

**FAP Corporation JSC
Priboj**



General Information

Full legal name	Car Industry Priboj Corporation (FAP Priboj) JSC
Address Identification	No Num. Radnicka Street, 31330 Priboj
Number Core activity	07210434
Foundation Year	Production of motor vehicles
Number of Employees	1952
	752



Capital structure

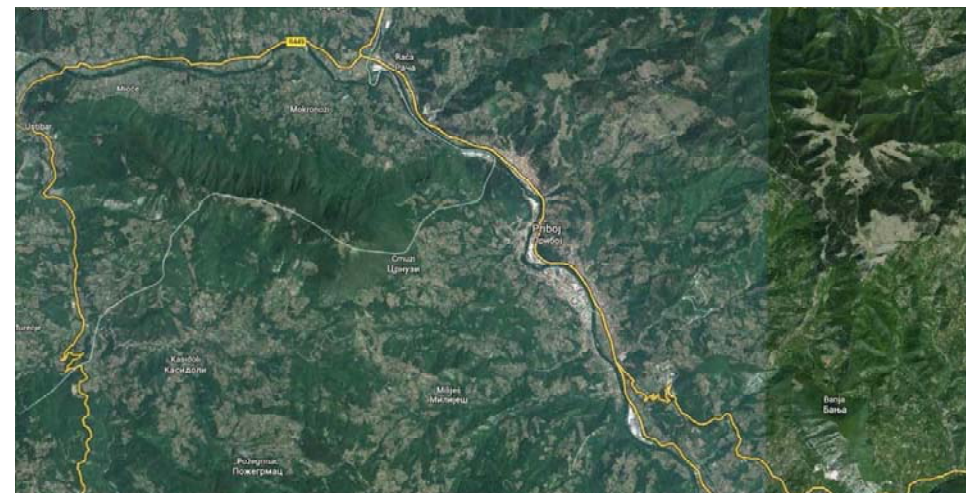
Socially-owned	86.50%
Others	13.50 %

General Information



Distance form the Company to:

Belgrade	300 km
Regional Center	80 km
Main road	17 km
Port	280 km
Railway	1 km



Location



Pan-European Transport Corridors

Geographical location FAP Priboj is of strategic importance in the market area of southeaste Europe and provides oportunity for intensive busines cooperation.



Long tradition and expertise



1953 - FAP introduced its first heavy duty vehicles upon acquisition of license to produce under Saurer - Werke brand. First seventeen vehicles 4G and 6G with payloads of 4 and 6 tones had been launched.

1959 - The year that was definitely determining for existence of FAP. The time when were being built new machining and vehicle assembling lines with capacity for production of 3600 vehicles per year. Realized production of 1000 various vehicles.

1962 -Reconstruction and improvement of production. Manufacturing of new generation vehicles such as FAP 18 and FAP 18B. Production was increased up to 2000 vehicles.

1965 - Launching of first domestic vehicle FAP 15 B, first domestic tranbus cab manually manufactured, enlarged payload, quality and comfort. These vehicles were available with engine installed behind cabin of vehicle.

1970 - Signed new licensing agreement with DB; Started production of vehicle DB 1113, and later DB 1213. Scheduled production of 41000 units. Production capacity was extended to 5000 vehicles per year.

1975 - By contribution of foreign investments FAP's production capacity was enhanced to 10000 vehicles per year, opened new assembly line. Successfull introduction of hybrid FAP - DB models such as FAP 1515D; 1620 BD; FAP 2022B.

1976 - Scope of licensing agreement with DB was expanded and FAP was being permitted to produce vehicles with gross weight ranging from 12 to 26 tons, powered by engines with capacity from 130 to 320 HP.

1978 -Products range was extended with new FAP vehicles 1616 B, FAP 1620 BD, FAP 2225 BK. Remarkable success was a new designed special model FAP 2026 BDS/6x6.

1979 - Actual production of FAP was enhanced to 7000 vehicles (trucks and buses) per year. This was the period when demands of all domestic and foreign customers had been completely satisfied.

1983 - Started production of another special vehicle FAP 2632 BDS/8x8- designed for heavy duty conditions of operation. With payload of 20 tones in on - road condition of operation .

1984 - Building and opening of new processing plant for pressed parts and components - on closed area which covers 45000 m2. This facility is one of the first plants of FAP whereby production can meet European quality requirements. Improved working conditions in this facility are another priority worth to be pointed.

1987 -Additional expanding of production capacity: Opening of production line for wheels with capacity of 70000 units per year. Plus machining facility for production of gears, pinions, rings and universal joint shafts. Closed area of 4200 m2 with 95 machines used in various processing stages. One part of FAP's manufacturing capacity was adapted for production of 15000 vehicles per year.

1993 -Celebration of 40 anniversary. Working under circumstances which were not usual but such was reality we had faced. Let the next generations to explain whether it could be different.

2002 - Started programme for reconstruction and preperation for privatization of FAP.

Product portfolio



TRUCKS

- Torries
- Tractors
- Dump trucks
- Special vehicles

BUSSES AND CHASSIES

- City CNG bus
- City
- Suburbus
- Intercity
- Midibuses
- Chassies

TRAILERS

- Single axle trailers
- Double axle trailers
- Triple axle trailers
- Semitrailers



SPECIAL BODY EQUIPMENT

- Container lift
- Waste collector with pressure plate
- Concrete mixer
- ALU Vans
- Water tanker
- Special body used at transportation of bulk cargo
- Special body used at cattle-breeding transportation
- Special body for forestry needs

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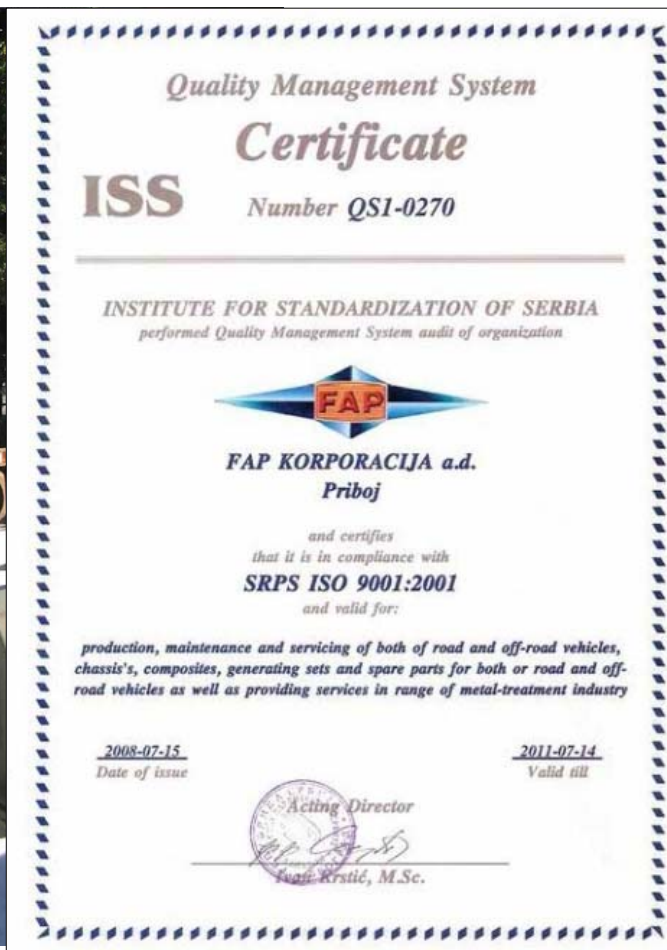
Product portfolio



Product portfolio



Certificates



Quality assurance certificate
ISO 9001 Company owns quality assurance certificate ISO 9001.

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

Tehnological Fasibilities



TECHNOLOGICAL APPLICATIONS AT MACHINING PLAN

- 1.VARIOUS MACHINING PROCESSES
- 2.TEETHING OF GEARS
- 3.ASSEMBLY WORKS
- 4.SURFACE PROTECTION WORKSHOP
- 5.THERMAL TREATMENT WORKSHOP

TECHNOLOGICAL APPLICATIONS AT PRESS PROCESSING PLANT

- 1.PRESS WORKSHOP
- 2.LOCKSMITHS AND TINSMITHS
- 3.SURFACE PROTECTION
- 4.BUS EQUIPING AND MANUFACTURING WORKSHOP
- 5.PRODUCTION LINE FOR WHEELS

TECHNOLOGICAL APPLICATIONS AT VEHICLE ASSEMBLY PLANT

- MANUFACTURING OF FRAMES
- PROCESSING OF VARIOUS PIPES
- ROUGH ASSEMBLY WORKS OF CABS
- ASSEMBLING OF CARGO BOXES
- EQUIPPING OF CABS
- ASSEMBLING LINE OF VEHICLES
- ELECTRIC SYSTEM WORKS
- ASSEMBLING OF WHEELS
- LACQUERING WORKS
- REPAIRING AND MAINTENANCE WORKS

TECHNOLOGICAL APPLICATIONS IN TOOLING

TOOLING
MANUFACTURING OF EQUIPMENT AND SPARE PARTS
SERVICES - MANUFACTURING AND REPAIRING



MAINTANCE PLANT

- Overhauling of metal and wood processing machines
- Rewinding of electrical machine devices up to 110 KW
- Manufacturing of electrical installations and wires up to 35 KV
- Design and manufacturing of machines for processing of metal and wood.
- Overhauling of vehicles for internal transportation
- Design and manufacturing of various parts used at machines and aggregates.
- Locksmith - tinsmith - welding works
- Painter - painting - brick works
- Manufacturing of equipment used at ships
- Repairing of air, electrically, and hydraulically powered tools

Production and Capacity



Production of main products

Product	Unit	Quantity			Value in EUR		
		2011	2012	2012	2011	2012	2013
Trucks	pcs	93	57	24	6,324,248	4,124,719	1,626,200
Buses	pcs	10	13	1	1,260,740	1,687,582	79,377
Attached vehicles	pcs	0	0	2	0	0	34,124
Spare parts					297,130	166,024	55,416
Services					188,836	140,751	145,365



Production and Capacity



Capacity utilization

Machine (Production line)	unit	Installed capacity	Real capacity	% of utilization		
				2011	2012	2013
Front axle (non driven)	pcs	4800	57	1.18	0.50	0.20
Drive shaft HL7 , HD7, HO7 , AL7 (SOLON3)	pcs	2200	168	7.64	4.80	3.00
Driveshaft	pcs	5300	230	4.34	3.68	2.26
Transmission 6MS -80 (SOLON 1)	pcs	400	59	14.75	10.25	3.75
Line for large hydraulic presses	pcs	5000	103	2.06	1.14	0.52
Line for hot pressing	pcs	4200	103	2.45	1.36	0.62
Line for wheels	pcs	38500	800	2.08	1.18	0.97
Assembly of buses line (Surface Coating)	pcs	70	10	14.28	18.57	1.43
Assembly of trucks	pcs	4800	93	1.94	1.18	0.54
Booth production plant	pcs	4200	93	2.21	1.36	0.57
Line for lift crates	pcs	3200	26	1.00	0.31	0.25



Realization



Movement in sale volume

Product/service	Unit	Quantity sold			Value in EUR		
		2011	2012	2013	2011	2012	2013
Trucks	pcs	96	62	25	6,074,365	4,766,287	1,680,718
Buses	pcs	6	16	1	745,359	2,302,734	66,162
Attached vehicles	pcs	3	0	2	42,144	0	34,115
Services					331,171	240,067	168,647
Spare parts					147,810	156,483	104,979
TOTAL:					7,340,849	7,465,571	2,054,620

Sales structure

Sales structure in %	2011	2012	2013
Domestic market	98.00	99.00	100.00
Foreign market	2.00	1.00	0.00
TOTAL :	100.00	100.00	100.00

Distribution channels

Distribution channels	% of share
Direct sale	60.00
Wholesale	0.00
Retail	0.00
Intermediaries	40.00



Organization



EMPLOYEES



Number of employees

Working	513
Paid leave	863
unpaid leave	239
Other (sick leave, vacation, etc.)	0
TOTAL NuMbEr Of EMPLOYEES	752

age structure of employees

Age	-25	25-35	35-40	40-45	45-50	50-55	55+
Number	0	40	31	65	194	296	126

average salaries in Eur

(gross and net) in 2011, 2012 and 2013

Year	Gross	Net
2011	374	271
2012	375	271
2013	361	259

Assets Overview



	31/12/2011	31/12/2012	31/12/2013
CURRENT ASSETS	64,836,780	69,566,561	13,576,810
NON-CURRENT ASSETS	17,514,891	15,842,402	79,546,571



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:

Shorter delivery time, fleet unification, close to the service network, large number of service personnel throughout the territory of Serbia, easy vehicle maintenance, vehicle selection according to specific requirements.



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WEakNESS:

Lack of working capital, technical and technological obsolescence, disorder of employment structure, low level of protection of domestic market, decline in purchasing power of customers, reduction in export opportunities.

OPPOrTuNITIES:

Production of vehicles for public utility, construction and road companies and production of special vehicles for military.



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ThrEaTS:

Delay in comparison with international manufacturers, absence of competition, economic crisis, limited only on domestic market.

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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