



**2013**  
**BUSINESS POLICY**

# **Basic Notions**

This document was prepared based on the results obtained in the period January – September 2012 and the estimate for the last quarter of 2012.

By the 2013 Business Policy we set the goals to be achieved in the year 2013 taking into account one-figure inflation and stable macroeconomic policy with permitted flexibility due to changes in the macroeconomic environment that is impossible to forecast at the moment: world economy crisis, increasing unemployment, decreased purchasing power and other economic measures.

# 1.Planned Goals for the Year 2013

## 1.1. Economic Goals

in 000  
euro

	Total Income			EBIT		Gross Profit	Net Profit	Employees	
	2012 Estimate	2013 Planned Income	Growth %	Amount	Rate	Amount	Amount	Number	Rate +/-
1	2	3	4	5	6	7	8	9	10
<b>METALAC POSUDJE</b>	23.400	24.370	4,15	2.193	9,00	1.709	1.453	800	2,60
<b>METALAC PRINT</b>	2.927	3.232	10,42	162	5,00	162	137	75	4,20
<b>METALAC INKO</b>	1.926	2.023	5,04	107	5,29	11	10	38	0,00
<b>METALAC BOJLER</b>	3.683	3.810	3,45	76	1,99	38	32	78	2,60
<b>PRODUCTION</b>	31.936	33.435	4,69	2.538	7,59	1.920	1.632	991	2,59
<b>METALAC MARKET</b>	7.106	7.362	3,60	(452,00)	(20,00)	74	63	151	2,70
<b>METALAC TRADE</b>	2.970	3.120	5,05	570	18,27	570	485	26	4,20
<b>METPOR</b>	223	240	7,62	5	2,08	5	4	4	-20,00
<b>DOMESTIC TRADING</b>	10.299	10.722	4,11	123	1,15	649	552	181	0,41
<b>PRODUCTION + DOMESTIC TRADING</b>	42.235	44.157	4,55	2.661	6,03	2.569	2.184	1.172	2,54
<b>METROT</b>	8.960	9.500	6,03	500	5,26	500	380	33	6,50

<b>METALAC-MARKET Podgorica</b>	1.950	2.009	3,03	10	0,50	10	9	28	0,00
<b>PROMO-METAL Zagreb</b>	920	1.021	10,98	6	0,59	6	5	8	0,00
<b>METALAC GROUP USA</b>	100	200	100,00	10	5,00	0	0	2	100,00
<b>METALAC UKRAINE</b>	680	820	20,59	75	9,15	75	59	9	28,60
<b>FOREIGN TRADING</b>	12.610	13.550	7,45	601	4,44	591	453	80	6,70
<b>TOTAL PRODUCTION + TRADING METALAC A.D.</b>	54.845	57.707	5,22	3.262	5,65	3.160	2.637	1.252	2,79
<b>METALAC a.d.*</b>	8.200	8.600	4,88	650	7,56	3.100	2.790	174	2,40
<b>TOTAL METALAC</b>	63.045	66.307	5,17	3.912	5,90	6.260	5.427	1.426	2,74

Note: \* Metalac a.d. – The total income and gross profit include the income from the dividend of the daughter companies.

## 1.2. Social Goals

- Keep the employment level
- Flexible engagement of employees according to the volume of activities,
- Accomplishing the social policy that guarantees a job position to all those who want to work with discipline and dedication. Those who do not fit will not find their place within the Metalac Group.
- Carry out projects of social support (rehabilitation, curing and recreational vacations of the employees, free of charge medical check-ups, additional pension funds, scholarships, family support and stimulating birthrate through the Metalac Fund, security and work place protection, aid to self-supporting parents, bachelors, married couples without children in providing apartments to live in).

### **1.3. Environment Protection Tasks**

We will do utmost in performances of work place protection and ecology through monitoring and minimizing impacts to the environment, more rational energy and water consumption, pollution prevention, decrease of waste by recycling and treatment of harmful materials, organized collection, classification, disposal and storage, and correct management of secondary raw materials.

**2. Based on planned results we suggest that from the net profit the shareholders are paid out dividends of at least 1 EURO per one share, and the rest of the net profit to be allocated for workers' and managers' premiums and for development investments.**

- 3. Up to 30<sup>th</sup> June 2013 we plan to keep the salaries at the level of 2012, and to apply 5% increase to the salaries within the Metalac Group as of 1<sup>st</sup> July 2013.**



## **4. We plan to invest into:**

### **4.1. Replacement of equipment**

- processing solutions aiming to increase the capacities and productivity, cut the costs, obtain higher liability of the equipment and higher efficiency in energy consumption;
- modernization of the off-set and screen printing processes;
- new logistics equipment;
- better work place conditions for the employees;
- modernization and automatization of the present equipment.

## **4.2. Increase of capacities**

- increase of capacities for carton packing materials and transport cartons of bigger sizes,
- widen the range of products made from granite and stainless steel,
- upgrade of IT applications,
- increase of capacities and of production flux of the line for aluminum non-stick cookware,
- widen the range of water heaters,
- open new points of sale within the retail chain.

## 5. Strategic adjustments

- investment engineering and purchase of stocks and control packages or share of other companies,
- investment into redesign of sale channels,
- investment into migration of the Enterprise Resource Planning (ERP),
- investment into production of solar water heaters,
- investment into automatic line for production of fume pipes,
- development of products that use renewable energy sources,
- upgrade of human capital.

**6. We will focus to cutting the costs and increase the productivity.**

## 7. Marketing goals

- We will increase the values for the customers with a richer offer, better services, more attractive designs, while with bonus policy and marketing support we will create a base for turnover increase both locally and globally.
- Our exports will focus on searching new clients and penetrating new markets: Belarus, Scandinavian, Maghreb countries, Romania, Poland, Finland, Ukraine, USA...
- We will make researches, measure the present conditions and rise consumer satisfaction.

**8. We will develop a dialog policy within the collective, that intends understanding of differences which exist and will arrange continuous and regular forms of communication:**

- We will promote trust, tolerance, understanding, team work, employees' right protection, but will also require strict work discipline, saving and dedication. Protection of employees' rights shall be a care of the management, not only of the unions.
- We will improve and widen the system of acknowledgement, the system of individual evaluation of performances and elevate the corporate culture.
- We will develop and implant a system of employee selection tools, facilitate employment objectivity and give a chance to the best.

**9. We will work to get the most out of the business interaction within the Metalac Group by promoting competitive spirit and awareness of the corporate task of a corporate success.**

**10. We will promote the value standards of the employees: personal integrity, responsibility, innovations, development, motivation, bondage to the Metalac.**



**11. We will invest more in research and development, finding ways to stimulate innovativeness.**

**12. We will reach the goals set to meliorate our QMS/EMS through improvement projects of various measurable parameters.**

**13. Our endeavors to fulfill our obligations will be consistent at all the levels of social responsibility, we will provide profit by following our competitive advantages, we will respect the relevant legislation and our actions will comply to the social value system and ethical code, and to the extent of our possibilities, we will help projects and programs to improve the life of the community.**

**14. We will develop corporate management.**