



Pursuant to Article 4 of the Rules on Contents and Manner of Reporting of Public Companies and Announcement of Voting Shares Held („Official Gazette of the Republic of Serbia”, No. 100/2006 and 116/2006)

**SOJAPROTEIN A.D. BECEJ
ANNOUNCES
THE ANNUAL OPERATING REPORT FOR THE YEAR 2010**

I GENERAL DATA				
1. Business Name, Registered Office and Address: Identification No., and Tax Identification No.:		„Sojaprotein“ Joint Stock Company for Soybean Processing Becej Industrijska 1 ID No.: 08114072 , TI No.: 100741587		
2. E-mail address: WEB site:		office@sojaprotein.rs; www.sojaprotein.rs		
3. Number and date of the Decision on registration in the Register of Companies:		BD 78680 dated July 29, 2005		
4. Activity (code and description):		1041- Production of oil and fats		
5. Number of employees:		386		
6. Number of shareholders:		5944		
7. Ten major shareholders				
	Shareholders	Number of shares held as of Dec. 31, 2010	Share in the capital stock %	
	Victoria Group AD	6,196,161	62.93813	
	Privredna Banka Zagreb D.D.	303,562	3.08346	
	Gustaviadavegardh fonder aktie	170,010	1.72689	
	East Capital Asset Manag	155,129	1.57574	
	Erste&Steiermarkische Bank d.d	129,873	1.31920	
	Hypo Custody 4	105,888	1.07557	
	UniCredit Bank Austria AG	96,536	0.98057	
	NLB Clients	82,347	0.83645	
	Proinvestments AD	70,357	0.71466	
	ERSTE BANK Custody 00001	63,474	0.64474	
8. Capital stock value (in' 000 of dinars):		4,564,674		
9. Number of shares issued (12/31/2010) CFI Code: ISIN No.:		9,844,844 CFI Code: ESVUFR ISIN No.: RSSOJAE21837		
10. Data on Subsidiaries: Business Name: Registered Office and Address:		Subsidiary: Vobex Inter-soya Moscow; Veterinarski Zavod a.d. Subotica, Beogradski put 123 Related Parties: “Bela Ladja” Hotel a.d. Becej		
11. Business name of the Audit Firm which performed the audit of the most recent Financial Statements: Registered Office and Address:		„DELOITTE“ d.o.o. Beograd 11000 Beograd Makenzijeveva 24		
12. Name of the organized market whereon the shares are quoted:		A List of the Belgrade Exchange		
II DATA ON THE COMPANY MANAGEMENT				
1. List the Members and their status in the Board of Directors				
Name and residence	Education and current employment	Membership in BoD or SB of other companies	Fee paid - net amount	No. and % of held shares in the Joint Stock Company
Zoran Mitrovic, Belgrade	Victoriagroup AD, Novi Sad President of the Board of Directors	President of the Victoriagroup AD, BoD, Novi Sad; President of the “Luka” A.D. BoD, Backa Palanka and “Riboteks” A.D. Ljubovija	/	7,233 0.0735%
Stanko Popovic, Novi Sad	Victoriagroup AD Novi Sad Member of the BoD	Member of the Victoriagroup AD BoD, Novi Sad, member of the “Riboteks” A.D. BoD Ljubovija, meber of the “SP Laboratorija” AD BoD	/	/
Milija Babovic, Belgrade	Victoriagroup AD, Novi Sad Member of the BoD	/	/	2,712 0.0275%

Branislava Pavlovic, Backo Gradiste	University Degree, Director General of "Sojaprotein"	/	/	/
Nebojsa Vukovic, Becej	University Degree, Chief Executive Officer of the Systems Management Center, Sojaprotein	/	/	/
Nikola Dolinka, Becej	University Degree,	/	/	1,571 0.0160%
Milanko Simic, Sabac	University Degree, Chief Executive Officer of the Sales and Marketing Sector, Sojaprotein	/	/	/
Jasenka Stekic, Belgrade	University Degree, Fashion Co. doo Beograd, Director of R&D	/	RSD 360,000.00	/
Olivera Ilincic, Belgrade	University Degree,	/	RSD 360,000.00	/

2. List the Members and their status in the Supervisory Board

Name and residence	Education and current employment	Membership in BoD or SB of other companies	Fee paid - net amount	No. and % of held shares in the Joint Stock Company
Samir Krak, Novi Sad	University degree Deputy Director of Victoriagroup ad, Novi Sad	President of the Veterinarski Zavod «Subotica» A.D. SB	/	/
Marija Petrovic, Novi Sad	University degree Victoriagroup ad, Novi Sad	/	/	/
Jelena Mitrović, Novi Sad	University degree Victoriagroup ad Novi Sad	Member of the Veterinarski Zavod «Subotica»A.D. SB	/	/

3. Specify if the Company Management has adopted the Code of Conduct in writing and the web site it was announced:

The Company Board of Directors has adopted the Corporate Management Code of "Sojaprotein" A.D. and announced it at the Internet page www.sojaprotein.rs

III DATA ON THE COMPANY BUSINESS

1. Management's report on the implementation of business policies (in case of any non-compliance specify the reasons)	There was no deviations from the business policies of the Company during its operation
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2. Business Analysis (in '000 if dinars)

2010

Total income	15,053,049
Total costs and expenses	14,213,540
Gross profit	839,509
Operating income	14,271,961
Goods sold	4,466,339
Products sold and services rendered	9,805,622
2.1. Operating Indicators	
Business efficiency (operating income/operating expenses)	1.13
Operating profitability (presented profit/total income)	0.05
Liquidity (current assets/short-term liabilities)	2.40
Total capital yield (gross profit/total equity)	0.08
Own capital net yield (net profit/share capital)	0.17
Net operating profit (operating profit/net revenues from good sold)	0.12
Degree of indebtedness (total liabilities/operating equity and liabilities)	0.40
Quick asset ratio (cash and cash equivalents/short-term liabilities)	0.04
Quick ratio (current assets-inventories/short-term liabilities)	1.26
Net current capital (current assets-short-term liabilities)	7,017,840
Share price (maximum and minimum in the reporting period)	Max.: 1,118.00 Min: 644.00

<i>Market capitalization as of Dec. 31, 2010</i>	8,368,117,400.00
<i>Earnings per share</i>	Value of earnings per share calculated on the basis of realized net profit divided by the weighted number of shares amounted to RSD 90.64 in 2010.
<i>Dividends paid within the last 3 years:</i>	In 2010 increase of the capital stock was made by reallocation of a portion of the retained profit amounting to RSD 1,030,969,678.25 through 9 th issue of shares without public offering. For each share from previous issues held by shareholders 0.2917532 of the share of 9 th issue was allocated.
3. Information on the Company performance by segments	
<i>Income from sales to external clients</i>	
<i>Income from sales to other segments within the same company</i>	
<i>Each segment's results</i>	
<i>Assets and liabilities of a segment</i>	
<i>Clients and suppliers whose participation in total Company's trade receivables, i.e. trade payables exceeds 10%.</i>	Following clients' participation exceeds 10% of total income: Victoria Logistic doo Novi Sad – 22.64% and Victoriaoil ad Sid – 18.58%; they are also suppliers whose participation exceeds 10% of total trade payables, i.e. Victoria Logistic doo – 52.91% and Victoriaoil ad Sid – 10.18%.
<i>Transfer prices determining procedures</i>	
4. Specify and explain each change in balance items value exceeding 10% as compared to the previous year in:	
<p><i>Assets and liabilities (items presented under the Excerpt from Financial Statements):</i></p> <p>The item 'Property, Plants and Equipment' increased by 455,913 thousand dinars, and the most significant increase related to prepayments made for the procurement of equipment for the Concentrates Plant. As of December 31, 2010, the Company presented total reduction of inventories as compared to the balance as of December 31, 2009 in the amount of 2,534,207 thousand dinars. The most significant reduction related to the item 'Prepayments made' that were granted to related parties - by 2,257,469 thousand dinars. Merchandise on stock was also reduced in the amount of 1,853,021 thousand dinars. The reduce primarily related to reduction of wheat on stock that was procured in 2009 and stored in leased warehouses and sold in 2010. In the same time, as of December 31, 2010 the item "Inventories" showed increased value of soybean grain on stock in the amount of 1,671,068 thousand dinars as compared to the balance as of December 31, 2009.</p> <p>As of December 31, 2010 total receivables were also reduced and amounted to 4,563,152 thousand dinars (whereas on December 31, 2009 they amounted to 5,912,968 thousand dinars), primarily due to reduction of domestic trade receivables as a result of shorter payment periods and increased efficiency of collection. Short-term financial investments were reduced and presented in the Balance 2010 in the amount of 1,274,229 thousand dinars, resulting from repayment of loans granted to related parties for funding the production and procurement of oil plants. Long-term liabilities were reduced and amounted to 1,791,150 thousand dinars as of December 31, 2010 (against 4,154,731 thousand dinars recorded as of December 31, 2009) due to reduction of credit debt from proceeds earned in regular operations. Short-term liabilities of the Company were also reduced to 2,559,443 thousand dinars (whereas in 2009 they amounted to 4,732,473 thousand dinars) as a result of reduced short-term credit debt from the proceeds earned in regular operations.</p> <p>Capital stock was increased by 9th issue of shares in the amount of 1,030,969,678.25 dinars, and the number of ordinary shares with voting rights was increased by 2,223,540. After increase, the capital stock of the Company amounted to 4,564,674,191.21 dinars and it is divided in 9,844,844 shares with no par value and with book value of RSD 463.661404 each. As of December 31, 2010 the item 'Bought-up Treasury Shares' showed the balance of 20,412 thousand dinars. The Board of Directors passed the Decision on Acquiring Treasury Shares at the Organized Market on its session held on October 20, 2010 with intention to prevent disruptions on the securities market and prevention of a higher and more direct damage to the Company (acquisition of 9.99% of Treasury Shares was approved under the Decision). Sojaprotein ad Becej acquired 44,024 treasury shares by their purchase at the Belgrade Exchange.</p>	
<i>Net Profit/Loss:</i>	
Net profit has increased and amounted to 792,014 thousand dinar in 2010 – increase as compared to the year 2009 when the net profit amounted to 488,229 thousand dinars. Increase in profit resulted from increased export of products manufactured at higher levels of processing, price flexibility which were determined under the impact of world prices prevailing on the reference markets.	
5. Specify cases where there is uncertainty of receivables collection or potential future costs that may have significant impact on financial standing of the Company	
6. Particulars on Treasury Shares	
On its session held on October 20, 2010 the Board of Directors passed the Decision on Acquiring Treasury Shares at the Organized Market with intention to prevent disruptions on the securities market and prevention of a higher and more direct damage to the Company. Sojaprotein ad Becej acquired 44,024 treasury shares through their purchase at the Belgrade Exchange.	

7. Investments in development of core activity, information technology and human resources:

In 2010 and pursuant to the Investment Plan, a mill for full-fat materials and the filling machine for full-fat products were purchased from the manufacturer – BTH and put into operation as well as procurement of a new screen for STP. In the same time the Plant's facilities were reconstructed. Total value of these investments amounted to EUR 970,000. In addition, significant investment in the biomass driven boiler-room was completed wherein new devices for fuel preparation were installed and some modifications to the boiler were made. Value of these investments amounted to EUR 460,000. Major investment in 2010 was contracting of a new plant for production of traditional soybean protein concentrates applying the ethanol extraction process. The first phase of construction of the new Plant for production of soybean protein concentrates applying the alcohol extraction process and the supporting infrastructure which includes construction of a new plant for water preparation, capacities extension in both already existing boiler-rooms and conversion of use of the soybean processing plant into soybean protein concentrates milling plant. All key equipment was contracted with the following manufacturers: CROWN, Vincke and Goergens in 2010. The value of investments is estimated to EUR 22,500,000.

8. Amount, establishment and use of reserves in the last two years:

Company reserves amounted to 1,328,380 thousand dinars. They were established in former periods (allocation of a portion of the net profit to reserves) and as mandatory reserves. The reserves were not used.

9. Significant business events that occurred from the balance date until the report submission date:

1. Pursuant to decisions passed by the Company Meeting on June 30, 2011 and the Decision No. 4/0-24-2926/5-11 issued by the Securities Commission on July 14, 2011 the 10th issue of ordinary shares based on reallocation of retained profit in capital stock was made. 5,050,680 voting shares with no par value and individual book value of RSD 463.661404, i.e. in total value of RSD 2,341,805,379.95 was issued. After reallocation of the retained profit to the capital stock of the Company, it was increased to the amount of RSD 6,906,479,571.15 and divided in 14,895,524 shares with no par value and with book value of RSD 463.661404 each. The 10th issue was registered in the database of the Central Securities, Depository and Clearing House on August 9, 2011.

2. Decision on disposal of 45,741 treasury shares, i.e. 0.46% of total shares, was passed on the regular session of the Company Meeting. In addition to 45,741 treasury shares, the Company is also selling the shares of 10th issue acquired on the basis of its interest in the capital stock increase. Treasury shares have been disposed by their offering to the shareholders on a proportional basis. Remaining unsold treasury shares will be offered at the organized market, i.e. the Belgrade Exchange.

3. Investments appropriated for construction of the Soybean Protein Concentrates Plant have been continued. First phase of the investment is in progress and it includes construction of the Traditional Soybean Concentrates Plant – capacity: 70,000 tons annually. Currently, works on the facility construction are in progress, whereas the key equipment has been already supplied and its installation is undergoing. The construction will be completed and the equipment installed at the end of November this year, and thereafter the phase of trial run will commence. Total value of the first phase of investment – construction of the Traditional Soybean Concentrates Plant – is 22.5 million euros, of which the Company has already invested 9 million euros. Having in mind that the soybean concentrates represent a product of the highest level of finalization as well as their wide utilization in the field of animal food production, production of milk substitutes for piglets and calves diet, the Company is expecting a significant increase of revenues from sale of soybean concentrates. After completion of the first phase of the investment, the Company will commence implementation of the second phase of the investment which includes production of functional soybean concentrates with annual capacity of 15,000 tons.

10. Other significant changes of data provided in the Prospectus, not mentioned above:

DIRECTOR GENERAL
