

In accordance with the Article 28 of the Law on Privatisation (“Official Gazette of the Republic of Serbia” number 38/2001, 18/2003 and 45/2005), the Privatisation Agency of the Republic of Serbia (hereinafter: “the Agency”) hereby announces:

PUBLIC INVITATION

For participation at a Public Tender
for sale of 70% of socially owned capital of the company:

DP Srbijaautoput Belgrade
(Hereinafter “Entity undergoing privatisation”)

Tender Code: **Srbijaautoput /05**

1. The total registered capital of the Entity undergoing privatisation consist of 100%socially owned capital
2. The Agency offers for sale 70% of the socially owned capital of the Entity undergoing privatisation.
3. Details about the Entity undergoing privatisation:

Seat: Ljube Čupe 5, 11 000 Belgrade, Serbia & Montenegro
Phone: +381 (0)11 245 1152
Fax: +381 (0)11 245 1158

Business: Highways and roads maintenance

More details about the Entity undergoing privatisation are available at Internet address:
http://www.priv.yu/pregled_preduzeca/pdf/e-teaser_1442.pdf

Detailed information about privatisation process and the Entity undergoing privatisation shall be provided in an Information Memorandum and some other documents (hereinafter “the Tender Documents”) which will be made available to all interested parties upon execution of a Confidentiality Agreement and the payment of the fee for the purchase of the Tender Documents.

The Tender Documents fee is EURO 5.000,00.

The Agency has appointed SEECAP to act as its Consultant in this privatisation process (hereinafter the “Consultant”).

4. The following parties may submit a bid:

A. Potential bidder that fulfils the following requirements:

- Has purchased the Tender Documents;
- Has been engaged in building and/or maintenance of roads for at least the last 3 years continually, and
- Has achieved a total operating revenue of at least € 10.000.000,00 (Euro ten million) in 2004 and achieved a net profit in the year 2004.

If a potential bidder is a parent company that does not fulfil the requirements of this Clause of the Public Invitation, its subsidiary will have the right to submit a bid if it fulfils the stated requirements. The subsidiary has the right to submit a bid even though the parent company purchased the Tender Documents.

If a potential bidder is a subsidiary that does not fulfil the requirements of this Clause of the Public Invitation, its parent company will have the right to submit a bid if it fulfils the stated requirements. The parent company has right to submit a bid even though the subsidiary purchased the Tender Documents.

B. If a potential bidder is a Consortium it must fulfil the following requirements:

- 1) - That all consortium members have made a valid decision, corporate or otherwise, to form a consortium with the other consortium members;
- 2) That all consortium members have entered into a written agreement thereof and such agreement has been duly notarised under the applicable law of such agreement;
- 3) That each and every member of such consortium is jointly and severally liable for the bid with the other consortium members;
- 4) That such agreement shall specify each member's acquisition of the share capital of the Company;
- 5) That all consortium members have duly executed and notarised a power of attorney for representation of the consortium throughout the sale and privatisation of the Company;
- 6) That all consortium members have duly executed the Confidentiality Agreement mentioned in Section 2 above;
- 7) That at least one consortium member has purchased the Tender Documents mentioned in Section 2 above and either
 - At least one of the Consortium members with the share in the Consortium of not less than 51% fulfils the following requirements:
 - a) Has been engaged in building and/or maintenance of roads for at least the last 3 years continually, and
 - b) Has achieved a total operating revenue of at least EUR 10.000.000 (Euro ten million) in the year 2004 and achieved a net profit in 2004,
 - Or
 - Two Consortium members with the share in the Consortium of not less than 51%, meet the following criteria:
 - a) One member has been engaged in building and/or maintenance of roads for at least the last 3 years continually, and
 - b) The other member has achieved a total operating revenue of at least EUR 10.000.000 (Euro ten million) in the year 2004 and achieved a net profit in 2004.

5. The Agency hereby invites all interested parties to submit a written request for the Tender Documents for the Entity undergoing privatisation, by **14th October 2005**, until 17:00 (Belgrade time).

The Tender Documents will be available to Tender Participants from 5th September 2005.

A written request to purchase the Tender Documents should be sent by post, e-mail or facsimile to Consultant with clearly displayed reference "Request for buying Tender Documents –**Tender Code Srbijaautoput /05**".

Upon receipt of the request, an invoice for payment of the Tender Documents Fee, as well as a Confidentiality Agreement for signature, will be forwarded to the Tender Participant's authorised representative by post, email or facsimile. The signed Confidentiality Agreement should be immediately faxed and mailed back to Consultant at the address stated below.

Upon receipt of the signed Confidentiality Agreement and evidence of payment of the Tender Documents Fee, Consultant will immediately forward the relevant Tender Documents to the Tender Participant by mail

or hand it to their authorised Representative. Consultant 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 binding offers for sale of 70% of socially-owned capital of the Entity undergoing privatisation by the bidders is **18th November 2005, at 17:00 (Belgrade time)**.

If necessary, the Agency reserves the right to amend the deadlines of this Public Announcement. As a prerequisite for submitting a bid, each bidder must pay a deposit or submit a bid bond in the amount of EUR 50,000.00 (Euro fifty thousand).

7. All the questions relating to this Public Invitation should be directed to Consultant.

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