

PUBLIC INVITATION FOR PARTICIPATION IN PUBLIC AUCTIONS

Basic Data on Auction Sale

The interested parties can purchase the auction documentation at the price of: **CSD 40000**, after they receive the 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 9:00 to 17:00, from 08.12.2006 to 16.01.2007.

DEADLINE FOR SUBMISSION OF APPLICATIONS IS 17.01.2007 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 250107, Privatization Agency, Belgrade, 23 Terazije St."

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: 25.01.2007.

at the address: **Privatization Agency, Belgrade, 23 Terazije St, 2nd floor, Large Hall**, at **11:00**. The registration of the auction participants will be held at the same address on: **25.01.2007, from 09:00 to 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 capital sale (25.01.2007.) 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 date of the capital sale (25.01.2007.) 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 the interested parties 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 08.12.2006 to 16.01.2007, at the time previously established by the Privatization Agency, tel: 011/3020-804; 011/3020-803 or fax: 011/3020-881.

* *The entire estimated capital value to be privatized, stated in EUR, was calculated according to the official exchange rate on 08.12.2006.*

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

Brief Description of PUBLIC AUCTION Procedure

The sale of capital by the method of 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 persons 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: Catering trade tourist joint-stock company SLOGA, UŽICE

Auction Sale Code: 250107-1364p

Official ID number of the Subject: **07258682**

Field of work: **Hotels and motels with restaurants**

The entire estimated capital value to be privatized amounts to: **CSD 653.110.000** or ***EUR 8.207.993** which is **68,6 %** of the total capital of the subject.

Deposit for auction participation: **CSD 52.249.000** or ***EUR 656.639**

Initial price at auction sale: **CSD 104.498.000**

Minimum obligatory investments into the subject to be privatized amounts to: **CSD 40.649.000**

Main property of the subject undergoing privatization

A) Buildings – main facilities (m²):

1. Hotel "Palas" (2215) 2. Restaurant "Zelena pijaca" (121) 3. "Gradska kavana" (1021) 4. Restaurant "Bagrem" (366) 5. Hotel "Zlatibor" (10198) 6. Restaurant "Rakijski pijac" (268) 7. Labourers' community – part of the building (271) 8. Labourers' community – basement (302)

B) Main Equipment:

1) Complete hotel equipment 2) Equipment for catering trade facilities 3) Office equipment 4) Small inventory

C) Land (m²): *Entire land – 15539; Construction land: (15539) – state owned*

Balance sheet per year	2004		2005	
	CSD	**EUR	CSD	**EUR
Shown in:				
Total business revenues	51.268.000	702.282	53.517.000	645.506
Total business expenses	120.545.000	1.651.256	130.059.000	1.568.734

Main products/ services: 1) Catering trade services – sale of food and drinks 2) Accommodation services

Total number of employees: 222; of which BS/ BA: 4

2) Basic information on the subject undergoing privatization: Socially-owned enterprise ALATNICA, BUJANOVAC

Auction Sale Code: 250107-1825

Official ID number of the Subject: **07284659**

Field of work: **production of tools**

The entire estimated capital value to be privatized amounts to: **CSD 24.326.000** or ***EUR 305.717** which is **70 %** of the total capital of the subject.

Deposit for auction participation: **CSD 2.919.000** or ***EUR 36.686**

Initial price at auction sale: **CSD 5.838.000**

Minimum obligatory investments into the subject to be privatized amounts to: **CSD 3.651.000**

Main property of the subject undergoing privatization

A) Buildings – main facilities (m²):

1. Production hall (2884)

B) Main Equipment:

1) Plane (fb 22130/661) 2) Coordination drill 3) Pantograph (fb 6344-905) 4) Borverg (Borverg BH-90) 5) CNC plane (RNK-500a)

C) Land (m²): *Entire land – 10669; Construction land: (10669) – state owned*

Balance sheet per year	2004		2005	
	CSD	**EUR	CSD	**EUR
Shown in:				
Total business revenues	7.293.000	99.901	5.022.000	60.574
Total business expenses	14.027.000	192.145	14.365.000	173.266

Main products/ services: 1) Production of tools 2) Production of bearings, cogs, belts and mechanisms 3) Production of wire products

Total number of employees: 42; of which BS/ BA: 1

3) Basic information on the subject undergoing privatization: Socially-owned printing enterprise SOLIDARNOST, BEOGRAD

Auction Sale Code: 250107-1826

Official ID number of the Subject: **07049722**

Field of work: **Printing**

The entire estimated capital value to be privatized amounts to: **CSD 5.312.000** or ***EUR 66.754** which is **70 %** of the total capital of the subject.

Deposit for auction participation: **CSD 637.000** or ***EUR 8.010**

Initial price at auction sale: **CSD 1.275.000**

Minimum obligatory investments into the subject to be privatized amounts to: **CSD 324.000**

Main property of the subject undergoing privatization

A) Buildings – main facilities (m²):

B) Main Equipment:

1) Adast (Dominant 714) 2) Paper cutting knife (MAXIMA) 3) Circular saw (RS-42) 4) Office furniture 5) Adast (Grafopres)

C) Land (m²):

Balance sheet per year	2004		2005	
	CSD	**EUR	CSD	**EUR
Shown in:				
Total business revenues	1.326.000	18.164	1.311.000	15.813
Total business expenses	1.904.000	26.081	1.937.000	23.364

Main products/ services: 1) Forms 2) Brochures 3) Books

Total number of employees: 4; of which BS/ BA: 0

4) Basic information on the subject undergoing privatization: Public newspaper publishing enterprise NAŠA REČ, LESKOVAC

Auction Sale Code: 250107-1827

Official ID number of the Subject: 07207263

Field of work: Newspaper publishing

The entire estimated capital value to be privatized amounts to: CSD 1.788.000 or *EUR 22.471 which is 70 % of the total capital of the subject.

Deposit for auction participation: CSD 179.000 or *EUR 2.247

Initial price at auction sale: CSD 358.000

Minimum obligatory investments into the subject to be privatized amounts to: CSD 836.000

Main property of the subject undergoing privatization

A) Buildings – main facilities (m²):

1. Kiosk – temporary use (4)

B) Main Equipment:

1) Computers (10 pieces) 2) Switchboard and telephones 3) Office furniture 4) Laser printer 5) Air-conditioners (3 pieces)

C) Land (m²):

Balance sheet per year	2004		2005	
Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues	14.573.000	199.625	13.279.000	160.167
Total business expenses	14.198.000	194.488	13.969.000	168.490

Main products/ services: 1) Journal "Naša reč"

Total number of employees: 29; of which BS/ BA: 9

5) Basic information on the subject undergoing privatization: Tourist agency POSTTURS DOO, BEOGRAD

Auction Sale Code: 250107-1828

Official ID number of the Subject: 20054026

Field of work: Travelling agency

The entire estimated capital value to be privatized amounts to: CSD 9.562.000 or 120.170 *EUR which is 70 % of the total capital of the subject.

Deposit for auction participation: CSD 956.000 or *EUR 12.017

Initial price at auction sale: CSD 1.912.000

Minimum obligatory investments into the subject to be privatized amounts to: CSD 348.000

Main property of the subject undergoing privatization

A) Buildings – main facilities (m²):

1. Office premises, Trade center (Trg Republike bb), Belgrade – user (121)

B) Main Equipment:

1) Passenger vehicle (2 pieces) (Yugo Coral) 2) Air-conditioner (2 pieces) (Hitachi) 3) Electronic monitoring system 4) Work station (7 pieces) (Net Vista) 5) TV set with a shelf (2 pieces) (Sony)

C) Land (m²):

Balance sheet per year	2004		2005	
Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues	0	0	5.193.000	62.636
Total business expenses	0	0	4.750.000	57.293

Main products/ services: 1) Tourist services

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

6) Basic information on the subject undergoing privatization: Enterprise for projecting, engineering and consulting ETC – PRIKO, VRNJAČKA BANJA

Auction Sale Code: 250107-1829

Official ID number of the Subject: 17119451

Field of work: projection of construction facilities

The entire estimated capital value to be privatized amounts to: CSD 1.253.000 or *EUR 15.752 which is 70 % of the total capital of the subject.

Deposit for auction participation: CSD 218.000 or *EUR 2.737

Initial price at auction sale: CSD 436.000

Minimum obligatory investments into the subject to be privatized amounts to: CSD 216.000

Main property of the subject undergoing privatization

A) Buildings – main facilities (m²):

B) Main Equipment:

C) Land (m²):

Balance sheet per year	2004		2005	
Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues	0	0	2.880.000	34.738
Total business expenses	597.000	8.178	2.876.000	34.689

Main products/ services: 1) projecting 2) Engineering
Total number of employees: 8; of which BS/ BA: 1

7) Basic information on the subject undergoing privatization: Socially-owned service enterprise DEDINJE, BEOGRAD

Auction Sale Code: 250107-1830

Official ID number of the Subject: **07037783**

Field of work: **Facility cleaning**

The entire estimated capital value to be privatized amounts to: **CSD 80.287.000** or *EUR 1.009.013 which is **70 %** of the total capital of the subject.

Deposit for auction participation: **CSD 9.634.000** or *EUR 121.082

Initial price at auction sale: **CSD 19.269.000**

Minimum obligatory investments into the subject to be privatized amounts to: **CSD 6.675.000**

Main property of the subject undergoing privatization

A) Buildings – main facilities (m²):

1. Office premises, Belgrade, Koste Glavinića 2 (432)

B) Main Equipment:

1) Computer equipment 2) Office furniture

C) Land (m²):

Balance sheet per year	2004		2005	
Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues	222.531.000	3.048.286	214.011.000	2.581.338
Total business expenses	226.288.000	3.099.751	218.775.000	2.638.800

Main products/ services: 1) Facility cleaning

Total number of employees: 789; of which BS/ BA: 13

8) Basic information on the subject undergoing privatization: Socially-owned enterprise for urgent interventions and upkeep of buildings and flats STANSERVIS, BEOGRAD

Auction Sale Code: 250107-1831

Official ID number of the Subject: **06437079**

Field of work: **Setting of pipe installations**

The entire estimated capital value to be privatized amounts to: **CSD 1.271.000** or 15.968 *EUR which is **70 %** of the total capital of the subject.

Deposit for auction participation: **CSD 127.000** or *EUR 1.597

Initial price at auction sale: **CSD 127.000**

Minimum obligatory investments into the subject to be privatized amounts to: **CSD 5.659.000**

Main property of the subject undergoing privatization

A) Buildings – main facilities (m²):

1. Prefabricated facilities, Beograd, Mihajla Todorovića br. 6 – property right (145)
2. Prefabricated facility, Beograd, Omladinskoh brigada br. 43 – user (130) 3. Three metal garages, Beograd, Mihajla Todorovića br. 6 – user (36)

B) Main Equipment:

1) Passenger vehicle ((190 D) Dacia Pickup) 2) Truck (TAM) 3) Passenger vehicle – 2 (Zastava, Poly) 4) Bus

C) Land (m²):

Balance sheet per year	2004		2005	
Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues	8.506.000	116.517	7.192.000	86.748
Total business expenses	9.188.000	125.860	7.997.000	96.457

Main products/ services: 1) Installation upkeep works

Total number of employees: 10; of which BS/ BA: 0

9) Basic information on the subject undergoing privatization: Enterprise for projecting, engineering and consulting SRBIJAPROJEKT, BEOGRAD

Auction Sale Code: 250107-1833

Official ID number of the Subject: **07012390**

Field of work: **town planning**

The entire estimated capital value to be privatized amounts to: **CSD 202.493.000** or *EUR 2.544.845 which is **50,4 %** of the total capital of the subject.

Deposit for auction participation: **CSD 24.299.000** or *EUR 305.381

Initial price at auction sale: **CSD 48.598.000**

Minimum obligatory investments into the subject to be privatized amounts to: **CSD 3.501.000**

Main property of the subject undergoing privatization

A) Buildings – main facilities (m²):

1. Building, Carice Milice 1, Beograd (1254) 2. Office premises on the ground floor, Bulevar AVNOJA-a 90-92, Novi Beograd (89) 3. Office premises in the basement, Bulevar AVNOJA-a 90-92, Novi Beograd (91) 4. Four garages, Bulevar AVNOJA-a 90-92, Novi Beograd (65)

B) Main Equipment:

1) Office furniture 2) Office equipment

C) Land (m²):

Balance sheet per year	2004		2005	
Shown in:	Din	**EUR	Din	**EUR

Total business revenues	16.942.000	232.076	17.164.000	207.027
Total business expenses	20.654.000	282.924	15.929.000	192.131

Main products/ services: 1) projecting, consulting and engineering

Total number of employees: 32; **of which BS/ BA:** 13