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Poreč, 23/09/2016
File no:1-87/16

Re: **Notice on Conclusion of Contract with DER Touristik Köln GmbH**

Valamar Riviera d.d. with registered office in Poreč, 1 Stancija Kaligari, personal identification number (OIB): 36201212847 (hereinafter: the Company) in compliance with Article 459 of the Capital Market Act and Article 2 of the Ordinance on Disclosure of Privileged Information which are directly related to the issuer and determine the issuer's justified interests in terms of non-disclosure, hereby informs that the Company has concluded an allotment contract for Valamar Girandella Resort in Rabac with DER Touristik Köln GmbH, Humboldtstr. 140, 51149 Cologne, Germany for a period of three years (seasons 2017, 2018 and 2019) with occupancy guarantee.

This legal affair will additionally ensure the Valamar Girandella Resort occupancy rate. This autumn and winter the Company will invest approximately HRK 400M in several facilities in Rabac in order to upscale service and category to a 4* level.

VALAMAR RIVIERA d.d.