



### **TALLINNA VESI**

Best Investor Relations  
In Baltics  
**1<sup>ST</sup> PLACE**

Best Interactive  
Investor Relations  
**1<sup>ST</sup> PLACE**

Best Reporting Company  
**1<sup>ST</sup> PLACE**

Best Investor Relations  
According to  
Market Professionals  
**2<sup>ND</sup> PLACE**

# AS Tallinna Vesi

Interim results 9 months  
ended 30 September 2017



Hosted by



Karl Heino Brookes  
CEO, Member of the Management Board



Riina Käi  
CFO, Member of the Management Board

# Operations Update

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## Water quality

99.91% compliant, according 18,330 analyses of the 2,225 samples taken

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## Effluent

Fully compliant, no pollution incidents

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## Leakage rate

Cumulative water Network leakage rate in the first nine months in 2017 was the lowest over the time of 13.52%

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## Customer service

In the 9 months of the year, the customer satisfaction index reached 4.2 points on a 5-point scale

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# Tariff dispute

## Local Court Case

Dispute ongoing since 2011

On 5<sup>th</sup> June 2015, Tallinn Administrative Court dismissed AS Tallinna Vesi claim. On 11<sup>th</sup> November 2015, the Company filed the appeal to the District Court

Hearing in the District court took place in 23<sup>th</sup> January 2017. District Court dismissed AS Tallinna Vesi claim on 27<sup>th</sup> January 2017

The Company filed a cassation to the Supreme court on 27<sup>th</sup> February 2017. On 20<sup>th</sup> June Supreme court took the cassation to proceedings

## International Court Case

International arbitration proceedings (ICSID) commenced in October 2014

Hearings were held in Paris, in 7<sup>th</sup> – 11<sup>th</sup> and 14<sup>th</sup> – 15<sup>th</sup> November 2016

The decision is expected from in the second half of 2017 or in the beginning of 2018

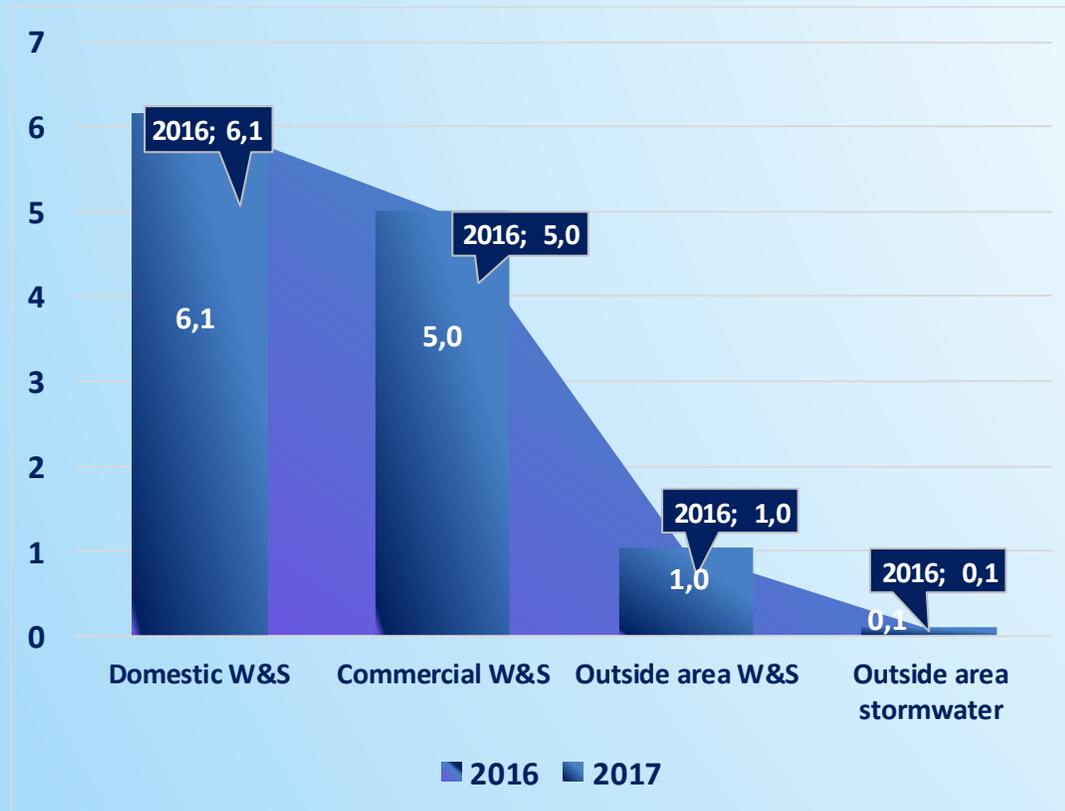
# Financial Highlights

EUR million	Q3 2017	Q3 2016	Change %	9 months 2017	9 months 2016	Change %	12 months 2016
Sales	15,3	15,6	-1,7%	43,8	44,5	-1,4%	59,0
<b>Gross profit</b>	<b>8,6</b>	<b>8,4</b>	<b>2,2%</b>	<b>25,3</b>	<b>25,0</b>	<b>1,1%</b>	<b>33,3</b>
Operating profit	7,4	6,8	9,2%	21,1	19,3	9,5%	24,6
<b>Net profit</b>	<b>7,0</b>	<b>6,5</b>	<b>7,9%</b>	<b>17,7</b>	<b>12,9</b>	<b>36,5%</b>	<b>18,4</b>

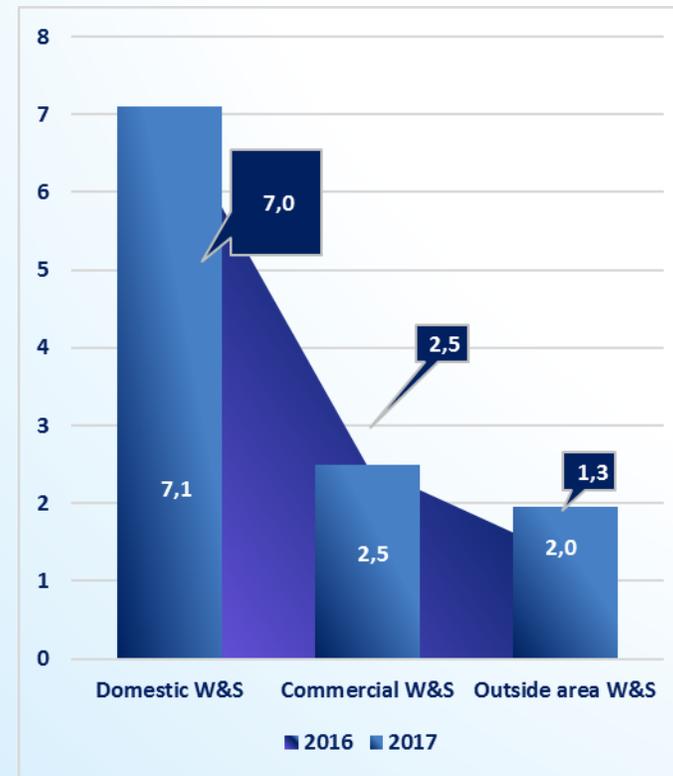


# Water & Wastewater revenues in 3<sup>rd</sup> quarter

## Revenues EUR million



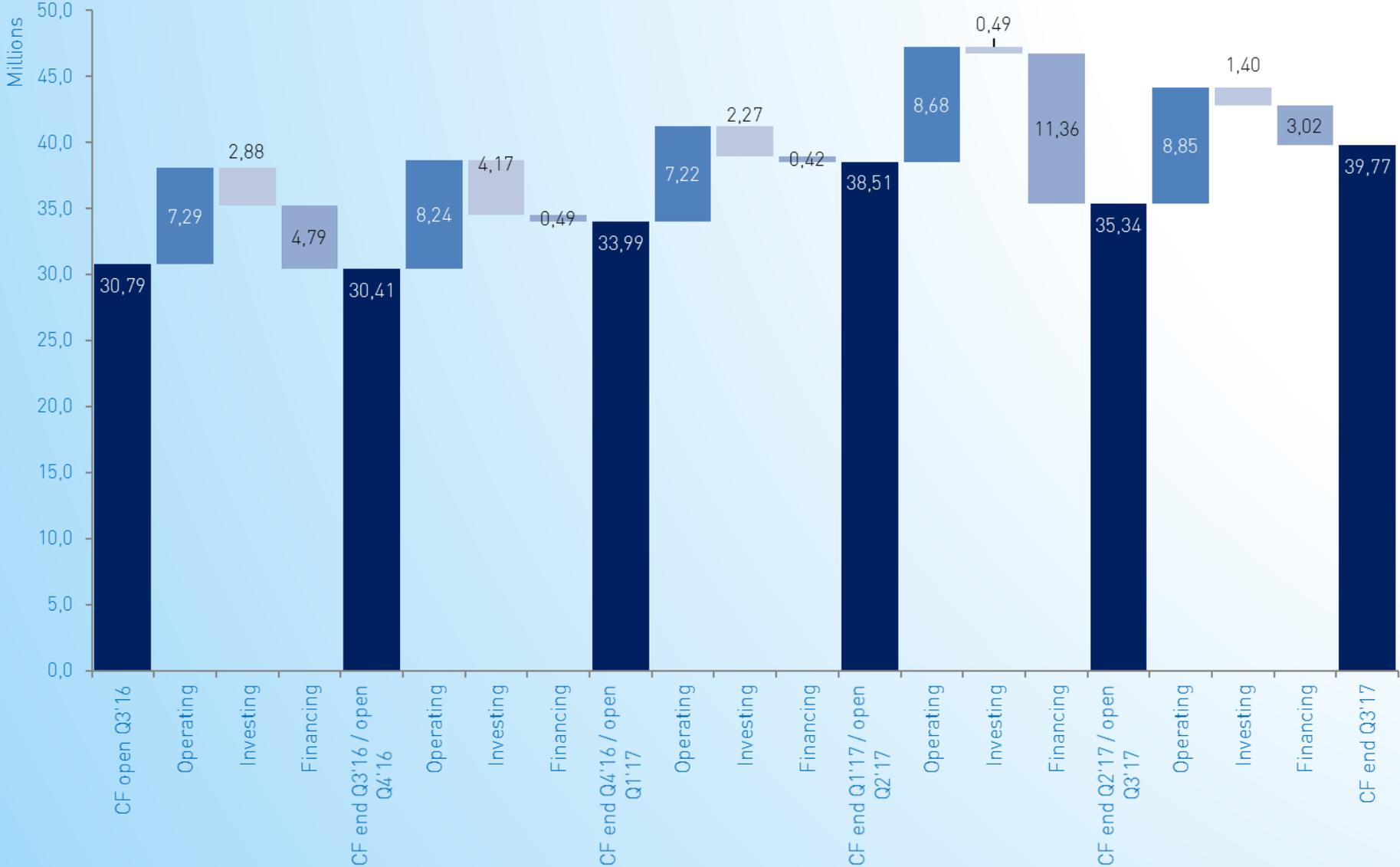
## Volumes million m<sup>3</sup>



# Total costs in 3<sup>rd</sup> quarter

EUR million	Q3 2017	Q3 2016	Change %	9 months 2017	9 months 2016	Change %	12 months 2016
<b>Total Cost of Goods Sold (incl.)</b>	<b>-6,8</b>	<b>-7,2</b>	<b>6,2%</b>	<b>-18,5</b>	<b>-19,4</b>	<b>4,6%</b>	<b>-25,7</b>
Chemicals	-0,4	-0,3	-20,3%	-1,1	-1,0	-13,2%	-1,3
Electricity	-0,7	-0,8	4,7%	-2,4	-2,3	-2,5%	-3,1
Pollution tax	-0,2	-0,3	17,1%	-0,7	-0,9	14,8%	-1,1
Staff costs	-1,3	-1,3	-1,2%	-4,2	-4,2	-0,6%	-5,7
Depreciation	-1,5	-1,4	-6,2%	-4,2	-4,4	5,0%	-5,9
Construction service, design and asphalting	-1,4	-2,0	29,3%	-2,3	-3,4	31,7%	-4,0
Other cost of goods sold	-1,2	-1,1	-5,7%	-3,6	-3,3	-9,3%	-4,6
<b>Marketing, General admin costs</b>	<b>-1,1</b>	<b>-1,5</b>	<b>28,5%</b>	<b>-4,1</b>	<b>-5,6</b>	<b>27,7%</b>	<b>-8,2</b>
<b>TOTAL cost of goods sold, Marketing, Overhead</b>	<b>-7,9</b>	<b>-8,8</b>	<b>10,1%</b>	<b>-22,6</b>	<b>-25,1</b>	<b>9,8%</b>	<b>-33,9</b>
<b>Net other expenses</b>	<b>0,0</b>	<b>0,0</b>	<b>9,3%</b>	<b>-0,1</b>	<b>-0,1</b>	<b>-9,2%</b>	<b>-0,5</b>
<b>Net financial expenses</b>	<b>-0,4</b>	<b>-0,3</b>	<b>-42,3%</b>	<b>-0,7</b>	<b>-1,8</b>	<b>60,2%</b>	<b>-1,7</b>

# Cash position



# Thank You!

Regulatory & political questions  
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Sooner or later  
every investor  
reaches for our  
product.

