

# PUBLIC INVITATION FOR PARTICIPATION IN PUBLIC AUCTIONS

## Basic data on Auction sale

Those who are interested can purchase the auction documentation at the price of: **CSD 40.000**, 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, 23 Terazije St., from 09:00 – 17:00, in period from 25.04.2006 until 16.05.2006.

**CLOSING DATE FOR THE APPLICATION SUBMISSION is 17.05.2006, 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 sealed envelope with inscription: "THE APPLICATION FOR PARTICIPATION IN PUBLIC AUCTION 250506, Privatization Agency, Belgrade, 23 Terazije Str".

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

**THE AUCTION WILL BE HELD ON 25.05.2006.**

at the address: 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: **25.05.2006, 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 due not later than the date of sale of the capital (25.05.2006), issued to the natural 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 state bonds based upon the unpaid foreign currency savings of citizens, which are not to become due until the capital sale date (25.05.2006), issued to the natural persons, who are citizens of the Republic of Serbia.

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

Deposit for participation is to be brought back 15 days after the public auction has been 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 the interested natural persons or legal entities on such changes, if any, until the auction date at the latest.

The site visit shall be carried out after the signing the Agreement on Confidentiality in period from 25.04.2006 until 16.05.2006, after previously the time-table with the Privatization Agency has been established, phone: 011/3020-804; 011/3020-803 or by fax: 011/3020-881.

\* *The entire estimated capital value to be privatized, stated in EUR, was calculated according to the official exchange rate on 21.04.2006.*

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

## Brief description on the PUBLIC AUCTION procedure

The sale of capital through 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, the 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 obtained the auction participant status, attends the second bidding, that party is invited three times to accept the initial price. If the party 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: Berbersko zanatsko društveno preduzeće sa p.o. RAD, VALJEVO**

<b>Auction Sale Code:</b>	<b><u>250506-0972p</u></b>	The entire estimated capital value to be privatized amounts to: <b>CSD 583.000</b> or <b>*EUR 6.739</b> , representing <b>70 %</b> of the total subject capital.	
Official ID number of the Subject:	<b>07135939</b>	<b>Deposit</b> for auction participation: <b>CSD 28.000</b> or <b>*EUR 327</b>	
Field of work:	<b>Hairdresser's and beautician services</b>	<b>The initial auction price: CSD 56.000</b>	
<b>The most important property of the subject undergoing privatization</b>		<b>Minimum of obligatory investments</b> into the subject to be privatized amounts to: <b>CSD 7.000</b>	
<b>A) Buildings – main facilities (m²):</b> 1. Office space – user (70)		<b>B) The most important equipment:</b> 1) Wall clock 2) Chair for children 3) Hair bonnet 4) Small working cabinet 5) Fireplace	
<b>C) Land capacities (m²):</b>			
<b>Balance sheet per year:</b>	<b>2004</b>	<b>2005</b>	
Shown in:	CSD	**EUR	CSD **EUR
Total business revenues	314.000	4.301	412.000 4.969
Total business expenses	648.000	8.876	617.000 7.442
<b>Main products/ services:</b> 1) Barber's and hairdresser's services			
<b>Total number of employees:</b> 5; <b>of which BS/ BA:</b> 0			

**2) Basic information on the subject undergoing privatization: Društveno preduzeće prometa i prerade sekundarnih sirovina LIVAC sa p.o., RAŽANJ**

<b>Auction Sale Code:</b>	<b><u>250506-1235p</u></b>	The entire estimated capital value to be privatized amounts to: <b>CSD 10.412.000</b> or <b>*EUR 120.442</b> , representing <b>70 %</b> of the total subject capital.	
Official ID number of the Subject:	<b>07311516</b>	<b>Deposit</b> for auction participation: <b>CSD 833.000</b> or <b>*EUR 9.635</b>	
Field of work:	<b>Refuse and waste wholesale</b>	<b>The initial auction price: CSD 1.666.000</b>	
<b>The most important property of the subject undergoing privatization</b>		<b>Minimum of obligatory investments</b> into the subject to be privatized amounts to: <b>CSD 383.000</b>	
<b>A) Buildings – main facilities (m²):</b> 1. Hall I with annexe and eaves – user (126) 2. Office premise in Kruševac – user (85) 3. Office premise in Aleksinac– user (41) 4. Works 1 and 2 (360)		<b>B) The most important equipment:</b> 1) Passenger vehicle (Jugo 101 Skala Poli) 2) Passenger vehicle (Renault Trafic) 3) Other equipment	
<b>C) Land capacities (m²):</b> <i>Construction land: (10254) – owned by state</i>			
<b>Balance sheet per year:</b>	<b>2004</b>	<b>2005</b>	
Shown in:	CSD	**EUR	CSD **EUR
Total business revenues	3.073.000	42.095	2.852.000 34.400
Total business expenses	3.339.000	45.738	3.098.000 37.367
<b>Main products/ services:</b> 1) Wholesale and retail trade services 2) Refuse and waste trade			
<b>Total number of employees:</b> 11; <b>of which BS/ BA:</b> 0			

**3) Basic information on the subject undergoing privatization: Društveno preduzeće za trgovinu i usluge CENTROUNIJA, BEOGRAD**

<b>Auction Sale Code:</b>	<b><u>250506-1350p</u></b>	The entire estimated capital value to be privatized amounts to: <b>CSD 79.000</b> or <b>*EUR 919</b> , representing <b>70 %</b> of the total subject capital.	
Official ID number of the Subject:	<b>07462883</b>	<b>Deposit</b> for auction participation: <b>CSD 6.000</b> or <b>*EUR 68</b>	
Field of work:	<b>Wholesale</b>	<b>The initial auction price: CSD 12.000</b>	
<b>The most important property of the subject undergoing privatization</b>		<b>Minimum of obligatory investments</b> into the subject to be privatized amounts to: <b>CSD 4.000</b>	
<b>A) Buildings – main facilities (m²):</b> 1. Office premises – 29 Vranjska Str. (rented) (24)		<b>B) The most important equipment:</b> 1) Passenger vehicle (Lada Samara) 2) Fax machine (2 items) 3) Refrigerator 4) Cupboard (2 items) 5) Desk (2 items)	
<b>C) Land capacities (m²):</b>			
<b>Balance sheet per year:</b>	<b>2004</b>	<b>2005</b>	
Shown in:	CSD	**EUR	CSD **EUR
Total business revenues	997.000	13.657	790.000 9.529
Total business expenses	997.000	13.657	879.000 10.602
<b>Main products/ services:</b> 1) Stationary and fabrics wholesale			
<b>Total number of employees:</b> 1; <b>of which BS/ BA:</b> 0			

**4) Basic information on the subject undergoing privatization: Društveno preduzeće sa p.o. ŽGP Beograd građevinsko preduzeće, BEOGRAD**

**Auction Sale Code:** 250506-1555

Official ID number of the Subject: **07052952**

Field of work: **Rough (basic) construction works**

The entire estimated capital value to be privatized amounts to: **CSD 65.318.000** or **\*EUR 755.556**, representing **70 %** of the total subject capital.

**Deposit** for auction participation: **CSD 7.838.000** or **\*EUR 90.667**

**The initial auction price: CSD 15.676.000**

**Minimum of obligatory investments** into the subject to be privatized amounts to: **CSD 6.116.000**

**The most important property of the subject undergoing privatization**

**A) Buildings – main facilities (m²):**

1. Administration building, 160 Vodovodska Str., Belgrade (657) 2. Built warehouse (unfinished), 160 Vodovodska Str., Belgrade (221) 3. Works, 160 Vodovodska Str., Belgrade (533)

**B) The most important equipment:**

1) Minibus (RIVAL 40. 10HNKPK 16+1) 2) Goods vehicle (FAP2628 RBK/32) 3) Goods vehicle (FAP 1921 BK) 4) Passenger vehicle (Florida 1,3CW) 5) Injecting device (IG-50) 6) Frontal welding machine (ASV 100)

**C) Land capacities (m²):** *Construction land: (310998) – owned by state*

Balance sheet per year:	2004		2005	
	CSD	**EUR	CSD	**EUR
Shown in:				
Total business revenues	94.015.000	1.287.841	85.831.000	1.035.268
Total business expenses	91.806.000	1.257.582	103.135.000	1.243.984

**Main products/ services:** 1) Low building (traffic arteries construction) 2) Construction of railroads 3) Building of hydroconstructions

**Total number of employees:** 100; **of which BS/ BA:** 5

**5) Basic information on the subject undergoing privatization: Društveno preduzeće Poljoprivredni trgovinski kombinat KLJUČ, KLADOVO**

**Auction Sale Code:** 250506-1652

Official ID number of the Subject: **07219067**

Field of work: **Cereals, crops and planted areas**

The entire estimated capital value to be privatized amounts to: **CSD 201.968.000** or **\*EUR 2.336.243**, representing **70 %** of the total subject capital.

**Deposit** for auction participation: **CSD 24.236.000** or **\*EUR 280.349**

**The initial auction price: CSD 48.472.000**

**Minimum of obligatory investments** into the subject to be privatized amounts to: **CSD 6.259.000**

**The most important property of the subject undergoing privatization**

**A) Buildings – main facilities (m²):**

1. Mill with silo – Kladovo (1344) 2. Farm – Kladovo – complex of facilities (7498) 3. Supermarket and department store – Kladovo (1128) 4. Floor warehouse – Kostol (1243) 5. Warehouse for agricultural products – Korbovo (548)

**B) The most important equipment:**

1) Harvester – 3 vehicles (Zmaj) 2) Tractor – 2 vehicles (IMT-5220) 3) Tractor – 3 vehicles (Rakovica 135) 4) Equipment for mill 5) Plough – 9 items (diverse) 6) Drying-room

**C) Land capacities (m²):** *Construction land: (1939767) ((16483) – socially-owned; (1923284) – owned by state); Agricultural land: (35562216) ((17855792) – socially-owned;(17706424) – owned by state)*

Balance sheet per year:	2004		2005	
	CSD	**EUR	CSD	**EUR
Shown in:				
Total business revenues	15.217.000	208.446	15.521.000	187.210
Total business expenses	16.550.000	226.706	22.845.000	275.550

**Main products/ services:** 1) Milling industry products 2) Grapes 3) Sunflower 4) Wheat 5) Barley 6) Artificial fertilizer

**Total number of employees:** 54; **of which BCC:** 2