

AS Tallinna Vesi

Interim results
6 months ended 30 June 2011

29 July 2011

Speakers



Ian Plenderleith
CEO, Chairman of the Management Board



Siiri Lahe
CFO, Member of the Management Board

Contract Evaluation to June 2011

Contract fully compliant with Estonian law

Returns to June 2011 accord with regulatory best practice

World Bank Guidelines & Ofwat methodology used

Indexed Reg. Asset Base (RAB)/Operating Profit = Real ROR

Average annual real rate of return 2001 – 2010 is 6.2%

2010 real rate of return of 6.4%

Dutch Energy regulator, real rate of return 2011 of 6%

Operational Highlights – Six months of 2011

Sales volumes have started to increase - sales up by 1.8%

Water quality 99.72%

Excellent nitrogen removal

Lower leakages, less blockages

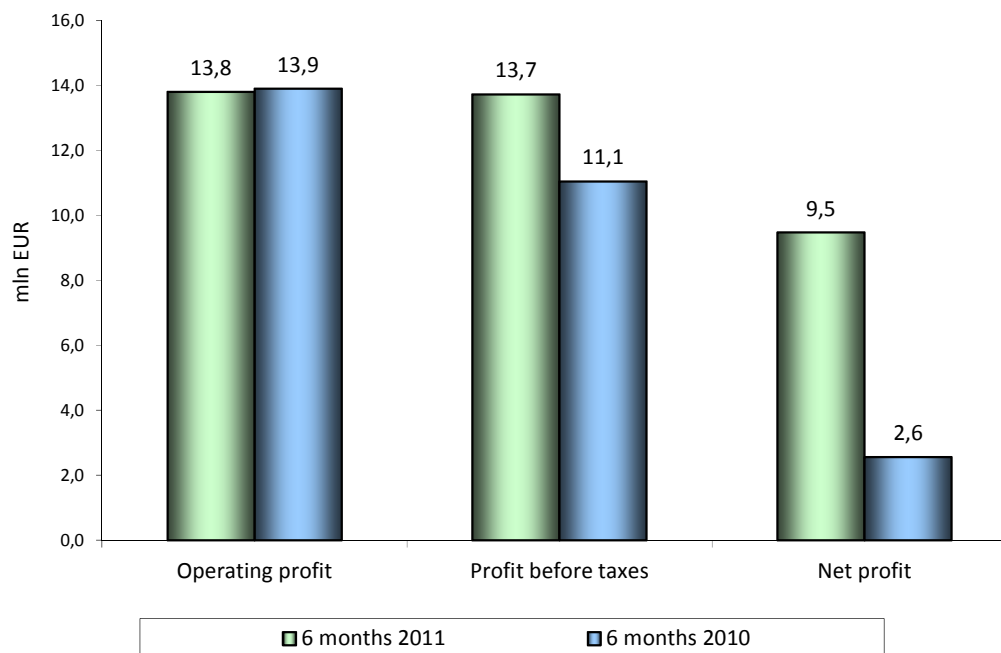
Considerable improvement in customer service

All non-financial indicators verified, certificates renewed

Resolution & timing re tariff application unknown

Financial Highlights in 6 mths 2011 compared to 2010

<i>mln EUR</i>	6 months 2011	6 months 2010	Change	Change %
Sales	25,2	24,7	0,5	1,8%
Gross profit	15,4	14,9	0,4	2,9%
Operating profit	13,8	13,9	-0,1	-0,7%
Operating profit - main business	13,2	12,6	0,7	5,4%
Net profit	9,5	2,6	6,9	270,9%



Water and Wastewater and other revenues

Revenues

million EUR	6M2011	6M2010	Ch. EUR	Ch. %
Domestic	11,9	11,9	0,0	-0,2%
Commercial, in area only	9,0	8,5	0,5	5,9%
Commercial, outside area only	1,7	1,8	0,0	-1,9%
Overpollution	0,4	0,5	0,0	-6,6%
Water and wastewater total	23,1	22,7	0,4	1,8%

Volumes

million m3	6M2011	6M2010	Ch. %	Ch. %
Domestic	13,8	13,7	0,0	0,1%
Commercial, in area only	4,5	4,2	0,3	6,6%
Commercial, outside area only	2,5	2,8	-0,3	-10,8%
Water and wastewater total	20,8	20,8	0,0	-0,1%

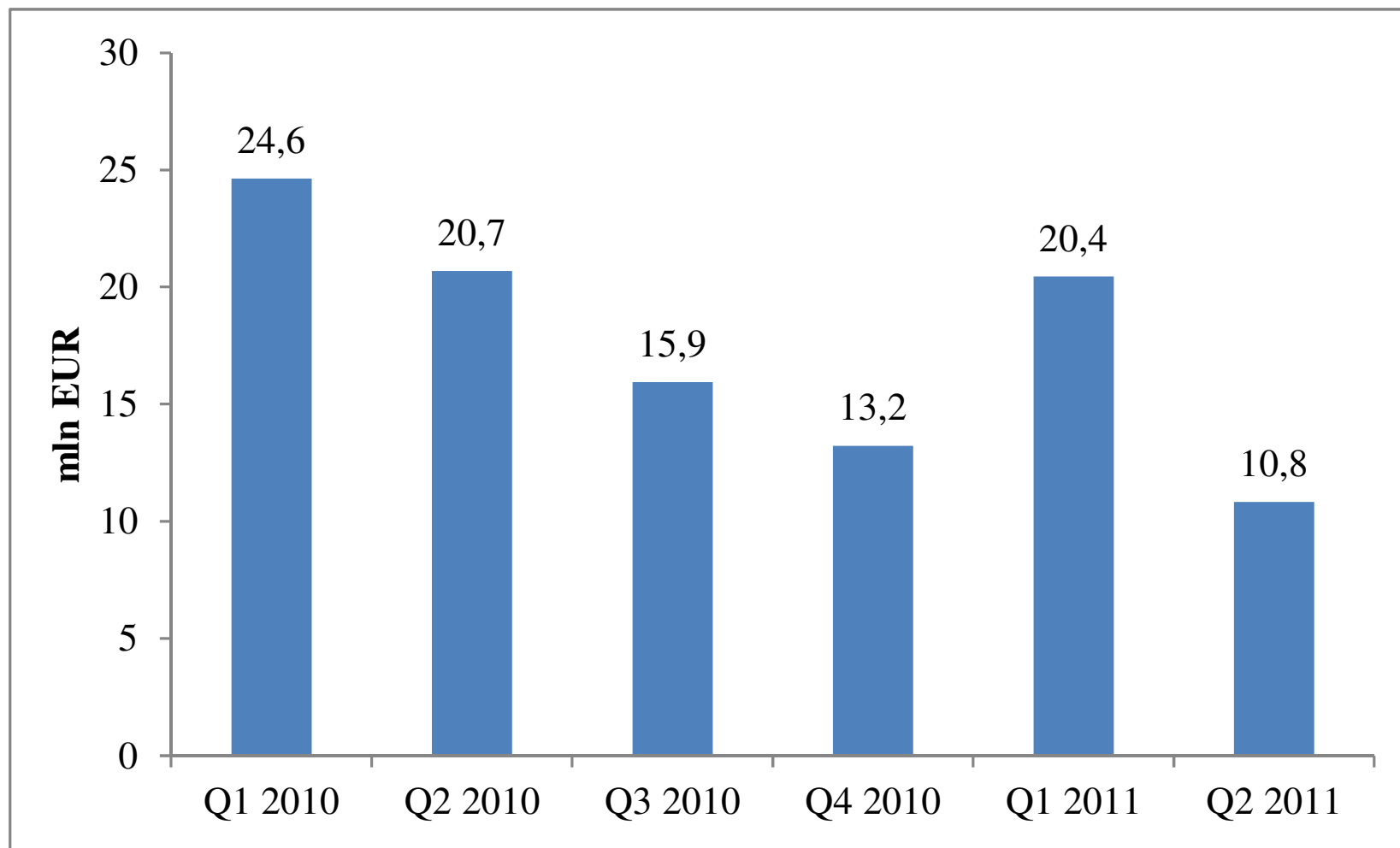
- More than 600 th euros legitimately deprived

Costs: 6 mths 2011 compared to 6 mths 2010

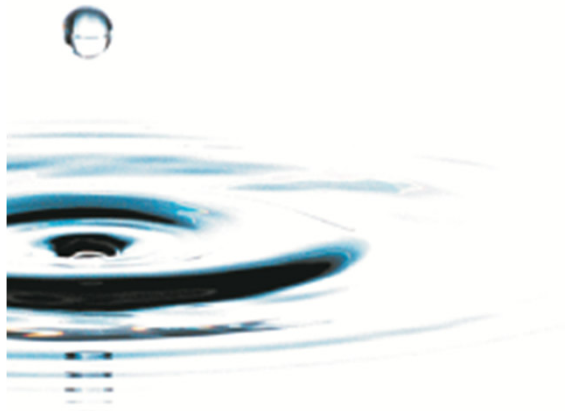
6 mths 2010	2011 m'EUR	2010 m'EUR	Δ m'EUR	Δ %
Costs of goods sold	9,8	9,8	0,0	0,2%
Marketing	0,4	0,4	0,0	-0,5%
Overhead	2,1	1,7	0,4	22,0%
Net Other income	0,9	1,1	-0,2	-14,1%
Net financial costs	0,1	2,9	-2,8	3508,9%

➤ CPI increase 4.9% yoy

Cash Position



➤ Cash balance by 9.9 mln euros lower y-o-y



Thank You!

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