

AS Tallinna Vesi

Results of the fourth quarter of 2018



Karl Heino Brookes
CEO, Member of the Management Board



Riina Käi
CFO, Member of the Management Board

Operations Update



Water quality

12 m 99.93% compliant
Q4 100% compliant



Leakage rate

12m 13.71%
Q4 13.07%



Effluent

Fully compliant, no
pollution incidents



Customer satisfaction

4.1 out of 5

Tariff dispute

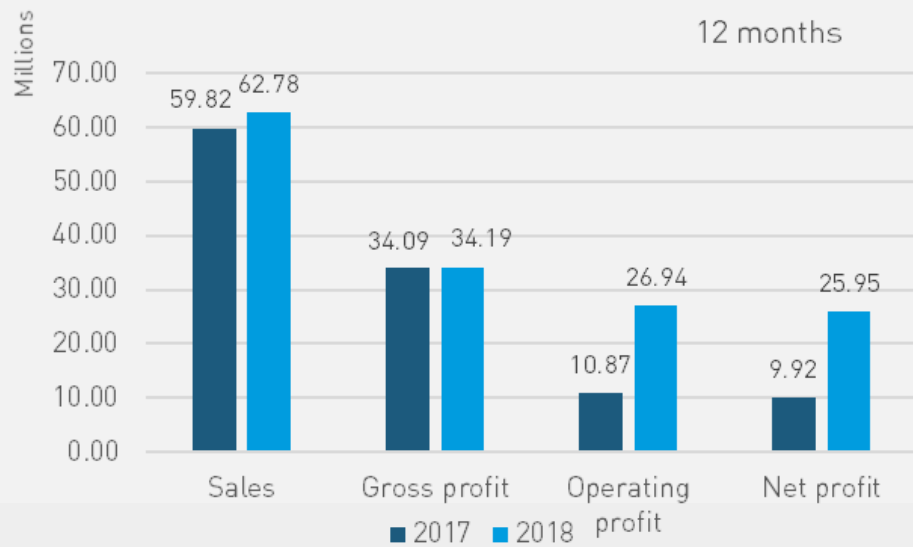
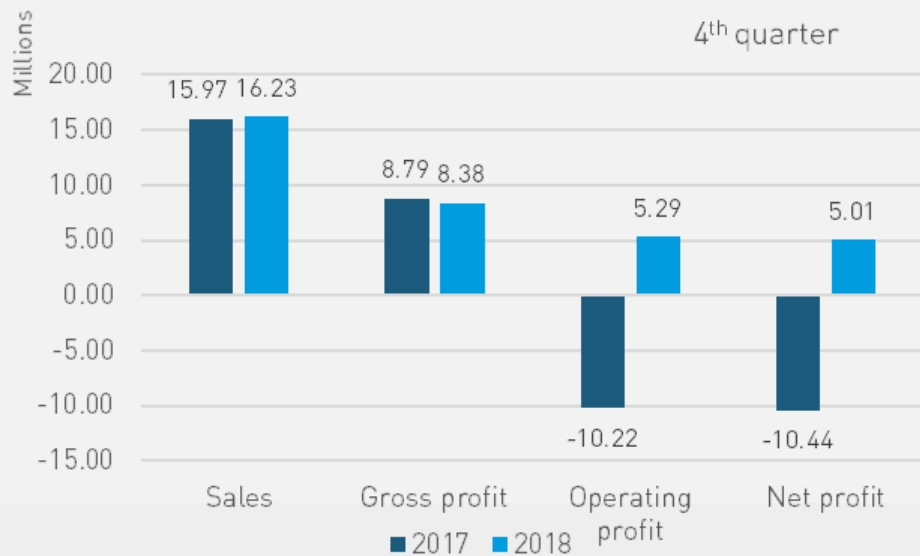
Local Court Case

- 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.

International Court Case

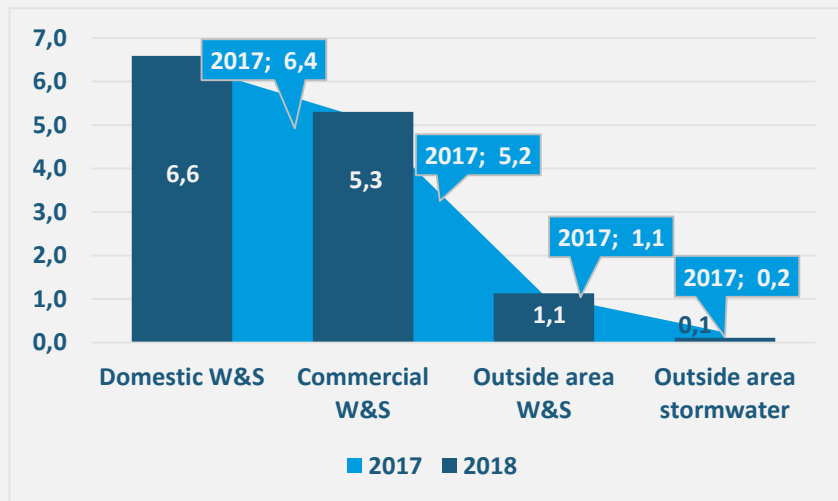
- International arbitration proceedings (ICSID) commenced in October 2014
- Hearings were held in Paris, in November 2016
- EC were allowed to make a limited submission as a non-disputing party
- The decision is expected in 2019

Financial highlights

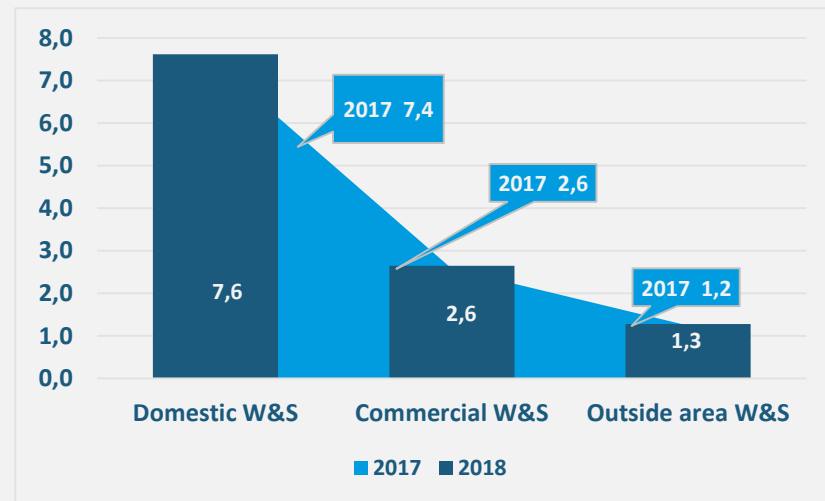


Water & Wastewater revenues in 4th quarter of 2018

Revenues, EUR million



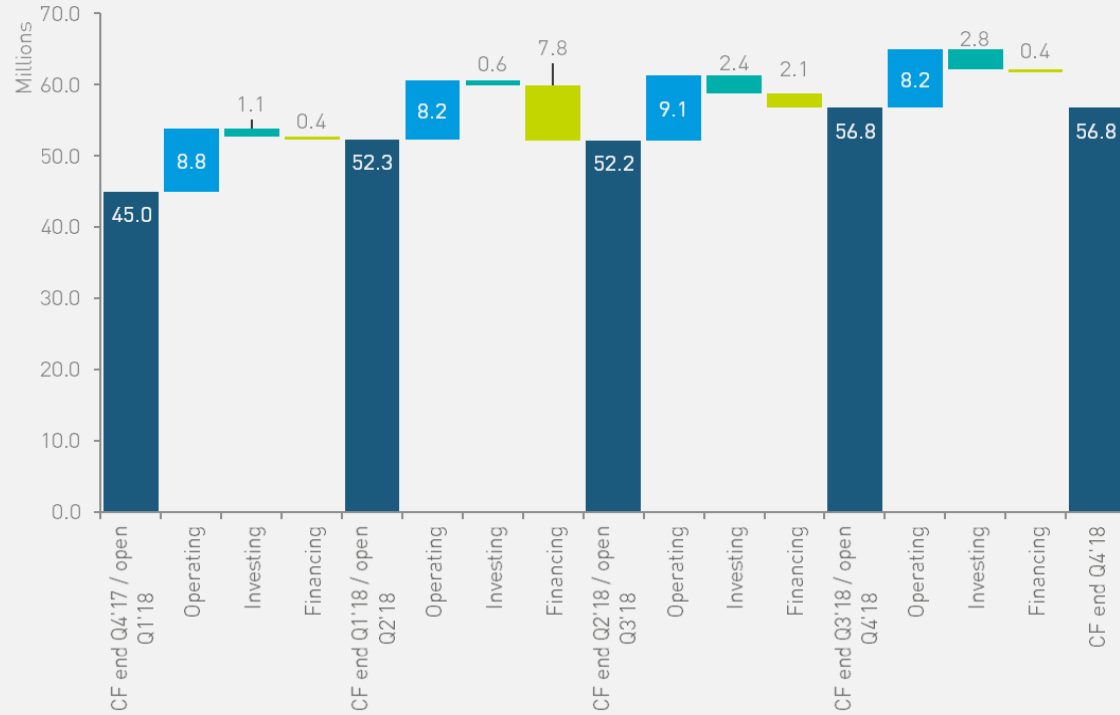
Volumes, million m³



Total costs in the 4th quarter and 12 months in 2018

EUR million	Q4 2018	Q4 2017	Change €	Change %	12 months 2018	12 months 2017	Change €	Change %
Total Cost of Goods Sold (incl.)	-7.9	-7.2	-0.7	-9.4%	-28.6	-25.7	-2.9	-11.2%
Water abstraction charges	-0.3	-0.3	0.0	0.3%	-1.2	-1.2	0.0	-1.6%
Chemicals	-0.5	-0.4	-0.1	-23.4%	-1.7	-1.5	-0.2	-16.2%
Electricity	-0.8	-0.8	0.1	8.6%	-2.8	-3.2	0.3	10.8%
Pollution tax	-0.2	-0.4	0.1	33.7%	-1.0	-1.1	0.1	12.5%
Staff costs	-1.6	-1.6	0.0	-0.6%	-6.3	-5.8	-0.5	-8.6%
Depreciation	-1.4	-1.4	0.0	-1.1%	-5.2	-5.6	0.4	7.2%
Construction service, design and asphaltting	-1.4	-1.3	-0.1	-4.5%	-5.2	-3.6	-1.6	-44.0%
Other cost of goods sold	-1.7	-1.0	-0.7	-69.3%	-5.2	-3.8	-1.4	-36.8%
Marketing, General admin costs	-1.4	-1.3	-0.1	-8.0%	-5.4	-5.4	0.0	-0.5%
TOTAL cost of goods sold, Marketing, Overhead	-9.3	-8.5	-0.8	-9.1%	-34.0	-31.1	-2.9	-9.3%
Net other expenses	-1.7	-17.7	16.0	90.6%	-1.8	-17.8	16.0	89.7%
Net financial expenses	-0.3	-0.2	-0.1	-29.6%	-1.0	-0.9	0.0	-4.8%

Cash position



A blue-toned background featuring a dynamic water splash on the left side, with droplets and ripples. A dark blue semi-transparent rectangle is overlaid on the right side, containing white text. In the upper right corner of this rectangle, there are faint, light blue concentric circles.

Thank you!

Regulatory & political questions

Karl Brookes

Karl.Brookes@tvesi.ee

IR & financial questions

Riina Käi

riina.kai@tvesi.ee

Operational questions

Aleksandr Timofejev

aleksandr.timofejev@tvesi.ee

Company ph., +372 62 62 200,

E-mail tvesi@tvesi.ee