

According to the Article 38. of Privatization Law (<<Official Gazette of the Republic of Serbia>>, number 38/2001), 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 12.11.2003. until 05.12.2003 from: The Privatization Agency, Terazije 23/V, room number 511

Deadline for submitting of applications is 08.12.2003. 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 161203* Privatization Agency, Auction Center, Terazije 23/V, 11000 Beograd. 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 **16.12.2003** at: The Privatization Agency, Terazije 23/II, Beograd at 11:00 a.m. Registration of the participants will take place on **16.12.2003.** 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 (16.12.2003). 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 (16.12.2003). 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 (11) 3020-804; 011/3020-803 Fax: +381 (11) 3020-881. Visits may take place from 12.11.2003. until 05.12.2003.

* Total estimated value of capital being privatized and expressed in EURO has been calculated using the official exchange rate as at 12.11.2003.

** 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.).

Short description of the public auction procedure:

The Auction commission that is chosen by the Privatization Agency performs Sale of capital by Public Auction. 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 raises 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 for acceptance of the starting price no interest is shown, the auction is declared unsuccessful and participant forfeit their deposits. When 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 if on the previous auction 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 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 industry of leather, shoes and proteins « PETROVAC », PETROVAC

Auction sale code: 161203- 536

Core activity: Stretching and processing of leather

Total estimated value of the capital sale : 76.539.000 Din or *1.143.311 EUR

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

Deposit for participation in the auction is: 7.654.000 Din or 114.331 EUR

Starting auction price is: 15.308.000. Din

Minimum investment in enterprise to be privatized: 5.332.000 Din.

Most important assets of the enterprise:

A) Buildings – (m²):

1. Factory building for upper parts (holder) (2060), 2. Leather factory building (1300), 3. Protein factory building (1800)

B) Equipment:

4) vacuum dryer

a), 3) Passenger vehicle (Golf CMD),

C) Land (m²): Land for development: (42787), Agricultural land: (0)

Financial information for year:

2000.

2001.

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	74.819.000	1.481.564	32.344.000	543.615
Total operating expenditures	63.169.000	1.250.871	39.825.000	669.350

D) Most important products/services: 1) HTZ production, 2) Leather processing, 3) Retail sale of shoes and leather accessories
Number of employees: 132; of which with University degree:2

2) Basic data on enterprise to be privatized: Socially owned enterprise « IZOTEHNIKA », VRANJE

Auction sale code: 161203- 959

Core activity: Final construction works

Total estimated value of the capital sale : 580.000 Din or *8.660 EUR

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

Deposit for participation in the auction is: 66.000 Din or 993 EUR

Starting auction price is: 133.000. Din

Minimum investment in enterprise to be privatized: 46.000 Din.

Most important assets of the enterprise:

A) Buildings – (m²):

ing

C) Land (m²): Land for development: (0) – usage right , Agricultural land: (0)

Financial information for year:

2001.

2002.

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	7.968.000	133.920	13.173.000	218.259
Total operating expenditures	8.213.000	138.038	13.182.000	218.408

D) Most important products/services: 1) Painting of walls, 2) Insulation, 3) Glass fitting
Number of employees: 23; of which with University degree:1

3) Basic data on enterprise to be privatized: Socially owned enterprise for production wholesale and retail sale of ready made clothes « ZAKO », ZAGUBICA

Auction sale code: 161203-1 960

Core activity: Production of various clothes

Total estimated value of the capital sale: 6.065.000 din. or 90.599 EUR ,
That is 70 % of the total capital of the enterprise.

Deposit for participation in the auction is: 607.000 din. or 9.060 EUR.

Starting auction price is: 1.215.000 din.

Minimum investment in enterprise to be privatized: 668.000 din.

Most important assets of the enterprise:

1. Building for ready made clothes (1600)

1) Sewing machines, 2) Tailoring rapid, 3) Placement machine, 4) Buttoning machine

C) Land (m²): Land for development: (0), Agricultural land: (0)

Financial information for year:

2001.

2002.

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	1.164.000	19.564	959.000	15.889
Total operating expenditures	3.789.000	63.683	4.516.000	74.824

D) Most important products/services: 1) Male trousers, 2) Dresses, 3) Rubber jackets, 4) Pilot suits
Number of employees: 36; of which with University degree:0

4) Basic data on enterprise to be privatized: Socially owned enterprise for processing of large pieces of leather with full liability « PARTIZAN », KRAGUJEVAC

Auction sale code: 161203-1 961

Core activity: Stretching and processing of leather

Total estimated value of the capital sale : 30.315.000 din. or *452.833 EUR
That is 70 % of the total capital of the enterprise.

Deposit for participation in the auction is: 3.638.000 din. or 54.340 EUR

Starting auction price is: 7.276.000. Din

Minimum investment in enterprise to be privatized: 8.759.000 Din.

Most important assets of the enterprise:

A) Buildings (m²):

1. Factory building (3928), 2. Boiler room building (280), 3. Boiler room (241), 4. Management building (323)

B) Equipment:

1) Lye barrel for leather (3 pieces), 2) Barrel (4 barrels) (900/700), 3) GIS machine (Gemata), 4) Press (Mostadini), 5) Conveyer (Unibilt)

C) Land (m²): Land for development: (74657), Agricultural land: (0)

Financial information for year:

2001.

2002.

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	8.942.000	150.291	4.815.000	79.778
Total operating expenditures	27.774.000	466.806	37.164.000	615.757

D) Most important products/services: 1) Shoe makers aniline, 2) Napa, 3) Dressing napa and upholstery, 4) Boxes and velvet, 5) Protection gloves
Number of employees: 185; of which with University degree:8

5) Basic data on enterprise to be privatized: Socially owned restaurant management enterprise « KOSMAJ », MLADENOVAC**Auction sale code: 161203-1 962**

Core activity: Bars

Total estimated value of the capital sale : 26.186.000 Din or *391.148 EUR

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

Deposit for participation in the auction is: 3.142.000 Din or 46.938 EUR

Starting auction price is: 6.285.000. Din

Minimum investment in enterprise to be privatized: 1.554.000 Din.

Most important assets of the enterprise:A) Buildings (m²):1. Building "Kosmaj" (248), 2. Restaurant "Lovac" (165),
Restaurant "Stara mehana" (516)C) Land (m²): Land for development: (0), Agricultural land: (0)**Financial information for year:****2001.****2002.**

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	6.164.000	103.600	5.971.000	98.931
Total operating expenditures	6.872.000	115.500	8.240.000	136.526

D) Most important products/services: 1) Restaurant services, 2) Common feeding

Number of employees: 28; of which with University degree:1

6) Basic data on enterprise to be privatized: Joint stock enterprise « UGOSTITELJSTVO », GOLUBAC**Auction sale code: 161203-1 963**

Core activity: Restaurants

Total estimated value of the capital sale : 89.694.000 Din or *1.339.806 EUR

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

Deposit for participation in the auction is: 10.763.000 Din or 160.777 EUR

Starting auction price is: 21.527.000. Din

Minimum investment in enterprise to be privatized: 2.570.000 Din.

Most important assets of the enterprise:A) Buildings (m²):1. Hotel "Golubacki grad" (3236), 2. Warehousing space (79),
3. Warehousing space (82)

1) Gym equipment, 2) Restaurant chairs, 3) bar chairs, 4) Telephone switchboard

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

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	12.202.000	205.083	12.065.000	199.901
Total operating expenditures	15.193.000	255.353	14.450.000	239.417

D) Most important products/services: 1) Accommodation services, 2) Restaurant services, 3) Food and drink

Number of employees: 50; of which with University degree:0

**7) Basic data on enterprise to be privatized: Socially owned enterprise for production of shoes, leather accessories and knitted fabrics with full liability
« OMOLJANKA », OMOLJICA**

Auction sale code: 161203-1 964

Core activity: Production of shoes, leather accessories and knitted fabrics

Total estimated value of the capital sale : 1.906.000 Din or *28.465 EUR

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

Deposit for participation in the auction is: 229.000 Din. or 3.416 EUR

Starting auction price is: 457.000. Din

Minimum investment in enterprise to be privatized: 98.000 Din.

Most important assets of the enterprise:

1. Building made of bricks and stone (1432)

1) Machine (Necchi), 2) Machine (Necchi rofus), 3) Machine (Necchi kantirka), 4) Compressor

C) Land (m²): Land for development: (0), Agricultural land: (0)

Financial information for year:

2001.

2002.

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	2.192.000	36.842	2.662.000	44.106
Total operating expenditures	3.511.000	59.010	4.867.000	80.640

D) Most important products/services: 1) Steel accessories, 2) Retail sale

Number of employees: 4; of which with University degree:2

**8) Basic data on enterprise to be privatized: Socially owned enterprise
« GRADAC – FAVRO », KLADOVO**

Auction sale code: 161203-1 965

ID number:07247257

Core activity: Production of connecting elements, chains and similar goods

Total estimated value of the capital sale : 29.651.000 Din or *442.910 EUR

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

Deposit for participation in the auction is: 3.558.000 Din. or 53.151 EUR

Starting auction price is: 7.116.000. Din

Minimum investment in enterprise to be privatized: 3.628.000 Din.

Most important assets of the enterprise:

A) Buildings – (m²):

1. Factory hall – new (1084), 3. Cement
Management building (325), 5. Warehouse
– wooden (490), 6. Management building in development (636)

B) Equipment:

1) Rolling automatic machine 9 2 machines) (RA P-4 and RAP – 7), 2) Blacksmith's machine (P-5L),
3) Machine (Omega – «O»), 4) Automatic machine for grinding of bolts (4 machines) (3B- 01), 5)
Lathe (PA 501/ 1500), 6) Lathe (PA 50/750), 7) Press for nails (2 presses) (THA 30/80)

C) Land (m²): Land for development: (0), Agricultural land: (0)

Financial information for year:

2001.

2002.

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	16.041.000	269.606	21.437.000	355.182
Total operating expenditures	23.023.000	386.954	24.611.000	407.771

D) Most important products/services: 1) Bolts of MZ DOM6, 2) Rivets f3 up to f6, 3) Rivets for wood f2 from f6, 4) Rivets for sheet metal 2.9 up to 4.8, 5) Nails and bolts

Number of employees: 82; of which with University degree:1

**9) Basic data on enterprise to be privatized: Socially owned enterprise for manufacture of light clothes with full liability
« ZLATNIK MRAMORAK » , MRAMORAK**

Auction sale code: 161203-1 966

Core activity: Linen manufacture

Total estimated value of the capital sale : 6.172.000 Din or *92.193 EUR
That is 70 % of the total capital of the enterprise.

Deposit for participation in the auction is: 741.000 Din. or 11.063 EUR

Starting auction price is: 1.481.000. Din

Minimum investment in enterprise to be privatized: 640.000 Din.

Most important assets of the enterprise:

A) Buildings – (m²):

1. Manufacturing and administration building (466), 2. Doorman's booth (2)

1) Heating equipment, 2) Tailoring desk, 3) Ironing desk

C) Land (m²): Land for development: (8485), Agricultural land: (0)

Financial information for year:

2001.

2002.

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	0	0	25.000	414
Total operating expenditures	21.000	353	51.000	845

D) Most important products/services: 1) Linen manufacture

Number of employees: 28; of which with University degree:0

10) Basic data on enterprise to be privatized: Export – import joint stock enterprise « GRAFOPROMET » , CACAK

Auction sale code: 161203-1 967

Core activity: Production of various paper goods

Total estimated value of the capital sale : 44.156.000 Din or *659.588 EUR
That is 53.914 % of the total capital of the enterprise.

Deposit for participation in the auction is: 5.299.000 Din or 79.151 EUR

Starting auction price is: 10.598.000. Din

Minimum investment in enterprise to be privatized: 8.570.000 Din.

Most important assets of the enterprise:

A) Buildings – (m²):

1. Production hall «S.M» (1887), 2. Management building (320), 3. Object «Ruzno pace» (607), 4. Warehouse with an eaves (1108)

B) Equipment:

1) Printing machine (R-160 F (R-160 F), 2) Hydraulic press line (K.P.), 4) Processing machine (Boston – Emerson), 5) Zig zag machine (Falter Bunch), 6) Spectrometer – paint mixer, 7)Kvesnaider

C) Land (m²): Land for development: (0), Agricultural land: (0)

Financial information for year:

2001.

2002.

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	104.492.000	1.756.227	90.995.000	1.507.663
Total operating expenditures	101.806.000	1.711.083	99.149.000	1.642.764

D) Most important products/services: 1) Self sticking labels, 2) Ordinary labels, 3) Other printed material, 4) Self sticking stripes, 5) Foil for pharmacies

Number of employees: 129; of which with University degree:16

11) Basic data on enterprise to be privatized: Socially owned restaurant management enterprise « KOZNIK », ALEKSANDROVAC

Auction sale code: 161203-1 968

Core activity: Hotels and motels with restaurant

Total estimated value of the capital sale : **39.503.000 Din** or *590.083 EUR
That is **70 %** of the total capital of the enterprise.

Deposit for participation in the auction is: **4.740.000 Din** or 70.810 EUR

Starting auction price is: **9.481.000. Din**

Minimum investment in enterprise to be privatized: **1.348.000 Din.**

Most important assets of the enterprise:

A) Buildings – (m²):

1. Hotel «Grozđ» (1875), 2. restaurant «Zupa» (125), 3. «Zupski vinogradi» (102)

†) Computer

C) Land (m²): Land for development: (0), Agricultural land: (0)

Financial information for year:

Shown in:	2001.		2002.	
	Din	**EURO	Din	**EURO
Total operating revenues	9.531.000	160.190	7.637.000	126.535
Total operating expenditures	11.524.000	193.687	12.276.000	203.397

D) Most important products/services: 1) Restaurant services

Number of employees: 62; **of which with University degree:**0

12) Basic data on enterprise to be privatized: Socially owned enterprise for wholesale and retail trade in electro technical and metal goods « NISELEKTRO », NIS

Auction sale code: 161203-1 969

Core activity: Wholesale and retail trade

Total estimated value of the capital sale : **76.089.000 Din** or *1.136.587 EUR
That is **70 %** of the total capital of the enterprise.

Deposit for participation in the auction is: **9.131.000 Din** or 136.390 EUR

Starting auction price is: **18.261.000. Din**

Minimum investment in enterprise to be privatized: **4.187.000 Din.**

Most important assets of the enterprise:

1. Warehouse (2592), 2. Management administrative building (1200)

B) Equipment:

1) Equipment for shops, 2) Electronic calculators, 3) Lada (Riva 1300), 4) Lada (Samara), 5) Audi, 6) Poly

C) Land (m²): Land for development: (0), Agricultural land: (0)

Financial information for year:

Shown in:	2001.		2002.	
	Din	**EURO	Din	**EURO
Total operating revenues	28.534.000	479.579	15.441.000	255.836
Total operating expenditures	36.957.000	621.147	29.486.000	488.543

D) Most important products/services: 1) Wholesale and retail trade with electro technical and metal goods

Number of employees: 113; **of which with University degree:**3

13) Basic data on enterprise to be privatized: Joint stock enterprise « AGROPROMET », KRUSEVAC

Auction sale code: 161203-1 970

Core activity: Sale of spare parts and equipment for motor vehicles

Total estimated value of the capital sale : 159.399.000 Din or *2.381.036 EUR
That is 69.573 % of the total capital of the enterprise.

Deposit for participation in the auction is: 15.940.000 Din or 238.104 EUR

Starting auction price is: 31.880.000. Din

Minimum investment in enterprise to be privatized: 14.763.000 Din.

Most important assets of the enterprise:

A) Buildings – (m²):

1. Shop number 4 (user – out of records) (142), 2. Shop 3 (user – out of records) (21), 3. Shop 1 (user – out of records) (351), 4. Shop 2 (user – out of records) (151), 5. Hall for servicing of vehicles – IMT building (user – out of records) (880), 6. Service for vehicles (user – out of records) (3200)

ser machine for warm washing (Kerkser), 3) lawn mower (DMB)

C) Land (m²): Land for development: (0), Agricultural land: (0)

Financial information for year:

2001.

2002.

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	95.566.000	1.606.205	72.680.000	1.204.208
Total operating expenditures	110.163.000	1.851.541	100.684.000	1.668.197

D) Most important products/services: 1) Sale of motor vehicles, 2) Wholesale of construction material, 3) Wholesale of agricultural machines, 4) Transporting services, 5) Technical examination

Number of employees: 235; of which with University degree:23

14) Basic data on enterprise to be privatized: Socially owned metal and assembling enterprise « PALILULA », BEOGRAD

Auction sale code: 161203-1 971

Core activity: Production of metal constructions

Total estimated value of the capital sale : 100.346.000 Din or *1.498.929 EUR
That is 70 % of the total capital of the enterprise.

Deposit for participation in the auction is: 12.042.000 Din or 179.871 EUR

Starting auction price is: 24.083.000. Din

Minimum investment in enterprise to be privatized: 5.906.000 Din.

Most important assets of the enterprise:

A) Buildings – (m²):

1. Manufacture hall (2830), 2. Management building (1059), 3. Hall for heavy constructions (1734), 4. Carpentry and sheet metal plant (1860)

B) Equipment:

1) Computer equipment, 2) Drilling machine (8 machines) (TE 22), 3) Vibrating drilling machine s(2 machines) (T 22), 4) Polishing machines (10 machines) (KB 206), 5) Electric developer *2 machines)

C) Land (m²): Land for development: (0), Agricultural land: (0)

Financial information for year:

2001.

2002.

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	8.544.000	143.601	8.440.000	139.839
Total operating expenditures	31.515.000	529.682	27.525.000	456.052

D) Most important products/services: 1) Roof covering works, 2) Aluminum locksmith's, 3) Steel constructions, 4) Assembled and disassembled separators, 5) Cutting and folding

Number of employees: 116; of which with University degree:6

15) Basic data on enterprise to be privatized: Socially owned barbering enterprise with full liability « RAD » , VALJEVO**Auction sale code: 161203-1 972**

Core activity: Barbering and hairdressing services

Total estimated value of the capital sale : 422.000 Din or *6.303 EUR

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

Deposit for participation in the auction is: 64.000 Din or 955 EUR**Starting auction price** is: 128.000. Din**Minimum investment** in enterprise to be privatized: 5.000 Din.**Most important assets of the enterprise:**

1. Non (0)

1) Wall clock, 2) Chair for children, 3) Hair bonnet, 4) Working cupboard, 5) Furnace

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

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	295.000	4.958	309.000	5.120
Total operating expenditures	343.000	5.765	517.000	8.566

D) Most important products/services: 1) barbering and hairdressing services**Number of employees:** 5; of which with **University degree:**0