

Pursuant to the Articles 28, 69, and 72 of the Law on Privatization («Official Gazette of the Republic of Serbia» nos. 38/2001, 18/2003, 45/2005 and 123/2007), Article 9 of the Law on Privatization Agency («Official Gazette of the Republic of Serbia» nos. 38/2001 and 135/2004) Article 9 of the Law on the Share Fund («Official Gazette of the Republic of Serbia» nos. 38/2001 and 45/2005), and Articles 7 and 21b of the Decree on the Sale of Capital and Assets by Public Tender («Official Gazette of the Republic of Serbia» nos. 45/2001, 59/2003, 110/2003, 52/2005, 126/2007, 96/2008 and 107/2008), the Privatization Agency (hereinafter «the Agency») hereby announces

PUBLIC INVITATION
For participation in the Summary Procedure Public Tender
for sale of 291,725 ordinary shares with reference
CFI code: ESVUFR, ISIN-number: RSEIBBE81150
owned by the Share Fund of the Republic of Serbia
(hereinafter: «Block of Shares»)
that represent 70.40 % of the total registered capital of the company

Elektroizgradnja AD Bajina Basta
(hereinafter: «the Company»)

Tender Code: EBB 07/09

1. Total registered capital of the Company is expressed in 414,410 ordinary shares with reference CFI code: ESVUFR, ISIN-number: RSEIBBE81150, out of which 70.40% or 291,725 ordinary shares are owned by the Share Fund of the Republic of Serbia and 29.60% or 122,685 ordinary shares are owned by individual shareholders.
2. The Agency is offering for sale the Block of Shares comprised of 291,725 ordinary shares with reference CFI code: ESVUFR, ISIN-number: RSEIBBE81150 owned by the Share Fund, representing 70.40% of the total capital of the Company, at the minimum starting price of € 1,850,000 (one million eight hundred fifty thousand Euros) or € 6.3415 per share.
- 2.1. The Buyer is obliged to offer to purchase the remaining shares of the Company owned by individual shareholders, at the same price per share, given that after signing of the Sale and Purchase Agreement for the Block of Shares, the Share Fund will invite all other shareholders to join their shares to the Block of Shares for the purpose of sale
3. Details about the Company:

Address: Milenka Topalovica Street 92, Bajina Basta, Serbia
Phone: +381 31 862 144
Fax: +381 31 861 289
Core Activity: 45210 Heavy duty construction and specific civil engineering works

More details about the Company are available at:
http://www.priv.yu/pregled_preduzeca/pdf/e-teaser_11368.pdf

Detailed information about the Company including the Instructions to Bidders (hereinafter: «the Tender Documents») shall be made available to all interested parties after signing the Confidentiality Agreement and payment of the Tender Documents fee.

The Tender Documents fee is € 8,000 (eight thousand Euros), payable in RSD recalculated using the official middle foreign exchange rate of the National Bank of Serbia on the day of the payment.

The Agency has appointed SEECAP doo Belgrade (hereinafter: the "Advisor") to act as the Agency's advisor in this sale.

4. A bid may be submitted by:

A. A potential bidder who, on the bid submission date, cumulatively fulfils the following requirements:

- Has purchased the Tender Documents,
- Fulfils at least one of the following requirements:
 - a) Has been engaged in specific civil engineering works, i.e. in production of concrete pillars, transformer substation structures and support elements for construction and maintenance of electric power infrastructure and/or construction of energy or telecommunication networks, for at least the last 3 (three) consecutive business years, and generated operating revenues of at least € 12,000,000 (twelve million Euros) in 2008, or
 - b) Is a financial investor (a legal entity whose core activity is investing money, existing for at least the last 3 (three) years and includes investment companies, mutual funds, insurance companies, pension funds and investment banks) with total operating assets in excess of € 30,000,000 (thirty million Euros) in 2008, or
 - c) Is an investor who achieved operating revenue in excess of € 20,000,000 (twenty million Euros) in 2008.

If a potential bidder is a parent company that does not fulfill the requirements of this clause of the Public Invitation, its subsidiary shall have the right to submit a bid if it fulfils the stated requirements. The subsidiary that fulfils the above mentioned conditions shall have the right to submit a bid if the parent company has purchased the Tender Documents.

If a potential bidder is a subsidiary that does not fulfill the requirements of this clause of the Public Invitation, its parent company shall have the right to submit a bid if it fulfils the stated requirements. The parent company that fulfils the above mentioned conditions shall have the right to submit the bid if its subsidiary has purchased the Tender Documents.

B. If a potential bidder is a consortium it is necessary that it cumulatively fulfils the following requirements:

- All consortium members have made a decision on organizing and entering into the consortium;
- All consortium members have signed a written Consortium Agreement and duly notarized it with the court or with other competent authority (in case of foreign legal entities and individuals);
- Each consortium member assumes unlimited joint and several liability according to the provisions of the Consortium Agreement;
- The Consortium Agreement specifies each member's percentage stake in the acquisition of the Block of Shares of the Company, provided that one member of the consortium must have at least 51% stake in the consortium (hereinafter: «Consortium Leader»);

- 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 consortium member has purchased the Tender Documents and
 - Consortium Leader fulfils at least one of the following requirements
 - a) Has been engaged in specific civil engineering works, i.e. in production of concrete pillars, transformer substation structures and support elements for construction and maintenance of electric power infrastructure and/or construction of energy or telecommunication networks, for at least the last 3 (three) consecutive business years, and generated operating revenues of at least € 12,000,000 (twelve million Euros) in 2008, or
 - b) Is a financial investor (a legal entity whose core activity is investing money, existing for at least the last 3 (three) years and includes investment companies, mutual funds, insurance companies, pension funds and investment banks) with total operating assets in excess of € 30,000,000 (thirty million Euros) in 2008, or
 - c) Is an investor who achieved operating revenue in excess of € 20,000,000 (twenty million Euros) in 2008.
5. The Agency is hereby inviting all parties interested in participating in the tender to submit a written request for purchase of the Tender Documents of the Company no later than **July 15, 2009**, at 16:30 hrs (Belgrade time).

The Tender Documents will be available to all interested parties as of June 1, 2009.

A written request for purchasing the Tender Documents shall be sent by mail, e-mail or fax to the Advisor and shall clearly display the reference «*Request for purchasing the Tender Documents - Tender Code: EBB 07/09*»

Upon receipt of such request, an invoice for payment of the Tender Documents Fee, as well as the Confidentiality Agreement for signing, shall be forwarded to the tender participant's authorized representative by mail, e-mail or fax. Signed Confidentiality Agreement shall be immediately faxed and mailed back to the Advisor's address stated herein below.

Upon receiving the signed Confidentiality Agreement, evidence of authorization for the person that signed the Confidentiality Agreement and evidence of payment of the Tender Documents fee, the Advisor shall forward the relevant Tender Documents to the tender participant by mail/e-mail or hand it to its authorized representative, upon the expiration of the deadline from paragraph 2 of this point.

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

6. The deadline for submission of the final bidding offers for the purchase of 70.40% of the shares stated in point 2 and point 2.1. by the potential purchaser is **August 21, 2009** at 16:30 hrs (Belgrade time).

If necessary, the Agency retains the right to amend any and all elements, i.e. conditions and/or deadlines of this Public Invitation. As a prerequisite for submitting the bid, it is required to pay a deposit or submit a Bid Bond in the amount of € 150,000 (hundred and fifty thousand Euros).

7. All the questions relating to this Public Invitation should be directed to the contact persons stated below, in Serbian or English.

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