by PIO Fund, representing 59.86121% of the total capital of the Company.
3. Information about the Company:

Address: 8-10, Cara Urosa Street, 11000 Belgrade, Republic of Serbia
Phone: +381(11) 2629-833
Fax: +381(11) 2629-833

Core Activity: Production of optical instruments and photographic equipment

More details about the Company are available at:

http://www.priv.yu/pregled_preduzeca/zip/e-cp_7833.zip

Detailed information about the Company, as well as the Instructions to Bidders (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 6,000.00 (Euro six thousand).

The Agency has appointed **BDO BC Excel**, Belgrade, as the consultant in this privatization procedure (hereinafter: "Consultant").

4. A bid may be submitted by:

- A. An interested bidder that fulfills the following conditions:
- it has purchased the Tender Documents, and
 - it fulfills at least one of the following requirements:

either

- a) it is engaged in production and/or trade of optical instruments, and it has been engaged in this activity for at least the last three consecutive business years, and achieved operating revenues of at least EUR 4,000,000 (Euro four million) in 2006;

or

- b) is a financial investor (a legal entity whose core activity is investing money, which exists at least the last 3 business years and includes investment companies, mutual funds, insurance companies, pension funds, and investment banks) with total operating assets in excess of EUR 50,000,000 (Euro fifty million) at the end of the business year 2006;

or

- c) is an investor who achieved operating revenue in excess of EUR 10,000,000 (Euro ten million) in 2006;

If an interested bidder is a subsidiary that does not fulfill the conditions from this clause of the Public Invitation, its parent company has the right to submit the bid, if it fulfills these conditions. In this case, the parent company has the right to submit the bid if the subsidiary purchased the Tender Documents.

If the interested bidder is a parent company that does not fulfill conditions from this clause of the Public Invitation, its subsidiary has the right to submit the bid, if it fulfills these conditions. In this case, the subsidiary has the right to submit the bid if the parent company purchased the Tender Documents.

B. If the 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 Block of Shares, 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,
- The Consortium Leader fulfills one of the following conditions:

either

- a) it is engaged in production and/or trade of optical instruments, and it has been engaged in this activity for at least the last three consecutive business years, and it achieved operating revenues of at least EUR 4,000,000 (Euro four million) in 2006;

or

- b) is a financial investor (a legal entity whose core activity is investing money, which exists at least the last 3 business years and includes investment companies, mutual funds, insurance companies, pension funds, and investment banks) with total operating assets in excess of EUR 50,000,000 (Euro fifty million) at the end of the business year 2006;

or

- c) is an investor who achieved operating revenue in excess of EUR 10,000,000 (Euro ten million) in 2006;

- 5. The Agency hereby invites all interested parties to submit a written request for purchasing the Tender Documents for the Company, no later than by **November 09, 2007**.

Tender Documents will be available to interested parties from **October 08, 2007**.

Written requests for purchasing the Tender Documents shall be submitted to the Consultant by mail, e-mail, or fax, clearly marked with "Request for Purchasing the Tender Documents – Tender Code: OPT 20/07".

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 tender participant's authorized representative by mail, e-mail, or fax. The signed Confidentiality Agreement must be immediately faxed and mailed back to the Consultant 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 Consultant shall, after the lapse of the deadline from 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 Consultant 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 **December 07, 2007** at 4.30 p.m. (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 50,000 (Euro fifty thousand).

7. Any questions pertaining to this Public Invitation can be directed to contact persons listed below, in the Serbian or the English language.

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