



**TALLINNA VESI**

Best Investor Relations  
in the Baltic Market

**1<sup>ST</sup> PLACE**

Best Interactive  
Investor Relations

**1<sup>ST</sup> PLACE**

Best Investor Relations  
According to the  
Market Professionals

**1<sup>ST</sup> PLACE**

Tallinna Vesi  


# AS Tallinna Vesi

Interim results

12 months ended 31. December 2016



# Hosted by



Karl Brookes  
CEO, Member of the Management Board



Riina Käi  
CFO, Member of the Management Board

# Operations Update



Water quality 99.93% compliant, according 24,140 analyses of the 2,948 samples taken.

Final effluent leaving the Paljassaare wastewater treatment plant is fully compliant, with no pollution incidents.

Cumulative water network leakage rate for 2016 is 15.07%.

Repair of the collector at Stroomi beach and Tondi water pipe was finished.

# Tariff Dispute

*Tallinna Vesi*



## Local Court Case

- Dispute ongoing in the Estonian Courts since 2011
- On 5<sup>th</sup> June 2015, Tallinn Administrative Court dismissed AS Tallinna Vesi's claim
- On the 11<sup>th</sup> of November 2015, the company filed its appeal to the District Court
- District Court hearing took place on 23<sup>rd</sup> of November 2016
- The negative opinion was received on 26<sup>th</sup> January 2017

## International Arbitration

- International arbitration proceedings (ICSID) commenced in October 2014
- Hearings were held in Paris in 7<sup>th</sup> - 11<sup>th</sup> and 14<sup>th</sup> - 15<sup>th</sup> of November 2016
- The decision expected from the Arbitration Panel in the first half of 2017.

# Financial Highlights



EUR million	Q4 2016	Q4 2015	Change %	12 months 2016	12 months 2015	Change €	Change %
Sales	14,5	14,5	-0,1%	59,0	55,9	3,1	5,5%
<b>Gross profit</b>	<b>8,2</b>	<b>8,2</b>	<b>0,8%</b>	<b>33,3</b>	<b>32,2</b>	<b>1,0</b>	<b>3,1%</b>
Operating profit	5,4	6,7	-20,5%	24,6	25,6	-0,9	-3,7%
Operating profit - main Business	5,5	6,7	-17,3%	24,4	25,3	-0,8	-3,3%
<b>Net profit</b>	<b>5,5</b>	<b>6,2</b>	<b>-12,6%</b>	<b>18,4</b>	<b>19,9</b>	<b>-1,5</b>	<b>-7,4%</b>



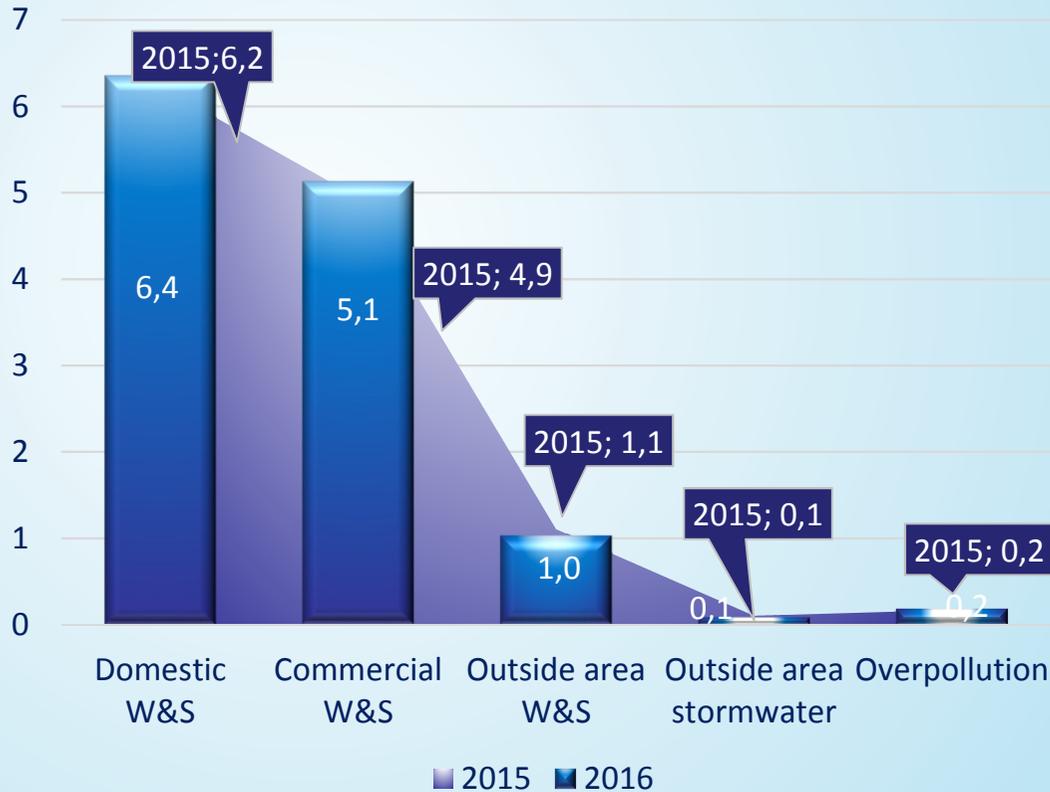
# Water & Wastewater revenues in 4<sup>th</sup> quarter

Tallinna Vesi



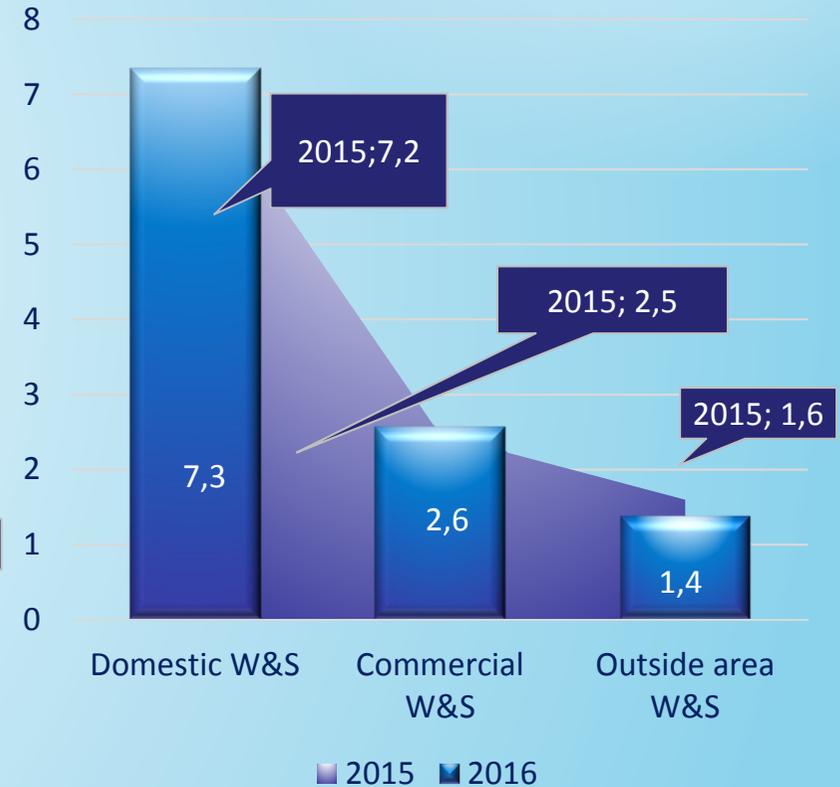
## Revenues

EUR million



## Volumes

million m<sup>3</sup>

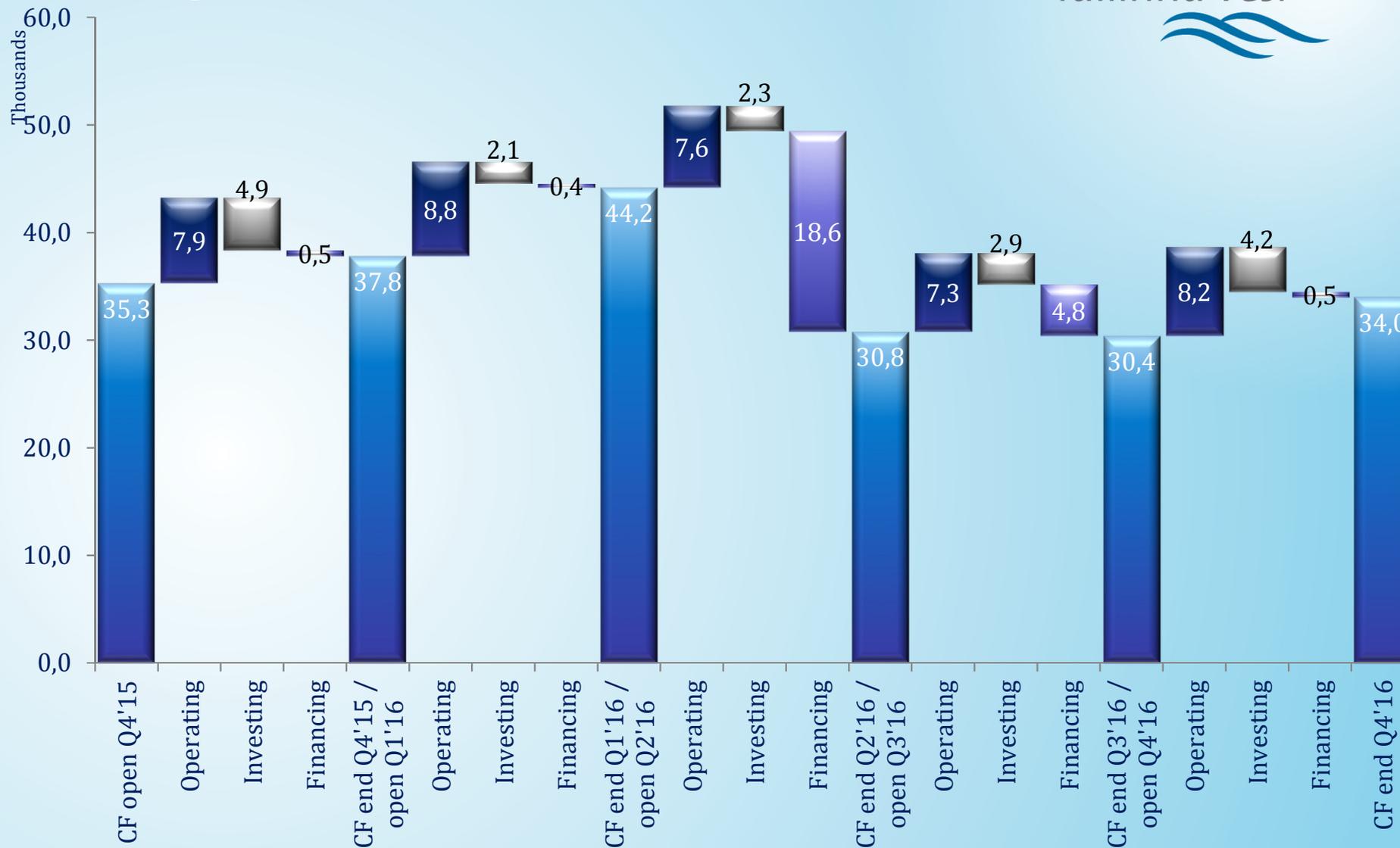


# Total costs in 4<sup>th</sup> quarter



Total cost variances EUR million	Q4 2016	Q4 2015	Change %	12 months 2016	12 months 2015	Change €	Change %
Total Cost of Goods Sold (incl.)	6,3	6,4	-1,2%	25,7	23,7	2,0	8,6%
Chemicals	0,3	0,4	-16,0%	1,3	1,5	-0,2	-14,6%
Electricity	0,8	0,7	8,3%	3,1	3,0	0,1	2,4%
Pollution tax	0,2	0,2	2,1%	1,1	1,0	0,1	8,9%
Staff costs	1,6	1,5	5,9%	5,7	5,6	0,1	2,2%
Depreciation	1,4	1,4	-1,7%	5,9	5,7	0,2	3,0%
Construction service, design and asphalting	0,6	1,0	-35,1%	4,0	2,4	1,6	67,1%
Other cost of goods sold	1,3	1,1	17,2%	4,6	4,4	0,2	4,5%
Marketing, General admin costs	2,5	1,4	86,6%	8,2	6,5	1,6	25,2%
TOTAL cost of goods sold, Marketing, Overhead	8,8	7,7	14,3%	33,9	30,2	3,7	12,2%
Net other expenses	-0,3	-0,1	370,8%	-0,5	-0,2	-0,3	213,3%
Net financial expenses	0,1	-0,5	-117,7%	-1,7	-1,2	-0,5	42,4%

# Cash position



Cash balance EUR 3.83 million euros lower y-o-y

# Thank You!

Regulatory & political questions

Karl Brookes

[Karl.Brookes@tvesi.ee](mailto:Karl.Brookes@tvesi.ee)

IR & financial questions

Riina Käi

[riina.kai@tvesi.ee](mailto:riina.kai@tvesi.ee)

Operational questions

Aleksandr Timofejev

[aleksandr.timofejev@tvesi.ee](mailto:aleksandr.timofejev@tvesi.ee)

Company ph., +372 62 62 200,

E-mail [tvesi@tvesi.ee](mailto:tvesi@tvesi.ee)

Sooner or later  
every investor  
reaches for our  
product.

