

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 29.04.2009 to 10.06.2009.

DEADLINE FOR SUBMISSION OF APPLICATIONS IS 11.06.2009 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 190609, 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: 19.06.2009.

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:

19.06.2009, 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 (19.06.2009.) 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 (19.06.2009.) 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 29.04.2009 to 10.06.2009.

* *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 water traffic LUKA KOVIN, KOVIN

Auction Sale Code: 190609-3257p

Official ID number of the Entity: **08136556**

Field of work: **River and lake traffic**

The entire estimated capital value to be privatized amounts to: **RSD 28.887.000 or *EUR 308.599** which is **70 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 2.311.000 or *EUR 24.688**

Initial price at the auction sale: **RSD 4.622.000**

Minimum obligatory investments into the entity to be privatized amount to: **RSD 3.299.000**

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

A) Buildings – main facilities (m²):

1. Administrative building (250) 2. Built garages (6) (150) 3. Warehouse with a workshop (100)

B) Main equipment:

1) Loading shovel (2) (ULT 160 B) 2) Tank with a gauge 3) Ship (Cer) 4) Radio station 5) Steel cash register

C) Land (m²): *Entire land: (70500) ; construction land: (70500) – state owned;*

Income statement per year:		2007		2008	
Shown in:		RSD	***EUR	RSD	***EUR
Total business revenues		781.000	9.767	998.000	12.250
Total business expenses		10.339.000	129.296	7.840.000	96.235

Main products/ services: 1) Water traffic 2) Traffic intermediaries 3) construction of hydro facilities

Total number of employees: 8; **of which BS/ BA:** 2

2) Basic information on the entity undergoing privatization: Trade enterprise OGREVINVEST, NIŠ

Auction Sale Code: 190609-3277p

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

Field of work: **Retail trade**

The entire estimated capital value to be privatized amounts to: **RSD 309.110.000 or *EUR 3.302.184** which is **70 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 24.729.000 or *EUR 264.175**

Initial price at the auction sale: **RSD 49.458.000**

Minimum obligatory investments into the entity to be privatized amount to: **RSD 4.122.000**

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

A) Buildings – main facilities (m²):

1. Administrative building, Sretena Stefanovića 1, Niš (1140) 2. Canteen, Milojka Lešjanina 80, Niš (320) 3. Cement warehouse – Hala 1, Milojka Lešjanina 80, Niš (640) 4. Roofed vehicle eaves, Milojka Lešjanina 80, Niš (432) 5. Prefabricated warehouse with offices, Dimitrija Tucovića, Niš (600) 6. Construction material store place, Niška Banja (156) 7. Warehouse, Grejač (3090) 8. Warehouse, Žitkovac (330) 9. Cementa warehouse, Žitkovac (240) 10. Construction material store place, 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;*

Income statement per year:		2007		2008	
Shown in:		RSD	***EUR	RSD	***EUR
Total business revenues		8.697.000	108.761	8.360.000	102.618
Total business expenses		9.517.000	119.016	9.917.000	121.730

Main products/ services: 1) Construction material store place 2) Lease of business premises and warehouse

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

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

Auction Sale Code: 190609-3279p

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 579.293.000 or *EUR 6.188.510** which is **70 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 46.343.000 or *EUR 495.081**

Initial price at the auction sale: **RSD 92.687.000**

Minimum obligatory investments into the entity to be privatized amount to: **RSD 21.514.000**

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

A) Buildings – main facilities (m²):

1. Building of wood industry, furniture industry and paper manufacture – New equipment – administrative building (926) 2. Building of wood industry, furniture industry and paper manufacture – New equipment – assemblage facility (1089) 3. Building of wood industry, furniture industry and paper manufacture – facility (5883) 4. Building of wood industry, furniture industry and paper manufacture – plane facility with selection workshop (1745) 5. Building of wood industry, furniture industry and paper manufacture – elements facility (1475)

B) Main equipment:

1) Office supplies 2) Office furniture 3) Circular saw (819 FORMAT) 4) Machine 5) Milling machine (DANKERT) 6) Profiler board 7) Kiln (MIZZARI) 8) Press (SIMI) 9) Wood equipment 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:		2007		2008	
Shown in:		RSD	***EUR	RSD	***EUR
Total business revenues		75.763.000		76.362.000	937.337
Total business expenses		147.451.000	1.843.967	146.451.000	1.797.673

Main products/ services: 1) Furniture 2) Services 3) Parquet 4) Door leaves 5) railway and tram ties

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

4) Basic information on the entity undergoing privatization: Limited liability company for agriculture AB-KOOPERACIJA, PLANDIŠTE

Auction Sale Code: 190609-3282p

Official ID number of the Entity: **08574073**

Field of work: **agricultural services**

The entire estimated capital value to be privatized amounts to: **RSD 102.211.000 or *EUR 1.091.904** which is **70 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 7.033.000 or *EUR 75.137**

Initial price at the auction sale: **RSD 14.067.000**

Minimum obligatory investments into the entity to be privatized amount to: **RSD 144.000**

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

A) Buildings – main facilities (m²):**B) Main equipment:**

1) Fiscal cash register (Geneko mino) 2) Fiscal cash register (Colibri) 3) Air conditioner (Calanc) 4) Passenger vehicle (Zastava) 5) Land mower (MTDTC 51) 6) Office equipment

C) Land (m²):

Income statement per year:		2007		2008	
Shown in:		RSD	***EUR	RSD	***EUR
Total business revenues		95.981.000	1.200.303	91.787.000	1.126.677
Total business expenses		95.282.000	1.191.561	92.781.000	1.138.878

Main products/ services: 1) Growing of grains and crops 2) Pig breeding 3) Poultry breeding 4) Production of fruit 5) Wholesale of living animals 6) Wholesale of textile

Total number of employees: 12; of which BS/ BA: 1

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

Auction Sale Code: 190609-3284p

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

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

The entire estimated capital value to be privatized amounts to: **RSD 11.916.000 or *EUR 127.299** which is **70 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 953.000 or *EUR 10.184**

Initial price at the auction sale: **RSD 1.907.000**

Minimum obligatory investments into the entity to be privatized amount to: **RSD 4.076.000**

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)

B) Main equipment:

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

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

Income statement per year:		2007		2008	
Shown in:		RSD	***EUR	RSD	***EUR
Total business revenues		20.654.000	258.291	18.544.000	227.626
Total business expenses		33.593.000	420.102	35.983.000	441.688

Main products/ services: 1) Search for people and security

Total number of employees: 86; of which BS/ BA: 6

6) Basic information on the entity undergoing privatization: Socially-owned enterprise for agricultural production and trade STALAC, STALAC

Auction Sale Code: 190609-3299p		The entire estimated capital value to be privatized amounts to: RSD 60.492.000 or *EUR 646.224 which is 70 % of the entire capital of the entity.	
Official ID number of the Entity: 07191545		Deposit for participation in the auction: RSD 4.839.000 or *EUR 51.698	
Field of work: Cattle breeding and production of milk		Initial price at the auction sale: RSD 9.679.000	
		Minimum obligatory investments into the entity to be privatized amount to: RSD 430.000	
The most important assets of the entity to be privatized **			
A) Buildings – main facilities (m²): 1. Business premises (105) 2. Plane building (99) 3. Store no. 10 (75) 4. Store no. 7 (75) 5. Store no. 5 (60)		B) Main equipment: 1) Truck (FAP 16/20) 2) Display refrigerator 3) Fiscal cash register (2 pieces)	
C) Land (m²): <i>Entire land: (5719410) ; construction land: (15755) – socially owned; agricultural land: (717571) (2245) – socially owned; (715336) – stte owned; forest land: (4956595) (2968366) – socially owned; (1970229) – state owned; other types of land: (29489) (1235) – socially owned; (28254) – socially owned;</i>			
Income statement per year:		2007	2008
Shown in:	RSD	***EUR	RSD
Total business revenues	379.000	4.740	395.000
Total business expenses	3.375.000	42.206	3.276.000
Main products/ services: 1) Cattle breeding 2) Production of milk			
Total number of employees: 14; of which BS/ BA: 0			

7) Basic information on the entity undergoing privatization: Socially-owned enterprise POLJOPRIVREDA, LESKOVAC

Auction Sale Code: 190609-3303p		The entire estimated capital value to be privatized amounts to: RSD 604.398.000 or *EUR 6.456.708 which is 70 % of the entire capital of the entity.	
Official ID number of the Entity: 07137435		Deposit for participation in the auction: RSD 30.220.000 or *EUR 322.835	
Field of work: Growing of grains and crops		Initial price at the auction sale: RSD 60.440.000	
		Minimum obligatory investments into the entity to be privatized amount to: RSD 9.407.000	
The most important assets of the entity to be privatized **			
A) Buildings – main facilities (m²): 1. Facilities Bratmilovce (administrative buildings, warehouses, garages, etc.) (5576) 2. Facilities Belanovce (administrative building, warehouses, corn boxes, etc.) (4757) 3. Facilities Turekovac – Pig farm (administrative building, oig breeding facilities, piglet facilities, etc.) (18874) 4. Facilities Turekovac (administrative building, agricultural machine facilities, corn boxes, etc) (3647) 5. Facilities Grabovnica (administrative buildings, warehouses, sheds, etc.) (1780) 6. Faciltiies Janjuše (administrative building, corn boxes, etc) (793) 7. Facilities Leskovac (administrative building, warehouses, etc.) (2957)		B) Main equipment: 1) Passenger vehicle (Toyota) 2) Tractor (2) (Belarus) 3) Truck (5) 4) Combine (4) 5) Office furniture	
C) Land (m²): <i>Entire land: (906041) ; agricultural land: (906041) – socially owned;</i>			
Income statement per year:		2006	2007
Shown in:	RSD	***EUR	RSD
Total business revenues	8.395.000	99.816	3.428.000
Total business expenses	52.276.000	621.556	31.050.000
Main products/ services: 1) Plant production 2) Production of sowing material and all kinds of seedlings 3) production of cherries 4) Production of piglets 5) Pig and bullock fattening 6) Production of all kinds of animal feeding concentrate			
Total number of employees: 22; of which BS/ BA: 0			

8) Basic information on the entity undergoing privatization: Socially-owned construction enterprise, Holding Company PROGRES with unlimited liability, PIROT

Auction Sale Code: 190609-3310p		The entire estimated capital value to be privatized amounts to: RSD 71.726.000 or *EUR 766.238 which is 70 % of the entire capital of the entity.	
Official ID number of the Entity: 07131313		Deposit for participation in the auction: RSD 3.586.000 or *EUR 38.312	
Field of work: Holding activities		Initial price at the auction sale: RSD 7.173.000	
		Minimum obligatory investments into the entity to be privatized amount to: RSD 5.806.000	
The most important assets of the entity to be privatized **			
A) Buildings – main facilities (m²): 1. Administrative building II. IV, V (977) 2. Hall for production of prefabricated elements (883) 3. Locksmith's hall (1116) 4. Warehouse space (626) 5. Labourers 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 device (FAB BET AB 18-1)	
C) Land (m²): <i>Entire land: (54999) ; construction land: (39302) – state owned; forest land: (15697) – socially owned;</i>			
Income statement per year:		2007	2008

Shown in:	Din	***EUR	RSD	***EUR
Total business revenues	172.895.000	2.162.160	65.635.000	805.664
Total business expenses	185.834.000	2.323.971	195.986.000	2.405.710

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

9) Basic information on the entity undergoing privatization: Enterprise for traffic equipment CRVENI SIGNAL – NOVI SAD, NOVI SAD

Auction Sale Code: 190609-3311p

Official ID number of the Entity: **08145750**

Field of work: **Drivers' school**

The entire estimated capital value to be privatized amounts to: **RSD 14.483.000 or *EUR 154.720** which is **70 %** of the entire capital of the entity.

Deposit for participation in the auction: **RSD 1.159.000 or *EUR 12.378**

Initial price at the auction sale: **RSD 2.317.000**

Minimum obligatory investments into the entity to be privatized amount to: **RSD 169.000**

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

A) Buildings – main facilities (m²):

1. Business premises on the ground floor, Stražilovska 27, Novi Sad (39) Business premises on the ground floor, Stražilovska 27, Novi Sad (30) 3. Business premises in the basement, Stražilovska 27, Novi Sad (55)

B) Main equipment:

1) Truck 4900kg (Zastava) 2) Passenger vehicle (2) (Zastava Yugo Tempo 1.1) 3) Passenger vehicle (Zastava Yugo Koral 55) 4) Motorcycle 1 (Cimos-Citroen-Tomos BT 50) 5) Office furniture

C) Land (m²):

Income statement per year:	2007	2008
Shown in:	RSD	RS
Total business revenues	277.000	326.000
Total business expenses	5.306.000	6.346.000

Main products/ services: 1) Drivers' school

Total number of employees: 26; **of which BS/ BA:** 3