

**TATRY**  
MOUNTAIN RESORTS

## **Dual Listing Investor Presentation October 2012**

**Warsaw, October 2012**



**We are here to revolutionize tourism in Central Europe!**



# TMR at a Glance



- ▶ **Leading** and the only “**Alpine style**” mountain tourism services provider in the CEE region
- ▶ **Natural monopoly** in terms of no other similar mountains than the Tatras in the region
- ▶ **Increasing quality** with **infrastructure investments** of **EUR 144 million** during the last six years
- ▶ **Significant** (double digit) **increases** in **revenues** (CAGR 23%) and **EBITDA** (CAGR 48%) in the last three years as a result of investments, acquisitions, and strong pro-customer orientation
- ▶ Interesting **dividend policy** – cash dividends at **70% of net income** in the past two years with dividend yield of 2.2%

# Our Vision



## New Era of the Tatras

# Introduction – Our Team

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**Bohuš  
Hlavatý**

**CEO 2009 – present**

- GM of JASNÁ, Nízke Tatry, Tatranské lanové dráhy
- Top management posts in Polish, Czech, and Slovak FMCG companies



**Jozef  
Hodek**

**CFO 2009 – present**

- Former CFO of JASNÁ, Nízke Tatry
- Led the consolidation process of TMR's subsidiaries
- PWC Slovensko



**Dušan  
Slavkovský**

**Director of  
Mountain  
Resorts  
2010 – present**



**Michal  
Krolák**

**Director of  
Hotels and Dining  
2010 – present**



**Matej  
Hulej**

**Director of Tatry  
Motion  
2010 – present**



# TMR's Strategy

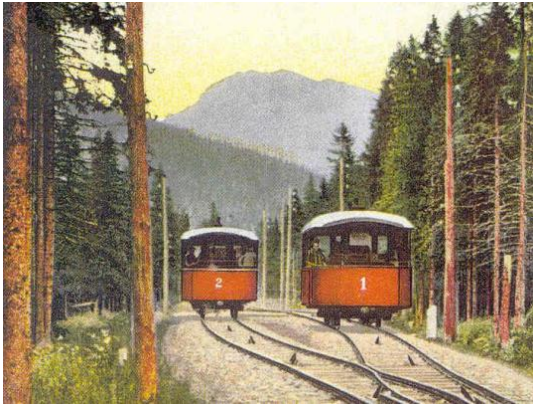


**Who We Are and What We Do**

# Our Potential

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## ► Long History of Tourism in the Tatras



## ► Cultural and Natural Heritage





# Challenges

## ► The Mountain Resorts in 2005





# Who We Are Today



# Business Model Overview

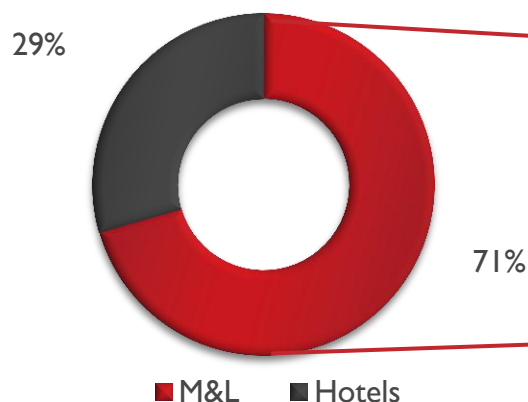
## Hotel Segment

- ▶ 9 owned and managed hotels from 2 to 4-star
- ▶ 704 rooms
- ▶ 1,768 beds
- ▶ New wellness spa in GH Tatranská Lomnica and Tri Studničky
- ▶ 17 new luxury apartments Grand Residences Tatranská Lomnica

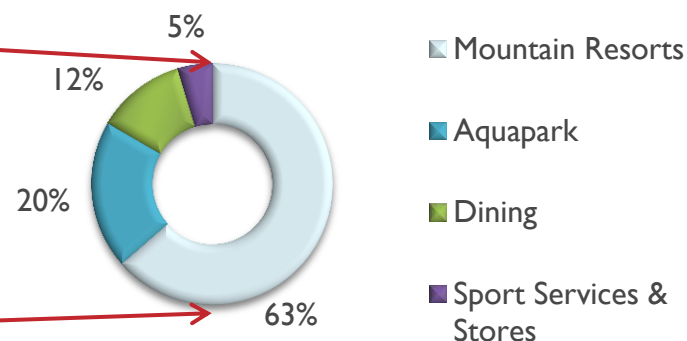
## Mountain & Leisure Segment

- ▶ **Mountain Resorts** – 4 resorts in the High and Low Tatras
  - ▶ 67 km of ski trails (2012/13)\*
- ▶ **Aquapark** – Tatralandia in the Tatras' valley
  - ▶ 14 swimming pools and 17 saunas
- ▶ **Dining** – 12 dining facilities on and off the slopes
  - ▶ Total chair capacity of 3,046
- ▶ **Sports Stores & Services** – Tatry Motion
  - ▶ 1,577 m<sup>2</sup> of total retail space, 1,259 rental skis & snowboards

Sales by Segments\*\*



M&L Segment Breakdown





# Our Resorts



- ▶ **Mountain Resort** – Vysoké Tatry – Tatranská Lomnica and Starý Smokovec, Štrbské pleso
- ▶ **Hotels** – Grandhotel Starý Smokovec (50%), Grandhotel Praha, Hotel FIS, Hotel Slovakia
- ▶ **Real Estate** – Grand Residences Tatranská Lomnica

- ▶ **Mountain Resort** – Jasná Nízke Tatry – Chopok North and Chopok South
- ▶ **Hotels** – Tri Studničky Hotel, Wellness Hotel Grand Jasná, Chalets Jasná de Luxe Záhradky, Srdiečko

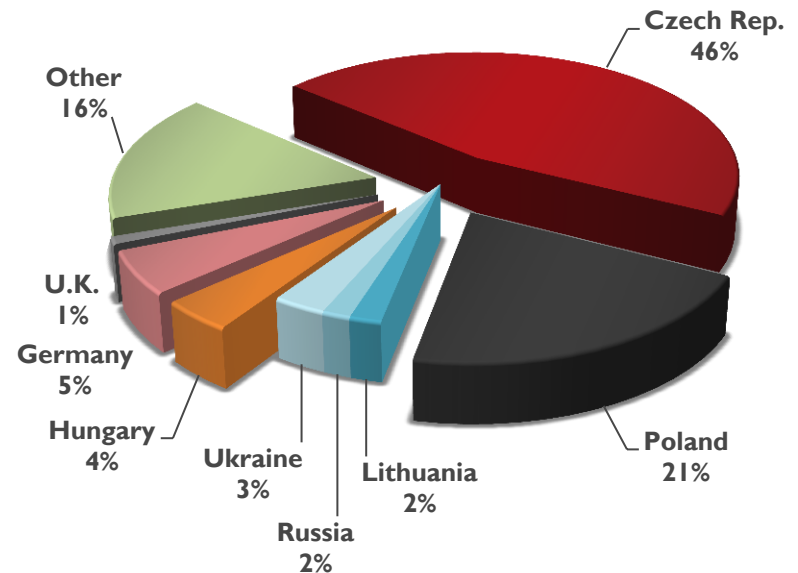
- ▶ **Aquapark** – Tatrallandia
- ▶ **Hotels** – Holiday Village Tatrallandia

# Our Market

## Potential

- ▶ “Natural monopoly” position (no other similar places in the region to provide the “Alpine resorts feel” except for the Tatras)
- ▶ No competition within 1000 km east of TMR resorts
- ▶ 7.5 million people living within 200 km
- ▶ Long tradition of visitors from CEE
- ▶ Easy access by plane
- ▶ More affordable than Alpine resorts
- ▶ Target Groups (through):
  - ▶ Slovak (massive marketing campaigns)
  - ▶ Polish (massive marketing campaigns)
  - ▶ Czech (still benefiting from the common past; no language barrier)
  - ▶ Russian-speaking & Baltic (driving distance unlike Alpine resorts)

## Foreign Visitors in the Tatras in 2011



## Segmentation

- ▶ Affluent clientele
  - ▶ Luxury and prestige of the hotels in the High Tatras
- ▶ Mainstream
  - ▶ Jasná, Nízke Tatry tailored to the young, families, and sports enthusiasts



# Our Strategy Based on 3 Pillars



## Increasing quality with investments

- EUR 144 million over 6 years (including current investments)
- New modern cableways
- Renovating hotels
- Expanding resorts

## Strategic acquisitions in CEE

- Aquapark Tatralandia 2011
- Špindlerův mlýn ski resort
- Potential PKL acquisitions

## Constant operations & services enhancement

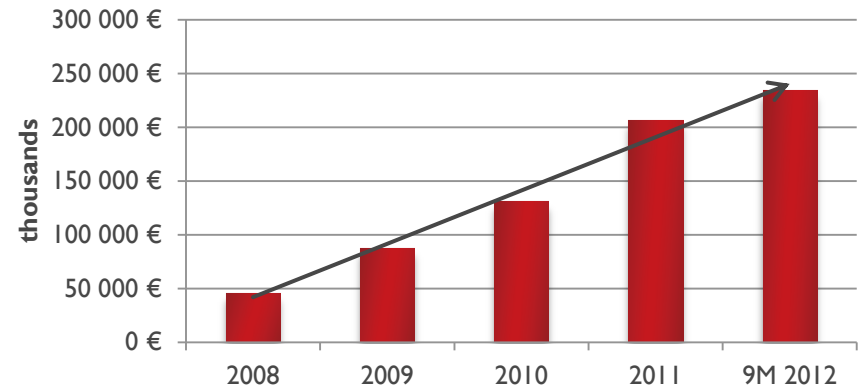
- Enhancing customer experience through synergies
- Focus on affluent clientele
- Trendsetter in the region



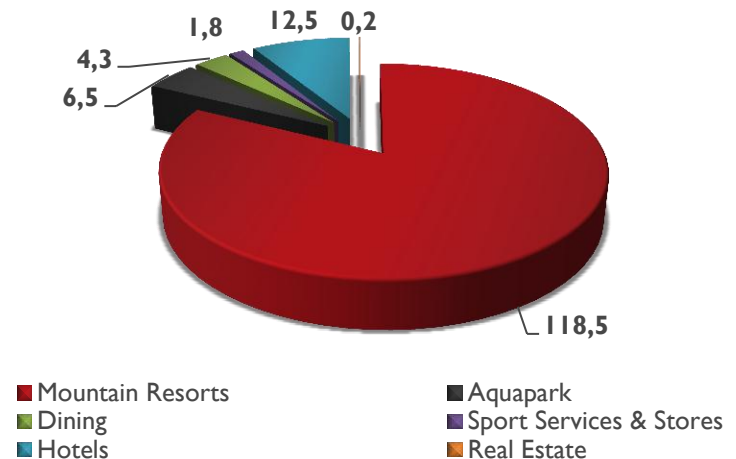
# Our Assets Growth through Capital Investments

- ▶ Total of EUR 144 million invested into development of our resorts and hotels in the last 6 years (incl. current year investments)
- ▶ **CAPEX 2007–2012: EUR 144 million**
  - ▶ Transportation capacity increased by 15,000 to total 52,129 persons/ hour
  - ▶ 8 newly built ski lifts, total 49
  - ▶ Additional 19 km of snowmaking, total 44 km
  - ▶ 386 snow guns
  - ▶ 15 dining facilities built on slopes

Fixed Assets



CAPEX Breakdown in EUR millions





# Investments of 2010 – CAPEX of EUR 26 million



6-seat cableway in Vysoké Tatry



Happy End Jasná



Grand Jet Jasná Nízke Tatry



Orange 6-seat cableway Jasná Nízke Tatry



# Investments of 2011 – CAPEX of EUR 29.6 million



8-seat cableway Buková hora Vysoké Tatry



Tatry Motion Board Shop



Renovated room in hotel Grand Jasná



New wellness Grandhotel Praha Tatranská Lomnica



# Investments of 2012 – CAPEX of EUR 44 million



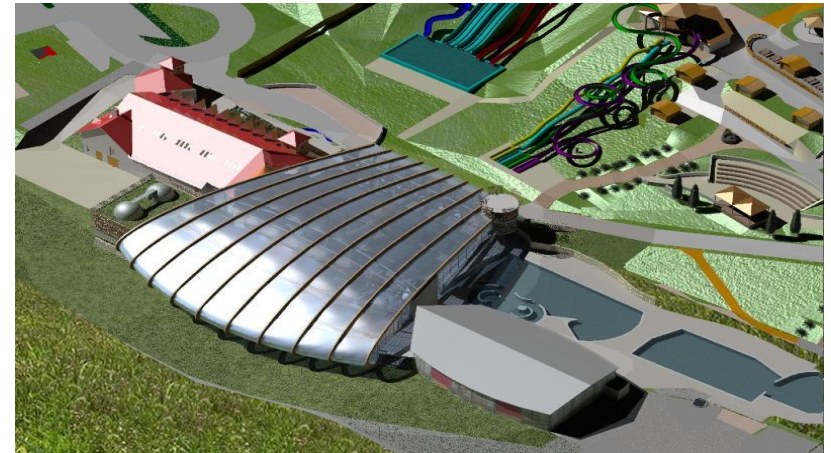
Funitel Jasná Nízke Tatry



Tropical Paradise Tatrallandia



Funitel Jasná Nízke Tatry

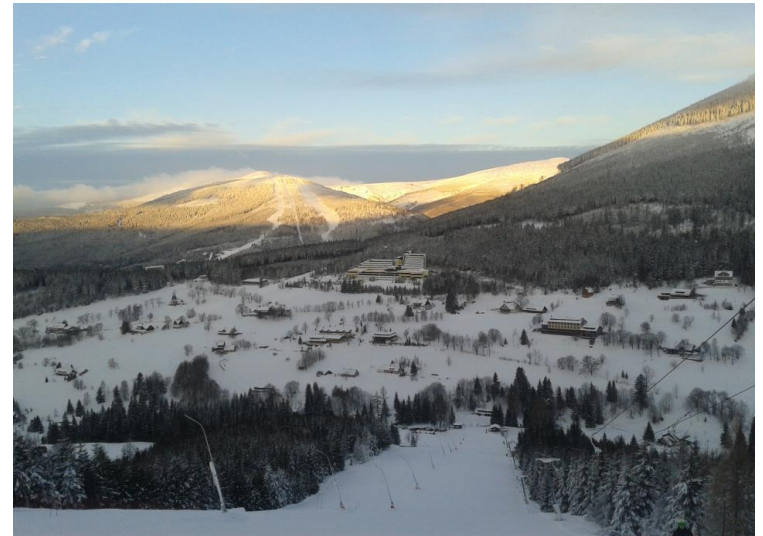


Tropical Paradise Tatrallandia

# Strategic Project

## Špindlerův Mlýn

- ▶ Co-management of the ski resort Špindlerův Mlýn in the Czech Republic – (detailed agreement under negotiations)
- ▶ Potential for synergies (marketing)
- ▶ Resort facts:
  - ▶ Best known Czech ski resort with greatest potential (12,000 hotel beds)
  - ▶ The only 5-star Czech resort
  - ▶ Largest Czech mountain destination
  - ▶ Strategic location: 140 km N of Prague, 166 km SW of Wrocław
  - ▶ Host of Alpine FIS World Cup

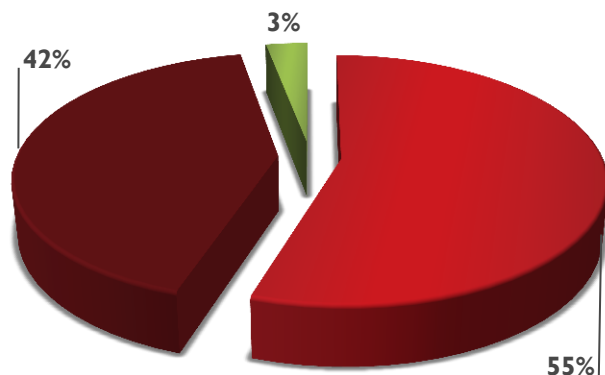




# Service Enhancement & Clients' Satisfaction\*



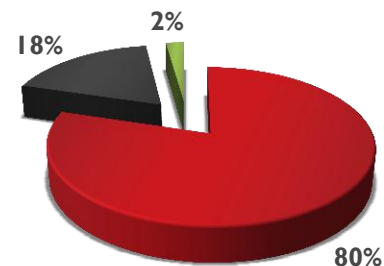
Will you visit our resorts in future?



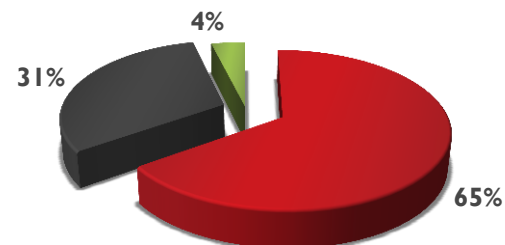
■ Yes ■ Yes and I will recommend ■ No

How satisfied are you with...?

Accommodation quality



Number of cableways



■ Satisfied ■ Somehow satisfied ■ Not satisfied



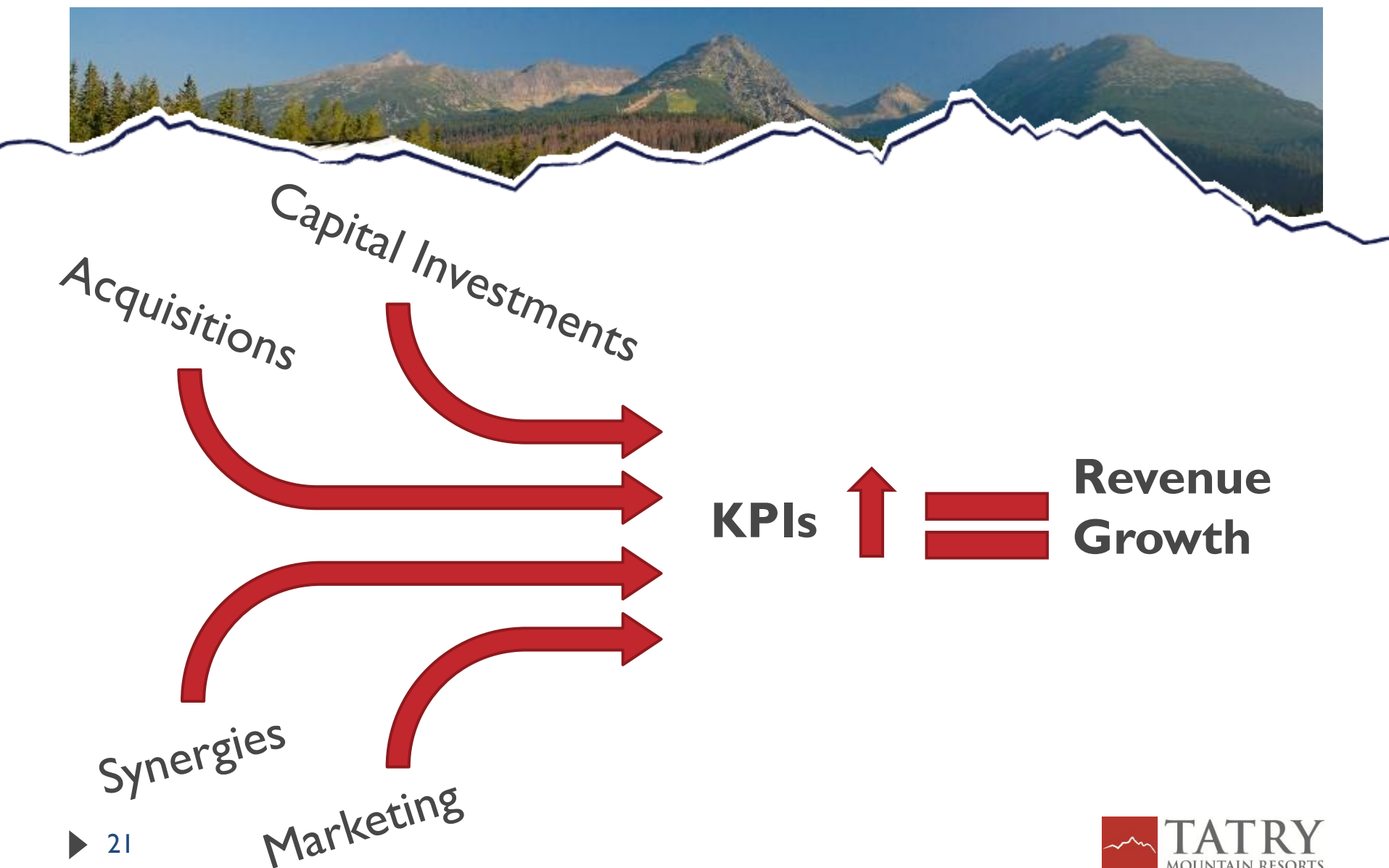
# Operational Overview



## What We Have Achieved and How

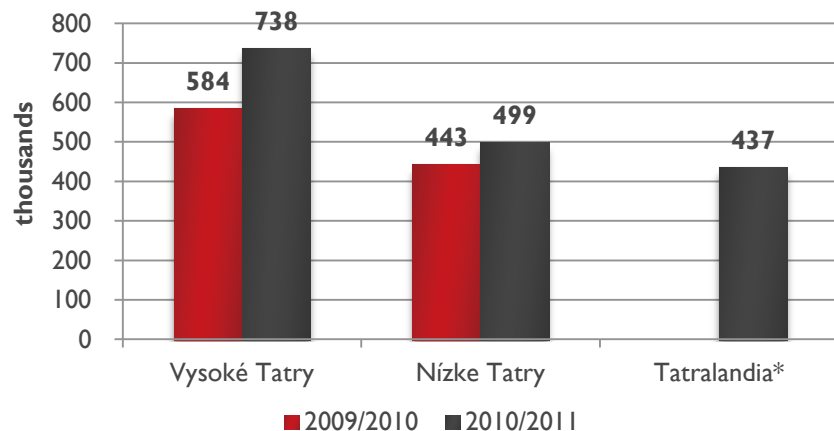


# What Drives Our Revenues

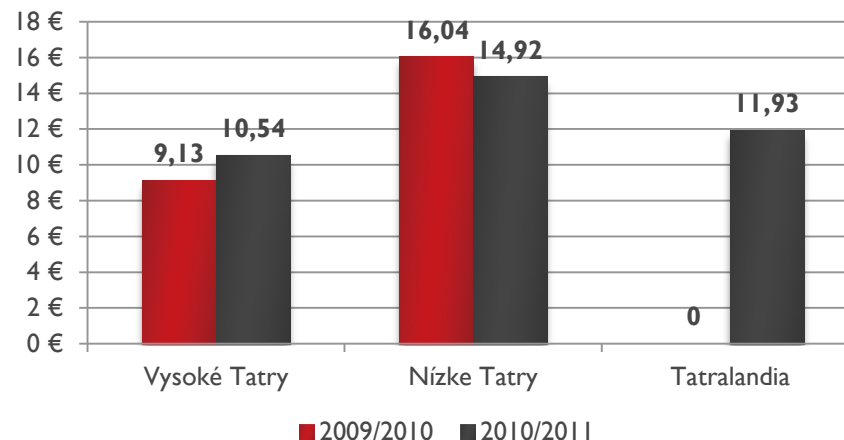


# Growth in KPIs

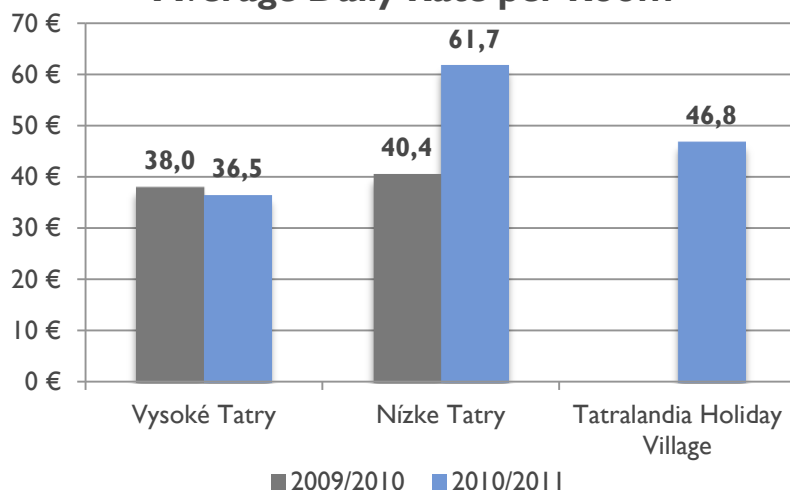
## Visit rate in Mountain & Leisure



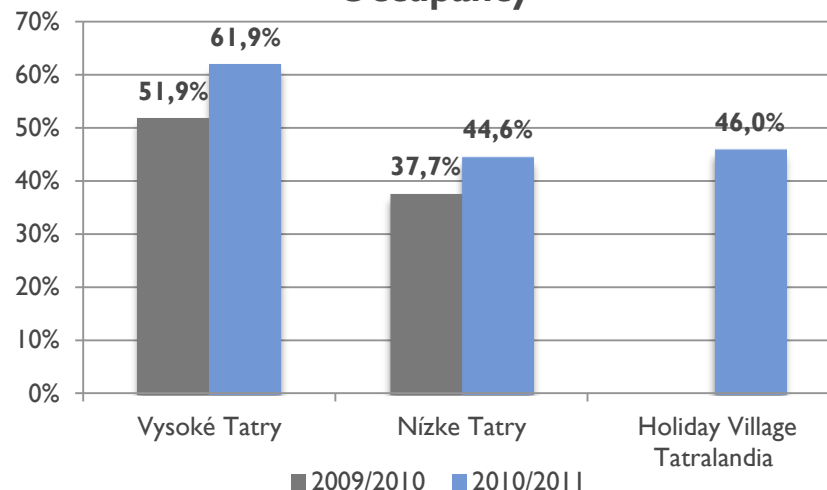
## Average Revenue per Customer\*\*



## Average Daily Rate per Room



## Occupancy





# Pricing Strategy Boosts Sales



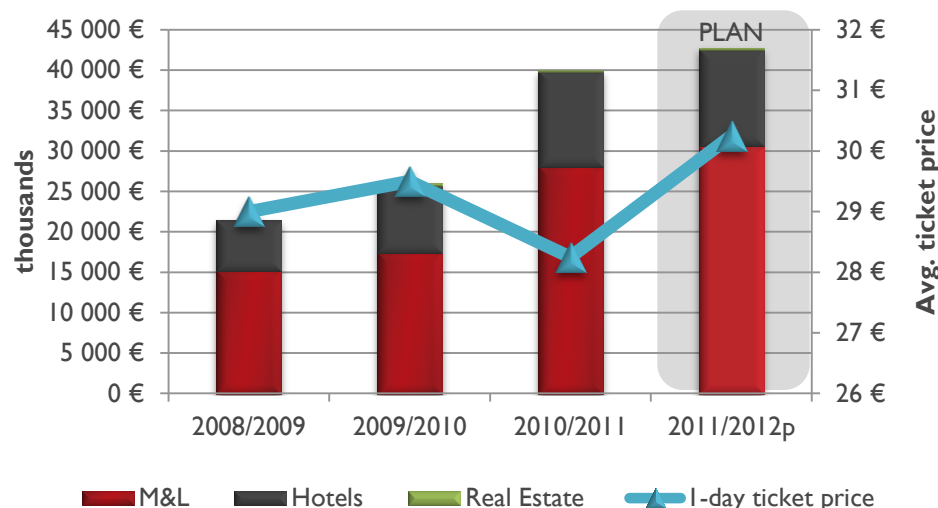
- ▶ Sale of multiday ski passes boosts operational profitability and balances out the visit rate
- ▶ Marketing synergies with Aquapark Tatralandia

6-day Ski Pass Sales	2010/2011	2011/2012	yoy Change
High Tatras	2 634	3 972	51%
Low Tatras	16 304	17 068	5%
Stay Packages Sales	2010/2011	2011/2012	yoy Change
High Tatras - Tatry Card	8 136	14 270	75%
Low Tatras - Liptov Region Card	11 025	12 243	11%

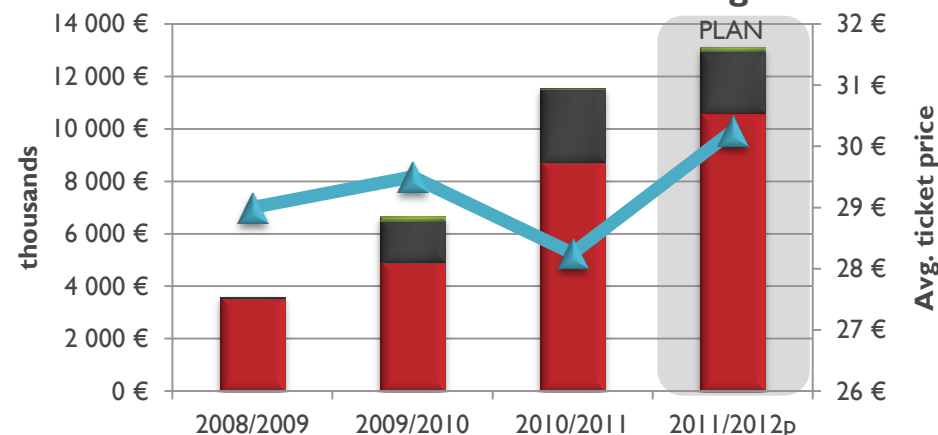
# Impact of Ticket Pricing on TMR's Growth

- ▶ Annual increase of ticket prices is justified with the extensive CAPEX invested into development of the resorts and hotels
- ▶ 4-year **CAGR**:
  - ▶ Operating revenues **+19%**
  - ▶ EBITDA **+38%**
  - ▶ Average ticket price **+1%**

## Operating Revenues vs. Ticket Pricing

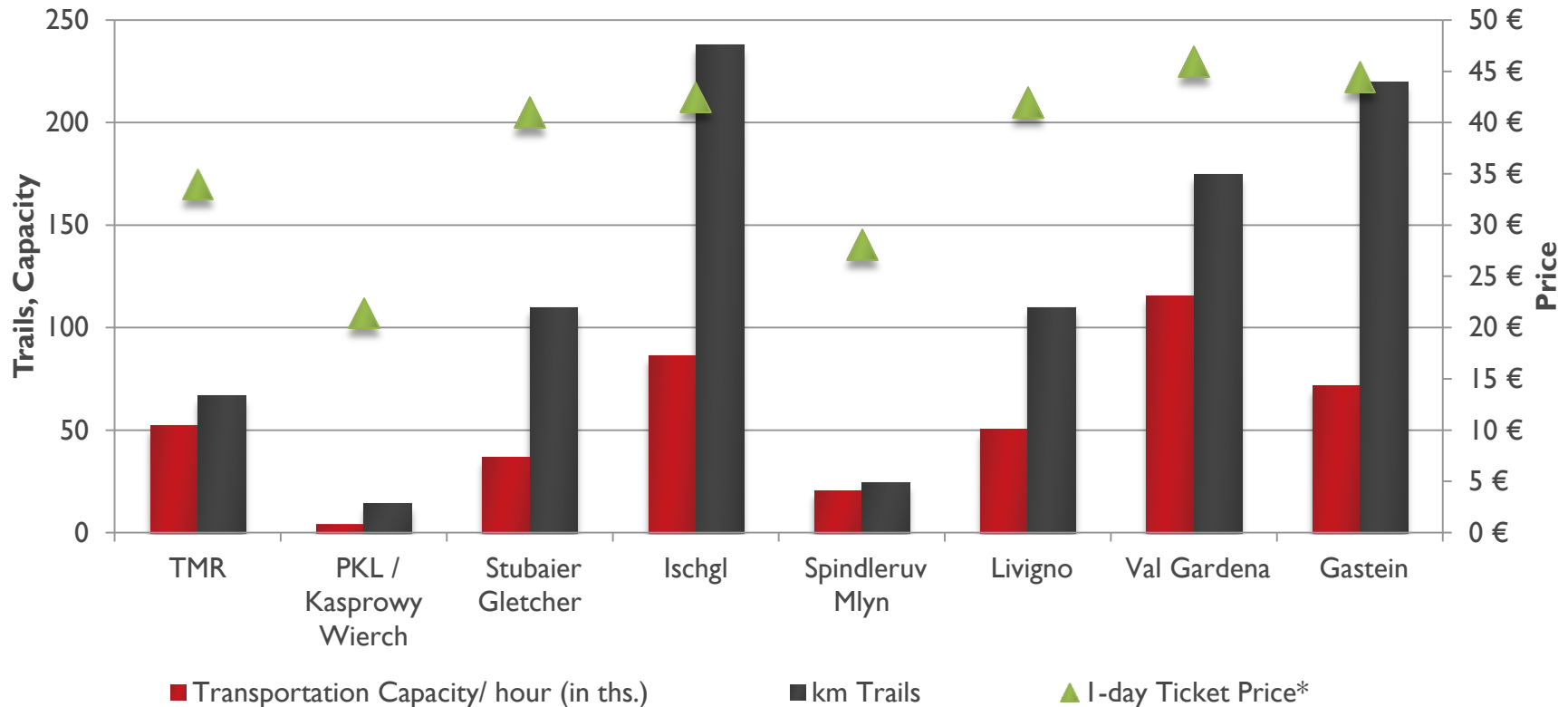


## EBITDA vs. Ticket Pricing



\*The adjusted operating results exclude the influence of a provision created in connection to revitalization of the Tatras in the amount of EUR 480 ths. in 2010/11. The results include 100% of the results of Grandhotel Starý Smokovec, which, as per IFRS, is accounted for by the Equity method. The results for the period of 1/1/2009-28/12/2009 (2 months) were not included in the IFRS consolidated statements for 2008/09; it is a pro forma adjustment.

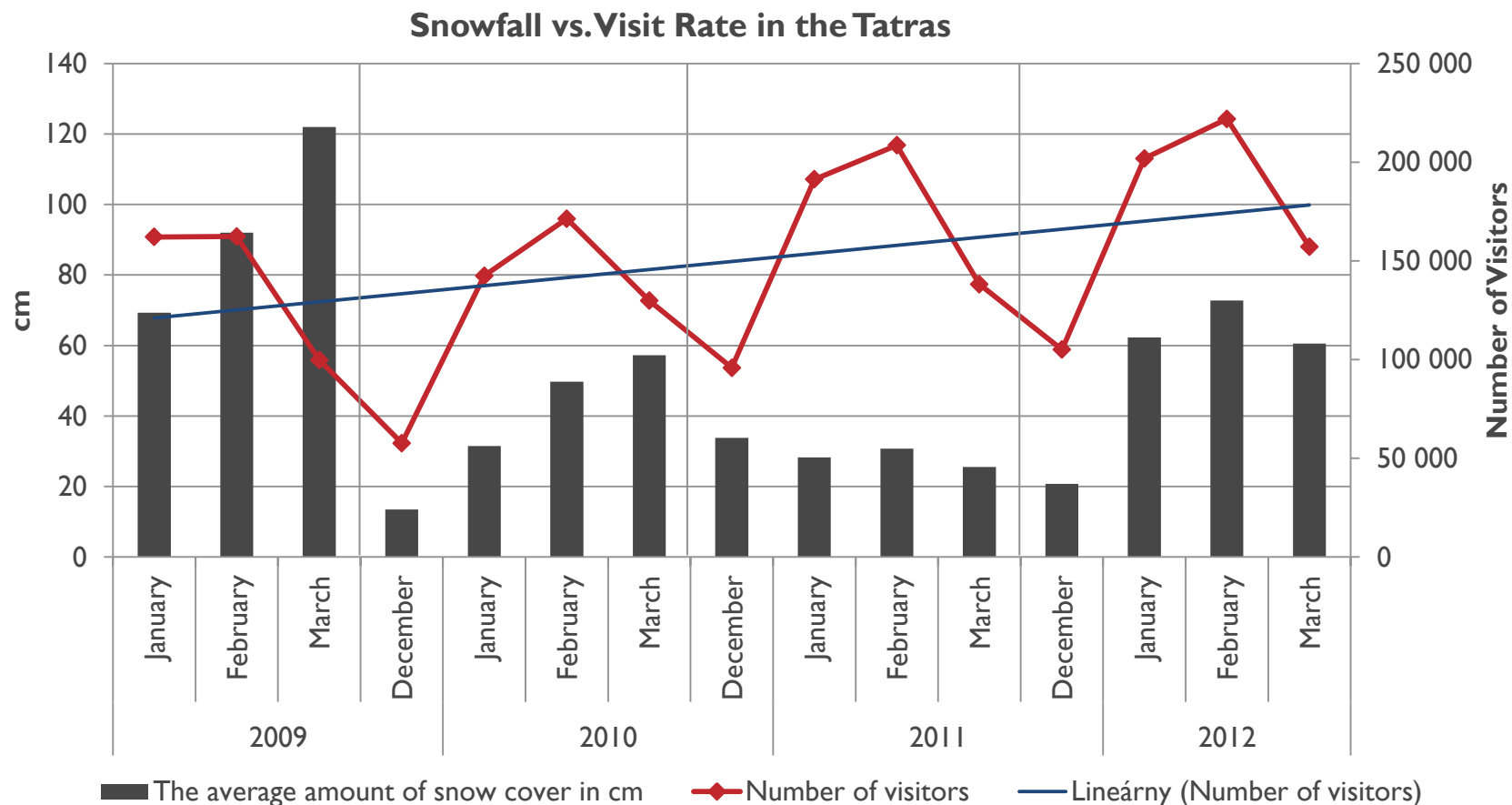
# Comparison with Other European Ski Resorts



► TMR provides comparable quality for reasonable pricing



# No Impact of Snowfall on Visit Rate



- ▶ No direct correlation between snowfall and number of visitors

# Financial Overview



## How We Look Like in Numbers



# Excellent Annual Results Confirm Our Strategy

## ► FY 2010/11 (Nov 2010 – Oct 2011)

► **Consolidated Revenues up 59%, EBITDA +84%, NI +60%:**

► Growth in the number of visitors by 20.5% in the mountain resorts

## ► 9M 2011/12 (Nov 2011 – July 2012)

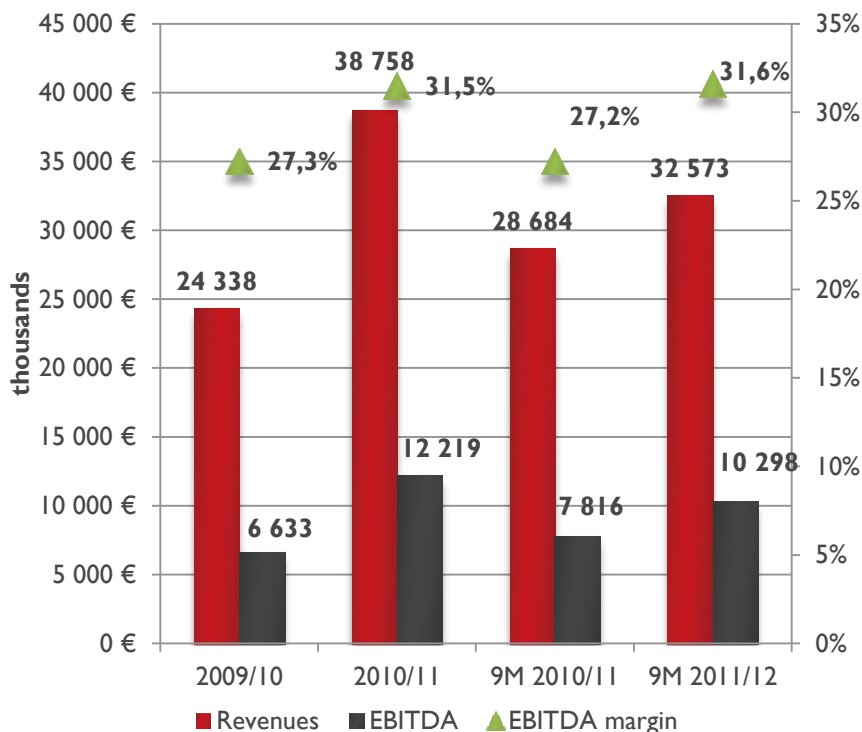
► **Consolidated Revenues up 13.6%, EBITDA +31.8%**

► Increased number of visitors (+20.6%)

## ► Positive results thanks to:

1. Completed **investments** of previous year in total of EUR 26 million
2. Acquisition of **Aquapark Tatrlandia** for EUR 30.5 million
3. Successful **marketing** campaigns and innovative product deals
4. Eliminating the impact of adverse weather through expanded **snowmaking**
5. More intense cooperation with the resort of **Štrbské Pleso**

## Main Consolidated Results

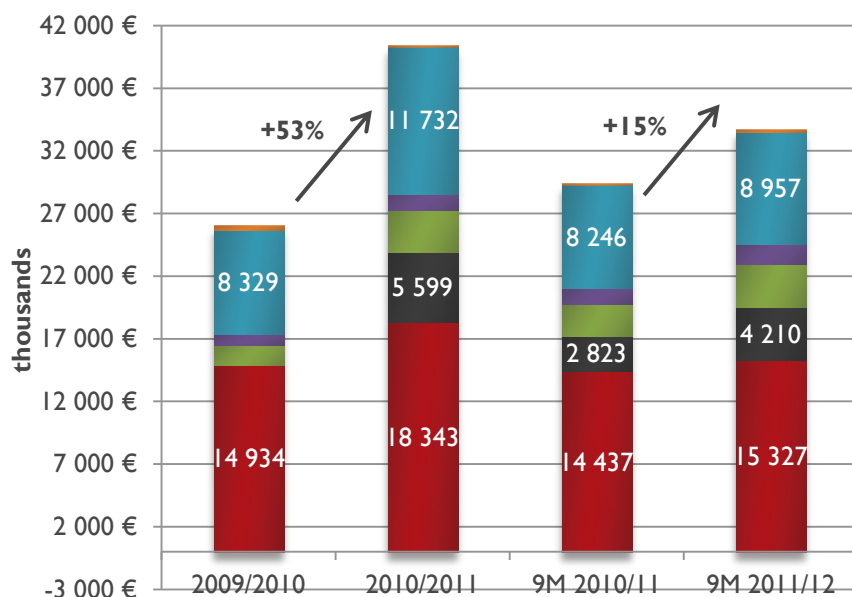


# Main Operating Results\*

## ► Revenues

- Double digit increases in both main segments

Operating Revenues by (Sub)segments

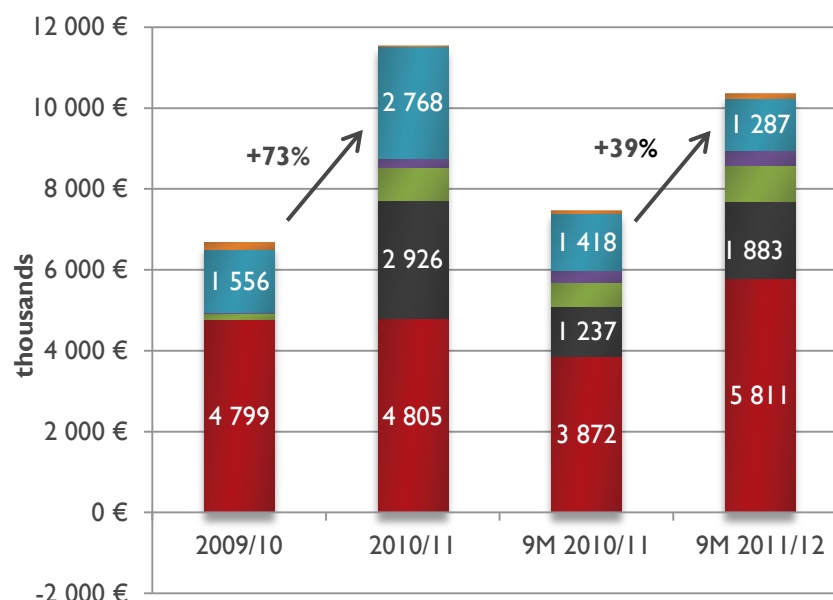


■ Mountain Resorts  
■ Dining  
■ Hotels  
■ Aquapark  
■ Sport Services & Stores  
■ Real Estate

## ► EBITDA

- Equally solid growth in both main segments in FY 2010/11

EBITDA by (Sub)segments



■ Mountain Resorts  
■ Dining  
■ Hotels  
■ Aquapark  
■ Sport Services & Stores  
■ Real Estate

# Financial Position and Future Growth\*

## ► Liquidity

- Current liquid funds\*\* of **EUR 47.753 million**

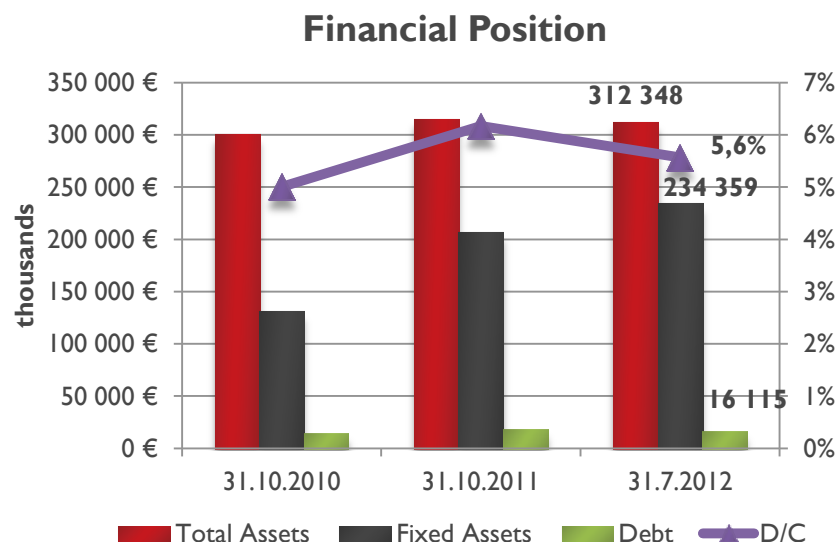
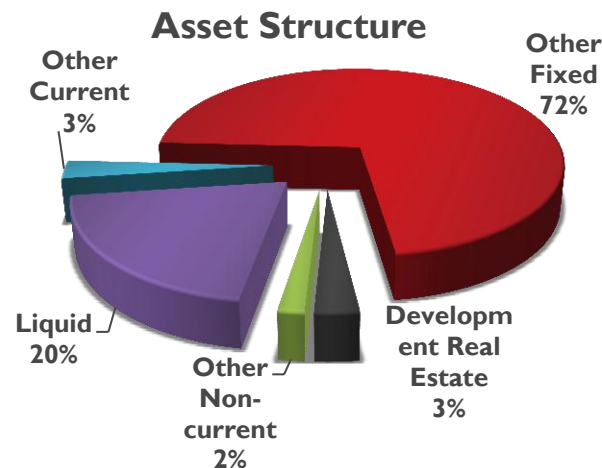
## ► Assets

- Total assets **EUR 312.348 million**
- Fixed assets **EUR 234.359 million**
  - Real estate for development EUR 9.034 million
  - Out of which development land EUR 4.840 million (36,199 m<sup>2</sup>)

## ► Level of Debt

- Total level of debt of **EUR 16.115 million**
- Total debt-to-capital (D/C) ratio at **5.6%**
- Total debt at only **1.1x** trailing twelve months EBITDA

- **Low level of debt and high level of liquid funds present future growth opportunities**



\* As of 31/7/2012

\*\* Current liquid funds include cash & cash equivalents, securities available for sale, and other receivables (bills of exchange redeemable at sight)



# Outlook & Future Growth



## Where We Go from Here

# Potential for Future Growth

- ▶ Conclusion of the first investment phase with expected positive impact on results already next FY
  - ▶ Cross-border expansion in the CEE region
  - ▶ Co-management of the ski resort Špindlerův Mlýn in the Czech Republic (detailed agreement under negotiations)
  - ▶ Potential privatization of PKL
  - ▶ Future potential in real estate projects
- 
- ▶ **Good timing for dual listing on the WSE & PSE!**



# Dual Listing in Warsaw & Prague

We are expanding our horizons beyond the Tatras...



PR synergies

Expand our  
Shareholders  
base

Shareholders'  
Club

Expand our  
client base

Follow our  
vision



Q & A



**Thank You for Your Attention**

# Appendices



- ▶ Tourism Trends and Potential
- ▶ Growth in KPIs Supported by Macroeconomic Trends
- ▶ TMR's Client Target Area
- ▶ Overall Financial and Market Performance
- ▶ Consolidated Income Statement
- ▶ Consolidated Balance Sheet
- ▶ Cash Flow Statement
- ▶ Key Operating Results
- ▶ Key Financial Ratios
- ▶ Sensitivity Analysis
- ▶ Resort Comparison
- ▶ Shareholder Structure
- ▶ Shareholders' Club

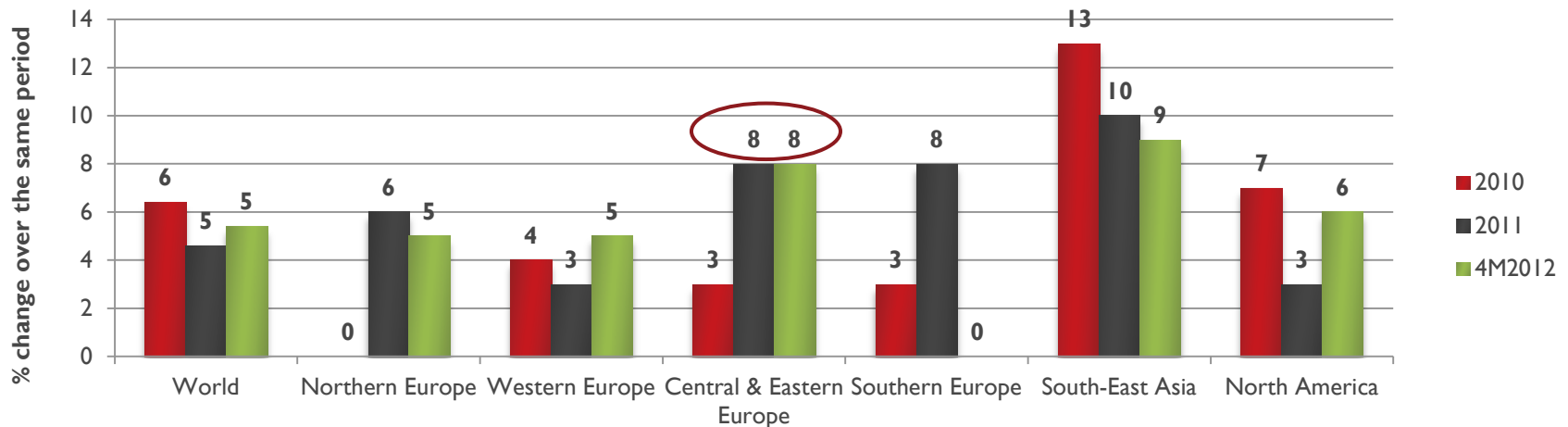
# Tourism Trends & Potential

- ▶ Projected global growth of tourist arrivals **3-4%** in 2012 to record **1 billion**
- ▶ **East Europe's** international arrivals have **tripled** in past 5 years to 3 million
- ▶ **SK:**
  - ▶ No. of tourists +3.6%, revenues from tourism +5.3% in 2011
  - ▶ Domestic to international arrivals ratio 60/40
  - ▶ New pro-tourism legislation - EUR 6.4 million in 2012

## ▶ Mountain industry

- ▶ Extending variety of services offered
- ▶ Summer adrenalin sports and family friendly activities
- ▶ Expansion of snowmaking
- ▶ Stay packages
- ▶ New airline connections with Poland

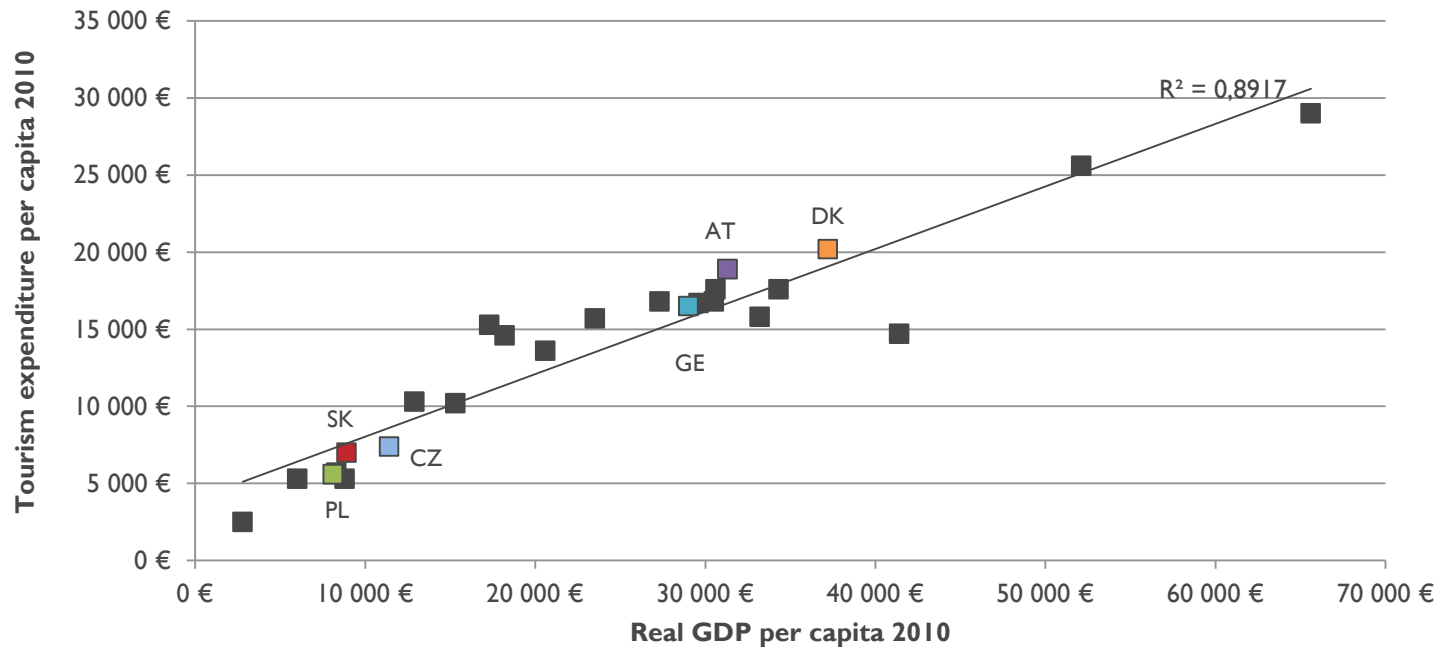
International Tourist Arrivals\*





# Growth in KPIs Supported by Macroeconomic Trends

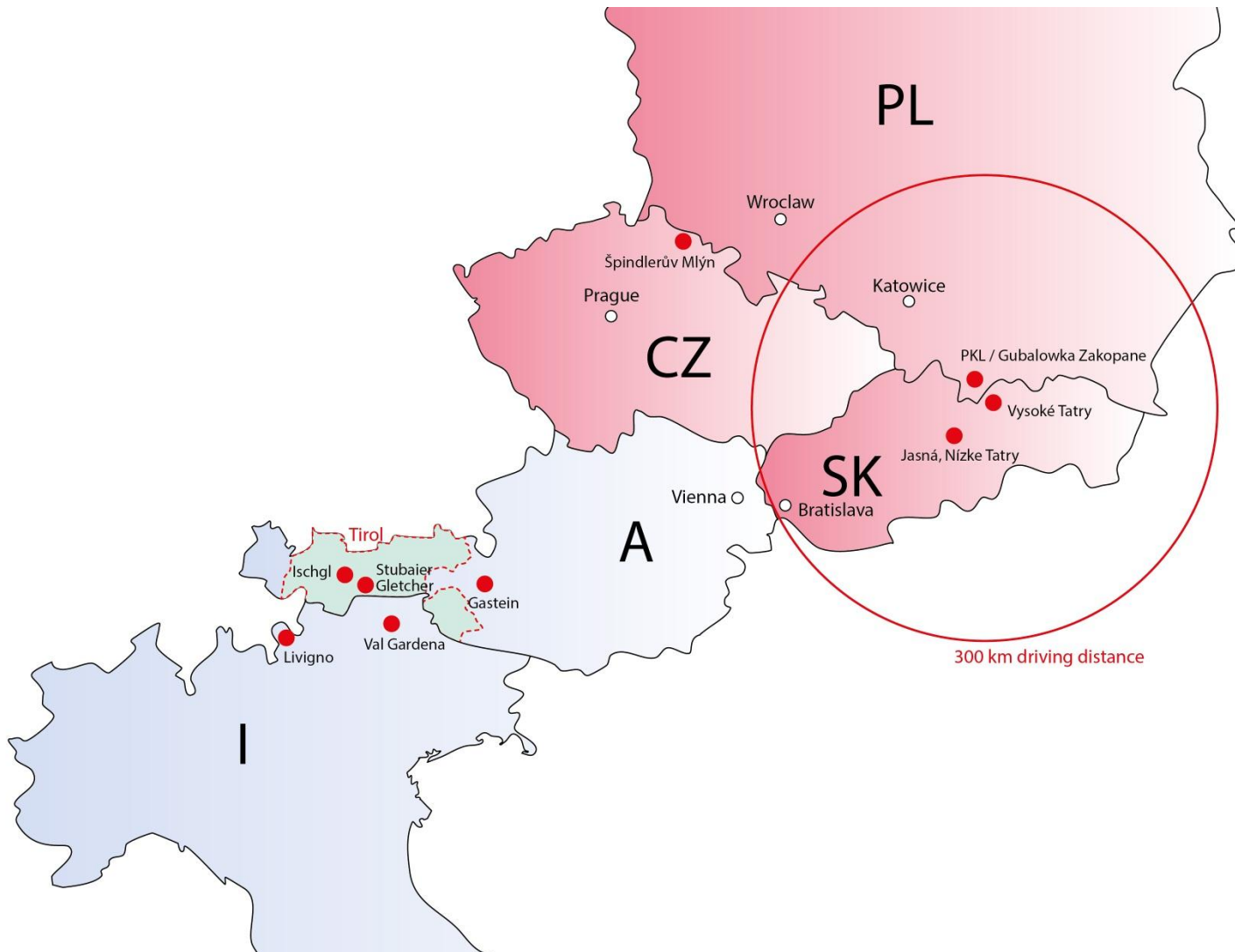
**GDP vs. Tourist Spending per Capita in EU Countries**



► **5-yr CAGR of tourism expenditure (as of 2010):**

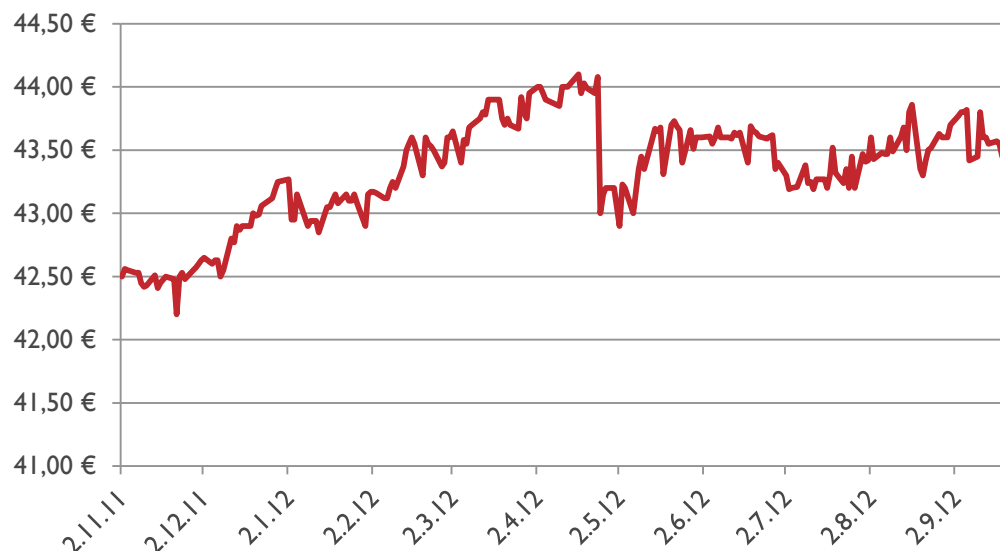
- SK – Slovakia +8.8%
- CZ – Czech Republic +5.0%
- PL – Poland +4.9%
- GE – Germany +1.4%
- DK – Denmark +1.0%
- AT – Austria +2.0%

# TMR's Client Target Area



# Overall Financial and Market Performance

**TMR Stock Performance**



**TMR Market Overview\*:**

- ▶ One-year max.: EUR 44.20
- ▶ One-year min.: EUR 42.10
- ▶ One-year return: 6.27%
- ▶ Dividend yield (ttm): 2.20%

Key Data	FY 2010/11	FY 2009/10
Revenues	EUR 38.8m	EUR 24.3m
EBITDA	EUR 12.2m	EUR 6.6m
Net Profit	EUR 9.2m	EUR 5.7m
EBITDA margin	31.5%	27.3%
Net Profit margin	23.7%	23.6%
EPS	EUR 1.37	EUR 0.86
Net Dividend	EUR 6.4m	EUR 5.5m
DPS	EUR 0.96	EUR 0.82
D/E ratio	6.6%	5.3%

## ▶ Dividend Policy

- ▶ Cash dividends at 70% of Net Income at least till the end of the investment period (2013/14)





# Consolidated Income Statement

in €'000 (except per share values)	9M 2011/2012	9M 2010/11	1H 2011/2012	1H 2010/2011	FY 2010/2011	FY 2009/2010
<b>Revenues</b>	<b>32 573</b>	<b>28 684</b>	<b>24 548</b>	<b>20 917</b>	<b>38 758</b>	<b>24 338</b>
Costs of Sales	-5 031	-4 268	-4 045	-3 206	-5 397	-3 560
<b>Gross Profit</b>	<b>27 542</b>	<b>24 416</b>	<b>20 503</b>	<b>17 711</b>	<b>33 361</b>	<b>20 778</b>
SG&A	-17 244	-16 600	-12 668	-11 902	-21 894	-14 134
<b>EBITDA</b>	<b>10 298</b>	<b>7 816</b>	<b>7 835</b>	<b>5 809</b>	<b>12 219</b>	<b>6 633</b>
EBITDA margin	31,6%	27,2%	31,9%	27,8%	31,5%	27,3%
Depreciation & Amortization	-5 434	-5 860	-3 579	-3 831	-8 120	-6 831
<b>EBIT</b>	<b>4 864</b>	<b>1 956</b>	<b>4 245</b>	<b>1 978</b>	<b>1 599</b>	<b>-703</b>
Interest Income / (Expense)	2 389	6 120	1 996	4 322	7 038	7 753
Profit / (Loss) of Associates	-98	-62	-51	-30	-1 703	-46
<b>Pre-tax Income</b>	<b>7 155</b>	<b>8 014</b>	<b>6 190</b>	<b>6 271</b>	<b>13 334</b>	<b>5 484</b>
Income Taxes	-16	27	-29	10	-4 307	275
<b>Net Income</b>	<b>7 139</b>	<b>8 041</b>	<b>6 161</b>	<b>6 281</b>	<b>9 027</b>	<b>5 759</b>
Net Income margin	21,9%	28,0%	25,1%	30,0%	23,3%	23,7%
Revaluation of securities for sale at fair value	-33	2	0	4	150	-14
<b>Total comprehensive Income</b>	<b>7 106</b>	<b>8 043</b>	<b>6 161</b>	<b>6 285</b>	<b>9 177</b>	<b>5 745</b>
<b>Earnings per share</b>	<b>1,06</b>	<b>1,20</b>	<b>0,92</b>	<b>0,94</b>	<b>1,35</b>	<b>0,86</b>

\* The adjusted operating results include 100% of the results of Grandhotel Starý Smokovec, which, as per IFRS, is accounted for by the Equity method and exclude the influence of a provision created in connection to revitalization of the Tatras in the amt. of EUR 480 ths. in 2010/11.

# Consolidated Balance Sheet

In €'000	31/7/2012	31/10/2011	31/10/2010	In €'000	31/7/2012	31/10/2011	31/10/2010
<b>Assets</b>				<b>Equity</b>			
Non-current Assets				Ordinary Shares	221 338	221 338	221 338
Goodwill and Intangible Assets	4 004	3 805	3 897	Share premium	30 430	30 430	30 430
Property, Plant & Equipment	200 079	171 639	115 174	Retained Earnings and Other Funds	21 596	20 918	17 241
Investment Property	4 194	4 194	3 714	<b>Total Equity</b>	<b>273 364</b>	<b>272 686</b>	<b>269 009</b>
Trade receivables	1 354	1 153	1 220	<b>Liabilities</b>			
Granted Credit	8 054	7 674	5 116	Non-current Liabilities			
Other receivables	16 951	18 095	206	Credit and Loans	13 259	14 807	11 924
Investment in associates	5 081	5 179	6 882	Trade liabilities	22	13	73
Deferred tax receivable	33	2 082	369	Reserves	20	20	20
<b>Total Non-current Assets</b>	<b>239 750</b>	<b>213 821</b>	<b>136 578</b>	Other Non-current Liabilities	466	611	879
Current Assets				Deferred Tax Liability	11 871	13 962	9 029
Inventories	1 384	985	676	<b>Total Non-current Liabilities</b>	<b>25 638</b>	<b>29 413</b>	<b>21 925</b>
Trade Receivables	2 394	4 046	6 273	Current Liabilities			
Granted Credit	172	236	48 272	Credit and Loans	2 856	3 118	2 255
Other Receivables	41 343	70 225	104 498	Trade Liabilities	6 733	4 915	2 798
Securities available for sale	15 626	17 337	85	Reserves	87	464	310
Cash and cash Equivalents	6 410	6 391	2 769	Deferred Tax Liability	-	1 121	52
Other Assets	3 715	1 626	1 396	Other Current Liabilities	3 670	3 408	4 198
Assets Held for Sale	1 554	458	0	<b>Total Current Liabilities</b>	<b>13 346</b>	<b>13 026</b>	<b>9 613</b>
<b>Total Current Assets</b>	<b>72 598</b>	<b>101 304</b>	<b>163 969</b>	<b>Total Liabilities</b>	<b>38 984</b>	<b>42 439</b>	<b>31 538</b>
<b>Total Assets</b>	<b>312 348</b>	<b>315 125</b>	<b>300 547</b>	<b>Total Equity and Liabilities</b>	<b>312 348</b>	<b>315 125</b>	<b>300 547</b>

# Cash Flow Statement\*

In €'000	1/11/2011 - 30/4/2012	1/11/2010 - 31/10/2011	1/11/2009 - 31/10/2010	In €'000	1/11/2011 - 30/4/2012	1/11/2010 - 31/10/2011	1/11/2009 - 31/10/2010
<b>Operating Activities</b>				<b>Investing Activities</b>			
Profit	6 172	9 027	5 759	Acquisition of property, plant and equipment and intangible assets	-22 490	-29 377	-18 164
Gains (loss) on disposal of property, plant and intangible assets	- 53	-326	-66	Gains on sale of property, plant and equipments and intangible assets	241	1 078	285
Depreciation and amortization	3 579	8 120	6 831	Expenses on business combinations, net cash acquired	-	-10 200	-25 700
Value adjustment/(re-adjustment) to receivables	-6	4	77	Profit from sale of subsidiary	1	-	-
Loss due to impairment of goodwill	-	3 300	-	Advances	-	-19 251	-
Asset value increase/(decrease)	-	-800	505	Costs of acquisition of investments	-1 961	-16 860	-99
Gain on revaluation of investments into property	-	-394	-	Income from sale of financial investments	1 506	-	-
Share on loss of joint ventures and jointly controlled entities	51	1 703	46	Interest received	-	4 329	2
Loss from financial instruments, net	-231	1 706	1 642	Dividends received	2	317	-
Interest gains (loss), net	-1 765	-7 038	-7 753	<b>Cash flow generated from investing activities</b>	<b>-22 701</b>	<b>-69 964</b>	<b>-43 676</b>
Negative goodwill	-	-8 106	-122				
Change in reserves	-377	154	-20				
Income tax	29	4 307	-275				
Change in trade receivables and other receivables and other assets	-3 255	3 324	-8 965				
Change in inventories	-354	-309	64				
Change in trade payables and other liabilities	801	1 824	-999				
Cash generated from operating activities before income tax paid	<b>4 591</b>	<b>16 496</b>	<b>-3 276</b>				
Income tax paid	-1 771	-58	-				
<b>Cash flow generated from operating activities</b>	<b>2 820</b>	<b>16 438</b>	<b>-3 276</b>				





# Cash Flow Statement (continued)

In €'000	1/11/2011 - 30/4/2012	1/11/2010 - 31/10/2011	1/11/2009 - 31/10/2010	In €'000	1/11/2011 - 30/4/2012	1/11/2010 - 31/10/2011	1/11/2009 - 31/10/2010
<b>Financial Activities</b>				Net gain on cash and cash equivalents	-2 228	3 622	907
Share capital reduction	-	-	-249	Cash and cash equivalents at the beginning of the year	6 391	2 769	1 862
Gains on paid-up bills	19 387	94 690	110 657	Effect of exchange rate fluctuations on cash and cash equivalents held	-	-	-
New bills	-	-78 038	-12 184	<b>Cash and cash equivalents at the end of the year</b>	<b>4 163</b>	<b>6 391</b>	<b>2 769</b>
Loans provided	-123	-31 895	-50 562				
Payments of loans and borrowings provided	81	75 488	4 275				
Financial lease payments of payables	-82	-830	-1 214				
Payments of loans and borrowings received	-1279	-2 254	-2 248				
New loans and borrowings	0	6 000	-73				
Interest paid	-331	-518	-543				
Dividends paid	-	-5 495	-				
<b>Cash flow generated from financial activities</b>	<b>17 653</b>	<b>57 148</b>	<b>47 859</b>				

# Key Operating Results\* - Revenues

Revenues in €'000		9M 2011/2012	9M 2010/2011	1H 2011/2012	1H 2010/2011	FY 2010/2011	FY 2009/2010
<b>M&amp;L</b>		<b>24 600</b>	<b>21 029</b>	<b>18 352</b>	<b>15 126</b>	<b>28 097</b>	<b>17 410</b>
Mountain Resorts		15 327	14 437	12 678	12 110	17 849	14 934
	Vysoké Tatry	7 411	6 240	5 311	4 408	9 675	5 986
	Jasná Nízke Tatry	7 917	8 197	7 367	7 701	8 174	8 948
Aquapark		4 210	2 823	1 624	194	5 599	NA
	Tatralandia	4 210	2 823	1 624	194	5 599	NA
Dining		3 398	2 573	2 603	1 747	3 352	1 562
	Vysoké Tatry	1 201	820	996	622	1 040	761
	Jasná Nízke Tatry	1 355	1 122	1 290	1 035	1 138	801
	Tatralandia	843	630	316	90	1 173	NA
Sport Services & Stores		1 664	1 197	1 447	1 076	1 297	913
	Vysoké Tatry	595	382	483	291	471	312
	Jasná Nízke Tatry	1 068	815	963	785	826	602
	Tatralandia	NA	NA	NA	NA	NA	NA
<b>Hotels</b>		<b>8 957</b>	<b>8 246</b>	<b>6 911</b>	<b>6 047</b>	<b>11 732</b>	<b>8 329</b>
	Vysoké Tatry	3 936	3 578	2 895	2 554	6 209	4 576
	Jasná Nízke Tatry	3 869	4 131	3 351	3 412	4 531	3 753
	Tatralandia	1 152	537	664	81	992	NA
<b>Real Estate</b>		<b>155</b>	<b>118</b>	<b>115</b>	<b>99</b>	<b>119</b>	<b>296</b>
	Real Estate Projects	0	0	0	0	0	0
	Lease	155	118	115	99	119	296
<b>Total Revenues</b>		<b>33 711</b>	<b>29 393</b>	<b>25 377</b>	<b>21 273</b>	<b>39 948</b>	<b>26 034</b>

\* For a more true evaluation of operating profitability operating results are adjusted for 100% of results of Grandhotel Starý Smokovec, owned by Interhouse Tatry, s.r.o., in which TMR owns a 50% stake, which as per IFRS is accounted for by the equity method, and the results exclude the influence of a provision created in connection to revitalization of the Tatras in the amt. of EUR 480 ths. in 2010/11.

# Key Operating Results\* - EBITDA

EBITDA in €'000		9M 2011/2012	9M 2010/2011	1H 2011/2012	1H 2010/2011	FY 2010/2011	FY 2009/2010
<b>M&amp;L</b>		<b>8 967</b>	<b>5 990</b>	<b>6 693</b>	<b>4 223</b>	<b>8 764</b>	<b>4 952</b>
Mountain Resorts		5 811	3 872	5 289	3 643	4 805	4 799
	Vysoké Tatry	2 492	1 763	1 584	1 155	2 901	1 444
	Jasná Nízke Tatry	3 319	2 109	3 705	2 488	1 904	3 355
Aquapark		1 883	1 237	403	-104	2 926	NA
	Tatralandia	1 883	1 237	403	-104	2 926	NA
Dining		891	602	607	423	814	127
	Vysoké Tatry	311	177	283	176	211	53
	Jasná Nízke Tatry	209	158	271	219	86	75
	Tatralandia	371	268	53	28	517	NA
Sport Services & Stores		382	279	395	261	219	25
	Vysoké Tatry	113	47	124	30	47	0
	Jasná Nízke Tatry	269	232	271	231	172	26
	Tatralandia	0	0	NA	NA	NA	NA
<b>Hotels</b>		<b>1 287</b>	<b>1 418</b>	<b>1 137</b>	<b>1 153</b>	<b>2 768</b>	<b>1 556</b>
	Vysoké Tatry	281	469	265	348	1 891	1 341
	Jasná Nízke Tatry	789	802	854	843	626	215
	Tatralandia	217	147	18	-39	251	NA
<b>Real Estate</b>		<b>101</b>	<b>57</b>	<b>73</b>	<b>55</b>	<b>7</b>	<b>174</b>
	Real Estate Projects	0	0	0	0	0	0
	Lease	101	57	73	55	7	174
<b>Total EBITDA</b>		<b>10 355</b>	<b>7 465</b>	<b>7 903</b>	<b>5 431</b>	<b>11 539</b>	<b>6 682</b>
<b>EBITDA Margin</b>		<b>30,7%</b>	<b>25,4%</b>	<b>31,1%</b>	<b>25,5%</b>	<b>28,9%</b>	<b>25,7%</b>

\* For a more true evaluation of operating profitability operating results are adjusted for 100% of results of Grandhotel Starý Smokovec, owned by Interhouse Tatry, s.r.o., in which TMR owns a 50% stake, which as per IFRS is accounted for by the equity method, and the results exclude the influence of a provision created in connection to revitalization of the Tatras in the amt. of EUR 480 ths. in 2010/11.



# Key Financial Ratios

	9M 2011/2012	9M 2010/2011	1H 2011/12	1H 2010/11	FY 2010/11	FY 2009/10
Profitability						
Gross margin (%)	84.6%	85.1%	83.5%	84.7%	86.1%	85.4%
EBITDA margin (%)	31.6%	27.2%	31.9%	27.8%	31.5%	27.3%
Operating margin (%)	14.9%	6.8%	17.1%	9.2%	4.1%	-2.9%
Net profit margin (%)	21.9%	28.0%	25.1%	30.0%	23.7%	23.6%
Return on Investment	ttm				FY 2010/11	FY 2009/10
ROE (%)	3.0%				3.4%	2.2%
ROA (%)	2.7%				3.1%	2.0%
Financial Strength	9M 2011/2012	9M 2010/2011	1H 2011/12	1H 2010/11	FY 2010/11	FY 2009/10
D/E (%)	5,9%	4,7%	6.1%	4.9%	6.6%	5.3%
D/C (%)	5,6%	4,5%	5.8%	4.7%	6.2%	5.0%
Interest coverage ratio	-	-	12,7	8.2	3.1	-1.3
Current ratio	5.4	11.5	4.9	8.4	7.8	17.1
Quick ratio	5.3	11.4	4.8	8.3	7.7	17.0
Debt/EBITDA	1.1*			-	0.9	1.7
Market Stats	31/7/2012					
EPS (ttm)	1.2114					
Dividend payout ratio	70%					
P/E (ttm)	35.8					
EV/EBITDA (ttm)	20.5					
Dividend yield	2.2%					

# Sensitivity Analysis

		Impact on Results			
in € millions	Change	Revenues FY 2010/11	Revenues FY 2010/11 (%)	Revenues IH 2011/12	Revenues IH 2011/12 (%)
Ski pass price	+/- EUR 1.00	1.16	2.9%	0.70	2.7%
Number of skier days/ Average revenue per visitor	+/-10%	1.44	3.6%	1.20	4.7%
Hotel occupancy/ ADR	+/-10%	0.54	1.3%	0.33	1.3%
Market price of electricity	+/-10%	0.23	0.6%	0.19	0.7%
Salary expenses	+/-10%	0.88	2.2%	0.52	2.0%

# Resort Comparison

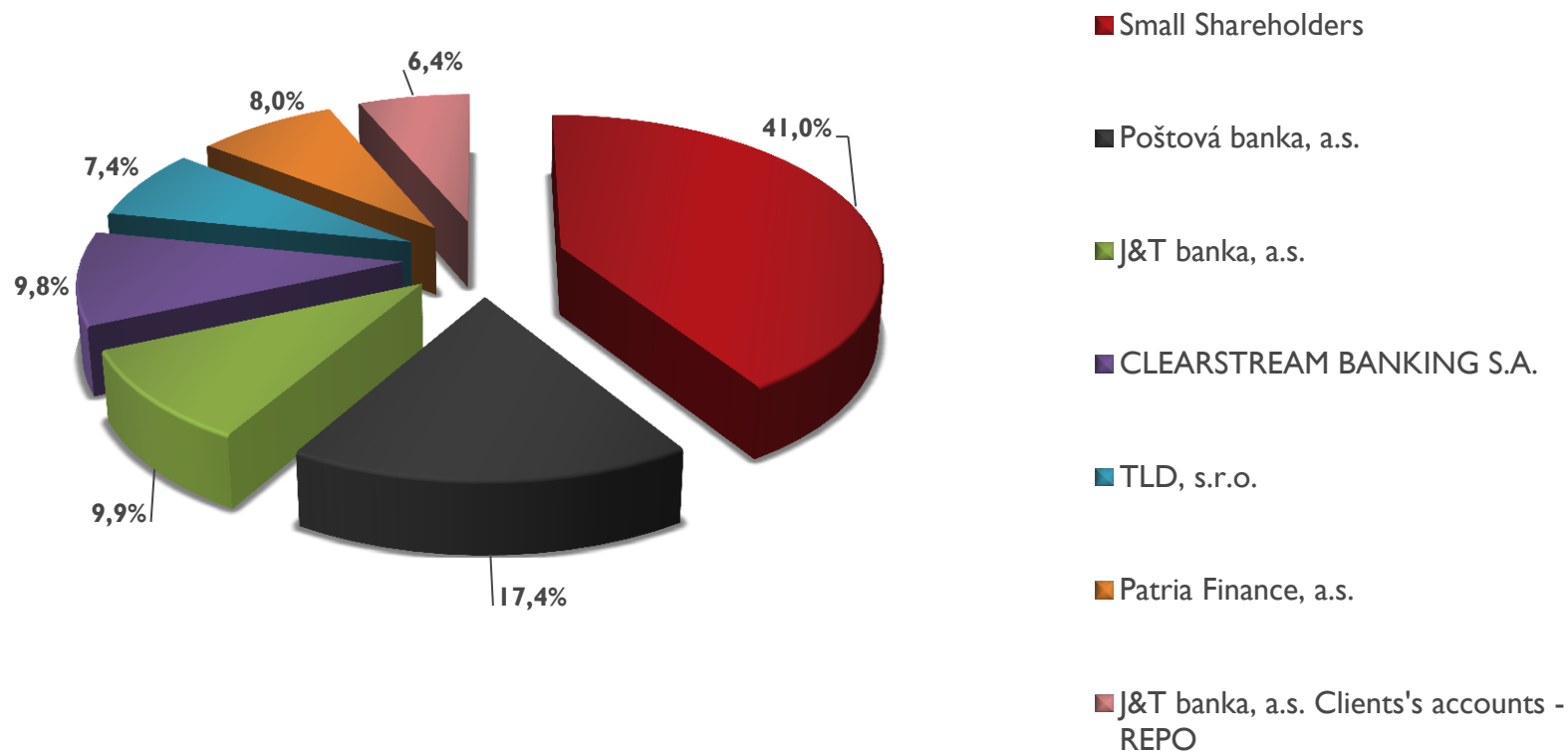
Country	Company / Resort	No. of lifts	Transportation Capacity/ hour	Km trails	1 day ticket price*
Slovakia	TMR / Vysoké Tatry	20	21,385	26.7	33
	TMR / Nízke Tatry	29	30,444	45	35
	Vrátna Free Time Zone	14	10,850	14	27
	Veľká Rača Snow Paradise	7	9,700	14	19
	Park Snow Donovaly	15	14,100	11	19
Poland	PKL / Kasprowy Wierch	3	3,850	14	21.44
	PKL / Gubalowka Zakopane	4	2,000	3	14.3
	PKL / Mosorny Gron	1	2,400	1.3	16.68
	PKL / Palenica Szczawnica	3	2,200	2	16.68
	PKL / Gora Zar Miedzybrodzie Zywieckie	3	1,100	1.6	16.68
Austria	Stubai Gletcher	26	37,039	110	41
	Achensee - Achenkirch/Christlun	10	12,200	27	35
	Achensee - Maurach/Rofan	4	3,802	14	26
	Achensee - Pertisau/Karwendel	7	5,092	14	23
	Ski Jewel Alpbachtal Wildschonau	47	53,739	145	39
	Pitzal / Ski Area Hochzeiger	9	15,527	54	38
	Pitzal / Pitztal Glacier & Riffelsee	6	10,935	68	42
	Ischgl	43	86,565	238	42.5
Czech Republic	Gastein	50	71,648	220	44.5
	Cerna Hora	24	22,100	20	23.68
	Mala Moravka-Karlovy	13	N/A	12	16.05
	Spindleruv Mlyn	16	20,543	24.6	28.09
	Pec pod Snezkou	10	10,720	10	24.08
	Pustevny	10	4,100	10	15.85
Italy	BormioSki	24	17,840	39	39
	Livigno	33	50,426	110	42
	Val Gardena	80	115,580	175	46

\* In high season 2012/2013 in €  
Source: skiresort.info, resort websites



# Shareholder Structure\*

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# Shareholders' Club

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## Shareholders' Club Benefits

No. of shares	Benefit
25	6 - entries
40	12 – entries
80	25 – entries
130	Season pass
250	2 x season pass
500	VIP Club: 2x year-round pass + VIP Club benefits
750	GOLD VIP Club: 2x year-round pass + GOLD VIP Club benefits

For more information on Shareholders' Club please visit <http://www.tmr.sk/shareholders-club.html>

## ▶ **VIP Club**

- ▶ 2x year-round pass into all TMR resorts
- ▶ VIP ski in - ski out parking in TMR mountain resorts
- ▶ Discounts at hotels, restaurants, bars in TMR resorts
- ▶ Free entrance to TMR's hotel wellness spas
- ▶ Discounts in Tatry Motion stores and on Tatry Motion services

## ▶ **GOLD VIP Club**

- ▶ VIP Club benefits
- ▶ One-week stay in TMR hotels with free top skis testing

# Abbreviations Used

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- ▶ IH – First Half of Fiscal Year (1/11 – 30/4)
- ▶ 9M – First Nine Months of Fiscal Year (1/11 – 31/7)
- ▶ ADR – Average Daily Rate per Room
- ▶ AVG - Average
- ▶ CAPEX – Capital Expenditures
- ▶ CAGR – Cumulative Average Growth Rate
- ▶ CEE – Central and Eastern Europe
- ▶ DPS – Dividend per Share
- ▶ D/C – Debt-to-capital ratio
- ▶ D/E – Debt-to-equity ratio
- ▶ EBIT – Earnings Before Interest and Taxes
- ▶ EBITDA – Earnings Before Interest, Taxes, Depreciation and Amortization
- ▶ EPS – Earnings per Share
- ▶ FY – Fiscal year (1/11 – 31/10)
- ▶ FB – Facebook
- ▶ HV – Holiday Village (Tatralandia)
- ▶ IFRS – International Financial Reporting Standards
- ▶ KPI – Key Performance Indicators
- ▶ M&L – Mountains and Leisure
- ▶ NI – Net Income
- ▶ OCC – Occupancy
- ▶ PKL – Polskie Koleje Linowe (Polish Cableways)
- ▶ PSE – Prague Stock Exchange
- ▶ p.p. – Percentage Points
- ▶ P/E – Price to Earnings ratio
- ▶ ROA – Return On Assets
- ▶ ROE – Return on Equity
- ▶ yoy – Year-over-year
- ▶ SG&A - Selling, General & Administrative Expense
- ▶ TMR – Tatry Mountain Resorts, a.s.
- ▶ ttm – „Trailing Twelve Months“
- ▶ ths. – Thousand
- ▶ WSE – Warsaw Stock Exchange



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