

BALTIKA GROUP

Q3 and 9m 2010 results

October 2010

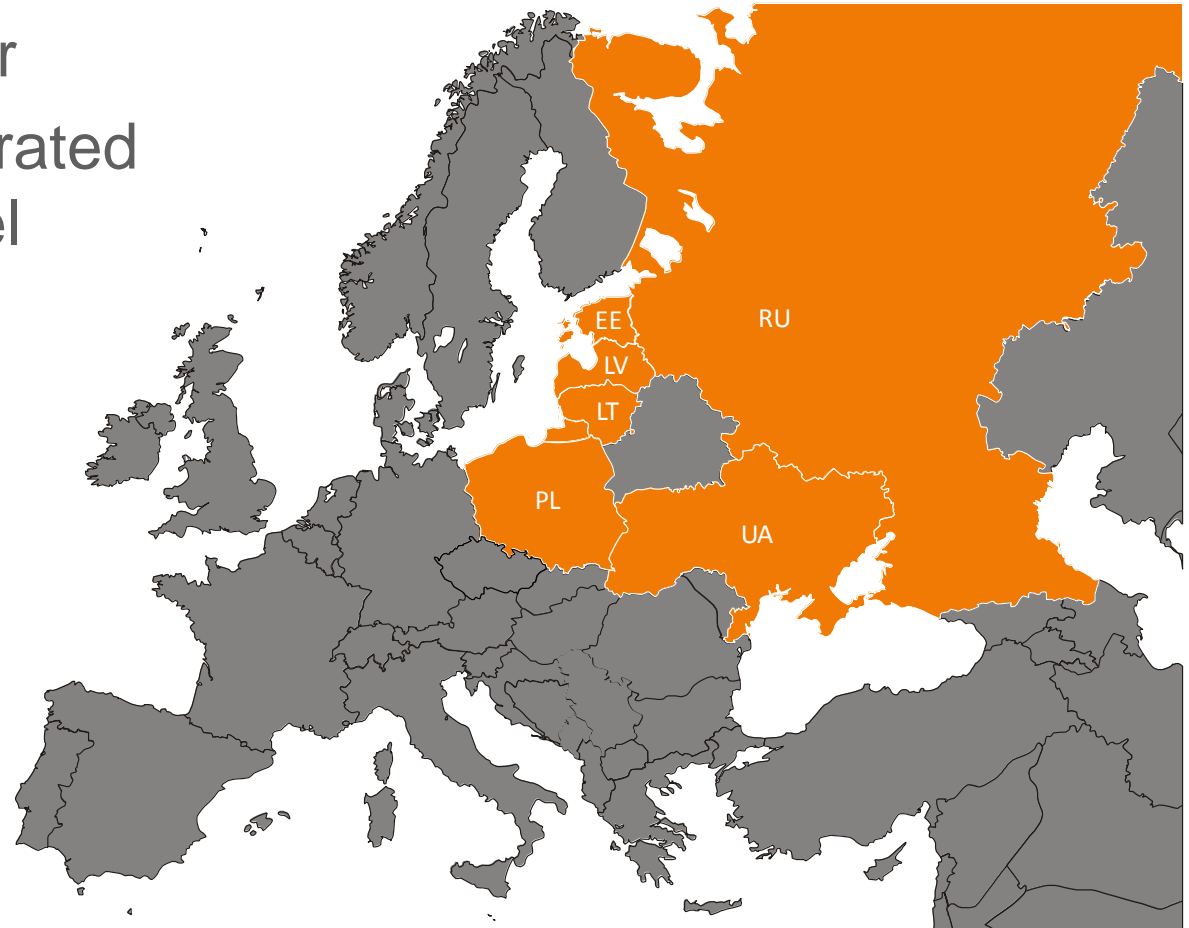


Baltika Group

BALTMAN
manton
MOSAIC
Ivo Nikkolo

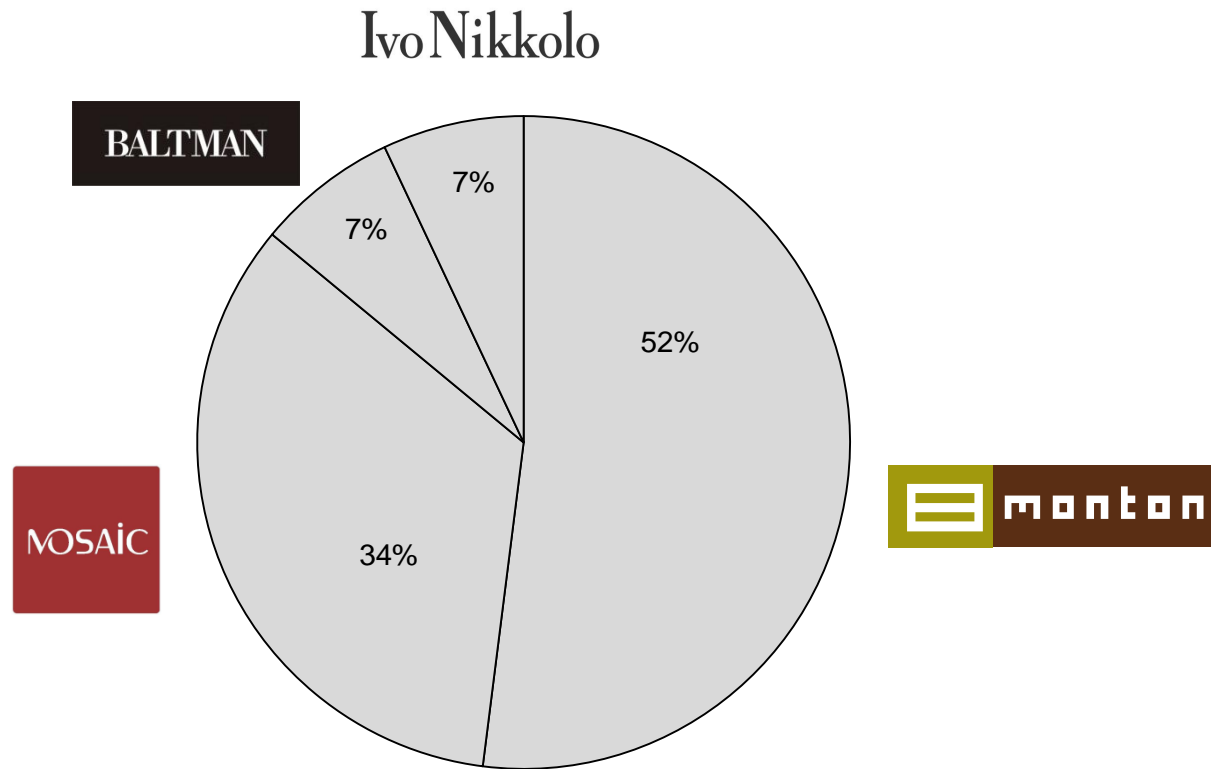
Overview

- Fashion retailer
- Vertically integrated business model
- Four concepts
- Six markets
- 123 stores



BALTIKA CONCEPTS

Retail sales by concept, 9m 2010



Retail network (30 September 2010)

	Monton	Mosaic	Baltman	Nikkolo	Other	Total	sqm
Estonia	7	12	5	5	2	31	5,882
Latvia	6	6	1	2		15	3,281
Lithuania	10	13	6	3		32	5,994
Ukraine	10	8				18	3,526
Russia	15	7				22	4,904
Poland	5					5	1,207
Total	53	46	12	10	2	123	24,794





EUR mln	9m 10	9m 09	+/-
Retail sales	18.0	20.6	-13%

- Fashion brand for men and women with a unique handwriting and well-focused quality range
- Stores in Estonia, Latvia, Lithuania, Ukraine, Russia and Poland
- Store format: 350-600 sqm



MOSAIC

EUR mln	9m 10	9m 09	+/-
Retail sales	11.6	13.0	-11%

- Mosaic is for women and men, who are practical, responsible and well-organized and have a need for uncomplicated and reliable fashion
- Stores in Estonia, Latvia, Lithuania, Ukraine, Russia and Poland
- Store format: 200-350 sqm



BALTMAN

EUR mln	9m 10	9m 09	+/-
Retail sales	2.4	2.7	-11%

- Prestigious lifestyle brand for men, offering stylish, classic and high-quality clothing and personal service
- Stores in Estonia, Latvia, Lithuania
- Store format: 100-130 sqm



Ivo Nikkolo

EUR mln	9m 10	9m 09	+/-
Retail sales	2.4	1.9	+26%

- Designer fashion brand for ladies allowing the customer to express her own individuality and complement her lifestyle
- Acquired in September 2006
- Stores in Estonia, Latvia and Lithuania
- Store format: 100-150 sqm



FINANCIAL REVIEW

Adaptation

	Q3 10	9m 10
Sales efficiency yoy	14%	-2%
Shop operating expenses per m ² yoy	8%	-2%
Inventory per m ² yoy	-4%	-4%
Inventories decreased by EUR mln	2.6	2.6
Distribution costs yoy	-9%	-13%
Administrative expenses yoy	17%	4%
Openings/closings	1/6	5/15
Sqm m2	24,794	24,794
Stores	123	123



Key figures: Q3

EUR '000	Q3 10	Q3 09	+/-
Revenue	13,489	14,389	-6.2%
Gross profit	6,568	7,253	-9.4%
Operating profit	-1,750	-1,526	-14.7%
Net profit	-2,147	-1,839	-16.7%
Gross margin	49%	50.0%	
Operating margin	-13.0%	-10,6%	
EBT margin	-15.6%	-12,6%	
Net margin	-15.9%	-12,8%	



Key figures: 9 months

EUR '000	9m 10	9m 09	+/-
Revenue	37,127	42,193	-12%
Gross profit (-loss)	18,719	19,803	-5%
Operating profit (-loss)	-4,264	-7,182	+2,918
Net profit (-loss)	-5,072	-8,063	+2,991
Gross margin	50,0%	47,0%	
Operating margin	-11,5%	-17,0%	
EBT margin	-13,4%	-19,0%	
Net margin	-13,7%	-19,1%	
ROE	-61,7%	-78,7%	
ROA	-16,5%	-25,7%	



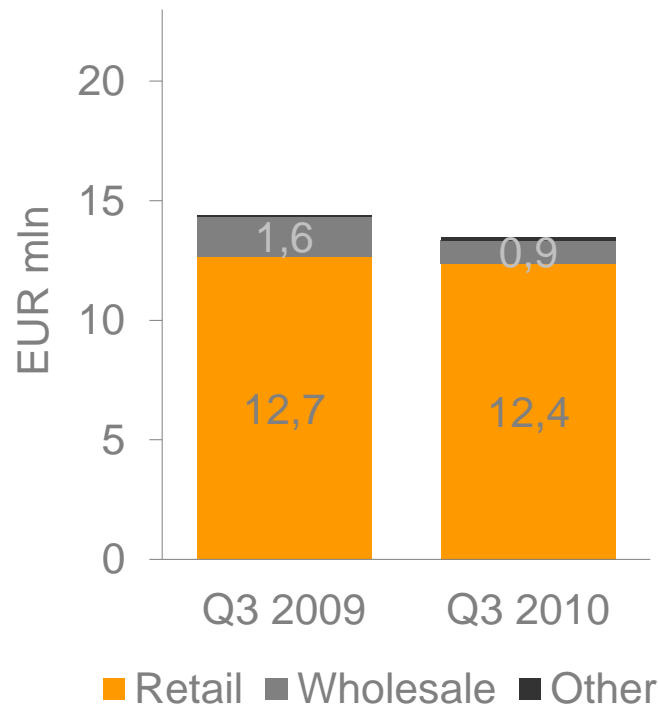
Stores and sales area

	30.09.10	30.09.09	+/-
Estonia	32	36	
Lithuania	31	32	
Russia	22	30	
Ukraine	18	21	
Latvia	15	15	
Poland	5	5	
Czech Republic	0	2	
Total stores	123	141	-18
Sales area (sqm)	24,794	29,277	-4,483



Sales development

Sales by segment



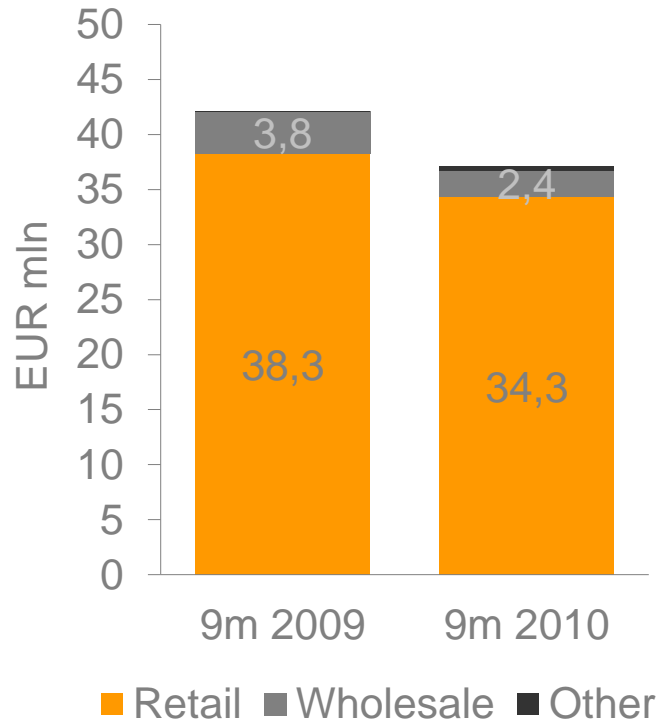
Sales growth breakdown

Average sales area (sqm)	-14%
Sales per sqm	14%
Comparable store sales	8%
Retail sales	-2%
Wholesale	-43%
Total sales	-6%



Sales development

Sales by segment



Sales growth breakdown

Average sales area (sqm)	-8%
Sales per sqm	-2%
Comparable store sales	-8%
Retail sales	-10%
Wholesale	-36%
Total sales	-12%



Retail sales by region

EUR mln	Q3 10	Q3 09	+/-	Share %
Baltics	7.5	7.5	0%	60%
Eastern Europe	4.6	4.5	2%	37%
Central Europe	0.4	0.7	-43%	3%
Total	12.5	12.7	-18%	100%



Retail sales by region

EUR mln	9m 10	9m 09	+/-	Share %
Baltics	20.5	22.8	-10%	60%
Eastern Europe	12.7	13.3	-5%	37%
Central Europe	1.1	2.2	-50%	3%
Total	34.3	38.3	-10%	100%



Retail sales by market

EUR mln	9m 10	9m 09	+/-	Share %
Estonia	9.0	9.1	-1%	26%
Russia	7.5	8.7	-14%	22%
Lithuania	7.1	7.5	-5%	21%
Ukraine	5.2	5.8	-10%	15%
Latvia	4.4	5.0	-12%	13%
Poland	1.1	1.5	-27%	3%
Czech Republic	0	0.7	-100%	0%
Total	34.3	38.3	-10%	100%



Retail sales by brands

EUR mln	9m 10	9m 09	+/-	Share %
Monton	18.0	20.6	-13%	52%
Mosaic	11.6	13.0	-11%	34%
Baltman	2.4	2.7	-11%	7%
Ivo Nikkolo	2.4	1.9	26%	7%
Total	34.3	38.3	-10%	100%



Investments

EUR mln	9m 10	9m 09	+/-
Total investments	0.2	6.0	-97%
Incl. retail system	0.1	1.0	-90%

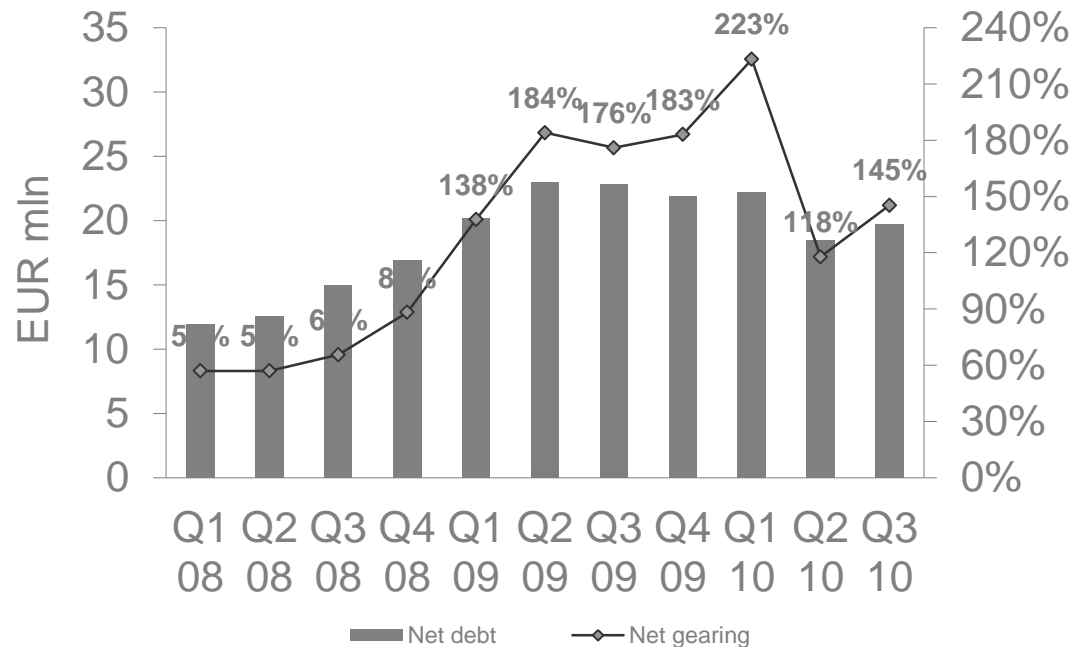
- 9m 2010: retail: 11 closings, 4 openings



Financial position

- Total borrowings at the end of Q3 2010 at EUR 20.5 mln

Net debt and net gearing



Share data

Share price and turnover



EUR	2006	2007	2008	2009	9m 10
Share price	7.40	3.90	1.15	0.73	0.84
DPS	0.05	0	0	n/a	n/a
EPS	0.31	0.14	-0.07	-0.55	-0.22
BVPS	1.04	1.16	1.02	0.64	0.49
P/E	23.9	27.9	Neg.	Neg.	Neg.
P/B	7.1	3.4	1.1	1.1	1.7

Shareholder structure (18.10.2010)

BMIG OÜ	16.82%
ING LUXEMBOURG S.A.	11.82%
E. MIROGLIO S.A.	10.91%
Skandinaviska Enskilda Banken AB clients	10.79%
Other	49.66%
Total	100.0%

No of shares outstanding	27,494,850
No of shares fully diluted	29,337,350
Preference share	+4,000,000
Total	33,337,350
Market cap (30.09.2010)	EUR 23.1 mln
NASDAQ OMX symbol	BLT1T
Bloomberg code	BLT1T ET



Shareholder structure after the share emission (30.09.2010)

	Number of shares	Holding
BMIG OÜ	4 624 860	16.82%
ING LUXEMBOURG S.A.	3 250 000	11.82%
E.Miroglio S.A.	3 000 000	10.91%
Skandinaviska Enskilda Banken Ab Clients	2 967 347	10.79%
Svenska Handelsbanken Clients Account	1 972 000	7.17%
Meelis Milder	726 336	2.64%
Other	10 954 307	39.85%
Total	27 494 850	100.00%

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