

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 21.04.2004. until 01.06.2004 from: The Privatization Agency, Terazije 23/V, room number 511

Deadline for submitting of applications is 02.06.2004. 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 100604"
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 **10.06.2004.** at: Yugoslav Chamber of Commerce, Terazije 23/II, Beograd at 11:00 a.m. Registration of the participants will take place on **10.06.2004.** 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 (10.06.2004). 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 (10.06.2004). 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 21.04.2004. until 10.06.2004.

* Total estimated value of capital being privatized and expressed in EURO has been calculated using the official exchange rate as at 21.04.2004.

** 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:

Sale of capital by Public Auction is performed by the Auction commission that 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 enterprise for transport and repair
"TISINICA", ZAGUBICA**

Auction sale code: 100604-1118p

ID number: 07140720

Core activity: Transporting of goods by road

Total estimated value of the capital sale : 26.091.000 Din or *372.537 EUR

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

Deposit for participation in the auction is: 1.305.000 Din or 18.627 EUR

Starting auction price is: 2.609.000. Din

Minimum investment in enterprise to be privatized: 2.210.000 Din.

Most important assets of the enterprise:

A) Buildings - (m²):

1. Transferring object in Zagubica (holder) (20), 2. Servicing workshop cc 4939/2 (holder) (1445), 3. Accessory warehouse cc 4939/2 (holder) (85)

B) Equipment:

1) Truck 1620 (FAP), 2) Semi trailer (Utva), 3) Vehicle "Yugo" (Zastava) , 4) garage hydraulic crane, 5) Device for testing of breaks, 6) Truck (fap)

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	5.578.000	93.751	10.739.000	177.931
Total operating expenditures	7.471.000	125.567	11.181.000	185.254

D) Most important products/services: 1) Transporting services, 2) Technical examination of vehicle, 3) Other services

Number of employees: 30; **of which with University degree:**0

2) Basic data on enterprise to be privatized: Socially owned watch manufacturing enterprise with full liability « INSA », BEOGRAD

Auction sale code: 100604-1123p

ID number: 07006357

Core activity: Production of measuring instruments and apparatuses

Total estimated value of the capital sale: 561.488.000 din. or 8.017.182 EUR ,

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

Deposit for participation in the auction is: 44.919.000 din or 641.375 EUR.

Starting auction price is: 89.838.000 din.

Minimum investment in enterprise to be privatized: 16.149.000 din.

Most important assets of the enterprise:

A) Buildings - (m²):

1. Buildings and industry objects , Trscanska 21 (7895), 2. Residential buildings, Trscanska 21 (108), 3. Buildings and industrial objects, Trscanska 21 (329)

B) Equipment:

1) Power generator machine (AGE-6), 2) Drilling machine ("B.Stainel"), 3) Automatic grinding machine, 4) Machine for casting of plastic (Arburg), 5) Powder line, 6) Cutting press

C) Land (m²): Land for development: (12070), Agricultural land: (0)

Financial information for year:

2001.

2002.

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	256.228.000	4.245.348	209.587.000	3.274.490
Total operating expenditures	252.299.000	4.180.250	225.193.000	3.518.311

D) Most important products/services: Most important products/services: 1) Watches, 2) Water measuring device, 3) I B counters

Number of employees: 657 ; **of which with University degree:** 31

3) Basic data on enterprise to be privatized: Socially owned enterprise for production of waste raw materials « INOS DELIGRAD » , ALEKSINAC**Auction sale code: 100604-1124p**

ID number:07173105

Core activity: Recycling of metal waste and remains

Total estimated value of the capital sale : **11.908.000 Din** or *170.023 EURThat is **70 %** of the total capital of the enterprise.**Deposit** for participation in the auction is: **953.000 Din** or **13.602 EUR****Starting auction price** is: **1.905.000. Din****Minimum investment** in enterprise to be privatized: **1.092.000 Din.****Most important assets of the enterprise:****A) Buildings – (m²):**

1. Management building, Aleksinac (946), 2. Shop, Aleksinac (194), 3. Plastic workshop, Aleksinac (287), 4. Shop in the city, Aleksinac (35), 5. Eaves, Aleksinac (369)

B) Equipment:

1) Truck Mercedes 1633, 2) Passenger vehicle Mercedes 300d, 3) Truck Mercedes LPS, 4) Truck Mercedes 602D, 5) Gas generator (HG 2000), 6) Furnace for melting of aluminum

C) Land (m²): Land for development: (7960), Agricultural land: (0)**Financial information for year:****2001.****2002.**

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	114.158.000	1.918.686	156.916.000	2.599.884
Total operating expenditures	113.657.000	1.910.266	160.377.000	2.657.228

D) Most important products/services: 1) Recycling of metal waste, 2) recycling of non metal waste, 3) Production of aluminum, 4) Wholesale of waste and remains, 5) Retail sale of second hand goods**Number of employees:** 69; **of which with University degree:**4**4) Basic data on enterprise to be privatized: Socially owned enterprise for tourist, restaurant management, transporting and agency activities in the country and abroad « VLASINATOURS » , SURDULICA****Auction sale code: 100604-1128p**

ID number:07218109

Core activity: Travel agency activities

Total estimated value of the capital sale : **4.102.000 Din** or *58.564 EURThat is **70 %** of the total capital of the enterprise.**Deposit** for participation in the auction is: **175.000 Din** or **2.494 EUR****Starting auction price** is: **349.000. Din****Minimum investment** in enterprise to be privatized: **536.000 Din.****Most important assets of the enterprise:****A) Buildings – (m²):**

1. Bar (42), 2. Management building (100), 3. Restaurant "Avala" (211), 4. Barrack on Vlasina (388)

B) Equipment:

1) Bus (Sanos 315/21), 2) Bus (Dubrava 1427), 3) Passenger vehicle (IMV – Renault 21TI 1,4), 4) Passenger vehicle (Yugo – Koral 55)

C) Land (m²): Land for development: (1000), Agricultural land: (3320)**Financial information for year:****2002.****2003.**

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	827.000	13.702	289.000	4.515
Total operating expenditures	2.896.000	47.983	3.041.000	47.511

D) Most important products/services: 1) Travel agencies, 2) Tourism mediation, 3) Restaurant management, 4) Transporting of passengers in regular traffic, 5) transporting of passengers in non scheduled traffic**Number of employees:** 7; **of which with University degree:**0

**5) Basic data on enterprise to be privatized: Socially owned enterprise with shares for processing and sale of secondary raw materials with full liability
« INDUSTRIROVINA » , KNJAZEVAC**

Auction sale code: 100604-1149

ID number:07208138

Core activity: Recycling of metal waste and leftovers

Total estimated value of the capital sale : 52.248.000 Din or *746.019 EUR

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

Deposit for participation in the auction is: 6.270.000 Din or 89.522 EUR

Starting auction price is: 12.540.000. Din

Minimum investment in enterprise to be privatized: 1.781.000 Din.

Most important assets of the enterprise:

A) Buildings - (m²):

1. Direction of the enterprise - management building (990), 2. Administration building - Boljevac (127), 3. Building- warehouse Doljevac (416), 4. Warehouse with administration space - Mramor (720), 5. Warehouse with administration space - Bor (720)

B) Equipment:

1) Trucks with and without cranes (34 trucks), 2) Passenger and delivery vehicles (28 vehicles), 3) Presses (7 presses), 4) Boilers with installations and heating (15 boilers), 5) Computers (10 computers)

C) Land (m²): Land for development: (22187), Agricultural land: (11478)

Financial information for year:

2002.

2003.

Shown in:	Din	**EURO	Din	**EURO
Total operating revenues	58.382.000	967.310	35.431.000	544.615
Total operating expenditures	70.763.000	1.172.446	54.396.000	836.128

D) Most important products/services: 1) Collecting of secondary raw materials, 2) Primary processing of secondary raw materials

Number of employees: 194; of which with University degree:4