

FABRIKA REZNOG ALATA JSC
Čačak



General Information

Full legal name	JOINT STOCK COMPANY FABRIKA REZNOG ALATA CACAK
Address	No 37 Hajduk Veljkova Street, 32000 Čačak
Identification Number	07181965
Core activity	Production of tools
Foundation Year	1953
Number of Employees	80 (total 596 at 7 associated legal entities)

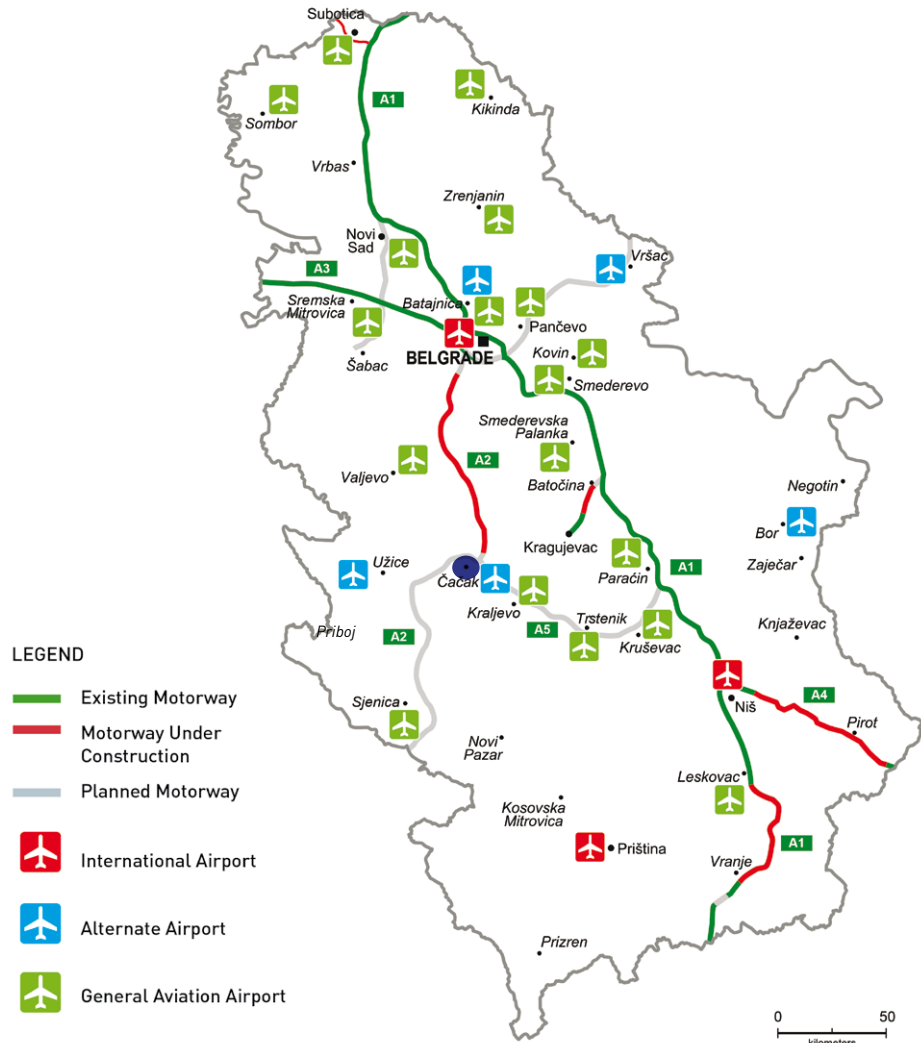


Capital structure (in%)

Shareholders' fund	47.86
Pension and Disability Fund	9.79
Others	42.35

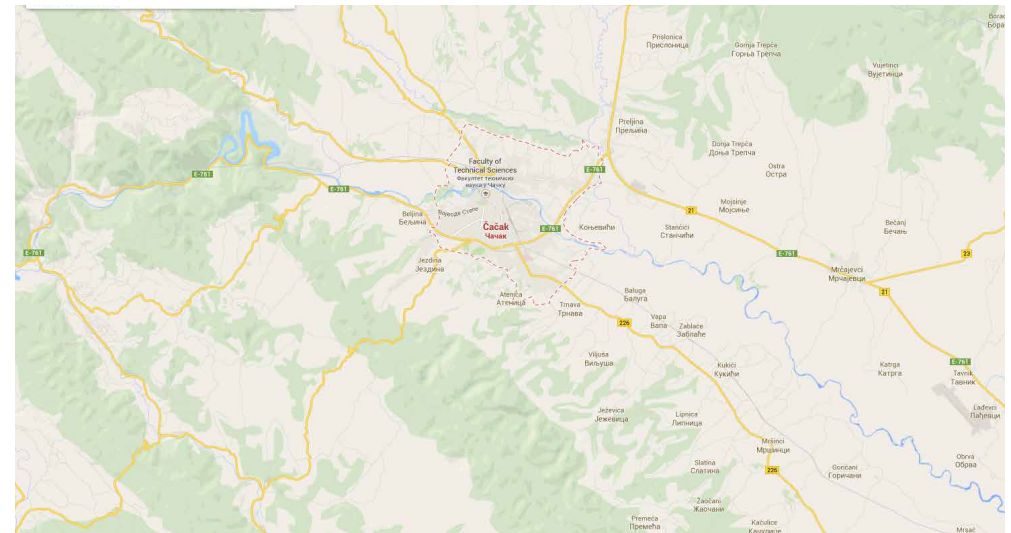
Company has 7 associated legal entities with 100% of share in total capital.

General Information



Distance form the Company to:

Belgrade	144 km
Regional Center	0 km
Main road	6 km
Port	144 km
Railway	0.5 km



Location



Pan-European Transport Corridors

Čačak is a city in west-central Serbia. The municipality of Čačak is a very suitable investment location. It is situated at the crossroads of roads leading to Sarajevo, Podgorica, Priština and Skoplje. From Čačak it is easy to cover the growing market of 16 million consumers. It has a developed Tourist Information System. The municipality of Čačak is also home to two Faculties, Agricultural and Technical, as well as a higher education technical school, which combine to produce a source of a highly qualified workforce. Scientific research work in the municipality in the field of agriculture is carried out by the Čačak Institute for Fruit and Vine Growing.



Long tradition and expertise



The factory cutting tools - Cacak (founded in 1953) is a contemporary organized for the production of standard and special tools in the latest manufacturing technology, high quality and wide range.

In the last decade of development, factory is expanding its program to the production of tools, equipment and accessories for machine tools, machine parts, powertrain and transmission elements, sub-assemblies and components for other manufacturers machines, packaging machines, machines for the printing industry, appliances and accessories.

Cooperation with scientific institutions in the country and the world, constant monitoring and the use of world achievements by improving their own knowledge and experience, as well as accepting suggestions and opinions from our esteemed customers processing technology, modes of use and maintenance, continuously improve and enhance the quality of tools and machines.



Product portfolio



Our tools are manufactured from high quality tool steel, carbide, ceramic tiles and other super-hard materials. Our tools you can use in your production process for all types of metal processing, non-metals, wood, paper and minerals.

Thanks to the wide range of solid and quality products FRA have found application in all industries in our country, and most countries on all five continents. Factory enjoys a considerable reputation of good Serbian exporters, since annual exports over 45% of its production, mainly in the most industrialized part of the world.

TOOLS FOR DRILLING AND PROCESSING HOLES

MILLING TOOLS

TOOLS FOR INTERNAL THREADING

TOOL FOR CREATING EXTERNAL THREAD

TOOLS TOOTHING

TOOLS WITH HARD METAL

TOOL TO CONTROL AND MEASUREMENT

TOOLS FOR SHAPING AND FINISHING OF DEFORMATION

SPECIAL TOOLS

ACCESSORIES AND APPLIANCES

MACHINE

Certificates



Quality assurance certificate ISO 9001

Company does not own quality assurance certificate ISO 9001.

Ecology

According to applicable regulations, the requirements for environment protection are not fulfilled.

Land / Buildings

Land 80,208 m² • Buildings 42,503 m²



Realization



Movement in sale volume

Product/service	Unit	Quantity sold			Value in EUR		
		2011	2012	2013	2011	2012	2013
Non-production services	working hours	1,122	1,240	3,350	5,361	4,669	20,062



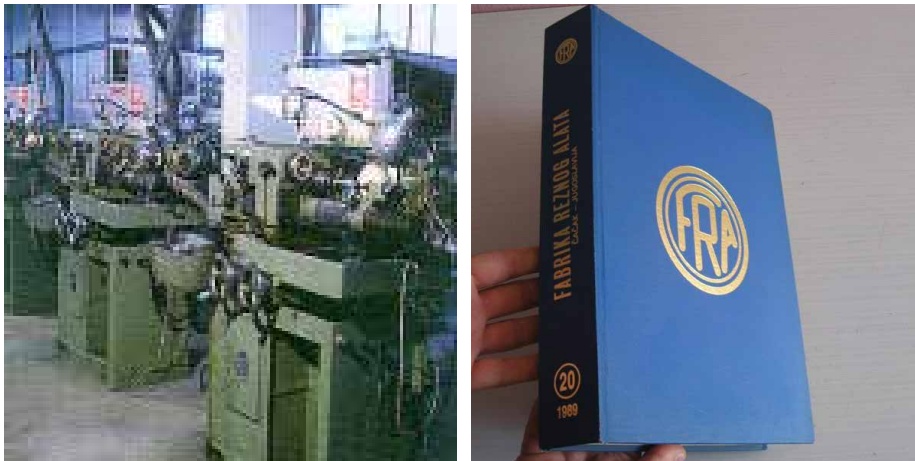
Sales structure in %	2011	2012	2013
Domestic market	100.00	100.00	100.00
Foreign market	0.00	0.00	0.00
TOTAL :	100.00	100.00	100.00



Organization



EMPLOYEES



Number of employees

Working	80
Paid leave	0
Unpaid leave	0
Other (sick leave, vacation, etc.)	0
TOTAL NUMBER OF EMPLOYEES	80

Age structure of employees

Age	-25	25-35	35-40	40-45	45-50	50-55	55+
Number	3	7	2	3	10	34	21

Average salaries in EUR

(gross and net) in 2011, 2012 and 2013

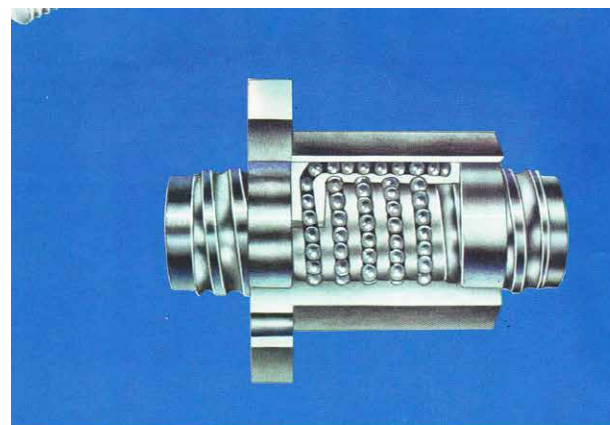
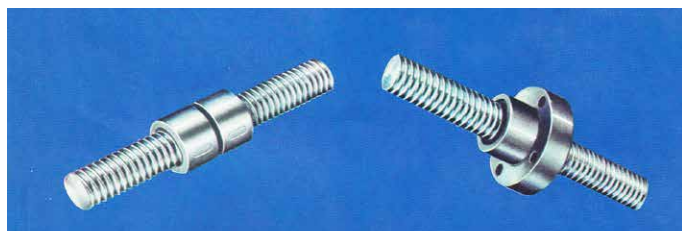
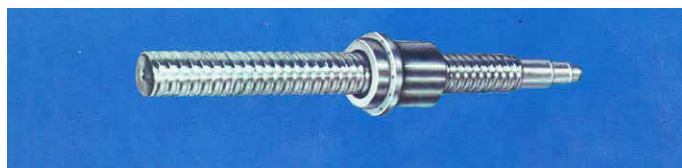
Year	Gross	Net
2011	320	219
2012	321	233
2013	348	253



Assets Overview



	Value in EUR		
	31/12/2011	31/12/2012	31/12/2013
FIXED ASSETS	17,173	15,978	15,343
CURRENT ASSETS	49,933	42,456	109,968
EQUITY /LOSS ABOVE EQUITY	11,133	-3,113	57,640



A) Information contain in this document is based on the data recieved from the company, and as such has not been verified by the Privatization Agency. Accordingly, the Privatization Agency shall have no liability with respect to the accuracy and validity of the information contained here in.

B) Pursuant to the law, enterprises from the Republic of Serbia were obliged as of 2004 to prepare Financial Statements in accordance with the International Standards of Financial Reports (ISFR).

SWOT Analysys

STRENGTHS:

Quality of products, qualified and skilled staff, good quality equipment , safe market, large exports, a tradition in the production of tools, a high reputation in the world, the distinctive quality, wide product range, reputable suppliers of raw material from the country and abroad



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WEAKNESS:

Insufficient employment of staff and insufficient utilization of capacity, low wages, difficult maintenance of solvency, lack of sales, lack of productivity and lack of higher technology

OPPORTUNITIES:

Increased production and sales, winning of new products and new markets, particularly markets in the world.



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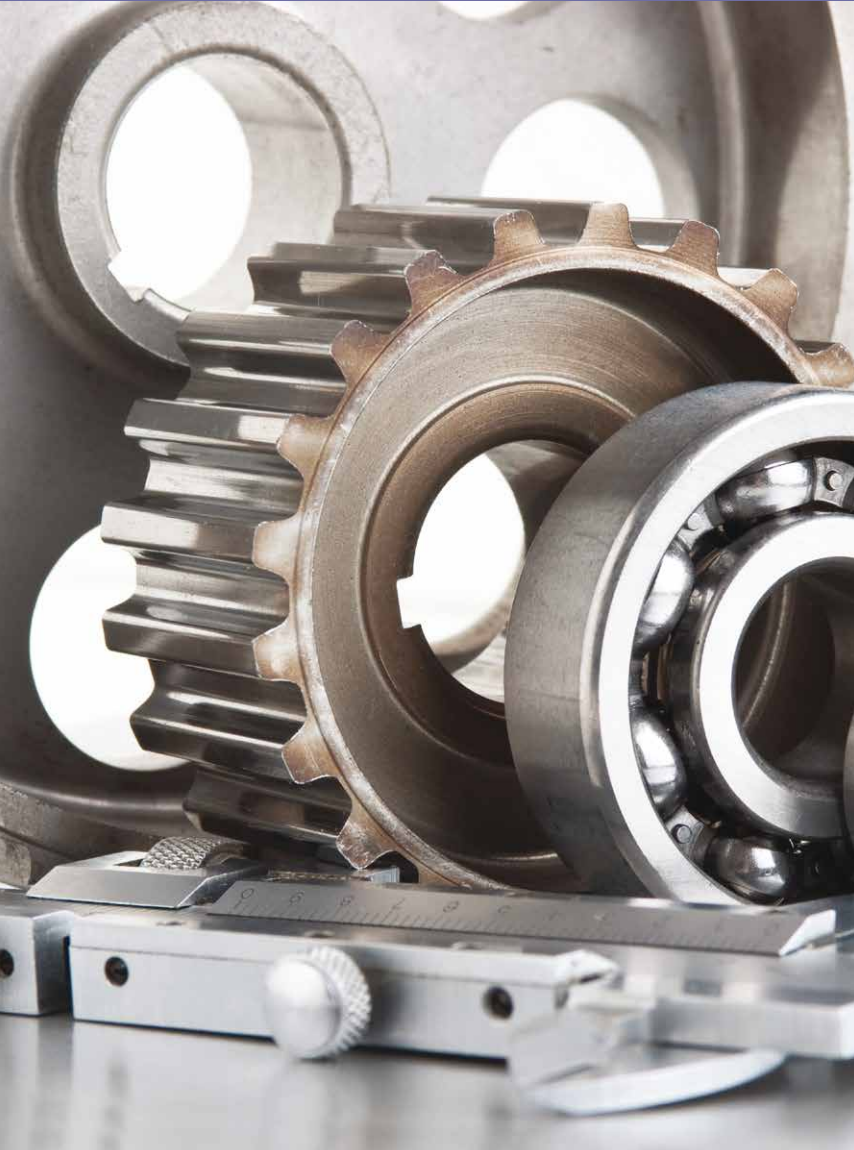


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THREATS:

Unfair competition caused by imports of cheap tools made of poor quality materials, delays in production.

Advantages of Investing in Serbia



Favorable geographic position, owing to which any shipment can reach any location in Europe within 24 hours

Highly educated and cheap labor force

Restructured and stable financial system

Simple procedures for a company start-up and registration

Simple procedures for foreign trade transactions and foreign investments

Several free trade agreements have been signed, ensuring supply of goods to nearly 800 million consumers:

- In March 2012 Serbia was granted the candidates status by the EC
- CEFTA
- Agreement with the EFTA members
- Autonomous trade preferences granted by the EU in December 2000, and implementation of the Interim Trade Agreement with the EU started in February 2010
- Agreement with the Russian Federation, Belarus and Kazakhstan
- Agreement with Turkey

Contact



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