

Pursuant to the Decision 21 maj – Hotelijerstvo i ugostiteljstvo d.o.o under restructuring Belgrade, 14 Maricka II/1 dated Dec. 10, 2008, the Decision of the Privatization Agency of the Republic of Serbia on accepting the Restructuring Program No. 10-4184/08-348-5/01 dated Dec. 18, 2008, the Proxy Contract with no of certification of the 2nd Municipal Court II 3512/2008 concluded on Dec. 18, 2008 in Belgrade, between “Dvadesetprvimaj – Hotelijerstvo i ugostiteljstvo” d.o.o. under restructuring Belgrade, as Principal, on one side and the Privatization Agency of the Republic of Serbia, as Agent, the Privatization Agency announces

PUBLIC INVITATION FOR PARTICIPATION IN PUBLIC BIDDING FOR PURCHASE OF PART OF REAL ESTATE WITH ACCOMPANYING EQUIPMENT DVADESETPRVIMAJ – HOTELIJERSTVO I UGOSTITELJSTVO D.O.O. UNDER RESTRUCTURING, BELGRADE:

HOTEL “DVADESETPRVI MAJ”

1. Subject of sale

The subject of sale is:

Building of Hotel “Dvadesetprvi maj” with accompanying equipment, in 14 Maricka Str. located on the cadastral plot 2217 consisting of one floor under the ground, the basement and four floors, registered in the Real Estate List 1469 of the Cadastral Municipality of Stara Rakovica, with ownership share 1/1 “Dvadesetprvi maj – Hotelijerstvo i ugostiteljstvo” d.o.o. under restructuring, 14 Maricka Str.

The subject of sale is located on the cadastral plot 2217, land with a building and another facility with an area of 6 ares 11m², which represents urban construction land owned by the Republic of Serbia. The stated real estate is not registered according to the area in the Real Estate Cadastre, but according to the stories. The survey on the spot done by the authorized auditor Eucons group d.o.o., confirmed that the total area of the subject of sale from paragraph 1 hereof is 3.797 m².

Sale code: HOT 200209

Initial price: RSD 216.830.000,00

Deposit: RSD 43.366.000

Parties interested in purchase of the subject of sale must buy the auction documentation, pay the Deposit or deliver Guarantee for participation in public bidding, submit the application for participation and participate in the public bidding.

The real estate is sold as seen, without subsequent reclamations. A detailed description and specification of the real estate and equipment which are offered for sale are given within the public bidding documentation (selling documentation).

The buyer of the Hotel "Dvadesetprvi maj", shall be obliged to take over in the same legal status 33 (thirty three) full time employees in this part of the work process.

2. Selling documentation

Selling documentation fee amounts to EUR 1.000,00 (one thousand euros) for foreign individuals or legal persons, i.e. EUR 1.000,00 (one thousand euros) in RSD equivalent according to the median exchange rate of the National Bank of Serbia effective as of the invoice issuing date in the event of domestic individuals or legal persons.

The Agency hereby invites all interested parties to submit a written application for purchase of the selling documentation at the latest until February 09, 2009.

The selling documentation shall be available to all interested parties as of January 16, 2009.

The written application for purchase of the bidding documentation shall be delivered by e-mail or fax to the address mentioned below, with clear inscription:

"Application for purchase of the selling documentation" – sale code HOT 200209".

Upon receiving the application for purchase of the bidding documentation, the authorized representative of the interested party shall be delivered an invoice for payment of the selling documentation fee by e-mail or fax.

Upon receiving the evidence on payment of the bidding documentation fee, the Agency shall deliver the bidding documentation personally to the Participant in procedure or his authorized representative. The bidding documentation can be collected at the address: Privatization Agency, Auction and Compulsory Liquidation Center, 23 Terazije St., 11000 Belgrade.

3. Visit subject of sale

The participants in the procedure may visit the subject of sale **from Dec. 22, 2008 until Feb. 12, 2009.**

4. Deposit or Guarantee for participation in public bidding

The participant in procedure is obliged to pay the deposit in the amount mentioned in paragraph 1 or to deliver the Guarantee for participation in public bidding in the same amount, at the latest until **Feb. 12, 2009.**

5. Application for participation in public bidding

The deadline for delivering the written Applications for participation in public bidding is **Feb. 12, 2009** at 16:30 (Belgrade time).

6. Right to participate in public auction

The right to participate in public bidding has any domestic or foreign individual or legal person which has:

- a) purchase the Selling documentation,
- b) paid the Deposit or delivered the Guarantee for public bidding participation and
- c) submitted the Application for participation in public bidding.

The right to participate in the public bidding has also a consortium composed of legal and/or natural persons ("Consortium") which fulfills the aforementioned conditions. One of the Consortium members, i.e. person authorized by the Consortium, must be appointed to represent the Consortium ("authorized representative of Consortium") and to act on behalf of and for the account of the Consortium.

The buyer of the real estate may not be: 1) domestic legal person which operates with majority socially-owned capital; 2) legal or natural person who has due but unsettled liabilities towards the Seller, 3) affiliated companies of the Seller and 4) person having criminal record or prosecuted for criminal offenses defined by Article 12 of the Law on Privatization ("Official Gazette of the Republic of Serbia", no. 123/07). Such applications shall be rejected without consideration.

The affiliated company (either independently, or as member of the Consortium) is entitled to submit applications for participation in the public bidding, even if its parent company has purchased the Bidding

documentation. The parent company (either independently, or as member of the Consortium) is also entitled to submit applications for participation in public bidding even if the affiliated company has purchased the Bidding documentation.

7. Public bidding

The public bidding shall take place on **Feb. 20, 2009 at 11:00** (Belgrade time), at the following address: **Privatization Agency, 23 Terazije St., 2nd floor, Belgrade.**

8. Questions and additional explanations

For all questions related to this announcement, interested parties may contact the following persons, at the addresses given below:

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The Agency reserves the right to change the dates, deadlines and/or terms and conditions of this Announcement, and does not bear any responsibility for possible expenses or damages which any such corrections may cause to the Participants.