

In accordance with Article 38 of the Law on Privatization ("Official Gazette RS", no.: 38/01, 18/03, 45/05 and a23/07), 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: **CSD 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 16.04.2008 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 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 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 16.04.2008 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 15.04.2008.

** 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

Sale of capital through the method of 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 the auction, registers the auction participants, pronounces the auction for unsuccessful, signs the minutes and performs other activities of importance for the auction performance in accordance with the Law. The conditions for the auction to be carried out are met, if at least one person has obtained the status of the 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 immediately afterwards opens the second bidding, when even the undue state bonds can be the means of payment. Those who have applied for the second bidding can participate in, as well as the participants in the first bidding, in case it has been declared unsuccessful. If in the second bidding participate more than one person, 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 parties even after the third call, the auction is declared unsuccessful, and the participants lose the right to be brought back 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 at the same time the selling price. If the participant does not accept the initial price, the auction is declared unsuccessful and it loses the right to be brought back the deposit.

1) Basic information on the privatization entity: Socially-owned enterprise 7. JULI, SIRIG

Auction sale code: 300508-2284

Official ID number of the entity: **08053073**

Field of work: **Cultivation of cereals and other crops**

The entire estimated capital value to be privatized amounts to: **RSD 255.744.000** or ***EUR 3.158.171**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 30.689.000** or ***EUR 378.981**

Initial price at the auction sale: **RSD 61.379.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 12.422.000**

Main property of the privatization entity

A) Buildings – main facilities (m²):

1. Machine workshop (1195) 2. Administration building (466)

B) Main equipment:

1) Harvesters (Zmaj) 2) Tractors (MTZ 82.1) 3) Disc harrow (Proleter) 4) Heavy harrow

C) Land (m²): *Entire land: (1463274); Agricultural land: (13432070) – socially-owned (4.881.167m²); – state-owned (8.550.903m²)*

Balance sheet per year:		2006		2007	
Shown in:		RSD	**EUR	RSD	**EUR
Total operating revenues		33.828.000	402.212	58.388.000	730.179
Total operating expenses		63.608.000	756.293	71.959.000	899.892

Main products/services: 1) Wheat, barley, corn 2) Sugar beat, soy bean 3) Sunflower, lucerne 4) Potato, milk

Total number of employees: 74; of which BS/BA: 4

2) Basic information on the privatization entity: Veterinary station SRBOBRAN, SRBOBRAN

Auction sale code: 300508-2285

Official ID number of the entity: **08408742**

Field of work: **Veterinary activities**

The entire estimated capital value to be privatized amounts to: **RSD 10.937.000** or ***EUR 135.059**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 1.418.000** or ***EUR 17.514**

Initial price at the auction sale: **RSD 2.836.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 31.000**

Main property of the privatization entity

A) Buildings – main facilities (m²):

1. Veterinary station building – right of use (387)

B) Main equipment:

1) Passenger vehicle (RENAULT 4) 2) Trichinoscope 3) Container 4) Office quipment

C) Land (m²): *Construction land: (3507) – state-owned*

Balance sheet per year:		2006		2007	
Shown in:		RSD	**EUR	RSD	**EUR
Total operating revenues		3.782.000	44.968	7.594.000	94.968
Total operating expenses		2.934.000	34.885	5.029.000	62.891

Main products/services: 1) Veterinary services

Total number of employees: 7; of which BS/BA: 4

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

Auction sale code: 300508-2286

Official ID number of the entity: **08409820**

Field of work: **Veterinary activities**

The entire estimated capital value to be privatized amounts to: **RSD 29.972.000** or ***EUR 370.124**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 4.001.000** or ***EUR 49.406**

Initial price at the auction sale: **RSD 8.002.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 360.000**

Main property of the privatization entity

A) Buildings – main facilities (m²):

1. Office building with surgery – holder of right of use (259) 2. Secondary facility – warehouse – holder of right of use (136) 3. Office premises – user (83)

B) Main equipment:

1) Trichinoscope 2) Trichinoscope (ESP) 3) Passenger vehicle (ZASTAVA KORAL 1.1) 4) Passenger vehicle (JUGO TEMPO 1.1) 5) Passenger vehicle (ZASTAVA JUGO 55)

C) Land (m²): *Entire land: (3230); Construction land: (3230) – state-owned*

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

Total operating revenues	11.624.000	140.205	16.811.000	199.881
Total operating expenses	11.343.000	136.816	16.056.000	190.904

Main products/services: 1) Veterinary activities
Total number of employees: 14; of which BS/BA: 6

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

Auction sale code: 300508-2287

Official ID number of the entity: **08052565**

Field of work: **Veterinary**

The entire estimated capital value to be privatized amounts to: **RSD 23.693.000** or ***EUR 292.589**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 2.843.000** or ***EUR 35.111**

Initial price at the auction sale: **RSD 5.686.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 346.000**

Main property of the privatization entity

A) Buildings – main facilities (m²):

1. Administration building – user (440) 2. Administration building – user (170) 3. Administration building – holder of right of use (116) 4. Administration building – holder of right of use (129) 5. Administration building – holder of right of use (124)

B) Main equipment:

1) Puls Fog sprayer (K-30/20 BIO) 2) X-ray machine 3) Passenger vehicle (JUGO KORAL) 4) Passenger vehicle (JUGO KORAL) 5) Passenger vehicle (JUGO KORAL) 6) Goods vehicle (ZASTAVA KORAL) 7) Goods vehicle (ZASTAVA)

C) Land (m²): *Entire land: (7384); Construction land: (7384) – state-owned*

Balance sheet per year:	2005		2006		
	Shown in:	RSD	**EUR	RSD	**EUR
Total operating revenues		22.859.000	275.719	25.118.000	298.650
Total operating expenses		22.833.000	275.405	25.506.000	303.264

Main products/services: 1) Veterinary activities
Total number of employees: 14; of which BS/BA: 7

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

Auction sale code: 300508-2288

Official ID number of the entity: **08417032**

Field of work: **Veterinary**

The entire estimated capital value to be privatized amounts to: **RSD 30.303.000** or ***EUR 374.215**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 3.943.000** or ***EUR 48.688**

Initial price at the auction sale: **RSD 7.885.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 537.000**

Main property of the privatization entity

A) Buildings – main activities (m²):

1. Office building – holder of right of use (260) 2. Warehouse – holder of right of use (140) 3. Storerooms – holder of right of use (38) 4. Office building – co-owner (54) 5. Dairy plant – co-owner (24) 6. Garage – co-owner (24)

B) Main equipment:

1) Micro-reader 2) Trichinoscope 3) Trichinoscope 4) Passenger vehicle (ZASTAVA 101) 5) Passenger vehicle 6) Sprinkler (STIL)

C) Land (m²): *Entire land: (1019); Construction land: (1019) – state-owned*

Balance sheet per year:	2006		2007		
	Shown in:	RSD	**EUR	RSD	**EUR
Total operating revenues		41.986.000	499.209	40.975.000	512.418
Total operating expenses		40.247.000	478.533	40.312.000	504.127

Main products/services: 1) Veterinary activities
Total number of employees: 22; of which BS/BA: 9