

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

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, 09:00–17:00, from 11.09.2007 to 16.10.2007.

**DEADLINE FOR SUBMISSION OF APPLICATIONS IS 17.10.2007 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 marked with: "THE APPLICATION FOR PARTICIPATION IN PUBLIC AUCTION 251007, Privatization Agency, Belgrade, 23 Terazije St".

IF THERE IS THE 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, 2<sup>nd</sup> floor, Large Hall** at **11:00**. The 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 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 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 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, 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: Socially-owned textile enterprise TIG, GRDELICA

**Auction Sale Code:** 251007-2073

Official ID number of the Entity: **07196504**

Field of work: **Production of woolen fabric**

The entire estimated capital value to be privatized amounts to: **RSD 174.381.000 or \*EUR 2.186.958** which is **70 %** of the entire capital of the entity.  
**Deposit** for participation in the auction: **RSD 20.926.000 or \*EUR 262.435**  
**Initial price** at the auction sale: **RSD 41.851.000**  
**Minimum obligatory investments** into the entity to be privatized amounts to: **RSD 59.574.000**

#### The most important assets of the entity to be privatized

##### A) Buildings – main facilities (m²):

1. Wool processing hall (5211) 2. Finish hall (3400) 3. Weaving hall (2550) 4. Wool processing hall (1773) 5. New weaving hall (1300)

##### B) Main equipment:

1) Steam boiler (Novium) 2) Auto-coner (40706) 3) Wool washing machine (BS 2A) 4) Dry-cleaning machine (Pobeda seko) 5) Loom STB (11) (Tip 220) 6) Thread processing (5)

**C) Land (m²):** *Entire land: (49310) ; construction land: (49310) – (45.990) state owned, (3320) socially owned;*

Balance sheet per year:	2005		2006	
Shown in:	RSD	**EUR	RSD	**EUR
Total business revenues	5.183.000	62.516	77.034.000	915.927
Total business expenses	8.491.000	102.416	146.882.000	1.746.412

**Main products/ services:** 1) Production of fabric

**Total number of employees:** 146; **of which BS/ BA:** 5

### 2) Basic information on the entity undergoing privatization: Socially-owned enterprise for trade in goods and services METALOTEHNA MP, BEOGRAD

**Auction Sale Code:** 251007-2074

Official ID number of the Entity: **17050176**

Field of work: **Retail trade in metal goods and dyes**

The entire estimated capital value to be privatized amounts to: **RSD 41.604.000 or \*EUR 521.772** which is **70 %** of the entire capital of the entity.  
**Deposit** for participation in the auction: **RSD 4.992.000 or \*EUR 62.612**  
**Initial price** at the auction sale: **RSD 9.985.000**  
**Minimum obligatory investments** into the entity to be privatized amounts to: **RSD 4.611.000**

#### The most important assets of the entity to be privatized

##### A) Buildings – main facilities (m²):

1. Drectorate, Ratka Vujovića Čoče 28 , Beograd (54) 2. Store, Vojvode Stepe br. 29 , Beograd (32) 3. Store, Ilije Garašanina br. 1, Beograd (44) 4. Store, Cara Dušana br. 29, Beograd (20) 5. Store, Kolubara II B-4, Valjevo (273)

##### B) Main equipment:

1) Fiscal cash register (3) (GALEB MP 55) 2) Air-conditioner (2) (NEO 12) 3) Office furniture 4) Switchboard

**C) Land (m²):** *Entire land: (19386) ; construction land: (19386) – state owned;*

Balance sheet per year:	2005		2006	
Shown in:	RSD	**EUR	RSD	**EUR
Total business revenues	13.734.000	165.655	16.478.000	195.922
Total business expenses	15.672.000	189.031	19.676.000	233.946

**Main products/ services:** 1) Retail trade in lighting equipment 2) Retail trade in household appliances 3) Retail trade in metal goods 4) Retail trade in electric goods

**Total number of employees:** 16; **of which BS/ BA:** 0

### 3) Basic information on the entity undergoing privatization: MODA joint-stock company for production and trade of ready-made textile products, LOZNICA

**Auction Sale Code:** 251007-2075

Official ID number of the Entity: **07122047**

Field of work: **Production of clothes**

The entire estimated capital value to be privatized amounts to: **RSD 64.706.000 or \*EUR 811.500** which is **45,759 %** of the entire capital of the entity.  
**Deposit** for participation in the auction: **RSD 7.765.000 or \*EUR 97.380**  
**Initial price** at the auction sale: **RSD 15.530.000**  
**Minimum obligatory investments** into the entity to be privatized amounts to: **RSD 21.833.000**

#### The most important assets of the entity to be privatized

##### A) Buildings – main facilities (m²):

1. Industrial business building (3265) 2. Plant Draginac (418) 3. Store Evropa, Loznica (350) 4. Business premises, Strugarska 5, Beograd (103) 5. Store, Vladimirci (39)

##### B) Main equipment:

1) Sewing machine (20) (Necchi) 2) Buttonhole stitching machine (WG) 3) various presses 4) Button machines (Pfaff) 5) Električni parni stolovi 6) Rafovi, tezge, kabine za probu

**C) Land (m²):** *Entire land: (16401) ; construction land: (16401) (1.188) – socially owned, (15.213) – state owned;*

Balance sheet per year:	2005		2006	
Shown in:	RSD	**EUR	RSD	**EUR
Total business revenues	758.000	9.143	106.733.000	1.269.045
Total business expenses	79.282.000	956.276	188.913.000	2.246.157

**Main products/ services:** 1) Production of clothes 2) Production of huge ready-made clothes 3) Retail trade in textile and clothes 4) Wholesale of textile and clothes

**Total number of employees:** 496; **of which BS/ BA:** 3

### 4) Basic information on the entity undergoing privatization: Socially-owned enterprise ELEKTRONIKA-EMISIONA TEHNIKA-MARKETING, BEOGRAD

<b>Auction Sale Code: <u>251007-2076</u></b>		The entire estimated capital value to be privatized amounts to: <b>RSD 2.593.000 or *EUR 32.518</b> which is <b>70 %</b> of the entire capital of the entity.	
Official ID number of the Entity: <b>07781946</b>		<b>Deposit</b> for participation in the auction: <b>RSD 311.000 or *EUR 3.903</b>	
Field of work: <b>Engineering</b>		<b>Initial price</b> at the auction sale: <b>RSD 622.000</b>	
<b>The most important assets of the entity to be privatized</b>		<b>Minimum obligatory investments</b> into the entity to be privatized amounts to: <b>RSD 164.000</b>	
<b>A) Buildings – main facilities (m²):</b>		<b>B) Main equipment:</b>	
		1) Compute equipment 2) Office furniture 3) Automobile (DACIA)	
<b>C) Land (m²):</b>			
<b>Balance sheet per year:</b>		<b>2005</b>	
Shown in:		<b>2006</b>	
Total business revenues		RSD	
Total business expenses		**EUR	
Main products/ services: 1) Engineering 2) Foreign trade service		RSD	
Total number of employees: 3; of which BS/ BA: 0		**EUR	

<b>5) Basic information on the entity undergoing privatization: Slap group – plant in Čačak ad, BEOGRAD</b>			
<b>Auction Sale Code: <u>251007-2077</u></b>		The entire estimated capital value to be privatized amounts to: <b>RSD 142.158.000 or *EUR 1.782.847</b> which is <b>30,716 %</b> of the entire capital of the entity.	
Official ID number of the Entity: <b>07167261</b>		<b>Deposit</b> for participation in the auction: <b>RSD 14.216.000 or *EUR 178.285</b>	
Field of work: <b>Processing and canning of potatoes</b>		<b>Initial price</b> at the auction sale: <b>RSD 28.432.000</b>	
<b>The most important assets of the entity to be privatized</b>		<b>Minimum obligatory investments</b> into the entity to be privatized amounts to: <b>RSD 27.822.000</b>	
<b>A) Buildings – main facilities (m²):</b>		<b>B) Main equipment:</b>	
1. Chips production hall, Čačak (1812) 2. Snack production hall, Čačak (598) 3. Mashed potato production hall, Čačak (1113) 4. Warehouse og packaging and finished goods (560) 5. Potato warehouse (2494)		1) Chips production line (Florigo) 2) Snack production line (Laleze) 3) Mashed potato production line (Alfa laval) 4) Munchies production line(S.Baileri) 5) Vertical packing machine (Volpak VE280)	
<b>C) Land (m²):</b>			
<b>Balance sheet per year:</b>		<b>2005</b>	
Shown in:		<b>2006</b>	
Total business revenues		RSD	
Total business expenses		**EUR	
Main products/ services: 1) Chips 2) Snacks 3) Mashed potato 4) Salty products		RSD	
Total number of employees: 196; of which BS/ BA: 20		**EUR	

<b>6) Basic information on the entity undergoing privatization: KOSOVOPROJEKT socially-owned enterprise for projecting and building construction AGORA, BEOGRAD</b>			
<b>Auction Sale Code: <u>251007-2078</u></b>		The entire estimated capital value to be privatized amounts to: <b>RSD 15.552.000</b> which is <b>*EUR 195.038</b> which is <b>70 %</b> of the entire capital of the entity.	
Official ID number of the Entity: <b>07493606</b>		<b>Deposit</b> for participation in the auction: <b>RSD 1.866.000 or *EUR 23.405</b>	
Field of work: <b>Projecting of construction facilities</b>		<b>Initial price</b> at the auction sale: <b>RSD 3.732.000</b>	
<b>The most important assets of the entity to be privatized</b>		<b>Minimum obligatory investments</b> into the entity to be privatized amounts to: <b>RSD 2.955.000</b>	
<b>A) Buildings – main facilities (m²):</b>		<b>B) Main equipment:</b>	
1. Business premises (one part), Ul. Matoševa br.6 Beograd – right of use (107) 2. Business premises (one part – a building in the yard), Ul. Matoševa br.6 Beograd – user (14)		1) Computer (INT-P4) 2) Computer (Pentium IV/1700) 3) Air conditioner (3) 4) Mobile phone (Ericsson) 5) Chairs (4 komada)	
<b>C) Land (m²):</b>			
<b>Balance sheet per year:</b>		<b>2005</b>	
Shown in:		<b>2006</b>	
Total business revenues		RSD	
Total business expenses		**EUR	
Main products/ services: 1) Services		RSD	
Total number of employees: 3; of which BS/ BA: 2		**EUR	

<b>7) Basic information on the entity undergoing privatization: KOSOVOPROJEKT–GEOBIRO socially-owned enterprise for geodetic works, engineering and projecting, BEOGRAD</b>			
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<b>Auction Sale Code: <u>251007–2079</u></b>		The entire estimated capital value to be privatized amounts to: <b>RSD 2.764.000 or *EUR 34.662</b> which is <b>70 %</b> of the entire capital of the entity.	
Official ID number of the Entity: <b>07493541</b>		<b>Deposit</b> for participation in the auction: <b>RSD 332.000 or *EUR 4.159</b>	
Field of work: <b>Architectural and engineering works</b>		<b>Initial price</b> at the auction sale: <b>RSD 663.000</b>	
		<b>Minimum obligatory investments</b> into the entity to be privatized amounts to: <b>RSD 19.000</b>	
<b>The most important assets of the entity to be privatized</b>			
<b>A) Buildings – main facilities (m²):</b> 1. Business premises (one part – street facility), Ul. Matoševa br.6, Beograd – right of use (36) 2. Business premises (one part – yard facility), Ul. Matoševa br. 6, Beograd – user (16) 3. Auxiliary building in the yard (garaža), Ul. Matoševa br. 6, Beograd – user (20)		<b>B) Main equipment:</b> 1) Distance gauge (Zeiss DI 1000) 2) Theodolite (Zeiss TEO 020) 3) Hand level (Zeiss Ni 020/360) 4) Theodolite (Zeiss TEO 020a SA sta) 5) Table (tehnografik 450)	
<b>C) Land (m²):</b>			
<b>Balance sheet per year:</b>		<b>2005</b>	
		<b>2006</b>	
Shown in:	RSD	**EUR	RSD
Total business revenues	274.000	3.305	0
Total business expenses	356.000	4.294	290.000
<b>Main products/ services:</b> 1) Architectural and engineering works			
<b>Total number of employees:</b> 1; of which BS/ BA: 0			

#### 8) ) Basic information on the entity undergoing privatization: Socially–owned enterprise TEHNIKA–BIROTEHNIKA, ŠABAC

<b>Auction Sale Code: <u>251007–2080</u></b>		The entire estimated capital value to be privatized amounts to: <b>RSD 550.000 or 6.900 *EUR</b> which is <b>70 %</b> of the entire capital of the entity.	
Official ID number of the Entity: <b>17015451</b>		<b>Deposit</b> for participation in the auction: <b>RSD 55.000 or *EUR 690</b>	
Field of work: <b>Repair</b>		<b>Initial price</b> at the auction sale: <b>RSD 110.000</b>	
<b>The most important assets of the entity to be privatized</b>		<b>Minimum obligatory investments</b> into the entity to be privatized amounts to: <b>RSD 79.000</b>	
<b>A) Buildings – main facilities (m²):</b> 1. Business premises – user (44)		<b>B) Main equipment:</b> 1) Chairs (6) 2) Shelves for fiscal cash registers (2) 3) Desk	
<b>C) Land (m²):</b>			
<b>Balance sheet per year:</b>		<b>2005</b>	
		<b>2006</b>	
Shown in:	RSD	**EUR	RSD
Total business revenues	13.446.000	162.182	8.745.000
Total business expenses	15.955.000	192.445	9.792.000
<b>Main products/ services:</b> 1) Service and sale of bio-equipment			
<b>Total number of employees:</b> 2: of which BS/ BA: 0			

#### 9) Basic information on the entity undergoing privatization: Socially–owned construction enterprise PROLETERSKI PUT, POŽEGA

<b>Auction Sale Code: <u>251007–2081</u></b>		The entire estimated capital value to be privatized amounts to: <b>RSD 39.430.000 or *EUR 494.498</b> which is <b>70 %</b> of the entire capital of the entity.			
Official ID number of the Entity: <b>07226241</b>		<b>Deposit</b> for participation in the auction: <b>RSD 3.154.000 or *EUR 39.560</b>			
Field of work: <b>Building of roads, runways</b>		<b>Initial price</b> at the auction sale: <b>RSD 6.309.000</b>			
		<b>Minimum obligatory investments</b> into the entity to be privatized amounts to: <b>RSD 1.238.000</b>			
<b>The most important assets of the entity to be privatized</b>					
<b>A) Buildings – main facilities (m²):</b> 1. Administrative building with the laboratory of asphalt and concrete plant (256) 2. Asphalt base (419) 3. Car repair channels (250) 4. Concrete plant (280) 5. Concrete plateau for storage of finished products (600) 6. Eaves (214)		<b>B) Main equipment:</b> 1) Production equipment (asphalt and concrete base) (Marini, Progres AB–35) 2) Hydraulic caterpillar dredger (BGH 100F) 3) Caterpillar tractor (TG 220 CK) 4) Loading truck (ULT–220 CK) 5) Tipper trucks (3) (KAMAZ) 6) Transporters (FAP, MAZ, MAN)			
<b>C) Land (m²):</b> <i>Entire land: (39622) ; construction land: (12357) – state owned; Agricultural land: (27265) – socially owned;</i>					
<b>Balance sheet per year:</b>		<b>2005. godinu</b>		<b>2006. godinu</b>	
Shown in:		Din		**EUR	
Total business revenues		2.024.000		24.413	
Total business expenses		17.880.000		215.663	
				1.255.000	
				16.912.000	
				201.082	
<b>Main products/ services:</b> 1) Concrete 2) Equipment lease 3) Asphalt 4) Iron waste 5) Roller service 6) Bulldozer service 7) Loading works					
<b>Total number of employees:</b> 98; <b>of which BS/ BA:</b> 0					