

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: Bulevar Mihaila Pupina 10 (5th floor), Novi Sad, from 09:00 – 17:00 on weekdays from 04.11.2005 until 24.11.2005.

CLOSING DATE FOR THE APPLICATION SUBMISSION is 25.11.2005 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 051205, Bulevar Mihaila Pupina 10 (5th floor), Novi Sad".

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 05.12.2005.

at the address: **Novi Sad, JP Sportsko-poslovni centar Vojvodina-Spens at 11:00**. The registration of the auction participants is going to take place at the same address on: **05.12.2005, 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 (05.12.2005), 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 (05.12.2005), 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 the period from 04.11.2005 until 24.11.2005, after previously the time-table with the Privatization Agency has been established, phone: 021/452-959 or by fax: 021/452-967.

* *The entire estimated capital value to be privatized, stated in EUR, was calculated according to the official exchange rate on 04.11.2005.*

** *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: Drustveno preduzece mlin "UNION" na akcije – SIVAC

Auction Sale Code: 051205-1447p

ID Number of the Subject: 08004307

Field of work: Milling industry

The entire estimated value of the capital to be privatized: **CSD 147.171.000** or *EUR 1.714.193, representing 70,00 % of the total capital of the enterprise.

Deposit for auction participation: **CSD 11.774.000** or *EUR 137.135

The initial auction price: CSD 23.547.000

Minimum of the investment into the subject to be privatized: **CSD 6.339.000**

The most important property of the subject undergoing privatization

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

1. Silo, 5300t (5300) 2. Mill (420) 3. Flour silo, 750t and 800t (1550) 4. Wheat silo, 3340t (3340) 5. Silo, 10000t(10000) 6. Baker's shop – warehouse (316) 7. Head office building (172) 8. Annex to main building (146)

B) The most important equipment:

1) Rolling chairs 2) Automatic line for packaging into sacks (WOLEND WERK) 3) Equipment for production of bread and rolls 4) Semiautomatic device for packaging into sacks (WOLEND WERK 1-2) 5) Goods vehicle with tank (FAP-1629, SPM-2438) 6) Sifter 7) Flour silo with neighbouring equipment 8) Loading line for finished products

V) Land facilities (m²): *Construction land: (44418) – socially-owned*

Balance sheet per year:	2003		2004		
	Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues		57.640.000	885.992	22.606.000	309.663
Total business expenses		74.434.000	1.144.135	52.084.000	713.460

Main products/ services: 1) Flour T-400 2) Flour T-500 3) Flour T-850 4) Cattle flour 5) Bread, rolls 6) Pasta 7) Warehousing

Total number of employees: 84; of which BS/ BA: 6

2) Basic information on the subject undergoing privatization: Mlinsko-pekarско preduzece MLIN-PEK, SONTA

Auction Sale Code: 051205-1452p

ID Number of the Subject: 08644578

Field of work: Milling industry

The entire estimated value of the capital to be privatized: **CSD 18.610.000** or *EUR 216.766, representing 70,00 % of the total capital of the enterprise.

Deposit for auction participation: **CSD 1.489.000** or *EUR 17.341

The initial auction price: CSD 2.978.000

Minimum of the investment into the subject to be privatized: **CSD 386.000**

The most important property of the subject undergoing privatization

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

1. Mill (building)(250) 2. Finished products warehouse (513) 3. Warehouse (96) 4. Vapour baker's shop (109) 5. Working facilities (85) 6. Laboratory (196)

B) The most important equipment:

1) Passenger vehicle (Jugo Skala Poly) 2) Computer system 3) Printer (Epson LX 300) 4) Telephone connection 5) Telephone switchboard (Panasonic) 6) Palette forklift truck 7) Voltage transformer (G 250) 8) Rustic fireplace

B) Land facilities (m²): *Construction land: (2668) – state owned*

Balance sheet per year:	2003		2004		
	Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues		14.787.000	227.293	7.315.000	100.203
Total business expenses		15.925.000	244.785	8.610.000	117.942

Main products/ services: 1) Milling industry products 2) Bread and rolls production

Total number of employees: 15; of which BS/ BA: 1

3) Basic information on the subject undergoing privatization: Drustveno preduzece za poljoprivredu BAJSA, BAJSA

Auction Sale Code: 051205-1455p

ID Number of the Subject: 08056765

Field of work: Agricultural services

The entire estimated value of the capital to be privatized: **CSD 109.431.000** or *EUR 1.274.615, representing 70 % of the total subject capital to be privatized.

Deposit for auction participation: **CSD 8.754.000** or *EUR 101.969

The initial auction price: CSD 17.509.000

Minimum of the investment into the subject to be privatized: **CSD 4.354.000**

The most important property of the subject undergoing privatization

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

1. Sunflower storehouse (1369) 2. Storehouse for artificial food (1061) 3. New hall (900) 4. Head office building (235) 5. Head office building-club (423) 6. Pigs bearing place (162) 7. Shed for harvesters (491)

B) The most important equipment:

1) Tractor (Super titan with rotating lights) 2) Passenger vehicle (Daewoo Leganza) 3) Tractor – 3 items (Belarus MTZ 8921, 820) 4) Harvester – 5 items (Zmaj 142,141) 5) Tractor – 2 items (IMT-580) 6) Plough (5 forms)

V) Land facilities (m²): *Construction land: (137099) – socially-owned, (10.827) – other land; Agricultural land: (2454976) – socially-owned*

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

Total business revenues	95.487.000	1.467.744	67.110.000	919.290
Total business expenses	103.532.000	1.591.404	74.156.000	1.015.808

Main products/ services: 1) Wheat 2) Sunflower 3) Barley 4) Maize 5) Porkers

Total number of employees: 63; of which BS/ BA: 2

4) Basic information on the subject undergoing privatization: DOO DUVAN-PROMET, ZRENJANIN

Auction Sale Code: 051205-1501p

ID number of the Subject: **08394857**

Field of work: **Specialized foods retail**

The entire estimated value of the capital to be privatized: **CSD 6.082.000** or ***EUR 70.844**, representing **31,724 %** of the total subject capital to be privatized.

Deposit for auction participation: **CSD 417.000** or ***EUR 4.853**

The initial auction price: **CSD 833.000**

Minimum of the investment into the subject to be privatized: **CSD 59.000**

The most important property of the subject undergoing privatization

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

1. Office space (94,7) 2. Office-apartments building (47,45)

B) The most important equipment:

1) Passenger vehicle (JDA Opel) 2. Goods vehicle (Van TAM 80) 3. Device for manufacture of paper items 4) Microcomputer 5) Cash-register (5 items)

V) Land facilities (m²):

Balance sheet per year:	2003		2004		
	Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues		5.428.000	83.435	8.919.000	122.175
Total business expenses		7.090.000	108.981	9.427.000	129.133

Main products/ services: 1) Toilet paper production 2) Toilet towel production 3) Foods, drinks and tobacco retail

Total number of employees: 13; of which BS/ BA: 1

5) Basic information on the subject undergoing privatization: Akcionarsko drustvo za završne i zanatske radove u gradjevarstvu KROVAR, NOVI SAD

Auction Sale Code: 051205-1523

ID Number of the Subject: **08042047**

Field of work: **Roof construction**

The entire estimated value of the capital to be privatized: **CSD 7.660.000** or ***EUR 89.216**, representing **65,541 %** of the total subject capital to be privatized.

Deposit for auction participation: **CSD 766.000** or ***EUR 8.922**

The initial auction price: **CSD 1.532.000**

Minimum of the investments into the subject to be privatized: **CSD 598.000**

The most important property of the subject undergoing privatization

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

1. Office building with secondary object-Preradoviceva 78-user (477)

B) The most important equipment:

1) Passenger vehicle (Renault Safran) 2) Passenger vehicle (Mercedes E220D) 3) Passenger vehicle (Opel Frontera) 4) Goods vehicle (TAM 130) 5) Forklift truck (TM 20-diesel engine)

V) Land facilities (m²): *Construction land: (1246) – socially-owned – utilization right*

Balance sheet per year:	2003		2004		
	Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues		43.114.000	662.711	21.173.000	290.033
Total business expenses		43.065.000	661.958	20.717.000	283.787

Main products/ services: 1) Roof-covering, insulating and other service regarding to final and handicraft's operations in building

Total number of employees: 15; of which BS/ BA: 2

6) Basic information on the subject undergoing privatization: AD AGROSEME za proizvodnju, doradu i promet semenskom robom i reprodukcijom materijalom na veliko i malo, KIKINDA

Auction Sale Code: 051205-1524

ID Number of the Subject: **08021759**

Field of work: **corn cultivation, crops and planted areas**

The entire estimated value of the capital to be privatized: **CSD 200.576.000** or ***EUR 2.336.241**, representing **69,545 %** of the total subject capital to be privatized.

Deposit for auction participation: **CSD 20.058.000** or ***EUR 233.624**

The initial auction price: **CSD 40.115.000**

Minimum of the investment into the subject to be privatized: **CSD 12.219.000**

The most important property of the subject undergoing privatization

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

1. Drying-room (827) 2. Office building (326) 3. Seed and kernel warehouse-holder (1476) 4. Silo (18 objects) (1059)

B) The most important equipment:

1) Trier (MP-12020 R-2) 2) Selection device Delta (Super-106-S) 3) Beitz device 4) Corn kernel mixing line 5) Conveyor(elevator) (KE 15t/ h H-5m)

V) Land facilities (m²): *Construction land: (21835)-state owned*

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

Total business revenues	161.421.000	2.481.224	203.512.000	2.787.759
Total business expenses	162.496.000	2.497.748	202.397.000	2.772.486

Main products/ services: 1) Wheat seed 2) Barley seed 3) Corn kernel

Total number of employees: 47; of which BS/ BA: 5

7) Basic information on the subject undergoing privatization: Akcionarsko drustvo VIG – VODOVOD I GREJANJE AGROVOJVODINA, NOVI SAD

Auction Sale Code: 051205-1525

ID Number of the Subject: **08134294**

Field of work: **Heating equipment-wholesale**

The entire estimated value of the capital to be privatized: **CSD 198.728.000** or ***EUR 2.314.713**, representing **49,861 %** of the total subject capital to be privatized.

Deposit for auction participation: **CSD 23.847.000** or ***EUR 277.766**

The initial auction price: **CSD 47.695.000**

Minimum of the investment into the subject to be privatized: **CSD 4.753.000**

The most important property of the subject undergoing privatization

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

1. Closed storehouse – shed, Sentandrejski put 165 (1086) 2. Main object – a part of four–ship hall, Sentandrejski put 165 (7797) 3. House next to cart–scales, Sentandrejski put 165 (50)

B) The most important equipment:

1) Passenger vehicle (Peugeot 106) 2) Passenger vehicle (Peugeot 206) 3) Computer (9 items)(Pentium) 4) Printer (3 items) (Epson LQ 670)

V) Land facilities (m²): *Construction land: (29397) – state owned*

Balance sheet per year:	2003		2004	
Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues	72.271.000	1.110.887	68.996.000	945.125
Total business expenses	80.055.000	1.230.536	76.891.000	1.053.273

Main products/ services: 1) Wholesale

Total number of employees: 27; of which BS/ BA: 5

8) Basic information on the subject undergoing privatization: Društveno preduzeće KOMPRESOR za izradu klipnih prstenova, trgovinu i usluge, NOVI SAD

Auction Sale Code: 051205-1526

ID Number of the Subject: **08099596**

Field of work: **Production of pumps and compressors**

The entire estimated value of the capital to be privatized: **CSD 2.856.000** or ***EUR 33.266**, representing **70,00 %** of the total subject capital to be privatized.

Deposit for auction participation: **CSD 343.000** or ***EUR 3.992**

The initial auction price: **CSD 685.000**

Minimum of the investments into the subject to be privatized: **CSD 67.000**

The most important property of the subject undergoing privatization

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

1. Office&manufacture space, Bulevar Despota Stefana 5, Novi Sad (Liman I) (175)

B) The most important equipment:

1) Lathe(plane) 2) Universal lathe 3) Grinding machine (Wotan) 4) Grinding machine (SSV)

V) Land facilities (m²):

Balance sheet per year:	2003		2004	
Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues	180.000	2.767	210.000	2.877
Total business expenses	458.000	7.040	640.000	8.767

Main products/ services: 1) Piston rings

Total number of employees: 2; of which BS/ BA: 0

9) Basic information on the subject undergoing privatization: DP za promet kino, foto i optickih proizvoda SINEOPTIK, NOVI SAD

Auction Sale Code: 051205-1527

ID Number of the Subject: **08041911**

Field of work: **Retail trade in specialized shops**

The entire estimated value of the capital to be privatized: **CSD 38.854.000** or ***EUR 452.559**, representing **70,00 %** of the total subject capital to be privatized.

Deposit for auction participation: **CSD 4.663.000** or ***EUR 54.307**

The initial auction price: **CSD 9.325.000**

Minimum of the investments into the subject to be privatized: **CSD 967.000**

The most important property of the subject undergoing privatization

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

1. Shop–Krusevac (31) 2. Shop–Zrenjanin (97) 3. Shop–Backa Palanka (65) 4. Shop+workshop – Nis, Trg Oslobođenja 21 (46) 5. Shop–Kosovska Mitrovica (46)

B) The most important equipment:

1) Semiautomatical device (Miniopata 140) 2) Manual grinding devices (MINIOPTA 150) 3) Automatical refractometer (NIDEX) 4) Passenger vehicle (Yugo Skala)

V) Land facilities (m²):

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

Total business revenues	14.423.000	221.698	12.814.000	175.529
Total business expenses	35.796.000	550.225	21.940.000	300.540

Main products/ services: 1) Spectacles 2) Optical service

Total number of employees: 42; of which BS/ BA: 3

10) Basic information on the subject undergoing privatization: MUNKA Društveno preduzeće za prevoz robe u drumskom saobraćaju, opravku i održavanje motornih vozila i usluge, CANTAVIR

Auction Sale Code: 051205-1528

ID Number of the Subject: **08008817**

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

The entire estimated value of the capital to be privatized: **CSD 30.403.000** or ***EUR 354.123**, representing **70,00 %** of the total subject capital to be privatized.

Deposit for auction participation: **CSD 3.648.000** or ***EUR 42.495**

The initial auction price: **CSD 7.297.000**

Minimum of the investment into the subject to be privatized: **CSD 104.000**

The most important property of the subject undergoing privatization

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

1. Storehouse (267) 2. Head office building (167) 3. Workshop (110) 4. Eaves (630)

B) The most important equipment:

1) Goods vehicle (MB 1213) 2) Goods vehicle (Poli) 3) Centrifugal pump 4) Battery rectifier 5) Universal lathe

V) Land facilities (m²): *Construction land: (91340) – socially-owned; Agricultural land: (29094) – state owned*

Balance sheet per year:	2003		2004	
Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues	520.000	7.993	1.996.000	27.342
Total business expenses	2.375.000	36.506	4.010.000	54.930

Main products/ services: 1) Transportation and repair service

Total number of employees: 16; of which BS/ BA: 0

11) Basic information on the subject undergoing privatization: AGROVOJVODINA EKSPORT-IMPORT, Trgovacko akcionarsko društvo, NOVI SAD

Auction Sale Code: 051205-1529

ID Number of the Subject: **08033820**

Field of work: **Wholesale/ retail trade – foreign and domestic**

The entire estimated value of the capital to be privatized: **CSD 124.248.000** or ***EUR 1.447.196**, representing **49,70 %** of the total subject capital to be privatized.

Deposit for auction participation: **CSD 14.910.000** or ***EUR 173.664**

The initial auction price: **CSD 29.820.000**

Minimum of the investments into the subject to be privatized: **CSD 17.065.000**

The most important property of the subject undergoing privatization

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

1) Office building in Novi Sad, Bulevar Oslobođenja 127 (1306) 2. Office space in Belgrade, Alekse Nenadovica 28 (46) 3. Warehouse facility in Novi Sad, Rimski Sancevi (4702)

B) The most important equipment :

1) Passenger vehicle (5 items)(Fiat Tempra) 2) Passenger vehicle (Yugo Tempo) 3) Forklift trucks (Pobeda Indos) 4) PC equipment 5) Special tools 6) Office furniture/equipment

V) Land capacities (m²):

Balance sheet per year:	2003		2004	
Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues	53.902.000	828.535	223.807.000	3.065.765
Total business expenses	82.268.000	1.264.553	243.713.000	3.338.443

Main products/ services: 1) Agent service 2) Representation service 3) Consignment operations 4) Overhaul, freight forwarding 5) Accounting/ book-keeping service

Total number of employees: 52; of which BS/ BA: 15