

PUBLIC INVITATION FOR PARTICIPATION IN PUBLIC AUCTIONS

Basic data on Auction sale

The interested parties can purchase the auction documents at the price of **RSD 40.000**, after they receive the invoice from the Privatization Agency. VAT is not calculated in the price. The purchase of the auction documents is obligatory, and on their receipt one is to sign the Confidentiality Agreement. After the payment evidence has been submitted, the auction documents can be collected at the following address:
10 Bulevar Mihaila Pupina St.(5th floor), Novi Sad, from 09:00-17:00, in the period from 18.05.2007 until 14.06.2007.

DEADLINE FOR SUBMISSION OF APPLICATIONS IS 15.06.2007, UNTIL 17:00.

Filled application which is a part of the auction documents, 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 250607, 10 Bulevar Mihaila Pupina St. (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: 25.06.2007.

at the address: **Novi Sad, JP Sportsko poslovni centar Vojvodina-SPENS, at 11:00**. Registration of the auction participants will be held at the same address on:

25.06.2007, 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, which are due not later than the date of the capital sale (25.06.2007) issued to the natural persons, who are citizens of the Republic of Serbia. If a participant applies only for the second bidding, the means of payment can be even the state bonds based upon the unpaid foreign currency savings, which are not to become due until the date of the capital sale (25.06.2007) 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 returned 15 days after the public auction has been held.

The Privatization Agency keeps the right to change the auction date, as well as the deadline 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 Confidentiality Agreement in the period from 18.05.2007 to 14.06.2007, at the time previously established by the Privatization Agency, tel: 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 18.05.2007.

** 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 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 auction, registers auction participants, declares auction unsuccessful, signs the minutes and performs other activities important for auction performance in accordance with the Law. The conditions for auction to be carried out are fulfilled if at least one person has obtained the status of an 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, when 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 of 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 opens the second bidding immediately afterwards, when even undue state bonds can be the means of payment. Those who have applied for the second bidding can also participate, as well as the participants in the first bidding, in case it has been declared unsuccessful. If more than one person participates in the second bidding, 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 returned 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 returned the deposit.

1) Basic information on the subject undergoing privatization: Socially-owned enterprise GLOBUS for advertizing, public relations, printing activities, wholesale and retail trade NOVI SAD

Auction Sale Code:	250607-1285	The entire estimated capital value to be privatized amounts to: RSD 960.000 or *EUR 11.815 , which is 70 % of the total subject capital. Deposit for participation in the auction: RSD 96.000 or *EUR 1.181 Initial price at the auction sale: RSD 192.000 Minimum obligatory investments into the subject to be privatized amount to: RSD 32.000
Official ID number of the Subject:	08011885	
Field of work:	Printing	

The most important assets of the subject to be privatized

A) Buildings – main facilities (m²):	B) Main equipment: 1) Press machine 2) Office copier (Ofset) 3) Sewing machine (Jadran) 4) Passenger vehicle (Jugo skala) 5) Printing machine (Heidelberg) 6) Electric typewriter (Oliveti) 7) Computer
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C) Land (m²):				
Balance sheet per year:	2005		2006	
Shown in:	RSD	**EUR	RSD	**EUR
Total business revenues	3.679.000	44.375	8.236.000	97.925
Total business expenses	2.644.000	31.891	5.787.000	68.807

Main products/ services: 1) Decoration of the town for public holidays 2) Cleaning of existing signposts in the town 3) Maintaining of signposts 4) Gluing of posters on envisaged signposts

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

2) Basic information on the subject undergoing privatization: Public enterprise RADIO SREM, RUMA

Auction Sale Code:	250607-1946	The entire estimated capital value to be privatized amounts to: RSD 4.968.000 or *EUR 61.143 , which is 70 % of the total subject capital. Deposit for participation in the auction: RSD 497.000 or *EUR 6.114 Initial price at the auction sale: RSD 994.000 Minimum obligatory investments into the subject to be privatized amount to: RSD 896.000
Official ID number of the Subject:	08026513	
Field of work:	Radio and TV broadcasting	

The most important assets of the subject to be privatized

A) Buildings – main facilities (m²): 1. Office premises – right to use (217) 2. Aerial post facility – right to use (39) 3. Transmitter facility – right to use (39)	B) Main equipment: 1) Cable distribution system 2) FM transmitter (Imtel) 3) Computer (3 pieces) 4) Microphone (3 pieces) 5) Receiving radio link (Elta)
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C) Land (m²): Entire land: (679); Construction land: (679) – state owned, ((539) – right to use, (140) – co-user);

C) Land (m²):				
Balance sheet per year:	2005		2006	
Shown in:	RSD	**EUR	RSD	**EUR
Total business revenues	10.467.000	126.250	10.709.000	127.329
Total business expenses	10.148.000	122.402	12.592.000	149.718

Main products/ services: 1) News 2) Commercials 3) Congratulations 4) Announcements

Total number of employees: 25; **of which BS/ BA:** 5

3) Basic information on the subject undergoing privatization: Joint-stock company PROJEKTNI BIRO, KANJIŽA

Auction Sale Code:	250607-1947	The entire estimated capital value to be privatized amounts to: RSD 2.039.000 or *EUR 25.099 , which is 56,14 % of the total subject capital. Deposit for participation in the auction: RSD 204.000 or *EUR 2.510 Initial price at the auction sale: RSD 408.000 Minimum obligatory investments into the subject to be privatized amount to: RSD 195.000
Official ID number of the Subject:	08025908	
Field of work:	Construction designing	

The most important assets of the subject to be privatized

A) Buildings – main facilities (m²): 1. Administration building– III floor – right of property (230) 2. Administration building– IV floor – right to use (129)	B) Main equipment: 1) Work station (ASN 2000) 2) Dustbin 3) Steam boiler (Termoteka, ES 20) 4) Writing table
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C) Land (m²):				
Balance sheet per year:	2005		2006	
Shown in:	RSD	**EUR	RSD	**EUR
Total business revenues	2.221.000	26.789	1.101.000	13.091
Total business expenses	2.968.000	35.799	1.587.000	18.869

Main products/ services: 1) Designing 2) Site supervision

Total number of employees: 7; **of which BS/ BA:** 2

4) Basic information on the subject undergoing privatization: Newspaper and publishing public enterprise Kikinda, KIKINDA

Auction Sale Code:	<u>250607-1948</u>	The entire estimated capital value to be privatized amounts to: RSD 290.000 or *EUR 3.572 , which is 70 % of the total subject capital. Deposit for participation in the auction: RSD 29.000 or *EUR 357 Initial price at the auction sale: RSD 58.000 Minimum obligatory investments into the subject to be privatized amount to: RSD 19.000
Official ID number of the Subject:	20143223	
Field of work:	Newspaper publishing	
The most important assets of the subject to be privatized		
A) Buildings – main facilities (m²):		B) Main equipment: 1) Computers (Pentium 4) 2) Fiscal cash registrar (Galeb) 3) Fax machine (Panasonic) 4) Camera (Nicon SB 26)
C) Land (m²):		
Balance sheet per year:	2006	
Shown in:	RSD	**EUR
Total business revenues	13.016.000	154.759
Total business expenses	12.613.000	149.967
Main products/ services: 1) Newspaper publishing 2) Advertizing services		
Total number of employees: 23; of which BS/ BA: 11		

5) Basic information on the subject undergoing privatization: Nespaper and publishing public enterprise VRŠAČKA KULA sa p.o., VRŠAC

Auction Sale Code:	<u>250607-1949</u>	The entire estimated capital value to be privatized amounts to: RSD 1.212.000 or *EUR 14.914 , which is 70 % of the total subject capital. Deposit for participation in the auction: RSD 153.000 or *EUR 1.879 Initial price at the auction sale: RSD 305.000 Minimum obligatory investments into the subject to be privatized amount to: RSD 568.000	
Official ID number of the Subject:	08136289		
Field of work:	Newspaper publishing		
The most important assets of the subject to be privatized			
A) Buildings – main facilities (m²):		B) Main equipment: 1) Computer (4 pieces) 2) Digital camera (2 pieces) 3) Printer (A3) 4) Scanner (Mustek) 5) Reducing gears	
C) Land (m²):			
Balance sheet per year:	2004	2005	
Shown in:	RSD	RSD	**EUR
Total business revenues	4.164.000	57.040	4.132.000
Total business expenses	3.914.000	53.615	4.100.000
Main products/ services: 1) Newspaper publishing			
Total number of employees: 4; of which BS/ BA: 0			

6) Basic information on the subject undergoing privatization: Joint-stock company SIGMA for production, sale and engineering of automatic and electronic devices, SUBOTICA

Auction Sale Code:	<u>250607-1950</u>	The entire estimated capital value to be privatized amounts to: RSD 180.714.000 or *EUR 2.224.338 , which is 69,083 % of the total subject capital. Deposit for participation in the auction: RSD 21.686.000 or *EUR 266.921 Initial price at the auction sale: RSD 43.371.000 Minimum obligatory investments into the subject to be privatized amount to: RSD 40.000.000	
Official ID number of the Subject:	08008965		
Field of work:	Production of measuring instruments and apparatuses		
The most important assets of the subject to be privatized			
A) Buildings – main facilities (m²): 1. New plant (5352) 2. Forge shop (604) 3. Warehouse of raw materials with secondary facilities (680) 4. Administration building (447) 5. Canteen (405) 6. Weekend cottage on Palic (157)		B) Main equipment: 1) Fork lift truck (Linde) 2) Gasification 3) Control instrument (Siemens) 4) Milling machines (11 pieces) 5) Upcant press 6) Revolving lathe (4 pieces) 7) Press (Jelšingrad, SPA 30)	
C) Land (m²): <i>Entire land: (109459); Construction land: (146) – state owned; Agricultural land: (109313) – socially-owned;</i>			
Balance sheet per year:	2005	2006	
Shown in:	RSD	RSD	**EUR
Total business revenues	143.419.000	1.729.878	117.327.000
Total business expenses	148.514.000	1.791.332	133.015.000
Main products/ services: 1) Assemblies and switches 2) Thermostats and temperature markers 3) Electric devices and alarm systems against fire and burglary 4) Designing of own products and devices 5) External equipment of railway trucks			
Total number of employees: 202; of which BS/ BA: 8			

7) Basic information on the subject undergoing privatization: Socially-owned enterprise NIVA Industry of medical equipment, NOVI SAD

Auction Sale Code: 250607-1951

Official ID number of the Subject: **08113521**

Field of work: **Textile goods**

The entire estimated capital value to be privatized amounts to: **RSD 289.562.000** or ***EUR 3.564.097**, which is **70 %** of the total subject capital.

Deposit for participation in the auction: **RSD 34.747.000** or ***EUR 427.692**

Initial price at the auction sale: **RSD 69.495.000**

Minimum obligatory investments into the subject to be privatized amount to: **RSD 47.234.000**

The most important assets of the subject to be privatized

A) Buildings - main facilities (m²):

1. Plant facility (2375) 2. Traffic and transportation facilities, Novi Sad, Industrial estate, Privrednikova St. 2 (1730) 3. Warehouse of finished goods, Novi Sad, Industrial estate, Privrednikova St. 2 (2361) 4. Warehouse of raw materials, Novi Sad, Industrial estate, Privrednikova St. 2 (2361) 5. Production plant, Novi Sad, Industrial estate, Privrednikova St. 2 (7271)

B) Main equipment:

1) Machines for ladies' sanitary towels (2 items) (D&D-113-RR813183-R) 2) Fine cotton opener (2 items, LWSA) 3) Temafa rough cotton opener (6876/80) 4) Obermayer HT-devices (3 items, 4411/4412) 5) Cotton wetting system (Autefa 20421) 6) Equipment for opening of prepared cotton

C) Land (m²): *Entire land: (99183); Construction land: (99183) - state owned;*

Balance sheet per year:	2005		2006		
	Shown in:	RSD	**EUR	RSD	**EUR
Total business revenues		253.606.000	3.058.921	257.691.000	3.063.920
Total business expenses		277.152.000	3.342.926	287.315.000	3.416.146

Main products/ services: 1) Medical cottonwool, gauze, zigzag cottonwool 2) Flexible rubber bandages 3) Clinical and non-clinical compresses 4) Tights with soft and strong compressions 5) Daily and sanitary ladies' towels

Total number of employees: 237; of which BS/ BA: 9

8) Basic information on the subject undergoing privatization: Socially-owned agricultural enterprise VOJVODINA, STARČEVO

Auction Sale Code: 250607-1952

Official ID number of the Subject: **08047740**

Field of work: **Cultivation of cereals, crops and seedlings**

The entire estimated capital value to be privatized amounts to: **RSD 396.542.000** or ***EUR 4.880.882**, which is **70 %** of the total subject capital.

Deposit for participation in the auction: **RSD 47.585.000** or ***EUR 585.706**

Initial price at the auction sale: **RSD 95.170.000**

Minimum obligatory investments into the subject to be privatized amount to: **RSD 24.067.000**

The most important assets of the subject to be privatized

A) Buildings - main facilities (m²):

1. Cowshed for 240 cows with dairy (2195) 2. Cowshed for 248 cows (2006) 3. Machine shop with noiler room (794) 4. New administration building (437) 5. Canteen facility (271)

Б) Најзначајнија опрема:

1) Tractor (CASE-IH MX285) 2) Harvester (2 vehicles, CASE AF-2388) 3) Harvester (ZMAJ 171-64) 4) Harvester (John Deere-39) 5) Sowing machine-pneumatic (MF-555-81) 6) Tractor (MAGNUM 72-40-19)

C) Land (m²): *Entire land: (21985700; Construction land: (180651) ((23350) - socially-owned; (157301) - state owned); Agricultural land: (21737154) ((5910153) - socially-owned; (15827001) - state owned); Other land: (67895) ((35450) - socially-owned; (32445) - state owned);*

Balance sheet per year:	2005		2006		
	Shown in:	RSD	**EUR	RSD	**EUR
Total business revenues		188.720.000	2.276.285	178.807.000	2.125.997
Total business expenses		185.914.000	2.242.440	194.320.000	2.310.445

Main products/ services: 1) Wheat 2) Merchandizing corn 3) Sugar beat 4) Sunflower 5) Soy bean 6) Milk

Total number of employees: 127; of which BS/ BA: 6