

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. 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., from 09:00 to 17:00, in period from 11.09.2007 until 16.10.2007.

DEADLINE FOR SUBMISSION OF APPLICATIONS IS 17.10.2007, BY 17:00.

The right to submit an application for participation in Public auctions have all legal entities and individuals if they fulfill the requirements provided by the Articles 41, 42, 97, 98 and 99 of the Radio Diffusion Law («Official Gazette of the RS» no-s. 42/02, 97/04, 76/05, 79/05, 62/06, 85/06 and 86/06) and by the Article 5 of the Code Of Rules on the method of privatization of radio and TV stations in local and regional communities («Official Gazette of the RS» no-s. 51/05 and 34/07).

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 251007, Privatization Agency, Belgrade, 23 Terazije St".

IF THERE IS NAME OF THE ENTITY UNDERGOING PRIVATIZATION ON THE ENVELOPE, OR FULL AUCTION CODE, THE APPLICATION CAN BE REJECTED.

THE AUCTION WILL BE HELD ON: 25.10.2007.

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:

25.10.2007, 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 (25.10.2007) issued to the individuals, 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 due until the date of the capital sale (25.10.2007) issued to the individuals, 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 has 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 signing the Confidentiality Agreement in the period from 11.09.2007 to 16.10.2007, at the time previously established by the Privatization Agency, tel: 011/3020-804; 011/3020-803 or fax: 011/3020-881.

** The total estimated capital value to be privatized, stated in EUR, was calculated according to the official exchange rate on 05.09.2007.*

*** 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.

1) Basic information on the entity undergoing privatization: Public enterprise TELEVIZIJA LESKOVAC, LESKOVAC

Auction Sale Code: 251007-2082

Official ID number of the Entity: 06993290

Field of work: Radio and TV activities

The entire estimated capital value to be privatized amounts to: RSD 16.154.000 or *EUR 202.586, which is 70 % of the total entity capital.

Deposit for participation in the auction: RSD 1.615.000 or *EUR 20.259

Initial price at the auction sale: RSD 3.231.000

Minimum obligatory investments into the entity undergoing privatization amounts to: RSD 2.796.000

Main property of the entity undergoing privatization

A) Buildings – main facilities (m²):

1. Office space – non-registered user (200) 2. TV studio – non-registered user (128) 3. Small house(container) – non-registered (16)

B) Main equipment:

1) Camera (7 pieces) (SONY, PANASONIC) 2) Transmitter (8 pieces) 3) Car (4 vehicles, YUGO) 4) Recorder (9 pieces) (SONY, PANASONIC) 5) Computer (15 pieces, PENTIUM)

C) Land (m²):

| Balance sheet per year: | 2005 | | 2006 | | |
|-------------------------|-----------|------------|---------|------------|---------|
| | Shown in: | RSD | **EUR | RSD | **EUR |
| Total business revenues | | 23.682.000 | 285.645 | 26.766.000 | 318.245 |
| Total business expenses | | 26.355.000 | 317.886 | 26.227.000 | 311.836 |

Main products/services: 1) Radio and television activities

Total number of employees: 57; of which BS/BA: 11

2) Basic information on the entity undergoing privatization: Public informing enterprise IBARSKE NOVOSTI, KRALJEVO

Auction Sale Code: 251007-2083

Official ID number of the Entity: 07152736

Field of work: Radio and TV activities

The entire estimated capital value to be privatized amounts to: RSD 12.169.000 or *EUR 152.614, which is 70 % of the total entity capital.

Deposit for participation in the auction: RSD 1.460.000 or *EUR 18.314

Initial price at the auction sale: RSD 2.921.000

Minimum obligatory investments into the entity undergoing privatization amounts to: RSD 6.453.000

Main property of the entity undergoing privatization

A) Buildings – main facilities (m²):

1. Building – user (74) 2. Garage and warehouse – user (74) 3. Aerial post (45 m) – user

B) Main equipment:

1) TV transmitter (EKSAJTER 200W) 2) Passenger vehicle (FIAT DIABLO PANORAMA) 3) Aerial post 4) Professional microwave link (10GH) 5) Video taster (VT3-SX8-RS8) 6) Studio equipment

C) Land (m²): Entire land: (4710); Construction land: (600) – state owned; Agricultural land: (4110) – state owned;

| Balance sheet per year: | 2005 | | 2006 | | |
|-------------------------|-----------|------------|---------|------------|---------|
| | Shown in: | RSD | **EUR | RSD | **EUR |
| Total business revenues | | 64.904.000 | 782.853 | 63.108.000 | 750.348 |
| Total business expenses | | 63.692.000 | 768.234 | 61.675.000 | 733.310 |

Main products/services: 1) Radio–television activities 2) Newspaper publishing 3) Advertizing services 4) Publishing of books, brochures, music books

Total number of employees: 107; of which BS/BA: 22

3) Basic information on the entity undergoing privatization: Public radio diffusion enterprise JASENICA, SMEDEREVSKA PALANKA

Auction Sale Code: 251007-2084

Official ID number of the Entity: 07238207

Field of work: Radio and TV activities

The entire estimated capital value to be privatized amounts to: RSD 4.194.000 or *EUR 52.595, which is 70 % of the total entity capital.

Deposit for participation in the auction: RSD 419.000 or *EUR 5.260

Initial price at the auction sale: RSD 839.000

Minimum obligatory investments into the entity undergoing privatization amounts to: RSD 1.164.000

Main property of the entity undergoing privatization

A) Buildings – main facilities (m²):

1. Office building – non-registered user (252) 2. Small house for transmitter – non-registered (24) 3. Small house(container) – non-registered (18)

B) Main equipment:

1) Aerial post in Vodice 2) Transmitter 200 W (4 pieces) (Solid state) 3) Camera (2 pieces, DV 300) 4) Video recorder (6 pieces) (JVC) 5) TV transmitter 200 (Sky set)

C) Land (m²):

| Balance sheet per year: | 2005 | | 2006 | | |
|-------------------------|-----------|------------|---------|------------|---------|
| | Shown in: | RSD | **EUR | RSD | **EUR |
| Total business revenues | | 21.681.000 | 261.510 | 23.312.000 | 277.177 |
| Total business expenses | | 20.870.000 | 251.728 | 23.381.000 | 277.998 |

Main products/services: 1) Radio and TV activities

Total number of employees: 60; of which BS/BA: 5

4) Basic information on the entity undergoing privatization: Public informing enterprise NOVI PUT, JAGODINA

Auction Sale Code: 251007-2085

Official ID number of the Entity: 07114931

Field of work: Radio and TV activities

The entire estimated capital value to be privatized amounts to: RSD 13.204.000 or *EUR 165.598, which is 70 % of the total entity capital.

Deposit for participation in the auction: RSD 1.320.000 or *EUR 16.560**Initial price** at the auction sale: RSD 2.641.000**Minimum obligatory investments** into the entity undergoing privatization amounts to: RSD 1.065.000**Main property of the entity undergoing privatization****A) Buildings – main facilities (m²):**

1. Construction facility (Končarevo) – user (183) 2. Construction facility (Končarevo) – right to use (7) 3. Building (part of the investor) – non-registered (4) 4. Construction facility (Končarevo) – right to use (9) 5. Building (Crnče) – user (9) 6. Construction facility (Končarevo) – right to use (8) 7. Costruction facility (Končarevo) – right to use (30)

B) Main equipment:

1) Passenger vehicle (Fiat Punto 1.9TD) 2) Passenger vehicle (Dacia 1307-1.9) 3) TV transmitter (Imtel 20W UHF) 4) Camera (2 pieces, JVC-GY DV 500) 5) Rectifier of TV transmitter (Siemens RVR)

C) Land (m²): Entire land: (2024); Construction land: (1823) – state owned (user); Agricultural land: (201) – state owned (user);

| Balance sheet per year: | 2005 | | 2006 | | |
|-------------------------|-----------|------------|---------|------------|---------|
| | Shown in: | RSD | **EUR | RSD | **EUR |
| Total business revenues | | 31.163.000 | 375.879 | 31.484.000 | 374.342 |
| Total business expenses | | 30.167.000 | 363.866 | 31.416.000 | 373.533 |

Main products/services: 1) Newspaper publishing 2) Radio and TV activities**Total number of employees:** 69; of which BS/BA: 8**5) Basic information on the entity undergoing privatization: Public enterprise Radio Television VRNJAČKA BANJA, VRNJAČKA BANJA****Auction Sale Code: 251007-2086**

Official ID number of the Entity: 17019864

Field of work: Radio and TV activities

The entire estimated capital value to be privatized amounts to: RSD 2.329.000 or *EUR 29.208, which is 70 % of the total entity capital.

Deposit for participation in the auction: RSD 233.000 or *EUR 2.921**Initial price** at the auction sale: RSD 466.000**Minimum obligatory investments** into the entity undergoing privatization amounts to: RSD 1.136.000**Main property of the entity undergoing privatization****A) Buildings – main facilities (m²):****B) Main equipment:**

1) Transmitter (AMP 1000) 2) Computer (Pentium 4) 3) TV modulator (10 GHz) 4) CD player (Philips) 5) Computer (AMD 1,8)

C) Land (m²):

| Balance sheet per year: | 2005 | | 2006 | | |
|-------------------------|-----------|------------|---------|------------|---------|
| | Shown in: | RSD | **EUR | RSD | **EUR |
| Total business revenues | | 22.001.000 | 265.370 | 20.697.000 | 246.085 |
| Total business expenses | | 19.321.000 | 233.044 | 20.599.000 | 244.920 |

Main products/services: 1) Radio programme 2) TV programme 3) Marketing services 4) Newspaper publishing**Total number of employees:** 43; of which BS/BA: 3**6) Basic information on the entity undergoing privatization: Public enterprise TELEVIZIJA PIROT, PIROT****Auction Sale Code: 251007-2087**

Official ID number of the Entity: 20156830

Field of work: Radio and TV activities

The entire estimated capital value to be privatized amounts to: RSD 9.740.000 or *EUR 122.149, which is 70 % of the total entity capital.

Deposit for participation in the auction: RSD 974.000 or *EUR 12.215**Initial price** at the auction sale: RSD 1.948.000**Minimum obligatory investments** into the entity undergoing privatization amounts to: RSD 4.970.000**Main property of the entity undergoing privatization****A) Buildings – main facilities (m²):**

1. Aerial post (Barje) – non-registered (2) 2. Aerial post (Sarlah) – non-registered (2) 3. Aerial post (Crni vrh) – non-registered (2) 4. Facility (Barje) – non-registered (23) 5. Aerial post (TV Piroto) – non-registered (2) 6. Facility (Crni vrh) – right to use (7) 7. Facility (Sarlah) – non-registered (4)

B) Main equipment:

1) Transmitter (2 pieces) (ELTI FTP 98A) 2) Radio-diffusion transmitting system (JKTVL-link) 3) Camera (SONY DSR 390) 4) Camera (SONY DSR 250) 5) TV link (CLR 10A)

C) Land (m²): Entire land: (3276); Construction land: (34) – state owned (user); Agricultural land: (3242) – state owned (2930-user and 312-right to use);

| Balance sheet per year: | 2005 | | 2006 | | |
|-------------------------|-----------|-----|-------|-----------|--------|
| | Shown in: | RSD | **EUR | RSD | **EUR |
| Total business revenues | | | | 4.126.000 | 49.058 |
| Total business expenses | | | | 4.258.000 | 50.627 |

Main products/services: 1) Radio and TV activities**Total number of employees:** 24; of which BS/BA: 6**7) Basic information on the entity undergoing privatization: Public enterprise INFORMATIVNI CENTAR, PRIBOJ**

Auction Sale Code: 251007-2088Official ID number of the Entity: **07246188**Field of work: **Newspaper publishing**The entire estimated capital value to be privatized amounts to: **RSD 2.046.000** or ***EUR 25.665**, which is **70 %** of the total entity capital.**Deposit** for participation in the auction: **RSD 205.000** or ***EUR 2.567****Initial price** at the auction sale: **RSD 409.000****Minimum obligatory investments** into the entity undergoing privatization amounts to: **RSD 176.000****Main property of the entity undergoing privatization****A) Buildings – main facilities (m²):**

1. Office building – non-registered user (129) 2. Stationary chamber with earthing and installations – non-registered user (11) 3. Small facility of the CT transmitter – non-registered user (17) 4. Aerial of the CT transmitter (post) – non-registered user (4)

B) Main equipment:

1) Radio system with RDS coder and transmitter (Delucija eksajter) 2) Transmitter (ABE 10W) 3) UHF-converter (TCE-14PT 30W) 4) Computer (P-IV 3000GHz) 5) Camera (NL-GS 15)

C) Land (m²):**Balance sheet per year:**

| | 2005 | | 2006 | |
|-------------------------|-----------|---------|-----------|---------|
| Shown in: | RSD | **EUR | RSD | **EUR |
| Total business revenues | 8.902.000 | 107.373 | 9.708.000 | 115.427 |
| Total business expenses | 8.513.000 | 102.681 | 9.988.000 | 118.756 |

Main products/services: 1) Radio and TV activities**Total number of employees:** 21; **of which BS/BA:** 3