

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:

Privatization Agency, Belgrade, 23 Terazije Street, 5th floor, 09:00–16:30, from 08.09.2008 to 01.10.2008.

DEADLINE FOR SUBMISSION OF APPLICATIONS IS 02.10.2008 AT 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 101008, Privatization Agency, Belgrade, 23 Terazije St, 5th floor".

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: 10.10.2008.

at the following address: **Privatization Agency, Belgrade, 23 Terazije St, 2nd floor, Large Hall at 11:00.** The registration of the auction participants will be held at the same address on: **10.10.2008, 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 (10.10.2008.) 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 (10.10.2008.) 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 08.09.2008 to 01.10.2008.

* *The total estimated capital value to be privatized, stated in EUR, was calculated according to the official exchange rate on the day of the public invitation's preparation*

** *Data on the real estate of the entity undergoing privatization from this public invitation are presented only for the purpose of giving information, while the data on the legal basis, ownership type and right to them are presented in the Auction Documents.*

*** *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 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 entity undergoing privatization: Socially-owned enterprise for agricultural production and trade MIRKO TOMIĆ, ZALOGOVAC

Auction Sale Code: 101008-3009p

Official ID number of the Entity: 17117661

Field of work: Cattle breeding and production of milk

The entire estimated capital value to be privatized amounts to: RSD 1.095.000 or *EUR 14.311 which is 70 % of the entire capital of the entity.

Deposit for participation in the auction: RSD 55.000 or *EUR 716

Initial price at the auction sale: RSD 109.000

Minimum obligatory investments into the entity to be privatized amounts to: RSD 42.000

The most important assets of the entity to be privatized **

A) Buildings – main facilities (m²):

B) Main equipment:

1) Office equipment and furniture

C) Land (m²): *Entire land*

Balance sheet per year:	2006		2007	
Shown in:	RSD	***EUR	RSD	***EUR
Total business revenues	0	0	0	0
Total business expenses	57.000	678	430.000	5.377

Main products/ services: 1) Purchase of milk

Total number of employees: 2; of which BS/ BA: 0

2) Basic information on the entity undergoing privatization: Socially-owned enterprise for foreign and domestic trade, marketing, business and consignment services FENIKS, VRANJE

Auction Sale Code: 101008-3016p

Official ID number of the Entity: 07598823

Field of work: Engineering

The entire estimated capital value to be privatized amounts to: RSD 72.000 or 936 *EUR which is 70 % of the entire capital of the entity.

Deposit for participation in the auction: RSD 4.000 or *EUR 47

Initial price at the auction sale: RSD 7.000

Minimum obligatory investments into the entity to be privatized amounts to: RSD 1.000

The most important assets of the entity to be privatized **

A) Buildings – main facilities (m²):

B) Main equipment:

C) Land (m²):

Balance sheet per year:	2006. godinu		2007. godinu	
Shown in:	Din	***EUR	Din	***EUR
Total business revenues	728.000	8.656	935.000	11.693
Total business expenses	681.000	8.097	935.000	11.693

Main products/ services: 1) Preparation for magazine publishing

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

3) Basic information on the entity undergoing privatization: Public veterinary station SURDULICA, SURDULICA

Auction Sale Code: 101008-3048p

Official ID number of the Entity: 06158510

Field of work: Veterinary activities

The entire estimated capital value to be privatized amounts to: RSD 6.236.000 or *EUR 81.506 which is 70 % of the entire capital of the entity.

Deposit for participation in the auction: RSD 499.000 or *EUR 6.520

Initial price at the auction sale: RSD 998.000

Minimum obligatory investments into the entity to be privatized amounts to: RSD 60.000

The most important assets of the entity to be privatized **

A) Buildings – main facilities (m²):

1. Veterinary station (291) 2. Veterinary station – a rented flat (64) 3. Garage (45) 4. Hospital (180)

B) Main equipment:

1) Passenger vehicles (2) (Jugo 55) 2) Office supplies 3) Veterinary station equipment 4) Office equipment

C) Land (m²): *Entire land: (3238) ; construction land: (3238) – state owned*

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

Total business revenues	2.660.000	31.627	2.082.000	26.037
Total business expenses	4.985.000	59.271	3.926.000	49.097

Main products/ services: 1) Veterinary activities 2) Retail trade in veterinary medical preparations 3) Retail fodder concentrate 4) Retail drinks

Total number of employees: 13; of which BS/ BA: 3

4) Basic information on the entity undergoing privatization: Socially-owned enterprise for building of roads PUTOGADNJA, POŽAREVAC

Auction Sale Code: 101008-3058p

Official ID number of the Entity: **17299735**

Field of work: **Building of runways, roads, etc.**

The entire estimated capital value to be privatized amounts to: **RSD 29.598.000 or *EUR 386.826** which is **70 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 2.368.000 or *EUR 30.946**

Initial price at the auction sale: **RSD 4.736.000**

Minimum obligatory investments into the entity to be privatized amounts to: **RSD 1.526.000**

The most important assets of the entity to be privatized **

A) Buildings – main facilities (m²):

1. Administrative building (422) 2. Warehouse (210) 3. Warehouse (166)

B) Main equipment:

1) Oil tank 2) Loading shovel (ULT 160C) 3) Grader (MG-145) 4) Bulldozer (TG-140) 5) Finisher (K-6) 6) Grader (G-31)

C) Land (m²): *Entire land: (30225); agricultural land: (16422) – socially-owned; forest land: (7253) – socially owned; other types of land: (6550) – socially owned*

Balance sheet per year:		2006		2007	
Shown in:		RSD	***EUR	RSD	***EUR
Total business revenues		32.153.000	382.296	14.214.000	177.755
Total business expenses		31.517.000	374.734	16.513.000	206.505

Main products/ services: 1) Building of runways, roads, and sport courts

Total number of employees: 38; of which BS/ BA: 0

5) Basic information on the entity undergoing privatization: Socially-owned trade enterprise TRGOVINA, VUČJE

Auction Sale Code: 101008-3083p

Official ID number of the Entity: **07196261**

Field of work: **Wholesale of household products**

The entire estimated capital value to be privatized amounts to: **RSD 16.980.000 or *EUR 221.914** which is **70 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 1.358.000 or *EUR 17.753**

Initial price at the auction sale: **RSD 2.717.000**

Minimum obligatory investments into the entity to be privatized amounts to: **RSD 1.648.000**

The most important assets of the entity to be privatized **

A) Buildings – main facilities (m²):

1. Warehouse (1042) 2. Store Bunuški Čifluk (user) (62) 3. Store Radonjica (user) (50) 4. Store Jajina (user) (147)

B) Main equipment:

1) Gas cylinder 2) Trays 3) Fiscal cash registers (2) 4) Office equipment 5) Bread wheelbarrow 6) Heater

C) Land (m²):

Balance sheet per year:		2006		2007	
Shown in:		RSD	***EUR	RSD	***EUR
Total business revenues		827.000	9.833	1.153.000	14.419
Total business expenses		1.113.000	13.233	1.342.000	16.783

Main products/ services: 1) Wholesale and retail trade of household appliances

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

6) Basic information on the entity undergoing privatization: Joint-stock company for production of telecommunications devices and systems VF HOLDING, BEOGRAD

Auction Sale Code: 101008-3084p

Official ID number of the Entity: **07026595**

Field of work: **Production of tv and radio receiver**

The entire estimated capital value to be privatized amounts to: **RSD 127.491.000 or *EUR 1.666.250** which is **41,3 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 10.199.000 or *EUR 133.300**

Initial price at the auction sale: **RSD 20.399.000**

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

The most important assets of the entity to be privatized **

A) Buildings – main facilities (m²):

1. Building for communications devices, Cvetna 4, Beograd (2886) 2. Groundfloor catering trade building, Cvetna 4, Beograd (487) 3. Doorman's booth, Cvetna 4, Beograd (9)

B) Main equipment:

1) Laser portable modulator (OTDR) 2) FSM-30S with tools 3) Passenger vehicle (LADA 111, 1.5) 4) Passenger vehicle (LADA 1500 KARAVAN) 5) Computer (12) (PC PENTIUM) 6) Office equipment

C) Land (m²): *Entire land: (6780); construction land: (6780) – state owned*

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

Total business revenues	47.182.000	560.989	8.122.000	101.571
Total business expenses	48.373.000	575.150	42.325.000	529.301

Main products/ services: 1) Primary multiplex devices 2) Line devices 3) Radio modems 4) Other types of radio devices 5) Battery gauges 6) Multichannel multiplex device

Total number of employees: 41; of which BS/ BA: 6

7) Basic information on the entity undergoing privatization: Socially-owned enterprise – agricultural–industrial combine JAGODINA, JAGODINA

Auction Sale Code: 101008-3091p

Official ID number of the Entity: **07274629**

Field of work: **Cultivation of grains and crops**

The entire estimated capital value to be privatized amounts to: **RSD 534.341.000 or *EUR 6.983.576** which is **70 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 26.717.000 or *EUR 349.179**

Initial price at the auction sale: **RSD 53.434.000**

Minimum obligatory investments into the entity to be privatized amounts to: **RSD 6.462.000**

The most important assets of the entity to be privatized **

A) Buildings – main facilities (m²):

1. Administrative building in Jagodina (599) 2. Administrative building in Končarevo (184) 3. Cow stable no.1 Rit (1596) 4. Cow stable no.2 Rit (1596) 5. Cattle stable Končarevo (1743) 6. Silo boxes (1915)

B) Main equipment:

1) Silo combine (ZMAJ 351) 2) Irrigation device (EBIKAM) 3) Silo combine harvester (BOLJEVAC) 4) Tractor (RAKOVICA) 5) Wooden trailer (5 T)

C) Land (m²): *Entire land: (12354999) ; agricultural land: (12354999) – socially owned (2,470,189); – state owned (9,884,810)*

Balance sheet per year:	2006		2007	
	RSD	***EUR	RSD	***EUR
Shown in:				
Total business revenues	0	0	2.376.000	29.713
Total business expenses	19.329.000	229.820	12.482.000	156.095

Main products/ services: 1) Agricultural production

Total number of employees: 17; of which BS/ BA: 2

8) Basic information on the entity undergoing privatization: Enterprise for production, trade and services AGRARCOOP A.D., KRALJEVO

Auction Sale Code: 101008-3117p

Official ID number of the Entity: **06868479**

Field of work: **cattle breeding and production of milk**

The entire estimated capital value to be privatized amounts to: **RSD 1.204.000 or *EUR 15.740** which is **35,567 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 96.000 or *EUR 1.259**

Initial price at the auction sale: **RSD 193.000**

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

The most important assets of the entity to be privatized **

A) Buildings – main facilities (m²):

1. Business premises (48)

B) Main equipment:

1) Vehicle (Volkswagen) 2) Vehicle (Zastava Poly) 3) Office equipment

C) Land (m²):

Balance sheet per year:	2006		2007	
	RSD	***EUR	RSD	***EUR
Shown in:				
Total business revenues	5.880.000	69.913	4.892.000	61.178
Total business expenses	5.885.000	69.972	5.489.000	68.643

Main products/ services: 1) Cattle breeding and production of milk

Total number of employees: 8; of which BS/ BA: 1