

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, 23 Terazije St., 5th floor, from 09:00 to 16:30, in the period from 30.10.2007 to 05.12.2007.

DEADLINE FOR SUBMISSION OF APPLICATIONS IS 06.12.2007, BY 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 141207, Privatization Agency, Belgrade, 23 Terazije St, 5th floor".

** The total estimated capital value to be privatized, stated in EUR, was calculated according to the official exchange rate on 24.10.2007.*

*** The total business income and expense data, stated in EUR, were calculated according to the average annual real exchange rates.*

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: 14.12.2007.

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

14.12.2007, 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 (14.12.2007) 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 (14.12.2007) 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 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 on such changes, if any, until the auction date at the latest.

The site visit shall be carried out after the signing of the Confidentiality Agreement in the period from 30.10.2007 to 05.12.2007, at the time previously agreed with the Privatization Agency, tel: (+381 11) 3020-804; (+381 11) 3020-803 or fax: (+381 11) 3020-881.

Brief description of the PUBLIC AUCTION procedure

The sale of capital by 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 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 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: Socially-owned enterprise for production of garments JASEN, BRODAREVO

Auction sale code: 141207-0829

Official ID number of the entity: **07326629**

Field of work: **Linen manufacture**

The entire estimated capital value to be privatized amounts to: **RSD 7.204.000** or ***EUR 93.267**, which is **70 %** of the total entity capital.

Deposit for auction participation: **RSD 865.000** or ***EUR 11.192**

Initial price at the auction sale: **RSD 1.729.000**

Minimum obligatory investments into the privatization entity amounts to: **RSD 1.112.000**

Main property of the privatization entity

A) Buildings – main facilities (m²):

1. Garments section (1070) 2. Administration building (230) 3. Warehouse and canteen (466)

B) Main equipment:

1) Sewing machine (common, DDL 555) 2) Buttonhole sewing machine (LBN 777) 3) Overloch machine (MO 816) 4) Sewing machine for buttons (MB 372) 5) Two needle sewing machine (MS 19) 6) Electrical boiler (EK441 2L)

C) Land (m²): *Entire land: (7516); Construction land: (7516) – state-owned;*

Balance sheet per year:	2005		2006		
	Shown in:	RSD	**EUR	RSD	**EUR
Total operating revenues		898.000	10.831	906.000	10.772
Total operating expenses		17.911.000	216.037	20.948.000	249.070

Main products/services: 1) Manufacture of linen 2) Manufacture of clothes 3) Retail trade in textile 4) Commercial operations

Total number of employees: 90; **of which BS/BA:** 2

2) Basic information on the privatization entity: Socially-owned enterprise MLAVA, PETROVAC

Auction sale code: 141207-2048n

Official ID number of the entity: **07340362**

Field of work: **Retail trade – general goods**

The entire estimated capital value to be privatized amounts to: **RSD 305.357.000** or ***EUR 3.953.151**, which is **70 %** of the total entity capital.

Deposit for auction participation: **RSD 24.429.000** or ***EUR 316.252**

Initial price at the auction sale: **RSD 48.857.000**

Minimum obligatory investments into the privatization entity amounts to: **RSD 13.792.000**

Main property of the privatization entity

A) Buildings – main facilities (m²):

1. Supermarket (819) 2. Central warehouse (1989) 3. Supermarket 4 (214) 4. Bookshop (155) 5. Car parts shop (162) 6. Supermarket 3 (125)

B) Main equipment:

1) Office furniture 2) Display refrigerators 3) Equipment for shops 4) Office equipment

C) land (m²): *Entire land: (7370); Construction land: (4052) (4.007) – state-owned; (45) – socially-owned; Farming land: (3318) – state-owned;*

Balance sheet per year:	2005		2006		
	Shown in:	RSD	**EUR	RSD	**EUR
Total operating revenues		3.639.000	43.893	3.971.000	47.215
Total operating expenses		20.957.000	252.777	14.079.000	167.398

Main products/services: 1) Retail trade in general goods 2) Wholesale

Total number of employees: 28; **od toga BCC:** 0

3) Basic information on the privatization entity: Socially-owned enterprise for foreign and domestic trade FAP FAMOS, BELGRADE

Auction sale code: 141207-2125

Official ID number of the entity: **07021712**

Field of work: **Sale of motor vehicles**

The entire estimated capital value to be privatized amounts to: **RSD 94.910.000** or ***EUR 1.228.710**, which is **70 %** of the total entity capital.

Deposit for auction participation: **RSD 11.389.000** or ***EUR 147.445**

Initial price at the auction sale: **RSD 22.779.000**

Minimum obligatory investments into the privatization entity amounts to: **RSD 4.229.000**

Main property of the privatization entity

A) Buildings – main facilities (m²):

1. Part of the administration building, 61–65 Francuska St. – tenure holder (482) 2. Black metalwork hall, Pančevo (700) 3. Transformer station, Pančevo (92) 4. Building with the transformer station, Pančevo (45)

B) Main equipment:

1) Granite cutting machine 2) Water filtering device 3) Forklift truck 4) Computer (Grappolo) 5) Crane (2 T) 6) Machine for polishing of granite boards

C) Land (m²): *Entire land: (2128); Construction land: (2128) – state-owned;*

Balance sheet per year:	2005	2006
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Shown in:	RSD	**EUR	RSD	**EUR
Total operating revenues	81.328.000	980.955	23.032.000	273.848
Total operating expenses	117.403.000	1.416.081	145.602.000	1.731.193

Main products/services: 1) Trade in motor vehicles and spare parts 2) Cutting and processing of granite
Total number of employees: 11; of which BS/BA: 3

4) Basic information on the privatization entity: Enterprise for wholesale and retail trade MIP-PRPMET d.o.o., ČUPRIJA

Auction sale code: 141207-2126

Official ID number of the entity: **07840365**

Field of work: **Wholesale of heating equipment**

Main property of the privatization entity

A) Buildings – main facilities (m²):

1. Office premises – non-registered (113)

The entire estimated capital value to be privatized amounts to: **RSD 690.000** or ***EUR 8.932**, which is **66,913 %** of the total entity capital.

Deposit for auction participation: **RSD 69.000** or ***EUR 893**

Initial price at the auction sale: **RSD 138.000**

Minimum obligatory investments into the privatization entity amounts to: **RSD 24.000**

B) Main equipment:

1) Forklift truck (Pobeda) 2) Warehouse scale (MIP Merila) 3) Wire fence 4) Telephone (Panasonic)

C) Land (m²): *Entire land: (3027); Construction land: (3027) – state-owned;*

Balance sheet per year:

Shown in:	2005		2006	
	RSD	**EUR	RSD	**EUR
Total operating revenues	14.400.000	173.689	7.017.000	83.431
Total operating expenses	14.406.000	173.761	7.632.000	90.744

Main products/services: 1) Trade in sheet metal, pipes

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

5) Basic information on the privatization entity: Yugoslavian community for pallet piece making, d.p. Yugoslavian registry of containers, BELGRADE

Auction sale code: 141207-2127

Official ID number of the entity: **07009976**

Field of work: **Technical testing and analysis**

Main property of the privatization entity

A) Buildings – main facilities (m²):

1. Flat, Belgrade, 13 Kralj Milutin Str. (120)

The entire estimated capital value to be privatized amounts to: **RSD 6.341.000** or ***EUR 82.096**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 634.000** or ***EUR 8.210**

Initial price at the auction sale: **RSD 1.268.000**

Minimum obligatory investments into the privatization entity amounts to: **RSD 288.000**

B) Main equipment:

1) Computer equipment 2) Office furniture 3) Hydraulic regulator (DN 65)

C) Land (m²):

Balance sheet per year:

Shown in:	2005		2006	
	RSD	**EUR	RSD	**EUR
Total operating revenues	4.476.000	53.988	4.640.000	55.169
Total operating expenses	4.884.000	58.909	5.187.000	61.673

Main products/services: 1) Marking of technical documentation 2) Marking of paletts

Total number of employees: 6; of which BS/BA: 2

6) Basic information on the privatization entity: Socially-owned enterprise for management of single-room apartment building KARABURMA p.o., BELGRADE

Auction sale code: 141207-2128

Official ID number of the entity: **07036256**

Field of work: **Hotels and motels**

Main property of the privatization entity

A) Buildings – main facility (m²):

1. Single-room apartment building Karaburma, 2 Stevan Dukić Str., Belgrade (1063)

The entire estimated capital value to be privatized amounts to: **RSD 25.554.000** or ***EUR 330.817**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 3.066.000** or ***EUR 39.698**

Initial price at the auction sale: **RSD 6.133.000**

Minimum obligatory investments into the privatization entity amounts to: **RSD 2.240.000**

B) Main equipment:

1) Passenger vehicle (LADA 110 SEDAN) 2) Boiler 3) Computer 4) Bachelor's beds (339 pieces) 5) Jogi mattress (340 pieces)

C) Land (m²):

Balance sheet per year:

Shown in:	2005		2006	
	RSD	**EUR	RSD	**EUR

Total operating revenues	24.195.000	291.833	25.652.000	305.000
Total operating expenses	26.505.000	319.696	29.452.000	350.181

Main products/services: 1) Bed lease 2) Office premises lease 3) Heating

Total number of employees: 20; of which BS/BA: 1

7) Basic information on the privatization entity: Joint-stock trade company ZAJEČAR PROMET, ZAJEČAR

Auction sale code: 141207-2129

Official ID number of the entity: **07277857**

Field of work: **Wholesale and retail**

The entire estimated capital value to be privatized amounts to: **RSD 350.302.000** or ***EUR 4.535.005**, which is **68,012 %** of the total entity capital.

Deposit for participation in the auction: **RSD 42.036.000** or ***EUR 544.201**

Initial price at the auction sale: **RSD 84.072.000**

Minimum obligatory investments into the privatization entity amounts to: **RSD 15.865.000**

Main property of the privatization entity

A) Buildings – main facilities (m²):

1. Supermarket Uzor – tenure holder (79) 2. Shop Kotlujevac – tenure holder (84) 3. Shop Gamzigradska Banja – tenure holder (150) 4. Supermarket 5 – tenure holder (96) 5. Shop Dezen (165) 6. Supermarket Dunav (107)

B) Main equipment:

1) Counter (317 pieces) 2) Shelf (441 pieces) 3) Refrigerator (14 pieces, 2000 s, komora) 4) Flour sifting machine (7 pieces) 5) Forklift truck (Indos) 6) Fiscal cash-register (22 pieces)

C) Land (m²): *Entire land: (36756); Construction land: (36756) – state-owned;*

Balance sheet per year:	2005		2006		
	Shown in:	RSD	**EUR	RSD	**EUR
Total operating revenues		34.184.000	412.317	25.636.000	304.809
Total operating expenses		181.503.000	2.189.236	146.695.000	1.744.189

Main products/services: 1) Wholesale and retail

Total number of employees: 148; of which BS/BA: 3

8) Basic information on the privatization entity: Veterinary station TOPOLA, TOPOLA

Auction sale code: 141207-2130

Official ID number of the entity: **07123213**

Field of work: **Veterinary services**

The entire estimated capital value to be privatized amounts to: **RSD 46.827.000** or ***EUR 606.215**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 4.683.000** or ***EUR 60.622**

Initial price at the auction sale: **RSD 9.365.000**

Minimum obligatory investments into the privatization entity amounts to: **RSD 7.005.000**

Main property of the privatization entity

A) Buildings – main facilities (m²):

1. Building with local station, Topola – user (1209) 2. Local hospital, Natalinci – user (139) 3. Station, Natalinci – user (124) 4. Local medical centre and garage, Donja Šatornja – user (154) 5. Building and warehouse, Trnava – user (133) 6. Local medical centre, Belosavci – user (187) 7. Building of the farm I and II, Donja Šatornja – user (2822) 8. Poultry facility I, II and III, Donja Trešnjevica – user (1520)

B) Main equipment:

1) Passenger vehicle (3 pieces, Jugo 45) 2) Passenger vehicle (2 pieces, Jugo 55) 3) Refrigerator truck 4) Truck (Mercedes) 5) Equipment of the farm Donja Šatornja 6) Container (5 pieces) 7) Generating unit

C) Land (m²): *Entire land: (35830); Construction land: (19118) – state-owned (14.601), – socially-owned (4.517); Farming land: (16712) – state-owned (15.512), – socially-owned (1.200);*

Balance sheet per year:	2005		2006		
	Shown in:	RSD	**EUR	RSD	**EUR
Total operating revenues		10.812.000	130.411	12.990.000	154.450
Total operating expenses		16.468.000	198.632	24.404.000	290.161

Main products/services: 1) Veterinary services

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

9) Basic information on the privatization entity: Veterinary station KRAGUJEVAC, KRAGUJEVAC

Auction sale code: 141207-2131

Official ID number of the entity: **07148950**

Field of work: **Veterinary services**

The entire estimated capital value to be privatized amounts to: **RSD 9.407.000** or ***EUR 121.779**, which is **70 %** of the total entity capital.

Deposit for participation in the auction: **RSD 1.129.000** or ***EUR 14.613**

Initial price at the auction sale: **RSD 2.258.000**

Minimum obligatory investments into the privatization entity amounts to: **RSD 4.684.000**

Main property of the privatization entity

A) Buildings – main facilities (m²):

1. Local medical centre, Kragujevac (172) 2. Incubator station (within the local medical centre) (105) 3. Local medical centre, Divostin (72) 4. Local medical centre, Rogojevac (72) 5. Local medical centre, Stragari (105)

B) Main equipment:

1) Passenger vehicle (TOYOTA RAV 4.0 VVT-1) 2) Passenger vehicle (TOYOTA YARIS 1.3) 3) Passenger vehicle (MATRIX 1,5 CR 2GL) 4) Container for liquid nitrogen (15 pieces) 5) Ultrasound apparatus (2 pieces) 6) X-ray machine 7) X-ray machine (5 pieces)

C) Land (m²): Entire land: (6641); Construction land: (6641) (1178) – socially-owned, (5463) – state-owned;

Balance sheet per year:	2005		2006	
Shown in:	RSD	**EUR	RSD	**EUR
Total operating revenues	31.853.000	384.202	36.791.000	437.441
Total operating expenses	34.654.000	417.986	43.065.000	512.039

Main products/services: 1) Vaccination 2) Cure and control 3) Insemination 4) Veterinary services

Total number of employees: 34; **of which BS/BA:** 13