

PUBLIC INVITATION FOR PARTICIPATION IN PUBLIC AUCTIONS

Basic data on Auction sale

Privatization Agency offers, within joint offer:

70,00% of the socially-owned capital of the subject undergoing privatization MIN Holding Co. Enterprise for assembly works MONT Joint-stock company, NIŠ, which is 33,18% of the total capital and 100,00% of the share of the MIN HOLDING CO, NIŠ, which is 48,26% of the total capital. Totally is offered for sale 81,44% of the capital of the subject undergoing privatization MIN Holding Co. Enterprise for assembly works MONT Joint-stock company, NIŠ.

70,00% of the socially-owned capital of the subject undergoing privatization MIN Holding Co. FITIP Joint-stock company, NIŠ, which is 34,37% of the total capital and 100,00% of share of the MIN HOLDING CO, NIŠ, which is 50,90% of the total capital. Totally is offered for sale 85,27% of the capital of the subject undergoing privatization MIN Holding Co. FITIP Joint-stock company, NIŠ.

70,00% of the socially-owned capital of the subject undergoing privatization MIN Holding Co. OPREMA Joint-stock company, NIŠ, which is 34,40% of the total capital and 100,00% of share of the MIN HOLDING CO, NIŠ, which is 50,86% of the total capital. Totally is offered for sale 85,26% of the capital of the subject undergoing privatization MIN Holding Co. OPREMA Joint-stock company, NIŠ.

The share of the MIN HOLDING CO, NIŠ in the subject capital is offered for sale based on the Power of Attorney assigned to the Privatization Agency.

The interested parties can purchase the auction documents at the price of: **RSD 120.000**, after they receive the invoice from the Privatization Agency. VAT is not calculated in the price. Purchase of the auction documents is obligatory and on their collection 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, from 09:00-17:00 on working days, in period from 13.06.2007 until 17.07.2007.

DEADLINE FOR SUBMISSION OF AN APPLICATION IS 18.07.2007, UNTIL 17:00.

Filled application, which is a part of the auction documents, with the signed draft of the Sale-Purchase Agreement and the deposit payment evidence, is to be submitted in a sealed envelope marked with: "APPLICATION FOR PARTICIPATION IN PUBLIC AUCTION 260707, 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.

AUCTION WILL BE HELD ON: 26.07.2007.

at the address: **Privatization Agency, Belgrade, 23 Terazije St, 2nd floor, Large Hall** at **11:00**. Registration of the auction participants will be held at the same address on: **26.07.2007 from 09:00 to 10:50.**

Means of payment for a part of the socially-owned capital:

- **MIN Holding Co. Enterprise for assembly works MONT Joint-stock company, NIŠ - (33,18%)**
- **MIN Holding Co. FITIP Joint-stock company, NIŠ - (34,37%)**
- **MIN Holding Co. OPREMA Joint-stock company, NIŠ - (34,40%)**

and which is offered for sale within the joint offer can be in domestic currency, foreign convertible currency, state bonds based on the unpaid foreign currency savings of citizens which are due not later than the date of the capital sale (26.07.2007) issued to natural persons who are citizens of the Republic of Serbia. If a participant applies only for the second bidding the means of payment can also be in the state bonds based on the unpaid foreign currency savings of citizens, which are not due until the date of the capital sale (26.07.2007) issued to the natural persons, who are citizens of the Republic of Serbia.

Means of payment for the share of the MIN HOLDING CO, NIŠ in the capital of stipulated entities undergoing privatization – MIN Holding Co. Enterprise for assembly works MONT Joint–stock company, NIŠ (48,26%), MIN Holding Co. FITIP Joint–stock company, NIŠ (50,90%), MIN Holding Co. OPREMA Joint–stock company, NIŠ (50,86%), in the total capital of the subjects undergoing privatization which are offered for sale within joint offer can be SOLELY in domestic currency and in foreign convertible currency, whereat a part of the Sales and Purchase price (selling price achieved at the auction) in accordance with

share of the MIN Holding Co, NIŠ, is to be paid off AT ONCE, regardless of that, whether the participant has applied for the first or the second bidding.

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

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 these changes, if any, until the auction date at the latest.

The site visit shall be carried out after signing the Confidentiality Agreement in period from 13.06.2007 to 17.07.2007, after previously the timetable 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 13.06.2007.

** 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 of 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, 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.

Auction Sale Code: 260707-1969

Deposit for participation in the auction amounts to: **RSD 117.372.000** or ***EUR 1.434.355**
Initial price at the auction sale: **RSD 234.744.000**
Minimum obligatory investments into the subjects undergoing privatization: **RSD 102.500.000**

1) Basic information on the subject undergoing privatization: MIN Holding Co. Enterprise for assembly works MONT Joint-stock company, NIŠ

Official ID number of the Subject: **07580568**

Field of work: **Production of metal constructions**

The entire estimated value of the capital to be privatized amounts to: **RSD 59.296.000** or ***EUR 724.627**, which is **81,44 %** of the total subject capital.

The most important assets of the subject to be privatized

A) Buildings – main facilities (m²):

1. Office building, Niš, 66 Boulevard 12. februar – right to use (99) 2. Administration building – barrack 1, Niš, 66 Boulevard 12. februar – right to use (300) 3. Office building – barrack 2, Niš, 66 Boulevard 12. februar – right to use (338) 4. Shops 1 and 2 – Niš, 60-62 Vojvode Mišića St. – right to use (146)

B) Main equipment:

1) Car jack (TC-1200 Demag (280t)) 2) Car jack (NC-240 Demag (90t)) 3) Tower crane 4) Crane (Coles) 5) Minibus (New Turborival AL 49.10 HDNOK (19+1))

C) Land (m²): *Total land: (15430); Construction land: (15430) – state owned;*

Balance sheet per year:	2005		2006	
Shown in:	RSD	**EUR	RSD	**EUR
Total business revenues	179.529.000	2.165.426	109.054.000	1.296.641
Total business expenses	162.016.000	1.954.190	140.600.000	1.671.720

Main products/ services: 1) Assembly of main and distribution systems of pipelines 2) Assembly of industrial facilities 3) Assembly of power facilities 4) Assembly of metallurgical and smelting facilities

Total number of employees: 146; **of which BS/ BA:** 19

2) Basic information on the subject undergoing privatization: MIN Holding Co. FITIP Joint-stock company, NIŠ

Official ID number of the Subject: **07583168**

Field of work: **Production of metal constructions**

The entire estimated value of the capital to be privatized amounts to: **RSD 606.131.000** or ***EUR 7.407.280**, which is **85,27 %** of the total subject capital.

The most important assets of the subject to be privatized

A) Buildings – main facilities (m²):

1. Blue plant, Niš, 66 Boulevard 12. februar – right to use (11232) 2. Old locksmith's shop, Niš, 66 Boulevard 12. februar – right to use (792) 3. Warehouse, Niš, 66 Boulevard 12. februar – right to use (715) 4. Office building 12. februar, Niš, 66 Boulevard 12. februar – right to use (1104) 5. Annexe of winch department and paint-store, Niš, 66 Boulevard 12. februar – right to use (840)

B) Main equipment:

1) Grinder for round grinding (AFE-3000 D-630mm) 2) Two-pillar lathe 3) Grinding machine for cylindrical gearwheels 4) Machine for production of gearwheels 5) Milling machine for gearwheels

C) Land (m²): *Total land: (39150); Construction land: (39150) – state owned;*

Balance sheet per year:	2005		2006	
Shown in:	RSD	**EUR	RSD	**EUR
Total business revenues	371.911.000	4.485.882	431.495.000	5.130.432
Total business expenses	357.017.000	4.306.235	412.651.000	4.906.379

Main products/ services: 1) Cranes from 250 kg to 150 T 2) Riparian loading and transshipment cranes 3) Production of parts of reducing gears for sugar refineries and cement plants 4) Production of screw reducing gears 5) Cranes and tower cranes

Total number of employees: 382; **of which BS/ BA:** 40

3) Basic information on the subject undergoing privatization: MIN HOLDING Co. OPREMA Joint-stock company, NIŠ

Official ID number of the Subject: **07583192**

Field of work: **Production of metal constructions**

The entire estimated value of the capital to be privatized amounts to: **RSD 308.124.000** or ***EUR 3.765.454**, which is **85,258 %** of the total subject capital.

The most important assets of the subject to be privatized

A) Buildings – main facilities (m²):

1. New assembly plant, Niš, Boulevard 12.februar – right to use (12385) 2. Sand quarry plant, Niš, Boulevard 12.februar – right to use (528) 3. Office premises of assembly plant, Niš, Boulevard 12.februar – right to use (1236) 4. Office building 12. februar, Niš, Boulevard 12.februar – right to use (348) 5. Open warehouses with crane pathways, Niš, Boulevard 12.februar – right to use (4200)

B) Main equipment:

1) Portal crane 2) Electrical portal crane 3) Sand quarry 4) Horizontal drill 5) Levelling machine with 7 rollers

C) Land (m²): *Total land: (40290); Construction land: (40290) – state owned;*

Balance sheet per year:	2005		2006	
	RSD	**EUR	RSD	**EUR
Shown in:				
Total business revenues	232.770.000	2.807.604	65.897.000	783.509
Total business expenses	269.832.000	3.254.635	197.041.000	2.342.798

Main products/ services: 1) Production and assembly of mining equipment 2) Production and mounting of steel constructions 3) Production and assembly of construction parts of cranes 4) Production and assembly of hydro equipment 5) Production and assembly of tobacco equipment

Total number of employees: 364; **of which BS/ BA:** 28