

According to the Article 38 of the Law on privatization ("Official Gazette RS", no. 38/01, 18/03, 45/05 and 123/07), Law on Share Fund ("Official Gazette RS" no. 38/01 and 45/05), Law on Privatization Agency ("Official Gazette RS" 38/01, 135/04) and Article 9 of the Decree on sale of capital and assets by public auction ("Official Gazette RS" no. 52/05, 91/07 and 96/08),
Privatization Agency and Share Fund announce:

PUBLIC INVITATION FOR PARTICIPATION IN PUBLIC AUCTION

Основни подаци о аукцијској продаји

Within the joint offer, Privatization Agency and Share Fund offer for sale the stake of the Republican Pension Fund in the capital of the enterprise INTERPREGLED ISTOK D.O.O., which is 3,25% of the total capital of the enterprise, stake of the Share fund of the RoS in the capital of the enterprise INTERPREGLED ISTOK D.O.O., which is 9,76% of the capital of the enterprise. Totally is offered for sale 13,01% of the capital of the enterprise.

Interested parties can purchase the auction documents at the price of: **RSD 15.000**, after they receive the invoice from the Privatization Agency. VAT is not calculated in the price. Purchase of the auction documents is obligatory. After the payment evidence has been submitted, the auction documents can be collected at the following address:

Privatization Agency, Belgrade, Terazije Street 23, 5th floor, from 09:00 to 16:30, in the period from 29.04.2009 until 20.05.2009.

DEADLINE FOR SUBMISSION OF APPLICATIONS IS 21.05.2009, BY 16:30.

Completed application, which is a part of the auction documents, with the signed draft SPA and the deposit payment evidence, is to be submitted in a sealed envelope marked with: „APPLICATION FOR PARTICIPATION IN PUBLIC AUCTION 290509A, Privatization Agency, Belgrade, Terazije Street 23, 5th floor”.

IF THERE IS NAME OF THE COMPANY WHOSE STAKES ARE THE SUBJECT OF SALE ON THE ENVELOPE, OR FULL AUCTION CODE, THE APPLICATION CAN BE REJECTED.

THE AUCTION WILL BE HELD ON: 29.05.2009

at the address: **Privatization Agency, Belgrade, Terazije Str. 23, 2nd floor, Large hall**, at **11.00**. Registration of the auction participants will be held at the same address on:
29.05.2009, from 09.00 to 10.50.

Means of payment can be in domestic currency and in foreign convertible currency. A declared buyer cannot pay the selling price in installments.

Deposit for participation in the auction amounts to 50% of the initial price of the stake, and can be paid in money or by submitting the first-class bank guarantee.

The deposit is to be paid into the account of the Privatization Agency, no: 840-1327721-76, call upon number 290509-A-3322p. In case the first-class bank guarantee has been submitted as means of deposit payment, it has to be due within 48 hours after the declaration a buyer.

After signing of the SPA, the buyer shall, at the latest within 3 weekdays following the signing date of the SPA, pay in to the Share Fund the selling price from the SPA, reduced for the deposited amount, i.e. the total selling price if the buyer has submitted the bank-guarantee for the deposit coverage.

Deposit for participation in the public auction is to be returned to the participants not having been declared a buyer within 8 days following the date of the public auction, except for the participant who has bid the second-ranked offer. Privatization Agency keeps the right to change the auction date and deadline for the application submission if necessary, but also to inform the interested parties about such changes, if any, until the auction date at the latest.

* Deposited amount, stated in EUR, was calculated according to the official exchange rate on 23.04.2009.

Brief description of the PUBLIC AUCTION procedure

The sale of stake by the public auction is carried out by the Auction commission which is established by the Privatization Agency and Share Fund. The Commission supervises the sale by auction, registers auction participants, declares auction unsuccessful, signs the minutes and carries out other activities important for auction performance in accordance with the Law. The conditions for auction to be carried out have been fulfilled, if at least one person has obtained the status of an auction participant and if it is presented personally or by an authorized representative. At the time ordered for the PUBLIC AUCTION opening, the auctioneer shall open the bidding.

If there is more than one person at the bidding, the auctioneer shall announce the initial price, as well as each further increase. In case none of the interested buyers reacts after the third call for acceptance of the newly established price, the auctioneer declares the auction finished by hammering. The selling price becomes the highest offered value, and the participant who has been the first to offer the highest price is declared a buyer. If there have not been interested parties after the announcement of the initial price, even after the third call, the auction is declared unsuccessful and participants lose the right to be returned the deposit.

If only one party who has obtained the auction participant status attends the bidding, that party is invited three times to accept the initial price. If the party accepts the initial price, it is declared a buyer and the initial price becomes at the same time the selling price. If the participant does not accept the initial price, the auction is declared unsuccessful and it loses the right to be returned the deposit.

1) Basic information for the company: INTERPREGLED ISTOK D.O.O., BELGRADE, Nehruova Street 107/32

Auction sale code: **290509-A-3322n**

Official ID number of the entity: **06975275**

Field of work: **Wholesale**

Deposit for participation in the auction: **RSD 25.500** or ***EUR 272**

Initial price at the auction sale: **RSD 51.000**

Balance sheet per year:	2007	2008
Shown in:	RSD (000)	RSD (000)
Total operating revenues	641	451
Total operating expenses	782	488