

According to the Article 38. of Privatization Law (<<Official Gazette of the Republic of Serbia>>, number 38/2001 and 18/2002), as well as Article 5. of the Decree on Sale of Capital and/or Property by Public Auction (Official Gazette of the Republic of Serbia>> no. 45/2001, 45/2002 and 19/2003) the Privatization Agency of the Republic of Serbia hereby publishes:

PUBLIC ANNOUNCEMENT for participation in the public auction

Information about PUBLIC AUCTION:

The price for the auction documentation for each enterprise is **30.000** din, which should be paid after receiving invoice from the Privatization Agency.

Purchase of auction documentation is obligatory for those wishing to participate in the auction. After presenting evidence of payment and signing a Confidentiality Agreement, the auction documentation can be collected on business days from 10:00 to 17:00 from 21.07.2003. until 21.08. 2003 from: The Privatization Agency, Bulevar Mihajla Pupina 10 (5th floor) , Novi Sad.

Deadline for submitting of applications is 22.08.2003. till 17.00.

Completed application forms for participation in the auction, which are included in the auction documentation, together with signed sale and purchase agreement and evidence of payment of the deposit are submitted in envelope clearly marked on the outside:

APPLICATION FOR PARTICIPATION ON PUBLIC AUCTION 010903
Privatization Agency, Bulevar Mihajla Pupina 10 (5th floor) , Novi Sad. APPLICATIONS THAT SHOW THE NAME OF THE COMPANY TO BE PRIVATIZED OR THE FULL AUCTION SALE CODE ON THE OUTSIDE OF THE ENVELOPE MAY BE REJECTED.

The auction will take place on **01.09.2003** at: JP Sport Business Center "VOJVODINA" ("SPENS"), Amphitheatre on I floor (entrance from outside direction of District Court or escalators at ground floor), Sutjeska 2 Novi Sad at 11:00 a.m. Registration of the participants will take place on **01.09.05.2003.** at the same address from 09.00 until 10.50 **Means of payment:** domestic currency, foreign convertible currency, bonds issued to individuals who are the citizens of the Republic of Serbia, against unpaid household foreign exchange savings with maturity not longer then capital sale day (01.09.2003). If a participant applies only for second

auction payment can be made with bonds issued to individuals who are the citizens of the Republic of Serbia, against unpaid household foreign exchange savings regardless of maturity date. If participant applies only for second auction, deposit can be paid with bonds issued to individuals who are the citizens of the Republic of Serbia, against unpaid household foreign exchange savings with maturity not longer then capital sale day (01.09.2003.). Deposit for participation at the public auction will be returned 15 days after the auction.

The Agency holds the right to change the auction or deadline date for applications if need occurs and informs interested parties. Site visits may be arranged with the Privatization Agency after signing the Confidentiality Agreement (Phone number: + 381 (21) 452-959; Fax: +381 (21) 4529-67. Visits may take place from 24.04.2003 until 20.05.2003.

* Total estimated value of capital being privatized and expressed in EURO has been calculated using the official exchange rate as at 18.07.2003.

** Total operating revenues and expenditures for 2000. and 2001. and expressed in EURO have been calculated using the average real exchange rate for the two years respectively (2000. and 2001 and 2002.).

Short description of the public auction procedure:

Sale of capital by Public Auction is performed by the Auctioneer. The Auctioneer is chosen by the Privatization Agency. Supervision of the Auction, registration of the participants, declaring of the unsuccessful auction, signing of the auction minutes is done by the Commission which is also involved in other activities concerning the auction in accordance with the law. Conditions for starting of public auction are fulfilled if at least one person has acquired the status of participant and if this person or his/hers duly authorized representative are present. The Auctioneer will open the first auction at the time settled for its opening where means of payment can be cash and matured foreign exchange household saving bonds. If on the first auction more then one bidder participates, the auctioneer announces the

starting price and each following increase. If after invitations for acceptance of new announced price no bidder raise his/her hand, the auctioneer announces the end of the auction with the hit of the hammer. The sale price will be the highest offered price and the winner will be the bidder who accepted it. If after the third announcement of the starting price no interest is shown, the auctioneer declares first auction unsuccessful with the hit of the hammer and starts second bidding where means of payment can be in foreign exchange household savings bonds of any maturity. Participants will be bidders applied for the second auction and from the previous auction if it was unsuccessful. If on the second auction more then one bidder participates, the auctioneer announces starting price and each following increase. If after third

announcement no interest is shown, auctioneer announces the end of the auction with the hit of the hammer. The sale price will be the highest offered price and winner will be the bidder who accepted it. If after the third announcement for acceptance of the new starting price there were no interested bidders, the auction is declared unsuccessful and participant forfeit their deposits. When on the second auction only one bidder participates, he is invited to accept starting price for three times. If he accepts starting price he is declared a buyer where starting price is sale price. If he refuses the starting price, the auction is declared unsuccessful and he forfeits his deposit.

1) Basic data on enterprise to be privatized: Socially owned wood processing enterprise «LIPA», SID

Auction sale code: 010903-0777

ID number:08016984

Core activity: Production of timber

Total estimated value of the capital sale : 27.665.000 Din or *425.733 EUR
That is 70 % of the total capital of the enterprise.

Deposit for participation in the auction is: 2.767.000 Din or 42.573 EUR

Starting auction price is: 5.533.000 Din

Minimum investment in enterprise to be privatized: 2.013.000 Din.

Most important assets of the enterprise:

A) Buildings – (m²):

1. Power supply station (14), 2. Shack for elements (568), 3. Manufacturing hall (751), 4. Eaves (784), 5. Warehouse of finished goods (350), 6. Hall

B) Equipment:

1) Trunk processing line – stable and new (LT-4/OHD), 2) Saw sharpening machine (OM-70), 3) Cylinder-spiral transporter, 4) Transporter for moving of milling machine

C) Land (m²):

Financial information for year:

2001.

2002.

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	42.276.000	710.545	49.981.000	828.117
Total operating expenditures	39.383.000	661.921	48.041.000	795.974

D) Most important products/services: 1) Parquet, 2) Timber
Number of employees: 88; of which with University degree:0

2) Basic data on enterprise to be privatized: Socially owned hairdressing enterprise «LAZAR NESIC », SUBOTICA

Auction sale code: 010903-0778

ID number:08008906

Core activity: Hairdressing and other beauty services

Total estimated value of the capital sale : 719.000 Din or *11.064 EUR
That is 70 % of the total capital of the enterprise.

Deposit for participation in the auction is: 72.000 Din or 1.106 EUR

Starting auction price is: 144.000 Din

Minimum investment in enterprise to be privatized: 50.000 Din.

Most important assets of the enterprise:

A) Buildings – (m²):

1. Office space (88), 2. Office premises (77), 3. Office premises (62), 4. basement in Borisa Kidrica street no:1 (86)

B) Equipment:

1) Hairdressing equipment

C) Land (m²): Land for development: (0)

Financial information for year:

2001.

2002.

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	1.075.000	18.068	1.463.000	24.240
Total operating expenditures	999.000	16.790	1.308.000	21.672

D) Most important products/services: hairdressing services, 2) Beautician services
Number of employees: 5; of which with University degree:2

3) Basic data on enterprise to be privatized: Socially owned enterprise for reloading services «RUCNI TRANSPORT», KULA**Auction sale code: 010903-0779**

ID number:08005044

Core activity: Reloading of freight

Total estimated value of the capital sale : 254.000 Din or *3.913 EUR
That is 70 % of the total capital of the enterprise.**Deposit for participation in the auction is: 25.000 Din or 391 EUR****Starting auction price is: 51.000 Din****Minimum investment in enterprise to be privatized: 17.000 Din.****Most important assets of the enterprise:****A) Buildings – (m²):**

1. Building (64)

B) Equipment:

1) Office furniture

C) Land (m²): Land for development: (0)**Financial information for year:****2001.****2002.**

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	291.000	4.891	457.000	7.572
Total operating expenditures	369.000	6.202	512.000	8.483

D) Most important products/services: 1) Reloading services**Number of employees: 4; of which with University degree: 0****4) Basic data on enterprise to be privatized: joint stock enterprise for trading and manufacture «POTISJE», NOVI BECEJ****Auction sale code: 010903-0780**

ID number:08020078

Core activity: Retail sale of goods – mixed goods

Total estimated value of the capital sale : 87.715.000 Din or *1.349.805 EUR
That is 55.181 % of the total capital of the enterprise.**Deposit for participation in the auction is: 8.771.000 Din or 134.980 EUR****Starting auction price is: 17.543.000 Din****Minimum investment in enterprise to be privatized: 4.182.000 Din.****Most important assets of the enterprise:****A) Buildings – (m²):**

1. Department store «Novi Becej» (2300), 2. Department store 'Novo Milosevo» (380), 3. Department store Kumane (901), 4. Department store «Bocar» (516), 5. Warehouse for storing of food products (4288)

B) Equipment:

1) Truck, 2) tractor, 3) Combi bus, 4) Passenger vehicle (Yugo Florida)

C) Land (m²):**Financial information for year:****2001.****2002.**

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	63.880.000.	1.073.650	69.803.000	1.156.540
Total operating expenditures	68.825.000	1.156.762	82.875.000	1.373.126

D) Most important products/services: 1) Sale of tradable goods**Number of employees: 96; of which with University degree: 2**

5) Basic data on enterprise to be privatized: Socially owned enterprise for production of furniture «INDUSTRIJA NAMESTAJA BAJMOK», BAJMOK

Auction sale code: 010903-0781

ID number:08000107

Core activity: Production of furniture

Total estimated value of the capital sale : **33.552.000 Din** or ***516.319 EUR**
That is **68.761 %** of the total capital of the enterprise.

Deposit for participation in the auction is: **3.355.000 Din** or **51.632 EUR**

Starting auction price is: **6.710.000 Din**

Minimum investment in enterprise to be privatized: **6.141.000 Din.**

Most important assets of the enterprise:

A) Buildings – (m²):

1. Construction objects (1038), 2. Management building (88), 3. Management building(577), 4. Hall with workshops (940), 5. Residential building (2018)

B) Equipment:

1) Lawn mower, 2) Furnaces, 3) Passenger vehicles and vans, 4) Scaffolding, 5) Saws

C) Land (m²): Land for development: (0)

Financial information for year:

2001.

2002.

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	71.338.000	1.198.998	89.623.000	1.1484.931
Total operating expenditures	59.170.000	994.487	79.684.000	1.320.255

D) Most important products/services: 1) Kitchen chairs, 2) Kitchen tables, 3) Family and single beds, 4) Sitting garniture, 5) Production of office furniture, 6) Repairing of furniture

Number of employees: 117; **of which with University degree:** 2

6) Basic data on enterprise to be privatized: Joint stock enterprise for collecting, processing and sale of industrial waste «OTPAD», SUBOTICA

Auction sale code: 010903-0782

ID number:08067481

Core activity: Recycling of non metal waste and left overs

Total estimated value of the capital sale : **15.409.000 Din** or ***237.130 EUR**
That is **69.874 %** of the total capital of the enterprise.

Deposit for participation in the auction is: **1.541.000 Din** or **23.713 EUR**

Starting auction price is: **3.082.000 Din**

Minimum investment in enterprise to be privatized: **3.817.000 Din.**

Most important assets of the enterprise:

A) Buildings – (m²):

1. Warehouse hall (900), 2. Management building (568), 3. Mechanic and locksmith's workshop (562), 4. Wardrobe (250), 5. Warehouse objects (484)

B) Equipment:

1) Line for processing of plastic (HPM-600, Heplast), 2) Freight vehicle (Fap 14-14), 3) Freight vehicle (Zastava 80t 50), 4) Freight vehicle (Tam 80t), 5) Paper presses (HPB-24V, Belisce)

C) Land (m²): Land for development: (2764), Agricultural land: (18440)

Financial information for year:

2001.

2002.

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	10.757.000	180.796	11.942.000	197.863
Total operating expenditures	13.825.000	232.361	20.515.000	339.906

D) Most important products/services: 1) Recycling of non metal goods, 2) Recycling of metal, 3) Trading, 4) Transporting of goods

Number of employees: 39; **of which with University degree:** 7

7) Basic data on enterprise to be privatized: joint stock company for projecting and engineering «STANDARDPROJEKT», SUBOTICA**Auction sale code: 010903-0783**

ID number:08058636

Core activity: Projecting of construction and other objects

Total estimated value of the capital sale : **10.413.000 Din** or ***160.244 EUR**That is **67.613 %** of the total capital of the enterprise.**Deposit** for participation in the auction is: **1.041.000 Din** or **16.024 EUR****Starting auction price** is: **2.083.000 Din****Minimum investment** in enterprise to be privatized: **506.000 Din.****Most important assets of the enterprise:****A) Buildings – (m²):**

1. Office premises (708), 2. 1/3 of weekend house in Palic (20)

B) Equipment:

1) Computer (Pentium IV), 2) Computer (Pentium IV type 002), 3) Passenger vehicle (Yugo Florida), 4) Photocopying machine (Rank XEROX 1025 RE), 5) Ozilote copying apparatus (KA- 102)

C) Land (m²): Land for development: (0)**Financial information for year:****2001.****2002.**

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	3.735.000	62.775	9.317.000	154.370
Total operating expenditures	4.658.000	78.288	9.463.000	156.789

D) Most important products/services: 1) Projecting of construction objects, 2) Projects for silos, 3) Other architectural and engineering activities**Number of employees:** 19; of which with **University degree:** 7**8) Basic data on enterprise to be privatized: Socially owned enterprise for domestic and foreign trade «LITNOS – MBS METALOPRERADJIVAC», NOVI SAD****Auction sale code: 010903-0784**

ID number:08245207

Core activity: Wholesale of construction material

Total estimated value of the capital sale : **7.280.000 Din** or ***112.021 EUR**That is **70 %** of the total capital of the enterprise.**Deposit** for participation in the auction is: **728.000 Din** or **11.202 EUR****Starting auction price** is: **1.456.000 Din****Minimum investment** in enterprise to be privatized: **352.000 Din.****Most important assets of the enterprise:****A) Buildings – (m²):**

1. Working unit Salajka (315)

B) Equipment:

1) Cashier (Trezor), 2) Register cash desk (DE KA 4), 3) Wall cupboard, 4) Writing table

C) Land (m²): Land for development: (0)**Financial information for year:****2001.****2002.**

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	10.142.000	170.460	3.292.000	54.544
Total operating expenditures	10.925.000	183.620	5.473.000	90.680

D) Most important products/services: 1) Wholesale and retail sale of fruits and vegetables, 2) Sale of motor vehicles**Number of employees:** 12; of which with **University degree:** 1

9) Basic data on enterprise to be privatized: Socially owned enterprise for processing of paper and metal «3.OKTOBAR», NOVO MILOSEVO

Auction sale code: 010903-0785

ID number:08020124

Core activity: Various multi purpose machines

Total estimated value of the capital sale : 14.805.000 Din or *227.832 EUR

That is 70 % of the total capital of the enterprise.

Deposit for participation in the auction is: 1.481.000 Din or 22.783 EUR

Starting auction price is: 2.961.000 Din

Minimum investment in enterprise to be privatized: 1.384.000 Din.

Most important assets of the enterprise:

A) Buildings – (m²):

1. Manufacture and management building (1572), 2. Cardboard processing unit(807), 3. Floor warehouse (1024)

B) Equipment:

1) Diesel forklift (Indos), 2) Hydraulic press (NARA 110), 3) Trucks (FAP 1620), 4) Wleding machines (W 400D), 5) Machines for processing of cardboard

C) Land (m²): Land for development: (141977)

Financial information for year:

2001.

2002.

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	18.916.000	317.927	26.823.000	444.421
Total operating expenditures	19.055.000	320.263	28.448.000	471.345

D) Most important products/services: 1) Communal equipment, 2) Silos equipment, 3) Machinery equipment, 4) Boxes made of corrugated cardboard

Number of employees: 41; **of which with University degree:** 2

10) Basic data on enterprise to be privatized: Joint stock Company for production of cardboard, paper and flexible packing material «ABM GRAFIKA», NOVI SAD

Auction sale code: 010903-0786

ID number:08023867

Core activity: Production of corrugated paper and packing material

Total estimated value of the capital sale : 240.589.000 Din or *3.702.322 EUR

That is 69.881 % of the total capital of the enterprise.

Deposit for participation in the auction is: 24.059.000 Din or 370.232 EUR

Starting auction price is: 48.118.000 Din

Minimum investment in enterprise to be privatized: 81.451.000 Din.

Most important assets of the enterprise:

A) Buildings – (m²):

1. Plant building hall I (3162), 2. Annex of the building (1425), 3. Plant building hall II (1850), 4. Cardboard processing and mechanic carpentry (747)

B) Equipment:

1) Copying frame, 2) De-oxidation device, 3) Device for developing of offset boards, 4) Cooper tub, 5) Copying machine, 6) Vertical camera

C) Land (m²): Land for development: (0)

Financial information for year:

2001.

2002.

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	486.837.000	8.182.409	446.509.000	7.398.045
Total operating expenditures	476.914.000	8.015.000	448.814.000	7.436.236

D) Most important products/services: 1) Labels, blanks, cardboard boxes, 2) Cardboard boxes for cosmetic foils for packing of liquids, 3) Foils for packing of granulated goods, soap packing paper

Number of employees: 356; **of which with University degree:** 24