

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 26.02.2009 to 01.04.2009.

DEADLINE FOR SUBMISSION OF APPLICATIONS IS 02.04.2009 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 100409, 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: 10.04.2009.

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:

10.04.2009, 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 (10.04.2009.) 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 (10.04.2009.) 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 26.02.2009 to 01.04.2009.

* *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 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 construction BRATSTVO, ALIBUNAR

Auction Sale Code: 100409-3214p

Official ID number of the Entity: **08060932**

Field of work: **rough construction works**

The entire estimated capital value to be privatized amounts to: **RSD 15.482.000 or *EUR 164.401** which is **70 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 1.239.000 or *EUR 13.152**

Initial price at the auction sale: **RSD 2.477.000**

Minimum obligatory investments into the entity to be privatized amount to: **RSD 117.000**

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

A) Buildings – main facilities (m²):

1. Administrative building (262) 2. Warehouse (446) 3. Residential building (278) 4. Building (112)

B) Main equipment:

1) Passenger vehicle (JETTA) 2) Console jack 3) Van (ZASTAVA 850 AK) 4) Lorry (Z-35 8) 5) Mixer (ALFA)

C) Land (m²): *Entire land: (978) ; construction land: (719) – socially owned; agricultural land: (259) – socially owned;*

Income statement per year:

Shown in:	2006		2007. godinu	
	RSD	***EUR	Din	***EUR
Total business revenues	0	0	0	0
Total business expenses	0	0	3.016.000	37.717

Main products/ services: 1) Building of construction sites 2) Services

Total number of employees: 15; of which **BS/ BA:** 1

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

Auction Sale Code: 100409-3234p

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

Field of work: **Wholesale of construction material**

The entire estimated capital value to be privatized amounts to: **RSD 103.804.000 or *EUR 1.102.256** which is **68,81 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 8.304.000 or *EUR 88.180**

Initial price at the auction sale: **RSD 16.609.000**

Minimum obligatory investments into the entity to be privatized amount to: **RSD 7.000**

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

A) Buildings – main facilities (m²):

1. Storehouse Morava – Natalinci (345) 2. Administrative building (475) 3. Warehouse Jasenica – Topola (420) 4. House and yard in Umag (604) 5. Plateaux Jasenica – Topola (2000)

B) Main equipment:

1) Computer (3 pieces) (Pentium) 2) Printer (CS Epson GX 1170) 3) Oil cistern 3 tons 4) Oil cistern 4 tons

C) Land (m²): *Entire land: (23047) ; construction land: (3843) ; (3655) – socially owned : (188) – state owned; agricultural land: (19204) – state owned;*

Income statement per year:

Shown in:	2006		2007	
	RSD	***EUR	RSD	***EUR
Total business revenues	293.000	3.484	243.000	3.039
Total business 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: Socially-owned enterprise for agricultural production and trade VINO KALEM, VELIKA DRENOVA

Auction Sale Code: 100409-3248

Official ID number of the Entity: **07154747**

Field of work: **Growing of vine seedlings**

The entire estimated capital value to be privatized amounts to: **RSD 71.624.000 or *EUR 760.552** which is **70 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 8.595.000 or *EUR 91.266**

Initial price at the auction sale: **RSD 17.190.000**

Minimum obligatory investments into the entity to be privatized amount to: **RSD 3.312.000**

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

A) Buildings – main facilities (m²):

1. Hall Selište – agricultural facility – 2 (133) 2. Spool hall – wooden industry building – 3 (675) 3. Cellar – auxiliary building – 4 (540) 4. Spool hall – Velika Drenova (2190) 5. Cold-storage room – Velika Drenova (1352)

B) Main equipment:

1) Transporter (Mercedes 1213) 2) Passenger vehicle (Opel Ida-Vektra) 3) Passenger vehicle (YJugo 55 – Koral) 4) Continuation press (4) (KP-21)

C) Land (m²): *construction land: (31568) – socially owned; agricultural land: (131528) (126.072) – state owned; (5.456) – socially owned; other types of land: (7708) – state owned;*

Income statement per year:		2006		2007	
Shown in:		RSD	***EUR	RSD	***EUR
Total business revenues	5.818.000	69.175		6.523.000	81.574
Total business expenses	10.114.000	120.254		11.006.000	137.637

Main products/ services: 1) Production of spools
Total number of employees: 19; of which BS/ BA: 1

4) Basic information on the entity undergoing privatization: Socially-owned enterprise for wood industry SAVREMENI DOM, KRUŠEVAC

Auction Sale Code: 100409-3279p

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

Field of work: **Production of office furniture**

The entire estimated capital value to be privatized amounts to: **RSD 577.468.000 or *EUR 6.131.928** which is **70 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 46.197.000 or *EUR 490.554**

Initial price at the auction sale: **RSD 92.395.000**

Minimum obligatory investments into the entity to be privatized amount to: **RSD 21.447.000**

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

A) Buildings – main facilities (m²):

1. Building for wood industry, furniture industry and production of paper – New equipment administrative building (926) 2. Building for wood industry, furniture industry and production of paper – new equipment assemblage building (1089) 3. Building for wood industry, furniture industry and production of paper (5883) 4. Building for wood industry, furniture industry and production of paper – Plane facility (1745) 5. Building for wood industry, furniture industry and production of paper – Elements (1475)

B) Main equipment:

1) Office equipment 2) Office furniture 3) Circular saw (819 FORMAT) 4) machine 5) Grinder (DANKERT) 6) Panel 7) Kiln (MIZZARI) 8) Press (SIMI) 9) Wood processing machine

C) Land (m²): *Entire land: (331570) ; construction land: (294582) – socially owned; agricultural land: (20863) – socially owned; forest land: (6186) – socially owned; other types of land: (9939) – socially owned;*

Income statement per year:		2006		2007	
Shown in:		RSD	***EUR	RSD	***EUR
Total business revenues	65.588.000	779.835		75.763.000	947.464
Total business expenses	173.078.000	2.057.880		147.451.000	1.843.967

Main products/ services: 1) Furniture 2) Services 3) Parquet 4) Door elements 5) Railway and tram line elements made of beech
Total number of employees: 138; of which BS/ BA: 5

5) Basic information on the entity undergoing privatization: Socially-owned enterprise for security of people and property ZASTAVA BEZBEDNOST, KRAGUJEVAC

Auction Sale Code: 100409-3284p

Official ID number of the Entity: **07631596**

Field of work: **Search for people and protection**

The entire estimated capital value to be privatized amounts to: **RSD 11.879.000 or *EUR 126.135** which is **70 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 950.000 or *EUR 10.091**

Initial price at the auction sale: **RSD 1.901.000**

Minimum obligatory investments into the entity to be privatized amount to: **RSD 4.063.000**

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

A) Buildings – main facilities (m²):

1. Administrative building, Trg Topolivaca 4, Kragujevac (260) 2. Technical gas warehouse, Trg Topolivaca 4, Kragujevac (539) 3. Warehouse 19, Trg Topolivaca 4, Kragujevac (221) 4. Kiln, Trg Topolivaca 4, Kragujevac (126) 5. Building PC Vatrogas, Trg Topolivaca 4, Kragujevac (449) 6. Firefighting facility, Trg Topolivaca 4, Kragujevac (838) 7. Firefighting facility – garage, Trg Topolivaca 4, Kragujevac (354) 8. Firefighting facility – annex, Trg Topolivaca 4, Kragujevac (200)

B) Main equipment:

1) Office furniture 2) Passenger vehicle (YUGO FLORIDA 1.4 POLI) 3) Mobile radio station (GM-300) 4) Manuel radio station (4) (GP-300) 5) Passenger vehicle (YUGO FLORIDA) 6) Transmitter 7) Van for money transport

C) Land (m²): *Entire land: (2280) ; construction land: (2280) – state owned;*

Income statement per year:		2006		2007	
Shown in:		RSD	***EUR	RSD	***EUR
Total business revenues	18.164.000	215.968		20.654.000	258.291
Total business expenses	31.408.000	373.438		33.593.000	420.102

Main products/ services: 1) Search for people and protection
Total number of employees: 86; of which BS/ BA: 6

6) Basic information on the entity undergoing privatization: Socially-owned construction enterprise – holding company PROGRES with unlimited liability, PIROT

Auction Sale Code: 100409-3310p

Official ID number of the Entity: 07131313

Field of work: **Holding business**The entire estimated capital value to be privatized amounts to: **RSD 71.500.000 or *EUR 759.232** which is **70 %** of the entire capital of the entity.**Deposit** for participation in the auction: **RSD 3.575.000 or *EUR 37.962****Initial price** at the auction sale: **RSD 7.150.000****Minimum obligatory investments** into the entity to be privatized amount to: **RSD 5.788.000****The most important assets of the entity to be privatized ******A) Buildings – main facilities (m²):**

1. Administrative building II. IV, V (977) 2. Prefabricated element production hall (883)
 3. Locksmith's hall (1116) 4. Warehouse space (626) 5. Barracks, Ivana Milutinovića bb,
 Niš (641) 6. Building – office and warehouse, Ivana Milutinovića bb, Niš (310) 7.
 Administrative building – ground floor, Zrmanjska 18, Beograd (117)

B) Main equipment:

1) Jack (2) (FO/23) 2) Crane 3) Caterpillar dredger (BGH 1000) 4) Dredger (G 700) 5) Crane (LM 25) 6) Automatic
 machine (FAB BET AB 18-1)

C) Land (m²): *Entire land: (54999) ; construction land: (39302) – state owned; forest land: (15697) – socially owned;***Income statement per year:**

Shown in:	2006		2007	
	RSD	***EUR	RSD	***EUR
Total business revenues	179.877.000	2.138.719	172.895.000	2.162.160
Total business expenses	208.456.000	2.478.521	185.834.000	2.323.971

Main products/ services: 1) Flats 2) Office space 3) Sport halls 4) Schools**Total number of employees:** 175; **of which BS/ BA:** 20