Eesti Energia

Interim Report

1.4.2005 – 31.3.2006

Contents

Overview

Key financial figures	1.4.2005-31.3.2006	1.4.2004-31.3.2005	Change	
Revenues, € th.	533 549	397 420	136 129	34,3%
incl. domestic sales of electricity	315 914	284 310	31 604	11,1%
EBITDA, € th.	264 998	148 983	116 015	77,9%
EBIT, € th.	165 218	61 365	103 853	169,2%
Net Profit, € th.	135 796	42 870	92 926	216,8%
Net Fixed Assets, € th.[1]	1 252 427	1 199 979	52 447	4,4%
Equity, € th.[1]	971 508	840 110	131 397	15,6%
Net Debt, € th.[1]	195 879	268 675	- 72 795	-27,1%
CAPEX, € th.	152 722	159 891	- 7 169	-4,5%
FFO, € th.	235 848	127 697	108 151	84,7%
Debt/(Debt+Equity)[1]	26,2%	26,9%	-0,7%	
ROIC	14,4%	5,5%	8,9%	
EBITDA interest cover	8,9	8,1	0,8	
FFO/Net Debt[1]	120,4%	47,5%	72,9%	
FFO/Interest Expense	7,9	7,0	1,0	
FFO/Capex	152,1%	79,9%	72,3%	
EBITDA margin	49,7%	37,5%	12,2%	
EBIT margin	31,0%	15,4%	15,5%	

1 - balance sheet figures are end of period

Eesti Energia's the most significant event in the FY 2 005/06 was the start of the building process of the Estonian – Finnish subsea cable Nordic Energy Link. We believe, that in perspective, the subsea cable will significantly influence Estonian energy market as well as Baltic energy market as a whole. The closure of one power unit at Ignalina power plant facilitated company's entrance to the Lithuanian power market. The focus of company's investment programme has after the commissioning of two new CFB power units at Narva Power Plant shifted from power and heat production to power networks. During the period, the domestic power network losses decreased to the lowest level in company's history.

In February 2006, the prime ministers of three Baltic countries signed a document, which confirmed the initiative by the leadership of three leading Baltic energy companies – Eesti Energia, Latvenergo and Lietuvos Energija. In March 2006, the CEO's of aforementioned companies signed a memorandum in order to study the feasibility of building a new nuclear power plant.

In the third quarter of FY 2 005/06 the most notable economic event in the company was repurchase and exchange of over 70% of 200 million Eurobond issue (maturity 2 009), linked with the 300 million euro Eurobond issue (maturity 2 020). Moody's and S&P rated the new issue at A1 and at A- (stable outlook). The issue lowers the company's interest expenses as well as secures funding after the opening of Estonia's electricity market and gradually tightening environmental norms.

Revenues increased to **€533.5 million euros**, which was **34.3%** higher compared to the previous financial year. Operating costs before depreciation and amortization increased by **8.1%**, which allowed Eesti Energia to reach an EBITDA growth of **77.9%**. Depreciation costs rose by **13.9%** (**€12.1m**). Despite the high growth of depreciation costs, operating profit grew **169.2%** (**€103.9m**), and net profit more than doubled to **€135.8m**.

Revenue growth excluding the effects of the EU ETS amounted to **15.1%**, while net profit increased to **61.9 million euros**.

Economic environment Estonian Institute's in Economic Research (EKI) poll in March 2006 on the state of economy in Estonia reflected the booming economy by increasing to the maximum of **9 points**. Favorable results are linked with Estonia's accession to EU, rewards of which are currently beginning to emerge. Study conducted by EKI shows, that majority of companies (**53%**) have experienced positive overall influence of the accession, while only **9%** report overall influence to be negative.

Source: Statistical Office of Estonia

Estonia's real GDP growth in the fourth quarter of calendar year 2005 was **11.1%**, while 12 month rolling growth was at **9.8%**. According to the Ministry of Finance, the growth was mainly based on strong domestic demand, positively influenced by low interest rates and growing disposable income; however, the contribution of net exports was negative. Economic environment also benefited from low inflation and positive developments in the labor market. The Estonia's Ministry of Finance also expects the economy to grow **8.2%** in 2 006 and **7.7%** in 2 007. At the same time, according to the Economist, in 2 006 analysts expect the European economy to grow **1.75-2.0%**.

Environmental Policy Estonian Ministry of Environment named Eesti Energia as the most environmentally friendly company in Estonia. With the award, the Ministry acknowledged Eesti Energia's efforts to reduce the effects of power production to environment.

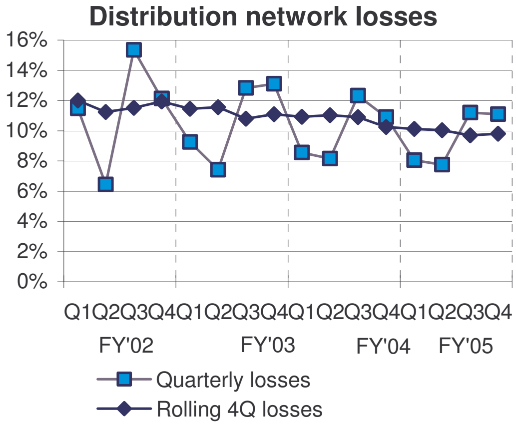
Government of the Republic of Estonia has through National Allocation Plan assigned Eesti Energia **46.7 million** tonnes of CO_2 emission allowances for the period of 2005 – 2007. The amount is sufficient to cover the emissions emanating from projected electricity generation both for domestic and export demand.

In 2005, due to lower than expected sales and increased efficiency of the power production, the company had surplus allowances. The effect of EU ETS on the operating profit amounted to **€73.8m**.

Financial strength In March 2006, Moody's changed Eesti Energia's credit rating outlook from stable to positive. At the moment Moody's rates the company at A1; Standard & Poor's has assigned Eesti Energia **A-** rating. The solid progress in the execution of investment programme and continued positive developments in Estonian macroeconomic environment were also cited as strengths. Our goal is to continue to be a reliable partner to our clients, suppliers and financial institutions. We are committed to maintain a credit rating in the present category.

In spite of growing net debt, our interest and debt coverage ratios are in positive trend. Company's financial position is further strengthened by the new tariffs implemented in March 2 005.

CAPEX increased by **€7.3m**. Rolling four quarter investments into power networks have increased by **€3.2m**. Increased profitability and decreased investments have driven the rolling 12 month FFO/investment multiple from **79.9%** to **152.1%**. After the significant investments to power production in the previous years, the company was able to cover investments from operating cash flow.



Network losses The historic trend of power losses is downwards. The distribution network losses went from **10.2%** in the FY 2004/05 **9.8%** in the FY 2005/06.

Profitability Excluding the effect of EU ETS growth of revenues (**15.1%**) topped the increase in rolling 12 month operating costs (**9.0%**) by **6.1** percentage points. Consequently, 12 month EBIT was up **48.7%**. ROIC increased by **5.5%** to **7.9%**.

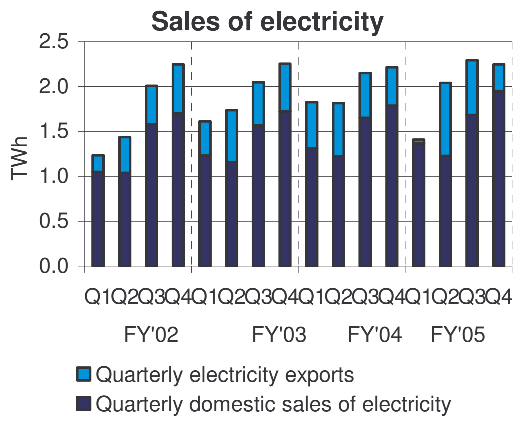
Operating results

Revenues € th.	2005/06 12 months	2004/05 12 months
Oil shale mining	118 860	111 653
Power and Heat	334 470	250 068
Oil production	25 292	16 326
Transmission	69 066	61 846
Distribution	158 801	138 099
Supply	235 129	325 193
Support Services	51 329	45 706
Eliminations	-459 397	-551 472
Consolidated Revenues	**533 549**	**397 420**

Domestic electricity sales increased to **€316.9m**, an increase of **11.1% (€31.6m)** on the FY 2004/05. In quantitative terms, domestic electricity sales increased by **4.9%**, or **289 GWh**. Revenue growth above the sales growth was due to the increase of tariffs, which rose in March 2005.

Electricity exports FY 2005/06 exports decreased by **267 GWh** (**13.1%**) to **1 769 GWh**. During FY 2005/06, exports to Latvia increased by **158 GWh**, exports to Russia decreased by **645 GWh** (to 0 GWh), while exports to Lithuania increased to **217 GWh** (from **0**). Electricity exports sales increased to **€40.2m**, an increase of **19.5%** (**€6.6m)** on the FY 2004/05. Remarkable part of the electricity export revenues derived from the second quarter, when Ignalina NPP was in maintenance, enabling the Company to enter the Lithuanian power market.

Heat sales amounted to **€32.3m** of financial year 2005/06, an increase of **6.1%** (**€1.8m)** on the FY 2004/05. In quantitative terms, sales decreased to **1 981 GWh** (**0.2%**). In Narva Power Plant heat sales decreased to **539 GWh** (**-6.7%**), in Iru Power Plant increased to **1 234 GWh** (**2.8%**) and in Kohtla-Järve Soojus to **208 GWh** (**5.3%**). In FY 2004/05, Foster Wheeler purchased heat from Narva PP during the tests of new CFB boilers. The decrease in heat sales in Narva PP can be traced to the completion of the two power units.



Oil Shale sales increased to **€13.3m** (**0.5%**); sales volumes decreased to **1 788** thousand tonnes (-**2.8%**).

Shale Oil In monetary terms, the sale of shale oil increased by **72.9%** to **€22.1m**. Oil sales reached **117 thousand tonnes** (**+3.4%**) in the FY 2005/06. The increase of both sales price and volume is closely connected to high oil prices in the world markets.

Other goods and products Sale of other goods and products totaled **€16.6m**, exhibiting almost twofold increase. This was due to an increased exports of energy equipment of AS Energoremont by **€4.0m**.

Services Sale of services amounted to **€10.0m**, an increase of **2.6%** on the previous financial year. The largest increase was experienced in the sales of telecommunication services (**+33.5%**) and repair and building services (**+7.6%**).

Expenses During the FY 2005/06, operating expenses totaled **€368.3m**, an increase of **€32.3m** (**9.6%**) on the same period of the previous financial year; the growth of costs is relatively low compared with the **34.3%** growth of operating revenues.

EBIT € th.	2005/06 12 months	2004/05 12 months
Oil shale mining	8 299	8 004
Power and Heat	97 792	37 021
Oil production	12 132	3 608
Transmission	16 781	5 407
Distribution	22 504	12 623
Supply	3 292	-6 321
Support Services	3 943	728
Eliminations	348	296
Consolidated EBIT	**165 218**	**61 365**

Factors most influencing the Group's EBIT in the financial year were strong domestic sales of electricity (both in terms of volume and revenue), exports to Lithuania, booming sales of shale oil and growth of depreciation costs. In spite of inflationary pressures EBIT grew **169.2%** (**€103.9m**).

Oil Shale mining segment experienced a **€0.3m** (**3.7%**) increase in EBIT. The increase in EBIT reflects the increased sales of oil shale inside the group and partly canceled mining termination provisions.

Power and heat segment EBIT increased by **€60.8m (164.1%)**. The strong increase in operating profit includes the effect of EU ETS.

Oil production impact on the result of the company's results has during 2 005/06 significantly increased. Consequently, in order to achieve transparency of company's business activities, the oil production was separated from power and heat production segment. Segments profit increased from **3.8 million euros** to **12.1 million euros**.

Networks Transmission network's operating profit amounted to **€16.8m**, while the distribution network EBIT increased to **€22.5m**. Transmission network's operating profit increased by **€11.4m (209.4%)** and distribution network EBIT increased by **€9.9m (77.7%)**. In both segments, the implementation of new tariffs in March 2 005 and lower network losses had a positive influence on the EBIT.

Net profit € th.	2005/06 12 months	2004/05 12 months
Consolidated EBIT	**165 218**	**61 365**
Consolidated interest on debt	-28 304	-18 362
Consolidated net other financial income	1 741	1 474
Share results of associates	-1 489	-1 607
Income tax	-1 370	0
Consolidated Net Profit	**135 796**	**42 870**

FY 2005/06 interest costs have increased to **€28m**, mainly due to the repurchase of Eurobonds. 12 month total interest bearing debt has increased by **11.7%.** Based on the Company's good results in the financial year 2004/05 the Company paid a dividend in the amount of **€6.2m**.

Investments

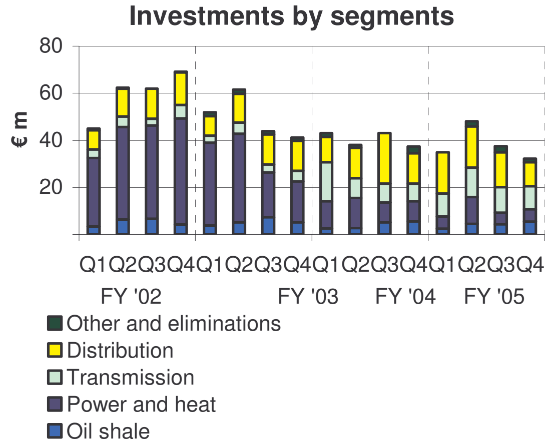
In the FY 2005/06, Eesti Energia's capital expenditures were **€152.7m**. In the FY 2005/06 strategic investment programme proceeds as planned, main projects emerge from the Transmission Network's Narva – Tallinn investment plan. The most important project in the previous financial year was the start of construction of the Estonian – Finnish subsea cable.

During the FY 2005/06 the most important ongoing investment projects includes construction of Kiisa - Balti 330 kV OHL (overhead line) (**€11.7m**), construction of gas-fired peak boiler house at Balti PP (**€4.5m**).

Generation Most notable projects were new gas-fired boiler house at Balti Power Plant (**€4.5m**), decommissioning of Balti PP sections I – III amounted to **€4.4m**. Kyoto policies have added to the complexity of the framework of power production segment's investment strategy. As it is clear, that environmental regulations are becoming stricter, our investment strategy focuses on achieving compliance with relevant regulations and standards at due time. The last significant project comes from Iru plant, where we started a project to install new low – NOx burners. Iru plant supplies 50% of nations capital's and 100% of Maardu's heat consumption.

Transmission During the financial year 2005/06, a total of **€42.8m** was invested in the National Grid.

Transmission networks most important ongoing investment projects during the reporting period were construction of Kiisa - Balti 330 kV OHL (**€11.7m**) and reconstruction of Balti 330 kV substation (**€2.0m**), followed by renovation and construction of Endla 110 kV switchyard and OHL (**€3.1m**), Tartu 110 kV switchyard (**€3.7m**) and construction of Veskimetsa switchgear (**€2.7m**).



Distribution During the FY 2005/06, a total of **€62.0m** was invested into the Distribution Network. Distribution Network's main goal is to increase the efficiency and reliability of power networks. Rigorous investment programme has yielded excellent results in terms of power network losses, which in last years have considerably decreased.

Major investment projects in the FY 2005/06 twelve months in the Distribution Network were building of new customer connections (**€31.6m**); renovation of the 0.4-20 kV networks and the Voltage Quality Programme (**€7.0m**), reconstruction of 35-330 kV substations (**€5.9m**); and switching voltage from 3x220 V to 3x400 V (**€1.0m**).

Debt

Eesti Energia's debt portfolio is denominated **in euros**. The weighted average interest of Eesti Energias debt portfolio was **4,34%** as of 31 March 2005.

Eesti Energia's debt portfolio consists **94%** of fixed and **6%** of floating issues. The floating interest rate of the Nordic Investment Bank loan in the amount of **€15m** (until 2006) is fixed by means of interest rate swap, having the fixed interest rate of **6.08%.** The first tranche of NIB **€60m** term loan in the amount of **€20m** is also fixed. Interest rates of majority of loans are floating. The weighted average interest rate of floating-rate loans was 6 months **EURibor +0.41%** as of 31 March 2 006.

In November Eesti Energia issued a new **Eurobond** facility in the amount of **€300m** due **2020.** The Eurobond issue has a fixed interest rate of **4,5%**. The existing investors exchanged 2009 bonds in nominal of **€105m,** tendered (sold) 2009 bonds in nominal of **€40m.** Outstanding 2009 bonds amount to **€55m** in nominal value were redeemed in March 2 006.

The Eurobond issue enabled Eesti Energia to prepay the syndicated loan facility in the amount of **€50m** in the end of December and to redeem commercial papers of **€25m** in the end of November. The loan had no prepayment fee and would normally mature in June 2006.

In the beginning of August Eesti Energia paid out dividends to its 100% shareholder, Estonian Republic, in the amount of **€6.2m**.

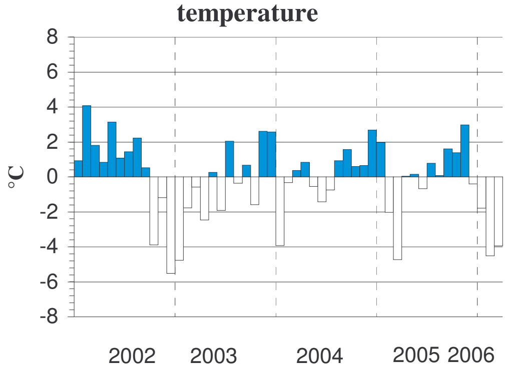
Short-term outlook

According to the Estonia's Ministry of Finance, the expected growth of economy in 2 006 will be **8,2%**, while the IMF forecasts **6%** growth. Inflation is expected to remain above the European average. In 2 005, growth rate of Estonian economy was well above the expectations.

Expected **13,3%** growth of exports, **9,5%** increase of gross fixed capital formation and **7,3%** growth of retail sales also signal that the electricity demand should remain strong. With present state and structure, Estonia's economy is well capable to foster the growth of domestic demand for electricity.

In Estonia, average temperature in the FY 2 005/06 was **+0.4ºC** higher than in 2 004/05 quarter of the previous financial year. Despite that, electricity sales showed a healthy growth. Data demonstrates that in last twelve months the temperature neutral electricity growth is increased to the level of **3.5%**, which is slightly above the historic long – term growth rate of electricity demand.

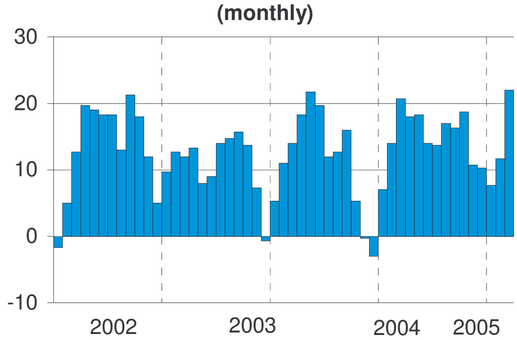
Difference from monthly average temperature



The rolling four-quarter losses trend in the distribution network decreased to a record low **9.8%**. In the medium term, power network losses are decreasing. For the FY 2 006/07 we aim the losses to decrease to **9.2%**.

In line with the medium term investment programme, Eesti Energia continues to undertake large investments in the power networks. In 2 006/07 we plan to invest more than **170 million euros**. The most important projects are Estonian – Finnish subsea cable and Kiisa – Balti 330 kV OHL.

Industrial enterprises confidence (monthly)



Source: Estonian Institute of Economic Research

Oil prices have risen from 2005/06 50 – 60 $/bbl levels mainly due to increased concerns over Iran's nuclear programme. Increased oil prices in the world markets have boosted the heavy fuel oil price. As the market prices have increased, the state has begun to explore possibilities to regulate the domestic oil price.

Growth of economy has provided a sound basis for the growth of domestic demand of electricity. Sound fundamentals, combined with new tariffs and focus on cost reduction should form a strong basis to positive results in the following quarters. Excluding the effects of EU ETS, then compared with FY 2005/06, we expect to experience further positive developments for the FY 2006/07.

Definitions

Financial

CAPEX –	Capital expenditures
CFB	Circulating fluidised bed
EBIT –	Earnings before interest and taxes
EBITDA interest cover –	EBITDA divided by Interest on debt
EBITDA –	Earnings before interest, taxes, depreciation and amortization
EBIT margin –	EBIT divided by Total revenue
EU ETS –	European Union Emissions Trading System. Emissions Trading System is one of three flexible mechanisms of Kyoto Protocol.
FFO –	Funds from operations; Operating cash flow less Changes in working capital
Interest –	Interest on debt
Invested capital –	Shareholders equity plus Debt
Net Debt –	Debt less cash and equivalents
OHL –	Overhead line
Profit margin –	Net profit divided by Total revenue
ROIC –	Return on invested capital; EBIT divided by average Invested capital

Notes

Financial tables

Accounting policies

These consolidated interim condensed financial statements are prepared in accordance with IAS 34 Interim Financial Reporting. The accounting policies used in the preparation of the interim financial statements are consistent with those used in the annual financial statements for the year ended March 31st, 2005.

The Group has adopted for the first time in this financial period the standards IAS 27 (revised 2003), IAS 28 (revised 2003), IAS 32 (revised 2003), IAS 39 (revised 2003), which became obligatory for the Group from 1 April 2005.

The statements should be read in conjunction with the 2004/05 annual financial statements. The information contained in the Interim Financial Statements has not been audited.

Consolidated income statement, € th.

	1.04.2005 - 31.03.2006	1.04.2004 - 31.03.2005	*Note*
Revenue			
Sales	528 825	394 726	
Other income	4 321	2 512	
Government grant	404	181	
Total revenue	**533 549**	**397 420**	
Expenses			
Direct expenses for production	-135 710	-122 096	
Operating costs	-40 671	-37 056	
Personnel expenses	-90 395	-87 879	
Other expenses	-1 774	-1 406	
Depreciation and impairment	-99 781	-87 618	
Total Expenses	**-368 331**	**-336 055**	
EBIT	**165 218**	**61 365**	
Interest expense on borrowings	-28 304	-18 362	
Other net financial income	252	-134	
Net financial cost	**-28 052**	**-18 495**	
Profit before taxes	**137 166**	**42 870**	
Income tax	**1 370**	**0**	*3*
Profit for the period	**135 796**	**42 870**	
Attributable to:			
Equity holders of the Parent Company	**135 194**	**42 594**	
Minority interests	**602**	**275**	

Consolidated balance sheet, € th.

	31.03.2006	31.03.2005	31.03.2004	*Note*
Assets				
Current assets				
Cash and cash equivalents	149 408	40 301	45 464	
Trade receivables	57 121	49 891	46 046	
Other receivables	85	85	85	
Accrued income	2 823	2 194	1 742	
Prepayments	1 908	1 716	916	
Inventories	19 556	18 312	16 592	
Total current assets	**230 900**	**112 499**	**110 845**	
Non- current assets				
Investments in associate	10 823	2 701	2 756	***2***
Property, plant and equipment	1 252 427	1 199 979	1 128 979	
Intangible assets	2 494	2 494	2 494	
Total non- current asset	**1 265 744**	**1 205 175**	**1 134 230**	
Total assets	**1 496 645**	**1 317 674**	**1 245 075**	
Liabilities				
Current liabilities				
Borrowings	4 558	2 374	1 192	
Trade and other payables	69 735	70 310	65 081	
Accrued expenses	16 835	22 344	25 272	
Provisions	4 915	6 016	5 884	
Deferred income	764	618	45	
Total current liabilities	**96 807**	**101 661**	**97 475**	
Non- current liabilities				
Borrowings	340 729	306 602	293 498	
Deferred income	68 849	50 709	38 468	
Trade payables	34	0	0	
Provision	18 718	18 593	20 186	
Total non- current liabilities	**428 330**	**375 903**	**352 152**	
Total liabilities	**525 137**	**477 564**	**449 627**	
Shareholders' Equity				
Share capital	464 900	464 900	464 900	
Share premium	259 833	259 833	259 833	
Statutory reserve	43 822	41 692	40 020	
Hedging reserve	-336	-2 137	-3 930	
Retained earnings	66 027	31 762	0	
Net profit for the period	135 194	42 594	33 433	
Total capital and reserves	**969 438**	**838 643**	**794 256**	
Minority interest	**2 070**	**1 468**	**1 192**	
Total shareholders' equity	**971 508**	**840 110**	**795 448**	
Total liabilities and equity	**1 496 645**	**1 317 674**	**1 245 075**	

Consolidated cash flow statement, € th.

	1.04.2005 - 31.03.2006	1.04.2004 - 31.03.2005
Net profit for the financial year	**137 166**	**42 870**
Depreciation and impairment	99 781	87 618
Amortisation of connection fees	-2 163	-1 545
Profit from sale of tangible fixed assets	-1 243	-373
Profit from sale of business unit	0	-449
Group's share of associates' profit	-1 081	-1 036
Profit from sale of financial investments	0	-1
Loss from written down of financial investment	471	0
Interest income	-1 699	-510
Exchange gain from borrowings in foreign currency	0	-1
Interest expenses on borrowings	28 304	18 362
Adjusted net profit	**259 535**	**144 935**
Loss/profit from doubtful receivables	-96	676
Increase in trade receivables	-7 135	-4 482
Change in inventories	-1 243	-1 745
Change in prepaid expenses	-192	-852
Net change in other current assets relating to operating activities	-256	-430
Net change in current assets relating to operating activities	**-8 922**	**-6 834**
Recognition of provisions and interest charge on provisions	906	861
Utilisation of provisions	-2 326	-2 651
Change in trade payables	-1 885	3 596
Net change in other liabilities relating to operating activities	4 081	2 765
Net change in liabilities relating to operating activities	**776**	**4 571**
Interest and loan fees paid	**-23 644**	**-17 951**
Interest received	**1 327**	**514**
Income tax paid	**-1 370**	**0**
Net cash flow from operating activities	**227 702**	**125 235**
Cash flows from investing activities		
Purchase of tangible fixed assets	-155 044	-161 133
Proceeds from connection fees	20 304	13 786
Proceeds from sale of tangible fixed assets	2 182	663
Proceeds from sale of business units	0	1 945
Dividends received from associates	1 132	1 009
Purchase of long-term financial assets	-8 644	-128
Proceeds from sale of financial investments	0	5
Net cash used in investing activities	**-140 070**	**-143 852**
Cash flows from financing activities		
Proceeds of long-term bank loans	0	15 000
Repayment of long-term bank loans	-52 364	-1 182
Proceeds from issue of long-term bonds	208 156	0
Repayment from issue of long-term bonds	-128 091	0
Finance lease principal payments	-26	-11
Dividends paid	-6 199	0
Net cash used in financing activities	**21 475**	**13 808**
Net increase/decrease in cash and cash equivalents	**109 107**	**-4 809**
Cash and cash equivalents at the beginning of the period	40 301	45 110
Cash and cash equivalents at the end of the period	149 408	40 301
Change in cash and cash equivalents	**109 107**	**-4 809**

Notes to the financial statements

1 Segment reporting

For segment reporting purposes, the group's business units and subsidiaries are divided into business segments based on the internal management reporting structure and statutory requirements stipulated in the Electricity Market Act of Estonia. The Electricity Market Act of Estonia requires separate accounting to be held for electricity production, transmission, distribution and sales. Operating revenues and expenses are allocated to different segments based on internal invoices. The pricing of inter-segment transfers is based on the prices approved by the Estonian Energy Market Inspectorate, or if not available, on the market prices. If no market prices exist, the management board of the Group affirms the internal prices.
No information on geographical segments is presented, as all significant activities of the Group take place in Estonia.
For segment reporting, the companies and units are divided into the following business segments:

Oil shale mining - Eesti Põlevkivi;
Production of electricity and heat - Narva Elektrijaamad, Iru Elektrijaam, AS Kohtla-Järve Soojus, Renewable energy;
Oil production – AS Narva Power Plant's Oil Production Plant
Transmission of electricity – OÜ Põhivõrk;
Distribution of electricity – OÜ Jaotusvõrk;
Sales and customer service - Teenindus;
Support services - Energoremont, AS Elektriteenused, AS Elpec, Televõrgu AS, AS Elektrikontrollikeskus, Administration, Support services.

1.4.2005-31.3.2006 € th	Oil shale mining	Production of electricity and heat	Production of oil	Transmission of electricity	Distribution of electricity	Sales and customer service	Support services	Intragroup eliminations	Total group
Revenue	118 860	334 470	25 292	69 066	158 801	235 129	51 329	-459 397	533 549
EBIT	8 299	97 794	12 132	16 804	22 504	3 395	3 943	348	165 218

1.4.2004-31.3.2005 € th	Oil shale mining	Production of electricity and heat	Production of oil	Transmission of electricity	Distribution of electricity	Sales and customer service	Support services	Intragroup eliminations	Total group
Revenue	111 653	250 068	16 326	61 846	138 099	325 193	45 706	-551 472	397 420
EBIT	8 004	37 021	3 608	5 407	12 623	-6 321	728	296	61 365

2 Investments in associates

On the 29th of April, 2005 AS Eesti Energia increased its associate's AS Nordic Energy Link equity by 8 644 thousand euros. Other AS Nordic Energy Link shareholders contributed 13 213 thousand euros. After the event, AS Eesti Energia's share in the company is 39.9%.

3 Income tax

In June 2005, AS Eesti Energia's subsidiaries AS Eesti Põlevkivi and AS Elektrikontrollikeskus announced dividend, on which the income tax amounted to 1 370 thousand euros. According to the Estonian Income Tax Law, if a resident company has received dividends from a resident company and the recipient of the dividends owns, at the time of payment of the dividends, at least 20 per cent of the shares or votes of the payer of the dividends, the recipient of the dividends is not obliged to impose income tax on the same amount paid by it as dividends.

	Net dividend	Deductions	Income tax	Tax rate
AS Eesti Põlevkivi	6 391	2 148	1 340	21,0%
AS Elektrikontrollikeskus	96	0	30	31,6%
Total	**6 487**	**2 148**	**1 370**	**21,1%**