

1. The Financial Report of Tigar AD for the year 2011, and the reports in connection with the Financial Report, including:

- Tigar AD's 2011 Annual Report presented by the Board of Directors,
- The 2011 report presented by the auditor firm Deloitte d.o.o., and
- The 2011 report presented by the Supervisory Board

are hereby adopted in their entirety.

2. According to the income statement for the January-December 2011 period, Tigar AD reported the following results:

	<u>In thousands of RSD</u>	
	<u>2011.</u>	<u>2010.</u>
OPERATING INCOME		
Sales of goods, products and services	3,967,657	3,664,473
Own work capitalized	118,160	118,190
Other operating income	27,805	34,806
	<u>4,113,622</u>	<u>3,817,469</u>
OPERATING EXPENSES		
Cost of commercial goods sold	(3,022,823)	(2,300,257)
Cost of material	(192,715)	(281,648)
Staff costs	(519,952)	(489,045)
Depreciation, amortization and provisions	(51,908)	(53,764)
Other operating expenses	(315,257)	(554,588)
	<u>(4,102,655)</u>	<u>(3,679,302)</u>
OPERATING PROFIT /(LOSS)	<u>10,967</u>	<u>138,167</u>
Finance income	304,273	125,476
Finance expenses	(439,446)	(273,347)
Other income	310,830	239,769
Other expenses	(34,361)	(156,701)
PROFIT BEFORE TAXATION	<u>152,263</u>	<u>73,364</u>
INCOME TAXES		
- Current income tax expense	(29,026)	(24,023)
- Deferred income tax expense	(1,241)	(1,236)
	<u>(30,267)</u>	<u>(25,259)</u>
NET PROFIT	<u><u>121,996</u></u>	<u>48,105</u>

3. According to the balance sheet as of 31 December 2011, Tigar AD reported the following items:

	<u>In thousands of RSD</u>	
	<u>2011.</u>	<u>2010.</u>
ASSETS		
Non-current assets		
Intangible assets	23,913	24,030
Property, plant and equipment	1,226,615	1,042,031
Investment property	227,011	
Equity investments	2,348,428	2,115,409
Other long –term financial placements	41,720	45,468
	<u>3,867,687</u>	<u>3,226,938</u>
Current assets		
Inventories	986,031	880,900
Non-current assets held for sales	6,846	20,039
Accounts receivable	2,071,781	1,627,244
Receivables for prepaid income taxes		908
Short-term financial placements	89,169	51,042
Cash and cash equivalents	155,262	227,195
Value added tax and prepayments	244,551	137,093
Deffered tax assets		
	<u>3,553,640</u>	<u>2,944,421</u>
Total assets	<u><u>7,421,327</u></u>	<u><u>6,171,359</u></u>
EQUITY AND LIABILITIES		
Equity and reserves		
Share capital	2,062,152	2,062,152
Reserves	206,215	206,215
Revaluation reserves		
(Accumulated Loss)/Retained earnings	616,484	532,383
Non-controlling interest		
Translation reserves		
	<u>2,884,851</u>	<u>2,800,750</u>
Long-term provisions and liabilities		
Long-term provisions	12,577	12,842
Long-term liabilities	754,450	639,769
	<u>767,027</u>	<u>652,611</u>
Current liabilities		
Short-term financial liabilities	2,500,849	1,410,182
Accounts payable	1,025,128	1,166,539
Other current liabilities	138,597	68,116
Value added tax and other public duties payable	73,989	57,178
And accruals		
Income tax payable	26,272	12,610
	<u>3,764,835</u>	<u>2,714,625</u>
Deffered tax liabilities	4,614	3,373
Total equity and liability	<u><u>7,421,327</u></u>	<u><u>6,171,359</u></u>

4. The reported net profit of 121,996 (000) RSD shall be allocated to retained earnings.
5. The Board of Directors believes that the procurement of long-term sources of financing up to 10,000,000 € will allow for a favorable modification of the structure of the sources of financing, thereby creating conditions for the distribution of dividends.

Following alignment of the governing bodies with one of the models stipulated in applicable legislation and if long-term sources of financing are increased to a level of 10,000,000 €, the competent body of the Company is hereby authorized to issue a decision on the distribution of dividends based on FY2011 final accounts, up to 30% of the reported profit.

6. Tigar AD's 2011 Financial Report, along with the 2011 Annual Report presented by the Board of Directors, the report of the independent auditor and the report of the Supervisory Board, shall be posted in their entirety on the Company's website www.tigar.com in both Serbian and English, 30 days prior to the date of the ordinary session of the Shareholders' Assembly, and shall also be available for inspection at the Company's headquarters on any business day during normal business hours.
7. Following adoption by the Shareholders' Assembly, Tigar AD's Financial Report, along with the auditors' report and the respective Resolution passed at the ordinary session of the Shareholders' Assembly, shall be submitted to the Business Registers Agency and publicly disclosed pursuant to applicable accounting and auditing regulations.

II Resolution adopting Tigar AD's Consolidated Financial Report and other reports in connection with the Consolidated Financial Report: Annual Report of the Board of Directors, Report of the Independent Auditor and Report of the Supervisory Board

III Resolution on the appointment of independent auditor

IV Resolution on the election of the Supervisory Board of Tigar AD

V Resolution approving the Remuneration and Reward Policy for the Supervisory Board and the committees of the Supervisory Board of Tigar AD

VI Resolution adopting elements of the 2012-2014 Business Plan of Tigar AD

ADOPTION OF THE ANNUAL REPORT AND CONSOLIDATED FINANCIAL REPORT

The Company hereby notifies the public that its Shareholders' Assembly has adopted the Annual Report of Tigar AD and its Consolidated Financial Report, previously published in accordance with Article 50 of the Capital Market Law.

The Shareholders' Assembly adopted the Annual Report and Consolidated Financial Report in their entirety, with no modifications or reservations, such that no subsequent publication of the adopted financial statements is necessary.

TIGAR AD
Company Secretary

Slavoljub Stanković