

Delta Today

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DELTA HOLDING Corporate Bulletin



BELVILLE

More than an apartment

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BELVILLE RESIDENCE,
as wished by the investors,
should become the model
of a new concept of living
in Belgrade

More than an apartment

NOT ONLY BUILDINGS AND APARTMENTS IN THIS COMPLEX COVERING ALMOST 14 HECTARES HAVE BEEN FINISHED, BUT THE INVESTORS HAVE ALSO ARRANGED GREEN AREAS, PARKS AND CHILDREN'S PLAYGROUNDS, AND WILL CONTINUE TAKING CARE OF THE MAINTENANCE OF THIS NEW RESIDENTIAL BLOCK IN NEW BELGRADE AFTER THE RESIDENTS MOVE IN.

The Belville residence has been completed and its management handed over to the company Universiade 2009 long before the agreed deadline. All the athletes who participate in the Universiade 2009 will enjoy this residential complex from 30 June to 12 July, and afterwards this new, modern complex unique for many things will be at disposal of Belgraders, as a new sign of recognition and the symbol of New Belgrade City.

Handover of the first completed buildings to the company Universiade 2009 started on 18 March, after 656 days during which the construction engineers headed by Delta Invest first caught up on delays and then brought the works to the end even faster than originally planned. In the meantime, greenery was planted in the residential area as a confirmation of investor's claim that it would not stop only at building the apartment buildings. Belville is aimed at promoting a truly new way of living in Belgrade.

Belville complex is designed in accordance with the rules of urban design and represents a new way of organising urban life in Belgrade.

One plot within this complex is reserved for construction of a school, day nursery and home for elder persons. After the new owners move in a special service will be organised to maintain the complex and take care of proper operation of elevators, generators, air conditioning systems, greenery...

**260,000 m²
total area
of the
complex**

"Careful selection of building materials has resulted in a product of a middle-higher class, and combination of natural materials and state-of-the-art technology has enabled durability and quality guarantee", said by the representatives of company Blok 67 Associates, the investor of Belville complex. "The latest solutions in sound and thermal insulation were applied. The size of the complex and the number of built units enabled us to achieve a good price when purchasing materials and to build in the apartments elements of a higher quality than it would be usually the case in this kind of complexes". ✂



Investors say that every single thing in this complex is subject to comfort, pleasant feeling and quality of life of its residents. The external position of apartments, from studios to three-bedroom apartments, with terraces and lots of light, and functionality of common premises are all aimed at creating a relaxed and pleasant atmosphere in every part of the complex. Ceilings in the apartments are 2.75 meters high, and doors 2.45

meters, which all together with big glass surfaces gives an impression of space and width.

The complex is connected to the city heating system, and air conditioners are installed in all apartments. An optical fibre cable runs through the entire complex guaranteeing the highest quality of phone and internet communication and cable TV signal. Every entrance has two modern elevators as well as generators enabling power in cases of power cuts.

**230,000,000
investment
(euro)**

“This complex also has a marked environmental dimension due to which we have placed special attention to external arrangement”, the representatives of Blok 67 Associates said. “The space between buildings is designed as a connected entity where green areas are intersected by paths and filled with programmes, including the space for the youngest to play. All this space will be arranged by the investors who will also maintain it in the following period, because we first want that our residents come in an arranged and humanised space, and then also to show that care about buildings and their surroundings is also the care of all of those living in them”.



**APARTMENTS
STILL AVAILABLE**

Sale of apartments and office units in this complex goes according to the foreseen plan. At the moment there are 393 apartments offered, from one-bedroom to three-bedroom apartments, as well as 98 office units that await new owners.

**DESIGN OF THE
ARCHITECT MILUTIN GEC**

Construction of Belville complex is a joint venture of renowned companies Delta Real Estate and Hypo Alpe Adria Group.

This project is carried out by a joint company Blok 67 Associates. Credit for the appearance of this complex goes to the chief designer, architect Milutin Gec. The main contractor is the company Delta Invest, and the subcontractors are companies Deneza M, Monterra, Grading, GK Kocić, Exing, Gradina, Ratko Mitrović Dedinje, Gemax and Integral Inženjering. Control and project management of the construction were entrusted with the company Mace.

This exclusive part of the offer in Belville is called postsale and complex maintenance. It foresees fast repairs of elements under guarantee and efficient service of the staff in all unforeseen situations.

“What we want to achieve with all the abovementioned activities is to justify the position of the “green complex” as Belville is already called by the future residents and thus increase chances of future generations to live in a healthy environment. We are certain that we will offer efficient service to the complex residents, and our even greater wish is to raise awareness with the help of all Belville neighbours that ownership of an apartment implies both satisfaction and obligation to take care of the apartment itself, the building and its surrounding area”, concluded by Blok 67 Associates.

**1.858
apartments**



Delta City the best shopping centre in Europe

At a conference held on 23 April in Barcelona, Delta City was declared to be the best in the category of new medium-sized shopping malls in Europe. This most important award in the field of commercial real estate was given by the jury of the International Council of Shopping Centres (ICSC) and was received by Slađana Lazić, marketing director of Delta Real Estate

41 CANDIDATES FROM 19 COUNTRIES COMPETED FOR THE BEST AND MOST COMMERCIAL SHOPPING MALL, AND THE WINNER AT THE FINALS WAS DELTA REAL ESTATE WITH ITS DELTA CITY PROJECT COMPETING WITH SHOPPING CENTRES FROM PORTUGAL, GERMANY AND ITALY.

The international jury consisted of eight members taking the leading positions in the biggest real estate companies in Europe. Before making a decision, the jury members visited all finalists to confirm validity of collected data and presentations. Criteria for the selection of winner, beside shopping mall design, were the entire successfulness of the

project determined by the selection of lessees and their arrangement, commercial features, diversity of the offer, number of visits, customer relations, achieved turnover, social responsibility and adjustment of the centre to the local infrastructure.

“This award is important not only to Delta Real Estate, but to Belgrade and Serbia as well, because it confirms that we follow the world trends in the field of real estate. I would like to point out that we were particularly commended for the fact that Delta Real Estate’s young team managed to complete their first big project with success by applying world state-of-the-art know-how and standards in the area of shopping malls and made an impact with their good example on development of economic and general environment”, said Dejan Racić, director of Delta Real Estate.

With this award Delta Real Estate qualified automatically for selection of the best shopping mall in the world, which was held in Las Vegas from 17 to 20 May.

THE BEST COUPLE Delta City organised in February a competition for the most beautiful and most in love couple. The competitors brought their joint photos or were taken a photo by the hostesses in Delta City. All photos, which numbered more than 300, were exposed on the “wall of love”, and the winners were selected on the St. Valentine’s Day, 14 February.

CHAIRS At the end of February Delta City in cooperation with Casaviva magazine and under auspices of the City Assembly started a charitable action in which famous artists Olja Ivanjicki, Jelena Blečić and Mirjana Bobić-Mojilović painted chairs of unusual dimensions. The whole revenue from the sale of these chairs was intended for the purchase of safety equipment for day nurseries of Belgrade.

EXHIBITIONS March in Delta City was marked by the spring flower fair and book exhibition. Book lovers had an opportunity to associate with the authors who gave autographs for their publications: Marija Jovanović, Violeta Babić, Jasminka Petrović, Dragoljub Ljubičić Mićko, Dobrica Erić and Nevena Lovrinčević.

LET’S TURN OUT THE LIGHTS! The first shopping mall in Serbia supported the international day of fighting against global warming by turning out part of its outdoor and indoor illumination for one hour on 28 March.

CITYVISION In cooperation with OGAE Serbia (international organisation dealing with monitoring and popularisation of the Eurovision and promotion of our music and culture in Europe) Delta City organised karaoke on 3 May in its central atrium under the slogan “Cityvision - Sing all the way to Moscow!” Out of 21 competitors who sang famous Eurovision hits, a four-member jury chose the winner Željko Sarić, who won the trip to the finals of Eurovision Song 2009 in Moscow for two persons.

PLANET Day of the Planet Earth, 22 April, was celebrated in Delta City Podgorica with a contest where students of the primary school “Oktoih” from Cetinje showed their knowledge in the field of ecology.

HAUTE COUTURE A fashion show called Delta City Fashion Day was held on 24 April, thus inaugurating the third “Fashion Connection” - the most famous fashion review in Montenegro. Lovers of haute couture enjoyed the show of Darko Kostić, famous Serbian fashion designer.

MAXI EXCLUSIVE
AT THE CVETNI SQUARE

The most famous Belgrade supermarket opened again

THE MOST FAMOUS COMMERCIAL FACILITY IN THE CAPITAL – THE SUPERMARKET AT THE CVETNI SQUARE - WAS REOPENED ON 7 MAY UNDER THE NAME OF MAXI EXCLUSIVE.

Delta Maxi invested more than 1.5 million euros in renovation and equipment of this facility. In accordance with the location and pace of living imposed by the very central zone of Belgrade, this facility will be opened 24-7. It covers an area of 1200 m², it has 12,000 items in its range of products and it employs 68 people.

This store at the Cvetni Square is a supermarket with the longest tradition in the Balkans. When it was first opened in 1958 as the first supermarket in the region introducing the American concept of self-service, it was a revolutionary move that would change the way of trading and servicing in this region from its roots. Half a century later, this supermarket in a new guise

pushes the limits of retail once more. The supermarket at the Cvetni Square is the second facility of Delta Maxi arranged in accordance with the concept of specialised delicatessen shops – Maxi Exclusive offering not only standard range of products, but luxury items that cannot be found elsewhere, too. Customers of this adapted and renovated space also have at their disposal a fish-market with the widest selection of freshwater and sea fish, a winery with top quality wines from



News

SHOPPING CART FOR THE DISABLED Delta Maxi Group continued its action of supplying its retail units in Serbia with shopping carts for people with disability. Within this action 12 carts were distributed to Belgrade retail shops, five carts were given to Niš, two carts to Tempo in Novi Sad, and one cart was given to Maxi supermarkets in Subotica, Arandelovac, Vršac, Sombor, Zaječar and Vranje.



DELTA MAXI IN THE EFFORT OF ENVIRONMENTAL PROTECTION

Biodegradable bags in Serbia for the first time

DELTA MAXI HAS STARTED INTRODUCING BIODEGRADABLE PLASTIC BAGS IN ALL OF ITS RETAIL FACILITIES (MAXI, MINI MAXI, TEMPO AND TEMPO EXPRESS) WISHING TO MAKE ITS CONTRIBUTION TO THE ENVIRONMENT PRESERVATION. THIS PROJECT OF BIODEGRADABLE BAGS PROMOTED UNDER THE SLOGAN "FOR BETTER HABITS" IS A PIONEER PROJECT IN OUR COUNTRY AND YET ANOTHER PROOF THAT DELTA MAXI ACTS PROACTIVELY SINCE THIS PROJECT WAS IMPLEMENTED BEFORE THE ADOPTION OF A LAW THAT WILL REGULATE THIS AREA OF BUSINESS. ALTHOUGH PRODUCTION COSTS OF BIODEGRADABLE BAGS ARE HIGHER THAN OF THE REGULAR PLASTIC BAGS, ALL BAGS WILL CONTINUE TO BE GIVEN TO THE CUSTOMERS FREE OF CHARGE.

Rajko Mandić, director of Delta Maxi Serbia, pointed out that this project was designed as a logical continuation of the company's strategic orientation to act in a socially responsible way, particularly in the segment of environmental protection: "As the leading retail chain in the country, we are bound to get involved in solving the problem of massive use of regular plastic bags. Introduction of biodegradable bags is a way to limit long-term adverse effects of the use of regular plastic. Delta Maxi is the first retail chain in the country that introduced biodegradable bags, and we hope that others will follow our example."

The distribution process of biodegradable bags to retail facilities started on 23 March, and total replacement of regular plastic bags is planned to finish in three months. In the next phase of this project, biodegradable bags will be introduced in all Delta's retail units in markets of Montenegro and Bosnia and Herzegovina.

THERE ARE NUMEROUS ADVANTAGES OF BIODEGRADABLE BAGS, AND THE MOST IMPORTANT ONES ARE THAT THESE BAGS DEGRADE 100 TIMES FASTER THAN THE REGULAR PLASTIC BAGS – IN 4 INSTEAD OF 400 YEARS – WITHOUT ANY HAZARDOUS REMAINS, AND THAT THE END PRODUCTS OF DEGRADATION ARE MOLECULES SUSCEPTIBLE TO MICRO ORGANISMS IN THE NATURE.

Having in mind that biodegradable plastic was not manufactured at the home market up to now, the company Delta Maxi has initiated manufacture of the new bags in cooperation with the English company Symphony Environmental and six domestic manufacturers.

The most important novelty in the production of biodegradable bags is that D2W additive is added, which changes the features of regular plastic and makes it biodegradable.

"Biodegradable bags cover 30 % of the market in Great Britain. They are used by the leading retail chains, and also by publishing companies and newspapers that need plastic foils to wrap their magazines. These bags are becoming ever more popular in Spain and Portugal as well, where companies assume the expenses related with introduction of these bags, and they use this as an additional marketing", said Michael Steven, vice-president of the company Symphony Environmental Technologies PLC. He added that biodegradable bags are of the same strength and resistance as the regular ones, and that they can be thrown to the garbage, burnt and recycled.



NEW PICCADILLY FACILITIES The second Piccadilly in Plovdiv was opened in March within the commercial centre Mall Plovdiv. Three million Euros were invested in this facility, and for the occasion of inauguration Piccadilly prepared a scholarship for the best student of the University of Food Technologies in the amount of 1500 leva, while professional practice will be provided for a larger number of students.

Delta Maxi Group opened the first Piccadilly supermarket in Yambol on 10 April. This twenty-second Piccadilly is located in the shopping mall Mall Yambol. 2.1 million Euros were invested in the construction of this supermarket, and assistance was provided for the city of Yambol in form of renovation of a day nursery centre. "Development strategy for the following period covers 20 new supermarkets to be opened throughout towns of between 40,000 and 50,000 inhabitants, 50 corner-shops called Piccadilly Express and hypermarkets Piccadilly Extra with the sales space of 12,000 m²", said Aleksandar Čamparević, general manager of Piccadilly.

CONSUMERS' DAY CELEBRATED IN DELTA MAXI On the occasion of the World Day of Consumers celebrated on 15 March, Delta Maxi joined the initiative of the Ministry of Trade and Services named "Consumers' weekend", which aims at raising the awareness of all participants in the market about the importance of protecting consumers' rights. In cooperation with the leading domestic manufacturers, prices of the most sold items were lowered in all Maxi supermarkets. Traditionally, Delta Maxi organised for this day a panel discussion with consumers about safety of foodstuffs and healthy diet. Within this initiative, the Minister of Trade and Services Slobodan Milosavljević, paid a visit to the Tempo in Viline Vode and promoted the beginning of the initiative „Stop the corruption”, which was started to provide higher quality in work of the Market Inspection.

First opened



TEMPO EXPRESS IN KRUŠEVAC IS VISITED BY AROUND 3,000 CUSTOMERS ON A DAILY BASIS. OVER THE FIRST COUPLE OF DAYS FROM ITS OPENING, RECORD AMOUNTS OF CHICKEN MEAT, SUGAR, MILK, OIL, BANANAS, TUNA CANS, JUICES, ETC. WERE SOLD.

Tempo Express, the first hard-discount store in Delta Maxi's retail network, was opened at the end of April in Kruševac residential area Ujedinjene Nacije, in a place where the former Maxi supermarket was located. By introducing this new retail format – discount store that offers the consumers to buy products at lower prices throughout the year - Delta Maxi completed its retail network on the model of the leading commercial chains in the world, which now consists of hypermarkets, supermarkets, smaller shops and discount stores.

During the inauguration of this new facility Rajko Mandić, director of Delta Maxi Serbia, announced that by the end of 2009 ten more Tempo Express facilities would be opened in six towns of Serbia, namely: Belgrade, Jagodina, Šabac, Požarevac, Subotica and Kragujevac. He pointed out that having opened the new store Delta Maxi introduced an important novelty to the home market by enabling its customers to buy products at up to 50% lower prices than other trade shops on a daily basis. The concept of a hard-discount store appeared during the

fifties of the past century in the countries of West Europe as the best way to enable distribution of consumer goods at cheapest prices. The first stores of this kind were opened in former military hangars and were modestly equipped and arranged. The basic characteristic of the hard-discount store is a limited range of products with the lowest prices on the market. They most often cover an area of 1,000 to 2,000 square meters. Investments in equipping these facilities are much lower than for the standard supermarkets, which results directly in lower prices of the products sold.

Tempo Express in Kruševac covers an area of 1400 m² and has 2,500 products in its range, over 50% of which are Private Label (PL) goods manufactured in cooperation with renowned domestic and foreign manufacturers. Delta Maxi's PL products are cheaper for 15-20% in relation to the products of the same quality other domestic and foreign manufacturers. Beside PL products, Tempo Express also offers items of local and most famous domestic manufacturers.



MINIMAXI VEGETABLE & FRUIT MARKET The first specialised Mini Maxi fruit and vegetable shop was opened at the end of March in Belgrade, 11-15 Mileševska Street, near Kalenić open market. It offers more than 150 kinds of fresh fruit and vegetables and 30 products in the range of candied and dry fruits.

“MEAL OF LOVE” FOR 8 MARCH On the occasion of 8 March, representatives of Delta Maxi Banjaluka and volunteers of its partner NGO “Friendship Mosaic” gave appropriate gifts to persons in social jeopardy from Banjaluka area along with the regular Sunday lunch. The project “Meal of Love” has been carried out for five years.



DELTA MAXI GROUP ENCOURAGES REGIONAL COOPERATION Bulgarian companies Bravo, KFM, Sami-M, Mekom, Bella Bulgaria, Mesocombinat Lovec, Balkanski mlečni proizvodi, Dairy Products, Dimitar Madarov, Emil Iliev, Deroni, Belvedere, Pobeda and Sweet Products paid a two-day visit to Belgrade in organisation by Delta Maxi Group. Bulgarian entrepreneurs presented a possibility of exporting Bulgarian goods to Serbia, Montenegro, Bosnia and Herzegovina and Albania, and during the visit of sales formats they had an opportunity to learn about the way Delta Maxi Group operates in Serbia.

JOURNALISTS FROM BOSNIA AND HERZEGOVINA VISIT DELTA MAXI

At the end of February Delta Maxi Group hosted journalists from media companies of Bosnia and Herzegovina. Media representatives got to know Delta Maxi Group's business, with a particular emphasis paid to plans about investments of the company in the market of Bosnia and Herzegovina.

“Transparent presentation of business and familiarisation of journalists with the way this company operates is very important for a professional informing of consumers” guests from Bosnia and Herzegovina pointed out during their visit.

COOPERATION BETWEEN DELTA MAXI AND THE SOCIETY STARI GRAD CONTINUES

Delta Maxi has renewed its contract on permanent cooperation with the Society for Support of Mentally Challenged Persons Stari Grad. Delta Maxi will give this Society 1,200,000 dinars i.e. 100,000 dinars a month for this year as well. The single free-of-charge day centre in Belgrade will use these funds to provide meals and professional care to its beneficiaries.

GIFT PACKAGES FOR BABIES

Delta Maxi's Human Resource Sector in cooperation with its colleagues from the Category Management and with support of the suppliers has provided gift packages for all employees of Delta Maxi who had babies since the beginning of 2009, as well as for those who are expecting.

Beside equipment and cosmetics needed for the babies, parents also received educational brochures containing useful advice and information about raising and care of the babies.

JOURNALISTS VISIT THE DISTRIBUTION CENTRE IN BANJA LUKA

Delta Maxi Banjaluka presented its Distribution Centre to the press in March, whose characteristics and special technology make it a novelty on the Bosnian market. This Centre covers an area of 7,000 square meters and stores 3,500 different products.

Beside the typical storage space, this Distribution Centre also has several chambers with a temperature regime where products requiring special treatment (delicatessen, meat, fruit and vegetables) are kept.

GREAT NUMBER OF CANDIDATES FOR A JOB IN DELTA MAXI CG

Delta Maxi Group took part for the second year in a row in the Fair of HR Potentials - Career Ways in Montenegro. Interested candidates had a chance to meet the company and the positions offered in a direct contact. During this year's Career Ways 197 CVs of candidates with university and college degree were collected. Delta Maxi in Montenegro currently has 592 employees.



JUGOHEMIJA

Distributor of Teva's products

The biggest world generic pharmaceutical company Teva and Jugohemija signed an agreement on exclusive import and distribution of selected medicines from Teva's list of oncological products to Serbia.

Cooperation with this reputable world pharmaceutical company is very important not only for Jugohemija, but for the domestic system of health protection as well, because it will broaden the offer of generic oncological products at the market and facilitate important saving to the relevant

institutions in Serbia. “We are satisfied because this agreement will enable Teva to offer high-quality medicines from its wide range of products and to strengthen its position in Serbia and Southeast Europe region”, said Lee Peled-Lavi, director of Teva for the former Yugoslavia and Albania.

“Jugohemija is very proud to have the biggest generic pharmaceutical company in the world for its new business partner”, said Smiljka Mileusnić-Adžić, general manager of Jugohemija.

MEDIA BRIEFING Delta Agrar organised a briefing at the beginning of March for those media representatives that cover agricultural business with a wish to inform the broad public about what Delta Agrar system really is and about its current business operations. More than 20 journalists had an opportunity to hear presentations of the leading people in the company, general manager Dejan Jeremić and deputy general manager Milan Grgurević. The best students of the final year of the Faculty of Agriculture in Belgrade and the professors from this institution attended this briefing as special guests.

THE BEST ORCHARD PODUNAVLJE IN ČELAREVO Company Delta Agrar was honoured with the award of "Agrobusiness Leader" in fruit growing at the conference "Role of knowledge and education in raising export competitiveness of domestic products and development of agriculture" held during the 76th International Fair of Agriculture in Novi Sad. Delta Agrar was awarded for its project of orchards in its centre Podunavlje in Čelarevo, which, as explained by the expert jury, applies new technologies in apple growing and contributes to raising export competitiveness of domestic production.

This acknowledgement honoured by the Club of the Economic Journalists in cooperation with the Chamber of Commerce of Novi Sad and the Association of Agriculture Economists was received by Nikola Milićević, director of Podunavlje.

BIG CHANCE FOR THE SERBIAN AGRICULTURE

In the moment when small export is one of the biggest economic problems of Serbia, Delta Agrar sees a big chance for both agriculture and the total economy of our country in improving production of apples and other kinds of fruit and increasing export of these crops to the market of the Russian Federation. With this aim, the company has started a big initiative by starting exporting fruit by itself and inviting co-operators from Serbia and relevant governmental institutions to join this important project. The Russian market imports 1.34 million tons of apples on a yearly basis, while Serbian annual export to that country (data from 2006) amounts to 25,396 tons, which is 1.87% of the total Russian import! Russia is a huge potential for marketing apples, pears, apricots and other fruit of a good

quality, but certain issues have to be solved before that: small and unorganised production of apples in our country and/or outdated technologies and assortment.

Delta Agrar has financed organisation of own intensive production of apples. Plantation of apples was made in its property Podunavlje in Čelarevo covering 92.5 hectares, and during this year the plantation will be increased for another 25 Ha. The orchard is planted with modern cultivars of a good quality: Brookfield Gala, Braerburn Mariri Red, Golden Delicious, Red Delicious, Greeny Smith and Gold Rush. Planned yield for 2009 is 2000 tons, and the company has been granted the Global Gap Certificate for production of apples. ✂





Delta Agrar's school of modern agriculture

Confirming in practice that the future of Serbian agriculture lies in the cooperation between individual producers and big agricultural systems, Delta Agrar has started a school of modern agricultural production of its own kind supported by the broadcast "Znanje imanje". This way Delta Agrar wants to bring leading world technologies in different areas of agricultural business - which the company has already started using in its properties and which are not easily accessible to an average Serbian producer - closer to the circle of agricultural producers. The first public class was organised in the orchard Podunavlje in Čelarevo, where theoretical and practical training in apple growing was organised, and a detailed report was shown in the regular broadcast of "Znanje imanje" on Sundays on the Second Programme of the Radio Television of Serbia. Delta Agrar's school of modern agriculture will go on, and trainings in different areas of agricultural production will be organised each month. "Znanje imanje" will report on each of these trainings.

Delta Agrar established its Distribution Centre for the Russian market at the beginning of this year. The company Delta Food Moscow, which started on 1 February, has already established contacts with the leading retail chains of Russia and Belarus regarding marketing of Serbian products. First quantities of apples have already been sent to the Russian market, as well as of flour, pasta, meat and meat products.

Leaders of the company proposed measures to the Government of Serbia and the Ministry of Agriculture to improve production of apples and other kinds of fruit and enhance their export to the Russian market. The Government was suggested to stimulate individual agricultural producers to

start up fruit production through favourable agricultural credits and subsidies of seed materials.

This is cost-effective for the individual producers and good for the state, which will increase export and gain reputation of a renowned fruit producer. Delta Agrar guarantees to buy up 100% of produced apples in the following 15 years to all producers who would enter into such credit arrangement and grow apples of a good quality. It also guarantees implementation of the top world know-how in this branch of agriculture, contacts with the world manufacturers of top seed materials, as well as to introduce the best producers to the growers of the so called "club sorts of apples".

Buy, sell, travel

The action “Buy, sell, travel” organised by DelvelPro with the aim to stimulate sales and establish better loyalty of clients, finished with success. Buyers who had a determined amount of turnover in the period 01/11-31/12/2008 were given a gift - travel.

A group travelling to Dubai consisted of representatives of 25 companies. Guided by a travel guide they could enjoy sightseeing of the city, shopping centres, sandy beaches, and a special experience for them was a safari that covered jeep ride over the sand dunes, visit to a Bedouin settlement, camel

riding and a night programme with local rhythms and music. The second gift-travel to Budapest was given to representatives of 24 companies. Beside visit to the city and also to St Andrea, the strongest impression was made by the boat ride and seeing Budapest from a different perspective – from the “beautiful, blue Danube”.

The third destination, and also the most attractive one – New York, will take place during summer, and the group will be formed of representatives of 8 companies.



NEW SEGMENT OF DELTA DMD'S BUSINESS - HORECA MASTER
A specialised division HoReCa Master was founded in May this year within Delta DMD to deal with the needs of catering business and with the aim to provide the complete service to the needs of hotels, restaurants and cafes in Belgrade and other bigger towns of Serbia.

Based on a market research a package of services was created covering a range of more than 2000 products, attractive prices, goods delivery to the agreed address at the agreed time and the whole series of consulting services. The plan is to establish cooperation with 600 most important clients in this domain over the first six months, while at the end of the first year this number of clients would reach 1000.

DVP - INTERNET WHOLESALE Since online buying for professional buyers started on 1 February, more than 15% of the existing buyers of the wholesale system DelvelPro made their purchases through this service. More than 20% of buyers reoriented to this manner of good requisition in the territory of Belgrade, and further increase of share of the electronic requisition is expected in the territory of the entire Serbia.

Delta Generali Insurance



ASSISTANCE ON THE ROAD - FOR NEW QUALITY IN MOTOR VEHICLE INSURANCE Delta Generali Insurance's offer for motor vehicle insurance has been enriched with another service: insurance Assistance on the Road.

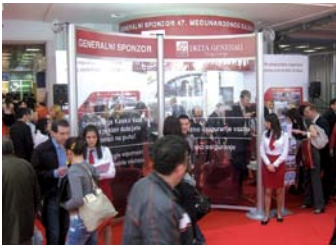
This type of insurance provides the clients rendering of various kinds of assistance in case of a vehicle malfunction, traffic or other kind of accidents (loss of keys, lack or use of a poor quality gasoline, blown or flat tires, etc.). All one has to do is to call the Contact Centre and get fast and efficient assistance.

Depending on the selected package when contracting the insurance, the clients can obtain: needed information, repair of a malfunction by sending a service vehicle to the accident site, transport of a vehicle to the nearest authorised service, removal of the vehicle from the accident site and placement to a temporary parking place, use of replacing rent-a-car vehicle, organisation of continued travel to the desired destination, hotel



accommodation and reimbursement of costs of picking up the vehicle.

GENERAL SPONSORSHIP OF THE 47TH INTERNATIONAL MOTOR SHOW At the 47th International Motor Show MSA (OICA) held in Belgrade from 27 March to 5 April, Delta Generali Insurance acted as a general sponsor under the slogan “Don't leave safety of your car to chance”. This way a successful cooperation between the company and the Belgrade Fair initiated the last year has continued. The years-long contract foresees Delta Generali Insurance to be the general sponsor of sales car exhibitions to be held in the Belgrade Fair until 2012.



FC RED STAR continues playing in Nike equipment the next three years

The Serbian football club with most trophies, Crvena Zvezda, and Delta Sport Group renewed their sponsorship agreement at the end of February, which means that Zvezda's players will continue playing in Nike equipment for the next three years. This 1.5 million euro worth contract was signed by

Goran Karić, general manager of Delta Sport Group and Dobrivoje Tanasijević, ex-president of FC Red Star. Nike's sales and sports marketing teams made a unique shirt using a special technology of colour combination with the accent placed on red. The name of the shirt is Red Star Stripe Jersey and is made of a dry-fit material.

COFFEE TASTER'S TONGUE INSURED FOR 10 MILLION

POUNDS Costa Coffee, one of the leading world's chain of coffee shops, had the tongue of its chief taster insured for 10 million pounds. The chief taster Gennar Pellicia is responsible for 108 million cups of coffee, which is the amount consumed in Costa Coffee shops all over the world in a year, to be in accordance with the highest standards. According to his words, his years-long experience enables him to distinguish several thousands of different kinds of coffee in grains. "Sensitivity of my tongue and my taste worth that much", said the owner of the precious tongue. A representative of the insurance company Lloyd's said that this was one of the highest amounts in the world allocated for insurance of an individual.



MEXX AT JACOBS FASHION

SELECTION Fashion show of the Dutch brand Mexx in Delta City atrium marked the end of the 14th Jacobs Fashion Selection. Fashion trends lovers were presented Mexx' spring collection for all ages with refreshing cocktails of Costa Coffee Frescato.

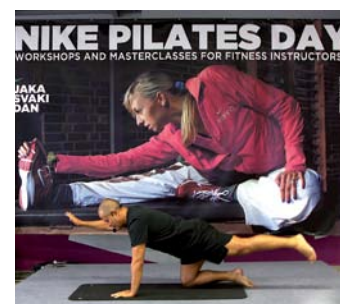
At the end of the 14th Jacobs Fashion Selection the prize ceremony took place in the hotel Admiral. Wine cellar "Aleksandrović" awarded Mexx with the prize for the best brand collection.

ALDO RACE ON HIGH HEELS

Race on high heels was held in Knez Mihajlova Street on 16 April, organised by the fashion company of footwear and accessories Aldo and Cosmopolitan magazine. Participants were to run an 80-meter long racetrack on heels at least 2 cm wide and 8 cm high. The winner of this tough competition was Milica Kojić, who ran the track in 16 seconds and won a 1000 euro voucher for shopping in Aldo stores. Women of Novi Sad also ran on high heels on 23 April, and the same event was held in Podgorica on 25 April.



NIKE VICTORY DAY Nike Victory Day was held in Belgrade on 24 March in Nike Man shop in Knez Mihajlova Street. Promoters of the campaign organised by Delta Sport were: Marko Kešelj, basketball player from Crvena Zvezda, Andrija Prlainović, water-polo player from Partizan and member of the Serbian international team, and Bojana Jovanovski tennis player. Nike Victory Day was also held in Novi Sad on 9 April in the Nike store at the Pozoristi Square, and the promoter was Danijel Aleksić, football player of Vojvodina and member of the young Serbian international team.



NIKE PILATES DAY Nike Pilates Day was held on 8 March in the Hotel Zira, with general sponsorship of Delta Sport Group and in organisation of the Fitness club Star. The latest methods in Pilates exercises were presented to the numerous ladies by Michael King, founder of the Pilates Institute in UK and one of the most famous European Pilates presenters with an experience of more than 30 years.

FIRST SPORT IMPULS STORES IN MACEDONIA, BOSNIA AND HERZEGOVINA AND NOVI SAD

Delta Sport Group opened the first Sport Impuls stores in Skopje, Macedonia (11 Oktobra bb) and in Banja Luka, Bosnia and Herzegovina (Veselina Masleše 1). Along with these, the first Sport Impuls store in Novi Sad was opened in 2 Sutjeska Street in SPENS.

Sport Impuls offers to its customers equipment of a high quality of world famous brands Nike, Lotto, Converse, Speedo, as well as specially designed trademarks Addiction, Gecco, BTW and Can You.

NEW COSTA COFFEE IN NEW BELGRADE Another coffee shop of Costa Coffee chain was opened in 11a Boulevard Milutina Milankovića (former 3rd Boulevard) in the Block 41 in New Belgrade. The name of this new coffee shop is Costa Coffee GTC Square. This is the 14th Costa Coffee shop in Serbia, and 18th in the region.



HAPPY NEW SPRING At the initiative and with coordination of Delta Humanitarian Foundation and the donor assistance of Delta Sport, the Theatre Dečja Zemlja has started implementation of an author project “Happy New Spring”. In the first phase of the project the theatre will be the guest of 12 homes for children deprived of parental care and it will create a show “This hand travels...” together with children. School, love, family, friend, play, fear, loneliness and happiness are only some of the subjects of the play for which children and actors will together make scene and costumes out of available elements. Actors Boda Ninković, Marija Veljković and Jovica Tišma will encourage children not only to take part in the play, but also to write and draw their thoughts and feelings regarding these subjects. A book will be made ... “to shake hands with you” containing the most successful pieces of work.

These gatherings with children in homes last from the end of April to the beginning of June 2009.



Third parent

Delta Humanitarian Foundation had a series of actions in the previous period within a project of assistance to children deprived of parental care “Delta, the third parent”.

In a joint donation of Delta Sport, Delta Maxi and Delta Fashion, old and weakened doors in the bathrooms were replaced and one photocopier was donated to the Home for Children Deprived of Parental Care “Jefimija” in Kruševac. This action was initiated and carried out on the occasion of one year of work of Delta Humanitarian Foundation.

The Home for Children Deprived of Parental Care in Čuprija was donated with needed

refrigerator and kitchen cabinets that will enable the children in this home to have supper even when the main kitchen of the home is closed.

Thanks to the action “New Year’s greeting cards for a child’s smile”, in which all members of Delta Holding took part, assistance was given to six homes for children deprived of parental care in Serbia: “Kolevka” in Subotica, “Miroslav Mika Antić” in Sombor, “Spomenak” in Pančevo, “Drinka Pavlović” in Belgrade, “Dragutin Filipović Jusa” in Belgrade and “Jovan Jovanović Zmaj” in Belgrade. These homes were given a donation based on a list of their needs.

Delta Fashion



ACCESSORIZE AND SERGENT MAJOR IN KRAGUJEVAC
Delta Fashion opened two retail units in Kragujevac, in Kralja Aleksandra I Karađorđevića Street: “chic boutique” Accessorize and shop of the French fashion trademark for children Sergent Major.

Peter Ridler, the international director of Monsoon Accessorize, awarded Delta Fashion with the acknowledgement “Best new partner” at the annual conference of that company.



FIRST MONSOON LADIES SHOP OPENED IN BELGRADE
The first Monsoon Ladies shop in Belgrade was opened in 19 Knez Mihajlova Street. This shop offers women’s clothes for spring-summer 2009, evening and everyday dresses, prom dresses, wedding programme and wide range of accessories. Delta Fashion also opened a new retail unit for the youngest population - Monsoon Children in Delta City in mid-April.



Introduction of SAP

The second part of the project of introducing HR SAP within Delta M Group started in May this year and refers to submodules of human resource selection, training and event management and human resource development (assessment, career and inheritance planning, development plans). Implementation and integration of these components provide fast and efficient human resource development, starting from the phase of selection of candidates for employment. Data in SAP is transparent and as such it is a great base for business monitoring, reporting and decision making.

As a reminder, introduction of HR SAP in Delta M Group started at the end of May 2008 in totally 60 legal entities. The size of the system, diversity of business and functions and the number of employees made introduction of HR SAP system very complex and challenging. Beside the consulting company B4B all HR departments and IT Sector of Delta M Group took part in this project. Human resource management in SAP implies a comprehensive administration and analysis of employees, their work cycle, engagement and movement through the system. The first part of the project has already been implemented and it refers to submodules of HR administration, organisational management as the base for setting up organisational structures of the company, time management and creation of an interface to transfer data necessary for wage calculations from SAP into local software. New systematizations have been made for all legal entities, as well as job descriptions and a common task catalogue with more than 2000 descriptions. The entire HR documentation is now contained in one database (solutions, decisions, contracts, etc.). More than 130 different templates have been created and set up within this new system together with parameterisation of legal regulations according to the needs of each legal entity. Further, reporting and monitoring of employees' movement within the group have been facilitated. More than 19,300 new contracts and annexes to the contracts on employment have been produced.



CHILDREN'S GAME "HEALTH COMES IN THROUGH MOUTH"

Delta Maxi gave a social game "Health comes in through mouth" to all Belgrade day nurseries within a project of the same name which aims at promoting healthy styles in diet of children and adolescents and obesity prevention. This project was implemented in cooperation with the Society of Paediatricians of Serbia.

The second generation of young talents

The second generation of participants in the programme Young Talents was presented on 9 March in the premises of Delta Holding. As it was the case with the previous generation, this programme is designed for Delta M Group's employees not older than 30 whose potentials for managerial roles in the future were recognised. Additionally, the trainees need to have visible results in their work and to show ambition to continuous education and development. Ten trainees will go through this year's programme.



YOUNG TALENTS

Dragan Miladinović, Delta Maxi:

"I began my work in Delta in 2005. I have been acquiring different knowledge and skills through different positions and trainings. Participation in this programme is continuation of a good practice of this company to invest in development of its employees. As one of the participants in this programme, I am pleased to have an opportunity to develop additionally and so contribute to my own personal development and the company's development as well."

YOUNG TALENTS

Maja Verlašević, DelVel-Pro: "I have been working in Delta since December 2005, and this is my first work experience. So far in my work I have been given an opportunity for continuous learning and advancing. I think that the programme for young talents is a great challenge and an ideal opportunity to learn not only about our abilities but our weaknesses as well. I expect from this programme to enable us to contribute to the further development of our company and to round up one more segment of our personal development."





Better service lower prices

The Continental Hotel Belgrade signed an agreement with the Universiade 2009 thus becoming the official hotel of the biggest sports manifestation of this year. This was a reason for a group of journalists from Belgrade editorial offices to visit the hotel on 2 April and meet its new management. “Leading people from organisation of the Universiade 2009 will stay at the hotel, as well as members of the International University Sports Federation – FISU and important guests from abroad”, said Živorad Vasić, director of the Continental, in his talks with media representatives.

The journalists were presented a new business philosophy of the hotel the motto of which is “Value for money”. Within this philosophy guests are offered new services of a higher quality at much lower prices.

“Belgrade hotels are quite more expensive in comparison with other hotels in the region. It is time to offer lower prices and not to charge separately for additional services”, director Vasić pointed out.

The Continental Hotel Belgrade is the first hotel in Serbia that has given its guests a possibility of paying for the services online with their payment cards through the following website:

WWW.CONTINENTALHOTELBEOGRAD.COM



Corporate communication



PHOTO NEWS

Vice-president of Delta Holding, Milka Forcan held a lecture at the Faculty of Economics of the University of Niš on 28 April on the subject “Corporate communications”. Before the full amphitheatre, Milka Forcan talked about segments of corporate communication: media relations, socially responsible business and international communication. She held this lecture upon invitation by the Student Organisation of the Faculty of Economics in Niš.

Delta Automoto at the Motor Show



The star of the stand was the latest Honda's hybrid model Insight, which is expected to bring this "clean" technology closer to the wider circle of buyers thanks to its exquisite performances and accessible prices.



MISS MOTOR SHOW

Successful support to the famous Italian design was also given by the hostesses from FIAT Group stands. The title of the Miss Motor Show was won by Katarina Barać, who presented the vehicle Lancia Delta, while the first runner-up was Zorana Katnić from FIAT Professional stand.

Honda's appearance at this year's motor show was marked by two events: handing over of the ISO certificate and of the award "Successful promotional appearance". Delta Automoto Honda is the first car company in Serbia with a quality management system certified according to the latest standard ISO 9001:2008. Accreditation authority – SGS assessed in mid-February that Delta Automoto Honda has established management system in conformity with the requirements of this standard. It was established that this company became able to systematically fulfil certain requirements within import, distribution and retail sale of vehicles and spare parts and vehicle maintenance.



At this year's Motor Show Honda also received the award "Successful promotional appearance" given by the Association of Economic Propagandists of Serbia. By selecting natural materials for its exhibition space, Delta Automoto pointed to the importance of preserving the nature to the visitors.

FIAT Group exhibited vehicles from its passenger and commercial programmes at the 47th International Motor Show. Visitors had an opportunity to see FIAT 500 convertible for the first time in Serbia, which was presented immediately after the Motor Show in Geneva. A new model MiTo was exhibited at the stand of Alfa Romeo, while Lancia launched the model Delta at its stand.

Visitors showed great interest in Punto Classic, the official sale of which started just before the Show by contract signing between Delta Automoto and Fiat Automobili Srbija on distribution of FIAT Punto Classic vehicles. Qualities of the new Punto Classic were also presented to the President of Serbia Boris Tadić.

