



**STATEMENT FOR THE PRESS  
HELD IV REGULAR SESSION OF TIGAR AD  
BOARD OF DIRECTORS**

***Pirot, 30.12.2009. The Board of Directors of Tigar Corporation on its fourth regular session held on December 29<sup>th</sup> 2009, has taken decision referring the projection of the financial result for the year 2009, groundwork for the 2010-2012 business plan and the acquisition of the property of DP Dragoš.***

The projected financial result for 2009 was created on the basis of the realized results within the period January-November 2009 and of the projection made for December. This year, the expected income from the sale of products and goods to external customers of entities within the corporation is at the level of about RSD 3,2 bill, which is equal to the level realized last year. The biggest sales-related growth in relation to the same period last year was realized in chemical products program for 34 %, and in rubber footwear program for about 12 %, while when speaking of rubber technical goods was noted by low production because of the activities on moving this factory to a new location and interruptions in production process. Other entities, including those from abroad are basically within the level of the realization for the same period last year. The projected income from the sale of other manufacturers' tires, including those of Tigar Tyres at the Serbian market amounts to RSD 450 mill and is at the level of the last years' income, although this years' sale was entirely realized as the sale to end customers, with rendering of light services which increased the realized margin.

The Board of Directors has adopted the groundwork for the development of 2010-2012 business plan. During next year, in contrast to the previous two ones during which rubber footwear program and then the rubber technical goods program have been facing with interruptions in work because of the opening of the new production halls on location Tigar III, it is now envisaged for all the three plants to have the regular working system. The biggest growth is expected in export which is projected at the level of EUR 20 mill.

Within the period 2007-2009 was invested RSD 2,1 bill or cca EUR 22 mill in the purchase of fixed assets. As for the period 2010-2012, the projected level of investing in fixed assets of the already existing programs is at the level of about RSD 1bill or EUR 10mill, while the amount related to investments in new projects – including the recycling project, will be defined within the Business Plan, the adoption of which is envisaged for the end of January 2010.

After the November acquisition of the company Bilgutex from Denmark for the manufacture of finished products made of recycled rubber primarily dedicated for the Scandinavian market, the Board of Directors has taken a decision on this 4th session related to the purchase of real property of DP Dragos in receivership, that borders on Tigar III location. With the completed aforementioned acquisition, the existing industrial complex has been enlarged for 6,8ha. As of the total surface, 2,7ha is under buildings without counting the floor space that may be efficiently used in both industrial and logistics purposes. The acquisition of the new location has reduced the previously planned level of assets envisaged for investment purposes.