

PUBLIC INVITATION FOR PARTICIPATION IN PUBLIC AUCTIONS

Basic Data on Auction Sale

Those who are interested can purchase auction documentation at the price of: **CSD 25.000**, after the receipt of invoice from the Privatization Agency. VAT is not calculated in the price. The purchase of the auction documentation is obligatory, and on its receipt one is to sign the Confidentiality Agreement. After the payment evidence has been submitted, the auction documentation can be collected at the following address: Privatization Agency, Belgrade, Terazije 23, from 09:00 – 17:00 on weekdays, from 14.10.2005 until 08.11.2005.

CLOSING DATE FOR THE APPLICATION SUBMISSION is 09.11.2005 until 17:00.

Filled application, which is a part of the auction documentation, with the signed draft of the SPA and the deposit payment evidence, is to be submitted in a closed envelope with inscription: "THE APPLICATION FOR PARTICIPATION IN PUBLIC AUCTION 171105, Privatization Agency, Belgrade, Terazije 23".

IF THERE IS NAME OF THE SUBJECT UNDERGOING PRIVATIZATION ON THE ENVELOPE, OR FULL AUCTION CODE, THE APPLICATION CAN BE REJECTED.

THE AUCTION IS GOING TO BE HELD ON 17.11.2005

at the address: **Privatization Agency, Belgrade, Terazije 23, 2nd floor, Big Hall**, at **11:00**. The registration of the auction participants is going to take place at the same address on: **17.11.2005, from 09:00 – 10:50**.

Means of payment can be in domestic currency, foreign convertible currency, state bonds based upon the unpaid foreign currency savings of citizens, which are to become due not later than the date of the sale of capital (17.11.2005), issued to the natural persons, who are the citizens of the Republic of Serbia. If the participant applies only for the second bidding, the means of payment can be even the state bonds based upon the unpaid foreign currency savings of citizens, which **are not to become due** until the capital sale date (17.11.2005), issued to the physical persons, who are citizens of the Republic of Serbia.

In case the first class bank guarantee has been submitted as the means of deposit payment, it is to be due within 48 hours after the declaration a buyer.

Deposit for participation is to be brought back 15 days after the public auction is held.

The Privatization Agency keeps the right to change the auction date as well as the closing date for the application submission if necessary, but also to inform on these changes, if any, the interested physical persons or legal entities, until the auction day at the latest.

The visit to the subject undergoing privatization shall be carried out after the signing the Agreement on Confidentiality in period from 14.10.2005 until 08.11.2005, after previously the time-table with the Privatization Agency has been established, phone: 011/3020-804;011/3020-803 or fax: 011/3020-881.

* *The entire estimated capital value to be privatized, stated in EUR, is calculated according to the official exchange rate on 14.10.2005.*

** *The total business income and expense data, stated in EUR, were calculated according to the average annual real exchange rates.*

Brief description of the PUBLIC AUCTION PROCEDURE

The sale of the capital by method of the public auction is carried out by the Auction Commission, which is established by the Privatization Agency. The commission supervises the capital sale by the auction, registers the auction participants, pronounces the auction for unsuccessful, signs the minutes and performs other activities of importance for the auction performance in accordance with the Law. The conditions for the auction to be carried out are met, if at least one person has obtained the status of the auction participant and if it is presented personally or by an authorized representative. At the time ordered for the PUBLIC AUCTION opening, auctioneer shall open the first bidding, on which occasion the means of payment can be in cash or due bonds. If there is more than one person at the first bidding, the auctioneer announces the initial price as well as each further increase. In case that none of the interested buyers reacts after the third call for acceptance the newly established price, the auctioneer

declares the auction finished by hammering. The 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 there have not been interested parties after the announcement of the initial price, even after the third call, the auctioneer declares the first bidding unsuccessful by hammering and immediately afterwards opens the second bidding, on which occasion even undue state bonds can be the means of payment. Those who have applied for the second bidding can participate in, as well as the participants in the first bidding, in case it has been declared unsuccessful. If in the second bidding participate more than one person, the auctioneer announces the initial price, as well as each further increase. If none of the interested buyers reacts after the third call for acceptance the newly established price, the auctioneer, by hammering, declares the auction closed. The 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 there have not been any interested parties 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 party who has been given the auction participant status attends the second bidding, that party is invited three times to accept the initial price. If she/he accepts the initial price, she/he is declared a buyer and the initial price becomes the selling price. If the participant does not accept the initial price, the auction is declared unsuccessful, and she/he loses the right to be brought back the deposit.

1) Basic information on the subject undergoing privatization: Ugostiteljsko turističko društveno preduzeće "BANAT" sa p.o., KOVACICA

Auction Sale Code: 171105-1108 p

ID Number of the Subject: **08150559**

Field of work: **Snack-bars**

The entire estimated value of the capital to be privatized: **CSD 21.108.000** or ***EUR 245.978**, representing **70 %** of the total capital of the enterprise.

Deposit for auction participation: **CSD 1.055.000** or ***EUR 12.299**

The initial auction price: CSD 2.111.000

Minimum of the investments into the subject to be privatized: **CSD 1.013.000**

The most important property of the subject undergoing privatization

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

1. Hotel «Park» – user (1080) 2. Restaurant «Centar» – user (254) 3. Restaurant «Radnik» – user (334)

B) The most important equipment:

1) Tables and chairs (789 pieces) 2) Washing machine (4 pieces) 3) Refrigerator (5 pieces – Gorenje) 4) Deep freezer (9 pieces) (LTH-HO)

V) Land facilities (m²): *Construction land: (1668) – state owned*

Balance sheet per year:	2003		2004	
	CSD	**EUR	CSD	**EUR
Shown in:				
Total business revenues	0	0	0	0
Total business expenses	4.656.000	71.568	0	0

Main products/ services: 1) Catering trade services

Total number of employees: 21; of which **BS/ BA:** 0

2) Basic information on the subject undergoing privatization: Društveno preduzeće "INZENJERING-PROMET", ZRENJANIN

Auction Sale Code: 171105-1337 p

ID Number of the Subject: **08203776**

Field of work: **Metal production**

The entire estimated value of the capital to be privatized: **CSD 24.000** or ***EUR 283**, representing **70,00 %** of the total capital of the enterprise.

Deposit for auction participation: **CSD 2.000** or ***EUR 23**

The initial auction price: CSD 4.000

Minimum of the investments into the subject to be privatized: **CSD 6.000**

The most important property of the subject undergoing privatization

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

1. Office – rented/taken a lease (until 2007) (9,36)

B) The most important equipment:

1) Conference table (2 pieces) 2) Armchair (12 pieces) 3) Telephone advice (Panasonic) 4) PC with printer (HP DESK JET 940 C)

B) Land facilities (m²):

Balance sheet per year:	2003		2004	
	CSD	**EUR	CSD	**EUR
Shown in:				
Total business revenues	166.000	2.552	6.000	82
Total business expenses	332.000	5.103	175.000	2.397

Main products/ services: 1) Production of equipment/ advices for vegetable oils and fats 2) Metal constructions/ parts 3) Production of tanks and reservoirs 4) Production of other specialized machines/ advices 5) Woods, construction materials and central heating equipment - wholesale 6) Retail trade in non-specialized shops

Total number of employees: 1; of which **BS/ BA:** 1

3) Basic information on the subject undergoing privatization: BIGZ-Graficko preduzeće, BELGRADE

Auction Sale Code: 171105-1477 p

ID Number of the Subject: **17143611**

Field of work: **Newspaper printing**

The entire estimated value of the capital to be privatized: **CSD 1.232.060.000** or ***EUR 14.357.242**, representing **70 %** of the total subject capital to be privatized.

Deposit for auction participation: **CSD 98.563.000** or ***EUR 1.148.558**

The initial auction price: CSD 197.126.000

Minimum of the investments into the subject to be privatized: **CSD 339.983.000**

The most important property of the subject undergoing privatization

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

1. Office premises, Bulevar Vojvode Misica 17 (20265) 2. Apartments, Almaska 3, Novi Sad (513)

B) The most important equipment:

1) Gilding press (Bautrek) 2) Printing machine (Heidelberg) 3) Automate for notebook production 4) Brochure line for books 5) Offset machine (Roland Rekord)

V) Land facilities (m²): *Construction land: (7947) – state owned*

Balance sheet per year:	2003		2004	
	CSD	**EUR	CSD	**EUR
Shown in:				
Total business revenues	147.330.000	2.264.629	163.942.000	2.245.719
Total business expenses	160.219.000	2.462.748	163.930.000	2.245.555

Main products/ services: 1) Books printing – free binding 2) Books printing – hard binding 3) Magazine printing 4) Printing of advertising/marketing materials 5) Form printing

Total number of employees: 252; of which BS/ BA: 8

4) Basic information on the subject undergoing privatization: Drustveno zanatsko firmopisacko preduzece ABC, Belgrade

Auction Sale Code: 171105-1484 p

ID number of the Subject: 07009038

Field of work: **Books binding and similar**

The entire estimated value of the capital to be privatized: **CSD 1.076.000** or ***EUR 12.537**, representing **70 %** of the total subject capital to be privatized.

Deposit for auction participation: **CSD 3.000** or ***EUR 38**

The initial auction price: **CSD 6.000**

Minimum of the investments into the subject to be privatized: **CSD 83.000**

The most important property of the subject undergoing privatization

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

B) The most important equipment:

1) Cash desk 2) Chairs 3) Advertising equipment

V) Land facilities (m²):

Balance sheet per year:	2003		2004	
Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues	561.000	8.623	322.000	4.411
Total business expenses	3.789.000	58.241	846.000	11.589

Main products/ services: 1) Books binding 2) Catering trade

Total number of employees: 3; of which BS/ BA: 0

5) Basic information on the subject undergoing privatization: Vunarski Institut VUNIL, LESKOVAC

Auction Sale Code: 171105-1485 p

ID Number of the Subject: 07214162

Field of work: **Technical testing/ research and analysis**

The entire estimated value of the capital to be privatized: **CSD 20.054.000** or ***EUR 233.688**, representing **70,00 %** of the total subject capital to be privatized.

Deposit for auction participation: **CSD 1.604.000** or ***EUR 18.695**

The initial auction price: **CSD 3.209.000**

Minimum of the investments into the subject to be privatized: **CSD 2.255.000**

The most important property of the subject undergoing privatization

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

1. Building of the Institut (1246) 2. Garage (21) 3. Plastic barracks (6)

B) The most important equipment:

1) Complete laboratory equipment for physical and mechanical research) 2) Complete laboratory equipment for chemical research of textiles and water control 3) Complete production line for copper knit ropes 4) Passenger vehicle – honda «Civic» (1,6 LX) 5) Knitting machine 12/24 6) Transformer station

V) Land facilities (m²): *Construction land: (1579) – state owned*

Balance sheet per year:	2003		2004	
Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues	9.970.000	153.250	6.544.000	89.641
Total business expenses	13.268.000	203.944	10.226.000	140.078

Main products/ services: 1) Quality control of textiles 2) Copper and tin ropes production and similar knittings 3) Boiler water controlling

Total number of employees: 25; of which BS/ BA: 4

6) Basic information on the subject undergoing privatization: Drustveno preduzece za usluge MONTER, SOKOBANJA

Auction Sale Code: 171105-1487 p

ID Number of the Subject: 07144245

Field of work: **Isolating**

The entire estimated value of the capital to be privatized: **CSD 4.929.000** or ***EUR 57.433**, representing **70,00 %** of the total subject capital to be privatized.

Deposit for auction participation: **CSD 246.000** or ***EUR 2.872**

The initial auction price: **CSD 493.000**

Minimum of the investments into the subject to be privatized: **CSD 408.000**

The most important property of the subject undergoing privatization

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

1. Hall-plant (583) 2. Furnace-coownership (14)

B) The most important equipment:

1) Telefax (Panasonic) 2) Advice Fonit 4 3) Welding machine (Varing 300)

V) Land facilities (m²): *Construction land: (736) – state owned;*

Balance sheet per year:	2003		2004	
Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues	0	0	0	0
Total business expenses	1.544.000	23.733	1.220.000	16.712

Main products/ services: 1) Metal constructions and accessories production 2) Hydroconstructions 3) Electric power installations and belonging equipment 4) Floor and wall tiles 5) Glass, wall paper and porcelain wholesale
Total number of employees: 7; of which BS/ BA: 0

7) Basic information on the subject undergoing privatization: DP za usluge spedicije, prevoza u drumskom teretnom saobraćaju, trgovine na veliko i malo, posredovanje, uvoza i izvoza KUČAJ SPED, ZAJECAR

Auction Sale Code: 171105-149op

ID Number of the Subject: 17010468

Field of work: **goods transport in road traffic**

The entire estimated value of the capital to be privatized: **CSD 239.000** or ***EUR 2.784**, representing **70 %** of the total subject capital to be privatized.

Deposit for auction participation: **CSD 17.000** or ***EUR 199**

The initial auction price: **CSD 34.000**

Minimum of the investments into the subject to be privatized: **CSD 15.000**

The most important property of the subject undergoing privatization

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

B) The most important equipment:

1) PC (Pentium II) 2) Fax machine (Daewo elektonic) 3) Telephone (Panasonic) 4) Heater

V) Land facilities (m²):

Balance sheet per year:	2003		2004		
	Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues		8.959.000	137.710	10.094.000	138.270
Total business expenses		9.114.000	140.093	10.008.000	137.092

Main products/ services: 1) Mediating in freight forwarding operations

Total number of employees: 1; of which BS/ BA: 0

8) Basic information on the subject undergoing privatization: Trgovinsko preduzeće za promet na veliko i malo CRVENA ZASTAVA sa p.o., VRNJACKA BANJA

Auction Sale Code: 171105-1491p

ID Number of the Subject: 07177372

Field of work: **Foods retail sale**

The entire estimated value of the capital to be privatized: **CSD 249.490.000** or ***EUR 2.907.321**, representing **66,906 %** of the total subject capital to be privatized.

Deposit for auction participation: **CSD 19.959.000** or ***EUR 232.586**

The initial auction price: **CSD 39.918.000**

Minimum of the investments into the subject to be privatized: **CSD 3.992.000**

The most important property of the subject undergoing privatization

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

1. Storage place – railway station (1469) 2. Warehouse «Jadran» (1820) 3. Shop «Autodelovi» (146) 4. Shop «Bazar» (223) 5. Shop «Paviljon» (80) 6. Shop «Savremeni Dom» (481)

B) The most important equipment:

1) Stacks, worktables 2) Telephone switch-board 3) Tank 4) Telephones(advice) 5) Thermo ovens 6) Passenger car (Toyota Corrola) 7) Lorry (FAP 8,7t)

V) Land facilities (m²): *Construction land: (15616)(5.015) – state owned; (10.601) – socially-owned*

Balance sheet per year:	2003		2004		
	Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues		49.792.000	765.360	44.436.000	8.808
Total business expenses		65.968.000	1.014.003	65.917.000	53.820

Main products/ services: 1) Retail sale of metal/electrotechnician products 2) Retail sale of bread, bakery products, milk/milk products 3) Retail sale of textiles and clothes 4) Retail sale – miscellaneous items

Total number of employees: 140; of which BS/ BA: 2

9) Basic information on the subject undergoing privatization: Preduzeće za izradu i promet naocara za korekciju vida OCNA OPTIKA DOO u drustvenoj svojini, NIS

Auction Sale Code: 171105-1504

ID Number of the Subject: 07173245

Field of work: **Orthopedical equipment**

The entire estimated value of the capital to be privatized: **CSD 8.702.000** or ***EUR 101.404**, representing **70,00 %** of the total subject capital to be privatized.

Deposit for auction participation: **CSD 1.044.000** or ***EUR 12.168**

The initial auction price: **CSD 2.088.000**

Minimum of the investments into the subject to be privatized: **CSD 395.000**

The most important property of the subject undergoing privatization

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

1. Shop – Nis – Vozdova 6 (66) 2. Shop – Leskovac (25) 3. Shop – Bor (30)

B) The most important equipment:

1) Dioptrics measuring device 2) Template machine 3) Polishing plates (M140, M150) 4) Cutting machine (Minolta 140) 5) Focometer

V) Land facilities (m²): *Construction land: (121) – state owned*

Balance sheet per year:	2003		2004	
	Shown in:	CSD	**EUR	CSD

Total business revenues	1.951.000	29.989	1.785.000	24.451
Total business expenses	2.385.000	36.660	2.075.000	28.424

Main products/ services: 1) Optical instruments and photograph equipment 2) Retail sale in the specialized shop 3) Health services 4) Other kinds of health care

Total number of employees: 8; of which BS/ BA: 0

10) Basic information on the subject undergoing privatization: Preduzece za trgovinske i druge poslove METALOTEHNA TREJD D.O.O., BEOGRAD

Auction Sale Code: 171105-1505

ID Number of the Subject: **06673244**

Field of work: **Retail trade of metal items and colours**

The entire estimated value of the capital to be privatized: **CSD 19.920.000** or *EUR 232.125, representing **53,704 %** of the total subject capital to be privatized.

Deposit for auction participation: **CSD 1.992.000** or *EUR 23.213

The initial auction price: **CSD 3.984.000**

Minimum of the investments into the subject to be privatized: **CSD 1.803.000**

The most important property of the subject undergoing privatization

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

1. Apartment, Kralja Milutina Street 36 (56) 2. Shop, Nehruova 51a (25) 3) Two metal-sheet hangars, Kijevo-Knezevac – non-booked user (622)

B) The most important equipment:

V) Land facilities (m²):

Balance sheet per year:	2003		2004	
Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues	540.000	8.300	847.000	11.602
Total business expenses	2.590.000	39.811	2.528.000	34.629

Main products/ services: 1) Retail sale 2) Wholesale

Total number of employees: 6; of which BS/ BA: 1

11) Basic information on the subject undergoing privatization: Drustveno preduzece za untrasnju i spoljnu trgovinu, projektovanje i usluge DOMA-IMPEKS, BELGRADE

Auction Sale Code: 171105-1506

ID Number of the Subject: **06719660**

Field of work: **Various retail sale**

The entire estimated value of the capital to be privatized: **CSD 4.150.000** or *EUR 48.366, representing **70 %** of the total subject capital to be privatized.

Deposit for auction participation: **CSD 415.000** or *EUR 4.837

The initial auction price: **CSD 830.000**

Minimum of the investments into the subject to be privatized: **CSD 230.000**

The most important property of the subject undergoing privatization

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

1. Apartment–2nd floor, Vojvode Dobrnjca 38 – non-booked user (150)

B) The most important equipment:

V) Land capacities (m²):

Balance sheet per year:	2003		2004	
Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues	0	0	1.663.000	22.780
Total business expenses	1.194.000	18.353	2.151.000	29.465

Main products/ services: 1) Wholesale

Total number of employees: 5; of which BS/ BA: 2

12) Basic information on the subject undergoing privatization: Drustveno preduzece GEOSONDAPROJEKT, za studije, projektovanje i inzenjering, BELGRADE

Auction Sale Code: 171105-1508

ID Number of the Subject: **07044739**

Field of work: **Construction planning and engineering**

The entire estimated value of the capital to be privatized: **CSD 16.523.000** or *EUR 192.541, representing **70,00 %** of the total subject capital to be privatized.

Deposit for auction participation: **CSD 2.263.000** or *EUR 26.374

The initial auction price: **CSD 4.527.000**

Minimum of the investments into the subject to be privatized: **CSD 301.000**

The most important property of the subject undergoing privatization

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

B) The most important equipment :

1) Passenger car (Golf) 2) PC 3) Auto CAD 2002 LT 4) Photocopy machine (Canon NP 6226) 5) Printer (HP LaserJet 122c) 6) Phone switch-board – set

V) Land capacities (m²):

Balance sheet per year:	2003		2004	
Shown in:	CSD	**EUR	CSD	**EUR

Total business revenues	23.114.000	355.288	18.437.000	252.555
Total business expenses	24.281.000	373.227	16.559.000	226.829

Main products/ services: 1) Study drafting 2) Planning and engineering

Total number of employees: 8; **of which BS/ BA:** 5