AS EKSPRESS GRUPP

CONSOLIDATED INTERIM REPORT

FOR THE THIRD QUARTER AND 9 MONTHS OF

2014

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GENERAL INFORMATION

Beginning of reporting period	1 January 2014
End of reporting period	30 September 2014
Company name	AS Ekspress Grupp
Registration number	10004677
Address	Narva mnt 11E, Tallinn 10151
Phone	669 8381
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E-mail	egrupp@egrupp.ee
Internet homepage	www.egrupp.ee
Main field of activity	Publishing and related services
Management Board	Gunnar Kobin (chairman)
	Andre Veskimeister
	Pirje Raidma
Supervisory Board	Viktor Mahhov (chairman)
	Hans H. Luik
	Kari Sakari Salonen
	Harri Helmer Roschier
	Ville Jehe (until 20.06.2014)
	Aavo Kokk (until 20.06.2014)
	Indrek Kasela (since 20.06.2014)
	Jaak Ennuste (since 20.06.2014)
Auditor	AS Deloitte Audit Eesti

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 47 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*	31.10.2014
Pirje Raidma	Member of the Management Board	*signed digitally*	31.10.2014
Andre Veskimeister	Member of the Management Board	*signed digitally*	31.10.2014

MANAGEMENT REPORT

In the **third quarter of 2014**, at the revenue level of EUR 13.8 million, the Group earned from ordinary business operations EBITDA of EUR 1.7 million and the net profit EUR 0.6 million. In a year-on-year comparison, revenue growth was 7%, EBITDA was higher by 27% and the net profit increased 42%. The result notably exceeded our expectations. Year-to-date revenue amounted to EUR 44.6 million, EBITDA was EUR 6.1 million and net profit was EUR 3.0 million. In comparison with the same period last year EBITDA increased 17% and net profit was 21% higher. Third-quarter EBITDA margin was 12.5%, as compared to 10.5% a year earlier, and year-to-date EBITDA margin was 13.7%, up from 12.5% a year ago.

The above figures include all our joint ventures (AS SL Õhtuleht, AS Ajakirjade Kirjastus and AS Express Post) consolidated 50% line-by-line. Starting from 2014, in consolidated financial reports 50% joint ventures shall be recognised under the equity method, in compliance with **new international financial reporting standards (IFRS).** The change in this accounting policy does not affect the net profit, but decreases the third-quarter sales revenue by approximately EUR 2 million and the EBITDA by approximately EUR 0.25 million (nine-month sales revenue was approximately EUR 6.3 million lower and EBITDA was approximately EUR 0.64 million lower). In its monthly reports, the management monitors the Group's performance by continuing proportional consolidation of joint ventures and the syndicated loan contract also determines the calculation of loan covenants by proportional consolidation. For purposes of clarity, the management report shows two sets of indicators: one where joint ventures are consolidated line-by-line and the other where joint ventures are recognised under the equity method and their result is presented as financial income in one line. In Note 3 of the interim financial statements, the impact of every joint venture on the respective line of the income statement and balance sheet is described in more detail.

The income statement for the third quarter includes financial income in amount of EUR 1 million resulting from the acquisition of shares of AS Ajakirjade Kirjastus and AS SL Õhtuleht from AS Eesti Meedia, their sale to OÜ Suits Meedia and subsequent restructuring. In essence, joint ventures with AS Eesti Meedia were sold and new joint ventures were acquired together with OÜ Suits Meedia. In addition, as a result of the transactions, trademarks and goodwill in the acquired joint ventures are now recognised at their fair value in the Group's balance sheet.

For the first time, the Group's total debt/EBITDA ratio fell below the level of 3, and was 2.69 at the end of the period. Over the last five years, we have been significantly reducing our loan burden and increasing EBITDA, and have now reached the level we have set as an internal target. This will open up new opportunities for financing the company's further development and enables us to more aggressively consider potential investments for business growth.

In the third quarter, **all business segments of the Group** showed strong growth in both sales revenue and profit. The EBITDA of the media segment increased over 200% in a year, amounting to EUR 323 thousand. Revenue of printing services increased 6% and profit amounted to EUR 1 326 thousand. Starting from the third quarter when the Lithuanian magazine publisher UAB Ekspress Leidyba was merged with Delfi Lithuania, we no longer separate online media from periodicals, and talk about one media segment which represents both online and print media. The online revenue of Delfi Lithuania continues to be reported separately.

In the third quarter we were positively surprised by the strong performance of the **media segment,** in particular our **online businesses**. As in the first quarter, sales revenue is usually lower also in the third quarter, because of the two summer months. Unlike in earlier years, the advertising market remained active this summer and Delfi sales organisations were able to benefit from this activity in all our markets. Revenue growth was attributable mainly to successful launches of new topical portals, new advertising solutions, Delfi TV, growing use of mobile applications and special projects. Revenue has increased also because of the growing focus on direct customers and expansion of the sales workforce. It is especially encouraging that Delfi Latvia managed to offset the disappointing start of the year already from the first month of the quarter. In the third quarter, Delfi Latvia increased sales revenue 28% as compared to the year earlier, becoming the fastest-growing online business in the Group. In addition, Delfi Latvia's revenue increased also thanks to the weakening impact of Latvia's accession to the euro and the fact that in the third quarter Delfi became the largest online environment in Latvia, overtaking the local e-mail service provider Inbox, and managed to keep the leadership position for two months in spite of the merger of two competing portals - Apollo and Tvnet.

While in earlier years, online media has struggled to remain positive in the third quarter, this year Delfis of all three Baltic countries earned a total of EUR 174 thousand in EBITDA. Growth in earnings is stemming from higher revenue, better cost control and synergy created by the merger of Lithuanian enterprises.

Of the **print media** companies, AS SL Õhtuleht posted the strongest result, increasing its EBITDA by 79%, mainly thanks to a notably more efficient printing contract. AS Eesti Ajalehed also posted a better result than last year, whereas the business environment of daily and weekly newspapers in the company's product portfolio remains challenging and achieving last year's revenue both in sales and advertising sales remain difficult. At the same time, the development of digital products has been moving at the same aggressive pace than a year earlier, with the number of digital subscribers increasing approximately 80% and bringing the number of paid subscribers per publication up to almost 9 thousand subscribers. In the fourth quarter, Eesti Päevaleht will launch a new digital publication that will notably expand the possibilities of increasing the number of potential users by making the newspaper also accessible in smartphones, in addition to its currently popular tablet version.

The 25th anniversary of Eesti Ekspress included the production of the birthday issue with the largest-ever circulation and the free distribution of 200 thousand newspapers all over Estonia. In the third quarter, tests with sale of digital books to newspaper subscribers were started and this is exceeding expectations. The focus is on increasing efficiency of production. In October, Eesti Ekspress will be produced by using the new content management system and there are plans to implement it also in the production of Maaleht.

The third quarter result of AS Ajakirjade Kirjastus remained below last year's result mainly because of unexpectedly weak advertising sales in September. In advertising sales, magazines directly depend on international advertisers. The growing economic uncertainty in Europe as well as the Ukraine-Russia conflict and its possible impact on Estonia have made international advertising brands more cautious.

AS Express Post that is included in the media segment increased its result 27% as compared to last year, mainly because of growth in direct mail.

We are also satisfied with the performance of Printall, provider of **printing services**, whose third-quarter revenue and EBITDA exceeded last year's result by 7%, despite the impact of the Ukraine conflict on exports to Russia. At present, the biggest export markets for Printall are Sweden, Finland and Norway. Single orders are being fulfilled for France and Holland.

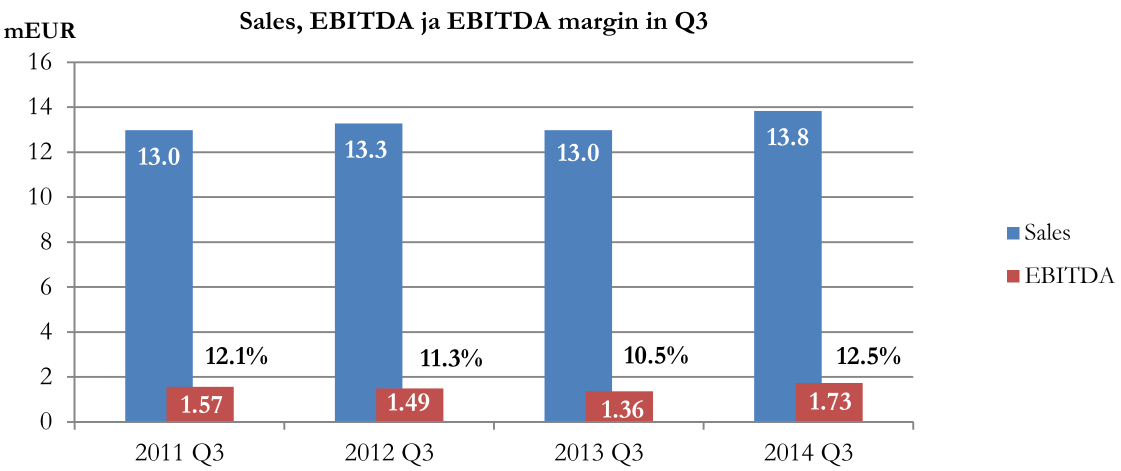
One of the key events in the third quarter also included the final approval by the Lithuanian Competition Authority of the acquisition of Adnet Media and the legal closure of the transaction on 30 September 2014. Another significant event was the appointment of Vytautas Benokraitis, former sales manager of Delfi Lithuania, to the position of CEO of Delfi Lithuania.

We remain cautious with regard to the fourth quarter, although the first 9 months have shown good results. In the fourth quarter, we expect consolidated sales revenue growth 2-3% and EBITDA growth at around 20%. Annual sales revenue growth should be in the range of 4-5% and EBITDA growth is excepted at least 15%. One factor behind improved results is the new printing contracts of SL Õhtuleht and AS Ajakirjade Kirjastus that entered into force in the summer and will give both companies significant savings in printing costs. New printing contracts were concluded because of the change of ownership in both enterprises that enabled the management of the companies, as a result of free market competition, to negotiate notably better printing prices whereas both companies will save in total approximately EUR 700 thousand a year. Since only the net profit of our joint ventures is recognised in the Group's income statement prepared under new IFRS, the direct positive impact on consolidated results will be smaller due to amortization of the trademarks and customer relations which now appear in the balance sheet of the joint ventures. However the positive impact is reflected in the EBITDA of the joint ventures themselves.

We continue to look for new sources of growth that would help the Group to expand its products and services. Currently we have started preparations for several new projects to be launched next year. As our mission states, we continue to offer new and interesting experiences both on paper and in digital media, without ever compromising on news quality, choice of topics and journalistic objectivity.

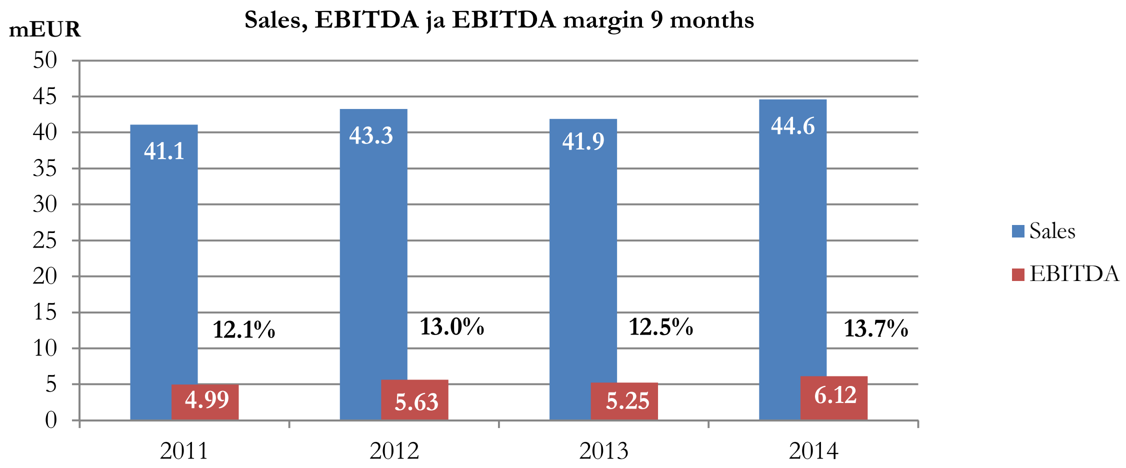
FINANCIAL INDICATORS AND RATIOS – joint ventures consolidated 50% line-by-line

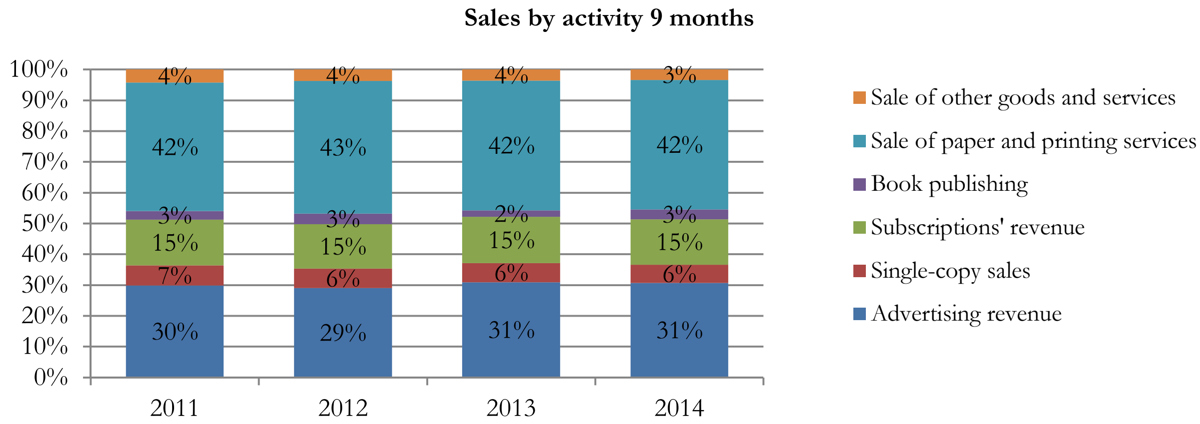
Performance indicators – joint ventures consolidated 50% (EUR thousand)	Q3 2014	Q3 2013	Change %	Q3 2012	Q3 2011
For the period					
Sales	13 833	12 977	7%	13 278	12 969
EBITDA	**1 732**	**1 359**	**27%**	**1 495**	**1 568**
EBITDA margin (%)	***12.5%***	***10.5%***		***11.3%***	***12.1%***
Operating profit*	872	718	21%	676	715
Operating margin (%)*	*6.3%*	*5.5%*		*5.1%*	*5.5%*
Interest expenses	(189)	(204)	7%	(301)	(554)
Profit /(loss) for the period*	**644**	**455**	**42%**	**263**	**119**
Net margin* (%)	***4.7%***	***3.5%***		***2.0%***	***0.9%***
Net profit /(loss) for the period in the financial statements (incl. impairments and gain on change of ownership interest)	1 599	455	251%	263	119
Net margin (%)	*11.6%*	*3.5%*		*2.0%*	*0.9%*
ROA (%)	*2.0%*	*0.6%*		*0.3%*	*0.1%*
ROE (%)	*3.5%*	*1.1%*		*0.7%*	*0.3%*
Earnings per share (EPS)	**0.05**	**0.02**		**0.01**	**0.00**



Performance indicators – joint ventures consolidated 50% (EUR thousand)	9 months 2014	9 months 2013	Change %	9 months 2012	9 months 2011
For the period					
Sales	44 606	41 901	6%	43 260	41 078
EBITDA	**6 124**	**5 246**	**17%**	**5 634**	**4 988**
EBITDA margin (%)	***13.7%***	***12.5%***		***13.0%***	***12.1%***
Operating profit*	3 743	3 299	13%	3 102	2 407
Operating margin (%)*	*8.4%*	*7.9%*		*7.2%*	*5.9%*
Interest expenses	(546)	(578)	6%	(1 343)	(1 689)
Profit /(loss) for the period*	**3 005**	**2 490**	**21%**	**1 414**	**360**
Net margin* (%)	***6.7%***	***5.9%***		***3.3%***	***0.9%***
Net profit /(loss) for the period in the financial statements (incl. impairments and gain on change of ownership interest)	3 960	2 490	59%	1 414	1 900
Net margin (%)	*8.9%*	*5.9%*		*3.3%*	*4.6%*
ROA (%)	*5.1%*	*3.2%*		*1.8%*	*2.2%*
ROE (%)	*9.0%*	*5.9%*		*3.6%*	*5.0%*
Earnings per share (EPS)	**0.13**	**0.08**		**0.05**	**0.06**

* The results exclude impairments and the net extraordinary gain in relation to the acquisition of an additional 50% ownership interest in Eesti Päevalehe AS in the 1st quarter 2011. The transaction was accounted for in two parts: firstly, as the sale of the current 50% ownership interest on which the net extraordinary gain totalled EUR 1 540 thousand and secondly, as the acquisition of the wholly-owned subsidiary. They also exclude a gain in the amount of EUR 1.0 million from the acquisition of the shares of AS Ajakirjade Kirjastus and AS SL Õhtuleht from AS Eesti Media, their sale to OÜ Suits Media and further restructuring in 2014 where essentially joint ventures with AS Eesti Media were liquidated and new joint ventures with OÜ Suits Media were set up.





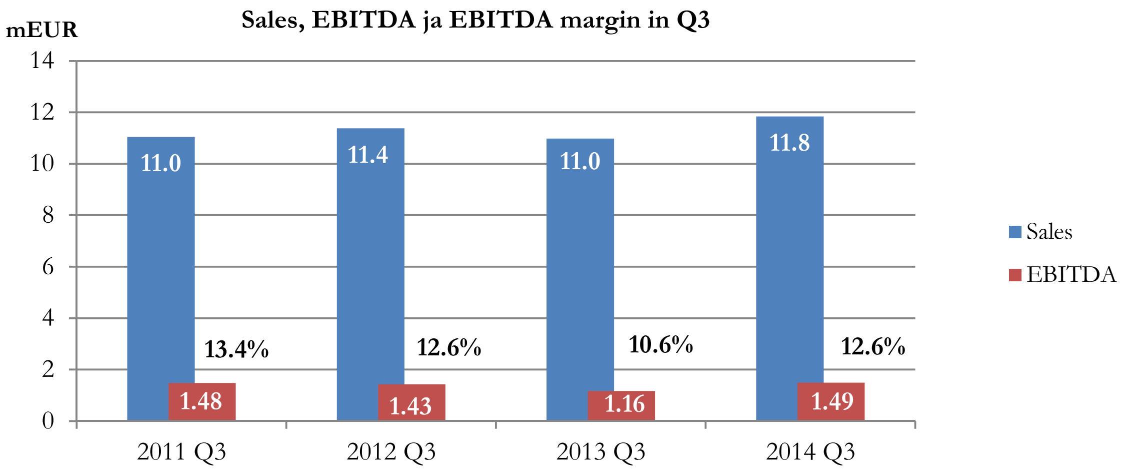
Balance sheet – joint ventures consolidated 50% (EUR thousand)	30.09.2014	31.12.2013	Change %
As of the end of the period			
Current assets	13 466	14 447	-7%
Non-current assets	64 979	63 019	3%
Total assets	**78 445**	**77 466**	**1%**
incl. cash and bank	*4 383*	*4 501*	*-3%*
incl. goodwill	*40 339*	*40 052*	*1%*
Current liabilities	13 324	14 468	-8%
Non-current liabilities	19 110	20 673	-8%
Total liabilities	**32 434**	**35 141**	**-8%**
incl. borrowings	*23 457*	*24 432*	*-4%*
Equity	46 011	42 325	9%

Financial ratios (%) – joint ventures consolidated 50%	30.09.2014	31.12.2013
Equity ratio (%)	59%	55%
Debt to equity ratio (%)	51%	58%
Debt to capital ratio (%)	31%	32%
Total debt/EBITDA ratio (adjusted as per syndicate agreement)	2.69	3.36
Debt service coverage ratio	1.82	1.66
Liquidity ratio	1.01	1.00

Formulas used to calculate the financial ratios	
EBITDA margin (%)	EBITDA/sales x 100
Operating margin* (%)	Operating profit*/sales x100
Net margin* (%)	Net profit*/sales x100
Net margin (%)	Net profit /sales x100
Earnings per share	Net profit / average number of shares
Equity ratio (%)	Equity / (liabilities + equity) x100
Debt to equity ratio (%)	Interest bearing liabilities /equity x 100
Debt to capital ratio (%)	Interest bearing liabilities – cash and cash equivalents (net debt) /(net debt +equity) x 100
Total debt/EBITDA ratio (adjusted)	Interest bearing liabilities – security deposit/EBITDA
Debt service coverage ratio	EBITDA/loan and interest payments for the period
Liquidity ratio	Current assets / current liabilities
ROA (%)	Net profit /average assets x 100
ROE (%)	Net profit /average equity x 100

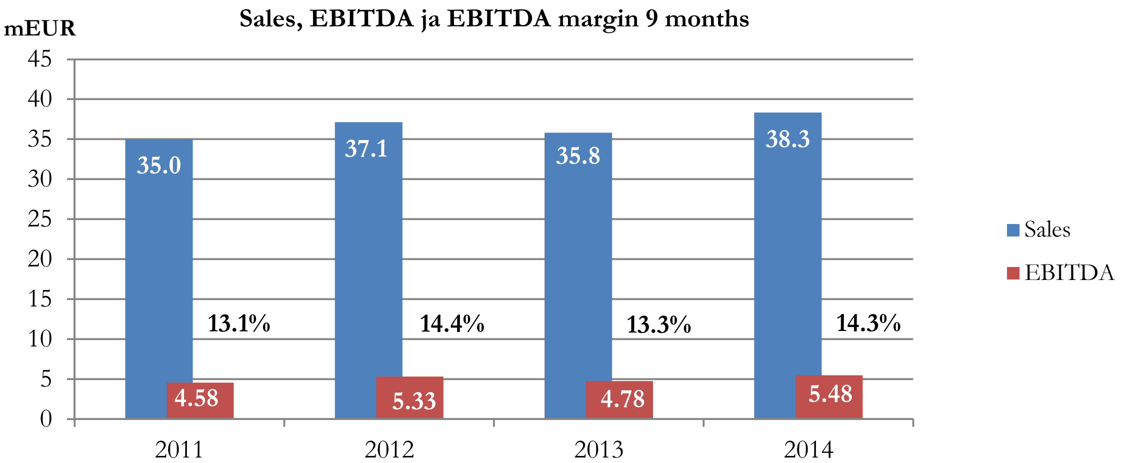
FINANCIAL INDICATORS AND RATIOS – joint ventures consolidated under the equity method

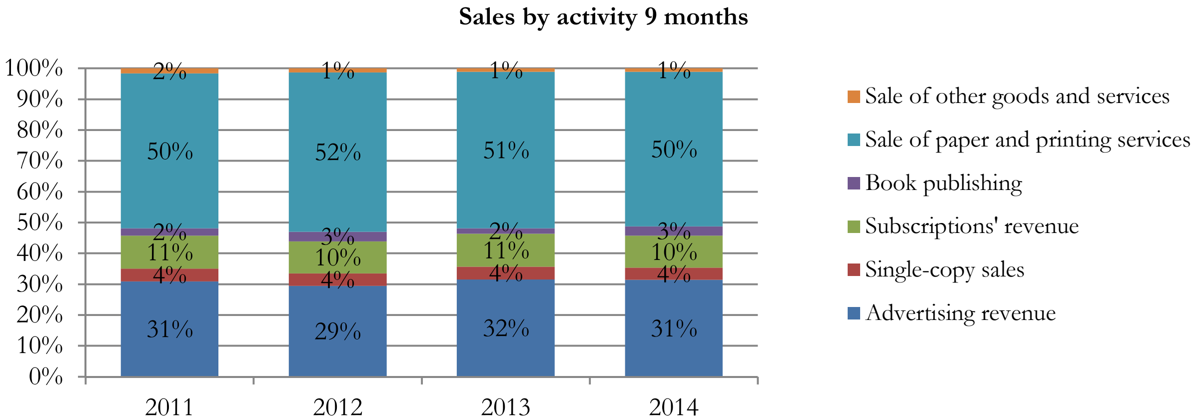
Performance indicators – joint ventures under the equity method (EUR thousand)	Q3 2014	Q3 2013	Change %	Q3 2012	Q3 2011
For the period					
Sales (only subsidiaries)	11 841	10 985	8%	11 377	11 046
EBITDA (only subsidiaries)	**1 487**	**1 164**	**28%**	**1 435**	**1 476**
EBITDA margin (%)	***12.6%***	***10.6%***		***12.6%***	***13.4%***
Operating profit* (only subsidiaries)	783	544	44%	643	661
Operating margin (%)*	*6.6%*	*5.0%*		*5.7%*	*6.0%*
Interest expenses (only subsidiaries)	(175)	(204)	14%	(301)	(555)
Profit of joint ventures by equity method	87	174	-50%	33	53
Profit /(loss) for the period*	**658**	**455**	**45%**	**263**	**119**
Net margin* (%)	***5.6%***	***4.1%***		***2.3%***	***1.1%***
Net profit /(loss) for the period in the financial statements (incl. impairments and gain on change of ownership interest)	1 613	455	254%	263	119
Net margin (%)	*13.6%*	*4.1%*		*2.3%*	*1.1%*
ROA (%)	*2.2%*	*0.6%*		*0.3%*	*0.1%*
ROE (%)	*3.5%*	*1.1%*		*0.7%*	*0.3%*
Earnings per share (EPS)	**0.05**	**0.02**		**0.01**	**0.00**



Performance indicators – joint ventures under the equity method (EUR thousand)	9 months 2014	9 months 2013	Change %	9 months 2012	9 months 2011
For the period					
Sales (only subsidiaries)	38 338	35 796	7%	37 125	35 032
EBITDA (only subsidiaries)	**5 481**	**4 777**	**15%**	**5 328**	**4 577**
EBITDA margin (%)	***14.3%***	***13.3%***		***14.4%***	***13.1%***
Operating profit* (only subsidiaries)	3 313	2 897	14%	2 879	2 108
Operating margin (%)*	*8.6%*	*8.1%*		*7.8%*	*6.0%*
Interest expenses (only subsidiaries)	(531)	(578)	8%	(1 344)	(1 695)
Profit of joint ventures by equity method	375	320	17%	137	212
Profit / (loss) for the period*	**3 019**	**2 490**	**21%**	**1 414**	**360**
Net margin* (%)	***7.9%***	***7.0%***		***3.8%***	***1.0%***
Net profit / (loss) for the period in the financial statements (incl. impairments and gain on change of ownership interest)	3 974	2 490	60%	1 414	1 900
Net margin (%)	*10.4%*	*7.0%*		*3.8%*	*5.4%*
ROA (%)	*5.3%*	*3.3%*		*1.8%*	*2.3%*
ROE (%)	*9.0%*	*5.9%*		*3.6%*	*5.0%*
Earnings per share (EPS)	**0.13**	**0.08**		**0.05**	**0.06**

* The results exclude impairments and the net extraordinary gain in relation to the acquisition of an additional 50% ownership interest in Eesti Päevalehe AS in the 1st quarter 2011. The transaction was accounted for in two parts: firstly, as the sale of the current 50% ownership interest on which the net extraordinary gain totalled EUR 1 540 thousand and secondly, as the acquisition of the wholly-owned subsidiary. They also exclude a gain in the amount of EUR 1.0 million from the acquisition of the shares of AS Ajakirjade Kirjastus and AS SL Õhtuleht from AS Eesti Media, their sale to OÜ Suits Media and further restructuring in 2014 where essentially joint ventures with AS Eesti Media were liquidated and new joint ventures with OÜ Suits Media were set up.





Balance sheet– joint ventures under equity method (EUR thousand)	30.09.2014	31.12.2013	Change %
As at the end of the period			
Current assets	10 797	11 357	-5%
Non-current assets	63 343	63 898	-1%
Total assets	**74 140**	**75 255**	**-1%**
incl. cash and bank	*2 415*	*2 209*	*9%*
incl. goodwill	*39 596*	*39 596*	*0%*
Current liabilities	10 220	12 258	-17%
Non-current liabilities	17 895	20 672	-13%
Total liabilities	**28 115**	**32 930**	**-15%**
incl. borrowings	*21 857*	*24 432*	*-11%*
Equity	46 025	42 325	9%

Financial ratios (%) – joint ventures under the equity method	30.09.2014	31.12.2013
Equity ratio (%)	62%	56%
Debt to equity ratio (%)	47%	58%
Debt to capital ratio (%)	31%	34%
Total debt / EBITDA ratio	3.00	3.71
Debt service coverage ratio	1.63	1.50
Liquidity ratio	1.06	0.93

Formulas used to calculate the financial ratios	
EBITDA margin (%)	EBITDA/sales x 100
Operating margin* (%)	Operating profit*/sales x100
Net margin* (%)	Net profit*/sales x100
Net margin (%)	Net profit /sales x100
Earnings per share	Net profit / average number of shares
Equity ratio (%)	Equity / (liabilities + equity) x100
Debt to equity ratio (%)	Interest bearing liabilities /equity x 100
Debt to capital ratio (%)	Interest bearing liabilities – cash and cash equivalents (net debt) /(net debt +equity) x 100
Total debt/EBITDA ratio	Interest bearing borrowings /EBITDA
Debt service coverage ratio	EBITDA/loan and interest payments for the period
Liquidity ratio	Current assets / current liabilities
ROA (%)	Net profit /average assets x 100
ROE (%)	Net profit /average equity x 100

SEGMENT OVERVIEW

From the third quarter of the current year when the Group's Lithuanian subsidiaries were merged, the Group's activities are divided into **the media segment** and **the printing services segment**. Previously, the entities of the media segment were divided between – online media and publishing of periodicals.

Cyclicality

All operating areas of the Group are characterised by cyclicality and fluctuation, related to the changes in the overall economic conditions and consumer confidence. The Group's revenue can be adversely affected by an economic slowdown or recession. It can appear in lower advertising costs in retail, preference of other advertising channels (e.g. preference of internet rather than print media) and changes in consumption habits of retail consumers (following current news in news portals versus reading printed newspapers, preference of the younger generation to use mobile devices and other communication channels, etc.).

Seasonality

The revenue from the Group's advertising sales as well as in the printing services segment is impacted by major seasonal fluctuations. The level of both types of revenue is the highest in the 2nd and 4th quarter of each year and the lowest in the third quarter. Revenue is higher in the 4th quarter because of higher consumer spending during the Christmas season, accompanied by the increase in advertising expenditure. Advertising expenditure is usually the lowest during the summer months, as well as during the first months of the year following Christmas and New Year's celebrations. Book sales are the strongest in the last quarter of the year.

Key financial data of the segments Q3 2011-2014

(EUR thousand)	Sales			Sales	
	Q3 2014	Q3 2013	Change %	Q3 2012	Q3 2011
media segment (incl. online sales)	6 017	5 551	8%	5 841	5 501
incl. revenue from digital channels	*2 918*	*2 479*	*18%*	*2 315*	*2 045*
printing services	6 596	6 147	7%	6 263	6 126
corporate functions	427	396	8%	268	64
intersegment eliminations	(1 200)	(1 109)	-8%	(995)	(643)
TOTAL GROUP by new accounting standards	**11 841**	**10 985**	**8%**	**11 377**	**11 046**

(EUR thousand)	EBITDA			EBITDA	
	Q3 2014	Q3 2013	Change %	Q3 2012	Q3 2011
media segment	323	102	218%	330	334
printing services	1 326	1 245	6%	1 310	1 417
corporate functions	(162)	(183)	12%	(206)	(278)
intersegment eliminations	(0)	0	-100%	1	3
TOTAL GROUP by new accounting standards	**1 487**	**1 164**	**28%**	**1 435**	**1 476**

EBITDA margin	Q3 2014	Q3 2013	Q3 2012	Q3 2011
media segment	5%	2%	6%	6%
printing services	20%	20%	21%	23%
TOTAL GROUP by new accounting standards	**13%**	**11%**	**13%**	**13%**

Key financial data of the segments 9 months 2011-2014

(EUR thousand)	Sales			Sales	
	9 months 2014	9 months 2013	Change %	9 months 2012	9 months 2011
media segment (incl. online sales)	19 923	18 225	9%	18 513	17 240
incl. revenue from digital channels	*9 434*	*8 206*	*15%*	*7 532*	*6 495*
printing services	20 868	19 896	5%	21 121	19 593
corporate functions	1 271	1 137	12%	688	138
intersegment eliminations	(3 725)	(3 462)	-8%	(3 197)	(1 939)
TOTAL GROUP by new accounting standards	**38 338**	**35 796**	**7%**	**37 125**	**35 032**

(EUR thousand)	EBITDA			EBITDA	
	9 months 2014	9 months 2013	Change %	9 months 2012	9 months 2011
media segment	1 922	1 109	73%	1 478	814
printing services	4 321	4 258	1%	4 402	4 464
corporate functions	(763)	(593)	-29%	(555)	(712)
intersegment eliminations	0	2	-89%	2	11
TOTAL GROUP by new accounting standards	**5 481**	**4 777**	**15%**	**5 328**	**4 577**

EBITDA margin	9 months 2014	9 months 2013	9 months 2012	9 months 2011
media segment	10%	6%	8%	5%
printing services	21%	21%	21%	23%
TOTAL GROUP by new accounting standards	**14%**	**13%**	**14%**	**13%**

The segments' EBITDA does not include intragroup management fees, and impairment of goodwill and trademarks. Volume-based and other fees payable to advertising agencies have not been deducted from the advertising sales of segments, because the management monitors gross advertising sales. Discounts and rebates are reduced from the Group's sales and are included in the combined line of eliminations.

News portals owned by the Group

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

Advertising portals owned by the Group

Owner	Portal	Owner	Portal
Delfi Lithuania	www.alio.lt	AS Eesti Ajalehed	www.ej.ee
			www.ekspressauto.ee

Media segment

The media segment includes Delfi operations in Estonia, Latvia and Lithuania as well as the parent company Delfi Holding. Starting from 1 March 2014, the operations of Delfi in Ukraine have been terminated. The nine-month EBITDA of Delfi Ukraine also includes expenses related to the termination of operations. The media segment also includes AS Eesti Ajalehed (publisher of Maaleht, Eesti Ekspress and Eesti Päevaleht), AS SL Õhtuleht (publisher of Õhtuleht and Linnaleht), book publisher OÜ Hea Lugu as well as magazine publishers AS Ajakirjade Kirjastus in Estonia and UAB Ekspress Leidyba in Lithuania, the latter having been merged into Delfi Lithuania on 1 July 2014. This segment also includes AS Express Post, engaged in home delivery of periodicals.

(EUR thousand)	Sales			EBITDA		
	Q3 2014	Q3 2013	Change %	Q3 2014	Q3 2013	Change %
Delfi Estonia	1 089	877	24%	19	(28)	168%
Delfi Latvia	635	498	28%	20	(33)	161%
Delfi Lithuania (sh. Ekspress Leidyba)	1 768	1 643	8%	135	99	36%
incl. online revenue of Delfi Lithuania	*1 135*	*1 024*	*11%*			
Delfi Ukraine	0	11	-100%	0	(48)	100%
AS Eesti Ajalehed	2 487	2 484	0%	52	35	49%
OÜ Hea Lugu	99	105	-6%	(5)	(10)	50%
Other companies (Delfi Holding)	-	-	-	102	90	13%
Intersegment eliminations	(61)	(67)	9%	0	(3)	-
TOTAL (subsidiaries)	**6 017**	**5 551**	**8%**	**323**	**102**	**217%**
AS SL Õhtuleht*	923	904	2%	115	64	79%
AS Ajakirjade Kirjastus*	939	952	-1%	55	75	-26%
AS Express Post*	569	555	2%	75	59	27%
Intersegment eliminations	(246)	(239)	-3%	(1)	(3)	70%
TOTAL (joint ventures)	**2 185**	**2 173**	**1%**	**244**	**195**	**26%**
TOTAL segment	**8 202**	**7 724**	**6%**	**567**	**297**	**91%**

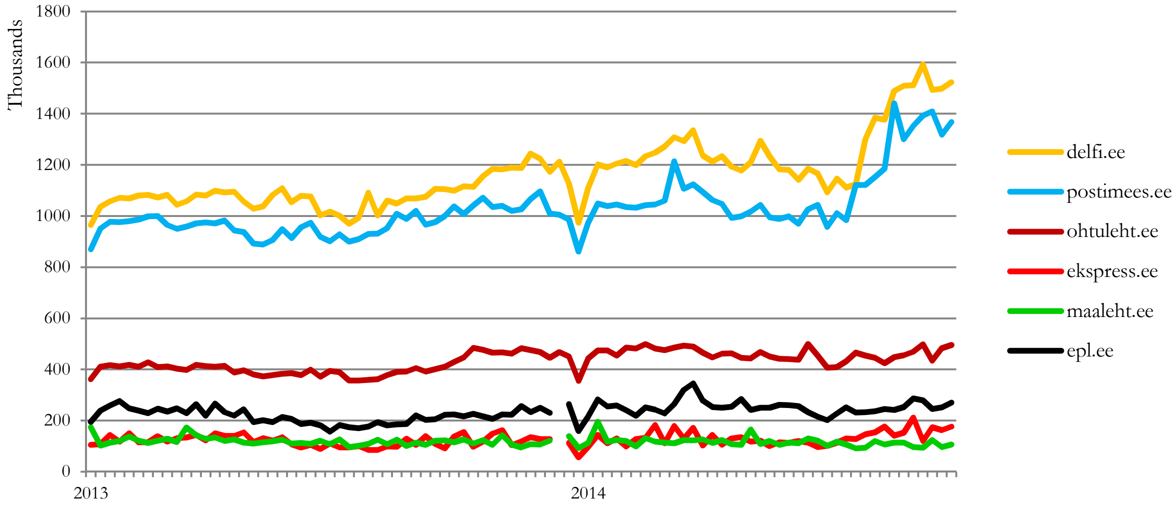
(EUR thousand)	Sales			EBITDA		
	9 months 2014	9 months 2013	Change %	9 months 2014	9 months 2013	Change %
Delfi Estonia	3 560	2 884	23%	345	121	185%
Delfi Latvia	1 776	1 696	5%	(6)	36	-117%
Delfi Lithuania (incl. Ekspress Leidyba)	5 797	5 354	8%	835	592	41%
incl. online revenues of Delfi Lithuania	*3 878*	*3 390*	*14%*			
Delfi Ukraine	2	36	-94%	(51)	(156)	67%
AS Eesti Ajalehed	8 425	7 948	6%	390	185	111%
OÜ Hea Lugu	590	556	6%	71	35	103%
Other companies	-	-	-	334	299	12%
Intersegment eliminations	(227)	(249)	9%	4	(3)	-
TOTAL (subsidiaries)	**19 923**	**18 225**	**9%**	**1 922**	**1 109**	**73%**
AS SL Õhtuleht*	2 887	2 769	4%	229	169	36%
AS Ajakirjade Kirjastus*	3 019	2 900	4%	153	97	57%
AS Express Post*	1 761	1 747	1%	258	207	25%
Additional eliminations	(801)	(729)	-10%	2	(3)	138%
TOTAL (joint ventures)	**6 865**	**6 687**	**3%**	**643**	**470**	**37%**
TOTAL segment	**26 788**	**24 912**	**8%**	**2 565**	**1 579**	**62%**

*Proportional share of joint ventures

Delfi Estonia

- Further development of Delfi TV on a standalone and new platform and the increasing number of live webcasts under the Delfi TV brand including FIBA World Cup, Song and Dance Festival, visit of US President Barack Obama in Estonia, etc.
- Starting from September, basketball webcasts from games of 5 different leagues.
- Marketing actions in connection with Delfi's 15th anniversary.

Estonian online readership 2013-2014



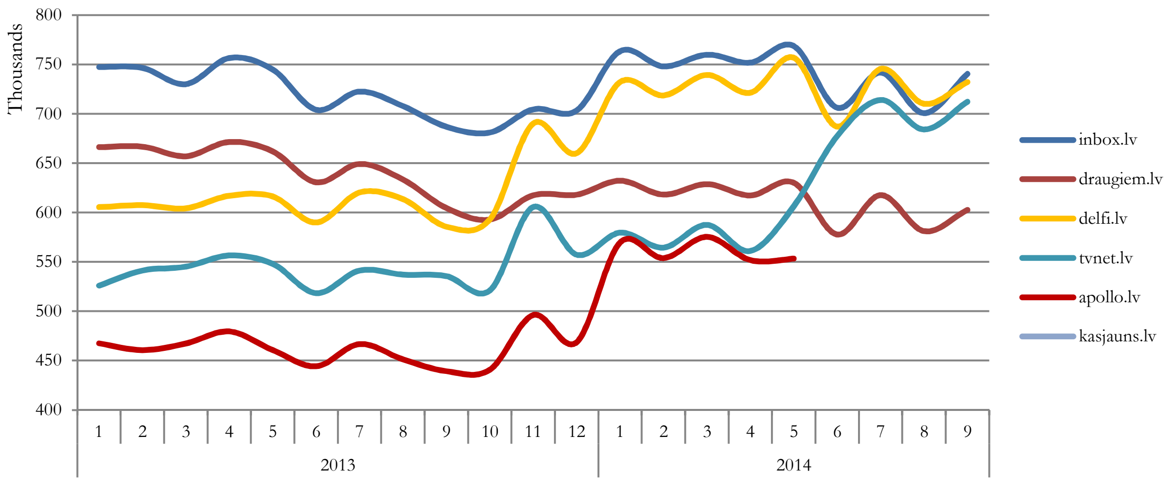
TNSMetrix weekly audience survey

In the third quarter 2014, TNS Emor changed the methodology of its TNS Metric survey, which explains the sharp increase in the number of users. The main essence of the change is more accurate measurement and separate reporting of the number of mobile users. As a result of this change, Delfi remains the largest news portal in Estonia. This applies both to the number of PC and mobile users who visit the news portals. The third quarter was the all-time best also for the www.ohtuleht.ee portal.

Delfi Latvia

- In July and August, Delfi was the largest online portal in Latvia.
- Production of streams from various events through Delfi TV on a new platform continued.
- New topical verticals for women (www.vina.lv) and politics in the Russian language (www.spektr.lv) were launched.
- Separate topical sites for basketball, Positivus, 25th anniversary of the Baltic Chain, etc. were launched.
- The number of followers of Delfi Latvia in Facebook, Twitter and Draugiemis continues to grow, totalling approximately 200 thousand.
- Cooperation projects:
    - Media partner for Positivus Festival,
    - Media partner for Baltic Pearl Film Festival,
    - Media partner of the Latvian national ice-hockey team.

Latvian online readership 2013-2014



GemiusAudience monthly audience survey

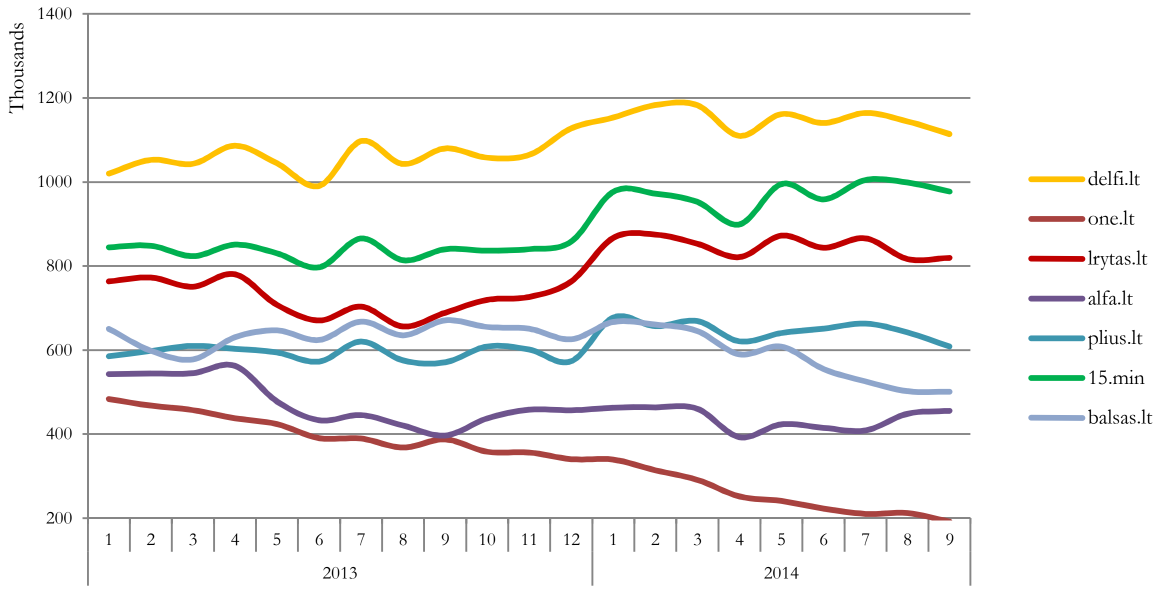
In July and August 2014, Delfi.lv became Latvia's largest online portal for the first time, exceeding the readership of inbox.lv. In September, however, Inbox.lv had again more users than Delfi.lv. In spite of the merger of tvnet.lv and apollo.lv in the 2nd quarter, their readership has not exceeded that of Delfi. In addition, the first available data on the number of users of mobile equipment are very favourable for Delfi.lv and Delfi is exceeding Latvian competitors in terms of mobile equipment by more than 20%.

Starting from January 2014, the method of the Gemius online survey has changed. The readership in 2014 includes only results for computer users (PC) and excludes all mobile equipment. Separate statistics on mobile equipment will be created during 2014.

Delfi Lithuania

- Production of live webcasts ad streams through Delfi TV on a new platform continued.
- A special co-site dedicated to auto fans in a partnership with Top Gear magazine.
- Special project with Lithuanian entertainment guide Kur.lt. Content oriented to young city audience.
- A special food order platform lekste.lt was integrated into Delfi recipes vertical 1000receptu.lt.
- In September, great attention was allocated to FIBA World Cup. Big special project with interactive widgets, modern design and big marketing campaign was launched.
- The organisations of Lithuanian magazine publisher Ekspress Leidyba and Delfi were merged into one media house.
- Delfi image campaign was launched in TV, Outdoor, Radio and Internet which involved famous Lithuanian athletes, public and political celebrities.

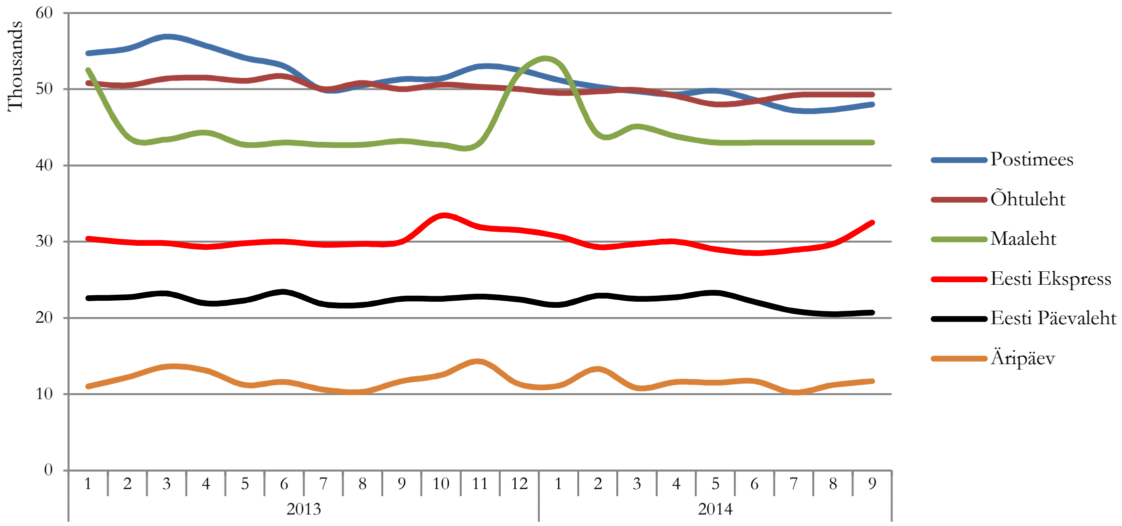
Lithuanian online readership 2013-2014



GemiusAudience monthly audience survey

Delfi continues to be the largest online portal in Lithuania. In the third quarter, there were no major changes in preferences of Internet users in Lithuania, with the exception of lrytas.lt that has been losing more readers than other portals. The initial data about the users of mobile equipment shows that the competition in this segment in Lithuania is very tough and other portals are closer to Delfi in readership than in computer users (PC). Starting from January 2014, the method of the Gemius online survey has changed. The readership in 2014 includes only results for computer users (PC) and excludes all mobile equipment. Separate statistics on mobile equipment will be created during 2014.

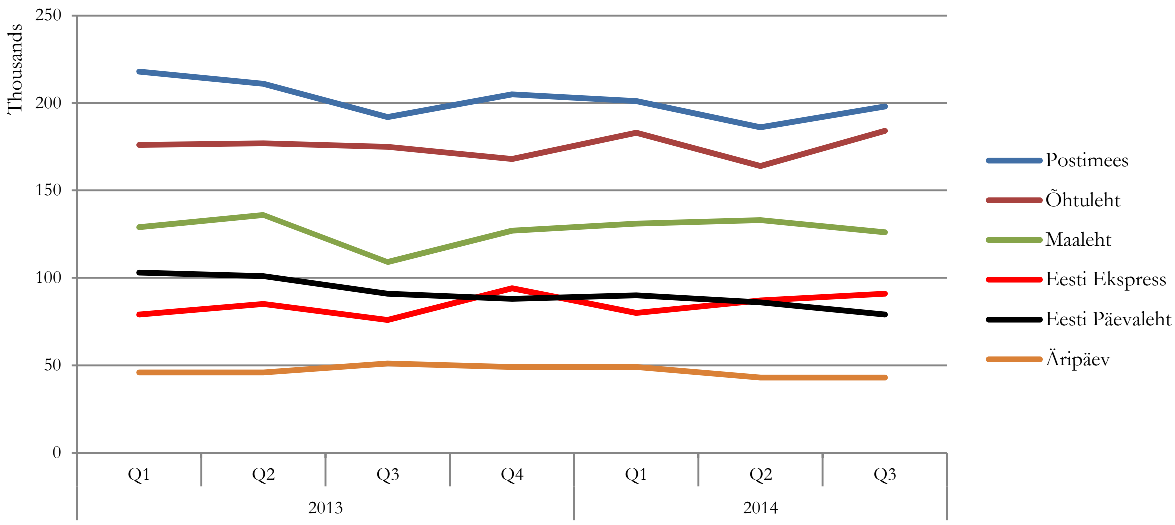
Estonian newspaper circulation 2013-2014



Estonian Newspaper Association data

Circulations of Estonian newspapers have remained stable or are falling moderately. The circulation of daily newspapers is falling faster than that of weekly newspapers. As of the third quarter 2014, there has also been a significant development in the market – Õhtuleht has been the newspaper with the largest circulation in Estonia for three consecutive months. Other Group publications also performed well in the third quarter, with both Maaleht and Eesti Ekspress increasing circulation. Only the circulation of Eesti Päevaleht has decreased. One also needs to add to these figures the number of subscribers of digital newspapers which totalled approximately 9 thousand for both Eesti Ekspress and Eesti Päevaleht, as of the end of the third quarter.

Estonian newspaper readership 2013-2014



Turu-uuringute AS

Over the recent two years, newspaper readership has been fairly stable. The majority of measurable publications have increased their readership slightly as compared to the same period a year earlier. The number of readers of digital newspapers of Ekspress Group is not included in the above figures and the number of readers of all publications of Ekspress Group is higher than shown in the graph above.

Printing services segment

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

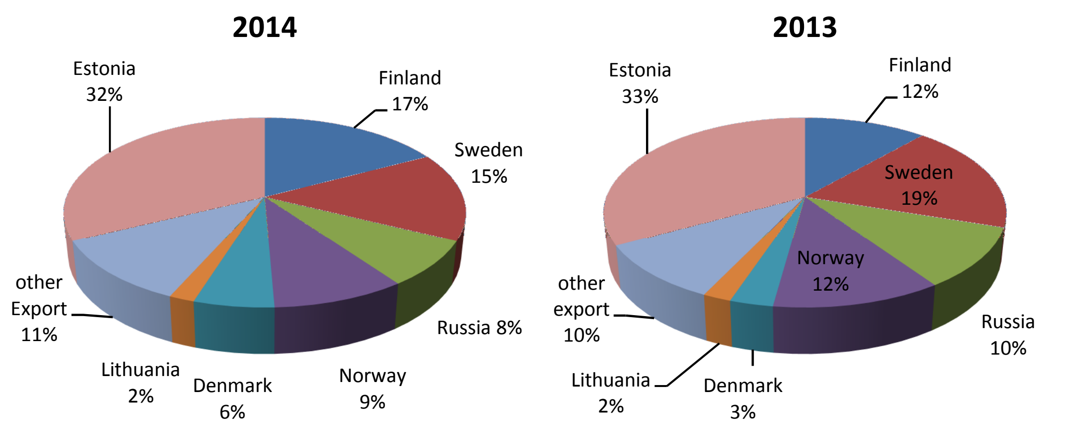
(EUR thousand)	Sales			EBITDA		
	Q3 2014	Q3 2013	Change %	Q3 2014	Q3 2013	Change %
AS Printall	6 596	6 147	7%	1 326	1 245	7%

(EUR thousand)	Sales			EBITDA		
	9 months 2014	9 months 2013	Change %	9 months 2014	9 months 2013	Change %
AS Printall	20 868	19 896	5%	4 321	4 258	1%

In the third quarter, the revenue of AS Printall from printing services increased 7.4%, including 8.5% for sale of paper and 6.3% for sale of pure printing services. In the third quarter, exports increased 10%. There have been changes in the structure of export markets and the share of Russia continues to decrease.

In June, AS Printall signed a contract for the acquisition of a new sheetfed printing machine. The machine will be used for printing magazine covers, small-circulation magazines and advertising products. The estimated time of starting production is the 1st quarter of 2015. Approximately 2/3 of the acquisition cost is financed with a long-term loan.

Geographical break-down of printing services by year



Printing services and the environment

In addition to its very strong financial position, Printall also focuses on environmentally conscious production. In 2012, Printall was granted ISO 9001 management and ISO 14001 environmental certificates.

The Minister of the Environment of the Republic of Estonia and the waste managing company AS Ragn-Sells awarded Printall with the title of the Top Recycler of the Year, because the company recycles 95% of its waste.

The Nordic Council of Ministers has awarded Printall with the environmental label "The Nordic Ecolabel", used to acknowledge the companies in the Nordic countries that use environmentally efficient production. Printall also has FSC and PEFC Chain of Custody (COC) certificates, which the company uses to promote a green way of thinking in the printing industry. Both of those certificates indicate compliance with monitoring and product production process requirements which are issued to businesses that comply with the requirements established by the FSC (Forest Stewardship Council) and the PEFC (Programme for the Endorsement of Forest Certification). A business that is issued these certificates helps to support the environmentally friendly, socially fair and economically viable management of the world's forests.

Printall cares about the environment and uses green energy. The POWERED BY GREEN certificate is a proof that the company buys electricity, 70% of which has been generated by renewable sources of energy.

SHARES AND SHAREHOLDERS OF AS EKSPRESS GRUPP

As of 30.09.2014, the company's share capital is EUR 17 878 105 and it consists of 29 796 841 shares with the nominal value of EUR 0.60 per share.

As of 31 December 2013, 31 December 2012 and 31 December 2011, the company's share capital was EUR 17 878 105 and it consisted 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.

As of 31 December 2010, the company's share capital was EUR 19 043 652 and it consisted of 29 796 841 shares with the nominal value of EUR 0.64 per share. In May 2010, 8 948 000 share with the price of EUR 0.88 were issued, of which the share premium was EUR 0.24 per share.

All shares are of one type and there are no ownership restrictions. The company does not have any shares granting specific controlling rights and the company 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 concluded between the shareholders, they are only known to the company to the extent related to pledging of securities and that is public information.

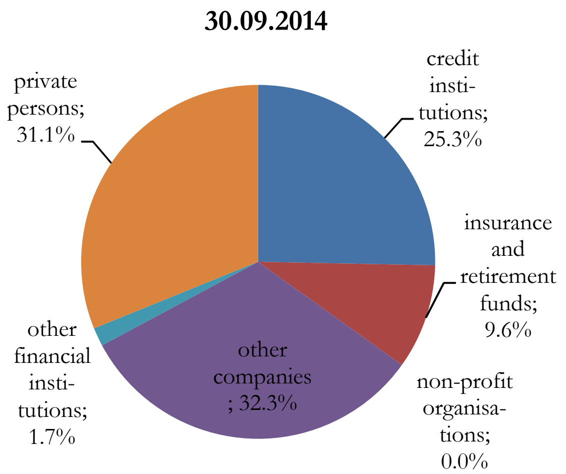
Structure of shareholders as of 30.09.2014 according to the Estonian Central Register of Securities

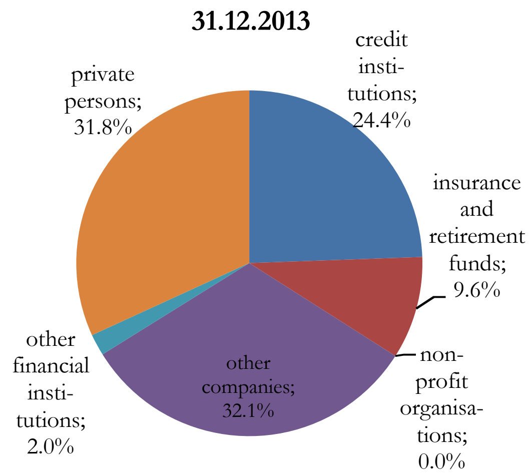
Name	Number of shares	%
Hans Luik	16 582 532	55.65%
Hans Luik	*7 963 307*	*26.73%*
Hans Luik, OÜ HHL Rühm	*8 612 325*	*28.90%*
Hans Luik , OÜ Minigert	*6 900*	*0.02%*
ING Luxembourg S.A.	4 002 052	13.43%
Skandinaviska Enskilda Banken Ab Clients	2 307 939	7.75%
LHV Bank and funds managed by LHV Varahaldus	2 039 441	6.84%
Members of the Management and Supervisory Boards and their close relatives	39 364	0.13%
Viktor Mahhov, OÜ Flexinger	*37 464*	*0.13%*
Pirje Raidma, OÜ Aniston Trade	*1 900*	*0.01%*
Other minority shareholders	4 782 303	16.05%
Treasury shares	43 210	0.15%
Total	**29 796 841**	**100.0%**

East Capital Asset Management AB has an ownership interest through the nominee account of Skandinaviska Enskilda Banken Ab Clients. KJK Fund SICAV-SIF has an ownership interest in the company through the account of ING Luxembourg S.A.

Distribution of shareholders by category according to the Estonian Central Register of Securities

Category	30.09.2014		31.12.2013	
	Number of shareholders	Number of shares	Number of shareholders	Number of shares
Credit institutions	12	7 544 542	15	7 318 923
Insurance and retirement funds	10	2 856 442	11	2 856 692
Other financial institutions	64	510 227	68	586 852
Other companies	269	9 611 211	288	9 574 560
Private persons	3 037	9 274 000	3 174	9 459 395
Non-profit organisations	2	419	2	419
TOTAL	**3 394**	**29 796 841**	**3 558**	**29 796 841**





AS Ekspress Grupp share information and dividend policy

Share information

ISIN	EE3100016965
Ticker symbol	EEG1T
List/segment	BALTIC MAIN LIST
Issuer	Ekspress Grupp (EEG)
Nominal value	EUR 0.60
Issued shares	29 796 841
Listed shares	29 796 841
Date of listing	05.04.2007
Market maker (until May 2014)	Finasta Investment Bank

Payment **of dividends** is decided annually and it depends on the Group's results of operations, fulfilment of conditions laid down in the syndicated loan contract and potential investment needs.

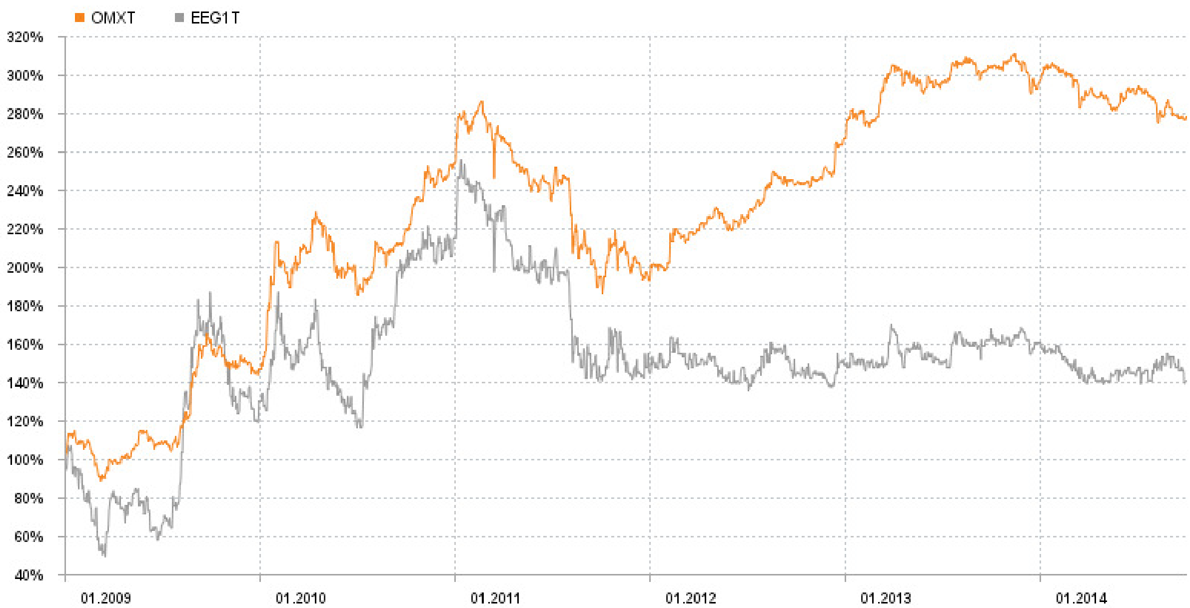
Date of the General Meeting	24.05.2013	20.06.2014
Period for which dividends are paid	2012	2013
Dividend payment per share EUR	1 cent	1 cent
Total payment of dividends EUR thousand	298	298
Date of fixing the list of dividend recipients	07.06.2013	09.07.2014
Date of dividend payment	01.10.2013	02.10.2014

The table below shows the stock trading history 2010-2014

Hind (EUR)	9 months 2014	9 months 2013	9 months 2012	9 months 2011	9 months 2010
Opening price	1.12	1.06	1.03	1.53	1.03
Closing price	1.00	1.19	1.02	1.02	1.42
High	1.13	1.22	1.18	1.84	1.48
Low	0.79	1.03	0.96	0.95	0.80
Average	1.03	1.12	1.05	1.45	1.15
Traded shares, pcs	1 076 879	1 198 856	802 537	2 573 753	2 393 211
Sales, mln	1.11	1.34	0.84	3.73	2.74
Capitalisation at balance sheet date, mln	29.80	35.46	30.39	30.30	37.70

The price of the share of Ekspress Group (EEG1T) in euros and the trading statistics on OMX Tallinn Stock Exchange from 1 January 2009 until 30 September 2014.

The share price comparison (%) with OMX Tallinn Stock Exchange index from 1 January 2009 until 30 September 2014



SUPERVISORY AND MANAGEMENT BOARDS OF AS EKSPRESS GRUPP

The Supervisory Board of AS Ekspress Grupp has six members. At the General Meeting of Shareholders held on 20 June, a decision was made to recall Aavo Kokk and Ville Jehe from the Supervisory Board and elect Indrek Kasela and Jaak Ennuste AS new members. The terms of authority of other members were extended by five years until 2019.

Information about members of the Supervisory Board:

Viktor Mahhov (appointed until 20.05.2019)
- Chairman of the Supervisory Board since 2006
- Eesti Energia Oil Shale Division, Finance Manager
- Completed graduate studies in economics at St. Petersburg University in 1992

Hans H. Luik (appointed until 20.05.2019)
- Member of the Supervisory Board since 2004
- Member of the Management Board of OÜ HHL Rühm
- Member of the Management Board of OÜ Minigert
- Graduated from University of Tartu in 1984 with a degree in journalism

Harri Helmer Roschier (appointed until 20.05.2019) – independent Supervisory Board member
- Member of the Supervisory Board since 2007
- Managing Director of Talentum Oy in 1991-2006
- Member of the Supervisory Board of Avaus Consulting OY and Uoma Oy
- Completed graduate studies in economics

Kari Sakari Salonen (appointed until 20.05.2019)
- Member of the Supervisory Board since 2012
- Member of the Management Board of KJK Management SA
- Member of the Supervisory Board of KJK Capital OY
- Graduated from Espoo School of Economics in 1983

Indrek Kasela (appointed from 20.06.2014 until 20.05.2019) - independent supervisory board member
- Member of the Supervisory Board since 2014
- Partner of the private equity fund Amber Trust
- supervisory board member of AS Premia Foods (incl. subsidiaries of the same group), AS Toode, ELKE Grupi AS, EPhaG AS, Salva Kindlustuse AS, AS Ridge Capital and management board member of OÜ Transtech Service, Fine, Wood and Company OÜ, Noblessneri Jahtklubi OÜ, Lindermann, Birnbaum & Kasela OÜ and Managetrade OÜ as well as several other companies in the Baltic States and Russia.
- Graduated from New York University in 1996 with a Master's degree in law. Bachelor's degree from Tartu University in 1994, has a certificate in EU law from Uppsala University.

Jaak Ennuste (appointed from 20.06.2014 until 20.05.2019) - independent supervisory board member
- Member of the Supervisory Board since 2014
- supervisory board member and partner of e-marketing agency ADM Interactive
- supervisory board member and partner of Mediabrands Digital
- Graduated *cum laude* from Tallinn University of Technology in 1989 with a degree in engineering and finished Accelerated Development programme at London Business School in 2001.

Aavo Kokk (recalled 20.06.2014)
- Member of the Supervisory Board since 2010
- Management partner of Catella Corporate Finance OÜ
- Graduated from University of Tartu in 1990 with a degree in journalism

Ville Jehe (recalled 20.06.2014) – independent supervisory board member
- Member of the Supervisory Board since 2008
- Member of the Management Board of OÜ Majatohter, OÜ Catelit, ABC Kinnisvarateenuste OÜ etc.
- Graduated from the Faculty of Automation of Tallinn University of Technology in 1993

Management Board

The Management Board of AS Ekspress Grupp has three members: Chairman of the Management Board Gunnar Kobin and members of the Management Board Pirje Raidma and Andre Veskimeister.

Information about the members of the Management Board:

Gunnar Kobin (validity of contract of service until 31.12.2016)
- Chairman of the Management Board since 2009
- CEO of the Group
- City Chairman of the Management Board of AS Ülemiste in 2005-2008
- Graduated from Tallinn University of Technology in 1993, specialising in production planning and management

Andre Veskimeister (validity of contract of service until 21.09.2015)
- Member of the Management Board since 2009
- Development Manager of the Group
- Head of development of AS Ülemiste City in 2006-2009
- Director of Finance and Support Services of Enterprise Estonia in 2003-2006
- Graduated from Estonian Business School in 2004, specialising in business management

Pirje Raidma (validity of contract of service until 06.10.2016)

- Member of the Management Board since 2010
- Chief Financial Officer of the Group
- Auditor at auditing company PwC (worked in Estonia and the Channel Islands) in 1997 - 2005
- Finance and Administrative Director of LHV Group in 2005 - 2006
- Finance and Administrative Director of the investment bank GILD Bankers in 2006 - 2010
- Graduated from University of Tartu in 1996 with a degree in international economy
- Certified Auditor and fellow of the Association of Chartered Certified Accountants, FCCA.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Consolidated balance sheet (unaudited)

(EUR thousand)	30.09.2014	31.12.2013
ASSETS		
Current assets		
Cash and cash equivalents	810	2 111
Term deposit	5	98
Trade and other receivables	7 854	6 819
Inventories	2 128	2 329
Total current assets	**10 797**	**11 357**
Non-current assets		
Term deposit	1 600	0
Trade and other receivables	401	399
Investments in joint ventures and subsidiaries	454	1 543
Property, plant and equipment (Note 6)	13 064	13 595
Intangible assets (Note 6)	47 824	48 361
Total non-current assets	**63 343**	**63 898**
TOTAL ASSETS	**74 140**	**75 255**
LIABILITIES		
Current liabilities		
Borrowings (Note 7)	4 068	3 760
Trade and other payables	6 152	8 498
Total current liabilities	**10 220**	**12 258**
Non-current liabilities		
Long-term borrowings (Note 7)	17 789	20 672
Other long-term payables	106	0
Total non-current liabilities	**17 895**	**20 672**
TOTAL LIABILITIES	**28 115**	**32 930**
EQUITY		
Share capital (Note 11)	17 878	17 878
Share premium	14 277	14 277
Treasury shares (Note 11)	(44)	0
Reserves (Note 11)	1 406	1 250
Retained earnings	12 470	8 848
Currency translation reserve	38	72
TOTAL EQUITY	**46 025**	**42 325**
TOTAL LIABILITIES AND EQUITY	**74 140**	**75 255**

The Notes presented on pages 31-47 form an integral part of the consolidated interim report.

Consolidated statement of comprehensive income (unaudited)

(EUR thousand)	Q3 2014	Q3 2013	9 months 2014	9 months 2013
Sales revenue	11 841	10 985	38 338	35 796
Cost of sales	(9 545)	(9 048)	(29 906)	(28 343)
Gross profit	**2 296**	**1 937**	**8 432**	**7 453**
Other income	116	156	338	341
Marketing expenses	(446)	(406)	(1 411)	(1 242)
Administrative expenses	(1 164)	(1 121)	(3 943)	(3 583)
Other expenses	(19)	(22)	(103)	(72)
Gain from change in ownership interest in joint ventures (Note 5)	955	0	955	0
Operating profit	**1 738**	**544**	**4 268**	**2 897**
Interest income	2	1	5	4
Interest expense	(175)	(204)	(531)	(578)
Foreign exchange gains/(losses)	0	(30)	35	(26)
Other finance costs	(15)	(17)	(48)	(43)
Total finance income/costs	**(188)**	**(250)**	**(539)**	**(643)**
Profit (loss) on shares of joint ventures	87	174	375	320
Profit (loss) on shares of associates	(7)	4	(16)	0
Profit before income tax	**1 630**	**472**	**4 088**	**2 574**
Income tax expense	(17)	(17)	(114)	(84)
Net profit for the reporting period	**1 613**	**455**	**3 974**	**2 490**
Net profit for the reporting period attributable to:				
Equity holders of the parent company	1 613	455	3 974	2 490
Other comprehensive income (expense) that may be subsequently reclassified to profit or loss				
Currency translation differences	0	24	(34)	14
Total other comprehensive income	**0**	**24**	**(34)**	**14**
Comprehensive income for the reporting period	**1 613**	**479**	**3 940**	**2 504**
Attributable to equity holders of the parent company	1 613	479	3 940	2 504
Basic and diluted earnings per share (Note 9)	0.05	0.02	0.13	0.08

The Notes presented on pages 31-47 form an integral part of the consolidated interim report.

Consolidated statement of changes in equity (unaudited)

(EUR thousand)	Share capital	Share premium	Treasury shares	Reserves	Currency translation reserve	Retained earnings	Total equity
Balance on 31.12.2012	**17 878**	**14 277**	**0**	**740**	**14**	**8 190**	**41 099**
Increase of statutory reserve capital	0	0	0	126	0	(126)	**0**
Dividend paid	0	0	0	0	0	(298)	**(298)**
Total transactions with owners	*0*	*0*	*0*	*126*	*0*	*(424)*	***(298)***
Net profit for the reporting period	0	0	0	0	0	2 490	**2 490**
Other comprehensive income	0	0	0	0	14	0	**14**
Total comprehensive income for the reporting period	*0*	*0*	*0*	*0*	*14*	*2 490*	***2 504***
Balance on 30.09.2013	**17 878**	**14 277**	**0**	**866**	**28**	**10 256**	**43 305**
Balance on 31.12.2013	**17 878**	**14 277**	**0**	**1 250**	**72**	**8 848**	**42 325**
Increase of statutory reserve capital	0	0	0	54	0	(54)	**0**
Share option	0	0	0	102	0	0	**102**
Dividend paid	*0*	*0*	0	0	0	(298)	**(298)**
Purchase of treasury shares	*0*	*0*	(44)	0	0	0	**(44)**
Total transactions with owners	*0*	*0*	*(44)*	*156*	*0*	*(352)*	***(240)***
Net profit for the reporting period	0	0	0	0	0	3 974	**3 974**
Other comprehensive income	0	0	0	0	(34)	0	**(34)**
Total comprehensive income for the reporting period	*0*	*0*	*0*	*0*	*(34)*	*3 974*	***3 940***
Balance on 30.09.2014	**17 878**	**14 277**	**(44)**	**1 406**	**38**	**12 470**	**46 025**

The Notes presented on pages 31-47 form an integral part of the consolidated interim report.

Consolidated cash flow statement (unaudited)

(EUR thousand)	9 months 2014	9 months 2013
Cash flows from operating activities		
Operating profit for the reporting period	4 268	2 897
Adjustments:		
Depreciation, amortisation and impairment (Note 6)	2 168	1 859
Gain from change in ownership interest in joint ventures (Note 5)	(955)	0
Loss on sale and write-down of property, plant and equipment	(8)	(2)
Change in value of share option (Note 10)	102	0
Cash flows from operating activities:		
Trade and other receivables	603	359
Inventories	201	432
Trade and other payables	(2 600)	(956)
Cash generated from operations	**3 779**	**4 589**
Income tax paid	(150)	(174)
Interest paid	(531)	(578)
Net cash generated from operating activities	**3 098**	**3 837**
Cash flows from investing activities		
Term deposit (placement)/release	(1 600)	0
Received on restructuring of joint ventures	820	0
Investments in joint ventures (Note 5)	(3)	0
Acquisition of associate	(80)	0
Acquisition of subsidiary	0	(349)
Interest received	5	4
Purchase of property, plant and equipment (Note 6)	(1 107)	(671)
Proceeds from sale of property, plant and equipment	11	18
Loans granted	(22)	(3)
Loan repayments received	4	5
Net cash generated from investing activities	**(1 972)**	**(996)**
Cash flows from financing activities		
Dividend received	203	312
Finance lease repayments made	(56)	(10)
Change in use of overdraft	228	(745)
Repayments of borrowings	(2 758)	(2 691)
Purchase of treasury shares (Note 11)	(44)	0
Net cash used in financing activities	**(2 427)**	**(3 134)**
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(1 301)**	**(293)**
Cash and cash equivalents at the beginning of the period	2 111	1 193
Cash and cash equivalents at the end of the period	810	899

The Notes presented on pages 31-47 form an integral part of the consolidated interim report.

SELECTED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 1. General information

The main fields of activity of AS Ekspress Grupp and its group companies are publishing of newspapers, magazines and books on paper as well as in a digital form, online media activities, delivery of periodicals 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. The Group consists of the subsidiaries, joint ventures and associates listed below. These interim financial statements were approved and signed by the Management Board on 31 October 2014.

The consolidated financial statements of AS Ekspress Grupp (hereinafter the Group) reflect the results of operations of the following group companies.

Company name	Status	Ownership interest 30.09.2014	Ownership interest 31.12.2013	Main field of activity	Domicile
Operating segment: corporate functions					
AS Ekspress Grupp	Parent company			Holding company and support services	Estonia
OÜ Ekspress Digital	Subsidiary	100%	100%	Provision of IT services	Estonia
OÜ Ekspress Finance	Subsidiary	100%	100%	Provision of financing for the Group	Estonia
Operating segment: media (online and print media)					
SIA Delfi Holding	Subsidiary	100%	100%	Management of online media subsidiaries	Latvia
AS Delfi	Subsidiary	100%	100%	Online media	Latvia
Cālis LV SIA	Subsidiary	100%	100%	Online media (being merged with Delfi Latvia)	Latvia
Delfi AS	Subsidiary	100%	100%	Online media	Estonia
Delfi UAB	Subsidiary	100%	100%	Online media and magazine publishing (merged with UAB Ekspress Leidyba on 1 July 2014)	Lithuania
UAB Sport Media	Subsidiary	51%	51%	Online broadcasting of basketball events (acquired in November 2013)	Lithuania
Medipresa UAB	Associate	40%	-	Wholesale of magazines-newspapers (owned by UAB Ekspress Leidyba until 1 July 2014)	Lithuania
TOV Delfi	Subsidiary	-	100%	Online media (sold for the purpose of liquidation)	Ukraine
AS Eesti Ajalehed	Subsidiary	100%	100%	Publishing of daily and weekly newspapers	Estonia
OÜ Hea Lugu	Subsidiary	100%	100%	Book publishing. From January 2013 fully owned by the parent. Previously, a subsidiary of AS Eesti Ajalehed	Estonia
UAB Ekspress Leidyba	Subsidiary	-	100%	Magazine publishing (merged with Delfi UAB on 1 July 2014)	Lithuania
Medipresa UAB	Associate	-	40%	Periodicals' wholesale distribution (from 1 July 2014, the parent company UAB Ekspress Leidyba was merged with Delfi UAB)	Lithuania
OÜ Ajakirjad Holding	Joint venture	50%	-	Holding company (founded in May 2014)	Estonia
AS Ajakirjade Kirjastus	Joint venture	50%	50%	Magazine publishing	Estonia
OÜ Ajaleht Holding	Joint venture	50%	-	Holding company (founded in May 2014)	Estonia
AS SL Õhtuleht	Joint venture	50%	50%	Newspaper publishing	Estonia
AS Express Post	Joint venture	50%	50%	Periodicals' home delivery	Estonia
Operating segment: printing services					
AS Printall	Subsidiary	100%	100%	Printing services	Estonia

Note 2. Bases of preparation

The consolidated interim financial statements of AS Ekspress Grupp for the period of 9 months of 2014 ended 30 September 2014 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 31.12.2013.

The Management Board estimates that the interim consolidated financial statements for 9 months of 2014 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. These consolidated interim financial statements are presented in thousands of euros, unless otherwise indicated.

Note 3. Accounting policies and bases of preparation

Standards, amendments to standards and interpretations which became mandatory for the Group from 1 January 2014 and which impact the Group's interim financial statements.

IFRS 11, Joint Arrangements will replace the standard IAS 31 "Interest in Joint Ventures" and SIC 13 "Jointly Controlled Entities – Non-Monetary Contributions by Venturers". Amendments in definitions have reduced the types of joint arrangements to two – joint operations and joint ventures. The current accounting policy choice of proportionate consolidation has been eliminated for jointly controlled entities. Those with an ownership interest in joint ventures are required to use the equity method. This standard had a material impact on the Group's financial statements because proportionate consolidation was applied in prior periods to the financials of the joint ventures AS Ajakirjade Kirjastus, AS SL Õhtuleht and AS Express Post in the periodicals segment. As a result of the change, the Group's sales and expenses decrease, and the assets and liabilities also decrease. This change has no impact on the Group's net profit. Please refer to the impact of the amendment in the tables below.

Transition Guidance **– amendments to IFRS 11 and IFRS 12**

The amendments also provide additional relief for transitional rules in IFRS 11 "Joint Ventures" and IFRS 12 "Disclosure of Interest in Other Entities", clarifying that disclosures about restated comparatives shall be made only for the immediately preceding year.

Accounting policies and valuation bases

The accounting policies and valuation bases used in the preparation of the consolidated interim financial statements are the same as last year, other than those described below. When the accounting policies, presentation of items or classification methods have been changed, the comparative information of the previous periods has also been reclassified.

Recognition of joint ventures

In prior years, the Group's interests in jointly controlled entities were accounted for by proportionate consolidation whereby the Group combined its share of the joint ventures' individual income and expenses, assets and liabilities and cash flows on a line-by-line basis with similar items in the Group's financial statements. The purchase method of accounting is used to account for the acquisition of joint ventures similarly to the acquisition of subsidiaries by the Group. From 1 January 2014, proportionate consolidation is no longer permitted and according to IFRS 11 "Joint Ventures", joint ventures are accounted for under the equity method. The cost of investments made into joint ventures was calculated as of 1 January 2013, which is the net cost of the assets and liabilities of joint ventures plus goodwill. The comparative information for 2013 has been changed to comply with the new accounting policies and they include joint ventures AS SLÕhtuleht, AS Ajakirjade Kirjastus and AS Express Post recognised already under the equity method.

Income statement Q3 2013	2013 interim financial statements	Change				Comparative information in in the interim financial statements for 2014
		AS SL Õhtuleht	AS Ajakirjade Kirjastus	AS Express Post	Elimi-nations	
Income	12 977	(904)	(952)	(555)	420	10 985
Expenses	(12 259)	850	886	502	(420)	(10 441)
Operating profit	**718**	**(55)**	**(66)**	**(53)**	**0**	**544**
Income tax expense	(17)	0	0	0	0	(17)
Profit under equity method	0	55	66	53	0	174
Net profit	455	0	0	0	0	455

Income statement 2013 9 months	2013 interim financial statements	Change				Comparative information in in the interim financial statements for 2014
		AS SL Õhtuleht	AS Ajakirjade Kirjastus	AS Express Post	Elimi-nations	
Income	41 901	(2 769)	(2 900)	(1 747)	1 310	35 796
Expenses	(38 602)	2 628	2 827	1 559	(1 310)	(32 899)
Operating profit	**3 299**	**(141)**	**(73)**	**(189)**	**0**	**2 897**
Income tax expense	(167)	37	1	45	0	(84)
Profit under equity method	0	105	72	144	0	320
Net profit	2 490	0	0	0	0	2 490

Balance sheet as of 31.12.2013	2013 annual report	Change				Comparative information in in the interim financial statements for 2014
		AS SL Õhtuleht	AS Ajakirjade Kirjastus	AS Express Post	Elimi-nations	
Current assets	14 447	(915)	(1 292)	(1 759)	876	11 357
Non-current asset	63 019	(88)	(511)	(45)	(20)	62 355
Investments in joint ventures	0	288	920	315	20	1 543
TOTAL ASSETS	**77 466**	**(715)**	**(883)**	**(1 489)**	**876**	**75 255**
incl. cash and bank	*4 501*	*(723)*	*(179)*	*(1 390)*	*0*	*2 209*
incl. goodwill	*40 052*	*0*	*(456)*	*0*	*0*	*39 596*
Current liabilities	14 468	(714)	(883)	(1 489)	876	12 258
Non-current liabilities	20 673	(1)	0	0	0	20 672
TOTAL LIABILITIS	**35 141**	**(715)**	**(883)**	**(1 489)**	**876**	**32 930**
incl. borrowings	*24 432*	0	0	0	0	*24 432*
EQUITY	**42 325**	**0**	**0**	**0**	**0**	**42 325**

Note 4. 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 Group level 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 main role upon the management of risks is vested in the management boards of the Parent and its subsidiaries. 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. The risk management at the joint ventures is performed in cooperation with the other shareholder of joint ventures.

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 bank, 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.

Bank account balances (incl. term deposits) by credit ratings of the banks

Bank name	Moody`s	Standard & Poor`s	30.09.2014	31.12.2013
SEB	A1	A+	2 075	580
Swedbank	A2	A+	225	1 430
Nordea/Danske	Aa3/Baa1	A-/AA-	99	166
Other banks	-	-	0	13
Total			**2 399**	**2 189**

The banks' latest long-term credit rating, which was shown on the bank's website, is used.

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 and potential payment holidays. Clients are classified on the basis of their size, reputation, and the results of credit background checks 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. Their payment behaviour is also initially monitored with heightened 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 case of large transactions, in particular in the segment of printing services, clients are requested to provide either prepayment or guarantees.

The Group's management is of an opinion that credit risk is still high in a current economic situation and therefore, credit risk management remains 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. Overdue receivables are handled by a professional company providing the respective service.

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 are pooled into one group account (so-called cash pool account) 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 thereof. According to the policy of the Group, all group companies prepare long-term cash flow forecasts for the next year which are updated on a quarterly basis. For monitoring short-term cash flows the subsidiaries that have joined the group account prepare detailed cash flow projections on a weekly basis for coming eight weeks.

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

Overdraft credit is used to finance working capital, long-term bank loans and finance lease agreements are used to make capital expenditures to acquire 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 mainly tied to Euribor.

The Group's interest rate risk is related to short-term and long-term borrowings which have been assumed with a floating interest rate. The interest rate risk is mainly related to the fluctuation of Euribor. An interest rate change by one percentage point would change the Group's loan interest expense by approximately 220 thousand euros per year.

Type of interest	Interest rate	30.09.2014 (EUR thousand)	<= 1 year	>1 year and <=5 years	Carrying amount
Floating interest	1-month Euribor + 2.5%	Syndicated loan (*Parent Company*)	3 121	12 722	15 843
	1-month Euribor + 2.5%	Syndicated loan *(Printall)*	645	4 989	5 634
	1-month Euribor + 2.3%	Finance lease *(Printall)*	74	78	152
	1-month Euribor + 1.9%	Overdraft	228	0	228

Type of interest	Interest rate	31.12.2013 (EUR thousand)	<= 1 year	>1 year and <=5 years	Carrying amount
Floating interest	1-month Euribor + 2.5%	Syndicated loan (*Parent Company*)	3 043	15 076	18 119
	1-month Euribor + 2.5%	Syndicated loan *(Printall)*	643	5 472	6 115
	1-month Euribor + 2.3%	Finance lease *(Printall)*	73	125	198
	1-month Euribor + 1.9%	Overdraft	0	0	0

Foreign exchange risk

The Group's operating activities have an international dimension and therefore, the Group is exposed to foreign exchange risk to a certain degree. 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. Group companies are required to manage their foreign exchange risk with regard to functional currency. The Group's income is primarily fixed in local currencies, i.e. the euros, Lithuanian litas, Latvian lats (until 31.12.2013) and Ukrainian hryvnias (until March 2014). The Group also pays most of its suppliers and employees in local currencies. The subsidiaries are typically required to use the euro as the currency in foreign contracts. The subsidiary Printall exports also outside of euro-zone and invoices for services are also issued in Norwegian kroner and Swedish kronor. In addition, the Russian clients pay in roubles, although the invoices are issued in euros and they carry no foreign exchange risk. The amounts received in foreign currencies are typically converted into euros immediately after their receipt, thereby reducing open foreign currency positions. Foreign exchange risk is reduced year after year and during the 9 months of 2014, approximately 4% (2013: 4.5%) of the Group's sales revenue carried foreign currency risk. No other means were used to mitigate currency risk.

Financial assets and financial liabilities by currency as of 30.09.2014

(EUR thousand)	EUR	LTL	LVL	UAH	SEK	Other currencies	TOTAL
Assets							
Cash and cash equivalents	226	588	0	0	0	1	**815**
Receivables	5 834	1 802	0	0	160	68	**7 864**
Term deposit	1 600	0	0	0	0	0	**1 600**
Total financial assets	**7 660**	**2 391**	**0**	**0**	**160**	**69**	**10 279**
Liabilities							
Borrowings	21 857	0	0	0	0	0	**21 857**
Trade payables and accrued expenses	3 557	689	0	0	15	32	**4 292**
Total financial liabilities	**25 414**	**689**	**0**	**0**	**15**	**32**	**26 149**
Net foreign currency position	**(17 754)**	**1 702**	**0**	**0**	**145**	**37**	

Financial assets and financial liabilities by currency as of 31.12.2013

(EUR thousand)	EUR	LTL	LVL	UAH	SEK	Other currencies	TOTAL
Assets							
Cash and cash equivalents	1 669	435	103	2	0	0	**2 209**
Receivables	3 964	1 635	448	30	200	25	**6 303**
Total financial assets	**5 633**	**2 070**	**551**	**32**	**200**	**26**	**8 511**
Liabilities							
Borrowings	24 432	0	0	0	0	0	**24 432**
Trade payables and accrued expenses	5 243	578	249	25	11	7	**6 112**
Total financial liabilities	**29 675**	**578**	**249**	**25**	**11**	**7**	**30 544**
Net foreign currency position	**(24 042)**	**1 492**	**302**	**7**	**189**	**19**	

Price risk

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. For performing 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 management estimates that the dependence of the Group's activities on IT systems is higher than average 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 its shareholders and benefits for other stakeholders, while maintaining the optimal capital structure in order to reduce the price of capital.

According to the practice common in the industry, the Group uses the debt to capital ratio to monitor capital. The debt to capital ratio is calculated as the ratio of net debt to total capital. Net debt is calculated by deducting cash and bank accounts from total debt (short and long-term interest bearing liabilities recognised in the consolidated balance sheet). Total capital is recognised as the aggregate of equity and net debt. The ratio of equity to total assets (one of criteria measured quarterly according to syndicated loan contract) is also monitored. During the year the equity ratio of the Group has been in compliance with conditions set in the syndicated loan contract.

Equity ratios of the Group

(EUR thousand)	30.09.2014	31.12.2013
Interest-bearing debt	21 857	24 432
Cash and bank accounts	2 415	2 209
Net debt	19 442	22 223
Equity	46 025	42 325
Total capital	65 467	64 548
Debt to capital ratio	**30%**	**34%**
Total assets	74 140	75 255
Equity ratio	**62%**	**56%**

Note 5. Business combinations

Trasnactions with the shares of AS Ajakirjade Kirjastus and AS SL Õhtuleht in 2014

AS Ekspress Grupp and AS Eesti Meedia both owned 50% in joint ventures AS SL Õhtuleht, AS Ajakirjade Kirjastus and AS Express Post. On 10 October 2013, AS Ekspress Grupp submitted to AS Eesti Meedia a notice in which the Group wished to exercise the contractual right to purchase the shares that Eesti Meedia held in the joint ventures SL Õhtuleht, Ajakirjade Kirjastus and Express Post. This right was provided for the contracting parties in the event the major shareholder of the other party changes. On 12 September 2013 AS Eesti Meedia announced of the transfer of the ownerhip interest of its sole shareholder to the new owner. On 28 November 2013, the Estonian Competition Board issued a decision authorizing the concentration of AS Ekspress Grupp, OÜ Suits Media and AS SL Õhtuleht, AS Ajakirjade Kirjastus, AS Express Post. As a result of the decision, AS Ekspress Grupp was able to purchase the shares that AS Eesti

Meedia owned in AS SL Õhtuleht, AS Ajakirjade Kirjastus and AS Express Post and to resell the shares to OÜ Suits Media.

Due to the different views on the fulfilment of shareholder contract, the dispute was handled at the Court of Arbitration. On 9 May 2014, AS Ekspress Grupp and AS Eesti Meedia signed a compromise contract in the arbitration proceeding which was brought to a conclusion by the ruling of the Court of Arbitration on 6 June. Pursuant to the court decision, AS Ekspress Grupp paid a total of EUR 3.3 million to AS Eesti Meedia and received the shares of AS Ajakirjade Kirjastus and AS SL Õhtuleht, which it sold to OÜ Suits Media. The owners of AS Express Post remain the same, i.e. both AS Eesti Meedia as well AS Ekspress Grupp retain their 50% ownership interest in this joint venture.

In July, AS Ekspress Grupp reorganised its shareholdings in joint ventures AS SL Õhtuleht and AS Ajakirjade Kirjastus. Before the shareholdings were held directly in both companies, but starting from July, the shares are owned through new holding companies OÜ Ajaleht Holding and OÜ Ajakirjad Holding, respectively. Both AS Ekspress Grupp and OÜ Suits Meedia each own 50% of the aforementioned holding companies. Holding companies were set up by monetary contributions in their share capital. AS Ekspress Grupp paid in EUR 1,250 into the share capital of each holding company. Shareholdings in joint ventures were sold to new holding companies at the market value, i.e. for the same amount they had been acquired from AS Eesti Meedia. The same course of action applied for OÜ Suits Meedia. As a result of these transactions, the new holding companies became 100% owners of joint ventures and in their consolidated balance sheets, all identifiable assets of the joint ventures are recognised at fair value, including trademarks, customer relations, etc. Also goodwill is recognised in the balance sheet, which is the difference between the paid price and fair value of identifiable assets and liabilities. For the acquisition of 100% shareholdings, the holding companies borrowed a total of EUR 3.2 million from the bank. The table below shows 50% of the assets in the acquired entities as of 30 June 2014. As a result of the reorganisation, the financial revenue was recognised in the consolidated income statement in the amount of EUR 955 thousand that is attributable to the end of common joint ventures with AS Eesti Meedia and change in shareholdings.

(EUR thousand)	OÜ Ajaleht Holding & AS SL Õhtuleht (50%)		OÜ Ajakirjad Holding & AS Ajakirjade Kirjastus (50%)	
	Fair value	Carrying amount	Fair value	Carrying amount
Net assets	380	380	528	528
Trademark, customer relations and other intangible assets	759	0	385	23
Total identifiable assets	**1 138**	**380**	**913**	**551**
Goodwill	**809**		**472**	
Fair value of ownership interest	1 947		1 385	
Cash and cash equivalents in acquired company	800		385	
Bank loan received by companies	893		694	

Other acquisitions

On 30 September 2014 the acquisition of a 49% holding in **Adnet Media UAB**, an associate, was completed. The agreement of purchase and sale of shares was signed already in November 2013, but it was subject to the approval of the Lithuanian Competition Authority. On the basis of the agreement of purchase and sale of shares, the Group has an option to acquire the remaining 51% of the shares of Adnet Media at the start of 2017. The 49% holding was acquired for a cash consideration in the amount of EUR 135 thousand of which EUR 80 thousand was transferred on 30 September 2014 and EUR 55 thousand on 1 October 2014. Adnet Media is engaged in internet advertising sales in Estonia, Latvia and Lithuania. The purpose of the acquisition is to enlarge the advertising product portfolio in the online media segment. The purchase analysis of Adnet Media was prepared on the basis of the balance sheet as of 30.09.2014. The consolidated net assets of the company were negative and goodwill was recognised in the amount of EUR 135 thousand which can be revised by the Group's management within one year from the acquisition and adjusted, if considered necessary. The investment in the associate is recognised in the Group's consolidated report under the equity method and the arising goodwill is recognised in the balance sheet among the carrying value of the investment.

In May 2013, AS Delfi (Latvia) and Nextmedia Baltic OÜ signed a share sale and purchase agreement, under which Delfi Latvia acquired a 100% ownership interest in SIA Cālis.lv, which operates the portal Cālis.lv. Cālis.lv is the most popular internet site in Latvia, targeting expecting and young mothers. The transaction was completed in July 2013 and a total of LTL 235 thousand (ca EUR 327 thousand) was paid for it. The Group's management estimated that the fair value of the trademark acquired upon acquisition of SIA Cālis.lv was EUR 66 thousand and goodwill was EUR 260 thousand. The management has the right to review its allocation within one year. The investment in the subsidiary is accounted for line-by-line in the Group's consolidated annual report. If the Group had acquired Calis.lv at the start of the year, Group revenue would have higher by approximately EUR 70 thousand.

The table below presents an overview of acquired identifiable assets and liabilities at the time of acquisition. For preparation of the purchase analysis, the balance sheet of Cālis LV SIA as of 31 March 2013 and the balance sheet of Adnet media UAB as of 30 September 2014.

(EUR thousand)	Adnet media UAB (49%)		Cālis LV SIA	
	Fair value	Carrying amount	Fair value	Carrying amount
Net assets	(22)	(22)	1	1
Trademark	0	0	66	0
Total identifiable assets	**(22)**	**(22)**	**68**	**1**
Goodwill	**135**		**260**	
Cost of acquired ownership interest	135		327	
Cash paid for ownership interest	135		327	
Cash and cash equivalents in acquired company	6		0	
Total cash effect on the group	**(129)**		**(327)**	

Note 6. Property, plant and equipment and intangible assets

(EUR thousand)	Property, plant and equipment		Intangible assets	
	9 months 2014	9 months 2013	9 months 2014	9 months 2013
Balance at beginning of the period				
Cost	29 271	28 940	63 617	63 064
Accumulated depreciation and amortisation	(15 676)	(14 164)	(15 256)	(12 194)
Carrying amount	**13 595**	**14 776**	**48 361**	**50 870**
Acquisitions and improvements	927	516	190	155
Disposals (at carrying amount)	(3)	(15)	0	0
Write-offs and write-downs of PPE	(7)	(1)	(6)	0
Depreciation and amortisation	(1 447)	(1 400)	(721)	(459)
Exchange rate correction	0	0	0	(1)
Balance at end of the period				
Cost	30 076	29 222	63 783	63 536
Accumulated depreciation and amortisation	(17 012)	(15 345)	(15 959)	(12 639)
Carrying amount	**13 064**	**13 877**	**47 824**	**50 897**

Information about the items of non-current assets pledged as loan collateral is disclosed in Note 7.

In June 2014, AS Printall concluded a contract to purchase a new sheet-fed printing machine for EUR 2.9 million (excl. VAT). The first payment totalling 20% of the total payment was made in June and it is included as a prepayment in non-current assets. Approximately 2/3 of the cost will be financed through a bank loan, the remainder through equity. The estimated installation time of the new printing machine is the 1st quarter 2015.

Intangible assets by type

(in thousands)	EUR	
	30.09.2014	31.12.2013
Goodwill	39 596	39 596
Trademarks	7 632	8 120
Other intangible assets	596	645
Total intangible assets	**47 824**	**48 361**

Goodwill by cash generating units

(in thousands)	EUR	
	30.09.2014	31.12.2013
Delfi Estonia	15 281	15 281
Delfi Latvia (incl. Calis.lv)	9 650	9 650
Delfi Lithuania (incl. Alio)	12 848	12 848
Maaleht (Eesti Ajalehed)	1 816	1 816
Total goodwill	**39 596**	**39 596**

In May 2013, AS Delfi (Latvia) acquired a 100% ownership interest in SIA Cālis.lv that operates the portal Cālis.lv. The related goodwill is recognised in the balance sheet in the amount of EUR 260 thousand (Note 5).

Note 7. Bank loans and borrowings

(EUR thousand)	Total amount	Repayment term	
		Up to 1 year	Between 1-5 years
Balance as of 30.09.2014			
Overdraft	**228**	228	0
Long-term bank loans	**21 477**	3 766	17 711
incl. syndicated loan (AS Ekspress Grupp)	**15 843**	3 121	12 722
incl. syndicated and mortgage loan (AS Printall)	**5 634**	645	4 989
Finance lease	**152**	74	78
Total	**21 857**	**4 068**	**17 789**
Balance as of 31.12.2013			
Overdraft	**0**	0	0
Long-term bank loans	**24 234**	3 687	20 548
incl. syndicated loan (AS Ekspress Grupp)	**18 119**	3 043	15 076
incl. syndicated and mortgage loan (AS Printall)	**6 115**	643	5 472
Finance lease	**198**	73	125
Total	**24 432**	**3 760**	**20 673**

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

Borrowings

On 12 July 2012, a new syndicated loan contract was signed for refinancing the loan and lease obligations of AS Ekspress Grupp and AS Printall in the total amount of EUR 29.3 million. Previous obligations were paid off with the new loan. The company did not take any additional loans. The parties to the new contract include AS SEB Pank, Nordea Bank Estonia branch, AS Ekspress Grupp and AS Printall. The refinancing transaction was completed on 23 July 2012.

The break-down of the total loan amount according to the loan contract in the amount of EUR 29.3 million is as follows:

(EUR thousand)	New loan principal	Term of annuity payments
Syndicated loan granted to AS Ekspress Grupp	22 300	7 years
Mortgage loan granted to AS Printall	5 000	12 years
Loan granted to AS Printall	2 000	7 years
Total liabilities	**29 300**	

The loan will mature on 25 July 2017. Interest is based on one-month Euribor, plus a margin of 2.5%. Upon expiry of the loan contract, the outstanding loan balance is ca. 11 million.

The loans are secured by the shares of the subsidiaries, the guarantees of Estonian subsidiaries in the amount of EUR 37 million, the commercial pledge on the assets of AS Printall in the amount of EUR 16 million and the trademarks of Delfi, Eesti Ekspress, Maaleht, Eesti Päevaleht and Eesti Ekspressi Kirjastus in the amount of EUR 5 million, the value of all of which is already included within the net assets of the Group. In addition, the mortgage on the registered immovable and production facilities of AS Printall in the amount of EUR 9 million has been set. As of 30.09.2014, the carrying amount of the building was EUR 3.6 million (31.12.2013: EUR 3.8 million) and the carrying amount of the registered immovable was EUR 0.4 million (31.12.2013: EUR 0.4 million).

According to the conditions of the loan agreement, the borrower must comply with certain loan covenants, such as the equity ratio (equity/total assets), total debt/EBITDA ratio and the debt-service coverage ratio. As of the balance sheet date, all financial ratios were in compliance with the loan covenants set in the loan contract.

Overdraft facilities

Date of contract	Bank	Limit (EUR thousand)	Used 30.09.2014 (EUR thousand)	Used 31.12.2013 (EUR thousand)	Interest rate	Expiration date of the contract
12.07.2012	Nordea Bank AB Estonia Branch	3 280	88	0	1 month Euribor + 1.9%	25.07.2017
12.07.2012	AS SEB Pank	1 680	140	0	1 month Euribor + 1.9%	25.07.2017
Total		**4 960**	**228**	**0**		

The overdraft limit of Nordea Bank has been increased by EUR 1 960 thousand until 26 November 2014.

Note 8. Segment reporting

The management 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 company perspective. Until June 2014, the Group divided its media segment into two: online media and publishing of periodicals. Due to the fact that Lithuanian online media company UAB Delfi and magazine publisher UAB Ekspress Leidyba, merged in July 2014 and that the publishers of periodicals are also more active in the online media market, the Group's activities are now divided only between two operating segments: media segment and printing services segment.

Media segment: management of online news portals and classified portals, advertising sales in own portals in the Baltics and publishing of newspapers, magazines, customer publications and books in Estonia and Lithuania.

This segment includes subsidiaries AS Delfi, AS Delfi (Latvia), UAB Delfi (Lithuania), Delfi Holding SIA (Latvia), AS Eesti Ajalehed (publisher of newspapers Eesti Ekspress, Maaleht and Eesti Päevaleht), OÜ Hea Lugu and UAB Ekspress Leidyba. Until 1 March 2014 it also included Delfi Ukraine, the operations of Delfi were discontinued as the Group did not see a positive outlook for the future development in Ukraine. The costs related to liquidation of the business consisted of termination benefits of employees and premature termination of contracts in the amount of EUR 30 thousand that are included in the financial statements for the 1st quarter. The write-down of the trademark of Delfi Ukraine in the amount of EUR 0.5 million was already reflected in the consolidated results for 2013.

This segment also includes the joint ventures AS Ajakirjade Kirjastus, AS SL Õhtuleht and AS Express Post engaged in home delivery of periodicals. From 2014, joint ventures are not consolidated line-by-line, however some tables include their results and impact on the Group's figures.

The revenue of **the media segment** comes from sale of advertising banners and other advertising space and products in its own portals, sales of advertising space in newspapers and magazines, revenue from subscriptions and single copy sales of newspapers and magazines, sales of books and miscellaneous series, services fees for preparation of customer materials.

Printing services: rendering of printing and related services. This segment includes the group company AS Printall.

Segment revenue comes from the sale of paper and printing services.

The Group's corporate functions are shown separately and they do not form a separate business segment. It includes the Parent Company AS Ekspress Grupp, subsidiary OÜ Ekspress Digital that provides intra-group IT services, and OÜ Ekspress Finance, the main activity of which is intra-group financing.

The Management Board assesses the performance of the operating segments based on revenue, EBITDA and the EBITDA margin. Volume-based and other fees payable to advertising agencies have not been deducted from the advertising sales of segments, because the Group's management monitors the gross income of companies and segments. Discounts and volume rebates are reported as a reduction of the consolidated sales revenue and are shown in the aggregate line of eliminations. Internal management fees and goodwill impairment are not included in segment results.

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.

Q3 2014 (EUR thousand)	Media	Printing services	Corporate functions	Elimi-nations	Total Group
Sales to external customers (subsidiaries)	**6 013**	**6 129**	**7**	**(309)**	**11 841**
Effect of joint ventures	2 185	(161)	(1)	(30)	1 992
Inter-segment sales	4	628	421	(1 053)	0
Total segment sales, incl. joint ventures	8 202	6 596	427	(1 391)	13 833
EBITDA (subsidiaries)	**323**	**1 326**	**(162)**	**0**	**1 487**
EBITDA margin (subsidiaries)	5%	20%			13%
EBITDA incl. joint ventures	***567***	***1 326***	***(162)***	***0***	***1 732***
EBITDA margin incl. joint ventures	*7%*	*20%*			*13%*
Depreciation (subsidiaries) (Note 6)					(705)

Gain from change in ownership interest in joint ventures	955
Operating profit (subsidiaries)	1 738
Investments (subsidiaries) (Note 6)	226

9 months 2014 (EUR thousand)	Media	Printing services	Corporate functions	Elimi-nations	Total Group
Sales to external customers (subsidiaries)	**19 894**	**19 409**	**15**	**(980)**	**38 338**
Effect of joint ventures	6 865	(504)	(3)	(91)	6 268
Inter-segment sales	29	1 963	1 259	(3 251)	0
Total segment sales, incl. joint ventures	26 788	20 868	1 271	(4 321)	44 606
EBITDA (subsidiaries)	**1 922**	**4 321**	**(763)**	**0**	**5 481**
EBITDA margin (subsidiaries)	10%	21%			14%
EBITDA incl. joint ventures	***2 565***	***4 321***	***(763)***	***0***	***6 124***
EBITDA margin incl. joint ventures	*10%*	*21%*			*14%*
Depreciation (subsidiaries) (Note 6)					(2 168)
Gain from change in ownership interest in joint ventures					955
Operating profit (subsidiaries)					4 268
Investments (subsidiaries) (Note 6)					1 117

Q3 2013 (EUR thousand)	Media	Printing services	Corporate functions	Elimi-nations	Total Group
Sales to external customers (subsidiaries)	**5 547**	**5 652**	**5**	**(219)**	**10 985**
Effect of joint ventures	2 173	(170)	(1)	(10)	1 992
Inter-segment sales	3	665	392	(1 060)	0
Total segment sales, incl. joint ventures	7 724	6 147	396	(1 289)	12 977
EBITDA (subsidiaries)	**102**	**1 245**	**(183)**	**0**	**1 164**
EBITDA margin (subsidiaries)	2%	20%			11%
EBITDA incl. joint ventures	***297***	***1 245***	***(183)***	***0***	***1 359***
EBITDA margin incl. joint ventures	*4%*	*20%*			*10%*
Depreciation (subsidiaries) (Note 6)					(601)
Operating profit (subsidiaries)					544
Investments (subsidiaries) (Note 6)					166

9 months 2013 (EUR thousand)	Media	Printing services	Corporate functions	Elimi-nations	Total Group
Sales to external customers (subsidiaries)	**18 218**	**18 338**	**12**	**(772)**	**35 796**
Effect of joint ventures	6 687	(540)	(4)	(37)	6 106
Inter-segment sales	7	2 098	1 129	(3 234)	0
Total segment sales, incl. joint ventures	24 912	19 896	1 137	(4 043)	41 901
EBITDA (subsidiaries)	**1 109**	**4 258**	**(593)**	**3**	**4 777**
EBITDA margin (subsidiaries)	6%	21%			13%
EBITDA incl. joint ventures	***1 579***	***4 258***	***(593)***	***2***	***5 246***
EBITDA margin incl. joint ventures	*6%*	*21%*			*13%*
Depreciation (subsidiaries) (Note 6)					(1 859)
Operating profit (subsidiaries)					2 897
Investments (subsidiaries) (Note 6)					671

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.

EUR	Q3 2014	Q3 2013	9 months 2014	9 months 2013
Profit attributable to equity holders	1 612 996	455 204	3 973 827	2 490 443
Average number of ordinary shares	29 762 714	29 796 841	29 780 362	29 796 841
Basic and diluted earnings per share	0.05	0.02	0.13	0.08

In view of the fact that the Group has no dilutive potential ordinary shares on 30.09.2014 and 30.09.2013, **diluted earnings per share** equal basic earnings per share.

Note 10. Management Board's share option plan

In November 2013, the General Meeting of Shareholders approved a share option plan for the Management Board. Under the plan, in the first quarter 2017 the Chairman of the Management Board will be entitled to acquire up to 700 000 shares of AS Ekspress Grupp that the company will buy from the securities market at the market price. Of this amount, 300 000 free of charge shares have already been earned at the time when the option was issued. The remaining amount is to be earned during the contractual period between September 2013 and December 2016 in equal quantities for every month of employment. Part of the shares is fixed and part depends on the fulfilment of set goals that is assessed once a year after the end of the financial year. The company is neither under the obligation to buy back shares nor pay cash compensation for them.

Upon approving the share option, the option was recognised at its fair value and recognised on the one hand as a staff cost in the income statement and, on the other hand, as a share option reserve in equity. As of 30.09.2014 this reserve totalled EUR 486 thousand and the number of earned shares was 430 000. As of 31.12.2013, this reserve totalled EUR 384 thousand and the number of earned shares was 340 000. See Note 11.

For finding the fair value of the share option upon the issuing of the option (i.e. when it was approved by the General Meeting of Shareholders), the *Black-Scholes-Merton* model was used. The assumptions used in the model were as follows: share price at the time of issuing the option: 1.16 euros, dividend rate: 0.01 euros per share, risk-free rate 2.96%, option term: slightly over 3 years.

Note 11. Equity and dividends

Share capital and share premium

As of 30 September 2014 and 31 December 2013, the share capital of AS Ekspress Grupp was EUR 17 878 105 and it consists of 29 796 841 shares with the nominal value of EUR 0.60 per share. The maximum amount of share capital as stipulated by the articles of association is EUR 25 564 656.

Treasury shares

From 7 April 2014, AS SEB Pank has started to buy back shares on behalf of the company within the framework of the share option programme. As of 30.09.2014, AS Ekspress Grupp had purchased ca 43 thousand treasury shares at the average price of 1 euro for the total of EUR 44 thousand.

Dividends

At the Ordinary General Meeting of Shareholders held on 20 June 2014, it was decided to pay dividends to shareholders in the amount of one euro cent per share in the total amount of EUR 298 thousand. Dividends will be paid out on 2 October 2014. There was no accompanying income tax liability because the

Company paid out dividends it had received from its joint ventures and subsidiaries, that had already paid corporate income tax on dividends or the profit of which had already been taxed in its domicile. Therefore, there was no additional tax to be paid on distribution of dividends from the Parent Company.

Reserves

The reserves include statutory reserve capital required by the Commercial Code, additional monetary contributions as a general-purpose additional equity contribution by a founding shareholder and share option reserve (see Note 10).

(thousand)	EUR	
	30.09.2014	31.12.2013
Statutory reserve capital	281	227
Additional payments in cash from shareholders	639	639
Share option reserve	486	384
Total reserves	**1 406**	**1 250**

Note 12. Related party transactions

Transactions with related parties are transactions with shareholders, associates, joint ventures, members of the Supervisory and Management Board of all group companies (incl. managing directors of subsidiaries), 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 to (lease of non-current assets, management services, other services) to the following related parties:

SALES (EUR thousand)	9 months 2014	9 months 2013
Sales of goods		
Associates	420	556
Total sale of goods	**420**	**556**
Sale of services		
Members of Supervisory Board and companies related to them	5	9
Joint ventures	1 040	1 100
Total sale of services	**1 045**	**1 109**
Total sales	**1 465**	**1 665**

PURCHASES (EUR thousand)	9 months 2014	9 months 2013
Purchase of services		
Members of Management Board and companies related to them	38	35
Members of Supervisory Board and companies related to them	179	207
Associates	1	2
Joint ventures	699	636
Total purchases of services	**917**	**880**

RECEIVABLES (EUR thousand)	30.09.2014	31.12.2013
Short-term receivables		
Members of Supervisory Board and companies related to them	3	5
Associates	284	229
Joint ventures	932	1 050
Total short-term receivables	**1 219**	**1 284**

Long-term receivables		
Members of Supervisory Board and companies related to them	160	160
Total long-term receivables	**160**	**160**
Total receivables	**1 379**	**1 444**

LIABILITIES (EUR thousand)	30.09.2014	31.12.2013
Current liabilities		
Members of Management Board and companies related to them	4	4
Members of Supervisory Board and companies related to them	7	11
Joint ventures	87	109
Total liabilities	**98**	**124**

According to the decision of the General Meeting held on 2 June 2009 and 4 May 2012, Hans H. Luik will be paid a guarantee fee of 1.5% per annum on the guarantee amount for the personal guarantee of EUR 4 million on the syndicated loan and overdraft agreements until the guarantee expires. During the 9 months of 2014, a payment of EUR 45 thousand (2013: EUR 45 thousand) was made and there are no outstanding liabilities as of 30 September 2014 and 30 September 2013.

The management estimates that the transactions with related parties have been carried out at arms' length condition. As of 30.09.2014, the allowance for the receivable from the associate Medipresa UAB was made in the amount of EUR 59 thousand (31.12.2013: EUR 43 thousand) in accordance with the ownership interest in the negative equity of Medipresa UAB.

Remuneration of members of the Management and Supervisory Boards of all group companies

(EUR thousand)	9 months 2014	9 months 2013
Salaries and other benefits (without social tax)	630	681
Termination benefits (without social tax)	35	0
Share option	102	0
Total (without social tax)	**767**	**681**

The members of all management boards of the group companies (incl. managing directors of subsidiaries if these companies do not have management board as per Estonian law) (hereinafter Key Management) are entitled to receive compensation upon expiry or termination of their contracts in accordance with the terms laid down in their employment contracts. The Key Management terminations benefits are usually payable in case the termination of contracts is originated by the company. If a member of the Key Management is recalled without a substantial reason, a notice thereof shall be given up to 3 months in advance and the member shall be paid compensation for termination of the contract in the amount of up to 12 months' salary. Upon termination of an employment relationship, no compensation shall be paid if a member of the Key Management leaves at his or her initiative or if a member of the Key Management is removed by the Supervisory Board for a valid reason. As of 30 September 2014, the maximum gross amount of potential Key Management termination benefits was EUR 398 thousand (30 September 2013: EUR 351 thousand). No remuneration is paid separately to the members of the Supervisory Boards of the group companies and no compensation is paid if they are recalled.

Note 13. Contingent assets and liabilities

Contingent liabilities related to pending court cases

Group subsidiaries have several pending court disputes, the impact of which on the Group's financial results is insignificant.

On 19 September 2014, OÜ Grupivara filed a statement of claim to Harju County Court against Ekspress Group regarding decisions of the 20 June 2014 Annual General Meeting of Shareholders of Ekspress Group. OÜ Grupivara has challenged the decisions of the AGM on approving the annual report for the financial year 2013 of Ekspress Group and on profit distribution proposal as, according to the opinion of OÜ Grupivara, the annual report 2013 of Ekspress Group contains inaccurate data.

The management of Ekspress Group considers the statement of claim groundless. The financial reports of Ekspress Group are audited and independent sworn auditors have confirmed to the shareholders of Ekspress Group the accuracy of the reports.

OÜ Grupivara is a minor shareholder of Ekspress Group with a shareholding of 100 shares which it acquired in February 2014