

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) 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 05.11.2003. until 11.12. 2003 from: The Privatization Agency, Bulevar Mihajla Pupina 10 (5th floor) , Novi Sad.

Deadline for submitting of applications is 12.12.2003. 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 221203" 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 **22.12.2003** at: JP Sport Business Center "VOJVODINA" ("SPENS"), Amphitheatre on 1 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 **22.12.2003.** 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 (22.12.2003). 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 (22.12.2003.). 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 (21) 452-959; Fax: +381 (21) 4529-67. Visits may take place from 05.11.2003 until 11.12.2003.

* Total estimated value of capital being privatized and expressed in EURO has been calculated using the official exchange rate as at 05.11.2003.

** 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, the Commission that is also involved in the other activities concerning the auction in accordance with the law does signing of the auction minutes. 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 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.

announces starting price and each following increase. If after third

**1) Basic data on enterprise to be privatized: Joint stock enterprise for casting of non ferrous metals
« LIVNICA », SUBOTICA**

Auction sale code: 221203-1 946

Core activity: Cast of other non ferrous metals

Total estimated value of the capital sale : 47.342.000 Din or *709.201 EUR
That is 65.674 % of the total capital of the enterprise.

Deposit for participation in the auction is: 6.830.000 Din or 102.309 EUR

Starting auction price is: 13.659.000 Din

Minimum investment in enterprise to be privatized: 6.351.000 Din.

Most important assets of the enterprise:

A) Buildings – (m²):

1. Block A (468), 2. Block B – molding section (677), 3. Block D – galvanizing and proto type section (827), 5. Attic (280), 6. Doorman's booth (6), 7. Plateau (1831), 8. Block C – melting section (97), 9. Block E, warehouse (150)

35), 3) Pillar drilling machine (Potisje), 4) 111 – caravan)

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	15.618.000	262.496	24.788.000	410.703
Total operating expenditures	19.542.000	328.448	28.352.000	469.754

D) Most important products/services: 1) Distribution cupboards – PTT, SAT TV network, 2) Console L – 400, 3) Connecting pillars, 4) Forms for roof tiles

Number of employees: 50; **of which with University degree:** 4

**2) Basic data on enterprise to be privatized: Socially owned construction and handicraft enterprise
« GRADITELJ », SID**

Auction sale code: 221203-1 947

Core activity: Basic construction works

Total estimated value of the capital sale : 10.886.000 Din or *163.071 EUR
That is 70 % of the total capital of the enterprise.

Deposit for participation in the auction is: 1.089.000 Din or 16.307 EUR

Starting auction price is: 2.177.000 Din

Minimum investment in enterprise to be privatized: 1.179.000 Din.

Most important assets of the enterprise:

A) Buildings – (m²):

1. Building with a circle of the enterprise (usage right) (462), 2. Management building (usage right) (209), 3. Building with a circle of the enterprise II (usage right) (313), 4. Laboratory on concrete base (75), 5. Boxes made of concrete (usage right) (1059)

new part, 3) Machine for folding and cutting

C) Land (m²): Land for development: (54249) , Agricultural land: (0)

Financial information for year:

2001.

2002.

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	12.411.000	208.595	18.583.000	307.895
Total operating expenditures	11.855.000	199.250	22.061.000	365.521

D) Most important products/services: 1) Raw concrete mass

Number of employees: 16; **of which with University degree:** 1

3) Basic data on enterprise to be privatized: Socially owned hotel, tourist and restaurant management enterprise « PARK », NOVI SAD

Auction sale code: 221203-(948

Core activity: Hotels and motels with restaurants

Total estimated value of the capital sale : 427.408.000 Din or *6.402.743 EUR
That is 70 % of the total capital of the enterprise.

Deposit for participation in the auction is: 51.289.000 Din or 768.329 EUR

Starting auction price is: 102.578.000 Din

Minimum investment in enterprise to be privatized: 324.843.000 Din.

Most important assets of the enterprise:

A) Buildings – (m²):

1. Old hotel with annex (108 1), 2. New hotel (9140), 3. Gas station (22),
4. Power supply station (84), 5. Pumping station (16), 6. Boiler room
(165)

B) Equipment:

1) Equipment for washing of laundry, 4) Equipment
for electronic data processing, 7) Office

C) Land (m²): Land for development: (1443) , Agricultural land: (0)

Financial information for year:

2001.

2002.

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	96.681.000	1.624.945	103.396.000	1.713.131
Total operating expenditures	104.311.000	1.753.185	115.941.000	1.920.984

D) Most important products/services: 1) Hotel services, 2) Restaurant services, 3) Agency services, 4) Retail sale in shops

Number of employees: 290; of which with **University degree:** 7

4) Basic data on enterprise to be privatized: Joint stock armature factory « ISTRA », KULA

Auction sale code: 221203-(949

Core activity: Production of taps and valves

Total estimated value of the capital sale : 153.993.000 Din or *2.306.871 EUR
That is 43.442 % of the total capital of the enterprise.

Deposit for participation in the auction is: 19.168.000 Din or 287.149 EUR

Starting auction price is: 38.337.000 Din

Minimum investment in enterprise to be privatized: 75.376.000 Din.

Most important assets of the enterprise:

A) Buildings – (m²):

1. Foundry and press (4614), 2. Mechanic processing of rods (2592), 3.
Mechanic processing of cast (2430), 4. Warehouse of raw materials
(2094), 5. Machine tools workshop and maintenance (1156), 6.
Warehouse of ready made products (1122), 7. Management building
(1087)

B) Equipment:

1) Automatic galvanizing tubs, 2) Press (Roveta), 3) Single level automatic machine (PX 42- CNC),
4) Generator multi level machine (Gnutti 9 levels), 5) Piston compressor (Atlas Kipko), 6) Generator
machine (2 pieces) (Mofem), 8) Two level
- 36P), 10) Two chamber receptor (CER),

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	472.603.000	7.943.175	454.251.000	7.526.319
Total operating expenditures	518.477.000	8.714.192	535.555.000	8.873.416

D) Most important products/services: 1) Sanitary armature, 2) Plumbing armature

Number of employees: 552; of which with **University degree:** 7

5) Basic data on enterprise to be privatized: Socially owned enterprise for processing of plastic materials with full liability « MEPOL », VRBAS

Auction sale code: 221203-(950

Core activity: Production of plastic packing material

Total estimated value of the capital sale : **150.744.000 Din** or ***2.256.482 EUR**

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

Deposit for participation in the auction is: **15.074.000 Din** or **225.648 EUR**

Starting auction price is: **30.149.000 Din**

Minimum investment in enterprise to be privatized: **28.349.000 Din.**

Most important assets of the enterprise:

A) Buildings – (m²):

1. Manufacture hall and clim. tizing hall (4299), 2. Warehouse of raw materials and semi products (1065), 3. Warehouse of ready made products (728), 4. Management building (648), 5. Restaurant with kitchen (240)

) Injection machines (11 pieces) (Belisce), 3) draulic presses (4 pieces) (HPO 100t)

C) Land (m²): Land for development: (0), Agricultural land: (108255)

Financial information for year:

2001.

2002.

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	109.935.000	1.847.709	119.842.000	1.985.618
Total operating expenditures	142.888.000	2.401.560	155.933.000	2.583.597

D) Most important products/services: 1) Packing materials for liquid detergents, 2) Canisters and balloons from 3 to 25 liters, 3) Bottles for fabric softners, 4) Packing materials for motor oils

Number of employees: 238; of which with University degree:13