



Registered name: Akcionarsko društvo "Tigar" Pirot (Joint-Stock Company Tigar AD Pirot, hereinafter referred to as Tigar, Tigar AD, the Company, and the Holding Company)	Registered address: Nikole Pašića 213, 18300 Pirot
Corporate ID number: 07187769	Fiscal ID number: 100358298
Web site address: www.tigar.com	Incorporation certificate: Registration file no. 1-1087
Core activity: Holdings	Number of employees at 31/12/2008: 2,127
Number of shareholders at 31/12/2008: 4,830	Capital at 31/12/2008: (K RSD) 2,736,793
Total assets at 31/12/2008: (K RSD) 4,079,756	Capitalization at 31/12/2008: (K RSD) 860,948.46

Last year, Tigar made the most significant investments in its non-tire business segments in Tigar's history. After the General Assembly of Shareholders, at its February 2008 meeting, approved the gradual exit of the company from its tire business by the end of 2010, extensive investments were made with the aim of further developing Tigar's other industrial capacities and its commercial network, based on a carefully-devised investment and business plan for the same period of time. Industrial investments were heaviest at the 16-ha Tigar III location, where the Tigar Corporation is now concentrating all of its wholly-owned industrial capacities. During 2008, this site was substantially developed, with new construction, landscaping, roads, and heating, power supply, water supply, wastewater disposal, telephone and I/T networks. A new footwear factory was built and put into operation. A new technical rubber goods factory, which will also be manufacturing products made from recycled rubber, was partially completed and is scheduled to be put into full operation by mid-2009.

The total amount of investments for completed activities was RSD billion 1.2. Following the commissioning of its new facilities, Tigar's footwear factory became the leading European manufacturer of rubber safety, sports, fashion, and general-purpose footwear. These products are valuable and generally one-of-a-kind. At present, Tigar's European competition is segmented, uses obsolete equipment and technologies, and is faced with high labor costs since most Central and Eastern European countries have joined the EU. Additionally, manufacturing levels are declining in the Far East following a downward trend in the exchange of goods between the Far East and Europe. These events have created extensive export opportunities for Tigar's footwear factory.

At its new industrial location, Tigar's technical rubber goods factory will be operating under a restructured manufacturing program, which will include the manufacture of products for the construction and mining industries, and for the military and the transportation infrastructure. This factory's new machinery and equipment will ensure high productivity and will use fewer raw materials. Product lines requiring substantial raw materials will be discontinued. The new location will also contain a plant which will manufacture high-demand products made from recycled-rubber, including artificial turf, sport court flooring, and overlays for public areas and playgrounds. Recycled rubber itself is in high demand.



Tigar's domestic automotive service network, the only network of its kind in Serbia, uses leading-edge equipment. Tigar plans to expand this network, and to open specialty stores for all types of footwear. This is expected to considerably increase sales levels overall, and particularly sales levels for footwear products.

In 2008, the holding company covered all losses incurred by its subsidiaries prior to 2008 and took steps to consolidate their financial positions. The aim of these measures was to provide the subsidiaries with a fresh start in 2009, a year which is expected to be extremely challenging. Particular liquidity problem. Liquidity was of particular concern and was the focal point of the overall effort. All of Tigar's domestic and international subsidiaries reported profits in 2008, except for Tigar's hotel and export-import businesses. A study has been prepared assessing the feasibility of a comprehensive restructuring of the hotel. The decision was made to discontinue operations at Tigar Export-Import, and Tigar Trgovine, at the end of 2008; all assets, rights and obligations of these subsidiaries were assumed by a newly-incorporated subsidiary, Tigar Trade. Tigar Trade will cover Tigar Export-Import's losses.

The holding company reported an income of 1.35 billion Dinars in 2008, a before-tax profit of 211 million Dinars, and an after-tax profit of 168 million Dinars.

Tigar's consolidated financial statements, which provide an objective reflection of its overall financial standing because they include the results of all its businesses upon elimination of internal relationships, will be available by the end of March. The Board of Directors has convened a meeting for 20 April 2009, at which it will review the consolidated statements and the annual report of the holding company, based on reports submitted by the corporate management team and auditors - Deloitte d.o.o. At this meeting, the Board will convene the annual General Assembly of Shareholders and propose to the General Assembly that it adopt Tigar's financial statements, approve the recommended distribution of profits, and elect the corporate Board of Directors. The tentative date for this session of the General Assembly is 6 June 2009.

Jelena Petkovic

Executive Director



ATTACHMENT 1: KEY FINANCIAL INDICATORS FOR DOMESTIC SUBSIDIARIES

INCOME STATEMENT for January - December 2008 in thousand dinars	TIGAR RUBBER FOOTWEAR	TIGAR RUBBER TECHNICAL GOODS	TIGAR CHEMICAL PRODUCTS	TIGAR DOMESTIC TRADE NETWORK	TIGAR EXPORT IMPORT	TIGAR BUSINESS SERVICES	TIGAR SAFETY WORKSHOP	TIGAR TOURS	TIGAR MOUNTAIN HOUSE HOTEL	TIGAR INCON	TIGAR SECURITY	TIGAR INTER RISK	FREE ZONE	PI CHANELL	SPORTS HALL	TIGAR AD PARENT COMPANY
OPERATING INCOME	1.277.240	445.143	476.958	949.668	903.935	367.217	53.952	5.836	17.412	367.778	72.399	4.454	63.930	17.549	1.198	1.357.172
OPERATING EXPENSES	1.182.605	425.361	231.589	931.418	898.726	352.694	45.481	5.530	26.339	355.344	68.623	4.376	59.007	17.491	1.200	1.210.749
FINANCE INCOME	19.710	3.212	3.833	3.436	5.464	4.500	204	80	7	413	6	157	4.206	50	2	262.757
FINANCE EXPENSES	76.354	17.907	20.213	18.143	9.469	13.803	103	27	165	1.868			591	60		198.143
PROFIT/LOSS BEFORE TAXATION	37.991	5.087	228.989	3.543	1.204	5.220	8.572	359	-9.084	10.979	3.782	235	8.538	48		211.037
INCOME TAXES																
Current tax expense	1.020	292	24.694	258	18.749	230	264	50		443	125	25	367			41.133
Deferred Income tax expense	2.316	209	160	104		177			1	280			55			1.801
Deferred Income tax revenue					16		16	6			35	1				
NET PROFIT/LOSS	34.655	4.586	204.135	3.181	-17.529	4.813	8.324	315	-9.085	10.256	3.692	211	8.116	48		168.103

* Comment: Those data are shown consistent MRS1.

Balance Sheet as of 31.Dec-08 in thousands of Dinars	TIGAR RUBBER FOOTWEAR	TIGAR RUBBER TECHNICAL GOODS	TIGAR CHEMICAL PRODUCTS	TIGAR DOMESTIC TRADE NETWORK	TIGAR EXPORT IMPORT	TIGAR BUSINESS SERVICES	TIGAR SAFETY WORKSHOP	TIGAR TOURS	TIGAR MOUNTAIN HOUSE HOTEL	TIGAR INCON	TIGAR SECURITY	TIGAR INTER RISK	FREE ZONE	PI CHANELL	SPORTS HALL	TIGAR AD PARENT COMPANY
Assets																
Non-current assets	1.171.806	96.364	13.568	272.367	2.006	145.023	17.614	7.447	83.885	26.352	9.003	23	119.913	1.936	14.699	3.184.443
Current assets	922.422	327.351	362.156	655.952	578.507	87.360	13.795	5.612	3.320	86.701	19.755	3.399	30.665	4.483	244	894.658
Deferred tax assets		556	595				26		53		121		23			655
Loss above capital					18.364											
Total assets	2.094.228	424.271	376.319	928.319	598.877	232.383	31.435	13.059	87.258	113.053	28.879	3.422	150.601	6.419	14.943	4.079.756
Off balance sheet assets													23.000			
Equity and liabilities																
Equity	817.610	174.416	110.263	202.715		100.718	5.480	9.242	72.056	39.717	15.662	1.368	134.045	3.591	14.802	2.736.793
Non-current liabilities	477.782	12.405	2.101	8.510	628	38.275	2.244	367	406	7.237	1.805	195	2.160			206.127
Current liabilities	797.387	237.450	263.955	716.284	598.228	93.021	23.711	3.430	14.796	65.629	11.412	1.857	14.396	2.788	141	1.136.836
Deferred tax liabilities	1.449			810	21	369		20		470		2		40		
Total equity and liabilities	2.094.228	424.271	376.319	928.319	598.877	232.383	31.435	13.059	87.258	113.053	28.879	3.422	150.601	6.419	14.943	4.079.756
Off balance sheet liabilities													23.000			



ATTACHMENT 2: KEY FINANCIAL INDICATORS FOR INTERNATIONAL SUBSIDIARIES

INCOME STATEMENT for january - december 2008 in thousand dinars	TIGAR MONTENEGRO U 000 EUR	TIGAR PARTNER U 000 DENARA	TIGAR TRADE U 000 KM	TIGAR AMERICAS U 000 USD	TIGAR EUROPE U 000 UK £
OPERATING INCOME	948	58.817	4.115	637	13.995
OPERATING EXPENSES	886	56.693	3.967	616	12.793
FINANCE INCOME		66	0	0	132
FINANCE EXPENSES	0	245	28		612
PROFIT/LOSS BEFORE TAXATION	62	1.945	120	21	722
INCOME TAXES					
Current tax expense	6	261	12		222
Deferred Income tax expense					
Deferred Income tax revenue					
NET PROFIT/LOSS	56	1.684	108	21	499

* Comment: Those data are shown consistent MRS1.

Balance Sheet as of 31.Dec-08 in thousands of Dinars	TIGAR MONTENEGRO U 000 EUR	TIGAR PARTNER U 000 DENARA	TIGAR TRADE U 000 KM	TIGAR AMERICAS U 000 USD	TIGAR EUROPE U 000 UK £
Assets					
Non-current assets	4	1.162	272	2	9
Current assets	255	43.004	2.216	237	5.193
Deferred tax assets				254	
Loss above capital					
Total assets	259	44.165	2.488	493	5.201
Equity and liabilities					
Equity	100	17.922	466	459	3.124
Non-current liabilities			15		
Current liabilities	159	26.243	2.008	34	2.077
Deferred tax liabilities					
Total equity and liabilities	259	44.165	2.488	493	5.201