

Information Memorandum



Tatry mountain resorts, a.s.

**prepared in relation to an intended application for admission and introduction to trading on
the regulated market operated by the Warsaw Stock Exchange ("WSE")**

6,707,198 ordinary shares ("Shares")

with the nominal value of EUR 33.00 each

in

Liptovský Mikuláš, the Slovak Republic

This information memorandum has been prepared in relation to an intention of Tatry mountain resorts a.s., Demänovská Dolina 72, Liptovský Mikuláš 31 01, the Slovak Republic to apply for the admission and introduction of the shares to trading on the regulated market operated by the WSE. This Information Memorandum has been prepared pursuant to Article 39 Section 1, in conjunction with Article 7 Section 4 item 8, of the Polish Act on Public Offering, the Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies dated 29 July 2005, and pursuant to the Ordinance of the Polish Minister of Finance of 6 July 2007 on Detailed Conditions that Should Be Satisfied by an Information Memorandum referred to in Article 39 Section 1 and Article 42 Section 1 of the Polish Act on Public Offering.

This Information Memorandum has been prepared and published solely in relation to the intended application for listing on the WSE. In particular, it has not been prepared and published in relation to any offer to sell new or existing shares of the Company.

This Information Memorandum has not been approved by the Polish Financial Supervision Authority (the "PFSA", the competent Polish supervisory authority for the financial market in Poland) or any other regulatory body.

The sole responsibility for the content of this Information Memorandum and the information contained therein shall be borne by the TMR.

The Shares have been admitted to trading on the regulated market in the Slovak Republic and are listed on the Bratislava Stock Exchange.

The Information Memorandum, together with any other required statutory disclosure, is the sole legally binding document containing information on listing on the WSE.

This Information Memorandum has been published in Polish on the Internet on the Company's website <http://www.tmr.sk>. In addition, an English convenience translation of the Memorandum will be published at <http://www.tmr.sk>. Please note that the only binding language version of the Information Memorandum is the Polish version.

Investing in the securities described by this Memorandum involves high risk typical of equity instruments, as well as risk associated with the Group's business. Key risks to be considered when deciding whether to invest in the Shares are described in "Key Risk Factors Related to the Group and the Shares". The information contained in this document is not legal or financial advice. In order to obtain legal or financial advice, investors should contact their legal advisors or financial advisors.

The date of this Information Memorandum is September 10, 2012

IMPORTANT INFORMATION

Capitalized terms and certain industry terms and other terms used in this information memorandum but not defined herein have the meaning ascribed to such terms in "Abbreviations and Definitions". Unless the context otherwise requires, used in the Information Memorandum, the terms "group" and "Group" and similar expressions refer to Tatry Mountain Resorts a.s. together with all its subsidiaries which are subject to consolidation. The terms "Company" and "TMR" refers only to Tatry Mountain Resorts a.s. Unless otherwise indicated, statements expressing beliefs, expectations, estimates and opinions of the Issuer or refer to management's beliefs, expectations, estimates and opinions of the Board.

DISCLAIMER

The contents of this Information Memorandum are not to be construed as legal, financial, business or tax advice. Each investor should consult his, her or its own legal adviser, financial adviser or tax adviser for legal, financial or tax advice. If in any doubt about the contents of this Information Memorandum, prospective investors should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser.

This Information Memorandum is intended to provide information to prospective investors in the context of and for the sole purpose of listing on the WSE. It contains selected and summarized information, does not express any commitment or acknowledgement or waiver and does not create any express or implied right towards anyone other than a prospective investor in the context of listing on the WSE. It can not be used except in connection with listing on the WSE.

This Information Memorandum does not constitute an offer to sell or a solicitation by or on behalf of the Company to any person to purchase any of the Shares in any jurisdiction.

AMENDMENTS TO THE INFORMATION MEMORANDUM

In case there is a need for any updates to the content of the Information Memorandum, the Company will give notice of such updates by publishing relevant information on the website on which the Information Memorandum has been published, that is at <http://www.tmr.sk>. In addition, as of the day when the Shares are admitted to trading on the WSE, The Company will be required to satisfy ongoing reporting requirements and disclose certain information to the public in Poland, as required under the relevant regulations.

FORWARD-LOOKING STATEMENTS

The Information Memorandum includes forward-looking statements, which means all statements other than statements of facts occurring in the past, including a statement in which, before which or after which, there are words such as "it is deemed", "it is forecast", "it is meant", "it is projected", "it is planned", "it is estimated", "it is expected", "it is anticipated", "we aim to", "it is foreseen that" and other similar expressions or the negation. Forward-looking statements relate to the issues of known and unknown at risk and uncertainties and other important factors beyond the control of the Group that could cause actual results of the Group's prospects and development of the Group to be materially different from the results, achievements and development anticipated in these statements or resulting from them. Given the Company's forward-looking statements are based on many assumptions about current and future business strategies of the Group and the environment in which the Group operates and will operate in the future. Certain factors that could cause actual results, achievements and development of the Group to differ from those described in forward-looking statements. Such statements are valid only on the date of the Information Memorandum. Investors should be aware that various important factors and risks could cause actual results of the Group to differ materially from the plans, objectives, expectations and intentions expressed in forward-looking statements. The Company does not give any guarantees and does not ensure that the factors described in the forward-looking statements actually occur, and any such statement is only one of the possible options, which should not be regarded as a option the most likely or typical.

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1. INFORMATION ON TATRY MOUNTAIN RESORTS, A.S.

Corporate name:	TATRY MOUNTAIN RESORTS, A.S.
Legal form:	joint-stock company
Registered office:	Demänovská Dolina 72, Liptovský Mikuláš 31 01, Slovak Republic
Corporate head office:	Demänovská Dolina 72, Liptovský Mikuláš 31 01, Slovak Republic
Telephone No.:	+421 44 5591505 +421 44 5591606
Website:	www.tmr.sk
Email:	info@tmr.sk
Registration entry:	04/01/1992 Commercial register of the District court Žilina, Section: Sa, Insert No.: 62/L
VAT identification number:	SK 2020428036
Company ID number:	31 560 636

2. INFORMATION ON THE SHARES

As of the date of this Memorandum, the authorized, issued and fully paid share capital amounts to EUR 221,337,534 and comprises of 6,707,198 ordinary shares with a par value of EUR 33 each.

All of the Shares are intended to be admitted to trading and listed on the WSE's main market. Additionally, the Company also intends to apply for the admission of all its shares on the PSE.

For additional information concerning Company's share capital see "Additional information on the Company's share capital".

3. LEGAL BASIS FOR APPLYING FOR THE ADMISSION OF THE SHARES TO TRADING ON THE WARSAW STOCK EXCHANGE

Under the Slovak law and the Articles of Association of the company Tatry mountain resorts, a.s., with its registered Office at Demänovská Dolina 72, Liptovský Mikuláš 031 01, Slovak Republic, Company Identification No. (in Slovak „IČO“) 31 560 636 (the „Company“), the Board of Directors of the Company is the statutory body of the Company which is authorized to make any and all decisions relating to:

- (i) admission and introduction of any and all shares issued in the registered capital of the Company (the „Shares“) to trading on the regulated market of the Warsaw Stock Exchange; and
- (ii) registration of any and all Shares with the National Depository of Securities in Poland.

The resolution of the Board of Directors of the Company adopting the following decisions was passed on December 12, 2011:

- (i) the Board of Directors of the Company has granted its approval to seek the admission and introduction to trading on the regulated market of the Warsaw Stock Exchange with regard to all of the Shares and taking all other necessary steps in connection with the above; and
- (ii) the Board of Directors of the Company has granted its approval for the registration of all the Shares with the securities depository operated by the National Depository of Securities in Poland and taking all other necessary steps in connection with the above.

The admission and introduction of all the Shares to trading on the regulated market of the Warsaw Stock Exchange was also approved by the General Meeting of the Company held on April 21, 2012.

4. SUMMARY OF RIGHTS AND OBLIGATIONS ATTACHED TO THE SHARES

This Memorandum includes a general description of the relevant provisions of Slovak law with respect to the Shares. Investors that are not Slovak residents are advised to consult with Slovak counsels if they wish to obtain a more comprehensive understanding of their rights and obligations as holders of the Shares.

4.1. Rights attached to the Shares

The Company is a Slovak legal entity and its organization, structure, rules of operation and shareholders relations are governed by the laws of the Slovak Republic. Therefore, the regulations and proceedings governing the exercise of rights of the Company's shareholders might be different than the corresponding regulations and procedures relating to Polish joint stock companies.

Pursuant to the Articles of Association of the Company (the "Articles of Association"), which are in compliance with the statutory provisions of the Slovak Act No. 513/1991 Coll. the Slovak Commercial Code (the „ Slovak Commercial Code“) the main rights attached to the Shares include, in particular:

Rights to participate in and vote at the General Meeting

Convocation of the General Meeting

In principle, general meeting is the supreme body of a company and must be convened in cases stipulated by law or by company's articles of association.

The general meeting shall be held at least once a year by the end of the first six-month period following the end of the company's business year and shall be convened by the board of directors, unless the law stipulates otherwise. The board of directors decides by a simple majority on whether to convene the general meeting. Pursuant to the Slovak Commercial Code and the Articles of Association the board of directors of the Company (the "Board of Directors") decides to convene the General Meeting at its own initiative, in cases stipulated by law or at the request of a minority shareholder(s) that hold(s) the Shares with a nominal value attaining at least five (5) % of the registered capital of the Company.

The General Meeting may be convened also by the Supervisory Board of the Company, if it is in the Company's interest.

The announcement on the convocation of the General Meeting of the Company must be published in a periodical newspaper publishing stock market reports with a nation-wide circulation (within the Slovak Republic) as well as on the Company's web-side and by means for dissemination of the announcement in all EU member states at least thirty (30) days before the holding of the General Meeting.

In the period from the date of announcement of the convocation of the General Meeting to the date of the holding of such meeting at least the following information must be available on the Company's web-side:

- (i) the announcement on convocation of the General Meeting containing mandatory information under the Slovak Commercial Code;
- (ii) the total number of the Shares and voting rights attached to such Shares as of the date of announcement on convocation of the General Meeting was published;
- (iii) the consolidated version of all documents that will be discussed as part of the designated agenda of the General Meeting;
- (iv) proposals for any decisions of the General Meeting according to individual items on the agenda of the General Meeting and the opinion of the Board of Directors on each item for which no proposal for decision has been submitted;
- (v) a sample form of the written power of attorney that may be used for voting through a shareholder's representative; and
- (vi) the manner and means through which the Company receives notices on the appointment, replacement or removal of an authorized representative by electronic means, as well as the related technical requirements.

Rights of minority shareholders in relation to the General Meeting

In the case the General Meeting is convened at request of a minority shareholder(s) that hold(s) the Shares with a nominal value attaining at least five (5) % of the registered capital of the Company, the Board of Directors shall convene the General Meeting to be held at the latest within forty (40) days from the day the request was delivered. The Board of Directors is not entitled to change the proposed agenda unless the persons that requested the convening of the General Meeting provide their consent. The request of minority shareholders may be granted only if these shareholders can prove that they are owners of the Shares for at least three months before the expiry of the period for convening the General Meeting by the Board of Directors. Thus, the Articles of Association require to substantiate the request by an original or a copy authorized by notary public of the extract from the book-entered securities owners account of the minority shareholder(s) held with the Slovak Central Depository of Securities or by a member of the Slovak Central Depository of Securities (other depository or custodian) giving evidence on that fact.

If the Board of Directors does not convene the General Meeting upon a legitimate request of the minority shareholders, the competent court shall decide, upon the petition of the requiring shareholder(s) and entrusts them to convene the General Meeting and to undertake all acts related thereto. The costs of the court proceeding and the convening of the General Meeting shall be born by the Company.

In general, upon request of a minority shareholder(s) that hold(s) shares with a nominal value attaining at least five (5) % of the registered capital of a company:

- (i) The board of directors shall include a matter designated by them into the agenda of the general meeting. The general meeting is than obliged to discuss such matter. Any requests for supplementation of the agenda must be substantiated or supplemented with a proposed decision for the general meeting to adopt, failing which the general meeting does not need to attend to such request.
- (ii) If a request for inclusion of a matter determined by the minority shareholder(s) is delivered after the announcement on the convocation of the general meeting was published, the board of directors shall publish the supplement to the agenda of the general meeting in the same manner as for convening the general meeting at least ten (10) days before the general meeting is held, provided the minority shareholder(s) deliver(s) such supplement at least twenty (20) days before the general meeting is held.
- (iii) The supervisory board shall review the performance by the board of directors of its powers in the designated matters.
- (iv) The board of directors shall exercise claims in the name of the company for payment of the issue price of the shares in default or for the return of any benefit paid by the company contrary to the provisions of the Slovak Commercial Code against shareholders.
- (v) The supervisory board shall exercise claims in the name of the company for damages and other claims (if applicable) that the company has towards members of the board of directors.

Participation in the General Meeting

A shareholder is entitled to participate in the General Meeting and vote at the General Meeting, request information and explanations related to Company matters or matters concerning persons controlled by the Company that relate to the subject matter of discussions and submit proposals. Only shareholders of the Company that are registered as holders of the Shares in the Slovak Central Depository of Securities or by a member of the Slovak Central Depository of Securities (other depository or custodian) as at the third (3.) day before the day the General Meeting is held (the "Relevant Date") may participate in such meeting and exercise their voting and other hereinabove mentioned rights.

A shareholder may attend the General Meeting in person or by a proxy based on a written power of attorney with a notarized signature of the donor of power. If there is more than one representative authorized to act in connection with the same Shares, the Company shall allow the shareholder's proxy that has been registered first into the attendance list to vote on the General Meeting. The power of attorney must be submitted in the course of the attendance.

In cases when the Board of Directors so decides and the shareholders have been advised in the announcement on convocation of the General Meeting on such fact, a shareholder of the Company shall be obliged to submit an extract from his book-entry securities owners account held by the Slovak Central Depository of Securities or by a member of the Slovak Central Depository of Securities (other depository or custodian) as to the Relevant Date.

Voting rights

Pursuant to the provisions of the Slovak Commercial Code and the Articles of Association, unless otherwise stipulated hereinafter, a simple majority of votes cast is required in order for the General Meeting of the Company to adopt resolutions.

A two-thirds (2/3) majority of present votes is required to adopt resolutions of the General Meeting on the following matters:

- (i) Amendment to Articles of Association;
- (ii) Increase or decrease of the registered capital of the Company;
- (iii) The authorization of the Board of Directors to increase the registered capital of the Company;
- (iv) Issuance of priority shares or exchangeable bonds;
- (v) Winding up the Company;
- (vi) Changes of legal form of the Company;
- (vii) Election and removal of members of the supervisory board of the Company;
- (viii) Stopping trading of the Shares on a stock exchange; and
- (ix) Decision on the Company ceasing to be a public joint stock company and becomes a private joint stock company.

A three-fifths (3/5) majority of votes of all shareholders of the Company is required to adopt resolutions of the General Meeting on the following matters:

- (i) Amendment to Articles of Association related to introduction of a possibility of voting by correspondence; and
- (ii) Amendment to Articles of Association related to introduction and establishment of conditions for participation and voting of shareholders in the General Meeting through electronic means.

The number of votes of a shareholder is determined by the proportion of the nominal value of its Shares to the amount of the registered capital of the Company.

Participation in and voting at the General Meetings of shareholders holding Shares through the NDS

Participation in the General Meetings of shareholders holding Shares through the NDS will be possible due to intermediation of a member of the Slovak Central Depository of Securities (other depository or custodian).

In order to participate in and vote at the General Meeting, shareholders holding Shares through the NDS should contact the investment firms (the NDS participants) that maintain their securities account, and they will be provided with the relevant information.

The right to exercise voting rights at the General Meeting by investors holding Shares through the NDS will be established on the basis of the balance of securities accounts as of the end of the Relevant Date, including all of the transactions which have been settled up to the Relevant Date.

Dividend rights

The General Meeting decides on the distribution of profit. A shareholder is entitled to a share in the Company's profit (dividend) which the General Meeting has determined for distribution according to operating results of the Company. Once the General Meeting has decided on the distribution of profit, the share in profit shall be determined by the proportion of the nominal value of the shareholder's Shares to the nominal value of the Shares of all shareholders. Exemptions to the above rule of participation in the profit are permitted only if prescribed in the Articles of Association of the Company and the Company has issued shares with different entitlement to a share in profit.

In principle, a company may pay out dividends to its shareholders only if the following conditions have been fulfilled:

- (i) net profit has been reduced by mandatory contributions to the reserve fund and other funds (if applicable) and by the accumulated loss of previous years;

- (ii) the equity ascertained from the approved financial statements is not, or would not be in consequence of the profit distribution, lower than the value of the registered capital increased by the reserve fund or other funds (if applicable) and reduced by the value of unpaid registered capital.

A company must not pay out to shareholders any interest on investment contributions or advances on dividends.

The relevant day for determining shareholders entitled to exercise the right to a dividend (“Dividend Date”) shall be determined by the General Meeting which decided on the distribution of Company’s profit. Such day may not be determined to be a day earlier than the fifth (5.) day following the day the General Meeting was held, or a day later than the thirtieth (30.) day after the General Meeting was held. If such day has not been determined by the General Meeting, the relevant day shall be deemed the thirtieth (30.) day after the General Meeting was held.

The manner and place for payment of dividends shall be also determined by the General Meeting which decided on the distribution of profit. The dividend in the Company is payable within sixty (60) days from the Dividend Day at the latest.

The right to a dividend may be a subject of independent transfer from the day when the General Meeting decided on the distribution of profit to shareholders.

Payment of dividends and other distributions to shareholders holding Shares through the NDS

The group of investors holding Shares through the NDS who are entitled to receive the dividend will be established on the basis of the balance of securities accounts as of the end of the Dividend Date, including all of the transactions which have been settled up to the Dividend Date (inclusive). The Company will pay the dividend to shareholders holding Shares through the NDS.

Dividend income derived by investors who are Polish residents is subject to tax at a flat rate of 19%. However, the Polish-Slovak DTC allows deducting from the tax on dividends paid by the Polish resident the amount of tax withheld by Slovakia. The deduction cannot exceed the part of the tax, as computed before the deduction is given, which is attributable to such items of income.

For further details please refer to chapter 13. Additional information, 13.5. Selected Polish tax considerations.

Right to share in the capital in the event of liquidation

After the winding-up of a joint stock company with liquidation, each shareholder is entitled to a share in the liquidation balance (the remaining assets of a company). If shares have not been fully paid up, the shareholders shall obtain the sum which they have paid first, while the remaining part shall be distributed among the shareholders in proportion to the amount of the nominal value of their shares.

Shareholders’ pre-emptive rights

The General Meeting of the Company may decide on the increase of registered capital of the Company by a two-thirds (2/3) majority of the votes of attending shareholders. The announcement on convening the General Meeting must contain information on the proposed manner, amount and other conditions of the increase of registered capital.

If the Company increases the registered capital by monetary contributions, the existing shareholders have a pre-emptive right to subscribe shares in order to increase the registered capital, by the proportion of the nominal value of their Shares to the amount of the existing registered capital. The invitation for shareholders to exercise their pre-emptive right to subscribe shares must be published and shall include the period, manner and place for exercising of the pre-emptive right, which must not be shorter than fourteen (14) days. The pre-emptive right to subscribe new shares may be a subject of independent transfer from the date of the decision of the General Meeting on the increase of registered capital. If the existing shareholders do not exercise their pre-emptive rights to subscribe new shares within the specified time limit and do not subscribe the newly issued shares, third parties are allowed to subscribe and pay for the shares.

In general, the pre-emptive right to subscribe new shares may be limited or excluded only in a decision of the general meeting on the increase of registered capital if so required by the material interests of the company or by a special regulation. If it is proposed to limit or exclude the shareholder's pre-emptive right to subscribe new shares, the board of directors must submit a written report to a general meeting in which it shall state the reasons of such limitation or exclusion and justify the proposed amount of the share issue price. If the purpose of the increase of registered capital is the issuance of shares to the company's employees, it is considered to be a material interest of the company to limit or exclude pre-emptive rights to subscribe new shares of other shareholders.

The relevant day ("Relevant Day of Pre-emptive Rights") for determining a shareholder that has a pre-emptive right to subscribe new shares shall be determined by the general meeting in the decision on the increase of registered capital and such day must not be designated a day earlier than the fifth (5th) day following the day the general meeting was held, or a day later than the first (1st) day of the period designated by the general meeting for exercising of the pre-emptive right to subscribe new shares.

New shares are subscribed by an entry into the memorandum of subscribers or by a delivery of a written expression of the subscriber's intent to subscribe new shares. The entire issue price of the shares subscribed must be paid within the period determined by the decision of the general meeting.

Execution of pre-emptive rights by shareholders holding Shares through the NDS

The number of pre-emptive right for investors holding Shares through the NDS will be established on the basis of the balance of securities accounts as of the end of the Relevant Date of Pre-emptive Rights, including all of the transactions which have been settled up to the Relevant Date of Pre-emptive Rights.

During the subscription period, beneficial owners will approach the entities managing their securities accounts (brokerage companies, custodians) in order to subscribe for the shares of the new issue and make the relevant payment. Individual subscription rights will be exercised based on the subscription ratio determined by the Company. At the end of the subscription period, the NDS participants will advise the NDS of the total number of exercised rights, as well as acquired shares, and will provide the NDS with the funds relating to the placed subscriptions. Afterwards collected funds will be transferred via CDCP to the Company.

4.2. Redemption provisions

A redemption right is the right of a shareholder to force the company to repurchase its shares

Except for provisions determining conditions for the mandatory takeover offers in cases of stopping trading of shares on a stock exchange stipulated under conditions of the Slovak Act No. 566/2001 Coll. on Securities and Investment Services as amended (the "Slovak Securities Act") neither the provisions of applicable Slovak law nor the Articles of Association provide for any provision or option rights entitling the shareholders of the Company to force the Company to repurchase their Shares.

Statutory provisions, to a limited extent and under the conditions of Articles 161a to 161f of the Slovak Commercial Code, only provide for the ability of a company to acquire its own shares.

4.3. Conversion provisions

As the Company only has one class of shares being ordinary shares, currently there are no provisions of the Articles of Association governing the possibility of converting ordinary shares into preferred shares.

4.4. Transferability

Slovak statutory provisions provide that the transferability of shares that have been accepted for trading on the registered market may not be limited nor excluded. No Company's permission, statutory body's decision, consent or resolution is required in order to transfer Shares of the Company.

Nevertheless the Company is entitled to submit an order to the Slovak Central Depository of Securities for registration of the suspension of the right to dispose with its shares for a period starting on the Relevant Day and ending on the day when the General Meeting is held.

4.5. Mandatory takeover offers and/or squeeze-out rules in relation to Shares under Slovak regulations

The Slovak rules on mandatory takeover offers and squeeze-out and sell-out rules are included in the following laws and regulations:

- (i) the Slovak Securities Act and the implementing regulations issued on the basis of this act;
- (ii) Slovak Act No. 429/2002 Coll. on Securities Stock Exchange (in Slovak “*o burze cenných papierov*”) as amended and the implementing regulations issued on the basis of this act; and
- (iii) The Bratislava Stock Exchange rules (in Slovak “*Burzové pravidlá Bratislavskej burzy cenných papierov*”).

Mandatory takeover offers

In accordance with the Slovak Securities Act, a person who himself or with persons acting in concert with him acquires a percentage of shares of an offeree company that give him/them at least thirty-three (33) % of voting rights attached to the shares of such company shall be required to make a bid for all the shares of the offeree company. Where such control of an offeree company has been acquired or exceeded by persons acting in concert and this gives rise to the obligation to make the mandatory takeover bid, all the persons acting in concert shall be subject to this obligation, however it shall be deemed fulfilled when a takeover bid is made by any of them.

The consideration under a mandatory takeover bid shall be fair, i.e. shall not be lower than the highest consideration which the offeror or a person acting in concert with the offeror has provided for the shares of the offeree company within the period of twelve (12) months before the takeover bid became mandatory, and at the same time it is not lower than the consideration stipulated by the expert opinion prepared by an expert selected by the National Bank of Slovakia, nor lower than the net value per share of all assets of the offeree company, according to the most recent financial statements audited before the takeover bid became mandatory. In the case of listed shares, adequate consideration also cannot be lower than the average price of these shares quoted on the stock exchange over the period of twelve (12) months before the takeover bid became mandatory.

Before the disclosure of a mandatory takeover bid, the offeror may not exercise voting rights in the offeree company in excess of the percentage conferring control thereof (i.e. in excess of thirty-three (33) %).

A mandatory takeover bid must be approved by the National Bank of Slovakia before it is announced by the offeror and may not be withdrawn.

Mandatory takeover offer in cases of stopping trading of Shares on a stock exchange

If the general meeting of an issuer of listed shares decides that the shares issued by the issuer shall no longer be listed, the issuer shall be required to publish a mandatory takeover bid to buy all listed shares from those shareholders who, at the general meeting concerned, have not voted for the decision to remove the shares from the listed ones, or have not attended the general meeting. The mandatory takeover bid shall indicate the general meeting's decision to delist the shares as the reason for the publication of the mandatory takeover bid. The obligation to make a mandatory takeover bid shall be deemed fulfilled if the mandatory takeover bid to buy all listed shares from shareholders who did not vote at the general meeting to delist the shares is made for the issuer by a person other than the issuer.

Squeeze-out

Under the Slovak law, an offeror who has made a takeover bid which was neither partial nor conditioned shall have the right to require all the holders of the remaining shares of the offeree company to transfer those shares to him for a fair consideration (the "Right of Squeeze-out"), provided that he owns shares whose total nominal value represents not less than ninety-five (95) % of the capital carrying voting rights and not less than ninety-five (95) % of the voting rights in the offeree company.

An offeror who has decided to exercise the Right of Squeeze-out shall without delay disclose this decision, and the circumstance in which the right arose, to the offeree company, the National Bank of Slovakia and all remaining shareholders of the offeree company.

A Right of Squeeze-out vis-à-vis the shareholders concerned shall take effect subject to the approval of the National Bank of Slovakia. The Right of Squeeze-out may be exercised by the offeror not later than three (3) months after the validity period of the takeover bid.

To exercise the Right of Squeeze-out, the offeror shall send a contract proposal for the purchase of shares to all remaining shareholders of the offeree company. In the contract proposal, the offeror shall state in particular:

- (i) information on the amount of consideration, including the reasons for this amount of consideration;
- (ii) the period for acceptance of the contract proposal; and
- (iii) the period and procedure for the transfer of the securities.

The consideration offered must be fair in regard to the value of the shares of the offeree company. Where a mandatory takeover bid precedes the Right of Squeeze-out, consideration shall be deemed fair where it is not lower than the consideration in that bid. If the mandatory takeover bid on a voluntary basis is launched before the Right of Squeeze-out is exercised, the consideration offered in this bid shall be deemed fair where the offeror has, through this bid, acquired shares carrying at least ninety (90) % of the voting rights in that part of the offeree company's share capital which was subject to the takeover bid. If the offeror has not acquired shares carrying at least ninety (90)% of the voting rights in that part of the offeree company's share capital which was subject to the takeover bid, the amount of consideration shall be determined by and expert selected by the National Bank of Slovakia.

If the obliged person fails to accept the proposal within the stipulated period, the offeror may petition a court to issue an order in substitution for acceptance of the proposal within three (3) months after the period elapsed.

Sell-out

In accordance with the Slovak Securities Act, if a shareholder owns shares whose total nominal value represents not less than ninety-five (95) % of the capital carrying voting rights and not less than ninety-five (95) % of the voting rights in the offeree company, a holder of remaining shares in the offeree company may require the offeror to acquire his shares from him for a fair consideration (the „Right of Sell-out“). The Right of Sell-out may be exercised by the shareholder not later than three (3) months after the validity period of the takeover bid. The shareholder shall exercise this right by sending a contract proposal for the purchase of his shares.

The contract proposal shall state in particular:

- (i) the required fair consideration in cash or securities;
- (ii) the period for acceptance of the contract proposal; and
- (iii) the period and procedure for the transfer of the securities.

An obliged person shall accept the contract proposal within the period stated therein, or else within a period of ten (10) working days from the date of its receipt. If the obliged person fails to accept the proposal within this period, the entitled person may petition a court to issue an order in substitution for acceptance of the proposal. This right shall be exercised within three (3) months after the period elapsed.

An obliged person may, without delay after receiving the contract proposal, seek judicial review of whether the consideration offered is fair. This right shall expire if not exercised within one (1) month after receipt of the contract proposal. If the amount of the consideration was not set by an expert opinion, it shall be incumbent on the entitled person to prove that the consideration offered is fair.

4.6. Form of the Shares

The Shares are issued and traded on a dematerialized basis in a book-entry form.

4.7. Selected Polish law regulation

Right after admission to trading on WSE, Polish law regulation will also apply to the Company and its investors. The principle regulations governing the Polish securities market are three acts dated 29 July 2005, i.e.: (i) the Polish Act on Public Offering; (ii) the Polish Act on Trading in Financial Instruments; and (iii) the Polish Act on the Supervision over the Capital Market. Since 19 September 2006, supervision over the capital markets has also been regulated by the Polish Act on Supervision over the Financial Market. Furthermore, the Polish capital market is governed by regulations provided in secondary legislation adopted on the basis of the above-mentioned laws and Community rules, which, similarly to Community regulations, apply directly in Poland.

The authority which oversees the capital market in Poland is the PFSA.

The Polish Act on Public Offering: rights and obligations related to the acquisition and sale of significant blocks of shares

The Company is a public company for the purposes of Article 4 section 20 of the Polish Act on Public Offering. Consequently, any acquisition and sale of shares is subject to, in particular, the requirements listed below.

Pursuant to Article 69 of the Polish Act on Public Offering, anyone who:

- has achieved or exceeded 5%, 10%, 15%, 20%, 25%, 33%, 33 1/3%, 50%, 75% or 90% of the total vote in a public company; or
- held at least 5%, 10%, 15%, 20%, 25%, 33 1/3%, 50%, 75% or 90% of the total vote in a public company, and as a result of a reduction of its equity interest, holds 5%, 10%, 15%, 20%, 25%, 33%, 33 1/3%, 50%, 75% or 90% or less of the total vote, respectively, is obliged to notify the PFSA and the company of the fact immediately, no later than within 4 business days from the date on which the shareholder becomes, or by exercising due diligence could have become, aware of the change in his share in the total vote, and in the case of a change resulting from the acquisition of shares of a public company in a transaction on a regulated market, no later than within 6 trading days from the transaction date.

The notification requirement referred to shall apply also to a shareholder who:

- (i) held over 10% of the total vote and this share has changed by at least:
 - a) 2% of the total vote - in the case of a public company whose shares have been admitted to trading on the official stock-exchange listing market,
 - b) 5% of the total vote - in the case of a public company whose shares have been admitted to trading on a regulated market other than the one specified in (a) above;
- (ii) held over 33% of the total vote and this share has changed by at least 1%.

The notification requirement shall not apply if upon the settlement in the depository for securities of a few transactions executed on the regulated market on a single day, the change of a shareholder's share in the total vote in a public company as at the end of the settlement day does not result in reaching or exceeding any threshold which triggers the notification requirement.

According to Article 70 of the Polish Act on Public Offering, following receipt of a notice, a public company is required to immediately and simultaneously make the information public and deliver it to the PFSA and the company which operates the regulated market on which the shares in that company are quoted.

The PFSA may release a public company from the obligation to make such information public if the disclosure of such information could:

- harm the public interest; or
- result in major harm to the interests of the company, unless the lack of the relevant information will result in many investors being misled with regard to the assessment of the value of the securities.

According to Article 72 of the Polish Act on Public Offering in the event of acquisition of a number of shares in a public company which increases a shareholder's share in the total vote by more than (i) 10% within a period shorter than 60 days - in the case of a shareholder holding less than 33% of the total vote at the company, (ii) 5% within 12 months - in the case of a shareholder holding 33% or more of the total vote at the company, may be done only by way of a tender offer to subscribe for sale or exchange of those shares in the number no lower than 10% or 5% of the total vote respectively.

Moreover according to Article 73 and Article 74 of the Polish Act on Public Offering an investor may exceed respectively 33% or 66% of the total vote in a public company only as a result of a tender offer to acquire or exchange shares in such company:

- according to Article 73, a shareholder may exceed 33% of the total vote in a public company only as a result of a tender offer to acquire or exchange shares in such company, concerning a number of shares which confers the right to at least 66% of the total vote, unless the 33% threshold is to be exceeded as a result of a tender offer referred to in Article 74.
- according to Article 74, a shareholder may exceed 66% of the total vote in a public company only as a result of a tender offer to acquire or exchange the remaining shares in the company.

If a shareholder exceeds the 33% threshold as a result of an indirect acquisition of shares, acquisition of shares of a new issue, acquisition of shares in a public offering or as a non-cash contribution to the company, merger or demerger of the company, consequently to amendment of the company's articles of association, expiry of preference rights attached to shares, or otherwise as a result of a legal event other than a legal action, the shareholder or the entity which has indirectly acquired the shares in question shall be obliged, within three months from exceeding the 33% threshold, to:

- (i) announce a tender offer to subscribe for sales or exchange of the company shares, concerning a number of shares conferring the right to at least 66% of the total vote, or
- (ii) dispose of a sufficient number of shares as to hold shares conferring the right to not more than 33% of the total vote,

unless within that period the share of such shareholder or of the entity who has indirectly acquired the shares in the total vote decreases to no more than 33% of the total vote as a result of a share capital increase, amendment of the company's articles of association, or expiry of preference rights attached to shares, respectively.

If a shareholder exceeds the 33% threshold as a result of inheritance, then the obligation stated above shall apply only if following such an acquisition the shareholder's share in the total vote increases further; the time for the performance of the obligation is counted from the day of the event leading to an increase in the shareholder's share in the total vote.

If a shareholder exceeds the 66% threshold as a result of an indirect acquisition of shares, acquisition of shares of a new issue, acquisition of shares in a public offering or as a non-cash contribution to the company, merger or demerger of the company, consequently to amendment of the company's articles of association, expiry of preference rights attached to shares, or otherwise as a result of a legal event other than a legal action, the shareholder or the entity which has indirectly acquired the shares shall be obliged, within three months from exceeding the 66% threshold, to: announce a tender offer to subscribe for the sales or exchange of all the remaining shares of that company, unless within that period the share of such shareholder or of the entity who has indirectly acquired the shares in the total vote decreases to no more than 66% of the total vote as a result of a share capital increase, amendment of the company's articles of association, or expiry of preference rights attached to shares, respectively.

If within 6 months from a tender offer made on the basis of Article 74 (66% threshold) a shareholder acquires further shares in the company at a price higher than the price set in the tender offer otherwise than by way of a tender offer, he is obliged, within one month from the acquisition, to pay the difference in the share price to all persons who sold the shares by accepting the tender offer.

According to Article 75 the obligations referred in Article 72 above shall not apply if the shareholder acquires shares in primary trading, through a non-cash contribution or as a result of a merger or demerger of a company. Moreover the obligations referred to in Article 72 through Article 74 shall not apply if the shareholder acquires shares:

- from an entity being a member of the same group;
- by way of procedure provided for in bankruptcy and recovery regulations, or enforcement proceedings;
- under an agreement on the creation of financial collateral between qualifying entities, concluded on the terms and conditions defined in the Act on Certain Types of Financial Collateral of 2 April 2004 (Journal of Laws of 2005 No.91, item 871, No. 83, item 719 and No. 183, item. 1538 and of 2009 No. 42, item. 341);
- encumbered with a pledge in order to satisfy a pledge entitled, under other statutes, to satisfy its claims by foreclosure of the pledged asset;
- by inheritance, except for cases referred to in Article 73.3 and Article 74.5.

The obligations referred in Article 72 through Article 73 shall not apply if the shareholder acquires shares from the State Treasury:

- through an initial public offering;
- within three years from the closing of the sale of the shares by the State Treasury through an initial public offering.

The Polish Act on Trading in Financial Instruments

Insider trading

According to Article 154 of The Polish Act on Trading in Financial Instruments, inside information within the meaning of this Act shall be any information of a precise nature, relating, whether directly or indirectly, to one or more issuers of financial instruments, one or more financial instruments, or acquisition or disposal of such instruments, which has not been made public and which, if made public, would be likely to have a significant effect on the prices of financial instruments or related derivative financial instruments, with the proviso that such information:

- (i) shall be considered of a precise nature if such information discloses circumstances or events which have happened or may reasonably be expected to happen, and such information is sufficient to assess the potential effect of such circumstances or events on the price or value of financial instruments or related derivative financial instruments;
- (ii) shall be considered to be likely, if made public, to have a significant effect on the price or value of such financial instruments or the price of related derivative financial instruments if such information is likely to be taken into account by a reasonable investor in making an investment decision;
- (iii) shall be considered inside information in relation to persons executing orders concerning financial instruments also if it is disclosed to such person by an investor or another person who is aware of such orders and it relates to investor's orders to acquire or dispose of financial instruments, provided that the premises specified above are satisfied.

According to Article 156 of The Polish Act on Trading in Financial Instruments anyone who gains confidential information by virtue of membership in the governing bodies of a company or other entity, by virtue of an interest in the share capital of the company or other entity, or as a result of having access to confidential information in connection with employment or a mandate or any other contract or any legal relationship of a similar nature, is prohibited from using such information.

The persons referred above shall not:

- (i) disclose inside information;
- (ii) recommend or induce another person on the basis of inside information to acquire or dispose of financial instruments to which such information relates;

Any person publicizing or using confidential information in violation of the law may be guilty of an offence punishable by imprisonment, a fine or both. The maximum fine that can be imposed is PLN 5 million; the length of imprisonment ranges from three months to eight years.

Obligations related to the purchase or sale of shares during lock-up periods

According to Article 159 of the Polish Act on Trading in Financial Instruments another restriction applies exclusively to persons mentioned in Article 156.1.1a: the members of the management board, supervisory board, proxies or attorneys in-fact of the issuer, its employees, qualified auditors or other persons related to the issuer under any mandate contract or any legal relation of a similar nature.

- (i) During a restricted period persons enumerated in Article 156.1.1a may not acquire or dispose of, for their own account or for the account of a third party, any of the issuer's shares, derivative rights attached thereto or other financial instruments related to such shares, and may not take for their own account or for the account of a third party any other legal transactions which lead or might lead to the disposal of such financial instruments.
 - a) During a restricted period, the persons listed in Article 156.1.1a, acting on behalf of a legal person, may not undertake any activities with the aim to acquire or dispose of by this person for its own account or for the account of a third party any of the issuer's shares, derivative rights attached thereto or other financial instruments related to such shares, take actions which result, or may result in the disposal of such financial instruments by this person, for its own account or for the account of a third party.
 - b) The provisions of Article 159.1 and Article 159.1a shall not apply to activities performed by:
 - i. the entity conducting investment services, to whom the person referred to in Article 156.1.1a has commissioned the management of financial instrument portfolio in a manner which excludes the interference of this person in investment decisions taken on its account or
 - ii. an obligation of a contract to dispose of or acquire the issuer's shares, derivative rights attached thereto and other financial instruments related with them, concluded in writing with the date certified by a notary public, concluded before the opening of the closed period, or
 - iii. as a result of submission by the person referred to in Article 156.1.1a, a written response to a tender offer for the sale or exchange of shares, in accordance with the provisions of the Polish Act on Public Offering, or
 - iv. in connection with the obligation of submission by person referred to in Article 156.1.1a, a request to a tender offer for the sale or exchange of shares, in accordance with the provisions of the Polish Act on Public Offering, or
 - v. in connection with the execution by the current issuer's existing shareholder rights, or
 - vi. in connection with the offer addressed to the staff or the staff of the statutory bodies of the issuer, provided that the information on such an offer is made publicly available concluded before the opening of the closed period.

Restricted period shall mean:

- (i) the period between the time when a natural person referred to in Article 156.1.1a gains inside information concerning the issuer or the financial instruments referred to in Article 159.1 which meet the conditions specified in Article 156.4 and the time when such information is made public;
- (ii) in the case of an annual report – the period of two months preceding the publication of such report or, if shorter, the period between the end of a given financial year and the publication of such report, unless a natural person referred to in Article 156.1.1a had no access to the financial data on the basis of which such report was prepared;
- (iii) in the case of a semi-annual report – the period of one month preceding the publication of such report or, if shorter, the period between the end of a given half year and the publication of such report, unless a natural person referred to in Article 156.1.1a had no access to the financial data on the basis of which such report was prepared;

- (iv) in the case of a quarterly report – the period of two weeks preceding the publication of such report or, if shorter, the period between the end of a given quarter and the publication of such report, unless a natural person referred to in Article 156.1.1a had no access to the financial data on the basis of which such report was prepared.

If an insider violates this prohibition during the restricted periods, the PFSA may impose a fine of up to PLN 0.2 million. In addition, persons who are members of governing or supervisory bodies of issuers or are the issuer's proxies, as well as persons holding managerial positions, who have access to confidential information of the issuer are required to notify the PFSA and the issuer of their transactions involving shares in the issuer or related financial instruments. This obligation also applies to transactions involving relatives of the persons indicated above, in accordance with the definition provided in Article 160, section 2 of the Polish Act on Trading in Financial Instruments. A breach of the aforementioned obligations is subject to a fine of up to PLN 0.1 million.

4.8. Concentration regulations

General remark

Carrying out any concentration involving the Company and its subsidiaries may require the notification of the relevant antimonopoly authority or authorities as well as the need to obtain antimonopoly approval(s) for such concentration. The jurisdiction of the relevant antimonopoly authorities will depend on the circumstances of each intended concentration, in particular the character of the concentration and applicable turnover thresholds of the investor and the Company and its subsidiaries. Therefore, prior to carrying out any concentration, it should be verified which antimonopoly authority or authorities have jurisdiction over the concentration and the relevant antimonopoly approval(s) should be obtained. The concentration might be subject to notification to the European Commission and/or the relevant national antimonopoly authorities as the case may be.

Concentration control regulation

The requirements regarding the control of concentrations arise, *inter alia*, from the Council Regulation (EC) No. 139/2004 of 20 January 2004 on the control of concentration between undertakings (the EC Merger Regulation). This regulation governs concentrations having a Community dimension and therefore applies to undertakings and their related parties which exceed specific thresholds of sales of goods and services. This regulation only encompasses such concentrations as a result of which a permanent change arises in the ownership structure of the enterprise. Community concentrations are subject to notification of the European Commission before their final implementation.

A concentration of undertakings has a Community dimension if:

- (i) the total global turnover of all undertakings in the concentration amounts to more than EUR 5 billion and at the same time
- (ii) the total turnover in the European Community of each of at least two undertakings in the concentration is more than EUR 250 million, unless each of the undertakings in the concentration achieves more than two-thirds of its total turnover in the EU within one and the same member state.

A concentration of enterprises that does not satisfy the above criteria has a Community dimension if:

- (i) the total global turnover of all the enterprises in the concentration amounts to more than EUR 2.5 billion;
- (ii) in each of at least three member states, the total turnover of all the enterprises in the concentration amounts to more than EUR 100 million;
- (iii) in each of at least three member states, specified for the purposes indicated above, the total turnover of each of at least two of the enterprises in the concentration is at least EUR 25 million; and
- (iv) the total turnover in the European Community of each of at least two of the enterprises in the concentration is more than EUR 100 million, unless each of the enterprises in the concentration achieves more than two-thirds of its total turnover in the Community in one and the same member state.

Regulation of concentration in the Slovak Republic

The Slovak regulation regarding the control of concentrations is stipulated, *inter alia*, in the Slovak Act No. 136/2001 Coll. on Protection of Competition as amended. Under this regulation a concentration of two or more undertakings shall be subject to control by the Antimonopoly Office of the Slovak Republic if:

- (i) the combined aggregate turnover of the undertakings in the concentration is at least EUR 46 million in the Slovak Republic and at least two of the undertakings in the concentration attain a turnover of at least EUR 14 million each in the Slovak Republic; or
- (ii) the combined turnover in the Slovak Republic at least by one of the undertakings in the concentration (or the undertaking over whose enterprise the control shall be acquired) is EUR 14 million and simultaneously the worldwide combined turnover attained by another undertaking in the concentration is at least EUR 46 million.

Concentrations which are subject to control by the Antimonopoly Office of the Slovak Republic are subject to notification before their final implementation.

It cannot be excluded that carrying out a concentration involving the Company and its subsidiaries may require notifications in other jurisdictions in addition to or in lieu of notifying the Antimonopoly Office of the Slovak Republic or the European Commission. Therefore, investors intending to carry out a concentration involving the Company and its subsidiaries should verify whether notifications to any other antimonopoly authorities are required.

5. STATUTORY PROVISIONS WHICH AUTHORIZE THE ADMISSION OF THE SHARES TO TRADING ON THE WSE ON THE BASIS OF THIS INFORMATION MEMORANDUM

This Information Memorandum has been prepared pursuant to Article 39 Section 1, in conjunction with Article 7 Section 4 item 8, of the Polish Act on Public Offering. These regulations implement the provisions of Article 4 of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on Prospectuses to be Published When Securities are Offered to the Public or Admitted to Trading and amending Directive 2001/34/EC ("Directive 2003/71/EC").

According to Article 7 Section 4 item 8 of the Polish Act on Public Offering, the preparation, approval and publication of a prospectus is not required in cases where admission is sought for securities already admitted to trading on another regulated market if: (i) the securities or other securities of the same kind of that issuer have been admitted to trading for at least 18 months on that other regulated market; and (ii) such securities or other securities of the same kind of that issuer were for the first time admitted to trading on that other regulated market after 31 December 2003 following the approval and publication of an issue prospectus in conformity with principles conforming to the provisions of Chapter 2 of the Polish Act on Public Offering; and (iii) the information document published in connection with admission which took place after 1 July 1983 but before 31 December 2003 was prepared and approved in accordance with provisions of European Union law applicable in that period, as far as provisions of point (ii) above are of no application; and (iv) the issuer exercises the duties related to the admission of securities to trading on that other regulated market. In view of the foregoing, the issuer should publish an information memorandum prepared in the form of a single document and in the scope determined in the Memorandum Ordinance.

The requirements stipulated in Article 7 Section 4 item 8 of the Polish Act on Public Offering have been satisfied with respect to the Shares and the Company. In particular all Shares in issue were admitted to trading on the regulated Parallel listed market of the BSE on October 29, 2009 on the basis of the prospectuses approved on October 23, 2009 by NBS, with the effective date of October 26, 2009 prepared in accordance with the provisions of European Union law applicable at that time. The ongoing obligations for trading on the BSE have been fulfilled.

Taking the above into account, the conditions laid down in the Article 7 Section 4 item 8 of the Polish Act on Public Offering after the fulfillment of which an issuer of securities admitted to trading on another regulated market may apply, on the basis of an information memorandum, for admission of its securities to trading on a regulated market operated by the WSE have been fulfilled.

6. PERSONS MANAGING THE COMPANY, ITS ADVISORS AND AUDITORS

The Company operates in a two-tier corporate structure; it is managed by the Board of Directors, whose performance is supervised by the Supervisory Board.

Board of Directors

The Board of Directors is a corporate body of Tatry mountain resorts, a.s. It manages the Company's activities and decides about all matters of the Company, unless they are not restricted for the General Meeting or the Supervisory Board by law or the Articles of Association. The Board of Directors presents financial statements and investment plan to the Supervisory Board for approval and is responsible for its fulfillment. The Board of Directors presents the Articles of Association to the Supervisory Board for approval. The Board of Directors convenes the General Meeting at least once a year. Two members of the Board of Directors are allowed to act on behalf of the Company in all matters. Members of the Board of Directors are elected and dismissed by the Supervisory Board. The term of office is five years with possible re-appointment. The Supervisory Board also appoints the chairman of the Board of Directors.

The Board of Directors holds meetings as needed but at least once every two months. The quorum of the Board of Directors constitutes presence of the absolute majority of all the members. The decision of the Board of Directors is accepted if more than half of all the members have voted.

As of the date of this Memorandum, the Board of Directors was composed of the following six members:

Name	Position	Date the current term began	Expiration of term of office
Bohuš Hlavatý	Chairman of the Board of Directors and Chief Executive Officer. Member of the Board of Directors since June 29, 2009	June 29, 2009	June 29, 2014
Branislav Gábriš	Vice chairman of the Board of Directors. Member of the Board of Directors since February 18, 2011	February 18, 2011	February 18, 2016
Jozef Hodek	Member of the Board of Directors since June 29, 2009, Chief Financial Officer, and Member of the Audit	June 29, 2009	June 29, 2014
Andrej Devečka	Committee. Member of the Board of Directors since	December 22, 2011	December 22, 2016
Dušan Slavkovský	December 22, 2011 Member of the Board of Directors since May 1, 2010 and Director of Mountain Resorts	May 1, 2010	May 1, 2015
Michal Krolák	Member of the Board of Directors since February 18, 2011 and Director of Hotels and Dining	February 18, 2011	February 18, 2016

Supervisory Board

The Supervisory Board is the supreme controlling body of the Company. It oversees performance of the Board of Directors and the Company's operations. The Supervisory Board also approves financial plans presented by the Board of Directors, major

capital investments for the given fiscal year and rules of remuneration of the members of the Board of Directors and presents results of the monitoring activity to the General Meeting.

The term of office is five years with possible re-appointment. The General Meeting elects and removes members of the Supervisory Board. If the Company has more than 50 full-time employees at the time of the election, the General Meeting elects and removes two thirds and the Company's employees elect and remove one third of the Supervisory Board's members. As of the date of this Memorandum, the Supervisory Board had nine members:

Name	Position	Date the current term began	Expiration of term of office
Igor Rattaj	Chairman of the Supervisory Board. Member of the Supervisory Board since June 29, 2009. Elected by the General Meeting	June 29, 2009	June 29, 2014
František Hodorovský	Member of the Supervisory Board since January 18, 2011. Elected by the General Meeting	January 18, 2011	January 18, 2016
Jiří Uvíra	Member of the Supervisory Board since January 18, 2011. Elected by the General Meeting	January 18, 2011	January 18, 2016
Jan Marian Komornicki	Member of the Supervisory Board since January 18, 2011. Elected by the General Meeting	January 18, 2011	January 18, 2016
Boris Kollár	Member of the Supervisory Board since April 30, 2011. Elected by the General Meeting	April 30, 2011	April 30, 2016
Roman Kudláček	Member of the Supervisory Board since April 21, 2012. Elected by the General Meeting	April 21, 2012	April 21, 2017
Ján Štetka	Member of the Supervisory Board since June 30, 2012. Elected by employees of the Company	June 30, 2012	June 30, 2017
Peter Kubeňa	Member of the Supervisory Board since June 30, 2012. Elected by employees of the Company	June 30, 2012	June 30, 2017
Miroslav Roth	Member of the Supervisory Board since June 30, 2012. Elected by employees of the Company	June 30, 2012	June 30, 2017

Top management

As of date of this Memorandum, the Company had the following top managers responsible for the Company's operations:

Name	Position	Start date
Bohuš Hlavatý	Chief Executive Officer and Chairman of the Board of Directors	June 29, 2009
Jozef Hodek	Chief Financial Officer, Member of the Board of Directors and Member of the Audit Committee	June 29, 2009

Dušan Slavkovský	Director of Mountain Resorts and Member of the Board of Directors	May 1, 2010
Michal Krolák	Director of Hotels and Dining	May 1, 2010
Matej Hulej	Director for Tatry Motion (Sports Stores & Services)	May 1, 2010

Audit Committee

As of the date of this Memorandum, the Company had one committee – the Audit Committee. The committee monitors preparation of the annual financial report and recommends an auditor for the audit of the annual financial report. Other duties of the committee are specified by law and the Articles of Association.

As of the date of this Memorandum, the Audit Committee was composed of two members:

Name	Position
Jozef Hodek	Member of the Audit Committee since June 27, 2008, Member of the Board of Directors, and Chief Financial Officer
Viera Prokopová	Member of the Audit Committee since June 27, 2008

Accounting audit

As of the date of this Memorandum, KPMG Slovensko spol. s.r.o. with its registered office at Dvořákovo nábrežie 10, 811 02 Bratislava is responsible for the accounting audit of the financial statements of the Company and of the Group. KPMG Slovensko spol. s.r.o. was appointed on the basis of a resolution of the Annual General Meeting on April 21, 2012 for the accounting audit of the financial statements for fiscal year 2011/2012.

Advisors

As of the date of this Memorandum, the Company was in a contractual agreement with J&T IB & Capital Markets, a.s. organizačná zložka with its registered office at Dvořákovo nábrežie 10, 811 02 Bratislava for provision of advisory services in the area of Investor Relations.

As of the date of this Memorandum, the Company was also in a contractual agreement with CC Group Sp. z o.o. with its registered office at ul. Zielna 41/43, 00-108 Warsaw for provision of financial advisory services for the purpose of Dual Listing in Warsaw. The Company has signed also an agreement with CC Group Sp. z o.o. for provision of advisory services in the area of Investor Relations, provided that this agreement enters into force after the debut of the Shares on the WSE.

7. SELECTED FINANCIAL INFORMATION

Financial performance review for fiscal year 2010/2011 (1/11/2010 – 31/10/2011)

- Total consolidated revenues reached EUR 38.758 million (+59%)
- Operating consolidated earnings before interest, taxes, depreciation and amortization (EBITDA) reached EUR 12.219 million (+84%)
- Operating profitability (EBITDA margin) reached 31.5% (+16 percentage points)
- Profit before interest and tax (EBIT) was noted in the amount of EUR 1.599 million (vs. negative EBIT in previous year)
- Net consolidated profit was noted in the amount EUR 9.027 million (+57%) and consolidated comprehensive income EUR 9.177 million
- Net consolidated profit per share reached 1.35 euros
- Operating profitability improvement due to an increase of income without a proportional increase of fixed costs
- Total number of customers at 1.7 million (+63%); number of customers in the mountain resorts at 1.2 million (+20.5%)
- Cash flow from operating activities reached EUR 16.438 million from investment activities EUR -69.964 million, and from financial activities EUR 57.148 million.

The positive results of operations reflected in the increase of income and operating profit (EBITDA) might be attributed to the successful corporate strategy. In particular, the results were emphasized by the return on capital investments realized in the previous year and acquisitions. The group successfully eliminated the impact of unfavorable weather in the winter season 2010/2011 through expansion of technical snowmaking. Within the acquisition activity the Group expanded its portfolio by aquapark Tatralandia in April 2011, which helped to balance out seasonality of operational activity and minimized the impact of unfavorable summer weather thanks to hot thermal springs. Operating profitability showed a notable improvement also due to maximum use of synergies among segments and subsegments in marketing campaigns, human resources or central purchase due to which variable costs did not increase proportionally with revenues. An extensive marketing campaign on the Slovak and Polish market and introduction of attractive special offers contributed to the successful results. Expanded après ski activities (Music Club Happy End, new wellness in Wellness Hotel Grand Jasná and in Tri Studničky Hotel) and additional services (Fashion Café) helped to increase revenues in segments and subsegments of Dining, Sport Stores and Services, and Hotels.

Selected consolidated financial information

Selected consolidated financial information of the Group is presented in the tables below. The information has been extracted from the Group's audited consolidated financial statements as of and for the years ended October 31, 2011 and 2010 and from the Group's unaudited consolidated financial statements as of and for half-year ended April 30, 2012 and 2011. These financial statements were prepared in accordance with the IFRS.

The consolidated financial statements of the Group are published by the Company as a part of its annual and half-year reports and are available at <http://www.tmr.sk/en/investor-relations/financial-reports/latest-financial-reports/>.

The information presented in this Section of the Information Memorandum should be read in conjunction with the Group's audited consolidated financial statements and unaudited consolidated interim financial statements, the introduction thereto and the related notes thereto.

Consolidated income statement

In thousands of EUR

	For six months ended		For the year ended	
	30/4/2012	30/4/2011	31/10/2011	31/10/2010
Revenues	24,383	19,984	36,084	22,936
Other operating revenues	165	933	2,674	1,402
Total revenues	24,548	20,917	38,758	24,338
Cost of material and goods consumed	-4,045	-3,206	-5,397	-3,560
Purchased services	-7,181	-7,125	-12,110	-8,459
Personnel services	-5,205	-4,434	-8,764	-5,404
Other operating expenses	-339	-394	-1,020	-271
Gain on disposal of assets	50	51	362	66
Gain on revaluation of investments into property	-	-	394	-
Revenue from sale of company	1	-	-	-
Addition and release of adjusting items	6	-	-4	-77
Earnings before interest, taxes, depreciation and amortization (EBITDA)	7,835	5,809	12,219	6,633
Depreciation and amortization	-3,579	-3,831	-8,120	-6,831
Assets value increase/decrease	-	-	800	-505
Goodwill value decrease	-	-	-3,300	-
Profit/(loss) before interest and tax (EBIT)	4,256	1,978	1,599	-703
Interest and similar income	2,098	4,418	7,556	8,296
Interest and similar expense	-333	-242	-518	-543
Financial instrument costs, net	231	146	-1,706	-1,642
Associate companies loss	-51	-30	-1,703	-46
Negative goodwill	-	-	8,106	122
Profit/(loss) before tax	6,201	6,270	13,334	5,484
Income tax	-29	10	-4,307	275
Profit/(loss)	6,172	6,280	9,027	5,759
attributable to:				
-equity holders of the Company	6,172	6,280	9,027	5,759
-non-controlling interests	-	-	-	-
Other items of consolidated income				
Revaluation of securities to fair value	-11	3	-15	-14
Revaluation of tangible assets for transfer to investments in properties	-	-	165	-
Total consolidated income for the period	6,161	6,283	9,177	5,745
- equity holders of the Company	6,161	6,283	9,177	5,745
- non-controlling interests	-	-	-	-
Earnings per share (in EUR)	0.920	0.936	1.346	0.859

Source: Half-year Report 2011/2012, Annual Report 2010/2011

Consolidated statement of financial position

<i>In thousands of EUR</i>	30/4/2012	30/4/2011	31/10/2011	31/10/2010
Assets				
Goodwill and intangible assets	3,842	3,827	3,805	3,897
Property, plant and equipment	189,127	157,540	171,639	115,174
Investments in real estate	4,194	3,714	4,194	3,714
Trade receivables	1,153	1,237	1,153	1,220
Loans provided	7,962	7,360	7,674	5,116
Other receivables	17,448	206	18,095	206
Investment in associate company	5,128	6,852	5,179	6,882
Deferred tax receivable	33	612	2,082	369
Total non-current (long-term) assets	228,887	181,348	213,821	136,578
Inventories	1,339	806	985	676
Trade receivables	2,957	4,009	4,046	6,273
Loans provided	176	35	236	48,272
Other receivables	56,770	97,775	70,225	104,498
Financial investments	18,315	11,902	17,337	85
Cash and cash equivalents	4,163	1,995	6,391	2,769
Other assets	2,990	6,906	1,626	1,396
Assets held for sale	1,554	-	458	-
Total current assets	88,264	123,428	101,304	163,969
Total assets	317,151	304,776	315,125	300,547
Equity				
Share capital	221,338	221,338	221,338	221,338
Share premium	30,430	30,430	30,430	30,430
Retained profit and other funds	20,640	18,024	20,918	17,241
Equity attributable to persons with a share of the equity of the parent company	272,408	269,792	272,686	269,009
Non-controlling interests	-	-	-	-
Total equity	272,408	269,792	272,686	269,009
Liabilities				
Loans and borrowings	13,790	10,625	14,807	11,924
Trade payables	-	13	13	73
Reserves	20	20	20	20
Other non-current liabilities	862	369	611	879
Deferred tax liability	11,885	9,243	13,962	9,029
Total non-current liabilities	26,557	20,270	29,413	21,925
Loans and borrowings	2,856	2,621	3,118	2,255
Trade payables	5,854	2,873	4,915	2,798
Reserves	87	195	464	310
Current income tax liability	-	18	1,121	52

Other current liabilities	9,389	9,007	3,408	4,198
Total current liabilities	18,186	14,714	13,026	9,613
Total liabilities	44,743	34,984	42,439	31,538
Total equity and liabilities	317,151	304,776	315,125	300,547

Source: Half-year Report 2011/2012, 2010/2011, Annual Report 2010/2011

Consolidated statement of cash flows

In thousands of EUR

	For six months ended		For the year ended	
	30/4/2012	30/4/2011	31/10/2011	31/10/2010

OPERATING ACTIVITIES

Profit (loss)	6,172	6,280	9,027	5,759
Adjustments for:				
Gains (loss) on disposal of property, plant and intangible assets	-53	-51	-326	-66
Depreciation and amortization	3,579	3,831	8,120	6,831
Value adjustment/(re-adjustment) to receivables	-6	-	4	77
Loss due to impairment of goodwill	-	-	3,300	-
Asset value increase/(decrease)	-	-	-800	505
Gain on revaluation of investments into property	-	-	-394	-
Share on loss of joint ventures and jointly controlled entities	51	30	1,703	46
Loss from financial instruments, net	-231	-143	1,706	1,642
Interest gains (loss), net	-1,765	-4,176	-7,038	-7,753
Negative goodwill	-	-	-8,106	-122
Change in reserves	-377	-115	154	-20
Income tax	29	-10	4,307	-275
Change in trade receivables and other receivables and other assets	-3,255	5,592	3,324	-8,965
Change in inventories	-354	-130	-309	64
Change in trade payables and other liabilities	801	-684	1,824	-999
Cash generated from operating activities before income tax paid	4,591	10,424	16,496	-3,276
Income tax paid	-1,771	-55	-58	-
Cash flow generated from operating activities	2,820	10,369	16,438	-3,276

INVESTING ACTIVITIES

Acquisition of property, plant and equipment and intangible assets	-22,490	-46,651	-29,377	-18,164
Gains on sale of property, plant and equipment and intangible assets	241	575	1,078	285
Expenses on business combinations, net cash acquired	-	-	-10,200	-25,700
Profit from sale of subsidiary	1	-	-	-
Advances	-	-	-19,251	-
Costs of acquisition of investments	-1,961	-	-16,860	-99
Income from sale of financial investments	1,506	-11,670	-	-
Interests received	-	8,850	4,329	2

Dividends received	2	-	317	-
Cash flow generated from investing activities	-22,701	-48,896	-69,964	-43,676
FINANCIAL ACTIVITIES				
Share capital reduction	-	-	-	-249
Gains on paid-up bills	19,387	-137,409	94,690	110,657
New bills	-	139,561	-78,038	-12,184
Loans provided	-123	-40,114	-31,895	-50,562
Payments of loans and borrowings provided	81	77,392	75,488	4,275
Financial lease payments of payables	-82	-546	-830	-1,214
Payments of loans and borrowings received	-1,279	-933	-2,254	-2,248
New loans and borrowings	0	41	6,000	-73
Interest paid	-331	-239	-518	-543
Dividends paid	-	-	-5,495	-
Cash flow generated from financial activities	17,653	37,753	57,148	47,859
Net increase in cash and cash equivalents	-2,228	-774	3,622	907
Cash and cash equivalents at the beginning of the period	6,391	2,769	2,769	1,862
Effect of exchange rate fluctuations on cash and cash equivalents held	-	-	-	-
Cash and cash equivalents at the end of the period	4,163	1,995	6,391	2,769

Source: Half-year Report 2011/2012, 2010/2011, Annual Report 2010/2011

Return on investment and level of debt	30/4/2012	31/10/2011	31/10/2010
Debt-to-equity ratio	6.1%	6.6%	5.3%
Debt-to-capital ratio	5.8%	6.2%	5.0%
ROA ¹	3.0%*	3.1%	2.0%
ROE ²	3.4%*	3.4%	2.2%

* ttm

The Company released the following financial outlook for fiscal year 2011/2012 in terms of key operating results:

Operating Revenues in €'000*	2010/2011 actual	1H 2011/2012 actual	2011/2012 plan
Mountains & Leisure	28,097	18,352	30,578
Hotels	11,732	6,911	11,969
Real Estate	119	115	210
Total Operating Revenues	39,948	25,377	42,757

EBITDA v €'000*	2010/2011 actual	1H 2011/2012 actual	2011/2012 plan
Mountains & Leisure	8,764	6,693	10,621
Hotels	2,768	1,137	2,351
Real Estate	7	73	141
Total EBITDA	11,539	7,903	13,113

* For more relevant evaluation of operational performance the adjusted results are reported including 100% equity of Grandhotel Starý Smokovec Vysoké Tatry, which, per IFRS, is accounted for by the equity method and the provision created for revitalization of the High Tatras in the amount of EUR 479 thousand is excluded due to its non-operational character.

¹ Calculated on the basis of the value of Total assets at the beginning of the period

² Calculated on the basis of the Shareholders' equity at the beginning of the period

8. KEY RISK FACTORS RELATED TO THE GROUP AND THE SHARES

Before investing investors should consider carefully the risk factors and uncertainties related to the Group, its activities and listing of the Shares on the WSE as described below. Within its operations the Group could face a number of risks typical for the tourism industry, such as risks related to seasonality, or unfavorable weather, as well as more general risks such as downside business cycle, interest rate risk and exchange rate risk. The key risks that could significantly affect the Group's business, financial condition and/or results of operations are detailed below. If any of the following risks actually occur, the value and trading price of the Shares could decline and investors could lose part of or all their investment. The order of the risk factors described below is not an indication of their relative importance for the Group, the probability of their occurrence or their potential influence on the Group's activity. Additional risks and uncertainties, including those that the Group is not currently aware of or considers immaterial, may also impact the Group's business, financial condition, or results of operations, or they could result in a decline in the value of the Shares.

Pursuant to the requirements set forth in the Memorandum Ordinance, this Chapter of the Information Memorandum includes only a description of key risk factors relating to the Company, the Group and the Shares. In order to obtain more detailed information on risk factors and the uncertainties related thereto, investors should refer to the documents published by the Company in the past and available at <http://www.tmr.sk/en> including the Company's prospectuses available at <http://www.tmr.sk/en/investor-relations/legal-publication/prospectus/>.

8.1. Risks related to the markets in which the Group operates:

Adverse economic conditions in the countries of the Group's clients and the markets in which the Group operates, could cause the Group's business to suffer

Current operations of the Group are focused in the Slovak market, although majority of the Group's clients come from the whole CEE region (including Poland), and thus the Group's operations are dependent on the level of economy of the Slovak Republic and countries of the CEE region. Majority of the Group's revenues depend on the number of visitors to TMR's resorts and hotels. The vacation choices of TMR's clients also depend on the business cycle of the economy and the level of their discretionary income. Years 2008 and 2009 negatively impacted tourism worldwide due to the global crisis, especially in Slovakia GDP fell in 2009 by 4.7%. 2010 showed signs of improvement in macroeconomic indicators- GDP of Slovakia rose 4% and 2011's GDP grew by 3.3%. Slovak economic growth in 2012 is estimated in the range of 1.9% - 2.6%³. TMR's visitor numbers were consequently 8% weaker in 2009/2010, but the visit rate improved by 63% in 2010/2011 and by 9.7% in the first half of 2011/2012. Since a substantial portion of TMR's visitors come from different countries, each of which has a unique macroeconomic profile, TMR's operations might be impacted by any deterioration of the level of economy in these markets. Occurrence of the risk of adverse economic conditions may adversely affect the operations, market position, sales, financial performance, and prospects of the Group.

Risks associated with legal environment

The Group operates mainly in the Slovak Republic and is therefore exposed to the risk of changes in legal and regulatory environment in the country. The Group also intends to perform acquisitions in other EU countries (CEE region)

Legal and regulatory environment in these countries is still subject to frequent changes, and laws are not applied uniformly by courts and public authorities. The impact of these factors in recent years has been substantially increased by the accession of new Member States in the EU. These countries were required to adopt and implement all EU legislation and the *acquis communautaire* ("acquis communautaire" - a set of rights and duties, including the law of the European Court of Justice, which bind all EU Member States). Occurrence of the risk of changes in laws or their interpretation in the future may adversely affect the operations, market position, sales, financial performance, and prospects of the Group.

³ Source: Ministry of Finance of the Slovak Republic

Seasonality of the tourism business can have a negative impact on the Group's results

The Group's business model is primarily seasonal, although the Group's strategy involves building and promoting all-year vacation destinations. The busiest months are from January through March, especially in the number of skiers, and July and August in the aquapark and Vysoké Tatry resort. The off-peak season can result in lower sales than the peak season. The reduction of tourist traffic during high season as a result of unforeseen events, e.g. bad weather conditions, may have an adverse impact on the Group's financial year results.

Unfavorable weather conditions depending on the season can adversely impact the Group's results

The Group's visitor numbers and consequently the operations results also depend to a certain degree on success of the winter season, meaning- on favorable weather conditions in terms of abundance of natural snow and temperatures below zero degrees Celsius. Warmer weather may increase the cost of technical snowmaking and reduce the scope of skiing area. At the same time, the resorts are located in a mountainous area with a generally colder climate. The Group cannot in any way reliably predict snow conditions at the beginning of the winter season. In the summer season warm thermal water in Tatralandia partially offsets the cold weather effects, but favorable weather in the summer months is essential for hiking tourists, for instance. Occurrence of the risk of unfavorable weather conditions may adversely affect the operations, market position, sales, financial performance and prospects of the Group.

Volatile energy and oil prices may impact the Group's expenses, and thus results

The Group's expenses are affected by gas consumption of trail-grooming vehicles. As for energy prices, higher energy costs are directly reflected in operational expenses of the resorts and hotels, such as energy consumption for operation of cableways and snowmaking guns. Occurrence of the risk of increase of energy and oil prices may adversely affect the operations, market position, sales, financial performance, and prospects of the Group.

The Group faces significant competition

The Group's results also depend on how successfully the Group deals with competition. In the primary segment of Mountains and Leisure the Group competes for visitors in a domestic oligopolistic market, with the position of the leader in terms of the market share and the range of services. In the European market the Company faces monopolistic competition with a large number of competitors that provide a wide supply for visitors. In the Aquapark subsegment the Group is also among the top two players in the local market, although visitation of aquaparks also depends on the travel distance for the given visitor. Increase of the competition may adversely affect the operations, market position, sales, financial performance, and prospects of the Group.

Low occupancy rate of the Company's hotels may directly impact its results

The risk of lower occupancy rate is present only in the Hotels segment, and it is directly related to macroeconomic factors described above. The problem with a lower occupancy rate comes mainly in the off-season when mountain resort tourist activities are limited. TMR's hotels follow the trend of the hotel industry in the Central and Eastern Europe, which is still recovering from a crisis. However, each capital in the region has a different development of the hotel industry, dependent on the current macroeconomic indicators. Lower occupancy rate in the Hotels segment is directly reflected in the Company's results. Low occupancy rate may adversely affect the operations, market position, sales, financial performance, and prospects of the Group.

Adverse state of the real estate market can impact the Group's operations in this segment

One of the three operational segments of the Group is focused on real estate. The revenues of this segment depend on sale and/or lease of land, residences and commercial space in the real estate projects. Even though this process is still mainly in the preparation phase, its success also depends on the state of the real estate market, which is an external risk factor. The current situation in this industry is not favorable and hardly predictable, hoping for a recovery. Occurrence of this risk may adversely affect the operations market position, sales, financial performance, and prospects of the Group.

Success of the Group's business activity significantly depends on its ability to fulfill the Group's corporate strategy

The Group's corporate strategy is built on organic growth in terms of development of the TMR resorts and hotels through intense capital investments; on strategic acquisitions in the CEE region; and on strong growth of its client base. Potential failure of reaching its strategic goals may have a major impact on the Group's success and results. Occurrence of the risk of failure of Group's corporate strategy may adversely affect the operations, market position, sales, financial performance, and prospects of the Group.

Risk related to misjudged capital investments

The first pillar of the Group's corporate strategy is based on organic growth through capital investments into the Group's resorts and hotels. Implementation of the Group's strategy requires significant capital investments. Over the last five years EUR 100 million has been invested into development of the TMR resorts. . CAPEX for fiscal year 2010/2011 exceeded EUR 29 million. The most significant investment of last year began with the Funitel cableway in Jasná, Nízke Tatry. Each investment is thoroughly analyzed before the start, and different scenarios are analyzed. Despite this, there is a risk that some of ongoing or planned investments may be less profitable than previously planned, or even unprofitable. Misguided investments may adversely affect the operations market position, sales, financial performance, and prospects of the Group.

The Group plans to strengthen its position in regional markets also through acquisitions, although M&A activity comes with certain risks

Acquisition of additional business entities is linked to a risk that could potentially impact future revenues and results of the Group. The risk may include selecting a bad acquisition target, an unfavorable contractual agreement, failure to obtain necessary acquisition permissions from government bodies, mainly failure to obtain approval by the anti-monopoly bureau, or administrative difficulties related to acquisitions. Occurrence of this risk may adversely affect the operations, market position, sales, financial performance, and prospects of the Group.

Risks associated with high capital expenditures

The Group bears significant capital expenditures. It may lead to a situation in which additional external funding may not be available on favorable terms.

The Group's investments are financed largely from its own capital. It is however possible that in the future the Group will be forced to use external sources of capital (e.g. bank debt) to continue its growth strategy. In case of difficulty in obtaining such external financing, the Group's pace of growth may be slower than previously assumed. It is not clear whether the Group is capable of securing the required financing, or whether the funds will be obtained on favorable terms.

Restriction or delay in access to external financing sources, as well as financing conditions that differ from assumptions could have a material adverse effect on the business, financial condition, results of operations, and stock price.

8.2. The Group faces the following financial risks:

Volatility of exchange rates may impact the Group's results

Volatility of exchange rates in relation to euro is an external risk that affects the Company's revenues because majority of TMR's foreign clients come from countries outside of Eurozone – the Czech Rep., Poland, Ukraine, Russia, etc., therefore their travel choices are impacted by currency movements. Appreciation of euro in respect to Polish Zloty, for instance, negatively impacts the number of visitors from Poland. Investments into the resorts in terms of technology, procurement of inventory, and the acquisition in 2011 were settled in euros, thus the currency impact was eliminated. Occurrence of this risk, may adversely affect the operations, market position, sales, financial performance, and prospects of the Group.

Volatility of interest rates may have a direct impact on the value of the Group's interest-earning assets and interest-bearing liabilities

The extent of this risk is equal to the amount of interest-earning assets and interest-bearing liabilities, where the interest rate at maturity or at the time of a rate change is different from the current interest rate. The period of a fixed rate for a financial instrument therefore reflects the risk for fluctuations in interest rates. The Company's loan portfolio is based on short- and long-term bank debt based on 1-month or 3-month EURIBOR rates. The Group considers the variable interest rate to manage the interest rate risk automatically. In case of an economic expansion, EURIBOR grows, but at the same time economic performance of the population grows, and the company is more profitable. In case of an economic recession, it is the exact opposite. Occurrence of this risk, may adversely affect the operations, market position, sales, financial performance, and prospects of the Group.

The Group faces risk related to financial investments and receivables, loans and credits

The Group is primarily exposed to risk with trade receivables, receivables from leasing, other receivables, advances, and loans granted. The extent of this risk is expressed in the book value of assets on the balance sheet. Book value of receivables, credits, and loans represent the highest possible accounting loss that would have to be accounted for in the event of counterparty's default –counterparty will fail to fully meet their contractual obligations and all guarantees and warrants would have nil value. Therefore, this value significantly exceeds the expected losses in the reserve for unredeemable receivables. The investment return from money market instruments, J&T Private Equity promissory notes, comes to a fixed rate of 7.5% APR. Further, TMR holds equity stock available for sale of Best hotel properties, a.s. (BHP), which are traded on the Bratislava Stock Exchange. The investment in BHP shares is guaranteed a compensation by J&T Finance Group in case of a drop in the principle investment value, thus the risk is mitigated.

Liquidity risk arises in the general financing of the Group's activities and financial positions

Liquidity risk includes the risk of being unable to finance assets at an agreed maturity and interest rate and inability to realize assets at a reasonable price in a reasonable time frame. Individual companies in the Group use different methods of managing liquidity risk. Group's Management focuses on managing and monitoring the liquidity of each company. In order to manage liquidity, the management changed the accounting year for the financial year ending on October 31. In the first half of its financial year the Group has the winter season representing 55% of the Group's income. According to the development in the first half-year, the Group is able to affect income and expenses well in advance, to keep sufficient liquidity.

The seasonality in the resort of Vysoké Tatry is also balanced by a strong summer season in this resort, and it provides more stable liquidity throughout the year. With the ownership of the promissory notes redeemable at sight the Group has sufficiently secured liquidity.

8.3. The Group faces various operational risks:

Operational risk is the risk of loss resulting from embezzlement, unauthorized activities, errors, mistakes, inefficiency or system failures. This risk arises from all activities of the Group and is faced by all companies within the Group. Operational risk also includes legal risk. The Group's goal is to manage the operational risk to avoid financial losses and harm the reputation of the Group while maintaining optimal costs and avoiding measures that would hinder initiatives and creativity. The Group's management has the main responsibility for implementation of controls related to the management of operational risk. This responsibility is supported by the development of standards for the management of operational risk common for the whole Group. The operational risk is managed by the system of directives, meeting minutes and control mechanisms. The Group has the controlling department where it strives to eliminate all operational risks by regular checks.

The Group maintains various safety measures related to its operations, failure of which can have an adverse impact on the Group's publicity, demand for the Group's products and services, and it can result in litigation matters

Safety is of great concern to TMR since the Company operates in types of business with varied safety risks. TMR is obliged to mitigate safety risk and guard its clients and employees in the following situations:

- In the course of developing, maintaining, and operating cableways, lifts, trails, and other resort facilities
- In relation to health risks when providing dining services in the restaurants and hotels
- In relation to operations of the lodging facilities
- Any accidents and incidents during promotional and collaborative events
- In relation to compliance with regulations governing provision of ready-made products and services to clients

The Group faces risk of breach or failure of IT Security

The Group's business activities substantially depend on IT systems – on ticket sales platforms (interconnected in the ski resorts because of universal ski passes); on lift turnstiles; on cableway equipment; and in shops, restaurants, and hotels.

The Company's capital investments in protected outdoor areas may be subject to approvals of various governmental and environmental bodies

Since the Company conducts its operations mostly in mountainous areas, part of which belong to protected national parks, some capital investment projects may be subject to approval of various governmental bodies, and its dismissal might have an adverse impact on the Company's operations and results. Each new investment project in such area related to expansion of snowmaking, construction of a cableway, etc. must first undergo the Environmental Impact Assessment, one of main instruments of the international environmental policy of sustainable development, governed by Ministry of Environment of the Slovak Republic, the Regional Environmental Office, and the District Environmental Office.

The steps that the Company takes to manage the major operational, financial and market risks related to the Group (listed above) are described in detail in the latest Annual Report available at <http://www.tmr.sk/en/investor-relations/financial-reports/latest-financial-reports/>.

The Group's contracts for lease of the land where the mountain resorts are located are subject to renewal

In the Low Tatras the Group leases the land from private owners, while the lease term is at least for another 25 years. At the time of the contracts' expiration the renewal might be subject to new terms. There is risk that the Group might face difficulties renewing the leases, which might result in court proceedings. In the High Tatras the Group owns parts of the land where it runs

its operations. Other parts are leased from state forests for a shorter term than in the Low Tatras. There is risk that the Group might face difficulties renewing these leases from the state forests, although the risk is smaller since the state is highly supportive of tourism and development of the leased land. Occurrence of this risk may adversely affect the operations, market position, sales, financial performance, and prospects of the Group.

8.4. Risk factors related to the Shares and listing of the Shares on the WSE:

The market price of the Shares may be volatile or may decline regardless of the Group's operating performance

The market price of the Shares may fluctuate significantly in response to numerous factors, many of which are beyond the Company's control, including:

- actual or anticipated fluctuations in revenues and other operating results;
- the financial projections the Company may provide to the public, any changes in these projections or its failure to meet these projections;
- actions of securities analysts who initiate or maintain coverage of the Company, changes in financial estimates by any securities analysts who follow the Company, or failure to meet these estimates or the expectations of investors;
- additional Shares being sold into the market by the Company or existing stockholders or the anticipation of such sales;
- announcements by the Company or competitors of significant acquisitions, capital investments, strategic partnerships, joint ventures, or capital commitments;
- price and volume fluctuations in the overall stock market, including as a result of trends in the economy as a whole;
- lawsuits threatened or filed against the Company;
- developments in new legislation; and
- other events or factors, including those resulting from war or incidents of terrorism, or responses to these events.

The Company may be unable to list the Shares on the WSE

The admission and introduction of the Shares to trading on the main market of the WSE requires in particular that the NDS registers the Shares and that the management board of the WSE approves the listing of the Shares on the WSE. According to the WSE Rules, to obtain the WSE management board's approval, the Company has to meet certain requirements provided in the respective regulations of the WSE and other applicable laws. Such requirements include, but are not limited to: (i) the appropriate free float of the Shares; (ii) there being no restriction on the transferability of the Shares; and (iii) preparation of the required information document (§ 3 of the WSE Rules). Furthermore, while examining the Company's application for admission of the Shares to trading on the WSE, according to § 10 of the WSE Rules, the management board of the WSE will take into consideration, inter alia, the following factors: (i) the Group's financial situation and its economic forecasts; (ii) the Group's development perspectives, in particular, the chances of the successful completion of its investment plans; (iii) the experience and qualifications of the members of the Management Board and Supervisory Board; and (iv) the security of public trading on the WSE.

The Company intends to take all the necessary steps to ensure that the Shares are admitted and introduced to trading on the WSE. However, there is no guarantee that all of the aforementioned conditions will be met and that the Shares will be admitted and introduced to trading on the WSE and that the listing on the WSE will come into effect.

The WSE may suspend the Shares from trading

Based on Polish regulations there are situations in which trading in the Shares may be suspended on the WSE. In particular, pursuant to Article 20.2 of the Polish Act on Trading in Financial Instruments, if trading in the Shares on the WSE might jeopardize the proper functioning of the regulated market or the security of trading thereon or cause the infringement of investors' interests, the PFSA may demand that the WSE suspend trading in the Shares from on the WSE for a period not exceeding one month.

Moreover, according to §30.1 of the WSE Rules, the WSE management board may suspend trading in the Shares from on the WSE for a period of up to three months: (i) upon the Company's request therefor; (ii) if the WSE management board deems that such suspension is required in relation to the interests and safety of the trading participants; or (iii) if the Company is in breach of the regulations governing the WSE. Pursuant to § 30.2 of the WSE Rules, the WSE management board suspends the Shares from trading on the WSE for a period of a maximum one month upon the demand of the PFSA therefore made in accordance with the provisions of the Polish Act on Trading in Financial Instruments.

Any suspension of trading of the Shares on the WSE would adversely affect the Shares' liquidity and Share price.

Risk of the Shares being excluded from trading on the WSE by relevant authorities

In connection with the listing on the WSE, TMR is subject to obligations imposed by the Polish Act on Public Offering. In the event that TMR fails to perform certain of such obligations, the PFSA under Article 96 of the Polish Act on Public Offering may decide may issue a decision to exclude the TMR Ordinary Shares from trading on the WSE for a specified or unspecified period of time. Furthermore, according to Article 176 of the Polish Act on Trading in Financial Instruments if the TMR does not perform or performs improperly obligations thereunder, FSA may decide to exclude the Shares from trading on the WSE.

Pursuant to § 31 of the WSE Rules, the Management Board of the WSE is required to exclude the Shares from trading on the WSE in the following events: (i) if their transferability is restricted; (ii) upon the PFSA's demand made pursuant to the provisions of the Polish Act on Trading in Financial Instruments (if the PFSA determines that trading in the Shares presents a material threat to the proper operation of the WSE main market or the security of trading on that market or impairs investors' interests); (iii) if they are reverted from book-entry form; (iv) if they are excluded from trading on the regulated market by the appropriate regulatory authority. The Management Board of the WSE can also exclude the Shares from trading on the WSE: (i) upon TMR's motion (provided that TMR satisfies the potential conditions imposed by the Management Board of the WSE), (ii) if it determines that such exclusion is required by the interests and safety of the trading participants, (iii) if TMR continuously infringes regulations governing the WSE; (iv) if the Shares cease to satisfy the requirements for admission to trading on the WSE main market, (v) if a decision is made to de-merge, transform or merge TMR with another company, (vi) if TMR is declared bankrupt or the motion for bankruptcy is dismissed by the court due to TMR's assets being insufficient to cover the cost of the proceedings, (vii) if, for a period of the last three months, there are no transactions in the Shares on the WSE, (viii) if TMR undertakes any activity prohibited by the law in force, or (ix) if TMR is placed under liquidation.

There can be no assurance regarding the future development of the market for the Shares and its liquidity

The Shares are listed on the BSSE and the Company intends to apply for the admission of all the Shares on the WSE and the PSE. However, the past performance of the Shares on the BSSE is no indication of the future development of the market and future demand for the Shares. The lack of a liquid public market for the Shares may have a negative effect on the ability of shareholders to sell their Shares, or adversely affect the price at which the holders are able to sell their Shares. There can be no assurance as to the liquidity of any trading in the Shares, or that the Shares will be actively traded on the WSE and the PSE or the BSSE in the future.

Dual listing of the Shares will result in differences in liquidity, settlement and clearing systems, trading currencies, prices and transaction costs between the two exchanges where the Shares will be listed. These and other factors may hinder the transferability of the Shares between the two exchanges

The Shares are listed on the BSSE, the Company also intends to apply for admission of all its shares on the PSE. Once the Shares are listed on the WSE, trading in and liquidity of the Shares will be split between these exchanges. Furthermore, the price of the Shares may fluctuate on any market. Differences in settlement and clearing systems, trading currencies, transaction costs and other factors may obstruct the transferability of the Shares between the exchanges. In addition, there is no assurance as to which exchange will be the principal trading place of the Shares by value or volume. This could adversely affect the trading of the Shares on these exchanges and increase their price volatility and/or adversely affect the price and liquidity of the Shares on

these exchanges. The Shares are quoted and traded in EUR on the BSSE and will be quoted and traded in PLN on the WSE and in CZK on the PSE. The market price of the Shares on the WSE and BSSE may differ also due to exchange rate fluctuations. The Shares traded on the BSSE are settled and cleared through the CDCP. The Shares traded on the WSE will be settled and cleared through NDS.

The issuance of new shares by the Company or future transactions involving the sale of a substantial number of Shares by shareholders after the admission to trading on the WSE or the perception that such issuance or sale could occur may have an adverse impact on the market price of the Shares or the Company's ability to raise capital in the future

Future share issuances may result in the dilution of Shares held by the Company's existing shareholders. If the Company issues new shares, or a block of existing Shares owned by any of the Company's major shareholders is sold in the future, or the perception that such issuance or sale could occur, the supply of the Shares on the WSE and/or the BSSE and the PSE could increase and/or the market price of the Shares could decline. This could negatively impact the market price of the Shares or limit the Company's ability to raise capital, in particular through equity offerings.

The Company's ability to pay dividends depends on a number of factors and there is no guarantee that the Company will be able to pay dividends in accordance with its dividend policy, or at all, in any given year

There are many factors that can affect the payout of dividends to shareholders, including the liquidity and capital requirements of the Company and the Group's businesses, particularly those related to the implementation of the investment program. The Board of Directors' recommendations as to the distribution of dividends will be affected by a number of factors, including the following: the amount of the net profit set forth in the Company's individual financial statements; the amount of available cash and cash equivalents set forth in the Company's individual financial statements; the requirements of the Reserve Fund; current cost and availability of debt financing; the Company's capital expenditure requirements; planned acquisitions; and applicable law. Consequently, there can be no assurance that the Company will be able to pay dividends in accordance with its stated dividend policy, or at all, in any given year.

Investors will be subject to obligations resulting from national law

The Group is organized and existing under the law of the Slovak Republic. The Shares are listed on the BSSE and it is expected that the Shares will be listed on the regulated market in Poland and in the Czech Republic. The EU directives provide different competencies for home Member State and host Member States with respect to rights and obligations of investors of public companies, especially those which are listed in at least two different countries. In addition, EU directives are not always consistent or implemented with delay or even at all on the national level.

Consequently, investors may be subject to requirements stemming from the regulations of different jurisdictions. Such situation may cause uncertainty or ambiguity when exercising shareholder rights or when fulfilling shareholder related obligations in accordance with the laws of the different jurisdictions.

If an investor fails to fulfill its obligations or violates any laws or regulations when exercising rights from or regarding the Shares, he may be fined or sentenced for such non-compliance or may be unable to exercise its rights in respect of the Shares as well as may be subject to legal claims.

Different tax systems risk

The Company is organized and existing under the law of Slovak Republic, the Shares are listed on the BSSE and it is expected that the Shares will be listed on the regulated market in Poland and in the Czech Republic.

The taxation of income from dividends, as well as other income, (e.g. from the sale of the Shares) may vary depending on the tax residence of particular investors as well as the existence of double taxation treaties between an investor's country of residence and the Slovak Republic.

Polish residents should be aware of possible amendments of Polish-Slovak DTC. Any changes in the Polish-Slovak DTC may directly influence tax consequences of acquisition, ownership and disposal of shares by Polish shareholders.

9. CONCISE DESCRIPTION OF THE GROUP'S HISTORY

Tatry mountain resorts, a.s. is a joint-stock company registered on the Bratislava Stock Exchange (BSSE). TMR legal predecessor is SKI Jasná, a.s. founded by the National Property Fund of the Slovak Republic in 1992. The Company changed its business name twice: in 2003 (Jasná Nízke Tatry, a.s.) and in 2009 when it got its present name – Tatry mountain resorts, a.s. In 2009 TMR acquired Tatranské Lanové Dráhy, a.s. (TLD). In 2010 TMR merged with Tatranské Lanové Dráhy, a.s. (TLD), which was dissolved without liquidation. TMR as a successor continues in business activities of TLD in operation of ski resorts: Vysoké Tatry – Tatranská Lomnica and Vysoké Tatry – Starý Smokovec. In 2009 TMR acquired a 100% share in Grandhotel Praha, a.s. and a 50% share in Interhouse Tatry, s.r.o., the owner of Grandhotel Starý Smokovec.

Tatry mountains resorts services, a.s. (TMRS) has been providing support services, such as purchasing, marketing, accounting, finance, human resources, to TMR since 2008. TMR acquired 100% of TMRS in 2010.

The acquisition of Tatralandia Holiday Resort was completed on April 1, 2011. This resort includes Aquapark Tatralandia, Holiday Village Tatralandia – an accommodation complex, and Western City – an entertainment park. Acquiring Tatralandia was a significant step for TMR in fulfilling its goal to build a year-round destination.

10. CONCISE DESCRIPTION OF THE GROUP'S BUSINESS

10.1. Overview

Tatry mountain resorts, a.s. with its registered seat Liptovský Mikuláš is the biggest provider of tourism in Slovakia. Majority of TMR's revenues comes from admissions to attractive mountain resorts (account for 44.7% of Revenues* in 2010/2011) and admissions to the aquapark (14%). Other revenues include hotel services in hotels owned and run by the Company (29.4%). In addition, TMR develops real estate projects that are expected to generate revenues from sale, lease, and operation of premises and hotels. The Company performs business activities in the area of the Low and High Tatras. In the mountain resorts it also offers complementary services, such as dining, ski school, sports shops, ski rental and equipment service, and winter and summer attractions. The above mentioned services (with the exception of dining services) are provided under Tatry Motion brand, which provides marketing support to these ancillary services and brings a synergic effect for the Company.

In the Low Tatras the Company's portfolio includes resort of Jasná Nízke Tatry and hotels: Wellness hotel Grand Jasná, Tri studničky, Hotel Srdiečko and Chalets Záhradky de Luxe. TMR at the same time owns and leases out hotels: Liptov, Kosodrevina, and SKI hotel.

In the High Tatras TMR owns and runs resorts Vysoké Tatry – Tatranská Lomnica and Vysoké Tatry – Starý Smokovec, and hotels Grandhotel Praha Tatranská Lomnica, Grandhotel Starý Smokovec, Hotel FIS, and Hotel Slovakia.

10.2. Organizational structure

The Group consists of Tatry mountain resorts, a.s., the parent company, which operates mountain resorts, the aquapark, and most of the Group's hotels in the Tatras region of the Slovak Republic, and develops real estate projects in the same region. TMR owns 100% of Grandhotel Praha, a.s., the company operating Grandhotel Praha in Tatranská Lomnica; 100% of Tatry mountain resorts services, a.s., providing support services for the Group; and a 50% share in Interhouse Tatry, s.r.o., the operator of Grandhotel Starý Smokovec.

10.3. Business segments of TMR

TMR's business activities are divided into three key segments: Mountains & Leisure (renamed in April 2011 from Mountains after the acquisition of Tatralandia), Hotels, and Real estate.

The table below shows the Group's revenues for the Group's segments and subsegments for the periods indicated:

Revenues in €'000*	1H 2011/2012	1H 2010/2011	FY 2010/2011	FY 2009/2010
Mountains & Leisure	18,352	15,126	28,097	17,410
Mountain Resorts	12,678	12,110	17,849	14,934
Aquapark	1,624	194	5 599	NA
Dining	2,603	1,747	3,352	1,562
Sports Services & Stores	1,447	1,076	1,297	913
Hotels	6,911	6,047	11,732	8,329
Real Estate	115	99	119	296
Total Revenues (operational)	25,377	21,273	39,948	26,034

* For more relevant evaluation of operational performance the adjusted results are reported including 100% equity of GH. S. Smokovec Vysoké Tatry, which, per IFRS, is accounted for by the equity method and the Provision created for revitalization of the High Tatras in the amount of EUR 479 thousand is excluded due to its non-operational character.

I. MOUNTAINS & LEISURE

Within the segment Mountains & Leisure, TMR owns and runs 4 mountain resorts (Jasná Nízke Tatry – Chopok North, Jasná Nízke Tatry – Chopok South, Vysoké Tatry – Tatranská Lomnica, Starý Smokovec) which currently offer 50.2 km trails with a capacity of 39.940 persons per hour. This developing destination with a great potential can be compared with some known middle-sized European mountain resorts. In order to meet clients' needs, in the Mountains & Leisure segment TMR offers a wide range of ancillary services, such as ski schools, rental, service, sports shops, or dining.

MOUNTAIN RESORTS – HIGH TATRAS

The Tatras are the greatest mountain range in Slovakia and the smallest in the world. In this region the Company runs cableways in Tatranská Lomnica and Starý Smokovec and closely cooperates with the mountain resort of Štrbské Pleso.

TATRANSKÁ LOMNICA

Ski Trails

Ski resort Tatranská Lomnica currently (end of fiscal year 2010/2011) offers 44.4 hectare of ski trails (out of which 39 ha have technical snowmaking coverage with 160 snow guns), with total length of 10km. In the summer season of 2011 works began to enlarge ski trails by another 8.9 ha of trails with technical snow coverage with a total length of 6 km, and they were finished at the beginning of the winter season 2011/2012. The ski trail is blue, which is easy, suitable for beginners and intermediate skiers. Skiers have a choice of 1 difficult, 5 intermediate and 2 tracks for beginners. Additional funtools, such as snowbike, skifox and snowscoot are offered.

Transport facilities

The resort operates 1 gondola, 2 cableways, and 4 chairlifts with a total length of 10,135 m. The maximum transport capacity is 11,115 skiers per hour. In 2010 a 6-seat lift was built in Tatranská Lomnica – Štart. It is a new model of ski lift by Doppelmayr – a modern lift with an orange bubble, heated seats and better wind resistant system than other seat lifts (RPD system). Transport capacity of the ski lift is 2,600 persons per hour, with length of 1,889 m, vertical drop of 280 m, transport speed of 5 m/s and transport time of 6.7 min. to the top station Štart. A new detachable 8-seat lift with modern blue bubbles and black upholstery was built for the winter season of 2011/12. The new lift increased transport capacity by 2,400 persons per hour. For the first time TMR used an Italian cableway maker, Leitner. The start station of the lift is projected at 906 m above sea level and the end station at 1,040m. The 8-seat lift is situated in the lower part of the resort in the area of Buková hora. The elevated cableway to Lomnický štít provides transportation to the top of the second highest peak of the High Tatras in 8 min.

STARÝ SMOKOVEC

Ski Trails

Starý Smokovec lies 7 km southwest from Tatranská Lomnica. Trails with a total length of 4 km are suitable primarily for beginners. Four out of five trails are easy and Hrebienok Horná Lúka is more suitable for advanced skiers.

Transport facilities

In addition to a modern funicular, there are 6 lifts with a capacity of 4,240 skiers per hour in Starý Smokovec. The modern funicular has the following parameters: vertical drop of 255 m, length of 2,190 m, transport capacity of 1,600 persons per hour, and speed of 5m/s. It takes 7 min. to get from the start station to the end station at the 1,025 m a.s.l.

DINING FACILITIES – HIGH TATRAS

- Lomnický štít (Lomnický peak) 2,634 m a.s.l.
- Skalnaté pleso (Skalnaté tarn) – Restaurant 1,751 m a.s.l.
- Restaurant Pizza & Pasta Štart 1,145 m a.s.l.
- Après Ski Bar, Tatranská Lomnica 850 m a.s.l.

SPORT SERVICES AND STORES – HIGH TATRAS

Additional services are based at the start station of a cableway in Tatranská Lomnica. The resort is also open to families with children by paying special attention to children and by providing everyday animation in ski school Maxiland. These activities alongside attractions (including funtools and other attractions) have been running since the winter season 2010/2011 under the brand of Taty Motion, which supports synergy within TMR and is easy to identify by clients.

MOUNTAIN RESORTS – LOW TATRAS

The Low Tatras is an 80 km stretch of mountain ranges in the middle of Slovakia. They are located directly below the top of the second highest peak of the Low Tatras, Chopok 2,024 m a.s.l., which can be reached by cableway starting December 2012. It has been attributed as one of the most visited places in the Low Tatras.

JASNÁ NÍZKE TATRY

Ski trails

Jasná Nízke Tatry – Chopok North

Jasná Chopok North lies on 82 ha out of which 80 ha was at the end of the fiscal year 2010/11 covered with technical snow produced by 250 snow guns. The total length exceeds 26.6 km, out of which 20.2 km have technical snowmaking coverage and 2 km are lit up.

Jasná Nízke Tatry – Chopok South

Length of ski slopes in Jasná Chopok South is more than 9km. This resort is in perfect symbiosis with nature. There is usually a high level of natural snow, which means there is a minimum of technical snow with the exception of the lower parts of the mountain. The resort is popular among free riders.

Transport facilities

Jasná Nízke Tatry – Chopok North

There are 10 cableways, 6 chairlifts and 1 bubble lift in the resort with a transport capacity of 19,000 skiers per hour. A 6-seat lift in Záhradky – Priehyba was built in 2010 as the last one. Transport capacity of the 6-seat lift from Záhradky is 2,400 persons per hour; with length of 1,285 m, vertical drop of 341 m, speed of 5m/s, and ride time of 4.7 min. The Záhradky – Priehyba lift began to answer the demand of many skiers for an easy connection between the north and south part of Chopok. It was opened at the beginning of the winter season 2010/2011. The works on the cable system, Funitel (which will definitely connect the north and

south part of Chopok in the winter season 2012/2013), began in the summer of 2011. The ride to the top will start from the station of Priehyba (6-seat lift exit) and the ride time will take 6.5 min. It is the 14th lift of this kind in the world. An interesting fact is that the cabin is attached to two cables and it provides higher safety and wind resistance up to 120km/h. The transport capacity will be 2,480 persons per hour. The vertical drop will be 655 m. In comparison to chairlifts the speed will reach 7 m/s. It is a model by Doppelmayr. In addition to mass skiing there are other possibilities for alternative winter sports thanks to three freeride zones and a snow park with its great inflatable mattress – (new as of winter 2010/2011). Night-skiing is offered in Záhradky and Biela Púť.

Jasná Nízke Tatry – Chopok South

Transport facilities in the Jasná Chopok South resort have a capacity of 5,300 skiers per hour. A 4-seat lift, Srdiečko, provides an entry gate to the resort. The latest acquisition of TMR in the south part of Chopok is Zadné Dereše lift with a capacity of 900 skiers per hour and the length of 1,600 m.

DINING FACILITIES – LOW TATRAS

TMR operates 10 dining facilities in the Jasná Nízke Tatry – Chopok North – South resorts.

- Happy End Disco & Restaurant 1,117 m a.s.l.
- Bernardino burger restaurant 1,423 m a.s.l.
- Restaurant Von Roll in Luková 1,670 m a.s.l.
- Après ski bars 1 028 m.a.s.l. and 1,117 m a.s.l.
- Snack Bar Rovná Hoľa 1,491 m a.s.l.
- Restaurant Kosodrevina 1,494 m a.s.l.
- Snow Bar Zadné Dereše 1,500 m a.s.l.

SPORT SERVICES AND SHOPS – LOW TATRAS

Additional services for skiers are based at start stations. They are equipped with modern technology to fulfill the needs of those most demanding. Like in the High Tatras, these attractions are run by Tatry Motion.

Café Fashion is yet another new addition of the winter season 2010/2011. Besides a café it is a trendy shop with the latest collections of luxurious brands. In the same time, an outlet shop was opened in the location of Jasná Záhradky.

Current Facts on Mountain Resorts of TMR				
	Ski Trails (m)	Transport Capacity (persons/hour)	Snowmaking Coverage (m)	Nr. of Ski Lifts
Jasná Nízke Tatry				
<i>Chopok North</i>	26,613	19,290	20,213	16
<i>Chopok South</i>	9,690	5,295	1,200	7
Vysoké Tatry				
<i>Tatranská Lomnica</i>	9,930	11,115	8,790	8
<i>Starý Smokovec</i>	4,050	4,240	840	6

AQUAPARK

Aquapark Tatralandia in Liptovský Mikuláš is the latest acquisition of the TMR portfolio since April 2011. It is the biggest aquapark in Central Europe and offers customers 14 pools and 30 toboggans, out of which 9 are all-season and 5 are for summer, as well as a sauna world and Wellness Paradise. The park includes Fun Park, an entertainment area, which offers various themed shows. The newest investment project in Tatralandia involves Tropical Paradise, an all-year tropical indoor hall with tropical climate and Caribbean theme with capacity of 750 people, which limits the risk of unfavorable weather. The first part of the project was opened this July. Completion of the second part, involving 4 additional pools, a relaxation zone, a fun zone, and other attractions is planned for the end of 2012.

II. HOTELS

TMR's portfolio includes hotels in the vicinity of its mountain resorts in the High and Low Tatras. There are a total of 1,768 beds in 704 rooms. The hotels can please a wide spectrum of clients from individuals and families through elderly people to corporate clientele.

HIGH TATRAS

Grandhotel Praha Tatranská Lomnica**** - 118 rooms, 236 beds

It is situated in the center of Tatranská Lomnica, just under Lomnický štít, in the heart of the High Tatras. Its history dates back more than 100 years, since the grand opening in 1905. In 2011 27 rooms and 6 suites with fireplaces were added to the hotel. The renovated two-story wellness spa offers the most beautiful views of the High Tatras.

Grandhotel Starý Smokovec**** - 75 rooms, 147 beds

From the point of view of history, location, or architecture Grandhotel Starý Smokovec is justly considered one of the most prestigious hotels not only in the High Tatras, but also in Slovakia.

Hotel FIS*** - 79 rooms, 183 beds

The mountain ski-in ski-out Hotel FIS is located right below the FIS slope, in the center of the sports complex at Štrbské pleso. The location is its main competitive advantage.

Hotel Slovakia *** - 33 rooms, 70 beds

In December 2011 the Company acquired Hotel Slovakia. The hotel is located in the center of Tatranská Lomnica, in the immediate vicinity of all the activities of the ski center.

LOW TATRAS

Tri Studničky**** - 36 rooms, 100 beds

Its architecture and layout of exteriors and interiors complements the surrounding mountain environment and the panorama of local mountains. It is located in a forest area near a mountain stream. In 2010 new conference rooms with attractive views of a mountain stream were added, as well as a renovated wellness center with the first beach in the Tatra mountains. Wellness hotel Grand Jasná **** - 157 rooms, 311 beds

This mountain hotel is situated in the center of Jasná, at an altitude of 1,100 m, right near the start station of the new 8-seat cabin cableway Grand Jet. Its ski in-ski out location is exceptional, as well as the renovated wellness center – in the 2010/2011 winter season in the external areas of the hotel right below the Grand Jet cableway two jacuzzis, two saunas, and one infrared sauna were added. Since the winter 2011/2012 the hotel offers 27 renovated LUX type rooms for more demanding clients.

Chalets Záhradky de Luxe**** - 4 apartments, 16 beds

Luxury apartments in the style of French alpine cottages were opened only at the beginning of the winter season 2010/2011. Their strategic advantage is their ski-in ski-out location directly on the slope on Záhradky and their provision of premium services.

Hotel Srdiečko** - 45 rooms, 125 beds

A hotel with an unbeatable location of ski in-ski out, directly below the slopes in the resort of Jasná Nízke Tatry – Chopok South.

Holiday Village Tatralandia – 155 rooms, 700 beds

It is a one-of-a-kind accommodation complex in Slovakia. It consists of 155 bungalows and apartments, divided into 11 stylish villages that offer an ideal environment for a family or individual holiday throughout the year.

III. REAL ESTATE

The most recent activity of TMR is its real estate business activity. The goal is to improve mountain regions. The Company plans to capitalize on the unique location in the High and Low Tatras region. TMR's strategy in this segment is mostly development, construction, and sale of apartments and non-housing areas. TMR currently has 4 projects underway (Tatranská Lomnica Center, Tatranská Lomnica Project, Grand Residences Tatranská Lomnica, Jasná Center). Alongside these projects necessary infrastructure is being built for the natural development of tourism in the following areas – cableways, network, trails, information signs, etc.

The Company has been gradually receiving approvals for zoning, planning decisions, and building permits. TMR is not planning any green field projects. It focuses basically on traditional, urbanized areas where sport and tourism have been part of history for decades.

Tatranská Lomnica Center

TMR possess 36,200 m² of land for sale in Tatranská Lomnica and the goal is to divide the area into 31 real estate projects, to be realized by third party investors. TMR shall create infrastructure and sell the individual estates with building permissions. The whole project shall include 279 apartments in three- and four-star standard, a total of 6,765m² for shops, services, restaurants, bars, pharmacies, and other services required by clients and residents from the High Tatras. Due to a close network of infrastructure, this area is suitable for commercial and holiday real estate. Management plans to sell 23.3% of the area as a building site for individual projects, remaining 76.7% shall be used for infrastructure, roads, paths and green areas. Such concept of the area is based on an optimal yield curve and TMR shall control it even if realized by third parties (31 individual projects). The Project shall increase the number of customers in the High Tatras and develop services (cableways, lifts, dining, sport shops, etc.).

Tatranská Lomnica Project

This project involves buildings themselves, not just land, as it includes construction of two multifunctional buildings (underground parking place, commercial shops and total of 40 apartments).

Grand Residences Tatranská Lomnica

This Project covers reconstruction of an unused extension to Grandhotel Praha. The extension project, which was completed in December 2011, includes 17 four-star apartments with the total area of 1,739 m².

Jasná Center

This is a multifunctional project which lies in the heart of the Low Tatras right next to the start station of the Grand Jet gondola. The project has a unique location for winter and summer season due to a number of outdoor sports (cycling, skis, and adrenalin sports), activities for children, wellness, aquapark, etc. The plan is to build a new ski center with a shopping center and to create après ski activities to ensure entertainment after skiing. The Project includes 250 two- and four-star apartments (total 12,734 m²), 250 underground parking places, 2,520 m² of retail premises (shops, service, restaurants, café, bars, pharmacies, etc.), wellness, fitness, hairdresser's, etc. The total build-up area will be more than 6,000 m² and the total area of premises 26,000 m². TMR currently holds building permits for all these projects. The sale of apartments shall be commenced once the project is finished, commercial premises shall remain in TMR's possession and together with 100 apartments they will be leased out. Jasná Center is currently in the zoning phase.

The Company within the Real Estate segment owns and leases out hotels Liptov**, SKI hotel** and Kosodrevina Lodge. So far revenues from the Real Estate segment have come primarily from the hotel leases.

TMR SERVICES

The Company owns 100% of TMR Services (TMRS), which includes three support divisions – accounting and finance, marketing and sale, and general corporate services. The last division covers a human resources department, legal department, information technologies department, logistics, and others. The accounting and finance division integrates all tasks of financial management into one center serving all operations and support departments. The IT department activities include safety precautions, 24-hour monitoring, sale terminals, and other payments systems. Marketing and sales implement the main activities in the area of production, promotions, and sales in the target markets.

10.4. Corporate Strategy

The TMR strategy can be divided into short term, mid to long term, and long term.

Short term strategy

Strategic plans for the period of one year include the improvement of operations, profit growth, and stronger regional market presence. The Strategic plan for 2011/12 includes the following strategic steps by means of which the Company plans to achieve the set goals:

- TMR has a budget of EUR 44 million to be spent on development of the resorts and hotels
- Out of that EUR 5.2 million is the budget for Tropical Paradise – a project in Aquapark Tatralandia. The first part will be completed this summer and the second part in the fall of 2012
- Completion of Funitel cableway system in Jasná, Low Tatras
- Construction of Twinliner Biela Púť – Priehyba cableway – which will connect Jasná resort with Funitel
- Construction of a cableway with a cabin for 15 people – Kosodrevina Chopok at Chopok South, Jasná.
- Extension of snowmaking at Chopok South and North, Jasná
- Hotel renovations – rooms renovation and new multipurpose conference space in Wellness hotel Grand Jasná and renovation of the lobby and restaurant and a new wellness in FIS hotel in the High Tatras
- Dual listing of the Shares at the Warsaw Stock Exchange and the Prague Stock Exchange

Mid to long term strategy

Within the next few years TMR's strategy is to achieve the key role in the Tatras development and substantially participate on revenues from the tourism market in the Tatras region through development of the Company itself. The Company plans to increase its revenues due to the growing spending by customers in the TMR resorts and hotels. The strategic goal is to achieve that every customer spends a great amount of their expenses on TMR's services. Such strategy is conditioned by the favorable growth of macroeconomic indicators and development of the whole Tatras region.

Long term strategy

The long term strategic goal for the next 10 years is to gain a leading role in winter and summer tourism in the region of Central and Eastern Europe. Leadership in the area of tourism provides TMR with the ability to set trends and standards in this industry. At the same time it leads the Company to differentiation. The result is that the Company tends to sell premium services for premium prices. A wide choice of services and their quality is the key for the Company's direction. This goal is based on three pillars:

Organic growth – through the use of synergies among business lines in order to optimize costs and maximize revenues. Another means for organic growth is the aggressive investment policy with investments into the resorts, cableways, expansion of snowmaking and dining facilities. For organic growth it is also important to increase accommodation capacity (mostly for upper

segments) and build centers in the mountain resorts (apartments, lease of space, etc.). By means of development activities (real estate projects) the Company plans to create currently nonexistent infrastructure (leisure centers, shopping malls with complete facilities) that would provide all-season possibilities to have social, cultural and sports life in the mountain resorts. In addition to the synergic effect reflected in the increase of resort visits, the real estate projects are expected to provide income in the form of profit from sale, as well as from lease, administration, and operation of these projects.

Growth through acquisitions and financial investments – thanks to acquisitions and financial investments the mountain resorts shall strengthen their leading role in the region. Strategic investment into shares of the public company, BHP, which also operates in tourism, will bring a positive influence of hotel management know-how and synergies with GH Kempinsky High Tatras.

Intensive growth of the number of customers – shall be reached by intensive client oriented marketing campaigns. Strategic steps to achieve this goal include increasing the variety and quality of the services provided. TMR improves the quality of ski schools, ski equipment rentals, and dining facilities on slopes. Moreover, it improves offers of après ski activities, tries to optimize transport possibilities to resorts and cooperates with local business entities. TMR prefers to cooperate rather than compete with them, wants to build on their success and bring their customers to nearby resorts with easy access and a variety of attractions for children, adrenalin sports for the young (e.g. bike parks), and relaxation zones. As per accommodation, TMR focuses on four-star hotels and improvement of its wellness and dining services. Other strategic steps are: focus on affluent clientele, essential quality of management and serving staff, and a sophisticated marketing strategy.

10.5. Human resources

The average number of TMR employees for the first half of 2011/12 was 742, i.e. 5.7 % more than for the identical period in the previous year, due to operation of Aquapark Tatralandia during the entire winter season, since in the previous year Tatralandia was in operation from April only. The servicing of a new 8-seater cableway in Tatranská Lomnica, the extension of restaurant facilities and acquisition of Hotel Slovakia contributed to the increase.

The average number of employees in the fiscal year 2010/2011 was 670 permanent employees and 652 seasonal employees. Before the winter season of 2010/11 in December 2010 there was a staff increase of 234 employees and of 208 seasonal employees, a total of 442. After the winter season of 2010/11 in April 2011 the total number of employees decreased by cca. 100 and the number of seasonal workers was lowered by 150. The acquisition of Aquapark Tatralandia balanced out the average number of employees of TMR as 132 employees were hired. In addition, the dynamically growing subsegments of Sport Services & Stores and Dining resulted in an increased demand for human capital. The summer season of 2011 brought an increased number of employees since June 2011; and this trend lasted well till the end of the fiscal year also due to the prolonged summer season.

10.6. Research and development, patents, and licenses

TMR and companies included in consolidation did not have any expenses in the area of research and development in the first half of fiscal year 2011/2012 and in fiscal year 2010/2011.

The Company possesses a license and permits to operate each cableway in its mountain resorts. The license has been issued by Railway Regulatory Authority and the permits by the Section of Safety and State Supervision on Railroads.

The Company does not use or possess any patents. There is no dependency of the Company's business performance on patents, industry-, business- or financial contracts, or on new productions processes.

10.7. Industry trends

Global tourism trends

Tourism development and its attractiveness, measured by the Travel & Tourism Competitiveness Index (TTCI), have been ranked highest in advanced economies, whilst growth in the sector in recent years has been faster in emerging economies, such as China, Turkey, Malaysia, Mexico, Ukraine, and the Russian Federation. The expansion of the tourism market in recent decades has been beneficial especially for emerging countries, since currently there are approx. 100 countries receiving over 1 million international arrivals per year⁴. In 2011 the number of international arrivals worldwide improved by more than 4% to 980 million. With continuing of the current growth (5.7% in first two months) 2012 should bring this number to one billion, which means a 3-4% increase⁵.

Regional tourism trends

Eastern Europe has exhibited strong growth potential as international arrivals have tripled in the past five years to almost 3 million in 2011. Future positive results in the region largely depend on the priority that local governments give the tourism sector, particularly in terms of tourist visa process, tourism promotion, and branding.

Slovak tourism industry is expected to benefit from the recently passed act (effective 1/12/2011) aimed at destination management and to boost Slovak tourism through organized cooperation of towns, business entities, and the state. The 2012 budget designated for organized tourism projects from towns and business entities comes to EUR 3.2 million with matching EUR 3.2 million from the state. Slovak tourism industry is projected to grow on average 4.8% annually till 2020, while direct and indirect contribution of the sector to Slovak economy should grow on average 6.3% annually till 2020. Growth of the Slovak tourism industry in the following years is estimated to be faster than e.g. Ukraine or the Czech Rep., but slower than Poland, and at the same rate as Russia⁶. In the mountain industry, observable trends include extending the variety of services in mountain resorts, such as ski schools, ski service, and shops, as well as non-skiing activities, such as après ski bars, nightlife, restaurants, family activities and events. As for summer activities, the focus is on adrenalin sports, summer family events, and cycling, evidenced by an increase in development of resorts, cycling tours, and by increased marketing. Based on the unfavorable weather in the region during 2010/2011 winter season, mountain resorts incline to expand technical snowmaking. Also, mountain resort tourists tend to be attracted to package deals on lodging and lift tickets, thus this trend is expected to continue. One can observe these trends in all the locations operated by TMR. One of the main target groups of TMR, Polish tourists, is expected to increase visits to Slovakia in coming seasons on a larger scale thanks to the airline connection between Gdansk, Warsaw, and Poprad operated by EuroLOT. Slovak tourism agency (SACR) is cooperating with resort- and lodging operators to come up with attractive deals for this client segment. Another big potential for regional, especially Slovak, tourism is Ukrainian market because of its proximity and size. Romanian tourists also started coming to Slovakia in larger numbers also thanks to their new membership in the EU⁷.

10.8. Group's outlook

In the current fiscal year 2011/2012 TMR expects to continue to grow in terms of sales and the number of visitors, while not necessarily following the projected conservative growth in tourism in the region, as described above. TMR heavily relies on its capital intensive investment strategy, which will continue well through 2011/2012 with planned EUR 44 million to be spent on CAPEX in the current fiscal year, and intends to capitalize on its rapidly developing resorts and services in its portfolio in order to attract more and more clients each year. Also in the following periods the Company trusts its well-defined differentiation strategy, thanks to which it has become the principal trendsetter and leader in the region. This financial year will be impacted by some investments of the current year and by the realized investments from 2010/2011 in the total amount of nearly 30 mil euros in terms of increase in visit rate in the resorts and occupancy of the hotels. A positive impact on future results is expected to be achieved with the strategic steps of the corporate strategy described earlier.

⁴ Source: World Economic Forum, Travel & Tourism Competitiveness Report 2011,2011

⁵ Source: World Tourism Organization UNWTO

⁶ Source: World Economic Forum, Travel & Tourism Competitiveness Report 2011,2011

⁷ Source: Trend magazine

11. THE COMPANY'S SHAREHOLDERS

11.1. Shareholder structure

The structure of the Company's major shareholders, i.e. holding more than 5% of shares as of July 9, 2012 is as follows:

- Poštová banka, a.s holds 1 169 782 shares that represent 17.4% of the total shares issued and 17.4% of the total votes in the Company;
- J&T Banka, a.s. holds 665 007 shares that represent 9.9% of the total shares issued and 9.9% of the total votes in the Company;
- CLEARSTREAM BANKING S.A. holds 657 894 shares that represent 9.8% of the total shares issued and 9.8% of the total votes in the Company;
- Patria Finance, a.s. holds 538 912 shares that represent 8.0% of the total shares issued and 8.0% of the total votes in the Company;
- TLD, s.r.o. holds 493,318 shares that represent 7.4% of the total shares issued and 7.4% of the total votes in the Company; and
- J&T Banka, a.s. holds 430,057 shares on clients' accounts (REPO) that represent 6.4% of the total shares issued and 6.4% of the total votes in the Company

11.2. Related parties transactions

The Group is in relationship of a related party with its shareholders who have a significant impact on the Group and with other parties, as of October 31, 2011 and October 31, 2010 or during the period from November 1, 2010 to October 31, 2011 and November 1, 2009 to October 31, 2010:

- (1) Entities with joint control or significant influence over the Company and its subsidiaries or associates
- (2) Joint ventures in which the Group is a partner
- (3) Associates
- (4) Key management personnel of the Company or the Group's shareholders
- (5) Other related parties

Since none of the shareholders of the Group has ownership of over 20% or otherwise has significant influence in the Group, shareholders are not recognized as related parties and above described transactions, and any balances are not understood as transactions with related parties.

The Group has transactions with related parties listed below:

<i>In thousands of EUR</i>	Receivables 30/4/2012	Payables 30/4/2012	Receivables 31/10/2011	Payables 31/10/2011
Interhouse Tatry s.r.o. ¹	315	-	368	-
<i>In thousands of EUR</i>	Revenues 1/11/2011 – 30/4/2012	Costs 1/11/2011 – 30/4/2012	Revenues 1/11/2010 – 30/4/2011	Costs 1/11/2010 – 30/4/2011
Interhouse Tatry s.r.o	63	-2	37	-

¹ By buying a 50% share in the joint venture company Interhouse Tatry s.r.o. (Ltd.) on December 28, 2009, this company has been identified as a related party.

12. INFORMATION ON THE INTENDED ADMISSION TO TRADING ON WSE

As of the date hereof, 6,707,198 ordinary bearer book-entry Shares of the Company with a par value of EUR 33 each are listed on the official market of the BSSE.

Based on this Information Memorandum, the Company intends to apply for the admission and introduction of all the Shares in the share capital of the Company, i.e. 6,707,198 Shares, to trading on the main market of the WSE.

The admission to trading and the listing of the Shares on the WSE requires, amongst other things: (i) the registration of the Shares in the depository operated by the NDS; and (ii) the WSE's management board resolving to admit and introduce the Shares to trading and listing on the WSE. It is the Company's intention that, in the absence of any unforeseen circumstances, the Shares will be admitted to trading on the WSE in the second half of 2012 and trading in the Shares on the WSE will commence within no later than approximately one week after the date of the admission of the Shares to trading on the WSE.

For the purposes of the WSE Listing, the Company intends to apply to the NDS for the registration of the Shares as soon as possible.

13. ADDITIONAL INFORMATION

13.1. Additional information on the Company's share capital

As of the date hereof, the Company's share capital amounts to EUR 221,337,534 and is divided into ordinary bearer Shares with a par value of EUR 33 each.

The issued share capital comprised of 1,013,798 shares with the nominal value of EUR 33.193919. At the General Meeting on June 29, 2009, shareholders adopted a resolution on raising of the share capital of the Company to EUR 221 534 128.694362 by contribution in-kind – in the form of bills of exchange issued for Tatry mountain resorts services, a.s. (former Tatry mountain resorts, a.s. till 10/06/2009), with its registered seat at Tatranská Lomnica 41, 059 60 Vysoké Tatry by J&T Private Equity B.V. with its registered seat at Weteringschans 26, 1017 SG Amsterdam, Netherland in the total face value of EUR 216 349 200 with an issue rate of EUR 38. In the process of raising of the share capital on June 29, 2009 Tatry mountain resorts services, a.s., the majority shareholder subscribed to 5 693 400 shares with the nominal value of EUR 33.00 each, whereas the face value of these shares was fully paid up by the contribution in-kind, the bills of exchange, approved by the General Meeting, transferred by Tatry mountain resorts services, a.s. to Tatry mountain resorts, a.s. On 12 April 2010 the previous issues of shares of the Company under the ISIN: CS0009011952, series 01,02 , ISIN: SK1120002110, series 01, ISIN: SK1120005527, series 01, ISIN: SK1120006061, series 01, ISIN: SK1120009156, series 01 ceased and merged into a single issue ISIN SK1120010287.

On March 15, 2010 an Extraordinary General Meeting took place. The EGM approved a decrease in the share capital of the Company from the amount of EUR 221,534,128.694362 to the amount of EUR 221,337,534. The reason for the reduction in the share capital was to achieve one nominal value for all Shares, namely the value of EUR 33 per share. Thus, the nominal value of 1,013,798 shares was changed from EUR 33.193919 to EUR 33.00. The proceeds from the reduction of the share capital in the amount of EUR 196,594.69 were distributed among the shareholders in the amount of EUR 0.193919 per share.

13.2. Reporting obligations in the Slovak Republic

Companies whose securities are listed on the regulated market are required to disclose specific mandatory information which can be divided in the following categories:

- (i) periodic reporting requirements (annual financial report, semi-annual financial report, interim management statements, etc.);
- (ii) reporting requirements in relation to inside information;
- (iii) reporting requirements in relation to additional information;
- (iv) disclosures relating to general meetings;
- (v) reporting of changes in major shareholdings;
- (vi) other disclosure requirements explicitly required by law.

The regulated information related to the Company or to any financial instrument it has issued is also published through a generally recognized electronic system for dissemination of the regulated information.

Periodic reporting requirements

Annual financial report

The Company must publish an annual financial report not later than four (4) months after the end of each business year (accounting period). The Company must ensure that its annual financial report is publicly available for at least five (5) years after its publication. The annual financial report must include an annual report (in Slovak “*výročná správa*”) or a consolidated annual report (in Slovak “*konsolidovaná výročná správa*”) if applicable as well as financial statements of the Company, the auditor’s report, signed by the auditor responsible for the auditing of the Company’s annual financial report, and a statement of compliance by the responsible parties of the Company.

Semi-annual financial report

The Company must publish a semi-annual financial report for the first six (6) months of its business year not later than two (2) months after the end of this period and must ensure that its semi-annual financial report is publicly available for at least five (5) years after its publication. If the semi-annual financial report has been audited, the Company must also publish the auditor’s report together with the publication of the semi-annual financial report. If the semi-annual financial report has not been audited, a statement to that effect must be made in the report.

Interim management statements

The Company must publish the first interim management statement within the period of the first six (6) months of its business year and the second interim management statement within the period of the second six (6) months of its business year. Interim management statements must be published within the period starting upon the expiry of the ten-week period after the end of an individual six-month period and ending six (6) weeks before the end of the next six-month period and shall include information related to each individual six-month period until the publication of the statement. This obligation does not apply to a public company that in line with applicable rules of a regulated market or at its own initiative publishes quarterly reports.

The Company must elaborate at least once a year a document which contains all information or references to all information which has been published or made publicly available during the previous twelve (12) months in line with its obligations pursuant to the Slovak Act No. 429/2002 Coll. On Securities Stock Exchange as amended or other applicable law of other EU member states or EU non-member states concerning regulation of securities, issuers of securities and securities markets or relating to companies, admission of securities to trading on regulated markets and special regulation governing the use of international accounting standards.

Reporting requirements in relation to inside information

The Company must, as soon as possible, publish inside information that is directly or indirectly related to itself or to any financial instrument it has issued and which information would presumably significantly influence the rate or the price of these financial instruments or the price of related derivatives once such inside information would have been published.

Reporting requirements in relation to additional information

The Company must, as soon as possible, publish the following information:

- (i) information on any change in the rights attached to different types of Shares issued by itself including any change in the rights attached to derivatives which allow access to shares of the Company; and
- (ii) information on any loans received and their security; and

- (iii) publish announcements or send documents related to distribution and payment of dividends and issue of new shares including information on all measures related to their distribution, subscription, expiration or replacement if these information is not included in distributed to its shareholders.

Disclosures relating to General Meetings

An announcement on the convocation of the General Meeting of the Company must be published in a periodical newspaper publishing stock market reports with a nation-wide circulation (within the Slovak Republic) as well as on the Company's website and by means for dissemination of the announcement in all EU member states at least thirty (30) days before the holding of the General Meeting.

The Company must, at least thirty (30) days before the General Meeting, publish on its web-side the following information:

- (i) the announcement on convocation of the General Meeting containing mandatory information under the Slovak Commercial Code;
- (ii) the total number of Shares and voting rights attached to such Shares as of the date of announcement on convocation of the General Meeting was published;
- (iii) the consolidated version of all documents that will be discussed as part of the designated agenda of the General Meeting;
- (iv) proposals for any decisions of the General Meeting according to individual items on the agenda of the General Meeting and the opinion of the Board of Directors on each item for which no proposal for decision has been submitted;
- (v) a sample form of the written power of attorney that may be used for voting through a representative; and
- (vi) the manner and means through which the Company receives notices on the appointment, replacement or removal of an authorized representative by electronic means, as well as the related technical requirements.

Reporting of changes in major shareholdings

Notification of changes in a major shareholding, which for the purposes of notification represent thresholds of five (5)%, ten (10)%, fifteen (15)%, twenty (20)%, twenty-five (25)%, thirty (30)%, fifty (50)% and seventy (70)% of total voting rights in respective public company, has to be made within four (4) trading days from the day the shareholder or other reporting entity learned or, considering all circumstances, should have learned on the acquisition or disposal of the shares or of the possibility of exercising voting rights deriving therefrom.

The Company is required to publish the information contained in the notice on the change in major shareholdings within three (3) trading days following the receipt of such notification from the shareholder.

Other disclosure requirements explicitly required by law

If the Company acquires or disposes its own Shares whether directly or indirectly through a person acting on its own behalf and for the account of the Company and its shareholding reaches, exceeds or falls below thresholds of five (5) % or ten (10) % of total voting rights, it must publish the information on its actual shareholding without undue delay but in any event not later than within four (4) trading days after such transfer took place.

The Company is also obliged to publish the total amount of voting rights and the total registered capital by the end of each calendar month in which the total amount of voting rights has been increased or decreased.

13.3. Reporting obligations in Poland

Disclosure obligations under Polish law and regulations which are specified below start once the securities of the company have been admitted to trading on the WSE.

A company whose shares are admitted to trading on regulated market(s) established or operating in a Member State of the European Union different from the Member of State of its incorporation has one home Member State, being the Member State of its incorporation, and one or several host Member State(s), being the Member State(s) where its shares are admitted to trading, for the purpose of its transparency requirements under the Transparency Directive.

The Company has its registered office in the Slovak Republic, consequently the Slovak Republic is a Home Member State and Poland will be a Host Member State.

Therefore, ongoing transparency requirements as set forth in the law of the Slovak Republic will apply to the Company also in Poland. NBS will supervise the compliance of the Company with its obligations under the Slovak law. Compliance with the reporting obligations in Poland will be supervised by the PFSA.

In accordance with the Polish Act on Public Offering for the issuers for whom Poland is the Host Member State, the scope of disclosure of ongoing and periodic information and the deadlines of their submission should be specified by legislation in force of the Home Member State, i.e. in case of the Company – the law of the Slovak Republic.

This information should be disclosed simultaneously to the PFSA and the WSE (through the electronic system for WSE-listed issuers, i.e. ESPI) and to the public through a Polish press agency, as well as posted on the Company's website.

13.4. Selected Slovak tax considerations

This information is of a general nature and does not constitute an exhaustive analysis of the tax results related to the acquisition, holding or disposal of the Shares under the relevant tax laws. Therefore, potential investors should, in individual cases, consult their own tax, financial or legal advisers concerning the Slovak and other national tax consequences of acquiring, owning and disposing of the Shares. This summary is not intended to be, nor should it be considered to be, legal or tax advice to any particular holder of the Shares.

This summary is based on the following Slovak legal acts:

- (i) Slovak Act No. 222/2004 Coll. On Value Added Tax as amended (the "Slovak Value Added Tax Act");
- (ii) Slovak Act No. 595/2003 Coll. On Income Tax as amended (the "Slovak Income Tax Act"); and
- (iii) Slovak Act No. 563/2009 Coll. On Tax Administration as amended (the "Slovak Tax Administration Act").

Pursuant to Article 39 of the Slovak Value Added Tax Act, the following financial services are exempted from VAT among others: transactions concerning securities and participating interests, including their negotiation; whilst excluding management and safekeeping of securities.

Taxation of income deriving from Shares

Individual holders of Shares

Pursuant to Article 3, Paragraph 2 of the Slovak Income Tax Act:

- (i) shares of profits (dividends) paid from the profit of a company or cooperative, which is to be distributed among persons with ownership interest in registered capital or members of the statutory or supervisory bodies of that company or cooperative, even if they are employees of that company or co-operative;
- (ii) settlement shares, shares in liquidation balances of partnerships, companies and co-operatives;
- (iii) shares of profits which are paid to silent partners, other than shares of profits which are paid to silent partners of a general commercial partnership, shares of profits attributable to partners of general commercial partnerships and to general partners of limited partnerships, and other than shares in the liquidation balances attributable to partners of general commercial partnerships and to general partners of limited partnerships upon liquidation of the partnership, and other than settlement shares attributable to partners of general commercial partnerships, and to general partners of limited partnerships upon termination of participation of the partner in the partnership;

(iv) income earned as a result of the acquisition of new shares and ownership interest as well as income earned as a result of their exchange upon winding-up of the taxable party without its liquidation, including those cases, in which a merger, consolidation, or split of a partnership or a company involves property owned by a partnership or a company having its registered office in any of the European Union member States,

are, in general, exempt from the tax base of an individual holder of shares. Other interests and other incomes derived from securities are included in the income derived from capital which is subject to taxation in accordance with the Slovak Income Tax Act.

Corporate holders of Shares

In accordance with Article 12, Paragraph 7 of the Slovak Income Tax Act the following incomes are exempt from the tax base of a corporate holder of shares:

- (i) shares of profit, settlement shares, shares in the liquidation balances or shares of profit after taxation, provided that they are not subject to taxation under Article 3, Paragraph 2 (*see the abovementioned taxation exemptions for individual holders of share*) and are paid to the legal entities; and
- (ii) income earned as a result of the acquisition of new shares and holding interests, as well as income earned through any exchange of shares upon winding-up of the taxable party without its liquidation, including those cases, in which a merger, consolidation, or split of a partnership or a company involves property owned by a partnership or a company having its registered office in any of the European Union member States.

Taxation of capital gains

Capital gains of individual holders of shares are established on the basis of the difference between the taxable income less either of (i) the documented acquisition cost paid for the security or option, or (ii) the price of the security or option determined at the time of acquisition, except for the expenses under paragraph (i) above.

The general tax rate for the income tax applicable in the Slovak Republic for taxation of Individual holders of shares as well as corporate holders of shares is nineteen (19)%.

Tax on the income originating from sources in the territory of the Slovak Republic, which is earned by taxable parties who have no permanent residence or usually do not stay in the territory of the Slovak Republic (*in case of individuals*) or which have its registered office or its place of actual management out of the territory of the Slovak Republic, other than any income earned by a permanent establishment of such taxable parties, shall be withheld, as long as such income falls under the relevant categories from Article 16 of the Slovak Income Tax Act.

Gift and inheritance taxes

There is neither gift tax or stamp duty nor inheritance tax or similar taxes currently applicable to free of charge transfers of shares under the Slovak law. An income earned by donation or as an inheritance is also exempt from the income tax base. However, a notary public conducting an inheritance proceeding may charge a fee with respect to such proceeding

Transfer tax on the sale of Shares

There is no transfer tax or stamp duty or similar tax currently applicable to transfers of shares under the Slovak law. However, a brokerage house, the Slovak Central Depository of Securities or a member of the Slovak Central Depository of Securities may charge a fee with respect to any share transfer.

13.5. Selected Polish tax considerations

The following summary of Polish consequences of acquisition, ownership and disposal of shares by shareholders is not intended to constitute a complete analysis. It is deemed only as a general guide. Therefore, in particular cases shareholders should consult their own tax advisors on the tax consequences of acquiring, owning and disposing of shares.

This information is based upon following laws, double tax conventions in effect as at the date of this Memorandum:

- Personal Income Tax Act of July 26, 1991 (consolidated version: Journal of Laws of 2000, No. 14, Item 176, as amended, hereinafter: **Polish PIT Act**)
- Corporate Income Tax Act of February 15, 1992 (consolidated version: Journal of Laws of 2000, No. 54, Item 654, as amended, hereinafter: **Polish CIT Act**),
- Law on Tax on Civil Acts of September 9, 2000 (Journal of Laws of 2000, No. 959, as amended, hereinafter: **Polish Law on Tax on Civil Acts**),
- Act on Inheritance and Donation Tax of July 28, 1983 (Journal of Laws of 1983, No. 45, item 207, as amended, hereinafter: **Act on Inheritance and Donation Tax**),
- Agreement between the Republic of Poland and Slovak Republic for the avoidance of double taxation with respect to taxes on income and on capital of August 18, 1994 (Journal of Laws of 1996, No. 30, item 131, hereinafter: **Polish-Slovak DTC**).

The analysis does not involve tax consequences of acquisition, ownership and disposal of shares by shareholders who are not Polish residents. In case of Polish non-residents any income from shares in a company resident in the Slovak Republic is not taxed in Poland. In such a scenario the double tax conventions between Slovak and the country of residence of Polish non-residents applies.

Polish residents

Only Polish residents are taxed in Poland on their entire worldwide income, regardless of where it was earned. The income of Polish non-residents is subject to tax exclusively when it is earned in Poland.

Pursuant to the Polish PIT Act, Polish residents are individuals domiciled in Poland. An individual is assumed to be domiciled in Poland, if a person has its centre of personal or business interests in Poland (a life interest centre) or if spends more than 183 days during the fiscal year in Poland.

Pursuant to the Polish CIT Act, Polish residents are legal persons having its registered office or place of management in Poland.

Regardless of the following tax consequences of acquisition, ownership and disposal of shares by shareholders, if shares are effectively connected with carrying by individual or legal person permanent establishment in Slovakia, any derived income may be subject to tax both in Slovakia and Poland.

Taxation of dividends and other income from shares

Individuals

Under the Polish tax law dividends and other income from shares constitute income from a share in profits of legal persons. This term involves also e.g. income derived from redemption of shares, the value of assets received upon liquidation of the legal person.

Generally, dividend income and other income from shares is subject to a flat rate of 19% of income earned. This rule is modified by the Polish-Slovak DTC. It applies only to shareholders who are beneficial owners. Pursuant to the Article 10 of the Polish-Slovak DTC, dividends paid by a company which is a resident of Slovakia to a resident of Poland may be taxed in Poland. Slovakia may withhold 10% of gross amount of dividend paid. The Polish-Slovak DTC allows deducting from the tax on dividends paid by the Polish resident the amount of tax withheld by Slovakia. The deduction cannot exceed the part of the tax, as computed before the deduction is given, which is attributable to such items of income derived from the Slovakia.

Pursuant to the Article 30a section 1 point 4 of the Polish PIT Act, dividend income and other income of share in profits in legal person is not aggregated with income from any other sources.

Legal persons

There are different tax consequences for Polish residents and for Polish non-residents. In case of Polish non-residents dividend income and other income from shares is not taxed in Poland. The double tax conventions between Slovakia and the country of residence of the legal person apply.

Dividend income and other income from shares derived by legal persons who are Polish residents are subject to tax at a flat rate of 19%. This rule is modified by Polish-Slovak DTC which applies only to shareholders being beneficial owners. Pursuant to the Article 10 of Polish-Slovak DTC dividends paid by a company which is a resident of Slovakia to a resident of Poland may be taxed in Poland. Slovakia may withhold 5 % of gross amount of dividend paid if the beneficial owner holds directly at least 20% of the company paying dividends. The Polish-Slovak DTC allows deducting from the tax on dividends paid by the Polish resident the amount of tax withheld by Slovakia. The deduction cannot exceed the part of the tax, as computed before the deduction is given, which is attributable to such items of income derived from Slovakia.

Moreover, there is special exemption for dividends income received by companies with its seats in other than Poland Member States of the European Union, in Member States of the European Economic Area and in Switzerland. Pursuant to the Article 20 section 3 of the Polish CIT Act income from dividends and other income from shares is exempt from tax, if the following conditions are met:

- dividends or other profit distributions made by a company are paid out by an entity that is subject to taxation with corporate income tax on entire income, regardless where such income is earned, in a European Union member state other than Poland or another member state of European Economic Area,
- dividend income is earned by a corporate income taxpayer being Polish resident,
- the company receiving dividend holds directly not less than 10% of shares in the share capital of the company which pays dividend for an uninterrupted period of two years (in case of companies from Switzerland holding threshold is of 25%),
- the company receiving dividend is not exempted from taxation on entire income.

Exemption applies also then when an uninterrupted period of two years expires after the date income from dividend has been earned. If this condition is not met, the taxpayer is obliged to file an adjustment to the tax return for the tax years in which taxpayer benefited from exemption and pay tax arrears.

Taxation of capital gains

Individuals

Pursuant to the Article 13 section 4 of the Polish-Slovak DTC, gains from alienation of shares are taxed only in the residence state of alienator. It means that disposal of shares of Slovak company by the Polish resident is taxed exclusively in Poland.

Pursuant to the Article 30b section 1 of the Polish PIT Act income from capital gains is taxed at the flat rate of 19%. The taxable income is the difference between the proceeds from disposal of shares and the tax deductible costs, including expenditure relating to the acquisition of these shares.

Income from capital gains is not aggregated with income from any other sources. An individual who obtains gains on the sale of securities is required to calculate and pay the tax due and submit by 30th April of the calendar year following the year in which such gains are obtained a separate tax return identifying the amount of the gains or losses. The tax return is to be submitted to the tax office competent for the place of residence of such a taxpayer.

This regulation shall not apply if a disposal of shares is a consequence of performance of any business activity. In this case the revenues from the sale of shares should be qualified as originating from the performance of such activities and settled according to rules on taxation of business activity income.

Legal persons

Pursuant to the Article 13 section 4 of the Polish-Slovak DTC gains from alienation of shares are taxed only in the residence state of alienator. It means that disposal of shares of Slovak company by the Polish resident is taxed exclusively in Poland.

Under the Polish CIT Act gains from disposal of shares by legal person are subject to tax under general rules. Taxable income is the difference between the proceeds from disposal of shares and the tax deductible costs, including expenditure relating to the acquisition of these shares. The income is aggregated with the other income of legal person and taxed at rate of 19% of the taxable income.

Taxation of civil law acts

Under the Polish tax law transfer of shares of a Slovak company by a Polish resident is taxable. Tax is levied on the sale or exchange of the shares at the rate of 1 % of the market value of shares. However, in case property rights are exercised abroad (e.g. shares of Slovak company), transfer of shares may be taxable in Poland only if the purchaser of the shares has its residence or seat in Poland and the contract is signed in Poland. However, if shares are transferred to investment firms or within their intermediation or as part of organized trading, these acts are exempted from tax on civil acts.

Taxpayers are purchasers of shares. There are the same tax obligations for legal persons and individuals. They are obliged to file tax declaration, compute and pay tax in 14 days from the day of sale.

Taxation of inheritance and donations

The regulation of tax on inheritance and donations refers only to individuals. Legal persons remain outside the personal scope of the tax and donations or inheritance received by legal persons fall in the scope of the Polish CIT Act.

Pursuant to the Polish Act on Inheritance and Donation Tax, acquisition of property rights only by individuals through inheritance or donation is subject to inheritance and donation tax, if at the time of opening the inheritance or conclusion of the donation agreement, the donor or donee is a Polish citizen or is permanently domiciled in Poland, or the property rights are exercised in the territory of Poland.

The rates of tax on inheritance and donations vary depending on the degree of kinship by blood, kinship through marriage or other types of personal relationships existing between the testator and the heir, or between the donor and the donee.

The Act on Inheritance and Donation Tax provides for exemption from tax, when donations or inheritance is made by spouse, descendants, ascendants, stepchildren, siblings, stepfather or stepmother. The beneficiary is obliged to notify the acquisition.

13.6. Corporate Governance

The overall framework of Corporate Governance of TMR has been defined in compliance with relevant laws and regulations. The Board of Directors announced to comply with the principals of Corporate Governance Code in Slovakia on November 3, 2010. The announcement includes complete information on methods of management in the Company and information on deviation from the code in management of the Company based on the “comply or explain” principal, as required by applicable law. The information is available on www.tmr.sk. Every year TMR includes a report on Corporate Governance in its Annual Report, which includes a description of its system of Corporate Governance.

Internal control is ensured by regular monitoring of the financial plan and total financial situation. Basic information on administration and methods of management are included in the Company’s Articles of Association, organizational code of conduct and directives that are available at the Company’s headquarters. Employees are fully familiar with them.

In connection with the intended listing on the WSE, the requirement to publish a corporate governance report first applies when the Company becomes listed and therefore is required to comply with the provisions of the WSE Rules. In addition, according to WSE regulations all issuers listed on the WSE are obliged to file each year, their report as to the observance of the

WSE Best Practice on a “comply or explain” principle (the Company shall attach a report on the application of WSE Best Practice by the Company to the Annual Report). The Company is also obliged to publish a report as soon as the Company becomes reasonably convinced that a given rule will not be applied at all or on an occasion, in any case promptly after an event representing a breach of a corporate governance rule occurs. The report should be published at the TMR official website and via EBI system provided by the WSE.

13.7. Shareholders’ Club

TMR and its individual shareholders were brought together in a close partnership that is built on trust with a goal to contribute to the progress and success, to create loyalty with special offers in the most successful Slovak resorts, and to increase the number of registered shareholders. The right to enjoy the annual benefits belongs to each shareholder who buys at least 25 TMR shares. More information about the Shareholders’ club and its benefits is available at www.tmr.sk.

Shareholder benefits	
Number of Shares	Benefit
25	6 – entries *
40	12 –entries*
80	25 – entries *
130	season ticket **
250	2 x season ticket **
500	VIP CLUB: 2x all-year ticket * + benefits of VIP club
750	GOLD VIP CLUB: 2x all-year ticket * + benefits of GOLD VIP club

13.8. The Company corporate documents available to investors

The copies of the following corporate documents may be inspected electronically at www.tmr.sk:

- Articles of Association (*Stanovy*)
- Statement of Compliance with Corporate Governance Code in Slovakia (*Kódex správy a riadenia spoločnosti na Slovensku*)
- Corporate Governance Policy and Structure
- Regulated Announcements
- General Meeting Minutes

14. INFORMATION ON THIS MEMORANDUM

This Information Memorandum was prepared in Liptovský Mikuláš, the Slovak Republic on September 10, 2012 and the information contained in this Memorandum, unless otherwise clearly stated herein, is true and accurate as of this date. If after that date and before the date when Shares are admitted to trading on the WSE any events occur resulting in amendments by requiring to be incorporated to the Information Memorandum, the Company will give notice of such amendments by publishing relevant information on the website on which the Information Memorandum has been published, that is at www.tmr.sk.

The validity period of this Information Memorandum elapses on the day on which the Shares are admitted to trading on the WSE; however in any case no later than within three months from the date of releasing this Memorandum to the public.

15. THE COMPANY'S PROSPECTUSES AND FINANCIAL INFORMATION AVAILABLE TO INVESTORS

Copies of the following documents may be inspected electronically at www.tmr.sk:

- Consolidated financial statements of the Group and unconsolidated financial statements of the Company as of and for the years ending October 31 2009-2011, and unconsolidated financial statements of the Company as of and for the years ending December 31, 2005-2008;
- Interim and half-year financial statements as of and for the periods ended January 31, April 30, July 31 2009-2012 and Interim financial statements and a half-year financial statement as of and for the periods ended March 30, June 30, September 30, 2008.
- The most recent prospectuses of the Company for the current active ISIN and the remaining inactive ISINs

16. ABBREVIATIONS AND DEFINITIONS

1H 2011/2012	First half of fiscal year 2011/2012 (period of November 1, 2011 to April 30, 2012)
Articles of Associations	The articles of association of the Company Tatry Mountain Resorts a.s.
BHP	Best hotel properties a.s.
Board of Directors, Management Board	The Board of Directors of the Company
BSSE, Bratislava Stock Exchange	The Bratislava Stock Exchange (in Slovak: <i>Burza Cenných Papierov v Bratislave, BCPB</i>)
CDA	Compagnie des Alpes
CDCP	Slovak Central Depository of Securities (in Slovak: <i>Centrálny depozitár cenných papierov SR, a. s.</i>)
CEE	Central & Eastern Europe
Community	The European Community
CZK	The Czech Koruna, the lawful currency of Czech Republic
Directive 2003/71/EC	Directive 2003/71/EC of the European Parliament and of the Council of the European Union of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC.
Dividend Date	The relevant day for determining shareholders entitled to exercise the right to a dividend
EBI	Electronic Base of Information (in Polish: <i>Elektroniczna Baza Informacji</i>)
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation and amortization
EGM	Extraordinary General Meeting
ESPI	Electronic System of Information Dissemination (in Polish: <i>Elektroniczny System Przekazywania Informacji</i>)
EUR	The lawful currency of the Eurozone.
General Meeting	The General Meeting of the shareholders of the Company.
Group	Capital group involving TMR as the controlling entity with its subsidiaries subject to consolidation
Home Member State	The Member State in which the company has its registered office
Host Member State	The Member State in which securities are admitted to trading on a regulated market, if different from the home Member State
IFRS	International Financial Reporting Standards as adopted by the EU
Information Memorandum, Memorandum	This information memorandum
Member State	A Member State of the European Economic Area
NBS	National Bank of the Slovak Republic (in Slovak: <i>Národná Banka Slovenska</i>)
NDS	Polish National Depository of Securities (in Polish: <i>Krajowy Depozyt Papierów Wartościowych, KDPW</i>)
PFSA, or Polish Financial Supervision Authority	The Polish Financial Supervision Authority (in Polish: <i>Komisja Nadzoru Finansowego</i>).
PLN	The zloty, the lawful currency of Poland
Polish Act on Inheritance and Donation Tax	Act on Inheritance and Donation Tax of July 28, 1983 Journal of Laws of 1983, No. 45, item 207, as amended
Polish Act on Public Offering	The Polish Act on Public Offering, the Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies dated 29 July 2005 (unified text Journal of Laws of 2009, No. 185, item 1439, as amended)
Polish Act on Supervision over the Financial Market	The Polish Act on Supervision over the Financial Market dated 21 July 2006 (Journal of Laws of 2006, No. 157, item 1119).The Polish Act on Supervision over the Capital Market dated 29 July 2005 (Journal of Laws of 2005, No. 183, item 1537, as amended).
Polish Act on the Supervision over the Capital Market	The Polish Act on Supervision over the Financial Market dated 21 July 2006 (Journal of Laws of 2006, No. 157, item 1119).The

	Polish Act on Supervision over the Capital Market dated 29 July 2005 (Journal of Laws of 2005, No. 183, item 1537, as amended).
Polish Act on Trading in Financial Instruments	The Polish Polish Act on Trading in Financial Instruments dated 29 July 2005 (Unified text Journal of Laws of No. 211, item 1384, as amended).
Polish CIT Act	Corporate Income Tax Act of February 15, 1992 consolidated version: Journal of Laws of 2000, No. 54, Item 654, as amended
Polish Law on Tax on Civil Acts	Law on Tax on Civil Acts of September 9, 2000 Journal of Laws of 2000, No. 959, as amended
Polish PIT Act	Personal Income Tax Act of July 26, 1991 consolidated version: Journal of Laws of 2000, No. 14, Item 176, as amended
Polish-Slovak DTC	Agreement between the Republic of Poland and the Slovak Republic for the avoidance of double taxation with respect to taxes on income and on capital of August 18, 1994 (Journal of Laws of 1996, No. 30, item 131
PSE	Prague Stock Exchange
Relevant Date	The relevant day for determining a shareholder that has a right to participate in the General Meeting
Relevant Day of Pre-emptive Rights	The relevant day for determining a shareholder that has a pre-emptive right to subscribe new shares
Reserve Fund	The Reserve Fund of the Company established obligatorily within the rules of the Slovak Commercial Code shall serve solely to cover the losses of the Company, unless a specific statute provides otherwise
ROA	Return on Assets
ROE	Return on Equity
Shares	6 707 198 ordinary bearer shares issued in the share capital of the Company with a par value of EUR 33 each as of the date of this Memorandum
Slovak Commercial Code	Slovak Act No. 513/1991 Coll. the Commercial Code of the Slovak Republic (in Slovak: <i>Obchodný zákonník</i>)
Slovak Income Tax Act	The Slovak Act No. 595/2003 Coll. On Income Tax as amended
Slovak Securities Act	The Slovak Act No. 566/2001 Coll. on Securities and Investment Services as amended
Slovak Securities Stock Exchange Act	The Slovak Act No. 429/2002 Coll. on Securities Stock Exchange (in Slovak "o burze cenných papierov")
Slovak Tax Administration Act	The Slovak Act No. 563/2009 Coll. On Tax Administration as amended
Slovak Value Added Tax Act	The Slovak Act No. 222/2004 Coll. On Value Added Tax as amended
Supervisory Board	Supervisory Board of the Company
TMR, Company	Tatry mountain resorts, a.s.
Transparency Directive	Directive 2004/109/ec of the European Parliament and of the Council of 15 December 2004 on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market and amending Directive 2001/34/EC
ttm	"trailing twelve months"
WSE Best Practices	"Best Practices of WSE Listed Companies" as of 19 May 2010 being a collection of rules and recommendations concerning corporate governance applicable on the WSE.
WSE Rules	The Warsaw Stock Exchange Rules of 4 January 2006, as amended
WSE, Warsaw Stock Exchange	The Warsaw Stock Exchange (in Polish: <i>Giełda Papierów Wartościowych w Warszawie S.A.</i>).