

Current winter season in the Tatras confirms the growth potential.

DEMANOVSKA DOLINA (9th March 2011) – although the Tatras‘ winter season is not at the end yet, we can already state, that 1th quarter of the fiscal year (1st November 2010 – 31st January 2011) in resorts, which are operated by Tatry mountain resorts, a.s., is better than the prior one.

For TMR the year 2010 meant further fundamental investment objectives as well as launch of cooperation with entrepreneurs in region and the base of product creation, which can fulfil the resorts and accommodation facilities in the Tatras with content clientele.

The investments into the resorts and hotels, realised before winter season, exceeded 25 mil. EUR and thanks to them offered services in the Tatras reached significant better quality. Two 6-seat cableways with orange shields and special system with better wind resistance belong to the largest investment in 2010. TMR improved the parking in both Tatras‘resorts. At the same time the possibilities to spend full-valued night time has improved in resorts.

Investments and aimed marketing **significantly influenced company results in comparison with the last 1st quarter**, what confirms the **TMR growth potential**. Compared to 1st quarter 2009/2010 **revenues reached 10,3 mil. EUR and increased by 70,4%**. TMR earnings before interest, taxes, depreciation and amortization (EBITDA) rose by 196,6% to 2,2 mil. EUR. As usually, most influential share in company results has been noticed in segment Mountain resorts, confirmed in 1st quarter of fiscal year as well. Mountain resort segment reached the highest increase of operating efficiency.

„We have noticed the best start of winter season for the last 4 years due to successful investments into infrastructure in amount of 70 mil. EUR as well as successful marketing campaign in Slovakia and other target markets“, said Bohuš Hlavatý, chairman of the TMR Board.

Operating income of **Mountain resort segment increased by 88,8%** in comparison with 1st quarter 2009/2010. Increase of visit rate in resorts was important as well – TMR resorts visited **44% more visitors**. In the High Tatras the number of skiers increased by 67%. Multi-day ski passes, included in accommodation packages, were sold mainly. In Jasná Nízke Tatry 6-day ski passes were preferred and in the high Tatras resorts dominated the sale of 3-day ski passes in accommodation packages, what shows the tendency to extend the accommodation length in the Tatras.

The Hotel Grand Jasná was appreciated as the most effective hotel from TMR portfolio. **Hotels revenues in total increased by 33,2%** compared to 1st quarter 2009/2010. *„ Our hotel basis reached significant increase of occupancy due to attractive offer of accommodation packages, investments into the infrastructure and the revival of night life in the Tatras“*, added Bohuš Hlavatý.

Since March 21st, 2011 the resorts will transfer from winter season **to spring discounts**. Price decrease and still favourable snow conditions, thanks to high allocated resorts and artificial snow, are attractive for the skiers. In the past the winter season finished in May by slow transformation to summer operation of cableways.

Company TATRY MOUNTAIN RESORTS, a.s. is the major subject in tourist segment in Slovakia who owns and operates attractive ski resorts and hotels in Low and High Tatras areas. Here belongs resort Jasna Nizke Tatry and hotels Grand Jasna, Tri studnický and Ski Zahradky, in High Tatras TMR has in its ownership and operates resorts Tatranska Lomnica, Stary Smokovec and Liptovska Teplicka and hotels Grandhotel Praha Tatranska Lomnica and Grandhotel Stary Smokovec. The TMR Company already invested more than EUR 70 million of capital expenditures and at present it has in a pipeline the projects worth additional EUR 65 million which are to be focused on increasing the standard and visit rate of our mountains during following years.