AS EKSPRESS GRUPP

CONSOLIDATED INTERIM REPORT

FOR THE SECOND QUARTER AND HALF YEAR OF

2012

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Beginning of reporting period	1 January 2012
End of reporting period	30 June 2012
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E-mail	egrupp@egrupp.ee
Internet homepage	www.egrupp.ee
Main field of activity	Publishing and related services
Management Board	Gunnar Kobin (Chairman)
	Andre Veskimeister
	Pirje Raidma
	Madis Tapupere
Supervisory Board	Viktor Mahhov (Chairman)
	Hans H. Luik
	Aavo Kokk
	Antti Mikael Partanen (until 04.05.2012)
	Kari Sakari Salonen (since 04.05.2012)
	Harri Helmer Roschier
	Ville Jehe
Auditor	AS PricewaterhouseCoopers

Management Board's confirmation of the Group's interim financial statements

The Management Board confirms that the management report and interim consolidated financial statements of AS Ekspress Grupp disclosed on pages 5 to 38 present a true and fair view of the key events which have occurred during the reporting period and their effect on the Group's financial position, results and cash flows, and they include a description of major risks and related party transactions of great significance.

Gunnar Kobin	Chairman of the Management Board	*signed digitally*	01.08.2012
Pirje Raidma	Member of the Management Board	*signed digitally*	01.08.2012
Andre Veskimeister	Member of the Management Board	*signed digitally*	01.08.2012
Madis Tapupere	Member of the Management Board	*signed digitally*	01.08.2012

MANAGEMENT REPORT

The following report presents the consolidated financial information of AS Ekspress Grupp, the related market developments and management decisions. The financial indicators and ratios show the outcome of the Group's continuing operations, i.e. they express the consolidated operating results of online media, periodicals and printing services segments.

Key financial indicators and financial ratios

Financial indicators (EUR thousand)	Q2 2012	Q2 2011	Change %	Half year 2012	Half year 2011	Change %
For the reporting period						
Sales	15 762	14 963	5%	29 982	28 109	7%
Gross profit	3 795	3 388	12%	6 595	6 005	10%
EBITDA*	**2 526**	**2 024**	**25%**	**4 141**	**3 418**	**21%**
Operating profit*	**1 670**	**1 134**	**47%**	**2 427**	**1 690**	**44%**
Net profit/(loss) for the period*	**972**	**394**	**147%**	**1 154**	**240**	**381%**
Extraordinary gain from the acquisition of Eesti Päevalehe AS	0	0	0%	0	1 540	-100%
Net profit for the period in the interim financial statements	972	394	147%	1 154	1 780	-35%

***** excluding the net extraordinary gain in relation to the acquisition of Eesti Päevalehe AS. In the 1st quarter of 2011, an additional 50% ownership interest in Eesti Päevalehe AS was acquired. The transaction was accounted for in two parts: firstly, as the sale of the current 50% ownership interest on which the net extraordinary gain totalled EUR 1 540 thousand and secondly, as the acquisition of the wholly-owned subsidiary (see Note 4 to the interim financial statements).

Profitability ratios (%)	Q2 2012	Q2 2011	Half year 2012	Half year 2011
Sales growth (%)	5.3%	11.2%	7%	12%
Gross margin (%)	24.1%	22.6%	22%	21%
EBITDA margin (%)*	16.0%	13.5%	14%	12%
Operating margin (%)*	10.6%	7.6%	8%	6%
Net margin (%) *	6.2%	2.6%	4%	1%
ROA (%)	1.2%	0.5%	1%	2%
ROE (%)	2.5%	1.0%	3%	5%
Earnings per share (EPS) EUR	0.03	0.01	0.04	0.06

* excluding the net extraordinary gain in relation to the acquisition of Eesti Päevalehe AS (see above)

Formulas used to calculate the financial ratios:

Sales growth (%)	(sales 2012 – sales 2011)/ sales 2011*100
Gross margin (%)	gross profit/sales*100
EBITDA margin (%)	EBITDA* /sales*100
Operating margin (%)	operating profit*/sales*100
Net margin (%)	net profit*/sales*100
Earnings per share	net profit/average number of shares
ROA (%)	net profit/average assets *100
ROE (%)	net profit/average equity *100

* excluding the net extraordinary gain in relation to the acquisition of Eesti Päevalehe AS.

Financial indicators (EUR thousand)	30.06.2012	31.12.2011	Change%
As of the end of the period			
Current assets	12 310	12 523	-2%
Non-current assets	67 580	68 986	-2%
Total assets	**79 890**	**81 509**	-2%
Current liabilities	16 575	16 547	0%
Non-current liabilities	23 656	26 574	-11%
Total liabilities	**40 231**	**43 121**	-7%
Equity	39 659	38 388	3%

Financial position ratios (%)	30.06.2012	31.12.2011
Equity ratio (%)	50%	47%
Liquidity ratio	0,7	0,8
Debt to equity ratio (%)	76%	83%
Debt to capital ratio (%)	41%	44%

Formulas used to calculate the financial ratios:

Equity ratio (%)	equity / (liabilities + equity)* 100
Liquidity ratio	current assets/current liabilities
Debt to equity ratio (%)	interest bearing liabilities /equity*100
Debt to capital ratio (%)	interest bearing liabilities –cash and cash equivalents (net debt)/ (net debt+ equity)*100

In the 2nd quarter, AS Ekspress Grupp's consolidated net profit was 147% higher than a year ago, i.e. EUR 972 thousand. The net profit for the first half of the year (excluding the net extraordinary gain in relation to the acquisition of Eesti Päevalehe AS) increased by 381% and totalled EUR 1.2 million. In the 2nd quarter, EBITDA increased by 25% as compared to last year and totalled EUR 2.5 million, and in the first half of the year, it increased by 21% and totalled EUR 4.1 million. In the 2nd quarter, the company's sales amounted to EUR 15.7 million, which is 5% higher than last year. In the first half of the year, the company's sales amounted to EUR 29.9 million, which is 7% higher than last year. The group's EBITDA margin was 16% in the 2nd quarter and 14% in the first half of the year. As compared to the budget for 2012, the Group exceeded its sales forecasts by 2% and EBITDA forecasts by 10%.

Sale of the online media segment increased the most, by 16% in the 2nd quarter and 17% in the first half of the year. With regard to EBITDA growth, the periodicals segment showed the best results in the 2nd quarter with its 150% growth rate. However, the online media segment improved its results the most, increasing its EBITDA by 97%.

The most successful company in the **online media segment** in terms of its sales growth was Delfi Lithuania both in the 2nd quarter and in the first half of the year. Its EBITDA growth was also the highest in absolute terms. Yet, in percentage terms, sales growth was more or less similar in all Baltic States in the 2nd quarter but Delfi Lithuania grew a little faster in the first half of the year. The key reason behind Delfi Lithuania's growth was reorganised sales activities as a result of a change of management. Advertising sales growth in mobile platforms as compared to previous periods is worth mentioning in the online media segment, where sales were 6.4 times higher in the 2nd quarter and 4.6 times higher in the first half of the year. Advertising sales growth in Ukraine has continued, but it failed to meet the expectations of the Group's management.

In online media, business was conducted as usual without any major changes. In Lithuania and Estonia, a new frontpage design targeted at younger readers was introduced in the market. The alternative frontpage is called Delfi Easy in Lithuania and Delfi2 in Estonia. The aim of this change is to offer Delfi's news to younger readers through a more visually oriented, image-heavy layout. The plan also calls for introduction of a frontpage with a lot of pictures in Latvia. In addition, new weather forecast pages were launched in Latvia and Lithuania which have become unexpectedly popular since their launch.

The company's management expects the growth of the online media segment to continue and in order to achieve this goal, we are in the process of introducing new products in the market and we consider increasing our market share through development or acquisition of various possible niche products.

In the periodicals segment, both on the 2nd quarter and the entire first half of the year were a period of contradictory trends. While in the magazine market, the problem has been retail and subscription sales of magazines both in Estonia and Lithuania, whereas retail and subscription sales of newspapers have been more successful than in previous periods. It has also been possible to raise the average subscription price. The retail sales of Eesti Päevaleht have been greatly supported by the DVD series of Estonian classic films launched in spring. It has also impacted the readership survey figures of Eesti Päevaleht, guaranteeing 50% newspaper readership growth in Tallinn and over 25% growth in entire Estonia. Advertising sales have been challenging and the print advertising market has not shown a significant increase in the first half of the year. Yet the situation varies from newspaper to newspaper. Maaleht and Eesti Ekspress have managed to outperform the market and grow their advertising revenue in the first six months of the year. The advertising revenue of Eesti Päevaleht has continued to shrink as compared to last year.

As a new product, we acquired a license to publish the magazine GEO in Lithuania and its first issue was published in June. Next year, the operating results of Lithuanian magazines will be positively impacted by an amendment to the VAT law to be entered into force on 1 January which lowers VAT on periodicals from current 21% to 9%.

The largest development in terms of the operating results of the periodicals segment has occurred at AS Eesti Ajalehed, the company which publishes Eesti Päevaleht, Maaleht and Eesti Ekspress, where the improvement of the operating results is attributable to the organisational structural changes implemented earlier. In conjunction with the establishment of a new editorial office of daily new on the basis of the editorial offices of Eesti Päevaleht and Delfi, the operations of the entire editorial office of Delfi was transferred from AS Delfi to AS Eesti Ajalehed on 1 May 2012.

In the printing services segment, business was conducted as usual within the boundaries of current production capacity. The company is unable to replicate its drastic revenue growth achieved in prior years due to its limited capacity and attention will primarily be paid to fulfill production caps. In the printing services segment, the effect of an extraordinary expense (EUR 100 thousand) on the company's operating results is worth mentioning separately, since it will affect the segment's profitability. By normalising the company's results, the printing services segment has managed to preserve its high EBITDA margin on the level of last year.

The key event which occurred after the balance sheet date was related to refinancing of all group's loan liabilities by a new syndicate. On 12 July 2012, Ekspress Grupp entered into a new syndicate contract and refinanced all Group's current loan and finance lease obligations towards banks and leasing companies. The refinancing transaction was completed on 23 July 2012. The parties to the new syndicate are SEB Pank and Nordea Bank Estonia branch.

The most significant conditions as compared to the previous contract include a 1% lower interest margin, extension of the maturity until 25 July 2017 and monthly instalments based on average 7.8 years annuity payment schedule. Upon expiry of the loan contract, the bullet amount is approximately EUR 11 million. The maturity date of the previous loan contract was 25 January 2015 and repayments from 2013 would have occurred under a five year annuity.

The amendments to the new syndicated loan entered into are going to have an immediate effect on the company's operating results. The new contract will lead to lower monthly loan principal and interest payments, and the costs related to the existing collateral will also fall. The effect of the contract amendments on the company's net profit will be approximately EUR 200 thousand per year. While the previous loan contract limited the payment of dividends to shareholders, it is allowed under the new contract. The company will incur an expense in the approximate amount of EUR 60 thousand related to contract and collateral set-up fees.

As a result of the amendment to the syndicated loan contract, the amount of available cash will increase, which we plan to invest in growing the business through acquisition and launch of new entities or revenue-generating assets.

As the refinancing of loans constitutes a post balance sheet event, the liabilities and their allocation between current and non-current liabilities is reported in accordance with the contract in force at the balance sheet date and not based on the conditions as set in the new loan contract. Please also refer to Notes 13 and 14 to the interim financial statements.

The Group's management has a neutral view on **the second half of the year.** The key reason for this is the macroeconomic background in Europe, the effect of which on the operating results of Estonia and the Baltic States is neutral rather than pessimistic. We expect online media to continue to grow while the goal for the periodicals segment is to preserve the last year's level. We will continue to develop digital publications of Eesti Ekspress and Eesti Päevaleht. We have also started to more actively search for opportunities to increase the Group's market share with acquisitions primarily in the area of online media.

Overview of the Group's segments

Key financial data of the segments in Q2 2011/2012

(EUR thousand)	Sales			EBITDA		
	Q2 2012	Q2 2011	Change %	Q2 2012	Q2 2011	Change %
online media	2 912	2 505	16%	743	534	39%
periodicals	6 606	6 356	4%	392	157	150%
printing services	7 482	6 998	7%	1 563	1 551	1%
central functions	279	48	481%	(173)	(221)	22%
intersegment eliminations	(1 517)	(944)	-61%	1	3	-67%
TOTAL*	**15 762**	**14 963**	**5%**	**2 526**	**2 024**	**25%**

* excluding the net extraordinary gain in relation to the acquisition of Eesti Päevalehe AS.

Key financial data of the segments in the first half of the year 2011/2012

(EUR thousand)	Sales			EBITDA		
	Half year 2012	Half year 2011	Change %	Half year 2012	Half year 2011	Change %
online media	5 099	4 358	17%	981	497	97%
periodicals	12 387	11 918	4%	413	301	37%
printing services	14 858	13 467	10%	3 093	3 047	2%
central functions	420	74	468%	(347)	(435)	20%
intersegment eliminations	(2 782)	(1 708)	-63%	1	8	-88%
TOTAL*	**29 982**	**28 109**	**7%**	**4 141**	**3 418**	**21%**

* excluding the net extraordinary gain in relation to the acquisition of Eesti Päevalehe AS.

EBITDA margin	Q2 2012	Q2 2011	Half year 2012	Half year 2011
online media	26%	21%	19%	11%
periodicals	6%	2%	3%	3%
printing services	21%	22%	21%	23%

The segments' EBITDA does not include goodwill impairment. This is included within the corporate function. Neither does include the segment results intragroup management fees. Volume-based and other fees payable to advertising agencies have not been deducted from the advertising sales of segments, because the Group's management monitors the gross income of companies and segments. Discounts and volume rebates are reported as a reduction of the Group's sales and are shown among eliminations.

News portals owned by the Group

Owner	Portal	Owner	Portal
Delfi Estonia	www.delfi.ee	AS Eesti Ajalehed	www.ekspress.ee
	rus.delfi.ee		www.maaleht.ee
Delfi Latvia	www.delfi.lv		www.epl.ee
	rus.delfi.lv	AS SL Õhtuleht	www.ohtuleht.ee
Delfi Lithuania	www.delfi.lt		
	ru.delfi.lt		
Delfi Ukraine	www.delfi.ua		

Online media segment

The online media segment includes Delfi operations in Estonia, Latvia, Lithuania and Ukraine as well as the Parent Company Delfi Holding.

(EUR thousand)	Sales			EBITDA		
	Q2 2012	Q2 2011	Change %	Q2 2012	Q2 2011	Change %
Delfi Estonia	1 009	871	16%	176	54	226%
Delfi Latvia	613	533	15%	73	38	92%
Delfi Lithuania	1 269	1 084	17%	459	306	50%
Delfi Ukraine	21	16	31%	(68)	(57)	-19%
other Delfi companies	0	3	-100%	105	192	-45%
intersegment eliminations	0	(2)	100%	(2)	1	-
TOTAL	**2 912**	**2 505**	**16%**	**743**	**534**	**39%**

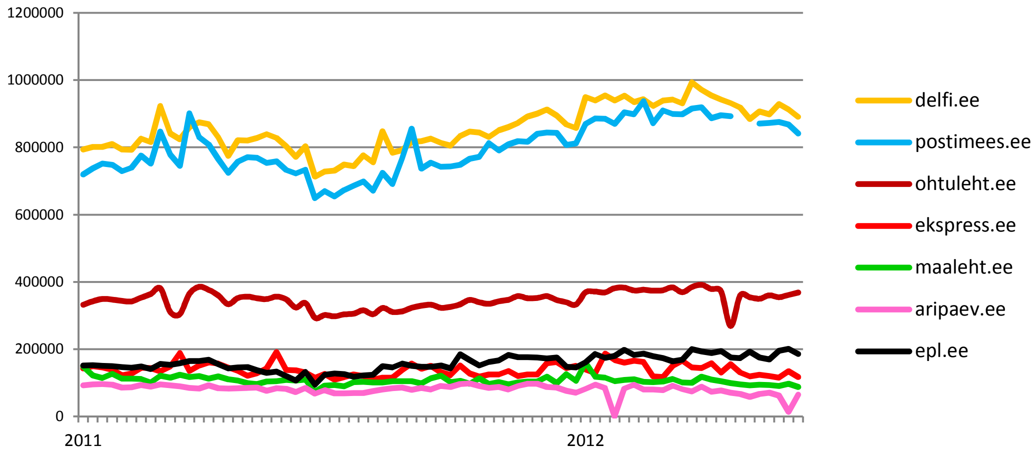
(EUR thousand)	Sales			EBITDA		
	Half year 2012	Half year 2011	Change %	Half year 2012	Half year 2011	Change %
Delfi Estonia	1 808	1 567	15%	221	52	325%
Delfi Latvia	1 092	955	14%	66	45	47%
Delfi Lithuania	2 158	1 803	20%	628	270	133%
Delfi Ukraine	35	23	52%	(135)	(142)	5%
other Delfi companies	6	8	-25%	204	272	-25%
intersegment eliminations	0	2	-100%	(3)	0	-
TOTAL	**5 099**	**4 358**	**17%**	**981**	**497**	**97%**

In the 2nd quarter of 2012, all Delfi companies managed to show uniformly strong results, significantly exceeding the result for the same period last year.

Delfi Estonia

- Delfi Estonia completed a new picture-rich frontpage –Delfi2.ee
- A separate Olümpia 2012 section was launched
- A Russian language e-store was opened
- A separate soccer category in Delfi Estonian and Russian versions as well as mobile applications
- New categories in the sections of Publik, Sport, Noorte Hääl as well as on Delfi's Russian page
- A new Facebook wall in Noorte Hääl
- Reisileidja (Travel finder) is now also on Facebook
- Delfi archive received a facelift
- Administration of Delfi stories and photos was upgraded and improved

Estonian online readership 2011-2012



TNSMetrix weekly audience survey

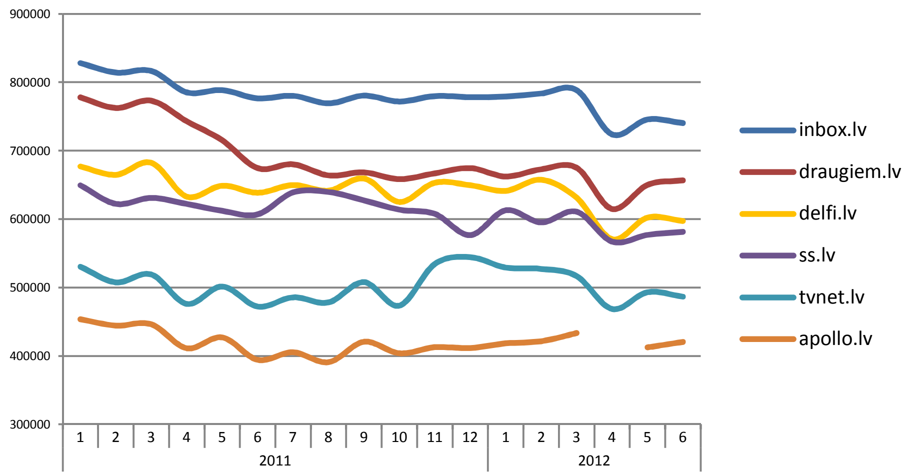
In the 2nd quarter of 2012, there were no major changes in the Estonian Internet market. Two media portals - Delfi and Postimees – dominate the market. The reach of Delfi Estonia is 66% on average among Estonian Internet users. According to the data by TNS EMOR, the number of Delfi users has increased by 3-4% in a year. The online environment of Eesti Päevaleht www.epl.ee is steadily increasing its number of users.

At the end of June, the TNS EMOR replaced the software for monitoring online environments and from the 3rd quarter of 2012, new data will be published which is not directly comparable with previous quarters.

Delfi Latvia

- Project "Road reporter", where videos were made of the Latvian roads from Delfi advertising vehicle during 12 weeks
- A new weather section was launched, which received positive feedback and attracted many new users
- New sections for ice hockey, European Football Championships and London Olympics were launched
- Media partner in the international advertising festival Golden Hammer and in the largest classical music festival "Riga Festival"

Latvian online readership 2011-2012



GemiusAudience monthly audience survey

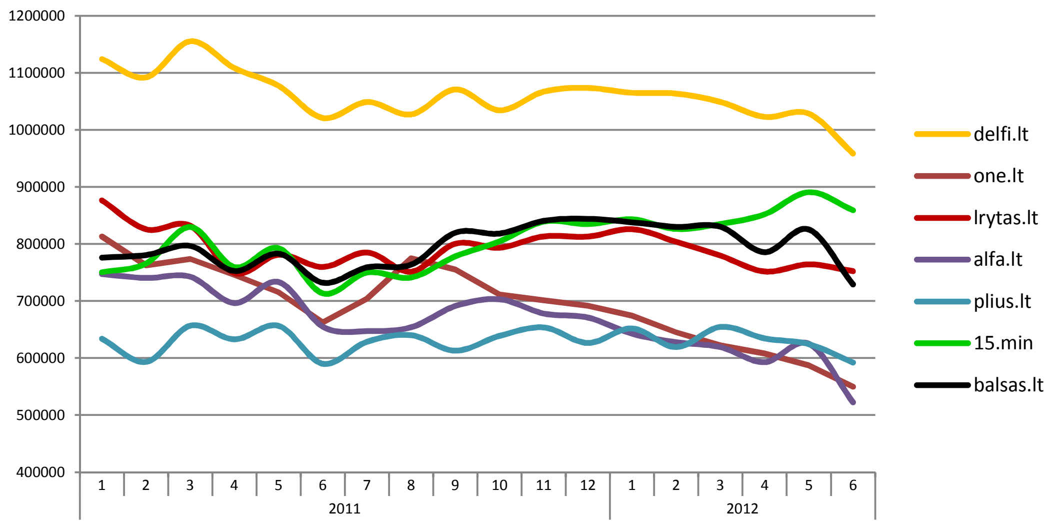
The most popular websites among the Latvian Internet users continue to be the e-mail environment Inbox and the social network Draugiem. Delfi Latvia (delfi.lv) continues to be the most popular news portal. A change of ownership of competing portals (apollo.lv and tvnet.lv) in the 4th quarter of 2011 has not changed reader preferences and also no major changes have occurred in the preferences of Russian readers.

In April 2012, the total number of Internet users published by the research company Gemius was corrected and hence, there is also a noticeable decline in the number of users in April.

Delfi Lithuania

- Similarly to Estonia, a picture-rich frontpage Delfi Easy was launched
- A new weather section and "Mano litai" targeted at consumers were launched
- A separate category for London Olympics
- Delfi game section was upgraded
- Official communications partner at Lithuanian Internet conference LOGIN

Lithuanian online readership 2011-2012



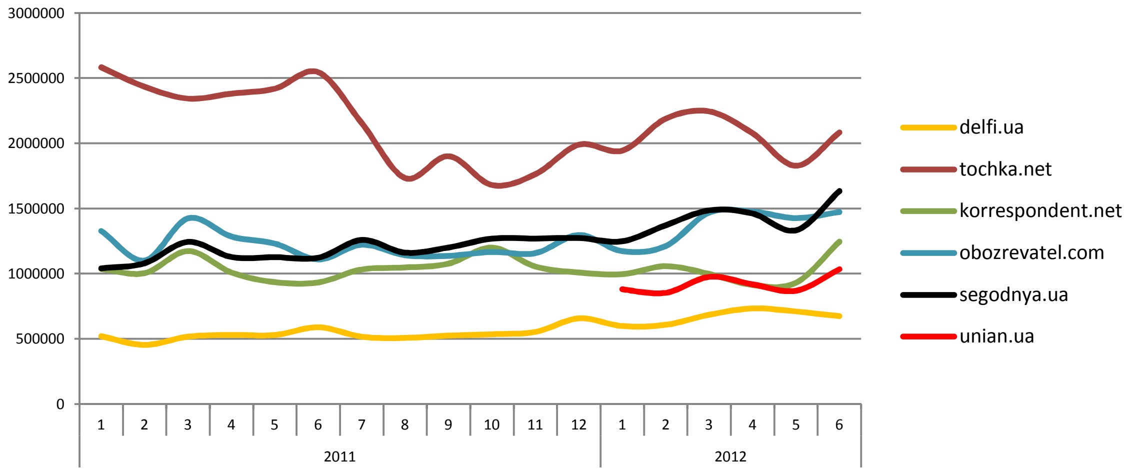
GemiusAudience monthly audience survey

Delfi continues to be the uncontested market leader among Lithuanian Internet users with biggest reach among internet users. Schibsted Group continues its aggressive expansion in Lithuania, it acquired the TV-schedule portal tv.lt and the weather portal orai.lt in the 2nd quarter of 2012. With these investments, 15min.lt has significantly increased its readership over the last year and has reached the second place among Lithuanian portals in terms of its readership numbers.

Delfi Ukraine

- Marketing actions in social media and collaboration projects with radio and TV channels to improve Delfi's visibility in the market

Ukrainian online readership 2011-2012



GemiusAudience monthly audience survey

The Ukrainian Internet market operates in a significantly different manner than that of the Baltic States. The number of users of Delfi.ua has increased by ca. 15% as compared to the 2nd quarter of 2011. Higher general activity of Internet users in June is primarily related to the organisation of the European Football Championships in Ukraine. According to the data by Gemius, the total number of Ukrainian Internet users was 14.5 million in June.

Periodicals segment

The periodicals segment includes the publishers of newspapers, magazines and books. This segment also includes AS Express Post, engaged in home delivery of periodicals.

On 1 October 2011, Eesti Päevalehe AS and AS Eesti Ajalehed were merged. At the same date, the book publishing department of the merged company was spun off as a separate legal entity under the name of OÜ Hea Lugu that remained as the subsidiary of AS Eesti Ajalehed. On 1 November 2011, the joint ventures AS SL Õhtuleht and AS Linnaleht were merged, and from 1 January 2012, Uniservice OÜ and AS Ajakirjade Kirjastus were merged.

(EUR thousand)	Sales			EBITDA		
	Q2 2012	Q2 2011	Change%	Q2 2012	Q2 2011	Change%
AS Eesti Ajalehed**	3 513	3 303	6%	223	(203)	210%
AS SL Õhtuleht*	964	864	12%	100	63	59%
AS Ajakirjade Kirjastus*	1 110	1 074	3%	10	78	-87%
UAB Ekspress Leidyba	723	773	-6%	(10)	44	-123%
AS Express Post*	586	607	-3%	72	78	-8%
Uniservice OÜ*	0	5	-100%	0	0	-
intersegment eliminations	(290)	(270)	-7%	(3)	97	-
TOTAL	**6 606**	**6 356**	**4%**	**392**	**157**	**150%**

(EUR thousand)	Sales			EBITDA		
	Half year 2012	Half year 2011	Change%	Half year 2012	Half year 2011	Change%
AS Eesti Ajalehed**	6 433	6 546	-2%	239	(155)	254%
AS SL Õhtuleht*	1 876	1 701	10%	135	113	19%
AS Ajakirjade Kirjastus*	2 095	2 035	3%	(16)	60	-127%
UAB Ekspress Leidyba	1 355	1 428	-5%	(73)	2	-3750%
AS Express Post*	1 180	1 209	-2%	129	149	-13%
Uniservice OÜ*	0	8	-100%	0	(3)	100%
intersegment eliminations***	(552)	(1 009)	45%	(1)	135	-
TOTAL	**12 387**	**11 918**	**4%**	**413**	**301**	**37%**

* Proportionate share of joint ventures

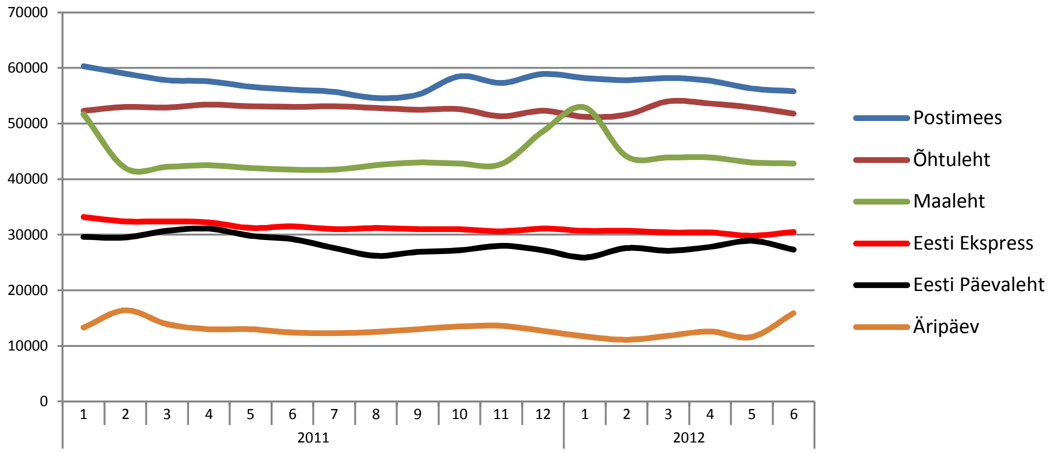
** For the purpose of comparability, AS Eesti Ajalehed combines the data for AS Eesti Ajalehed, Eesti Päevalehe AS (100% in both years) with that of OÜ Hea Lugu.

*** Intra-segment eliminations in sales and EBITDA for the first half of 2011 include the elimination of the 50% ownership interest in Eesti Päevalehe AS in January and February.

In the 2nd quarter of 2012, the revenue of the periodicals segment grew and primarily due to additional sales from Linnaleht and a successful DVD series of Estonian classic films. The segment's advertising and periodicals sales have stayed more or less stable. In the 2nd quarter, revenue from book publishing increased, but primarily due to sales campaigns which unfortunately did not significantly increase the profit.

The joint project of OÜ Hea Lugu and Eesti Päevaleht to celebrate the 100th anniversary of Estonian film industry, in the framework of which a series of 30 Estonian classic films will be issued, has received a very warm reception and helped to increase single copy sales of Eesti Päevaleht as well as offset modest revenues of book publishing in the first half of the year.

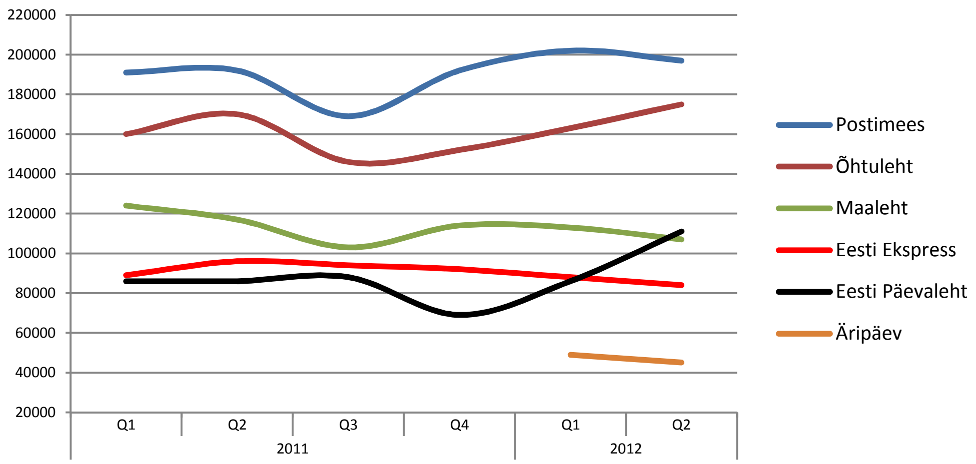
Estonian newspaper circulation 2011-2012



Estonian Newspaper association data

In the 2nd quarter of 2012, no major changes occurred in the circulation of newspapers. It is worth mentioning that only Äripäev has increased its circulation and namely in June 2012. As compared to the 1st quarter of 2012, Eesti Päevaleht has also increased its circulation. Other publications of the Group, Eesti Ekspress and Maaleht have maintained their stable position. The publication of Schibsted Group, Postimees has slightly lost its circulation in the 2nd quarter of 2012. As a long-term trend, the circulation of newspapers continues to fall slightly similarly to other countries.

Estonian newspaper readership 2011-2012



TNS EMOR quarterly audience survey (2011) and Turu-uuringute AS (2012)

Due to the selection of a new partner for printed newspaper readership surveys, it is not statistically correct to compare the data for 2011 and 2012 in absolute terms but for the purpose of comparability, they are shown in the same chart. Eesti Päevaleht has increased significantly the number of its users, by 25% as compared to the 1st quarter of 2012. The number of users of Eesti Päevaleht has increased for two consecutive quarters. The Group continues to focus on development of digital versions of its newspapers, the readers of which are not included in the graph above.

Printing services segment

All printing services of AS Ekspress Grupp are provided by AS Printall which is one of the largest printing companies in Estonia. Printall is able to print both newspapers (coldset) and magazines (heatset).

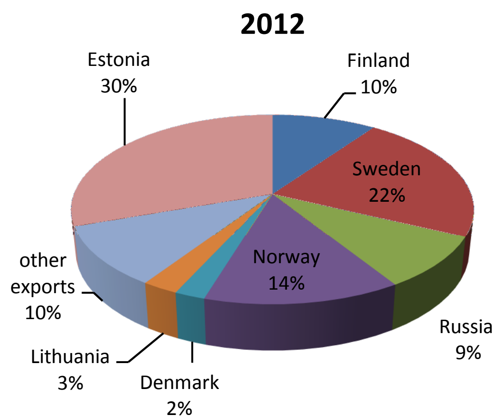
(EUR thousand)	Sales			EBITDA		
	Q2 2012	Q2 2011	Change %	Q2 2012	Q2 2011	Change %
AS Printall	7 482	6 998	7%	1 563	1 551	1%

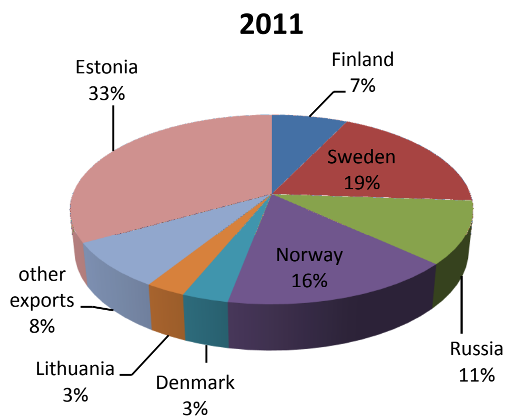
(EUR thousand)	Sales			EBITDA		
	Half year 2012	Half year 2011	Change %	Half year 2012	Half year 2011	Change %
AS Printall	14 858	13 467	10%	3 093	3 047	2%

The printing company Printall continues to exceed the previous year's results and it managed to increase its sales by 7% in the 2nd quarter. Growth has primarily come from exports. The EBITDA of Printall this year will be negatively impacted by a one-off expense in the amount of EUR 100 thousand. Most of the volume growth is generated by printing on heatset machines.

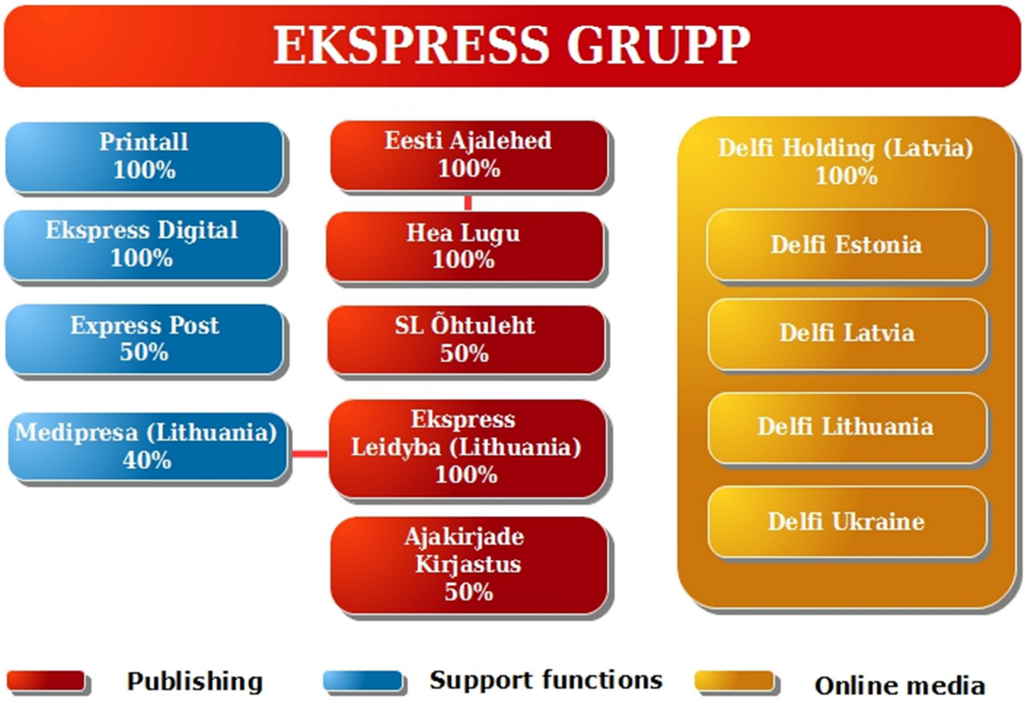
Geographical break-down of printing services

	Q2 2012	Q2 2011	Change%	Half year 2012	Half year 2011	Change%
Exports	**5 144**	**4 666**	**10%**	**10 346**	**9 001**	**15%**
Finland	763	536	42%	1 458	967	51%
Sweden	1 688	1 338	26%	3 312	2 544	30%
Norway	749	744	1%	1 334	1 453	-8%
Russia	883	1 025	-14%	2 019	2 168	-7%
Denmark	164	194	-15%	315	430	-27%
Lithuania	204	190	7%	374	372	1%
other exports	693	639	8%	1 534	1 067	44%
Estonia	**2 338**	**2 332**	**0%**	**4 512**	**4 466**	**1%**
Total sales	**7 482**	**6 998**	**7%**	**14 858**	**13 467**	**10%**
Incl. intra- group sales	1 042	1 055	-1%	2 000	2 037	-2%
Incl. sales outside of group	6 440	5 943	8%	12 858	11 430	12%





Group structure
(see detailed list for all legal entities in the Group in Note 1 to the interim financial statements).



Shares and shareholders of AS Ekspress Grupp

As of 30.06.2012, the company's share capital was EUR 17 878 105 and it consisted of 29 796 841 shares with the nominal value of EUR 0.60 per share.

As of 31.12.2011, the company's share capital was EUR l 17 878 105 and it consisted of 29 796 841 shares with the nominal value of EUR 0.60 per share. The General Meeting of Shareholders held on 30 May 2011 approved the conversion of share capital from Estonian kroons into euros, as a result of which the nominal value of a share was lowered from EUR 0.64 to EUR 0.60. The total number of shares did not change, but the share capital was reduced by EUR 1 165 548.

As of 31.12.2010, the company's share capital was EUR 19 043 652 and it consisted of 29 796 841 shares with the nominal value of EUR 0.64 per share. In May 2010, 8 948 000 new shares were issued at the price of EUR 0.88 per share of which EUR 0.24 per share was share premium.

As of 31.12.2009, the company's share capital was EUR 13 324 738 and it consisted of 20 848 841 shares with the nominal value EUR 0.64 per share. In January 2009, 1 877 760 new shares were issued at the price EUR 0.96 per share of which EUR 0.32 per share was share premium

All shares are of one type and there are no ownership restrictions. The public limited company does not have any shares granting specific controlling rights and the public limited company lacks information about agreements dealing with the restrictions on voting rights of shareholders. The articles of association of the public limited company set no restrictions on the transfer of its shares. The agreements entered into between the public limited company and the shareholders set no restrictions on the transfer of shares. In the agreements concluded between the shareholders, they are only known to the public limited company to the extent related to pledging of securities and that is public information.

Structure of shareholders as of 30.06.2012 according to the Estonian Central Register of Securities

Name	Number of shares	%
Hans Luik	16 023 692	53.78%
Hans Luik	*7 963 307*	*26.73%*
Hans Luik, OÜ HHL Rühm	*8 053 485*	*27.03%*
Hans Luik , OÜ Minigert	*6 900*	*0.02%*
ING Luxembourg S.A.	4 002 052	13.43%
Skandinaviska Enskilda Banken Ab Clients	2 722 148	9.14%
Funds managed by LHV Pank and LHV Varahaldus	2 255 269	7.57%
Members of the Management and Supervisory Boards and their close relatives	360 276	1.20%
Gunnar Kobin, OÜ Griffen SVP	*320 512*	*1.08%*
Viktor Mahhov, OÜ Flexinger	*37 464*	*0.13%*
Aavo Kokk, OÜ Synd & Katts	*400*	*0.00%*
Pirje Raidma, OÜ Aniston Trade	*1 900*	*0.01%*
Other minority shareholders	4 433 404	14.88%
Total	**29 796 841**	**100%**

East Capital Asset Management AB has an ownership interest through the nominee account of Skandinaviska Enskilda Banken Ab Clients. KJK Fund SICAV-SIF has an ownership interest in the company through the account of ING Luxembourg S.A.

By virtue of the conditions laid down in the Group's loan agreements valid on 30 June 2012, the payment of dividends to shareholders was not allowed and thus no corporate dividend policy existed.

Share information of Ekspress Grupp

The share price of Ekspress Grupp (EEG1T) in euros and the trading statistics on OMX Tallinn Stock Exchange from 1 January 2009 until 30 June 2012.

The share price comparison with OMX Tallinn Stock Exchange index from 1 January 2009 until 30 June 2012

The following table shows the stock trading history for 2010-2012

Price (EUR)	Half year 2012	Half year 2011	Half year 2010
Opening price	1.03	1.53	1.03
Closing price	1.01	1.36	0.84
High	1.18	1.84	1.48
Low	0.99	1.34	0.83
Average	1.05	1.66	1.12
Traded shares, pcs	656 731	1 687 621	1 141 787
Turnover, mln	0.69	2.80	1.27
Capitalisation at the balance sheet date, mln	30.09	40.37	22.30

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Consolidated balance sheet (unaudited)

(EUR thousand)	30.06.2012	31.12.2011
ASSETS		
Current assets		
Cash and cash equivalents	2 242	2 729
Trade and other receivables	7 380	6 921
Inventories	2 648	2 833
Total	**12 270**	**12 483**
Non-current assets held for sale	40	40
Total current assets	**12 310**	**12 523**
Non-current assets		
Term deposit	98	98
Trade and other receivables	108	167
Investments in associates	0	0
Property, plant and equipment (Note 6)	15 873	16 751
Intangible assets (Note 6)	51 501	51 970
Total non-current assets	**67 580**	**68 986**
TOTAL ASSETS	**79 890**	**81 509**
LIABILITIES		
Current liabilities		
Borrowings (Note 7)	6 435	5 436
Trade and other payables	10 140	11 111
Total current liabilities	**16 575**	**16 547**
Non-current liabilities		
Long-term borrowings (Note 7)	23 521	26 397
Other long-term liabilities	89	1
Derivate instruments	46	176
Total non-current liabilities	**23 656**	**26 574**
Total liabilities	**40 231**	**43 121**
EQUITY		
Share capital (Note 10)	17 878	17 878
Share premium	14 277	14 277
Reserves (Note 10)	610	480
Retained earnings	6 903	5 749
Currency translation reserve	(9)	4
Total equity	**39 659**	**38 388**
TOTAL LIABILITIES AND EQUITY	**79 890**	**81 509**

The Notes presented on pages 24 to 38 form an integral part of the interim consolidated financial statements

Consolidated statement of comprehensive income (unaudited)

(EUR thousand)	Q2 2012	Q2 2011	Half year 2012	Half year 2011
Sales	15 762	14 963	29 982	28 109
Cost of sales	(11 967)	(11 575)	(23 387)	(22 104)
Gross profit	**3 795**	**3 388**	**6 595**	**6 005**
Marketing expenses	(582)	(509)	(1 051)	(950)
Administrative expenses	(1 598)	(1 773)	(3 300)	(3 412)
Other expenses	(67)	(100)	(101)	(155)
Other income	122	128	284	202
Gain from sale of ownership interest in joint venture (Note 4)	0	0	0	1 540
Operating profit	**1 670**	**1 134**	**2 427**	**3 230**
Interest income	2	10	5	20
Interest expense	(553)	(576)	(1 041)	(1 135)
Foreign exchange gains/(losses)	58	(31)	14	(102)
Other finance costs	(23)	(35)	(44)	(72)
Net finance cost	**(516)**	**(632)**	**(1 066)**	**(1 289)**
Profit/(loss) from investments in associates	(3)	(10)	(30)	(11)
Profit (loss) before income tax	**1 151**	**492**	**1 331**	**1 930**
Income tax expense	(179)	(98)	(177)	(150)
Profit (loss) for the reporting period	**972**	**394**	**1 154**	**1 780**
Net profit (loss) for the reporting period attributable to:				
equity holders of the Parent Company	972	394	1 154	1 780
non-controlling interest	0	0	0	0
Other comprehensive income (expense)				
Currency translation differences	(52)	36	(13)	107
Hedging reserve change	68	93	130	329
Total other comprehensive income (expense) for the period	**16**	**129**	**117**	**436**
Comprehensive income (expense) for the reporting period attributable to:	**988**	**523**	**1 271**	**2 216**
equity holders of the Parent Company	988	523	1 271	2 216
non-controlling interest	0	0	0	0
Basic and diluted earnings per share (Note 9)	0.03	0.01	0.04	0.06

The Notes presented on pages 24 to 38 form an integral part of the interim consolidated financial statements

Consolidated statement of changes in equity (unaudited)

(EUR thousand)	Attributable to equity holders of the Parent Company						Minority interest	Total equity
	Share capital	Share premium	Reserves	Retained earnings	Currency translations reserve	Total		
Balance on 31 December 2010	**19 044**	**14 277**	**46**	**2 900**	**32**	**36 299**	**0**	**36 299**
Reduction of share capital	(1 166)	0	0	1 166	0	0	0	0
Profit for the reporting period	0	0	0	1 780	0	1 780	0	1 780
Gain on hedging instrument	0	0	329	0	0	329	0	329
Currency translation reserve	0	0	0	0	107	107	0	107
Balance on 30 June 2011	**17 878**	**14 277**	**375**	**5 846**	**139**	**38 515**	**0**	**38 515**
Balance on 31 December 2011	**17 878**	**14 277**	**480**	**5 749**	**4**	**38 388**	**0**	**38 388**
Profit for the reporting period	0	0	0	1 154	0	1 154	0	1 154
Gain on hedging instrument	0	0	130	0	0	130	0	130
Currency translation reserve	0	0	0	0	(13)	(13)	0	(13)
Balance on 30 June 2012	**17 878**	**14 277**	**610**	**6 903**	**(9)**	**39 659**	**0**	**39 659**

The Notes presented on pages 24 to 38 form an integral part of the interim consolidated financial statements.

Consolidated cash flow statement (unaudited)

(EUR thousand)	Half year 2012	Half year 2011
Cash flows from operating activities		
Operating profit (loss) for the period	2 427	3 230
Adjustments for:		
Depreciation, amortisation and impairment (Note 6)	1 716	1 728
Gain from sale of ownership interest in joint venture (Note 4)	0	(1 540)
Profit (loss) on sale and write-downs of property, plant and equipment	31	(7)
Changes in working capital:		
Trade and other receivables	(609)	(452)
Inventories	185	157
Trade and other payables	(879)	(991)
Cash generated from operations	**2 871**	**2 125**
Income tax paid	(90)	(98)
Interest paid	(1 041)	(1 246)
Net cash used in operating activities	**1 740**	**781**
Cash flows from investing activities		
Investments in subsidiaries and joint ventures (Notes 4,5)	0	(26)
Interest received	5	20
Purchase of property, plant and equipment (Note 6)	(417)	(400)
Proceeds from sale of property, plant and equipment	15	25
Loans granted	(1)	(16)
Loan repayments received	181	127
Net cash used in investing activities	**(217)**	**(270)**
Cash flows from financing activities from continuing operations		
Finance lease repayments made	(390)	(611)
Change in overdraft used	151	583
Proceeds from borrowings (incl. factoring)	213	28
Repayments of borrowings	(1 984)	(1 671)
Net cash used in financing activities	**(2 010)**	**(1 671)**
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(487)**	**(1 160)**
Cash and cash equivalents at the beginning of the period	2 729	2 767
Cash and cash equivalents at the end of the period	2 242	1 607

The Notes presented on pages 24 to 38 form an integral part of the interim consolidated financial statements.

SELECTED NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Note 1. General information

The main fields of activity of AS Ekspress Grupp and its subsidiaries include online media, publishing of newspapers, magazines and books, and provision of printing services.

AS Ekspress Grupp (registration number 10004677, address: Narva mnt.11E, 10151 Tallinn) is a holding company registered and operating in the Republic of Estonia. As of 30.06.2012, the Group consists of the subsidiaries, joint ventures and associates listed below.

These interim consolidated financial statements were approved by the Management Board on 1 August 2012.

The consolidated financial statements of AS Ekspress Grupp (hereinafter the Group) for the first half year of 2012 reflect the results of the following group companies.

Company name	Status	Ownership interest 30.06.2012	Ownership interest 31.12.2011	Main field of activity	Domicile
AS Ekspress Grupp	Parent Company			Holding company and support services	Estonia
OÜ Ekspress Digital	Subsidiary	100%	-	IT services	Estonia
Operating segment: periodicals					
AS Eesti Ajalehed	Subsidiary	100%	100%	Daily and weekly newspaper publishing	Estonia
OÜ Hea Lugu	Subsidiary	100%	100%	Book publishing. Took over AS Eesti Ajalehed book-publishing operation from 1 October 2011	Estonia
UAB Ekspress Leidyba	Subsidiary	100%	100%	Magazine publishing	Lithuania
Medipresa UAB	Associate	40%	40%	Periodicals' wholesale distribution	Lithuania
AS SL Õhtuleht	Joint venture	50%	50%	Newspaper publishing	Estonia
AS Ajakirjade Kirjastus	Joint venture	50%	50%	Magazine publishing	Estonia
Uniservice OÜ	Joint venture	-	50%	Internet portal management. Merged with AS Ajakirjade Kirjastus on 1 January 2012	Estonia
AS Express Post	Joint venture	50%	50%	Periodicals' home delivery	Estonia
Operating segment: online media					
SIA Delfi Holding	Subsidiary	100%	100%	Management of online media subsidiaries	Latvia
AS Delfi	Subsidiary	100%	100%	Online media	Estonia
Saarmann Meedia OÜ	Subsidiary	100%	100%	Operations transferred to AS Delfi in Estonia	Estonia
Delfi AS	Subsidiary	100%	100%	Online media	Latvia
Delfi UAB	Subsidiary	100%	100%	Online media	Lithuania
UAB Ekspress Portals	Subsidiary	100%	100%	Online media (in liquidation)	Lithuania
TOV Delfi	Subsidiary	100%	100%	Online media	Ukraine
Operating segment: printing services					
AS Printall	Subsidiary	100%	100%	Printing services	Estonia

Note 2. Bases of preparation

The interim consolidated financial statements of AS Ekspress Grupp for the quarter ended 30.06.2012 have been prepared in accordance with IAS 34 "Interim Financial Reporting". The condensed interim consolidated financial statements should be read together to the annual report for the financial year ended 31.12.2011.

The Management Board estimates that the interim consolidated financial statements for the first half year of 2012 present a true and fair view of the Group's operating results, and all group companies are going concerns. These interim financial statements have neither been audited nor reviewed in any other way by auditors.

On 1 January 2011, the Republic of Estonia joined the euro-zone and adopted the euro as the national currency, replacing the Estonian kroon. As a result, the functional currency of the Parent Company and its Estonian group companies is the euro (EUR) since 1 January 2011. The change in the functional currency was recognised prospectively. As of 1 January 2011, the Parent Company and its Estonian group companies revalued the opening balances in their books based on the exchange rate of EUR 1 = EEK 15.6466.

The consolidated interim financial statements have been presented in thousands of euros, unless stated otherwise.

Note 3. Financial risk management

The management of financial risks is an essential and integral part in managing the business processes of the Group. The ability of the management to identify, measure and verify different risks has a substantial impact on the profitability of the Group. The risk is defined by the management of the Group as a possible negative deviation from the expected financial performance.

Several financial risks are related to the activities of the Group, of which the more substantial ones include credit risk, liquidity risk, market risk (including foreign exchange risk, interest rate risk and price risk), operational risk and capital risk.

The risk management of the Group is based on the requirements established by the Tallinn Stock Exchange, Financial Supervision Authority and other regulatory bodies, compliance with the generally accepted accounting standards and good practice, internal regulations and policies of the Group and its subsidiaries. The management of risks at the Group level includes the definition, measurement and control of risks. The Group's risk management programme focuses on unpredictability of financial markets and finding of possibilities to minimise the potential negative impacts arising from this on the Group's financial activities. The Group uses derivative instruments to hedge certain risks.

The main role upon the management of risks is vested in the Management Board of the Parent Company. The Group assesses and limits risks through systematic risk management. For managing financial risks, the management of the Group has engaged the financial unit of the Group that deals with the financing of the Parent Company and its subsidiaries and hence also managing of liquidity risk and interest rate risk, as well as the managements and financial units of the subsidiaries. The risk management at the joint ventures within the Group is performed in cooperation with the other shareholder of joint ventures.

Credit risk

Credit risk is expressed as a loss which may be incurred by the Group and is caused by the counterparty if the latter fails to perform its contractual financial obligations.

Credit risk arises from cash and cash equivalents, trade receivables, other short-term receivables and loans granted.

Since the Group invests available liquid funds in the banks with the credit rating of "A", they do not expose the Group to substantial credit risk.

The payment discipline of clients is continuously monitored to reduce credit risk, a credit policy has been established to ensure the sale of services and goods to clients with an adequate credit history and the application of prepayments to clients in a higher risk category is used. Different client groups are subject to different payment terms and credit limits. Clients are classified on the basis of their size, reputation, and the results of credit background checks and history of payment behaviour. At the first level, the advertising clients are divided into two groups: advertising agencies and direct clients, they are further grouped according to the above principles. The Group applies the same credit policy in all Baltic States, but is aware of different credit behaviour of clients. While in Estonia invoices are generally paid when due, the usual practice in Latvia and Lithuania is to pay invoices 1-3 months past their due date and not to consider it as a violation of the credit discipline.

In the case of new clients, their credit background is checked with the help of financial information databases such as Krediidiinfo and other similar databases. At the beginning, their payment behaviour is initially also monitored with an increased interest. Upon following the payment discipline, it is possible to receive more flexible credit terms, such as longer payment terms, higher credit limits, etc. Upon violation of the payment discipline, stricter credit terms are applied. In addition, in the publishing companies use a program that provides information to major media companies about their debtors.

In case of large transactions, in particular in the printing services segment, clients are requested to provide security or make a prepayment.

The Group's management has an opinion that credit risk is still high in a current economic situation and therefore, credit risk management is continuously a high-priority area. As a specific measure, the credit policies at the group companies have been harmonised and they have been made stricter. A regular reporting routine in respect of accounts receivable has been established, enabling the Group's management to receive immediate information and if necessary, to interfere.

Liquidity risk

Liquidity risk means that the Group may not have liquid funds to fulfil its financial obligations in a timely manner. The Group has a high financial leverage, as a result of which the liquidity management is one of the priorities of the Group.

Cash flow planning is used as a means to manage liquidity risk. To manage liquidity risk as effectively as possible, the bank accounts of the Parent Company and its subsidiaries comprise one group account (cash pool) which enables the members of the group account to use the finances of the Group within the limit established by the Parent Company. The group account operates in Estonia, but foreign subsidiaries in Latvia and Lithuania are also part thereof. According to the policy of the Group, the subsidiaries that have joined the group account prepare additional cash flow projections for next two months every week.

To manage liquidity risk, the Group uses different financing sources which include bank loans, overdraft, continuous monitoring of trade receivables and delivery contracts. Overdraft credit is used to finance working capital, long-term bank loans and finance lease agreements are used for capital expenditures.

Interest rate risk

Interest rate risk means that a change in interest rates results in a change in the cash flow and profit of the Group. The interest rates of loans granted and assumed by the Group are generally tied to Euribor.

The Group's interest rate risk is related to short-term and long-term borrowings which have been assumed with a floating interest rate. Interest rate risk is mainly related to the fluctuation of Euribor and the resulting change in average interest rates of banks. A change in interest rates by 1 percentage point would increase/decrease Group's loan interest expense by ca. 300 thousand euros per year.

Type of interest	Interest rate	30.06.2012 (EUR thousand)	<= 1 year	>1 year and <=5 years	Carrying amount
Floating interest	6-month Euribor + 3.5%	Syndicated loan	3 525	20 206	23 730
	6-month Euribor +2.9%	Finance lease and long term loan *(Printall)*	2 263	3 316	5 579
	1-month Euribor + 3.5%	Short term loans and overdraft	648	0	648
	EONIA +3.5% Bank's base rate+3.5%	Overdraft	0	0	0

Type of interest	Interest rate	31.12.2011 (EUR thousand)	<= 1 year	>1 year and <=5 years	Carrying amount
Floating interest	6-month Euribor + 3.5%	Syndicated loan	2 968	22 236	25 204
	6-month Euribor +2.9%	Finance lease and long term loan *(Printall)*	2 183	4 161	6 344
	1-month Euribor + 3.5%	Short term loans and overdraft	270	0	270
	EONIA +3.5% Bank's base rate+3.5%	Overdraft	14	0	14
Fixed interest	3.5% p.a.	Other loans	118	0	118

On 30 September 2008, the Group entered into interest swap contracts with the banks that had issued the syndicated loan in order to hedge the fluctuations in Euribor. The interest rate swap contracts had been concluded on loan repayments until September 2012. On the basis of the interest rate swap contract, the Group makes fixed interest payments of 4.3%, receiving interest payments that have been calculated on the basis of 6-month Euribor in return.

Interest payments and a reduction in nominal amounts occur twice a year, at the beginning of March and September. At the same dates, the interest rate of the syndicated loan is refixed, the latter being also 6-month Euribor.

Beginning of period	End of period	Nominal amount used for calculation (EUR thousand)
1.09.2010	1.03.2011	13 425
1.03.2011	1.09.2011	11 925
1.09.2011	1.03.2012	10 375
1.03.2012	3.09.2012	8 767

Foreign exchange risk

The Group's operating activities have an international dimension and therefore, the Group is exposed to foreign exchange risk. Foreign exchange risk arises when future business transactions or recognised assets or liabilities are fixed in a currency which is not the company's functional currency. Group companies are required to manage their foreign exchange risk with regard to the functional currency. The Group's income of local countries is primarily fixed in local currencies, i.e. the euros, Lithuanian litas, Latvian lats and Ukrainian hryvnias. The Group also pays most of its suppliers and contractors in local currencies. The subsidiaries are generally required to use the euro as the foreign currency in their foreign contracts. The subsidiary Printall exports also to non-EU countries and it also earns revenue in Russian roubles, Norwegian kroner and Swedish kronor. The amounts received are generally converted into euros immediately upon their receipt, thereby reducing open foreign currency positions. Although funds received from Russian clients are in currencies other than the euro, invoices for goods and services sold to Russia are denominated in euros and thus do not carry foreign exchange risk. In respect of other currencies, approximately 8% of the Group's revenue is exposed to foreign exchange risk. No other means are used for hedging foreign exchange risk.

Financial assets and financial liabilities by currency as of 30.06.2012.

(EUR thousand)	EUR	LTL	LVL	UAH	SEK	Other	TOTAL
Assets							
Cash and cash equivalents	1 868	261	96	11	6	0	**2 242**
Trade and other receivables	4 389	1 613	643	65	714	64	**7 488**
Term deposit	0	98	0	0	0	0	**98**
Total financial assets	**6 257**	**1 972**	**739**	**76**	**720**	**64**	**9 828**
Liabilities							
Borrowings	29 957	0	0	0	0	0	**29 957**
Trade and other payables	6 559	3 325	311	28	10	1	**10 234**
Derivative instruments	46	0	0	0	0	0	**46**
Total financial liabilities	**36 561**	**3 325**	**311**	**28**	**10**	**1**	**40 236**
Net currency position	**(30 304)**	**(1 353)**	**427**	**47**	**711**	**64**	

Price risk

The management estimates that price risk does not have any substantial impact on the activities of the Group, because the company does not have any substantial investments in equity instruments.

Of the price risk related to raw materials, the price of paper affects the activities of the Group the most. In a situation where the majority of paper used in the production is purchased directly from producers at the base price without any commissions and the price is fixed for half a year in advance, and given that the volume of paper in the international scale is insignificant, the Group does not use derivative instruments to hedge paper price risk.

Operational risk

Operational risk is a possible loss caused by insufficient or non-functioning processes, employees and information systems or external factors.
The involvement of employees in the risk assessment process improves the general risk culture. For performing transactions, systems of transaction limits and competences are used to minimise possible losses. The four-eye principle in use, under which the confirmation of at least two employees independent of each other or that of a unit is necessary for the performance of a transaction or a procedure, reduces the possible occurrence of human errors and mistakes. The four-eye principle is also applied during negotiations related to purchase and sales as well as other transactions. Drafts of important agreements prepared by law offices are reviewed by the management; in-house lawyers are also involved in the work process. The management considers the legal protection of the Group to be good.

The management estimates that the dependence of the Group's activities on IT systems is higher than average and continuous investments are made to increase its security and reliability. The responsibility for managing operational risk lies with the Management Board of the Group and the management boards of subsidiaries.

Capital risk

The main objective of the Group upon managing capital risk is to ensure the sustainability of the Group in order to ensure income for its shareholders and benefits for other stakeholders, while maintaining the optimal capital structure in order to reduce the price of capital.
According to the practice common in the industry, the Group uses the debt to capital ratio to monitor capital. The debt to capital ratio is calculated as the ratio of net debt to total capital. Net debt is calculated by deducting cash and bank accounts from total debt (current and non-current interest bearing liabilities carried in the consolidated balance sheet). Total capital is recognised in the consolidated balance sheet as the aggregate of equity and net debt. In addition equity ratio towards total assets is monitored.

Equity and capital ratios of the Group

(EUR thousand)	30.06.2012	31.12.2011
Interest-bearing debt	29 956	31 951
Cash and bank accounts	2 340	2 827
Net debt	27 616	29 124
Equity	39 659	38 388
Total capital	67 275	67 512
Debt to capital ratio	**41%**	**43%**
Balance sheet total	79 890	81 509
Equity ratio	**50%**	**47%**

Note 4. Business combinations

On 11 March 2011, AS Ekspress Grupp and Vivarone OÜ concluded a contract for restructuring their current partnership in Eesti Päevalehe AS. In accordance with the contract, Vivarone OÜ acquired the offices previously in the ownership of Eesti Päevalehe AS at Narva Road 13 and the Group acquired the business of Eesti Päevalehe AS. For completion of the transaction, Eesti Päevalehe AS sold its real estate to Vivarone OÜ and Vivarone OÜ in turn sold 50% of the shares of Eesti Päevalehe AS in its ownership to Ekspress Grupp, and the parties offset the receivables due from each other. Neither party paid actual cash for the transaction. The Group continues to lease the current offices from Vivarone OÜ. In addition to the ownership interest acquired in Eesti Päevalehe AS, the company also obtained an additional 25% ownership interest in AS Linnaleht. As the equity of the latter is negative, an impairment loss was recognised for the loans granted to AS Linnaleht.

Full ownership of Eesti Päevalehe AS enabled AS Ekspress Grupp to integrate various media content production units and support structures, and thereby, achieve cost savings. Upon acquisition of Eesti Päevalehe AS, goodwill arose in the amount of EUR 1 232 thousand, which includes goodwill of hyppelaud.ee in amount of EUR 25 thousand that was previously recognised in the Group's balance sheet. At the end of 2011, an impairment loss was recognised for goodwill in the amount of EUR 130 thousand. As of 30.06.2012, the carrying amount of this goodwill is EUR 1 102 thousand in the balance sheet.

The acquisition of the additional 50% ownership interest in Eesti Päevalehe AS is recognised in accordance with IFRS 3 (revised) in two parts: firstly, as the sale of the 50% ownership interest and thereafter, as the acquisition of a 100% ownership interest. In the first half of 2011, the sales proceeds of the current 50% ownership interest in the amount of EUR 1 540 thousand is reported in a separate line under operating profit.

On 4 March 2011, AS Delfi acquired a 100% ownership interest in Saarmann Meedia OÜ, paying EUR 34 thousand in cash for the company. This company owns the local news portal of rural municipalities www.eestielu.ee and the cost of the portal made up most of the amount paid. No goodwill arose on acquisition. After the acquisition, the company's operations have been transferred to Delfi Estonia.

The table below provides an overview of acquired identifiable assets and liabilities at the time of the acquisition. The balance sheets as of 28.02.2011 have been used as the basis for preparing the purchase analysis.

	Eesti Päevalehe AS		Saarmann Meedia OÜ	
(EUR thousand)	Fair value	Carrying amount	Fair value	Carrying amount
Cash and bank	21	21	0	0
Other receivables and assets	2 003	1 350	0	0
Joint venture (ownership and loan)	(10)	16	0	0
Property, plant and equipment	47	47	7	7
Intangible assets (licenses, programmes, portals)	300	322	34	0
Trademark	1 222	0	0	0
Contractual customer relationships	263	0	0	0
Other liabilities	(1 878)	(1 928)	(6)	(6)
Total identifiable assets	**1 968**	**(172)**	**34**	**1**
Goodwill	**1 232**	**239**	**0**	
Cost of ownership interest	3 200		34	
Paid for ownership interest in cash	0		34	
Cash and cash equivalents in the acquired entity (EPL	(11)		0	
Total cash effect on the Group	(11)		34	

Note 5. Investments in joint ventures

In March 2011, the Group acquired an additional 50% ownership interest in Eesti Päevalehe AS, increasing its interest to 100% (see Note 4). With the additional ownership interest, another 25% interest was acquired in AS Linnaleht. As due to the overall economic recession the operations of AS Linnaleht were unprofitable, it was reorganised in 2011. In August 2011, the operations of AS Linnaleht were transferred to AS SL Õhtuleht and as of 1 November 2011, AS Linnaleht and AS SL Õhtuleht were merged.

In June 2011, the joint venture AS Ajakirjade Kirjastus acquired a 49% ownership interest in its subsidiary Uniservice OÜ. Because this transaction represented an increase of the ownership interest from 51% to 100%, no assets were revalued during the transaction and no goodwill arose. A cash payment of EUR 6 thousand was made for the acquisition of the ownership interest. Upon acquisition of full ownership, the operations of Uniservice OÜ were transferred to the Parent Company and from 1 January 2012, the companies were merged. Uniservice OÜ is the subsidiary of the joint venture AS Ajakirjade Kirjastus (100%); therefore, the Group has joint control over the assets, liabilities, income and expenses of Uniservice OÜ.

Note 6. Property, plant and equipment (PPE) and intangible assets

(EUR thousand)	PPE		Intangible assets	
	Half year 2012	Half year 2011	Half year 2012	Half year 2011
Balance at beginning of the period				
Cost	30 376	32 795	57 689	55 356
Accumulated depreciation and amortisation	(13 625)	(13 658)	(5 719)	(4 420)
Carrying amount on 31.12.2011	**16 751**	**19 137**	**51 970**	**50 936**
Acquisitions and improvements	263	246	154	153
Disposals (at carrying amount)	(11)	(13)	0	0
Write-offs and write-downs of PPE	(2)	(6)	(33)	(6)
Reclassification	0	(1)	0	1
Acquisitions through business combinations	0	24	0	2 927
Disposals through business combinations	0	(547)	0	0
Depreciation and amortisation	(1 126)	(1 076)	(590)	(652)
Currency translation differences	0	(2)	1	(3)
Balance at end of the period				
Cost	30 472	32 424	57 811	58 537
Accumulated depreciation and amortisation	(14 599)	(14 662)	(6 310)	(5 181)
Carrying amount on 30.06.2012	**15 873**	**17 762**	**51 501**	**53 356**

Information about the items of non-current assets pledged as loan collateral is disclosed in Note 7.

Intangible assets by type

	EUR	
(thousand)	30.06.2012	31.12.2011
Goodwill	40 761	40 761
Trademarks	9 738	9 886
Other intangible assets	1 002	1 323
Total intangible assets	**51 501**	**51 970**

Carrying amount of trademarks by segment

	EUR	
(thousand)	30.06.2012	31.12.2011
Online media	7 283	7 369
Periodicals	2 455	2 517
Total trademarks	**9 738**	**9 886**

Goodwill by cash generating units and segments

	EUR	
(thousand)	30.06.2012	31.12.2011
Delfi Estonia	15 281	15 281
Delfi Latvia	9 390	9 390
Delfi Lithuania	12 517	12 517
Online media segment	**37 188**	**37 188**
Eesti Päevaleht (incl. hyppelaud.ee) (Eesti Ajalehed)	1 102	1 102
Ajakirjade Kirjastus	456	456
Ekspress Leidyba	199	199
Maaleht (Eesti Ajalehed)	1 816	1 816
Periodicals segment	**3 573**	**3 573**
Total goodwill	**40 761**	**40 761**

Note 7. Bank loans and borrowings

(EUR thousand)	Total amount	Repayment term	
		up to 1 years	between 1 and 5 years
Balance on 30.06.2012			
Overdraft facilities	**165**	165	0
Short-term bank loans (incl. factoring)	**483**	483	0
Long-term bank loans	**25 748**	4 279	21 469
incl. syndicated loan (AS Ekspress Grupp)	***23 730***	*3 525*	*20 206*
incl. long-term loan (AS Printall)	***2 019***	*755*	*1 264*
Finance lease	**3 560**	1 508	2 052
Total	**29 956**	**6 435**	**23 521**
Balance on 31.12.2011			
Overdraft facilities	**14**	14	0
Short-term bank loans (incl. factoring)	**270**	270	0
Long-term bank loans	**27 599**	3 723	23 876
incl. syndicated loan (AS Ekspress Grupp)	***25 204***	*2 968*	*22 236*
incl. long-term loan (AS Printall)	***2 395***	*755*	*1 640*
Finance lease	**3 950**	1 429	2 521
Total	**31 833**	**5 436**	**26 397**

The effective interest rates are very close to the nominal interest rates.

Refinancing of borrowings in July 2012

On 12 July 2012, a new syndicated loan contract was signed for refinancing the loan and lease obligations of AS Ekspress Grupp and AS Printall in the total amount of EUR 29.3 million. Previous obligations were paid off with the new loan. No additional loan was granted. As this represents post balance sheet event, then liabilities and their allocation between current and non-current liabilities as of 30 June 2012 are reported in accordance with the loan contract in force on the balance sheet date and not in accordance with the conditions laid down in the new contract. For more information, please refer to Note 13.

Syndicated loan (repaid on 23 July 2012)

A loan agreement has been concluded between the syndicate of SEB Bank, Danske Bank A/S Estonia branch (Sampo Bank) and Nordea Bank, and Ekspress Grupp on 28 August 2007 in the amount of EUR 43.1 million for acquisition of Delfi Group and Maaleht. The loan will mature on 25 January 2015.

In 2010, the repayment schedule was amended in such a way that AS Ekspress Grupp returns monthly instalments starting from February 2010 until December 2012 under a ten year annuity and starting from January 2013 until December 2014, under a five year annuity. The difference was added to the bullet amount of the loan, payable on 25 January 2015.

On 11 October 2011, an annex was concluded for the syndicated loan contract with SEB Bank, Danske Bank A/S Estonia branch (Sampo Bank) and Nordea Bank. The annex relates to the release of the term deposit in the amount of EUR 3 million. Half of the security deposit, i.e. EUR 1.5 million was used to prematurely repay the bullet amount and the remaining amount with accrued interest was transferred to the Parent Company's current account.

From 25.02.2010, the interest rate on the loan is 6-month Euribor+3.75% and from 25.07.2011, 6-month Euribor+3.5%.

As of 30.06.2012 and 31.12.2011, the loan is secured by following assets owned by the Group:
- a mortgage of the 2nd ranking on the registered immovable at Tala 4 (former address Peterburi Road 64A) with the mortgage amount of EUR 5 million; as of 30.06.2012 and 31.12.2011, the carrying amount of the building was EUR 4.2 million and that of the registered immovable was EUR 0.4 million;

- a pledge on the shares of Delfi Estonia, Delfi Latvia, Delfi Lithuania, Delfi Holding, Eesti Ajalehed and Printall, the shares of which represent the majority of the Group's net assets;

- a guarantee of Delfi Estonia, Eesti Ajalehed and Printall in the total amount of EUR 43.1 million, which are included in the value of the aforementioned net assets;

- a combined pledge in the amount of EUR 0.3 million on the following trademarks: Eesti Ekspress, Delfi and Maaleht, which are included in the value of the aforementioned net assets;

- a commercial pledge on the movable property of AS Printall in the minimum amount of EUR 3.2 million, which is included in the value of the aforementioned net assets.

According to the conditions of the loan agreement, the borrower must comply with certain loan covenants, such as the total EBITDA level of the Parent Company and the subsidiaries, equity ratio (equity/total assets) and total debt/EBITDA ratio and from 31.03.2012, an additional covenant includes the debt-service coverage ratio. As of the balance sheet date, all financial ratios were in compliance with the loan covenants set in the loan contract. In addition, according to the conditions laid down in the loan agreement, payment of dividends to the owners is limited and the total amount of annual capital expenditure is determined.

Long-term loan and lease commitments (repaid on 23 July 2012)

A loan agreement of AS Printall in the initial amount of EUR 4.8 million, with the term of 15.12.2014 is secured with a mortgage of the 1st ranking in the amount of EUR 4 million on the registered immovable located at Tala 4, Tallinn (former address Peterburi Rd 64A). As of 30.06.2012, the carrying amount of the building was EUR 4.2 million and the carrying amount of the registered immovable was EUR 0.4 million.

Finance lease agreements also contain certain covenants which the financial indicators of the company must comply with. As of the balance sheet date, all ratios were in compliance with the covenants established by financial institutions.

In conjunction with the amendment of the terms and conditions of the syndicated loan of AS Ekspress Grupp, the loan and rental obligations of AS Printall were also reviewed in 2010. In accordance with the agreements, loan and rental maturity dates were extended by one year and the principal payments were reduced by 50% between January 2010 and December 2011.

Overdraft facilities (refinanced on 23 July 2012)

Date of contract	Bank	Limit (EUR thousand)	Used 30.06.2012 (EUR thousand)	Interest rate	Expiration date of the contract
21.12.2011	Nordea Bank Finland Plc Estonia branch	959	0	bank's base interest +3.5%	25.01.2015
11.01.2012	AS SEB Pank	959	165	1 month EURIBOR +3.5%	25.01.2015
30.01.2012	Danske Bank A/S Estonia branch (legal successor of AS Sampo Pank)	959	0	EONIA+3.5%	25.01.2015
Total		**2 877**	**165**		

Note 8. Segment reporting

The management has determined the operating segments based on the reports reviewed by the Management Board of the Parent Company AS Ekspress Grupp. The Management Board considers the business from the product perspective. The Company's internal management structure has been divided between the following business segments which have different economic characteristics.

Online media: managing online news portals and classified portals, intermediation of internet advertising services.

This segment includes group companies AS Delfi, AS Delfi (Latvia), UAB Delfi (Lithuania), TOV Delfi (Ukraine), Delfi Holding SIA (Latvia), UAB Ekspress Portals (Lithuania) (in liquidation) and mango.lv SIA (Latvia), which was merged with Delfi Latvia in the second half of 2011.

Periodicals: publishing of newspapers, magazines, customer publications and books in Estonia and Lithuania. This segment includes group companies AS Eesti Ajalehed (publisher of Eesti Ekspress, Maaleht and from 1 October 2011, also Eesti Päevaleht), Eesti Päevalehe AS, which was merged with AS Eesti Ajalehed on 1 October 2011, AS Ajakirjade Kirjastus, AS SL Õhtuleht, UAB Ekspress Leidyba, Uniservice OÜ (the operation of which was transferred to the Parent Company AS Ajakirjade Kirjastus in autumn 2011 and was merged with AS Ajakirjade Kirjastus on 1 January 2012). This segment also includes AS Express Post, engaged in home delivery of periodicals.

Printing services: rendering of printing and related services. This segment includes the group company AS Printall.

The Management Board assesses the performance of the operating segments based on revenue and EBITDA. The EBITDA margin is also monitored. Internal management fees and goodwill impairment are not included in segment results. Volume-based and other fees payable to advertising agencies have not been deducted from the advertising sales of segments, because the Group's management monitors the gross income of companies and segments. Discounts and volume rebates are reported as a reduction of the Group's sales and are shown among eliminations. According to the estimate of the Parent Company's management, inter-segment transactions are carried out at arm's length conditions and they do not differ significantly from the conditions of the transactions concluded with third parties.

2012 Q2 (EUR thousand)	Online media	Perio-dicals	Printing services	Corporate functions	Eliminat-ions	Total Group
Sales to external customers	**2 882**	**6 553**	**6 631**	**2**	**(306)**	**15 762**
Inter-segment sales	30	53	851	277	(1 211)	0
Total segment sales	2 912	6 606	7 482	279	(1 517)	15 762
EBITDA	**743**	**392**	**1 563**	**(173)**	**1**	**2 526**
Depreciation (Note 6)						(856)
Operating profit						1 640
Investments (Note 6)						236

2nd half of 2012 (EUR thousand)	Online media	Perio-dicals	Printing services	Corporate functions	Eliminat-ions	Total Group
Sales to external customers	**5 020**	**12 271**	**13 228**	**3**	**(540)**	**29 982**
Inter-segment sales	79	116	1 630	417	(2 242)	0
Total segment sales	5 099	12 387	14 858	420	(2 782)	29 982
EBITDA	**981**	**413**	**3 093**	**(347)**	**1**	**4 141**
Depreciation (Note 6)						(1 715)
Operating profit						2 427
Investments (Note 6)						417

2011 Q2 (EUR thousand)	Online media	Perio-dicals	Printing services	Corporate functions	Eliminat-ions	Total Group
Sales to external customers	**2 490**	**6 305**	**6 162**	**6**	**0**	**14 963**
Inter-segment sales	15	51	836	42	(944)	0
Total segment sales	2 505	6 356	6 998	48	(944)	14 963
EBITDA	**534**	**157**	**1 551**	**(221)**	**3**	**2 024**
Depreciation (Note 6)						(890)
Operating profit						1 134
Investments (Note 6)						275

2nd half of 2011 (EUR thousand)	Online media	Perio-dicals	Printing services	Corporate functions	Eliminat-ions	Total Group
Sales to external customers	**4 330**	**11 830**	**11 938**	**11**	**0**	**28 109**
Inter-segment sales	28	88	1 529	63	(1 708)	0
Total segment sales	4 358	11 918	13 467	74	(1 708)	28 109
EBITDA	**497**	**301**	**3 047**	**(435)**	**8**	**3 418**
Depreciation (Note 6)						(1 728)
Gain related to acquisition of additional 50% ownership in Eesti Päevalehe AS						1 540
Operating profit						3 230
Investeeringud (lisa 6)						399

Note 9. Earnings per share

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

In view of the fact that the Group has no dilutive potential ordinary shares on 30.06.2012 and 30.06.2011, **diluted earnings per share** equal basic earnings per share.

EUR	Q2 2012	Q2 2011	Half year 2012	Half year 2011
Net profit (loss) attributable to equity olders of the Parent Company	971 622	393 840	1 154 058	1 779 911
Average number of ordinary shares	29 796 841	29 796 841	29 796 841	29 796 841
Basic and diluted earnings per share	0.03	0.01	0.04	0.06

Note 10. Equity

As of 31.12.2010, the share capital of Ekspress Grupp was EUR 19 043 652 and consisted of 29 796 841 shares with the nominal value of EUR 0.64 per share.

In conjunction with the adoption of the euro in Estonia, the General Meeting of Shareholders of AS Ekspress Grupp held on 30 May 2011 decided to decrease the nominal value of shares to EUR 0.60, as a result of which the share capital was reduced by EUR 1 165 548. The change in share capital was registered in the Commercial Register on 15.06.2011. The amount which arose in the reduction of share capital was taken to retained earnings. The number of shares did not change as a result of the transaction.

As of 31.12.2011 and 30.06.2012, the share capital of AS Ekspress Grupp was EUR 17 878 105 and consisted of 29 796 841 shares with the nominal value of EUR 0.60 per share. The maximum amount of share capital as stipulated by the articles of association is EUR 25 564 656.

Reserves

(EUR thousand)	30.06.2012	31.12.2011
Statutory reserve capital	17	17
Additional monetary contribution by owners	639	639
Hedging reserve derived from interest rate swaps	(46)	(176)
Total reserves	**610**	**480**

Note 11. Contingent liabilities

On 7 June 2011, Harju County Court satisfied an action filed by AS Sanoma Baltics against AS Eesti Ajalehed and AS Delfi, relating to the court case concerning the violation of copyright of the car portal www.auto24.ee by the portal of car sales ads www.ekspressauto.ee. The activities of the portal www.ekspressauto.ee were based on agreements with car sellers whose ads had been posted in the www.auto24.ee environment. The court ruled that both AS Eesti Ajalehed and AS Delfi solidarily had to pay compensation for damage in the amount of EUR 60 thousand. The final court ruling was made in June 2012. Already as of 31.12.2011, a provision has been recognised in this amount.

The subsidiaries of the Group have also several other ongoing court cases, the effect of which is insignificant on the financial results of the Group.

Note 12. Related party transactions

Transactions with related parties are transactions with shareholders, associates, unconsolidated subsidiaries, members of the Supervisory and Management Board (incl. managing directors of subsidiaries), their immediate family members and the companies under their control or significant influence.

The ultimate controlling individual of AS Ekspress Grupp is Hans H. Luik.

The Group has purchased (goods for resale, manufacturing materials, non-current assets) from and sold its goods and services to (lease of non-current assets, management services, other services) to the following related parties. The management estimates that all transactions with related parties have been concluded at market conditions.

Sales

(EUR thousand)	Half year 2012	Half year 2011
Sale of goods		
Members of Management Board and companies related to them	0	1
Associates	502	480
Total sale of goods	**502**	**481**
Sale of services		
Members of Management Board and companies related to them	3	0
Members of Supervisory Board and companies related to them	1	8
Associates	0	119
Total sale of services	**4**	**127**
Total sales	**506**	**608**

Purchases

(EUR thousand)	Half year 2012	Half year 2011
Purchase of services		
Members of Management Board and companies related to them	38	51
Members of Supervisory Board and companies related to them	203	231
Associates	**241**	**282**
Total purchases	**241**	**282**

Receivables

(EUR thousand)	30.06.2012	31.12.2011
Short-term receivables		
Members of Supervisory Board and companies related to them	194	201
Associates	149	143
Total short-term receivables	**343**	**344**
Long-term receivables		
Members of Supervisory Board and companies related to them	0	60
Total long-term receivables	**0**	**60**
Total receivables	**343**	**404**

Liabilities

(EUR thousand)	30.06.2012	31.12.2011
Current liabilities		
Members of Management Board and companies related to them	5	3
Members of Supervisory Board and companies related to them	16	17
Total liabilities	**21**	**20**

According to the decision of the Annual General Meeting a guarantee fee of 1.5% p.a. on the guarantee amount for the surety of EUR 4 million on the syndicated loan and overdraft agreements until the guarantee expires is paid to Hans H. Luik. Amount paid out in the first half of 2012 totalled EUR 30 thousand (2011: EUR 28 thousand) and there are not outstanding liabilities as of 30.06.2012 and 31.12.2011.

Remuneration of the members of management and supervisory boards of all group entities

(EUR thousand)	Half year 2012	Half year 2011
Salaries, other benefits and termination compensations (without social taxes)	589	499

The members of all management boards of the group companies (incl. managing directors of subsidiaries if these companies do not have management board as per Estonian law) (hereinafter Key Management) are entitled to receive compensation upon expiry or termination of their contracts in accordance with the terms laid down in their employment contracts. The Key Management terminations benefits are payable only in case the termination of contracts is originated by the company. If a member of the Key Management is recalled without a substantial reason, a notice thereof shall be given up to 3 months in advance and the member shall be paid compensation for termination of the contract in the amount of up to 7 months' salary. Upon termination of an employment relationship, no compensation shall be paid if a member of the Key Management leaves at his or her initiative or if a member of the Key Management is removed by the Supervisory Board with a valid reason. As of 30.06.2012, potential Key Management termination benefits total EUR 456 thousand. No remuneration is paid separately to the members of the Supervisory Boards of the Group companies and no compensation is paid if they are recalled.

Note 13. Events after the reporting period

The main event after the balance sheet date was the refinancing of all loan and finance lease obligations of AS Ekspress Grupp and AS Printall by the new syndicate. On 12 July 2012, the Group entered into a new syndicated loan contract in the amount of EUR 29.3 million, which was used to refinance all current loan and finance lease obligations to banks and leasing companies. The refinancing transaction was completed on 23 July 2012. The parties to the new syndicate include SEB Pank and Nordea Estonia branch. According to the new loan contract, the break-down of the total loan amount of EUR 29.3 million is as follows:

(EUR thousand)	New loan amount	Annuity payment schedule
Syndicated loan granted to AS Ekspress Grupp	22 300	7 years
Syndicated loan granted to AS Printall	5 000	12 years
Loan granted to AS Printall	2 000	7 years
Total liabilities	**29 300**	

The loan will mature on 25 July 2017. Interest is based on one-month Euribor, plus a margin of 2.5%. Upon expiry of the loan contract, the outstanding loan balance is ca. EUR 11 million.

Together with the syndicated loan, all overdraft facilities of AS Ekspress Grupp were also refinanced. The contract with Danske Bank Estonia branch was terminated and the limit with the remaining contractual partners of the syndicated loan contract was increased up to EUR 3 million. The interest rate on overdraft facilities is 1.9% and the limit fee is 1% of the contract amount.

Similarly to the previous syndicated loan, the loans are secured by the guarantees of subsidiaries domiciled in Estonia, the mortgage on the registered immovable and production facilities of AS Printall, the commercial pledge on the assets of AS Printall and the trademarks Delfi, Eesti Ekspress, Maaleht and Eesti Päevaleht owned by the Group.

In the course of the same transaction, the interest swap contract entered into between AS Ekspress Grupp and Danske Bank, as well as the factoring contract between AS Printall and Danske Bank were terminated.

Note 14. Sustainability of operations

As of 30.06.2012, the Group’s current liabilities exceeded its current assets by EUR 4.3 million. The Group’s interim financial statements have been prepared on the going concern basis, as the Group’s Management Board estimates that negative working capital will not cause any financial difficulties for the Group during 12 months from the date of signing the financial statements. Due to the new syndicated loan contract (see Note 13), the liabilities reported as short-term loan repayments will decrease by ca. EUR 2.5 million after the refinancing. Also, the Group has an unused overdraft facility in the amount of EUR 2.8 million. In addition, consideration should be paid to the fact that clients’ prepayments for subscriptions, which are recognised as liabilities in the balance sheet are not to be paid out but recognised as income in the following subscription period. Information about liquidity risk and the measures used to manage it is disclosed in more detail in Note 3.