



## **ABC GRUPI AS**

### Consolidated interim report for the first half of 2009

(Translation of the Estonian original)

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Commercial registry number	10419384
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Main activities	Retail and Wholesale Trade
Auditor	Rimess OÜ
Beginning and end of financial year	01.01.2009-31.12.2009
Beginning and end of reporting period	01.01.2009-30.06.2009

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## BRIEF DESCRIPTION OF ABC GROUP

The primary areas of activity of the companies of the ABC Group include retail and wholesale trade. In the first half of 2009, the average number of employees at ABC Group was 508. The parent company is located and has been registered at 25 Laki in Tallinn, Estonia.

As of 30th of June 2009, following companies belong to the ABC Group:

	Country of location	Area of activity	Participation as of 30.06.09	Participation as of 31.12.08
Abestock AS	Estonia	wholesale trade	100%	100%
Agora Logistika AS	Estonia	logistics	100%	100%
Comarket AS	Estonia	retail trade	100%	100%
ABC Motors AS	Estonia	car trade	100%	100%
Oma Varahalduse AS	Estonia	real estate	100%	100%
ABC Vara AS	Estonia	real estate	1,81% (98,2% indirect)	1,81% (98,2% indirect)
Supersam OÜ	Estonia	retail trade	100%	100%
6 PO AS	Estonia	services	100% indirect	100% indirect
Vending Automaadid OÜ	Estonia	services	26% indirect	26%
Viimsi Kaubanduse OÜ	Estonia	trade	100%	

Member of the Management Board



## INTERIM MANAGEMENT REPORT

### Consolidated performance results, H1 of 2009

For the ABC Grupi AS companies H1 of 2009 was a period of cost saving and adaptation to the fast economic downturn. As compared to H1 of 2008 we succeeded to reduce staff, interest and other operating expenses by 23.9 million EEK while the net sales only fell by 6.7% to 650.96 million EEK. The consolidated loss amounted to 2.87 million EEK. This was the result of reduction in the value of real estate and loss from the principal activities of the vehicle segment.

Significant events of the group ABC Grupi AS that took place in H1 of 2009 and between the end of the reporting period and the disclosure of the Interim Report were the following:

- Abestock AS started selling the Nestle Purina animal feeds;
- in July ABC Motors AS sold 75 new vehicles, making thus Renault the market leader of new vehicles in Estonia.

### Retail trade

As compared to H1 of 2008, the net sales of the stores of Comarket AS increased in H1 of 2009 by 1.8%, amounting to 279.0 million EEK. The company sustained a loss of 0.98 million EEK, while at the same period in 2008 the profit amounted to 0.8 million EEK. At the same time staff costs decreased in Q2 of 2009 by 17.6% as compared to the same period in 2008 and the profit of the quarter amounted to 0.14 million EEK. The market share of Comarket in the retail turnover of stores specialised in food and convenience goods (predominantly food products) was 2.6%.

### Wholesale trade

The net sales of Abestock AS in H1 of 2009 decreased by 2.7% to 279,2 million EEK as compared to H1 of 2008. At the same time profit increased by 12.0% to 7.34 EEK. Since June the current net sales has reached the level of the previous year.

### Vehicle trade

The net sales of ABC Motors AS in H1 of 2009 decreased by 34,7% to 80,4 million EEK as compared to H1 of 2008. The company sustained a loss amounting to 5.63 million EEK. The sales of new vehicles reduced by 53% to 230 vehicles, while the sales of used vehicles increased by 2.7% to 153 vehicles. The decrease in the net sales and operating expenses has been proportionate; the reason behind the decline in the margin is the sales of used vehicles at a low price due to the market situation as well as the reduction in the average cost of service work.

### Real estate

The loss of the real estate segment in H1 of 2009 amounted to 3,2 million EEK as compared to the profit of 15,6 million EEK of the same period in 2008. At the same time revenue from rent increased by 39.6% to 15.5 million EEK. The reduction in the revenue of the segment has been due to the impairment of assets.

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**Future perspectives**

In H2 of 2009 we will mainly focus on increasing the net sales and improving the efficiency.

In retail trade we are planning to open a store of new conception in the Solaris Centre and increase the efficiency of the company to a significant extent.

In wholesale trade we are planning to continue the extension of the product portfolio and reach a 5% increase in net sales and a larger profit than a year before.

In vehicle trade we are planning to continue the sales of new cars that started successfully in July and retain better sales results until the end of the year.

In real estate segment we are planning to partially dispose real estate objects cash flow. To support tenants, we are planning to improve our campaigns.

We are planning to reduce the costs of 2009 by up to 50 million EEK instead of the 30 million EEK planned earlier.

*Member of the Management Board*

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the bottom.

**Financial Ratios 2008-2009**

Group's consolidated indicators (thousands)

	EEK	EEK	EUR	EUR
<b>Consolidated statement of comprehensive income</b>	<b>6 m 2009</b>	<b>6 m 2008</b>	<b>6 m 2009</b>	<b>6 m 2008</b>
Net sales	650 955	697 222	41 604	44 561
Operating profit	9 925	42 625	635	2 725
Net profit	-2 869	23 806	-183	1 521
<b>Consolidated statement of financial position</b>	<b>30.06.2009</b>	<b>31.12.2008</b>	<b>30.06.2009</b>	<b>31.12.2008</b>
Total current assets	289 583	316 147	18 508	20 204
Total non-current assets	677 409	702 850	43 294	44 918
Total assets	966 992	1 018 997	61 802	65 122
Total current liabilities	460 882	394 974	29 456	25 243
Total non-current liabilities	186 934	301 978	11 947	19 298
Total liabilities	647 816	696 952	41 403	44 541
Equity	319 176	322 045	20 399	20 581
Equity ratio (%)	33,0%	31,6%	33,0%	31,6%
<b>INCREASES (%)</b>				
Increase in net sales	-6,6%	55,8%	-6,6%	55,8%
Increase in assets	-4,6%	10,0%	-4,6%	10,0%
Increase in equity	-0,9%	3,0%	-0,9%	3,0%
<b>PROFITABILITY RATIOS (%)</b>				
EBIT margin	1,5%	6,1%	1,5%	6,1%
ROE (Return of Equity)	-0,9%	2,9%	-0,9%	2,9%
ROA (Return of Assets)	-0,3%	0,9%	-0,3%	0,9%
Net margin	-0,4%	0,6%	-0,4%	0,6%
<b>LIQUIDITY RATIOS</b>				
Quick ratio	0,63	0,80	0,63	0,80
Debt ratio	0,67	0,68	0,67	0,68
<b>EFFICIENCY RATIOS</b>				
Inventory turnover ratio	3,68	4,34	3,68	4,34
Net sales per employee	1 281,4	1 258,5	81,9	80,4
Average number of employees	508	554	508	554
EBIT margin	= Operating profit / Net sales			
Equity ratio	= Equity / (Liabilities + Equity)			
ROE (Revenue of Equity)	= Net profit / Average equity <sup>1</sup>			
ROA (Return of Assets)	= Net profit / Average assets <sup>1</sup>			
Net margin	= Net profit / Net sales			
Quick ratio	= Current assets / Current liabilities			
Debt ratio	= Total liabilities / (Liabilities + Equity)			
Inventory turnover ratio	= Net sales / Average Inventory <sup>1</sup>			
Net sales per employee	= Net sales / Average number of employees			

<sup>1</sup> 12 months average

Member of the Management Board



## REPORT ON CORPORATE GOVERNANCE CODE OF THE TALLINN STOCK EXCHANGE

ABC Grupi AS follows most of the mandatory guidelines of the Corporate Governance Code (CGC). At the same time, there are some guidelines which the Company does not follow due to the peculiarities characteristic to the Company. The following is a list of guidelines not observed by the Company:

Unlike clause 2.2.1 of the Corporate Governance, the management board of ABC Grupi AS has only one member, because it is a holding company that had no paid employees until Q2 of 2009 and, thus, there was no need for a management board consisting of several members. Each subsidiary has a management board of one, two or three members, depending on the number of employees.

In all the subsidiaries resolutions are adopted by the management, the members of which are in addition to the members of the management board also key employees.


The areas of responsibility, duties and authorities have been clearly determined among the members of the Management Board. If necessary, the management shall involve consultants and experts in the decision-making process. Such allocation complies with the needs of the Group in the best manner, ensures sufficient and effective management and does not financially or administratively overburden the Group companies.

Unlike clause 2.2.3 of the CGC, the Supervisory Board discusses and regularly reviews not only the fundamentals of the remuneration paid to the Management Board, but also the fundamentals of the remuneration paid to the entire management and prepared by the chairman of the Management Board.

The Supervisory Board of ABC Grupi AS considers justified in the interests of the Company that the remuneration of each member of the Management Board is not separately disclosed (CGC 2.2.7). The Group is convinced that it is important to disclose to the investors the total of the remunerations of persons responsible for the management activities of the entire company and well-being of the shareholders (Management Boards of the Group companies) and is of the opinion that the remuneration disclosed separately for each member constitutes a business secret, and the Group does not want to disclose it to the competitors.

Pursuant to the CGC, several guidelines are recommended for the members of the Supervisory Board and their activities, which pertain to the persons of the members of the Supervisory Board, conflicts of interest, cooperation with the Management Board, etc. ABC Grupi AS does not comply with some of these recommended guidelines in detail and formally, but the Supervisory Board (members thereof) and their work is arranged in the manner that actual supervision over the activities of the Management Board is ensured and the resolutions significant for the companies are adopted by as wide circle of decision-makers as possible, and experts of the relevant fields are also involved in the decision-making process. Among other things, the principle applies that the Supervisory Boards shall form the respective development and monitoring committees to adopt resolution in substantial matters (areas).

*Member of the Management Board*

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## DECLARATION OF THE MANAGER

The manager confirms to the best of its knowledge that:

A. the Interim Report of the consolidated activities of ABC Grupi AS in H1 of 2009 presented on pages 4 to 7 gives a true and fair view of the important events that took place during the first six months of the financial year and the effect thereof on the abridged financial statement and contains a description of the main risks and uncertainties of the remaining six months of the financial year;

B. the consolidated abridged financial statement of ABC Grupi AS of H1 of 2009 presented on pages 9 to 34:

1. has been prepared applying the accounting principles and manner of presentation of information, which are in compliance with the International Financial Reporting Standards as adopted by the European Union;
2. gives a fair and true view of the
  - a. assets;
  - b. liabilities;
  - c. equity;
  - d. performance results and
  - e. cash flowof ABC Grupi AS and companies involved in the consolidation as a whole.

The manager confirms that ABC Grupi AS and its subsidiaries are going concerns.

Tallinn, 31 August 2009



Member of the Management Board

Jüri Vips

Member of the Management Board



**ABRIDGED FINANCIAL STATEMENT**

**Consolidated Statement of Financial Position**

(unaudited, thousands )

	Note no	EEK 30.06.2009	EEK 31.12.2008	EUR 30.06.2009	EUR 31.12.2008
<b>ASSETS</b>					
<b>Current assets</b>					
Cash	2	2 931	13 394	187	856
Short-term financial investments		1 536	3 751	98	239
Receivables and prepayments	3	124 561	105 422	7 961	6 737
Inventories	5	160 556	193 580	10 262	12 372
<b>Total current assets</b>		<b>289 583</b>	<b>316 147</b>	<b>18 508</b>	<b>20 204</b>
<b>Non-current assets</b>					
Long-term financial investments	6	10 011	13 104	640	837
Investment properties	8	454 392	463 974	29 041	29 653
Tangible assets	9	138 004	152 021	8 820	9 715
Intangible assets	10	75 002	73 750	4 793	4 713
<b>Total non-current assets</b>		<b>677 409</b>	<b>702 850</b>	<b>43 294</b>	<b>44 918</b>
<b>TOTAL ASSETS</b>		<b>966 992</b>	<b>1 018 997</b>	<b>61 802</b>	<b>65 122</b>
<b>LIABILITIES AND EQUITY</b>					
<b>Current liabilities</b>					
Interest bearing loans and borrowings	11	284 797	242 762	18 202	15 515
Payables and prepayments	12	176 085	152 211	11 254	9 728
<b>Total current liabilities</b>		<b>460 882</b>	<b>394 974</b>	<b>29 456</b>	<b>25 243</b>
<b>Non-current liabilities</b>					
Interest bearing loans and borrowings	11	185 583	300 250	11 860	19 189
Other non-current liabilities		1 352	1 728	87	109
<b>Total non-current liabilities</b>		<b>186 934</b>	<b>301 978</b>	<b>11 947</b>	<b>19 298</b>
<b>TOTAL LIABILITIES</b>		<b>647 816</b>	<b>696 952</b>	<b>41 403</b>	<b>44 541</b>
<b>EQUITY</b>					
<b>Equity attributable to equity holders of the parent company</b>					
Share capital	13	100 280	100 280	6 409	6 409
Issue premium		18 575	18 575	1 187	1 187
Legal reserve		2 180	2 180	139	139
Retained profit (loss)		201 010	191 950	12 847	12 267
Net profit (loss) for the period		-2 869	9 060	-183	579
<b>Total equity attributable to equity holders of the parent company</b>		<b>319 176</b>	<b>322 045</b>	<b>20 399</b>	<b>20 581</b>
<b>TOTAL EQUITY</b>		<b>319 176</b>	<b>322 045</b>	<b>20 399</b>	<b>20 581</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>966 992</b>	<b>1 018 997</b>	<b>61 802</b>	<b>65 122</b>

Member of the Management Board



## Consolidated Statement of Comprehensive Income

(unaudited, thousands)

	Note no	EEK 6 m 2009	EEK 6 m 2008	EUR 6 m 2009	EUR 6 m 2008
Net sales	14	650 955	697 222	41 603	44 560
Other operating revenues		12 671	47 636	809	3 044
Goods, raw materials and services	15	-555 331	-584 801	-35 492	-37 375
Other operating expenses		-31 591	-39 242	-2 019	-2 508
Staff costs					
Wages and salaries		-40 716	-49 527	-2 602	-3 165
Social taxes		-13 583	-16 490	-868	-1 053
Total staff costs		-54 299	-66 018	-3 470	-4 219
Depreciation and impairment of non-current assets	10, 11	-6 599	-6 943	-421	-444
Other operating charges		-5 880	-5 230	-375	-334
<b>Operating profit (loss)</b>		<b>9 925</b>	<b>42 625</b>	<b>635</b>	<b>2 725</b>
<b>Financial income and expenses</b>					
Financial income and expenses from investments in subsidiaries		-439	0	28	0
Financial income and expenses from investments in affiliates		10	86	0	5
Interest expenses		-14 229	-18 853	-909	-1 205
Profit (loss) on conversion of foreign currencies		412	-55	26	-4
Other financial income and expenses		1 452	119	93	7
<b>Total financial income and expenses</b>		<b>-12 795</b>	<b>-18 703</b>	<b>-818</b>	<b>-1 197</b>
				0	0
<b>Profit (loss) before income tax</b>		<b>-2 869</b>	<b>23 922</b>	<b>-183</b>	<b>1 528</b>
Company income tax		0	-116	0	-7
<b>Total comprehensive income (loss)</b>		<b>-2 869</b>	<b>23 806</b>	<b>-183</b>	<b>1 521</b>

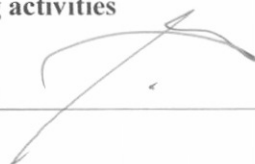


**Consolidated Cash Flow Statement [starting with operating profit]**

(unaudited, thousands)

	EEK 2009 6 m	EEK 2008 6 m	EUR 2009 6 m	EUR 2008 6 m
<b>Operating activities</b>				
Operating profit	9 925	42 625	635	2 725
Adjustments:				
Depreciation and impairment of non-current assets	6 599	6 943	421	444
Profit (loss) from sales and write-off of non-current assets	4 431	-37	283	-2
Profit (loss) from conversion of foreign currencies	412	-55	26	-4
Waiving claims	0	-5 000	0	-320
Gains on revaluation of investment properties	0	-29 250	0	-1 869
Change in receivables and prepayments relating to operating activities	-10 686	2 104	-683	134
Change in inventories	33 024	-4 115	2 111	-263
Change in liabilities and prepayments relating to operating activities	24 745	-29 658	1 582	-1 895
Interest paid	-15 457	-15 742	-988	-1 006
<b>Total cash flow from operating activities</b>	<b>52 995</b>	<b>-32 185</b>	<b>3 387</b>	<b>-2 057</b>
<b>Investing activities</b>				
Acquisition of tangible assets	-2 762	-28 771	-177	-1 839
Acquisition of intangible assets	-133		-9	0
Acquisition of investment properties	-895	-5 021	-57	-321
Disposal of tangible assets	2 460	99	157	6
Disposal of investment properties	4 540	0	290	0
Disposal of affiliate	400		26	0
Subsidiaries acquired	0	-1 450	0	-93
Acquisition of other financial investments	-5 661	0	-362	0
Sale of other financial investments	9 174	0	586	0
Receipt of financial lease	80	31	5	2
Repayments of loans issued	0	600	0	38
Dividends received	1	2	0	0
Interest received	269	32	17	2
<b>Total cash flow from investing activities</b>	<b>7 473</b>	<b>-34 478</b>	<b>478</b>	<b>-2 204</b>
<b>Financing activities</b>				
Debt securities (net)	-71 958	31 107	-4599	1 988
Loans raised	69 321	118 606	4430	7 580
Repayments of loans raised	-65 329	-85 505	-4175	-5 465
Repayments of financial lease principal	-2 959	-1 498	-189	-95
<b>Total cash flow from financing activities</b>	<b>-70 925</b>	<b>62 710</b>	<b>-4 533</b>	<b>4 008</b>
				0

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ABC GRUPPIAS Consolidated interim report for the first half of 2009 (unaudited)

Total cash flow	-10 457	-3 953	-668	-253
				0
Cash and cash equivalents at the beginning of period	13 394	6 886	856	440
Change in cash and cash equivalents	-10 457	-3 953	-669	-253
Decrease during business combination	-6	0	0	0
Cash and cash equivalents at the end of period	2 931	2 933	187	187

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### Consolidated Statement of Changes in Owners' Equity

(unaudited, thousands EEK )

	Share capital	Issue premium	Legal reserve	Retained profit / loss	Profit / loss for financial year	Total
<b>Balance as of 31.12.2007</b>	<b>21 800</b>	<b>18 575</b>	<b>2 180</b>	<b>206 998</b>	<b>63 868</b>	<b>313 421</b>
Comprehensive income for the preceding financial period	0	0	0	270 865	-270 865	0
Comprehensive income for the period	0	0	0	0	23 806	23 806
<b>Balance as of 30.06.2008</b>	<b>21 800</b>	<b>18 575</b>	<b>2 180</b>	<b>477 863</b>	<b>-183 192</b>	<b>337 227</b>
Increase in share capital	78 480	0	0	-78 480	0	0
Loss for the preceding financial period	0	0	0	-206 998	206 998	0
Loss of the period	0	0	0	0	-14 746	-14 746
Dividends paid out	0	0	0	-435	0	-435
<b>Balance as of 31.12.2008</b>	<b>100 280</b>	<b>18 575</b>	<b>2 180</b>	<b>191 950</b>	<b>9 060</b>	<b>322 045</b>
Comprehensive income for the preceding financial period	0	0	0	9 060	-9 060	0
Loss of the period	0	0	0	0	-2 869	-2 869
<b>Balance as of 30.06.2009</b>	<b>100 280</b>	<b>18 575</b>	<b>2 180</b>	<b>201 010</b>	<b>-2 869</b>	<b>319 176</b>

(unaudited, thousands EUR )

	Share capital	Issue premium	Legal reserve	Retained profit / loss	Profit / loss for financial year	Total
<b>Balance as of 31.12.2007</b>	<b>1 393</b>	<b>1 187</b>	<b>139</b>	<b>13 230</b>	<b>4 082</b>	<b>20 031</b>
Comprehensive income for the preceding financial period	0	0	0	17 311	-17 311	0
Comprehensive income for the period	0	0	0	0	1 521	1 521
<b>Balance as of 30.06.2008</b>	<b>1 393</b>	<b>1 187</b>	<b>139</b>	<b>30 541</b>	<b>-11 708</b>	<b>21 553</b>
Increase in share capital	5 016	0	0	-5 016	0	0
Loss for the preceding financial period	0	0	0	-13 230	13 230	0
Loss of the period	0	0	0	0	-942	-942
Dividends paid out	0	0	0	-28	0	-28
<b>Balance as of 31.12.2008</b>	<b>6 409</b>	<b>1 187</b>	<b>139</b>	<b>12 268</b>	<b>579</b>	<b>20 582</b>
Comprehensive income for the preceding financial period	0	0	0	579	-579	0
Loss of the period	0	0	0	0	146	146
<b>Balance as of 30.06.2009</b>	<b>6 409</b>	<b>1 187</b>	<b>139</b>	<b>12 847</b>	<b>146</b>	<b>20 728</b>

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**Note 1 Accounting Policies and Procedures Used upon Preparing Annual Accounts**

**General Information**

The consolidated interim report for the first half of 2009 of ABC Grupi AS and its subsidiaries and affiliates (hereinafter the Group) as of 30 June 2009 has been prepared and signed by the Management Board on 31 August 2009.

These consolidated financial statements are not audited and only include consolidated statements of the Group.

**General Fundamentals of Preparing the Annual Accounts**

The consolidated interim report for the first half of 2009 of the Group and its subsidiaries has been prepared in accordance with the International Financial Accounting Standards, as adopted by the European Union. In all material respects, the same accounting principles have been followed as in the preparation of the consolidated financial statement for 2008.

**Changes in the presentation of information in 2009**

In connection with changes in IAS 1 "Presentation of Financial Statements", which became into force from 1 January 2009, the Group's first half year 2009 consolidated income statement was replaced with the statement of comprehensive income. The comprehensive income statement also includes all non-owner changes previously recognized in equity. Pursuant to IAS 1, 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 of the accounting principles.

Member of the Management Board



**Note 2 Cash**

(thousands)	EEK	EEK	EUR	EUR
	30.06.2009	31.12.2008	30.06.2009	31.12.2008
Cash in hand	1 456	719	93	46
Cash in bank	930	12 675	59	810
Recovered cash (cash in transit)	546	0	35	0
<b>Total cash</b>	<b>2 931</b>	<b>13 394</b>	<b>187</b>	<b>856</b>

**Note 3 Receivables and Prepayments**

(thousands)	EEK	EEK	EUR	EUR
	30.06.2009	31.12.2008	30.06.2009	31.12.2008
Trade receivables	86 041	51 181	5 499	3 271
Factored receivables with recourse	0	30 973	0	1 979
Doubtful accounts	0	-361	0	-23
<b>Total trade receivables</b>	<b>86 041</b>	<b>81 793</b>	<b>5 499</b>	<b>5 227</b>
Prepaid and deferred taxes	778	761	49	49
Other short-term receivables	36 664	20 066	2 343	1 282
<i>inc. other accrued income</i>	6 568	3 576	419	229
Prepaid expenses	1 078	2 802	69	179
<b>Total prepayments</b>	<b>38 520</b>	<b>23 629</b>	<b>2 461</b>	<b>1 510</b>
<b>Total receivables and prepayments</b>	<b>124 561</b>	<b>105 422</b>	<b>7 960</b>	<b>6 737</b>

**Note 4 Taxes**

(thousands)	EEK	EEK	EEK	EEK	EUR	EUR	EUR	EUR
	30.06.2009	31.12.2008	30.06.2009	31.12.2008	30.06.2009	31.12.2008	30.06.2009	31.12.2008
	Pre-paid	Payable	Pre-paid	Payable	Pre-paid	Payable	Pre-paid	Payable
VAT	778	5 259	761	6 739	50	336	49	431
Corporate income tax	0	15	0	169	0	1	0	11
Personal income tax	0	1 591	0	1 977	0	102	0	126
Social tax	0	4 042	0	5 050	0	258	0	323
Mandatory funded pension	0	1	0	176	0	0	0	11
Unemployment insurance premium	0	304	0	113	0	19	0	7
Land tax	0	0	0	0	0	0	0	0
Interest payable	0	13	0	13	0	1	0	1
<b>Total</b>	<b>778</b>	<b>11 225</b>	<b>761</b>	<b>14 237</b>	<b>50</b>	<b>717</b>	<b>49</b>	<b>910</b>



**Note 5 Inventories**

	EEK	EEK	EUR	EUR
(thousands)	30.06.2009	31.12.2008	30.06.2009	31.12.2008
Goods for resale	160 556	193 580	10 261	12 372
<b>Total inventories</b>	<b>160 556</b>	<b>193 580</b>	<b>10 261</b>	<b>12 372</b>


**Written down and written off:**

	30.06.2009	31.12.2008	30.06.2009	31.12.2008
used vehicles	0	495	0	32
goods for resale	0	378	0	24
	0	<b>873</b>	0	<b>56</b>

**Note 6 Long-term Financial Investments**

(thousands)	EEK	EEK	EUR	EUR
	30.06.2009	31.12.2008	30.06.2009	31.12.2008
Shares in affiliates	0	3 517	0	225
Other financial investments	924	40	59	3
Other long-term receivables	9 086	9 547	581	610
<b>Total long-term financial investments</b>	<b>10 010</b>	<b>13 104</b>	<b>640</b>	<b>838</b>

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**Note 7 Subsidiaries and Affiliates**

The following companies belong to ABC Grupi AS as of 30. June 2009:

Name of company	Location	Area of activity	Direct holding	Indirect holding	Acquisition Cost (thousands of EEK)	Acquisition year
Abestock AS	Tallinn, Laki 25	Wholesale trade	100%		13 066	1999
Agora Logistika AS	Tallinn, Laki 25	Logistics services	100%		19 150	2000
ABC Motors AS	Tallinn, Paldiski mnt 105	Sales and maintenance of vehicles	100%		100 000	2007
Comarket AS	Tallinn, Ädala 1a	Retail trade	100%		17 990	2000
ABC Vara AS	Tallinn, Laki 25	Real estate development	1,80%	98,20%	181	2004
6 PO AS	Tallinn, Laki 25	Management of telephone central office		100%		
Vending Automaadid OÜ	Tallinn, Suur-Sõjamäe 42a	Services		26%		
Oma Varahalduse AS	Tallinn, Laki 25	Administration and lease of real estate	100%		57 950	2004
Supersam OÜ	Tallinn, Laki 25	Trade	100%		40	2007
Viimsi Kaubanduse OÜ	Tallinn, Laki 25	Trade	100%		40	2009

26.01.2009 ABC Grupi AS sold holding of Modera Consulting OÜ outside the Group.

04.03.2009 ABC Grupi AS purchased the holding of Viimsi Kaubanduse OÜ.



28.01.2009 ABC Grupi AS sold 26% holding of Vending Automaadid OÜ to 6PO AS.

Affiliate of 6PO AS

Name	Location	Area of activity
Vending Automaadid OÜ	Tallinn, Suur-Sõjamäe 42a	Services

(thousands)

	EEK	EEK	EUR	EUR
	Affiliate of ABC Grupi AS Vending Automaadid OÜ	Affiliate of 6PO AS Vending Automaadid OÜ	Affiliate of ABC Grupi AS Vending Automaadid OÜ	Affiliate of 6PO AS Vending Automaadid OÜ
<b>Holding at the end of the year %</b>	<b>26%</b>		<b>26%</b>	
Acquisition cost as of 31.12.2007	10		1	
<b>Book value 31.12.2007</b>	<b>966</b>		<b>62</b>	
<b>Profit calculated pursuant to equity method</b>	<b>85</b>		<b>5</b>	
<b>Book value 30.06.2008</b>	<b>1 051</b>		<b>67</b>	
<b>Holding at the end of the year %</b>	<b>26%</b>	<b>26%</b>	<b>26%</b>	<b>26%</b>
<b>Profit calculated pursuant to equity method</b>	<b>-136</b>		<b>-9</b>	
<b>Book value 31.12.2008</b>	<b>915</b>		<b>58</b>	
<b>Profit calculated pursuant to equity method</b>	<b>-17</b>		<b>-1</b>	
<b>Book value 31.01.2009</b>	<b>898</b>		<b>57</b>	
<b>Affiliate sale</b>	<b>-898</b>		<b>-57</b>	
<b>Affiliate acquisition</b>		1 000		64
<b>Profit calculated pursuant to equity method</b>		-75		-5
<b>Book value 30.06.2009</b>	<b>0</b>	<b>925</b>	<b>0</b>	<b>59</b>

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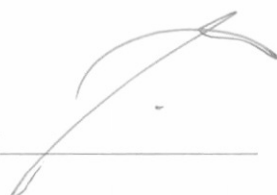


**Note 8 Investment Properties**

(thousands)

	EEK	EEK	EUR	EUR
	6 m 2009	6 m 2008	6 m 2009	6 m 2008
Rent earned on investment properties	9 117	6 552	583	419
Charges in investment properties:	EEK	EUR		
<b>Balance as of 31.12.2007</b>	<b>375 236</b>	<b>23 982</b>		
Acquisition and improvements	5 021	321		
Profit / loss revaluation	29 250	1 869		
<b>Balance as of 30.06.2008</b>	<b>409 507</b>	<b>26 172</b>		
Acquisition and improvements	9 489	606		
Reclassification of construction-in-progress	67 818	4 334		
Profit / loss from revaluation	-5 631	-360		
Reclassification	-17 209	-1 099		
<b>Balance as of 31.12.2008</b>	<b>463 974</b>	<b>29 653</b>		
Sales	-9 740	-622		
Acquisition and improvements	158	10		
<b>Balance as of 30.06.2009</b>	<b>454 392</b>	<b>29 041</b>		

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Note 9 Tangible Assets

(thousands of EEK)

	Land and buildings	Machinery and equipment	Fixtures, fittings and tools	Unfinished non-current assets	Prepayment for non-current assets	Total
<b>Acquisition cost as of 31.12.2007</b>	<b>95 130</b>	<b>31 411</b>	<b>18 058</b>	<b>28 254</b>	<b>17 942</b>	<b>190 795</b>
Acquisition	438	1 499	527	24 961	2 532	29 957
Sales (-)	0	-258	-3	0	0	-261
Write-off (-)	0	0	-69	0	0	-69
<b>Acquisition cost as of 30.06.2008</b>	<b>95 568</b>	<b>32 652</b>	<b>18 513</b>	<b>53 215</b>	<b>20 474</b>	<b>220 422</b>
Acquisition	2 117	11 208	2 273	18 982	-3 546	31 034
Sales (-)	0	0	3	0	0	3
Reclassified as investment property	0	0	0	-67 818	0	-67 818
Write-off (-)	-209	-321	-704	0	0	-1 234
Reclassified as non-current assets	14 209	0	0	0	0	14 209
<b>Acquisition cost as of 31.12.2008</b>	<b>111 685</b>	<b>43 539</b>	<b>20 085</b>	<b>4 379</b>	<b>16 928</b>	<b>196 616</b>
Acquisition	0	72	279	1 470	-36	1 785
Sales (-)	-7 620	0	0	0	0	-7 620
Write-off (-)	0	-43	-52	0	0	-95
Reclassified as non-current assets	2 587	0	0	-2 587	0	0
Decreased during business combination	0	-4 414	-597	0	0	-5 011
<b>Acquisition cost as of 30.06.2009</b>	<b>104 065</b>	<b>39 154</b>	<b>19 715</b>	<b>5 849</b>	<b>16 892</b>	<b>185 675</b>
<b>Accumulated depreciation as of 31.12.2007</b>	<b>6 100</b>	<b>14 405</b>	<b>11 240</b>	<b>0</b>	<b>0</b>	<b>31 744</b>
Depreciation (+)	731	2 083	1 052	0	0	3 866
Depreciation of non-current assets sold (-)	0	-383	-33	0	0	-416
Depreciation of assets written off (-)	-4	-36	-202	0	0	-242
<b>Accumulated depreciation as of 30.06.2008</b>	<b>6 827</b>	<b>16 069</b>	<b>12 057</b>	<b>0</b>	<b>0</b>	<b>34 952</b>
Depreciation calculated for financial year (+)	5 466	3 153	1 578	0	0	10 197
Depreciation of non-current assets sold (-)	0	190	33	0	0	223
Depreciation of assets written off (-)	-111	-164	-502	0	0	-777
<b>Accumulated depreciation 31.12.2008</b>	<b>12 182</b>	<b>19 248</b>	<b>13 166</b>	<b>0</b>	<b>0</b>	<b>44 595</b>
Depreciation calculated for financial year (+)	2 350	2 615	1 417	0	0	6 382
Depreciation of non-current assets sold (-)	-732	0	0	0	0	-732
Depreciation of assets written off (-)	0	-40	-40	0	0	-80
Decreased during business combination	0	-2 494	0	0	0	-2 494
<b>Accumulated depreciation 30.06.2009</b>	<b>13 800</b>	<b>19 329</b>	<b>14 543</b>	<b>0</b>	<b>0</b>	<b>47 671</b>
<b>Residual value as off 31.12.2007</b>	<b>89 030</b>	<b>17 006</b>	<b>6 818</b>	<b>28 254</b>	<b>17 942</b>	<b>159 051</b>
<b>Residual value as off 30.06.2008</b>	<b>88 741</b>	<b>16 583</b>	<b>6 456</b>	<b>53 215</b>	<b>20 474</b>	<b>185 470</b>
<b>Residual value as off 31.12.2008</b>	<b>99 503</b>	<b>24 291</b>	<b>6 919</b>	<b>4 379</b>	<b>16 928</b>	<b>152 021</b>
<b>Residual value as off 30.06.2009</b>	<b>90 265</b>	<b>19 825</b>	<b>5 172</b>	<b>5 849</b>	<b>16 892</b>	<b>138 004</b>

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**Tangible Assets**

(thousands of EUR)

	Land and buildings	Machinery and equipment	Fixtures, fittings and tools	Unfinished non-current assets	Prepayment for non-current assets	Total
<b>Acquisition cost as of 31.12.2007</b>	<b>6 079</b>	<b>2 007</b>	<b>1 154</b>	<b>1 805</b>	<b>1 146</b>	<b>12 194</b>
Acquisition	28	95	33	1 595	161	1 912
Sales (-)	0	-16	0	0	0	-16
Write-off (-)	0	0	-4	0	0	-4
<b>Acquisition cost as of 30.06.2008</b>	<b>6 107</b>	<b>2 086</b>	<b>1 183</b>	<b>3 400</b>	<b>1 307</b>	<b>14 086</b>
Acquisition	135	716	145	1 213	-226	1 983
Sales (-)	0	0	0	0	0	0
Reclassified as investment property	0	0	0	-4 334	0	-4 334
Write-off (-)	-13	-20	-44	0	0	-77
Reclassified as non-current assets	908	0	0	0	0	908
<b>Acquisition cost as of 31.12.2008</b>	<b>7 137</b>	<b>2 782</b>	<b>1 284</b>	<b>279</b>	<b>1 081</b>	<b>12 566</b>
Acquisition	0	4	17	93	-2	112
Sales (-)	-487	0	0	0	0	-487
Write-off (-)	0	-2	-3	0	0	-5
Reclassified as non-current assets	165	0	0	165	0	0
Decreased during business combination	0	-282	-38	0	0	-320
<b>Acquisition cost as of 30.06.2009</b>	<b>6 650</b>	<b>2 502</b>	<b>1 260</b>	<b>372</b>	<b>1 079</b>	<b>11 866</b>
<b>Accumulated depreciation as of 31.12.2007</b>	<b>389</b>	<b>921</b>	<b>718</b>	<b>0</b>	<b>0</b>	<b>2 028</b>
Depreciation (+)	46	133	67	0	0	246
Depreciation of non-current assets sold (-)	0	-24	-2	0	0	-26
Depreciation of assets written off (-)	0	-2	-12	0	0	-14
<b>Accumulated depreciation as of 30.06.2008</b>	<b>435</b>	<b>1 028</b>	<b>771</b>	<b>0</b>	<b>0</b>	<b>2 234</b>
Depreciation calculated for the period (+)	349	201	100	0	0	650
Depreciation of non-current assets sold (-)	0	12	3	0	0	15
Depreciation of assets written off (-)	-7	-10	-32	0	0	-49
<b>Accumulated depreciation 31.12.2008</b>	<b>777</b>	<b>1 231</b>	<b>842</b>	<b>0</b>	<b>0</b>	<b>2 850</b>
Depreciation calculated for the period (+)	150	167	90	0	0	407
Depreciation of non-current assets sold (-)	-46	0	0	0	0	-46
Depreciation of assets written off (-)	0	-2	-2	0	0	-4
Decreased during business combination	0	-159	0	0	0	-159
<b>Accumulated depreciation 30.06.2009</b>	<b>881</b>	<b>1 237</b>	<b>930</b>	<b>0</b>	<b>0</b>	<b>3 048</b>
<b>Residual value as off 31.12.2007</b>	<b>5 690</b>	<b>1 086</b>	<b>435</b>	<b>1 805</b>	<b>1 146</b>	<b>10 165</b>
<b>Residual value as off 30.06.2008</b>	<b>5 671</b>	<b>1 059</b>	<b>412</b>	<b>3 401</b>	<b>1 308</b>	<b>11 853</b>
<b>Residual value as off 31.12.2008</b>	<b>6 359</b>	<b>1 552</b>	<b>442</b>	<b>279</b>	<b>1 081</b>	<b>9 715</b>
<b>Residual value as off 30.06.2009</b>	<b>5 769</b>	<b>1 267</b>	<b>330</b>	<b>373</b>	<b>1 079</b>	<b>8 820</b>

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**Note 10 Intangible Assets**

(thousands of EEK)

	Computer software	Operating fees	Goodwill	Total
<b>Acquisition cost 31.12.2007</b>	<b>12 233</b>	<b>2 574</b>	<b>74 424</b>	<b>89 231</b>
Acquisition	594	0	0	594
Write-off	0	0	0	0
Increased during business	0	0	0	0
<b>Acquisition cost 30.06.2008</b>	<b>12 827</b>	<b>2 574</b>	<b>74 424</b>	<b>89 825</b>
Acquisition	-587	0	0	-587
Write-off	-3	0	0	-3
Increased during business combination	0	0	-2 300	-2 300
<b>Acquisition cost 31.12.2008</b>	<b>12 238</b>	<b>2 574</b>	<b>72 124</b>	<b>86 936</b>
Acquisition	1 825	0	0	1 825
Decreased during business combination	-1 135	0	0	-1 135
<b>Acquisition cost as of 30.06.2009</b>	<b>12 928</b>	<b>2 574</b>	<b>72 124</b>	<b>87 626</b>
<b>Accumulated depreciation as of 31.12.2007</b>	<b>10 712</b>	<b>2 239</b>	<b>0</b>	<b>12 951</b>
Depreciation calculated	85	64	0	149
<b>Accumulated depreciation as of 30.06.2008</b>	<b>10 797</b>	<b>2 303</b>	<b>0</b>	<b>13 100</b>
Depreciation calculated for the period	23	64	0	87
Depreciation of non-current assets written-off	-2	0	0	-2
<b>Accumulated depreciation as of 31.12.2008</b>	<b>10 818</b>	<b>2 367</b>	<b>0</b>	<b>13 186</b>
Depreciation calculated for the period	37	64	0	101
Increased during business combination	-662	0	0	-662
<b>Accumulated depreciation as of 30.06.2009</b>	<b>10 193</b>	<b>2 431</b>	<b>0</b>	<b>12 625</b>
<b>Residual value as of 31.12.2007</b>	<b>1 521</b>	<b>335</b>	<b>74 424</b>	<b>76 279</b>
<b>Residual value as of 30.06.2008</b>	<b>2 030</b>	<b>271</b>	<b>74 424</b>	<b>76 725</b>
<b>Residual value as of 31.12.2008</b>	<b>1 420</b>	<b>207</b>	<b>72 124</b>	<b>73 750</b>
<b>Residual value as of 30.06.2009</b>	<b>2 735</b>	<b>143</b>	<b>72 124</b>	<b>75 002</b>

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**Intangible Assets**

(thousands of EUR)

	Computer software	Operating fees	Goodwill	Total
<b>Acquisition cost 31.12.2007</b>	<b>782</b>	<b>165</b>	<b>4 757</b>	<b>5 704</b>
Acquisition	37	0	0	37
Write-off	0	0	0	0
Increased during business	0	0	0	0
<b>Acquisition cost 30.06.2008</b>	<b>819</b>	<b>165</b>	<b>4 757</b>	<b>5 741</b>
Acquisition	-37	0	0	-37
Write-off	0	0	0	0
Increased during business combination	0	0	-146	-146
<b>Acquisition cost 31.12.2008</b>	<b>782</b>	<b>165</b>	<b>4 611</b>	<b>5 558</b>
Acquisition	116	0	0	116
Decreased during business combination	-73	0	0	-73
<b>Acquisition cost as of 30.06.2009</b>	<b>825</b>	<b>165</b>	<b>4 611</b>	<b>5 601</b>
<b>Accumulated depreciation as of 31.12.2007</b>	<b>684</b>	<b>143</b>	<b>0</b>	<b>827</b>
Depreciation calculated	5	5	0	10
<b>Accumulated depreciation as of 30.06.2008</b>	<b>689</b>	<b>148</b>	<b>0</b>	<b>837</b>
Depreciation calculated for the period	1	6	0	7
Depreciation of non-current assets written-off	0	0	0	0
Increased during business combination	0	0	0	0
<b>Accumulated depreciation as of 31.12.2008</b>	<b>690</b>	<b>154</b>	<b>0</b>	<b>844</b>
Depreciation calculated for the period	2	4	0	6
Increased during business combination	-42	0	0	-42
<b>Accumulated depreciation as of 30.06.2009</b>	<b>650</b>	<b>158</b>	<b>0</b>	<b>808</b>
<b>Residual value as of 31.12.2007</b>	<b>98</b>	<b>22</b>	<b>4 757</b>	<b>4 877</b>
<b>Residual value as of 30.06.2008</b>	<b>130</b>	<b>17</b>	<b>4 757</b>	<b>4 904</b>
<b>Residual value as of 31.12.2008</b>	<b>92</b>	<b>11</b>	<b>4 611</b>	<b>4 714</b>
<b>Residual value as of 30.06.2009</b>	<b>175</b>	<b>7</b>	<b>4 611</b>	<b>4 793</b>

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Note 11 Interest Bearing Loans and Borrowings

(thousands of EEK)

	<i>Due date</i>				<i>Currency</i>	<i>Interest rate</i>
	<b>Balance as of 30.06.2009</b>	<i>Within 12 months</i>	<i>Within 1-5 years</i>	<i>Over 5 years</i>		
Debt securities	97 212	97 212	0	0	EUR	14,47%
Long-term bank loans	170 935	11 008	108 971	50 956	EUR	2,8-6%
Overdrafts	107 469	107 469	0	0	EUR	4-6,5%
Financial lease liabilities	38 588	12 933	25 655	0	EUR	2,5-6,5%
Warehouse financing	26 769	26 769	0	0	EUR	3,5-8,25%
Leaseback liability	29 406	29 406	0	0	EUR	3,5-4%
<b>Total</b>	<b>470 379</b>	<b>284 797</b>	<b>134 626</b>	<b>50 956</b>		
Incl. long-term loans and borrowings	185 582					

	<i>Due date</i>				<i>Currency</i>	<i>Interest rate</i>
	<b>Balance as of 31.12.2008</b>	<i>Within 12 months</i>	<i>Within 1-5 years</i>	<i>Over 5 years</i>		
Debt securities	168 908	67 205	101 703	0	EUR	12-13,5%
Long-term bank loans	176 187	9 302	141 379	25 506	EUR	5,2-5,8%
Overdrafts	71 048	71 048	0	0	EUR	3%-5,0%
Financial lease liabilities (note 22)	24 773	6 436	18 337	0	EUR	4,7-7,5%
Factoring liabilities	27 616	27 616	0	0	EUR	6,6%
Warehouse financing	47 743	47 743	0	0	EUR	3%-8%
Leaseback liability	26 737	13 412	13 325	0	EUR	5,0-7,0%
<b>Total</b>	<b>543 012</b>	<b>242 762</b>	<b>274 744</b>	<b>25 506</b>		
Incl. long-term loans and borrowings	300 250					

(thousands EUR)

	<i>Due date</i>				<i>Currency</i>	<i>Interest rate</i>
	<b>Balance as of 30.06.2009</b>	<i>Within 12 months</i>	<i>Within 1-5 years</i>	<i>Over 5 years</i>		
Debt securities	6 213	6 213	0	0	EUR	14,47%
Long-term bank loans	10 924	704	6 964	3 256	EUR	2,8-6%
Overdrafts	6 869	6 869	0	0	EUR	4-6,5%
Financial lease liabilities	2 467	827	1 640		EUR	2,5-6,5%
Warehouse financing	1 711	1 711	0	0	EUR	3,5-8,25%
Factoring liabilities	1 879	1 879	0	0	EUR	3,5-4%
<b>Total</b>	<b>30 063</b>	<b>18 203</b>	<b>8 604</b>	<b>3 256</b>		
Incl. long-term loans and borrowings	11 860					

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	Balance as of 31.12.2008	Due date			Currency	Interest rate
		Within 12 months	Within 1-5 years	Over 5 years		
Debt securities	10 795	4 295	6 500	0	EUR	12-13,5%
Long-term bank loans	11 261	595	9 036	1 630	EUR	5,2-5,8%
Overdrafts	4 541	4 541	0	0	EUR	3-5%
Financial lease liabilities (note 22)	1 583	411	1 172	0	EUR	4,7-7,5%
Factoring liabilities	1 765	1 765	0	0	EUR	7%
Warehouse financing	3 051	3 051	0	0	EUR	3-8%
Leaseback liability	1 709	857	852	0	EUR	5-7%
<b>Total</b>	<b>34 705</b>	<b>15 515</b>	<b>17 560</b>	<b>1 630</b>		
Incl. long-term loans and borrowings	19 190					

#### Note 12 Payables and Prepayments

(thousands)	EEK	EEK	EUR	EUR
	30.06.2009	31.12.2008	30.06.2009	31.12.2008
Trade creditors	150 552	118 334	9 622	7 562
Employee-related payables	10 769	13 403	688	856
Taxes payable	11 225	14 237	717	909
Other payable	1 372	3 208	87	205
Interest payable	204	1 432	13	91
Deferred income	493	524	31	33
Prepayments received	1 472	655	94	41
Other accrued expenses	0	418	0	26
<b>Total payables and prepayments</b>	<b>176 085</b>	<b>152 211</b>	<b>11 253</b>	<b>9 728</b>

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Note 13 Equity

(thousands)	EEK	EEK	EUR	EUR
	30.06.2009	31.12.2008	30.06.2009	31.12.2008
Share capital	100 280	100 280	6 409	6 409
Number of shares (pieces)	1 002 800	218	64 091	14
Nominal value of shares	0,1	0,1	0,01	0,01
Available to equity	198 141	201 010		
Net dividends	156 531	158 798		
Income tax	41 610	42 212		

Net profit per share

To calculate the basic net profit per share, the net profit for the period, which is attributable to shareholders of the parent company, is divided by the weighted average number of outstanding ordinary shares for the period.

	EEK	EEK	EUR	EUR
	2009	2008	2009	2008
Net profit	-2 869	9 060	-183	579
Weighted average number of shares of the financial year	1 002 800	610 400	1 002 800	610 400
Net profit per share	-2,9	14,8	-0,18	0,95

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**Note 14 Net Sales**

(thousands)

By area of activity, the net sales of the Group is divided as follows:

Area of activity / products	EEK	EEK	EUR	EUR
	2009	2008	2009	2008
	6 m	6 m	6 m	6 m
Sales of food products and industrial goods	558 197	561 166	35 675	35 865
Labour force mediation (7830)	1 786	1 665	114	106
Sales of vehicles (45111)	64 891	102 831	4 147	6 572
Sales of spare parts for vehicles (45321)	12 141	16 821	776	1 075
Car rent and insurance	3 326	1 586	213	101
Lease of real estate	9 116	6 552	583	419
IT services	803	3 280	51	210
Other services	698	3 321	45	213
	<b>650 958</b>	<b>697 222</b>	<b>41 604</b>	<b>44 561</b>

**Note 15 Goods, Raw Materials and Services**

(thousands)

	EEK	EEK	EUR	EUR
	2009	2008	2009	2008
	6 m	6 m	6 m	6 m
Goods for resale (food products and industrial goods)	470 947	473 717	30 098	30 276
Goods for resale (cars)	63 961	85 313	4 088	5 453
Goods for resale (spare parts of cars)	7 634	11 685	488	747
Car rent and insurance	2 954	1 587	189	101
Other services	9 835	12 499	629	799
<b>Total goods, raw materials and services</b>	<b>555 331</b>	<b>584 801</b>	<b>35 492</b>	<b>37 376</b>

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Note 16 Segment Information

(thousands of EEK)

Financial information about the Group's segments of 6 months 2009 and as of 30 June 2009.

Financial information about the Group's segments of 6 months 2008 and as of 30 June 2008.

The primary segment of the Group is an area of activity.

The second segment of the Group is a geographical segment.

6 months 2009	Car trade	Wholesale trade	Retail trade	Real estate	Other	Total
External sales	80 358	279 186	279 011	9 117	3 286	650 958
Operating profit	-4 293	6 159	-675	6 070	2 667	9 928
Net profit	-5 635	7 339	-978	-3 233	-362	-2 869
Assets of the segment	115 820	271 273	101 066	476 605	2 228	966 992
Liabilities of the segment	89 569	168 572	88 208	343 256	-41 789	647 816

6 months 2008	Car trade	Wholesale trade	Retail trade	Real estate	Other	Total
External sales	123 114	287 006	274 159	6 552	6 391	697 222
Operating profit	2 158	6 034	648	28 862	4 923	42 625
Net profit	486	6 551	796	15 615	358	23 806
Assets of the segment	139 545	175 294	90 642	514 171	58 057	977 709
Liabilities of the segment	107 576	86 705	72 094	322 142	51 966	640 483

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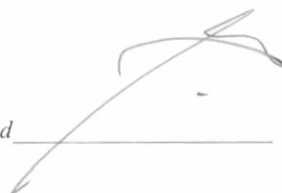
**Geographical segment  
6 months 2009**

	Vehicles, spare parts and rent	Food products, indust. goods	Lease of real estate	Labour force mediation	Other	Total
Estonia	66 443	557 307	9 116	0	1 510	<b>634 376</b>
Latvia	2 284	888	0	0	0	<b>3 172</b>
Lithuania	3 485	0	0	1 084	0	<b>4 569</b>
Finland	152	0	0	700	0	<b>852</b>
Poland	4 226	0	0	0	0	<b>4 226</b>
France	1 486	0	0	0	0	<b>1 486</b>
Russia	92	0	0	0	0	<b>92</b>
Germany	522	0	0	0	0	<b>522</b>
England	1 663	0	0	0	0	<b>1 663</b>
<b>Total sales</b>	<b>80 353</b>	<b>558 195</b>	<b>9 116</b>	<b>1 784</b>	<b>1 510</b>	<b>650 958</b>

**Geographical segment  
6 months 2008**

	Vehicles, spare parts and rent	Food products, indust. goods	Lease of real estate	Labour force mediation	Other	Total
Estonia	114 553	560 916	6 552		4 728	<b>686 749</b>
Latvia	0	203	0	0	0	<b>203</b>
Lithuania	3 270	46		1 101	0	<b>4 417</b>
Poland	0	0	0	563	0	<b>563</b>
Russia	1 697	0	0	0	0	<b>1 697</b>
Spain	3 593	0	0	0	0	<b>3 593</b>
<b>Total sales</b>	<b>123 113</b>	<b>561 165</b>	<b>6 552</b>	<b>1 664</b>	<b>4 728</b>	<b>697 222</b>

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(thousands of EUR)

6 months 2009	Car trade	Wholesale trade	Retail trade	Real estate	Other	Total
External sales	5 136	17 843	17 832	583	210	41 604
Operating profit	-274	394	-43	388	170	635
Net profit	-360	469	-63	-207	-23	-183
Assets of the segment	7 402	17 338	6 459	30 461	142	61 802
Liabilities of the segment	5 725	10 774	5 638	21 938	-2 671	41 403

6 months 2008	Car trade	Wholesale trade	Retail trade	Real estate	Other	Total
External sales	7 868	18 343	17 522	419	408	44 561
Operating profit	138	386	41	1 845	315	2 724
Net profit	31	419	51	998	23	1 521
Assets of the segment	8 919	11 203	5 793	32 862	3 711	62 487
Liabilities of the segment	6 875	5 541	4 608	20 589	3 321	40 934

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**Geographical segment**

**6 months 2009**

	Vehicles, spare parts and rent	Food products, indust. goods	Lease of real estate	Labour force mediation	Other	Total
Estonia	4 246	35 618	583	0	97	<b>40 544</b>
Latvia	146	57	0	0	0	<b>203</b>
Lithuania	223	0	0	69	0	<b>292</b>
Finland	10	0	0	45	0	<b>54</b>
Poland	270	0	0	0	0	<b>270</b>
France	95	0	0	0	0	<b>95</b>
Russia	6	0	0	0	0	<b>6</b>
Germany	33	0	0	0	0	<b>33</b>
England	106	0	0	0	0	<b>106</b>
<b>Total sales</b>	<b>5 135</b>	<b>35 675</b>	<b>583</b>	<b>114</b>	<b>97</b>	<b>41 604</b>

**Geographical segment**

**6 months 2008**

	Vehicles, spare parts and rent	Food products, indust. goods	Lease of real estate	Labour force mediation	Other	Total
Estonia	7 321	35 849	419	0	302	<b>43 891</b>
Latvia	0	13	0	0	0	<b>13</b>
Lithuania	209	3	0	70	0	<b>282</b>
Poland	0	0	0	36	0	<b>36</b>
Russia	108	0	0	0	0	<b>108</b>
Spain	230	0	0	0	0	<b>230</b>
<b>Total sales</b>	<b>7 868</b>	<b>35 865</b>	<b>419</b>	<b>106</b>	<b>302</b>	<b>44 561</b>

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## Note 17 Financial Risks

From the point of view of management of financial risks the business activities in the real estate market are primarily related to the adequate evaluation of the investment period and yield and systematic hedging of risks arising from possible inaccuracies. The successfulness of the management of financial risks is expressed in the actual changes of the liquidity, exchange rates, creditworthiness of the interest rates and the positions of the fair value in comparison with the possible maximum.

The risk management of ABC Grupi AS is based on the understanding that the successfulness of the Group depends on constant monitoring, assessment and skilful handling of the risks. The main goal of risk management is to prevent losses which could threaten the continuity of the activities of ABC Grupi AS. For the purpose of hedging risks policies are developed and activities are implemented for the purpose of risk assessment and specification as well as time and geographical hedging of risks.

### Liquidity Risk

The liquidity risk arises from the potential change of the financial status, which reduces the Group's ability to produce sufficiently positive cash flow in order to pay the obligations assumed in a timely manner. Liquidity is primarily influenced by the following circumstances:

- the ability of the Group companies to personally generate positive business cash flow and the seasonal nature of cash flow;
- the due dates of receipt and payment of assets and liabilities and changes thereof;
- tempo and volume of real estate development;
- volume and tempo of acquisition of new investments;
- volume and tempo of expansion of business activities;
- proportions of financing.

The financial service of the Group proceeds from the liquidity management strategy, which is adjusted according to changes in the investment plan.

Upon management of short-term liquidity it is proceeded first and foremost from the budgets approved for the financial year of the Group companies. The purpose of the management of the short-term liquidity is to ensure the existence of sufficiently liquid funds (i.e. cash and cash equivalents and quickly realisable real estate). Liquidity management functions mainly through a group account pooling the funds of the Group companies. The money required for the continuance of the ordinary business operations of the Group companies can be estimated to be EEK 20-30 million a year.

The management of long-term liquidity is the most affected by investment decisions. It is invested pursuant to the principle that the net cash flow of the business operations of the companies along with the net cash flow from investment activities must enable to cover all the financing expenses of the Group. Thus, the purpose of the long-term liquidity management is to ensure sufficient liquidity of the real estate (investment) portfolio, coordination of the time of emergence of the investment and financing cash flow and finding the suitable financing proportion. In the case of long-term projects it is observed that the terms of the cash flow from investment and the amounts would not significantly differ from the terms and amounts of the cash flow from financing. As a rule, the equity capital rate required upon financing an investment project is below 30% of the total cost of the project.



Currency Risk

Currency risk is a possible loss from unfavourable movement of exchange rates with regard to the Estonian kroon. The Bank of Estonia has fixed the exchange rate of the kroon against the euro (EUR 1 = EEK 15.6466). The Group operates in states the currencies of which have been fixed against the euro as follows:

Country	Currency	EUR as of 31.12.2008	Status
Estonia	kroon (EEK)	15.6466	Fixed exchange rate

In order to hedge the currency risk of the Group companies, most of the transactions and principal contracts are bound to the euro or a currency pegged to the euro.

The currency risk arises from purchases from states of non-euro zone, which brings along the changes in exchange rates.

Interest Risk

The interest risk lies in the fact that in connection with an increase of the interest rate the financial expenditure of the Company increases considerably. At the moment, most of the loans of ABC Grupi AS are bound to EURIBOR and, thus, the financial expenditure depends largely on the movements of the European financial markets.

Credit Risk

Credit risk means a loss which arises from the inability of the counterparties of transactions to perform their obligations in front of ABC Grupi AS as well as the ability of subsidiaries and joint ventures to pay their obligations in front of the parent company. Upon management of the credit risk, it is observed that the Group does not develop any significant concentrations of the accumulated credit risk. The activities of the companies for prevention and minimisation of the credit risk involve daily observation and direction of the payment behaviour of the clients, which allows taking operative measures. The Group companies only enter into transactions with counterparties that have been declared creditworthy.

Fair Value

The main financial assets and liabilities of the Group companies have been indicated in the Balance Sheet, i.e. the Group does not have any significant off-Balance Sheet financial assets and liabilities which would not be mentioned in this Annual Report. Proceeding from the accounting policies and procedures used the book value of the financial assets and liabilities of the Group companies does not differ from their fair value, which has been determined by way of the discounted cash flow method in the case of almost all financial assets and liabilities. The fair value of the receivables and payables with a fixed interest rate is not considered to be significantly different from their book value, because the fixed interest rate does not considerably differ from the market interest rate.

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## Note 18 Recognition of Comparative Data

The consolidated interim report for the first half of 2009 of ABC Grupi AS and its subsidiaries has been prepared in conformity with the requirements of the International Financial Reporting Standards (IFRS).

The Annual Accounts for 2007 were the first made in compliance with the IFRS as adopted by the European Union. Upon transition to the IFRS, it has been proceeded from the requirements of the First-time Adoption of IFRS, IFRS 1 Presentation of Financial Statements. The date of transition to the IFRS by the Group is 1 January 2007 and the date of adoption is 1 January 2007.

Until 31 December 2006 the consolidated Annual Accounts of ABC Grupi AS were prepared in accordance with accounting principles generally accepted in Estonia, the basic requirements of which have been established in the Accounting Act of the Republic of Estonia and in the guidelines issued by the Estonian Accounting Standards Board.

Upon the first-time adoption of the IFRS, the Annual Accounts for 2006 of the Group have been analysed from the point of view of whether the adoption of the IFRS causes the necessity to change the comparative data of 2006 and/or their manner of presentation in the Balance Sheet, Income Statement or Cash Flow Statement.

The Group has recognised investment properties at fair value since 1 January 2002, which is in compliance with the principles of IAS 40. To determine the fair value, the Group uses the valuation of independent external experts. The recognition of investment properties at the fair value had a significant effect on the Annual Accounts prepared as of 31 December 2002, but did not cause a necessity to adjust the comparative data as of 31 December 2006.

Transition to the adoption of the IFRS has not had any effect on the recognition the financial assets and liabilities (incl. assets recognised at the fair value) in the comparative data of 2006, either. Further information in the Notes to the Annual Accounts has been disclosed pursuant to the requirements of the IFRS.

Based on the above, a conclusion has been reached that the first-time adoption of the IFRS does not have any effect on the financial condition, economic results and cash flow disclosed on 31 December 2006. The Management Board confirms that the comparative data of 2007 have been disclosed in the Annual Accounts for 2008 in compliance with the IFRS as adopted by the European Union.

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