



Baltika Group

Q2 and 6 months 2014 results

July 2014

NOTE FOR READING FINANCIAL DATA

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. For comparability, the figures for 2013 have been adjusted accordingly.

Group overview

- Baltika Group is fashion retailer in the Baltics and Eastern Europe
- Baltika employs vertically integrated business model
- Over 120 shops in six countries
- Baltika owns 5 brands and Blue Inc representation rights in Baltics
- Franchise partners in Belarus and in Ukraine
- Baltika's shares are listed on the Tallinn Stock Exchange, which is part of the NASDAQ OMX Group

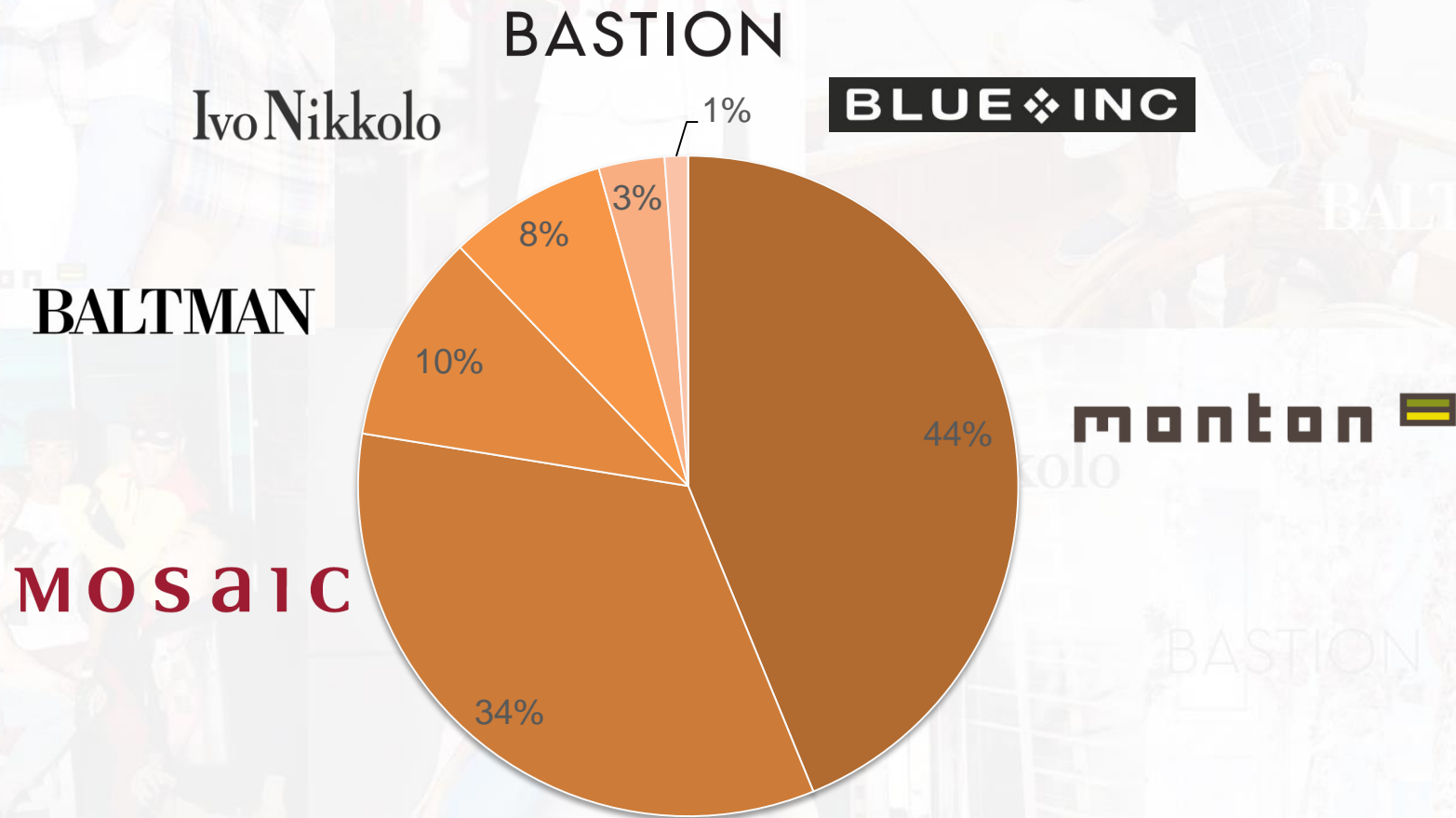


Mission

- Baltika creates quality fashion that allows people to express themselves and feel great

BALTIKA BRANDS

Retail sales by brand, Q2 2014



BALTMAN Monton MOSAIC Ivo Nikkolo BASTION

Shops network 30 June 2014

	EE	LV	LT	RU	UA*	BY*	Total
Monton	7	6	8	12	10	2	45
Monton Multibrand	2	3	3	1	1	0	10
Mosaic	12	4	9	5	6	0	36
Baltman	4	2	6	0	0	0	12
Ivo Nikkolo	5	4	2	0	0	0	11
Bastion	6	1	0	0	0	0	7
Blue Inc	1	2	0	0	0	0	3
Fashion Outlet	1	0	0	1	0	0	2
Total	38	22	28	19	17	2	126
Sales area, sqm	6 640	4 014	5 650	4 094	3 335	380	24 112

*Franchise shops in Ukraine and Belarus

monton

EUR thousand	6m 2014	6m 2013	+/-
Monton	10 428	10 674	-2%

- Exciting fashion brand for men and women, reflecting global trends in its own unique way
- Stores in Estonia, Latvia, Lithuania, Ukraine and Russia

MOSAIC

EUR thousand	6m 2014	6m 2013	+/-
Mosaic	7 270	7 203	1%

- 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 and Russia

BALTMAN

EUR thousand	6m 2014	6m 2013	+/-
Baltman	2 396	2 333	3%

- Prestigious lifestyle brand for men offering stylish, classic and high-quality clothing, personal service and comfortable shopping environment
- Stores in Estonia, Latvia and Lithuania

BALTMAN

Ivo Nikkolo

EUR thousand	6m 2014	6m 2013	+/-
Ivo Nikkolo	2 027	1 801	13%

- Ivo Nikkolo is unique designer fashion brand for ladies, offering premium business outfit and occasion wear to express own individuality and unique style
- Acquired in September 2006
- Stores in Estonia, Latvia and Lithuania

BASTION

EUR thousand	6m 2014	6m 2013	+/-
Bastion	782	693	13%

- Designer fashion brand for ladies who values timeless fashion, quality and brand handwriting
- Acquired in December 2012
- Stores in Estonia and Latvia

BLUE INC

EUR thousand	6m 2014	6m 2013	+/-
Blue Inc	252	0	-

- Blue Inc trademark was launched in UK in 1997
- Baltika owns representation rights of Blue Inc trademarks in Baltic countries.
- Franchise contract was signed in May 2013 with A Levy & Son Ltd.
- Stores in Estonia and Latvia

FINANCIAL REVIEW

Key figures (1)

EUR thousand	Q2 2014	Q2 2013	+/-
Revenue	12 970	12 713	2,0%
Gross profit	7 331	7 481	-2,0%
Operating profit	507	858	-40,9%
Net profit from continuing operat.	405	641	-36,8%
Gross margin	56,5%	58,8%	
Operating margin	3,9%	6,7%	
EBT margin	3,2%	5,0%	
Net margin	3,1%	5,0%	
Net profit from discontin. operat.	243	-17	
Net profit (loss) for the period	648	624	3,8%

Key figures (2)

EUR thousand	6m 2014	6m 2013	+/-
Revenue	25 141	24 388	3,1%
Gross profit	13 248	13 562	-2,3%
Operating profit	-319	495	-164,4%
Net profit from continuing operat.	-505	202	-350,0%
Gross margin	52,7%	55,6%	
Operating margin	-1,3%	2,0%	
EBT margin	-1,9%	0,8%	
Net margin	-2,0%	0,8%	
Net profit from discontin. operat.	-1 329	-181	
Net profit (loss) for the period	-1 834	21	-8833,3%

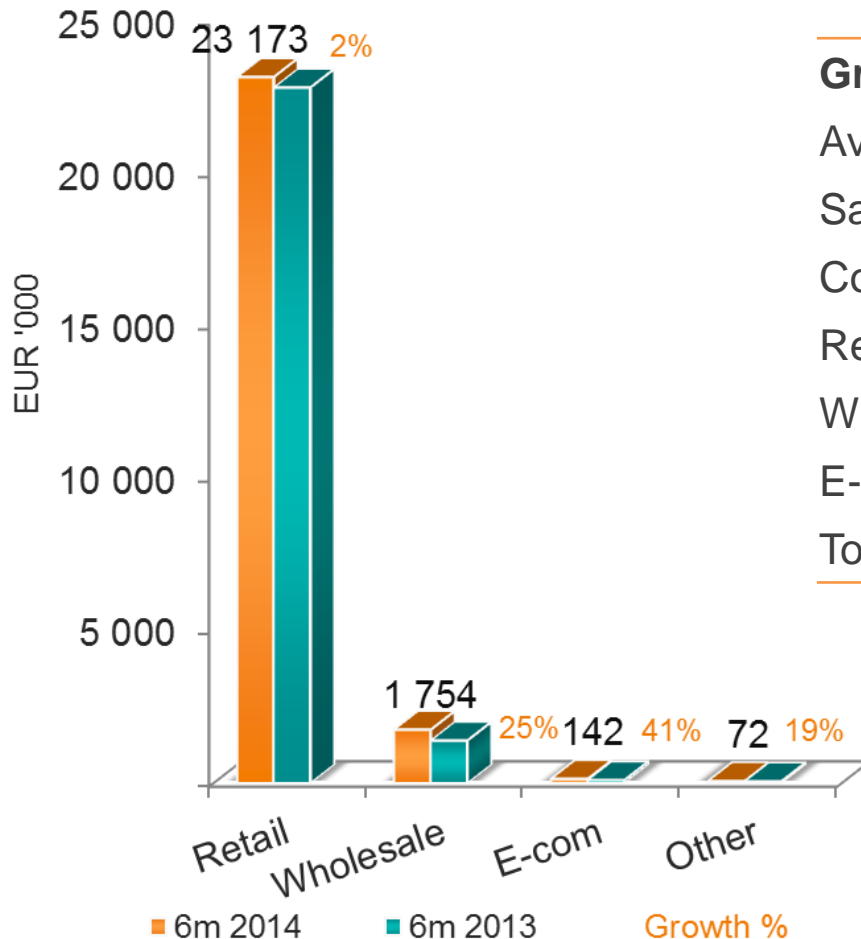
Stores and sales area

	30.06.2014	30.06.2013	+/-
Estonia	38	36	
Lithuania	28	27	
Latvia	22	17	
Russia	19	19	
Ukraine*	17	16	
Belarus*	2	0	
Total stores	126	115	11
Total sales area, sqm	24 112	22 575	1 537

*Franchise shops in Ukraine and Belarus

Sales development Q2 and 6 months

Sales by segment YTD



Sales growth breakdown

Growth vs 2013	Q2	YTD
Average sales area (sqm)	2%	4%
Sales per sqm	-2%	-3%
Comparable store sales (LFL)	1%	0%
Retail sales	0%	2%
Wholesale	41%	25%
E-com sales	18%	41%
Total sales	2%	3%

Retail sales by markets (1)

EUR thousands	Q2 2014	Q2 2013	+/-	Share
Estonia	4 516	4 717	-4%	38%
Lithuania	2 795	2 631	6%	23%
Latvia	2 790	2 400	16%	23%
Russia	1 963	2 301	-15%	16%
Total	12 064	12 049	0%	100%
Ukraine*	255	1 551	-84%	-

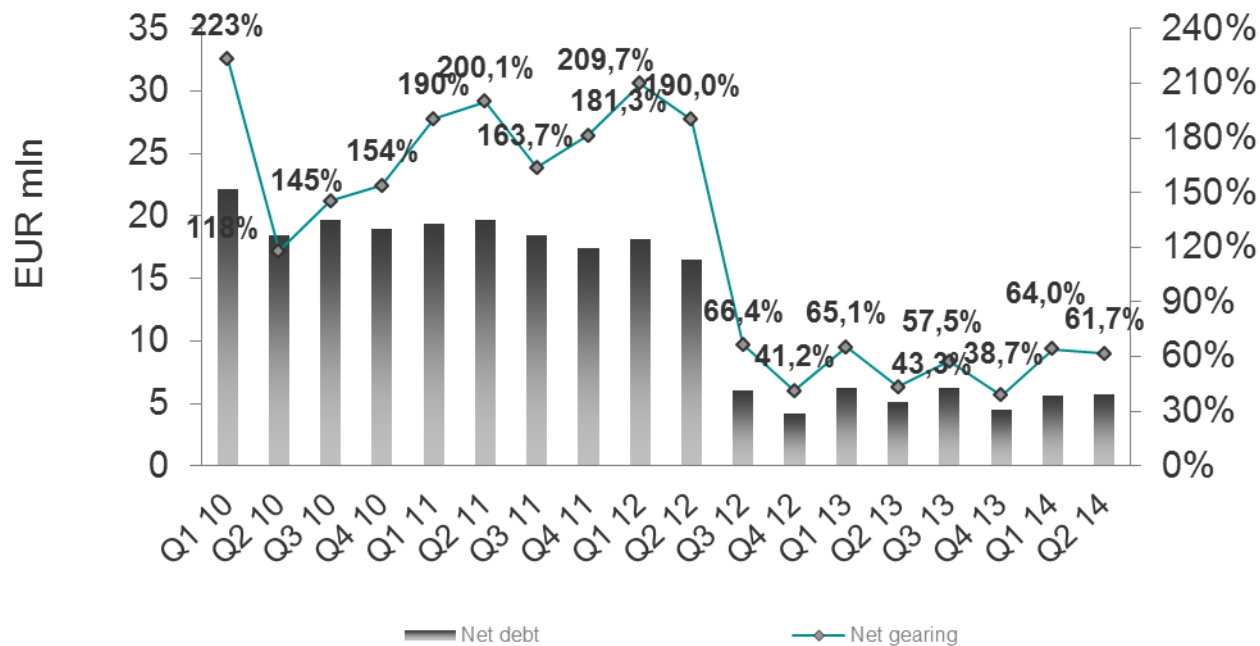
Retail sales by markets (2)

EUR thousands	6m 2014	6m 2013	+/-	Share
Estonia	8 718	8 580	2%	38%
Lithuania	5 458	5 095	7%	24%
Latvia	5 198	4 472	16%	22%
Russia	3 799	4 680	-19%	16%
Total	23 173	22 827	2%	100%
Ukraine*	1 531	3 062	-50%	-

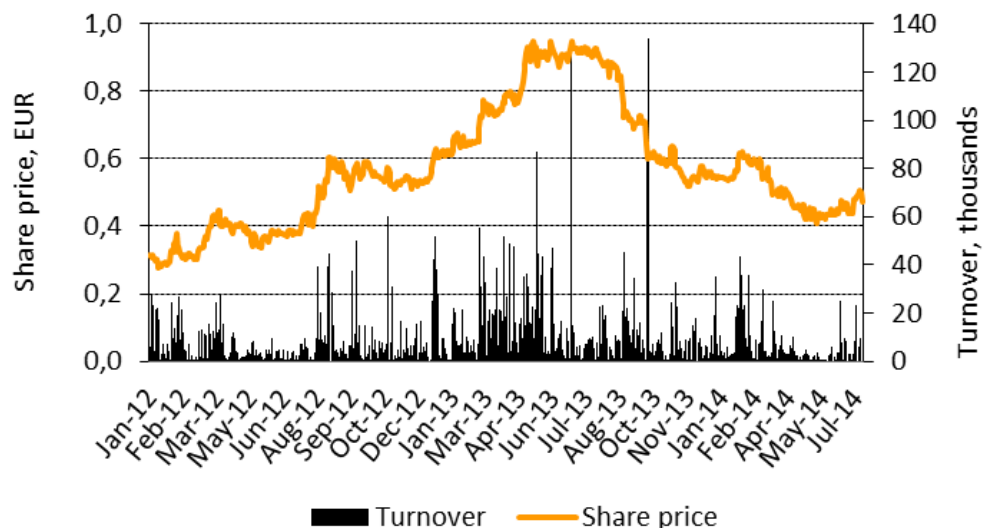
Financial position

- Total borrowings at the end of Q2 2014 were 6,269 thousand euros

Net debt and net gearing



Share



Information on listed ordinary shares

NASDAQ OMX symbol: BLT1T

ISIN number: EE3100003609

Minimum number of shares to trade: 1

Number of shares: 40,794,850

Nominal value of a share: 0.2 euros

Largest shareholders as at 30 June 2014

	Holding
ING Luxembourg S.A. client	30.86%
Clearstream Banking Luxembourg S.A. clients	15.85%
BMIG OÜ	11.64%
Skandinaviska Enskilda Banken Ab clients	8.37%
Other	33.28%
Total	100%

NASDAQ OMX | Baltic
BALTIC MARKET AWARDS 2013

BALTIKA

BEST INVESTOR RELATIONS IN THE
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