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In accordance with Article 38 of the Law on Privatization ("Official Gazette RS", no.: 38/01, 18/03, 45/05 and 123/07), and Article 9 of the Decree on sale of capital and property by public auction ("Official Gazette RS" no. 52/05 and 91/07), the Privatization Agency announces:

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 the receipt of invoice from the Privatization Agency. VAT is not calculated in the price. The 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 Mihaila Pupina (5th floor), Novi Sad, from 09:00 to 16:30, in the period from 23.04.2008 until 21.05.2008.

DEADLINE FOR SUBMISSION OF APPLICATIONS IS 22.05.2008, BY 16:30.

Filled application, which is a part of the auction documents, with the signed draft of the Sales-Purchase Agreement and the deposit payment evidence, is to be submitted in a sealed envelope marked with: „APPLICATION FOR PARTICIPATION IN PUBLIC AUCTION 300508, 10 Bulevar Mihaila Pupina (5th floor), Novi Sad”.

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: 30.05.2008

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

30.05.2008, 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 of citizens, which are due not later than the date of the capital sale (30.05.2008), issued to the individuals, who are citizens of the Republic of Serbia. If the participant applies only for the second bidding, means of payment can be even the state bonds based on the unpaid foreign currency savings of citizens, which are not due until the date of the capital sale (30.05.2008), 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 21 days after the public auction has been held.

Privatization Agency reserves 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 about such changes, if any, until the auction date at the latest.

The site visit shall be carried out after signing of the Confidentiality Agreement in the period from 23.04.2008 until 21.05.2008, after previously the timetable with the Privatization Agency has been established, phone: (381 21) 452-959.

* *The total estimated capital value to be privatized, stated in EUR, was calculated according to the official exchange rate on 22.04.2008.*

** *The total operating 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: Socially-owned enterprise for building construction GRADNJA, NOVI SAD

Auction sale code: 300508-2253p

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

Field of work: **Basic building operations**

Main property of the privatization entity

A) Buildings – main facilities (m²):

The entire estimated capital value to be privatized amounts to: **RSD 1.374.000** or ***EUR 17.045**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 110.000** or **1.364**

Initial price at the auction sale: **RSD 220.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 10.000**

B) Main equipment:

1) Passenger vehicle (cannot be driven) (JUGO-45) 2) Truck with the lengthened cabin (ZASTAVA 35.8 AN) 3) Office furniture

C) Land (m²): *Entire land: (0);*

| Balance sheet per year: | | 2006 | | 2007 | |
|--------------------------|--|------|-------|------|-------|
| Shown in: | | RSD | **EUR | RSD | **EUR |
| Total operating revenues | | 0 | 0 | 0 | 0 |
| Total operating expenses | | 0 | 0 | 0 | 0 |

Main products/services: 1) Building operations

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

2) Basic information on the privatization entity: Company for trade and services OKRIM-SLOGA-AGRAR d.o.o., ZRENJANIN

Auction sale code: 300508-2290

Official ID number of the entity: **08250839**

Field of work: **Wholesale**

Main property of the privatization entity

A) Buildings – main facilities (m²):

1. Office building – right of property (772) 2. Warehouse – right of property (875) 3. Secondary warehouse – right of property (147) 4. Restaurant – right of property (305) 5. Charda on river Tisa – non-registered property (282)

B) Main equipment:

1) Goods vehicle (Toyota Landcruiser) 2) Bus (N-126) 3) Equipment for the restaurant 4) Mill 5) Silo and drying-room

C) Land (m²): *Entire land: (0);*

| Balance sheet per year: | | 2006 | | 2007 | |
|--------------------------|--|-----------|---------|------------|---------|
| Shown in: | | RSD | **EUR | RSD | **EUR |
| Total operating revenues | | 6.824.000 | 81.137 | 3.989.000 | 49.885 |
| Total operating expenses | | 9.629.000 | 114.488 | 10.749.000 | 134.423 |

Main products/services: 1) Mill products

Total number of employees: 45; of which BS/BA: 1

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

Auction sale code: 300508-2291

Official ID number of the entity: **08365962**

Field of work: **Veterinary activities**

Main property of the privatization entity

A) Buildings – main facilities (m²):

1. Secondary building – user (397) 2. Veterinary surgery building – right of use (155) 3. Secondary building – user (40) 4. Secondary building-apartments – right of use (69)

B) Main equipment:

1) Passenger vehicle (Lada Niva SU 600-24) 2) Passenger vehicle 3) Goods vehicle 4) Passenger vehicle 5) Passenger vehicle 6) Container

C) Land (m²): *Entire land: (27605); Construction land: (26704) – state-owned; Agricultural land: (901) – state-owned;*

| Balance sheet per year: | | 2006 | | 2007 | |
|-------------------------|--|------|--|------|--|
|-------------------------|--|------|--|------|--|

| | | | | |
|--------------------------|------------|---------|------------|---------|
| Shown in: | RSD | **EUR | RSD | **EUR |
| Total operating revenues | 39.571.000 | 470.495 | 43.668.000 | 546.096 |
| Total operating expenses | 38.151.000 | 453.612 | 38.693.000 | 483.880 |

Main products/services: 1) Veterinary activities

Total number of employees: 34; of which BS/BA: 12

4) Basic information on the privatization entity: Public veterinary service Veterinary station NOVI SAD, NOVI SAD

Auction sale code: 300508-2292

Official ID number of the entity: **08408777**

Field of work: **Veterinary activities**

Main property of the privatization entity

A) Buildings – main facilities (m²):

1. Office building, 13 Futoški put, Novi Sad – holder of right of use (245) 2. Veterinary surgery building, 103 Preradovićeve St., Petrovaradin – user (62) 3. Veterinary surgery building – user (171) 4. Office building – user (124) 5. Office premises – holder of right of use (172) 6. Office premises – right of use (198)

The entire estimated capital value to be privatized amounts to: **RSD 26.267.000** or ***EUR 325.865**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 3.474.000** or ***EUR 43.100**

Initial price at the auction sale: **RSD 6.948.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 857.000**

B) Main equipment:

1) Trichinoscope (4 pieces) 2) Chip program 3) Computer with the printer

C) Land (m²): *Entire land: (3988); Construction land: (3988) – state-owned;*

| Balance sheet per year: | 2006 | | 2007 | |
|--------------------------|------------|---------|------------|---------|
| Shown in: | RSD | **EUR | RSD | **EUR |
| Total operating revenues | 49.600.000 | 589.739 | 57.709.000 | 721.687 |
| Total operating expenses | 49.146.000 | 584.341 | 56.930.000 | 711.945 |

Main products/services: 1) Veterinary activities

Total number of employees: 30; of which B/BA: 16

5) Basic information on the privatization entity: Veterinary station ZRENJANIN, ZRENJANIN

Auction sale code: 300508-2293

Official ID number of the entity: **08399867**

Field of work: **Veterinary activities**

Main property of the privatization entity

A) Buildings – main facilities (m²):

1. Administration station – holder of right of use (180) 2. Center for animals marking – holder of right of use (40) 3. DDD service – holder of right of use (47) 4. Veterinary surgery – holder of right of use (245)

The entire estimated capital value to be privatized amounts to: **RSD 31.502.000** or ***EUR 390.805**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 4.153.000** or ***EUR 51.523**

Initial price at the auction sale: **RSD 8.306.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 231.000**

B) Main equipment:

1) Passenger vehicle (RENAULT 5 CAMPUS) 2) Passenger vehicle (ZASTAVA 101 SKALA 55) 3) Passenger vehicle (ZASTAVA 128 SKALA 55) 4) Trichinoscope with the screen 5) Trichinoscope (OPTIKO PARIS) 6) Branding hammer

C) Land (m²): *Entire land: (2112); Construction land: (2112) – state-owned;*

| Balance sheet per year: | 2006 | | 2007 | |
|--------------------------|------------|---------|------------|---------|
| Shown in: | RSD | **EUR | RSD | **EUR |
| Total operating revenues | 31.321.000 | 372.404 | 28.075.000 | 351.095 |
| Total operating expenses | 31.029.000 | 368.932 | 27.590.000 | 345.030 |

Main products/services: 1) Service related to animal breeding 2) Retail trade in fodder 3) Fodder 4) Services of quality control of meat with issuance of certificates 5) Veterinary activities

Total number of employees: 42; of which B/BA: 14

6) Basic information on the privatization entity: Public veterinary service Veterinary station VRŠAC, VRŠAC

Auction sale code: 300508-2294

Official ID number of the entity: **08009970**

Field of work: **Veterinary activities**

Main property of the privatization entity

A) Buildings – main facilities (m²):

1. Office building – holder of right of use (416) 2. Surgery – holder of right of use (257) 3. Warehouse – holder of right of use (116) 4. Laboratory – holder of right of use (61)

The entire estimated capital value to be privatized amounts to: **RSD 41.309.000** or ***EUR 512.468**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 4.957.000** or ***EUR 61.496**

Initial price at the auction sale: **RSD 9.914.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 138.000**

B) Main equipment:

1) Trichinoscope 2) Container for artificial insemination 3) Container for artificial insemination 4) Office equipment

C) Land (m²): Entire lands: (2487); Construction land: (2487) - state-owned;

| Balance sheet per year: | | 2006 | | 2007 | |
|--------------------------|--|-----------|--------|---------|-------|
| Shown in: | | RSD | **EUR | RSD | **EUR |
| Total operating revenues | | 5.486.000 | 65.228 | 131.000 | 1.638 |
| Total operating expenses | | 7.211.000 | 85.738 | 216.000 | 2.701 |

Main products/services: 1) Veterinary activities

Total number of employees: 11; of which BS/BA: 4