

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:

Bulevar Mihaila Pupina 10 (5th floor), Novi Sad, from 09:00 to 16:30, in the period from 02.07.2008 until 13.08.2008.

DEADLINE FOR SUBMISSION OF APPLICATIONS IS 14.08.2008, 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: "APPLICATION FOR PARTICIPATION IN PUBLIC AUCTION 220808, Bulevar Mihaila Pupina 10 (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 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.*

THE AUCTION WILL BE HELD ON: 22.08.2008

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:

22.08.2008, 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 (22.08.2008) 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 (22.08.2008) issued to the individuals, who are citizens of the Republic of Serbia.

In case 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 02.07.2008 until 13.08.2008.

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: Socially-owned enterprise STOGRAM, ZRENJANIN

Auction sale code: 220808-2092

Official ID number of the entity: **08752281**

Field of work: **Warehouses and storehouses**

The entire estimated capital value to be privatized amounts to: **RSD 41.303.000** or ***EUR 522.023**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 4.956.000** or ***EUR 62.643**

Initial price at the auction sale: **RSD 9.913.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 1.458.000**

Main assets of the privatization entity **

A) Buildings – main facilities (m²):

1. Office building, warehouse, joinery warehouse (1 804)

B) Main equipment:

1) Office furniture

C) Land (m²): *Entire land: (9629); Construction land: (9629) – state-owned;*

Balance sheet per year:	2006		2007	
	Shown in:	RSD	***EUR	RSD
Total operating revenues	1.404.000	16.693	1.775.000	22.197
Total operating expenses	2.306.000	27.418	2.237.000	27.975

Main products/services: 1) Storage services

Total number of employees: 1; **of which BS/BA:** 0

2) Basic information on the privatization entity: Socially-owned agricultural company SOMBOR Holding, SOMBOR

Auction sale code: 220808-2188p

Official ID number of the entity: **08116504**

Field of work: **Holding operations**

The entire estimated capital value to be privatized amounts to: **RSD 334.028.000** or ***EUR 4.221.690**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 26.722.000** or ***EUR 337.735**

Initial price at the auction sale: **RSD 53.445.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 7.884.000**

Main assets of the privatization entity **

A) Buildings – main facilities (m²):

1. Administration building (2124) 2. Financial department building (230) 3. Office premises (administration building and warehouse), Đure Daničića St., Niš (1210) 4. Office premises (administration building and warehouse), Industrijska St. 4, Kragujevac (1150)

B) Main equipment:

1) Passenger vehicle (Florida) 2) Fax machine (Panasonic) 3) Passenger vehicle (Zastava koral)

C) Land (m²): *Entire land: (25587); Construction land: (25587) – state-owned;*

Balance sheet per year:	2006		2007	
	Shown in:	RSD	***EUR	RSD
Total operating revenues	5.926.000	70.460	2.768.000	34.616
Total operating expenses	30.307.000	360.347	19.933.000	249.275

Main products/services: 1) Wholesale of foodstuff

Total number of employees: 42; **of which BS/BA:** 4

3) Basic information on the privatization entity: Joint-stock company IZBOR for wholesale and retail, BAČKA PALANKA

Auction sale code: 220808-2300p

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

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

The entire estimated capital value to be privatized amounts to: **RSD 182.342.000** or ***EUR 2.304.573**, which is **57,512 %** of the total entity capital.

Deposit for participation in the auction: **RSD 14.587.000** or ***EUR 184.366**

Initial price at the auction sale: **RSD 29.175.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 9.662.000**

Main assets of the privatization entity **

A) Buildings – main facilities (m²):

1. Department store (4279) 2. Garage and porter's lodge of the department store (314) 3. Building «Izbtor» Tovariševo (116)

B) Main equipment:

1) Truck (Mercedes 1617c) 2) Packing machine (granular goods) (Parker FP200) 3) Packing machine (powder goods) (Parker) 4) Office equipment 5) Generating unit (DEA 6.5 TE)

C) Land (m²): Entire land: (8420); Construction land: (8420) – socially-owned;

Balance sheet per year:		2006		2007	
Shown in:		RSD	***EUR	RSD	***EUR
Total operating revenues	623.000		7.407	4.319.000	54.012
Total operating expenses	1.008.000		11.985	16.270.000	203.467

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

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

4) Basic information on the privatization entity: Socks plant UDARNIK, ZRENJANIN

Auction sale code: 220808-3019p

Official ID number of the entity: **08000140**

Field of work: **Manufacturing of knitted and crocheted socks**

Main assets of the privatization entity **

A) Buildings – main facilities (m²):

1. Production facility 1 (3888) 2. Production facility 2 (1844) 3. Paint shop with annex (659) 4. Final processing (705) 5. Room for sorting of goods (688) 6. Warehouse of finished goods (1000) 7. Administration building (623) 8. Complex of facilities-warehouses (2621) 9. Shop, Novi Beograd, Palmira Toljatija 5 (14)

The entire estimated capital value to be privatized amounts to: **RSD 117.519.000** or ***EUR 1.485.289**, which is **52,962 %** of the total entity capital.

Deposit for participation in the auction: **RSD 9.402.000** or ***EUR 118.823**

Initial price at the auction sale: **18.803.000 Дин**

Minimum obligatory investments into the privatization entity amount to: **RSD 27.087.000**

B) Main equipment:

1) Equipment for knitting of women's stockings and tights 2) Equipment for knitting of men's and children's socks 3) Equipment for mechanical final processing 4) Equipment for thermic final processing

C) Land (m²): Entire land: (15984); Construction land: (15366) – state-owned; Agrikultural land: (618) – state-owned;

Balance sheet per year:		2006		2007	
Shown in:		RSD	***EUR	RSD	***EUR
Total operating revenues	103.403.000		1.229.451	80.275.000	1.003.889
Total operating expenses	163.290.000		1.941.502	162.280.000	2.029.413

Main products/services: 1) Women's stockings and tights 2) Men's socks 3) Children's socks

Total number of employees: 205; of which BS/BA: 8

5) Basic information on the privatization entity: Socially-owned enterprise for mining and building VRDNIK, VRDNIK

Auction sale code: 220808-3021p

Official ID number of the entity: **08054029**

Field of work: **Soil survey by boring**

Main assets of the privatization entity **

A) Buildings – main facilities (m²):

1. Office building (1635) 2. Administration building (470) 3. Residential and office building (257) 4. Secondary building (549) 5. Administration building (274)

The entire estimated capital value to be privatized amounts to: **RSD 137.168.000** or ***EUR 1.733.629**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 10.973.000** or ***EUR 138.690**

Initial price at the auction sale: **RSD 21.947.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 4.686.000**

B) Main equipment:

1) Communication system 2) Apparatus for metalization 3) Passenger vehicle (ZASTAVA FLORIDA) 4) Passenger vehicle (POLI SKALA)

C) Land (m²): Entire land: (118830); Construction land: (42410) – state-owned; Agrikultural land: (27448) – socially-owned; Woods: (41558) – socially-owned; Other land: (7414) – state-owned;

Balance sheet per year:		2006		2007	
Shown in:		RSD	***EUR	RSD	***EUR
Total operating revenues	3.278.000		38.975	11.755.000	147.004
Total operating expenses	32.647.000		388.170	39.001.000	487.732

Main products/services: 1) Mining and building works

Total number of employees: 63; of which BS/BA: 5

6) Basic information on the privatization entity: Socially-owned enterprise for domestic and foreign trade AUTOTRADING PAN, NOVI SAD

Auction sale code: 220808-3063

Official ID number of the entity: **08265216**

Field of work: **Sale of spare parts and equipment for motor vehicles**

Main assets of the privatization entity **

The entire estimated capital value to be privatized amounts to: **RSD 41.346.000** or ***EUR 522.562**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 4.962.000** or ***EUR 62.707**

Initial price at the auction sale: **RSD 9.923.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 1.953.000**

A) Buildings – main facilities (m²):

1. Office space no. 1, Futoška 50, Novi Sad (43) 2. Office space no. 6, Futoška 50, Novi Sad (21) 3. Office space no. 7, Futoška 50, Novi Sad (36) 4. Office space no. 8, Futoška 50, Novi Sad (10) 5. Office space on the floor, Futoška 50, Novi Sad (183)

B) Main equipment:

1) Passenger vehicle 2) Cupboard (6 items) 3) Wardrobe (6 items) 4) Table 160x80 (6 items) 5) Computer 6) Office equipment

C) Land (m²):

Balance sheet per year:	2006		2007	
Shown in:	Дин	***EYP	Дин	***EYP
Total operating revenues	1.121.000	13.329	993.000	12.418
Total operating expenses	2.519.000	29.951	2.443.000	30.551

Main products/services: 1) Sale of motor vehicles 2) Sale of spare parts and equipment for motor vehicles 3) Retail trade in fuel 4) Agent services in fuel sale

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

7) Basic information on the privatization entity: Socially-owned enterprise POLJOOPSKRBA, SUBOTICA

Auction sale code: 220808-3064

Official ID number of the entity: **08756635**

Field of work: **Wholesale of agricultural machinery**

Main assets of the privatization entity ****A) Buildings – main facilities (m²):**

1. Office premises (180)

The entire estimated capital value to be privatized amounts to: **RSD 4.398.000** or ***EUR 55.583**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 440.000** or ***EUR 5.558**

Initial price at the auction sale: **RSD 880.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 290.000**

B) Main equipment:

1) Fiscal printer (Galeb) 2) GPRS terminal 3) Telephone (Bell 36280)

C) Land (m²):

Balance sheet per year:	2006		2007	
Shown in:	RSD	***EUR	RSD	***EUR
Total operating revenues	18.692.000	222.246	22.523.000	281.664
Total operating expenses	18.103.000	215.243	22.200.000	277.625

Main products/services: 1) Trade in agricultural machinery

Total number of employees: 6; **of which BS/BA:** 1

8) Basic information on the privatization entity: Socially-owned company for production of soft drinks, domestic and foreign trade FRIGO-SREM, IRIG

Auction sale code: 220808-3065

Official ID number of the entity: **08295042**

Field of work: **Production of fruit and vegetable juices**

Main assets of the privatization entity ****A) Buildings – main facilities (m²):**

1. Main production facility (13600) 2. Annex next to the main facility (1550) 3. Водовод 200 мм (1120) 4. Boiler room (216) 5. Porter's lodge (154)

B) Main equipment:

1) Electric forklift truck (EFG 25 VAC) 2) Diesel forklift truck (DFG 20 AK) 3) Diesel forklift truck (DFG 16) 4) Condenser (Baltmor)

The entire estimated capital value to be privatized amounts to: **RSD 507.858.000** or ***EUR 6.418.681**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 50.786.000** or ***EUR 641.868**

Initial price at the auction sale: **RSD 101.572.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 25.879.000**

C) Land (m²): *Entire land: (97252); Construction land: (97252) – socially-owned;*

Balance sheet per year:	2006		2007	
Shown in:	RSD	***EUR	RSD	***EUR
Total operating revenues	194.423.000	2.311.670	195.894.000	2.449.777
Total operating expenses	196.280.000	2.333.749	201.954.000	2.525.562

Main products/services: 1) Production of fruit juices 2) Production of vegetable juices 3) Transportation of goods – road traffic 4) Wholesale and retail

Total number of employees: 3; **of which BS/BA:** 48

9) Basic information on the privatization entity: Socially-owned company PETROLUNION, NOVI SAD

Auction sale code: 220808-3066

Official ID number of the entity: **08071110**

Field of work: **Market research and public opinion poll**

Main assets of the privatization entity **

The entire estimated capital value to be privatized amounts to: **RSD 2.718.000** or ***EUR 34.350**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 272.000** or ***EUR 3.435**

Initial price at the auction sale: **RSD 544.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 50.000**

A) Buildings – main facilities (m²):

B) Main equipment:
1) Office equipment

C) Land (m²):

Balance sheet per year:	2006		2007	
Shown in:	RSD	***EUR	RSD	***EUR
Total operating revenues	2.424.000	28.821	4.500.000	56.275
Total operating expenses	2.424.000	28.821	3.468.000	43.370

Main products/services: 1) Education of adults

Total number of employees: 4; **of which BS/BA:** 2

10) Basic information on the privatization entity: Socially-owned company for foreign and domestic trade INTERCOMMERCE EXPORT-IMPORT, NOVI SAD

Auction sale code: 220808-3067

Official ID number of the entity: **08251908**

Field of work: **Wholesale**

Main assets of the privatization entity **

A) Buildings – main facilities (m²):

1. Office premises, Petra Drapšina St. 12, Novi Sad (83) 2. Secondary facility, Petra Drapšina St. 12, Novi Sad (43)

The entire estimated capital value to be privatized amounts to: **RSD 9.736.000** or ***EUR 123.054**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 1.168.000** or ***EUR 14.766**

Initial price at the auction sale: **RSD 2.337.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 67.000**

B) Main equipment:

1) Office equipment

C) Land (m²):

Balance sheet per year:	2006		2007	
Shown in:	RSD	***EUR	RSD	***EUR
Total operating revenues	786.000	9.345	739.000	9.242
Total operating expenses	867.000	10.309	1.804.000	22.560

Main products/services: 1) Wholesale

Total number of employees: 3; **of which BS/BA:** 0

11) Basic information on the privatization entity: Socially-owned company shoe plant MODA, DEBELJAČA

Auction sale code: 220808-3068

Official ID number of the entity: **08029148**

Field of work: **Manufacturing of leather footwear**

Main assets of the privatization entity **

A) Buildings – main facilities (m²):

1. Production plant (1695) 2. Shop (155)

The entire estimated capital value to be privatized amounts to: **RSD 41.712.000** or ***EUR 527.184**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 4.171.000** or ***EUR 52.718**

Initial price at the auction sale: **RSD 8.342.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 3.154.000**

B) Main equipment:

1) Circle for tools (Euroles) 2) Sewing machine (2 items, Minerva) 3) Sewing machine (Nechi) 4) Sewing machine (Ikos) 5) Packing machine (USM)

C) Land (m²): *Entire land: (19421); Construction land: (16455) – state-owned; Agricultural land: (2966) – state-owned;*

Balance sheet per year:	2006		2007	
Shown in:	RSD	***EUR	RSD	***EUR
Total operating revenues	2.351.000	27.953	2.872.000	35.916
Total operating expenses	4.856.000	57.737	4.866.000	60.852

Main products/services: 1) Sale of men's shoes

Total number of employees: 7; **of which BS/BA:** 0

