



**Baltika Group**

# Q2 and 6 months 2015 results

## NOTE FOR READING FINANCIAL DATA

In connection with Baltika's exit from the Ukrainian retail business in 2014, which represented a major line of business of the Group, the results of the Ukrainian entity are presented as discontinued operation.

# Group overview

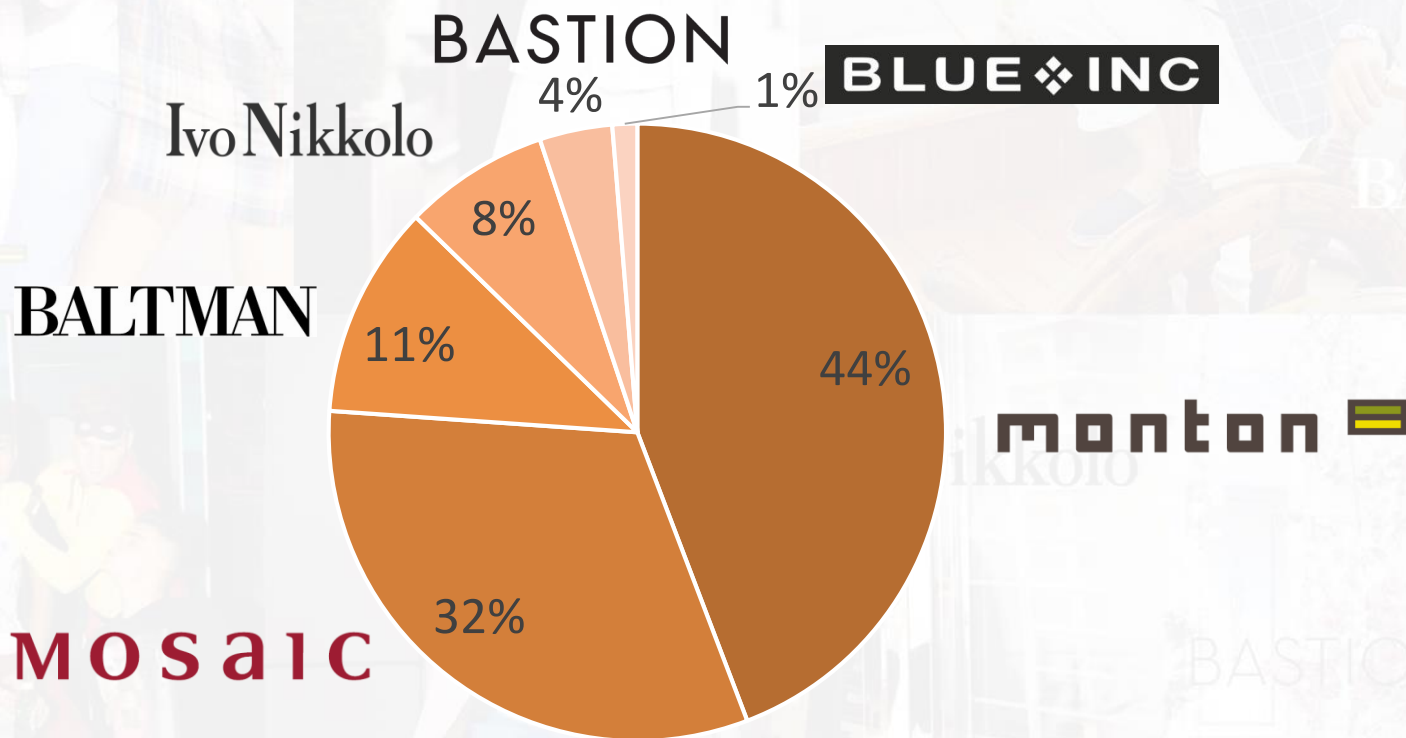
- Baltika Group is fashion retailer in the Baltics and Russia
- Baltika employs vertically integrated business model
- Over 130 shops in seven countries
- Baltika owns 5 brands and Blue Inc representation rights in Baltics
- Franchise partners in Belarus, Ukraine, Russia and Spain
- Baltika's shares 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 2015



# Shops network 30 June 2015

	EE	LV	LT	RU	UA*	BY*	RU*	ES*	Total	
Baltman		4	2	6	0	0	0	1	1	14
Bastion		7	1	0	0	0	0	1	1	10
Blue Inc		2	2	0	0	0	0	0	0	4
Ivo Nikkolo		6	4	2	0	0	0	1	1	14
Monton		8	6	8	10	9	2	1	1	45
Mosaic		12	4	9	1	5	0	0	1	32
Multibrand		3	3	3	0	1	0	0	0	10
Fashion Outlet		1	0	0	0	0	0	1	0	2
<b>Total</b>		<b>43</b>	<b>22</b>	<b>28</b>	<b>11</b>	<b>15</b>	<b>2</b>	<b>5</b>	<b>5</b>	<b>131</b>
Sales area, sqm		7 282	3 998	5 656	3 113	2 804	350	528	743	24 473

\*Franchise shops



# monton

EUR thousand	6m 2015	6m 2014	+/-
Monton	9 732	10 428	-7%

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



# MOSAIC

EUR thousand	6m 2015	6m 2014	+/-
Mosaic	7 129	7 270	-2%

- 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, Russia, Ukraine and Spain

# BALTMAN

EUR thousand	6m 2015	6m 2014	+/-
Baltman	2 375	2 396	-1%

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

BALTMAN

# Ivo Nikkolo

EUR thousand	6m 2015	6m 2014	+/-
Ivo Nikkolo	1 908	2 027	-6%

- 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, Lithuania, Russia and Spain

Ivo Nikkolo

# BASTION

EUR thousand	6m 2015	6m 2014	+/-
Bastion	809	782	3%

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

# BLUE INC

EUR thousand	6m 2015	6m 2014	+/-
Blue Inc	281	252	12%

- 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 2015	Q2 2014	+/-
Revenue	13 181	12 970	1,6%
Gross profit	6 871	7 331	-6,3%
Operating profit	189	507	-62,7%
<b>Net profit from continuing operat.</b>	<b>67</b>	<b>405</b>	<b>-83,5%</b>
Gross margin	52,1%	56,5%	
Operating margin	1,4%	3,9%	
EBT margin	0,5%	3,2%	
Net margin	0,5%	3,1%	
Net profit from discontin. operat.	0	243	
Net profit (loss) for the period, total	67	648	-89,7%



## Key figures (2)

EUR thousand	6m 2015	6m 2014	+/-
Revenue	25 506	25 141	1,5%
Gross profit	12 353	13 248	-6,8%
Operating profit	-833	-319	161,1%
<b>Net profit from continuing operat.</b>	<b>-1 069</b>	<b>-505</b>	<b>111,7%</b>
Gross margin	48,4%	52,7%	
Operating margin	-3,3%	-1,3%	
EBT margin	-4,2%	-1,9%	
Net margin	-4,2%	-2,0%	
Net profit from discontin. operat.	0	-1 329	
Net profit (loss) for the period, total	-1 069	-1 834	-41,7%

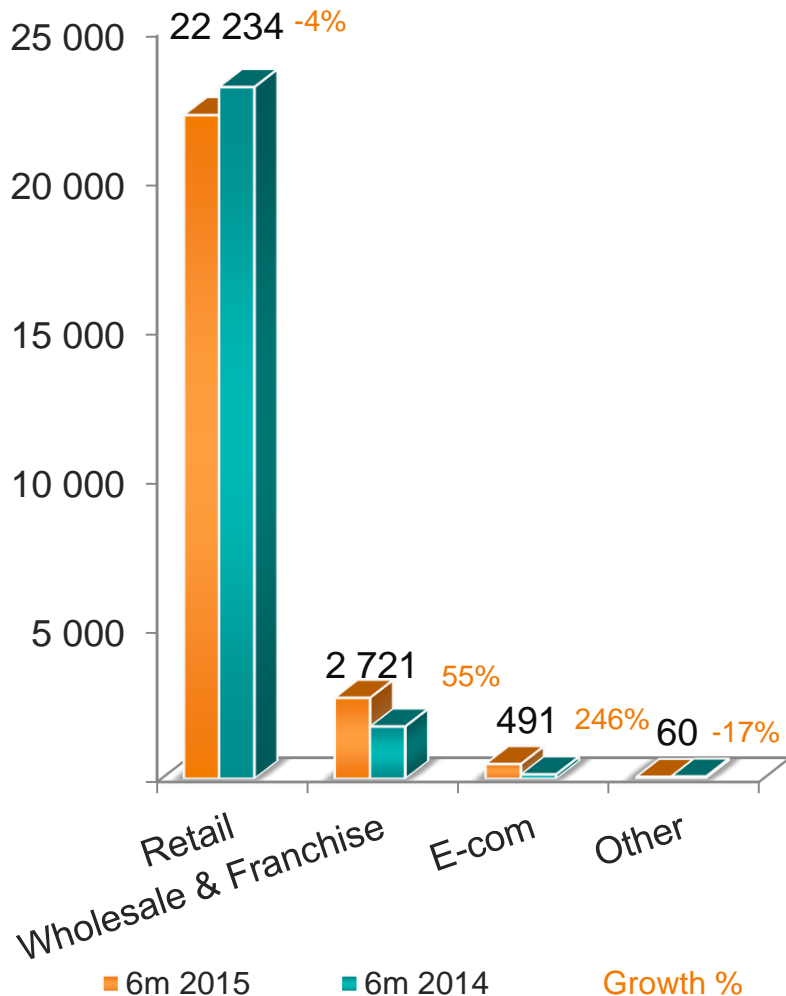
# Stores and sales area

	30.06.2015	30.06.2014	+/-
Estonia	43	38	
Lithuania	28	28	
Latvia	22	22	
Russia	11	19	
Ukraine*	15	17	
Belarus*	2	2	
Spain*	5	0	
Russia*	5	0	
<b>Total stores</b>	<b>131</b>	<b>126</b>	<b>5</b>
<b>Total sales area, sqm</b>	<b>24 473</b>	<b>24 112</b>	<b>361</b>

\*Franchise stores

# Sales development Q2

Sales by segment YTD



Sales growth breakdown

Growth vs 2014	Q2	6m
Average sales area (sqm)	-1%	-2%
Sales per sqm	-1%	-2%
Comparable store sales (LFL)	-2%	-3%
Retail sales	-2%	-4%
Wholesale	39%	55%
E-com sales	246%	246%
Total sales	2%	1%

# Retail sales by markets Q2

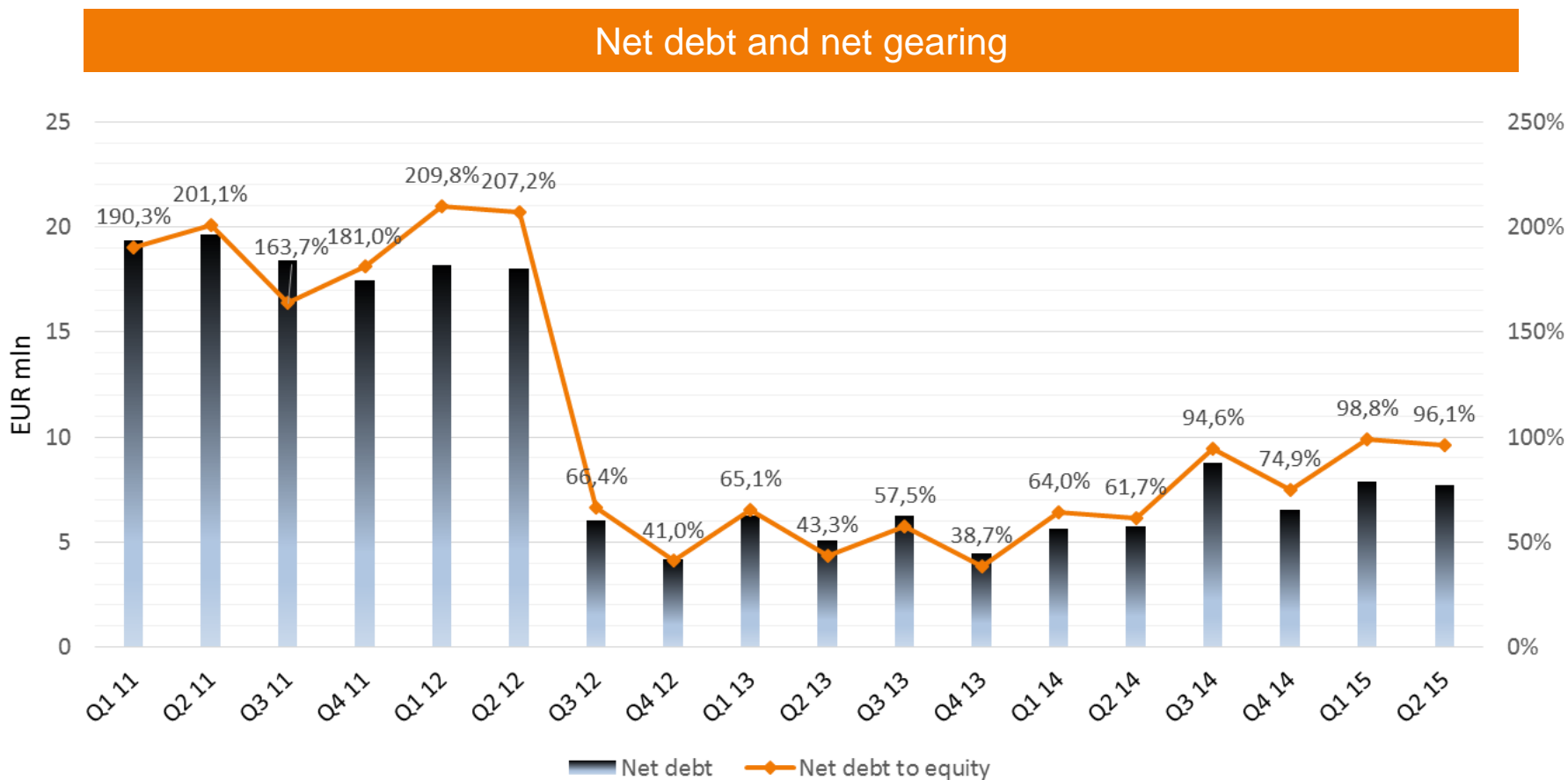
EUR thousand	Q2 2015	Q2 2014	+/-	Share
Estonia	4 996	4 516	11%	42%
Lithuania	2 900	2 795	4%	25%
Latvia	2 796	2 790	0%	24%
Russia	1 103	1 963	-44%	9%
<b>Total</b>	<b>11 795</b>	<b>12 064</b>	<b>-2%</b>	<b>100%</b>
Ukraine*	0	255	-100%	-

# Retail sales by markets 6m

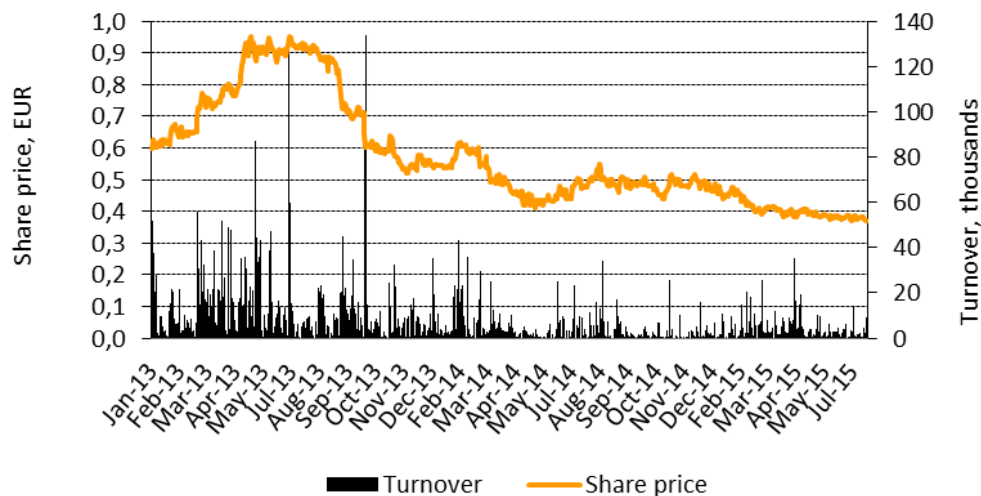
<b>EUR thousand</b>	<b>6m 2015</b>	<b>6m 2014</b>	<b>+/-</b>	<b>Share</b>
Estonia	9 166	8 718	5%	41%
Lithuania	5 548	5 458	2%	25%
Latvia	5 313	5 198	2%	24%
Russia	2 207	3 799	-42%	10%
<b>Total</b>	<b>22 234</b>	<b>23 173</b>	<b>-4%</b>	<b>100%</b>
Ukraine*	0	1 531	-100%	-

# Financial position

- Total borrowings at the end of Q2 2015 were 4,730 thousand euros



# 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 2015

	Holding
ING Luxembourg S.A. client	30.86%
Clearstream Banking Luxembourg S.A. clients	15.02%
BMIG OÜ	11.64%
Skandinaviska Enskilda Banken Ab clients	8.37%
Other	34.11%
<b>Total</b>	<b>100%</b>



### BALTIKA

Best Annual Report  
and Corporate  
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**2<sup>ND</sup> PLACE**

Best Investor Relations  
In the Baltic Market  
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