AS EKSPRESS GRUPP

CONSOLIDATED INTERIM REPORT

FOR THE SECOND QUARTER AND FIRST HALF-YEAR OF 2015

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GENERAL INFORMATION

Beginning of reporting period	1 January 2015
End of reporting period	30 June 2015
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
	Indrek Kasela
	Jaak Ennuste
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 48 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*	31.07.2015
Pirje Raidma	Member of the Management Board	*signed digitally*	31.07.2015
Andre Veskimeister	Member of the Management Board	*signed digitally*	31.07.2015

MANAGEMENT REPORT

In the 2nd quarter of 2015, the Group's EBITDA totalled EUR 1.5 million and net profit totalled EUR 0.5 million. The quarter's result was impacted by the extraordinary loss of EUR 1.1 million related to the arrangement of the exhibition of the voyage of M/S Titanic. After elimination of this one-off loss from the Group's result, its EBITDA from the main operations totalled EUR 2.6 million and net profit totalled EUR 1.6 million in the 2nd quarter. As compared to the same period last year, EBITDA and net profit from the main operations were 11.7% and 14.6% lower, respectively. On a normalised basis, the Group's EBITDA from the main operations in the first half of the year was 6.4% lower and net profit was 9.3% lower than last year. We failed to match the last year's result in the main operations primarily due to weaker profit of the printing company and Lithuanian media company. These figures also include 50% of the results of our joint ventures.

The loss related to Titanic exhibition was caused by extremely weak ticket sales. As compared to the exhibition arranged in Tallinn, the number of tickets sold per capita was five times lower in Riga than in Tallinn. Wishing to repeat the success of Titanic exhibition in other cities in the Baltics, we had prior to the exhibition in Riga also acquired the rights to arrange the same exhibition in Vilnius. However, due to the failure of Riga's exhibition we decided to waive this right. Already paid license fee was not refunded, but we concluded an agreement which will partially compensate the fee paid if the owner of the exhibition is able to fill the vacant period. The Group's results of operations in the 2nd quarter include the loss of exhibitions in Riga and Vilnius in the total amount of EUR 1.1 million.

After elimination the loss of EUR 1.1 million from the entertainment business, in the 2nd quarter the EBITDA of the Group's subsidiaries calculated under the equity method was 16% lower and revenue was almost 10% lower than a year ago.

The **printing services** company Printall continues to be impacted by the unstable economic situation in Russia and the economic sanctions imposed against the country. The latter have negatively impacted the exports of the Scandinavian printing industry, resulting in lower revenue from Russia and a major price pressure in the region. In the 2nd quarter, Printall's revenue decreased by 11% and EBITDA by 17% which is similar to the result posted in the 1st quarter. The situation is expected to slightly improve in the autumn due to the new customers obtained and extension of product range of current customers.

The **media segment** in Estonia and Latvia posted strong revenue growth in the 2nd quarter. In the first half of the year, Delfi Lithuania was still under pressure due the effects of the adoption of the euro which affected consumption and advertising sales. According to the data of market research companies, the volume of internet adverting sales has decreased by almost 15% in the first five months of 2015 while online sales of Delfi Lithuania have increased by 2% as compared to the first half of last year. Since June the local internet market has started to recover, which enabled the company to increase its online revenues 15% compared to June last year. The same trend seems to continue at the beginning of second half of the year. The Lithuanian magazine market is in a modest downward trend in advertising sales, single copy sales as well as subscriptions revenue.

Delfi Estonia managed to increase its advertising revenue by 18%, exceeding the growth in the online market as a whole. The 2nd quarter of the current year was the best quarter ever in terms of advertising sales for Delfi Estonia. The strong result is result of a good work by the sales team and the fast-growing mobile phone market. Exclusive reports and articles have helped Delfi to attract a record high number of users and widen the gap with the competitors which has also helped the sales team. Eesti Ajalehed increased its advertising revenue by 3%. Positive surprises included advertising revenue growth of Eesti Päevaleht which got a boost following the merger with Delfi sales team. Single copy sales and subscription revenue of Eesti Ajalehed have also increased by 1% and 6%, respectively. The growth in the number of digital subscribers has stabilised in the 2nd quarter and totals about 12 thousand both for Eesti Päevaleht and Eesti Ekspress. The decline in the circulation of printed newspapers is offset by the increase in the cover price. While Delfi and Eesti Ajalehed have functioned as one organisation from the beginning of the year, the legal merger will be completed on 1 July. The companies will continue to operate under the trademark and name of Ekspress Meedia.

Delfi Latvia has managed to successfully launch its topical portals and this has helped to increase both the number of users as well as advertising revenue. Revenue grew by 21% as compared to the same period last year. The growth of Delfi is much faster as compared to the Latvian internet market as a whole. Delfi Latvia achieved a new record high number of users totaaling 890 thousand in May.

With regard to **joint ventures,** AS SL Õhtuleht succeeded in increasing its advertising revenue by 5% in the 2nd quarter, primarily due to the growth in online advertising revenue. Subscription revenue also posted a strong result (8%). EBITDA growth got a significant boost from the lower printing price set last summer. Advertising sales were volatile for AS Ajakirjade Kirjastus in the 2nd quarter. April and June were very positive months, while sales fell in May. In total, advertising revenue decreased by 2% year-on-year. Subscription revenue also fell while retail sales remained stable. EBITDA growth was primarily impacted by lower printing costs, similarly to SL Õhtuleht. Although revenue of AS Express Post keeps increasing, pressure on wages in this sector has a negative impact on the profit.

The EBITDA of the subsidiaries in the **media segment** remained at the same level, although revenue increased by almost 7%. The EBITDA of the media segment with joint ventures was almost 6% better as compared to the same period last year.

We expect a more positive result in the **third quarter** as compared to the first half of the year. In the printing services segment, fierce price competition continues in the Scandinavian market, but the closing of printing companies in this region may present additional opportunities for Printall to procure new works. We are more optimistic about the prospects of the media segment, primarily in Lithuania. In the 3rd quarter, we will continue more extensive development of the discount offer portal Zave, with the goal of providing a new innovative tool for retailers to communicate with their customers. Based on the above, in the 3rd quarter we expect consolidated revenue to increase by ca 5%, but EBITDA and net profit to remain the same as last year. These figures also include 50% of the results of our joint ventures.

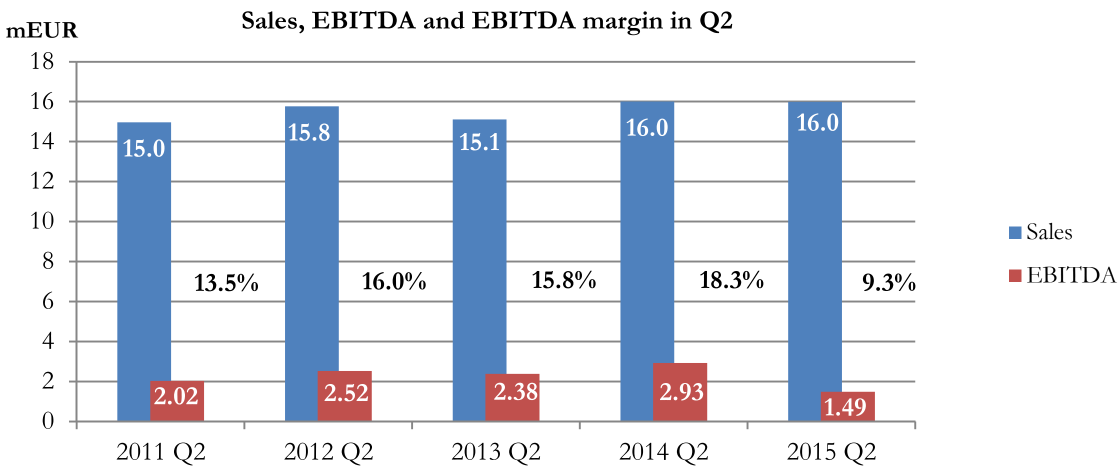
Our mission remains to offer new and interesting experiences both on paper and in digital media, without ever compromising on news quality, choice of topics and journalistic objectivity.

The company's goal is to be a truly modern media company with a strong foothold in all markets where actively present, with a leading position in online media.

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

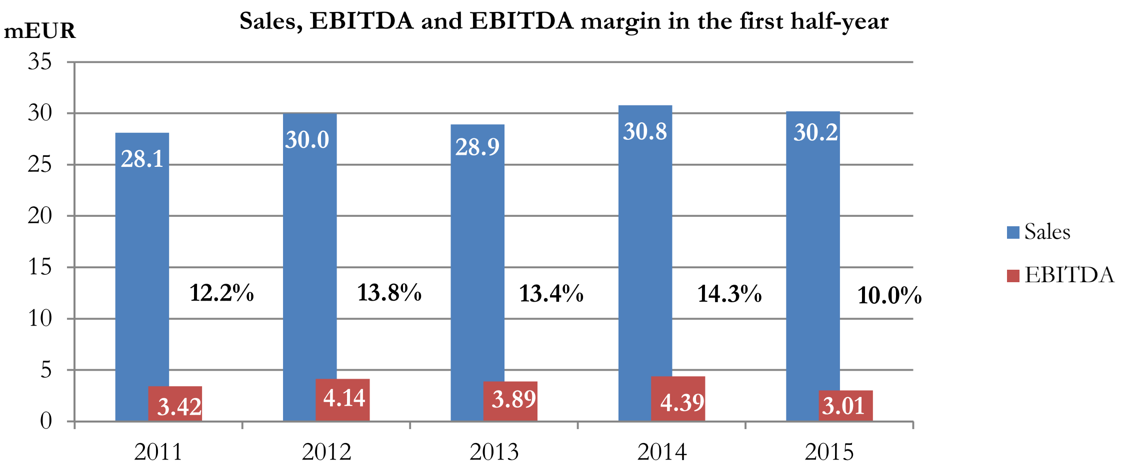
Starting from 2014, in consolidated financial reports 50% joint ventures are recognised under the equity method, in compliance with **international financial reporting standards (IFRS).** In its monthly reports, the management has continued to monitor the Group's performance on a basis of proportional consolidation of joint ventures and the syndicated loan contract also determines the calculation of some loan covenants by proportional consolidation. For the purpose of clarity, the management report shows two sets of indicators: one where joint ventures are consolidated line-by-line 50% as previously and the other where joint ventures are recognised under the equity method and their net result is presented as financial income in one line.

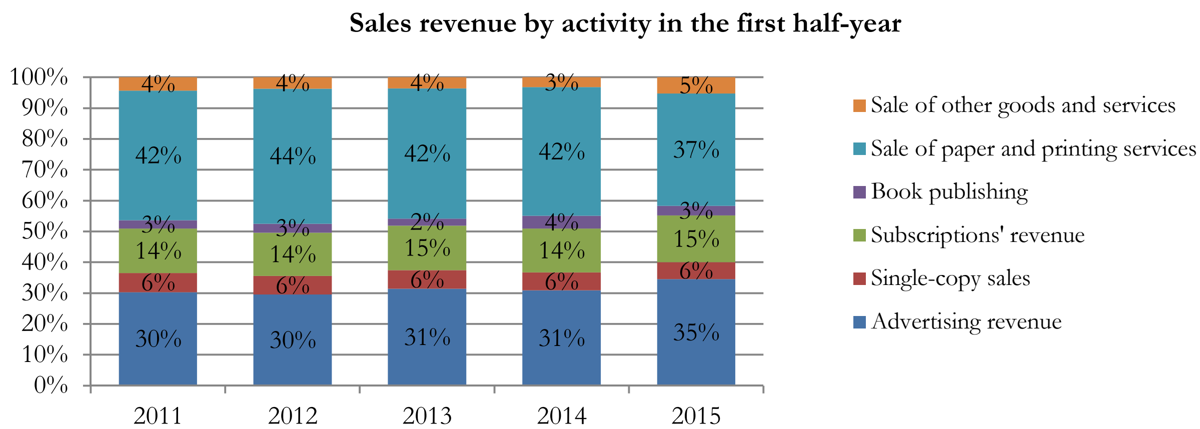
Performance indicators – joint ventures consolidated 50% (EUR thousand)	Q2 2015	Q2 2014	Change %	Q2 2013	Q2 2012	Q2 2011
For the period						
Sales	15 998	16 007	0%	15 115	15 763	14 963
EBITDA	**1 488**	**2 935**	**-49%**	**2 384**	**2 525**	**2 025**
EBITDA margin (%)	***9.3%***	***18.3%***		***15.8%***	***16.0%***	***13.5%***
Operating profit	745	2 180	-66%	1 742	1 670	1 136
Operating margin (%)	*4.7%*	*13.6%*		*11.5%*	*10.6%*	*7.6%*
Interest expenses	(146)	(181)	19%	(178)	(553)	(576)
Net profit/(loss) for the period	**481**	**1 858**	**-74%**	**1 398**	**972**	**396**
Net margin (%)	***3.0%***	***11.6%***		***9.3%***	***6.2%***	***2.6%***
Return on assets ROA (%)	*0.6%*	*2.4%*		*1.8%*	*1.2%*	*0.5%*
Return on equity ROE (%)	*1.0%*	*4.2%*		*3.3%*	*2.5%*	*1.0%*
Earnings per share (EPS)	**0.02**	**0.06**		**0.05**	**0.03**	**0.01**



Performance indicators - joint ventures consolidated 50% (EUR thousand)	**1st Half year 2015**	**1st Half year 2014**	**Change %**	**1st Half year 2013**	**1st Half year 2012**	**1st Half year 2011**
For the period						
Sales	30 178	30 773	-2%	28 925	29 982	28 109
EBITDA	**3 005**	**4 389**	**-32%**	**3 888**	**4 140**	**3 420**
EBITDA margin (%)	***10.0%***	***14.3%***		***13.4%***	***13.8%***	***12.2%***
Operating profit*	1 507	2 871	-48%	2 582	2 426	1 691
Operating margin (%)*	*5.0%*	*9.3%*		*8.9%*	*8.1%*	*6.0%*
Interest expenses	(320)	(357)	10%	(374)	(1 041)	(1 135)
Net profit / (loss) for the period*	**1 037**	**2 361**	**-56%**	**2 036**	**1 151**	**241**
Net margin* (%)	***3.4%***	***7.7%***		***7.0%***	***3.8%***	***0.9%***
Net profit for the period in the financial statements (incl. impairments and gain on change of ownership interest)	1 037	2 361	-56%	2 036	1 151	1 781
Net margin (%)	*3.4%*	*7.7%*		*7.0%*	*3.8%*	*6.3%*
Return on assets ROA (%)	*1.3%*	*3.1%*		*2.6%*	*1.4%*	*2.1%*
Return on equity ROE (%)	*2.2%*	*5.5%*		*4.9%*	*3.0%*	*4.7%*
Earnings per share (EPS)	**0.03**	**0.08**		**0.07**	**0.04**	**0.06**

***** The results exclude one-off gains in relation to the acquisition of Eesti Päevalehe AS in 2011.



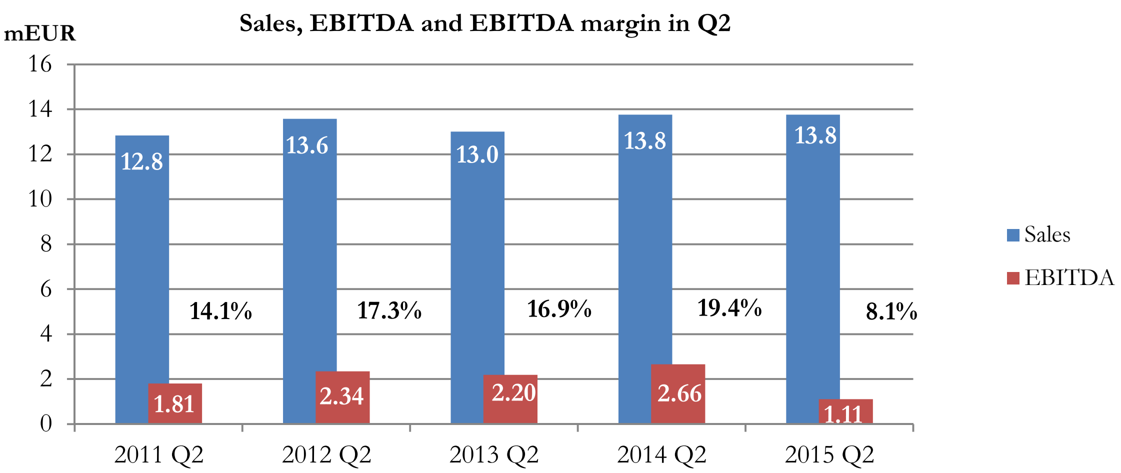


Balance sheet– joint ventures consolidated 50% (EUR thousand)	**30.06.2015**	**31.12.2014**	**Change %**
As of the end of the period			
Current assets	14 205	15 189	-6%
Non-current assets	63 619	65 665	-3%
Total assets	**77 824**	**80 854**	**-4%**
incl. cash and bank	*4 461*	*6 788*	*-34%*
incl. goodwill	*39 432*	*39 432*	*0%*
Current liabilities	14 708	14 110	4%
Non-current liabilities	16 108	19 569	-18%
Total liabilities	**30 816**	**33 679**	**-9%**
incl. borrowings	*19 792*	*24 592*	*-20%*
Equity	47 008	47 175	0%

Financial ratios (%) – joint ventures consolidated 50%	**30.06.2015**	**31.12.2014**
Equity ratio (%)	60%	58%
Debt to equity ratio (%)	42%	52%
Debt to capital ratio (%)	25%	27%
Total debt /EBITDA ratio	2.64	2.61
Debt service coverage ratio	1.55	1.90
Liquidity ratio	0.97	1.08

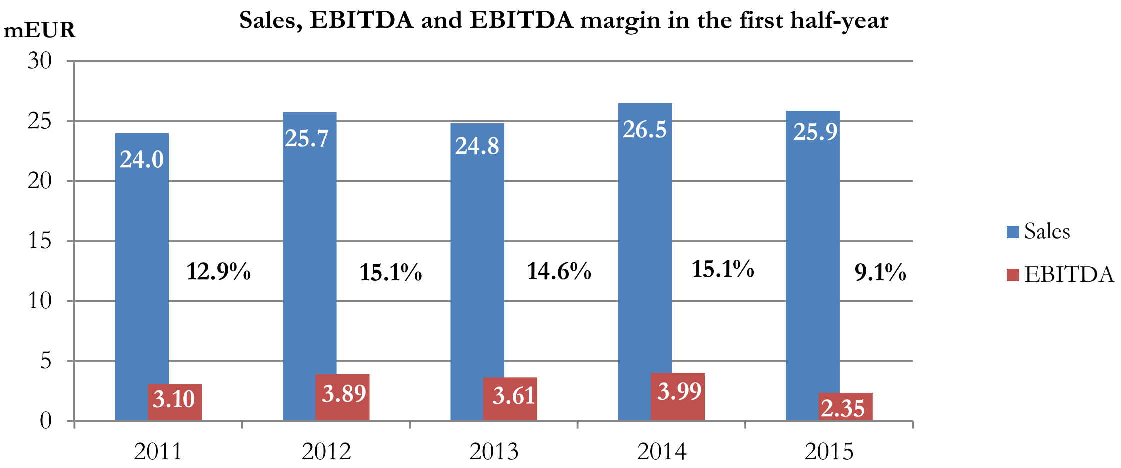
FINANCIAL INDICATORS AND RATIOS – joint ventures recognised under the equity method

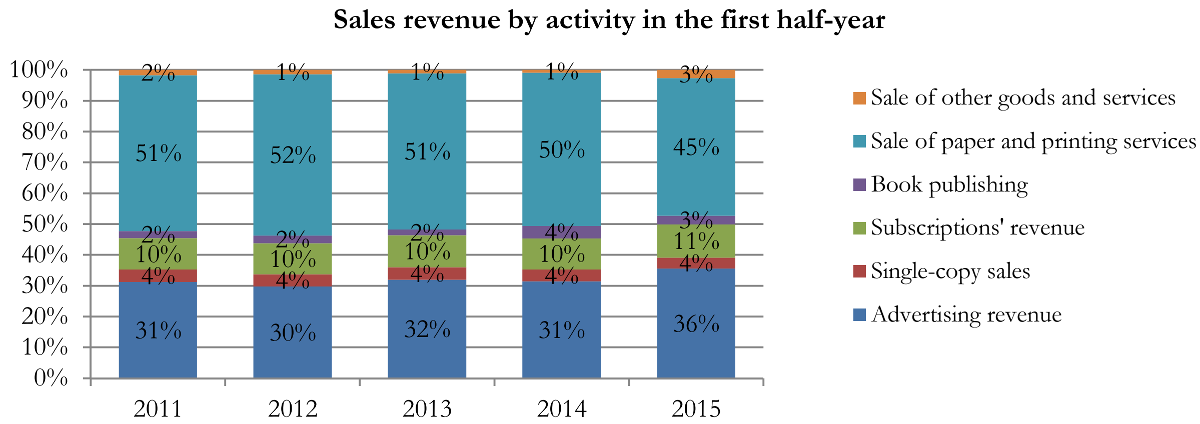
Performance indicators – joint ventures under the equity method (EUR thousand)	Q2 2015	Q2 2014	Change %	Q2 2013	Q2 2012	Q2 2011
For the period						
Sales (only subsidiaries)	13 765	13 764	0%	12 998	13 570	12 837
EBITDA (only subsidiaries)	**1 113**	**2 664**	**-58%**	**2 196**	**2 345**	**1 806**
EBITDA margin (%)	***8.1%***	***19.4%***		***16.9%***	***17.3%***	***14.1%***
Operating profit (only subsidiaries)	429	1 936	-78%	1 576	1 516	951
Operating margin (%)	*3.1%*	*14.1%*		*12.1%*	*11.2%*	*7.4%*
Interest expenses (only subsidiaries)	(130)	(181)	28%	(178)	(553)	(577)
Profit of joint ventures by equity method	225	190	18%	82	64	90
Net profit for the period	**481**	**1 858**	**-74%**	**1 398**	**972**	**396**
Net margin (%)	***3.5%***	***13.5%***		***10.8%***	***7.2%***	***3.1%***
Return on assets ROA (%)	*0.6%*	*2.5%*		*1.8%*	*1.2%*	*0.5%*
Return on equity ROE (%)	*1.0%*	*4.2%*		*3.3%*	*2.5%*	*1.0%*
Earnings per share (EPS)	**0.02**	**0.06**		**0.05**	**0.03**	**0.01**



Performance indicators – joint ventures under the equity method (EUR thousand)	1st Half year 2015	1st Half year 2014	Change %	1st Half year 2013	1st Half year 2012	1st Half year 2011
For the period						
Sales (only subsidiaries)	25 858	26 498	-2%	24 811	25 748	23 986
EBITDA (only subsidiaries)	**2 351**	**3 993**	**-41%**	**3 612**	**3 893**	**3 101**
EBITDA margin (%)	***9.1%***	***15.1%***		***14.6%***	***15.1%***	***12.9%***
Operating profit* (only subsidiaries)	972	2 529	-62%	2 354	2 236	1 447
Operating margin (%)*	*3.8%*	*9.5%*		*9.5%*	*8.7%*	*6.0%*
Interest expenses (only subsidiaries)	(285)	(357)	20%	(374)	(1 042)	(1 140)
Profit of joint ventures by equity method	419	288	45%	146	104	160
Net profit for the period*	**1 037**	**2 361**	**-56%**	**2 036**	**1 151**	**241**
Net margin* (%)	***4.0%***	***8.9%***		***8.2%***	***4.5%***	***1.0%***
Net profit for the period in the financial statements (incl. impairments and gain on change of ownership interest)	1 037	2 361	-56%	2 036	1 151	1 781
Net margin (%)	*4.0%*	*8.9%*		*8.2%*	*4.5%*	*7.4%*
Return on assets ROA (%)	*1.4%*	*3.2%*		*2.7%*	*1.5%*	*2.1%*
Return on equity ROE (%)	*2.2%*	*5.5%*		*4.9%*	*3.0%*	*4.7%*
Earnings per share (EPS)	**0.03**	**0.08**		**0.07**	**0.04**	**0.06**

* The results exclude one-off gains in relation to the acquisition of Eesti Päevalehe AS in 2011.





Balance sheet– joint ventures under equity method (EUR thousand)	30.06.2015	31.12.2014	Change %
As of the end of the period			
Current assets	11 702	12 303	-5%
Non-current assets	62 436	64 292	-3%
Total assets	**74 138**	**76 595**	**-3%**
incl. cash and bank	*3 298*	*5 275*	*-37%*
incl. goodwill	*38 153*	*38 153*	*0%*
Current liabilities	12 426	11 481	8%
Non-current liabilities	14 704	17 939	-18%
Total liabilities	**27 130**	**29 420**	**-8%**
incl. borrowings	*18 542*	*23 152*	*-20%*
Equity	47 008	47 175	0%

Financial ratios (%) – joint ventures under the equity method	30.06.2015	31.12.2014
Equity ratio (%)	63%	62%
Debt to equity ratio (%)	39%	49%
Debt to capital ratio (%)	24%	27%
Total debt /EBITDA ratio	2.97	2.93
Debt service coverage ratio	1.41	1.77
Liquidity ratio	0.94	1.07

Cyclicality

All operating areas of the Group are characterised by cyclicality and fluctuation, related to the changes in the overall economic conditions and consumer behaviour. The Group's revenue can be adversely affected by an economic slowdown or recession. It can appear in lower advertising costs in retail but also in preferences of other advertising channels for example preference of internet rather than print media. Revenues can also be affected by changes in consumption habits of retail consumers like 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 3rd 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. Subscriptions and retail sales of periodicals do not fluctuate as much as advertising revenue. However the summer period is always more quiet and at the beginning of the school year in September there is an increase in subscriptions and retail sale which usually continues until next summer holiday period.

Formulas used to calculate 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
Return on assets ROA (%)	Net profit /average assets x 100
Return on equity ROE (%)	Net profit /average equity x 100

***** The results exclude one-off gains in relation to the acquisition of Eesti Päevalehe AS in 2011.

CORPORATE STRUCTURE AS OF 30.06.2015

EKSPRESS GROUP

Eesti Ajalehed 100%	The main activity of Eesti Ajalehed is the publication of the biggest Estonian weekly newspapers - Eesti Ekspress and Maaleht, as well as the publication of the daily newspaper Eesti Päevaleht.
SL Õhtuleht 50%	AS SL Õhtuleht publishes daily newspaper Õhtuleht. The company is owned in equal parts by Ekspress Grupp and Suits Meedia.
Ajakirjade Kirjastus 50%	Ajakirjade Kirjastus publishes 34 magazine titles for more than 600,000 readers. The company is owned in equal parts by Ekspress Grupp and Suits Meedia.
Hea Lugu 100%	Hea Lugu is the Group's book publishing company. The company has published fiction, history books, children's books, reference books, handbooks and various series.
Delfi Estonia 100%	In Estonia, Delfi is the largest internet portal whose websites are according to TNS Metrix visited by more than 500,000 people a month.
Delfi Latvia 100%	In Latvia Delfi is the largest news portal whose websites are according to Gemius Audience visited by more than 700,000 people a month.
Delfi Lithuania 100% **Medipresa (Lithuania) 40%**	In Lithuania Delfi is the largest internet portal whose websites are according to Gemius Audience visited by more than 1,100,000 people a month. In addition, Delfi publishes several magazines that are the leading titles in their segments in Lithuania. Delfi has a 40% shareholding in Lithuanian home delivery company Medipresa.
Ekspress Digital 100%	Ekspress Digital is an IT development and management company that supports Group companies in developing and managing their IT solutions.
Express Post 50%	Express Post specialises in early-morning home delivery of periodicals and letters in Estonia. The company is owned in equal parts by Ekspress Grupp and Eesti Meedia.
Printall 100%	The most contemporary printing plant in the Baltic countries. Large part of the Estonian newspapers, magazines and advertising materials are printed in Printall. Most of the production is exported.
Zave Media 100%	Zavetoday.com is the portal of discounted offers of the largest retailers that operates in all three Baltic countries.
Adnet Media 49%	Adnet is an advertising network operating in the Baltic countries that mediates Internet advertising to end-consumers and re-sells international advertising space.

SEGMENT OVERVIEW

From the 3rd quarter of 2014, when the Group's Lithuanian subsidiaries were merged, the Group's activities are divided into **the media segment**, **printing services segment** and **entertainment segment** launched this year. Previously, the entities of the media segment were divided into online media and periodicals segments.

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 deducted from the Group's sales and are included in the combined line of eliminations.

Key financial data of the segments Q2 2011-2015

(EUR thousand)	Sales			Sales		
	Q2 2015	Q2 2014	Change %	Q2 2013	Q2 2012	Q2 2011
media segment (by equity method)	7 984	7 492	7%	6 751	7 040	6 511
incl. revenue from all digital and online channels	*4 102*	*3 730*	*10%*	*3 257*	*2 984*	*2 551*
printing services segment	6 386	7 210	-11%	7 131	7 482	6 998
entertainment segment	392	-	-	-	-	-
corporate functions	488	423	15%	385	279	48
intersegment eliminations	(1 485)	(1 361)	-9%	(1 270)	(1 231)	(720)
TOTAL GROUP by equity method	**13 765**	**13 764**	**0%**	**12 998**	**13 570**	**12 837**
media segment by proportional consolidation	10 507	9 950	6%	9 082	9 443	8 796
incl. revenue from all digital and online channels	*4 385*	*3 963*	*11%*	*3 422*	*3 158*	*2 711*
printing services segment	6 386	7 210	-11%	7 131	7 482	6 998
entertainment segment	392	-	-	-	-	-
corporate functions	488	423	15%	385	279	48
intersegment eliminations	(1 775)	(1 576)		(1 483)	(1 441)	(879)
TOTAL GROUP by proportional consolidation	**15 998**	**16 007**	**0%**	**15 115**	**15 763**	**14 963**

(EUR thousand)	EBITDA			EBITDA		
	Q2 2015	Q2 2014	Change %	Q2 2013	Q2 2012	Q2 2011
media segment by equity method	1 256	1 261	0%	800	956	472
media segment by proportional consolidation	*1 631*	*1 532*	*6%*	*989*	*1 138*	*691*
printing services segment	1 271	1 537	-17%	1 599	1 563	1 551
entertainment segment	(1 129)	-	-	-	-	-
corporate functions	(285)	(134)	-113%	(204)	(175)	(221)
intersegment eliminations	0	0	-	1	1	3
TOTAL GROUP by equity method	**1 113**	**2 664**	**-58%**	**2 196**	**2 345**	**1 806**
TOTAL GROUP by proportional consolidation	**1 488**	**2 935**	**-49%**	**2 384**	**2 525**	**2 025**

EBITDA margin	Q2 2015	Q2 2014	Q2 2013	Q2 2012	Q2 2011
media segment by equity method	16%	17%	12%	14%	7%
media segment by proportional consolidation	*16%*	*15%*	*11%*	*12%*	*8%*
printing services segment	20%	21%	22%	21%	22%
TOTAL GROUP by equity method	**8%**	**19%**	**17%**	**17%**	**14%**
TOTAL GROUP by proportional consolidation	**9%**	**18%**	**16%**	**16%**	**14%**

Key financial data of the segments 1st half year 2011-2015

(EUR thousand)	Sales 1st Half year 2015	Sales 1st Half year 2014	Change %	Sales 1st Half year 2013	Sales 1st Half year 2012	Sales 1st Half year 2011
media segment (by equity method)	14 565	13 906	5%	12 674	12 673	11 739
incl. revenue from all digital and online channels	*7 437*	*6 517*	*14%*	*5 727*	*5 217*	*4 447*
printing services segment	12 704	14 272	-11%	13 749	14 858	13 467
entertainment segment	453	-	-	-	-	-
corporate functions	960	844	14%	740	420	74
intersegment eliminations	(2 823)	(2 524)	-12%	(2 353)	(2 202)	(1 295)
TOTAL GROUP by equity method	**25 858**	**26 498**	**-2%**	**24 811**	**25 748**	**23 986**
media segment by proportional consolidation	19 469	18 588	5%	17 044	16 300	17 320
incl. revenue from all digital and online channels	*7 936*	*6 949*	*14%*	*6 022*	*5 528*	*4 736*
printing services segment	12 704	14 272	-11%	13 749	14 858	13 467
entertainment segment	453	-	-	-	-	-
corporate functions	960	844	14%	740	420	74
intersegment eliminations	(3 408)	(2 931)	(2 752)	(2 608)	(1 596)	(2 752)
TOTAL GROUP by proportional consolidation	**30 178**	**30 773**	**-2%**	**28 925**	**29 982**	**28 109**

(EUR thousand)	EBITDA 1st Half year 2015	EBITDA 1st Half year 2014	Change %	EBITDA 1st Half year 2013	EBITDA 1st Half year 2012	EBITDA 1st Half year 2011
media segment by equity method	1 535	1 599	-4%	1 007	1 148	480
media segment by proportional consolidation	*2 189*	*1 997*	*10%*	*1 283*	*1 397*	*798*
printing services segment	2 432	2 995	-19%	3 013	3 093	3 047
entertainment segment	(1 105)	-	-	-	-	-
corporate functions	(511)	(601)	14%	(410)	(349)	(434)
intersegment eliminations	0	0	-69%	2	1	8
TOTAL GROUP by equity method	**2 351**	**3 993**	**-41%**	**3 612**	**3 893**	**3 101**
TOTAL GROUP by proportional consolidation	**3 005**	**4 389**	**-32%**	**3 888**	**4 140**	**3 420**

EBITDA margin	1st Half year 2015	1st Half year 2014	1st Half year 2013	1st Half year 2012	1st Half year 2011
media segment by equity method	11%	12%	8%	9%	4%
media segment by proportional consolidation	*11%*	*11%*	*8%*	*9%*	*5%*
printing services segment	19%	21%	22%	21%	23%
TOTAL GROUP by equity method	**9%**	**15%**	**15%**	**15%**	**13%**
TOTAL GROUP by proportional consolidation	**10%**	**14%**	**13%**	**14%**	**12%**

MEDIA SEGMENT

The media segment includes Delfi operations in Estonia, Latvia and Lithuania as well as the parent company Delfi Holding. Until March 2014, it also included Delfi operations in Ukraine. The media segment also includes AS Eesti Ajalehed (publisher of Maaleht, Eesti Ekspress and Eesti Päevaleht), book publisher OÜ Hea Lugu as well as magazine publisher UAB Ekspress Leidyba in Lithuania that was merged into Delfi Lithuania on 1 July 2014. On 1 July 2015, AS Delfi and AS Eesti Ajalehed in Estonia were merged into one entity under the name of AS Ekspress Meedia.

This segment also includes 50% joint ventures AS SL Õhtuleht (publisher of Õhtuleht and Linnaleht), magazine publisher AS Ajakirjade Kirjastus and home delivery company AS Express Post.

The EBITDA of Delfi Estonia, Latvia and Lithuania are presented before the trademark royalty fees that were paid to the direct parent company Delfi Holding until April 2015. In May 2015, Delfi group was restructured, as a consequence of which Delfi's local companies are directly owned by AS Ekspress Grupp. In Latvia and Lithuania, the change in ownership is still in progress. The new structure will reflect better the actual management structure which has due to econimical considerations changed over the years.

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		

Classified portals owned by the Group

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

(EUR thousand)	Sales			EBITDA		
	Q2 2015	Q2 2014	Change %	Q2 2015	Q2 2014	Change %
Delfi Estonia	1 647	1 398	18%	367	344	7%
Delfi Latvia	785	648	21%	68	83	-18%
Delfi Lithuania (incl. Ekspress Leidyba)	2 136	2 275	-6%	440	624	-29%
incl. online revenue of Delfi Lithuania	*1 578*	*1 588*	*-1%*			
AS Eesti Ajalehed	3 361	3 076	9%	376	204	84%
OÜ Hea Lugu	124	182	-32%	6	10	-40%
Other companies (Delfi Holding)	-	-	-	(1)	(4)	75%
Intersegment eliminations	(69)	(87)	20%	(0)	0	-
TOTAL subsidiaries	**7 984**	**7 492**	**7%**	**1 256**	**1 261**	**0%**
AS SL Õhtuleht*	1 074	1 015	6%	166	83	100%
AS Ajakirjade Kirjastus*	1 088	1 120	-3%	127	88	45%
AS Express Post*	626	607	3%	82	100	-18%
Intersegment eliminations	(265)	(285)	7%	(0)	0	-129%
TOTAL joint ventures	**2 523**	**2 458**	**3%**	**375**	**271**	**38%**
TOTAL segment by proportional consolidation	**10 507**	**9 950**	**6%**	**1 631**	**1 532**	**6%**

*Proportional share of joint ventures

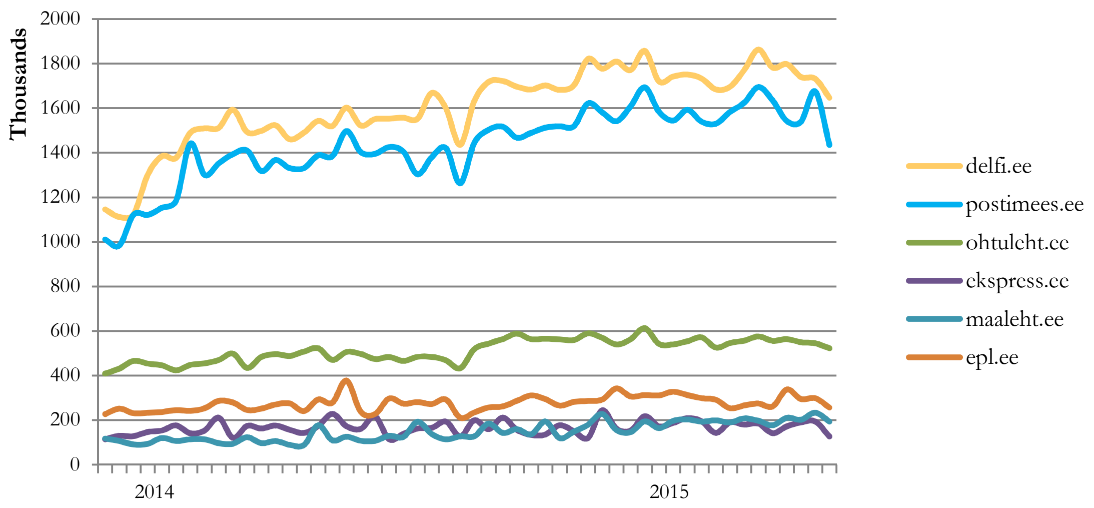
(EUR thousand)	Sales			EBITDA		
	1st Half year 2015	1st Half year 2014	Change %	1st Half year 2015	1st Half year 2014	Change %
Delfi Estonia	3 005	2 471	22%	461	421	10%
Delfi Latvia	1 460	1 141	28%	111	19	484%
Delfi Lithuania (incl. Ekspress Leidyba)	3 875	4 028	-4%	556	798	-30%
incl. online revenue of Delfi Lithuania	*2 787*	*2 743*	*2%*			
Delfi Ukraine	0	2	-100%	0	(51)	100%
AS Eesti Ajalehed	6 113	5 938	3%	400	338	18%
OÜ Hea Lugu	241	491	-51%	11	76	-86%
Other companies (Delfi Holding)	-	-	-	(4)	(4)	0%
Intersegment eliminations	(129)	(165)	22%	(0)	2	-
TOTAL subsidiaries	**14 565**	**13 906**	**5%**	**1 535**	**1 599**	**-4%**
AS SL Õhtuleht*	2 088	1 964	6%	284	114	150%
AS Ajakirjade Kirjastus*	2 106	2 080	1%	200	98	104%
AS Express Post*	1 264	1 192	6%	170	184	-7%
Intersegment eliminations	(554)	(554)	0%	(0)	3	-100%
TOTAL joint ventures	**4 904**	**4 681**	**5%**	**654**	**398**	**64%**
TOTAL segment by proportional consolidation	**19 469**	**18 588**	**5%**	**2 189**	**1 997**	**10%**

*Proportional share of joint ventures

Delfi Estonia

- Growth in the number of live webcasts in Delfi TV.
- Delfi image campaign was launched to increase awareness of Delfi as the fastest news portal and of the option for everyone to participate in news production.
- Several Delfi sub-sites and topical portals were updated and diversified.
- Improvement of the comments section.
- Merger of Delfi and AS Eesti Ajalehed and relocation to a joint office.
- Several media partnership cooperation projects in various events and projects, such as Jazzkaar, new Estonian children's movie "Secret Society of Soup Town", Estonian Cancer Society, etc.

Estonian online readership 2014-2015



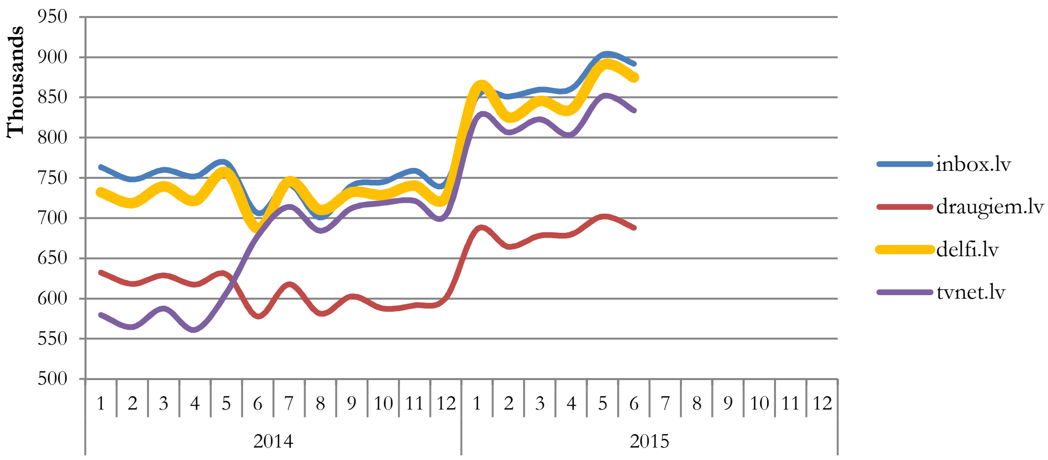
TNSMetrix weekly audience survey

In the 2nd quarter of 2015, Delfi remains the largest online portal in Estonia. There have been no major changes in the competitive landscape of online environments. The number of users who use Delfi with their mobile phones continues to grow. This in turn will increase the total number of internet users and lead to a situation where the share of content consumed via mobile devices will grow. At the end of the quarter, there was a traditional decrease in the number of users related to the summer period. One of the minor changes in the 2nd quarter included the sale of Smartad media agency to Modern Times Group (MTG) that operates under TV3 trademark in Estonia. With this transaction, MTG continues to expand its operations in the online segment similarly to other Baltic States.

Delfi Latvia

- Continuation of fast development of Delfi TV and live webcasts.
- Another record was achieved in May – over 890 thousand unique users per month.
- Launch of the new technology portal www.techlife.lv.
- Focus on production of longer original content continued.
- Cooking portal www.tasty.lv received a new and more modern design.
- Mobile version of the forum of the family and home portal www.Cālis.lv was launched.
- New technology (HTML5) of animated banners in mobile devices was used for the first time.
- Media partner for several concert tours, teams and events.

Latvian online readership 2014-2015



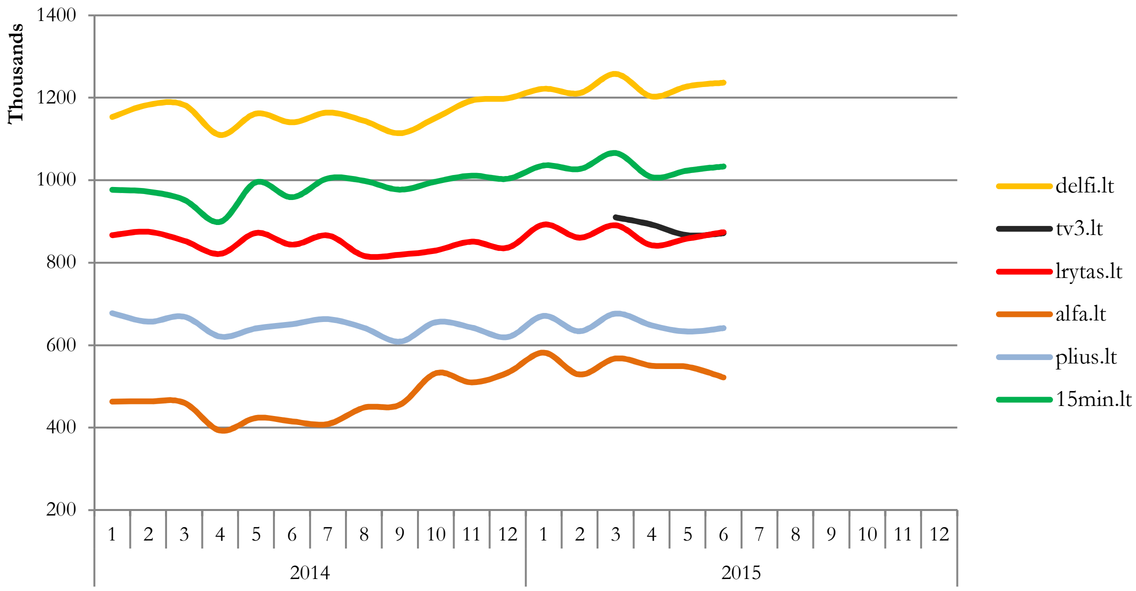
GemiusAudience monthly audience survey

In the 2nd quarter of 2015, the number of readers of the three largest portals has been relatively stable and there have been no major changes. Inbox.lv remains the largest internet environment in Latvia and Delfi.lv is the largest news portal in Latvia. From January 2015, the methodology of Gemius online survey has changed. The user figures for 2015 include the statistics for the age group of 7-74. In prior periods, the statics was presented for the age group of 15-74.

Delfi Lithuania

- New portal www.vyriskai.lt was launched. This portal is dedicated to men and includes such themes like leisure, style, hobbies, other practical info.
- We finalised to build a new video streaming system in cooperation with TEO. This solution will help to maintain about 25-30 thousand video viewers in one time. In 2nd quarter DELFI TV had 239 live broadcasts.
- Delfi sponsored biggest progress conference in Baltics LOGIN, which also had live broadcasting on DELFI TV.
- Successful relaunch of a Panele magazine with a new editorial team.

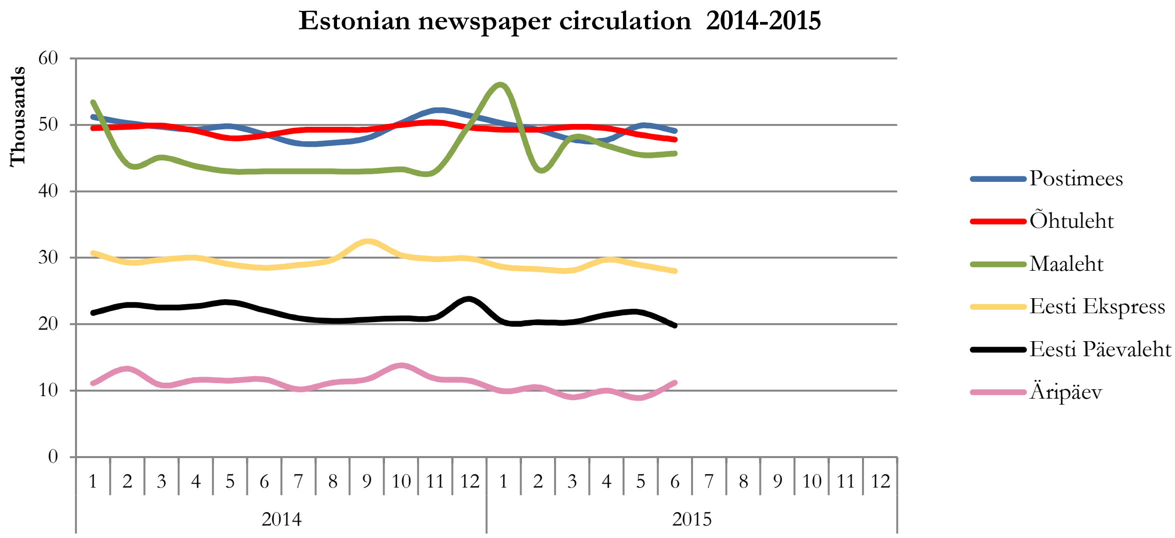
Lithuanian online readership 2014-2015



GemiusAudience monthly audience survey

Delfi.lt remains the largest internet portal in Lithuania. In the 2nd quarter of 2015, no major changes occurred in the preferences of internet users. However, there will be new competitors in the market, as MTG acquired the products of Tipro group combining several portals and combined them under tv3.lt. This resulted in the formation of the third largest internet portal group in Lithuania, with a higher number of users than that of Lrytas.lt.

Print media in Estonia



Estonian Newspaper Association data

Over the long term, the circulation of Estonian newspapers is in a modest downward trend. The circulation of daily newspapers is decreasing more rapidly, and that of weekly newspapers less. As of the 2nd quarter of 2015, some changes have occurred in the market – Õhtuleht has lost its position and became again the newspaper with the second largest circulation in Estonia. Maaleht continues to grow its circulation in a stable manner. In addition to these circulation figures, the Group's newspapers also have subscribers of digital newspapers, the total number of whom is approximately 12 thousand for Eesti Päevaleht and Eesti Ekspress.

Turu-uuringute AS

Similarly to the newspaper circulation, the number of readers of periodicals is relatively stable, but decreases by ca 3-5% per year over the long term. Due to the fact that the readership of digital newspapers is not covered by this survey, these data do not reflect actual readership figures. The number of subscribers of the Group's digital newspapers is approximately 12 thousand for Eesti Päevaleht and Eesti Ekspress. Therefore, the growth in the number of readers of digital newspapers is the main focus for the Group's periodicals. The competitive situation in the readers' market has not significantly changed in 2nd quarter of 2015. Typical of the 2nd quarter, the readership of Õhtuleht has decreased. On the other hand, the readership of Maaleht has increased and it is related to the increase in the circulation of Maaleht. The readership of other newspapers has remained stable.

PRINTING SERVICES SEGMENT

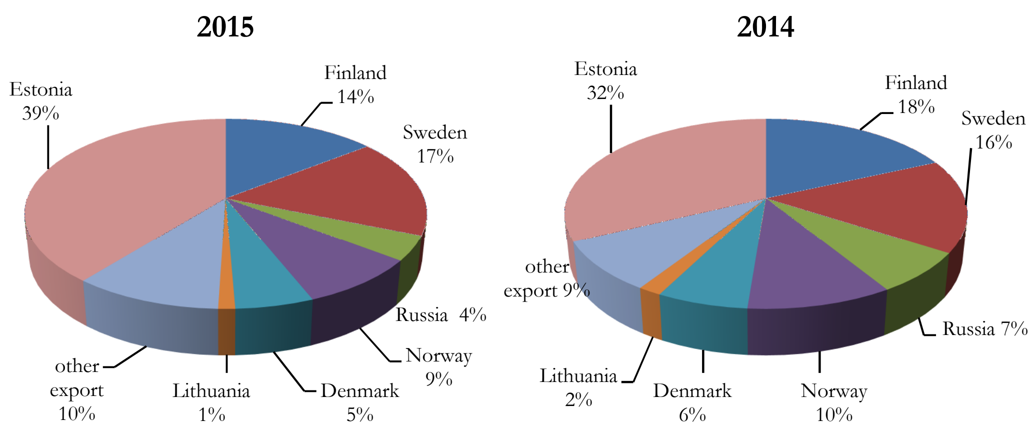
All printing services of the Group are provided by AS Printall which is one of the largest printing companies in Estonia. Printall is able to print both newspapers (coldset) and magazines (heatset).

(EUR thousand)	Sales			EBITDA		
	Q2 2015	Q2 2014	Change %	Q2 2015	Q2 2014	Change %
AS Printall	6 386	7 210	-11%	1 271	1 537	-17%

(EUR thousand)	Sales			EBITDA		
	1st Half year 2015	1st Half year 2014	Change %	1st Half year 2015	1st Half year 2014	Change %
AS Printall	12 704	14 272	-11%	2 432	2 995	-19%

Sanctions against Russia and the related decrease in orders and price pressure in Scandinavia caused sales revenue and EBITDA to fall in the first half of the year as compared to the year earlier. Due to changes in the political landscape there have been changes in the structure of export markets where the share of Russia continues to decrease. The increase of the share of Estonia is primarily attributable to the new sheet-fed printing machine installed at the beginning of 2015, used for printing magazine covers, small-circulation magazines and advertising products.

Geographical break-down of printing services



Printing services and the environment

In addition to its very strong financial position, Printall also focuses on environmentally conscious production. Printall has been 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 30.06.2015, 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. The share capital and the total number of shares have remained unchanged since 31.12.2011.

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 30.06.2015 according to the Estonian Central Register of Securities

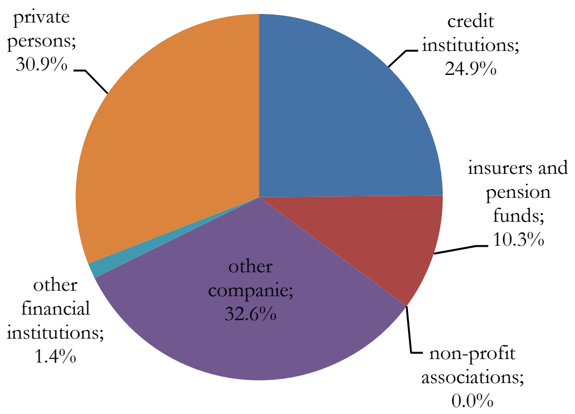
Name	Number of shares	%
Hans Luik	16 597 532	55.70%
Hans Luik	*7 963 307*	*26.73%*
Hans Luik, OÜ HHL Rühm	*8 627 325*	*28.95%*
Hans Luik, OÜ Minigert	*6 900*	*0.02%*
ING Luxembourg S.A.	4 002 052	13.43%
Skandinaviska Enskilda Banken Ab Clients	2 085 227	7.00%
LHV Bank and funds managed by LHV Varahaldus	2 179 441	7.31%
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	4 768 154	16.00%
Treasury shares	125 071	0.42%
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.

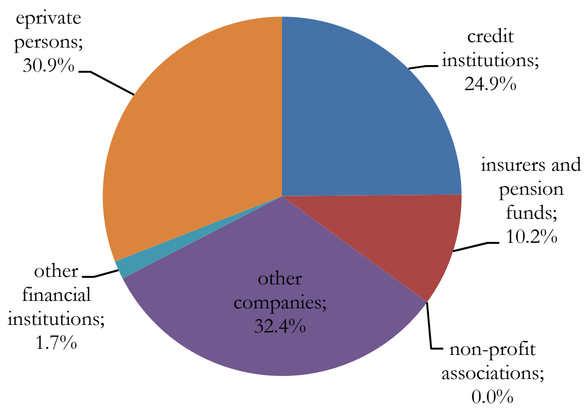
Distribution of shareholders by category according to the Estonian Central Register of Securities

Category	30.06.2015		31.12.2014	
	Number of shareholders	Number of shares	Number of shareholders	Number of shares
Private persons	2 921	9 208 082	2 981	9 209 326
Other companies	248	9 707 894	262	9 656 142
Other financial institutions	60	409 858	61	492 505
Credit institutions	12	7 407 298	12	7 405 159
Insurance and retirement funds	11	3 063 290	11	3 033 290
Non-profit organisations	2	419	2	419
TOTAL	**3 254**	**29 796 841**	**3 329**	**29 796 841**

30.06.2015



31.12.2014



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 covenants laid down in the syndicated loan contract and potential investment needs.

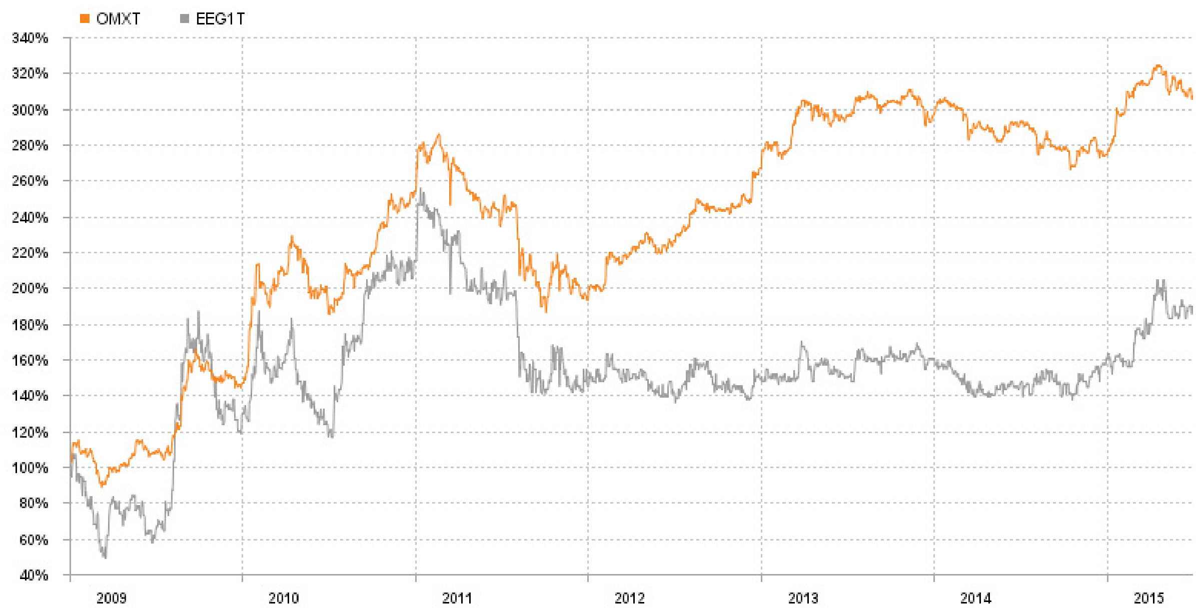
Date of the General Meeting	24.05.2013	20.06.2014	27.05.2015
Period for which dividends are paid	2012	2013	2014
Dividend payment per share EUR	1 cent	1 cent	4 cents
Total payment of dividends EUR thousand	298	298	1 187
Date of fixing the list of dividend recipients	07.06.2013	09.07.2014	10.06.2015
Date of dividend payment	01.10.2013	02.10.2014	02.10.2015

The table below shows the stock trading history 2011-2015

Price (EUR)	1st Half year 2015	1st Half year 2014	1st Half year 2013	1st Half year 2012	1st Half year 2011
Opening price	1.15	1.12	1.06	1.03	1.53
Closing price	1.32	1.04	1.07	1.01	1.36
High	1.47	1.13	1.22	1.18	1.84
Low	1.07	0.79	1.03	0.99	1.34
Average	1.27	1.02	1.10	1.05	1.66
Traded shares, pieces	444 893	820 064	768 733	656 731	1 687 621
Sales, in millions EUR	0.57	0.84	0.85	0.69	2.80
Capitalisation at balance sheet date, in millions EUR	39.33	30.99	31.88	30.09	40.37

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 June 2015.

The share price comparison (%) with OMX Tallinn Stock Exchange index from 1 January 2009 until 30 June 2015.



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 2014, Indrek Kasela and Jaak Ennuste AS were elected as new members. The terms of authority of other members were extended by five years until 2019.

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
- Member of the Supervisory Board of KJK Fund Sicav-SIF
- Member of the Supervisory Board of KJK Fund II Sicav-SIF
- Graduated from Espoo School of Economics in 1983

Indrek Kasela (appointed until 20.05.2019) - independent supervisory board member
- Member of the Supervisory Board since 2014
- Partner in private equity fund Amber Trust
- Chairman of the Management Board of AS PRFoods
- Member of the Supervisory Board of AS Toode, ELKE Grupi AS, EPhaG AS, Salva Kindlustuse AS.
- 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 until 20.05.2019) - independent supervisory board member
- Member of the Supervisory Board since 2014
- Member of the Supervisory Board and partner of e-marketing agency ADM Interactive
- Member of the Supervisory Board 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.

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.

Gunnar Kobin (term of contract 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 (term of contract until 16.12.2017)

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

Pirje Raidma (term of contract until 16.12.2017)

- 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)	30.06.2015	31.12.2014
ASSETS		
Current assets		
Cash and cash equivalents	3 274	3 656
Term deposits	24	19
Trade and other receivables	6 287	6 519
Corporate income tax prepayment	76	37
Inventories	2 041	2 072
Total current assets	**11 702**	**12 303**
Non-current assets		
Term deposit	0	1 600
Trade and other receivables	1 101	1 170
Deferred tax asset	65	65
Investments in joint ventures	641	500
Investments in associates	185	164
Property, plant and equipment (Note 5)	14 466	14 506
Intangible assets (Note 5)	45 978	46 287
Total non-current assets	**62 436**	**64 292**
TOTAL ASSETS	**74 138**	**76 595**
LIABILITIES		
Current liabilities		
Borrowings (Note 7)	3 838	5 213
Trade and other payables	8 518	6 249
Corporate income tax payable	70	19
Total current liabilities	**12 426**	**11 481**
Non-current liabilities		
Long-term borrowings (Note 7)	14 704	17 939
Total non-current liabilities	**14 704**	**17 939**
TOTAL LIABILITIES	**27 130**	**29 420**
EQUITY		
Share capital (Note 11)	17 878	17 878
Share premium	14 277	14 277
Treasury shares (Note 11)	(145)	(64)
Reserves (Note 11)	1 760	1 440
Retained earnings	13 238	13 644
TOTAL EQUITY	**47 008**	**47 175**
TOTAL LIABILITIES AND EQUITY	**74 138**	**76 595**

The Notes presented on pages 33-48 form an integral part of the consolidated interim report.

Consolidated statement of comprehensive income (unaudited)

(EUR thousand)	Q2 2015	Q2 2014	1st Half year 2015	1st Half year 2014
Sales revenue	13 765	13 764	25 858	26 498
Cost of sales	(11 550)	(10 139)	(21 345)	(20 361)
Gross profit	**2 215**	**3 625**	**4 513**	**6 137**
Other income	138	106	246	221
Marketing expenses	(579)	(526)	(1 132)	(966)
Administrative expenses	(1 314)	(1 242)	(2 603)	(2 778)
Other expenses	(31)	(27)	(52)	(85)
Operating profit	**429**	**1 936**	**972**	**2 529**
Interest income	11	2	22	3
Interest expense	(130)	(181)	(285)	(357)
Foreign exchange gains/(losses)	(4)	(1)	(4)	35
Other finance costs	(15)	(15)	(30)	(30)
Total finance income/costs	**(138)**	**(195)**	**(297)**	**(349)**
Profit on shares of joint ventures	225	190	419	288
Profit (loss) on shares of associates	24	3	9	(9)
Profit before income tax	**540**	**1 934**	**1 103**	**2 459**
Income tax expense	(59)	(76)	(66)	(98)
Net profit for the reporting period	**481**	**1 858**	**1 037**	**2 361**
Net profit for the reporting period attributable to:				
Equity holders of the parent company	481	1 858	1 037	2 361
Other comprehensive income (expense) that may be subsequently reclassified to profit or loss				
Currency translation differences	0	2	0	(34)
Total other comprehensive income (expense)	**0**	**2**	**0**	**(34)**
Comprehensive income (expense) for the reporting period	**481**	**1 860**	**1 037**	**2 327**
Attributable to equity holders of the parent company	481	1 860	1 037	2 327
Basic and diluted earnings per share (Note 9)	0.02	0.06	0.03	0.08

The Notes presented on pages 33-48 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 31.12.2013	**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	68	0	0	**68**
Dividends paid	*0*	*0*	0	0	0	(298)	**(298)**
Purchase of treasury shares	*0*	*0*	(28)	0	0	0	**(28)**
Total transactions with owners	*0*	*0*	*(28)*	*122*	*0*	*(352)*	***(258)***
Net profit for the reporting period	0	0	0	0	0	2 361	**2 361**
Other comprehensive income	0	0	0	0	(34)	0	**(34)**
Total comprehensive income for the period	*0*	*0*	*0*	*0*	*(34)*	*2 361*	***2 327***
Balance on 30.06.2014	**17 878**	**14 277**	**(28)**	**1 372**	**38**	**10 857**	**44 394**
Balance on 31.12.2014	**17 878**	**14 277**	**(64)**	**1 440**	**0**	**13 644**	**47 175**
Increase of statutory reserve capital	0	0	0	256	0	(256)	**0**
Purchase of treasury shares	0	0	(81)	0	0	0	(81)
Share option	0	0	0	64	0	0	64
Dividends payable	*0*	*0*	0	0	0	(1 187)	**(1 187)**
Total transactions with owners	*0*	*0*	*(81)*	*320*	*0*	*(1 443)*	*(1 204)*
Net profit for the reporting period	0	0	0	0	0	1 037	1 037
Total comprehensive income for the reporting period	*0*	*0*	*0*	*0*	*0*	*1 037*	*1 037*
Balance on 30.06.2015	**17 878**	**14 277**	**(145)**	**1 760**	**0**	**13 238**	**47 008**

The Notes presented on pages 33-48 form an integral part of the consolidated interim report.

Consolidated cash flow statement (unaudited)

(EUR thousand)	1st Half year 2015	1st Half year 2014
Cash flows from operating activities		
Operating profit for the reporting year	972	2 529
Adjustments for:		
Depreciation, amortisation and impairment (Note 5)	1 379	1 464
(Gain)/loss on sale and write-down of property, plant and equipment	(3)	(3)
Change in value of share option (Note 10)	64	68
Cash flows from operating activities:		
Trade and other receivables	170	(1 909)
Inventories	31	145
Trade and other payables	521	(2 298)
Cash generated from operations	**3 134**	**(4)**
Income tax paid	(66)	(138)
Interest paid	(285)	(357)
Net cash generated from operating activities	**2 783**	**(499)**
Cash flows from investing activities		
Term deposit (placement)/release	1 600	0
Interest received	33	3
Purchase of property, plant and equipment (Note 5)	(457)	(881)
Proceeds from sale of property, plant and equipment	16	5
Loans granted	0	(22)
Loan repayments received	73	2
Net cash used in investing activities	**1 254**	**(893)**
Cash flows from financing activities		
Dividend received from joint ventures	278	203
Finance lease repayments	(40)	(34)
Change in use of overdraft	(1 117)	2 606
Repayments of bank loans (Note 7)	(3 458)	(1 831)
Purchase of treasury shares (Note 11)	(81)	(28)
Net cash used in financing activities	**(4 419)**	**917**
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(382)**	**(475)**
Cash and cash equivalents at the beginning of the year	3 656	2 111
Cash and cash equivalents at the end of the year	3 274	1 636

The Notes presented on pages 33-48 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 subsidiaries include online media, publishing of newspapers, magazines and books, and provision of printing services.

AS Ekspress Grupp (registration number 10004677, address: Narva mnt.11E, 10151 Tallinn) is a holding company registered and operating 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 July 2015.

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 30.06.2015	Ownership interest 31.12.2014	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 (including 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%	Online media (merged with Delfi Latvia in May 2015)	Latvia
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 (currently dormant)	Lithuania
Delfi AS	Subsidiary	100%	100%	Online media	Estonia
Zave Media OÜ	Subsidiary	100%	-	Development and marketing company for Zave product (launched in June 2015)	Estonia
AS Eesti Ajalehed	Subsidiary	100%	100%	Publishing of daily and weekly newspapers	Estonia
OÜ Hea Lugu	Subsidiary	100%	100%	Book publishing	Estonia
AS Ajakirjade Kirjastus	Joint venture	50%	50%	Magazine publishing	Estonia
AS SL Õhtuleht	Joint venture	50%	50%	Newspaper publishing	Estonia
AS Express Post	Joint venture	50%	50%	Periodicals' home delivery	Estonia
Adnet Media UAB	Associate	49%	49%	Online advertising solutions and network	Lithuania
Adnet Media OÜ	Associate	49%	49%	Online advertising solutions and network	Estonia
Adnet Media SIA	Associate	49%	49%	Online advertising solutions and network	Latvia
Operating segment: printing services					
AS Printall	Subsidiary	100%	100%	Printing services	Estonia
Operating segment: entertainment					
Delfi Entertainment SIA	Subsidiary	100%	100%	Arrangement of exhibitions (established in Oct 2014)	Latvia

Note 2. Bases of preparation

The consolidated interim financial statements of AS Ekspress Grupp for the first half of 2015 ended on 30.06.2015 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 December 2014.

The Management Board estimates that the interim consolidated financial statements for the first half of 2015 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.

Starting from 1 January 2015, several new standards, amendments to standards and interpretations were entered into force which became mandatory for the Group but none of which have an impact on the Group's interim financial statements.

On 1 January 2015, the Republic of Lithuania joined the euro zone and adopted the euro as the national currency, which replaced the Lithuanian litas. As the Lithuanian litas was already previously pegged to the euro at the transition rate LTL 3.4528/EUR 1, no any translation differences occurred subsequently.

Note 3. 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	30.06.2015	31.12.2014
SEB	A1	A+	2 792	4 835
Swedbank	A1	A+	272	289
Nordea/Danske	Aa3/A2	AA-/A	220	141
Total			**3 284**	**5 265**

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 and credit limits. 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. All subsidiaries outsource reminder services in order to collect overdue receivables more effectively.

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. 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 make prepayment or provide a guarantee letter.

The Group is not aware of any substantial risks related to the concentration of its clients and partners. The management estimates that there is no substantial credit risk in the loans of related parties, which amount are not material.

Liquidity risk

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

The objective of the Group is to maintain a balance between the financial need and financial possibilities of the Group. Cash flow planning is used as a means to manage the liquidity risk. To manage liquidity risk as effectively as possible, the bank accounts of the Parent Company and its subsidiaries comprise one group account (cash pool) which enables the members of the group account to use the finances of the Group within the limit established by the Parent Company. The group account operates in Estonia, but foreign subsidiaries in Latvia and Lithuania are also part thereof. According to the policy of the Group, all subsidiaries and joint ventures prepare long term cash flow projections for the following year, which are adjusted on a quarterly basis. For monitoring short-term cash flows the subsidiaries prepare eight week cash flow projections on a weekly basis.

To manage 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's overdraft loan is long-term and related to the term of the syndicated loan contract. This essentially works as a long-term line of credit, the use of which the Group can regulate at its own discretion. The Group has quite high leverage, thus 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 received by the Group are all tied to Euribor.

The Group's interest rate risk is related to short-term and long-term borrowings which carry a floating interest rate. The interest rate risk is mainly related to the fluctuation of Euribor and the resulting change in average interest rates of banks. Interest rate change by 1 percentage point would change the Group's loan interest expense by ca 200 thousand euros per year.

Type of interest	Interest rate	30.06.2015 (EUR thousand)	<= 1 year	>1 year and <=5 years	Carrying amount
Floating interest	1-month Euribor + 2.5%	Syndicated loan (*Parent Company*)	2 830	9 197	12 027
	1-month Euribor + 2.5%	Syndicated loan *(Printall)*	669	4 469	5 138
	3-month Euribor + 2.7%	Syndicated loan Tranche D*(Printall)*	257	1 006	1 263
	1-month Euribor + 2.3%	Finance lease *(Printall, Delfi)*	81	32	113
	1-month Euribor + 1.9%	Overdraft	0	0	0

Type of interest	Interest rate	31.12.2014 (EUR thousand)	<= 1 year	>1 year and <=5 years	Carrying amount
Floating interest	1-month Euribor + 2.5%	Syndicated loan (*Parent Company*)	3 139	11 931	15 070
	1-month Euribor + 2.5%	Syndicated loan *(Printall)*	665	4 805	5 470
	3-month Euribor + 2.7%	Syndicated loan Tranche D*(Printall)*	212	1 135	1 347
	1-month Euribor + 2.3%	Finance lease *(Printall, Delfi)*	80	69	149
	1-month Euribor + 1.9%	Overdraft	1 117	0	1 117

Foreign exchange risk

The Group's operating activities have an international dimension and therefore, the Group is in some extent exposed to foreign exchange risk. Foreign exchange risk arises when future business transactions or recognised assets or liabilities are fixed in a currency which is not the functional currency of the Group. Group companies are required to manage their foreign exchange risk with regard to the functional currency. The Group's income is primarily fixed in local currencies, i.e. the euros in Estonia, Latvia and Lithuania (litas in Lithuania until 31.12.2014). 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 outside of euro-zone and it also issues invoices denominated in Norwegian kroner and Swedish kronor. In addition, the Russian clients pay in Russian roubles, although the invoices issued have been denominated in euros and hence carry no 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 has decreased year after year and is now on the level of 3-4% on average of the Group's revenue. No other means are used for hedging foreign exchange risk.

Due to the adoption of the euro by the Republic of Lithuania on 1 January 2015, as of 30.06.2015 the Group has foreign currency risk only related to the Swedish krona in the amount of EUR 414 thousand and related to other currencies (GBP, NOK, RUB, USD) in total amount of EUR 64 thousand.

Financial assets and financial liabilities by currencies as of 31.12.2014

(EUR thousand)	EUR	LTL	SEK	Other currencies	TOTAL
Assets					
Cash and cash equivalents	2 923	751	0	1	**3 675**
Receivables	5 820	1 564	154	16	**7 554**
Term deposit	1 600	0	0	0	**1 600**
Total financial assets	**10 343**	**2 315**	**154**	**17**	**12 829**
Liabilities					
Borrowings	23 152	0	0	0	**23 152**
Trade payables and accrued expenses	3 519	470	2	3	**3 995**
Total financial liabilities	**26 671**	**470**	**2**	**3**	**27 146**
Net foreign currency position	**(16 329)**	**1 845**	**152**	**14**	

Price risk

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 different limits are used to minimise possible losses. The four-eye principle in use, under which the confirmation of at least two employees independent of each other or that of a unit is necessary for the performance of a transaction or a procedure, reduces the possible occurrence of human errors and mistakes. The four-eye principle is also applied during negotiations related to purchase and sales as well as other transactions. Drafts of important agreements prepared by law offices are reviewed by the management; in-house lawyers are also involved in the work process. The management considers the legal protection of the Group to be good.

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 common industry practice, the Group uses the debt to capital ratio to monitor its 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 the syndicated loan contract) is also monitored. During the year, the equity ratio of the Group has been in compliance with conditions set in the syndicate loan contract.

Equity ratios of the Group

(EUR thousand)	30.06.2015	31.12.2014
Interest-bearing debt	18 542	23 152
Cash and bank accounts	3 298	5 275
Net debt	15 244	17 877
Equity	47 008	47 175
Total capital	62 252	65 052
Debt to capital ratio	**24%**	**27%**
Total assets	74 138	76 595
Equity ratio	**63%**	**62%**

Note 4. Business combinations

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

On 6 June 2014 pursuant to the decision of the Court of Arbitration AS Ekspress Grupp obtained from the other shareholder 50% ownership in the joint ventures AS Ajakirjade Kirjastus and AS SL Õhtuleht. The price of the transaction based on court decision amounted total of EUR 3.3 million. The acquired 50% ownership in joint ventures was resold to new investor AS Suits Meedia in accordance with the consent received by the Estonian Competition Board.

In July 2014, 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 were owned through new holding companies OÜ Ajaleht Holding and OÜ Ajakirjad Holding, respectively. Both AS Ekspress Grupp and OÜ Suits Meedia each owned 50% of the aforementioned holding companies. Holding companies were set up by monetary contributions to 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. Goodwill is also 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 income was recognised in the consolidated income statement in the amount of EUR 955 thousand in Q3 2014and EUR 978 thousand in Q4 2014 that is attributable to the terminating of common joint ventures with AS Eesti Meedia and change in shareholdings. In November 2014, OÜ Ajaleht Holding was merged with AS SL Õhtuleht and OÜ Ajakirjad Holding was merged with AS Ajakirjade Kirjastus.

(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	379	379	528	528
Trademark, customer relations and other intangible assets	759	0	385	23
Total identifiable assets	**1 139**	**379**	**915**	**551**
Goodwill	**809**		**469**	
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. 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. The investment in the associate is recognised in the Group's consolidated report under the equity method and the arising goodwill is included within the carrying amount of the investment in the balance sheet.

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 Adnet media UAB as of 30 September 2014.

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

Note 5. Property, plant and equipment

(EUR thousand)	Property, plant and equipment		Intangible assets	
	1st Half year 2015	1st Half year 2014	1st Half year 2015	1st Half year 2014
Balance at beginning of the period				
Cost	31 832	29 271	63 889	63 626
Accumulated depreciation and amortisation	(17 326)	(15 676)	(17 602)	(15 264)
Carrying amount	**14 506**	**13 595**	**46 287**	**48 362**
Acquisitions and improvements	906	777	138	113
Disposals (at carrying amount)	(9)	(1)	0	0
Write-offs and write-downs of PPE	(4)	0	(1)	(3)
Depreciation and amortisation	(933)	(980)	(446)	(484)
Balance at end of the period				
Cost	32 761	29 936	**64 035**	**63 716**
Accumulated depreciation and amortisation	(18 295)	(16 545)	**(18 058)**	**(15 728)**
Carrying amount	**14 466**	**13 391**	**45 978**	**47 988**

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). As at the end of the year 80% of the total amount has been paid for. Approximately 2/3 of the cost is financed through a bank loan, the remainder is own financing.

Note 6. Intangible assets

Intangible assets by type

(in thousand)	EUR	
	30.06.2015	31.12.2014
Goodwill	38 153	38 153
Trademarks	7 169	7 469
Other intangible assets	656	665
Total intangible assets	**45 978**	**46 287**

Goodwill by cash-generating units and segments

(in thousand)	EUR	
	30.06.2015	31.12.2014
Delfi Estonia	15 281	15 281
Delfi Latvia (incl. Calis.lv)	8 207	8 207
Delfi Lithuania (incl. Alio)	12 848	12 848
Maaleht (Eesti Ajalehed)	1 816	1 816
Total goodwill	**38 153**	**38 153**

Note 7. Bank loans and borrowings

(EUR thousand)	Total amount	Repayment term	
		Up to 1 year	Between 1-5 years
Balance as of 30.06.2015			
Long-term bank loans	**18 429**	3 757	14 672
incl. syndicated loan (AS Ekspress Grupp)	**12 027**	2 830	9 197
incl. syndicated and mortgage loan (AS Printall)	**6 401**	926	5 475
Finance lease	**113**	81	32
Total	**18 542**	**3 838**	**14 704**
Balance as of 31.12.2014			
Overdraft	**1 117**	1 117	0
Long-term bank loans	**21 887**	4 016	17 870
incl. syndicated loan (AS Ekspress Grupp)	**15 070**	3 139	11 931
incl. syndicated and mortgage loan (AS Printall)	**6 817**	877	5 940
Finance lease	**149**	80	69
Total	**23 153**	**5 213**	**17 939**

The effective interest rates are very close to the nominal interest rates. The fair value of the loan liabilities is close to its book value as the interest rate is floating and related to Euribor and the margin has been negotiated based on market terms. The loan liabilities are within level 3 of the fair value hierarchy.

Long term bank loan

In July 2012, a syndicated loan contract was signed for refinancing all the loan and lease obligations of AS Ekspress Grupp and AS Printall in the total amount of EUR 29.3 million. The parties to the contract are AS SEB Pank, Nordea Bank Estonian branch, AS Ekspress Grupp and AS Printall. The loan will mature on 25 July 2017. In July 2014 additional Term D facility agreement was signed in amount of EUR 2.3 million euros in order to finance the purchase of the new sheet-fed machine. Previous facilities carried the interest based on 1-month Euribor plus a margin of 2.5%. Term D facility carries interest based on 3-month Euribor plus a margin of 2.7%. Upon the expiration of the loan contract, the total loan balance will be approximately EUR 11 million.

In March 2015, the Group repaid a syndicated loan in the amount of EUR 1.6 million before its due date, that became available from the deposit that had been set up to guarantee the loans of joint ventures.

The syndicated loan is 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 included within the net assets of the Group. In addition, the mortgage has been set on the registered immovable and production facilities of AS Printall in the amount of EUR 9 million. As of 30.06.2015, the carrying amount of the building was EUR 3.5 million and that of the registered immovable was 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. At the end of each quarter in 2015, all financial ratios have been in compliance with the covenants set in the loan contract.

Overdraft facilities

Date of contract	Bank	Limit (EUR thousand)	Used 30.06.2015 (EUR thousand)	Used 31.12.2014 (EUR thousand)	Interest rate	Expiration date of the contract
12.07.2012	Nordea Bank AB Estonia Branch	1 320	0	1 117	1 month Euribor + 1.9%	25.07.2017
12.07.2012	AS SEB Pank	1 680	0	0	1 month Euribor + 1.9%	25.07.2017
Total		**3 000**	**0**	**1 117**		

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 companies into two different segments: online media and publishing of periodicals. However, due to the merger of Lithuanian companies UAB Delfi that had previously been included in the online media segment and magazine publisher UAB Ekspress Leidyba which belonged to periodicals segment in July 2014 and because AS Eesti Ajalehed and AS Delfi will merge in Estonia in 2015 in a similar way, all media companies are allocated under one media segment.

Starting from the current year, the Group has launched a separate entertainment business by SIA Delfi Entertainment organizing an exhibition in Riga on M/S Titanic that sank on her maiden voyage. Revenues and expenses from this activity are recognised separately under the entertainment 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 Ukraine were discontinued as the Group did not see a positive outlook for the future development in Ukraine.

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.

Entertainment segment: organisation of exhibitions and other events. At present this new segment includes only Latvian company SIA Delfi Entertainment. Income and expenses related to the entertainment segment but recognised at the parent company for which no separate subsidiary has not been established yet, are also allocated to this segment. The segment revenue comes from exhibition's tickets sales and from sale of other services related to the exhibition.

The loss of SIA Delfi Entertainment related to the arrangement of M/S Titanic exhibition in Riga will be approximately EUR 700 thousand. We have waived the arrangement rights in Vilnius, and wrote off the fees paid and other related expenses in the amount of ca EUR 400 thousand.

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, which provides legal advice and accounting services to its group companies, a 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 basis and they do not differ significantly from the conditions of the transactions concluded with third parties.

Q2 2015 (EUR thousand)	Media	Printing services	Enter-tainment	Corporate functions	Elimi-nations	Total Group
Sales to external customers (subsidiaries)	**7 981**	**5 855**	**392**	**9**	**(471)**	**13 765**
Effect of joint ventures	2 523	(246)	0	(3)	(41)	2 233
Inter-segment sales	3	777	0	482	(1 262)	0
Total segment sales, incl. joint ventures	10 507	6 386	392	488	(1 774)	15 998
EBITDA (subsidiaries)	**1 256**	**1 271**	**(1 129)**	**(285)**	**0**	**1 113**
EBITDA margin (subsidiaries)	16%	20%	-288%			8%
EBITDA incl. joint ventures	***1 631***	***1 271***	***(1 129)***	***(285)***	***0***	***1 488***
EBITDA margin incl. joint ventures	*16%*	*20%*	*-288%*			*9%*
Depreciation (subsidiaries) (Note 5)						684
Operating profit (subsidiaries)						429
Investments (subsidiaries) (Note 5)						822

1st Half year 2015 (EUR thousand)	Meedia	Printing services	Enter-tainment	Corporate functions	Elimi-nations	Total Group
Sales to external customers (subsidiaries)	**14 557**	**11 636**	**453**	**36**	**(824)**	**25 858**
Effect of joint ventures	4 904	(503)	0	(4)	(77)	4 320
Inter-segment sales	9	1 571	0	928	(2 508)	0
Total segment sales, incl. joint ventures	19 469	12 704	453	960	(3 408)	30 178
EBITDA (subsidiaries)	**1 535**	**2 432**	**(1 105)**	**(511)**	**0**	**2 351**
EBITDA margin (subsidiaries)	11%	19%	-244%			9%
EBITDA incl. joint ventures	***2 189***	***2 432***	***(1 105)***	***(511)***	***0***	***3 005***
EBITDA margin incl. joint ventures	*11%*	*19%*	*-244%*			*10%*
Depreciation (subsidiaries) (Note 5)						1 379
Operating profit (subsidiaries)						972
Investments (subsidiaries) (Note 5)						1 044

Q2 2014 (EUR thousand)	Media	Printing services	Enter-tainment	Corporate functions	Elimi-nations
Sales to external customers (subsidiaries)	**7 490**	**6 688**	**4**	**(419)**	**13 764**
Effect of joint ventures	2 458	(177)	(1)	(36)	2 243
Inter-segment sales	2	699	418	(1 119)	0
Total segment sales, incl. joint ventures	9 950	7 210	421	(1 574)	16 007
EBITDA (subsidiaries)	**1 261**	**1 537**	**(134)**	**0**	**2 664**
EBITDA margin (subsidiaries)	17%	21%			19%
EBITDA incl. joint ventures	***1 532***	***1 537***	***(134)***	***0***	***2 935***
EBITDA margin incl. joint ventures	*15%*	*21%*			*18%*
Depreciation (subsidiaries) (Note 5)					729
Operating profit (subsidiaries)					1 936
Investments (subsidiaries) (Note 5)					705

1st Half year 2014 (EUR thousand)	Media	Printing services	Corporate functions	Elimi-nations	Total Group
Sales to external customers (subsidiaries)	**13 881**	**13 278**	**8**	**(670)**	**26 498**
Effect of joint ventures	4 681	(342)	(2)	(62)	4 275
Inter-segment sales	25	1 336	838	(2 199)	0
Total segment sales, incl. joint ventures	18 588	14 272	844	(2 930)	30 773
EBITDA (subsidiaries)	**1 599**	**2 995**	**(601)**	**0**	**3 993**
EBITDA margin (subsidiaries)	11%	21%			15%
EBITDA incl. joint ventures	***1 997***	***2 995***	***(601)***	***(2)***	***4 389***
EBITDA margin incl. joint ventures	*11%*	*21%*			*14%*
Depreciation (subsidiaries) (Note 5)					1 464
Operating profit (subsidiaries)					2 529
Investments (subsidiaries) (Note 5)					890

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. Treasury shares owned by the Parent Company are not taken into account as shares outstanding.

EUR	Q2 2015	Q2 2014	1st Half year 2015	1st Half year 2014
Profit attributable to equity holders	480 898	1 857 961	1 037 363	2 360 792
Average number of ordinary shares	29 684 528	29 781 906	29 704 421	29 789 332
Basic and diluted earnings per share	0.02	0.06	0.03	0.08

As of 30.06.2015 and 30.06.2014, the Group had no instruments diluting earnings per share, diluted net profit per share was equal to regular net profit 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 30.06.2015, this reserve totalled EUR 584 thousand and the number of earned shares was 516 400. As of 31.12.2014, this reserve totalled EUR 520 thousand and the number of earned shares was 460 000. 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 in November 2013), 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 June 2015 and 31 December 2014, the share capital of AS Ekspress Grupp was EUR 17 878 105 and it consisted 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 purchased back shares on behalf of the company within the framework of the share option programme. As of 30.06.2015, AS Ekspress Grupp had purchased ca 125 thousand treasury shares at the average price of EUR 1.16 for the total of EUR 145 thousand. As of 31.12.2014, AS Ekspress Grupp had purchased ca 62 thousand treasury shares at the average price of EUR 1.03 for the total of EUR 64 thousand.

Dividends

At the Ordinary General Meeting of Shareholders held on 27 May 2015, it was decided to pay dividends to shareholders in the amount of four euro cents per share in the total amount of EUR 1 187 thousand. Dividends will be paid out on 2 October 2015. There will be no accompanying income tax liability because the Company will pay out dividends it has received from its joint ventures and subsidiaries that have already paid corporate income tax on dividends or the profit which has already been taxed in its domicile. Therefore, there will be 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, a general-purpose equity contribution by a founding shareholder and a share option reserve issued to the management (see Note 10).

(EUR thousand)	EUR	
	30.06.2015	31.12.2014
Statutory reserve capital	537	281
Additional cash contribution from shareholder	639	639
Share option reserve	584	520
Total reserves	**1 760**	**1 440**

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, 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)	1st Half year 2015	1st Half year 2014
Sales of goods		
Associates	243	361
Total sale of goods	**243**	**361**
Sale of services		
Members of Supervisory Board and companies related to them	4	3
Joint ventures	1 050	706
Total sale of services	**1 054**	**709**
Total sales	**1 297**	**1 070**

PURCHASES (EUR thousand)	1st Half year 2015	1st Half year 2014
Purchase of services		
Members of Management Board and companies related to them	20	25
Members of Supervisory Board and companies related to them	130	122
Associates	1	0
Joint ventures	428	488
Total purchases of services	**579**	**635**

RECEIVABLES (EUR thousand)	30.06.2015	31.12.2014
Short-term receivables		
Members of Supervisory Board and companies related to them	4	5
Associates	247	241
Joint ventures	204	232
Total short-term receivables	**455**	**478**
Long-term receivables		
Members of Supervisory Board and companies related to them	160	160
Joint ventures	907	978
Total long-term receivables	**1 067**	**1 138**
Total receivables	**1 522**	**1 616**

LIABILITIES (EUR thousand)	30.06.2015	31.12.2014
Current liabilities		
Members of Management Board and companies related to them	4	4
Members of Supervisory Board and companies related to them	18	11
Joint ventures	79	85
Total liabilities	**101**	**100**

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 1st half-year of 2015, a payment of EUR 30 thousand (2014: EUR 30 thousand) was made and there are no outstanding liabilities as of 30 June 2015 and 30 June 2014.

The management estimates that the transactions with related parties have been carried out at arms' length condition. As of 30.06.2015, an allowance for the receivable from the associate Medipresa UAB was made in the amount of EUR 61 thousand (31.12.2014: EUR 49 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 consolidated group companies

(EUR thousand)	1st Half year 2015	1st Half year 2014
Salaries and other benefits (without social tax)	471	431
Termination benefits (without social tax)	42	0
Share option	64	68
Total (without social tax)	**577**	**499**

The members of all management boards of the consolidated 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 June 2015, the maximum gross amount of potential Key Management termination benefits was EUR 411 thousand (31 December 2014: EUR 357 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

The Group's subsidiaries have several pending court cases, but their potential effect on the Group's financial results is insignificant.

Contingent assets and liabilities arising from guarantees given

The Parent Company has given a guarantee in amount of EUR 1.6 million on 50% bank borrowings received by its joint ventures AS Ajakirjade Kirjastus and AS SL Õhtuleht. The other 50% of the loan is guaranteed by other co-owner of these joint ventures.

Note 14. Events after the balance sheet date

Transactions related to the merger of AS Delfi and AS Eesti Ajalehed

In connection with the merger of AS Eesti Ajalehed and AS Delfi, the structure of the Delfi Group will change. Until May, all local undertakings of Delfi in Latvia were registered as 100%-owned companies of SIA Delfi Holding that in turn is wholly-owned by AS Ekspress Grupp. SIA Delfi Holding will sell all its holdings to AS Ekspress Grupp, as a result of which local Delfi undertakings will remain in direct ownership of AS Ekspress Grupp. In Estonia, the process for changing the ownership has been completed while it is still in progress in Latvia and Lithuania. The new structure will also reflect the actual management structure in a better way as it has changed over the years because of financial considerations.

As at 1 July 2015, AS Delfi as the acquiring company will merge with AS Eesti Ajalehed. The name of the new merged company will be AS Ekspress Meedia. In the course of the merger, the capital structure of the company has also been revised. To ensure that it complies with actual needs, before the merger the share capital of AS Delfi has been increased by a bonus issue, followed by a decrease of share capital. In the course of increasing and decreasing the share capital, the number of shares will remain the same and only the nominal value will change. The share capital of the new company after the decrease of share capital will be EUR 240 000 and the equity will amount to ca EUR 14 million.