

AS Tallinna Vesi

Results of the third quarter of 2018



Karl Heino Brookes
CEO, Member of the Management Board



Riina Käi
CFO, Member of the Management Board

Operations Update



Water quality

9 m 99.91% compliant

Q3 99.87% compliant



Leakage rate

9 m 13.93%

Q3 13.60%



Effluent

Fully compliant, no
pollution incidents



Customer satisfaction

9 m 4.1 out of 5

Q3 4.0 out of 5

Tariff dispute

Local Court Case

- Dispute started in 2011.
- 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 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.

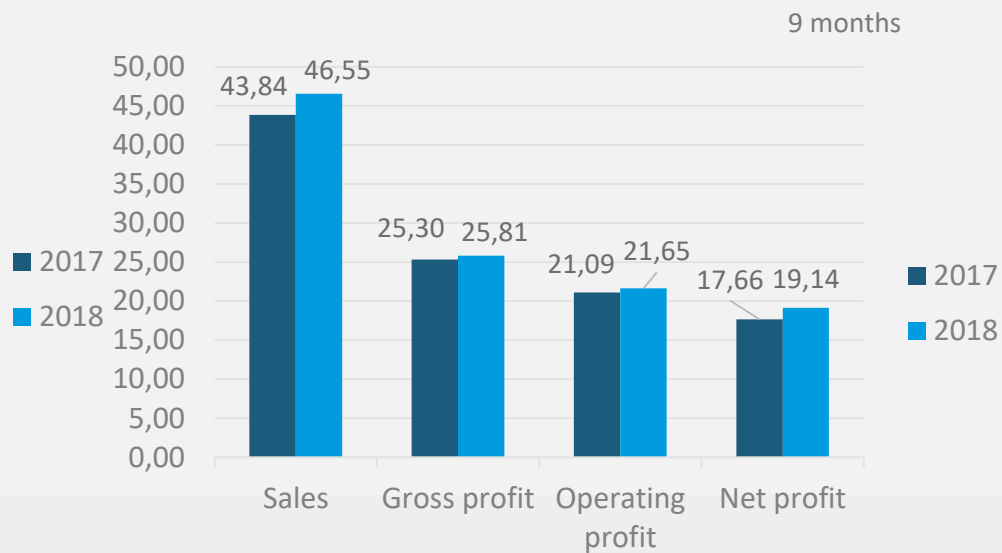
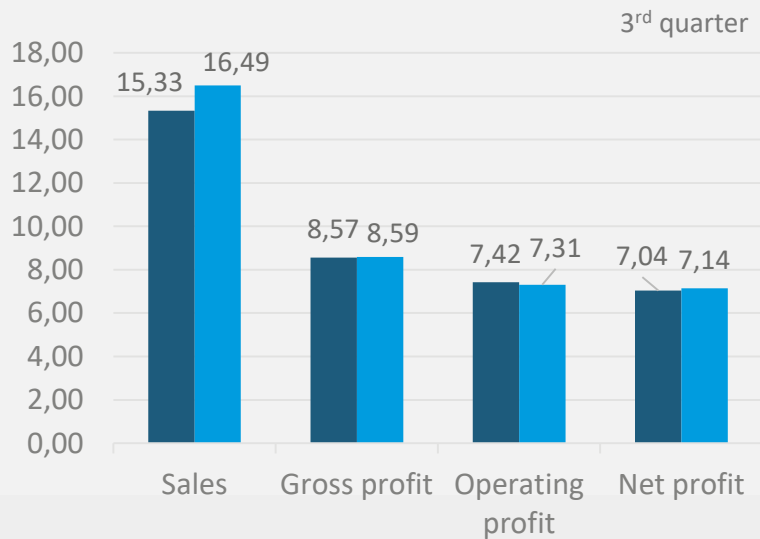
European Court of Human Rights

- In May 2018, Tallinna Vesi sent an application to the European Court of Human Rights
- European Court of Human Rights will not continue proceedings upon Tallinna Vesi's application

International Court Case

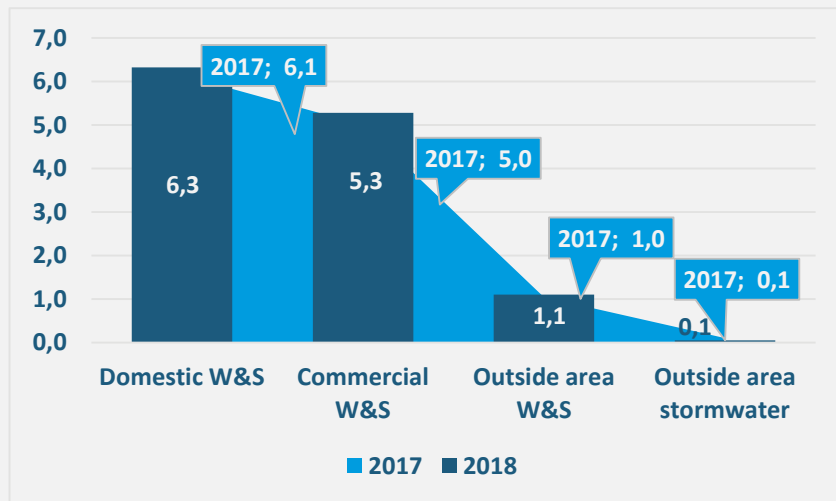
- International arbitration proceedings (ICSID) commenced in October 2014
- Hearings were held in Paris, in November 2016
- EC were allowed to make a limited submission as a non-disputing party
- The decision is expected in end of 2018

Financial highlights

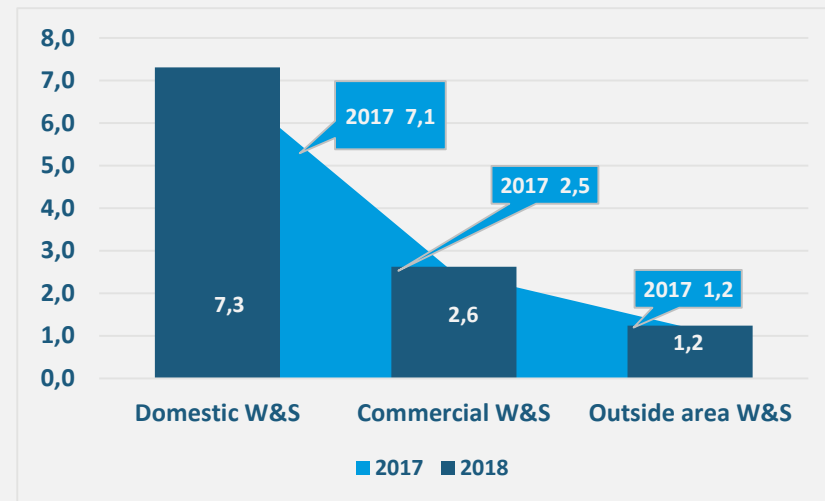


Water & Wastewater revenues in 3rd quarter of 2018

Revenues, EUR million



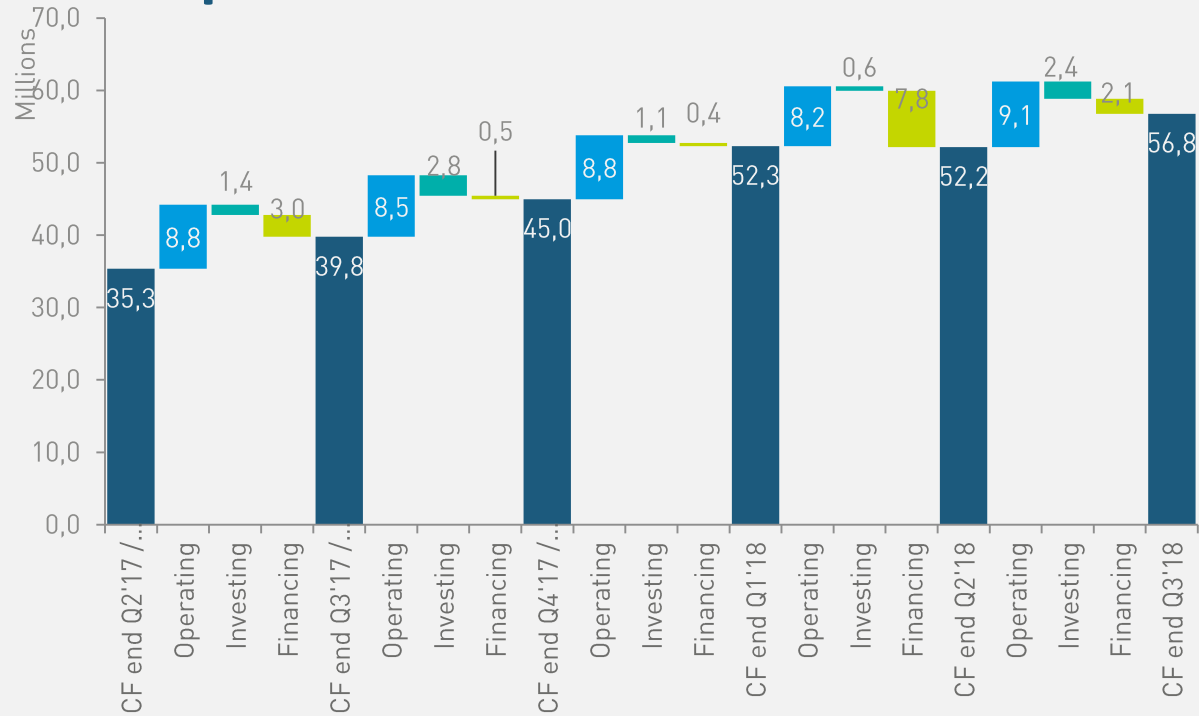
Volumes, million m³



Total costs in the 3rd quarter and 9 months in 2018

EUR million	Q3 2018	Q3 2017	Change €	Change %	9 months 2018	9 months 2017	Change €	Change %
Total Cost of Goods Sold (incl.)	-7,9	-6,8	-1,13	-16,7%	-20,7	-18,5	-2,20	-11,8%
Water abstraction charges	-0,3	-0,3	0,0	-4,6%	-0,9	-0,9	0,0	-2,2%
Chemicals	-0,5	-0,4	-0,1	-12,8%	-1,2	-1,1	-0,1	-13,5%
Electricity	-0,6	-0,7	0,1	13,5%	-2,1	-2,4	0,3	11,6%
Pollution tax	-0,2	-0,2	0,0	12,4%	-0,7	-0,7	0,0	1,5%
Staff costs	-1,5	-1,3	-0,2	-12,8%	-4,7	-4,2	-0,5	-11,7%
Depreciation	-1,3	-1,5	0,3	16,8%	-3,8	-4,2	0,4	9,8%
Construction service, design and asphaltting	-2,3	-1,4	-0,8	-56,2%	-3,9	-2,3	-1,5	-66,4%
Other cost of goods sold	-1,3	-0,9	-0,5	-54,6%	-3,5	-2,8	-0,7	-25,4%
Marketing, General admin costs	-1,2	-1,1	-0,08	-7,2%	-4,0	-4,1	0,08	2,0%
TOTAL cost of goods sold, Marketing, Overhead	-9,1	-7,9	-1,21	-15,4%	-24,7	-22,6	-2,12	-9,4%
Net other expenses	-0,1	0,0	-0,06	-148,7%	-0,2	-0,1	-0,03	-23,9%
Net financial expenses	-0,2	-0,4	0,21	54,6%	-0,7	-0,7	0,02	2,6%

Cash position



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Thank you!

Regulatory & political questions

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IR & financial questions

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