



TERME ČATEŽ d.d.

Topliška cesta 35, 8251 ČATEŽ OB SAVI

RELEASE HEREBY

**Data on Performance of the Company
in the period January – September 2011**



At Čatež ob Savi, November 2011

Pursuant to the regulations of the Ljubljana Stock Exchange Rules (Ljubljanska borza, d.d., Ljubljana), Financial Instruments Market Law (orig. ZTFI) and adopted legislation, Terme Čatež company, Topliška cesta 35, 8251 Čatež ob Savi, releases hereby the non-audited data and annotations on business performance of the company in the period January – September 2011. The data and annotations are compiled in accordance with the non-audited financial statement for the first nine months of 2011, International Financial Reporting Standards and Public Company Law.

Identity card of the company

Company name:	Terme Čatež d.d.
Activity:	55.100
Company registration number:	5004896
Tax number:	55444946
Reg. number:	10080100.
Date of entry in the Companies Register:	23 Nov 1995
Company's share capital:	€ 12,444,216.32
Number of shares issued:	497,022
Face value of a share:	ordinary shares
Shares listing:	Ljubljana Stock Exchange, standard listing, share marking: TCRG

Management Board: *Bojan Petan*
Chairman of Supervisory Board: *Robert Krajnik*

The company Terme Čatež is engaged in various activities: hotels & restaurants, Spa/health resort, trade, sports, recreation and other.

Pursuant to the Act on Medicinal Substances and Spa Health Resorts (Official Gazette of the SRS, no. 36/1964), it was established that the thermal water, staff, equipment and premises comply with the requirements of the above specified Act, and Terme Čatež d.d. obtained the status, i.e. was registered as a "spa health resort" in 1964.

Written documents on the Spa originate from 1886 and mention »hot thermal springs«. The first hotel was built in 1926 and has been in the course of years reconstructed to the existing Toplice Hotel.

Today, Terme Čatež has got the controlling position in a Group of companies in Slovenia, Croatia and Bosnia and Herzegovina. Terme Čatež d.d. company is one of fifteen Slovenian Natural Spas, having the leading role in Slovene tourism.

Its share was the first one in the tourism branch listed (7 June 1993) on the Ljubljana Stock Exchange.

Parent company Terme Čatež d.d. operates on three locations:

- at Čatež on 45 hectares, on the right bank of the Sava river;
- at Mokrice (6 km from Čatež) on 60,000 sm and
- at Koper: Žusterna Aquapark Hotel, Koper Hotel.

Terme Čatež Group consists of the holding (parent) company Terme Čatež d.d. and the subsidiaries as follows:

- Marina Portorož d.d., Cesta solinarjev 8, 6320 Portorož
- Turistično podjetje Portorož d.d., Cesta solinarjev 8, 6320 Portorož
- Del Naložbe d.d., Topliška cesta 35, 8251 Čatež ob Savi
- Terme Ildža d.o.o., Ulica Mala aleja 40, Sarajevo; and
- Termalna riviera d.o.o., Trg Loža 1, Novalja

Company and ist head-office	Type of equity Investm.	Share of Terme Č. Treas.s. (%) In equity of subsid.	Number of shar. In possession By Terme Č.	Number of Šshares TOTAL
DEL NALOŽBE d.d., Čatež ob Savi	shares	100.00	53,671	56,314
TERME ILIDŽA d.o.o., Sarajevo	Hold.	90.00		
MARINA Portorož d.d.	shares	91.13	286,098	313,932

Performance highlights in the period January – September 2011

a) Quantity indicators

572,243 overnight stays were realized in all amenities of Terme Čatež company in the first nine months of this year, which is by 1.7 % more than in the same period of the past year; 309,839 overnight stays were realized by the domestic guests (that being by 3 % less than in the same period of the year before), while 262,404 overnight stays were realized by the foreign guests, i.e. by 7.8 % more than in the first nine months of 2010. From the foreign guests, the most numerous were again the Italian guests followed by the Croatians (the portion of foreign guests in the overnights total amounts to 45 %, whereas the portion of overnight stays realized in the hotels -campsite excluded - amounted to 51.8 %). The average occupancy was 55.3 %.

The visit to the thermal and other swimming pools, measured by the number of bathing guests, differs from that realized in the first nine months of 2010. before (773.561 bathing entrances were registered until the end of September 2011, while 773,747 entrances were registered in the same period of 2010).

b) Financial statement

Terme Čatež d.d. realized in the first nine months of 2011, as follows:

- € 27,140 thousand in operating revenues, which is by 4.1 % more than in the same period of the past year;
- € 5,364 thousand in operating profit, which is by 4.6 % more than in the same period of the past year;
- € 3,227 thousand in net profit, which is by 11.4 % more than in the same period of the past year.

Net profit and depreciation amount in the first nine months of 2011 to € 6,803 thousand, which makes up to 25.07 % in the structure of operating revenues.

Terme Čatež Group realized in the first nine months of 2011, as follows:

- € 33,753 thousand in operating revenues and
- € 3,418 thousand in net profit, which is by 38.2 % more than in the same period of the past year.

c) About the share

Market price of Terme Čatež d.d. shares (standard price at the Ljubljana Stock Exchange) as at 30 September 2011 equalled € 179.00, which equals the price as on 30 September 2010. The Slovenian blue chip index dropped in the first nine months of this year by 25.55 %.

d) Personnel

As on 30 September 2011 the number of employees was 477 in total, i.e. by 3.4 % less than in the same period of the past year. On the Group level 583 employees were employed as on 30 September 2011.

e) Investment highlights

LOCATION TERME ČATEŽ

- ***Refurbishment and rebuild of Terme Hotel***

The beginning of 2011 started Part II of the project, i.e. the extension of the upper floor by additional 88 rooms and the rebuild of the available accommodation premises including the hotel corridors and elevators. The rebuild was finished in July 2011. The expanded hotel thus consists of 6 floors, 212 rooms and 14 apartments altogether. The construction works were compiled in succession, so that the first two floors were ready already for the Easter holiday.

The reconstruction of the pool area, wellbeing centre and restaurant will follow in 2012. The project was financed by the ERDF (European Regional Development Fund).

- ***Construction of underground passage between the hotels Čatež and Toplice and the expansion of the gym-studio of Čatež Hotel***

The works on the underground passage started already in November 2010. The corridor helps the guests reach the Thermal Riviera and Wellbeing Centre dry in bad weather conditions.

- ***Expansion of the campsite (mobile homes)***

High quality camping demands require the expansion of the campsite. The respective provisions have been done for 22/twenty-two mobile houses on the Southern part of the campsite. The works were completed in April 2011.

- ***Refurbishment of the roofs (solar power system)***

Following the latest environmental trends, i.e. utilization of natural resources, started in September 2011 the project of roof reconstruction (encompassing the roofs of Thermal Riviera, Tropic Garden, Casino, Spa & Wellbeing Centre and Čatež Hotel) for the purpose of setting of the solar power system. The project will have been finished by the end of the year.

- ***Structural maintenance after the flood in September 2010***

The flood in September 2010 left substantial damage, which had to be repaired in order to offer to the guests the quality they expect. Maintenance works were conducted in the Spa & Wellbeing Centre, Health Centre of Čatež Hotel, Toplice Hotel (water draining, drying-up of the floor and premises and exchange of the floor-cover, relocation of machine-house etc..). The costs of the maintenance were charged to the state and were in line of the budget for the structural maintenance after the flood in Slovenia (Ministry of the Environment and Spatial Planning).

- ***Construction of the access driveway along the damm***

Related to the flood, the construction of the access driveway along the damm was necessary. The driveway was reconstructed and an asphalt plaster was laid. The project was carried out in September and was up to 49 % financed by the Brežice Commune.

- **Refurbishment of the balconies (Čatež Hotel):** was carried out and finished in September.

LOCATION MOKRICE

- **Golf course refurbishment**

An overhaul of the golf course means the renovation of the fairways and drivings, purchase of new tee markers as well as the construction of new dewatering system and water pump station. The investment was finished in April.

LOCATION ŽUSTERNA

- **Reconstruction of hotel pools at Žusterna** was finished at the end of April 2011.

f) Takeover bid: buy-out of the shares of Marina Portorož d.d.

During the bidding period, i.e. from incl. 6 May 2011 until incl. 6 June 2011 – 12 o'clock, the takeover bid for the buy-out of the shares of the takeover target was accepted by 176 shareholders, whose holding amounted to 55,003 shares of the takeover target, which represents 17.52 share in equity of Marina Portorož company. After the expiration period, Terme Čatež company became the owner of 91.13 %, i.e. 286,098 shares of Marina Portorož d.d.

Pursuant to the regulations of the Takeover Bid and the Prospectus, the bid for the buy-out of the shares of the takeover target was successful.

g) 17th regular Annual General Meeting of Shareholders of TERME ČATEŽ d.d., convened on 12 July 2011 at the company's head quarters

Resolutions adopted:

Resolution No. 1 (one):

»The Annual General Meeting of Shareholders hereby acknowledge the Annual Report of the company Terme Čatež d.d. for 2010 with the Auditor's Opinion and the consolidated Annual Report of Terme Čatež Group for 2010 with the Auditor's Opinion, and the written report by the Supervisory Board on examining of the Annual Report with the opinion on the Auditor's report.«

Resolution No. 2 (two):

»Balance sheet profit for 2010 totalling € 8,911,246.57 (eight million nine-hundred eleven thousand two hundred and forty-six point fifty-seven 57/100) shall be allocated as follows:
 – € 2,696,001.00 (two million six hundred ninety-six thousand and one) shall be used for dividends, i.e. € 5.50 of gross dividend per share;
 – € 6,215,245.57 (six million two hundred fifteen thousand two hundred and forty-five point fifty-seven 57/100) to be transferred to retained profit.

The Company will commence the dividend payout to the shareholders on 1 October 2011, namely to the shareholders recorded in the company's shareholders register in the central register, kept by the Central Securities Clearing Corporation – KDD, Centralna klirinško depotna družba, d.d. Ljubljana, as on 14 July 2011 (fourteenth of July two thousand and eleven), in the manner specified by the Management Board of the company.«

Resolution No. 3 (three):

»The Management Board is approved and confirmed their work in 2010 and the relief granted.«

Resolution No. 4 (four):

»Confirmed and approved is the work of Supervisory Council in 2010 and the relief granted«

Resolution No. 5 (five):

»The audit company Renoma d.o.o., družba za revizijo in svetovanje d.o.o., Kamniška ul. 25, 1000 Ljubljana. is appointed for auditing of financial statements of Terme Čatež d.d. for 2011.«

Resolution No. 5 (five):

»The Annual General Meeting appoints the Members to Supervisory Council as follows: Mr. Johannes Attems, Mr. Mitja Grum, Mr. Samo Roš, Mr. Robert Krajnik, Mrs. Ada DeCosta Petan, Mr. Vladimir Smolec, having the mandate from 30 January 2012 (thirtieth of January two thousand and eleven) until 30 January 2016 (thirtieth of January two thousand and sixteen).«

Changes in ownership structure**EXTRACT FROM THE SHAREHOLD. REGISTER (30 June 2011)**

SHAREHOLDER	30June11 Percentage Ownership	30June11 Number Of shares
DZS, d.d.	45.36	225436
KAPITALSKA DRUŽBA, D.D.	23.79	118262
DELO PRODAJA, d.d.	9.15	45463
TRIGLAV MUTUAL FUNDS-STOCK F.	3.99	19850
ZAVAROVALNICA TRIGLAV, d.d.	1.66	8247
Delikatesa d.d.	1.38	6840
ABANČNA DZU DELNIŠKI EVROPA	1.08	5379
ATTEMS JOHHANES	1.01	5005
DRASCHE WARTINBERG ELENORE	1.00	4962
RAU GABRIELLE	1,00	4962
OTHER SHAREHOLDERS	10.59	5261
TOTAL	100.00	497022

EXTRACT FROM THE SHAREHOLD. REGISTER as on 30Sept11

SHAREHOLDER	30 Sept 11 Percentage Ownership	30 Sept 11 Number Of shares
DZS, d.d.	45.41	225706
KAPITALSKA DRUŽBA, D.D.	23.79	118262
DELO PRODAJA, d.d.	9.15	45463
TRIGLAV MUTUAL FUNDS-STOCK F.	3.99	19850
ZAVAROVALNICA TRIGLAV, d.d.	1.66	8247
Del Naložbe d.d.	1.38	6840
ABANČNA DZU DELNIŠKI EVROPA	1.08	5379
ATTEMS JOHHANES	1.01	5005
DRASCHE WARTINBERG ELENORE	1.00	4962
RAU GABRIELLE	1,00	4962
OTHER SHAREHOLDERS	10.53	52346
TOTAL	100.00	497,022

About the share

As at the end of September 2011 - 1,029 shareholders of Terme Čatež d.d. were registered in the shareholders' register at Central Securities Clearing Corporation (KDD) Ljubljana. Terme Čatež d.d. issued 497,022 ordinary shares of the same class; the shares being listed as TCRG-shares on the Ljubljana Stock Exchange. Terme Čatež company has got no treasury shares entered in the Register.

Neither the company nor any other third person received pledged treasury shares on the account of the company or pledged the treasury shares as on 30 September 2011.

Market price of the share (standard price at the Ljubljana Stock Exchange) as on 30 September 2011 amounted to €179.00, which equals the value in the same period of the past year.

Book value of the share, calculated from the ratio between equity capital and the number of shares issued, amounted as on 31 December 2010 to € 142.73, **whereas as on 30 September 2011 it amounted to € 143.81.**

Earning per share was calculated from the ratio between the net profit earned in the accounting period (the numerator) and the number of issued shares (the denominator), and **amounted to € 6.58** (€ 5.91 in the period Jan-Sept 2010), that being an 11.4 % uptick.

The company Terme Čatež has no pending resolution on conditional increase of share capital nor a resolution on approved capital.

The Annual Meeting of Shareholders, dated 12 July 2011, adopted the resolution on dividend pay-out (dividend gross value per share: € 5.50).

To our best knowledge, there exist no additional market risks, except the consistent risks pertaining to all securities and shares resp. listed on the Ljubljana Stock Exchange, which would essentially affect the change in share value.

Management Board and Supervisory Council

The Management Board of Terme Čatež company represents and controls Mr. Bojan Petan, CEO.

Supervisory Council of Terme Čatež company:

- Mr. Robert Krajnik - Chairman
- Mr. Johannes Attems - Deputy Chairman
- Mrs. Ada de Costa Petan - Member
- Mr. Primož Klemen - Member
- Mr. Tomaž Pogorelec - Member
- Mr. Vladimir Smolec - Member

Workers' Council Representatives elected to Supervisory Council:

- Mr. Dragan Štipula
- Mr. Damjan Krulc
- Mr. Milan Blažević

Terme Čatež company : Profit & loss statement in the period January - September 2011

in EUR 000	1 Jan -30 Sept	1 Jan -30 Sept
	2011	2010
Item		
Operating revenues	27,140	26,074
Expenses	-21,776	-20,946
Operating profit	5,364	5,128
Cash-flow	-1,330	-1,508
Profit before tax	4,034	3,620
Corporation tax	-807	-724
Net profit in the period	2,227	2,896

Terme Čatež Group : Profit & loss statement in the period January - September 2011

in EUR 000	1 Jan-30 Sept 2011	1 Jan -30 Sept 2010
Item		
Gross operating profit	33,753	34,257
Operating expenses	-27,274	-26,909
Operating profit / loss	6,478	7,348
Cash-flow	-1,928	-1,704
Profit before tax	4,551	5,644
Corporation tax	-1,133	-3,170
Net profit in the period	3,418	2,474
Profit to qualified shares	3,393	2,521
Profit to minor shareholders	25	-47

Plan and forecast 2011

Terme Čatež plan for 2011 - **€ 35.5 million** in operating revenues, € 6.2 million in operating profit and **€ 3.7 million** in net profit.

Further, **710,577 overnight stays** are planned for 2011, that being by 3.25 % more than in 2010, and **978,077 bathing guests** shall have visited the Spa by the end of the year.

The company shall invest appr. **€ 10.5 million** into:

* rebuild and extension of Terme Hotel****.

* underground passage between Toplice and Čatež Hotels . The construction of the passage coincides with the construction of the new gym-studio in Čatež Hotel.

* expansion of the campsite by twenty mobile houses; the investment will have been finished by the season 2011.

- * project lay-out for the expansion of Winter Thermal Riviera with new water attractions
- * change of municipal land register lay-out
- * construction of brand name sign close to the highway (roundabout)
- * renewal of the green area of golf course: an overhaul of the golf course will mean the renovation of the fairways and drivings, purchase of new tee markers as well as the construction of new dewatering system and water pump station.
- * construction of passage (Žusterna Hotel).

The investment policy is set on improving the quality of offer and increase in capacity of Terme Hotel which is being partly reconstructed by the financial aid of European Regional Development Fund.

The price policy is aligned with the offer of competitive capacities of other natural Spas and tourist centers in Slovenia.

In 2011 a special attention shall be focused on to:

- * marketing and promotion activities
- * IT-upgrade
- * controlling and organization
- * performance optimization
- * uniform planning and reporting for the whole Group
- * motivation of employees
- * integrity of performance (subsidiaries and parent company) aiming at cost reduction
- * environmental care
- * reinforcement of Terme Čatež brands

We believe, that the company can improve its market share only by new investments and higher quality of service.

Terme Čatež Group plans to realize in 2011 - **€ 45 million** in operating revenues, **€ 8.1 million** in operating profit and **€ 3.9 million in net profit**.

Plan realization

ITEMS - TERME ČATEŽ d.d.	January - September 2011	January - September 2010	PLAN January - September 2011	INDEX comparis. R11/R10	INDEX real/plan R11/PL11
Net sales revenues	26.775.709	25.838.455	27.397.140	103,63	97,73
Operating profit / loss	5.363.906	8.127.566	5.621.386	104,61	95,42
Operating profit / loss + depreciation	8.939.792	5.127.566	9.278.738	103,30	96,35
Net profit / loss	3.227.227	2.896.132	3.111.149	111,43	103,73
Added value	16.802.546	14.074.578	16.654.726	119,38	102,11
Number of employees per hour	436	468	430	93,16	101,40
Gross operating profit per employee	64.670	55.713	63.976	116,08	101,08
Added value per employee	38.538	30.074	38.267	128,14	100,71
Operating profit before depreciation in gross operating profit	31,71%	33,19%	33,73%	95,53	94,00
Net profit in equity	4,58%	4,13%	4,26%	110,85	107,53

Events after the accounting period

The General Meeting of Shareholders, convened on 28 October 2011, was by the request of ordering parties cancelled.

Access to the released data

The released review of non-audited data on performance of Terme Čatež company in the period January - September 2011 shall be available to the public from the moment it has been published on the website www.terme-catez.si under:

>About the company<

>Press room<

>Press releases<

Terme Čatež d.d.
Management Board

At Čatež, November 2011