



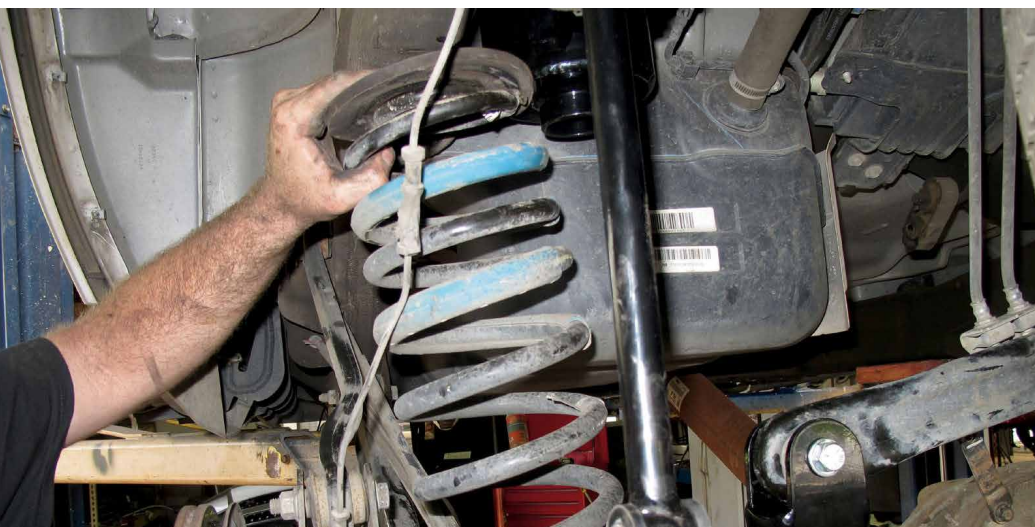
**GIBNJARA**

**SPRING FACTORY  
“GIBNJARA” JSC, Kraljevo**

**GIBNJARA**

## General Information

Full legal name	Spring Factory "Gibnjara" JSC, KRALJEVO
Address	27 Industrijska Street
Identification Number	07153872
Core activity	Manufacture of other parts and accessories for motor vehicles
Foundation Year	1989
Number of Employees	114

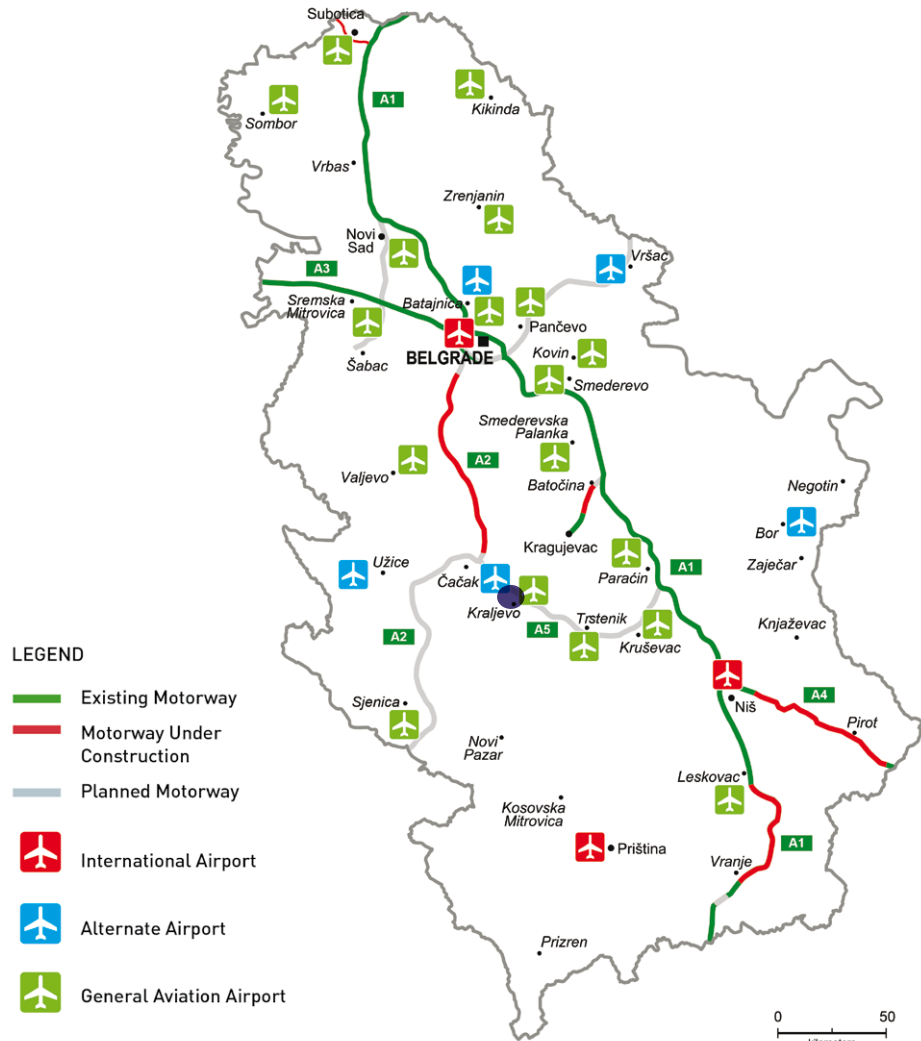


### Capital structure (in%)

Privatization Agency	79.23
Share capital	20.77

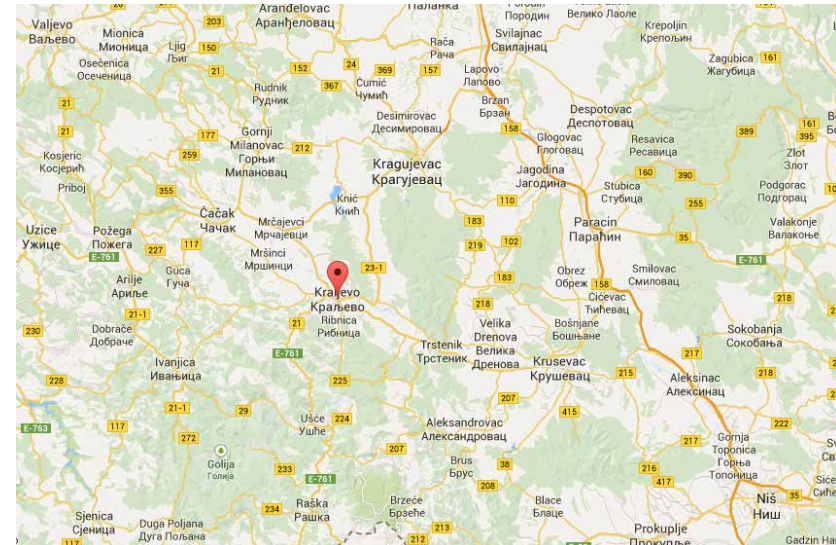
# General Information

GIBNJARA



## Distance form the Company to:

Belgrade	180 km
Regional Center	3 km
Main road	3 km
Port	180 km
Railway	1 km



# Location

GIBNJARA



Pan-European Transport Corridors

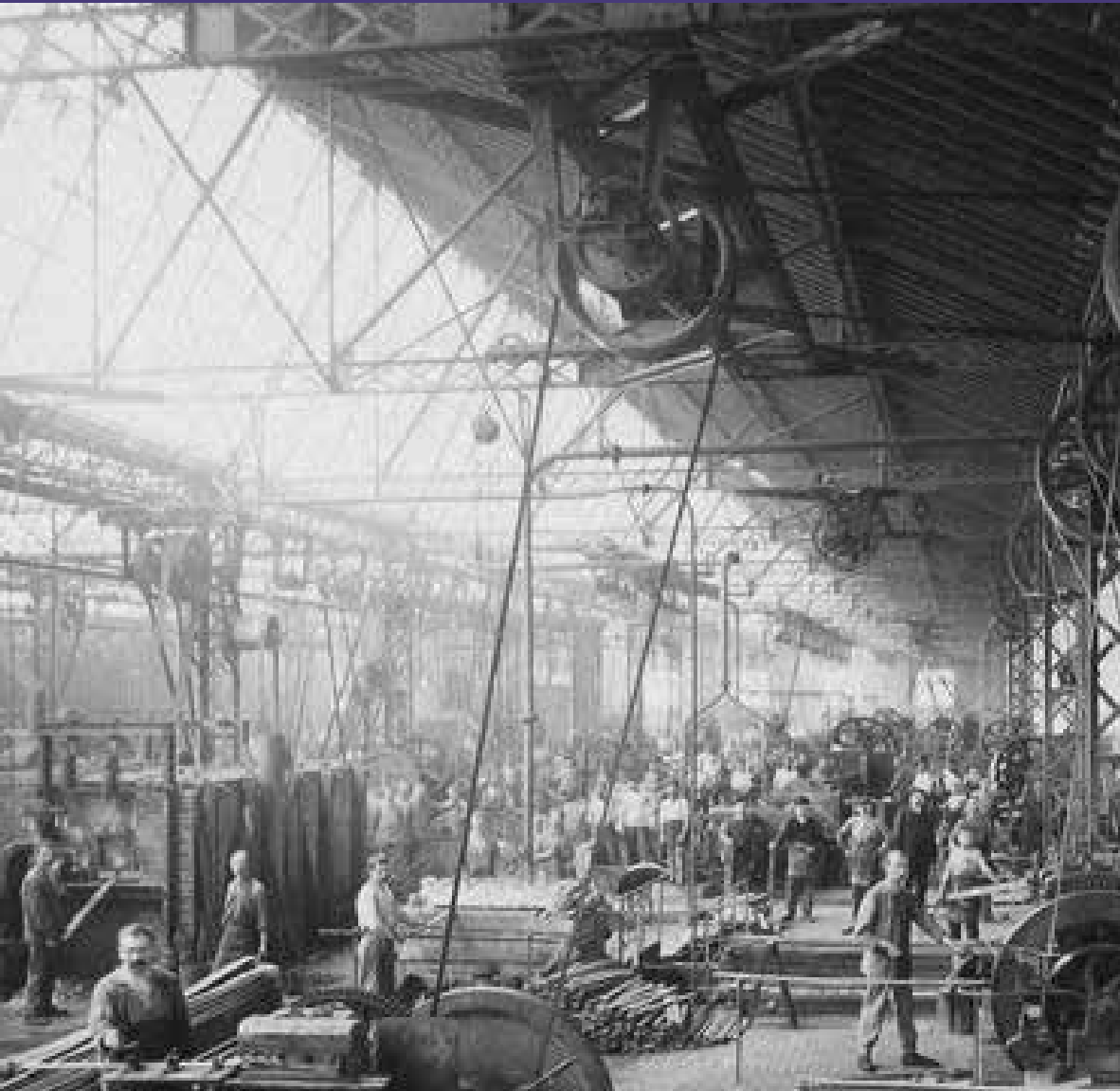
Traffic location of the city of Kraljevo is very favorable. In the west-east direction, it is cut by the wide fertile valley of the West Morava . Major rail and land communications run through this valley. From Kraljevo towards the east, a railroad and a road lead in the direction of Kragujevac and further down the Great Morava valley. A railroad of international importance - Belgrade-Nis-Skopje, i.e. Nis-Sofia-Istanbul, goes through these valleys. In the west direction, towards Cacak, the city of Kraljevo connects to the main road and rail route Belgrade-Bar. In that direction, through Priboj and Rudo, leads a traffic connection with Bosnia and Herzegovina towards the west.

Geographical location of Spring Factory “Gibnjara” JSC, KRALJEVO is of strategic importance in the market area of southeaste Europe and provides opportunity for intensive bussines cooperation.



# Tradition

GIBNJARA

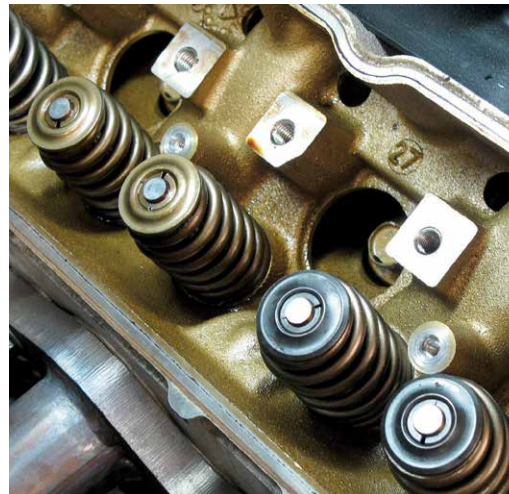
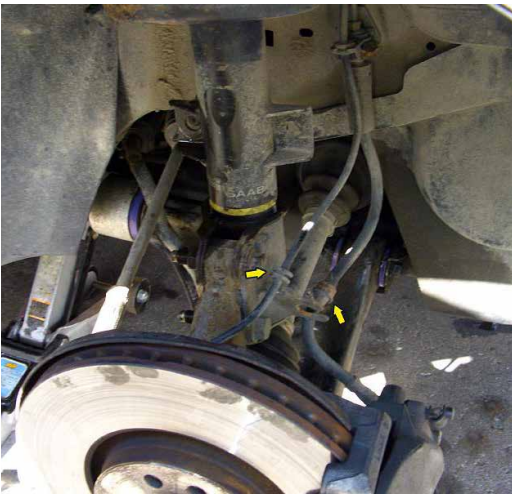


AD plant spring Gibnjara Kraljevo was founded in 1989 by the division Wagon Factory Kraljevo.

2007 legal heir of the factory becomes the Privatization Agency. The new management of the factory-defined strategy firms with the aim of securing a job, staffing and return to lost markets, in order to maintain the stability of the company and ensure a regular payment of salaries and current liabilities until such time as the new privatization. The factory has maintained its capacity and production. Product portfolio of the plant is facing the automotive industrije. Production organized sporadically concentrating production to conserve and control.

# Production

GIBNJARA



- LEAF SPRINGS
- COIL SPRINGS
- OTHER SPRINGS



### **Quality assurance certificate ISO 9001**

Company owns quality assurance certificate ISO 9001.

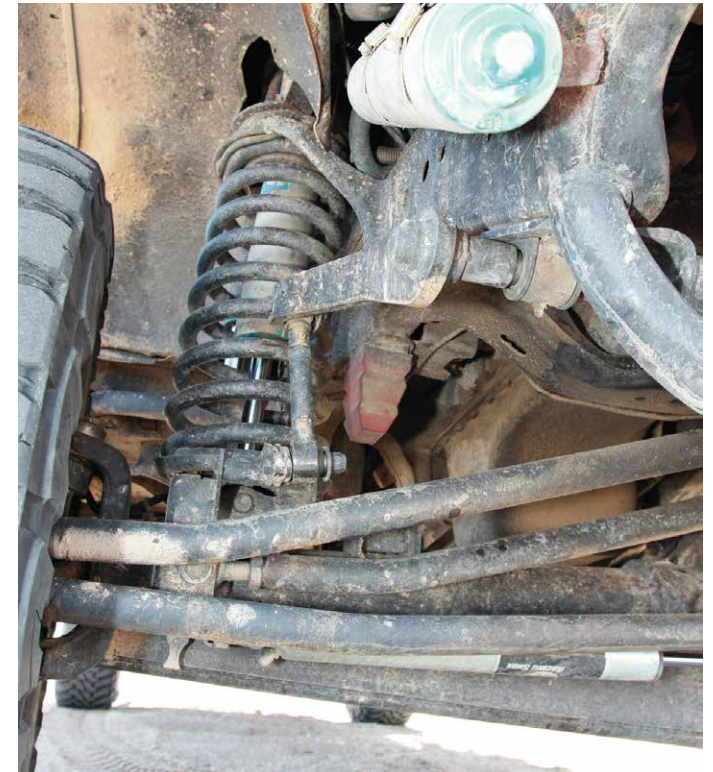
### **Ecology**

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

# Production and Capacity

GIBNJARA

Product	Unit	Quantity			Value in EUR		
		2011	2012	2012	2011	2012	2013
Leaf springs	tons	421	460	74	761.758	846.399	230.735
Coil springs	tons	102	48	18	303.782	190.031	95.898
Other springs	tons	13	15	5	102.857	80.286	30.661





# Production and Capacity

GIBNJARA

## Capacity utilization

Machine (Production line)	Unit	Installed capacity	Real capacity	% of utilization		
				2011	2012	2013
Leaf springs line	/t/ per shift	5	3.5	15.40	16.78	2.70
Coil springs line	/t/ per shift	3	2	6.50	3.50	1.15
Other springs line	/t/ per shift	2	1.5	1.09	1.54	0.44



# Realization

GIBNJARA

## Movement in sale volume

Product/service	Unit	Quantity sold			Value in EUR		
		2011	2012	2013	2011	2012	2013
Leaf springs	kg	421	460	74	780.383	764.811	268.444
Coil springs	kg	102	48	18	378.428	141.727	100.190
Other springs	kg	13	15	5	86.257	78.782	36.217
TOTAL :					1.245.068	985.321	404.851
<b>TOTAL :</b>					<b>17.787.376</b>	<b>18.204.291</b>	<b>16.597.533</b>

## Sales structure

Sales structure in %	2011	2012	2013
Domestic market	45.48	36.97	68.66
Foreign market	54.52	63.03	31.34
<b>TOTAL :</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

## Distribution channels

Distribution channels	% of share
Direct sale	0.00
Wholesale	95.00
Retail	0.00
Intermediaries	5.00



# Organization

GIBNJARA

## EMPLOYEES



### Number of employees

Working	50
Paid leave	62
Unpaid leave	2
Other (sick leave, vacation, etc.)	0
<b>TOTAL NUMBER OF EMPLOYEES</b>	<b>114</b>

### Age structure of employees

Age	-25	25-35	35-40	40-45	45-50	50-55	55+
Number	0	8	5	6	37	29	29

### Average salaries in EUR

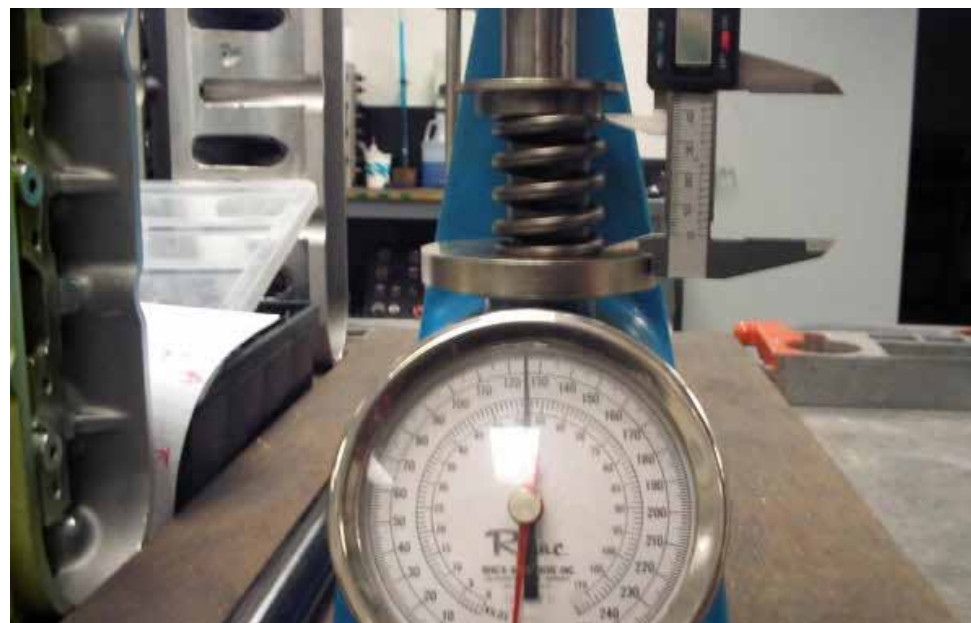
(gross and net) in 2011, 2012 and 2013

Year	Gross	Net
2011	339	238
2012	332	233
2013	341	239

# Assets Overview

GIBNJARA

	31/12/2011	31/12/2012	31/12/2013
<b>FIXED ASSETS</b>	2.493.356	2.118.867	1.929.405
<b>CURRENT ASSETS</b>	1.870.645	1.827.982	1.051.132



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:**

Unique references and licenses for producing trapezoidal and parabolic leaf springs, helical and snail springs and stabilizers, all for road, railway, waterway and heavy machinery used in construction, mining and agriculture, with the use of rolled spring steel, and peeled and polished spring steel. The product possesses high quality and is required in the domestic and foreign markets.

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## **OPPORTUNITIES:**

Wide range of ready-made tools for different models and markets with rapid appropriation of the products that are required by the performance of its own technical solution or technical documentation of the buyer, then the possibility of inserting the so-called "B" segment for the new production line, the possibility of cooperation with "FIAT" because we used to be a strategic partner for "Zastava" program.

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## **WEAKNESS:**

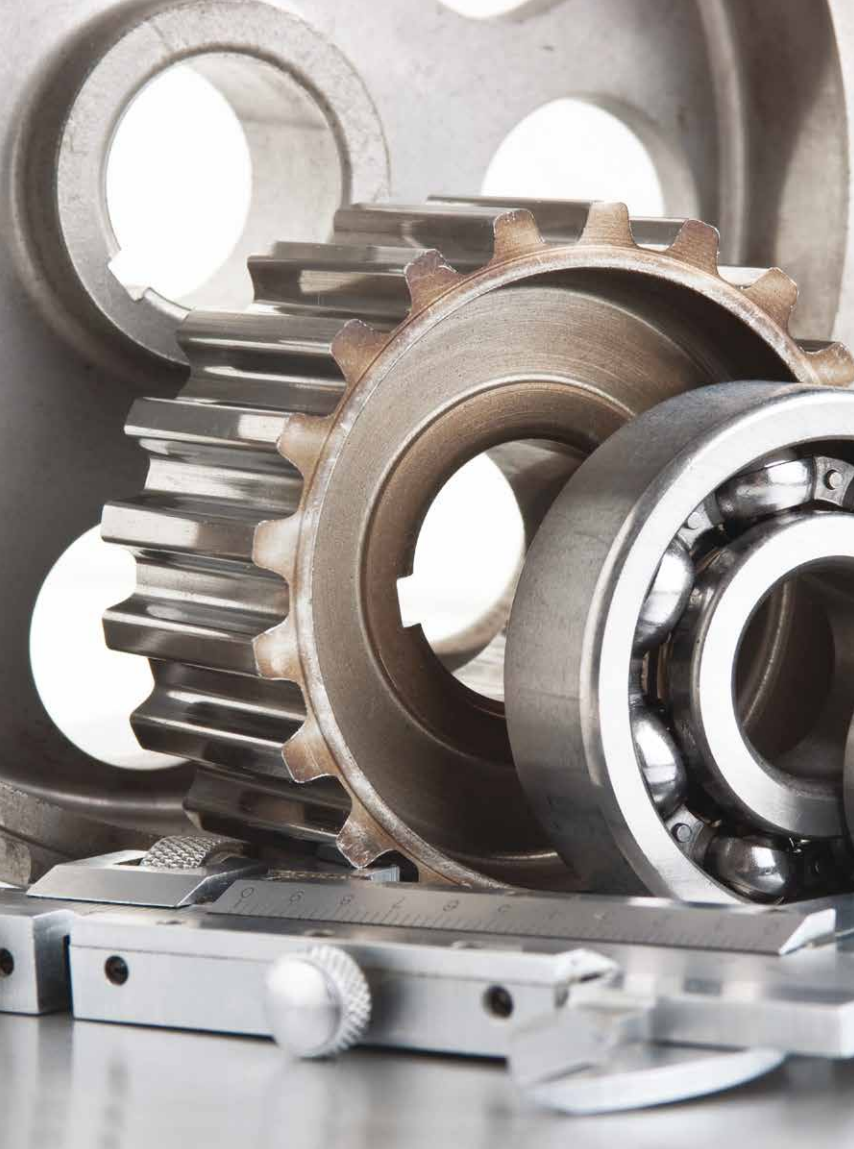
Machinery and equipment require certain investments, there is inadequate qualification structure of the staff, about 40% of the workers should accept the social program, because the company can support it financially without disrupting its business and liquidity.

## **THREATS:**

Question of clarification of credit debt towards the former buyer of the factory - "Styria" from Austria in the amount of 4.7 million euro. Another potential problem are labor disputes for unpaid wages.

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# 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



Republic of Serbia

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