



Pursuant to Article 5 of the Securities Commission's Rulebook on Public Company Reporting and Notification of Possession of Voting Shares, the management of the Joint-Stock Company Tigar Pirot hereby releases a:

S T A T E M E N T
CONCERNING THE 2ND SEMESTER 2008 BUSINESS PLAN OF THE JOINT-STOCK COMPANY
TIGAR PIROT, WHOSE STOCK IS TRADED IN THE REGULATED MARKET

1. Registered name, web site address, e-mail address, and other general information:

Registered name: Akcionarsko društvo "Tigar" Pirot (Joint-Stock Company Tigar Pirot, hereinafter referred to as Tigar AD, the Holding Company or the Company)	Registered address: Nikole Pašića 213, 18300 Pirot
Corporate ID number: 07187769	Fiscal ID number: 100358298
Web site address: www.tigar.com	Incorporation certificate: Registry file no. 1-1087
Business activity: Holdings	Number of employees: 2,137 at 30/9/2008
Number of shareholders: 4,835 at 30/9/2008	Capital: 2,971,108 (000 RSD) at 30/9/2008
Assets: 4,060,320 (000 RSD) at 30/9/2008	Capitalization: 1,615,352 (000 RSD) at 30/9/2008

2. Chairperson and members of the Board of Directors (full names)

CHAIRMAN: Dragan Nikolić

MEMBERS: Živko Mitrović, Tihomir Nenadić, Vladimir Nikolić, Ljubiša Nikolovski, Jose Alexandre F. da Costa, Jelena Petković, Slobodan Sotirov, Milivoje Nikolić

General information about the Company's 1st semester performance, including all important material events and transactions completed as of the date of this release, which have a significant effect on the Company's standing, success, and cash flow

Tigar AD's 2008 Business Plan addresses the business operations of the Holding Company and its 17 subsidiaries, three affiliates and one agency. Tigar AD's Board of Directors adopted an amendment to the Business Plan at its meeting held on 14 April 2008.

Initial assumptions of the Business Plan: annual inflation 6%, average RSD/EUR exchange rate 89.18, RSD/EUR exchange rate 91.85 at 31 December 2008.

Significant material events during the 1st semester of 2008:

- A resolution was passed at an extraordinary Shareholder's Meeting which approved the sale of Tigar AD's 30% stake in Tigar Tyres, in three equal installments between July 2008 and February 2010 in the aggregate amount of 18.6 million euros, and the sale of land at the Tigar 2 location in the amount of roughly 7 million euros.
- Tigar's footwear factory, at its former location, was shut down in June 2008.
- Intensive investment activities continued at the Tigar 3 location.
- Preliminaries were completed for the execution of long-term loan agreements whose proceeds will be used to finance Tigar's footwear project and technical rubber goods/recycling project.



- A contract was awarded for the supply of leading-edge accounting, finance, production, sales, and inventory management and monitoring software and BSC, for the Holding Company and its major subsidiaries. This software will be fully implemented before the end of 2008.
- A joint corporate governance refinement project was completed with the IFC.
- Tigar was recognized by the Serbian Chamber of Economy as the most socially-responsible Serbian company in 2007.
- At the end of June, preparations were initiated for the implementation of projects with international consultants in the following areas: further upgrading of Tigar's sales network, integration of logistics, and development of tourism within the scope of Tigar's facilities and resources on Mt. Stara Planina.
- Tigar's annual Shareholders' Meeting was held in June 2008, at which resolutions concerning the adoption of Tigar AD's 2007 Annual Report and Financial Report, the distribution of dividends, and the election of the Board of Directors were passed.

1st Semester planned and actual results in thousands of dinars, by line of business

January-June 2008. 000 RSD	Tigar ad		Subsidiary companies		Consolidated result
	Plan	Actual	Plan	Actual	Actual
INCOME	726.576	796.450	4.237.529	2.980.544	2.635.941
EXPENSES	561.860	537.282	3.992.749	2.898.816	1.993.485
NET RESULT	137.821	259.168	193.587	68.507	635.220

Significant material events between June 2008 and the end of 2008

- In September 2008, Tigar's new rubber footwear plant was put into operation at the Tigar 3 location, immediately following commissioning of a new power station and new underground and above-ground infrastructures. The new footwear plant is the best-equipped and highest-capacity plant of its kind in Europe. At the time of writing, this investment project is 85% complete; the remainder, including installation and commissioning of several outstanding production lines, is scheduled for June 2009 at the latest. The new equipment is computerized and will allow for considerable raw material saving. As such, it is expected to significantly boost profitability. One month after it was put into operation, the new plant reached BP production levels.
- A Senior Loan Agreement and a Sponsor Support Agreement were signed by and between Tigar AD, Tigar AD's subsidiary Tigar Footwear, and the German financial organization DEG - Deutsche Investitions- und entwicklungsgesellschaft MBH. The proceeds of this loan will be used to finance the opening of the new footwear factory, the introduction of new, highly-sophisticated footwear products, the development of current footwear products, the purchase and development of new footwear brand names, and development of the footwear market. DEG is participating in this project through a long-term (7 year) capital loan. The implementation of the agreements is under way.
- In August 2008, a Business and Asset Purchase Agreement and a Deed of Assignment of Intellectual Property were executed by and between Tigar Footwear and the Scottish Company Hunter Boot Limited, concerning the acquisition of manufacturing, sale and distribution rights in connection with safety, fire-fighting, forestry and work boots under the „Century“, „Forester“ and „Firefighter“ brand names. This transaction also included the purchase of appropriate equipment and lasts.



- The Board of Directors adopted a new approach to the organization of Tigar's commercial activities, with the goal of setting up a common purchasing, sales and logistic function and defining sales channels by sales segment. The implementation of this new concept is expected to be approved by the Board of Directors at its December meeting.
- A new tourism development concept, which is currently being addressed, includes the development of Tigar's hotel capacities and all appurtenant facilities required for an up-to-date tourist offering. It also includes the development of resources in connection with Corridor X and Pirot as a tourist destination. The proposed concept will be submitted to the Board of Directors for approval.
- Income from capital gain in 2008, which for the most part originated from a portion of the transaction with the Michelin Group realized in 2008, resulted in cash infusions which were the main sources of funding for corporate investment activities. This transaction will be completed by February 2010, at which time Tigar AD will exit the tire business. According to binding agreements, the aggregate outstanding proceeds of the transaction are in the order of 15 million euros.
- During the entire period, and particularly since June 2008, the Company was faced with a considerable decline in its stock prices and a relatively low stock liquidity, which were solely a result of the global (and regional) capital market crisis that has spared neither the Serbian capital market nor the stock of Serbian companies. The Board of Directors will undertake measures within the scope of its powers to increase stock liquidity. However, these measures will hinder neither corporate investments nor normal operations, which are the key interests of both Tigar and its shareholders.
- In November 2008, the Company intends to mark the opening of its new footwear plant and to intensify activities in connection with the construction of its new technical rubber goods plant.

Financial projections through the end of 2008, in thousands of dinars by line of business

July-December 2008 000 RSD	Tigar ad	Subsidiary companies
	Plan	Plan
INCOME	644.250	4.293.907
EXPENSES	271.047	3.868.993
NET RESULT	346.307	378.926

The Board of Directors will adopt Tigar's 2009-2011 Business Plan in December 2008.

s. Jelena Petković
Executive Director for
Corporate Management

s. Dragan Nikolić
Executive Board Chairman