



Dear Sirs

We have great pleasure in presenting you the Industrial Zone “Istok” (East) in the city of Novi Sad, Serbia & Montenegro with all the facilities and advantages for investments that are provided by the existing Zoning Ordinance.

The Industrial Zone “Istok” is situated in the eastern part of Novi Sad, municipality Petrovaradin, less than 5 km away from the city centre.

As the capital of the Province of Vojvodina, Novi Sad is well-known administrative, business, educational and a centre of health care in Serbia with the population of about 450,000 (wider area) sixty per cent of whom are employable.

The Industrial Zone “Istok” was established in 1975 and 1998 by the City Council according to the General City Plan.

For the present, two big companies have been operating in this area: “Pobeda - Holding AD” and “MK Commerce”. This area on 50 ha offers many business opportunities: construction of new commercial buildings or renting existing ones - industrial plants, warehouses, offices and other (recreation & sports facilities, restaurants, shops, ...) - obtaining the existing valuable infrastructure and auxiliary facilities, and having production and logistic support from “Pobeda - Holding AD”.

Yours faithfully

Pobeda - Holding AD

**Rade Samardzija
General Director**

POBEDA - HOLDING AD

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N o v i S a d
and the
Industrial Zone “Istok”



A word or two about Novi Sad*

Petrovaradin, a typical military settlement was constructed in the 18th century. The builders of the fortress constructed a bridgehead and the first settlement grew around it. This was about 1694, and today's Novi Sad grew out of this settlement.

This was the time of so-called great Austro - Turkish war and historical events that came to an end only with the fall of the Austro - Hungarian Empire and the rise of new states, after the First World War in 1918.

Novi Sad still did not have its present name but, since it was across the river from Petrovaradin and dependent on it, it was simply called Petrovaradin Trench. In 1748, Petrovaradin Trench bought a diploma on liberation from Empress Maria Theresa, becoming a free royal town and receiving the name: Neoplanta, Neusatz, Újvidegh, Novi Sad.

From 1748 onwards and throughout the 19th century, Novi Sad lived and grew like many other towns in the Austrian border provinces. At that time was Novi Sad the largest Serbian urban settlement. It played an important role in the spheres of education and culture, by its grammar school, and later by two institutions. One of them was the Serbian National Theatre, the first permanent professional Theatre Company among the Serbs (1861). The second institution was the Matica srpska (1864), a society for literature, culture, and science.

An important change, in every respect, took place in Novi Sad after the First World War, in 1918, when it became part of its state entity, whose part it remained to the present. The period, somewhat more than twenty years long, in which Novi Sad was developed, was ended by the Second World War.

With the end of the Second World War, Novi Sad entered the modern phase of its development. In this phase, the town's population began to increase rapidly. There was intensive construction. In the economic sense the town grew rapidly, particularly its metalworking, machine tool, textile, electrical, food processing and chemical industries, and its oil refining and oil products industry. Similar advancements can be noted in the sphere of education and culture. Many new secondary schools, museums and art galleries have been opened and a university has been founded.

* Petrović, B., Milisavac, Ž.: *Novi Sad*, Matica srpska, Novi Sad, 1987



Town Hall

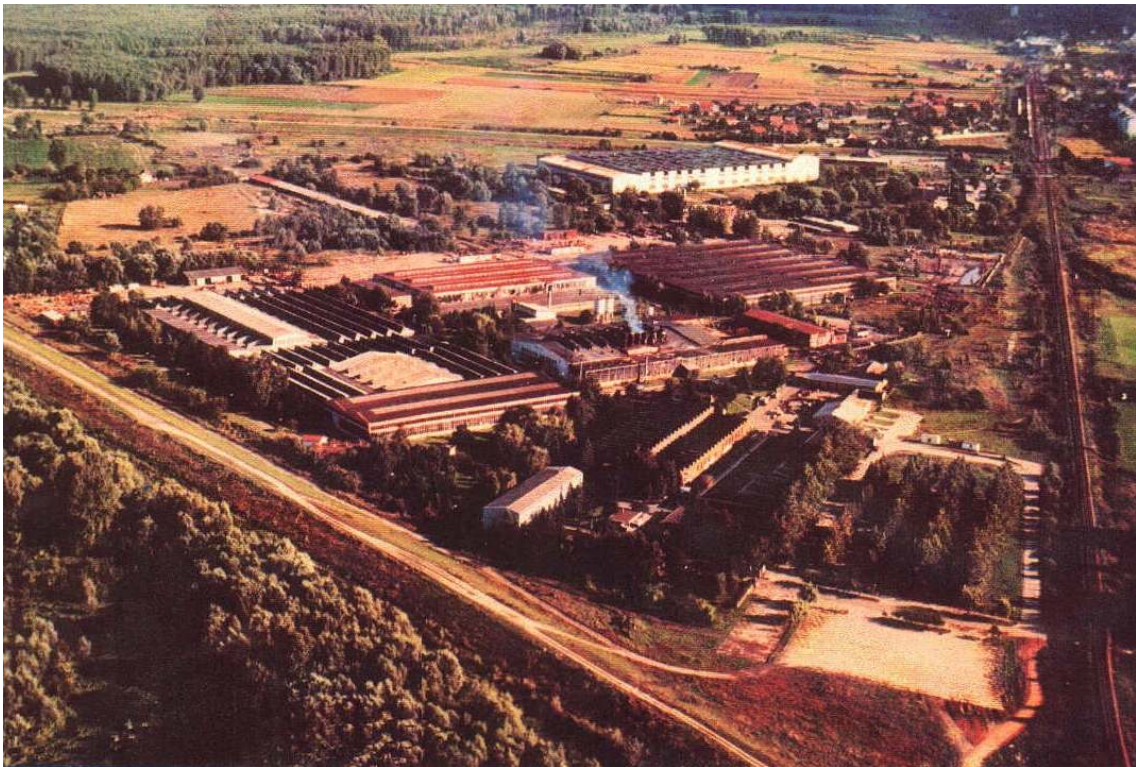


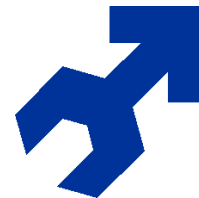
Petrovaradin



Location of the city of Novi Sad

Industrial Zone “Istok”





INDUSTRIAL ZONE “ISTOK” (EAST) IN THE CITY OF NOVI SAD

- THE GREAT BUSINNES OPPORTUNITIES -

I Location of the Industrial Zone “Istok”, Novi Sad

Novi Sad, among other characteristics, has a geographical location, that could help this city to become “the most European” in Serbia. This location has all the benefits from railway, road and river traffic connections, and especially from the belonging to so called “Danube developing axis”. The river Danube as the most significant European river connects Middle and West Europe to the Near and Far East.

The main road and railway connecting Europe (via Vienna, Budapest) to the Middle East (via Sofia, Istanbul) with a fork to Thessaloniki and Athens go trough the city of Novi Sad. These facts make this area including the Industrial Zone “Istok” very significant in the aspect of transportation, providing a very favorable position.

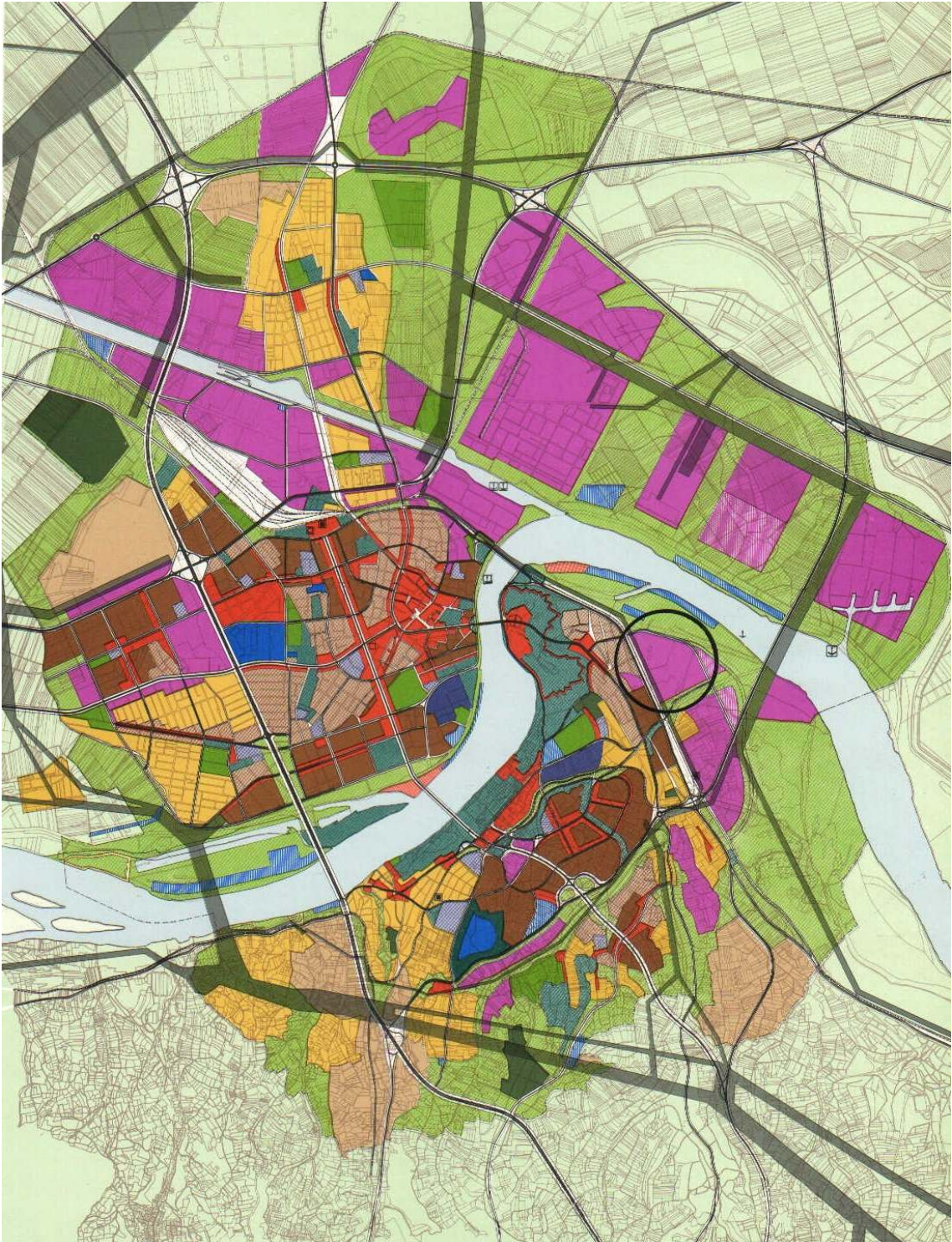
Added benefits of the Industrial Zone “Istok” comparing to other industrial and commercial zones in the city are: variety of infrastructure facilities, public utilities and the major one - the shortest connection to all means of transportation and to the city centre.

II The infrastructure facilities and services in the Industrial Zone “Istok”

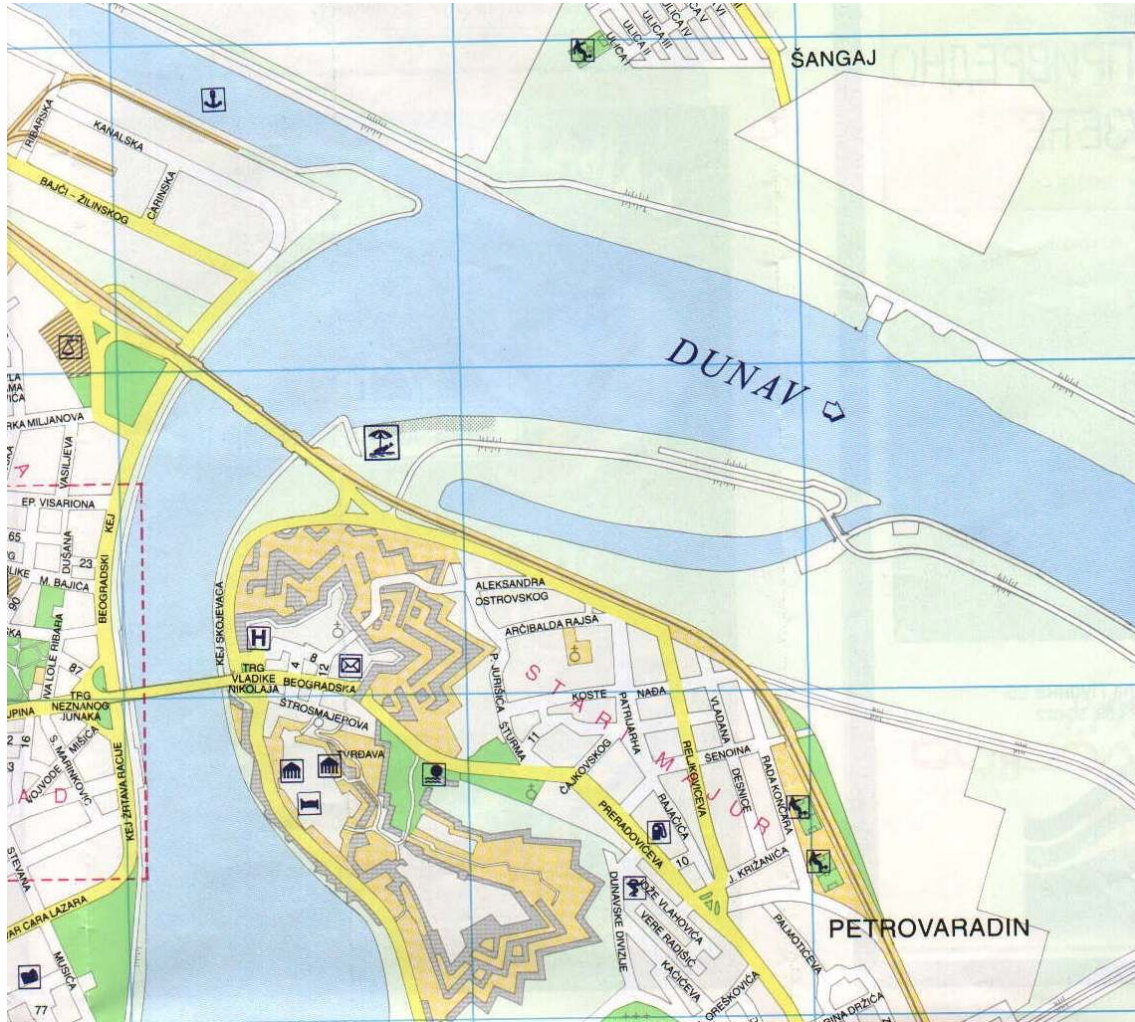
The Industrial Zone “Istok” is supplies with electricity (30 MW). The main gas pipeline leads to this location, as well as the industrial spur truck and the road connection suitable even for the biggest freight trucks.

The Zone is supplied with drinkable water from the City Waterworks while the existing production capacities at this location use the industrial water. The main sewerage system goes trough the Zone as well (Ø 1,000 mm).

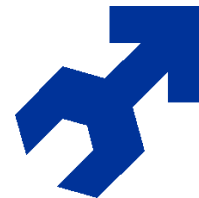
In the Zone the contemporary telecommunication infrastructure is at disposal, including couple of hundreds of telephone installations developed network and the main digital telephone exchange.



Location of the Industrial Zone "Istok"



Location of the Industrial Zone “Istok”



The potential investors and businessmen which decide to develop their business activities in the Industrial Zone “Istok”, could have at disposal the numerous services offered by “Pobeda - Holding AD” such as: manufacturing, transportation, commercial, accounting, legal and various other administrative and technical services, at reasonable prices.

III The living conditions in Novi Sad

The business activities can be easily and successfully managed in the Industrial Zone “Istok” because all the necessary commercial institutions such as banks, post offices, customs, The Chamber of Commerce of Vojvodina and other institutions and associations for co-operation with manufacturing companies are situated close to the Zone.

Novi Sad is also a famous centre of health care with all sorts of facilities: the Clinical Centre, hospitals, private health offices and clinics, emergency service and others. There are also several institutions for old and helpless people.

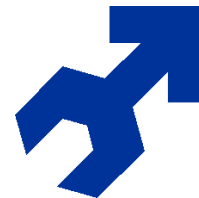
As a regional cultural and sports centre, Novi Sad continuously offers plenty of cultural and sporting events in its theaters, cinemas, museums, libraries and sports facilities.

IV Existing and potential human resources and work force

Novi Sad is a significant educational centre with The University of Novi Sad and numerous secondary schools, so a work force of all kinds and educational levels is available. In the past (period of more intensive business and other activities) about 170,000 citizens were employed. Potential investors as employers can expect very acceptable conditions of employment taking into account the fact that the offer on the labor market is much higher comparing to the demand.

The City Employment Bureau has established a special stimulating employment programme of young graduated experts. By this programme the Bureau compensate wages (in limited amount) to the companies which hire graduated experts (with no previous working experience) for the period of one year demanding no further obligations of keeping them employed.

“Pobeda - Holding AD” could either for a short term or a long term period, provide a certain number of technical and administrative workers with secondary school education and good working experience.



“Pobeda - Holding AD” could also provide graduated experts highly qualified to create or/and carry out proposals, business plans, feasibility studies, investment programme and projects necessary for attracting the foreign investments - joint ventures, co-operation, “loan arrangements” etc.

“Pobeda - Holding AD” could provide all consulting services to investors who want to start new business projects or similar.

V Facilities and business opportunities offered by “Pobeda - Holding AD”

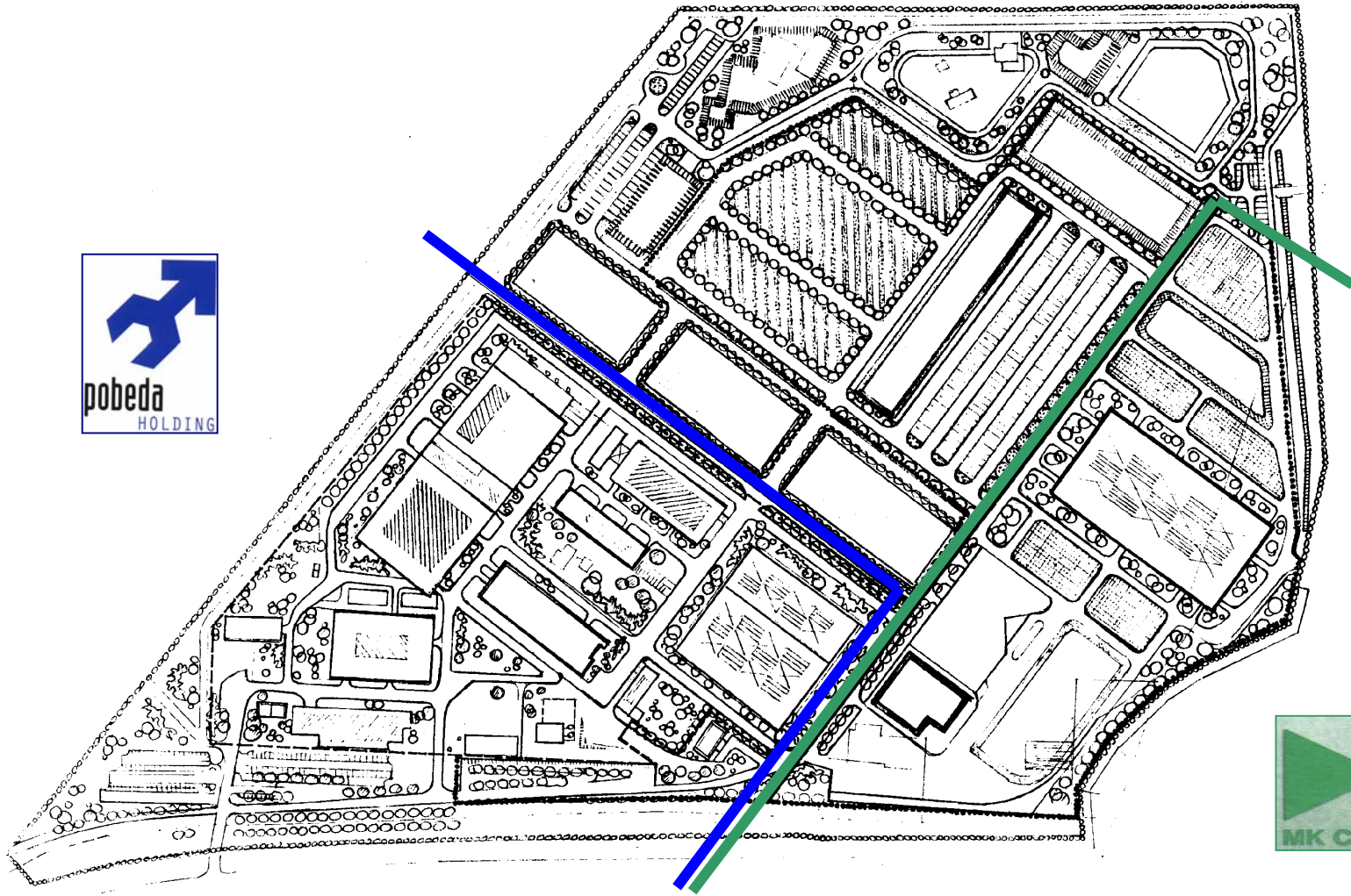
The holding company “Pobeda - Holding AD” on completion of ownership and organization reforms, offers to the potential investors opportunities of business co-operation in the area which covers 20 ha with existing commercial buildings (factories, workshops, warehouses, offices) on nearly 60,000 m².

The potential commercial or production co-operation could refer to a mutual investment in new facilities or/and reconstruction of existing ones through long term rent schemes including the right of buying up, or/and development of production co-operation and loan arrangements in the metal processing industry or other.

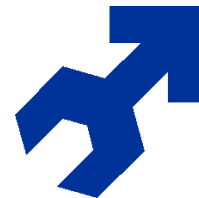
For those mentioned or other business opportunities, for the present a commercial space of nearly 1,000 m² is available including offices and workshops (completely equipped with electricity and water supply, gas pipeline and sewerage) situated in the area of 15,000 m².

The existing open-air storage space of “Pobeda - Holding AD” with the area of 30,000 m² provided by the new Zoning Ordinance for construction of new commercial buildings and facilities on favorable terms makes this place especially interesting for the quick construction of small workshops with auxiliary facilities.

The above mentioned refers to only some of the aspects and possible ways of co-operation. The complete picture of all the business opportunities that are offered by the Industrial Zone “Istok” can be obtained only after acquaintance with the location and its facilities.



Zoning Ordinance



NOTES

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