

**3<sup>rd</sup> quarter**  
**Interim Report**  
**2008**

Beginning of the Interim Report Period:	1.1.2008
End of the Interim Report Period:	30.6.2008
Beginning of the financial year:	1.1.2008
End of the financial year:	31.12.2008
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Main activity:	Furniture production
Auditor:	AS PricewaterhouseCoopers

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## **Outline**

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AS Viiisnurk is engaged in the field of furniture and furnishing goods retail trade and the production of furniture and building materials. The Furniture and Building Materials Divisions are the business units of AS Viiisnurk.

Furniture store chain Skano operating in Ukraine and the Baltics and a plant producing original home furniture made of timber belong into the Furniture Division.

The Building Materials Division produces and markets two independent softboard-based product categories: fibre-boards for insulation and soundproofing, and interior finishing panels for walls and ceilings.

The principal markets of the company are Scandinavia, Russia, Ukraine and the Baltics. The long-term customers and co-operation partners of Viiisnurk AS are distinguished representatives of their respective fields.

The shares of AS Viiisnurk have been listed on Tallinn Stock Exchange since 5 June 1997. On 19 September 2007, the division of AS Viiisnurk took place and the shares of separated production enterprise have been listed again in the main list of Tallinn Stock Exchange according to the decision of Tallinn Stock Exchange Listing Committee as of 20 September 2007 and trading with the shares commenced on 25 September 2007. The majority owner of AS Viiisnurk is OÜ Trigon Wood. The ultimate controlling party of the Group is TDI Investments KY, registered in the Republic of Finland and belonging to the Scandinavian investors.

## Management Report

### Profits

Consolidated net sales of third quarter 2008 was 66.0 mil. kroons/4.2 mil. euros (51.0 mil. kroons/3.3 mil. euros in same period of 2007) representing a 29.4% increase on the third quarter compared to Q3 2007. The Group's gross margin in the third quarter of 2008 reached 21.4% compared to 18.6% in the third quarter of 2007. Consolidated operating profit amounted to 3.5 mil. kroons/223 thousand euros (1.4 mil. kroons/89 thousand euros in 2007), representing a 150.6% progress compared to Q3 2007. The consolidated operating margin of net sales reached 5.3% (up from 2.7% in Q3 2007). Profit before tax amounted to 2.3 mil. kroons/147 thousand euros in Q3 2008 (0.7 mil. kroons/43 thousand euros in Q3 2007).

Consolidated net profit amounted to 2.3 mil. kroons/147 thousand euros, compared to 0.7 mil. kroons/43 thousand euros in Q3 2007), and the net margin was 3.5% (up from 1.3% in Q3 2007). In Q3 2008, the Group's return on equity was 3.1% (up from 0.9% in Q3 2007) and return on assets was 1.3% (up from 0.4% in Q3 2007).

The increase of turnover has helped to increase margins and net profit in comparison with the previous year.

### Balance sheet

As of the end of September 2008 the total assets of Viiisnurk amounted to 181.3 mil. kroons/11.6 mil. euros (31.12.2007: 157.4 mil. kroons/10.1 mil. euros). The liabilities of the company accounted for 59% (31.12.2007: 55%) thereof, i.e. 106.3 mil. kroons/6.8 mil. euros (31.12.2007: 86.2 mil. kroons/5.5 mil. euros).

Receivables and prepayments have increased by 7.4 mil. kroons/0.5 mil. euros i.e. 25% increase with 9 months.

Inventories increased by 14.8 mil. kroons/1.0 mil. euros to reach 69.6 mil. kroons/4.4 mil. euros at 30 September 2008. (31.12.2007: 54.7 mil. kroons/3.5 mil. euros). The growth in inventory results primarily from the retail expansion and preparation for autumn season in furniture factory. Property, plant and intangibles increased by 3.4 mil. kroons/0.2 mil. euros.

Short-term loans increased by 3.4 mil. kroons/0.2 mil. euros and amounted in 30 September 2008 12.1 mil. kroons/0.9 mil. euros (31.12.2007: 8.8 mil. kroons/0.6 mil. euros). Supplier payables, tax liabilities, other payables, including payables to employees, and provisions amounted to 53.5 mil. kroons/3.4 mil. euros (31.12.2007: 37.5 mil. kroons/2.4 mil. euros). Current and non-current liabilities increased by 20.0 mil. kroons/1.3 mil. euros to 106.3 mil. kroons/6.8 mil. euros (31.12.2007: 86.2 mil. kroons/5.5 mil. euros).

## Divisional review:

### Net sales by business segments

	<i>th. EEK</i>		<i>th. EUR</i>		<i>% of net sales</i>	
	Q3 2008	Q3 2007	Q3 2008	Q3 2007	Q3 2008	Q3 2007
Furniture Division	37,293	27,051	2,384	1,729	56.5%	53.0%
<i>incl. retail (Skano)</i>	<i>9,654</i>	<i>4,843</i>	<i>617</i>	<i>310</i>	<i>14.6%</i>	<i>9.5%</i>
Building Materials Division	28,701	23,953	1,834	1,531	43.5%	47.0%
<b>TOTAL</b>	<b>65,994</b>	<b>51,004</b>	<b>4,218</b>	<b>3,260</b>	<b>100.0%</b>	<b>100.0%</b>

### Net sales by geographical segments

	<i>th. EEK</i>		<i>th. EUR</i>		<i>% of net sales</i>	
	Q3 2008	Q3 2007	Q3 2008	Q3 2007	Q3 2008	Q3 2007
Russia, Ukraine, Belorussian	16,952	8,648	1,083	554	25.7%	17.0%
Estonia	14,447	12,310	924	788	21.9%	24.1%
Latvia, Lithuania	4,904	2,661	313	170	7.4%	5.2%
Sweden	1,148	383	74	24	1.7%	0.8%
Germany	544	1,118	35	71	0.8%	2.2%
Other countries	1,611	622	103	39	2.4%	1.2%
<b>Total</b>	<b>65,994</b>	<b>51,004</b>	<b>4,218</b>	<b>3,260</b>	<b>100.0%</b>	<b>100.0%</b>

Concerning the markets, turnover has been increased in all areas. Relatively smaller share of the turnover goes to Estonia whereas the share of Russia, Ukraine, Byelorussia, Latvia and Lithuania has increased the most. The chief reasons in Latvia and Lithuania were the stores opened in Lithuania in May 2007 which in the III quarter of 2007 were still in the start-up phase. Moreover, the store in Latvia moved to a more attractive location in November 2007.

**Gross profit by business segments**

	<i>th. EEK</i>		<i>th. EUR</i>		<i>Gross margin</i>	
	Q3 2008	Q3 2007	Q3 2008	Q3 2007	Q3 2008	Q3 2007
Furniture Division	9,160	2,891	585	185	24.6%	10.7%
<i>incl. retail (Skano)</i>	5,271	2,218	337	142	54.6%	45.8%
Building Materials Division	4,968	5,763	318	368	17.3%	24.1%
<b>TOTAL</b>	<b>14,128</b>	<b>8,654</b>	<b>903</b>	<b>553</b>	<b>21.4%</b>	<b>17.0%</b>

The reason for decreased gross margin in Building Material Division are changes in product portfolio and cost for energy (electricity and steam), which increased 20% compared to Q3 2007.

**Profit by business segments**

	<i>th. EEK</i>		<i>th. EUR</i>	
	Q3 2008	Q3 2007	Q3 2008	Q3 2007
<i>incl. retail (Skano)</i>	(337)	(436)	(21)	(28)
Building Materials Division	1,692	1,131	109	73
<b>TOTAL</b>	<b>3,953</b>	<b>1,773</b>	<b>252</b>	<b>114</b>
Unallocated expenses	(462)	(379)	(29)	(25)
<b>OPERATING PROFIT</b>	<b>3,491</b>	<b>1,394</b>	<b>223</b>	<b>89</b>
Net financial costs	(1,192)	(726)	(76)	(46)
<b>PROFIT BEFORE TAXES</b>	<b>2,299</b>	<b>668</b>	<b>147</b>	<b>43</b>
Income tax	0	0	0	0
<b>NET PROFIT</b>	<b>2,299</b>	<b>668</b>	<b>147</b>	<b>43</b>

**Furniture Division**

The net sales of AS Viiisnurk Furniture Division in third quarter amounted to 37.3 mil. kroons/2.4 mil. euros (2007: 27.1 mil. kroons/1.7 mil. euros) and the economic result 2.3 mil. kroons/143 thousand euros as a profit (2007 0.6 mil. kroons/41 thousand euros). As compared to the previous year the turnover of the division has increased by 10.2 mil. kroons/655 thousand euros (37.9%).

**Furniture Retail – Skano**

Concerning the retail trade of the Furniture Division, the company continued its strategic activities in the 3rd quarter of 2008 in order to expand the retail trade to the neighbouring markets. The expansion of retail business includes opening new stores offering home furniture and furnishing goods in various Eastern European markets.

**Retail sales by countries**

	<i>th. EEK</i>		<i>th. EUR</i>		<i>% of net sales</i>		<i>Number of stores</i>	
	Q3 2008	Q3 2007	Q3 2008	Q3 2007	Q3 2007	Q3 2008	30.9.08	30.9.07
Estonia	2,814	3,139	179	201	29.2%	64.8%	2	2
Latvia	2,257	697	146	45	23.4%	14.4%	1	1
Lithuania	1,848	1,007	118	64	19.1%	20.8%	3	3
Ukraine	2,735	-	174	-	28.3%	-	5	1
<b>TOTAL</b>	<b>9,654</b>	<b>4,843</b>	<b>617</b>	<b>310</b>	<b>100.0%</b>	<b>100.0%</b>	<b>11</b>	<b>7</b>

The retail sale of the Furniture Division shows a rising tendency. Within third quarter this year the retail sale has increased by 99% as compared to the same period last year. At the same time, the sales of third quarter of the stores opened before 30.9.2008 (Tallinn, Riga, Pärnu, Vilnius, Kaunas, Klaipeda, Kharkiv) have increased 53% compared to the same period in 2007.

The opening of new stores in Ukraine is slightly behind the initial schedule and as a result of unexpected economical situation management decided temporarily to stop openings of new stores. At the moment of publishing of the report, one store in Ukraine is closed for moving into new place at least 1st quarter 2009.

### **Furniture Production**

The Furniture Division's sales in 3rd quarter in the company's basic target market in Russia and Finland have proceeded good and compared to same period in 2007 sales has increased.

## **Building Materials Division**

The net sales of the Building Materials Division in third quarter amounted to 28.7 mil. kroons/1.8 mil. euros and profit to 1.7 mil. kroons/109 thousand euros. In the same period of the last year, the turnover of the division totalled 24.0mil. kroons/1.5 mil. euros and the net profit 1.1 mil. kroons/73 thousand euros. As compared to the previous year the turnover of the division has increased by 4.7 mil. kroons/303 thousand euros and the profit has increased by 0.6 mil. kroons/36 thousand euros.

### *Net sales by geographical segments*

	<i>th. EEK</i>		<i>th. EUR</i>		<i>% of net sales</i>	
	Q3 2008	Q3 2007	Q3 2008	Q3 2008	Q3 2007	Q3 2008
Estonia	11,083	8,876	708	567	38.6%	37.1%
Russia, Ukraine, Belorussian	1,852	1,323	118	85	6.5%	5.5%
Sweden	1,148	383	73	24	4.0%	1.6%
Latvia, Lithuania	946	960	61	61	3.3%	4.0%
Germany	229	259	15	17	0.8%	1.1%
Other countries	470	0	30	0	1.6%	0.0%
<b>TOTAL</b>	<b>28,701</b>	<b>23,953</b>	<b>1,834</b>	<b>1,531</b>	<b>100.0%</b>	<b>100.0%</b>

### **Building Boards**

The product group making up the biggest proportion in general building boards are wind protection boards. Sale of products to companies operating outside the building sector has been increased which should ensure cost-effectiveness and risk spreading in the conditions of recession and decrease in the construction market.

### **Interior Finishing Boards**

The biggest market of Isotex interior finishing boards was Finland in 3rd quarter, where regardless of intense competition it has been managed to achieve the level of the last year. Sale in the domestic market of Estonia has decreased marginally and was almost on the level of last year. A considerable growth in sales volumes has been achieved in the markets of Lithuania and Russia. In connection with the increase of production capacity potential, activities have been started in order to find new markets. Above all, the company sees potential in the eastern markets such as Russia, Ukraine and other former countries of the eastern block.

The sales volume of ceiling boards makes up 81% of the sale of Isotex plates (respectively 80% in 2007).

## **Forecast and development**

One store was opened in the 1st quarter of 2008, two stores in the 2nd quarter and one store in 3rd quarter in Ukraine. One store will change its location. AS Viisnurk needs to minimize risks related to expanding in cooling economical situation, keep sufficient liquidity, and will not plan new openings in 2009. Upon creating the retail unit, AS Viisnurk entered the business area of the retail of furniture and furnishing goods that is operated by a private limited company Skano, registered on September 1, 2003 and its subsidiaries in Latvia, Lithuania and Ukraine. AS Viisnurk holds 100% of the shares of OÜ Skano.

For 2009 management forecasts decreasing of sales also in markets not related in Skano retail business, and it will decrease the production volume in furniture factory.

Based on relatively cold economical situation and low demand for building materials in target markets management plans to decrease production volume of both production group in 4th quarter.

Although the result of 9 months of 2008 is weaker compared to the same period of 2007, the results of 9 months of 2008 are on the level of expectations. The profit of 3rd quarter exceeds the result of the same period of 2007 by 1.6 mil. kroons (104 thousand euros) i.e. 2.4 times, partly for the reason of a great demand and sale in 1st quarter of 2007, when almost the whole stock was sold out and company did not have enough goods to sell in summer period 2007 (3rd quarter). Demand is decreased essentially in 4th quarter and management estimates a small profit for last quarter 2008. The net profit of 2008 probably will be smaller than 2007.

## Investments

Concerning the retail trade of the furniture division, the company continued its strategic activities in the third quarter of 2008 in order to expand the retail trade to the neighbouring markets. The expansion of retail business includes opening new stores offering home furniture and furnishing goods in various Eastern European markets.

During 9 months 2008 investments into technology totalled 7.3 mil. kroons/469 thousand euros and into buildings 2.7 mil. kroons/169 thousand euros. At the same period of 2007 investments into technology totalled 3.4 mil. kroons/215 thousand euros and into buildings 10.6 mil. kroons/678 thousand euros.

## People

At 30 September 2008 Viisnurk AS employed 361 people (323 people in the same time at the last year). The average number of personnel in the nine months of 2008 was 347 (2007: 322).

In the 9 months of 2008, wages and salaries amounted 51.9 mil. kroons/3.3 mil. euros (41.9 mil. kroons/2.7 mil. euros in the same period of the last year).

Payments made to management and supervisory board members with relevant taxes:

	<i>Tb EEK</i>	<i>Tb EEK</i>	<i>Tb EUR</i>	<i>Tb EUR</i>
	<b>9 m 2008</b>	<b>9 m 2007</b>	<b>9 m 2008</b>	<b>9 m 2007</b>
Board member and other remuneration	1,670	1,293	107	83
Social tax and unemployment insurance premiums	551	445	35	28
<b>TOTAL</b>	<b>2,221</b>	<b>1,738</b>	<b>142</b>	<b>111</b>

## Financial highlights

	<i>Tb EEK</i> <b>9 months</b> <b>2008</b>	<i>Tb EEK</i> <b>9 months</b> <b>2007</b>	<i>Tb EUR</i> <b>9 months</b> <b>2008</b>	<i>Tb EUR</i> <b>9 months</b> <b>2007</b>
<b>Income statement</b>				
Revenue	218,022	180,505	13,934	11,536
EBITDA	21,626	20,604	1,381	1,316
EBITDA margin	9.9%	11.4%	9.9%	11.4%
Operating profit	15,015	13,838	959	884
Operating margin	6.9%	7.7%	6.9%	7.7%
Net profit	12,105	11,875	774	759
Net margin	5.6%	6.6%	5.6%	6.6%
<b>Balance sheet</b>				
Total assets	181,328	157,447	11,589	10,063
Return on assets	6.7%	7.5%	6.7%	7.5%
Equity	75,074	71,243	4,798	4,554
Return on equity	16.1%	16.7%	16.1%	16.7%
Debt-to-equity ratio	59%	55%	59%	55%
<b>Share (30 September)</b>				
Closing price (EEK/EUR)	20.34	59.93	1.3	3.83
Earnings per share (EEK/EUR)	2.69	2.64	0.17	0.17
Price-earnings ratio	7.56	22.70	7.56	22.70
Book value of a share (EEK/EUR)	16.69	15.84	1.07	1.01
Market to book ratio	1.22	3.78	1.22	3.78
Market capitalization	91,514	269,613	5,849	17,231

EBITDA = Earnings before interest, taxes, depreciation and amortisation

EBITDA margin = EBITDA / Revenue

Operating margin = Operating profit / Revenue

Net margin = Net profit / Revenue

Return on assets = Net profit / Total assets

Return on equity = Net profit / Equity

Debt-to-equity ratio = Liabilities / Total assets

Earnings per share = Net profit / Total shares

Price-earnings ratio = Closing price / Earnings per share

Book value of a share = Equity / Total shares

Market to book ratio = Closing price / Book value of a share

Market capitalization = Closing price \* Total shares

## Financial risks

### Interest rate risk

AS Viisnurk's interest rate risk depends, above all, on changes in EURIBOR (Euro Interbank Offered Rate) because most of its loans are linked to EURIBOR. At 30 September 2008, 6 months' EURIBOR was 5.377 and at 31 December 2007 4.707.

According to loan agreements, interest rates are reviewed on the basis of changes in EURIBOR as follows:

- the loan in starting amount of EEK 13,000,000 (EUR 830,851) every year on 30 November and 30 May;
- the loan in starting amount of EUR 2,660,000 (EEK 41,619,956) every year on 30 September and 31 March.
- the loan in starting amount of EUR 479,337 (EEK 7,500,000) every year on 30 April and 31 October.

The interest rate risk also depends on the overall economic situation in Estonia and on changes in the banks' average interest rates. AS Viisnurk has a cash flow risk arising from the interest rate risk because most loans have a floating interest rate. Management believes that the cash flow risk is not significant. Therefore, no hedging instruments are used.



### Currency risk

The foreign exchange risk is the risk that the company may have significant loss as a result of fluctuating foreign exchange rates. AS Viisnurk's foreign exchange risk is low because most export-import contracts are nominated in euros. Currency risk increases together with the increase of the number of stores in Ukraine due to the use of grivna on the local market. Also retail companies in Latvia and Lithuania are opened for currency risk.

### Risk of the Economic Environment

The risk of the economic environment for the Building Materials Division depends on general developments in the construction market; the risk for Furniture Division depends on the expectations of the customers towards economic welfare in future.

### Fair value

The management estimates, that the fair values of cash, accounts payable, short-term loans and borrowings do not materially differ from their carrying amounts. The fair values of long-term loans do not materially differ from their carrying amounts because their interest rates correspond to the interest rate risks prevailing on the market.

## Group structure

Shares in subsidiaries

	OÜ Skano	OÜ Visu	OÜ Isotex	SIA Skano	UAB Skano LT	TOV Skano
Country of location	Estonia	Estonia	Estonia	Latvia	Lithuania	Ukraine
Number of shares at 31.12.2007	1	1	1	1	100	1
Ownership at 31.12.2007 (%)	100	100	100	100	100	100
Number of shares at 30.9.2008	1	1	1	1	100	1
Ownership at 30.9.2008 (%)	100	100	100	100	100	100

Skano OÜ is engaged with the retail trade of furniture in Estonia. The company owns two furniture stores – one in Järve Keskus in Tallinn and the other on the first floor of the headquarters of Viisnurk AS in Pärnu. Skano OÜ holds 100% of the shares in enterprises SIA Skano, UAB Skano LT and TOV Skano Ukraine.

SIA Skano is engaged in the retail sale of furniture in Latvia. It has one store which was opened in November 2005. UAB Skano LT started in May 2007 retail of furniture in Klaipeda, Kaunas and Vilnius.

TOV Skano Ukraina purpose was to start retail of furniture in bigger cities of the Ukraine. In August 2007 opened the furniture store in Kharkyv, in March 2008 one store in Kiyv, In April 2008 second store in Kiyv, in May 2008 one store in Donetsk and in august one store in Odessa.

OÜ Visu and OÜ Isotex were established to allow former divisions to operate independently under their own trademarks and to facilitate their development. In connection with restructuring, use of the subsidiaries has been abandoned.

The subsidiaries OÜ Visu and OÜ Isotex did not have any operations in the financial year 2008 and 2007.

## Declaration of the Management Board

The Management Board of AS Viisnurk is prepared consolidated unaudited Interim Report for the 3rd quarter of 2008, which is presented on pages 4 to 22 have been correctly prepared, and represents and warrants that to the best of their knowledge:

- the accounting policies applied in the preparation of the consolidated financial statements comply with International Financial Reporting Standards as adopted by the European Union;
- the consolidated financial statements give a true and fair view of the financial positions of the Group and AS Viisnurk and the results of their operations and their cash flows;
- the management report presents true and fair view of significant events that took place during the accounting period and their impact to financial statements and includes the description of major risks and doubts;
- AS Viisnurk and its subsidiaries are going concerns.



Chairman of Management board

Andres Kivistik



Member of Management board

Einar Pähkel



Member of Management board

Erik Püile

18<sup>th</sup> November 2008

## Consolidated balance sheet

	<i>Tb EEK</i> <b>30.9.2008</b>	<i>Tb EEK</i> <b>31.12.2007</b>	<i>Tb EUR</i> <b>30.9.2008</b>	<i>Tb EUR</i> <b>31.12.2007</b>
Cash and bank	4,302	6,006	275	384
Receivables and prepayments (Note 2)	37,211	29,859	2,378	1,908
Inventories (Note 3)	69,585	54,742	4,449	3,499
<b>Total current assets</b>	<b>111,098</b>	<b>90,607</b>	<b>7,102</b>	<b>5,791</b>
Investment property (Note 4)	2,893	2,893	185	185
Tangible fixed assets (Note 5)	67,315	63,727	4,301	4,073
Intangible fixed assets (Note 6)	22	220	1	14
<b>Total fixed assets</b>	<b>70,230</b>	<b>66,840</b>	<b>4,487</b>	<b>4,272</b>
<b><u>TOTAL ASSETS</u></b>	<b><u>181,328</u></b>	<b><u>157,447</u></b>	<b><u>11,589</u></b>	<b><u>10,063</u></b>
Debt obligations (Note 7)	12,144	8,782	776	561
Payables and prepayments (Note 8)	53,394	37,488	3,412	2,396
Short-term provisions (Note 9)	102	264	7	16
<b>Total current liabilities</b>	<b>65,640</b>	<b>46,534</b>	<b>4,195</b>	<b>2,973</b>
Non-current debt obligations (Note 7)	37,678	36,734	2,408	2,348
Non-current provisions (Note 9)	2,936	2,936	188	188
<b>Total non-current liabilities</b>	<b>40,614</b>	<b>39,670</b>	<b>2,596</b>	<b>2,536</b>
<b>Total liabilities</b>	<b>106,254</b>	<b>86,204</b>	<b>6,791</b>	<b>5,509</b>
Share capital at nominal value (Note 10)	44,991	44,991	2,875	2,875
Issue premium	5,698	5,698	364	364
Statutory capital reserve	4,499	4,499	288	288
Currency translation reserve	(262)	39	(17)	3
Retained profits	9,717	3,359	621	215
Net profit for the year (Note 11; 12)	10,431	12,657	667	809
<b>Total equity</b>	<b>75,074</b>	<b>71,243</b>	<b>4,798</b>	<b>4,554</b>
<b><u>TOTAL LIABILITIES AND EQUITY</u></b>	<b><u>181,328</u></b>	<b><u>157,447</u></b>	<b><u>11,589</u></b>	<b><u>10,063</u></b>

## Consolidated income statement

	<i>Tb EEK</i> 3 <sup>rd</sup> q 2008	<i>Tb EEK</i> 3 <sup>rd</sup> q 2007 Adjusted	<i>Tb EEK</i> 9 m 2008	<i>Tb EEK</i> 9 m 2007 Adjusted	<i>Tb EUR</i> 3 <sup>rd</sup> q 2008	<i>Tb EUR</i> 3 <sup>rd</sup> q 2007 Adjusted	<i>Tb EUR</i> 9 m 2008	<i>Tb EUR</i> 9 m 2007 Adjusted
RETURN ON SALES (Note 12)	65,994	51,004	218,022	180,505	4,218	3,260	13,934	11,536
<b>Cost of production sold (Note 1)</b>	<b>(51,866)</b>	<b>(41,519)</b>	<b>(169,267)</b>	<b>(142,517)</b>	<b>(3,315)</b>	<b>(2,654)</b>	<b>(10,819)</b>	<b>(9,109)</b>
<b>Gross profit</b>	<b>14,128</b>	<b>9,485</b>	<b>48,755</b>	<b>37,988</b>	<b>903</b>	<b>606</b>	<b>3,115</b>	<b>2,427</b>
Marketing expenses	(10,097)	(6,501)	(31,044)	(21,175)	(645)	(415)	(1,983)	(1,353)
General administrative expenses (Note 1)	(1,309)	(1,270)	(3,787)	(2,530)	(84)	(81)	(242)	(162)
Other income	1,260	7	2,518	125	80	0	160	8
Other expenses	(491)	(327)	(1,427)	(570)	(31)	(21)	(91)	(36)
<b>Operating profit (Note 12)</b>	<b>3,491</b>	<b>1,394</b>	<b>15,015</b>	<b>13,838</b>	<b>223</b>	<b>89</b>	<b>959</b>	<b>884</b>
Financial income and financial expenses (Note 12)	(1,192)	(726)	(2,910)	(1,963)	(76)	(46)	(185)	(125)
<b>Profit before taxes (Note 12)</b>	<b>2,299</b>	<b>668</b>	<b>12,105</b>	<b>11,875</b>	<b>147</b>	<b>43</b>	<b>774</b>	<b>759</b>
Prepaid income tax (Note 10)	0	0	(1,674)	(475)	0	0	(107)	(30)
<b>NET PROFIT FOR THE PERIOD (Note 11; 12)</b>	<b>2,299</b>	<b>668</b>	<b>10,431</b>	<b>11,400</b>	<b>147</b>	<b>43</b>	<b>667</b>	<b>729</b>
<b>Basic earnings per share (Note 11)</b>	<b>0.51</b>	<b>0.15</b>	<b>2.32</b>	<b>2.53</b>	<b>0.03</b>	<b>0.01</b>	<b>0.15</b>	<b>0.16</b>
<b>Diluted earnings per share (Note 11)</b>	<b>0.51</b>	<b>0.15</b>	<b>2.32</b>	<b>2.53</b>	<b>0.03</b>	<b>0.01</b>	<b>0.15</b>	<b>0.16</b>

## Consolidated cash flow statement

	<i>Tb EEK</i> 9 m 2008	<i>Tb EEK</i> 9 m 2007 Adjusted	<i>Tb EUR</i> 9 m 2008	<i>Tb EUR</i> 9 m 2007 Adjusted
<b>Cash flow from operations</b>				
<b>Net profit before taxes (Note 11; 12)</b>	<b>12,105</b>	<b>11,875</b>	<b>774</b>	<b>759</b>
<i>Adjustments for:</i>				
Depreciation of fixed assets (Note 5; 6)	6,611	6,766	422	432
Gains on sale of fixed assets (Note 5; 6)	(182)	(5)	(11)	(0)
Interest expense (Note 12)	2,476	2,078	158	133
<b>Operating profit before changes in operating capital</b>	<b>21,010</b>	<b>20,714</b>	<b>1,343</b>	<b>1,324</b>
Change in operations-related receivables and prepayments	(7,604)	(6,360)	(486)	(407)
Change in inventories (Note 3)	(14,843)	(1,470)	(949)	(94)
Change in operations-related liabilities and prepayments	15,756	(807)	(1,007)	(52)
<b>Cash generated from operations</b>	<b>14,319</b>	<b>12,077</b>	<b>915</b>	<b>771</b>
Interest paid	(2,476)	(2,078)	(158)	(133)
Income tax (Note 10; 12)	(1,674)	(475)	(107)	(30)
<b>Total cash flow from operations</b>	<b>10,169</b>	<b>9,524</b>	<b>650</b>	<b>608</b>
<b>Cash flow from investments</b>				
Acquisition of fixed assets (Note 5; 6)	(9,960)	(14,998)	(636)	(958)
Sale of fixed assets (Note 5; 6)	182	66	11	4
<b>Total cash flow from investments</b>	<b>(9,778)</b>	<b>(14,932)</b>	<b>(625)</b>	<b>(954)</b>
<b>Cash flow from financing activities</b>				
Raise a loan (Note 7)	11,293	7,500	722	479
Repayment of loans (Note 7)	(6,442)	(4,941)	(412)	(316)
Settlement of finance lease liabilities (Note 7)	(545)	0	(35)	0
Dividend payment (Note 10; 12)	(6,299)	(5,399)	(403)	(345)
<b>Total cash flow from financing activities</b>	<b>(1,993)</b>	<b>(2,840)</b>	<b>(128)</b>	<b>(182)</b>
<b>TOTAL CASH FLOW</b>	<b>(1,602)</b>	<b>(8,248)</b>	<b>(103)</b>	<b>(528)</b>
Currency translation differences	(102)	11	(6)	1
<b>CASH AT BEGINNING OF PERIOD</b>	<b>6,006</b>	<b>12,234</b>	<b>384</b>	<b>782</b>
<b>CASH AT END OF PERIOD</b>	<b>4,302</b>	<b>3,997</b>	<b>275</b>	<b>255</b>

## Consolidated statement of changes in equity

<i>Tb EEK</i>	Share capital	Share premium	Statutory capital reserve	Currency translation reserve	Retained earnings	Total
Balance at 31.12.2006	44,991	7,795	4,499	0	8,758	66,043
Adjusted profit in 9 m 2007 (Note 11; 12)	0	(1,996)	0	18	11,400	9,422
Distribution of dividend in 9 m 2007 (Note 10; 12)	0	0	0	0	(5,393)	(5,393)
<b>Balance at 30.9.2007</b>	<b>44,991</b>	<b>5,799</b>	<b>4,499</b>	<b>18</b>	<b>14,765</b>	<b>70,072</b>
<b>Balance at 31.12.2007</b>	<b>44,991</b>	<b>5,698</b>	<b>4,499</b>	<b>39</b>	<b>16,016</b>	<b>71,243</b>
Profit in 9 m 2008 (Note 11; 12)	0	0	0	(301)	10,431	10,130
Distribution of dividend in 9 m 2008 (Note 10; 12)	0	0	0	0	(6,299)	(6,299)
<b>Balance at 30.9.2008</b>	<b>44,991</b>	<b>5,698</b>	<b>4,499</b>	<b>(262)</b>	<b>20,148</b>	<b>75,074</b>
<i>Tb EUR</i>	Share capital	Share premium	Statutory capital reserve	Currency translation reserve	Retained earnings	Total
Balance at 31.12.2006	2,875	498	288	0	560	4,221
Adjusted profit in 9 m 2007 (Note 11; 12)	0	(127)	0	1	729	603
Distribution of dividend in 9 m 2007 (Note 10; 12)	0	0	0	0	(345)	(345)
<b>Balance at 30.9.2007</b>	<b>2,875</b>	<b>371</b>	<b>288</b>	<b>0</b>	<b>944</b>	<b>4,479</b>
<b>Balance at 31.12.2007</b>	<b>2,875</b>	<b>364</b>	<b>288</b>	<b>3</b>	<b>1,024</b>	<b>4,554</b>
Profit in 9 m 2008 (Note 11; 12)	0	0	0	(20)	667	647
Distribution of dividend in 9 m 2008 (Note 10; 12)	0	0	0	0	(403)	(403)
<b>Balance at 30.9.2008</b>	<b>2,875</b>	<b>364</b>	<b>288</b>	<b>(17)</b>	<b>1,288</b>	<b>4,798</b>

## Notes to the consolidated interim report

### Accounting Policies And Measurement Bases

The consolidated financial statements prepared for the period ended 30 September 2008 include the financial information of the Company and its subsidiaries (together referred to as the Group): OÜ Skano, OÜ Visu, OÜ Isotex and OÜ Skano's wholly-owned subsidiaries SIA Skano, UAB Skano LT and TOV Skano Ukraina. The Group manufactures and distributes furniture and softboard made of wood.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. The same accounting policies were applied for both the Interim Report and the Annual Report for the financial year that ended on 31.12.2007.

According to the assessment of the Management Board, Viisnurk AS is a going concern and the Interim Report for the 3<sup>rd</sup> quarter of 2008 gives a true and fair view of the financial position of Viisnurk AS and the results of its operations. The present Interim Report has not been audited.

The Interim Report has been presented in thousands of Estonian kroons and in thousands of euros. The exchange rate between kroons and euros is 15.6466.

### Note 1 Correction of prior period

The division plan of AS Viisnurk was signed on June 29, 2007 as the result of which the part of the present Viisnurk engaged in production shall become separate, namely the Furniture and Building Materials Division. The aforementioned decision was also approved by the general meeting of shareholders on August 6, 2007. Following the division, New Viisnurk is named AS Viisnurk while the current AS Viisnurk will be renamed to AS Trigon Property Development.

All figures in interim report of 3<sup>rd</sup> quarter 2008 have been presented like AS Viisnurk separation has happened in the previous period and the comparing data have been accordingly corrected.

The cost of production sold and the general administrative expenses entries representations in the income statement have been changed and in relative to this the comparable indicators of previous period have been corrected:

	<i>Tb EEK</i> <b>3<sup>rd</sup> q 2007</b> <b>Adjusted</b>	<i>Tb EEK</i> <b>3<sup>rd</sup> q 2007</b>	<i>Tb EUR</i> <b>3<sup>rd</sup> q 2007</b> <b>Adjusted</b>	<i>Tb EUR</i> <b>3<sup>rd</sup> q 2007</b>
Cost of production sold	(41,519)	(42,350)	(2,654)	(2,707)
General administrative expenses	(1,270)	(439)	(81)	(28)

### Note 2 Receivables and prepayments

	<i>Tb EEK</i> <b>30.9.2008</b>	<i>Tb EEK</i> <b>31.12.2007</b>	<i>Tb EUR</i> <b>30.9.2008</b>	<i>Tb EUR</i> <b>31.12.2007</b>
Customer receivables	28,996	22,416	1,853	1,433
Prepaid VAT	5,430	4,232	347	270
Other receivables	1,855	466	119	30
Prepaid services	930	2,745	59	175
<b>TOTAL</b>	<b>37,211</b>	<b>29,859</b>	<b>2,378</b>	<b>1,908</b>

### Note 3 Inventories

	<i>Tb EEK</i>	<i>Tb EEK</i>	<i>Tb EUR</i>	<i>Tb EUR</i>
	<b>30.9.2008</b>	<b>31.12.2007</b>	<b>30.9.2008</b>	<b>31.12.2007</b>
Raw materials and other materials	15,498	13,525	991	864
Work-in-progress: production	14,575	10,102	932	646
Work-in-progress: real estate development	3,325	3,191	213	204
Finished goods	30,344	24,221	1,939	1,548
Goods purchased for resale	5,706	3,408	365	218
Prepayments to suppliers	137	295	9	19
<b>TOTAL</b>	<b>69,585</b>	<b>54,742</b>	<b>4,449</b>	<b>3,499</b>

#### Work-in-progress: real estate development

At 30 September 2008, work-in-progress: real estate development comprised the old Sports goods division real property (buildings and land ca 20 000 m<sup>2</sup>) located at Rääma street 31, what is covered whit development contract.

Work-in-progress: real estate development was stated at the lower of cost and fair value less costs to sell. Work-in-progress: real estate development was stated at the costs 3 325 thousand kroons/213 thousand euros (30.09.2007: 0).

### Note 4 Investment property

	<i>Tb EEK</i>	<i>Tb EUR</i>
Cost at 31.12.2006	3,834	245
Accumulated depreciation at 31.12.2006	(931)	(59)
Net book amount at 31.12.2006	2,903	186
Reclassification to property, plant and equipment (Note 5)	(2,762)	(176)
<b>Cost at 30.9.2007</b>	<b>9,825</b>	<b>628</b>
<b>Accumulated depreciation at 30.9.2007</b>	<b>(4,160)</b>	<b>(266)</b>
<b>Net book amount at 30.9.2007</b>	<b>5,665</b>	<b>362</b>
Cost at 31.12.2007	7,341	469
Accumulated depreciation at 31.12.2007	(4,448)	(284)
Net book amount at 31.12.2007	2,893	185
<b>Cost at 30.9.2008</b>	<b>7,341</b>	<b>469</b>
<b>Accumulated depreciation at 30.9.2008</b>	<b>(4,448)</b>	<b>(284)</b>
<b>Net book amount at 30.9.2008</b>	<b>2,893</b>	<b>185</b>

Costs of maintenance for nine months of 2008 were 61 thousand kroons/4 thousand euros (10 thousand kroons/0,6 thousand euros in the same period of 2007).

Depreciation of investment property has been ceased because the estimated residual values of the investment properties exceed their carrying amounts.



**Note 5 Tangible Fixed Assets**

	<i>Tb EEK</i>	<i>Tb EEK</i>	<i>Tb EUR</i>	<i>Tb EUR</i>
	<b>30.9.2008</b>	<b>31.12.2007</b>	<b>30.9.2008</b>	<b>31.12.2007</b>
Land	1,238	1,238	79	79
Buildings and constructions	40,015	41,670	2,557	2,663
Machinery, plant and equipment	18,292	16,815	1,169	1,075
Other equipment and fixtures	2,008	1,186	128	76
Construction in progress	5,762	2,818	368	180
<b>TOTAL</b>	<b>67,315</b>	<b>63,727</b>	<b>4,301</b>	<b>4,073</b>

	<i>Tb EEK</i>	<i>Tb EUR</i>
Cost at 31.12.2006	162,680	10,397
Accumulated depreciation at 31.12.2006	(105,935)	(6,770)
Net book amount at 31.12.2006	56,745	3,627
Reclassification from investment property (Note 4)	(2,762)	(176)
Acquired in 9 months of 2007	14,990	958
Disposals in 9 months of 2007	(61)	(4)
Depreciation in 9 months of 2007	(6,398)	(410)
<b>Cost at 30.9.2007</b>	<b>171,437</b>	<b>10,957</b>
<b>Accumulated depreciation at 30.9.2007</b>	<b>(108,923)</b>	<b>(6,962)</b>
<b>Net book amount at 30.9.2007</b>	<b>62,514</b>	<b>3,995</b>
Cost at 31.12.2007	171,963	10,990
Accumulated depreciation at 31.12.2007	(108,236)	(6,917)
Net book amount at 31.12.2007	63,727	4,073
Acquired in 9 months of 2008	10,035	641
Disposals in 9 months of 2008	(68)	(4)
Depreciation in 9 months of 2008	(6,379)	(409)
<b>Cost at 30.9.2008</b>	<b>179,677</b>	<b>11,483</b>
<b>Accumulated depreciation at 30.9.2008</b>	<b>(112,362)</b>	<b>(7,182)</b>
<b>Net book amount at 30.9.2008</b>	<b>67,315</b>	<b>4,301</b>

**Note 6 Intangible Fixed Assets**

	<i>Tb EEK</i>	<i>Tb EUR</i>
Cost at 31.12.2006	5,564	356
Accumulated depreciation at 31.12.2006	(4,914)	(314)
Net book amount at 31.12.2006	650	42
Depreciation in 9 months of 2007	(358)	(23)
<b>Cost at 30.9.2007</b>	<b>5,564</b>	<b>356</b>
<b>Accumulated depreciation at 30.9.2007</b>	<b>(5,272)</b>	<b>(337)</b>
<b>Net book amount at 30.9.2007</b>	<b>292</b>	<b>19</b>
Cost at 31.12.2007	5,193	332
Accumulated depreciation at 31.12.2007	(4,973)	(318)
Net book amount at 31.12.2007	220	14
Depreciation in 9 months of 2008	(198)	(13)
<b>Cost at 30.9.2008</b>	<b>5,193</b>	<b>332</b>
<b>Accumulated depreciation at 30.9.2008</b>	<b>(5,171)</b>	<b>(331)</b>
<b>Net book amount at 30.9.2008</b>	<b>22</b>	<b>1</b>

Intangible assets include computer software not directly linked to the hardware and the customer base acquired in the takeover of the activities of the Swiss company Skano AG in 2004.

#### Note 7 Debt Obligations

	<i>Tb EEK</i>	<i>Tb EEK</i>	<i>Tb EUR</i>	<i>Tb EUR</i>
	<b>30.9.2008</b>	<b>31.12.2007</b>	<b>30.9.2008</b>	<b>31.12.2007</b>
Current liabilities	12,144	8,782	776	561
incl non-convertible debt	80	193	5	12
Non-current debt obligations	37,678	36,734	2,408	2,348
incl non-convertible debt	1,265	321	81	21
<b>TOTAL</b>	<b>49,822</b>	<b>45,516</b>	<b>3,184</b>	<b>2,909</b>

#### Note 8 Payables and prepayments

	<i>Tb EEK</i>	<i>Tb EEK</i>	<i>Tb EUR</i>	<i>Tb EUR</i>
	<b>30.9.2008</b>	<b>31.12.2007</b>	<b>30.9.2008</b>	<b>31.12.2007</b>
Supplier payables	32,465	24,759	2,075	1,582
Payables to employees	6,746	5,658	431	362
Taxes payables	4,273	4,186	273	268
Other payables	6,117	454	391	29
Customer prepayments	3,793	2,431	242	155
<b>TOTAL</b>	<b>53,394</b>	<b>37,488</b>	<b>3,412</b>	<b>2,396</b>

#### Note 9 Provisions

	<i>Tb EEK</i>	<i>Tb EUR</i>
<b>Balance at 31.12.2006</b>	<b>3,268</b>	<b>210</b>
Incl current portion	221	15
non-current portion	3,047	195
Movements in 9 months 2007:		
Used during the 9 months 2007	(197)	(14)
Interest cost	(160)	(10)
<b>Balance at 30.9.2007</b>	<b>3,071</b>	<b>196</b>
Incl current portion	24	1
non-current portion	3,047	195
<b>Balance at 31.12.2007</b>	<b>3,200</b>	<b>204</b>
Incl current portion	264	16
non-current portion	2,936	188
Movements in 9 months 2008:		
Used during the 9 months 2008	(162)	(9)
Interest cost	(153)	(9)
<b>Balance at 30.9.2008</b>	<b>3,038</b>	<b>195</b>
Incl current portion	102	7
non-current portion	2,936	188

Provisions relate to the compensations for loss of working capacity of former employees after work accidents. The total amount of the provision has been estimated considering the number of persons receiving the compensation, extent of their disability, their former level of salary, level of pension payments, and estimations of the remaining period of payments.

### Note 10 Share Capital

	Number of shares	Share capital	Share capital
	<i>pcs</i>	<i>Tb EEK</i>	<i>Tb EUR</i>
Balance 31.12.2006	4,499,061	44,991	2,875
Balance 30.9.2007	4,499,061	44,991	2,875
Balance 31.12.2007	4,499,061	44,991	2,875
Balance 30.9.2008	4,499,061	44,991	2,875

The share capital of Vüisnurk AS totaled 44,990,610 kroons/2,875,424 euros that were made up of 4,499,061 shares with the nominal value of 10 kroons/0.64 euros each; the maximum share capital outlined in the Articles of Association is 177,480,800 kroons/11,343,090 euros. Each ordinary share grants its owner one vote in the General Meeting of Shareholders and the right to receive dividends.

In 2008, the dividends paid out to the shareholders amounted to 6,298,685 kroons/402,559 euros, i.e. 1 kroon 40 cents/8.94 euro cents per share. The income tax on dividends amounted to 1,674,334 kroons/107,009 euros.

In 2007, the dividends paid out to the shareholders amounted to 5,398,873 kroons/345,051 euros, i.e. 1 kroon 20 cents/7.67 euro cents per share. The income tax on dividends amounted to 475,378 kroons/30,382 euros.

### Note 11 Earnings per share

	<i>EEK</i>	<i>EEK</i>	<i>EUR</i>	<i>EUR</i>
	<b>30.9.2008</b>	<b>30.9.2007</b>	<b>30.9.2008</b>	<b>30.9.2007</b>
Basic earnings per share	2.32	2.53	0.15	0.16
Diluted earnings per share	2.32	2.53	0.15	0.16
Book value of share	16.69	15.58	1.06	1.00
Price/earnings ratio (P/E)	8.77	23.69	0.56	1.51
Closing price of the share of AS Vüisnurk on Tallinn Stock Exchange at 30.9.*	20.34	59.93	1.30	3.83

Basic earnings per share have been calculated by dividing the net profit for the reporting period with the number of shares:

Basic earnings per share for 9 months of 2008 = 10,431,264 / 4,499,061 = 2.32 kroons/0.15 euros

Basic earnings per share for 9 months of 2007 = 11,400,478 / 4,499,061 = 2.53 kroons/0.16 euros

Diluted earnings per share equal the basic earnings per share because the Group does not have any potential ordinary shares with a dilutive effect on the earnings per share.

Price/earnings ratio (P/E) for 9 months of 2008 = 20.34 / 2.32 = 8.77 kroons/0.56 euros

Price/earnings ratio (P/E) for 9 months of 2007 = 59.93 / 2.53 = 23.69 kroons/1.51 euros

\* The share of Vüisnurk AS has been listed on Tallinn Stock Exchange starting from 25.09.2007.

## Note 12 Segments

Segment reporting includes reporting by **business segments**. The results of business segments are derived from management accounting. Inter-segmental sales are recognized at market process. Business segments by the areas of operations are considered as the primary segment of the Group.

**Management has identified the following business segments:**

*The Furniture Division (FD)* is engaged in the production and retail sale of household furniture. The Furniture Division includes the furniture factory of AS Vüisnurk and Skano OÜ (including SIA Skano, UAB Skano LT and TOV Skano Ukraina).

*The Building Materials Division (BMD)* produced softboard and interior finishing boards.

The secondary segment of the Group is defined according to the **geographical** location of customers.

**Business segment by area of operations – primary segment:**

<i>Tb EEK</i>	Furniture Division		Building Material Division		TOTAL	
	9 m 2008	9 m 2007	9 m 2008	9 m 2007	9 m 2008	9 m 2007
Revenue	120,540	94,820	97,482	85,685	218,022	180,505
Segment's result	7,028	2,941	9,524	12,596	16,552	15,537
Unallocated expenses					(1,537)	(1,699)
Operating profit					15,015	13,838
Net financial expenses					(2,910)	(1,963)
Profit before taxes					12,105	11,875
Prepaid income tax (Note 10)					(1,674)	(475)
Net profit for accounting period					10,431	11,400

<i>Tb EUR</i>	Furniture Division		Building Material Division		TOTAL	
	9 m 2008	9 m 2007	9 m 2008	9 m 2007	9 m 2008	9 m 2007
Revenue	7,704	6,060	6,230	5,476	13,934	11,536
Segment's result	448	188	609	805	1,057	993
Unallocated expenses					(98)	(109)
Operating profit					959	884
Net financial expenses					(185)	(125)
Profit before taxes					774	759
Prepaid income tax (Note 10)					(107)	(30)
Net profit for accounting period					667	729

**Geographical segment by location of customers – secondary segment:**

<i>Tb</i> EEK	9 months 2008			9 months 2007		
	FD	BMD	TOTAL	FD	BMD	TOTAL
EXPORT						
<i>European countries</i>						
Finland	44,560	51,635	96,195	45,096	43,463	88,559
Russia, Ukraine, Belarusian	45,903	6,698	52,601	27,854	5,737	33,591
Latvia, Lithuania	13,148	2,755	15,903	3,937	2,691	6,628
Sweden	0	4,312	4,312	0	2,289	2,289
Germany	2,366	1,074	3,440	4,039	1,211	5,250
Other European countries	217	696	913	254	590	844
<b>TOTAL</b>	<b>106,194</b>	<b>67,170</b>	<b>173,364</b>	<b>81,180</b>	<b>55,981</b>	<b>137,161</b>
Other countries	2,211	0	2,211	2,683	0	2,683
<b>TOTAL EXPORT</b>	<b>108,405</b>	<b>67,170</b>	<b>175,575</b>	<b>83,863</b>	<b>55,981</b>	<b>139,844</b>
<b>Domestic Market</b>	<b>12,135</b>	<b>30,312</b>	<b>42,447</b>	<b>10,957</b>	<b>29,704</b>	<b>40,661</b>
<b>TOTAL</b>	<b>120,540</b>	<b>97,482</b>	<b>218,022</b>	<b>94,820</b>	<b>85,685</b>	<b>180,505</b>

<i>Tb</i> EUR	9 months 2008			9 months 2007		
	FD	BMD	TOTAL	MD	BMD	TOTAL
EXPORT						
<i>European countries</i>						
Finland	2,848	3,300	6,148	2,882	2,778	5,660
Russia, Ukraine, Belarusian	2,934	428	3,362	1,781	367	2,148
Latvia, Lithuania	840	176	1,016	252	172	424
Sweden	0	276	276	0	146	146
Germany	151	69	220	258	77	335
Other European countries	14	44	58	16	37	53
<b>TOTAL</b>	<b>6,787</b>	<b>4,293</b>	<b>11,080</b>	<b>5,189</b>	<b>3,577</b>	<b>8,766</b>
Other countries	141	0	141	171	0	171
<b>TOTAL EXPORT</b>	<b>6,928</b>	<b>4,293</b>	<b>11,221</b>	<b>5,360</b>	<b>3,577</b>	<b>8,937</b>
<b>Domestic Market</b>	<b>776</b>	<b>1,937</b>	<b>2,713</b>	<b>700</b>	<b>1,899</b>	<b>2,599</b>
<b>TOTAL</b>	<b>7,704</b>	<b>6,230</b>	<b>13,934</b>	<b>6,060</b>	<b>5,476</b>	<b>11,536</b>

**Note 13 Related party transactions**

The following parties are considered to be related parties:

- Parent company OÜ Trigon Wood and owners of the parent company;
- Members of the Management, the Management Board and the Supervisory Board of AS Viisnurk Group and their close relatives;
- Entities under the control of the members of the Management Board and Supervisory Board;
- Individuals with significant ownership unless these individuals lack the opportunity to exert significant influence over the business decisions of the Group.

The ultimate controlling party of the Group is TDI Investments KY, registered in the Republic of Finland and belonging to Scandinavian investors.

The remuneration paid to the members of the Management and Supervisory Board including taxes:

	<i>Tb EEK</i>	<i>Tb EEK</i>	<i>Tb EUR</i>	<i>Tb EUR</i>
	<b>9 months 2008</b>	<b>9 months 2007</b>	<b>9 months 2008</b>	<b>9 months 2007</b>
Board member and other remuneration	1,670	1,293	107	83
Social tax	551	445	35	28
<b>TOTAL</b>	<b>2,221</b>	<b>1,738</b>	<b>142</b>	<b>111</b>

According to the contracts, the members of the Management Board will receive severance pay amounting to 2-month remuneration.

In the 9 months of 2008 and 2007, there were no transactions between the related parties.