

**PRESS RELEASE**

**Energy, Civil Engineering**

**For immediate release**

**Elektroizgradnja Bajina Bašta EBB  
Sale of 70.43% share capital**

**Sale launch announced for EBB,  
Serbian leading power distribution installations manufacturer**

The Privatization Agency of the Republic of Serbia is inviting bids for 70.43% or 291.851 ordinary shares of EBB, a leading Serbian manufacturer of power distribution installations and infrastructure. EBB manufactures, installs and maintains transformer substation structures made from re-enforced concrete and pillars made from re-enforced concrete.

Despite the negative effects of the global economic downturn and overall illiquidity of the Serbian economy, EBB has reduced overall indebtedness and improved financial stability. The announced investments in electric power distribution infrastructure (Serbian Transmission System and Market Operator EMS plans to invest €50-70 million per annum over the next 5 years in transmission and distribution network), revival of the Serbian economy after recession, as well as increase in energy needs will indirectly lead to a further increase of the Company's operating revenues, reduction of operative expenditures and subsequently, increase in profitability. Furthermore, investments in new power generating and transmission capacities in the power sector in Serbia and South East Europe will increase demand for transformer components, their installation and service over a medium term.

The purchaser of the 70.43% shares will have an opportunity to purchase the remaining 29.57% shares. Eligible to bid are EBB's peers that have operated in the sector for at least last three years and reported at least €6 million operating revenue in 2010. Offers must be submitted by 25<sup>th</sup> July 2011, while the deadline to apply for tender documents, priced at €8,000, is 11<sup>th</sup> July 2011.

SEECAP, the Belgrade-based investment bank, has been appointed to manage the sale. Further details about the sale may be obtained from the [Public invitation](#) or the [Share Sale Prospectus](#).

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