

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 14.07.2008 until 03.09.2008.

DEADLINE FOR SUBMISSION OF APPLICATIONS IS 04.09.2008, 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 120908, 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: 12.09.2008.

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:

12.09.2008, 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 (12.09.2008) 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 (12.09.2008) 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 14.07.2008 until 03.09.2008.

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: Veterinary station KIKINDA, KIKINDA

Auction sale code: 120908-3018

Official ID number of the entity: **08022054**

Field of work: **Veterinary activities**

The entire estimated capital value to be privatized amounts to: **RSD 48.156.000** or ***EUR 609.437**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 5.779.000** or ***EUR 73.133**

Initial price at the auction sale: **RSD 11.557.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 699.000**

Main assets of the privatization entity **

A) Buildings - main facilities (m²):

1. Administration building (403) 2. Warehouses (132) 3. Depot (115) 4. Surgery (177)

B) Main equipment:

1) Microprojector 2) Server 3) Computer (PC Pentium PR-200) 4) Chair (VIZOR V3/R)

C) Land (m²): *Entire land: (4531); Construction land: (4531) - state-owned;*

Balance sheet per year:	2006		2007	
Shown in:	RSD	***EUR	RSD	***EUR
Total operating revenues	61.042.000	725.783	58.132.000	726.977
Total operating expenses	64.725.000	769.574	53.688.000	671.402

Main products/services: 1) Veterinary activities

Total number of employees: 37; **of which BS/BA:** 13

2) Basic information on the privatization entity: Joint-stock company VEZ I RUBLJE for manufacturing of linen, underwear and clothes, NOVI SAD

Auction sale code: 120908-3107

Official ID number of the entity: **08043663**

Field of work: **Manufacturing of linen and underwear**

The entire estimated capital value to be privatized amounts to: **RSD 64.197.000** or ***EUR 812.444**, which is **67,179 %** of the total entity capital.

Deposit for participation in the auction: **RSD 7.704.000** or ***EUR 97.493**

Initial price at the auction sale: **RSD 15.407.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 4.137.000**

Main assets of the privatization entity **

A) Buildings - main facilities (m²):

1. Workshop, Đorđa Zličića St. 12, Novi Sad (619) 2. Office premises, Đorđa Zličića St. 12, Novi Sad (471) 3. Warehouse, Đorđa Zličića St. 12, Novi Sad (234) 4. Shed, Đorđa Zličića St. 12, Novi Sad (192)

B) Main equipment:

1) Office equipment 2) Sewing machine (2 items) (835-100) 3) Sewing machine (2 items) (612-464) 4) Office furniture

C) Land (m²): *Entire land: (3222); Construction land: (3222) - state-owned;*

Balance sheet per year:	2006		2007	
Shown in:	RSD	***EUR	RSD	***EUR
Total operating revenues	7.654.000	91.005	7.951.000	99.432
Total operating expenses	7.975.000	94.822	9.150.000	114.426

Main products/services: 1) T-shirts 2) Bed linen 3) Medical clothing

Total number of employees: 26; **of which BS/BA:** 1

3) Basic information on the privatization entity: Socially-owned company POLJOCOOP, SUBOTICA

Auction sale code: 120908-3108

Official ID number of the entity: **08756643**

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

The entire estimated capital value to be privatized amounts to: **RSD 962.000** or ***EUR 12.180**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 96.000** or ***EUR 1.218**

Initial price at the auction sale: **RSD 192.000**

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

Main assets of the privatization entity **

A) Buildings - main facilities (m²):

1. Shed (69) 2. Prefabricated warehouse (150)

B) Main equipment:

1) Fiscal cash-register (OM-700) 2) Office furniture 3) Office equipment

C) Land (m²): *Entire land: (1713); Construction land: (1713) - state-owned;*

Balance sheet per year:		2006		2007	
Shown in:		RSD	***EUR	RSD	***EUR
Total operating revenues		2.734.000	32.507	2.501.000	31.277
Total operating expenses		2.729.000	32.448	2.598.000	32.490

Main products/services: 1) Fodder 2) Seed goods 3) PVC barrels 4) Agricultural tools
Total number of employees: 1; **of which BS/BA:** 0

4) Basic information on the privatization entity: Socially-owned company for production and installation of silos and equipment SILOMONT, PANČEVO

Auction sale code: 120908-3109

Official ID number of the entity: **08247960**

Field of work: **Production of metal products**

Main assets of the privatization entity **

A) Buildings - main facilities (m²):

1. Office premises (835) 2. Production hall (665) 3. Garage (270) 4. Building (413) 5. Warehouse (132)

The entire estimated capital value to be privatized amounts to: **RSD 42.946.000** or ***EUR 543.503**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 5.154.000** or ***EUR 65.220**

Initial price at the auction sale: **RSD 10.307.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 2.305.000**

B) Main equipment:

1) Car jack (Tatra 20t) 2) Car jack (Tatra 8t) 3) Forklift truck (Litostroj 5t) 4) Truck (Zastava 5t) 5) Passenger vehicle (Opel Vectra IDA 1,6) 6) Machine for silos (Utva) 7) Machine for silos (Lipp)

C) Land (m²): *Entire land: (21941); Construction land: (21941) - state-owned;*

Balance sheet per year:		2006		2007	
Shown in:		RSD	***EUR	RSD	***EUR
Total operating revenues		11.045.000	131.324	12.562.000	157.096
Total operating expenses		17.708.000	210.546	13.772.000	172.228

Main products/services: 1) Production of silos and steel equipment

Total number of employees: 19; **of which BS/BA:** 0