

PUBLIC INVITATION FOR PARTICIPATION IN PUBLIC AUCTIONS

Basic Data on Auction Sale

The interested parties can purchase the auction documents at the price of **CSD 40000**, after they receive the invoice from the Privatization Agency. VAT is not calculated in the price. The purchase of the auction documents is obligatory, and on its 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., from 9:00 to 17:00, from 11.05.2007 to 05.06.2007.

DEADLINE FOR SUBMISSION OF APPLICATIONS IS 06.06.2007 UNTIL 17:00

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 with inscription: "THE APPLICATION FOR PARTICIPATION IN PUBLIC AUCTION 140607, Privatization Agency, Belgrade, 23 Terazije St."

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: 14.06.2007.

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: **14.06.2007. od 09:00 do 10:50** časova.

Means of payment can be in domestic currency, foreign convertible currency, state bonds based upon the unpaid foreign currency savings, which are due not later than the date of the capital sale (14.06.2007.) 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, which are not to become due until the date of the capital sale (14.06.2007.) 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 returned 15 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 the Confidentiality Agreement in the period from 11.05.2007 to 05.06.2007, at the time previously established by the Privatization Agency, tel: 011/3020-804; 011/3020-803 or fax: 011/3020-881.

* *The entire estimated capital value to be privatized, stated in EUR, was calculated according to the official exchange rate on 11.05.2007.*

** *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 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 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 successful, 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 returned the deposit.

1) Basic information on the subject undergoing privatization: Public enterprise VESTI with unlimited liability, UŽICE

Auction Sale Code: 140607-1787

Official ID number of the Subject: **07221622**

Field of work: **Nwspaper publishing**

The entire estimated capital value to be privatized amounts to: **CSD 18.377.000 or *EUR 221.463** which is **70 %** of the total capital of the subject.

Deposit for auction participation: **CSD 1.838.000 or *EUR 22.146**

Initial price at auction sale: **CSD 3.675.000**

Minimum obligatory investments into the subject to be privatized amounts to: **CSD 3.576.000**

Main property of the subject undergoing privatization

A) Buildings – main facilities (m²):

- Radio station – right of use (228) 2. Radio station, Jelova Gora – non-registered (43)
- Business premises – right of use (1034) 4. Business premises, Požega – tenant (59)

B) Main Equipment:

- FM receiver (PLL/B) 2) FM tuner (EK-250) 3) Walkmans – 8 pieces (Sony) 4) Chairs – 10 pieces (Potens) 5) Desk (Potens) 6) Satellite receiver

C) Land (m²): *Entire land: (26253); Construction land: (7011) ((614)– state owned – right of use, (6397) – state owned – co-user); Agricultural land: (19242) – state owned (right of use);*

Balance sheet per year	2005		2006	
	CSD	**EUR	CSD	**EUR
Shown in:				
Total business revenues	12.542.000	151.278	13.273.000	157.815
Total business expenses	13.679.000	164.992	14.051.000	167.065

Main products/ services: 1) Newspaper publishing

Total number of employees: 23; **of which BS/ BA:** 9

2) Basic information on the subject undergoing privatization: Enterprise for projecting, engineering and consulting ETC – PRIKO, VRNJAČKA BANJA

Auction Sale Code: 140607-1829p

Official ID number of the Subject: **17119451**

Field of work: **projecting of construction facilities**

The entire estimated capital value to be privatized amounts to: **CSD 1.284.000 or *EUR 15.470** which is **70 %** of the total capital of the subject.

Deposit for auction participation: **CSD 34.000 or *EUR 406**

Initial price at auction sale: **CSD 67.000**

Minimum obligatory investments into the subject to be privatized amounts to: **CSD 221.000**

Main property of the subject undergoing privatization

A) Buildings – main facilities (m²):

B) Main Equipment:

C) Land (m²):

Balance sheet per year	2004		2005	
	CSD	**EUR	CSD	**EUR
Shown in:				
Total business revenues	0	0	2.880.000	34.738
Total business expenses	597.000	8.178	2.876.000	34.689

Main products/ services: 1) Projecting 2) Engineering

Total number of employees: 8; **of which BS/ BA:** 1

3) Basic information on the subject undergoing privatization: DP GEOTEHNIČKI BIRO, NIŠ

Auction Sale Code: 140607-1936

Official ID number of the Subject: **06944736**

Field of work: **Soil survey**

The entire estimated capital value to be privatized amounts to: **CSD 2.462.000 or *EUR 29.674** which is **70 %** of the total capital of the subject.

Deposit for auction participation: **CSD 246.000 or *EUR 2.967**

Initial price at auction sale: **CSD 492.000**

Minimum obligatory investments into the subject to be privatized amounts to: **CSD 312.000**

Main property of the subject undergoing privatization

A) Buildings – main facilities (m²):

- Administrative building (84)

B) Main Equipment:

- Computer (PC – Pentium) 2) Fax machine (Panasonic) 3) Furnace 4) Distillation machine 5) Laboratory scales 6) Laboratory mixer

C) Land (m²): *Entire land: (310); Agricultural land: (310);*

Balance sheet per year	2004		2005	
	CSD	**EUR	CSD	**EUR
Shown in:				
Total business revenues	2.019.000	27.657	2.396.000	28.900
Total business expenses	2.263.000	30.999	2.435.000	29.370

Main products/ services: 1) Geological research

Total number of employees: 3; **of which BS/ BA:** 1

4) Basic information on the subject undergoing privatization: Newspaper publishing public enterprise ČAČANSKI GLAS, ČAČAK

Auction Sale Code: 140607-1937

Official ID number of the Subject: **20145706**

Field of work: **Newspaper publishing**

The entire estimated capital value to be privatized amounts to: **CSD 2.499.000 or *EUR 30.118** which is **70 %** of the total capital of the subject.

Deposit for auction participation: **CSD 250.000 or *EUR 3.012**

Initial price at auction sale: **CSD 500.000**

Minimum obligatory investments into the subject to be privatized amounts to: **CSD 228.000**

Main property of the subject undergoing privatization

A) Buildings – main facilities (m²):

1. Administrative building (second floor) – non-registered user (148)

B) Main Equipment:

1) Passenger vehicle (Jugo 1,3) 2) Computers (6) 3) Camera (Sony DCG828) 4) Laser printers (3) 5) Fiscal cash register (Galeb MP-55)

C) Land (m²):

Balance sheet per year

Shown in:	01.04. – 31.12.2006. godinu	
	Din	**EUR
Total business revenues	11.786.000	140.134
Total business expenses	10.950.000	130.194

Main products/ services: 1) Newspapers

Total number of employees: 18; of which **BS/ BA:** 10

5) Basic information on the subject undergoing privatization: Enterprise for engineering, scientific research and development HIP RAZVOJ I INŽENJERING with unlimited liability, PANČEVO

Auction Sale Code: 140607-1938

Official ID number of the Subject: **08053693**

Field of work: **Engineering**

The entire estimated capital value to be privatized amounts to: **CSD 234.982.000 or 2.831.756 *EUR** which is **70 %** of the total capital of the subject.

Deposit for auction participation: **CSD 28.198.000 or *EUR 339.811**

Initial price at auction sale: **CSD 56.396.000**

Minimum obligatory investments into the subject to be privatized amounts to: **CSD 20.799.000**

Main property of the subject undergoing privatization

A) Buildings – main facilities (m²):

1. Administrative building (3099) 2. Business premises Tesla (1 89)

B) Main Equipment:

1) Computer equipment 2) Air conditioner 3) Plotter

C) Land (m²): *Entire land: (1558); Construction land: (1558) – state owned;*

Shown in:	2004		2005	
	CSD	**EUR	CSD	**EUR
Total business revenues	4.765.000	65.272	2.253.000	27.175
Total business expenses	18.089.000	247.788	17.227.000	207.787

Main products/ services: 1) Projecting services 2) Technical assistance 3) Supervision

Total number of employees: 22; of which **BS/ BA:** 6

6) Basic information on the subject undergoing privatization: Joint-stock company for domestic and foreign trade, and services TEHNO-DUNAV, KLADOVO

Auction Sale Code: 140607-1939

Official ID number of the Subject: **07260164**

Field of work: **Upkeep and repair of motor vehicles**

The entire estimated capital value to be privatized amounts to: **CSD 131.569.000 or 1.585.537 *EUR** which is **68,201 %** of the total capital of the subject.

Deposit for auction participation: **CSD 13.157.000 or *EUR 158.554**

Initial price at auction sale: **CSD 26.314.000**

Minimum obligatory investments into the subject to be privatized amounts to: **CSD 4.133.000**

Main property of the subject undergoing privatization

A) Buildings – main facilities (m²):

1. Administrative building – old part (246) 2. Transporter service (1304) 3. Administrative building – new part (479) 4. Store (388) 5. Passenger vehicle service (378)

B) Main Equipment:

1) Jack (Ravagnoli) 2) Office furniture 3) Balance machine with a motor 4) Automatic installation device (Servomat MS 50) 5) Electrical gauge 6) Office equipment

C) Land (m²): *Entire land: (48825); Construction land: (48825) – state owned;*

Shown in:	2005		2006	
	CSD	**EUR	CSD	**EUR
Total business revenues	4.063.000	49.007	6.144.000	73.052
Total business expenses	11.739.000	141.592	9.720.000	115.570

Main products/ services: 1) Upkeep of motor vehicles 2) Sale and mediation of motor vehicles 3) Wholesale 4) Retail trade 5) Warehouses

Total number of employees: 21; of which **BS/ BA:** 2

7) Basic information on the subject undergoing privatization: Socially-owned enterprise for production, wholesale and retail trade of cattle and relating products STOKOIMPEKS export-import, NIŠ**Auction Sale Code: 140607-1940**

Official ID number of the Subject: 07670494

Field of work: **Cattle breeding**The entire estimated capital value to be privatized amounts to: **CSD 80.811.000 or 973.850 *EUR** which is **70 %** of the total capital of the subject.**Deposit** for auction participation: **CSD 9.334.000 or *EUR 112.482****Initial price at auction sale: CSD 18.668.000****Minimum obligatory investments** into the subject to be privatized amounts to: **CSD 13.135.000****Main property of the subject undergoing privatization****A) Buildings – main facilities (m²):**

1. Business premises – 108, 110,112, Niš, Bulevar Nemanjića 25 (110) 2. Business premises 106, Niš Bulevar Nemanjića 25 (62) 3. Business premises, Knjaževac (167) 4. Business premises, Kruševac – non-registered user (37) 5. Business premises, Dimitrovgrad (20)

B) Main Equipment:

1) Trucks (5) (FAP) 2) Trailer-refrigerator lorry (Cardi 25t) 3) Truck (Mercedes Benz) 4) Truck (Mercedes Benz) 5) Trailer (Baratoleti 4552225)

C) Land (m²): *Entire land: (10173); Construction land: (10173) – state owned;*

Balance sheet per year	2005		2006		
	Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues		566.915.000	6.837.963	957.875.000	11.389.038
Total business expenses		550.600.000	6.641.176	951.920.000	11.318.233

Main products/ services: 1) Bullocks 2) Slaughtered bullocks 3) Distribution of bullock meat 4) Distribution of hide 5) Veal**Total number of employees:** 82; **of which BS/ BA:** 6**8) Basic information on the subject undergoing privatization: Socially-owned utility enterprise PUT, LESKOVAC****Auction Sale Code: 140607-1941**

Official ID number of the Subject: 07204795

Field of work: **Building of roads and runways**The entire estimated capital value to be privatized amounts to: **CSD 59.736.000 or *EUR 719.874** which is **70 %** of the total capital of the subject.**Deposit** for auction participation: **CSD 7.168.000 or *EUR 86.385****Initial price at auction sale: CSD 14.337.000****Minimum obligatory investments** into the subject to be privatized amounts to: **CSD 20.918.000****Main property of the subject undergoing privatization****A) Buildings – main facilities (m²):**

1. Administrative building (536) 2. Administrative building II (151) 3. Mechanical workshop and tyre warehouse (675) 4. Warehouse (272) 5. Administrative building of the new asphalt base (141)

B) Main Equipment:

1) Transporter (FAP 1820) 2) Transporter (TAM 80T50E) 3) Transporter (TAM 2001) 4) Transporter (FAP 1620BDT) 5) Transporter (Kamay 54112) 6) Loading shovel (ULT 160c) 7) Roller (DVV-11B) 8) Dredger (BGH 610C) 9) Grader (MG 145) 10) Passenger vehicle (Peugeot 309) 11) Office equipment

C) Land (m²): *Entire land: (63113); Construction land: (12176) – state owned; Agricultural land: (50937) – state owned;*

Balance sheet per year	2005		2006		
	Shown in:	CSD	**EUR	CSD	**EUR
Total business revenues		44.541.000	537.241	32.339.000	384.507
Total business expenses		58.549.000	706.201	39.037.000	464.146

Main products/ services: 1) Building of runways 2) Upkeep of water management facilities**Total number of employees:** 5; **of which BS/ BA:** 98**9) Basic information on the subject undergoing privatization: Socially-owned enterprise for production trade JASENOVO, JASENOVO****Auction Sale Code: 140607-1942**

Official ID number of the Subject: 17003313

Field of work: **Mixed farming**The entire estimated capital value to be privatized amounts to: **CSD 30.161.000 or *EUR 363.466** which is **70 %** of the total capital of the subject.**Deposit** for auction participation: **CSD 3.619.000 or *EUR 43.616****Initial price at auction sale: CSD 7.239.000****Minimum obligatory investments** into the subject to be privatized amounts to: **CSD 2.854.000****Main property of the subject undergoing privatization****A) Buildings – main facilities (m²):**

1. fish and meat store (groundfloor of common facility) (56) 2. Outlet of Stočar bank (groundfloor of common facility) (62) 3. Store Metalotehna (groundfloor of common facility) (154) 4. Motel Vrelo – user (395) 5. Warehouse and hatchery – user (267) 6. Fish-pond Draževići – user (792)

B) Main Equipment:

1) Fiscal cash register (MP 500 T) 2) refrigerator (HR 378) 3) Terminal (GPRS DTT-001) 4) Computer (Pentium IV) 5) Printer (Epson LX 300)

C) Land (m²):

Balance sheet per year	2004		2005	
	Shown in:	CSD	**EUR	CSD

Total business revenues	3.936.000	53.916	4.331.000	52.239
Total business expenses	13.356.000	182.954	12.897.000	155.560

Main products/ services: 1) Production and sale of fish 2) Wholesale and retail trade 3) Catering trade services 4) Purchase of agricultural products

Total number of employees: 19; of which BS/ BA: 0

10) Basic information on the subject undergoing privatization: Socially-owned enterprise NISKOGRADNJA – ČAČAK PUT, ČAČAK

Auction Sale Code: 140607-1943

Official ID number of the Subject: **07192657**

Field of work: **Building of roads and runways**

The entire estimated capital value to be privatized amounts to: **CSD 102.888.000** or *EUR 1.239.902 which is **70 %** of the total capital of the subject.

Deposit for auction participation: **CSD 11.491.000** or *EUR 138.481

Initial price at auction sale: **CSD 22.983.000**

Minimum obligatory investments into the subject to be privatized amounts to: **CSD 20.074.000**

Main property of the subject undergoing privatization

A) Buildings – main facilities (m²):

1. Administrative building (450) 2. Administrative building (141) 3. Workshop hall (392)
4. Eaves (459)

B) Main Equipment:

1) Vibration roller (VV 2010) 2) Vibration roller (VV 1100) 3) Hydraulic gredger (HITACI 215 E) 4) Grader (106 5 A) 5) Finishing device (BB 651 C) 6) Finishing device (BITELI BB 632) 7) Milling machine (WIRGIN W500)

C) Land (m²): *Entire land: (17534); Agricultural land: (8597) – state owned; Forest land: (8937) – state owned;*

Balance sheet per year		2005		2006	
Shown in:	CSD	**EUR	CSD	**EUR	
Total business revenues	194.301.000	2.343.602	211.270.000	2.511.979	
Total business expenses	151.978.000	1.833.114	203.389.000	2.418.275	

Main products/ services: 1) Building and reconstruction of roads and runways 2) Semi-products (asphalt, concrete and concrete products)

Total number of employees: 127; of which BS/ BA: 6

11) Basic information on the subject undergoing privatization: Socially-owned enterprise – Institute for education, work protection, environmental and fire protection 27 JANUAR, NIŠ

Auction Sale Code: 140607-1944

Official ID number of the Subject: **07174063**

Field of work: **Education**

The entire estimated capital value to be privatized amounts to: **CSD 42.109.000** or *EUR 507.448 which is **70 %** of the total capital of the subject.

Deposit for auction participation: **CSD 5.053.000** or *EUR 60.894

Initial price at auction sale: **CSD 10.106.000**

Minimum obligatory investments into the subject to be privatized amounts to: **CSD 355.000**

Main property of the subject undergoing privatization

A) Buildings – main facilities (m²):

1. Business premises–first floor, Generala Milojka Lešjanina 39, Niš (259) 2. Business premises–attic, Generala Milojka Lešjanina 39, Niš (156)

B) Main Equipment:

1) Computer 2) Copier 3) Monitor (700S) 4) Norma Handy Geobahcic set

C) Land (m²): *Entire land: (818); Construction land: (818) – state owned;*

Balance sheet per year		2004		2005	
Shown in:	CSD	**EUR	CSD	**EUR	
Total business revenues	13.573.000	185.926	17.763.000	214.252	
Total business expenses	12.848.000	175.995	17.254.000	208.113	

Main products/ services: 1) Workers' training in handling various devices and machines

Total number of employees: 26; of which BS/ BA: 14