

TMR for half-year with revenues of EUR 32.8 million**DEMÄNOVSKÁ DOLINA (30 June 2014) – Tatry mountain resorts, a.s. (TMR) released its results for the first half-year 2013/14 with revenues of EUR 32.8 million.**

Today TMR released its consolidated results for the first half of the financial year 2013/14 (the period from November 1, 2013 to April 30, 2014). TMR managed to keep revenues at the level of the same period last year, posting a slight growth of 0.8% to EUR 32.8 mil. EBITDA (Earnings before interest, taxes, depreciation, and amortization) decreased year-over-year by 8.7% to EUR 11.1 mil., and net income dropped 61% to EUR 2.8 mil.

Chairman of the Board of Directors and CEO of TMR, Bohuš Hlavatý, commented on the results: *“We have a tough season behind us. We had a slow start with extremely mild winter temperatures and dry weather, although thanks to our massive resort investments totaling EUR 190 million, including state-of-the-art equipment in the resorts, we were able to offer our clients a full winter experience on and off the slope. During the winter holidays of New Year’s and in “Golden Week” we even filled our hotels to full capacity. Any less-than-ideal skiing conditions were offset by Aquapark Tatrlandia with its successful Tropical Paradise concept guaranteeing warm climate and with the number of après-ski establishments on and off the slope. In the second quarter the skiing season was cut short due to warm weather, with cableway operation finishing with Easter. Given these harsh circumstances, we were able to post a 0.8% growth in revenues, with the greatest increase in the hotels’ segment of 10.1%.”*

The main segment of Mountains & Leisure recorded a revenue decrease of 3.3% to EUR 23.7 mil., out of which Mountain Resorts decreased 5%; Aquapark improved by 4.1%; Dining posted a 2.6% growth; and Sport Services & Stores recorded a 10.7% decrease. The results were impacted by an extremely mild and dry winter season, which was shorter than last year, ending with Easter. Mountain Resorts were visited by 899 thousand visitors (skier days), opposed to 952 thousand last year. Aquapark Tatrlandia kept the visit rate stable at the last year’s level with 210 thousand. Despite the total decrease of the number of visitors, the average revenue per visitor improved both in the resorts and dining facilities.

The Hotels segment boosted total revenues with a 10.1% growth to reach EUR 8.7 mil. mainly thanks to the average rate increased by 16% on the hotel portfolio’s level as well as of each individual hotel. The Hotels’ success is also a result of focus on the hotels’ quality improvement and on sales work. Loyal hotel clients keep returning to TMR hotels, and the results were boosted also by foreign clients from Russian and Polish speaking countries, who had made their bookings well ahead regardless of weather conditions in the resorts. This caused full capacity at the hotels during peak periods, such as during “Golden week” and New Year’s.

EBITDA dropped by 8.7% year-over-year to EUR 11.1 mil. mainly due to personnel and operating costs, which increased because of the launch of new cableways in Vysoké Tatry and Jasná Nízke Tatry at the beginning of the 2013/14 winter season, opening of additional ski trails with snowmaking, and additional dining facilities and retail stores. Net income was achieved at EUR 2.8 mil., whereas the 61% decrease was caused mostly by increased interest expense accrued for the bonds issue in the total nominal value of EUR 180 mil. and by drawing of a bank loan. Earnings per share were EUR 0.41.

By the end of FY 2013/14 the Board of Directors expects to meet the financial plan of a 5.9% growth in revenues to EUR 57.560 mil. and EBITDA of EUR 19.052 mil. TMR's results till the end of FY 2013/14, i.e. till 31 October 2014, will be impacted by the summer season in the mountain resorts, Aquapark Tatralandia, and TMR hotels. During the summer TMR plans to complete most of the current year's investments that include renovation of the entrance hall in Aquapark Tatralandia with new more efficient ticket offices, tropical design, new locker rooms, and technology, and a new restaurant Medrano in Tatralandia.

For more detailed results visit <http://tmr.sk/investor-relations/financial-information/>.

Selected Consolidated Results (unaudited)			
in €'000	IH 2013/14	IH 2012/13	Change yoy (%)
Sales	32 613	32 376	0.7%
Other Operating Revenues	199	160	24.4%
Total Revenues	32 812	32 536	0.8%
Cost of Sales	-5 418	-5 391	0.5%
Gross Profit	27 394	27 145	0.9%
Personnel and Operating Costs	-16 441	-15 177	8.3%
Other Gain/ Loss	133	172	-22.7%
EBITDA	11 086	12 140	-8.7%
Depreciation & Amortization	-6 150	-4 818	27.6%
EBIT	4 936	7 322	-32.6%
Interest Income	734	837	-12.3%
Interest Expense	-2 741	-231	1086.6%
Income from Financial Instruments, net	-158	-152	3.9%
Pre-tax Income	2 771	7 776	-64.4%
Income Tax	0	-679	-100.0%
Net Profit	2 771	7 097	-61.0%
Revaluation of Assets to Fair Value	-3	5	-160.0%
Total Comprehensive Income	2 768	7 102	-61.0%
Attributable to:			
Owners of the Company	2 768	7 102	-100.0%
EPS (€)	0.41	1.06	-61.0%

Key Results by Segments		Revenues			EBITDA		
in €'000	IH 2013/14	IH 2012/13	Change yoy (%)	IH 2013/14	IH 2012/13	Change yoy (%)	
Mountains & Leisure	23 673	24 480	-3.3%	8 598	10 376	-17.1%	
Mountain Resorts	15 154	15 945	-5.0%	6 028	7 588	-20.6%	
Aquapark	2 391	2 297	4.1%	950	715	32.9%	
Dining	4 282	4 173	2.6%	1 091	1 414	-22.8%	
Sports Services & Stores	1 845	2 066	-10.7%	529	660	-19.8%	
Hotels	8 688	7 892	10.1%	2 309	1 641	40.7%	
Real Estate	451	165	174.2%	180	124	45.1%	
Total	32 812	32 536	0.8%	11 086	12 140	-8.7%	

Financial Position in €'000	April 30	April 30	October 31
	IH 2013/14	IH 2012/13	FY 2012/13
Total Assets	356 603	327 559	345 504
Non-current Assets	312 408	282 528	288 922
Fixed Assets	275 720	243 044	261 456
Other Non-current	36 688	39 484	27 466
Current Assets	44 195	45 031	56 582
Liquid Assets	6 918	15 468	15 641
Equity	104 248	276 408	101 477
Liabilities	252 355	51 151	244 027
Non-current Liabilities	232 569	28 639	48 021
Current Liabilities	19 786	22 512	196 006
Total Debt	222 090	21 205	213 115
Debt/ Equity	213.0%	7.7%	210.0%
Debt/ Capital	68.1%	7.1%	67.7%
Debt/ EBITDA	20.0	1.7	11.5

Cash Flows in €'000	November I – April 30		November I – October 31
	IH 2013/14	IH 2012/13	FY 2012/13
Net Cash from Operating Activities	11 859	-2 219	13 706
Net Cash from Investing Activities	-27 184	-11 392	-31 190
Net Cash from Financing Activities	14 591	14 725	18 651
Net Increase in Cash and Cash Equivalents	-734	1 114	1 167

Tatry mountain resorts, a.s. (TMR) is the leader in tourism in the Central and Eastern Europe; it owns and operates attractive mountain resorts and hotels. In the Low Tatras TMR owns and operates the resort Jasná Nízke Tatry and hotels Wellness hotel Grand Jasná, Boutique Hotel Tri Studničky, Chalets Jasná De Luxe, Hotel Srdiečko, and Million Star Hotel. TMR is also the owner of Aquapark Tatralandia, the largest Slovak aquapark with year-round operation, which besides water entertainment includes Tropical Paradise, a special tropical indoor hall with sea water, as well as accommodation in bungalows and apartments of Holiday Village Tatralandia. In the High Tatras TMR owns and operates the resort Vysoké Tatry with mountain areas of Tatranská Lomnica, Starý Smokovec and Štrbské Pleso, which TMR co-manages. In the High Tatras TMR also owns hotels Grandhotel Praha Tatranská Lomnica, Grandhotel Starý Smokovec, and Hotel FIS Štrbské Pleso. TMR also owns 19% in Melida, a.s., which leases and operates the resort Špindlerův Mlýn in the Czech Republic. In Poland TMR owns the Szczyrk resort. TMR also owns and leases to third parties hotels Slovakia, Kosodrevina, Liptov and Ski&Fun Záhradky a Bungalovy. By the end of 2013 nearly EUR 190 mil. have been invested into development and modernization of TMR's resorts. TMR shares are traded on three European stock exchanges – in Bratislava, Prague, and Warsaw.