

According to the Article 38 of the Privatization Law ("Official Gazette RS", No. 38/2001 and 18/2003), and the Article 5 of the Decree on Capital and Estate Selling by Public Auction ("Official Gazette RS " No. 45/01, 45/02, 19/03, 59/04 and 98/04),

the Privatization Agency announces:

PUBLIC INVITATION FOR PARTICIPATION IN PUBLIC AUCTIONS

Basic Information about Auction Sale

Those who are interested can buy auction documentation at the price of **25,000 dinars**, after the invoice is received from the Privatization Agency. VAT has not been included in the price. The purchase of the auction documentation is obligatory, and on its receipt one is to sign the Agreement on Keeping the Confidential Information. After the payment evidence is submitted, the auction documentation can be collected at the following address:
The Privatization Agency, Belgrade, 23 Terazije St., 9:00 – 17:00, from 10.06.2005. to 05.07.2005.

CLOSING DATE FOR APPLYING IS 06.07.2005 UNTIL 17:00

Filled application form which is a part of the auction documentation, with signed draft of sales contract and deposit payment evidence, is to be submitted in closed envelope with inscription: "THE APPLICATION FOR PARTICIPATION IN PUBLIC AUCTION 140705, the Privatization Agency, Belgrade, 23 Terazije St. ".

IF THERE IS THE NAME OF ENTERPRISE TO BE PRIVATIZED ON THE ENVELOPE, OR FULL AUCTION CODE, THE APPLICATION CAN BE REJECTED.

THE AUCTION WILL BE HELD ON: 14.07.2005.

at the address: **The Privatization Agency, Belgrade, 23 Terazije St., 2nd floor, Large Hall at 11:00.** The registration of the auction participants will take place at the same address on: **14.07.2005, 09:00 – 10:50.**

Means of payment can be in convertible currency, bonds based on the outstanding foreign exchange saving which is to become due not later than the capital selling day (14.07.2005.) issued to physical persons 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 bonds based on the outstanding foreign exchange saving which are not to be due until the capital selling day (14.07.2005.) issued to physical persons who are citizens of the Republic of Serbia.

In case that the first-class bank guarantee is submitted as the means of payment for the deposit, it has to be payable within the period of 48 hours after the declaration of a buyer at the auction. The participation deposit is to be returned 15 days after the public auction is held.

The Privatization Agency keeps the right to change the day of the auction and the closing date for applying as well as to inform the interested, until the auction day at the latest. Enterprise to be privatized will be visited, after the Agreement on Keeping the Confidential Information is signed, from 10.06.2005. to 05.07.2005 at the previously established time by the Privatization Agency, tel: 011/3020-804;011/3020-803 or fax: 011/3020-881.

* Total evaluation of the capital to be privatized, expressed in EURO, has been calculated in accordance with the official rate on 10.06.2005.

** Total business income and expense, expressed in EURO, have been calculated in accordance with average annual real rates.

Short Description of PUBLIC AUCTION PROCEDURE

Capital sale by public auction is carried out by Auction Commission established by the Privatization Agency. The Commission monitors auction sale, registers auction participants, announces auction unsuccessful, signs the minute and does other important jobs for auction process according to the law. The conditions for auction implementation are fulfilled if at least one person is given the auction participant status, if he is personally present or through his official accredited representative. At time ordered for the start of PUBLIC AUCTION, auctioneer will open the first bidding where the means of payment can be in cash or due bonds. If there are many persons at the first bidding, the auctioneer announces initial price as well as each further increase. In case that none of the interested buyers react after the third call for accepting newly established price, the auctioneer, by

hammering, declares the auction finished. 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 nobody is interested even after the third call, the auctioneer declares the first bidding unsuccessful and immediately opens the second bidding where even immature bonds can be the means of payment. Those who have applied for the second bidding can participate in it, as well as the participants in the first bidding if it has been declared unsuccessful. If there are many participants in the second bidding the auctioneer announces initial price as well as each further increase. If none of the interested buyers react after the third call for accepting newly established price, the auctioneer, by hammering, declares the auction finished. 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 nobody is interested even after the third call, the auction is declared unsuccessful, and the participants lose the right to be brought back the deposit. If only one person who has been given auction participant status attends the second bidding, that person is called three times to accept initial price. If he accepts the initial price, he is declared a buyer, and the initial price becomes selling price. If the participant doesn't accept the initial price, the auction is declared unsuccessful, and he loses the right to be returned the deposit.

1) Basic data on enterprise to be privatized: Socially-owned enterprise for road traffic passenger transport AUTO PREVOZ, LOZNICA

Auction code: 140705-1354p

Official Registration Number: 07340125

Field of work: road traffic passenger transport

Total estimated value of the capital to be privatized: 211.922.000 Din or 2.567.810 *EUR which is 70 % of the total capital of the economic entity.

Deposit for participation in the auction: 16.954.000 Din or 205.425 *EUR

Initial auction price: 33.907.000 Din

Minimum investment in the enterprise to be privatized: 14.566.000 Din

The most important assets of the enterprise

A) Buildings - the most important facilities (m²):

1. Bus station Loznica (2975) 2. Dispatching center (480) 3. Administrative building "Stela" (115) 4. Workshop (953) 5. Bus station Banja Koviljača (200) 6. Passenger hall (1319) 7. Administrative building (544) 8. Transporter hall (891)

B) The most important equipment:

1) Bus "FAP" (9) (S415MVPIVO) 2) Bus "FAP" (13) (S415PVRIVO) 3) Bus "FAP" (5) (S 200) 4) Bus "TAM" (8) (260 A) 5) Buses "IKARBUS" (4) (IK 102)

C) Land (m²):

Statement of income and expense per year:

Shown in:	2003		2004	
	Din	**EUR	Din	**EUR
Total business income	24.949.000	383.494	11.668.000	159.831
Total business expense	64.802.000	996.080	27.531.000	377.127

The most important products/services: 1) Passenger transport 2) Upkeep and repair of motors 3) Sale of components and equipment for motor vehicles 4) Driver's school

Total number of employees: 313; **employees with university qualifications:** 7

2) Basic data on enterprise to be privatized: Socially-owned enterprise UKRAS, NOVI PAZAR

Auction code: 140705-1388p

Official Registration Number: 07206755

Field of work: Stone extraction for construction

Total estimated value of the capital to be privatized: 212.692.000 Din or 2.577.144 *EUR which is 70 % of the total capital of the economic entity.

Deposit for participation in the auction: 17.015.000 Din or 206.172 *EUR

Initial auction price: 34.031.000 Din

Minimum investment in the enterprise to be privatized: 22.628.000 Din

The most important assets of the enterprise

A) Buildings - the most important facilities (m²):

1. Old hall of works (1372) 2. Production hall (1344) 3. Hall 932 (932) 4. Administrative building (342)

B) The most important equipment:

1) Frame-saw (TDG-MK 2/S) 2) Frame-saw (Jumbo S4) 3) Milling machine (Minisaw NZ/5D) 4) Forklift truck (TU-32-Pobeda)

C) Land (m²): Construction land: (49098) - socially owned, (16026) - state owned, Arid land: (917) - socially owned, (3407) - state owned, Agricultural land: (92500) - socially owned, (12210) - state owned

Statement of income and expense per year:

Shown in:	2003		2004	
	Din	**EUR	Din	**EUR
Total business income	51.208.000	787.125	0	0
Total business expense	60.731.000	933.504	45.686.000	625.818

The most important products/services: 1) Mermerne ploče 2) Granitne ploče 3) Marmete 4) Granulat i lomljeni kamen

Total number of employees: 125; **employees with university qualifications:** 8

3) Basic data on enterprise to be privatized: Catering trade tourist enterprise Srbija, PIROT

Auction code: 140705-1431

Official Registration Number: 07131402

Field of work: Hotels and motels with restaurants

Total estimated value of the capital to be privatized: 496.379.000 Din or 6.014.527 *EUR which is 70 % of the total capital of the economic entity.

Deposit for participation in the auction: 59.566.000 Din or 721.743 *EUR

Initial auction price: 119.131.000 Din

Minimum investment in the enterprise to be privatized: 29.163.000 Din

The most important assets of the enterprise

A) Buildings – the most important facilities (m²):
1. Hotel "Piro" (5500) 2. Hotel "Mir" (3500) 3. Objekat "Nacional" (1040)

B) The most important equipment:
1) Switchboard 2) Furniture for hotels 3) Cold-storage room

C) Land (m²): Construction land: (28506) – state owned, Agricultural land: (26582) – socially owned

Statement of income and expense per year:		2003		2004	
Shown in:	Din	**EUR	Din	**EUR	
Total business income	26.782.000	411.670	33.985.000	465.535	
Total business expense	46.996.000	722.382	62.481.000	855.881	

The most important products/services: 1) Board and lodging
Total number of employees: 134; **employees with university qualifications:** 2

4) Basic data on enterprise to be privatized: Socially-owned enterprise signal device plant FSU, BEOGRAD

Auction code: 140705-1431

Official Registration Number: **07007400**

Field of work: **Production of electric installation material**

Total estimated value of the capital to be privatized: **291.738.000 Din** or **3.534.927 *EUR** which is **70 %** of the total capital of the economic entity.

Deposit for participation in the auction: **35.009.000 Din** or **424.191 *EUR**

Initial auction price: **70.017.000 Din**

Minimum investment in the enterprise to be privatized: **19.851.000 Din**

The most important assets of the enterprise

A) Buildings – the most important facilities (m²):
1. Old building, Ustanička 12a, Beograd (3001) 2. New building (1782) 3. Green barrack (295) 4. Surface protection building (236) 5. Warehouse (203) 6. Barracks, Zemun polje (749)

B) The most important equipment:
1) Hydraulic press for bending 2) Soldering device (WEBER) 3) Balanced system (TEXTRONX) 4) Pneumatic drill (MAKITA)

C) Land (m²): Construction land: (5049) – state owned

Statement of income and expense per year:		2003		2004	
Shown in:	Din	**EUR	Din	**EUR	
Total business income	77.257.000	1.187.528	74.866.000	1.025.534	
Total business expense	90.323.000	1.388.367	105.430.000	1.444.207	

The most important products/services: 1) Lamp 2) Dampers 3) gas-rings with one or two boards 4) Correctors 5) Fillers 6) Soldering devices

Total number of employees: 255; **employees with university qualifications:** 32

5) Basic data on enterprise to be privatized: Construction enterprise DOM, BEOGRAD

Auction code: 140705-1432

Official Registration Number: **07047100**

Field of work: **Rough construction works**

Total estimated value of the capital to be privatized: **264.301.000 Din** or **3.202.479 *EUR** which is **70 %** of the total capital of the economic entity.

Deposit for participation in the auction: **31.716.000 Din** or **384.297 *EUR**

Initial auction price: **63.432.000 Din**

Minimum investment in the enterprise to be privatized: **12.908.000 Din**

The most important assets of the enterprise

A) Buildings – the most important facilities (m²):
1. Administrative building – Makenzijeva 53 (1656) 2. Temporary business facility– Malajnička bb (810) 3. Administrative building – Krnjača (612) 4. Production hall – Krnjača (1426) 5. Garages–Krnjača (1241) 6. Warehouse i offices–Saverni Bulevar 4 (1726)

B) The most important equipment:
1) Crane (2 pieces) (Potain 744E) 2) Vertical battery 3) Metal formwork (M2 1127,87) 4) Crane (2 pieces) (Topkit F023–B) 5) Metal moulds (16 pieces) 6) Loading shovel (ULT 160)

C) Land (m²):

Statement of income and expense per year:		2003		2004	
Shown in:	Din	**EUR	Din	**EUR	
Total business income	147.767.000	2.271.347	292.332.000	4.004.438	
Total business expense	173.884.000	2.672.795	227.673.000	3.118.723	

The most important products/services: 1) Building of facilities 2) Projecting 3) Production of concrete 4) Production of prefabricates 5) Transport services
Total number of employees: 467; **employees with university qualifications:** 21

6) Basic data on enterprise to be privatized: EI Holding corporation, Ltd. FABRIKA MAŠINSKIH DELOVA, NIŠ

Auction code: 140705-1433

Official Registration Number: **07211007**

Field of work: **Production of electronic components**

Total estimated value of the capital to be privatized: **32.553.000 Din** or **394.439 *EUR** which is **70 %** of the total capital of the economic entity.

Deposit for participation in the auction: **3.906.000 Din** or **47.333 *EUR**

Initial auction price: **7.813.000 Din**

Minimum investment in the enterprise to be privatized: **3.636.000 Din**

The most important assets of the enterprise

A) Buildings – the most important facilities (m²):

1. Building of other industrial activities No. 2, Bulevar Svetog Cara Konstantina, Niš (1 740) 2. Building of other industrial activities No..3, Bulevar Svetog Cara Konstantina, Niš (452) 3. Building of other industrial activities No.. 4, Bulevar Svetog Cara Konstantina, Niš (228)

B) The most important equipment:

1) Plane 2) Milling machine 3) General sharpening machine 4) Grinders 5) Production equipment for processing of material by plastic deformation

C) Land (m²): *Construction land: (15789) – state owned*

Statement of income and expense per year:

Shown in:	2003		2004	
	Din	**EUR	Din	**EUR
Total business income	11.549.000	177.521	5.151.000	70.560
Total business expense	21.966.000	337.642	19.395.000	265.678

The most important products/services: 1) Mašinski delovi 2) Dizne za električne štednjake 3) Osovine 4) Specijalni zavrtnji i navrtke 5) Čepovi za bojlere

Total number of employees: 56; **employees with university qualifications:** 3

7) Basic data on enterprise to be privatized: MIMOZA KOZMETIKA Joint-stock company for cosmetic and hairdressing services, production and trade, BEOGRAD

Auction code: 140705-1435

Official Registration Number: **07009127**

Field of work: **Hairdressing beauty treatments**

Total estimated value of the capital to be privatized: **1.518.000 Din** or **18.399 *EUR** which is **58,569 %** of the total capital of the economic entity.

Deposit for participation in the auction: **182.000 Din** or **2.208 *EUR**

Initial auction price: **364.000 Din**

Minimum investment in the enterprise to be privatized: **52.000 Din**

The most important assets of the enterprise

A) Buildings – the most important facilities (m²):

1. Office space, Majke Jevrosime 39 (lease holder) (40) 2. Office space, Gračanička 13 (lease holder) (30)

B) The most important equipment:

1) Computer and printer (Pentium I) 2) Cosmetic table (3 pieces) 3) Sterilizer 4) Treatment couches (2 pieces) 5) Cosmetic system (Fajstal cosmetic system A) 6) Air conditioner

C) Land (m²):

Statement of income and expense per year:

Shown in:	2003		2004	
	Din	**EUR	Din	**EUR
Total business income	4.404.000	67.694	3.732.000	51.122
Total business expense	5.345.000	82.159	4.315.000	59.108

The most important products/services: 1) Hairdressing and other beauty treatment 2) Treatment for improvement of physical condition and mood 3) Production of perfumes and cosmetic preparations 4) Retail trade of cosmetic and toilet preparations 5) retail trade of clothes 6) Wholesale of perfume and cosmetic products

Total number of employees: 12; **employees with university qualifications:** 1

8) Basic data on enterprise to be privatized: PREHRAMBENA INDUSTRIJA TOMA KOSTIĆ TOMAKO, LESKOVAC

Auction code: 140705-1436

Official Registration Number: **07277954**

Field of work: **Production of confection products**

Total estimated value of the capital to be privatized: **134.096.000 Din** or **1.624.809 *EUR** which is **70 %** of the total capital of the economic entity.

Deposit for participation in the auction: **16.091.000 Din** or **194.977 *EUR**

Initial auction price: **32.183.000 Din**

Minimum investment in the enterprise to be privatized: **13.228.000 Din**

The most important assets of the enterprise

A) Buildings – the most important facilities (m²):
 1. Wafer plant (1440) 2. Bonbon plant (cake building) (1160) 3. Warehouse of finished goods (587) 4. Technical warehouse (100) 5. Boiler–house (525) 6. Facility in Sutomore (432)

B) The most important equipment:
 1) Chocolate machine 2) Machine for double wrapping of bonbons 3) Italian heating pad 4) Tunnel– Tunnel–line for block boardening 5) Vertical machine (EIFCN950416) 6) Machine for production of cream– compact device 7) Machine for biscuit filling

C) Land (m²): *Construction land: (21708) – state owned*

Statement of income and expense per year:		2003		2004	
Shown in:	Din	**EUR	Din	**EUR	
Total business income	176.713.000	2.716.280	26.402.000	361.661	
Total business expense	218.186.000	3.353.767	149.717.000	2.050.862	

The most important products/services: 1) Wafers 2) Chocolate products 3) Turkish delight 4) Bonbons 5) Cream products
Total number of employees: 296; **employees with university qualifications:** 20

9) Basic data on enterprise to be privatized: Socially–owned enterprise for production and trade with unlimited liability JELOVA GORA, UŽICE

Auction code: 140705–1437

Official Registration Number: **07663722**

Field of work: **Production of timber**

Total estimated value of the capital to be privatized: **34.845.000 Din** or **422.213 *EUR** which is **70 %** of the total capital of the economic entity.

Deposit for participation in the auction: **3.485.000 Din** or **42.221 *EUR**

Initial auction price: **6.969.000 Din**

Minimum investment in the enterprise to be privatized: **2.751.000 Din**

The most important assets of the enterprise

A) Buildings – the most important facilities (m²):

1. Building of plane workshop (524) 2. Warehouse (307) 3. Motel in Ribaševina (492) 4. Hostel in Ribaševina (736) 5. Administrative building (201)

B) The most important equipment:

1) Wooden shelf for goods 2) Copier (Oliveti) 3) Printer (Epson LX300) 4) Fax (Oliveti)

C) Land (m²): *Construction land: (39832) – soacially owned, (130) – state owned, Agricultural land: (18149) – socially owned*

Statement of income and expense per year:		2003		2004	
Shown in:	Din	**EUR	Din	**EUR	
Total business income	3.941.000	60.578	3.205.000	43.903	
Total business expense	7.645.000	117.512	9.306.000	127.476	

The most important products/services: 1) JS plank and rod 2) Oak plank and rod 3) Beech plank and rod 4) Wholesale and retail trade of food products 5) Purchase of agricultural products

Total number of employees: 19; **employees with university qualifications:** 2

10) Basic data on enterprise to be privatized: CENTAR ZA INTELEKTUALNU SVOJINU I MARKETING, BEOGRAD

Auction code: 140705–1438

Official Registration Number: **07028130**

Field of work: **Researches in social sciences**

Total estimated value of the capital to be privatized: **220.000 Din** or **2.663 *EUR** which is **64,778 %** of the total capital of the economic entity.

Deposit for participation in the auction: **22.000 Din** or **266 *EUR**

Initial auction price: **44.000 Din**

Minimum investment in the enterprise to be privatized: **6.000 Din**

The most important assets of the enterprise

A) Buildings – the most important facilities (m²):

B) The most important equipment:

1) Telephone – 2 pieces (Panasonic) 2) Office desk (Novi dom) 3) Armchair – 5 pieces 4) Armchair 5) Telephone table (Wooden)

C) Land (m²):

Statement of income and expense per year:		2003		2004	
Shown in:	Din	**EUR	Din	**EUR	
Total business income	2.873.000	44.161	2.024.000	27.725	
Total business expense	2.861.000	43.977	3.520.000	48.218	

The most important products/services: 1) Consulting services 2) Capital assessment

Total number of employees: 7; **employees with university qualifications:** 3

11) Basic data on enterprise to be privatized: Socially-owned enterprise for agricultural production ULJMA, ULJMA

Auction code: 140705-1439

Official Registration Number: 08243093

Field of work: **Growing of corn and crops**

Total estimated value of the capital to be privatized: **116.145.000 Din** or **1.407.310 *EUR** which is **70 %** of the total capital of the economic entity.

Deposit for participation in the auction: **13.937.000 Din** or **168.877 *EUR**

Initial auction price: 27.875.000 Din

Minimum investment in the enterprise to be privatized: **26.291.000 Din**

The most important assets of the enterprise

A) Buildings – the most important facilities (m²):

1. Silos (4 pieces) (4000) 2. Fattening workshop (2 pieces) (1200) 3. Dehydration station (2015) 4. Warehouse of finished products (1248) 5. Administrative building (296) 6. Production hall (1137) 7. Pipe system made of asbestos cement (25442)

B) The most important equipment:

1) Dehydrator equipment for drying and processing of herbs (General Desian) 2) Irrigation machine (2 pieces) (Sever Valmont, Linear 2x400) 3) Pump station equipment (Signa Brno) 4) Tractors (4 pieces) (ZTS 162.45.10, MTZ 82Y, IMT 5270, Torpedo Deutz TD9006) 5) Corn combine (Đ. Đaković M1620)

C) Land (m²): *Construction land: (1011) – socially owned, Other land: (67976) – socially owned, Agricultural land: (6927119) – socially owned*

Statement of income and expense per year:

	2003		2004	
Shown in:	Din	**EUR	Din	**EUR
Total business income	44.997.000	691.655	7.872.000	107.833
Total business expense	71.081.000	1.092.596	28.189.000	386.140

The most important products/services: 1) Fattening facilities 2) Dehydrate lucerne 3) Mercantile corn 4) Wheat 5) Sunflower 6) Soya 7) Barley 8) Services

Total number of employees: 132; **employees with university qualifications:** 9

12) Basic data on enterprise to be privatized: Socially-owned enterprise ELEKTROUNIVERZAL for electric installation set-up, BEOGRAD

Auction code: 140705-1440

Official Registration Number: 07077793

Field of work: **Construction installations**

Total estimated value of the capital to be privatized: **1.320.000 Din** or **15.995 *EUR** which is **70 %** of the total capital of the economic entity.

Deposit for participation in the auction: **158.000 Din** or **1.919 *EUR**

Initial auction price: 317.000 Din

Minimum investment in the enterprise to be privatized: **6.000 Din**

The most important assets of the enterprise

A) Buildings – the most important facilities (m²):

1. Warehouse, Vuka Vrčevića 1a (60)

B) The most important equipment:

1) Steel drill 2) Cutting machine 3) Table drill 4) Electric drill (Vibration) 5) Drill (Hilti) 6) Fax (Panasonic)

C) Land (m²): *Construction land: (395) – u državnoj svojini*

Statement of income and expense per year:

	2003		2004	
Shown in:	Din	**EUR	Din	**EUR
Total business income	576.000	8.854	231.000	3.164
Total business expense	625.000	9.607	1.670.000	22.876

The most important products/services: 1) Set-up of electric installation and equipment, insulation works, set-up of pipe instalations and other installation works

Total number of employees: 5; **employees with university qualifications:** 0