NASDAQ OMX | Baltic
BALTIC MARKET AWARDS 2013

TALLINNA VESI

- BEST INVESTOR RELATIONS IN THE BALTIC COUNTRIES – 1ST PLACE
- BEST ANNUAL AND CORPORATE GOVERNANCE REPORT – 2ND PLACE

BALTIC MARKET AWARDS · NASDAQ OMX · EXCELLENCE IN INVESTOR RELATIONS ·

Tallinna Vesi

AS Tallinna Vesi

Interim results
6 months ended 30 th June 2014

Hosted by

Tallinna Vesi

Karl Brookes
CEO, Member of the Management Board

Aleksandr Timofejev
COO, Member of the Management Board

Riina Käi
CFO, Member of the Management Board

The Privatisation Contract

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CA amended the PWSSA to invalidate the privatisation contract

CA claims privatisation is illegal since 2001

SA is public law contract – current tariffs remain in place

To date no court hearing dates been announced

ASTV has filed a claim for compensation of potential damages of over 90 million euros from the CA

European Commission proceedings has been closed

ASTV SC has given a notice of a potential International arbitration proceeding

Average annual real rate of return 2001 – 2013 is 6.2%

Operational highlights

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Water quality 99.86% compliance (1472 samples taken during 6 months)

Number of water bursts was 28% smaller than in 2013

Reduction in customer compaints (32 in 2014 versus 73 in 2013)

Heavy metals concentration problems with Zn and Cu

Financial Highlights

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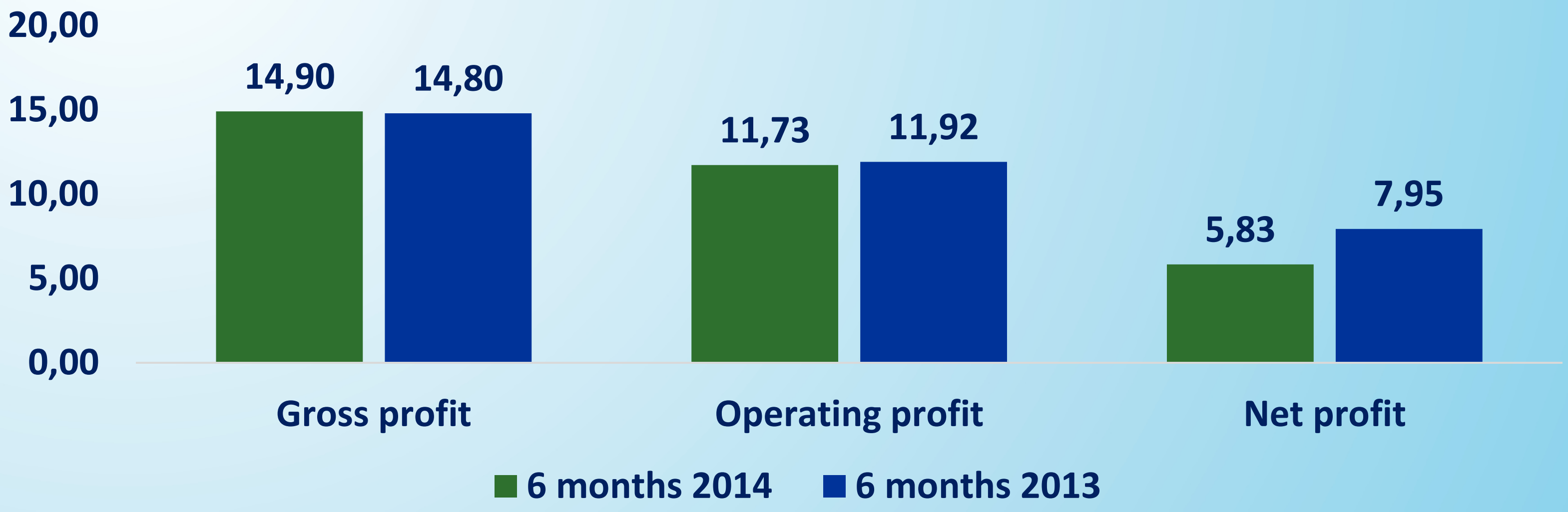
mln'€	*2nd quater 2014*	*2nd quater 2013*	**Change**	**Change %**	**6 months 2014**	**6 months 2013**	**Change**	**Change %**
Sales	13,37	13,49	-0,12	-0,90%	26,68	26,19	0,49	1,88%
Gross profit	**7,73**	**7,32**	**0,41**	**5,56%**	**14,99**	**14,85**	**0,15**	**0,99%**
Gross profit from main operations	**7,68**	**7,31**	**0,37**	**5,06%**	**14,90**	**14,80**	**0,11**	**0,71%**
Operating profit	6,19	5,74	0,45	7,82%	11,87	11,90	-0,02	-0,19%
Operating profit from main operations	6,04	5,78	0,26	4,41%	11,73	11,92	-0,19	-1,59%
Net profit	**0,77**	**1,73**	**-0,97**	**-55,74%**	**5,83**	**7,95**	**-2,12**	**-26,66%**



Water & Wastewater revenues in Q2

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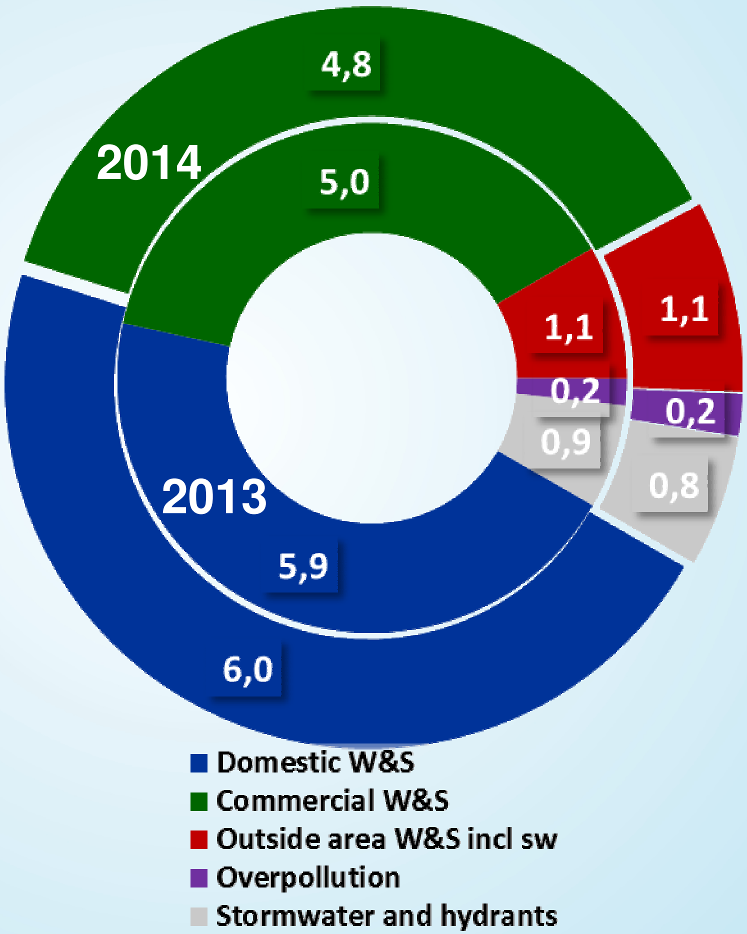
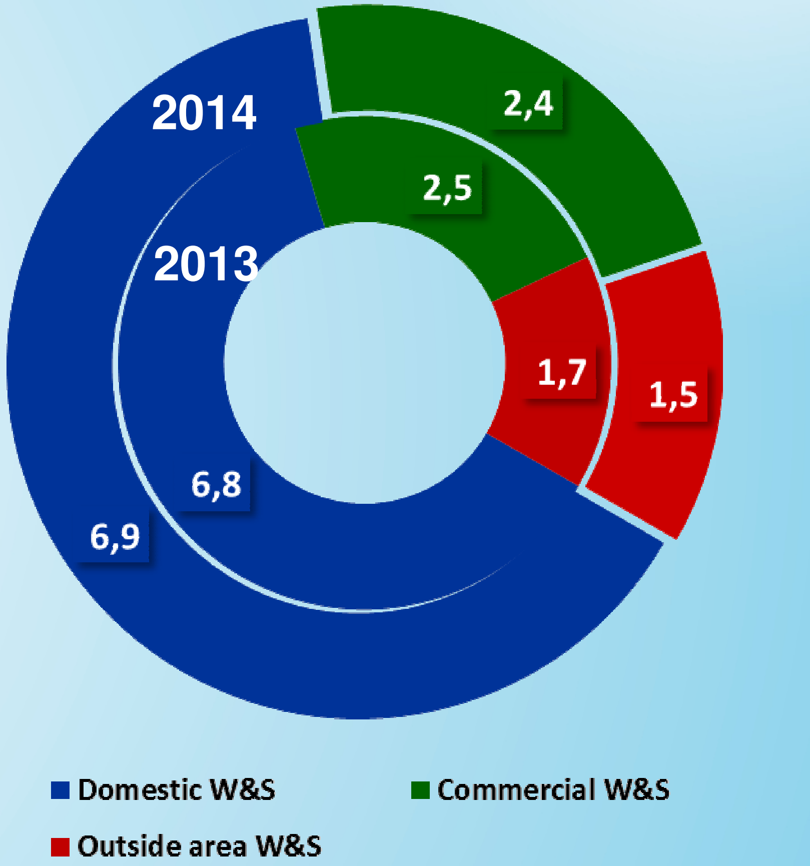
Revenues mln.€



Volumes mln.m³



Total costs
6 months 2014 to 6 months 2013

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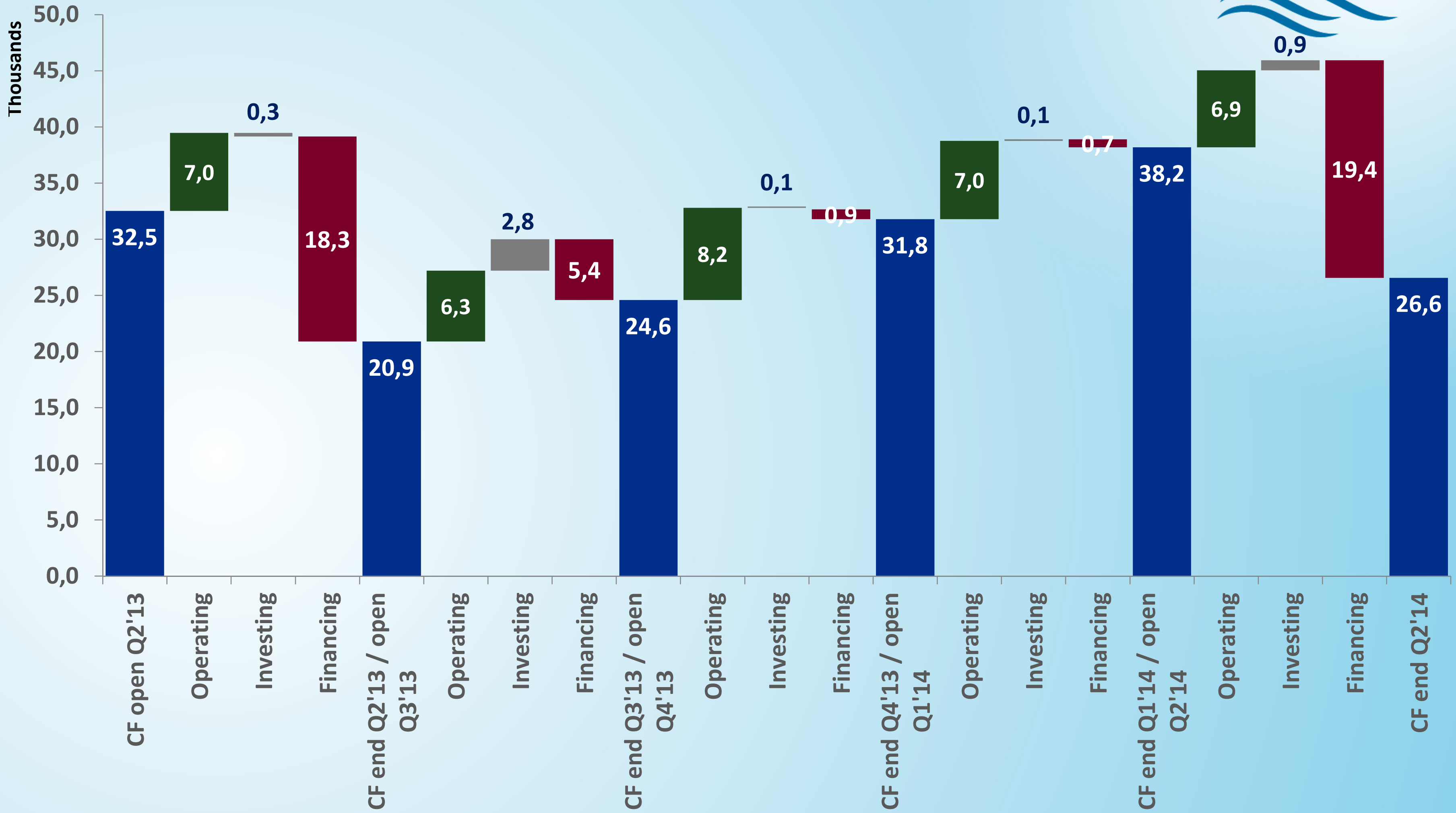
Total cost variances mln'€	*2[nd] quater 2014*	*2[nd] quater 2013*	Change	Change %	6 months 2014	6 months 2013	Change	Change %
Total Cost of Goods Sold (incl.)	**5,64**	**6,17**	**-0,53**	**-8,57%**	**11,69**	**11,34**	**0,35**	**3,04%**
Chemicals	0,45	0,43	0,02	5,16%	0,86	0,85	0,01	1,65%
Electricity	0,73	0,86	-0,13	-14,74%	1,57	1,79	-0,22	-12,51%
Pollution tax	0,55	1,09	-0,54	-49,36%	1,63	1,30	0,32	24,88%
Staff costs	1,31	1,25	0,06	5,12%	2,54	2,47	0,08	3,12%
Depreciation	1,32	1,29	0,04	2,80%	2,62	2,58	0,03	1,32%
Other COGS	1,28	1,27	0,01	0,87%	2,47	2,35	0,12	5,10%
Marketing, General admin costs	**1,64**	**1,53**	**0,12**	**7,54%**	**3,17**	**2,88**	**0,30**	**10,25%**
TOTAL COGS, Marketing, Overhead	**7,28**	**7,70**	**-0,41**	**-5,38%**	**14,86**	**14,22**	**0,64**	**4,50%**

Cash position



Cash balance by more than 5.7 mln euros higher y-o-y

Thank You!

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Sooner or later every investor reaches for our product.

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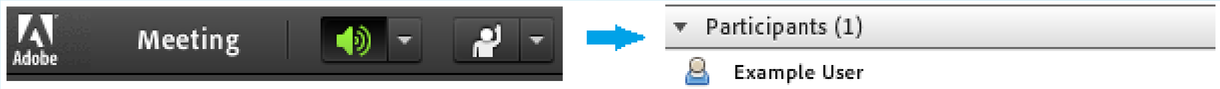
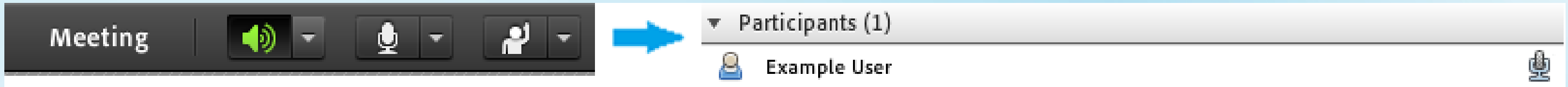
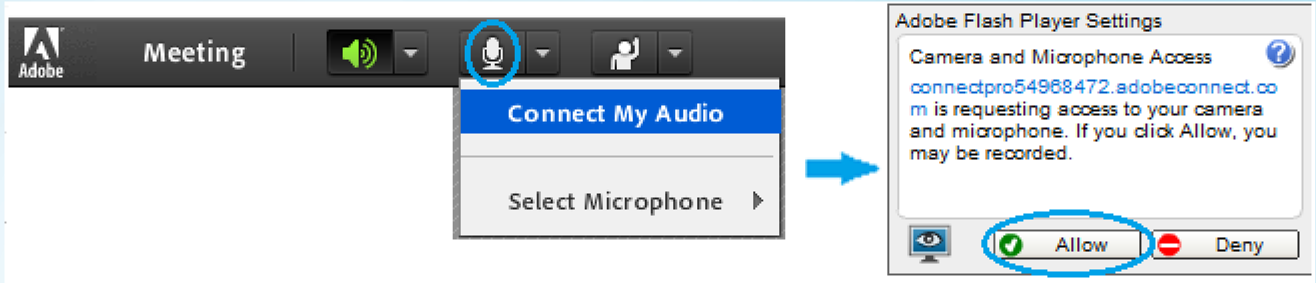
a) During the presentation the microphone rights are disabled for the participants.



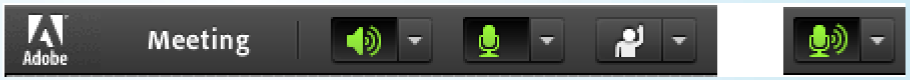
b) Microphone icon will appear after the presentation.



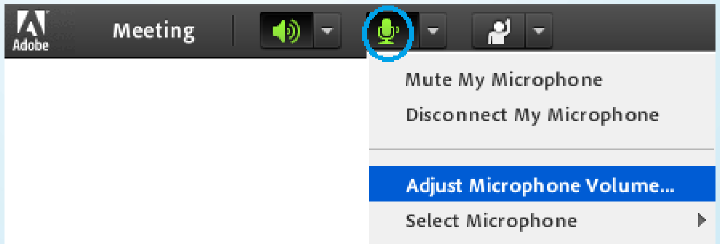
c) Each participant who wants to speak, has to activate his/her microphone himself/herself:



d) If microphone icon is green, then it is active.



e) Microphone volume is adjustable here:



f) Please mute your microphone while not speaking: