

INTERIM FINANCIAL REPORT  
FOR THE THIRD QUARTER AND THE FIRST NINE MONTHS OF  
2017

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# ARENA

HOSPITALITY GROUP

30 SEPTEMBER 2017

ARENA HOSPITALITY GROUP, A MEMBER OF PPHE HOTEL GROUP



art'otel



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INTERIM PERFORMANCE REPORT FOR THE PERIOD  
JANUARY - SEPTEMBER 2017

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# ARENA

HOSPITALITY GROUP



## INTERIM PERFORMANCE REPORT FOR THE PERIOD JANUARY - SEPTEMBER 2017

“We are pleased to report our results for the first nine months of 2017. The report presents the consolidated results of the Company’s activities in Croatia, Germany and Hungary.

Reported revenue increased by 51.9% to HRK 643.0 million (first nine months of 2016: HRK 423.2) and EBITDA increased by 43.2% to HRK 240.8 million (first nine months of 2016: HRK 168.2 million). This significant growth was achieved through a record summer season in Croatia and the first time contribution of our operations in Germany and Hungary.



### CROATIA

In Croatia, the third quarter is the most significant period of business activity in tourism and approximately 70% of the Company’s revenue in Croatia is generated in this quarter. Year-on-year, our average daily rate and occupancy increased significantly across the group, resulting in a 12.3% increase in accommodation revenue. Hotel accommodation revenue increased by 9.1%, self catering holiday apartment accommodation revenue increased by 13.2% and the campsite accommodation revenue increased by 16.4%. We particularly experienced a marked performance from our own online channels especially for our campsite segment.

The growth in the number of direct flights to Pula from major European cities such as London, Munich, Rotterdam and Frankfurt has continued and underlines the growing interest in Pula as a holiday destination. The Company expects to continue to benefit from these new flight routes. During the period, the Company once again contributed to, and benefited from, a range of sports and cultural activities taking place in Pula and Medulin.

June was a record month with high demand for hotels, resorts and campsites, resulting in an increase of 34.5% in total revenue compared to June 2016.

### GERMANY AND HUNGARY

Our operations in Germany and Hungary generated a strong revenue increase of 29.1% to HRK 167.8 million compared to last year (first nine months of 2016: pro forma HRK 129.9 million). EBITDA increased by HRK 32.0 million to HRK 31.1 million (first nine months of 2016: HRK 0.9 million negative), which was mainly driven by the first full nine months of operation of Park Plaza Nuremberg. The newly renovated art’otel berlin mitte has delivered impressive growth, whilst our other operations in Berlin, Cologne and Budapest also improved their performance year-on-year.

### OUR TEAM

As mentioned in our previous results updates, during 2017 we have transformed Arena Hospitality Group from a highly seasonal domestic company to a year-round international hospitality group. We have started to see the benefits from the synergies between our Croatian and German operations. With the winter season ahead in which most of our Croatian operations are closed, we expect to once again benefit from deploying some of our workforce to Germany.

Our teams are focused on consistently delivering exemplary service and guest feedback this year has been very encouraging. I would like to take this opportunity to thank all our team members for these achievements and their devotion.

## CURRENT TRADING AND OUTLOOK

Following our successful offering of new shares in May 2017, we have continued working on the detailed plans and phasing of the investments in our campsites and hotels in Croatia and our hotels in Germany as well as reviewing acquisition opportunities in Croatia and Central and Eastern Europe.

Trading since 30 September 2017 has remained encouraging. The fourth quarter of the year is usually a strong quarter in Germany and Hungary. We expect to further benefit from the upgraded hotels and the maturing of Park Plaza Nuremberg. The fourth quarter of the year in Croatia is one of low business activity. The Board expects trading for the 2017 financial year to be in line with its previous expectations.”

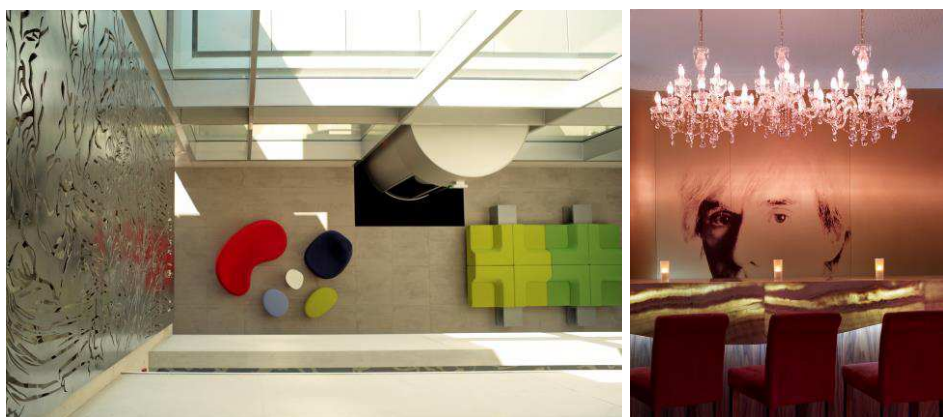


RELI SLONIM  
MANAGEMENT BOARD PRESIDENT

## SIGNIFICANT EVENTS DURING THE FIRST NINE MONTHS IN 2017

The most significant corporate events were:

- Reported total revenue in the first nine months increased by 51.9% to HRK 643.0 million (first nine months 2016: HRK 423.2 million), mainly as a result of the first time consolidation of the revenue from the German and Hungarian operations and a strong third quarter performance of our Croatian operations;
- In February 2017, the Company completed the acquisition of the freehold interests in art'otel cologne and art'otel berlin kudamm in Germany along with the associated financing;



- In May 2017, the Company successfully completed a public offering of 1,854,971 new shares at a price of HRK 425 per new share which resulted in gross proceeds of HRK 788.4 million. The number of issued shares increased by 56.7% to 5,128,721. Approximately 20% of the new shares were subscribed for by international investors; and
- In June 2017, the Company purchased the remaining 12% of the shares in Sugarhill Investments B.V. ("**Sugarhill**") for an amount of EUR 8.33 million as a result of which the Company now owns 100% of the shares in Sugarhill. The payment of the purchase price was funded from the proceeds of the Company's public offering.

## OPERATING REVIEW OF THE COMPANY AND ITS SUBSIDIARIES (THE "GROUP")

The following table sets out the Group's consolidated results of operations for the first nine months of 2017.

### CONSOLIDATED KEY PERFORMANCE INDICATORS

	Reported <sup>1</sup>			Like-for-like <sup>2</sup>		
	Nine months ended 30 September 2017	Nine months ended 30 September 2016	Variance % <sup>3</sup>	Nine months ended 30 September 2017	Nine months ended 30 September 2016	Variance % <sup>3</sup>
Total revenue (HRK million)	643.0	423.2	51.9	609.6	558.0	9.3
Accommodation revenue (HRK million)	522.2	346.6	50.7	495.5	442.1	12.1
EBITDAR (HRK million)	270.1	174.8	54.6	262.4	214.8	22.2
EBITDA (HRK million)	240.8	168.2	43.2	233.0	169.0	37.9
Profit/(loss) before tax (HRK million)	169.6	85.3	98.8	N/A	N/A	N/A
Rooms available <sup>4</sup>	1,774,716	1,559,185	13.8	1,726,395	1,751,533	(1.44)
Occupancy % <sup>4</sup>	53.5	46.7	680 <sup>6</sup>	53.4	49.8	360 <sup>6</sup>
Average daily rate (HRK) <sup>5</sup>	549.9	475.6	15.6	537.0	507.0	5.9
RevPAR (HRK)	294.3	222.3	32.4	287.0	252.4	13.7

<sup>1</sup> The reported 2016 results include the results of the companies Arenaturist Zlatne Stijene d.o.o., Arenaturist Hoteli d.o.o. and Arenaturist Turistička Naselja d.o.o (the **Bora Companies**) as of 1 January 2016. The Company acquired the Bora Companies on 30 June 2016, however, as this acquisition involved the combination of businesses under common control, the retrospective predecessor method of accounting has been applied.

<sup>2</sup> The like-for-like comparison figures for 2016 and 2017 include Sugarhill and its subsidiaries (the "**Sugarhill Group**") as if they had been acquired on 1 January 2016 with the following exceptions:

- The results of Park Plaza Nuremberg are not included in 2016 and 2017 as the hotel opened in June 2016.
- The like-for-like figures for 2016 do not include the financial effect of the changes to the management agreements with the PPHE Hotel Group.

<sup>3</sup> Percentage change figures are calculated from actual figures as opposed to the rounded figures included in the above table. Unless otherwise indicated, all figures in this report compare nine months ended 30 September 2017 with nine months ended 30 September 2016. All financial information in this report for accommodation revenue, total revenue, EBITDAR and EBITDA reflects the Group's interest.

<sup>4</sup> Rooms available and the occupancy calculation are based on operating days.

<sup>5</sup> Average daily rate represents total room revenues divided by the total number of paid units occupied by guests.

<sup>6</sup> In Basis Points (BPS).

Total revenue increased by 51.9% to HRK 643.0 million (first nine months of 2016: HRK 423.2 million) due to the first time consolidation of the results of the German and Hungarian operations. On a like-for-like basis, total revenue increased by 9.3% to HRK 609.6 million (first nine months of 2016: HRK 558.0 million).

On a reported basis, EBITDA increased by 43.2% to HRK 240.8 million (first nine months of 2016: HRK 168.2 million). EBITDA increased by HRK 72.6 million, mainly as a result of the first time EBITDA contributions of the German and Hungarian operations and a strong performance in Croatia.

## CROATIA PORTFOLIO PERFORMANCE

The following table sets out the Group's results of operations in Croatia for the first nine months of 2017.

### CROATIA HOTELS, SELF CATERING HOLIDAY APARTMENT COMPLEXES AND CAMPSITES OPERATIONS

#### KEY PERFORMANCE INDICATORS

	Nine months ended 30 September 2017	Nine months ended 30 September 2016	Variance %
Total revenue (HRK million)	467.8	424.1	10.3
Accommodation revenue (HRK million)	389.4	346.6	12.3
EBITDAR (HRK million)	198.2	175.3	13.1
EBITDA (HRK million)	191.4	166.8	14.8
Rooms available <sup>1</sup>	1,534,749	1,559,185	(1.6)
Occupancy %	50.0	46.7	330 <sup>6</sup>
Average daily rate (HRK) <sup>2</sup>	507.4	475.6	6.7
RevPAR (HRK)	253.7	222.3	14.1
FTE <sup>3</sup>	671	625	7.5

<sup>1</sup> Rooms available are based on operating days.

<sup>2</sup> Average daily rate represents total accommodation revenues divided by the total number of paid units occupied by guests.

<sup>3</sup> The FTE number is an estimate based on the total hours paid for all employees divided by the hours paid for an average full time employee to arrive at a total for Full Time Equivalent Employees.

<sup>4</sup> In Basis Points (BPS).

The Group's operations in Croatia are of a highly seasonal nature with the majority of guest visits occurring from June to September. The third quarter of 2017 in Croatia is typically a period of high business activity.

Total revenue in the nine months increased by 10.3% to HRK 467.8 million (first nine months of 2016: HRK 424.1 million). The main driver for this revenue growth was a strong performance in June, July and August. Total revenue increased for the month of June by 34.5%, for the month of July by 10.5% and for the month of August by 8.3%, compared to the corresponding months in 2016 due to higher occupancy and a higher average daily rate.

EBITDA for the period was increased by 14.8% to HRK 191.4 million, which is a significant improvement from EBITDA of HRK 166.8 million reported for the first nine months of 2016. This EBITDA increase was a direct result of increased revenue and effective cost management in the period.



## GERMAN AND HUNGARIAN PORTFOLIO PERFORMANCE

The following table sets out the Group's results of operations in Germany and Hungary for the first nine months of 2017.

### GERMANY AND HUNGARY OPERATIONS

#### KEY PERFORMANCE INDICATORS

	Reported / Pro forma in HRK <sup>1</sup>			Reported / Pro forma in Euros (€) <sup>1</sup>		Like-for-like in HRK <sup>2</sup>		
	Nine months ended 30 September 2017 <sup>1</sup>	Nine months ended 30 September 2016 <sup>1</sup>	Variance %	Nine months ended 30 September 2017 <sup>1</sup>	Nine months ended 30 September 2016 <sup>1</sup>	Nine months ended 30 September 2017	Nine months ended 30 September 2016	Variance %
Total revenue (millions)	167.8	129.9	29.1	22.6	17.3	134.4	124.0	8.4
Accommodation revenue (millions)	132.8	100.3	32.4	17.8	13.3	106.1	95.5	11.1
EBITDAR (millions)	53.0	37.8	40.2	7.1	5.0	45.3	39.7	14.0
EBITDA (millions)	31.1	(0.9)	N/A	4.2	(0.1)	23.4	1.1	1,979.7
Rooms available <sup>3</sup>	239,967	213,057	12.6	239,967	213,057	191,646	192,348	(0.4)
Occupancy % <sup>3</sup>	75.9	69.5	640 <sup>6</sup>	75.9	69.5	81.0	74.5	650 <sup>6</sup>
Average daily rate <sup>4</sup>	728.9	677.5	7.6	98.0	90.0	683.6	666.6	2.5
RevPAR	553.5	471.0	17.5	75.0	63.2	553.7	496.5	11.5
FTE <sup>5</sup>	207.5	199.2	4.2	207.5	199.2	166.6	174.9	(4.7)

<sup>1</sup> The 2017 results of Germany and Hungary operations are included in the consolidated results of the Group. The 2016 results of Germany and Hungary operations are pro forma results and presented for analytical purposes only.

<sup>2</sup> The like-for-like comparison figures exclude Park Plaza Nuremberg in 2016 and 2017 as the hotel opened in June 2016.

<sup>3</sup> Rooms available and the occupancy calculation are based on operating days.

<sup>4</sup> Average daily rate represents total accommodation revenues divided by the total number of paid units occupied by guests.

<sup>5</sup> The FTE number is an estimate based on the total hours paid for all employees divided by the hours paid for an average full time employee to arrive at a total for Full Time Equivalent Employees.

<sup>6</sup> In Basis Points (BPS).

The performance of our operations in Germany and Hungary improved year-on-year, with total revenue increasing by 29.1% to HRK 167.8 million (2016 pro forma: HRK 129.9 million). The main driver for this growth was Park Plaza Nuremberg which opened in June 2016. In addition, several of our properties were undergoing renovations in the first quarter of 2016 and markets were relatively soft at such time.

On a like-for-like basis, total revenue increased by 8.4% to HRK 134.4 million (first nine months of 2016: HRK 124 million). This growth was the result of a 650 bps increase in occupancy to 81.0% (first nine months of 2016: 74.5%) and a 2.5% increase in average daily rate to HRK 683.6 (first nine months of 2016: HRK 666.6).

Reported EBITDA in 2017 increased by HRK 32 million to HRK 31.1 million (first nine months of 2016, pro forma: HRK 0.9 million negative) primarily due to the first time contribution of Park Plaza Nuremberg, the acquisition of the freeholds of art'otel cologne and art'otel berlin kudamm (which resulted in lower rental payments of HRK 17.2 million associated with the two operating leases previously payable to third parties) and improved trading.

## MANAGEMENT AND CENTRAL SERVICES PERFORMANCE

The following table sets out the Group's results of management and central services operations for the nine months of 2017.

### MANAGEMENT AND CENTRAL SERVICES

	Nine months ended 30 September 2017	Nine months ended 30 September 2016	Variance %
Total revenue before elimination (HRK million)	88.4	46.9	88.5
Elimination of intra group revenue (HRK million)	(81.0)	(47.8)	69.5
Total reported revenue (HRK million)	7.4	(0.9)	N/A
EBITDA (HRK million)	18.1	1.4	1,192.9
FTE <sup>1</sup>	277	260	6.5

<sup>1</sup> The FTE number is an estimate based on the total hours paid for all employees divided by the hours paid for an average full time employee to arrive at a total for Full Time Equivalent Employees.

Through the capital contribution of 88% of the share capital of Sugarhill in December 2016, the Company not only acquired control over a portfolio of seven owned/co-owned and/or leased hotels and one managed hotel in Germany and Hungary, but also became the indirect controlling shareholder of Arena Hospitality Management d.o.o, ("**Arena Hospitality**"), a wholly owned subsidiary of Sugarhill. As part of such contribution, Arena Hospitality acquired from PPHE Hotel Group the hotel management agreements for the Group's Croatian properties as well as those of the newly acquired hotels in Germany and Hungary. As such, activities previously performed outside of the Group are now performed within the Group and the Group is now both owner and operator of a large part of its portfolio. As a result, all hotel management revenue related to all hotels is eliminated upon consolidation as intra-group revenue.

### RENOVATION PROJECTS AND PRODUCT IMPROVEMENTS IN CROATIA

In Croatia, the Group regularly invests before and after the summer season to further improve the quality of its offering in preparation for the summer season. The Group completed the following significant improvements during the nine months of 2017:

- Hotel Holiday: refurbishment of the rooms and lobby area;
- Park Plaza Belvedere Medulin: construction of a third outdoor pool and installation of two artificial football pitches which have received FIFA quality pro-accreditation;
- Camp Pomer: installation of a new sewage system;
- Laundry: change of energy source from oil to gas;
- Camp Stoja: reconstruction of the diving club;
- Punta Verudela area: replacement of external joinery; and
- Camp Kazela: purchase of 12 new mobile homes.



The following expenses have been incurred in respect of planned investment following the end of the summer season:

- Design and project related fees for post-season planned investments such as Hotel Brioni; and
- FF&E investments across the portfolio.

The total costs incurred for the above activities and other capital expenditure as at 30 September 2017 amounts to HRK 48.5 million.

## TRADING SINCE 30 SEPTEMBER 2017

We are pleased with our reported results and trading since 30 September 2017 has remained encouraging. The fourth quarter of the year is usually a strong quarter in Germany and Hungary. We expect to further benefit from the upgraded hotels and the maturing of Park Plaza Nuremberg. The fourth quarter of the year in Croatia is one of low business activity. The Board expects trading for the 2017 financial year to be in line with its previous expectations.

## COMPANY BUSINESS RESULTS (CONSOLIDATED)

### CONSOLIDATED INCOME STATEMENT

	30 September 2017 (Unaudited)	30 September 2016 (Unaudited)	Variance %
Rooms sold	949,704	728,794	26.6
Average daily rate in HRK	549.9	475.6	12.9
In HRK millions			
Operating income	643.0	423.2	51.9
Ordinary operating expenses	(402.2)	(255.0)	57.7
EBITDA from operations	240.8	168.2	43.2
Depreciation	(46.5)	(47.6)	(2.3)
EBIT from operations	194.3	120.6	61.1
Financial revenues	7.0	3.7	89.2
Financial expenses	(31.0)	(34.9)	(11.2)
Other expense	(0.7)	(4.1)	(82.9)
Total income	650.0	426.9	52.3
Total expenditures	(480.4)	(341.6)	40.6
Profit/(loss) before tax	169.6	85.3	98.8

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(all amounts in HRK millions)

	30 September 2017 (unaudited)	31 December 2016 (audited)	Variance %
Long-term assets	1,912.0	1,468.8	30.2
Short-term assets	904.2	177.7	408.8
<b>Total assets</b>	<b>2,816.2</b>	<b>1,646.5</b>	<b>71.0</b>
Capital and reserves			
Capital	102.6	43.6	135.3
Share premium	1,143.0	-	-
Unregistered capital	-	460.0	-
Reserves*	328.6	368.3	(10.8)
Retained earnings*	46.8	(90.4)	(151.8)
Minority interest	-	22.7	-
Long-term liabilities	870.6	585.4	48.7
Short-term liabilities	324.6	256.9	26.4
<b>Total liabilities</b>	<b>1,195.2</b>	<b>842.3</b>	<b>41.9</b>
<b>Total capital and liabilities</b>	<b>2,816.2</b>	<b>1,646.5</b>	<b>71.0</b>

\* In the table the results of the Bora Companies (Arenaturist Hoteli d.o.o., Arenaturist Zlatne Stijene d.o.o. and Arenaturist Turistička Naselja d.o.o.) until the date which they were merged into the Company are included in the Reserves. In the prescribed forms these result are included in Retained earnings.

Total assets increased in 2017 by 71.0% from HRK 1,646.5 million to HRK 2,816.2 million, mainly as a result of the successful public offering of new shares amounting to HRK 788.4 million and the acquisition of the freehold interests in art'otel cologne and art'otel berlin kudamm in Germany in February 2017. The purchase price of these two hotels amounted to HRK 440.8 million (EUR 58.6 million).

Total liabilities increased by 41.9% from HRK 842.3 million to HRK 1,195.2 million as a result of the new loans secured to finance the purchase of the freehold interests in art'otel cologne and art'otel berlin kudamm. The Group entered into a EUR 38.0 million (HRK 286.0 million) loan agreement with Deutsche Hypothekenbank, a EUR 10.0 million (HRK 75.3 million) loan agreement with Versorgungswerk der Zahnärztekammer Berlin and a EUR 11.0 million (HRK 82.8) loan agreement with a related party to finance this purchase. As at 30 September 2017 the related party loan has been partially repaid. The remaining balance will be settled during the fourth quarter of 2017.

The net debt of the Group decreased with HRK 378.6 million to HRK 108.2 million as at 30 September 2017 (31 December 2016: HRK 486.8 million).

## COMPANY BUSINESS RESULTS (NON-CONSOLIDATED)

### COMPANY INCOME STATEMENT

	30 September 2017 (Unaudited)	30 September 2016 (Unaudited)	Variance %
Rooms sold	767,493	660,158	16.3
Average daily rate in HRK	507.4	455.7	11.3
In HRK millions			
Total operating income	473.7	377.8	25.4
Total operating expenses	(282.1)	(229.2)	23.1
EBITDA	191.6	148.6	28.9
Depreciation	(36.5)	(39.1)	(6.6)
EBIT	155.1	109.5	41.6
Financial revenues	8.70	4.20	107.1
Financial expenses	(23.2)	(32.1)	(27.7)
Total income	482.4	382.0	26.3
Total expenditures	(341.8)	(300.4)	13.8
Profit/(loss) before tax	140.6	81.6	72.3

### COMPANY STATEMENT OF FINANCIAL POSITION AS OF 30 SEPTEMBER 2017

(all amounts in HRK million)

	30 September 2017 (unaudited)	31 December 2016 (audited)	Variance %
Long-term assets	1,800.1	1,661.0	8.4
Short-term assets	831.1	111.2	647.4
Total assets	2,631.2	1,772.2	48.5
Capital and reserves			
Capital	102.6	43.6	135.3
Share premium	1,143.0	-	-
Unregistered capital	-	460.0	-
Reserves	570.9	661.9	(13.7)
Retained earnings	140.5	(91)	(254.4)
Long-term liabilities	516.9	577.5	30.9
Short-term liabilities	157.3	120.2	(3.4)
Total liabilities	674.2	697.7	48.5
<b>Total capital and liabilities</b>	<b>2,631.2</b>	<b>1,772.2</b>	<b>48.5</b>

PRINCIPAL RISKS OF THE GROUP AND THE COMPANY  
CORPORATE GOVERNANCE REPORT

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# ARENA

HOSPITALITY GROUP



art'otel



## **PRINCIPAL RISKS OF THE GROUP AND THE COMPANY**

There are no changes to the principal risks as set out in the Company's consolidated financial statements for the year ended 31 December 2016, which may currently affect the Group's performance. The most significant risks relate to factors that are common to the hotel industry and beyond the Group's control, such as the global economic downturn, changes in travel patterns or in the structure of the travel industry and the increase in acts of terrorism. Further risks pertain to the legal framework which governs the concession agreements relating to some of the Company's properties in Croatia, seasonality and adverse weather conditions in the high season, information technology and systems and exchange rate fluctuations. For a detailed discussion of the risks facing the Group, please refer to pages 20 and 21 of the Company's 2016 annual report.

## **CORPORATE GOVERNANCE REPORT**

Based on the decision of the General Assembly of the Company adopted on 30 August 2017, the corporate governance system of the Company was changed from a one-tier board to a two-tier board.

### **UNTIL SEPTEMBER 2017**

#### **BOARD OF DIRECTORS MEETINGS**

The Board of Directors passed its decisions in meetings or by way of circular, in accordance with the applicable laws and the Company's Articles of Association.

During the period from 1 January through 6 September 2017, the Board reviewed the business strategy and measures in place to guide the transformation of the Company and, in particular, passed decisions to approve the annual report and accounts of the Company for the year 2016 and the consolidated and standalone quarterly financial statements of the Company for the first quarter of 2017 and first half of 2017, as well as decisions related to the public offering.

The majority of the members of the Board were present at the meetings, or participated by way of circular, and voted unanimously.

#### **BOARD OF DIRECTORS COMMITTEES**

In the first nine months of the year, the Audit Committee held two meetings, of which the first was held on 18 March 2017 in order to review the annual report and accounts of the Company. The second meeting was held on 5 July 2017 where it was recommended to the Board of Directors and the General Assembly to change the external auditor and elect ERNST & YOUNG CROATIA d.o.o. as the new Company Auditor. Following the General Assembly (which was held on 30 August 2017) and the implementation of the new corporate governance structure, the previously established Audit Committee finished its term.



## SINCE SEPTEMBER 2017

### SUPERVISORY BOARD MEETING

The newly established Supervisory Board held its first constitutive meeting following the General Assembly held on 30 August 2017 and:

- Appointed Mr. Boris Ivesha as the Chairman of the Supervisory Board and appointed Mr. Yoav Papuchado as the Vice Chairman of the Supervisory Board;
- Appointed the Company's Management Board members, Mr. Reli Slonim as the President and Ms. Milena Perković as the member for a term of two years;
- Established a new Audit Committee replacing the previous audit committee and appointed the Audit Committee members: Ms. Dr Lorena Škuflić as the President of the Audit Committee, Ms. Amra Pende and Mr. Chen Moravsky as members;
- Established a Nomination and a Remuneration Committee and appointed the Committee members: Ms. Amra Pende as the President, Ms. Lorena Škuflić and Mr. Chen Moravsky as members.

### SUPERVISORY BOARD COMMITTEES

Following its establishment, the Supervisory Board has established an Audit Committee and Nomination and Remuneration Committee.

The responsibilities of the Audit Committee include:

- Actively participating in auditing the half-year and annual financial report;
- Supporting the Company's accounting, in particular adjustment of management accounting system related to the 11th USALI edition;
- Recommendation of the choice of the external auditor to the Supervisory Board as a part of the preparation for the General Assembly's decision;
- Risks and uncertainties management with IT security in focus;
- Revision of annual and five-year business plan of the Company.

The responsibilities of the Nomination and Remuneration Committee include:

- Active participation in selection of candidates for the Company's corporate bodies and senior management;
- Reviewing and recommending remuneration policies for the Company's corporate bodies and senior management;
- Consultations with the Company's corporate bodies regarding nomination and remuneration policies.

### GENERAL ASSEMBLY MEETING

During the reported period the General Assembly held two meetings, one on 22 March 2017 and one on 30 August 2017. The minutes of these meetings are available on the Company's website.

## CORPORATE GOVERNANCE CODE

Each year, the Company is obliged to state, in its annual report and on its website, in the required form, whether it complies with the recommendations of a corporate governance code. The Company applies the Corporate Governance Code of the Zagreb Stock Exchange (the Code). The Company complies with the recommendations of the Code based on the principle “comply or explain”, so if the Company fails to comply with the recommendations of the Code, it must provide reasons for its non-compliance. The Company abides by this principle and, where relevant, provides reasons for non-compliance with the recommendations of the Code. The Company published its annual corporate governance questionnaire for 2016 on ZSE on 22 March 2017.

## MAJOR SHAREHOLDERS

Following the share capital increase in May 2017, the share capital of the Company is HRK 102,574,420.00 HRK and is divided into 5,128,721 ordinary shares under the ticker symbol ARNT-R-A each without nominal value.

As at 30 September 2017, 169 shares were held as treasury shares.

Shareholders with holdings of 3% or more of the Company’s registered capital as at 30 September 2017 are listed below:

		Percentage holding of Share Capital
1	DVADESET OSAM D.O.O. (a member of the PPHE Hotel Group)	51.97%
2	ADDIKO BANK d.d. / PBZ CO OMF-kategorije B	9.13%
3	SPLITSKA BANKA d.d. / AZ OMF kategorije B	8.67%
4	SPLITSKA BANKA d.d. / ERSTE PLAVI OMF kategorije B	6.14%

## SHARE PRICE AND MARKET CAPITALISATION FOR THIRD QUARTER (all in HRK)

Highest	Lowest	Last	Market capitalisation
491.50	454.00	462.90	2,374,084,951

STATEMENT OF RESPONSIBILITIES OF THE COMPANY  
MANAGEMENT BOARD

ARENA

HOSPITALITY GROUP



art'otel



## **STATEMENT OF RESPONSIBILITIES OF THE COMPANY MANAGEMENT BOARD**

Pursuant to the provisions of the Capital Market Act, Article 407, Paragraph 2, and Article 410, Paragraph 2, the Company Management Board makes the following statement:

To the best of our best knowledge:

- The short set of non-consolidated unaudited nine months financial statements of the Company (the **Financial Statements**) provides a comprehensive and true presentation of assets and liabilities, profit and loss, financial position and operation of the Company; set up in accordance with relevant financial reporting standards;
- The consolidated unaudited nine months financial statements (the **Consolidated Financial Statements**) provide a comprehensive overview of assets and liabilities, profit and losses of the Group. The consolidated financial data for the period, reported in line with the approach applied, are contained in the prescribed forms attached to this report;
- The Sugarhill Group had no contribution to the 2016 consolidated income statement, since the acquisition took place in December 2016;
- The Financial Statements and Consolidated Financial Statements have not been audited; and
- The Management Board's Interim Report for the period from 1 January through 30 September 2017 contains a true presentation of the business results and financial position and operations of the Company and the companies included in the consolidation, with a description of the most significant risks and uncertainties to which the Company and the companies included in the consolidation are exposed as a whole.

Management Board President



**REUEL ISRAEL GAVRIEL SLONIM**

Management Board Member



**MILENA PERKOVIĆ**

# APPENDIX 1 FINANCIAL STATEMENTS (UNAUDITED)

# ARENA

HOSPITALITY GROUP



art'otel



ARENA HOSPITALITY GROUP, A MEMBER OF PPHE HOTEL GROUP

**APPENDIX 1 FINANCIAL STATEMENTS (UNAUDITED)**

Consolidated balance sheet

Consolidated profit and loss statement

Consolidated cash flow statement

Consolidated statement of changes in equity

Company balance sheet

Company profit and loss statement

Company cash flow statement

Company statement of changes in equity

**Annex 1.**

Reporting period

01.01.2017.

to

30.09.2017.

**Quarterly financial report TFI-POD**

Tax number (MB): 03203263

Company registration number  
(MBS): 040022901Personal identification  
number (OIB): 47625429199

Issuing company: Arena Hospitality Group d.d.

Postal code and place: 52100 Pula

Street and house number: Smareglina ulica 3

E-mail address: [uprava@arenahospitalitygroup.com](mailto:uprava@arenahospitalitygroup.com)Internet address: [www.arenahospitalitygroup.com](http://www.arenahospitalitygroup.com)

Municipality/city code and name: 359 Pula

County code and name: 18 Istarska

Number of employees: 1.265

Consolidated report: YES

(period end)

NKD code: 5510

Companies of the consolidation subject (according to IFRS)

Seat:

MB:

Mažurana d.o.o.	Zagreb, Radnička cesta 80	080662589
Ulika d.o.o.	Zagreb, Radnička cesta 80	080662845
Sugarhill Investments B.V.	Nizozemska, Amsterdam	320830051/ Trg.komora Nizozemska
Germany Real Estate B.V.	Nizozemska, Amsterdam	35832975/Trg. komora Nizozemska
0	0	
0	0	

Bookkeeping service:

Contact person: Kalagac Sandra  
(only surname and name)

Telephone: 052/223 811

Telefaks: 052/212 132

E-mail address: [skalagac@arenahospitalitygroup.com](mailto:skalagac@arenahospitalitygroup.com)Family name and name: Reuel Israel Gavriel Slonim, Milena Perković  
(person authorized to represent the company)

Documents disclosed:

1. Financial statements (Balance Sheet, Income Statement, Cash Flow Statement, Statement of Changes in Equity and notes to financial statements);
2. Management Interim Report;
3. Declaration of the persons responsible for preparing the issuer's statements;

L.S.

(signature of the person authorized to represent the company)

**Balance Sheet**  
as at 30.09.2017

Company: Arena Hospitality Group d.d.

Position	AOP	Previous period	Current period
1	2	3	4
<b>ASSETS</b>			
<b>A) RECEIVABLES FOR SUBSCRIBED NOT PAID CAPITAL</b>	<b>001</b>	0	0
<b>B) NON-CURRENT ASSETS (003+010+020+029+033)</b>	<b>002</b>	1.468.819.290	1.912.049.684
<b>I. INTANGIBLE ASSETS (004 do 009)</b>	<b>003</b>	1.386.961	1.435.734
1. Expenditure for development	<b>004</b>	0	0
2. Concessions, patents, licenses, trademarks, service marks, software and other rights	<b>005</b>	829.192	877.965
3. Goodwill	<b>006</b>	0	0
4. Advances for purchase of intangible assets	<b>007</b>	0	0
5. Intangible assets in progress	<b>008</b>	557.769	557.769
6. Other intangible assets	<b>009</b>	0	0
<b>II. PROPERTY, PLANT AND EQUIPMENT (011 do 019)</b>	<b>010</b>	1.352.707.568	1.802.317.357
1. Land	<b>011</b>	217.884.356	282.150.808
2. Buildings	<b>012</b>	984.858.617	1.357.345.438
3. Plant and equipment	<b>013</b>	102.775.333	118.644.743
4. Tools, working inventory and transportation assets	<b>014</b>	2.904.616	2.535.813
5. Biological assets	<b>015</b>	0	0
6. Advances for purchase of tangible assets	<b>016</b>	2.701.391	253.110
7. Tangible assets in progress	<b>017</b>	32.322.001	31.271.849
8. Other tangible assets	<b>018</b>	9.261.254	10.115.596
9. Investment in real-estate	<b>019</b>	0	0
<b>III. NON-CURRENT FINANCIAL ASSETS (021 do 028)</b>	<b>020</b>	84.734.206	78.894.293
1. Share in related parties	<b>021</b>	8	0
2. Loans to related parties	<b>022</b>	33.293.604	33.564.066
3. Participating interests (shares)	<b>023</b>	0	1.540.848
4. Loans to companies with participating interest	<b>024</b>	0	0
5. Investments in securities	<b>025</b>	0	0
6. Loans, deposits, etc.	<b>026</b>	51.440.594	43.789.379
7. Other non-current financial assets	<b>027</b>	0	0
8. Equity-accounted investments	<b>028</b>	0	0
<b>IV. RECEIVABLES (030 do 032)</b>	<b>029</b>	0	0
1. Receivables from related parties	<b>030</b>	0	0
2. Receivables arising from sales on credit	<b>031</b>	0	0
3. Other receivables	<b>032</b>	0	0
<b>V. DEFERRED TAX ASSET</b>	<b>033</b>	29.990.555	29.402.300
<b>C) CURRENT ASSETS (035+043+050+058)</b>	<b>034</b>	177.700.505	904.217.867
<b>I. INVENTORIES (036 do 042)</b>	<b>035</b>	3.798.616	3.483.256
1. Raw materials and supplies	<b>036</b>	3.634.477	3.427.879
2. Production in progress	<b>037</b>	0	0
3. Finished products	<b>038</b>	0	0
4. Merchandise	<b>039</b>	1.679	2.946
5. Advances for inventories	<b>040</b>	162.460	52.431
6. Long term assets held for sale	<b>041</b>	0	0
7. Biological assets	<b>042</b>	0	0
<b>II. RECEIVABLES (044 do 049)</b>	<b>043</b>	43.287.762	81.593.032
1. Receivables from related parties	<b>044</b>	137.151	424.819
2. Receivables from end-customers	<b>045</b>	21.139.524	73.170.270
3. Receivables from participating parties	<b>046</b>	0	0
4. Receivables from employees and members of the company	<b>047</b>	0	0
5. Receivables from government and other institutions	<b>048</b>	10.025.627	3.251.928
6. Other receivables	<b>049</b>	11.985.460	4.746.015
<b>III. CURRENT FINANCIAL ASSETS (051 do 057)</b>	<b>050</b>	208.411	208.411
1. Share in related parties	<b>051</b>	0	0
2. Loans to related parties	<b>052</b>	0	0
3. Participating interests (shares)	<b>053</b>	0	0
4. Loans to companies with participating interest	<b>054</b>	0	0
5. Investments in securities	<b>055</b>	208.411	208.411
6. Loans, deposits, etc.	<b>056</b>	0	0
7. Other financial assets	<b>057</b>	0	0
<b>IV. CASH AND CASH EQUIVALENTS</b>	<b>058</b>	130.405.716	818.933.168
<b>D) PREPAYMENTS AND ACCRUED INCOME</b>	<b>059</b>	0	0
<b>E) TOTAL ASSETS (001+002+034+059)</b>	<b>060</b>	1.646.519.795	2.816.267.551
<b>F) OFF BALANCE SHEET ITEMS</b>	<b>061</b>	0	0



<b>EQUITY AND LIABILITIES</b>			
<b>A) ISSUED CAPITAL AND RESERVES (063+064+065+071+072+075+078)</b>	<b>062</b>	804.243.984	1.621.015.943
I. SUBSCRIBED SHARE CAPITAL	<b>063</b>	43.650.000	102.574.420
II. CAPITAL RESERVES	<b>064</b>	460.005.525	1.142.976.635
III. RESERVES FROM PROFIT (066+067-068+069+070)	<b>065</b>	371.827.653	332.163.608
1. Legal reserves	<b>066</b>	2.182.500	2.182.500
2. Reserve for own shares	<b>067</b>	3.380	3.380
3. Treasury shares and shares (deductible items)	<b>068</b>	3.380	3.380
4. Statutory reserves	<b>069</b>	0	0
5. Other reserves	<b>070</b>	369.645.153	329.981.108
IV. REVALUATION RESERVES	<b>071</b>	114.756	114.756
V. RETAINED EARNINGS OR LOSS CARRIED FORWARD (073-074)	<b>072</b>	20.197.276	-94.058.950
1. Retained earnings	<b>073</b>	20.197.276	0
2. Loss carried forward	<b>074</b>	0	94.058.950
VI. NET PROFIT OR LOSS FOR THE PERIOD (076-077)	<b>075</b>	-114.256.226	137.245.474
1. Net profit for the period	<b>076</b>	0	137.245.474
2. Net loss for the period	<b>077</b>	114.256.226	0
VII. MINORITY INTEREST	<b>078</b>	22.705.000	0
<b>B) PROVISIONS (080 do 082)</b>	<b>079</b>	56.906.647	61.215.081
1. Provisions for pensions, severance pay and similar liabilities	<b>080</b>	1.606.868	1.606.868
2. Provisions for tax liabilities	<b>081</b>	0	0
3. Other provisions	<b>082</b>	55.299.779	59.608.213
<b>C) NON-CURRENT LIABILITIES (084 do 092)</b>	<b>083</b>	528.472.978	809.341.880
1. Liabilities to related parties	<b>084</b>	7.661.532	0
2. Liabilities for loans, deposits, etc.	<b>085</b>	0	74.970.949
3. Liabilities to banks and other financial institutions	<b>086</b>	520.811.446	734.370.931
4. Liabilities for advances	<b>087</b>	0	0
5. Trade payables	<b>088</b>	0	0
6. Commitments on securities	<b>089</b>	0	0
7. Liabilities to companies with participating interest	<b>090</b>	0	0
8. Other non-current liabilities	<b>091</b>	0	0
9. Deferred tax liabilities	<b>092</b>	0	0
<b>D) CURRENT LIABILITIES (094 do 105)</b>	<b>093</b>	256.896.186	324.694.647
1. Liabilities to related parties	<b>094</b>	33.969.748	27.094.581
2. Liabilities for loans, deposits, etc.	<b>095</b>	0	0
3. Liabilities to banks and other financial institutions	<b>096</b>	135.431.755	147.685.490
4. Liabilities for advances	<b>097</b>	0	17.473.158
5. Trade payables	<b>098</b>	43.001.110	45.438.929
6. Commitments on securities	<b>099</b>	0	0
7. Liabilities to companies with participating interest	<b>100</b>	0	0
8. Liabilities to employees	<b>101</b>	6.378.492	21.698.140
9. Taxes, contributions and similar liabilities	<b>102</b>	9.010.719	43.604.554
10. Liabilities arising from share in the result	<b>103</b>	0	0
11. Liabilities arising from non-current assets held for sale	<b>104</b>	0	0
12. Other current liabilities	<b>105</b>	29.104.362	21.699.795
<b>E) ACCRUED EXPENSES AND DEFERRED INCOME</b>	<b>106</b>	0	0
<b>F) TOTAL EQUITY AND LIABILITIES (062+079+083+093+106)</b>	<b>107</b>	1.646.519.795	2.816.267.551
<b>G) OFF BALANCE SHEET ITEMS</b>	<b>108</b>	0	0
<b>ADDITION TO BALANCE SHEET (only for consolidated financial statements)</b>			
<b>ISSUED CAPITAL AND RESERVES</b>			
1. Attributable to majority owners	<b>109</b>	<b>781.538.984</b>	<b>1.621.015.943</b>
2. Attributable to minority interest	<b>110</b>	22.705.000	0

**Income statement**

period 01.01.2017 to 30.09.2017

Company: Arena Hospitality Group d.d.

Position	AOP	Previous period	Previous period	Current period	Current period
		Cummulative	Quarter	Cummulative	Quarter
1	2	3	4	5	6
<b>I. OPERATING INCOME (112 do 113)</b>	<b>111</b>	423.163.812	318.277.154	642.978.434	403.596.745
1. Rendering of services	112	420.237.406	316.090.994	638.486.546	400.771.435
2. Other operating income	113	2.926.406	2.186.160	4.491.888	2.825.311
<b>II. OPERATING COSTS (115+116+120+124+125+126+129+130)</b>	<b>114</b>	306.741.516	161.667.392	449.324.899	198.696.914
1. Change in inventories of work in progress	115	0	0	0	0
2. Material expenses (117 do 119)	116	136.581.843	86.386.881	202.539.203	100.847.756
a) Costs of raw materials	117	62.514.555	35.591.645	90.667.326	45.117.636
b) Cost of goods sold	118	0	0	0	0
c) Other material expenses	119	74.067.288	50.795.236	111.871.877	55.730.120
3. Employee benefits expenses (121 do 123)	120	99.038.748	48.596.186	163.205.597	67.905.097
a) Net salaries	121	65.280.544	33.696.636	109.243.028	45.464.014
b) Tax and contributions from salary expenses	122	21.999.899	9.671.425	34.346.927	14.339.152
c) Contributions on salary	123	11.758.305	5.228.125	19.615.642	8.101.931
4. Depreciation and amortisation	124	47.587.380	15.032.448	46.475.740	16.110.232
5. Other expenses	125	0	0	0	0
6. Write down of assets (127+128)	126	0	0	0	0
a) non-current assets (except financial assets)	127	0	0	0	0
b) current assets (except financial assets)	128	0	0	0	0
7. Provisions	129	0	0	0	0
8. Other operating costs	130	23.533.545	11.651.878	37.104.359	13.833.829
<b>III. FINANCIAL INCOME (132 do 136)</b>	<b>131</b>	3.722.246	655.993	6.355.404	0
1. Interest, foreign exchange differences, dividends and similar income from related parties	132	0	0	0	0
2. Interest, foreign exchange differences, dividends and similar income from third parties	133	3.722.246	655.993	6.355.404	0
3. Income from investments in associates and joint ventures	134	0	0	0	0
4. Unrealised gains (income) from financial assets	135	0	0	0	0
5. Other financial income	136	0	0	0	0
<b>IV. FINANCIAL EXPENSES (138 do 141)</b>	<b>137</b>	34.865.903	9.262.474	31.020.948	12.013.396
1. Interest, foreign exchange differences, dividends and similar income from related parties	138	16.874.388	0	3.128.899	1.184.256
2. Interest, foreign exchange differences, dividends and similar income from third parties	139	17.991.515	9.262.474	27.894.049	10.829.140
3. Unrealised losses (expenses) from financial assets	140	0	0	0	0
4. Other financial expenses	141	0	0	0	0
<b>V. SHARE OF PROFIT FROM ASSOCIATED COMPANIES</b>	<b>142</b>	0	0	621.513	582.448
<b>VI. SHARE OF LOSS FROM ASSOCIATED COMPANIES</b>	<b>143</b>	0	0	0	0
<b>VII. EXTRAORDINARY - OTHER INCOME</b>	<b>144</b>	0	0	0	0
<b>VIII. EXTRAORDINARY - OTHER EXPENSES</b>	<b>145</b>	0	0	0	0
<b>IX. TOTAL INCOME (111+131+144)</b>	<b>146</b>	426.886.058	318.933.147	649.955.351	404.179.193
<b>X. TOTAL EXPENSES (114+137+143+145)</b>	<b>147</b>	341.607.419	170.929.866	480.345.847	210.710.311
<b>XI. PROFIT OR LOSS BEFORE TAXES (146-147)</b>	<b>148</b>	85.278.639	148.003.281	169.609.504	193.468.883
1. Profit before taxes (146-147)	149	85.278.639	148.003.281	169.609.504	193.468.883
2. Loss before taxes (147-146)	150	0	0	0	0
<b>XII. TAXATION</b>	<b>151</b>	14.659.938	0	32.364.030	0
<b>XII. PROFIT OR LOSS FOR THE PERIOD (148-151)</b>	<b>152</b>	70.618.701	148.003.281	137.245.474	193.468.883
1. Profit for the period (149-151)	153	70.618.701	148.003.281	137.245.474	193.468.883
2. Loss for the period (151-148)	154	0	0	0	0
<b>ADDITION TO PROFIT AND LOSS ACCOUNT (only for consolidated financial statements)</b>					
<b>XIV. PROFIT OR LOSS FOR THE PERIOD</b>					
1. Attributable to majority owners	155	0	0	0	0
2. Attributable to minority interest	156	0	0	0	0
<b>STATEMENT OF OTHER COMPREHENSIVE INCOME (only for IFRS adopters)</b>					
<b>I. PROFIT OR LOSS FOR THE PERIOD (=152)</b>	<b>157</b>	70.618.701	148.003.281	137.245.474	193.468.883
<b>II. OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAXES (159 TO 165)</b>	<b>158</b>	0	0	-609.584	2.380.760
1. Exchange differences from international settlement	159	0	0	-1.460.254	2.280.323
2. Changes in revaluation reserves of long-term tangible and intangible assets	160	0	0	0	0
3. Profit or loss from re-evaluation of financial assets held for sale	161	0	0	0	0
4. Profit or loss from cash flow hedging	162	0	0	850.670	100.437
5. Profit or loss from hedging of foreign investments	163	0	0	0	0
6. Share of other comprehensive income/loss from associated companies	164	0	0	0	0
7. Actuarial gains/losses from defined benefit plans	165	0	0	0	0
<b>III. TAXATION OF OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>166</b>	0	0	0	0
<b>IV. NET OTHER COMPREHENSIVE INCOME FOR THE PERIOD (158 TO 166)</b>	<b>167</b>	0	0	-609.584	2.380.760
<b>V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (157+167)</b>	<b>168</b>	70.618.701	148.003.281	136.635.890	195.849.643
<b>ADDITION TO STATEMENT OF OTHER COMPREHENSIVE INCOME (only for consolidated financial statements)</b>					
<b>VI. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD</b>					
1. Attributable to majority owners	169	70.618.701	148.003.281	136.731.830	193.468.883
2. Attributable to minority interest	170	0	0	513.644	0

**Cash flow statement - indirect method**  
**period 01.01.2017 to 30.09.2017**

Company: Arena Hospitality Group d.d.

Position	AOP	Previous period	Current period
1	2	3	4
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
1. Profit before tax	001	85.278.639	169.609.504
2. Depreciation and amortisation	002	47.587.380	46.475.740
3. Decrease of current liabilities	003	65.013.510	10.930.441
4. Decrease of current receivables	004	0	0
5. Decrease of inventories	005	830.546	0
6. Other cash flow increases	006	0	718.134
<b>I. Total increase of cash flow from operating activities</b>	<b>007</b>	<b>198.710.075</b>	<b>227.733.819</b>
1. Decrease of current liabilities	008	0	0
2. Increase of current receivables	009	52.242.378	39.302.270
3. Increase of inventories	010	0	563.486
4. Other cash flow decreases	011	0	0
<b>II. Total decrease of cash flow from operating activities</b>	<b>012</b>	<b>52.242.378</b>	<b>39.865.756</b>
<b>A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>013</b>	<b>146.467.697</b>	<b>187.868.063</b>
<b>A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>014</b>	<b>0</b>	<b>0</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
1. Proceeds from sale of non-current assets	015	0	0
2. Proceeds from sale of non-current financial assets	016	0	0
3. Interest received	017	0	0
4. Dividend received	018	0	0
5. Other proceeds from investing activities	019	0	7.508.371
<b>III. Total cash inflows from investing activities</b>	<b>020</b>	<b>0</b>	<b>7.508.371</b>
1. Purchase of non-current assets	021	28.709.392	486.444.967
2. Purchase of non-current financial assets	022	0	0
3. Other cash outflows from investing activities	023	149.988.784	0
<b>IV. Total cash outflows from investing activities</b>	<b>024</b>	<b>178.698.176</b>	<b>486.444.967</b>
<b>B1) NET INCREASE OF CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>025</b>	<b>0</b>	<b>0</b>
<b>B2) NET DECREASE OF CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>026</b>	<b>178.698.176</b>	<b>478.936.596</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
1. Proceeds from issue of equity securities and debt securities	027	0	741.892.150
2. Proceeds from loans and borrowings	028	224.765.280	425.499.565
3. Other proceeds from financing activities	029	0	0
<b>V. Total cash inflows from financing activities</b>	<b>030</b>	<b>224.765.280</b>	<b>1.167.391.715</b>
1. Repayment of loans and bonds	031	200.346.529	126.039.650
2. Dividends paid	032	0	0
3. Repayment of finance lease	033	0	0
4. Purchase of treasury shares	034	0	0
5. Other cash outflows from financing activities	035	0	61.756.080
<b>VI. Total cash outflows from financing activities</b>	<b>036</b>	<b>200.346.529</b>	<b>187.795.730</b>
<b>C1) NET INCREASE OF CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>037</b>	<b>24.418.751</b>	<b>979.595.985</b>
<b>C2) NET DECREASE OF CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>038</b>	<b>0</b>	<b>0</b>
Total increases of cash flows	039	0	688.527.452
Total decreases of cash flows	040	7.811.728	0
Cash and cash equivalents at the beginning of period	041	147.786.817	130.405.716
Increase of cash and cash equivalents	042	0	688.527.452
Decrease of cash and cash equivalents	043	7.811.728	0
Cash and cash equivalents at the end of period	044	139.975.089	818.933.168

## STATEMENT OF CHANGES IN EQUITY

period **01.01.17** to **30.09.17**

Position	AOP	Previous year	Current year
1	2	3	4
1. Subscribed share capital	<b>001</b>	43.650.000	102.574.420
2. Capital reserves	<b>002</b>	460.005.525	1.142.976.635
3. Reserves from profit	<b>003</b>	371.827.653	332.163.608
4. Retained earnings or loss carried forward	<b>004</b>	20.197.276	-94.058.950
5. Net profit or loss for the period	<b>005</b>	-114.256.226	137.245.474
6. Revaluation of tangible assets	<b>006</b>	0	0
7. Revaluation of intangible assets	<b>007</b>	0	0
8. Revaluation of available for sale assets	<b>008</b>	0	0
9. Other revaluation	<b>009</b>	114.756	114.756
<b>10. Total equity and reserves (AOP 001 to 009)</b>	<b>010</b>	781.538.984	1.621.015.943
11. Foreign exchange differences from foreign investments	<b>011</b>	0	0
12. Current and deferred taxes	<b>012</b>	0	0
13. Cash flow hedge	<b>013</b>	0	0
14. Change of accounting policies	<b>014</b>	0	0
15. Correction of significant mistakes of prior period	<b>015</b>	0	0
16. Other changes	<b>016</b>	0	0
<b>17. Total increase or decrease of equity (AOP 011 to 016)</b>	<b>017</b>	0	0
17 a. Attributable to majority owners	<b>018</b>	781.538.984	1.621.015.943
17 b. Attributable to minority interest	<b>019</b>	22.705.000	0

**Annex 1.**

Reporting period

01.01.2017.

to

30.09.2017.

**Quarterly financial report TFI-POD**

Tax number (MB): 03203263

Company registration number (MBS): 040022901

Personal identification number (OIB): 47625429199

Issuing company: Arena Hospitality Group d.d.

Postal code and place: 52100 Pula

Street and house number: Smareglina ulica 3

E-mail address: [uprava@arenahospitalitygroup.com](mailto:uprava@arenahospitalitygroup.com)Internet address: [www.arenahospitalitygroup.com](http://www.arenahospitalitygroup.com)

Municipality/city code and name: 359 Pula

County code and name: 18 Istarska

Number of employees: 1.013

Consolidated report: NO

(period end)

NKD code: 5510

Companies of the consolidation subject (according to IFRS)

Seat:

MB:

Bookkeeping service:

Contact person: Kalagac Sandra  
(only surname and name)

Telephone: 052/223 811

Telefaks: 052/212 132

E-mail address: [skalagac@arenahospitalitygroup.com](mailto:skalagac@arenahospitalitygroup.com)Family name and name: Reuel Israel Gavriel Slonim, Milena Perković  
(person authorized to represent the company)

L.S.

(signature of the person authorized to represent the company)

**Balance Sheet**  
as at 30.09.2017

Company: Arena Hospitality Group d.d.

Position	AOP	Previous period	Current period
1	2	3	4
<b>ASSETS</b>			
<b>A) RECEIVABLES FOR SUBSCRIBED NOT PAID CAPITAL</b>	<b>001</b>	0	0
<b>B) NON-CURRENT ASSETS (003+010+020+029+033)</b>	<b>002</b>	1.661.014.897	1.800.087.949
<b>I. INTANGIBLE ASSETS (004 do 009)</b>	<b>003</b>	1.386.961	1.435.734
1. Expenditure for development	<b>004</b>	0	0
2. Concessions, patents, licenses, trademarks, service marks, software and other rights	<b>005</b>	829.192	877.965
3. Goodwill	<b>006</b>	0	0
4. Advances for purchase of intangible assets	<b>007</b>	0	0
5. Intangible assets in progress	<b>008</b>	557.769	557.769
6. Other intangible assets	<b>009</b>	0	0
<b>II. PROPERTY, PLANT AND EQUIPMENT (011 do 019)</b>	<b>010</b>	1.127.986.729	1.138.252.834
1. Land	<b>011</b>	203.950.034	203.950.034
2. Buildings	<b>012</b>	813.378.634	824.575.358
3. Plant and equipment	<b>013</b>	65.747.527	65.804.187
4. Tools, working inventory and transportation assets	<b>014</b>	2.904.616	2.535.813
5. Biological assets	<b>015</b>	0	0
6. Advances for purchase of tangible assets	<b>016</b>	2.701.391	253.110
7. Tangible assets in progress	<b>017</b>	30.035.148	31.018.738
8. Other tangible assets	<b>018</b>	9.269.379	10.115.594
9. Investment in real-estate	<b>019</b>	0	0
<b>III. NON-CURRENT FINANCIAL ASSETS (021 do 028)</b>	<b>020</b>	502.128.110	630.886.284
1. Share in related parties	<b>021</b>	460.045.532	521.801.615
2. Loans to related parties	<b>022</b>	0	68.197.004
3. Participating interests (shares)	<b>023</b>	0	0
4. Loans to companies with participating interest	<b>024</b>	0	0
5. Investments in securities	<b>025</b>	0	0
6. Loans, deposits, etc.	<b>026</b>	42.082.578	40.887.665
7. Other non-current financial assets	<b>027</b>	0	0
8. Equity-accounted investments	<b>028</b>	0	0
<b>IV. RECEIVABLES (030 do 032)</b>	<b>029</b>	0	0
1. Receivables from related parties	<b>030</b>	0	0
2. Receivables arising from sales on credit	<b>031</b>	0	0
3. Other receivables	<b>032</b>	0	0
<b>V. DEFERRED TAX ASSET</b>	<b>033</b>	29.513.097	29.513.097
<b>C) CURRENT ASSETS (035+043+050+058)</b>	<b>034</b>	111.242.378	831.120.657
<b>I. INVENTORIES (036 do 042)</b>	<b>035</b>	1.618.904	2.350.953
1. Raw materials and supplies	<b>036</b>	1.454.765	2.295.576
2. Production in progress	<b>037</b>	0	0
3. Finished products	<b>038</b>	0	0
4. Merchandise	<b>039</b>	1.679	2.946
5. Advances for inventories	<b>040</b>	162.460	52.431
6. Long term assets held for sale	<b>041</b>	0	0
7. Biological assets	<b>042</b>	0	0
<b>II. RECEIVABLES (044 do 049)</b>	<b>043</b>	16.950.983	68.102.516
1. Receivables from related parties	<b>044</b>	24.435	3.636.327
2. Receivables from end-customers	<b>045</b>	8.908.060	55.549.267
3. Receivables from participating parties	<b>046</b>	0	0
4. Receivables from employees and members of the company	<b>047</b>	80.859	228.605
5. Receivables from government and other institutions	<b>048</b>	4.709.042	1.209.091
6. Other receivables	<b>049</b>	3.228.587	7.479.226
<b>III. CURRENT FINANCIAL ASSETS (051 do 057)</b>	<b>050</b>	208.411	221.383
1. Share in related parties	<b>051</b>	0	0
2. Loans to related parties	<b>052</b>	0	0
3. Participating interests (shares)	<b>053</b>	0	0
4. Loans to companies with participating interest	<b>054</b>	0	0
5. Investments in securities	<b>055</b>	208.411	208.411
6. Loans, deposits, etc.	<b>056</b>	0	12.972
7. Other financial assets	<b>057</b>	0	0
<b>IV. CASH AND CASH EQUIVALENTS</b>	<b>058</b>	92.464.080	760.445.805
<b>D) PREPAYMENTS AND ACCRUED INCOME</b>	<b>059</b>	0	0
<b>E) TOTAL ASSETS (001+002+034+059)</b>	<b>060</b>	1.772.257.275	2.631.208.606
<b>F) OFF BALANCE SHEET ITEMS</b>	<b>061</b>	0	0

<b>EQUITY AND LIABILITIES</b>			
<b>A) ISSUED CAPITAL AND RESERVES (063+064+065+071+072+075+078)</b>	<b>062</b>	1.074.548.226	1.956.984.981
I. SUBSCRIBED SHARE CAPITAL	<b>063</b>	43.650.000	102.574.420
II. CAPITAL RESERVES	<b>064</b>	460.005.525	1.142.976.635
III. RESERVES FROM PROFIT (066+067-068+069+070)	<b>065</b>	661.729.528	570.774.567
1. Legal reserves	<b>066</b>	2.182.500	2.182.500
2. Reserve for own shares	<b>067</b>	3.380	3.380
3. Treasury shares and shares (deductible items)	<b>068</b>	3.380	3.380
4. Statutory reserves	<b>069</b>	0	0
5. Other reserves	<b>070</b>	659.547.028	568.592.067
IV. REVALUATION RESERVES	<b>071</b>	114.756	114.756
V. RETAINED EARNINGS OR LOSS CARRIED FORWARD (073-074)	<b>072</b>	20.983.842	0
1. Retained earnings	<b>073</b>	20.983.842	0
2. Loss carried forward	<b>074</b>	0	0
VI. NET PROFIT OR LOSS FOR THE PERIOD (076-077)	<b>075</b>	-111.935.425	140.544.603
1. Net profit for the period	<b>076</b>	0	140.544.603
2. Net loss for the period	<b>077</b>	111.935.425	0
VII. MINORITY INTEREST	<b>078</b>	0	0
<b>B) PROVISIONS (080 do 082)</b>	<b>079</b>	56.906.647	61.213.679
1. Provisions for pensions, severance pay and similar liabilities	<b>080</b>	1.606.868	1.606.868
2. Provisions for tax liabilities	<b>081</b>	0	0
3. Other provisions	<b>082</b>	55.299.779	59.606.811
<b>C) NON-CURRENT LIABILITIES (084 do 092)</b>	<b>083</b>	520.635.782	455.720.003
1. Liabilities to related parties	<b>084</b>	0	0
2. Liabilities for loans, deposits, etc.	<b>085</b>	0	0
3. Liabilities to banks and other financial institutions	<b>086</b>	520.635.782	455.720.003
4. Liabilities for advances	<b>087</b>	0	0
5. Trade payables	<b>088</b>	0	0
6. Commitments on securities	<b>089</b>	0	0
7. Liabilities to companies with participating interest	<b>090</b>	0	0
8. Other non-current liabilities	<b>091</b>	0	0
9. Deferred tax liabilities	<b>092</b>	0	0
<b>D) CURRENT LIABILITIES (094 do 105)</b>	<b>093</b>	120.166.620	157.289.943
1. Liabilities to related parties	<b>094</b>	20.517.736	11.592.401
2. Liabilities for loans, deposits, etc.	<b>095</b>	0	0
3. Liabilities to banks and other financial institutions	<b>096</b>	57.684.079	58.334.603
4. Liabilities for advances	<b>097</b>	3.466.010	10.016.988
5. Trade payables	<b>098</b>	20.162.023	34.959.619
6. Commitments on securities	<b>099</b>	0	0
7. Liabilities to companies with participating interest	<b>100</b>	0	0
8. Liabilities to employees	<b>101</b>	10.980.490	17.812.192
9. Taxes, contributions and similar liabilities	<b>102</b>	3.005.835	11.251.419
10. Liabilities arising from share in the result	<b>103</b>	0	0
11. Liabilities arising from non-current assets held for sale	<b>104</b>	0	0
12. Other current liabilities	<b>105</b>	4.350.447	13.322.721
<b>E) ACCRUED EXPENSES AND DEFERRED INCOME</b>	<b>106</b>	0	0
<b>F) TOTAL EQUITY AND LIABILITIES (062+079+083+093+106)</b>	<b>107</b>	1.772.257.275	2.631.208.606
<b>G) OFF BALANCE SHEET ITEMS</b>	<b>108</b>	0	0
<b>ADDITION TO BALANCE SHEET (only for consolidated financial statements)</b>			
<b>ISSUED CAPITAL AND RESERVES</b>			
1. Attributable to majority owners	<b>109</b>	0	0
2. Attributable to minority interest	<b>110</b>	0	0

**Income statement**

period 01.01.2017 to 30.09.2017

Company: Arena Hospitality Group d.d.

Position	AOP	Previous period		Current period	
		Cummulative	Quarter	Cummulative	Quarter
1	2	3	4	5	6
<b>I. OPERATING INCOME (112 do 113)</b>	<b>111</b>	377.799.814	279.306.452	473.736.485	344.424.785
1. Rendering of services	112	377.455.919	279.088.360	472.176.531	343.677.133
2. Other operating income	113	343.895	218.092	1.559.954	747.652
<b>II. OPERATING COSTS (115+116+120+124+125+126+129+130)</b>	<b>114</b>	268.255.810	126.604.817	318.612.057	163.360.644
1. Change in inventories of work in progress	115	0	0	0	0
2. Material expenses (117 do 119)	116	112.749.170	54.380.563	144.202.230	85.994.280
a) Costs of raw materials	117	50.627.482	27.034.620	61.410.844	33.257.406
b) Cost of goods sold	118	3.012	2.692	2.362	1.786
c) Other material expenses	119	62.118.676	27.343.251	82.789.024	52.735.088
3. Employee benefits expenses (121 do 123)	120	77.715.211	35.984.348	98.412.482	42.375.772
a) Net salaries	121	48.428.983	23.152.672	61.756.774	25.625.410
b) Tax and contributions from salary expenses	122	19.067.324	8.322.952	23.740.587	10.866.516
c) Contributions on salary	123	10.218.904	4.508.724	12.915.121	5.883.846
4. Depreciation and amortisation	124	39.071.312	13.168.526	36.524.269	12.417.474
5. Other expenses	125	0	0	0	0
6. Write down of assets (127+128)	126	0	0	0	0
a) non-current assets (except financial assets)	127	0	0	0	0
b) current assets (except financial assets)	128	0	0	0	0
7. Provisions	129	576.357	0	553.600	0
8. Other operating costs	130	38.143.760	23.071.380	38.919.476	22.573.138
<b>III. FINANCIAL INCOME (132 do 136)</b>	<b>131</b>	4.236.770	0	8.659.100	1.151.955
1. Interest, foreign exchange differences, dividends and similar income from related parties	132	0	0	2.916.830	1.151.955
2. Interest, foreign exchange differences, dividends and similar income from third parties	133	4.117.770	0	5.741.870	0
3. Income from investments in associates and joint ventures	134	0	0	0	0
4. Unrealised gains (income) from financial assets	135	0	0	0	0
5. Other financial income	136	119.000	0	400	0
<b>IV. FINANCIAL EXPENSES (138 do 141)</b>	<b>137</b>	32.116.663	6.505.902	23.238.925	10.779.120
1. Interest, foreign exchange differences, dividends and similar income from related parties	138	15.515.085	2.149	2.760.338	1.060.713
2. Interest, foreign exchange differences, dividends and similar income from third parties	139	16.437.011	6.452.363	20.079.241	9.609.548
3. Unrealised losses (expenses) from financial assets	140	0	0	0	0
4. Other financial expenses	141	164.567	51.390	399.346	108.859
<b>V. SHARE OF PROFIT FROM ASSOCIATED COMPANIES</b>	<b>142</b>	0	0	0	0
<b>VI. SHARE OF LOSS FROM ASSOCIATED COMPANIES</b>	<b>143</b>	0	0	0	0
<b>VII. EXTRAORDINARY - OTHER INCOME</b>	<b>144</b>	0	0	0	0
<b>VIII. EXTRAORDINARY - OTHER EXPENSES</b>	<b>145</b>	0	0	0	0
<b>IX. TOTAL INCOME (111+131+144)</b>	<b>146</b>	382.036.584	279.306.452	482.395.585	345.576.740
<b>X. TOTAL EXPENSES (114+137+143+145)</b>	<b>147</b>	300.372.473	133.110.719	341.850.982	174.139.764
<b>XI. PROFIT OR LOSS BEFORE TAXES (146-147)</b>	<b>148</b>	81.664.111	146.195.733	140.544.603	171.436.976
1. Profit before taxes (146-147)	149	81.664.111	146.195.733	140.544.603	171.436.976
2. Loss before taxes (147-146)	150	0	0	0	0
<b>XII. TAXATION</b>	<b>151</b>	0	0	0	0
<b>XII. PROFIT OR LOSS FOR THE PERIOD (148-151)</b>	<b>152</b>	81.664.111	146.195.733	140.544.603	171.436.976
1. Profit for the period (149-151)	153	81.664.111	146.195.733	140.544.603	171.436.976
2. Loss for the period (151-148)	154	0	0	0	0
<b>ADDITION TO PROFIT AND LOSS ACCOUNT (only for consolidated financial statements)</b>					
<b>XIV. PROFIT OR LOSS FOR THE PERIOD</b>					
1. Attributable to majority owners	155	0	0	0	0
2. Attributable to minority interest	156	0	0	0	0
<b>STATEMENT OF OTHER COMPREHENSIVE INCOME (only for IFRS adopters)</b>					
<b>I. PROFIT OR LOSS FOR THE PERIOD (=152)</b>	<b>157</b>	81.664.111	146.195.733	140.544.603	171.436.976
<b>II. OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAXES (159 TO 165)</b>	<b>158</b>	0	0	0	0
1. Exchange differences from international settlement	159	0	0	0	0
2. Changes in revaluation reserves of long-term tangible and intangible assets	160	0	0	0	0
3. Profit or loss from re-evaluation of financial assets held for sale	161	0	0	0	0
4. Profit or loss from cash flow hedging	162	0	0	0	0
5. Profit or loss from hedging of foreign investments	163	0	0	0	0
6. Share of other comprehensive income/loss from associated companies	164	0	0	0	0
7. Actuarial gains/losses from defined benefit plans	165	0	0	0	0
<b>III. TAXATION OF OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>166</b>	0	0	0	0
<b>IV. NET OTHER COMPREHENSIVE INCOME FOR THE PERIOD (158 TO 166)</b>	<b>167</b>	0	0	0	0
<b>V. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (157+167)</b>	<b>168</b>	81.664.111	146.195.733	140.544.603	171.436.976
<b>ADDITION TO STATEMENT OF OTHER COMPREHENSIVE INCOME (only for consolidated financial statements)</b>					
<b>VI. COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD</b>					
1. Attributable to majority owners	169	0	0	0	0
2. Attributable to minority interest	170	0	0	0	0



<b>Cash flow statement - indirect method</b>			
<b>period 01.01.2017 to 30.09.2017</b>			
Company: Arena Hospitality Group d.d.			
<b>Position</b>	<b>AOP</b>	<b>Previous period</b>	<b>Current period</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
1. Profit before tax	001	81.664.111	140.544.603
2. Depreciation and amortisation	002	39.071.312	36.524.269
3. Decrease of current liabilities	003	47.973.825	40.779.831
4. Decrease of current receivables	004	0	0
5. Decrease of inventories	005	0	0
6. Other cash flow increases	006	0	0
<b>I. Total increase of cash flow from operating activities</b>	<b>007</b>	<b>168.709.248</b>	<b>217.848.703</b>
1. Decrease of current liabilities	008	0	0
2. Increase of current receivables	009	41.307.304	54.275.623
3. Increase of inventories	010	420.911	732.049
4. Other cash flow decreases	011	0	5.241.342
<b>II. Total decrease of cash flow from operating activities</b>	<b>012</b>	<b>41.728.215</b>	<b>60.249.014</b>
<b>A1) NET INCREASE OF CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>013</b>	<b>126.981.033</b>	<b>157.599.689</b>
<b>A2) NET DECREASE OF CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>014</b>	<b>0</b>	<b>0</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
1. Proceeds from sale of non-current assets	015	12.318	0
2. Proceeds from sale of non-current financial assets	016	0	0
3. Interest received	017	0	0
4. Dividend received	018	2.225	0
5. Other proceeds from investing activities	019	30.919	0
<b>III. Total cash inflows from investing activities</b>	<b>020</b>	<b>45.462</b>	<b>0</b>
1. Purchase of non-current assets	021	40.235.674	46.839.147
2. Purchase of non-current financial assets	022	0	0
3. Other cash outflows from investing activities	023	0	67.015.064
<b>IV. Total cash outflows from investing activities</b>	<b>024</b>	<b>40.235.674</b>	<b>113.854.211</b>
<b>B1) NET INCREASE OF CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>025</b>	<b>0</b>	<b>0</b>
<b>B2) NET DECREASE OF CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>026</b>	<b>40.190.212</b>	<b>113.854.211</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
1. Proceeds from issue of equity securities and debt securities	027	0	741.892.150
2. Proceeds from loans and borrowings	028	214.796.790	0
3. Other proceeds from financing activities	029	0	0
<b>V. Total cash inflows from financing activities</b>	<b>030</b>	<b>214.796.790</b>	<b>741.892.150</b>
1. Repayment of loans and bonds	031	308.504.481	55.899.821
2. Dividends paid	032	0	0
3. Repayment of finance lease	033	0	0
4. Purchase of treasury shares	034	0	0
5. Other cash outflows from financing activities	035	0	61.756.082
<b>VI. Total cash outflows from financing activities</b>	<b>036</b>	<b>308.504.481</b>	<b>117.655.903</b>
<b>C1) NET INCREASE OF CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>037</b>	<b>0</b>	<b>624.236.247</b>
<b>C2) NET DECREASE OF CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>038</b>	<b>93.707.691</b>	<b>0</b>
Total increases of cash flows	039	0	667.981.725
Total decreases of cash flows	040	6.916.870	0
Cash and cash equivalents at the beginning of period	041	113.421.141	92.464.080
Increase of cash and cash equivalents	042	0	667.981.725
Decrease of cash and cash equivalents	043	6.916.870	0
Cash and cash equivalents at the end of period	044	106.504.271	760.445.805

## STATEMENT OF CHANGES IN EQUITY

period **01.01.17** to **30.09.17**

Position	AOP	Previous year	Current year
1	2	3	4
1. Subscribed share capital	<b>001</b>	43.650.000	102.574.420
2. Capital reserves	<b>002</b>	460.005.525	1.142.976.635
3. Reserves from profit	<b>003</b>	661.729.528	570.774.567
4. Retained earnings or loss carried forward	<b>004</b>	20.983.842	0
5. Net profit or loss for the period	<b>005</b>	-111.935.425	140.544.603
6. Revaluation of tangible assets	<b>006</b>	0	0
7. Revaluation of intangible assets	<b>007</b>	0	0
8. Revaluation of available for sale assets	<b>008</b>	0	0
9. Other revaluation	<b>009</b>	114.756	114.756
<b>10. Total equity and reserves (AOP 001 to 009)</b>	<b>010</b>	1.074.548.226	1.956.984.981
11. Foreign exchange differences from foreign investments	<b>011</b>	0	0
12. Current and deferred taxes	<b>012</b>	0	0
13. Cash flow hedge	<b>013</b>	0	0
14. Change of accounting policies	<b>014</b>	0	0
15. Correction of significant mistakes of prior period	<b>015</b>	0	0
16. Other changes	<b>016</b>	0	0
<b>17. Total increase or decrease of equity (AOP 011 to 016)</b>	<b>017</b>	0	0
17 a. Attributable to majority owners	<b>018</b>	0	0
17 b. Attributable to minority interest	<b>019</b>	0	0