AS EKSPRESS GRUPP

CONSOLIDATED INTERIM REPORT

FOR THE THIRD QUARTER AND FIRST NINE MONTHS OF 2011

(translation of the Estonian original)

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GENERAL INFORMATION

Beginning of reporting period	1 January 2011
End of reporting period	30 September 2011
Company name	AS Ekspress Grupp
Registration number	10004677
Address	Narva mnt 11 E. 10151 Tallinn
Phone	669 8381
Fax	669 8081
Main field of activity	Publishing activities
CEO	Gunnar Kobin
Auditor	AS PricewaterhouseCoopers

Management Board's confirmation of the Group's interim financial statements

The Management Board confirms that the management report and interim consolidated financial statements of AS Ekspress Grupp disclosed on pages 5 to 37 present a true and fair view of the key events which have occurred during the reporting period and their effect on the Group's financial position, results and cash flows, and they include a description of major risks and related party transactions of great significance.

Gunnar Kobin	Chairman of the Management Board	*signed digitally*	01.11.2011
Pirje Raidma	Member of the Management Board	*signed digitally*	01.11.2011
Andre Veskimeister	Member of the Management Board	*signed digitally*	01.11.2011
Madis Tapupere	Member of the Management Board	*signed digitally*	01.11.2011

MANAGEMENT REPORT

The following report presents the consolidated financial information of AS Ekspress Grupp, the related market developments and management decisions. The financial indicators and ratios show the outcome of the Group's continuing operations, i.e. they express the consolidated operating results of online media, periodicals and printing services segments.

Key financial indicators

Financial indicators (EUR thousand)	Q3 2011	Q3 2010	Change %	9 months 2011	9 months 2010	Change %
For the reporting period						
Sales	12 969	11 817	10%	41 078	36 929	11%
Gross profit	2 879	2 394	20%	8 884	7 828	13%
EBITDA	1 564	1 277	22%	6 522	4 188	56%
EBITDA (excl. profit from business combinations)	**1 564**	**1 277**	**22%**	**4 982**	**4 188**	**19%**
Operating profit	715	492	45%	3 946	1 742	127%
Operating profit (excl. profit from business combinations)	715	492	45%	2 406	1 742	38%
Net profit(loss) from continuing operations	118	(264)	145%	1 901	(722)	363%
Net profit/(loss) for the period	**118**	**(264)**	**145%**	**1 901**	**(359)**	**630%**

Profitability ratios (%)	Q3 2011	Q3 2010	9 months 2011	9 months 2010
Sales growth (%)	**10%**	**-16%**	**11%**	**35%**
Gross margin (%)	22%	20%	22%	21%
EBITDA margin (%)	**12%**	**11%**	**12%**	**11%**
Operating margin (%)	6%	4%	10%	5%
Net margin (%)	1%	-2%	5%	-1%
ROA (%)	0%	0%	2%	0%
ROE (%)	0%	-1%	7%	-1%
Earnings per share EUR	0,00	(0,01)	0,06	(0,01)

Formulas used to calculate the financial indicators:

Sales growth (%)	(sales Q3 2011 – sales Q3 2010)/ sales Q3 2010*100
Gross margin (%)	gross profit/sales*100
Net margin (%)	net profit/sales*100
EBITDA margin (%)	EBITDA (excl. profit from business combinations) /sales*100
Operating margin (%)	operating profit (excl. profit from business combinations) /sales*100
Earnings per share EUR	net profit/average number of shares
ROA (%)	net profit/average assets *100
ROE (%)	net profit/average equity *100

Financial indicators (thousand EUR)	30.09.2011	31.12.2010	Change%
At the end of the reporting period			
Current assets	11 068	12 731	-13%
Non-current assets	73 223	73 251	0%
Total assets	**84 291**	**85 982**	**-2%**
Current liabilities	16 219	16 018	1%
Non-current liabilities	29 466	33 665	-12%
Total liabilities	**45 685**	**49 683**	**-8%**
Equity	**38 606**	**36 299**	**6%**

Financial position ratios (%)	30.09.2011	31.12.2010
Equity ratio (%)	46%	42%
Liquidity ratio	0,6	0,8
Debt to equity ratio (%)	94%	107%
Debt to capital ratio (%)	45%	48%

Formulas used to calculate the financial indicators:

Equity ratio (%)	equity / (liabilities+equity)* 100
Liquidity ratio	current assets/current liabilities
Debt to equity ratio (%)	interest-bearing borrowings /equity*100
Debt to capital ratio (%)	interest-bearing borrowings-cash and bank accounts (net debt)/ (net debt + equity)*100

In the 3rd quarter, the net profit of the Group totalled EUR 118 thousand. This is the first time since the beginning of the financial crisis, when the Group managed to achieve a positive net profit for the 3rd quarter. The Group's EBITDA totalled EUR 1.6 million in the 3rd quarter, which is 22% higher than a year ago. Sales increased by 10% despite the very weak beginning of the first month of the quarter.

In light of the seasonality of the Group's business, the 3rd quarter's revenue is the lowest. The advertising market is quiet during the summer months and summer has the same effect on the readers, due to which the number of periodical subscriptions and single copy sales drops. The sale of books is also lacklustre, the peak season of which comes in the last quarter of the year and especially during the Christmas period. Lower subscriptions also impact the volume of printed products and the utilisation of printing machines in July and August is lower than in the 2nd and 4th quarter.

The key event in the 3rd quarter was presentation of the new, modern printed publication of Eesti Päevaleht, time-based payment wall of digital publications of Eesti Ekspress and Eesti Päevaleht, and successful launching of new projects of Delfi e-business.

The product upgrade of Eesti Päevaleht was received well in the market, evidenced by the fact that Eesti Päevaleht was the only national daily newspaper whose readership grew in the 3rd quarter. The creation of a multimedia newsroom across the Group's media units based in Estonia has also successfully continued. The editorial offices of miscellaneous publications were relocated to the same premises at the end of the 2nd quarter, followed by content integration, fostering of collaboration between various editorial offices and people. Trust in the new form of collaboration is slow to form, however, optimism and growth of faith in the new steps taken is evident.

A significant acknowledgement of our digital product development is the 9th place achieved by Eesti Ekspress IPad application in the global digital publications competition WAN-IFRA XMA Cross Media Awards 2011, whereas our competitors were large, globally well-known publications.

The newspapers Eesti Ekspress and Eesti Päevaleht launched a time-based payment wall for gaining access to their online content. The model taken into use is unique in the world. The new payment wall enables the readers to read digital issue of Eesti Päevaleht five minutes per day and Eesti Ekspress fifteen minutes per week free of charge. After that period, the readers are asked to register themselves and complete the subscription. If the user does not wish to proceed with it, he will get a right to read free of charge again next newspaper issue.

We are working towards IT-synergies within the group by moving web environments of Eesti Ekspress, Eesti Päevaleht and Maaleht to Delfi's portal platform.

An e-business department was launched at Delfi, the goal of which is to collaborate with the best internet businesses and in addition to the regular advertising revenue, also benefit from e-commerce. Delfi e-business was launched with two new projects: Delfi Diil offering special deals and the e-book sales environment Delfi Digiraamat. Delfi Digiraamat represents a collaboration project between the Estonian Digital Books' Centre (EDBC) and Delfi, in which Delfi resells all e-books digitalised by the EDBC or purchased for resale. Delfi Digiraamat enables to purchase all e-books published in Estonia. The most successful new project was Delfi Diil, which achieved in the second month the 2nd place in the market of intermediation of promotion coupons.

Delfi Estonia, Latvia, Lithuania and Ukraine have launched additional fee-based services in the classified portals Müü!; Pardod!; Parduok! and Prodai!

In July, Delfi Estonia had the highest number of users ever, being the most visited webpage with 524 000 users a month. Based on the results of the survey conducted by TNS Latvia and the global advertising agency DDB, Delfi Latvia is in the 18th place among the most recognised brands in Latvia. In Twitter, Delfi Latvia was considered to be the third most powerful brand.

In September, Äripäev Marketing TOP was published, where Äripäev ranked the most successful companies in terms of advertising revenue, considering sales amount and sales growth as compared to last year. Among 73 media channels, Delfi shared the first place with TV3. Maaleht achieved the first place in the newspaper category.

The Estonian Competition Authority prohibited the concentration of AS Eesti Post and AS Express Post. The Management Board of Ekspress Group is looking for alternative scenarios for determining the future destiny of Express Post.

With regard to structural changes, the establishment of a separate subsidiary OÜ Hea Lugu on the basis of the book publishing department of the merged newspapers is worth mentioning. It was registered in the Commercial Register on 4 October 2011. On 1 October, the merger of Eesti Ajalehed AS and Eesti Päevalehe AS took place. The closing balance sheet of Eesti Päevalehe AS will be prepared as of 30 September 2011. In August AS SL Õhtuleht acquired AS Linnaleht from Eesti Päevalehe AS and Eesti Meedia. On 1 November, the legal merger of two companies will take place.

Overview of the segments

Key financial data of the segments Q3 2010/2011

(EUR thousand)	Sales			EBITDA		
	Q3 2011	Q3 2010	Change %	Q3 2011	Q3 2010	Change %
online-media	2 033	1 806	13%	232	73	218%
periodicals	5 608	5 154	9%	190	259	-27%
printing services	6 126	5 507	11%	1 417	1 101	29%
corporate functions	64	28	129%	(278)	(158)	-76%
intersegment eliminations	(862)	(678)	-27%	3	2	50%
TOTAL	**12 969**	**11 817**	**10%**	**1 564**	**1 277**	**23%**

Key financial data of the segments for the first 9 months of 2010/2011

(EUR thousand)	Sales			EBITDA		
	9 months 2011	9 months 2010	Change %	9 months 2011	9 months 2010	Change %
online-media	6 390	5 582	15%	729	456	60%
periodicals	17 526	16 470	6%	490	661	-26%
printing services	19 593	16 991	15%	4 464	3 669	22%
corporate functions	138	98	41%	828	(597)	239%
intersegment eliminations	(2 569)	(2 212)	-16%	11	(1)	1200%
TOTAL	**41 078**	**36 929**	**11%**	**6 522**	**4 188**	**56%**

EBITDA margin (%)	Q3 2011	Q3 2010	9 months 2011	9 months 2010
online-media	11%	4%	11%	8%
periodicals	3%	5%	3%	4%
printing services	23%	20%	23%	22%

News portals owned by the Group

Owner	Portal	Owner	Portal
Delfi Estonia	www.delfi.ee	Eesti Ajalehed AS	www.ekspress.ee
	rus.delfi.ee		www.maaleht.ee
Delfi Latvia	www.delfi.lv	AS SL Õhtuleht	www.ohtuleht.ee
	rus.delfi.lv	Eesti Päevalehe AS	www.epl.ee
Delfi Lithuania	www.delfi.lt		
	www.klubas.lt		
	ru.delfi.lt		
Delfi Ukraine	www.delfi.ua		

Online-media segment

The online media includes Delfi operations in Estonia, Latvia, Lithuania and Ukraine.

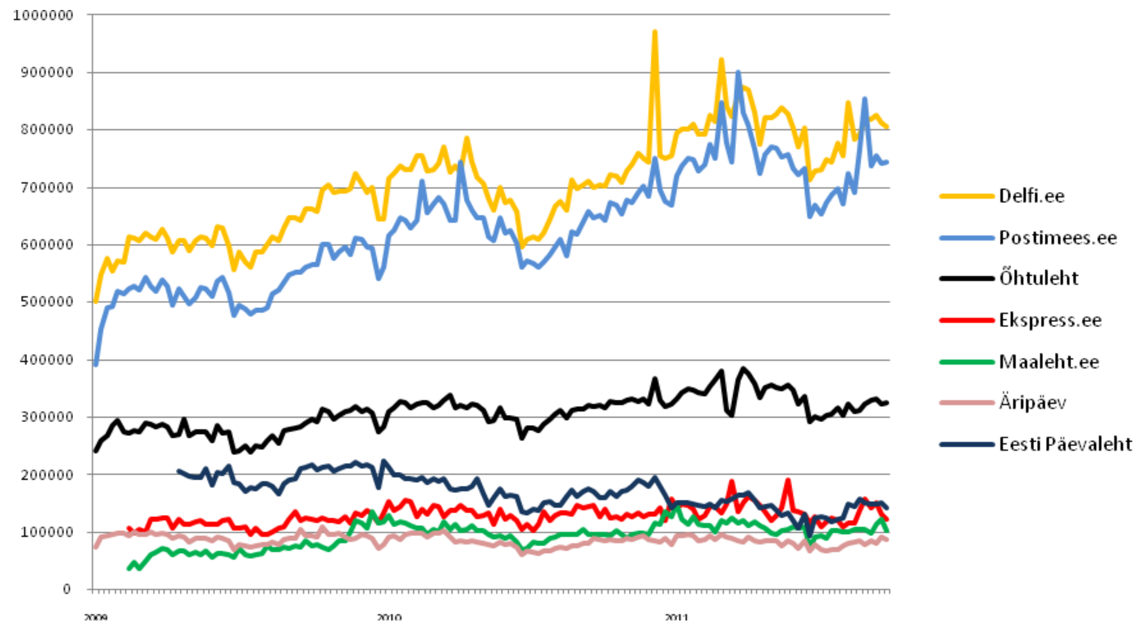
(EUR thousand)	Sales			EBITDA		
	Q3 2011	Q3 2010	Change %	Q3 2011	Q3 2010	Change %
Delfi Estonia	704	615	15%	(9)	(12)	25%
Delfi Latvia	468	381	23%	50	(40)	225%
Delfi Lithuania	846	807	5%	98	159	-38%
Delfi Ukraine	15	13	15%	(55)	(137)	60%
other Delfi companies	0	14	-100%	147	100	47%
intersegment eliminations	0	(24)	100%	1	3	-
TOTAL	**2 033**	**1 806**	**13%**	**232**	**73**	**218%**

(EUR thousand)	Sales			EBITDA		
	9 months 2011	9 months 2010	Change %	9 months 2011	9 months 2010	Change %
Delfi Estonia	2 279	1 944	17%	47	167	-72%
Delfi Latvia	1 423	1 169	22%	95	(122)	178%
Delfi Lithuania	2 649	2 463	8%	367	485	-24%
Delfi Ukraine	39	24	63%	(197)	(384)	49%
other Delfi companies	0	45	-100%	415	309	34%
intersegment eliminations	0	(63)	100%	2	1	-
TOTAL	**6 390**	**5 582**	**15%**	**729**	**456**	**60%**

The EBITDA of the online segment more than doubled as compared to last year, to EUR 232 thousand. Although the operating results of Delfi Estonia improved, they were negative in the 3rd quarter. The key reasons included two new products in the development phase - local news portal Eesti Elu and classified portal Müü!. The profit of Delfi Lithuania deteriorated as compared to last year, but it was still the best-performing unit in Delfi Group. The reason for lower operating results of Delfi as compared to last year included the tax law changes introduced at the beginning of the year, which led to higher labour costs at the company. However, Delfi Latvia's operating results improved the most, enabling the company to earn positive profits. The reason for the improvement of the operating results of Delfi Latvia is the 23% revenue growth. We have also managed to significantly improve the results of Delfi Ukraine, whose loss was reduced drastically in the 3rd quarter as compared to last year. The reason for the lower loss included higher advertising revenue and the reduction in the workforce implemented at the beginning of the year. In summary, it can be said about the online segment that due to the improvement of the economic environment, Delfi Latvia is gaining momentum and the market has recovered in Estonia and Lithuania.

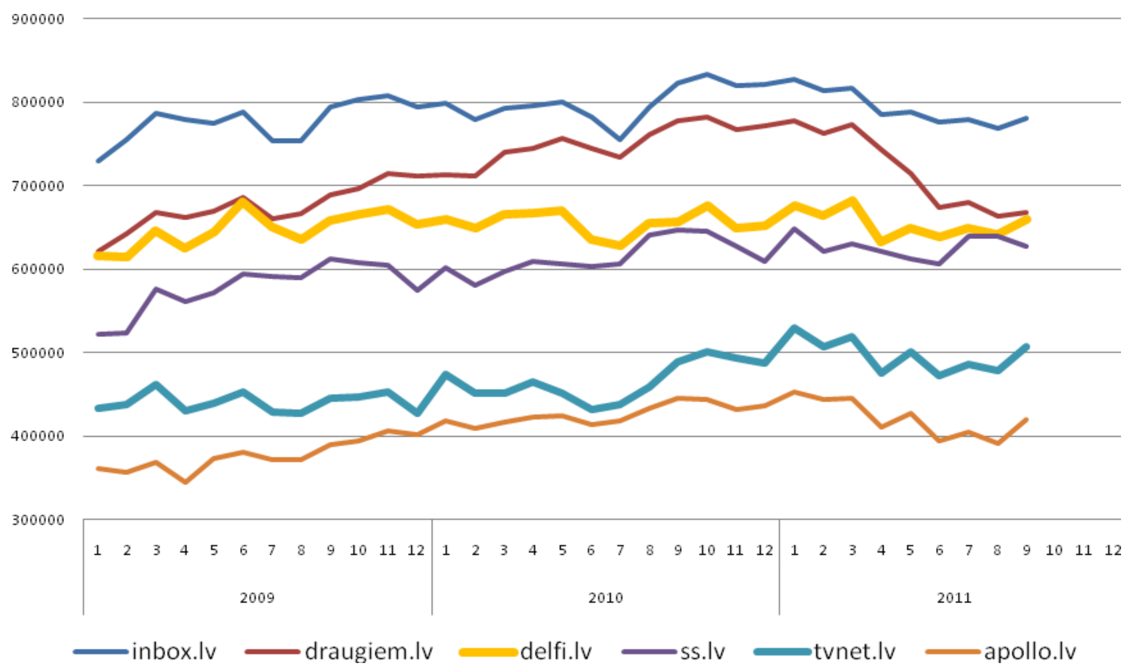
In the 3rd quarter of 2011, Delfi Estonia, Latvia and Ukraine were the strongest among the publications of Delfi Group. The number of Delfi users fell in the first half of the year, but increased considerably due to European basketball championships in September.

Estonian online readership 2009-2011

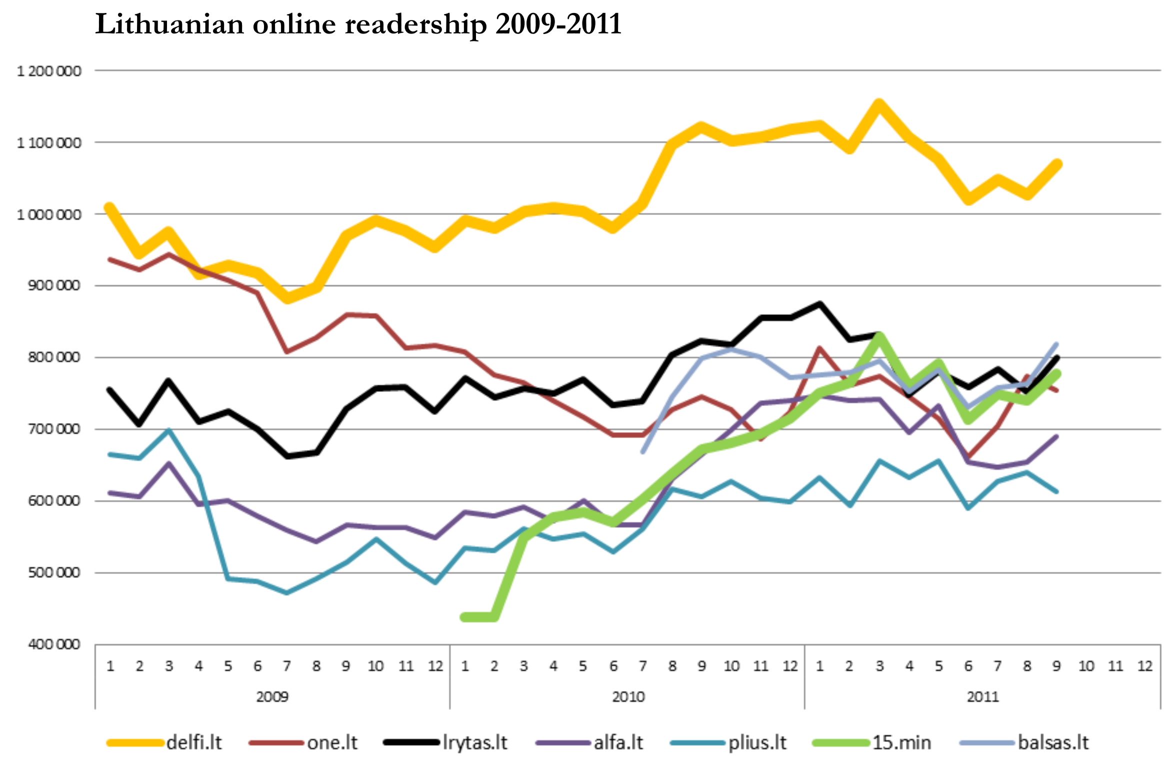


When comparing the Estonian Internet portals, Delfi continues to be the most-read portal and the web publication of Postimees continues to hold the 2nd place. The large gap between the next Internet portals has also prevailed. The number of readers of Delfi increased by 15% as compared to the same period last year. The reason behind the growth in the number of users is the growth primarily in the number of younger readers as well as the growth in the number of mobile appliances, which are used to access Delfi.

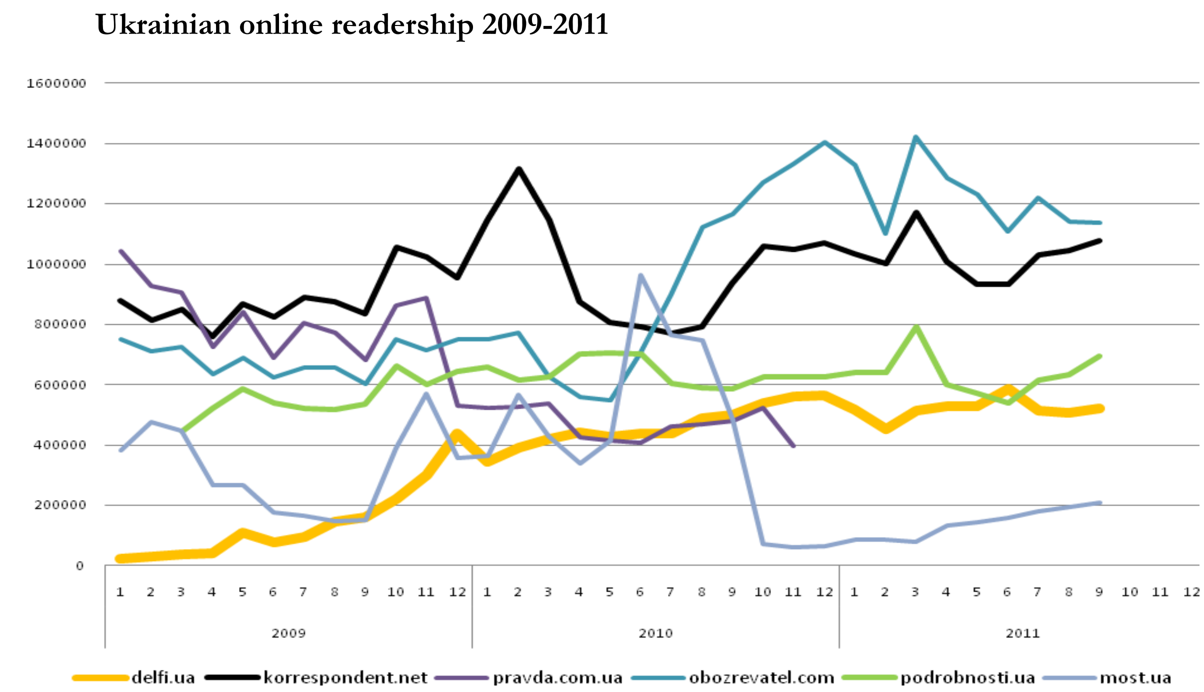
Latvian online readership 2009-2011



Delfi Latvia continues to be the most visited news portal. Of the competitors, tvnet.lv and apollo.lv have almost a third fewer visitors than Delfi.lt and this difference has also prevailed in the 3rd quarter of 2011. The number of users of the social network Draugiem is in a downward trend and it is probable that the number of Delfi users will soon surpass that of Draugiem. The key event in the 3rd quarter was the acquisition of Apollo.lv by the Finnish entity Sanoma.



The decline in the number of readers in the previous quarter was replaced by new growth at the end of the third quarter. The key event in Lithuania in the 3rd quarter was the arrangement of the European basketball championships which also increased the number of Internet users as expected. Delfi continues to be the most visited news portal in Lithuania.



The number of the readers of Delfi Ukraine has also remained steady in the third quarter. This mimics the overall movement of the market because the Internet use in Ukraine is significantly lower during the summer months. Delfi Ukraine continues its efforts in creating a stable readership in the Ukrainian market and we hope to improve our positions in the upcoming quarters.

Periodicals segment

The periodicals segment includes publishers of newspapers and magazines, the operations of which also include publishing of books. This segment also includes AS Express Post, engaged in home delivery of periodicals.

In September, the Estonian Competition Authority granted permission for the concentration of Eesti Päevalehe AS and Eesti Ajalehed AS. As of 1 October, the merger of these companies took place. As of 1 October, the book publishing department of the merged companies was spun off as a separate legal entity. The new book publisher under the name of OÜ Hea Lugu will remain as the subsidiary of Eesti Ajalehed AS.

(EUR thousand)	Sales			EBITDA		
	Q3 2011	Q3 2010	Change%	Q3 2011	Q3 2010	Change%
Eesti Ajalehed AS	1 875	1 677	12%	194	215	-10%
Eesti Päevalehe AS **	1 009	1 473	-32%	(56)	(105)	47%
SL Õhtuleht*	816	820	-1%	28	61	-54%
AS Ajakirjade Kirjastus*	949	991	-4%	1	36	-97%
UAB Ekspress Leidyba	646	636	2%	0	(226)	100%
AS Express Post*	559	568	-2%	59	65	-9%
OÜ Uniservice*	1	2	-50%	5	(2)	350%
intersegment eliminations***	(247)	(1 013)	76%	(41)	215	-
TOTAL	**5 608**	**5 154**	**9%**	**190**	**259**	**-27%**

(EUR thousand)	Sales			EBITDA		
	9 months 2011	9 months 2010	Change%	9 months 2011	9 months 2010	Change%
Eesti Ajalehed AS	5 701	5 467	4%	500	519	-4%
Eesti Päevalehe AS **	3 730	4 802	-22%	(518)	(478)	-8%
SL Õhtuleht AS*	2 517	2 554	-1%	141	212	-34%
AS Ajakirjade Kirjastus*	2 984	3 127	-5%	62	91	-32%
UAB Ekspress Leidyba	2 074	2 034	2%	2	(298)	101%
AS Express Post*	1 767	1 772	0%	207	218	-5%
OÜ Uniservice*	9	8	13%	1	(5)	120%
intersegment eliminations***	(1 256)	(3 294)	62%	95	402	-
TOTAL	**17 526**	**16 470**	**6%**	**490**	**661**	**-26%**

* Proportionate share of joint ventures

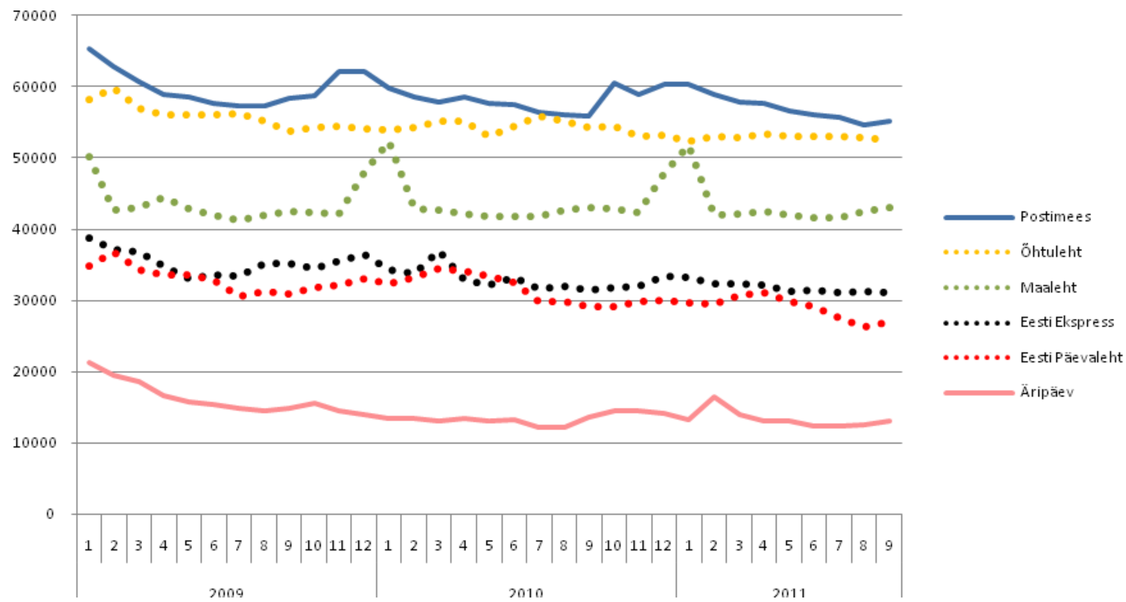
** for the purpose of comparability, the information for both years is shown as 100%.

*** Intersegment eliminations in EBITDA include eliminations of 50% of negative EBITDA of Eesti Päevalehe AS and loss from sale of trademark in Ekspress Leidyba UAB in 2010 and elimination of 50% of negative EBITDA of Eesti Päevalehe AS and adjustment of goodwill arisen from the acquisition of Eesti Päevalehe AS (see note 3) in 2011.

After very weak July when the advertising revenue fell as compared to the same period last year, August and September showed again a pick-up in the advertising market. Strong performers were the newspapers Eesti Ekspress and Maaleht, which managed to increase their advertising revenue by 16% and 22% accordingly as compared to the last period. The steady and loyal readers of Maaleht has enabled to increase both the circulation as well as subscription revenues of the newspaper. As compared to the same quarter last year, the publisher of daily newspapers Eesti Ekspress and Maaleht, AS Eesti Ajalehed had 10% lower sales but at the same time, the operating results of AS Eesti Päevaleht improved by 46%. When combining the results of these companies, their combined revenue was 24% higher as compared to last year. The reason for better results included restructuring of the activities carried out in the 2nd quarter which have reduced the company's expenses.

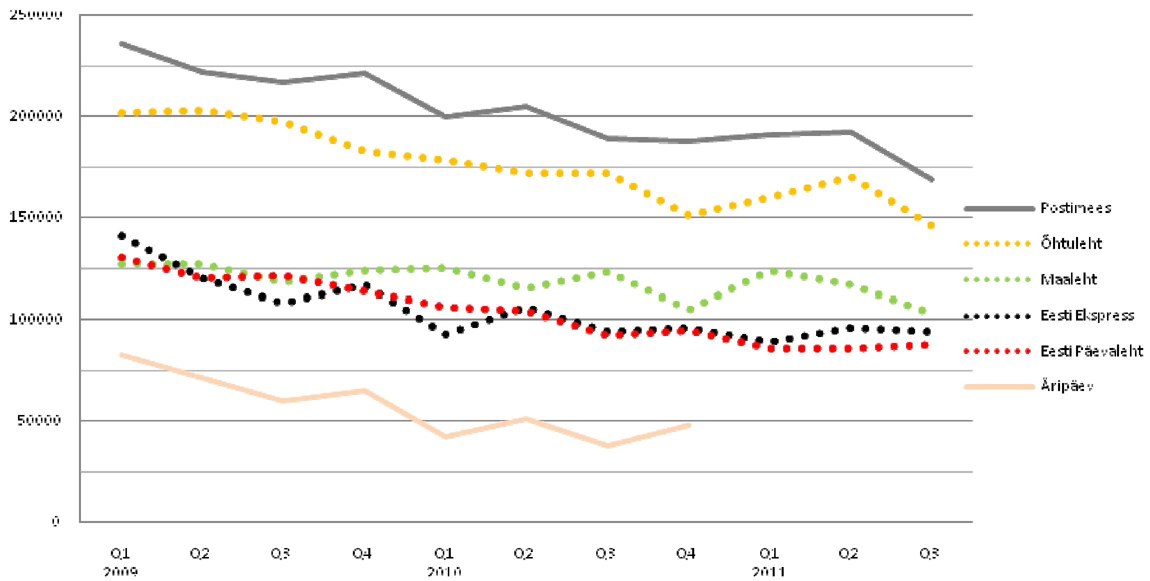
In the periodicals segment, the Lithuanian magazine publisher Express Leidyba has also improved its results. Better results of the Lithuanian publisher are based on the good launch of the magazine Cosmopolitan that was acquired last year. Although the company's sales have not increased much as compared to last year, the sales structure has changed. Last year, book publishing made up a significant share of sales, whereas this year, it is higher adverting sales. AS Ajakirjade Kirjastus located in Estonia has not been able to reach last year's results due to lower book publishing revenue which was compensated for by the growth in the advertising revenue of Estonian magazines. AS SL Õhtuleht has also not been able to reach last year's results.

Estonian newspaper circulation 2009-2011



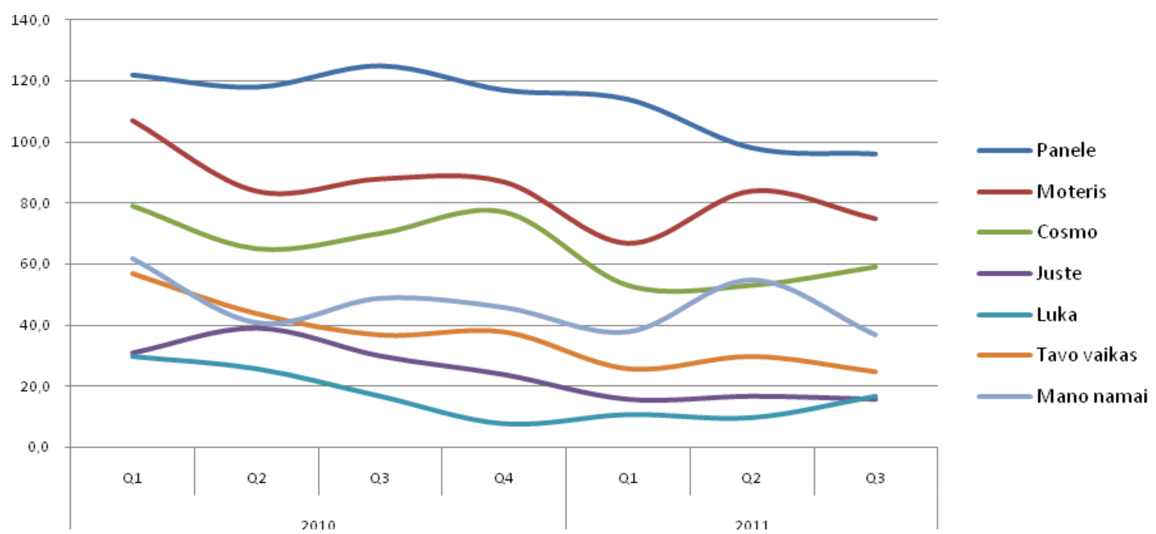
The circulation numbers of Estonian daily newspapers fell characteristically during the summer months. Maaleht is a pleasant exception in the market due to its ability to grow its circulation. The change in the format of Eesti Päevaleht in July 2011 has also started to manifest itself in the results. The circulation of Eesti Päevaleht increased by 500 copies in September.

Estonian newspaper readership 2009-2011



In the 3rd quarter of 2011, the number of readers has decreased more than average. Eesti Päevaleht can be outlined as an exception, the readership numbers of which have increased by 2000 readers as compared to the last quarter. The number of readers of Eesti Ekspress has remained at the same level. The number of readers of Postimees has decreased by 23 thousand readers in the 3rd quarter and the number of readers of Õhtuleht has decreased by 24 thousand readers. In the 3rd quarter, the digital newspapers of Eesti Ekspress and Eesti Päevaleht were finally introduced to the market and they are having a greater effect on changing the media consumption habits of consumers. The digital newspaper of Eesti Ekspress, Ekspress Pro was acknowledged at the global competition arranged by the international publishers' association WAN-IFRA.

Group's Lithuanian magazines readership 2010-2011



Of the Group's Lithuanian magazines Cosmo and Luka have increased their readership numbers. The readership number of Panele has remained at the same level. The readership of the publications Mano Namai and Moteris has decreased.

Printing services segment

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

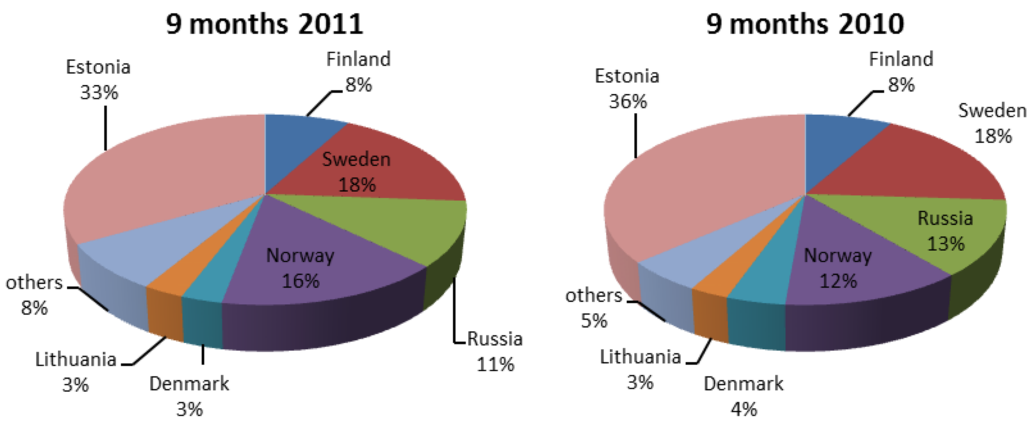
(EUR thousand)	Sales			EBITDA		
	Q3 2011	Q3 2010	Change %	Q3 2011	Q3 2010	Change %
AS Printall	6 126	5 507	11%	1 417	1 101	29%

(EUR thousand)	Sales			EBITDA		
	9 months 2011	9 months 2010	Change %	9 months 2011	9 months 2010	Change %
AS Printall	19 593	16 991	15%	4 464	3 669	22%

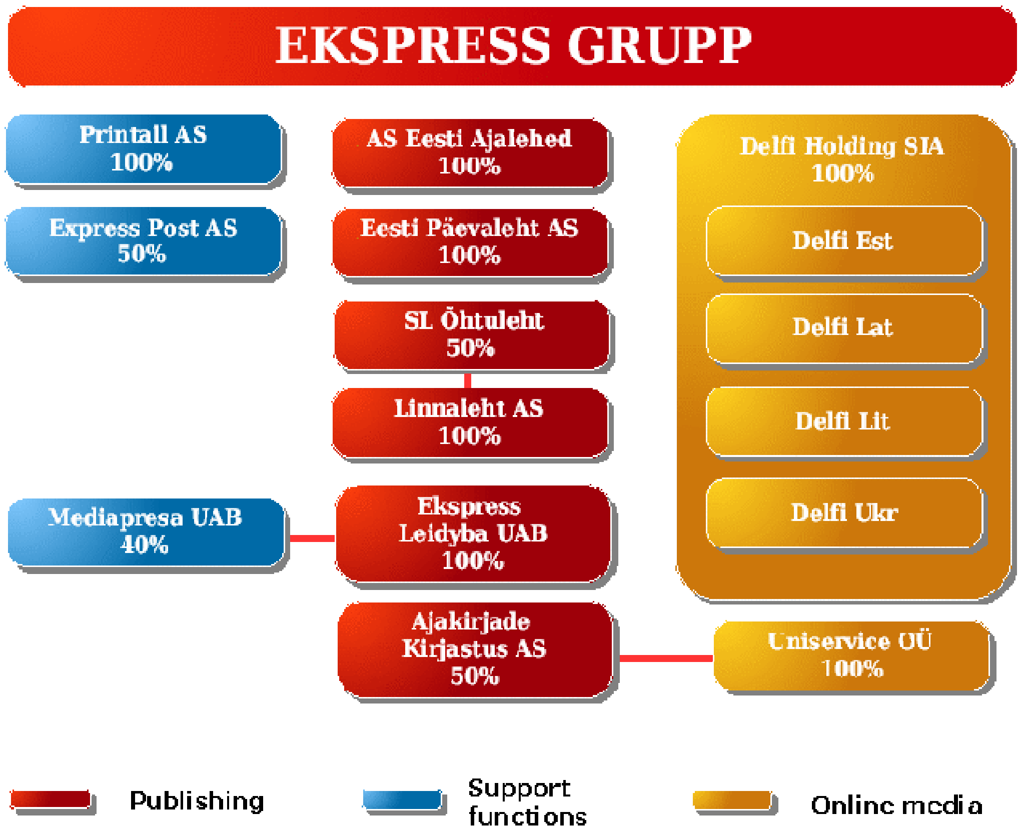
The printing company Printall continues to surpass last year's results. Sales increased by 11% as compared to last year, whereas EBITDA was 29% higher than last year. Export continues to grow, being 14% higher than last year. The largest export markets are continuously Scandinavia and Russia.

Geographical break-down of printing services

	Q3 2011	Q3 2010	Change%	9 months 2011	9 months 2010	Change%
Exports	**4 061**	**3 549**	**14%**	**13 061**	**10 793**	**21%**
Finland	593	447	33%	1 560	1 393	12%
Sweden	1 022	885	16%	3 566	3 025	18%
Norway	910	704	29%	3 077	2 117	45%
Russia	714	700	2%	2 167	2 191	-1%
Denmark	130	266	-51%	559	690	-19%
Lithuania	179	169	6%	552	461	20%
other exports	513	378	36%	1 580	916	73%
Estonia	**2 065**	**1 958**	**6%**	**6 532**	**6 198**	**5%**
Total sales	**6 126**	**5 507**	**11%**	**19 593**	**16 991**	**15%**
Incl. sales to group companies	921	900	2%	2 959	2 970	0%
Incl. sales outside of the group	5 205	4 607	13%	16 634	14 021	19%



Group structure
(see detailed list for all legal entities in the Group in Note 1 to the interim financial statements).



Shares and shareholders of AS Ekspress Grupp

As of 30.09.2011, the company's share capital was EUR 17 878 105 and it consists of 29 796 841 shares with the nominal value of EUR 0.60 per share. The General Meeting of Shareholders held on 30 May 2011 approved the conversion of share capital from Estonian kroons into euros, as a result of which the nominal value of a share was lowered from EUR 0.64 to EUR 0.60. The total number of shares did not change, but the share capital was reduced by EUR 1 165 548.

All shares are of one type and there are no ownership restrictions. The Group does not have any shares granting specific controlling rights and the Group lacks information about agreements dealing with the restrictions on voting rights of shareholders. The articles of association of the public limited company set no restrictions on 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 on the transfer of shares. In the agreements between the shareholders, they are only known to the Group to the extent related to pledging of securities and that is public information.

Structure of shareholders as of 30.09.2011 according to the Estonian Central Register of Securities

Name	Number of shares	%
Hans Luik	16 020 692	53,77%
Hans Luik	*7 963 307*	*26,73%*
Hans Luik, OÜ HHL Rühm	*8 050 485*	*27,02%*
Hans Luik , OÜ Minigert	*6 900*	*0,02%*
ING Luxembourg S.A.	4 002 052	13,43%
Skandinaviska Enskilda Banken Ab Clients	2 531 967	8,50%
Members of the Management and Supervisory Boards and their close relatives	507 768	1,70%
Gunnar Kobin, OÜ Griffen SVP	*320 512*	*1,08%*
Gunnar Kobin, OÜ Griffen Holding	*91 836*	*0,31%*
Viktor Mahhov, OÜ Flexinger	*37 464*	*0,13%*
Aavo Kokk, OÜ Synd & Katts	*400*	*0,00%*
Ville Jehe, OÜ OctoberFirst	*55 656*	*0,19%*
Pirje Raidma, OÜ Aniston Trade	*1 900*	*0,01%*
Other minority shareholders	6 734 362	22,60%
Total	**29 796 841**	**100%**

On 16 September 2010, East Capital Asset Management AB announced that it increased its ownership interest to 5.43% which was acquired through the nominee account of Skandinaviska Enskilda Banken Ab Clients.

KJK Fund SICAV-SIF (former name: DCF Fund (II) SICAV-SIF) has a 12.51% ownership interest in the company, held at the account of ING Luxembourg S.A.

Share information

The share price in euros (EUR) and the trading statistics on OMX Tallinn Stock Exchange from 1 January 2009 until 30 September 2011.

By virtue of the conditions laid down in the Group's loan agreements, payment of dividends to shareholders is limited.

The following table shows the stock trading history for 2010/2011

Price (EUR)	Q3 2011	Q3 2010	9 months 2011	9 months 2010
Opening price	1.35	0.84	1.53	1.03
Closing price	1.02	1.42	1.02	1.42
High	1.50	1.46	1.84	1.48
Low	0.95	0.80	0.95	0.80
Average	1.08	1.14	1.30	1.08
Traded shares, pcs	886 132	1 251 424	2 573 753	2 393 211
Turnover, million	0.93	1.47	3.73	2.74
Capitalisation on the balance sheet date, million	30.30	42.31	30.30	42.31

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Consolidated statement of financial position (unaudited)

(EUR thousand)	30.09.2011	31.12.2010
ASSETS		
Current assets		
Cash and cash equivalents	1 607	2 767
Trade and other receivables	6 707	6 943
Inventories	2 694	2 961
Total	**11 008**	**12 671**
Non-current assets held for sale	60	60
Total current assets	**11 068**	**12 731**
Non-current assets		
Term deposit (Note 14)	2 679	3 009
Trade and other receivables	157	161
Investments in associates	0	8
Property, plant and equipment (Note 6)	17 319	19 137
Intangible assets (Note 6)	53 068	50 936
Total non-current assets	**73 223**	**73 251**
TOTAL ASSETS	**84 291**	**85 982**
LIABILITIES		
Current liabilities		
Borrowings (Note 7)	7 083	5 233
Trade and other payables	9 136	10 785
Total current liabilities	**16 219**	**16 018**
Non-current liabilities		
Long-term borrowings (Note 7)	29 228	33 053
Other long-term liabilities	0	2
Derivative instruments	238	610
Total non-current liabilities	**29 466**	**33 665**
Total liabilities	**45 685**	**49 683**
EQUITY		
Share capital (Note 10)	17 878	19 044
Share premium	14 277	14 277
Reserves (Note 10)	417	46
Retained earnings	5 967	2 900
Currency translation reserve	67	32
Total equity	**38 606**	**36 299**
TOTAL LIABILITIES AND EQUITY	**84 291**	**85 982**

The Notes presented on pages 23 to 37 form an integral part of the interim consolidated financial statements

Consolidated statement of comprehensive income (unaudited)

(EUR thousand)	Q3 2011	Q3 2010	9 months 2011	9 months 2010
Sales	12 969	11 817	41 078	36 929
Cost of sales	10 090	9 423	32 194	29 101
Gross profit	**2 879**	**2 394**	**8 884**	**7 828**
Marketing expenses	499	489	1 449	1 602
Administrative expenses	1 740	1 454	5 153	4 653
Other income	120	91	1 862	292
incl. profit from business combinations (Note 3)	0	0	1 540	0
Other expenses	45	50	198	123
Operating profit	**715**	**492**	**3 946**	**1 742**
Interest income	13	5	34	21
Interest expense	554	640	1 689	1 957
Foreign exchange gains (losses)	73	(90)	(29)	0
Other finance costs	34	34	106	136
Net finance cost	**(502)**	**(759)**	**(1 790)**	**(2 072)**
Profit/(loss) from investments in associates	(33)	3	(43)	(22)
Profit (loss) before income tax	**180**	**(264)**	**2 113**	**(352)**
Income tax expense	62	0	212	370
Profit (loss) from continuing operations for the year	**118**	**(264)**	**1 901**	**(722)**
Profit (loss) from discontinued operations	0	0	0	363
Profit (loss) for the accounting period	**118**	**(264)**	**1 901**	**(359)**
Other comprehensive income (expense)				
Currency translation differences	(73)	91	35	(59)
Hedging reserve change	42	0	371	0
Total other comprehensive income (expense)	**(31)**	**91**	**406**	**(59)**
Comprehensive income (expense) for the reporting period	**87**	**(173)**	**2 307**	**(418)**
Basic and diluted earnings per share (Note 9)	0,00	(0,01)	0,06	(0,01)

The Notes presented on pages 23 to 37 form an integral part of the interim consolidated financial statements

Consolidated statement of changes in equity (unaudited)

(EUR thousand)	Attributable to equity holders of the Parent Company						Minority interest	Total equity
	Share capital	Share premium	Reserves	Retained earnings	Currency translation reserve	Total		
Balance on 31 December 2009	**13 325**	**12 327**	**(20)**	**2 927**	**104**	**28 663**	**18**	**28 681**
Comprehensive income for the reporting period	0	0	0	(359)	(59)	(418)	0	(418)
Share capital issued	5 719	1 950	0	0	0	7 669	0	7 669
Balance on 30 September 2010	**19 044**	**14 277**	**(20)**	**2 568**	**45**	**35 914**	**18**	**35 932**
Balance on 31 December 2010	**19 044**	**14 277**	**46**	**2 900**	**32**	**36 299**	**0**	**36 299**
Reduction of share capital	(1 166)	0	0	1 166	0	0	0	0
Comprehensive income for the reporting period	0	0	371	1 901	35	2 307	0	2 307
Balance on 30 September 2011	**17 878**	**14 277**	**417**	**5 967**	**67**	**38 606**	**0**	**38 606**

The Notes presented on pages 23 to 37 form an integral part of the interim consolidated financial statements

Consolidated cash flow statement (unaudited)

(EUR thousand)	9 months 2011	9 months 2010
Cash flows from operating activities from continuing operations		
Operating profit (loss) for the reporting period	3 946	1 742
Adjustments for:		
Depreciation, amortisation and impairment (Note 6)	2 576	2 445
Profit from business combinations (Note 3)	(1 540)	0
Profit (loss) on sale and write-downs of property, plant and equipment	(12)	7
Changes in working capital:		
Trade and other receivables	(332)	(2 116)
Inventories	267	853
Trade and other payables	(1 705)	(2 349)
Cash generated from operations	**3 200**	**582**
Income tax paid	(98)	(370)
Interest paid	(1 800)	(2 026)
Net cash generated from operating activities from continuing operations	**1 302**	**(1 814)**
Net cash used in operating activities from discontinued operations	**0**	**(160)**
Cash flows from investing activities		
Investments in subsidiaries and joint ventures (Note 3)	(26)	0
Proceeds from sale of shares in subsidiaries (Note 5)	0	3 980
Interest received	34	21
Purchase of PPE and intangible assets (Note 6)	(575)	(422)
Proceeds from sale of property, plant and equipment	43	16
Loans granted	(25)	(37)
Loan repayments received	124	624
Net cash used in investing activities from continuing operations	**(425)**	**4 182**
Net cash generated from investing activities from discontinued operations	**0**	**0**
Cash flows from financing activities from continuing operations		
Issue of shares	0	5 248
Finance lease payments made	(921)	(977)
Change in overdraft used	1 131	(1 406)
Proceeds from borrowings	170	(179)
Repayments of borrowings	(2 417)	(5 723)
Net cash used in financing activities from continuing operations	**(2 037)**	**(3 037)**
Net cash used in financing activities from discontinued operations	**0**	**(5)**
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(1 160)**	**(833)**
Cash and cash equivalents at the beginning of the period	2 767	2 553
Cash and cash equivalents at the end of the period	1 607	1 720

The Notes presented on pages 23 to 37 form an integral part of the interim consolidated financial statements

SELECTED NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Note 1. General information

The main fields of activity of AS Ekspress Grupp and its subsidiaries include online media, publishing of newspapers and magazines, and provision of printing services. AS Ekspress Grupp (registration number 10004677; address: Narva mnt.11E, 10151 Tallinn) is a holding company registered in the Republic of Estonia. As of 30.11.2011 the consolidation group consists of 13 subsidiaries, five joint venture and one associate as listed below.

This interim consolidated report was approved by the Management Board on 1 November 2011.

The Group's presentation currency is the euro (EUR). The financial statements have been prepared in euros (EUR), rounded to the nearest thousand.

Company name	Status	Interest 30.09.2011	Interest 30.09.2010	Main field of activity	Domicile
Operating segment: corporate functions					
AS Ekspress Grupp	Parent company			Holding company	Estonia
Operating segment: periodicals					
Eesti Ajalehed AS	Subsidiary	100%	100%	Newspaper publishing	Estonia
Eesti Päevalehe AS	Subsidiary/joint venture	100%	50%	Newspaper publishing	Estonia
OÜ Hea Lugu (under establishment)	Subsidiary	100%	-	Book publishing	Estonia
UAB Ekspress Leidyba	Subsidiary	100%	100%	Magazine publishing	Lithuania
AS SL Õhtuleht	Joint venture	50%	50%	Newspaper publishing	Estonia
AS Linnaleht	Joint venture associate	50%	25%	Newspaper publishing	Estonia
AS Ajakirjade Kirjastus	Joint venture	50%	50%	Magazine publishing	Estonia
Uniservice OÜ	Joint venture	50%	26%	Operating internet portal	Estonia
AS Express Post	Joint venture	50%	50%	Periodicals' home delivery	Estonia
Medipresa UAB	Associate	40%	40%	Periodicals' wholesale	Lithuania
Operating segment: online-media					
SIA Delfi Holding	Subsidiary	100%	100%	Management of online-media subsidiaries	Latvia
Delfi AS	Subsidiary	100%	100%	Online-media	Estonia
OÜ Saarmann Meedia	Subsidiary	100%	-	On-line media (operations transferred to Delfi Estonia)	Estonia
Delfi AS	Subsidiary	100%	100%	Online-media	Latvia
Mango.lv SIA	Subsidiary	100%	100%	Online-media	Latvia
Delfi UAB	Subsidiary	100%	100%	Online-media	Lithuania
UAB Ekspress Portals	Subsidiary	100%	100%	Online-media (dormant)	Lithuania
TOV Delfi	Subsidiary	100%	100%	Online-media	Ukraine
Operating segment: printing services					
AS Printall	Subsidiary	100%	100%	Printing services	Estonia

On 1 October 2011, the merger of Eesti Ajalehed AS and Eesti Päevalehe AS took place. At the same time, the book publishing department of the merged entity was spun off as a separate legal entity OÜ Hea Lugu. The new private limited company will be fully owned by AS Eesti Ajalehed.

In the first half of 2010, the Group sold its 100% ownership interest in Rahva Raamat AS, more detailed information of which is disclosed in Note 5.

Note 2. Bases of preparation

The interim consolidated financial statements of AS Ekspress Grupp for the 3rd quarter of 2011 ended 30.09.2011 and the first 9 months of the year have been prepared in accordance with IAS 34 "Interim Financial Reporting". The condensed interim consolidated financial statements should be read together to the annual report for the financial year ended 31.12.2010.

The Management Board estimates that the interim consolidated financial statements for the 3rd quarter and the first 9 months of 2011 present a true and fair view of the Group's operating results, and all group companies are going concerns. These interim financial statements have neither been audited nor reviewed in any other way by auditors.

Note 3. Business combinations

On 11 March 2011, AS Ekspress Grupp and Vivarone OÜ concluded a contract for restructuring their current partnership in Eesti Päevalehe AS. In accordance with the contract, Vivarone OÜ acquired the offices previously in the ownership of Eesti Päevaleht at Narva Road 13 and Ekspress Group acquired the business of Eesti Päevaleht. For completion of the transaction, Eesti Päevalehe AS sold its real estate to Vivarone OÜ and Vivarone OÜ in turn sold 50% of the shares of Eesti Päevalehe AS in its ownership to Ekspress Group, and the parties offset their receivables from each other. Neither party paid actual cash for the transaction. Eesti Päevalehe AS continues to lease the current offices from Vivarone OÜ.

Full ownership of Eesti Päevalehe AS enables Ekspress Group to integrate various media content production units and support structures, and thereby, achieve cost savings. Upon acquisition of Eesti Päevalehe AS, goodwill arose in the amount of EUR 1 232 thousand which is related to the experience and knowledge of the Group's employees, the acquired customer base and potential savings due to the scale effect. Goodwill was adjusted in the amount of EUR +96 thousand in the 2nd quarter and in the amount of EUR -34 thousand in the 3rd quarter, related to the revaluation of assets and liabilities of Eesti Päevalehe AS.

On 4 March 2011, Delfi AS acquired a 100% ownership interest in OÜ Saarmann Meedia, paying EUR 34 thousand in cash for the company. This company owns the local news portal of rural municipalities www.eestielu.ee and the cost of the portal made up most of the amount paid. No goodwill arose on acquisition.

The table below provides an overview of acquired identifiable assets and liabilities at the time of acquisition. The balance sheets as of 28.02.2011 have been used as the basis for preparing the purchase price allocation.

(EUR thousand)	Eesti Päevalehe AS	Saarmann Meedia OÜ
Cash and bank	21	0
Other receivables and assets	1 994	0
Property, plant and equipment	47	7
Intangible assets (licenses, programmes, portals)	300	34
Trademark	1 222	0
Contractual customer relationships	263	0
Other liabilities	(1 878)	(6)
Total identifiable assets	**1 968**	**34**
Cost of ownership interest	3 200	34
Goodwill	**1 232**	**0**
Paid for ownership interest in cash	0	34
Cash and cash equivalents in the acquired entity (EPL	(11)	0
Total cash effect on the Group	(11)	34

The acquisition of an additional 50% ownership interest of Eesti Päevalehe AS is accounted for in two parts in accordance with IFRS 3 (revised). Firstly, as the sale of the current 50% ownership interest and thereafter, as a purchase of a 100% ownership interest. The sales profit of the current 50% ownership interest in the amount of EUR 1 540 thousand is recognised in the operating profit as “Other income”.

Note 4. Sale of a joint venture and an increase of ownership interest

On 04.02.2011, AS Ekspress Grupp concluded a preliminary contract for the sale of its ownership interest in the newspaper home delivery joint venture AS Express Post. The acquiring party was AS Eesti Post. According to the preliminary contract, the transaction price was EUR 2.6 million. AS Ekspress Grupp wishes to dispose of its ownership interest due to its strategy to focus more on electronic media. The potential combination of Express Post and Eesti Post could have turned newspaper home delivery more efficient through combination of various activities. However in September 2011, the Estonian Competition Authority refused to give the permit for concentration.

In August 2011, the operations of AS Linnaleht were taken under AS SL Õhtuleht and on 1 November 2011, the two companies will be merged. The ownership interest of Ekspress Group in AS Linnaleht did not change as a consequence of it, but it is still 50%. Eesti Meedia owns the other 50%. The Group acquired an additional ownership interest in AS Linnaleht thorough acquisition of 100% ownership interest in Eesti Päevalehe AS in March 2011 (see Note 3).

In June 2011, the joint venturer AS Ajakirjade Kirjastus acquired a 49% minority interest in its subsidiary Uniservice OÜ. As the acquisition represents an increase in ownership interest from 51% to 100%, then no assets were revalued and no goodwill arose in the transaction. A cash payment of EUR 6 thousand was made for the ownership interest.

Note 5. Discontinued operations

Sale of information services segment

On 25 February 2010, the sale of the shares of AS Ekspress Hotline and its subsidiaries was completed. The final transaction price was EUR 4.8 million. Of the amount, EUR 3 was payable on the transaction date, and EUR 1.8 million had to be offset with the debt of AS Ekspress Grupp to Ekspress Hotline. The information services segment was accounted for as a discontinued segment already in the 2009 annual report.

Sale of the book retail and wholesale segment

On 9 February 2010, the subsidiary of AS Ekspress Grupp, Eesti Ajalehed AS and OÜ Raamatumaja concluded a purchase and sales transaction for the shares of Rahva Raamat AS. The sales price paid in cash was EUR 2.1 million and the profit totalled EUR 0.4 million. The transaction was completed on 18 February 2010. The decision of AS Ekspress Grupp to dispose of Rahva Raamat AS was based on the Group’s strategy to focus more on its core activities in printing and online media. The new owner of the company is the management of Rahva Raamat AS. In the consolidated financial statements for 2010, Rahva Raamatu AS is accounted for as a discontinued operation and the related income and expenses are reported in one line “Gain (loss) from discontinued operations”.

The assets of AS Rahva Raamat at the time of sale, and the income and expenses for 2010 are shown below.

(EUR thousand)	18.02.2010
ASSETS	
Cash and cash equivalents	930
Trade and other receivables	792
Inventories	903
Total current assets	**2 625**
Property, plant and equipment	1 054
Intangible assets	698
Total non-current assets	**1 752**
TOTAL ASSETS	**4 377**
LIABILITIES	
Finance lease (current portion)	60
Trade and other payables	2 522
Total current liabilities	**2 582**
Finance lease (non-current portion)	91
Total non-current liabilities	**91**
TOTAL LIABILITIES	**2 673**

AS Rahva Raamat (EUR thousand)	1 Jan – 18 Feb 2010
Sales	756
Expenses	799
Loss from discontinued operations	**(42)**
Profit from sale of business	405
Profit from discontinued operations for the financial year	**363**

Note 6. Property, plant and equipment (PPE) and intangible assets

(EUR thousand)	Property, plant and equipment		Intangible assets	
	9 months 2011	9 months 2010	9 months 2011	9 months 2010
Balance at beginning of the period				
Cost	32 795	33 306	55 356	56 133
Accumulated depreciation and amortisation	(13 658)	(12 272)	(4 420)	(3 695)
Carrying amount 31.12.2010	**19 137**	**21 034**	**50 936**	**52 438**
Acquisitions and improvements	320	211	255	211
Disposals (at carrying amount)	(23)	(2)	0	0
Write-offs (at carrying amount)	(7)	0	(1)	(7)
Reclassification	0	0	0	0
Acquisitions through business combinations	256	0	2 870	0
Disposals through business combinations	(779)	0	0	(628)
Depreciation and amortisation	(1 585)	(1 594)	(991)	(851)
Currency translation differences	0	5	(1)	1
Balance at end of the period				
Cost	32 263	33 485	58 386	55 657
Accumulated depreciation and amortisation	(14 944)	(13 831)	(5 318)	(4 493)
Carrying amount 30.09.2011	**17 319**	**19 654**	**53 068**	**51 164**

Information about the items of property, plant and equipment pledged as loan collateral is disclosed in Note 7.

Intangible assets by type

(thousand)	EUR	
	30.09.2011	31.12.2010
Goodwill	41 511	40 304
Trademarks	9 959	8 955
Other intangible assets	1 598	1 677
Total intangible assets	**53 068**	**50 936**

Goodwill by cash generating units and segments

(thousand)	EUR	
	30.09.2011	31.12.2010
Delfi Estonia	15 281	15 281
Delfi Latvia	9 560	9 560
Delfi Lithuania	12 517	12 517
Online media segment	**37 358**	**37 358**
Eesti Päevaleht (incl.hyppelaud.ee)	1 232	25
Ajakirjade Kirjastus	456	456
Ekspress Leidyba	649	649
Maaleht (Eesti Ajalehed)	1 816	1 816
Periodicals segment	**4 153**	**2 946**
Total goodwill	**41 511**	**40 304**

Carrying amount of trademarks by segment

(thousand)	EUR	
	30.09.2011	31.12.2010
Online-media	7 412	7 540
Periodicals	2 547	1 415
Total trademarks	**9 959**	**8 955**

Note 7. Bank loans and borrowings

(EUR thousand)	Total amount	Repayment term	
		12 months	1-5 years
Balance on 30.09.2011			
Overdraft facilities	**1 803**	1 803	0
Short-term banks loans (incl. factoring)	**352**	352	0
Long-term bank loans	**29 883**	3 525	26 358
incl. syndicated loan (AS Ekspress Grupp)	***27 419***	*2 897*	*24 522*
incl. long-term loan (AS Printall)	***2 464***	*628*	*1 836*
Finance lease	**4 273**	1 403	2 870
Total	**36 311**	**7 083**	**29 228**
Balance on 31.12.2010			
Overdraft facilities	**672**	672	0
Short-term bank loans (incl. factoring)	**244**	244	0
Long-term bank loans	**32 173**	3 070	29 103
incl. syndicated loan (AS Ekspress Grupp)	***29 484***	*2 794*	*26 690*
incl. long-term loan (AS Printall)	***2 689***	*276*	*2 413*
Finance lease	**5 197**	1 247	3 950
Total	**38 286**	**5 233**	**33 053**

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

Syndicated loan

A loan agreement has been concluded between the syndicate of SEB Bank, Danske Bank A/S Estonia Branch (Sampo Bank) and Nordea Bank, and Ekspress Group on 28 August 2007 in the amount of EUR 43.1 million for acquisition of Delfi Group and Maaleht. The loan's repayment date is 25 January 2015 instead of the initially agreed date of 25 September 2012.

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 reduced principal payments have been added to the bullet amount of the loan, payable on 25 January 2015.

From 25.01.2010, the interest rate on the loan was 6-month Euribor+4%, from 25.02.2010, 6-month Euribor+3.75% and from 25.07.2011, 6-month Euribor+3.5%.

As of 30.09.2011, the loan is secured by:
- a mortgage on the registered immovable located at Tala 4, Tallinn (with previous address Peterburi tee 64A) in the mortgage amount of EUR 2.56 million;
- a pledge on the shares of Delfi Estonia, Delfi Latvia, Delfi Lithuania, Eesti Ajalehed, Printall, Eesti Päevaleht and Delfi Holding and the guarantee of these subsidiaries in the total amount of EUR 43.1 million, of which net assets represent a majority of the Group's assets;
- a combined pledge in the amount of EUR 0.3 million on the following trademarks: Eesti Ekspress, Delfi and Maaleht, which are included in the value of the aforementioned net assets.

According to the conditions of the loan agreement, the borrower must comply with the levels established for certain financial ratios, such as the total EBITDA level of the subsidiaries and equity ratio (equity /balance sheet total). As of the balance sheet date, all financial ratios were in compliance with the terms established by financial institutions. From 31.12.2011, an additional covenant includes total debt/EBITDA ratio and 31.03.2012 the debt-service coverage ratio (DSCR). In addition, according to the conditions fixed in the loan agreement, payment of dividends is limited.

Long-term loan and lease commitments

A long term loan agreement of AS Printall in the amount of EUR 4.8 million and with the term of 15 December 2014 is secured with a mortgage in the amount of EUR 6.4 million on the registered immovable located at Tala 4, Tallinn (with previous address Peterburi tee 64A). As of 30.09.2011 the carrying amount of the building is EUR 4.2 million and the land EUR 0.4 million.

Finance lease agreements also contain certain covenants for the ratios of the company which the financial indicators of the company must comply with. As of the balance sheet date, all financial ratios were in compliance with the terms established by financial institutions.

In conjunction with the refinancing of the loans of AS Ekspress Grupp in 2010, the loan and rental obligations of the subsidiary AS Printall were reviewed. In accordance with the agreements, loan and rental maturity dates were extended by one year and the principal payments were reduced by 50% between January 2010 and December 2011.

Overdraft facilities

Date of entry into contract	Bank	Limit (EUR thousand)	Used 30.06.2011 (EUR thousand)	Interest rate	Expiration date of the contract
26.01.2011	Nordea Bank Finland Plc Estonia branch	959	956	Bank's base interest +3.5%	31.01.2012
26.01.2011	AS SEB Pank	959	565	1 month Euribor +3.5%	31.01.2012
31.01.2011	Danske Bank A/S Estonia Branch (legal successor of AS Sampo Pank)	959	282	EONIA+3.5%	31.01.2012
Total		**2 877**	**1 803**		

Note 8. Segment reporting

The Management Board has determined the operating segments based on the reports reviewed by the Management Board of the Parent Company AS Ekspress Grupp. The Management Board considers the business from the entity perspective. Group's internal management structure has been divided between the following business segments which have different economic characteristics:

Online-media administration of online classified portals, intermediation of internet advertising services.

Periodicals publishing of newspapers, magazines, custom publications and books in Estonia and Lithuania.

Printing services rendering of printing and related services.

For the break-down of companies into operating segments, please see Note 1.

The Management Board assesses the performance of the operating segments based on revenue and EBITDA. The EBITDA margin is also monitored.

According to the estimate of the Parent Company's management, the inter-segment transactions have been carried out at arm's length conditions and they do not differ significantly from the conditions of the transactions concluded with third parties.

The amounts provided to the Management Board in respect of total assets and total liabilities are measured in a manner consistent with that of the financial statements. These assets and liabilities are allocated based on the operations of the segments.

Q3 2011 (EUR thousand)	Online-media	Periodicals	Printing services	Corporate functions	Eliminations	Total Group
Sales to external customers	**2 014**	**5 565**	**5 386**	**4**	**0**	**12 969**
Inter-segment sales	19	43	740	60	(862)	0
Total segment sales	2 033	5 608	6 126	64	(862)	12 969
EBITDA	**232**	**190**	**1 417**	**(278)**	**3**	**1 564**
Investments (Note 6)	62	112	0	4	0	178
Depreciation (Note 6)	240	174	423	10	0	847

9 months 2011 (EUR thousand)	Online-media	Periodicals	Printing services	Corporate functions	Eliminations	Total Group
Sales to external customers	**6 343**	**17 395**	**17 324**	**16**	**0**	**41 078**
Inter-segment sales	47	131	2 269	122	(2 569)	0
Total segment sales	6 390	17 526	19 593	138	(2 569)	41 078
EBITDA	**729**	**490**	**4 464**	**828**	**11**	**6 522**
Investments (Note 6)	191	334	44	6	0	575
Depreciation (Note 6)	725	510	1 313	28	0	2 576

Q3 2010 (EUR thousand)	Online-media	Periodicals	Printing services	Corporate functions	Eliminations	Total Group
Sales to external customers	**1 783**	**5 117**	**4 913**	**4**	**0**	**11 817**
Inter-segment sales	23	37	594	24	(678)	0
Total segment sales	1 806	5 154	5 507	28	(678)	11 817
EBITDA	**73**	**259**	**1 101**	**(158)**	**2**	**1 277**
Investments (Note 6)	80	43	11	1	0	135
Depreciation (Note 6)	256	112	406	10	0	784

9 months 2010 (EUR thousand)	Online-media	Periodicals	Printing services	Corporate functions	Eliminations	Total Group
Sales to external customers	**5 521**	**16 311**	**15 080**	**17**	**0**	**36 929**
Inter-segment sales	61	159	1 911	81	(2 212)	0
Total segment sales	5 582	16 470	16 991	98	(2 212)	36 929
EBITDA	**456**	**661**	**3 669**	**(597)**	**(1)**	**4 188**
Investments (Note 6)	238	128	43	13	0	422
Depreciation (Note 6)	814	384	1 217	30	0	2 445

Note 9. Earnings per share

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

In view of the fact that the Group has no dilutive potential ordinary shares on 30.09.2011 and 30.09.2010, **diluted earnings per share** equal basic earnings per share.

	EUR			
	Q3 2011	Q3 2010	9 months 2011	9 months 2010
Net profit (loss) attributable to equity holders of the Parent Company	118 278	(263 758)	1 900 689	(359 068)
Average number of ordinary shares	29 796 841	29 796 841	29 796 841	25 765 325
Basic and diluted earnings per share	0,00	(0,01)	0,06	(0,01)

Note 10. Equity

The Annual General Meeting of Shareholders of AS Ekspress Grupp held on 30 March 2010 decided to increase the share capital of AS Ekspress Grupp by issuing 8 948 000 new shares with the nominal value of EUR 0.64 each and to list these shares on NASDAQ OMX Tallinn Stock Exchange. The subscription for new shares took place between 16 April 2010 and 3 May 2010.

New shares were issued with the share premium of EUR 0.24 per share. In total, the share capital increased by EUR 5 719 thousand and the share premium by EUR 2 155 thousand. Issue related costs in the amount of EUR 206 thousand were deducted from share premium. As a result, the total share premium increased by EUR 1 950 thousand.

Monetary contributions to share capital amounted to EUR 5 454 thousand the amount of EUR 2 420 thousand was offset by the outstanding loan and loan interest, including. OÜ HHL Rühm in the amount of EUR 1 369 thousand and KJK Fund SICAV-SIF in amount of EUR 1 051 thousand.

As of 30.09.2011, the share capital of Ekspress Group is EUR 19 043 652 and it consists of 29 796 841 shares with the nominal value of EUR 0.64.

In conjunction with the adoption of the euro in Estonia, the General Meeting of Shareholders of AS Ekspress Grupp held on 30 May 2011 decided to lower the nominal value of shares to EUR 0.60, as a result of which the share capital was reduced by EUR 1 165 548. The change to share capital was registered in the Commercial Register on 15.06.2011. The amount which arose in the reduction of share capital was taken to retained earnings. The number of shares as a result of the transaction did not change.

As of 30.09.2011, the share capital of Ekspress Group is EUR 17 878 105 and it consists of 29 796 841 shares with the nominal value of EUR 0.60. The maximum amount of share capital as stipulated by the articles of association is EUR 25 564 656.

Reserves

The reserves include:

- statutory reserve capital required by the Commercial Code. Subject to the approval of the General Meeting of Shareholders, the reserve may be used for covering cumulated losses, if the latter cannot be covered from other unrestricted equity, and for increasing share capital,
- monetary contributions by owners as a general-purpose additional equity contribution by a founding shareholder,
- a hedging reserve derived from interest rate swaps.

(thousand)	EUR	
	30.09.2011	31.12.2010
Statutory reserve capital	17	17
Additional payments in cash from shareholders	639	639
Hedging reserve	(239)	(610)
Total reserves	**417**	**46**

Note 11. Contingent liabilities

On 7 June 2011, Harju County Court satisfied an action filed by AS Sanoma Baltics against AS Eesti Ajalehed and AS Delfi, relating to the court case concerning the violation of copyright of the car portal www.auto24.ee by the portal of car sales ads www.ekspressauto.ee. The activities of the portal www.ekspressauto.ee were based on agreements with car sellers whose ads had been posted in the www.auto24.ee environment. The court ruled that both AS Eesti Ajalehed and AS Delfi jointly had to pay compensation for damage in the amount of EUR 60 thousand. The judgement of the court has been appealed. As of 30.09.2011, an accrual in this amount has been recognised.

Note 12. Related party transactions

Transactions with related parties are transactions with shareholders, joint ventures, associates, unconsolidated subsidiaries, key management, members of the Management Board, members of the Supervisory Board, their immediate family members and the companies under their control or significant influence.

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

The Group has purchased from (goods for resale, manufacturing materials, non-current assets) and sold its goods and services (lease of non-current assets, management services, other services) to the following related parties:

Sales

(EUR thousand)	9 months 2011	9 months 2010
Sale of goods		
Members of Management Board and companies related to them	1	0
Associates	881	754
Total sale of goods	**882**	**754**
Sale of services		
Members of Management Board and companies related to them	9	15
Associates	148	184
Total sale of services	**157**	**199**
Proceeds from sale of property, plant and equipment		
Members of Management Board and companies related to them	1	0
Total sale of non-current assets	**1**	**0**
Total sales	**1 040**	**953**

Purchases

(EUR thousand)	9 months 2011	9 months 2010
Purchase of services		
Members of Management Board and companies related to them	68	81
Members of Supervisory Board and companies related to them	294	354
Associates	0	1
Total purchases of services	**362**	**436**
Total purchases	**362**	**436**

Receivables

(EUR thousand)	30.09.2011	31.12.2010
Short-term receivables		
Members of Supervisory Board and companies related to them	198	217
Associates	192	379
Total short-term receivables	**390**	**596**
Long-term receivables		
Members of Supervisory Board and companies related to them	60	70
Total long-term receivables	**60**	**70**
Total receivables	**450**	**666**

Liabilities

(EUR thousand)	30.09.2011	31.12.2010
Current liabilities		
Members of Management Board and companies related to them	5	3
Members of Supervisory Board and companies related to them	14	17
Total liabilities	**19**	**20**

According to the decision of the Annual General Meeting held on 2 June 2009, Hans H. Luik will be paid a guarantee fee of 1.5% p.a. on the guarantee amount for the personal guarantee of EUR 4 million on the syndicated loan and overdraft agreements until the guarantee expires. The amount paid during the first 9 months of 2011 was 43 thousand (9 months of 2010: EUR 47 thousand) and there was no outstanding debt as of 30.09.2011 and 31.12.2010.

Remuneration of key management and the members of the Supervisory Board (incl. management of subsidiaries and joint ventures)

(EUR thousand)	9 months 2011	9 months 2010
Salaries and other benefits	747	656

The members of the Management Board are entitled to receive compensation at the termination of their contracts in accordance with the terms laid down in their employment contracts. The key management terminations 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 has to be given a pre-notice up to 3 months and compensation for termination of the contract in the amount of up to 7 months' salary will be paid. Upon termination of an employment relationship, no compensation will be 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 with a valid reason. As of 30.09.2011, potential key management termination benefits maximally in gross amount is EUR 467 thousand.

The management estimates that the transactions with related parties have been carried out at arms' length conditions.

Note 13. Financial risk management

The management of financial risks is an essential and integral part in managing the business processes of the Group. The ability of the management to identify, measure and verify different risks has a substantial impact on the profitability of the Group. The risk is defined by the management of the Group as a possible negative deviation from the expected financial performance.

Several financial risks are related to the activities of the Group, of which the more substantial ones include credit risk, liquidity risk, market risk (including foreign exchange risk, interest rate risk and price risk), operational risk and capital risk.

The risk management of the Group is based on the requirements established by the Tallinn Stock Exchange, Financial Supervision Authority and other regulatory bodies, compliance with the generally accepted accounting standards and good practice, internal regulations and policies of the Group and its subsidiaries. The management of risks at the level of the Group includes the definition, measurement and control of risks. The Group's risk management programme focuses on unpredictability of financial markets and finding of possibilities to minimise the potential negative impacts arising from this on the Group's financial activities. The Group uses derivative instruments to hedge certain risks.

The main role upon the management of risks is vested in the Management Board of the Parent Company. The Supervisory Board of the Parent Company exercises supervision over the measures applied by the Management Board for hedging risks. The Group assesses and limits risks through systematic risk management. For managing financial risks, the management of the Group has engaged the financial unit of the Group that deals with the financing of the Parent Company and its subsidiaries and hence also managing of liquidity risk and interest rate risk, as well as the managements and financial units of the subsidiaries. The risk management at the joint ventures within the Group is performed in cooperation with the other shareholder of the joint venture.

Credit risk

Credit risk is expressed as a loss which may be incurred by the Group and is caused by the counterparty if the latter fails to perform its contractual financial obligations.

Credit risk arises from cash and cash equivalents, money market funds, trade receivables, other short-term receivables and loans granted.

Since the Group invests available liquid funds in the banks with the credit rating of "A", they do not expose the Group to substantial credit risk.

The payment discipline of clients is continuously monitored to reduce credit risk, a credit policy has been established to ensure the sale or services to clients with an adequate credit history and the application of prepayments to clients in a higher risk category. According to the credit policy, different client groups are subject to different payment terms, credit limits, possible grace periods. Clients are classified on the basis of their size, reputation, the results of checking credit background and history of payment behaviour. At the first level, the advertising clients are divided into two groups: advertising agencies and direct clients, they are further grouped according to the above principles. The Group applies the same credit policy in all Baltic States, but is aware of different credit behaviour of clients. While in Estonia invoices are generally paid when due, the usual practice in Latvia and Lithuania is to pay invoices 1-3 months past their due date and not to consider it as a violation of the credit discipline.

In the case of new clients, their credit background is checked with the help of financial information databases such as Krediidiinfo and other similar databases. At the beginning, their payment behaviour is also monitored with increased interest. Upon following the payment discipline, it is possible to receive more flexible credit terms, such as longer payment terms, higher credit limits, etc. Upon violation of the payment discipline, stricter credit terms are applied. In addition, in the publishing segment, the Group's subsidiaries use a program that provides information to major media companies about their debtors.

In case of large transactions, in particular in the segment of printing services, clients are requested to provide security, including surety.

The Group's management is aware that credit risk is higher in an economic recession and therefore, credit risk management is a high-priority area. As a specific measure, the credit policies at the group companies have been harmonised and they have been made stricter. A regular reporting routine in respect of accounts receivable has been established, enabling the Group's management to receive immediate information and if necessary, to interfere.

Liquidity risk

Liquidity risk means that the Group may not have liquid funds to fulfil its financial obligations in a timely manner.

The objective of the Group is to maintain a balance between the financial need and financial possibilities of the Group. Cash flow planning is used as a means to manage the liquidity risk. To manage liquidity risk as effectively as possible, the bank accounts of the Parent Company and its subsidiaries comprise one group account (cash pool) which enables the members of the group account to use the finances of the Group within the limit established by the Parent Company. The group account operates in Estonia, but foreign subsidiaries in Latvia and Lithuania are also part of it. According to the policy of the Group, the subsidiaries that have joined the group account prepare cash flow projections for next two months every week.

To manage the liquidity risk, the Group uses different financing sources which include bank loans, overdraft, continuous monitoring of trade receivables and delivery contracts.

Overdraft credit is used to finance working capital, bank loans and investment loans are used to acquire financial investments and non-current assets. The Group has high leverage; therefore, liquidity risk management is one of the priorities of the Group.

Interest rate risk

Interest rate risk means that a change in interest rates results in a change in the cash flow and profit of the Group. The interest rates of loans granted and assumed by the Group are partially fixed and partially tied to Euribor.

The Group's interest rate risk of the Group is related to short-term and long-term borrowings which have been assumed at a floating interest rate. The interest rate risk is mainly related to the fluctuation of Euribor and the resulting change in average interest rates of banks.

30.09.2011 (EUR thousand)	Interest rate type	Interest rate	<= 1 year	>1 year and <=5 years	Carrying amount
Bank loans	floating	6-month Euribor +3.5%	3 525	26 358	29 883
Finance lease payments	floating	6-month Euribor +1.05%	1 403	2 870	4 273
Short-term loans and overdraft	floating	1-month Euribor +3.5%	917	0	917
Overdraft	floating	EONIA+3.5% bank's base interest +3.5%	1 238	0	1 238
Other loans	Fixed	6% p.a.	118	0	118

31.12.2010 (EUR thousand)	Interest rate type	Interest rate	<= 1 year	>1 year and <=5 years	Carrying amount
Bank loans	floating	6-month Euribor +3.75%	3 070	29 103	32 173
Finance lease payments	floating	6-month Euribor +1.05%	1 247	3 950	5 197
Short-term loans and overdraft	floating	1-month Euribor +3.5%	629	0	629
Overdraft	floating	6-month Euribor +3.5% and the bank's base interest+3.5%	287	0	287
Other loans	Fixed	6% p.a.	511	0	511

On 30 September 2008, the Group entered into interest swap contracts with the banks that had issued the syndicated loan in order to hedge the fluctuations in Euribor. The interest rate swap contracts had been concluded on loan repayments until September 2012. On the basis of the interest rate swap contract, the Group makes fixed interest payments of 4.3%, receiving interest payments in return that have been calculated on the basis of 6-month Euribor.

Interest payments and reduction in nominal amounts occur twice a year, at the beginning of March and September. At the same dates, the interest rate of the syndicated loan is refixed, the latter being also 6-month Euribor.

Beginning of period	End of period	Notional principal amount (EUR thousand)
1.09.2010	1.03.2011	13 425
1.03.2011	1.09.2011	11 925
1.09.2011	1.03.2012	10 375
1.03.2012	3.09.2012	8 767

Foreign exchange risk

The Group's operating activities have an international dimension and therefore, the Group is exposed to foreign exchange risk. Foreign exchange risk arises when future business transactions or recognised assets or liabilities are fixed in a currency which is not the functional currency of the Group. The Group companies are required to manage their foreign exchange risk with regard to functional currency. The subsidiaries are required to use the euro as the currency in their foreign contract. The Group's income is primarily fixed in local currencies, i.e. the euros, Lithuanian litas, Latvian lats and Ukrainian hryvnias. The Group also pays most of its suppliers in euros or local currencies. The subsidiary Printall exports also to non-euro zone countries and it earns revenues in Russian roubles, Norwegian kroner and Swedish kronor. The aforementioned currencies make up ca 10% of the Group's revenue. The amounts received will be typically converted into euros immediately after their receipt, thereby reducing open foreign currency positions. No other means are used for hedging foreign exchange risk.

Price risk

The management estimates that price risk does not have any substantial impact on the activities of the Group, because the Group does not have any substantial investments in equity instruments.

Of the price risk related to raw materials, the price of paper affects the activities of the Group the most. In a situation where the majority of paper used in the production is purchased directly from producers at the base price without any commissions and the price is fixed for half a year in advance, and given that the volume of paper in the international scale is insignificant, the Group does not use derivative instruments to hedge the paper price risk.

Operational risk

Operational risk is a possible loss caused by insufficient or non-functioning processes, employees and information systems or external factors.
The involvement of employees in the risk assessment process improves the general risk culture. Upon performance of transactions, systems of transaction limits and competences are used to minimise possible losses. The four-eye principle in use, under which the confirmation of at least two employees independent of each other or that of a unit is necessary for the performance of a transaction or a procedure, reduces the possible occurrence of human errors and mistakes. The four-eye principle is also applied during negotiations related purchase and sales as well as other transactions. Drafts of important agreements prepared by law offices are reviewed by the management; in-house lawyers are also involved in the work process. The management considers the legal protection of the Group to be good.

Dependence of the Group's activities on IT systems is considered to be moderate and continuous investments are made to increase its security and reliability. The responsibility for managing operational risk lies with the Management Board of the Group and the management boards of subsidiaries.

Capital risk

The main objective of the Group upon managing capital risk is to ensure the sustainability of the Group in order to ensure income for shareholders and benefits for other stakeholders, while maintaining the optimal capital structure in order to reduce the price of capital.

Note 14. Events after the balance sheet date

On 14 October 2011, an annex to the syndicate loan agreement with SEB Bank, Danske Bank A/S Estonia Branch (Sampo Bank) and Nordea Bank was concluded. The annex was concluded for releasing a EUR 3 million term deposit, which is recognised as a non-current asset as of 30.09.2011. One half of the term deposit, i.e. EUR 1.5 million was used for premature repayment of the syndicated loan and the remaining amount with accrued interest was released to the bank account of parent company.

The same annex to the contract also amended the pledges set up as collateral for the loan. On 18 October 2011, a commercial pledge of the 1st ranking was set with a notarial contract as a pledge for the syndicated loan in the amount of at least EUR 3 196 thousand on the movable property of AS Printall. A mortgage of the 2nd ranking was also changed, concerning the registered immovable at Tala St 4, Tallinn (with previous address Peterburi tee 64a) , with the amount of at least EUR 5 million and a mortgage of the 1st ranking for the benefit of Danske Bank A/S was reduced to EUR 4 million. The registered immovable at this address belongs to AS Printall, the address of which changed on 5 September 2011, when a part of the registered immovable at Peterburi tee 64a in the ownership of AS Printall was divided. In the course of transaction the ownership of the separated part (6852m2) was also transferred to the new owner with notation in the land register about the transfer of title on 15 September 2011. The aforementioned registered immovable was sold under the law of obligations already in 2010. The new address of AS Printall is Tala 4, Tallinn