

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, from 09:00 to 16:30, in the period from 06.02.2008 until 19.03.2008.

DEADLINE FOR SUBMISSION OF APPLICATIONS IS 20.03.2008, 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 280308, 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 total estimated capital value to be privatized, stated in EUR, was calculated according to the official exchange rate on 01.02.2008.*

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

THE AUCTION WILL BE HELD ON: 28.03.2008.

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

28.03.2008, 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 (28.03.2008) 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 (28.03.2008) 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 06.02.2008 until 19.03.2008, at the time previously agreed with the Privatization Agency, tel: (+381 11) 3020-842; (+381 11) 3020-803 or fax: (+381 11) 3020-881.

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: Socially-owned company GRAĐEVINAR, LUČANI

Auction sale code: 280308-2215

Official ID number of the entity: **07266774**

Field of work: **Setting of pipe installations**

Main property of the privatization entity

A) Buildings – main facilities (m²):

1. Office premises (146)

The entire estimated capital value to be privatized amounts to: **RSD 4.297.000** or ***EUR 52.201**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 516.000** or ***EUR 6.264**

Initial price at the auction sale: **RSD 1.031.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 176.000**

B) Main equipment:

1) Dredger (BH 600) 2) Truck (FAP 13) 3) Office equipment 4) Computer and IT equipment

C) Land (m²):

Balance sheet per year:	2005		2006	
	RSD	**EUR	RSD	**EUR
Shown in:				
Total operating revenues	13.533.000	163.231	20.206.000	240.247
Total operating expenses	14.628.000	176.439	19.697.000	234.195

Main products/services: 1) Setting of pipe installations

Total number of employees: 8; of which **BS/BA:** 1

2) Basic information on the privatization entity: Socially-owned enterprise for production and trade in textile KLJUČ KOMERC, BELGRADE

Auction sale code: 280308-2216

Official ID number of the entity: **06998356**

Field of work: **Wholesale**

Main property of the privatization entity

A) Buildings – main facilities (m²):

1. Office space, Belgrade, 25 Sarajevska St. (52)

The entire estimated capital value to be privatized amounts to: **RSD 3.062.000** or ***EUR 37.197**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 367.000** or ***EUR 4.464**

Initial price at the auction sale: **RSD 735.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 7.000**

B) Main equipment:

1) Fiscal cashbox 2) Office furniture

C) Land (m²):

Balance sheet per year:	2005		2006	
	RSD	**EUR	RSD	**EUR
Shown in:				
Total operating revenues	4.554.000	54.929	9.160.000	108.911
Total operating expenses	4.378.000	52.806	8.622.000	102.515

Main products/services: 1) Textile goods (curtains, bed-clothes, carpets)

Total number of employees: 6; of which **BS/BA:** 1

3) Basic information on the privatization entity: Socially-owned company SERVIS SPECIJALNIH VOZILA, BELGRADE

Auction sale code: 280308-2217

Official ID number of the entity: **17055453**

Field of work: **Maintenance and repair of motor vehicles**

Main property of the privatization entity

A) Buildings – main facilities (m²):

1. Office space with the carwash, Belgrade, Veljko Dugošević St. 18 (77,54)

The entire estimated capital value to be privatized amounts to: **RSD 8.112.000** or ***EUR 98.548**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 924.000** or ***EUR 11.227**

Initial price at the auction sale: **RSD 1.848.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 1.707.000**

B) Main equipment:

1) Washing machine (ALTO SC 780) 2) Hot washing machine 3) Delivery van (Florida Poli) 4) Passenger vehicle (Opel Astra) 5) Computers and computer equipment

C) Land (m²):

Balance sheet per year:	2005		2006	

Shown in:	RSD	**EUR	RSD	**EUR
Total operating revenues	94.492.000	1.139.735	185.545.000	2.206.111
Total operating expenses	92.069.000	1.110.509	183.292.000	2.179.323

Main products/services: 1) Maintenance and repair of motor vehicles 2) Engineering
Total number of employees: 40; **of which BS/BA:** 5

4) Basic information on the privatization entity: Socially-owned company for trade NOVA MLADOST, BELGRADE

Auction sale code: 280308-2218

Official ID number of the entity: **07755317**

Field of work: **Wholesale**

Main property of the privatization entity

A) Buildings – main facilities (m²):

The entire estimated capital value to be privatized amounts to: **RSD 23.750.000** or ***EUR 288.507**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 2.850.000** or ***EUR 34.621**

Initial price at the auction sale: **RSD 5.700.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 79.000**

Б) Најзначајнија опрема:

1) Apartment-contained central heating 2) Computer and printer 3) Air-conditioner (Vivux CM 1706) 4) Office furniture

C) Land (m²):

Balance sheet per year:		2005		2006	
Shown in:		RSD	**EUR	RSD	**EUR
Total operating revenues		5.652.000	68.173	5.613.000	66.738
Total operating expenses		8.836.000	106.577	9.560.000	113.667

Main products/services: 1) Sale of stationary

Total number of employees: 8; **of which BS/BA:** 0

5) Basic information on the privatization entity: Socially-owned company for trade, services and marketing BEOMETALNA, BELGRADE

Auction sale code: 280308-2219

Official ID number of the entity: **07742444**

Field of work: **Wholesale of different machines**

Main property of the privatization entity

A) Buildings – main facilities (m²):

B) Main equipment:

1) Vibrating drill (PSB 500 RE) 2) Grinder (PWS 600) 3) Grinder (MAKITA 9069) 4) Electric grinder (WS-G 230 E) 5) Electric circular saw (BHS 66) 6) Office furniture

C) Land (m²):

Balance sheet per year:		2005		2006	
Shown in:		RSD	**EUR	RSD	**EUR
Total operating revenues		16.266.000	196.196	34.054.000	404.899
Total operating expenses		16.262.000	196.147	32.328.000	384.377

Main products/services: 1) Overhaul of building and mining machinery 2) Sale of spare parts for building and mining machinery 3) Production of equipment and mass measuring devices of building and mining machinery

Total number of employees: 4; **of which BS/BA:** 1

6) Basic information on the privatization entity: Socially-owned company for trade SRPSKI OPANAK, VALJEVO

Auction sale code: 280308-2220

Official ID number of the entity: **07664192**

Field of work: **Retail trade in footwear and leather products**

Main property of the privatization entity

A) Buildings – main facilities (m²):

B) Main equipment:

1) Office furniture

C) Land (m²):

Balance sheet per year:		2005		2006	
Shown in:		RSD	**EUR	RSD	**EUR

Total operating revenues	2.724.000	32.856	6.712.000	79.805
Total operating expenses	2.910.000	35.100	6.272.000	74.573

Main products/services: 1) Retail trade in footwear

Total number of employees: 2; **of which BS/BA:** 0