

AS Tallinna Vesi

Results of the 2nd quarter of 2019



Karl Heino Brookes
CEO, Member of the Management Board



Riina Käi
CFO, Member of the Management Board

Operations Update



Water quality

Q2 99.17% compliant
6 months 99.46% compliant



Leakage rate

Q2 11.6%
6 months 12.2%



Effluent

Fully compliant, no
pollution incidents



Average duration of water interruption per property

Q2 2.67 h (2018: 3.58 h)
6 months 2.63 h (2018: 3.28)



Customer satisfaction

Q2 4.1 out of 5
6 months 4.1 out of 5

Tariff dispute

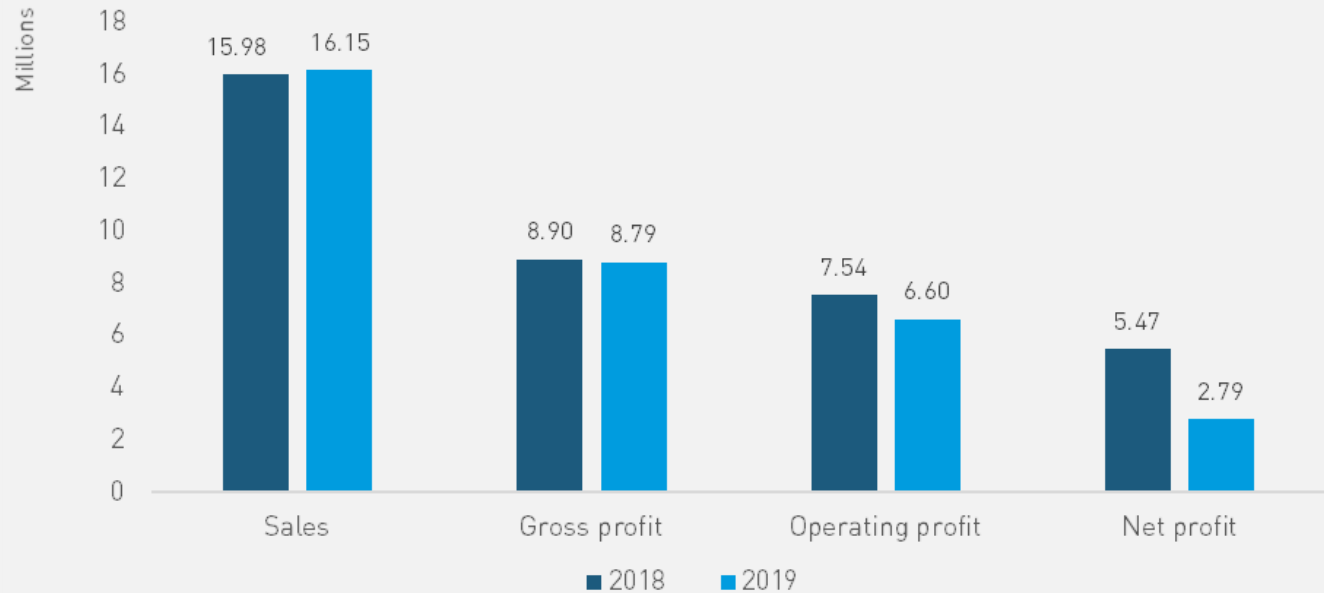
Local Court Case

- Dispute started in 2011.
- 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.
- On 4th December 2018 CA did not approve the water and wastewater tariffs in Tallinn and Saue.
- On 14th March 2019 the Company disputed the decision in Tallinn Administrative Court

International Court Case

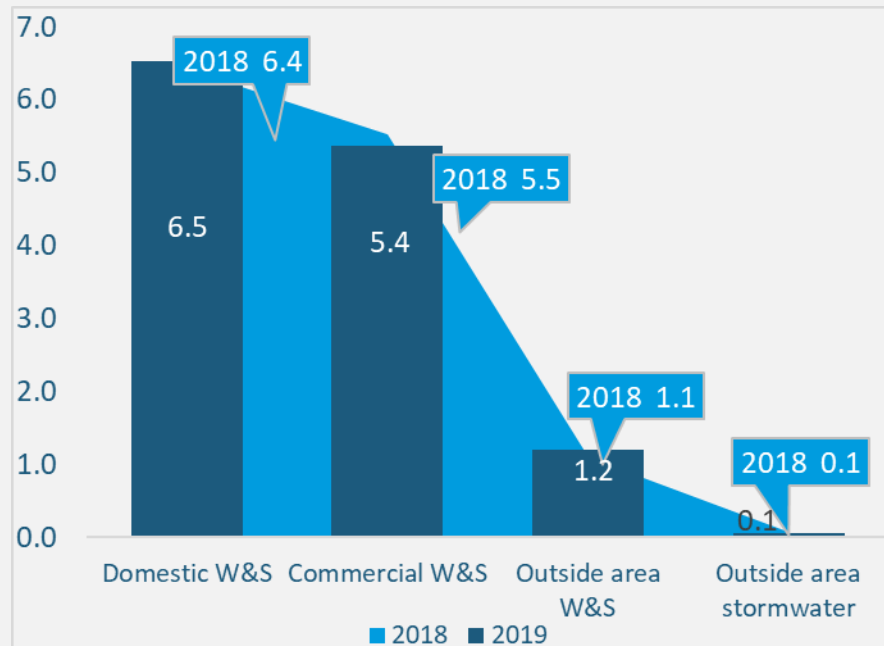
- International arbitration proceedings (ICSID) commenced in October 2014
- Hearings were held in Paris, in November 2016
- EC were allowed to make a limited submission as a non-disputing party
- Negative decision on 21st June 2019 with the dissent from one of the panel members

Financial highlights

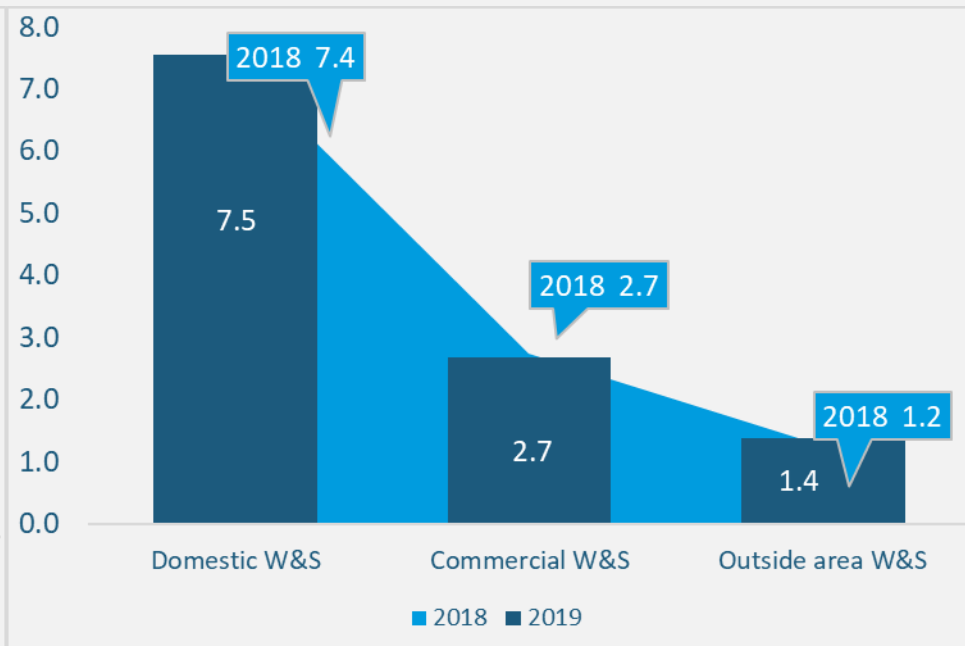


Water & Wastewater revenues in 2nd quarter of 2019

Revenues, € million



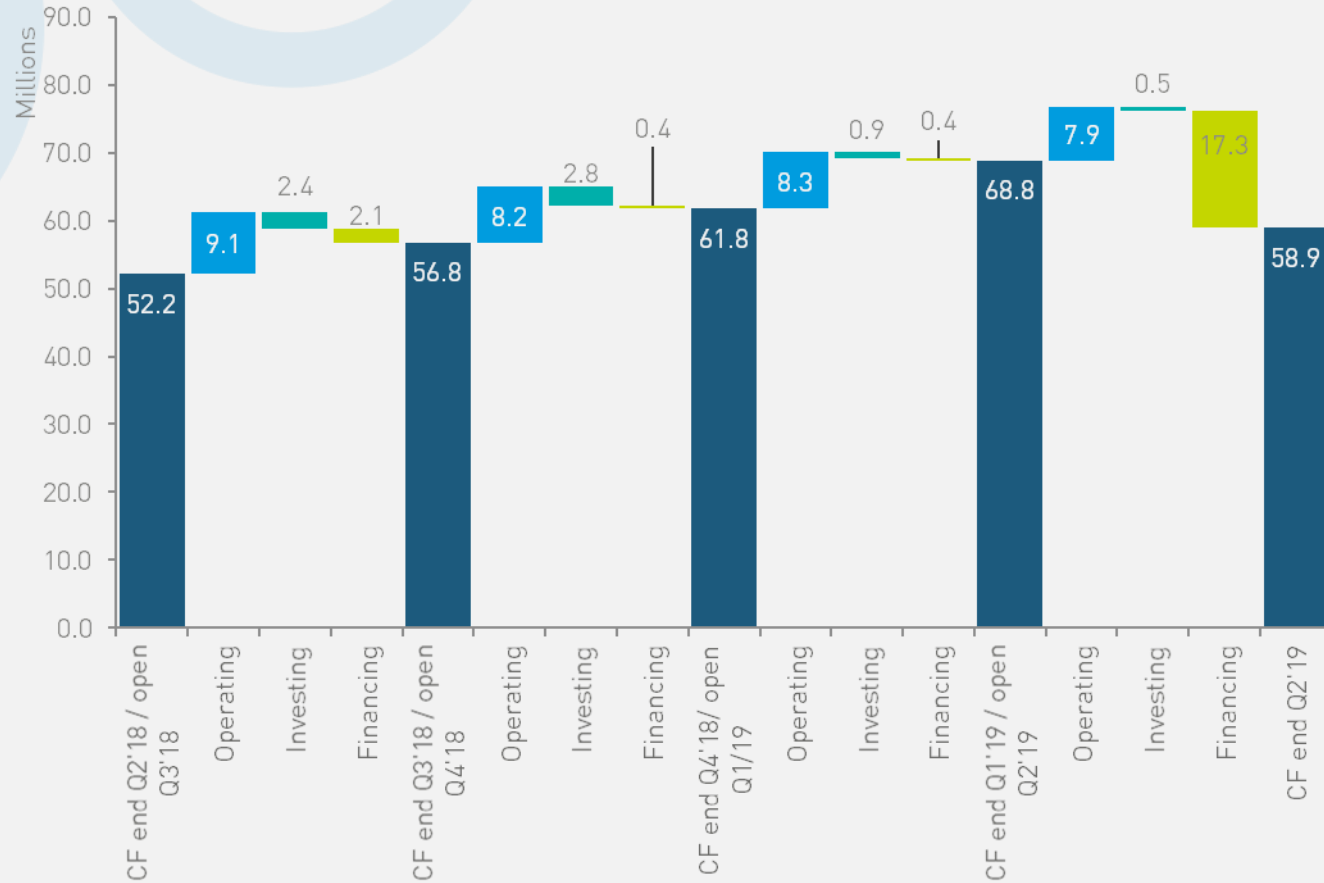
Volumes, million m³



Total costs in the 2nd quarter in 2019

€ million	Q2 2019	Q2 2018	Change €	Change %	6 months 2019	6 months 2018	Change €	Change %
Total Cost of Goods Sold (incl.)	-7.4	-7.1	-0.3	-3.9%	-13.8	-12.8	-0.9	-7.2%
Water abstraction charges	-0.3	-0.3	0.0	0.0%	-0.6	-0.6	0.0	0.0%
Chemicals	-0.4	-0.3	-0.1	-24.0%	-0.8	-0.8	-0.1	-6.8%
Electricity	-0.8	-0.7	-0.1	-17.0%	-1.8	-1.5	-0.4	-25.0%
Pollution tax	-0.226	-0.233	0.0	3.0%	-0.6	-0.5	-0.1	-16.2%
Staff costs	-1.7	-1.6	-0.1	-4.5%	-3.3	-3.2	-0.1	-3.9%
Depreciation	-1.3	-1.3	0.0	-2.3%	-2.6	-2.6	-0.1	-3.4%
Construction service, design and asphalting	-1.2	-1.4	0.1	8.3%	-1.7	-1.6	-0.1	-5.6%
Other cost of goods sold	-1.3	-1.2	-0.1	-7.4%	-2.2	-2.1	-0.1	-5.7%
Marketing, General admin costs	-2.1	-1.3	-0.8	-62.0%	-3.5	-2.8	-0.7	-24.8%
TOTAL cost of goods sold, Marketing, Overhead	-9.5	-8.4	-1.1	-13.0%	-17.3	-15.6	-1.6	-10.3%
Net other expenses	-0.1	0.0	0.0	-39.6%	-0.1	-0.1	0.0	22.8%
Net financial expenses	-0.3	-0.3	0.0	2.9%	-0.5	-0.5	0.1	12.1%

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. Faint circular patterns are visible in the background behind the rectangle.

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