

PUBLIC INVITATION FOR PARTICIPATION IN PUBLIC AUCTIONS

Basic Data on Auction Sale

Those who are interested can purchase auction documentation at the price of: **CSD 40000**, after the receipt of invoice from the Privatization Agency. VAT is not calculated in the price. The purchase of the auction documentation is obligatory, and on its receipt one is to sign the Confidentiality Agreement. After the payment evidence has been submitted, the auction documentation can be collected at the following address: Bulevar Mihajla Pupina 10 (5th floor), Novi Sad, from 9:00 to 17:00, from 08.11.2006 to 07.12.2006.

DEADLINE FOR SUBMISSION OF APPLICATIONS IS 08.12.2006 UNTIL 17:00

Filled application which is a part of the auction documentation with the signed draft of the SPA and the deposit payment evidence is to be submitted in a sealed envelope with inscription: "THE APPLICATION FOR PARTICIPATION IN PUBLIC AUCTION 181206, Bulevar Mihajla Pupina 10 (5th floor), Novi Sad".

IF THERE IS NAME OF THE SUBJECT UNDERGOING PRIVATIZATION ON THE ENVELOPE, OR FULL AUCTION CODE, THE APPLICATION CAN BE REJECTED.

THE AUCTION WILL BE HELD ON: 18.12.2006

at the address: **Novi Sad, JP Sportsko poslovni centar Vojvodina-SPENS at 11:00**. The registration of the auction participants will be held at the same address on:

18.12.2006. from 09:00 to 10:50.

Means of payment can be in domestic currency, foreign convertible currency, state bonds based upon the unpaid foreign currency savings of citizens, which are due not later than the date of the capital sale (18.12.2006.) issued to the natural 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 state bonds based upon the unpaid foreign currency savings of citizens, which are not to become due until the date of the capital sale (18.12.2006.) issued to the natural persons, 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 brought back 15 days after the public auction has been held.

The Privatization Agency keeps the right to change the auction date as well as the closing date 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 the Agreement on Confidentiality in period from 08.11.2006 to 07.12.2006, at the time previously established by the Privatization Agency, tel: 021/452-959 or fax: 021/452-967.

* *The entire estimated capital value to be privatized, stated in EUR, was calculated according to the official exchange rate on 08.11.2006.*

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

Brief Description of PUBLIC AUCTION Procedure

The sale of capital by the method of 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 the auction, registers the auction participants, pronounces the auction for unsuccessful, signs the minutes and performs other activities of importance for the auction performance in accordance with the Law. The conditions for the auction to be carried out are met, if at least one person has obtained the status of the 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, on which occasion 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 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 immediately afterwards opens the second bidding, on which occasion even undue state bonds can be the means of payment. Those who have applied for the second bidding can participate in, as well as the participants in the first bidding, in case it has been declared unsuccessful. If in the second bidding participate more than one person, 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 brought back 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, she/he 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 she/he loses the right to be brought back the deposit.

1) Basic information on the subject undergoing privatization: Socially-owned enterprise MIP LIMARI – KLIMATIZERI, SUBOTICA

Auction Sale Code: 181206-1714p

Official ID number of the Subject: **08297681**

Field of work: **Final works**

The entire estimated capital value to be privatized amounts to: **CSD 5.486.000 or 69.433 *EUR** which is **70 %** of the total capital of the subject.

Deposit for auction participation: **CSD 274.000 or 3.472 *EUR**

Initial price at auction sale: **CSD 549.000**

Minimum obligatory investments into the subject to be privatized amounts to: **CSD 317.000**

Main property of the subject undergoing privatization

A) Buildings – main facilities (m²):

1. Administrative building – right of use and disposal (104) 2. tinsmith's workshop – non-registered (140)

B) Main Equipment:

1) Transporter (1307 DU BK) 2) Switchboard (KX-T206) 3) Electric pneumatic drill (GBH 2-24DSR) 4) Telephone – 4 pieces (Panasonic) 5) Sheet metal curving device (FB 003) 6) Sheet metal shaping device – 3 pieces

C) Land (m²): *Construction land: (1140) – socially owned*

Balance sheet per year	2004		2005		
	Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues		10.903.000	149.352	1.781.000	21.482
Total business expenses		9.682.000	132.627	4.360.000	52.589

Main products/ services: 1) Metal processing 2) Construction services

Total number of employees: 14; **of which BS/ BA:** 0

2) Basic information on the subject undergoing privatization: Socially-owned enterprise VUKICA MITROVIĆ enterprise for production of socks, APATIN

Auction Sale Code: 181206-1775p

Official ID number of the Subject: **08027684**

Field of work: **Production of knitted socks**

The entire estimated capital value to be privatized amounts to: **CSD 84.107.000 or 1.064.511 *EUR** which is **70 %** of the total capital of the subject.

Deposit for auction participation: **CSD 6.729.000 or 85.161 *EUR**

Initial price at auction sale: **CSD 13.457.000**

Minimum obligatory investments into the subject to be privatized amounts to: **CSD 3.806.000**

Main property of the subject undergoing privatization

A) Buildings – main facilities (m²):

1. Factory building (4776) 2. Warehouse of finished goods (1040) 3. Water tower, workshop and substation (114)

B) Main Equipment:

1) Knitting machines (Lonati) 2) Knitting machines (DERA) 3) Sewing machines (Union) 4) Passenger vehicle (Renault 21) 5) Office furniture

C) Land (m²): *Construction land: (7319) – state owned*

Balance sheet per year	2004		2005		
	Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues		17.831.000	244.254	7.212.000	86.989
Total business expenses		16.446.000	225.281	18.703.000	225.590

Main products/ services: 1) Socks for women, men and children 2) Women's stockings 3) Sewing services 4) Dyeing services 5) Ironing services

Total number of employees: 95; **of which BS/ BA:** 3

3) Basic information on the subject undergoing privatization: Socially-owned enterprise NEON for assemblage and repair of electric installation, NOVI SAD

Auction Sale Code: 181206-1793

Official ID number of the Subject: **08081077**

Field of work: **Assemblage of electric installations and equipment**

The entire estimated capital value to be privatized amounts to: **CSD 5.238.000 or 66.298 *EUR** which is **70 %** of the total capital of the subject.

Deposit for auction participation: **CSD 524.000 or 6.630 *EUR**

Initial price at auction sale: **CSD 1.048.000**

Minimum obligatory investments into the subject to be privatized amounts to: **CSD 8.000**

Main property of the subject undergoing privatization

A) Buildings – main facilities (m²):

1. Office space, shelter – Residential block 9, Novi Sad (31)

B) Main Equipment:

1) Passenger vehicle (Jugo koral) 2) Passenger vehicle (101 Skala) 3) Passenger vehicle (Poli 55) 4) Passenger vehicle (Poli 55) 5) Passenger vehicle (Skala poli)

C) Land (m²):

Balance sheet per year	2004		2005		
	Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues		11.503.000	157.571	19.441.000	234.492
Total business expenses		11.611.000	159.050	20.138.000	242.899

Main products/ services: 1) Assemblage of electric installations and equipment

Total number of employees: 7; **of which BS/ BA:** 1

4) Basic information on the subject undergoing privatization: Socially-owned enterprise RADNIČKI UNIVERZITET, NOVI BEČEJ

Auction Sale Code: 181206-1794

Official ID number of the Subject: 08020299

Field of work: Driver's training school

The entire estimated capital value to be privatized amounts to: **CSD 4.728.000 or 59.841 *EUR** which is **70 %** of the total capital of the subject.

Deposit for auction participation: **CSD 567.000 or *EUR 7.181**

Initial price at auction sale: CSD 1.135.000

Minimum obligatory investments into the subject to be privatized amounts to: **CSD 188.000**

Main property of the subject undergoing privatization

A) Buildings - main facilities (m²):

1. Office space no. 5 (134) 2. Garages (186) 3. Common premises (31)

B) Main Equipment:

1) Passenger vehicle (Yugo Tempo 1.1) 2) Passenger vehicle (Yugo Tempo 1.0) 3) Motorbike (Tomos TL14)

C) Land (m²): Construction land: (1827) - state owned

Balance sheet per year		2004		2005	
Shown in:	CSD	**EUR	CSD	**EUR	
Total business revenues	261.000	3.575	1.039.000	12.532	
Total business expenses	673.000	9.219	1.880.000	22.676	

Main products/ services: 1) Driver's exam training

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

5) Basic information on the subject undergoing privatization: Socially-owned enterprise for film projections FRUŠKA GORA, SREMSKA MITROVICA

Auction Sale Code: 181206-1795

Official ID number of the Subject: 08015970

Field of work: Film projections

The entire estimated capital value to be privatized amounts to: **CSD 29.016.000 or *EUR 367.246** which is **70 %** of the total capital of the subject.

Deposit for auction participation: **CSD 3.482.000 or *EUR 44.069**

Initial price at auction sale: CSD 6.964.000

Minimum obligatory investments into the subject to be privatized amounts to: **CSD 204.000**

Main property of the subject undergoing privatization

A) Buildings - main facilities (m²):

1. Projection hall (392) 2. Hallway (216) 3. Office premises on the first floor (246)

B) Main Equipment:

1) Cinema equipment (Preksvel 35) 2) Cinema equipment (Iskra KN3) 3) Seats (450 komada) 4) Office furniture

C) Land (m²): Construction land: (1948) - state owned

Balance sheet per year		2004		2005	
Shown in:	CSD	**EUR	CSD	**EUR	
Total business revenues	1.331.000	18.232	757.000	9.131	
Total business expenses	2.449.000	33.547	2.087.000	25.173	

Main products/ services: 1) Film projections

Total number of employees: 5; of which **BS/ BA:** 0

6) Basic information on the subject undergoing privatization: Socially-owned enterprise for building construction, engineering and trade PROGRES, VRBAS

Auction Sale Code: 181206-1796

Official ID number of the Subject: 08057931

Field of work: Rough construction works

The entire estimated capital value to be privatized amounts to: **CSD 3.526.000 or *EUR 44.623** which is **70 %** of the total capital of the subject.

Deposit for auction participation: **CSD 353.000 or *EUR 4.462**

Initial price at auction sale: CSD 705.000

Minimum obligatory investments into the subject to be privatized amounts to: **CSD 302.000**

Main property of the subject undergoing privatization

A) Buildings - main facilities (m²):

1. Administrative building - non-registered (449)

B) Main Equipment:

1) Transporter (Fap) 2) Transporter (Zastava) 3) Passenger vehicle (Zastava) 4) Switchboard 5) Concrete mixer

C) Land (m²): Construction land: (2231) - state owned

Balance sheet per year		2004		2005	
Shown in:	CSD	**EUR	CSD	**EUR	
Total business revenues	22.653.000	310.307	14.872.000	179.382	
Total business expenses	22.559.000	309.019	14.800.000	178.513	

Main products/ services: 1) Construction services

Total number of employees: 18; of which **BS/ BA:** 1

7) Basic information on the subject undergoing privatization: Socially-owned enterprise KONTINENTAL PROMET for trade and services, NOVI SAD

Auction Sale Code: 181206-1797

Official ID number of the Subject: 08631620

Field of work: Wholesale

The entire estimated capital value to be privatized amounts to: CSD 8.526.000 or *EUR 107.914 which is 70 % of the total capital of the subject.

Deposit for auction participation: CSD 1.067.000 or *EUR 13.502

Initial price at auction sale: CSD 2.134.000

Minimum obligatory investments into the subject to be privatized amounts to: CSD 170.000

Main property of the subject undergoing privatization

A) Buildings – main facilities (m²):

1. Office premises, Pariske komune 48 (32) 2. Office premises, Pariske komune 48 (60) 3. Office premises, Pariske komune 46 (57) 4. Office premises, Pariske komune 46 (19)

B) Main Equipment:

- 1) Computer (6 pieces) 2) Printers (4 pieces) (Canon) 3) Office furniture 4) Copier (Canon)

C) Land (m²): Construction land: (168) – state owned (right of use)

Balance sheet per year	2004		2005		
	Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues		88.379.000	1.210.638	34.060.000	410.822
Total business expenses		92.042.000	1.260.815	37.858.000	456.632

Main products/ services: 1) Trade of paper for newspapers 2) trade of paper for copiers

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

8) Basic information on the subject undergoing privatization: Socially-owned enterprise for agricultural production LJUTOVO with unlimited liability, LJUTOVO

Auction Sale Code: 181206-1798

Official ID number of the Subject: 08236534

Field of work: Growing of crops

The entire estimated capital value to be privatized amounts to: CSD 142.790.000 or *EUR 1.807.245 which is 70 % of the total capital of the subject.

Deposit for auction participation: CSD 14.279.000 or *EUR 180.725

Initial price at auction sale: CSD 28.558.000

Minimum obligatory investments into the subject to be privatized amounts to: CSD 6.149.000

Main property of the subject undergoing privatization

A) Buildings – main facilities (m²):

1. Administrative building – user (270) 2. Metal prefabricated hangar – right of use (810) 3. Stell prefabricated hall – right of use (1440) 4. Metal prefabricated hangar "Soko" – user (400) 5. Mechanical workshop – right of use (720)

B) Main Equipment:

- 1) Tractors (IMT Zetor) 2) Combines (Z-142, Z-170) 3) Irrigation systems with equipment (TXPlus75-270) 4) Tractor trailers (Zmaj, Pobeda) 5) Lightning rod and measuring instruments (Pessl-Instr.)

C) Land (m²): Agricultural land: (3987642) – socially owned, (3576254) – state owned

Balance sheet per year	2004		2005		
	Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues		49.301.000	675.338	48.574.000	585.885
Total business expenses		56.375.000	772.239	50.941.000	614.435

Main products/ services: 1) Mercantile wheat 2) Seed wheat 3) Mercantile barley 4) Mercantile corn

Total number of employees: 56; of which BS/ BA: 4

9) Basic information on the subject undergoing privatization: Holding Company Solid, SUBOTICA

Auction Sale Code: 181206-1799

Official ID number of the Subject: 08067589

Field of work: Production of leather footwear

The entire estimated capital value to be privatized amounts to: CSD 342.923.000 or *EUR 4.340.247 which is 70 % of the total capital of the subject.

Deposit for auction participation: CSD 41.151.000 or *EUR 520.830

Initial price at auction sale: CSD 82.301.000

Minimum obligatory investments into the subject to be privatized amounts to: CSD 20.253.000

Main property of the subject undergoing privatization

A) Buildings – main facilities (m²):

1. Production hall (2634) 2. Plant hall (827) 3. Production facility (400)

B) Main Equipment:

- 1) Passenfer vehicle (BMW) 2) Conveyer 3) Rolling machine 4) Apparratus 5) General sole press 6) Passenger vehicle (Škoda Octavia) 7) Machine (Camoga C420r)

C) Land (m²): Construction land: (6409) – state owned

Balance sheet per year	2004		2005		
	Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues		62.286.000	853.210	67.898.000	818.966
Total business expenses		137.428.000	1.882.524	95.674.000	1.153.992

Main products/ services: 1) Women's boots 2) Women's shoes, sandals and slippers 3) Trade services 4) Shoe repairing services 5) Footwear manufacturing

Total number of employees: 367; of which BS/ BA: 7

10) Basic information on the subject undergoing privatization: Socially-owned enterprise fashion garments AKOTEKS with unlimited liability, ADA

Auction Sale Code: 181206-1800

Official ID number of the Subject: **08208743**

Field of work: **Production of clothes**

The entire estimated capital value to be privatized amounts to: **CSD 133.034.000 or *EUR 1.683.756** which is **70 %** of the total capital of the subject.

Deposit for auction participation: **CSD 15.964.000 or *EUR 202.051**

Initial price at auction sale: CSD 31.928.000

Minimum obligatory investments into the subject to be privatized amounts to: **CSD 9.525.000**

Main property of the subject undergoing privatization

A) Buildings – main facilities (m²):

1. Production hall (1455) 2. Administrative building (958) 3. Warehouse of finished goods (379) 4. Boiler house (131)

B) Main Equipment:

1) Steam boiler-supporting equipment 2) Steam press 3) Sewing machine (2 pieces) (Majeruniti) 4) Hole making machine (Durkop) 5) Vacuum pump (Herren) 6) Press (Terma fir)

C) Land (m²): Construction land: (26132) – state owned

Balance sheet per year	2004		2005	
	CSD	**EUR	CSD	**EUR
Shown in:				
Total business revenues	7.684.000	105.257	2.080.000	25.088
Total business expenses	11.861.000	162.475	8.853.000	106.782

Main products/ services: 1) Production of fabric

Total number of employees: 22; **of which BS/ BA:** 0