

Condensed consolidated interim report for the  
fourth quarter  
**2010**

Beginning of interim period:	1.1.2010
End of interim period:	31.12.2010
Beginning of financial year:	1.1.2010
End of financial year:	31.12.2010
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## Brief description

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AS Trigon Property Development is a real estate development company

AS Trigon Property Development currently owns one real estate development project involving a 36-hectare area in the City of Pärnu, Estonia. Commercial real estate will be developed on this area.

The Group is listed in list 1 (main equity list) of Nasdaq OMX Tallinn Stock Exchange. TDI Investments Ky, which was the controlling party of Trigon Property Development through its shareholding in OÜ Trigon Wood, was restructured in November 2009 so that the shareholding in OÜ Trigon Wood was distributed directly to the investors of TDI Investments Ky (Scandinavian investors). In addition, two of the investors of TDI Investments Ky sold their shareholdings in OÜ Trigon Wood (sale transactions took place in November 2009 and in January 2010) to AS Trigon Capital. The biggest shareholders of OÜ Trigon Wood are AS Trigon Capital (30.13%), Veikko Laine Oy (15.52%), BCB Baltic AB (14.07%), Hermitage Eesti OÜ (11.94%), Thominvest Oy (11.94%) and Assetman Oy (11.94%). In total OÜ Trigon Wood is controlling 59.47 % of votes represented by shares in AS Trigon Property Development.

## Management report

### Overview of business areas

The main business activity of Trigon Property Development AS is real estate development.

### Investments

As at the end of 2010 AS Trigon Property Development owned one development project involving a 36-hectare area in the City of Pärnu, Estonia. Commercial real estate will be developed on this area. The property has been rented out to fourth parties until the beginning of construction works under operating lease agreements. To finance the development the Group is planning to sell partly the investment property. Trigon Property Development AS is considering expansion of business activity and analysing acquisition opportunities for different new projects

### Personal

AS Trigon Property Development had no employees as at 31 December 2010 and 31 December 2009.

The shareholders of AS Trigon Property Development resolved to recall Gleb Ognyanikov from position of the Supervisory Board member and elect Heiti Riisberg to the position of the Supervisory Board member.

In 2010 and 2009 no remuneration has been paid to the Management or Supervisory board

### Financial ratios

Statement of financial position	EEK thous 2010	EEK thous 2009	thous EUR 2010	thous EUR 2009
Total assets	65 335	65 461	4 176	4 184
Return on assets	0.60%	-91.08%	0.60%	-91.07
Equity	61 124	61 517	3 906	3 932
Return on equity	-0.64%	-96.92%	-0.64%	-96.92%
Debt ratio	6.45%	6.02%	6.45%	6.02%

### Share (31.12)

Closing price of the share (EEK/EUR)	7.82	6.88	0.50	0.44
Earnings per share (EEK/EUR)	-0.09	-13.25	-0.01	-0.85
Price-to-earnings (PE) ratio	-89.52	-0.52	-89.98	-0.52
Book value of the share (EEK/EUR)	13.59	13.67	0.87	0.87
Price-to-book ratio	0.58	0.50	0.58	0.50
Market capitalisation	35 183	30 954	2 250	1 980

Return on assets = net profit / total assets

Return on equity = net profit/ equity

Debt ratio = liabilities / total assets

Earnings per share = net profit/ number of shares

Price-to-earnings (PE) ratio = closing price of the share / earnings per share

Book value of the share = equity / number of shares

Price-to-book ratio = closing price of the share / book value of the share

Market capitalisation = closing price of the share \* number of shares

## Share

### Share price

In 2010, the opening price of share was 6.88 Estonian kroons/0.44 euros. The highest price of the year was 10.33 Estonian kroons/0.66 euros and the lowest price was 5,95 Estonian kroons/0.38 euros. The closing price of year 2010 was 7.82 Estonian kroons/0.50 euros. A total of 388 599 shares were traded in 2010 and the total sales amounted to 3.10 million Estonian kroons/0.20 million euros.

In 2009, the opening price of share was 6.88 Estonian kroons/0.44 euros. The highest price of the year was 8.14 Estonian kroons/0.52 euros and the lowest price was 3.76 Estonian kroons/0.24 euros. The closing price of year 2009 was 6.88 Estonian kroons/0.44 euros. A total of 785 510 shares were traded in 2009 and the total sales amounted to 4.56 million Estonian kroons/0.29 million euros.

The following table provides an overview of the movements of the Group's share price and the daily trading volumes on Tallinn Stock Exchange (EEK):



### Shareholders

The distribution of share capital by the number of shares acquired as at 31.12.2010.

	Number of shareholders	% of shareholders	Number of shares	% of share capital
1-99	92	18.70%	2 857	0.06%
100-999	200	40.65%	70 367	1.56%
1 000-9 999	175	35.57%	424 374	9.43%
10 000-99 999	20	4.07%	536 205	11.92%
100 000-999 999	4	0.81%	789 506	17.55%
1 000 000-9 999 999	1	0.20%	2 675 752	59.47%
<b>TOTAL</b>	<b>492</b>	<b>100%</b>	<b>4 499 061</b>	<b>100%</b>

List of shareholders with over 1% holdings as at 31.12.2010.

Shareholder	Number of shares	Ownership %
OÜ Trigon Wood	2 675 752	59.47%
ING Luxemburg S.A.	441 468	9.81%
Central Securities Depository of Lithuania	136 222	3.03%
James Kelly	109 800	2.44%
Skandinaviska Enskilda Banken Ab kliendid	102 016	2.27%
Swedbank Ab kliendid	89 936	2.00%
Skandinaviska Enskilda Banken Finnish kliendid	67 844	1.51%
Kessu Kaubandus OÜ	55 400	1.23%
Toivo Kuldmäe	49 231	1.09%

## Description of main risks

### Interest rate risk

Interest rate risk is the risk that the interest rates of the Company's liabilities differ significantly from the market interest rates. The interest rate risk of AS Trigon Property Development is limited to the difference between the fixed interest rates of the Company's long-term borrowings and the market interest rates. At the time of preparing these financial statements, the market interest rates were higher than the interest rates of the Company's borrowings; therefore the fair value of the loan assumed by the Company is lower than its carrying amount.

### Foreign exchange risk

Foreign exchange risk is the Group's risk of incurring major losses due to exchange rate fluctuations. Group's monetary assets are nominated in Estonian kroons. The Group's liabilities are nominated in Estonian kroons and in euros. The foreign exchange risk is not actual anymore, due to the fact that on 1 January 2011, the Republic of Estonia joined the Euro area and adopted the Euro as its national currency, replacing the Estonian kroon, using the conversion rate of 15.6466 EEK/EUR.

### Operating environment risk

The Group is exposed to the risk of real estate prices and real estate rental prices. The Group is not exposed to the market risk arising from financial instruments, because it does not hold any securities or derivative agreements.

### Fair value

The fair values of cash, accounts receivable, short-term loans and borrowings do not materially differ from their book values. The fair value of long-term loans and borrowings is presented in Note 3.

## Group structure

Shares of subsidiaries

Country of location	OÜ VN Niidu Kinnisvara (Estonia)
Number of shares 31.12.2009 (pcs)	1
Ownership percentage 31.12.2009	100
Number of shares 31.12.2010 (pcs)	1
Ownership percentage 31.12.2010	100

OÜ VN Niidu Kinnisvara was set up for the development of land located in the area of Niidu Street, Pärnu. At the time of preparing the financial statements, it is the only subsidiary of AS Trigon Property Development.

## Management and Supervisory Boards and auditor

Management board of AS Trigon Property Development has one member - Aivar Kempfi.

Supervisory Board of AS Trigon Property Development has three members: Ülo Adamson, Joakim Helenius and Heiti Riisberg.

Audits are carried out by PricewaterhouseCoopers AS.

## Transactions with related parties

In 2010 and 2009 no remuneration has been paid to the Management or Supervisory board. There are no potential liabilities to members of the Management Board or Supervisory Board.

In 2009 and 2010 no remuneration has been paid to the Management or Supervisory board. There are no potential liabilities to members of the Management Board or Supervisory Board.

Group received loans in 2010 from parent company in the amount 404 thousand Estonian kroons/26 thousand euros. These loans are payable at the end of 2012. As at 31 December 2010 the accrued interest from the loans is 182 thousand Estonian kroons/12 thousand euros.

Group received loans in 2009 from parent company in the amount of 1 679 thousand Estonian kroons/107 thousand euros. These loans are payable at the end of 2010. This loan hasn't been repayed and this loan agreement has been extended. As at 31 December 2009 the accrued interest from the loans was 45 thousand Estonian kroons/3 thousand euros.

In 2010 Group Received loans from entities under the control of members of Management Board or Supervisory Board in the amount of 106 thousand Estonian kroons/7 thousand euros with the repayment date 31 December 2011.

## Condensed consolidated interim report

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### Management Board's declaration

The Management Board confirms the correctness and completeness of the consolidated condensed unaudited interim report of AS Trigon Property Development for the fourth quarter 2010 as set out on pages 4-17.

The Management Board confirms that to the best of their knowledge:

1. the accounting policies and presentation of information applied in the preparation of the condensed consolidated interim report are in compliance with International Financial Reporting Standards (IFRS) as adopted in the European Union. The presentation of the condensed interim report is in compliance with the requirements of IAS 34 *Interim Financial Reporting*;
2. the interim report presents a true and fair view of the financial position, the results of operations and cash flows of the Group;
3. 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;
4. group entities are going concerns.

Member of the Management Board



Aivar Kemp

28.02.2011



## Condensed consolidated statement of financial position

	<i>EEK thous</i>	<i>EEK thous</i>	<i>EUR thous</i>	<i>EUR thous</i>
	<b>31.12.2010</b>	<b>31.12.2009</b>	<b>31.12.2010</b>	<b>31.12.2009</b>
Cash and cash equivalents	122	71	8	5
Receivables and prepayments	13	190	1	12
<b>Total current assets</b>	<b>135</b>	<b>261</b>	<b>9</b>	<b>17</b>
Investment property (note 2)	65 200	65 200	4 167	4 167
<b>Total non-current assets</b>	<b>65 200</b>	<b>65 200</b>	<b>4 167</b>	<b>4 167</b>
<b>TOTAL ASSETS</b>	<b>65 335</b>	<b>65 461</b>	<b>4 176</b>	<b>4 184</b>
Borrowings (note 3)	498	2 071	32	132
Payables and prepayments	259	111	17	7
<b>Total current liabilities</b>	<b>757</b>	<b>2 182</b>	<b>49</b>	<b>139</b>
Long-term borrowings (note3)	3 454	1 762	221	113
<b>Total non-current liabilities</b>	<b>3 454</b>	<b>1 762</b>	<b>221</b>	<b>113</b>
<b>Total liabilities</b>	<b>4 211</b>	<b>3 944</b>	<b>270</b>	<b>252</b>
Share capital at nominal value (note 4)	44 991	44 991	2 875	2 875
Share premium	3 537	3 537	226	226
Statutory reserve capital	4 499	4 499	288	288
Retained earnings	8 097	8 490	517	543
<b>Total equity</b>	<b>61 124</b>	<b>61 517</b>	<b>3 906</b>	<b>3 932</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>65 335</b>	<b>65 461</b>	<b>4 176</b>	<b>4 184</b>

The notes to the condensed consolidated interim report presented on pages 13-17 are an integral part of this report.

## Condensed consolidated statement of comprehensive income

	<i>EEK thous</i>	<i>EEK thous</i>	<i>EEK thous</i>	<i>EEK thous</i>	<i>EUR thous</i>	<i>EUR thous</i>	<i>EUR thous</i>	<i>EUR thous</i>
	<b>Q4 2010</b>	<b>Q4 2009</b>	<b>2010</b>	<b>2009</b>	<b>Q4 2010</b>	<b>Q4 2009</b>	<b>2010</b>	<b>2009</b>
Rental income (note 6)	97	153	427	625	6	10	27	40
Expenses related to investment property	-68	-81	-389	-798	-4	-5	-25	-51
<b>Gross profit (loss)</b>	<b>29</b>	<b>72</b>	<b>38</b>	<b>-173</b>	<b>2</b>	<b>5</b>	<b>2</b>	<b>-11</b>
Administrative and general expenses	-141	-134	-254	-260	-9	-9	-16	-16
<b>Operating profit (loss)</b>	<b>-112</b>	<b>5 374</b>	<b>-216</b>	<b>-59 513</b>	<b>-7</b>	<b>343</b>	<b>-14</b>	<b>-3 803</b>
Net financial income	-20	-21	-177	-109	-1	-1	-11	-7
<b>NET PROFIT (LOSS) FOR THE PERIOD</b>	<b>-132</b>	<b>5 353</b>	<b>-393</b>	<b>-59 622</b>	<b>-8</b>	<b>342</b>	<b>-25</b>	<b>-3 810</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>-132</b>	<b>5 353</b>	<b>-393</b>	<b>-59 622</b>	<b>-8</b>	<b>342</b>	<b>-25</b>	<b>-3 810</b>
Basic earnings per share (note 5)	-0,03	1,19	-0,09	-13,25	0,00	0,08	-0,01	-0,85
Diluted earning per share (note 5)	-0,03	1,19	-0,09	-13,25	0,00	0,08	-0,01	-0,85

The notes to the condensed consolidated interim report presented on pages 13-17 are an integral part of this report.

## Condensed consolidated cash flow statement

	EEK thous	EEK thous	EUR thous	EUR thous
	2010	2009	2010	2009
<b>Cash flows from operating activities</b>				
<b>Net loss for the period</b>	<b>-393</b>	<b>-59 622</b>	<b>-25</b>	<b>-3 810</b>
<u>Adjustments for:</u>				
Change in fair value of investment property (note 2)	0	59 080	0	3 776
Interest charge	177	109	11	7
<b>Changes in working capital:</b>				
Change in receivables and prepayments related to operating activities	177	-65	11	-4
Change in liabilities and prepayments related to operating activities	11	-70	1	-5
<b>Cash used in operations</b>	<b>-28</b>	<b>-568</b>	<b>-2</b>	<b>-36</b>
Interests paid	-39	-83	-3	-5
<b>Total cash flows used in operating activities</b>	<b>-67</b>	<b>-651</b>	<b>-5</b>	<b>-41</b>
<b>Cash flows from financing activities</b>				
Received loans (note 6, 13)	510	1 879	33	120
Repayment of loans (note 6)	-392	-1 226	-25	-78
<b>Total cash flows from financing activities</b>	<b>118</b>	<b>653</b>	<b>8</b>	<b>42</b>
<b>CHANGE IN CASH BALANCE</b>	<b>51</b>	<b>2</b>	<b>3</b>	<b>1</b>
<b>OPENING BALANCE OF CASH</b>	<b>71</b>	<b>69</b>	<b>5</b>	<b>4</b>
<b>CLOSING BALANCE OF CASH</b>	<b>122</b>	<b>71</b>	<b>8</b>	<b>5</b>

The notes to the condensed consolidated interim report presented on pages 13-17 are an integral part of this report.

## Condensed consolidated statement of changes in equity

<i>thous EEK</i>	Share capital	Share premium	Statutory reserve capital	Retained earnings	Total
<b>Balance 31.12.2008</b>	<b>44 991</b>	<b>3 537</b>	<b>4 499</b>	<b>68 112</b>	<b>121 139</b>
Total comprehensive loss for 2009	0	0	0	-59 622	-59 622
<b>Balance 31.12.2009</b>	<b>44 991</b>	<b>3 537</b>	<b>4 499</b>	<b>8 490</b>	<b>61 517</b>
Total comprehensive loss for 2010	0	0	0	-393	-393
<b>Balance 31.12.2010</b>	<b>44 991</b>	<b>3 537</b>	<b>4 499</b>	<b>8 097</b>	<b>61 124</b>

<i>thous EUR</i>	Share capital	Share premium	Statutory reserve capital	Retained earnings	Total
<b>Balance 31.12.2008</b>	<b>2 875</b>	<b>226</b>	<b>288</b>	<b>4 353</b>	<b>7 742</b>
Total comprehensive loss for 2009	0	0	0	-3 810	-3 810
<b>Balance 31.12.2009</b>	<b>2 875</b>	<b>226</b>	<b>288</b>	<b>543</b>	<b>3 932</b>
Total comprehensive loss for 2010	0	0	0	-25	-25
<b>Balance 31.12.2010</b>	<b>2 875</b>	<b>226</b>	<b>288</b>	<b>518</b>	<b>3 907</b>

The notes to the consolidated condensed interim financial statements presented on pages 13-17 are an integral part of these financial statements.

## Notes to condensed consolidated interim report

### Note 1 Accounting methods and evaluation bases used in the preparation of the condensed consolidated interim report

The condensed interim report prepared as at 31 December 2010 include the consolidated results of AS Trigon Property Development and its wholly-owned subsidiary OÜ VN Niidu Kinnisvara (together referred to as the Group). The Group's main area of operations is real estate development.

The accounting policies used for preparing the condensed consolidated interim report of AS Trigon Property Development for the fourth quarter 2010 are in accordance with International Financial Reporting Standards (IFRS) as adopted in the European Union. The presentation of the consolidated financial statements complies with the requirements of IAS 34 "Interim Financial Reporting". Condensed consolidated interim financial statements should be read together with the consolidated annual report of last year. The accounting policies that have been used in the preparation of the condensed interim report are the same as those used in the consolidated annual report for the year ended 31 December 2009.

In connection with changes in IAS 1 "Presentation of Financial Statements", which came into force from 1 January 2009, the term "Balance sheet" is replaced by the term "Statement of financial position" in the interim report for the fourth quarter 2010. Income statement is replaced by statement of comprehensive income, which in addition includes non-owner changes previously recognised in equity.

Management estimates that AS Trigon Property Development is a going concern and the Group's consolidated interim report for the fourth quarter 2010 presents a true and fair view of the financial position, the results of operations and the cash flows of AS Trigon Property Development. This interim report has not been audited.

The interim report has been prepared in thousands of Estonian kroons. For the benefit of the reader, the financial information has also been presented in thousands of euros as supplementary information. The official exchange rate of the Bank of Estonia (EUR 1 = EEK 15.6466) has been used to translate the Estonian kroons to euros.

### Note 2 Investment property

	<i>EEK thous</i>	<i>EUR thous</i>
<b>Balance as of 31.12.2008</b>	<b>124 280</b>	<b>7 943</b>
Loss from change in fair value 2009	-59 080	-3 776
<b>Balance as at 31.12.2009</b>	<b>65 200</b>	<b>4 167</b>
<b>Balance as at 31.12.2010</b>	<b>65 200</b>	<b>4 167</b>

Group currently owns one real estate development project involving a 36-hectare area in the City of Pärnu, Estonia.

The expenses related to the management of investment property totalled 389 thousand Estonian kroons/25 thousand euros in 2010 and 798 thousand kroons/51 thousand euros in 2009.

The property has been rented out until the beginning of construction works under operating lease agreements. Revenue from the leasing of investment property totalled 427 thousand kroons/27 thousand euros in 2010 and 625 thousand kroons/40 thousand euros in 2009. Based on the effective lease agreements, the future minimum lease payments under non-cancellable operating leases expected to be collected as at 31 December 2010 are 193 thousand Estonian

kroons/12 thousand euros (31 December 2009: 173 thousand Estonian kroons/11 thousand euros). All operating lease agreements can be cancelled within one year

The investment property was evaluated by independent qualified appraisers of Colliers International at the end of financial year 2010 and 2009. As at 31 December 2009, the evaluation resulting in a fair value of 65 200 thousand kroons /4 167 euros, was based on discounted cash flow (DCF) estimates. Although the market conditions have generally improved, the real estate market has remained very illiquid during 2010 with the trends in construction prices and rent levels unpredictable and difficult to observe. Colliers International suggests that given the current market conditions, the best representation of the fair value of investment property as at 31 December 2010 would be the same value as appraised in 31 December 2009, i.e. 65 200 thousand kroons / 4 167 thousand euros.

As at 31 December 2010 and 31 December 2009, investment properties were encumbered with mortgages for the benefit of Estonian Republic in the amount of 6 186 thousand kroons/395 thousand euros. Mortgages were set as collateral for long-term borrowings (note 3). As at 31 December 2010 the carrying amount of investment properties encumbered with mortgages was 65 200 thousand kroons/4 167 thousand euros and 31 December 2009 62 500 thousand kroons/4 167 thousand euros.

### Note 3 Borrowings

As at 31.12.2010

<i>EEK thous</i>	Total	Current borrowings	Non-current borrowings
Instalment payment for land	1 762	392	1 370
Loans from related parties	2 189	106	2 083
<b>TOTAL</b>	<b>3 951</b>	<b>498</b>	<b>3 453</b>
<i>EUR thous</i>			
Instalment payment for land	113	25	88
Loans from related parties	140	7	133
<b>TOTAL</b>	<b>253</b>	<b>32</b>	<b>221</b>

As at 31.12.2009

<i>EEK thous</i>	Total	Current borrowings	Non-current borrowings
Instalment payment for land	2 154	392	1 762
Loans from related parties	1 679	1 679	0
<b>TOTAL</b>	<b>3 833</b>	<b>2 071</b>	<b>1 762</b>
<i>EUR thous</i>			
Instalment payment for land	138	25	113
Loans from related parties	107	107	0
<b>TOTAL</b>	<b>245</b>	<b>132</b>	<b>113</b>

Borrowings include the instalment payment for land on which interest in the fixed amount of 39 thousand kroons/2 thousand euros per annum is paid. The repayment date of the loan is 2015. Investment property with the carrying amount of 65 200 thousand kroons/4 167 thousand euros as at 31 December 2010 and 65 200 thousand kroons/4 167 thousand euros as at 31 December 2009 has been set as collateral for the borrowings. Using the fair market interest rate of 7% per annum, the fair value of the loan is 1 281 thousand kroons/82 thousand euros.

As at 31 December 2010 short-term borrowings include loan in the amount of 106 thousand Estonian kroons/7 thousand euros with the repayment date 31 December 2011.

AS at 31. December 2010 long-term borrowings include loans from parent company in the amount of 2083 thousand kroons/133 thousand euros with the repayment date 31.12.2012 and the interest rate 7%.

As at 31 December 2009 short-term borrowings include loans in the amount of 646 thousand Estonian kroons/41 thousand euros and 1 033 thousand Estonian kroons/66 thousand euros with the repayment date 31 December 2010. The loans have denominated in euros and the interest rate is 7% per annum.

Borrowing terms have not been breached during the accounting period or as at the balance sheet date.

#### **Note 4 Equity**

	Number of shares <i>pcs</i>	Share capital <i>EEK</i>	Share capital <i>EUR</i>
Balance 31.12.2009	4 499 061	44 990 610	2 875 424
Balance 31.12.2010	4 499 061	44 990 610	2 875 424

The share capital of AS Trigon Property Development is 44 990 610 kroons/2 875 424 euros. The share capital consists of 4 499 061 ordinary shares with the nominal value of 10 kroons/0.64 euros which have been approved by the shareholders, issued and fully paid for. The maximum share capital stipulated in the articles of association is 177 480 800 kroons/11 343 090 euros. Each ordinary share grants one vote to its owner at the General Meeting of Shareholders and the right to receive dividends.

As at 31 December 2010 the retained earnings amounted to 8 097 thousand kroons/517 thousand euros. At the balance sheet date it is possible to pay out 6 397 thousand kroons/409 thousand euros as dividends. The corresponding corporate income tax on dividends would amount to 1 700 thousand kroons/109 thousand euros. As at 31 December 2009 the retained earnings amounted to 8 490 thousand kroons/543 thousand euros. At the balance sheet date it was possible to pay out 6 707 thousand kroons/429 thousand euros as dividends. The corresponding corporate income tax on dividends would amount to 1 783 thousand kroons/114 thousand euros.

As at 31 December 2010, the Group had 492 shareholders (31 December 2009: 496 shareholders) of which the entities with more than a 5% holdings were:

- Trigon Wood OÜ with 2 675 752 shares or 59.47% (2009: 59.62%)
- ING Luxembourg S.A. with 441 468 shares or 9.81% (2009: 10.11%)

Members of the Management Board and Supervisory Board owned no shares as at 31 December 2010 and 31 December 2009.

**Note 5 Earnings per share**

	<i>EEK</i>	<i>EEK</i>	<i>EUR</i>	<i>EUR</i>
	<b>31.12.2010</b>	<b>31.12.2009</b>	<b>31.12.2010</b>	<b>31.12.2009</b>
Basic earnings per share (basic EPS)	-0.09	-13.25	-0.01	-0.85
Diluted earnings per share	-0.09	-13.25	-0.01	-0.85
Book value of the share	13.59	13.67	0.87	0.87
Price to earnings ratio (P/E)	-89.52	-0.52	-89.52	-0.52
Closing price of the share of AS Trigon Property Development on Tallinn Stock Exchange	7.82	6.88	0.50	0.44

Basic earnings per share have been calculated on the basis of the net profit for the interim period and the number of shares.

Basic EPS for 2010 = -393 thousand / 4 499 061 = -0.09 kroons/-0.01 euros

Basic EPS for 2009 = -59 622 thousand / 4 499 061 = -13.25 kroons/-0.85 euros

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

Price to earnings (P/E) ratio for 2010 = 7.82 / (-0.09) = -89.52

Price to earnings (P/E) ratio for 2009 = 6.88 / (-13.25) = -0.52

**Note 6 Net sales**

The net sales of AS Trigon Property Development for the 12 months of 2010 totalled 427 thousand kroons/27 thousand euros and for the 12 months of 2009 totalled 625 thousand kroons/40 thousand euros which consisted of the rental services relating to the registered immovables.

**Note 7 Expenses related to investment property**

	<i>thous EEK</i>	<i>thous EEK</i>	<i>thous EUR</i>	<i>thous EUR</i>
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
Land tax	179	179	11	11
Evaluation	141	339	9	22
Project management	0	280	0	18
Other expenses	69	0	4	0
<b>TOTAL</b>	<b>389</b>	<b>798</b>	<b>24</b>	<b>51</b>



## Note 8 Administrative and general expenses

	<i>thous EEK</i>	<i>thous EEK</i>	<i>thous EUR</i>	<i>thous EUR</i>
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
Security transactions and stock exchange fees	104	110	7	7
Auditing	121	100	8	6
Advertising expenses	17	28	1	2
Other expenses	12	22	1	1
<b>TOTAL</b>	<b>254</b>	<b>260</b>	<b>16</b>	<b>16</b>

## Note 9 Related party transactions

The following parties are considered to be related parties:

- Parent company Trigon Wood OÜ and owners of the parent company;
- Members of the Management board, the Management Board and the Supervisory Board of AS Trigon Property Development 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.

Biggest shareholders of OÜ Trigon Wood are AS Trigon Capital (30.13%), Veikko Laine Oy (15.52%), BCB Baltic AB (14.07%), Hermitage Eesti OÜ (11.94%), Thominvest Oy (11.94%) and Assetman Oy (11.94%)

In 2009 and 2010 no remuneration has been paid to the Management or Supervisory board. There are no potential liabilities to members of the Management Board or Supervisory Board.

Group received loans in 2010 from parent company in the amount 404 thousand Estonian kroons/26 thousand euros. These loans are payable at the end of 2012. As at 31 December 2010 the accrued interest from the loans is 182 thousand Estonian kroons/12 thousand euros.

Group received loans in 2009 from parent company in the amount of 1 679 thousand Estonian kroons/107 thousand euros. These loans are payable at the end of 2010. This loan hasn't been repayed and this loanagreement has been extended. As at 31 December 2009 the accrued interest from the loans was 45 thousand Estonian kroons/3 thousand euros.

In 2010 Group Received loans from entities under the control of members of Management Board or Supervisory Board in the amount of 106 thousand Estonian kroons/7 thousand euros with the repayment date 31 December 2011.