

## **Amendment of the Half-year Report 2015/16 of Tatry mountain resorts, a.s. and its subsidiaries for the period from November 1, 2015 to April 30, 2016**

The Half-year Report 2015/16 of Tatry mountain resorts, a.s. and its subsidiaries for the period from November 1, 2015 to April 30, 2016 has been amended as follows:

- On page 15 Consolidated cash flow statement has been amended (see attachment)
- On page 17 Condensed Interim Separate Financial Statements for the period from November 1, 2015 to April 30, 2016 have been added (see attachment).

## Consolidated cash flow statement

<i>In thousands of EUR</i>	<b>1.11.2015 – 30.4.2016</b>	<b>1.11.2014 – 30.4.2015</b>
<b>OPERATING ACTIVITIES</b>		
Profit	5,482	3,763
Adjustments relating to:		
Gain on disposal of property, plant and equipment and intangible assets	-425	38
Depreciation and amortization	6,583	6,778
Foreign currency differences	-454	12
Reversal of value adjustments to receivables	-	-8
(Gain)/loss on financial instruments, net	158	-10
Interest (income)/expense, net	4,737	4,833
Change in provisions	-1	-
Income tax	25	-
Change in trade receivables, other receivables and other assets	-2,542	2,327
Change in inventories	1,335	-55
Change in trade payables and other liabilities	-3,461	-611
Cash flow from operating activities before tax	<b>11,437</b>	<b>17,067</b>
Income tax paid	27	-285
Cash flow from operating activities	<b>11,464</b>	<b>16,782</b>
<b>INVESTMENT ACTIVITIES</b>		
Acquisition of property, plant and equipment and intangible assets	-5,682	-1,151
Proceeds from disposal of property, plant and equipment and intangible assets	425	-38
Procurement of financial investments	-	-6,727
Proceeds from disposal of financial investments	-	-
Cash flow from investment activities	<b>-5,257</b>	<b>-7,916</b>
<b>FINANCIAL ACTIVITIES</b>		
Proceeds from paid bills of exchange	-	-
Loans granted	-1,154	-2,225
Instalments of granted loans	5,358	7,223
Instalments of liabilities under financial leasing	-420	-412
Instalments of received loans and borrowings	-19,453	-4,682
New loans and borrowings	15,530	6,744
Repayment of the liability from decrease of the share capital	-	-
Issued bonds	-	-
Interest paid	-8,674	-8,807
Cash flow from financing activities	<b>-8,813</b>	<b>-2,159</b>
Net increase/(decrease) of cash and cash equivalents	-2,606	6,707
Cash and cash equivalents at the beginning of the year	8,219	3,903
<b>Cash and cash equivalents at end of the year</b>	<b>5,613</b>	<b>10,610</b>

The notes presented on page 16 form an integral part of the condensed interim consolidated financial statements.

**Tatry mountain resorts, a.s.**

**Condensed Interim Separate Financial Statements  
For the period from November 1, 2015 to April 30, 2016**

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

**Tatry mountain resorts, a.s.**

**Separate statement of profit and loss and other comprehensive income**

<i>In thousands of euros</i>	<b>1.11.2015 – 30.04.2016</b>	<b>1.11.2014 – 30.04.2015</b>
Sales	45 592	38 730
Other operating revenue	338	218
<b>Total revenue</b>	<b>45 930</b>	<b>38 948</b>
Consumption of material and goods	-7 092	-6 142
Purchased services	-11 732	-9 519
Personnel expenses	-9 371	-7 900
Other operating expenses	-598	-429
Gain on sale of assets	425	-52
Gain on revaluation of investment property	-	-
Creation and reversal of value adjustments to receivables	-	8
<b>Profit before interest, tax, depreciation and amortisation (EBITDA)*</b>	<b>17 562</b>	<b>14 914</b>
Depreciation and amortisation	-5 984	-6 442
Goodwill impairment loss	-	-
<b>Profit before interest and tax (EBIT)</b>	<b>11 578</b>	<b>8 472</b>
Interest income	745	724
Interest expenses	-5 439	-5 488
Net profit/(loss) from financial instruments	-184	-5
<b>Profit/(loss) before tax</b>	<b>6 700</b>	<b>3 703</b>
Income tax	-9	-9
<b>Profit/(loss)</b>	<b>6 691</b>	<b>3 694</b>
<b>Other components of the comprehensive income</b>		
Revaluation of available-for-sale securities to fair value	-	-
<b>Total comprehensive income</b>	<b>6 691</b>	<b>3 694</b>
<b>Earnings per share (in EUR)</b>	<b>0,998</b>	<b>0,551</b>
<b>Number of shares</b>	<b>6 707 198</b>	<b>6 707 198</b>

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

The Notes on page 23 constitute an integral part of the Condensed Interim Separate Financial Statements.

**Tatry mountain resorts, a.s.**

**Separate statement of financial position**

<i>In thousands of euros</i>	<b>30.4.2016</b>	<b>31.10.2015</b>
<b>Assets</b>		
Goodwill and intangible assets	7 291	7 395
Property, plant and equipment	254 395	257 817
Investment property	6 554	6 554
Loans provided	26 564	24 719
Other receivables	2 659	2 342
Investments in subsidiaries	14 641	14 641
<b>Total non-current assets</b>	<b>312 104</b>	<b>313 468</b>
Inventories	3 981	5 336
Trade receivables	3 302	1 972
Assets available for sale	938	938
Loans provided	2 854	6 677
Other receivables	21 305	21 509
Financial investments	225	385
Cash and cash equivalents	4 843	8 064
Other assets	1 938	1 953
<b>Total current assets</b>	<b>39 386</b>	<b>46 834</b>
<b>Total assets</b>	<b>351 490</b>	<b>360 302</b>
<b>Equity</b>		
Share capital	46 950	46 950
Share premium	30 430	30 430
Profit/(loss) for the period	6 691	19
Retained earnings and other funds	23 891	23 877
<b>Total equity</b>	<b>107 962</b>	<b>101 276</b>
<b>Liabilities</b>		
Loans and borrowings	28 340	26 771
Provisions	24	24
Other long-term liabilities	-	-
Bonds issued	178 560	178 520
Deferred tax liability	18 956	18 956
<b>Total non-current liabilities</b>	<b>225 880</b>	<b>224 271</b>
Loans and borrowings	4 549	14 938
Trade payables	5 879	5 805
Provisions	121	121
Bonds issued	2 722	6 022
Other short-term liabilities	4 377	7 869
<b>Total current liabilities</b>	<b>17 648</b>	<b>34 755</b>
<b>Total liabilities</b>	<b>243 528</b>	<b>259 026</b>
<b>Total equity and liabilities</b>	<b>351 490</b>	<b>360 302</b>

The Notes on page 23 constitute an integral part of the Condensed Interim Separate Financial Statements.

**Tatry mountain resorts, a.s.****Separate statement of changes in equity***In thousands of euros*

	Share capital	Share premium	Legal reserve fund	Funds from revaluation	Retained earnings	Total
<b>Balance as of 1 November 2015</b>	<b>46 950</b>	<b>30 430</b>	<b>4 448</b>	<b>145</b>	<b>19 303</b>	<b>101 276</b>
Transfer of Retained earnings to Legal reserve fund			-		-	-
Profit for the period	-	-	-	-	6 691	<b>6 691</b>
<b>Other components of the comprehensive income, after tax</b>						
- Items not subsequently reclassified to profit/(loss):						
Revaluation of tangible assets upon transfer to investment property	-	-	-	-	-	-
- Items that may be subsequently reclassified to profit/(loss):						
Revaluation of available-for-sale securities to fair value	-	-	-	-5	-	<b>-5</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6 691</b>	<b>6 686</b>
<b>Transactions with owners, recognised directly in equity</b>						
Contributions to the fund	-	-	1	-	-1	-
<b>Total transactions during the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance as of 30 April 2016</b>	<b>46 950</b>	<b>30 430</b>	<b>4 449</b>	<b>140</b>	<b>25 993</b>	<b>107 962</b>

**Tatry mountain resorts, a.s.**

**Separate statement of changes in equity (continued)**

*In thousands of euros*

	Share capital	Share premium	Legal reserve fund	Funds from revaluation	Retained earnings	Total
<b>Balance as of 1 November 2014</b>	<b>46 950</b>	<b>30 430</b>	<b>4 448</b>	<b>140</b>	<b>19 284</b>	<b>101 252</b>
Profit for the period	-	-	-	-	3 694	<b>3 694</b>
<b>Other components of the comprehensive income, after tax</b>						
- Items not subsequently reclassified to profit/(loss):						
Revaluation of tangible assets upon transfer to investment property	-	-	-	-	-	-
- Items that may be subsequently reclassified to profit/(loss):						
Revaluation of available-for-sale securities to fair value	-	-	-	7	-	<b>7</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7</b>	<b>3 694</b>	<b>3 701</b>
<b>Transactions with owners, recognised directly in equity</b>						
Contributions to the fund	-	-	-	-	-	-
<b>Total transactions during the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance as of 30 April 2015</b>	<b>46 950</b>	<b>30 430</b>	<b>4 448</b>	<b>147</b>	<b>22 978</b>	<b>104 953</b>

The Notes on page 23 constitute an integral part of the Condensed Interim Separate Financial Statements.

**Tatry mountain resorts, a.s.****Separate cash flow statement**

<i>In thousands of euros</i>	<b>1.11.2015 – 30.4.2016</b>	<b>1.11.2014 – 30.4.2015</b>
<b>OPERATING ACTIVITIES</b>		
Profit/(loss)	<b>6 691</b>	<b>3 694</b>
Adjustments related to:		
Gain on disposal of property, plant and equipment and intangible assets	-425	52
Depreciation and amortisation	5 984	6 442
Foreign exchange differences	-	6
Reversal of value adjustments to receivables	-	-8
Net (gain)/loss on financial instruments (non-cash)	158	-10
Gain on revaluation of investment property	-	-
Net interest (income)/expenses	4 694	4 764
Change in provisions	-	-1
Income tax	-9	-10
Change in trade receivables, other receivables and other assets	-1 444	2 434
Change in inventories	1 355	-199
Change in trade payables and other liabilities	-3 418	-615
Cash flow from operating activities before income tax	<b>13 586</b>	<b>16 549</b>
Income tax paid	27	-276
Cash flow from operating activities	<b>13 613</b>	<b>16 273</b>
<b>INVESTMENT ACTIVITIES</b>		
Acquisition of property, plant and equipment and intangible assets	-2 432	-819
Proceeds from disposal of property, plant and equipment and intangible assets	425	-52
Cost of business combinations, net of cash acquired	-	-
Loans provided	-2 737	-2 425
Repayment of loans provided	5 429	7 223
Cost of acquisition of financial investments	-	-6 727
Proceeds from disposal of financial investments	-	-
Interest received	-	0
Cash flow from investment activities	<b>685</b>	<b>-2 800</b>
<b>FINANCIAL ACTIVITIES</b>		
Repayment of liabilities from financial lease	-420	-522
Financial lease received	-	-
Repayment of received loans and borrowings	-23 930	-4 349
New loans and borrowings	15 530	6 744
Repayment of liability from reduction of share capital	-	-
Bonds issued	-	-
Interest paid	-8 699	-8 768
Dividends paid	-	-
Cash flow from financial activities	<b>-17 519</b>	<b>-6 895</b>
Net increase/(decrease) of cash and cash equivalents	-3 221	6 579
Cash and cash equivalents at the beginning of the year	8 064	3 757
<b>Cash and cash equivalents at end of the year</b>	<b>4 843</b>	<b>10 336</b>

The Notes on page 23 constitute an integral part of the Condensed Interim Separate Financial Statements.



**Selected notes to the Condensed Interim Separate Financial Statements**

**1. Investments**

During the observed period the Company started the implementation of an investment project in Tatralandia (mobile surfing wave) and continues in construction of the new cableway Krupová – Kosodrevina from the south side of Mt. Chopok and realization of Hotel Pošta. The Company continues to proceed with the investment plans as presented to the General Meeting held on April 28, 2016.

**2. Inventory**

During the period the Company initiated the realization of a second stage of real estate investment project Chalets Otopné (Chalets Otopné 2) and continues in the realization of the project Hotel Pošta – apartments for sale. Both projects relate to real estate development designated for sale or operation. The value of the investment is recognized in the financial statements under Inventories.

**3. Financial investments**

On December 9, 2015 the Company sold its entire 19% share of securities in Melida, a.s. in the amount of EUR 154 ths. to CAREPAR, a.s. and at the same time purchased a 19% share in CAREPAR, a.s. The reason for this transaction was the longtime planned shareholder structure of the Melida, a.s. company and optimization of relationships among shareholders of Melida, a.s.

**4. Subsequent events**

On June 17, 2016 the Company paid out a coupon on the TMR I bonds in the amount of EUR 1,575,000.

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Bohuš Hlavatý	Jozef Hodek	Tomáš Kimlička	Marián Vojtko
<i>Chairman</i>	<i>Member</i>	<i>Person responsible for</i>	<i>Person responsible for</i>
<i>of the Board of Directors</i>	<i>of the Board of Directors</i>	<i>preparation of the statements</i>	<i>bookkeeping</i>