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In accordance with Article 38 of the Law on Privatization ("Official Gazette of RS", no-s. 38/01, 18/03 and 45/05), and Article 9 of the Decree on Sale of capital and property by public auction ("Official Gazette of RS" no. 52/05), the Privatization Agency announces:

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: 10 Bulevar Mihaila Pupina(5th floor), Novi Sad, from 09:00– 17:00, on working days in period from 17.05.2006 until 08.06.2006.

CLOSING DATE FOR THE APPLICATION SUBMISSION is 09.06.2006, 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 190606, 10 Bulevar Mihaila Pupina (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 WILL BE HELD ON 19.06.2006.

at the address: **Novi Sad, JP Sportsko–poslovni centar Vojvodina–Spens at 11:00.** Registration of the auction participants will take place at the same address on:

19.06.2006, 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 the sale of capital (19.06.2006), 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 (19.06.2006), 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 be 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 on it the interested parties, until the auction date at the latest.

The site visit shall be carried out after the signing the Agreement on Confidentiality in period from 17.05.2006 until 08.06.2006, 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 17.05.2006.*

** *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 capital by method of the public auction is carried out by the Auction Commission, which is to be 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 to be privatized: Društveno preduzeće za prevoz putnika u drumskom saobraćaju SREM-EKSPRES sa p.o., SREMSKA MITROVICA

Auction Sale Code:	190606-1673	The entire estimated capital value to be privatized amounts to: CSD 100.023.000 or *EUR 1.143.122 , representing 69,93 % of the total subject capital.	
Official ID number of the Subject:	08112916	Deposit for auction participation: CSD 12.003.000 or *EUR 137.175	
Field of work:	Passenger transport in road traffic	Initial auction price: CSD 24.006.000	
The most important property of the subject to be privatized		Minimum of obligatory investments into the subject to be privatized amounts to: CSD 12.396.000	
A) Buildings – main facilities (m²): 1. Workshop (317) 2. Bus station (216) 3. Tourist office (53) 4. Hall for articulated buses (148) 5. Office premises – car base (113) 6. Administration building and worker's canteen (349)		B) The most important equipment: 1) Bus (Neobus) 2) Bus (Sanos 315) 3) Bus (Sanos 315) 4) Bus (Mercedes) 5) Bus (Dubrava)	
C) Land (m²): Construction land: (21048) – in state ownership			
Balance sheet per year:		2004	2005
Shown in:	CSD	**EUR	CSD **EUR
Total business revenues	96.782.000	1.325.745	105.842.000 1.276.635
Total business expenses	94.624.000	1.296.184	110.124.000 1.328.283
Main products/ services: 1) Transport of passengers in road traffic			
Total number of employees: 124; of which BS/ BA: 2			

2) Basic information on the subject to be privatized: OBNOVA stolarsko društvo sa ograničenom odgovornošću, PIVNICE

Auction Sale Code:	190606-1674	The entire estimated capital value to be privatized amounts to: CSD 6.375.000 or *EUR 72.862 , representing 66,255 % of the total subject capital.	
Official ID number of the Subject:	08005818	Deposit for auction participation: CSD 638.000 or *EUR 7.286	
Field of work:	Manufacture of office furniture	Initial auction price: CSD 1.275.000	
The most important property of the subject to be privatized		Minimum of obligatory investments into the subject to be privatized amounts to: CSD 802.000	
A) Buildings – main facilities (m²): 1. Administration building – usus (316) 2. Workshop – usus (228) 3. Paint store – usus (60) 4. Machine shop – usus (515)		B) The most important equipment: 1) Equipment for furniture manufacture 2) Passenger vehicle (Golf CL 1,6D) 3) Passenger vehicle (Jugo skala) 4) Office furniture and equipment	
C) Land (m²): Construction land: (12385) – in state ownership			
Balance sheet per year:		2004	2005
Shown in:	CSD	**EUR	CSD **EUR
Total business revenues	11.242.000	153.996	15.658.000 188.862
Total business expenses	11.558.000	158.324	15.469.000 186.583
Main products/ services: 1) Office furniture 2) Fittings 3) Various laboratory furniture 4) Interior furnishing			
Total number of employees: 18; of which BS/ BA: 0			

3) Basic information on the subject to be privatized: OGREV društvo sa ograničenom odgovornošću za trgovinu i usluge, ZRENJANIN

Auction Sale Code:	190606-1675	The entire estimated capital value to be privatized amounts to: CSD 95.984.000 or *EUR 1.096.963 , representing 55,076 % of the total subject capital.	
Official ID number of the Subject:	08047413	Deposit for auction participation: CSD 9.598.000 or *EUR 109.696	
Field of work:	Retail	Initial auction price: CSD 19.197.000	
The most important property of the subject to be privatized		Minimum of obligatory investments into the subject to be privatized amounts to: CSD 8.053.000	
A) Buildings – main facilities (m²): 1. Administration building – usus (514) 2. Lumber yard no. 4 – user (2036) 3. Lumber yard no. 1 – usus (580) 4. Lumber yard no. 1 – usus (480)		B) The most important equipment: 1) PC (Pentium) 2) Fiscal cashbox (Galeb group) 3) Telephone (Panasonic) 4) Solid fuel stove (Magma)	
C) Land (m²): Construction land: (39997) ((39497) – in state ownership; (500) – socially-owned)			
Balance sheet per year:		2004	2005
Shown in:	CSD	**EUR	CSD **EUR
Total business revenues	42.199.000	578.053	49.153.000 592.869
Total business expenses	48.954.000	670.584	54.809.000 661.090

Main products/ services: 1) Cement 2) Lime 3) Concrete iron 4) Metal framework 5) Pipes 6) Nails 7) Brick

Total number of employees: 53; **of which BS/ BA:** 3

4) Basic information on the subject to be privatized: Društveno preduzeće BANATSKA DUBICA, BANATSKA DUBICA

Auction Sale Code: 190606-1676

Official ID number of the Subject: 08057788

Field of work: Miscellaneous farm production

The entire estimated capital value to be privatized amounts to: **CSD 31.842.000** or ***EUR 363.911**, representing **70 %** of the total subject capital.

Deposit for auction participation: **CSD 3.821.000** or ***EUR 43.669**

Initial auction price: **CSD 7.642.000**

Minimum of obligatory investments into the subject to be privatized amounts to: **CSD 1.900.000**

The most important property of the subject to be privatized

A) Buildings – main facilities (m²):

1. Administration building – usus (190) 2. Hangar "Soko" 1– usus (585) 3. Hangar "Soko" 2 – usus (675) 4. Eaves – usus (560)

B) The most important equipment:

1) Switching cabinet 2) Ploughs (IMT Leonard) 3) Harvesters (Zmaj 141, 142) 4) Tractors (TORPEDO) 5) Cranes

C) Land (m²): *Agricultural land: (6479836) ((4274498) – in state ownership; (2205338) – socially-owned)*

Balance sheet per year:	2004		2005	
Shown in:	CSD		CSD	**EYP
Total business revenues	41.465.000		27.596.000	332.855
Total business expenses	37.127.000		28.410.000	342.673

Main products/ services: 1) Fishing trade

Total number of employees: 46; **of which BS/ BA:** 0

5) Basic information on the subject to be privatized: Građevinsko društveno preduzeće NEIMAR, NOVI SAD

Auction Sale Code: 190606-1677

Official ID number of the Subject: 08041571

Field of work: Constructions and related specialized works

The entire estimated capital value to be privatized amounts to: **CSD 606.338.000** or ***EUR 6.929.577**, representing **70 %** of the total subject capital.

Deposit for auction participation: **CSD 72.761.000** or ***EUR 831.550**

Initial auction price: **CSD 145.521.000**

Minimum of obligatory investments into the subject to be privatized amounts to: **CSD 32.584.000**

The most important property of the subject to be privatized

A) Buildings – main facilities (m²):

1. Administration building and first-aid station, 9 Bulevar Despota Stefana, Novi Sad (750) 2. Production plant for small building elements, 9 Bulevar Despota Stefana, Novi Sad (915) 3. Production plant for TT platforms, 9 Bulevar Despota Stefana, Novi Sad (954) 4. Production plant for sanitary cabins, 9 Bulevar Despota Stefana, Novi Sad (684) 5. Production plant for pillars and supports, 9 Bulevar Despota Stefana, Novi Sad (675)

B) The most important equipment:

1) Concrete mixer (AM 65 FBR.905) 2) Car jack (NS 800-07) 3) Car jack (Ph Ns 930-71) 4) Car jack ("Hudros" NS 109-127) 5) Mobile crane (TOPKIT F.23068) 6) Fork lift truck (1802)

C) Land (m²): *Construction land: (89154) – in state ownership*

Balance sheet per year:	2004		2005	
Shown in:	CSD		CSD	**EUR
Total business revenues	227.057.000		85.783.000	1.034.689
Total business expenses	320.454.000		215.326.000	2.597.199

Main products/ services: 1) Concrete goods 2) Flats 3) Fresh concrete mass 4) Car jacks - 8-75 t

Total number of employees: 554; **of which BS/ BA:** 20

6) Basic information on the subject to be privatized: Društvo sa ograničenom odgovornošću za proizvodnju, usluge, unutrašnju i spoljnu trgovinu UNI-PRESS, ZRENJANIN

Auction Sale Code: 190606-1678

Official ID number of the Subject: 08196737

Field of work: Production of corrugated cardboard and packagings

The entire estimated capital value to be privatized amounts to: **CSD 27.898.000** or ***EUR 318.833**, representing **34,125 %** of the total subject capital.

Deposit for auction participation: **CSD 2.790.000** or ***EUR 31.883**

Initial auction price: **CSD 5.580.000**

Minimum of obligatory investments into the subject to be privatized amounts to: **CSD 3.950.000**

The most important property of the subject to be privatized

A) Buildings – main facilities (m²):

1. Administration building (520) 2. Business complex-warehouse, petrol station, porter's lodge (1109) 3. Office space – travel agency (23) 4. Stand for catering trade – off-booked property (8)

B) The most important equipment:

1) Tractor 2) Passenger vehicle (Opel vektra) 3) Passenger vehicle Poli Skala 101 (55/5) 4) Computers PIV (5 items) (2,4 Ghz) 5) Notebook HP NX 9030 (PG 616 ES) 6) Switchboard (kx-tp 1232)

C) Land (m²): *Construction land: (9715) – usus*

Balance sheet per year:	2004		2005	
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Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues	5.273.000	72.231	7.246.000	87.399
Total business expenses	13.396.000	183.502	14.543.000	175.413

Main products/ services: 1) Production of corrugated cardboard and packagings

Total number of employees: 12; **of which BS/ BA:** 0