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TLM employees are guaranteed a better perspective on the market

Sold 107 million euros shall be invested in the company Tvornica lakih metala

Local Consortium has become a new owner of TLM

The new owner is committed to keep all 1,400 workers employed for a three year period. Besides, the owner assumed an obligation to rehabilitate an electrolysis plant

The Croatian Government approved yesterday to a Sales Contract, according to which the Croatian Consortium shall become the majority owner of the company Tvornica lakih metala (TLM) from Šibenik.

According to the contract, the Consortium that is made up of Croatian companies Konstruktor-inženjering, Zagrebmontaža, Dalekovod, Aluflexpack and Feal from Široki Brijeg- shall, as a new owner, commit itself to keep all 1,400 workers employed and to invest 107 million euros in TLM in total.

The Prime Minister **Ivo Sanader** expressed his satisfaction that the Government and the Trade Unions of TLM have reached an agreement with the Consortium that the workers shall be kept employed for a three year period instead of a two year period as mentioned in the earlier Contract.

“These are excellent news for both the employees of TLM and for the industry in the whole”, said Sanader, being confident that the contract shall ensure TLM a strong and clear perspective on the market.

The Vice President of the Government Damir Polančec said that it took a long time to finalize privatization of TLM, mostly due to pending property issues on particular building plots. He added that the above has been solved now in a proper way.

The representative of the Consortium signed yesterday a Contract on Sale and Transfer of Shares of TLM with the representatives of the Croatian Privatization Fund. The Consortium members bought 80 percent of TLM shares for one kuna only. Beside the obligation to maintain all workplaces they also assumed an obligation to ensure substitute guarantees for government guarantees to the value of ten million euros.

From total anticipated 107 million euros of investment in TLM, ca 34.5 million euros shall be invested in the first year. In this way, argues Polančec, TIM would become the biggest investment project in the Šibenik area.

The new owner is liable to continue the core activity of the company, esp. with regard to the rolling mill and manufacture of aluminium sections. Further, the owner also assumed

a responsibility to rehabilitate the electrolysis plant and the contaminated land around the plant.

Polančec emphasized that there was no chance of encumbering the estate or shares of TLM within one year period from signing the Contract.