

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 30.04.2008 to 11.06.2008.

DEADLINE FOR SUBMISSION OF APPLICATIONS IS 12.06.2008 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 200608, Bulevar Mihajla Pupina 10 (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: 20.06.2008.

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:

20.06.2008, 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 (20.06.2008.) 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 (20.06.2008.) 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 30.04.2008. do 11.06.2008., at the time previously established by the Privatization Agency, tel: +381 21/452–959.

The total estimated capital value to be privatized, stated in EUR, was calculated according to the official exchange rate on 29.04.2008.

*** 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: Veterinary station BEČEJ, BEČEJ

Auction Sale Code: 200608-2255p

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

Field of work: **veterinary activities**

The entire estimated capital value to be privatized amounts to: **RSD 21.117.000 or *EUR 264.175** which is **70 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 1.402.000 or *EUR 17.541**

Initial price at the auction sale: **RSD 2.804.000**

Minimum obligatory investments into the entity to be privatized amounts to: **RSD 231.000**

The most important assets of the entity to be privatized

A) Buildings – main facilities (m²):

1. Business premises – right to use (170) 2. Surgery – right to use (128) 3. Sheds – right to use (128) 4. Garages 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) Reader 3 (Bachome)

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

Balance sheet per year:

| Shown in: | 2006 | | 2007 | |
|-------------------------|------------|---------|------------|---------|
| | RSD | **EUR | RSD | **EUR |
| Total business revenues | 11.788.000 | 140.158 | 15.032.000 | 187.985 |
| Total business expenses | 11.149.000 | 132.560 | 14.021.000 | 175.341 |

Main products/ services: 1) Breeding of cattle, bools, production of milk 2) Breeding of sheep, horses, goats, donkeys, mules 3) Pig breeding 4) Poultry breeding 5) Wholesale of pharmaceutical products 6) Intermediation in sale of agricultural products, raw materials, animals and semi-products

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

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

Auction Sale Code: 200608-2267p

Official ID number of the Entity: **08656843**

Field of work: **veterinary activities**

The entire estimated capital value to be privatized amounts to: **RSD 21.132.000 or *EUR 264.360** which is **70 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 1.442.000 or *EUR 18.044**

Initial price at the auction sale: **RSD 2.885.000**

Minimum obligatory investments into the entity to be privatized amounts to: **RSD 145.000**

The most important assets of the entity to be privatized

A) Buildings – main facilities (m²):

B) Main equipment:

1) Trichinoscope 2) Trichinoscope with a monitor 3) Container for liquid nitrogen 4) Container for liquid nitrogen 5) Fiscal cash register

C) Land (m²):

Balance sheet per year:

| Shown in: | 2006 | | 2007 | |
|-------------------------|------------|---------|------------|---------|
| | RSD | **EUR | RSD | **EUR |
| Total business revenues | 11.651.000 | 138.529 | 12.037.000 | 150.530 |
| Total business expenses | 11.046.000 | 131.336 | 11.511.000 | 143.952 |

Main products/ services: 1) Breeding of cattle, production of milk 2) Giving and preparing of medicines 3) Retail trade of medical preparations orthopaedic devices 4) Wholesale of pharmaceutical products 5) Pig breeding 6) Poultry breeding
Total number of employees: 10; **of which BS/ BA:** 3

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

Auction Sale Code: 200608-2295

Official ID number of the Entity: **08408769**

Field of work: **veterinary activities**

The entire estimated capital value to be privatized amounts to: **RSD 18.230.000 or *EUR 228.059** which is **70 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 1.989.000 or *EUR 24.879**

Initial price at the auction sale: **RSD 3.977.000**

Minimum obligatory investments into the entity to be privatized amounts to: **RSD 206.000**

The most important assets of the entity to be privatized

A) Buildings – main facilities (m²):

1. Business facility – right to use (225) 2. Business premises – right to use (49) 3. Surgery – right to use (85) 4. Building – warehouse and garages – right to use (1 70) 5. Auxiliary building – right to use (60) 6. Business premises – co-user (191)

B) Main equipment:

1) Trichineloscope (4) 2) Trichineloscope 3) Seed container (2) 4) Contanier 5) Microscope

C) Land (m²): *Entire land: (6504) ; construction land: (6504) – state owned*

| Balance sheet per year: | 2006 | | 2007 | | |
|-------------------------|-----------|-----------|--------|------------|---------|
| | Shown in: | RSD | **EUR | RSD | **EUR |
| Total business revenues | | 8.225.000 | 97.794 | 11.885.000 | 148.629 |
| Total business expenses | | 7.525.000 | 89.471 | 9.249.000 | 115.665 |

Main products/ services: 1) Treatment of animals 2) Diagnostic survey 3) Veterinary-sanitary and reproduction measures 4) Quarantine measures

Total number of employees: 11; **of which BS/ BA:** 7

4) Basic information on the entity undergoing privatization: Veterinary station BAČKA TOPOLA, PAČIR

Auction Sale Code: 200608-2296

Official ID number of the Entity: **08373531**

Field of work: **veterinary activities**

The entire estimated capital value to be privatized amounts to: **RSD 19.611.000 or *EUR 245.338** which is **70 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 2.552.000 or *EUR 31.920**

Initial price at the auction sale: **RSD 5.103.000**

Minimum obligatory investments into the entity to be privatized amounts to: **RSD 155.000**

The most important assets of the entity to be privatized

A) Buildings – main facilities (m²):

1. Agricultural facility, Bačka Topola (125) 2. Agricultural facility, Stara Moravica–user (9580) 3. Agricultural facility, Mali Idoš – user (1260) 4. Residential building, Feketić–user (356) 5. Residential building, Lovćenac – user (219)

B) Main equipment:

1) Trichinoscope (7 pieces) 2) Laboratory equipment 3) Passenger vehicle (YUGO) 4) Office equipment

C) Land (m²): *Entire land: (1930) ; construction land: (1930) – state owned*

| Balance sheet per year: | 2006 | | 2007 | | |
|-------------------------|-----------|------------|---------|------------|---------|
| | Shown in: | RSD | **EUR | RSD | **EUR |
| Total business revenues | | 34.356.000 | 408.489 | 48.964.000 | 612.326 |
| Total business expenses | | 34.048.000 | 404.827 | 46.995.000 | 587.702 |

Main products/ services: 1) Cattle 2) Horses 3) Pigs 4) Poultry

Total number of employees: 13; **of which BS/ BA:** 23

5) Basic information on the entity undergoing privatization: Public veterinary station PEĆINCI, PEĆINCI

Auction Sale Code: 200608-2297

Official ID number of the Entity: **08071616**

Field of work: **veterinary activities**

The entire estimated capital value to be privatized amounts to: **RSD 23.463.000 or *EUR 293.528** which is **70 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 3.064.000 or *EUR 38.329**

Initial price at the auction sale: **RSD 6.128.000**

Minimum obligatory investments into the entity to be privatized amounts to: **RSD 728.000**

The most important assets of the entity to be privatized

A) Buildings – main facilities (m²):

1. Administrative building and surgery – user (134) 2. Surgery – user (41)

B) Main equipment:

1) Passenger vehicle (ZASTAVA 101) 2) Passenger vehicle (2) (JUGO TEMPO) 3) Microscope 4) Trichinoscope (2) 5) Passenger vehicle (2) (JUGO 45)

C) Land (m²): *Entire land: (1283) ; construction land: (1283) – state owned*

| Balance sheet per year: | 2006 | | 2007 | |
|-------------------------|-----------|-----|-------|-----|
| | Shown in: | RSD | **EUR | RSD |

| | | | | |
|-------------------------|------------|---------|------------|---------|
| Total business revenues | 16.550.000 | 196.778 | 17.975.000 | 224.789 |
| Total business expenses | 16.801.000 | 199.762 | 19.163.000 | 239.645 |

Main products/ services: 1) Animal breeding, except veterinary services, reproduction and sterility reduction 2) Retail trade in fodder and medicines 3) Veterinary-sanitary check up of the animals to be slaughtered and production of animal meat 4) Veterinary activities

Total number of employees: 16; of which BS/ BA: 6

6) Basic information on the entity undergoing privatization: Public veterinary station IRIG, IRIG

Auction Sale Code: 200608-2298

Official ID number of the Entity: **08132747**

Field of work: **Veterinary activities**

The entire estimated capital value to be privatized amounts to: **RSD 7.331.000 or *EUR 91.710** which is **70 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 880.000 or *EUR 11.005**

Initial price at the auction sale: **RSD 1.759.000**

Minimum obligatory investments into the entity to be privatized amounts to: **RSD 31.000**

The most important assets of the entity to be privatized

A) Buildings – main facilities (m²):

1. Veterinary station – right to use (226) 2. Residential part of the building – right to use (94) 3. Shed – right to use (32) 4. Garages – right to use (30)

B) Main equipment:

1) Trichinoscope 2) Office equipment

C) Land (m²): *Entire land: (1934); construction land: (1934) – state owned*

| Balance sheet per year: | | 2006 | | 2007 | |
|-------------------------|-----------|--------|-----------|--------|-------|
| Shown in: | RSD | **EUR | RSD | **EUR | **EUR |
| Total business revenues | 4.277.000 | 50.853 | 5.689.000 | 71.145 | |
| Total business expenses | 4.711.000 | 56.013 | 5.252.000 | 65.680 | |

Main products/ services: 1) Veterinary activities

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

7) Basic information on the entity undergoing privatization: Joint-stock company for cinematography TERRA FILM, NOVI SAD

Auction Sale Code: 200608-2299

Official ID number of the Entity: **08169055**

Field of work: **Cinematography and video production**

The entire estimated capital value to be privatized amounts to: **RSD 31.301.000 or *EUR 391.576** which is **67,949 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 3.756.000 or *EUR 46.989**

Initial price at the auction sale: **RSD 7.512.000**

Minimum obligatory investments into the entity to be privatized amounts to: **RSD 441.000**

The most important assets of the entity to be privatized

A) Buildings – main facilities (m²):

1. Administrative building (308) 2. Garage (52)

B) Main equipment:

1) Office furniture 2) Painting 3) Typewriter (Olimpia)

C) Land (m²): *Entire land: (874); construction land: (874) – state owned*

| Balance sheet per year: | | 2006 | | 2007. godinu | |
|-------------------------|-----------|--------|-----------|--------------|-------|
| Shown in: | RSD | **EUR | Din | **EUR | **EUR |
| Total business revenues | 3.503.000 | 41.650 | 2.108.000 | 26.362 | |
| Total business expenses | 3.563.000 | 42.364 | 3.642.000 | 45.545 | |

Main products/ services: 1) Production of short and long film 2) Production of documentaries and commercial films

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

8) Basic information on the entity undergoing privatization: Joint-stock company IZBOR for wholesale and retail trade in goods, BAČKA PALANKA

Auction Sale Code: 200608-2300

Official ID number of the Entity: **08574715**

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

The entire estimated capital value to be privatized amounts to: **RSD 178.572.000 or *EUR 2.233.950** which is **57,512 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 21.429.000 or *EUR 268.074**

Initial price at the auction sale: **RSD 42.857.000**

Minimum obligatory investments into the entity to be privatized amounts to: **RSD 9.462.000**

The most important assets of the entity to be privatized

A) Buildings – main facilities (m²):

1. Construction facilities and department store (4279) 2. Garage and doorman's booth of the department store (314) 3. Building Izbor Tovariševo (116)

B) Main equipment:

1) Truck (Mercedes 1617c) 2) Packing machine (grains) (Parker FP200) 3) Packing machine (powders) (Parker) 4) Office equipment 5) Generator (DEA 6.5 TE)

C) Land (m²): *Entire land: (9353); construction land: (8420) socially owned*

| Balance sheet per year: | | 2006 | | 2007 | |
|-------------------------|-----|-------|-----|-------|-------|
| Shown in: | RSD | **EUR | RSD | **EUR | **EUR |

| | | | | |
|-------------------------|-----------|--------|------------|---------|
| Total business revenues | 623.000 | 7.407 | 4.319.000 | 54.012 |
| Total business expenses | 1.008.000 | 11.985 | 16.270.000 | 203.467 |

Main products/ services: 1) Wholesale and retail trade in mixed goods

Total number of employees: 44; **of which BS/ BA:** 3

9) Basic information on the entity undergoing privatization: Public veterinary station ŠID, ŠID

Auction Sale Code: 200608-2301

Official ID number of the Entity: **08016747**

Field of work: **Veterinary activities**

The entire estimated capital value to be privatized amounts to: **RSD 7.654.000 or *EUR 95.750** which is **70 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 765.000 or *EUR 9.575**

Initial price at the auction sale: **RSD 1.531.000**

Minimum obligatory investments into the entity to be privatized amounts to: **RSD 2.524.000**

The most important assets of the entity to be privatized

A) Buildings - main facilities (m²):

1. Building of DDD service - proprietary right (265) 2. Administrative building - proprietary right (240) 3. Poultry farm - right to use (3118) 4. Surgery Sot - right to use (160) 5. Pharmacy Kukujevci - right to use (183)

B) Main equipment:

1) Passenger vehicle (Škoda Fabia) 2) Transporter (Rivil 35) 3) Passenger vehicle (Skala 1,1) 4) Passenger vehicle (2) (Yugo Tempo) 5) Trichinoscopies (4)

C) Land (m²): *Entire land: (36357) ; construction land: (17630) - state owned (14023), - socially owned (3607); agricultural land: (18727) - state owned*

| Balance sheet per year: | 2006 | | 2007 | |
|-------------------------|------------|---------|------------|---------|
| | RSD | **EUR | RSD | **EUR |
| Shown in: | | | | |
| Total business revenues | 30.082.000 | 357.672 | 6.863.000 | 85.826 |
| Total business expenses | 38.202.000 | 454.218 | 17.435.000 | 218.036 |

Main products/ services: 1) Veterinary station 2) One-day chickens 3) DDD services

Total number of employees: 21; **of which BS/ BA:** 7