

**JSC “NOVOSADSKA FABRIKA
KABELA” Novi Sad, NOVI SAD**



General Information

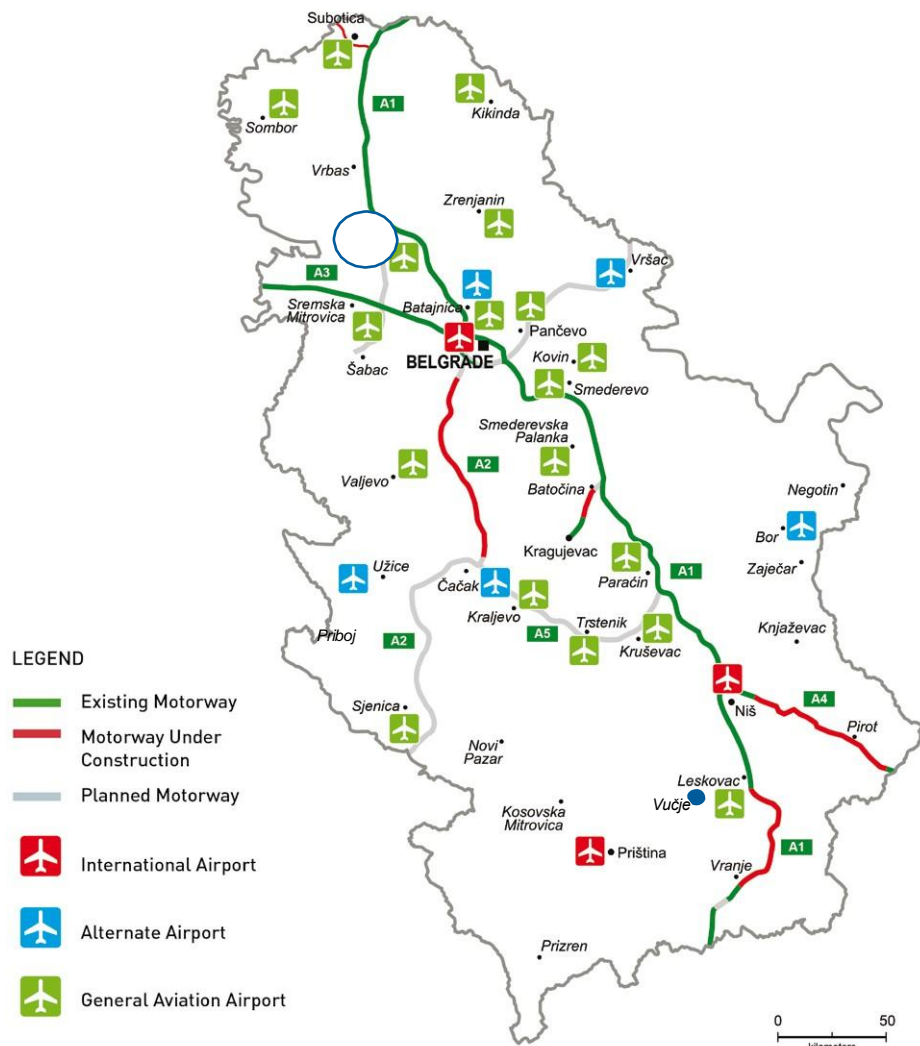
Full legal name	Joint stock company for manufacture of cables and transmitters "NOVOSADSKA FABRIKA KABELA" Novi Sad, NOVI SAD
Address	Industrijska bb, Novi Sad
Identification Number	08023646
Core activity	Manufacturing of cables and transmitters
Foundation Year	1946
Number of Employees	528



Capital structure (in%)

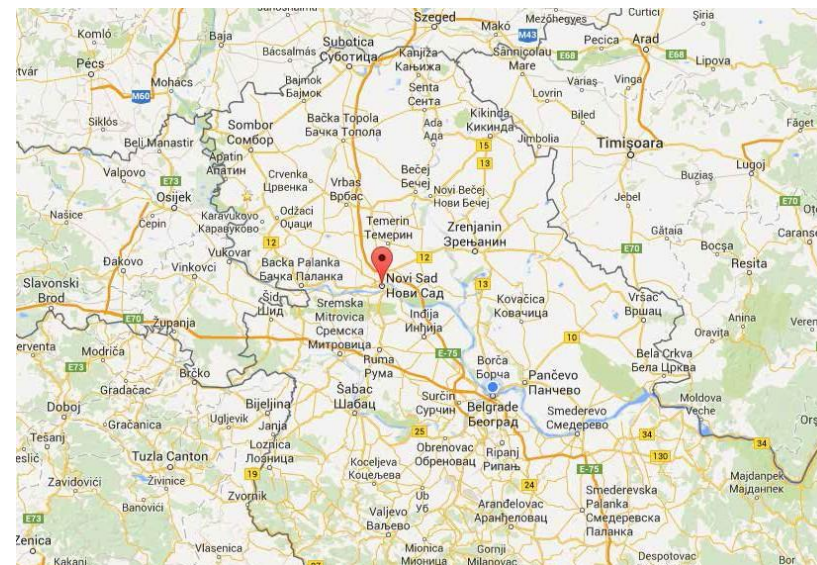
Legal entities	1.64
Privatization Agency	98.36

General Information



Distance form the Company to:

Belgrade	97 km
Regional Center	0 km
Main road	17 km
Port	3.5 km
Railway	3.17 km



Location

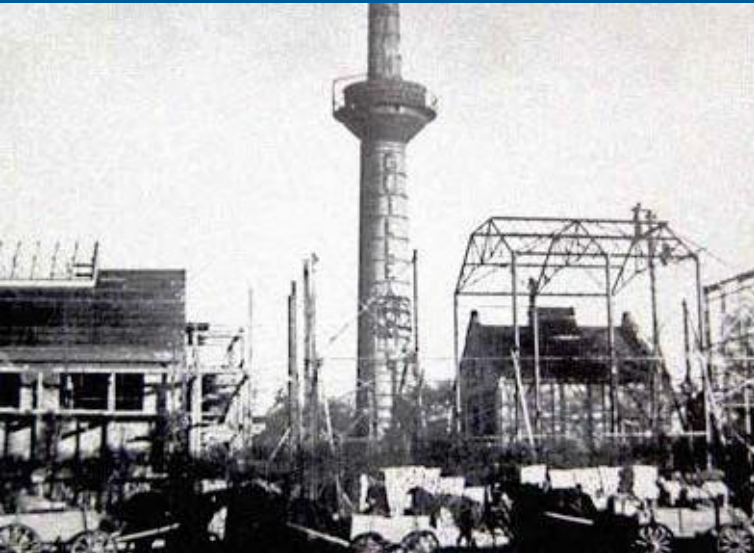


Pan-European Transport Corridors

Geographical location of NOVOSADSKA FABRIKA KABELA Novi Sad, NOVI SAD is of strategic importance in the market area of sougtheast Europe and provides oportunity for intensive bussines cooperation.



Tradition



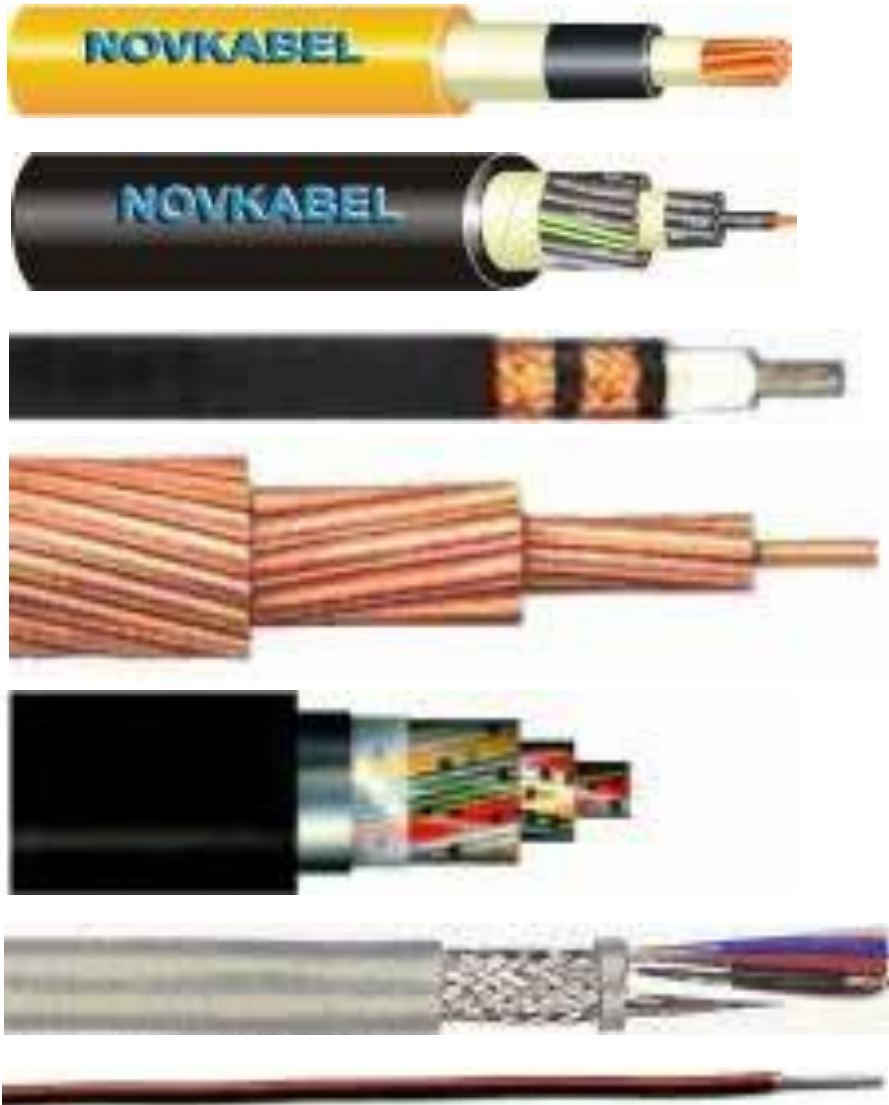
Novi Sad cable factory was founded in 1921 as a subsidiary of the Budapest cable factory in the system, Felten Guillaume. Officially began its work in 1922. Production was initially craft, organized in Novi Sad Kudeljara warehouse. The drive has drafted a simple cable products with only 14 employees. In the early thirties of the last century, the factory became a joint stock company. During this period, the plant is experiencing continuous development and ongoing investment, when Novkabel was the only cable manufacturer in the country. Before World War II reached an annual rate of 738 tons of production, with 380 employees. In the postwar period, the company had a major role in the restoration and reconstruction of the country, and already in 1947 the production was four times higher than pre-war. During the fifties, manufacturing plants, as well as the number of employees continuous increase.

In the period from 1964 to 1970, were moved and the construction of a new factory in the industrial zone. Streamlined 19.5 acres of land, the construction of 81,500 m² of covered workspace.

During the seventies opens plant in Kovilje (first for the production of marine cable installation and later conductor), a plant for the production of copper capillary tubes, and a big new factory for the production of telecommunication cables. Since 1980, the factory is experiencing significant development expansion, accompanied by the growth of production and marketing during the eighties. Then begin to work following production program: program of electronics, regutions and automation, production of diamond matrix, rubber mixtures and PVC granules, medium voltage cables, as well as program cables for electronics and fiber optic cables. The company is joining wooden packing factory Javor from Kisac and factory machinery, equipment and tools Masinoremont.

Nineteen years represent a period of great social change. Since 1989 NOVKABEL is a social enterprise, a new organizational structure based on the principles of the holding company was implemented in 1991. The company was transformed into a joint stock company in 1998. Since February 2009, NOVKABEL AD was part of the Cypriot company East Point Holding Ltd.

Products



- Cables
- Conductors
- Power cables
- Signal cables
- Rubber cables
- NFK Plagum
- Petroleum cables
- Halogen-free cables
- Telephone cables
- Coaxial cables
- Cables for electronics and electro
- Overhead lines
- Prefabricated wires and cords

Products



Products



Certificates



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

Ecology
According to applicable regulations, the requirements for environment protection are fulfilled.

Land/Buildings



Total Land 431.097,00 m² · Total Building 216.860,25 m²

Production and Capacity



Product	Unit	Quantity			Value in EUR		
		2011	2012	2013	2011	2012	2013
Aluminium cables and termoplastics insulated conductors for fixed routing	t	2,651	1,860	1,300	6.225.233	5.092.619	3.606.633
Copper conductors insulated with termoplastics	t	2,130	1,495	1,874	6.788.952	7.362.122	9.164.940
Cables and conductors insulated with termoplastics	t	553	756	838	2.343.176	3.173.676	3.502.012
Special cables	t	408	53	5	25.439	142.325	14.305
wood packaging	t	326	1	1	211.342	17.350	7.545
telephone cables insulated with termoplastics	t	300	281	276	1.167.622	1.102.276	1.143.227
Energy signal cables insulated with rubber	t	289	374	280	1.599.145	1.928.362	1.604.507
Tinned copper products	t	209	407	308	1.683.500	3.205.122	2.464.269
Copper products	t	205	152	74	1.543.010	54.239.000	473.116
Mining cables	t	198	998	370	889.002	54.239.000	1.732.941
Stuffed telephone ADSL cables	t	160	133	344	1.135.569	460.972	1.440.448
Optical cables	t	98	74	155	823.521	543.993	1.204.305
Aluminium products	t	79	27	148	190.318	64.097	329.765
Coaxial cables	t	48	46	40	248.354	231.906	213.194
Telephone cables paper insulated	t	33	22	33	165.576	50.449	106.470
Fabricated wires insulated with termoplastics	t	2	150	246	3.115	787.208	1.386.297
Other products	t	0	0		573	1.222	
Rubber compound	t		106	0,25		59.313	480

Production and Capacity



Capacity utilization

Machine (Production line)	Unit	Installed capacity	Real capacity	% of utilization		
				2011	2012	2013
RAUTOMEAD RS 3000/6	kg/h	800	650	5.00	40.00	
SAMP SVM	kg/h	1230	740		20.00	40.00
NIEHOFF M85	kg/h	1450	1200	50.00	45.00	15.00
GR-11 (2MAŠ)	kg/h	220	220	40.00	35.00	5.00
NIEHOFF MMV-250	kg/h	180	90	30.00	25.00	20.00
H24G17	kg/h	100	80	25.00	20.00	15.00
MKM	kg/h	900	600	10.00	10.00	10.00
H21W21	kg/h	40	18	30.00	20.00	20.00
H21K21	kg/h	80	60	40.00	35.00	30.00
NIEHOFF M5	kg/h	15	9	5.00	5.00	5.00
VM 13	kg/h	390	350	15.00	10.00	
NIEHOFF MZV-120	kg/h	200	120	25.00	25.00	20.00
MALI	m/h	1350	900	45.00	40.00	40.00
KRAFT	m/h	1200	750	35.00	30.00	30.00
STOLBERGER	m/h	2000	1500	35.00	30.00	30.00
MKRD 24+24	m/h	2000	2000	10.00	10.00	10.00
SR6	m/h	1500	1000	20.00	15.00	15.00
SR12	m/h	1500	1000	10.00	10.00	5.00
SAMP BM 800-D	m/h	5000	3500		10.00	25.00
Machine for making cords SETIK	m/h	5000	3500	35.00	15.00	5.00
EM 250	m/h	300	250			
Machine for making cords LESMO	m/h	5000	3500	10.00	10.00	5.00
MGKAL HENRICH	m/h	6000	3000	10.00	10.00	10.00

Production and Capacity



Capacity utilization

Machine (Production line)	Unit	Installed capacity	Real capacity	% of utilization		
				2011	2012	2013
LGK	m/h	12000	7200	5.00	5.00	5.00
CCV 150/65	m/h	600	350	45.00	40.00	35.00
EF 150/40	m/h	3500	2800	5.00	5.00	
HCV 120/90	m/h	6000	4500			5.00
EF 120/40	m/h	4000	3000	5.00		
Paper insulating machine CV 90/45	m/h	12000	8000			
TL-60 ROYLE	m/h	4500	3000	5.00	5.00	10.00
TL-90 Plastkabel	m/h	15000	9000			
TL-120/3	m/h	3000	1900	45.00	45.00	40.00
TL-120/4	m/h	2000	1500	40.00	40.00	35.00
TL 115/120	m/h	3000	2500	40.00	40.00	
CCV 75/150/90	m/h	350	320	45.00	45.00	40.00
TL/150/3	m/h	650	650		20.00	35.00
TL/150/2	m/h	600	500	60.00	35.00	20.00
Extruder for lead	m/h	1200	1000			
BEMA SVS6+1/76	m/h	1000	600			
SETIK T1085	m/h	1000	600			
UP2200	m/h	600	500	35.00	20.00	15.00
SD 1250	m/h	2000	1600	20.00	20.00	10.00
LESMO 1600	m/h	1500	1200	10.00	5.00	5.00
SR 12x400 SKET	m/h	1300	1000	5.00	5.00	5.00
UP 2600	m/h	300	250	35.00	30.00	30.00
MKRD 36/400	m/h	400	320	65.00	60.00	45.00

Production and Capacity



Capacity utilization

Machine (Production line)	Unit	Installed capacity	Real capacity	% of utilization		
				2011	2012	2013
KRAFT 600	m/h	600	600	5.00	5.00	5.00
PLATIR 2	m/h	800	600	5.00	5.00	5.00
PLATIR 3	m/h	500	375	15.00	10.00	10.00
S36G2h	m/h	120	70	10.00	5.00	5.00
S24NG3	m/h	200	120	10.00	5.00	5.00
SPIRKA 16 NK (3 machines)	m/h	160	150		5.00	5.00
ARMIR NK	m/h	1200	1200			5.00
PANCIR IV	m/h	350	250	10.00	5.00	5.00
TL-80N	m/h	70000	48000	15.00	15.00	10.00
TL-80M	m/h	60000	24000	10.00	10.00	5.00
OP-4	m/h	600	400			
TL-90	m/h	750	750	15.00	15.00	15.00
TL-120	m/h	500	500	20.00	20.00	15.00
TL-150	m/h	250	250	25.00	15.00	10.00
Paper insulating machine IP1	m/h	1800	1600			
IK	m/h	250	250			
DKU	m/h	1800	1600			
TC1-8	m/h	6000	6000	60.00	50.00	40.00
Twisting machine STV / STDMV	m/h	150	150			
PU 10	m/h	1000	750	40.00	35.00	35.00
PU 26	m/h	1000	750	40.00	35.00	35.00
KRAFT 16/1	m/h	600	600	35.00	35.00	30.00
KRAFT 16/2	m/h	600	600	35.00	35.00	30.00

Production and Capacity



Capacity utilization

Machine (Production line)	Unit	Installed capacity	Real capacity	% of utilization		
				2011	2012	2013
KRAFT 12+18	m/h	250	250	35.00	35.00	35.00
KRAFT 22	m/h	250	250	5.00	5.00	5.00
DŠT 61	m/h	250	250	55.00	45.00	45.00
ARMIR 1	m/h	300	300	5.00	5.00	5.00
ARMIR 2	m/h	300	300	45.00	40.00	35.00
SAMP BIA 1	m/h	13000	13000		15.00	45.00
SAMP BSA 2	m/h	2750	2750		5.00	40.00
TL 30	m/h	5000	4000	40.00	35.00	35.00
TL 45	m/h	15000	10000	40.00	40.00	40.00
TL 60/1	m/h	1250	1250	35.00	30.00	30.00
TL 60/2	m/h	750	750	45.00	45.00	45.00
SAMP BM 1250-D	m/h	5000	5000		15.00	35.00
BMT 630	m/h	2750	2750	15.00	10.00	10.00
ROSENDAHL	m/h	250	250	35.00	35.00	20.00
SPIRKA 24	m/h	100	80	5.00	5.00	5.00
WARDWELL 24	m/h	125	100	10.00	5.00	
SPIRKA 16 (5 machines)	m/h	150	120	35.00	35.00	35.00
SKALTEK RL 1	m/h	8000	6000	25.00	25.00	35.00
SKALTEK RL 2	m/h	8000	6000	25.00	25.00	35.00
LP 12	m/h	3750	3750	35.00	35.00	35.00

Realization



Movement in sale volume

Product/service	Unit	Quantity sold			Value in EUR		
		2011	2012	2013	2011	2012	2013
Aluminium cables and conductors insulated with thermoplastics	t	2,697	1,724	1,413	7.685.054	5.397.689	3.841.878
Copper cables and conductors insulated with thermoplastics	t	2,516	2,017	2,566	13.744.578	10.306.327	11.172.283
Coaxial cables	t	831	429	381	3.621.213	2.123.273	1.685.742
Copper products	t	402	523	320	3.138.610	3.742.722	2.131.006
Stuffed telephone ADSL cables	t	317	135	339	1.143.884	469.810	1.382.154
Energy signal cables	t	275	310	275	1.572.798	1.757.474	1.655.090
Mining cables	t	187	990	357	1.236.142	6.076.304	2.122.798
Rubber compound	t	170	105	0	94.858	70.736	1.064
Telephone cables insulated with thermoplastics	t	170	135	153	533.482	397.878	461.401
Optical cables	t	98	82	158	1.340.747	986.605	1.698.503

Realization



Movement in sale volume

Product/service	Unit	Quantity sold			Value in EUR		
		2011	2012	2013	2011	2012	2013
Aluminium products	t	87	28	148	191.407	66.040	292.222
Fabricated wires insulated with thermoplastics	t	61	145	235	302.243	724.747	1.134.077
Wood packaging	t	43	38	1	16.657	17.130	9.482
Flexible conductors and rubber cables	t	33	26	40	236.772	165.989	233.719
Telephone cables insulated with paper	t	24	20	25	67.077	58.425	80.825
Other products	t	6	4	11	14.287	1.759	7.999
Tinned copper products	t	1	0	7	4.644	888	6.027
Flat cables	t	1	1	3	2.408	3.025	9.839
Plastic cables for digital transmission	t	0	1	0	4.100	6.085	1.151
Special cables	t			1			5.120
TOTAL:					34,950,961	32,372,906	27,932,380

Realization



Sales structure

Sales structure in %	2011	2012	2013
Domestic market	42.85	31.96	40.63
Foreign market	57.15	68.04	59.37
TOTAL :	100.00	100.00	100.00



Distribution channels

Distribution channels	% of share
Direct sale	100.00
Wholesale	0.00
Retail	0.00
Intermediaries	0.00



Organization



EMPLOYEES



Number of employees

Working	496
Paid leave	2
Unpaid leave	0
Other (sick leave, vacation, etc.)	30
TOTAL NuMbEr Of EMPLOYEES	528

age structure of employees

Age	-25	25-35	35-40	40-45	45-50	50-55	55+
Number	3	72	22	27	119	162	123

average salaries in Eur

(gross and net) in 2011, 2012 and

Year	Gross	Net
2011	525	376
2012	502	360
2013	496	357



Assets Overview



	Value in EUR		
	31/12/2011	31/12/2012	31/12/2013
CURRENT ASSETS	106.278	79.512	80.433
FIXED ASSETS	98.097	87.690	338.366
TOTAL EQUITY	0	0	0



A) Information contained in this document is based on the data received 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

STr ENg Th S

: Approved quality system ISO 9001 and numerous certificates, preferential export to Russian federation, recognizable brand on the Russian federation market, extremely wide product range, confidence of buyers, skilled and trained workforce, technological knowledge, technological diversity, completed technological process of production, fproduction flexibility, the existence of unused production capacity.

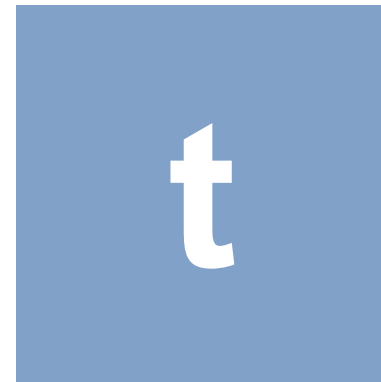


WEa k NESS:

Lack of own working capital, low productivity, inability to get loans for investment, obsolete equipment and plants.

OppOr TuNITIES:

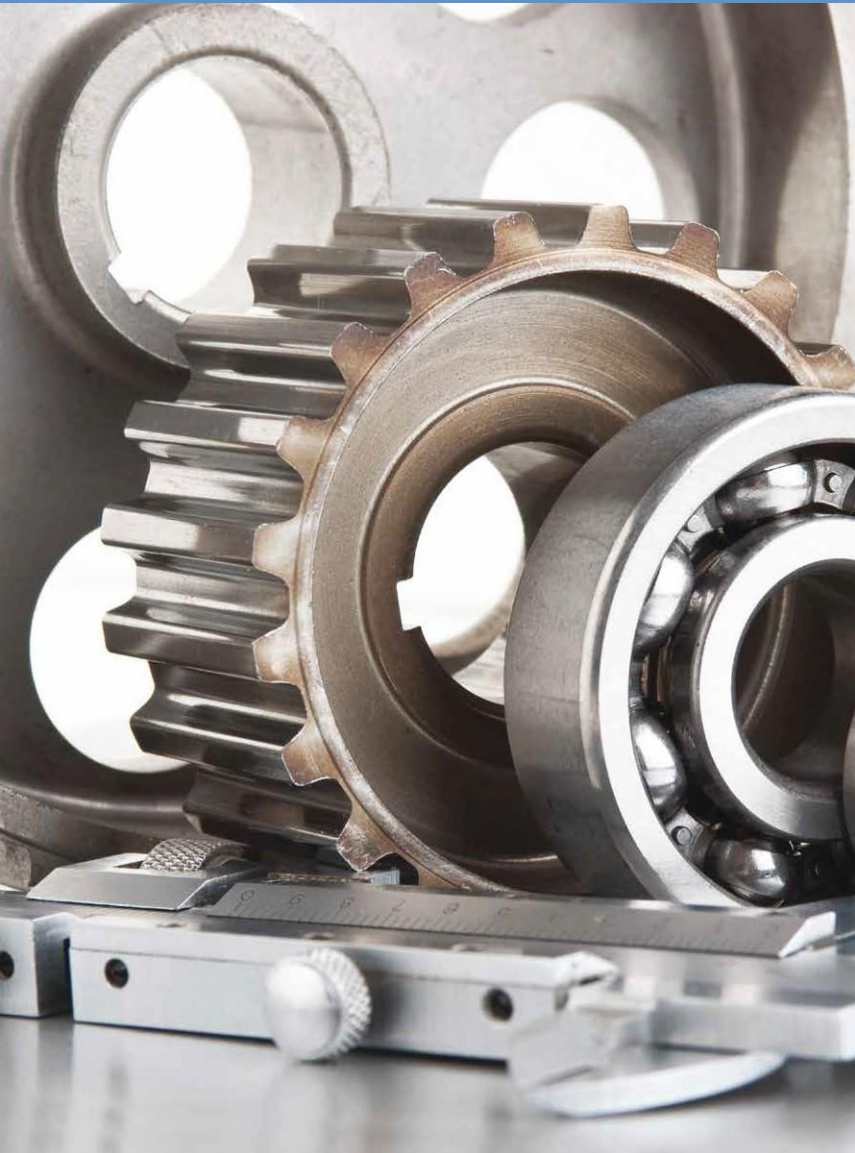
New product development-energy and petroleum cables, ability to offer complete optimal constructive and technological solutions, ability to increase sales in the domestic and European markets.



Th r EaTS:

High interest rates on loans for working capital, import liberalization, closure of certain foreign markets, the impact of exchange rates differences in exports to Russian Federation.

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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