

3rd quarter
Interim Report
2009

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End of the Interim Report Period:	30.9.2009
Beginning of the financial year:	1.1.2009
End of the financial year:	31.12.2009
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Outline

AS Vüisnurk 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 Vüisnurk.

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 Vüisnurk AS are distinguished representatives of their respective fields.

The shares of AS Vüisnurk have been listed on Tallinn Stock Exchange since 5 June 1997. On 19 September 2007, the division of AS Vüisnurk 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 Vüisnurk is OÜ Trigon Wood. The ultimate controlling party of the Group at 30.09.2009 is TDI Investments KY, registered in the Republic of Finland and belonging to the Scandinavian investors.

Majority shareholder TDI Investments Ky has been restructured in October - November so that the shareholding in OÜ Trigon Wood was distributed directly to the investors of TDI Investment Ky (Scandinavian investors). In addition, one of the investors of TDI Investments Ky sold its shareholding to AS Trigon Capital. After restructuring of OÜ Trigon Wood the biggest shareholders of OÜ Trigon Wood are: AS Trigon Capital (20,75%), Veikko Laine Oy (15,52%), BCB Baltic AB (14,07%), Hermitage Eesti OÜ (11,94%), Thominvest Oy (11,94%) and Assetman Oy (11,45%).

Management Report

Profits

Consolidated net sales of third quarter 2009 was 47.4 mil. kroons/3.0 mil. euros (66.0 mil. kroons/4.2 mil. euros in same period of 2008) representing a 28.1% decrease on the third quarter compared to Q3 2008. The Group's gross margin in the third quarter of 2009 was 19.9% compared to 21.7% in the third quarter of 2008. Consolidated operating loss amounted to 0.8 mil. kroons/53 thousand euros (operating profit 3.5 mil. kroons/223 thousand euros in 2008). The consolidated operating margin of net sales was -1.7% (5.3% in Q3 2008).

Consolidated net loss amounted to 0.8 mil. kroons/53 thousand euros, compared to net profit 3.5 mil. kroons/223 thousand euros in Q3 2008), and the net margin was -3.2% (3.5% in Q3 2008). In Q3 2009, the Group's return on equity was -2.2% (3.2% in Q3 2008) and return on assets was -1.1% (1.3% in Q3 2008).

The relocation of furniture store in Latvia had the biggest impact for the result of Q3. The sum of write off of building costs of the store was 904 thousand kroons/58 thousand euros. Depreciation of the Ukrainian hryvnia against euro resulted in a foreign exchange loss in the amount of 746 thousand kroons/48 thousand euros.

Position of financial statement

As of the end of September 2008 the total assets of Viisnurk amounted to 142.7 mil. kroons/9.1 mil. euros (31.12.2008: 163.8 mil. kroons/10.5 mil. euros). The liabilities of the company accounted for 51% (31.12.2008: 57%) thereof, i.e. 73.1 mil. kroons/4.7 mil. euros (31.12.2008: 92.6 mil. kroons/5.9 mil. euros).

Receivables and prepayments have increased by 6.8 mil. kroons/0.4 mil. euros i.e. 35% increase with 9 months. The reason of increase of receivables is very small sales in December 2008, which essentially lowered the amount of receivables at the end of December.

Inventories decreased by 19.5 mil. kroons/1.2 mil. euros to reach 48.6 mil. kroons/3.1 mil. euros at 30 September 2009 (31.12.2008: 68,1 mil. kroons/4,4 mil. euros). The decrease of amount of inventory was one of the main targets to pass crisis and assure liquidity. Property, plant and intangibles decreased by 4.9 mil. kroons/0.3 mil. euros mainly caused by depreciation.

Current liabilities decreased by 6.6 mil. kroons/0.4 mil. euros and amounted in 30 September 2009 11.1 mil. kroons/0.7 mil. euros (31.12.2008: 17.7 mil. kroons/1.1 mil. euros). Supplier payables, tax liabilities, other payables, including payables to employees, and provisions amounted to 30.9 mil. kroons/2.0 mil. euros (31.12.2008: 43.8 mil. kroons/2.8 mil. euros). Current and non-current liabilities decreased by 19.5 mil. kroons/1.2 mil. euros to 73.1 mil. kroons/4.7 mil. euros (31.12.2008: 92.6 mil. euros/5.9 mil. kroons).

Divisional review:

Net sales by business segments

	<i>th. EEK</i>		<i>th. EUR</i>		<i>% of net sales</i>	
	Q3 2009	Q3 2008	Q3 2009	Q3 2008	Q3 2009	Q3 2008
Furniture Factory	22,232	32,321	1,422	2,066	46.9%	49.0%
Skano	5,898	9,655	376	618	12.4%	14.6%
Building Materials Division	22,218	28,701	1,420	1,834	46.8%	43.5%
Elimination	(2,901)	(4,685)	(186)	(300)	(6.1%)	(7.1%)
TOTAL	47,447	65,992	3,032	4,218	100.0%	100.0%

Net sales by geographical segments

	<i>th. EEK</i>		<i>th. EUR</i>		<i>% of net sales</i>	
	Q3 2009	Q3 2008	Q3 2009	Q3 2008	Q3 2009	Q3 2008
Finland	21,661	26,388	1,385	1,686	45.7%	40.0%
Estonia	10,379	14,287	663	913	21.9%	21.6%
Russia	7,417	13,564	474	866	15.6%	20.6%
Ukraine	1,801	3,397	115	218	3.8%	5.1%
Lithuania	1,610	1,977	103	126	3.4%	3.0%
Latvia	1,382	3,077	89	197	2.9%	4.7%
Sweden	1,184	1,148	75	74	2.5%	1.7%
Kazakhstan	1,115	1,106	71	70	2.3%	1.7%
Germany	308	544	20	35	0.6%	0.8%
Byelorussia	89	0	5	0	0.2%	0.0%
Portugal	0	320	0	20	0.0%	0.5%
Other countries	501	186	32	13	1.1%	0.3%
Total	47,447	65,994	3,032	4,218	100.00%	100.00%

Concerning the markets, turnover has been decreased in all bigger markets. Relatively is the biggest increase into Finland and decrease into Russia.

Gross profit by business segments

	<i>th. EEK</i>		<i>th. EUR</i>		<i>Gross margin</i>	
	Q3 2009	Q3 2008	Q3 2009	Q3 2008	Q3 2009	Q3 2008
Furniture Factory	1,668	3,926	107	251	7.5%	12.1%
Skano	2,725	5,271	174	337	46.2%	54.6%
Building Materials Division	5,022	4,968	321	318	22.6%	17.3%
Elimination	40	(37)	3	(2)	0.1%	(0.1%)
TOTAL	9,455	14,128	605	904	19.9%	21.4%

The reason for increased gross margin in Building Material Division is changes in product portfolio.

Profit by business segments

	<i>th. EEK</i>		<i>th. EUR</i>	
	Q3 2009	Q3 2008	Q3 2009	Q3 2008
Furniture Factory	370	1,915	24	123
Skano	(3,044)	(76)	(194)	(5)
Building Materials Division	1,507	1,691	96	108
Elimination	341	(36)	21	(2)
TOTAL	(826)	3,494	(53)	224
Net financial costs	(682)	(1,195)	(43)	(77)
PROFIT BEFORE TAXES	(1,508)	2,299	(96)	147
Income tax	0	0	0	0
NET PROFIT	(1,508)	2,299	(96)	147

Furniture Division

The net sales of AS Vüisnurk Furniture Division in third quarter amounted to 25.2 mil. kroons/1.6 mil. euros (2008: 37.3 mil. kroons/2.4 mil. euros) and the economical result 2.3 mil. kroons/149 thousand euros as a loss (2008 profit 1.8 mil. kroons/116 thousand euros). As compared to the Q3 of previous year the turnover of the division has decreased by 12.1 mil. kroons/772 thousand euros (32.3%).

Furniture Retail – Skano

AS Vüisnurk retail business is operated by a private limited company OÜ Skano and its subsidiaries in Latvia, Lithuania and Ukraine. Skano has totally 10 stores – in Tallinn, Pärnu, Riga, two in Vilnius, Kaunas, Kiev, Donetsk, Kharkiv and Odessa at the end of the third quarter.

As a result of unexpected economical situation, openings of new stores are frozen.

Retail sales by countries

	<i>th. EEK</i>		<i>th. EUR</i>		<i>% of net sales</i>		<i>Number of stores</i>	
	Q3 2009	Q3 2008	Q3 2009	Q3 2008	Q3 2009	Q3 2008	30.9.09	30.9.08
Estonia	1,883	2,814	120	180	31.9%	29.1%	2	2
Latvia	831	2,257	53	144	14.1%	23.4%	1	1
Lithuania	1,508	1,848	96	118	25.6%	19.1%	3	3
Ukraine	1,675	2735	107	175	28.4%	28.3%	4	5
TOTAL	5,897	9,654	376	617	100.0%	100.0%	10	11

The retail sale of the Furniture Division decreased most in Latvia. The furniture store in Kaunas has removed into Vilnius. Within the third quarter this year the retail sale has decreased by 38.9% as compared to the same period last year.

Furniture Production

The Furniture Factory's sales in the third quarter in the company's basic target market in Russia and Finland have decreased and clients do not estimate sales recovering in near future.

Furniture factory sales by countries

	<i>tub EEK</i>		<i>tub EUR</i>		<i>% käibest</i>	
	Q3 2009	Q3 2008	Q3 2009	Q3 2008	Q3 2009	Q3 2008
Finland	11,257	13,415	720	857	50.6%	41.5%
Russia	6,336	12,374	406	792	28.5%	38.3%
Kazakhstan	1,115	1,106	71	70	5.0%	3.4%
Germany	197	315	13	20	0.9%	1.0%
Others	426	426	24	27	1.9%	1.3%
Skano	2,901	4,685	188	300	13.0%	14.5%
TOTAL	22,232	32,321	1,422	2,066	100.0%	100.0%

Building Materials Division

The net sales of the Building Materials Division in third quarter amounted to 22.2 mil. kroons/1.4 mil. euros and profit to 1.5 mil. kroons/96 thousand euros. In the same period of the last year, the turnover of the division totalled 28.7 mil. kroons/1.8 mil. euros and the net profit 1.7 mil. kroons/108 thousand euros. As compared to the previous year the turnover of the division has decreased by 6.5 mil. kroons/414 thousand euros and the profit has decreased by 0.2 mil. kroons/12 thousand euros.

Net sales by geographical segments

	<i>th. EEK</i>		<i>th. EUR</i>		<i>% of net sales</i>	
	Q3 2009	Q3 2008	Q3 2009	Q3 2008	Q3 2009	Q3 2008
Finland	10,404	12,973	665	829	46.8%	45.2%
Estonia	8,280	11,083	529	708	37.3%	38.6%
Portugal	0	320	0	20	0.0%	1.1%
Russia	1,081	1,190	68	75	4.9%	4.1%
Latvia	551	816	35	51	2.5%	2.8%
Sweden	1,184	1,148	75	74	5.3%	4.0%
Germany	111	229	7	15	0.5%	0.8%
Lithuania	101	129	7	8	0.5%	0.4%
Ukraine	126	662	8	43	0.6%	2.3%
Other countries	380	151	24	10	1.7%	0.5%
TOTAL	22,218	28,701	1,418	1,833	100.0%	100.0%

Forecast and development

According to preliminary plans Skano do not plan openings of new stores in 2009. AS Vüisnurk needs to minimize risks related to expanding in cool economical situation and keep sufficient liquidity. If opening conditions are very good, management can discuss about openings. In Ukraine one store will be moved into new attractive place

For 2009 management forecasts continuously small sales in retail market, also in markets not related in Skano retail business, and it will decrease the production volume in furniture factory. Since 12.01.2009 most of employees are engaged in part-time working time. Agreements with employees to use shortened working time are effective until 31.03.2010.

Based on relatively cold economical situation and low demand for building materials in target markets management decreased production volume of both production groups in 2009. In main production line factory continues with three shifts instead of four.

Investments

During 9 months 2009 investments into technology totalled 677 thousand kroons/43 thousand euros and into buildings 110 thousand kroons/7 thousand euros. At the same period of 2008 investments into technology totalled 7.3 mil. kroons/469 thousand euros and into buildings 2.7 mil. kroons/169 thousand euros.

People

At 30 September 2009 Vüisnurk AS employed 316 people (361 people in the same period of the last year). The average number of personnel in the nine months of 2009 was 332 (2008: 347).

In the 9 months of 2009, wages and salaries amounted 37.2 mil. kroons/2.4 mil. euros (51.9 mil. kroons/3.3 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> 9 m 2009	<i>Tb EEK</i> 9 m 2008	<i>Tb EUR</i> 9 m 2009	<i>Tb EUR</i> 9 m 2008
Board member and other remuneration	1,806	1,670	115	107
Social tax and unemployment insurance premiums	596	551	38	35
TOTAL	2,401	2,221	153	142

Financial highlights

	<i>Tb EEK</i> 9 months 2009	<i>Tb EEK</i> 9 months 2008	<i>Tb EUR</i> 9 months 2009	<i>Tb EUR</i> 9 months 2008
Income statement				
Revenue	151,670	218,022	9,693	13,934
EBITDA	5,701	21,626	364	1,381
EBITDA margin	3.8%	9.9%	3.8%	9.9%
Operating profit	254	15,015	16	959
Operating margin	0.2%	6.9%	0.2%	6.9%
Net profit	-2,099	10,431	-134	667
Net margin	-1.4%	4.8%	-1.4%	4.8%
Balance sheet				
Total assets	142,725	181,328	9,122	11,589
Return on assets	-1.5%	5.8%	-1.5%	5.8%
Equity	69,583	75,074	4,447	4,798
Return on equity	-3.0%	13.9%	-3.0%	13.9%
Debt-to-equity ratio	51.2%	58.6%	51.2%	58.6%
Share (30 September)				
Closing price (EEK/EUR)	14.55	20.34	0.93	1.30
Earnings per share (EEK/EUR)	-0.47	2.32	-0.03	0.15
Price-earnings ratio	-	8.77	-	8.77
Book value of a share (EEK/EUR)	15.47	16.69	0.99	1.07
Market to book ratio	0.94	1.22	0.94	1.22
Market capitalization	65,461	91,511	4,184	5,849

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 2009, 6 months' EURIBOR was 1.016 and at 31 December 2008 2.971.

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. Currency risk increases with the increase of the number of stores of Skano due to the use of local currencies in the market. Subsidiaries assets and liabilities outside Estonia are subject to currency risk. AS Viisnurk's foreign currency risk from other operations is low because most export-import contracts are nominated in euros.

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. According recent process of world economy the risk of economic environment has increased significantly.

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 31.12.2008	1	1	1	1	100	1
Ownership at 31.12.2008 (%)	100	100	100	100	100	100
Number of shares at 30.9.2009	1	1	1	1	100	1
Ownership at 30.9.2009 (%)	100	100	100	100	100	100

OÜ Skano 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 AS Viisnurk in Pärnu. OÜ Skano 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 since November 2005. UAB Skano LT started in May 2007 retail of furniture in Kaunas and Vilnius. TOV Skano Ukraine started in June 2007 and retail of furniture in Kharkiv, Kiev, Donetsk and 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 2009.

Declaration of the Management Board

The Management Board of AS Viisnurk is prepared consolidated unaudited Interim Report for the 2nd quarter of 2009, which is presented on pages 4 to 21 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

27th November 2009

Consolidated statement of financial position

	<i>Tb EEK</i> 30.9.2009	<i>Tb EEK</i> 31.12.2008	<i>Tb EUR</i> 30.9.2009	<i>Tb EUR</i> 31.12.2008
Cash and bank	3,439	6,913	220	442
Receivables and prepayments (Note 2)	26,325	19,568	1,682	1,250
Inventories (Note 3)	48,637	68,096	3,109	4,351
Total current assets	78,401	94,577	5,011	6,043
Investment property (Note 4)	2,893	2,893	185	185
Tangible fixed assets (Note 5)	61,415	66,333	3,925	4,239
Intangible fixed assets (Note 6)	16	21	1	1
Total fixed assets	64,324	69,247	4,111	4,425
<u>TOTAL ASSETS</u>	<u>142,725</u>	<u>163,824</u>	<u>9,122</u>	<u>10,468</u>
Debt obligations (Note 7)	11,113	17,722	711	1,132
Payables and prepayments (Note 8)	30,863	43,646	1,972	2,790
Short-term provisions (Note 9)	25	115	1	7
Total current liabilities	42,001	61,483	2,684	3,929
Non-current debt obligations (Note 7)	27,720	27,720	1,772	1,772
Non-current provisions (Note 9)	3,421	3,421	219	219
Total non-current liabilities	31,141	31,141	1,991	1,991
Total liabilities	73,142	92,624	4,675	5,920
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	735	253	47	14
Retained profits	15,759	9,717	1,007	621
Net profit(loss) for the year (Note 11; 12)	(2,099)	6,042	(134)	386
Total equity	69,583	71,200	4,447	4,548
<u>TOTAL LIABILITIES AND EQUITY</u>	<u>142,725</u>	<u>163,824</u>	<u>9,122</u>	<u>10,468</u>

Consolidated statement of comprehensive income

	<i>Tb EEK</i> 3 rd q 2009	<i>Tb EEK</i> 3 rd q 2008 Adjusted	<i>Tb EEK</i> 9 m 2009	<i>Tb EEK</i> 9 m 2008 Adjusted	<i>Tb EUR</i> 3 rd q 2009	<i>Tb EUR</i> 3 rd q 2008 Adjusted	<i>Tb EUR</i> 9 m 2009	<i>Tb EUR</i> 9 m 2008 Adjusted
RETURN ON SALES (Note 12)	47,447	65,994	151,670	218,022	3,032	4,218	9,693	13,934
Cost of production sold (Note 1)	(37,992)	(51,649)	(120,044)	(168,269)	(2,428)	(3,301)	(7,672)	(10,755)
Gross profit	9,455	14,345	31,626	49,753	604	917	2,021	3,179
Marketing expenses	(8,559)	(10,097)	(26,374)	(31,044)	(547)	(645)	(1,686)	(1,983)
General administrative expenses (Note 1)	(1,021)	(1,526)	(4,054)	(4,785)	(65)	(98)	(259)	(306)
Other income	390	1,260	1,722	2,518	25	80	110	160
Other expenses	(1,090)	(491)	(2,666)	(1,427)	(70)	(31)	(170)	(91)
Operating profit (Note 12)	(825)	3,491	254	15,015	(53)	223	16	959
Financial income and financial expenses (Note 12)	(683)	(1,192)	(2,353)	(2,910)	(43)	(76)	(150)	(185)
Profit(loss) before taxes (Note 12)	(1,508)	2,299	(2,099)	12,105	(96)	147	(134)	774
Prepaid income tax (Note 10)	0	0	0	(1,674)	0	0	0	(107)
PROFIT(LOSS) FOR THE PERIOD (Note 11; 12)	(1,508)	2,299	(2,099)	10,431	(96)	147	(134)	667
Basic earnings per share (Note 11)	(0.34)	0.51	(0.47)	2.32	(0.02)	0.03	(0.03)	0.15
Diluted earnings per share (Note 11)	(0.34)	0.51	(0.47)	2.32	(0.02)	0.03	(0.03)	0.15
Currency translation differences	259	(1,377)	482	(301)	17	(88)	33	(20)
TOTAL COMPREHENSIVE INCOME	(1,249)	922	(1,617)	10,130	(79)	59	(101)	647

Consolidated cash flow statement

	<i>Tb EEK</i> 9 m 2009	<i>Tb EEK</i> 9 m 2008	<i>Tb EUR</i> 9 m 2009	<i>Tb EUR</i> 9 m 2008
Cash flow from operations				
Net profit before taxes (Note 11; 12)	(2,099)	12,105	(134)	774
<i>Adjustments for:</i>				
Depreciation of fixed assets (Note 5; 6)	5,447	6,611	348	422
Loss on disposals of fixed assets (Note 5)	261	(182)	17	(11)
Interest expense (Note 12)	2,316	2,476	148	158
Operating profit before changes in operating capital	5,925	21,010	379	1,343
Change in operations-related receivables and prepayments	(6,756)	(7,604)	(432)	(486)
Change in inventories (Note 3)	19,459	(14,843)	1,242	(949)
Change in operations-related liabilities and prepayments	(12,873)	15,756	(824)	1,007
Cash generated from operations	5,755	14,319	365	915
Interest paid	(2,316)	(2,476)	(148)	(158)
Income tax (Note 10; 12)	0	(1,674)	0	(107)
Total cash flow from operations	3,439	10,169	217	650
Cash flow from investments				
Acquisition of fixed assets (Note 5; 6)	(786)	(9,960)	(51)	(636)
Sale of fixed assets (Note 5; 6)	0	182	0	11
Total cash flow from investments	(786)	(9,778)	(51)	(625)
Cash flow from financing activities				
Raise a loan (Note 7)	0	11,293	0	722
Repayment of loans (Note 7)	(6,370)	(6,442)	(405)	(412)
Settlement of finance lease liabilities (Note 7)	(239)	(545)	(16)	(35)
Dividend payment (Note 10; 12)	0	(6,299)	0	(403)
Total cash flow from financing activities	(6,609)	(1,993)	(421)	(128)
TOTAL CASH FLOW	(3,956)	(1,602)	(255)	(103)
Currency translation differences	482	(102)	33	(6)
CASH AT BEGINNING OF PERIOD	6,913	6,006	442	384
CASH AT END OF PERIOD	3,439	4,302	220	275

Consolidated statement of changes in equity

<i>Tb EEK</i>	Share capital	Share premium	Statutory capital reserve	Currency translation	Retained earnings	Total
Balance at 31.12.2007	44,991	5,698	4,499	39	16,016	71,243
Comprehensive income 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)
Balance at 30.9.2008	44,991	5,698	4,499	(262)	20,148	75,074
Balance at 31.12.2008	44,991	5,698	4,499	253	15,759	71,200
Comprehensive income in 9 m 2009 (Note 11; 12)	0	0	0	482	(2,099)	(1,617)
Balance at 30.9.2009	44,991	5,698	4,499	735	13,660	69,583

<i>Tb EUR</i>	Share capital	Share premium	Statutory capital reserve	Currency translation	Retained earnings	Total
Balance at 31.12.2007	2,875	364	288	3	1,024	4,554
Comprehensive income 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)
Balance at 30.9.2008	2,875	364	288	(17)	1,288	4,798
Balance at 31.12.2008	2,875	364	288	14	1,007	4,548
Comprehensive income in 9 m 2009 (Note 11; 12)	0	0	0	33	(134)	(101)
Balance at 30.9.2009	2,875	364	288	47	873	4,447

Notes to the consolidated interim report

Accounting Policies And Measurement Bases

The consolidated financial statements prepared for the period ended 30 September 2009 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 31.12.2008.

In connection with changes in IAS I "Presentation of Financial Statements", which came into force from 1 January 2009, the 2nd quarter Interim Report was replaced the term "Balance sheet" used previously by the term "Statement of financial position" and the consolidated income statement by the consolidated statement of comprehensive income. The comprehensive income statement also includes all non-owner changes previously recognized in equity. In connection with the compilation of the comprehensive income statement, the presentation of the report on changes in equity also changed. The report on changes in equity does not recognize statement of comprehensive income elements as separate changes. The presentation of basic reports and the new terms do not affect the recognition of transactions and balances or the accounting principles.

According to the assessment of the Management Board, Vüisnurk AS is a going concern and the Interim Report for the 3rd quarter of 2009 gives a true and fair view of the financial position of Vüisnurk 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 cost of production sold and the general administrative expenses entries representations in the statement of comprehensive income have been changed and in relative to this the comparable indicators of previous period have been corrected:

	<i>Tb EEK</i> 3rd q 2008 Adjusted	<i>Tb EEK</i> 3rd q 2008	<i>Tb EUR</i> 3rd q 2008 Adjusted	<i>Tb EUR</i> 3rd q 2008
Cost of production sold	(51,649)	(51,866)	(3,301)	(3,315)
General administrative expenses	(1,526)	(1,309)	(98)	(84)

Note 2 Receivables and prepayments

	<i>Tb EEK</i> 30.9.2009	<i>Tb EEK</i> 31.12.2008	<i>Tb EUR</i> 30.9.2009	<i>Tb EUR</i> 31.12.2008
Customer receivables	23,317	13,867	1,490	886
Prepaid VAT	1,896	2,845	121	182
Other receivables	481	399	31	25
Prepaid services	631	2,457	40	157
TOTAL	26,325	19,568	1,682	1,250

Note 3 Inventories

	<i>Tb EEK</i>	<i>Tb EEK</i>	<i>Tb EUR</i>	<i>Tb EUR</i>
	30.9.2009	31.12.2008	30.9.2009	31.12.2008
Raw materials and other materials	9,786	13,150	626	840
Work-in-progress: production	8,114	12,650	519	808
Work-in-progress: real estate development	3,346	3,335	214	213
Finished goods	23,132	32,975	1,478	2,107
Goods purchased for resale	4,197	5,943	268	380
Prepayments to suppliers	62	43	4	3
TOTAL	48,637	68,096	3,109	4,351

Work-in-progress: real estate development

At 30 September 2009, work-in-progress: real estate development comprised the old Sports goods division real property (buildings and land ca 20 000 m²) 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 3 346 thousand kroons/214 thousand euros (30.09.2007: 3 325 thousand kroons/213 thousand euros).

Note 4 Investment property

	<i>Tb EEK</i>	<i>Tb EUR</i>
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
Cost at 30.9.2008	7,341	469
Accumulated depreciation at 30.9.2008	(4,448)	(284)
Net book amount at 30.9.2008	2,893	185
Cost at 31.12.2008	7,341	469
Accumulated depreciation at 31.12.2008	(4,448)	(284)
Net book amount at 31.12.2008	2,893	185
Cost at 30.9.2009	7,341	469
Accumulated depreciation at 30.9.2009	(4,448)	(284)
Net book amount at 30.9.2009	2,893	185

Costs of maintenance for nine months of 2009 were 72 thousand kroons/5 thousand euros (61 thousand kroons/4 thousand euros in the same period of 2008).

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>
	30.9.2009	31.12.2008	30.9.2009	31.12.2008
Land	1,238	1,238	79	79
Buildings and constructions	39,945	41,884	2,553	2,677
Machinery, plant and equipment	18,305	20,033	1,170	1,280
Other equipment and fixtures	1,192	1,564	77	100
Construction in progress	735	1,614	46	103
TOTAL	61,415	66,333	3,925	4,239

	<i>Tb EEK</i>	<i>Tb EUR</i>
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)
Cost at 30.9.2008	179,677	11,483
Accumulated depreciation at 30.9.2008	(112,362)	(7,182)
Net book amount at 30.9.2008	67,315	4,301
Cost at 31.12.2008	179,462	11,469
Accumulated depreciation at 31.12.2008	(113,129)	(7,230)
Net book amount at 31.12.2008	66,333	4,239
Acquired in 9 months of 2009	786	51
Disposals in 9 months of 2009	(261)	(17)
Depreciation in 9 months of 2009	(5,447)	(348)
Currency translation	4	0
Cost at 30.9.2009	179,991	11,503
Accumulated depreciation at 30.9.2009	(118,576)	(7,578)
Net book amount at 30.9.2009	61,415	3,925

Note 6 Intangible Fixed Assets

	<i>Tb EEK</i>	<i>Tb EUR</i>
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)
Cost at 30.9.2008	5,193	332
Accumulated depreciation at 30.9.2008	(5,171)	(331)
Net book amount at 30.9.2008	22	1
Cost at 31.12.2008	5,193	332
Accumulated depreciation at 31.12.2008	(5,172)	(331)
Net book amount at 31.12.2008	21	1
Depreciation in 9 months of 2009	(5)	(0)
Cost at 30.9.2009	5,193	332
Accumulated depreciation at 30.9.2009	(5,177)	(331)
Net book amount at 30.9.2009	16	1

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>
	30.9.2009	31.12.2008	30.9.2009	31.12.2008
Current liabilities	11,113	17,722	711	1,132
incl non-convertible debt	82	321	5	21
Non-current debt obligations	27,720	27,720	1,772	1,772
incl non-convertible debt	945	945	60	60
TOTAL	38,833	45,442	2,483	2,904

Note 8 Payables and prepayments

	<i>Tb EEK</i>	<i>Tb EEK</i>	<i>Tb EUR</i>	<i>Tb EUR</i>
	30.9.2009	31.12.2008	30.9.2009	31.12.2008
Supplier payables	17,195	26,488	1,099	1,693
Payables to employees	5,726	5,644	366	361
Taxes payables	3,260	4,174	208	267
Other payables	3,093	2,817	197	180
Customer prepayments	1,589	4,523	102	289
TOTAL	30,863	43,646	1,972	2,790

Note 9 Provisions

	<i>Tb EEK</i>	<i>Tb EUR</i>
Balance at 31.12.2007	3,200	204
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)
Balance at 30.9.2008	3,038	195
Incl current portion	102	7
non-current portion	2,936	188
Balance at 31.12.2008	3,536	226
Incl current portion	115	7
non-current portion	3,421	219
Movements in 9 months 2009:		
Used during the 9 months 2009	(90)	(6)
Interest cost	(70)	(4)
Balance at 30.9.2009	3,446	220
Incl current portion	25	1
non-current portion	3,421	219

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 31.12.2007	4,499,061	44,991	2,875
Balance 30.9.2008	4,499,061	44,991	2,875
Balance 31.12.2008	4,499,061	44,991	2,875
Balance 30.9.2009	4,499,061	44,991	2,875

The share capital of Viiisnurk 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 2009, the dividends were not distributed.

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.

Note 11 Earnings per share

	<i>EEK</i>	<i>EEK</i>	<i>EUR</i>	<i>EUR</i>
	30.9.2009	30.9.2008	30.9.2009	30.9.2008
Basic earnings per share	(0.47)	2.32	(0.03)	0.15
Diluted earnings per share	(0.47)	2.32	(0.03)	0.15
Book value of share	15.47	16.69	0.99	1.06
Price/earnings ratio (P/E)	-	8.77	-	8.77
Closing price of the share of AS Viiisnurk on Tallinn Stock Exchange at 30.9.*	14.55	20.34	0.93	1.30

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

Basic earnings per share for 9 months of 2009 = (2,099,207) / 4,499,061 = (0.47) kroons/(0.03) euros

Basic earnings per share for 9 months of 2008 = 10,431,264 / 4,499,061 = 2.32 kroons/0.15 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 2009 -

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

* The share of Viiisnurk 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 types of product/service are considered as the primary segment of the Group (sheet 20).

Management has identified the following business segments:

The Furniture Factory (FF) is engaged in the production of household furniture. The Furniture Factory includes the furniture factory of AS Viiisnurk.

The Skano (SK) is engaged with the retail sale of furniture and includes OÜ Skano, SIA Skano, UAB Skano LT and TOV Skano Ukraina.

The Building Materials Division (BMD) produces softboard and interior finishing boards. The Building Materials Division includes the softboard factory of AS Viiisnurk.

The secondary segment of the Group is defined according to the geographical location of customers (sheet 21).

Business segment by the types of product/service – primary segment:

<i>th</i> EEK	Furniture Factory		Skano		Building Material Division		TOTAL OF SEGMENTS	
	9 m quarter 2009	9 m quarter 2008	9 m quarter 2009	9 m quarter 2008	9 m quarter 2009	9 m quarter 2008	9 months 2009	9 months 2008
Revenues from external customers	65,116	92,603	24,228	27,937	62,326	97,482	151,670	218,022
Revenues from other segments	10,871	14,985	0	0	0	0	10,871	14,985
Segment profit or loss	3,565	6,947	(5,431)	(1,212)	1,895	9,463	29	15,198
Elimination							224	(180)
Concern profit or loss before financial expenses							253	15,018
Net financial expenses							(2,352)	(2,913)
Profit (loss) before taxes							(2,099)	12,105
Prepaid income tax							0	(1,674)
Concern profit or loss							(2,099)	10,431
Segment assets*	89,783	101,277	11,629	20,139	70,749	83,310	172,161	204,726

* In segment assets also receivables to other segments and share of subsidiaries are being reflected.

<i>th</i> EUR	Furniture Factory		Skano		Building Material Division		TOTAL OF SEGMENTS	
	9 m quarter 2009	9 m quarter 2008	9 m quarter 2009	9 m quarter 2008	9 m quarter 2009	9 m quarter 2008	9 months 2009	9 months 2008
Revenues from external customers	4,162	5,918	1,548	1,786	3,983	6,230	9,693	13,934
Revenues from other segments	695	958	0	0	0	0	695	958
Segment profit or loss	228	444	(347)	(78)	121	605	2	971
Elimination							14	(11)
Concern profit or loss before financial expenses							16	960
Net financial expenses							(150)	(186)
Profit (loss) before taxes							(134)	774
Prepaid income tax							0	(107)
Concern profit or loss							(134)	667
Segment assets*	5,738	6,473	743	1,287	4,522	5,324	11,003	13,084

* In segment assets also receivables to other segments and share of subsidiaries are being reflected.

Business segment by the geographical location of customers – secondary segment:

<i>tš</i> EEK	9 months 2009				9 months 2008			
	FF	SK	BMD	TOTAL	FF	SK	BMD	TOTAL
Finland	36,453	0	31,137	67,590	44,560	0	51,635	96,195
Russia	23,323	0	2,937	26,260	41,836	0	4,484	46,320
Estonia	793	6,962	19,916	27,671	1,413	10,569	30,312	42,294
Ukraine	0	7,353	130	7,483	0	4,076	2,214	6,290
Latvia	0	3,710	1,668	5,378	0	7,214	2,431	9,645
Lithuania	0	6,203	388	6,591	0	6,078	324	6,402
Portugal	0	0	2,026	2,026	0	0	320	320
Germany	1,199	0	724	1,923	2,366	0	1,074	3,440
Kazakhstan	2,869	0	0	2,869	2,211	0	0	2,211
Sweden	0	0	2,620	2,620	0	0	4,312	4,312
Belarusian	208	0	0	208	0	0	0	0
Other countries	271	0	780	1,051	217	0	376	593
TOTAL	65,116	24,228	62,326	151,670	92,603	27,937	97,482	218,022

<i>tš</i> EUR	9 months 2009				9 months 2008			
	FF	SK	BMD	TOTAL	FF	SK	BMD	TOTAL
Finland	2,330	0	1,990	4,320	2,848	0	3,300	6,148
Russia	1,491	0	188	1,679	2,674	0	286	2,960
Estonia	50	445	1,273	1,768	90	676	1,937	2,703
Ukraine	0	470	8	478	0	261	142	403
Latvia	0	237	107	344	0	461	155	616
Lithuania	0	396	25	421	0	388	21	409
Portugal	0	0	129	129	0	0	20	20
Germany	77	0	46	123	151	0	69	220
Kazakhstan	183	0	0	183	141	0	0	141
Sweden	0	0	167	167	0	0	276	276
Belarusian	13	0	0	13	0	0	0	0
Other countries	18	0	50	68	14	0	24	38
TOTAL	4,162	1,548	3,983	9,693	5,918	1,786	6,230	13,934

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 at 30.9.2009 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>Tš</i> EEK	<i>Tš</i> EEK	<i>Tš</i> EUR	<i>Tš</i> EUR
	9 months 2009	9 months 2008	9 months 2009	9 months 2008
Board member and other remuneration	1,805	1,670	115	107
Social tax	596	551	38	35
TOTAL	2,401	2,221	153	142

According to the contracts, the members of the Management Board will receive severance pay amounting to 4-month remuneration.

In the 9 months of 2009 and 2008, there were no transactions between the related parties.