



CATALOGUE

OF INVESTMENT PROJECTS IN CROATIA

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Why invest in Croatia?

- Excellent geographical location
- Innovative, efficient and multilingual workforce
- Pro business environment
- Cost competitiveness
- Advanced ICT infrastructure and modern transport infrastructure
- Access to the market of over 650 million consumers
- Joining the European Union
- Quality of life
- A safe country



Basic Indicators

- Land area: 56 594 km²
- Population: 4.4 million
- Political System Parliamentary democracy
- Territorial Organization: 20 counties and the City of Zagreb
- Capital: Zagreb
- Official Language: Croatian
- Currency: Kuna (HRK)
- Climate: Continental and Mediterranean

Excellent location

- very favorable geographical location.
- **the shortest and the fastest route** between Western Europe and Asia
- and between Eastern Europe and the Mediterranean.
- three out of ten Pan-European transport corridors pass through Croatia.



- Suez canal – Hamburg (Germany): 3552 Nm
- Suez canal – Rijeka (Croatia): 1254 Nm (6 days saving in one way)





TOURISM



C O N T E N T:

- 1. Companies Majority-owned by the State eligible for privatisation**
- 2. State-owned Limited Liability Companies**
 - 2.1. Club Adriatic Ltd. – former military property**
 - 2.2. Brijuni Rivijera Ltd. – the Brijuni Rivijera Project**
 - 2.3. Park Prevlaka Ltd. – the Prevlaka Park Project**
- 3. Other projects**
 - 3.1. The Prukljan Tourism Zone**
 - 3.2. Marlera**

THE STATUS OF THE STATE-OWNED TOURISM PORTFOLIO

1. Companies eligible for privatisation (State shares available for sale - more than 25% of the equity capital per company)

No.	Company		Location	Equity capital in €	Number of issued shares	Nominal value of shares	Total State Portfolio		Available State Portfolio	
							€	%	€	%
1.	ZRC LIPIK	d.d.*	LIPIK	425 600	31.920	13	384 240	90,28	384 240	90,28
2.	BIZOVAČKE TOPLICE	d.d.	BIZOVAC	17 455 000	87.275	200	17 357 000	99,44	17 357 000	99,94
3.	HTP KORČULA	d.d.	KORČULA	17 097 240	427.431	40	8 937 200	52,27	8 613 240	50,38
4.	HOTELI PODGORA	d.d.	PODGORA	18 068 333	366.250	49	10 939 568	60,55	10 058 327	55,67
5.	HOTELI ŽIVOGOŠĆE	d.d.	ŽIVOGOŠĆE	14 936 160	302.760	49	11 371 679	76,14	11 233 052	75,21
6.	HOTEL MEDENA	d.d.	SEGET DONJI	15 752 000	393.800	40	8 560 640	54,35	8 452 640	53,66
7.	HOTELI PLAT	d.d.	PLAT	7 890 200	197.255	40	7 297 600	92,49	7 297 600	92,49
8.	VRANJICA BELVEDERE	d.d.	SEGET DONJI	4 107 493	83.260	49	2 831 881	68,94	2 217 681	53,99
9.	HTP OREBIĆ	d.d.	OREBIĆ	4 688 533	175.820	27	3 221 280	68,71	2 984 480	63,65
10.	DALMA	d.d.	SPLIT	61 230 412	1.241.157	49	56 249 423	91,87	51 617 615	84,30
11.	HOTELI MAESTRAL	d.d.	DUBROVNIK	13 752 533	515.720	27	10 763 173	78,26	9 386 320	68,24
12.	HOTELI MAKARSKA	d.d.	MAKARSKA	29 852 533	1.119.470	27	21 058 987	70,54	12 354 800	41,39
13.	IMPERIAL	d.d.	RAB	33 912 267	635.855	53	17 751 413	52,35	16 980 160	50,07
14.	MODRA ŠILJA	d.d.	KOMIŽA	2 466 200	61.655	40	1 112 600	45,11	1 063 800	43,14
1. TOTAL €				241 634 505			177 836 684		160 000 955	

*d.d. = joint-stock company

1. a. The State-owned Limited Liability Companies

Rbr.	Company		Location	Equity capital in €	Total State Portfolio		Available State Portfolio	
					€	%	€	%
15.	CLUB ADRIATIC	Ltd.	ZAGREB	14 401 133	14 401 133	100,00	0	0
15.1.	HOC BJELOLASICA	Ltd.	JASENAK	10 814 467	8 221 267	76,02	0	0
16.	BRIJUNI RIVIJERA	Ltd.	FAŽANA	600 000	400 000	67,00	0	0
17.	PARK PREVLAKA	Ltd.	GRUDA	786 667	400 000	51,00	0	0
1 a. TOTAL €				26 602 267	23 422 400		0	0

TOTAL €	268 236 772	201 259 084	160 000 955
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- 1. Companies Majority-owned by the State eligible for privatisation**

Company: **THE LIPIK HEALTH AND RECREATION CENTER, joint-stock company**
 Abbreviated title: ZRC LIPIK d.d.
 Headquarters: 34 551 LIPIK, Marije Terezije 5
 Personal Identification Number - OIB: 92212724710

• COMPANY'S PROFILE

The Company is located in the center of the City of Lipik. Most facilities are situated in the historic park while the Lipa Hotel is located in the residential area. The Company business was based on the utilisation of the high-quality spring waters and the beauty of buildings reflecting a century-old architectural tradition.

During the Austro – Hungarian Empire, the City of Lipik was a holiday destination frequently visited by the European aristocracy, just as famous as Karlovy Vary and Baden-Baden.

ZRC Lipik generates revenue thanks to the capacities of the Lipa Hotel and a complex of outdoor swimming pools.

During the Homeland War, the facilities of ZRC Lipik were destroyed by bombing. Some facilities were even set on fire.

Before the war until 1991, ZRC Lipik had been the leading tourism centre in the continental part of Croatia, specialised for the health and recreational tourism.

Core business of the Company is: 5510 Hotels and similar accommodation

• GENERAL INFORMATION

Equity capital	3 192 000 HRK	425 600 €
Number of issued stocks	31 920	
Nominal value of stocks	100.00 HRK	13.33 €
Number of stocks in the state portfolio	28 818	
Number of stocks available for sale	28 818	
Percentage available for sale	90.28 %	
Number of employees (permanent)	14	

(Currency rate: EUR 1 = HRK 7.5)

ACCOMODATION CAPACITY

Facility and category	Number of accommodation units			Number of beds-total	Investments		Facilities' status, Operating (yes/no)
	Rooms	Apartments	Total		Year	Amount	
Hotels							
1. HOTEL LIPA**	19	-	19	40	-	-	Yes
Total	19	-	19	40	-	-	

Additional facilities /property	Description
1.	COMPLEX OF OUTDOOR SWIMMING POOLS
2.	HISTORIC PARK UNDER PROTECTION AND BUILT-UP AREA

- DESCRIPTION OF THE MOST IMPORTANT FACILITIES**

The Lipa Hotel**

Until 1991 the hotel functioned as a hotel served only breakfast. It had twenty rooms, a breakfast restaurant and a small kitchen. The parking lot was situated in the hotel's large courtyard. The hotel is located in the Marija Terezija Street – a street of residential villas. During the Homeland War it didn't undergo heavy demolition as far the statics of the building is concerned, so it was reconstructed in 1994.



Complex of Outdoor Swimming Pools

During the last war the complex was largely destroyed. Most facilities were subsequently reconstructed to be reopened in 2000. The gross built-in area of the complex amounts to 27 000 square meters and consists of:

- Olympic swimming pool (25 meters x 50 meters)
- Recreational pool
- Children's pool
- Restaurant with 200 seating places
- Tennis court and tennis club
- Wardrobes
- Multifunctional sport fields
- Booths/gazebos with catering facilities
- Shopping premises

Historic Park (under the protection) and Built-in Area

The park was planted and designed in the second half of the nineteenth century. The total surface is 18 acre, out of which two thirds appertain to ZRC Lipik and the rest to the specialized rehabilitation hospital.

During the Homeland War most of the park was destroyed. Until then it had been maintained according to a strict regime.

- **DESCRIPTION OF THE MOST IMPORTANT FACILITIES HAVING MAIN DESIGNS AND VALID BUILDING PERMITS**

Spahotel

The Lipik Hotel*** with 163 rooms, indoor swimming pool and wellness centre was completely destroyed during the Homeland War. The ruins have been removed and the area prepared for the construction for a new Spahotel****, with a capacity of 104 rooms and all necessary facilities. The net surface area is 7 618.94 square meters. The future hotel shall be connected to the Healing and Wellness Centre.

ANTICIPATED COSTS OF CONSTRUCTION: EUR 10 million



Healing and Wellness Centre

It is the largest and most beautiful facility which is also protected as a historical monument. It has maintained its function of the meeting point for the guests of Lipik. The reconstruction was completed in 1983. It comprised 2 863 square meters of the net area. Some facilities were adapted for contemporary service provision, and others retained their traditional and monumental features:

- Ballroom
- Banquet hall
- Tavern
- Multipurpose main hall (concerts , theatre, congresses)
- Gallery, casino
- Health and recreational area (beauty salon, specialised health facilities, fitness)

During the war in 1991 the Centre was completely destroyed. However, it has been reconstructed and protected awaiting further renovation.

- Extra-service provision: multifunctional congress hall, casino, bar, wine shop, ballroom, gallery and other

ANTICIPATED COSTS OF CONSTRUCTION: EUR 6 million



Wandelbah/Roofed Promenade

The structure was built in 1882 and reconstructed in 1981. It represents a valuable historical monument. It consisted of numerous additional facilities with the covered promenade extending in the full length under them. It was used to provide the thermal water therapy. It is common belief that the slow drinking of spring water while walking has a very good effect on the patient's digestive system. At the end of one side of the promenade stands a spring water well (similar to Baden-Baden and Karlovy Vary).

Facilities and services provided until 1991:

- Disco
- Cafe and patisserie
- Restaurant
- Florist
- Specialized shops
- Travel agency
- Hair salon
- Bowling alley

The Wandelbahn was completely destroyed during the Homeland War. At the east side of the main park area construction of a historical facsimile is foreseen. At the west side of the park area modern architectural facilities are envisaged:

- Roofed promenade with a range of shops (patisserie, bar , tavern, tourist agency, specialized shops and other)
- Net surface area 1671.75 square meters

ANTICIPATED COSTS OF CONSTRUCTION: EUR 2 million

• **PHYSICAL INDICATORS**

Facilities	Arrivals						Overnight stays					
	National			Foreign			National			Foreign		
	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
Hotels												
1. LIPA HOTEL **	849	160	978	365	691	527	849	160	978	365	691	527
Total	849	160	978	365	691	527	849	160	978	365	691	527

BASIC FINANCIAL INFORMATION

	2009		2010		2011	
	000 HRK	000 €	000 HRK	000 €	000 HRK	000 €
Assets	322 922	43 056	376 546	50 206	366 352	48 850
Long-term assets	299 105	39 881	32 120	4 284	31 837	4 245
Short-term assets	281	37	213	28	58	8
Total liabilities	322 922	43 056	421 351	56 180	417 683	55 691
Long-term liabilities	26 655	3 554	13 216	1 762	0.00	0.00
Short-term liabilities	296 267	39 502	408 135	54 418	417 683	55 691
Total income	947	126	3 199	426	1 236	165
Total expenditure	7 676	1 023	21 267	2 836	7 762	1 035
Profit/Loss	6 729	897	21 267	2 836	6 526	870

(Currency rate EUR 1 = HRK 7.5)

Source: Board of Directors

Annual financial reports of the Company are published yearly and can be downloaded from the website of the Croatian Financial Agency – FINA: www.fina.hr.

ACCESSABILITY

Highway 20 km

Railway 0 km

Airport 125 km

POŽEGA – SLAVONIA COUNTY

Number of inhabitants 82 548

Number of employees 21 122

Number of unemployed 4 588

The Požega-Slavonia County occupies the total area of 1 815 square meters, having over 85 000 inhabitants. It belongs to the group of smallest counties in the Republic of Croatia. This county consists of plains with fertile land but also of mountains and hills. At the foot of the hills one can find famous vineyards whereas the higher areas are covered by woods.

The Požega – Slavonia County is divided in two parts – the Požega Valley and the Pakrac-Lipik area.

Company: BIZIVAČKE TOPLICE (THE BIZOVAC SPA) , joint-stock company
 Abbreviated title: BIZOVAČKE TOPLICE d.d.
 Headquarters: Sunčana 39, 31 222 BIZOVAC
 Personal Identification Number - OIB: 63800988103

• COMPANY'S PROFILE

Bizovačke toplice d.d. is located in the center of the Municipality of Bizovac, 18 km north from the City of Osijek and 9 km south from the City of Valpovo, on the traffic route Zagreb – Našice – Osijek. The entire complex of the Bizovac Spa developed around two natural springs. The spa covers an area of 17.5 acres, 14 acres of which are a built-up area, whereas the rest is agricultural land with the possibility of its reallocation into the built-up area.

The Company offers hotel and catering services, tourism intermediation, organization of congress and hunting tourism, sport and recreational service provisions and organization of cultural, artistic and entertainment events.

Core business of the Company is: 5510 Hotels and similar accommodation.

• GENERAL INFORMATION:

Equity capital	130 912 500 HRK	17 455 000 €
Number of issued stocks	87 275	
Nominal value of stocks	1 500 HRK	200 €
Number of stocks in the state portfolio	86 785	
Number of stocks available for sale	86 785	
Percentage available for sale	99.44%	
Number of employees (permanent)	107	

(Currency rate: EUR 1 = HRK 7.5)

- **ACCOMODATION CAPACITY**

Facility and category	Number of accommodation units			Number of beds - total	Investments		Facilities' status, in function (yes/no)
	Rooms	Apartments	Total		Year	Amount	
Hotels							
TERMIA**	99	10	109	205	2006-2011	4 365 000	yes
Total	99	10	109	205	2006-2011	4 365 000	
Hostel							
Spa	37		37	91	2007-2011	200 000	yes
Total	37			91	2007-2011	200 000	
TOTAL	136	10	146	296	2006-2011	4 565 000	

Additional facilities/property	Description
1	• Complex of spring water swimming pools (5 swimming pools)
2	• Aquapolis – city of water (multifunctional swimming and recreational complex with 9 swimming pools)
3	• Health resort of the Bizovac Spa

Note: Starting 15th August 2011, 50 double rooms out of the total of 99 rooms in the Termia Hotel are at the disposal of the Bizovac Spa Health Resort.

- **DESCRIPTION OF THE MOST IMPORTANT FACILITIES**

The Termia Hotel 2** was built in 1990. It consists of 109 accommodation units and is open throughout the year. All rooms have private bathrooms and satellite TV. The hotel has also a large hall for congress, meetings and seminars as well as three smaller lounges. The whole congress area is fitted with air-condition and the necessary technical equipment.

The hotel also includes four selling points for food and drinks, sport and recreational facilities (bowling alley, fitness center and other) as well as an outdoor parking lot.



The Toplice Hostel was built in 1974 and renewed in 2000. The accommodation of guests is organized in two annexes which operate on a seasonal basis (from May until the end of October). The hostel has the total of 37 accommodation units with shared bathrooms on each floor and sanitary facilities. The rest includes a restaurant, smaller meeting hall and an outdoor parking lot.



The complex of spring water swimming pools includes three indoor and two outdoor swimming pools in the areas surrounding the hotel and the hostel. The swimming pools cover a surface of 800 square meters. The complex is open from May until the end of October.

Aquapolis is a multifunctional swimming and recreational complex, open throughout the year. In winter, swimming area is closed and transformed into an air-conditioned and well-heated sport and recreational facility. In summer the area is re-opened and its services are complemented with the sun bathing section and outdoor sport and recreational playfields.

The swimming area has nine different pools: semi-Olympic swimming pool, pool for non-swimmers, children's pool, pool with water attractions, three hot tubs, and outdoor swimming pool with interactive fun features. Next to Aquapolis, there is a 112 meters long water slide. Aquapolis spreads over 1 500 square meters. The outdoor facilities consist of the field for football, handball, basketball, volleyball, and tennis and beach volleyball. The indoor facilities offer table tennis and saunas. Aquapolis also has a large parking lot for approximately 1 250 cars.





The Bizovac Health Resort is an independent legal entity which is 100% owned by Bizovačke toplice d.d. Bizovačke toplice d.d. are also a founder of the legal entity as well as owner of the facilities and a part of the equipment. Its business is the provision of preventive health care, special and hospital rehabilitation by healing natural springs. The Health Centre has established cooperation with the Croatian Institute for Health Insurance (HZZO) and signed the mutual agreement contract based on 100 beds per day. The Health Centre is funded through the serviced charged to the Croatian Institute for Health Insurance; hence its business revenue does not amount to the total result of the Company.

- **PHYSICAL INDICATORS**

Facilities	Arrivals						Overnight stays					
	National			Foreign			National			Foreign		
	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
Hotels												
1 TERMIA	7 493	7 469	8 026	1 293	1 346	1 240	19 221	17 375	19 138	3 304	2 664	1 902
Total	7 493	7 469	8 026	1 293	1 346	1 240	19 221	17 375	19 138	3 304	2 664	1 902
Guesthouse												
1 TOPLICE	962	592	749	151	131	122	4 351	3 639	3 967	497	302	419
Total	962	592	749	151	131	122	4 351	3 639	3 967	497	302	419
TOTAL	8 455	8 061	8 775	1 444	1 447	1 362	23 572	21 014	23 105	3 801	2 966	2 321

Note: The Termia Hotel recorded 129 arrivals and 2 586 overnight stays based on the cooperation contract with the Croatian Institute for Health Insurance (HZZO)

- BASIC FINANCIAL INFORMATION**

	2009		2010		2011	
	000 HRK	000 €	000 HRK	000 €	000 HRK	000 €
Assets	122.116	16.282	117.874	15.716	112.329	14.977
Long-term assets	118.019	15.736	113.398	15.120	109.170	14.556
Short-term assets	4.097	546	4.476	596	3.159	421
Total liabilities	72.774	9.703	89.904	11.987	109.361	14.581
Long-term liabilities	15.231	2.031	12.345	1.646	8.529	1.137
Short-term liabilities	57.543	7.672	77.559	10.341	100.832	13.444
Total income	12.407	1.654	11.299	1.507	10.405	1.387
Total expenditure	31.075	4.143	32.672	4.356	35.406	4.721
Profit/Loss	-18.668	-2.489	-21.373	-2.849	-25.001	-3.334

(Currency rate EUR 1 = HRK 7.5)

Source: Board of Directors

Annual financial reports of the Company are published yearly and can be downloaded from the website of the Croatian Financial Agency – FINA: www.fina.hr.

ACCESSIBILITY

Highway	20 km
Railway	23 km
Airport	37 km

OSIJEK-BARANJA COUNTY

Number of inhabitants	330.506
GDP per capita (EUR)	5.836
Unemployment rate	22%
Average gross income (EUR)	825
Average net income (EUR)	587

The Osijek Baranja County is located in the northeast of Croatia. It covers the area of 4 152 square meters, thus representing the fourth largest county in Croatia. It comprises the Baranja Region and

the northeast part of Slavonia on the lower flow of the Drava River before flowing into the Danube River. The river's flooding created the Kopački Rit Natural Park with the zoological reserves.

The County's capital is the City of Osijek. It is not only economic but also the cultural and educational centre of the east Slavonia. This part of Croatia is rendered special by its favourable geographical position on the rivers of Drava and Danube (being one of Europe's busiest waterways), natural resources based on the soil structure and good climate features suitable for agricultural production, spring waters, well-preserved natural environment and the unique area of the Kopački Rit. The development of tourism in the County is based on health, recreational, hunting, fishing and rural tourism.

Company: HOTELI PODGORA (THE PODGORA HOTELS), joint stock company
 Abbreviated title: Hoteli Podgora d.d.
 Headquarters: 21 327 Podgora, Mrkušića dvori 2
 Personal Identification Number - OIB: 90637704245

• COMPANY'S PROFILE

Hoteli Podgora (hereinafter: the Company) is one of the largest hospitality companies in the City of Podgora. It comprises three hotels (Minerva, Podgorka, Mediteran), the Borak Annex, the Sutikla Camp and the Palme Restaurant. The resort had been gradually constructed from 1930 till 1982. Until recently it also included the hotels of Aurora and Primorda, which were sold in 2001 and 2002 respectively. The aforementioned facilities are categorized as three-star facilities. The total capacity of all hotels is 566 accommodation units with the maximum of 1 094 beds. Additional catering and sport facilities include restaurants, bar sport and entertainment facilities located on the beach.

The Company's accommodation facilities operate on a seasonal basis, mostly from the beginning of April till the end of October. All facilities are situated along the seaside promenade and close to the beach in Podgora, covering an area of 51 609 square meters.

The whole Makarska Riviera is a well known tourist destination with great potential for further development. Podgora has 1 330 inhabitants and it is located 10 km to the south of the Makarska. Its inhabitants are mostly engaged in tourism, fishing and agriculture (olives, grapes and figs). Along the coastline one can find many plantations of pine and olive trees.

• GENERAL INFORMATION

Equity capital	135 512 500 HRK	18 068 333 EUR
Number of issued stocks	366 250	
Nominal value of stocks	370	49.33 EUR
Number of stocks in the state portfolio	221 748	
Number of stocks available for sale	203 885	
Percentage available for sale	55.67%	
Number of employees (permanent)	93	

(Currency rate EUR 1= HRK 7.5)

DESCRIPTION OF THE MOST IMPORTANT FACILITIES

The Minerva Hotel was built in 1971 and renovated in 2004. It has 175 rooms with 332 beds. There is also a restaurant with 400 seating places and 50 outdoor seating, tavern, bar, beach bar, shops, swimming pool and parking lot.

The hotel is characterized by its impressive architecture. It stretches from the main road to the beach and is located along the promenade close to the southern part of the bay. Most of the rooms overlook the Dalmatian islands of Brač and Hvar, while the impressive mountains and cliffs of the Biokovo Mountain Chain represent a unique background of the entire Riviera of Makarska.

The annex Fortuna with its parking lot represents also a part of the Minerva Hotel. The entire complex covers an area of 10 351 square meters.



The Podgorka Hotel was built in 1982. The complex comprises of the main building with two pavilions named Bambus and Lovor, 13 bungalows/apartments have 184 rooms and 19 apartments, i.e. 396 beds. Other facilities include a restaurant with the capacity of 700 seating places and outdoor seating for 500, cocktail bar, bar, bowling alley and shops.

The Podgorka Complex is situated in the center of the town on the main promenade.

The hotel consists of the main restaurant, cocktail bar, bar and bowling alley. All facilities provide tourism services.

The Podgorka Hotel is the main building of the complex built in 1982. The facility is in a good condition. All rooms have phones, TV and central heating while all public facilities are air-conditioned.

The Bambus Pavilion was built in 1962 and completely renovated in 1988, while the Lovor Pavilion was built in 1963 and completely renovated in 1999. The aforementioned bungalows/apartments were built in 1981.



The Mediteran Hotel was built in 1965 and renovated in 1987. It has 178 rooms with the total of 346 beds. All rooms have TV and phones. The restaurant has a capacity of 405 seating places with 70 outdoor seating places. Other facilities include a bar, hair salon, beauty parlor, shops and a terrace for live music performances. This hotel is situated in the center of the town close to the promenade. The whole complex comprises four pavilions (Oliva, Agava, Mimoza and Caluna), main reception/restaurant, bar and storeroom, laundry and facilities. All public facilities including the main reception/restaurant are air-conditioned.

The pavilions of Agava, Mimoza, Oliva as well as the reception/restaurant were built in 1962 and renovated in 1987. The Caluna Pavilion was built one year later and renovated in 1998. Along the main restaurant and bar, there is the terrace where live music performances are organized in summertime. Several smaller shops are leased.

The whole complex covers an area of 9 755 square meters.



The Borak Annex was built in 1930 and reconstructed in 1989. It consists of 10 apartments, 20 beds and a tavern with the capacity of 30 seating places and 50 outdoor seating places. The annex itself consists of a stone building that was constructed for the tourism in 1928. The apartments were thoroughly renovated in 1989. The annex is situated next to the Primordia Hotel which also used to be owned by the Company, but in 2001 was sold to a natural person.



The Sutikla Camp is situated on the seashore and has a capacity of 450 camping pitches. It was built in 1963, renewed in 2000 and today it covers an area of 21 237 square meters. The camp is located on a peninsula close to the southern part of the Podgora Bay, not far away from the town and the other of the facilities of Podgora Hotels.

The area of the camp also includes the sport and recreational center that comprises four tennis courts, court of sport boules and indoor playfield for five-a-side, basketball and handball. Sutikla has 300 pitches for trailers and 150 places for tents. There is the reception, bathroom and showers.

The Company is registered as the owner of the land used by the camp, but its value has not been introduced into the Company's equity capital.

Pursuant to the Tourism Land Act, the land of the camp appertains to the Republic of Croatia. Therefore, the Company requested the concession award in order to be able to utilize it.



The **administration building** was constructed at the beginning of the 20th century in the characteristic Austrian style and renewed in 1989. Next to it is the **Palme Restaurant** that covers an area of 1 012 square meters with 80 indoor and 100 outdoor seats. The restaurant was built in 1966 and renewed in 1980.



Concessions

The Company holds a permanent concession for a total of 42 berths on two locations in Podgora, the main marina (water depth is four meters, while the maximum vessel length may be up to 20 meters) and the municipal marina in the center of the town. All berths are equipped with necessary infrastructure and utilities.

The Company has not obtained a beach concession award.

• ACCOMODATION CAPACITY

Facility and category	Number of accommodation units			Number of beds - total	Investment		Facilities' status, operating (yes/no)
	Rooms	Apartments	Total		Year	Amount	
Hotels							
Minerva**	175		175	332	2004	11 000 000	Yes
Podgorka**	184	19	203	396			Yes
Mediterranean***	178		178	346			Yes
Borak***		10	10	20			Yes
Total	537	29	566	1 094			
Camp							
Camping sites	Total number of accommodation units		Accommodation capacity of camp. site	Investments		Facilities' status, in function (yes/no)	
				Year	Amount		
Sutikla**	1 500		450			Yes	
Total	1 500		450				
TOTAL	2 594		1 544	2004	11 000 000		

Additional facilities/property	Description
Headquarters building	Built at the beginning of 20th century in the characteristic Austrian style, completely renewed in 1989, gross area 693 square meters
Palme Restaurant	80 indoor seats, 100 outdoor seats, gross area 349 square meters
Sports center	4 tennis courts, indoor playfield for five-a-side, basketball, handball and sport boules, all on a surface of 1 600 square meters
Storeroom	Next to the Mediterranean Hotel, used for maintenance, gross area 139 square meters
Laundry room	Next to the Mediterranean Hotel, gross area 168 square meters.

- **PHYSICAL INDICATORS**

Facilities	Arrivals						Overnight stays					
	National			Foreign			National			Foreign		
	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
Hotels												
Podgorka**	219	546	171	6 914	6 842	7 177	1 235	1 677	851	48 949	49 069	50 047
Minerva**	386	506	238	6 911	7 977	8 472	1 995	1 672	1 224	40 173	44 460	42 644
Mediterran***	72	59	53	5 842	5 362	5 299	510	418	372	37 548	36 824	37 714
Total	677	1 111	462	19 667	20 181	20 948	3 740	3 767	2 447	89 122	126 670	130 405
Camping sites												
Sutikla**	46	76	79	5 444	5 159	4 692	167	251	273	24 778	23 450	21 973
Ukupno	46	76	79	5 444	5 159	4 692	167	251	273	24 778	23 450	21 973
Total	723	1 187	541	25 111	25 340	25 640	3 907	4 018	2 720	126 670	130 353	152 378

- **BASIC FINANCIAL INFORMATION**

	2009		2010		2011	
	000 HRK	000 €	000 HRK	000 €	000 HRK	000 €
Assets	262 098	34 946	257 070	34 276	253 132	33 751
Long-term assets	251 378	33 517	246 418	32 856	241 479	3 197
Short-term assets	9 250	1 233	9 040	1 205	9 731	1 298
Total liabilities	133 801	17 784	140 382	18 718	145 712	19 428
Long-term liabilities	93 688	12 492	95 491	12 732	97 103	12 947
Short-term liabilities	40 113	5 348	44 891	5 985	48 609	6 481
Total income	24 086	3 212	25 055	3 341	26 572	3 543
Total expenditure	35 589	4 745	36 792	4 906	36 121	4 816
Profit/Loss	-11 503	-1 533	-11 737	-1 565	-9 549	-1 273

(Currency rate EUR 1 = HRK 7.5)

Source: Board of Directors

Annual financial reports of the Company are published yearly and can be downloaded from the website of the Croatian Financial Agency – FINA: www.fina.hr.

ACCESSABILITY

Highway 20 km

Railway 70 km

Airport Split 85 km

The Podgora Sea Port 0.5 km, Ploče 40 km, Split 70 km

SPLIT – DALMATIA COUNTY

Number of inhabitants	463 676
GDP per capita (EUR)	5 977
Unemployment rate	19.1%
Average gross income (EUR)	908
Average net income (EUR)	635
Average gross income in production sector (EUR)	543

The Split-Dalmatia County is spatially the largest county in the Republic of Croatia occupying the total area of 14 045 km² (out of which the inland comprises 4 572 km²). The County is located at the centre of the southern Croatia encompassing the territory of the historical region of Dalmatia. It extends from the City of Vrlika on the north; to the island of Vis on the south and downward to the Croatian most distant Island of Palagruža; to the Municipality of Marina on the west and to the City of Vrgorac and the Municipality of Gradac on the east.

The Split-Dalmatia County is the second largest county in Croatia. The County's capital is the City of Split, the second largest city in Croatia numbering 175 140 inhabitants. The County's Development Strategy stimulates the favorable investment opportunities for production diversification and adoption of eco-friendly products and technologies. In order to attract foreign investments more than 30 business zones have been established. The most prominent industries are the chemical technologies and cement production while the most important one is the ship building which has a century-long history and tradition. The tourism sector is highly developed and the tourist offer is multi-structured and diversified.

The Split-Dalmatia County is characterized by the Mediterranean geographical and climate features. The average summer temperature in Split is 26°C and the winter temperature is approximately 7°C. The average annual temperature is 17.3°C.

Company: THE KORČULA HOTEL AND TOURISM ENTERPRISE – joint-stock company for catering, tourism, commerce and other services’ provision

Abbreviated title: HTP KORČULA d.d.

Headquarters: 20 260 Korčula, Šetalište Frana Kršinića 102

Personal Identification Number - OIB: 63259199217

• COMPANY’S PROFILE

The Korčula Hotel and Tourism Enterprise, a joint-stock company, was established as a result of the privatization of the former state company. It was enlisted at the Split Commercial Court’s Registry under the number Tt-95/924-3 on January 17th, 1996 as HTP KORČULA, joint-stock company for catering, tourism, commerce and other services’ provision.

The Korčula Hotel and Tourism Enterprise disposes of the following hotels: Marko Polo, Liburna, Park and Korčula, the Bon Repos Tourist Resort, the Kalac Camp, as well as several restaurants and other facilities located on various sites in the City of Korčula.

Business code: 55110 – Hotels and motels with restaurant

• GENERAL INFORMATION:

Equity capital	128 229 300 HRK	17 097 240 €
Number of issued stocks	427 431	
Nominal value of stock	300 HRK	40 €
Number of stocks in the state portfolio	223 430	
Number of stocks available for sale	215 331	
Percentage available for sale	50.38	
Number of employees (permanent)	148	

(Currency rate: 1EUR = HRK 7.5)

- **ACCOMMODATION CAPACITY**

Facility and category	Number of accommodation units			Number of beds - total	Investments		Facility's status, operating (yes/no)
	Rooms	Apartments	Total		Year	Amounts	
Hotels							
1.Marko Polo *****	103		103	224	2006/2007	50 million HRK	Yes
2. Liburna ***	83	26	109	276			Yes
3.Park **	135		135	290			Yes
4.Korčula **	16	4	20	40			Yes
Total	337	30	367	830			
Tourist resorts							
1.Bon Repos	258	92	350	850			Yes
Total	258	92	350	850			
Camps							
Camp	Total number of accommodation units			Camp's accomm o dation capacity	Year	Amount	Facility's status, operating (yes/no)
1.Kalac		166		498			Yes
Total		166		498			
TOTAL		883		2178		50 million HRK	

Other facilities/real estates	Description
1. Restaurants	Planjak, Bistre, Gradski podrum, Kanavelić
2. Service facilities	Common departments, warehouse, laundry

- **DESCRIPTION OF THE MOST IMPORTANT FACILITIES**

The Marko Polo Hotel****

The Marko Polo Hotel is adjacent to the Park Hotel. It is approximately 800 meters away from the Old Town of Korčula. It was built in 1972. In the period from 2000 to 2001 the main restaurant and the premises surrounding the reception were completely renovated. The main restaurant was air-conditioned. The hotel used to have 113 rooms, including 4 apartments, which amounted to 221 main beds and 54 extra beds.

The Marko Polo Hotel used to be a three-star hotel. From 2001 to 2005 it was suited for all-inclusive service provision. There was a reception, 2 lounges, aperitif bar, TV room, public lounge, souvenir shop, hairdresser, indoor small swimming pool, outdoor terrace and a parking lot suitable for 10 vehicles.

The hotel's accommodation facilities needed a complete renovation as well as the upgrade to a four-star category. Therefore, the construction of an outdoor swimming pool was required as well as the remodelling of the other leisure and sports facilities on the ground floor. Upon the completion of the first phase of renovation and refurbishment of the accommodation facilities, the capacity was lowered to 94 accommodation units with 173 main beds. The second phase of the investment implied the reconstruction and remodelling of the leisure and sport facilities. Additionally, the reconstruction of the annex appertaining to the main building was executed. It currently has 9 accommodation units, i.e. 18 beds amounting to the total capacity of 103 units and 191 main beds with 33 extra beds. Thus, the Marko Polo Hotel successfully meets the requirements for a four-star hotel and provides a half board as a main service.



The Liburna Hotel ***

The Liburna Hotel is situated in the vicinity of the Marko Polo Hotel and the Park Hotel. It has a superb view on the Old Town of Korčula. It was constructed in 1985 and nowadays is a comfortable three-star hotel. Its capacity amounts to 83 double bedrooms and 26 apartments with 224 main beds and 52 extra beds. The main restaurant and the tavern are air-conditioned. There is a round outdoor pool with a bar and partially shaded terrace facing the Old Town.

Moreover, the hotel has a reception, lounge, aperitif bar, souvenir shop, two tennis courts, parking lot for 50 cars, court of sport boules and numerous beach facilities. In order to upgrade its capacity to the four-star category, the accommodation facilities should be air-conditioned, rooms remodelled and refurbished and one more outdoor swimming pool should be constructed.



The Park Hotel **

The Park Hotel is located in the quarter of Korčula called Banje and it is 800 meters away from the Old Town. It comprises 4 pavilions. It was constructed and enhanced in the period from 1963 to 1968. In 1975 additional upgrading of the reception and the restaurant was executed. During the 1980s the sewage system was reconstructed. In 2003 60 rooms were completely remodelled and new furniture introduced. Two pavilions are connected with the central reception and the restaurant while the other two pavilions are independent buildings. It is currently a two-star hotel although the remodelled 60 sea view rooms meet the requirements for a three-star category. The above-mentioned 4 pavilions have a total of 160 rooms with 320 main beds and 30 extra beds.

As a result of the reconstruction the pavilion 1 with the capacity of 25 accommodation units was annexed to the Marko Polo Hotel. Thus, the hotel currently has 135 accommodation units. Apart from the reception and the main restaurant there is a TV lounge, aperitif bar and leisure lounge, night bar, beach grill restaurant, cafe, tavern, tennis court, sailing school, beach with sport facilities and 10-car parking lot. The biggest part of the hotel requires a thorough reconstruction, air-conditioning and adjustment for a three-star category. The other option is a complete demolition of the existing facilities and the construction of a new hotel on the same site. The new hotel would have a capacity of 200 rooms and would belong to a four-star category.



The Bon Repos Tourist Resort **

The Bon Repos Tourist Resort is located in the secluded bay called the Shell Bay 3 kilometres from the Old Town of Korčula. The resort comprises pavilion-like hotels built in the 1960s and early 1970s - the *Jasmin* Pavilion and the apartment complex were constructed in two phases in the early 1980s. In three pavilions, i.e. *Cedar*, *Begonija* and *Čempres*, the sewage system was upgraded and the rooms were renovated during the mid-1980s. The *Jasmin* Pavilion accommodated refugees in the 1990s but was completely renovated and subsequently categorised with three stars. The entire complex is currently a two-star resort.

In addition to the main reception with a lounge and aperitif bar, there are the main restaurant, night club, pub, milk bar, 2 beach grill restaurants, TV lounge and hairdresser. Moreover, there is an outdoor swimming pool, two tennis courts and playground for amateur sports, mini golf, beach facilities and a parking lot for approximately 130 cars. 3 pavilions of the hotel resort require the complete reconstruction; moreover the construction of the outdoor swimming pool is needed along with the

air-conditioning of the public and accommodation facilities and the refurnishing of the apartments. Investments into the leisure and sport facilities are necessary in order for the entire resort to meet the criteria for a three-star categorisation.



The Korčula Hotel **

The Korčula Hotel is the oldest hotel in the City of Korčula built in 1912 and completely renovated in 1983. It is located on the western side of the Old Town. It is a two-star hotel with 16 rooms and 4 apartments with 40 main beds. There is a reception, restaurant, indoor lounge, aperitif bar and outdoor terrace. Behind the hotel there are several old ruinous buildings called the Golubović buildings which may be used for development and merger with the existing structures. The restaurants and accommodation facilities require air-conditioning while the accommodation units need refurbishing in order for the hotel to obtain a four-star category.



The Kalac Motor- Camp - Category 2

The Kalac Motor-Camp is located next to the Bon Repos Hotel Resort on the land parcel which is not fully owned of the Company and therefore not included into its equity. The camp has a total capacity of 166 camping units with 498 camping places on the surface area of approximately 36 500 m². It is a category 2 camp. The guests are provided with basic camp facilities including a supermarket, souvenir shop, beach shop and a small bar with an outdoor terrace.

In addition to the above-mentioned facilities the Company owns and exploits the separated catering units such as the Planjak Restaurant - thoroughly remodelled; the Kanavelić Restaurant - also remodelled; the Gradski Podrum Restaurant, the Bistro Bar and Pizzeria - remodelled, and the Arula Bar which is given in lease by the City of Korčula.

These catering facilities are independent business units providing both basic and complementary services. They generate substantial income for the Company. Apart from the mentioned accommodation and catering facilities the Company has in its possession several public premises and office buildings, i.e. an administrative building, central warehouse and central laundry.

• PHYSICAL INDICATORS

Facilities	Arrivals						Overnight stays					
	National			Foreign			National			Foreign		
	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
Hotels												
1.Liburna ***	594	473	603	5 145	4 666	5 134	2 287	1 961	2 344	27 140	26 418	27 777
2.Marko Polo ****	1 108	972	869	6 372	6 970	8 082	3 843	3 371	3 310	26 083	23 264	25 364
3.Park **	618	441	323	3 326	3 091	3 133	3 478	3 246	2 458	23 443	20 097	21 788
4. Korčula **	860	700	853	2 212	1 709	1 726	1 208	1 135	1 323	4 147	3 370	2 993
Total	3 180	2 586	2 648	17 515	16 436	18 075	10 816	9 713	9 435	80 813	73 149	77 922
Tourist resorts												
1.Bon Repos **	2 775	1 465	1 673	8 023	8 568	8 011	14 054	8 074	9 685	61 306	61 849	59 879
Total	2 775	1 465	1 673	8 023	8 568	8 011	14 054	8 074	9 685	61 306	61 849	59 879
Kampovi												
1 Kalac	164	143	121	5 487	5 095	4 499	765	597	477	18 842	17 739	15 836
Total	164	143	121	5 487	5 095	4 499	765	597	477	18 842	17 739	15 836
Total	6 119	4 194	4 442	30 565	30 099	30 585	25 635	18 384	19 597	160 961	152 737	153 637

- BASIC FINANCIAL DATA**

	2009		2010		2011	
	000 HRK	000 €	000 HRK	000 €	000 HRK	000 €
Assets	220 472	29 396	215 238	28 698	208 006	27 734
Long-term assets	213 943	28 525	207 309	27 641	200 666	26 755
Short-term assets	6 526	870	7 927	1 057	7 219	962
Total liabilities	110 271	14 703	117 421	15 656	121 369	16 182
Long-term liabilities	76 830	10 244	61 552	8 207	54 342	7 245
Short-term liabilities	33 441	4 459	55 869	7 449	67 027	8 936
Total income	46 905	6 254	42 458	5 661	42 195	5 626
Total expenditure	56 770	7 569	54 840	7 312	53 501	7 133
Profit / Loss	-9 865	-1 315	-12 382	-1 651	-11 306	-1 507

(Currency rate: 1 EUR = HRK 7.5)

Source: Board of Directors

Annual financial reports of the Company are published yearly and can be downloaded from the website of the Croatian Financial Agency – FINA: www.fina.hr.

ACCESSABILITY

Highway	100 km
Airport	115 km
Sea port	95 km
Railway	95 km

THE ISLAND OF KORČULA AND THE CITY OF KORČULA

The Island of Korčula is one of the Dalmatian islands. It extends on the area of 279.03 km². It is 46.8 km long and from 5.3 to 7.8 km wide. It is the sixth biggest island in the Adriatic Sea. The Pelješac Channel connects the Island of Korčula with the Pelješac Peninsula. It is 1 270 m wide at its southern peak. Korčula is covered in the Mediterranean vegetation which makes it one of the most forested Adriatic islands. 61% of its surface is covered in woods and immortelle.

The City of Korčula is located on the northeast side of the island. The oldest part of the City was founded on the tiny oval peninsula while the baroque part of the City is nested outside the Old Town walls. The newer parts of the City extended along the seashores to the east and west form the Old Town. Nowadays it numbers approximately 3000 inhabitants who predominantly live in the newer quarters. It is also the administrative centre of the City of Korčula which includes a greater region amounting to 6 000 inhabitants.

Company: THE ŽIVOGOŠĆE HOTELS, joint-stock company
 Abbreviated title: Hoteli Živogošće d.d.
 Headquarters: 21 329 Živogošće, Porat 136
 Personal Identification Number - OIB: 88429213928

• COMPANY'S PROFILE

The Živogošće Hotels, joint-stock company, manage the following commercial facilities: The Nimfa Hotel *** which comprises a hotel with the accompanying facilities and four annexes; the Punta Hotel** which comprises a hotel and bungalows with 34 apartments; and the Dole Motor Camp (500 camping pitches with the capacity of 2 000 to 2 500 persons).

The Company's core business is: 5510 Hotels and similar accommodation

• GENERAL INFORMATION

Equity capital	112 021 200.00 HRK	33 912 267 €
Number of issued stocks	302 760	
Nominal value of stock	370.00 HRK	49 €
Number of stocks in the state portfolio	230 507	
Number of stocks available for sale	227 697	
Percentage available for sale	75.21%	
Number of employees (permanent)	78	

(Currency rate: EUR 1 = HRK 7.5)

- **ACCOMMODATION FACILITIES**

Facilities and category	Number of accommodation units			Number of beds - total	Investments		Facility's status, operating (yes/no))
	Rooms	Apartments	Total		Year	Amount	
Hotels							
1. Nimfa ***	211	77	288	642	1997-2011	60 554 312	Yes
2. Punta **	132	34	166	378	2002-2011	2 899 514	Yes
Total	343	111	454	1020	1997-2011	63 453 826	
Camps							
Camps	Total number of accommodation units			Camp's accommodation capacity	Investments		Facility's status, In function (yes/no)
					Year	Amount	
1. Dole **	500			2000			Yes
Total	500			2000			
TOTAL	954			3 020	1997-2011	63 453 826	

- **DESCRIPTION OF THE MOST IMPORTANT FACILITIES**

The Nimfa Hotel *** is surrounded by the Mediterranean vegetation. It is located on the pebbled beach on the shores of the pristine blue sea. The hotel has air-conditioned public premises, 155 rooms and 11 apartments with SAT TV and air-conditioning. Moreover there are 56 rooms and 66 apartments at the pavilion and annexes nearby. Children and adults love the outdoor sea-water swimming pool.



The Punta Hotel ** is situated on the sea-surrounded piece of land with a splendid pebbled beach. Its comfortable contemporary architecture perfectly matches the Dalmatian ambience of a small fishermen's village of Igrane. The hotel has 132 fashionably furnished and air-conditioned rooms located in the main building. In the vicinity of the hotel there are 34 apartments discreetly secluded in the pine-tree wood. The guests have at their disposal the following: restaurant, facilities suited for special events, pub, the Vidikovac Night Club, multi-purpose facilities such as the cinema, meeting rooms, souvenir shop, TV lounge (all air-conditioned), summer terrace, beach restaurant, mini golf, court of sport boules and outdoor swimming pool with a snack bar.



The Dole Motor Camp **has the capacity of 500 places, i.e. from 2 000 to 2 500 persons. It is situated on the southern part of the Riviera of Makarska. It is 25 km away from Makarska in the direction of Dubrovnik. It is an ideal destination for summertime leisure because it is located on the shaded pebbled beach.

The motor-camp comprises the following facilities: reception with a snack bar, supermarket, fridges for rental, electric hook-up connections, toilettes with cold and hot water, marketplace, tennis courts and court of sport boules, souvenir shop, tobacco and news stand, and fast food restaurant and beach accessories and gear.



• PHYSICAL INDICATORS

Facilities	Arrivals						Overnight stays					
	National			Foreign			National			Foreign		
	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
Hotels												
1 Nimfa	966	926	491	13 556	13 381	13 466	3 930	5 599	2 728	78 653	75 667	83 149
2 Punta	61	292	109	4484	4153	5408	291	1 755	793	49 062	25 823	39 532
Total	1 027	1 218	600	18 040	17 534	18 874	4 221	7 354	3 521	127 715	101 490	122 681
Camps												
1 Dole	315	321	351	13 846	16 818	15 735	1 883	1 785	2 178	97 241	97 942	97 036
Total	315	321	351	13 846	16 818	15 735	1 883	1 785	2 178	97 241	97 942	97 036
Total	1 342	1 539	951	31 886	34 352	34 609	6 104	9 139	5 699	224 956	199 432	219 717

- BASIC FINANCIAL INFORMATION**

	2009		2010		2011	
	000 HRK	000 €	000 HRK	000 €	000 HRK	000 €
Assets	105 867	14 115	256 478	34 197	247 461	32 994
Long-term assets	99 423	13 256	249 061	33 208	240 559	32 074
Short-term assets	6 444	859	7 417	988	6 902	920
Total liabilities	132 305	17 640	160 960	21 461	156 382	20 850
Long-term liabilities	11 578	1 543	34 491	4 598	31 464	4 195
Short-term liabilities	120 727	16 096	126 469	16 862	124 918	16 655
Total income	35 881	4 784	28 508	3 801	32 417	4 322
Total expenditure	39 154	5 220	31 499	4 199	37 645	5 019
Profit / Loss	-3.27	-436	-2 991	-398	-5 228	-697
Profit tax					791	105
Profit / Loss					-4 437	-591

(Currency rate: EUR 1 = HRK 7.5)

Source: Board of Directors

Annual financial reports of the Company are published yearly and can be downloaded from the web site of the Croatian Financial Agency – FINA: www.fina.hr.

ACCESSABILITY

Highway 49 km

Railway 101 km

Airport 96 km

Sea port 35 km

SPLIT-DALMATIA COUNTY

Number of inhabitants	463 676	
GDP per capita (EUR)	5 977	
Unemployment rate	19.1%	
Average gross income (EUR)	908	
Average net income (EUR)	635	
Average gross income in production sector (EUR)		543

The Split-Dalmatia County is spatially the largest county in the Republic of Croatia occupying the total area of 14 045 km² (out of which the mainland comprises 4 572 km²). The County is located at the centre of the southern Croatia encompassing the territory of the historical region of Dalmatia. It extends from the City of Vrlika on the north; to the island of Vis on the south and downward to the Croatian most distant Island of Palagruža; to the Municipality of Marina on the west and to the City of Vrgorac and the Municipality of Gradac on the east.

The Split-Dalmatia County is the second largest county in Croatia. The County's capital is the City of Split, the second largest city in Croatia numbering 175 140 inhabitants. The County's Development Strategy stimulates the favourable investment opportunities for production diversification and adoption of eco-friendly products and technologies. In order to attract foreign investments more than 30 business zones have been established. The most prominent industries are the chemical technologies and cement production while the most important one is the ship building which has a century-long tradition. The tourism sector is highly developed and the tourist offer is multi-structured and diversified.

The Split-Dalmatia County is characterised by the Mediterranean geographical and climate features. The average summer temperature in Split is 26°C and the winter temperature is approximately 7°C. The average annual temperature is 17.3°C.

Company: HOTEL MEDENA joint-stock company for hotel industry and tourism
 Abbreviated title: The Medena Hotel d.d.
 Location: 21 218 Seget Donji, Hrvatskih žrtava bb
 Personal identification number - OIB: 15293296133

• COMPANY'S PROFILE

The Medena Hotel is a joint-stock company specialised in the hotel industry and tourism. It was setup as a result of a privatisation process of the former state company entitled *Medena s.p.o. Seget Donji*.

The Medena Hotel is located in the 60-hectar pine tree wood. It is situated 4 kilometres from the Old City of Trogir and 7 kilometres from the Split International Airport. There is a lovely 1 kilometre-long promenade – *lungomare* - connecting the resort with the old fishermen's village called Seget.

Location



• GENERAL INFORMATION:

Equity capital	118 140 000 HRK	15 752 000 €
Number of issued stocks	393 800	
Nominal value of stock	300.00 HRK	40.00 €
Number of stocks in the state portfolio	214 016	
Number of stocks available for sale	211 316	
Percentage available for sale	53.66 %	
Number of employees (permanent)	150	

(Currency rate: 1 EUR = HRK 7.5)

- **ACCOMODATION FACILITIES**

Facility and category	Number of accommodation units			Number of beds - total	Investment		Facilities' status, Operating (yes/no)
	Rooms	Apartments	Total		Year	Amount €	
Hotel							
1. The Medena Hotel **	611	8	619	1.250	1997-2005	6 107 866.67	Yes

- **DESCRIPTION**

The Medena Hotel comprises two main buildings (A- and B-section) as well as two pavilions – annexes (C- and D-section) located on the beach. It is officially categorised as a two-star hotel.

There are the following room categories:

- *Standard*** rooms*: remodelled and refurnished, with enlarged bathrooms, phones, air-conditioning, blow driers, satellite TV, sea view balconies
- *Tourist class** rooms*: non remodelled with old furniture, phones, satellite TV, park view windows or parking view balconies
- *Superior *** +*: remodelled and refurnished, with enlarged bathrooms, phones, air-conditioning, blow drier, satellite TV, sea view balcony, safes and mini-fridges
- *De lux *****: remodelled and refurbished with modern furniture, enlarged bathrooms, phones, air-conditioning, blow driers, satellite LCD TV, glass French windows overlooking the sea, safes, mini-fridges

There are the following facilities for guests:

- Air-conditioned restaurant * Beach grill restaurant * Pizzeria * Aperitif bar * Congress facilities * Supermarket * Souvenir shop * Hairdresser * Dance terrace * Disco
- SPORTS: Six tennis courts, mini golf, boules and table tennis * Sport facilities suitable for handball, basketball and five-a-side * Beach volleyball * Fitness centre * Water sports (sailing boats, surfing boards, sandolinas, pedalinas, rowing boats, motor boats, ski-jets)
- Rooms: 619 * Floors: 8 (each building) * Lift: 8
- Distance from the beach: 200 m



PHYSICAL INDICATORS

Facilities	Arrivals						Overnight stays					
	National			Foreign			National			Foreign		
	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
Hotel												
1. The Medena Hotel	16 136	15 467	16 410	38 597	38 938	37 733	35 523	35 042	48 944	118 748	120 112	112 666

• BASIC FINANTIAL INFORMATION

	2009		2010		2011	
	000 HRK	000 €	000 HRK	000 €	000 HRK	000 €
Assets	291 395	38 852	288 548	38 473	286 870	38 249
Long-term assets	275 994	36 799	272 417	36 322	269 190	35 892
Short-term assets	15 401	2 053	16 131	2 151	17 680	2 357
Total liabilities	103 915	13 855	107 050	14 273	110 667	14 755
Long-term liabilities	22 237	2 965	14 580	1 944	6 742	899
Short-term liabilities	81 678	10 890	92 470	12 329	103 925	13 857
Total income	32 423	4 323	32 499	4 333	34 029	4 537
Total expenditure	39 302	5 240	38 482	5 130	39 354	5 247
Profit / Loss	- 6 879	- 917	- 5 983	- 798	- 5 324	- 710

(Currency rate: 1 EUR = HRK 7.5)

Source: Board of Directors

Annual financial reports of the Company are published yearly and can be downloaded from the website of the Croatian Financial Agency – FINA: www.fina.hr.

ASSECCABILITY

Highway	15 km
Railway station	30 km
Airport	7 km
Sea port	30 km

THE SPLIT-DALAMTIA COUNTY

Number of inhabitants	463 676	
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The Split-Dalmatia County is spatially the largest county in the Republic of Croatia occupying the total area of 14 045 km² (out of which the hinterland comprises 4 572 km²). The County is located at the centre of the southern Croatia encompassing the territory of the historical region of Dalmatia. It extends from the City of Vrlika on the north; to the island of Vis on the south and downward to the Croatian most distant Island of Palagruža; to the Municipality of Marina on the west and to the City of Vrgorac and the Municipality of Gradac on the east.

The Split-Dalmatia County is the second largest county in Croatia. The County's capital is the City of Split, the second largest city in Croatia numbering 175 140 inhabitants. The County's Development Strategy stimulates the favourable investment opportunities for production diversification and adoption of eco-friendly products and technologies. In order to attract foreign investments more than 30 business zones have been established. The most prominent industries are the chemical technologies and cement production while the most important one is the ship building having a century-long tradition. The tourism sector is highly developed and the tourist offer is multi-structured and diversified.

The Split-Dalmatia County is characterised by the Mediterranean geographical and climate features. The average summer temperature in Split is 26°C and the winter temperature is approximately 7°C. The average annual temperature is 17.3°C.

Company: HOTELI PLAT (THE PLAT HOTELS), joint-stock company for catering, trade and production
 Abbreviated title: Hoteli Plat d.d.
 Headquarters: 20 207 Plat, Plat bb
 Personal identification number: 69616771148

• COMPANY'S PROFILE

The Plat Hotels, joint-stock company, are an independent hotel resort situated 12 km eastern of the City of Dubrovnik and 6 km from the Čilipi International Airport. It is located on the seashore and comprises three sandy beaches and a pier for tourist vessels. It is located amidst thick Mediterranean vegetation. It can be easily reached by car and it has a parking lot suitable for 200 vehicles.

The hotel facilities comprise two hotels, one annex, six villas and two pavilions. A hotel and six three-star villas are currently operating. The capacity of the Company prior to the Homeland War had amounted to 1 379 beds. Some facilities have not yet been renovated, such as the Ambassador Hotel which used to have 302 accommodation units, i.e. 604 beds; and two pavilions with 124 accommodation units, i.e. 249 beds. If the pre-war capacity of 1 379 beds is subtracted with the non-renovated capacity, the number of the renovated capacity that the Company currently operates with is obtained and amounts to 129 rooms and 107 apartments, i.e. 526 beds in total. All rooms and apartments have the sea view balconies.

• GENERAL INFORMATION:

Equity capital	59 176 500 HRK	7 890 200 €
Number of issued stocks	197 255	
Nominal value of stock	300.00 HRK	40.00 €
Number of stocks in the state portfolio	182 440	
Number of stocks available for sale	182 440	
Percentage available for sale	92.489%	
Number of employees (permanent)	74 (as at February, 29 th 2012)	

(Currency rate: 1EUR = HRK 7.5)

- **ACCOMMODATION FACILITIES**

Facility and category	Number of accommodation units			Number of beds - total	Investments		Facility's status, operating (yes/no)
	Rooms	Apartments	Total		Year	Amount in 000 €	
Hotels ***							
1. The Orphee Hotel, annexes and swimming pools	82	3	85	164	2000	3 490	YES
2. Villa Anita		32	32	84	2000	1 037	YES
3. Villa Barbara		24	24	62	2000	788	YES
4. Villa Celia		24	24	62	2000	788	YES
5. Villa Diana		24	24	61	2000	740	YES
6. Villa Eva	23		23	45	2006	184	YES
7. Villa Felicia	24		24	48	2007	315	YES
Fully functioning - total	129	107	236	526		7 342	
8. The Ambassador Hotel	302		302	604			NO
9. Pavilion 700	30		30	60			NO
10. Pavilion 800	94		94	189			NO
Non operating - total	426	-	426	853			
Total	555	107	662	1 379		7 342	

Other facilities/real estates	Description
1. The Centar Shopping Mall	It is situated in the central part of the resort. It is a ground-floor building constructed in 1988 and partially renovated in 2000. There are numerous small shops, such as tourist agency, hairdressers, bars, entertainment centre. All together they give an impression of a small village. The majority of shops are in rental.
2. The Taverna Plat Restaurant	It is a two-storey facility built in 1968 and recently renovated. The restaurant has a first-floor winter terrace with removable roof and sliding windows. On the ground floor there is an additional restaurant intended for provision of services.
3. Outdoor swimming pools	The outdoor swimming pool for children is located on the beach just below the Orphee Hotel. A small bar with terrace is above the swimming pool. The seawater swimming pool is 520 m ² large and contains water-heaters as well as several jaccuzzis. Moreover, there is another small swimming pool for children with the fountain in the centre. The installations for water pumping and filtering are located in the premises under the pool
4. The beach bar	It is a beach facility for catering provision. It has been recently renovated and the ambience-like seating area has been set up.
5. Tennis courts	Two tennis courts are situated on the 1 109 m ² -wide area.
6. Office premises in Dubrovnik	A 115.95 m ² -wide office premises are located in the former HTP business building constructed in 1970.

- **DESCRIPTION OF THE MOST IMPORTANT FACILITIES**

The Plat Hotels extend on the area of approximately 72 000 m² which also includes a 700-m² parcel suitable for further construction of tourism-related facilities.

The complex is an independent unity.



The Plat Hotels

The Orphee Hotel

It was built in 1970 and completely renovated in 2000. The Orphee Hotel has 82 rooms. All rooms have the sea view balconies. The room have phones, SAT TV, mini bars and central heating which enables the low-season bookings. All units, such as the reception and the main restaurant are air-conditioned. The adjacent facilities are: main restaurant with terrace, aperitif bar, outdoor swimming pool and the swimming pool bar. The hotel is surrounded with the neatly trimmed Mediterranean vegetation as well as the walking and jogging routes. Next to the main building there is a Vilica annex renovated in 2000. It is a two-story building containing three apartments with total capacity of 9 beds. These apartments have balconies, direct phone and fully equipped kitchens (fridge, freezer, etc.).



The Orphee Hotel



A room in the Orphee

The Anita, Barbara, Celia and Diana Villas have been completely renovated in 2001 and refurbished in the traditional Mediterranean style with loggias, porches and terraces. The villas offer a high-quality pleasant accommodation and blend perfectly with the surroundings. All apartments are centrally heated, thus enabling the all-year bookings. The villas contain 104 apartments with the total capacity of 264 beds. All apartments have the sea view balconies, phones, SAT TV, mini bars and fully equipped kitchens (fridge, freezer, etc.).



Vila Anita



Vila Barbara



Vila Celia



Vila Diana



The Eva Vila



The Felicia Vila

The Ambassador Hotel

The Ambassador Hotel was built in 1972. It had been a major hotel facility until the early 1990s with the total capacity of 302 rooms and 604 beds. Due to the serious war destruction it is no longer operating. The facility is currently in the poor condition: only the construction walls remained while the installations were completely destroyed. Substantial funds are required to reconstruct the facility.



Hotel Ambassador



Pavilions

Four pavilions (P6, P7, P8, P9), constructed in the period from 1963 until 1970, have been destroyed during the Homeland War. Due to the poor condition of the facilities and installations, substantial funds are required for their reconstruction. The pavilions that were renovated by the Company represent their true potential.



Non-renovated pavilions 700 and 800

• PHYSICAL INDICATORS

Facilities	Arrivals						Overnight stays					
	National			Foreign			National			Foreign		
	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
Hotels												
All functioning accommodation units	676	301	749	10 595	13 089	13 801	3 423	721	2 587	56 245	65 762	67 644

• BASIC FINANTIAL INFORMATION

	2009		2010		2011	
	000 HRK	000 €	000 HRK	000 €	000 HRK	000 €
Assets	191 242	25 499	191 930	25 591	193 971	25 863
Long-term assets	181 201	24 160	179 410	23 921	178 163	23 755
Short-term assets	9 985	1 331	12 462	1 662	15 737	2 098
Total liabilities	156 917	20 922	172 587	23 011	188 542	25 138
Long-term liabilities	13 106	1 747	4 337	578	168	22
Short-term liabilities	143 811	19 175	168 250	22 433	188 374	25 116
Total income	18 639	2 485	19 897	2 653	21 838	2 912
Total expenditure	33 038	4 405	34 879	4 651	35 752	4 767
Profit / Loss	-14 399	- 1 920	-14 982	-1 998	-14 982	-1 998

(Currency rate: 1 EUR = HRK 7.5)

Source: Board of Directors

Annual financial reports of the Company are published yearly and can be downloaded from the website of the Croatian Financial Agency – FINA: www.fina.hr.

ASSECCABILITY

Highway	145 km
Railway	120 km
Airport	6 km
Sea port	12 km (Dubrovnik)



DUBROVNIK-NERETVA COUNTY

Number of inhabitants	122 870
GDP per capita (EUR)	7 309
Unemployment rate	15.3%
Average gross income (EUR)	919
Average net income (EUR)	639
Average gross income in production sector (EUR)	703

The Dubrovnik-Neretva County is situated at the far south of Croatia and encompasses the surface of 9 272 37 km² (including the maritime surface), which amounts to 12.40% of the total size of the Republic of Croatia. The inland comprises 1 782.49 km², i.e. 3% of the Croatian inland territory. The pertaining sea amounts to 7 489.88 km², i.e. 80.78% of the County's territory or 23% of the Croatian sea.

The County's territory has two basic functional and physical entities: relatively narrow horizontal seashore with numerous open seas islands and nearer islands (the most important being Korčula, Mljet, Lastovo and the Elafiti Islands) as well as the area of Donja Neretva (the Lower Neretva) with the gravitating littoral part.

The territory is intercepted by the Bosnia and Herzegovina's state border. The Lower Neretva Valley provides the sole natural link with the hinterland and represents the joint towards northern parts and the Pannonia's Croatia.

The Dubrovnik-Neretva County comprises 5 cities and 17 municipalities. The biggest and the most famous County's centre is the City of Dubrovnik. The County includes smaller islands covered in thick Mediterranean vegetation and forests, smaller settlements and agricultural lands (olive groves and vineyards). The Neretva Valley is a paramount agricultural centre of the County. The territory gets mountainous as the coast turns to hinterland. The Dubrovnik-Neretva County has the Mediterranean climate.

The main characteristic of the County's economy is the predominance of the tertiary services. The primary and secondary sectors are represented in the substantially lesser degree. The entire economy is oriented towards tourism and hospitality industry and maritime shipping.

Company: Vranjica Belvedere, joint stock company for hospitality and tourism
 Abbreviated title: Vranjica Belvedere d.d.
 Headquarters: 21 218 Seget Vranjica, Kralja Zvonimira 62
 Personal Identification Number - OI: 08943215646

• COMPANY'S PROFILE

The Vranjica Belvedere d.d. (hereinafter: the Company) comprises a camp and apartments. The camp and apartments are situated in the tourist destination of Seget Vranjica on a very attractive location amidst the pine forest and Mediterranean vegetations. It is only 6 km from Trogir – a town under the protection of the UNESCO. The camp and apartments are situated on the cascading ground in five rows overlooking the sea and the islands.

Core business of the Company is: 5510 Hotels and similar accommodation.

• GENERAL INFORMATION:

Equity capital	30 806 200 HRK	4 107 493 €
Number of issued stocks	83 260	
Nominal value of stocks	370 HRK	49 €
Number of stocks in the state portfolio	57 403	
Number of stocks available for sale	44 953	
Percentage available for sale	53.99%	
Number of employees (permanent)	11	

(Currency rate: EUR 1 = HRK 7.5)

- **ACCOMODATION CAPACITY**

Facility and category	Number of accommodation units			Number of beds - total	Investments		Facilities' status, operating(yes/no)
	Rooms	Apartments	Total		Year	Amount	
Tourist resorts							
Apartments		66		198	2012	1 200 000.00	
					2011	300 000.00	
					2009	150 000.00	
					2008	150 000.00	
Total		66	66	198		1 800 000.00	
Camping sites							
Camping sites	Total number of accommodation units			Accommodation capacity of camp. site	Investment		Facilities' status, in function (yes/no)
					Year	Amount	
Camping site	451			1.353	2012	500 000.00	
					2011	1 400 000.00	
					2010	600 000.00	
					2009	450 000.00	
					2008	350 000.00	
	451			1.353		3 300 000.00	
TOTAL	517			1.551		5 100 000.00	

Additional facilities/property	Description
1. Restaurant	Located on the beach with 80 outdoor and 20 indoors seats.
2. Pizza place	Part of the reception with 30 outdoor and 50 indoor seats
3. Supermarket	

- **DESCRIPTION OF THE MOST IMPORTANT FACILITIES**

Apartments



Total of 66 three-star apartments:

- 33 apartments (type 4+1+1) – two bedrooms and a balcony
- 33 apartments (type 2+1+1) – one bedroom and a terrace

All apartments are completely furnished, air-conditioned (phone, Satellite TV, cooking utensils, dishes, coffee machine) and located at a distance of 50 to 100 meters from the beach and other facilities and services.

The Camp



It is a three-star camp with 451 camping pitches. Those pitches are 50 to 100 meters away from the beach, the sea and other facilities and services.

A part of the camp is divided into plots and consists of: cascade D, C, B – 333 plots, size: 80-100 square meters with electric hook-up connection.

Another part of the camp is non-plotted and consists of: cascade A – 118 plots with electric hook-up connection and offering the independent selection of a camping pitches to their guests.

The sanitary facilities at the camp include:

- 4 sanitary blocks (3 completely renovated)
- Sanitary facility for the handicapped (sanitary block 2)
- Hot water
- Sink/cabins with sinks
- Shower cabin
- Family bathrooms (sanitary block 1&2)
- Toilet and chemical toilet (2units)
- Area for changing baby's diapers and children's toilet
- Area for hand washing of clothes and dishes
- Laundry room (sanitary block 3)
- Shower area for pets (sanitary block 1)
- Electric voltage 220 V – max. 16 A
- Disposal of wastewater (from trailers and campers)

The tourist resort offers:

- Private parking in the shadow close to the apartment, guarded but not insured
- Pebble and rocky beach, 500 meters long
- Many eating establishments: beach restaurant, pizza place, beach bar
- Numerous sport facilities: tennis, table tennis, mini golf, multipurpose court for indoor five-a-side, handball, basketball and sport boules, water sports
- Supermarket, news stand, money exchange bureau
- Safe deposit box at reception desk
- Berth
- Children's playground
- Laundry room
- Beach restaurant with 80 indoor and 20 outdoor seats
- Pizza place as part of the reception with 30 indoor and approximately 50 outdoor seats
- Supermarket

• PHYSICAL INDICATORS

Facilities	Arrivals						Overnight stays					
	National			Foreign			National			Foreign		
	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
Tourist resorts												
Apartments	142	95	85	3 172	2 834	2 745	926	441	357	23 648	21 829	21 868
Total	142	95	85	3 172	2 834	2 745	926	441	357	23 648	21 829	21 868
Camp												
Camp	158	93	57	13 178	13 836	14 064	873	701	423	68 447	75 566	73 560
Total	158	93	57	13 178	13 836	14 064	873	701	423	68 447	75 566	73 560
TOTAL	300	188	142	16 350	16 670	16 809	1 799	1 142	780	92 095	97 395	95 428

- **BASIC FINANCIAL INFORMATION**

	2009		2010		2011	
	000 HRK	000 €	000 HRK	000 €	000 HRK	000 €
Assets	24 816	3 309	25 584	3 411	26 964	3 595
Long-term assets	22 497	3 000	21 588	2 878	21 425	2 857
Short-term assets	2 319	309	3 996	533	5 539	739
Total liabilities	22 131	2 951	34 501	4 600	38 237	5 098
Long-term liabilities	0	0	0	0	0	0
Short-term liabilities	22 131	2 951	34 501	4 600	38 237	5 098
Total income	6 291	839	6 792	906	7 329	977
Total expenditure	5 517	736	8 167	1 089	8 835	1 178
Profit/Loss	774	103	-1 375	-183	-1 506	-201

(Currency rate EUR 1 = HRK 7.5)

Source: Board of Director

Annual financial reports of the Company are published yearly and can be downloaded from the website of the Croatian Financial Agency – FINA: www.fina.hr.

ACCESSABILITY

Highway	20 km
Railway	30 km
Airport	8 km
The Split Sea Port	30 km

SPLIT – DALMATIA COUNTY

Number of inhabitants	463 676
GDP per capita (EUR)	5 977
Unemployment rate	19.1%
Average gross income (EUR)	908
Average net income (EUR)	635
Average gross income in production sector (EUR)	543

The Split-Dalmatia County is spatially the largest county in the Republic of Croatia spreading over 14 045 km² (out of which the inland comprises 4 572 km²). The County is located at the centre of the southern Croatia encompassing the territory of the historical region of Dalmatia. It extends from the City of Vrlika on the north; to the island of Vis on the south and downward to the Croatian most distant island of Palagruža; to the Municipality of Marina on the west and to the City of Vrgorac and the Municipality of Gradac on the east.

The Split-Dalmatia County is the second largest county in Croatia. The County's capital is the City of Split, the second largest cities in Croatia numbering 175 140 inhabitants. The County's Development Strategy stimulates the favorable investment opportunities for production diversification and adoption of eco-friendly products and technologies. In order to attract foreign investments more than 30 business zones have been established. The most prominent industries are the chemical technologies and cement production while the most important one is the ship building which has a century-long history and tradition. The tourism sector is highly developed and the tourist offer is multi-structured and diversified.

The Split-Dalmatia County is characterized by the Mediterranean geographical and climate features. The average summer temperature in Split is 26°C and the winter temperature is approximately 7°C. The average annual temperature is 17.3°C

Company: The Orebić Hotel and Tourism Enterprise , joint-stock company for hotel industry, tourism, trade and other services' provision
Abbreviated title: HTP Orebić d.d.
Headquarter: 20 250 Orebić, Obala pomoraca 36
Personal Identification 98026846668
Number - OIB:

• COMPANY'S PROFILE

The Orebić Hotel and Tourism Enterprise, a joint-stock company, is located in the City of Orebić on the Pelješac Peninsula. The Pelješac Peninsula is world-famous for its beautiful nature and vineyards extending on its southern slopes. The Pelješac Peninsula is situated in the southern Croatia. It is close to the historical City of Dubrovnik. Orebić is the most distinguished tourist destination on the peninsula with 2 500 inhabitants.

The Orebić Hotel and Tourism Enterprise comprises two accommodation facilities, the Orsan Hotel *** and the Bellevue Hotel ** as well as five independent restaurants / bars:

- the Rondela Restoran,
- the Pelješki Dvor Restoran,
- the Jadran Pizzeria,
- the Jadran Bar and
- the Trstenica Disko Club.

The Orebić Hotel and Tourism Enterprise's total capacity is 278 rooms with 687 beds. The accommodation/hospitality facilities have 955 indoor seats and 1 014 outdoor seats.

The Orsan Hotel was completely renovated in 1998. The Bellevue Hotel was partially renovated in the period from 2003 to 2004. The Orsan Hotel is a three-star hotel while the Bellevue Hotel is a two-star hotel. They operate from April or May until the end of October.



The map of the Pelješac Peninsula

The City of Orebić can be easily reached by car due to its good road connections with the rest of Croatia. The highway can be reached 140 km from the city centre. Moreover, there is a ferry line from the City of Ploče to the City of Trpanj on the Pelješac Peninsula which enables faster and easier access from the west. Ferry and passenger lines from Orebić to Korčula are quite frequent. The nearest international airport is the Dubrovnik International Airport (approximately a two-hour drive, i.e. 130 km). The nearest railway station is in the City of Split, 220 km from Orebić.

• GENERAL INFORMATION

Equity capital	35 164 000.00 HRK	4 688 533.00 €
Number of issued stocks	175 820	
Nominal value of stock	200.00 HRK	26.66 €
Number of stocks in the state portfolio	120 798	
Number of stocks available for sale	111 918	
Percentage available for sale	63.65%	
Number of employees (permanent)	72	

• ACCOMMODATION FACILITIES

Facility and category	Number of accommodation units			Number of beds - total	Investments		Facility's status, Operating (yes/no)
	Rooms	Apartments	Total		Year	Amount in 000 €	
Hotels							
1. Orsan	97		97	207	1998-2012	2 000 24	Yes
2. Bellevue	157	24	181	480	2004-2007-2008-2012	1 506.67 200 85.33	Yes
Total	254	24	278	687	1998-2012	3 816	

Other facilities/properties	Description
1. The Jadran Bar	It is located on the seashore in the centre of the City of Orebić. It has 10 indoor seating places and 50 outdoor seating places.
2. The Jadran Pizzeria	It is located on the seashore in the centre of the City of Orebić. It has 100 outdoor seating places.
3. The Pelješki Dvori Restaurant	It is located on the seashore in the centre of the City of Orebić. It has 30 indoor seating places and 200 outdoor seating places.
4. Pastry shop	It is located in the centre of the City of Orebić. It has 20 seating places.

5. The Trstenica Disco Club	It is located on the central beach in the City of Orebić. It has 40 indoor seating places and 120 outdoor seating places.
6. Administrative building	It is located in the centre of the City of Orebić.
7. Offices	They are located above the Pelješki Dvori Restaurant in the centre of the City of Orebić.
8. Offices	They are located on the seashore in the centre of the City of Orebić. They are leased to the companies of <i>Splitska banka</i> and <i>Meditranska plovidba Korčula</i> .

• DESCRIPTION OF THE MOST IMPORTANT FACILITIES

The Orsan Hotel 3* is a three-story building constructed in 1969. It is located just above the pebbled beach in a secluded bay surrounded by the Mediterranean vegetation. The hotel was reconstructed in 1989 and again in 1998 (i.e. rooms and outdoor swimming pool were remodelled). There is a seaside promenade leading to the centre of the City. Additionally, the hotel can be reached by car and bus.



The Orsan Hotel

All rooms and apartments have balconies or terraces. Most rooms have splendid sea view and city view. All rooms are air-conditioned with mini bars, phones and SAT TV. The hotel is centrally heated.

Apart from the accommodation, the hotel provides: an air-conditioned restaurant, cocktail bar, outdoor swimming pool, hotel beach, small-vessel quay, and children's playground, rental of beach gear and souvenir shop. There is a 50-car parking lot behind the hotel. The outdoor swimming pool is located in front of the hotel.

The Bellevue Hotel 2* comprise the following facilities:

- The Bellevue Hotel (the main building),
- The Bellevue Annexes and
- The Bellevue bungalows.

The Bellevue Hotel is a three-story building situated approximately 700 meters from the centre of the City of Orebić and 20 metres from the pebbled beach. The hotel is surrounded by the dense pine woods and is accessible by road.

The hotel was constructed in 1936 and reconstructed in 1974 and 2004 respectively. All rooms were completely remodelled at that point and the outdoor swimming pools were built.



The Bellevue Hotel

The hotel has 62 rooms, out of which there are 9 family rooms with total of 141 beds. All rooms are air-conditioned and have phones, SAT TV and mini bars. The majority of rooms face the sea while some rooms have balconies.

There are four annexes adjacent to the hotel. They can be reached by stone paths. Two annexes ("A" and "B") were constructed in 1963, while the other two ("C" and "D") were built in 1986. The annexes have a total of 95 rooms with 249 beds. They all face the sea.

They are categorised as accommodation rooms. They require reconstruction.



The Bellevue Hotel Annex



The Bellevue Hotel Bungalow

The Bellevue Hotel bungalows are organized as an apartment group totalling 13 Dalmatian-style houses with the stone façades, terraces and balconies. There are four different types of bungalows with a total of 24 apartments with 90 beds. They were constructed in 1982. They are located in the hotel's vicinity and 20 meters from the beach.

They were completely renovated in the period from 2007 to 2008. They are categorized with two stars.

The supplement facilities at the Bellevue Hotel:

Reception (180 m²; 40 seating places), terrace for leisure and relaxation, air-conditioned restaurant, aperitif bar, TV lounge, bar, tennis courts, the Rondela garden terrace, outdoor swimming pool, children's playground, volleyball court, rental of canoes, pedalinas and bikes, a 50-car parking lot.



Jadran Bar and the administrative building



Office premises



The Pelješki Dvori Restaurant



The Jadra Pizzeria

• PHYSICAL INDICATORS

facilities	Arrivals						Overnight stays					
	National			Foreign			National			Foerign		
	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
Orsan	122	129	253	3 314	3 291	3 217	477	321	526	32 357	34 415	33 938
Bellevue	798	686	652	5 365	6 352	6 138	3 581	2 575	2 558	43 452	48 450	46 900
Total	920	815	905	8 679	9 643	9 355	4 058	2 896	3 084	75 809	82 865	80 838

- **GENERAL FINANTIAL INFORMATION**

	2009		2010		2011	
	HRK	€	HRK	€	HRK	€
Assets	66 757 123	8 900 950	62 319 222	8 309 230	58 885 592	7 851 412
Long-term assets	60 050 648	8 006 753	58 222 450	762 995	56 726 873	7 563 583
Short-term assets	6 706 475	894 197	4 096 763	546 235	2 158 719	287 829
Total liabilities	18 179 846	2 423 979	19 498 023	2 599 736	18 982 769	2 531 036
Long-term liabilities	8 677 179	1 156 957	11 746 755	1 566 234	9 773 636	1 303 151
Short-term liabilities	9 502 667	1 267 022	7 751 268	1 023 502	9 209 139	1 227 885
Total income	17 819 386	2 375 918	17 150 549	2 286 740	17 581 793	2 344 239
Total expenditure	21 278 994	2 837 199	22 906 627	3 054 217	20 500 170	2 739 356
Profit / loss	-3 459 608	-461 281	-5 756 078	-767 477	-2 918 377	-389 117

(currency rate: EUR 1 = HRK 7.5)

Source: Board of Directors

Annual financial reports of the Company are published yearly and can be downloaded from the website of the Croatian Financial Agency – FINA: www.fina.hr.

DUBROVNIK-NERETVA COUNTY

Number of inhabitants	122 870
GDP per capita (EUR)	7 309
Unemployment rate	15.3%
Average gross income (EUR)	919
Average net income (EUR)	639
Average gross income in production sector (EUR)	703


The Dubrovnik-Neretva Country is situated at the far south of Croatia and encompasses the surface of 9 272 37 km² (including the maritime surface), which amounts to 12.40% of the total size of the Republic of Croatia. The inland comprises 1 782.49 km², i.e. 3% of the Croatian inland territory. The pertaining sea amounts to 7 489.88 km², i.e. 80.78% of the County's territory or 23% of the Croatian sea.

The County's territory has two basic functional and physical entities: relatively narrow horizontal seashore with numerous open seas islands and nearer islands (the most important being Korčula, Mljet, Lastovo and the Elafiti Islands) as well as the area of Donja Neretva (the Lower Neretva) with the gravitating littoral part.

The territory is intercepted by the Bosnia and Herzegovina's state border. The Lower Neretva Valley provides the sole natural link with the hinterland and represents the joint towards northern parts and the Pannonia's Croatia.

The Dubrovnik-Neretva Country comprises 5 cities and 17 municipalities. The biggest and the most famous County's centre is the City of Dubrovnik. The County includes smaller islands covered in thick Mediterranean vegetation and forests, smaller settlements and agricultural lands (olive groves and vineyards). The Neretva Valley is a paramount agricultural centre of the County. The territory gets mountainous as the coast turns to hinterland. The Dubrovnik-Neretva Country has the Mediterranean climate.

The main characteristic of the County's economy is the predominance of the tertiary services. The primary and secondary sectors are represented in the substantially lesser degree. The entire economy is oriented towards tourism and hospitality industry and maritime shipping.

DALMA, joint-stock company, Split The Split-Dalmatia County	 Ministry of Tourism REPUBLIC OF CROATIA
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Company: DALMA, joint- stock company for tourism, hospitality industry, transport and service provision

Abbreviated title: Dalma d.d.

Headquarters: 21 000 Split, Kopilica 5

Personal Identification Number - OIB: 64479860853

• COMPANY'S PROFILE

Dalma d.d. had originally been established as a trading company. However, in the last decade it has oriented its operations towards the hotel and tourism industry. It has ceased its opportunity for business growth and expansion as the City of Split and the Split-Dalmatia County lacked accommodation facilities. Its business mission resulted in the renovation of the Company-owned facilities as well as in the acquisition and construction of the new facilities.

The business philosophy of the Company fully envisions the further development of the tourism industry. This scope is implemented through the business of two tourist facilities: the Dalmina Hotel in the City of Split and the Brzet Hotel in the neighbouring City of Omiš. As part of the Company there are the Dalma Transport and Cargo Terminal Ltd. and the Dalmina Ltd. The Dalmina Ltd. is a founder of the Dalma Brzet Ltd.

The Company plans to build a new hotel in the Kopilica Business Centre on the site of the current cool storages (the Dalma – Maritim Project). It shall become an independent profit-generating entity. The new hotel shall have 172 accommodation units furnished to obtain the four-star categorisation and it shall employ approximately 100 employees.

• GENERAL INFORMATION

Equity capital	459 228 090 HRK	62 907 958 €
Number of issued stocks	1 241 157	
Nominal value of stock	370 HRK	49 €
Number of stocks in the state portfolio	1 140 191	
Number of stocks available for sale	1 046 303	
Percentage available for sale	84.30%	
Number of employees (permanent)	73	

(Currency rate: EUR 1= HRK 7.5)

- **ACCOMMODATION CAPACITY**

Facility and category	Number of accommodation units			Number of beds - total	Investments		Facilities' status, In function (yes/no
	Rooms	Apartments	Total		Year	Amount	
Hotels							
Dalmina****	48	4	52	104			Da
Total	48	4	52	104			
Tourist resorts							
Brzet***	88		88	202			Da
Total	88		88	202			
TOTAL	140			306			

Other facilities/real estate	Description
1. The Kopilica Complex	Its total area amounts to approximately 26 000 m2; gross construction capacity being approximately 24 000 m2
2. Office premises	There are 12 smaller offices, i.e. former supermarkets on the outskirts of the City of Split (predominantly in the Dalmatia's inland) with unclear ownership issues
3. Land	It is located on the Transportation Terminal. Its area amounts to 6 710 m2.

- **DESCRIPTION OF THE MOST IMPORTANT FACILITIES**

The Dalmina Split Hotel **** is a fashionably furnished new hotel located in the City of Split. It is a luxurious air-conditioned hotel and thus an ideal accommodation for business people, participants at meetings and seminars as well as other visitors who opt for a high-quality services and a pleasant ambience. The hotel rooms meet the highest standards. There is also a restaurant, congress hall, meeting room, cocktail bar, hotel parking lot, news stand and other facilities which care for guests' needs and preferences.

There is a 180-m2 restaurant accommodating a maximum of 120 people. At the very entrance at the hotel there is a cocktail bar for 40 persons. The congress hall is located on the east side of the hotel and comprises the area of 166 m2.

The Dalmina Hotel



The Brzet Hotel *** is a pavilion-like hotel with the central restaurant and a terrace. All its rooms are air-conditioned and equipped with TWC, TV SAT, fridge, blow drier, phone. They have the sea-view balconies. The hotel is surrounded by the centenarian pine wood adjacent to the pebble beach. There is an 800-meter long promenade connecting the hotel with the centre of the City of Omiš. Therefore, it is considered to be a city hotel. There is a fifth-century Saint Euphemia Church nearby.

The Brzet Hotel



- PHYSICAL INDICATORS**

Facilities	Arrivals						Overnight stays					
	National			Foreign			National			Foreign		
	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
Hotels												
Dalmina****	2 140	2 003	2 175	7 159	7 275	7 266	3 332	2 922	3 418	9 074	8 934	9 089
Total	2 140	2 003	2 175	7 159	7 275	7 266	3332	2 922	3 418	9 074	8 934	9 089
Tourist resorts												
Brzet***	458	456	213	5174	5 426	5 048	825	802	506	24 152	22 520	23 970
Total	458	456	213	5174	5 426	5 048	825	802	506	24 152	22 520	23 970
Total	2 598	2 459	2 388	12 333	12 701	12 314	4 157	3 724	3 924	33 226	31 454	33 059

- BASIC FINANCIAL INFORMATION**

	2009		2010		2011	
	000 HRK	000 €	000 HRK	000 €	000 HRK	000 €
Assets	224 012	32 333	213 178	28 422	214 452	28 593
Long-term assets	178 282	23 770	161 111	21 480	159 028	21 202
Short-term assets	33 076	4 408	44 494	5 932	47 853	6 380
Total liabilities	78 193	10 426	94 628	12 617	102 373	13 649
Long-term liabilities	24 778	3 303	20 856	2 781	18 078	2 410
Short-term liabilities	53 415	7 122	73 772	9 836	84 295	11 239
Total income	15 868	2 115	15 364	2 047	15 666	2 088
Total expenditure	27 203	3 626	41 633	5 548	18 348	2 446
Profit / Loss	-11 334	-1 512	-26 259	-3 501	-2 682	-358

(Currency rate: EUR 1 = HRK 7.5)

Source: Board of Directors

Annual financial reports of the Company are published yearly and can be downloaded from the website of the Croatian Financial Agency – FINA: www.fina.hr.

ACCESSABILITY

- to Dalmina, Split - to Brzet, Omiš

Highway	20 km	20 km
Railway	2 km	10 km
Airport	15 km	25 km
The Split Sea Port	3 km	10 km

THE SPLIT-DALAMTIA COUNTY

Number of inhabitants	463 676	
GDP per capita (EUR)	5 977	
Unemployment rate	19.1%	
Average gross income (EUR)	908	
Average net income (EUR)	635	
Average gross income in production sector (EUR)		543

The Split-Dalmatia County is spatially the largest county in the Republic of Croatia occupying the total area of 14 045 km² (out of which the hinterland comprises 4 572 km²). The County is located at the centre of the southern Croatia encompassing the territory of the historical region of Dalmatia. It extends from the City of Vrlika on the north; to the island of Vis on the south and downward to the Croatian most distant Island of Palagruža; to the Municipality of Marina on the west and to the City of Vrgorac and the Municipality of Gradac on the east.

The Split-Dalmatia County is the second largest county in Croatia. The County's capital is the City of Split, the second largest city in Croatia numbering 175 140 inhabitants. The County's Development Strategy stimulates the favourable investment opportunities for production diversification and adoption of eco-friendly products and technologies. In order to attract foreign investments more than 30 business zones have been established. The most prominent industries are the chemical technologies and cement production while the most important one is the ship building having a century-long tradition. The tourism sector is highly developed and the tourist offer is multi-structured and diversified.

The Split-Dalmatia County is characterised by the Mediterranean geographical and climate features. The average summer temperature in Split is 26°C and the winter temperature is approximately 7°C. The average annual temperature is 17.3°C.

Company: HOTELI MAESTRAL (THE MAESTRAL HOTELS) joint-stock company in hotel industry and tourism
 Abbreviated title: Hoteli Maestral d.d.
 Headquarters: 20 000 Dubrovnik, Ćira Carića 3
 Personal Identification Number - OIB: 88557173997

• COMPANY'S PROFILE

The Maestral Hotels, joint-stock company, are engaged in the hotel industry. The company owns and manages five hotels situated in the same street in the Lapad Bay. All facilities are located by or near the sea. The traffic infrastructure allows an easy and quick transport to and from the Old City of Dubrovnik.



• GENERAL INFORMATION:

Equity capital	103 144 000 HRK	13 752 533 €
Number of issued stocks	515 720	
Nominal value of stock	200.00 HRK	26.67 €
Number of stocks in the state portfolio	403 619	
Number of stocks available for sale	351 987	
Percentage available for sale	68.25%	
Number of employees (permanent)	182	

(Currency rate: 1EUR = HRK 7.5)

- **ACCOMMODATION FACILITIES**

Facility and category	Number of accommodation units			Number of beds - total	Investments		Facility's status, In function (yes/no)
	Rooms	Apartments	Total		Year	Amount in HRK	
Hotels							
1.Adriatic**	107		107	222	2005- 2008	11 360 000	Yes
2. Komodor***	63		63	118			Yes
3. Splendid***	59		59	112			Yes
4. Uvala****	51		51	101			Yes
5. Vis***	127		127	255	2006-2007	11 720 000	Yes
Total	407		407	808		23 080 000	

- **DESCRIPTION OF THE MOST IMPORTANT FACILITIES**

THE ADRIATIC HOTEL **

Constructed:	1962, 1963 and 1967
Number of rooms:	107 (9*1; 81*2; 17*3)
Number of beds:	222
Restaurant	
- indoor	400 consummation places
- outdoor	200 consummation places
Aperitif bar I	
- indoor	30 consummation items
- outdoor	50 consummation items
Aperitif bar II	17 tables; 68 seats
- indoor	10 tables; 40 seats
- outdoor	7 tables; 28 seats
Parking places	80
Tennis court	1
Distance from the beach:	50 m
Distance from the City:	2.5 – 3 km



THE KOMODOR HOTEL ***

Constructed:	1938
Renovated:	1998
Number of rooms:	63 (8*1; 55*2)
Number of beds:	118
Restaurant	
- indoor	66 <i>consummation places</i>
- outdoor	62 <i>consummation places</i>
Aperitif bar	
- indoor	16 <i>consummation places</i>
- outdoor	12 <i>consummation places</i>
Swimming pool bar	
- indoor	
- outdoor	32 <i>consummation places</i>
Conference room	50 m ²
Parking places	11
Distance from the beach:	50 m
Distance from the City:	2.5 – 3 km



THE SPLENDID HOTEL ***

Constructed:	1935 and 1964
Renovated:	1997
Number of rooms:	59 (6*1; 53*2)
Number of beds:	112
Restaurant	
- indoor	120 consummation places
- outdoor	220 consummation places
Aperitif bar	
- indoor	34 consummation places
- outdoor	32 consummation places
The Glorijet Garden Restaurant	20 tables; 50 seats
- indoor	-
- outdoor	20 tables; 50 seats
Beach bar	
- indoor	
- outdoor	54 consummation places
Number of parking places:	40
Distance from the beach:	50 m ²
Distance from the City:	2.5-3 km



THE UVALA HOTEL **** (former Pavilion III of the Adriatic Hotel)

Constructed:	1967
Renovated:	2003/04
Number of rooms:	51 (1*1; 50*2)
Number of beds:	101
Restaurant	
- indoor	76 <i>consummation places</i>
- outdoor	120 <i>consummation places</i>
Aperitif bar	
- indoor	52 <i>consummation places</i>
- outdoor	20 <i>consummation places</i>
The Solad Congress Room	max 45
The Perpera Congress Room	max 55
Indoor swimming pool	15
Outdoor swimming pool	30
Wellness	580 m ²
Number of parking places:	11
Distance from the beach:	50 m
Distance from the City:	2.5 – 3 km



THE VIS HOTEL ***

Constructed:	1935, 1956 and 1986
Renovated:	2003/04 (partly)
Number of rooms:	127 (5*1; 116*2; 6*3)
Number of beds:	255
Restaurant	
- indoor	240 <i>consummation places</i>
- outdoor	296 <i>consummation places</i>
Aperitif bar	
- indoor	66 <i>consummation places</i>
- outdoor	114 <i>consummation places</i>
Beach bar	
- indoor	20 <i>consummation places</i>
- outdoor	129 <i>consummation places</i>
Number of parking places:	5
Distance from the beach:	50 m
Distance from the City:	2.5 – 3 km



- **PHYSICAL INDICATORS**

Facilities	Arrivals						Overnight stays					
	National			Foreign			National			Foreign		
	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
Hotels												
1. Adriatic	2 287	1 700	1 484	7 074	7 565	8 905	5 224	4 715	3 874	31 274	31 079	32 776
2. Komodor	243	235	295	4 582	4 365	4 045	669	522	722	18 738	18 357	16 648
3. Splendid	448	326	245	4 431	4 325	4 141	1 270	1 005	725	17 515	17 912	17 547
4. Uvala	342	307	360	3 795	4 031	3 665	952	859	970	15 414	16 923	15 455
5. Vis	1 160	1 031	874	10 319	12 054	11 220	2 587	2 678	2 339	44 300	46 844	44 738
Total	4 480	3 599	3 258	30 201	32 340	31 976	10 702	9 779	8 630	127 241	131 115	127 164

- **BASIC FINANTIAL INFORMATION**

	2009		2010		2011	
	000 HRK	000 €	000 HRK	000 €	000 HRK	000 €
Assets	237 576	31 677	229 635	3 0618	219 531	29 271
Long-term assets	218 829	29 177	214 660	28 621	210 048	28 006
Short-term assets	18 159	2 421	14 347	1 913	8 754	1 167
Total liabilities	99 936	13 325	98 883	13 184	92 828	12 377
Long-term liabilities	44 215	5 895	45 324	6 043	36 497	4 866
Short-term liabilities	55 721	7 429	53 559	7 141	56 331	7 511
Total income	47 292	6 306	44 501	5 933	46 486	6 198
Total expenditure	54 258	7 234	52 594	7 013	50 630	6 751
Profit / Loss	-6 966	-929	-8 093	-1 079	-4 144	-553

(Currency rate: 1 EUR = HRK 7.5)

Source: Board of Directors

Annual financial reports of the Company are published yearly and can be downloaded from the web site of the Croatian Financial Agency – FINA: www.fina.hr.

ASSECCABILITY

Highway to Ploče	100 km
Railway to Split	223 km
Airport	4 km
Sea port - Gruž	4 km

DUBROVNIK-NERETVA COUNTY

Number of inhabitants	122 870
GDP per capita (EUR)	7 309
Unemployment rate	15.3%
Average gross income (EUR)	919
Average net income (EUR)	639
Average gross income in production sector (EUR)	703

The Dubrovnik-Neretva County is situated at the far south of Croatia and encompasses the surface of 9 272 37 km² (including the maritime surface), which amounts to 12.40% of the total size of the Republic of Croatia. The inland comprises 1 782.49 km², i.e. 3% of the Croatian inland territory. The pertaining sea amounts to 7 489.88 km², i.e. 80.78% of the County's territory or 23% of the Croatian sea.

The County's territory has two basic functional and physical entities: relatively narrow horizontal seashore with numerous open seas islands and nearer islands (the most important being Korčula, Mljet, Lastovo and the Elafiti Islands) as well as the area of Donja Neretva (the Lower Neretva) with the gravitating littoral part.

The territory is intercepted by the Bosnia and Herzegovina's state border. The Lower Neretva Valley provides the sole natural link with the hinterland and represents the joint towards northern parts and the Pannonia's Croatia.

The Dubrovnik-Neretva County comprises 5 cities and 17 municipalities. The biggest and the most famous County's centre is the City of Dubrovnik. The County includes smaller islands covered in thick Mediterranean vegetation and forests, smaller settlements and agricultural lands (olive groves and vineyards). The Neretva Valley is a paramount agricultural centre of the County. The territory gets mountainous as the coast turns to hinterland. The Dubrovnik-Neretva County has the Mediterranean climate.

The main characteristic of the County's economy is the predominance of the tertiary services. The primary and secondary sectors are represented in the substantially lesser degree. The entire economy is oriented towards tourism and hospitality industry and maritime shipping.

Company: THE MAKARSKA HOTELS, joint-stock company
 Abbreviated title: Hoteli Makarska d.d.
 Headquarters: Makarska, Šetalište Dr. Franje Tuđmana 1
 Personal Identification Number - OIB: 27644797914

• COMPANY'S PROFILE

The Company comprises total of three hotels situated directly on the beach in the City of Makarska. The Meteor Hotel **** is the paramount hotel of the Makarska Riviera. It has 277 rooms, wellness centre, outdoor and indoor swimming pools, congress halls, restaurants and bars.

The Dalmacija Hotel *** has 190 rooms, an outdoor swimming pool and a small-vessel quay. The Rivijera ** is a hotel resort and tennis centre with the capacity of 258 rooms. It is best suited for children's excursions, sport teams and other guests.

The Tennis Centre: 8 outdoor and 2 indoor tennis courts represent the largest tennis centre in Makarska and are at the disposal of the hotel guests as well as the general public.

Core business of the Company is: 5 510 Hotels and similar accommodation

• GENERAL INFORMATION

Equity capital	223 894 000 HRK	29 852 533 €
Number of issued stocks	1 119 470	
Nominal value of stock	200.00 HRK	26.67 €
Number of stocks in the state portfolio	789 712	
Number of stocks available for sale	463 305	
Percentage available for sale	41.39%	
Number of employees (permanent)	140	

(Currency rate: EUR 1 = HRK 7.5)

- **ACCOMMODATION CAPACITY**

Facility and category	Number of accommodation units			Number of beds - total	Investments		Facilities' status, operating (yes/no)
	Rooms	Apartments	Total		Year	Amount	
Hotels							
1. METEOR****	277		277	550	2011	2 000 000.00	Yes
2. DALMACIJA***	190		190	380			Yes
Total	467		467	930		2 000 000.00	
Tourist resorts							
1. RIVIJERA**	258		258	504			Yes
Total	258		258	504			
TOTAL	725			1 434		2 000 000.00	

- **DESCRIPTION OF THE MOST IMPORTANT FACILITIES**

The Meteor Hotel ****

The Meteor Hotel **** is the paramount hotel of the Makarska Riviera. It has 277 rooms, wellness centre, outdoor and indoor swimming pools, congress halls, winter garden, pub, restaurants and bars. Numerous sport facilities and hotel-organized activities significantly enrich guests' holiday experience. A special emphasis is given to the organization of congresses and various other events.



Dalmacija ***

The Dalmacija Hotel *** offers the most gratifying holidays. It provides the genuine experience of a true Dalmatian lifestyle and well-being. The hotel has 190 comfortable rooms, an outdoor swimming pool and rich animation programmes.



The Rivijera ** Hotel Resort and Tennis Centre disposes of 258 rooms situated in the mist of 258-olive tree grove. It is an excellent choice for children's excursions, sport teams and nature lovers. There are 8 outdoor and 2 indoor tennis courts which represent the largest tennis centre in Makarska and are at the disposal of all our guests regardless of their professional or amateur tennis disposition. Tennis beginners are invited to discover the beauty of the game with the professional assistance of our cordial staff and at the same time to enjoy themselves playing tennis on the sea-view courts.



- PHYSICAL INDICATORS**

Facilities	Arrivals						Overnight stays					
	National			Foreign			National			Foreign		
	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
Hotels												
1 METEOR	1 488	1 393	1 612	9 984	10 892	12 073	5 373	5 077	5 269	77 807	80 996	88 852
2 DALMACIJA	591	616	972	6 154	7 008	7373	2 324	2 364	3 503	47 883	52 206	52 898
Total	2 079	2 009	2 584	16 138	17 900	19 446	7 697	7 441	8 772	125 690	133 202	141 750
Tourist Resorts												
1 RIVIJERA	939	1 183	851	7 408	7 410	7 911	4 572	5 744	4 484	55 005	54 351	58 571
Total	939	1 183	851	7 408	7 410	7 911	4 572	5 744	4 484	55 005	54 351	58 571
TOTAL	3 018	3 192	3 435	23 546	25 310	27 357	12 269	13 185	13 256	180 695	187 553	200 321

- BASIC FINANCIAL INFORMATION**

	2009		2010		2011	
	HRK	€	HRK	€	HRK	€
Assets	264 455 243	35 260 699	256 416 683	34 188 891	251 311 985	33 508 265
Long-term assets	254 955 047	33 994 006	248 063 200	33 075 093	242 913 806	32 388 507
Short-term assets	9 500 196	1 266 693	8 353 483	1 113 798	8 398 179	1 119 757
Total liabilities	63 454 878	8 460 651	55 225 148	7 363 353	47 590 023	6 345 336
Long-term liabilities	51 052 026	6 806 937	43 079 141	5 743 885	39 183 797	5 224 506
Short-term liabilities	12 402 852	1 653 714	12 146 007	1 619 468	8 406 226	1 120 830
Total income	56 689 784	7 558 638	57 222 644	7 629 686	61 315 192	8 175 359
Total expenditure	58 189 300	7 758 573	57 031 473	7 604 196	58 784 766	7 837 969
Profit / Loss	- 1 499 516	- 199 935	191 141	25 485	2 530 426	337 390

(Currency rate: EUR 1 = HRK 7.5)

Source: Board of Directors

Annual financial reports of the Company are published yearly and can be downloaded from the website of the Croatian Financial Agency – FINA: www.fina.hr.

ACCESSABILITY

Highway	28 km
Railway	61 km
Airport	78 km
The Split Sea Port	61 km

SPLIT – DALMATIA COUNTY

Number of inhabitants	463 676
GDP per capita (EUR)	5 977
Unemployment rate	19.1%
Average gross income (EUR)	908
Average net income (EUR)	635
Average gross income in production sector (EUR)	543

The Split-Dalmatia County is spatially the largest county in the Republic of Croatia occupying the total area of 14 045 km² (out of which the mainland comprises 4 572 km²). The County is located at the centre of the southern Croatia encompassing the territory of the historical region of Dalmatia. It extends from the City of Vrlika on the north; to the island of Vis on the south and downward to the Croatian most distant Island of Palagruža; to the Municipality of Marina on the west and to the City of Vrgorac and the Municipality of Gradac on the east.

The Split-Dalmatia County is the second largest county in Croatia. The County's capital is the City of Split, the second largest city in Croatia numbering 175 140 inhabitants. The County's Development Strategy stimulates the favourable investment opportunities for production diversification and adoption of eco-friendly products and technologies. In order to attract foreign investments more than 30 business zones have been established. The most prominent industries are the chemical technologies and cement production while the most important one is the ship building which has a century-long tradition. The tourism sector is highly developed and the tourist offer is multi-structured and diversified.

The Split-Dalmatia County is characterised by the Mediterranean geographical and climate features. The average summer temperature in Split is 26°C and the winter temperature is approximately 7°C. The average annual temperature is 17.3°C.

Company: IMPERIAL, joint-stock company for hotel industry, catering industry and tourism, joint-stock company
 Abbreviated title: Imperial d.d.
 Headquarters: 51 280 Rab, Jurja Barakovića 2
 Personal Identification Number - OIB: 90896496260

• COMPANY'S PROFILE

The Imperial d.d. Rab is a hotel industry, catering industry and tourism joint-stock company (hereinafter: the Company) which was established as a result of the privatization of the former state company called «Imperial» Rab founded in 1965. The privatization process was finalized in 1994 and since then the Imperial has operated as a joint-stock company.

The Imperial d.d. Rab comprises the hotels of Imperial, Carolina, Eva and Padova; tourist resorts of San Marino and Suha Punta; motor-camps of San Marino and Padova III; several restaurants and smaller catering facilities and other supplementary facilities.

The Company's core business is: 5510 Hotels and similar accommodation

• GENERAL INFORMATION

Equity capital	254 342 000 HRK	33 912 267 €
Number of issued stocks	635 855	
Nominal value of stock	400 HRK	53 €
Number of stocks in the state portfolio	332 839	
Number of stocks available for sale	318 378	
Percentage available for sale	50.07%	
Number of employees (permanent)	252	

(Currency rate: EUR 1 = HRK 7.5)

- **ACCOMMODATION FACILITIES**

Facility and category	Number of accommodation units			Number of beds - total	Investments		Facilities' status, operating (yes/no)
	Rooms	Apartments	Total		Year	Amount-HRK	
Hotels							
1. Imperial 4*	136	0	136	275	2006-2010	41 365 128	Yes
2. Carolina 4*	134	8	142	276	2001-2010	38 252 866	Yes
3. Padova 3*	175	0	175	350	2000-2009	27 889 949	Yes
4. Eva 2*	200	0	200	408	2001-2002	638 288	Yes
Total	645	8	653	1 309		108 146 231	
Tourist resorts							
1. San Marino 2*	502	0	502	960	2001-2011	37 370 977	Yes
2. Suha Punta 2*	40	48	88	228	2001-2004	7 526 394	Yes (partly non-operating)
Total	542	48	590	1188		44 897 371	
Camps							
Camps	Total number of accommodation units			Camp's accommodation capacity	Investments		Facilities' status, operating(yes/no)
					Year	Amount	
1. San Marino 3*	1 153			3 500	2001-2011	19 842 105	Yes
2. Padova III 3*	487			1 500	2000-2011	15 755 892	Yes
Total	1 640			5 000		35 597 997	
TOTAL	2 883			7 497		188 641 599	

Other facilities / properties	Description
1. Laundry	Central laundry
2. The Grand Restaurant	Located in the City centre; currently given in lease.
3. The Biser Bar	Located in the City centre; currently given in lease.

The major part of the Suha Punta Tourist Resort (240 beds) is out of function due to its poor condition.

- **DESCRIPTION OF THE MOST IMPORTANT FACILITIES**

The Grand Hotel Imperial 4* is one of the island's hotels with the longest history. It provides its guests with the pleasant accommodation in the vicinity of the City of Rab. The hotel was remodelled and beautifully decorated. It has the capacity of 136 air-conditioned rooms, air-conditioned eating facility, aperitif bar, piano bar, 80-seat congress hall, news stand, souvenir shop, hairdresser, wellness, beautiful terrace and three tennis courts.



The Carolina Hotel 4* was fashionably remodelled. It is located at the superb position and therefore ideal for sun bathing and relaxation. The hotel has 134 air-conditioned rooms and 8 suits, air-conditioned eating facility, aperitif bar, TV lounge, news stand, outdoor pool, recently renovated sun bathing terrace, beach bar and restaurant and three tennis courts.



The Padova Hotel 3* provides its guests with the comfortable accommodation in the vicinity of the City of Rab. The hotel was renovated and beautifully furnished. It has the capacity of 175 rooms, air-conditioned eating facility, aperitif bar, la carte restaurant, TV lounge, indoor pool and the newly-renovated outdoor pool, massage parlour, hairdresser, news stand and souvenir shop. Deck chairs and parasols can be rented. There is the 150-seat Arba congress hall.



The Eva Hotel 2* is a perfect summer accommodation for families and lovers of outdoor sports. It has 200 rooms, air-conditioned eating facility, aperitif bar, TV lounge, supermarket, mini golf, four tennis courts and a beach catering facility.



The San Marino Tourist Resort 3* comprises five hotels situated on the 1.5-km long sandy beach known as the Paradise Beach. It is an ideal holiday location for families with children and lovers of sandy beaches. The accommodation facility has a capacity of 502 rooms. Food catering is organized at the central restaurant with the aperitif bar. There is also a terrace with live music, dance and animation programmes. As part of the tourist resort there are various shops, hairdresser, children's facilities, 100-seat meeting room, beach catering facilities and tennis courts. There is the leisure and sport centre nearby with numerous leisure and sport facilities, predominantly for children.



The Suha Punta Apartments 3* are located at the Suha Punta Tourist Resort which also comprises villas and bungalows. It is situated on the Kalifront Peninsula which is one of the most beautiful areas of the Island of Rab and rich with the Mediterranean vegetation. All apartments are located on the seashore, renovated, fashionably furnished and air-conditioned. There are various shops, tennis courts and catering facilities nearby.



The Suha Punta Villas 3* are situated on the beach front adjacent to the Carolina Hotel. It is one of the most attractive locations on the island. There are ten sea-view villas of different sizes, attractively positioned, fashionable furnished and air-conditioned.



The Suha Punta Rooms 3* are located at the Suha Punta Tourist Resort on the Kalifront Peninsula. The Kalifront Peninsula is one of the most beautiful areas of the Island of Rab rich with the Mediterranean vegetation. Its capacity is 40 newly and nicely furnished rooms.

The San Marino Motor Camp 3* is located near Lopar. Its capacity is 3 500 guests who are accommodated at the neatly-organised pitches or at the fashionable mobile homes. The camp is fully equipped and provides numerous catering services, leisure and sport facilities both within the camping site and in its vicinity. One of the most beautiful Adriatic beaches is located nearby. It is a 1.5-km long sandy beach called the Paradise Beach. The turquoise sea, safe-guarded bay and the spacious beach area guarantee the unforgettable vacation. The camp itself is located in the poplar shade assuring a pleasant stay.



In the vicinity of the City of Rab there is the **Padova III Motor Camp 3***. It accommodates approximately 1 500 guests at the neatly-organised pitches or at the fashionable mobile homes situated both on its flat site and on the pine-tree hill slope. The camp has the superb infrastructure, various shops, restaurant, beach catering facilities, gym and other leisure facilities. There is a boat service connecting the camp with the City of Rab. It takes only 5 to 6 minutes to reach it. In addition, there is a lovely 20-minute promenade leading to the City. The sandy beach is situated just in front of the camp. There is a small-vessel quay and a tiny pebbled beach along the seashore path.



Reference: The San Marino Tourist Resort and the Suha Punta Apartments (apartments, villas and bungalows) are to obtain a three-star categorisation until the beginning of this year's tourist season and as a result of the current investments.

• PHYSICAL INDICATORS

Facilities	Arrivals						Overnight stay					
	National			Foreign			National			Foreign		
	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
Hotels												
1. Imperial	940	821	700	6 510	5 710	7 448	4 601	4 041	2 977	34 681	29 419	38 100
2. Carolina	428	408	345	5 335	5 071	5 618	2 898	2 737	2 354	37 308	36 762	38 068
3. Padova	1 827	1 258	1 393	9 585	9 555	10 460	7 880	5 699	5 704	52 529	56 381	56 888
4. Eva	1 232	1 041	982	4 530	4 376	4 537	6 958	5 984	5 860	31 653	31 085	32 036
Total	4 427	3 528	3 420	25 960	24 712	28 063	22 337	18 461	16 895	156 171	153 647	165 092
Tourist resorts												
1. San Marino	3 221	2 116	1 925	15 198	14 483	16 091	15 456	11 253	10 116	107 490	98 982	6 995
2. Suha Punta	328	336	375	1 881	1 843	1 783	2 666	2 593	2 719	15 731	14 634	114 406
Total	3 549	2 452	2 300	17 079	16 326	17 874	18 122	13 846	12 835	123 221	113 616	121 401
Camps												
1. San Marino	857	655	813	30 718	29 920	31 628	9 175	7 515	8 124	254 506	249 036	259 148
2. Padova III	571	399	476	16 389	16 036	17 556	3 833	3 272	3 554	112 297	111 405	120 064
Total	1 428	1 054	1 289	47 107	45 956	49 184	13 008	10 787	11 678	366 803	360 441	379 212
Total	9 404	7 034	7 009	90 146	86 994	95 121	53 467	43 094	41 408	646 195	627 704	665 705

• BASIC FINANCIAL INFORMATION

	2009		2010		2011	
	000 HRK	000 €	000 HRK	000 €	000 HRK	000 €
Assets	488 277	65 104	481 751	64 233	482 295	64 306
Long-term assets	481 751	64 233	475 661	63 421	468 692	62 492
Short-term assets	6 372	850	6 001	800	13 505	1 801
Total liabilities	197 857	26 381	189 898	25 320	187 556	25 007
Long-term liabilities	140 382	18 718	141 209	18 828	151 386	20 185
Short-term liabilities	57 474	7 663	48 689	6 492	36 170	4 823
Total income	103 635	13 818	102 024	13 603	110 366	14 715
Total expenditure	100 910	13 455	99 056	13 207	106 894	14 253
Profit prior to VAT	2 725	363	2 969	396	3 472	463
Period profit	2 131	284	2 319	309	2 612	348

(Currency rate: 1 EUR = HRK 7.5)

Source: Board of Directors

Annual financial reports of the Company are published yearly and can be downloaded from the website of the Croatian Financial Agency – FINA: www.fina.hr.

ACCESSIBILITY

Highway	60 km
Railway	110 km
Airport	90 km
Sea port	0 km

PRIMORJE – GORSKI KOTAR COUNTY

Number of inhabitants 305 505

The County's share in total income of the Republic of Croatia 5.9%

Export of goods (in million USD) 217

Import of goods (in million USD) 637

Income structure by sectors:

Commerce 43%; Processing industry 23.4%; Transport, warehousing and infrastructure 9.1%; Civil Engineering 8.4%; Real estate business, leasing and business services 7.4%; Hotels and restaurants 4.5%

The Primorje-Gorski Kotar County borders with the Republic of Slovenia on the north, the Istra County on the west, the Karlovac County and Lika-Senj County on the east. On the southwest it borders with the Zadar County through the Kvarner Sea Gate. The County's jurisdiction comprises a part of the coastal sea with the state border located southwards. It is 22 kilometres away from the Island of Susak. The area of the Primorje–Gorski Kotar County is divided into three parts: the region of Gorski Kotar, the coastal region and the islands. It encompasses the area of 3 582 km², i.e. 6.3% of the territory of the Republic of Croatia.

Company: MODRA ŠPILJA (THE BLUE CAVE), joint-stock company for hotel industry, catering and trade

Abbreviated title: Modra Špilja d.d.

Headquarters: 21 485 Komiža, Ribarska 72

Personal Identification Number - OIB: 30953977438

• COMPANY'S PROFILE

Modra Špilja had been established in Komiža on the Island of Vis in 1962 as the Modra Špilja Catering Company. Subsequently, it had been reconstituted into the Modra Špilja Catering Organization. In 1990 the harmonization with the Companies Act was completed and the title modified into the Modra Špilja Hotel and Tourism Company s. p. o. Komiža. Eventually, in 1995 it was converted into a joint-stock company.

Modra Špilja, joint-stock company for hotel industry, catering and trade from Komiža, Island of Vis, owns the Biševo Hotel, the Komiža Tourist Agency, the Komiža Seafood Restaurant, the Porat Beach Bar and Restaurant located on the Island of Biševo and the Plaža Pizzeria.

The Island of Vis is one of the islands appertaining to the group of the middle Dalmatian islands. It is situated 45 kilometres from the mainland. The 18-kilometer wide Vis Channel separates it from the Island of Hvar, its nearest neighbouring island. It comprises the area of 90.3 km² while its shore length is approximately 77 kilometres. There are two cities on the island: the City of Vis on its east side and the City of Komiža on its southwest side. They are connected by two roads: the new motorway (10 km) and the older panoramic road (20 km) passing through the fields and inland villages.

The island of Vis has a Mediterranean climate characterized by hot and dry summers and mild and humid winters. The average summer temperature is 24 °C while the average winter temperature is 9°C.



- **GENERAL INFORMATION:**

Equity capital	18 496 500 HRK	2 466 200 €
Number of issued stocks	61 655	
Nominal value of stock	300.00 HRK	40.00 €
Number of stocks in the state portfolio	27 477	
Number of stocks available for sale	26 595	
Percentage available for sale	43.14%	
Number of employees (permanent)	37	

(Currency rate: EUR 1 = HKR 7.5)

- **ACCOMMODATION FACILITIES**

Facility and category	Number of accommodation units			Number of beds - total	Investments		Facility's status, Operating (yes/no)
	Rooms	Apartments	Total		Year	Amount	
Hotels							
Biševo**	126	5	131	260	2003 - 2011	6 036 419	Yes
	20		20	44			No
Total	146	5	151	304	2003 - 2011	6 036 419	

Other facilities / properties	Description
1. Tourist Agency	It is located on the seafront in the centre of the City.
2. The Komiža Seafood Restaurant	It is located on the seafront in the centre of the City. Its capacity is 70 indoor seating places and 150 outdoor seating places on two terraces.
3. The Porat Beach Bar and Restaurant	It is located on the Island of Biševo. Its capacity is 90 indoor seating places and 40 outdoor seating places.
4. The Plaža Pizzeria	It is located next to the main beach. Its capacity is 70 indoor seating places and 180 outdoor seating places.

- **DESCRIPTION OF THE MOST IMPORTANT FACILITIES**

The Biševo Hotel 2* is situated in the pine-tree wood near the se. It takes a 5-minute walk to reach the City of Komiža. Pursuant to the Decision of the Ministry of Sea, Tourism, Transport and Development dated July 21th, 2006, it is categorised as a two-star hotel. It has a total of 124 double rooms, 2 single rooms and 5 hotel suits. All rooms are centrally heated and equipped with phones, satellite TV, internet connection and fridges. Other 84 rooms are air-conditioned as well as all the apartments along with the restaurant and aperitif bar. The restaurant's capacity is 280 indoor seating places and 250 outdoor seating places. The aperitif bar has 79 indoor seating and 20 outdoor seating places on the hotel's terrace. The entire hotel is under video surveillance.

The Biševo Hotel includes three interconnected sections:

- THE BIŠEVO HOTEL "C" – the old section of the hotel; 20 rooms are out of function
- The BIŠEVO HOTEL "B" - the old section of the hotel
- THE BIŠEVO HOTEL "B" – the newer section of the hotel

The "C" Section was built in 1964 having 44 beds.

The "B" Section was built in 1968 having 65 beds. It was completely renovated in 1998 and since then it has been upgraded yearly. The central "B" section, i.e. the newer section was built in 1980 with the accommodation capacity of 98 rooms and 3 apartments. It was renovated in 1990, 2001, 2005, 2006, 2007 and 2008.



The Biševo Hotel

The Komiža Tourist Agency is located on the seafront in the City centre. The Company provides tourism accommodation services with private accommodation owners using the agency as its intermediary. Apart from the accommodation provision the agency operates as an exchange office and a souvenir shop and organizes excursions and transfers.



The Komiža Tourist agency



The Komiža Seafood Restaurant

The Komiža Seafood Restaurant is located on the seafront and comprises the indoor restaurant, the seafront outdoor terrace on the ground floor and the first floor terrace. It is traditionally decorated and exhibits various fishing tools and old-fashioned cabinets.

The Porat Beach Bar and Restaurant is situated on the Island of Biševo in the Porat Bay. It provides all types of catering services but it is predominantly used for fish picnics offered to excursionists who visit *Modra špilja* (The Blue Cave) as part of the organized excursions to the Porat Bay.

The Plaža Pizzeria is situated near the main city beach on the ground floor of the Hotel "C" – older section. Its capacity is approximately 150 seating places.



The Hotel beach



A parking view

Moreover, the Company owns 4 vessels for passenger transport, i.e. 2 vessels for the transport of 12 passengers and 2 vessels for the transport of 8 passengers. The vessels are used to transport excursionists from the Mezzoporat Bay on the Island of Biševo to the Blue Cave.

In addition to accommodation, the hotel provides the following services: air-conditioned restaurant, aperitif bar, a 100-person hall for meetings and seminars (air-conditioned with the audio equipment), a smaller meeting room, Internet corner, souvenir shop, beach in front of the hotel, spa and wellness treatments. It has tennis courts, the court of sport boules and the beach mini golf court.

There is a parking lot for 100 cars and 2 buses which is ramp-gated and located behind the hotel. The entire area is under video surveillance.

- **PHYSISACAL INDICATORS**

Facilities	Arrivals						Overnight stays					
	National			Foreign			National			Foreign		
	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
Hotels												
Biševo**	3 089	2 457	2 868	2 044	2 297	2 698	12 700	10 585	12 687	13 611	15 249	15 371
Total	3 089	2 457	2 868	2 044	2 297	2 698	12 700	10 585	12 687	13 611	15 249	15 371

- **BASIC FINANCIAL INFORMATION**

	2009		2010		2011	
	000 HRK	000 €	000 HRK	000 €	000 HRK	000 €
Assets	68 495	9 133	68 054	9 074	67 254	8 967
Long-term assets	66 444	8 833	65 488	8 732	64 671	8 623
Short-term assets	2 252	300	2 566	342	2 475	330
Total liabilities	57 665	7 689	65 491	8 732	72 179	9 623
Long-term liabilities	6 183	824	3 691	492	768	102
Short-term liabilities	51 482	6 864	61 799	8 240	71 411	9 521
Total income	8 495	1 133	8 103	1 080	9 202	1 227
Total expenditure	15 841	2 112	16 101	2 147	15 903	2 120
Profit / Loss	-7 346	-979	-7 998	-1 066	-6 701	-893

(Currency rate: EUR 1 = HRK 7.5)

Source: Board of Directors

Annual financial reports of the Company are published yearly and can be downloaded from the website of the Croatian Financial Agency – FINA: www.fina.hr.

ACCESSABILITY

Highway 80 km
Railway 60 km
Airport 75 km
Sea Port: Komiža 1 km, Vis 10 km (ferries), Split 60 km

SPLIT-DALMATIA COUNTY

Number of inhabitants	463 676
GDP per capita (EUR)	5 977
Unemployment rate	19.1%
Average gross income (EUR)	908
Average net income (EUR)	635
Average gross income in production sector (EUR)	543

The Split-Dalmatia County is spatially the largest county in the Republic of Croatia occupying the total area of 14 045 km² (out of which the mainland comprises 4 572 km²). The County is located at the centre of the southern Croatia encompassing the territory of the historical region of Dalmatia. It extends from the City of Vrlika on the north; to the island of Vis on the south and downward to the Croatian most distant Island of Palagruža; to the Municipality of Marina on the west and to the City of Vrgorac and the Municipality of Gradac on the east.

The Split-Dalmatia County is the second largest county in Croatia. The County's capital is the City of Split, the second largest city in Croatia numbering 175 140 inhabitants. The County's Development Strategy stimulates the favourable investment opportunities for production diversification and adoption of eco-friendly products and technologies. In order to attract foreign investments more than 30 business zones have been established. The most prominent industries are the chemical technologies and cement production while the most important one is the ship building which has a century-long history and tradition. The tourism sector is highly developed and the tourist offer is multi-structured and diversified.

The Split-Dalmatia County is characterised by the Mediterranean geographical and climate features. The average summer temperature in Split is 26°C and the winter temperature is approximately 7°C. The average annual temperature is 17.3°C.

- 2. State-owned Limited Liability Companies**
 - 2.1. Club Adriatic Ltd. – former military property**
 - 2.2. Brijuni Rivijera Ltd. – the Brijuni Rivijera Project**
 - 2.3. Park Prevlaka Ltd. – the Prevlaka Park Project**

Company: CLUB ADRIATIC, limited liability company, tourist agency, tourism, trade and service provision

Abbreviated title: CLUB ADRIATIC d.o.o.

Headquarters: Zagreb, Ivana Lučića 6

Personal Identification Number - OIB: 44661735229

• COMPANY'S PROFILE

Club Adriatic Ltd. Zagreb (hereinsfter: the Company) was established on April 10th, 2001 and registered at the Zagreb Commercial Court.

The founder and the exclusive member of the Company is the Republic of Croatia. The Company was established with the core purpose to manage properties previously in the jurisdiction of the Defence Ministry of the Republic of Croatia and currently pending privatisation and settlement of the ownership issues of relevant lands and facilities.

The Company's portfolio (as entered in the equity capital) includes the Baško Polje Tourist Resort, while the other facilities are only managed by the Company.

Some properties are commercially utilised:

- the Baško Polje Tourist Resort,
- the Hrvatska Hotel in Baška Voda,
- the Perna Tourist Resort in Orebić,
- the Uvala Slana Camp in Selca,
- the Kupari Camp in Župa Dubrovačka.

All facilities managed by the Company are categorised with two stars and are situated on the attractive locations near the sea. The Company manages the properties in the way that through minimal investments it enables their normal every-day operations at the two-star category level, ensures the payment of employees' incomes and preserves the properties' value until the privatisation.

Other properties managed by the Company are not commercially utilised due to their poor technical condition:

- the Eden Hotel in Crikvenica,
- the Kravica Hotel in Kravica,
- the Lukovo Šugarje weekend residence,
- the Kupari Hotel Resort;

- **GENERAL INFORMATION**

Equity capital	108 008 500 HRK	14 401 133 €
Number of issued shares	2 shares	
Number of shares in the State portfolio	2 shares - 1. Share in the amount of 0.02% of the equity capital with the nominal value of HRK 20 000.00; payment effected in cash - 2. Share in the amount of 99.98% of the equity capital with the nominal value of HRK 107 988 500.00 entered as assets into equity capital pursuant to the Contract on the Introduction of the Right of Property Ownership and comprising the assets registered at the Makarska Municipality Court, land register file No. 2485, land register body I, registered at the Bast Cadastre Municipality – Baška Voda	
Number of employees (permanent)	118 (as at February 29 th , 2012)	

(Currency rate: EUR 1 = HRK 7.5)

- **STATUS AND CAPACITY OF FACILITIES**

The Baško Polje Tourist Resort

The entire tourist resort, comprising the hotel and the camp, is situated on the area of 28 ha in the proximity of the beach and the promenade and represents a fully independent tourist complex.

It includes the **Alem Hotel** (a two-star hotel) with 306 accommodation units, i.e. 612 beds.

Apart from the central accommodation facility, the Alem Hotel comprises the central facility for social interaction and the indoor swimming pool. There are also the following annexes to the hotel: Soča, Marijan, Hvar, Vala, Papuk, Vis, Burin, Maslinik, Biokovo; and the following villas: Mimoza, Agava and Lavanda. Moreover, there is an administration building, electrical substation, the former bowling court, garages and workshops, laundry, technical goods' storage, waste disposal facility, central beach facility with a beach restaurant, central beach toilet and two other beach toilets on the eastern and western sides respectively.

All facilities were constructed in phases from 1966 to 1974, the largest being the central facility for social interaction with the restaurant, bar, shop, kitchen and the like. Its total net area is 4 619 m². The Alem Hotel occupies the area of 3 632 m², while the property of the indoor swimming pool amounts to 1 347 m² of net surface area.

The Baško Polje Camp also operates as a part of the Baško Polje Tourist Resort and is a two-star camp. There are 755 camping pitches accommodating approximately 2 000 persons. There are 17 bungalows, reception, sanitary facilities, supermarket, grill restaurant, bakery, camp service, large parking lot for cars and buses.

However, it has never been reconstructed. So far all investments have covered only the current maintenance costs thus enabling every-day operations at the camp site. These maintenance works included the remodelling of the sanitary facilities and camping pitches for campers, the installation of the automatic ramp for payment, video surveillance at the entrance and exit.

At the beginning of the 2012 tourist season the following facilities shall be remodelled: 17 three-star bungalows; a dozen new camping pitches (with electric hook-up connections, water supply, sewage system); a beach establishment for provision of the new services; a part of the beach with deck chairs and beach umbrellas; and the hotel and camp reception.

Legal and property issues are completely settled – the Tourist Resort is owned by the Company (as entered in its equity capital).



The Baško Polje Tourist Resort

The Hrvatska Hotel – Baška Voda

The Hrvatska Hotel is a two-star hotel with the capacity of 136 accommodation units, i.e. 128 rooms and 8 apartments amounting to the total of 278 beds.

Technical description: The hotel was built in 1981. Since then it has not undergone any reconstruction except for common repairs necessary for regular business operations.

The total surface area of the hotel amounts to 8 055 m². The neighbouring land parcels are used to complement hotel service provision, such as the parking lot, access roads to the hotel and similar.

The relevant land parcel contains a hotel built in 1981 and the beach facility built in 1984. The hotel has 7 storeys above the ground and 2 underground. The total net area of the hotel is 11 195 m², while the net area of the beach facility is 1 268 m².

All rooms have SAT TV, fridges, phones. There is an air-conditioned restaurant with buffet tables and stools and a 200-person congress hall.



The Hrvatska Hotel

Legal and property issues have not been fully settled.

Total surface area of the hotel amounts to 8 055 m². However, the hotel business takes place on the area of 12 277 m² (including the parking lot, access roads, green areas and similar). The hotel extends on the surface of 8 (eight) land registry parcels, out of which 5 (five) are still registered at the Land Registry as a property of the Social Secretary for People's Defence, while 3 (three) parcels are registered as the property of the Republic of Croatia. The ownership issues have not yet been completely settled for the remaining parcels utilised for the hotel business (such as the parking lot and other) and they comprise approximately 36% of the total area.

The mapping of the hotel's current situation in the Cadastre is being finalised and the other activities relating to the settlement of ownership issues are in progress.

The Perna Tourist Resort - Orebić

The Perna Tourist Resort in the City of Orebić comprises **the Komodor Hotel and the Perna Bungalows and Camp** (two-star category). The tourist resort occupies the total area of approximately 11 ha and represents a unique tourist resort located on the seashore.

The Komodor Hotel has a capacity of 333 rooms, i.e. 766 beds. It was built in 1974. Apart from the regular maintenance, it underwent only one significant reconstruction which implied the renovation and refurbishment of 210 rooms and remodelling of bathrooms and sanitary facilities. The kitchen was reconstructed as well as the hotel's terrace. Moreover, roofs were repaired and the new water heating rooms was erected.

The hotel resort also comprises the bungalows erected in 1970s. A dozen of them were fully reconstructed; while the kitchens and furniture were changed in the approximately 15 others. The remaining bungalows need full renovation.

The 2012 plan is to remodel the last of 80 rooms. The joinery works shall be performed in order to close the restaurant's terrace; the air-conditioning shall also be installed. The works shall additionally comprise the landscape architectural design of the outdoor public areas and the renovation of the hotel and camp reception.



The Perna Tourist Resort

The Perna Camp consists of 359 camping pitches with the total capacity for 1 000 persons. There is a reception, restaurant, basketball court, parking lot and three sanitary facilities. The camp is located near the beach and borders with maritime demesne.

In 2011 a sanitary facility was remodelled; the roads inside the camp were enlarged; the safety ramp with the video surveillance was installed. The 2012 plan includes the renovation of the main sanitary facility and the beach. In addition, approximately 10 mobile homes shall be posted and approximately 20 camping pitches for temporary campers shall be rearranged.

Legal and property issues have not been fully settled.

The total area of the Perna Tourist Resort amounts to 118 702 m². The majority is owned by the Republic of Croatia (106 322 m²). 4 150 m² is registered as public property while the remaining parcels are the ownership of natural persons. The activities relating to the settlement of the legal and property issues are in progress.

The Uvala Slana Camp – Selce

The Uvala Slana Camp in Selce comprises 200 land parcels and has the total accommodation capacity for 600 persons. Due to the ground configuration the camp offers camping sites for permanent guests, i.e. guests paying the one-off amount of the price. The camp area is approximately 4 ha. There is a reception, restaurant, beach volleyball, tennis court, court of sport boules, table tennis. Additionally, there is an old military building, underground tavern, supermarket and four sanitary facilities.

The camp is located near the seaside and borders with maritime demesne. It accommodates the guests of the special demographic structure, such as the Homeland War veterans, widows, disabled persons, etc.



The Uvala Slana Camp

In 2011 the Company invested in the reconstruction of one sanitary facility, beach showers and the pets' shower.

In course of 2012 the Company plans to remove the permanent guests residing at the campsite and paying the one-off amount of the price in order to establish a mini 14-mobile home settlement. In addition, the 2012 plan includes the replacement of the promenade's fence and the renovation of the camp's largest sanitary facility as well as the beach. Moreover, the old military barracks shall be remodelled into a 12-luxury suite hotel and wellness centre. Thus, the investment phase shall commence with the scope of upgrading the camp into a four-star category.

Legal and property issues have not been fully settled.

The total area of the camp site amounts to approximately 41 000 m². The land parcels comprising the area of approximately 11 000 m² are fully or partially located within the camp's borders. They are registered as the property of natural persons. The remaining area is registered as the property of the Republic of Croatia, i.e. the Croatian Privatisation Fund.

The activities relating to the harmonisation of the Land Registry and the Cadastre Registry are in progress.

The Kupari Camp

The Kupari Camp is situated in Župa Dubrovačka, on the north from the Jadran Motorway. It is located on the very attractive site 8 kilometres east of the City of Dubrovnik and 12 kilometres west of the Čilipi International Airport. The camp's area is approximately 5 ha. There is a reception building, restaurants, 6 blocks of sanitary facilities and administration offices. On the north from the Jadran Motorway and outside the camp there is the service block and parking lot.

The camp is fully operating and it is leased until the end of 2012.

The legal and property issues have not been fully settled. A part of the camp is registered as the property of natural persons. However, the new cadastral survey is currently in progress in order to enable the harmonisation of the Land Registry and the Cadastre Registry.

NON-UTILISED FACILITIES

The Eden Hotel - Crikvenica

The area is 773 m²; the area of the property is 1 025 m²; the building was constructed in 1932. The Republic of Croatia is registered as the property owner although the Land Registry notification states a legal dispute due to the request for property return filed by the former owners. Therefore, the property cannot be disposed of until the dispute is settled.



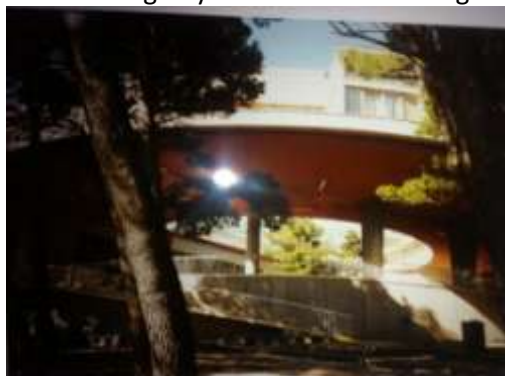
The Eden Hotel

The Krvavica Hotel represents one of the devastated facilities.

The surface area comprises 48 928 m², while the net built-up area where the facilities and relevant commercial offices are situated amounts to 4 249 m². Nine facilities were constructed there. The hotel was built in 1965 and the accompanying facilities in 1978. The construction was completed in 1985 when the bungalows were built. The net surface area of the Krvavica Hotel is 2 948 m².

The tenants occupy a 529-m² apartment building which is also one of the facilities appertaining to the tourist complex.

In regard to the legal and property issues the problem arises due to the fact that the cadastral plots are divided between two Municipalities: the Markarska Municipality and the Baška Voda Municipality. The Republic of Croatia is registered as the owner of the plots with the exception of a plot which is registered as owned by a natural person. The harmonisation of the actual situation with the Land Registry and the Cadastre Registry is in progress.



The Krvavica Hotel

The Kupari Hotel Resort

The Kupari Hotel Resort is situated in Župa Dubrovačka on the south from the Jadran Motorway. It is located on the very attractive site 8 kilometres east of the City of Dubrovnik and 12 kilometres west of the Čilipi International Airport and borders with maritime demesne. The resort does not operate. The surface area with the hotels amounts to 345 000 m². The resort comprises 5 hotels: Grand, Goričina 1 and Goričina 2, Pelegrin and Kupari. The Grand Hotel is the oldest one and therefore considered to be a forerunner of the tourism industry. It had been built in 1920 and reconstructed in 1979. At the time it had the capacity of 60 rooms and comprised the total hotel area of 6 101 m². The Goričina 1 Hotel was built in the period from 1965 to 1966. It disposed of 45 rooms with the total hotel area of 2 140 m². In 1980 the Goričina 2 Hotel was incorporated into the Goričina 1 Hotel. The Goričina 2 Hotel had 306 beds with the total hotel area of 12 271 m². The Pelegrin Hotel is among the oldest hotels and was built in 1966. Its capacity was 364 beds with the total hotel area of 7 346 m².

The Kupari Hotel Resort additionally consists of an administration building, central management facility, two housing blocks with coal cellars and the accompanying facilities.

A part of the formerly independent residential zone also apartains to the resort. A new cadastre report is currently being designed to provide data on accurately measured plots.

During the Homeland War the resort was completely destroyed.

THE KUPARI-SREBRENO DEVELOPMENT PROGRAMME – currently being drafted

Pursuant to the Amendments to the Physical Plan of the Župa Dubrovačka Municipality, i.e. to the Urban Plan of the Župa Dubrovačka Municipality which is currently being drafted, the Kupari Tourist Resort is divided into two zones with the total area of 35.5 ha as follows:

- ❖ the Kupari Resort – approximately 27.9 ha
- ❖ the Zone of Srebreno – approximately 7.6 ha

The international invitation to tender is expected to be announced shortly in order to select the best tenderer for contracting the rights to build and easement for the following locations:

- Kupari I – area of 16.4 ha with 1 205 beds
 - Kupari IV – area of 1.5 ha with 800 beds
 - Srebreno II – total area of approximately 7.6 ha:
 - Area of 5.8 ha – foreseen for the construction of the Congress Centre;
 - Area of 0.75 ha – foreseen for the construction of the low-capacity hotel;
 - Remaining area – foreseen for public needs.
- The Kupari I location includes the destroyed facilities of the former Kupari Goričina I Hotel and Kupari Goričina II Hotel as well as of the former Grand Hotel and the Pelegrin Hotel



Goričina I and Goričina II



The Pelegrin Hotel, the Kupari Hotel Resort

- The Kupari IV location contains no facilities; this is a not built-up area
- The Srebreno II location is situated adjacent to the Kupari Motor-Camp which is also managed by Club Adriatic Ltd. The scope of the Project comprises only one camp's facility while the rest is a not built-up area.

- **A DEPENDENT COMPANY**

Club Adriatic Ltd. concluded an entrepreneurial Contract on Business Management and Revenue Transfer with the HOC Bjelolasica Ltd. on November 18th, 2011. The headquarters of the Bjelolasica Croatian Olympic Centre are in Jasenko, Vrelo and its personal registration number is 50919159681 (denoting a dependant company).

Commercial facilities are:

- the Bjelolasica Tourist Resort - catering industry with hotel industry and retail
- the Jastreb Hotel – catering industry with hotel industry and retail
- the Sabljaci Restaurant – catering industry

Facilities and service of public and economic interest:

- the Bjelolasica Ski Slope
- the Begovo Razdolje Ski Slope
- the Bjelolasica Sport
- Maintenance of the Bjelolasica Tourist Resort - utilities

The Bjelolasica Tourist Resort

The Bjelolasica Tourist Resort is situated in the village called Vrelo on the 620 meters above the sea level. It comprises the total of 8 pavilions along with the central building (destroyed in fire in January, 2011) and other facilities. Five out of eight pavilions are owned by HOC Bjelolasica Ltd. as follows:

- KULA (100% ownership)
- KLEK (100% ownership)
- LASICA (100% ownership)
- DOBRA (majority ownership)
- VRELO (majority ownership)





In the remaining three pavilions 98 apartments are owned by natural or legal persons.

The Bjelolasica Tourist Resort has a total accommodation capacity of 163 rooms with 469 main and 56 extra beds.

The rooms at the Klek Pavilion and the Kula Pavilion are additionally equipped. At these pavilions there are some small-size halls which are used for seminars and presentations. Each hall is suitable for 30 persons.

The Lasica Pavilion has the didactic and sport play area.

The Vrelo Pavilion is adjusted and furnished to accommodate guests with special needs. Therefore, ten rooms are remodelled to suit their requirements.

As part of the Ski Centre there is the Međustanica Restaurant situated on 1 070 meters above the sea level. Its capacity is 50 seating places and 90 standing places. There is a terrace with 50 places.

The Jastreb Hotel

The Jastreb Hotel is located in the village called Begovo Razdolje. It is the highest inhabited settlement in Croatia situated on 1 078 meters above the sea level. It is east of Mrpolje. The Jastreb Hotel has 40 rooms, aperitif bar, restaurant with 100 places, TV lounge, a small-size meeting room and a summer terrace with 20 places.





The Sabljaci Restaurant

The Sabljaci Restaurant is located on the Sabljaci Lake, several kilometres east of Ogulin. It offers a pleasant home-like ambience and the view on the lake. Its capacity is 200 seating places along with a 100-place terrace and private spacious parking lot.

In addition to the above-mentioned facilities, HOC Bjelolasica Ltd. also owns the following properties in the City of Ogulin:

- the Tri Palme Restaurant (leased),
- the facility named Pod Branom (not operating) and
- office building in the centre of the City.



Sport facilities

HOC Bjelolasica Ltd. has numerous ski slopes, trekking and cycling routes and other outdoor and indoor sport facilities:

- seven ski slopes of the total length of 5 705 m;
- seven trekking routes (it takes almost 16 hours to pass them all);
- four cycling routes of the total length of 44.5km;
- two tennis courts which require reconstruction (base, fence, gear);
- football grass-field and athletic track with six lanes (on the synthetic base) of total length of 400 m, field for discus, hammer and shot put that meets all requirements;
- beach volleyball court which needs renovation and upgrading to meet the volleyball standards (fence, dimensions and base), and 18-teeing ground mini golf course;
- court of sport boules requiring base reconstruction and new gear;
- still-water kayak and canoe, and sport rowing on the Sabljaci Lake (necessary gear must be procured).

The Bjelolasica Ski Slopes:

<i>Slope's number</i>	<i>Slope's type and name</i>	<i>Slope's lenght (in meters)</i>	<i>Difficulty</i>
<i>SKI SLOPES</i>			
<i>1</i>	<i>Vrelo</i>	<i>1 354 m</i>	<i>difficult</i>
<i>2</i>	<i>Gomirkovica</i>	<i>1 200 m</i>	<i>medium</i>
<i>3</i>	<i>Bjelolascia</i>	<i>1 800 m</i>	<i>medium</i>
<i>4</i>	<i>Livade</i>	<i>2 x 300 m</i>	<i>easy</i>
<i>5</i>	<i>Hajdučica</i>	<i>365 + 165 m</i>	<i>medium</i>
<i>6</i>	<i>Vilinske Drage</i>	<i>350 m</i>	<i>medium</i>

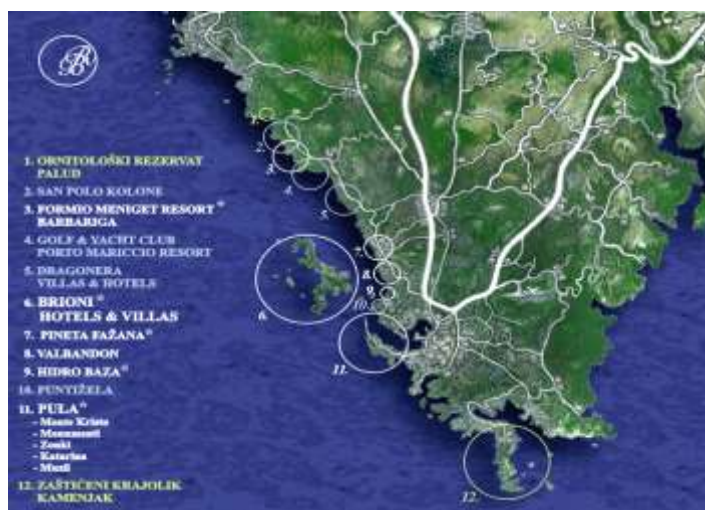


The aim of this project is a construction of a high-quality tourist resort based on the sustainable development principles. The Brijuni Rivijera Project is a complex business endeavour which encompasses several coastal locations on the Istrian Peninsula. Additionally, it also comprises the Island of Veliki Brijun which appertains to the Brijuni National Park.

The coastal sites of the Brijuni Rivijera Project are located in the south-eastern Istria, on the independent locations extending from the northern Bale Municipality to the southern City of Pula. They are situated on the total surface area of approximately 743.11 hectares

Location of the Brijuni Rivijera Project:

#	Location	City / Municipality	Area in hectares
1.	San Polo Kolone	Bale	174.54
2.	Barbariga Formio Sant Benedikt	Bale	255.99
3.	Pineta	Fažana	53.70
4.	Hidrobaza	Pula	30.88
5.	Island of Sveta Katarina - Monumenti Nautical Centre	Pula	60
6.	Muzil	Pula	168
	Total		743.11



The Project's development has been envisioned in phases, i.e. subprojects (the dynamics is dependent on readiness of each location).

The plan includes:

- Accommodation facilities (in the 4- and 5-star categories) amounting to approximately 7 000 new beds in the accommodation facilities (hotels, villas, apartments);
- Construction of three golf courses (on the following locations: Barbariga, Muzil and the Brijuni Islands),
- Construction of two marinas (at Sveta Katarina-Mulimenti location as part of the northern side of the Pula Sea Port).

The specialized company entitled Brijuni Rivijera Ltd. Fažana has been founded in order to manage the project. It is jointly owned by the Republic of Croatia and the Istra County.

The first phase of the Project identifies the priority subprojects as follows: the Pineta site located on the territory of the Fažana Municipality and three sites on the territory of the City of Pula - Hidrobaza, the Island of Sveta Katarina -Monumenti and Muzil.

The following international invitations to tender have been opened:

- a) Invitation to tender for the selection of the best tenderer as an investor for implementation of the Brijuni Rivijera Development Programme **at the Pineta (Fažana) location**
- b) Invitation to tender for the selection of the best tenderer as an investor for implementation of the Brijuni Rivijera Development Programme **at the Hidrobaza (Pula) location**
- c) Notification on the intention for concession award on maritime demesne with the scope of construction and commercial exploitation of the special purpose ports:
 - "Nautical Tourism Port – **Sveta Katarina**" at the Pula Cadastre Municipality plot and at the Štinjan Cadastre Municipality plot
 - "Luka 2" at the Štinjan Cadastre Municipality plot at the location of the **"Island of Sveta Katarina-Monumenti"** of the Brijuni Rivijera Development Programme.

Pursuant to the Decision of the Commission for the Tendering Procedure Implementation of the Government of the Republic of Croatia, the deadline for the takeover of tender documents for the selection of the best tenderer and the submission of tenders for the best tenderer contract award for the Pineta and Hidrobaza locations has been prolonged for the additional four months (i.e. until May 16th, 2012). The model for the realization of the Project at the Pineta and Hidrobaza locations stipulates the right to build along with the right of transfer, lease and easement for the 66-year period.

The Government of the Republic of Croatia has delegated full powers to the Ministry of Sea, Transport and Infrastructure to implement the tendering procedures for the Island of Sveta Katarina-Monumenti location (nautical centre in the Pula Sea Port) pursuant to the Regulation on the Procedures for Concession Award on Maritime Demesne for the 50-year period. The rights to build and easement are provided for the period of 50 years for properties which are not the maritime demesne and which are located on the Island of Sveta Katarina. Upon completion of the public opening of tenders and evaluation procedure, the decision on the best tenderer for this location is passed.

The pre-tendering procedure for the Muzil location was conducted in 2007 to select the qualified tenders. The Pula City Physical Plan is currently being harmonized in order to reallocate the area into

a tourism designated one. Upon its adoption, arguably in the second half of 2012, the invitation to tender for this location shall be announced.

The other locations included in the Project hereby shall be scrutinised upon the completion of the above-mentioned first phase.

The aim of this project is a tourism valorisation, investment and management of the commercial section of tourist offering at the Prevlaka Peninsula.

The specialized company entitled Park Prevlaka Ltd. Gruda has been founded in order to develop and manage this project. It is jointly owned by the Republic of Croatia, the Dubrovnik-Neretva County and the Konavle Municipality.



The Prevlaka Peninsula is a narrow and elongated piece of land appertaining to the Boka Kotorska Bay. It safeguards the west-side entrance to the Bay. The ultimate cape of the Prevlaka Peninsula is the Oštra Cape. It is connected to the mainland with the narrow joint. The distance from the Oštra Cape to the mainland is two and a half kilometres. It comprises the area of 93.33 hectares. The north-west part of the Peninsula is broader while the south-eastern part is narrower terminating in the pointed cape.

Historically, the Prevlaka Peninsula was the Austro-Hungarian, Yugoslav and most recently the UN military base. Nowadays, it is an infrastructure-lacking area (without electricity, water supply and roads), the only construction being a ruined fortress on its southern side and destroyed military dormitories and ammunition warehouses built by the former Yugoslav Peoples' Army. Nevertheless, it is also a sought-after excursion destination abounding in landscape architecture areas and offering a multitude of leisure activities: the adventure park for free-climbing, cycling, paintball, adventure trekking, various team building opportunities, ATV polygon and safari.

The Physical Plan of the Konavle Municipality dated December 2007 stipulated the creation of the tourism and catering industry zone of T-1 type (i.e. hotel) and of T-2 type (i.e. tourist resort) on the 27-hectare area with the maximal capacity of 1 800 beds. Moreover, the Physical Plan prescribes the construction of marinas on two locations, each having the 200-berth capacity.

The Prevlaka Park Conceptual Design envisions the restoration of the Prevlaka Fortress incorporating various facilities, such as an exclusive restaurant, art galleries, museum, night club, casino, etc.

The Prevlaka Park Conceptual Design also anticipates the construction of a three- or four-star hotel of the pavilion-type with the capacity of 600 beds and numerous additional facilities such as a restaurant, bar, travel agency, souvenir shop, bank, post office, various shops, multi-purpose sport facilities, indoor and outdoor swimming pools, halls suited for special events and a congress hall. Moreover, the project provides a construction of an adrenalin surprise park, the Oštro Pontoon Marine with 300 berths and accompanying facilities. A five-star hotel with the capacity of 800 beds is envisaged as well. It should be located in the vicinity of the Fortress. Together they constitute an integral offer of this destination (catering - hotel industry – entertainment – congress – wellness).

The project has not been fully developed yet. The unsettled legal and ownership issues have currently been dealt with.

- 3. Other projects**
 - 3.1. The Prukljan Tourism Zone**
 - 3.2. Marlera**

The Prukljan Tourism Zone is a highly attractive site on the shores of the Prukljan Lake. In one part, it is intended for the hotel and catering facilities and in the other, for sports and leisure facilities (such as golf, aquapark and similar).

- Area: 140 ha
- 18-hole golf course
- Hotel and villas, 4 to 5*, total capacity of 1 500 beds
- Sport facilities including the aquapark
- 200-berth quay



The adoption of the Amendments to the City of Skradin Physical Plan fulfilled the prerequisites for the implementation of the Prukljan Tourism and Recreation Project. Therefore, the realisation of this unique project may commence.

The entire area, comprising the project's territorial scope and the access roads, was completely demined as of February 22nd, 2012.

The Amendments to the Šibenik-Knin County's Physical Plan are currently in process. Once adopted, it shall enable its harmonisation with the physical plans of the lower tiers (the cities' and municipalities' physical plans). Consequently, it shall be harmonised with the Amendments to the City of Skradin Physical Plan which includes the Prukljan Tourism Zone.

The adoption of the Amendments to the Šibenik-Knin County's Physical Plan is expected to be passed in September 2012.



ENERGY



- **Before large investments we need to further develop distribution and transmission network**
- **Planned investment in D&T in 2012 € - 150 million**
- **Development of D&T prerequisite for accepting energy from large projects and also from wind power plants**
- **New RES act will be in procedure in June**
- **International tenders for RES that will be part of the Offset program**

- **MAIN CHARACTERISTICS:**

- Gas cogeneration facility under

- **construction**

- installed power 230 MW of electric power and 50 MW thermal power
- total investment €225 million (70 million € clearing debt)
- planned completion at the beginning of 2013



Investment opportunities – Energy

TPP Plomin C

- At the site of Plomin, Istria County, there are the two installed units: Plomin 1 TPP and Plomin 2 TPP, owned by TE Plomin d.o.o. (Ltd).
- Plomin 1 TPP approaches the end of its technological and economic cost-efficiency useful life and it would be replaced with the new block of Plomin C-500 TPP.
- The new coal-fired block of 500 MW with minimum adverse effects on the environment will be able to achieve the net power efficiency of more than 45.58%.

- Estimated annual electricity generation is 3.5 TWh.
- Estimated investment is 800 million Euros. The value of existing infrastructure and new 400 kV transmission line is taken into account.
- HEP is interested in loan financing of the project.

TPP Plomin C – Current status

- 1st location permit (out of 7) for construction of coal warehouse obtained (2nd location permit is in process)
- Investment for construction works in 2012 estimated to 20 million €
- Location permit for main facility expected at the beginning of May
- After location permit is issued a tender for strategic partner will be announced
- Main goal is that the construction works on the main facility begin in 2012
- Estimated deadline for completion of the project – 2018

- **Basic characteristics:**

- Combined gas-fired TPP cycle of the power of 320 + 450MW,
- anticipated annual generation 5 TWh;
- anticipated investment value €450 million

- Modernization project of the existing oil-fired power station in Urinj of 320 MW and construction of a new modern gas block of the power of about 450 MW in a combined cycle. The consideration of the options for the most acceptable technological solution for replacement plan is underway.

- **Status of the project:**

- anticipated beginning of the project is the first half of 2012;
- completion of the strategic assessment of the environmental impact by the end of 2013;
- obtaining the location permit in the first half of 2014 and obtaining of the building permit is anticipated for the end of 2014;
- HEP plans to invite tenders for strategic partner selection in the proportion 50:50 (strategic partner should provide liquefied natural gas supply)
- the anticipated duration of construction is 2 years upon the issuing of the location permit and selection of strategic partner
- the planned realization of the project is early in 2017

- Hydro power project consists of a rehabilitation of hydro power plants Sklope and Senj, construction of new hydro power plants Senj 2 and Kосinj:

➤ *Power plant KOSINJ - NEW:*

- *Installed capacity: 52 MW*
- *Electricity production: 48 GWh*

➤ *Power plant SKLOPE*

- Installed capacity: 27 MW
- Electricity production: 68 GWh

➤ *Power plant SENJ*

- Installed capacity: 240 MW
- Electricity production: 576 GWh

➤ *Power plant SENJ 2 - NEW:*

- *Installed capacity: 360 MW*
- *Electricity production: 864 GWh*

- Total planned electricity production is 1,6 TWh.
- The system is flexible, enabling mainly production in peak hours.
- Estimated investment is 650 million €.
- HEP is interested in loan financing of the project.



HPP Kosinj – Curent Status

- Project documentation completed;
- Strategic assessment of environmental impact is in process
- HEP will announce the tender for strategic partner (50:50)
- Beginning of construction in 2013
- Estimated completion of construction - 2019.g.

- **Basic characteristics:**

- Co-generation of gas-fired power station and heating plant of the installed power of 110 MW of electric and 120 MW of thermal power;
 - anticipated annual generation of 700GWh of electric + 400GWh of thermal power;
 - anticipated investment value €120 million.
- The project of combined gas-fired cogeneration plant on the location EL-TO Zagreb is anticipated as a replacement block for the existing plants that are at the expiration of the lifetime.

- **Status of the project:**

- the beginning of the project's realization is anticipated for the first half of 2012;
- the beginning of the Strategic assessment of the environmental impact is anticipated for the second half of 2012;
- the anticipated obtaining of the location permit in 2013
- estimated total duration of the construction is 4 years (2 years upon the location permit issuing – a similar facility already exists on the location TE-TO Zagreb CCGT block L).

- **Basic characteristics:**

- the additional two aggregates in the existing power station of the joint power of 300 MW;
- anticipated annual electric power generation 320 GWh;
- estimated investment value €80 million (in the Republic of Croatia)

- HPP Dubrovnik 1 and HPP Dubrovnik 2 are the last ones in the series of electric power stations using the Bileća storage reservoir. Project anticipates the construction of new supply and drainage tunnels, water chamber, pressure pipelines' closure and aggregate of the power of 2x150 MW. An essential characteristic of this electric power station is the possibility of work in peak regime (the share of the generated peak energy is increased from 5% to 35%)

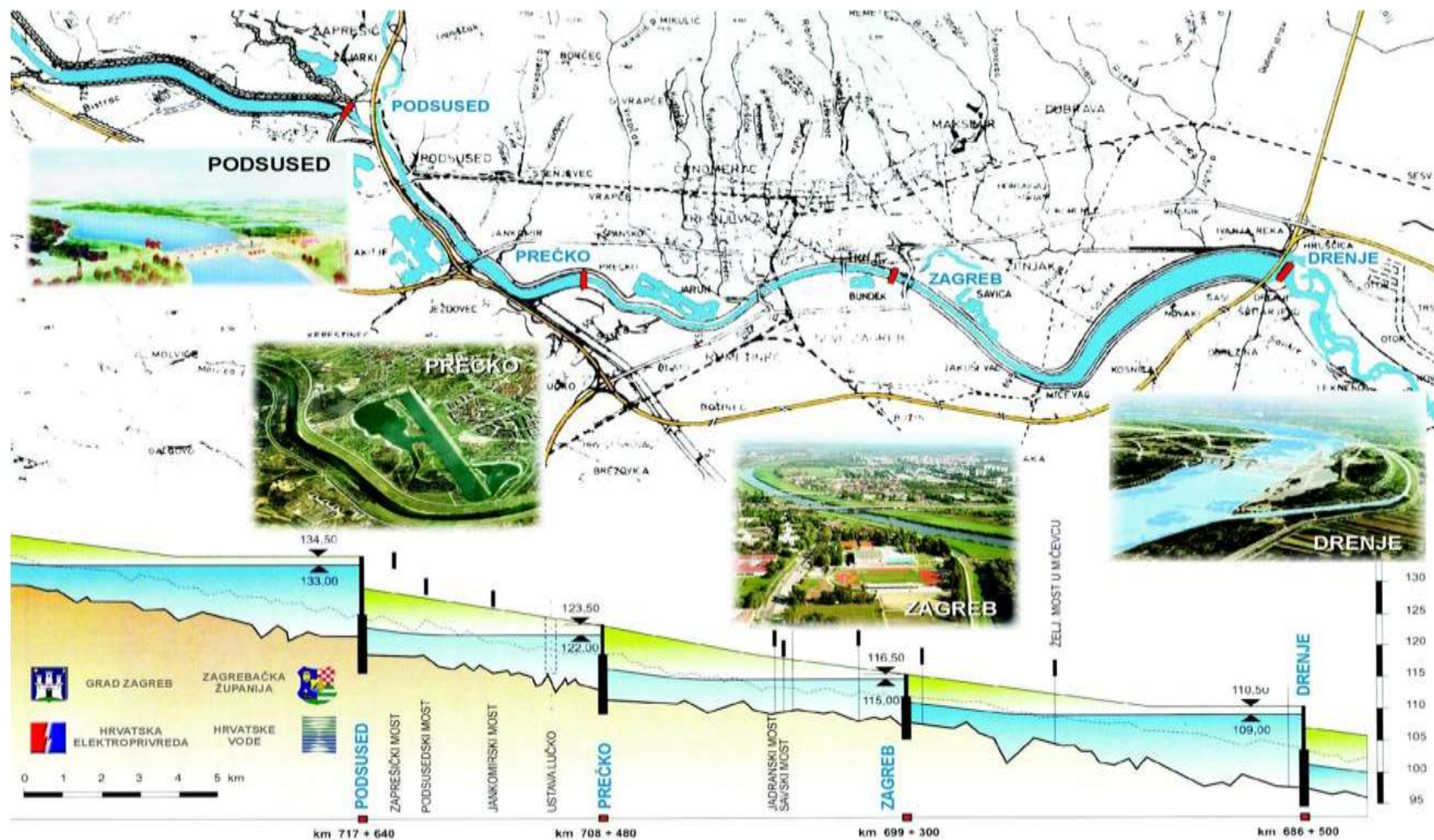
- **Status of the project:**

- Strategic assessment of the environmental impact needs to be supplemented (public discussion was implemented according to the Espoo Convention)
- duration of preparation for construction in the Republic of Croatia is estimated to 12 months;
- anticipated completion of the project in 4-5 years (depending on administrative procedures in B&H)

HPPs on river Sava



Ministry of Economy
Republic of Croatia



Multipurpose solution for the regulation and use of the Sava river in Zagreb area



Ministry of Economy
Republic of Croatia

- ◆ Main goals and benefits are:
 - ❖ flooding hazard protection for more than 3000 ha of Sava banks;
 - ❖ desired water level insurance;
 - ❖ regulation of water-bed and river-bank aquifer;
 - ❖ drinking water supply for Zagreb and region;
 - ❖ improvement and protection of well fields;
 - ❖ defining Croatian-Slovenian water convention;
 - ❖ hydro energy usage for supply of electrical energy
- ◆ Technical solution consists out of 4 main electricity production objects: Installed capacity of total 120 MW:
 - ❖ **Podsused 41 MW,**
 - ❖ **Prečko 23 MW,**
 - ❖ **Zagreb 19 MW,**
 - ❖ **Drenje 39 MW.**
- ◆ Annually provides about 610 GWh, which makes about 23% of Zagreb energy consumption.
- ◆ **Stakeholders: Zagreb County, City of Zagreb, Croatian waters, HEP;**
- ◆ **Looking for potential investors – whole project worth over 0,8 billion €**

*Multipurpose solution for the regulation and
use of the Sava river in Zagreb area – Current status*

- Update of the project necessary; new environment impact assessment needed because the area is now embraced with Natura 2000
- estimated project development time – 2 years
- Estimated construction time 5 – 9 years, depending on the construction model (phases or parallel)
- PPP possible

Multipurpose HPPs Molve 1 and Molve 2



Ministry of Economy
Republic of Croatia

- Molve 1 and Molve 2 are multipurpose hydro technical

structures in the Drava River basin situated in northern Croatia.

- **Installed capacity: 50 MW each**

– **The average annual electricity production of both HPPs in run-of-river mode is 500 GWh.**

- **Investment value: 350 million €**

- The main purposes of the project are :
 - riverbed stabilization, water flow regulation, flood control, electricity production from a RES, improvement of agricultural production, potable water supply, construction of roads, recreation and tourism, historical heritage protection and revitalization, new employment opportunities.

Project status:

- Feasibility study and the environment impact study needed (location is under Natura 2000 network)
- HEP is planning to announce the tender for strategic partnership (50:50)



- The biomass PP Velika Gorica – located 16 km to south from Zagreb
 - Estimated installed capacity - 20 MWe_{el} and 35 MW_{th}.
 - Total value of the project – 68 million €
 - The opportunities of the location - good traffic connections, vicinity of grid connection and existing heat consumers. Generated thermal energy will be used for heating the city of Velika Gorica.
 - Technology used - CFB. The infrastructure for district heating already exists but it is necessary to make interconnection to heat network. Grid connection is possible on existing substation Velika Gorica (110/10 kV).
 - Necessary forest biomass (190.000 t/year) available from radius of 50 km.

- **Dubrovnik Program**

- Construction of TS Plat 220/110/35/20(10) kV Plat, besetting of all lines and introduction of all lines into the Dubrovnik HPS. Works are underway and the anticipated termination is the 2nd quarter of 2013.
- Estimated total investment amounts to €47 million.
- Project of construction of TS110/10(20) kV Srđ
 - Construction works are in progress.
 - Estimated total amount of investment is €20 million.
 - Anticipated completion of the construction is 2013.



INFRASTRUCTURE



- Total Length: cca 360 km
- Est. Invest. Value: 4,3 Mrd. €

CONSTRUCTION SECTORS:

I - Botovo – Dugo Selo

- 80 km of second track
- 480 mil. Eur
- Construction start: 2014

II - Zagreb Hub

- 65 km of bypass
- 30 km connection tracks
- 930 mil. Eur
- Construction start: n/a

III - Horvati – Krasica

- 155 km new railway line
- 2.450 mil. Eur
- Construction start: 2015

IV – Rijeka Hub

- 60 km of railway line
- 380 mil. Eur
- Construction start: n/a

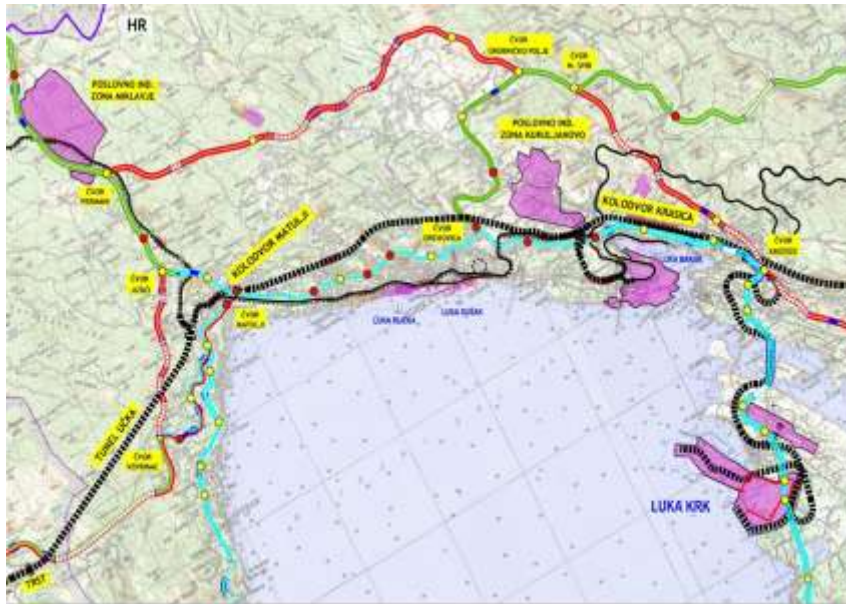


New port on Krk Island – end section of Vb corridor

- Total port area: 750 ha
- Capacity: >7 mil. TEU / per year

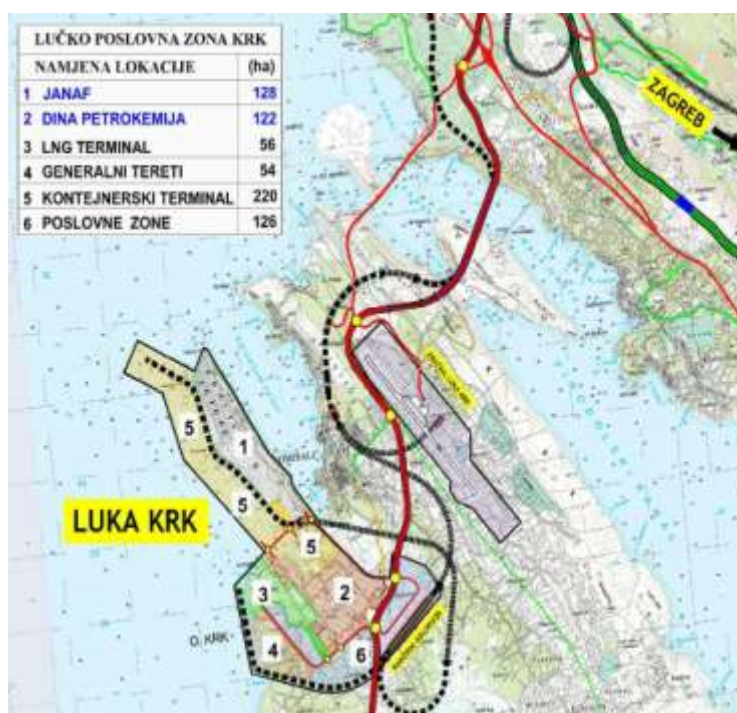
> 50 mil t./ per year

- Est. Invest. Value: n/a



 business zones and logistics parks in Rijeka area

Construct. start: n/a

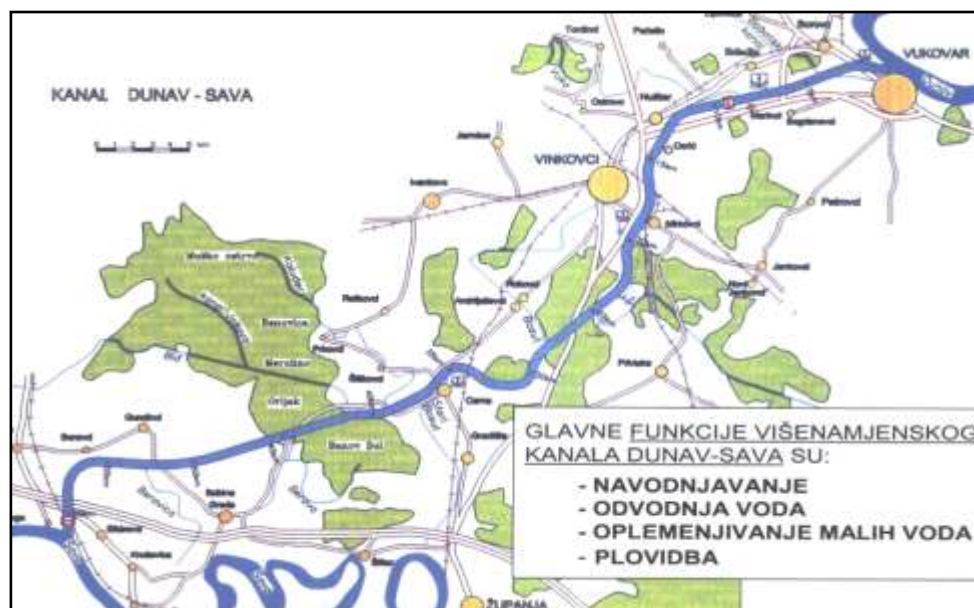


Danube – Sava canal



MINISTRY OF MARITIME AFFAIRS, TRANSPORT AND INFRASTRUCTURE

- Total length: **61,4 km**
- Est. Invest. Value: **850 M€**
- Construct. start: n/a
- multifunctional role
- shortened the waterway between Danube and Sava for more than 300 km



Highway section: Beli Manastir – Osijek



MINISTRY OF MARITIME AFFAIRS, TRANSPORT AND INFRASTRUCTURE

Total length: 26,6 km Est. Invest. Value: 45 M€ Construct. start: 2013



- intersection of the corridors Vc and X
- European traffic corridor Vc runs from Budapest via Sarajevo to Port of Ploče.

• Krk Island – Rijeka Airport



MINISTRY OF MARITIME AFFAIRS, TRANSPORT AND INFRASTRUCTURE

- Reconstruction of main Terminal building, construction of storage facilities, and reconstruction and enlargement of runway.
- Est. Invest. Value: 20 M€
- Construct. start: n/a



- **New port of Vukovar**



MINISTRY OF MARITIME AFFAIRS, TRANSPORT AND INFRASTRUCTURE

Total area: 1000 ha

Capacity: 8 mil.t/year

Est. value: 90 M€

- Construct. start: n/a



• New port of Osijek



MINISTRY OF MARITIME AFFAIRS, TRANSPORT AND INFRASTRUCTURE

Total area: 150 ha

Capacity: 5 mil.t/year

Est. value: 60 M€

- Construct. start: n/a

