

In accordance with Article 38 of the Law on Privatization ("Official Gazette of the RS", nos. 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" nos. 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 40000**, 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:

10 Bulevar Mihajla Pupina (5th floor), Novi Sad, 9:00–16:30, from 03.03.2008 to 09.04.2008.

DEADLINE FOR SUBMISSION OF APPLICATIONS IS 10.04.2008 UNTIL 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 180408, 10 Bulevar Mihajla Pupina (5th floor), Novi Sad".

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: 18.04.2008.

at the following address: **Novi Sad, JP Sportsko poslovni centar Vojvodina–SPENS** at **11:00**. The registration of the auction participants will be held at the same address on:

18.04.2008, 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 (18.04.2008.) 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 (18.04.2008.) 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 is to be due within 48 hours after the declaration a buyer.

Deposit for participation is to be returned 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 signing the Confidentiality Agreement in the period from 03.03.2008 to 09.04.2008, at the time previously established by the Privatization Agency, tel: 011/3020–842;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 01.03.2007.*

** *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: Graphic socially-owned enterprise GRAFIKA, TITEL

Auction Sale Code: 180408-1194p

Official ID number of the Entity: **08050414**

Field of work: **Printing**

The entire estimated capital value to be privatized amounts to: **RSD 8.582.000 or *EUR 102.825** which is **70 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 687.000 or *EUR 8.226**

Initial price at the auction sale: **RSD 1.373.000**

Minimum obligatory investments into the entity to be privatized amounts to: **RSD 504.000**

The most important assets of the entity to be privatized

A) Buildings - main facilities (m²):

1. Business premises (963)

B) Main equipment:

1) Machine for tipo printing (PS A3) 2) Camera (GS3) 3) Copier (GS3) 4) Sewing machine 5) Machine

C) Land (m²):

Balance sheet per year:

Shown in:	2001		2002	
	RSD	**EUR	RSD	**EUR
Total business revenues	2.133.000	35.850	2.782.000	46.094
Total business expenses	2.919.000	49.060	4.542.000	75.255

Main products/ services: 1) Block products 2) Printed material

Total number of employees: 15; of which **BS/ BA:** 1

2) Basic information on the entity undergoing privatization: Socially-owned enterprise for construction works GRADNJA, NOVI SAD

Auction Sale Code: 180408-2253

Official ID number of the Entity: **08081204**

Field of work: **Rough construction works**

The entire estimated capital value to be privatized amounts to: **RSD 1.344.000 or *EUR 16.106** which is **70 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 161.000 or *EUR 1.933**

Initial price at the auction sale: **RSD 323.000**

Minimum obligatory investments into the entity to be privatized amounts to: **RSD 10.000**

The most important assets of the entity to be privatized

A) Buildings - main facilities (m²):

B) Main equipment:

1) Truck (ZASTAVA 35.8 AN) 2) Office furniture

C) Land (m²):

Balance sheet per year:

Shown in:	2005		2006	
	RSD	**EUR	RSD	**EUR
Total business revenues	0	0	0	0
Total business expenses	0	0	0	0

Main products/ services: 1) Rough construction works

Total number of employees: 4; of which BS/ BA: 0

3) Basic information on the entity undergoing privatization: Veterinary station ADA, ADA

Auction Sale Code: 180408-2254

Official ID number of the Entity: **08220239**

Field of work: **Veterinary activities**

The entire estimated capital value to be privatized amounts to: **RSD 31.923.000** or ***EUR 382.473** which **70 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 4.223.000** or ***EUR 50.591**

Initial price at the auction sale: **RSD 8.445.000**

Minimum obligatory investments into the entity to be privatized amounts to: **RSD 497.000**

The most important assets of the entity to be privatized

A) Buildings – main facilities (m²):

1. Administrative building (199) 2. Warehouse of concentrate (124) 3. Warehouse of medicines (52) 4. Gas station (13) 5. Surgery (84)

B) Main equipment:

1) Automobile (ZASTAVA KORAL 1.1) 2) Automobile (JUGO KORAL) 3) Automobile (DACIA PICK UP 1.9) 4) Business inventory 5) Plant inventory

C) Land (m²): *Entire land: (2830); construction land: (2830) – state owned*

Balance sheet per year:

Shown in:	2005		2006	
	RSD	**EUR	RSD	**EUR
Total business revenues	11.552.000	139.337	17.239.000	204.970
Total business expenses	11.812.000	142.473	17.373.000	206.563

Main products/ services: 1) Breeding of animals, except for veterinary services 2) Wholesale of grain products, seeds and fodder 3) Wholesale of living animals 4) Trade in pharmaceutical products 5) Production of timber 6) Veterinary activities

Total number of employees: 12; of which BS/ BA: 4

4) Basic information on the entity undergoing privatization: Veterinary station BEČEJ, BEČEJ

Auction Sale Code: 180408-2255

Official ID number of the Entity: **08069549**

Field of work: **Veterinary activities**

The entire estimated capital value to be privatized amounts to: **RSD 20.660.000** or ***EUR 247.535** which is **70 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 2.760.000** or ***EUR 33.071**

Initial price at the auction sale: **RSD 5.520.000**

Minimum obligatory investments into the entity to be privatized amounts to: **RSD 226.000**

The most important assets of the entity to be privatized

A) Buildings – main facilities (m²):

1. Administrative building – right to use (170) 2. Surgery – right to use (128) 3. Sheds – right to use (128) 4. Garage 1 – right to use (28)

B) Main equipment:

1) Automobile (Jugo koral 55) 2) Automobile (Jugo koral 55) 3) Gas installation 4) Sprinkler (Stil – 05) 5) Device 3 (Bachome)

C) Land (m²): *Entire land: (2118); construction land: (3317) – state owned*

Balance sheet per year:

Shown in:	2005		2006	
	RSD	**EUR	RSD	**EUR
Total business revenues	10.076.000	121.534	11.788.000	140.158
Total business expenses	9.767.000	117.807	11.149.000	132.560

Main products/ services: 1) Cattle breeding, production of milk 2) Breeding of sheep, horses, goats, donkeys 3) Pig breeding 4) Poultry breeding 5) Wholesale of pharmaceutical products 6) Mediation in the sale of agricultural products, living animals and semi-products

Total number of employees: 17; of which BS/ BA: 5

5) Basic information on the entity undergoing privatization: Chimney sweeper DIMNIČAR A.D., NOVI SAD

Auction Sale Code: 180408-2256

Official ID number of the Entity: **08085714**

Field of work: **Facility sweeping**

The entire estimated capital value to be privatized amounts to: **RSD 37.718.000** or ***EUR 451.914** which is **54,635 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 4.526.000** or ***EUR 54.230**

Initial price at the auction sale: **RSD 9.052.000**

Minimum obligatory investments into the entity to be privatized amounts to: **RSD 579.000**

The most important assets of the entity to be privatized

A) Buildings – main facilities (m²):

1. Business services facility, ul. Svetojovanska 7, Novi Sad (230) 2. Auxiliary facility, ul. Svetojovanska 7, Novi Sad (72)

B) Main equipment:

1) Transporter van (Mercedes) 2) Compressor with equipment (E4NL-1043) 3) Apparatus for washing at high pressure (Kranzle 135) 4) Computing equipment 5) Demineralization apparatus

C) Land (m²): *Entire land: (663); construction land: (663) – state owned*

Balance sheet per year:

Shown in:	2005		2006	
	RSD	**EUR	RSD	**EUR
Total business revenues	10.284.000	124.043	6.997.000	83.194
Total business expenses	11.867.000	143.136	8.482.000	100.850

Main products/ services: 1) Chimney sweeping 2) Boiler sweeping 3) Boiler fire clay processing 4) Bonnet sweeping 5) Sweeping

Total number of employees: 15; **of which BS/ BA:** 1