



HALF-YEAR REPORT 2017/18

TATRY MOUNTAIN RESORTS, A. S.
AND ITS SUBSIDIARIES
FOR THE PERIOD FROM NOVEMBER 1, 2017 TO APRIL 30, 2018



Ing. Bohuš Hlavatý
CEO and Chairman of the Board of Directors
Tatry mountain resorts, a. s.

Dear Shareholders,

As a result of very favorable snow conditions and a double digit growth in the visit rate we are now reporting an almost 30% year-over-year increase in Group consolidated revenues to 65.5 million euros. Organic sales growth in the individual resorts has been complemented by the revenues of the Czech resort Ještěd which has been managed by us since December 2017. The significant growth in the Group's revenues is also due to an increase in sales in Polish Szczyrk as a result of the previous year's investments which have been reflected in the record growth of the visit rate in this resort.

Our operating profit before depreciation - EBITDA - grew by 23% year-over-year to 26.2 million euros. However, due to higher depreciation and financing costs our consolidated net income increased only by 10% to 12.2 million euros.

The reported results reflect our intensive CAPEX policy. During the last seven years we have invested over 300 million euros into our resorts. Further investments are planned also for 2018. Our CAPEX budget for this year includes investments of almost 40 million euros, out of which 17 million will go into the second phase of modernization of the Polish resort Szczyrk, and approximately 15 million will be spent in the Slovak resorts.

Except for the extensive investments and newly modernized resorts during the past winter season we also managed to provide a varied offer of accompanying events and services that were popular among all age groups, from skiing enthusiasts to families with children. The season was a breakthrough thanks to the implementation of the new self-service ticket machines - GOPASS Points, which extended options to purchase a discounted ski pass directly in the resort. The Smart Season Pass with its variations was again the season's number one hit. Our loyalty client program GOPASS grew to almost 600 thousand members, and we believe that after a successful first half of the fiscal year we will continue in the growth trends also in the second half.

June 29, 2018

Bohuš Hlavatý
Bohuš Hlavatý



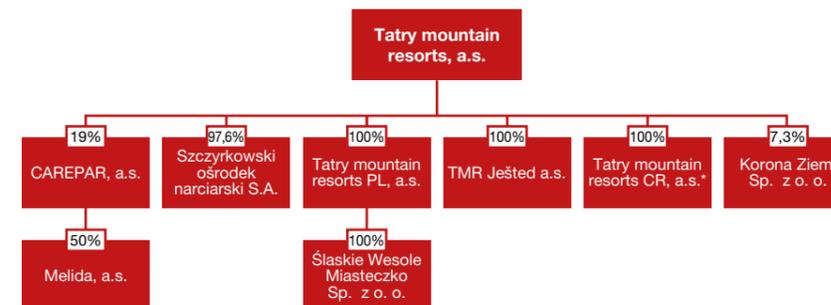
INTERIM REPORT BY THE BOARD OF DIRECTORS FOR THE PERIOD OF NOVEMBER 1, 2016 TO APRIL 30, 2017

PROFILE OF TMR

Tatry mountain resorts, a.s. (TMR, the Company) is a joint stock company with its headquarters in Liptovský Mikuláš, registered at the Bratislava Stock Exchange (BSSE), the Prague Stock Exchange (PSE), and the Warsaw Stock Exchange (WSE). TMR with its subsidiaries (the Group) is the biggest entity in tourism in Slovakia with emerging operations in Poland and the Czech Republic. TMR's operations are divided into three key segments: Mountains & Leisure, Hotels, and Real Estate. The main segment - Mountains & Leisure is further divided into the following subsegments: Mountain Resorts, Leisure Parks, Dining, and Sports Services & Stores. In Slovakia the Group owns and/or operates in the High Tatras: the Vysoké Tatry resort with the ski areas of Tatranská Lomnica and Starý Smokovec and the ski area of Štrbské Pleso in the High Tatras, which TMR co-manages. In the High Tatras the Group also owns and operates hotels: Grandhotel Praha Tatranská Lomnica****, Grandhotel Starý Smokovec****, Hotel FIS***, Mountain hotel Hrebienok, and Hotel Kukučka****. In the Low Tatras TMR owns and operates Aquapark

Tatralandia, which includes the lodging facility Holiday Village Tatralandia; then mountain resort Jasná Nízke Tatry; and hotels: Wellness hotel Grand Jasná****, Tri Studničky Hotel****, Hotel Srdiečko**, Chalets Jasná de Luxe****, and Hotel Rotunda. At the same time TMR owns and leases out Hotel Liptov**, Hotel Ski & Fun**, Kosodrevina Lodge, and lodging facility Otupné. TMR indirectly via CAREPAR a.s. (19%) owns 9.5% in Melida, a.s., which since the winter season 2012/13 leases and operates the Špindlerův Mlýn resort in the Czech Republic. Since December 2017 TMR has been renting and managing a Czech sports ski centre Ještěd. In Poland TMR owns the mountain resort Szczyrkowsky Ośrodek Narciarski S.A. (Szczyrk), a 75% share in Legendia - Silesian Amusement Park (Legendia - Śląskie Wesołe Miasteczko), and 7.3% in an educational-entertainment project through a Polish company Korona Ziemi Sp. z o.o.

The current Group structure is as follows:



SIGNIFICANT EVENTS

Investments

At the Annual General Meeting (AGM) held in April 2018 the Board of Directors presented the investment plan for the current calendar year with an estimated budget of 40 million euros.

During 2018, TMR plans to invest almost 15 million euros in the Slovak resorts. Significant capital expenditures in Jasná will go to initial phases of the project of a new gondola between Biela Púť and Priehyba; but also towards renovation of rooms in Hotel Srdiečko and reconstruction of Koliba - Vyhliadka Restaurant. In Vysoké Tatry TMR wants to complete the project of rooms renovation in Grandhotel Starý Smokovec; to increase the capacity of the Panorama Restaurant at Skalnaté Pleso; and to modernize the restaurant of the mountain chalet Hrebienok. Investments in Tatralandia will be mainly directed into completion of two new gigantic toboggans for families with children. However, smaller projects are also planned, including a complete renovation of 10 apartments in Holiday Village Tatralandia.

Investments in the Szczyrk resort will be directed mainly into infrastructure. As part of the second phase of modernization, TMR will invest almost 17 million euros into snowmaking facilities and new ski lifts. Key investments also include a new 6-person gondola and a number of new F&B outlets.

TMR will also invest more than 6 million euros into the Silesian Amusement Park Legendia this year. The attractions will include a new year-round ride called Interactive Dark Ride Bazilišek. Other capex will go into F&B outlets and central parking area.

At the same time TMR will be undergoing a number of minor investments, including a new hotel software, adjustment to tracks and snowmaking in all its resorts and smaller investments in the hotels, restaurants, and sports stores. Other expenditures will be spent on project documentation for investment projects of the following years.

News & Events

On November 30, 2017 TMR made an agreement with the Czech town of Liberec to rent the sports center Ještěd for 10 years with the option of another 10 years. TMR officially took over the sports and ski resort of Ještěd from the town of Liberec on December 22, when it also launched its winter season there.

The ski season in the Slovak resorts began in Jasná and Štrbské Pleso on December 1. The ski season in Tatranská Lomnica was launched on December 9 in the saddle of Lomnické sedlo. During the first week of February, the guests in Jasná hotels had an opportunity to participate in the traditional Culinary Week - a gastro festival of unusual tastes. In Tatranská Lomnica families with children enjoyed the multi-genre festival Snow Dogs with a true Nordic atmosphere. During the last week of February, Mt. Chopok hosted a top class freeride race Jasná Adrenalín, which is annually organized as a part of International Freeride World Tour. A special historical sledge race (with the so called "krňacky"

sledges) took place on the southern slopes of Mt. Chopok in March. The public giant slalom race referred to as the Hero Season Trophy Tour took place in Szczyrk, Špindleruv Mlýn and Vysoké Tatry, with the final round in Jasná on March 31. The winners in individual categories and resorts were awarded the Smart Pass - a season pass for the following skiing season.

General Meeting

The Annual General Meeting (AGM) of TMR was held on April 18, 2018 in Holiday Village Tatralandia in Liptovský Mikuláš. Shareholders approved Individual Financial Statements as of 31/10/2017; and adopted the proposal to divide the net profit for the fiscal year 2016/17 in the amount of EUR 9.223 mil. in such a way that 10% will be used to replenish the reserve fund and the remainder in the amount of EUR 8.300 mil. will remain in the Company as retained earnings. KPMG Slovensko spol. s.r.o. was reelected as TMR's auditor. Also, shareholders reelected a Supervisory Board member, Pavel Mikušiak, whose prior term had expired. As part of the Business plan for the current financial year the Board of Directors presented a financial plan with annual consolidated revenues of EUR 105.0 mil., equal to a 9.5% increase year-over-year. Earnings before interest, taxes, depreciation, and amortization (EBITDA) are planned for EUR 33.5 mil., a 6.3% increase compared to last year's EBITDA. For more details on TMR's General Meeting visit <http://tmr.sk/investor-relations/regulated-information/general-meetings/>.

REVENUES AND INCOME

Revenues

As a result of favorable snow conditions and increased number of visitors, the Group¹ consolidated sales for the period of six months ended 30 April 2018 amounted to EUR 65.4 mil. (+30% yoy). The total consolidated Group revenues increased by more than 29% year-over-year to EUR 65.5 mil.

Key Performance Indicators (KPIs)

The number of skier days² in Mountain Resorts increased by 22.8% year-over-year to 1.8 mil. (1.5 mil.). The average revenue per visitor in Mountain Resorts grew by almost 3% year-over-year to EUR 17.9 (EUR 17.3).

Leisure Parks recorded an 8.3% growth in the number of visitors to 234 ths. (216), while its average revenue per visitor was 6% higher, reaching EUR 13.2. The growth in the number of visitors is partly due to Legendia - Silesian Amusement Park increased number of visitors, as it was closed during the whole winter season in the previous year, and it did generate some revenue this year.

As for ancillary services, in the dining facilities on the slopes and in Tatralandia the average client spending was 7.7% higher than last year at EUR 4.55 (EUR 4.22). Sports Services & Stores reported an 8.3% higher spending per visitor at EUR 2.34 (EUR 2.16).

As for Hotels' KPIs, average occupancy of the hotel portfolio grew by 4.9 percentage points to 56.4% (51.5%). Average daily rate per room (ADR) on the portfolio level increased by almost 15% to EUR 95.34 (EUR 82.93), whilst majority posted an improvement in its average rate.

Revenues by Segments

The main segment, Mountains & Leisure, which accounted for 78% of total revenues, posted sales of EUR 51.3 mil., a 30.9% increase year-over-year. Mountain Resorts' sales were positively impacted by a double digit growth in the visit rate in the Slovak resorts and Szczyrk, but also by the growth in the average revenue per visitor, closing the half-year period at EUR 35.9 mil. (+37% yoy). Furthermore, the reported half-year results also include the performance of the Czech resort Ještěd for the first time. Leisure Parks' revenues recorded an increase of 10% year-over-year, reaching EUR 3.3 mil. Except for the results of Aquapark Tatralandia they also include the performance of Silesian Amusement Park Legendia during a part of the winter. Dining revenues posted an improvement of over 21.0% with almost EUR 8.0 mil. Sports Services & Stores, correlated somewhat with the performance of Mountain Resorts, recorded a 21.7% increase in revenues, totaling EUR 4.1 mil.

The second segment, Hotels, boosted total revenues with its 20.9% share and grew 20.1% to EUR 13.7 mil. The performance of this segment is the result of the growth in both - ADR and occupancy on the portfolio level. Effective marketing and sales tailored to clients' needs also contributed. The results were again supported by full capacity of the hotels, especially in peak periods, such as New Year's and "Golden Week" (the period after Christmas till Epiphany). With hotel stays domestic guests prevailed.

In the Real Estate segment during the observed six-month period TMR reported revenues of EUR 540 ths. (EUR 139 ths.) from the sale of the Challets and the lease of the accommodation capacities - Kosodrevina Lodge, Hotel Ski & Fun, Hotel Liptov, and Lodging Otupné.

EBITDA

Earnings before interest, tax, depreciation, and amortization (EBITDA) increased by 23.3% year-over-year to EUR 26.2 mil. primarily due to higher revenues. As a result of increase in consumption of material and higher wages and salaries, operating profitability expressed as EBITDA margin decreased by 1.9 percentage point to 40%.

Most segments and subsegments of TMR posted an increase in EBITDA: Mountain Resorts (+31.5%), Leisure Parks (-25%), Dining (+8.9%), Sports Services & Stores (+5.8%), Hotels (+12.8%), and Real Estate (-5.3%).

EBIT

Operating profit (EBIT) increased by 16.4% year-over-year to EUR 18.2 mil., whereas depreciation and amortization grew by almost EUR 2.4 mil. to 8.0 mil.

Net Profit

TMR's consolidated net profit reached EUR 12.2 mil., an increase of 10.3% year-over-year. Interest expense incurred from the issue of two tranches of bonds totaling EUR 180 mil. and from drawing of bank loans increased by 21% year-over-year to EUR 6.8 mil. Income tax was reported at EUR +12 ths. (EUR +19 ths.). Total comprehensive income after revaluation of available-for-sale securities to fair value and currency translation differences reached EUR 12.2 mil. (EUR 11.5 mil.). Earnings per share were EUR 1.813 (EUR 1.691).

¹ Tatry mountain resorts, a.s. and its subsidiaries

² The visit rate in Mountain Resorts in the winter season is measured in terms of skier days sold, i.e. the number of persons that visited a mountain resort during any part of the day or night for the purpose of skiing, snowboarding, or other downhill slide. E.g., a 4-day ticket means four skier days in Mountain Resorts.

Key Operating Results*	Revenues			EBITDA			EBITDA Margin		
	1H 2017/18	1H 2016/17	Change yoy (%)	1H 2017/18	1H 2016/17	Change yoy (%)	1H 2017/18	1H 2016/17	Change yoy (p.p.)
Mountains & Leisure	51 324	39 224	30,8%	22 318	17 734	25,8%	43,5%	45,2%	-1,7%
Mountain Resorts	35 898	26 221	36,9%	18 919	14 385	31,5%	52,7%	54,9%	-2,2%
Leisure Parks	3 333	3 031	10,0%	495	660	-25,0%	14,9%	21,8%	-6,9%
Dining	7 984	6 596	21,1%	2 082	1 912	8,9%	26,1%	29,0%	-2,9%
Sports Services & Stores	4 108	3 376	21,7%	821	776	5,8%	20,0%	23,0%	-3,0%
Hotels	13 661	11 374	20,1%	3 488	3 092	12,8%	25,5%	27,2%	-1,7%
Real Estate	540	139	288,2%	406	429	-5,3%	75,3%	308,7%	-233,4%
Total	65 525	50 738	29,1%	26 212	21 256	23,3%	40,0%	41,9%	-1,9%

Selected Consolidated Unaudited Results (IFRS)		
in €'000	1H 2017/18	1H 2016/17
Sales	65 425	50 428
Other Operating Revenues	99	310
Total Revenues	65 525	50 738
Consumption of Material and Goods	-9 819	-7 860
Personnel and Operating Costs	-29 670	-22 170
Other Gain/ Loss	177	547
EBITDA	26 212	21 256
EBITDA Margin	40,0%	41,9%
Depreciation & Amortization	-8 040	-5 642
EBIT	18 171	15 615
Interest Income	744	662
Interest Expense	-6 837	-5 650
Income from Financial Instruments, net	90	395
Pre-tax Income	12 169	11 021
Income Tax	12	19
Net Profit	12 180	11 040
Revaluation of available-for-sale securities to fair value	0	25
Currency Translation Differences	69	405
Total Comprehensive Income	12 249	11 470
EPS (€)	1,813	1,691

FINANCIAL POSITION

As at the end of the first half-year 2017/18 the value of current liquid funds (Cash and cash equivalents) totaled EUR 3.5 mil. (EUR 4.2 mil. as of 30/04/2017) as opposed to EUR 9.6 mil. at the end of the previous financial year (FY) 2016/17.

The total amount of the Company's loans and borrowings for the last six-month period increased to EUR 284.5 mil. (EUR 246.9 mil.) as opposed to EUR 279.3 mil. at the FY end. The debt-to-equity ratio came to 231.3% (210.2%), and the total level of debt slightly rose year-over-year to 69.8% (67.8%), but decreased by 1.4 percentage point to 71.2% in comparison to the FY end.

The accounting value of total assets increased since the FY end by EUR 16.3 mil. to EUR 454.2 mil. Year-over-year it grew by EUR 53.9 mil. Current assets decreased for the six months by EUR 9.9 mil. to EUR 75.0 mil, whilst year-over-year it decreased only by EUR 241 ths. Fixed assets increased since the FY end by EUR 25.2 mil. to EUR 359.0 mil. (EUR 307.4 mil. as of 30/4/2017).

Financial Position in €'000 (unaudited)	April 30	April 30	October 31
	2017/18	2016/17	2016/17
Total Assets	454 223	400 292	437 972
Non-current Assets	379 235	325 064	353 128
Fixed Assets	358 963	307 402	333 718
Other Non-current Assets	20 273	17 663	19 410
Current Assets	74 987	75 228	84 844
Liquid Assets	3 455	4 245	9 584
Equity	123 021	117 473	113 149
Liabilities	338 340	282 821	324 823
Non-current Liabilities	296 371	258 578	286 277
Current Liabilities	34 830	24 243	38 546
Total Debt	284 500	246 881	279 320

CASH FLOW

Cash flow generated from operating activities for the given half-year period amounted to EUR 28.2 mil. (EUR 9.2 mil.). Cash flow from investing activities was reported in the amount of EUR

-24.5 mil. (-23.9 mil.), out of which capital expenditures added up to EUR -25.5 mil. (EUR -29.3 mil.). Cash flow from financing activities reached EUR 9.8 mil. (EUR 11.4 mil.).

Cash Flows in €'000	01/11 - 30/04		01/11 - 31/10
	2017/18	2016/17	2016/17
Net Cash from Operating Activities	28 160	9 235	20 380
Net Cash from Investing Activities	-24 479	-23 896	-55 165
Net Cash from Financing Activities	-9 810	11 413	36 876
Net Increase in Cash and Cash Equivalents	-6 129	-3 248	2 091

OUTLOOK TILL THE END OF FY 2017/18

By the end of FY 2017/18 Management expects to achieve a 9.5% growth in annual revenues, or EUR 105.0 mil. and a year-over-year EBITDA growth of 6.3% to EUR 33.5 mil. Having successfully completed the winter season, Management now believes the financial targets are achievable. TMR's results till the end of FY 2017/18, i.e. till October 31, 2018, will be impacted by the summer season in the mountain resorts, leisure parks - Aquapark Tatralandia and Legendia - Silesian Amusement Park, in TMR hotels, as well as in the ancillary services. Any impact of potentially unfavorable weather will be offset by the all-year operation of successful Tropical Paradise in Tatralandia.

OTHER FINANCIAL INFORMATION

Related Party Transactions

For the first half of 2017/18 the Group did not observe any transactions with related parties or any changes in such transactions that would have a significant impact on the Group's financial position or results.

Key Risk Factors and Uncertainties

The Company results mainly depend on visit rate of the TMR resorts in Slovakia, Poland and the Czech Republic. The visit rate depends on several factors, out of which some can and others cannot be controlled by Management. The vacation choices of TMR's clients also depend on the business cycle of the economy and the level of their discretionary income. According to NBS, the Slovak economy is predicted to grow by 4.2% in 2018, mainly as a result of a strong consumer spending. GDP growth is expected to impact the labor market development and employment rate in a positive way, further boosting the economy. As a result, the GDP of the Slovak Republic should further grow by 4.7% in 2019 and 4% in 2020.³ According to the European Bank for Reconstruction and Development, the Polish economy is to benefit from the generally positive economic environment in the region. As a result the Polish GDP growth in 2018 is expected to remain strong, at 4.0 %, before it slows down to 3.3% in 2019, as the supply problems and rapidly appreciating real exchange rate start to weigh on Poland's competitiveness.⁴ According to the Czech National Bank, GDP of the Czech Republic is to grow 3.4% mainly as a result of investments and consumer spending. Due to expected appreciation of the local currency, the economy is to grow at a slightly lower rate of 2.9% in 2019. V roku 2019 česká ekonomika vplyvom posilňovania lokálnej meny mierne spomalí na 2,9%.⁵ Since majority of visitors

to TMR's resorts and hotels come from various countries, each of which has its own unique macroeconomic profile, operations of TMR can be heavily affected by worsening of the economic and geopolitical situation on these markets.

Weather unfavorable for summer tourist activities may negatively impact cableway sales in the mountain resorts till the end of the financial year. An unfavorable summer weather may also negatively impact the visit rate in the Polish Legendia, and thus also the return on investments from the park's modernization project. In Aquapark Tatralandia this risk is eliminated thanks to the guarantee of tropical weather in Tropical Paradise, as well as thanks to thermal springs in outdoor pools.

As for competition in Mountain Resorts in the summer season, TMR is the leader in Slovakia in terms of the market share and the range of services. On the European market the Company faces monopolistic competition with a large number of competitors. TMR utilizes its high quality services, reasonable prices in comparing to alpine resorts, patriotism, and locality with the goal of attracting visitors. Moreover, TMR capitalizes on its competitive advantage of natural monopoly in terms of the strategic location in the highest mountain range in the region to the East and North.

In Leisure Parks TMR is also among the top two players in the local market, as well as in the Polish market, although visitation of leisure parks also depends on the travel distance for the given visitor. The Company's profitability also depends on the occupancy rate of its own and managed hotels and lodging facilities in the resorts. TMR works to improve key performance indicators in Hotels- average daily rate (ADR) and occupancy - by constantly increasing the hotels' quality through renovations, services expansion, and organizing of marketing events.

In the Real Estate segment revenues depend on sale and/ or lease of residences, lodging facilities, and commercial space in TMR's real estate projects. Further growth of the segment in sale and/or lease of land, residences and commercial space depends on the situation on the real estate market in the Tatra region.

Management utilizes a well-defined marketing strategy to manage the abovementioned risks.

As for the main financial risks, the Company revenues are impacted by volatility of exchange rates in relation to euro since majority of TMR's foreign clients come from countries outside the Eurozone - the Czech Republic, Poland, Ukraine, Russia, etc. Variable interest rates on bank loans may

negatively impact the level of interest expense in case of increase in EURIBOR and WIBOR as of the pay date, based on which these interest rates are set.

As TMR issued bonds in 2013/14 in total of EUR 180 mil., TMR significantly increased its level of debt. At the same time, by decreasing share capital from EUR 221 mil. to EUR 47 mil. as of 22/10/2013, TMR's capital structure changed considerably in terms of the debt-to-equity ratio. This level of debt may cause TMR difficulties in obtaining other external financing in the future to finance future investments into its resorts or acquisitions. The ability to repay liabilities from these bonds also significantly increases liquidity risk.

By acquiring the 75% interest in Silesian Amusement Park TMR committed to invest EUR 30 mil. into the modernization of the park during next five years, which may add to increased level of debt and liquidity risk of the Company.

For more information regarding risks refer to Risk Factors and Risk Management and Note 34 of Consolidated Financial Statements in the Annual Report 2016/17, available at www.tmr.sk.

Human Resources

The average number of TMR employees for the first half of 2017/18 is 1,281 (1,124), what represents a 14% increase when compared to the same period of the previous year.



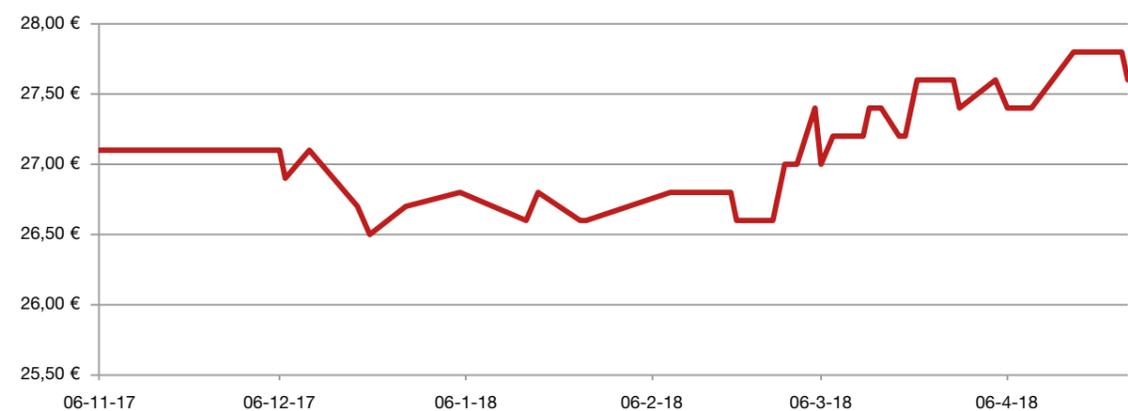
³ National Bank of Slovakia Press Release 27/3/2018 <https://www.nbs.sk/sk/informacie-pre-media/tlacove-spravy/detail-spravy/stanovisko-bankovej-rady-nbs-k-strednodobej-pre-dikcii-p1q-2018/bc>

⁴ European Bank for Reconstruction and Development. Regional Economic Prospects in EBRD Countries of Operations: May 2018

⁵ Inflační očekávání finančního trhu. Január 2018. www.cnb.cz/cs/financni_tmy/inflacni_ockevani_ft/

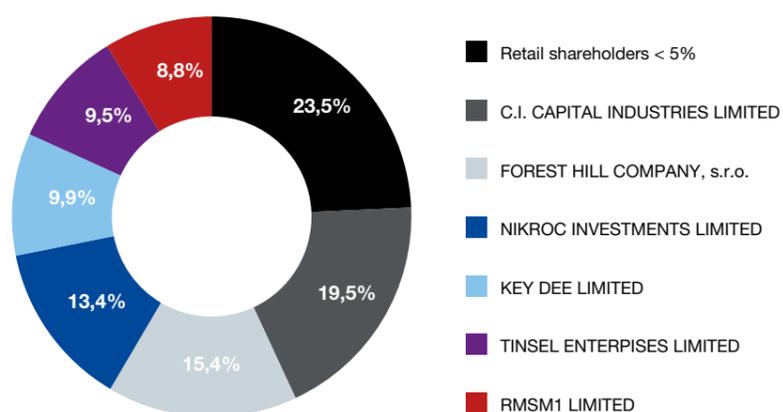
TMR STOCK PERFORMANCE

TMR Stock Performance on the BSSE



Closing Price of TMR Stock	BSSE (EUR)	WSE (PLN)	PSE (CZK)
30.4.2018	27,60	119	700
30.4.2017	24,70	113	670

Shareholder Structure as of 30-4-2018



Used Abbreviations and Explanations

() - the numbers in brackets represent values for the same period previous year compared to the current data on the year-over-year basis

1H - First half of TMR's financial year, the period from 1 November till 30 April

ADR - Average daily rate per room

AGM - Annual General Meeting

BSSE - the Bratislava Stock Exchange

EBITDA - Earnings before interest, taxes, depreciation and amortization; the key financial performance indicator of TMR

EBRD - European Bank for Reconstruction and Development

FY - Financial year of TMR, the period from November 1 to October 31

GDP - Gross Domestic Product

KPIs - Key performance indicators. In Mountains & Leisure KPIs include: visit rate and average revenue per visitor for the given period. In Hotels they include: occupancy and average daily rate per room (ADR).

mil. - millions

p.p. - percentage points

PSE - the Prague Stock Exchange

Skier days - the measure of visit rate in the mountain resorts of TMR in the winter season, counting the number of persons that visited a mountain resort during any part of the day or night for skiing, snowboarding, or other kind of downhill ride. E.g., a 4-day ski pass sold means four skier days.

SPV - Special purpose vehicle company

ths. - thousands

WSE - the Warsaw Stock Exchange

Yoy - year-over-year



**Tatry mountain resorts, a.s.
and Subsidiary Companies**

**Condensed Interim Consolidated Financial Statements
for the period from 1 November 2017 to 30 April 2018**

**prepared in accordance
with the International Financial Reporting Standards (“IFRS”)
in the wording adopted by the EU**

Tatry mountain resorts, a.s. and subsidiary companies

Consolidated Statement of Profit and Loss and Other Comprehensive Income

<i>In TEUR</i>	1.11.2017 – 30.4.2018	1.11.2016 – 30.4.2017
Sales	65,425	50,428
Other operating revenues	99	310
Total revenues	65,524	50,738
Material and goods consumption	-9,819	-7,860
Purchased services	-15,839	-10,258
Personal cost	-13,211	-11,257
Other operating expenses	-621	-654
Gain on sale of assets	177	547
Increase in fair value of investment property	-	-
Creation of value adjustments to receivables	-	-
Profit before interest, taxes, depreciation and amortization (EBITDA)*	26,211	21,256
Depreciation and amortization	-8,040	-5,642
Goodwill impairment losses	-	-
Profit before interest, taxes (EBIT)	18,171	15,614
Interest income	744	662
Interest expense	-6,837	-5,650
Net profit on financial instruments	90	395
Profit before taxes	12,168	11,021
Income tax	12	19
Profit	12,180	11,040
Attributable to:		
- Holders of interest in the parent company's equity	12,161	11,340
- Non-controlling interest	19	-300
Other comprehensive income		
<i>Items with possible subsequent reclassification into profit/(loss)</i>		
Revaluation of available-for-sale securities to fair value	-	25
Foreign currency translation reserve	69	405
Total comprehensive income	12,249	11,470
Attributable to:		
- Holders of interest in the parent company's equity	12,229	11,805
- Non-controlling interest	20	-335
Profit per share (in EUR)	1.813	1.691
Number of shares	6,707,198	6,707,198

* EBITDA represents profit from recurring activities of the Group before tax, interest, depreciation and amortization adjusted for other income and expenses which are listed under EBITDA.

The notes presented on page 6 form an integral part of the Condensed Interim Consolidated Financial Statements.

Tatry mountain resorts, a.s. and subsidiary companies

Consolidated Statement of Financial Position

<i>In TEUR</i>	30.4.2018	31.10.2017
Assets		
Goodwill and Intangible Assets	14,415	14,110
Property, Plant and Equipment	352,409	327,164
Investment Property	6,554	6,554
Loans Provided	1,437	2,643
Other receivables	4,420	2,657
Total non-current assets	379,235	353,128
Inventory	7,426	5,852
Trade receivables	4,129	5,397
Loans Provided	22,207	21,307
Other receivables	31,729	36,127
Financial investments	2,194	2,194
Cash and Cash Equivalents	3,455	9,584
Other Assets	3,848	4,383
Total current assets	74,988	84,844
Total assets	454,223	437,972
Equity		
Share capital	46,950	46,950
Share premium	30,430	30,430
Profit for the period	12,161	7,370
Retained earnings and other funds	33,742	27,224
Foreign currency translation reserve	-470	-413
Total equity attributable to holders of interest in the parent company's equity	122,813	111,561
Non-controlling interest	207	1,588
Total equity	123,020	113,149
Liabilities		
Loans and borrowings	94,415	84,598
Provisions	24	24
Other non-current liabilities	748	479
Issued bonds	178,839	178,820
Deferred tax liability	22,345	22,356
Total non-current liabilities	296,371	286,277
Loans and borrowings	8,524	9,880
Trade payables	14,242	10,286
Provisions	349	351
Issued bonds	2,722	6,022
Other current liabilities	8,995	12,007
Total current liabilities	34,832	38,546
Total liabilities	331,203	324,823
Total equity and liabilities	454,223	437,972

The notes presented on page 6 form an integral part of the Condensed Interim Consolidated Financial Statements.

Tatry mountain resorts, a.s. and subsidiary companies
Consolidated Statement of Changes in Equity

<i>In TEUR</i>	Share capital	Share premium	Legal reserve fund	Funds from revaluation	Foreign currency translation reserve	Retained earnings	Equity attributable to holders of interest in the parent company's equity	Non-controlling interest	Total
Balance as at 1 November 2017	46,950	30,430	4,930	180	-413	29,484	111,561	1,588	113,149
Transfer of retained earnings into the legal reserve fund	-	-	-	-	-	-	-	-	-
Profit for the current period	-	-	-	-	-	12,161	12,161	19	12,180
Other comprehensive income, after tax	-	-	-	-	-	-	-	-	-
- items with possible subsequent reclassification into profit/(loss):	-	-	-	-	-	-	-	-	-
Revaluation of available-for-sale securities to fair value	-	-	-	-	68	-	68	1	69
Foreign currency translation reserve	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	68	12,161	12,229	20	12,249
Transactions with owners posted directly into equity	-	-	-	-	-	-	-	-	-
Contributions to the fund	-	-	-	-	-	-	-	-	-
Effect of acquisition of a subsidiary	-	-	-	-	-	-	-	-	-
Acquisition of non-controlling interest	-	-	-	-	-125	-852	-977	-1,401	-2,378
Total transactions with owners	-	-	-	-	-125	-852	-977	-1,401	-2,378
Balance as at 30 April 2018	46,960	30,430	4,930	180	-470	40,793	122,813	207	123,020

Tatry mountain resorts, a.s. and subsidiary companies
Consolidated Statement of Changes in Equity (continued)

	<i>In TEUR</i>								
	Share capital	Share premium	Legal reserve fund	Funds from revaluation	Foreign currency translation reserve	Retained earnings	Equity attributable to holders of interest in the parent company's equity	Non-controlling interest	Total
Balance as at 1 November 2016	46,950	30,430	4,449	146	-575	22,595	103,995	2,008	106,003
Transfer of retained earnings into the legal reserve fund	-	-	-	-	-	11,340	11,340	-	-
Profit for the current period	-	-	-	-	-	-	-	-300	11,040
Other comprehensive income, after tax									
- items with possible subsequent reclassification into profit/(loss):									
Revaluation of available-for-sale securities to fair value	-	-	-	25	-	-	25	-	25
Foreign currency translation reserve	-	-	-	-	440	-	440	-35	405
Total comprehensive income for the period	-	-	-	25	440	11,340	11,805	-335	11,470
Transactions with owners posted directly into equity									
Contributions to the fund	-	-	-	-	-	-	-	-	-
Effect of acquisition of a subsidiary	-	-	-	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-	-	-	-
Balance as at 30 April 2017	46,950	30,430	4,449	171	-135	33,935	115,800	1,673	117,473

The notes presented on page 6 form an integral part of the Condensed Interim Consolidated Financial Statements.

Tatry mountain resorts, a.s. and subsidiary companies

Consolidated Cash Flow Statement

	1.11.2017 – 30.4.2018	1.11.2016 – 30.4.2017
<i>In TEUR</i>		
OPERATING ACTIVITIES		
Profit	12,180	11,040
Adjustments relating to:		
(Profit) from the sale of property, plant and equipment and intangible assets	-177	-547
Depreciation and amortization	8,040	5,642
Foreign currency differences	-	-6
Creation of value adjustments to receivables	-	-
Loss / (profit) from financial instruments, net (non-monetary part)	-90	-289
(Profit) / Loss from revaluation of investments in property	-	3
Net interest expense / (income)	6,093	4,988
Gross change in provisions	-2	-39
Income tax	-12	-19
Change in trade receivables, other receivables and other assets	4,822	-5,537
Change in inventories	-1,574	-2,205
Change in trade payables and other liabilities	-827	-3,805
Cash flow from operating activities before tax	28,453	9,226
Income tax paid	-293	9
Cash flow from operating activities	28,160	9,235
INVESTING ACTIVITIES		
Acquisition of property, plant and equipment and intangible assets	-25,550	-29,318
Proceeds from disposal of property, plant and equipment and intangible assets	180	547
Loans provided	-324	-8,269
Repayment of loans provided	1,213	13,139
Expenses for acquisition of financial investments	-	-
Income from the sale of financial investments	-	-
Interest receivable	2	5
Cash flow from / (used by) investing activities	-24,479	-23,896
FINANCING ACTIVITIES		
Repayment of liabilities from financial leasing	-475	-537
Financial leasing received	871	1,498
Repayment of received loans and borrowings	-4,608	-3,821
Loans and borrowings received	4,520	23,181
Repayment of the liability from decrease of the share capital	-	-
Bonds Issued	-	-
Interest paid	-10,118	-8,908
Cash flow from / (used by) financing activities	-9,810	11,413
Net increase / (decrease) of cash and cash equivalents	-6,129	-3,248
Cash and cash equivalents at the beginning of the year	9,584	7,493
Cash and cash equivalents at end of the year	3,455	4,245

The notes presented on page 6 form an integral part of the Condensed Interim Consolidated Financial Statements.

Tatry mountain resorts, a.s. and subsidiary companies

Selected notes to the Condensed Interim Consolidated Financial Statements

1. Investments

During the past winter season the Group launched, in all of its mountain resorts, new sale points (AOE- assisted operation spots), which replaced standard sales booths and are used for offline ski-pass sales.

The Group continued with modernization of fun-park in Chorzow (Slaskie Wesole Miasteczko), which will result in fully operational four-season park with functional infrastructure.

The Group continued in modernization of Szcyrk resort to enhance artificial snowing capabilities and invested in construction of new cable-ways and restaurants.

2. Inventories

During reporting period the Group continued in realization of a second stage of real estate investment project Chalety Otupné (Chalety Otupné 2), started initial works for construction of third stage of Chalety Otupné (Chalety Otupné 3). All these projects are intended for future sale or operation directly by the Group. Value of these investments is recognized in the financial statements in Inventories.

3. Financial investments

On 16 February 2018 the Group founded subsidiary Tatry mountain resorts CR, a.s.. The Group owns 100% of subsidiary shares. The subsidiary was founded for future possible expansions to foreign markets. On 21 December 2017 the Group signed a contract, through subsidiary Tatry mountain resorts CR a.s. (the subsidiary changed name from Tatry mountain resorts CR a.s. to TMR Ještěd a.s. on 18 January 2018 based on notary deed) with company Sportovní areál Ještěd a.s. „Contract for lease of Company premises“ (Smlouva o pachtu závodu), which bounds it to operate sporting area Ještěd near Liberec, Czech republic.

4. Subsequent events

On 12 June 2018 the Group paid out a coupon on the TMR I bonds in the amount of EUR 1,575 thousand.

Bohuš Hlavajský
Chairman of the
Board of Directors

Jozef Hodek
Member of the
Board of Directors

Tomáš Kimlička
Person in charge
of financial statements

Marián Vojtko
Person in charge
of accounting

Tatry mountain resorts, a.s.
Condensed Interim Individual Financial Statements
for the period from 1 November 2017 to 30 April 2018

prepared in accordance
with the International Financial Reporting Standards (“IFRS”)
in the wording adopted by the EU

Tatry mountain resorts, a.s.

Separate Statement of Profit and Loss and Other Comprehensive Income

<i>In TEUR</i>	1.11.2017 – 30.4.2018	1.11.2016 – 30.4.2017
Sales	58,333	48,734
Other operating revenues	68	252
Total revenues	58,401	48,986
Material and goods consumption	-9,055	-7,684
Purchased services	-12,430	-9,233
Personal cost	12,064	-10,607
Other operating expenses	-562	-475
Gain on sale of assets	177	547
Increase in fair value of investment property	-	-
Creation of value adjustments to receivables	-	-
Profit before interest, taxes, depreciation and amortization (EBITDA)*	24,467	21,534
Depreciation and amortization	-6,345	-4,974
Goodwill impairment losses	-	-
Profit before interest, taxes (EBIT)	18,122	16,560
Interest income	1,782	1,233
Interest expense	-6,024	-5,604
Net profit on financial instruments	-294	258
Profit before taxes	13,586	12,447
Income tax	-7	-11
Profit	13,579	12,436
Other components of comprehensive income		
<i>Items with possible subsequent reclassification into profit/(loss)</i>		
Revaluation of available-for-sale securities to fair value	-	26
Total comprehensive income	13,579	12,462
Profit per share (in EUR)	2.025	1.854
Number of shares	6,707,198	6,707,198

* EBITDA represents profit from recurring activities of the Group before tax, interest, depreciation and amortization adjusted for other income and expenses which are listed under EBITDA.

The notes presented on page 6 form an integral part of the Condensed Interim Separate Financial Statements.

Tatry mountain resorts, a.s.

Separate Statement of Financial Position

<i>In TEUR</i>	30.4.2018	31.10.2017
Assets		
Goodwill and Intangible Assets	6,881	6,952
Property, Plant and Equipment	273,913	274,877
Investment Property	6,554	6,554
Loans Provided	38,140	35,397
Other receivables	4,407	2,656
Investments in Subsidiaries	7,372	14,743
Total non-current assets	337,267	341,179
Inventory	7,244	5,763
Trade receivables	3,144	5,387
Loans Provided	25,224	21,307
Other receivables	25,328	24,179
Financial investments	2,194	2,194
Cash and Cash Equivalents	438	6,062
Other Assets	8,430	476
Total current assets	72,002	65,368
Total assets	409,269	406,547
Equity		
Share capital	46,950	46,950
Share premium	30,430	30,430
Profit for the period	13,579	9,223
Retained earnings and other funds	37,969	28,746
Total equity	128,928	115,349
Liabilities		
Loans and borrowings	53,693	56,567
Provisions	24	24
Other non-current liabilities	-	-
Issued bonds	178,840	178,820
Deferred tax liability	21,450	21,450
Total non-current liabilities	254,007	256,861
Loans and Borrowings	9,414	9,122
Trade payables	7,631	7,989
Provisions	307	307
Issued bonds	2,722	6,022
Other current liabilities	6,260	10,897
Total current liabilities	26,334	34,337
Total liabilities	280,341	291,198
Total equity and liabilities	409,269	406,547

Tatry mountain resorts, a.s.
Separate Statement of Changes in Equity

<i>In TEUR</i>	Share capital	Share premium	Legal reserve fund	Funds from revaluation	Retained earnings	Total
Balance as at 1 November 2017	46,950	30,430	4,930	180	32,859	115,349
Transfer of retained earnings into the legal reserve fund	-	-	-	-	-	-
Profit for the period	-	-	-	-	13,579	13,579
Other components of comprehensive income, after tax	-	-	-	-	-	-
- items with possible subsequent reclassification into profit/(loss):	-	-	-	-	-	-
Revaluation of available-for-sale securities at fair value	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	13,579	13,579
Transactions with owners posted directly into equity	-	-	-	-	-	-
Contributions to the fund	-	-	-	-	-	-
Total transactions during the year	-	-	-	-	-	-
Balance as at 30 April 2018	46,950	30,430	4,930	180	46,438	128,928

The notes presented on page 6 form an integral part of the Condensed Interim Separate Financial Statements.

Tatry mountain resorts, a.s.
Separate Statement of Changes in Equity (continued)

<i>In TEUR</i>	Share capital	Share premium	Legal reserve fund	Funds from revaluation	Retained earnings	Total
Balance as at 1 November 2016	46,950	30,430	4,449	145	24,117	106,091
Transfer of retained earnings into the legal reserve fund Profit for the period	-	-	-	-	-	-
Other components of comprehensive income, after tax - items with possible subsequent reclassification into profit/(loss): Revaluation of available-for-sale securities at fair value	-	-	-	26	12,436	12,436
Total comprehensive income for the period	-	-	-	26	12,436	12,462
Transactions with owners posted directly into equity Contributions to the fund	-	-	-	-	-	-
Total transactions during the year	-	-	-	-	-	-
Balance as at 30 April 2017	46,950	30,430	4,449	171	36,553	118,553

The notes presented on page 6 form an integral part of the Condensed Interim Separate Financial Statements.

Tatry mountain resorts, a.s.

Separate Cash Flow Statement

<i>In TEUR</i>	1.11.2017 – 30.4.2018	1.11.2016 – 30.4.2017
OPERATING ACTIVITIES		
Profit	13,579	12,436
Adjustments relating to: (Profit) from the sale of property, plant and equipment and intangible assets	-177	-547
Depreciation and amortization	6,345	4,974
Creation of value adjustments to receivables	-	-
Loss / (profit) from financial instruments, net (non-monetary part)	294	-289
(Profit) / Loss from revaluation of investments in property	-	-
Net interest expense / (income)	4,242	4,370
Gross change in provisions	-	-
Income tax	7	10
Change in trade receivables, other receivables and other assets	-1,248	4,609
Change in inventories	-1,481	-2,148
Change in trade payables and other liabilities	-4,995	-2,747
Cash flow from operating activities before tax	16,566	20,668
Income tax paid	-293	9
Cash flow from operating activities	16,273	20,677
INVESTING ACTIVITIES		
Acquisition of property, plant and equipment and intangible assets	-5,313	-18,217
Proceeds from sale of property, plant and equipment and intangible assets	180	547
Cost of acquisition of subsidiaries	-	-76
Loans provided	-9,684	-31,361
Repayment of loans provided	4,804	23,265
Expenses for acquisition of financial investments	-	-
Income from the sale of financial investments	-	-
Interest receivable	2	162
Cash flow from / (used by) investing activities	-10,011	-25,680
FINANCING ACTIVITIES		
Repayment of liabilities from financial leasing	-475	-537
Financial leasing received	872	1,498
Repayment of received loans and borrowings	-9,208	-3,530
Loans and borrowings received	6,020	11,129
Repayment of liability from reduction of share capital	-	-
Bonds Issued	-	-
Interest paid	-9,095	-8,887
Dividends paid	-	-
Cash flow from / (used by) financing activities	-11,886	-327
Net increase / (decrease) of cash and cash equivalents	-5,624	-5,330
Cash and cash equivalents at the beginning of the year	6,062	5,946
Cash and cash equivalents at end of the year	438	616

The notes presented on page 6 form an integral part of the Condensed Interim Separate Financial Statements.

Tatry mountain resorts, a.s.

Selected Notes to the Condensed Interim Separate Financial Statements

1. Investments

During the past winter season the Company launched, in all of its mountain resorts, new sale points (AOE- assisted operation spots), which replaced standard sales booths and are used for offline ski-pass sales.

The Company continued with modernization of fun-park in Chorzow (Slaskie Wesole Miasteczko), which will result in fully operational four-season park with functional infrastructure.

The Company continued in modernization of Szczyrk resort to enhance artificial snowing capabilities and invested in construction of new cable-ways and restaurants.

2. Inventories

During reporting period the Company continued in realization of a second stage of real estate investment project Chalety Otupné (Chalety Otupné 2), started initial works for construction of third stage of Chalety Otupné (Chalety Otupné 3). All these projects are intended for future sale or operation directly by the Company. Value of these investments is recognized in the financial statements in Inventories.

3. Financial investments

On 16 February 2018 the Company founded subsidiary Tatry mountain resorts CR, a.s.. The Company owns 100% of subsidiary shares. The subsidiary was founded for future possible expansions to foreign markets. On 21 December 2017 the Company signed a contract, through subsidiary Tatry mountain resorts CR a.s. (the subsidiary changed name from Tatry mountain resorts CR a.s. to TMR Ještěd a.s. on 18 January 2018 based on notary deed) with company Sportovní areál Ještěd a.s. „Contract for lease of Company premises“ (Smlouva o pachtu závodu), which bounds it to operate sporting area Ještěd near Liberec, Czech republic.

4. Subsequent events

On 12 June 2018 the Company paid out a coupon on the TMR I bonds in the amount of EUR 1,575 thousand.

Bohuš Hlavaty
*Chairman of the
Board of Directors*

Jozef Hodek
*Member of the
Board of Directors*

Tomáš Kimlička
*Person in charge
of financial statements*

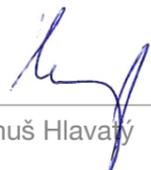
Marián Vojtko
*Person in charge
of accounting*



STATEMENT OF THE BOARD OF DIRECTORS

The Condensed interim consolidated and separate financial statements were prepared in accordance with relevant regulations, and they provide a true and accurate description of assets, liabilities, financial situation, and comprehensive income of TMR and its subsidiaries included in the consolidation. The Half-Year Report has not been audited. The Interim Report includes a true performance review of the Group.

Demänovská Dolina, June 29, 2018



Bohuš Hlavatý

Chairman of the Board of Directors



Jozef Hodek

Member of the Board of Directors



TATRY MOUNTAIN RESORTS, a.s., e-mail: info@tmr.sk, www.tmr.sk, tel.: 0850 606 202
foto: Marek Hajkovský