

PRESS RELEASE

## **TMR with revenues of more than EUR 68 mil. for the first half of 2018/19**

**LIPTOVSKÝ MIKULÁŠ (June 28, 2019) – After the first half-year revenues of Tatry mountain resorts, a.s. (TMR) rose 4.7% year-over-year to EUR 68.6 mil., operating profit before write-offs (EBITDA) declined 1.6% to EUR 25.8 mil., and net income reached EUR 8.9 mil.**

The published consolidated results include the first half of the financial year 2018/19 (the period from November 1, 2018 to April 30, 2019).

*“The past winter season 2018/19 was a success in terms of snow conditions in our mountain resorts and temperatures low enough for snowmaking. Our fully modernized Polish Szczyrk Mountain Resort reported the greatest growth in both the visit rate and the average revenue per visitor. The total visit rate of the mountain resorts maintained the level of prior year. We observed a decline in both the visit rate and the average revenue in the Vysoké Tatry resort due to the fact that we have been unable to proceed with our strategic goal to expand the resort, and thus, we’ve had to face competition of smaller resorts, especially under favorable snow conditions. Even though we were unable to beat the record breaking prior winter in our resorts’ visitation numbers, we achieved a growth of consolidated revenues. This past winter we launched a revolutionary ski pass pricing system, “flexi prices”, with the goal to regulate the visit rate, increase the average revenue per skier day and the share of online clients. Thanks to flexi prices we are able to react promptly to current demand in our mountain resorts, plan resort capacities, and teach our clients to shop for ski passes in advance. Our traditional events in the winter season were popular again, including the most visited Tatra attraction, Tatra Ice Dome at Hrebienok, which this year was constructed in the style of the Vatican’s St. Peter’s Basilica. The Women’s World Cup in Alpine Skiing in Špindlerův Mlýn had a great success among visitors also thanks to the attendance and victory of the world champion, Petra Vlhová. In the reported period we entered the golf segment by leasing two prestigious gold resorts in Czechia - Golf & Ski Resort Ostravice and Golf Resort Kaskáda for the period of at least 20 years. We are planning to develop mainly their lodging capacities while implementing our Gopass program and thus utilizing the Group’s synergies,”* Bohuš Hlavatý, chairman of the Board of Directors and TMR’s CEO, commented on the results.

For the observed half-year period the TMR Group (Tatry mountain resorts, a.s. and its subsidiaries) achieved total consolidated revenues of EUR 68.6 mil, a 4.7% growth year-over-year.

The largest segment, Mountain Resorts, reported revenues 3.1% higher than in the same period last year, Leisure Parks declined in revenues by 9.0%, Dining reported a 10.4% increase, Sports Services

and Stores were up 10.3%, the Hotels segment improved 4.8%, and Real Estate increased 5.2%. The results include a one-off impact of entry ticket sales, advertising, and lodging at the World Cup in Alpine Skiing in Špindlerův Mlýn, which TMR organized, and ski pass sale via Gopass for the Austrian Mölltaler Gletscher based on a business cooperation, and for the first time the results also include the new golf segment.

The visit rate in Mountain Resorts maintained almost the same level as last year with 1.9 million visitors (skier days). The average revenue per visitor in Mountain Resorts decreased 3.9%. Leisure Parks recorded a 6.3% fall in the number of visitors to 219 thousand, while Polish Legendia was only partly open in the winter season. The average revenue per visitor in Leisure Parks was 4.2% higher. In the dining facilities on the slopes, and in the leisure parks the average client spending was 6.6% higher than last year. Sports Services & Stores reported a 7.8% higher spending per visitor.

The Hotels segment reported positive trends for the period. The average occupancy of the hotel portfolio grew by 8.3 percentage points to 64.7%. Average daily rate per room (ADR) on the portfolio level increased by 10.3% to EUR 105.20, whilst majority posted an improvement in its average rate.

EBITDA decreased year-over-year by 1.6% to EUR 25.8 mil. primarily due to higher costs for purchased services and material and goods consumption, related to the organizing of the Ski World Cup in Špindlerův Mlýn, as well as due to higher personnel costs. As a result, operating profitability expressed as EBITDA margin decreased by 2.4 percentage points to 37.6%. Net Income was achieved in the amount of EUR 8.9 mil., a 27.1% decrease. Earnings per share were reported in the amount of EUR 1.313.

By the end of FY 2018/19 the Board of Directors expects to achieve a 10.9% growth in annual revenues, or EUR 120.0 mil. and a year-over-year EBITDA growth of 8.3% to EUR 37.0 mil. TMR's results till the end of FY 2018/19, i.e. till October 31, 2019, will be impacted by the summer season in the mountain resorts, leisure parks, in the new golf segment, in TMR hotels, real estate projects, as well as in the ancillary services.

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

Key Operating Results in €'000	Revenues			EBITDA		
	IH 2018/19	IH 2017/18	Change yoy (%)	IH 2018/19	IH 2017/18	Change yoy (%)
Mountain Resorts	37 028	35 898	3,1%	18 675	18 919	-1,3%
Leisure Parks	3 033	3 333	-9,0%	382	495	-22,8%
Golf	344	0	NA	-59	0	NA
Dining	8 812	7 984	10,4%	2 011	2 082	-3,4%
Sports Services & Stores	4 532	4 108	10,3%	839	821	2,1%
Hotels	14 312	13 661	4,8%	3 424	3 488	-1,9%
Real Estate	568	540	5,2%	508	406	24,9%
<b>Total</b>	<b>68 627</b>	<b>65 524</b>	<b>4,7%</b>	<b>25 779</b>	<b>26 211</b>	<b>-1,6%</b>

<b>Selected Consolidated Unaudited Results (IFRS)</b>		
<b>in €'000</b>	<b>IH 2018/19</b>	<b>IH 2017/18</b>
Sales	68 320	65 425
Other Operating Revenues	307	99
<b>Total Revenues</b>	<b>68 627</b>	<b>65 524</b>
Consumption of Material and Goods	-10 012	-9 819
Personnel and Operating Costs	-33 209	-29 670
Other Gain/ Loss	373	177
<b>EBITDA</b>	<b>25 779</b>	<b>26 211</b>
<i>EBITDA Margin</i>	37,6%	40,0%
Depreciation & Amortization	-9 125	-8 040
<b>EBIT</b>	<b>16 654</b>	<b>18 171</b>
Interest Income	594	744
Interest Expense	-7 754	-6 837
Income from Financial Instruments, net	-56	90
<b>Pre-tax Income</b>	<b>9 438</b>	<b>12 168</b>
Income Tax	-558	12
<b>Net Profit</b>	<b>8 880</b>	<b>12 180</b>
Revaluation of available-for-sale securities to fair value	0	0
Currency Translation Differences	47	69
<b>Total Comprehensive Income</b>	<b>8 927</b>	<b>12 249</b>
<b>EPS (€)</b>	<b>1,313</b>	<b>1,813</b>

**Tatry mountain resorts, a.s.** (TMR) is the leader in tourism in Central and Eastern Europe; it owns and operates attractive mountain resorts, amusement parks, restaurant facilities, sports services, shops 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, Hotel Pošta and Hotel Rotunda. 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 Fun Park, and accommodation in bungalows and suites 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, Hotel FIS Štrbské Pleso and Mountain hostel Hrebienok. TMR also owns a 9.5 % share in Melida, a.s., which leases and operates the resort Špindlerův Mlýn in the Czech Republic. TMR also leases and operates the ski resort Ještěd, Golf & Ski Resort Ostravice and leases Kaskáda Golf Rezort Brno, where it runs a hotel, a restaurant and a conference centre. In Poland TMR owns a 97% share in the mountain resort Szczyrkowski Ośrodek Narciarski S.A. (SON), a 75% share in a company that owns and operates Silesian Amusement Park (Śląskie Wesołe Miasteczko) and a 7.3% share in an amusement-educational project via the Polish company Korona Ziemi Sp. z.o.o. TMR also owns and leases hotels Slovakia, Kosodrevina, Liptov and Ski&Fun Záhradky a Bungalovy to third parties. By the end of 2018, more than EUR 350 mil. had been invested into development and modernisation of TMR's resorts. TMR shares are traded on three European stock exchanges – in Bratislava, Prague, and Warsaw.