

AS Tallinna Vesi

Results of the fourth quarter of 2017



Karl Heino Brookes
CEO, Member of the Management Board



Riina Käi
CFO, Member of the Management Board

Operations update



Water quality

99.93% compliant,
according to 24,760
analyses of the 2,973
samples taken



Leakage rate

Water network leakage
rate in 2017 was the
lowest over the time of
13.82%



Effluent

Fully compliant, no
pollution incidents



Customer service

In 2017, the customer
satisfaction reached 90
points on average (TRI*M
index scale)

Tariff dispute: Local Court Case

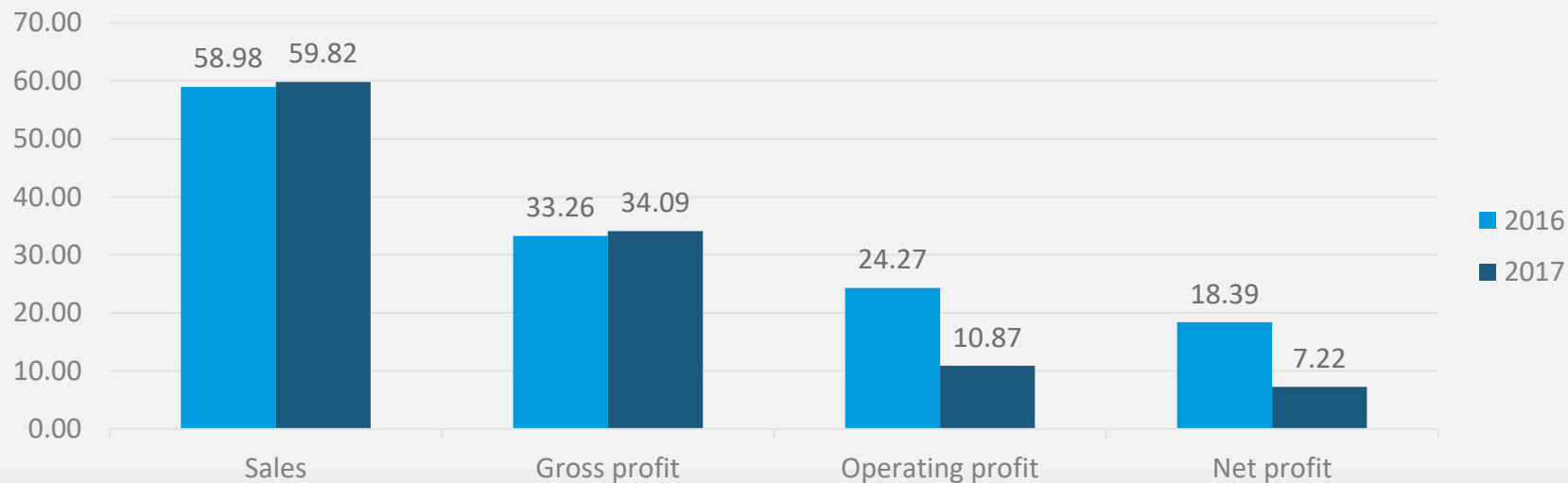
- Dispute started in 2011.
- On 5th June 2015, Tallinn Administrative Court dismissed AS Tallinna Vesi claim. On 11th November 2015, the Company filed the appeal to the District Court.
- Hearing in the District court took place in 23th January 2017. District Court dismissed AS Tallinna Vesi claim on 27th January 2017.
- The Company filed a cassation to the Supreme court on 27th February 2017. On 20th June Supreme court took the cassation to proceedings.
- On 12th December 2017, Supreme Court made a final decision on AS Tallinna Vesi's appeal in cassation in the dispute between AS Tallinna Vesi and the Competition Authority. Supreme Court decided to partly uphold AS Tallinna Vesi's appeal in cassation.

Tariff dispute: International Court Case

- International arbitration proceedings (ICSID) commenced in October 2014
- Hearings were held in Paris, in 7th – 11th and 14th – 15th November 2016
- The decision is expected in the beginning of 2018

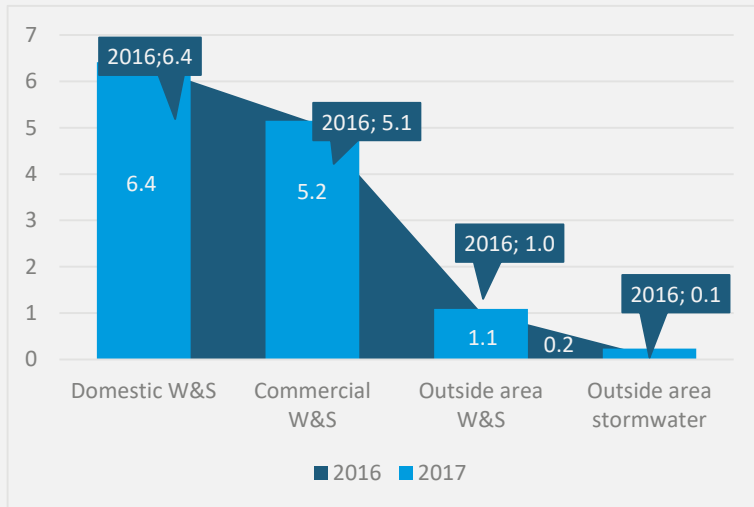


Financial highlights

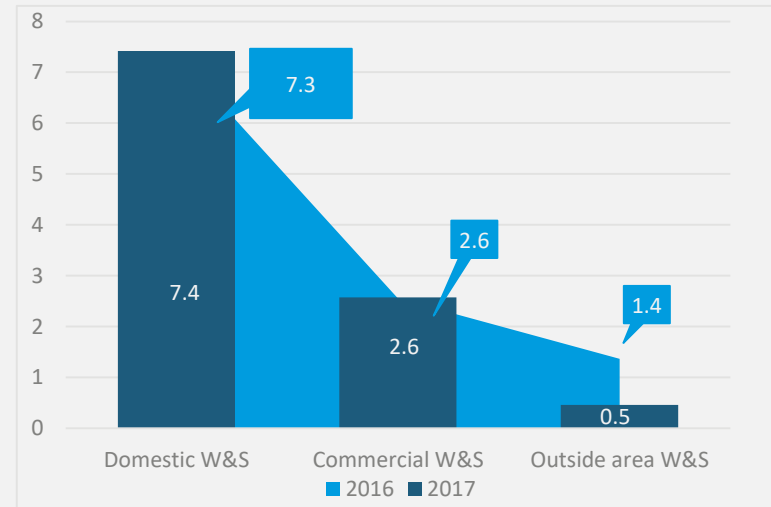


Water & Wastewater revenues in 2017

Revenues
EUR million



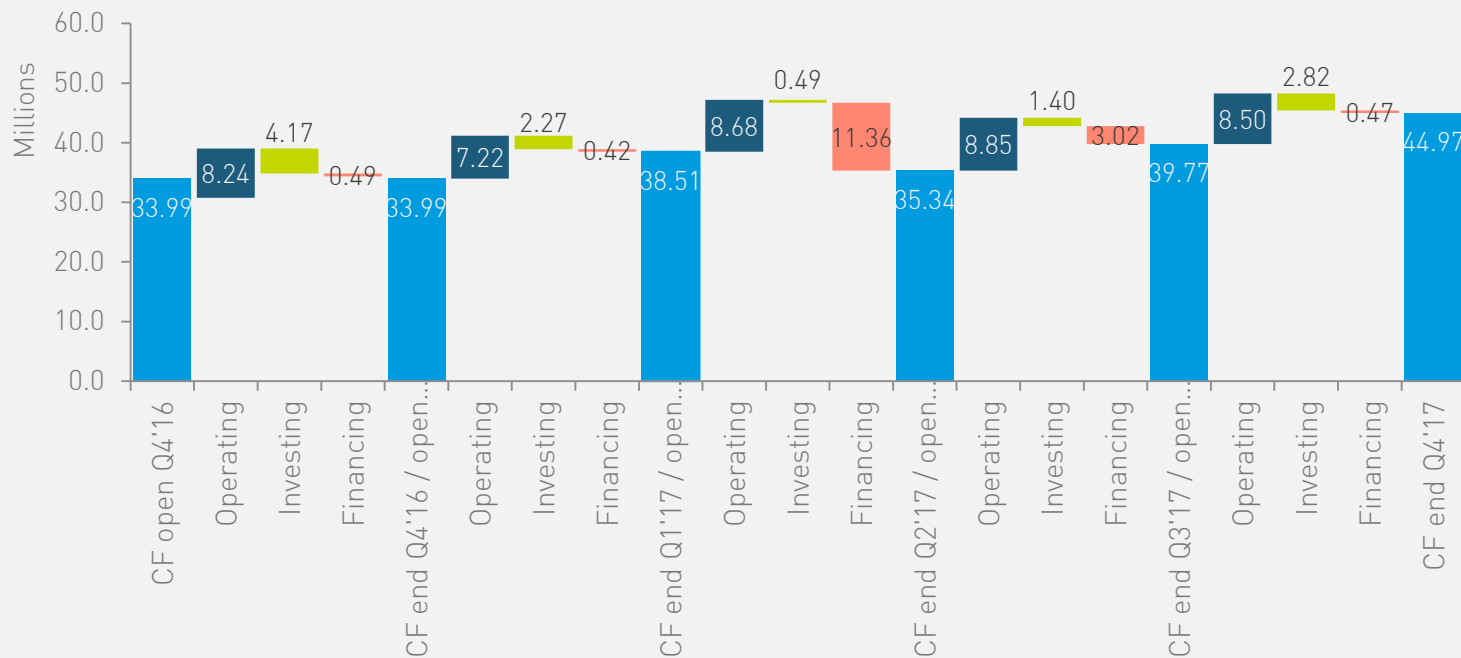
Volumes
million m³



Total costs in 2017

EUR million	Q4 2017	Q4 2016	Change €	Change % 12 months	2017 12 months	2016	Change %
Total Cost of Goods Sold (incl.)	-7.2	-6.3	-0.90	-14.4%	-25.7	-25.7	0.0%
Chemicals	-0.4	-0.3	-0.1	-19.3%	-1.5	-1.3	-14.8%
Electricity	-0.8	-0.8	0.0	-3.7%	-3.2	-3.1	-2.8%
Pollution tax	-0.4	-0.2	-0.1	-56.5%	-1.1	-1.1	-0.8%
Staff costs	-1.6	-1.6	0.0	-1.7%	-5.8	-5.7	-1.0%
Depreciation	-1.4	-1.4	0.1	4.3%	-5.6	-5.9	4.9%
Construction service, design and asphaltting	-1.3	-0.6	-0.7	-115.2%	-3.6	-4.0	9.2%
Other cost of goods sold	-1.3	-1.3	0.0	0.3%	-4.9	-4.6	-6.8%
Marketing, General admin costs	-1.3	-2.5	1.22	48.1%	-5.4	-8.2	34.1%
TOTAL cost of goods sold, Marketing, Overhead	-8.5	-8.8	0.32	3.6%	-31.1	-33.9	8.2%
Net other expenses	-17.7	-0.3	-17.36	-5120.6%	-17.8	-0.5	-3696.0%
Net financial expenses	-0.2	0.1	-0.31	340.0%	-0.9	-1.7	45.7%

Cash position





Thank you!

Regulatory & political questions

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IR & financial questions

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Operational questions

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