



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

Document Reference

IZ.P. 15/02

**BUSINESS REPORT
FOR THE PERIOD
JANUARY – JUNE 2015**

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ASSESSMENT OF THE PERFORMANCE IN THE PERIOD JANUARY-JUNE 2015

According to the data of the Republic Bureau of Statistics, the gross domestic product at constant prices (flash estimate) in the second quarter of 2015 recorded a decrease of 0.9% 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-June 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-June 2015 recorded a growth compared to the same period last year of 38% in the field of production of rubber footwear in tons, or an increase of 54% when speaking of the production in pairs. Production in tons of Tigar Rubber Technical Goods decreased by 24% in relation to the last year while the production in tons in Tigar Chemical Products has increased by 13%. Total external sales of Tigar's program since the beginning of the year stood at 869.833 thousand dinars, of which 72% was achieved in exports and is higher by 2% compared to the previous year. The sale of the Tigar Rubber Footwear program increased by 5%. Consolidated operating income has recorded a growth compared to the same period last year by 7%. 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 six months was recorded in the amount of RSD 7.240 thousand while in the first semester of last year was reported operating loss of RSD 219.420 thousand. Operating profit before depreciation (EBITDA) amounted to RSD 101.155 thousand and in the first semester of last year was recorded an operating loss before depreciation in the amount of RSD 112.479 thousand. The growth trend indicates stabilization of business operations.

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

There were initiated activities in part of the construction of a factory for the production of compounds. During 2015, the company will invest more than one million euros in the construction of a new factory plant for the production of rubber mixtures which are essential for the production of rubber products. Representatives of the company Tigar ad signed a contract for design and construction with Delta Engineering, the later being the contractor. Area of new facilities will be 1.700m², and the total area on which the plant will be built is 3,000m².

After the finality of the Prepackaged Plan of Reorganization for Tigar Rubber Footwear at the end of 2014, starting with January 2015 began the settlement of installments. During this period, installments were paid on time. On 01.06.2015, the Prepackaged Plan of Reorganization of Tigar AD became valid before the court, and activities have started in the part of its enforcement and implementation. There was also continued the implementation of control measures referring the operating expenses in both the parent company and its subsidiaries.

Regular meeting of the General Assembly scheduled for 29.06.2015 was not held due to lack of quorum. At the repeated session of the General Assembly as of 08.07.2015, there were adopted financial statements for 2014 and has been carried out the election of members of the Supervisory Board and of the auditing firm for the year 2015.

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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IZ.P. 15/02**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: 30/06/2015 4,466

Assets: 30/06/2015 (000 din)4,902,318

Registered address: Nikole Pašića 213, 18300 Pirot

Tax ID: 100358298

Certificate of incorporation: Registry File 1-1087

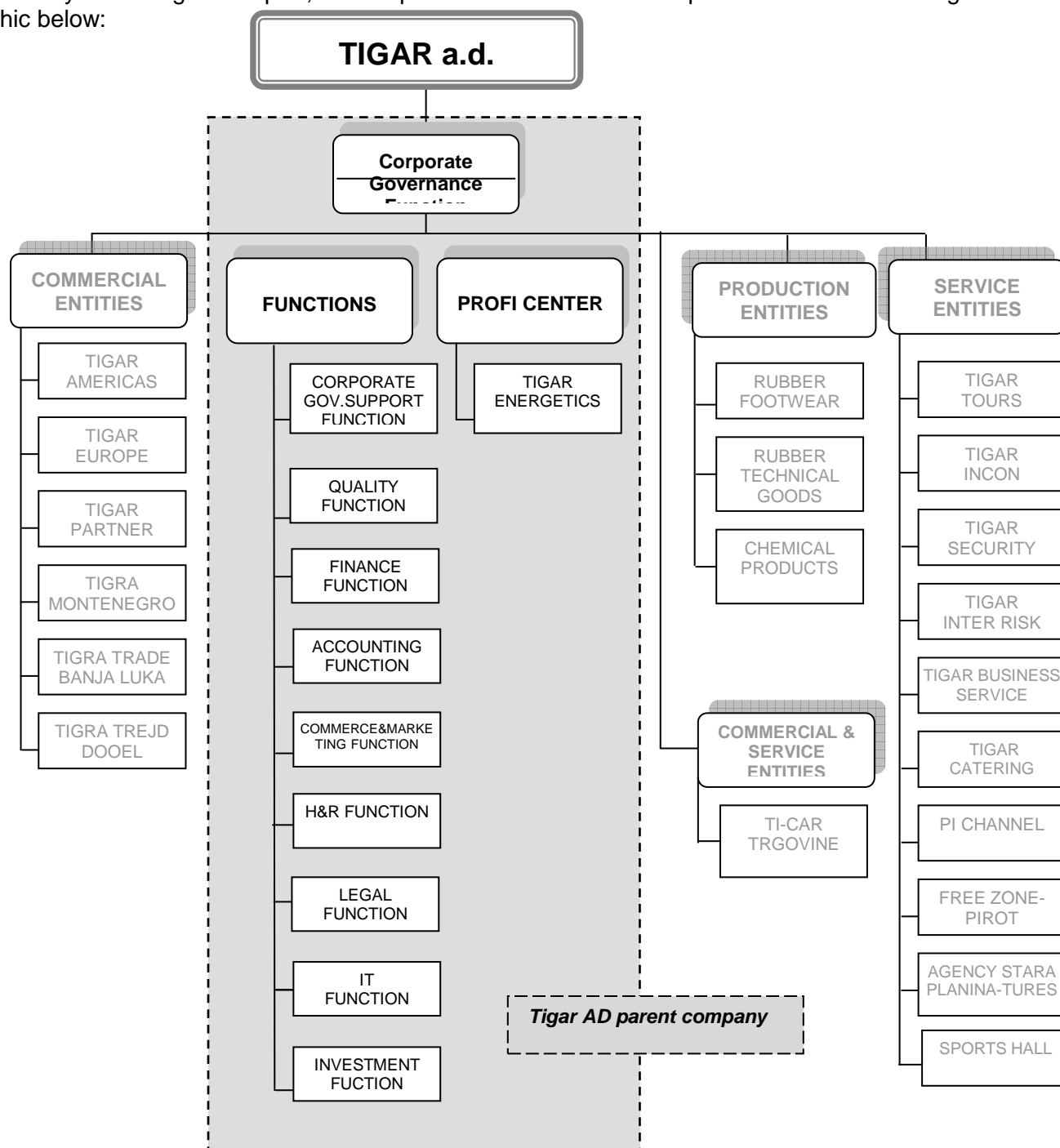
Number of employees: 30/06/2015 1,543

Capital: 30/06/2015 (000 din) 0

Capitalization: 30 /06/2015 (000 din) 137,477

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 half of 2015), the investment status was as follows:

In '000 RSD	Purchases of fixed assets and intangible investments
	January-June 2015
Tigar Technical Rubber Goods	0
Tigar Chemical products	0
Tigar Rubber Footwear	5,543
Service entities	6,289
Tigar a.d.	1,897
Total	13,730

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.

At Tigar Rubber Footwear, investments were made in part of the regular investment maintenance of equipment and production machines.

In the part of service entities were carried out repairs of the hotel StarA – lobby, hallway and rooms and there was acquired necessary computer equipment, as well as the equipment for catering (scales, cabinets, convection ovens...) necessary for the regular conduct of jobs.

Tigar Business Service has increased its fleet through acquisition of one trailer vehicle and one truck.

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.



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2. PRODUCTION LEVELS AND SALES OF GOODS AND SERVICES

2.1. BREAKDOWN OF PRODUCTION AND SALES

Structure of production and sales program in the period January-June 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.

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.



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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 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.

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

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 Piroat*, 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 2013-2019 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



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- 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.

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

In the first semester of 2015, consolidated external revenues from sales of goods and services were by 3% higher in relation to the same period last year:

<i>Net income from sales of goods and products in Serbia and from Serbia</i>	January-June 2014.	January-June 2015.	%
<i>In ' 000 RSD</i>	711.739	749.040	5%
Rubber Technical Goods	124.452	101.522	-18%
Chemical Products	14.283	19.271	35%
Tires	7.333	13.359	82%
Other programs	3.591	5.483	53%
TOTAL	861.396	888.674	3%

Sale of Tigar's products in the first semester of 2015 amounts to over RSD 888 million, of which 72% in export (RSD 625 million). Tigar Rubber Footwear Plant still records the highest share in export - 92%.

<i>Net income from sales of goods and products in Serbia and from Serbia</i>	January-June 2014.	January-June 2015.	%
<i>In ' 000 RSD</i>	205.884	263.914	28%
Tigar Rubber Footwear	133.063	176.457	33%
Rubber Technical Goods	51.283	60.076	17%
Chemical Products	10.615	8.540	-20%
Tires	7.333	13.359	82%
Other programs	3.591	5.483	53%

<i>Net income from sales of goods and products in Serbia and from Serbia</i>	January-June 2014.	January-June 2015.	%
<i>In ' 000 RSD</i>	655.513	624.759	-5%
Tigar Rubber Footwear	578.676	572.583	-1%
Rubber Technical Goods	73.169	41.446	-43%
Chemical Products	3.668	10.731	193%



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The sale of the rubber footwear program in the period January-June 2015 was higher by 5% in relation to the same period last year where the dominant influence to such increase had the sales on the domestic market (33%) while the decrease of the sales volume in exports amounts to 1% in relation to the same period last year:

<i>Net income from sales of goods and products in Serbia and from Serbia</i>	January-June 2014.	January-June 2015.	%
<i>In ' 000 RSD</i>			
Tigar Rubber Footwear	711.739	749.040	5%
- Domestic market	133.063	176.457	33%
- Export	578.676	572.583	-1%

The first six months of 2015 were characterized by significant growth in sales in the domestic market (33%) in relation to the same period last year which partly resulted as a consequence of changes in the sales strategy and the conclusion of annual contracts with major customers with clearly specific deadlines for payments and deliveries (on a monthly level) and, partly as a consequence of favorable weather conditions in the winter period for this type of goods, which caused a higher demand for rubber footwear. In comparative terms, in relation to the same period of 2014, the growth of the sales volume in the domestic market has been registered although this period last year was characterized by extreme weather and floods.

Characteristic of the first semester of this year in export has been the continuous meeting the demands and needs of existing customers so that the sales volume in export in relation to the same period last year is almost at the same level (decrease by 1%), then the deliveries of special rubber footwear (special technical requirements) for the Finnish and Sweden 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 and competition (realization of the contract obligation begun in the second quarter and will be continued in the next one), then, there was continued the co-operation with the company Battistini Fratelli (ITA) in which case is expected the growth of the sales volume on that market although lower demand caused correction of the expected sales level in Italy. 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, so that in this period were won 70 models for the new forthcoming season fall-winter. With the customer Oxyprod (ITA) are defined quantities and structure of deliveries until October.

There were initiated negotiations with potential new customers from GBR, FRA, POL, ROM and TUR and some of them have visited the factory and presented our possibilities in the part of fishing, hunting and safety program. Homologation of products has been completed or is in progress and first deliveries to market of FRA and ROM are expected early in the third quarter.

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.



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

The 2014 sales of the factory Tigar Rubber Technical Goods in the first semester of 2015 was by 18% 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 as well as the reduction of the number of employees and their redistribution.

<i>Net income from sales of goods and products in Serbia and from Serbia</i>	January-June 2014.	January-June 2015.	%
<i>In ' 000 RSD</i>			
Rubber Technical Goods	124.452	101.522	-18%
- Domestic market	51.283	60.076	17%
- Export	73.169	41.446	-43%

The previous year was characterized by significant growth in sales in the domestic market (17%) 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 and products intended for the mining industry.

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 (delivered) and is expected the confirmation for the delivery of one more set (in the fourth quarter), 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. It is also in progress the winning and homologation of small pressure rubber hoses for the customer from ITA (Martinello).

Market position of this 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 in large business systems (mining complex).

2.5. ASSESSMENT OF TIGAR CHEMICAL PRODUCTS MARKET POSITION IN THE PERIOD JANUARY-JUNE 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 increased by 35% compared to the same period last year, primarily as a consequence of tripled export (primarily, adhesives for the mining industry in the markets of RSA, BUL, MAC), which in previous years had a low volume.

<i>Net income from sales of goods and products in Serbia and from Serbia</i>	January-June 2014.	January-June 2015.	%
<i>In ' 000 RSD</i>			
Chemical Products	14.283	19.271	35%
- Domestic market	10.615	8.540	-20%
- Exports	3.668	10.731	193%



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

Every retail-service object will be subject to a detailed analysis of the purposefulness of further survival and manner of functioning.

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 for about 19%, but in the second quarter was recorded a growing trend of synthertic rubber prices in relation to those from the first quarter for 17%. (the prices in the second quarter in relation to prices at the end of last year are lower for about 1.5%).

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, so that natural rubber prices in the first quarter have increased by 8% in relation to the end of 2014 and for about 7% in the secon quarter in relation to the first quarter this year.

The prices of carbon blacks in the second quarter are for about 30% lower then in the first one.

Prices of textiles in the first quarter were lower by an average of 5% compared to the last quarter of the previous year, and as for the second quarter, they remained unchanged.

Prices of non-woven textiles that are not covered by the lowering of the first quarter, in the second quarter were lower for about 3% compared to the last quarter of 2014.

Prices of solvents were by 14% lower than in the same period last year and there is a tendency of further reductions.



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2.8. PRODUCTION OUTPUT

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

Production (pairs)	January-June 2014.	January-June 2015.	%
Tigar Rubber Footwear	450,896	696,586	54%

Production (tons)	January-June 2014.	January-June 2015.	%
Tigar R.Technical Goods	302	229	-24%
Chemical Products	70	79	13%
TOTAL	371	308	-17%

In the period January-June 2015, the total realized production in Tigar Rubber Footwear plant amounts to 696.586 pairs, which is for 54% higher 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 308, which is by 17% less in relation to the same period last year.

3. FINANCIALS FOR THE PERIOD JANUARY-JUNE 2015.

3.1 KEY INDICATORS OF THE HOLDING COMPANY (TIGAR AD)

Tigar AD's unconsolidated financials in thousands of Dinars	January - June 2014	January - June 2015	% change
Total assets	5,792,172	4,902,318	-15%
Equity			
Operating income	878,148	1,104,993	26%
EBIT	22,113	94,836	329%
EBITDA	46,702	116,911	150%
Financial income	4,511	48,434	974%
Other income	7,395	18,352	148%
Total income	890,054	1,171,779	32%
Net loss	233,410	62,453	73%
<u>Significant ratios</u>			
Level of indebtedness	0.96	1.18	23%
Net result / total income	-26.22%	-5.33%	80%



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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 - June 2014	January - June 2015	% change
Total assets	7,833,939	6,843,742	-13%
Sales revenues	1,232,367	1,324,621	7%
EBIT	-219,420	7,240	dobitak vs.gubitak
EBITDA	-112,479	101,155	dobitak vs.gubitak
Financial revenues	6,932	27,569	298%
Other incomes	17,823	20,675	16%
Net loss	-560,714	-239,466	57%

Total revenues from sales of goods, products and services on a consolidated basis, for the period January-June 2015 amounted to 1.324.621 thousand dinars which is by 7% higher compared to the same period last year, when they amounted to 1.232.367 thousand dinars. In the same period was realized a business income in the amount of 1.333.682 thousand dinars, which is also by 7% higher compared to the same period last year, when they amounted to 1.243.312 thousand dinars.

Consolidated operating expenses in the amount of 1.326.442 thousand dinars were lower by 9% compared to the period January-June 2014 when they amounted to 1.462.732 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 2%; expenses, depreciation and provisions accounted for 7% and other expenses accounted for 16%.

Reported operating profit (EBIT) in the first semester of 2015 amounted to 7.240 thousands dinars, while the operating loss for the same period last year amounted to RSD 219.420 thousand, which represents a better result for RSD 226.660 thousand. EBIT growth in the first semester 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 semester of 2015 amounted to RSD 101.155 thousand, while in the same period last year was reported an operating loss before amortization in the amount of RSD 112.479 thousand, which represents an improvement for even RSD 213.634 thousand. The trend of growth indicates stabilization of business operations.

Financing costs on a consolidated basis in the period January-June 2015 amounted to RSD 273.073 thousands, while the cost of funding at the consolidated level in the same period last year amounted to RSD 357.972 thousand. The largest part of financial expenses are the costs of interest, which at the



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consolidated level amounts to about RSD 217.430 thousand, while the foreign exchange losses and other financial expenses amount up to RSD 55.643 thousand.

At the consolidated level, the value of total assets amounted to RSD 6.8 billion, of which fixed assets RSD 5.0 billion, while current assets RSD 1.8 billion.

A part that relates to claims in the amount of RSD 497 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 88.6 million. Seven largest foreign customer receivables amounted to RSD 104.5 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 29.4 million. There is a disputed claim in the factory Tigar Chemical Products 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 1.7 billion. On the liabilities side, the equity value is 0, liabilities for long term loans around RSD 6.7 billion, other long-term liabilities 0.3 billion, liabilities under short-term loans were 0.3 billion and other short-term liabilities amount to approximately 1.2 billion.

By replacing short-term liabilities with the long-term loans, through a process of long-term financial stabilization, was 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.	As of 30.06.2015.
A. SUBSCRIBED CAPITAL UNPAID			0
B. NON-CURRENT ASSETS	2,308,016	1,983,302	1,962,759
I. INTANGIBLE ASSETS	16,381	13,758	12,372
Investment in development	71	33	0
Concessions, patents , licenses , trademarks , software and other rights	12,157	9,823	8,470
Intangible assets under construction	4,153	3,902	3,902
Advances for intangible assets	0	0	0
II. PROPERTY, PLANT AND EQUIPMENT	1,410,676	1,257,829	1,238,672
Land	54,156	54,376	54,376
Buildings	655,518	643,255	634,993
Plant and equipment	260,838	231,157	219,907
investment property	395,695	290,896	290,896
Property, plant and equipment construction	37,706	28,945	30,500
Investments in property, plants and equipment	6,763	9,200	8,000
III. BIOLOGICAL AGENTS	0	0	0
IV. LONG-TERM FINANCIAL PLACEMENTS	880,959	504,651	504,651
Shares in subsidiaries	856,716	480,785	480,785
Shares in associated companies and joint ventures	12,020	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	0	207,064	207,064
Receivables from parent company and its subsidiaries	0	207,064	207,064
C. DEFERRED TAX ASSETS	0	0	0
D. CURRENT ASSETS	2,936,294	2,851,148	2,939,559
I. INVENTORIES	621,303	453,874	445,221
Supplies , spare parts , tools and supplies	6,531	5,574	4,156
Unfinished production and unfinished services	67,895	0	0



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Goods	532,532	430,666	429,805
Fixed assets held for sale	0	0	0
Advances paid to suppliers	14,345	17,634	11,260
II. Receivable from sale	1,811,666	1,892,079	2,098,469
Customers in the country - the parent and subsidiaries	1,419,098	1,648,171	1,855,803
Customers abroad - parent and subsidiaries	127,897	115,847	120,094
Customers in the country - other related parties	978	585	1,114
Customers in the country	172,988	57,380	20,536
Customers abroad	90,705	70,096	100,922
Other receivables from sales	0	0	0
III RECEIVABLES FROM SPECIFIC OPERATIONS	0	0	0
IV. OTHER RECEIVABLES	206,744	57,116	53,758
V. FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	0	0	0
VI. SHORT-TERM FINANCIAL PLACEMENTS	276,539	239,953	235,515
Short-term loans and investments - parent and subsidiaries	276,539	239,480	235,042
Short-term loans and investments - other related parties	0	456	456
Other short-term financial investments	0	17	17
VII. CASH AND CASH EQUIVALENTS	2,088	109,103	2,716
VIII. VALUE ADDED TAX	0	12,297	5,820
IX. PREPAYMENTS	17,954	86,726	98,060
I. TOTAL ASSETS	5,244,310	4,834,450	4,902,318
F. OFF BALANCE SHEET ASSETS			0
EQUITY AND LIABILITIES	As of 31.12.2013.	As of 31.12.2014.	As of 30.06.2015.
A. EQUITY	0	0	0
I. SHARE AND OTHER CAPITAL	642,704	642,704	642,704
Share Capital	642,704	642,704	642,704
II. SUBSCRIBED CAPITAL UNPAID	0	0	0
III. TREASURY SHARES	0	0	0
IV. RESERVES	143	143	143
V.Revaluation reserves based on the revaluation of intangible assets, property , plant and equipment	112,818	112,818	112,818
VI. UNREALIZED GAINS ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS	0	6	6
VII. UNREALIZED LOSSES ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS	0	0	0
IX. PARTICIPATION RIGHTS WITHOUT CONTRO	0	0	0
X. LOSS	961,899	1,811,014	1,873,468
Loss of previous years	143,183	961,899	1,811,014
Loss for the year	818,716	849,115	62,454
B. NON-CURRENT ASSETS	893,579	755,963	5,450,431
I. LONG-TERM PROVISIONS	221,704	220,604	218,645
Provision for retirement and other employee benefits	7,429	5,920	5,703
Provision for lawsuits	214,275	214,684	212,942
Other long-term provisions	0	0	0
II. LONG-TERM LIABILITIES	671,875	535,359	5,231,786
Liabilities to parent companies and subsidiaries	0	0	69,671
Long-term loans and loans in the country	671,875	535,359	4,341,501
Liabilities arising from finance lease	0	0	0
Other long-term liabilities	0	0	820,614
C. DEFERRED TAX LIABILITIES	0	0	0
D. CURRENT LIABILITIES	4,556,965	5,133,830	569,684
I. SHORT-TERM FINANCIAL LIABILITIES	2,781,875	3,051,513	75,401
Short-term loans from parent companies and subsidiaries	66,187	119,984	75,401
Short-term loans from other related parties	0	0	0
Short-term loans and loans in the country	1,992,538	2,042,117	0
Other current financial liabilities	723,150	889,412	0
II. PREPAYMENTS, DEPOSITS AND GUARANTEES	52,114	52,541	9,043
III. ACCOUNTS PAYABLE	1,048,472	990,652	330,637
Suppliers - parent and subsidiaries in the country	212,622	164,010	114,623
Suppliers - parent and subsidiaries abroad	41,642	50,584	50,070
Suppliers - other related parties in the country	4,949	3,972	1,376
Suppliers in the country	396,512	293,792	51,054
Foreign suppliers	391,121	478,113	113,514
Other liabilities	1,626	181	0
IV. OTHER CURRENT LIABILITIES	590,544	941,583	116,634
V. LIABILITIES FOR VALUE ADDED TAX	4,905	0	0



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VI OTHER TAXES, CONTRIBUTIONS AND OTHER FEES	18,550	15,364	1,765
VII. ACCRUALS	60,505	82,177	36,204
I. THE LOSS IN EXCESS OF CAPITAL	206,234	1,055,343	1,117,797
F. TOTAL LIABILITIES	5,244,310	4,834,450	4,902,318
G. OFF BALANCE SHEET LIABILITIES	0	0	0

When the Prepackaged Plan of Reorganization became valid on 01.06.2015, there has incurred a replacement of short-term liabilities into the long-term loans, which caused a better impact on the current liquidity. Current liabilities of Tigar ad are primarily related to liabilities of its dependent entities at home and abroad.

Income statement (in thousands of RSD)	january- december 2013	january- december 2014	january-june 2014	january-june 2015
INCOME FROM OPERATIONS				
A. OPERATING INCOME	2,958,181	1,855,836	878,148	1,104,993
I. Sales of goods	2,521,459	1,446,938	661,415	954,891
II. Sales of products and services	421,092	392,321	205,780	143,004
III. Revenues from premiums, subsidies, donations, grants etc.	0	0	0	0
IV. Other operating income	15,630	16,577	10,953	7,098
EXPENSES FROM OPERATIONS	0	0	0	0
B. OPERATING EXPENSES	2,890,597	1,752,901	856,035	1,010,157
I. Cost of commercial goods sold	2,205,412	1,261,701	570,540	805,986
V. Material consumed	11,253	4,648	1,835	2,873
VI. Fuel and energy consumed	88,516	85,143	38,999	36,990
VII. Staff costs	304,380	193,027	119,701	84,920
VIII. Production expenses	104,341	58,742	32,507	17,154
IX. Amortization	53,821	48,456	24,589	22,075
X. Costs of long-term provisions	683	302	0	0
XI. Intangible costs	122,191	100,882	67,864	40,159
C. PROFIT FROM OPERATIONS	67,584	102,935	22,113	94,836
D. LOSS FROM OPERATIONS	0	0	0	0
I. FINANCE INCOME	18,446	49,695	4,511	48,434
I. Financial income from related persons and other financial income	1,187	25,950	0	27,843
II. Interest income (from third parties)	493	2,135	254	918
III. Gains and positive effects of currency clause	16,766	21,610	4,257	19,673
F. FINANCE EXPENSES	503,280	612,261	264,106	213,108
I. Financial expenses related party transactions and other financial expenses	21,852	14,276	1,722	0
II. Interest expense (by third parties)	422,753	415,261	234,468	162,358
III. Foreign exchange gains and negative effects of currency clause	58,675	182,724	27,916	50,750
G. PROFIT FROM FINANCING	0	0	0	0
H. LOSS FROM FINANCING	484,834	562,566	259,595	164,674
I. INCOME FROM VALUATION ADJUSTMENTS OF OTHER ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	18,949	1,832	1,777	0
J. LOSS ADJUSTMENT OTHER PROPERTY CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	494,874	385,418	97	851
K. OTHER INCOME	71,842	18,963	5,618	18,352
L. OTHER EXPENSES	34,283	24,861	3,226	10,117
M. OPERATING PROFIT BEFORE TAX	0	0	0	0
N. LOSS FROM OPERATIONS BEFORE TAX	855,616	849,115	233,410	62,454
Q. PROFIT BEFORE TAXATION	0	0	0	0
P. LOSS BEFORE TAXATION	855,616	849,115	233,410	62,454
R. INCOME TAX	0	0	0	0
I. Current tax expense	124	0	0	0
II. Deferred income tax expense	0	0	0	0
III. Deferred income tax benefit	37,024	0	0	0
T. EARNINGS OF EMPLOYER	0	0	0	0
U. NET PROFIT	0	0	0	0
V. NET LOSS	818,716	849,115	233,410	62,454



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CASH FLOWS(IN THOUSANDS OF RSD)	january-june 2014	january-june 2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash inflow from operating activities	414,336	834,039
Cash outflow from operating activities	360,597	949,798
Net cash inflow from operating activities	53,739	0
Net outflow from operating activities	0	115,759
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash inflow from investing activities	0	26,819
Cash outflow from investing activities	1,136	24,604
Net cash inflow from investing activities	0	2,215
Net cash outflow from investing activities	1,136	0
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash inflow from financing activities	0	0
Cash outflow from financing activities	49,612	0
Net cash inflow from financing activities	0	0
Net cash outflow from financing activities	49,612	0
Total cash inflow	414,336	860,858
Total cash outflow	411,345	974,402
NET CASH INFLOW	2,991	0
NET CASH OUTFLOW	0	113,544
Cash and cash equivalents at beginning of year	2,088	109,103
Foreign exchange gains on translation of cash and cash equivalents	0	7,593
Foreign exchange losses on translation of cash and cash equivalents	124	436
CASH AND CASH EQUIVALENTS AT END OF PERIOD	4,955	2,716

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 l.l.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 half 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 57.83 million, 66% more than in the same period last year.

Income statement (in thousands of RSD)	January-June 2014	January-June 2015	% compared to 2014
INCOME FROM OPERATIONS			
A. OPERATING INCOME	1,391,150	1,376,729	-1%
I. Sales of goods	1,170,122	1,238,199	6%
II. Sales of products and services	209,256	130,343	-38%
III. Revenues from premiums, subsidies, donations, grants etc.	0	0	
IV. Other operating income	11,772	8,186	
EXPENSES FROM OPERATIONS	0	0	
B. OPERATING EXPENSES	1,356,306	1,318,895	-3%
I. Cost of commercial goods sold	1,017,727	1,060,916	4%
II. Work performed by the company and capitalized	0	0	
V. Material consumed	5,014	4,833	-4%
VI. Fuel and energy consumed	45,023	42,885	-5%
VII. Staff costs	147,000	117,886	-20%
VIII. Production expenses	42,331	25,461	-40%
IX. Amortization	24,988	22,462	-10%
X. Costs of long-term provisions	0	0	
XI. Intangible costs	74,223	44,452	-40%
C. PROFIT FROM OPERATIONS	34,844	57,834	66%
D. LOSS FROM OPERATIONS	0	0	



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3.5. CONSOLIDATED FINANCIALS

BALANCE SHEET (in thousands of RSD)

ASSETS	As of 31.12.2013.	As of 31.12.2014.	As of 30.06.2015.
A. SUBSCRIBED CAPITAL UNPAID			
B. NON-CURRENT ASSETS	5,477,305	5,113,669	5,050,640
I. INTANGIBLE ASSETS	487,546	415,482	387,460
Investment in development	434,142	368,482	346,838
Concessions, patents, licenses, trademarks, software and other rights	17,450	16,243	9,865
Other intangible assets	100		
Intangible assets under construction	35,854	30,757	30,757
Advances for intangible assets			
II. PROPERTY, PLANT AND EQUIPMENT	4,965,518	4,674,322	4,639,314
Land	444,382	525,279	525,279
Buildings	2,787,681	2,678,462	2,661,283
Plant and equipment	877,165	800,631	758,805
investment property	755,514	582,070	582,070
Property, plant and equipment construction	72,020	57,190	65,754
Investments in property, plants and equipment	8,816	10,749	9,307
Advances for property, plant and equipment	19,940	19,940	36,816
III. BIOLOGICAL AGENTS			
IV. LONG-TERM FINANCIAL PLACEMENTS	24,241	23,866	23,866
Shares in subsidiaries			
Shares in associated companies and joint ventures	12,171	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			
VI. DEFERRED TAX ASSETS	1,875		
D. CURRENT ASSETS	2,164,386	1,820,521	1,775,649
I. INVENTORIES	1,147,985	1,111,209	1,127,411
Supplies, spare parts, tools and supplies	99,618	97,547	97,968
Unfinished production and unfinished services	234,208	102,577	91,137
Finished products	116,740	252,125	323,191
Goods	670,223	595,272	583,343
Fixed assets held for sale		27,162	9,708
Advances paid to suppliers	27,196	36,525	22,064
II. POTRAŽIVANJA PO OSNOVU PRODAJE	520,025	393,108	406,362
Customers in the country - the parent and subsidiaries		0	
Customers abroad - parent and subsidiaries			
Customers in the country - other related parties	29,457	3,402	3,891
Customers abroad - other related parties			
Customers in the country	361,661	282,629	294,795
Customers abroad	128,907	107,077	107,676
Other receivables from sales			
III RECEIVABLES FROM SPECIFIC OPERATIONS	4,761	1,384	
IV. OTHER RECEIVABLES	63,176	52,005	89,527
V. FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT			
VI. SHORT-TERM FINANCIAL PLACEMENTS	472	473	472
Short-term loans and investments - parent and subsidiaries		0	
Short-term loans and investments - other related parties	472	472	472
VII. CASH AND CASH EQUIVALENTS	220,447	194,656	97,246
VIII. VALUE ADDED TAX	19,634	22,943	9,014
IX. ACCRUALS	187,886	44,743	45,617
I. TOTAL ASSETS	7,643,566	6,934,190	6,826,289
F. OFF BALANCE SHEET ASSETS			
EQUITY AND LIABILITIES	As of 31.12.2013.	As of 31.12.2014.	As of 30.06.2015.
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	5,396	5,409	5,415
V.Revaluation reserves based on the revaluation of intangible assets, property, plant and equipment	1,506,949	1,509,155	1,509,368
VI. UNREALIZED GAINS ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER	87,216	77,139	105,317



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COMPREHENSIVE RESULTS			
VII. UNREALIZED LOSSES ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS		3,593	3,593
VIII. RETAINED EARNINGS			
Retained profit from previous years			
Profit from the financial year			
IX. PARTICIPATION RIGHTS WITHOUT CONTROL	88,216	87,802	94,201
X. LOSS	2,413,007	3,832,302	4,080,066
Loss of previous years	1,374,171	2,420,235	3,833,849
Loss for the year	1,038,836	1,412,067	246,217
B. NON-CURRENT ASSETS	1,321,211	2,024,794	6,980,619
I. LONG-TERM PROVISIONS	291,854	254,496	251,775
Provision for retirement and other employee benefits	78,654	36,736	35,758
Provision for lawsuits	213,200	217,760	216,017
Other long-term provisions			
II. LONG-TERM LIABILITIES	1,029,357	1,770,298	6,728,844
Long-term loans and loans in the country	724,075	535,359	4,672,169
Long-term loans and loans abroad	301,462	944,950	942,183
Liabilities arising from finance lease	3,820	15,881	18,039
Other long-term liabilities		274,109	1,096,453
C. DEFERRED TAX LIABILITIES	117,631	114,777	114,777
D. CURRENT LIABILITIES	6,287,250	6,308,305	1,457,547
I. SHORT-TERM FINANCIAL LIABILITIES	3,709,620	3,555,912	324,786
Short-term loans from parent companies and subsidiaries			
Short-term loans from other related parties			
Short-term loans and loans in the country	2,211,127	2,042,605	315,078
Short-term loans and loans abroad			
Liabilities in respect of fixed assets and resources discontinued operations held for sale		27,162	9,708
Other current financial liabilities	1,498,493	1,486,145	
II. PREPAYMENTS, DEPOSITS AND GUARANTEES	78,241	100,564	20,695
III. ACCOUNTS PAYABLE	1,037,057	1,050,541	457,299
Suppliers - parent and subsidiaries in the country			
Suppliers - parent and subsidiaries abroad			
Suppliers - other related parties in the country	18,099	4,259	4,205
Suppliers - other related parties abroad			
Suppliers in the country	544,868	502,240	265,060
Foreign suppliers	448,955	532,398	173,892
Other liabilities	25,135	11,644	14,142
IV. OTHER CURRENT LIABILITIES	1,296,447	1,374,461	504,548
V. LIABILITIES FOR VALUE ADDED TAX	32,691	32,172	29,267
VI OTHER TAXES, CONTRIBUTIONS AND OTHER FEES	43,954	28,787	24,964
VII. Deferrals	89,240	165,868	95,988
I. THE LOSS IN EXCESS OF CAPITAL	82,526	1,513,686	1,726,654
F. TOTAL LIABILITIES	7,643,566	6,934,190	6,826,289
G. OFF BALANCE SHEET LIABILITIES			

Income statement in thousands of RSD	january- december 2013	january- december 2014	january-june 2014	january-june 2015
INCOME FROM OPERATIONS				
A. OPERATING INCOME	3,106,115	2,734,470	1,243,311	1,333,682
I. Sales of goods	448,739	145,519	875,745	65,748
II. Sales of products and services	2,640,019	2,566,507	356,622	1,258,873
III. Revenues from premiums, subsidies, donations, grants etc.				
IV. Other operating income	17,357	22,445	10,944	9,061
EXPENSES FROM OPERATIONS				
B. OPERATING EXPENSES	3,587,638	2,961,349	1,462,731	1,326,442
I. Cost of commercial goods sold	253,004	63,057	21,599	21,333
II. Work performed by the company and capitalized	26,124	270	6,372	5,863
III. Increase in inventories of finished products and work in progress		0		57,972
IV. Decrease in inventories of finished products and work in progress	64,583	15,425	21,342	
V. Material consumed	1,102,762	941,854	443,669	405,876
VI. Fuel and energy consumed	181,005	185,212	85,767	87,438



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VII. Staff costs	1,278,153	1,132,331	562,141	562,981
VIII. Production expenses	328,753	261,439	135,592	165,492
IX. Amortization	218,277	213,002	106,941	93,915
X. Costs of long-term provisions	1,704	3,302		
XI. Intangible costs	185,523	145,996	92,052	53,242
C. PROFIT FROM OPERATIONS				7,240
D. LOSS FROM OPERATIONS	481,523	226,879	219,420	
I. FINANCE INCOME	26,162	33,875	6,932	27,569
I. Financial income from related persons and other financial income	1,661	973		
II. Interest income (from third parties)	4,251	2,344	1,244	1,385
III. Gains and positive effects of currency clause	20,250	30,558	5,688	26,184
F. FINANCE EXPENSES	644,722	982,153	357,972	273,073
I. Financial expenses related party transactions and other financial expenses	6,442	4,031	1,729	0
II. Interest expense (by third parties)	513,923	573,282	280,165	217,430
III. Foreign exchange gains and negative effects of currency clause	124,358	404,839	76,078	55,643
G. PROFIT FROM FINANCING				
H. LOSS FROM FINANCING	618,559	948,278	351,040	245,504
I. INCOME FROM VALUATION ADJUSTMENTS OF OTHER ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	19,015	14,044	2,404	
J. LOSS ADJUSTMENT OTHER PROPERTY CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	69,991	158,210	97	850
K. OTHER INCOME	151,029	50,077	15,419	20,675
L. OTHER EXPENSES	87,495	124,017	4,344	11,409
M. OPERATING PROFIT BEFORE TAX				
N. LOSS FROM OPERATIONS BEFORE TAX	1,087,524	1,393,262	557,078	229,848
Q. PROFIT BEFORE TAXATION				
P. LOSS BEFORE TAXATION	1,087,524	1,393,262	557,078	229,848
R. INCOME TAX				
I. Current tax expense	6,519	16,893	4,506	9,573
II. Deferred income tax expense	863	735		46
III. Deferred income tax benefit	60,682	4,354	870	
T. EARNINGS OF EMPLOYER				
U. NET PROFIT				
V. NET LOSS	1,034,224	1,406,536	560,714	239,467



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SUMMARY OF KEY FINANCIAL RESULTS BY ENTITY

TIGAR**TIGAR AD**

Equity: 0
Total income: 1,171,778
EBITDA: 116,910
(000 RSD)

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

Equity: 0
Total income: 642,598
EBITDA: -7,204
(000 RSD)

TIGAR R. TECHNICAL GOODS

Equity: 0
Total income: 97,027
EBITDA: -28,360
(000 RSD)

TIGAR CHEMICAL PRODUCTS

Equity: 75,100
Total income: 39,010
EBITDA: 163
(000 RSD)

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

Equity: 19
Total income: 13
EBITDA: -7
(000 EUR)

TIGAR PARTNER

Equity: 15,941
Total income: 7,953
EBITDA: -591
(000 DEN)

TIGRA TREJD Banja Luka

Equity: 53
Total income: 377
EBITDA: -25
(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: 249,179
Total income: 195,205
EBITDA: 32,130
(000 RSD)

TIGAR BUSINESS SERVICE

Equity I: 46,457
Total income: 68,485
EBITDA: 16,219
(000 RSD)

TIGAR CATERING

Equity I: 105,086
Total income: 100,736
EBITDA: 5,390
(000 RSD)

TIGAR INCON

Equity: 69,526
Total income: 39,682
EBITDA: -4,444
(000 RSD)

TIGAR INTER RISK

Equity: 4,029
Total income: 1,249
EBITDA: 117
(000 RSD)

TI-CAR TRGOVINE

Equity: 0
Total income: 313,576
EBITDA: -36,615
(000 RSD)

TIGAR SECURITY

Equity: 95,180
Total income: 58,499
EBITDA: 12,035
(000 RSD)

TIGAR TOURS

Equity: 8,096
Total income: 1,423
EBITDA: 61
(000 RSD)

PI channel

Equity: 3,188
Total income: 6,148
EBITDA: 297
(000 RSD)



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3.6. TIGAR RUBBER FOOTWEAR

BALANCE SHEET (in thousands of RSD)

ASSETS	As of 31.12.2013.	As of 31.12.2014.	As of 30.06.2015.
A. SUBSCRIBED CAPITAL UNPAID			0
B. NON-CURRENT ASSETS	1,840,052	1,742,297	1,703,334
I INTANGIBLE ASSETS	466,512	397,703	371,372
Investment in development	429,969	368,449	343,317
Concessions, patents , licenses , trademarks , software and other rights	4,841	2,400	1,200
Intangible assets under construction	31,702	26,854	26,855
II PROPERTY, PLANT AND EQUIPMENT	1,373,540	1,344,594	1,331,962
Land	288,352	323,840	323,840
Buildings	689,367	646,232	642,410
Plant and equipment	262,973	231,635	217,282
Investment property	132,566	142,605	142,604
Property, plant and equipment construction	282	282	5,826
III BIOLOGICAL AGENTS	0	0	0
IV LONG-TERM FINANCIAL PLACEMENTS	0	0	0
V LONG-TERM RECEIVABLES	0	0	0
C. DEFERRED TAX ASSETS	0	0	0
D. CURRENT ASSETS	724,719	618,118	679,500
I INVENTORIES	330,570	323,237	382,994
Supplies, spare parts, tools and supplies	27,048	31,450	33,381
Unfinished production and unfinished services	88,902	99,958	88,086
Finished products	214,251	190,049	260,327
Advances paid to suppliers	369	1,780	1,200
II RECEIVABLES FROM SALE	270,299	286,603	199,517
Customers in the country - the parent and subsidiaries	269,745	285,963	198,464
Customers abroad - parent and subsidiaries	0	0	2
Customers in the country - other related parties	395	0	0
Customers abroad- other related parties	159	640	1,002
Customers in the country	0	0	49
Customers abroad	0	0	0
III RECEIVABLES FROM SPECIFIC	0	0	0
IV OTHER RECEIVABLES	400	207	235
V FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	0	0	0
VI SHORT-TERM FINANCIAL PLACEMENTS	0	0	90,246
Short-term loans and investments - parent and subsidiaries	0	0	90,246
VII CASH AND CASH EQUIVALENTS	122	135	127
VIII VALUE ADDED TAX	0	0	0
IX PREPAYMENTS	123,328	7,936	6,381
I. TOTAL ASSETS	2,564,771	2,360,415	2,382,834
F. OFF BALANCE SHEET ASSETS			
EQUITY AND LIABILITIES	As of 31.12.2013.	As of 31.12.2014.	As of 30.06.2015.
A. EQUITY	0	0	0
I SHARE AND OTHER CAPITAL	1,108,838	1,108,838	1,108,838
II SUBSCRIBED CAPITAL UNPAID	0	0	0
III TREASURY SHARES	0	0	0
IV RESERVES	0	0	0
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	0	0	0
VII UNREALIZED LOSSES ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS	0	1,672	1,672
VIII RETAINED EARNINGS	0	0	0
IX PARTICIPATION RIGHTS WITHOUT CONTROL	0	0	0
X LOSS	1,206,254	1,698,064	1,788,238
Loss of previous years	786,393	1,211,102	1,698,063
Loss for the year	419,861	486,962	90,176
B. NON-CURRENT ASSETS	327,995	1,607,203	1,499,797
I LONG-TERM PROVISIONS	27,059	14,241	13,847
Provision for retirement and other employee benefits	27,059	14,241	13,847
II LONG-TERM LIABILITIES	300,936	1,592,962	1,485,950
Liabilities to parent companies and subsidiaries	0	393,534	287,559
Long-term loans and loans abroad	300,936	944,950	942,183



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Other long-term liabilities	0	254,478	256,208
C. DEFERRED TAX LIABILITIES	9,118	8,630	8,630
D. CURRENT LIABILITIES	2,272,760	1,283,166	1,503,165
I SHORT-TERM FINANCIAL LIABILITIES	877,680	327,616	330,140
Short-term loans from parent companies and subsidiaries	112,444	11,613	15,062
Other current financial liabilities	765,236	316,003	315,078
II PREPAYMENTS, DEPOSITS AND GUARANTEES	3,214	4	0
III ACCOUNTS PAYABLE	712,773	715,008	937,467
Suppliers - parent and subsidiaries in the country	682,959	696,154	909,229
Suppliers - parent and subsidiaries abroad	166	199	215
Suppliers in the country	24,963	15,545	23,317
Foreign suppliers	1,239	1,870	4,005
Other liabilities	3,446	1,240	701
IV OTHER CURRENT LIABILITIES	566,657	115,358	116,556
V LIABILITIES FOR VALUE ADDED TAX	11,826	16,662	15,800
VI OTHER TAXES, CONTRIBUTIONS AND OTHER FEES	13,876	0	0
VII ACCRUALS	86,734	108,518	103,202
I. THE LOSS IN EXCESS OF CAPITAL	45,102	538,584	628,758
F. TOTAL LIABILITIES	2,564,771	2,360,415	2,382,834
G. OFF BALANCE SHEET LIABILITIES			

Income statement in thousands of RSD	january- december 2013	january- december 2014	january-june 2014	january-june 2015
INCOME FROM OPERATIONS				
A. OPERATING INCOME	1,314,393	1,346,781	586,552	638,140
I Sales of goods	0	0	0	0
II Sales of products and services	1,300,092	1,339,262	582,954	634,252
III Revenues from premiums, subsidies, donations, grants etc.	0	0	0	0
IV Other operating income	14,301	7,519	3,598	3,888
EXPENSES FROM OPERATIONS	0	0	0	0
B. OPERATING EXPENSES	1,668,029	1,615,117	784,600	689,852
I Cost of commercial goods sold	0	0	0	0
II Work performed by the company and capitalized	11,525	0	0	0
III Increase in inventories of finished products and work in progress	0	0	0	58,406
IV Decrease in inventories of finished products and work in progress	26,961	13,146	22,347	0
V Material consumed	768,469	758,954	343,749	360,326
VI Fuel and energy consumed	84,529	91,022	42,644	44,478
VII Staff costs	465,505	453,712	215,037	235,323
VIII Production expenses	9,569	9,735	4,624	4,654
IX Amortization	109,946	105,896	53,864	44,508
X Costs of long-term provisions	0	0	0	0
XI Intangible costs	214,575	182,652	102,335	58,969
C. PROFIT FROM OPERATIONS	0	0	0	0
D. LOSS FROM OPERATIONS	353,636	268,336	198,048	51,712
I. FINANCE INCOME	634	217	54	3,846
I Financial income from related persons and other financial income	0	0	0	0
II Interest income (from third parties)	0	0	0	0
III Gains and positive effects of currency clause	634	217	54	3,846
F. FINANCE EXPENSES	112,088	241,050	63,117	42,463
I Financial expenses related party transactions and other financial expenses	7	0	0	0
II Interest expense (by third parties)	62,245	77,089	32,354	42,255
III Foreign exchange gains and negative effects of currency clause	49,836	163,961	30,763	208
G. PROFIT FROM FINANCING	0	0	0	0
H. LOSS FROM FINANCING	111,454	240,833	63,063	38,617
I. INCOME FROM VALUATION ADJUSTMENTS OF OTHER ASSETS CARRIED AT FAIR VALUE TROUGH INCOME STATEMENT	0	10,039	0	0
J. LOSS ADJUSTMENT OTHER PROPERTY CARRIED AT FAIR VALUE TROUGH INCOME STATEMENT	12	1,212	0	0
K. OTHER INCOME	50,158	13,182	365	612
L. OTHER EXPENSES	4,807	289	19	459
M. OPERATING PROFIT BEFORE TAX	0	0	0	0
N. LOSS FROM OPERATIONS BEFORE TAX	419,751	487,449	260,765	90,176
Q. PROFIT BEFORE TAXATION	0	0	0	0
R. LOSS BEFORE TAXATION	419,751	487,449	260,765	90,176
S. INCOME TAXES	0	0	0	0
I Current tax expense	0	0	0	0



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II Deferred income tax expense	110	0	0	0
III Deferred income tax benefit	0	487	0	0
T.EARNINGS OF EMPLOYER	0	0	0	0
U. NET PROFIT		0	0	0
V. NET LOSS	419,861	486,962	260,765	90,176

CASH FLOWS(IN THOUSANDS OF RSD)	january-june 2014	january-june 2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash inflow from operating activities	42,036	693,058
Cash outflow from operating activities	46,418	605,505
Net cash inflow from operating activities		87,553
Net outflow from operating activities	4,382	
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash inflow from investing activities		
Cash outflow from investing activities		88
Net cash inflow from investing activities		
Net cash outflow from investing activities		88
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash inflow from financing activities	4,502	2,735
Cash outflow from financing activities		90,130
Net cash inflow from financing activities	4,502	
Net cash outflow from financing activities		87,395
NET CASH INFLOW	120	70
NET CASH OUTFLOW		
Cash and cash equivalents at beginning of year	122	134
Foreign exchange gains on translation of cash and cash equivalents		15
Foreign exchange losses on translation of cash and cash equivalents	5	92
CASH AND CASH EQUIVALENTS AT END OF PERIOD	237	127



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3.7. TIGAR RUBBER TECHNICAL GOODS

BALANCE SHEET (in thousands of RSD)

ASSETS	As of 31.12.2013.	As of 31.12.2014.	As of 30.06.2015.
A. SUBSCRIBED CAPITAL UNPAID			0
B. NON-CURRENT ASSETS	980,401	949,233	935,406
I INTANGIBLE ASSETS	46	25	14
Concessions, patents , licenses , trademarks , software and other rights	46	25	14
II PROPERTY, PLANT AND EQUIPMENT	980,355	935,617	921,801
Land	0	27,084	27,084
Buildings	440,750	407,048	403,751
Plant and equipment	300,784	279,257	268,738
Investment property	218,126	201,921	201,921
Property, plant and equipment construction	755	367	366
III BIOLOGICAL AGENTS	0	0	0
IV LONG-TERM FINANCIAL PLACEMENTS	0	0	0
V LONG-TERM RECEIVABLES	0	13,591	13,591
Receivables from parent company and its subsidiaries	0	13,591	13,591
C. DEFERRED TAX ASSETS	0	0	0
D. CURRENT ASSETS	248,091	298,298	364,447
I INVENTORIES	88,292	84,413	86,194
Supplies, spare parts, tools and supplies	34,780	32,529	32,208
Unfinished production and unfinished services	5,726	2,620	3,052
Advances paid to suppliers	332	99	99
II RECEIVABLES FROM SALE	112,568	212,054	277,049
Customers in the country - the parent and subsidiaries	86,951	201,797	265,514
Customers abroad - parent and subsidiaries	6,187	6,501	6,482
Customers in the country - other related parties	7	7	7
Customers in the country	19,254	3,683	4,977
Customers abroad	111	66	69
III RECEIVABLES FROM SPECIFIC	0	0	0
IV OTHER RECEIVABLES	562	181	194
V FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	0	0	0
VI SHORT-TERM FINANCIAL PLACEMENTS	146	0	0
Short-term loans and investments - parent and subsidiaries	146	0	0
VII CASH AND CASH EQUIVALENTS	1	0	0
VIII VALUE ADDED TAX	9,169	348	31
IX PREPAYMENTS	37,353	1,302	979
I. TOTAL ASSETS	1,228,492	1,247,531	1,299,853
EQUITY AND LIABILITIES	As of 31.12.2013.	As of 31.12.2014.	As of 30.06.2015.
A. EQUITY	0	0	0
I SHARE AND OTHER CAPITAL	626,048	626,048	626,048
II SUBSCRIBED CAPITAL UNPAID	0	0	0
III TREASURY SHARES	0	0	0
IV RESERVES	0	0	0
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	0	0	0
VII UNREALIZED LOSSES ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS	0	99	99
VIII RETAINED EARNINGS	0	0	0
IX PARTICIPATION RIGHTS WITHOUT CONTROL	0	0	0
X LOSS	825,497	1,078,776	1,130,545
Loss of previous years	603,297	825,496	1,078,776
Loss for the year	222,200	253,280	51,769
B. NON-CURRENT ASSETS	63,509	6,489	337,020
I LONG-TERM PROVISIONS	11,309	6,489	6,352
Provision for retirement and other employee benefits	11,309	5,124	4,987
Provision for lawsuits	0	1,365	1,365
II LONG-TERM LIABILITIES	52,200	0	330,668
Long-term loans and loans in the country	52,200	0	330,668
Liabilities arising from finance lease	0	0	0
C. DEFERRED TAX LIABILITIES	0	0	0
D. CURRENT LIABILITIES	1,355,282	1,684,719	1,458,278
I SHORT-TERM FINANCIAL LIABILITIES	281,610	347,404	71,196



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Short-term loans from parent companies and subsidiaries	72,807	71,196	71,196
Other current financial liabilities	208,803	276,208	0
II PREPAYMENTS, DEPOSITS AND GUARANTEES	158	320	320
III ACCOUNTS PAYABLE	947,480	1,171,002	1,259,615
Suppliers - parent and subsidiaries in the country	912,580	1,140,276	1,221,995
Suppliers - other related parties in the country	5	5	5
Suppliers in the country	13,724	20,096	27,476
Foreign suppliers	9,051	7,697	7,211
Other liabilities	12,120	2,928	2,928
IV OTHER CURRENT LIABILITIES	114,600	149,000	104,591
V LIABILITIES FOR VALUE ADDED TAX	725	0	3,914
VI OTHER TAXES, CONTRIBUTIONS AND OTHER FEES	0	0	0
VII ACCRUALS	10,709	16,993	18,643
I. THE LOSS IN EXCESS OF CAPITAL	190,299	443,677	495,445
F. TOTAL LIABILITIES	1,228,492	1,247,531	1,299,853

Income statement in thousands of RSD	january- december 2013	january- december 2014	january- june 2014	january- june 2015
INCOME FROM OPERATIONS				
A. OPERATING INCOME	352,773	241,245	109,147	95,005
I Sales of goods	28,252	834	834	0
II Sales of products and services	324,406	240,399	108,301	95,005
III Revenues from premiums, subsidies, donations, grants etc.	0	0	0	0
IV Other operating income	115	12	12	0
EXPENSES FROM OPERATIONS	0	0	0	0
B. OPERATING EXPENSES	529,543	382,830	188,138	137,396
I Cost of commercial goods sold	25,758	745	745	0
II Work performed by the company and capitalized	166	0	595	0
III Increase in inventories of finished products and work in progress	0	0	3,039	2,103
IV Decrease in inventories of finished products and work in progress	33,282	1,396	0	0
V Material consumed	143,468	99,836	46,380	37,459
VI Fuel and energy consumed	46,870	36,318	18,428	16,474
VII Staff costs	130,439	109,747	52,216	48,254
VIII Production expenses	7,517	6,620	3,219	3,412
IX Amortization	28,724	28,596	15,019	14,031
X Costs of long-term provisions	0	1,365	0	0
XI Intangible costs	113,651	98,207	55,765	19,869
C. PROFIT FROM OPERATIONS	0	0	0	0
D. LOSS FROM OPERATIONS	176,770	141,585	78,991	42,391
I. FINANCE INCOME	227	1,530	288	1,681
I Financial income from related persons and other financial income	0	0	0	0
II Interest income (from third parties)	0	0	0	0
III Gains and positive effects of currency clause	227	1,530	288	1,681
F. FINANCE EXPENSES	33,673	93,912	26,523	11,381
I Financial expenses related party transactions and other financial expenses	0	0	0	0
II Interest expense (by third parties)	21,832	41,866	10,950	11,249
III Foreign exchange gains and negative effects of currency clause	11,841	52,046	15,573	132
G. PROFIT FROM FINANCING	0	0	0	0
H. LOSS FROM FINANCING	33,446	92,382	26,235	9,700
I. INCOME FROM VALUATION ADJUSTMENTS OF OTHER ASSETS CARRIED AT FAIR VALUE TROUGH INCOME STATEMENT	0	810	0	0
J. LOSS ADJUSTMENT OTHER PROPERTY CARRIED AT FAIR VALUE TROUGH INCOME STATEMENT	425	9,180	0	0
K. OTHER INCOME	2,574	6,424	133	341
L. OTHER EXPENSES	31,362	17,366	801	19
M. OPERATING PROFIT BEFORE TAX	0	0	0	0
N. LOSS FROM OPERATIONS BEFORE TAX	239,429	253,280	105,894	51,769
Q. PROFIT BEFORE TAXATION	0	0	0	0
R. LOSS BEFORE TAXATION	239,429	253,280	105,894	51,769
S. INCOME TAXES	0	0	0	0
I Current tax expense	0	0	0	0
II Deferred income tax expense	0	0	0	0
III Deferred income tax benefit	17,229	0	0	0
T. EARNINGS OF EMPLOYER	0	0	0	0
U. NET PROFIT	0	0	0	0
V. NET LOSS	222,200	253,280	105,894	51,769



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CASH FLOWS(IN THOUSANDS OF RSD)	january-june 2014	january-june 2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash inflow from operating activities	72,319	48,979
Cash outflow from operating activities	60,276	48,979
Net cash inflow from operating activities	12,043	0
Net outflow from operating activities	0	0
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash inflow from investing activities	0	0
Cash outflow from investing activities	0	0
Net cash inflow from investing activities	0	0
Net cash outflow from investing activities	0	0
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash inflow from financing activities	0	0
Cash outflow from financing activities	12,037	0
Net cash inflow from financing activities	0	0
Net cash outflow from financing activities	12,037	0
NET CASH INFLOW	72,319	48,979
NET CASH OUTFLOW	72,313	48,979
Cash and cash equivalents at beginning of year	6	0
Foreign exchange gains on translation of cash and cash equivalents	0	0
Foreign exchange losses on translation of cash and cash equivalents	1	0
CASH AND CASH EQUIVALENTS AT END OF PERIOD	0	0
CASH FLOWS FROM OPERATING ACTIVITIES	7	0
Cash inflow from operating activities	0	0



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3.8. TIGAR CHEMICAL PRODUCTS

BALANCE SHEET (in thousands of RSD)

ASSETS	As of 31.12.2013.	As of 31.12.2014.	As of 30.06.2015.
A. SUBSCRIBED CAPITAL UNPAID			0
B. NON-CURRENT ASSETS	219,012	215,799	215,446
I INTANGIBLE ASSETS	4,225	3,724	3,473
Investment in development	4,172	3,700	3,464
Concessions, patents, licenses, trademarks, software and other rights	53	24	9
II PROPERTY, PLANT AND EQUIPMENT	214,787	161,888	161,786
Land	54,278	54,278	54,278
Buildings	34	32	31
Plant and equipment	656	242	140
Investment property	141,693	89,253	89,254
Property, plant and equipment construction	18,126	18,083	18,083
III BIOLOGICAL AGENTS	0	0	0
IV LONG-TERM FINANCIAL PLACEMENTS	0	0	0
V LONG-TERM RECEIVABLES	0	50,187	50,187
Receivables from parent company and its subsidiaries	0	50,187	50,187
C. DEFERRED TAX ASSETS	0	0	0
D. CURRENT ASSETS	92,965	105,376	130,253
I INVENTORIES	33,998	30,790	26,236
II RECEIVABLES FORM SALE	52,930	71,235	101,202
Customers in the country - the parent and subsidiaries	43,434	56,835	85,622
Customers in the country	2,203	6,705	8,747
Customers abroad	7,293	7,695	6,833
III RECEIVABLES FROM SPECIFIC OPERATIONS	0	0	0
IV OTHER RECEIVABLES	5,260	13	13
V FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	0	0	0
VI SHORT-TERM FINANCIAL PLACEMENTS	0	2,639	2,640
Short-term loans and investments - parent and subsidiaries	0	2,639	2,640
VII CASH AND CASH EQUIVALENTS	0	0	0
VIII VALUE ADDED TAX	171	84	84
IX PREPAYMENTS	606	615	78
E. TOTAL ASSETS	311,977	321,175	345,699
F. OFF BALANCE SHEET ASSETS			0
EQUITY AND LIABILITIES	31.12.2013.	31.12.2014.	30.06.2015.
A. EQUITY	130,260	75,276	75,100
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	0	0	0
III TREASURY SHARES	0	0	0
IV RESERVES	0	0	0
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	0	6	6
VII UNREALIZED LOSSES ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS	0	0	0
VIII RETAINED EARNINGS	0	0	0
IX PARTICIPATION RIGHTS WITHOUT CONTROL	0	0	0
X LOSS	158,108	213,098	213,274
Loss of previous years	127,601	158,108	213,098
Loss for the year	30,507	54,990	176
B. LONG-TERM PROVISIONS AND LIABILITIES	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	0	0	0
C. DEFERRED TAX LIABILITIES	0	0	0
D. CURRENT LIABILITIES	180,486	244,996	269,696
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	0
III ACCOUNTS PAYABLE	35,555	90,692	116,052
Suppliers - parent and subsidiaries in the country	14,182	64,277	88,638
Suppliers in the country	10,021	10,848	13,099



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Foreign suppliers	9,859	14,092	13,234
Other liabilities	1,493	1,475	1,081
IV OTHER CURRENT LIABILITIES	40,927	42,586	41,572
V LIABILITIES FOR VALUE ADDED TAX	749	3,026	4,416
VI OTHER TAXES, CONTRIBUTIONS AND OTHER FEES	0	0	0
VII ACCRUALS	5,624	7,235	7,248
E. THE LOSS IN EXCESS OF CAPITAL	0	0	0
F. TOTAL LIABILITIES	311,977	321,175	345,699
G. OFF BALANCE SHEET LIABILITIES	0	0	0

Income statement in thousands of RSD	january- december 2013	january- december 2014	january-june 2014	january-june 2015
INCOME FROM OPERATIONS				
A. OPERATING INCOME	90,023	81,120	31,742	38,754
I Sales of goods	796	4,511	2,773	431
II Sales of products and services	89,227	75,505	28,969	37,217
III Revenues from premiums, subsidies, donations, grants etc.	0	0	0	0
IV Other operating income	0	1,104	0	1,106
EXPENSES FROM OPERATIONS				
B. OPERATING EXPENSES	110,899	89,191	40,612	38,946
I Cost of commercial goods sold	665	3,845	2,421	376
II Work performed by the company and capitalized	0	0	0	0
III Increase in inventories of finished products and work in progress	0	0	0	0
IV Decrease in inventories of finished products and work in progress	4,340	884	2,034	2,536
V Material consumed	45,907	38,520	14,122	15,217
VI Fuel and energy consumed	2,829	2,524	1,378	1,093
VII Staff costs	30,268	24,721	11,295	11,401
VIII Production expenses	3,439	1,864	364	1,477
IX Amortization	1,448	916	473	355
X Costs of long-term provisions	0	0	0	0
XI Intangible costs	22,003	15,917	8,525	6,491
C. PROFIT FROM OPERATIONS	0	0	0	0
D. LOSS FROM OPERATIONS	20,876	8,071	8,870	192
I FINANCE INCOME	480	403	165	39
I Financial income from related persons and other financial income	0	0	0	0
II Interest income (from third parties)	0	0	0	0
III Gains and positive effects of currency clause	480	403	165	39
F. FINANCE EXPENSES	668	4,171	323	240
I Financial expenses related party transactions and other financial expenses	0	0	0	0
II Interest expense (by third parties)	265	3,446	194	192
III Foreign exchange gains and negative effects of currency clause	403	725	129	49
G. PROFIT FROM FINANCING	0	0	0	0
H. LOSS FROM FINANCING	188	3,768	158	201
I. INCOME FROM VALUATION ADJUSTMENTS OF OTHER ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	42	0	0	0
J. LOSS ADJUSTMENT OTHER PROPERTY CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	0	293	0	0
K. OTHER INCOME	1,278	10,109	8,617	217
L. OTHER EXPENSES	15,047	52,967	16	0
M. OPERATING PROFIT BEFORE TAX	0	0	0	0
N. LOSS FROM OPERATIONS BEFORE TAX	34,791	54,990	427	176
Q. PROFIT BEFORE TAXATION	0	0	0	0
R. LOSS BEFORE TAXATION	34,791	54,990	427	176
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				
V. NET LOSS	30,506	54,990	427	176



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CASH FLOWS(IN THOUSANDS OF RSD)	january-june 2014	january-june 2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash inflow from operating activities	14,607	15,726
Cash outflow from operating activities	17,682	15,726
Net cash inflow from operating activities	0	0
Net outflow from operating activities	3,075	0
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash inflow from investing activities	0	0
Cash outflow from investing activities	0	0
Net cash inflow from investing activities	0	0
Net cash outflow from investing activities	0	0
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash inflow from financing activities	3,275	0
Cash outflow from financing activities	200	0
Net cash inflow from financing activities	3,075	0
Net cash outflow from financing activities	0	0
Total cash inflow	17,882	15,726
Total cash outflow	17,882	15,726
NET CASH INFLOW	0	0
NET CASH OUTFLOW	0	0
Cash and cash equivalents at beginning of year	0	0
Foreign exchange gains on translation of cash and cash equivalents	0	0
Foreign exchange losses on translation of cash and cash equivalents	0	0
CASH AND CASH EQUIVALENTS AT END OF PERIOD	0	0

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



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3.10. TIGRA MONTENEGRO – MONTENEGRO

BALANCE SHEET (in thousands of EUR)	As of 31.12.2013.	As of 31.12.2014.	As of 30.06.2015.
Non-current assets	4	3	3
Current assets	356	182	74
Deferred tax assets			
TOTAL ASSETS	360	185	77
Equity	95	45	19
Long-term liabilities and provisions			
Current liabilities	265	140	58
Deferred tax liabilities			
TOTAL EQUITY AND LIABILITIES	360	185	77

Income statement in thousands of EUR	january-december 2013	january-december 2014	january-june 2014	january-june 2015
Total income	486	172	53	13
Total expenses	497	223	81	38
PROFIT/LOSS BEFORE TAXATION	-11	-50	-28	-26
Income taxes				
Deferred Income Tax expense				
Deferred Income Tax benefit				
NET PROFIT/LOSS	-11	-50	-28	-26

3.11. TIGRA TREJD – REPUBLIC SRPSKA

BALANCE SHEET (in thousands of KM)	As of 31.12.2013.	As of 31.12.2014.	As of 30.06.2015.
Fixed Assets	283	269	265
Current assets	905	909	922
Deferred tax assets			
Loss above capital value			
TOTAL ASSETS	1,188	1,178	1,187
Equity	71	88	53
Non-current liabilities	9		
Short-term liabilities	1,108	1,090	1,133
Deferred tax liabilities			
TOTAL EQUITY AND LIABILITIES	1,188	1,178	1,187

Income statement in thousands of KM	january-december 2013	january-december 2014	january-june 2014	january-june 2015
Total income	1,226	1,452	380	377
Total expenses	1,156	1,430	409	411
PROFIT/LOSS BEFORE TAXATION	70	23	-30	-35
Income taxes		5		
Deferred Income Tax expense				
Deferred Income Tax benefit				
NET PROFIT/LOSS	70	17	-30	-35



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3.12. TIGAR PARTNER – MACEDONIA

BALANCE SHEET (in thousands of Denars)	As of 31.12.2013.	As of 31.12.2014.	As of 30.06.2015.
Fixed Assets	17	6	6
Current assets	27,076	21,366	23,430
Deferred tax assets			
TOTAL ASSETS	27,094	21,373	23,436
Equity	17,865	16,597	15,941
Non-current liabilities			
Short-term liabilities	9,229	4,776	7,495
Deferred tax liabilities			
TOTAL EQUITY AND LIABILITIES	27,094	21,373	23,436

Income Statement (in thousands of Denars)	january- december 2013	january- december 2014	january-june 2014	january-june 2015
Total income	27,272	24,115	9,227	7,953
Total expenses	27,201	25,512	9,901	8,467
PROFIT/LOSS BEFORE TAXATION	71	-1,397	-674	-514
Income taxes	9	10	4	3
Deferred Income Tax expense	0	0	0	0
Deferred Income Tax benefit	0	0	0	0
NET PROFIT/LOSS	62	-1,407	-678	-517

3.13. TI-CAR TRGOVINE

BALANCE SHEET (in thousands of RSD)

ASSETS	As of 31.12.2013.	As of 31.12.2014.	As of 30.06.2015.
A. SUBSCRIBED CAPITAL UNPAID			
B. NON-CURRENT ASSETS	30,758	46,473	46,085
I. INTANGIBLE ASSETS			
Investment in development			
Concessions, patents , licenses , trademarks , software and other rights			
II. PROPERTY, PLANT AND EQUIPMENT	30,758	30,085	29,697
Land	1,932	1,932	1,932
Buildings	28,374	27,796	27,507
Plant and equipment	437	259	160
Investment property			
Property,plant and equipment construction	15	98	98
Investments in property, plants and equipment			
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	192,218	569,909	586,977
I. INVENTORIES	59,655	128,835	115,216
Goods	53,992	115,161	109,876
Advances paid to suppliers	5,663	13,674	5,340
II. Receivable from sale	100,544	303,415	332,120
Customers in the country - the parent and subsidiaries	66,721	229,186	293,345
Customers abroad - parent and subsidiaries	1,883	6,682	6,805
Customers in the country - other related parties		9	9
Customers in the country	13,744	43,063	20,911
Customers abroad	18,196	24,475	11,050
III RECEIVABLES FROM SPECIFIC OPERATIONS			
IV. OTHER RECEIVABLES	15,820	6,073	7,536
V. FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT			
VI. SHORT-TERM FINANCIAL PLACEMENTS		110,163	125,621
Short-term loans and investments - parent and subsidiaries		110,163	125,621



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VII. CASH AND CASH EQUIVALENTS	133	329	26
VIII. VALUE ADDED TAX	9,976	9,694	2,491
IX. PREPAYMENTS	6,090	11,400	3,967
I. TOTAL ASSETS	223,166	616,527	633,207
F. OFF BALANCE SHEET ASSETS			
EQUITY AND LIABILITIES	As of 31.12.2013.	As of 31.12.2014.	As of 30.06.2015.
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		12,140	12,139
Retained profit from previous years			12,139
IX. PARTICIPATION RIGHTS WITHOUT CONTROL			
X. LOSS	14,439	14,439	51,700
Loss of previous years	13,050	14,439	14,438
Loss for the year	1,389		37,262
B. NON-CURRENT ASSETS	395	818	710
I. LONG-TERM PROVISIONS	395	818	710
Provision for retirement and other employee benefits	395	818	710
II. LONG-TERM LIABILITIES			
C. DEFERRED TAX LIABILITIES			
D. CURRENT LIABILITIES	235,862	617,049	671,098
I. SHORT-TERM FINANCIAL LIABILITIES	17,489	107,721	186,503
Short-term loans from parent companies and subsidiaries	17,489	107,721	186,503
II. PREPAYMENTS, DEPOSITS AND GUARANTEES	16,940	41,728	4,101
III. ACCOUNTS PAYABLE	182,533	434,221	448,552
Suppliers - parent and subsidiaries in the country	149,035	354,486	386,630
Suppliers - other related parties in the country	14		5
Suppliers in the country	14,315	49,497	32,540
Foreign suppliers	12,817	24,842	23,747
Other liabilities	6,352	5,396	5,630
IV. OTHER CURRENT LIABILITIES	18,445	30,418	31,447
V. LIABILITIES FOR VALUE ADDED TAX		2,041	
VI OTHER TAXES, CONTRIBUTIONS AND OTHER FEES		372	295
VII. ACCRUALS	455	548	200
I. THE LOSS IN EXCESS OF CAPITAL	13,091	1,340	38,601
F. TOTAL LIABILITIES	223,166	616,527	633,207
G. OFF BALANCE SHEET LIABILITIES			

Income statement in thousands of RSD	january- december 2013	january- december 2014	january-june 2014	january-june 2015
INCOME FROM OPERATIONS				
A. OPERATING INCOME	193,999	1,383,904	592,866	313,087
I. Sales of goods	189,152	1,367,802	587,847	307,243
II. Sales of products and services	4,629	13,500	4,200	4,583
III. Revenues from premiums, subsidies, donations, grants etc.				
IV. Other operating income	218	2,602	819	1,261
EXPENSES FROM OPERATIONS				
B. OPERATING EXPENSES	195,184	1,353,155	580,134	350,089
I. Cost of commercial goods sold	166,498	1,224,188	526,327	278,865
II. Work performed by the company and capitalized				
V. Material consumed	1,576	9,992	3,179	1,960
VI. Fuel and energy consumed	1,187	11,982	6,024	5,895
VII. Staff costs	16,016	62,853	27,299	32,966
VIII. Production expenses	4,210	22,239	9,824	8,307
IX. Amortization	974	780	399	387
X. Costs of long-term provisions		284		
XI. Intangible costs	4,723	20,837	7,082	21,709
C. PROFIT FROM OPERATIONS		30,749	12,732	
D. LOSS FROM OPERATIONS	1,185			37,002
I. FINANCE INCOME	179	2,417	430	400
I. Financial income from related persons and other financial income				
II. Interest income (from third parties)	0		0	
III. Gains and positive effects of currency clause	179	2,417	430	400
F. FINANCE EXPENSES	175	4,841	2,222	543



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I. Financial expenses related party transactions and other financial expenses				
II. Interest expense (by third parties)	2	1,516	1,105	135
III. Foreign exchange gains and negative effects of currency clause	173	3,325	1,117	408
G. PROFIT FROM FINANCING	4			
H. LOSS FROM FINANCING		2,424	1,792	143
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	1	89
L. OTHER EXPENSES	174	6,672	0	67
M. OPERATING PROFIT BEFORE TAX		12,464	10,941	
N. LOSS FROM OPERATIONS BEFORE TAX	1,371			37,123
Q. PROFIT BEFORE TAXATION		12,464	10,941	
P. LOSS BEFORE TAXATION	1,371			37,123
R. INCOME TAX				
I. Current tax expense		279		140
II. Deferred income tax expense		45		
III. Deferred income tax benefit				
T. EARNINGS OF EMPLOYER				
U. NET PROFIT		12,140	10,941	
V. NET LOSS	1,371			37,263

TIGAR BUSINESS SERVICE

BALANCE SHEET (in thousands of RSD)

ASSETS	As of 31.12.2013.	As of 31.12.2014.	As of 30.06.2015.
A. SUBSCRIBED CAPITAL UNPAID			0
B. NON-CURRENT ASSETS	37,547	58,980	54,866
I. INTANGIBLE ASSETS	7	4	2
Investment in development	0	0	0
Concessions, patents, licenses, trademarks, software and other rights	7	4	2
II. PROPERTY, PLANT AND EQUIPMENT	37,540	45,480	41,368
Land	0	2,765	2,765
Buildings	16,573	13,591	13,483
Plant and equipment	15,144	29,124	25,005
investment property	0	0	0
Property, plant and equipment construction	5,823	0	115
Investments in property, plants and equipment	0	0	0
III. BIOLOGICAL AGENTS	0	0	0
IV. LONG-TERM FINANCIAL PLACEMENTS	0	0	0
V. LONG-TERM RECEIVABLES	0	13,496	13,496
Receivables from parent company and its subsidiaries	0	13,496	13,496
C. DEFERRED TAX ASSETS	1,269	2,417	2,417
D. CURRENT ASSETS	45,713	71,303	112,844
I. INVENTORIES	4,452	2,791	2,824
Supplies, spare parts, tools and supplies	1,439	1,230	1,164
Advances paid to suppliers	3,013	1,561	1,660
II. Receivable from sale	15,715	8,397	16,088
Customers in the country - the parent and subsidiaries	676	224	2,416
Customers abroad - parent and subsidiaries	57	0	72
Customers in the country - other related parties	0	0	0
Customers in the country	14,982	8,173	12,931
Customers abroad	0	0	669
Other receivables from sales	0	0	0
III RECEIVABLES FROM SPECIFIC OPERATIONS	0	0	0
IV. OTHER RECEIVABLES	1,202	276	766
V. FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	0	0	0
VI. SHORT-TERM FINANCIAL PLACEMENTS	23,977	58,760	92,409
Short-term loans and investments - parent and subsidiaries	23,977	58,760	92,409
Short-term loans and investments - other related parties	0	0	0
Other short-term financial investments	0	0	0
VII. CASH AND CASH EQUIVALENTS	0	2	4
VIII. VALUE ADDED TAX	0	521	521



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IX. PREPAYMENTS	367	556	232
I. TOTAL ASSETS	84,529	132,700	170,128
F. OFF BALANCE SHEET ASSETS			0
EQUITY AND LIABILITIES	As of 31.12.2013.	As of 31.12.2014.	As of 30.06.2015.
A. EQUITY	30,233	37,331	46,457
I. SHARE AND OTHER CAPITAL	23,104	23,104	23,104
VII. UNREALIZED LOSSES ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS	0	497	497
VIII. RETAINED EARNINGS	15,513	23,108	32,234
Retained profit from previous years	4,732	15,513	23,108
IX. PARTICIPATION RIGHTS WITHOUT CONTROL	0	0	0
X. LOSS	8,384	8,384	8,384
Loss of previous years	8,384	8,384	8,384
Loss for the year	0	0	0
B. NON-CURRENT ASSETS	6,012	17,279	17,232
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	0	0	0
Other long-term provisions	0	0	0
II. LONG-TERM LIABILITIES	3,820	15,881	15,834
Long-term loans and loans in the country	0	0	0
Liabilities arising from finance lease	3,820	15,881	15,834
C. DEFERRED TAX LIABILITIES	0	0	0
D. CURRENT LIABILITIES	48,284	78,090	106,439
I. SHORT-TERM FINANCIAL LIABILITIES	10,187	50,092	80,621
Short-term loans from parent companies and subsidiaries	8,884	45,570	78,416
Short-term loans from other related parties	0	0	0
Short-term loans and loans in the country	0	0	0
Other current financial liabilities	1,303	4,522	2,205
II. PREPAYMENTS, DEPOSITS AND GUARANTEES	1,373	2,859	4,136
III. ACCOUNTS PAYABLE	13,701	12,058	9,805
Suppliers - parent and subsidiaries in the country	3,281	3,281	4,026
Suppliers - parent and subsidiaries abroad	0	0	0
Suppliers - other related parties in the country	0	90	0
Suppliers in the country	10,358	8,512	5,531
Foreign suppliers	52	173	238
Other liabilities	10	2	10
IV. OTHER CURRENT LIABILITIES	19,394	8,030	7,395
V. LIABILITIES FOR VALUE ADDED TAX	1,305	0	1,209
VI OTHER TAXES, CONTRIBUTIONS AND OTHER FEES	809	1,549	1,087
VII. ACCRUALS	1,515	3,502	2,186
I. THE LOSS IN EXCESS OF CAPITAL	0	0	0
F. TOTAL LIABILITIES	84,529	132,700	170,128
G. OFF BALANCE SHEET LIABILITIES			



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Income statement in thousands of RSD	january- december 2013	january- december 2014	january-june 2014	january-june 2015
INCOME FROM OPERATIONS				
A. OPERATING INCOME	117,517	119,549	54,101	67,484
I. Sales of goods	24	0	0	0
II. Sales of products and services	117,493	119,549	54,101	67,484
III. Revenues from premiums, subsidies, donations, grants etc.			0	0
IV. Other operating income			0	0
EXPENSES FROM OPERATIONS			0	0
B. OPERATING EXPENSES	105,078	102,562	44,673	56,057
I. Cost of commercial goods sold			0	0
V. Material consumed	3,787	3,968	1,561	1,499
VI. Fuel and energy consumed	31,652	30,978	13,765	15,552
VII. Staff costs	31,463	30,765	12,540	16,646
VIII. Production expenses	15,403	12,130	6,705	8,723
IX. Amortization	8,041	11,217	5,033	4,792
X. Costs of long-term provisions	575	0	0	0
XI. Intangible costs	14,157	13,505	5,069	8,845
C. PROFIT FROM OPERATIONS	12,439	16,987	9,428	11,427
D. LOSS FROM OPERATIONS				
I. FINANCE INCOME	171	46	25	90
I. Financial income from related persons and other financial income			0	0
II. Interest income (from third parties)	21	13	5	30
III. Gains and positive effects of currency clause	150	33	20	60
F. FINANCE EXPENSES	2,032	7,483	790	1,273
I. Financial expenses related party transactions and other financial expenses			0	0
II. Interest expense (by third parties)	641	6,198	497	1,272
III. Foreign exchange gains and negative effects of currency clause	1,391	1,285	293	1
G. PROFIT FROM FINANCING	0	0	0	0
H. LOSS FROM FINANCING	1,861	7,437	765	1,183
I. INCOME FROM VALUATION ADJUSTMENTS OF OTHER ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	11	0	0	0
J. LOSS ADJUSTMENT OTHER PROPERTY CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	0	446	0	0
K. OTHER INCOME	1,732	3,272	229	911
L. OTHER EXPENSES	357	2,312	1	1
M. OPERATING PROFIT BEFORE TAX	11,964	10,064	8,891	11,154
N. LOSS FROM OPERATIONS BEFORE TAX	0	0	0	0
Q. PROFIT BEFORE TAXATION	11,964	10,064	8,891	11,154
P. LOSS BEFORE TAXATION	0	0	0	0
R. INCOME TAX	0	0	0	0
I. Current tax expense	809	3,617	1,128	2,028
II. Deferred income tax expense	375	0	0	0
III. Deferred income tax benefit	0	1,148	0	0
T. EARNINGS OF EMPLOYER	0	0	0	0
U. NET PROFIT	10,781	7,595	7,763	9,126
V. NET LOSS				

3.15. TIGAR CATERING

BALANCE SHEET (in thousands of RSD)

ASSETS	As of 31.12.2013.	As of 31.12.2014.	As of 30.06.2015.
A. SUBSCRIBED CAPITAL UNPAID			0
B. NON-CURRENT ASSETS	167,772	166,933	167,650
I INTANGIBLE ASSETS	14	8	5
Concessions, patents, licenses, trademarks, software and other rights	14	8	5
II PROPERTY, PLANT AND EQUIPMENT	167,758	164,226	164,946
Land	22,838	27,190	27,190
Buildings	136,307	129,574	128,421
Plant and equipment	7,736	6,475	7,700
Property, plant and equipment construction	877	987	1,635
III BIOLOGICAL AGENTS	0	0	0
IV LONG-TERM FINANCIAL PLACEMENTS	0	0	0
V LONG-TERM RECEIVABLES	0	2,699	2,699
Receivables from parent company and its subsidiaries	0	2,699	2,699



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C. DEFERRED TAX ASSETS	0	0	0
D. CURRENT ASSETS	53,197	89,568	140,597
I INVENTORIES	6,620	5,839	5,276
II RECEIVABLES FORM SALE	14,107	25,954	41,927
Customers in the country - the parent and subsidiaries	6,160	8,543	11,073
Customers in the country - other related parties	20	20	25
Customers in the country	7,927	17,273	30,829
Customers abroad	0	118	0
III RECEIVABLES FROM SPECIFIC OPERATIONS	0	0	0
IV OTHER RECEIVABLES	26,211	33,822	68,256
V FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	0	0	0
VI SHORT-TERM FINANCIAL PLACEMENTS	4,182	23,065	24,263
Short-term loans and investments - parent and subsidiaries	4,182	23,065	24,263
VII CASH AND CASH EQUIVALENTS	1,309	0	8
VIII VALUE ADDED TAX	0	0	0
IX PREPAYMENTS	768	888	867
E. TOTAL ASSETS	220,969	256,501	308,247
F. OFF BALANCE SHEET ASSETS			0
EQUITY AND LIABILITIES	As of 31.12.2013.	As of 31.12.2014.	As of 30.06.2015.
A. EQUITY	111,409	102,027	105,086
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	0	0	0
III TREASURY SHARES	0	0	0
IV RESERVES	0	0	0
V REVALUATION RESERVES BASED ON REVALUATION OF INTANGIBLE ASSETS,PROPERTY, PLANT AND EQUIPMENT	0	0	0
VI UNREALIZED GAINS ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS	0	0	0
VII UNREALIZED LOSSES ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS	0	35	35
VIII RETAINED EARNINGS	0	0	3,059
Retained profit from the year	0	0	3,059
IX PARTICIPATION RIGHTS WITHOUT CONTROL	0	0	0
X LOSS	92,699	102,046	102,046
Loss of previous years	78,884	92,699	102,046
Loss for the year	13,815	9,347	0
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	0	0	0
C. DEFERRED TAX LIABILITIES	492	631	631
D. CURRENT LIABILITIES	107,911	151,455	200,142
I SHORT-TERM FINANCIAL LIABILITIES	10,988	15,766	14,941
Short-term loans from parent companies and subsidiaries	10,988	15,766	14,941
II PREPAYMENTS, DEPOSITS AND GUARANTEES	380	374	0
III ACCOUNTS PAYABLE	48,504	99,193	160,899
Suppliers - parent and subsidiaries in the country	6,564	50,730	108,704
Suppliers - other related parties in the country	12	12	12
Suppliers in the country	41,796	48,279	51,984
Foreign suppliers	124	172	199
Other liabilities	8	0	0
IV OTHER CURRENT LIABILITIES	41,690	30,122	19,109
V LIABILITIES FOR VALUE ADDED TAX	2,521	1,587	720
VI OTHER TAXES, CONTRIBUTIONS AND OTHER FEES	0	0	0
VII ACCRUALS	3,828	4,413	4,473
E. THE LOSS IN EXCESS OF CAPITAL	0	0	0
F. TOTAL LIABILITIES	220,969	256,501	308,247
G. OFF BALANCE SHEET LIABILITIES			0



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Income statement in thousands of RSD	january- december 2013	january- december 2014	january-june 2014	january-june 2015
INCOME FROM OPERATIONS				
A. OPERATING INCOME	150,552	177,211	87,357	100,735
I Sales of goods	63,936	95,452	47,099	42,934
II Sales of products and services	86,432	81,735	40,258	57,801
III Revenues from premiums, subsidies, donations, grants etc.	0	0	0	0
IV Other operating income	184	24	0	0
EXPENSES FROM OPERATIONS	0	0	0	0
B. OPERATING EXPENSES	167,712	179,412	88,374	97,445
I Cost of commercial goods sold	6,298	5,830	3,100	2,722
II Work performed by the company and capitalized	158	270	204	202
III Increase in inventories of finished products and work in progress	0	0	0	0
IV Decrease in inventories of finished products and work in progress	0	0	0	0
V Material consumed	78,013	88,491	44,276	49,336
VI Fuel and energy consumed	6,803	7,640	3,388	4,248
VII Staff costs	57,819	57,541	28,292	30,434
VIII Production expenses	2,576	3,012	1,532	2,150
IX Amortization	4,523	4,341	2,257	2,100
X Costs of long-term provisions	0	1,160	0	0
XI Intangible costs	11,838	11,667	5,733	6,657
C. PROFIT FROM OPERATIONS	0	0	0	3,290
D. LOSS FROM OPERATIONS	17,160	2,201	1,017	0
I FINANCE INCOME	373	0	0	1
I Financial income from related persons and other financial income	0	0	0	0
II Interest income (from third parties)	372	0	0	0
III Gains and positive effects of currency clause	1	0	0	1
F. FINANCE EXPENSES	633	7,814	312	48
I Financial expenses related party transactions and other financial expenses	0	0	0	0
II Interest expense (by third parties)	616	7,813	312	40
III Foreign exchange gains and negative effects of currency clause	17	1	0	8
G. PROFIT FROM FINANCING	0	0	0	0
H. LOSS FROM FINANCING	260	7,814	312	47
I. INCOME FROM VALUATION ADJUSTMENTS OF OTHER ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	0	56	0	0
J. LOSS ADJUSTMENT OTHER PROPERTY CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	170	250	0	0
K. OTHER INCOME	4,672	1,738	237	0
L. OTHER EXPENSES	688	738	186	184
M. OPERATING PROFIT BEFORE TAX	0	0	0	3,059
N. LOSS FROM OPERATIONS BEFORE TAX	13,606	9,209	1,278	0
Q. PROFIT BEFORE TAXATION	0	0	0	3,059
R. LOSS BEFORE TAXATION	13,606	9,209	1,278	0
S. INCOME TAXES			0	0
I Current tax expense			0	0
II Deferred income tax expense	209	138	0	0
III Deferred income tax benefit	0	0	0	0
T. EARNINGS OF EMPLOYER	0	0	0	0
U. NET PROFIT	0	0	0	3,059
V. NET LOSS	13,815	9,347	1,278	0

CASH FLOWS(IN THOUSANDS OF RSD)	january-june 2014	january-june 2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash inflow from operating activities	101,652	71,271
Cash outflow from operating activities	75,205	69,239
Net cash inflow from operating activities	26,447	2,032
Net outflow from operating activities	0	0
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash inflow from investing activities	0	0
Cash outflow from investing activities	952	0
Net cash inflow from investing activities	0	0
Net cash outflow from investing activities	952	0



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CASH FLOWS FROM FINANCING ACTIVITIES		
Cash inflow from financing activities	0	0
Cash outflow from financing activities	26,804	2,024
Net cash inflow from financing activities	0	0
Net cash outflow from financing activities	26,804	2,024
Total cash inflow	101,652	71,271
Total cash outflow	102,961	71,263
NET CASH INFLOW	0	8
NET CASH OUTFLOW	1,309	0
Cash and cash equivalents at beginning of year	1,309	0
Foreign exchange gains on translation of cash and cash equivalents	0	0
Foreign exchange losses on translation of cash and cash equivalents	0	0
CASH AND CASH EQUIVALENTS AT END OF PERIOD	0	8

3.16. TIGAR INCON

BALANCE SHEET (in thousands of RSD)

ASSETS	As of 31.12.2013.	As of 31.12.2014.	As of 30.06.2015.
A. SUBSCRIBED CAPITAL UNPAID			0
B. NON-CURRENT ASSETS	157,169	159,642	157,190
I INTANGIBLE ASSETS	22	12	7
Concessions, patents , licenses , trademarks , software and other rights	22	12	7
II PROPERTY, PLANT AND EQUIPMENT	157,147	151,310	148,863
Land	586	7,727	7,727
Buildings	141,695	132,443	131,389
Plant and equipment	14,866	11,140	9,460
Property, plant and equipment construction	0	0	286
III BIOLOGICAL AGENTS	0	0	0
IV LONG-TERM FINANCIAL PLACEMENTS	0	0	0
V LONG-TERM RECEIVABLES	0	8,320	8,320
Receivables from parent company and its subsidiaries	0	8,320	8,320
C. DEFERRED TAX ASSETS	0	0	0
D. CURRENT ASSETS	40,425	55,809	71,847
I INVENTORIES	5,823	5,887	5,090
Material, spare parts, tools and supplies	4,935	5,118	5,090
Advances paid to suppliers	888	769	0
II RECEIVABLES FROM SALE	30,525	42,467	59,283
Customers in the country - the parent and subsidiaries	8,242	8,603	23,614
Customers in the country - other related parties	0	0	0
Customers in the country - the parent and subsidiaries	2,614	2,636	2,636
Customers in the country	19,669	31,228	33,033
III RECEIVABLES FROM SPECIFIC	0	0	0
IV OTHER RECEIVABLES	570	0	60
V FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	0	0	0
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	0	0	0
VII CASH AND CASH EQUIVALENTS	61	6	6
VIII VALUE ADDED TAX	0	0	0
IX PREPAYMENTS	10	98	117
I. TOTAL ASSETS	197,594	215,451	229,038
EQUITY AND LIABILITIES	As of 31.12.2013.	As of 31.12.2014.	As of 30.06.2015.
A. EQUITY	102,935	76,772	69,526
I SHARE AND OTHER CAPITAL	162,425	162,425	162,425
II SUBSCRIBED CAPITAL UNPAID	0	0	0
III TREASURY SHARES	0	0	0
IV RESERVES	0	0	0
VII UNREALIZED LOSSES ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS	0	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	0	0	0
X LOSS	66,861	92,452	99,699
Loss of previous years	42,557	66,862	92,451
Loss for the year	24,304	25,590	7,248
B. NON-CURRENT ASSETS	4,194	2,727	2,605



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I LONG-TERM PROVISIONS	4,194	2,727	2,605
Provision for retirement and other employee benefits	4,194	2,727	2,605
II LONG-TERM LIABILITIES	0	0	0
C. DEFERRED TAX LIABILITIES	1,448	1,369	1,369
D. CURRENT LIABILITIES	89,017	134,583	155,538
I SHORT-TERM FINANCIAL LIABILITIES	7,237	29,657	34,668
Short-term loans from parent companies and subsidiaries	7,237	29,657	34,668
II PREPAYMENTS, DEPOSITS AND GUARANTEES	0	0	0
III ACCOUNTS PAYABLE	20,413	44,487	58,696
Suppliers - parent and subsidiaries in the country	8,829	25,066	38,243
Suppliers in the country	11,584	19,421	20,352
Other liabilities	0	0	100
IV OTHER CURRENT LIABILITIES	50,355	51,764	54,964
V LIABILITIES FOR VALUE ADDED TAX	2,063	1,996	396
VI OTHER TAXES, CONTRIBUTIONS AND OTHER FEES	0	0	0
VII ACCRUALS	8,949	6,679	6,815
I. THE LOSS IN EXCESS OF CAPITAL	0	0	0
F. TOTAL LIABILITIES	197,594	215,451	229,038

Income statement in thousands of RSD	january- december 2013	january- december 2014	january- june 2014	january- june 2015
INCOME FROM OPERATIONS				
A. OPERATING INCOME	144,293	73,187	35,906	39,682
I Sales of goods	0	0	0	0
II Sales of products and services	144,293	73,187	35,906	39,682
III Revenues from premiums, subsidies, donations, grants etc.	0	0	0	0
IV Other operating income	0	0	0	0
EXPENSES FROM OPERATIONS	0	0	0	0
B. OPERATING EXPENSES	169,385	91,376	39,322	46,866
II Work performed by the company and capitalized	219	0	0	0
V Material consumed	47,302	16,885	4,215	10,819
VI Fuel and energy consumed	3,724	2,990	1,334	1,117
VII Staff costs	72,223	47,622	20,861	25,327
VIII Production expenses	23,896	5,941	3,279	1,237
IX Amortization	5,791	5,837	3,006	2,739
X Costs of long-term provisions	0	0	0	0
XI Intangible costs	16,668	12,101	6,627	5,627
C. PROFIT FROM OPERATIONS	0	0	0	0
D. LOSS FROM OPERATIONS	25,092	18,189	3,416	7,184
I. FINANCE INCOME	5,492	0	0	0
I Financial income from related persons and other financial income	5,482	0	0	0
II Interest income (from third parties)	0	0	0	0
III Gains and positive effects of currency clause	10	0	0	0
F. FINANCE EXPENSES	4,912	8,987	118	65
I Financial expenses related party transactions and other financial expenses	0	0	0	0
II Interest expense (by third parties)	4,430	8,987	118	65
III Foreign exchange gains and negative effects of currency clause	482	0	0	0
G. PROFIT FROM FINANCING	580	0	0	0
H. LOSS FROM FINANCING	0	8,987	118	65
I. INCOME FROM VALUATION ADJUSTMENTS OF OTHER ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	0	289	0	0
J. LOSS ADJUSTMENT OTHER PROPERTY CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	1,148	0	0	0
K. OTHER INCOME	1,493	1,541	42	0
L. OTHER EXPENSES	126	323	7	0
M. OPERATING PROFIT BEFORE TAX	0	0	0	0
N. LOSS FROM OPERATIONS BEFORE TAX	24,293	25,669	3,499	7,248
Q. PROFIT BEFORE TAXATION	0	0	0	0
R. LOSS BEFORE TAXATION	24,293	25,669	3,499	7,248
S. INCOME TAXES	0	0	0	0
I Current tax expense	0	0	0	0
II Deferred income tax expense	10	0	0	0
III Deferred income tax benefit	0	79	0	0
T. EARNINGS OF EMPLOYER	0	0	0	0
U. NET PROFIT	0	0	0	0
V. NET LOSS	24,303	25,590	3,499	7,248



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CASH FLOWS(IN THOUSANDS OF RSD)	january-june 2014	january-june 2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash inflow from operating activities	15,414	30,802
Cash outflow from operating activities	18,710	35,813
Net cash inflow from operating activities	0	0
Net outflow from operating activities	3,296	5,011
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash inflow from investing activities	0	0
Cash outflow from investing activities	0	0
Net cash inflow from investing activities	0	0
Net cash outflow from investing activities	0	0
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash inflow from financing activities	3,241	5,011
Cash outflow from financing activities	0	0
Net cash inflow from financing activities	3,241	5,011
Net cash outflow from financing activities	0	0
Total cash inflow	18,655	35,813
Total cash outflow	18,710	35,813
NET CASH INFLOW	0	0
NET CASH OUTFLOW	55	0
Cash and cash equivalents at beginning of year	61	6
Foreign exchange gains on translation of cash and cash equivalents	0	0
Foreign exchange losses on translation of cash and cash equivalents	0	0
CASH AND CASH EQUIVALENTS AT END OF PERIOD	6	6

3.17. FREE ZONE PIROT

BALANCE SHEET (in thousands of RSD)

ASSETS	As of 31.12.2013.	As of 31.12.2014.	As of 30.06.2015.
A. SUBSCRIBED CAPITAL UNPAID			0
B. NON-CURRENT ASSETS	75,359	77,451	95,156
I INTANGIBLE ASSETS	338	247	214
Investment in development	0	0	0
Concessions, patents , licenses , trademarks , software and other rights	338	247	214
II PROPERTY, PLANT AND EQUIPMENT	75,021	77,204	94,942
Land	18,090	18,090	18,090
Buildings	42,169	45,805	46,792
Plant and equipment	5,408	4,171	3,723
Property, plant and equipment construction	8,428	8,428	8,844
Investments in property, plants and equipment	926	710	617
Advances for property, plant and equipment	0	0	16,876
III BIOLOGICAL AGENTS	0	0	0
IV LONG-TERM FINANCIAL PLACEMENTS	0	0	0
V LONG-TERM RECEIVABLES	0	0	0
C. DEFERRED TAX ASSETS	102	0	0
D. CURRENT ASSETS	160,996	188,527	212,441
I INVENTORIES	1,256	1,133	1,098
Goods	1,026	1,019	1,019
Advances paid to suppliers	230	114	79
II RECEIVABLES FROM SALE	58,152	43,249	58,273
Customers in the country - the parent and subsidiaries	6,005	7,887	11,940
Customers in the country	48,459	31,307	41,718
Customers abroad	3,688	4,055	4,615
III RECEIVABLES FROM SPECIFIC	4,761	1,255	1,255
IV OTHER RECEIVABLES	15,413	15,905	16,134
V FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	0	0	0
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	88,547
VIII VALUE ADDED TAX	0	0	0



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IX PREPAYMENTS	945	2,937	2,134
I. TOTAL ASSETS	236,457	265,978	307,597
F. OFF BALANCE SHEET ASSETS	20,000	12,500	12,500
EQUITY AND LIABILITIES	As of 31.12.2013.	As of 31.12.2014.	As of 30.06.2015.
A. EQUITY	199,378	222,112	249,179
I SHARE AND OTHER CAPITAL	118,439	118,439	118,439
Share Capital	118,439	118,439	118,439
II SUBSCRIBED CAPITAL UNPAID	0	0	0
III TREASURY SHARES	0	0	0
IV RESERVES	5,016	5,016	5,016
V REVALUATION RESERVES BASED ON REVALUATION OF INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT	0	0	0
VI UNREALIZED GAINS ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS	0	664	664
VII UNREALIZED LOSSES ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS	0	108	108
VIII RETAINED EARNINGS	75,923	98,101	125,168
Retained profit from previous years	57,565	75,923	98,101
Retained profit for the year	18,358	22,178	27,067
IX PARTICIPATION RIGHTS WITHOUT CONTROL	0	0	0
X LOSS	0	0	0
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	0	0	0
C. DEFERRED TAX LIABILITIES	0	411	411
D. CURRENT LIABILITIES	33,805	40,663	55,215
I SHORT-TERM FINANCIAL LIABILITIES	2,977	0	0
Other current financial liabilities	2,977	0	0
II PREPAYMENTS, DEPOSITS AND GUARANTEES	2,543	2,182	3,181
III ACCOUNTS PAYABLE	20,481	25,800	41,368
Suppliers - parent and subsidiaries in the country	1,335	5,229	5,926
Suppliers in the country	11,787	14,947	23,535
Foreign suppliers	7,218	5,438	11,743
Other liabilities	141	186	164
IV OTHER CURRENT LIABILITIES	6,540	6,611	7,479
V LIABILITIES FOR VALUE ADDED TAX	1,034	1,167	1,710
VI OTHER TAXES, CONTRIBUTIONS AND OTHER FEES	0	4,300	620
VII ACCRUALS	230	603	857
I. THE LOSS IN EXCESS OF CAPITAL	0	0	0
F. TOTAL LIABILITIES	236,457	265,978	307,597
G. OFF BALANCE SHEET LIABILITIES	20,000	12,500	12,500

Income statement in thousands of RSD	january- december 2013	january- december 2014	january- june 2014	january- june 2015
INCOME FROM OPERATIONS				
A. OPERATING INCOME	250,009	261,118	131,859	194,350
I Sales of goods	0	5	0	0
II Sales of products and services	250,009	261,113	131,859	194,350
III Revenues from premiums, subsidies, donations, grants etc.	0	0	0	0
IV Other operating income	0	0	0	0
EXPENSES FROM OPERATIONS	0	0	0	0
B. OPERATING EXPENSES	233,970	226,644	113,754	163,761
I Cost of commercial goods sold	0	202	198	0
V Material consumed	981	1,984	583	360
VI Fuel and energy consumed	3,164	4,461	1,822	2,373
VII Staff costs	53,062	55,515	27,271	28,473
VIII Production expenses	162,894	148,736	76,933	124,809
IX Amortization	2,512	2,867	1,400	1,541
X Costs of long-term provisions	374	170	0	0
XI Intangible costs	10,983	12,709	5,547	6,204
C. PROFIT FROM OPERATIONS	16,039	34,474	18,105	30,589
D. LOSS FROM OPERATIONS	0	0	0	0
I. FINANCE INCOME	13,887	14,757	496	702
I Financial income from related persons and other financial income	11,996	10,245	0	0



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1. Finansijski prihodi od matičnih i zavisnih pravnih lica	101	181	24	247
II Interest income (from third parties)	1,790	4,331	472	456
F. FINANCE EXPENSES	1,544	716	264	551
I Financial expenses related party transactions and other financial expenses	16	9	8	5
1. Finansijski rashodi iz odnosa sa matičnim i zavisnim pravnim licima	16	9	4	3
2. Finance expenses from relations with other related parties	0	0	4	2
II Interest expense (by third parties)	3	7	0	0
III Foreign exchange gains and negative effects of currency clause	1,525	700	256	546
G. PROFIT FROM FINANCING	12,343	14,041	232	151
H.LOSS FROM FINANCING	0	0	0	0
I. INCOME FROM VALUATION ADJUSTMENTS OF OTHER ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	501	2,656	627	0
J. LOSS ADJUSTMENT OTHER PROPERTY CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	19,375	23,072	0	0
K. OTHER INCOME	11,566	268	165	153
L. OTHER EXPENSES	365	256	1	0
M. OPERATING PROFIT BEFORE TAX	20,709	28,111	19,128	30,893
N. LOSS FROM OPERATIONS BEFORE TAX	0	0	0	0
Q. PROFIT BEFORE TAXATION	20,709	28,111	19,128	30,893
R. LOSS BEFORE TAXATION	0	0	0	0
S. INCOME TAXES	0	0	0	0
I Current tax expense	2,239	5,420	568	3,826
II Deferred income tax expense	112	513	0	0
III Deferred income tax benefit	0	0	0	0
T.EARNINGS OF EMPLOYER	0	0	0	0
U. NET PROFIT	18,358	22,178	18,560	27,067
Q. PROFIT BEFORE TAXATION				

3.18. TIGAR SECURITY

BALANCE SHEET (in thousands of RSD)

ASSETS	As of 31.12.2013.	As of 31.12.2014.	As of 30.06.2015.
A. SUBSCRIBED CAPITAL UNPAID			
B. NON-CURRENT ASSETS	30,577	90,532	89,832
I. INTANGIBLE ASSETS	0	0	0
II. PROPERTY, PLANT AND EQUIPMENT	30,577	29,111	28,411
Land	0	1,558	1,557
Buildings	25,634	23,674	23,473
Plant and equipment	4,162	3,358	2,990
Investment property	0	0	0
Property, plant and equipment construction	0	0	0
Investments in property, plants and equipment	781	521	391
III. BIOLOGICAL AGENTS	0	0	0
IV. LONG-TERM FINANCIAL PLACEMENTS	0	0	0
V. LONG-TERM RECEIVABLES	0	61,421	61,421
Receivables from parent company and its subsidiaries	0	61,421	61,421
C. DEFERRED TAX ASSETS	314	280	280
D. CURRENT ASSETS	98,905	114,939	109,070
I. INVENTORIES	221	116	0
Advances paid to suppliers	221	116	0
II. Receivable from sale	79,407	69,099	62,502
Customers in the country - the parent and subsidiaries	68,484	48,600	40,624
Customers abroad - parent and subsidiaries	0	0	0
Customers in the country - other related parties	50	84	101
Customers in the country	10,873	20,415	21,777
III RECEIVABLES FROM SPECIFIC OPERATIONS	0	0	0
IV. OTHER RECEIVABLES	125	123	172
V. FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	0	0	0
VI. SHORT-TERM FINANCIAL PLACEMENTS	19,004	45,434	46,253
Short-term loans and investments - parent and subsidiaries	19,004	45,434	46,253
VII. CASH AND CASH EQUIVALENTS	0	0	0
VIII. VALUE ADDED TAX	0	0	0
IX. PREPAYMENTS	148	167	143
I. TOTAL ASSETS	129,796	205,751	199,182
EQUITY AND LIABILITIES	As of 31.12.2013.	As of 31.12.2014.	As of 30.06.2015.
A. EQUITY	67,005	90,743	95,180



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I. SHARE AND OTHER CAPITAL	39,413	39,413	39,413
Share Capital	0	0	0
VII. UNREALIZED LOSSES ON SECURITIES VALUE AND OTHER COMPONENTS OF OTHER COMPREHENSIVE RESULTS	0	42	42
VIII. RETAINED EARNINGS	27,592	51,372	55,809
Retained profit from previous years	938	27,592	51,372
Retained profit from financial year	26,654	23,780	4,437
IX. PARTICIPATION RIGHTS WITHOUT CONTROL	0	0	0
X. LOSS	0	0	0
B. NON-CURRENT ASSETS	3,102	1,861	1,861
I. LONG-TERM PROVISIONS	3,102	1,861	1,861
Provision for retirement and other employee benefits	3,102	1,861	1,861
II. LONG-TERM LIABILITIES	0	0	0
C. DEFERRED TAX LIABILITIES	0	0	0
D. CURRENT LIABILITIES	59,689	113,147	102,141
I. SHORT-TERM FINANCIAL LIABILITIES	1,618	32,286	48,675
Short-term loans from parent companies and subsidiaries	1,618	32,286	48,675
II. PREPAYMENTS, DEPOSITS AND GUARANTEES	8	50	0
III. ACCOUNTS PAYABLE	4,102	8,629	11,928
Suppliers - parent and subsidiaries in the country	549	4,024	6,694
Suppliers - other related parties in the country	0	180	180
Suppliers in the country	3,553	4,425	4,754
Other liabilities	0	0	300
IV. OTHER CURRENT LIABILITIES	44,453	55,532	36,022
V. LIABILITIES FOR VALUE ADDED TAX	5,136	4,997	533
VI OTHER TAXES, CONTRIBUTIONS AND OTHER FEES	2,132	6,914	287
VII. ACCRUALS	2,240	4,739	4,696
I. THE LOSS IN EXCESS OF CAPITAL	0	0	0
F. TOTAL LIABILITIES	129,796	205,751	199,182

Income statement in thousands of RSD	january- december 2013	january- december 2014	january- june 2014	january- june 2015
INCOME FROM OPERATIONS				
A. OPERATING INCOME	105,752	126,214	61,574	58,499
I. Sales of goods	0	0	0	0
II. Sales of products and services	105,752	126,214	61,574	58,499
III. Revenues from premiums, subsidies, donations, grants etc.	0	0	0	0
IV. Other operating income	0	0	0	0
EXPENSES FROM OPERATIONS	0	0	0	0
B. OPERATING EXPENSES	75,717	85,108	41,738	47,163
V. Material consumed	1,492	1,684	1,484	81
VI. Fuel and energy consumed	835	1,179	571	548
VII. Staff costs	65,631	74,728	36,884	41,262
VIII. Production expenses	2,617	1,325	682	481
IX. Amortization	1,645	1,461	760	699
X. Costs of long-term provisions	0	0	0	0
XI. Intangible costs	3,497	4,731	1,357	4,092
C. PROFIT FROM OPERATIONS	30,035	41,106	19,836	11,336
D. LOSS FROM OPERATIONS	0	0	0	0
I. FINANCE INCOME	0	0	0	0
I. Financial income from related persons and other financial income	0	0	0	0
II. Interest income (from third parties)	0	0	0	0
III. Gains and positive effects of currency clause	0	0	0	0
F. FINANCE EXPENSES	338	10,867	12	3,310
I. Financial expenses related party transactions and other financial expenses	0	0	0	0
II. Interest expense (by third parties)	338	10,867	12	3,310
III. Foreign exchange gains and negative effects of currency clause	0	0	0	0
G. PROFIT FROM FINANCING	0	0	0	0
H. LOSS FROM FINANCING	338	10,867	12	3,310
I. INCOME FROM VALUATION ADJUSTMENTS OF OTHER ASSETS CARRIED AT FAIR VALUE TROUGH INCOME STATEMENT	0	0	0	0
J. LOSS ADJUSTMENT OTHER PROPERTY CARRIED AT FAIR VALUE TROUGH INCOME STATEMENT	224	131	0	0
K. OTHER INCOME	354	863	11	0
L. OTHER EXPENSES	66	10	0	16
M. OPERATING PROFIT BEFORE TAX	29,761	30,961	19,835	8,010
N. LOSS FROM OPERATIONS BEFORE TAX	0	0	0	0



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Q. PROFIT BEFORE TAXATION	29,761	30,961	19,835	8,010
P. LOSS BEFORE TAXATION	0	0	0	0
R. INCOME TAX	0	0	0	0
I. Current tax expense	3,083	7,146	2,678	3,573
II. Deferred income tax expense	25	34	0	0
III. Deferred income tax benefit	0	0	0	0
T.EARNINGS OF EMPLOYER	0	0	0	0
U. NET PROFIT	26,653	23,780	17,157	4,437
V. NET LOSS				

3.19. PI CHANNEL

BALANCE SHEET (in thousands of RSD)

ASSETS	As of 31.12.2013.	As of 31.12.2014.	As of 30.06.2015.
A. SUBSCRIBED CAPITAL UNPAID			0
B. NON-CURRENT ASSETS	7,384	6,717	6,333
I. INTANGIBLE ASSETS	0	0	0
Concessions, patents, licenses, trademarks, software and other rights	0	0	0
II. PROPERTY, PLANT AND EQUIPMENT	7,384	6,717	6,333
Land	0	0	0
Buildings	70	67	66
Plant and equipment	1,733	1,193	872
Property, plant and equipment construction	0	0	0
Investments in property, plants and equipment	5,581	5,457	5,395
III. BIOLOGICAL AGENTS	0	0	0
IV. LONG-TERM FINANCIAL PLACEMENTS	0	0	0
V. LONG-TERM RECEIVABLES	0	0	0
Receivables from parent company and its subsidiaries	0	0	0
C. DEFERRED TAX ASSETS	2	17	17
D. CURRENT ASSETS	7,471	4,710	2,873
I. INVENTORIES	289	239	0
II. Receivable from sale	5,031	3,322	749
Customers in the country - the parent and subsidiaries	4,195	2,630	345
Customers in the country	836	692	404
III RECEIVABLES FROM SPECIFIC OPERATIONS	0	0	0
IV. OTHER RECEIVABLES	308	398	418
V. FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	0	0	0
VI. SHORT-TERM FINANCIAL PLACEMENTS	0	0	0
Short-term loans and investments - parent and subsidiaries	0	0	0
VII. CASH AND CASH EQUIVALENTS	1,803	683	1,662
VIII. VALUE ADDED TAX	0	0	0
IX. PREPAYMENTS	40	68	44
I. TOTAL ASSETS	14,857	11,444	9,223
F. OFF BALANCE SHEET ASSETS			0
EQUITY AND LIABILITIES	As of 31.12.2013.	As of 31.12.2014.	As of 30.06.2015.
A. EQUITY	7,750	7,285	3,188
I. SHARE AND OTHER CAPITAL	3,166	3,166	3,166
Shares of limited liability companies	3,166	3,166	3,166
IV. RESERVES	115	115	115
VIII RETAINED EARNINGS	4,469	4,469	0
Retained profit from previous years	2,476	4,469	0
Retained profit for the year	1,993	0	0
IX PARTICIPATION RIGHTS WITHOUT CONTROL	0	0	0
X LOSS	0	465	93
Loss of previous years	0	0	0
Loss for the year	0	465	93
B. NON-CURRENT ASSETS	117	0	0
I. LONG-TERM PROVISIONS	0	0	0
Provision for retirement and other employee benefits	0	0	0
II. LONG-TERM LIABILITIES	117	0	0
C. DEFERRED TAX LIABILITIES	0	0	1,667
D. CURRENT LIABILITIES	6,990	4,159	4,368
I. SHORT-TERM FINANCIAL LIABILITIES	807	124	0
Short-term loans from parent companies and subsidiaries	456	0	0
Other current financial liabilities	351	124	0



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II. PREPAYMENTS, DEPOSITS AND GUARANTEES	17	177	0
III. ACCOUNTS PAYABLE	3,081	2,081	2,627
Suppliers - parent and subsidiaries in the country	0	0	0
Suppliers - other related parties in the country	1,809	917	1,648
Suppliers in the country	1,272	1,164	979
Foreign suppliers	0	0	0
Other liabilities	0	0	0
IV. OTHER CURRENT LIABILITIES	2,311	1,140	1,588
V. LIABILITIES FOR VALUE ADDED TAX	680	486	153
VI OTHER TAXES, CONTRIBUTIONS AND OTHER FEES	20	0	0
VII. ACCRUALS	74	151	0
I. THE LOSS IN EXCESS OF CAPITAL	0	0	0
F. TOTAL LIABILITIES	14,857	11,444	9,223
G. OFF BALANCE SHEET LIABILITIES			

Income statement in thousands of RSD	january- december 2013	january- december 2014	january-june 2014	january-june 2015
INCOME FROM OPERATIONS				
A. OPERATING INCOME	17,308	13,015	5,754	6,138
I. Sales of goods	0	0	0	0
II. Sales of products and services	16,538	13,015	5,754	2,668
III. Revenues from premiums, subsidies, donations, grants etc.	0	0	0	0
IV. Other operating income	770	0	0	3,470
EXPENSES FROM OPERATIONS				
B. OPERATING EXPENSES	16,878	14,074	6,346	6,226
I. Cost of commercial goods sold	0	0	0	0
V. Material consumed	391	214	92	116
VI. Fuel and energy consumed	1,901	1,185	198	495
VII. Staff costs	10,972	9,388	4,704	4,458
VIII. Production expenses	1,628	1,206	544	298
IX. Amortization	894	805	422	385
X. Costs of long-term provisions	0	0	0	0
XI. Intangible costs	1,092	1,276	386	474
C. PROFIT FROM OPERATIONS	430	0	0	0
D. LOSS FROM OPERATIONS	0	1,059	592	88
I. FINANCE INCOME	235	59	38	9
I. Financial income from related persons and other financial income	0	0	0	0
II. Interest income (from third parties)	232	59	37	9
III. Gains and positive effects of currency clause	3	0	1	0
F. FINANCE EXPENSES	40	39	18	15
I. Financial expenses related party transactions and other financial expenses	0	0	0	0
II. Interest expense (by third parties)	37	23	11	14
III. Foreign exchange gains and negative effects of currency clause	3	16	7	1
G. PROFIT FROM FINANCING	195	20	20	0
H. LOSS FROM FINANCING	0	0	0	6
I. INCOME FROM VALUATION ADJUSTMENTS OF OTHER ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	56		0	
		52		0
J. LOSS ADJUSTMENT OTHER PROPERTY CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT			0	0
K. OTHER INCOME	149	287	78	1
L. OTHER EXPENSES	17	240	0	0
M. OPERATING PROFIT BEFORE TAX	813	0	0	0
N. LOSS FROM OPERATIONS BEFORE TAX	0	940	494	93
Q. PROFIT BEFORE TAXATION	813	0	0	0
P. LOSS BEFORE TAXATION	0	940	494	93
R. INCOME TAX			0	0
I. Current tax expense	99	0	49	0
II. Deferred income tax expense	47	0	0	0
III. Deferred income tax benefit	0	15	0	0
T. EARNINGS OF EMPLOYER	0	0	0	0
U. NET PROFIT	667	0	0	0
V. NET LOSS		925	543	93



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3.20. TIGAR TOURS

Income statement in thousands of RSD	january- december 2013	january- december 2014	january-june 2014	january-june 2015
INCOME FROM OPERATIONS				
A. OPERATING INCOME	2,993	2,706	1,324	1,391
I. Sales of goods			0	0
II. Sales of products and services	2,835	2,706	1,324	1,391
III. Revenues from premiums, subsidies, donations, grants etc.			0	0
IV. Other operating income	158		0	0
EXPENSES FROM OPERATIONS			0	0
B. OPERATING EXPENSES	3,345	3,033	1,563	1,391
I. Cost of commercial goods sold			0	0
II. Work performed by the company and capitalized			0	0
V. Material consumed	34	37	19	21
VI. Fuel and energy consumed	36	51	20	32
VII. Staff costs	2,089	2,011	1,030	956
VIII. Production expenses	210	129	69	94
IX. Amortization	66	144	82	61
X. Costs of long-term provisions	71	22	0	0
XI. Intangible costs	839	639	343	227
C. PROFIT FROM OPERATIONS	0	0	0	0
D. LOSS FROM OPERATIONS	352	327	239	0
I. FINANCE INCOME	59	26	7	32
I. Financial income from related persons and other financial income			0	0
II. Interest income (from third parties)	45	10	6	3
III. Gains and positive effects of currency clause	14	16	1	29
F. FINANCE EXPENSES	5	16	3	49
I. Financial expenses related party transactions and other financial expenses			0	0
II. Interest expense (by third parties)	2	3	0	5
III. Foreign exchange gains and negative effects of currency clause	3	13	3	44
G. PROFIT FROM FINANCING	54	10	4	0
H. LOSS FROM FINANCING	0	0	0	17
I. INCOME FROM VALUATION ADJUSTMENTS OF OTHER ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT		0	0	0
J. LOSS ADJUSTMENT OTHER PROPERTY CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	336	16	0	0
K. OTHER INCOME	45	26	0	0
L. OTHER EXPENSES	518	0	0	0
M. OPERATING PROFIT BEFORE TAX	0	0	0	0
N. LOSS FROM OPERATIONS BEFORE TAX	1,107	307	235	17
Q. PROFIT BEFORE TAXATION	0	0	0	0
P. LOSS BEFORE TAXATION	1,107	307	235	17
R. INCOME TAX	0	0	0	0
I. Current tax expense			0	0
II. Deferred income tax expense	3	4	0	0
III. Deferred income tax benefit			0	0
T. EARNINGS OF EMPLOYER	0	0	0	0
U. NET PROFIT	0	0	0	0
V. NET LOSS	1,110	311	235	17

3.21. TIGAR INTER RISK

Income statement in thousands of RSD	january- december 2013	january- december 2014	january-june 2014	january-june 2015
INCOME FROM OPERATIONS				
A. OPERATING INCOME	3,018	2,100	1,250	1,248
I. Sales of goods			0	0
II. Sales of products and services	3,018	2,100	1,250	1,248
III. Revenues from premiums, subsidies, donations, grants etc.			0	0
IV. Other operating income			0	0
EXPENSES FROM OPERATIONS			0	0



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B. OPERATING EXPENSES	2,113	1,858	898	1,135
I. Cost of commercial goods sold			0	0
II. Work performed by the company and capitalized			0	0
V. Material consumed	6	11	0	4
VI. Fuel and energy consumed	68	61	26	49
VII. Staff costs	1,768	1,488	754	917
VIII. Production expenses	40	27	14	8
IX. Amortization	21	14	9	4
X. Costs of long-term provisions			0	0
XI. Intangible costs	210	257	95	153
C. PROFIT FROM OPERATIONS	905	242	352	113
D. LOSS FROM OPERATIONS	0	0	0	0
I. FINANCE INCOME	1	2	0	1
I. Financial income from related persons and other financial income			0	0
II. Interest income (from third parties)	1	2	0	1
III. Gains and positive effects of currency clause			0	0
F. FINANCE EXPENSES	0	1	0	0
I. Financial expenses related party transactions and other financial expenses			0	0
II. Interest expense (by third parties)		1	0	0
III. Foreign exchange gains and negative effects of currency clause			0	0
G. PROFIT FROM FINANCING	1	1	0	1
H. LOSS FROM FINANCING	0	0	0	0
I. INCOME FROM VALUATION ADJUSTMENTS OF OTHER ASSETS CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	13	0	0	0
J. LOSS ADJUSTMENT OTHER PROPERTY CARRIED AT FAIR VALUE THROUGH INCOME STATEMENT	0	114	0	0
K. OTHER INCOME	107	23	0	0
L. OTHER EXPENSES	0	25	25	0
M. OPERATING PROFIT BEFORE TAX	1,026	127	327	114
N. LOSS FROM OPERATIONS BEFORE TAX	0	0	0	0
Q. PROFIT BEFORE TAXATION	1,026	127	327	114
P. LOSS BEFORE TAXATION	0	0	0	0
R. INCOME TAX	0	0	0	0
I. Current tax expense	248	92	124	46
II. Deferred income tax expense			0	0
III. Deferred income tax benefit			0	0
T. EARNINGS OF EMPLOYER	0	0	0	0
U. NET PROFIT	778	35	203	68
V. NET LOSS				



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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 30.06.2015 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 June 30th 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 30 June 2015, the carrying value of the buildings owned by Tigar and its major subsidiaries was RSD 2,057,609,067.19.

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

Entity	Value in RSD as of 30.06.2015.
Tigar AD	290.895.898,41
Tigar R. Footwear	142.604.368,16
Tigar R. Technical Goods	201.920.528,52
Tigar Chemical Products	89.253.723,32
Total:	724.674.518,41

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.

Book value of buildings

BOOK VALUE OF BUILDINGS (in '000 RSD)			
Entity	31.12.2014.	31.03.2015.	30.06.2015.
Tigar AD	625.076.202,31	639.469.269,23	635.129.948,71
Tigar Rubber Technical Goods	407.186.084,75	405.531.919,14	403.750.979,72
Tigar Chemical Products	31.983,00	31.368,00	30.753,00



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Tigar Rubber Footwear	646.232.100,77	644.320.426,18	642.408.753,77
Ticar trgovine	27.795.880,77	27.651.224,77	27.506.566,77
Tigar Business Service	13.591.212,46	13.537.023,46	13.482.846,46
Tigar Tours	4.921.631,75	4.896.506,66	4.871.382,42
Tigar Security	23.674.562,07	23.574.036,07	23.473.510,07
Free Zone	45.804.433,44	45.587.039,22	46.792.796,24
Tigar Incon	132.443.979,57	131.916.521,57	131.740.702,57
Tigar Catering	129.574.522,75	128.980.080,29	128.420.827,46
Total:	2.056.332.593,64	2.065.495.414,59	2.057.609.067,19

Real estate transactions

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

Liens

At the end of June 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.

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 17.09.2011 and 2018/09 dated 17.09.2009 places lien on business premises in Uzice in favor of Privredna banka a.d. Belgrade.



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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.

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.



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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-Zvečan 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.



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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 decrease of BSE indices – belex 15 by 8.86% and belexline by 8.27%. 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. Successful revision of the program with the International Monetary Fund, lower deficits and stable exchange rate could have a positive impact on potential investors and the growth of domestic capital markets in the future.

Decision of the Listing Committee of the Belgrade Stock Exchange as of 27.08.2013, Tigar's shares are traded on the Open 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 second quarter of 2015 was completed at a level of 80 dinars, which is significantly below the nominal value of 374 RSD, but is almost three times higher in relation to the lowest price at which Tigar's shares were traded during the first quarter of 2015 and by 11.3% higher in relation to the prices shares were traded on the last day of 2014.

In the reporting period was traded with 243.827 shares, equal to 14.19% 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. The main feature of share trading in the last six months are significant price fluctuations.

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

	31. MARCH 2015.	30. JUNE 2015.	% CHANGE
Number of shareholders	4,490	4,466	- 0,54
Total number of shares	1,718, 460	1,718,460	
Book value of shares	-477,88	-650,46	
Market price of shares	87,00	80,00	-8,05
Lowest price during the period	30.00 – 20.03.2015.		
Highest price during the period	100.00 –17.04.2015.		
Average price I-III 2015*	73,53		
Market capitalization in RSD	149,506,020	137,476,800	

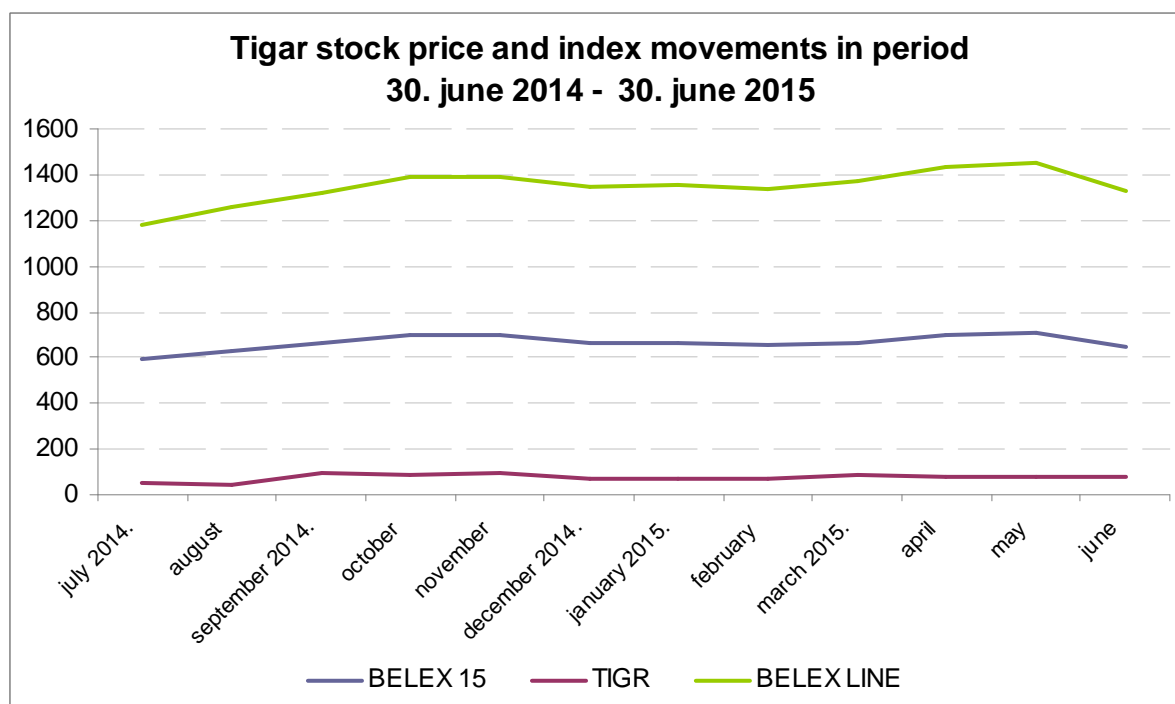
The graph below shows Tigar stock price and index movements during the period July 2014 – June 2015.



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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 Plan of Reorganization, which was handed over on May 29th to the Commercial Court in Nis. After the adoption of the Prepackaged Plan of Reorganization on 29.09.2014, the Court issued a Decision on the Ratification of the adoption of the revised text of the Prepackaged Plan of Reorganization.

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. The Prepackaged Plan of Reorganization became final on 01.06.2015, and on 16.06.2015 begun its implementation in accordance with repayment schedules.

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

Shareholders	30.06.2015.
Legal entities	50,58
Individuals	36,02
Custody accounts	13,40

Tigar's ownership structure in the first semester 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.



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Top ten shareholders as of 30 June 2015

Compared with the same period in 2014 when there were traded only 22,840 shares, in the first half of 2015, 243,827 shares changed their owners, which led to significant changes in the top ten shareholders.

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	24.99
2	NIKOMMS DOO BELGRADE	171,154	9,96
3	NATIONAL PENSION AND DISABILITY FUND OF THE REPUBLIC OF SERBIA	149,981	8,73
4	ERSTE BANK AD NOVI SAD – Custody account	114,518	6,66
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	SOCIETE GENERALE BANK SERBIA- Custody account	11,480	0,67
10	JOKIĆ MILOŠ	10,643	0,62

Source: Central Registry of Securities, Depository and Clearing House, 30 June 2015, www.crhov.rs



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6. SUSTAINABLE DEVELOPMENT

6.1. EMPLOYEES

Headcount and structure

On 30 June 2015, the number of people employed in Tigar Corporation was 1543.

Workforce as of 30.06.2015.	
Company	No. of employees
Tigar AD	211
T.R.Footwear	686
T.R.T.G.	139
T.C.Products	31
Other	476
TOTAL	1.543

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-VI 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-VI 2015			
	Net salaries and wages in 000 RSD	Gross salaries and wages in 000 RSD	% of sales income
Tigar AD	46,227	77,718	7%
Tigar Rubber Footwear	138,034	232,295	37%
Tigar Technical Rubber Goods	28,508	47,789	50%
Tigar Chemical Products	6,521	11,316	30%
Others	85,473	144,390	19%
Total	304,763	513,508	19%

Optimization of human resources

During the period I-VI 2015, 34 of permanently employed people have left Tigar a.d. and its dependent entities.

Organizational unit	No. of employees/RSD	Pension	Redundancy	Other	TOTAL
Tigar a.d.	No. of employees	3		2	5
	Amount in RSD	341,896.00			



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Tigar Rubber Footwear	No. of employees	3		10	13
	Amount in RSD	393,920.00			
Tigar Technical Rubber Goods	No. of employees	1		4	5
	Amount in RSD	137,478.00			
Tigar Chemical Products	No. of employees			1	1
	Amount in RSD				
Others	No. of employees	2	3	5	10
	Amount in RSD	230,380.00	877,538.00		
Total	No. of employees	9	3	22	34
	Amount in RSD	1,103.674.00	877,538.00		

* As of these 22 full-time employees who terminated their employment on other grounds, 19 employees resigned of their own volition, termination of employment for violation of obligations - 2 employees 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 2015.

Employee training

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

Employee training – internal and external			
	INTERNAL TRAININGS	EXTERNAL TRAININGS	TOTAL
Tigar AD	24	24	48
Tigar Rubber Footwear	544	12	556
Tigar Technical Rubber Goods	95	13	108
Tigar Chemical Products	34	0	34
Others	471	7	478
Total	1.168	56	1.224

Employee training expenses in their period I-VI 2015 amounted to 875.000,00 RSD or 0.17% of paid gross salaries.

Professional Practice for 9 unemployed through NSZ started in June 2015 and runs until December 2015.

In the period January-June, 180 Pirot secondary school students and 5 university students had completed their internships in Tigar.



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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. Even in difficult business conditions are made efforts for the preservation and promotion of integrated management systems although the certification cycle in rubber footwear plant terminated, the IMS is not abandoned. The first half of 2015 was marked by the upgrading of the documentation basis of the company Tigar Rubber Footwear, and of the related processes within Tigar AD, and were carried out preparatory works for the re-certification of integrated management systems in manufacturing entity Tigar Rubber Footwear. In June were certified integrated management systems according to ISO 9001, ISO 14001 and OHSAS 18001 certification by TUV Rheinland Inter Cert I.I.c. from Belgrade. In the current system was not established any inconsistency with the requirements of the relevant standards.

During June, 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.

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 period I-VI was carried out sampling and testing of waste water quality.



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Measurements that have been implemented indicate that all the parameters of air quality in the industrial zone are good and satisfying.

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 30 June 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 R. Footwear	26.07.17.	Tigar AD
Ž-1704/07	26.07.07.	56315	Tigar R. 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	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	Specijal	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
Ž-2674/08	03.11.08.	59337	Protecta	03.11.18.	Tigar AD



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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	25.05.20.	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

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.



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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
- 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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In order to help the diseased persons and to socially and medically vulnerable people, there was given the help and support to Associations of people suffering from multiple sclerosis.

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
- Bogdan Popara

***members of Supervisory Board as of 30.06.2015 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 Čurić, 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-JUNE 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.



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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 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



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vehicle servicing and 20 sales outlets. 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.

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.



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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.

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.



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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.

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. By continuous monitoring of analytical indicators are set the guidelines for taking immediate corrective measures concerning the business operations. Management of the 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 ownership structure and shareholding concentration. The current situation does not indicate that in the near future the company may face with the risk of a large concentration of ownership that could significantly affect the existing business strategy and development policies. 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 SECOND QUARTER OF 2015

Validity of the Prepackaged Plan of Reorganization

The resolution of the Commercial Court in Nis, business number St. 43/15 as of 08.04.2015 which confirmed the adoption of the revised text of the Prepackaged Plan of Reorganization of Tigar AD, became legal and valid on 01.06.2015. This Plan is applicable since 16.06.2015, when has begun the settlement of liabilities towards the creditors, according to repayment schedules. One of the measures for the implementation of the plan, whose implementation is currently undergoing is the status change, i.e., the merger of dependent entities Tigar Rubber Footwear, Tigar Rubber Technical Goods and Tigar Chemical Products to the parent company - Tigar ad Pirot.

The Prepackaged Plan of Reorganization for Tigar Rubber Footwear I.I.c. Pirot has been implemented since 11.12.2014, and during the first two quarters of 2015 there were regularly settled liabilities towards direct creditors, in accordance with repayment schedule.

Changes in the composition of the Supervisory Board

After the expiration of the first six months of 2015 there was a change in the composition of the Supervisory Board. On 18.07.2015, Igor Markičević has resigned as a Member of the Supervisory Board. The process of co-optation of new members of the Supervisory Board is undergoing.

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.

Investment activities

In July 2015, the company has directed certain funds towards the improvement of the warehouse space. There was adapted the warehouse area of 2.837 m². This warehouse is rented.

**DIRECTOR OF ACCOUNTING FUNCTION
TIGAR AD**

Aleksandra Đorđević

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 these Reports have 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 semi-annual report at its meeting held on 26 August 2015.

**DIRECTOR OF ACCOUNTING FUNCTION
TIGAR AD**

Aleksandra Đorđević

MANAGING DIRECTOR OF TIGAR AD

Nebojsa Djenadic

**CHAIRMAN OF TIGAR AD
SUPERVISORY BOARD**

Nebojsa Petrovic