

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 22.12.2008 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 22.12.2008 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: Socially-owned enterprise TIMOK, ZAJEČAR

Auction sale code: 200209-3197p

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

Field of work: **Showing of films**

The entire estimated capital value to be privatized amounts to: **RSD 5.267.000** or ***EUR 61.183**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 421.000** or ***EUR 4.895**

Initial price at the auction sale: **RSD 843.000**

Minimum obligatory investments into the entity undergoing privatization amount to: **RSD 505.000**

Main assets of the entity undergoing privatization **

A) Buildings – main facilities (m²):

1. Business premises (794)

B) Main equipment:

1) Office equipment and furniture 2) Projector (2 pieces, ISKRA MP21) 3) Transformer (2 pieces) 4) Chairs in the cinema 5) Objective(lens) (2 pieces) (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

2) Basic information on the entity undergoing privatization: Company for wholesale and retail trade OPLENACPROMET, TOPOLA

Auction sale code: 200209-3234n

Official ID number of the entity: **07290942**

Field of work: **Wholesale of building material**

The entire estimated capital value to be privatized amounts to: **RSD 97.845.000** or ***EUR 1.136.514**, which is **68,81 %** of the total entity capital.

Deposit for participation in the auction: **RSD 7.828.000** or ***EUR 90.921**

Initial price at the auction sale: **RSD 15.655.000**

Minimum obligatory investments into the entity undergoing privatization amount to: **RSD 6.000**

Main assets of the entity undergoing privatization **

A) Buildings – main facilities (m²):

1. Unloading place «Morava» – Natalinci (345) 2. Head office building (475) 3. Warehouse «Jasenica» – Topola (420) 4. House in Umag (604) 5. Plateau Jasenica – Topola (2000)

B) Main equipment:

1) Computer (3 items, Pentium) 2) Printer (CS Epson GX 1170) 3) Oil tank, capacity 3 tones 4) Oil tank, capacity 4 tones

B) Land (m²): *Entire land: (23047); Construction land: (3843); (3655) – socially-owned: (188) – state-owned; Agricultural land: (19204) – state-owned*

Balance sheet per year:

	2006		2007	
Shown in:	RSD	***EUR	RSD	***EUR

Total operating revenues	293.000	3.484	243.000	3.039
Total operating expenses	7.781.000	92.515	3.993.000	49.935

Main products/services: 1) Trade

Total number of employees: 15; of which BS/BA: 0

3) Basic information on the entity undergoing privatization: Enterprise for production of men's footwear HOD doo, NIŠ

Auction sale code: 200209-3266

Official ID number of the entity: **17042777**

Field of work: **Production of leather footwear**

The entire estimated capital value to be privatized amounts to: **RSD 45.747.000** or *EUR 531.375, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 5.490.000** or *EUR 63.765

Initial price at the auction sale: **RSD 10.979.000**

Minimum obligatory investments into the entity undergoing privatization amount to: **RSD 1.781.000**

Main assets of the entity undergoing privatization **

A) Buildings – main facilities (m²):

1. Administration building, Božidara Adžije St. 2, Niš (399) 2. Secondary buildings 1 and 2, Božidara Adžije St. 2, Niš (129) 3. Administration building with the workshop, Drvarska St. 8, Niš (527) 4. Workshop and warehouse, Marka Oreškovića St. 12, Niš (155)

B) Main equipment:

1) Pressing machines (MTZ, IKOS) 2) Sewing machines (Singer, Bagat, Minerva) 3) Ironing machines (IKOS, Sever)

C) Land (m²): *Entire land: (774); Construction land: (774) – state-owned*

Balance sheet per year:		2006		2007	
Shown in:	RSD	***EUR	RSD	***EUR	***EUR
Total operating revenues	0	0	0	0	0
Total operating expenses	8.037.000	95.559	7.833.000	97.957	97.957

Main products/services: 1) Men's shoes 2) Men's specialized shoes 3) Ladies' handbags made of leather 4) Men's briefcases made of leather 5) Leather haberdashery

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

4) Basic information on the entity undergoing privatization: Trading company GORNJA RESAVA, DESPOTOVAC

Auction sale code: 200209-3269

Official ID number of the entity: **07126611**

Field of work: **Non-specialized retail trade in food**

The entire estimated capital value to be privatized amounts to: **RSD 50.544.000** or *EUR 587.091, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 6.065.000** or *EUR 70.451

Initial price at the auction sale: **RSD 12.131.000**

Minimum obligatory investments into the entity undergoing privatization amount to: **RSD 437.000**

Main assets of the entity undergoing privatization **

A) Buildings – main facilities (m²):

1. Administration building (571) 2. Department store (826) 3. Central warehouse (1368) 4. Store «Izvor», Panjevac (102) 5. Store «Univerzal», Veliki Popović (245)

B) Main equipment:

1) Passenger vehicle (Lada Riva) 2) Prefabricated garages 3) Heating equipment 4) Office equipment

C) Land (m²): *Entire land: (8639); Construction land: (8639); (1699) – socially-owned; (6940) – state-owned*

Balance sheet per year:		2006		2007	
Shown in:	RSD	***EUR	RSD	***EUR	***EUR
Total operating revenues	255.000	3.032	22.000	275	275
Total operating expenses	10.308.000	122.561	8.201.000	102.559	102.559

Main products/services: 1) Non-specialized retail trade in food

Total number of employees: 48; of which BS/BA: 0

5) Basic information on the entity undergoing privatization: Socially-owned enterprise TRANSPORT I USLUGE, ARILJE

Auction sale code: 200209-3270

Official ID number of the entity: **07188439**

Field of work: **Transportation of goods–road traffic**

The entire estimated capital value to be privatized amounts to: **RSD 1.228.000** or *EUR 14.265, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 123.000** or *EUR 1.426

Initial price at the auction sale: **RSD 246.000**

Minimum obligatory investments into the entity undergoing privatization amount to: **RSD 1.783.000**

Main assets of the entity undergoing privatization **

A) Buildings – main facilities (m²):

1. Building with garage, workshop and offices (726) 2. Secondary facility (27) 3. Canal for washing and lubrication of cars (74)

B) Main equipment:

1) Passenger vehicle 2) Truck (Mercedes) 3) Fuel tank (2 items) 4) Canal crane 5) Crane

C) Land (m²):

Balance sheet per year:		2006		2007	
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Shown in:	RSD	***EUR	RSD	***EUR
Total operating revenues	10.883.000	129.398	5.876.000	73.483
Total operating expenses	14.374.000	170.905	7.339.000	91.779

Main products/services: 1) Transportation of goods

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

6) Basic information on the entity undergoing privatization: Preduzeće jugoslovenskih proizvođača izolacionih materijala IZMA, BELGRADE

Auction sale code: 200209-3271

Official ID number of the entity: **07047584**

Field of work: **Traffic agency services**

The entire estimated capital value to be privatized amounts to: **RSD 1.360.000** or ***EUR 15.792**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 136.000** or ***EUR 1.579**

Initial price at the auction sale: **RSD 272.000**

Minimum obligatory investments into the entity undergoing privatization amount to: **RSD 32.000**

Main assets of the entity undergoing privatization **

A) Buildings – main facilities (m²):

B) Main equipment:
1) Office equipment

C) Land (m²):

Balance sheet per year:	2006		2007	
Shown in:	RSD	***EUR	RSD	***EUR
Total operating revenues	8.326.000	98.995	6.122.000	76.559
Total operating expenses	8.239.000	97.961	6.087.000	76.122

Main products/services: 1) Traffic agency services

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

7) Basic information on the entity undergoing privatization: ŠUMADIJA IPTUM, BELGRADE

Auction sale code: 200209-3272

Official ID number of the entity: **07035543**

Field of work: **Production of metal constructions**

The entire estimated capital value to be privatized amounts to: **RSD 3.526.000** or ***EUR 40.953**, which is **21 %** of the total entity capital.

Deposit for participation in the auction: **RSD 353.000** or ***EUR 4.095**

Initial price at the auction sale: **RSD 705.000**

Minimum obligatory investments into the entity undergoing privatization amount to: **RSD 0**

Main assets of the entity undergoing privatization **

A) Buildings – main facilities (m²):

1. Office buildings, XXI divizije St. 11–13, Belgrade (650) 2. Office buildings, Dragice Pravice St. 5, Belgrade (224) 3. Workshop, Dragice Pravice St. 5, Belgrade (380) 4. Workshop, Sveti Nikola 43, Belgrade (1550)

B) Main equipment:

1) Passenger vehicle (Kia Sorento) 2) Cleaning machine (Kirbi) 3) Hydraulic press (Jelsingrad) 4) Eccentric press (Aep 63)

C) Land (m²): *Construction land: (6444) – state-owned*

Balance sheet per year:	2006		2007	
Shown in:	RSD	***EUR	RSD	***EUR
Total operating revenues	10.801.000	128.423	20.308.000	253.964
Total operating expenses	9.830.000	116.878	19.383.000	242.397

Main products/services: 1) Pro-chrome elements 2) Posts for electricity distribution 3) Electric parts 4) Locksmith's trade services

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

8) Basic information on the entity undergoing privatization: Limited liability company VATROSTALNA-ENERGOTERM for engineering in high-rise construction building, BELGRADE

Auction sale code: 200209-3273

Official ID number of the entity: **07781822**

Field of work: **Specialized works related to civil engineering**

The entire estimated capital value to be privatized amounts to: **RSD 2.850.000** or ***EUR 33.104**, which is **63,014 %** of the total entity capital.

Deposit for participation in the auction: **RSD 285.000** or ***EUR 3.310**

Initial price at the auction sale: **RSD 570.000**

Minimum obligatory investments into the entity undergoing privatization amount to: **RSD 502.000**

Main assets of the entity undergoing privatization **

A) Buildings – main facilities (m²):

1. Office premises (shed), Juhorska St. 1, Belgrade (312) 2. Garages 1, 2 и 3, Vlašička St. bb, Belgrade (42)

B) Main equipment:

1) Welding apparatus (400A) 2) Hand winch (Bauvinta) 3) Passenger vehicle (Renault) 4) Electric grinder (Pionir) 5) Van (Renault Trafic)

C) Land (m²):

Balance sheet per year:	2006		2007	
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Shown in:	RSD	***EUR	RSD	***EUR
Total operating revenues	3.471.000	41.270	4.178.000	52.249
Total operating expenses	3.529.000	41.959	4.223.000	52.811

Main products/services: 1) Rebuilding and overhaul of chimneys and roof constructions

Total number of employees: 6; **of which BS/BA:** 1