AS EKSPRESS GRUPP

CONSOLIDATED INTERIM REPORT

FOR THE THIRD QUARTER AND FIRST NINE MONTHS OF 2007

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GENERAL INFORMATION

Beginning of the financial year	1 January 2007
Ending of the financial year	30 September 2007
Name of the Company	AS Ekspress Grupp
Registration number	10004677
Address	Narva mnt.11 E, 10151 Tallinn
Phone no	+372 669 8181
Fax no	+372 669 8081
Main field of activity	Publishing and related services
CEO	Priit Leito
Auditor	AS PricewaterhouseCoopers

MANAGEMENT REPORT

Highlights 3rd quarter 2007
- Sales revenue EEK 257.6 million (EUR 16.5 million) year-over-year growth 19.2%
- Gross profit EEK 70.3 million (EUR 4.5 million), year-over-year growth 25.5%
- EBITDA EEK 35.6 million (EUR 2.3 million), year-over-year growth 57.5%
- EBIT EEK 26.8 million (EUR 1.7 million), year-over-year growth 77%
- Net profit EEK 19.3 million (EUR 1.2 million), year-over-year growth 41.6%

First 9 months of 2007
- Sales revenue EEK 784.6 million (EUR 50.1 million), year-over-year growth 18.2%
- Gross margin 27%
- EBIT margin 11%
- Net margin 9%

Delfi Group, September 2007
- Sales revenue EEK 11.7 million (EUR 0.75 million), year-over-year growth 58.1%
- EBITDA EEK 5.1 million (EUR 0.33 million), year-over-year growth 89%
- EBIT EEK 4.7 million (EUR 0.3 million), year-over-year growth 88%

Over the first nine months of 2007, the consolidated net sales of AS Ekspress Grupp totalled EEK 784.6 million (EUR 50.1 million) which is 18.2% higher than in the same period of 2006. EBITDA totalled EEK 110.0 million (EUR 7.0 million). On a comparable basis (excluding revenue relating to the sale of the share of Linnaleht in the amount of EEK 3.4 million (EUR 0.2 million), it exceeds the result of the comparable period of 2006 by 21.3%. Over the first 9 months of 2007, the Group's net profit reached EEK 70.5 million (EUR 4.5 million) which (excluding the effect of Linnaleht) is 24% higher than in 2006. In the third quarter, the consolidated net sales amounted to EEK 257.6 million (EUR 16.5 million) which is 19.2% higher than in the third quarter of 2006. EBITDA amounted to EEK 35.6 million (EUR 2.3 million) and net profit amounted to EEK 19.3 million (EUR 1.2 million). As compared to the third quarter of 2006, EBITDA growth was 57.5% and net profit growth was 41.6%.

Overview of the media market
In the third quarter, strong growth of advertising revenue of periodicals which had commenced in the first half of the year continued as compared to last year. In the first 9 months of 2007, the advertising revenue of five leading national newspapers increased by 32% as compared to the same period in 2006, totalling EEK 332 million kroon. The areas of real estate and personnel search advertising showed the highest volume growth. Also, automobile and tourism advertising also increased significantly. Over the first 9 months of 2007, the advertising volumes of five leading newspapers increased by 15% as compared to the same period in 2006. The wide gap between the volume and revenue is attributable to the significant volume growth of web-based advertising. According to the opinion of media analyst Toomas Leito, advertising revenue growth is expected to be somewhat more modest in the 4th quarter; however, the year 2007 as a whole is expected to show excellent growth.

Sales revenue by segments
The growth drivers of the Group's sales revenue in absolute terms were primarily the publishing of newspapers and magazines and the printing service. Fast growth occurred also in the segment of information services and book sales. The online media segment contributed to the sales growth in the third quarter.

On 03.09.2007, the shares of Delfi Holding OÜ (under the previous business name of OÜ Interinfo Baltic) were transferred after the resolution adopted by the Estonian Competition Board on 28.08.2007 allowing AS Ekspress Grupp to acquire the parent company of AS Delfi.
AS Delfi with its subsidiaries manages 7 internet portals: Estonian and Russian language portals in Estonia and Latvia, (http://www.delfi.ee, rus.delfi.ee, http://www.delfi.lv and rus.delfi.lv), two portals in Lithuania http://www.delfi.lt and http://www.centras.lt) as well as the news portal in the Ukraine (http://www.delfi.ua).

After the merger, the Ekspress Group has become the market leader in the Internet advertising market of the Baltic countries. From September 2006, the results of operations of the Delfi Group are included in the financial statements of Ekspress Group. September 2007 was the most successful month ever both in terms of usage as well as net sales (net sales EEK 11.7 million). As compared to September 2006, the sales growth totalled 58.1% (2006: EEK 7.4 million). Management considers the year 2007 as a year of strong growth: the sales forecast is EEK 124 million and EBITDA forecast is EEK 45 million. The sales growth as compared to 2006 was 37% and that of EBITDA was 44%. Management forecasts 30% sales growth in the upcoming years, as well as continuation of 35-40% EBITDA growth. Management foresees great potential for the synergy of revenue and expenses with the current areas of operation of the Ekspress Group.

In the publishing segment, advertising sales continue to growth fast, the growth over the first 9 months of 2007 was 23% as compared to the prior year, in the third quarter it was even higher at 28.5%. The sales growth of periodicals (subscriptions and single issue sales) was a decent 14%, based on the sales growth of existing products as well as new magazines. The growth of single copy sales in the third quarter was even higher at 20%, based on the growth of magazines “Klubas” and “Naised” launched in the first half of the year. As new products, Ajakirjade Kirjastus published special editions of magazines in the third quarter of the year: Aed of Kodukiri, Raha-eri of Pere ja Kodu, Extra of Saladused, as well as Kataloog of Ruum. Launching new products has increased marketing costs. On a comparable basis (excluding revenue relating to the sale of the share of Linnaleht in the amount of EEK 3.4 million kroons in 2006,) both the increase of marketing costs as well as printing and distribution costs have lowered the EBITDA margin from 13.7% in 2006 to 12% over the first nine months of 2007.

In the segment of printing services, sales growth is limited by production capacity which has been fully utilised by now. Therefore, the sales growth in the third quarter of 2007 was a modest 4%; over the first nine months, the sales growth of the printing company was a respectable 12% as compared to the same period in 2006. This growth has primarily been achieved with regard to non-Group Estonian customers and export products. However, the operating margin has been reduced by higher paper prices and acceleration of labour costs (20%) as compared to productivity. The magazine printing press Rotoman purchased in the first half of the year which is expected to be fully operational next year will enable to increase the production capacity of Printall by one third.

The 15% growth of **book sales** in the first nine months of 2007 as compared to the same period in 2006 is a sign of a favourable market condition which has been well utilised with the opening of a new store in Viljandi and the expansion of commercial space in Viru Center.

Over the first nine months of 2007, the revenue of **information services** was significantly (30%) impacted by the introduction of a phone catalogue in the first half of the year and market share growth with regard to the telephone information service. In the upcoming years, the potential of the segment of information services will be positively impacted by the launching of the subsidiary of Ekspress Hotline set up Bucharest in the first half of the year.

Net profit

Over the first nine months of the year, the gross profit of the Ekspress Group reached 27%, being at the same level as last year. The gross profit in the third quarter increased to 27% as compared to 26% in the comparable period last year. Over the first nine months, the gross profit reached EEK 209.7 million (EUR 13.4 million), increasing by 17.2% in a year.

The Group’s marketing expenses increased due to the expansion of the Group and the launching of new products. The growth over the first nine months was 34%. Labour costs have increased by 29.7% as a result of hiring new employees as well as raising their wages.

Over the first nine months of the year, EBIT reached EEK 84.7 million (EUR 5.4 million), increasing by 18.6% as compared to the same period last year. Over the first nine months, the operating margin was 11% (9 months of 2006: also 11%). In the third quarter, EBIT reached EEK 26.8 million (EUR 1.7 million), increasing by 77% in a year. In the third quarter, the operating margin was 10.4% (3rd quarter of 2006: 7%).

Over the first nine months, the Group's financial expenses reached EEK 13.4 million (EUR 0.9 million). A major part of the financial expenses was made up of interest expenses in the amount of EEK 9.8 million (EUR 0.6 million). In the upcoming years, the Group's interest expenses will grow due to the loan in the amount of EEK 674.4 million (EUR 43.1 million) taken from the syndicate of SEB Eesti Ühispank, Sampo Pank and Nordea Pank for the acquisition of Delfi and Maaleht by the Ekspress Group in the third quarter. Interest expenses will also increase as a result of the increase in Euribor.

Overall, the Ekspress Grupp earned EEK 70.2 million (EUR 4.5 million) in net profit (after taxes and minority interest) over the first nine months of 2007. Net profit increased by 19.4% as compared to the same period last year. In the third quarter, the Group's net profit (after taxes and minority interest) amounted to EEK 19.1 million (EUR 1.2 million). The growth was 45.9% as compared to the same period in 2006.

Balance sheet and investments

As of 30 September 2007, the consolidated balance sheet total of the Ekspress Group was EEK 1 688.8 million (EUR 107.9 million), increasing by 173% in a year. The assets and liabilities included in the balance sheet have increased as a result of the expansion of the Group.

Current assets increased by 41.9% in a year, reaching EEK 279.8 million (EUR 17.9 million) as of 30 September 2007. Of the current assets, the Groups trade receivables increased the most, by 60%, reaching EEK 99.8 million (EUR 6.4 million). Short-term trade payables increased by 8.2%, reaching EEK 269.7 million (EUR 17.2 million) by the end of September.

As of the end of September, the Group's long-term borrowings reached EEK 870.9 million (EUR 55.7 million), increasing by 4.3 times. Of the long-term borrowings, bank loans total EEK 724.8 million (EUR 46.3 million) and the finance lease payable is EEK 143.1 million (EUR 9.1 million). Of the bank loans, EEK 674.4 million (EUR 43.1 million) is made up of the loan contract entered into with the syndicate of SEB Eesti Ühispank, Sampo Pank and Nordea Pank for financing the acquisition of Delfi and Maaleht.

As of the end of September, property, plant and equipment stood at EEK 377.4 million (EUR 24.1 million), increasing by 26% in a year. A major part of the increase of property, plant and equipment is made up of the cost of the new printing press acquired by Printall in the amount of EEK 81.6 million (EUR 5.2 million). As of the end of September, intangible assets were EEK 1 016.6 million (EUR 65.0 million), increasing by 8.5 times in a year. Of the increase of intangible assets, EEK 831.3 million (EUR 53.1 million) is made up of the fair value of trademarks, client relations and software of the Delfi Group as well as goodwill which arose in the acquisition. The Ekspress Group acquired significant control of the Delfi Group and includes it in its financial statements from 3 September 2007.

The fair value of the trademark of Maaleht and goodwill which arose in the acquisition total EEK 38.2 million (EUR 2.4 million). On 17.09.2007, the shares of AS Maaleht were transferred after the resolution adopted by the Estonian Competition Board on 30 August 2007 allowing AS Ekspress Grupp to acquire AS Maaleht. The date of obtaining significant control by the Ekspress Group and the inclusion of the acquisition in the financial statements is 30 September 2007. Management expects to manage Maaleht more efficiently, by improving the newspaper's distribution and printing conditions and earning higher advertising income, thereby increasing the Group's net sales and earning higher profit.

Employees

As of the end of September 2007, the Ekspress Group employed 2 344 people (30 September 2006: 1 909 people). Over the first nine months, the average number of employees was 2 089 (9 months of 2006:1 875). Over the first nine months of 2007, the employees of the Ekspress Group received wages and salaries in the amount of EEK 162.5 million (EUR 10.4 million).

Structure of owners of the Ekspress Grupp

During the third quarter of 2007, the majority shareholder Hans Luik increased his holding in AS Ekspress Grupp by acquiring additional 23 000 shares of AS Ekspress Grupp through the company controlled by him, OÜ HHL Rühm. As of 30.09.2007, Hans Luik directly and indirectly owns 12 650 244 shares of AS Ekspress Grupp, and his holding is 66.68 per cent. The clients of Skandinaviska Enskilda Banken AB own 1 339 929 shares which makes up 7.063% of the total number of shares. The remaining shareholders own less than 5% of the total shares (18 971 081 shares).

SELECTED FINANCIAL INDICATORS (th EEK)	9 months	
	2007	2006
Accounting period		
Net sales	784 647	663 641
Gross profit	209 696	178 893
Operating profit	84 693	71 396
Net profit for the period	70 493	60 238
Net profit for the shareholders of the mother company	70 154	58 736
At the end of the period		
Total current assets	279 760	197 112
Total fixed assets	1 409 028	420 905
Total assets	*1 688 788*	*618 017*
Total liabilities	1 140 552	412 522
Total equity	548 236	205 495
Equity belonging to the shareholders of the mother company		
Performance indicators (%)	9 months	
	2007	2006
Sales growth (%)	18%	30%
Gross profit margin (%)	27%	27%
Net profit margin (%)	9%	9%
Equity ratio (%)	32%	33%
ROA (%)	4%	10%
ROE (%)	16%	31%
Operating profit margin (%)	11%	11%
Liquidity ratio	1,04	0,79
Debt equity ratio (%)	172%	125%
Earnings per share (EUR)	0,25	0,32
Financial leverage (%)	68%	67%

Sales growth (%)	(net sales 2007 – net sales 2006) / net sales 2006*100
Gross profit margin (%)	gross profit/net sales*100
Net profit margin (%)	net profit/net sales*100
Equity ratio (%)	equity / (liabilities+equity)* 100
ROA (%)	net profit/average assets *100
ROE (%)	net profit/average equity *100
Operating profit margin (%)	operating profit/net sales*100
Liquidity ratio	current assets/current liabilities
Debt equity ratio (%)	interest bearing liabilities/equity*100
Earnings per share	net profit/average number of shares
Financial leverage (%)	interest bearing liabilities-cash and cash equivalents/interest bearing liabilities +equity*100

Revenue by segment

th EEK	Revenue		
	2007 9 months	2006 9 months	Change
printing services	278 933	249 951	12%
periodicals*	370 590	308 764	20%
book sales	123 540	107 838	15%
information services	50 046	38 449	30%
online media	16 553	4 077	306%
unallocated	1 296	967	-
itersegment eliminations	(56 311)	(46 405)	-
TOTAL	784 647	663 641	18%

*proportional part from joint ventures

EBITDA by segment

th EEK	EBITDA		
	2007 9 months	2006 9 months	Change
printing services	51 836	50 189	3%
periodicals*/**	44 616	45 622	-2%
book sales	4 425	3 245	36%
information services	8 803	4 018	119%
online media	6 037	1 468	311%
unallocated	(4 480)	(8 950)	-
itersegment eliminations	(1 257)	(1 537)	-
TOTAL	109 980	94 055	17%

*proportional part from joint ventures
** 2006. including income 3.4 million kroons (0.2 million euros) from the sale of 50% shares in Linnaleht

Revenue by Group Companies*

th EEK	Revenue		
	2007 9 months	2006 9 months	Change
Eesti Ekspressi Kirjastuse AS	104 851	85 491	23%
AS Delfi	89 418	62 230	44%
AS Printall	274 780	244 739	12%
AS Maaleht	44 811	39 984	12%
UAB Ekspress Leidyba	49 739	38 956	28%
Rahva Raamat AS	123 554	107 838	15%
OÜ Netikuulutused	4 483	3 855	16%
AS Ekspress Hotline	50 694	38 406	32%
Eesti Päevalehe AS**	126 993	101 439	25%
AS SL Õhtuleht**	118 640	102 761	15%
AS Express Post**	52 840	35 655	48%
AS Ajakirjade Kirjastus**	163 765	140 089	17%
AS Linnaleht	18 493	11 903	55%
UAB Medipresa	61 340	44 451	38%

*with intergroup transactions
**joint ventures 100%

Operating profit (EBIT) by Group Companies*

th EEK	Operating profit		
	2007 9 months	2006 9 months	Change
Eesti Ekspressi Kirjastuse AS	21 711	15 746	38%
AS Delfi	29 370	20 608	43%
AS Printall	32 361	31 007	4%
AS Maaleht	5 871	3 134	87%
UAB Ekspress Leidyba	(1 288)	1 453	-
Rahva Raamat AS	2 621	2 073	26%
OÜ Netikuulutused	1 831	535	242%
AS Ekspress Hotline	8 699	3 038	186%
Eesti Päevalehe AS**/***	2 917	3 469	-16%
AS SL Õhtuleht**	25 482	22 747	12%
AS Express Post**	3 147	117	2590%
AS Ajakirjade Kirjastus**	11 585	15 018	-23%
AS Linnaleht	2 013	(3 081)	-
UAB Medipresa	1 086	217	400%

*with intergroup transactions
**joint ventures 100%
*** includes income 6.7 million kroon (0.4 million euros) from the sale of 50% shares in Linnaleht

CONSOLIDATED INTERIM FINANCIAL INFORMATION

Management Board's confirmation of the Consolidated Interim Report

The Management Board confirms the correctness and completeness of the condensed consolidated interim report of AS Ekspress Group for the third quarter and first nine months of 2007 as presented on pages 9 - 25.

The Management Board confirms that:

1. the accounting policies and presentation of information is in compliance with International Financial Reporting Standards as adopted by the European Union;

2. the financial statements present a true and fair view of the financial position, the results of the operations and the cash flows of the Group;

3. all Group companies are going concerns.

Member of Management Board

Priit Leito

30 November 2007

Consolidated interim balance sheet (unaudited)

th EEK	30.09.2007	31.12.2006	30.09.2006	Notes
ASSETS				
Current assets				
Cash and cash equivalent	65 814	51 101	45 361	
Other financial assets at fair value through profit or loss	4 556	6 484	6 067	
Tarde and ohter receivables	150 583	122 576	102 378	
Inventories	58 807	44 857	43 306	
Total current assets	**279 760**	**225 018**	**197 112**	
Non-current assets				
Trade and other receivables	10 141	9 708	9 532	11
Investments in associates	1 068	17	17	3
Investment property	3 830	4 123	4 221	
Property, plant and equipment	377 359	289 210	299 804	4
Intangible assets	1 016 630	138 281	107 331	4
Total non-current assets	**1 409 028**	**441 339**	**420 905**	
TOTAL ASSETS	**1 688 788**	**666 357**	**618 017**	
SHAREHOLDERS EQUITY AND LIABILITIES				
Liabilities				
Current liabilities				
Borrowings	73 484	95 558	96 773	5
Trade and other payables	196 192	186 600	152 450	
Total current liabilities	**269 676**	**282 158**	**249 223**	
Non-current liabilities				
Borrowings	867 966	118 846	160 619	5
Other long term liabilities	2 910	83	2 680	
Total non-current liabilities	**870 876**	**118 929**	**163 299**	
Total liabilities	**1 140 552**	**401 087**	**412 522**	
Equity				
Capital and reserves attributable to equity holders of the Group				
Share capital	189 711	165 232	115 232	
Share premium	183 495	0	0	7
Reserves	10 222	5 501	10 222	7
Retained earnings	164 464	94 310	60 882	
Currencu translation reserve	-220	0	0	
Total capital and reserves attributable to equity holders of the Group	**547 672**	**265 043**	**186 336**	
Minority interest	564	227	19 159	
Total equity	**548 236**	**265 270**	**205 495**	
TOTAL EQUITY AND LIABILITIES	**1 688 788**	**666 357**	**618 017**	

The notes presented on pages 14 to 25 form an integral part of the consolidated interim financial information

Consolidated interim income statement (unaudited)

th EEK	3 Quarter		9 months	
	2007	2006	2007	2006
Sales	257 639	216 128	784 647	663 641
Costs of sales	187 347	160 106	574 951	484 748
Gross margin	**70 292**	**56 022**	**209 696**	**178 893**
Distribution costs	16 762	12 115	42 798	31 866
Administrative expenses	29 197	30 070	85 410	80 888
Other income	4 438	1 467	7 347	8 854
Other expenses	1 927	137	4 142	3 599
Operating profit	**26 844**	**15 167**	**84 693**	**71 394**
Interest income	1 140	166	2 989	628
Interest expenses	(5 472)	(2 510)	(9 849)	(6 510)
Currency exchange loss	(10)	84	(61)	(10)
Other financial income	482	713	1 048	818
Other financial expenses	(3 307)	(4)	(3 501)	(1 026)
Net finance costs	(7 167)	(1 551)	(9 374)	(6 100)
Share of profit (loss)of associates	206	(19)	1 385	298
Profit before income tax	**19 883**	**13 597**	**76 704**	**65 592**
Income tax expense	626	0	6 211	5 355
NET PROFIT FOR THE PERIOD	**19 257**	**13 597**	**70 493**	**60 237**
Attributable to:				
Equity holders of the Group	19 137	13 114	70 154	58 735
Minority interest	120	483	339	1 502
Basic and diluted earings per share for profit attributale to the equity holders of the Company (note 8)	1,01	1,06	3,87	4,98

The notes presented on pages 14 to 25 form an integral part of the consolidated interim financial information

Consolidated interim statement of changes in equity (unaudited)

th EEK	Attributable to equity holders of the Group						Minority interest	Total equity
	Share capital	Share premium	Reserves	Retained earnings	Currencu translation reserve	Total		
Balance at 31 December 2005	**2 216**	**21 285**	**10 222**	**135 537**	**0**	**169 260**	**15 087**	**184 347**
Minority interest arising on business combinations	0	0	0	0	0	0	2 570	2 570
Bonus issue to share capital	113 016	(21 285)	0	(91 731)	0	0	0	0
Net profit for the period	0	0	0	58 735	0	58 735	1 502	60 237
Dividends paid	0	0	0	(41 659)	0	(41 659)	0	(41 659)
Balance at 30 September 2006	**115 232**	**0**	**10 222**	**60 882**	**0**	**186 336**	**19 159**	**205 495**
Balance at 31 December 2006	**165 232**	**0**	**5 501**	**94 310**	**0**	**265 043**	**227**	**265 270**
Share issue	24 479	183 495	0	0	0	207 974	0	207 974
Transaction costs reserve	0	0	4 721	0	0	4 721	0	4 721
Currency transaltion difference	0	0	0	0	(220)	(220)	0	(220)
Total changes	24 479	183 495	4 721	0	(220)	212 475	0	212 475
Profit for the period	0	0	0	70 154	0	70 154	339	70 493
Balance at 30 Sepmber 2007	**189 711**	**183 495**	**10 222**	**164 464**	**(220)**	**547 672**	**564**	**548 236**

The notes presented on pages 14 to 25 form an integral part of the consolidated interim financial information

Consolidated interim cash flow statement (unaudited)

th EEK	2007 9 months	2006 9 months
Cash flows from operating activities		
Operating profit for the period	84 693	71 394
Adjustments for:		
Depreciation, amortisation and impairment of property, plant and equipment and intangibles	25 581	22 661
Profit (loss) on sale of property, plant and equipment	(71)	537
Changes in working capital:		
Trade and other receivables	(14 831)	4 644
Inventories	(5 859)	4 366
Trade and other payables	(9 951)	(6 590)
Cash generated from operations	**79 562**	**97 012**
Income tax paid	(5 585)	(5 362)
Interest paid	(6 213)	(5 588)
Net cash generated from operating activities	**67 764**	**86 062**
Cash flows from investing activities		
Investments in financial assets at fair value through profit or loss	(886 782)	(1 100)
Proceeds from financial assets at fair value through profit or loss	13	5 317
Interest received	2 989	1 562
Purchase of property, plant and equipment	(39 145)	(33 814)
Proceeds from sale of property, plant and equipment	286	6 251
Loans granted	(60 905)	(15 506)
Loan repayments received	70 332	17 302
Net cash used in investing activities	**(913 212)**	**(19 988)**
Cash flows from financing activities		
Share emission	225 939	0
Finance lease payments made	(16 974)	(14 043)
Change in overdraft used	(16 797)	5 013
Proceeds from borrowings	725 590	107 409
Repayments of borrowings	(57 597)	(111 546)
Dividend paid	0	(43 599)
Net cash generated from financing activities	**860 161**	**(56 766)**
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**14 713**	**9 308**
Cash and cash equivalents at the beginning of the period	51 101	36 053
Cash and cash equivalents at the end of the period	65 814	45 361

* Significant changes in the working capital result from the recording of non-paid part of the fixed assets acquired by finance lease (61.6 m EEK)

The notes presented on pages 14 to 25 form an integral part of the consolidated interim financial information

SELECTED NOTES TO THE CONSOLIDATED INTERIM REPORT

Note 1 General information

The main fields of activities of Ekspress Grupp and its subsidiaries include publishing newspapers and magazines, online media, book sales, printing services and information services in phone directories, information hotlines and online.

AS Ekspress Grupp (registration number 10004677, address: Narva mnt.11E, 10151 Tallinn) is a holding company registered in Estonia. There are 16 subsidiaries, 4 joint ventures and 2 associated companies, belonging to the consolidation group as at 30.09.2007.

The consolidated interim financial information was approved for issue by the Management Board on 30 November 2007.

The presentation currency is the Estonian kroon. The financial statements are presented in Estonian kroons (EEK), rounded to the nearest thousand.

These consolidated interim report of AS Ekspress Grupp for the third quarter and first nine months of 2007 reflect the results of the following group companies:

Name	Status	Share-holding 30.09.2007	Share-holding 31.12.2006	Main field of activities	Location
AS Ekspress Grupp	Parent Company			Holding Company	Estonia
Eesti Ekspressi Kirjastuse AS	Subsidiary	100%	100%	Newspaper publishing	Estonia
Maaleht AS	Subsidiary	100%	0%	Newspaper publishing	Estonia
UAB Ekspress Leidyba	Subsidiary	99,80%	99,70%	Magazine publishing	Lithuania
AS Delfi	Subsidiary	100%	0%	Online classified ads	Estonia
AS Delfi	Subsidiary	100%	0%	Online classified ads	Latvia
Delfi UAB	Subsidiary	100%	0%	Online classified ads	Lithuania
OÜ Netikuulutused	Subsidiary	75%	75%	Online classified ads	Estonia
AS Printall	Subsidiary	100%	100%	Printing services	Estonia
Rahva Raamat AS	Subsidiary	100%	100%	Books retail sale	Estonia
AS Ekspress Hotline	Subsidiary	100%	100%	Information services	Estonia
Ekspresskataloogide AS	Subsidiary	100%	100%	Phone directories	Estonia
AS Infoatlas	Subsidiary	100%	100%	Phone directories	Estonia
AS Numbriinfo	Subsidiary	100%	100%	Information hotline	Estonia
Kõnekeskuse AS	Subsidiary	100%	100%	Call centre services	Estonia
OÜ Ekspress Internet	Subsidiary	80%	80%	Online classified ads	Estonia
OÜ Zinzin	Subsidiary	100%	0%	Business consulting	Estonia
Eesti Päevalehe AS	Joint venture	50%	50%	Newspaper publishing	Estonia
AS SL Õhtuleht	Joint venture	50%	50%	Newspaper publishing	Estonia
AS Express Post	Joint venture	50%	50%	Periodicals' home delivery	Estonia
AS Ajakirjade Kirjastus	Joint venture	50%	50%	Newspaper publishing	Estonia
AS Linnaleht	Associate	25%	25%	Magazine publishing	Estonia
UAB Medipresa	Associate	40%	40%	Periodicals' wholesale distribution	Lithuania
EVI Consult OÜ	Associate	0%	32%	Business consulting	Estonia
Dormant companies					
OÜ Õhtuleht	Subsidiary	0%	97%	Newspaper publishing	Estonia

Note 2 Basis of preparation

This condensed consolidated interim financial information for the half-year ended 30 September 2007 has been prepared in accordance with IAS 34, "Interim financial reporting". The interim condensed financial report should be read in conjunction with the annual financial statements of the year ended 31 December 2006.

According to management's assessment, the consolidated interim financial statements of AS Ekspress Grupp for the first nine months of 2007 give a true and fair view of the Group's result of operations and all group entities are going concerns. The interim financial statements have not been audited or otherwise checked by auditors and they contain only the consolidated financial statements of the Group.

The functional currency of AS Ekspress Group is Estonian kroon (EEK). The financial statements are presented in thousand of Estonian kroons (EEK), unless indicated otherwise.

Note 3 Subsidiaries and associated companies

Acquisitions and disposals of subsidiaries and associates

In January 2007, AS Ekspress Grupp acquired 100% of the share capital of OÜ Zinzin for 54 thousand kroons; no significant goodwill arose in the acquisition.

In January 2007, AS Ekspress Group acquired 94 shares of UAB Ekspress Leidyba for LTL 300 (EEK 1 260). After the acquisition, the Group holds 99.73% of the equity of UAB Ekspress Leidyba.

In February 2007, AS Ekspress Grupp disposed of its associate EVI Consult OÜ for EEK 13 thousand and its subsidiary OÜ Õhtuleht for EEK 100 thousand.

On 3 September 2007, the wholly-owned subsidiary of AS Ekspress Grupp, OÜ Zinzin acquired 100% of the shares of OÜ Delfi Holding (formerly named OÜ Interinfo Baltic). OÜ Delfi Holding holds 100% of the shares of AS Delfi which in turn holds 100% of the shares of AS Delfi in the Republic of Latvia and 100% of the shares of UAB Delfi in the Republic of Lithuania. The acquisition price paid for the shares was EEK 845.7 million (EUR 54.1 million)supplemented by cash in bank of EEK 31.3 million (EUR 2 million) and closing adjustment of EEK 1.7 million (EUR 0.1 million) . In addition to the acquisition price, a receivable of OÜ Interinfo Baltic from previous shareholders in the amount of EEK 227.1 million (EUR 14.5 million) was offset. The acquisition cost of the shares included fees paid to the advisors in the amount of EEK 2.9 million (EUR 0.2 million).

On 17 September 2007, AS Ekspress Grupp acquired 100% of the shares of AS Maaleht. The Company paid EEK 6666.66 for each acquired share of AS Maaleht. The total acquisition price paid for 7800 shares totalled EEK 52 million (EUR 3.3 million). In addition to the acquisition price for the shares totalling EEK 52 million, the acquisition cost of the acquired holding includes directly attributable expenditures relating to the acquisition in the amount of EEK 98.2 thousand (EUR 6.3 thousand), and the total acquisition cost is EEK 52.1 million (EUR 3.3 million).

Purchase price allocation of the newly acquired entities:

Subsidary	OÜ Delfi Holding		AS Maaleht	
	3.09.2007		30.09.2007	
th EEK	fair value	book value	fair value	book value
Cash and cash equivalents	38 384	38 384	8 528	8 528
Receivables and prepayments	243 430	243 430	3 342	4 245
Inventories	3	3	8 088	8 358
Property, plant and equipment	8 247	8 247	2 202	2 202
Intangible assets	41 523	3 846	0	0
Trademarks	122 278	0	11 309	0
Liabilities	(16 490)	(16 490)	(8 274)	(8 274)
Net asset value of the acquisition	**437 375**	**277 420**	**25 195**	**15 059**
Acquired ownership shares	100,0%		100,0%	
Acquired net assets	437 375		25 195	
Minority	0,0%		0,0%	
Goodwill /(Negative goodwill)	671 339		26 903	
Acquisition cost of investment	(1 108 714)		(52 098)	
Purchase consideration settled in cash	(881 595)		(52 098)	
Acquired cash and cash equivalents	38 384		8 528	
Unpaid part of current period	0		0	
Cash outflow on acquisition	**(843 211)**		**(43 570)**	

All business combinations between independent parties are accounted for under the purchase method of accounting at the Group under which the acquired holding is reported at the acquisition cost. The purchase method is applied as of the date of acquisition. As of this date, the acquisition cost of the acquired holding, the fair value of the net assets acquired and the resulting (positive or negative) goodwill are determined. In addition to the acquisition cost of the acquired holding, directly attributable expenditures relating to the acquisition, such as fees paid to the advisors and other expenditures are according to IFRS 3.24 also included in the acquisition cost of the acquired holding.

To allocate the acquisition cost to the fair values of the acquired assets, liabilities and contingent liabilities, a purchase price allocation is prepared. The acquisition cost is allocated to the fair value of the net assets acquired; the excess of the acquisition cost of the acquired holding over the fair value of the net assets acquired is recognised as (positive or negative) goodwill. Goodwill reflects that portion of the acquisition cost that was paid for such assets of the Company that cannot be identified and accounted for separately. Positive goodwill can be explained by the high profitability of the acquired business units, cost savings as compared to alternative costs and major synergies which are expected to arise after the concentration into the Group. Goodwill as an intangible asset with an indefinite useful life is not subject to amortisation but instead, an impairment test is performed at least once a year.

The estimated future cash flows of a cash-generating unit that are discounted using the weighted average cost of capital are used as the basis of the investment's recoverable amount. When the carrying amount of the investment is not recoverable, the investment is written down to its recoverable amount and an impairment loss is recognised. When the carrying amount of the investment is recoverable, revaluation is not necessary. Assumptions and estimates used in the evaluation of business combinations are constantly reviewed and when the actual results differ from these estimates, the results are restated.

AS Delfi together with its subsidiaries manages 7 Internet portals: Estonian and Russian-language portals in Estonia and Latvia, (http://www.delfi.ee, rus.delfi.ee, http://www.delfi.lv and rus.delfi.lv), two portals in Lithuania (http://www.delfi.lt and http://www.centras.lt) as well as the news portal in the Ukraine (http://www.delfi.ua). As a result of the merger, the Ekspress Group became the market leader in the Internet advertising market of the Baltic states.

In order to calculate the estimated future cash flows and the terminal value for the purpose of evaluating the value of assets, the weighted average cost of capital was used as the discount rate whereby according to the management the cost of equity was estimated 15.6% in the Baltic states, 20.2% in the Ukraine and 25.2% in Russia. Higher cost of capital in the Ukraine and Russia are attributable to the risk of launching a business there. The cost of debt equals the interest rate on loans offered by banks, which is 6% in the Baltic states and 10% in the Ukraine and Russia. The share of equity financing is 81.80% which according to international auditors is the expected share of equity in the media market. The discount rates used are 13.9% for Estonia, 13.7% for Latvia and Lithuania, 17.9% for the Ukraine and 22% for Russia. The long-term growth rate of the terminal value as perpetuity equals long-term moderate economic growth or 3% per annum.

The carrying amounts of the assets and liabilities of the Delfi Group as of 3 September 2007 were used as the basis for preparing the purchase analysis. The values of Delfi's trademarks registered in Estonia, Latvia, Lithuania, the Ukraine and Russia were determined under the royalty rate method. This method is based on the concept that a business entity owning trademarks saves the cost of royalty fees payable upon leasing the trademarks. Management has set the royalty rate relating to Delfi's trademarks at 6% of the revenue arising from the use of trademarks as compared to the royalty rates of well-known trademarks presented in the international databases are in the range of 5-20% and taking into consideration the familiarity of Delfi's trademarks. Revenue derived from the trademarks includes the revenue of the whole Delfi Group because Delfi's trademarks participate in the generation of the sales revenue of the whole Delfi Group. The share of trademark protection and marketing expenses in the sales revenue has historically been 1.5%. Management estimates that the marketing expenses will be stay at the level of 1.5% of the sales revenue in the upcoming years. To determine the value of a trademark, the present value of the estimated future cash flows of the difference between theoretical royalty payments and marketing expenses was calculated. The calculation yielded the following present values of Delfi's trademarks by countries:

Estonia 39.8 million kroons (2.5 million euros)

Latvia 38.5 million kroons (2.5 million euros)

Lithuania 31.8 million kroons (2.0 million euros)

Ukraine 8.8 million kroons (0.6 million euros)

Russia 3.4 million kroons (0.2 million euros)

The fair value of Delfi's trademarks was included in these amounts as of 3 September 2007.

In evaluating customer relationships, the multi-period excess earnings method was used. Under this method, the value of the asset is evaluated on the basis of discounted future excess earnings attributable to these customers over the remaining lifespan of the customer relationship.

Excess earnings are defined as the difference between the operating cash flow attributable to the existing customers and the cost of capital invested to retain the customers. Management estimates that the customer retention rate is 30% in all Baltic states. The charge of the assets enabling the generation of revenue through the customer relationships (trademarks, self-developed software, net working capital, etc) makes up 12-13.9% of the sales revenue in the Baltic states. The calculation yielded the following present values of Delfi's customer relationships by countries:

Estonia 12.3 million kroons (0.8 million euros)

Latvia 12.0 million kroons (0.8 million euros)

Lithuania 8.8 million kroons (0.6 million euros)

The fair value of Delfi's customer relationships was included in these amounts as of 3 September 2007.

In evaluating the software developed by Delfi, the replacement cost approach was used. Under this approach, the value of the asset is determined on the basis of the value of a similar comparable asset. With regard to developed software, the time necessary for its development in labour days and the respective cost of the labour day were determined. The outcome was adjusted under the assumption that the useful life of software is 14 year of which 5 years is left. The fair value of the developed software was EEK 4.6 million (EUR 0.3 million).

As a result of the purchase price allocation, the fair value of the net assets of the Delfi Group totalled EEK 437.4 million (EUR 28 million). Upon the acquisition of the Delfi Group, goodwill amounted to EEK 671.3 million (EUR 42.9 million). Goodwill is made up of the major growth potential of the Delfi Group in the Baltic states as well as in the Ukraine and Russia. Management forecasts growth at 30% of sales in the upcoming years and continuation of the 35-40 per cent EBITDA margin. The forecast is based on the continuing growth trend of the advertising market and anticipates the market share growth of internet advertising. Management also foresees major potential with regard to the synergy of revenue and expenses with the existing operating areas of the Ekspress Group.

AS Ekspress Grupp acquired significant control over the Delfi Group and includes it in the Group's financial statements from 4 September 2007.

Management has performed an impairment test for goodwill which arose in the acquisition of the Delfi Group. The test was performed for five cash-generating units of the Delfi Group: Delfi Estonia, Delfi Latvia, Delfi Lithuania, Delfi Ukraine and Delfi Russia. Realistic business forecasts of these units were prepared for the following five years and the present value of the estimated future cash flows was determined. The impairment test demonstrated that the recoverable amount of the asset exceeded the fair value of the net assets acquired and goodwill as of 3 September 2007. Management estimates that it is not necessary to write down goodwill.

The share of the Delfi Group in the Group's sales was EEK 11 227 thousand and the net profit was EEK 4 204 thousand between 3 September and 30 September 2007. Had the acquisition occurred on 1 January 2007, the effect on the sales would have been EEK 89 375 thousand and on the net profit EEK 24 762 thousand. The accounting principles of the Group are used as the basis of the calculation.

The circulation of the **second largest weekly newspaper in Estonia, Maaleht** is almost 50 000 copies. The publisher of Maaleht also publishes books and the magazines Maakodu and Maamajandus. AS Maaleht will continue as an independent entity and its effect on the Ekspress Group constitutes an increase in the Group's sales and net profit. Management expects to manage Maaleht more effectively by improving its circulation and publishing conditions and earning higher advertising revenue and thereby increasing the Group's sales revenue and net profit.

To calculate the present value of the estimated future cash flows and the terminal value for the purpose of evaluating the value of assets, the average weighted cost of capital was used as the discount rate whereby the return on equity equals the rate of return expected by investors or 20%, the return on debt is the average interest on loans offered by banks, or 6% and the share of equity financing is 81.80%, which according to international auditors is the expected share of equity in the media market. The applied discount rate is 17.45%. The long-term growth rate of the terminal value as perpetuity equals moderate long-term economic growth or 3% per annum.

The basis for preparing the purchase price allocation was the carrying amounts of the assets and liabilities of AS Maaleht as of 30 September 2007 which were adjusted for the differences in customer receivables and inventories as compared to their fair values. The value of land and real estate properties included within non-current assets was not adjusted due to its insignificant effect on the revaluation of goodwill. The value of the trademark "Maaleht" was found under the royalty rate method. Management estimates that the company's royalty rate is 4% of the revenue derived from the trademark as compared to the royalty rates of other well-known trademarks presented in the international databases are in the range of 5-20% and considering the trademark's familiarity and its limitation to the Estonian market. The trademark's revenue equals the total sales revenue of AS Maaleht because the trademark "Maaleht" participates in the generation of revenue of the whole company. Management forecasts that the average sales revenue growth will be 15% per annum which is primarily generated from advertising. The share of trademark protection and marketing expenses in the sales revenue is 2.27% in 2007. Management estimates that the marketing expenses in the upcoming years will stay at the same level or at 2.25% of the sales revenue. The present value of the estimated future cash flows of the difference between the theoretical payments of royalty fees and the marketing expenses was calculated to determine the fair value of the trademark. The fair value of "Maaleht" was determined to be EEK 11.3 million (EUR 0.7 million). As a result of the purchase price allocation, the fair value of the net assets of AS Maaleht totalled EEK 25.2 million (EUR 1.6 million). Goodwill arose in the acquisition of AS Maaleht in the amount of EEK 26.9 million (EUR 1.7 million).

The date of attaining significant control by AS Ekspress Grupp and recognising it in the financial statements was 30 September 2007.

An impairment test was performed to test goodwill which arose in the acquisition of AS Maaleht as of 30 September 2007. The value-in-use method was used for the purpose of the impairment test by discounting the estimated future cash flows. To perform the test, the Company prepared realistic business forecasts for the following five years and the present value of these cash flows was determined. Sales revenue growth is forecast to be generated from advertising revenue, variable and fixed costs are forecast on the basis of the results of earlier periods and planned strategic developments. The calculations are based on real growth without any consideration for inflation. Management's estimate of the growth rates is as follows:

sales revenue growth: 15%

growth of variable costs: 12-14%

growth of fixed costs: 7-14%

The calculation yielded a 17-32% growth rate of the free cash flows per annum over the next five-year period. As no major capital expenditures are planned over the next five years, the amounts of investments and depreciation will stay mutually balanced.

The impairment test demonstrated that the recoverable amount of the assets exceeded the fair value of the net assets transferred as of 30 September 2007. Management estimates that it is not necessary to write down goodwill. If cash flows decreased by 10% and/or the discount rate increased by 2%, goodwill based on the discounted future cash flows would not be impaired.

The contribution of the acquired company AS Maaleht to the Group's sales was EEK 0 and the net profit totalled EEK 0 in September 2007. Had the acquisition occurred on 1 January 2007, the effect on the sales would have been EEK 44 811 thousand and on the net profit EEK 5 332 thousand. The calculation is based on the Group's accounting principles.

Note 4 Capital expenditure

th EEK	01.January - 30.September			
	Tangible assets		Intangible assets	
	2 007	2 006	2 007	2 006
At the beginning of period				
Acquisitions cost	407 850	394 782	156 822	120 528
Accumulated depreciation	(118 640)	(97 874)	(18 541)	(14 394)
Depreciated cost	**289 210**	**296 908**	**138 281**	**106 134**
Period changes				
Acquisition and improvements	99 731	29 374	706 961	4 477
Acquisition cost of sold fixed assets	(928)	(9 015)	(14)	0
Write-offs (at acquistion cost)	(341)	(69)	0	0
Reclassification	(76)	(329)	12	(6)
Acquired through business combination	23 439		177 953	
Disposals through business combination	0	(851)	0	(165)
Depreciation	(33 676)	(16 214)	(6 563)	(3 109)
depreciation of reporting period	(21 552)	(19 475)	(3 736)	(3 124)
depreciation of sold fixed assets	724	3 004	3	0
depreciation added through mergers	(13 169)	189	(2 830)	0
depreciation of written-off fixed assets	321	68	0	15
Change total	**88 149**	**2 896**	**878 349**	**1 197**
Atthe end of period				
Acquisition cost	529 675	413 892	1 041 734	124 834
Accumulated depreciation	(152 316)	(114 088)	(25 104)	(17 503)
Carrying value	**377 359**	**299 804**	**1 016 630**	**107 331**

Note 5 Bank loans and borrowings

th EEK	Amount total	Repaiment term up to 1 year	1 to 5 year	over 5 year	Interest rate
Balance at 30.09.2006					
Bank overdraft	**89 527**	89 527	0	0	3,70%
Long-term bank loans	**57 789**	2 022	55 767	0	4,20%
Capital rent	**100 075**	5 224	93 899	952	4,20%
Total	**247 391**	**96 773**	**149 666**	**952**	
Balance at 31.12.2006					
Bank overdraft	**66 208**	66 208	0	0	4,50%
Long-term bank loans	**52 839**	7 460	45 379	0	3,90%
Finance lease	**94 826**	21 359	72 515	952	3,90%
Total	**213 873**	**95 027**	**117 894**	**952**	
Balance at 30.09.2007					
Bank overdraft	**49 411**	49 411	0	0	4,50%
Long-term bank loans	**744 610**	19 768	712 110	12 732	5,05%
Finance lease	**147 427**	4 304	128 426	14 697	5,05%
Total	**941 448**	**73 483**	**840 536**	**27 429**	

In January 2007, AS Printall signed a purchase agreement with Man Roland Druckmaschinen AG relating to the purchase of the printing press Rotoman in the amount of 74 300 th EEK. Related finance lease agreement was concluded in January 2007 with SEB Ühisliising.

Note 6 Segment reporting

The Group presents the following major segments as the primary segments in the consolidated financial statements:

a) periodicals;

b) online media;

c) printing services;

d) book sales;

e) information services;

f) unallocated.

The secondary segment is the geographical segment by the location of facilities and other assets.

Revenue by segment

th EEK	Revenue		
	2007 9 months	2006 9 months	Change
printing services	278 933	249 951	12%
periodicals*	370 590	308 764	20%
book sales	123 540	107 838	15%
information services	50 046	38 449	30%
online media	16 553	4 077	306%
unallocated	1 296	967	-
itersegment eliminations	(56 311)	(46 405)	-
TOTAL	784 647	663 641	18%

*proportional part from joint ventures

EBITDA by segment

th EEK	EBITDA		
	2007 9 months	2006 9 months	Change
printing services	51 836	50 189	3%
periodicals*/**	44 616	45 622	-2%
book sales	4 425	3 245	36%
information services	8 803	4 018	119%
online media	6 037	1 468	311%
unallocated	(4 480)	(8 950)	-
itersegment eliminations	(1 257)	(1 537)	-
TOTAL	109 980	94 055	17%

*proportional part from joint ventures
** 2006. including income 3.4 million kroons (0.2 million euros) from the sale of 50% shares in Linnaleht

<u>Geographical Segment by the Location of facilities and other assets– Secondary Segment</u>

The company is active in Estonia and Lithuania. As the markets do not generate significantly different risks and returns and they exhibit similar long-term financial performance, these two segments are combined. The share of group's revenues in Lithuania is less than 5%. There are no material inter-segment transactions or unallocated assets.

Note 7 Reserves

Reserves include:

- Statutory legal reserve required by the Commercial Code. Subject to the approval of the general meeting, the reserve may be used for covering cumulated losses, if the latter cannot be covered with other unrestricted equity, and for increasing share capital.
- Other reserves- additional payments in cash from share holders 10 000 th EEK and transaction costs reserve – 4 721 th EEK
- Share premium – the positive difference between the issue price and nominal value of issued shares

th EEK	30.09.0007	31.12.2006
Share premium	183 495	0
Statutory legal reserves	222	222
Other reserves	10 000	5 280
Additional payments in cash from share holders	10 000	10 000
Transaction costs reserve	0	(4 720)

Note 8 Earnings per share

Basic earnings per share have been calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of shares outstanding during the period.

In view of the fact that the Group has not dilutive instruments at the periods 30.06.2007 and 30.06.2006 **diluted earnings per share** equal basic earnings per share.

EEK	3 quarter		9 months	
	2007	2006	2007	2006
Profit attributable to equity holders of the Company	19 138 031	13 114 464	70 153 713	58 735 275
The average number of ordinary shares	18 971 081	12 338 417	18 119 254	11 797 925
Basic and diluted earnings per share	1,01	1,06	3,87	4,98

Note 9 Equity

On 05 April 2007, the company's share capital was increased with a capitalisation issue from 24 479 th EEK by issuing 2 447 881 new Shares with the nominal value of EEK 10 each. The new shares were subscribed during the initial public offering of the company's shares at Tallinn Stock Exchange where the final offer price was set at EEK 92.30 Thus, after the deduction of the issue costs (17 996 th EEK), the company was able to recognise share premium of 183 495 th EEK

Following the described share capital increases, the share capital of the Company is 189 711 th EEK, divided into 18 971 081 shares with the nominal value of EEK 10 each.

Authorised share capital according to the Articles of Association is 40 000 000 shares.

The information given in the table is calculated on the basis of shareholdings as at the date of 30.06.2007

Name	Number of shares	%

Skandinaviska Enskilda Banken AB Clients	1 339 929	7,06%
Members of Management and Supervisory Boards and persons related to them		
Hans Luik	10 766 800	56,75%
Hans Luik, OÜ HHL Rühm	1 883 444	9,93%
Priit Leito	49 997	0,26%
OÜ Integer Management Services	33 910	0,18%
Holderstone OÜ	10 000	0,05%
Other minority shareholders	4 887 001	25,76%
Total	**18 971 081**	**100%**

Trading statistics in the Tallinn Stock Exchange from 05 April 2007 to 30 September 2007

Security trading history
Currency: EEK

PRICE	2007
Open	106.08
High	117.35
Low	71.82
Traded volume	6 962 594
Turnover, million	668.48
Capitalisation, million	1 424.80

Note 10 Post-balance-sheet events

After the acquisition of the shares of the parent company of AS Delfi, OÜ Delfi Holding (formerly named OÜ Interinfo Baltic) by OÜ ZinZin, 100% subsidiary of AS Ekspress Grupp, according to the purchase contract concluded on 2 August 2007, OÜ ZinZin and OÜ Interinfo Baltic being only holding companies, have lost their importance by now. In order to simplify the structure they will be merged with AS Delfi as decided by the Management Board of AS Ekspress Grupp. The merger agreement was concluded on 25 September 2007. The merger date is 1 October 2007 and AS Delfi is the acquirer. As a result of the transaction, AS Delfi will become a direct subsidiary of AS Ekspress Grupp. AS Delfi owning 100% of the shares of AS Delfi in the Republic of Latvia and 100% of the shares of UAB Delfi in the Republic of Lithuania.

TeleTell Infoline S.R.L, the subsidiary of AS Ekspress Hotline, established in Bucharest, Romania on 11 April 2007, launched a business information line called TeleTell on 26 november 2007. The amount to be invested in the launch of the information line this year is 6.53 million kroons (417 000 euros)

The Supervisory Board of the parent company decided on 10 October 2007 to elect to the Management Board the CFO Anne Kallas from 17 October 2007.

Note 11 Related party transactions

Transactions with related parties are transactions with parent company, shareholders, associates, unconsolidated subsidiaries, key management, management board, supervisory board, their close relatives and the companies in which they hold majority interest.

The ultimate controlling individual of AS Ekspress Grupp is Hans Luik (note 9)

The Group has purchased from (goods for sale, manufacturing materials, fixed assets) and sold its goods and services to (lease of capital assets, management services, other services) to the following related parties:

Müügid

tuh.EEK	2007 9 months	2006 9 months
Teenuse müük		
juhatuse liikmed ja nendega seotud ettevõtted	4	10
nõukogu liikmed ja nendega seotud ettevõtted	321	108
sidusettevõtjad	29 723	25 744
Müügid kokku	**30 048**	**25 862**

Ostud

tuh.EEK	2007 9 months	2006 9 months
Teenuse ost		
juhatuse liikmed ja nendega seotud ettevõtted	728	990
nõukogu liikmed ja nendega seotud ettevõtted	4 709	6 758
sidusettevõtjad	137	127
Ostud kokku	**5 574**	**7 875**

Nõuded

tuh.EEK	30.09.2007	30.09.2006
Lühiajalised nõuded	**11 164**	**8 255**
nõukogu liikmed ja nendega seotud ettevõtted	5 827	89
sidusettevõtted	5 337	8 166
Pikaajalised nõuded	**9 579**	**9 354**
nõukogu liikmed ja nendega seotud ettevõtted	9 579	9 354
Nõuded kokku	**20 743**	**17 609**

Kohustused

tuh.EEK	30.09.2007	30.09.2006
Lühiajalised kohustused		
juhatuse liikmed ja nendega seotud ettevõtted	93	92
nõukogu liikmed ja nendega seotud ettevõtted	425	440
sidusettevõtjad	13	839
Kohustused kokku	**531**	**1 371**

AS Ekspress Grupp (Borrower) and OÜ Minigert (related company of the Group's shareholder) have concluded a Loan Agreement in January 2006 in the amount of EEK 107 427 th (6 866 thousand euros). Loan matures in 2016 and interest rate is 1.2% + 6 month EURIBOR . The loan has been repaid in 2007.

AS Ekspress Grupp (Lender) and OÜ ZinZin have concluded a Loan Agreement in 31 August 2007 in the amount of EEK 879.5 million (56,2 million euros) for the acquisition of Delfi Group. Loan matures in 2027, interest rate is 6.464% per annum.

The Management Board of the Parent company consists of 1 member and the Supervisory Board of 5 members. No changes of the member of the Management Board are foreseen. The members of the Supervisory Board did not receive any reimbursements in 2007 and in 2006

Key management and supervisory board remuneration

th EEK	2007 9 month	2006 9 month
Salaries and other short-term empoloyee benefits (paid)	8 638	7 441
Total	**8 638**	**7 441**

The key management employment termination compensation benefits are obligations only in case of termination of contracts originated by Group. Potential key management employment termination compensation in 2007 is 4 450 th EEK and 2006 was 2 700 th EEK. The management termination compensations are payable only in case the termination of contracts was originated by Group.