

According to the Decisions of the Board of the «Fabrika lak žice», Bor Ltd. on acceptance of the Restructuring program and sale of assets by the Public bidding no. 119 dated 09.08.2006, no. 120 dated 09.08.2006, no. 181 dated 16.02.2007, no. 568 dated 20.02.2007 and no. 32 dated 13.02.2008, the Decision of the Privatization Agency on approval of the Restructuring program no. R-145/06-OD dated 17.08.2006, the Decision of the Privatization Agency on acceptance of amendments to the Restructuring program no. R-11/07-OD dated 21.02.2007, the Contract on Power of attorney II/1 Cert. no. 1498/06 dated 23.08.2006 and the Annex to the Contract on Power of attorney II/1 Cert. no. 283/2007 dated 28.02.2007 between the «Fabrika lak žice» Bor Ltd. as a Principal and the Privatization Agency of the Republic of Serbia as a Holder of Power of attorney, the Privatization Agency of the Republic of Serbia announces:

**PUBLIC INVITATION FOR PARTICIPATION IN PUBLIC BIDDING FOR PURCHASE OF THE
REAL ESTATE AND EQUIPMENT OF THE
«FABRIKA LAK ŽICE» BOR LTD.
Sale code: R-110408-030p**

1. Subject of sale

Subject of sale is real estate – facilities of the «Fabrika lak žice» Bor Ltd., the total area of which is 34.852 m².

The subject immovables are built on the land used by the «Fabrika lak žice» Bor Ltd., the total area of which is 29 ha 80 a 57 m².

The subject of sale are also the belonging movable assets – equipment, according to the specification presented in the List of movable assets, which is the integral part of the bidding documents.

The immovable and movable assets are offered for sale as seen, without possibility of further complaints.

2. Mandatory sale requirements

The initial selling price at the Public bidding specified for the real estate and equipment of the «Fabrika lak žice» Bor Ltd. amounts to **RSD 259.102.050,00** (in letters: two hundred fifty nine million one hundred two thousand and fifty dinars).

The deposit amounts to **RSD 25.910.205,00** (in letters: twenty five million nine hundred ten thousand two hundred and five dinars), i.e. 10% of the initial selling price.

Buyer entirely accepts rights and obligations established by the final text of the Sale and Purchase Agreement, which is shown in the Appendix to the selling documents.

3. Participation requirements

A buyer of the real estate and equipment cannot be: 1) domestic legal entity which operates with majority socially-owned capital; 2) legal entity and individual which has due, but unsettled obligations toward the Seller, 3) subsidiaries of the Seller and 4) an individual who has been sentenced or who is under case prosecution for criminal acts defined by the Article 12 of the Law on privatization ("Official Gazette RS" no. 123/07). Such applications shall be rejected with consideration.

As a participant can apply a legal entity, an individual and a consortium consisted of legal entities and/or individuals ("Consortium"). One of members of a consortium, i.e. a person authorized by a consortium, has to be determined to represent a consortium ("authorized representative of the Consortium") and to act on behalf of and for the account of a consortium.

4. Public bidding documents

Those who are interested can purchase the Public bidding documents at the price of RSD 40.000,00, after they receive the invoice from the Privatization Agency. Purchase of the Public bidding documentation is obligatory, and on its collection one is to sign the Confidentiality Agreement.

After the payment evidence has been submitted, the Public bidding documents can be collected at the following address: Privatization Agency, Auction Center, 23 Terazije St., (V floor), 11000 Belgrade, from 08:30 to 16:30, in the period from 05.03.2008 until 02.04.2008.

5. Submission of applications for participation in the Public bidding

Deadline for submission of applications is 03.04.2008, by 16:30. An application must contain the data presented in the Instruction to bidders, which is an integral part of the bidding documents, the deposit payment evidence and the number of the account for return of the deposit and is to be submitted in accordance with the Instruction to bidders.

Completed application, which is the integral part of the Public bidding documents, is to be submitted in a sealed envelope marked with:

APPLICATION FOR PARTICIPATION IN THE PUBLIC BIDDING R-110408
Privatization Agency, 23 Terazije St., Belgrade

The Commission for sale of assets will inform all applicants on approval of their applications at the latest until one weekday prior to the Public bidding date.

Prior to submission of application for participation, a participant is obliged to pay in the deposit or to submit the first-class bank guarantee, onto the account and in favor of the Privatization Agency, to the amount of RSD 25.910.205,00 (in letters: twenty five million nine hundred ten thousand two hundred five dinars).

6. Public bidding

The Public bidding will be held on 11.04.2008, with the beginning at 14:00, within the premises of the Privatization Agency, 23 Terazije St., Belgrade, in the Large Hall on the second floor. Registration of bidders shall start one hour before the Public bidding and shall end ten minutes before the Bidding, i.e. it will be held in the period from 13:00 to 13:50.

The methods of the Public bidding implementation and conclusion of the Sale and Purchase Agreement are explained in detail in the Instruction to bidders, which is the integral part of the bidding documents.

The deposit is to be returned to all participants not having been declared buyers, within the period provided in the Instruction to bidders, which is the integral part of the bidding documents.

The participant with the best offer, which is declared a buyer, will have the deposited sum calculated in the purchase price and in case of its waiving, the deposit is to be retained.

The Privatization Agency keeps the right to change, if necessary, the Public bidding date and the deadline for submission of applications, and to inform the interested parties about those changes, at the latest until the Public bidding date.

Privatization Agency

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