Consolidation Group Interim Financial Report

SAAREMERE KALA AS

Financial year:	1 July 2008 - 31 December 2009
Reporting period:	1 July 2008 - 30 September 2009
Auditor:	Alliott Kangust OÜ
Commercial registry code:	11310040
Address:	Viru 19 10140, Tallinn Estonia
Telephone:	+372 5059 513
Fax:	+372 4590 142
E-mail:	margus@saaremerekala.eu
Principal activities:	fish farming, production and sale of fishery products

TABLE OF CONTENTS

ADDITIONAL DOCUMENTS

Margus Rebane

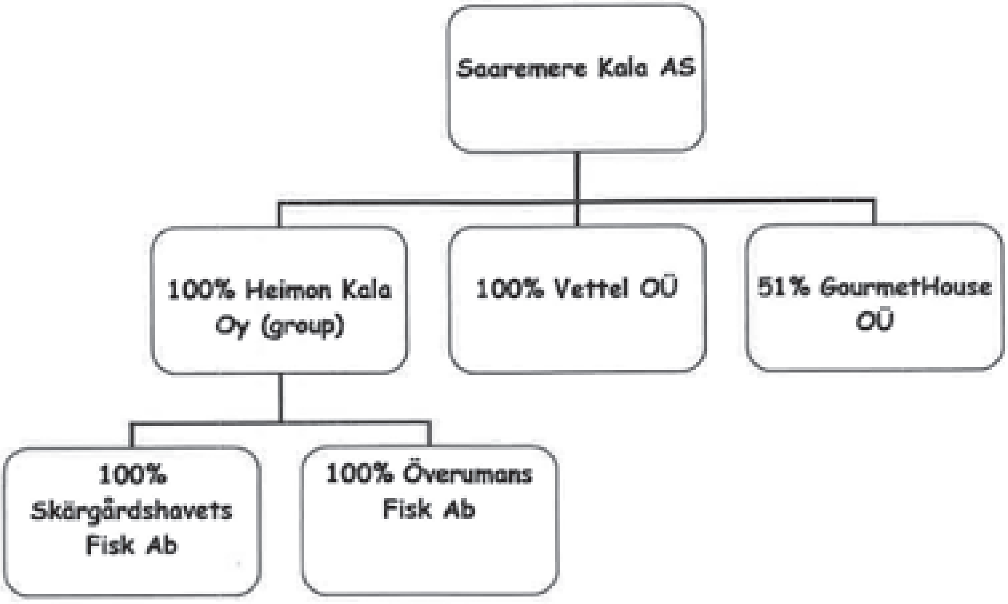
BRIEF INTRODUCTION OF THE GROUP

AS Saaremere Kala is an international fishery group established at the end of 2006 which owns fish farms in Finland and Sweden, modern production facilities in Saaremaa and Finland and sales networks in Estonia and Finland.

The parent company of the Group is located and has its registered office in Estonia, at Viru 19, Tallinn.

As of 30 September 2009, the number of employees of the Group was 177 (192 on 30 June 2008).

As of 30 September 2009, the following companies formed the Group:



Heimon Kala Oy - registered in Finland -100% holding - fish farming, production and sale of fishery products.
Skärgårdshavets Fisk Ab - registered in Sweden - 100% holding - fish farming and sales.
Överumans Fisk Ab - registered in Sweden - 100% holding - fish farming and sales.
Vettel OÜ - registered in Estonia - 100% holding - production and sale of fishery products.
GourmetHouse OÜ - registered in Estonia - 51% holding - sale of fishery products.

Starting from 1 January 2009, Saaremere Kala AS belongs in the Premia Foods Group.

Margus Rebane

MANAGEMENT REPORT

PERFORMANCE RESULTS

In thousand EUR	01.01.09-30.09.09	01.07.08-31.12.08	01.07.07-30.06.08
Sales revenue	20 667	15 412	30 200
Cost of production sold	-16 966	-12 845	-25 335
Gross profit	**3 701**	**2 566**	**4 866**
Gross profit margin	18%	17%	16%
Marketing expenses	-2 575	-1 767	-2 671
General administrative expenses	-1 367	-894	-1 805
Other operating income	342	344	748
Profit/loss from increase in biological assets value	1 964	379	-146
Other operating expenses	-124	-147	-207
EBIT [1]	**1 942**	**481**	**785**
EBIT margin [4]	9%	3%	3%
EBITDA [2]	**1 023**	**2 705**	**1 847**
EBITDA margin [5]	5%	18%	6%
Financial income	6	23	301
Financial expenses	-635	-1 698	-913
EBT [3]	**1 313**	**-1 194**	**173**
EBT margin [6]	6%	-8%	1%
Income tax	-525	59	289
Net profit for the financial period	**788**	**-1 135**	**462**
Net profit margin [7]	4%	-7%	2%

[1] EBIT - operating profit
[2] EBITA - operating profit + depreciation cost
[3] EBT - earnings before taxes
[4] EBIT margin - operating profit/sales revenue
[5] EBITA margin - (operating profit + depreciation cost)/sales revenue
[6] EBT margin - earnings before taxes/sales revenue
[7] Net profit margin - Net profit/sales revenue

Reason of loss at period 1.7.2008 - 31.12.08 is, that goodwill had been written down by EUR 1239 thousand and the write-down was reported as a financial expense for the period.

Margus Rebane

ADDITIONAL DOCUMENTS

Events during the period under review

Production
In autumn 2009 an extension of the production facility was completed in Uusikaupunki, which made it possible to concentrate all production activities in Finland into one production facility, resulting in a significant improvement in production logistics, efficiency and daily operational management.

Fish farming
In summer 2009 the stocks of golden trout were sold and further cultivation of this species was ended, as the golden trout does not differ from the ordinary rainbow trout in terms of its characteristics and the expected market prospects did not materialise. We will focus on farming rainbow trout and whitefish in Finland in the future.
In Sweden the farming of rainbow trout and arctic char will be continued.
In the second half of 2008 the modernisation of fish farms was completed in Sweden and in 2009 the production capacity matching the additional farming licences was achieved.
In 2008 the fish slaughterhouse located on the island of Mossala in the Turku archipelago was renovated, which allowed the fully depreciated production facility in Kustavi to be closed; the Kustavi property was sold in November 2008.

Investments
During the reporting period, investments in fixed assets amounted to EUR 737 thousand, the largest investments being related to the modernisation of fish farming facilities and the rearrangements arising from the extension of the production facility in Uusikaupunki.

Increase of share capital
In December 2008 the share capital of Saaremere Kala AS was increased by EUR 1027 thousand, incl. EUR 34 thousand as share capital and EUR 993 thousand as issue premium. The increase of the share capital was paid for by a non-monetary contribution consisting of bonds issued by a subsidiary. The non-monetary contribution was assessed by the Alliot Kangust Auditors Office. The costs of the evaluation in the amount of EUR 3000 were deducted from the share premium.

Management
Starting from 1 October 2009, the management board of the Saaremere Kala Group consists of 2 members. The work of the management board is supervised by the supervisory board, which currently has 5 members.

Employees and remuneration paid
The average number of the Group's employees was 184 in the financial year (192 in the 2007/2008 financial year). During the reporting period, i.e. 01.07.2008-30.09.2009, the company's labour costs amounted to EUR 6.01 million (EUR 5 million for the 2007/2008 financial year); the data are not comparable with the previous period as the current reporting period covers 15 months.

Remuneration of the members of the management board and supervisory board (incl. management board members of the subsidiaries of the Group) amounted to EUR 559 thousand during the period 01.07.2008-30.09.2009 (EUR 499 thousand for the 2007/2008 financial year).

Overview of markets

The Group operates mainly in the Finnish and Estonian markets, with the relative importance of markets divided as follows: Finnish market - 82% (83% in the 2007/2008 financial year) and Estonian market - 17% (14% in the 2007/2008 financial year). The Group's best-known brands are *Gurme* in Estonia and *Heimon Kala* and *Saaristomeren Kala* in Finland. The company's product portfolio includes fillets, cold-smoked and hot-smoked products, cured and salted fish, breaded fish products, and caviar. The caviar is mostly acquired from our own fish farms. The farmed fish are rainbow trout, whitefish and arctic char.

Margus Rebane

Finnish market

The primary raw material for Finnish fish processing companies is salmon imported from Norway and Denmark (40% of the total volume of the market) and raw material from local fish farms and fishing. Local raw material comprises raw material from fish farms (63%), sea fishing (28%) and freshwater fishing.

Our fish farms focus on the farming and development of trout species and whitefish.

Heimon Kala Oy (a group company) is engaged in fish farming, processing and marketing. Fish is processed in Uusikaupunki, and fish and fry are farmed in 5 different regions in Finland. The company owns, through subsidiaries, 2 fish farms and a fish hatchery in Sweden. The aggregate annual volume under farming licences amounts to approximately 2600 tons (ca. 1500 in Sweden and ca. 1100 tons in Finland). The company supplies Finnish retail organisations in the total production volume of the companies belonging to the Group. The Marketing and Logistics Department is located in Hämeenlinna in Central Finland. The average number of employees was 93 in the reporting period (106 in the 2007/2008 financial year; in the data for 2007/2008 the corresponding figures of Heimon Kala Oy and Saaristomeren Kala Oy were added).

Estonian market

Local fish species from the Baltic Sea like Baltic herring and sprat provide the essential raw material for the Estonian fish processing companies, and the filleting companies use freshwater fish such as perch, pike perch and salmon. Canned production continues to be oriented to the CIS market and the Central and Eastern European markets, with the remaining products being sold in the western markets. Ready-to-eat products are marketed in both eastern and western markets. The production of ready-to-eat products is mainly based on imported raw materials.

Vettel OÜ is a fish processing company mainly engaged in production activities, whose main task is to supply the sales units of Heimon Kala Oy and GourmetHouse OÜ with fishery products.

GourmetHouse OÜ is engaged in the wholesale distribution of fresh fish and fishery products and focuses on supplying retail chains with fresh fish and fishery products. Most of the sales in Estonia are effected through this company.

Swedish market

In this financial period the Group started active marketing of its products in the Swedish market, with fresh rainbow trout being sold through the Swedish subsidiary Fisk Överumans Ab. In addition, active sales of fry to the Swedish market were started in 2009.

Future trends

The Group's management expects to achieve a significant increase in profitability in the fourth quarter and accomplish the targets set in the budget for 2009. The principal goal for the 2010 financial year is to further integrate the activities of Vettel OÜ, Heimon Kala OY and GourmetHouse OÜ in the Premia Food Group and to increase the market share in the Baltic States through the Latvian and Lithuanian entities of Premia Foods. As a result of different companies joining the Saaremere Kala Group, we now have control over the entire supply chain, from fish farming to marketing. It is now vital to gradually implement the synergies arising from it and to boost the strengths of companies. The investment plan for 2010 provides for renovation of wastewater treatment facilities in Sweden in order to ensure compliance with new standards set for wastewater.

The sales forecast for the 2010 financial year is EUR 31.2 million.

Margus Rebane
Member of the management board

Margus Rebane

ADDITIONAL DOCUMENTS

CONSOLIDATED INTERIM FINANCIAL REPORT

Declaration of the management board to consolidation group interim financial report

We hereby declare our responsibility for composing the consolidated interim accounts on pages 6 - 40 and confirm that:

1. the accounting policies followed in the drawing up of the consolidated interim accounts are in conformity with the international financial reporting standards;

2. the consolidated interim financial statement reflects a true and fair financial situation, results and cash-flow of the Group;

3. the Group and parent company continue to be operating.

Margus Rebane
Member of the management board

Pekka Pentti Olavi Lahtinen
Member of the management board

18 January 2010

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date ......18.01.2010......
Allkiri/signature ......
Alliott Kangust OÜ

Consolidated statement of financial position

In thousand EUR

	30.09.2009	31.12.2008	30.06.2008	Note
Cash and bank	540	867	427	1
Receivables	2 798	5 195	3 532	2, 3
Prepayments	551	346	367	3
Biological assets	9 298	5 235	4 787	4
Inventories	2 663	3 290	3 322	4
Fixed assets for resale	18	18	18	4
Total current assets	**15 867**	**14 951**	**12 453**	
Long-term financial investments	90	90	95	5
Deferred income tax asset	354	354	354	7
Tangible fixed assets	6 825	7 225	7 705	8
Intangible assets	4 808	4 818	6 081	9
Total fixed assets	**12 077**	**12 487**	**14 235**	
TOTAL ASSETS	**27 944**	**27 438**	**26 688**	
Debt obligations	3 400	5 235	6 405	10, 11
Factoring	1 496	1 977	1 121	10
Liabilities and prepayments	4 661	4 846	4 053	14
Total short-term liabilities	**9 557**	**12 058**	**11 579**	
Long-term liabilities	5 548	3 847	3 106	10, 11
Deferred income tax liability	1 321	786	709	12
Target financing	1 740	1 884	2 068	15
Total long-term liabilities	**8 609**	**6 517**	**5 882**	
Total liabilities	**18 166**	**18 575**	**17 462**	
Share capital	457	457	423	16
Issue premium	9 165	9 165	8 176	16
Mandatory legal reserve	9	9	9	
Unrealised spread	-206	-333	-81	
Retained earnings	131	-627	563	
Total equity capital belonging to the parent company owners	**9 557**	**8 671**	**9 089**	
Minority shareholding	222	192	137	
Total equity capital	**9 778**	**8 863**	**9 226**	
TOTAL LIABILITIES AND EQUITY	**27 944**	**27 438**	**26 688**	

ADDITIONAL DOCUMENTS

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature HR
Alliott Kangust OÜ

Consolidated statement of comprehensive income

in thousand EUR

	01.01.09 - 30.09.09	01.07.08 - 31.12.08	01.07.07 - 30.06.08	Note
Sales revenue	20 667	15 412	30 200	17
Cost of production sold	-16 966	-12 845	-25 335	18
Gross profit	**3 701**	**2 566**	**4 866**	
Marketing expenses	-2 575	-1 767	-2 671	18
General administrative expenses	-1 367	-894	-1 805	18
Other operating income	342	344	748	18
Profit/loss from increase in biological assets value	1 964	379	-146	18
Other operating expenses	-124	-147	-207	18
Operating profit	**1 942**	**481**	**785**	
Financial income	6	23	301	19
Financial expenses	-635	-1 698	-913	19
Profit (loss) before tax	**1 313**	**-1 194**	**173**	
Income tax	-525	59	289	20
Net profit (loss) for the financial year	**788**	**-1 135**	**462**	
incl. parent company owners' share of net profit	758	-1 190	394	
incl. minority shareholders' share of net profit	30	55	68	
Other comprehensive income (loss)				
Currency translation differences	128	-252	-78	
Total comprehensive income (loss)	**915**	**-1 387**	**385**	
Comprehensive income (loss) attributable to:				
Equity holders of the parent company	886	-1 442	317	
Minority shareholders	30	55	68	
Basic earnings per share,, EUR	1,06	-1,73	0,60	21
Diluted earnings per share, EUR	1,06	-1,73	0,60	21

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature HP
Alliott Kangust OÜ

Consolidated cash-flow statement

in thousand EUR

	01.01.09 - 30.09.09	01.07.08 - 31.12.08	01.07.07- 30.06.08	Note
Cash-flow from operations				
Operating profit	1 942	481	785	
Operating profit adjustments	**651**	**281**	**462**	
Depreciation and decline in value of fixed assets	830	490	1 102	8, 9
Loss from sale of fixed assets	0	-39	-252	18
Target financing	-229	-167	-400	18
Discount of receivables and prepayments	2	0	7	18
Exchange losses	49	-2	5	18
Change in operating receivables and prepayments	**2 193**	**-2 006**	**921**	
Change in liabilities	2 397	-2 028	1 010	
Change in prepayments	-205	21	-90	
Change in inventory	628	31	-614	
Change in biological assets	-4 063	-447	301	18
Change in operating liabilities and prepayments	-135	706	539	
Paid income tax	0	159	-135	20
Total cash-flow from operations	**1 215**	**-795**	**2 259**	
Cash-flow from investments				
Purchase of tangible and intangible fixed assets	-331	-201	-1 687	8, 9
Sale of tangible and intangible fixed assets	16	86	506	8, 9
Net cash-flow from acquisition of subsidiaries	0	0	-216	
Net cash-flow from sale of subsidiaries	0	0	62	
Acquisition of financial investments	0	0	-5	6
Sale of other financial investments	0	0	66	6
Interest and other financial income	6	10	50	19
Total cash-flow from investments	**-310**	**-194**	**-1 222**	
Cash-flow from financing				
Received loans and issued debentures	5 816	1 250	2 585	
Repayment of loans	-5 914	-591	-2 640	
Change in factoring payables	-481	855	-463	
Received target financing	84	396	79	2, 15
Repayment of capital financial lease	-36	-77	-155	10
Interest expenses	-470	-488	-980	19
Total cash-flow from financing	**-1 000**	**1 346**	**-1 573**	
Effect of exchange gains (losses) on cash and cash equivalents	-232	84	-78	
Total cash-flow	**-327**	**440**	**-614**	
Money and money equivalents at start of period	867	427	1 041	1
Change in money and money equivalents	-327	440	-614	
Money and money equivalents at end of period	**540**	**867**	**427**	**1**

The balance of money and money equivalents in the cash-flow statement equals the cash and bank balance on the balance sheet.

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature WR
Alliott Kangust OÜ

ADDITIONAL DOCUMENTS

Consolidated statement of changes in equity

in thousand EUR

	Equity owned by parent company owners							
	Share capital	Issue premium	Legal reserve	Unrealized spread	Retained earnings	Total attributable to parent	Minority holding	Total equity
Balance as of 30.06.2007	**423**	**8 176**	**0**	**-4**	**178**	**8 772**	**0**	**8 772**
Constitution of legal reserve	0	0	9	0	-9	0	0	0
Minority shareholding from business combinations	0	0	0	0	0	0	69	69
Comprehensive income	0	0	0	-78	394	317	68	385
Balance as of 30.06.2008	**423**	**8 176**	**9**	**-81**	**563**	**9 089**	**137**	**9 226**
Share issue	34	990	0	0	0	1 024	0	1 024
Comprehensive income	0	0	0	-252	-1 190	-1 442	55	-1 387
Balance as of 31.12.2008	**457**	**9 165**	**9**	**-333**	**-627**	**8 671**	**192**	**8 863**
Comprehensive income	0	0	0	128	758	886	30	915
Balance as of 30.09.2009	**457**	**9 165**	**9**	**-206**	**131**	**9 557**	**222**	**9 778**

Further information on equity components is disclosed in Note 16.

ADDITIONAL DOCUMENTS

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature HR
Alliott Kangust OÜ

Accounting Policies and Estimates.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by EU and on a historical cost basis, including IAS 34, except as disclosed in the accounting policies below (e.g., certain financial assets, which are measured at fair value). The current financial report have been prepared in thousands of euro's (EUR).
In accordance with the revised and new standards additional disclosures were added to the financial statements.

A. Changes in accounting policies

The consolidated financial report is composed based on consistency and comparability principles, which means that the Group continually applies same accounting principles and presentation. Changes in accounting policies and presentation take place only if these are required by new or revised IFRS standards and interpretations or if new accounting policy and / or presentation gives a more objective overview of financial position, financial results and cash flows of the Group.

a) Revised International Financial Reporting Standards (IFRS), new IFRS standards and interpretations of the International Financial Reporting Interpretations Committee (IFRIC)

The accounting policies and presentation adopted in preparation of the current financial statements are consistent with those of the previous financial year. In addition, the following new/revised standards have been adopted:
a) IFRIC 11 IFRS 2 - Group and Treasury Share Transactions;
b) IFRIC 12 Service Concession Agreements;
c) IFRIC 13 Customer Loyalty Programmes;
d) IFRIC 14 IAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction;
e) IFRIC 16 Hedges of a Net Investment in a Foreign Operation;
f) Amendments to IAS 39 and IFRS 7 Reclassification of Financial Assets.

b) New IFRS standards and interpretations issued but not yet effective

In the opinion of the management of the Group the new or revised IFRS standards and their interpretations issued by the time of preparing the current consolidated financial statements, but not effective yet, and not applied early by the Group.
These standards and interpretations will be applied starting from their effective date and are as follows:
a) IFRS 3R Business Combinations and IAS 27R Consolidated and Separate Financial Statements, effective for financial years beginning on or after 1 July 2009;
b) IAS 39 Financial Instruments: Recognition and Measurement - Eligible Hedged Items, effective for financial years beginning on or after 1 July 2009.

Changes in the presentation of information in 2009
In connection with changes in IAS I "Presentation of Financial Statements", which will come into force as of 1 January 2009, the Group's quarter 2009 interim report was replaced of the consolidated income statement by a consolidated statement of comprehensive income. The comprehensive income statement also includes all non-owner changes previously recognized in equity. In connection with the compilation of the consolidated comprehensive income statement, the presentation of the report on changes in equity also changed. The report on changes in equity does not recognize statement of comprehensive income elements as separate changes. Pursuant to IAS 1, the term "balance sheet" used previously is replaced by the term "statement of financial position". The presentation of basic reports and the new terms do not affect the recognition of transactions and balances or the accounting principles.

ADDITIONAL DOCUMENTS

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature WR
Alliott Kangust OÜ

B. **Basis of Consolidation**

The consolidated financial statements comprise the financial statements of Saaremere Kala AS and its subsidiary consolidated line-by-line.
Subsidiaries are companies, in which the Group has an interest of more than 50% of the voting rights or otherwise has power to govern the financial and operating decisions of these companies. Subsidiaries are consolidated from the acquisition date (date on which control is transferred to the Group) and cease to be consolidated from the disposal date (date on which control is transferred out of the Group).
The financial statements of the subsidiary are prepared for the same reporting year as the Parent, using consistent accounting policies, in all material respects. All inter-group transactions, balances and unrealized profits and losses on transactions between Group's companies have been eliminated in the consolidated financial statements. Unrealized losses are not eliminated, if these losses represent impairment of assets sold.

C. **Transactions in foreign exchange**

The accounting currency of the parent company is Estonian kroon. The presentation currency is euro, which is the presentation currency of the consolidated reports of the Group and unconsolidated reports of the parent company; all other currencies are regarded as foreign exchange.

The transactions fixed in foreign currencies are reflected based on the official exchange rates of the Bank of Estonia on the day of the transactions. The assets and liabilities fixed in foreign currencies are recalculated into Euro based on the official exchange rates of the Bank of Estonia on the balance day.

The profit and loss from foreign exchange transactions are reflected on the income statement under the period's income and expenses. The profit and loss from foreign exchange that are associated with the transactions with suppliers and buyers are reflected under operating income and expenses, other foreign exchange profit and loss are reflected under financial income and expenses.

The accounting currency of subsidiaries abroad is the euro. All transactions and balances of assets and liabilities of subsidiaries in Sweden are recalculated into euro on the consolidated financial statements of the subsidiaries.

On the consolidated balance sheet of the Finnish subsidiary Saaristomeren Kala Oy and Heimon Kala Oy, exchange rate difference arises when consolidating the Swedish subsidiaries due to the exchange differences between the Swedish krona and the euro. Therefore the following exchange rates from Swedish krona to the euro are used when consolidating the subsidiaries:

- assets and liabilities are recalculated based on the exchange rate of the Bank of Estonia on the balance day;
- income and expenses are recalculated based on the average exchange rate of the year.

The difference in the revaluation arising from the usage of different exchange rates is reflected under equity capital as entry "unrealised spread".

D. **Money equivalents**

Money equivalents reflects the short-term (up to 3-month term) high liquidity investments on the cash-flow statement, which can be converted to a known sum of money and which do not have a significant risk of change in market value, including cash and money on the bank accounts, up to 3-month deposits and interest market fund shares.

E. **Financial assets**

Financial assets are initially recognised at cost, being the fair value of the consideration given. Acquisition cost includes also all the directly attributable transaction costs, including service charges payable to brokers and advisors, non-refundable taxes and other similar expenditures. The only exception are such financial assets that are reflected in their fair value with a change on the income statement and the additional acquisition costs are reflected on the income statement as expense

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature ME
Alliott Kangust OÜ

All regular way purchases and sales of financial assets are recognised on the trade date. The trade date is when the Group commits (e.g. concludes an agreement) to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Upon initial registration the financial assets are divided into the groups below. At the end of each financial year it is checked whether the financial assets belong to the appropriate groups and if necessary, corrections are made, except for in cases of such financial assets that cannot be re-classified pursuant to the international financial reporting standards. For the measuring of financial assets by groups the following principles have been implemented:

- financial assets at fair value, change through income statement - measured at fair value;
- held-to-maturity investments - amortised at acquisition cost;
- receivables - amortised at acquisition cost;
- available-for-sale financial assets - at fair value or acquisition cost in cases of equity instruments whose fair value cannot be reliably measured.

Financial assets at fair value

At each balance sheet date, the financial assets measured at fair value are re-valued to their fair values, without any deduction for transaction costs it may incur on sale or other disposal. The fair value of investments that are listed on the stock exchange is determined by the closing price on the balance sheet date and rates of exchange of the Bank of Estonia. For investments that are not listed on the stock exchange, the fair value is determined using all available information on the value of the investment and comparisons and/or discounted cash-flow analysis are used as valuation techniques.

Profits and losses arising from the change in the fair value are reflected on the income statement under "financial income and expense". Profits and losses arising from sale of financial assets measured at fair value as well as interests and dividends from these assets are reflected on the income statement under the entry "financial income and expense".

Receivables and held-to-maturity financial investments

Receivables, except those that the Group intends to sell in the near term, and held-to-maturity financial assets are reflected at adjusted acquisition cost, using the effective interest rate. The adjusted acquisition cost is computed for the whole term of financial assets considering any discounts or premiums and expenditures directly related with the acquisition.

The financial assets reflected at adjusted acquisition cost method are discounted if it is likely that the covered value is below the balance sheet value. The covered value of the financial assets reflected at adjusted acquisition cost is the present value of estimated future cash-flows discounted at the financial asset's original effective interest rate. The discount of financial assets related to operating activities is reflected on the income statement as operating expense (under "General administrative expenses") and discount of financial assets related to investing activities is reflected as financial expense on the income statement.

The decrease in value is determined separately for financial assets that are individually significant. Based on prior experience the receivables that are overdue by more than 90 days are regarded as unlikely receivables in the amount of 50% (i.e. they are discounted) and 100% unlikely receivables when the receivable is more than 180 days overdue. Receivables can be regarded as unlikely also earlier if there are other events suggesting that the covered value of the receivable is below its book value.

In case a previously discounted receivable is received or in case of other events that suggest that the discount is no longer justified, the reversal of the discount is reflected as the decrease of the expense on the income statement it was originally reflected under.

Interest income from receivables is reflected on the income statement under the entry "financial income and expense".

ADDITIONAL DOCUMENTS

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature W.R.
Alliott Kangust OÜ

Financial assets at acquisition cost

The financial assets at acquisition cost are discounted to the covered value if the latter is lower than the book value of the financial asset. The covered value of financial assets at acquisition cost is the estimated future cash-flows from the asset discounted at the current market profitability rate of similar financial assets. The discount of financial assets is presented in the income statement as "financial expense" and such discount is irreversible later.

The reflection of financial assets is terminated when the Group no longer has the right to the cash-flows arising from the financial asset, also in case there is an obligation to transfer the cash-flow in full and without significant delay to a third party, to whom most of the risks and benefits related with the financial assets have been transferred.

F. Inventory

The finished products and unfinished products are registered at production cost price, which includes the direct and indirect production expenses that are necessary to take the inventories to the present condition and quantity. Production overhead costs are divided between inventories assuming regular production volume of finished and unfinished products.

Other inventory is registered at acquisition cost, which comprises inventory purchase price, customs duties associated with the purchase, other non-refundable taxes and directly acquisition-related transportation costs, from which discounts have been deducted.

The weighted average acquisition cost method is used for reflecting the inventory cost and calculating the book value.

On the balance sheet the inventory is valued at either the acquisition cost or net realisable value, depending on which is lower. Materials and unfinished products are discounted in case the estimated acquisition cost of the finished products to be produced from the materials exceeds the net realisable value of those finished products.

The expense from discounting inventory to net realisable value is reflected in the discount period on the income statement under "marketing expenses".

G. Biological assets

Biological assets include live fish and fertilised eggs, from which the Group will receive future financial benefit. The biological assets are reflected in their fair value at their initial registration and thereafter on the following days, from which the estimated sale expenses have been deducted. From the moment biological asset becomes a product, the product is reflected in its fair value, from which the estimated sale expenses have been deducted. The fair value of biological assets is the market price.

Profits and losses arising from the change in the fair value are reflected on the income statement in the accounting period under the entry "profit from increase in biological asset's value" / "loss from decrease in biological asset's value".

H. Tangible fixed assets

Tangible fixed assets are registered in the accounting documents in their acquisition cost, which comprises of the purchasing price, non-refundable taxes and other expenses directly related with taking the asset into use. The acquisition cost of tangible fixed assets produced for own use include actual production expenses.

Hereinafter, the tangible fixed assets are reflected on the balance sheet at the acquisition cost, from which accumulated depreciation and possible discounts due to decrease in value have been deducted.

In case an object of material fixed assets comprises of distinguishable important components with useful life of different lengths, these components are registered in the accounting documents as separate assets with separate depreciation rates based on the useful life of the components.

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature VP
Alliott Kangust OÜ

Due to the specifics of an object of material fixed asset, its useful life may vary from what is generally specified for the group. In that case the object is approached separately and it is given an appropriate depreciation period.

Later expenses associated with the material fixed assets registered in the accounting documents (e.g. replacement of certain parts of some objects) are added to the balance sheet value of the assets if the following criteria are met: (a) it is plausible that the Group will receive financial gain from it in the future and (b) the acquisition cost can be reliably measured. The replaced parts are written off the balance sheet. All other expenses are reflected as expenses in the period they were incurred.

The Group uses linear method for calculating depreciation of tangible fixed assets. The depreciation rate is specified for each fixed asset or asset group separately depending on its useful life. The estimated useful life of tangible fixed assets is reviewed during interim inventory and when registering improvements. If necessary, the useful life of a fixed asset can be amended. The calculation of depreciation of a fixed asset starts from when the asset is operational. The depreciation is stopped when the end value of the asset exceeds the book residual value, until the final removal of asset from usage or when it is re-classified as fixed asset to be sold. The depreciation calculation is terminated when the asset is fully depreciated.

On each balance day the depreciation rates, depreciation methods and the justification of end values are assessed.

Should it transpire that the covered value of a material fixed asset (i.e. higher of the two following figures: fair value minus sale expenses or asset usefulness value) is lower than its balance sheet residual value, the object is reassessed to its covered value. Asset discounting is reflected in the income statement of the accounting period under "other operating expense".

The reflection of tangible fixed asset is terminated when the asset is transferred or when the Group no longer expects to receive benefits from the usage or sale of the asset. Revenue or loss from the termination of reflecting the tangible fixed asset are reflected in the period the reflection was terminated, in the income statement under the entry "other operating income" or "other operating expense".

The tangible fixed assets that are very likely to be sold within the next 12 months are re-classified as fixed assets to be sole and are reflected under a separate entry in the current assets group on the balance sheet. The depreciation of fixed assets to be sold is stopped and it is reflected at book residual value or fair value (minus sale expenses), depending on which is lower.

The annual depreciation rates of the Group for groups of material fixed assets are as follows:

• Land	0%
• Buildings and structures	2-20 %
• Fixtures and equipment	8-50 %
• Vehicles	10-25 %
• Other inventory, tools and fittings	10-50 %

I. Goodwill

Goodwill is initially reflected in its acquisition cost, which is the positive difference between the cost of the acquired shares and the fair value of the acquired assets, liabilities and contingent liabilities on the acquisition date. In the future reflection the goodwill is assessed in its acquisition cost, from which possible asset discounts have been deducted. Goodwill value test is conducted at least once a year or more frequently, should any events or circumstances refer to the potential decrease in book value of goodwill.

For the purposes of testing the decrease in value, goodwill arisen from the business combination is divided between the money generating units that should receive economic returns from the business combination or to the groups of such units. The dividing of goodwill between the money generating units is based on the internal reporting of the Group - goodwill is distributed at the lowest level, where it could be observed by the management of the Group in the internal reporting.

The decrease in value is defined by assessing the covered value of the goodwill-related money-generating unit. Should the covered value of the money-generating unit be lower than its book value, the loss arisen from the

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature HR
Alliott Kangust OÜ

decrease in value is reflected. Loss arising from discounting is reflected under "other operating expense" in the income statement of the accounting period. Should the covered value of goodwill increase beyond its book value later, the discounts are not reversed.

J. Other intangible assets

The intangible assets acquired separately from a business combination are registered only if the following criteria are met:

a) the asset is controlled by the Group;
b) it is likely that the Group will receive future revenue from the usage of the object;
c) the acquisition cost of the object can be reliably valued.

The intangible assets that are acquired through a business combination are registered separately from goodwill if the objects are separable or have arisen from contractual or other legal rights and their value can be reliably valued on the date of the acquisition.

Intangible assets are initially registered in the accounting documents in their acquisition cost, which comprises of the purchasing price and directly acquisition related expenses. Hereinafter, intangible fixed assets are reflected on the balance sheet in their acquisition cost, from which accumulated depreciation and possible discounts from decrease in value have been deducted.

The intangible assets are assessed whether the asset has a limited useful life or unspecified useful life. Intangible assets with a limited useful life are depreciated using the linear depreciation method. The annual depreciation rates are as follows:

• Software licences	33%
• Trademarks	4 %
• Fish farming licence	2 % or according to the duration

The depreciation rate of intangible assets with a limited useful life is reflected on the income statement in the cost group to which the specific intangible asset belongs by its function. The depreciation period and method of intangible assets with limited useful life are reviewed at the end of each financial year. The changes in the estimated useful life or in the time structure of the future economic benefits are reflected as changes in the depreciation period and method, that is as a change in the accounting estimates.

Should there be any circumstances that suggest that the covered value of intangible assets with a limited useful life has fallen below its book value, the asset value test is carried out and if necessary the asset is valued to its covered value.

Each year a value decrease test is carried out for intangible assets with an unspecified useful life either for each asset or money generating unit. Such intangible assets are not depreciated. The useful life of intangible assets with an unspecified useful life is reviewed annually to make sure the useful life is still unspecified. In case there is a change, it is reflected in the useful life term in the future.

K. Financial liabilities

Financial liabilities are initially registered in the accounting documents in their acquisition cost, which is the fair value of the payment received for the financial liabilities. Hereinafter the financial liabilities are reflected in their adjusted acquisition cost, using the effective interest rate. The transaction costs are taken into account when calculating the effective interest rate and are written off during the lifetime of the financial liability.

Interest expenses associated with the financial liabilities are reflected in the accrual method under period's expenses in the income statement under the entry "financial income and expense", except for the interest rates associated with the financing of building tangible fixed assets for own use (for further information see accounting principle H).

Financial liabilities are no longer reflected if the liabilities have been paid, are cancelled or expired.

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature HR
Alliott Kangust OÜ

L. Factoring

Factoring is the selling of claims whereas depending on the type of factoring contract the buyer of the claim possesses the right to sell the claim back to the seller during a certain period of time (factoring with recourse) or does not have the right to resell the claim and all the risks associated with the claim are transferred from the seller to the buyer (factoring without recourse).

Factoring with recourse is reflected as financing (i.e. debt lodged on claim) and the claim is reflected on the balance sheet until it is received or the right for recourse has expired. The factoring obligations arisen from factoring transactions are reflected similarly to other financial obligations.

Factoring without recourse is reflected as sale of a claim. Costs from selling claims are reflected either as financial expenses or as claim deduction expenses depending on whether the transaction was made with the purpose of managing the cash-flow or to manage the bad claims' risk.

M. Corporate income taxation

Parent company and subsidiaries registered in Estonia

According to the Estonian Income Tax Law the company's net profit is not subject to income tax; thus there are no temporary differences between the tax bases and carrying values of assets and liabilities that may cause the deferred income tax. Instead of taxing net profit, all dividends paid by the company are subject to income tax with the rate of 21/79 (the rate of 21/79 was effective for dividends paid out in 2008). Income tax from the payment of dividends is recorded as income tax expense at the moment of declaring the dividends, regardless of the actual payment date or the period for which the dividends are paid out.

The balance sheet does not reflect the potential income tax liability regarding the available shareholders' equity, which would follow the payment of available shareholders' equity as dividends.

Subsidiaries registered abroad

Pursuant to the effective Income Tax Act, the net profit of a company that has been adjusted by the temporary and permanent differences stipulated in the Income Tax Act, is income taxable in Finland and Sweden (the tax rate in Finland is 26% and in Sweden 28%).

The deferred income tax is reflected in liabilities method concerning all the temporary differences between the taxation base and balance sheet value of assets and liabilities on the balance day in the accounts records. The deferred income tax assets are reflected only when it is plausible that the company will incur profits in the future, on the account of which the deferred income tax assets can be used.

Income tax to be paid is reflected under short-term liabilities and deferred income tax liability as a long-term liability.

N. Legal reserve

Pursuant to the Commercial Code of the Republic of Estonia and the articles of association of the parent company, the company makes an annual appropriation of at least 5 % of the net profit to the legal reserve until the legal reserve amounts to at least 10 % of the share capital. Legal reserve can not be paid out in dividends, but it can be used to cover losses unless the losses can be covered with available shareholders' equity. Legal reserve can also be used to increase the share capital.

O. Lease accounting

A financial lease is a lease agreement with which all the significant risks and benefits associated with asset ownership are transferred to the lessee. Other commercial lease contracts are viewed as operational leasing.

The assets rented on financial lease are initially reflected on the balance sheet of the lessee in their acquisition value or minimum payments current value, in case the latter is lower. The depreciation period of assets rented on financial lease is the useful life of the asset or the lease period, depending on which is shorter. Assets sold under financial lease are reflected on the balance sheet of the lessor as a claim in the amount of the net investment

ADDITIONAL DOCUMENTS

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature HR
Alliott Kangust OÜ

made into the financial lease. The lease payments are divided into financial expenses / -revenue and lease payables /claim payment so that the interest rate would be the same at any given moment.

In case of operational leasing the assets are reflected on the balance sheet of the lessor. Operational leasing payments are reflected linearly as revenue by the lessor and as expense by the lessee during the lease period.

P. Target financing

Asset target financing
In reflecting the target financing the company has been guided by the gross method, i.e. assets acquired through target financing are registered on the balance sheet at its acquisition cost and the amount received to finance the acquisition of assets is reflected on the balance sheet as a liability as future income from target financing. The acquired asset is depreciated under expenses and the target financing obligation under income during the useful life of the acquired asset. The income associated with target financing is reflected under the entry "other operating income" on the income statement.

Operational expenditure target financing
Income from target financing is reflected in the income statement in proportion with the associated expenditure. Income is reflected in the gross method, i.e. received payments and compensated expenditure are reflected under different entries of the income statement. The income associated with target financing is reflected under the entry "other operating income" on the income statement.

Q. Post balance day events

The interim report reflects those important circumstances that affect the valuation of assets and liabilities that occurred between the balance day and the date the report was drawn up and that are associated with the transactions during the accounting period or earlier periods.
The post balance day events that have not been taken into account in the valuation of assets and liabilities and that have a significant impact on the results of the next financial year have been published in the interim report.

R. Revenue accounting

Revenue is reflected in the fair value of the received or due payments. Proceeds from selling goods are reflected when the significant risks and benefits associated with the ownership of the goods have been transferred to the buyer, the sales revenue and transaction-related costs can be measured reliably and the payment for the transaction is likely. Revenue from selling services is reflected upon providing the service.
Revenue from interests and dividends is reflected when the receipt of the revenue is likely and the amount of the revenue can be reliably estimated. Interest revenue is reflected using the inner interest rate of the asset. Dividend revenue is reflected when the owner has the legal right to receive it.

S. Cash-flow statement

The cash-flow statement has been prepared in the indirect method, i.e. in order to find the cash-flow from commercial activities the operating profit has been adjusted by eliminating the impact of non-monetary transactions and the changes in the balances of assets and liabilities that are associated with commercial activities.

T. Investment into subsidiaries in the unconsolidated balance sheet of the parent company

Investments into the subsidiaries are reflected on the unconsolidated statement of financial position of the parent company (see Note 26) in the acquisition cost method. This means that an investment is initially reflected in its acquisition cost, which is the fair value at the time of acquisition and if necessary is later discounted due to decrease in the value of investment. For further information regarding discounts of investments at acquisition cost, see accounting principle H.
The dividends paid by subsidiaries and joint enterprises are reflected, when the parent company has the right for such dividends, as financial income, except for the part of dividends that is paid out on the account of available capital that the subsidiary or joint enterprise has earned prior to the acquisition by the Group. That part of the dividends is reflected as a reduction in investment.

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature HR
Alliott Kangust OÜ

Notes to the Consolidated Interim Financial Report

Note 1 Cash and bank

(EUR '000)	30.09.2009	31.12.2008	30.06.2008
Cash and bank accounts	540	867	427
Total	**540**	**867**	**427**

Note 2 Receivables and prepayments

Receivables (EUR '000)	30.09.2009	31.12.2008	30.06.2008
Accounts receivable	2 802	5 149	3 076
Allowance for doubtful receivables (see Note 3)	-6	-4	-4
Government grants receivables	0	0	364
Other short-term receivables	2	50	96
Total	**2 798**	**5 195**	**3 532**

Prepayments (EUR '000)	30.09.2009	31.12.2008	30.06.2008
Prepaid taxes, including	385	207	207
VAT	272	53	159
Income tax	113	145	48
Other taxes	0	9	0
Prepaid expenses	166	138	160
Total	**551**	**346**	**367**

Tax arrears are presented in Note 14.

Note 3 Discounted receivables

The changes in unlikely receivables from buyers were as follows:

(EUR '000)	30.09.2009	31.12.2008	30.06.2008
Allowance for receivables at the beginning of period	-4	-4	-4
Additional write-down	-2	0	-1
Doubtful receivables at the end of period	**-6**	**-4**	**-4**

During the accounting period subsidiaries have written off irrecoverable claims in the total amount of EUR 2 thousand that is reflected in the income statement under "other operating expenses". The unlikely receivables and irrecoverable claims are reflected in Note 18.

The limitation period of receivables is shown in the table below:

(EUR '000)	30.09.2009	31.12.2008	30.06.2008
term not due	2 678	5 076	2 914
up to 3 months	40	36	131
3 - 6 months	12	2	30
6 - 12 months	33	33	0
more than 12 months	39	2	0
Total receivables (see note 3, 4)	**2 802**	**5 149**	**3 076**

As of the end of financial period 2009 there are receivables that are more than a year overdue in the amount of EUR 39 thousand, but the management of the Group is certain that the receivable will be paid during the current financial year.

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature WP
Alliott Kangust OÜ

ADDITIONAL DOCUMENTS

ADDITIONAL DOCUMENTS

Note 4 Inventories and biological assets

Inventories (EUR '000)	30.09.2009	31.12.2008	30.06.2008
Raw materials	1 254	1 955	729
Unfinished goods	235	43	947
Finished goodes	1 174	1 269	1 592
Goods in transit	0	14	53
Prepayments	0	10	0
Total	**2 663**	**3 290**	**3 322**

Biological assets (EUR '000)	30.09.2009	31.12.2008	30.06.2008
Fingerlings	1 643	1 117	1 317
Undersized fish (fish < 0,4 kg)	316	688	0
Full-grown fish (fish > 0,4 kg)	7 340	3 429	3 470
Total	**9 298**	**5 235**	**4 787**

Fish value assessment is based on the average market price, from which the estimated sales expenses have been deducted. Fry value assessment is based on the weighted average market price, at which fry has been sold or bought from suppliers during the past year. Fish have been divided into three categories: fry, undersized fish and fish for sale. There is a market price for fry and fully-grown fish, but there is no active market for undersized fish.

Fixed assets to resale	30.09.2009	31.12.2008	30.06.2008
Fixed assets to resale	18	18	18
Total	**18**	**18**	**18**

Used fish processing equipment is classified as fixed assets to resale.

Note 5 Long-term financial investments

(EUR '000)	Effective interest rate	30.09.2009	31.12.2008	30.06.2008
Loans	3,50%	26	26	30
Shares		64	64	65
Total		**90**	**90**	**95**

Long-term financial investments reflect granted loans and long-term investments into shares and units by subsidiaries.

The loan is granted with an interest rate of 3,5 % and the repayment term is 15 December 2013.

Since the fair value of shares and units reflected under long-term financial investments can not be determined, they are presented on the balance sheet in their acquisition cost.

Note 6 Subsidiaries

The Group comprises of the following subsidiaries:

Name of subsidiary	Country	30.09.2009	31.12.2008	30.06.2008
Heimon Kala Oy	Finland	100%	100%	100%
Vettel OÜ	Estonia	100%	100%	100%
GourmetHouse OÜ	Estonia	51%	51%	51%
Saaristomeren Kala Oy	Finland		100%	100%
Skärgårdshavets Fisk Ab	Sweden	100%	100%	100%
Överumans Fisk Ab	Sweden	100%	100%	100%

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature HR
Alliott Kangust OÜ

The shareholding in the equity capital of the subsidiary equals the voting right.
None of the subsidiaries have their shares or units listed on the stock exchange.
In end of May 2009 subsidiaries Saaristomeren Kala Oy and Heimon Kala Oy was merged.
Shareholding in subsidiaries Skärgårdshavets Fisk Ab and Överumans Fisk Ab are via subsidiary Heimon Kala Oy.

On 31 of May 2009 subsidiaries Saaristomeren Kala Oy was merged with subsidiaries Heimon Kala Oy. Saaristomeren Kala Oy consolidated net assets on merging moment was in total sum EUR 3 113 thousand. The merger of subsidiaries was recognised pursuant to the adjusted purchase method:

The fair value of acquired net assets as of 31.05.2009 is as follows:

Saaristomeren Kala Oy	(EUR '000)
Investment to subsidiary	3 113
Issue premium	2 623
Retained earnings	491

As of 31.12.2008 the company has conducted a goodwill covered value decrease test, using the market-based comparable value coefficients. In the case of the market-based approach the company has been compared with other similar companies in the same sector that are publicly traded or recently sold and there is sufficient information regarding the transaction cost available. In this case the sector includes manufacturers of frozen and chilled foodstuffs, fish farms and manufacturers of fishery products in Europe and the price levels and various ratios of these companies have been compared. The ratios used are price-to-sales and price-to-book. To calculate the fair value, the industry average value coefficients have been implemented to subsidiary actual financial figures. In addition the illiquidity discount of subsidiaries has been taken into account, since none of the subsidiaries is a listed and publicly traded company. The recoverable value determined as a result of the test was smaller by EUR 1239 thousand than the book value of the cash-generating units tested; therefore, goodwill was written down by EUR 1239 thousand and the write-down was reported as a financial expense for the period in the Income Statement (see Note 19)

ADDITIONAL DOCUMENTS

Note 7 Deferred income tax assets

The income tax claim of subsidiary Heimon Kala Oy is reflected under deferred income tax assets in the amount of EUR 354 thousand, which has resulted from the difference in fixed assets tax depreciation and loss from previous periods.
Deferred income tax liability is presented in Note 12.

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature HR
Alliott Kangust OÜ

ADDITIONAL DOCUMENTS

Note 8 Tangible fixed assets

(EUR '000)	Land and buildings	Fixtures and equipment	Other tangible fixed assets	Unfinished building and prepayments	Total tangible fixed assets
Residual value as of 30.06.2008	**3 986**	**3 206**	**80**	**433**	**7 705**
Acquired during the period	0	40	0	222	262
Taken into use during the period	0	37	0	-37	0
Sales at residual cost	-39	-45	0	0	-84
Write-offs at residual cost	0	-2	0	0	-2
Change in value due to exchange rate	-74	-90	-1	-53	-218
Depreciation for the accounting period	-175	-249	-13	0	-437
Acquisition cost as of 31.12.2008	4 343	3 969	116	564	8 992
Accumulated depreciation	-645	-1 072	-49	0	-1 767
Residual value as of 31.12.2008	**3 698**	**2 896**	**67**	**564**	**7 225**
Acquired during the period	0	196	15	36	247
Taken into use during the period	67	31	0	-98	0
Sales at residual cost	0	-16	0	0	-16
Change in value due to exchange rate	33	38	0	33	104
Depreciation for the accounting period	-278	-439	-19	0	-736
Acquisition cost as of 30.09.2009	4 443	4 218	131	535	9 327
Accumulated depreciation	-923	-1 511	-68	0	-2 502
Residual value as of 30.09.2009	**3 520**	**2 706**	**63**	**535**	**6 825**

In November 2008 the Kustavi property owned by Saaristomeren Kala Oy was sold, with the gains on sale of fixed assets amounting to EUR 39 thousand (see Note 18).
Fixed assets waiting to be sold are presented in Note 4.
The division of depreciation between the cost groups is presented in Note 18.

Note 9 Intangible assets

(EUR '000)	Trade-marks	Software licences	Authorisations, subscription fees	Goodwill	Pre-payments	Total
Residual value as of 30.06.2008	**995**	**11**	**701**	**4 263**	**110**	**6 081**
Acquired during the period	0	69	0	0	-40	29
Depreciation for the accounting period	-27	-7	-19	0		-53
Acquisition cost as of 31.12.2008	1 076	108	757	4 263	70	6 274
Re-classification as period cost	0	0	0	-1 239	0	-1 239
Accumulated depreciation	-108	-35	-74	0	0	-217
Residual value as of 31.12.2008	**968**	**73**	**683**	**3 024**	**70**	**4 818**
Acquired during the period	0	0	26	0	59	84
Taken into use during the period		70			-70	0
Depreciation for the accounting period	-40	-24	-30	0	0	-94
Acquisition cost as of 30.09.2009	1 076	178	782	3 024	59	5 119
Accumulated depreciation	-148	-59	-104	0	0	-311
Residual value as of 30.09.2009	**928**	**119**	**678**	**3 024**	**59**	**4 808**

Authorisations, subscription fees include among others Water protection warrant in the amount of EUR 2 thousand that has an unspecified useful life.

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature HR
Alliott Kangust OÜ

The prepayments are made for the implementation and licences of business software NAV pursuant to the contract.
The division of depreciation between the cost groups is presented in Note 18. As of 31 December 2008, goodwill had been written down by EUR 1239 thousand and the write-down was reported as a financial expense for the period (see Notes 6 and 19).

Note 10 Financial and operational lease

Financial lease - the Group as a lessee

(EUR '000)	30.09.2009	31.12.2008	30.06.2008
Payment period less than 1 year	22	40	107
Payment period 1-5 years	55	73	83
Total lease payment	**77**	**113**	**190**

(EUR '000)	01.01.09 - 30.09.09	01.07.08 - 31.12.08	01.07.07 - 30.06.08
Lease payments in the accounting period	36	77	145
Interests paid in the accounting period	4	5	18
Interest rate range	5 - 7,9 %	5 - 11,9 %	5 - 11,9 %

Assets under financial lease

(EUR '000)	Fixtures and equipment	Total
Acquisition cost as of 30.06.2008	1 400	1 400
Residual value as of 30.06.2008	800	800
Acquisition cost as of 31.12.2008	1 398	1 398
Residual value as of 31.12.2008	720	720
Acquisition cost as of 30.09.2009	133	133
Residual value as of 30.09.2009	76	76

Operational lease - the Group as a lessee

The Group rents transport vehicles, scraps crusher, computer- and office equipment under operational lease conditions.

(EUR '000)	Equipment	Vehicles	Total
Lease payments in 2007-2008	10	59	0
Lease payments in 1.7.08-31.12.08	3	43	46
Lease payments in 1.1.09-30.9.09	13	74	86
Estimated lease payments in 1.10.09-30.9.10	10	64	74

ADDITIONAL DOCUMENTS

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature HR
Aliott Kangust OÜ

Note 11 Short- and long-term debt obligations

Short-term borrowings (EUR '000)	Effective interest rate	Repayment due date	30.09.09	31.12.08	30.06.08
Finance lease liabilities (see Note 10)			22	40	107
Factoring with a limit of 2,000 thousand EUR			1 496	1 977	1 121
Borrowings, incl.			3 378	5 195	6 298
Overdraft, incl.			0	386	400
with a limit of 168 thousand EUR	5,70%	Without a term	0	156	150
with a limit of 185 thousand EUR	1-month EURIBOR + 2,0 %	30.09.2009	0	62	89
with a limit of 168 thousand EUR	3-month EURIBOR + 2,5 %	Without a term	0	168	161
Bonds, incl.			0	1 248	2 250
Bonds with a coupon rate of 11%	12,02 '%	9.04.2009	0	1 248	2 250
Pension insurance loan:		1.07.2030	300	1	1
25 thousand EUR	6,00%	1.07.2030	0	1	1
650 thousand EUR	5,35%	25.01.2014	130	0	0
850 thousand EUR	5,35%	25.01.2014	170	0	0
Investment loans, incl.			3 078	3 560	3 647
2 499 thousand EEK	6-month EURIBOR + 2,5 %	16.02.2009	0	2 499	2 499
100 thousand EUR	6-month EURIBOR + 1,8 %	15.10.2008	0	0	10
168 thousand EUR	6-month EURIBOR + 1,2 %	15.12.2008	0	0	12
72 thousand EUR	6-month EURIBOR + 1,9 %	30.06.2014	0	4	9
135 thousand EUR	3-month EURIBOR + 1,0 %	15.07.2009	0	7	16
171 thousand EUR	12-month EURIBOR + 0,5 %	15.09.2010	0	18	36
402 thousand EUR	12-month EURIBOR + 0,5 %	10.12.2014	0	22	45
100 thousand EUR	6-month EURIBOR + 1,8 %	9.03.2010	0	10	20
500 thousand EUR	12,50 '%	28.12.2009	500	0	0
1 000 thousand EEK	12,50 '%	31.12.2009	64	0	0
3 000 thousand EUR	6-month EURIBOR + 1,5 %	1.02.2010	589	1 000	1 000
1 500 thousand EUR	6-month EURIBOR + 1,5 %	1.02.2010	1 500	0	0
1 975 thousand EUR	3-month EURIBOR + 8,4 %	20.03.2012	226	0	0
1 250 thousand EUR	3-month EURIBOR + 8,4 %	20.03.2012	139	0	0
525 thousand EUR	3-month EURIBOR + 8,4 %	20.03.2012	60	0	0
Total			**4 895**	**7 212**	**7 527**

In November 2008 the Kustavi property owned by Saaristomeren Kala Oy was sold for EUR 71 thousand (see Note 18). The investment loan of MEUR 3 was settled, ahead of term, to the extent of the amount received from the sale. In February 2009 a loan agreement was signed with the VARMA pension insurance company, as a result of which all loans of Heimon Kala Oy were refinanced, the overdrafts of Heimon Kala Oy in the amount of EUR 185 thousand and EUR 168 thousand and the overdraft of Saaristomeren Kala Oy in the amount of EUR 168 thousand were repaid. The loans issued by the VARMA pension insurance company are guaranteed by the Finnish Sampo Bank and the fee rate for the guarantee is 2.5%. The investment loans of EUR 1975 thousand, EUR 1275 thousand and EUR 525 thousand are also guaranteed by the KredEx Credit and Export Guarantee Fund, with the fee rate for the guarantee being 2.1% (see Note 13).

Bonds

In July 2008 4 000 bonds were issued through AS Swedbank, from which the Group received additional funds in the total amount of EUR 2 230 thousand. The nominal value of the bonds was EEK 10 thousand, with an annual interest rate of 11%. The shareholders of Saaremere Kala AS held bonds of Vettel OÜ issued by AS Swedbank; in December 2008 the share capital of AS Saaremere Kala was increased and the increase was paid for by the bonds of Vettel OÜ in the aggregate amount of EUR 1027 thousand. The volume of bonds decreased and the share capital increased by said amount (see Note 16). The bonds were redeemed when due.
Further information regarding assets pledged as collateral is presented in Note 13.

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature
Alllott Kangust OÜ

ADDITIONAL DOCUMENTS

Long-term borrowings (EUR '000)	Effective interest rate	Repayment due date	30.09.2009	31.12.2008	30.06.2008
Finance lease liabilities (see Note 10)			55	73	83
Borrowings, incl.			5 493	3 774	3 024
Pension insurance loan:			1 050	12	12
25 thousand EUR	6,00%	1.07.2030	0	12	12
650 thousand EUR	5,35%	25.01.2014	455	0	0
850 thousand EUR	5,35%	25.01.2014	595	0	0
Investment loans, incl.			4 443	3 761	3 011
72 thousand EUR	6-month EURIBOR + 1,9 %	30.06.2014	0	42	42
171 thousand EUR	12-month EURIBOR + 0,5 %	15.09.2010	0	43	43
402 thousand EUR	12-month EURIBOR + 0,5 %	10.12.2014	0	246	246
100 thousand EUR	6-month EURIBOR + 1,8 %	9.03.2010	0	20	20
3 000 thousand EUR	6-month EURIBOR + 1,5 %	1.02.2010	0	660	1 160
1 500 thousand EUR	6-month EURIBOR + 1,5 %	1.02.2010	0	1 500	1 500
1 975 thousand EUR	3-month EURIBOR + 8,4 %	20.03.2012	1 664	0	0
1 250 thousand EUR	3-month EURIBOR + 8,4 %	20.03.2012	1 087	0	0
525 thousand EUR	3-month EURIBOR + 8,4 %	20.03.2012	442	0	0
1 250 thousand EUR	8,75 %	31.01.2011	1 250	1 250	0
Total			**5 548**	**3 847**	**3 106**

On 15 December 2008 a loan agreement was signed between Saaremere Kala AS and Premia Tallinna Külmhoone AS, under which a loan of EUR 1250 thousand was issued. The pension insurance loan of EUR 25 thousand and the investment loans of EUR 72 thousand, EUR 17 thousand, EUR 402 thousand and EUR 100 thousand were repaid ahead of term.

ADDITIONAL DOCUMENTS

Note 12 Deferred income tax liabilities

The deferred income tax liabilities in the total amount of EUR 1 321 thousand, which has been incurred as a result of the following transactions:

(EUR '000)	30.09.09	31.12.08	30.06.08
Balance at start of the period	786	709	875
Change in deferred income tax liabilities arising from sale of subsidiaries within business combination (Note)	0	0	-6
Deferred income tax liabilities arising from depreciation reserves during the period			-25
Deferred income tax liabilities arising from revaluation of assets during the period	533	106	-121
Reversed deferred income tax liabilities during the period	-9	-6	-12
Change in value arising from exchange rate	10	-23	-2
Total	**1 321**	**786**	**709**

Deferred income tax assets are presented in note 7.

Note 13 Loan guarantees and pledged assets

The loans of Vettel OÜ are guaranteed by a mortgage established on "Kärsa" registered immovable in the amount of EUR 5 130 thousand and a commercial pledge for the movable property in the amount of EUR 639 thousand. The book residual cost of Kärsa registered immovable is EUR 1 685 thousand as of 30.09.2009.
Vettel OÜ has received a loan from AS UniCredit Bank Estonian Branch in the amount of EUR 3225 thousand, which is guaranteed by the KredEx Credit and Export Guarantee Fund to the minimum extent of 51.13%, with the fee rate for the guarantee being 2.1%.

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature
Alliott Kangust OÜ

Saaremere Kala AS has received a loan from AS UniCredit Bank Estonian Branch in the amount of EUR 525 thousand, which is guaranteed by the KredEx Credit and Export Guarantee Fund to the maximum extent of 51.13%, with the fee rate for the guarantee being 2.1% (see Note 11).

The loans of Heimon Kala Oy are guaranteed by a mortgage in the amount of EUR 899 thousand and a commercial pledge for the movable property in the amount of EUR 2 165 thousand. Heimon Kala Oy received a loan from the VARMA pension insurance company in the amount of EUR 1500 thousand, which is guaranteed by the Finnish Sampo Bank and the fee rate for the guarantee is 2.5%.

Swedish subsidiaries have been paid EU grants, which in accordance with the regulation established in Sweden to cover EU grants must be guaranteed by a mortgage or commercial pledge. The subsidiaries have guaranteed the EU grants with a mortgage on real estate in the amount of EUR 484 thousand and with a commercial pledge in the amount of EUR 163 thousand. As of 30 September 2009 the guaranteed residual value of the EU grants is the amount of EUR 256 thousand.

Note 14 Liabilities and prepayments

(EUR '000)	30.09.2009	31.12.2008	30.06.2008
Liabilities to suppliers	2 935	2 914	2 529
Tax arrears, including	839	876	591
VAT	597	621	387
Individual income tax and income tax arrears from fringe benefits	107	105	73
Social security contributions	43	64	70
Unemployment insurance	23	20	1
Mandatory funded pension	64	65	50
Corporate income tax	1	1	11
Other taxes	4	1	
Obligations to employees	534	715	668
Interest liabilities	201	157	185
Other accruals	152	182	75
Reclamation of target financing (Note)	0	3	4
Total liabilities	**4 661**	**4 846**	**4 053**

Tax prepayments are presented in Note 2.
Reclamation of target financing on 31 December 2008 is from financial year 2007-2008.

Note 15 Target financing

(EUR '000)	01.01.09 - 30.09.09	01.07.08 - 31.12.08	01.07.07 - 30.06.08
Income from target financing of future periods at start of period	1 884	2 068	2 052
Target financing received during the period	84	32	455
Subsidiary sale-related expenses	0	0	-24
Refunded target financing	0	0	-14
Change in value arising from exchange rate	1	-48	-2
Revenue during the period (see Note 18)	-229	-167	-399
Income from target financing of future periods at end of period, incl.	**1 740**	**1 884**	**2 068**
Revenue within 1 year	237	202	286
Revenue within 2-14 years	1 503	1 682	1 782

For further information regarding target financing-related off-balance sheet receivables, see Note 24.

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature HR
Alliott Kangust OÜ

Note 16 Share capital

As of 30.09.2009 the share capital of the parent company in the total amount of EUR 457 thousand was divided into 714 388 shares, the nominal value per share is EUR 0,64. According to shareholder meeting decision from 1-th of December 2008 was issued 53 170 new shares and share capital was raised in the amount of EUR 34 thousand and issue premium raised in the amount EUR 993 thousand. The costs of valuation of the non-monetary contribution in the amount of EUR 3 thousand were deducted from the share premium. The non-monetary contribution was valuated by the Aivar Kangust Auditors Office. Contributions to the share capital were paid for with the bonds of Vettel OÜ issued by AS Swedbank (see Note 13). Pursuant to the articles of association the minimum capital of AS Saaremere Kala is EUR 160 thousand and the maximum capital is EUR 639 thousand.

Note 17 Sales revenue

By area of activity (EUR '000)	01.01.09 - 30.09.09	01.07.08 - 31.12.08	01.07.07 - 30.06.08
Processing and storage of fish and fishery products	396	265	4 114
Wholesale of fish and fishery products	20 069	14 917	25 546
Sea aquaculture	0	0	156
Freshwater aquaculture	217	209	359
Services and other sales	-15	20	25
Total	**20 667**	**15 412**	**30 200**

By regions (EUR '000)	01.01.09 - 30.09.09	01.07.08 - 31.12.08	01.07.07 - 30.06.08
Finland	16 965	12 689	25 017
Estonia	3 459	2 407	4 312
Other countries	243	315	871
incl. EU	242	224	729
incl. other countries	2	92	142
Total	**20 667**	**15 412**	**30 200**

Note 18 Operating expenses and other operating income

Cost of the production sold (EUR '000)	01.01.09 - 30.09.09	01.07.08 - 31.12.08	01.07.07 - 30.06.08
Raw materials, semi-finished products	-12 737	-9 503	-18 631
Personnel expenses	-2 135	-1 870	-3 820
Depreciation of tangible fixed assets (see Note 8)	-604	-398	-790
Depreciation of intangible fixed assets (see Note 9)	-31	-20	-37
Transportation costs	-42	-7	-234
Electricity	-276	-212	-329
Other expenses	-1 141	-834	-1 494
Total	**-16 966**	**-12 845**	**-25 335**

ADDITIONAL DOCUMENTS

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature
Alliott Kangust OÜ

Marketing expenses (EUR '000)	01.01.09 - 30.09.09	01.07.08 - 31.12.08	01.07.07 - 30.06.08
Transportation costs	-880	-632	-1 144
Personnel expenses	-497	-311	-333
Advertising and promotion	-765	-557	-934
Depreciation of tangible fixed assets (see Note 8)	-120	-80	-148
Depreciation of intangible fixed assets (see Note 9)	-42	-29	-54
Other expenses	-271	-157	-58
Total	**-2 575**	**-1 767**	**-2 671**

General administrative expenses (EUR '000)	01.01.09 - 30.09.09	01.07.08 - 31.12.08	01.07.07 - 30.06.08
Consultation fees	-273	-160	-295
Personnel expenses	-675	-522	-852
Depreciation of tangible fixed assets (see Note 8)	-14	-3	-20
Depreciation of intangible fixed assets (see Note 9)	-22	-10	-18
Other expenses	-382	-198	-620
Total	**-1 367**	**-894**	**-1 805**

Other operating income (EUR '000)	01.01.09 - 30.09.09	01.07.08 - 31.12.08	01.07.07 - 30.06.08
Income from assets target financing (see Note 15)	229	167	399
Financial investments sale profit (see Note 10)	0	0	4
Profit from exchange rate change	11	89	0
Insurance indemnity	59	21	33
Fixed assets sale profit	0	39	254
Other income	43	27	57
Total	**342**	**344**	**748**

Profit/loss from biological assets (EUR '000)	Fry	Undersized fish	Fish for sale	01.07.07 - 30.06.08
Increment of assets and reclassification	124	-73	742	794
Asset sale	-419	-4	-75	-498
Biological inventory discount	-60	-22	-359	-441
Total	**-354**	**-99**	**307**	**-146**

Profit/loss from biological assets (EUR '000)	Fry	Undersized fish	Fish for sale	01.07.08 - 31.12.08
Increment of assets and reclassification	454	91	44	589
Asset sale	-79	0	-131	-209
Total	**375**	**91**	**-87**	**379**

Profit/loss from biological assets (EUR '000)	Fry	Undersized fish	Fish for sale	01.01.09 - 30.09.09
Increment of assets and reclassification	-22	13	2 190	2 181
Asset sale	-2	0	-214	-216
Total	**-24**	**13**	**1 975**	**1 964**

Biological assets is presented in Note 4.

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature
Alliott Kangust OÜ

ADDITIONAL DOCUMENTS

Other operating expenditure (EUR '000)	01.01.09 - 30.09.09	01.07.08 - 31.12.08	01.07.07 - 30.06.08
Unlikely and irrecoverable receivables (see Note 3)	-2	0	-7
Fixed assets sale loss	0	0	-1
Loss from exchange rate change	-60	-87	-2
Other expenses	-62	-60	-197
Total	**-124**	**-147**	**-207**

Note 19 Financial revenue and expenditure

Financial revenue (EUR '000)	01.01.09 - 30.09.09	01.07.08 - 31.12.08	01.07.07 - 30.06.08
Interest revenue	3	10	37
Financial revenue from subsidiary units	0	0	206
Other financial revenue	3	14	58
Total	**6**	**23**	**301**

Financial expenditure (EUR '000)	01.01.09 - 30.09.09	01.07.08 - 31.12.08	01.07.07 - 30.06.08
Interest costs	-548	-427	-882
Other financial costs	-87	-33	-31
Goodwill writing-down (see Note 6)	0	-1 239	0
Total	**-635**	**-1 698**	**-913**

Note 20 Income tax

Income tax (EUR '000)	01.01.09 - 30.09.09	01.07.08 - 31.12.08	01.07.07 - 30.06.08
Income tax from profit	0	159	-155
Change in income tax asset (Heimon Kala Oy)	0	0	291
Deferred income tax, incl. (see Note 12)	-524	-100	153
Added during the period	-533	-106	141
Reversed during the period	9	6	12
Total	**-525**	**59**	**289**

Note 21 Share profit

	30.09.2009	31.12.2008	30.06.2008
Number of shares (in thousand pcs)	714	688	661
Net profit distributed to the owners of the parent company (in thousand euro's)	758	-1 190	394
Share profit (in euro's)	**1,06**	**-1,73**	**0,60**

Since the Group does not have potential ordinary shares, the dissolved share profit equals ordinary share profit.

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature WR
Alliott Kangust OÜ

ADDITIONAL DOCUMENTS

ADDITIONAL DOCUMENTS

Note 22 Financial risks

Several financial risks may be related with the activities of the Group: foreign-exchange risk, credit risk and interest rate risk:

Foreign exchange risk

Foreign exchange risk arises when business transactions and assets and liabilities are fixed a currency, which is not the accounting currency of the company. The Group tries to avoid large open foreign exchange positions. The main used currencies are EEK or EUR. The company is most open to the exchange rate fluctuations of the Swedish krona. The Group has not used any financial instruments to secure against the foreign-exchange risks that may arise from the business transactions and assets and liabilities in the future. The Group does not have significant foreign exchange risks.

Credit risk

Credit risk is the expression of potential loss that may arise from the inability of business partners to fulfil their obligations. In order to minimise credit risks, the Group assesses the payment discipline of its clients in a consistent manner. The Group does not have significant credit risks.

Interest rate risk

The Group uses fixed and EURIBOR-based interest rates; for more detailed information of liabilities with interest rates, see Note 12, 13 . The Group has not applied any instruments to secure itself.
Below is a summary of the Group's open interest risk position as of 30.09.09:

	30.09.2009		
Fixed interest rates	**less than 1 year**	**more than 1 year**	**Total**
Interest-bearing receivables (see Note 5)	0	26	26
Interest-bearing liabilities (see Note 11)	2 359	2 300	6 749
Net position (EUR '000)	**2 359**	**2 274**	**4 634**
Variable interest rate			
Interest-bearing liabilities (see Note 11)	2 536	3 248	3 695
Net position (EUR '000)	**2 536**	**3 248**	**5 784**

	31.12.2008		
Fixed interest rates	**less than 1 year**	**more than 1 year**	**Total**
Interest-bearing receivables (see Note 5)	0	26	26
Interest-bearing liabilities (see Note 11)	3 381	1 262	4 643
Net position (EUR '000)	**3 381**	**1 236**	**4 617**
Variable interest rate			
Interest-bearing liabilities (see Note 11)	3 831	2 585	6 415
Net position (EUR '000)	**3 831**	**2 585**	**6 415**

	30.06.2008		
Fixed interest rates	**less than 1 year**	**more than 1 year**	**Total**
Interest-bearing receivables (see Note 5)	0	30	30
Interest-bearing liabilities (see Note 11)	3 478	83	3 561
Net position (EUR '000)	**3 478**	**53**	**3 531**
Variable interest rate			
Interest-bearing liabilities (see Note 11)	4 048	3 024	7 072
Net position (EUR '000)	**4 048**	**3 024**	**7 072**

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature HP
Alliott Kangust OÜ

The Group estimates a 1%-change in the interest rates to be likely. According to the sensitivity analysis a one percentage point change (increase or decrease) of the interest rate would change the profit before tax in the amount of EUR 45 thousand (in year 2008 it was in the amount of EUR 72 thousand).

Liquidity risk

According to the estimate of the management, the Group will not have liquidity problems provided that:

- if necessary, additional circulating capital can be raised through bonds' issue(s) or through loan refinancing.

The Group's liabilities by repayment terms in a long-term timeline are as follows:

	Less than 3 months	3-12 months	1-5 years	More than 5 years	Total
As of 30.09.2009					
Debt obligations	829	3 240	5 963	0	10 032
Factoring	1 496	0	0	0	1 496
Liabilities to suppliers and other liabilities	4 094	366	0	0	4 460
Total liabilities (EUR '000)	**6 419**	**3 605**	**5 963**	**0**	**15 987**

	Less than 3 months	3-12 months	1-5 years	More than 5 years	Total
As of 31.12.2008					
Debt obligations	3 467	2 349	4 135	14	9 965
Factoring	1 977	0	0	0	1 977
Liabilities to suppliers and other liabilities	4 200	489	0	0	4 689
Total liabilities (EUR '000)	**9 644**	**2 838**	**4 135**	**14**	**16 631**

	Less than 3 months	3-12 months	1-5 years	More than 5 years	Total
As of 30.06.2008					
Debt obligations	752	6 273	3 300	67	10 392
Factoring	1 121	0	0	0	1 121
Liabilities to suppliers and other liabilities	3 646	387	89	0	4 122
Total liabilities (EUR '000)	**5 519**	**6 661**	**3 389**	**67**	**15 636**

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 other stakeholders 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.

Consistent with industry practice, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including current and non-current borrowings as shown in the consolidated balance sheet) less cash and cash equivalents. Total capital is calculated as the sum of equity as shown in the consolidated balance sheet and net debt.

ADDITIONAL DOCUMENTS

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.04.2010
Allkiri/signature HR
Alliott Kangust OÜ

Gearing ratios of the Group

	30.09.2009	31.12.2008	30.06.2008
Total borrowings (see Note 11)	10 444	11 058	10 633
Cash and bank (see Note 1)	540	867	427
Net debt (EUR '000)	9 904	10 192	10 206
Total equity (EUR '000)	9 778	8 863	9 226
Total capital (EUR '000)	19 682	19 055	19 432
Gearing ratio	**50%**	**53%**	**53%**

Note 23 Transactions with related parties

The Group considers parties to be related if one of the parties either has control over the other party or has significant influence over the other party's business decisions. Related parties are:

- Parent company (Premia Foods AS)
- Companies controlled by the parent company (Premia Foods group companies)
- Share holders of parent company
- The management and supervisory board of the private limited company and other members of the management, private owners with a significant holding, except for in cases when the specified people do not have the opportunity to have significant influence over the company's business decisions. In addition, related parties include close relatives of the aforementioned persons and the companies associated with them.

Purchase (EUR '000)		01.01.09 - 30.09.09	01.07.08 - 31.12.08	01.07.07-30.06.08
Enterprises related with members of management and supervisory board	Services	30,89	43,59	87,04
Enterprises related with members of management and supervisory board	General Administrative expenses	4,81	7,67	0,00
Enterprises related with members of management and supervisory board	Tangible assets	0,00	0,77	0,00
Parent company	Services	41,41	0,00	0,00
Enterprise controlled by parent company	Raw materials	0,25	0,59	0,00

Sales (EUR '000)		01.01.09 - 30.09.09	01.07.08 - 31.12.08	01.07.07-30.06.08
Enterprises related with members of management and supervisory board	Sales of goods	4,27	2,88	0,00
Enterprise controlled by parent company	Sales of goods	41,35	45,61	0,00

Intermediation of invoices (EUR '000)		01.01.09 - 30.09.09	01.07.08 - 31.12.08	01.07.07-30.06.08
Enterprises related with members of management and supervisory board	Intermediation of invoices	0,46	0,48	0,00

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature WR
Alliott Kangust OÜ

Financial expenses (EUR '000)		01.01.09 - 30.09.09	01.07.08 - 31.12.08	01.07.07- 30.06.08
Enterprise controlled by parent company	Interest expense	82,94	3,95	0,00
Enterprise controlled by parent company	Other financial expense	0,64	0,64	0,00
Parent company	Interest expense	59,76	0,00	0,00
Parent company	Other financial expense	9,75	0,00	0,00

Receivables (EUR '000)		30.09.09	31.12.08	30.06.08
Enterprise controlled by parent company	Customer receivables	2,31	30,13	0,00
Enterprises related with members of management and supervisory board	Customer receivables	9,97	5,38	0,47

Liabilities (EUR '000)		30.09.09	31.12.08	30.06.08
Enterprises related with members of management and supervisory board	Liabilities to suppliers	2,87	39,01	13,19
Enterprises related with members of management and supervisory board	Loan	63,91	0,00	0,00
Enterprises related with members of management and supervisory board	Interest liability	0,91	0,00	0,00
Enterprise controlled by parent company	Liabilities to suppliers	0,04	0,00	0,00
Parent company	Liabilities to suppliers	7,67	0,00	0,00
Enterprise controlled by parent company	Loan	1 250,00	1 250,00	0,00
Enterprise controlled by parent company	Interest liability	86,89	3,95	0,00
Parent company	Interest liability	59,76	0,00	0,00
Share holder of parent company	Interest liability	36,97	36,97	36,94

Guarantees

Share holders of parent company have guaranteed Vettel OÜ and Saaremere Kala AS loans with commercial pledge in the total amount of EUR 3 750 thousand.
Share holder of parent company Amber Trust S.C.A have guaranteed Heimon Kala Oy loans with commercial pledge in the total amount of EUR 3 000 thousand.

Fees of the management

In the financial period 01.07.08 -31.12.08 the management and supervisory board and other members of the management received payments (salary, bonus, other allowances) in the total amount of EUR 213 thousand and in the financial period 01.01.09 - 30.09.09 the management and supervisory board and other members of the management received payments (salary, bonus, other allowances) in the total amount of EUR 346 thousand (includes dismissal compensation in the total amount EUR 41 thousand). The members of the management and supervisory board do not receive pension-related rights from the company.

Dismissal compensation

The chairman of the management board and member of management board is entitled to receive dismissal compensation, the maximum cost arising from payment of dismissal compensation is EUR 79 thousand.

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature
Alliott Kangust OÜ

Note 24 Off-balance sheet assets and liabilities

EU structural grant

Heimon Kala Oy has applied for grants in the amount of EUR 12 thousand to the fish processors and fish wholesalers aid programme, which as of the balance day is an off-balance sheet receivable.
Överumans Fisk Ab has applied for grants in the amount of EUR 171 thousand to receive aid from the fish farmers aid programme, which as of the balance day is an off-balance sheet receivable. The application has been acceded, but has not been paid out yet.
The Swedish subsidiary Överumans Fisk Ab has been issued an EU grant repayment claim in the amount of EUR 8 thousand due to violating the conditions of applying for the EU grants, which as of the balance day is an off-balance sheet payable.

Income tax from dividends

Retained earnings as of 30.09.2009 are EUR 131 thousand. The maximum potential income tax amount that would arise if the entire amount of the retained earnings were to be distributed as dividends would be EUR 39 thousand. The maximum potential net dividend amount would be EUR 92 thousand. The calculations of the maximum potential income tax liability is based on the assumption that the total of distributed net dividends and income tax expenditure arising from it would not exceed the distributable profit at the end of the financial year.

Note 25 Post balance day events

Saaremere Kala AS has raised a claim against former minority shareholders of Saaremere Kala AS in the amount of EUR 485 thousand under the framework contract signed on 9 May 2008. The former minority shareholders of Saaremere Kala AS, on their part, have raised a claim against Saaremere Kala AS in the amount of EUR 166 thousand.

Heimon Kala Oy, a subsidiary of Saaremere Kala AS, had a disagreement with a supplier regarding overdue receivables and payables in the amount of EUR 18 thousand. In December 2009 an agreement was made under which Heimon Kala Oy wrote off its claim of EUR 18 thousand and paid EUR 15 thousand to the supplier (the original claim was EUR 18 thousand). The agreement was signed out of court and all the amounts were paid in December 2009. As a result of the agreement Heimon Kala Oy sustained a loss of EUR 15 thousand.

It appeared in the course of compiling the income tax return of Saaristomeren Kala Oy, a subsidiary, that a mistake had been made in the calculation of the company's income tax amount, i.e. the income tax prepaid by the company had been reported in an amount which was smaller than the actual amount prepaid by EUR 20 thousand. The prepaid amount of income tax will be corrected after the Balance Sheet date and the net assets of Saaristomeren Kala Oy as of merger will increase by EUR 20 thousand.

As of 20 October 2009 the factoring contract of the subsidiary GourmetHouse OÜ has been extended. The contract has been concluded without the right of recourse, the contract limit is the amount of EUR 326 thousand and the term of the contract is 12 months.

On 29 October 2009 the factoring contract of the subsidiary Heimon Kala Oy was amended. In accordance with the amendment the factoring limit was increased to the amount of EUR 2.5 million during 21 December 2009 - 31 January 2010 and 31 March 2010 - 10 May 2010.

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature
Alliott Kangust OÜ

Note 26 Unconsolidated statement of financial position of parent company

In thousand EUR

	30.09.2009	31.12.2008	30.06.2008
Cash and bank	0	634	270
Receivables and prepayments	810	3 213	1 309
Total current assets	**810**	**3 847**	**1 579**
Long-term financial investments	10 748	9 595	9 595
Total fixed assets	**10 748**	**9 595**	**9 595**
TOTAL ASSETS	11 558	13 442	11 174
Debt obligations	60	3 749	2 499
Liabilities and prepayments	133	52	55
Total short-term liabilities	**193**	**3 801**	**2 554**
Long-term liabilities	1 692	0	0
Total long-term liabilities	**1 692**	**0**	**0**
Total liabilities	**1 885**	**3 801**	**2 554**
Share capital	457	457	423
Issue premium	9 165	9 165	8 176
Mandatory legal reserve	9	9	9
Retained earnings	10	12	23
Current year earnings	31	-2	-10
Total equity capital	**9 673**	**9 641**	**8 620**
TOTAL LIABILITIES AND EQUITY	11 558	13 442	11 174

ADDITIONAL DOCUMENTS

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature HR
Alliott Kangust OÜ

Note 27 Unconsolidated income statement of parent company

In thousand EUR

	01.01.09 - 30.09.09	01.07.08 - 31.12.08	01.07.2007- 30.06.2008
Sales revenue	286	179	152
Cost of production sold	-159	-117	-162
Gross profit	**127**	**62**	**-10**
General administrative expenses	-63	-29	-48
Other operating income	0	1	
Other operating expenses	0	-1	-37
Operating profit	**63**	**33**	**-95**
Financial income	134	79	262
Financial expenses	-166	-114	-177
Net profit for the financial year	**31**	**-2**	**-10**

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature
Alliott Kangust OÜ

Note 28 Unconsolidated cash-flow statement of parent company

In thousand EUR

	01.01.09 - 30.09.09	01.07.08 - 31.12.08	01.07.07- 30.06.08
Operating profit/loss	63	33	-95
Change in operating receivables and prepayments	-381	-209	-58
Change in operating liabilities	6	-12	12
Total cash-flow from operations	**-312**	**-188**	**-142**
Net cash-flow from acquisition of subsidiaries (see Note 8)	0	0	-228
Granted loans	-590	-590	0
Repayment of loans	2 294	0	940
Interest collected	61	0	63
Other cash-flow			0
Total cash-flow from investments	**1 765**	**-590**	**775**
Received loans and issued debentures	525	1 750	0
Redemption of debt instruments	-2 522	-500	-500
Interest paid	-84	-108	-177
Other cash-flow	-6	0	0
Total cash-flow from financing	**-2 087**	**1 142**	**-677**
Total cash-flow	**-634**	**364**	**-44**
Money and money equivalents at start of period	634	270	313
Change in money and money equivalents	-634	364	-44
Money and money equivalents at end of period	**0**	**634**	**270**

ADDITIONAL DOCUMENTS

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature WR
Alliott Kangust OÜ

Note 29 Unconsolidated statement of changes in equity of parent company

In thousand EUR

	Share capital	Issue premium	Legal reserve	Retained earnings	Total
Balance as of 30.06.2007	**423**	**8 176**	**0**	**32**	**8 630**
Constitution of legal reserve	0	0	9	-9	0
Net loss for the financial year	0	0	0	-10	-10
Balance as of 30.06.2008	**423**	**8 176**	**9**	**12**	**8 620**
Share issue	34	989	0	0	1 023
Net loss for the financial year	0	0	0	-2	-2
Balance as of 31.12.2008	**457**	**9 165**	**9**	**10**	**9 641**
Net profit for the financial year	0	0	0	31	31
Balance as of 30.09.2009	**457**	**9 165**	**9**	**42**	**9 673**

The adjusted unconsolidated equity capital of the parent company as of 30 September 2009 is as follows:

(EUR '000)	30.09.2009
Parent company unconsolidated equity capital	9 673
Book value of subsidiaries on the unconsolidated balance sheet of the parent company (minus)	-9 595
Value of subsidiaries in equity method (plus)	9 479
Total	**9 557**

Margus Rebane

Allkirjastatud identifitseerimiseks
Initialled for identification purposes only
Kuupäev/date 18.01.2010
Allkiri/signature MR
Alliott Kangust OÜ

INDEPENDENT AUDITOR'S OPINION

To the shareholders of Saaremere Kala AS

We have audited the accompanying consolidated interim financial statements of Saaremere Kala AS and its subsidiaries, which comprise the consolidated statement of financial position as at 30 September 2009, and the consolidated income statement, statement of changes in equity and cash flow statement for the fifteen months period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated interim financial statements present fairly, in all material respects, the financial position of Saaremere Kala AS and its subsidiaries as at 30 September 2009, and their financial performance and cash flows for the fifteen months period then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Aivar Kangust
Alliott Kangust OÜ
Tallinn
18 January 2010

ADDITIONAL DOCUMENTS

SIGNATURES OF THE MANAGEMENT AND SUPERVISORY BOARD TO THE INTERIM FINANCIAL REPORT

With this we confirm the correctness of the data presented in the Consolidation Group AS Saaremere Kala interim financial report:

Erik Haavamäe
Chairman of the supervisory board

Kuldar Leis
Member of the supervisory board

Katre Kõvask
Member of the supervisory board

Silver Kaur
Member of the supervisory board

Aivo Varem
Member of the supervisory board

Margus Rebane
Member of the management board

Pekka Pentti-Olavi Lahtinen
Member of the management board

18 January 2010

Margus Rebane