

In accordance with Article 38 of the Law on Privatization ("Official Gazette of the RS", no-s. 38/01, 18/03, 45/05 and 123/07), and Article 9 of the Decree on sale of capital and property by Public auction ("Official Gazette of the RS" no-s. 52/05 and 91/07),

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 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:

Privatization Agency, Belgrade, Terazije St. 23, 5th floor, from 09:00 to 16:30, in the period from 28.07.2008 until 10.09.2008.

DEADLINE FOR SUBMISSION OF APPLICATIONS IS 11.09.2008, BY 16:30.

Completed 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 THE PUBLIC AUCTION 190908, Privatization Agency, Belgrade, Terazije St. 23, 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: 19.09.2008

at the address: **Privatization Agency, Belgrade, Terazije St. 23, 2nd floor, Large Hall**, at **11:00**. Registration of the auction participants will be held at the same address on:

19.09.2008, 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 (19.09.2008) 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 (19.09.2008) issued to the individuals, who are citizens of the Republic of Serbia.

In case the first class bank guarantee has been submitted as 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 within 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 about such changes, if any, until the auction date at the latest.

The site visit shall be carried out after the signing of the Confidentiality Agreement in the period from 28.07.2008 until 10.09.2008.

* *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: Socially-owned company for building construction, trade and services MONTING ATOS, BELGRADE

Auction sale code: 190908-2204p

Official ID number of the entity: **07514280**

Field of work: **Construction planning**

The entire estimated capital value to be privatized amounts to: **RSD 7.148.000** or ***EUR 90.879**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 558.000** or ***EUR 7.090**

Initial price at the auction sale: **RSD 1.115.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 82.000**

Main assets of the privatization entity

A) Buildings – main facilities (m²):

B) Main equipment:

1) Computer (DTK) 2) Computer (Pentium) 3) Air-freshener (Cepter)

C) Land (m²):

Balance sheet per year:	2006		2007	
	RSD	**EUR	RSD	**EUR
Shown in:				
Total operating revenues	6.203.000	73.753	4.604.000	67.576
Total operating expenses	6.175.000	73.420	4.262.000	53.299

Main products/services: 1) Technical documentation 2) Engineering services 3) Trade in building material

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

2) Basic information on the privatization entity: Socially-owned trading company NOVA MLADOST, BELGRADE

Auction sale code: 190908-2218p

Official ID number of the entity: **07755317**

Field of work: **Wholesale**

The entire estimated capital value to be privatized amounts to: **RSD 25.136.000** or ***EUR 319.559**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 2.011.000** or ***EUR 25.565**

Initial price at the auction sale: **RSD 4.022.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 83.000**

Main assets of the privatization entity

A) Buildings – main facilities (m²):

B) Main equipment:

1) Apartment-contained central heating 2) Computer and printer 3) Air-conditioner (Vivux CM 1706) 4) Office furniture

C) Land (m²):

Balance sheet per year:	2005		2006	
	RSD	**EUR	RSD	**EUR
Shown in:				
Total operating revenues	5.652.000	68.173	5.613.000	66.738
Total operating expenses	8.836.000	106.577	9.560.000	113.667

Main products/services: 1) Sale of stationary
Total number of employees: 8; of which BS/BA: 0

3) Basic information on the privatization entity: Socially-owned company for trade, services and marketing BEOMETALNA, BELGRADE

Auction sale code: 190908-2219p

Official ID number of the entity: 07742444

Field of work: Wholesale of different machines

The entire estimated capital value to be privatized amounts to: RSD 27.775.000 or *EUR 353.102, which is 70 % of the total entity capital.

Deposit for participation in the auction: RSD 2.222.000 or *EUR 28.248

Initial price at the auction sale: RSD 4.444.000

Minimum obligatory investments into the privatization entity amount to: RSD 342.000

Main assets of the privatization entity

A) Buildings – main facilities (m²):

1. Dwelling house (in the process of purchase), Ratnih vojnih invalida St. 11 (51)

B) Main equipment:

1) Vibrating drill (PSB 500 RE) 2) Grinder (PWS 600) 3) Grinder (MAKITA 9069) 4) Electric grinder (WS-G 230 E) 5) Electric circular saw (BHS 66) 6) Office furniture

C) Land (m²):

Balance sheet per year:	2005		2006	
Shown in:	RSD	**EUR	RSD	**EUR
Total operating revenues	16.266.000	196.196	34.054.000	404.899
Total operating expenses	16.262.000	196.147	32.328.000	384.377

Main products/services: 1) Overhaul of building and mining machinery 2) Sale of spare parts for building and mining machinery 3) Production of equipment and mass measuring devices of building and mining machinery

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

4) Basic information on the privatization entity: Company for agency services in traffic INTERAGENT, BELGRADE

Auction sale code: 190908-2226p

Official ID number of the entity: 07756259

Field of work: Maritime traffic services

The entire estimated capital value to be privatized amounts to: RSD 630.000 or *EUR 8.015, which is 70 % of the total entity capital.

Deposit for participation in the auction: RSD 32.000 or *EUR 401

Initial price at the auction sale: RSD 63.000

Minimum obligatory investments into the privatization entity amount to: RSD 16.000

Main assets of the privatization entity **

A) Buildings – main facilities (m²):

B) Main equipment:

1) Air-conditioner (Split sistem) 2) Telephone (7 pieces, Panasonic) 3) Table (9 pieces) 4) Chair (8 pieces) 5) Typewriter (Oliveti)

C) Land (m²):

Balance sheet per year:	2006		2007	
Shown in:	RSD	***EUR	RSD	***EUR
Total operating revenues	1.335.000	15.873	243.000	3.039
Total operating expenses	3.998.000	47.536	4.726.000	59.102

Main products/services: 1) Transportation services

Total number of employees: 2; of which BS/BA: 1

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

Auction sale code: 190908-3050n

Official ID number of the entity: 07177127

Field of work: Veterinary

The entire estimated capital value to be privatized amounts to: RSD 37.751.000 or *EUR 479.927, which is 70 % of the total entity capital.

Deposit for participation in the auction: RSD 3.020.000 or *EUR 38.394

Initial price at the auction sale: RSD 6.040.000

Minimum obligatory investments into the privatization entity amount to: RSD 652.000

Main assets of the privatization entity **

A) Buildings – main facilities (m²):

1. Administration building in Gornji Milanovac (208) 2. Surgery (399) 3. Pharmacy (248) 4. Warehouse of the pharmacy (161) 5. Surgery in Drenova (68)

B) Main equipment:

1) Gas installation 2) Container (3 pieces, SC 20/20) 3) Trichinoscope (2 pieces, T-10) 4) Passenger vehicle (Zastava skala) 5) Air-conditioning box 6) Magnetic mixer

C) Land (m²): Entire land: (12268); Construction land: (5082) – state-owned; Agricultural land: (6529) – state-owned; Woods: (120) – state-owned; Other land: (537) – state-owned

Balance sheet per year:	2006		2007	
Shown in:	RSD	***EUR	RSD	***EUR
Total operating revenues	14.022.000	166.720	8.771.000	109.687
Total operating expenses	18.766.000	223.126	11.980.000	149.817

Main products/services: 1) Veterinary protection of animals 2) Treatment of sick animals 3) Diagnostic examination 4) Retail trade in drugs and fodder

Total number of employees: 36; of which BS/BA: 6

6) Basic information on the privatization entity: Veterinary station ALEKSINAC, ALEKSINAC

Auction sale code: 190908-3060n

Official ID number of the entity: 07107021

Field of work: Ветеринарске активности

The entire estimated capital value to be privatized amounts to: **RSD 11.571.000** or ***EUR 147.105**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 926.000** or ***EUR 11.768**

Initial price at the auction sale: **RSD 1.851.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 421.000**

Main assets of the privatization entity **

A) Buildings – main facilities (m²):

1. Building of veterinary station (351) 2. Building of veterinary surgery Žitkovac (442) 3. Point Korman (142) 4. Point Subotinac (95) 5. Point Rutevac (112)

B) Main equipment:

1) Passenger vehicle (6, Jugo 55) 2) Pump (Vrelo) 3) Computer (3 pieces) 4) Sterilizer (3 pieces) 5) Container for artificial insemination (8 pieces) 6) Air-conditioning box for artificial insemination of sows

C) Land (m²): *Entire land: (7644); Construction land: (7644) ;(5754) – state-owned; (1890) – socially-owned;*

Balance sheet per year:		2006		2007	
Shown in:	RSD	***EUR	RSD	***EUR	***EUR
Total operating revenues	13.405.000	159.384	9.906.000	123.881	
Total operating expenses	12.501.000	148.636	8.296.000	103.747	

Main products/services: 1) Prevention of domestic animals 2) Treatment of domestic animals 3) Marking of domestic animals 4) Artificial insemination of cows and sows 5) Disinfection, disinsection and deratization

Total number of employees: 27; of which BS/BA: 6

7) Basic information on the privatization entity: Socially owned enterprise ČAČAK FILM, ČAČAK

Auction sale code: 190908-3130

Official ID number of the entity: 07182961

Field of work: Film showing

The entire estimated capital value to be privatized amounts to: **RSD 60.873.000** or ***EUR 773.879**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 7.305.000** or ***EUR 92.866**

Initial price at the auction sale: **RSD 14.609.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 1.505.000**

Main assets of the privatization entity **

A) Buildings – main facilities (m²):

1. Cinema «Sutjeska» (544) 2. Cinema «Prag» (403)

B) Main equipment:

1) Cabin (MEO) 2) Steel cupboard 3) Video beam 4) Cinema chairs

C) Land (m²): *Entire land: (1991); Construction land: (1991) – state-owned*

Balance sheet per year:		2006		2007	
Shown in:	RSD	***EUR	RSD	***EUR	***EUR
Total operating revenues	4.571.000	54.349	2.531.000	31.652	
Total operating expenses	5.125.000	60.936	5.816.000	72.733	

Main products/services: 1) Film showing

Total number of employees: 11; of which BS/BA: 2

8) Basic information on the privatization entity: Joint-stock company for cinematography DUNAV FILM, BELGRADE

Auction sale code: 190908-3131

Official ID number of the entity: 07026552

Field of work: Cinematography and video production

The entire estimated capital value to be privatized amounts to: **RSD 105.904.000** or ***EUR 1.346.371**, which is **67,186 %** of the total entity capital.

Deposit for participation in the auction: **RSD 12.709.000** or ***EUR 161.565**

Initial price at the auction sale: **RSD 25.417.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 1.015.000**

Main assets of the privatization entity **

A) Buildings – main facilities (m²):

1. Office space, Ruzveltova St. 45, Belgrade (530) 2. Garage, Albanske spomenice St. 19, Belgrade (111)

B) Main equipment:

1) Projector 35 mm (Iskra KH 3) 2) Cutting desk (4 pieces, Prevost) 3) Camera (8 pieces) 4) Camera lens 35 mm 5) Projector 16 mm (2 pieces, Bauer) 6) IT equipment 7) Office furniture

C) Land (m²):

Balance sheet per year:		2006		2007	
Shown in:	RSD	***EUR	RSD	***EUR	***EUR
Total operating revenues	7.440.000	88.461	5.248.000	65.630	
Total operating expenses	7.419.000	88.211	9.105.000	113.864	

Main products/services: 1) Cinematography and video production 2) Education 3) Cinematographic and video distribution 4) Reproduction of video records

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

9) Basic information on the privatization entity: Veterinary station ČUPRIJA, ČUPRIJA

Auction sale code: 190908-3132

Official ID number of the entity: 07166460

Field of work: Veterinary

The entire estimated capital value to be privatized amounts to: RSD 19.014.000 or *EUR 241.723, which is 70 % of the total entity capital.

Deposit for participation in the auction: RSD 2.282.000 or *EUR 29.007

Initial price at the auction sale: RSD 4.563.000

Minimum obligatory investments into the privatization entity amount to: RSD 252.000

Main assets of the privatization entity **

A) Buildings – main facilities (m²):

1. Administration building (286) 2. Restaurant within the building (97) 3. Garage (137)
4. Veterinary surgery Krušar (70)

B) Main equipment:

1) Trichinoscope 2) Computer (2 pieces) 3) Air-conditioning box 4) Office equipment

C) Land (m²): Entire land: (6472); Construction land: (5390); (4627) – state-owned; (763) – socially-owned; Agricultural land: (1640) – socially-owned

Balance sheet per year:		2006		2007	
Shown in:	RSD	***EUR	RSD	***EUR	***EUR
Total operating revenues	3.200.000	38.048	4.201.000	52.536	
Total operating expenses	3.541.000	42.102	2.994.000	37.442	

Main products/services: 1) Veterinary

Total number of employees: 8; of which BS/BA: 5

10) Basic information on the privatization entity: Socially-owned company for production and trade in furry, leather and textile ready-to-wear-clothes GALANTEKS TREJD, PIROT

Auction sale code: 190908-3133

Official ID number of the entity: 17393677

Field of work: Manufacturing of clothes and related equipment

The entire estimated capital value to be privatized amounts to: RSD 23.408.000 or *EUR 297.585, which is 70 % of the total entity capital.

Deposit for participation in the auction: RSD 2.809.000 or *EUR 35.710

Initial price at the auction sale: RSD 5.618.000

Minimum obligatory investments into the privatization entity amount to: RSD 1.437.000

Main assets of the privatization entity **

A) Buildings – main facilities (m²):

B) Main equipment:

1) Sewing machines 2) Working tables 3) Gauges 4) Irons 5) Sewing device

C) Land (m²):

Balance sheet per year:		2006		2007	
Shown in:	RSD	***EUR	RSD	***EUR	***EUR
Total operating revenues	26.265.000	312.288	19.215.000	240.296	
Total operating expenses	30.034.000	357.101	25.378.000	317.368	

Main products/services: 1) Heavy garments 2) Protecting clothes 3) Other clothing

Total number of employees: 12; of which BS/BA: 1