

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-s. 52/05 and 91/07), 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., 5th floor, 09:00 – 16:30, in the period from 18.12.2007 until 28.12.2007 and from 09.01.2008 until 13.02.2008.

DEADLINE FOR SUBMISSION OF APPLICATIONS IS 14.02.2008, BY 16:30.

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 220208, Privatization Agency, Belgrade, 23 Terazije St., 5th floor".

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

THE AUCTION WILL BE HELD ON: 22.02.2008

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:

22.02.2008, 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 (22.02.2008) 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 (22.02.2008) 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 within 21 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 of the Confidentiality Agreement in the period from 18.12.2007 until 13.02.2008, at the time previously established with the Privatization Agency, telephone: (+381 11) 3020-842; (+381 11) 3020-803 or by fax: (+381 11) 3020-881.

** The total estimated capital value to be privatized, stated in EUR, was calculated according to the official exchange rate on 14.12.2007.*

*** 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 privatization entity: Joint-stock trading company DUNAV, SMEDEREVO

Auction sale code: 220208-2175

Official ID number of the entity: **07163070**

Field of work: **Retail trade in general goods**

The entire estimated capital value to be privatized amounts to: **RSD 603.986.000** or ***EUR 7.578.754**, which is **68,726 %** of the total entity capital.

Deposit for participation in the auction: **RSD 72.478.000** or ***EUR 909.450**

Initial price at the auction sale: **RSD 144.957.000**

Minimum obligatory investments into the privatization entity amounts to: **RSD 11.875.000**

Main property of the privatization entity

A) Buildings – main facilities (m²):

1. Department store (2870) 2. Repair shop and store (528) 3. Office premises no. 177 (761) 4. Office premises no. 231 (712) 5. Office premises – head office at the railway station (1200) 6. Office premises M-1 (1200) 7. Office premises M-103 (2760)

B) Main equipment:

1) Passenger vehicle (ZASTAVA FLORIDA 1.3 CW) 2) Passenger vehicle (VW PASAT 1.8 CL) 3) Passenger vehicle (ZASTAVA 101 SKALA 55) 4) Coffee roasting machine (MPK-15)

C) Land (m²): *Entire land: (90698); Construction land: (1710) – socially-owned; Farming land: (44964): (2260) – socially-owned, (42704) – state-owned; Other land: (44024) – state owned*

Balance sheet per year:	2005		2006	
	Shown in:	RSD	**EUR	RSD
Total operating revenues	67.276.000	811.463	66.100.000	785.922
Total operating expenses	99.485.000	1.199.959	111.434.000	1.324.939

Main products/services: 1) Lease 2) Storage

Total number of employees: 248; of which BS/BA: 15

2) Basic information on the privatization entity: Joint-stock company RAMSKI RIT, VELIKO GRADIŠTE

Auction sale code: 220208-2177

Official ID number of the entity: **07163266**

Field of work: **Fattening of pigs**

The entire estimated capital value to be privatized amounts to: **RSD 367.305.000** or ***EUR 4.608.902**, which is **69,769 %** of the total entity capital.

Deposit for participation in the auction: **RSD 44.077.000** or ***EUR 553.068**

Initial price at the auction sale: **RSD 88.153.000**

Minimum obligatory investments into the privatization entity amounts to: **RSD 15.133.000**

Main property of the privatization entity

A) Buildings – main facilities (m²):

1. Administration building with workshop (424) 2. Production facilities 1-4 (14372) 3. Stables for fattening of bullocks (steel construction) – 8 pieces (6088) 4. Administration building of the holding (474) 5. Old silo with drying-room and machine shop (10000)

B) Main equipment:

1) Motor vehicle (DAIMLER TIP 124) 2) Loader (RD 180) 3) Irrigation system 4) Machines and technological equipment 5) Vertical drying-room (DVSK-3 CER)

C) Land (m²): *Entire land: (8543449); farming land: (8543449): (95296) – socially-owned, (8448153) – state-owned*

Balance sheet per year:	2005		2006	
	Shown in:	RSD	**EUR	RSD
Total operating revenues	109.609.000	1.322.072	119.304.000	1.418.513
Total operating expenses	125.683.000	1.515.952	156.870.000	1.865.169

Main products/services: 1) Bullocks and porkers 2) Pigs 3) Fattening chickens 4) Pastes - concentrate

Total number of employees: 147; of which BS/BA: 6

3) Basic information on the privatization entity: BETRATRANS – Joint-stock company for transport, logistics, reloading and storage, BELGRADE

Auction sale code: 220208-2178

Official ID number of the entity: **07022816**

Field of work: **Warehouses and unloading places**

The entire estimated capital value to be privatized amounts to: **RSD 14.745.000** or ***EUR 185.014**, which is **10,724 %** of the total entity capital.

Deposit for participation in the auction: **RSD 1.474.000** or ***EUR 18.501**

Initial price at the auction sale: **RSD 2.949.000**

Main property of the privatization entity

A) Buildings – main facilities (m²):

1. Hall – warehouse, Zemun, 14-16 Pazovački put (4180) 2. Repair shop, Zemun, 14-16 Pazovački put (497) 3. Administration building, Zemun, 14-16 Pazovački put (194) 4. Office premises, Zemun, 14-16 Pazovački put (264) 5. Restaurant, Zemun, 14-16 Pazovački put (200)

B) Main equipment:

1) Forklift truck (Mitsubishi) 2) Welding machine (Vareks Gore) 3) Tracor trailer «Rakovica» (EP 500,1) 4) Tractor «Rakovica» (P-65) 5) Electric boiler (2 pieces, Ekopan EI 24)

C) Land (m²):

Balance sheet per year:	2005		2006		
	Shown in:	RSD	**EUR	RSD	**EUR
Total operating revenues		33.943.000	409.411	38.714.000	460.306
Total operating expenses		34.444.000	415.453	31.952.000	379.906

Main products/services: 1) Storage of goods in the public warehouse 2) Storage of goods in the customs warehouse 3) Local delivery of goods

Total number of employees: 11; of which BS/BA: 0

4) Basic information on the privatization entity: Educational and cultural center BRANKO KRSMANOVIĆ, PARAĆIN

Auction sale code: 220208-2179

Official ID number of the entity: **07116063**

Field of work: **Educational activities**

The entire estimated capital value to be privatized amounts to: **RSD 38.320.000** or ***EUR 480.839**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 4.598.000** or ***EUR 57.701**

Initial price at the auction sale: **RSD 9.197.000**

Minimum obligatory investments into the privatization entity amounts to: **RSD 150.000**

Main property of the privatization entity

A) Buildings – main facilities (m²):

1. A part of the school building (1137) 2. Building «Avala» (377)

B) Main equipment:

1) Generating unit (Honda) 2) Welding machine 3) Stove (AEG) 4) Projector (M.P. 21) 5) Sewing machine (Vesna) 6) Desks and chairs

C) Land (m²): *Entire land: (967); Construction land: (967) – state-owned*

Balance sheet per year:	2005		2006		
	Shown in:	RSD	**EUR	RSD	**EUR
Total operating revenues		4.374.000	52.758	4.594.000	54.622
Total operating expenses		4.284.000	51.672	5.210.000	61.946

Main products/services: 1) Education of adults (course) 2) Courses for hairdressers, waiters and similar professions

Total number of employees: 6; of which BS/BA: 3