

23 Terazije St, 11000 Belgrade, Serbia, Tel: 011/3020-804, 011/3020-803 fax: 011/3020-881 In accordance with Article 38 of the Law on Privatization ("Official Gazette of the 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 the RS" no. 52/05), the Privatization Agency announces:

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:

Privatization Agency, Belgrade, 23 Terazije St.,09:00-17:00, from 25.05.2007 to 19.06.2007.

DEADLINE FOR SUBMISSION OF APPLICATIONS IS 20.06.2007, 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 280607, 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: 28.06.2007.

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: 28.06.2007, from 09:00 to 10:50.

Means of payment can be in domestic currency, foreign convertible currency, state bonds based on the unpaid foreign currency savings, which are due not later than the date of the capital sale (28.06.2007) 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 on the unpaid foreign currency savings, which are not to become due until the date of the capital sale (28.06.2007) 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 25.05.2007 to 19.06.2007, at the time previously established by the Privatization Agency, tel: 011/3020-804; 011/3020-803 or fax: 011/3020-881.

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

Brief description of the PUBLIC AUCTION procedure

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, it 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 it loses the right to be returned the deposit.

^{*} The entire estimated capital value to be privatized, stated in EUR, was calculated according to the official exchange rate on 25.05.2007.

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

1) Basic information on the subject undergoing privatization: Socially-owned enterprise for production of socks ZELE VELJKOVIĆ, LESKOVAC

Auction Sale Code: 280607-1884п

Official ID number of the Subject: 07352336

Field of work: Manufacture of knitted and crocheted socks The entire estimated capital value to be privatized amounts to: RSD 166.169.000 or *EUR 2.040.047, which is 70 % of the total subject capital.

Deposit for participation in the auction: RSD 13.294.000 or *EUR 163.204

Initial price at the auction sale: RSD 26.587.000

Minimum obligatory investments into the subject to be privatized amount to: RSD 9.365.000

The most important assets of the subject to be privatized

A) Buildings - main facilities (m2):

1. Administration building (427) 2. Canteen (999) 3. Warehouse of socks plant (278)

4. Socks plant-manufacture (5141) 5. Porter's lodge and shop (420) 6. Warehouse of paints and chemicals (311)

B) Main equipment:

1) Mini-hoop knitting machine (7 items) (L-316) 2) Mini-hoop knitting machine (5 items) (L-409) 3) Hosier automatsone-cylinder (20 items) 4) Hosier automats-two-cylinder (16 items) 5) Hosier automats-Bently (45 items) 6) Machine for sewing of underwear (2 items)

C) Land (m²): Entire land: (47738); Construction land: (47738) - state owned;

Balance sheet per year:	2004		2005	
Shown in:	RSD	**EUR	RSD	**EUR
Total business revenues	14.331.000	196.310	3.766.000	45.424
Total business expenses	40.553.000	555.505	31.295.000	377.471

Main products/ services: 1) Man's cotton socks 2) Woman's cotton socks 3) Children's cotton socks 4) Man's synthetics socks 5) Woman's synthetics socks 6) Children's synthetics socks 7) Woman's mini-hoop, stockings 8) PES and PA hoses 9) Man's, woman's socks (synthetics - cotton) 10) Man's, woman's socks (wool)

Total number of employees: 69: of which BS/ BA: 3

2) Basic information on the subject undergoing privatization: Socially-owned enterprise GAZELA for training of drivers, sale services, rent-a-car and photocopying, BELGRADE

280607-1887p Auction Sale Code:

Official ID number of the Subject: 07007957

Field of work: Driving school

The entire estimated capital value to be privatized amounts to: RSD 10.799.000 or *EUR 132.573, which is 70 % of the total subject capital.

Deposit for participation in the auction: RSD 864.000 or *EUR 10.606

Initial price at the auction sale: RSD 1.728.000

Minimum obligatory investments into the subject to be privatized amount to: RSD 851.000

The most important assets of the subject to be privatized

A) Buildings - main facilities (m2):

1. Office premises, 56 Marijane Gregoran St., Belgrade (65) 2. Basement, 88 Dr. Ivana Ribara St., Belgrade (20)

B) Main equipment:

1) Passenger vehicle (JUGO TEMPO 1.1 BG 290-101) 2) Passenger vehicle (JUGO TEMPO 1.1 BG 290-103) 3) Passenger vehicle (JUGO TEMPO 1.1 BG 290-105) 4) Passenger vehicle (JUGO TEMPO 1.1 BG 451-789) 5) Passenger vehicle (IUGO TEMPO 1.1 BG 109-770) 6) Engine model 7) Metal cashbox

C) Land (m2):

Balance sheet per year:	2004		2005	
Shown in:	RSD	**EUR	RSD	**EUR
Total business revenues	2.478.000	33.944	967.000	11.664
Total business expenses	2.621.000	35.903	2.721.000	32.820

Main products / services: 1) Training of candidates for drivers in «B» category – passenger vehicles

Total number of employees: 7; of which BS/ BA: 0

3) Basic information on the subject undergoing privatization: Socially-owned enterprise for book-keeping services KNJIGOVOĐA, ĆUPRIJA

Auction Sale Code: 280607-1953

Official ID number of the Subject: 07166800

Field of work: Accounting and auditing The entire estimated capital value to be privatized amounts to: RSD 963.000 or *EUR 11.822, which is 70 % of the total subject capital.

Deposit for participation in the auction: RSD 116.000 or *EUR 1.419

Initial price at the auction sale: **RSD 231.000**

Minimum obligatory investments into the subject to be privatized amount to: RSD 17.000

The most important assets of the subject to be privatized

A) Buildings - main facilities (m2):

1. Office building - barrack (40)

B) Main equipment:

1) Computer (Pentium III) 2) Printer (Epson LQ 570) 3) Scanner (Mustek 1200 CS)

C) Land (m2):

Balance sheet per year:	2004		2005	
Shown in:	RSD	**EUR	RSD	**EUR
Total business revenues	1.124.000	15.397	1.016.000	12.255
Total business expenses	1.100.000	15.068	1.011.000	12.194

Main products / services: 1) Accounting services Total number of employees: 3: of which BS/ BA: 0

4) Basic information on the subject undergoing privatization: Socially-owned enterprise for production of building materials RAVNAJA, MALI ZVORNIK

Auction Sale Code: 280607-1956

subject capital. Deposit for participation in the auction: RSD 40.712.000 or *EUR 499.822

Official ID number of the Subject: 07116217

Initial price at the auction sale: RSD 81.425.000

Field of work: Lime production Minimum obligatory investments into the subject to be privatized amount to: RSD 292.608.000

The most important assets of the subject to be privatized

A) Buildings - main facilities (m2):

1. Administration building (270) 2. Lime warehouse (2142) 3. Storage of building materials (394) 4. Kitchen (498) 5. Hydration building (350)

B) Main equipment:

1) Plant for calcium carbonate crushing 2) Bulldozer (D6R II STD) 3) Lime-kiln - equipment I 4) Lime-kiln equipment II 5) Loading shovel (ULT-220)

The entire estimated capital value to be privatized amounts to: RSD 339.270.000 or *EUR 4.165.185, which is 70 % of the total

C) Land (m²); Entire land: (304196); Construction land: (70982) ((43700) - socially-owned, (27282) - state owned); Farming land: (28551) - socially-owned; Woods: (154540) - socially-owned; Other land: (50123) - socially-owned; owned:

Balance sheet per year:	2004		2005	
Shown in:	RSD	**EUR	RSD	**EUR
Total business revenues	623.209.000	8.536.876	479.658.000	5.785.495
Total business expenses	567.555.000	7.774.513	476.096.000	5.742.531

Main products/ services: 1) Generators 2) Broken stone 30-60 3) Broken stone 90-150 4) Gritting material 5) Hydrated lime 6) Lime

Total number of employees: 340; of which BS/ BA: 19

5) Basic information on the subject undergoing privatization: Joint-stock company 8. MART, BELGRADE

Auction Sale Code: 280607-1957 The entire estimated capital value to be privatized amounts to: RSD 39.766,000 or *EUR 488,207, which is 16.933 % of the total subject capital.

17253310 Official ID number of the Subject:

Deposit for participation in the auction: RSD 3.977.000 or *EUR 48.821

Initial price at the auction sale: RSD 7.953.000

Field of work: Manufacture of knitted and crocheted socks Minimum obligatory investments into the subject to be privatized amount to: RSD 2.992.000

The most important assets of the subject to be privatized

A) Buildings - main facilities (m2):

A) Buildings - main facilities (m2):

1. Office building (342) 2. Production plant (2541) 3. Works (856) 4. Works (961) 5. Production plant (439) 6. Sorting machine (572) 7. Warehouse of packings (531) 8. Warehouse (453)

B) Main equipment:

1) Knitting machine - 170 items (Mirabela 2) 2) Knitting machine - 54 items (MATEC HSE) 3) Knitting machine - 21 items (Lonati 411) 4) Knitting machine - 27 items (Lonati) 5) Machine for socks drying - 2 items (HRS) 6) Device for socks painting (TEHN AG 900)

(11559): Fittire land: (11559): Construction land: (11559) - socially-owned (right of use)

C) Land (III-). Entire land. (11555), Construction land. (11555) Socially owned (light of disc),				
Balance sheet per year:	2005		2006	
Shown in:	RSD	**EUR	RSD	**EUR
Total business revenues	245.945.000	2.966.517	309.694.000	3.682.231
Total business expenses	240.377.000	2.899.357	326.367.000	3.880.471

Main products/ services: 1) Production of synthetic socks 2) Services ("loan" operation)

Total number of employees: 568; of which BS/ BA: 9

6) Basic information on the subject undergoing privatization: ENTERPRISE FOR FIRE FIGHTING AND SECURITY OF BUILDINGS AND PROPERTY, BELGRADE

280607-1958 Auction Sale Code:

The entire estimated capital value to be privatized amounts to: RSD13.019.000 or *EUR 159.836, which is 70 % of the total subject capital.

Official ID number of the Subject: 20034408

Deposit for participation in the auction: RSD 1.302.000 or *EUR 15.984 **Initial price** at the auction sale: **RSD 2.604.000**

Field of work: Search and protection of people

Minimum obligatory investments into the subject to be privatized amount to: RSD 935.000

The most important assets of the subject to be privatized

B) Main equipment:

1) Car (Skala Poli) 2) Wagon/car with equipment 3) Insulating device (96-S) 4) Compressor (CM-2-260-100) 5) Tin wardrobe - 13 items (with doubledoor) 6) Tin wardrobe - 6 items (one door)

C) Land (m2).

C) Land (III-).				
Balance sheet per year:	2005		2006	
Shown in:	RSD	**EUR	RSD	**EUR

155.003.000 1.869.601 234.567.000 2.788.978 Total business revenues Total business expenses 138.208.000 1.667.024 242.994.000 2.889.174

Main products/ services: 1) Search and protection of people and buildings 2) Fire fighting

Total number of employees: 727; of which BS/ BA: 10

7) Basic information on the subject undergoing privatization: INEKS-VELEPROMET Joint-stock company for trading, VELIKA PLANA

Auction Sale Code: 280607-1959

total subject capital.

Official ID number of the Subject: 07163681

Deposit for participation in the auction: RSD 13.215.000 or *EUR 162.241

Initial price at the auction sale: RSD 26.430.000 Field of work: Retail trade - general goods

Minimum obligatory investments into the subject to be privatized amount to: RSD 6.000.000

The most important assets of the subject to be privatized

A) Buildings - main facilities (m2):

1. Head office building - right of ownership (296) 2. Department store - non-registered user (3130) 3. Warehouse 1,2,3,4 - non-registered user (1354) 4. Storehouses - nonregistered user (1195) 5. "Zvezda" (116)

B) Main equipment:

1) Fork-lift truck - 4 vehicles (Litostroi) 2) Truck - 3 vehicles (Turbozeta) 3) Truck (Zastava) 4) Passenger vehicle (Peugeot) 5) Passenger vehicle (Lada Karayan) 6) Passenger vehicle (Lada Riva)

The entire estimated capital value to be privatized amounts to; RSD 132.151.000 or *EUR 1.622.411, which is 67.823 % of the

C) Land (m²): Entire land: (3937): Construction land: (3937) - socially-owned - right of permanent use;

Balance sheet per year:	2005		2006	
Shown in:	RSD	**EUR	RSD	**EUR
Total business revenues	21.064.000	254.068	14.451.000	171.821
Total business expenses	50.863.000	613.495	58.861.000	699.851

Main products / services: 1) Wholesale and retail trade Total number of employees: 57: of which BS/ BA: 0

8) Basic information on the subject undergoing privatization: Joint-stock company Starch industry JABUKA, PANČEVO

Auction Sale Code: 280607-1960

The entire estimated capital value to be privatized amounts to: RSD 466.936.000 or *EUR 5.732.538, which is 69.72 % of the

total subject capital.

Deposit for participation in the auction: RSD 56.032.000 or *EUR 687.905

Initial price at the auction sale: RSD 112.065.000

Minimum obligatory investments into the subject to be privatized amount to: RSD 44.573.000

The most important assets of the subject to be privatized

A) Buildings - main facilities (m2):

Official ID number of the Subject:

Field of work:

Field of work:

1. Silo (new) 702M2 (10000) 2. Silo facility 705 m² (10000) 3. Dry department (2595)

4. Workshop and warehouse (960) 5. Warehouse of finished products (480)

Production of starch and starch products

08047618

B) Main equipment:

1) Equipment of new dry department 2) Equipment of dry department 3) Equipment of wet department 4) Equipment of glucose department 5) Equipment of modifier 6) Equipment of dextrin department

C) Land (m²): Entire land: (262161): Construction land: (262161) - state owned:

e) band (iii). Entire land. (E0E101), Constituction land. (E0E101) State office,					
Balance sheet per year:	2005		2006		
Shown in:	RSD	**EUR	RSD	**EUR	
Total business revenues	434.556.000	5.241.487	561.361.000	6.674.526	
Total business expenses	495.597.000	5.977.746	619.947.000	7.371.108	

Main products / services: 1) Starch powder 2) Sweet syrup 3) Bran 4) Gluten

Total number of employees: 256; of which BS/ BA: 16

9) Basic information on the subject undergoing privatization: Socially-owned enterprise for production and trade PROGRES with full liability, SVRLJIG

Auction Sale Code: 280607-1961 The entire estimated capital value to be privatized amounts to: RSD 204.456.000 or *EUR 2.510.083, which is 70 % of the total subject capital.

07187483 Official ID number of the Subject:

Deposit for participation in the auction: RSD 24.535.000 or *EUR 301.210

Production of furniture

Initial price at the auction sale: RSD 49.069.000 Minimum obligatory investments into the subject to be privatized amount to: RSD 12.540.000

The most important assets of the subject to be privatized

A) Buildings - main facilities (m2):

1. Upholster's workshop (4416) 2. Warehouse of finished products (2000) 3. Warehouse of production materials (795) 4. Warehouse of building materials (485) 5. Garage with workshop (387) 6. Shop in Bor (120) 7. Shop in Surdulica (144)

B) Main equipment:

1) Rover (321 R SA FS 250) 2) Equipment - standard plate line 3) Contact grinder (EGALIZIRKA) 4) Circular saw (AS 20) 5) Four-sided flat device (TIPAS-4-230) 6) Machine for basic wood processing 7) Gluing machine for ribbon edges (A16/S) 8) Goods vehicle (FAP-1821 BD/48)

C) Land (m²): Entire land: (74627); Construction land: (74627) - state owned;

Balance sheet per year:	2004		2005	
Shown in:	RSD	**EUR	RSD	**EUR
Total business revenues	18.043.000	247.158	5.517.000	66.544
Total business expenses	85.250.000	1.167.776	94.550.000	1.140.434

Main products/ services: 1) Chest of drawers "S89/VIII" 2) Wall-unit "Komodore" 3) Small table "Stil" 4) Couch "Svrljižanka"

Total number of employees: 85: of which BS/BA: 2

10) Basic information on the subject undergoing privatization: Enterprise for recultivation and cultivation of parks RIO DOO, KOSTOLAC

Auction Sale Code: 280607-1962 The entire estimated capital value to be privatized amounts to: RSD 56.896.000 or *EUR 698.504, which is 70% of the total subject capital.

Official ID number of the Subject: 17577689 Deposit for participation in the auction: RSD 5.690,000 or *EUR 69.850

Initial price at the auction sale: RSD 11.379.000

Minimum obligatory investments into the subject to be privatized amount to: RSD 1.155.000

The most important assets of the subject to be privatized

Cultivation of parks and recreation areas

A) Buildings - main facilities (m2):

1. Part of the secondary building - right to use (837)

B) Main equipment:

1) Ploughs, sowing machines 2) Passenger vehicle (Lada Niva - Euro 3) 3) Lawn mowers, power saws, snow board 4)

Computer equipment 5) Alarm system and video inspection

C) Land (m2):

Field of work:

-,				
Balance sheet per year:	2005		2006	
Shown in:	RSD	**EUR	RSD	**EUR
Total business revenues	42.220.000	509.245	39.006.000	463.777
Total business expenses	33.410.000	402.982	38.329.000	455.728

Main products / services: 1) Cultivation and maintenance of parks, grassland and recreation areas

Total number of employees: 24: of which BS/ BA: 3

11) Basic information on the subject undergoing privatization: Socially-owned enterprise REKO, BOR

280607-1963 **Auction Sale Code:**

The entire estimated capital value to be privatized amounts to: RSD 1.284.000 or *EUR 15.760, which is 70 % of the total subject capital.

Official ID number of the Subject: 17026631 Deposit for participation in the auction: RSD 128.000 or *EUR 1.576

Field of work: Retail trade in footwear and leather goods Initial price at the auction sale: RSD 257.000 Minimum obligatory investments into the subject to be privatized amount to: RSD 48.000

The most important assets of the subject to be privatized

A) Buildings - main facilities (m2):

B) Main equipment: 1. Shop - non-registered user (56)

1) Fiscal cashbox (Galeb) 2) Calculator (Scalar) 3) Cupboard - 2 items 4) Wardrobe - 2 items 5) Wall-unit for

footwear - 6 items 6) Small cabinet -8 items

C) Land (m2):

-, (,				
Balance sheet per year:	2005		2006	
Shown in:	RSD	**EUR	RSD	**EUR
Total business revenues	2.692.000	32.470	2.415.000	28.714
Total business expenses	2.566.000	30.950	2.512.000	29.867

Main products / services: 1) Retail trade in footwear Total number of employees: 2; of which BS/ BA: 0

12) Basic information on the subject undergoing privatization: Travel agency PROKUPLJE Ltd. - socially-owned, PROKUPLJE

Auction Sale Code: 280607-1964 The entire estimated capital value to be privatized amounts to: RSD 116,000 or *EUR 1,427, which is 70 % of the total subject capital.

Official ID number of the Subject: 07322062

Deposit for participation in the auction: RSD 12.000 or *EUR 143 Initial price at the auction sale: RSD 23.000

Services in tourism

Minimum obligatory investments into the subject to be privatized amount to: RSD 0

The most important assets of the subject to be privatized

A) Buildings - main facilities (m2):

B) Main equipment:

1) Fax machine (KX-FT 9002) 2) Computer (710-5) 3) TV set (FV-90) 4) Chair - 2 items

C) Land (m²):

Field of work:

Balance sheet per year: 2004 2005

Shown in:	RSD	**EUR	RSD	**EUR
Total business revenues	4.517.000	61.875	3.191.000	38.489
Total business expenses	4.410.000	60.409	3.175.000	38.296

Main products/ services: 1) Sale of package tours Total number of employees: 2; of which BS/ BA: 0