



**AS EKSPRESS GRUPP**  
**CONSOLIDATED INTERIM REPORT**  
  
**FOR THE THIRD QUARTER**  
**AND**  
**FIRST NINE MONTHS OF 2010**

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## GENERAL INFORMATION

Beginning of the financial year	1 January 2010
End of the financial year	30 September 2010
Name of the Company	AS Ekspress Grupp
Registration number	10004677
Address	Narva mnt.11 E, 10151 Tallinn
Phone no.	+372 669 8181
Fax no.	+372 669 8081
Main field of activity	Publishing and related services
CEO	Gunnar Kobin
Auditor	AS PricewaterhouseCoopers

### **Management Board's confirmation on the interim management report**

The management board confirms that the management report of AS Ekspress Grupp presented on pages 5 to 17 presents a true and fair view of the business developments and results, of the financial position, and includes the description of major risks and doubts for the Parent company and consolidated companies as a group.

Gunnar Kobin	Chairman of the Management Board	signed digitally 29.10.2010
Erle Oolup	Member of the Management Board	signed digitally 29.10.2010
Andre Veskimeister	Member of the Management Board	signed digitally 29.10.2010

**MANAGEMENT REPORT**

The following report presents the financial results of Ekspress Grupp for the third quarter and first nine months of 2010, related market developments and management decisions

**Selected financial indicators**

Financial indicators (thousand)	EEK		EUR		Change %
	Q III 2010	Q III 2009	Q III 2010	Q III 2009	
<b>Accounting period</b>					
Sales*	184 780	175 859	11 810	11 239	5,1%
Gross profit*	38 226	21 090	2 443	1 347	81,3%
EBITDA*	19 980	(6 078)	1 277	(388)	428,7%
Operating profit*	7 716	(19 410)	493	(1 241)	139,7%
<b>Profit /(loss) for the year from continuing operations</b>	<b>(4 110)</b>	<b>(31 242)</b>	<b>(263)</b>	<b>(1 998)</b>	<b>86,8%</b>
<b>Profit /(loss) for the period</b>	<b>(4 110)</b>	<b>(66 571)</b>	<b>(263)</b>	<b>(4 256)</b>	<b>93,8%</b>
Financial indicators (thousand)	EEK		EUR		Change %
	9 months 2010	9 months 2009	9 months 2010	9 months 2009	
<b>Accounting period</b>					
Sales*	578 903	603 012	36 999	38 539	-4,0%
Gross profit*	123 664	105 385	7 904	6 735	17,3%
EBITDA*	66 015	33 773	4 219	2 158	95,5%
Operating profit*	27 753	(6 893)	1 773	(441)	502,0%
<b>Profit/(loss) for the year from continuing operations</b>	<b>(10 803)</b>	<b>(43 680)</b>	<b>(690)</b>	<b>(2 792)</b>	<b>75,3%</b>
<b>Profit/(loss) for the period</b>	<b>(5 125)</b>	<b>(80 058)</b>	<b>(327)</b>	<b>(5 117)</b>	<b>93,6%</b>
Financial indicators (thousand)	<u>30.09.2010</u>	<u>30.09.2009**</u>	<u>30.09.2010</u>	<u>30.09.2009**</u>	Change %
Total current assets	223 577	197 514	14 290	12 624	13,2%
Total non-current assets	1 117 237	1 348 138	71 403	86 161	-17,1%
<b>Total assets</b>	<b>1 340 814</b>	<b>1 545 652</b>	<b>85 693</b>	<b>98 785</b>	<b>-13,3%</b>
Total short-term liabilities	227 090	374 825	14 514	23 956	-39,4%
Total long-term liabilities	550 992	611 077	35 214	39 055	-9,8%
<b>Total liabilities</b>	<b>778 082</b>	<b>985 902</b>	<b>49 728</b>	<b>63 011</b>	<b>-21,1%</b>
Total equity	562 732	559 750	35 965	35 774	0,5%

\*Includes only result of continuing operations

\*\* Comparative data include assets and liabilities of discontinued operations.

**Performance indicators**

Profitability ratios (%)		Q III 2010	Q III 2009	9 months 2010	9 months 2009
Sales growth (%) *		5,1%	-24,1%	-4,0%	-23,8%
Gross profit margin (%) *		20,7%	12,0%	21,4%	17,5%
Net profit margin (%) *		-2,2%	-17,8%	-1,9%	-7,2%
EBITDA margin (%) *		10,8%	-3,5%	11,4%	5,6%
Operating profit margin (%) *		4,2%	-11,0%	4,8%	-1,1%
ROA (%)		-0,3%	-4,1%	-0,8%	-4,9%
ROE (%)		-0,8%	-10,8%	-2,2%	-13,0%
Earnings per share	EEK	(0,14)	(3,19)	(0,20)	(3,86)
	EUR	(0,01)	(0,20)	(0,01)	(0,25)

\* Financial ratios cover only continuing operations.

Following formulas have been used for calculating financial ratios presented.

Sales growth (%)	(sales 9 months 2010 – sales 9 months 2009) / sales 9 months 2009 * 100
Gross profit margin (%)	gross profit / sales * 100
Net profit margin (%)	net profit / sales * 100
EBITDA margin (%)	EBITDA / sales * 100
Operating profit margin (%)	operating profit / sales * 100
Earnings per share	net profit / average number of shares
ROA (%)	net profit / assets * 100
ROE (%)	net profit / equity * 100

Financial ratios (%)	30.09.2010	30.09.2009
Equity ratio (%)	42,0%	36,2%
Liquidity ratio	1,0	0,5
Debt equity ratio (%)	123,0%	147,6%
Financial leverage (%)	49,3%	56,7%

Following formulas have been used for calculating financial ratios presented.

Equity ratio (%)	equity / (equity + debt) * 100
Liquidity ratio	current assets / current liabilities
Debt equity ratio (%)	interest bearing liabilities / equity * 100
Financial leverage (%)	interest bearing liabilities - cash and cash equivalents / interest bearing liabilities + equity * 100

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third quarter and first nine months of  
2010

## Revenue and EBITDA by group companies\*

(thousand)	Revenue			EBITDA		
EEK	Q III 2010	Q III 2009	Change %	Q III 2010	Q III 2009	Change %
Eesti Ajalehed AS***	26 242	26 416	-0,7%	3 370	(3 887)	186,7%
Delfi consolidated	28 254	24 010	17,7%	1 143	(4 681)	124,4%
AS Printall	86 163	77 742	10,8%	17 221	11 249	53,1%
UAB Ekspress Leidyba	9 823	10 750	-8,6%	(993)	(6 021)	83,5%
Eesti Päevalehe AS**	23 046	28 528	-19,2%	(1 640)	(1 242)	-32,0%
AS SL Õhtuleht**	25 666	28 506	-10,0%	1 918	3 428	-44,0%
AS Express Post**	17 768	19 180	-7,4%	2 020	2 530	-20,2%
AS Ajakirjade Kirjastus**	30 998	32 324	-4,1%	1 132	(192)	689,6%
AS Linnaleht	1 978	2 623	-24,6%	(242)	(73)	-231,5%
UAB Medipresa	37 560	34 848	7,8%	54	(12)	550,0%

(thousand)	Revenue			EBITDA		
EEK	9 months 2010	9 months 2009	Change %	9 months 2010	9 months 2009	Change %
Eesti Ajalehed AS***	85 534	94 516	-9,5%	8 190	(4 964)	265,0%
Delfi consolidated	87 342	78 966	10,6%	7 235	(923)	883,9%
AS Printall	265 859	259 577	2,4%	57 409	44 498	29,0%
UAB Ekspress Leidyba	32 912	42 424	-22,4%	(1 626)	(2 942)	44,7%
Eesti Päevalehe AS**	75 132	101 812	-26,2%	(7 480)	2 128	-451,5%
AS SL Õhtuleht**	79 936	91 902	-13,0%	6 640	12 636	-47,5%
AS Express Post**	55 450	57 904	-4,2%	6 836	5 962	14,7%
AS Ajakirjade Kirjastus**	97 842	112 848	-13,3%	2 846	(1 228)	331,8%
AS Linnaleht	8 006	12 475	-35,8%	(918)	(151)	-507,9%
UAB Medipresa	100 049	105 202	-4,9%	(153)	466	-132,8%

\*with intergroup transactions

\*\*joint ventures 100%

\*\*\*AS Maaleht operations were transferred to Eesti Ajalehed AS 2009 year

(thousand)	Revenue			EBITDA		
EUR	Q III 2010	Q III 2009	Change %	Q III 2010	Q III 2009	Change %
Eesti Ajalehed AS***	1 677	1 688	-0,7%	215	(248)	186,7%
Delfi consolidated	1 806	1 535	17,7%	73	(299)	124,4%
AS Printall	5 507	4 969	10,8%	1 101	719	53,1%
UAB Ekspress Leidyba	628	687	-8,6%	(63)	(385)	83,5%
Eesti Päevalehe AS**	1 473	1 823	-19,2%	(105)	(79)	-32,0%
AS SL Õhtuleht**	1 640	1 822	-10,0%	123	219	-44,0%
AS Express Post**	1 136	1 226	-7,4%	129	162	-20,2%
AS Ajakirjade Kirjastus**	1 981	2 066	-4,1%	72	(12)	689,6%
AS Linnaleht	126	168	-24,6%	(15)	(5)	-231,5%
UAB Medipresa	2 401	246	7,8%	3	(1)	550,0%

\*with intergroup transactions

\*\*joint ventures 100%

\*\*\*AS Maaleht operations were transferred to Eesti Ajalehed AS 2009 year

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(thousand)	Revenue			EBITDA		
EUR	9 months 2010	9 months 2009	Change %	9 months 2010	9 months 2009	Change %
Eesti Ajalehed AS***	5 467	6 041	-9,5%	523	(317)	265,0%
Delfi consolidated	5 582	5 047	10,6%	462	(59)	883,9%
AS Printall	16 991	16 590	2,4%	3 669	2 844	29,0%
UAB Ekspress Leidyba	2 103	2 711	-22,4%	(104)	(188)	44,7%
Eesti Päevalehe AS**	4 802	6 507	-26,2%	(478)	136	-451,5%
AS SL Õhtuleht**	5 109	5 874	-13,0%	424	808	-47,5%
AS Express Post**	3 544	3 701	-4,2%	437	381	14,7%
AS Ajakirjade Kirjastus**	6 253	7 212	-13,3%	182	(78)	331,8%
AS Linnaleht	512	797	-35,8%	(59)	(10)	-507,9%
UAB Medipresa	6 394	6 724	-4,9%	(10)	30	-132,8%

\*with intergroup transactions

\*\*joint ventures 100%

\*\*\*AS Maaleht operations were transferred to Eesti Ajalehed AS 2009 year

In the third quarter of 2010, Ekspress Grupp earned EBITDA of EEK 20 million (EUR 1.3 million) which is a major improvement from last year loss of EEK 6.1 million (EUR 0.4 million). Compared to normalized result of QIII 2009 of EEK 5.4 million (EUR 0.4 million) (excluding extraordinary write-off of debtors and loss of goodwill after the sale of a business unit in Lithuania), improvement in EBITDA has been EEK 25.4 million (EUR 1.6 million) (311%). Net loss for the period was EEK 4.1 million (EUR 0.3 million) compared to loss of EEK 66.6 million (EUR 4.2 million) from last year. Compared to normalized net loss of QIII 2009 EEK 18.8 million (EUR 1.2 million) (in addition to above mentioned also excluding extraordinary loss of goodwill from the sale of Ekspress Hotline) improvement has been by EEK 14.7 million (EUR 1 million). Compared to internal targets, EBITDA has been 26% better than forecasted and Net Profit 45.7% better than forecasted.

Note: in the accumulated EBITDA for the year, we have made an adjustment by repositioning profit from sales of book retailing company from “other income” to “discontinued operations” therefore EBITDA in QI 2010 has decreased by EEK 6.2 million (EUR 0.4 million) but there is no change in Net Profit.

In the media business, QIII is the low point of the year in terms of revenue and profits due to low economic activity in July and August as main vacation months of the year.

Comparing the QIII 2010 with QIII 2009, major improvements in the revenue side have been taking place in the online media segment which has increased by 13.1% and in the printing services segment which has increased by 10.8% (for segment results, see page 31 Note 6). These improvements in sales have also contributed most to the improvement in total sale - compared to last year the total sale has grown by 5.1%. The periodicals segment has been improving sales quarter by quarter but is still decreasing compared to last year by 6.9%. In the second quarter, drop compared to last year was in an average of 15%.

In the online business, major contributors to the growth have been Delfi Estonian and Lithuanian operations growing respectively by 15.9% and 25.4% compared to previous year. Delfi Latvia is still lagging behind with a y-o-y drop of 14.7% compared to last year. Economic environment in Latvia has been challenging with all the advertising sectors decreasing for a year, but the management sees signs of decline coming to an end and we are predicting modest growth for Latvian online media for the remaining months of the year. In the Estonian online media market, revenues have concentrated more in the hands of the two biggest players in the market, Delfi and Postimees, both increasing their market share on behalf of smaller online environments. In the Lithuanian online market, Delfi has increased its market share but also the whole online market has grown and transition from traditional media into digital media has been more dramatic.



The biggest contributors to the EBITDA in the online media segment have been Delfi operations in Baltics and Ukraine. Delfi group in total has instead of making loss of EEK 4.7 million (EUR 0.3 million) in QIII 2009 made profit of EEK 1.1 million (EUR 0.07 million) in QIII 2010. The cost level of local operations has been held in the level they reached after cost cutting except for Ukraine operations, where during QIII 2010 additional resources in the form of labour costs have been allocated to improve the news production capabilities. The management will evaluate the success of these measures and overall performance of Ukraine operations at the end of the year and will decide a strategy for 2011. Also it is important to note, that as in both increasing and decreasing periods of advertising revenues, cost structure of the online media stays fixed and therefore the management considers a positive EBITDA result in a low revenue period of summer months a very good achievement.

In periodicals, the only company being able to maintain revenue compared to last year has been the publisher of weekly papers Eesti Ekspress and Maaleht. However, there has been a nominal decrease of 0.7%. The Reason for the company beating the market lies in successful reorganization of Eesti Ekspress printed edition and steady readership and circulation numbers of Maaleht added increasing advertising revenues for the paper. Both of the products have well stood against market turmoil due to the fact of being products with clear concept and market orientation.

Magazine producers both in Estonia and Lithuania have been still declining. In Estonia by 4.1% compared to last year and in Lithuania by 8.6%.

The biggest decliners in the periodicals have been daily papers Õhtuleht and Eesti Päevaleht, both losing revenue by 10% and 19.2% respectively compared to last year. Although the circulation and subscribers have stood fairly stable in Õhtuleht, the decline comes from ongoing drop in advertising revenues. In Eesti Päevaleht, one of the major contributors to the decline is unsuccessful new series of books, which in the previous years have contributed well to both revenue and EBITDA.

EBITDA in the periodicals segment for QIII 2010 has been profit of EEK 4.7 million (EUR 0.3 million) compared to loss of EEK 6.2 million (EUR 0.4 million) in QIII 2009. Compared to normalized result of QIII 2009 being loss of EEK 1.6 million (EUR 0.1 million) (excluding extraordinary loss from the sale of business unit in Lithuania and expenses related to the merger of the managements of two weekly papers), the improvement has been EEK 6.2 million (EUR 0.4 million) compared to QIII 2009. The biggest contributors to the outcome have been the publisher of weekly papers and Estonian magazine publisher. Normalized result of Lithuanian magazine publisher has stayed flat compared to last year, daily papers Õhtuleht and Eesti Päevaleht have made EBITDA less than last year. Õhtuleht is maintaining EBITDA positive but Eesti Päevaleht is still making a negative result. All the companies have been trimmed in respect to cost structure. Regarding Eesti Päevaleht, there are resources to be taken into use and the management is addressing the issue.

The management is extremely proud of the results in the printing services segment, where revenues have shown growth of 10.8% compared to last year. The growth comes from increasing export revenues. Printall has made a breakthrough to export markets by being able to be reliable and efficient partner for the publishers. Recent client wins come from Scandinavia but also from South of France and Monaco. For the future coming months, the company still has enough free capacity. Due to successful growth in export markets, the management has initiated a discussion about additional investments into increasing capacity or taking more share of post press value chain to keep the growth rate. The exceptional result in sales growth is also brought an increase in EBITDA, where QIII 2010 has ended with EEK 17.2 million (EUR 1.1 million) compared to EEK 11.2 million (EUR 0.6 million) in QIII 2009. QIII 2010 result is influenced by one-time write-off of debt in the range of EEK 0.8 million (EUR 0.05 million) coming from a bankrupted Danish client and a client in Russia.

EBITDA margins for the whole group in QIII was 10.8% compared to last year's negative margin. In the online media segment the margin has stayed positive being 1.7%, in the periodicals the margin was 5.9% and in the printing services segment 20% (all being improvements compared to last year). Taking

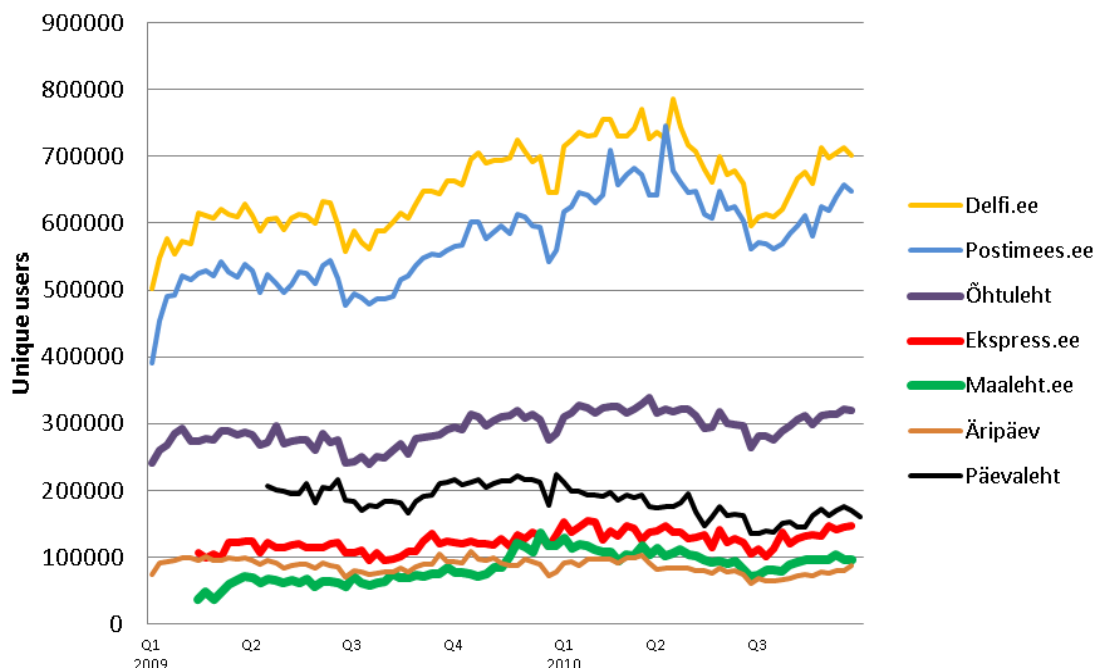
into account QIII being the lowest quarter of the year, the management considers overall margin being in line with an annual internal target of 10%.

Most important developments and actions during QIII 2010 have been as follows:

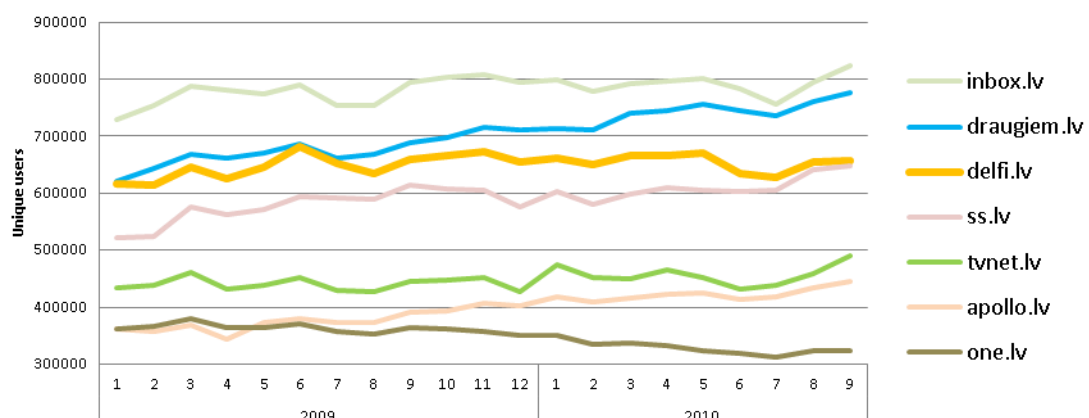
- The publisher of weekly papers Eesti Ekspress and Maaleht has started a project with an aim to produce digital version of Eesti Ekspress for Apple tablet computer iPad. The digital version will be launched in QIV 2010.
- The Lithuanian magazine publisher Ekspress Leidyba has taken a decision to withdraw from active book publishing activities and concentrate mainly on making present portfolio of magazines more profitable. Ekspress Leidyba will continue to publish only books with forecasted return on investment 25% and more p.a.
- Online portal Delfi introduced new facelift of the front page in Estonia and will continue executing facelifts in all the portals in Delfi group during the year with an aim to fresh up the products in all the countries by the end of the year.
- Delfi Estonia performed an image campaign to build a bigger image of an opinion leader in the online environment in Estonia.
- Delfi Estonia launched contextual keyword based advertising sale with an aim to offer small businesses an opportunity to advertise with affordable budgets next to articles featuring a topic connected to their business orientation.
- Delfi Estonia launched a new editorial section Noorte Hää (Voice of the youth) targeted to young readers aged 15-25.
- Delfi Estonia continued the development of Rahva Hää (Voice of the people) project which is targeted for motivating readers to contribute editorial material and photos to build up a strong user generated content presence in Delfi.
- Delfi Latvia launched a new project Aculiecinieks (Eyewitness) and Delfi Lithuania launched a new project Pilietis (Citizen) which are analogs of Estonian user generated content project Rahva Hää.
- Delfi Lithuania signed an agreement with the Lithuanian government to start publishing a new portal Delfi Green. The project is funded by EU donation in the amount of EEK 1.6 million (EUR 1 million).

### **Online media segment**

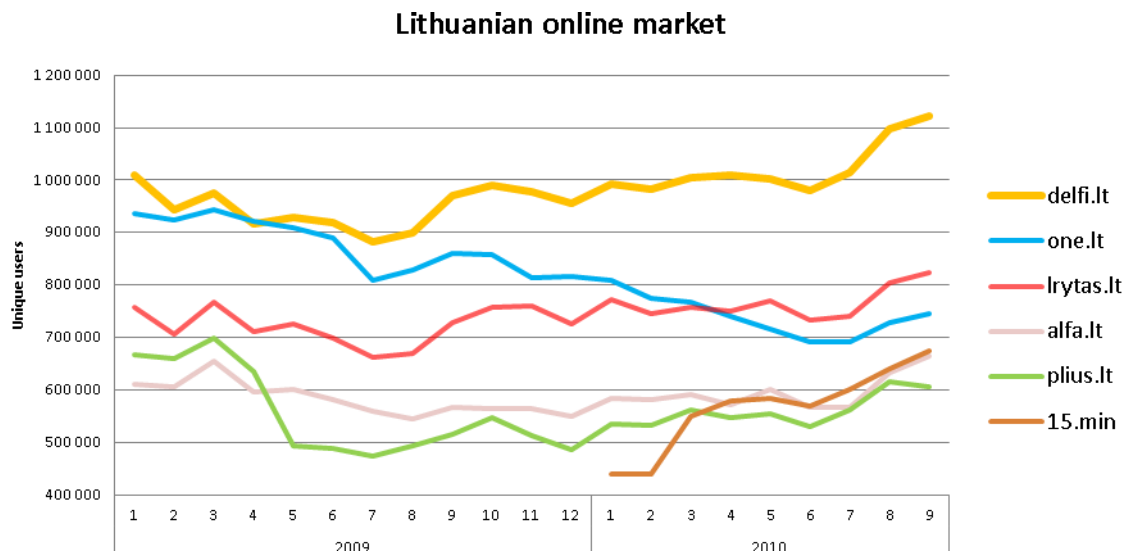
In the third quarter, the number of unique users of Delfi Group faced the predicted seasonal decrease in Estonia and Latvia but increased in Lithuania and Ukraine. In Lithuania, Delfi managed to achieve the best ever month in terms of unique users in September.

**Estonian online market**

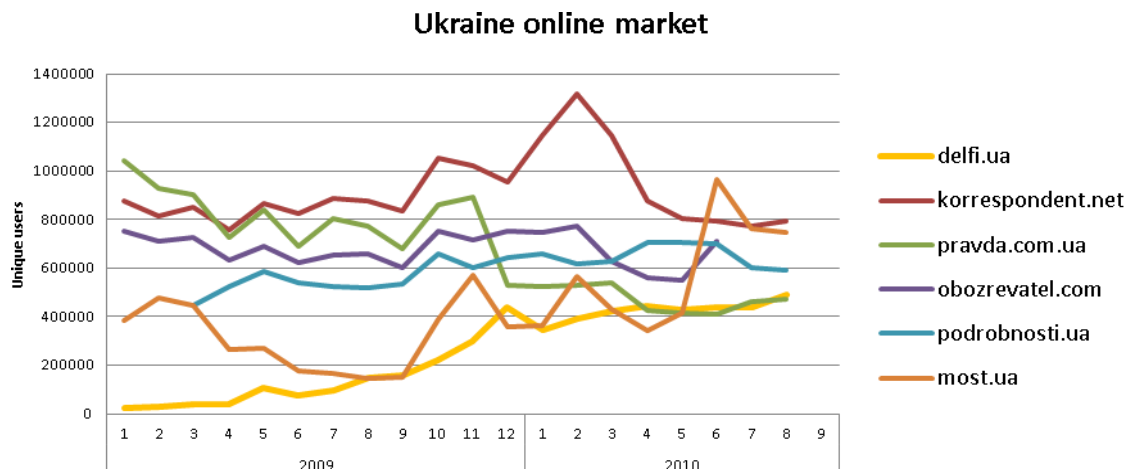
In Estonia, Delfi is the largest news portal. In the third quarter, the number of unique users was 10% higher as compared to the same period of 2009. By the end of the second quarter, Delfi had 703 500 weekly unique users in Estonia. There are portals Õhtuleht, Eesti Ekspress and Maaleht that are providing also growth in terms of unique users compared to last year. The biggest functional change took place in Delfi where the front page went through a facelift to give the portal more modern and dynamic design.

**Latvia online market**

In Latvia, Delfi is the largest news portal. In the third quarter, the number of unique users was similar compared to the same period of 2009. By the end of the second quarter, Delfi had 657 067 monthly unique users in Latvia.



In Lithuania, Delfi is the most visited web site. Delfi had the best ever number of users in August and September with 1 121 800 unique users in September. That is 15% more in comparison to the third quarter of 2009.



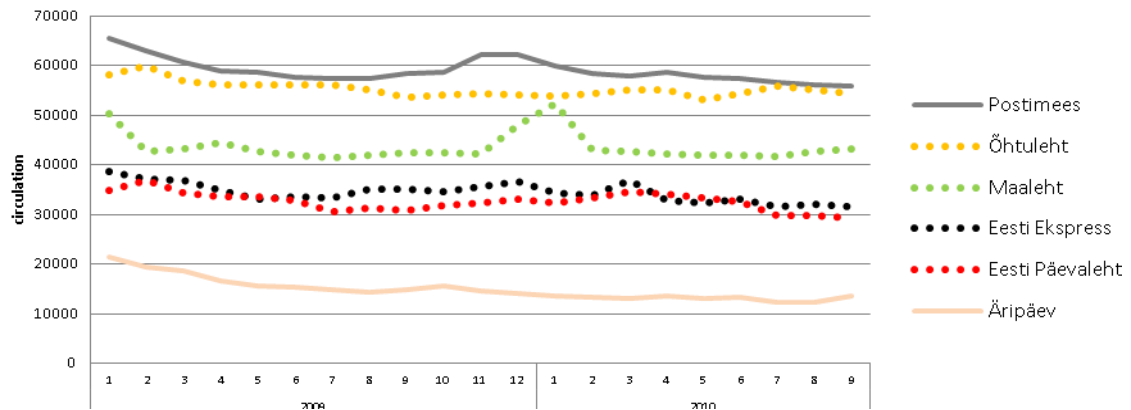
In Ukraine, the growth of Delfi is still substantial compared to the last year results based on the August data available. In August 2010, the number of monthly unique users reached 464 603.

### Periodicals segment

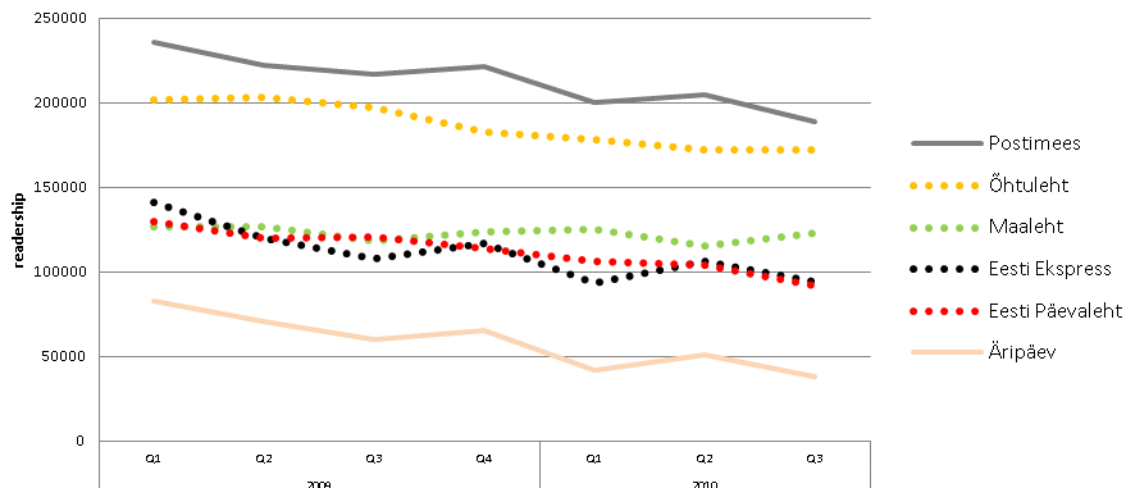
The periodicals segment includes newspaper and magazine publishing of Eesti Päevalehe AS, Eesti Ajalehed AS (Maaleht and Eesti Ekspress), AS SL Õhtuleht, AS Linnaleht, UAB Ekspress Leidyba and AS Ajakirjade Kirjastus.

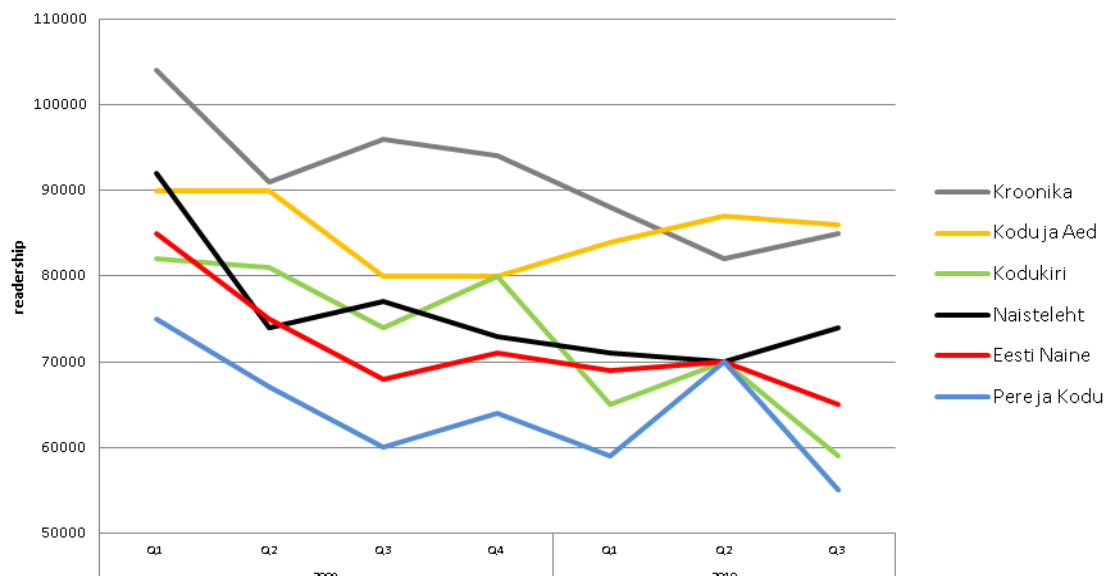
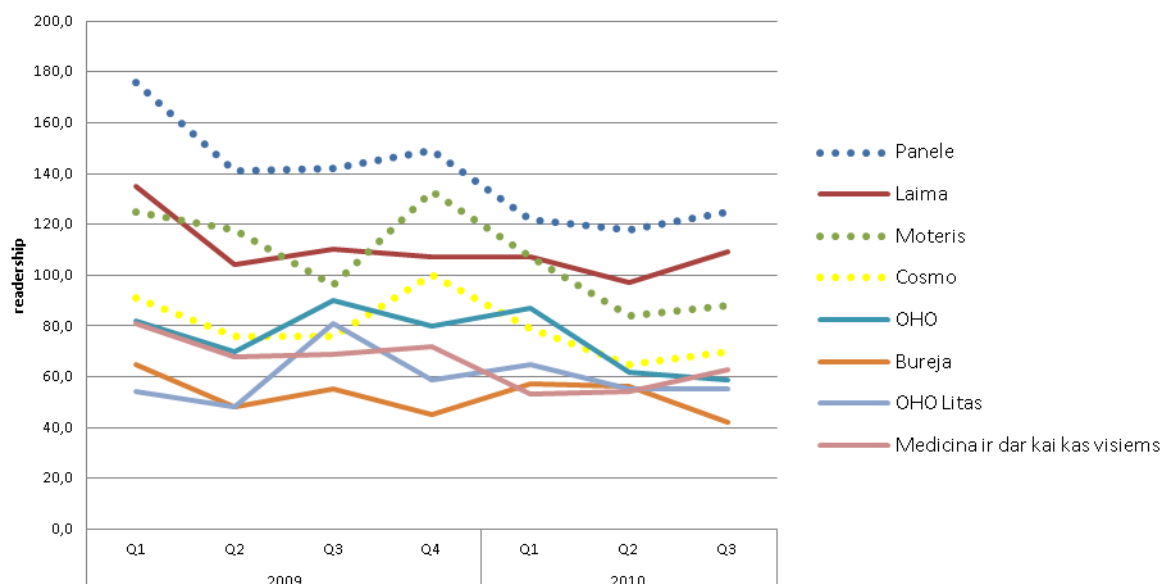
All newspaper and magazine publishing units (except AS Linnaleht, AS SL Õhtuleht) of AS Ekspress Grupp also publish books.

### Estonian newspaper circulation



### Estonian newspaper readership



**Estonian magazines readership****Lithuanian monthly magazines readership**

The periodicals segment has reached a certain stability during past quarters. Despite the fact that the overall readership figures are still declining, the circulation is doing stable which allows us to believe in a certain stabilization of the segment. It is even more important considering there was a big interest towards TV during the summer time when Estonia turned down analog TV broadcasting and with digital era, there were some additional channels delivered. The other mentionable fact is that favourable summertime was diminishing the readership number of the periodicals.

**Investments****Acquisition of fixed assets**

(thousand)	EEK		EUR	
	9 months 2010	9 months 2009	9 months 2010	9 months 2009
<b>Acquisition of property, plant and equipment</b>	12	171	1	11
Buildings	918	2 133	59	137
Plant and equipment	2 364	3 711	152	238
Other equipment	14	1 601	1	102
Unfinished buildings and prepayments	<b>3 308</b>	<b>7 616</b>	<b>213</b>	<b>488</b>
<b>Acquisition of property, plant and equipment total</b>				
<b>Acquisition of intangible assets</b>	1 581	2 203	100	139
Development	1 292	1 522	83	97
Computer software	420	522	27	33
Prepayments	<b>3 293</b>	<b>4 247</b>	<b>210</b>	<b>269</b>
<b>Acquisition of intangible assets total</b>	<b>6 601</b>	<b>11 863</b>	423	757
<b>Acquisition of fixed assets total</b>	12	171	1	11

All investments in the first nine months of 2010 were ordinary, in order to improve the assets used in business activity at bare minimum extent.

**Employees**

As of the end of June 2010 Ekspress Grupp employed 1 771 people (As of 30 September 2009 (includes employees of discontinued operations): 2 161). The average number of employees in the first nine months of 2010 was 1 780 (9 months 2009 includes employees of discontinued operations: 2 254).

In the first nine months of 2010, the personnel costs of Ekspress Grupp totalled EEK 155.8 million (EUR 10.0 million), (9 months 2009 with the personnel cost of discontinued operations EEK 206.7 million (EUR 13.2 million))\*.

\*proportional part from joint ventures

**Shares and shareholders of Ekspress Grupp**

The share capital of the public limited company is EEK 297 968 410 (EUR 19 043 652) which consists of the shares with the nominal value of EEK 10 (EUR 0.64). All shares are of one type and there are no ownership restrictions.

The articles of association of the public limited company set no restrictions for the transfer of the shares of the public limited company.

The agreements entered into between the public limited company and the shareholders set no restrictions for the transfer of shares. In the agreements between the shareholders, they are only known to the extent that is related to pledged securities and is public information.

The following persons have significant holdings in AS Ekspress Grupp as of 30 September 2010:

- Hans Luik who controls 16 235 766 shares which makes up 54,49% of the share capital of the public limited company.

- ING Luxembourg S.A whose customers hold 3 727 344 shares which makes up 12,51% of the share capital of the public limited company.
- Skandinaviska Enskilda Banken Ab Clients whose customers hold 2 339 987 shares which makes up 7,85% of the share capital of the public limited company.
- Nordea Bank Finland PLC/Non-Resident Legal Entities whose customers hold 1 618 215 shares which makes up 5,43% of the share capital of the public limited company.

On 20 April 2010, OÜ Griffen SPV, an investment company under the control of Gunnar Kobin, the Chairman of the Management Board of AS Ekspress Grupp, and OÜ HHL Rühm, an investment company under the control of Hans H. Luik, a Supervisory Board member of AS Ekspress Grupp, signed an amendment to the Share Purchase Agreement concluded on 16 November 2009. According to the amendment, the price for one share of AS Ekspress Grupp is EEK 15.6 (EUR 1). In addition, the parties signed a Preliminary Agreement under which OÜ Griffen SPV will acquire 80 127 shares of AS Ekspress Grupp for EEK15.6 ( EUR 1) per share.

As required by § 185(1) of the Securities Market Act, on 15 June 2010, Genesis Investment Management, LLP informed the Company that in relation to the acquisition of 1 582 349 shares, Genesis Investment Management, LLP holds 5.31 percent of the shares of AS Ekspress Grupp through their Account Representative Nordea Bank Finland Plc

As required by § 185(1) of the Securities Market Act, on 16 September 2010, East Capital Asset Management AB informed the Company that in relation to the acquisition of 150 000 shares, East Capital group holds 5.43 percent of the shares of AS Ekspress Grupp.

The information provided in the table is calculated on the basis of shareholdings as of 30.09.2010

Name	Number of shares	%
ING Luxembourg S.A.	3 727 344	12,51%
Skandinaviska Enskilda Banken Ab Clients	2 339 987	7,85%
Nordea Bank Finland PLC/Non-Resident Legal Entities	1 618 215	5,43%
Members of Management and Supervisory Boards and their immediate family members		
Hans Luik	7 962 553	26,72%
Hans Luik. OÜ HHL Rühm	8 266 313	27,74%
Hans Luik . OÜ Minigert	6 900	0,02%
Gunnar Kobin. OÜ Griffen SVP	473 681	1,59%
Viktor Mahhov, OÜ Flexinger	48 464	0,16%
Ville Jehe. OÜ Octoberfirst	400	0,00%
Aavo Kokk. OÜ Synd & Katts	55 656	0,19%
Other minority shareholders	5 297 328	17,78%
<b>Total</b>	<b>29 796 841</b>	<b>100,00%</b>

The public limited company does not have any shares granting specific rights of control.  
The public limited company does not possess information on agreements with regard to restrictions on the voting rights of shareholders.

The share price in Estonian kroons and trading statistics on OMX Tallinn Stock Exchange from 1 January to 30 September 2010.



Consolidated interim report for the  
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2010



The share price in Estonian kroons and trading statistics on OMX Tallinn Stock Exchange from 1 January to 30 September 2009.



#### Security trading history

Price	2010		2009	
	EEK	EUR	EEK	EUR
Open	16.12	1.03	12.20	0.78
High	23.47	1.50	23.47	1.50
Low	12.52	0.80	6.10	0.39
Traded volume (shares)	2 518 716	2 518 716	2 112 437	2 112 437
Turnover, million	45.77	2.93	28.35	1.81
Capitalisation, million	685.34	43.80	394.72	25.23

## CONSOLIDATED INTERIM FINANCIAL INFORMATION

### Management Board's confirmation of the Consolidated Interim Report

The Management Board confirms the correctness and completeness of the condensed consolidated interim report of AS Ekspress Grupp for the third quarter and first nine months of 2010 as presented on pages 18 - 40.

The Management Board confirms that:

1. the accounting policies and presentation of information is in compliance with International Financial Reporting Standards as adopted by the European Union;
2. the financial statements present a true and fair view of the financial position, the results of the operations and the cash flows of the Group;
3. all Group companies are going concerns.

Gunnar Kobin	Chairman of the Management Board	signed digitally 29.10.2010
Erle Oolup	Member of the Management Board	signed digitally 29.10.2010
Andre Veskimeister	Member of the Management Board	signed digitally 29.10.2010

**Consolidated statement of financial position (unaudited)**

(thousand)	EEK			EUR		
	30.09.2010	31.12.2009	30.09.2009	30.09.2010	31.12.2009	30.09.2009
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents	26 916	39 953	14 016	1 720	2 553	896
Other financial assets at fair value through profit or loss	47 011	892	8	3 005	57	1
Trade and other receivables	107 841	120 136	121 239	6 893	7 677	7 748
Inventories	41 809	55 160	62 251	2 672	3 525	3 979
<b>Total current assets</b>	<b>223 577</b>	<b>216 141</b>	<b>197 514</b>	<b>14 290</b>	<b>13 812</b>	<b>12 624</b>
<b>Assets of discontinued operations</b>	<b>0</b>	<b>93 457</b>	<b>0</b>	<b>0</b>	<b>5 973</b>	<b>0</b>
<b>Non-current assets</b>						
Trade and other receivables	2 635	5 697	9 237	167	364	589
Investments in associates	194	640	481	12	41	31
Investment property	6 360	6 360	12 341	406	406	789
Property, plant and equipment (Note 4)	307 513	345 938	365 748	19 654	22 109	23 376
Intangible assets (Note 4)	800 535	821 613	960 331	51 164	52 511	61 376
<b>Total non-current assets</b>	<b>1 117 237</b>	<b>1 180 248</b>	<b>1 348 138</b>	<b>71 403</b>	<b>75 431</b>	<b>86 161</b>
<b>TOTAL ASSETS</b>	<b>1 340 814</b>	<b>1 489 846</b>	<b>1 545 652</b>	<b>85 693</b>	<b>95 216</b>	<b>98 785</b>
<b>SHAREHOLDERS EQUITY AND LIABILITIES</b>						
<b>Liabilities</b>						
<b>Current liabilities</b>						
Borrowings (Note 5)	89 061	143 093	150 669	5 692	9 145	9 630
Trade and other payables	138 029	283 668	224 156	8 822	18 130	14 326
<b>Total current liabilities</b>	<b>227 090</b>	<b>426 761</b>	<b>374 825</b>	<b>14 514</b>	<b>27 275</b>	<b>23 956</b>
<b>Liabilities of discontinued operations</b>	<b>0</b>	<b>17 231</b>	<b>0</b>	<b>0</b>	<b>1 101</b>	<b>0</b>
<b>Non-current liabilities</b>						
Borrowings (Note 5)	535 540	583 047	599 766	34 227	37 263	38 332
Other long term liabilities	1 459	28	1 756	93	2	112
Derivative instruments	13 993	13 993	9 555	894	894	611
<b>Total non-current liabilities</b>	<b>550 992</b>	<b>597 068</b>	<b>611 077</b>	<b>35 214</b>	<b>38 159</b>	<b>39 055</b>
<b>Total liabilities</b>	<b>778 082</b>	<b>1 041 060</b>	<b>985 902</b>	<b>49 728</b>	<b>66 535</b>	<b>63 011</b>
<b>Equity</b>						
Capital and reserves attributable to equity holders of the Parent company						
Share capital	297 968	208 488	208 488	19 044	13 325	13 325
Share premium	223 394	192 883	192 883	14 277	12 327	12 327
Reserves	(313)	(313)	5 564	(20)	(20)	356
Retained earnings	40 680	45 805	151 840	2 600	2 927	9 704
Currency translation reserve	715	1 635	687	46	104	44
<b>Total capital and reserves attributable to equity holders of the Parent company</b>	<b>562 444</b>	<b>448 498</b>	<b>559 462</b>	<b>35 947</b>	<b>28 663</b>	<b>35 756</b>
Minority interest	288	288	288	18	18	18
<b>Total equity</b>	<b>562 732</b>	<b>448 786</b>	<b>559 750</b>	<b>35 965</b>	<b>28 681</b>	<b>35 774</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1 340 814</b>	<b>1 489 846</b>	<b>1 545 652</b>	<b>85 693</b>	<b>95 216</b>	<b>98 785</b>

\* Only the assets and liabilities related to AS Ekspress Hotline are reflected as discontinued operations.  
The notes presented on pages 24 to 40 form an integral part of the consolidated interim financial statements

**Consolidated interim statement of comprehensive income (unaudited)**

(thousand)	EEK			
	Q III 2010	Q III 2009	9 months 2010	9 months 2009
Sales	184 780	175 859	578 903	603 012
Costs of sales	146 554	154 769	455 239	497 627
<b>Gross profit</b>	<b>38 226</b>	<b>21 090</b>	<b>123 664</b>	<b>105 385</b>
Marketing expenses	7 627	7 812	24 966	28 215
Administrative expenses	23 517	27 573	73 364	84 272
Other income	1 429	842	4 324	7 671
Other expenses	795	5 957	1 905	7 462
<b>Operating profit / (loss)</b>	<b>7 716</b>	<b>(19 410)</b>	<b>27 753</b>	<b>(6 893)</b>
Interest income	81	295	321	1 609
Interest expenses	(10 012)	(13 638)	(30 627)	(35 467)
Currency exchange profit / (loss)	(1 407)	(485)	7	(565)
Other financial expenses	(539)	(333)	(2 120)	(784)
<b>Financial income (expense) total</b>	<b>(11 877)</b>	<b>(14 161)</b>	<b>(32 419)</b>	<b>(35 207)</b>
Share of profit / (loss) of associates	51	(24)	(341)	29
<b>Profit / (loss) before income tax</b>	<b>(4 110)</b>	<b>(33 595)</b>	<b>(5 007)</b>	<b>(42 071)</b>
Income tax expense	0	(2 353)	5 796	1 609
<b>Profit / (loss) for the year from continuing operations</b>	<b>(4 110)</b>	<b>(31 242)</b>	<b>(10 803)</b>	<b>(43 680)</b>
Profit / (loss) for the year from discontinued operations	0	(35 329)	5 678	(36 378)
<b>Profit / (loss) for the year</b>	<b>(4 110)</b>	<b>(66 571)</b>	<b>(5 125)</b>	<b>(80 058)</b>
<b>Attributable to:</b>				
Equity holders of the Parent company	(4 110)	(66 571)	(5 125)	(80 058)
<b>Other comprehensive income</b>				
Currency translation differences	1 425	(1 065)	(920)	(666)
<b>Total comprehensive income (expense)</b>	<b>(2 685)</b>	<b>(67 636)</b>	<b>(6 045)</b>	<b>(80 724)</b>
<b>Comprehensive income attributable to:</b>				
Equity holders of the Parent company	(2 685)	(67 636)	(6 045)	(80 724)
Basic and diluted earnings per share for profit attributable to the equity holders of the Company (Note 9)	(0,14)	(3,19)	(0,20)	(3,86)

\*Comparable data for 2009 have been adjusted and include only the result of continuing operations. Income and expenses related to AS Ekspress Hotline and AS Rahva Raamat have been eliminated from each income and expense line and are reflected in „Profit / (loss) for the year from discontinued operations“.

The notes presented on pages 24 to 40 form an integral part of the consolidated interim financial statements

**Consolidated interim statement of comprehensive income (unaudited)**

(thousand)	EUR			
	Q III 2010	Q III 2009	9 months 2010	9 months 2009
Sales	11 810	11 239	36 999	38 539
Costs of sales	9 367	9 892	29 095	31 804
<b>Gross profit</b>	<b>2 443</b>	<b>1 347</b>	<b>7 904</b>	<b>6 735</b>
Marketing expenses	487	499	1 596	1 803
Administrative expenses	1 503	1 762	4 689	5 386
Other income	91	54	276	490
Other expenses	51	381	122	477
<b>Operating profit /(loss)</b>	<b>493</b>	<b>(1 241)</b>	<b>1 773</b>	<b>(441)</b>
Interest income	5	19	21	103
Interest expenses	(640)	(872)	(1 957)	(2 267)
Currency exchange profit /(loss)	(90)	(31)	0	(36)
Other financial income	0	0	0	0
Other financial expenses	(34)	(21)	(135)	(50)
<b>Financial income (expense) total</b>	<b>(759)</b>	<b>(905)</b>	<b>(2 071)</b>	<b>(2 250)</b>
Share of profit (loss) of associates	3	(2)	(22)	2
<b>Profit /(loss) before income tax</b>	<b>(263)</b>	<b>(2 148)</b>	<b>(320)</b>	<b>(2 689)</b>
Income tax expense	0	(150)	370	103
<b>Profit /(loss) for the year from continuing operations</b>	<b>(263)</b>	<b>(1 998)</b>	<b>(690)</b>	<b>(2 792)</b>
Profit /(loss) for the year from discontinued operations	0	(2 258)	363	(2 325)
<b>Profit /(loss) for the year</b>	<b>(263)</b>	<b>(4 256)</b>	<b>(327)</b>	<b>(5 117)</b>
<b>Attributable to:</b>				
Equity holders of the Parent company	(263)	(4 256)	(327)	(5 117)
<b>Other comprehensive income</b>				
Currency translation differences	91	(68)	(58)	(43)
<b>Total comprehensive income (expense)</b>	<b>(172)</b>	<b>(4 324)</b>	<b>(385)</b>	<b>(5 160)</b>
<b>Comprehensive income attributable to:</b>				
Equity holders of the Parent company	(172)	(4 324)	(385)	(5 160)
Basic and diluted earnings per share for profit attributable to the equity holders of the Company (Note 9)	(0,01)	(0,20)	(0,01)	(0,25)

\*Comparable data for 2009 have been adjusted and include only the result of continuing operations. Income and expenses related to AS Ekspress Hotline and AS Rahva Raamat have been eliminated from each income and expense line and are reflected in „Profit /(loss) for the year from discontinued operations“.

The notes presented on pages 24 to 40 form an integral part of the consolidated interim financial statements

**Consolidated interim statement of changes in equity (unaudited)**

EEK (thousand)	Attributable to equity holders of the parent company						Minority interest	Total equity
	Share capital	Share premium	Reserves	Retained earnings	Currency translation reserve	Total		
<b>Balance on 31.12.2008</b>	<b>189 710</b>	<b>183 494</b>	<b>4 125</b>	<b>231 897</b>	<b>1 353</b>	<b>610 579</b>	<b>288</b>	<b>610 867</b>
Comprehensive income	0	0	0	(80 058)	(666)	(80 724)	0	(80 724)
Reserve to the share option	0	0	1 439	0	0	1 439	0	1 439
Share capital increase	18 778	9 389	0	0	0	28 167	0	28 167
<b>Balance on 30.09.2009</b>	<b>208 488</b>	<b>192 883</b>	<b>5 564</b>	<b>151 840</b>	<b>687</b>	<b>559 462</b>	<b>288</b>	<b>559 750</b>
<b>Balance on 30.12.2009</b>	<b>208 488</b>	<b>192 883</b>	<b>(313)</b>	<b>45 805</b>	<b>1 635</b>	<b>448 498</b>	<b>288</b>	<b>448 786</b>
Comprehensive income	0	0	0	(5 125)	(920)	(6 045)	0	(6 045)
Share capital increase	89 480	30 511	0	0	0	119 991	0	119 991
<b>Balance on 30.09.2010</b>	<b>297 968</b>	<b>223 394</b>	<b>(313)</b>	<b>40 680</b>	<b>715</b>	<b>562 444</b>	<b>288</b>	<b>562 732</b>

EEK (thousand)	Attributable to equity holders of the parent company						Minority interest	Total equity
	Share capital	Share premium	Reserves	Retained earnings	Currency translation reserve	Total		
<b>Balance on 31.12.2008</b>	<b>12 125</b>	<b>11 727</b>	<b>264</b>	<b>14 821</b>	<b>86</b>	<b>39 023</b>	<b>18</b>	<b>39 041</b>
Comprehensive income	0	0	0	(5 117)	(43)	(5 160)	0	(5 160)
Reserve to the share option	0	0	92	0	0	92	0	92
Share capital increase	1 200	600	0	0	0	1 800	0	1 800
<b>Balance on 30.09.2009</b>	<b>13 325</b>	<b>12 327</b>	<b>356</b>	<b>9 704</b>	<b>44</b>	<b>35 756</b>	<b>18</b>	<b>35 774</b>
<b>Balance on 31.12.2009</b>	<b>13 325</b>	<b>12 327</b>	<b>(20)</b>	<b>2 927</b>	<b>104</b>	<b>28 663</b>	<b>18</b>	<b>28 681</b>
Comprehensive income	0	0	0	(327)	(58)	(385)	0	(385)
Share capital increase	5 719	1 950	0	0	0	7 669	0	7 669
<b>Balance on 30.09.2010</b>	<b>19 044</b>	<b>14 277</b>	<b>(20)</b>	<b>2 600</b>	<b>46</b>	<b>35 947</b>	<b>18</b>	<b>35 965</b>

The notes presented on pages 24 to 40 form an integral part of the consolidated interim financial statements

### Consolidated interim cash flow statement (unaudited)

(thousand)	EEK		EUR	
	9 months 2010	9 months 2009	9 months 2010	9 months 2009
<b>Cash flows from operating activities</b>				
Operating profit/(loss) for the period	27 753	(6 893)	1 773	(441)
Adjustments for:				
Depreciation, amortisation and impairment of property, plant and equipment and intangibles	38 262	40 665	2 445	2 599
Profit / (loss) on sale of property, plant and equipment	104	570	7	36
<b>Changes in working capital:</b>				
Trade and other receivables	(5 348)	36 355	(341)	2 323
Inventories	(699)	2 104	(45)	134
Trade and other payables	(69 601)	(26 697)	(4 448)	(1 706)
<b>Cash generated from operations</b>	<b>(9 529)</b>	<b>46 104</b>	<b>(609)</b>	<b>2 947</b>
Income tax paid	(5 796)	(5 587)	(370)	(357)
Interest paid	(31 697)	(30 665)	(2 026)	(1 960)
<b>Net cash used in/generated from operating activities</b>	<b>(47 022)</b>	<b>9 852</b>	<b>(3 005)</b>	<b>630</b>
<b>Net cash used in/generated from operating activities from discontinued operations</b>	<b>(16 718)</b>	<b>8 031</b>	<b>(1 068)</b>	<b>513</b>
<b>Cash flows from investing activities</b>				
Proceeds from financial assets	62 266	0	3 980	0
Interest received	321	1 842	21	118
Purchase of property, plant and equipment	(6 601)	(7 684)	(422)	(491)
Proceeds from sale of property, plant and equipment	274	6 446	18	412
Loans granted	(585)	(4 702)	(37)	(301)
Loan repayments received	9 767	10 219	624	653
<b>Net cash generated from investing activities</b>	<b>65 442</b>	<b>6 121</b>	<b>4 183</b>	<b>391</b>
<b>Net cash generated from investing activities from discontinued operations</b>	<b>32 851</b>	<b>275</b>	<b>2 100</b>	<b>18</b>
<b>Cash flows from financing activities</b>				
Share issue	82 121	29 606	5 248	1 892
Finance lease payments made	(15 286)	(26 732)	(977)	(1 708)
Change in overdraft used	(22 005)	9 907	(1 406)	633
Proceeds from borrowings	(2 797)	10 292	(179)	658
Repayments of borrowings	(89 547)	(68 929)	(5 723)	(4 405)
<b>Net cash used in financing activities</b>	<b>(47 514)</b>	<b>(45 856)</b>	<b>(3 037)</b>	<b>(2 931)</b>
<b>Net cash used in financing activities from discontinued operations</b>	<b>(76)</b>	<b>(10 795)</b>	<b>(5)</b>	<b>(690)</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(13 037)</b>	<b>(32 372)</b>	<b>(833)</b>	<b>(2 069)</b>
Cash and cash equivalents at the beginning of the period	39 953	46 388	2 553	2 965
Cash and cash equivalents at the end of the period	26 916	14 016	1 720	896

The notes presented on pages 24 to 40 form an integral part of the consolidated interim financial statements

**SELECTED NOTES TO THE CONSOLIDATED INTERIM REPORT****Note 1 General information**

The main fields of activity of Ekspress Grupp and its subsidiaries include online media, publishing newspaper, magazines and books, printing services.

AS Ekspress Grupp (registration number 10004677, address: Narva mnt.11E, 10151 Tallinn) is a holding company registered in Estonia. There are 11 subsidiaries, 5 joint ventures and 2 associated companies that belong to the consolidation group as of 30 September 2010.

The consolidated interim financial report was approved for issue by the Management Board on 29 October 2010. The presentation currency is the Estonian kroon. The financial statements are presented in Estonian kroons (EEK) and Euros (EUR), rounded to the nearest thousand.

As of 30 September 2010 this consolidated interim report of AS Ekspress Grupp for the third quarter and first nine months of 2010 reflects the results of the following group companies:

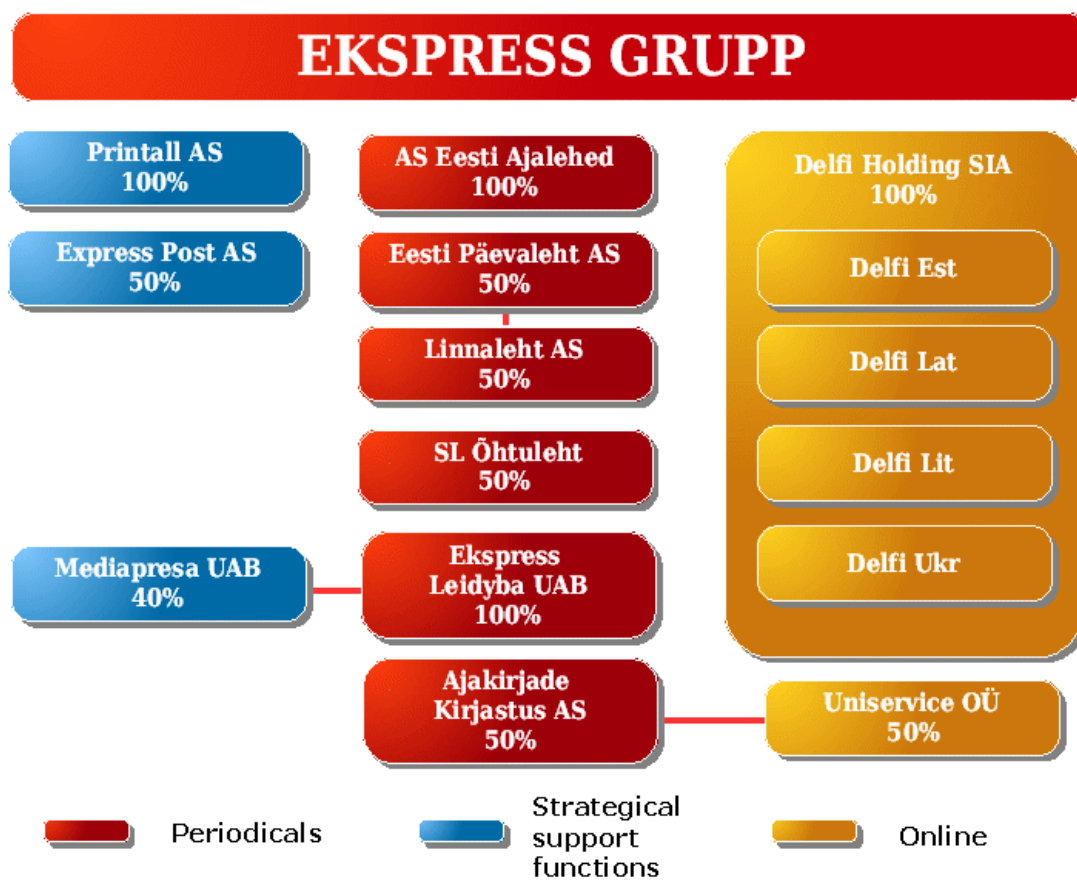
Name	Status	Shareholding 30.09.2010	Shareholding 31.12.2009	Main field of activity	Location
AS Ekspress Grupp	Parent Company			Holding Company	Estonia
Eesti Ajalehed AS	Subsidiary	100%	100%	Newspaper publishing	Estonia
UAB Ekspress Leidyba	Subsidiary	100%	100%	Magazine publishing	Lithuania
SIA Delfi Holding	Subsidiary	100%	100%	Holding Company	Latvia
Delfi AS	Subsidiary	100%	100%	Online media	Estonia
Delfi AS	Subsidiary	100%	100%	Online media	Latvia
Mango.lv SIA	Subsidiary	100%	100%	Online media	Latvia
SIA Ekspress Portals	Subsidiary	100%	100%	Online media	Latvia
Delfi UAB	Subsidiary	100%	100%	Online media	Lithuania
UAB Ekspress Portals	Subsidiary	100%	100%	Online media	Lithuania
TOV Delfi.	Subsidiary	100%	100%	Online media	Ukraine
AS Printall	Subsidiary	100%	100%	Printing services	Estonia
Eesti Päevalehe AS	Joint venture	50%	50%	Newspaper publishing	Estonia
AS SL Õhtuleht	Joint venture	50%	50%	Newspaper publishing	Estonia
AS Express Post	Joint venture	50%	50%	Periodicals' home delivery	Estonia
AS Ajakirjade Kirjastus	Joint venture	50%	50%	Magazine publishing	Estonia
Uniservice OÜ	Joint venture	26%	26%	Magazine publishing	Estonia
AS Linnaleht	Associate	25%	25%	Newspaper publishing	Estonia
UAB Medipresa	Associate	40%	40%	Periodicals' wholesale distribution	Lithuania

**Dormant company**

Name	Status	Shareholding 30.09.2010	Shareholding 31.12.2009	Main field of activity	Location
OÜ Ekspress Internet	Subsidiary	80%	80%	Online classified ads	Estonia



## Ekspress Grupp Structure as of 30 September 2010



**Discontinued companies**

Name	Status	Shareholding 30.09.2010	Shareholding 31.12.2009	Main field of activity	Location
AS Ekspress Hotline	Subsidiary	0%	100%	Information services	Estonia
Ekspresskataloogide AS	Subsidiary	0%	100%	Phone directories	Estonia
AS Infoatlas	Subsidiary	0%	100%	Phone directories	Estonia
Kõnekeskuse AS	Subsidiary	0%	100%	Call centre services	Estonia
Rahva Raamat AS	Subsidiary	0%	100%	Books retail sale	Estonia
<b>Dormant companies</b>					
Teletell Infoline SRL	Subsidiary	0%	100%	Information services	Romania
Express Online SRL	Subsidiary	0%	100%	Call centre services	Romania

**Note 2 Basis of preparation**

This condensed consolidated interim financial report for the third quarter and first nine months ended on 30 September 2010 has been prepared in accordance with IAS 34 "Interim Financial Reporting". The interim condensed financial report should be read in conjunction with the annual financial statements for the year ended 31 December 2009.

According to management's assessment, the consolidated interim report of AS Ekspress Grupp for the third quarter and first nine months of 2010 give a true and fair view of the Group's results of operations and all group entities are going concerns. The interim financial statements have not been audited or otherwise checked by auditors and they contain only the consolidated financial statements of the Group.

The functional currency of AS Ekspress Grupp is the Estonian kroon (EEK). The financial statements are presented thousand of Estonian kroons (EEK) and thousand of Euros (EUR), unless indicated otherwise.

**Note 3 Discontinued operations****Disposal of AS Ekspress Hotline and its subsidiaries**

On 23 April 2009, AS Ekspress Grupp signed a contract for the sale of 100% of the shares in AS Ekspress Hotline and its subsidiaries AS Kõnekeskus, Ekspresskataloogide AS and AS Infoatlas to Cheh OÜ, a holding company that belongs to the investment fund BaltCap.

The renegotiated sales price amounted to EEK 75.2 million (EUR 4.8 million). The consideration for the transaction consists of the following parts: EEK 46.9 million (EUR 3 million) is payable on the transaction date, about EEK 28.3 million (EUR 1.8 million) is subject to an off-set with the payable by AS Ekspress Grupp to Ekspress Hotline Group. Ekspress Hotline is presented as a discontinued operation in these financial statements. The deal was closed on 25 February 2010.

Loss recognised on the remeasurement of assets of discontinued operations mainly relates to the impairment of goodwill and is derived based on the actual sales price.

	EEK	EUR
(thousand)	31.12.2009	31.12.2009
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	882	56
Trade and other receivables	38 506	2 461
Inventories	2 376	152
<b>Total current assets</b>	<b>41 764</b>	<b>2 669</b>
<b>Non-current assets</b>		
Investment property	3 341	214
Property, plant and equipment	9 322	596
Intangible assets	39 030	2 494
<b>Total non-current assets</b>	<b>51 693</b>	<b>3 304</b>
<b>TOTAL ASSETS OF DISCONTINUED OPERATIONS</b>	<b>93 457</b>	<b>5 973</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Trade and other payables	17 231	1 101
<b>TOTAL LIABILITIES OF DISCONTINUED OPERATIONS</b>	<b>17 231</b>	<b>1 101</b>
	EEK	EUR
(thousand)	9 months 2009	9 months 2009
Sales	46 783	2 990
Expenses	44 030	2 814
including depreciation	1 283	82
<b>Profit/(loss) from discontinued operations</b>	<b>2 753</b>	<b>176</b>
Loss recognised on the remeasurement of assets of discontinued operations	(35 423)	(2 264)
Loss for the year from discontinued operations	(32 670)	(2 088)

### Disposal of Rahva Raamat AS

On 9 February 2010, Eesti Ajalehed AS, a subsidiary of AS Ekspress Grupp, and OÜ Raamatumaja concluded an Agreement of Purchase and Sale of the shares of Rahva Raamat AS, forming the book sales segment of the Group. The sales price is EEK 33 million (EUR 2.1 million) and profit on disposal EEK 6.3 million (EUR 0.4 million). The deal was closed on 18 February 2010. AS Ekspress Grupp's decision to divest Rahva Raamat AS follows the Group's strategy to focus more on its core activities in printed and digital media. New owner of the company is the management of Rahva Raamat AS.

Information about the assets and liabilities of Rahva Raamat AS as at 18 February 2010 and 31 December 2009 is provided below. However, disposal of Rahva Raamat will be presented as discontinued operation in 2010 financial statements.

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(thousand)	EEK		EUR	
	18.02.2010	31.12.2009	18.02.2010	31.12.2009
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	14 551	780	930	50
Trade and other receivables	12 395	33 664	792	2 152
Inventories	14 134	14 051	903	898
<b>Total current assets</b>	<b>41 080</b>	<b>48 495</b>	<b>2 625</b>	<b>3 100</b>
<b>Non-current assets</b>				
Property, plant and equipment	16 495	16 829	1 054	1 076
Intangible assets	10 924	10 975	698	73
<b>Total non-current assets</b>	<b>27 419</b>	<b>27 804</b>	<b>1 752</b>	<b>1 778</b>
<b>TOTAL ASSETS</b>	<b>68 499</b>	<b>76 299</b>	<b>4 377</b>	<b>4 878</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Finance lease ( short-term part)	945	945	60	60
Trade and other payables	39 465	46 526	2 522	2 974
<b>Total current liabilities</b>	<b>40 410</b>	<b>47 471</b>	<b>2 582</b>	<b>3 034</b>
Finance lease ( long-term part)	1 419	1 496	91	96
Total long term liabilities	<b>1 419</b>	<b>1 496</b>	<b>91</b>	<b>96</b>
<b>TOTAL LIABILITIES</b>	<b>41 829</b>	<b>48 967</b>	<b>2 673</b>	<b>3 130</b>
(thousand)	EEK		EUR	
	9 months 2010	9 months 2009	9 months 2010	9 months 2009
Sales	11 835	125 470	756	8 019
Expenses	12 498	129 178	799	8 256
Profit from sale of investment	6 341	0	405	0
<b>Profit /(loss) from discontinued operations</b>	<b>5 678</b>	<b>(3 708)</b>	<b>363</b>	<b>(237)</b>

All business combinations between independent parties are accounted for under the purchase method of accounting at the Group under which the acquired holding is reported at the acquisition cost. The purchase method is applied as of the date of acquisition. As of this date, the acquisition cost of the acquired holding, the fair value of the net assets acquired and the resulting (positive or negative) goodwill are determined. In addition to the acquisition cost of the acquired holding, directly attributable expenditures relating to the acquisition, such as fees paid to the advisors and other expenditures are also included in the acquisition cost of the acquired holding according to IFRS 3.24.

To allocate the acquisition cost to the fair values of the acquired assets, liabilities and contingent liabilities, a purchase price allocation is prepared. The acquisition cost is allocated to the fair value of the net assets acquired; the excess of the acquisition cost of the acquired holding over the fair value of the net assets acquired is recognised as (positive or negative) goodwill. Goodwill reflects that portion of the acquisition cost that was paid for such assets of the Company that cannot be identified and accounted for separately. Positive goodwill can be explained by the high profitability of the acquired business units, cost savings as compared to alternative costs and major synergies which are expected to arise after the concentration into the Group. Goodwill as an intangible asset with an indefinite useful life is not subject to amortisation but instead, an impairment test is performed at least once a year.

The estimated future cash flows of a cash-generating unit that are discounted using the weighted average cost of capital are used as the basis for the investment's recoverable amount. When the

carrying amount of the investment is not recoverable, the investment is written down to its recoverable amount and an impairment loss is recognised. When the carrying amount of the investment is recoverable, revaluation is not necessary. Assumptions and estimates used in the evaluation of business combinations are constantly reviewed and when the actual results differ from these estimates, the results are restated.

#### Note 4 Capital expenditure

EEK (thousand)	Property, plant and equipment		Intangible assets	
	9 months 2010	9 months 2009	9 months 2010	9 months 2009
<b>Balance at the beginning of period</b>				
Acquisition cost	551 478	568 659	880 776	1 058 209
Accumulated depreciation	(205 540)	(179 087)	(59 163)	(44 829)
<b>Book value</b>	<b>345 938</b>	<b>389 572</b>	<b>821 613</b>	<b>1 013 380</b>
Acquisitions and improvements	3 308	7 616	3 293	4 247
Disposals (at book value)	(25)	(641)	0	(3 058)
Write-offs	16	(154)	(116)	(11)
Reclassification	0	(359)	0	359
Sold through business combinations	(16 829)	0	(10 964)	(3 930)
Depreciation and impairment	(24 943)	(30 286)	(13 319)	(50 651)
Currency translation differences *	48	0	28	(5)
<b>Balance at the end of period</b>				
Acquisition cost	523 916	572 068	870 843	1 055 117
Accumulated depreciation	(216 403)	(206 320)	(70 308)	(94 786)
<b>Book value</b>	<b>307 513</b>	<b>365 748</b>	<b>800 535</b>	<b>960 331</b>

EUR (thousand)	Property, plant and equipment		Intangible assets	
	9 months 2010	9 months 2009	9 months 2010	9 months 2009
<b>Balance at the beginning of period</b>				
Acquisition cost	35 246	36 344	56 292	67 632
Accumulated depreciation	(13 136)	(11 446)	(3 781)	(2 865)
<b>Book value</b>	<b>22 109</b>	<b>24 898</b>	<b>52 511</b>	<b>64 767</b>
Acquisitions and improvements	213	488	210	269
Disposals (at book value)	(2)	(41)	0	(195)
Write-offs	1	(10)	(7)	(1)
Reclassification	0	(23)	0	23
Sold through business combinations	(1 076)	0	(701)	(251)
Depreciation and impairment	(1 594)	(1 936)	(851)	(3 236)
Currency translation differences *	3	0	2	0
<b>Balance at the end of period</b>				
Acquisition cost	33 484	36 562	55 657	67 434
Accumulated depreciation	(13 831)	(13 186)	(4 494)	(6 058)
<b>Book value</b>	<b>19 654</b>	<b>23 376</b>	<b>51 164</b>	<b>61 376</b>

\*The sum of currency translation differences consist of conversion of acquisition cost of assets, accumulates depreciation and depreciation during the reporting period.

**Note 5 Bank loans and borrowings**

EEK (thousand)	Total amount	Repayment term		Average rate of interest
		up to 1 year	1 to 5 years	
<b>Balance on 30.09.2010</b>				
Bank overdraft	17 904	17 904	0	4,13%
Short-term bank loans	5 424	5 424	0	3,85%
Long-term bank loans	515 191	46 562	468 629	4,71%
Finance lease	86 082	19 171	66 911	3,84%
<b>Total</b>	<b>624 601</b>	<b>89 061</b>	<b>535 540</b>	
<b>Balance on 31.12.2009</b>				
Bank overdraft	39 909	39 909	0	4,13%
Short-term bank loans	8 222	8 222	0	5,81%
Long-term bank loans	574 078	56 352	517 726	4,58%
Finance lease	103 931	38 610	65 321	3,24%
<b>Total</b>	<b>726 140</b>	<b>143 093</b>	<b>583 047</b>	

EUR (thousand)	Total amount	Repayment term		Average rate of interest
		up to 1 year	1 to 5 years	
<b>Balance on 30.09.2010</b>				
Bank overdraft	1 143	1 143	0	4,13%
Short-term bank loans	347	347	0	3,85%
Long-term bank loans	32 927	2 976	29 951	4,71%
Finance lease	5 502	1 226	4 276	3,84%
<b>Total</b>	<b>39 919</b>	<b>5 692</b>	<b>34 227</b>	
<b>Balance on 31.12.2009</b>				
Bank overdraft	2 550	2 550	0	4,13%
Short-term bank loans	525	525	0	5,81%
Long-term bank loans	36 690	3 602	33 088	4,58%
Finance lease	6 643	2 468	4 175	3,24%
<b>Total</b>	<b>46 408</b>	<b>9 145</b>	<b>37 263</b>	

The effective interest rates are very close to the nominal interest rates.

A loan agreement was concluded between the syndicate of SEB Danske Bank A/S Estonia Branch (Sampo Bank) and Nordea Bank and Ekspress Grupp on 28 August 2007 in the amount of EEK 674.4 million (EUR 43.1 million) for purchasing Delfi Group and Maaleht. The loan repayment date is 25.09.2012. On 5 February 2010, an amendment to the loan agreement was concluded and according to the amendment, the new loan term is 25 January 2015 instead of previously agreed 25 September 2012.

Differences in payments are added to the bullet amount of the loan. The repayment profiles were amended in such a way that AS Ekspress Grupp will begin repaying the difference in the form of instalments starting from February 2010 until December 2012 under a ten year annuity profile and starting from January 2013 until December 2014 under a five year annuity profile.

The interest rate is 3.5%+ 6 month Euribor; from 25 January 2010, the new interest rate is 4% + 6 month Euribor, from 25 February 2010, the new interest rate is 3.75% + 6 month Euribor.

The outstanding loan balance as of 30.09.2010 on EEK 471.9 million (EUR 30.2 million), 31.12.2009: EEK 526.9 million (EUR 33.7 million). The loan is secured:

- with a mortgage on the registered immovable located at Peterburi Rd 64A in the mortgage amount of EEK 50 million (EUR 3.2million)
- with a pledge on the shares of Delfi Estonia, Delfi Latvia, Delfi Lithuania, Eesti Ajalehed, Printall, Eesti Päevaleht and Delfi Holding, and with the guarantee of these subsidiaries in the total amount of EUR 43.1 million (EEK 674.4 million);
- with a combined pledge in the amount of EEK 4 million (EUR 0.3 million) on the following trademarks: Eesti Ekspress, Delfi and Maaleht.

According to the terms of the loan agreement, the borrower must comply with the levels established for certain financial ratios, such as the parent company's and its subsidiaries' total level of EBITDA and equity /balance sheet total. As of the balance sheet date, all ratios were in compliance with the terms established by the financial institutions.

On 1 April 2010, AS Ekspress Grupp and Danske Bank A/S Estonia Branch (legal successor of AS Sampo Pank) entered into an overdraft agreement, according to which the overdraft amount is EUR 0.96 million (EEK 15 million). The overdraft interest rate is 3.5%+ 6 month EURIBOR and the maturity term is 31 January 2011.

On 24 May 2010, AS Ekspress Grupp and AS SEB Pank entered into an overdraft agreement with a limit of EUR 0.96 million (EEK 15 million). The overdraft interest rate is 3.5%+ 1 month EURIBOR and the maturity term is 31 January 2011.

On 8 June 2010, AS Ekspress Grupp and Nordea Bank Finland Plc entered into an overdraft agreement with a limit of EUR 0.96 million (EEK 15 million). The overdraft interest rate is currently valid base rate ( at the time of contract award 0.952%) + margin of 3.5% per year and the maturity term is 31 January 2011.

A loan agreement of AS Printall (borrower) in the amount of EEK 75 million (EUR 4.8 million), with the term of 15.12.2013 is secured with a mortgage in the amount of EEK 100 million (EUR 6.4 million) on the registered immovable property located at Peterburi Rd 64A, Tallinn (the carrying amount of the building as of 30.09.2010 EEK 69.4 million (EUR 4.4 million), the carrying amount of the land property EEK 6.4 million (EUR 0.4 million), the carrying amount of the investment property EEK 6.4 million (EUR 0.4 million). The outstanding loan balance as of 30.09.2010: EEK 43.3 million (EUR 2.8 million), 31.12.2009: EEK 47.2 million (EUR 3.0 million). Finance lease agreements also contain certain terms for ratios of the company which the financial indicators of the company must comply. As of the balance sheet date, all ratios were in compliance with the terms established by the financial institutions.

In connection with the restructuring of the loans of AS Ekspress Grupp, loan and lease commitments for the subsidiary Printall AS were also reviewed, and amendments for loan and lease contracts were concluded. According to the agreements, loan and lease deadlines are extended for one year and between January 2010 and December 2011 principal payments of the loan are reduced by 50%.

Lease liabilities are effectively secured as the rights to the leased asset revert to the lessor in the event of default.

**Note 6 Segment reporting**

The Group presents the following major segments in the consolidated financial statements:

- a) online media;
- b) periodicals;
- c) printing services;
- d) corporate functions.

**Number of employees by segment**

Segment	Number of employees		Average number of employees	
	30.09.2010	30.09.2009	9 months 2010	9 months 2009
Online media	229	192	217	199
Periodicals	1 350	1 467	1 369	1 537
Printing services	184	187	186	200
Book sales (discontinued operations)	0	104	0	107
Information services (discontinued operations)	0	204	0	204
Corporate functions	8	7	8	7
<b>Total</b>	<b>1 771</b>	<b>2 161</b>	<b>1 780</b>	<b>2 254</b>

\*proportional part from joint ventures

Most of the employment contracts of the Group and its affiliates have been concluded for an indefinite term.

**Key financial results by segments third quarter /2009-2010****Group**

(thousand) EEK	Revenue			EBITDA		
	Q III 2010	Q III 2009	Change %	Q III 2010	Q III 2009	Change %
Online segments	29 843	26 376	13.1%	504	(6 982)	107.2%
Periodicals	78 927	84 755	-6.9%	4 694	(6 144)	176.4%
Printing services	86 163	77 742	10.8%	17 221	11 249	53.1%
Corporate functions	446	522	-14.6%	(2 471)	(4 131)	40.2%
Eliminations	(10 599)	(13 536)	21.7%	32	(70)	145.7%
<b>Total</b>	<b>184 780</b>	<b>175 859</b>	<b>5.1%</b>	<b>19 980</b>	<b>(6 078)</b>	<b>428.7%</b>

**Group**

(thousand) EUR	Revenue			EBITDA		
	Q III 2010	Q III 2009	Change %	Q III 2010	Q III 2009	Change %
Online segments	1 907	1 686	13.1%	32	(446)	107.2%
Periodicals	5 044	5 417	-6.9%	300	(393)	176.4%
Printing services	5 507	4 969	10.8%	1 101	719	53.1%
Corporate functions	29	33	-14.6%	(158)	(264)	40.2%
Eliminations	(677)	(866)	21.7%	2	(4)	145.7%
<b>Total</b>	<b>11 810</b>	<b>11 239</b>	<b>5.1%</b>	<b>1 277</b>	<b>(388)</b>	<b>428.7%</b>



**Key financial results by segments first nine months /2009-2010****Group**

(thousand)	Revenue			EBITDA		
EEK	9 months 2010	9 months 2009	Change %	9 months 2010	9 months 2009	Change %
Online segments	92 942	86 519	7.4%	5 427	(6 649)	181.6%
Periodicals	253 178	297 624	-14.9%	12 541	5 868	113.7%
Printing services	265 859	259 577	2.4%	57 409	44 498	29.0%
Corporate functions	1 532	1 867	-17.9%	(9 344)	(9 013)	-3.7%
Eliminations	(34 608)	(42 575)	18.7%	(18)	(931)	98.1%
<b>Total</b>	<b>578 903</b>	<b>603 012</b>	<b>-4.0%</b>	<b>66 015</b>	<b>33 773</b>	<b>95.5%</b>

**Group**

(thousand)	Revenue			EBITDA		
EUR	9 months 2010	9 months 2009	Change %	9 months 2010	9 months 2009	Change %
Online segments	5 940	5 530	7.4%	347	(425)	181.6%
Periodicals	16 181	19 022	-14.9%	802	375	113.7%
Printing services	16 991	16 590	2.4%	3 669	2 844	29.0%
Corporate functions	98	119	-17.9%	(597)	(576)	-3.7%
Eliminations	(2 211)	(2 722)	18.7%	(2)	(60)	98.1%
<b>Total</b>	<b>36 999</b>	<b>38 539</b>	<b>-4.0%</b>	<b>4 219</b>	<b>2 158</b>	<b>95.5%</b>

**Online media segment**

Online media segment includes Delfi operations in Estonia, Latvia, Lithuania and Ukraine. It also includes online operations of Eesti Päevalehe AS, Eesti Ajalehed AS (Maaleht and Eesti Ekspress), AS SL Õhtuleht.

**Online media segment key financial results third quarter / 2009-2010**

(thousand)	Revenue			EBITDA		
EEK	Q III 2010	Q III 2009	Change %	Q III 2010	Q III 2009	Change %
Delfi Eesti	9 626	8 305	15.9%	(180)	(320)	43.8%
Delfi Läti	5 957	6 987	-14.7%	(630)	(1 440)	56.3%
Delfi Leedu	12 622	10 066	25.4%	2 484	(3 303)	175.2%
Delfi Ukraina	201	15	1240.0%	(2 146)	(952)	-125.4%
Delfi Holding	3 447	2 689	28.2%	1 585	1 339	18.4%
Other	1 801	2 618	-31.2%	(657)	(2 298)	71.4%
Eliminations	(3 811)	(4 304)	11.5%	48	(8)	700.0%
<b>Total</b>	<b>29 843</b>	<b>26 376</b>	<b>13.1%</b>	<b>504</b>	<b>(6 982)</b>	<b>107.2%</b>

\* Inter-segment revenue is eliminated

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(thousand)	Revenue			EBITDA		
EUR	Q III 2010	Q III 2009	Change %	Q III 2010	Q III 2009	Change %
Delfi Eesti	615	531	15.9%	(12)	(20)	43.8%
Delfi Läti	381	447	-14.7%	(40)	(92)	56.3%
Delfi Leedu	807	642	25.4%	159	(211)	175.2%
Delfi Ukraina	13	1	1240.0%	(137)	(61)	-125.4%
Delfi Holding	220	172	28.2%	101	86	18.4%
Other	115	167	-31.2%	(42)	(146)	71.4%
Eliminations	(244)	(274)	11.5%	3	(2)	700.0%
<b>Total</b>	<b>1 907</b>	<b>1 686</b>	<b>13.1%</b>	<b>32</b>	<b>(446)</b>	<b>107.2%</b>

\* Inter-segment revenue is eliminated

**Online media segment key financial results first nine months / 2009-2010**

(thousand)	Revenue			EBITDA		
EEK	9 months 2010	9 months 2009	Change %	9 months 2010	9 months 2009	Change %
Delfi Eesti	30 411	28 610	6.3%	2 608	1 106	135.8%
Delfi Läti	18 289	21 459	-14.8%	(1 907)	(1 224)	-55.8%
Delfi Leedu	38 537	32 057	20.2%	7 589	(1 622)	567.9%
Delfi Ukraina	372	28	1228.6%	(6 007)	(3 383)	-77.6%
Delfi Holding	10 147	5 685	78.5%	4 927	4 335	13.7%
Other	6 320	8 686	-27.2%	(1 779)	(6 291)	71.7%
Eliminations	(11 134)	(10 006)	-11.3%	(4)	430	-100.9%
<b>Total</b>	<b>92 942</b>	<b>86 519</b>	<b>7.4%</b>	<b>5 427</b>	<b>(6 649)</b>	<b>181.6%</b>

\* Inter-segment revenue is eliminated

(thousand)	Revenue			EBITDA		
EUR	9 months 2010	9 months 2009	Change %	9 months 2010	9 months 2009	Change %
Delfi Eesti	1 944	1 829	6.3%	167	71	135.8%
Delfi Läti	1 169	1 371	-14.8%	(122)	(78)	-55.8%
Delfi Leedu	2 463	2 049	20.2%	485	(104)	567.9%
Delfi Ukraina	24	2	1228.6%	(383)	(216)	-77.6%
Delfi Holding	649	363	78.5%	315	277	13.7%
Other	404	555	-27.2%	(114)	(402)	71.7%
Eliminations	(713)	(639)	-11.3%	(1)	27	-100.9%
<b>Total</b>	<b>5 940</b>	<b>5 530</b>	<b>7.4%</b>	<b>347</b>	<b>(425)</b>	<b>181.6%</b>

\* Inter-segment revenue is eliminated

**Periodicals segment**

The periodicals segment includes newspaper and magazine publishing of Eesti Päevalehe AS, Eesti Ajalehed AS (Maaleht and Eesti Ekspress), AS SL Õhtuleht, AS Linnaleht, UAB Express Leidyba and AS Ajakirjade Kirjastus.

All newspaper and magazine publishing units (except AS Linnaleht and AS SL Õhtuleht) of Ekspress Grupp also publish books.

**Periodicals segment key financial results third quarter / 2009-2010**

(thousand)	Revenue			EBITDA		
EEK	Q III 2010	Q III 2009	Change %	Q III 2010	Q III 2009	Change %
Eesti Päevalehe AS	11 337	13 848	-18.1%	(812)	(342)	-137.4%
Eesti Ajalehed AS**	25 512	25 342	0.7%	3 912	(2 607)	250.1%
SL Õhtuleht AS	12 193	13 486	-9.6%	1 021	1 642	-37.8%
AS Ajakirjade Kirjastus	15 499	16 213	-4.4%	566	(100)	666.0%
UAB Ekspress Leidyba	9 823	10 750	-8.6%	(993)	(6 021)	83.5%
AS Express Post	8 884	9 590	-7.4%	1 010	1 265	-20.2%
Eliminations	(4 321)	(4 474)	3.4%	(10)	19	-152.6%
<b>Total</b>	<b>78 927</b>	<b>84 755</b>	<b>-6.9%</b>	<b>4 694</b>	<b>(6 144)</b>	<b>176.4%</b>

\* Inter-segment revenue is eliminated

\*\* AS Maaleht operations were transferred to Eesti Ajalehed AS 2009 year

(thousand)	Revenue			EBITDA		
EUR	Q III 2010	Q III 2009	Change %	Q III 2010	Q III 2009	Change %
Eesti Päevalehe AS	725	885	-18.1%	(52)	(22)	-137.4%
Eesti Ajalehed AS**	1 631	1 620	0.7%	250	(167)	250.1%
SL Õhtuleht AS	779	862	-9.6%	65	105	-37.8%
AS Ajakirjade Kirjastus	991	1 036	-4.4%	36	(6)	666.0%
UAB Ekspress Leidyba	628	687	-8.6%	(63)	(385)	83.5%
AS Express Post	568	613	-7.4%	65	81	-20.2%
Eliminations	(278)	(286)	3.4%	(1)	1	-152.6%
<b>Total</b>	<b>5 044</b>	<b>5 417</b>	<b>-6.9%</b>	<b>300</b>	<b>(393)</b>	<b>176.4%</b>

\* Inter-segment revenue is eliminated

\*\* AS Maaleht operations were transferred to Eesti Ajalehed AS 2009 year

**Periodicals segment key financial results first nine months / 2009-2010**

(thousand)	Revenue			EBITDA		
EEK	9 months 2010	9 months 2009	Change %	9 months 2010	9 months 2009	Change %
Eesti Päevalehe AS	36 762	49 099	-25.1%	(3 780)	1 549	-344.0%
Eesti Ajalehed AS	83 254	91 211	-8.7%	9 955	(1 154)	962.7%
SL Õhtuleht AS	37 556	43 309	-13.3%	3 133	5 967	-47.5%
AS Ajakirjade Kirjastus	48 921	56 585	-13.5%	1 423	(680)	309.3%
UAB Ekspress Leidyba	32 912	42 424	-22.4%	(1 626)	(2 942)	44.7%
AS Express Post	27 725	28 952	-4.2%	3 418	2 981	14.7%
Eliminations	(13 952)	(13 956)	0.0%	18	147	-87.8%
<b>Total</b>	<b>253 178</b>	<b>297 624</b>	<b>-14.9%</b>	<b>12 541</b>	<b>5 868</b>	<b>113.7%</b>

\* Inter-segment revenue is eliminated

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(thousand)	Revenue			EBITDA		
EUR	9 months 2010	9 months 2009	Change %	9 months 2010	9 months 2009	Change %
Eesti Päevalehe AS	2 350	3 138	-25,1%	(242)	99	-344,0%
Eesti Ajalehed AS**	5 321	5 829	-8,7%	636	(74)	962,7%
SL Õhtuleht AS	2 400	2 768	-13,3%	200	381	-47,5%
AS Ajakirjade Kirjastus	3 127	3 616	-13,5%	91	(43)	309,3%
UAB Ekspress Leidyba	2 103	2 711	-22,4%	(104)	(188)	44,7%
AS Express Post	1 772	1 850	-4,2%	218	191	14,7%
Eliminations	(892)	(890)	0,0%	3	9	-87,8%
<b>Total</b>	<b>16 181</b>	<b>19 022</b>	<b>-14,9%</b>	<b>802</b>	<b>375</b>	<b>113,7%</b>

\* Inter-segment revenue is eliminated

\*\* AS Maaleht operations were transferred to Eesti Ajalehed AS 2009 year

**Printing services segment**

All the printing services of Ekspress Grupp are concentrated at AS Printall which is the largest printing company in Estonia. Printall is able to print both newspapers (*coldset*) and magazines (*heatset*).

**Printing services segment key financial results third quarter / 2009-2010**

(thousand)	Revenue			EBITDA		
EEK	Q III 2010	Q III 2009	Change %	Q III 2010	Q III 2009	Change %
AS Printall	86 163	77 742	10.8%	17 221	11 249	53.1%

(thousand)	Revenue			EBITDA		
EUR	Q III 2010	Q III 2009	Change %	Q III 2010	Q III 2009	Change %
AS Printall	5 507	4 969	10.8%	1 101	719	53.1%

The export share of the revenue was 64.5%, including 44.9% to Western Europe and 19.6% to other countries.

**Printing services segment key financial results first nine months / 2009-2010**

(thousand)	Revenue			EBITDA		
EEK	9 months 2010	9 months 2009	Change %	9 months 2010	9 months 2009	Change %
AS Printall	265 859	259 577	2.4%	57 409	44 498	29.0%

(thousand)	Revenue			EBITDA		
EUR	9 months 2010	9 months 2009	Change %	9 months 2010	9 months 2009	Change %
AS Printall	16 991	16 590	2.4%	3 669	2 844	29.0%

The export share of the revenue was 63.5%, including 42.5% to Western Europe and 18.3% to other countries.

**Information services and book sales discontinued operations.**

In earlier reports, Ekspress Grupp also had the information services segment and all segment activities were concentrated at AS Ekspress Hotline and its subsidiaries. On 23 April 2009, Ekspress Grupp and OÜ Cheh (manager of BaltCap investment funds) signed an agreement to sell 100% of the shares of AS Ekspress Hotline to OÜ Cheh. The transaction was completed on 25 February 2010.

On 9 February 2010, Eesti Ajalehed AS, a subsidiary of AS Ekspress Grupp, and OÜ Raamatumaja concluded an Agreement of Purchase and Sale of the shares of Rahva Raamat AS. The deal was closed on 18 February 2010. New owner of the company is the management of Rahva Raamat AS.

## Note 7 Reserves

Reserves include:

- Statutory legal reserve required by the Commercial Code. Subject to the approval at the general meeting, the reserve may be used for covering accumulated losses if the latter cannot be covered with other unrestricted equity, and for increasing share capital.
- Other reserves- additional payments in cash from shareholders EEK 10 000 thousand (EUR 639 thousand), a hedging reserve derived from interest rate swaps EEK 13 993 thousand (EUR 894 thousand) and revaluation of investment property EEK 3 414 thousand (EUR 218 thousand).

(thousand)	EEK		EUR	
	30.09.2010	31.12.2009	30.09.2010	31.12.2009
Statutory legal reserve	266	266	17	17
Other reserves	(579)	(579)	(37)	(37)
Additional payments in cash from shareholders	10 000	10 000	639	639
Revaluation of investment property	3 414	3 414	218	218
Hedging reserve	(13 993)	(13 993)	(894)	(894)

## Note 8 Earnings per share

Basic earnings per share have been calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of shares outstanding during the period

In view of the fact that the Group did not have any dilutive instruments as of 30.09.2010 and 30.09.2009 **diluted earnings per share** equal basic earnings per share.

	EEK			
	Q III 2010	Q III 2009	9 months 2010	9 months 2009
Profit attributable to equity holders of the Parent Company	(4 110 608)	(66 571 473)	(5 124 673)	(80 058 158)
The average number of ordinary shares	29 796 841	20 848 841	25 765 325	20 766 302
Basic and diluted earnings per share	(0.14)	(3.19)	(0.20)	(3.86)

	EUR			
	Q III 2010	Q III 2009	9 months 2010	9 months 2009
Profit attributable to equity holders of the Parent Company	(262 716)	(4 254 693)	(327 526)	(5 116 649)
The average number of ordinary shares	29 796 841	20 848 841	25 765 325	20 766 302
Basic and diluted earnings per share	(0.01)	(0.20)	(0.01)	(0.25)

## Note 9 Equity

At the Annual General Meeting of Shareholders held on 30 March 2010, it was decided to increase the share capital of AS Ekspress Grupp by monetary contributions on the following terms and conditions:  
- to issue 8 948 000 new shares with the nominal value of EEK 10 (EUR 0.64) per share, whereby to list aforesaid shares on NASDAQ OMX Tallinn Stock Exchange;

As a result of this increase of share capital, the new size of share capital is EEK 297 968 410 (EUR 19 051 689).

The subscription of new shares has carried out from 16 April 2010 until 3 May 2010 at 2:00 PM.

New shares are issued with a nominal value of EEK 10 (EUR 0.64) and premium is EEK 3.77 (EUR 0.24) per share. Thus, after the deduction of the issue costs EEK 223 394 thousand (EUR 14 277 thousand).

New shares are paid by monetary contribution, whereby the due date of payment was 6 May 2010. The instructions to subscribe new shares (incl. place for subscription) are in the public offering prospectus of AS Ekspress Grupp.

Following the share capital increases, the share capital of the Company is EEK 297 968 410 (EUR 19 043 652), divided into 29 796 841 shares with the nominal value of EEK 10 (EUR 0.64) each.

Authorised maximum share capital according to the Articles of Association is EEK 400 000 000 (EUR 25 564 659).

## Note 10 Related party transactions

Transactions with related parties are transactions with the parent company, shareholders, associates, unconsolidated subsidiaries, key management, management board, supervisory board, their close relatives and the companies in which they hold a majority interest.

The ultimate controlling individual of AS Ekspress Grupp is Hans H. Luik.

The Group has purchased from (goods for sale, manufacturing materials, fixed assets) and sold its goods and services to (lease of capital assets, management services, other services) the following related parties:

### Sales

(thousand)	EEK		EUR	
	9 months 2010	9 months 2009	9 months 2010	9 months 2009
<b>Sale of goods</b>				
members of management boards and companies related to them	0	1	0	0
associated companies	11 801	18 107	754	1 157
<b>Sale of goods total</b>	<b>11 801</b>	<b>1</b>	<b>754</b>	<b>0</b>
<b>Sale of services</b>				
members of supervisory boards and companies related to them	231	59	15	4
associated companies	2 877	3 773	184	241
<b>Sale of services total</b>	<b>3 108</b>	<b>3 832</b>	<b>199</b>	<b>245</b>
<b>Sales total</b>	<b>14 909</b>	<b>3 833</b>	<b>953</b>	<b>245</b>

**Purchases**

(thousand)	EEK		EUR	
	9 months 2010	9 months 2009	9 months 2010	9 months 2009
<b>Purchase of services</b>				
members of management boards and companies related to them	1 268	310	81	20
members of supervisory boards and companies related to them	5 534	7 985	354	510
associated companies	15	217	1	14
<b>Purchases total</b>	<b>6 817</b>	<b>8 512</b>	<b>436</b>	<b>544</b>

**Receivables**

(thousand)	EEK		EUR	
	30.09.2010	30.09.2009	30.09.2010	30.09.2009
<b>Short-term receivables</b>				
members of supervisory boards and companies related to them	2 901	3 032	185	194
associated companies	4 372	5 132	279	328
<b>Short-term receivables total</b>	<b>7 273</b>	<b>8 164</b>	<b>464</b>	<b>522</b>
<b>Long-term receivables</b>				
members of supervisory boards and companies related to them	1 400	1 550	89	99
<b>Long-term receivable total</b>	<b>1 400</b>	<b>1 550</b>	<b>89</b>	<b>99</b>
<b>Receivable total</b>	<b>8 673</b>	<b>9 714</b>	<b>553</b>	<b>621</b>

**Liabilities**

(thousand)	EEK		EUR	
	30.09.2010	30.09.2009	30.09.2010	30.09.2009
<b>Short-term payables</b>				
members of management boards and companies related to them	64	32	4	2
members of supervisory boards and companies related to them	234	22 642	15	1 447
<b>Liabilities total</b>	<b>298</b>	<b>22 674</b>	<b>19</b>	<b>1 449</b>

AS Ekspress Grupp (borrower) and HHL Rühm OÜ (related company of the Group's shareholder) concluded a short term loan agreement in March 2008 in the amount of EEK 30 million (EUR 1.9 million). The loan interest rate is 6% p.a. As of 30.09.2010 the loan amounted to EEK 0 (EUR 0) , 31.12.2009 EEK 21 million (EUR 1.3 million) in the balance sheet.

The annual general meeting held on 2 June 2009 approved the payment of a guarantee fee to Hans H. Luik of 1.5% p.a. on the guarantee amount for the personal guarantee of EUR 4 000 000 on the loan agreement and overdraft agreements concluded between AS Ekspress Grupp and SEB Bank, Danske Bank AS Eesti branch and Nordea Bank Finland Plc Estonia Branch. The fee is payable until the maturity date of the guarantee.

The Management Board of the Parent company has 3 members and the Supervisory Board has 6 members.

It was decided to recall Härmo Värk and Kalle Norberg from the member of the Supervisory Board and elect Aavo Kokk as the new member of the Supervisory Board at the annual general meeting held on 30 June 2010.

**Key management and supervisory board remuneration**

(thousand)	EEK		EUR	
	9 months 2010	9 months 2009	9 months 2010	9 months 2009
Salaries and other short-term employee benefits (paid)	10 103	12 878	646	823

A member of the Management Board is entitled to compensation upon the termination of his contract. The key management termination benefits are obligations only in case the termination of contracts is originated by the Group. If a member of the Management Board is recalled without a substantial reason, the member will be paid compensation for termination of the contract totalling up to 4 months' salary. The cost is recognised on an accrual basis. Upon termination of an employment relationship, no compensation is paid if a member of the Management Board leaves at his or her initiative or if a member of the Management Board is removed by the Supervisory Board for a substantial reason. Potential key management termination benefits total EEK 3 398 thousand (EUR 217 thousand) in 2010 and in 2009, they totalled EEK 4 076 thousand (EUR 261 thousand).

According to management, transactions with related parties have been carried out using the arm's length principle.