

PRESS RELEASE

Istrabenz Turizem signed an agreement for the sale of the company Istrabenz hoteli Portorož, d.o.o.

On Wednesday, 9 September 2015, the company Istrabenz Turizem, d.d. signed an agreement with the company Agri Holding AG for the sale of a 100-percent stake in the company Istrabenz hoteli Portorož, d.o.o. The agreement entered into force on 10 September 2015, the sale will be completed as soon as all conditions precedent, as agreed by the parties, will be met.

The sale of the company Istrabenz hoteli Portorož, d.o.o. is part of the planned disinvestment program of the company Istrabenz Turizem, as agreed with the creditor banks. The disinvestment is crucial for the reduction of indebtedness level of the Istrabenz Turizem Group and for further development of the main product, the LifeClass brand, into an Anti-Ageing Resort.

The new investments in the Portorož resort, made in line with the new business strategy aimed at developing the Anti-Ageing Resort, are also based on positive results and growth in operating income in 2015, triggered by investments made in the first quarter of 2014. In the period April – August 2015, the company Istrabenz Turizem, d.d. registered 179 thousand overnight stays at the tourist destination Portorož, which is 5-percent above the figure achieved during the same period last year. Operating income totalled EUR 13.3 million which is 5-percent above the level registered in the same period of 2014. Earnings before interest, taxes, depreciation and amortization (EBITDA) were by EUR 0.6 million euros or 17-percent higher than in the same period of 2014.

In the first eight months of 2015 the company Istrabenz Turizem, d.d. registered 231,470 overnight stays, EUR 17.2 million of operating income and EUR 3.8 million of EBITDA.

Istrabenz Turizem, d.d.