

Annex 1.

Reporting period

1.1.2012

to

31.3.2012

Quarterly financial report TFI-POD

Tax number (MB): 03166619

Company registration number (MRS): 040008080

Personal identification number (OIB): 15573308024

Issuing company: LIBURNIA RIVIERA HOTELI d.d. OPATIJA

Postal code and place: 51410 Opatija

Street and house number: MARSALA TITA 198

E-mail address: remisens@remisens.com

Internet address: www.remisens.com

Municipality/city code and name: 302

County code and name: 8 PRIMORSKO GORANSKA ŽUPANIJA

Number of employees: 599

(period end)

Consolidated report: NO

NKD code: 5510

Companies of the consolidation subject (according to IFRS)

Seat:

MB:

Bookkeeping service:

Contact person: Kamenar Biserka

(only surname and name)

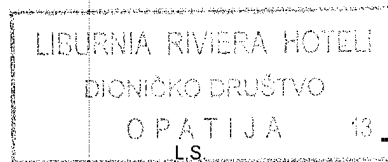
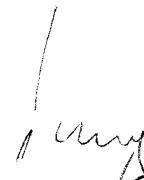
Telephone: 051 710-395

Telefaks: 051 710-404

E-mail address: biserka.kamenar@remisens.com

Family name and name: Šehanović Igor, Ferlan Robert

(person authorized to represent the company)



 (signature of the person authorized to represent the company)

Balance Sheet
as of 31.03.2012.

Company: LIBURNIA RIVIERA HOTELI d.d.

Position	AOP	Previous period 31.12.2011.	Current period
1	2	3	4
ASSETS			
A) RECEIVABLES FOR SUBSCRIBED NOT PAID CAPITAL	001		
B) NON-CURRENT ASSETS (003+010+020+029+033)	002	933.954.193	934.924.481
I. INTANGIBLE ASSETS (004 do 009)	003	1.855.474	2.211.707
1. Expenditure for development	004	714.650	857.906
2. Concessions, patents, licenses, trademarks, service marks, software and other rights	005	979.987	914.567
3. Goodwill	006		
4. Advances for purchase of intangible assets	007		
5. Intangible assets in progress	008	160.837	439.234
6. Other intangible assets	009		
II. PROPERTY, PLANT AND EQUIPMENT (011 do 019)	010	929.524.733	930.138.788
1. Land	011	113.140.696	113.140.696
2. Buildings	012	756.496.389	751.332.855
3. Plant and equipment	013	21.659.791	20.902.653
4. Tools, working inventory and transportation assets	014	34.748.625	33.552.351
5. Biological assets	015		
6. Advances for purchase of tangible assets	016	351.552	2.151.435
7. Tangible assets in progress	017	1.215.992	5.471.510
8. Other tangible assets	018	1.911.688	3.587.288
9. Investment in real-estate	019		
III. NON-CURRENT FINANCIAL ASSETS (021 do 028)	020	470.800	470.800
1. Share in related parties	021		
2. Loans to related parties	022		
3. Participating interests (shares)	023		
4. Loans to companies with participating interest	024		
5. Investments in securities	025	470.800	470.800
6. Loans, deposits, etc.	026		
7. Other non-current financial assets	027		
8. Equity-accounted investments	028		
IV. RECEIVABLES (030 do 032)	029	385.100	385.100
1. Receivables from related parties	030		
2. Receivables arising from sales on credit	031		
3. Other receivables	032	385.100	385.100
V. DEFERRED TAX ASSET	033	1.718.086	1.718.086
C) CURRENT ASSETS (035+043+050+058)	034	66.770.285	37.625.809
I. INVENTORIES (036 do 042)	035	1.256.910	1.035.874
1. Raw materials and supplies	036	1.185.885	978.454
2. Production in progress	037		
3. Finished products	038		
4. Merchandise	039	71.025	57.420
5. Advances for inventories	040		
6. Long term assets held for sale	041		
7. Biological assets	042		
II. RECEIVABLES (044 do 049)	043	8.229.020	10.150.221
1. Receivables from related parties	044		
2. Receivables from end-customers	045	6.628.699	3.877.897
3. Receivables from participating parties	046		
4. Receivables from employees and members of the company	047	110.754	123.346
5. Receivables from government and other institutions	048	1.489.567	3.030.615
6. Other receivables	049		3.118.363
III. CURRENT FINANCIAL ASSETS (051 do 057)	050	159.944	114.944
1. Share in related parties	051		
2. Loans to related parties	052		
3. Participating interests (shares)	053		
4. Loans to companies with participating interest	054		
5. Investments in securities	055		
6. Loans, deposits, etc.	056		
7. Other financial assets	057	159.944	114.944
IV. CASH AND CASH EQUIVALENTS	058	57.124.411	26.325.770
D) PREPAYMENTS AND ACCRUED INCOME	059	732.011	4.381.872
E) TOTAL ASSETS (001+002+034+059)	060	1.001.456.489	976.933.162
F) OFF BALANCE SHEET ITEMS	061	4.452.613	4.452.613

EQUITY AND LIABILITIES			
A) ISSUED CAPITAL AND RESERVES (063+064+065+071+072+075+078)	062	855.889.363	865.492.423
I. SUBSCRIBED SHARE CAPITAL	063	968.451.200	968.451.200
II. CAPITAL RESERVES	064	295.201	295.201
III. RESERVES FROM PROFIT (066+067-068+069+070)	065	0	0
1. Legal reserves	066		
2. Reserve for own shares	067		
3. Treasury shares and shares (deductible items)	068		
4. Statutory reserves	069		
5. Other reserves	070		
IV. REVALUATION RESERVES	071		
V. RETAINED EARNINGS OR LOSS CARRIED FORWARD (073-074)	072	-87.004.426	-82.857.038
1. Retained earnings	073		
2. Loss carried forward	074	87.004.426	82.857.038
VI. NET PROFIT OR LOSS FOR THE PERIOD (076-077)	075	4.147.388	-20.396.940
1. Net profit for the period	076	4.147.388	
2. Net loss for the period	077		20.396.940
VII. MINORITY INTEREST	078		
B) PROVISIONS (080 do 082)	079	19.874.498	19.357.705
1. Provisions for pensions, severance pay and similar liabilities	080	6.665.268	6.442.767
2. Provisions for tax liabilities	081		
3. Other provisions	082	13.209.230	12.914.938
C) NON-CURRENT LIABILITIES (084 do 092)	083	54.172.675	54.172.675
1. Liabilities to related parties	084		
2. Liabilities for loans, deposits, etc.	085	54.172.675	54.172.675
3. Liabilities to banks and other financial institutions	086		
4. Liabilities for advances	087		
5. Trade payables	088		
6. Commitments on securities	089		
7. Liabilities to companies with participating interest	090		
8. Other non-current liabilities	091		
9. Deferred tax liabilities	092		
D) CURRENT LIABILITIES (094 do 105)	093	37.770.895	35.834.410
1. Liabilities to related parties	094		
2. Liabilities for loans, deposits, etc.	095		
3. Liabilities to banks and other financial institutions	096	18.484.416	12.198.527
4. Liabilities for advances	097	1.822.912	2.856.912
5. Trade payables	098	7.705.677	11.846.030
6. Commitments on securities	099		
7. Liabilities to companies with participating interest	100		
8. Liabilities to employees	101	4.349.895	3.607.382
9. Taxes, contributions and similar liabilities	102	3.143.108	3.193.278
10. Liabilities arising from share in the result	103		
11. Liabilities arising from non-current assets held for sale	104		
12. Other current liabilities	105	2.264.887	2.132.281
E) ACCRUED EXPENSES AND DEFERRED INCOME	106	3.749.058	2.075.949
F) TOTAL EQUITY AND LIABILITIES (062+079+083+093+106)	107	1.001.456.489	976.933.162
G) OFF BALANCE SHEET ITEMS	108	4.452.613	4.452.613
ADDITION TO BALANCE SHEET (only for consolidated financial statements)			
ISSUED CAPITAL AND RESERVES			
1. Attributable to majority owners	109		
2. Attributable to minority interest	110		

Income statement

period 01.01.2012. to 31.03.2012.

Company: LIBURNIA RIVIERA HOTELI d.d.

Position	AOP	Previous period	Previous period	Current period	Current period
		Cummulative	Quarter	Cummulative	Quarter
1	2	3	4	5	6
I. OPERATING INCOME (112 do 113)	111	16.757.970	16.757.970	15.064.368	15.064.368
1. Rendering of services	112	14.438.401	14.438.401	12.515.391	12.515.391
2. Other operating income	113	2.319.569	2.319.569	2.548.977	2.548.977
II. OPERATING COSTS (115+116+120+124+125+126+129+130)	114	33.203.133	33.203.133	35.176.443	35.176.443
1. Change in inventories of work in progress	115				
2. Material expenses (117 do 119)	116	7.803.565	7.803.565	8.688.088	8.688.088
a) Costs of raw materials	117	1.953.685	1.953.685	2.260.604	2.260.604
b) Cost of goods sold	118	25.435	25.435	18.499	18.499
c) Other material expenses	119	5.824.445	5.824.445	6.408.985	6.408.985
3. Employee benefits expenses (121 do 123)	120	11.809.866	11.809.866	14.969.949	14.969.949
a) Net salaries	121	7.171.001	7.171.001	8.799.615	8.799.615
b) Tax and contributions from salary expenses	122	2.860.533	2.860.533	3.990.522	3.990.522
c) Contributions on salary	123	1.778.332	1.778.332	2.179.812	2.179.812
4. Depreciation and amortisation	124	8.334.264	8.334.264	8.269.325	8.269.325
5. Other expenses	125	3.832.909	3.832.909	3.217.989	3.217.989
6. Write down of assets (127+128)	126	1.422.529	1.422.529	31.092	31.092
a) non-current assets (except financial assets)	127				
b) current assets (except financial assets)	128	1.422.529	1.422.529	31.092	31.092
7. Provisions	129				
8. Other operating costs	130				
III. FINANCIAL INCOME (132 do 136)	131	452.596	452.596	462.242	462.242
1. Interest, foreign exchange differences, dividends and similar income from related parties	132		0		0
2. Interest, foreign exchange differences, dividends and similar income from third parties	133	452.596	452.596	462.242	462.242
3. Income from investments in associates and joint ventures	134				
4. Unrealised gains (income) from financial assets	135				
5. Other financial income	136				
IV. FINANCIAL EXPENSES (138 do 141)	137	963.008	963.008	747.107	747.107
1. Interest, foreign exchange differences, dividends and similar income from related parties	138				
2. Interest, foreign exchange differences, dividends and similar income from third parties	139	963.008	963.008	747.107	747.107
3. Unrealised losses (expenses) from financial assets	140				
4. Other financial expenses	141				
V. SHARE OF PROFIT FROM ASSOCIATED COMPANIES	142				
VI. SHARE OF LOSS FROM ASSOCIATED COMPANIES	143				
VII. EXTRAORDINARY - OTHER INCOME	144				
VIII. EXTRAORDINARY - OTHER EXPENSES	145				
IX. TOTAL INCOME (111+131+144)	146	17.210.566	17.210.566	15.526.610	15.526.610
X. TOTAL EXPENSES (114+137+143+145)	147	34.166.141	34.166.141	35.923.550	35.923.550
XI. PROFIT OR LOSS BEFORE TAXES (146-147)	148	-16.955.575	-16.955.575	-20.396.940	-20.396.940
1. Profit before taxes (146-147)	149	0	0	0	0
2. Loss before taxes (147-146)	150	16.955.575	16.955.575	20.396.940	20.396.940
XII. TAXATION	151				
XII. PROFIT OR LOSS FOR THE PERIOD (148-151)	152	-16.955.575	-16.955.575	-20.396.940	-20.396.940
1. Profit for the period (149-151)	153	0	0	0	0
2. Loss for the period (151-148)	154	16.955.575	16.955.575	20.396.940	20.396.940
ADDITION TO PROFIT AND LOSS ACCOUNT (only for consolidated financial statements)					
XIV. PROFIT OR LOSS FOR THE PERIOD					
1. Attributable to majority owners	155	-16.955.575	-16.955.575	-20.396.940	-20.396.940
2. Attributable to minority interest	156				
STATEMENT OF OTHER COMPREHENSIVE INCOME (only for IFRS adopters)					
I. PROFIT OR LOSS FOR THE PERIOD (=152)	157	-16.955.575	-16.955.575	-20.396.940	-20.396.940
II. OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAXES (159 TO 165)	158	0	0	0	0
1. Exchange differences from international settlement	159				
2. Changes in revaluation reserves of long-term tangible and intangible assets	160				
3. Profit or loss from re-evaluation of financial assets held for sale	161				
4. Profit or loss from cash flow hedging	162				
5. Profit or loss from hedging of foreign investments	163				
6. Share of other comprehensive income/loss from associated companies	164				
7. Actuarial gains/losses from defined benefit plans	165				
III. TAXATION OF OTHER COMPREHENSIVE INCOME FOR THE PERIOD	166				
IV. NET OTHER COMPREHENSIVE INCOME FOR THE PERIOD (158 TO 166)	167	0	0	0	0
V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (157+167)	168	-16.955.575	-16.955.575	-20.396.940	-20.396.940
ADDITION TO STATEMENT OF OTHER COMPREHENSIVE INCOME (only for consolidated financial statements)					
VI. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD					
1. Attributable to majority owners	169				
2. Attributable to minority interest	170				

Cash flow statement - indirect method

period 01.01.2012. to 31.03.2012.

Company: LIBURNIA RIVIERA HOTELI d.d.			
Position	AOP	Previous period	Current period
1	2	3	4
CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	001	-16.955.575	-20.396.940
2. Depreciation and amortisation	002	8.334.264	8.269.325
3. Increase of current liabilities	003		
4. Decrease of current receivables	004	4.770.966	
5. Decrease of inventories	005		221.036
6. Other cash flow increases	006	1.415.957	
I. Total increase of cash flow from operating activities	007	-2.434.388	-11.906.579
1. Decrease of current liabilities	008	7.757.697	
2. Increase of current receivables	009		1.921.201
3. Increase of inventories	010	144.378	
4. Other cash flow decreases	011	3.087.703	4.974.961
II. Total decrease of cash flow from operating activities	012	10.989.778	6.896.162
A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES	013	0	0
A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES	014	13.424.166	18.802.741
CASH FLOW FROM INVESTING ACTIVITIES			
1. Proceeds from sale of non-current assets	015	400	
2. Proceeds from sale of non-current financial assets	016		
3. Interest received	017	340.360	442.787
4. Dividend received	018		
5. Other proceeds from investing activities	019		
III. Total cash inflows from investing activities	020	340.760	442.787
1. Purchase of non-current assets	021	381.967	6.191.609
2. Purchase of non-current financial assets	022		
3. Other cash outflows from investing activities	023		
IV. Total cash outflows from investing activities	024	381.967	6.191.609
B1) NET INCREASE OF CASH FLOW FROM INVESTING ACTIVITIES	025	0	0
B2) NET DECREASE OF CASH FLOW FROM INVESTING ACTIVITIES	026	41.207	5.748.822
CASH FLOW FROM FINANCING ACTIVITIES			
1. Proceeds from issue of equity securities and debt securities	027		
2. Proceeds from loans and borrowings	028		
3. Other proceeds from financing activities	029		
V. Total cash inflows from financing activities	030	0	0
1. Repayment of loans and bonds	031	6.215.905	6.247.078
2. Dividends paid	032		
3. Repayment of finance lease	033		
4. Purchase of treasury shares	034		
5. Other cash outflows from financing activities	035		
VI. Total cash outflows from financing activities	036	6.215.905	6.247.078
C1) NET INCREASE OF CASH FLOW FROM FINANCING ACTIVITIES	037	0	0
C2) NET DECREASE OF CASH FLOW FROM FINANCING ACTIVITIES	038	6.215.905	6.247.078
Total increases of cash flows	039	0	0
Total decreases of cash flows	040	19.681.278	30.798.641
Cash and cash equivalents at the beginning of period	041	47.707.560	57.124.411
Increase of cash and cash equivalents	042	0	0
Decrease of cash and cash equivalents	043	19.681.278	30.798.641
Cash and cash equivalents at the end of period	044	28.026.282	26.325.770

STATEMENT OF CHANGES IN EQUITY
period 1.1.2012 to 31.3.2012

	Position	AOP	Previous year	Current year
	1	2	3	4
1. Subscribed share capital		001	968.451.200	968.451.200
2. Capital reserves		002	442.381	295.201
3. Reserves from profit		003		
4. Retained earnings or loss carried forward		004	-86.778.507	-82.857.038
5. Net profit or loss for the period		005	-16.955.575	-20.396.940
6. Revaluation of tangible assets		006		
7. Revaluation of intangible assets		007		
8. Revaluation of available for sale assets		008		
9. Other revaluation		009		
10. Total equity and reserves (AOP 001 to 009)		010	865.159.499	865.492.423
11. Foreign exchange differences from foreign investments		011		
12. Current and deferred taxes		012		
13. Cash flow hedge		013		
14. Change of accounting policies		014		
15. Correction of significant mistakes of prior period		015		
16. Other changes		016		
17. Total increase or decrease of equity (AOP 011 to 016)		017	0	0
17 a. Attributable to majority owners		018	0	0
17 b. Attributable to minority interest		019		

Opatija, 27/04/2012.

Management Board Report for the period 1 January – 31 March 2012

In the observed period, the Company recorded 26.927 overnight stays. The share of overnight stays by foreign visitors amounted to 68%. Overnight stays by visitors from Germany, Austria and Italy made the most of foreign overnight stays and total overnight stays in the Company.

As at 31 March, the Company had 599 employees, of whom 34 were employed on a fixed-term contract.

Total revenue was 15.5 million kn. Operating income was 15 million kn, of which a major part, amounting to 12.5 million kn, was sales revenue. The remaining operating income was 2.5 million kn. Financial income was 0.5 million kn.

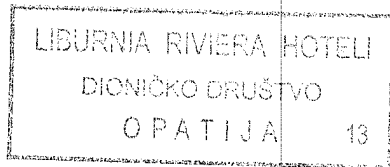
Total expenditure was 35.9 million kn. Operating expenses amounted to 35.1 million kn, of which 8.6 million kn were for material costs and 14.9 million kn for personnel costs. Amortisation costs were 8.3 million kn and other expenses were 3.2 million kn. Total financial expenses were 0.7 million kn.

In the period from 1 January to 31 March 2012, the Company recorded a loss of 20.4 million kn.

The Company's liquidity ratio is satisfactory. The Company regularly meets all its liabilities.

Chairman of the Management Board

Igor Šehanović



Opatija, 27/04/2012

Statement of persons responsible for the preparation of the reports

Pursuant to Article 407 Paragraph 2 of the Capital Market Act (Official Gazette Nos. 88/08 and 146/08), I declare that to the best of our knowledge the financial reports of the company LIBURNIA RIVIERA HOTELI d.d. Opatija have been prepared in accordance with International Financial Reporting Standards and the Croatian Accounting Act and that they provide a true and fair view of the assets and liabilities, profit and loss and financial operations of the Company for the period from 1 January to 31 March 2012.

Chairman of the Management Bord

Dr.Sc.Igor Šehanović

