



Tigar Corporation Issues Long-Term Corporate Bonds

Pirot, 18 August 2010. Tigar Corporation has issued long-term corporate bonds in the aggregate nominal amount of 167,500,000 dinars, maturing in five years. This was a closed issue for specific buyers/domestic professional investors: Komercijalna banka, Wiener Städtische Insurance, and Takovo Insurance. The issue consisted of 16,750 bonds at a par value of 10,000 dinars.

The bonds carry an annual interest of 7.75% and a put option upon expiration of the first year. Repayment of the principal and interest payments will be based on quarterly annuities. Twenty coupons are attached to each bond, which Tigar will redeem in dinars based on the euro equivalent at the average exchange rate of the National Bank of Serbia on the date of maturity of each coupon.

According to Jelena Petković, Executive Director at Tigar, this issuance of long-term corporate bonds was one of the ways pursued by Tigar Corporation, listed in the prime market of the Belgrade Stock Exchange, to secure a portion of the funding required for its business development.

- It is especially important to the Corporation that these corporate bonds are long-term because the need for short-term funds has been reduced and a portion of the funding needed for business development secured. Following a capital-intensive period, with Tigar investing heavily in its footwear, industrial rubber products, and sales segments during the past several years, a significant increase in sales levels will ensure repayment from cash flow. Tigar intends to continue procuring long-term funding from issues of long-term bonds and new shares.

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