

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 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 Mihaila Pupina (5th floor), Novi Sad, from 09:00 to 16:30, in the period from 04.06.2008 until 09.07.2008.

DEADLINE FOR SUBMISSION OF APPLICATIONS IS 10.07.2008, 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 180708, 10 Bulevar Mihaila Pupina, 5th floor".

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: 18.07.2008

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:

18.07.2008, 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 (18.07.2008) 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 (18.07.2008) issued to the individuals, who are citizens of the Republic of Serbia.

In case that the first class bank guarantee has been submitted as means of deposit payment, it is 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 date.

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 04.06.2008 until 09.07.2008.

* *The total estimated capital value to be privatized, stated in EUR, was calculated according to the official exchange rate on the preparation date of the Public invitation.*

** *The data on real estate of the privatization entity from this Public invitation are solely for the purpose of giving information, while the data on legal grounds, ownership type and right to them are presented in the auction documents.*

*** *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 by the 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: Joint-stock company PUTEVI, ZRENJANIN

Auction sale code: 180708-2069p

Official ID number of the entity: **08049645**

Field of work: **Basic building works**

Main assets of the privatization entity **

A) Buildings – main facilities (m²):

1. Administration building – 2 facilities (238) 2. Garage – workshop – 3 facilities (206)
3. Warehouse (97) 4. Shed (206)

The entire estimated capital value to be privatized amounts to: **RSD 30.230.000** or ***EUR 370.853**, which is **67,438 %** of the total entity capital.

Deposit for participation in the auction: **RSD 2.418.000** or ***EUR 29.668**

Initial price at the auction sale: **RSD 4.837.000**

Minimum obligatory investments into the privatization entity amounts to: **RSD 688.000**

B) Main equipment:

1) Office furniture 2) IT equipment

C) Land (m²): *Entire land: (54293); Construction land: (54293); (51.333) – state-owned; (2.960) – socially-owned*

Balance sheet per year:	2005		2006		
	Shown in:	RSD	***EUR	RSD	***EUR
Total operating revenues		61.036.000	736.198	15.320.000	182.153
Total operating expenses		63.575.000	766.823	31.062.000	369.324

Main products/services: 1) Road maintenance 2) Building of roads, pavements, bicycle tracks 3) Building of playing fields 4) Maintenance of roads during winter 5) Setting and replacement of horizontal signalling

Total number of employees: 81; **of which BS/BA:** 3

2) Basic information on the privatization entity: GPP MARKO OREŠKOVIĆ Holding company, APATIN

Auction sale code: 180708-2172p

Official ID number of the entity: **08027722**

Field of work: **Building works and specialized works related to them**

Main assets of the privatization entity **

A) Buildings – main facilities (m²):

1. Central warehouse and store (759) 2. Carpenter's shop (1167) 3. Office building (392) 4. Locksmith's shop (1268) 5. Administration building (116)

The entire estimated capital value to be privatized amounts to: **RSD 182.315.000** or ***EUR 2.236.571**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 14.585.000** or ***EUR 178.926**

Initial price at the auction sale: **RSD 29.170.000**

Minimum obligatory investments into the privatization entity amounts to: **RSD 3.452.000**

B) Main equipment:

1) Concrete plant (SB-500/25) 2) Mixer(car) of 6 m³ capacity (FAP) 3) Wheel loader (ULT 160) 4) Truck (FAP19/21) 5) Crane (AP 36)

C) Land (m²): *Entire land: (79426); Construction land: (79426) – state-owned;*

Balance sheet per year:	2006		2007		
	Shown in:	RSD	***EUR	RSD	***EUR
Total operating revenues		697.000	8.287	1.317.000	16.470
Total operating expenses		8.758.000	104.132	8.427.000	105.385

Main products/services: 1) Holding operations 2) Planning of constructions and other facilities 3) Engineering 4) Building destruction, earthworks 5) Assemblage of roofing constructions

Total number of employees: 130; **of which BS/BA:** 2

3) Basic information on the privatization entity: Socially-owned enterprise for building works GRADNJA, NOVI SAD

Auction sale code: 180708-2253p

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

Field of work: **Basic building works**

Main assets of the privatization entity **

A) Buildings – main facilities (m²):

The entire estimated capital value to be privatized amounts to: **RSD 1.388.000** or ***EUR 17.024**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 111.000** or ***EUR 1.362**

Initial price at the auction sale: **RSD 222.000**

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

B) Main equipment:

1) Passenger vehicle (not in driving condition) (JUGO-45) 2) Truck with extended cabin (ZASTAVA 35.8 AN) 3) Office furniture

C) Land (m²):

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

Total operating revenues	0	0	0	0
Total operating expenses	0	0	0	0

Main products/services: 1) Building works

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

4) Basic information on the privatization entity: Limited Liability Company for trade and services OKRIM-SLOGA-AGRAR, ZRENJANIN

Auction sale code: 180708-2290p

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

Field of work: **Wholesale**

The entire estimated capital value to be privatized amounts to: **RSD 59.583.000** or ***EUR 730.946**, which is **33,285 %** of the total entity capital.

Deposit for participation in the auction: **RSD 2.979.000** or ***EUR 36.547**

Initial price at the auction sale: **RSD 5.958.000**

Minimum obligatory investments into the privatization entity amounts to: **RSD 0**

Main assets of the privatization entity **

A) Buildings – main facilities (m²):

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

B) Main equipment:

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

C) Land (m²):

Balance sheet per year:	2006		2007	
	Shown in:	RSD	***EUR	RSD
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) Milling industry products

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

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

Auction sale code: 180708-2294n

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

Field of work: **Veterinary**

The entire estimated capital value to be privatized amounts to: **RSD 41.722.000** or ***EUR 511.829**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 3.338.000** or ***EUR 40.947**

Initial price at the auction sale: **RSD 6.676.000**

Minimum obligatory investments into the privatization entity amounts to: **RSD 139.000**

Main assets 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)

B) Main equipment:

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

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

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

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

6) Basic information on the privatization entity: ZVEZDA FILM A.D., NOVI SAD

Auction sale code: 180708-3031

Official ID number of the entity: **08066426**

Field of work: **Film showing**

The entire estimated capital value to be privatized amounts to: **RSD 934.051.000** or ***EUR 11.458.594**, which is **69,965 %** of the total entity capital.

Deposit for participation in the auction: **RSD 112.086.000** or ***EUR 1.375.032**

Initial price at the auction sale: **RSD 224.172.000**

Minimum obligatory investments into the privatization entity amounts to: **RSD 7.403.000**

Main assets of the privatization entity **

A) Buildings – main facilities (m²):

1. Office premises, Bulevar Mihaila Pupina 3, Novi Sad (278) 2. Cinema «Jadran», Postanska St. 5, Novi Sad (1257) 3. Cinema «Rex», Модена 1, Novi Sad (971) 4. House for organizing cultural activities, Jovana Subotica St. 5 (381)

B) Main equipment:

1) Projector (2 items, ISKRA KMA) 2) Seats 3) Projector (MEO) 4) Generating unit 5) Complete air conditioning equipment 6) Projector (VICTORIA) 7) Cinema chairs (676)

C) Land (m²): *Entire land: (1168); Construction land: (1168) – state-owned*

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

Shown in:	RSD	***EUR	RSD	***EUR
Total operating revenues	47.744.000	567.671	32.389.000	405.045
Total operating expenses	50.561.000	601.165	16.410.000	205.217

Main products/services: 1) Film showing
Total number of employees: 42; of which BS/BA: 3

7) Basic information on the privatization entity: Veterinary station VRBAS, VRBAS

Auction sale code: 180708-3032

Official ID number of the entity: **08164100**

Field of work: **Veterinary**

Main assets of the privatization entity **

A) Buildings – main facilities (m²):

1. Administration building (672) 2. Secondary building (136) 3. Surgery building (70) 4. Surgery (131) 5. Surgery building (134)

The entire estimated capital value to be privatized amounts to: **RSD 24.838.000** or ***EUR 304.703**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 2.981.000** or ***EUR 36.564**

Initial price at the auction sale: **RSD 5.961.000**

Minimum obligatory investments into the privatization entity amounts to: **RSD 817.000**

B) Main equipment:

1) Ultrasound apparatus 2) Trichinoscope 3) Trichinoscope 4) Warming equipment 5) Passenger vehicle (LADA NIVA) 6) Passenger vehicle (JUGO) 7) Passenger vehicle (LADA NIVA)

C) Land (m²): *Entire land: (22940); Construction land: (22940; (20158) – state-owned; (2782) – socially-owned*

Balance sheet per year:		2006	2007
Shown in:	RSD	***EUR	RSD
Total operating revenues	11.049.000	131.371	9.071.000
Total operating expenses	11.413.000	135.699	9.359.000

Main products/services: 1) Veterinary activities

Total number of employees: 21; of which BS/BA: 6

8) Basic information on the privatization entity: Veterinary station ODŽACI, ODŽACI

Auction sale code: 180708-3033

Official ID number of the entity: **08597740**

Field of work: **Veterinary**

Main assets of the privatization entity **

A) Buildings – main facilities (m²):

1. Office premises (165) 2. Flats (735) 3. Surgery (52)

The entire estimated capital value to be privatized amounts to: **RSD 24.280.000** or ***EUR 297.863**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 2.914.000** or ***EUR 35.744**

Initial price at the auction sale: **RSD 5.827.000**

Minimum obligatory investments into the privatization entity amounts to: **RSD 125.000**

B) Main equipment:

1) Passenger vehicle (3 items) (JUGO TEMPO 1.1) 2) Trichinoscope (3 items) 3) Office equipment

C) Land (m²): *Entire land: (3161); Construction land: (3161) – state-owned*

Balance sheet per year:		2006	2007
Shown in:	RSD	***EUR	RSD
Total operating revenues	11.823.000	140.574	14.292.000
Total operating expenses	12.604.000	149.860	13.580.000

Main products/services: 1) Cattle breeding, milk production 2) Breeding of sheep, horses, goats, donkeys and mules 3) Breeding of pigs and poultry 4) Services related to animal breeding 5) Animal wholesale 6) Retail trade in meat and meat products 7) Veterinary activities

Total number of employees: 19; of which BS/BA: 9

9) Basic information on the privatization entity: Joint-stock company for handicraft and installation works SLOGA, KANJIŽA

Auction sale code: 180708-3034

Official ID number of the entity: **08144079**

Field of work: **Wall covering and sub-floor setting**

Main assets of the privatization entity **

A) Buildings – main facilities (m²):

1. Assembly hall (1257) 2. Workshop for assemblage works (398) 3. Machine shop and carpenter's shop (1335) 4. Administration building (182) 5. Warehouse (257) 6. Warehouse-gas distribution (107)

The entire estimated capital value to be privatized amounts to: **RSD 213.489.000** or ***EUR 2.619.011**, which is **64,484 %** of the total entity capital.

Deposit for participation in the auction: **RSD 25.619.000** or ***EUR 314.281**

Initial price at the auction sale: **RSD 51.237.000**

Minimum obligatory investments into the privatization entity amounts to: **RSD 11.252.000**

B) Main equipment:

1) Universal tools sharpener 2) Forklift truck 1,8 T 3) Hydraulic circular saw (HO-P) 4) Elevator with bucket 5) Tractor (ZETOR) 6) Goods vehicle (KIA 2,5 T/DC) 7) Goods vehicle (KIA 2,7DC)

C) Land (m²): *Entire land: (59349); Construction land: (59349); (59174) – state-owned; (175) – socially-owned*

Balance sheet per year:		2006		2007	
Shown in:		RSD	***EUR	RSD	***EUR
Total operating revenues		176.464.000	2.098.139	178.116.000	2.227.452
Total operating expenses		202.672.000	2.409.750	199.730.000	2.497.749

Main products/services: 1) Wall covering and sub-floor setting 2) Installation of pipelines 3) Gas distribution

Total number of employees: 91; of which BS/BA: 2

10) Basic information on the privatization entity: Socially-owned company for film showing EKLAN, SOMBOR

Auction sale code: 180708-3035

Official ID number of the entity: **08047154**

Field of work: **Film showing**

Main assets of the privatization entity **

A) Buildings – main facilities (m²):

1. Cinema «Narodna» (618) 2. Cinema «Zvezda» (360)

The entire estimated capital value to be privatized amounts to: **RSD 42.916.000** or *EUR 526.484, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 5.150.000** или *EUR 63.178

Initial price at the auction sale: **RSD 10.300.000**

Minimum obligatory investments into the privatization entity amounts to: **RSD 5.000.000**

B) Main equipment:

1) Office equipment

C) Land (m²): *Entire land: (1226); Construction land: (1226) – state-owned*

Balance sheet per year:		2006		2007	
Shown in:		RSD	***EUR	RSD	***EUR
Total operating revenues		2.492.000	29.630	2.162.000	27.037
Total operating expenses		3.359.000	39.938	2.448.000	30.614

Main products/services: 1) Film showing

Total number of employees: 5; of which BS/BA: 1

11) Basic information on the privatization entity: Joint-stock company for storage and drying of cereals and industrial plants SILOS, KOVIN

Auction sale code: 180708-3036

Official ID number of the entity: **08121931**

Field of work: **Warehouses and storehouses**

Main assets of the privatization entity **

A) Buildings – main facilities (m²):

1. Silo with 2 drying-rooms (1675) 2. Administration building (316) 3. Warehouse of finished products (142) 4. Hydrant box (27) 5. Scales in silo (75)

B) Main equipment:

1) New drying-room burner (2 items, PU 500, 1000) 2) Redler (16 items, Kovinar) 3) Device 4) Elevator (11 items, Bruno, Indija) 5) Gas substation

C) Land (m²): *Entire land: (8240); Construction land: (8240) – state-owned*

Balance sheet per year:		2006		2007	
Shown in:		RSD	***EUR	RSD	***EUR
Total operating revenues		111.140.000	1.321.443	100.861.000	1.261.330
Total operating expenses		112.242.000	1.334.546	106.536.000	1.332.300

Main products/services: 1) Storage of soy bean and sun-flower 2) Storage of cereals 3) Purchase of agricultural products

Total number of employees: 33; of which BS/BA: 2