

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 25.12.2008 until 11.02.2009.

DEADLINE FOR SUBMISSION OF APPLICATIONS IS 12.02.2009, 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 200209, 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: 20.02.2009,

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:

20.02.2009, 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 (20.02.2009) 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 (20.02.2009) 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.

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 25.12.2008 until 11.02.2009.

* *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 entity undergoing privatization: Trading company OGREVINVEST, NIŠ

Auction sale code: 200209-3277

Official ID number of the entity: **07173709**

Field of work: **Retail trade – specialized shops**

The entire estimated capital value to be privatized amounts to: **RSD 290.448.000** or ***EUR 3.394.348**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 34.854.000** or ***EUR 407.322**

Initial price at the auction sale: **RSD 69.708.000**

Minimum obligatory investments into the entity undergoing privatization amount to: **RSD 3.873.000 Дин**

Main assets of the entity undergoing privatization **

A) Buildings – main facilities (m²):

1. Administration building, Sretena Stojanovića St. 1, Niš (1140) 2. Restaurant-canteen, Milojka Lešjanina St. 80, Niš (320) 3. Cement warehouse – Hall 1, Milojka Lešjanina St. 80, Niš (640) 4. Car shed, Milojka Lešjanina St. 80, Niš (432) 5. Prefabricated warehouse with offices, Dimitrija Tucovića St., Niš (600) 6. Warehouse of building materials, Niška Banja (156) 7. Warehouse in Grejač (3090) 8. Warehouse in Žitkovac (330) 9. Cement warehouse in Žitkovac (240) 10. Warehouse of building materials, Doljevac (792)

B) Main equipment:

1) Passenger vehicle (Yugo Koral 55) 2) Office furniture

C) Land (m²): *Entire land: (11763); Construction land: (11583) – socially-owned (10403); – state-owned (1180); Agricultural land: (180) – socially-owned;*

Balance sheet per year:	2006		2007	
	RSD	***EUR	RSD	***EUR
Shown in:				
Total operating revenues	8.489.000	100.933	8.697.000	108.761
Total operating expenses	9.521.000	113.204	9.517.000	119.016

Main products/services: 1) Sale of building material 2) Office premises and warehouse renting

Total number of employees: 82; **of which BS/BA:** 2

2) Basic information on the entity undergoing privatization: Socially-owned enterprise for building construction GRADNJA-KABLAR, BELGRADE

Auction sale code: 200209-3278

Official ID number of the entity: **17243012**

Field of work: **Basic construction works**

The entire estimated capital value to be privatized amounts to: **RSD 351.000** or ***EUR 4.098**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 35.000** or ***EUR 410**

Initial price at the auction sale: **RSD 70.000**

Minimum obligatory investments into the entity undergoing privatization amount to: **RSD 2.010.000**

Main assets of the entity undergoing privatization **

A) Buildings – main facilities (m²):

1. Prefabricated facility I – shed, Vozdovacki kruzni put 9, Belgrade (380) 2. Prefabricated facility II – shed, Vozdovacki kruzni put 9, Belgrade (140)

B) Main equipment:

1) Crane (2 items) 2) Vibro roller 3) Poker vibrator 4) Transshipment bin 5) Facade crane 6) Rails

C) Land (m²):

Balance sheet per year:	2006		2007	
	RSD	***EUR	RSD	***EUR
Shown in:				
Total operating revenues	11.106.000	132.049	0	0
Total operating expenses	12.594.000	149.741	1.241.000	15.519

Main products/services: 1) Construction works

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

3) Basic information on the entity undergoing privatization: Socially-owned wood and timber enterprise SAVREMENI DOM, KRUSEVAC

Auction sale code: 200209-3279

Official ID number of the entity: **07146698**

Field of work: **Fabrication of office furniture**

The entire estimated capital value to be privatized amounts to: **RSD 544.319.000** or ***EUR 6.361.233**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 65.318.000** or ***EUR 763.348**

Initial price at the auction sale: **RSD 130.636.000**

Minimum obligatory investments into the entity undergoing privatization amount to: **RSD 20.216.000**

Main assets of the entity undergoing privatization **

A) Buildings – main facilities (m²):

1. Wood and timber industry building, furniture and paper production – New equipment–administration (926) 2. Wood and timber industry building, furniture and paper production – New equipment–assemblage (1089) 3. Wood and timber industry building, furniture and paper production – Korpus (5883) 4. Wood and timber industry building, furniture and paper production – Lumbermill with sorting facility (1745) 5. Wood and timber industry building, furniture and paper production – Elementara (1475)

B) Main equipment:

1) Office equipment 2) Office furniture 3) Circular saw (819 FORMAT) 4) Machine 5) Grinder (DANKERT) 6) Profiler board 7) Drying room (MIZZARI) 8) Press (SIMI) 9) Machine for wood equipping

C) Land (m²): Entire land: (331570); Construction land: (294582) – socially-owned; Agricultural land: (20863) – socially-owned; Woods: (6186) – socially-owned; Other land: (9939) – socially-owned;

Balance sheet per year:	2006		2007		
	Shown in:	RSD	***EUR	RSD	***EUR
Total operating revenues		65.588.000	779.835	75.763.000	947.464
Total operating expenses		173.078.000	2.057.880	147.451.000	1.843.967

Main products/services: 1) Furniture 2) Services 3) Strip flooring 4) Door windows 5) Railway and tram sleepers made of beech

Total number of employees: 138; of which BS/BA: 5

4) Basic information on the entity undergoing privatization: RTB INVEST, Limited Liability Company for trade, BOR

Auction sale code: **200209-3280**

Official ID number of the entity: **17432826**

Field of work: **Wholesale of metals and ores**

Main assets of the entity undergoing privatization **

A) Buildings – main facilities (m²):

The entire estimated capital value to be privatized amounts to: **RSD 29.911.000** or ***EUR 349.563**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 4.232.000** or ***EUR 49.453**

Initial price at the auction sale: **RSD 8.463.000**

Minimum obligatory investments into the entity undergoing privatization amount to: **RSD 22.541.000**

B) Main equipment:

1) Passenger vehicle (Škoda Oktavia) 2) Passenger vehicle (Škoda Superb) 3) Loading shovel (4 items, ULT 220 CK) 4) Truck (2 items, FAP 3035 RBK) 5) Bulldozer (2 items, TG 220 CK) 6) Office furniture

C) Land (m²):

Balance sheet per year:	2006		2007		
	Shown in:	RSD	***EUR	RSD	***EUR
Total operating revenues		6.057.755.000	72.026.098	7.296.642.000	91.249.087
Total operating expenses		6.051.701.000	71.954.117	7.282.692.000	91.074.634

Main products/services: 1) Sale of metals and metal ores

Total number of employees: 3; of which BS/BA: 1

5) Basic information on the entity undergoing privatization: Socially-owned enterprise HRASTOVAČA, POŽAREVAC

Auction sale code: **200209-3281**

Official ID number of the entity: **17125893**

Field of work: **Cultivation of cereals and other crops**

Main assets of the entity undergoing privatization **

A) Buildings – main facilities (m²):

1. Warehouse (3000) 2. Cywapa (1631) 3. Administration building (468) 4. Building (1039) 5. Stall – 4 facilities (6053)

B) Main equipment:

1) Tractor (John Deere 8210) 2) Tractor (John Deere 8100) 3) Sowing machine (2 items, Kuhn Planter) 4) Corn adapter (6–70 FC) 5) Harvester (Klas 93502682)

C) Land (m²): Entire land: (19085768); Construction land: (57084) – socially-owned; Agricultural land: (19028684) – state-owned;

Balance sheet per year:	2006		2007		
	Shown in:	RSD	***EUR	RSD	***EUR
Total operating revenues		136.630.000	1.624.517	155.579.000	1.945.613
Total operating expenses		157.535.000	1.873.075	163.379.000	2.043.157

Main products/services: 1) Wheat 2) Corn 3) Sugar beet 4) Sunflower 5) Soya 6) Fattening of bullocks

Total number of employees: 80; of which BS/BA: 10