



**BUSINESS REPORT
FOR THE PERIOD JANUARY- MARCH 2015**

Document Reference

IZ.P. 15/01

**BUSINESS REPORT
FOR THE PERIOD
JANUARY – MARCH 2015.**

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Key words: TIGAR, REPORT, BUSINESS, MARCH 2015.		Document Reference
		IZ.P.15/01
Date: 2015-05-13	Author: Nebojsa Djenadic	Approved by: Nebojša Petrović



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ASSESSMENT OF THE PERFORMANCE IN THE PERIOD JANUARY-MARCH 2015

According to the data of the Republic Bureau of Statistics, the gross domestic product at constant prices (flash estimate) in the first quarter of 2015 recorded a decrease of 1.9% compared to the same period last year. Trends that are present on our market for many years due to difficult legacy, continue to be significantly reflected in the purchasing power of citizens. On the other hand, evaluation of operations in the period January-March 2015 was strongly influenced by the situation in which the company is for a longer period of time, but in conditions that characterize the local economy in general.

Production in Tigar ad in the period January-March 2015 recorded a growth compared to the same period last year of 103% in the field of production of rubber footwear in tons, or an increase of 147% when speaking of the production in pairs. Production of TRTG and Chemical Products decreased by 5% compared to the previous year. The decline refers to the share of production intended for the domestic market. Total external sales of Tigar's program since the beginning of the year stood at 470.714 thousand dinars, of which 73% was achieved in exports and is higher by 27% compared to the previous year. The sale of the Tigar Rubber Footwear program increased by 36%. Consolidated operating income has recorded a growth compared to the same period last year by 24%. The most significant business indicators such as EBIT and EBITDA are continuing with the trend of stabilization of business operations in 2015. The operating profit (EBIT) in the first quarter was recorded in the amount of RSD 25,488 thousand while in the first quarter of last year was reported operating loss of RSD 83.380 thousand. Operating profit before depreciation (EBITDA) amounted to RSD 76.054 thousand and in the first quarter of last year was recorded an operating loss before amortization in the amount of RSD 30,302 thousand. The growth trend indicates stabilization of business operations.

We especially emphasize the fact that in the first quarter of 2015, Tigar ad has continued its operations without any additional borrowing.

In order to overcome the problems that the company has faced, all in order to stabilize the business and the continuous growth of production and sales, there was continued the implementation of control measures of operating expenses at both the parent company and subsidiaries.

To overcome the problem in business, the biggest creditors, ie. banks, proposed the launching of the procedure of submitting the Prepackaged Plan of Reorganization in early 2014. The Supervisory Board of Tigar AD made a decision on convening the Extraordinary General Assembly on 14 April 2014, at which a decision was made on filing the petition process through reorganization, with the prepackaged plan of reorganization.

The Prepackaged Plan of Reorganization for Tigar AD and Tigar Rubber Footwear was submitted to the Commercial Court in Nis on 29.05.2014. The voting on which the plan was adopted by the majority of creditors was held on 18.09.2014 (Tigar AD) and on 23.09.2014 (Tigar Rubber Footwear). As for Tigar Rubber Footwear's plan, there were no appeals so that it became valid before the court on 26.11.2014 and the beginning of its implementation begun on 11.12.2014. Repayment toward direct creditors of Tigar Rubber Footwear began on 11.01.2015. and such payments have been regularly effected each month during the first quarter of 2015.

When speaking of the approved plan for Tigar AD Pirot, in September 2014 Privredna Banka Beograd in bankruptcy has made an appeal and the decision of the Commercial Court of Appeals in Belgrade 31.12.2014 therefore ordered the correction of the plan. The correction of the plan has been done and the revised text of the Prepackaged Plan of Reorganization was submitted to the Court on 20.02.2015. At a hearing held in the Commercial Court in Nis on 07.04.2015, by a majority of creditors has adopted the Prepackaged Plan of Reorganization for Tigar AD. We're now expecting its finality.



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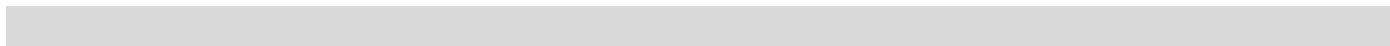
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In the reporting period the company's management has continued with the constant communication with the largest owners and representatives of the government of the Republic of Serbia, as the largest individual shareholder, in order to achieve consensus on the key decisions for the company.

CHAIRMAN OF SUPERVISORY BOARD OF TIGAR A.D.

NEBOJŠA PETROVIĆ





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1. INTRODUCTION

1.1. GENERAL

Registered name: Akcionarsko društvo "Tigar" Pirot

(Joint-Stock Company Tigar Pirot, hereinafter also referred to as Tigar, the Company, and the Holding)

Corporate ID: 07187769

Web site: www.tigar.com

Core activity: 6420 - Holdings

Number of shareholders: 31/03/2015 4,490

Assets: 31/03/2015 (000 din)5,225,579

Registered address: Nikole Pašića 213, 18300 Pirot, Serbia

Tax ID: 100358298

Certificate of incorporation: Registry File 1-1087

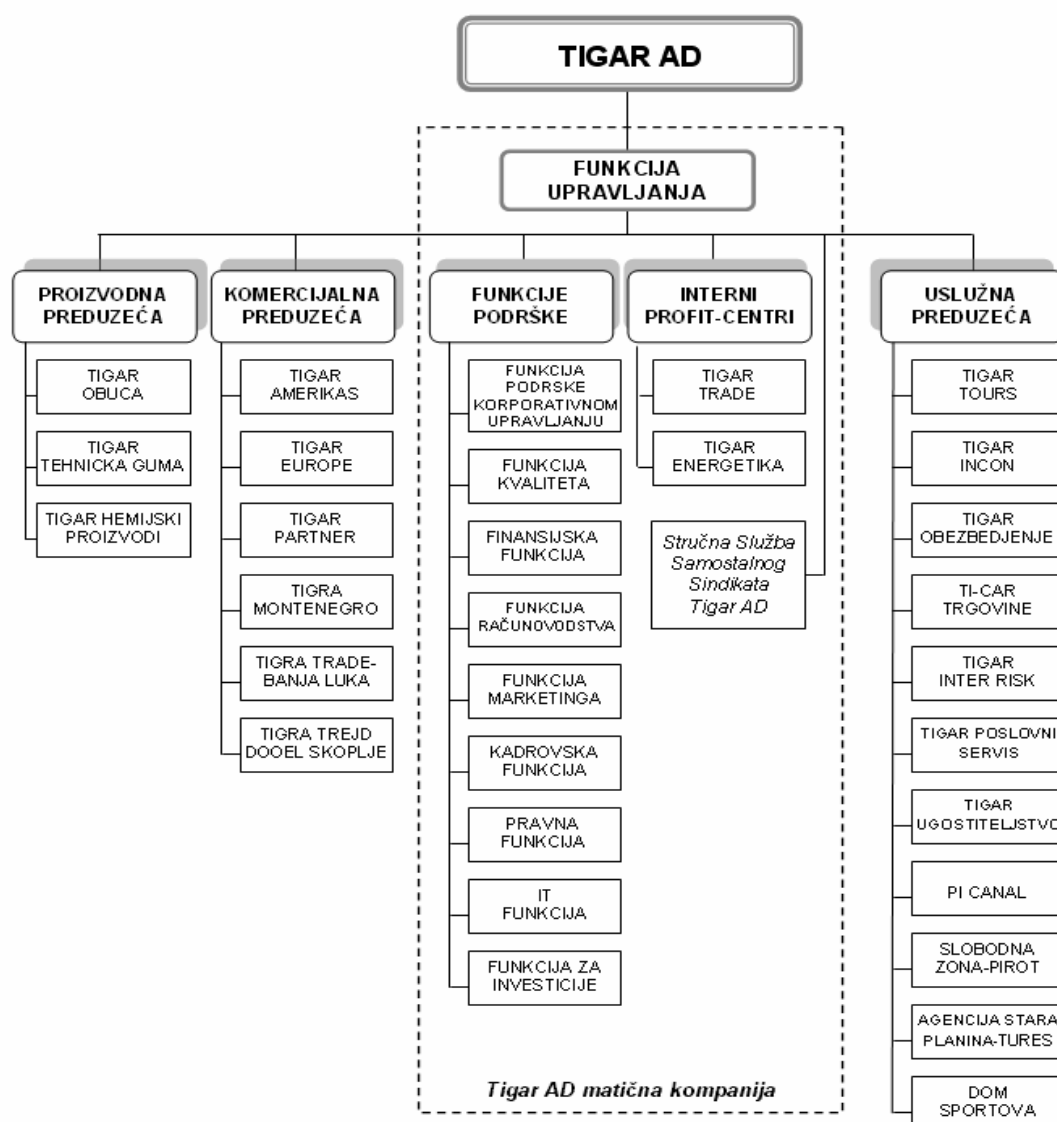
Number of employees: 31/03/2015 1,618

Capital: 31/03/2015 (000 rsd) 0

Capitalization: 31 /03/2015 (000 rsd) 149,506

1.2. CORPORATE STRUCTURE

On the day of writing this report, the corporate structure of the corporation looks like it is given in the graphic below:





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1.3. INVESTMENTS

During the reporting period (first quarter of 2015), the investment status was as follows:

In '000 RSD	Purchases of fixed assets and intangible investments
	January-March 2015
Tigar Technical Rubber Goods	0
Tigar Chemical products	0
Tigar Rubber Footwear	24
Service entities	1,611
Tigar a.d.	0
Total	1,635

The process of financial consolidation and efforts to meet the requirements of customers and market conditions without any borrowing inevitably affected the possible level of investment.

Investments were adequate to realistic needs and capabilities of Tigar's business system in a given period, so they relate primarily to the necessary maintenance of production equipment and servicing of existing computer equipment and telephone exchange central at Tigar AD

In the part of service entities were carried out repairs of the hotel StarA and there was acquired equipment necessary for the regular conduct of jobs.

Investment in further development are necessary but they will be strictly selected and will be aimed primarily towards the rationalization of business activities and investment in expanding of the market potential.

2. PRODUCTION LEVELS AND SALES OF GOODS AND SERVICES

2.1. BREAKDOWN OF PRODUCTION AND SALES

Structure of production and sales program in the first quarter of 2015 was as given below:

Rubber Footwear Program

Tigar Footwear's product lines currently include the following product groups:

- Safety footwear*
 - *Work boots*
 - *Sports footwear*
 - *Fashion footwear*
 - *Children's footwear*
 - *Low footwear*

Rubber footwear encompasses a wide range of products for diverse uses, which are made in a large number of standardized styles in accordance with defined environmental standards to ensure minimal pollution of the workplace and the environment at the end of their life cycle.



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The quality and characteristics of raw materials and the quality of the final product are defined by stringent technical & technological specifications consistent with international standards and specific requirements of respective markets and customers.

In addition to off-take exports made under customers' brand names, Tigar sells safety rubber footwear under its proprietary brand names, such as Tigar and Century, Maniera fashion footwear, Brolly children's footwear, and other types of footwear made under the Tigar brand name.

Rubber Technical Goods Program

Tigar Rubber Technical Good's product lines currently include the following product groups:

- *Molded rubber products*
- *Rubber profiles*, where are the most present EPDM profiles for construction
- *Hoses including flexible hoses*
- *Combined products and semi-finished rubber products*, such as rubber-metal products, shock absorbers
- *Special-purpose products*, such as tanks for combat aircrafts, covers for the cannon of the tank and invulnerable wheels
- *Product made of recycled (crumb) rubber*, used to overlay and protect outdoor and indoor surfaces, including rubber matting, used for soundproofing in the construction industry, rubber tiles for childrens playgrounds, as well as for various holders of traffic signalization – rubber bollards.
- *Sports court flooring* is basically comprised of rubber matting of different thickness – indoor sports courts or rubber granulate for outdoor sports courts, depending on the purpose of such sports court.

Chemical Products Program

Production program of Tigar Chemical products plant consists of more than 300 products:

- *Horizontal road signage materials*
 - *Self-spreading flooring*
 - „*Coil coatings*“ - a range of products made to to protect outer steel-sheet and aluminum surfaces of buildings and „*can coatings*“, group of products designed for the industry of sheet metal packaging.
 - *Anti-corrosion coatings designed for consumer market and the construction industry*
 - *Adhesives for consumer market and construction, industrial and special-purpose adhesives*
- A special product belonging to this group is conveyor belt adhesive designed for the mining industry.

Complementary goods

Through service&sales network of commercial entities are being sold tires and spare parts for cars. Companies from abroad are selling solely Tigar-brand tires manufactured by Tigar Tyres. In the domestic market are sold passenger, light truck and truck tires of all world manufacturers, and most tires from Michelin Group, which includes Tigar-brand tires. Other complementary products include motor oils, batteries, car care products, exhausts, etc., domestic and foreign suppliers and garden program. Tigar's sales and service network Stop & Drive extend *tire repair, car repair services, vehicle washing, tracking and storage of tires*. These services are performed in stable passenger and cargo services. In addition to the stable ones, the network also has a mobile service that are equipped for the field work.

Tigar's specialized Bottega chain offers women's and children's footwear, as well as Italian leather men's, women's and children's footwear to bridge seasonality.



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Other services

In the part of services, dependent entities support and contribute to Tigar's core businesses and provide high-quality services to both the Company and the local community.

-*Construction and Engineering*

-*Free Zone Pirot*, which on 5ha 09a 41m² of infrastructure-enabled land renders services that may be carried out free from duty or VAT and certain municipal charges.

-*Transport*, including domestic and international freight forwarding

- *Food production* for internal needs of Tigar AD and Tigar Tyres, but also for the external market, as well as hospitality services offered to tourists, business men and women, delegations, and sports teams

-*Protective Workshop*, dealing with solid waste collection and recycling

- *Services in the areas of radio and TV broadcasting*

2.2. STRATEGY OF THE APPROACH ON THE MARKET OF GOODS AND SERVICES

Business and development strategy for the period 2013-2017 implies the following general guidelines:

- Volume growth, through increased sales to both existing and new customers and markets and through introduction of new products;
- Ongoing product mix changes, focusing on highly sophisticated products;
- Lowering of labor costs to an optimum level and further reduction of fixed and semi-variable costs
- Investments in order to achieve significant savings in production
- Long-term financing based on favorable long-term loans, at low interest rates, without important indebtedness during the first years of projection
- Exports, as the main source of Tigar's facilities revenue;
- Growing proprietary brand sales, particularly to export markets;
- Introduction of new sales methods
- Higher sales to end users of tires, footwear and complementary goods in the Serbian market
- Fusion of the business through the integration of parts that do not have an independent market perspective
- Maintenance of the sales volume of tires and complementary goods via Tigar's entities operating abroad;
- Increased revenues from external services in services, construction and Free Economic Zone Pirot;
- Maintenance of internal services at the level required by the Tigar Group and Tigar Tyres

In the current business and market environment, Tigar has sought to better integrate in the vertical supply chain, to optimize its production and market portfolio, following the demands of customers for new products.



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2.3. APPRAISAL OF THE MARKET POSITION OF THE RUBBER FOOTWEAR PROGRAM IN THE PERIOD JANUARY- MARCH 2015

In the first quarter of 2015, consolidated external revenues from sales of goods and services were by 27% lower in relation to the previous year:

<i>Net income from sales of goods and products in Serbia and from Serbia</i>				%
<i>In ' 000 RSD</i>	I quarter of 2014.	I quarter of 2015.		
Tigar Rubber Footwear	302,018	410,055	36%	
Rubber Technical Goods	59,666	53,273	-11%	
Chemical Products	8,414	7,386	-12%	
Tires	5,021	4,022	-20%	
Other programs	1,408	2,771	97%	
TOTAL	376,526	477,507	27%	

Sale of Tigar's products in the first quarter of 2015 amounts to over RSD 477 million, of which 72% in export (RSD 341 million). Tigar Rubber Footwear Plant still records the highest share in export - 93%.

<i>Net income from sales of goods and products in Serbia and from Serbia</i>				%
<i>In ' 000 RSD</i>	I quarter of 2014.	I quarter of 2015.		
Domestic market	87,360	135,901	56%	
Tigar Rubber Footwear	50,047	92,300	84%	
Rubber Technical Goods	26,138	32,923	26%	
Chemical Products	4,746	3,886	-18%	
Tires	5,021	4,022	-20%	
Other programs	1,408	2,771	97%	

<i>Net income from sales of goods and products in Serbia and from Serbia</i>				%
<i>In ' 000 RSD</i>	I quarter of 2014.	I quarter of 2015.		
Exports	289,167	341,606	18%	
Tigar Rubber Footwear	251,971	317,755	26%	
Rubber Technical Goods	33,528	20,350	-39%	
Chemical Products	3,668	3,501	-5%	

The sale of the rubber footwear program in the period January-March 2015 was higher by 36% in relation to the same period last year where the dominant influence to such increase had the sales on the domestic market (84%) while the increase of the sales volume in exports amounts to 26%:

<i>Net income from sales of goods and products in Serbia and from Serbia</i>				%
<i>In ' 000 RSD</i>	I quarter of 2014.	I quarter of 2015.		
Tigar Rubber Footwear	302,018	410,055	36%	
- Domestic market	50,047	92,300	84%	
- Export	251,971	317,755	26%	



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The first quarter of 2015 was characterized by significant growth in sales in the domestic market (84%) which partly resulted from more favorable weather conditions in the winter period which caused a higher demand for rubber footwear.

Characteristic of the first quarter of this year in export has been the continuous meeting the demands and needs of existing customers while the main factor that influenced the increase in the volume of exports compared to the first quarter last year were the deliveries of special rubber footwear (special technical requirements) for the Finnish Army for the customer Berner (FIN) and all of this four months before the deadline specified in the contract. During this period was also obtained the tender for the supply of fire-fighting units in Hong Kong, safety rubber boots, after strict certification requirements and the tender (realization during 2015), then, there was continued the co-operation with the company Battistini Fratelli (ITA) with the rate of delivery in the first quarter that will be twice higher than the last year's sales volume. As for the customer Ilse Jacobsen Hornabaek (DEN), we successively win new models and deliver them in accordance with the submitted delivery schedule depending of the season for which they intended for, and the plan provides monthly deliveries of about 9,000 pairs. With the customer Oxyprod (ITA) are defined quantities and structure of deliveries until September. An agreement was reached with the company Basic (ITA) on the June delivery of rubber footwear (12,000 pairs).

There were initiated negotiations with potential new customers from GBR, FRA, POL whom have visited the factory and presented our possibilities in the part of fishing, hinting and safety program.

It is very important to emphasize the continuation of the synchronized actions with customers in the domestic market, where the emphasis is on advance payments that are extremely important financial instrument in terms of production / sales of goods that have a accentuated seasonal character, bearing in mind that Tigar did not make any additional borrowings from banks.

2.4. ASSESSMENT OF TIGAR RUBBER TECHNICAL GOODS MARKET POSITION IN THE PRIOD JANUARY-MARCH 2015.

The 2014 sales of the factory Tigar Rubber Technical Goods in the first quarter of 2015 was by 11% lower when compared to the previous year, and due to the trend of decrease of the realization, operations have been seriously jeopardized and there will follow the reorganization of this production entity.

<i>Net income from sales of goods and products in Serbia and from Serbia</i>	I quarter of 2014.	I quarter of 2015.	%
<i>In ' 000 RSD</i>			
Rubber Technical Goods	59,666	53,273	-11%
- Domestic market	26,138	32,923	26%
- Export	33,528	20,350	-39%

The previous year was characterized by significant growth in sales in the domestic market (26%) in relation to the same period last year and the dominant factor of the overall decrease in sales is the lack of relaization of goods in export, mostly of rubber hoses on Russian market and the lowered volume of demand for the products made of recycled rubber.

Positive features of the first quarter include the conclusion of the agreement on the sale of two sets of air-fuel tank and their delivery to Asia, winning of new positions for the pressed parts for the company Metso (SWE) in the part of the products intended for the mining industry which is produced in greater volume and then sold in the above's company's retail outlets worldwide.

Market position of the factory is at risk partly due to the situation in the construction industry, the lack of public procurement for the needs of the Army of Serbia ...), the situation of large business systems.



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2.5. ASSESSMENT OF TIGAR CHEMICAL GOODS MARKET POSITION IN THE PERIOD JANUARY-MARCH 2015

In the difficult conditions of production (reduced capacity, fire, new relocation...) Tigar Chemical Products was able to meet the needs of Tigar Rubber Footwear and Tigar Tyres for adhesives.

Sales volumes decreased by 12% compared to the same period last year.

In the first quarter was made a step forward in the realization of the May delivery for the mining industry in Bulgaria and there was renovated the cooperation with the firm Eltim Engineering (RSA).

<i>Net income from sales of goods and products in Serbia and from Serbia</i>			
<i>In ' 000 RSD</i>	I quarter 2014.	I quarter 2015.	%
Chemical Products	8,414	7,386	-12%
- Domestic market	4,746	3,886	-18%
- Exports	3,668	3,501	-5%

2.6. DISTRIBUTION OF TIRES, OTHER COMPLEMENTARY PRODUCTS AND SERVICES OFFERED BY THE SERVICE NETWORK IN THE PRIOD JANUARY-MARCH 2015

There was continued the process of restructuring of the service network, retail and colonials. Parallel to this process began the more regular supply of the network with tires, footwear and complementary programs (batteries, motor oil, etc.), the garden program.

Activities undertaken must demonstrate viability and profitability of each of the objects, which will result in the closure of some retail-service objects and opening of the new ones. It is important to point out activities on finding a long term solution for the supply of tires and in this regard are ongoing negotiations for concluding a contract with Tigar Tyres and the retail objects were supplied with tires for the summer campaign.

2.7. PRICE FLUCTUATIONS OF KEY RAW MATERIALS AND COMPLEMENTARY PRODUCTS

The prices of some key materials during the first quarter of 2015 have decreased compared to the previous year - synthetic rubber in relation to which was recorded a significant price decrease and technical fabrics, the price of which was lowered for about 5%.

In line with developments on the world market in the first quarter of 2015 was present a tendency growth of prices of natural rubber due to the drastic increase in the dollar exchange rate and of exchange rates EUR / USD.



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2.8. PRODUCTION OUTPUT

The tables below show breakdowns by manufacturing segment, in pairs and in tons.

Production (pairs)	January-March 2014.	January-March 2015.	%
Tigar Rubber Footwear	173,915	430,053	147%

Production (tons)	January-March 2014.	January-March 2015.	%
Tigar R.Technical Goods	128	110	-14%
Chemical Products	33	43	31%
TOTAL	161	153	-5%

In the period January-March 2015, the total realized production in Tigar Rubber Footwear plant amounts to 430.053 pairs, which is for 147% less in relation to the same period last year. Total realized production in tons in plants – Tigar Rubber Technical Goods and Tigar Chemical Products amounts to 153, which is by 5% less in relation to the same period last year.

3. FINANCIALS FOR THE PERIOD JANUARY-DECEMBER 2014.

3.1 KEY INDICATORS OF THE HOLDING COMPANY (TIGAR AD)

Tigar AD's unconsolidated financials in thousands of Dinars	January-March 2014.	January-March 2015.	% change
Equity	5,380,338	5,225,579	-3%
Operating income			
EBIT	380,588	545,687	43%
EBITDA	11,583	52,079	350%
Financial income	23,969	63,149	163%
Other income	2,540	16,761	560%
Total income	5,662	1,600	-72%
Net loss	388,789	564,048	45%
<u>Significant ratios</u>	-109,439	-61,052	44%
Current Ratio			
Debt / Equity			
Net profit/total income	0.60	0.58	-4%
Equity	0.96	1.09	13%
Operating income	-28.15%	-10.82%	62%



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3.2. KEY CONSOLIDATED INDICATORS

The bulk of the cash flow from operations, generated from the sales of products and services enters and goes out through the parent company and gets distributed among the parent company and the core manufacturing entities. Internal cash flows are related to operating flows arising from payments for services rendered and purchased / sold goods and products, flows from financing - long-term loans that the parent company directs in its subsidiaries and short-term borrowings from financial companies and flows based on profit withdrawn from dependent entities.

Production entities essentially operate as a production division of the holding company. Commercial entities are enterprises operating abroad and are primarily engaged in commercial activity. Service entities are predominantly oriented to the external market in procurement of necessary inputs, as well as in terms of sales or provision of services. At the individual level, there are dependent service entities whose dependence on the internal market is more pronounced Tigar Tours, Tigar Inter Risk, Tigar Security and Tigar Catering.

Consolidated financials of Tigar a.d. in thousands of dinars	January-March 2014.	January-March 2015.	% change
Total assets	7,819,694	7,257,223	-7%
Sales revenues	188,243		
EBIT	561,146	695,685	24%
EBITDA	-83,380	25,488	profit vs.loss
Financial revenues	-30,302	76,054	profit vs.loss
Other incomes	4,743	27,947	489%
Net loss	6,402	2,462	-62%
Total assets	-255,012	-110,938	56%

Total revenues from sales of goods, products and services on a consolidated basis, for the period January-March 2015 amounted to 695.685 thousand dinars which is by 24% higher compared to the same period last year, when they amounted to 561,146 thousand dinars. In the same period, business income was in the amount of 700.528 thousand dinars, which is also by 24% higher compared to the same period last year, when they amounted to 565,430 thousand dinars.

Consolidated operating expenses in the amount of 675.040 thousand dinars were higher by 4% compared to the period January-March 2014 when they amounted to 648.810 thousand dinars.

Structure of operating expenses in total cost by groups is as follows: costs of wages, salaries and other personnel expenses account for about 42%; Expenses for the costs of materials, energy corrected for the increase of inventories accounted for 33%; The cost of goods accounts for 1%; expenses, depreciation and provisions accounted for 7% and other expenses accounted for 16%.

Reported operating profit (EBIT) in the first quarter of 2015 amounted to 25,488 thousands dinars, while the operating loss for the same period last year amounted to RSD 83.380 thousand, which represents a better result for RSD 108.868 thousand. EBIT growth in the first quarter of 2015 compared to the same period last year is an indicator of good business moves that gave these results.

Reported profit before depreciation and amortization (EBITDA) in the first quarter of 2015 amounted to RSD 76.054 thousand, while in the same period last year was reported an operating loss before amortization in the amount of RSD 30,302 thousand, which represents an improvement for even RSD 106.356 thousand. The trend of growth indicates stabilization of business operations.

Financing costs on a consolidated basis in the period January-March 2015 amounted to RSD 163.468 thousands, while the cost of funding at the consolidated level in the same period last year amounted to



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RSD 179.107 thousand. The largest part of financial expenses are the costs of interest, which at the consolidated level amounts to about RSD 110.305 thousand, while the foreign exchange losses and other financial expenses amount up to RSD 53.162 thousand.

At the consolidated level, the value of total assets amounted to RSD 7.3 billion, of which fixed assets RSD 5.4 billion, while current assets RSD 1.9 billion.

A part that relates to claims in the amount of RSD 377 million for the most part include current receivables of domestic and foreign customers. The structure of domestic customer receivables relate to current receivables where the 8 largest customers claimed RSD 68 million. Seven largest foreign customer receivables amounted to RSD 58.5 million. In the part of older receivables, the largest single claims are asserted against GP auto shop in bankruptcy in the amount of RSD 20.6 million. As for this customer was expected compensation in the amount of about RSD 17 million, while the rest will be settled from the bankruptcy estate. As for the customer Ema from Pozarevac the due amount is RSD 30.9 million. It is also anticipated a compensation with this customer in the amount of about RSD 10 million, while for the rest of the amount were activated bills at the end of 2013. A significant amount of receivables is related to the entities operating abroad. Tigar Partner Macedonia claims from its customers 23 million, Tigar Montenegro 6 million, and Tigar Trade Banja Luka 28.1 million. There is a disputed claim in the factory Tigar Chemical Pproducts in the amount of 9.7 million dinars towards the company LK Commerce from Greece.

At the consolidated level, the loss above the capital is RSD 1.2 billion. On the liabilities side, the equity value is 0, liabilities for long term loans around RSD 1.8 billion, other long-term liabilities 0.3 billion, liabilities under short-term loans were 3.6 billion and other short-term liabilities amount to approximately 2.9 billion. This level of short-term liabilities compared to the available working capital is a lot higher, so that the current liquidity ratio is below the desirable one. By replacing short-term liabilities with the long-term loans, through a process of long-term financial stabilization, there will be provided a better impact on the current liquidity of the company.

3.3. TIGAR AD PARENT COMPANY

BALANCE SHEET (in thousands of RSD)

ASSETS	As of 31.12.2013.	As of 31.12.2014.non- audited	As of 31.03.2015.
A. SUBSCRIBED CAPITAL UNPAID			
B. NON-CURRENT ASSETS	2,417,661	2,253,064	2,245,456
I. INTANGIBLE ASSETS	27,818	23,816	22,987
Investment in development	71	6,555	6,383
Concessions, patents , licenses , trademarks , software and other rights	12,157	9,823	9,166
Intangible assets under construction	15,590	7,438	7,438
Advances for intangible assets			
II. PROPERTY, PLANT AND EQUIPMENT	1,509,553	1,401,945	1,395,166
Land	27,259	27,479	54,376
Buildings	660,608	648,514	621,291
Plant and equipment	255,424	225,743	219,890
investment property	395,695	395,695	395,695
Property, plant and equipment construction	163,804	95,314	95,314
Investments in property, plants and equipment	6,763	9,200	8,600
III. BIOLOGICAL AGENTS			
IV. LONG-TERM FINANCIAL PLACEMENTS	880,290	760,239	760,239
Shares in subsidiaries	856,391	736,373	736,373
Shares in associated companies and joint ventures	11,676	12,018	12,018
Equity investments in other companies and other securities	153	94	94
Other long-term investments	12,070	11,754	11,754
V. LONG-TERM RECEIVABLES		67,064	67,064
Receivables from parent company and its subsidiaries		67,064	67,064
C. DEFERRED TAX ASSETS			
D. CURRENT ASSETS	2,933,562	2,991,666	2,980,123
I. INVENTORIES	621,303	521,769	429,193



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Supplies , spare parts , tools and supplies	6,531	5,574	4,384
Unfinished production and unfinished services	67,895	67,895	
Goods	532,532	430,666	421,016
Fixed assets held for sale			
Advances paid to suppliers	14,345	17,634	3,793
II. Receivable from sale	1,810,116	1,894,239	1,917,280
Customers in the country - the parent and subsidiaries	1,419,098	1,648,171	1,662,537
Customers abroad - parent and subsidiaries	127,897	115,847	120,483
Customers in the country - other related parties	978	585	710
Customers in the country	172,988	59,540	33,854
Customers abroad	89,155	70,096	99,696
Other receivables from sales			
III RECEIVABLES FROM SPECIFIC OPERATIONS			
IV. OTHER RECEIVABLES	206,744	197,116	193,472
V. FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT			
VI. SHORT-TERM FINANCIAL PLACEMENTS	276,539	239,953	237,937
Short-term loans and investments - parent and subsidiaries	276,539	239,480	237,464
Short-term loans and investments - other related parties		456	456
Other short-term financial investments		17	17
VII. CASH AND CASH EQUIVALENTS	2,088	109,103	105,318
VIII. VALUE ADDED TAX		12,297	9,336
IX. PREPAYMENTS	16,772	17,189	87,587
I. TOTAL ASSETS	5,351,223	5,244,730	5,225,579
F. OFF BALANCE SHEET ASSETS			
EQUITY AND LIABILITIES	As of	As of	As of
	31.12.2013.	31.12.2014.non-audited	31.03.2015.
A. EQUITY			
I. SHARE AND OTHER CAPITAL	642,704	642,704	642,704
Share Capital	642,704	642,704	642,704
II. SUBSCRIBED CAPITAL UNPAID			
III. TREASURY SHARES			
IV. RESERVES	143	143	143
V.Revaluation reserves based on the revaluation of intangible assets, property , plant and equipment	112,817	112,818	112,818
VI. UNREALIZED GAINS ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS		6	6
VII. UNREALIZED LOSSES ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS			
IX. PARTICIPATION RIGHTS WITHOUT CONTROL			
X. LOSS	824,810	1,376,897	1,434,487
Loss of previous years		795,805	1,373,435
Loss for the year	824,810	581,092	61,052
B. NON-CURRENT ASSETS	893,579	755,963	752,674
I. LONG-TERM PROVISIONS	221,704	220,604	220,604
Provision for retirement and other employee benefits	7,429	5,920	5,920
Provision for lawsuits	214,275	214,684	214,684
Other long-term provisions			
II. LONG-TERM LIABILITIES	671,875	535,359	532,070
Long-term loans and loans in the country	671,875	535,359	532,070
Liabilities arising from finance lease			
C. DEFERRED TAX LIABILITIES			
D. CURRENT LIABILITIES	4,526,789	5,109,993	5,151,721
I. SHORT-TERM FINANCIAL LIABILITIES	2,781,875	3,051,513	3,041,159
Short-term loans from parent companies and subsidiaries	66,187	119,984	119,985
Short-term loans from other related parties			
Short-term loans and loans in the country	1,992,538	2,042,117	2,035,767
Other current financial liabilities	723,150	889,412	885,407
II. PREPAYMENTS, DEPOSITS AND GUARANTEES	52,114	52,541	75,187
III. ACCOUNTS PAYABLE	1,047,248	990,652	929,176
Suppliers - parent and subsidiaries in the country	212,622	164,010	61,207
Suppliers - parent and subsidiaries abroad	41,642	50,584	53,515
Suppliers - other related parties in the country	4,949	3,972	4,252
Suppliers in the country	396,512	293,792	297,211
Foreign suppliers	391,121	478,113	512,991
Other liabilities	402	181	
IV. OTHER CURRENT LIABILITIES	555,005	924,811	1,014,024
V. LIABILITIES FOR VALUE ADDED TAX	367		



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VI OTHER TAXES, CONTRIBUTIONS AND OTHER FEES	18,550	15,364	15,364
VII. ACCRUALS	71,630	75,112	76,811
I. THE LOSS IN EXCESS OF CAPITAL	69,145	621,226	678,816
F. TOTAL LIABILITIES	5,351,223	5,244,730	5,225,579
G. OFF BALANCE SHEET LIABILITIES			

Income statement (in thousands of RSD)	january- december 2013	january-december 2014 non-audited	january-march 2014	january-march 2015
INCOME FROM OPERATIONS				
A. OPERATING INCOME	2,958,181	1,862,742	380,588	545,687
I. Sales of goods	2,521,459	1,453,844	269,716	468,883
II. Sales of products and services	421,092	392,321	106,465	73,141
III. Revenues from premiums, subsidies, donations, grants etc.				
IV. Other operating income	15,630	16,577	4,407	3,663
EXPENSES FROM OPERATIONS				
B. OPERATING EXPENSES	2,883,347	1,773,041	369,005	493,608
I. Cost of commercial goods sold	2,205,412	1,261,701	233,021	395,358
V. Material consumed	11,253	4,648	579	622
VI. Fuel and energy consumed	89,698	85,603	23,258	25,143
VII. Staff costs	295,592	207,347	55,146	42,528
VIII. Production expenses	104,341	58,668	9,090	6,649
IX. Amortization	55,401	48,287	12,386	11,070
X. Costs of long-term provisions	683	302		
XI. Intangible costs	120,967	106,485	35,525	12,238
C. PROFIT FROM OPERATIONS	74,834	89,701	11,583	52,079
D. LOSS FROM OPERATIONS				
I. FINANCE INCOME	18,446	49,695	2,540	16,761
I. Financial income from related persons and other financial income	1,187	25,950		
II. Interest income (from third parties)	493	2,135	203	604
III. Gains and positive effects of currency clause	16,766	21,610	2,337	16,157
F. FINANCE EXPENSES	515,955	632,369	126,202	131,481
I. Financial expenses related party transactions and other financial expenses	21,852	14,276	862	2,021
II. Interest expense (by third parties)	435,428	435,369	112,536	80,030
III. Foreign exchange gains and negative effects of currency clause	58,675	182,724	12,804	49,430
G. PROFIT FROM FINANCING				
H. LOSS FROM FINANCING	497,509	582,674	123,662	114,720
I. INCOME FROM VALUATION ADJUSTMENTS OF OTHER ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	18,949	1,832		
J. LOSS ADJUSTMENT OTHER PROPERTY CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	495,543	22,871		
K. OTHER INCOME	71,842	18,963	5,662	1,600
L. OTHER EXPENSES	34,283	86,043	3,021	11
M. OPERATING PROFIT BEFORE TAX				
N. LOSS FROM OPERATIONS BEFORE TAX	861,710	581,092	109,439	61,052
Q. PROFIT BEFORE TAXATION				
P. LOSS BEFORE TAXATION	861,710	581,092	109,439	61,052
R. INCOME TAX				
I. Current tax expense	124			
II. Deferred income tax expense				
III. Deferred income tax benefit	37,024			
T. EARNINGS OF EMPLOYER				
U. NET PROFIT				
V. NET LOSS	824,810	581,092	109,439	61,052

CASH FLOWS(IN THOUSANDS OF RSD)	january-march 2014	january-march 2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash inflow from operating activities	94,933	430,935
Cash outflow from operating activities	88,400	444,205
Net cash inflow from operating activities	6,533	
Net outflow from operating activities		13,270
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash inflow from investing activities		



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Cash outflow from investing activities		
Net cash inflow from investing activities		
Net cash outflow from investing activities		
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash inflow from financing activities		2,016
Cash outflow from financing activities	6,085	
Net cash inflow from financing activities		2,016
Net cash outflow from financing activities	6,085	
Total cash inflow	94,933	432,951
Total cash outflow	94,485	444,205
NET CASH INFLOW	448	
NET CASH OUTFLOW		11,254
Cash and cash equivalents at beginning of year	2,088	109,103
Foreign exchange gains on translation of cash and cash equivalents		7,471
Foreign exchange losses on translation of cash and cash equivalents	39	2
CASH AND CASH EQUIVALENTS AT END OF PERIOD	2,497	105,318

3.4. INCOME STATEMENT OF TIGAR AD AND TI-CAR TRGOVINE - CONJOINT

In 2014, the retail network and services get detached from Tigar a.d. and incorporated to Protective Workshop which simultaneously with that changes its name into TI-CAR trgovine I.I.c. Part of the sale of finished products and purchase of raw materials are proceeding through this entity.

For the purpose of comparison is shown the income statement of the parent company and of Ti-CAR for the first quarter of 2015 with the elimination of internal relations. Viewed collectively, Tigar ad and Tigar Ti-Car have achieved operating profit in the amount of RSD 35.48 million, 56% more than in the same period last year.

Income statement (in thousands of RSD)	January-March 2014	January-March 2015 Realization	% in relation to 2014
INCOME FROM OPERATIONS			
A. OPERATING INCOME	643,953	732,725	14%
I. Sales of goods	530,109	664,439	25%
II. Sales of products and services	109,069	63,917	-41%
III. Revenues from premiums, subsidies, donations, grants etc.	0	0	
IV. Other operating income	4,775	4,369	
EXPENSES FROM OPERATIONS	0	0	
B. OPERATING EXPENSES	621,237	697,246	12%
I. Cost of commercial goods sold	460,228	570,755	24%
II. Work performed by the company and capitalized			
III. Increase in inventories of finished products and work in progress			
IV. Decrease in inventories of finished products and work in progress			
V. Material consumed	3,767	2,455	-35%
VI. Fuel and energy consumed	24,648	28,172	14%
VII. Staff costs	65,737	59,277	-10%
VIII. Production expenses	15,737	10,812	-31%
IX. Amortization	12,585	11,264	-10%
X. Costs of long-term provisions	0	0	
XI. Intangible costs	38,535	14,511	-62%
C. PROFIT FROM OPERATIONS	22,716	35,479	56%

3.5. CONSOLIDATED FINANCIALS

BALANCE SHEET (in thousands of RSD)

ASSETS	As of 31.12.2013.	As of 31.12.2014.non-audited	As of 31.03.2015.
A. SUBSCRIBED CAPITAL UNPAID			
B. NON-CURRENT ASSETS	5,720,259	5,446,080	5,404,355
I. INTANGIBLE ASSETS	621,615	547,543	530,365
Investment in development	522,227	462,246	450,068
Concessions, patents, licenses, trademarks, software and other rights	17,449	16,243	11,243
Intangible assets under construction	81,939	69,053	69,053
Advances for intangible assets			



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II. PROPERTY, PLANT AND EQUIPMENT	5,074,747	4,874,671	4,850,124
Land	417,485	417,705	525,279
Buildings	2,788,154	2,751,347	2,641,793
Plant and equipment	864,621	795,686	772,414
investment property	755,514	755,683	755,683
Property, plant and equipment construction	213,087	123,559	124,978
Investments in property, plants and equipment		10,749	10,037
III. BIOLOGICAL AGENTS			
IV. LONG-TERM FINANCIAL PLACEMENTS	23,897	23,866	23,866
Shares in subsidiaries			
Shares in associated companies and joint ventures	11,827	12,018	12,018
Equity investments in other companies and other securities		94	94
Other long-term investments	12,070	11,754	11,754
V. LONG-TERM RECEIVABLES		0	0
Receivables from parent company and its subsidiaries			
C. DEFERRED TAX ASSETS			
D. CURRENT ASSETS	2,226,455	1,880,185	1,852,868
I. INVENTORIES	1,217,035	1,180,905	1,130,486
Supplies , spare parts , tools and supplies	99,618	98,269	92,989
Unfinished production and unfinished services	302,103	170,473	86,535
Goods	422,496	596,427	586,436
Fixed assets held for sale	27,196	27,162	27,162
Advances paid to suppliers		36,525	17,203
II. POTRAŽIVANJA PO OSNOVU PRODAJE	513,858	395,022	376,800
Customers in the country - the parent and subsidiaries		0	0
Customers abroad - parent and subsidiaries			
Customers in the country - other related parties	24,840	6,984	3,687
Customers in the country	329,440	280,961	240,214
Customers abroad	159,578	107,077	132,899
Other receivables from sales			
III RECEIVABLES FROM SPECIFIC OPERATIONS	4,761	1,255	1,384
IV. OTHER RECEIVABLES	63,688	42,994	69,571
V. FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT			
VI. SHORT-TERM FINANCIAL PLACEMENTS	472	472	473
Short-term loans and investments - parent and subsidiaries			0
Short-term loans and investments - other related parties	472	472	472
Other short-term financial investments			
VII. CASH AND CASH EQUIVALENTS	220,447	194,656	217,482
VIII. VALUE ADDED TAX	10,465	22,943	20,414
IX. PREPAYMENTS	195,729	41,937	36,260
I. TOTAL ASSETS	7,946,714	7,326,265	7,257,223
F. OFF BALANCE SHEET ASSETS			
EQUITY AND LIABILITIES	As of 31.12.2013.	As of 31.12.2014.non-audited	As of 31.03.2015.
A. EQUITY	322,358		
I. SHARE AND OTHER CAPITAL	731,031	736,561	740,074
Share Capital	642,704	642,704	642,704
II. SUBSCRIBED CAPITAL UNPAID			
III. TREASURY SHARES			
IV. RESERVES	106,128	86,808	86,835
V.Revaluation reserves based on the revaluation of intangible assets, property , plant and equipment	1,506,746	1,499,116	1,497,209
VI. UNREALIZED GAINS ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS			
VII. UNREALIZED LOSSES ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS		2,572	2,787
VIII. RETAINED EARNINGS			
Retained profit from previous years			
IX. PARTICIPATION RIGHTS WITHOUT CONTROL			
X. LOSS	2,021,547	3,364,841	3,538,599
Loss of previous years	1,074,455	2,012,763	3,424,148
Loss for the year	947,092	1,352,078	114,451
B. NON-CURRENT ASSETS	1,321,211	2,023,429	2,014,263
I. LONG-TERM PROVISIONS	291,854	253,131	252,993
Provision for retirement and other employee benefits	290,143	36,736	36,599
Provision for lawsuits		216,394	216,394
Other long-term provisions	1,711		
II. LONG-TERM LIABILITIES	1,029,357	1,770,298	1,761,270
Long-term loans and loans in the country	338,027	535,359	532,070



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Liabilities arising from finance lease		15,881	15,783
C. DEFERRED TAX LIABILITIES	115,756	114,777	114,777
D. CURRENT LIABILITIES	6,187,389	6,232,986	6,345,452
I. SHORT-TERM FINANCIAL LIABILITIES	3,709,620	3,555,912	3,552,737
Short-term loans from parent companies and subsidiaries	15,361		
Short-term loans from other related parties			
Short-term loans and loans in the country	3,592,813	2,042,605	2,035,767
Other current financial liabilities	101,446	1,486,145	1,489,807
II. PREPAYMENTS, DEPOSITS AND GUARANTEES	78,241	100,564	93,547
III. ACCOUNTS PAYABLE	1,011,922	1,048,120	1,099,255
Suppliers - parent and subsidiaries in the country			
Suppliers - parent and subsidiaries abroad			
Suppliers - other related parties in the country	18,099	4,259	4,453
Suppliers in the country	544,868	499,992	513,062
Foreign suppliers	448,955	532,398	568,550
Other liabilities		11,470	13,190
IV. OTHER CURRENT LIABILITIES	1,231,892	1,332,102	1,416,166
V. LIABILITIES FOR VALUE ADDED TAX	28,694	32,172	21,032
VI OTHER TAXES, CONTRIBUTIONS AND OTHER FEES	59,348	28,527	22,678
VII. ACCRUALS	67,672	135,590	140,038
I. THE LOSS IN EXCESS OF CAPITAL		1,044,927	1,217,269
F. TOTAL LIABILITIES	7,946,714	7,326,265	7,257,223
G. OFF BALANCE SHEET LIABILITIES			

Income statement (in thousands of RSD)	january- december 2013	january- december 2014 non- audited	january- march 2014	january- march 2015
INCOME FROM OPERATIONS				
A. OPERATING INCOME	3,100,423	2,741,761	565,430	700,528
I. Sales of goods	448,739	147,558	39,690	29,388
II. Sales of products and services	2,634,471	2,571,155	521,456	666,296
III. Revenues from premiums, subsidies, donations, grants etc.				
IV. Other operating income	17,214	23,047	4,284	4,843
EXPENSES FROM OPERATIONS				
B. OPERATING EXPENSES	3,537,695	2,988,391	648,810	675,040
I. Cost of commercial goods sold	252,072	69,560	18,186	9,786
II. Work performed by the company and capitalized	26,124	876	3,676	63
III. Increase in inventories of finished products and work in progress			57,535	63,775
IV. Decrease in inventories of finished products and work in progress	64,583	15,502		
V. Material consumed	1,102,762	935,132	214,370	233,392
VI. Fuel and energy consumed	182,187	185,672	46,847	52,876
VII. Staff costs	1,230,177	1,152,749	267,186	285,823
VIII. Production expenses	328,753	261,365	62,707	84,445
IX. Amortization	224,471	213,631	53,078	50,566
X. Costs of long-term provisions	1,704	1,937		
XI. Intangible costs	177,111	153,719	47,646	21,990
C. PROFIT FROM OPERATIONS				25,488
D. LOSS FROM OPERATIONS	437,272	246,630	83,380	
I. FINANCE INCOME	26,162	33,875	4,743	27,947
I. Financial income from related persons and other financial income	2,848	973	583	26
II. Interest income (from third parties)	3,064	2,344	661	775
III. Gains and positive effects of currency clause	20,250	30,558	3,499	27,145
F. FINANCE EXPENSES	642,430	1,017,442	179,109	163,468
I. Financial expenses related party transactions and other financial expenses	7,133	4,040	862	2,022
II. Interest expense (by third parties)	510,939	608,563	134,754	110,305
III. Foreign exchange gains and negative effects of currency clause	124,358	404,839	43,493	51,141
G. PROFIT FROM FINANCING				
H. LOSS FROM FINANCING	616,268	983,567	174,366	135,521
I. INCOME FROM VALUATION ADJUSTMENTS OF OTHER ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	19,015	4,006		
J. LOSS ADJUSTMENT OTHER PROPERTY CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	70,660	50,529		
K. OTHER INCOME	151,029	59,573	6,402	2,462
L. OTHER EXPENSES	41,624	116,384	3,229	251
M. OPERATING PROFIT BEFORE TAX				
N. LOSS FROM OPERATIONS BEFORE TAX	995,779	1,333,532	254,572	107,822
Q. PROFIT BEFORE TAXATION				
P. LOSS BEFORE TAXATION	995,779	1,333,532	254,572	107,822



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R. INCOME TAX				
I. Current tax expense	6,519	16,634	2,335	3,093
II. Deferred income tax expense	863	735	62	23
III. Deferred income tax benefit	60,682	4,354	1,957	
T.EARNINGS OF EMPLOYER				
U. NET PROFIT				
V. NET LOSS	942,479	1,346,547	255,012	110,938



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SUMMARY OF KEY FINANCIAL RESULTS BY ENTITY

TIGAR**TIGAR AD**

Equity: 0
Total income: 564,048
EBITDA: 63,149
(000 RSD)

**PRODUCTION
ENTITIES****TIGAR FOOTWEAR**

Equity: 0
Total income: 352,651
EBITDA: 16,031
(000 RSD)

TIGAR TECHNICAL GOODS

Equity: 0
Total income: 51,032
EBITDA: -16,248
(000 RSD)

TIGAR CHEMICAL PRODUCTS

Equity: 128,597
Total income: 19,266
EBITDA: 184
(000 RSD)

**COMMERCIAL
ENTITIES****TIGRA MONTENEGRO**

Equity: 32
Total income: 7
EBITDA: -11
(000 EUR)

TIGAR PARTNER

Equity: 16,149
Total income: 4,903
EBITDA: -308
(000 DEN)

TIGRA TREJD Banja Luka

Equity: 89
Total income: 252
EBITDA: -4
(000 KM)

TIGAR EUROPE

Equity: N/A
Total income: N/A
EBITDA: N/A
(000 GBP)

TIGAR AMERICAS

Equity: N/A
Total income: N/A
EBITDA: N/A
(000 USD)

SERVICE ENTITIES**FREE ZONE PIROT**

Equity: 236,195
Total income: 100,136
EBITDA: 15,143
(000 RSD)

TIGAR BUSINESS SERVICE

Equity: 43,490
Total income: 32,942
EBITDA: 9,418
(000 RSD)

TIGAR CATERING

Equity: 105,738
Total income: 49,377
EBITDA: 3,165
(000 RSD)

TIGAR INCON

Equity: 73,020
Total income: 16,222
EBITDA: -3,950
(000 RSD)

TIGAR INTER RISK

Equity: 4,167
Total income: 696
EBITDA: 128
(000 RSD)

TI-CAR TRGOVINE

Equity: 0
Total income: 213,134
EBITDA: -16,405
(000 RSD)

TIGAR SECURITY

Equity: 95,193
Total income: 29,201
EBITDA: 7,682
(000 RSD)

TIGAR TOURS

Equity: 8,027
Total income: 677
EBITDA: -92
(000 RSD)

PI Channel

Equity: 5,995
Total income: 2,916
EBITDA: 717
(000 RSD)



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ASSETS	As of 31.12.2013.	As of 31.12.2014. non-audited	As of 31.03.2015.
A. SUBSCRIBED CAPITAL UNPAID			
B. NON-CURRENT ASSETS	1,931,628	1,823,444	1,800,593
I INTANGIBLE ASSETS	560,124	491,315	475,334
II PROPERTY, PLANT AND EQUIPMENT	1,371,504	1,332,129	1,325,259
Land	288,352	288,352	323,840
Buildings	687,331	679,294	644,320
Plant and equipment	262,973	231,635	224,226
Investment property	132,566	132,566	132,566
Property, plant and equipment construction	282	282	307
III BIOLOGICAL AGENTS			
IV LONG-TERM FINANCIAL PLACEMENTS			
V LONG-TERM RECEIVABLES			
C. DEFERRED TAX ASSETS			
D. CURRENT ASSETS	724,575	617,675	566,970
I INVENTORIES	330,570	323,958	372,902
II DUE ON SALE	270,299	286,603	185,843
Customers in the country - the parent and subsidiaries	269,745	285,963	184,057
Customers abroad - parent and subsidiaries			
Customers in the country - other related parties	395		
Customers in the country	159	640	1,745
Customers abroad			41
III RECEIVABLES FROM SPECIFIC			
IV OTHER RECEIVABLES	400	207	176
V FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT			
VI SHORT-TERM FINANCIAL PLACEMENTS			
VII CASH AND CASH EQUIVALENTS	122	135	994
VIII VALUE ADDED TAX			5
IX PREPAYMENTS	123,184	6,772	7,050
I. TOTAL ASSETS	2,656,203	2,441,119	2,367,563
F. OFF BALANCE SHEET ASSETS			
EQUITY AND LIABILITIES	As of 31.12.2013.	As of 31.12.2014. non-audited	As of 31.03.2015.
A. EQUITY	165,351		
I SHARE AND OTHER CAPITAL	1,108,838	1,108,838	1,108,838
II SUBSCRIBED CAPITAL UNPAID			
III TREASURY SHARES			
IV RESERVES			
V REVALUATION RESERVES BASED ON REVALUATION OF INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT	52,314	52,314	52,314
VI UNREALIZED GAINS ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS			
VII UNREALIZED LOSSES ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS		1,672	1,672
VIII RETAINED EARNINGS			
IX PARTICIPATION RIGHTS WITHOUT CONTROL			
X LOSS	995,801	1,522,107	1,608,081
Loss of previous years	638,751	1,000,648	1,587,863
Loss for the year	357,050	521,459	20,218
B. NON-CURRENT ASSETS	327,995	1,467,203	1,461,560
I LONG-TERM PROVISIONS	27,059	14,241	14,241
Provision for retirement and other employee benefits	27,059	14,241	14,241
II LONG-TERM LIABILITIES	300,936	1,452,962	1,447,319
C. DEFERRED TAX LIABILITIES	9,118	8,630	8,630
D. CURRENT LIABILITIES	2,153,739	1,327,913	1,345,974
I SHORT-TERM FINANCIAL LIABILITIES	877,680	327,616	326,874
Short-term loans from parent companies and subsidiaries	112,444	11,613	12,812
Other current financial liabilities	765,236	316,003	314,062
II PREPAYMENTS, DEPOSITS AND GUARANTEES	3,214	4	
III ACCOUNTS PAYABLE	712,773	715,008	669,999
Suppliers - parent and subsidiaries in the country	682,959	696,154	653,820
Suppliers - parent and subsidiaries abroad	166	199	223
Suppliers in the country	24,963	15,545	13,385
Foreign suppliers	1,239	1,870	1,381



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Other liabilities	3,446	1,240	1,190
IV OTHER CURRENT LIABILITIES	515,531	242,472	241,940
V LIABILITIES FOR VALUE ADDED TAX	11,826	16,662	11,826
VI OTHER TAXES, CONTRIBUTIONS AND OTHER FEES	13,876		
VII ACCRUALS	18,839	26,151	95,335
I. THE LOSS IN EXCESS OF CAPITAL		362,627	448,601
F. TOTAL LIABILITIES	2,656,203	2,441,119	2,367,563
G. OFF BALANCE SHEET LIABILITIES			

Income statement (in thousands of RSD)	January- December 2013	January- December 2014 non- audited	January-March 2014	January-March 2015
INCOME FROM OPERATIONS				
A. OPERATING INCOME	1,314,249	1,346,781	236,164	344,347
I Sales of goods				
II Sales of products and services	1,300,092	1,339,262	234,261	342,579
III Revenues from premiums, subsidies, donations, grants etc.				
IV Other operating income	14,157	7,519	1,903	1,768
EXPENSES FROM OPERATIONS				
B. OPERATING EXPENSES	1,642,250	1,624,310	294,389	353,617
I Cost of commercial goods sold				
II Work performed by the company and capitalized	11,525			
III Increase in inventories of finished products and work in progress			57,510	49,262
IV Decrease in inventories of finished products and work in progress	26,961	13,146		
V Material consumed	768,469	758,954	153,249	195,411
VI Fuel and energy consumed	84,529	91,022	22,251	27,177
VII Staff costs	439,810	460,395	96,560	122,878
VIII Production expenses	9,569	9,735	2,463	2,567
IX Amortization	111,982	106,286	26,995	25,301
X Costs of long-term provisions				
XI Intangible costs	212,455	184,772	50,381	29,545
C. PROFIT FROM OPERATIONS				
D. LOSS FROM OPERATIONS	328,001	277,529	58,225	9,270
I. FINANCE INCOME	634	217	19	7,825
I Financial income from related persons and other financial income				
II Interest income (from third parties)				
III Gains and positive effects of currency clause	634	217	19	7,825
F. FINANCE EXPENSES	97,122	257,036	43,027	19,252
I Financial expenses related party transactions and other financial expenses	7			
II Interest expense (by third parties)	47,279	93,075	16,002	19,057
III Foreign exchange gains and negative effects of currency clause	49,836	163,961	27,025	196
G. PROFIT FROM FINANCING				
H. LOSS FROM FINANCING	96,488	256,819	43,008	11,428
I. INCOME FROM VALUATION ADJUSTMENTS OF OTHER ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT				
J. LOSS ADJUSTMENT OTHER PROPERTY CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	12	491		
K. OTHER INCOME	50,158	13,182	151	479
L. OTHER EXPENSES	4,807	289	19	
M. OPERATING PROFIT BEFORE TAX				
N. LOSS FROM OPERATIONS BEFORE TAX	379,150	521,946	101,101	20,218
Q. PROFIT BEFORE TAXATION				
R. LOSS BEFORE TAXATION	379,150	521,946	101,101	20,218
S. INCOME TAXES				
I Current tax expense				
II Deferred income tax expense	110			
III Deferred income tax benefit		487		
T. EARNINGS OF EMPLOYER				
U. NET PROFIT				
V. NET LOSS	379,260	521,459	101,101	20,218



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CASH FLOWS (in thousands of RSD)	January-March 2014	January-March 2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash inflow from operating activities	12,722	353,879
Cash outflow from operating activities	15,951	352,973
Net cash inflow from operating activities		906
Net outflow from operating activities	3,229	
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash inflow from investing activities		
Cash outflow from investing activities		
Net cash inflow from investing activities		
Net cash outflow from investing activities		
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash inflow from financing activities	3,202	
Cash outflow from financing activities		
Net cash inflow from financing activities	3,202	
Net cash outflow from financing activities		
NET CASH INFLOW		906
NET CASH OUTFLOW	27	
Cash and cash equivalents at beginning of year	122	134
Foreign exchange gains on translation of cash and cash equivalents		12
Foreign exchange losses on translation of cash and cash equivalents	2	58
CASH AND CASH EQUIVALENTS AT END OF PERIOD	93	994

3.7. TIGAR RUBBER TECHNICAL GOODS

BALANCE SHEET (in thousands of RSD)	As of January- December 2013	As of January- December 2014 non audited	As of January- March 2015
ASSETS			
A. SUBSCRIBED CAPITAL UNPAID			
B. NON-CURRENT ASSETS	1,008,133	992,528	987,184
I INTANGIBLE ASSETS	29,281	28,417	28,201
II PROPERTY, PLANT AND EQUIPMENT	978,852	950,520	945,392
Land			27,084
Buildings	439,247	432,361	405,532
Plant and equipment	300,784	279,726	274,343
Investment property	218,126	218,126	218,126
Property, plant and equipment construction	755	367	366
Advances for property, plant and equipment	19,940	19,940	19,940
III BIOLOGICAL AGENTS			
IV LONG-TERM FINANCIAL PLACEMENTS			
V LONG-TERM RECEIVABLES		13,591	13,591
Receivables from parent company and its subsidiaries		13,591	13,591
C. DEFERRED TAX ASSETS			
D. CURRENT ASSETS	249,246	299,453	332,063
I INVENTORIES	89,447	85,568	85,504
II RECEIVABLES FROM SALE	112,568	212,054	243,302
Customers in the country - the parent and subsidiaries	86,951	201,797	231,984
Customers abroad - parent and subsidiaries	6,187	6,501	6,352
Customers in the country - other related parties	7	7	7
Customers abroad- other related parties	58		
Customers in the country	19,254	3,683	4,960
Customers abroad	111	66	
III RECEIVABLES FROM SPECIFIC			
IV OTHER RECEIVABLES	562	181	
V FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT			
VI SHORT-TERM FINANCIAL PLACEMENTS	146		
Short-term loans and investments - parent and subsidiaries	146		
VII CASH AND CASH EQUIVALENTS	1		0
VIII VALUE ADDED TAX	9,169	348	2,121
IX PREPAYMENTS	37,353	1,302	1,137
I. TOTAL ASSETS	1,257,379	1,291,981	1,319,247
EQUITY AND LIABILITIES	As of January- December 2013	As of January- December 2014 non audited	As of January- March 2015
A. EQUITY			



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I SHARE AND OTHER CAPITAL	626,048	626,048	626,048
II SUBSCRIBED CAPITAL UNPAID			
III TREASURY SHARES			
IV RESERVES			
V REVALUATION RESERVES BASED ON REVALUATION OF INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT	9,150	9,150	9,150
VI UNREALIZED GAINS ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS			
VII UNREALIZED LOSSES ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS		99	99
VIII RETAINED EARNINGS			
IX PARTICIPATION RIGHTS WITHOUT CONTROL			
X LOSS	791,113	1,027,818	1,054,647
Loss of previous years	603,297	791,113	1,025,910
Loss for the year	187,816	236,705	28,737
B. NON-CURRENT ASSETS	63,509	5,124	4,987
I LONG-TERM PROVISIONS	11,309	5,124	4,987
Provision for retirement and other employee benefits	11,309	5,124	4,987
II LONG-TERM LIABILITIES	52,200		
C. DEFERRED TAX LIABILITIES			
D. CURRENT LIABILITIES	1,349,785	1,679,576	1,733,808
I SHORT-TERM FINANCIAL LIABILITIES	281,610	347,404	345,707
Short-term loans from parent companies and subsidiaries	72,807	71,196	71,196
Other current financial liabilities	208,803	276,208	274,511
II PREPAYMENTS, DEPOSITS AND GUARANTEES	158	320	127
III ACCOUNTS PAYABLE	947,480	1,171,002	1,217,073
Suppliers - parent and subsidiaries in the country	912,580	1,140,276	1,182,788
Suppliers - other related parties in the country	5	5	5
Suppliers in the country	13,724	20,096	24,080
Foreign suppliers	9,051	7,697	7,273
Other liabilities	12,120	2,928	2,928
IV OTHER CURRENT LIABILITIES	113,252	147,382	153,225
V LIABILITIES FOR VALUE ADDED TAX	725		3,631
VI OTHER TAXES, CONTRIBUTIONS AND OTHER FEES			
VII ACCRUALS	6,560	13,468	14,046
I. THE LOSS IN EXCESS OF CAPITAL	155,915	392,719	419,547
F. TOTAL LIABILITIES	1,257,379	1,291,981	1,319,247



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Income statement (in thousands of RSD)	January-December 2013	January-December 2014 non audited	January-March 2014	January-March 2015
INCOME FROM OPERATIONS				
A. OPERATING INCOME	352,773	241,245	51,268	49,028
I Sales of goods	28,252	834	834	
II Sales of products and services	324,406	240,399	50,422	49,028
III Revenues from premiums, subsidies, donations, grants etc.				
IV Other operating income	115	12	12	
EXPENSES FROM OPERATIONS				
B. OPERATING EXPENSES	525,549	382,731	93,466	72,529
I Cost of commercial goods sold	25,758	745	745	
II Work performed by the company and capitalized	166	607	595	
III Increase in inventories of finished products and work in progress			5,093	2,644
IV Decrease in inventories of finished products and work in progress	33,282	1,396		
V Material consumed	143,468	99,836	24,972	21,020
VI Fuel and energy consumed	46,870	36,318	10,333	9,575
VII Staff costs	124,942	110,373	26,362	25,757
VIII Production expenses	7,517	6,620	1,568	1,548
IX Amortization	30,227	29,843	7,546	7,253
X Costs of long-term provisions				
XI Intangible costs	113,651	98,207	27,629	10,020
C. PROFIT FROM OPERATIONS				
D. LOSS FROM OPERATIONS	172,776	141,486	42,199	23,502
I. FINANCE INCOME	227	1,530	335	1,867
I Financial income from related persons and other financial income				
II Interest income (from third parties)				
III Gains and positive effects of currency clause	227	1,530	335	1,867
F. FINANCE EXPENSES	33,673	93,099	8,168	7,237
I Financial expenses related party transactions and other financial expenses				
II Interest expense (by third parties)	21,832	41,053	5,632	7,073
III Foreign exchange gains and negative effects of currency clause	11,841	52,046	2,536	164
G. PROFIT FROM FINANCING				
H. LOSS FROM FINANCING	33,446	91,569	7,833	5,371
I. INCOME FROM VALUATION ADJUSTMENTS OF OTHER ASSETS CARRIED AT FAIR VALUE TROUGH INCOME STATEMENT		810		
J. LOSS ADJUSTMENT OTHER PROPERTY CARRIED AT FAIR VALUE TROUGH INCOME STATEMENT	425	9,180		
K. OTHER INCOME	2,574	5,881		137
L. OTHER EXPENSES	972	1,161	55	2
M. OPERATING PROFIT BEFORE TAX				
N. LOSS FROM OPERATIONS BEFORE TAX	205,045	236,705	50,087	28,737
Q. PROFIT BEFORE TAXATION				
R. LOSS BEFORE TAXATION	205,045	236,705	50,087	28,737
S. INCOME TAXES				
I Current tax expense				
II Deferred income tax expense				
III Deferred income tax benefit	17,229			
T. EARNINGS OF EMPLOYER				
U. NET PROFIT				
V. NET LOSS	187,816	236,705	50,087	28,737

CASH FLOWS (in thousands of RSD)	January-March 2014	January-March 2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash inflow from operating activities	29,344	27,354
Cash outflow from operating activities	26,657	27,354
Net cash inflow from operating activities	2,687	
Net outflow from operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash inflow from investing activities		
Cash outflow from investing activities		
Net cash inflow from investing activities		
Net cash outflow from investing activities		
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash inflow from financing activities		



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Cash outflow from financing activities	2,687	
Net cash inflow from financing activities		
Net cash outflow from financing activities	2,687	
Total cash inflow	29,344	27,354
Total cash outflow	29,344	27,354
NET CASH INFLOW		
NET CASH OUTFLOW		
Cash and cash equivalents at beginning of year	1	
Foreign exchange gains on translation of cash and cash equivalents		
Foreign exchange losses on translation of cash and cash equivalents		
CASH AND CASH EQUIVALENTS AT END OF PERIOD	1	

3.8. TIGAR CHEMICAL PRODUCTS

BALANCE SHEET IN THOUSANDS OF DINARS

ASSETS	As of 31.12.2013.	As of 31.12.2014. non-audited	As of 31.03.2015.
A. SUBSCRIBED CAPITAL UNPAID			
B. NON-CURRENT ASSETS	219,012	268,408	268,228
I INTANGIBLE ASSETS	4,225	3,724	3,598
II PROPERTY, PLANT AND EQUIPMENT	214,787	214,497	214,443
Land	54,278	54,278	54,278
Buildings	34	32	31
Plant and equipment	656	242	189
Investment property	141,693	141,862	141,862
Property, plant and equipment construction	18,126	18,083	18,083
III BIOLOGICAL AGENTS			
IV LONG-TERM FINANCIAL PLACEMENTS			
V LONG-TERM RECEIVABLES		50,187	50,187
Receivables from parent company and its subsidiaries		50,187	50,187
C. DEFERRED TAX ASSETS			
D. CURRENT ASSETS	92,965	105,300	117,589
I INVENTORIES	33,998	30,714	29,992
II RECEIVABLES FORM SALE	52,930	71,235	84,717
Customers in the country - the parent and subsidiaries	43,434	56,835	69,052
Customers in the country	2,203	6,705	8,094
Customers abroad	7,293	7,695	7,572
III RECEIVABLES FROM SPECIFIC OPERATIONS			
IV OTHER RECEIVABLES	5,260	13	
V FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT			
VI SHORT-TERM FINANCIAL PLACEMENTS		2,639	2,640
Short-term loans and investments - parent and subsidiaries		2,639	2,640
VII CASH AND CASH EQUIVALENTS			0
VIII VALUE ADDED TAX	171	84	84
IX PREPAYMENTS	606	615	156
E. TOTAL ASSETS	311,977	373,708	385,816
F. OFF BALANCE SHEET ASSETS			
EQUITY AND LIABILITIES	As of 31.12.2013.	As of 31.12.2014. non-audited	As of 31.03.2015.
A. EQUITY	131,050	128,509	128,597
I SHARE AND OTHER CAPITAL	256,841	256,841	256,841
Shares of limited liability companies	256,841	256,841	256,841
II SUBSCRIBED CAPITAL UNPAID			
III TREASURY SHARES			
IV RESERVES			
V REVALUATION RESERVES BASED ON REVALUATION OF INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT	31,527	31,527	31,527
VI UNREALIZED GAINS ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS		6	6
VII UNREALIZED LOSSES ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS			
VIII RETAINED EARNINGS			13
Retained profit from the year			13



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IX PARTICIPATION RIGHTS WITHOUT CONTROL			
X LOSS	157,318	159,865	159,790
Loss of previous years	127,601	157,318	159,790
Loss for the year	29,717	2,547	
B. NON-CURRENT ASSETS	1,231	903	903
I LONG-TERM PROVISIONS	1,231	903	903
Provision for retirement and other employee benefits	1,231	903	903
II LONG-TERM LIABILITIES			
C. DEFERRED TAX LIABILITIES			
D. CURRENT LIABILITIES	179,696	244,296	256,316
I SHORT-TERM FINANCIAL LIABILITIES	94,051	100,408	100,408
Short-term loans from parent companies and subsidiaries	94,051	100,408	100,408
II PREPAYMENTS, DEPOSITS AND GUARANTEES	3,580	1,049	
III ACCOUNTS PAYABLE	35,555	90,692	104,275
Suppliers - parent and subsidiaries in the country	14,182	64,277	76,668
Suppliers in the country	10,021	10,848	12,245
Foreign suppliers	9,859	14,092	13,887
Other liabilities	1,493	1,475	1,475
IV OTHER CURRENT LIABILITIES	40,927	42,586	41,791
V LIABILITIES FOR VALUE ADDED TAX	749	3,026	2,533
VI OTHER TAXES, CONTRIBUTIONS AND OTHER FEES			
VII ACCRUALS	4,834	6,535	7,309
E. THE LOSS IN EXCESS OF CAPITAL			
F. TOTAL LIABILITIES	311,977	373,708	385,816
G. OFF BALANCE SHEET LIABILITIES			

INCOME STATEMENT IN THOUSANDS OF DINARS	January- December 2013	January- December 2014 non- audited	January- March 2014	January- March 2015
INCOME FROM OPERATIONS				
A. OPERATING INCOME	90,023	81,120	15,192	18,986
I Sales of goods	796	4,511		220
II Sales of products and services	89,227	75,505	15,192	18,322
III Revenues from premiums, subsidies, donations, grants etc.				
IV Other operating income		1,104		443
EXPENSES FROM OPERATIONS				
B. OPERATING EXPENSES	110,109	89,357	22,513	18,982
I Cost of commercial goods sold	665	3,845		193
II Work performed by the company and capitalized				
III Increase in inventories of finished products and work in progress				88
IV Decrease in inventories of finished products and work in progress	4,340	960	5,068	
V Material consumed	45,907	38,520	6,155	8,411
VI Fuel and energy consumed	2,829	2,524	886	543
VII Staff costs	29,478	24,811	5,911	5,672
VIII Production expenses	3,439	1,864	126	927
IX Amortization	1,448	916	250	180
X Costs of long-term provisions				
XI Intangible costs	22,003	15,917	4,117	3,144
C. PROFIT FROM OPERATIONS				4
D. LOSS FROM OPERATIONS	20,086	8,237	7,321	
I FINANCE INCOME	480	403	107	86
I Financial income from related persons and other financial income				
II Interest income (from third parties)				
III Gains and positive effects of currency clause	480	403	107	86
F. FINANCE EXPENSES	668	4,171	111	271
I Financial expenses related party transactions and other financial expenses				
II Interest expense (by third parties)	265	3,446	29	164
III Foreign exchange gains and negative effects of currency clause	403	725	82	107
G. PROFIT FROM FINANCING				
H. LOSS FROM FINANCING	188	3,768	4	185
I. INCOME FROM VALUATION ADJUSTMENTS OF OTHER ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	42			
J. LOSS ADJUSTMENT OTHER PROPERTY CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT		293		
K. OTHER INCOME	1,278	10,109	387	194
L. OTHER EXPENSES	15,047	358	13	



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M. OPERATING PROFIT BEFORE TAX				13
N. LOSS FROM OPERATIONS BEFORE TAX	34,001	2,547	6,950	
Q. PROFIT BEFORE TAXATION				13
R. LOSS BEFORE TAXATION	34,001	2,547	6,950	
S. INCOME TAXES				
I Current tax expense				
II Deferred income tax expense				
III Deferred income tax benefit	4,285			
T.EARNINGS OF EMPLOYER				
U. NET PROFIT				13
V. NET LOSS	29,716	2,547	6,950	

CASH FLOWS in thousands of RSD)	January-March 2014	January-March 2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash inflow from operating activities	5,639	8,811
Cash outflow from operating activities	7,443	8,811
Net cash inflow from operating activities		
Net outflow from operating activities	1,804	
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash inflow from investing activities		
Cash outflow from investing activities		
Net cash inflow from investing activities		
Net cash outflow from investing activities		
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash inflow from financing activities	1,804	
Cash outflow from financing activities		
Net cash inflow from financing activities	1,804	
Net cash outflow from financing activities		
Total cash inflow	7,443	8,811
Total cash outflow	7,443	8,811
NET CASH INFLOW		
NET CASH OUTFLOW		
Cash and cash equivalents at beginning of year		
Foreign exchange gains on translation of cash and cash equivalents		
Foreign exchange losses on translation of cash and cash equivalents		
CASH AND CASH EQUIVALENTS AT END OF PERIOD		



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3.9. TIGAR EUROPE UK – In the procedure of voluntary wind-up

Balance sheet in thousands GBP	As of 31.12.2012. audited	As of 31.12.2013. audited	As of 11.08.2014.	As of 31.12.2014. In bankruptcy
TOTAL ASSETS				
Fixed Assets	2			
Current assets	3,390	3,291	2,503	351
Deferred tax assets				
Total assets	3,392	3,291	2,503	351
TOTAL LIABILITIES				
Equity	2,609	2,538	2,487	
Non-current liabilities				
Short-term liabilities	783	753	15	351
Deferred tax liabilities				
Total liabilities	3,392	3,291	2,503	351

INCOME STATEMENT (in thousands GBP)	January-December 2012. Audited	January-December 2013. Audited	January-August 2014.- last report
Sales revenue	9,322	4,434	167
Cost of goods sold	8,514	4,058	151
Gross margin	808	376	16
Administrative expenses	613	566	110
Operating result	195	-191	-94
Interest income	8	10	6
Other income			
Profit before tax	204	-181	-88
Income tax	41	110	37
Retained profit for the financial year	163	-71	-51

3.10. TIGRA MONTENEGRO – MONTENEGRO

BALANCE SHEET (in thousands of EUR)	As of 31.12.2013.	As of 31.12.2014. non-audited	As of 31.03.2015.
Non-current assets	4	3	3
Current assets	356	182	116
Deferred tax assets	-	-	-
TOTAL ASSETS	360	185	119
Equity	95	45	32
Long-term liabilities and provisions	-	-	-
Current liabilities	265	140	86
Deferred tax liabilities	-	-	-
TOTAL EQUITY AND LIABILITIES	360	185	119

Income Statement (in thousands of EUR)	January- December 2013	January- December 2014 non-audited	January-March 2014	January-March 2015
Total income	486	172	25	7
Total expenses	497	223	39	20
PROFIT/LOSS BEFORE TAXATION	-11	-50	-14	-12
Income taxes				
Deferred Income Tax expense				
Deferred Income Tax benefit				
NET PROFIT/LOSS	-11	-50	-14	-12



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3.11. TIGRA TREJD – REPUBLIC SRPSKA

BALANCE SHEET (in thousands of KM)	As of 31.12.2013.	As of 31.12.2014. non-audited	As of 31.03.2015.
Fixed Assets	283	269	265
Current assets	905	909	981
Deferred tax assets			
TOTAL ASSETS	1,188	1,178	1,246
Equity	71	98	89
Non-current liabilities	9		
Short-term liabilities	1,108	1,080	1,157
Deferred tax liabilities			
TOTAL EQUITY AND LIABILITIES	1,188	1,178	1,246

Income statement (in thousands of KM)	January-December 2013	January-December 2014 non-audited	January-March 2014	January-March 2015
Total income	1,226	1,462	117	252
Total expenses	1,156	1,430	147	261
PROFIT/LOSS BEFORE TAXATION	70	33	-30	-9
Income taxes		5		
Deferred Income Tax expense				
Deferred Income Tax benefit				
NET PROFIT/LOSS	70	27	-30	-9

3.12. TIGAR PARTNER – MACEDONIA

BALANCE SHEET (in thousands of Denars)	As of 31.12.2013.	As of 31.12.2014. non-audited	As of 31.03.2015.
Fixed Assets	17	6	6
Current assets	27,076	21,366	19,829
Deferred tax assets	0	0	0
TOTAL ASSETS	27,094	21,373	19,836
Equity	17,865	16,597	16,149
Non-current liabilities	0	0	0
Short-term liabilities	9,229	4,776	3,687
Deferred tax liabilities	0	0	0
TOTAL EQUITY AND LIABILITIES	27,094	21,373	19,836

Income Statement (in thousands of Denars)	January-December 2013	January- December 2014 non-audited	January-March 2014	January-March 2015
Total income	27,272	24,115	3,744	4,903
Total expenses	27,201	25,512	4,094	5,210
PROFIT/LOSS BEFORE TAXATION	71	-1,397	-350	-307
Income taxes	9	10	2	2
Deferred Income Tax expense	0	0	0	0
Deferred Income Tax benefit	0	0	0	0
NET PROFIT/LOSS	62	-1,407	-352	-309



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IZ.P. 15/01**3.13. TI-CAR TRGOVINE****BALANCE SHEET (in thousands of RSD)**

ASSETS	As of 31.12.2013.	As of 31.12.2014.non-audited	As of 31.03.2015.
A. SUBSCRIBED CAPITAL UNPAID			
B. NON-CURRENT ASSETS	30,661	46,358	46,279
I. INTANGIBLE ASSETS			
II. PROPERTY, PLANT AND EQUIPMENT	30,661	29,970	29,891
Land	692	692	1,931
Buildings	29,517	28,921	27,651
Plant and equipment	437	259	210
Investments in property, plants and equipment	15	98	99
III. BIOLOGICAL AGENTS			
IV. LONG-TERM FINANCIAL PLACEMENTS			
V. LONG-TERM RECEIVABLES		16,388	16,388
Receivables from parent company and its subsidiaries		16,388	16,388
C. DEFERRED TAX ASSETS	190	145	145
D. CURRENT ASSETS	192,221	569,909	520,938
I. INVENTORIES	59,655	128,835	125,684
Goods	53,992	115,161	117,330
Advances paid to suppliers	5,663	13,674	8,354
II. Receivable from sale	100,547	303,415	273,033
Customers in the country - the parent and subsidiaries	66,721	229,186	238,747
Customers abroad - parent and subsidiaries	1,883	6,682	6,783
Customers in the country - other related parties		9	156
Customers in the country	13,747	43,063	15,367
Customers abroad	18,196	24,475	11,980
III RECEIVABLES FROM SPECIFIC OPERATIONS			
IV. OTHER RECEIVABLES	15,820	6,073	5,664
V. FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT			
VI. SHORT-TERM FINANCIAL PLACEMENTS		110,163	102,016
Short-term loans and investments - parent and subsidiaries		110,163	102,016
VII. CASH AND CASH EQUIVALENTS	133	329	725
VIII. VALUE ADDED TAX	9,976	9,694	7,952
IX. PREPAYMENTS	6,090	11,400	5,864
I. TOTAL ASSETS	223,072	616,412	567,362
F. OFF BALANCE SHEET ASSETS			
EQUITY AND LIABILITIES	As of 31.12.2013.	As of 31.12.2014.non-audited	As of 31.03.2015.
A. EQUITY			
I. SHARE AND OTHER CAPITAL	1,348	1,348	1,348
Share Capital	1,348	1,348	1,348
VII. UNREALIZED LOSSES ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS		389	388
VIII. RETAINED EARNINGS		14,021	13,687
Retained profit from previous years			13,687
Retained profit from financial year		14,021	
IX. PARTICIPATION RIGHTS WITHOUT CONTROL			
X. LOSS	14,026	14,026	30,531
Loss of previous years	13,050	14,026	13,929
Loss for the year	976		16,602
B. NON-CURRENT ASSETS	395	818	818
I. LONG-TERM PROVISIONS	395	818	818
Provision for retirement and other employee benefits	395	818	818
II. LONG-TERM LIABILITIES			
C. DEFERRED TAX LIABILITIES			
D. CURRENT LIABILITIES	235,355	614,640	582,428
I. SHORT-TERM FINANCIAL LIABILITIES	17,489	107,721	90,134
Short-term loans from parent companies and subsidiaries	17,489	107,721	90,134
II. PREPAYMENTS, DEPOSITS AND GUARANTEES	16,941	41,728	12,502
III. ACCOUNTS PAYABLE	182,534	434,221	451,159
Suppliers - parent and subsidiaries in the country	149,036	354,486	377,983
Suppliers - other related parties in the country	14		5
Suppliers in the country	14,315	49,497	41,688
Foreign suppliers	12,817	24,842	25,936
Other liabilities	6,352	5,396	5,547
IV. OTHER CURRENT LIABILITIES	17,936	28,288	24,795
V. LIABILITIES FOR VALUE ADDED TAX		2,041	
VI OTHER TAXES, CONTRIBUTIONS AND OTHER FEES		93	507
VII. ACCRUALS	455	548	3,331



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I. THE LOSS IN EXCESS OF CAPITAL	12,678		15,884
F. TOTAL LIABILITIES	223,072	616,412	567,362
G. OFF BALANCE SHEET LIABILITIES			

Income statement (in thousands of RSD)	january- december 2013	january-december 2014 non-audited	january-march 2014	january-march 2015
INCOME FROM OPERATIONS				
A. OPERATING INCOME	193,999	1,383,904	308,059	212,576
I. Sales of goods	189,152	1,367,802	305,086	209,447
II. Sales of products and services	4,629	13,500	2,604	2,423
III. Revenues from premiums, subsidies, donations, grants etc.				
IV. Other operating income	218	2,602	368	706
EXPENSES FROM OPERATIONS				
B. OPERATING EXPENSES	194,771	1,351,553	297,708	229,175
I. Cost of commercial goods sold	166,498	1,224,188	272,292	189,287
II. Work performed by the company and capitalized				
V. Material consumed	1,576	9,992	3,188	1,833
VI. Fuel and energy consumed	1,187	11,982	1,390	3,029
VII. Staff costs	15,506	61,233	10,591	16,749
VIII. Production expenses	4,210	22,239	6,648	4,163
IX. Amortization	1,071	798	199	194
X. Costs of long-term provisions		284		
XI. Intangible costs	4,723	20,837	3,401	13,920
C. PROFIT FROM OPERATIONS		32,351	10,351	
D. LOSS FROM OPERATIONS	772			16,599
I. FINANCE INCOME	179	2,417	432	544
I. Financial income from related persons and other financial income				
II. Interest income (from third parties)			0	
III. Gains and positive effects of currency clause	179	2,417	432	544
F. FINANCE EXPENSES	175	4,841	871	561
I. Financial expenses related party transactions and other financial expenses				
II. Interest expense (by third parties)	2	1,516	9	80
III. Foreign exchange gains and negative effects of currency clause	173	3,325	862	481
G. PROFIT FROM FINANCING	4			
H. LOSS FROM FINANCING		2,424	439	17
I. INCOME FROM VALUATION ADJUSTMENTS OF OTHER ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT		1,018		
J. LOSS ADJUSTMENT OTHER PROPERTY CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	393	10,601		
K. OTHER INCOME	377	394	0	14
L. OTHER EXPENSES	174	6,672	0	
M. OPERATING PROFIT BEFORE TAX		14,066	9,911	
N. LOSS FROM OPERATIONS BEFORE TAX	958			16,602
Q. PROFIT BEFORE TAXATION		14,066	9,911	
P. LOSS BEFORE TAXATION	958			16,602
R. INCOME TAX				
I. Current tax expense				
II. Deferred income tax expense	18	45		
III. Deferred income tax benefit				
T. EARNINGS OF EMPLOYER				
U. NET PROFIT		14,021	9,911	
V. NET LOSS	976			16,602

3.14. TIGAR BUSINESS SERVICE

BALANCE SHEET (in thousands of RSD)

ASSETS	As of 31.12.2013.	As of 31.12.2014.non-audited	As of 31.03.2015.
A. SUBSCRIBED CAPITAL UNPAID			
B. NON-CURRENT ASSETS	37,425	58,817	56,842
I. INTANGIBLE ASSETS	7	4	3
Investment in development			



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Concessions, patents , licenses , trademarks , software and other rights	7	4	3
II. PROPERTY, PLANT AND EQUIPMENT	37,418	45,317	43,342
Land			2,765
Buildings	16,451	16,193	13,537
Plant and equipment	15,144	29,124	26,477
investment property			
Property, plant and equipment construction	5,823		564
Investments in property, plants and equipment			
III. BIOLOGICAL AGENTS			
IV. LONG-TERM FINANCIAL PLACEMENTS			
V. LONG-TERM RECEIVABLES		13,496	13,496
Receivables from parent company and its subsidiaries		13,496	13,496
C. DEFERRED TAX ASSETS	1,269	2,417	2,417
D. CURRENT ASSETS	45,713	71,303	87,684
I. INVENTORIES	4,452	2,791	2,720
Supplies , spare parts , tools and supplies	1,439	1,230	1,156
Advances paid to suppliers	3,013	1,561	1,564
II. Receivable from sale	15,715	8,397	12,175
Customers in the country - the parent and subsidiaries	676	224	1,272
Customers abroad - parent and subsidiaries	57		
Customers in the country - other related parties			
Customers in the country	14,982	8,173	10,316
Customers abroad			588
Other receivables from sales			
III RECEIVABLES FROM SPECIFIC OPERATIONS			
IV. OTHER RECEIVABLES	1,202	276	3,046
V. FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT			
VI. SHORT-TERM FINANCIAL PLACEMENTS	23,977	58,760	68,809
Short-term loans and investments - parent and subsidiaries	23,977	58,760	68,809
Short-term loans and investments - other related parties			
Other short-term financial investments			
VII. CASH AND CASH EQUIVALENTS		2	70
VIII. VALUE ADDED TAX		521	521
IX. PREPAYMENTS	367	556	342
I. TOTAL ASSETS	84,407	132,537	146,943
F. OFF BALANCE SHEET ASSETS			
EQUITY AND LIABILITIES	As of 31.12.2013.	As of 31.12.2014.non-audited	As of 31.03.2015.
A. EQUITY	30,895	37,990	43,490
I. SHARE AND OTHER CAPITAL	23,104	23,104	23,104
Share Capital			
II. SUBSCRIBED CAPITAL UNPAID			
III. TREASURY SHARES			
IV. RESERVES			
VI. UNREALIZED GAINS ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS			
VII. UNREALIZED LOSSES ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS		497	497
VIII. RETAINED EARNINGS	16,175	23,767	29,267
Retained profit from previous years	4,732	16,175	23,930
Retained profit from financial year	11,443	7,592	5,337
IX. PARTICIPATION RIGHTS WITHOUT CONTROL			
X. LOSS	8,384	8,384	8,384
Loss of previous years	8,384	8,384	8,384
Loss for the year			
B. NON-CURRENT ASSETS	6,012	17,279	17,181
I. LONG-TERM PROVISIONS	2,192	1,398	1,398
Provision for retirement and other employee benefits	2,192	1,398	1,398
Provision for lawsuits			
Other long-term provisions			
II. LONG-TERM LIABILITIES	3,820	15,881	15,783
Long-term loans and loans in the country			
Liabilities arising from finance lease	3,820	15,881	15,783
C. DEFERRED TAX LIABILITIES			
D. CURRENT LIABILITIES	47,500	77,268	86,272
I. SHORT-TERM FINANCIAL LIABILITIES	10,187	50,092	56,998
Short-term loans from parent companies and subsidiaries	8,884	45,570	41,171
Short-term loans from other related parties			



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Short-term loans and loans in the country			
Other current financial liabilities	1,303	4,522	15,827
II. PREPAYMENTS, DEPOSITS AND GUARANTEES	1,373	2,859	4,136
III. ACCOUNTS PAYABLE	13,701	12,058	14,445
Suppliers - parent and subsidiaries in the country	3,281	3,281	6,177
Suppliers - parent and subsidiaries abroad			
Suppliers - other related parties in the country		90	
Suppliers in the country	10,358	8,512	8,088
Foreign suppliers	52	173	172
Other liabilities	10	2	8
IV. OTHER CURRENT LIABILITIES	19,394	8,030	6,627
V. LIABILITIES FOR VALUE ADDED TAX	1,305		441
VI OTHER TAXES, CONTRIBUTIONS AND OTHER FEES	809	1,556	2,007
VII. ACCRUALS	731	2,673	1,617
I. THE LOSS IN EXCESS OF CAPITAL			
F. TOTAL LIABILITIES	84,407	132,537	146,943
G. OFF BALANCE SHEET LIABILITIES			

Income statement (in thousands of RSD)	january- december 2013	january- december 2014 non-audited	january-march 2014	january-march 2015
INCOME FROM OPERATIONS				
A. OPERATING INCOME	117,517	119,549	26,871	32,756
I. Sales of goods	24			
II. Sales of products and services	117,493	119,549	26,871	32,756
III. Revenues from premiums, subsidies, donations, grants etc.				
IV. Other operating income				
EXPENSES FROM OPERATIONS				
B. OPERATING EXPENSES	104,416	102,558	19,928	26,040
I. Cost of commercial goods sold				
V. Material consumed	3,787	3,968	908	652
VI. Fuel and energy consumed	31,652	30,978	7,345	7,441
VII. Staff costs	30,679	30,719	5,836	7,891
VIII. Production expenses	15,403	12,130	982	3,559
IX. Amortization	8,163	11,258	1,892	2,702
X. Costs of long-term provisions	575			
XI. Intangible costs	14,157	13,505	2,965	3,795
C. PROFIT FROM OPERATIONS	13,101	16,991	6,943	6,716
D. LOSS FROM OPERATIONS				
I. FINANCE INCOME	171	46	19	148
I. Financial income from related persons and other financial income				
II. Interest income (from third parties)	21	13		30
III. Gains and positive effects of currency clause	150	33	19	117
F. FINANCE EXPENSES	2,032	7,483	222	548
I. Financial expenses related party transactions and other financial expenses				
II. Interest expense (by third parties)	641	6,198	190	546
III. Foreign exchange gains and negative effects of currency clause	1,391	1,285	32	2
G. PROFIT FROM FINANCING				
H. LOSS FROM FINANCING	1,861	7,437	203	400
I. INCOME FROM VALUATION ADJUSTMENTS OF OTHER ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	11			
J. LOSS ADJUSTMENT OTHER PROPERTY CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT		446		
K. OTHER INCOME	1,732	3,272		38
L. OTHER EXPENSES	357	2,312		1
M. OPERATING PROFIT BEFORE TAX	12,626	10,068	6,741	6,353
N. LOSS FROM OPERATIONS BEFORE TAX				
Q. PROFIT BEFORE TAXATION	12,626	10,068	6,741	6,353
P. LOSS BEFORE TAXATION				
R. INCOME TAX				
I. Current tax expense	809	3,624	564	1,016
II. Deferred income tax expense	375			
III. Deferred income tax benefit		1,148		
T. EARNINGS OF EMPLOYER				
U. NET PROFIT	11,442	7,592	6,177	5,337
V. NET LOSS				



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IZ.P. 15/01**3.15. TIGAR CATERING****BALANCE SHEET IN THOUSANDS OF DINARS**

ASSETS	As of 31.12.2013.	As of 31.12.2014. non-audited	As of 31.03.2015.
A. SUBSCRIBED CAPITAL UNPAID			
B. NON-CURRENT ASSETS	167,393	166,487	166,651
I INTANGIBLE ASSETS	14	8	6
II PROPERTY, PLANT AND EQUIPMENT	167,379	163,780	163,946
Land	22,838	22,838	27,190
Buildings	135,928	133,480	128,980
Plant and equipment	7,716	6,475	6,176
Property, plant and equipment construction	897	987	1,600
III BIOLOGICAL AGENTS			
IV LONG-TERM FINANCIAL PLACEMENTS			
V LONG-TERM RECEIVABLES		2,699	2,699
Receivables from parent company and its subsidiaries		2,699	2,699
C. DEFERRED TAX ASSETS			
D. CURRENT ASSETS	53,197	89,568	109,920
I INVENTORIES	6,620	5,839	5,648
II RECEIVABLES FORM SALE	14,107	25,954	34,751
Customers in the country - the parent and subsidiaries	6,160	8,543	10,049
Customers in the country - other related parties	20	20	25
Customers in the country	7,927	17,273	24,677
Customers abroad		118	
III RECEIVABLES FROM SPECIFIC OPERATIONS			
IV OTHER RECEIVABLES	26,211	33,822	44,409
V FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT			
VI SHORT-TERM FINANCIAL PLACEMENTS	4,182	23,065	24,264
Short-term loans and investments - parent and subsidiaries	4,182	23,065	24,264
VII CASH AND CASH EQUIVALENTS	1,309		3
VIII VALUE ADDED TAX			
IX PREPAYMENTS	768	888	845
E. TOTAL ASSETS	220,590	256,055	276,571
F. OFF BALANCE SHEET ASSETS			
EQUITY AND LIABILITIES	As of 31.12.2013.	As of 31.12.2014. non-audited	As of 31.03.2015.
A. EQUITY	112,904	103,239	105,738
I SHARE AND OTHER CAPITAL	204,108	204,108	204,108
Shares of limited liability companies	204,108	204,108	204,108
II SUBSCRIBED CAPITAL UNPAID			
III TREASURY SHARES			
IV RESERVES			
V REVALUATION RESERVES BASED ON REVALUATION OF INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT			
VI UNREALIZED GAINS ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS			
VII UNREALIZED LOSSES ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS		35	35
VIII RETAINED EARNINGS			2,053
Retained profit from the year			2,053
IX PARTICIPATION RIGHTS WITHOUT CONTROL			
X LOSS	91,204	100,834	100,388
Loss of previous years	78,884	91,204	100,388
Loss for the year	12,320	9,630	
B. NON-CURRENT ASSETS	1,157	2,388	2,388
I LONG-TERM PROVISIONS	1,157	2,388	2,388
Provision for retirement and other employee benefits	1,157	2,388	2,388
II LONG-TERM LIABILITIES			
C. DEFERRED TAX LIABILITIES	492	631	631
D. CURRENT LIABILITIES	106,037	149,797	167,814
I SHORT-TERM FINANCIAL LIABILITIES	10,988	15,766	14,543
Short-term loans from parent companies and subsidiaries	10,988	15,766	14,543
II PREPAYMENTS, DEPOSITS AND GUARANTEES	380	374	
III ACCOUNTS PAYABLE	48,504	99,193	127,233



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Suppliers - parent and subsidiaries in the country	6,564	50,730	76,688
Suppliers - other related parties in the country	12	12	12
Suppliers in the country	41,796	48,279	50,334
Foreign suppliers	124	172	199
Other liabilities	8		
IV OTHER CURRENT LIABILITIES	41,690	30,122	22,825
V LIABILITIES FOR VALUE ADDED TAX	2,521	1,587	624
VI OTHER TAXES, CONTRIBUTIONS AND OTHER FEES			
VII ACCRUALS	1,954	2,755	2,589
E. THE LOSS IN EXCESS OF CAPITAL			
F. TOTAL LIABILITIES	220,590	256,055	276,571
G. OFF BALANCE SHEET LIABILITIES			

INCOME STATEMENT IN THOUSANDS OF DINARS	January- December 2013	January- December 2014 non-audited	January-March 2014	January-March 2015
INCOME FROM OPERATIONS				
A. OPERATING INCOME	150,552	177,211	42,342	49,376
I Sales of goods	63,936	95,452	22,690	21,551
II Sales of products and services	86,432	81,735	19,651	27,825
III Revenues from premiums, subsidies, donations, grants etc.				
IV Other operating income	184	24	1	
EXPENSES FROM OPERATIONS				
B. OPERATING EXPENSES	166,217	179,695	43,316	47,259
I Cost of commercial goods sold	6,298	5,830	1,229	1,235
II Work performed by the company and capitalized	158	270	97	63
III Increase in inventories of finished products and work in progress				
IV Decrease in inventories of finished products and work in progress				
V Material consumed	78,013	88,491	21,874	23,680
VI Fuel and energy consumed	6,803	7,640	1,751	2,437
VII Staff costs	55,945	57,757	13,806	14,937
VIII Production expenses	2,576	3,012	767	798
IX Amortization	4,902	4,408	1,138	1,048
X Costs of long-term provisions		1,160		
XI Intangible costs	11,838	11,667	2,849	3,187
C. PROFIT FROM OPERATIONS				2,117
D. LOSS FROM OPERATIONS	15,665	2,484	973	
I FINANCE INCOME	373			1
I Financial income from related persons and other financial income				
II Interest income (from third parties)	372			
III Gains and positive effects of currency clause	1			1
F. FINANCE EXPENSES	633	7,814	207	47
I Financial expenses related party transactions and other financial expenses				
II Interest expense (by third parties)	616	7,813	207	38
III Foreign exchange gains and negative effects of currency clause	17	1		9
G. PROFIT FROM FINANCING				
H. LOSS FROM FINANCING	260	7,814	207	46
I. INCOME FROM VALUATION ADJUSTMENTS OF OTHER ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT		56		
J. LOSS ADJUSTMENT OTHER PROPERTY CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	170	250		
K. OTHER INCOME	4,672	1,738	217	
L. OTHER EXPENSES	688	738	129	18
M. OPERATING PROFIT BEFORE TAX				2,053
N. LOSS FROM OPERATIONS BEFORE TAX	12,111	9,492	1,091	
Q. PROFIT BEFORE TAXATION				2,053
R. LOSS BEFORE TAXATION	12,111	9,492	1,091	
S. INCOME TAXES				
I Current tax expense				
II Deferred income tax expense	209	138		
III Deferred income tax benefit				



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T.EARNINGS OF EMPLOYER				
U. NET PROFIT				2,053
V. NET LOSS	12,320	9,630	1,091	

CASH FLOWS in thousands of RSD)	January-March 2014	January-March 2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash inflow from operating activities	62,217	39,310
Cash outflow from operating activities	32,453	36,885
Net cash inflow from operating activities	29,764	2,425
Net outflow from operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash inflow from investing activities		
Cash outflow from investing activities	250	
Net cash inflow from investing activities		
Net cash outflow from investing activities	250	
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash inflow from financing activities		
Cash outflow from financing activities	30,724	2,422
Net cash inflow from financing activities		
Net cash outflow from financing activities	30,724	2,422
Total cash inflow	62,217	39,310
Total cash outflow	63,427	39,307
NET CASH INFLOW		3
NET CASH OUTFLOW	1,210	
Cash and cash equivalents at beginning of year	1,309	
Foreign exchange gains on translation of cash and cash equivalents		
Foreign exchange losses on translation of cash and cash equivalents		
CASH AND CASH EQUIVALENTS AT END OF PERIOD	99	3

3.16. TIGAR INCON

BALANCE SHEET (in thousands of RSD)	As of January- December 2013	As of January- December 2014 non audited	As of January- March 2015
ASSETS			
A. SUBSCRIBED CAPITAL UNPAID			
B. NON-CURRENT ASSETS	156,862	159,229	158,473
I INTANGIBLE ASSETS	22	12	10
Investment in development			
Concessions, patents , licenses , trademarks , software and other rights	22	12	10
II PROPERTY, PLANT AND EQUIPMENT	156,840	150,897	150,143
Land	586	586	7,727
Buildings	141,388	139,171	131,917
Plant and equipment	14,866	11,140	10,282
Property, plant and equipment construction			217
III BIOLOGICAL AGENTS			
IV LONG-TERM FINANCIAL PLACEMENTS			
V LONG-TERM RECEIVABLES		8,320	8,320
Receivables from parent company and its subsidiaries		8,320	8,320
C. DEFERRED TAX ASSETS			
D. CURRENT ASSETS	40,425	55,808	49,893
I INVENTORIES	5,823	5,887	4,307
Material, spare parts,tools and supplies	4,935	5,118	4,307
Advances paid to suppliers	888	769	
II RECEIVABLES FROM SALE	30,525	42,467	37,384
Customers in the country - the parent and subsidiaries	8,242	8,603	8,952
Customers in the country - other related parties	2,614	2,636	2,636
Customers in the country	19,669	31,228	25,796
III RECEIVABLES FROM SPECIFIC			
IV OTHER RECEIVABLES	570		765
V FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT			
VI SHORT-TERM FINANCIAL PLACEMENTS	3,436	7,351	7,291
Short-term loans and investments - parent and subsidiaries	3,436	7,351	7,291
Ostali kratkoročni finansijski plasmani			
VII CASH AND CASH EQUIVALENTS	61	6	6
VIII VALUE ADDED TAX			
IX PREPAYMENTS	10	97	140



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I. TOTAL ASSETS	197,287	215,037	208,366
EQUITY AND LIABILITIES	As of January-December 2013	As of January-December 2014 non audited	As of January-March 2015
A. EQUITY	104,483	77,980	73,020
I SHARE AND OTHER CAPITAL	162,425	162,425	162,425
II SUBSCRIBED CAPITAL UNPAID			
III TREASURY SHARES			
IV RESERVES			
VII UNREALIZED LOSSES ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS		572	572
VIII RETAINED EARNINGS	7,371	7,371	7,371
Retained profit from previous years	7,371	7,371	7,371
IX PARTICIPATION RIGHTS WITHOUT CONTROL			
X LOSS	65,313	91,244	96,204
Loss of previous years	42,557	65,314	90,829
Loss for the year	22,756	25,930	5,375
B. NON-CURRENT ASSETS	4,194	2,727	2,727
I LONG-TERM PROVISIONS	4,194	2,727	2,727
Provision for retirement and other employee benefits	4,194	2,727	2,727
II LONG-TERM LIABILITIES			
C. DEFERRED TAX LIABILITIES	1,448	1,369	1,367
D. CURRENT LIABILITIES	87,162	132,961	131,252
I SHORT-TERM FINANCIAL LIABILITIES	7,237	29,657	32,016
Short-term loans from parent companies and subsidiaries	7,237	29,657	32,016
II PREPAYMENTS, DEPOSITS AND GUARANTEES			
III ACCOUNTS PAYABLE	20,413	44,487	44,923
Suppliers - parent and subsidiaries in the country	8,829	25,066	24,534
Suppliers in the country	11,584	19,421	20,231
Other liabilities			158
IV OTHER CURRENT LIABILITIES	50,355	51,764	49,497
V LIABILITIES FOR VALUE ADDED TAX	2,063	1,996	
VI OTHER TAXES, CONTRIBUTIONS AND OTHER FEES			
VII ACCRUALS	7,094	5,057	4,816
I. THE LOSS IN EXCESS OF CAPITAL			
F. TOTAL LIABILITIES	197,287	215,037	208,366

Income statement (in thousands of RSD)	January-December 2013	January-December 2014 Non audited	January-March 2014	January-March 2015
INCOME FROM OPERATIONS				
A. OPERATING INCOME	144,293	73,187	10,757	16,222
I Sales of goods				
II Sales of products and services	144,293	73,187	10,757	16,222
III Revenues from premiums, subsidies, donations, grants etc.				
IV Other operating income				
EXPENSES FROM OPERATIONS				
B. OPERATING EXPENSES	167,837	91,716	17,142	21,559
I Cost of commercial goods sold				
II Work performed by the company and capitalized	219			
V Material consumed	47,302	16,885	1,726	4,044
VI Fuel and energy consumed	3,724	2,990	486	587
VII Staff costs	70,368	47,855	8,473	12,386
VIII Production expenses	23,896	5,941	1,695	609
IX Amortization	6,098	5,944	1,509	1,387
X Costs of long-term provisions				
XI Intangible costs	16,668	12,101	3,252	2,546
C. PROFIT FROM OPERATIONS				
D. LOSS FROM OPERATIONS	23,544	18,529	6,384	5,337
I. FINANCE INCOME	5,492		438	
I Financial income from related persons and other financial income	5,482			
II Interest income (from third parties)			438	
III Gains and positive effects of currency clause	10			
F. FINANCE EXPENSES	4,912	8,987	57	39
II Interest expense (by third parties)	4,430	8,987	57	39
III Foreign exchange gains and negative effects of currency clause	482			
G. PROFIT FROM FINANCING	580		381	



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H. LOSS FROM FINANCING		8,987		39
I. INCOME FROM VALUATION ADJUSTMENTS OF OTHER ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT		289		
J. LOSS ADJUSTMENT OTHER PROPERTY CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	1,148			
K. OTHER INCOME	1,493	1,541	19	
L. OTHER EXPENSES	126	323	7	
M. OPERATING PROFIT BEFORE TAX				
N. LOSS FROM OPERATIONS BEFORE TAX	22,745	26,009	5,992	5,376
Q. PROFIT BEFORE TAXATION				
R. LOSS BEFORE TAXATION	22,745	26,009	5,992	5,376
S. INCOME TAXES				
I Current tax expense				
II Deferred income tax expense	10			
III Deferred income tax benefit		79		
T. EARNINGS OF EMPLOYER				
U. NET PROFIT				
V. NET LOSS	22,755	25,930	5,992	5,376

CASH FLOWS (in thousands of RSD)	January-March 2014	January-March 2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash inflow from operating activities	1,275	24,549
Cash outflow from operating activities	1,272	26,908
Net cash inflow from operating activities	3	
Net outflow from operating activities		2,359
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash inflow from investing activities		
Cash outflow from investing activities		
Net cash inflow from investing activities		
Net cash outflow from investing activities		
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash inflow from financing activities		2,359
Cash outflow from financing activities	58	
Net cash inflow from financing activities		2,359
Net cash outflow from financing activities	58	
Total cash inflow	1,275	26,908
Total cash outflow	1,330	26,908
NET CASH INFLOW		
NET CASH OUTFLOW	55	
Cash and cash equivalents at beginning of year	61	6
Foreign exchange gains on translation of cash and cash equivalents		
Foreign exchange losses on translation of cash and cash equivalents		
CASH AND CASH EQUIVALENTS AT END OF PERIOD	6	6

3.17. FREE ZONE PIROT

BALANCE SHEET (in thousands of RSD)	As of January-December 2013	As of January-December 2014 non audited	As of January-March 2015
ASSETS			
A. SUBSCRIBED CAPITAL UNPAID			
B. NON-CURRENT ASSETS	75,359	77,451	76,784
I INTANGIBLE ASSETS	338	247	224
Concessions, patents, licenses, trademarks, software and other rights	338	247	224
II PROPERTY, PLANT AND EQUIPMENT	75,021	77,204	76,560
Land	18,090	18,090	18,090
Buildings	42,169	45,805	45,587
Plant and equipment	5,408	4,171	3,781
Investment property			
Property, plant and equipment construction	8,428	8,428	8,428
Investments in property, plants and equipment	926	710	674
III BIOLOGICAL AGENTS			
IV LONG-TERM FINANCIAL PLACEMENTS			
V LONG-TERM RECEIVABLES			
C. DEFERRED TAX ASSETS	102		



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D. CURRENT ASSETS	160,996	188,527	217,304
I INVENTORIES	1,256	1,133	1,076
Goods	1,026	1,019	1,019
Advances paid to suppliers	230	114	57
II RECEIVABLES FROM SALE	58,152	43,249	48,245
Customers in the country - the parent and subsidiaries	6,005	7,887	9,589
Customers in the country	48,459	31,307	32,874
Customers abroad	3,688	4,055	5,782
III RECEIVABLES FROM SPECIFIC	4,761	1,255	1,255
IV OTHER RECEIVABLES	15,413	15,905	15,858
V FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT			
VI SHORT-TERM FINANCIAL PLACEMENTS	45,000	45,000	45,000
Short-term loans and investments - parent and subsidiaries	45,000	45,000	45,000
VII CASH AND CASH EQUIVALENTS	35,469	79,048	103,843
VIII VALUE ADDED TAX			
IX PREPAYMENTS	945	2,937	2,027
I. TOTAL ASSETS	236,457	265,978	294,088
F. OFF BALANCE SHEET ASSETS	20,000	12,500	12,500
EQUITY AND LIABILITIES	As of January-December 2013	As of January-December 2014 non audited	As of January-March 2015
A. EQUITY	199,378	222,112	236,195
I SHARE AND OTHER CAPITAL	118,439	118,439	118,439
Share Capital	118,439	118,439	118,439
II SUBSCRIBED CAPITAL UNPAID			
III TREASURY SHARES			
IV RESERVES	5,016	5,016	5,016
V REVALUATION RESERVES BASED ON REVALUATION OF INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT			
VI UNREALIZED GAINS ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS		664	664
VII UNREALIZED LOSSES ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS		108	108
VIII RETAINED EARNINGS	75,923	98,101	112,184
Retained profit from previous years	57,565	75,923	98,101
Retained profit for the year	18,358	22,178	14,083
IX PARTICIPATION RIGHTS WITHOUT CONTROL			
X LOSS			
B. NON-CURRENT ASSETS	3,274	2,792	2,792
I LONG-TERM PROVISIONS	3,274	2,792	2,792
Provision for retirement and other employee benefits	1,564	1,082	1,082
Rezervisanja za troškove sudskih sporova	1,710	1,710	1,710
II LONG-TERM LIABILITIES			
C. DEFERRED TAX LIABILITIES		411	411
D. CURRENT LIABILITIES	33,805	40,663	54,690
I SHORT-TERM FINANCIAL LIABILITIES	2,977		
Other current financial liabilities	2,977		
II PREPAYMENTS, DEPOSITS AND GUARANTEES	2,543	2,182	1,595
III ACCOUNTS PAYABLE	20,481	25,800	39,836
Suppliers - parent and subsidiaries in the country	1,335	5,229	5,104
Suppliers in the country	11,787	14,947	27,889
Foreign suppliers	7,218	5,438	6,712
Other liabilities	141	186	131
IV OTHER CURRENT LIABILITIES	6,540	6,611	6,641
V LIABILITIES FOR VALUE ADDED TAX	1,034	1,167	1,682
VI OTHER TAXES, CONTRIBUTIONS AND OTHER FEES		4,300	4,267
VII ACCRUALS	230	603	669
I. THE LOSS IN EXCESS OF CAPITAL			
F. TOTAL LIABILITIES	236,457	265,978	294,088
G. OFF BALANCE SHEET LIABILITIES	20,000	12,500	12,500

Income statement (in thousands of RSD)	Januar-December 2013	Januar-December 2014 non audited	Januar-Mart 2014	Januar-Mart 2015
INCOME FROM OPERATIONS				



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A. OPERATING INCOME	250,009	261,118	67,185	99,473
I Sales of goods		5		
II Sales of products and services	250,009	261,113	67,185	99,473
III Revenues from premiums, subsidies, donations, grants etc.				
IV Other operating income				
EXPENSES FROM OPERATIONS				
B. OPERATING EXPENSES	233,970	226,644	58,247	85,061
I Cost of commercial goods sold		202		
V Material consumed	981	1,984	230	83
VI Fuel and energy consumed	3,164	4,461	984	1,379
VII Staff costs	53,062	55,515	13,246	13,622
VIII Production expenses	162,894	148,736	40,348	66,620
IX Amortization	2,512	2,867	694	731
X Costs of long-term provisions	374	170		
XI Intangible costs	10,983	12,709	2,744	2,626
C. PROFIT FROM OPERATIONS	16,039	34,474	8,938	14,412
D. LOSS FROM OPERATIONS				
I. FINANCE INCOME	13,887	14,757	264	663
I Financial income from related persons and other financial income	11,996	10,245		
1. Finansijski prihodi od matičnih i zavisnih pravnih lica	11,996	10,245		
II Interest income (from third parties)	101	181	14	139
III Gains and positive effects of currency clause	1,790	4,331	250	524
F. FINANCE EXPENSES	1,544	716	143	708
I Financial expenses related party transactions and other financial expenses	16	9	0	2
1. Finansijski rashodi iz odnosa sa matičnim i zavisnim pravnim licima	16	9	0	1
II Interest expense (by third parties)	3	7	0	
III Foreign exchange gains and negative effects of currency clause	1,525	700	142	706
G. PROFIT FROM FINANCING	12,343	14,041	122	
H. LOSS FROM FINANCING				45
K. OTHER INCOME	12,067	2,924		
L. OTHER EXPENSES	19,740	23,328		
M. OPERATING PROFIT BEFORE TAX	20,709	28,111	9,060	14,367
N. LOSS FROM OPERATIONS BEFORE TAX				
Q. PROFIT BEFORE TAXATION	20,709	28,111	9,060	14,367
R. LOSS BEFORE TAXATION				
S. INCOME TAXES				
I Current tax expense	2,239	5,420	428	284
II Deferred income tax expense	112	513		
III Deferred income tax benefit				
T. EARNINGS OF EMPLOYER				
U. NET PROFIT	18,358	22,178	8,632	14,083

3.18. OTHER SERVICE ENTITIES – COLLECTIVELY

Income statement (in thousands of RSD)	january- december 2013	january- december 2014 non-audited	january- march 2014	january- march 2015
INCOME FROM OPERATIONS				
A. OPERATING INCOME	129,071	144,035	33,976	33,463
I. Sales of goods				
II. Sales of products and services	128,143	144,035	33,976	31,895
III. Revenues from premiums, subsidies, donations, grants etc.				
IV. Other operating income	928			1,568
EXPENSES FROM OPERATIONS				
B. OPERATING EXPENSES	94,718	103,574	25,377	25,607
I. Cost of commercial goods sold				
V. Material consumed	1,923	1,946	1,378	158
VI. Fuel and energy consumed	1,514	2,016	391	565
VII. Staff costs	78,279	87,532	21,398	21,608
VIII. Production expenses	4,495	2,687	460	299
IX. Amortization	2,798	2,468	661	580
X. Costs of long-term provisions	71	22		
XI. Intangible costs	5,638	6,903	1,089	2,397
C. PROFIT FROM OPERATIONS	34,353	40,461	8,600	7,856
D. LOSS FROM OPERATIONS				
I. FINANCE INCOME	295	87	41	27



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I. Financial income from related persons and other financial income				
II. Interest income (from third parties)	278	71	39	3
III. Gains and positive effects of currency clause	17	16	3	24
F. FINANCE EXPENSES	383	10,923	9	3,295
I. Financial expenses related party transactions and other financial expenses				
II. Interest expense (by third parties)	377	10,894	4	3,271
III. Foreign exchange gains and negative effects of currency clause	6	29	5	25
G. PROFIT FROM FINANCING			32	
H. LOSS FROM FINANCING	88	10,836		3,269
I. INCOME FROM VALUATION ADJUSTMENTS OF OTHER ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	69	52		
J. LOSS ADJUSTMENT OTHER PROPERTY CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	560	261		
K. OTHER INCOME	655	1,199	6	0
L. OTHER EXPENSES	601	275		
M. OPERATING PROFIT BEFORE TAX	33,828	30,340	8,638	4,588
N. LOSS FROM OPERATIONS BEFORE TAX				
Q. PROFIT BEFORE TAXATION	33,828	30,340	8,638	4,588
P. LOSS BEFORE TAXATION				
R. INCOME TAX				
I. Current tax expense	3,430	7,251	1,426	1,813
II. Deferred income tax expense	75	38		25
III. Deferred income tax benefit		15		
T. EARNINGS OF EMPLOYER				
U. NET PROFIT	30,323	23,066	7,211	2,751
V. NET LOSS				

* Other service entities include Tigar Security, Tigar Inter risk, Tigar Tours, Pi channel



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4. REAL ESTATE AND LEGAL MATTERS

4.1. REAL ESTATE

All of Tigar's manufacturing facilities are located in Pirot. Tigar Rubber Footwear and Tigar Rubber Technical Goods have been relocated to Tigar 3 – Polet location which was purchased in 2006 and completely outfitted in 2007 and 2008. Tigar owns a number of buildings in Belgrade and across Serbia (office space, warehouses and retail outlets).

The ownership of real estate held within Tigar 2, Tigar 3 and Tigar 3B and the Cardboard Plant (where Tigar's production facilities and warehouses are located) was carried out the conversion of ownership, as well as that of 'Vrelo' and 'Planinarski Dom' tourist facilities, and they now constitute 'private property'.

Land

The total number of cadastral lots owned by Tigar and its dependent entities, without Free Zone, as of 31.03.2015 is 122, of which 317,947 m² is undeveloped land, while the useful area is 94,593 m². The total carrying value of the land is RSD 501, 798, 881.35.

The carrying value of the land of the Free Zone was RSD 18,090,326.24 on March 31st 2015.

Buildings

Tigar and its main subsidiaries own a total of 199 buildings.

The aggregate useful surface area owned by Tigar and its main subsidiaries is 94,593m².

As of 31 March 2015, the carrying value of the buildings owned by Tigar and its major subsidiaries was RSD 2,047,317,793.81.

The value of investment properties is given in the table below:

Entity	Value in RSD as of 31.03.2015.
Tigar AD	395,695,081.41
Tigar R. Footwear	132,565,516.16
Tigar R. Technical Goods	218,125,914.19
Tigar Chemical Products	141,861,955.00
Total:	888,248,466.76

In addition to the value of buildings owned by the nine largest subsidiaries, this part also covers the data on the Free Zone Pirot. The carrying value of the buildings owned by individual entities is given in the table below.



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IZ.P. 15/01**Book value of buildings**

BOOK VALUE OF BUILDINGS (in '000 RSD)			
Entity	30.09.2014.	31.12.2014.	31.03.2015.
Tigar AD	648.978.960,37	625,076,202.31	621,291,649.07
Tigar Rubber Technical Goods	434.117.148,57	407,186,084.75	405,531,919.14
Tigar Chemical Products	32,599.00	31,983.00	31,368.00
Tigar Rubber Footwear	681,302,816.62	646,232,100.77	644,320,426.18
Ticar trgovine	29,069,947.18	27,795,880.77	24,651,224.15
Tigar Business Service	16,257,435.65	13,591,212.46	13,537,023.46
Tigar Tours	5,875,705.10	4,921,631.75	4,896,506.66
Tigar Security	25,246,989.49	23,674,562.07	23,574,036.07
Free Zone	46,046,896.44	45,804,433.44	45,587,039.22
Tigar Incon	139,725,346.55	132,443,979.57	131,916,521.57
Tigar Catering	134,091,653.06	129,574,522.75	128,980,080.29
Total:	2,160,745,498.03	2.056.332.593,64	2,047,317,793.81

Real estate transactions

In the period January-March 2015, there were no major real estate transactions.

Liens

At the end of March 2015, the property of the Company was burdened by the following liens, according to the below stated court orders:

Mortgage statement no. 4048/2009 dated 29.06.2009 places lien on immovable property in Temerin and Šimanovci in favor of Banca Intesa a.d. Belgrade.

Mortgage statement no. 1492/2010 dated 07. 04. 2010 places lien on immovable property in Temerin and Šimanovci in favor of Banca Intesa a.d. Belgrade.

Mortgage statement no. 4709/2010 dated 23. 12. 2010 places lien on immovable property in Temerin and Šimanovci in favor of Banca Intesa a.d. Belgrade.

Mortgage statement no. 516/2013 dated 20. 02. 2013 places lien on immovable property in Temerin and Šimanovci in favor of Banca Intesa a.d. Belgrade.

Mortgage statements nos. 1742/11 dated 22. 06. 2011 and 1863/11 dated 01. 07. 2011, places lien on immovable property in Pirot – location Tigar III b in favor of Banca Intesa a.d. Belgrade.

Mortgage statements nos. 93/2009 dated 15. 10. 2009, 1587/2010 dated 13 04.2010 and 1092/2011 dated 19. 04. 2011 places lien on business premises in Zrenjanin in favor of Privredna banka a.d. Belgrade.

Mortgage statements nos. 2901/2010 dated 02.07.2010 and 1090/2011 dated 19.04.2011 places lien on business premises in Svilajnac in favor of Privredna banka a.d. Belgrade.



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Mortgage statement no. 2900/2010 dated 02.07.2010 places lien on business premises in Knjaževac in favor of Privredna banka a.d. Belgrade.

Mortgage statement no. 1089/2011 dated 19.04.2011 places lien on business premises in Knjaževac and Subotica in favor of Privredna banka a.d. Belgrade.

Mortgage statement no. 1091/2011 dated 19.04.2011, extrajudicial mortgage II order no. 2017/09 dated 17.09.2009 and 2018/09 dated 17.09.2009 places lien on business premises in Uzice in favor of Privredna banka a.d. Belgrade.

Mortgage statements nos. 1373/09 dated 04.11.2009, 1739/11 dated 03.06.2011 and 1781/11 dated 06.06.2011 places lien on business premises in Backa Palanka in favor of Privredna banka a.d. Belgrade.

Mortgage statement no. 2898/2011 dated 19.04.2011 places lien on business premises in Subotica in favor of Privredna banka a.d. Belgrade.

Mortgage statements nos. 3513/12 and 1810/2011 dated 26.09.2012 places lien on immovable property in Belgrade, Resavska Street in favor of Hypo Alpe Adria Bank a.d. Belgrade.

Resolution of the collateral agreement I no. 622/09 dated 25.06.2009 and mortgage statements nos. 3511/12 dated 26.07.2012, 2282/12 dated 18.06.2012 places lien on immovable property in Pirot – Occupational Health Building in favor of Hypo Alpe Adria Bank a.d. Belgrade.

Mortgage statements nos. 691/09 dated 20.07.2009, resolution no. 1238/09 dated 29.12.2009, 1810/2011 dated 28.06.2011, 1809/11 dated 28.06.2011 and 3510/12 dated 26.09.2012 places lien on immovable property in Pirot – Rubber Technical Goods in favor of Hypo Alpe Adria Bank a.d. Belgrade.

Mortgage statement no. 2382/2012 dated 26.06.2012 places lien on immovable property in Belgrade, Cara Nikolaja II Street and lien on the Administrative Building in Pirot in favor of Srpska banka a.d. Belgrade.

Mortgage statements nos. 3179/2011 dated 08.11.2011, 3659/2011 dated 27.12.2011, 472/2012 dated 22.02.2012, 734/2012 dated 12.03.2012, 736/2012 dated 12.03.2012, 2382/2012 dated 26.06.2012 places lien on immovable property on Administrative building in Pirot, in favor of Srpska banka a.d. Belgrade.

Mortgage statements nos. 2381/2012 dated 26.06.2012 and 1907/2014 dated 29.05.2014 places lien on immovable property in Pirotu - „Old Rubber Footwear“- Cardboard, land and objects, in favor of Srpska banka a.d. Belgrade.

Mortgage statement no. 420/13 dated 12.02.2013 places lien on immovable property in Nis in favor of Societe Generale bank a.d. Belgrade.

Mortgage statements nos. 1712/2010 dated 21.02.2010, 2351/10 dated 26.05.2010 places lien on immovable property in Pirot – business premises of Tigar Tours and Tigar Incon, in favor of Societe Generale bank a.d. Belgrade.

Mortgage statement no. 3280/11, od 21.11.2011 places lien on immovable property in Pirot – business premises of Tigar Tours, in favor of Societe Generale bank a.d. Belgrade.

Mortgage statement no. 3279/11 dated 21.11.2011 places lien on immovable property in Pirot – business premises of Tigar Incon in favor of Societe Generale bank a.d. Belgrade.



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Mortgage statement no. 3281/11 dated 21.11.2011 places lien on immovable property in Pirot – business premises in Dragos street in favor of Societe Generale bank a.d. Belgrade.

Mortgage statement no. 3278/11 dated 21.11.2011 places lien on immovable property in Pirot – central kitchen, in favor of Societe Generale bank a.d. Belgrade.

Mortgage statements nos. 428/2012 dated 14.02.2012 and 1849/2012 dated 21.05.2012 and 2612/2012 dated 10.07.2012 places lien on immovable property in Pirot, Cacak and Novi Sad, in favor of AIK bank a.d. Nis.

Mortgage statement no. 3165/2012, od 30.08.2012 places lien on immovable property in Pirot – building of Energetics (Power Plant) and of Hotel StarA , in favor of Erste bank a.d. Novi Sad.

Mortgage statements nos. 1917/12 dated 25.05.2012, 1918/12 dated 25.05.2012, 1919/12 dated 25.05.2012 and 1920/12 dated 25.05.2012 –Tigar III b, in favor of Postal Savings Bank a.d. Belgrade.

Resolution no. 05-433-100358298/2014-2 dated 08.04.2014 and resolution no. 079-433-05-161/2014/5 dated 26.06.2014 places lien on immovable property in Pirot in favor of Tax Administration, branch office Pirot.

Mortgage statement no. 4169/12 dated 09.11.2012 places lien on immovable property in Pirot, in favor of Development Fund of the Republic of Serbia.

Mortgage statement no. 10957/08 dated 14.10.2008 places lien on immovable property in Pirot – Rubber Footwear Plant, in favor of German Investment Bank.

4.2. LEGAL PROCEEDINGS

Tigar is party to a number of legal disputes that have arisen in the course of its business. These proceedings are not unusual and are not expected to have a significant impact on Tigar's financial position.

The largest disputes at the corporate level occurred prior to the year 2000. They include the following (excluding interest): Trepca-Zvecan 9,637,376; Union Banka 6,194,000; Lola Corporation 8,210,350; and Tigar Prom Nova Varos 3,636,676; totalling 27,678,402.

For all of these disputes, effective court rulings exist, but payout has not been realized due to political problems (e.g. Trepca), multiple-year liquidation proceedings which for unexplainable reasons have not been completed, and long-term restructuring processes (e.g. Lola Corporation Belgrade).

Regardless of the delay in the execution of the court decisions, it is realistic to expect their partial or complete payout in the coming years. Since the value of the claims has already been booked against expenses, the payout of the court decisions will represent considerable extraordinary income for the Company.

5. CAPITAL MARKET POSITION

Trading on the BSE from the beginning of 2015 was still characterized by a low level of investment activity and low liquidity. 2015 is the fourth year in a row that records the growth of BSE indices. Although the indices were positive, the recovery of the turnover failed, so that the already chronic lack of liquidity has unfortunately established as one of the main features of Serbian capital markets. Decision of the Listing Committee of the Belgrade Stock Exchange as of 27.08.2013, Tigar's shares are traded on the Open



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market, given that Tigar was not able, within the deadline prescribed by the Committee to provide the auditor's opinion on the financial statements for 2012, positive or restraint, which is one of the basic conditions for the companies from A and B share listings. Within the regular audit of indices of the Belgrade Stock Exchange, shares of Tigar since mid-September 2013 are not part of the index basket of the top quality shares – Belex 15.

The negative trend in the movement of share prices which is observed from the mid of the year 2012, continued in 2013 and 2014 and in the first quarter of 2015. In mid-March, the price of Tigar's shares reached a low of 30 RSD. By the end of the same month, there was recorded a significant increase in the price of company's shares. Trading in the first quarter of 2015 was completed at a level of 84 dinars, which is significantly below the nominal value of 374 RSD, but is three times higher in relation to the lowest price at which Tigar's shares were traded during the first quarter of 2015 and by 18.31% higher in relation to the prices shares were traded on the lastr day of 2014.

In the reporting period was traded with 157.433 shares, equal to 9.16% of the total number of issued shares. The biggest turnover was realized in March, when in 1 day only were traded 108.949 shares, which is 6.34% of the total number of issued shares. From 16-25.03.2015 since when was increased the share turnover, there were traded 137,781 shares, representing 8.02% of the total number of issued shares, with significant price fluctuations.

In comparison with 2014, when there were traded 102,606 shares, the turnover in the first quarter of 2015 has increased by 53.43%, while compared to the first quarter of 2014 when were traded only 4,992 shares, the turnover is higher for about 31.54 times.

The following table contains a summary of key data from trading of Company's shares during the first quarter of 2015.

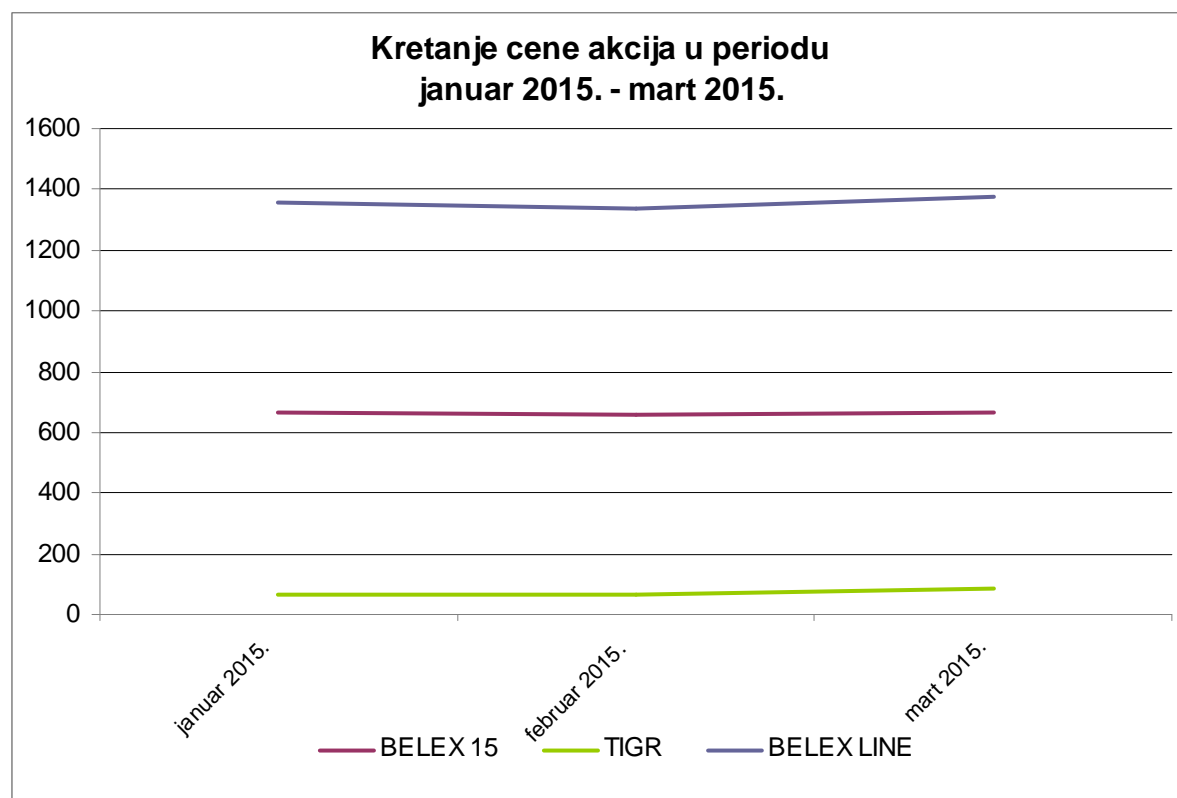
	31. DECEMBER 2014.	31. MARCH 2015.	% CHANGES
Number of shareholders	4,476	4,490	0,31
Total number of shares	1,718, 460	1,718,460	
Book value of shares	-361,50	-395,01	
Market price of shares	71.00	87,00	22,53
Lowest price during the period	30.00 – 20.03.2015.		
Highest price during the period	87.00 –31.03.2015.		
Average price I-III 2015*	63,15		
Market capitalization in RSD	122,010,660	149,506,020	
P/ BV *	-0,22		

The graph below shows Tigar stock price and index movements during the first quarter of 2015.



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The efforts of the company to openly and transparently communicate with the investment community marked the observed period, in accordance with Tigar's good practice to periodically and consistently report the public on its operations. There have been regularly prepared and published information, through which existing and potential investors were informed about important events as well as major business activities of Tigar.

In the second quarter of 2014, the company has held the Extraordinary session of General Assembly at which approval has been given for the launching of the Prepackaged reorganization plan (UPPR), which was handed over on May 29th to the Commercial Court in Nis. After the procedure and the hearings which was held before the Court on 18.09.2014, by a majority decision of creditors was adopted UPPR of Tigar AD on 29.09.2014. The Court issued a Decision on the Ratification of the adoption of the revised text of the Prepackaged Reorganization Plan.

Following the appeal related to the adopted plan of Tigar ad by Privredna Banka Belgrade in bankruptcy, by the decision of the Commercial Court of Appeals in Belgrade on 31.12.2014 was ordered the correction of the above plan. The correction was made and at the hearing in the Commercial Court in Nis on 07.04.2015, The Prepackaged Plan of reorganization was adopted by majority of creditors.

We're now waiting for its finality, after which will start its implementation.

Ownership structure at the end of the first quarter of 2015.

Shareholders	31.03.2015.
Legal entities	47,40
Individuals	36,70
Custody accounts	15,90



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Tigar's ownership structure in the first quarter of 2015 is characterized by stable stakes of three groups of shareholders: the Serbian government (via two national funds); institutional investors (domestic and international) and a group of natural persons.

Top ten shareholders as of 31 March 2015

During the first quarter of 2015 occurred minor changes in the group of the ten largest shareholders in relation to the year 2014.

The order of the first ten shareholders and their ownership structure is shown in the following table:

Ord.no.	Shareholder – Name/Business name	Number of shares	% of share
1	NATIONAL SHARE FUND AD BELGRADE	429,429	24.98
2	ERSTE BANK NOVI SAD - Custody account	154,518	8,99
3	NATIONAL PENSION AND DISABILITY FUND OF THE REPUBLIC OF SERBIA	149,981	8,73
4	NIKOMMS DOO BEOGRAD	90,553	5,27
5	ERSTE BANK AD NOVI SAD – Custody account	87,387	5.08
6	RADENKOVIĆ NIKOLA	43,000	2,50
7	TZR NATURA VITA	25,100	1,46
8	COMP. DUNAV INSURANCE A.D.O	17,120	1.00
9	HERMA INVESTMENTS CO.LTD.	14,669	0,85
10	SOCIETE GENERALE BANK SERBIA- Custody account	11,480	0,67

Source: Central Registry of Securities, Depository and Clearing House, 31 March 2015, www.crhov.rs



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6. SUSTAINABLE DEVELOPMENT

6.1. EMPLOYEES

Headcount and structure

On 31 March 2015, the number of people employed in Tigar Corporation was 1618

Workforce as of 31.03.2015.	
Company	No. of employees
Tigar AD	214
T.R.Footwear	745
T.R.T.G.	161
T.C.Products	32
Other	466
TOTAL	1618

All employees sign standard employment contracts with the Company's top executives, stipulating the basic conditions of employment in accordance with the Labor Law and internal acts.

Employee expenses

Total employee expenses in the period I-III 2015 incurred by Tigar AD and its subsidiaries, apart of net wages include the costs related to taxes and contributions, in-house meals, and local transportation. The table below shows paid salaries and wages as a percentage of sales income.

Total employee expenses in the period I-III 2015			
	Net salaries and wages in 000 RSD	Gross salaries and wages in 000 RSD	% of sales income
Tigar AD	23,002	38,690	7%
Tigar Rubber Footwear	71,759	121,117	35%
Tigar Technical Rubber Goods	15,240	25,570	52%
Tigar Chemical Products	3,245	5,645	30%
Others	42,945	72,462	13%
Total	156,191	263,484	18%

Optimization of human resources

During the period I-III 2015, 18 of permanently employed people have left Tigar a.d. and its dependent entities.



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Organizational unit	No. of employees/RSD	Pension	Redundancy	Other	TOTAL
Tigar a.d.	No. of employees	2		1	3
	Amount in RSD	216,832,00			
Tigar Rubber Footwear	No. of employees	3		5	8
	Amount in RSD	393,920,00			
Tigar Technical Rubber Goods	No. of employees	1		1	2
	Amount in RSD	137,478,00			
Tigar Chemical Products	No. of employees				
	Amount in RSD				
Others	No. of employees	2		3	5
	Amount in RSD	230,380,00			
Total	No. of employees	8		10	18
	Amount in RSD	978,610,00			

* As of these 10 full-time employees who terminated their employment on other grounds, 8 employees resigned of their own volition, termination of employment for violation of obligations - 1 employee and fatal case – 1 employee.

Optimization and reduction in the number of permanent employees is an integral part of the restructuring process. This process began in 2013 and continued in 2014 and in the first quarter of 2015..

Employee training

The following number of employees was trained in the period I-III 2015 through internal and external training programs:

Employee training – internal and external			
	INTERNAL TRAININGS	EXTERNAL TRAININGS	TOTAL
Tigar AD	3	4	7
Tigar Rubber Footwear	22	1	23
Tigar Technical Rubber Goods	0	3	3
Tigar Chemical Products	30	0	30
Others	279	2	281
Total	334	10	344

Employee training expenses in their period I-III 2015 amounted to 278.000,00 RSD or 0.11% of paid gross salaries.



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6.2. INTEGRATED MANAGEMENT SYSTEMS

Tigar's quality management system (ISO 9001) was initially certified in 1995 by the then Federal Standardization Bureau. Following the introduction of environmental management standards (ISO 14001) in 2003, and occupational health and safety standards (OHSAS 18001) in 2010, Tigar's system was upgraded accordingly so that today Tigar has a well-established integrated management system which ensures that all risks associated with quality, the environment, and employee health and safety are monitored and addressed. The first half of 2014 was marked by the upgrade of the documentation basis of the company Tigar Rubber Footwear, and the related processes within Tigar AD, in order to meet the requirements defined in Supplier Quality Book of one of the major buyers of off-take category - Decathlon.

During May, in Tigar Incon was conducted the second regular checking of integrated management systems per ISO 9001, ISO 14001 and OHSAS 18001 requirements by the certification body 'Kvalitet a.d.' from Nis. It was highly rated and there was not established any inconsistency with the requirements of the relevant standards

Certification of integrated management systems at Tigar Rubber Footwear which was to take place by August, was postponed until the completion of activities planned in relation to the reorganization of the Tigar Group.

6.3. ENVIRONMENTAL PROTECTION AND OCCUPATIONAL HEALTH AND SAFETY

Tigar's manufacturing facilities, production of rubber footwear, technical rubber goods and recycled rubber products are located in the industrial zone of the city, at the end of the Pirot valley. Condition of the natural environment and the unaltered ecosystem attest to the good environmental practices of the company. The commitment towards sustainable development and care about its employees is the long years policy and practice. Production of chemical products has been relocated and now takes place in the rented industrial space of the former company Suko ad out of the inhabited settlement.

By the estimation of the Ministry in terms of environmental impacts, production activities of the company are qualified as an activity with low environmental risk. Production entities are not listed either in the IPPC nor in the group of SEVESO facilities. Handling and storage of chemicals is carried out in accordance with regulations and internally defined procedures with the help of internal experts. About the generated waste takes care the company Ti-car secondary raw materials, a certified operator for waste management. As for the fire safety, security and response to emergencies, there is in charge Tigar Security. Taking care of packaging and packaging waste, air quality monitoring and waste water, determining safety of electrical installations and equipment in terms of security as well as determining the condition of the working environment, shall be entrusted to external authorized institutions.

In accordance with the legislation, in March 2014 made the reportings on environmental parameters by the direc entering of data into the information system of the Agency for the Environment. There were generated annual reports on packaging and packaging waste, Products which after use become special waste streams, Annual reports on waste for production entities of the company, the annual report on the balance of emissions of air pollutants. There was also made the registration of imported chemicals and products of the company Tigar Chemical Products, which are subject to registration and to the Ministry of Agriculture and Environmental Protection was submitted supporting documentation that includes a Dossier on chemicals for all chemicals and the Safety data sheet for hazardous materials. Local Self-Government was submitted the reports for the purpose of forming the Local registry of pollution sources, in accordance with the law, which was noted by the republic inspector of environmental protection, during his regular checks.

Previously entered long-term contracts with operators of packaging waste management, Ekostar pak and Sekopak are still valid. In the first, second, third and fourth quarter was carried out sampling and testing of



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waste water quality. In 2014 as well were made the measurements of emissions of pollutants. Measurements that have been implemented, indicate that all the parameters of air quality in the industrial zone are good and that production processes of Tigar Corporation did not lead to the endangerment of the environment.

6.4. INTELLECTUAL PROPERTY

Tigar's full registered name is *Joint-Stock Company Tigar – Pirot* in English, and *Akcionarsko društvo Tigar – Pirot*, in Serbian. Its short name is Tigar AD – Pirot, and JSC Tigar in English. The registered name and its use are regulated by the provisions of Articles 10 and 14 of the By-Laws. The above name fulfills all legal requirements. Tigar is registered under the said name with the Serbian Business Registers Agency.

Registered trademarks as of 31 March 2015:

Request No.	Request Date	Reg. No.	Trademark	Valid until	Owner
Ž-247/80	30.04.80.	31499	Tigar	21.12.17.	Tigar AD
Ž-2606/06	14.11.06.	54763	Tigar	14.11.16.	Tigar AD
Ž-84/385	17.01.84.	29947	Tigar Tg 615	25.05.17.	Tigar AD
Ž-947/07	30.04.07.	55640	Tigar Mountain House	30.04.17.	Tigar AD
Ž-918/07	27.04.07.	55822	Tigar Tours	27.04.17.	Tigar AD
Ž-842/07	18.04.07.	55612	Markol	18.04.17.	Tigar AD
Ž-1129/07	17.05.07.	55735	Tigar Incon	17.05.17.	Tigar AD
Ž-890/80	11.07.03.	49590	Tigar Sports program	11.07.23.	Tigar AD
Ž-152/07	29.01.07.	56018	Tigar	29.01.17.	Tigar AD
Ž-1703/07	26.7.2007	56315	Tigar Rubber Footwear	26.07.17.	Tigar AD
Ž-1704/07	26.07.07.	56315	Tigar Rubber Footwear	26.07.17.	Tigar AD
Z-2440/07	17.10.07.	56731	Tigar Chemical Products	17.10.17.	Tigar AD
Ž-212/08	5.2.2008	57737	Tigrostik	05.02.18.	Tigar AD
Ž-211/08	05.02.08.	57738	Tigrolux	05.02.18.	Tigar AD
Ž-214/08	05.02.08.	57650	Tigropren	05.02.18.	Tigar AD
Ž-213/08	05.02.08.	57649	Tigrokol	05.02.18.	Tigar AD
Ž-768/08	31.03.08.	57538	Hotel Stara planina	31.03.18.	Tigar AD
Ž-1433/08	06.06.08.	58815	Overload	06.06.18.	Tigar AD
Ž-1475/08	11.06.08.	58462	Waterpolo Senior	11.06.18.	Tigar AD
Ž-1473/08	11.06.08.	58427	Waterpolo Mini Mini	11.06.18.	Tigar AD
Ž-1431/08	06.06.08.	58813	Waterpolo Junior	06.06.18.	Tigar AD
Ž-1472/08	11.06.08.	58428	Special	11.06.18.	Tigar AD
Ž-1432/08	06.06.08.	59305	Basketball Tg21 Official	06.06.18.	Tigar AD
Ž-1474/08	11.06.08.	58424	Neos	06.06.18.	Tigar AD
Ž-1469/08	11.06.08.	58426	Tricker Ball Basket Ball	11.06.18.	Tigar AD
Ž-1471/08	11.06.08.	59401	Bistro	11.06.18.	Tigar AD
Ž-1468/08	11.06.08.	58423	Overload Handball	11.06.18.	Tigar AD
Ž-1470/08	11.06.08.	58425	Dynamic Overload	11.06.18.	Tigar AD
Ž-1429/08	06.06.08.	58464	Overload Waterpolo Junior	06.06.18.	Tigar AD
Ž-1467/08	11.06.08.	58430	Overload Waterpolo Mini Mini	11.06.18.	Tigar AD
Ž-1476/08	11.06.08.	58463	Overload Waterpolo Senior	11.06.18.	Tigar AD
Ž-1430/08	06.06.08.	59304	Basketball TG21 Overload	06.06.18.	Tigar AD
Z-2441/07	17.10.07.	56730	Tigar R.Technical Goods	17.10.17.	Tigar AD
Ž-2681/08	03.11.08.	59486	Trapper	03.11.18.	Tigar AD
Ž-2682/08	03.11.08.	59485	Pesca	03.11.18.	Tigar AD
Ž-2679/08	03.11.08.	59327	Rainydays	03.11.18.	Tigar AD
Ž-2680/08	03.11.08.	59334	Nency	03.11.18.	Tigar AD
Ž-2678/08	03.11.08.	59333	Ladybird	03.11.18.	Tigar AD
Ž-2677/08	03.11.08.	59336	Ratar	03.11.18.	Tigar AD
Ž-2676/08	03.11.08.	59451	Balerina	03.11.18.	Tigar AD
Ž-2675/08	03.11.08.	59335	Work	03.11.18.	Tigar AD
Ž-2904/08	02.12.08.	59458	Polar	03.11.18.	Tigar AD



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Ž-2674/08	03.11.08.	59337	Protecta	03.11.18.	Tigar AD
Ž-2673/08	03.11.08.	59390	Forestry Line	03.11.18.	Tigar AD
Ž-2672/08	03.11.08.	60043	Fireproof	03.11.18.	Tigar AD
Ž-2671/08	03.11.08.	59326	Cryo	03.11.18.	Tigar AD
Ž-2670/08	03.11.08.	59387	Sparclesafety	03.11.18.	Tigar AD
Ž-2661/08	31.10.08.	59341	Firefighter Super Safety	31.10.18.	Tigar AD
Ž-2662/08	31.10.08.	59452	Century Super Safety	31.10.18.	Tigar AD
Ž-2659/08	31.10.08.	59334	Century 4000 Safety	31.10.18.	Tigar AD
Ž-2660/08	31.10.08.	59345	Forester 3000	31.10.18.	Tigar AD
Ž-2903/08	02.12.08.	60464	Trendy	02.12.18.	Tigar AD
Ž-1468/05	31.10.05.	53797	Tigar Trgovine	31.10.15.	Tigar AD
Ž-551/09	27.03.09.	60789	Bottega	27.03.19.	Tigar AD
Ž-639/09	13.04.09.	59942	Hotel StarA	13.04.19.	Tigar AD
Ž-1011/09	30.06.09.	59367	Brolly	30.06.19.	Tigar AD
Ž-1012/09	30.06.09.	59366	Maniera	30.06.19.	Tigar AD
Ž-1685/09	03.11.09.	60513	Stop&Drive	03.11.19.	Tigar AD
Ž-1686/09	03.11.09.	60514	S&D	03.11.19.	Tigar AD
Internat. trademark	03.07.97.	675 773	Tigar	20.05.17.	Tigar AD
Internat. trademark 237003/1	07.09.09.	1020263	Brolly	07.09.19.	Tigar AD
Internat. trademark 235877/1	07.09.09.	1019318	Maniera	07.09.19.	Tigar AD
USA	07.09.09.	3870299	Maniera	07.09.19.	Tigar AD
79075140					
USA	07.09.09.	3906894	Brolly	07.09.19.	Tigar AD
79075638					
Canada	25.05.90.	368832	Forester	25.05.15.	Tigar R. Footwear
Finland	20.11.85.	94345	Forester	20.11.15.	Tigar R. Footwear
Norvey	14.11.85.	123042	Forester	14.11.15.	Tigar R. Footwear
Sweden	26.07.85.	197287	Forester	26.07.15.	Tigar R. Footwear
Great Britain	23.06.95.	2025055	Century	23.06.15.	Tigar R. Footwear
Great Britain	31.05.84.	1219898	Forester	31.05.15.	Tigar R. Footwear
Great Britain	23.06.95.	2025057	Forester	23.06.15.	Tigar R. Footwear

The flagship trademark is “a stylization of a tiger's head with the logo 'Tigar' inscribed in the Cyrillic or Latin alphabet” (Article 1 of the By-Laws). The design and contents of the flagship trademark fall within the jurisdiction of the Supervisory Board. Affiliated companies, which are controlled by Tigar AD, may use the flagship trademark.

Tigar AD holds three internet domain names: www.tigar.com, www.tigar.co.rs and tigar.rs

Tigar holds no software copyrights or broadcasting rights. Tigar uses standard software under licenses duly acquired from software manufacturers or distributors. Article 12 (3) of the Particular Collective Contract stipulates that employees have a right to be remunerated for copyrights, technical innovations, and improvements in production processes. The level of remuneration is regulated by a separate contract between the employee and Tigar AD, in the form of an increase of the employee's salary. This contract represents an annex to the individual employment contract; its contents are confidential and it is valid for one year. No objections or claims are filed toward Tigar, or by Tigar, in connection with the violation of intellectual property rights.

6.5. INFORMATION TECHNOLOGY

The IT Function is a part of Tigar AD dealing with the processing of business data on a central host computer for all the parts of Tigar company. Its key activities include:

- Development of application software
- Installation of software



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- Software and hardware user training
- Logistic support to users
- Database maintenance
- Data security
- Installation and maintenance of hardware and software
- Administration and user access management
- Local area network management and anti-virus protection
- Maintenance of internet and internet access
- Standardization of corporate hardware and software within the corporation

6.6. SOCIAL RESPONSIBILITY

The concept of corporate social responsibility of Tigar implies a high level of responsibility toward its employees and toward the community in which it makes profits, with socially responsible and ethical approach to all social actors.

With its vision, mission and corporate values, the company clearly demonstrates its commitment towards sustainable development and the principles governing the field of corporate social responsibility are defined in the document **Guidelines in the field of philanthropy and other givings**. In this way certain priority areas in which the tiger participates, as well as the criteria for deciding on the support of various CSR initiatives, i.e the evaluation of achieved effects.

The company has defined as its philanthropic policy key principle that specific projects and actions must contribute to the general development and welfare of many people. Key areas of philanthropic activities of Tigar support the building of an inclusive society and strengthen the environmental awareness, which includes projects that show the importance of recycling and usage of recycled products. As for the forthcoming period, the Company has made clear its commitment to the further development of employee volunteering, giving support to the development of knowledge and talent, promoting positive entrepreneurial climate and encouraging the development of leadership skills and knowledge.

Philanthropic projects in the reporting period were related to key areas - contribution to the general welfare of the community, building an inclusive society and support to media projects which should contribute to the inclusion of persons with disabilities in the local community.

Within the project "Different but the Same" of Radio Plus on a weekly basis are realized news about the activities of persons with disabilities, and of organizations that are dedicated to children with disabilities, with the broadcasting of excerpts from the Inclusive bon-ton.

In its so-far work, Tigar ad has shown initiative in the field of CSR and philanthropy and was the support and participant in many types of humanitarian actions.

In order to support educational and physical development of children, in the first quarter of 2015 was realized a donation of sports equipment to primary schools and there was supported the project of Pirot district related to rendering assistance to schools.



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6.7. CORPORATE GOVERNANCE

Supervisory Board of Tigar ad Pirot

The Supervisory Board, as the body of the bicameral management system operates and makes decisions in the following composition:

- Nebojša Petrović, Chairman
- Igor Markičević
- Aleksandar Đurković
- Aleksandar Radojević

***members of Supervisory Board as of 31.03.2015 do not own company's shares

Executive Board of Tigar ad Pirot

Executive Board operates in the following composition:

- Nebojša Đenadić, ED for Corporate Management Support and Business System Development
- Gorica Stanković, ED for Finances
- Zorica Mladenović, ED for HR
- Branislav Ćurić, ED for Commerce and Marketing
- Zoran Mančić, ED for Investments and IT

Decision falling within its competence, the Executive Board makes on its respective sessions.

7. MAJOR JANUARY-MARCH 2015 TRANSACTIONS WITH RELATED PARTIES

Tigar's operating system functions as a mixed holding company made of the parent company - Tigar ad and 17 dependent entities of which 12 are 100% owned by the parent company; while remaining dependent entities are in its majority ownership. The parent company, Tigar AD, deals with: a) holding operations - management, financing and development of dependent entities in which it holds 100% or majority ownership, b) commercial activities, and c) the generation of energy and fluids (for productional entities). Dependent entities are grouped into divisions according to the basic type of activities they perform: 1) productional entities, 2) commercial entities, and 3) service entities. None of the dependent productional and service entities that is 100% owned by the parent company is not in a functional sense rounded and holistic enterprise. To some degree or on an overall basis, the basic functions and support functions were transferred to the parent company. The parent company is functionally organized and in its composition there are two profit centers (trade and energetics).

The majority of the cash flow from operations, generated from the sales of products and services, enters into and goes out from the system through the parent company and is distributed between the parent company and the core manufacturing entities. Internal cash flows are related to flows from operating activities on the basis of payment for services rendered and purchased / sold goods and products, flows from financing - long-term loans which the parent company directs toward its subsidiaries and short-term loans among entities and cash flows based on withdrawn earnings from subsidiaries.



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Estimate of justification of the current level of business diversification and a proposal for further development directions in the field of activity with which the corporation deals are done continuously, taking into account the following criteria: I) the compatibility of non-core activities with basic ("core") activities, II) the importance of non-core activities for the business in the field of basic ("core") activities, III) the profitability of service subsidiaries. Through the analysis was also reviewed the importance of non-core activities in relation to "core" activities, which was evaluated with consideration of the following parameters: a) the importance of the internal market for business volume and revenue of the parent company and its subsidiaries b) cash flows that the parent company exercised based on its ownership in subsidiaries and c) the impact of the subsidiaries on the involvement of working capital through short-term financing.

The aforementioned program of business restructuring involves the status change, i.e., merger of most of the subsidiaries to the parent company.

8. RESEARCH AND DEVELOPMENT

One of the main goals of development is to maintain the current flexibility and willingness to meet the specific requirements of customers. Costs of product research and development are regular component of the off-take production. There are significant opportunities related to capitalization of these costs through the development and improvement of production and characteristics of own-brand products.

9. ADVANTAGES AND RISKS

9.1. ADVANTAGES

Leading producer of rubber products in the region

Tigar's product portfolio includes rubber footwear, rubber technical goods and chemical products. Its production facilities are located within a single industrial location, ensuring their strong synergy. For example, certain groups of products made by one segment constitute semi-finished products for another segment. In addition to its industrial capacities, Tigar operates a national sales network which offers both Tigar-made products and complementary products made by other manufacturers, including tires and car parts.

Convenient location

Tigar's production facilities are located in Pirot, Southeast Serbia. This geographical location offers strategic advantages and a number of product distribution options. An additional benefit is the proximity to the state border and other countries in the region. Tigar is located at a distance of 600 km from the Port of Bar in Montenegro, 380 km from the Port of Thessaloniki in Greece and 480 km from the Port of Varna in Bulgaria, allowing it to combine different modes of transportation, including shipping via the Adriatic, Mediterranean and Black Sea. Tigar's strategic location will become increasingly important as countries in the region form alliances, including the lifting of customs barriers and creating a common market of 55 million consumers.

Brands

The Tigar corporate brand holds a dominant and distinctive position in both domestic and regional markets. However, the fact is that most of the rubber footwear production is done under private brands of customers (55% of total realization in 2014), and that Tigar branded rubber footwear is not properly



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positioned, regardless of the high quality of products. Through international acquisitions, Tigar has acquired ownership of the safety footwear brands - Century and finished products made from recycled rubber - Bilgutex. In the coming period, it is necessary to make further efforts on the market for these brands could be properly positioned, which also applies to all other brands owned by Tigar. The process of developing, i.e., winning new private brands in the sports rubber footwear program is in progress. In the Chemical Products program exist several private brands, which are owned by Tigar and include the Tigar name, such as tigrostik, tigrokol, markol, tigrolux...

Strategy in the coming years is based on the constant strengthening of Tigar owned brands on both domestic and international market, with the ultimate goal of equalizing income from sales of goods under its own brands with brands that are owned by other customers.

First national automotive service network

Tigar began developing its sales network in the 1970s. As a result of previous investments in this area, Tigar now operates the largest national vehicle, tire and afterpart chain. In 2004, the Company initiated a complete reconstruction and updating of this chain, by shutting down unprofitable facilities and developing new, highly-profitable service centers. Prior to this project, the Company operated 80 retail outlets, while today the chain is comprised of 11 service centers which sell vehicle tires and afterparts, and offer light vehicle servicing and 20 sales outlets, including the chain of specialized footwear stores - Bottega. The Company uses these chains to sell its own products, as well as products made by other manufacturers, following a multi-product/multi-brand strategy.

Long-term experience in international strategic partners

Tigar had partnered with the American BF Goodrich for more than 30 years. After Michelin acquired this company, Tigar became and remained its strategic partner in the tire segment for nearly twenty years, from the early 1990's to the year 2008.

In the part of rubber footwear, potential strategic partnerships are not possible only with manufacturers but also with the suppliers of essential raw materials or through acquisition of ownership over some of the remaining European manufacturers. However, in the part of rubber technical goods, there are opportunities and the need for the establishing of strategic partnerships.

9.2. RISKS

Risk management with which the company is facing can be classified into strategic and operational risks.

In the part of managing strategic risk, the company can not affect the possible risk factors, such as:

- Risks related to changes to the legislation, in particular due to major changes being implemented in the process of harmonization with EU legislation;
- Economic or political instability;
- Macroeconomic environment and general business conditions;
- Entering the market of the European Union as well as access to the Russian market (registration and commercial aspects)
- All manufacturing and service entities are operating in the market with very strong competition and due to various risk factors, their market position may be compromised.
- As a stock company, Tigar is affected and depends on capital market developments and on the structure of ownership, there is always the possibility of changing corporate policies and strategies.



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In the part of operational risks, the Company faces risks related to the very industry in which it operates as well as with a group of financial risks.

There is no single organizational unit in the company that deals with risk management, they are monitored within each entity and function at the corporate level.

Risks conditioned by the macroeconomic environment and general business conditions

The company's business is significantly influenced by the macroeconomic environment, and also by the business conditions in the markets in which it produces almost half of its total revenue, or on the markets of procurement of the key raw materials - natural and synthetic rubber. In the domestic market are analyzed factors that influence the demand, the company's business, legislation.

Market- and Industry-related risks

Tigar Marketing Strategy is defined in terms of opportunities and threats of the market and business environment and is consistent with the fundamental competitive advantages of Tigar in the production of rubber footwear.

Its main elements are: 1) the differentiation of production based on the high quality of production and products, continued development of programs and products and high-quality service related to product development for the off-take production, 2) off-take production as the main form of the market expansion, and 3) development and profiling of own brand.

The market is characterized by:

- The growing trend of import demand on existing and international markets for rubber-plastic footwear - strong pressure of competitors and substitutes Pu, PVC ...
- Significant sensitivity to fluctuations in the price of inputs (basic inputs are exchange products)
- When speaking of the working footwear market, there is an increase of participation of cheap competition from China in foreign as well as on domestic market; competition from Southeast Asia is less sensitive to fluctuations in the price of inputs.
- Low purchasing capacity of the domestic market in the segment of the consumer market defines the market of fashion and children's footwear, as well as price sensitivity of consumers.

Technical rubber goods segment is based on the following elements: 1) Brand Strategy (purchased Bilgutex brand and Tigar brand), 2) continued development of new materials and products, and 3) differentiation on the basis of product quality, and adaptability to specific customer needs.

The market is characterized by:

- significant sensitivity to fluctuations in the price of inputs (basic inputs are exchange products)
- strong pressure of domestic and international competitors in all segments
- strong pressure of small price competitive producers on the domestic market
- low purchasing capacity of the domestic market

Production and market access of Tigar Chemical Products is based on differentiation from the competition, through development of its own proprietary products and ensuring stable product quality confirmed by relevant certificates.



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In the part of providing services - selling passenger tires, there are monitored activities in the part of the legal regulation of this area and the presence of competition at the national or regional markets.

The market is characterized by:

- low purchasing power of the domestic market
- accentuated price sensitivity of demand.
- high pressure of competitors in all market segments.

Credit risk and the cost of borrowed capital

Financial risks include the market risk (foreign currency and interest rate), credit risk and liquidity risk. Exposure to foreign currency risk is reflected in payables toward suppliers from from abroad, borrowings, as well as cash and cash equivalents.

Exposure to price change risk is greatest in the part related to procurement of raw materials imported and is associated with exposure to foreign exchange risk. The Company has applied the stabilization of operations and measures to decrease the impact of this risk to the business, which is mainly associated with contracting long term business relationship with suppliers from abroad and timely procurement of raw materials.

The Company does not use any financial instruments to avoid the impact of financial risks on business operations because such instruments are not widely used, nor is there an organized market for such instruments in the Republic of Serbia.

Financial risks are reviewed on a timely basis and primarily are avoided by reducing the Company's exposure to such risks.

By neglecting this group of risks, the corporation found itself in the pre-bankruptcy state in the previous period. Using the tools to control credit risk, there is envisaged to create as soon as possible a business system that will be creditworthy, firstly, in the long-term and investment loans. Bz continuous monitoring of analytical indicators are set the guidelines for taking immediate corrective measures concerning the business operations. Management of cash flow aims to lower the cost of borrowed capital.

Risks related to shareholder and corporate structure

During the reporting period, there were no major changes in shareholding concentration and no takeover announcements, which might affect corporate business and development policies. Overall developments do not suggest that the Company might be facing this type of risk in the near future. Regular communication with major shareholders allows it to anticipate possible developments in the part of the ownership consolidation.

The state, through its two funds - Equity Fund and Pension and Disability Insurance Fund, is the company's largest shareholder with a share of 33.71%. Regarding the sale of the state-owned shares, there are no indications at the moment that this process could begin during 2015.

There is no formal risk management framework for the Company's capital. The Company's management considers the capital risk, on the basis of risk mitigation and the belief that the company will be able to maintain the principle of business continuity.

Reputation risk

Series of activities in the Company and those related to it, initiated the need to pay greater attention on monitoring the level of reputational risk in the future and to set it as one of priorities.



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10. SIGNIFICANT BUSINESS EVENTS THAT HAVE OCCURRED DURING AND AFTER THE FIRST QUARTER OF 2015

After the completion of the procedure initiated in 2014, the Commercial Court in Nis on 07.04.2015. has issued a decision by which was adopted the Prepackaged Plan of Reorganization, file St. 43/2014.

We are now waiting for its becoming final, after which will start its implementation.

The Prepackaged Plan of Reorganization for Tigar Rubber Footwear I.I.c. Pirot has been applied since 11.12.2014 and during the first quarter of 2015, there were regularly settled liabilities toward direct creditors, in accordance with the repayment plans.

Changes in the business of the entity Tigar Europe:

It is undergoing the process of voluntary liquidation of the company Tigar Europe with the seat in London, where Tigar ad owns 50% of the share capital. The corresponding part of the liquidation estate shall be paid in installments and used for dedicated purpose, in accordance with the decisions of the Supervisory Board.

Facility for the production of rubber compounds

In September 2014 was made a Decision to launch the project for the construction of a facility for the production of rubber compounds, because the contract with Tigar Tyres on the lease of the White Mixing Room has expired. There were formed project teams and was chosen the variant of the preliminary design and location where the factory would be built.

During 2015, the company will invest more than a million euros in the construction of a new facility for the production of rubber compounds which are essential for the manufacture of rubber products. Representatives of Tigar ad signed a contract for design and construction with Delta Engineering, the later being a contractor.

The area of the manufacturing facility will be 1.700m², and the total surface on which the plant will be built is 3,000m².

**DIRECTOR OF ACCOUNTING FUNCTION
TIGAR AD**

Dragoslava Brankovic

MANAGING DIRECTOR OF TIGAR AD

Nebojsa Djenadic

**CHAIRMAN OF TIGAR AD
SUPERVISORY BOARD**

Nebojsa Petrovic



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DECLARATION

Pursuant to article 50 (3) of the Capital Market Law, as individuals responsible for the preparation of quarterly reports, we hereby declare that to our best knowledge this Quarterly Report has been prepared applying appropriate international financial reporting standards and that it is a true and objective presentation of the assets, liabilities, financial position, business, profits, losses, cash flows, and capital changes of this public company, including its subsidiaries whose results are included within the consolidated statements.

Audit of quarterly reports has not been carried out, so that reports are unaudited.

The Supervisory Board of the Company has reviewed and approved the Annual Report at its meeting held on 13 May 2015.

**DIRECTOR OF ACCOUNTING FUNCTION
TIGAR AD**

Dragoslava Brankovic

MANAGING DIRECTOR OF TIGAR AD

Nebojsa Djenadic

**CHAIRMAN OF TIGAR AD
SUPERVISORY BOARD**

Nebojsa Petrovic