AS BALTIKA

Consolidated interim report for the third quarter and 9 months of 2014

Commercial name	AS Baltika
Commercial registry number	10144415
Legal address	Veerenni 24, Tallinn 10135, Estonia
Phone	+372 630 2731
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E-mail	baltika@baltikagroup.com
Web page	www.baltikagroup.com
Main activities	Design, development, production and sales arrangement of the fashion brands of clothing
Auditor	AS PricewaterhouseCoopers
Financial year	1 January 2014 – 31 December 2014
Reporting period	1 January 2014 – 30 September 2014

BALTMAN monton MOSAIC IvoNikkolo BASTION

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BRIEF DESCRIPTION OF BALTIKA GROUP

The Baltika Group, with the parent company AS Baltika, is an international fashion retailer operating in the Baltic countries and Eastern Europe. Baltika Group operates six retail concepts: Monton, Mosaic, Baltman, Bastion, Ivo Nikkolo and also under franchise agreement Blue Inc. The Group employs a vertically integrated business model, which means that it controls all stages of the fashion process: design, manufacturing, supply chain management, distribution/logistics and retail sales. The Group also sells its collections through wholesale.

The shares of AS Baltika are listed on the Tallinn Stock Exchange which belongs to the NASDAQ OMX Group.

As at 30 September 2014 the Group employed 1,215 people (31 December 2013: 1,345, thereof 130 people in Ukrainian subsidiary).

The parent company is located and has been registered at 24 Veerenni in Tallinn, Estonia.

The Group consists of the following companies:

Subsidiary	Location	Activity	Holding as at 30 Sep 2014	Holding as at 31 Dec 2013
OÜ Baltika Retail	Estonia	Holding	100%	100%
OÜ Baltman[1]	Estonia	Retail	100%	100%
SIA Baltika Latvija[1]	Latvia	Retail	100%	100%
UAB Baltika Lietuva[1]	Lithuania	Retail	100%	100%
Baltika Retail Ukraina Ltd [2]	Ukraine	Retail	-	100%
OOO „Olivija“[1,3]	Russia	Retail	100%	100%
OY Baltinia AB	Finland	Distribution	100%	100%
Baltika Sweden AB	Sweden	Distribution	100%	100%
OÜ Baltika Tailor	Estonia	Production	100%	100%
OÜ Baltika TP	Estonia	Real estate management	100%	100%

[1]Interest through a subsidiary.
[2]In second quarter Ukrainian subsidiary was sold, see additional information about the transaction in Note 20.
[3]OOO “Olivija” represents Russian consolidation group, which also includes OOO „Plazma“ and OOO „Stelsing“.

MANAGEMENT REPORT

BALTIKA'S UNAUDITED FINANCIAL RESULTS, THIRD QUARTER AND 9 MONTHS OF 2014

Baltika's third-quarter profit was 151 thousand euros, that is 763 thousand euros improvement compared to continued operations loss of same period in prior year (-612 thousand euros). Results of all operations showed improvement to comparative period by 935 thousand euros.

Baltika's continued operations third quarter sales increased by 17% and it was with 14,648 thousand euros the best third quarter in last five years. Strategic objective is placing greater focus on the development of other sales channels and increase sales through wholesale and franchise and also in e-store. As a result other channels sales growths are high - wholesale and franchise growth was 56% and e-channel 85%. The quarter was also strong in retail, where sales revenue grew by 12%, totalling with 12,664 thousand euros.

Third quarter was successful for all of Baltika's markets. The economic situation in Baltic countries remained stable although consumer confidence showed rather signs of weakening. In spite of the economic situation influencing the business and stronger competition, Baltic countries showed double-digit growth numbers (+14%), good results owing mainly to collections sales success. Likewise, the sales in Russia, with its unstable economic environment, showed in third quarter 6% growth figures despite of the average sales area decrease by 6%.

Company gross profit margin in the third quarter was 49% that is on the same level as in the same period prior year. Thereby taking separately retail, there has been an improvement in gross margin by 1.8 percentage points. Gross margin remained on the same level due to increase of proportion from 8% to 12% of wholesale and franchise channel that has lower gross margin.

With the good sales in both retail and through other channels the third quarter resulted in 151 thousand euros net profit. Together with the discontinued operations the nine months net loss was 1,683 thousand euros, which includes the loss from allowance for assets in Ukraine of 1,095 thousand euros. Three quarters continued operations net loss was 354 thousand euros, which is 55 thousand euros better result than in the same period prior year.

Highlights of the period until the date of release of this quarterly report

- AS Baltika announces that public offering of bonds, decided on the Annual general meeting of shareholders held on 28 April 2014, was exercised in July in full, i.e. all 600 offered bonds in the total amount of 3,000,000 euros. 3-year bonds carry 6.5% interest p.a. Each bond will give its owner the right to subscribe 10,000 shares of the Company with the subscription price of 0.50 euros. Total of 691 shares were subscribed for which means over-subscription of 1.15 times. The bonds were issued on 28 July and oversubscribed bonds were cancelled.

- Baltika launched new bonus program AndMore in the second quarter in Estonia and Lithuania, in October in Latvia. This allows using program advantages in all of Baltika's six different brand stores instead of current by only one brand. Bonus program offers clients among other two times longer return period and personalised offers and discounts.

- Season opening event took place on 7th of August at port Noblessner and brought new records with attendance numbers. More than 800 guests from Estonia and abroad were there to see new season collections of both Baltika own brands and one operated under franchise.

- E-com expanded in August from solely Monton brand to representing all Baltika brands. E-store andmorefashion.com, with new technical solution, provides shopping opportunity for wider customer circle and was already noted by Estonian Traders Association in the Trade Action of the Year contest.

- AS Baltika signed in the beginning of September franchise agreement with Russian company “Gold Button” to open Baltika's brands stores in Russia. Retail company “Gold Button” already operates in Moscow under franchise agreement brands Eterna (7 stores), Tom Farr (12 stores) and Savage (5 stores). Partner has opened by the end of October flagship stores in Moscow for all the planned brands – Baltman, Ivo Nikkolo, Monton and Bastion.

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- Baltika Group closed in third quarter 4 stores in Russia: Mosaic stores in Krasnodar Mega, Ufa Mega, Jekaterinburg Mega centres in August and Monton store in Ufa Semja shopping centre in September. In addition to stores in Russia, Bastion store was also closed in July in Estonia, Viru Keskus shopping centre. Baltika's franchise stores line saw addition of two new stores in September. Franchise partner Gold Button opened first Baltman store in Russia in Moscow and franchise partner Mirworld opened first Monton store in Tenerife.

REVENUE

In connection with Baltika's exit from the Ukrainian retail business, which represented a major line of business of the Group, the 2014 results of the Ukrainian entity are presented as discontinued operation. Therefore the results of the discontinued operation are reported separately from continuing operations unless indicated otherwise, to allow better assessment of the performance of continuing operations. For comparability, the figures for 2013 have been adjusted accordingly.

Baltika's third quarter sales revenue increased by 17% and were with 14,648 thousand euros the largest ever third quarter sales volume over the last five years. Growth was largest in other channels - wholesale and franchise growth was 56% and e-channel 85%. The dynamic growth of other channels signified an increase by 705 thousand euros compared to same period in prior year. The quarter was also successful for retail, where 12% growth of sales revenue signified a sales increase by 1,379 thousand euros. As three quarter total, the achieved growth was 8%, amounting to 39,789 thousand euros.

Revenue by activity

Continued operations

EUR thousand	Q3 2014	Q3 2013	+/-	9m 2014	9m 2013	+/-
Retail	12,664	11,285	12%	35,837	34,112	5%
Wholesale & Franchise	1,824	1,166	56%	3,578	2,566	39%
E-com sales	102	55	85%	244	156	56%
Other	58	39	49%	130	99	31%
Total	**14,648**	**12,545**	**17%**	**39,789**	**36,933**	**8%**

Revenue including discontinued operations

EUR thousand	Q3 2014	Q3 2013	+/-	9m 2014	9m 2013	+/-
Retail	12,664	12,949	-2%	37,368	38,838	-4%
Wholesale & Franchise	1,824	1,166	56%	3,578	2,566	39%
E-com sales	102	55	85%	244	156	56%
Other	58	39	49%	130	99	31%
Total	**14,648**	**14,209**	**3%**	**41,320**	**41,659**	**-1%**

[1]2014 retail revenue includes Ukrainian market sales from January to April until the sale of entity. Comparative period includes the period in full.

Stores and sales area

Group had 120 stores as at 30 September, among which Baltika's retail network 102 stores. Third quarter saw a decrease of Eastern-European segment stores when stores in the far regions of Russia were closed. In total five stores were closed in third quarter - Bastion store in Tallinn Viru Keskus shopping centre, Estonia and four stores in Russia: Mosaic stores in Krasnodar Mega, Ufa Mega, Jekaterinburg Mega centres and Monton store in Ufa Semja centre. Baltika's brands franchise stores portfolio saw addition of two new stores in September. Franchise partner Gold Button opened first Baltman store in Russia in Moscow and franchise partner Mirworld opened first Monton store in Tenerife. Herewith the number of operating franchise stores as at the end of September was 18.

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Stores by market

	30 Sept 2014	30 Sept 2013	Average area change
Estonia	37	37	3%
Lithuania	28	27	3%
Latvia	22	21	14%
Russia	15	18	-2%
Ukraine[1]	14	16	-17%
Belarus[2]	2	0	-
Spain[2]	1	0	-
Russia[2]	1	0	-
Total stores	**120**	**119**	
Total sales area, sqm	**23,195**	**23,192**	**2%**

*average area change also takes into account the time store is closed for renovation

[1]Three franchise shops in Donetsk are currently agreed to be closed for longer term. Operating Franchise shops are with total sales area of 2 646 m^2. In comparative figures is part of the discontinued operations

[2]Monton franchise shops in Belarus and Spain, Baltman franchise shop in Russia are with total sales area of 682 sqm

Retail

Baltika made in continued markets in the third quarter last five years best results in retail. The strongest results were the summer months of July and August, although autumn collection sales in September also showed nice growth. Third quarter retail sales increased by 12% compared to prior year same period and amounted to 12,664 thousand euros. Sales in Baltic countries increased by 1,244 thousand euros (+14%) and in Russia by 135 thousand euros (+6%).

Strongest sales revenue growth in third quarter was with 29% in Latvia, which increases its proportion from total retail sales from 20% (III quarter 2013) to 23%. Based on growth figures Lithuania followed with 15% and Estonia 4%. A reason behind Estonian market slower growth is the closing of high turnover stores in Viru Keskus.

Also Russian market showed positive results in third quarter, despite the reduction in number of shops. The good results were most of all due to July-August sales. September showed small growth in local currency that translated in euros due to weakened rate to 8% decrease.

Retail sales by market

EUR thousands	Q3 2014	Q3 2013	+/-	Share	9m 2014	9m 2013	+/-	Share
Estonia	4,406	4,219	4%	35%	13,123	12,799	3%	37%
Lithuania	3,144	2,730	15%	25%	8,602	7,825	10%	24%
Latvia	2,883	2,240	29%	23%	8,082	6,712	20%	23%
Russia	2,231	2,096	6%	17%	6,030	6,776	-11%	17%
Total	**12,664**	**11,285**	**12%**	**100%**	**35,837**	**34,112**	**5%**	**100%**
Ukraine*	0	1,664	-100%	-	1,531	4,726	-68%	-

Third quarter average operating area in the Baltic countries was 4% larger than that of previous year same period. The largest growth of average operating area was in Latvia with 14%. The best sales efficiency growth was achieved by Latvia with 12%, followed by Lithuania and Russia with their good efficiency figures. Baltika total sales efficiency growth in the third quarter was 10%, which amounts the nine months total growth figure to 1%.

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Sales efficiency by market (sales per sqm in a month, EUR)

	Q3 2014	Q3 2013	+/-	9m 2014	9m 2013	+/-
Estonia	225	217	4%	222	222	0%
Lithuania	186	165	13%	170	159	7%
Latvia	239	209	14%	228	215	6%
Russia	193	171	13%	167	184	-9%
Total	**210**	**191**	**10%**	**198**	**195**	**1%**

Sales efficiency growth in local currency in the third quarter was 25% in Russia.

Brands

Baltika's largest brand Monton showed in the third quarter the largest growth in both amount and percentage. The brand had a strong collection for women, which proved in particular successful in Latvia and Lithuania, where efficiency showed over 20% growth.

Mosaic also showed strong growth with 14%, all the market volumes and growth being equally good.

Retail revenue by brand

EUR thousands	Q3 2014	Q3 2013	+/-	Share	9m 2014	9m 2013	+/-	Share
Monton	6,097	5,279	15%	48%	16,525	15,953	4%	46%
Mosaic	3,885	3,396	14%	31%	11,155	10,599	5%	32%
Baltman	1,068	1,116	-4%	8%	3,464	3,449	0%	10%
Ivo Nikkolo	1,105	1,093	1%	9%	3,132	2,894	8%	9%
Bastion	351	362	-3%	3%	1,133	1,055	7%	3%
Blue Inc	158	39	305%	1%	410	39	950%	1%
Other	0	0	0%	0%	18	123	-86%	0%
Total	**12,664**	**11,285**	**12%**	**100%**	**35,837**	**34,112**	**5%**	**100%**

Third quarter was less successful for premium brands, which sales results have remained on the level of last year. Baltman, as the premium brand with least amount of stores, sales decrease (-4%) was significantly impacted by closing of Viru centre Baltman store on the Estonian market.

Sales through other channels

Sales result to wholesale and franchise clients was 1,824 thousand euros in 2014 third quarter, an increase of 658 thousand euros i.e. 56% compared to previous year.

AS Baltika signed in the beginning of September franchise agreement with Russian company "Gold Button" to open Baltika's brands stores in Russia. Retail company "Gold Button" already operates in Moscow under franchise agreement the brands Eterna (7 stores), Tom Farr (12 stores) and Savage (5 stores). Partner opened the first store – Baltman flagship store in Moscow, Erevan Plaza shopping centre, in the end of September. Partner opened three other planned flagships stores in Moscow in October – Ivo Nikkolo store in Erevan Plaza shopping centre, Monton and Bastion stores in Afimall shopping centre.

Third quarter was successful to whole- and franchise sales due to extended franchise network. Sales to Belarusian and Ukrainian partners continued and in addition to aforementioned new partner in Russia the Spanish partner got round to open its first store - new Monton store started to operate in Parque Santiago shopping centre in Tenerife.

Baltika's retail website expanded in August and started to offer in addition to Monton all Baltika brands through its improved website endmorefashion.com. Sales of e-store increased in third quarter by 85% and were 102 thousand euros.

OPERATING EXPENSES AND NET PROFIT

Gross profit margin was 49% in the third quarter that is on the same level as the same period in prior year. Thereby taking separately retail, there has been an improvement in gross margin by 1.8 percentage points. Therefore in addition to good sales results, the gross margin has also showed strong growth. The margins are lower in case of wholesale and franchise clients as there is neither any retail distribution expense nor the risks related to it. As the proportion of retail sales went down, 86% compared to 90% in same period in prior year, then the total gross margin remained on prior year level despite the gross margin improvement in retail. Gross profit for the quarter was 7,181 thousand euros, that is 1,011 thousand euros more than in the same period in prior year. Nine months gross profit amounted to 20,429 thousand euros.

Group distribution expense in third quarter was 6,173 thousand euros, growth of 4% compared to same period in previous year. Main reason behind the increase of distribution expense is the opening of new stores: own retail operating area increased by 4% in the third quarter. Russian market results have improved in third quarter in addition to good sales with the savings from distribution expense – in addition to smaller operating area due to closed shops, expenses in euros have decreased due to weaker exchange rate.

In the third quarter, general and administrative expense was 694 thousand euros, i.e. increase of 1% compared to same period last year. This signified operating expense ratio to revenue of 47%, improvement of 6 percentage points compared to the same period in prior year.

Third quarter net operating expense was 27 thousand euros and operating results totalled at 287 thousand euros. Quarterly operating profit improved by 772 thousand euros compared to same period in prior year.

Third quarter net financial expense was 125 thousand euros. Interest expense has increased due to the bond issuance in the end of July. Meanwhile foreign exchange resulted in loss in the comparative period in prior year when its current year impact on financial income and expense is not significant. In total the net financial expense was on the same level as in the same prior year period.

With the good sales in both retail and through other channels, the third quarter operations, including discontinued, resulted in 151 thousand euros net profit that is 935 thousand euros better result than the same period in prior year. Nine months continued operations net loss was 354 thousand euros that is 55 thousand euros better result than the same period in prior year. Together with the discontinued operations the nine months net loss was 1,683 thousand euros.

FINANCIAL POSITION

As at 30 September 2014, Group inventories totalled 13,967 thousand euros. Inventory has increased by 216 thousand euros compared to last year end. Considering that Ukrainian market inventories as franchise partners stock are not recorded on Baltika Group balance sheet, the increase is around one million euros. In addition to regular seasonal changes due to purchase cycle, a large portion of growth is due to new collection inventory for a larger network of wholesale and franchise partners.

As at 30 September 2014 trade and other payables were 5,805 thousand euros, decrease of 1,698 thousand euros compared to year-end. The reason for the decrease is better liquidity position of Baltika.

AS Baltika announces that public offering of bonds decided on the Annual general meeting of shareholders held on 28 April 2014, was exercised in July in full. 600 bonds in the total amount of 3,000,000 euros were issued on 28 of July. 3-year bonds carry 6.5% interest p.a. Each bond will give its owner the right to subscribe 10,000 shares of the Company with the subscription price of 0.50 euros. Long-term borrowings increased with the issuance in the named amount. As at 30 September 2014 the total borrowings amounted to 9,248 thousand euros, which signifies together with the increase of usage of overdraft facility signified increase of 3,919 thousand euros compared to last year-end (31.12.2013 5,329 thousand euros).

The liquidity position of Baltika improved with the issuance of bonds. As the bonds issued are long-term, then the Group working capital position improved and current ratio as at 30 September is 2.1 compared to prior 1.6.

Third quarter cash-flow from operating activities was negative. While operating activities cash-flow excluding financing working capital was 456 thousand euros positive, then with financing working capital in the amount of 3,122 thousand euros the quarter finished with -2,666 thousand euros cash-flow.

The aforementioned cash-flow and 347 thousand euros investment activity was financed with proceeds from bonds issued in third quarter. Third quarter net cash outflow was -34 thousand euros.

Due to the increased borrowings Group's net debt (interest-bearing liabilities less cash and cash equivalents)was as at 30 September 8,769 thousand euros, increase of 4,316 thousand euros compared to prior year-end. The net debt to equity ratio was 95% as at 30 September 2014 (39% as at 31.12.2013), increase due higher borrowings amount and to allowance recorded for receivable from Ukrainian entity that reduced the owners' equity

PEOPLE

As at 30 September 2014, Baltika Group employed a total of 1,215 people that is 130 people less than as at 31 December 2013 (1,345): 621 (31.12.2013: 752) in the retail system, 387 (400) in manufacturing and 207 (193) at the head office and logistics centre. This includes decrease of 130 employees due to sale of Baltika Retail Ukraina and therefore the continued operations employees number has not changed. The 2014 nine months average number of staff was 1,267 (2013 nine months: 1,312).

New head of collection of Mosaic is from 18th of August 2014 Kaja Milder, who re-joined Baltika.

Russian market organisation will have from November a new manager. Director position is taken by Tatjana Zomareva, who has been working for years as Baltika Group Russian market sales manager.

Baltika Group employees remuneration expense of nine months of 2014 amounted to 8,501 thousand euros (9 months of 2013: 8,382 thousand euros). The accrued remuneration with taxes, of the members of the Supervisory Council and Management Board totalled 304 thousand euros (9 months of 2013: 267 thousand euros).

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KEY FIGURES OF THE GROUP (III QUARTER AND 9 MONTHS OF 2014)

	Q3 2014[1]	Q3 2014[2]	Q3 2013	Q3 2012	Q3 2011
Revenue (EUR thousand)	14,648	12,545	14,209	14,344	13,511
Retail sales (EUR thousand)	12,664	11,285	12,949	13,229	12,444
Share of retail sales in revenue	86%	90%	91%	92%	92%
Gross margin	49.0%	49.2%	48.9%	51.8%	49.4%
EBITDA (EUR thousand)	579	-138	-266	728	-103
Net profit (EUR thousand)	151	-612	-784	201	-1,172
EBITDA margin	4.0%	-1.1%	-1.9%	5.1%	-0.8%
Operating margin	2.0%	-3.9%	-4.6%	2.2%	-5.4%
EBT margin	1.1%	-4.8%	-5.5%	1.4%	-8.6%
Net margin	1.0%	-4.9%	-5.5%	1.4%	-8.7%

Sales activity key figures	**9M and 30 Sept 2014[1]**	**9M and 30 Sept 2013[2]**	**9M and 30 Sept 2013**	**9M and 30 Sept 2012**	**9M and 30 Sept 2011**
Revenue (EUR thousand)	39,789	36,933	41,659	40,144	37,924
Retail sales (EUR thousand)	35,837	34,112	38,838	37,137	35,291
Share of retail sales in revenue	90%	92%	93%	93%	93%
Share of exports in revenue	65%	63%	67%	68%	70%
Number of stores in retail	102	103	119	106	115
Number of stores	120	103	119	106	115
Sales area at the end of period (sqm)	19,867	19,976	23,192	21,536	23,165
Number of employees (end of period)	1,215	1,185	1,311	1,253	1,413
Gross margin	51.3%	53.4%	53.2%	53.9%	52.4%
EBITDA (EUR thousand)	869	1,066	806	1,851	-1,032
Net profit (EUR thousand)	-354	-409	-763	-270	-3,980
EBITDA margin	2.2%	2.9%	1.9%	4.6%	-2.7%
Operating margin	-0.1%	0.0%	-0.8%	1.2%	-7.7%
EBT margin	-0.8%	-1.1%	-1.8%	-0.6%	-10.4%
Net margin	-0.9%	-1.1%	-1.8%	-0.7%	-10.5%
Inventory turnover	1.98	1.99	2.10	2.27	2.09

Other ratios[3]					
Current ratio	2.1	1.6	1.6	1.9	1.4
Net gearing ratio	94.6%	57.5%	57.5%	66.4%	163.7%
Return on equity	-16.9%	-7.4%	-7.4%	-2.9%	-48.0%
Return on assets	-7.1%	-3.2%	-3.2%	-0.8%	-13.5%

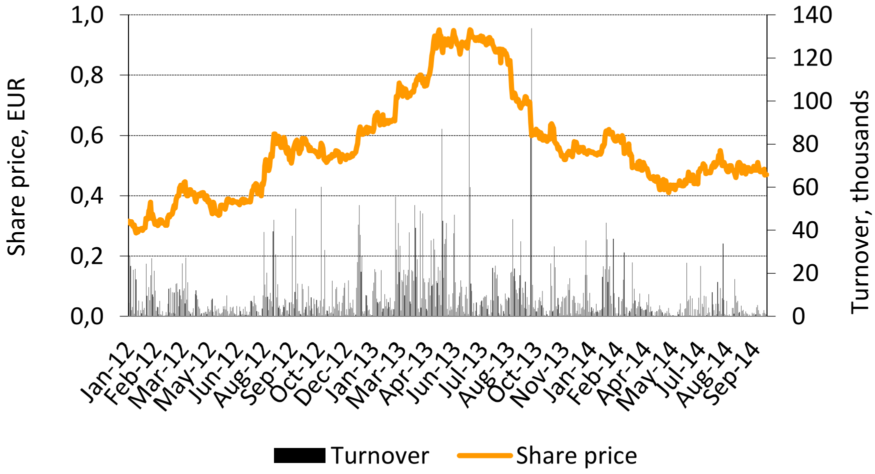
[1]In connection with Baltika's exit from the Ukrainian retail business, the third-quarter and nine months sales activity key figures presents only results of continued operations.
[2]For comparability, the figures for third quarter and nine months of 2013 have been adjusted accordingly.
[3]Other ratios include impact of continued and discontinued operations.

Definitions of key ratios

EBITDA = Operating profit-amortisation depreciation and loss from disposal of fixed assets
EBITDA margin = EBITDA/Revenue
Gross margin = (Revenue-Cost of goods sold)/Revenue
Operating margin = Operating profit/Revenue
EBT margin = Profit before income tax/Revenue
Net margin = Net profit (attributable to parent)/Revenue
Current ratio = Current assets/Current liabilities
Inventory turnover = Cost of goods sold/Average inventories*
Net gearing ratio = (Interest-bearing liabilities-cash and cash equivalents)/Equity

Return on equity (ROE) = Net profit (attributable to parent)/Average equity*
Return on assets (ROA) = Net profit (attributable to parent)/Average total assets*
*Based on 12-month average

SHARE PRICE AND TURNOVER



MANAGEMENT BOARD'S CONFIRMATION OF THE MANAGEMENT REPORT

The Management Board confirms that the management report presents a true and fair view of all significant events that occurred during the reporting period as well as their impact on the condensed consolidated interim financial statements; includes the description of major risks and doubts influencing the remainder of the financial year; and provides an overview of all significant transactions with related parties.

Meelis Milder
Chairman of the Management Board
30 October 2014

Maigi Pärnik-Pernik
Member of the Management Board
30 October 2014

Maire Milder
Member of the Management Board
30 October 2014

Andrew J. D. Paterson
Member of the Management Board
30 October 2014

Kati Kusmin
Member of the Management Board
30 October 2014

INTERIM FINANCIAL STATEMENTS

MANAGEMENT BOARD'S CONFIRMATION OF THE FINANCIAL STATEMENTS

The Management Board confirms the correctness and completeness of AS Baltika's consolidated interim report for the third quarter and nine months of 2014 as presented on pages 13-33.

The Management Board confirms that:

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

2. the financial statements give a true and fair view of the assets and liabilities of the Group comprising of the parent company and other Group entities as well as its financial position, its results of the operations and the cash flows of the Group; and its cash flows;

3. the Group is going concern.

Meelis Milder
Chairman of the Management Board
30 October 2014

Maigi Pärnik-Pernik
Member of the Management Board
30 October 2014

Maire Milder
Member of the Management Board
30 October 2014

Andrew J. D. Paterson
Member of the Management Board
30 October 2014

Kati Kusmin
Member of the Management Board
30 October 2014

Baltika Group Consolidated interim report for the III quarter and 9 months of 2014 (in thousands euros, unaudited)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	30 Sep 2014	31 Dec 2013
ASSETS			
Current assets			
Cash and cash equivalents	3	455	852
Trade and other receivables	4	2,156	1,514
Inventories	5	13,967	13,751
Total current assets		**16,578**	**16,117**
Non-current assets			
Deferred income tax asset		494	494
Other non-current assets	4	785	1,013
Property, plant and equipment	6	2,823	3,023
Intangible assets	7	3,681	3,693
Total non-current assets		**7,783**	**8,223**
TOTAL ASSETS		**24,361**	**24,340**
EQUITY AND LIABILITIES			
Current liabilities			
Borrowings	8	2,244	3,158
Trade and other payables	9	5,805	7,503
Total current liabilities		**8,049**	**10,661**
Non-current liabilities			
Borrowings	8	7,004	2,171
Other liabilities	9	34	0
Total non-current liabilities		**7,038**	**2,171**
TOTAL LIABILITIES		**15,087**	**12,832**
EQUITY			
Share capital at par value	10	8,159	8,159
Share premium		778	684
Reserves	10	1,182	1,182
Retained earnings		2,573	2,471
Net profit (loss) for the period		-1,683	102
Currency translation differences		-1,735	-1,090
TOTAL EQUITY		**9,274**	**11,508**
TOTAL LIABILITIES AND EQUITY		**24,361**	**24,340**

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CONSOLIDATED STATEMENT OF PROFIT AND LOSS

	Note	Q3 2014	Q3 2013	9M 2014	9M 2013
Continuing operations					
Revenue	11,12	14,648	12,545	39,789	36,932
Cost of goods sold	13	-7,467	-6,375	-19,360	-17,200
Gross profit		**7,181**	**6,170**	**20,429**	**19,732**
Distribution costs	14	-6,173	-5,913	-18,217	-17,454
Administrative and general expenses	15	-694	-686	-2,162	-2,128
Other operating income	16	22	3	34	47
Other operating expenses	16	-49	-59	-116	-186
Operating profit (loss)		**287**	**-485**	**-32**	**11**
Finance costs	17	-125	-119	-296	-412
Profit (loss) before income tax		**162**	**-604**	**-328**	**-401**
Income tax expense		-11	-8	-26	-8
Net profit (loss) from continuing operations		**151**	**-612**	**-354**	**-409**
Net loss for the period from discontinued operations	20	0	-172	-1,329	-354
Net profit (loss) for the period		**151**	**-784**	**-1,683**	**-763**
Basic earnings per share, EUR	18	0.00	-0.02	-0.04	-0.02
Continuing operations		0.00	-0.02	-0.01	-0.01
Discontinued operations		0.00	0.00	-0.03	-0.01
Diluted earnings per share, EUR	18	0.00	-0.02	-0.04	-0.02
Continuing operations		0.00	-0.01	-0.01	-0.01
Discontinued operations		0.00	0.00	-0.03	-0.01

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CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

	Q3 2014	Q3 2013	9M 2014	9M 2013
Net profit (loss) for the period	**151**	**-784**	**-1,683**	**-763**
Other comprehensive loss				
Items that subsequently might be classified to profit or loss				
Currency translation differences	-198	-35	-645	-128
Total comprehensive loss	**-47**	**-819**	**-2,328**	**-891**

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CONSOLIDATED CASH FLOW STATEMENT

	Note	Q3 2014	Q3 2013	9M 2014	9M 2013
Operating activities					
Operating profit (loss)		287	-485	-32	11
Adjustments:					
Depreciation, amortisation and impairment of PPE and intangibles	13-15	296	373	935	1,136
Gain (loss) from sale, impairment of PPE, non-current assets, net		-15	0	-12	10
Net loss of discontinued operation		0	-172	-1,329	-354
Loss from impairment of PPE of discontinued operation		0	0	166	0
Other non-monetary expenses		-10	17	-273	58
Changes in working capital:					
Change in trade and other receivables	4	-923	-549	-467	-591
Change in inventories	5	89	-1,290	-216	-3,190
Change in trade and other payables	9	-2,288	1,552	-1,705	1,634
Interest paid		-93	-80	-254	-218
Income tax paid		-9	-12	-33	-12
Net cash used in operating activities		**-2,666**	**-646**	**-3,220**	**-1,516**
Investing activities					
Acquisition of property, plant and equipment, intangibles	6, 7	-440	-400	-1,165	-1,866
Proceeds from disposal of PPE		93	3	96	8
Net cash used in investing activities		**-347**	**-397**	**-1,069**	**-1,858**
Financing activities					
Received borrowings	8	0	0	0	1,000
Repayments of borrowings	8	-275	-427	-822	-1,145
Change in bank overdraft	8	261	1,445	1,768	2,249
Repayments of finance lease		-7	-12	-28	-27
Proceeds from bonds issue	10	3,000	0	3,000	0
Redemption of share options		0	-1	0	-5
Net cash generated from financing activities		**2,979**	**1,005**	**3,918**	**2,072**
Total cash flows		**-34**	**-38**	**-371**	**-1,302**
Cash and cash equivalents at the beginning of the period	3	**509**	**786**	**852**	**2,078**
Effect of exchange gains on cash and cash equivalents		-20	4	-26	-24
Cash and cash equivalents at the end of the period	3	**455**	**752**	**455**	**752**
Change in cash and cash equivalents		**-54**	**-34**	**-397**	**-1,326**

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Reserves	Retained earnings	Currency translation reserve	Total
Balance as at 31 Dec 2012	**7,159**	**63**	**1,182**	**2,471**	**-689**	**10,186**
Loss for the period	0	0	0	-763	0	-763
Other comprehensive loss	0	0	0	0	-128	-128
Total comprehensive loss	**0**	**0**	**0**	**-763**	**-128**	**-891**
Equity-settled share-based transactions (Note 15)	0	94	0	0	0	94
Conversion of bonds to share capital (Note 10)	1,000	496	0	0	0	1,496
Balance as at 30 Sep 2013	**8,159**	**653**	**1,182**	**1,708**	**-817**	**10,885**
Balance as at 31 Dec 2013	**8,159**	**684**	**1,182**	**2,573**	**-1,090**	**11,508**
Loss for the period	0	0	0	-1,683	0	-1,683
Other comprehensive loss	0	0	0	0	-645	-645
Total comprehensive loss	**0**	**0**	**0**	**-1,683**	**-645**	**-2,328**
Equity-settled share-based transactions (Note 15)	0	94	0	0	0	94
Balance as at 30 Sep 2014	**8,159**	**778**	**1,182**	**890**	**-1,735**	**9,274**

NOTES TO CONSOLIDATED INTERIM REPORT

NOTE 1 Accounting policies and methods used in the preparation of the interim report

The Baltika Group, with in the Republic of Estonia registered parent company AS Baltika, is an international fashion retailer operating Monton, Mosaic, Baltman, Bastion, Ivo Nikkolo and under franchise agreement Blue Inc retail concepts. AS Baltika's shares are listed on the Tallinn Stock Exchange. The largest shareholder and the only company holding above 20% of shares (Note 10) of AS Baltika is KJK Fund Sicaf-SIF (on ING Luxembourg S.A. account).

The Group's condensed consolidated interim report for the third quarter ended 30 September 2014 has been prepared in accordance with IAS 34 Interim Financial Reporting, as adopted by the European Union. The interim report should be read in conjunction with the Group's consolidated annual financial statements for the year ended 31 December 2013, which has been prepared in accordance with International Financial Reporting Standards. The interim report has been prepared in accordance with the principal accounting policies applied in the preparation of the Group's consolidated financial statements for the year ended 31 December 2013. New and revised standards and interpretations effective from 1 January 2014 do not have a significant impact on the Group's financial statements as of preparing the interim financial report.

All information in the financial statements is presented in thousands euros, unless otherwise stated.

This interim report has not been audited or otherwise reviewed by auditors, and includes only Group's consolidated reports and does not include all of the information required for full annual financial statements.

NOTE 2 Financial risks

In its daily activities, the Group is exposed to different types of risk, managing these risks is an important and integral part of the business activities of the Group. The Group's ability to identify, measure and control different risks is a key input for the Group's profitability. The Group's management defines risk as a potential negative deviation from the expected financial results. The main risk factors are market (including currency risk, interest rate risk and price risk), credit, liquidity and operational risks. Group's Parent company considers all the risks as significant risks for the Group.

The basis for risk management in the Group are the requirements set by the Tallinn Stock Exchange, the Financial Supervision Authority and other regulatory bodies, adherence to generally accepted accounting principles, as well as the company's internal regulations and risk policies. Overall risk management includes identification, measurement and control of risks. The management of the Parent company plays a major role in managing risks and approving risk procedures. The Supervisory Council of the Group's Parent company supervises the Management Board's risk management activities.

Market risk

Foreign exchange risk

Sales in foreign currencies from continuing operations not pegged to euro constitute 17% (2013: 38%). Most important currencies in retail markets are LTL (Lithuanian lit), RUB (Russian rouble). The majority of raw materials used in production are acquired from European Union, goods purchased for resale outside European Union. The major foreign currencies for purchases are EUR (euro) and USD (US dollar).

Trading with the counterparties in countries belonging to the European Monetary Union is handled mainly in euros. As the Group's main revenues arise from retail sales, the prices of goods in the markets are fixed in a local currency and consequently, changes in foreign currency exchange rates directly affect the Group's revenue through the pricing of goods at the stores in those markets. In addition, a change in the economic environment and relative appreciation/depreciation of a local currency may greatly affect the purchasing power of customers in the market of the respective segment.

On 1st January 2014 the Republic of Latvia joined the Euro area and adopted the Euro as its national currency, replacing Latvian lat.

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The Group's results are open to fluctuations in foreign currency rates against euro in those countries where AS Baltika has subsidiaries. The changes in average foreign currency rates against euro in the reporting period were following:

Average currencies	**9M 2014**	**9M 2013**
RUB (Russian rouble)	-15.31%	-4.68%
USD (US dollar)	-2.90%	-2.77%

The changes in foreign currency rates against euro between balance-sheet dates were following:

Balance-sheet date rates (30 Sep 2014; 31 Dec 2013)	
RUB (Russian rouble)	-9.80%
USD (US dollar)	8.76%

Foreign exchange risk arises from cash and bank (Note 3), trade receivables (Note 4) and trade payables (Note 9).

The Group's non-current borrowings carrying floating interest rate were denominated in euros, therefore no currency risk is assumed.

No instruments were used to hedge foreign currency risks in 2014 and 2013. The Management monitors changes of foreign currency constantly and assesses if the changes exceed the risk tolerance determined by the Group. If feasible, foreign currencies collected are used for the settling of liabilities denominated in the same currency. Additionally the Group uses the possibilities to regulate retail prices, reduces expenses and if necessary restructures the Group's internal transactions.

Interest rate risk

As the Group's cash and cash equivalents carry fixed interest rate and the Group has no other significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

The Group's interest rate risk arises mainly from borrowings issued at floating interest rate and thus exposing the Group to cash flow interest rate risk. There is no fair value interest rate risk as the Group has no interest bearing financial instruments, which are recognised at fair value. Interest rate risk is primarily caused by the potential fluctuations of Euribor or Eonia and the changing of the average interest rates of banks. The Group's risk margins have not changed significantly and correspond to market conditions.

All non-current borrowings as at 30 September 2014 and 31 December 2013 were subject to a floating interest rate based on Euribor, which is fixed every six months (Note 8). The Group analyses its interest rate exposure on a regular basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions and alternative financing.

The Group uses no hedging instruments to manage the risks arising from fluctuations in interest rates.

Price risk

The Group is not exposed to the price risk with respect to financial instruments as it does not hold any equity securities.

Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, also from deposits under other receivables and trade receivables.

Cash and cash equivalents

For banks and financial institutions, mostly independently rated parties with a minimum rating of "A" are accepted as long-term counterparties in Baltic states. Mostly for banks in Eastern Europe, the "B" rating is also considered acceptable.

Trade receivables

For the wholesale customers' credit policy is based on next actions: monitoring financial position, past experience and other factors are taken into consideration. According to the Group's credit policy, for new wholesale clients mostly prepayments are required or in some cases payment guarantees through bank are required. For some contractual clients no collaterals to secure the trade receivables are required but instead, deliveries, outstanding credit amount and adherence to agreed dates are monitored continuously.

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With the sale of subsidiary on 29 April 2014 the largest receivable is from Ukrainian entity, for which allowance of 1,095 thousand euros was recorded at the time. The receivable holds high risk as collection depends on the economic and political situation of the Ukrainian market. Management follows at dispatching the compliance with agreed credit limits and evaluates the adequacy of amount of allowance reserve.

Sales to retail customers are settled in cash or using major credit cards, thus no credit risk is involved except the risk arising from financial institutions selected as approved counterparties.

At 30 September 2014 the maximum exposure to credit risk from trade receivables and other non-current assets (Note 4) amounted 1,697 thousand euros (31 December 2013: 1,069 thousand euros) on a net basis after the allowances already made previously.

Liquidity risk

Liquidity risk is the potential risk that the Group has limited or insufficient financial (cash) resources to meet the obligations arising from the Group's activities. Management monitors the sufficiency of cash and cash equivalents to settle the liabilities and finance the Group's strategic goals on a regular basis using rolling cash forecasts.

To manage liquidity risks, the Group uses different financing instruments such as bank loans, overdrafts, bond issues, monitoring the terms of receivables and purchase contracts. Group´s current account/overdraft facility is in use for more flexible management of liquid assets, enabling some Group companies to use the Group's resources up to the limit established by the Parent company. The unused limit of Group´s overdraft facilities as at 30 September 2014 was 1,166 thousand euros (31 December 2013: 1,000 thousand euros).

Financial liabilities by maturity at 30 September 2014

		Undiscounted cash flows[1]		
	Carrying amount	**1-12 months**	**1-5 years**	**Total**
Loans (Note 8)[2]	6,097	2,495	3,957	6,452
Finance lease liabilities (Note 8)	127	39	94	133
Convertible bonds (Note 8)	3,024	0	3,610	3,610
Trade payables (Note 9)	3,305	3,305	0	3,305
Other financial liabilities	43	9	34	43
Total	**12,596**	**5,848**	**7,695**	**13,543**

Financial liabilities by maturity at 31 December 2013

		Undiscounted cash flows[1]		
	Carrying amount	**1-12 months**	**1-5 years**	**Total**
Loans (Note 8)[2]	5,150	3,346	2,158	5,504
Finance lease liabilities (Note 8)	155	42	135	177
Convertible bonds (Note 8)	24	0	24	24
Trade payables (Note 9)	4,966	4,966	0	4,966
Other financial liabilities	2	2	0	2
Total	**10,297**	**8,356**	**2,317**	**10,673**

[1]For interest bearing borrowings carrying floating interest rate based on Euribor, the last applied spot rate to loans has been used.

[2]Used overdraft facilities are shown under loans payable based on the contractual date of payment.

Operational risk

The Group's operations are mostly affected by the cyclical nature of economies in target markets and changes in competitive positions, as well as risks related to specific markets.

To manage the risks, the Group attempts to increase the flexibility of its operations: the sales volumes and the activities of competitors are also being monitored and if necessary, the Group makes adjustments in price levels, marketing activities and collections offered. In addition to central gathering and assessment of information, an important role in analysing and planning actions is played by a market organisation in each target market enabling the Group to obtain fast and direct feedback on market developments on one hand and adequately consider local conditions on the other.

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As improvement of flexibility plays an important role in increasing the Group's competitiveness, continuous efforts are being made to shorten the cycles of business processes and minimise potential deviations. This also helps to improve the relative level and structure of inventories and the fashion collections' meeting consumer expectations.

The most important operating risk arises from the Group's inability to produce collections which would meet customer expectations and the goods that cannot be sold when expected and as budgeted. Another important risk is that the Group's information technology system is unable to ensure sufficiently fast and accurate transmission of information for decision-making purposes.

To ensure good collections, the Group employs a strong team of designers who monitor and are aware of fashion trends by using internationally acclaimed channels. Such a structure, procedures and information systems have been set up at the Group which help daily monitoring of sales and balance of inventories and using the information in subsequent activities. In order to avoid supply problems, cooperation with the world's leading procurement intermediaries as well as material-manufacturers has been expanded.

The unavoidable risk factor in selling clothes is the weather. Collections are created and sales volumes as well as timing of sales is planned under the assumption that regular weather conditions prevail in the target markets – in case weather conditions differ significantly from normal conditions, the actual sales results may significantly differ from the budget.

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for interest groups and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of net gearing ratio. This ratio is calculated as net debt divided by equity. Net debt is calculated as interest carrying borrowings less cash and cash equivalents.

The Group's strategy is to maintain the capital to net gearing ratio under 50%. In the end of 2013 this goal was achieved. However in the end of third quarter 2014 the ratio was 95%. There are number of factors affecting this: result of discontinued operation decreased equity (see also Note 20), but also increase in borrowings, which was caused by issuance of J-bonds (see Notes 8 and 10).

Net gearing ratio

	30 Sep 2014	**31 Dec 2013**
Interest carrying borrowings (Note 8)	9,224	5,305
Cash and bank (Note 3)	-455	-852
Net debt	8,769	4,453
Total equity	9,274	11,508
Total capital to net debt ratio	**95%**	**39%**

Fair value

The Group estimates that the fair values of the assets and liabilities measured in the statement of financial position at amortised cost do not differ significantly from their carrying amounts presented in the Group's consolidated statement of financial position at 30 September 2014 and 31 December 2013. The carrying amount less an impairment provision of trade receivables and payables is estimated by management to approximate their fair values as trade receivables and payables are mostly short-term. As the Group's long-term borrowings have a floating interest rate that changes along with the changes in market interest rates, the discount rates used in the discounted cash flow model are applied to calculate the fair value of borrowings. The Group's risk margins have not changed considerably and are reflecting the market conditions. Based on that, the Management estimates that the fair value of long-term borrowings does not significantly differ from their carrying amounts. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

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NOTE 3 Cash and cash equivalents

	30 Sep 2014	31 Dec 2013
Cash on hand	124	295
Cash at bank and overnight deposits	331	557
Total	**455**	**852**

Cash and cash equivalents by currency

	30 Sep 2014	31 Dec 2013
RUB (Russian rouble)	268	241
EUR (euro)	106	173
LTL (Lithuanian lit)	81	126
UAH (Ukrainian hryvnia)	0	213
LVL (Latvian lat)	0	99
Total	**455**	**852**

NOTE 4 Trade and other receivables

Short-term trade and other receivables	30 Sep 2014	31 Dec 2013
Trade receivables, net	1,380	755
Other prepaid expenses	490	617
Tax prepayments and tax reclaims, thereof	261	79
Value added tax	259	41
Prepaid income tax	0	13
Other taxes	2	25
Other current receivables	25	63
Total	**2,156**	**1,514**

Long-term assets		
Non-current lease prepayments	381	549
Other long-term receivables	404	464
Total	**785**	**1,013**

Information about the receivables from related parties is in Note 19. Information about discontinued operations in Note 20.

Trade receivables

	30 Sep 2014	31 Dec 2013
Trade receivables, gross	2,412	755
Allowance for impairment of trade receivables	-1,032	0
Trade receivables, net	**1,380**	**755**

See also additional information in Note 20.

Trade receivables (net) by due date

	30 Sep 2014	31 Dec 2013
Not due	1,099	621
Up to 1 month past due	123	59
1-3 months past due	125	73
3-6 months past due	33	2
Total	**1,380**	**755**

Trade receivables (net) in denominated currency

	30 Sep 2014	31 Dec 2013
EUR (euro)	1,158	580
RUB (Russian rouble)	194	87
LTL (Lithuanian lit)	28	24
LVL (Latvian lat)	0	45
UAH (Ukrainian hryvnia)	0	19
Total	**1,380**	**755**

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NOTE 5 Inventories

	30 Sep 2014	31 Dec 2013
Fabrics and accessories	1,795	2,192
Work-in-progress	72	72
Finished goods and goods purchased for resale	11,522	11,306
Allowance for impairment of finished goods and goods purchased for resale	0	-342
Prepayments to suppliers	578	523
Total	**13,967**	**13,751**

Information about discontinued operations in Note 20.

NOTE 6 Property, plant and equipment

	Buildings and structures	Machinery and equipment	Other fixtures	Pre-payments, PPE not in yet in use	Total
31 December 2012					
Acquisition cost	**3,975**	**5,480**	**6,645**	**3**	**16,103**
Accumulated depreciation	-3,303	-4,786	-5,758	0	-13,847
Net book amount	**672**	**694**	**887**	**3**	**2,256**
Additions	658	341	672	87	1,758
Reclassifications from inventories	0	0	11	0	11
Disposals	-12	-2	-1	0	-15
Reclassifications to inventory	0	0	-6	0	-6
Reclassification	0	-30	33	-3	0
Depreciation	-336	-247	-352	0	-935
Currency translation differences	-22	-13	-16	-2	-53
30 Sep 2013					
Acquisition cost	**4,245**	**5,461**	**6,959**	**85**	**16,750**
Accumulated depreciation	-3,285	-4,718	-5,731	0	-13,734
Net book amount	**960**	**743**	**1,228**	**85**	**3,016**
31 December 2013					
Acquisition cost	**4,318**	**5,410**	**7,041**	**0**	**16,769**
Accumulated depreciation	-3,392	-4,685	-5,669	0	-13,746
Net book amount	**926**	**725**	**1,372**	**0**	**3,023**
Additions	221	110	419	114	864
Disposals, impairments	-91	-33	-75	0	-199
Depreciation	-237	-219	-310	0	-766
Currency translation differences	-50	-17	-32	0	-99
30 Sep 2014					
Acquisition cost	**3,521**	**5,300**	**6,529**	**114**	**15,464**
Accumulated depreciation	-2,752	-4,734	-5,155	0	-12,641
Net book amount	**769**	**566**	**1,374**	**114**	**2,823**

Information about discontinued operations in Note 20.

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NOTE 7 Intangible assets

	Licenses, software and other	Trade-marks	Prepayments	Goodwill	Total
31 December 2012					
Acquisition cost	**2,296**	**1,243**	**0**	**2,279**	**5,818**
Accumulated depreciation	-1,464	-204	0	0	-1,668
Net book amount	**832**	**1,039**	**0**	**2,279**	**4,150**
Additions	66	0	0	0	66
Disposals	-3	0	0	0	-3
Amortisation	-183	-34	0	0	-217
Currency translation differences	-2	0	0	-142	-144
30 Sep 2013					
Acquisition cost	**2,343**	**1,243**	**0**	**2,137**	**5,723**
Accumulated depreciation	-1,633	-238	0	0	-1,871
Net book amount	**710**	**1,005**	**0**	**2,137**	**3,852**
31 December 2013					
Acquisition cost	**2,191**	**1,243**	**0**	**2,083**	**5,517**
Accumulated depreciation	-1,575	-249	0	0	-1,824
Net book amount	**616**	**994**	**0**	**2,083**	**3,693**
Additions	150	0	151	0	301
Disposals	-1	0	0	0	-1
Amortisation	-136	-33	0	0	-169
Currency translation differences	-3	0	0	-140	-143
30 Sep 2014					
Acquisition cost	**2,210**	**1,243**	**151**	**1,943**	**5,547**
Accumulated depreciation	-1,584	-282	0	0	-1,866
Net book amount	**626**	**961**	**151**	**1,943**	**3,681**

NOTE 8 Borrowings

	30 Sep 2014	31 Dec 2013
Current borrowings		
Current portion of non-current bank loans	1,095	2,341
Current bank loans	987	652
Current portion of finance lease liabilities	36	39
Other current loans (Note 19)	126	126
Total	**2,244**	**3,158**
Non-current borrowings		
Non-current bank loans	3,889	2,031
Non-current finance lease liabilities	91	116
Convertible bonds, share options (Note 19)	3,024	24
Total	**7,004**	**2,171**
Total borrowings	**9,248**	**5,329**

During the reporting period, the Group made loan repayments in the amount of 822 thousand euros (2013: 1,145 thousand euros). Interest expense of all interest carrying borrowings of the reporting period amounted to 296 thousand euros, including 7 thousand euros interest expense from the loan of related party and 29 thousand euros from bonds of related party (2013: 259 thousand euros, including 48 thousand euros interest expense from convertible bonds of related party). Group´s overdraft facilities with the banks were used in the amount of 3,334 thousand euros as at 30 September 2014 (31 December 2013: 1,566 thousand euros).

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Changes in 2014

In the reporting period the Group signed an annex under an existing facility agreement, which prolonged repayment dates for some loans and increased the overdraft limit in the amount of 1,4 million euros. The same annex provides the overdraft increase and decrease in the amount of 500 thousand according to the seasonality.

On 28 July 2014 the Group issued J-bonds, which increased long-term borrowings by 3,000 thousand euros. See more in Note 10.

Interest carrying loans and bonds of the Group as at 30 September 2014

	Average risk premium	Carrying amount
Borrowings at floating interest rate (based on 1-month Eonia and 6-month Euribor)	EURIBOR or EONIA +4,49%	5,971
Borrowings at fixed interest rate (Note 19)	7.00%	126
J-Bonds (Note 19)	6.50%	3,000
Total		**9,097**

Interest carrying loans and bonds of the Group as at 31 December 2013

	Average risk premium	Carrying amount
Borrowings at floating interest rate (based on 1-month Eonia or 6-month Euribor)	EURIBOR or EONIA +4,36%	5,024
Borrowings at fixed interest rate (Note 19)	7.00%	126
Total		**5,150**

Bank loans set certain level to financial ratios for the Group. As at 30 June 2013 Baltika, was not compatible with some of the terms and conditions of the loan agreement, but the bank has confirmed that the loan will not become due and payable prematurely.

NOTE 9 Trade and other payables

	30 Sep 2014	31 Dec 2013
Current liabilities		
Trade payables	3,305	4,966
Tax liabilities, thereof	1,278	1,352
Personal income tax	248	228
Social security taxes and unemployment insurance premium	563	539
Value added tax	441	541
Corporate income tax liability	1	17
Other taxes	25	27
Payables to employees[1]	1,049	1,088
Other accrued expenses	9	2
Customer prepayments	30	20
Other current payables	134	75
Total	**5,805**	**7,503**
Non-current liabilities		
Other liabilities	34	0

[1]Payables to employees consist of accrued wages, salaries and vacation reserve.
Information about the liabilities to related parties is in Note 19.

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Trade payables and other accrues expenses in denominated currency

	30 Sep 2014	31 Dec 2013
EUR (euro)	2,558	3,526
USD (US dollar)	648	1,189
GBP (British pound)	98	66
LTL (Lithuanian lit)	31	71
RUB (Russian rouble)	13	21
LVL (Latvian lat)	0	71
UAH (Ukrainian hryvnia)	0	24
Total	**3,348**	**4,968**

NOTE 10 Equity

Share capital and reserves

	30 Sep 2014	31 Dec 2013
Share capital	8,159	8,159
Number of shares (pcs)	40,794,850	40,794,850
Nominal value of share (EUR)	0.20	0.20
Statutory reserve	1,182	1,182

As at 30 September 2014 and 31 December 2013, under the Articles of Association, the company's minimum share capital is 5,000 thousand euros and the maximum share capital is 20,000 thousand euros. All shares have been paid for. As at 30 September 2014 and 31 December 2013 share capital consists of ordinary shares, that are listed on the Tallinn Stock Exchange.

Convertible bonds

	Issue date	Share subscription period	Number of convertible bonds 30 Sep 2014	Number of convertible bonds 31 Dec 2013
I-Bond	30 June 2012	01 July 2015 - 31 Dec 2015	2,350,000	2,350,000
J-Bond	28 July 2014	15 July 2017 - 31 Dec 2017	600	0

The annual general meeting of shareholders held on 20 April 2012 decided to issue 2,350,000 convertible bonds (I-bond) with the nominal value 0.01 euros. Each bond gives its owner the right to subscribe one share of the Company with a nominal value of 0.20 euros. The share subscription price is 0.36 euros. The difference between the share subscription price and nominal value is share premium. The share subscription period is from 01 July 2015 until 31 December 2015. The bonds were issued to the management of Baltika Group companies.

Changes in 2014

On 28 April 2014 the annual general meeting of shareholders decided to issue convertible bonds with bondholder option in the total amount of 3 million euros. Decision was to issue 600 convertible bonds with the issuance price of 5,000 euros. The threeyear convertible bonds carry an annual interest rate of 6.5% and give its owner the right to subscribe for 10,000 Baltika´s shares at 0.5 subscription price.

Partly bonds (510 bonds) were issued to a related party (Note 19).

Shareholders as at 30 September 2014

	Number of shares	Holding
1. ING Luxembourg S.A.	12,590,914	30.86%
2. Clearstream Banking Luxembourg S.A. clients	6,453,843	15.82%
3. BMIG OÜ*	4,750,033	11.64%
4. SKANDINAVISKA ENSKILDA BANKEN S.A.	3,414,700	8.37%
5. Svenska Handelsbanken clients	1,604,000	3.93%
6. Members of Management and Supervisory Boards and persons related to them		
Meelis Milder	746,331	1.83%
Maire Milder	316,083	0.77%
Andrew Paterson	11,000	0.03%
Persons related to members of Management Board	8,100	0.02%
Entities connected to Supervisory Council not mentioned above	1,002,427	2.46%
7. Other shareholders	9,897,419	24.27%
Total	**40,794,850**	**100.00%**

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Shareholders as at 31 December 2013

	Number of shares	Holding
1. ING Luxembourg S.A.	12,590,914	30.86%
2. Clearstream Banking Luxembourg S.A. clients	6,505,350	15.95%
3. BMIG OÜ*	4,750,033	11.64%
4. SKANDINAVISKA ENSKILDA BANKEN S.A.	3,414,700	8.37%
5. Svenska Handelsbanken clients	1,645,000	4.03%
6. Members of Management and Supervisory Boards and persons related to them		
Meelis Milder	743,531	1.82%
Maire Milder**	316,083	0.77%
Andrew Paterson	11,000	0.03%
Persons related to members of Management Board	8,100	0.02%
Entities connected to Supervisory Council not mentioned above	1,002,427	2.46%
7. Other shareholders	9,807,712	24.05%
Total	**40,794,850**	**100.00%**

* OÜ BMIG is under the control of the Management Board members of the Parent company.

** data is presented with the shares that belong to the entity that is controlled by the Member Management Board.

The Parent company does not have a controlling shareholder or group of shareholders jointly controlling the entity.

NOTE 11 Segments

The Group's chief operating decision maker is the Management Board of the Parent company AS Baltika. The Parent company's Management Board reviews the Group's internal reporting in order to assess performance and allocate resources. Management Board has determined the operating segments based on these reports.

Parent company's Management Board assesses the performance from operations area perspective i.e. the performance of retail, wholesale is assessed. Retail is further evaluated on a geographic basis. The retail segments are countries which have been aggregated to reportable segments by regions which share similar economic characteristics and meet other aggregation criteria provided in IFRS 8:

- Baltic region consists of operations in Estonia, Latvia and Lithuania;
- Eastern European region consists of operations in Russia.

The Parent company's Management Board assesses the performance of the operating segments based on a measure of external revenue and segment profit. External revenue amounts provided to Management Board are measured in a manner consistent with that of the financial statements. The segment profit (loss) is an internal measure used in the internally generated reports to assess the performance of the segments and comprises segment's gross profit (loss) less operating expenses directly attributable to the segment, except for other operating income and expenses. The amounts provided to Management Board with respect to inventories are measured in a manner consistent with that of the financial statements. The segment inventories include those operating inventories directly attributable to the segment or those that can be allocated to the particular segment based on the operations of the segment and the physical location of the inventories.

Management Board also monitors Group´s results by shops and brands. The managing of the Group is done shop-by-shop basis, aggregated on a matrix basis for different decision purposes. For presenting segment reporting the Management Board has chosen aggregation on geographical and sales-channel bases. Primarily Management Board decisions, which are connected to investing and resource allocation, are based on the segments disclosed in this Note.

Data of the revenue, profit (loss), depreciation and amortisation of the segments are disclosed for continued operations.

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The segment information provided to the Management Board for the reportable segments

	Retail, Baltic region	Retail, Eastern Europe	Whole-sale[1]	Total
3 Quarter 2014				
Revenue (from external customers)	10,433	2,231	1,984	14,648
Segment profit[2]	1,999	78	384	2,461
Incl. depreciation and amortisation	-141	-39	-9	-189
3 Quarter 2013				
Revenue (from external customers)	9,187	2,096	1,262	12,545
Segment profit (loss)[2]	1,510	-278	355	1,587
Incl. depreciation and amortisation	-155	-68	-2	-225
9M 2014 and as at 30 Sep 2014				
Revenue (from external customers)	29,807	6,030	3,952	39,789
Segment profit (loss)[2]	5,576	-182	999	6,393
Incl. depreciation and amortisation	-444	-136	-12	-592
Inventories of segments	5,256	1,186	0	6,442
9M 2013 and as at 30 Sep 2013				
Revenue (from external customers)	27,335	6,775	2,822	36,932
Segment profit (loss)[2]	5,291	-318	741	5,714
Incl. depreciation and amortisation	-460	-218	-5	-683
Inventories of segments	5,060	2,261	0	7,321
thereof inventories of discontinued operations	*0*	*1,087*	*0*	*1,087*

[1]The wholesale segment includes the sale of goods to wholesale and franchise clients, materials and sewing services and the sales from e-commerce.
[2]The segment profit (loss) is the segment operating profit (loss), excluding other operating expenses and income.

Reconciliation of segment profit to consolidated operating profit

	3 Q 2014	3 Q 2013	9M 2014	9M 2013
Total segment profit	2,461	1,587	6,393	5,714
Unallocated expenses[1]:				
Costs of goods sold and distribution costs	-1,453	-1,330	-4,181	-3,436
Administrative and general expenses	-694	-686	-2,162	-2,128
Other operating income (expenses), net	-27	-56	-82	-139
Operating profit (loss)	**287**	**-485**	**-32**	**11**

[1]Unallocated expenses include the expenses of the parent and production company which are not allocated to the reportable segments in internal reporting.

Reconciliation of segment inventories to consolidated inventories

	30 Sep 2014	31 Dec 2013	31 Mar 2013
Total inventories of segments	6,442	6,817	7,321
Inventories in Parent company and production company	7,525	6,934	7,136
Inventories on statement of financial position	**13,967**	**13,751**	**14,457**

Information about discontinued operations is presented in Note 20.

NOTE 12 Revenue

	3 Q 2014	3 Q 2013	9M 2014	9M 2013
Sale of goods in retail channel	12,664	11,283	35,837	34,110
Sale of goods in wholesale and e-commerce channel	1,926	1,222	3,822	2,723
Other	58	40	130	99
Total	**14,648**	**12,545**	**39,789**	**36,932**

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Sales by geographical (client location) areas

	3 Q 2014	3 Q 2013	9M 2014	9M 2013
Estonia	4,837	4,568	14,082	13,717
Lithuania	3,169	2,747	8,657	7,872
Latvia	2,989	2,374	8,415	7,048
Russia	2,747	2,340	6,826	7,220
Finland	241	292	655	637
Ukraine	386	3	536	8
Germany	89	89	245	276
Belarus	69	107	201	107
Spain	98	0	98	0
Other countries	23	25	74	47
Total	**14,648**	**12,545**	**39,789**	**36,932**

NOTE 13 Cost of goods sold

	3 Q 2014	3 Q 2013	9M 2014	9M 2013
Materials and supplies	6,355	5,329	16,266	14,382
Payroll costs in production	811	728	2,497	2,315
Operating lease expenses	170	166	509	499
Other production costs	93	103	304	324
Depreciation of assets used in production (Note 6,7)	38	49	126	140
Change in allowance for inventories	0	0	-342	-460
Total	**7,467**	**6,375**	**19,360**	**17,200**

NOTE 14 Distribution costs

	3 Q 2014	3 Q 2013	9M 2014	9M 2013
Payroll costs	2,721	2,392	7,809	7,185
Operating lease expenses	2,084	2,170	6,365	6,445
Advertising expenses	361	361	1,049	947
Depreciation and amortisation (Note 6,7)	226	263	697	794
Fuel, heating and electricity costs	143	151	450	474
Fees for card payments	99	92	289	280
Municipal services and security expenses	73	41	200	131
Travel expenses	63	61	173	193
Consultation and management fees	50	20	150	101
Information technology expenses	39	39	128	138
Communication expenses	33	32	101	102
Other sales expenses[1]	281	290	806	664
Total	**6,173**	**5,913**	**18,217**	**17,454**

[1]Other sales expenses mostly consist of insurance and customs expenses, bank fees, expenses for uniforms, packaging, transportation and renovation expenses of stores, and service fees connected to administration of market organisations.

NOTE 15 Administrative and general expenses

	3 Q 2014	3 Q 2013	9M 2014	9M 2013
Payroll costs[1]	325	316	998	961
Operating lease expenses	117	111	350	330
Information technology expenses	61	69	201	189
Bank fees	49	60	158	168
Management, juridical-, auditor´s and other consulting fees	28	16	80	73
Depreciation and amortisation (Note 6,7)	26	32	78	112
Fuel, heating and electricity expenses	20	21	74	76
Office materials	11	7	31	27
Sponsorship, gifts, donations	6	5	18	30
Other administrative expenses[2]	51	49	174	162
Total	**694**	**686**	**2,162**	**2,128**

[1]Payroll costs include payroll expenses for employee services received under the share options programme in the amount of 94 thousand euros (2013: 94 thousand euros).
[2]Other administrative expenses consist of insurance, communication, travel, training, municipal and security expenses and other services.

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NOTE 16 Other operating income and expenses

	3 Q 2014	3 Q 2013	9M 2014	9M 2013
Gain (loss) from sale, impairment of PPE, non-current assets and investment property, net	15	3	12	6
Realization of impaired assets in previous periods	0	0	0	6
Other operating income	7	0	22	35
Foreign exchange loss	-45	-40	-101	-158
Fines, penalties and tax interest	0	-6	-5	-10
Other operating expenses	-4	-13	-10	-18
Total	**-27**	**-56**	**-82**	**-139**

NOTE 17 Finance income and costs

	3 Q 2014	3 Q 2013	9M 2014	9M 2013
Interest costs	-125	-82	-296	-259
Foreign exchange losses	0	-37	0	-142
Other finance costs (net)	0	0	0	-11
Total	**-125**	**-119**	**-296**	**-412**

NOTE 18 Earnings per share

Basic earnings per share		**3 Q 2014**	**3 Q 2013**	**9M 2014**	**9M 2013**
Weighted average number of shares	pcs	40,795	35,795	40,795	36,543
Net profit (loss) from continuing operations		151	-612	-354	-409
Net loss from discontinued operations		0	-172	-1,329	-354
Basic earnings per share	**EUR**	**0.00**	**-0.02**	**-0.04**	**-0.02**
Basic earnings per share (continuing operations)	EUR	0.00	-0.02	-0.01	-0.01
Basic earnings per share (discontinued operations)	EUR	0.00	0.00	-0.03	-0.01
Diluted earnings per share	**EUR**	**0.00**	**-0.02**	**-0.04**	**-0.02**
Diluted earnings per share (continuing operations)	EUR	0.00	-0.02	-0.01	-0.01
Diluted earnings per share (discontinued operations)	EUR	0.00	0.00	-0.03	-0.01

In the third quarter of 2014 J/bonds had a dilutive effect to earning per share.

Diluted earnings per share		**3 Q 2014**
Weighted average number of shares (thousand)	pcs	40,795
Adjustments:		
- weighted average of convertible bonds that are dilutive (thousand)	pcs	4,239
Total weighted average number of shares and convertible bonds (thousand)		**45,034**
Net profit from continuing operations		151
Interest expense (convertible bonds)		34
Adjusted net profit attributable to equity holders of the parent		**185**
Diluted earnings per share	**EUR**	**0.00**
Diluted earnings per share (continuing operations)	EUR	0.00
Diluted earnings per share (discontinued operations)	EUR	0.00

The average price (arithmetic average based on daily closing prices) of AS Baltika share on the Tallinn Stock Exchange in the reporting period was 0.50 euros (2013: 0.80 euros).

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NOTE 19 Related parties

For the purpose of these financial statements, parties are considered to be related if one party has the ability to control the other party, is under common control, or can exercise significant influence over the financial and management decisions of the other one in accordance with IAS 24, Related Party Disclosures. Not only the legal form of the transactions and mutual relationships, but also their actual substance has been taken into consideration when defining related parties.

For the reporting purposes in consolidated interim statements of the Group, the following entities have been considered related parties:

- owners, that have significant influence, generally implying an ownership interest of 20% or more; and entities under their control (Note 10);
- members of the Management Board and the Supervisory Council[1];
- close family members of the persons stated above;
- entities under the control or significant influence of the members of the Management Board and Supervisory Council.

[1]Only members of the Parent company Management Board and Supervisory Council are considered as key management personnel, as only they have responsibility for planning, directing and controlling Group activities.

Transactions with related parties

	3 Q 2014 Purchases	3 Q 2013 Purchases	9M 2014 Purchases	9M 2013 Purchases
Services	112	55	230	180
Total	**112**	**55**	**230**	**180**

In 2014 as well as 2013 AS Baltika bought mostly management, communication and other services from related parties.

Balances with related parties

	30 Sep 2014	31 Dec 2013
Other current loans and interests (Note 8, 9)	2,730	145
Trade payables (Note 9)	60	50
Payables to related parties total	**2,790**	**195**

Information about interest from related party see in Note 8.

All transactions in 2014 as well as in 2013 reporting periods and balances with related parties as at 30 September 2014 and 31 December 2013 were with entities under the control or significant influence of the members of the Management Board and Supervisory Council and close family members. As at 30 September 2014 and 31 December 2013 the balances from borrowings, interests are partly with counterparty, who is also an owner that has significant influence.

Compensation for the members of the Management Board and Supervisory Council

	3 Q 2014	3 Q 2013	9M 2014	9M 2013
Salaries of the members of the Management Board	103	84	290	253
Remuneration of the members of the Supervisory Council	5	5	14	14
Total	**108**	**89**	**304**	**267**

As at 30 September 2014 and 31 December 2013 there were five Management Board and five Supervisory Council Members. In the reporting period no changes took place composition of Management Board or Supervisory Council.

Convertible bonds (I- and J-bonds) are partly issued to related parties (Note 8).

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NOTE 20 Discontinued operations

Baltika AS has decided to exit Ukrainian retail market to reduce economic and political risks.

As Ukrainian market represents a major line of business in Group´s activities, and its operations and cash flows can be clearly distinguished from other Group´s operations and cash flows, it´s results are reported as discontinued operations in the current interim report. Previously Ukrainian subsidiary´s results were reported as a part of the East European segment.

On 29 April 2014 Baltika signed an agreement by which Baltika Retail Ukraina Ltd (BRU) was sold to Osaühing Ellipse Group. BRU will continue as Baltika's franchise partner and cooperation agreement was signed on 29 April for the next five years.

After the transaction Baltika had a receivable from BRU of 1,245 thousand euros, for which five-year settlement schedule has been agreed. The receivable is secured with movables pledge on BRU assets but its collectability depends on the development of the Ukrainian economy and improvements in the entity's operating results.

In the first quarter, prior to sales transaction, Baltika revalued the Ukrainian assets completely down (in the amount of 1,095 thousand euros) and Baltika will keep this impairment as allowance reserve for BRU receivable.

An extract of the revenue and expenses of discontinued operation

	Q3 2014	Q3 2013	9M 2014	9M 2013
Discontinued operation				
Revenue	0	1,664	1,531	4,727
Expenses	0	-1,781	-1,896	-4,996
Other operating income (expense)	0	-55	-271	-85
Loss before income tax	**0**	**-172**	**-636**	**-354**
Loss from discontinued operations and impairment of assets connected to discontinued operations	0	0	-693	0
Net loss for the reporting period	**0**	**-172**	**-1,329**	**-354**

Consolidated cash-flow of the discontinued operation

	9M 2014	9M 2013
Net cash generated (used in) from operating activities	-180	183
Net cash used in investing activities	-8	-194
Total cash flows	**-188**	**-11**
Cash and cash equivalents at the beginning of the period	**213**	**144**
Effect of exchange gains on cash and cash equivalents	-25	1
Cash and cash equivalents at the end of the period	**0**	**134**
Change in cash and cash equivalents	**-213**	**-10**

AS BALTIKA SUPERVISORY COUNCIL

JAAKKO SAKARI MIKAEL SALMELIN
Member of the Supervisory Council since 21.06.2010
Partner, KJK Capital Oy
Master of Science in Finance, Helsinki School of Economics
Other assignments:
Member of the Management Board of KJK Fund SICAV-SIF,
Member of the Board of Directors, KJK Management SA,
Member of the Board of Directors, KJK Capital Oy.
Baltika shares held on 30 September 2014: 0

TIINA MÕIS
Member of the Supervisory Council since 03.05.2006
Chairman of the Management Board of AS Genteel
Degree in Economical Engineering, Tallinn University of Technology
Other assignments:
Member of the Supervisory Council of AS Nordecon International,
Member of the Supervisory Councils of AS LHV Pank and AS LHV Group,
Member of the Board of Estonian Chamber of Commerce and Industry,
Member of Estonian Accounting Standards Board.
Baltika shares held on 30 September 2014: 977,837 shares (on AS Genteel account)

REET SAKS
Member of the Supervisory Council since 25.03.1997
Attorney at Raidla Lejins & Norcous Law Office
Degree in Law, University of Tartu
Other assignments:
Member of the Management Board of MTÜ International Association for the Protection of Intellectual Property (AIPPI) Estonian National Group.
Baltika shares held on 30 September 2014: 0

LAURI KUSTAA ÄIMÄ
Member of the Supervisory Council since 18.06.2009
Managing Director of Kaima Capital Oy
Master of Economics, University of Helsinki
Other assignments:
Member of the Supervisory Council of AS Tallink Grupp,
Member of the Board of Oy Tallink Silja Ab,
Member of the Board of KJK Invest Oy,
Member of the Board of Aurejärvi Varainhoito Oy,
Member of the Board of UAB Malsena Plius,
Member of the Board of Bostads AB Blåklinten Oy,
Member of the Supervisory Council of Salva Kindlustuse AS,
Member of the Supervisory Council of AS Premia Foods,
Member of the Supervisory Council of AS Premia Tallinna Külmhoone AS,
Member of the Supervisory Council of Managetrade OÜ,
Member of the Supervisory Council of Toode AS,
Vice-chairman of the Board of AAS BAN,
Vice-chairman of the Management Board of Amber Trust Management SA,
Chairman of the Management Board of Amber Trust II Management SA,
Chairman of the Management Board of KJK Fund SICAV-SIF,
Chairman of the Management Board of KJK Fund II SICAV-SIF,
Chairman of the Supervisory Council of JSC Rigas Dzirnavnieks,
Chairman of the Board of Directors, KJK Management SA,
Chairman of the Board of Directors, KJK Capital Oy.

Baltika shares held on 30 September 2014: 24 590 shares (on Kaima Capital Eesti OÜ account)

VALDO KALM
Member of the Supervisory Council since 20.04.2012
Chairman of the Board of AS EMT
Automation and telemechanics, Tallinn University of Technology
Other assignments:
Chairman of the Board of AS Eesti Telekom
Baltika shares held on 30 September 2014: 0

AS BALTIKA MANAGEMENT BOARD

MEELIS MILDER
Chairman of the Management Board, Group CEO
Chairman of the Board since 1991, in the Group since 1984
Degree in Economic Cybernetics, University of Tartu
Baltika shares held on 30 September 2014: 746,331 shares[1]

MAIGI PÄRNIK-PERNIK
Member of the Management Board, Chief Financial Officer
Member of the Board since 2011, in the Group since 2011
Degree in Economics, Tallinn University of Technology,
Master of Business Administration, Concordia International University
Baltika shares 30 September 2014: 0

MAIRE MILDER
Member of the Management Board, Branding and Retail Developing Director
Member of the Board since 2000, in the Group since 1999
Degree in Biology and Geography, University of Tartu
Baltika shares held on 30 September 2014: 316,083 shares (thereof 30,000 shares on Maisan OÜ account)[1]

ANDREW J. D. PATERSON
Member of the Management Board, Commercial Director
Member of the Board since 2008, in the Group since 2003
Baltika shares held on 30 September 2014: 11,000 shares

KATI KUSMIN
Member of the Management Board, Sales and Marketing Director
Member of the Board since 2012, in the Group since 2012
Degree in Economics, Tallinn University of Technology
Baltika shares 30 September 2014: 0

[1]The members of the Management Board of AS Baltika also own shares through the holding company OÜ BMIG (see Corporate governance annual report section “Management Board”).