



AS Tallinna Vesi

Interim results

12 months ended 31 December 2009

29 January 2010

Speakers



Ian Plenderleith
CEO, Chairman of the Management Board



Stephen Howard
CFO, Member of the Management Board

Highlights – twelve months of 2009

Sales from main operating activity increased by 7.3%

9.8% increase in operating profit from main business

Highest Ever Water Quality compliance – 99,31%

Full compliance with LoS – other than 12hr interruptions

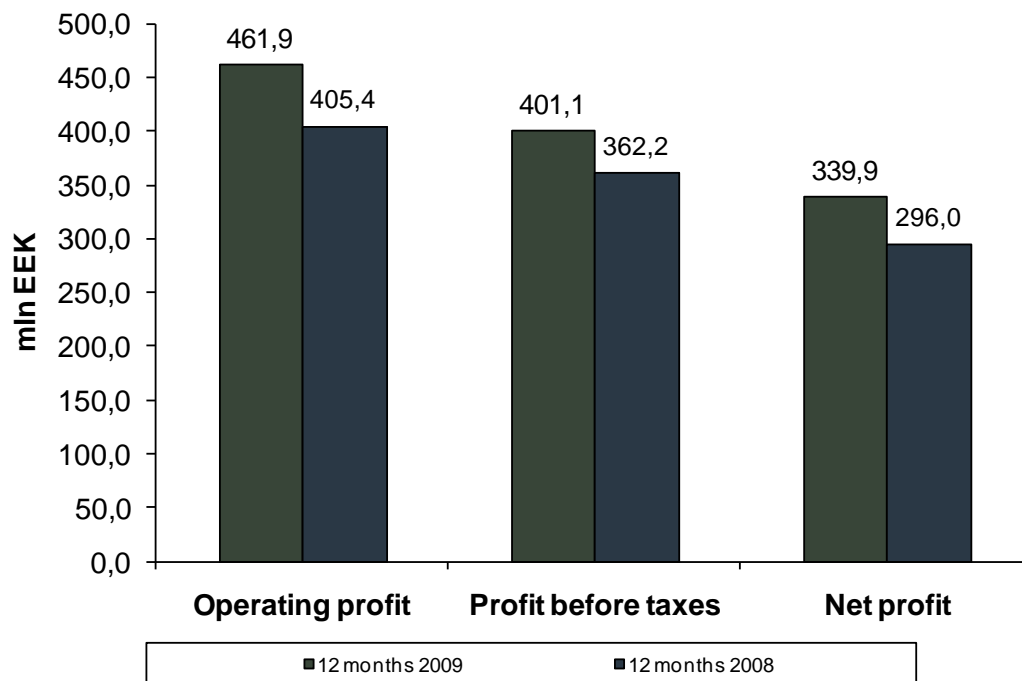
Services Agreement Amended and Ratified

Award for the Most Competitive Service Company in Estonia

Best IR on TSE
Best Annual Report on all Baltic Stock Exchanges

Financial Highlights in 12 mths 2009 compared to 2008

| <i>mln EEK</i> | 12 months 2009 | 12 months 2008 | Increase | Change |
|----------------------------------|-------------------|-------------------|----------|--------|
| Sales | 772,4 | 719,9 | 52,5 | 7,3% |
| Gross profit | 488,4 | 447,2 | 41,2 | 9,2% |
| Operating profit | 461,9 | 405,4 | 56,6 | 14,0% |
| Operating profit - main business | 414,4 | 377,4 | 37,0 | 9,8% |
| Net profit | 339,9 | 296,0 | 44,0 | 14,9% |



Water and Wastewater and other revenues

Revenues

| million EEK | 12 M 2009 | 12 M 2008 | Ch. EEK | Ch. % |
|-----------------------------------|--------------|--------------|-------------|-------------|
| Domestic | 379,3 | 346,8 | 32,5 | 9,4% |
| Commercial, in area only | 273,3 | 271,2 | 2,1 | 0,8% |
| Commercial, outside area only | 40,0 | 26,4 | 13,6 | 51,5% |
| Overpollution | 14,7 | 13,8 | 0,9 | 6,6% |
| Water and wastewater total | 707,4 | 658,3 | 49,1 | 7,5% |

Volumes

| million m3 | 12 M 2009 | 12 M 2008 | Ch. M3 | Ch. % |
|-----------------------------------|-------------|-------------|-------------|--------------|
| Domestic | 27,7 | 28,5 | -0,9 | -3,0% |
| Commercial, in area only | 8,6 | 9,6 | -1,0 | -10,7% |
| Commercial, outside area only | 4,1 | 3,8 | 0,4 | 9,4% |
| Water and wastewater total | 40,4 | 41,9 | -1,5 | -3,7% |

- Other main business revenues 65.0 mln EEK, by 3.4 mln EEK or 5.6% higher y-o-y

Costs: 12 mths 2009 compared to 12 mths 2008

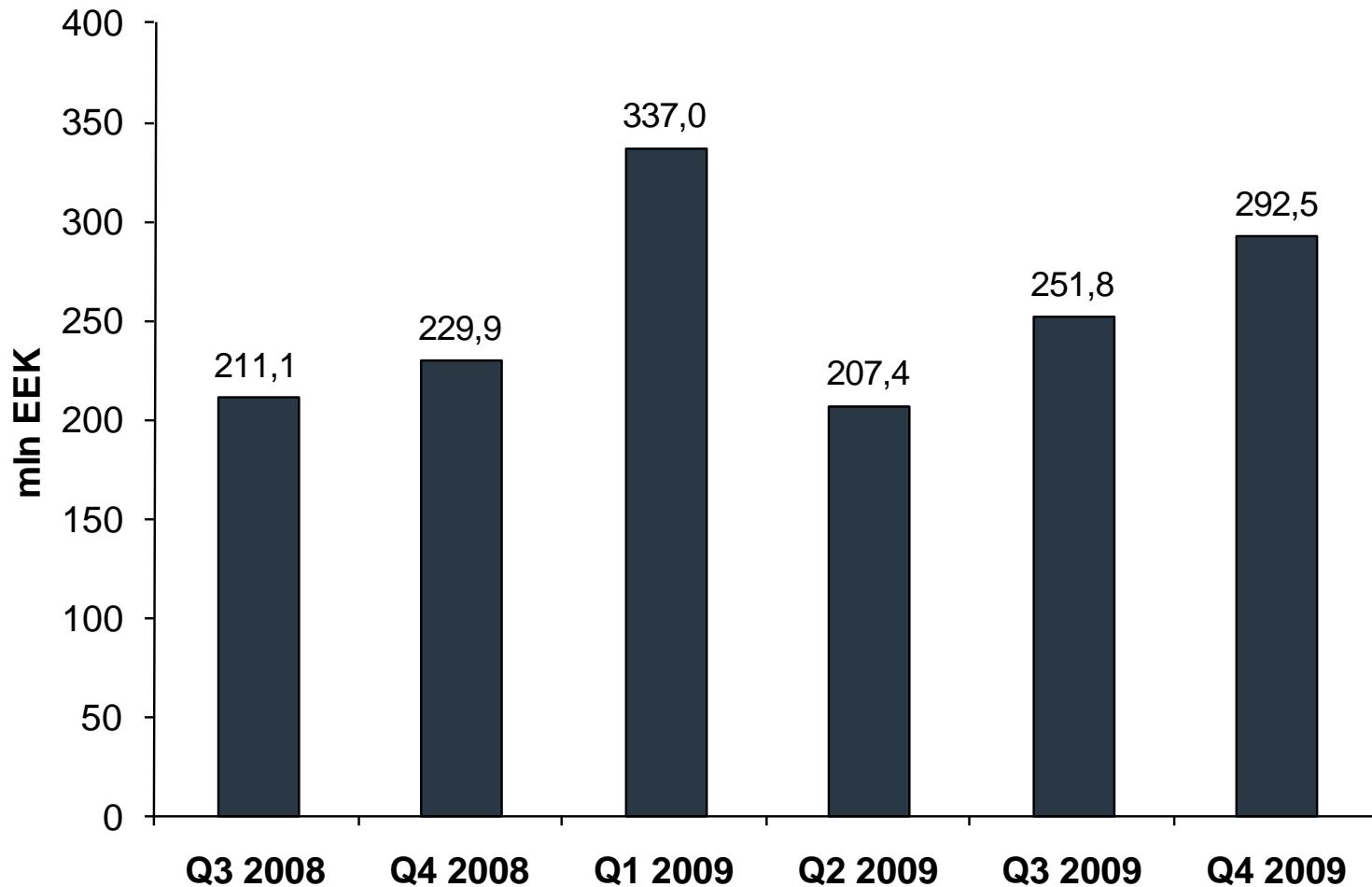
Underlying cost base in line with twelve months of 2008

- COGS – main operating activities by 4.1% or 11.3 mln EEK higher y-o-y, 1.8mln or 0.6% higher excluding the costs related to the Maardu's operations
- Marketing costs 1.1 mln EEK lower
- Administration costs 1.1 mln EEK lower

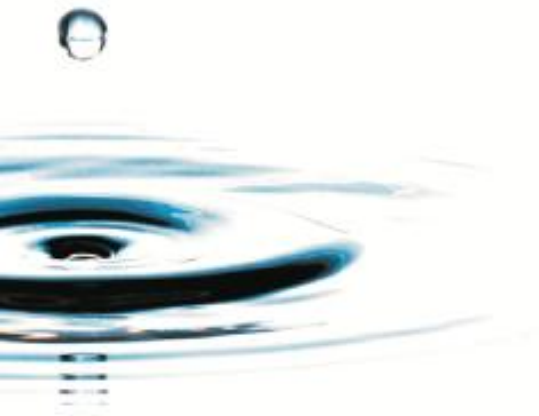
Results impacted by the following macroeconomic indexes:

- ✓ CPI increase/decrease in 2008 +10.4%, 2009F –0.1%
- ✓ June end CPI applicable to the tariff –0.9%
- ✓ Real GDP decrease 2008 –3.6%, 2009F –13.7%
- Other net revenues 13.2 mln EEK higher
- Financial costs 17.7 mln EEK higher

Cash Position



- Cash balances by 62.6m'EEK higher than as of 31 December 2008



Thank You!

AS Tallinna Vesi

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