

 	TIGAR AD, Pirot BOARD OF DIRECTORS
DECISIONS	Code: Page: 1/1

Pursuant to Article 313, Paragraph 1 (13) of the Law on Business Companies and pursuant to Article 88 of the Articles of Association of the Joint-Stock Company Tigar (hereafter: Tigar AD), in connection with Article 224 (2) of the Law on Business Companies and Article 42 (b) of the Articles of Association of Tigar AD and Item 5 of the Decision of Tigar AD's Board of Directors no. 78/08 dated 11 November 2008 concerning the acquisition of treasury shares, keeping in mind the Opinion of the Securities Commission no. 3/0-04-617/8-05 dated 19 January 2006, Tigar AD's Board of Directors, at its session held on 25 February 2009, took the following

DECISION
concerning the disposal of treasury shares in the organized market

- 1 Tigar AD (hereafter: the Issuer) has issued 1,718,460 ordinary voting shares: designation CFI, code ESVUFR, ISIN no. RSTIGRE55421, par value 1,200.00 dinars. Tigar AD decided to acquire treasury shares up to a maximum of 5.00%, or 85,923 shares.
- 2 The Issuer shall acquire the said treasury shares in the organized market – the Belgrade Stock Exchange – with the goal of preventing disturbances of securities market conditions and preventing any increasing and direct damage to the Company.
- 3 In order to act promptly in the event of any major disturbance in the market, because such prompt action in respect of pro rated disposal is rendered impossible by the length of the required procedure, the Issuer may dispose via the Exchange of up to 30% of the shares acquired in accordance with Articles 1 and 2 of this Decision.
- 4 The Chief Executive Officer shall decide on the volume and price of the treasury shares to be disposed, on a weekly basis, governed by publicly available information about the trading of Tigar's shares on the Belgrade Stock Exchange.
- 5 The Issuer shall continue to dispose of the shares until the reasons stated in Article 2 of this Decision no longer exist, or until the limits stated in Articles 1 and 3 of this Decision have been reached.
- 6 The Board of Directors shall report on the disposal of treasury shares at the next ordinary session of the General Assembly of Shareholders of the Company.
- 7 This Decision shall enter into force on the day it is taken.

Explanation

In taking a decision to intervene/acquire treasury shares on the Exchange, the Company responded to increasing disturbances in the market, manifested by a continuing decline in share prices and low stock liquidity. Since the Listing Commission has not amended the share liquidity criteria for the Prime Market regardless of the new circumstances, and has notified the market of this fact, there is a threat that at any given time the shares of the Company might not fulfill the liquidity requirement due to either a decreased demand or insufficient supply. This would result in a transfer to the lower level of trading – the Standard Market. In such a case, in addition to a significant reduction in share prices, the position of domestic institutional investors – the Company's shareholders – would be jeopardized because they are required by law to invest a portion of their assets solely in A-listed shares. By this Decision, the Company creates conditions which will allow it to intervene in order to create liquidity on the Exchange.

**TIGAR AD PIROT
BOARD OF DIRECTORS**

**Dragan Nikolić
Chairman**