

Pursuant to Art. 64. of the Law of Securities and Other Financial Instruments and Art. 6 of the Code of Rules on the contents and manner of reporting by public companies and notification on possession of voting shares

**«Sojaprotein»A.D. Bečej is issuing**

**A REPORT ON MATERIAL EVENT  
Reorganization of fish food production**

The strategic orientation of Sojaprotein is oriented to strengthening the position in the foreign market and covers the reorganization of production structure and production programs within the company's business activities. The execution of the «Sojaprotein»A.D development plans in view of significant increase of production of soy bean products in higher processing phases intended for food industry and products for human consumption require the transfer of fish food production – Soprofish to the subsidiary company Veterinary Institute «Subotica»A.D. Subotica, which implies transfer of equipment, technology, know-how and experience, trade mark, evaluated in accordance with market conditions.

Sojaprotein has the intention of significantly strengthening its stake in the process by addition of capital in the Veterinary Institute Subotica and thus strengthening, in addition to the development of human food production, also the vertical integration with this company through food production for animals of all types. The investment in the lines for production of texturized products, production of full-fat products, packaging of products from higher phases of production and line for production of vegetarian pates, which is in progress, significantly increases the capacities of production of products intended for food industry and human nutrition and creates the conditions to increase their sale, particularly in the foreign market. The export of texturized products in the past year 2008 grew by 47% whereby the existing production facilities are utilized to their full potential. The fact that «Soajaprotein» A.D. produces solely non-GMO products is an important prerequisite for the future exports option growth.

In addition to the Company's development orientation to production of products intended for food industry and human nutrition, the reorganization of fish food production will help overcome the realistic engineering and technological limitations related to installation of new production lines and make it possible to raise the hygienic and safety level of the products in accordance with HACCP.

The impact of reorganization of fish food production will not have a negative impact on the sale and the generated profit because the production of fish food takes up 4.1% of the total production and the Company will compensate the impacts of its reorganization by significant increase of sale of products from higher processing phases. The reorganization of fish food production will result in cutting down the time of tying the assets to stocks and customer's receivables, because the customer's credit terms in fishing industry is significantly longer than the terms in the sale of food products.

**PRESIDENT OF THE MANAGEMENT BOARD**

**Zoran Mitrović**