

TALLINNA KAUBAMAJA AS

**Consolidated Interim Report for
the First 3 months of 2013**
(unaudited)

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COMPANY PROFILE AND CONTACT DETAILS

The primary areas of activity of the companies of the Tallinna Kaubamaja AS Group include retail and wholesale trade and rental activities. The Tallinna Kaubamaja Group employs more than 3,420 employees.

The Company is listed on the Tallinn Stock Exchange.

Registered office:	Gonsiori 2, 10143 Tallinn Republic of Estonia
Registry code:	10223439
Beginning of financial year:	1 January 2013
End of financial year:	31 December 2013
Beginning of interim report period:	1 January 2013
End of interim report period:	31 March 2013
Auditor:	PricewaterhouseCoopers AS
Telephone:	372 667 3200
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MANAGEMENT REPORT

The primary areas of activity of the companies of the Tallinna Kaubamaja Group include retail and wholesale trade and rental activities.

Management

In order to manage the Tallinna Kaubamaja AS the general meeting of the shareholders, held at least once in a year, elects supervisory board, which according to the articles of association may have 3 to 6 members. Members of the Tallinna Kaubamaja AS supervisory board are Jüri Kõo (chairman of the supervisory board), Andres Järving, Enn Kunila, Gunnar Kraft and Meelis Milder. Members of Tallinna Kaubamaja AS supervisory board are elected for three years. The mandates of current supervisory board members Andres Järving, Jüri Kõo, Enn Kunila, Meelis Milder and Gunnar Kraft will expire on 19 May 2015. During the period between the general meetings the supervisory board plans actions of the company, organises management and accomplishes supervision over management actions. Regular supervisory board meetings are held at least 10 times in a year. In order to manage daily activities the supervisory board appoints member(s) of the management board of the Tallinna Kaubamaja AS in accordance with the Commercial Code. In order to elect a member of the management board, his or her consent is required. By the articles of association a member of the management board shall be elected for a specified term of three years. Extension of the term of office of a member of the management board shall not be decided earlier than one year before the planned date of expiry of the term of office, and not for a period longer than the maximum term of office prescribed by the articles of association. Currently the management board of Tallinna Kaubamaja AS has one member. The term of office of the management board member Raul Puusepp was extended on 23 February 2011 and his term of office expires on 6 March 2014.

The law, the articles of association, decisions and goals stated by the shareholders and supervisory board are followed for managing the company. By Commercial Code a resolution on amendment of the articles of association shall be adopted, if at least two-third of the votes represented at a general meeting is in favour. A resolution on amendment of the articles of association shall enter into force as of making of a corresponding entry in the commercial register. The articles of association of the Tallinna Kaubamaja AS prescribe no greater majority requirement and the public limited company does not possess several classes of shares.

Company's structure

The following companies belong to the group as of March 31, 2013:

	Location	Shareholding as of 31.03.2013	Shareholding as of 31.12.2012
Selver AS	Estonia	100%	100%
Kulinaaria OÜ	Estonia	100%	100%
Kaubamaja AS	Estonia	100%	100%
Topsec Turvateenused OÜ	Estonia	100%	100%
AS Tartu Kaubamaja	Estonia	100%	100%
Tartu Kaubamaja Kinnisvara OÜ	Estonia	100%	100%
Tallinna Kaubamaja Kinnisvara AS	Estonia	100%	100%
SIA TKM Latvija	Latvia	100%	100%
Selver Latvia SIA	Latvia	100%	100%
TKM Auto OÜ	Estonia	100%	100%
KIA Auto AS	Estonia	100%	100%
Ülemiste Autokeskus OÜ	Estonia	100%	100%
KIA Auto UAB	Lithuania	100%	100%
KIA Automobiles SIA	Latvia	100%	100%
Viking Motors AS	Estonia	100%	100%
OÜ TKM Beauty	Estonia	100%	100%
OÜ TKM Beauty Eesti	Estonia	100%	100%
OÜ Suurtüki NK	Estonia	100%	100%
SIA Suurtüki	Latvia	100%	100%
AS ABC King	Estonia	100%	100%
SIA ABC King	Latvia	100%	100%
Rävala Parkla AS	Estonia	50%	50%

Economic development

Economic growth was 3.2% in 2012 and 3.7% in the final quarter, thus exceeding the economic growth of most countries in the Eurozone. According to the forecasts of analysts, economic growth is likely to slow down, but all in all, the economic growth of 2013 is expected to remain at 3%, since the economic situation of Estonian trading parties is expected to pick up from the second half of this year onwards. Private consumption is also expected to contribute to economic growth, presuming that the purchasing power of private households increases thanks to an increase in nominal and real wages, reduction in the unemployment insurance premium, and the growth in minimum wages and pensions. The retail sales data of the first two months of 2013 indicate a deceleration in consumption activity, which is probably due to the shockingly steep increase in electricity prices in January.

The consumer price index grew by 3.5% in Estonia within the first three months of the year. The prices of food and non-alcoholic drinks rose by 5.5%, clothes and footwear by 4.9%. Housing expenses underwent the biggest price rise – 10.2%. The effects of higher electricity prices will recede due to base effect, and the inflation of external factors should decrease in the second half of 2013. At the same time, the expected pay rise may mean an increase in service prices and advance core inflation to some extent. According to the estimation of analysts, inflation will reduce to 3.3% this year. A higher electricity price impact due to base effects will recede

According to Statistics Estonia, the total volume of retail turnover within the two first months of 2013 in Estonia grew by 6.1% in current prices. The retail sale of second-hand goods saw the greatest leap in turnover growth – 68.5% –, but its proportion in overall retail sales was small. Retail sales in non-specialised stores (predominantly selling food products) grew by 4.0% in the first two months of the year. A consumer survey conducted by the Estonian Institute of Economic Research in March showed that consumer confidence has improved, exceeding the long-term average for several months in a row.

Economic results**FINANCIAL RATIOS 2012–2013**

	EUR		Change
	1 st quarter 2013	1 st quarter 2012	
Sales revenue (in millions)	112.0	106.0	5.6%
Operating profit/loss (in millions)	1.7	3.5	-52.2%
Net profit/loss (in millions)	-2.3	3.2	-171.0%
Return on equity (ROE)	-1.7%	2.3%	
Return on assets (ROA)	-0.8%	1.2%	
Net profit margin	-2.04%	3.04%	
Gross profit margin	23.61%	24.65%	
Quick ratio	0.74	1.05	
Debt ratio	0.55	0.46	
Sales revenue per employee (in millions)	0.033	0.033	
Inventory turnover	2.22	2.23	
SHARE			
Average number of shares (1000 pcs)	40,729	40,729	
Equity capital per share (EUR/share)	3.18	3.50	
Share's closing price (EUR/share)	6.250	5.799	
Earnings per share (EUR/share)	-0.06	0.08	
Average number of employees	3,428	3,229	
Return on equity (ROE)	= Net profit / Average owners' equity * 100%		
Return on assets (ROA)	= Net profit / Average total assets * 100%		
Sales revenue per employee	= Sales revenue / Average number of employees		
Inventory turnover (multiplier)	= Cost of goods sold / inventories		
Net profit margin	= Net profit / Sales revenue * 100%		
Gross profit margin	= (Sales revenue - Cost of goods sold) / Sales revenue		
Quick ratio	= Current assets / Current liabilities		
Debt ratio	= Total liabilities / Balance sheet total		

The consolidated unaudited sales revenue of the Tallinna Kaubamaja Group in the first quarter of 2013 was 112.0 million euros. The return on sales grew by 5.6% compared to the first quarter of 2012, when the sales revenue was 106.0 million euros. The sales revenue grew in most segments of the group, whereas the greatest growth was seen in the retail sales segments of motor vehicles and department stores. The net loss of the accounting period was 2.3 million euros in connection with the income tax calculated on dividends in the sum of 3.8 million euros. The profits earned in the first quarter of 2012 amounted to 3.2 million euros. The profit before taxes was 1.5 million euros, which made up half of the profit earned in the same period in the previous year.

The first quarter of 2013 was characterised by the general downtrend of retail trade in connection with consumer expenses being directed to cover the rise in electricity prices and the heating costs of the drawn-out winter. The extraordinarily long winter has also hindered the sale of the fashion spring collections of the group. The gross margin of the group underwent a fall in the first quarter compared to the year before due to premium points being awarded to customers through the new loyalty programme, as well as due to the lower prices of products in the daily shopping basket, which has in turn had a favourable impact on turnover. Heating and electricity costs of the Group have gone up (17.1%) due to the long winter and rise in electricity prices. Profit was significantly influenced by the rise in labour costs (13.4%). Additional sales areas brought about an increase in the number of employees (6.2%), but the average labour cost per person went up as well. This was mostly caused by adjustments made in the wage level of service personnel. Competent and motivated employees are the basis for raising the efficiency in the future. Depreciation increased as a result of substantial investments made in 2012.

The new Läänemere Selver and a new Shy footwear store in Jõhvi were opened in Tallinn in first quarter of 2013.

The volume of the assets of the Tallinna Kaubamaja Group as of 31 March 2013 was 286.3 million euros, having decreased by 1.6 million euros compared to the end of 2012, i.e. 0.5%.

At the end of the accounting period, the Group had more than 570 thousand loyal customers – a figure that had increased by 13.4% in a year. The share of purchases made by loyal customers from the sales revenue of the Group was 85.4% (1st quarter 2012: 78%). At the end of the first quarter of 2013 more than 7.0 thousand Partner credit cards was issued.

Share market

Since 19 August 1997, the shares of AS Tallinna Kaubamaja have been listed in the main list of securities of the Tallinn Stock Exchange. Tallinna Kaubamaja AS has issued 40.729.2 thousand registered shares, each with the nominal value of 0.60 euros. The shares are freely transferable, no statutory restrictions apply. There are no restrictions on transfer of securities to the company as provided by contracts between the company and its shareholders. We do not have information about contracts between the shareholders restricting the transfer of securities. NG Investeeringud OÜ has direct significant participation. Shares granting special rights to their owners have not been issued.

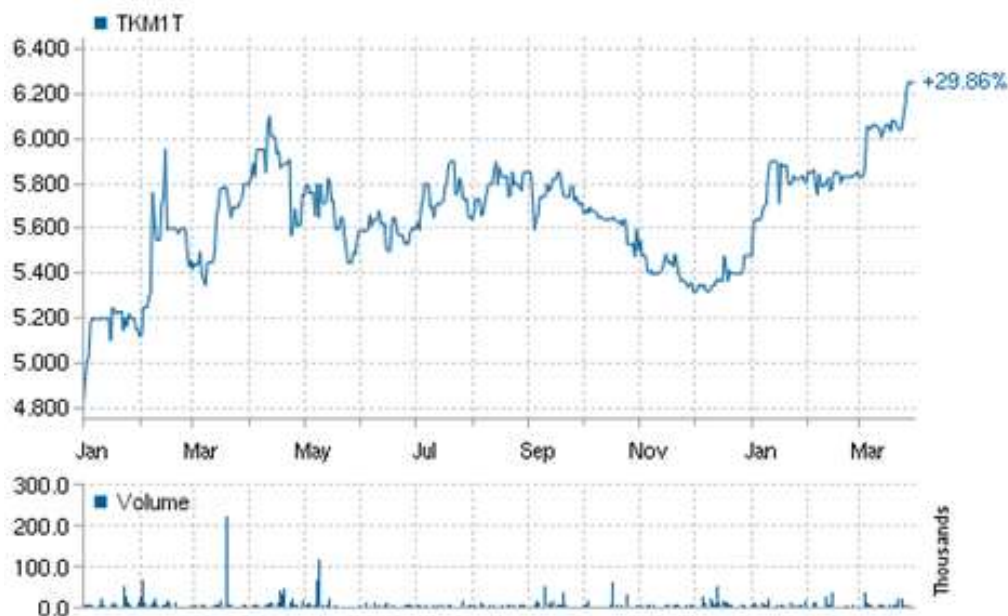
The members of the management board of Tallinna Kaubamaja AS have no right to issue or buy back shares. In addition, there are no commitments between the company and its employees providing for compensation in mergers and acquisitions under article 19¹ of Stock Market Trade Act.

The share with a price of 5.48 euros at the end of 2012 was closed in late March of 2013 at 6.25 euros, increased by 14.05% within the three months of the year.

According to the notice of regular annual general meeting of the shareholders published on 4 March 2013, the management board proposed to pay dividends 0.35 euros per share. The general meeting of shareholders approved it.

Share price and trading statistics on the Tallinn Stock Exchange from 01.01.2012 to 31.03.2013.

In euros



Selver supermarkets

The consolidated revenue of the first quarter of 2013 in the business segment of supermarkets and the sale revenue in Estonia were 79.6 million euros, which is 2.9% larger compared to the same period the year before. The average sale revenue of goods per a square metre of the sales area was 0.34 thousand euros per month in the first quarter of 2013, showing a 5.1% decrease compared to the results of 2012. The sales revenue of goods of comparable stores per a square metre of selling space in the first quarter was an average of 0.36 thousand euros per month, thus showing a decrease of 2.3% compared to the results of 2012. 7.9 million purchases were made in Selvers in the first quarter of 2013, exceeding the number of sales made in the first quarter of 2012 by 1.5%.

In the first quarter of 2013, the consolidated pre-tax profit of supermarkets was 0.03 million euros, whereas the profit made in Estonia made up 0.62 million euros of the consolidated profit. Both the consolidated profit and the profit made in Estonia decreased by 1.8 million euros compared to the base year. The net loss of the supermarket segment amounted to 1.7 million euros, which is 3.6 million euros less than the profit of the year before. The net loss earned in Estonia was 1.1 million euros in the first quarter of 2013, which is 3.6 million euros less compared to the year before. The difference in net profit and profit before income tax results from the income tax calculated on dividends – the income tax on dividends of 2012 was entered in the accounts of the second quarter. The losses before taxes and net loss totalled to 0.6 million euros in Latvia, remaining on the same level compared to the year before. Business activity has been frozen in Latvia.

The opening of new stores has supported the growth of turnover in the first quarter of 2013. The significantly changed competition-related situation had a negative influence on the results of comparable stores; opening new Selver stores also causes the constant redistribution of customers between stores. Since 2012 was a leap year and had an additional selling day, and because Saare Selver is closed for improvement works and has no turnover, the reference base is higher. Due to the renewal of the loyalty programme in May 2012, the premium points awarded to customers reduced revenue in the accounts, while there was no such effect in the first quarter of 2012. Compared to the base period, the percentage of food products in the total turnover has increased somewhat in the first quarter of the current year. Margins have also been influenced by the increased proportion of campaign products in overall sales and the prices of products in the daily shopping basket have been reduced, which has had a positive impact on the growth of average purchases.

The profit earned in Estonia has been positively influenced by cost-effective management. The increase in electricity and heating prices has decreased profits. In addition, profits are influenced by opening new stores and renovating the existing ones, as well as one-time costs connected with opening new stores: Läänemere Selver was opened in Tallinn in the first quarter of 2013, and a part of the alteration works in Saare Selver also fell in the first quarter. The SelveEkspress service was launched in Tondi and Keila Selvers in the first quarter.

Expansion is to be continued in 2013. A new store will be opened in Tartu in the summer, and at least 2 stores will be opened at the end of the year. As at the end of the first quarter of 2013, the Selver chain included 41 Selver

stores with the total sale area of 76.2 thousand square metres.

Department stores

In the first 3 months of 2013, the sale revenue of the business segment of department stores was 20.0 million euros, growing 5.2% compared to the same period in 2012. The sale revenue per square metre of department stores amounted to 0.78 thousand euros per month in the first three months of 2013, exceeding the result of the same period in the previous year by 2.4%. At the same time, the sales area of department stores has increased by 499 m² thanks to renovation works. The final campaign of winter goods carried out in January had a positive impact on sales revenue; however, the late beginning of spring slowed down the sales of seasonal fashion products. The pre-tax loss of department stores amounted to 0.26 million euros in the first quarter of 2013, being better than the respective results of 2012 by 0.02 million euros. The final campaign of Muusikapood that was launched in both shopping centres at the end of January had a negative effect on the result of the supermarkets.

The sales revenue of OÜ TKM Beauty Estonia operating the I.L.U. beauty stores was 1.0 million euros in the first quarter of 2013, having grown by 21.9% compared to the same period of 2012. The net loss of the I.L.U. chain was 0.1 million euros, which is 0.02 million euros less than in the same period of the year before. Compared to the first quarter of 2012, the I.L.U. chain opened its sixth store at the Tasku Centre in Tartu in August 2012.

Car Trade

The sales revenue of the car trade segment in the first quarter of 2013 was 9.0 million euros without intersegment transactions (6.1 million euros in the first quarter of 2012), which surpasses the revenue of the same period in 2012 by 47.5%. The steep growth in sales revenue can be explained by additional sale revenue from AS Viking Motors acquired in the third quarter of 2012. On the basis of comparable businesses, the sales growth would have remained at 4.6%. 458 vehicles were sold in the first three months of the current year, which is 109 more than in the same period of 2012. The pre-tax profit of the segment in the first quarter of 2013 totalled to 0.3 million euros, which is 0.1 million euros or 30.9% less compared to the same period of 2012, although the gross margin of the segment remained on the same level. The decrease of profit was mainly caused by the depreciation of the Viking Motors trademark as well as the growth of labour costs due to the need for additional sales personnel in connection with the increasing sales volume.

The goal set for 2013 is to maintain and enhance the existing efficiency and market share. Seeking expansion options and taking existing trademarks to the Baltics through the dealer network owned by the group is still on the agenda. The group is also planning to integrate Viking Motors AS into the business environment of the group and adjust the structure of the car trade segment. In addition, the plan foresees building and opening a new building for KIA Automobiles in Riga.

Footwear trade

The sales revenue of the footwear trade in the first quarter of 2013 amounted to 2.7 million euros, indicating a reduction of 7.5% compared to the same period of 2012. The decreased sales revenue resulted from closing Latvian stores at the end of March 2012; the high reference base in Estonian stores in the first quarter of 2012; unfavourable weather conditions, which hindered the sale of spring collections; as well as the diminishing purchasing interest of customers due to the increasing prices of food and energy. The losses of the first quarter totalled to 0.6 million euros, while the losses of the first quarter in 2012 amounted to 0.5 million euros.

A new store was opened in the first quarter of 2013 – Shu store in the Jõhvi shopping centre Tsentraal.

Real Estate

The sale revenue of the business segment of real estate outside the group totalled 0.8 million euros in the first quarter of 2013, which grew by 4.3% compared to the same period in 2012, while the sales revenue was 0.7 million euros. The increase in sale revenue outside the group mainly resulted from rent income on the immovable property purchased by SIA TKM Latvija at the end of 2012, as well as from the reorganisation of the rental spaces of Tartu Kaubamaja Kinnisvara OÜ and Tallinna Kaubamaja Kinnisvara OÜ that occurred in the first half of 2012.

The pre-tax profit of the real estate segment amounted to 2.1 million euros in the first quarter of 2013, which is 0.3 million euros or 16.0% more than in the same period of the year before, when the profit before taxes was 1.8 million euros. The profit growth was mainly sparked by additional rental spaces leased to the other segments of the group in 2012. The immovable properties of Selver in Valga and Sõbra Selver in Tartu were purchased in the first quarter of 2013. The development projects of Selver will be continued in 2013, while construction works in Peetri Selver are underway in Rae Parish.

Personnel

The average number of employees in the Tallinna Kaubamaja Group in the first quarter of 2013 was 3,428, which exceeds the same number of 2012 by 6.2%. Total labour costs (cost of wages and social tax) amounted to 9.7 million euros in the first three months of 2013, having grown by 13.4% compared to the same period in 2012. The average monthly cost of wages grew by 7.1% in the first quarter compared to the average wages of the first quarter of 2012. The prerequisite for the rise in wage costs was the increased proficiency and efficiency of the employees and making connections between the input and performance of each employee. Regulating wages also resulted from the wish to withstand competition in the respective segment of the labour market. Growing wages have enabled the group to introduce a more efficient work organisation and enhance the support processes of sales.

Approval of the chairman of the management board and signature to the report

The chairman of the management board confirms that the management report gives a true and fair overview of the most important events during the reporting period and their effects on the accounting report; it includes a description of the main risks and uncertainties during the remaining financial year and expresses the relevant contracts with partners.



Raul Puusepp
Chairman of the Management Board

Tallinn, 17 April 2013

CONSOLIDATED FINANCIAL STATEMENTS

MANAGEMENT BOARD'S CONFIRMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS

The Chairman of the Management Board confirms the correctness and completeness of Tallinna Kaubamaja AS consolidated interim financial statements (unaudited) for the period of first 3 months 2013 as set out on pages 10 - 27.

The Chairman of the Management Board confirms that:

1. the accounting policies used in preparing the interim financial statements are in compliance with International Financial Reporting Standard as adopted in the European Union;
2. the interim financial statements give a true and fair view of the financial position, the results of the operations and the cash flows of the Parent and the Group;
3. Tallinna Kaubamaja AS and its subsidiaries are going concerns.



Raul Puusepp
Chairman of the Management Board

Tallinn, 17 April 2013

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In thousands of euros

	Note	31.03.2013	31.12.2012
ASSETS			
Current assets			
Cash and bank	2	9,160	13,494
Trade receivables and prepayments	3	12,140	18,497
Inventories	5	50,365	48,264
Total current assets		71,665	80,255
Non-current assets			
Receivables and prepayments	8	671	667
Investments in associates	7	1,668	1,628
Investment property	9	3,756	3,756
Property, plant and equipment	10	197,455	190,298
Intangible assets	11	11,073	11,236
Total non-current assets		214,623	207,585
TOTAL ASSETS		286,288	287,840
LIABILITIES AND EQUITY			
Current liabilities			
Borrowings	12	16,663	17,210
Trade payables and other liabilities	13	79,829	64,151
Total current liabilities		96,492	81,361
Non-current liabilities			
Borrowings	12	59,845	59,781
Provisions and prepayments		511	519
Total non-current liabilities		60,356	60,300
TOTAL LIABILITIES		156,848	141,661
Equity			
Share capital	15	24,438	24,438
Statutory reserve capital		2,603	2,603
Revaluation reserve		50,799	51,079
Currency translation differences		-202	-7
Retained earnings		51,802	68,066
TOTAL EQUITY		129,440	146,179
TOTAL LIABILITIES AND EQUITY		286,288	287,840

The notes presented on pages 15 to 27 form an integral part of these consolidated interim financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In thousands of euros

	Note	3 months 2013	3 months 2012
Revenue	16	112,010	106,034
Other operating income		214	148
Materials, consumables used and services	5	-85,568	-79,893
Other operating expenses	17	-12,410	-11,506
Staff costs	18	-9,710	-8,562
Depreciation, amortisation and impairment losses	10,11	-2,751	-2,538
Other expenses		-91	-140
Operating profit		1,694	3,543
Finance income	19	8	55
Finance costs	19	-259	-409
Finance income on shares of associates	7	40	39
Profit before tax		1,483	3,228
Corporate income tax	15	-3,772	-4
NET PROFIT/LOSS FOR THE FINANCIAL YEAR		-2,289	3,224
Other comprehensive income:			
<i>Items that will be reclassified subsequently to profit or loss</i>			
Currency translation differences		-195	-31
Other comprehensive loss for the financial year		-195	-31
TOTAL COMPREHENSIVE INCOME/LOSS FOR THE FINANCIAL YEAR		-2,484	3,193
Basic and diluted earnings per share (euros)	20	-0.06	0.08

Net profit and total comprehensive income are attributable to the owners of the parent.

The notes presented on pages 15 to 27 form an integral part of these consolidated interim financial statements.

CONSOLIDATED CASH FLOW STATEMENT

In thousands of euros

	Note	3 months 2013	3 months 2012
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit/loss		-2,289	3,224
<i>Adjustments:</i>			
<i>Interest expense</i>	19	259	409
<i>Interest income</i>	19	-8	-55
<i>Depreciation, amortisation</i>	10, 11	2,742	2,538
<i>Loss on sale and write-off of non-current assets</i>		18	34
<i>Effect of equity method</i>	7	-40	-39
Change in inventories		-2,101	-5,605
Change in receivables and prepayments related to operating activities		1,351	2,063
Change in liabilities and prepayments related to operating activities		1,439	1,425
TOTAL CASH FLOWS FROM OPERATING ACTIVITIES		1,371	3,994
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment (excl. finance lease)	10	-9,936	-10,055
Proceeds from sale of property, plant and equipment		0	7
Purchase of intangible assets	11	-14	0
Change in balance of parent company's group account	21	5,000	9,000
Interest received	19	8	55
TOTAL CASH FLOWS USED IN INVESTING ACTIVITIES		-4,942	-993
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	12	5,059	5,310
Repayments of borrowings	12	-8,149	-6,857
Change in overdraft balance	12	2,608	5
Repayments of finance lease principal	12	-1	-93
Interest paid		-281	-442
TOTAL CASH FLOWS USED IN FINANCING ACTIVITIES		-764	-2,077
TOTAL CASH FLOWS		-4,335	924
Effect of exchange rate changes		1	9
Cash and cash equivalents at the beginning of the period	2	13,494	11,948
Cash and cash equivalents at the end of the period	2	9,160	12,881
Net change in cash and cash equivalents		-4,334	933

The notes presented on pages 15 to 27 form an integral part of these consolidated interim financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

In thousands of euros

	Share capital	Statutory reserve capital	Revaluati on reserve	Retained earnings	Currency translation differences	Total
Balance as of 31.12.2011	24,438	2,603	52,197	60,333	-111	139,460
Net profit for the reporting period	0	0	0	3,224	0	3,224
Other comprehensive income for the reporting period	0	0	0	0	-31	-31
Total comprehensive income for the reporting period	0	0	0	3,224	-31	3,193
Reclassification of depreciation of revalued land and buildings	0	0	-280	280	0	0
Balance as of 31.03.2012	24,438	2,603	51,917	63,837	-142	142,653
Net profit for the reporting period	0	0	0	20,870	0	20,870
Other comprehensive income for the reporting period	0	0	0	0	104	104
Total comprehensive income for the reporting period	0	0	0	20,870	104	20,974
Reclassification of depreciation of revalued land and buildings	0	0	-1,118	1,118	0	0
Dividends paid	0	0	0	-14,255	0	-14,255
Balance as of 31.12.2012	24,438	2,603	51,079	68,066	-7	146,179
Net loss for the reporting period	0	0	0	-2,289	0	-2,289
Other comprehensive loss for the reporting period	0	0	0	0	-195	-195
Total comprehensive loss for the reporting period	0	0	0	-2,289	-195	-2,484
Reclassification of depreciation of revalued land and buildings	0	0	-280	280	0	0
Dividends declared	0	0	0	-14,255	0	-14,255
Balance as of 31.03.2013	24,438	2,603	50,799	51,802	-202	129,440

Additional information on share capital and changes in equity is provided in Note 15.

The notes presented on pages 15 to 27 form an integral part of these consolidated interim financial statements.

NOTES TO THE CONSOLIDATED INTERIM ACCOUNTS

Note 1. Accounting Principles Followed upon Preparation of the Consolidated Interim Accounts

General Information

Tallinna Kaubamaja AS ('the Company') and its subsidiaries (jointly 'the Group') are companies engaged in rendering services related to retail sale and rental activities in Estonia, Latvia and Lithuania. Tallinna Kaubamaja AS is a company registered on 18 October 1994 in the Republic of Estonia with the legal address of Gonsiori 2, Tallinn. The shares of Tallinna Kaubamaja AS are listed on the Tallinn Stock Exchange. The majority shareholder of Tallinna Kaubamaja AS is OÜ NG Investeeringud, the majority owner of which is NG Kapital OÜ. NG Kapital OÜ is an entity with ultimate control over Tallinna Kaubamaja Group.

Bases for Preparation

The Consolidated Interim Accounts of Tallinna Kaubamaja AS has been prepared in accordance with the International Financial Reporting Standard IAS 34 *Interim Financial Reporting* as adopted by the European Union. The consolidated interim financial statements do not contain all the information that has to be presented in the annual financial statements and they should be read in conjunction with the Group's consolidated financial statements as at and for the year ended 31 December 2012. The interim report has been prepared in accordance with the principal accounting policies applied in the preparation of the Group's consolidated financial statements for the year ended 31 December 2012.

The accounting policies and presentation used in preparing these financial statements are the same as those used in preparing the last year's financial statements.

The functional and presentation currency of AS Tallinna Kaubamaja is euro. All amounts disclosed in the financial statements have been rounded to the nearest thousand unless referred to otherwise.

The Manager is of the opinion that the Interim Report of Tallinna Kaubamaja AS for the first quarter of 2013 gives a true and fair view of the Company's performance in accordance with the going-concern concept.

This Interim Report has not been audited or otherwise reviewed by auditors.

Note 2. Cash and Bank

in thousands of euros		
	31.03.2013	31.12.2012
Cash on hand	522	872
Bank accounts	5,814	11,305
Cash in transit	2,824	1,317
Total cash and bank	9,160	13,494

Note 3. Trade Receivables and prepayments

in thousands of euros		
	31.03.2013	31.12.2012
Trade receivables (Note 4)	9,622	11,662
Short-term receivables from related parties (Note 21)	96	5,096
Other short-term receivables	37	41
Total financial assets from balance sheet line "Trade receivables and prepayments"	9,755	16,799
Prepayment for goods	1,171	806
Other prepaid expenses	857	435
Prepaid rental expenses	307	399
Prepaid taxes (Note 14)	50	58
Total trade receivables and prepayments	12,140	18,497

Note 4. Trade receivables

in thousands of euros		
	31.03.2013	31.12.2012
Trade receivables	8,078	9,903
Allowance for doubtful receivables	-63	-63
Receivables from related parties (Note 21)	413	254
Credit card payments	1,194	1,568
Total trade receivables	9,622	11,662

Note 5. Inventories

in thousands of euros		
	31.03.2013	31.12.2012
Goods purchased for resale	49,600	47,410
Raw materials and materials	765	854
Total inventories	50,365	48,264

Tallinna Kaubamaja AS

The income statement line "Materials, consumables used and services" includes the allowances and write-off expenses of inventories and inventory stocktaking deficit as follows:

in thousands of euros

	3 months 2013	3 months 2012
Write-down and write-off of inventories	1,395	875
Inventory stocktaking deficit	265	270
Total materials and consumables used	1,660	1,145

Aging of inventory and seasonal nature of fashion items is used as basis for write down of inventories.

Note 6. Subsidiaries

Tallinna Kaubamaja Group consists of:

Name	Location	Area of activity	Ownership 31.03.2013	Ownership 31.12.2012	Year of acquisitio n
Selver AS	Tallinn Pärnu mnt. 238	Retail trade	100%	100%	1996
AS Tartu Kaubamaja	Tartu Riia 1	Retail trade	100%	100%	1996
Tallinna Kaubamaja Kinnisvara AS	Tallinn Gonsiori 2	Real estate management	100%	100%	1999
Tartu Kaubamaja Kinnisvara OÜ	Tartu Riia 1	Real estate management	100%	100%	2004
SIA TKM Latvia	Riga Ieriku iela 3	Real estate management	100%	100%	2006
SIA Selver Latvija	Riga Ieriku iela 3	Retail trade	100%	100%	2006
TKM Auto OÜ	Tallinn Gonsiori 2	Commercial and finance activities	100%	100%	2007
KIA Auto AS	Tallinn Ülemiste tee 1	Retail trade	100%	100%	2007
Ülemiste Autokeskus OÜ	Tallinn Ülemiste tee 1	Retail trade	100%	100%	2007
KIA Automobiles SIA	Riga Pulkeveza Brieza 31	Retail trade	100%	100%	2007
KIA Auto UAB	Vilnius. Perkunkiemies g.2	Retail trade	100%	100%	2007
TKM Beauty OÜ	Tallinn Gonsiori 2	Retail trade	100%	100%	2007
TKM Beauty Eesti OÜ	Tallinn Gonsiori 2	Retail trade	100%	100%	2007
AS ABC King	Tallinn Pärnu mnt. 139E	Retail trade	100%	100%	2008
ABC King SIA	Riga Ieriku iela 3	Retail trade	100%	100%	2008
OÜ Suurtüki NK	Tallinn Ehitajate tee 110	Retail trade	100%	100%	2008
SIA Suurtüki	Riga Ieriku iela 3	Retail trade	100%	100%	2008
Kaubamaja AS	Tallinn Gonsiori 2	Retail trade	100%	100%	2012
Topsec Turvateenused OÜ	Tallinn Gonsiori 2	Security activities	100%	100%	2012
Kulinaaria OÜ	Tallinn Taevakivi 7B	Centre kitchen activities	100%	100%	2012
AS Viking Motors	Tallinn Tammsaare tee 51	Retail trade	100%	100%	2012

Three new subsidiaries (Kaubamaja AS, Topsec Turvateenused OÜ and Kulinaaria OÜ) have been established in June 2012 for the purpose of improving the structure and making the administration of Tallinna Kaubamaja group more transparent.

Tallinna Kaubamaja AS as the group's parent company will concentrate on managing the subsidiaries and investments and on arranging the group's support services.

Purchases in 2012:

Name	Location	Area of activity	Acquisition date	Ownership %
AS Viking Motors	Estonia	Retail trade	01.07.2012	100%

Trademark at value of 1,588 thousand euros was acquired. Trademark will be amortised during 7 years, amortisation started in September 2012 (Note 11).

In 2013 I quarter there were no business combinations.

Note 7. Investments in associates

in thousands of euros

Tallinna Kaubamaja AS has ownership of 50% (2012: 50%) interest in the entity AS Rävåla Parkla which provides the services of a parking house in Tallinn.

	31.03.2013	31.12.2012
Investment in the associate at the beginning of the year	1,628	1,550
Profit for the reporting period under equity method	40	126
Dividends received	0	-48
Investment in the associate at the end of the accounting period	1,668	1,628

Financial information about the associate Rävåla Parkla AS (reflecting 100% of the associate):

	31.03.2013	31.12.2012
Assets	3,695	3,678
Liabilities	359	423
	3 months 2013	3 months 2012
Revenue	96	96
Profit	80	78

Note 8. Long-term prepayments and receivables

in thousands of euros

	31.03.2013	31.12.2012
Prepaid rental expenses	561	561
Deferred tax asset	75	71
Other receivables	35	35
Total long-term prepayments and receivables	671	667

Note 9. Investment property

in thousands of euros

	EUR
Carrying value as at 31.12.2011	3,566
Changes occurred in 2012	
Reclassification (Note 10)	190
Carrying value as at 31.12.2012	3,756
Carrying value as at 31.03.2013	3,756

Investment property represents construction in progress. Determination of fair value is based on the expert opinion of a real estate expert, using a comparative method. Expert opinion has been adjusted by -10% which management believes is a fairer reflection of the fact that the detailed plan has not been approved yet.

In 2013 and 2012 no changes were recognised in fair value of investment property.

Note 10. Property, plant and equipment

in thousands of euros

	Land and buildings	Machinery and equipment	Other fixtures and fittings	Construction in progress	Total
31.12.2011					
Cost or revalued amount	139,635	22,250	23,282	49,656	234,823
Accumulated depreciation	-14,213	-16,520	-16,614	-15,204	-62,551
Carrying value	125,422	5,730	6,668	34,452	172,272
Changes occurred in 2012					
Purchases and improvements	2,091	312	1,387	25,328	29,118
Acquired through business combinations	0	20	13	0	33
Reclassification (Note 9)	20,065	2,401	4,030	-26,686	-190
Disposals	0	-12	-27	0	-39
Write-offs	0	-6	-978	0	-984
Depreciation	-4,356	-2,677	-2,961	0	-9,994
Currency translation difference	37	0	-1	46	82
31.12.2012					
Cost or revalued amount	158,633	23,810	25,970	48,377	256,790
Accumulated depreciation	-15,374	-18,042	-17,839	-15,237	-66,492
Carrying value	143,259	5,768	8,131	33,140	190,298
Changes occurred in 2013					
Purchases and improvements	7,562	37	99	2,238	9,936
Reclassification	14	564	422	-1,000	0
Write-offs	0	-3	-15	0	-18
Depreciation	-1,154	-650	-761	0	-2,565
Currency translation difference	-91	0	-3	-102	-196
31.03.2013					
Cost or revalued amount	166,022	24,103	26,242	49,440	265,807
Accumulated depreciation	-16,432	-18,387	-18,369	-15,164	-68,352
Carrying value	149,590	5,716	7,873	34,276	197,455

The cost of investments for the first quarter of 2013 amounted to 9,936 thousand euros.

The size of the investment in the business segment of Department store amounted to 151 thousand euros. In the reporting period renovation works were carried out in Department store showrooms.

The cost of investments made in first quarter of 2013 in the supermarket business segment was 1,390 thousand euros. In March third Selver store in Lasnamäe at Läänemere tee 28 was opened. In the reporting period Selver renewed store fittings and purchased computing technology. Kulinaaria OÜ invested in fixed assets 7 thousand euros.

The cost of the real estate business segment investment was 8,318 thousand euros, which included, in addition to the developments in Kuressaare and Tallinn Rae Parish also the purchase of Sõbra Selver property in Tartu Sõbra street 56a and in Valga, Raja street 5, Valga Selver property in March.

The cost of investments in the accounting period was 40 thousand euros in the vehicle trade business segment. The cost of investments made in the reporting period in the footwear segment was 37 thousand euros.

Note 11. Intangible assets

in thousands of euros

	Goodwill	Trademark	Beneficial contracts	Development expenditure	Total
31.12.2011					
Cost	7,298	3,509	1,080	18	11,905
Accumulated amortisation and impairment	-588	-817	-687	-4	-2,096
Carrying value	6,710	2,692	393	14	9,809
Changes occurred in 2012					
Purchases and improvements	0	0	0	370	370
Acquired through business combinations	0	1,588	0	0	1,588
Amortisation	0	-310	-197	-24	-531
31.12.2012					
Cost	7,298	5,097	1,080	388	13,863
Accumulated amortisation and impairment	-588	-1,127	-884	-28	-2,627
Carrying value	6,710	3,970	196	360	11,236
Changes occurred in 2013					
Purchases and improvements	0	0	0	14	14
Amortisation	0	-115	-49	-13	-177
31.03.2013					
Cost	7,298	5,097	1,080	402	13,877
Accumulated amortisation and impairment	-588	-1,242	-933	-41	-2,804
Carrying value	6,710	3,855	147	361	11,073

In the reporting period Group capitalised costs of the Partner Card loyalty programme as development expenditure in the amount of 14 thousand euros.

As a trademark, the Group has recognised the image of ABC King acquired in acquisition of footwear trade segment companies AS ABC King and SIA ABC King; the image contains a combination of the name, symbol and design together with recognition and preference by consumers. The remaining useful life of the trademark as at 31.03.2013 is 10.25 years.

In 2012 was recognised the image of Viking Motors AS acquired in acquisition of car trade segment company in the amount of 1,588 thousand euros. Trademark will be amortised during 7 years.

Goodwill is allocated to cash generating units of the Group by the following segments:

in thousands of euros	31.03.2013	31.12.2012
Car trade	3,156	3,156
Footwear trade	3,554	3,554

The recoverable amount (based on value in use) was determined on the basis of future cash flows for the next five years. In all units, except for Suurtüki SIA in footwear trade segment, it was evident that the present value of cash flows covers the value of goodwill and trademark as well as beneficial lease agreements and other assets related to the unit.

Note 12. Interest bearing borrowings

in thousands of euros	31.03.2013	31.12.2012
Short-term borrowings		
Overdraft	2,902	294
Bank loans	13,097	16,310
Finance lease liability	2	3
Other borrowings	662	603
Total short-term borrowings	16,663	17,210

in thousands of euros	31.03.2013	31.12.2012
Long-term borrowings		
Bank loans	59,570	59,570
Other borrowings	275	211
Total long-term borrowings	59,845	59,781
Total borrowings	76,508	76,991

Borrowings received

in thousands of euros	3 months 2013	3 months 2012
Overdraft	2,608	5
Bank loans	4,563	4,801
Other borrowings	496	509
Total borrowings received	7,667	5,315

Borrowings paid

in thousands of euros	3 months 2013	3 months 2012
Bank loans	7,776	6,443
Finance lease liability	1	93
Other borrowings	373	414
Total borrowings paid	8,150	6,950

Bank loans and finance lease liabilities are denominated in euros.

As of 31.03.2013, the repayment dates of bank loans are between 21.04.2013 and 30.08.2018 (2012: between 28.01.2013 and 30.08.2018), interest is tied both to 3-month and 6-month EURIBOR as well as EONIA. Weighted average interest rate was 1.30% (2012: 1.41%).

Note 13. Trade payables and other liabilities

in thousands of euros

	31.03.2013	31.12.2012
Trade payables	49,049	49,113
Payables to related parties (Note 21)	3,707	4,965
Other accrued expenses	241	268
Prepayments by tenants	1,192	1,247
Total financial liabilities from balance sheet line "Trade payables and other liabilities"	54,189	55,593
Taxes payable (Note 14)	3,716	4,740
Employee payables	3,416	3,220
Dividends declared (Note 15)	14,255	0
Income tax liability on dividends (Note 15)	3,776	0
Prepayments	330	445
Short-term provisions*	147	153
Total trade payables and other liabilities	79,829	64,151

*Short-term provisions represent warranty provisions related to footwear trade.

Note 14. Taxes

in thousands of euros

	31.03.2013		31.12.2012	
	Prepaid taxes	Taxes payable	Prepaid taxes	Taxes payable
Prepaid taxes	50	0	58	0
Value added tax	0	1,404	0	2,325
Personal income tax	0	681	0	677
Social security taxes	0	1,432	0	1,482
Corporate income tax	0	10	0	41
Unemployment insurance	0	121	0	147
Mandatory funded pension	0	68	0	68
Total taxes	50	3,716	58	4,740

Note 15. Share capital

As of 31.03.2013, the share capital in the amount of 24,438 thousand euros consisted of 40,729,200 ordinary shares with the nominal value of 0.60 euros per share (as of 31.12.2012 the share capital in the amount to 24,438 thousand euros consisted of 40,729,200 ordinary shares with the nominal value of 0.60 euros per share). All shares issued have been paid for. According to the articles of association, the maximum allowed number of shares is 162,916,800 shares. The general meeting of shareholders that took place on 28 March 2013 decided to pay dividends to the shareholders 0.35 euros per share in total amount of 14,255 thousand euros (2012: 14,255 thousand euros. 0.35 euros per share). Related income tax on dividends amounted to 3,776 thousand euros (2012: 3,761 thousand euros). Dividends were paid out to shareholders on 15 April 2013.

Note 16. Segment reporting

The Group has defined the business segments based on the reports used regularly by the supervisory board to make strategic decisions.

The chief operating decision maker monitors the operating activities by activities. With regard to areas of activity, the operating activities are monitored in the supermarket department store, car trade, footwear trade, real estate, beauty products (I.L.U.) and security segments. The measures of I.L.U. and security segment are below the quantitative criteria of the reporting segment specified in IFRS 8; these segments have been aggregated with the department

store segment because they have similar economic characteristics and are similar in other respects specified in IFRS 8.

The main area of activity of supermarkets, department stores, footwear trade and car trade is retail trade. Supermarkets focus on the sale of foodstuffs and convenience goods, the department stores on the sale of beauty and fashion products, the car trade on the sale of cars and spare parts to cars. In the car trade segment, cars are sold at wholesale prices to authorised car dealers. In the footwear trade segment, footwear is sold at wholesale prices to family markets. The share of wholesale trade in other segments is insignificant. The real estate segment deals with the management and maintenance of real estate owned by the Group, and with the rental of commercial premises.

The activities of the Group are carried out in Estonia, Latvia and Lithuania. The Group operates in all the five operating segments in Estonia. The Company is engaged in footwear trade, car trade and retail trade in supermarkets and real estate development in Latvia; and in car trade in Lithuania.

The disclosures of financial information correspond to the information that is periodically reported to the Supervisory Board. Measures of income statement, segment assets and liabilities have been measured in accordance with accounting policies used in the preparation of the financial statements. Main measures that Supervisory Board monitors are segment revenue (external segment and inter-segment revenue and other operating income), EBITDA (earnings before interest, taxes, depreciation and amortisation) and net profit or loss.

Sales revenue

in thousands of euros

	Super markets	Depart- ment store	Car trade	Footwea r trade	Real estate	Inter- segment transact- ions	Total seg- ments
3 months 2013							
External revenue	79,553	19,972	9,026	2,705	754	0	112,010
Inter-segment revenue	238	854	10	-16	2,505	-3,591	0
Total revenue	79,791	20,826	9,036	2,689	3,259	-3,591	112,010
EBITDA	1,080	154	400	-349	3,160	0	4,445
Segment depreciation and impairment losses (Note 10, 11)	-1,085	-470	-101	-216	-879	0	-2,751
Operating profit/loss	-5	-316	299	-565	2,281	0	1,694
Finance income (Note 19)	37	129	2	0	14	-174	8
Finance income on shares of associates	0	40	0	0	0	0	40
Finance costs (Note 19)	0	-113	-41	-47	-232	174	-259
Income tax	-1,745	-1,196	5	0	-836	0	-3,772
Net profit/loss	-1,713	-1,456	265	-612	1,227	0	-2,289
incl. in Estonia	-1,128	-1,456	301	-607	1,035	0	-1,855
incl. in Latvia	-585	0	-42	-5	192	0	-440
incl. in Lithuania	0	0	6	0	0	0	6
Segment assets	68,470	73,471	15,111	15,227	181,224	-67,215	286,288
Segment liabilities	54,257	43,347	8,869	20,071	96,110	-65,806	156,848
Segment investment in non-current assets (Note 10, 11)	1,390	165	40	37	8,318	0	9,950

in thousands of euros

3 months 2012	Super markets	Department store	Car trade	Footwear trade	Real estate	Inter-segment transactions	Total segments
External revenue	77,277	18,990	6,121	2,923	723	0	106,034
Inter-segment revenue	222	450	6	110	2,104	-2,892	0
Total revenue	77,499	19,440	6,127	3,033	2,827	-2,892	106,034
EBITDA	2,988	-40	475	-248	2,906	0	6,081
Segment depreciation and impairment losses	-1,203	-358	-34	-193	-750	0	-2,538
Operating profit/loss	1,785	-398	441	-441	2,156	0	3,543
Finance income (Note 19)	83	308	0	0	34	-370	55
Finance income on shares of associates	0	39	0	0	0	0	39
Finance costs (Note 19)	-2	-230	-65	-70	-412	370	-409
Income tax	0	0	-4	0	0	0	-4
Net profit/loss	1,866	-281	372	-511	1,778	0	3,224
incl. in Estonia	2,447	-281	418	-453	1,719	0	3,850
incl. in Latvia	-581	0	-35	-58	59	0	-615
incl. in Lithuania	0	0	-11	0	0	0	-11
Segment assets	67,961	71,818	12,737	12,725	165,323	-65,148	265,416
Segment liabilities	42,128	30,898	11,767	13,809	79,546	-55,385	122,763
Segment investment in non-current assets	435	1,936	44	6	7,634	0	10,055

External revenue according to types of goods and services sold

in thousands of euros

	3 months 2013	3 months 2012
Retail revenue	105,597	99,912
Wholesale revenue	2,804	2,881
Rental income	1,614	1,456
Revenue for rendering services	1,995	1,785
Total revenue	112,010	106,034

External revenue by client location

in thousands of euros

	3 months 2013	3 months 2012
Estonia	109,360	103,641
Latvia	1,051	727
Lithuania	1,599	1,666
Total	112,010	106,034

Distribution of non-current assets* by location of assets

in thousands of euros

	31.03.2013	31.12.2012
Estonia	178,860	171,572
Latvia	33,910	34,193
Lithuania	185	192
Total	212,955	205,957

* Non-current assets, other than financial assets and investment in associate.

In the reporting period and comparable period, the Group did not have any clients whose revenue would exceed 10% of the Group's revenue.

Note 17. Other operating expenses

in thousands of euros

	3 months 2013	3 months 2012
Rental expenses	3,571	3,342
Heat and electricity expenses	2,265	1,935
Operating costs	1,590	1,670
Cost of sale related services and materials	1,556	1,488
Marketing expenses	1,649	1,427
Miscellaneous other operating expenses	741	786
Computer and communication costs	600	488
Personnel expenses	438	370
Total other operating expenses	12,410	11,506

Note 18. Staff costs

in thousands of euros

	3 months 2013	3 months 2012
Wages and salaries	7,287	6,411
Social security taxes	2,423	2,151
Total staff costs	9,710	8,562
Average wages per employee per month (euros)	709	662
Average number of employees in the reporting period	3,428	3,229

Note 19. Finance income and costs

in thousands of euros

Finance income

	3 months 2013	3 months 2012
Interest income on Partner credit card	3	16
Interest income from loans to related parties	1	3
Interest income on NGI Group's group account (Note 21)	4	36
Total finance income	8	55

Finance costs

	3 months 2013	3 months 2012
Interest expense of bank loans	-240	-390
Interest expense of finance lease	-1	-2
Other finance costs*	-18	-17
Total finance costs	-259	-409

* Other finance costs consist of the fees for conclusion and changing of lease agreements and factoring agreements.

Note 20. Earnings per share

For calculating the basic earnings per share, the net profit to be distributed to the Parent's shareholders is divided by the weighted average number of ordinary shares in circulation. As the Company does not have potential ordinary shares, the diluted earnings per share equal basic earnings per share.

	3 months 2013	3 months 2012
Net profit/loss (in thousands of euros)	-2,289	3,224
Weighted average number of shares	40,729,200	40,729,200
Basic and diluted earnings per share (euros)	-0.06	0.08

Note 21. Related party transactions

in thousands of euros

In preparing the consolidated annual report of AS Tallinna Kaubamaja, the following parties have been considered as related parties:

- a. owners (Parent and the persons controlling or having significant influence over the Parent);
- b. associates;
- c. other entities in the Parent's consolidation group.
- d. management and supervisory boards of Group companies;
- e. close relatives of the persons described above and the entities under their control or significant influence.

Majority shareholder of Tallinna Kaubamaja AS is OÜ NG Investeeringud. Majority shareholder of OÜ NG Investeeringud is NG Kapital OÜ. NG Kapital OÜ is the ultimate controlling party of Tallinna Kaubamaja Group.

The Group of Tallinna Kaubamaja has purchased and sold goods, services and non-current assets as follows:

	Purchases 3 months 2013	Sales 3 months 2013	Purchases 3 months 2012	Sales 3 months 2012
Parent	74	5	74	36
Entities in the Parent's consolidation group	5,463	642	3,775	194
Members of management and supervisory boards	0	22	0	1
Other related parties	213	43	233	1
Total	5,750	712	4,082	232

A major part of the purchases from the entities in the Parent's consolidation group is made up of goods purchased for sale. Purchases from the Parent are mostly made up of management fees. Sales to related parties are mostly made up of services provided.

Balances with related parties:

	31.03.2013	31.12.2012
Interest receivable from Parent (Note 4)	1	2
Receivable from Parent (Note 3)	0	5,000
Receivables from entities in the in the Parent's consolidation group (Note 4)	389	127
Loan receivable from entities in the in the Parent's consolidation group (Note 3)	96	96
Sales bonuses receivable from entities in the in the Parent's consolidation group (Note 4)	22	121
Members of management and supervisory boards (Note 4)	1	4
Total receivables from related parties	509	5,350

	31.03.2013	31.12.2012
Parent	21	21
Entities in the Parent's consolidation group	3,582	4,895
Other related parties	104	49
Total liabilities to related parties (Note 13)	3,707	4,965

Receivables from and liabilities to related parties are unsecured and carry no interest because they have regular payment terms except receivable from the group account receivable.

Group account

For proving funding for its subsidiaries, the Group uses the group account, the members of which are most of the group entities. In its turn, this group as a subgroup has joined the contract of the group account of NG Investeeringud OÜ (hereinafter head group). From autumn 2001, Tallinna Kaubamaja Group has been keeping its available funds at the head group, earning interest income on its deposits. During 3 months of 2013 Tallinna Kaubamaja Group earned interest income on its deposits of available funds in the amount of 4 thousand euros (2012: 36 thousand euros). In 2013, Tallinna Kaubamaja Group did not use or pay any interest to the head group. As at 31.03.2013 Group deposited through parent company NG Investeeringud OÜ 0 euros (31.12.12: 5,000 thousand euros with interest rate 0.55% and with maturity up to 21 January 2013).

The average interest rate on available funds deposited to the group account of NG Investeeringud OÜ was 0.06% in the euro account (2012: 0.14%). According to the group account contract, the Group's members are jointly responsible for the unpaid amount to the bank.

Remuneration paid to the members of the Management and Supervisory Board

Short term benefits to the management boards' members of Tallinna Kaubamaja Group for the reporting period including wages, social security taxes, bonuses and car expenses, amounted to 294 thousand euros (3 months 2012: 147 thousand euros). Short term benefits to supervisory boards' members of Tallinna Kaubamaja Group in reporting period including social taxes amounted to 69 thousand euros (3 months 2012: 54 thousand euros).