

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, Terazije 23, 9:00 – 17:00 from 01.07.2005 to 19.07.2005.

CLOSING DATE FOR APPLYING IS 20.07.2005 GODINE 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 280705, The Privatization Agency, Belgrade, Terazije 23".

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: 28.07.2005.

at the address: **The Privatization Agency, Belgrade, 23 Terazije St., 2nd floor, Large Hall at 11:00.** The registration of the auction participants will take place at the same address on: **28.07.2005, 09:00 – 10:50.**

Means of payment can be in convertible currency, bonds based on the outstanding foreign exchange saving which is to become due not later than the capital selling day (28.07.2005.) 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 (28.07.2005.) 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 29.06.2005 to 01.07.2005, 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 01.07.2005.

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

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 enterprise for production and processing of milk MLEKARA, PIROT

Auction code: 280705-1425p

Official Registration Number: **07172389**

Field of work: **Production of milk products**

Total estimated value of the capital to be privatized: **152.506.000 Din** or **1.843.099 *EUR** which is **70 %** of the total capital of the economic entity.

Deposit for participation in the auction: **12.200.000 Din** or **147.448 *EUR**

Initial auction price: **24.401.000 Din**

Minimum investment in the enterprise to be privatized: **101.419.000 Din**

The most important assets of the enterprise

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

1. Milk plant with administrative building (3748) 2. Warehouse (1052) 3. Sheep breeding facilities (8) (6208) 4. Goat breeding facilities (4) (1600) 5. Purchase places (14) (1585)

B) The most important equipment:

1) Receipt line 2) Pasteurizing line 3) Sour milk beverages line 4) Cheese line 5) Reblended butter line 6) Equipment for works central washing 7) Compression station 8) Steam boilers for central heating

C) Land (m²): *Construction land: 30724 – (socially owned), 89556 – (state owned); Agricultural land: 413152 – (socially owned)*

Statement of income and expense per year:

Shown in:	2003		2004	
	Din	**EUR	Din	**EUR
Total business income	0	0	214.231	2.935
Total business expense	4.453.000	68.448	4.618.172	63.261

The most important products/services: 1) Pasteurized milk 2) Yogurt 3) Cow and sheep cheese 4) Mixed cheese and small sheese 5) Cheese (Cow, sheep, mixed type) 6) Melted cheese 7) Sour milk cream 8) Butter bars

Ukupan broj zaposlenih: 50; **od toga VSS:** 3

2) Basic data on enterprise to be privatized: Enterprise for production, trade and services 26 SEPTEMBAR-METAL, KRUPANJ

Auction code: 280705-1428p

Official Registration Number: **06117058**

Field of work: **Casting of other non-ferrous metals**

Total estimated value of the capital to be privatized: **17.158.000 Din** or **207.362 *EUR** which is **70 %** of the total capital of the economic entity.

Deposit for participation in the auction: **858.000 Din** or **10.368 *EUR**

Initial auction price: **1.716.000 Din**

Minimum investment in the enterprise to be privatized: **897.000 Din**

The most important assets of the enterprise

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

1. Production hall (new) – non-registered (450) 2. Production hall (electroplating) – non-registered (300) 3. Sharpening workshop – non-registered (224) 4. Production hall (old) – non-registered (321) 5. Warehouse hall – non-registered (125) 6. Canteen in the new building – non-registered (66)

B) The most important equipment:

1) Hydraulic press – 2 pieces 2) Machine for screw rolling – 2 pieces 3) Electric laboratory furnace 200x300x100 4) Plane– 3 pieces (RS-25) 5) Ekscenter press – 3 pieces 6) transformer – 2 pieces (Selen)

C) Land (m²):

Statement of income and expense per year:

Shown in:	2003		2004	
	Din	**EUR	Din	**EUR
Total business income	5.555.000	85.387	541.000	7.411
Total business expense	14.886.000	228.815	7.606.000	104.189

The most important products/services: 1) Other types of metal locks 2) Hinges and chains for carpentry 3) Chain, equipment and other metal products 4) Terminals, iron castings 5) Other nonm-mentioned industrial production 6) Other external services

Total number of employees: 64; **employees with university qualifications:** 0

3) Basic data on enterprise to be privatized: Paper plant BOŽO TOMIĆ, ČAČAK BOŽO TOMIĆ, ČAČAK

Auction code: 280705-1358p

Official Registration Number: **07182309**

Field of work: **Production of paper and cardboard**

Total estimated value of the capital to be privatized: **777.332.000 Din** or **9.409.640 *EUR** which is **70 %** of the total capital of the economic entity.

Deposit for participation in the auction: **62.187.000 Din** or **752.771 *EUR**

Initial auction price: **124.373.000 Din**

Minimum investment in the enterprise to be privatized: **45.460.000 Din**

The most important assets of the enterprise

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

1. Hall of paper machine III (5070) 2. Thermopower plant (5000) 3. Hall of technological line and raw materials warehouse (2832) 4. Grinding trees with substation (1892) 5. Manual working up facility (1400)

B) The most important equipment:

1) Steam condensation system PM3 2) Turbine TE 3) Rejksorter (RS 2B) 4) Steam block boiler (T-113) 5) Burner gas-marine oil

C) Land (m²): *Construction land: (147594) – state owned***Statement of income and expense per year:**

Shown in:	2003		2004	
	Din	**EUR	Din	**EUR
Total business income	371.651.000	5.712.698	112.783.000	1.544.930
Total business expense	405.849.000	6.238.360	135.864.000	1.861.100

The most important products/services: 1) Production of paper and cardboard 2) Production of wood products 3) Production of steam 4) Paper processing 5) Production of household equipment, sanitary and toilet needs

Total number of employees: 546; **employees with university qualifications:** 16

4) Basic data on enterprise to be privatized: Publishing enterprise BEOGRAD Joint-stock company, BEOGRAD**Auction code:** 280705-1461

Official Registration Number: 07049307

Field of work: **Publishing of books and brochures**

Total estimated value of the capital to be privatized: **45.939.000 Din** or **556.099 *EUR** which is **69,482 %** of the total capital of the economic entity.

Deposit for participation in the auction: **5.513.000 Din** or **66.732 *EUR**

Initial auction price: **11.025.000 Din**

Minimum investment in the enterprise to be privatized: **193.000 Din**

The most important assets of the enterprise**A) Buildings – the most important facilities (m²):**

1. Office space, Beograd, 27. Marta br.39 (347) 2. Warehouse space (152)

B) The most important equipment:

1) Office supplies and furniture

C) Land (m²):**Statement of income and expense per year:**

Shown in:	2003		2004	
	Din	**EUR	Din	**EUR
Total business income	1.656.000	25.455	1.903.000	26.068
Total business expense	1.756.000	26.992	2.084.000	28.547

The most important products/services: 1) Book publishing

Total number of employees: 6; **employees with university qualifications:** 1

5) Basic data on enterprise to be privatized: Socially-owned enterprise for projecting, engineering, and consulting GRAĐEVINAR PROJEKT, NIŠ**Auction code:** 280705-1462

Official Registration Number: 07173466

Field of work: **Projecting of construction and other facilities**

Total estimated value of the capital to be privatized: **38.038.000 Din** or **460.454 *EUR** which is **70 %** of the total capital of the economic entity.

Deposit for participation in the auction: **4.565.000 Din** or **55.254 *EUR**

Initial auction price: **9.129.000 Din**

Minimum investment in the enterprise to be privatized: **1.092.000 Din**

The most important assets of the enterprise**A) Buildings – the most important facilities (m²):**

1. Administrative building, IX brigade 6 (615) 2. Garage, Učitelj Milina 1 (16,5) 3. Flat, Bulevar Nemanjića 66/21 (70)

B) The most important equipment:

1) Vehicle (Vento 1900 D) 2) Plotter (HP design JET) 3) Copier 4) Computer (Pentium IV)

C) Land (m²): *Construction land: 250 – (state owned)***Statement of income and expense per year:**

Shown in:	2003		2004	
	Din	**EUR	Din	**EUR
Total business income	9.448.000	145.226	9.800.000	134.243
Total business expense	9.207.000	141.522	9.676.000	132.544

The most important products/services: 1) Town-planning and projecting 2) Construction facility projecting 3) Engineering

Total number of employees: 28; **employees with university qualifications:** 13

6) Basic data on enterprise to be privatized: Socially-owned enterprise for production, processing, and trade of non-ferrous metals JUŽNA MORAVA, VLADIČIN HAN

Auction code: 280705-1463

Official Registration Number: 07178964

Field of work: **Production of insulated wire and cables**

Total estimated value of the capital to be privatized: **46.469.000 Din** or **562.512 *EUR** which is **70 %** of the total capital of the economic entity.

Deposit for participation in the auction: **5.576.000 Din** or **67.501 *EUR**

Initial auction price: 11.153.000 Din

Minimum investment in the enterprise to be privatized: **1.735.000 Din**

The most important assets of the enterprise

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

1. Production hall and annex (2957) 2. Administrative building (300) 3. Doorman's booth (44) 4. Garage (74)

B) The most important equipment:

1) Automat for manufacture of nails 2) Digital switchboard (Panasonic D1232) 3) Truck (FAP 15-16) 4) Machine for drawing-out (U11-1) 5) Machine for drawing-out (U11-2)

C) Land (m²): *Construction land: 7808 – (socially-owned)*

Statement of income and expense per year:

Shown in:	2003		2004	
	Din	**EUR	Din	**EUR
Total business income	31.442.000	483.299	28.531.000	390.825
Total business expense	36.697.000	564.075	36.539.000	500.521

The most important products/services: 1) Aluminium steel cords 2) Cords for protection and transmission lines earth works 3) Motor adapting up to 100 kW 4) Wooden transport terminals

Total number of employees: 78; **employees with university qualifications:** 2

7) Basic data on enterprise to be privatized: Socially-owned traffic enterprise CRVENI SIGNAL PANČEVO, PANČEVO

Auction code: 280705-1464

Official Registration Number: 08167150

Field of work: **Driver's school**

Total estimated value of the capital to be privatized: **9.165.000 Din** or **110.948 *EUR** which is **70 %** of the total capital of the economic entity.

Deposit for participation in the auction: **1.100.000 Din** or **13.314 *EUR**

Initial auction price: 2.200.000 Din

Minimum investment in the enterprise to be privatized: **369.000 Din**

The most important assets of the enterprise

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

1. Administrative building (343) 2. Car service (118)

B) The most important equipment:

1) Passenger vehicle (4) (Yugo)

C) Land (m²):

Statement of income and expense per year:

Shown in:	2003		2004	
	Din	**EUR	Din	**EUR
Total business income	834.000	12.820	547.000	7.493
Total business expense	2.336.000	35.907	2.177.000	29.821

The most important products/services: 1) Driver's training

Total number of employees: 6; **employees with university qualifications:** 1

8) Basic data on enterprise to be privatized: Socially-owned enterprise for production and trade of milk-bakery products and concentrate UMI-PEK, LESKOVAC

Auction code: 280705-1465

Official Registration Number: 07137907

Field of work: **Production of mill products**

Total estimated value of the capital to be privatized: **282.132.000 Din** or **3.415.218 *EUR** which is **70 %** of the total capital of the economic entity.

Deposit for participation in the auction: **33.856.000 Din** or **409.826 *EUR**

Initial auction price: 67.712.000 Din

Minimum investment in the enterprise to be privatized: **19.207.000 Din**

The most important assets of the enterprise

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

1. Building of mill (3482) 2. Mechanized warehouse of 300t (2048) 3. Building of warehouse (3050) 4. Warehouse with laboratory (1200) 5. Mill Vlasotince (1128) 6. Mill Pečenjevac (1416) 7. Building of bakery (3480)

B) The most important equipment:

1) Technological line of mill for wheat grinding 2) Technological line of mill for wheat grinding 3) Technological line of silo 4) Technological line of fodder plant 5) Technological line of bakery

C) Land (m²): Construction land: 11812 - (socially-owned), 60635 - (state owned)

Statement of income and expense per year:		2003		2004	
Shown in:	Din		**EUR	Din	**EUR
Total business income	260.728.000		4.007.686	284.480.000	3.896.880
Total business expense	267.464.000		4.111.226	315.946.000	4.327.909

The most important products/services: 1) Flour 2) Wheat grits and germs 3) Cattle flour 4) Bread 5) White pastry 6) Crust 7) Pastry

Total number of employees: 414; employees with university qualifications: 25

9) Basic data on enterprise to be privatized: AUTOPROMET Joint-stock company, NIŠ

Auction code: 280705-1466

Official Registration Number: 07211902

Field of work: Sale of components and equipment for motor vehicles

Total estimated value of the capital to be privatized: 95.546.000 Din or 1.156.594 *EUR which is 69,923 % of the total capital of the economic entity.

Deposit for participation in the auction: 9.555.000 Din or 115.659 *EUR

Initial auction price: 19.109.000 Din

Minimum investment in the enterprise to be privatized: 4.887.000 Din

The most important assets of the enterprise

A) Buildings - the most important facilities (m²):

1. Car store Niš, Sindelićev trg 18 - user (1010) 2. Store Prokuplje (52) 3. StorePirotd (96) 4. Administrative building Niš, Balkanska 2 - user (732) 5. Central warehouse Niš, Leskovačka bb - user (1930)

B) The most important equipment:

1) Tarpaulin for 3-50-8 (3-50-8) 2) Switchboard 3) Fax (KX-F-580) 4) Computer (Pentium) 5) Work station 6) Booths, wardrobes, shelves - 95 pieces

C) Land (m²):

Statement of income and expense per year:		2003		2004	
Shown in:	Din		**EUR	Din	**EUR
Total business income	14.743.000		226.617	13.263.000	181.680
Total business expense	22.857.000		351.338	22.362.000	306.320

The most important products/services: 1) Prodaja robe

Total number of employees: 48; employees with university qualifications: 5

10) Basic data on enterprise to be privatized: Socially-owned enterprise for production, processing, and trade of fish ŠARANSKI RIBNJAK ŽIVAČA, BOLJEVCI

Auction code: 280705-1467

Official Registration Number: 17483340

Field of work: Spawn and breeding of fish in fish ponds

Total estimated value of the capital to be privatized: 70.651.000 Din or 855.232 *EUR which is 70 % of the total capital of the economic entity.

Deposit for participation in the auction: 8.478.000 Din or 102.628 *EUR

Initial auction price: 16.956.000 Din

Minimum investment in the enterprise to be privatized: 3.245.000 Din

The most important assets of the enterprise

A) Buildings - the most important facilities (m²):

1. Administrative building (122) 2. Pump station by fish pond (34) 3. Warehouse for fish food (498) 4. Briquette building (569) 5. Building of fish flour plant (147) 6. Building of warehouse of shell workshop (350) 7. Building of processing works (235)

B) The most important equipment:

1) Centrifuge water pump 2) Electric water pump 3) Machine for fish vacuuming 4) Propeller pump 5) Vacuum machine 6) Motor mower (Stihl FS 350)

C) Land (m²): Construction land: 1772183 - (state owned)

Statement of income and expense per year:		2003		2004	
Shown in:	Din		**EUR	Din	**EUR
Total business income	134.000		2.060	1.351.000	18.506
Total business expense	3.037.000		46.682	7.810.000	106.983

The most important products/services: 1) Konzumni šaran

Total number of employees: 12; employees with university qualifications: 1

11) Basic data on enterprise to be privatized: KOOPERATIVA production, foreign and domestic trade A.D., BEOGRAD

Auction code: 280705-1355p

Official Registration Number: 07044801

Field of work: **Pr4ocessing and canning of fruit and vegetables**Total estimated value of the capital to be privatized: **670.445.000 Din** or **8.105.497 *EUR** which is **58,212 %** of the total capital of the economic entity.**Deposit** for participation in the auction: **53.636.000 Din** or **648.440 *EUR****Initial auction price: 107.271.000 Din****Minimum investment** in the enterprise to be privatized: **17.000.000 Din****The most important assets of the enterprise****A) Buildings – the most important facilities (m²):**

1. Silo in Ostružnica 5000 t (0) 2. Office space, Vojvode Mišića 37-39, Beograd (1502) 3. Production-business facility in Sabac (2554) 4. Office space, Kneza Miloša 45, Beograd (134) 5. Cold-storage room with office space in Mladenovac (1960) 6. Drying room with earehouse, Dučina (1400) 7. Drying room with warehouse, Krnule (936)

B)The most important equipment:

1) Cooling compression generator (13) (JUGOSTROJ 105 N) 2) Flow tunnel (IGLOPOL) 3) Electric air-conditioner 4) Equipment for the silo 5) Drying equipment 6) Pasteurizing machine 7) Pitting machine 8) Transporter (MERCEDES) 9) Transpotrer (FAP DAIMLER BENZ) 10) Electric forklift truck

C) Land (m²): *Construction land: 942- (socially owned) Agricultural land: 475376- (socially owned), 188846- (state owned)***Statement of income and expense per year:**

Shown in:	2003		2004	
	Din	**EUR	Din	**EUR
Total business income	142.644.000	2.192.600	52.928.000	725.021
Total business expense	154.462.000	2.374.256	90.182.000	1.235.336

The most important products/services: 1) Frozen raspberry 2) Paster cherry 3) Frozen blackberry 4) Pasteurized gherkin 5) String beans, peas, pepper 6) Marmalade 7) Beetroot**Total number of employees:** 128; **employees with university qualifications:** 6**12) Basic data on enterprise to be privatized: Socially-owned publishing enterprise BIGZ PUBLISHING, BEOGRAD****Auction code: 280705-1468**

Official Registration Number: 07006462

Field of work: **Publishing of books and brochures**Total estimated value of the capital to be privatized: **200.502.000 Din** or **2.424.018 *EUR** which is **70 %** of the total capital of the economic entity.**Deposit** for participation in the auction: **24.060.000 Din** or **290.882 *EUR****Initial auction price: 48.121.000 Din****Minimum investment** in the enterprise to be privatized: **1.967.000 Din****The most important assets of the enterprise****A) Buildings – the most important facilities (m²):**

1. Office space, Bulevar Vojvode Mišića 17 (2480) 2. Office space, Zagreb (93) 3. Kiosk in Belgrade (10)

B)The most important equipment:

1) Device for processing of image and text 2) Mail franking machine3) Vehicle (Toyota Corolla 1300 XL) 4) Vehicle (Florida 13 EFI)

C) Land (m²):**Statement of income and expense per year:**

Shown in:	2003		2004	
	Din	**EUR	Din	**EUR
Total business income	22.247.000	341.962	6.470.000	88.628
Total business expense	31.501.000	484.206	18.774.000	257.171

The most important products/services: 1) Book publishing 2) Magazine publishing**Total number of employees:** 62; **employees with university qualifications:** 7**13) Basic data on enterprise to be privatized: Socially-owned enterprise for wholesale and retail trade JUGOCENTAR, BEOGRAD****Auction code: 280705-1429**

Official Registration Number: 07055404

Field of work: **Other retail trade – general goods**Total estimated value of the capital to be privatized: **683.260.000 Din** or **8.257.496 *EUR** which is **70 %** of the total capital of the economic entity.**Deposit** for participation in the auction: **81.991.000 Din** or **990.897 *EUR****Initial auction price: 163.982.000 Din****Minimum investment** in the enterprise to be privatized: **19.089.000 Din****The most important assets of the enterprise****A) Buildings – the most important facilities (m²):**

1. Department store "Jugocentar" – Palmira Toljatija 7 (8352)

B)The most important equipment:

1) Computer (Compaq Armada 7800) 2) Printer (HP LaserJet 2100) 3) Measuring counter 4) Switchboard (Panasonic) 5) Wooden gondola 6) Computers(Celeron 633)

C) Land (m²):

Statement of income and expense per year: Shown in:	2003		2004	
	Din	**EUR	Din	**EUR
Total business income	18.845.000	289.669	23.348.000	319.827
Total business expense	32.740.000	503.251	32.113.000	439.892

The most important products/services: 1) Retail trade of textile 2) Retail trade of clothing 3) Retail trade of footwear 4) Retail trade of furniture 5) Retail trade of household appliances

Total number of employees: 123; **employees with university qualifications:** 3