

According to the Article 38 of the Privatization Law ("Official Gazette RS", No. 38/2001 and 18/2003), and the Article 5 of the Decree on Capital and Estate Selling by Public Auction ("Official Gazette RS " No. 45/01, 45/02, 19/03, 59/04 and 98/04),

the Privatization Agency announces:

## PUBLIC INVITATION FOR PARTICIPATION IN PUBLIC AUCTIONS

### Basic information about auction sale

Those who are interested can buy auction documentation at the price of **25,000 dinars**, after the invoice is received from the Privatization Agency. VAT has not been included in the price. The purchase of the auction documentation is obligatory, and on its receipt one is to sign the Agreement on Keeping the Confidential Information. After the payment evidence is submitted, the auction documentation can be collected at the following address:  
The Privatization Agency, Belgrade, 23 Terazije St., 9:00 – 17:00, from 25.03.2005 to 18.04.2005.

#### CLOSING DATE FOR APPLYING IS 19.04.2005 UNTIL 17:00

Filled application form which is a part of the auction documentation, with signed draft of sales contract and deposit payment evidence, is to be submitted in closed envelope with inscription: "THE APPLICATION FOR PARTICIPATION IN PUBLIC AUCTION 260405, the Privatization Agency, Belgrade, 23 Terazije St. ".

IF THERE IS THE NAME OF ENTERPRISE TO BE PRIVATIZED ON THE ENVELOPE, OR FULL AUCTION CODE, THE APPLICATION CAN BE REJECTED.

#### THE AUCTION WILL BE HELD ON: 26.04.2005.

at the address: **The Privatization Agency, Belgrade, 23 Terazije St., 2<sup>nd</sup> floor, Large Hall at 11:00.** The registration of the auction participants will take place at the same address on: **26.04.2005, 09:00 – 10:50**

**Means of payment** can be in domestic currency, foreign convertible currency, bonds based on the outstanding foreign exchange saving which is to become due not later than the capital selling day (26.04.2005.) issued to physical persons who are citizens of the Republic of Serbia. If the participant applies only for the second bidding, the means of payment can be even the bonds based on the outstanding foreign exchange saving which are not to be due until the capital selling day (26.04.2005.) issued to physical persons who are citizens of the Republic of Serbia.

In case that the first-class bank guarantee is submitted as the means of payment for the deposit, it has to be payable within the period of 48 hours after the declaration of a buyer at the auction. The participation deposit is to be returned 15 days after the public auction is held.

The Privatization Agency keeps the right to change the day of the auction and the closing date for applying as well as to inform the interested, until the auction day at the latest.

Enterprise to be privatized will be visited, after the Agreement on Keeping the Confidential Information is signed, from 25.03.2005 to 18.04.2005, at the previously established time by the Privatization Agency, tel: 011/3020-804;011/3020-803 or fax: 011/3020-881.

\* *Total evaluation of the capital to be privatized, expressed in EURO, has been calculated in accordance with the official rate on 25.03.2005. godine.*

\*\* *Total business income and expense, expressed in EURO, have been calculated in accordance with average annual real rates.*

### Short description of PUBLIC AUCTION PROCEDURE

Capital sale by public auction is carried out by Auction Commission established by the Privatization Agency. The Commission monitors auction sale, registers auction participants, announces auction unsuccessful, signs the minute and does other important jobs for auction process according to the law. The conditions for auction implementation are fulfilled if at least one person is given the auction participant status, if he is personally present or through his official accredited representative. At time ordered for the start of PUBLIC AUCTION, auctioneer will open the first bidding where the means of payment can be in cash or due bonds. If there are many persons at the first bidding, the auctioneer announces initial price as well as each further increase. In case that none of the interested buyers react after the third call

for accepting newly established price, the auctioneer, by hammering, declares the auction finished. Selling price becomes the highest offered value, and the participant who has been the first to offer the highest price is declared a buyer. If after the announcement of the initial price nobody is interested even after the third call, the auctioneer declares the first bidding unsuccessful and immediately opens the second bidding where even immature bonds can be the means of payment. Those who have applied for the second bidding can participate in it, as well as the participants in the first bidding if it has been declared unsuccessful. If there are many participants in the second bidding the auctioneer announces initial price as well as each further increase. If none of the interested buyers react after the third call

for accepting newly established price, the auctioneer, by hammering, declares the auction finished. Selling price becomes the highest offered value, and the participant who has been the first to offer the highest price is declared a buyer. If after the announcement of the initial price nobody is interested even after the third call, the auction is declared unsuccessful, and the participants lose the right to be brought back the deposit. If only one person who has been given auction participant status attends the second bidding, that person is called three times to accept initial price. If he accepts the initial price, he is declared a buyer, and the initial price becomes selling price. If the participant doesn't accept the initial price, the auction is declared unsuccessful, and he loses the right to be returned the deposit.

### 1) Basic data on enterprise to be privatized: Socially-owned service enterprise ČISTOĆA, UŽICE

**Auction Code:** 260405-0996p

Official Registration Number: 17033069

Field of Work: **Cleaning of facilities**

Total estimated value of the capital to be privatized: **1.627.000 Din** or **20.103 \*EUR** which is **70 %** of the total capital of the economic entity.

**Deposit** for participation in the auction: **129.000 Din** or **1.591 \*EUR**

**Initial auction price:** **258.000 Din**

**Minimum investment** in the enterprise to be privatized: **55.000 Din**

#### The most important assets of the enterprise

##### A) Buildings – the most important facilities (m²):

1. Office space (85)

##### B) The most important equipment:

1) Computer (Pentium II) 2) Transporter – Van

##### C) Land (m²):

Statement of income and expense per year:		2003		2004	
Shown in:	Din	**EUR	Din	**EUR	
Total business income	1.380.000	21.212	1.513.000	23.257	
Total business expense	2.039.000	31.342	2.618.000	40.242	

**The most important products/services:** 1) Cleaning services

**Total number of employees:** 17; **employees with university qualifications:** 0

### 2) Basic data on enterprise to be privatized: Socially owned enterprise for ready made clothes KLUZ-SREM, RUMA

**Auction Code:** 260405-1151p

Official Registration Number: 17195581

Field of Work: **Production of clothing**

Total estimated value of the capital to be privatized: **80.887.000 Din** or **999.131 \*EUR** which is **70 %** of the total capital of the economic entity.

**Deposit** for participation in the auction: **6.471.000 Din** or **79.931 \*EUR**

**Initial auction price:** **12.942.000 Din**

**Minimum investment** in the enterprise to be privatized: **4.206.000 Din**

#### The most important assets of the enterprise

##### A) Buildings – the most important facilities (m²):

1. Production hall (3621) 2. Warehouse of raw materials (848) 3. Warehouse of finished products (829) 4. Administrative building (780) 5. Boiler house (208)

##### B) The most important equipment:

1) Sewing machine (Brother Dh48 980) 2) Sewing machine (60 pieces) (Pfaff 463) 3) Sewing machine (105 pieces) (Durkopp 212) 4) Light sewing machine (2 pieces) (Pfaff 483) 5) Compression apparatus (Atlas Copco) 6) Computer (Pentium 400/450) 7) Switchboard and telephones (Panasonic)

##### C) Land (m²): *Construction land: (13712) – socially owned*

Statement of income and expense per year:		2003		2004	
Shown in:	Din	**EUR	Din	**EUR	
Total business income	79.265.000	1.218.393	84.989.000	1.306.377	
Total business expense	84.923.000	1.305.363	101.086.000	1.553.807	

**The most important products/services:** 1) Hard ready-made clothes (coats) 2) Clothes and costumes 3) Wholesale and retail trade

**Total number of employees:** 503; **employees with university qualifications:** 1

### 3) Basic data on enterprise to be privatized: Socially-owned enterprise for wholesale and retail trade 4.JULI, BOJNIK

**Auction Code:** 260405-1183p

Official Registration Number: 07321759

Field of Work: **Other retail trade– general goods**

Total estimated value of the capital to be privatized: **8.959.000 Din** or **110.663 \*EUR** which is **70 %** of the total capital of the economic entity.

**Deposit** for participation in the auction: **448.000 Din** or **5.533 \*EUR**

**Initial auction price:** **896.000 Din**

**Minimum investment** in the enterprise to be privatized: **1.449.000 Din**

#### The most important assets of the enterprise

##### A) Buildings – the most important facilities (m²):

1. Main warehouse – tenure holder (700) 2. Kiln facility – tenure holder (100) 3. Office space Kosačić – tenure holder (150) 4. Office space – new supermarket – tenure holder (230) 5. Office space G. Brestovac (45) 6. Administrative building – tenure holder (150)

##### B) The most important equipment:

1) Truck (TAM 170) 2) Passenger vehicle (ZASTAVA 750) 3) Passenger vehicle (LADA SAMARA) 4) Passenger vehicle (ZASTAVA POLY)

##### C) Land (m²): *Construction land: (13498) – state owned, the enterprise has the right of use*

Statement of income and expense per year:		2002		2003	
Shown in:	Din	**EUR	Din	**EUR	

Total business income	566.000	9.378	295.000	4.534
Total business expense	6.220.000	103.057	6.650.000	102.218

**The most important products/services:** 1) Wholesale 2) Retail trade of general goods

**Total number of employees:** 39; **employees with university qualifications:** 0

#### 4) Basic data on enterprise to be privatized: Enterprise Foundry for casting pig MIP-LIVNICA Ltd., ČUPRIJA

**Auction Code:** 260405-1321p

Official Registration Number: **07165625**

Field of Work: **Iron casting**

Total estimated value of the capital to be privatized: **49.199.000 Din** or **607.717 \*EUR** which is **69,51 %** of the total capital of the economic entity.

**Deposit** for participation in the auction: **3.026.000 Din** or **37.378 \*EUR**

**Initial auction price:** **6.052.000 Din**

**Minimum investment** in the enterprise to be privatized: **2.274.000 Din**

**The most important assets of the enterprise**

**A) Buildings – the most important facilities (m²):**

1. Old foundry (2846) 2. Administrative building (119) 3. Compression station (40) 4. Warehouse of finished products (275) 5. Warehouse of raw materials (260) 6. Substation (12)

**B) The most important equipment:**

1) Equipment in foundry 2) Sand blasting machine (2 pieces) 3) Machine for sand preparation 4) Machine for moulding (8 pieces) 5) Electric furnace

**C) Land (m²):** *Construction land: (16083) – urban construction land – state owned*

Statement of income and expense per year:		2003		2004	
Shown in:	Din	**EUR	Din	**EUR	
Total business income	38.497.000	591.743	30.150.000	463.440	
Total business expense	41.714.000	641.192	37.338.000	573.927	

**The most important products/services:** 1) Conensation pots 2) House pumps 3) Mechanical waste interceptors 4) Overhead hydrants 5) Casting pig castings 6) Safety lids

**Total number of employees:** 116; **employees with university qualifications:** 2

#### 5) Basic data on enterprise to be privatized: Socially-owned enterprise for production of building material MERMER, ŽAGUBICA

**Auction Code:** 260405-1379

Official Registration Number: **07140908**

Field of Work: **Stone extraction for building construction**

Total estimated value of the capital to be privatized: **15.627.000 Din** or **193.028 \*EUR** which is **70 %** of the total capital of the economic entity.

**Deposit** for participation in the auction: **1.563.000 Din** or **19.303 \*EUR**

**Initial auction price:** **3.125.000 Din**

**Minimum investment** in the enterprise to be privatized: **2.912.000 Din**

**The most important assets of the enterprise**

**A) Buildings – the most important facilities (m²):**

1. Hall for cutting (340) 2. Administrative building (356) 3. Vehicle upkeep facility (141) 4. Shed (150)

**B) The most important equipment:**

1) Line for panel cutting (Sekoblic) 2) Crushing plant (Fagram) 3) ULT 160C (14. oktobar) 4) Buldožer TG140 (14. oktobar) 5) Dredger skip B51 (Skip)

**C) Land (m²):** *Construction land: (26219) – socially owned*

Statement of income and expense per year:		2003		2004	
Shown in:	Din	**EUR	Din	**EUR	
Total business income	8.614.000	132.407	7.237.000	111.241	
Total business expense	13.871.000	213.213	17.089.000	262.677	

**The most important products/services:** 1) Red and beige terazzo seed 2) Generator 3) Broken stone 4) Panels 5) Polished panels

**Total number of employees:** 49; **employees with university qualifications:** 1

#### 6) Basic data on enterprise to be privatized: Socially-owned enterprise for hydraulics, engineering, projecting and upkeep MINEL HIPO 7, BEOGRAD

**Auction Code:** 260405-1380

Official Registration Number: **07559771**

Field of Work: **Engineering**

Total estimated value of the capital to be privatized: **6.594.000 Din** or **81.451 \*EUR** which is **70 %** of the total capital of the economic entity.

**Deposit** for participation in the auction: **752.000 Din** or **9.284 \*EUR**

**Initial auction price:** **1.503.000 Din**

**Minimum investment** in the enterprise to be privatized: **1.420.000 Din**

**The most important assets of the enterprise**

**A) Buildings – the most important facilities (m²):**

**B) The most important equipment:**

1) Škoda felicia 1.9 (Škoda felicia) 2) Jugo skala 101 (Zastava) 3) Lada karavan (Lada) 4) Jack (Tip 2000) 5) Computer (Mi 1)

C) Land (m<sup>2</sup>):

Statement of income and expense per year:		2003		2004	
Shown in:	Din	**EUR	Din	**EUR	
Total business income	8.782.000	134.989	9.075.000	139.493	
Total business expense	9.609.000	147.701	9.606.000	147.655	

The most important products/services: 1) Hydraulic and pneumatic overhaul on machines 2) Making of hydraulic reservoirs 3) Engineering and projecting

Total number of employees: 12; employees with university qualifications: 3

#### 7) Basic data on enterprise to be privatized: Asbestos mine KORLAČE socially-owned enterprise, BRVENIK

**Auction Code: 260405-1381**

Official Registration Number: 07176112

Field of Work: Production of asbestos products

The most important assets of the enterprise

**A) Buildings – the most important facilities (m<sup>2</sup>):**

1. Short fibre works i MRK (1850) 2. Administrative building, Brvenik (750) 3. Warehouse of finished products (714) 4. Storehouse for filer (615) 5. Building of separation facility (328)

Total estimated value of the capital to be privatized: 215.780.000 Din or 2.665.361 \*EUR which is 70 % of the total capital of the economic entity.

Deposit for participation in the auction: 25.894.000 Din or 319.843 \*EUR

Initial auction price: 51.787.000 Din

Minimum investment in the enterprise to be privatized: 4.554.000 Din

**B) The most important equipment:**

1) Three-wheeled loading shovel (ULT-160c) 2) Crusher (DKT-900) 3) Cyclone (KAZ-1250) 4) Transformer (400/231) 5) Compressor (GANC-MWAG)

C) Land (m<sup>2</sup>): Construction land: (307160) – socially owned: mine pit: (432192) – socially owned: Agricultural land: (373349) – socially owned

Statement of income and expense per year:		2003		2004	
Shown in:	Din	**EUR	Din	**EUR	
Total business income	7.126.000	109.535	12.771.000	196.305	
Total business expense	13.576.000	208.679	15.487.000	238.053	

The most important products/services: 1) Exploitation of trench ore 2) Production of asbestos fibres for car industry 3) Production of asbestos fibres for bitumen industry

Total number of employees: 72; employees with university qualifications: 4

#### 8) Basic data on enterprise to be privatized: Enterprise for production, prefabrication, overhaul and upkeep of elevators KOSMAJ, BEOGRAD

**Auction Code: 260405-1382**

Official Registration Number: 06968376

Field of Work: Setting up of electro-installation and equipment

The most important assets of the enterprise

**A) Buildings – the most important facilities (m<sup>2</sup>):**

Total estimated value of the capital to be privatized: 102.467.000 Din or 1.265.695 \*EUR which is 70 % of the total capital of the economic entity.

Deposit for participation in the auction: 13.452.000 Din or 166.164 \*EUR

Initial auction price: 26.904.000 Din

Minimum investment in the enterprise to be privatized: 334.000 Din

**B) The most important equipment:**

1) Computer (2 pieces) (Pentium II) 2) Equipment for Iveko 3) Jack (Tirfor 1,6T) 4) Electric heater (ELCO M010) 5) Pneumatic drill (TE 2) 6) Plane top with 4 pallets 7) Vibration drill (GBN 10 RE) 8) Fax (Panasonic KXFT-71)

C) Land (m<sup>2</sup>):

Statement of income and expense per year:		2003		2004	
Shown in:	Din	**EUR	Din	**EUR	
Total business income	46.464.000	714.204	62.643.000	962.894	
Total business expense	44.995.000	691.624	62.519.000	960.988	

The most important products/services: 1) Overhaul and repair of elevators

Total number of employees: 76; employees with university qualifications: 2

#### 9) Basic data on enterprise to be privatized: Enterprise for geodetic and engineering works GEODETSKI BIRO, NIŠ

**Auction Code: 260405-1383**

Official Registration Number: 07133693

Field of Work: **Architectonic and engineering works**Total estimated value of the capital to be privatized: **7.297.000 Din** or **90.130 \*EUR** which is **70 %** of the total capital of the economic entity.**Deposit** for participation in the auction: **876.000 Din** or **10.816 \*EUR****Initial auction price: 1.751.000 Din****Minimum investment** in the enterprise to be privatized: **1.415.000 Din****The most important assets of the enterprise****A) Buildings – the most important facilities (m²):**

1. Administrative building, Ćirila i Metodija 17, Niš (199) 2. Auxiliary building, Ćirila i Metodija 17, Niš (40)

**B) The most important equipment:**

1) Jugo 45 – 2 pieces (Zastava) 2) Automatic level apparatus (Letica) 3) Ploter (HP 455) 4) Distomat (GTS 212-3989) 5) Total station (TC307.7)

**C) Land (m²): Construction land: (91) – urban construction land, the enterprise is user**

Statement of income and expense per year:		2003		2004	
Shown in:	Din	**EUR	Din	**EUR	
Total business income	6.392.000	98.252	4.690.000	72.091	
Total business expense	6.584.000	101.204	5.948.000	91.428	

**The most important products/services:** 1) Geodetic and engineering works**Total number of employees:** 12; **employees with university qualifications:** 2**10) Basic data on enterprise to be privatized: Yugoslav institut for town planning and residence Juginus, BEOGRAD****Auction Code: 260405-1384**

Official Registration Number: 07017952

Field of Work: **Research in the field of technical sciences**Total estimated value of the capital to be privatized: **8.203.000 Din** or **101.329 \*EUR** which is **70 %** of the total capital of the economic entity.**Deposit** for participation in the auction: **984.000 Din** or **12.160 \*EUR****Initial auction price: 1.969.000 Din****Minimum investment** in the enterprise to be privatized: **442.000 Din****The most important assets of the enterprise****A) Buildings – the most important facilities (m²):**

1. Office space – attic, Andrićev Venac 2 (66)

**B) The most important equipment:**

1) Lap top 2 pieces (DELL, IBM) 2) Printers 3 pieces 3) Computers 8 pieces (IBM) 4) Copier (Canon)

**C) Land (m²):**

Statement of income and expense per year:		2003		2004	
Shown in:	Din	**EUR	Din	**EUR	
Total business income	27.477.000	422.353	35.534.000	546.198	
Total business expense	27.109.000	416.696	29.571.000	454.540	

**The most important products/services:** 1) Consulting and management business 2) Space planning 3) Projecting of construction and other facilities 4) Engineering 5) Other architectonic and engineering activities and technical advice**Total number of employees:** 16; **employees with university qualifications:** 12**11) Basic data on enterprise to be privatized: Socially-owned enterprise mill BUDUĆNOST for production of mill and bakery products, TITEL****Auction Code: 260405-400**

Official Registration Number: 08256101

Field of Work: **Production of mill products**Total estimated value of the capital to be privatized: **7.819.000 Din** or **96.582 \*EUR** which is **70 %** of the total capital of the economic entity.**Deposit** for participation in the auction: **782.000 Din** or **9.658 \*EUR****Initial auction price: 1.564.000 Din****Minimum investment** in the enterprise to be privatized: **14.445.000 Din****The most important assets of the enterprise****A) Buildings – the most important facilities (m²):**

1. Building of mill (1015) 2. Warehouse for wheat (1210) 3. Warehouse for wheat (1044) 4. Warehouse for packed flour (660) 5. Administrative building (88)

**B) The most important equipment:**

1) Mill equipment 2) Scrubbing machine 3) Mill silo aspirator 4) Scrubbing machine (RSH) 5) Mill winnowing machine 6) Filter (F-104) 7) Ventilator tailpipe 8) Transporter

**C) Land (m²): Construction land: (254) – socially owned, (8.583) state owned-co-holder of right of use**

Statement of income and expense per year:		2003. godinu		2004. godinu	
Shown in:	Din	**EUR	Din	**EUR	

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Total business income	3.662.000	56.289	0	0
Total business expense	20.324.000	312.403	29.384.000	451.665

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**The most important products/services:** 1) Flour 2) Bread 3) Pastry 4) Cattle flour 5) Transport services

**Total number of employees:** 55; **employees with university qualifications:** 2