

PTA Grupp AS



Consolidated Interim Report for Q2 and 6 months of 2007

COMPANY PROFILE

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Core activities	Design, manufacturing, distribution and retail of women's apparel and lingerie
Auditor	KPMG Baltics AS

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Management Report for Q2 and 6 months of 2007

Consolidated Financial Results for Q2 and 6 months of 2007

In the second quarter 2007, PTA Grupp AS earned a net profit of EEK 112.8 million (EUR 7.2 million), which increased by EEK 110.3 million (EUR 7.0 million) compared to the second quarter of the previous year. The net margin of the second quarter of this year is 27.5% (Q2 2006: 8.6%). Q2 sales increased by 3.2 times yoy to EEK 410.7 million (EUR 26.2 million) and the Group's gross margin in Q2 2007 reached 46.3% compared to 51.0% in the second quarter of 2006. Operating margin reached 39.7% (10.3% in Q2 2006) and operating profit was EEK 162.9 million (EUR 10.4 million) compared to EEK 3.1 million (EUR 0.2 million) in Q2 2006.

Cumulative six month sales of PTA Grupp AS amounted to EEK 779.2 million (EUR 49.8 million), having increased 12.8 times compared to the first six month of 2006. The Group's gross and operating margins in the first half of the year stood at 43.9% and 29.0% respectively (45.5% and 6.3% in the six months of 2006). Operating profit in the first six months of 2007 amounted to EEK 226.0 million (EUR 14.4 million) compared to EEK 3.9 million (EUR 0.2 million) in six the first six months of 2006. Net profit for the first six months of 2007 amounted to EEK 146.3 million (EUR 9.4 million) and net margin reached 18.8% (5.0% in the first six months of 2006).

The remarkable growth in company's results and profits is explained by the acquisition of AS Silvano Fashion Group in 2006 which has directly affected earnings per share. By H1 2006 earnings per share stood at EEK 1.56 (EUR 0.10) whereas by H1 2007 earnings per share amount to EEK 3.86 (EUR 0.25) which is 2.5 times more compared to the previous year.

Sales Revenue

Sales by Products/Services

In the first half of 2007 the sales revenue related to sales of women's apparel increased by EEK 21.8 million (EUR 1.4 million) compared to the first half of 2006, forming 9.0% of the Group's sales revenue (H1 2006: 79.4%). Lingerie sales in first half of 2007 amounted to EEK 690.1 million (EUR 44.1 million) forming 88.6% of total Group's sales revenue. The sales of subcontracting services and other sales increased by EEK 6.2 million (EUR 0.4 million) compared to the same period in 2006. Sales of subcontracting services and other sales in the first half of 2007 amounted to EEK 18.8 million (EUR 1.2 million) forming 2.4 % of total sales revenue.

Sales by business segments

	6 months 2007 EEK million	6 months 2006 EEK million	Change EEK million	6 months 2007 EUR million	6.months 2006 EUR million	Change EUR million	6 months 2007 percentage from sales	6.months 2006 percentage from sales
Women's apparel	70.3	48.5	21.8	4.5	3.1	1.4	9.0%	79.4%
Lingerie	690.1	-	690.1	44.1	-	44.1	88.6%	-
Subcontractin g services and other sales	18.8	12.6	6.2	1.2	0.8	0.4	2.4%	20.6%
Total	779.2	61.1	718.1	49.8	3.9	45.9	100.0%	100.00%

Sales by Markets

Women's apparel

Women's apparel sales revenue has increased in all markets. On the first half of 2007 sales volume in the Estonian market increased by EEK 7.5 million (EUR 0.5 million) in comparison with the same period of the previous year, amounting to 50.6% of the sales revenue of women's apparel (58.8% in the first half of 2006). The sales volume in Latvia increased by 22.1% in the first half-year, amounting to EEK 16.0 million (EUR 1.0 million) and in Finland by 35.7%, amounting to EEK 7.6 million (EUR 0.5 million).

Lingerie

The majority of lingerie sales revenue in the first half of 2007 was earned on the Russian market (amounting to EEK 366.3 million (EUR 23.4 million) giving 52.9% of all lingerie sale volume for the first half of 2007). Sales in Russia comprise both retail sales and wholesale. The second biggest region of lingerie sales is Belarus, amounting to EEK 139.1 million (EUR 8.9 million) giving 20.1 % of all lingerie sales revenue (also comprising both retail sales and wholesale). As lingerie is a new business line for the Group, comparable figures of previous periods are not available.

In terms of lingerie brands, sales of "Milavitsa" core brand accounted for 75.0% of total lingerie sales revenue in the first half of 2007 and amounted to EEK 517.5 million (EUR 33.1 million). The sales of "Lauma" brand accounted for 7.7% of total lingerie sales and amounted to EEK 53.1 million (EUR 3.4 million). Other brands such as "Alisee", "Aveline", "Laumelle", "Lauma Aqua", "Laumelle Aqua" and "Bellita" comprised 17.3 % of total lingerie sales in the first half of 2007 amounting to EEK 119.4 million (EUR 7.6 million).

Total sales by markets

	6 months 2007 EEK million	6 months 2006 EEK million	Change EEK million	6 months 2007 EUR million	6 months 2007 EUR million	Change EUR million	6 months 2007 percentage from sales	6 months 2006 percentage from sales
Estonia	92.4	28.5	63.9	5.9	1.8	4.1	12.2%	58.7%
Finland	25.9	5.6	20.3	1.7	0.4	1.3	3.4%	11.5%
Latvia	25.2	13.1	12.1	1.6	0.8	0.8	3.3%	27.0%
Belarus	139.1	-	139.1	8.9	-	8.9	18.3%	-
Ukraine	51.0	-	51.0	3.3	-	3.3	6.7%	-
Russia	366.3	-	366.3	23.4	-	23.4	48.2%	-
Other markets	60.5	1.3	59.2	3.8	0.1	3.7	7.9%	2.8%
Total	760.4	48.5	711.9	48.6	3.1	45.5	100.0%	100.0 %

Retail Sales

Total retail sales of the Group in the first half of 2007 amounted to EEK 96.3 million (EUR 6.2 million), increasing 2.7 times compared to the first six months of 2006.

Retail sales are conducted in Estonia, Latvia, Russia, Belarus, Poland, Lithuania and Ukraine. As of the end of June 2007, the Group operated 67 retail outlets with a total area of 8,554 square meters. Women's apparel retail sales are conducted in Estonia, Latvia, Lithuania and Russia. As of the end of June 2007, women's apparel was sold in 19 stores with a total sales area of 4,191 square meters (30 June 2006: 2,688 square meters). Lingerie retail sales are conducted in Russia, Belarus, Latvia and Poland. As of the end of June 2007 there were 48 stores with a total area of 4,363 square meters selling lingerie products.

Within the first six months of 2007 12 new stores were opened: six in the apparel business (operating under the "PTA" name), including three in Russia, two in Lithuania and one in Estonia, and six stores in the lingerie business under the "Oblicie" name in Russia. The Group intends to continue its retail expansion.

Number of stores

	30.06.2007	31.12.2006
Estonia	8	7
Latvia	6	6
Poland	7	7
Belarus	20	20
Russia	24	15
Lithuania	2	-
Total stores	67	55
Total sales area, m²	8,554	6,705

The increase in retail sales of women's apparel of the like-for-like spaces was 19% compared to the first half of 2006. Overall increase in sales per square meter in the PTA apparel stores was 6% in the first half of 2007. In the first half of 2007 the main objective for the women's apparel segment was the entry into the Lithuanian retail market, preparatory work for the entry into the Ukrainian market and the continuing expansion of the apparel retail chain in Russia. The entry into the new markets as well as comparatively low sales per square meter in new stores within first months in operations resulted in overall lower growth of sales per square meter.

Increase in retail sales was supported by increase in sales in the same stores and expansion of the PTA retail chain.

The like-for-like increase in the Oblicie lingerie retail chain is about 32% for stores operating more than one year. In the first half of 2007 the main objective for the Group's lingerie retail operations was the opening of new stores in Russia. In addition to the general seasonal marketing campaigns directed to the new markets, marketing operations were focused on campaigns supporting the expansion on the Russian market.

As lingerie sale is a new business line for the Group, comparable figures of previous years cannot be presented.

Wholesale

In the first half of 2007 the wholesales amounted to EEK 663.4 million (EUR 42.4 million) giving 85.1% of the Group's total revenue. Russia, Ukraine and Belarus were main wholesales regions in lingerie business while Finland and the Baltic States accounted for the vast majority of wholesales in the apparel business of the Group. Sales revenue from wholesale of women's apparel increased by 34.1 % in H1 2007 compared to H1 2006. As soon as lingerie sale is a new business line for the Group, comparable figures of previous years cannot be presented.

Sales of subcontracting and other services

Sales of subcontracting and other services amounted to EEK 18.8 million (EUR 1.2 million), a 49.2% increase compared to the first six months of 2006. Sales of subcontracting services increased in the women's apparel segment on account of the Finnish market. Increase in turnover of 49.2% in comparison with the same period of the previous year was mainly caused by the increase in the price of sewing and the price of full services sold to customers.

Profits

The Group's gross margin in the first half of 2007 was 43.9% (45.5% in the first six months of 2006). Gross profit in the first six months of 2007 amounted to EEK 341.8 million (EUR 21.8 million) compared to EEK 27.8 million (EUR 1.8 million) in the first six months of 2006, increasing 12.1 times mainly due to the operations of Silvano Fashion Group acquired in 2006.

Operating profit in the first half of 2007 amounted to EEK 226.0 million (EUR 14.4 million), resulting in operating profit margin of 29.0% (6.3% in the first six months of 2006). Within the first half of 2007, the Group increased its shareholding in its subsidiary Milavitsa resulting in gains from business combination booked in the second quarter of 2007 in the total amount of EEK 72.2 million (EUR 4.6 million).

The net profit of the Group (after taxes and minority shareholding) for the first half of 2007 amounted to EEK 146.3 million (EUR 9.4 million). The net profit margin for the first half of 2007 was 18.8% compared to 5.0% in the same period of the previous year.

Balance sheet

The total assets on the consolidated balance sheet amounted to EEK 927.1 million (EUR 59.3 million) as of 30 June 2007. Compared to the end of the previous year the balance sheet total assets have increased by EEK 115.0 million (EUR 7.3 million). Both assets and liabilities have increased in connection with rapid retail expansion.

As of the end of June the inventories of the Group amounted to EEK 281.6 million (EUR 18.0 million) increasing by EEK 51.3 million (EUR 3.3 million) over the first half of the year. The increase in the balance of inventories is related to the expansion of activities in Russia and other retail markets.

Trade receivables have increased by EEK 61.9 million (EUR 4.0 million) amounting to EEK 173.6 million (EUR 11.1 million). Trade receivables balance is higher due to wholesale seasonality and due to a change in the terms of agreements with some customers made in order to retain competitiveness, especially in the CIS markets.

Trade payables have increased by EEK 33.5 million (EUR 2.1 million) compared to the end of previous year amounting to EEK 121.0 million (EUR 7.7 million). The volumes of trade payables increased on account of the increase in sales volumes and the implementation of the store opening plan.

At the end of June 2007, the Group's borrowings amounted to EEK 31.5 million (EUR 2.0 million), having decreased by EEK 7.9 million (EUR 0.5 million) since the beginning of year. In H1 2007, the overdraft limit of PTA Grupp AS was increased by EEK 6.0 million (EUR 0.4 million) amounting in total to EEK 11.0 million (EUR 0.7 million).

Investments

During the first six months of 2007 the Group's investments totaled EEK 64.5 million (EUR 4.1 million). A total of EEK 21.0 million (EUR 1.3 million) was invested in retail operations, other investments were made in equipment and facilities to maintain effective production operations.

Personnel

As of the end of the first half of 2007, the Group employed 3,290 employees, including 492 in retail operations and 2,219 in production and the rest in wholesale, administration and support. As the result of the merger with Silvano Fashion Group in 2006, the staff outside Estonia comprises 89.3% of the total workforce (2,938 employees).

Total salaries and wages for the first half of 2007 amounted to EEK 116.1 million (EUR 7.4 million). Remuneration paid to the members of the Management Board and Supervisory Board totaled EEK 0.8 million (EUR 0.05 million).

Change in the format of income statement

Starting from the first half of 2007, the Group uses a new format of income statement. The need to change format arose from expanding retail activities. The new format of income statement allows for a better presentation of the Group's consolidated results as a retail group. The income statements of the previous financial periods were restated to make them comparable with the new format.

Selected financial data (six months 2007)

Key figures and ratios	30.06.2007	30.06.2006	Change
Net sales (EEK million)	779.2	61.1	718.1
Net income (EEK million)	146.3	3.0	143.3
Earnings before interest, taxes and depreciation (EBITDA) (EEK million)	244.3	6.6	237.7
Earnings before interest and taxes (EBIT) (EEK million)	226.0	3.9	222.1
Net sales (EUR million)	49.8	3.9	45.9

Net income (EUR million)	9.4	0.2	9.2
Earnings before interest, taxes and depreciation (EBITDA) (EUR million)	15.6	0.4	15.2
Earnings before interest and taxes (EBIT) (EUR million)	14.4	0.2	14.2
Operating margin, %	29.0%	6.3%	-
Net margin, %	18.8%	5.0%	-
ROA, %	12.9%	5.5%	-
ROE, %	16.8%	17.7%	-
Earnings per share (EPS), in EEK	3.86	1.56	-
Earnings per share (EPS), in EUR	0.25	0.10	-
Current ratio	3.1	1.2	-
Quick ratio	1.9	0.2	-

Underlying formulas:

Operating margin = operating profit / sales revenue

Net margin = net profit attributable to equity holders of the parent / sales revenue

ROA (return on assets) = net profit attributable to equity holders of the parent / average total assets

ROE (return on equity) = net profit attributable to equity holders of the parent / average equity

EPS (earnings per share) = net profit attributable to equity holders of the parent / weighted average number of ordinary shares

Current ratio = current assets / current liabilities

Quick ratio = (current assets – inventories) / current liabilities

Peeter Larin
Member of the Management Board
28 August 2007

General Information and Approval of the Management Board for the Consolidated Interim Report for H1 2007

PTA Grupp AS (the “Company” or together with its subsidiaries the “Group”) is an international apparel distribution group involved in the design, manufacturing and marketing of women’s apparel and lingerie. In addition, the Group provides a limited volume of sewing services to other manufacturers of women’s apparel. The Group operates the “PTA”, “Milavitsa”, “Oblicie” and “Splendo Intime” retail chains which sell the “PTA”, “Mastercoat”, “Milavitsa”, “Alisee”, “Lauma”, “Laumelle” and certain other brands in Estonia, Latvia, Lithuania, Russia, Belarus and Poland. The Group’s products are also distributed through wholesale channels.

The parent company of the Group is PTA Grupp AS, a company domiciled in Estonia and headquartered at Akadeemia tee 33, Tallinn.

The shares of PTA Grupp AS are listed on the Tallinn Stock Exchange and the Warsaw Stock Exchange (starting from 23 July 2007.)

As of 30 June 2007, the Group employed 3,290 people (as of 31 December 2006: 2,796 people).

The Group comprises the following companies:

At 30 June 2007	Location	Main activity	Ownership interest 30.06.2007	Ownership interest 31.12.2006
Parent company				
PTA Grupp AS (“PTA”)	Estonia	Retailing		
<u>Subsidiaries of PTA</u>				
Silvano Fashion Group AS (“SFG”)	Estonia	Holding	100%	100%
AS Klementi	Estonia	Manufacturing	100%	100%
Klementi Trading OY	Finland	Wholesaling	100%	100%
Klementi Trading AB (in bankruptcy)	Sweden	Retailing and wholesaling	100%	100%
UAB PTA Prekyba	Lithuania	Retailing	100%	100%
SIA Vision	Latvia	Retailing	100%	100%
LLC PTA Ukraine	Ukraine	Retailing	100%	100%
<u>Subsidiaries of SFG</u>				
AS Lauma Lingerie	Latvia	Manufacturing	100%	100%
ZAO SP Milavitsa	Belarus	Manufacturing	78.37%	62.53%
ZAO Linret	Russia	Retailing	100%	100%
Splendo Polska Sp. z o.o.	Poland	Retailing	90%	90%
<u>Subsidiaries of ZAO SP Milavitsa</u>				
SOOO Torgovaja Kompanija Milavitsa	Belarus	Retailing	51%	51%
SP Gimil OOO	Belarus	Manufacturing	52%	52%
ZAO Stolichnaja Torgovaja Kompanija Milavitsa	Russia	Wholesaling	100%	100%

The Management Board certifies that the consolidated interim report of PTA Grupp AS for the first half of 2007 set out on pages 11-31 is true and complete and:

1. the accounting policies applied in the preparation of the consolidated interim report comply with International Financial Reporting Standards as adopted by the European Union;
2. the consolidated interim report gives a true and fair view of the financial position of the Group and the results of its operations and its cash flows;
3. PTA Grupp AS and its subsidiaries are going concerns.

This interim report has not been audited or otherwise reviewed by auditors.



Peeter Larin
Member of the Management Board
28 August 2007

Balance Sheet

Consolidated, unaudited

	Notes	30.06.2007 EEK thousand	30.06.2006 EEK thousand	31.12.2006 EEK thousand	30.06.2007 EUR thousand	30.06.2006 EUR thousand	31.12.2006 EUR thousand
ASSETS							
Current assets							
Cash and cash equivalents	1	139,020	3,514	200,460	8,885	225	12,812
Trade receivables	2	173,583	2,400	111,729	11,094	153	7,141
Other receivables and prepayments	3	65,591	2,117	45,094	4,192	135	2,882
Prepaid taxes		22,171	206	31,568	1,417	13	2,017
Inventories	4	281,561	34,758	230,255	17,995	2,222	14,716
Total current assets		681,926	42,995	619,106	43,583	2,748	39,568
Non-current assets							
Investments in equity accounted investees		7,651	0	78	489	0	5
Available-for-sale financial assets		1,737	0	1,772	111	0	113
Other receivables		5,101	650	2,349	326	42	150
Property, plant and equipment	5	213,917	8,363	172,281	13,671	534	11,011
Intangible assets	6	16,801	6,589	16,551	1,074	421	1,058
Total non-current assets		245,207	15,602	193,031	15,671	997	12,337
TOTAL ASSETS		927,133	58,597	812,137	59,254	3,745	51,905
LIABILITIES AND EQUITY							
Current liabilities							
Loans and borrowings	7	24,972	13,932	29,907	1,596	890	1,911
Trade payables		121,013	13,738	87,534	7,734	878	5,594
Corporate income tax liability		6,916	0	5,976	442	0	382
Other tax liabilities		21,968	4,279	19,369	1,404	273	1,238
Other payables	8	36,832	3,544	27,815	2,354	227	1,778
Provisions		12	12	12	1	1	1
Total current liabilities		211,713	35,505	170,613	13,531	2,269	10,904
Non-current liabilities							
Loans and borrowings	7	6,556	4,250	9,544	419	272	610
Deferred tax liabilities		201	0	201	13	0	13
Other liabilities		0	127	0	0	8	0
Provisions		139	141	139	9	9	9
Total non-current liabilities		6,896	4,518	9,884	441	289	632
Total liabilities		218,609	40,023	180,497	13,972	2,558	11,536
Equity							
Share capital at par value	10	379,472	19,469	379,472	24,252	1,244	24,252
Share premium	10	83,011	40,994	83,011	5,305	2,620	5,305
Statutory capital reserve	10	1,046	1,046	1,046	67	67	67
Translation reserve	10	-27,867	13	-10,710	-1,781	1	-684
Retained earnings	10	145,310	-42,948	-987	9,287	-2,745	-63
Total equity attributable to equity holders of the parent		580,972	18,574	451,832	37,130	1,187	28,877
Minority interest		127,552	0	179,808	8,152	0	11,492
Total equity		708,524	18,574	631,640	45,282	1,187	40,369
TOTAL LIABILITIES AND EQUITY		927,133	58,597	812,137	59,254	3,745	51,905

Income Statement-H1

Consolidated, unaudited

	Notes	2007 H1 EEK thousand	2006 H1 EEK thousand	2007 H1 EUR thousand	2006 H1 EUR thousand
Sales revenue	11,13	779,201	61,088	49,800	3,904
Costs of goods sold		-437,369	-33,292	-27,953	-2128
Gross Profit		341,832	27,796	21,847	1,776
Distribution costs		-89,968	-15,863	-5,750	-1014
Administrative expenses		-77,560	-7,543	-4,957	-482
Other operating income		82,411	219	5,267	14
Other operating expenses		-30,667	-740	-1,960	-47
Operating profit		226,048	3,869	14,447	247
Financial income/expenses					
Interest expenses		-391	-546	-25	-34
Gains/losses on conversion of foreign currencies		-1,267	0	-81	0
Other financial income / expenses		1,596	-30	102	-2
Total financial income / expenses		-62	-576	-4	-36
Profit before corporate income tax		225,986	3,293	14,443	211
Corporate income tax		-47,487	-264	-3,035	-17
Net profit		178,499	3,029	11,408	194
Net profit attributable to parent company		146,297	3,029	9,350	194
Net profit attributable to minority shareholders		32,202	0	2,058	0
Earnings per share					
Basic earnings per share (EEK/EUR)	9	3.86	1.56	0.25	0.10
Diluted earnings per share (EEK/EUR)	9	3.86	1.56	0.25	0.10

Income Statement-Q2

Consolidated, unaudited

	2007	2006	2007	2006
	Q2	Q2	Q2	Q2
	EEK	EEK	EUR	EUR
	thousand	thousand	thousand	thousand
Sales revenue	410,676	29,986	26,247	1,916
Costs of goods sold	-220,586	-14,697	-14,098	-939
Gross Profit	190,090	15,289	12,149	977
Distribution costs	-49,881	-8,042	-3,188	-514
Administrative expenses	-33,933	-3,804	-2,169	-243
Other operating income	79,402	127	5,075	8
Other operating expenses	-22,745	-488	-1,454	-31
Operating profit	162,933	3,082	10,413	197
Financial income/expenses				
Interest expenses	0	-303	0	-19
Losses on conversion of foreign currencies	-1,127	76	-72	5
Other financial income / expenses	-1,776	-27	-113	-2
Total financial income / expenses	-2,903	-254	-185	-16
Profit before corporate income tax	160,030	2,828	10,228	181
Corporate income tax	-23,652	-264	-1,512	-17
Net profit	136,378	2,564	8,716	164
Net profit attributable to parent company	112,824	2,564	7,211	164
Net profit attributable to minority shareholders	23,554	0	1,505	0
Earnings per share				
Basic earnings per share (EEK/EUR)	2.97	1.32	0.19	0.08
Diluted earnings per share (EEK/EUR)	2.97	1.32	0.19	0.08

Cash flow statement

Consolidated, unaudited

	Notes	2007 H1 thousand EEK	2006 H1 thousand EEK	2007 H1 thousand EUR	2006 H1 thousand EUR
Cash flows from operating activities					
Profit for the period		225,986	3,029	14,443	194
Adjustments for:					
Depreciation and impairment of fixed assets	5,6	18,245	2,700	1,166	173
Losses on the sale of property, plant and equipment		2,331	-58	149	-4
Gain on business combination		-72,240	0	-4,617	0
Change in receivables and prepayments		-74,775	1,026	-4,779	66
Change in inventories		-51,321	-9,262	-3,280	-592
Change in payables		45,109	1,428	2,883	91
Interests paid		-4,929	-571	-315	-37
Income tax paid		-46,548	0	-2,975	0
Total cash flow from operating activities		41,858	-1,708	2,675	-109
Cash flow from investments					
Acquisition of property, plant and equipment		-54,622	-557	-3,491	-36
Proceeds from sale of property, plant and equipment		2,034	121	130	8
Proceeds from investments held-to-sale		47	0	3	0
Loans given		-3,458	0	-221	0
Proceeds from settlement of loans given		704	56	45	4
Paid for trademark		0	-4,112	0	-263
Interest received		4,741	17	303	1
Acquisition of other financial investments		-7,574	0	-484	0
Acquisition of minority interest		-36,206	0	-2,314	0
Total cash flow from investment		-94,334	-4,475	-6,029	-286
Cash flow from financing					
Repayment of loans		-25,739	-5,250	-1,645	-336
Proceeds from loans received		14,692	15,500	939	991
Payment of finance lease liabilities		-2,785	-241	-178	-15
Change in overdraft liability		6,102	-1,910	390	-122
Factoring paid		-203	0	-13	0
Payment of other liabilities		0	-433	0	-28
Dividends paid		-984	0	-63	0
Repayment of other loans		0	-800	0	-51
Total cash flow from financing		-8,917	6,866	-570	439
Currency translation difference		-47	0	-3	0
Total cash flow		-61,440	683	-3,927	44
Increase/decrease in cash and cash equivalents		-61,440	683	-3,927	44
Cash and cash equivalents at the beginning of the period	1	200,460	2,831	12,812	181
Cash and cash equivalents at the end of the period	1	139,020	3,514	8,885	225

Statement of changes in equity

Consolidated, unaudited

<i>In thousands kroons</i>	Note	Equity attributable to equity holders of the parent					Total	Minority interest	Total equity
		Share capital	Share premium	Capital reserve	Translation reserve	Retained earnings			
Balance at 31 December 2005		19,469	40,994	1,046	26	-45,977	15,558	0	15,558
Profit for the period		0	0	0	0	3,029	3,029	0	3,029
Foreign exchange translation differences		0	0	0	-13	0	-13	0	-13
Total recognized income and expense for H1 2006		0	0	0	-13	3,029	3,016	0	3,016
Balance at 30 June 2006		19,469	40,994	1,046	13	-42,948	18,574	0	18,574
Balance at 31 December 2006		379,472	83,011	1,046	-10,710	-987	451,832	179,808	631,640
Profit for the period		0	0	0	0	146,297	146,297	32,202	178,499
Foreign exchange translation differences		0	0	0	-17,157	0	-17,157	0	-17,157
Total recognized income and expense for H1 2007		0	0	0	-17,157	146,297	129,140	32,202	161,342
Acquisition of minority interest	10	0	0	0	0	0	0	-84,458	-84,458
Balance at 30 June 2007		379,472	83,011	1,046	-27,867	145,310	580,972	127,552	708,524

Statement of changes in equity

Consolidated, unaudited

<i>In thousands EUR</i>	Note	Equity attributable to equity holders of the parent					Total	Minority interest	Total equity
		Share capital	Share premium	Capital reserve	Translation reserve	Retained earnings			
Balance at 31 December 2005		1,244	2,620	67	2	-2,939	994	0	994
Profit for the period		0	0	0	0	194	194	0	194
Foreign exchange translation differences		0	0	0	-1	0	-1	0	-1
Total recognized income and expense for H1 2006		0	0	0	-1	194	193	0	193
Balance at 30 June 2006		1,244	2,620	67	1	-2,745	1,187	0	1,187
Balance at 31 December 2006		24,252	5,305	67	-684	-63	28,877	11,492	40,369
Profit for the period		0	0	0	0	9,350	9,350	2,058	11,408
Foreign exchange translation differences		0	0	0	-1,097	0	-1,097	0	-1,097
Total recognized income and expense for H1 2007		0	0	0	-1,097	9,350	8,253	2,058	10,311
Acquisition of minority interest	10	0	0	0	0	0	0	-5,398	-5,398
Balance at 30 June 2007		24,252	5,305	67	-1,781	9,287	37,130	8,152	45,282

Accounting Methods and Valuation Principles Used for Preparing the Consolidated Interim Report

Bases for Preparation

This Interim Report has been made pursuant to the requirements of IAS 34 “Interim Financial Reporting” of the International Accounting Standards and the International Financial Reporting Standards (IFRS) adopted by the European Union. The same accounting methods were used in the preparation of interim reports as in the Annual Report for the financial year which ended on 31 December 2006.

This Interim Report shows results in thousands of Estonian kroons (EEK) and thousands of euros (EUR). The Estonian kroon is pegged to the euro at the rate of 1 EUR = 15.6466 EEK.

The comparative data presented in the Interim Report are the financial ratios of PTA Grupp AS for 2006. The performance results of the subsidiary AS Silvano Fashion Group acquired in October 2006 have been consolidated as of 1 October 2006.

This Interim Report has not been audited.

Notes on the Consolidated Interim Report

Note 1. Cash and bank

	30.06.2007	31. 12. 2006	30.06.2007	31.12.2006
	EEK thousand	EEK thousand	EUR thousand	EUR thousand
Cash and hand	751	859	48	55
Bank accounts in kroons	876	1,011	56	65
Bank accounts in foreign currencies	39,117	97,039	2,500	6,202
Money in transfer	23,736	12,702	1,517	812
Deposits	74,540	88,849	4,764	5,678
Total	139,020	200,460	8,885	12,812

Note 2. Trade Receivables

	30.06.2007	31. 12. 2006	30.06.2007	31.12.2006
	EEK thousand	EEK thousand	EUR thousand	EUR thousand
Trade receivables	176,018	114,255	11,249	7,302
Allowance for uncollectible accounts	-2,435	-2,526	-155	-161
Total	173,583	111,729	11,094	7,141

The trade receivables are accounted in nominal value on the date of emergence of the claim (transaction date) and later at the adjusted acquisition cost (less the possible write-downs arising from a decrease of the value). If it is likely that the Group cannot collect all the amounts receivable pursuant to the terms of the claims, the claims will be written down. Upon assessment of claims the accrual of each specific claim is treated separately, considering the information available on the solvency of the debtor.

Receivables the accrual of which is unlikely are written down in the Balance Sheet to the collectible amount and written off.

Within the 6 months of 2007 receivables were found to be uncollectible in the amount of EEK 72 thousand (EUR 4,6 thousand). Receipt of the receivables or reversal of the impairment losses previously provided for has occurred in the amount of EEK 160 thousand (EUR 10,2 thousand) and irrecoverable receivables were taken off the Balance Sheet in the amount of EEK 3 thousand (EUR 0,2 thousand).

Irrecoverable receivables in the amount of EEK 60 thousand (EUR 4 thousand) were written off the Balance Sheet in the first half of 2006.

Note 3. Other receivables and prepaid expenses

	30.06.2007	31.12.2006	30.06.2007	31.12.2006
	EEK thousand	EEK thousand	EUR thousand	EUR thousand
Prepayments to suppliers and other prepayments*	60,161	34,414	3,845	2,200
Due from customers for contract work	1,330	910	85	58
Loans to companies	391	447	25	28
Interest receivable from related parties	0	434	0	28
Loans to employees	563	272	36	17
Receivable for sale of shares	0	200	0	13
Miscellaneous receivables	3,146	8,417	201	538
Total	65,591	45,094	4,192	2,882

* Other prepayments include tax prepayments, tax reclaims, VAT on unpaid invoices, prepaid insurance premiums, lease charges, newspaper and magazine subscriptions, IT service charges, prepayments to suppliers, etc.

Note 4. Inventories

	30.06.2007	31.12.2006	30.06.2007	31.12.2006
	EEK thousand	EEK thousand	EUR thousand	EUR thousand
Raw materials	76,308	84,408	4,877	5,395
Work in progress	42,621	31,450	2,724	2,010
Finished goods	95,100	90,372	6,078	5,776
Goods for resale	62,774	24,022	4,012	1,535
Other inventories	4,758	3	304	0
Total	281,561	230,255	17,995	14,716

Within the 6 months of 2007 the amount of inventories written off totals EUR 15 thousands (EEK 234 thousand). In the first half of 2006 inventories in the amount of EUR 8,4 (EEK 131) were written off.

Note 5. Tangible Assets

	Land and buildings	Machinery and equipment	Other fixed assets	Construction in progress	Total EUR
	EUR thousand	EUR thousand	EUR thousand	EUR thousand	thousand
At 31.12.2005					
Cost	0	1,520	905	11	2,436
Accumulated depreciation	0	-1,173	-590	0	-1,763
Carrying amount	0	347	315	11	673
Movements in H1 2006					
Acquisition	0	2	6	0	8
Sales	0	-4	0	0	-4
Reclassification	0	0	11	-11	0
Depreciation	0	-70	-73	0	-143
At 30.06.2006					
Cost	0	1,498	922	0	2,420
Accumulated depreciation	0	-1,223	-663	0	-1,886
Carrying amount	0	275	259	0	534

	Land and buildings	Machinery and equipment	Other fixed assets	Construction in progress	Total EUR
	EUR thousand	EUR thousand	EUR thousand	EUR thousand	thousand
At 31.12.2006					
Cost	2,524	7,105	3,269	26	12,924
Accumulated depreciation	34	-1,241	-706	0	-1,913
Carrying amount	2,558	5,864	2,563	26	11,011
Movements in H1 2007					
Acquisition	105	2,236	1,495	215	4,051
Sales	0	-1	-27	0	-28
Write-off	0	-1	-3	0	-4
Reclassification	-45	-10	68	-13	0
Depreciation	-41	-652	-433	0	-1,126
Currency translation differences	-61	-145	-24	-3	-233
At 30.06.2007					
Cost	2,488	8,830	4,652	225	16,195
Accumulated depreciation	28	-1,539	-1,013	0	-2,524
Carrying amount	2,516	7,291	3,639	225	13,671

	Land and buildings	Machinery and equipment	Other fixed assets	Construction in progress	Total EEK
	EEK thousand	EEK thousand	EEK thousand	EEK thousand	thousand
At 31.12.2005					
Cost	0	23,789	14,157	169	38,115
Accumulated depreciation	0	-18,348	-9,231	0	-27,579
Carrying amount	0	5,441	4,926	169	10,536
Movements in H1 2006					
Acquisition	0	29	87	0	116
Sales	0	-63	0	0	-63
Reclassification	0	0	169	-169	0
Depreciation	0	-1,089	-1,137	0	-2,226
At 30.06.2006					
Cost	0	23,463	14,413	0	37,876
Accumulated depreciation	0	-19,145	-10,368	0	-29,513
Carrying amount	0	4,318	4,045	0	8,363
	Land and buildings	Machinery and equipment	Other fixed assets	Construction in progress	Total EEK
	EEK thousand	EEK thousand	EEK thousand	EEK thousand	thousand
At 31.12.2006					
Cost	39,496	111,171	51,129	414	202,210
Accumulated depreciation	527	-19,416	-11,040	0	-29,929
Carrying amount	40,023	91,755	40,089	414	172,281
Movements in H1 2007					
Acquisition	1,643	34,986	23,392	3,364	63,385
Sales	0	-15	-422	0	-437
Write-off	0	-15	-47	0	-62
Reclassification	-704	-156	1,063	-203	0
Depreciation	-642	-10,202	-6,775	0	-17,619
Currency translation differences	-954	-2,268	-361	-48	-3,631
At 30.06.2007					
Cost	38,929	138,159	72,788	3,527	253,396
Accumulated depreciation	437	-24,074	-15,849	0	-39,486
Carrying amount	39,366	114,085	56,939	3,527	213,917

Note 6. Intangible Assets

	Software	Trademarks	Goodwill	Projects in progress	Total EUR
	EUR thousand	EUR thousand	EUR thousand	EUR thousand	thousand
At 31.12.2005					
Cost	264	365	120	0	749
Accumulated amortization	-180	-146	0	0	-326
Carrying amount	84	219	120	0	423
Movements in H1 2006					
Acquisition	28	0	0	0	28
Amortization	-14	-16	0	0	-30
At 30.06.2006					
Cost	292	365	120	0	777
Accumulated amortization	-194	-162	0	0	-356
Carrying amount	98	202	120	0	421
At 31.12.2006					
Cost	306	430	235	473	1444
Accumulated amortization	-204	-182	0	0	-386
Carrying amount	102	248	235	473	1,058
Movements in H1 2007					
Acquisition	61	8	0	1	70
Write-off	0	0	-3	0	-3
Amortization	-20	-20	0	0	-40
Currency translation differences	0	0	0	-11	-11
At 30.06.2007					
Cost	367	438	232	463	1,500
Accumulated depreciation	-224	-202	0	0	-426
Carrying amount	143	236	232	463	1,074

	Software	Trademarks	Goodwill	Projects in progress	Total EEK
	EEK thousand	EEK thousand	EEK thousand	EEK thousand	thousand
At 31.12.2005					
Cost	4,139	5,717	1,876	0	11732
Accumulated amortization	-2,814	-2,296	0	0	-5,110
Carrying amount	1,325	3,421	1,876	0	6,622
Movements in H1 2006					
Acquisition	441	0	0	0	441
Amortization	-219	-255	0	0	-474
At 30.06.2006					
Cost	4,570	5717	1,876	0	12,163
Accumulated amortization	-3,023	-2,551	0	0	-5,574
Carrying amount	1,547	3,166	1,876	0	6,589

	Software	Trademarks	Goodwill	Projects in progress	Total EEK
	EEK thousand	EEK thousand	EEK thousand	EEK thousand	thousand
At 31.12.2006					
Cost	4,789	6,721	3,670	7,408	22,588
Accumulated amortization	-3,196	-2,841	0	0	-6,037
Carrying amount	1,593	3,880	3,670	7,408	16,551
Movements in H1 2007					
Acquisition	954	125	0	15	1,095
Write-off	0	0	-47	0	-47
Amortization	-313	-313	0	0	-626
Currency translation differences	0	0	0	-172	-172
At 30.06.2007					
Cost	5,743	6,846	3,623	7,252	23,464
Accumulated depreciation	-3,509	-3,154	0	0	-6,663
Carrying amount	2,234	3,692	3,623	7,252	16,801

Note 7. Loans and borrowings

The Group has the following debts as of 30 June 2007:

	Short-term EEK thousand	Long-term EEK thousand	Short-term EUR thousand	Long-term EUR thousand	Interest rate	Due date of repayment
Secured loans and borrowings						
Overdraft from Hansapank	8,508	0	544	0	6%	19.09.2007
Loan from Hansapank	5,000	0	320	0	6%	21.06.2007
Loan from Hansapank	4,144	0	265	0	Euribor+2.5%	19.10.2007
Unsecured loans and borrowings						
Financial lease payables	6,556	6,556	419	419	6.5-12.5%	2007-2011
Other borrowings	764	0	48	0	6-13%	31.12.2007
Total	24,972	6,556	1,596	419		

Loan Collateral

The loans and overdraft taken from Hansapank are secured by a commercial pledge of movable property amounting to EEK 29,000 thousand (EUR 1,853 thousand).

The Group has the following debts as of 31 December 2006:

	Short-term EEK thousand	Long-term EEK thousand	Short-term EUR thousand	Long-term EUR thousand	Interest rate	Due date of repayment
Secured loans and borrowings						
Overdraft from Hansapank	2,414	0	154	0	5.5%	19.04.2007
Loan from Hansapank	5,000	0	320	0	5.5%	21.06.2007
Loan from Hansapank	6,629	0	424	0	Euribor+2.5%	19.10.2007
Unsecured loans and borrowings						
Financial lease liabilities	7,392	9,544	472	610	6.5-12.5%	2007-2011
Other liabilities	8,472	0	541	0	5.0-13.0%	31.07.2007
Total	29,907	9,544	1,911	610		

Note 8. Other payables

	30.06.2007	31. 12. 2006	30.06.2007	31.12.2006
	EEK thousand	EEK thousand	EUR thousand	EUR thousand
Customer advances for products and services	2,206	638	141	41
Payables to employees	30,073	26,560	1,922	1,698
Interest and other accruals	4,553	228	291	14
Interest payable to related parties	0	306	0	20
Deferred income	0	83	0	5
Total	36,832	27,815	2,354	1,778

Note 9. Earnings per Share

	2007	2006
	H1	H1
Number of ordinary shares as of January 1 (Qty)	37,947,198	1,946,875
Number of ordinary shares as of June 30 (Qty)	37,947,198	1,946,875
Weighted average number of ordinary shares (Qty)	37,947,198	1,946,875
Net profit (loss) for financial year, EEK thousand	146,297	3,029
Net profit (loss) for financial year, EUR thousand	9,350	194
Basic earnings per share (EEK)	3.86	1.56
Basic earnings per share (EUR)	0.25	0.10
Diluted earnings per share (EEK)	3.86	1.56
Diluted earnings per share (EUR)	0.25	0.10

The diluted earnings of the 6 months of 2007 per share do not differ from the basic earnings per share, because PTA Grupp AS does not have the financial instruments to allow for diluting the earnings per share in the future.

Note 10. Owners' Equity

Shares

As of 31 March 2007 share capital of PTA Grupp AS amounted to EEK 379,472 thousand (EUR 24,253 thousand), which is dividend into 37,947,198 shares with a nominal value of EEK 10 (EUR 0.64) each. All the shares of PTA Grupp AS are ordinary shares and all are registered. Each ordinary share gives the shareholder one vote at the general meeting. No share certificates are issued for registered shares. The share register is electronic and maintained at the Estonian Central Depository for Securities.

According to the revised wording of the Articles of Association, the minimum share capital and maximum share capital of PTA Grupp AS amount to 250,000,000 kroons and 1,000,000,000 kroons respectively (the maximum number of shares is 100,000,000). All shares have been paid for.

As of 30 June 2007 PTA Grupp AS had 966 shareholders.

As of 30 June 2007 shareholders whose interest in PTA Grupp AS exceeded 1% included:

Name	Number of shares	Shareholding
Major shareholders	35 230 578	92.8%
SIA ALTA CAPITAL PARTNERS	25 997 777	68.5%
SEB Eesti Ühispank As KAUPLEMINE	1 827 993	4.8%
THE BANK OF NEW YORK/ ING BANK SLASKI	1 558 882	4.1%
Skandinaviska Enskilda Banken Ab Clients	1 360 884	3.6%
BANK AUSTRIA CREDITANSTALT AG CLIENT'S	1 099 790	2.9%
MORGAN STANLEY+ CO INTERNATIONAL PLC/ MSIL IPB CLIENT ACCOUNT	714 620	1.9%
STATE STREET MUNICH CARE OF SSB BOSTON/ DWS POLSKA FUNDUSZ INWESTYCYJNY OTWARTY TOP 50 MALYCH I SREDNICH SPOLEK PLUS	711 000	1.9%
BRYUM ESTONIA AS	599 363	1.6%
Clearstream Banking Luxembourg S.A. Clients	567 099	1.5%
STATE STREET LONDON CARE OF SSB BOSTON/ ALLIANZ GLOBAL INVESTORS IRELAND LIMITED	400 000	1.0%
AS HANSAPANK	393 170	1.0%
Other shareholders	2 716 620	7.2%
Total number of shares	37 947 198	100.0%

As of 30 June 2006 PTA Grupp AS had 571 shareholders.

As of 30 June 2006 shareholders whose interest in PTA Grupp AS exceeded 1% included:

Name	Number of shares	Interest in share capital
Major shareholders	1 729 347	88.8%
OÜ ALTA INVESTMENTS I	462 731	23.8%
BRYUM ESTONIA AS	342 809	17.6%
ING LUXEMBOURG S.A.	188 805	9.7%
HANSA BALTI KASVUFOND	183 758	9.4%
ALTA CAPITAL AS	137 988	7.1%
BANK AUSTRIA CREDITANSTALT AG CLIENT'S	100 000	5.1%
FIREBIRD AVRORA FUND, LTD.	68 611	3.5%
OÜ ALTA HOLDING	67 500	3.5%
PEETER LARIN	50 000	2.6%
Pta Group Oy	50 000	2.6%
Skandinaviska Enskilda Banken Finnish Clients	29 296	1.5%
OÜ MERONA HOLDING	25 000	1.3%
HANSA PENSIONIFOND K3 (KASVUSTRATEEGIA)	22 849	1.1%
Other shareholders	217 528	11.2%
Total number of shares	1 946 875	100.0%

During the first half of 2007, the highest and lowest prices of the PTA Grupp AS's share on the Tallinn Stock Exchange were EEK 111.40 (EUR 7.12) and EEK 54.61 (EUR 3.49), respectively.

Legal Reserve

The reserve indicated under the owners' equity is a legal reserve established pursuant to the Commercial Code, which can be used for covering losses or increasing the share capital by way of a bonus issue based on a decision of the shareholders. The minimum legal reserve amount is 1/10 of the share capital.

Information about Shares

As of 21 November 2006 the shares of PTA Grupp AS are listed on the basic list of the Tallinn Stock Exchange.

During the 12 months of 2006 the highest and lowest prices of the PTA Grupp AS share on the Tallinn Stock Exchange were EEK 69.63 (EUR 4.45) and EEK 31.29 (EUR 2.00), respectively.

Share Price in EEK and Trading Statistics on the Tallinn Stock Exchange in H1 2007



Minority interest

Within first 6 months of 2007 Silvano Fashion Group subsidiary Milavitsa SPZAO completed share repurchase program. According to decision of Milavitsa extraordinary general meeting repurchased shares were cancelled. Total amount of repurchased shares was 2,490 shares. After cancellation minority interest in Milavitsa decreased for EEK 84.5 million (EUR 5.4 million).

Note 11. Sales Revenue

	6 months 2007 EEK thousand	6 months 2006 EEK thousand	6 months 2007 EUR thousand	6 months 2006 EUR thousand
Sales revenue				
Apparel sales	70,331	48,514	4,495	3,101
Lingerie sales	690,031	0	44,101	0
Subcontracting and services	15,083	11,227	964	717
Other sales	3,756	1,347	240	86
Total sales revenue	779,201	61,088	49,800	3,904

Sales revenue by countries is presented in Note 13.

Note 12. Transactions with Related Parties

For the purposes of these financial statements, parties are related if one controls the other or exerts significant influence on the other's financial and operating policies. Related parties include:

- a. SIA Alta Capital Partners and individuals with a shareholding that provides them with control or significant influence;
- b. members of the governing bodies (management and supervisory boards) of shareholders that have control or significant influence;
- c. members of the Group's management and supervisory boards;
- d. close family members of and companies controlled or significantly influenced by the above;
- e. associated companies.

	H1 2007 EEK thousand	H1 2006 EEK thousand	H1 2007 EUR thousand	H1 2006 EUR thousand
Loans from companies related to the members of Management and Supervisory Boards				
Balance at beginning of the period	0	0	0	0
Loans received	11,704	0	748	0
Repayments of loans	-1,226	0	-78	0
Balance at end of the period	10,478	0	670	0
Currency translation difference	-40	0	-3	0

	H1 2007 EEK thousand	H1 2006 EEK thousand	H1 2007 EUR thousand	H1 2006 EUR thousand
Sales of goods and services				
Companies related to the members of the Management Board and Supervisory Board	0	3	0	0
Total sales of goods and services	0	3	0	0

	H1 2007 EEK thousand	H1 2006 EEK thousand	H1 2007 EUR thousand	H1 2006 EUR thousand
Compensation paid to members of the Management Board				
Pay and compensation	767	940	49	60
Total	767	940	49	60

	30.06.2007 EEK thousand	30.06.2006 EEK thousand	30.06.2007 EUR thousand	30.06.2006 EUR thousand
Balances relating to related parties				
Companies related to the members of the Management Board and Supervisory Board	109	1,245	7	80
Total current liabilities	109	1,245	7	80

	H1 2007 EEK thousand	H1 2006 EEK thousand	H1 2007 EUR thousand	H1 2006 EUR thousand
Purchase of goods and services				
Companies related to the members of the Management Board and Supervisory Board	469	390	30	25
Total receivables	469	390	30	25

Note 13. Segments

a) Primary Segment – Business Segment by Products

	Apparel	Lingerie	Other activities	Inter-segment transactions	Total	Apparel	Lingerie	Other activities	Inter-segment transactions	Total
	H1 2007 EEK thousand	H1 2007 EEK thousand	H1 2007 EEK thousand	H1 2007 EEK thousand	H1 2007 EEK thousand	H1 2007 EUR thousand	H1 2007 EUR thousand	H1 2007 EUR thousand	H1 2007 EUR thousand	H1 2007 EUR thousand
Extra-group sales revenue	70,331	690,031	18,839	0	779,201	4,495	44,101	1,204	0	49,800
Inter-segment sales revenue	0	0	10,389	-10,389	0	0	0	664	-664	0
Total sales revenue	70,331	690,031	29,228	-10,389	779,201	4,495	44,101	1,868	-664	49,800
Operating profit/loss of segment	11,219	219,303	1,768	0	232,290	717	14,016	113	0	14,846
Unallocated operating revenue and operating charges					-6,242					-399
Total operating profit / loss					226,048					14,447
Other financial income and expenses					-62					-4
Corporate income tax					-47,487					-3,035
Net profit / loss					178,499					11,408
Assets and receivables	63,901	840,348	17,924	0	922,173	4,084	53,708	1,145	0	58,937
Unallocated assets of group					4,960					317
Total assets					927,133					59,254
Liabilities	17,728	171,659	10,790	0	200,177	1,133	10,971	690	0	12,794
Unallocated liabilities of group					18,432					1,178
Total liabilities					218,609					13,972
Acquisition of fixed assets	3,192	60,365	923	0	64,480	204	3,858	59	0	4,121
Depreciation of fixed assets	1,095	15,662	1,488	0	18,245	70	1,001	95	0	1,166

The assets and liabilities set out in the Note are disclosed as of the Balance Sheet date, i.e. 30 June 2007.

Primary Segment – Business Segment by Products

	Apparel	Lingerie	Other activities	Inter-segment transactions	Total	Apparel	Lingerie	Other activities	Inter-segment transactions	Total
	H1 2006 EEK thousand	H1 2006 EEK thousand	H1 2006 EEK thousand	H1 2006 EEK thousand	H1 2006 EEK thousand	H1 2006 EUR thousand	H1 2006 EUR thousand	H1 2006 EUR thousand	H1 2006 EUR thousand	H1 2006 EUR thousand
Extra-group sales revenue	48,514	0	12,574	0	61,088	3,100	0	804	0	3,904
Inter-segment sales revenue	0	0	8,762	-8,762	0	0	0	560	-560	0
Total sales revenue	48,514	0	21,336	-8,762	61,088	3,100	0	1,364	-560	3,904
Operating profit/loss of segment	12,877	0	-3,845	0	9,032	823	0	-246	0	577
Unallocated operating revenue and operating charges					-5,163					-330
Total operating profit / loss					3,869					247
Other financial income and expenses					-576					-36
Corporate income tax					-264					-17
Net profit / loss					3,029					194
Assets and receivables	30,229	0	19,214	0	49,443	1,932	0	1,228	0	3,160
Unallocated assets of group					9,154					585
Total assets					58,597					3,745
Liabilities	5,127	0	16,562	0	21,689	327	0	1,059	0	1,386
Unallocated liabilities of group					18,334					1,172
Total liabilities					40,023					2,558
Acquisition of fixed assets	67	0	490	0	557	4	0	32	0	36
Depreciation of fixed assets	836	0	1,864	0	2,700	55	0	119	0	173

The assets and liabilities set out in the Note are disclosed as of the Balance Sheet date, i.e. 30 June 2006.

b) Secondary Segment – Sales Revenue, Total Assets and Investments in Fixed Assets

	Sales revenue	Sales revenue	Assets	Assets	Investments in fixed assets	Investments in fixed assets	Sales revenue	Sales revenue	Assets	Assets	Investments in fixed assets	Investments in fixed assets
	H1 2007	H1 2006	30.06.2007	30.06.2006	H1 2007	H1 2006	H1 2007	H1 2006	30.06.2007	30.06.2006	H1 2007	H1 2006
	EEK	EEK	EEK	EEK	EEK	EEK	EUR	EUR	EUR	EUR	EUR	EUR
	thousand	thousand	thousand	thousand	thousand	thousand	thousand	thousand	thousand	thousand	thousand	thousand
Russia	366,271	0	239,565	0	18,009	0	23,409	0	15,311	0	1,151	0
Belarus	139,098	0	474,670	0	39,946	0	8,890	0	30,337	0	2,553	0
Estonia	92,440	33,904	81,284	52,338	1,423	528	5,908	2,167	5,195	3,345	91	34
Ukraine	51,024	0	0	0	63	0	3,261	0	0	0	4	0
Finland	25,895	12,744	16	0	0	0	1,655	814	1	0	0	0
Latvia	25,191	13,154	121,777	6,141	2,440	29	1,610	841	7,783	392	156	2
Lithuania	8,183	1,286	0	0	2,568	0	523	82	0	0	164	0
Poland	5,242	0	9,774	0	31	0	335	0	624	0	2	0
Other markets	65,857	0	47	118	0	0	4,209	0	3	8	0	0
Total	779,201	61,088	927,133	58,597	64,480	557	49,800	3,904	59,254	3,745	4,121	36

Since Q4 of 2006 the business segment content has been amended. The Group considers the business segment by product types as the primary segment and the geographical segment by the location of consumers as the secondary segment. The comparative data of the year 2005 have been amended and brought into compliance with the new business segment by product types.

The product types of the business segment are as follows:

- a) women's apparel – the goods and services sold in retail and wholesale system of the Group are recorded here;
- b) lingerie – the goods and services sold in retail and wholesale system of the Group are recorded here;
- c) other activities – manufacturing operations, provision of subcontracted service and other activities not listed under the product types of women's apparel and lingerie are recorded here.

The operating charges not directly related to a specific segment have been indicated as the joint operating charges of the Group.

The assets of the segments account all assets directly related to the segments and they do not contain assets that are used for the company in general or for headquarters. The assets of the segment also include the goodwill directly attributable to the segment. The liabilities of the segments indicate all liabilities directly related to the segments. The unallocated expenses of the Group mean the expenses of general management.

Other receivables, loans, interest claims and liabilities have been indicated as the joint assets and liabilities of the Group.

According to the management's estimation, the prices used in inter-segment transactions do not significantly differ from market prices.

Note 14. Subsequent events

An ordinary shareholders' meeting of PTA Grupp AS which convened on 25 June 2007 decided to increase the share capital of PTA Grupp AS by an issue of new shares and to issue 2,052,802 new common shares with the nominal value of 10 Estonia kroons per share, as a result whereof the share capital will be increased by 20,528,020 Estonian kroons. As a result of the increase of the share capital, the new amount of the share capital will be 400,000,000 Estonian kroons. Subscription period for new shares ended by 15 August 2007 and all new shares were subscribed and paid for by Alta Capital Partners S.C.A., the core shareholder of PTA Grupp AS. The registration of the share capital increase in the Estonian Commercial Register is currently pending.

The same shareholders' meeting decided to approve measures aimed at listing all shares of PTA Grupp AS on the Warsaw Stock Exchange. The listing was successfully completed in July 2007 and the first trading date for the Company's shares on the Warsaw Stock Exchange was 23 July 2007. Shares in the Company are listed in the continuous trading system of the Warsaw Stock Exchange under the abbreviated name "PTAGRUPP" and with the symbol "PTA".