

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 until 16:30, in the period from 07.10.2008 until 12.11.2008.

DEADLINE FOR SUBMISSION OF APPLICATIONS IS 13.11.2008, 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 211108, 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: 21.11.2008

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

21.11.2008, 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 (21.11.2008) 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 (21.11.2008) 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 visits can be carried out after signing of the Confidentiality Agreement in the period from 07.10.2008 until 12.11.2008.

* *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 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 MEROŠINA, MEROŠINA

Auction sale code: 211108-3142p

Official ID number of the entity: 07172125

Field of work: **Services related to breeding of animals**

Main assets of the privatization entity **

A) Buildings – main facilities (m²):

1. Administration building – Merošina (247) 2. Warehouse (260) 3. Veterinary surgery Doljevac (286)

B) Main equipment:

1) Passenger vehicle (Golf) 2) Passenger vehicle (Jugo Tempo 1,1) 3) Passenger vehicle (Jugo 55 1,1)

C) Land (m²): *Entire land: (25748); Construction land: (25148) (19975)– state-owned; (5173)– socially-owned; Agricultural land: (600) – state-owned;*

Balance sheet per year:	2006		2007	
	RSD	***EUR	RSD	***EUR
Shown in:				
Total operating revenues	14.426.000	171.524	14.931.000	186.722
Total operating expenses	14.935.000	177.576	14.192.000	177.480

Main products/services: 1) Veterinary 2) Other types of medical protection of animals 3) Retail trade in medical preparations for veterinary use 4) Retail trade in concentrates for nutrition of animals 5) Retail trade in one-day chickens and egg-laying hens 6) Services connected with cattle market

Total number of employees: 22; of which BS/BA: 5

2) Basic information on the privatization entity: Socially-owned enterprise VINARSKA – PODRUMI, VLASOTINCE

Auction sale code: 211108-3165p

Official ID number of the entity: 07106114

Field of work: **Cultivation of grapes**

Main assets of the privatization entity **

A) Buildings – main facilities (m²):

1. Old wine cellar (3252) 2. Wine cellar (2050) 3. Workshop (756) 4. Warehouse and shed (423) 5. Restaurant «Sloga» (1261) 6. Jova's wine cellar (498)

B) Main equipment:

1) Vacuum-packing machine 2) Air-conditioner (4 items) 3) Fiscal cash-register (4 items) 4) Printer 5) Chairs (12 items) (Venera)

C) Land (m²): *Entire land: (3917298); Construction land: (150292) – state-owned; Agricultural land: (3767006) – state-owned;*

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

Total operating revenues	130.000	1.546	25.776.000	322.345
Total operating expenses	37.255.000	442.958	61.096.000	764.044

Main products/services: 1) Growing of cereals and other crops and plants 2) Growing of fruit 3) Growing of grapes 4) Production of juices, fruit and vegetables 5) Wholesale of fruit and vegetables 6) Restaurants 7) Canteens

Укупан број запослених: 100; **од тога ВСС:** 1

3) Basic information on the privatization entity: Public veterinary institution Veterinary station OBRENOVAC, OBRENOVAC

Auction sale code: 211108-3196

Official ID number of the entity: **07052383**

Field of work: **Veterinary**

The entire estimated capital value to be privatized amounts to: **RSD 33.408.000** or ***EUR 435.370**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 4.255.000** or ***EUR 55.452**

Initial price at the auction sale: **RSD 8.510.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 896.000**

Main assets of the privatization entity **

A) Buildings – main facilities (m²):

1. Veterinary station Obrenovac (351) 2. Surgery Stubline (52) 3. Surgery Grabovac (64)
4. Surgery Draževac (100)

B) Main equipment:

1) Passenger vehicle (Jugo Koral 55) 2) Passenger vehicle (2 cars–Jugo Tempo 55) 3) Passenger vehicle (Jugo Tempo) 4) Passenger vehicle (Zastava Koral) 5) Trichinoscope (Micro)

C) Land (m²): *Entire land: (6548); Construction land: (6548); (5789) – socially-owned; (759) – state-owned;*

Balance sheet per year:		2006		2007	
Shown in:	RSD	***EUR	RSD	***EUR	
Total operating revenues	26.203.000	311.551	26.619.000	332.887	
Total operating expenses	21.684.000	257.821	22.373.000	279.788	

Main products/services: 1) Veterinary

Total number of employees: 16; **of which BS/BA:** 9

4) Basic information on the privatization entity: Socially-owned enterprise for cinematography TIMOK, ZAJEČAR

Auction sale code: 211108-3197

Official ID number of the entity: **07201940**

Field of work: **Showing of films**

The entire estimated capital value to be privatized amounts to: **RSD 5.205.000** or ***EUR 67.830**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 625.000** or ***EUR 8.140**

Initial price at the auction sale: **RSD 1.249.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 500.000**

Main assets of the privatization entity **

A) Buildings – main facilities (m²):

1. Office premises (794)

B) Main equipment:

1) Office equipment and furniture 2) Projector (2 items, ISKRA MP21) 3) Transformer (2 items) 4) Chairs 5) Objective (2 items) (120)

C) Land (m²):

Balance sheet per year:		2006		2007	
Shown in:	RSD	***EUR	RSD	***EUR	
Total operating revenues	752.000	8.941	500.000	6.253	
Total operating expenses	742.000	8.822	1.105.000	13.819	

Main products/services: 1) Showing of films

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

5) Basic information on the privatization entity: Socially-owned enterprise for industry and trade HOLDING GAJ, BELGRADE

Auction sale code: 211108-3198

Official ID number of the entity: **07765096**

Field of work: **Wholesale of household equipment**

The entire estimated capital value to be privatized amounts to: **RSD 299.267.000** or ***EUR 3.900.001**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 35.912.000** or ***EUR 468.000**

Initial price at the auction sale: **RSD 71.824.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 1.103.000**

Main assets of the privatization entity **

A) Зграде – најважнији објекти (m²):

1. Office premises, Jurija Gagarina St. 90, Belgrade (69) 2. Furniture store (671) 3. Furniture store, Kneza Miloša St. 12, Kragujevac (1670) 4. Furniture store (58) 5. Production plant, Batajnički drum 6-0, Belgrade (1176)

B) Main equipment:

1) CNC machine 2) Lublin platform 3) Lathe machine

C) Land (m²): *Entire land: (17751); Construction land: (17751) – (state-owned);*

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

Total operating revenues	284.000	3.377	2.044.000	25.562
Total operating expenses	4.840.000	57.547	4.303.000	53.812

Main products/services: 1) Wholesale of household equipment

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

6) Basic information on the privatization entity: Socially-owned enterprise PLANA MARKET, VELIKA PLANA

Auction sale code: 211108-3199

Official ID number of the entity: 17433113

Field of work: Retail trade in meat and meat products

The entire estimated capital value to be privatized amounts to: **RSD 231.839.000** or ***EUR 3.021.288**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 7.821.000** or ***EUR 362.555**

Initial price at the auction sale: **RSD 55.641.000**

Minimum obligatory investments into the privatization entity amount to: **RSD 3.157.000**

Main assets of the privatization entity **

A) Buildings - main facilities (m²):

1. Store no. 53 (101) 2. Store no. 69 (88) 3. Store no. 82 (77) 4. Store no. 88 (178) 5. Store no. 2, Požeška St. 77, Belgrade (90) 6. Store no. 21, Dragoslava Srejskića St. 33, Kragujevac (34)

B) Main equipment:

1) Car (Mitsubishi) 2) Pulling belt 3) Chamber (2 items) 4) Cooling chamber (16 items) 5) Refrigerating cabinet, 2m (2 items) 6) Pulling belt

C) Land (m²):

Balance sheet per year:

	2006		2007	
Shown in:	RSD	***EUR	RSD	***EUR
Total operating revenues	12.788.000	152.048	9.482.000	118.578
Total operating expenses	20.234.000	240.580	18.582.000	232.380

Main products/services: 1) Retail trade in meat and meat products

Total number of employees: 51; of which BS/BA: 3