AS EKSPRESS GRUPP

CONSOLIDATED INTERIM REPORT

FOR THE SECOND QUARTER AND I HALF YEAR OF

2008

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GENERAL INFORMATION

Beginning of the financial year	1 January 2008
Ending of the financial year	30 June 2008
Name of the Company	AS Ekspress Grupp
Registration number	10004677
Address	Narva mnt.11 E, 10151 Tallinn
Phone no	+372 669 8181
Fax no	+372 669 8081
Main field of activity	Publishing and related services
CEO	Priit Leito
Auditor	AS PricewaterhouseCoopers

Management Board's confirmation on the interim management report

The management board confirms that the management report of AS Ekspress Grupp presented on pages 5 to 13 presents a true and fair view of the business developments and results, of the financial position, and includes the description of major risks and doubts for the Parent company and consolidated companies as a group.

Priit Leito	Chairman of the Management Board	....	7 August 2008
Anne Kallas	Member of the Management Board	....	7 August 2008
Kaido Ulejev	Member of the Management Board	....	7 August 2008

INTERIM MANAGEMENT REPORT

The sales revenue of Ekspress Group grew by 25% in the second quarter as compared to the same period last year. Such growth is mostly attributable to the contribution of new companies that were added to Ekspress Group in 2007 as well as the sales growth of the existing companies.

Key figures characterising the activities of Ekspress Group in the second quarter of 2008

- Sales revenue EEK 346.9 million (EUR 22.2 million), year-over-year growth 25%
- Gross profit EEK 96.2 million (EUR 6.1 million), year-over-year growth 30%
- EBITDA EEK 53.7 million (EUR 3.4 million), year-over-year growth 23%
- EBIT EEK 37.7 million (EUR 2.4 million), year-over-year growth 6%
- Net profit EEK 21.3 million (EUR 1.4 million), year-over-year change -35%

Key events of the second quarter of 2008

- launching of the employment portal www.ekspressjob.ee
- launching of the portal targeted at women www.naistemaailm.ee
- launching of the web version of Maaleht with a renewed concept www.maaleht.ee
- launching of the web version of the monthly magazine targeted at women “Panele”, www.panele.lt in Lithuania
- attaining of a strong position of the entertainment portal www.klubas.lt in Lithuania

Overview of the advertising market

According to the analysis prepared by the Estonian Newspaper Association, the advertising market for newspapers declined by an estimated 8% during the first six months of the year as compared to the first six months of 2007. During the same time period, the Internet advertising volumes exceeded by nearly a half the same indicator of the first six months last year in Estonia. Media analyst Toomas Leito estimates that the advertising market for magazines declined by 9% during the first six months of the year as compared to the first six months of 2007.

Contrary to a cool-down of the Estonian advertising market, that of Lithuania showed signs of growth. According to the survey conducted by TNS Emor with regard to the Lithuanian advertising market, the gross revenue from Internet advertising (expressed in price list prices without the impact of discounts) increased by 76.3% in Lithuania. The advertising volume of newspapers declined by 1.9% during the first six months of the year, but it increased a decent 18% in the advertising market for magazines (where a subsidiary of the Group operates) as compared to the first six months of 2007.

Overview by segments

In the second quarter 2008, the activities of Ekspress Group continued to focus on five principal segments: online media, publishing, printing services, book sales and information services. From 2008, the online media segment also includes web publications of AS Eesti Päevaleht, SL Õhtuleht AS and Eesti Ekspress Kirjastus AS as well as automobile, real estate and employment web environments of Eesti Ekspress Kirjastus AS which were previously included in the publishing segment. All web environments to be set up in the future are also included in the online media segment.

In the second quarter of 2008, the largest revenue growth in absolute terms as compared to the same period of 2007 was attained in the online media segment attributable to the addition of Delfi Group to the Group. The publishing of newspapers and magazines, partially related to the addition of AS Maaleht in the Group in October 2007 as well as the segment of printing services where sales growth was attained through an increase of operating capacities related to the launching of a new printing press in October 2007 made a significant contribution to the sales growth. Decent growth of book sales attained through the expansion of sales space as well as retail sales growth is also worth mentioning.

As of the balance sheet date, AS Delfi manages together with its Latvian and Lithuanian subsidiaries the Estonian and Russian-language portals in Estonia, http://www.delfi.ee and rus.delfi.ee, the Latvian and Russian-language portals in Latvia http://www.delfi.lv and rus.delfi.lv, the Lithuanian and Russian-language portals in Lithuania http://www.delfi.lt, http://www.klubas.lt, http://ru.delfi.lt) as well as the news portal in the Ukraine http://www.delfi.ua. AS Ekspress Kirjastus manages the Estonian automobile portal www.ekspressauto.ee, the real estate portal www.ekspresskinnisvara.ee and the employment portal www.ekspressjob.ee.

In addition to the new combined automobile and real estate environments launched in collaboration with Delfi Eesti and Eesti Ekspress in the first quarter of 2008, the employment portal www.ekspressjob.ee was added in the second quarter. In June, 13 815 unique visitors visited on average the new employment portal. In June, 219 526 unique visitors visited the entertainment portal www.klubas.lt launched in Lithuania last quarter. According to the survey by Gemius Audience, www.klubas.lt has become one of the 20 most visited portals. In the second quarter, we launched the new web version www.panele.lt of the largest monthly magazine “Panele“ targeted at women in Lithuania. In Estonia, we launched the web version of Maaleht with a renewed concept www.maaleht.ee. In June, major preparations were carried out for the launching of the new entertainment portal www.mango.lv in Latvia scheduled in July 2008. In August, Delfi will launch a new entertainment portal “Publik” in Estonia in order to satisfy the growing interest of Internet users in the entertainment area. The Group’s management intends to strengthen the Group’s market leadership position in the Internet markets of all Baltic States.

In the second quarter of 2008, the year-over-year sales growth of Delfi Group reached 28%. In the second quarter of 2008, EBITDA growth was a modest 10% due to the expenses related to the launching of Delfi Ukraina and www.klubas.lt, EBITDA margin was 37% as expected.

As advertising revenue is sensitive to the economic environment, the cool-down of the economy has led to a decline of the advertising revenue in the publishing segment. Due to the increase of advertising prices at the end of 2007 and beginning of 2008, the decline of advertising revenue was less pronounced. The advertising market for newspapers and magazines declined by almost 9% in the first six months of the year, whereas the advertising revenue of the publishing segment of the Group declined by only 0.8%. The growth in the subscription and single copy sale of periodicals was 23% and 9%, respectively, as compared to same period of 2007. The cool-down of the economy has somewhat impacted the single copy sale of periodicals which without the impact of Maaleht decreased by 1% in the second quarter as compared to the second quarter of 2007. At the same time, subscriptions for all periodicals have increased. In the second quarter, growth without the impact of Maaleht totalled 4% in the publishing segment as compared to the same period of 2007. The slow-down of advertising revenue has an important impact on the profit of the publishing segment, because the gross margin of advertising revenue is significantly higher than that of subscriptions. EBITDA margin fell from 14.5% in the second quarter of 2007 to 13.6% in the same period of 2008.

In the segment of printing services, the sales growth of the printing company was a decent 11% in the second quarter of 2008 as compared to the same period of 2007. Export turnover increased by 29% due to taking the new printing machine in use. EBITDA growth was 17%.

Modernisation of the magazine production unit was commenced in the second half of 2007, the first stage of which comprised the launching the magazine printing machine Rotoman and the new gluing line Kolbus in February 2008.

The launching of the stitching line and the assembling and packing line for magazines planned for the second quarter has been postponed. In the third quarter, Printall plans to acquire a new folding machine and the system for filtering cutting waste.

With regard to book sales, 11% sales growth was attained in the second quarter. The growth of the retail sales of books totalled 22%, achieved through the addition of new stores in the second half of 2007, demonstrating that the economic cool-down has not had a major negative impact on the retail sales of books. Retail sales are expected to grow further in the second half of 2008 due to the opening of new stores in Tartu, Tallinn and Pärnu. The opening of new stores will increase the sales space of Rahva Raamat by more than 1500 m^2.

The sales revenue of information services was at the same level in the second quarter of 2008 as in the same period of 2007; the sales growth in the first six months of the year was 12% as compared to the same period of 2007. EBITDA in the first six months of the year comprised 14% of the level in the same period of 2007. The decline of EBITDA is related to larger-than-forecast losses of the subsidiary of AS Ekspress Hotline located in Romania. From May, a major share of the fixed costs of the subsidiary located in Bucharest, such as agents' salaries, office expenses, etc. have been frozen until the grant of the service's short number. The competitions for short numbers are planned for September 2008.

Profit

Given the seasonal nature of the advertising business, the addition of AS Maaleht and Delfi Group has significantly increased the share of advertising revenue in the Group's sales revenue, therefore the impact of the seasonal nature on the Group's sales revenue and profit is larger than ever. The impact of the economic cool-down which occurred in the second quarter manifested itself in modest growth of advertising revenue and a decline of profit.

As compared to the sales growth of 25%, direct costs increased by 23% in the second quarter as a result of which the gross margin increased from 26.6% to 27.7% in the second quarter of 2008.

EBITDA totalled EEK 53.7 million (EUR 3.4 million) in the second quarter of 2008, exceeding the result of the same period in 2007 by 23%. In the second quarter, EBIT reached EEK 37.7 million (EUR 2.4 million), increasing by 6% as compared to the same period last year. In the second quarter, the operating margin was 10.9% (2nd quarter of 2007: 12.8%). The slowdown of EBIT is due to higher depreciation related to the intangible assets added in the acquisition of Delfi and Maaleht and other investments made into fixed assets in 2007.

The marketing expenses of the Group have increased due to the addition of new companies (AS Maaleht, Delfi Group, TeleTell) in the Group in the second half of 2007 and the launching of new products. Year-over-year growth as compared to the second quarter of 2007 was 33%, and 15% without the impact of new companies.

Administrative expenses increased by 50% in the second quarter as compared to the same period last year. The growth is only 4% without the impact of new companies added to the Group in 2007. Growth is mostly attributable to labour expenses, which comprise 38% of the level of the second quarter of 2007. Of this percentage, 31% of it is attributable to the addition of new companies and 7% to a higher number of employees in web publications of newspapers and magazines as well as raising of wages in 2007. Depreciation also increased more than twofold, related to the addition of intangible assets in the acquisition of Delfi and Maaleht.

The Group's financial expenses reached EEK 13.5 million (EUR 0.9 million) in the second quarter of 2008. Financial expenses are mostly made up of interest expenses in the amount of EEK 13.0 million (EUR 0.8 million) (2nd quarter of 2007: EEK 1.8 million (EUR 0.1 million)). The growth of interest expenses is related to the loan in the amount of EEK 684.4 million (EUR 43.1 million) taken from the syndicate of SEB, Sampo Bank and Nordea Bank for the acquisition of Delfi and Maaleht in the third quarter of 2007.

The net profit (after taxes and minority interest) of Ekspress Group totalled EEK 21.3 million (EUR 1.4 million) in the second quarter. The net profit decreased by 35% as compared to the same period of 2007. In addition to the events impacting EBIT, the growth slowdown also related to the increase of interest expenses in connection with the syndicate loan.

In a situation in which the economic growth in the first quarter of the 2008 was only 0.1% and with great probability, it was close to zero in the second quarter and will be close to zero in the following quarters, the Group has prepared a plan for additional cost cutting. Of the measures related to cost savings in the publishing segment, a decrease of newspaper pages, partial replacement of colour printing with black and white printing, uniting of inserts with the principal part of publication, etc. are worth mentioning. These measures manifest themselves in the saving of paper and printing costs. Of fixed costs, the most important source of savings is labour expenses. Cost savings are achieved through postponement of wage increases, new employees are not hired to replace those who have left the company or they are recruited internally. Lay-offs of employees are also carried out. Due to the lay-off of employees in the second quarter, termination benefits are included in the labour expenses of the second quarter. The effect of labour expenses will be achieved in the third quarter and hereinafter. New cost-saving measures include postponing of some investment, carrying out Internet development with own resources instead of previous outsourcing, additional cutting of labour expenses, etc.

Balance sheet and investments

As of 30 June 2008, the consolidated balance sheet total of Ekspress Group was EEK 1 709.4 million (EUR 109.2 million), increasing by 90% in a year. The assets and liabilities included in the balance sheet have increased as a result of the expansion of the Group and investments made to acquire fixed assets.

Current assets decreased by 27% year-over-year, reaching EEK 276.1 million (EUR 17.6 million) as of 30 June 2008. As of 30 June 2007, current assets totalled EEK 378.2 million (EUR 24.2 million), including the cash from the public offering of shares in the second quarter of 2007. Of current assets, accounts receivable and inventories increased the most, reaching EEK 112.3 million (EUR 7.2 million) and EEK 76.5 million (EUR 4.9 million), respectively, for the year-over-year growth of 40% and 64%, respectively. The increase of inventories is related to the addition of Maaleht in October 2007, expansion of Rahva Raamat and expansion of the production of Printall. Current liabilities increased by 1.3 times year-over-year, reaching EEK 434.5 million (EUR 27.8 million). Of current liabilities, borrowings increased the most, reaching EEK 187.7 million (EUR 12.0 million) at the end June.

As of the end of June, the Group's long-term borrowings totalled EEK 672.5 million (EUR 43.0 million), increasing by 2.6 times year-over-year. Of long-term borrowings, bank loans constitute EEK 560.7 million (EUR 35.8 million) and finance lease liability contributes EEK 111.1 million (EUR 7.1 million). The increase of both short-term and long-term borrowings is related to the loan in the amount of EEK 674.4 million (EUR 43.1 million) taken from the syndicate of SEB, Sampo Bank and Nordea Bank in the second quarter of 2007. The outstanding loan balance as of 30 June 2008 was EEK 587.3 million (EUR 37.5 million).

Property, plant and equipment were EEK 395.5 million (EUR 25.3 million) as of the end of June, increasing by 9% year-over-year. Intangible assets were EEK 1 019.9 million (EUR 65.2 million) as of the end of June, increasing by 6.1 times in a year. Of the increase of intangible assets, EEK 827.3 million (EUR 52.9 million) is related to the carrying value of trademarks, customer relations and software as well as goodwill which arose in the acquisition. The carrying value of the trademark and goodwill which arose in the acquisition of Maaleht amounted to EEK 39.3 million (EUR 2.5 million).

Employees

As of the end of June the Ekspress Group employed 2 311 people (As of 30 June 2007: 2 025 people). The average number of employees in the first half year of 2008 was 2 329 (HY I 2007: 1 992). In the first half year of 2008, wages and salaries paid to the employees of the Ekspress Group totalled EEK 160.2 million (EUR 10.2 million), (HY I 2007: EEK 107.4 million (EUR 6.7 million))*.

*proportional part from joint ventures

Shares and shareholders of the Ekspress Group

The share capital of the public limited company is EEK 189 710 81 which is consists of the shares with the nominal value of 10 kroons. All shares are of one type and there are no ownership restrictions.

The articles of association of the public limited company set no restrictions on the transfer of the shares of the public limited company.

The agreements entered into between the public limited company and the shareholders set no restrictions on the transfer of shares. In the agreements between the shareholders, they are only known to the extent that is related to pledged securities and is public information.

The following persons have significant holdings in AS Ekspress Group as of 30 June 2008:

- Hans Luik who controls 12 742 289 shares which makes up 67.17% of the share capital of the public limited company
- Skandinaviska Enskilda Banken whose customers hold 1 320 522 shares which makes up 6.96% of the share capital of the public limited company.

The information given in the table is calculated on the basis of shareholdings as at the date of 30.06.2008

Name	Number of shares	%
Skandinaviska Enskilda Banken AB Clients	1 320 522	6,96%
Members of Management and Supervisory Boards and their immediate family members		
Hans Luik	10 766 800	56,75%
Hans Luik, OÜ HHL Rühm	1 968 513	10,38%
Hans Luik , OÜ Minigert	6 900	0,04%
Hans Luik, Selle Luik	76	0,00%
Priit Leito	51 997	0,27%
Viktor Mahhov, OÜ Integer Management Services	33 910	0,18%
Härmo Värk, Holderstone OÜ	10 000	0,05%
Kaido Ulejev	8 471	0,00%
Other minority shareholders	4 803 892	25,37%
Total	18 971 081	100%

The public limited company does not have any shares granting specific rights of control.
The public limited company does not possess information on agreements with regard to restrictions on the voting rights of shareholders.

Trading statistics in the Tallinn Stock Exchange from 01 January 2008 to 30 June 2008

Security trading history

PRICE	2008 EEK	2008 EUR
Open	72,13	4,61
High	72,44	4,63
Low	24,25	1,55
Traded volume	2 835 362	2 835 362
Turnover, million	115,06	7,35
Capitalisation, million	537,27	34,34

Election and authority of the governing bodies of the Ekspress Group

The election of the members of the Management Board is in the competence of the Supervisory Board of the public limited company. Simple majority voting at the Supervisory Board is required in order to elect and recall the members of the Management Board. Upon resignation, a member of the Management Board shall notify the Supervisory Board of the public limited company one month in advance.

The authority of the Management Board of the public limited company is specified in the Commercial Code and it is limited to the extent provided for in the articles of association. The Management Board of the public limited company has no right to issue shares.

Amendment of the articles of association is the exclusive competence of the shareholders, requiring 2/3 of votes present at the general meeting.

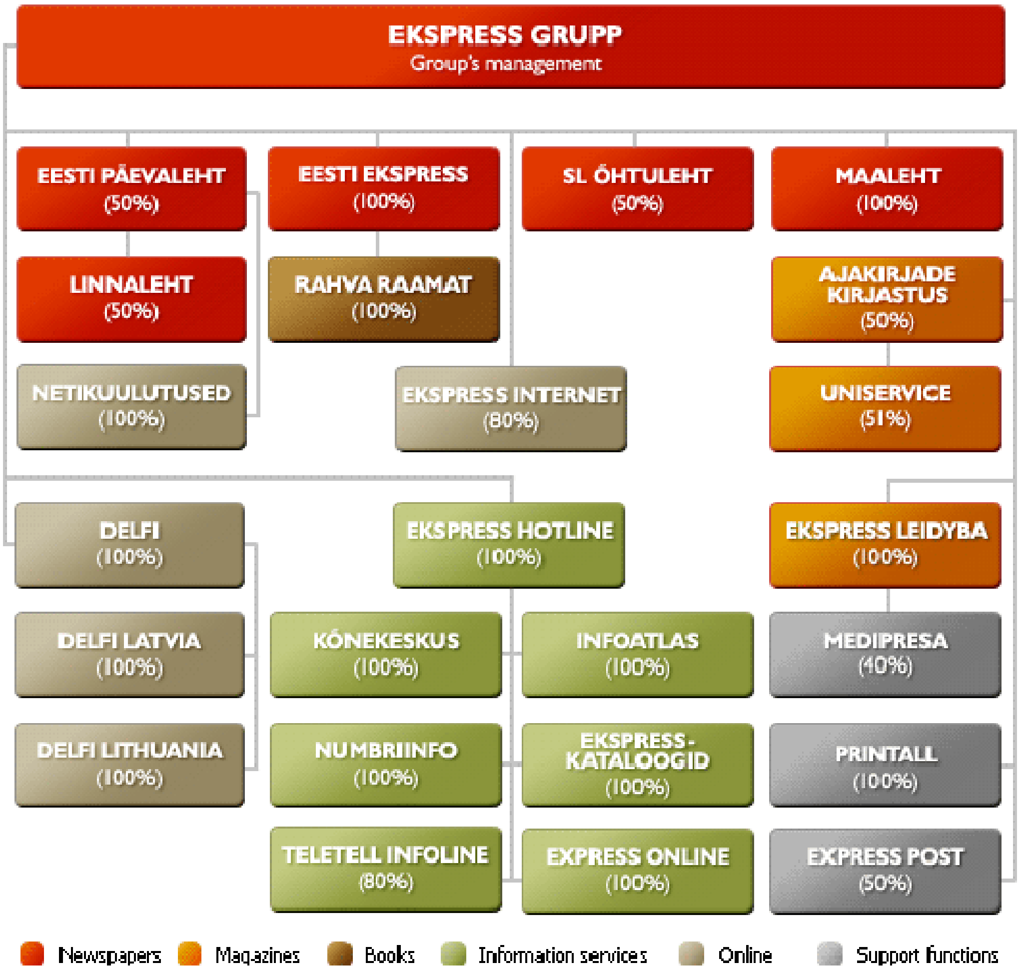
There are no agreements between the public limited company and the members of the Management Board referring to compensation related to a takeover of the public limited company as set out in Chapter 19 of the Securities Market Act.

Pursuant to Chapter 19 of the Securities Market Act, in case of a takeover of the public limited company, the current co-shareholder in the entities AS SL Õhtuleht, AS Ajakirjade Kirjastus and AS Express Post has the right to acquire the holding of the public limited company in the aforementioned entities at a fair price.

Ekspress Group Structure

On 20 June 2008 AS Ekspress Grupp purchased 782 shares of UAB Ekspres Leidyba owned by the minority shareholders. As a result of the transaction, AS Ekspress Grupp is the sole shareholder of UAB Ekspres Leidyba.

A share purchase agreement regarding the shares of OÜ Netikuulutused has been concluded on 31 March 2008 between Eesti Päevaleht AS and Eesti Ekspress Kirjastus AS belonging to Ekspress Group. According to the agreement Eesti Ekspress Kirjastus AS sold 50 % of the shares of OÜ Netikuulutused to Eesti Päevaleht AS. As a result of the transaction, Eesti Päevaleht AS is the sole shareholder of OÜ Netikuulutused.


EKSPRESS GRUPP
Group's management
EESTI PÄEVALEHT (50%)
EESTI EKSPRESS (100%)
SL ÕHTULEHT (50%)
MAALEHT (100%)
LINNALEHT (50%)
RAHVA RAAMAT (100%)
AJAKIRJADE KIRJASTUS (50%)
NETIKUULUTUSED (100%)
EKSPRESS INTERNET (80%)
UNISERVICE (51%)
DELFI (100%)
EKSPRESS HOTLINE (100%)
EKSPRESS LEIDYBA (100%)
DELFI LATVIA (100%)
KÕNEKESKUS (100%)
INFOATLAS (100%)
MEDIPRESA (40%)
DELFI LITHUANIA (100%)
NUMBRIINFO (100%)
EKSPRESS-KATALOOGID (100%)
PRINTALL (100%)
TELETELL INFOLINE (80%)
EXPRESS ONLINE (100%)
EXPRESS POST (50%)
Newspapers
Magazines
Books
Information services
Online
Support functions

Selected financial indicators

(thousand)	EEK HY I 2008	EEK HY I 2007	EUR HY I 2008	EUR HY I 2007
Accounting period				
Sales	668 235	527 007	42 708	33 682
Gross profit	177 569	139 403	11 349	8 909
Operating profit	62 901	57 847	4 020	3 697
Net profit for the period	32 164	51 235	2 056	3 275
At the end of the period	32 145	51 016	2 054	3 261
Total current assets	30.06.2008	30.06.2007	30.06.2008	30.06.2007
Total non-current assets	276 103	378 186	17 646	24 170
Total assets	1 433 288	522 421	91 604	33 389
Total liabilities	*1 709 391*	*900 607*	109 250	57 559
Total equity	1 107 026	371 408	70 752	23 737

Performance indicators (%)			HY I 2008	HY I 2007
Sales growth (%)	(sales IHY 2008 –sales IHY 2007) / sales IHY 2007*100		27%	18%
Gross profit margin (%)	gross profit/ sales*100		27%	26%
Net profit margin (%)	net profit/ sales*100		5%	10%
Equity ratio (%)	equity / (equity + debt) * 100		35%	59%
ROA (%)	net profit/assets *100		2%	3%
ROE (%)	net profit/equity *100		5%	6%
Operating profit margin (%)	operating profit/ sales*100		9%	11%
Liquidity ratio	current assets/current liabilities		0,64	2,01
Debt equity ratio (%)	interest bearing liabilities/equity*100		151%	40%
Financial leverage (%)	interest bearing liabilities-cash and cash equivalents/interest bearing liabilities + equity * 100		58%	6%
Earnings per share (EEK)	net profit/average number of shares	EEK	1,69	3,09
		EUR	0,11	0,20

Revenue by Group Companies*

(thousand)	EEK HY I 2008	EEK HY I 2007	EUR HY I 2008	EUR HY I 2007	Change%
Eesti Ekspressi Kirjastuse AS	70 748	72 964	4 522	4 663	-3%
AS Delfi	78 736	61 384	5 032	3 923	28%
AS Printall	213 823	192 025	13 666	12 273	11%
AS Maaleht	30 867	32 498	1 973	2 077	-5%
UAB Ekspress Leidyba	40 404	31 873	2 582	2 037	27%
Rahva Raamat AS	90 796	81 284	5 803	5 195	12%
OÜ Netikuulutused	1 273	3 215	81	205	-60%
AS Ekspress Hotline	38 525	34 397	2 462	2 198	12%
Eesti Päevalehe AS**	88 508	82 150	5 657	5 250	8%
AS SL Õhtuleht**	78 184	80 264	4 997	5 130	-3%
AS Express Post**	41 254	35 998	2 637	2 301	15%
AS Ajakirjade Kirjastus**	111 132	113 440	7 103	7 250	-2%
AS Linnaleht	17 498	18 533	1 118	1 184	-6%
UAB Medipresa	76 334	61 340	4 879	3 920	24%

*with intergroup transactions
**joint ventures 100%

EBITDA by Group Companies*

(thousand)	EEK HY I 2008	EEK HY I 2007	EUR HY I 2008	EUR HY I 2007	Change%
Eesti Ekspressi Kirjastuse AS	9 676	15 444	1 068	987	8%
AS Delfi	27 263	25 843	1 742	1 652	5%
AS Printall	43 803	37 629	2 800	2 405	16%
AS Maaleht	3 471	5 136	222	328	-32%
UAB Ekspress Leidyba	674	(88)	43	(6)	-
Rahva Raamat AS	2 924	3 174	187	203	-8%
OÜ Netikuulutused	(13)	1 340	(1)	86	-
AS Ekspress Hotline	649	4 721	41	302	-86%
Eesti Päevalehe AS**	5 432	4 578	347	293	19%
AS SL Õhtuleht**	16 072	17 322	1 027	1 107	-7%
AS Express Post**	2 832	3 608	181	231	-22%
AS Ajakirjade Kirjastus**	3 044	9 326	195	596	-67%
AS Linnaleht	48	2 264	3	145	-98%
UAB Medipresa	272	315	17	20	-14%

*with intergroup transactions
**joint ventures 100%

CONSOLIDATED INTERIM FINANCIAL INFORMATION

Management Board's confirmation of the Consolidated Interim Report

The Management Board confirms the correctness and completeness of the condensed consolidated interim report of AS Ekspress Group for the second quarter and first half year of 2008 as presented on pages 15 - 28.

The Management Board confirms that:

1. the accounting policies and presentation of information is in compliance with International Financial Reporting Standards as adopted by the European Union;

2. the financial statements present a true and fair view of the financial position, the results of the operations and the cash flows of the Group;

3. all Group companies are going concerns.

Priit Leito	Chairman of the Management Board	……………………	7 August 2008
Anne Kallas	Member of the Management Board	……………………	7 August 2008
Kaido Ulejev	Member of the Management Board	……………………	7 August 2008

Consolidated interim balance sheet (unaudited)

	EEK			EUR		
(thousand)	30.06.2008	31.12.2007	30.06.2007	30.06.2008	31.12.2007	30.06.2007
ASSETS						
Current assets						
Cash and cash equivalents	28 792	68 970	161 410	1 840	4 408	10 316
Other financial assets at fair value through profit or loss	3 908	4 606	5 019	250	294	321
Trade and other receivables	166 870	165 828	165 225	10 665	10 598	10 560
Inventories	76 533	66 161	46 532	4 891	4 228	2 974
Total current assets	276 103	305 565	378 186	17 646	19 528	24 171
Non-current assets						
Trade and other receivables	13 623	13 671	9 707	870	874	619
Investments in associates	802	964	862	51	62	55
Investment property	3 537	3 732	3 928	226	239	251
Property, plant and equipment (note 4)	395 472	404 880	363 472	25 275	25 877	23 230
Intangible assets (note 4)	1 019 854	1 023 419	144 452	65 181	65 408	9 232
Total non-current assets	1 433 288	1 446 666	522 421	91 603	92 460	33 387
TOTAL ASSETS	1 709 391	1 752 231	900 607	109 249	111 988	57 558
SHAREHOLDERS EQUITY AND LIABILITIES						
Liabilities						
Current liabilities						
Borrowings (note 5)	187 669	199 013	13 995	11 994	12 719	894
Trade and other payables	246 817	240 703	173 769	15 774	15 384	11 106
Total current liabilities	434 486	439 716	187 764	27 768	28 103	12 000
Non-current liabilities						
Borrowings (note 5)	671 806	741 585	182 928	42 936	47 396	11 691
Other long term liabilities	734	88	716	47	6	46
Total non-current liabilities	672 540	741 673	183 644	42 983	47 402	11 737
Total liabilities	1 107 026	1 181 389	371 408	70 751	75 505	23 737
Equity						
Capital and reserves attributable to equity holders of the Parent company						
Share capital	189 711	189 711	189 711	12 125	12 125	12 125
Share premium	183 495	183 495	183 495	11 727	11 727	11 727
Reserves	10 515	10 222	10 222	672	653	653
Retained earnings	218 126	185 981	145 326	13 941	11 886	9 288
Currency translation reserve	230	480	0	15	31	0
Total capital and reserves attributable to equity holders of the Parent company	602 077	569 889	528 754	38 480	36 422	33 793
Minority interest	288	953	445	18	61	28
Total equity	602 365	570 842	529 199	38 498	36 483	33 821
TOTAL EQUITY AND LIABILITIES	1 709 391	1 752 231	900 607	109 249	111 988	57 558

The notes presented on pages 19 to 28 form an integral part of the consolidated interim financial information

Consolidated interim income statement (unaudited)

(thousand)	EEK Q II 2008	Q II 2007	HY I 2008	HY I 2007
Sales	346 897	277 415	668 235	527 007
Costs of sales	250 718	203 512	490 666	387 604
Gross profit	96 179	73 903	177 569	139 403
Marketing expenses	15 853	11 958	33 111	26 036
Administrative expenses	41 553	27 788	82 755	56 213
Other income	1 373	1 685	6 130	2 908
Other expenses	2 430	376	4 932	2 215
Operating profit	37 716	35 466	62 901	57 847
Interest income	432	1 112	709	1 849
Interest expenses	(13 042)	(1 777)	(27 132)	(4 378)
Currency exchange loss	(115)	(35)	(447)	(50)
Other financial income	(163)	272	11	567
Other financial expenses	(305)	(190)	(480)	(194)
Financial income / expenses total	(13 193)	(618)	(27 339)	(2 206)
Share of profit (loss)of associates	62	845	(137)	1 179
Profit before income tax	24 585	35 693	35 425	56 820
Income tax expense	3 261	3 021	3 261	5 585
PROFIT FOR THE YEAR	21 324	32 672	32 164	51 235
Attributable to:				
Equity holders of the Parent company	21 331	32 612	32 145	51 016
Minority interest	(7)	60	19	219
Basic and diluted earnings per share for profit attributable to the equity holders of the Company	1,12	1,73	1,69	3,09

(thousand)	EUR Q II 2008	Q II 2007	HY I 2008	HY I 2007
Sales	22 171	17 730	42 708	33 682
Costs of sales	16 024	13 007	31 359	24 772
Gross profit	6 147	4 723	11 349	8 909
Marketing expenses	1 013	764	2 116	1 664
Administrative expenses	2 656	1 776	5 289	3 593
Other income	88	108	392	186
Other expenses	155	24	315	142
Operating profit	2 410	2 267	4 020	3 697
Interest income	28	71	45	118
Interest expenses	(834)	(114)	(1 734)	(280)
Currency exchange loss	(7)	(2)	(29)	(3)
Other financial income	(10)	17	1	36
Other financial expenses	(19)	(12)	(31)	(12)
Financial income / expenses total	(843)	(39)	(1 747)	(141)
Share of profit (loss)of associates	4	54	(9)	75
Profit before income tax	1 571	2 281	2 264	3 631
Income tax expense	208	193	208	357
PROFIT FOR THE YEAR	1 363	2 088	2 056	3 275
Attributable to:				
Equity holders of the Parent company	1 363	2 084	2 055	3 261
Minority interest	0	4	1	14
Basic and diluted earnings per share for profit attributable to the equity holders of the Company	0,07	0,11	0,11	0,20

The notes presented on pages 19 to 28 form an integral part of the consolidated interim financial information

Consolidated interim statement of changes in equity (unaudited)

	Attributable to equity holders of the parent company							
th EEK	Share capital	Share premium	Reserves	Retained earnings	Currency translation reserve	Total	Minority interest	Total equity
Balance at 31.12.2006	165 232	0	5 501	94 310	0	265 043	227	265 270
Profit for the year	0	0	0	51 016	0	51 016	219	51 235
Transaction costs	0	(4 721)	4 721	0	0	0	0	0
Net income (expense) recognized in equity	0	0	0	51 016	0	51 016	219	51 235
Share capital increase	24 479	188 216	0	0	0	212 695	0	212 695
Change of minority interest	0	0	0	0	0	0	(1)	(1)
Balance at 30.06.2007	189 711	183 495	10 222	145 326	0	528 754	445	529 199
Balance at 31.12.2007	189 711	183 495	10 222	185 981	480	569 889	953	570 842
Profit for the period	0	0	0	32 145	0	32 145	19	32 164
Currency translation difference	0	0	0	0	(250)	(250)	0	(250)
Reserve to the share option	0	0	293	0	0	293	0	293
Net income (expense) recognized in equity	0	0	293	32 145	(250)	32 188	19	32 207
Change of minority interest	0	0	0	0	0	0	(684)	(684)
Balance at 30.06.2008	189 711	183 495	10 515	218 126	230	602 077	288	602 365

	Attributable to equity holders of the parent company							
th EUR	Share capital	Share premium	Reserves	Retained earnings	Currency translation reserve	Total	Minority interest	Total equity
Balance at 31.12.2006	10 561	0	351	6 027	0	16 939	14	16 953
Profit for the year	0	0	0	3 261	0	3 261	14	3 275
Transaction costs	0	(302)	302	0	0	0	0	0
Net income (expense) recognized in equity	0	0	0	3 261	0	3 261	14	3 275
Share capital increase	1 564	12 029	0	0	0	13 593	0	13 593
Change of minority interest	0	0	0	0	0	0	0	0
Balance at 30.06.2007	12 125	11 727	653	9 288	0	33 793	28	33 821
Balance at 31.12.2007	12 125	11 727	653	11 886	31	36 422	61	36 483
Profit for the period	0	0	0	2 055	0	2 055	1	2 056
Currency translation difference	0	0	0	0	(16)	(16)	0	(16)
Reserve to the share option	0	0	19	0	0	19	0	19
Net income (expense) recognized in equity	0	0	19	2 055	(16)	2 058	1	2 059
Change of minority interest	0	0	0	0	0	0	(44)	(44)
Balance at 30.06.2008	12 125	11 727	672	13 941	15	38 480	18	38 498

The notes presented on pages 19 to 28 form an integral part of the consolidated interim financial information

Consolidated interim cash flow statement (unaudited)

	EEK		EUR	
(thousand)	HY I 2008	HY I 2007	HY I 2008	HY I 2007
Cash flows from operating activities				
Operating profit for the period	62 901	57 847	4 020	3 697
Adjustments for:				
Depreciation, amortization and impairment of property, plant and equipment and intangibles	30 863	16 559	1 973	1 058
Profit (loss) on sale of property, plant and equipment	226	(8)	14	(1)
Changes in working capital:				
Trade and other receivables	124	(76 995)	8	(4 921)
Inventories	(10 372)	(1 675)	(663)	(107)
Trade and other payables	(21 375)	38 911	(1 366)	2 487
Cash generated from operations	62 367	34 639	3 986	2 214
Income tax paid	(3 261)	(5 585)	(208)	(357)
Interest paid	(27 148)	(4 378)	(1 735)	(280)
Net cash generated from operating activities	31 958	24 676	2 042	1 577
Cash flows from investing activities				
Investments in business combinations	(1 182)	(70)	(76)	(4)
Proceeds from financial assets	1 500	0	96	0
Interest received	709	3 911	45	250
Purchase of property, plant and equipment	(17 173)	(33 148)	(1 098)	(2 119)
Proceeds from sale of property, plant and equipment	274	253	18	16
Loans granted	(3 067)	(62 953)	(196)	(4 023)
Loan repayments received	94	30 236	6	1 932
Net cash used in investing activities	(18 845)	(61 771)	(1 204)	(3 948)
Cash flows from financing activities				
Finance lease payments made	0	225 939	0	14 440
Change in overdraft used	(16 132)	(5 248)	(1 031)	(335)
Proceeds from borrowings	(23 895)	(66 208)	(1 527)	(4 231)
Repayments of borrowings	30 000	52 347	1 917	3 346
Net cash generated from financing activities	(42 946)	(59 426)	(2 745)	(3 798)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(52 973)	147 404	(3 386)	9 421
Cash and cash equivalents at the beginning of the period	68 970	51 101	4 408	3 266
Cash and cash equivalents at the end of the period	28 792	161 410	1 840	10 316

The notes presented on pages 19 to 28 form an integral part of the consolidated interim financial information

SELECTED NOTES TO THE CONSOLIDATED INTERIM REPORT

Note 1 General information

The main fields of activities of Ekspress Grupp and its subsidiaries include online media, publishing newspapers and magazines, printing services, book sales, and information services in phone directories, information hotlines and online.

AS Ekspress Grupp (registration number 10004677, address: Narva mnt.11E, 10151 Tallinn) is a holding company registered in Estonia. There are 17 subsidiaries, 6 joint ventures and 2 associated companies, belonging to the consolidation group as at 30.06.2008.

The consolidated interim financial information was approved for issue by the Management Board on 7 August 2008.

The presentation currency is the Estonian kroon. The financial statements are presented in Estonian kroons (EEK) and euros (EUR), rounded to the nearest thousand.

These consolidated interim report of AS Ekspress Grupp as of 30 June 2008 for the second quarter and first half year of 2008 reflect the results of the following group companies:

Name	Status	Shareholding 30.06.2008	Shareholding 31.12.2007	Main field of activities	Location
AS Ekspress Grupp	Parent Company			Holding Company	Estonia
Eesti Ekspressi Kirjastuse AS	Subsidiary	100%	100%	Newspaper publishing	Estonia
Maaleht AS	Subsidiary	100%	100%	Newspaper publishing	Estonia
UAB Ekspress Leidyba	Subsidiary	100%	99,80%	Magazine publishing	Lithuania
Delfi AS	Subsidiary	100%	100%	Online classified ads	Estonia
Delfi AS	Subsidiary	100%	100%	Online classified ads	Latvia
Mango.lv SIA	Subsidiary	100%	0%	Online classified ads	Latvia
Delfi UAB	Subsidiary	100%	100%	Online classified ads	Lithuania
TOV Delfi.	Subsidiary	100%	0%	Online classified ads	Ukraina
AS Printall	Subsidiary	100%	100%	Printing services	Estonia
Rahva Raamat AS	Subsidiary	100%	100%	Books retail sale	Estonia
AS Ekspress Hotline	Subsidiary	100%	100%	Information services	Estonia
Ekspresskataloogide AS	Subsidiary	100%	100%	Phone directories	Estonia
AS Infoatlas	Subsidiary	100%	100%	Phone directories	Estonia
AS Numbriinfo	Subsidiary	100%	100%	Information hotline	Estonia
Kõnekeskuse AS	Subsidiary	100%	100%	Call centre services	Estonia
Teletell Infoline SRL	Subsidiary	80%	80%	Information services	Romania
Express Online SRL	Subsidiary	100%	100%	Call centre services	Romania
Eesti Päevalehe AS	Joint venture	50%	50%	Newspaper publishing	Estonia
AS SL Õhtuleht	Joint venture	50%	50%	Newspaper publishing	Estonia
AS Express Post	Joint venture	50%	50%	Periodicals' home delivery	Estonia
AS Ajakirjade Kirjastus	Joint venture	50%	50%	Magazine publishing	Estonia
OÜ Netikuulutused	Joint venture	50%	75%	Online classified ads	Estonia
Uniservice OÜ	Joint venture	26%	26%	Magazine publishing	Estonia
AS Linnaleht	Associate	25%	25%	Newspaper publishing	Estonia
UAB Medipresa	Associate	40%	40%	Periodicals' wholesale distribution	Lithuania
Dormant companies					
OÜ Ekspress Internet	Subsidiary	80%	80%	Online classified ads	Estonia

Note 2 Basis of preparation

This condensed consolidated interim financial information for the second quarter and first half year ended on 30 June 2008 has been prepared in accordance with IAS 34, “Interim financial reporting”. The interim condensed financial report should be read in conjunction with the annual financial statements of the year ended 31 December 2007.

According to management’s assessment, the consolidated interim financial statements of AS Ekspress Grupp for the second quarter and first half year of 2008 give a true and fair view of the Group’s result of operations and all group entities are going concerns. The interim financial statements have not been audited or otherwise checked by auditors and they contain only the consolidated financial statements of the Group.

The functional currency of AS Ekspress Group is Estonian kroon (EEK). The financial statements are presented in thousand of Estonian kroons (EEK) and in thousand of euros (EUR), unless indicated otherwise.

Note 3 Subsidiaries and associated companies

Acquisitions and disposals of subsidiaries and associates

On 20 June 2008 AS Ekspress Grupp purchased 782 shares of UAB Ekspress Leidyba from minority shareholders for 392 thousand EEK (EUR 25 thousand). A goodwill of 339 thousand EEK (EUR 22 thousand) was recognized from the transaction. As a result of the transaction, AS Ekspress Grupp is the sole shareholder of UAB Ekspress Leidyba.

On 30 March 2008 Eesti Päevaleht AS purchased 50% of the shares OÜ Netikuulutused from Eesti Ekspress Kirjastus AS. As a result of the transaction, Eesti Päevaleht AS is the sole shareholder of OÜ Netikuulutused.

All business combinations between independent parties are accounted for under the purchase method of accounting at the Group under which the acquired holding is reported at the acquisition cost. The purchase method is applied as of the date of acquisition. As of this date, the acquisition cost of the acquired holding, the fair value of the net assets acquired and the resulting (positive or negative) goodwill are determined. In addition to the acquisition cost of the acquired holding, directly attributable expenditures relating to the acquisition, such as fees paid to the advisors and other expenditures are according to IFRS 3.24 also included in the acquisition cost of the acquired holding.

To allocate the acquisition cost to the fair values of the acquired assets, liabilities and contingent liabilities, a purchase price allocation is prepared. The acquisition cost is allocated to the fair value of the net assets acquired; the excess of the acquisition cost of the acquired holding over the fair value of the net assets acquired is recognised as (positive or negative) goodwill. Goodwill reflects that portion of the acquisition cost that was paid for such assets of the Company that cannot be identified and accounted for separately. Positive goodwill can be explained by the high profitability of the acquired business units, cost savings as compared to alternative costs and major synergies which are expected to arise after the concentration into the Group. Goodwill as an intangible asset with an indefinite useful life is not subject to amortisation but instead, an impairment test is performed at least once a year.

The estimated future cash flows of a cash-generating unit that are discounted using the weighted average cost of capital are used as the basis of the investment’s recoverable amount. When the carrying amount of the investment is not recoverable, the investment is written down to its recoverable amount and an impairment loss is recognised. When the carrying amount of the investment is recoverable, revaluation is not necessary. Assumptions and estimates used in the evaluation of business combinations are constantly reviewed and when the actual results differ from these estimates, the results are restated.

Note 4 Capital expenditure

	Property, plant and equipment		Intangible assets	
th EEK	HY I 2008	HY I 2007	HY I 2008	HY I 2007
Balance at the beginning of period				
Acquisition cost	546 443	407 850	1 048 728	156 822
Accumulated depreciation	(141 563)	(118 640)	(25 309)	(18 541)
Book value	404 880	289 210	1 023 419	138 281
Acquisitions and improvements	12 486	88 434	5 754	8 684
Disposals (at book value)	(81)	(194)	(178)	(93)
Write-offs	(108)	0	0	0
Reclassification	369	(76)	(11)	12
Disposals through business combination	(63)	0	(422)	0
Depreciation and impairment	(21 975)	(13 902)	(8 692)	(2 432)
Valuutakursi correction	(36)	0	(16)	0
Balance at the end of period				
Acquisition cost	557 817	495 145	1 053 405	165 425
Accumulated depreciation	(162 345)	(131 673)	(33 551)	(20 973)
Book value	395 472	363 472	1 019 854	144 452

	Property, plant and equipment		Intangible assets	
th EUR	HY I 2008	HY I 2007	HY I 2008	HY I 2007
Balance at the beginning of period				
Acquisition cost	34 924	26 066	67 026	10 023
Accumulated depreciation	(9 048)	(7 582)	(1 618)	(1 185)
Book value	25 877	18 484	65 408	8 838
Acquisitions and improvements	798	5 652	368	555
Disposals (at book value)	(5)	(12)	(11)	(6)
Write-offs	(7)	0	0	0
Reclassification	24	(5)	(1)	1
Disposals through business combination	(4)	0	(27)	0
Depreciation and impairment	(1 404)	(888)	(556)	(155)
Currency correction	(2)	0	(1)	0
Balance at the end of period				
Acquisition cost	35 651	31 646	67 325	10 573
Accumulated depreciation	(10 376)	(8 415)	(2 144)	(1 340)
Book value	25 275	23 230	65 181	9 232

Note 5 Bank loans and borrowings

th EEK	Total amount	Repayment term up to 1 year	1 to 5 years	over 5 years	Average interest rate
Balance at 31.12.2007					
Bank overdraft	79 060	79 060	0	0	6,20%
Long-term bank loans	692 773	86 126	593 915	12 732	5,05%
Finance lease (note 21)	168 765	33 827	114 587	20 351	5,05%
Total	940 598	199 013	708 502	33 083	
Balance at 30.06.2008					
Bank overdraft	55 165	55 165	0	0	6,20%
Long-term bank loans	650 328	89 665	551 057	9 606	5,45%
Finance lease (note 21)	153 982	42 839	95 618	15 525	5,62%
Total	859 475	187 669	646 675	25 131	

th EUR	Total amount	Repayment term up to 1 year	1 to 5 years	over 5 years	Average interest rate
Balance at 31.12.2007					
Bank overdraft	5 053	5 053	0	0	6,20%
Long-term bank loans	44 276	5 504	37 958	814	5,05%
Finance lease (note 21)	10 786	2 162	7 323	1 301	5,05%
Total	60 115	12 719	45 282	2 114	
Balance at 30.06.2008					
Bank overdraft	3 526	3 526	0	0	6,20%
Long-term bank loans	41 564	5 731	35 219	614	5,45%
Finance lease (note 21)	9 841	2 738	6 111	992	5,62%
Total	54 931	11 994	41 330	1 606	

The syndicate of SEB, Sampo Pank and Nordea Pank and AS Ekspress Grupp have concluded a Loan Agreement on 28 August 2007 in the amount of EEK 674.4 million (EUR 43.1 million) for the acquisition of Delfi Group and Maaleht. Loan matures on 25 December 2012 and interest rate is 1.7% + 6 months EURIBOR. As of 30 June 2008 the loan liability constitutes EEK 587.3 million (EUR 37.5 million). The loan is secured:
- with a mortgage on the registered immovable located at Peterburi Rd 64A in the mortgage amount of 40 000 thousand kroons (2 556 thousand euros);
- with a pledge on the shares of Delfi Estonia, Delfi Latvia, Delfi Lithuania, Maaleht, Eesti Ekspress Kirjastus and Ekspress Hotline, and with the guarantee of the said subsidiaries in the total amount of 43 100 thousand kroons (2 755 thousand euros);
- with a combined pledge in the amount of 4 000 thousand kroons (255 thousand euros) on the following trademarks: Eesti Ekspress, Ekspress Hotline, Delfi and Maaleht.
- with an agreement with Hans Luik for the maintenance of a shareholding (direct and indirect) of at least 51 % in Ekspress Group.

A loan agreement has been concluded between Printall and Sampo Bank in the amount of 75 000 thousand. kroons (4 793 thousand euros), with the term of 15.12.2013, which is secured with a mortgage in the amount of 100 million kroons (6.4 million euros) on registered immovable property located at Peterburi Rd 64A, Tallinn (carrying amount as of 30.06.2008: 74 670 thousand. kroons (4 772 thousand euros), 31.12.2007: 76 143 thousand kroons (4 866 thousand euros), also a commercial pledge on the assets of the company in the amount of 50 million kroons (3.2 million euros). The outstanding loan balance as of 30.06.2008: 63 010 thousand kroons (4 027 thousand euros), 31.12.2007: 67 823 thousand kroons (4 335 thousand euros). Loan and financial lease agreements contain among other things certain conditions for ratios of the company with which the financial indicators of the company must comply. As of the balance sheet date, all the ratios were in compliance with the conditions established by the financial institutions.

On 3 March 2008 an amendment to the overdraft agreement between Ekspress Grupp and AS Sampo Pank has been made, under which the new overdraft amount is 20 million kroons (1.28 million euros). The interest rate of overdraft agreement is 6% and the maturity date of the loan is 31.03.2009 according to the amendment to the overdraft agreement concluded on 31 March 2008.

According to the overdraft agreement concluded on 30 March between AS Ekspress Grupp and AS SEB Pank, the new overdraft limit is 1.28 million euros (20 million kroons). The interest rate of overdraft is 6% and the maturity date of the loan is 31.03.2009.

On 31 March 2008 an overdraft agreement was concluded between AS Ekspress Grupp and Nordea Bank Finland Plc Estonian branch with the limit of 1.28 million euros (20 million kroons). The interest rate of overdraft is 6% and the loan maturity date is 31.03.2009.

The overdraft agreements concluded with Sampo, SEB and Nordea banks have been secured by the surety issued by Hans Luik. The corresponding contract of suretyship was concluded on 1 April 2008.

Note 6 Segment reporting

The Group presents the following major segments as the primary segments in the consolidated financial statements:

a) online media;

b) periodicals;

c) printing services;

d) book sales;

e) information services;

f) unallocated.

The secondary segment is the geographical segment by the location of facilities and other assets.

Since 2008, the online media segment includes also the web publications of AS Eesti Päevaleht, SLÕhtuleht AS and Eesti Ekspress Kirjastus AS, and automobile, real estate and employment web environments of Eesti Ekspress Kirjastus AS, which were earlier included under the periodicals segment.

Revenue by segment

	EEK		EUR		Change%
(thousand)	Q II 2008	Q II 2007	Q II 2008	Q II 2007	
Online media	48 793	973	3 118	62	4915%
Periodicals	150 174	138 452	9 598	8 849	8%
Printing services	111 918	101 204	7 153	6 468	11%
Book sales	43 915	39 606	2 807	2 531	11%
Information services	16 949	16 865	1 083	1 078	0%
Unallocated	617	454	39	29	36%
Inter-segment sales	(25 469)	(20 139)	(1 628)	(1 287)	26%
Sales to external customers	346 897	277 415	22 171	17 730	25%

EBITDA by segment

	EEK		EUR		
(thousand)	Q II 2008	Q II 2007	Q II 2008	Q II 2007	Change%
Online media	14 897	491	952	31	2934%
Periodicals	20 349	20 048	1 301	1 281	2%
Printing services	23 756	20 221	1 518	1 292	17%
Book sales	1 003	1 914	64	122	-48%
Information services	(41)	2 117	(3)	135	-
Unallocated	10 700	(864)	684	(55)	-
Eliminations	(17 014)	(160)	(1 087)	(10)	-
EBITDA total	53 650	43 767	3 429	2 797	23%

Revenue by segment

	EEK		EUR		
(thousand)	HY I 2008	HY I 2007	HY I 2008	HY I 2007	Change%
Online media	87 246	4 262	5 576	272	1947%
Periodicals	285 204	252 755	18 228	16 154	13%
Printing services	213 823	192 025	13 666	12 273	11%
Book sales	90 796	81 284	5 803	5 195	12%
Information services	38 525	34 415	2 462	2 200	12%
Unallocated	1 242	895	79	57	39%
Inter-segment sales	(48 601)	(38 629)	(3 106)	(2 469)	26%
Sales to external customers	668 235	527 007	42 708	33 682	27%

EBITDA by segment

	EEK		EUR		
(thousand)	HY I 2008	HY I 2007	HY I 2008	HY I 2007	Change%
Online media	23 993	(728)	1 533	(47)	-
Periodicals	37 628	32 774	2 405	2 095	15%
Printing services	43 803	37 629	2 800	2 405	16%
Book sales	2 924	3 174	187	203	-8%
Information services	649	4 514	41	288	-86%
Unallocated	22 144	(3 021)	1 415	(193)	-
Eliminations	(37 379)	65	(2 389)	4	-
EBITDA total	93 762	74 407	5 992	4 755	26%

Geographical Segment by the Location of facilities and other assets– Secondary Segment

The company is active in Estonia, Latvia, Lithuania and Romania. As the markets do not generate significantly different risks and returns and they exhibit similar long-term financial performance, these four segments are combined. The share of group’s revenues in Lithuania is less than 5% and in Latvia less than 2%. There are no material inter-segment transactions or unallocated assets.

Note 7 Reserves

Reserves include:

- Statutory legal reserve required by the Commercial Code. Subject to the approval of the general meeting, the reserve may be used for covering accumulated losses, if the latter cannot be covered with other unrestricted equity, and for increasing share capital.
- Other reserves- additional payments in cash from share holders 10 000 th EEK (639 th EUR) and reserve to the share option 293 thousand kroons (18.7 thousand euro).

On the special general meeting of shareholders held on 21 January, it was decided to add a provision to the articles of association of AS Ekspress Grupp which grants the Supervisory Board the right to increase the share capital of the Company in the period from 22.01.2008 to 21.01.2011 with up to 470 000 shares. That right will be exercised in the case if new shares are issued to the key management of the Group and its subsidiaries approved by the Supervisory Board on 11 March 2008 for conducting the share option programme. According to the share option programme approved by the Supervisory Board, Ekspress Group will issue up to 470 000 options, while the number of options granted to one person is a maximum of 100 000. Each option grants at exercise date the right to one share. The share option will be exercised in the first half year of 2009, 2010 and 2011 each year accordingly 1/3 of the volume determined to the entitled person. The number of shares to be issued annually under the option programme comprises 0.8% of the total number of shares.

On 12 March 2008 agreements of stock call option were concluded with the members of the management of the concern and subsidiaries included in the option program. According to the IFRS2 options are accounted in their fair value under operating expenses and other reserves proportionally over the validity period of options.

On annual general meeting of shareholders held on 14 May 2008, the Management Board was given the authorization to buy up to 160 000 own shares with a price for one share not being higher than the highest price paid for an Ekspress Grupp share on the Tallinn Stock Exchange on the same day. The company shall dispose own shares within one year after the resolution of the general meeting.

Share premium – the positive difference between the issue price and nominal value of issued shares

th EEK	30.06.2008	31.12.2007
Share premium	183 495	183 495
Statutory legal reserve	222	222
Other reserves	10 293	10 000
Additional payments in cash from shareholders	10 000	10 000
Reserve for stock options	293	0

Note 8 Earnings per share

Basic earnings per share have been calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of shares outstanding during the period.

In view of the fact that the Group has not dilutive instruments at the periods 31.06.2008 and 31.12.2007 diluted earnings per share equal basic earnings per share.

	EEK		EUR	
	Q II 2008	Q II 2007	Q II 2008	Q II 2007
Profit attributable to equity holders of the Parent Company	21 329 725	32 612 180	32 144 910	51 015 681
The average number of ordinary shares	18 971 081	18 835 612	18 971 081	16 523 200
Basic and diluted earnings per share	1,12	1,73	1,69	3,09

	EEK		EUR	
	HY I 2008	HY I 2007	HY I 2008	HY I 2007
Profit attributable to equity holders of the Parent Company	1 363 218	2 084 298	2 054 434	3 260 496
The average number of ordinary shares	18 971 081	18 835 612	18 971 081	16 523 200
Basic and diluted earnings per share	0,07	0,11	0,11	0,20

Note 9 Equity

On 5 April 2007, the company's share capital was increased with a capitalisation issue from 24 479 th EEK by issuing 2 447 881 new Shares with the nominal value of EEK 10 each. The new shares were subscribed during the initial public offering of the company's shares at Tallinn Stock Exchange where the final offer price was set at EEK 92.30 Thus, after the deduction of the issue costs (17 996 th EEK), the company was able to recognise share premium of 183 495 th EEK

Following the described share capital increases, the share capital of the Company is 189 711 th EEK, divided into 18 971 081 shares with the nominal value of EEK 10 each.

Authorised share capital according to the Articles of Association is EEK 400 000 000.

Note 10 Related party transactions

Transactions with related parties are transactions with parent company, shareholders, associates, unconsolidated subsidiaries, key management, management board, supervisory board, their close relatives and the companies in which they hold majority interest.

The ultimate controlling individual of AS Ekspress Grupp is Hans Luik (note 9)

The Group has purchased from (goods for sale, manufacturing materials, fixed assets) and sold its goods and services to (lease of capital assets, management services, other services) to the following related parties:

Sales

(thousand)	EEK HY I 2008	EEK HY I 2007	EUR HY I 2008	EUR HY I 2007
Sale of services				
members of management boards and companies related to them	294	5	19	0
members of supervisory boards and companies related to them	75	259	5	17
associated companies	5 982	6 161	382	394
Sales total	6 351	6 425	406	411

Purchases

(thousand)	EEK HY I 2008	EEK HY I 2007	EUR HY I 2008	EUR HY I 2007
Purchase of services				
members of management boards and companies related to them	932	478	60	31
members of supervisory boards and companies related to them	3 901	3 121	249	199
associated companies	93	137	6	9
Purchases total	4 926	3 736	315	239

Receivables

(thousand)	EEK 30.06.2008	EEK 30.06.2007	EUR 30.06.2008	EUR 30.06.2007
Short-term receivables				
members of supervisory boards and companies related to them	4 839	5 796	309	370
associated companies	810	5 128	52	328
Short-term receivables total	5 649	10 925	361	698
Long-term receivables				
members of supervisory boards and companies related to them	1 550	9 324	99	596
Long-tem receivable total	1 550	9 324	99	596
Receivable total	7 199	20 249	460	1 294

Liabilities

(thousand)	EEK 30.06.2008	EEK 30.06.2007	EUR 30.06.2008	EUR 30.06.2007
Short-term payables				
members of management boards and companies related to them	3	36	0	2
members of supervisory boards and companies related to them	30 626	331	1 957	21
associated companies	2	8	0	1
Liabilities total	30 631	375	1 957	24

AS Ekspress Grupp (Borrower) and HHL Rühm OÜ (related company of the Group's shareholder) have concluded a short term Loan Agreement in March 2008 in the amount of EEK 30 000 th (1 917 thousand euros). Loan interest rate is 6%.

AS Ekspress Grupp (Lender) and OÜ ZinZin have concluded a Loan Agreement in 31 August 2007 in the amount of EEK 879.5 million (56,2 million euros) for the acquisition of Delfi Group. Loan matures in 2027, interest rate is 1.7% + 6 month EURIBOR.

The Management Board of the Parent company consists of 3 members and the Supervisory Board of 6 members.

Key management and supervisory board remuneration

	EEK		EUR	
(thousand)	Q I 2008	Q I 2007	Q I 2008	Q I 2007
Salaries and other short-term employee benefits (paid)	10 587	4 919	677	314
Total	10 587	4 919	677	314

The key management employment termination compensation benefits are obligations only in case of termination of contracts originated by Group and in case of dismissal at termination of contracts if the board member shall not be re-elected. Potential key management employment termination compensation in 2008 is 5 064 th EEK (324 th EUR) and 2007 was 2 907 th EEK (186 th EUR). The management termination compensations are payable only in case the termination of contracts was originated by Group.

Note 11 Post-balance-sheet events

A letter of intent was concluded on 15 April 2008 at the negotiations of AS Ekspress Grupp with AS Eesti Post, which are held with AS Eesti Meedia, co-shareholder of AS Express Post. On 7 July 2008 the parties have decided to end the negotiations without concluding a contract asthe terms and conditions of the transaction could not be agreed upon.

There has been a change in the structure of the persons with qualifying holding in the share capital of AS Ekspress Grupp. DCF FUND (II) Baltic States, the shareholder of AS Ekspress Grupp notified AS Ekspress Grupp on 2 July 2008 of the acquisition of 1 279 937 shares of AS Ekspress Grupp, which constitutes 6.75% of the share capital of AS Ekspress Grupp.