AS EKSPRESS GRUPP

CONSOLIDATED INTERIM REPORT

FOR THE SECOND QUARTER AND I HALF YEAR OF 2009

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GENERAL INFORMATION

Beginning of the financial year	1 January 2009
Ending of the financial year	30 June 2009
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 15 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	……………………	5 August 2009
Anne Kallas	Member of the Management Board	……………………	5 August 2009
Kaido Ulejev	Member of the Management Board	……………………	5 August 2009

INTERIM MANAGEMENT REPORT

In the second quarter of 2009, the sales revenue of Ekspress Group made up 77.6 % and earnings before depreciation, financial income and expenses, income tax and minority interest (EBITDA) made up 62.9% of the level in the same period last year. The decline in the sales revenue and EBITDA is caused by the decline in advertising sales revenue and other sales revenue driven by the economic recession. Due to the seasonality of the advertising business and aggressive cost-cutting, the decline in EBITDA has halted. EBITDA in the second quarter makes up 62.9% of the level in the second quarter last year whereas EBITDA in the first six months of the year makes up 44.4% of the level in the same period last year.

Key figures characterising the activities of Ekspress Group in the 2ndquarter of 2009
- Sales revenue EEK 269.2 million (EUR 17.2 million), year-over-year change -22.4%
- Gross profit EEK 58.9 million (EUR 3.8 million), year-over-year change -38.8%
- EBITDA EEK 33.8 million (EUR 2.2 million), year-over-year change -37.1%
- EBIT EEK 18.3 million (EUR 1.2 million), year-over-year change -51.5%
- Net profit EEK 4.1 million (0.3 million), year-over-year change -80.7%

Key figures characterising the activities of Ekspress Group in the first half of 2009
- Sales revenue EEK 533.4 million (EUR 34.1 million), year-over-year change -20.2%
- Gross profit EEK 104.0 million (EUR 6.6 million), year-over-year change -41.7%
- EBITDA EEK 41.5 million (EUR 2.6 million), year-over-year change -55.6%
- EBIT EEK 10.8 million (EUR 0.7 million), year-over-year change -82.8%
- Net profit EEK -13.5 million (EUR -0.9 million)

Key events in the 2nd quarter of 2009
- Launching of the portal of useful information www.kasulik.ee
- Launching of the Russian-language EU news channel in Latvia
- Launching of the new design of the front page of Delfi.lv in Latvia
- Launching of the Internet-based dating service in Lithuania
- Complete integration of Maaleht.ee with Delfi platform
- Launching of the gardening portal www.aialeht.ee
- Merger of the magazines Anne and Stiil from September

Overview of the advertising market
The decline of the advertising market continued in the 2nd quarter of 2009 continued, but the decline has stabilized. According to the survey of the media advertising market conducted by TNS Emor, the sales revenue of media advertising fell by 39% in Estonia in the 2nd quarter of 2009 as compared to the same period last year, reaching EEK 317.7 million (EUR 20.3 million) (2008: EEK 517.4 million, EUR 33.1 million).

Similarly with the 1st quarter of 2009 magazine advertising and newspaper advertising declined the most, by 54% and 45%, respectively also in the 2nd quarter of 2009. Online advertising declined by 31%. With regard to specific areas, interior design advertising and sale campaign advertising of retail chains predominated in the advertising market the 2nd quarter of 2009. The impact of the election advertising was below expectations.

Overview of the segments
In the 2nd quarter of 2009, Ekspress Group continued to focus on its five principal segments: online media, publishing, printing services, book sales and information services. In addition to Delfi Group, the online media segment includes the web publications of AS Eesti Päevaleht, SL Õhtuleht AS, Eesti Ekspress Kirjastus AS and AS Maaleht; the automobile, real estate and employment web environments of Eesti Ekspress Kirjastus AS and the Latvian and Lithuanian automobile portals. All web environments to be set up in the future are also included in the online media segment.

In the **online media** segment, Delfi continues to be the leading news portal in the Baltic States, reaching in Estonia its highest ever use in the 1st quarter of 2009 with 645 thousand unique users in the 13th week. According to the data by TNS Metrix, the peak of the 2nd quarter of 2009 occurred in the 23rd week with 632 thousand unique users. According to the statistics by Gemius Audience, the high number of users was registered in Latvia and Lithuania in June, 722 thousand unique visitors and 908 thousand unique visitors, respectively. These record-breaking user numbers will further strengthen Delfi's market position and create all preconditions necessary for attracting advertising money when the markets pick up again.

According to the data by TNS Metrix, Delfi continued to be the largest news portal in the 2nd quarter of 2009 in Estonia with 607 000 unique users per week, growing its user base by 113 000 unique users as compared to the same period last year. Delfi's largest competitor www.postimees.ee had 509 000 unique users per week in the 2nd quarter of 2009.

According to the data by Gemius Audience, Delfi continued to be the leader in the Internet market in Lithuania with an average of 922 000 unique users per month in the 2nd quarter of 2009. The competing news portals www.lrytas.lt and www.alfa.lt had 712 000 and 593 000 unique users per month, respectively, in the same period.

According to the data by Gemius Audience, Delfi continued to be the leader in the Internet market in Latvia with an average of 650 000 unique users per month in the 2nd quarter of 2009. The news portals competing with Delfi Latvia, www.tvnet.lv and www.apollo.lv, had 441 000 and 366 000 unique users, respectively.

As of the balance sheet date, AS Delfi together with its Latvian, Lithuanian and Ukrainian subsidiaries manages the Estonian and Russian-language portals in Estonia, http://www.delfi.ee and http://rus.delfi.ee, the Latvian and Russian-language portals in Latvia http://www.delfi.lv and http://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 Ukraine http://www.delfi.ua.

In April, Delfi launched the portal of useful information from various fields www.kasulik.ee. Kasulik.ee has miscellaneous useful information: country codes, state capitals, exchange rates, multiplication table, local time, various calculators, etc. Useful information is concentrated and easily accessible in Kasulik.ee.

In June, Delfi won the bid to launch the Russian-language channel of EU news in Latvia. The portal is located at the site http://rus.delfi.lv/news/daily/europe/ and its operation is funded by the European Commission.

In Latvia, Delfi launched a front page with a new design as a result of which the visual presentation of news has improved which in turn has had a positive effect on its use. Delfi portals have now uniform front pages in all Baltic States.

In April, Delfi launched in collaboration with its partners dating services http://pazintys.klubas.lt/ and http://flirt.delfi.ru/ in Lithuania. As these sites represent paid services, they will help to increase Delfi's sales revenue in addition to user growth.

In June, the campaign of offering cars at the best prices in collaboration with the automobile portal www.ekspressauto.ee and car dealers increased the number of unique users to 84 803 per week, as a comparison, there were 75 016 visitors in May. As a result of the campaign, a record number of 94 803 unique visitors visited the site in the 23rd week.

In the 2nd quarter, preparations started to integrate the automobile portals using the same platform in Latvia and in Lithuania with Delfi.

The employment portal www.ekspressjob.ee continued to reinforce its level of users achieved in the 1st quarter with the goal of becoming one of the leading employment web environments.

The real estate portal www.ekspresskinnisvara.ee strengthened its position among the leading real estate portals with 70 000 unique visitors per week on average.

The goal of the Group's management is to strengthen the Group's market leadership position in the Internet markets of all Baltic States.

In the 2nd quarter of 2009, the sales revenue of online media totalled EEK 32.5 million (EUR 2.1 million), making up 67.6% of the level in the same period last year. EBITDA was EEK 3.6 million (EUR 0.2 million), making up 25.9% of the level in the same period last year. Online media sales revenue in the first six months of 2009 totalled EEK 60.1 million (EUR 3.8 million), making up 69.6% of the level in the same period last year. EBITDA in the first six months of 2009 was EEK 0.3 million (EUR 21 thousand), making up 1.5% of the level in the same period last year. As advertising sales revenue is the only sales revenue generated in online media, the effect of seasonality is most pronounced in this segment. Similarly to the 1st quarter of 2009, the financial ratios in the 2nd quarter of 2009 were weaker as compared to the same period last year because online advertising was relatively strong in the first six months of 2008, the decline started in the second half of the year. The decline in the sales revenue and EBITDA is related to a sharp decline in online advertising sales revenue in Latvia and Lithuania. The deepening economic recession has a negative impact on the advertising market both in Latvia and Lithuania. According to the estimate by Statistics Lithuania, the estimated decline in GDP growth was 22.4% in Lithuania in the 2nd quarter as compared to the same period last year. The decline in EBITDA was also impacted by the costs incurred for developing Delfi Ukraina in the amount of EEK 1.8 million (EUR 115 thousand) in the 2nd quarter and EEK 2.6 million (EUR 164 thousand) in the first six months of the year. New portals such as Mango, Klubas, Publik, Forte and classified portals launched last year that have not yet reached a break-even point also have a negative effect on the profitability of online media.

A positive sign in **the publishing segment** was stabilisation of the decline in advertising sales revenue at the end of the 2nd quarter of 2009. According to the survey of the advertising market conducted by TNS Emor, the magazine and newspaper advertising declined by 47.5% in the 2nd quarter of 2009 and 46.5% in the first six months of 2009, however, the advertising sales revenue of the Group's publishing sector in Estonia declined by 44% in the 2nd quarter of 2009 and by 43.9% in the first six months of the year as compared to the same period last year. Lower consumption as a result of the economic recession has also impacted single copy sales of periodicals which declined by 21% in the 2nd quarter of 2009 and by 20% in the first six months of the year as compared to the same period in 2008. At the same time, the subscriptions have fallen significantly less: by 11% in the 2nd quarter of 2009 and by 8% in the first six months of the year as compared to the same period in 2008. As a result of the 25.4% sales revenue decline in the first half of 2009, the EBITDA of the publishing segment fell by 65.1% in the same period of 2009. The EBITDA in the second quarter of 2009 includes the gain from the sale of crosswords of the Lithuanian publisher of magazines (Ekspress Leidyba) in the amount of EEK 3.6 million (EUR 0.2 million), as a result of which the EBITDA decline in the 2nd quarter of 2009 was 31.6% as compared to the same period last year and the EBITDA margin has declined from 12.5% to 11.8% as compared to the same period in 2008.

In June, Maaleht was completely integrated with Delfi platform, enabling to take maaleht.ee to all readers of Delfi. A faster navigator and systematized structure will enable to position Maaleht better with a new generation of readers. Maaleht launched a gardening portal Aialeht.ee which enables to position Maaleht better among gardeners both in the country and in the city.

From September issue, Ajakirjade Kirjastus will merge magazines Anne and Stiil targeted at the same target group. The goal is to maintain the quality of the magazine in the declining market and meet the expectations of its readers. The name of the merged monthly magazine will be Anne&Stiil.

In **the segment of printing services**, the printing company has been able to maintain its share of exports at 55% of sales revenue both in the 2nd quarter of 2009 as well as in the first six months of the year despite depreciation of foreign currencies. The total sales revenue decline was 16.1% in the 2nd quarter of 2009 and 15% in the first six months of the year as compared to the same period in 2008, related to a decline in the sales revenue in Estonia and at the Group. From March, the printing company also provides services to the Group's publisher of magazines in Lithuania, enabling to use spare capacity of the magazine printing press and increase the sales revenue of the printing company. Due to aggressive cost-cutting in the 2nd quarter of 2009, the EBITDA margin has increased from 20.1% to 20.5% as compared to the same period in 2008. The EBITDA margin in the first six months of 2009 was 19.3% (first half of 2008: 18.3%).

In **the segment of book sales**, the retail sales revenue increased by 29.9% in the 2nd quarter of 2009 and by 24.3% in the first six months of the year as compared to the same period last year, achieved through the addition of new sales premises. However, due to lower demand, wholesale revenue declined by 34.5% in the 2nd quarter of 2009 and by 29.7% in the first six months of the year as compared to the same period last year. Due to the decline in wholesale revenue, total sales revenue declined by 6.9% in the 2nd quarter of 2009 and by 6% in the first six months of the year as compared to the same period last year. No other bookstores will be opened this year in addition to the new flagship store opened in Pärnu Centre in the 1st quarter of 2009. Due to the decline in the sales revenue, and fixed costs attributable to new stores, the EBITDA margin declined from 2.1% to -0.7% in the 2nd quarter of 2009 and from 2.9% tom -0.2% in the first six months of the year as compared to the same period in 2008.

The EBITDA of **information services** increased by EEK 1.0 million (EUR 65 thousand) in the 2nd quarter of 2009 and by 183.4% in the first six months of the year as compared to the same period in 2008. The EBITDA margin increased from -0.3% to 6.8% in the 2nd quarter of 2009 and from 1.7% to 5.4% in the first six months of the year as compared to the same period in 2008. The EBITDA growth and increase in the margin has been achieved due to the exit from the business of information services in Romania. The sales revenue of information services fell by 17% in the 2nd quarter of 2009 and by 13.5% in the first six months of the year as compared to the same period last year primarily due to the absence of catalogues. According to the survey of the advertising market conducted by TNS Emor, the outdoor advertising declined by 35.3% in the 2nd quarter of 2009 and 30.6% in the first six months of 2009, however, outdoor advertising of the concern increased by 92.5% in the 2nd quarter of 2009 and by 103.5% in the first six months of the year as compared to the same period last year. Delfi Infoliin 1184 (Delfi Information Line 1184) launched in cooperation with Delfi last October showed a continuing growth trend in the 2nd quarter of 2009. The information line 1185 with its most favourable prices also demonstrated decent growth in the volume of calls: 130% as compared to the same period last year. In the 1st quarter, Ekspress Hotline started to process the SMS messages of the Finnish company Contactia OY, in upcoming periods, more collaboration is to be expected.

Profit

Given the seasonal nature of the advertising business, the addition of AS Maaleht and Delfi Group has significantly increased the share of advertising sales 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 economic recession which continued in the 2nd quarter of 2009 had an impact on the Group's sales revenue and profit, manifesting itself in a decline of advertising revenue and sales revenue as well as the related decline in profit.

As compared to the 22.4% decline in sales revenue, direct costs decreased by 16.1% in the 2nd quarter of 2009 as a result of which the gross margin declined from 27.7% to 21.9%. The decline in the gross margin is attributable to the high gross margin of advertising revenue - sharp decline in advertising revenue triggers a sharp decline in the gross margin. From March, the publications of the Group's publisher of magazines operating in Lithuania have been printed in the printing company being part of the Group which will improve the Group's liquidity position and reduce the Group's direct costs. In the first half of the year, the gross margin was 19.5% (first half of 2008: 26.7%).

EBITDA totalled EEK 33.8 million (EUR 2.2 million) in the 2nd quarter of 2009, making up 62.9% of the same level in 2008. Due to aggressive cost-cutting, the EBITDA decline in the 2nd quarter EBITDA has halted. EBITDA was EEK 41.5 million (EUR 2.6 million) in the first six months of the year, making up 44.4% of the level in the same period last year.

In the second quarter of 2009, EBIT totalled EEK 18.3 million (EUR 1.2 million) which is EEK 19.4 million (EUR 1.2 million) lower than that in the same period of 2008. In the first six months of the year, EBIT was EEK 10.8 million (EUR 0.7 million) which is EEK 51.8 million (EUR 3.3 million) lower than in 2008. The factors behind the slowdown of EBIT are the overall decline in sales revenue driven by the economic recession and especially the decline in advertising revenue having a high profit margin.

The marketing expenses of the Group decreased by 28.1%in the 2nd quarter of 2009 (by 25.5%in the first six months of the year) as compared to the same period last year, attained through optimisation of marketing expenses: some marketing projects have been executed in a limited scope, some of the projects have been cancelled. Wages and salaries included in marketing expenses decreased by 25.3% in the 2nd quarter (by 16.4% in the first six months of the year) as compared to the same period in 2008.

In the 2nd quarter of 2009, administrative expenses decreased by 13.1% (by 8.9% in the first six months of the year) as compared to the same period last year. Wages and salaries included in administrative expenses decreased by 13.3% in the 2nd quarter (by 5.9% in the first six months of the year) as compared to the same period in 2008. The decline in general expenses has been attained through implementation of cost-cutting measures described below. The decline of salaries is attributable to the freezing of wage increases and laying off of employees.

In the 2nd quarter of 2009, the Group's financial expenses reached EEK 11.8 million (EUR 0.8 million). Financial expenses were mostly made up of interest expenses in the amount of EEK 10.7 million (EUR 0.7 million) (2008: EEK 13.0 million (EUR 0.8 million). The Group's financial expenses reached EEK 22.5 million (EUR 1.4 million) in the first six months of 2009. Financial expenses were mostly made up of interest expenses in the amount of EEK 21.0 million (EUR 1.3 million) (2008: EEK 27.1 million (EUR 1.7 million). Interest rates are based on the 6-month EURIBOR which has declined significantly in a year. Interest expenses are mostly related to the loan taken from the syndicate of SEB, Sampo Bank and Nordea Bank for the acquisition of Delfi and Maaleht in the fourth quarter of 2007.

The net profit (after taxes and minority interest) of Ekspress Group totalled EEK 4.1 million (EUR 0.3 million) in the 2nd quarter. As compared to the same period in 2008, the net profit fell by 80.7%. Net profit was EEK -13.5 million (EUR -0.9 million) in the first six months of the year. The decline in the net profit is related to the events impacting the operating profit. On 12 January 2009, AS Ekspress Grupp received EEK 28.2 million (EUR 1.8 million) for the issue of new shares, which will improve the liquidity situation and the capital structure of the Group as well as financial ratios derived from it also for the first half of the year.

Under the conditions of a continuing economic recession, the management of the Group has carried out a cost-cutting programme starting from the beginning of last year. The main components of the programme include savings of paper and printing costs, savings of IT development costs and savings of payroll expenses. During the year, 133 employees have been laid off at the Group and 65 new positions have been created relating to new projects (primarily new bookstores). In the 2nd quarter of 2009, termination benefits totalled EEK 0.8 million (EUR 50 thousand) and 2.3 million EEK (EUR 150 thousand) in the first six months of the year. As a result of the ongoing decline in the advertising market and the related substantial decrease in EBITDA, from 1 March 2009 (in some subsidiaries from 1 April 2009), the management of the Group reduced the salaries of employees of subsidiaries as well as the parent company by 10% on average for one year until 1 March 2010 (until 1 April 2010 in some companies). The reduction of salaries concerned all employees, including the members of the Management Board. The reduction of these salaries will enable the Group to lower its monthly labour costs by EEK 1.5 million (EUR 96 thousand). In addition to the reduction of the aforementioned salaries, from 1 June 2009, the labour costs of the Group's subsidiaries have been reduced by 5% on average as compared to the actual labour costs in April. The reduction in payroll expenses has been achieved through lay-offs, establishment of part-time schedules, non-paid vacation, etc. The Group's management estimates that the reduction in salaries will enable to maintain the quality of media publications under the conditions of the economic recession. The reduction in the number of employees and reduction in salaries will continue in the second half of 2009, due to a major decline in advertising revenue as well as combining of support functions and management structures necessary for increasing business effectiveness.

The Group sees the consolidation of the support functions of its subsidiaries, such as IT management, financial services, etc. as another major source of cost savings, which represents the first stage in the integration of the management structures of subsidiaries.

Balance sheet and investments

As of 30 June 2009, the consolidated balance sheet total of Ekspress Group was EEK 1629.7 million (EUR 104.2 million), decreasing by 4.6% year-over-year. As of 30 June 2009, current assets decreased by 16.3% year-over-year, reaching EEK 231.1 million (EUR 14.8 million). Current liabilities decreased by 13% year-over-year, reaching EEK 378.1 million (EUR 24.2 million) as of 30 June 2009. Of current liabilities, borrowings decreased by EEK 35.7 million (EUR 2.3 million) or 19%, reaching EEK 152.0 million (EUR 9.7 million) as of 30 June 2009.

As of the end of June, the Group's long-term borrowings totalled EEK 615.5 million (EUR 39.3 million), decreasing by EEK 56.3 million (EUR 3.6 million) year-over-year. Of the long-term borrowings, bank loans constitute EEK 530.3 million (EUR 33.9 million) and the finance lease liability is EEK 85.2 million (EUR 5.4 million). Of the long-term borrowings, the non-current portion of the loan taken by Ekspress Group from the syndicate of SEB, Sampo Bank and Nordea Bank in the amount of EEK 674.4 (EUR 43.1 million) in the 4th quarter of 2007 totals 488.4 million (EUR 31.2 million). The total outstanding balance of this loan was EEK 549.4 million (EUR 35.1 million) as of 30 June 2009. In the first half of 2009, the Group paid off the syndicate loan in the amount of EEK 25.0 million (EUR 1.6 million).

Property, plant and equipment stood at EEK 375.0 million (EUR 24.0 million) as of the end of June, decreasing by 5.2% year-over-year. As of the end of June, the Group's intangible assets totalled EEK 1 004.2 million (EUR 64.2 million), decreasing by 1.5% year-over-year. Of intangible assets, EEK 818.3 million (EUR 52.3 million) is related to the carrying amount of trademarks, customer relations and software as well as goodwill which arose in the acquisition of Delfi Group. Investment property has increased in the amount of EEK 8.8 million (EUR 0.6 million) due to the reclassification of the unimproved land plot of Printall as investment property as of 31 December 2008.

Employees

As of the end of June 2009 the Ekspress Group employed 2 240 people (As of 30 June 2008: 2 311 people). The average number of employees in the second quarter of 2009 was 2 256 (Q II 2008: 2 329). In the second quarter of 2009, wages and salaries paid to the employees of the Ekspress Group totalled EEK 145.2 million (EUR 9.3 million), (Q II 2008: EEK 160.2 million (EUR 10.2 million))*.

*proportional part from joint ventures

Shares and shareholders of the Ekspress Group

The share capital of the public limited company is EEK 208 488 410 (EUR 13 324 838) which consists of the shares with the nominal value of EEK 10 (EUR 0.6) . 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 2009:

- Hans Luik who controls 14 260 063 shares which makes up 68.39% of the share capital of the public limited company
- INC Luxembourg S.A whose customers hold 2 083 159 shares which makes up 9.99% 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 30.06.2009

Name	Number of shares	%
INC Luxembourg S.A	2 083 159	9,99%
Members of Management and Supervisory Boards and their immediate family members		
Hans Luik	10 766 800	51,64%
Hans Luik, OÜ HHL Rühm	3 486 287	16,72%
Hans Luik , OÜ Minigert	6 900	0,03%
Hans Luik, Selle Luik	76	0,00%
Priit Leito	52 757	0,25%
Viktor Mahhov, OÜ Integer Management Services	33 910	0,16%
Härmo Värk, Holderstone OÜ	10 000	0,05%
Kaido Ulejev	8 471	0,04%
Ville Jehe, OÜ Octoberfirst	55 656	0,27%
Other minority shareholders	4 344 825	20,84%
Total	**20 848 841**	**100,00%**

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 2009 to 30 June 2009 in EEK

Security trading history

Price	2009 EEK	2009 EUR
Open	12.2	0.78
High	13.93	0.89
Low	6.10	0.39
Traded volume	1 275 392	1 275 392
Turnover, million	12.36	0.79
Capitalisation, million	176.16	11.26

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.

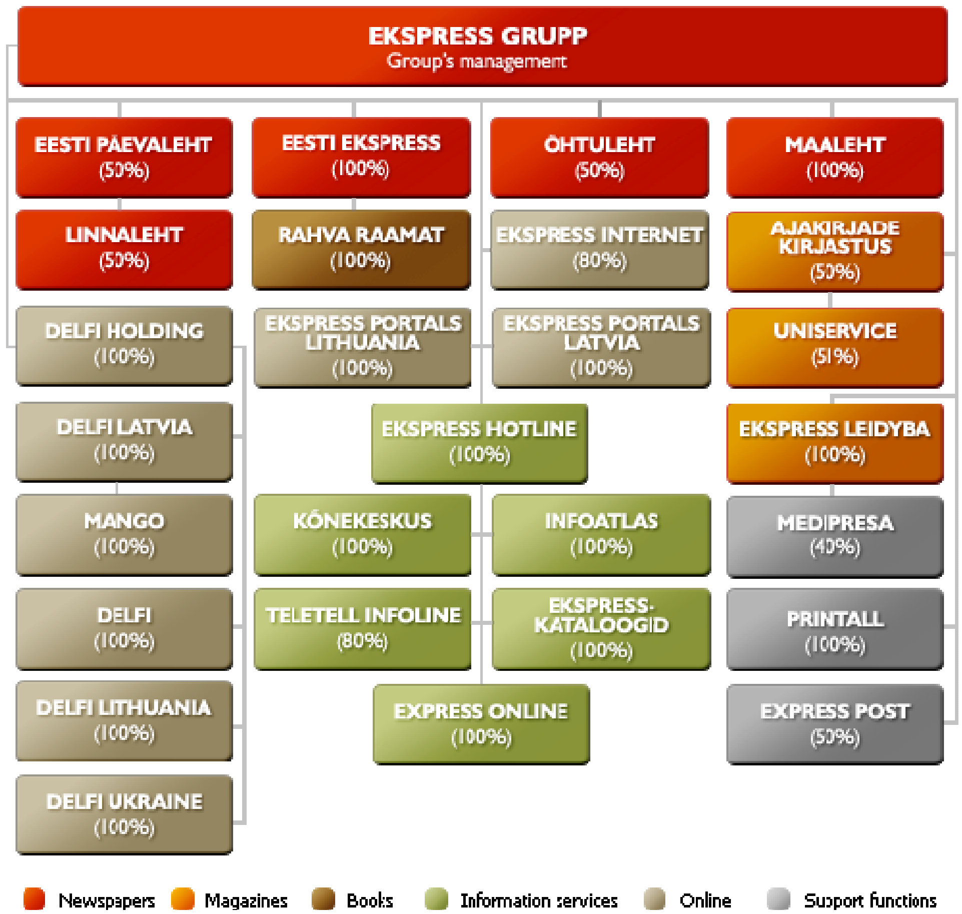
The authority of the Management Board of the public limited company is specified in the Commercial Code and it is limited to the extent provided for in the articles of association. The Management Board of the public limited company has no right to issue shares.

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



Selected financial indicators

	EEK		EUR	
(thousand)	HY I 2009	HY I 2008	HY I 2009	HY I 2008
Accounting period				
Sales	533 418	668 235	34 092	42 708
Gross profit	103 971	178 448	6 645	11 405
Operating profit	10 803	62 651	691	4 004
Net profit (loss) for the period	**(13 488)**	**32 117**	**263**	**1 358**
	30.06.2009	30.06.2008	30.06.2009	30.06.2008
Total current assets	231 089	276 103	14 769	17 646
Total non-current assets	1 398 615	1 432 948	89 388	91 582
Total assets	**1 629 704**	**1 709 051**	**104 157**	**109 228**
Total liabilities	1 003 756	1 107 026	64 152	70 752
Total equity	625 948	602 025	40 005	38 476

Performance indicators (%)			HY I 2009	HY I 2008
Sales growth (%)	(sales IHY 2009 –sales IHY 2008) / sales IHY 2008*100		-20%	27%
Gross profit margin (%)	gross profit/ sales*100		19%	27%
Net profit margin (%)	net profit/ sales*100		-	5%
Equity ratio (%)	equity / (equity + debt) * 100		38%	35%
ROA (%)	net profit/assets *100		-	159%
ROE (%)	net profit/equity *100		-	5%
Operating profit margin (%)	operating profit/ sales*100		2%	9%
Liquidity ratio	current assets/current liabilities		61%	60%
Debt equity ratio (%)	interest bearing liabilities/equity*100		129%	151%
Financial leverage (%)	interest bearing liabilities-cash and cash equivalents/interest bearing liabilities + equity * 100		55%	57%
Earnings per share	net profit/average number of shares	EEK	(0,65)	1,69
		EUR	(0,04)	0,11

Revenue by Group Companies*

	EEK		EUR		Change%
(thousand)	HY I 2009	HY I 2008	HY I 2009	HY I 2008	
Eesti Ekspressi Kirjastuse AS	42 325	70 748	2 705	4 522	-40%
AS Delfi	54 616	78 736	3 491	5 032	-31%
AS Printall	181 835	213 823	11 621	13 666	-15%
AS Maaleht	26 001	30 867	1 662	1 973	-16%
UAB Ekspress Leidyba	31 674	40 404	2 024	2 582	-22%
Rahva Raamat AS	85 305	90 796	5 452	5 803	-6%
AS Ekspress Hotline	33 338	38 525	2 131	2 462	-13%
Eesti Päevalehe AS**	73 284	88 508	4 684	5 657	-17%
AS SL Õhtuleht**	63 396	78 184	4 052	4 997	-19%
AS Express Post**	38 726	41 254	2 475	2 637	-6%
AS Ajakirjade Kirjastus**	80 524	111 132	5 146	7 103	-28%
AS Linnaleht	9 788	17 498	626	1 118	-44%
UAB Medipresa	70 354	76 334	4 496	4 879	-8%

*with intergroup transactions
**joint ventures 100%

EBITDA by Group Companies*

	EEK		EUR		Change%
(thousand)	HY I 2009	HY I 2008	HY I 2009	HY I 2008	
Eesti Ekspressi Kirjastuse AS	(1 875)	7 326	(120)	468	-
AS Delfi	3 783	26 126	242	1 670	-
AS Printall	33 249	41 202	2 125	2 633	-19%
AS Maaleht	798	3 471	51	222	-
UAB Ekspress Leidyba	4 827	563	309	36	-
Rahva Raamat AS	(180)	2 621	(12)	168	-
AS Ekspress Hotline	1 805	637	115	41	183%
Eesti Päevalehe AS**	3 368	5 308	215	339	-
AS SL Õhtuleht**	9 208	15 376	588	983	-40%
AS Express Post**	3 432	2 596	219	166	32%
AS Ajakirjade Kirjastus**	(1 036)	2 272	(66)	145	-
AS Linnaleht	(85)	48	(5)	3	-
UAB Medipresa	479	272	31	17	76%

*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 2009 as presented on pages 17 - 32.

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	....	5 August 2009
Anne Kallas	Member of the Management Board	....	5 August 2009
Kaido Ulejev	Member of the Management Board	....	5 August 2009

Consolidated statement of financial position (unaudited)

	EEK			EUR		
(thousand)	30.06.2009	31.12.2008	30.06.2008	30.06.2009	30.06.2008	30.06.2009
ASSETS						
Current assets						
Cash and cash equivalents	18 642	46 388	28 792	1 191	2 965	1 840
Other financial assets at fair value through profit or loss	1 141	8 025	3 908	73	513	250
Trade and other receivables	148 387	166 649	166 870	9 484	10 651	10 665
Inventories	62 919	65 658	76 533	4 021	4 196	4 891
Total current assets	**231 089**	**286 720**	**276 103**	**14 769**	**18 325**	**17 646**
Non-current assets						
Trade and other receivables	6 569	4 217	13 622	420	268	870
Investments in associates	505	302	802	32	19	51
Investment property	12 341	12 341	3 537	789	789	226
Property, plant and equipment (note 4)	375 012	389 572	395 472	23 968	24 898	25 275
Intangible assets (note 4)	1 004 188	1 013 379	1 019 515	64 179	64 767	65 159
Total non-current assets	**1 398 615**	**1 419 811**	**1 432 948**	**89 388**	**90 741**	**91 581**
TOTAL ASSETS	**1 629 704**	**1 706 531**	**1 709 051**	**104 157**	**109 066**	**109 227**
SHAREHOLDERS EQUITY AND LIABILITIES						
Liabilities						
Current liabilities						
Borrowings (note 5)	151 995	176 219	187 669	9 714	11 262	11 994
Trade and other payables	226 113	281 911	246 817	14 451	18 017	15 774
Total current liabilities	**378 108**	**458 130**	**434 486**	**24 165**	**29 279**	**27 768**
Non-current liabilities						
Borrowings (note 5)	615 484	627 811	671 806	39 337	40 124	42 936
Other long term liabilities	609	163	734	39	10	47
Derivative instruments	9 555	9 555	0	611	611	0
Total non-current liabilities	**625 648**	**637 529**	**672 540**	**39 987**	**40 745**	**42 983**
Total liabilities	**1 003 756**	**1 095 659**	**1 107 026**	**64 152**	**70 024**	**70 751**
Equity						
Capital and reserves attributable to equity holders of the Parent company						
Share capital	208 488	189 711	189 711	13 325	12 125	12 125
Share premium	192 883	183 495	183 495	12 327	11 727	11 727
Reserves	4 125	4 125	10 222	264	264	653
Retained earnings	218 410	231 898	218 079	13 959	14 821	13 938
Currency translation reserve	1 754	1 355	230	112	87	15
Total capital and reserves attributable to equity holders of the Parent company	**625 660**	**610 584**	**601 737**	**39 987**	**39 024**	**38 458**
Minority interest	288	288	288	18	18	18
Total equity	**625 948**	**610 872**	**602 025**	**40 005**	**39 042**	**38 476**
TOTAL EQUITY AND LIABILITIES	**1 629 704**	**1 706 531**	**1 709 051**	**104 157**	**109 066**	**109 227**

The notes presented on pages 22 to 32 form an integral part of the consolidated interim financial information

Consolidated interim statement of comprehensive income (unaudited)

	EEK			
(thousand)	Q II 2009	Q II 2008	HY I 2009	HY I 2008
Sales	269 248	346 897	533 418	668 235
Costs of sales	210 339	250 718	429 447	489 787
Gross profit	**58 909**	**96 179**	**103 971**	**178 448**
Marketing expenses	11 403	15 853	24 672	33 111
Administrative expenses	35 903	41 311	75 931	83 340
Other income	7 260	1 096	9 139	5 586
Other expenses	581	2 430	1 704	4 932
Operating profit	**18 282**	**37 681**	**10 803**	**62 651**
Interest income	(417)	710	142	1 251
Interest expenses	(9 789)	(13 042)	(20 172)	(27 132)
Currency exchange loss	(207)	(115)	(90)	(446)
Other financial income	70	(163)	190	11
Other financial expenses	(175)	(644)	(451)	(820)
Financial income/expenses total	**(10 518)**	**(13 254)**	**(20 381)**	**(27 136)**
Share of profit (loss)of associates	(81)	62	53	(137)
Profit before income tax	**7 683**	**24 489**	**(9 525)**	**35 378**
Income tax expense	3 576	3 261	3 963	3 261
PROFIT FOR THE YEAR	**4 107**	**21 228**	**(13 488)**	**32 117**
Attributable to:				
Equity holders of the Parent company	4 107	21 235	(13 488)	32 098
Minority interest	0	(7)	0	19
Other comprehensive income				
Currency translation differences	79	-45	399	251
Total comprehensive income	**4 186**	**21 183**	**(13 089)**	**32 368**
Comprehensive income attributable to:				
Equity holders of the Parent company	4 186	21 190	4 186	21 190
Minority interest	0	(7)	0	(7)
Basic and diluted earnings per share for profit attributable to the equity holders of the Company	0,20	1,12	(0,65)	1,69

The notes presented on pages 22 to 32 form an integral part of the consolidated interim financial information

(thousand)	EUR Q II 2009	Q II 2008	HY I 2009	HY I 2008
Sales	17 208	22 171	34 092	42 708
Costs of sales	13 443	16 024	27 447	31 303
Gross profit	**3 765**	**6 147**	**6 645**	**11 405**
Marketing expenses	729	1 013	1 577	2 116
Administrative expenses	2 295	2 640	4 853	5 326
Other income	465	70	585	356
Other expenses	37	155	109	315
Operating profit	**1 169**	**2 409**	**691**	**4 004**
Interest income	29	34	65	80
Interest expenses	(681)	(834)	(1 345)	(1 734)
Currency exchange loss	(13)	(7)	(6)	(29)
Other financial income	4	1	12	1
Other financial expenses	(11)	(41)	(29)	(52)
Financial income/expenses total	**(672)**	**(847)**	**(1 303)**	**(1 734)**
Share of profit (loss)of associates	(5)	4	3	(9)
Profit before income tax	**492**	**1 566**	**(609)**	**2 261**
Income tax expense	229	208	253	208
PROFIT FOR THE YEAR	**263**	**1 358**	**(862)**	**2 053**
Attributable to:				
Equity holders of the Parent company	263	1 358	(862)	2 052
Minority interest	0	0	0	1
Other comprehensive income				
Currency translation differences	5	(3)	26	16
Total comprehensive income	**268**	**1 355**	**(836)**	**2 069**
Comprehensive income attributable to:				
Equity holders of the Parent company	268	1 355	(836)	2 068
Minority interest	0	0	0	1
Basic and diluted earnings per share for profit attributable to the equity holders of the Company	0,01	0,07	(0,04)	0,11

The notes presented on pages 22 to 32 form an integral part of the consolidated interim financial information

Consolidated interim statement of changes in equity (unaudited)

th EEK	Attributable to equity holders of the parent company						Minority interest	Total equity
	Share capital	Share premium	Reserves	Retained earnings	Currency translation reserve	Total		
Balance at 31.12.2007	**189 711**	**183 495**	**10 222**	**185 981**	**480**	**569 889**	**953**	**570 842**
Comprehensive income for the period	0	0	0	32 098	(250)	31 848	19	31 867
Net income (expense) recognized in equity	**0**	**0**	**0**	**32 098**	**(250)**	**31 848**	**19**	**31 867**
Change of minority interest	0	0	0	0	0	0	(684)	(684)
Balance at 30.06.2008	**189 711**	**183 495**	**10 222**	**218 079**	**230**	**601 737**	**288**	**602 025**
Balance at 31.12.2008	**189 711**	**183 495**	**4 125**	**231 898**	**1 355**	**610 584**	**288**	**610 872**
Comprehensive income for the period	0	0	0	(13 488)	399	(13 089)	0	(13 089)
Net income (expense) recognized in equity	**0**	**0**	**0**	**(13 488)**	**399**	**(13 089)**	**0**	**(13 089)**
Share capital increase	18 777	9 388	0	0	0	28 165	0	28 165
Balance at 30.06.2009	**208 488**	**192 883**	**4 125**	**218 410**	**1 754**	**625 660**	**288**	**625 948**

th EUR	Attributable to equity holders of the parent company						Minority interest	Total equity
	Share capital	Share premium	Reserves	Retained earnings	Currency translation reserve	Total		
Balance at 31.12.2007	**12 125**	**11 727**	**653**	**11 886**	**31**	**36 422**	**61**	**36 483**
Comprehensive income for the period	0	0	0	2 052	(16)	2 036	0	2 036
Net income (expense) recognized in equity	**0**	**0**	**0**	**2 052**	**(16)**	**2 036**	**0**	**2 036**
Change of minority interest	0	0	0	0	0	0	(43)	(43)
Balance at 30.06.2008	**12 125**	**11 727**	**653**	**13 938**	**15**	**38 458**	**18**	**38 476**
Balance at 31.12.2008	**12 125**	**11 727**	**264**	**14 821**	**87**	**39 024**	**18**	**39 042**
Comprehensive income for the period	0	0	0	(862)	25	(837)	0	(837)
Net income (expense) recognized in equity	**0**	**0**	**0**	**(862)**	**25**	**(837)**	**0**	**(837)**
Share capital increase	1 200	600	0	0	0	1 800	0	1 800
Balance at 30.06.2009	**13 325**	**12 327**	**264**	**13 959**	**112**	**39 987**	**18**	**40 005**

The notes presented on pages 22 to 32 form an integral part of the consolidated interim financial information

Consolidated interim cash flow statement (unaudited)

	EEK		EUR	
(thousand)	HY I 2009	HY I 2008	HY I 2009	HY I 2008
Cash flows from operating activities				
Operating profit for the period	10 803	62 651	690	4 004
Adjustments for:				
Depreciation, amortization and impairment of property, plant and equipment and intangibles	30 671	30 863	1 960	1 973
Profit (loss) on sale of property, plant and equipment	61	226	4	14
Changes in working capital:				
Trade and other receivables	19 489	124	1 246	8
Inventories	2 739	(10 372)	175	(663)
Trade and other payables	(33 099)	(21 443)	(2 115)	(1 370)
Cash generated from operations	**30 664**	**62 049**	**1 960**	**3 966**
Income tax paid	(5 055)	(3 261)	(323)	(208)
Interest paid	(20 405)	(27 148)	(1 304)	(1 735)
Net cash generated from operating activities	**5 204**	**31 640**	**333**	**2 022**
Cash flows from investing activities				
Investments in business combinations	0	(1 182)	0	(76)
Proceeds from financial assets	0	1 500	0	96
Interest received	1 248	709	80	45
Purchase of property, plant and equipment	(8 748)	(17 173)	(559)	(1 098)
Proceeds from sale of property, plant and equipment	4 761	274	304	18
Loans granted	(1 697)	(3 067)	(108)	(196)
Loan repayments received	1 945	94	124	6
Net cash used in investing activities	**(2 491)**	**(18 845)**	**(159)**	**(1 204)**
Cash flows from financing activities				
Share issue	28 166	0	1 800	0
Finance lease payments made	(18 102)	(16 132)	(1 157)	(1 031)
Change in overdraft used	11 128	(23 895)	711	(1 527)
Proceeds from borrowings	0	30 000	0	1 917
Repayments of borrowings	(51 651)	(42 946)	(3 301)	(2 745)
Net cash generated from financing activities	**(30 459)**	**(52 973)**	**(1 947)**	**(3 386)**
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(27 746)**	**(40 178)**	**(1 773)**	**(2 568)**
Cash and cash equivalents at the beginning of the period	46 388	68 970	2 965	4 408
Cash and cash equivalents at the end of the period	18 642	28 792	1 191	1 840

The notes presented on pages 22 to 32 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 19 subsidiaries, 5 joint ventures and 2 associated companies, belonging to the consolidation group as at 30.06.2009.

The consolidated interim financial information was approved for issue by the Management Board on 5 August 2009.

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 2009 for the second quarter and first half year of 2009 reflect the results of the following group companies:

Name	Status	Shareholding 30.06.2009	Shareholding 31.12.2008	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
SIA Delfi Holding	Subsidiary	100%	0%	Holding Company	Latvia
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
SIA Ekspress Portals	Subsidiary	100%	0%	Online classified ads	Latvia
UAB Ekspress Portals	Subsidiary	100%	0%	Online classified ads	Lithuania
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
Kõnekeskuse AS	Subsidiary	100%	100%	Call centre services	Estonia
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
Uniservice OÜ	Joint venture	26%	26%	Magazine publishing	Estonia
Medipresa OÜ	Associate	40%	40%	Periodicals' wholesale distribution	Lithuania
AS Linnaleht	Associate	25%	25%	Newspaper publishing	Estonia
Dormant companies					
OÜ Ekspress Internet	Subsidiary	80%	80%	Online classified ads	Estonia
Teletell Infoline SRL	Subsidiary	80%	80%	Information services	Romania
Express Online SRL	Subsidiary	100%	100%	Call centre services	Romania

Note 2 Basis of preparation

This condensed consolidated interim financial information for the second quarter and first half year ended on 30 June 2009 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 2008.

According to management's assessment, the consolidated interim financial statements of AS Ekspress Grupp for the second quarter and first half year of 2009 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.

Change in the presentation of information in 2009

In connection with changes in IAS 1 "Presentation of Financial Statements", which will come into force as of 1 January 2009, the Group's second quarter and first half year 2009 consolidated interim report was replaced of the consolidated income statement by a consolidated statement of comprehensive income. The comprehensive income statement also includes all non-owner changes previously recognized in equity. In connection with the compilation of the consolidated comprehensive income statement, the presentation of the report on changes in equity also changed. The report on changes in equity does not recognize statement of comprehensive income elements as separate changes. Pursuant to IAS, the term " balance sheet" used previously is replaced by the term "statement of financial position". The presentation of basic reports and the new terms do not affect the recognition of transactions and balances or the accounting principles.

Note 3 Subsidiaries and associated companies

Acquisitions and disposals of subsidiaries and associates

On 23 April 2009 AS Ekspress Group signed a contract for the sale of the 100% of shares in AS Ekspress Hotline and its subsidiaries AS Kõnekeskus, Ekspresskataloogide AS and AS Infoatlas to Cheh OÜ, a holding company that belongs to the investment fund BaltCap. The consideration for the transaction consists of following parts: EUR 2 million (EEK 31.3 million) is payable at the transaction date, about EUR 2 million (EEK 31.3 million) is subject to off-set with the payable by AS Ekspress Group to Ekspress Hotline Group, and EUR 2 million (EEK 31.3 million) will be paid in 5 years; the buyer will pay 8% interest per annum on this amount. The carrying amount of the net assets of the entities sold is EEK 116 million (EUR 7.4 million), including the cash and bank balances. Additionally as a result of the transaction within 5 years Ekspress Group is entitled to convert the total amount of the receivable (EUR 2 million or EEK 31 million) into the shareholding of the Pan-Baltic company to be formed after combining the operations of SIA Contact Holding and Ekspress Hotline, which is13.5% in 5th year. The prerequisite for the sale transaction becoming effective is the approval by the Competition Board authorising the concentration. As of the date of the balance sheet the proceedings concerning the aforementioned notice of concentration is in process at the Competition Board.

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 2009	HY I 2008	HY I 2009	HY I 2008
Balance at the beginning of period				
Acquisition cost	566 288	546 442	1 058 213	1 048 728
Accumulated depreciation	(176 716)	(141 563)	(44 834)	(25 309)
Book value	**389 572**	**404 879**	**1 013 379**	**1 023 419**
Acquisitions and improvements	6 299	12 854	2 640	5 414
Disposals (at book value)	(265)	(144)	(1 748)	(610)
Write-offs	0	(108)	(18)	0
Depreciation and impairment	(20 609)	(21 975)	(10 062)	(8 692)
Currency correction	15	(30)	(3)	(16)
Balance at the end of period				
Acquisition cost	569 694	557 817	1 058 129	1 053 066
Accumulated depreciation	(194 682)	(162 345)	(53 941)	(33 551)
Book value	**375 012**	**395 472**	**1 004 188**	**1 019 515**

	Property, plant and equipment		Intangible assets	
th EUR	HY I 2009	HY I 2008	HY I 2009	HY I 2008
Balance at the beginning of period				
Acquisition cost	36 192	34 924	67 632	67 026
Accumulated depreciation	(11 294)	(9 048)	(2 865)	(1 618)
Book value	**24 898**	**25 876**	**64 767**	**65 408**
Acquisitions and improvements	403	822	169	346
Disposals (at book value)	(17)	(9)	(112)	(39)
Write-offs	0	(7)	(1)	0
Depreciation and impairment	(1 317)	(1 404)	(643)	(556)
Currency correction	1	(2)	0	(1)
Balance at the end of period				
Acquisition cost	36 410	35 651	67 627	67 303
Accumulated depreciation	(12 442)	(10 376)	(3 447)	(2 144)
Book value	**23 968**	**25 275**	**64 179**	**65 159**

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 30.06.2009					
Bank overdraft	**43 200**	43 200	0	0	4,63%
Long-term bank loans	**601 955**	71 672	530 283	0	5,43%
Finance lease	**122 324**	37 123	85 201	0	5,69%
Total	**767 479**	**151 995**	**615 484**	**0**	
Balance at 31.12.2008					
Bank overdraft	**32 072**	32 072	0	0	6,00%
Long-term bank loans	**632 166**	107 828	524 338	0	6,74%
Finance lease	**139 792**	36 319	102 109	1 364	5,69%
Total	**804 030**	**176 219**	**626 447**	**1 364**	

th EUR	Total amount	Repayment term up to 1 year	1 to 5 years	over 5 years	Average interest rate
Balance at 30.06.2009					
Bank overdraft	**2 761**	2 761	0	0	4,63%
Long-term bank loans	**38 473**	4 581	33 892	0	5,43%
Finance lease	**7 817**	2 372	5 445	0	5,69%
Total	**49 051**	**9 714**	**39 337**	**0**	
Balance at 31.12.2008					
Bank overdraft	**2 050**	2 050	0	0	6,00%
Long-term bank loans	**40 402**	6 891	33 511	0	6,74%
Finance lease	**8 934**	2 321	6 526	87	5,69%
Total	**51 386**	**11 262**	**40 037**	**87**	

The effective interest rates are very close to the nominal interest rates.
A loan agreement has been concluded between the syndicate of SEB, Sampo Bank and Nordea Bank and Ekspress Group on 28 August 2007 in the amount of EEK 674.4 million (EUR 43.1 million) for purchasing Delfi Group and Maaleht. The loan repayment date is 25.09.2012On 24 March 2009, the syndicate of SEB Bank, Danske Bank (Sampo Bank) and Nordea Bank and AS Ekspress Grupp entered into an amendment to the loan agreement entered into on 28 August 2007, according to which the Group pays the principal instalments in a reduced amount in the period from 1 March 2009 to 1 August 2009. The reduced principal payments are added to the bullet amount of the loan. The new interest rate is 3.5%+ 6 month Euribor.
. The outstanding loan balance as of 30.06.2009: EEK 549.4 million (EUR 35.1 million). The loan is secured:
- with a mortgage on the registered immovable located at Peterburi Rd 64A in the mortgage amount of EEK 40 million (EUR 2.5 million);
- with a pledge on the shares of Delfi Estonia, Delfi Latvia, Delfi Lithuania, Maaleht, Eesti Ekspress Kirjastus, Ekspress Hotline, Rahva Raamat, Printall, Eesti Päevaleht and Delfi Holding, and with the guarantee of the said subsidiaries in the total amount of EUR 43.1 million (EEK 674.4 million);
- with a combined pledge in the amount of EEK 4 million (EUR 0.3 million) 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.
- with a guarantee of Hans Luik;
- with a combined mortgage on the registered immovable located at Pirita Rd 20 in the amount of EEK 60 million (EUR 3.8 million) to second ranking.

According to the conditions of the loan agreement, the borrower must comply with the levels established for certain financial ratios, such as net interest-bearing borrowings /EBITDA, EBITDA/ interest and principal payments related to interest-bearing borrowings and equity /balance sheet total. As of the balance sheet date, there could have risen a conflict with the levels established for certain financial ratios, but before the balance sheet date an agreement was reached with banks, according to which the conflict with financial ratios does not qualify the breach of the loan agreement.

On 30 March 2009, AS Ekspress Grupp and Danske Bank A/S Estonia Branch (legal successor of AS Sampo Pank) entered into an overdraft agreement, according to which the overdraft amount is EUR 0.96 million (EEK 15 million). The overdraft interest rate is 3.5%+ 6 month EURIBOR and the maturity term is 1 October 2009.

On 30 March 2009, AS Ekspress Grupp and AS SEB Pank entered into an overdraft agreement with a limit of EUR 0.96 million (EEK 15 million). The overdraft interest rate is 3.5%+ 1 month EURIBOR and the maturity term is 20 October 2009.

On On 30 March 2009, AS Ekspress Grupp and Nordea Bank Finland Plc entered into a loan agreement with a limit of EUR 0.96 million (EEK 15 million). The overdraft interest rate is 3.5%+ 1 month EURIBOR and the maturity term is 30 September 2009.

A loan agreement of AS Printall (borrower) in the amount of EEK 75 000 thousand (EUR 4 793 thousand), with the term of 15.12.2013 is secured with a mortgage in the amount of EEK 100 million (EUR 6.4 million) on registered immovable property located at Peterburi Rd 64A, Tallinn (the carrying amount of the building as of 30.06.2009: EEK 73.3 million (EUR 4.7 million), the carrying amount of the land property EEK 6.4 million (EUR 0.4 million), the carrying amount of the investment property EEK 9.0 million (EUR 0.6 million). The agreement is also secured by a commercial pledge on the assets of the company in the amount of EEK 50 million (EUR 3.2 million). The outstanding loan balance as of 30.06.2009: EEK 52.8 million (EUR 3.4 million), 31.12.2008: EEK 58.1 million (EUR 3.7 million). 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.

Lease liabilities are effectively secured as the rights to the leased asset revert to the lessor in the event of default

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.

Number of employees by segment

Segment	Number of employees		Average number of employees	
	30.06.2009	31.12.2008	Q II 2009	Q II 2008
Online media	198	197	203	185
Periodicals	1 537	1 587	1 545	1 605
Printing services	202	217	203	211
Book sales	110	87	113	84
Information services	186	216	185	237
Unallocated	7	7	7	7
Total	**2 240**	**2 311**	**2 256**	**2 329**

Revenue by segment

	EEK		EUR		Change%
(thousand)	Q II 2008	Q II 2007	Q II 2008	Q II 2007	
Online media	32 499	48 074	2 077	3 072	-32%
Periodicals	108 643	150 134	6 944	9 595	-28%
Printing services	93 890	111 918	6 001	7 153	-16%
Book sales	40 905	43 915	2 614	2 807	-7%
Information services	14 069	16 949	899	1 083	-17%
Unallocated	598	617	38	39	-3%
Inter-segment sales	(21 356)	(24 710)	(1 365)	(1 579)	-14%
Sales to external customers	**269 248**	**346 897**	**17 208**	**22 171**	**-22%**

EBITDA by segment

	EEK		EUR		Change%
(thousand)	Q II 2008	Q II 2007	Q II 2008	Q II 2007	
Online media	3 607	13 916	231	889	-74%
Periodicals	12 803	18 706	818	1 196	-32%
Printing services	19 203	22 441	1 227	1 434	-14%
Book sales	(274)	902	(18)	58	-
Information services	958	(53)	61	(3)	-
Unallocated	(2 454)	(2 299)	(157)	(147)	-
Eliminations	(75)	0	(5)	0	-
EBITDA total	**33 768**	**53 613**	**2 158**	**3 426**	**-37%**

Revenue by segment

	EEK		EUR		Change%
(thousand)	HY I 2009	HY I 2008	HY I 2009	HY I 2008	
Online media	60 143	86 463	3 844	5 526	-30%
Periodicals	212 869	285 160	13 605	18 225	-25%
Printing services	181 835	213 823	11 621	13 666	-15%
Book sales	85 305	90 796	5 452	5 803	-6%
Information services	33 338	38 525	2 131	2 462	-13%
Unallocated	1 345	1 242	86	79	8%
Inter-segment sales	(41 417)	(47 774)	(2 647)	(3 053)	-13%
Sales to external customers	**533 418**	**668 235**	**34 092**	**42 708**	**-20%**

EBITDA by segment

(thousand)	EEK HY I 2009	EEK HY I 2008	EUR HY I 2009	EUR HY I 2008	Change%
Online media	333	22 666	21	1 449	-99%
Periodicals	12 011	34 406	768	2 199	-65%
Printing services	33 249	41 202	2 125	2 633	-19%
Book sales	(180)	2 621	(12)	168	-
Information services	1 805	637	115	41	183%
Unallocated	(4 882)	(4 578)	(312)	(293)	-
Eliminations	(861)	(3 440)	(55)	(220)	-
EBITDA total	**41 475**	**93 514**	**2 651**	**5 977**	**-56%**

<u>Geographical Segment by the Location of facilities and other assets– Secondary Segment</u>

The company is active in Estonia, Latvia, Lithuania and Ukraine. 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 shareholders EEK 10 000 thousand (EUR 638 thousand), a hedging reserve derived from interest rate swaps EEK 9 555 thousand (EUR 611 thousand) and revaluation of investment property EEK 3 414 thousand (EUR 218 thousand)

(thousand)	EEK 30.06.2009	EEK 31.12.2008	EUR 30.06.2009	EUR 31.12.2008
Statutory legal reserve	266	266	17	17
Other reserves	3 859	3 859	247	247
Additional payments in cash from shareholders	10 000	10 000	639	639
Revaluation of investment property	3 414	3 414	218	218
Hedging reserve (Note 32)	(9 555)	(9 555)	(611)	(611)

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 2009	Q II 2008	Q II 2009	Q II 2008
Profit attributable to equity holders of the Parent Company	4 106 118	21 232 219	(13 487 797)	32 098 407
The average number of ordinary shares	20 848 841	18 971 081	20 724 349	18 971 081
Basic and diluted earnings per share	0,20	1,12	(0,65)	1,69

	EEK		EUR	
	HY I 2009	HY I 2008	HY I 2009	HY I 2008
Profit attributable to equity holders of the Parent Company	262 429	1 356 986	(862 027)	2 051 462
The average number of ordinary shares	20 848 841	18 971 081	20 724 349	18 971 081
Basic and diluted earnings per share	0,01	0,07	(0,04)	0,11

Note 9 Equity

On 01 January 2008 the share capital of the Company is EEK 189 711 thousand (EUR 12 125 thousand), divided into 18 971 081 shares with the nominal value of EEK 10 (EUR 0.63) each.

Authorised share capital according to the Articles of Association is 400 000 000 kroons (25 564 660 euros) .

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.

The special meeting of shareholders held on 12 December 2008 decided to increase the share capital through the issue of new shares. The AS Ekspress Grupp share issue totalled 1 877 760 shares with the subscription price of 15 kroons (0.96 euros) per share. As of 12 January 2009 the share issue was precisely subscribed and EEK 28.2 million (EUR 1.8 million) was paid for the new shares.

Subscribers were:
HHL Rühm with 1 393 575 shares
ING Luxembourg with 432 025 shares
SEB with 52160 shares
The share capital of Ekspress Grupp increased from EEK 189 710 810 (EUR 12 124 731) to EEK 208 488 410 (EUR 13 324 838).

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

	EEK		EUR	
(thousand)	HY I 2009	HY I 2008	HY I 2009	HY I 2008
Sale of goods				
members of Management Boards and companies related to them	1	0	0	0
associated companies	13 579	14 254	868	911
Sale of goods total	**13 580**	**14 254**	**868**	**911**
Sale of services				
members of management boards and companies related to them	0	294	0	19
members of supervisory boards and companies related to them	55	75	4	5
associated companies	2 904	5 982	186	382
Sale of services total	**2 959**	**6 351**	**190**	**406**
Sales total	**16 539**	**20 605**	**1 058**	**1 317**

Purchases

	EEK		EUR	
(thousand)	HY I 2009	HY I 2008	HY I 2009	HY I 2008
Purchase of services				
members of management boards and companies related to them	214	332	14	21
members of supervisory boards and companies related to them	4 669	4 212	298	269
associated companies	170	93	11	6
Purchases total	**5 053**	**4 637**	**323**	**296**

Receivables

	EEK		EUR	
(thousand)	30.06.2009	30.06.2008	30.06.2009	30.06.2008
Short-term receivables				
members of supervisory boards and companies related to them	3 043	4 839	194	309
associated companies	6 536	6 172	418	394
Short-term receivables total	**9 579**	**11 011**	**612**	**703**
Long-term receivables				
members of supervisory boards and companies related to them	1 550	1 550	99	99
Long-tem receivable total	**1 550**	**1 550**	**99**	**99**
Receivable total	**11 129**	**12 561**	**711**	**802**

Liabilities

	EEK		EUR	
(thousand)	30.06.2009	30.06.2008	30.06.2009	30.06.2008
Short-term payables				
members of management boards and companies related to them	10	3	1	0
members of supervisory boards and companies related to them	23 403	30 648	1 496	1 959
associated companies	0	2	0	0
Liabilities total	**23 413**	**30 653**	**1 497**	**1 959**

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 million (EUR 1.9 million). Loan interest rate is 6%. In the balance sheet the loan amounted as of 30.06.2009 EEK 21 million (EUR 1.3 million)

AS Ekspress Grupp (Borrower) and HHL Rühm OÜ (related company of the Group's shareholder) have concluded a short term Loan Agreement in September 2008 in the amount of EEK 12 million (EUR 0.8 million). Loan interest rate is 1.7% + 6 month EURIBOR. In the balance sheet the loan amounted as of 30.06.2009 EEK 0.

AS Ekspress Grupp (Lender) and AS Delfi (legal successor of OÜ ZinZin from 1 October 2007), have concluded a Loan Agreement in 31 August 2007 in the amount of EEK 879.5 million (EUR 56.2 million for the acquisition of Delfi Group. Loan matures in 2027, interest rate is 6,464%.

The annual general meeting held on 2 June 2009 approved the payment of guarantee fee to Hans Luik of 1,5% p.a. on the guarantee amount for the personal guarantee of EUR 4 000 000 on loan agreement and overdraft agreements concluded between AS Ekspress Grupp and SEB Bank, Danske Bank AS Eesti branch and Nordea Bank Finland Plc Eesti branch. The fee is payable until the maturity date of the guarantee.

The Management Board of the Parent company consists of 3 members and the Supervisory Board of 7 members.

Key management and supervisory board remuneration

	EEK		EUR	
(thousand)	HY I 2009	HY I 2008	HY I 2009	HY I 2008
Salaries and other short-term employee benefits (paid)	7 478	10 587	478	677

Member of the Management Board is entitled to compensation at the termination of his contract. The key management terminations benefits are obligations only in case of termination of contracts is originated by Group. If a member of the Management Board is recalled without a substantial reason, the member will be paid compensation for termination of the contract up to 4 months' salary. The cost will be recognised on an accrual basis. Upon termination of employment relationship, no compensation will be paid if a member of the Management Board leaves at his or her initiative or if a member of the Management Board is removed by the Supervisory Board with a good reason. Potential key management termination benefits in 2009 is EEK 4 960 thousand (EUR 317 thousand) and 2008 was EEK 5 064 thousand (EUR 324 thousand).

Transactions with related parties have been carried out at arms' length conditions according to management.

Note 11 Post-balance-sheet events

Based on the Ekspress Grupp application the syndicate of SEB Bank, Danske Bank (Sampo Bank) and Nordea Bank have approved the reduction of the principal instalments for the period from 1 August 2009 to 31 January 2010. The respective amendment to the loan agreement is not entered into as of the finalization of the interim report.