

# IS THERE LIFE AFTER THE CRISIS?

*Analysis Of The Baltic Media's  
Finances And Audiences*

(2008-2014)



**Rudīte Spakovska, Sanita Jemberga,  
Aija Krūtaine, Inga Sprinģe**

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### Sources of information:

Lursoft – database on companies

Lithuanian Company Register

ORBIS – database of companies, ownership and financial data worldwide.

Data harvesters: Rudīte Spakovska, Aija Krūtaine, Mikk Salu, Mantas Dubauskas

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Special thanks to Anders Alexanderson, Uldis Brūns, Ārons Eglītis

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Riga, 2014



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## Lithuania: Aukse Balčytienė

Professor at the Public Communication Department  
at Vytautas Magnus University



### **What is currently the greatest challenge for the media in Lithuania?**

I think that the most burning issue is the professionalism of journalists, the rejection of mutual solidarity and standards. I think that journalists have their personal interests in mind a little too much. Of course there are editorial boards where journalists' standards are high, but there are also commercial media, which are incurring losses and as a result are very oriented to gaining income. In these places, journalists even abandon professional standards as a result of pressure from an editor-in-chief and adopt the motto: "If we can earn money through this, we'll do it!" On the other hand more powerful editorial boards are appearing, not many, two or three, and among them there are public media editorial boards, but the situation is getting worse in the most popular media as a whole.

### **What is happening to print media in Lithuania?**

They are suffering and I think that print media will die out. Women's and gossip magazines are too popular to be considered as mass media, but daily newspapers, to my mind, are so marginal that they will soon disappear. In actual fact, they have already disappeared, especially in the regions, whereas the national newspapers with small circulation are surviving with insignificant advertising and various contracts with businesses. This is very sad.

### **What is happening with the Russian language press?**

It is marginal and doesn't set the national agenda in Lithuania. There's PBK, but it's audience is so small and we can't talk about the Russian language media as being influential in Lithuania.

### **What are the characteristics of media consumption in Lithuania?**

Internet media already dominate the media environment in Lithuania, just like in the rest of the Baltics, and this is unique. In this sense, we differ greatly from Central European countries. Compared with, for example, Poland, it's as if we were from different planets. The traditional media are still the leaders there.

### **Is the profession of journalism in Lithuania a desirable one?**

Students enrol in the communications faculty, but they are attracted to the creative industries – public relations, projects, marketing and not just journalism. At the same time, journalists are also among the opinion leaders in the country, and these are young professional journalists.

Overall, the situation in Lithuania is better than it was – there are flickers of hope. There are editorial boards which are improving their work and there are examples of journalists cooperating, and raising standards. Such events as the Ukrainian crisis and external threats have forced editorial boards and journalists to rethink what sort of news they provide and what sort of daily agenda they are setting. We are heading in the right direction. It's true that there's still a long road ahead.

## Latvia: Anda Rožukalne

Rīga Stradiņš University,  
Head of the Department of Communication Studies



### What is currently the greatest challenge for the media?

In Latvia, both the creators of media content, as well as the audience accept that water is being mixed with oil: when it is convenient, journalism is called independent, honest and professional; when it is not – the words dishonest, corrupt and tendentious journalism flood in. Furthermore, from a number of traditional media functions (ed. - for example, to promote discussion, to be a watchdog, to follow and analyse the work of public officials), the view now prevails in the media environment that the main thing is to entertain. That is not the case, however. People also want to get serious professional information and many people living in Latvia can't find what interests them.

Everybody is involved in the creation of this situation at the moment. It is not as if all of the audience is hungry and ready to pay for high quality journalism. There is a section of the audience which seeks quality and is ready to pay for it, but the majority of them have, over the decades, become used to being consumers and wait to be entertained.

### What is happening with the print media?

Newspapers are failing throughout the world, but in Latvia they are failing in a degraded way, with the conviction that we don't even have a base for nostalgia any more, that there aren't any values to renew. National newspapers have become marginal and don't determine the daily agenda. This role has been assumed by internet portals. Of course, there are also market factors – Latvian newspapers delayed their entry to the internet, there was the financial crisis, but Latvia's national newspapers mainly suffered because professionals reconciled themselves and tried to work according to the interests of the owners. Can we really say that some newspaper is promoting changes in society, is any newspaper in an ideal situation?

The paradox is that the media sinks even further by adapting, by reconciling itself, manufacturing news, filling the papers with purchased content and taking any amount of money available. A dual game doesn't work and nobody needs a newspaper just for a newspaper's sake.

### Speculating about the future of the press: what will there be of the print media in Latvia in five years' time?

In five years' time, only *Latvijas Avīze* will be coming out. Despite everything, it has been able to maintain its goal and classical elements of journalism, for example, satire, up till now. Regional newspapers will also keep coming out. Magazines will establish their place, and that's not bad. Even though gossip and women's magazines are the market leaders, specific publications and in-depth publications on nature, travel, the environment or science are establishing themselves.

New media are evolving and the majority of them are not being created by media specialists. Currently, amateurs are entering the media environment like they did in the 1990s – they are activists, who at times, set even higher demands for their content than the professionals.

### What is happening with the Russian language press?

The influence of Russia's media in Latvia wouldn't be so great if it wasn't repeated by the local Russian language media. The feeling of being a victim, and the raising of the national issue as an absolute and also just taking a one-sided opinion, are all characteristics of the majority of the local media. The feeling of being a victim has also destroyed a number of media – a generation has grown up that is not interested. There are no Russian speaking young people in any Latvian media, irrespective of what language they speak. They get enough information from *Facebook* and *Livejournal*.

There is a view that independent journalism doesn't pay and doesn't work. But practice shows – if you only provide what the audience wants to hear, then there's ever less to be heard. For there to be an echo, there needs to be a voice.

There is hope that this year's initiatives [the development of a joint Baltic TV channel in the Russian language] of creating content in Russian will achieve the goal – the audience for the most popular Russian media in Latvia is not large and there is a sufficiently large proportion of Russian language residents with whom one can and should speak objectively in Latvia, providing them with news in the classical understanding of it.

## Estonia: Ragne Kouts

Tartu University, Social Studies Institute,  
media studies lecturer,  
Head of the Sociology Masters Programme



### What is currently the most important issue for the Estonian media?

The media doesn't understand its audience, the readers – the audience is fragmented and we lack methods for understanding and researching what the readers expect and need. In the global environment – *Google News* and other big players are taking over media content and earnings in Estonia. I believe that people are reading news more and more on the internet and on social networks. The media themselves admit that they are unable to battle against such monsters as *Google*, *Youtube* and social networks.

### What is happening to the print media?

Some newspapers have truly loyal readerships and to them the print media is important. For example, *Maaleht*, which mainly deals with rural themes, as well as other printed newspapers, are important and influential media, and will remain so in the future as well.

### What determines the daily agenda?

I'd say – public media. They are available on a variety of platforms – TV and radio, and they are very influential on the internet. They are the most trustworthy media and a lot of commercial media follow their daily agenda. But the largest newspapers – *Postimees*, *Eesti Päevaleht* and *Eesti Ekspress* also have good investigative journalism.

### What is happening with the Russian language media?

Estonia's Russian language media are poorly represented in the media environment and are not important to the Russian speaking audience, and that is a big problem. Our government and state institutions are currently solving the issue about whether we can provide information on Russian language TV or even create our own channel in the Russian language. The majority of the Russian speaking audience watches TV channels from Russia. This is a serious and worrying problem.

### How will the media environment change in the future?

Currently, in Estonia we have balanced information channels – TV, the press, internet, and I don't foresee significant changes.

What we don't know is what will happen with the journalist profession in the future. Estonia's commercial media sometimes tries to influence journalists. The profession isn't very well paid and isn't highly respected. As journalists don't have a powerful organization to protect their interests, it seems that many choose to be independent and work freelance. In the future there will be many groups of journalists or individual journalists who will offer content to various media. At least that seems to be the current trend.

## Media after crisis

The role of the media is more significant than just informing the public about what's happening or entertaining it. They serve as a watchdog in developed and democratic societies, assisting the forming of opinions and promoting discussion. During the recent global financial crisis which hit the US, Europe and the other countries around the world, the media were also seriously affected; in many places, their future and role in society is under threat. Huge losses, murky ownership, the erosion of the division between the editorial and business sides, hidden advertising, weak editorial boards, falling standards, decrease in audiences and a gradual decline in the people who are ready to pay for quality journalism – this is the crisis legacy among many of the Baltic media. Complicating things further, they must face technological change and shifts in consumers' habits, such as the use of smart phones, social networks and internet giants such as *Google News*.

What is really happening in the Baltic media environment? Russian writer Leo Tolstoy once said that all happy families are similar to each other, but each unhappy family is unhappy in its own way. Are the media in the Baltic states unhappy too, each in their own unique way, or is the talk about the critical situation of the media in Latvia, Lithuania and in Estonia perhaps over-exaggerated?

For this research we chose the top five most popular newspapers, magazines, internet portals, radio stations and TV channels in each Baltic country. After that we analyzed their audience and financial indicators to understand the changes in the media market since the 2008 financial crisis. In the research we provide comparative data for financial and audience numbers, as well as a textual analysis.



## Main conclusions

Five years after the beginning of the crisis, the media are poorer than they were before it. Thirty-nine of the 49 companies that directly own the 75 most popular media outlets in the Baltics have yet to regain their turnover levels of 2008.

The newspaper industry has taken the hardest hit, although the turbulence started already before the crisis due to the change in readers' habits. However, now the industry looks like a battlefield after a massive disaster, and it still has ground to regain.

Seven of the companies which publish the 15 largest Baltic newspapers have suffered losses in the last year. The data have to be approached and interpreted with caution, though, as for many of them only consolidated data of the parent companies are available (the same applies to the data covering news websites). But the trends are clear.

Although individually the biggest losses in the Baltic newspaper market were experienced by the publisher of Latvia's newspaper *Diena*, which in five years has lost 76% of its turnover, overall the publishers of Lithuania's newspapers have been hit hardest. The decrease in their turnover has been between 41.2 - 72.4%. Only *Lietuvos Rytas* has returned to the profit in 2013, while a good sign, does not offset the losses of the previous years.

Only newspapers in Estonia can boast of clear ownership and manageable losses.

Magazine publishers are faring significantly better. They have been heavily hit by the crisis, but 14 out of 15 have managed to post a profit in 2013.

It turns out that the tastes of the Baltic consumers vary in their magazine choices. In Lithuania, the household tips and celebrity gossip magazines are the most popular, while in Latvia the top spots are taken by celebrity and women's magazines. In Estonia, popular history and science have found a place among the top five magazines.

The leading news websites in the Baltics are controlled by Estonia's entrepreneurs. Estonians own both the first and the second most popular news websites in Latvia and Lithuania. They are way ahead of the closest competitors.

Businesswise, internet media are also doing reasonably well. For example, of all the *Delfi* holdings in the Baltics only the Latvian branch has not managed to return to the pre-crisis turnover level, losing about one-fifth of its business on the way. The drop is comparable to the trends of similar enterprises in the industry.

Nine out of 14 leading Baltic news websites are reporting profit, but, as noted before, the data have to be viewed and

interpreted with a caution as their results are not reported separately from the parent company in all cases.

Although the advertising market for radio has taken a significant hit in terms of fallen turnover and profit, it still manages to do reasonably well. Only one of the top 15 enterprises has reported a loss in 2013.

The situation is less bright for the television. Three out of 15 leading TV channels are in the red, two of them in Estonia. On the other hand, Lithuania's TV market has lost on average one-fifth of its value during the crisis years, but all five of the top channels are making money again.

The proportion of native Russian speakers among the Baltic's population explains the popularity of the Russian-language media channels. In Latvia, two of the top five television channels broadcast in Russian and their audience's viewing time is bigger than in Lithuania or Estonia. The most popular newspaper in Latvia, the weekly *MK - Lambuša*, is published exclusively in Russian. None of the top five newspapers in Lithuania or in Estonia are a Russian-language title.

The crisis has brought significant ownership changes in the leading Baltic media houses. A number of the Nordic concerns, which owned the media houses in the Baltics, have abandoned the market since the beginning of the crisis.

In 2009, the *Bonnier Group* sold the leading Latvian newspaper *Diena* and the other enterprises in the group to investors with the dubious reputation. Now, two of the top five Latvian newspapers are in the hands of politically connected transit businessmen. Norway's *Schibsted* left the Baltic market in 2013, when it sold *Eesti Media* group to local investors and group management. Finland's *Sanoma* sold the second most popular Latvian news website *tvnet.lv* to *Eesti Media*, while *Alma Media* parted with the newswire *BNS*, which was bought by Estonian investors.

Overall, the healthiest media environment in the Baltics is in Estonia. Press freedom is considered to be higher than in neighbouring countries, media houses yield better financial results and its holdings operate all over the Baltic states.

Also, Estonians use and believe in their media more than the rest of the Baltics. Lithuanians are the most suspicious. Opinion polls show that the trust in the media goes hand in hand with trust in the state. In Lithuania, only 10% of the residents trust the parliament, while in Latvia the figure is 17% and in Estonia 40%.

## Changes in turnover, 2013 vs 2008

% change in overall turnover for the parent company

|                    | LITHUANIA              | LATVIA                         | ESTONIA              |
|--------------------|------------------------|--------------------------------|----------------------|
| 1st newspaper      | Lietuvos Rytas         | МК Латвия                      | Postimees            |
| Owner              | Lietuvos rytas         | Izdevniecības nams Print Media | Postimees            |
| Change in Turnover | - 57.9                 | - 2.1                          | - 9.1                |
| 2nd newspaper      | Vakaro Žinios          | Latvijas Avīze                 | Õhtuleht             |
| Owner              | Naujasis aitvaras      | Lauku Avīze                    | SL Õhtuleht          |
| Change in Turnover | - 71.9                 | - 37.1                         | - 23.5               |
| 3rd newspaper      | Respublika             | Diena                          | Maaleht              |
| Owner              | Respublikos leidiniai  | Dienas mediji                  | Eesti Ajalehed       |
| Change in Turnover | - 72.4                 | - 76.0                         | 46.8                 |
| 4th newspaper      | Kauno Diena            | Вести СЕГОДНЯ                  | Eesti Päevaleht      |
| Owner              | Diena Media News       | Mediasistēma                   | Eesti Ajalehed       |
| Change in Turnover | - 47.1                 | nd                             | 46.8                 |
| 5th newspaper      | Šiaulių Kraštas        | Rīgas Viļņi Laimīgā Programma  | Eesti Ekspress       |
| Owner              | Šiaulių kraštas        | Izdevniecība Rīgas vilņi       | Eesti Ajalehed       |
| Change in Turnover | - 41.2                 | - 25.2                         | 46.8                 |
| 1st magazine       | Savaitė                | Ieva                           | Kroonika+Nädal       |
| Owner              | Savaitė                | Žurnāls Santa                  | Ajakirjade Kirjastus |
| Change in Turnover | 47.5                   | - 38.6                         | - 43.1               |
| 2nd magazine       | Žmonės                 | Privātā Dzīve                  | Kodu ja Aed          |
| Owner              | Žurnālų leidybos grupė | Žurnāls Santa                  | A-meediagrupp        |
| Change in Turnover | - 24.5                 | - 38.6                         | - 31.4               |
| 3rd magazine       | TV Antena              | Kas Jauns                      | Eesti Naine          |
| Owner              | Lietuvos rytas         | Izdevniecība Rīgas vilņi       | Ajakirjade Kirjastus |
| Change in Turnover | - 57.9                 | - 25.2                         | - 43.1               |
| 4th magazine       | Ji                     | Ievas Stāsti                   | Imeline Ajalugu      |
| Owner              | Žurnālų leidybos grupė | Žurnāls Santa                  | Äripäev              |
| Change in Turnover | - 24.5                 | - 38.6                         | - 15.1               |

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|                    | LITHUANIA                          | LATVIA                   | ESTONIA                 |
|--------------------|------------------------------------|--------------------------|-------------------------|
| 5th magazine       | Prie Kavos                         | Ievas Virtuve            | Imeline Teadus          |
| Owner              | SS Leidyba                         | Žurnāls Santa            | Äripäev                 |
| Change in Turnover | 719.1                              | - 38.6                   | - 15.1                  |
| 1st website        | delfi.lt                           | delfi.lv                 | delfi.ee                |
| Owner              | Delfi, UAB                         | Delfi, AS                | AS Delfi                |
| Change in Turnover | 45.1                               | - 21.9                   | 1.9                     |
| 2nd website        | 15min.lt                           | tvnet.lv                 | postimees.ee            |
| Owner              | 15 min                             | TV Net                   | Postimees               |
| Change in Turnover | - 42.0                             | - 2.5                    | - 9.1                   |
| 3rd website        | lrytas.lt                          | kasjauns.lv              | ohtuleht.ee             |
| Owner              | Lrytas                             | Izdevniecība Rīgas Vilņi | SL Õhtuleht             |
| Change in Turnover | 110.6                              | - 25.2                   | - 23.5                  |
| 4th website        | balsas.lt                          | diena.lv                 | aripaev.ee              |
| Owner              | UAB Balsas.lt                      | Dienas mediji            | Äripäev                 |
| Change in Turnover | nd                                 | - 76.0                   | - 15.1                  |
| 5th website        | vz.lt                              | la.lv                    | reporter.ee             |
| Owner              | Verslo žinios                      | Lauku Avīze              | Kanal 2                 |
| Change in Turnover | - 47.8                             | - 37.1                   | - 23.1                  |
| 1st radio          | M-1                                | Latvijas Radio 2         | Vikerraadio             |
| Owner              | M-1                                | Latvijas Radio           | Eesti Rahvusringhääling |
| Change in Turnover | 7.6                                | - 18.2                   | - 3.8                   |
| 2nd radio          | LRT Radijas                        | Radio Skonto             | Raadio Elmar            |
| Owner              | Nacionalinis radijas ir televizija | Radio Skonto             | Trio LSL                |
| Change in Turnover | - 20.7                             | - 45.1                   | - 20.7                  |
| 3rd radio          | Lietus                             | Latvijas Radio 1         | Sky Plus                |
| Owner              | Radijo stotis Ultra Vires          | Latvijas Radio           | Taevaraadio             |
| Change in Turnover | - 49.2                             | - 18.2                   | - 73.7                  |
| 4th radio          | Radiocentras                       | EHR                      | Star FM                 |
| Owner              | Radiocentras                       | Super FM                 | Mediainvest Holding     |
| Change in Turnover | - 59.3                             | - 89.3                   | - 22.5                  |

|                    | LITHUANIA                          | LATVIA                         | ESTONIA                 |
|--------------------|------------------------------------|--------------------------------|-------------------------|
| 5th radio          | Pūkas                              | Star FM                        | Русское Радио           |
| Owner              | Pūkas                              | Star FM                        | Taevaraadio             |
| Change in Turnover | - 46.6                             | - 24.6                         | - 73.7                  |
| 1st TV             | LNK                                | TV3                            | Kanal 2                 |
| Owner              | Laisvas ir nepriklausomas kanalas  | TV 3 Latvia                    | Kanal 2                 |
| Change in Turnover | - 22.8                             | - 5.1                          | - 23.1                  |
| 2nd TV             | TV3                                | LNT                            | ETV                     |
| Owner              | Tele-3                             | Latvijas Neatkarīgā Televīzija | Eesti Rahvusringhääling |
| Change in Turnover | - 22.6                             | - 47.9                         | - 3.8                   |
| 3rd TV             | LRT televizija                     | LTV1                           | TV3                     |
| Owner              | Nacionalinis radijas ir televizija | Latvijas Televīzija            | TV 3                    |
| Change in Turnover | - 20.7                             | - 23.6                         | - 12.9                  |
| 4th TV             | BTV                                | Первый Балтийский Канал        | Первый Балтийский Канал |
| Owner              | Laisvas ir nepriklausomas kanalas  | Baltic Media Alliance          | Baltic Media Alliance   |
| Change in Turnover | - 22.8                             | 33.0                           | 33.0                    |
| 5th TV             | Первый Балтийский Канал            | НТВ Мир Латвия                 | НТВ Мир                 |
| Owner              | Baltic Media Alliance              | Baltic Media Alliance          | Baltic Media Alliance   |
| Change in Turnover | 33.0                               | 33.0                           | 33.0                    |

Sources: Orbis, Lursoft, publicly available information

## The scariest victim - media freedom

In the latest *Freedom House* report (2014) it pinpointed Estonia as the only Central European/EU country where the press freedom index did not decrease. In Lithuania, it fell after a police raid on the premises of the news wire *Baltic News Service (BNS)*. In the autumn of 2013, the police interrogated *BNS* journalists, confiscated computers and searched the premises of BNS after the newswire had published a secret report by Lithuania's State Security Department, which warned Lithuanian officials about a possible information war attack from Russia. The police demanded disclosure of the journalists' sources which they refused.

According to *Freedom House*, the increasing consolidation of the media in the hands of a few owners is the reason for concern in Latvia, as it endangers their ability to serve as an independent watchdog.

Latvia is identified as the Baltic country with the most reasons to worry. With only 27 points in the *Freedom House* index, it is close to be considered as a country with a partially free media (the critical limit is 30).

The biggest identified problem in Latvia is the attempts by political players to influence media content. Over the last 10 years, this index has increased from 4 to 11 points. Now, the media in Latvia have to deal with the increasing possibility that a variety of governmental institutions may try to influence their content. For example, governmental institutions can control the availability of information, by banning it or doing the exact opposite – forcing the media to publish particular articles. The links with political parties and subsequent defense of their agendas, also provide evidence about the political influence on media content. The economic freedom of the media have been reduced both by the harsh realities of the market and the hiding of their real owners, *Freedom House* and media experts report.

### Press Freedom Index, 2014

**Max - 100, the lower the index, the more free are the media**

|           | Press Freedom Index | Judicial environment | Changes since 2003 | Political environment | Changes since 2003 | Economic environment | Changes since 2003 |
|-----------|---------------------|----------------------|--------------------|-----------------------|--------------------|----------------------|--------------------|
| Estonia   | 16                  | 5                    | -1                 | 4                     | -1                 | 7                    | 1                  |
| Latvia    | 27                  | 6                    | -1                 | 11                    | 7                  | 10                   | 4                  |
| Lithuania | 24                  | 6                    | 1                  | 8                     | 1                  | 10                   | 4                  |

Source: *Freedom House* [http://www.freedomhouse.org/sites/default/files/NIT2014%20booklet\\_WEBSITE.pdf](http://www.freedomhouse.org/sites/default/files/NIT2014%20booklet_WEBSITE.pdf)  
<http://freedomhouse.org/report/freedom-press-2014/press-freedom-rankings#.VB6BFqMteKV>

## The least trusted - newspapers and websites

### Trust in the media

#### % which tends to trust it

|               | LV | LT | EE | EU average |
|---------------|----|----|----|------------|
| radio         | 61 | 52 | 68 | 54         |
| TV            | 60 | 49 | 68 | 48         |
| printed media | 46 | 40 | 55 | 41         |
| news websites | 46 | 38 | 46 | 34         |

Source: Eurobarometer, Autumn 2013

[http://ec.europa.eu/public\\_opinion/archives/eb/eb80/eb80\\_media\\_en.pdf](http://ec.europa.eu/public_opinion/archives/eb/eb80/eb80_media_en.pdf)

The Lithuanians are the *Doubting Thomases* of the Baltic States – their trust in the media is the lowest, while the Estonians trust them most.

Although the levels of trust vary, the trends in the Baltic states are similar. The majority of residents, as in Europe, trust the radio most, followed closely by television.

Meanwhile, trust in print media and the internet is much lower.

Overall, the audience in the Baltic States trusts the media, except in Lithuania, where the majority of the audience distrusts print media. A similar situation exists in Europe too, where, in most cases the proportion of the audience which distrusts the printed press and the internet exceeds those that trust them.

### What do we have in common?

The unifying factor of the Latvian, Lithuanian and Estonian media markets are the same leading players.

The Swedish concern *MTG* owns one of the most popular TV channels in each of the Baltic States - *TV3*.

*Baltijas Mediju Alianse* (*Baltic Media Alliance, BMA*) is undisputed leader among the Russian-language media. Its TV channels - *Pirmais Baltijas kanāls* (*Первый Балтийский канал*) and *NTV Mir* (*НТВ Мир*) – dominate this environment. The channels mainly broadcast content created in Russia, localizing the news and advertising in the respective country. In Latvia, *BMA* also owns the most popular newspaper: the Russian language weekly *MK-Latvija* (*МК-Латвия*).

Estonia-based companies own the most popular Baltic news websites. The leaders – the *Delfi* portals (*delfi.lt*, *pl.delfi.lt*, *ru.delfi.lt*, *en.delfi.lt*, *delfi.lv*, *rus.delfi.lv*, *delfi.ee* and *rus.delfi.ee*) – are controlled by the *Ekspress Grupp*. The *Ekspress Grupp* also controls four of the five most read newspapers in Estonia, except for the most popular: *Postimees*.

*Postimees* belong to the *Eesti Meedia* concern, which also operates across the Baltics and is registered in Estonia. The most watched Estonian TV channel (*Kanal 2*) and the second most popular Estonian radio (*Raadio Elmar*) are under the concern's control. It also owns the internet portals *15min.lt*, *tvnet.lv* and *postimees.ee*, which are the second most popular portals in each of the Baltic States.

## Media as working poor

In 2009, all of the Baltic States experienced an *annus horribilis*. With their economies practically in the freefall, all media houses were taking the hit hard. Turnovers decreased, most were suffering from significant losses.

Not all of them have been able to to recover from this blow. Many are still battling with losses, with dramatically reduced advertising income and changing demands of the audience.

Thirty-nine out of 49 companies that directly own the top 75 media in the Baltic States have not returned to their 2008 level of turnover. Even though a reduction in turnover can be indicative of business optimization or restructuring, in this case the most likely explanation is that the crisis is not over for them yet and the media are poorer than prior to 2009.

The greatest drop in turnover has happened among the newspapers. The turnover of four of the publishers whose titles are among the Top 15 in the Baltics has fallen by more than 50%.

The record, though, belongs to Latvian-based radio station *EHR* (the former *Super FM*). It's turnover in the past year was 89% smaller than in 2008. The co-owner of the station, Uģis Polis, says the drop is due to the shrinking advertising market for radio (estimated at 8 million euros in Latvia) on one side and permanently increasing the number of radio stations who battle for it on another.

## The biggest losers - newspapers

Falling advertising revenues, declining numbers of subscribers, smaller circulation and annual losses. The daily grind of the print media seems almost apocalyptic, especially in Latvia and Lithuania, although Estonia does not escape the problems either.

A complete and trustworthy analysis of the print media is not a simple task. In Latvia, media circulation is not audited and the self-declared information about it often looks more like the desired than actual.

Also, for the part of the newspapers which were examined in this research, their parent companies did not report their financial data separately from the concern's overall profit.

The financial situation of newspapers in the Baltic States is influenced by varying degree of demand. Forty-one percent of the inhabitants of Estonia claim that they read the newspapers or magazines every day. In Latvia the figure is just 17%. Besides, one third of the population reports that it reads newspapers only a few times per month - or never.

In Estonia, the leading newspaper, *Postimees*, continued to be profitable through the crisis, but has dipped into the red during the last two years. Meanwhile, *Eesti Ajalehed*, the subsidiary of *Ekspres Grupp*, which publishes three of the five most popular newspapers in Estonia, has been

## Press consumption

### % who read the papers/magazines

|           | Every day | 2-3 times per week | 2-3 times per month | Never | No access to the media, don't know |
|-----------|-----------|--------------------|---------------------|-------|------------------------------------|
| Latvia    | 17        | 48                 | 24                  | 11    | 0                                  |
| Lithuania | 28        | 45                 | 19                  | 8     | 0                                  |
| Estonia   | 41        | 33                 | 19                  | 7     | 0                                  |

Source: *Eurobarometer*, Autumn 2013

profitable over the past nine years, except in the bleakest year, in 2009.

The most popular newspaper in the Baltics is the Lithuanian paper *Lietuvos Rytas*. In the spring of 2014, each issue was read by an average of 243,000 readers, but it has not escaped the overall negative trends of the market. Circulation (y-o-y) has declined by more than 2,000 copies in spring 2014, and the newspaper's audience has shrunk by a quarter. The readership figures are falling for other newspapers in Lithuania as well, except for the regional newspaper, *Šiaulių kraštas*, which has managed a slight increase.

*Lietuvos Rytas* has also not done well financially. Its overall losses since 2008 have exceeded 5 million euros. The rest of the top newspaper publishers have been in the red, too.

The most popular newspaper in Latvia is the Russian language *MK - Λαμβουα*. Each issue is read by 202,000 readers. It managed a small profit last year, but prior to that suffered losses for four years.

*A/s Lauku avīze*, the publisher of the second most popular newspaper in Latvia, is the rarity of the media market as it has not suffered any loss during the last five years, but it does have supporting businesses which are not related to the newspaper.

The reigning queen of Baltic newspaper losses is Latvia's third most popular newspaper, *Diena*. Between 2008 and 2013 its publisher, *Dienas mediji*, has lost more than 11 million euros. Its turnover has fallen five-fold, from 13.6 million euros in 2007 to 2.8 million last year. The company's own capital is negative (- 5.49 million euros) and its short-term liabilities exceed its short-term assets by almost 600,000 euros. These circumstances are a cause of uncertainty and could cause concern about the company's ability to continue, *Dienas mediji* management reported in the annual report of 2013. The concern's parent company, *a/s Diena*, has, however, received confirmation of the concern's owner, *SLA Rīgas Tirdzniecības osta*, that it will provide financial support if necessary.

## Magazines doing much better

The declining role of newspapers, however, does not indicate the decline of all the printed press - magazines are still read by many. The losses incurred during the crisis have hit magazine publishers less harshly. The majority of the publishers of the Baltic top magazines have been able to return to profit.

In Latvia, the undisputed leader is *SLA Žurnāls Santa* which publishes four of the top five magazines, including the overall market leader *Ieva*. Also, the finances of the publishing house are healthy. It suffered losses only in 2009 (122,000 euros), but was back to a profit of over a million euros the next year and it has continued ever since.

In Lithuania, the most popular magazine is the weekly *Savaitė (Week)* which is devoted to the various household tips and contains TV listings. Its readership is growing, as is the turnover of its publisher. It is profitable.

In Estonia, the most popular newspaper is *Kroonika+Nädal (Chronicle + Week)*; entertainment and celebrity news) and financially it is successful.

The top Baltic magazines shows that the most beloved are the gossip and women titles. In Estonia, the accessible science and history magazines have managed to climb in the top five, but their success is not repeated elsewhere in the Baltics.

## Estonians rule the internet

Every month, more than two million people or 60% of Baltic internet users visit one or another of the *Delfi* portals which are owned by Estonia's *Ekspress Grupp*. The biggest audience and accordingly sales of the portal are in Lithuania. In Estonia, *Delfi's* sales volume is almost twice as big as in Latvia, although the audience is smaller by a quarter compared to Latvia. In 2013, *Delfi's* profit (prior to interest payments, taxes and depreciation) has decreased in Latvia and Lithuania. *Ekspress Grupp* has explained it



by the hot summer, the slow economic recovery and the uncertainty created by the introduction of the euro.

*Eesti Meedia* group owns the set of the second most popular news websites in the each Baltic country: *15min.lt*, *tvnet.lv* un *postimees.ee*.

In 2014, *Eesti Meedia* purchased the third most popular Latvian news website *apollo.lv*. from *Sanoma Latvia* (a subsidiary of the Finnish media concern, *Sanoma*). The

combination of the second and third most popular portal has increased *tvnet.lv*'s share of audience. However, as they were visited to a large degree by the same people, the number of visitors to *tvnet.lv* increased from 561,000 in April to 677,000 in June, still lagging behind the market leader *Delfi*.

The rest of the most popular news websites in the Baltic States are owned by newspapers and partly re-publish their articles.

### The Delfi portals' financial indicators

thousands, EUR

|          | Visitors<br>(Real Users) | Volume of sales |      |              | Profit prior to tax, interest and depreciation |      |              |
|----------|--------------------------|-----------------|------|--------------|--|------|--------------|
|          | thousands,<br>June 2014  | 2013            | 2012 | %<br>changes | 2013   | 2012 | %<br>changes |
| Delfi.ee | 521                      | 4101            | 3469 | +18          | 291  | 279  | 4            |
| Delfi.lv | 687                      | 2378            | 2292 | +4           | 133  | 183  | -27          |
| Delfi.lt | 1140                     | 4924            | 4531 | +9           | 1056   | 1182 | -11          |

Source: *Ekspress Grupp*, Annual Report

### Comparison of audiences on the internet and the printed version

thousands of readers, thousands of visitors

|                |    | Print version audience<br>(Spring 2014) | Portal audience<br>(June 2014) | Portal visitors compared to<br>one print version reader |
|----------------|----|---|--------------------------------|---|
| Postimees      | EE | 193*                                    | 411                            | 2.1   |
| Lietuvos Rytas | LT | 243                                     | 844                            | 3.5   |
| Kas Jauns      | LV | 133                                     | 308                            | 2.3   |
| Õhtuleht       | EE | 173*                                    | 264                            | 1.5   |
| Diena          | LV | 68                                      | 210                            | 3.1   |
| Latvijas avīze | LV | 90                                      | 174                            | 1.9   |

Sources: *Gemius*, *TNS*, industry data

\* Estonian newspaper readership data for the first half of 2014

The readership of the news websites considerably exceeds that of print media. However, the majority of publishers have yet to find an answer of how to monetize their internet readers, which would compensate the losses incurred by print editions and provide the funds for the development.

## Radio leaders - public broadcasters

In the Baltics, radio is the most popular in Estonia and the least in Lithuania. The number of people in Lithuania who don't listen to the radio, or don't have access to it, is three times larger than in Estonia.

The top stations in Latvia (24.8% of all listeners) and Estonia (30.1%) belongs to the public broadcasters. In Latvia's case it is a schlager channel, in Estonia: current affairs and entertainment. In Lithuania, the public broadcaster owns the second most popular radio channel. Among the top five stations in Latvia the third place is also held by the public broadcaster.

The radio market leaders capture about 30% of the media market in Estonia and Lithuania, while the leader in Latvia, *Latvijas Radio 2*, is doing a little worse (about 25%).

The radio market is more fragmented in Latvia, as there are more small radio stations than in the rest of the Baltic States. Only one radio station in Latvia – the leader *Latvijas Radio 2* – has an audience which exceeds 20%, whereas in Estonia and Lithuania the four most popular radio stations have this percentage of listeners.

Financially, the radio stations cannot boast about huge profits, but they do not suffer significant losses either.

## TV: dominated by two

The consolidation of the large media concerns is felt most in the TV market. A third of the 15 most popular TV channels in the Baltics are owned by the *Baltic Media Alliance* (broadcasts in Russian), and another third are owned by the Swedish *Modern Times Group*.

Public broadcasters have also taken a spot among the top five in the Baltic States, but with varying degree of success. Public broadcasters are the third most popular both in Lithuania and Latvia, and the second most popular in Estonia.

BMA, MTG and public broadcasters own all five top channels in Latvia. In the neighbouring countries, local companies are also vying for a place on their viewers' screens. In Lithuania, the first and fourth most popular channel is controlled by the Lithuanian company *MG Baltic*. In Estonia, *Kanal 2* (owned by *Eesti Meedia*) is the leader.

In most cases, the TV channels are profitable again, but there are exceptions. In Latvia, *LNT* lost 2.7 million euros in the last year alone. In Estonia, both the most popular station *Kanal 2* and the third most popular, *TV3*, lost respectively 1.26 million and 1.19 million last year.

## Radio listeners, %

|           | Every day | 2-3 times per week | 2-3 times per month | Never | No access to media, don't know |
|-----------|-----------|--------------------|---------------------|-------|--------------------------------|
| Latvia    | 54        | 24                 | 11                  | 10    | 1                              |
| Lithuania | 50        | 25                 | 11                  | 13    | 1                              |
| Estonia   | 60        | 24                 | 11                  | 5     | 0                              |

Source: *Eurobarometer*, Autumn 2013

In 2012, *MTG* purchased *LNT* for 6.5 million euros. The Competition Council agreed to the transaction, imposing strict conditions. *TV3* and *LNT* were not allowed to abandon free-to-air transmissions until the end of 2013, and their news desks had to remain independent and unaffiliated. At least 21% of its broadcasting time has to be devoted to local production.

Both channels abandoned free broadcasting on the very next day after the term expired. They were replaced by the three regional television stations, prompting criticism of the national TV regulator, as their broadcasts left a lot to be desired in terms of modern television. *MTG* claims that its free broadcasts were watched just by 6% of the Latvian audience and the savings it will make outweigh the loss of viewers.

The ever growing role of the internet will most likely bring serious changes to the TV market. In Estonia, *reporter.ee* already uses content from *Kanal 2*. *MTG* group is developing the *tv3play* for its content on internet and mobile devices. The fact that *Delfi* intends to concentrate on developing *Delfi TV* video content this year will affect the way that the TV market is divided up, and may also influence the development of consumer habits.

### News agencies in the Baltics

There is one local news agency in the Baltics which operates in the all three states: *Baltic News Service (BNS)*. In Estonia, it is the only newswire, whereas Lithuania and Latvia have another local player.

### Viewing time for the top channels

%, June 2014

|    | LT                             | %    | LV                             | %    | EST                            | %    |
|----|--------------------------------|------|--------------------------------|------|--------------------------------|------|
| 1. | <b>LNK</b>                     | 15.5 | <b>TV3</b>                     | 10.6 | <b>Kanal 2</b>                 | 16.4 |
| 2. | <b>TV3</b>                     | 15.2 | <b>LNT</b>                     | 10.1 | <b>ETV</b>                     | 15.0 |
| 3. | <b>LRT televizija</b>          | 11.9 | <b>LTV1</b>                    | 9.8  | <b>TV3</b>                     | 10.3 |
| 4. | <b>BTV</b>                     | 7.0  | <b>Первый Балтийский Канал</b> | 9.4  | <b>Первый Балтийский Канал</b> | 6.4  |
| 5. | <b>Первый Балтийский Канал</b> | 4.8  | <b>НТВ Мир Латвия</b>          | 8.4  | <b>НТВ Мир</b>                 | 5.4  |

Source: *TNS Latvija, TNS LT, TNS Emor*

In 2013, the largest and the most financially successful newswire in the Baltics was the Latvian national news agency *LETA*. The company which dates back to the period of Latvia's first independence, is currently owned in equal parts by Mārtiņš Barkāns, Agris Strautmanis and *SLA Dyaltos Capital*. The main owner of the latter is investment company, *Sensus Capital*, which is registered in the Netherlands. *Sensus Capital* owns shares in the capital of other Latvian companies, like *Mūksalas biznesa centrs, a/s Vēlme* and *Rīgas finieris*.

The Lithuanian news agency *ELTA* also hails from the national news agency which was founded in 1920. *ELTA* currently belongs to *Respublikos investicija* (controlled by Vitas Tomkus and Justinas Tomkus), Algirdas Pilvelis and Vitas Tomkus.

*BNS*, which works in all three of the Baltic States, has experienced a number of ownership changes this year and currently belongs to Margus Linnamäe, who is a co-owner of the Estonian media concern *Eesti Meedia*, and the *Magnum* concern which sells pharmaceutical products.

Linnamäe purchased *BNS* in May 2014 from the long-standing head of radio station *Sky Meedia*, Ilmar Kompus. He, in turn, had only owned *BNS* for two months after purchasing the newswire from Finnish *Alma Media*. At the time of the transaction Estonia was awash with the rumours that he was serving as a frontman for investors from Russia, a claim which Kompus denied.

In 2013, the *BNS* newswire's turnover in the Baltics was about 2.5 million euro. The new owner of *BNS*, Margus Linnamäe has stated that *BNS* has to improve its position most in Latvia, as "the situation in this market, even if it is not rosy, is not incurring a loss either".

However, financial data for 2013 reveal that *BNS* lost 36,000 euros in Latvia. It's new owners will have to, as promised, strengthen both the media monitoring section of *BNS*, as well as the business part of the news agency. *LETA*'s turnover in Latvia alone is 20% larger than *BNS* in the entire Baltic region, while the turnover of *ELTA* is smaller than that of *BNS* in Lithuania.

## Financial indicators

thousands, EUR, 2013

|                  | Turnover | Profit |
|------------------|----------|--------|
| <b>Estonia</b>   |          |        |
| BNS              | 950.0    | -0.6   |
| <b>Latvia</b>    |          |        |
| LETA             | 3061.0   | 17.6   |
| BNS              | 587.2    | -36.4  |
| <b>Lithuania</b> |          |        |
| ELTA             | 454.0    | -22    |
| BNS              | 907.6    | -125.9 |

Source: *Lursoft*, *ORBIS*, *Lithuanian Business Register*

## Advertising market: scene from the war

Even though the volume of advertising is slowly recovering from the impact of the crisis, it is currently not even close to the level it was before the crisis.

In 2008, the advertising market in all media in the Baltics was 406 million euro. By 2013 it had fallen by 39% to 249 million euros.

In 2013, advertisers spent 57.9 euro per inhabitant in Estonia, while in Lithuania and Latvia 33.2 and 36.2 euro per inhabitant, respectively, according to calculations by TNS.

The biggest loser is Latvia where the volume of money spent on advertising has fallen by almost half. The best result is in Estonia, where “only” one third of advertising income has been lost over five years.

Hidden advertising is also a serious problem. For example, with the crisis reducing the volume of advertising, hidden advertising was perceived as an opportunity for getting additional income in Latvia. Media expert Anda Rožukalne pointed out in the academic publication, *Media Transformations*, that hidden advertising was accepted as a source of income even by the media that had previously avoided it. “I rarely refuse. In these cases I am immediately asked: Do you want to receive your pay? We have large advertisers who are never refused. It’s not possible to refuse them. We try to operate in a way that the reputation of the editorial staff doesn’t suffer, as I am ashamed of these projects. For example, journalists are permitted not to sign off under articles which are about some silly events which are only important to some business,” Rožukalne quotes a newspaper’s editor-in-chief in an academic survey.

### Advertising market in the Baltics\*

millions, EUR

|      | EST   | LT    | LV    | total |
|------|-------|-------|-------|-------|
| 2013 | 76.4  | 98.8  | 73.4  | 248.6 |
| 2012 | 72.5  | 99.4  | 70.9  | 242.7 |
| 2011 | 72.2  | 98.7  | 68.9  | 239.8 |
| 2010 | 66.0  | 94.0  | 65.3  | 225.3 |
| 2009 | 70.9  | 95.5  | 74.9  | 241.3 |
| 2008 | 111.2 | 157.0 | 138.0 | 406.2 |
| 2007 | 114.3 | 144.5 | 133.7 | 392.5 |

\* the majority is advertising in the media

Source: TNS LT, TNS Latvija, Emor

### Overall advertising market in the Baltics how it is divided up %

|            | 2013 | 2008 |
|------------|------|------|
| TV         | 42   | 36   |
| newspapers | 16   | 26   |
| internet   | 14   | 8    |
| radio      | 10   | 9    |
| magazines  | 9    | 13   |
| outdoor    | 9    | 8    |

Source: TNS

## TOP 5 Baltic Media And Their Owners

| NEWSPAPERS |                        |                                       |                        |
|------------|------------------------|---------------------------------------|------------------------|
| 1          | <b>Lietuvos Rytas</b>  | <b>МК - Латвия</b>                    | <b>Postimees</b>       |
|            | Lietuvos Rytas         | Baltic Media Alliance                 | Eesti Meedia           |
| 2          | <b>Vakaro žinios</b>   | <b>Latvijas Avīze</b>                 | <b>Õhtuleht</b>        |
|            | Naujasis aitvaras      | Lauku Avīze                           | Ekspress Grupp         |
| 3          | <b>Respublika</b>      | <b>Diena</b>                          | <b>Maaleht</b>         |
|            | Respublikos leidiniai  | Dienas mediji                         | Ekspress Grupp         |
| 4          | <b>Kauno Diena</b>     | <b>Вести сегодня</b>                  | <b>Eesti Päevaleht</b> |
|            | Diena Media News       | Izdevniecības Nams Vesti/Mediasistēma | Ekspress Grupp         |
| 5          | <b>Šiaulių kraštas</b> | <b>Rīgas vilņi Laimīgā programma</b>  | <b>Eesti Ekspress</b>  |
|            | Šiaulių kraštas        | Izdevniecība Rīgas vilņi              | Ekspress Grupp         |
| MAGAZINES  |                        |                                       |                        |
| 1          | <b>Savaitė</b>         | <b>Ieva</b>                           | <b>Kroonika+Nädal</b>  |
|            | Savaitė                | Žurnāls Santa                         | Ekspress Grupp         |
| 2          | <b>Žmonės</b>          | <b>Privātā Dzīve</b>                  | <b>Kodu ja Aed</b>     |
|            | Eesti Meedia           | Žurnāls Santa                         | A-meediagrupp          |
| 3          | <b>TV Antena</b>       | <b>Kas Jauns</b>                      | <b>Eesti Naine</b>     |
|            | Lietuvos Rytas         | Izdevniecība Rīgas vilņi              | Ekspress Grupp         |
| 4          | <b>Ji</b>              | <b>Ievas Stāsti</b>                   | <b>Imeline Ajalugu</b> |
|            | Eesti Meedia           | Žurnāls Santa                         | Bonnier Group          |
| 5          | <b>Prie kavos</b>      | <b>Ievas Virtuve</b>                  | <b>Imeline Teadus</b>  |
|            | SS Leidyba             | Žurnāls Santa                         | Bonnier Group          |
| NEWS SITES |                        |                                       |                        |
| 1          | <b>delfi.lt</b>        | <b>delfi.lv</b>                       | <b>delfi.ee</b>        |
|            | Ekspress Grupp         | Ekspress Grupp                        | Ekspress Grupp         |
| 2          | <b>15min.lt</b>        | <b>tvnet.lv</b>                       | <b>postimees.ee</b>    |
|            | Eesti Meedia           | Eesti Meedia                          | Eesti Meedia           |
| 3          | <b>lrytas.lt</b>       | <b>kasjauns.lv</b>                    | <b>ohtuleht.ee</b>     |
|            | Lietuvos Rytas         | Izdevniecība Rīgas vilņi              | Ekspress Grupp         |
| 4          | <b>balsas.lt</b>       | <b>diena.lv</b>                       | <b>aripaev.ee</b>      |
|            | Balsas.lt leidiniai    | Dienas mediji                         | Bonnier Group          |

|                    |                                |                                |                                |
|--------------------|--------------------------------|--------------------------------|--------------------------------|
| 5                  | <b>vz.lt</b>                   | <b>la.lv</b>                   | <b>reporter.ee</b>             |
|                    | Bonnier Group                  | Lauku Avīze                    | Eesti Meedia                   |
| <b>RADIO</b>       |                                |                                |                                |
| 1                  | <b>M-1</b>                     | <b>Latvijas Radio 2</b>        | <b>Vikerraadio</b>             |
|                    | M-1                            | public broadcasting            | public broadcasting            |
| 2                  | <b>LRT Radijas</b>             | <b>Radio Skonto</b>            | <b>Raadio Elmar</b>            |
|                    | public broadcasting            | Radio Skonto                   | Eesti Meedia                   |
| 3                  | <b>Lietus</b>                  | <b>Latvijas Radio 1</b>        | <b>Sky Plus</b>                |
|                    | Radio stotis Ultra Vires       | public broadcasting            | Taevaraadio                    |
| 4                  | <b>Radiocentras</b>            | <b>EHR</b>                     | <b>Star FM</b>                 |
|                    | Koncernas Achemos Grupe        | Super FM                       | Modern Times Group             |
| 5                  | <b>Pūkas</b>                   | <b>Star FM</b>                 | <b>Русское Радио</b>           |
|                    | Pūkas                          | Modern Times Group             | Taevaraadio                    |
| <b>TELEVISIONS</b> |                                |                                |                                |
| 1                  | <b>LNK</b>                     | <b>TV3</b>                     | <b>Kanal 2</b>                 |
|                    | MG Baltic                      | Modern Times Group             | Eesti Meedia                   |
| 2                  | <b>TV3</b>                     | <b>LNT</b>                     | <b>ETV</b>                     |
|                    | Modern Times group             | Modern Times Group             | public broadcasting            |
| 3                  | <b>LRT televizija</b>          | <b>LTV1</b>                    | <b>TV3</b>                     |
|                    | public broadcasting            | public broadcasting            | Modern Times Group             |
| 4                  | <b>BTV</b>                     | <b>Первый Балтийский Канал</b> | <b>Первый Балтийский Канал</b> |
|                    | MG Baltic                      | Baltic Media Alliance          | Baltic Media Alliance          |
| 5                  | <b>Первый Балтийский Канал</b> | <b>НТВ Мир Латвия</b>          | <b>НТВ Мир</b>                 |
|                    | Baltic Media Alliance          | Baltic Media Alliance          | Baltic Media Alliance          |

Source: TNS Latvia, TNS LT, TNS Emor, Orbis, Lursoft, interviews with media representatives and experts

## ESTONIA

### Ekspress Grupp

Established: 1989

Baltic Top 5: 10 titles

Focus in the Baltic States: print media, websites

Country: Estonia

Owner: Hans Luik (controls 55.6%), shares listed on the Tallinn Stock Exchange

### Ekspress Grupp Financial Indicators

(thousands, EUR)

|      | turnover | profit |
|------|----------|--------|
| 2013 | 58,998   | 1,081  |
| 2012 | 60,356   | 2,525  |
| 2011 | 58,011   | 1,683  |
| 2010 | 52,227   | -510   |
| 2009 | 52,518   | -9,454 |
| 2008 | 86,370   | 2,975  |
| 2007 | 74,202   | 5,882  |
| 2006 | 60,225   | 6,016  |

Source: ORBIS (consolidated data)

In 2001, Hans Luik became the sole owner of *Ekspress Grupp* in a transaction akin to a bet or a duel from an American Western. A few years earlier, he sold half of the business to the Swedish *Bonnier Group*. In autumn 2001, the joint owners agreed that either Luik would raise the money within a month and buy out *Bonnier's* half, or *Bonnier* would buy the shares in *Ekspress Grupp* belonging to Luik, for exactly the same price. *The Baltic Times* reported that Luik managed to find money a day before the end of the agreed term. Currently, Luik controls 55.6% of the concern, with the remainder in the hands of various investors. The company has been listed on the Tallinn Stock Exchange since 2007.

The *Ekspress Grupp* grew from the *Eesti Ekspress* newspaper and currently controls four of Estonia's top five newspapers. *Postimees*, published by a competitor *Eesti Meedia*, is in first place. The *Ekspress Grupp* also owns two of the five most popular magazines in Estonia. The company also owns a printing house.

The *Delfi* websites are the "crown jewels" of the *Ekspress Grupp*. The national versions of *Delfi* are the most popular internet news sites in all three Baltic States. The *Ekspress Grupp* also created a *Delfi* news site in Ukraine. Despite the fact that the number of views on the Ukrainian portal approached the level of Lithuania's *Delfi.lt*, the volume of advertising was insufficient, raising concern about the project's future. *Ekspress Grupp* stepped away from the management of Ukraine's *Delfi.ua* and allowed the editors to use the *Delfi* brand and portal, but without the group's support.

However, *Delfi* is growing in the Baltics and is swallowing up other portals. In May 2013, *Ekspress Grupp* paid 327 thousand euros for *calis.lv*, a Latvian portal for parents. In Lithuania, the company bought *Alio Reklama*, an advertising and promotions portal for 434 thousand euros.

The company was involved in litigation with the other market leader in the Estonian media, *Eesti Meedia*. The two companies jointly owned AS SL *Õhtuleht*, AS *Ajakirjade Kirjastus* and AS *Express Post*, with their mutual agreement giving the parties the right to buy out each other's share, if the ownership were to change. When the owners of *Eesti Meedia* changed, *Ekspress Grupp* wished to buy its shares, but the parties could not agree on the conditions. The Court of Arbitration ruled in favour of *Eesti Meedia*, ordering *Ekspress Grupp* to purchase the *Ajakirjade Kirjastus* and *Õhtuleht* shares for 3.3 million euros, and not the 2.7 million euros, to which the parties had agreed, according to Estonia's media sources.

*Ekspress Grupp* has indicated that future growth can be expected mainly in the internet segment. The company's annual report states that in the long term the growth from the print media will be small - if any.



## ESTONIA

### Eesti Meedia

Established: 1990  
Baltic Top 5: 9 titles  
Focus in the Baltic States: print media, websites, radio, TV  
Country: Estonia  
Owners: UP Invest, Mart Kadastik

### Eesti Meedia Financial Indicators

(thousands, EUR)

|      | profit* |
|------|---------|
| 2012 | 1,320   |
| 2011 | 3,645   |
| 2010 | 864     |
| 2009 | -1,948  |
| 2008 | 735     |
| 2007 | 4,957   |
| 2006 | 4,012   |

Source: ORBIS (*unconsolidated*)

\* turnover data unavailable because the consolidated data are produced just since the end of 2013.

*Eesti Meedia* publishes the most popular newspaper in Estonia, *Postimees*. Estonians like to boast that the *Postimees* was first published in 1857, but in 1998 *Eesti Meedia* became part of the Norwegian concern *Schibsted*. In 2013 *Schibsted* sold the company and left the Baltic market.

These ownership changes created a lot of worry in Estonia's media environment.

At the time, it was not clear who the buyer of the concern might be – other media concerns and investors from Russia were named, as well as investors with shady motivations. In August 2013 the company was purchased by its management, attracting Margus Linnamäe, a pharmacy businessman, as an investor. *Schibsted* reported that *Eesti Meedia* was valued at approximately 30 million euros.

As a result of this transaction, *Eesti Meedia* lost to *Ekspress Grupp* its shares in the magazine publisher *Ajakirjade Kirjastus* (the publisher of the first and third most popular magazines in Estonia) and *SL Õhtuleht*, which publishes the second most popular newspaper in Estonia (see more at the *Ekspress Grupp* description).

*Eesti Meedia's* interest in the Baltics could grow in the future. *Schibsted* had treated the Latvian and Lithuanian markets like accessories, said *Eesti Meedia* leader Mart Kadastik in an interview, promising that *Eesti Meedia* would be much more ambitious in the Baltics. This was confirmed by a transaction in 2014 when *Eesti Meedia* purchased the third most popular Latvian news website, *apollo.lv*, and merged it with the second most popular, *tvnet.lv*, which it already owned.

The company also controls the second most popular news website in Lithuania, *15min.lt*.

Along *Postimees*, *Eesti Meedia* also owns the second most popular radio station, *Raadio Elmar*, and the most popular television channel, *Kanal 2*, in Estonia.

## LATVIA

### Baltic Media Alliance (BMA)

Established: 2007  
 Baltic Top5: 6 titles  
 Focus in the Baltic States: TV, print media  
 Country: Latvia  
 Owners: Oļegs Solodovs (Latvia),  
 Aleksejs Pļasunovs (Russia)

#### Baltic Media Alliance's Consolidated Financial Indicators

(thousands, EUR)

|      | turnover | profit |
|------|----------|--------|
| 2013 | 20,581   | -889   |
| 2012 | 20,947   | 66     |
| 2011 | 18,920   | 62     |
| 2010 | 15,824   | 2,007  |
| 2009 | 14,596   | 17     |
| 2008 | 14,564   | -581   |

Source: *Lursoft (consolidated data)*

*Baltic Media Alliance* was established in 2007, even though the media it created were already in existence earlier. For example, their flagship TV channel - *Первый Балтийский Канал (PBK)* – was established in 2002. The publishing of the weekly newspaper *МК - Латвия* started the same year.

*BMA* is the leading media outlet for Russian speaking residents of the Baltic States. *PBK* is the most watched Russian language television channel in all three Baltic states. In Latvia and Estonia, the next most watched and the fifth most popular overall is another channel in the Russian language transmitted by *BMA - НТВ Мир (NTV Mir)*. The concern also ventures into print. *МК- Латвия* is the most popular weekly newspaper in Latvia.

*BMA* channels often find themselves in the middle of controversy due to the content of the stories they are re-broadcasting. In 2014, Lithuania's TV regulator banned *NTV - Mir* from operating in Lithuania's territory for three months due to the a film that authorities said lied about events in 1991 in Vilnius, when the Soviet army tried unsuccessfully to remove Lithuania's pro-independence

government. A year before, a court in Lithuania upheld three-months ban of another *BMA* channel, *PBK*, for the same reason.

The company's annual report cites the ruling by the Lithuanian court as partly causing a loss of almost a million euros in 2013. *PBK*'s content is produced mostly in Russia, and due to the court ruling it had to redesign its programmes and purchase new content.

As a result of the ban the channel lost viewers and its ratings have fallen dramatically, reducing advertising revenue. The data confirm it. According to *TNS LT*, in May 2013 4.3 % of the total TV watching time in Lithuania was devoted to *PBK*. In December, the figure had dropped to 2.7 %.

In 2014, Latvian TV broadcast regulator twice fined *BMA* for one-sided and biased news about Ukraine in *PBK* news programmes, demanding the highest administrative penalty for the offence (3,600 euros each time).

In the future, *BMA* may have to deal with greater competition if the Baltic states, concerned about the Kremlin's propaganda, start to devote more money and attention to content in the Russian language on public TV channels.

#### Print Media Publishing House's Financial Indicators

(thousands, EUR)

|      | turnover | profit |
|------|----------|--------|
| 2013 | 1,120    | 5      |
| 2012 | 1,079    | -106   |
| 2011 | 844      | -2     |
| 2010 | 750      | -39    |
| 2009 | 646      | -18    |
| 2008 | 1,143    | 18     |

Source: *Lursoft*

*BMA* incorporates also *Print Media Publishing House*, the publisher of *МК- Латвия*. Despite the significant losses in 2012, last year the publisher of *МК- Латвия* has fared much better.

## SWEDEN

### Modern Times Group

Established: 1987

Baltic Top 5: 6 titles

Focus in the Baltic states: TV, radio

Country: Sweden

Owners: A publicly listed company, whose shareholders include investment funds, banks, the Norwegian government and others

### MTG's Financial Indicators

(thousands, EUR)

|      | turnover  | profit   |
|------|-----------|----------|
| 2013 | 1,596,106 | 131,842  |
| 2012 | 1,561,867 | 185,737  |
| 2011 | 1,512,344 | -144,637 |
| 2010 | 1,461,777 | 195,193  |
| 2009 | 1,384,248 | -195,864 |
| 2008 | 1,323,458 | 269,273  |
| 2007 | 1,206,382 | 151,248  |
| 2006 | 1,149,039 | 165,787  |

Source: ORBIS (consolidated data)

The *Modern Times Group* was established in 1987. It entered the Baltic market almost ten years later: first, Estonia (1996), then Lithuania (1997) and finally Latvia (1998).

In terms of popularity, *MTG's* powerhouse is Latvia. The company controls two of the Top 5 TV channels: *TV3* and *Latvijas Neatkarīgā televīzija (LNT)*. *TV3* channels are also at the top of the Lithuanian and Estonian rating tables. *TV3* is the second most watched channel in Lithuania, whereas in Estonia it is the third.

However, in 2014 *TV3's* position in Latvia has weakened, possibly due to *MTG's* decision to remove both *TV3* and *LNT* from free broadcast to paid packages.

Compared with June 2013, when *TV3* and *LNT* were available as free broadcasts, viewership of both channels has decreased. The fall in *TV3's* share was substantial (13.1% to 10.6%). The company said the decision to end free broadcasting was made because the costs (approximately 1.85 million euros per year) outweigh the benefits. *MTG* calculated that only 6 - 7% of viewers were accessing it on the free broadcasting channels.

The *MTG* concern also owns the radio station *Star FM*, which is the fifth and fourth most popular radio station in Latvia and Estonia, respectively.

### TV3 Lietuva (TELE -3) Financial Indicators

(thousands, EUR)

|      | turnover | profit |
|------|----------|--------|
| 2013 | 24557    | 2827   |
| 2012 | 24721    | 3197   |
| 2011 | 22352    | 3943   |
| 2010 | 20864    | 3381   |
| 2009 | 19572    | 1061   |
| 2008 | 30190    | 10531  |
| 2007 | 26905    | 9137   |
| 2006 | 21981    | 6754   |

Source: ORBIS (consolidated data)

In Lithuania, *MTG's* subsidiary *TELE-3 (TV3, TV6 and TV8)* operates more successfully when compared to *MTG's* subsidiaries in the other Baltic States. *TELE-3* has operated without losses, but the crisis brought a dramatic fall in the profits (from 10.5 million euros in 2008 to a bit over a million euros in 2009). In the following years, profit remained at the stable level of 3 - 4 million euros.

### TV3 LATVIA Financial Indicators

(thousands, EUR)

|      | turnover | profit |
|------|----------|--------|
| 2013 | 14,752   | 1,240  |
| 2012 | 13,786   | 132    |
| 2011 | 10,735   | -671   |
| 2010 | 9,441    | -1,604 |
| 2009 | 9,815    | -2,020 |
| 2008 | 15,551   | 3,344  |
| 2007 | 14,435   | 3,502  |
| 2006 | 11,747   | 2,533  |

Source: *Lursoft*

### Star FM Financial Indicators

(thousands, EUR)

|      | turnover | profit |
|------|----------|--------|
| 2013 | 748      | 188    |
| 2012 | 705      | 31     |
| 2011 | 649      | 19     |
| 2010 | 599      | 7      |
| 2009 | 762      | -84    |
| 2008 | 993      | 109    |
| 2007 | 924      | 84     |
| 2006 | 969      | 151    |

Source: *Lursoft*

### LNT Financial Indicators

(thousands, EUR)

|      | turnover | profit |
|------|----------|--------|
| 2013 | 8,168    | -2,745 |
| 2012 | 10,028   | -3,124 |
| 2011 | 10,809   | -1,597 |
| 2010 | 11,356   | -1,151 |
| 2009 | 11,592   | -1,594 |
| 2008 | 15,682   | 220    |
| 2007 | 14,189   | -2,080 |
| 2006 | 13,031   | 664    |

Source: *Lursoft*

The crisis years for *MTG's* subsidiaries in Latvia were much more dramatic. *TV3 Latvia's* nearly 4 million euros profit in 2008 fell to a loss of more than 2 million euros the next year. The company also recorded losses in 2010 and 2011, albeit smaller ones. It returned to profit only in the last two years.

*MTG's* recent purchase, *LNT*, has been losing money for the past five years. *LNT* has been under *MTG's* ownership since early 2012, but the financial indicators have worsened rather than improved.

Meanwhile, radio station *Star FM* was profitable through most of the crisis, except for 2009.

### Estonia's TV3 Financial Indicators

(thousands, EUR)

|      | turnover | profit |
|------|----------|--------|
| 2013 | 11780    | -1193  |
| 2012 | 10279    | -2175  |
| 2011 | 10197    | -1804  |
| 2010 | 9400     | -2080  |
| 2009 | 8904     | -4235  |
| 2008 | 13525    | 793    |
| 2007 | 14153    | 2449   |
| 2006 | 12445    | 1716   |

Source: ORBIS

Estonia's TV3 has the smallest turnover in the Baltic States, and still trails its pre-crisis level. The Estonian channel also has not been able to evade losses, recording them every year since 2009.

### Mediainvest Holding Financial Indicators

(thousands, EUR)

|      | turnover | profit |
|------|----------|--------|
| 2013 | 1298*    | 35     |
| 2012 | 1297     | 65     |
| 2011 | 1181     | 97     |
| 2010 | 1128     | 120    |
| 2009 | 1066     | 48     |
| 2008 | 1675     | 508    |
| 2007 | 1472     | 293    |
| 2006 | 957      | 100    |

Source: ORBIS

\* sales volume used as data for turnover was not available

MTG's second subsidiary in Estonia, *Mediainvest Holding*, which also owns Estonia's fourth most popular radio station *Star FM*, has still not recovered from the serious decline in revenue it suffered during the crisis. The company had a significant decline in profits, though avoided losses.

## TOP 5 Newspapers In The Baltics

|   | Lithuania  | Latvia  | Estonia   |
|---|--|---|---|
| <b>No 1</b>   | <b>Lietuvos Rytas</b>  | <b>МК - Латвия</b>  | <b>Postimees</b>  |
| Format  | daily  | weekly  | daily   |
| Cover   | 242 800  | 202 000   | 193 000   |
| Cover, %  | 10.5   | 12.0  | 27.4  |
| Cover in the Previous Year, %                           | 13.9   | nd  | nd  |
| Circulation   | 41 773   | 47 000  | 48 600  |
| Changes in the Circulation from the Previous Year, 2012 | -2 385   | nd  | -4 400  |
| Publisher   | Lietuvos Rytas   | Izdevniecības nams<br>Print Media                                 | Postimees   |
| Turnover in 2013 (thousands, EUR)                       | 9 623  | 1 119   | 13 764  |
| Turnover in 2012 (thousands, EUR)                       | 9 699  | 1 079   | 13 824  |
| Changes in Turnover 2013 vs 2012, %                     | - 0.8  | 3.7   | - 0.4   |
| Profit/Loss 2013 (after tax, thousands, EUR)            | 83   | 5   | - 136   |
| Profit/Loss 2012 (after tax, thousands, EUR)            | -1 563   | - 106   | - 251   |
| Turnover in 2008 (thousands, EUR)                       | 22 874   | 1 143   | 15 144  |
| Changes in Turnover 2013 vs 2008, %                     | - 57.9   | - 2.1   | - 9.1   |
| Global Ultimate Owner                                   | Benas Gudelis,<br>Gedvydas<br>Vainauskas,<br>Vidmantas<br>Strimaitis | Baltic Media<br>Alliance (Alexey<br>Plyasunov, Olegs<br>Solodovs) | Eesti Meedia<br>(Margus Linnamäe,<br>Mart Kadastik,<br>Aare Kurist) |
| <b>No 2</b>   | <b>Vakaro žinios</b>   | <b>Latvijas Avīze</b>   | <b>Õhtuleht</b>   |
| Format  | daily  | daily   | daily   |
| Cover   | 234 200  | 90 000  | 173 000   |
| Cover, %  | 10.2   | 5.4   | 24.5  |
| Cover in the Previous Year, %                           | 12.6   | nd  | nd  |
| Circulation   | 47 995   | 20 000  | 48 400  |
| Changes in the Circulation from the Previous Year, 2012 | 224  | nd  | -3 300  |
| Publisher   | Naujasis aitvaras  | Lauku Avīze   | SL Õhtuleht   |
| Turnover in 2013 (thousands, EUR)                       | 772  | 4 856   | 7 404   |

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|   |                       |                          |                        |
|---|-----------------------|--------------------------|------------------------|
| Turnover in 2012 (thousands, EUR)                       | 1 035                 | 4 958                    | 7 351                  |
| Changes in Turnover 2013 vs 2012, %                     | - 25.4                | - 2.1                    | 0.7                    |
| Profit/Loss 2013 (after tax, thousands, EUR)            | - 56                  | 23                       | 291                    |
| Profit/Loss 2012 (after tax, thousands, EUR)            | - 4                   | 7                        | 342                    |
| Turnover in 2008 (thousands, EUR)                       | 2 754                 | 7 717                    | 9 681                  |
| Changes in Turnover 2013 vs 2008, %                     | - 71.9                | - 37.1                   | - 23.5                 |
| Global Ultimate Owner                                   | Vitas Tomkus          | Ventbunkers              | Ekspress Grupp         |
| <b>No 3</b>   | <b>Respublika*</b>    | <b>Diena</b>             | <b>Maaleht</b>         |
| Format  | weekly                | daily                    | weekly                 |
| Cover   | 73 600                | 68 000                   | 132 000                |
| Cover, %  | 3.2                   | 4.0                      | 18.7                   |
| Cover in the Previous Year, %                           | 5.2                   | nd                       | nd                     |
| Circulation   | 20 665                | 31 000                   | 43 000                 |
| Changes in the Circulation from the Previous Year, 2012 | - 264                 | nd                       | 0                      |
| Publisher   | Respublikos leidiniai | Dienas mediji            | Eesti Ajalehed         |
| Turnover in 2013 (thousands, EUR)                       | 3 853                 | 2 790                    | 12 710                 |
| Turnover in 2012 (thousands, EUR)                       | 4 264                 | 2 944                    | 12 219                 |
| Changes in Turnover 2013 vs 2012, %                     | - 9.7                 | - 5.2                    | 4.0                    |
| Profit/Loss 2013 (after tax, thousands, EUR)            | - 121                 | - 948                    | 1 211                  |
| Profit/Loss 2012 (after tax, thousands, EUR)            | - 305                 | - 1 661                  | 643                    |
| Turnover in 2008 (thousands, EUR)                       | 13 957                | 11 609                   | 8 660                  |
| Changes in Turnover 2013 vs 2008, %                     | - 72.4                | - 76.0                   | 46.8                   |
| Global Ultimate Owner                                   | Vitas Tomkus          | Rīgas tirdzniecības osta | Ekspress Grupp         |
| <b>No 4</b>   | <b>Каuno Diena</b>    | <b>Вести сегодня</b>     | <b>Eesti Päevaleht</b> |
| Format  | daily                 | daily                    | daily                  |
| Cover   | 61 600                | 66 000                   | 88 000                 |
| Cover, %  | 2.7                   | 3.9                      | 12.5                   |
| Cover in the Previous Year, %                           | 3.3                   | nd                       | nd                     |
| Circulation   | 18 247                | 14 000                   | 22 100                 |

|   |   |                                       |                       |
|---|---|---------------------------------------|-----------------------|
| Changes in the Circulation from the Previous Year, 2012 | - 790   | nd                                    | -1 300                |
| Publisher   | Diena Media News  | Mediasistēma**                        | Eesti Ajalehed        |
| Turnover in 2013 (thousands, EUR)                       | 3 903   | 1 409                                 | 12 710                |
| Turnover in 2012 (thousands, EUR)                       | 4 662   | 530                                   | 12 219                |
| Changes in Turnover 2013 vs 2012, %                     | - 16.3  | 165.8                                 | 4.0                   |
| Profit/Loss 2013 (after tax, thousands, EUR)            | - 787   | - 314                                 | 1 211                 |
| Profit/Loss 2012 (after tax, thousands, EUR)            | -4 099  | - 286                                 | 643                   |
| Turnover in 2008 (thousands, EUR)                       | 7 383   | nd                                    | 8 660                 |
| Changes in Turnover 2013 vs 2008, %                     | - 47.1  | nd                                    | 46.8                  |
| Global Ultimate Owner                                   | Baltic Media Holding (bankruptcy) - 50.15%; Dzeraldas Dauksa - 35.75% | Langreu International Limited (Kipra) | Ekspress Grupp        |
| <b>No 5</b>   | <b>Šiaulių kraštas</b>  | <b>Rīgas Viļņi Laimīgā Programma</b>  | <b>Eesti Ekspress</b> |
| Format  | regional newspaper  | TV listings                           | weekly                |
| Cover   | 58 100  | 59 000                                | 84 000                |
| Cover, %  | 2.5   | 3.5                                   | 11.9                  |
| Cover in the Previous Year, %                           | 2.3   | nd                                    | nd                    |
| Circulation   | 11 233  | nd                                    | 28 500                |
| Changes in the Circulation from the Previous Year, 2012 | - 679   | nd                                    | -1 500                |
| Publisher   | Šiaulių kraštas   | Izdevniecība Rīgas viļņi              | Eesti Ajalehed        |
| Turnover in 2013 (thousands, EUR)                       | 1 622   | 5 422                                 | 12 710                |
| Turnover in 2012 (thousands, EUR)                       | 1 603   | 5 139                                 | 12 219                |
| Changes in Turnover 2013 vs 2012, %                     | 1.2   | 5.5                                   | 4.0                   |
| Profit/Loss 2013 (after tax, thousands, EUR)            | - 104   | 169                                   | 1 211                 |
| Profit/Loss 2012 (after tax, thousands, EUR)            | - 127   | 6                                     | 643                   |
| Turnover in 2008 (thousands, EUR)                       | 2 758   | 7 245                                 | 8 660                 |
| Changes in Turnover 2013 vs 2008, %                     | - 41.2  | - 25.2                                | 46.8                  |





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|                       |  |                           |                                  |
|-----------------------|--|---------------------------|----------------------------------|
| Global Ultimate Owner | Vitas Tomkus,<br>Justinas Tomkus,<br>Vladas Vertelis,<br>Alvydas Sedzius | Izdevniecība Puls<br>Plus | Ekspress Grupp<br>(Hans H. Luik) |
|-----------------------|--|---------------------------|----------------------------------|

\*from 22 May 2014 - weekly newspaper

\*\*Current publisher of the newspaper is Izdevniecības nams Vesti, it was established in 27.02.2013 and for it no financial data is available, therefore the data about the previous publisher Mediasistēma is used

| Source:                    |  |               |                    |
|----------------------------|--|---------------|--------------------|
| Readership data            | TNS LT   | Industry data | TNS Emor           |
| Period for readership data | 2014 Spring  | 2014 Spring   | First half of 2014 |
| cover                      | average number of readers in target group for one issue of press edition   |               |                    |
| cover, %                   | average % of readers in target group for one issue of press edition  |               |                    |
| Circulation                | Ministry of Culture of Lithuania, Eesti lugejauuring, Turu-uuringute AS and Estonia's Newspapers Association, interviews with media representatives and experts, newspapers data |               |                    |
| Company financial data     | Lithuania's company register/Lursoft   | Lursoft       | Orbis              |

| Footnote:  |   |
|--|---|
| In pink: financial data of the mother company or publisher which includes data of other media outlets/channels of the same owner |  |
| In blue: financial data of the exact media title   |  |

## TOP 5 Magazines In The Baltics

|   | Lithuania                                       | Latvia                      | Estonia                     |
|---|---|-----------------------------|-----------------------------|
| <b>No 1</b>   | <b>Savaitė</b>                                  | <b>Ieva</b>                 | <b>Kroonika+Nädal</b>       |
| Title in English  | Week  | Eve                         | Chronicle+Week              |
| Type of the Magazine                                    | TV listings,<br>household and<br>lifestyle tips | Women                       | Entertainment,<br>celebrity |
| Frequency   | weekly  | weekly                      | weekly                      |
| Cover   | 439 000   | 205 000                     | 89 000                      |
| Cover, %  | 19.1  | 12.2                        | 12.6                        |
| Cover in the Previous Year, %                           | 14.4  | nd                          | nd                          |
| Circulation   | 204 160   | nd                          | 35 100                      |
| Changes in the Circulation from the Previous Year,<br>% | 4.2   | nd                          | nd                          |
| Publisher   | Savaitė   | Žurnāls Santa               | Ajakirjade Kirjastus        |
| Turnover in 2013 (thousand, EUR)                        | 2 972   | 7 439                       | 8 068                       |
| Turnover in 2012 (thousand, EUR)                        | 2 281   | 7 625                       | 8 433                       |
| Changes in Turnover 2013 vs 2012, %                     | 30.3  | - 2.4                       | - 4.3                       |
| Profit/Loss 2013 (after tax, thousand, EUR)             | 582   | 970                         | 283                         |
| Profit/Loss 2012 (after tax, thousand, EUR)             | 261   | 995                         | 1                           |
| Turnover in 2008 (thousand, EUR)                        | 2 015   | 12 111                      | 14 171                      |
| Changes in Turnover 2013 vs 2008, %                     | 47.5  | - 38.6                      | - 43.1                      |
| Global Ultimate Owner                                   | Aleksandras<br>Maceina, Asta<br>Jelinskiene     | Santa Anča, Ivars<br>Zariņš | Ekspress Grupp              |
| <b>No 2</b>   | <b>Žmonės</b>                                   | <b>Privātā Dzīve</b>        | <b>Kodu ja Aed</b>          |
| Title in English  | People  | Private Life                | Home And Garden             |
| Type of the Magazine                                    | Celebrities                                     | Celebrities                 | Home, gardening             |
| Frequency   | weekly  | weekly                      | monthly                     |
| Cover   | 357 700   | 166 000                     | 76 000                      |
| Cover, %  | 15.5  | 9.8                         | 10.8                        |
| Cover in the Previous Year, %                           | 15.6  | nd                          | nd                          |
| Circulation   | 113 344   | nd                          | nd                          |

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|  |  |                          |   |
|--|--|--------------------------|---|
| Changes in the Circulation from the Previous Year, % | - 0.4  | nd                       | nd  |
| Publisher  | Žurnalu leidybos grupė                                     | Žurnāls Santa            | A-meediagrupp   |
| Turnover in 2013 (thousand, EUR)                     | 7 575  | 7 439                    | 1 038   |
| Turnover in 2012 (thousand, EUR)                     | 7 518  | 7 625                    | 965   |
| Changes in Turnover 2013 vs 2012, %                  | 0.8  | - 2.4                    | 7.6   |
| Profit/Loss 2013 (after tax, thousand, EUR)          | 652  | 970                      | - 17  |
| Profit/Loss 2012 (after tax, thousand, EUR)          | 435  | 995                      | - 34  |
| Turnover in 2008 (thousand, EUR)                     | 10 040   | 12 111                   | 1 514   |
| Changes in Turnover 2013 vs 2008, %                  | - 24.5   | - 38.6                   | - 31.4  |
| Global Ultimate Owner                                | Eesti Meedia (Margus Linnamäe, Mart Kadastik, Aare Kurist) | Santa Anča, Ivars Zariņš | Olli-Pekka Lyytikäinen, Yrjö Lyytikäinen, Anne Lyytikäinen-Palmroth (Finland) |
| <b>No 3</b>  | <b>TV Antena</b>   | <b>Kas Jauns</b>         | <b>Eesti Naine</b>  |
| Title in English                                     | TV antena  | What's New?              | Estonian Women  |
| Type of the Magazine                                 | TV news  | Celebrities              | Women   |
| Frequency  | weekly; supplement of Lietuvos Rytas Saturday edition      | weekly                   | monthly   |
| Cover  | 148 100  | 133 000                  | 72 000  |
| Cover, %   | 6.4  | 7.9                      | 10.2  |
| Cover in the Previous Year, %                        | 7.7  | nd                       | nd  |
| Circulation  | 94 819   | nd                       | 19 600  |
| Changes in the Circulation from the Previous Year, % | - 10.1   | nd                       | nd  |
| Publisher  | Lietuvos Rytas   | Izdevniecība Rīgas vilņi | Ajakirjade Kirjastus  |
| Turnover in 2013 (thousand, EUR)                     | 9 623  | 5 422                    | 8 068   |
| Turnover in 2012 (thousand, EUR)                     | 9 699  | 5 139                    | 8 433   |
| Changes in Turnover 2013 vs 2012, %                  | - 0.8  | 5.5                      | - 4.3   |
| Profit/Loss 2013 (after tax, thousand, EUR)          | 83   | 169                      | 283   |
| Profit/Loss 2012 (after tax, thousand, EUR)          | -1 563   | 6                        | 1   |

|  |  |                                      |                                  |
|--|--|--------------------------------------|----------------------------------|
| Turnover in 2008 (thousand, EUR)                     | 22 874   | 7 245                                | 14 171                           |
| Changes in Turnover 2013 vs 2008, %                  | - 57.9   | - 25.2                               | - 43.1                           |
| Global Ultimate Owner                                | Benas Gudelis,<br>Gedvydas<br>Vainauskas,<br>Vidmantas<br>Strimaitis | Tewrex Investment<br>Limited (Kipra) | Ekspress Grupp<br>(Hans H. Luik) |
| <b>No 4</b>  | <b>Ji</b>  | <b>Ievas Stāsti</b>                  | <b>Imeline Ajalugu</b>           |
| Title in English                                     | So!  | Eve's Stories                        | Illustrated History              |
| Type of the Magazine                                 | Women  | Features                             | History                          |
| Frequency  | weekly   | bi-monthly                           | monthly                          |
| Cover  | 124 100  | 122 000                              | 71 000                           |
| Cover, %   | 5.4  | 7.2                                  | 10.1                             |
| Cover in the Previous Year, %                        | 5.3  | nd                                   | nd                               |
| Circulation  | 52 768   | nd                                   | 25 500                           |
| Changes in the Circulation from the Previous Year, % | - 3.6  | nd                                   | nd                               |
| Publisher  | Žurnālu leidybos<br>grupē  | Žurnāls Santa                        | Äripäev                          |
| Turnover in 2013 (thousand, EUR)                     | 7 575  | 7 439                                | 11 750                           |
| Turnover in 2012 (thousand, EUR)                     | 7 518  | 7 625                                | 10 281                           |
| Changes in Turnover 2013 vs 2012, %                  | 0.8  | - 2.4                                | 14.3                             |
| Profit/Loss 2013 (after tax, thousand, EUR)          | 652  | 970                                  | 204                              |
| Profit/Loss 2012 (after tax, thousand, EUR)          | 435  | 995                                  | 872                              |
| Turnover in 2008 (thousand, EUR)                     | 10 040   | 12 111                               | 13 837                           |
| Changes in Turnover 2013 vs 2008, %                  | - 24.5   | - 38.6                               | - 15.1                           |
| Global Ultimate Owner                                | Eesti Meedia<br>(Margus Linnamäe,<br>Mart Kadastik,<br>Aare Kurist)  | Santa Anča, Ivars<br>Zariņš          | Bonnier Group                    |
| <b>No 5</b>  | <b>Prie kavos</b>  | <b>Ievas Virtuve</b>                 | <b>Imeline Teadus</b>            |
| Title in English                                     | With coffee  | Eve's Kitchen                        | Illustrated Science              |
| Type of the Magazine                                 | Women  | Recipes                              | Science                          |
| Frequency  | weekly   | monthly                              | monthly                          |



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|  |                    |                          |               |
|--|--------------------|--------------------------|---------------|
| Cover  | 108 000            | 95 000                   | 68 000        |
| Cover, %   | 4.7                | 5.7                      | 9.6           |
| Cover in the Previous Year, %                        | nd                 | nd                       | nd            |
| Circulation  | 37 000             | nd                       | 23 200        |
| Changes in the Circulation from the Previous Year, % | nd                 | nd                       | nd            |
| Publisher  | SS Leidyba         | Žurnāls Santa            | Äripäev       |
| Turnover in 2013 (thousand, EUR)                     | 1 044              | 7 439                    | 11 750        |
| Turnover in 2012 (thousand, EUR)                     | 758                | 7 625                    | 10 281        |
| Changes in Turnover 2013 vs 2012, %                  | 37.6               | - 2.4                    | 14.3          |
| Profit/Loss 2013 (after tax, thousand, EUR)          | 104                | 970                      | 204           |
| Profit/Loss 2012 (after tax, thousand, EUR)          | 87                 | 995                      | 872           |
| Turnover in 2008 (thousand, EUR)                     | 127                | 12 111                   | 13 837        |
| Changes in Turnover 2013 vs 2008, %                  | 719.1              | - 38.6                   | - 15.1        |
| Global Ultimate Owner                                | Regina Sudakoviene | Santa Anča, Ivars Zariņš | Bonnier Group |

**Source:**

|                            |  |                         |                    |
|----------------------------|--|-------------------------|--------------------|
| Readership data            | TNS LT   | interviews with experts | TNS Emor           |
| Period for readership data | 2014 Spring  | 2014 Spring             | First half of 2014 |
| cover                      | average number of readers in target group for one issue of press edition   |                         |                    |
| cover, %                   | average % of readers in target group for one issue of press edition  |                         |                    |
| Circulation                | Ministry of Culture of Lithuania, Eesti lugejauuring, Turu-uuringute AS and Estonia's Newspapers Association, interviews with media representatives and experts, newspapers data |                         |                    |
| Company financial data     | Lithuania's company register/Lursoft   | Lursoft                 | Orbis              |

**Footnote:**

|  |   |
|--|---|
| In pink: financial data of the mother company or publisher which includes data of other media outlets/channels of the same owner |  |
| In blue: financial data of the exact media title   |  |

## TOP 5 Internet Media Websites In The Baltics

|  | Lithuania                     | Latvia                        | Estonia  |
|--|-------------------------------|-------------------------------|--|
| <b>No 1</b>                                    | <b>delfi.lt</b>               | <b>delfi.lv</b>               | <b>delfi.ee</b>  |
| Part of another media outlet                   | no                            | no                            | Part of the content comes from Ekspress Grupp newspapers |
| Visitors, Real Users                           | 1140 344                      | 687 004                       | 521 285  |
| Reach, %                                       | 61.8                          | 57.7                          | 61.6   |
| Changes in the Reach from the Previous Year, % | 15.1                          | 16.5                          | 10.7   |
| Owner  | DELFI, UAB                    | Delfi, AS                     | Delfi, AS*   |
| Turnover in 2013 (thousand, EUR)               | 5 162                         | 2 339                         | 3 876  |
| Turnover in 2012 (thousand, EUR)               | 4 756                         | 2 279                         | 3 539  |
| Changes in Turnover 2013 vs 2012, %            | 8.5                           | 2.6                           | 9.5  |
| Profit/Loss 2013 (after tax, thousand, EUR)    | 816                           | 98                            | 223  |
| Profit/Loss 2012 (after tax, thousand, EUR)    | 958                           | 186                           | 133  |
| Turnover in 2008 (thousand, EUR)               | 3 559                         | 2 995                         | 3 803  |
| Changes in Turnover 2013 vs 2008, %            | 45.1                          | - 21.9                        | 1.9  |
| Global Ultimate Owner                          | Ekspress Grupp (Hans H. Luik) | Ekspress Grupp (Hans H. Luik) | Ekspress Grupp (Hans H. Luik)                            |
| <b>No 2</b>                                    | <b>15min.lt</b>               | <b>tvnet.lv</b>               | <b>postimees.ee</b>                                      |
| Part of another media outlet                   | no                            | no                            | Part of the content comes from the newspaper Postimees   |
| Visitors, Real Users                           | 958 646                       | 677 582                       | 411 163  |
| Reach, %                                       | 51.9                          | 55.4                          | 48.6   |
| Changes in the Reach from the Previous Year, % | 20.3                          | 30.7                          | nd   |
| Owner  | 15 min                        | TV Net                        | Postimees  |
| Turnover in 2013 (thousand, EUR)               | 1 768                         | 1 157                         | 13 764   |
| Turnover in 2012 (thousand, EUR)               | 1 061                         | 1 175                         | 13 824   |
| Changes in Turnover 2013 vs 2012, %            | 66.7                          | - 1.5                         | - 0.4  |
| Profit/Loss 2013 (after tax, thousand, EUR)    | - 450                         | - 125                         | - 136  |
| Profit/Loss 2012 (after tax, thousand, EUR)    | - 45                          | - 68                          | - 251  |

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|  |   |   |   |
|--|---|---|---|
| Turnover in 2008 (thousand, EUR)               | 3 046   | 1 187   | 15 144  |
| Changes in Turnover 2013 vs 2008, %            | - 42.0  | - 2.5   | - 9.1   |
| Global Ultimate Owner                          | Eesti Meedia<br>(Margus Linnamäe,<br>Mart Kadastik,<br>Aare Kurist) | Eesti Meedia<br>(Margus Linnamäe,<br>Mart Kadastik,<br>Aare Kurist) | Eesti Meedia<br>(Margus Linnamäe,<br>Mart Kadastik,<br>Aare Kurist) |
| <b>No 3</b>                                    | <b>lrytas.lt</b>  | <b>kasjauns.lv</b>  | <b>ohtuleht.ee</b>  |
| Part of another media outlet                   | Part of the content comes from the newspaper Lietuvos Rytas         | Part of the content from the magazine Kas jauns?                    | Part of the content comes from the tabloid Öhtuleht                 |
| Visitors, Real Users                           | 843 752   | 307 904   | 264 444   |
| Reach, %                                       | 45.7  | 24.2  | 31.3  |
| Changes in the Reach from the Previous Year, % | 25.8  | 11.1  | 17.7  |
| Owner  | Lrytas  | Izdevniecība Rīgas vilņi  | SL Öhtuleht   |
| Turnover in 2013 (thousand, EUR)               | 2 139   | 5 422   | 7 404   |
| Turnover in 2012 (thousand, EUR)               | 1 976   | 5 139   | 7 351   |
| Changes in Turnover 2013 vs 2012, %            | 8.2   | 5.5   | 0.7   |
| Profit/Loss 2013 (after tax, thousand, EUR)    | 281   | 169   | 291   |
| Profit/Loss 2012 (after tax, thousand, EUR)    | 209   | 6   | 342   |
| Turnover in 2008 (thousand, EUR)               | 1 016   | 7 245   | 9 681   |
| Changes in Turnover 2013 vs 2008, %            | 110.6   | - 25.2  | - 23.5  |
| Global Ultimate Owner                          | Benas Gudelis,<br>Gedvydas Vainauskas,<br>Vidmantas Strimaitis      | Tewrex Investment Limited (Kipra)                                   | Ekspress Grupp (Hans H. Luik)                                       |
| <b>No 4</b>                                    | <b>balsas.lt</b>  | <b>diena.lv</b>   | <b>aripaev.ee</b>   |
| Part of another media outlet                   | no  | Part of the content comes from the newspaper Diena                  | Part of the content comes from the newspaper Äripäev                |
| Visitors, Real Users                           | 554 954   | 210 209   | 68 380  |
| Reach, %                                       | 30.1  | 17.5  | 8.1   |
| Changes in the Reach from the Previous Year, % | - 11.1  | 6.7   | 24.0  |
| Owner  | UAB Balsas.lt   | Dienas mediji   | Äripäev   |

|  |   |  |   |
|--|---|--|---|
| Turnover in 2013 (thousand, EUR)               | nd  | 2 790  | 11 750  |
| Turnover in 2012 (thousand, EUR)               | 676   | 2 944  | 10 281  |
| Changes in Turnover 2013 vs 2012, %            | nd  | - 5.2  | 14.3  |
| Profit/Loss 2013 (after tax, thousand, EUR)    | nd  | - 948  | 204   |
| Profit/Loss 2012 (after tax, thousand, EUR)    | 11  | -1 661   | 872   |
| Turnover in 2008 (thousand, EUR)               | 127   | 11 609   | 13 837  |
| Changes in Turnover 2013 vs 2008, %            | nd  | - 76.0   | - 15.1  |
| Global Ultimate Owner                          | UAB Balsas.lt<br>leidiniai  | Rīgas tirdzniecības<br>osta  | Bonnier Group   |
| <b>No 5</b>                                    | <b>vz.lt</b>  | <b>la.lv</b>   | <b>reporter.ee</b>  |
| Part of another media outlet                   | Part of the content<br>comes from the<br>newspaper Verslo<br>žinios | Part of the content<br>comes from the<br>newspaper Latvijas<br>avīze | Part of the content<br>comes from TV<br>Kanal 2                     |
| Visitors, Real Users                           | 492 861   | 173 983  | 67 057  |
| Reach, %                                       | 26.7  | 15.3   | 7.9   |
| Changes in the Reach from the Previous Year, % | 20.3  | 112.6  | nd  |
| Owner  | Verslo žinios   | Lauku Avīze  | Kanal 2   |
| Turnover in 2013 (thousand, EUR)               | 4 369   | 4 856  | 10 649  |
| Turnover in 2012 (thousand, EUR)               | 3 686   | 4 958  | 9 991   |
| Changes in Turnover 2013 vs 2012, %            | 18.5  | - 2.1  | 6.6   |
| Profit/Loss 2013 (after tax, thousand, EUR)    | 122   | 23   | -1 267  |
| Profit/Loss 2012 (after tax, thousand, EUR)    | - 129   | 7  | - 484   |
| Turnover in 2008 (thousand, EUR)               | 8 365   | 7 717  | 13 849  |
| Changes in Turnover 2013 vs 2008, %            | - 47.8  | - 37.1   | - 23.1  |
| Global Ultimate Owner                          | Bonnier Group   | Ventbunkers  | Eesti Meedia<br>(Margus Linnamäe,<br>Mart Kadastik,<br>Aare Kurist) |



\* AS Delfi financial information from Estonian Commercial Register as it was not available in full in database Orbis

| <b>Source:</b>               |           |           |           |
|------------------------------|-----------|-----------|-----------|
| Data on visitors, real users | Gemius    | Gemius    | Gemius    |
| Period for the visitors data | June 2014 | June 2014 | June 2014 |



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|                      |   |         |       |
|----------------------|---|---------|-------|
| Visitors, real users | The number of individuals who generated at least one page view on the monitored web site (or a group of sites) within a given time period.  |         |       |
| Reach, %             | The percentage of visitors (real users) who generated at least one page view on the monitored web site within the given time period to the total number of internet users within a given time period. |         |       |
| Financial data       | Lithuania's company register/Lursoft  | Lursoft | Orbis |

|  |   |
|--|---|
| <b>Footnote:</b>   |   |
| In pink: financial data of the mother company or publisher which includes data of other media outlets/channels of the same owner |  |
| In blue: financial data of the exact media title   |  |

## TOP 5 Radio Stations In The Baltics

|   | Lithuania                          | Latvia  | Estonia  |
|---|------------------------------------|---|--|
| <b>No 1</b>                                 | <b>M-1</b>                         | <b>Latvijas Radio 2</b>                             | <b>Vikerraadio</b>   |
| Audience                                    | 846 000                            | 433 000   | 312 000  |
| Audience, %                                 | 32.7                               | 24.8  | 30.1   |
| Owner                                       | M-1                                | Latvijas Radio                                      | Eesti Rahvusringhääling                                    |
| Turnover in 2013 (thousand, EUR)            | 2 210                              | 7 392   | 30 470   |
| Turnover in 2012 (thousand, EUR)            | 1 976                              | 6 988   | 28 472   |
| Changes in Turnover 2013 vs 2012, %         | 11.9                               | 5.8   | 7.0  |
| Profit/Loss 2013 (after tax, thousand, EUR) | 651                                | 5   | 791  |
| Profit/Loss 2012 (after tax, thousand, EUR) | 465                                | - 21  | 2 818  |
| Turnover in 2008 (thousand, EUR)            | 2 054                              | 9 039   | 31 672   |
| Changes in Turnover 2013 vs 2008, %         | 7.6                                | - 18.2  | - 3.8  |
| Global Ultimate Owner                       | Ramune Grusnyte                    | Public Broadcaster                                  | Public Broadcaster   |
| <b>No 2</b>                                 | <b>LRT Radijas</b>                 | <b>Radio Skonto</b>                                 | <b>Raadio Elmar</b>  |
| Audience                                    | 695 000                            | 261 000   | 259 000  |
| Audience, %                                 | 25.4                               | 15.0  | 25.0   |
| Owner                                       | Nacionalinis radijas ir televizija | Radio Skonto  | Trio LSL   |
| Turnover in 2013 (thousand, EUR)            | 20 915                             | 1 115   | 2 407  |
| Turnover in 2012 (thousand, EUR)            | 20 749                             | 1 113   | 2 426  |
| Changes in Turnover 2013 vs 2012, %         | 0.8                                | 0.1   | - 0.8  |
| Profit/Loss 2013 (after tax, thousand, EUR) | 435                                | - 61  | 166  |
| Profit/Loss 2012 (after tax, thousand, EUR) | 572                                | - 7   | 222  |
| Turnover in 2008 (thousand, EUR)            | 26 365                             | 2 031   | 3 036  |
| Changes in Turnover 2013 vs 2008, %         | - 20.7                             | - 45.1  | - 20.7   |
| Global Ultimate Owner                       | Public Broadcaster                 | Ivars Laimonis Embrehts, Baiba Ābele, Edijs Akolovs | Eesti Meedia (Margus Linnamäe, Mart Kadastik, Aare Kurist) |

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| No 3  | Lietus                    | Latvijas Radio 1   | Sky Plus            |
|---|---------------------------|--|---------------------|
| Audience                                    | 649 000                   | 227 000  | 244 000             |
| Audience, %                                 | 25.0                      | 13.0   | 23.6                |
| Owner                                       | Radijo stotis Ultra Vires | Latvijas Radio   | Taevaraadio         |
| Turnover in 2013 (thousand, EUR)            | 503                       | 7 392  | 205                 |
| Turnover in 2012 (thousand, EUR)            | 561                       | 6 988  | 167                 |
| Changes in Turnover 2013 vs 2012, %         | - 10.3                    | 5.8  | 22.8                |
| Profit/Loss 2013 (after tax, thousand, EUR) | 114                       | 5  | 395                 |
| Profit/Loss 2012 (after tax, thousand, EUR) | 163                       | - 21   | - 47                |
| Turnover in 2008 (thousand, EUR)            | 990                       | 9 039  | 780                 |
| Changes in Turnover 2013 vs 2008, %         | - 49.2                    | - 18.2   | - 73.7              |
| Global Ultimate Owner                       | Ruta Grusniene            | Public Broadcaster   | Harald Tehver       |
| No 4  | Radiocentras              | EHR  | Star FM             |
| Audience                                    | 562 000                   | 210 000  | 229 000             |
| Audience, %                                 | 20.3                      | 12.0   | 22.1                |
| Owner                                       | Radiocentras              | Super FM   | Mediainvest Holding |
| Turnover in 2013 (thousand, EUR)            | 479                       | 234  | 1298*               |
| Turnover in 2012 (thousand, EUR)            | 468                       | 331  | 1 297               |
| Changes in Turnover 2013 vs 2012, %         | 2.3                       | - 29.3   | 0.1                 |
| Profit/Loss 2013 (after tax, thousand, EUR) | 217                       | 19   | 35                  |
| Profit/Loss 2012 (after tax, thousand, EUR) | 174                       | - 24   | 65                  |
| Turnover in 2008 (thousand, EUR)            | 1 176                     | 2 197  | 1 675               |
| Changes in Turnover 2013 vs 2008, %         | - 59.3                    | - 89.3   | - 22.5              |
| Global Ultimate Owner                       | Koncernas Achemos Grupe   | Uģis Polis, Eduards Zaks, Jevgērijs Līvšics, Ričards Zakss, Jakovs Maņkovs, Dainis Vizbelis. | Modern Times Group  |

| No 5  | Pūkas          | Star FM            | Русское Радио |
|---|----------------|--------------------|---------------|
| Audience                                    | 387 000        | 192 000            | 151 000       |
| Audience, %                                 | 14.2           | 11.0               | 14.6          |
| Owner                                       | Pūkas          | Star FM            | Taevaraadio   |
| Turnover in 2013 (thousand, EUR)            | 299            | 749                | 205           |
| Turnover in 2012 (thousand, EUR)            | 397            | 705                | 167           |
| Changes in Turnover 2013 vs 2012, %         | - 24.8         | 6.2                | 22.8          |
| Profit/Loss 2013 (after tax, thousand, EUR) | 1              | 188                | 395           |
| Profit/Loss 2012 (after tax, thousand, EUR) | 1              | 31                 | - 47          |
| Turnover in 2008 (thousand, EUR)            | 560            | 993                | 780           |
| Changes in Turnover 2013 vs 2008, %         | - 46.6         | - 24.6             | - 73.7        |
| Global Ultimate Owner                       | Kestutis Pukas | Modern Times Group | Harald Tehver |

\* sales volume in 2013

| Source:                      |   |             |             |
|------------------------------|---|-------------|-------------|
| Audience data                | TNS LT  | TNS Latvia  | TNS Emor    |
| Period for the audience data | Autumn 2013; % - Spring 2014  | Spring 2014 | Spring 2014 |
| Audience                     | the total weekly number of the radio station listeners  |             |             |
| Audience, %                  | percentage of radio or television sets tuned to a particular station or channel during a given period |             |             |
| Company financial data       | Lithuania's company register/<br>Lursoft  | Lursoft     | Orbis       |

| Footnote:  |  |
|--|--|
| In pink: financial data of the mother company or publisher which includes data of other media outlets/channels of the same owner |  |
| In blue: financial data of the exact media title   |  |

## TOP 5 TV Channels In The Baltics

|   | Lithuania                         | Latvia                         | Estonia  |
|---|-----------------------------------|--------------------------------|--|
| <b>No 1</b>                                 | <b>LNK</b>                        | <b>TV3</b>                     | <b>Kanal 2</b>   |
| Free or Paid                                | Free                              | Paid                           | Paid   |
| Audience, %                                 | 15.5                              | 10.6                           | 16.4   |
| Audience in the Previous Year, %            | 16.0                              | 13.1                           | 15.5   |
| Owner                                       | Laisvas ir nepriklausomas kanalas | TV3 Latvia                     | Kanal 2  |
| Turnover in 2013 (thousand, EUR)            | 18 421                            | 14 752                         | 10 649   |
| Turnover in 2012 (thousand, EUR)            | 18 155                            | 13 786                         | 9 991  |
| Changes in Turnover 2013 vs 2012, %         | 1.5                               | 7.0                            | 6.6  |
| Profit/Loss 2013 (after tax, thousand, EUR) | 322                               | 1 240                          | -1 267   |
| Profit/Loss 2012 (after tax, thousand, EUR) | 176                               | 132                            | - 484  |
| Turnover in 2008 (thousand, EUR)            | 23 851                            | 15 551                         | 13 849   |
| Changes in Turnover 2013 vs 2008, %         | - 22.8                            | - 5.1                          | - 23.1   |
| Global Ultimate Owner                       | MG Baltic (Juozas Mockus Darius)  | Modern Times Group             | Eesti Meedia (Margus Linnamäe, Mart Kadastik, Aare Kurist) |
| <b>No 2</b>                                 | <b>TV3</b>                        | <b>LNT</b>                     | <b>ETV</b>   |
| Free or Paid                                | Free                              | Paid                           | Paid   |
| Audience, %                                 | 15.2                              | 10.1                           | 15.0   |
| Audience in the Previous Year, %            | 14.1                              | 10.2                           | 11.5   |
| Owner                                       | Tele-3                            | Latvijas neatkarīgā televīzija | Eesti Rahvusringhääling                                    |
| Turnover in 2013 (thousand, EUR)            | 23 069                            | 8 168                          | 30 470   |
| Turnover in 2012 (thousand, EUR)            | 21 502                            | 10 028                         | 28 472   |
| Changes in Turnover 2013 vs 2012, %         | 7.3                               | - 18.5                         | 7.0  |
| Profit/Loss 2013 (after tax, thousand, EUR) | 2 827                             | -2 746                         | 791  |
| Profit/Loss 2012 (after tax, thousand, EUR) | 3 197                             | -3 124                         | 2 818  |
| Turnover in 2008 (thousand, EUR)            | 29 809                            | 15 682                         | 31 672   |
| Changes in Turnover 2013 vs 2008, %         | - 22.6                            | - 47.9                         | - 3.8  |
| Global Ultimate Owner                       | Modern Times Group                | Modern Times Group             | Public Broadcaster   |

| No 3  | LRT televizija                     | LTV1   | TV3  |
|---|------------------------------------|--|--|
| Free or Paid                                | Free                               | Free   | Paid   |
| Audience, %                                 | 11.9                               | 9.8  | 10.3   |
| Audience in the Previous Year, %            | 7.7                                | 10.0   | 11.5   |
| Owner                                       | Nacionalinis radijas ir televizija | Latvijas Televīzija                                      | TV 3   |
| Turnover in 2013 (thousand, EUR)            | 20 915                             | 16 257   | 11 780   |
| Turnover in 2012 (thousand, EUR)            | 20 749                             | 15 073   | 10 279   |
| Changes in Turnover 2013 vs 2012, %         | 0.8                                | 7.9  | 14.6   |
| Profit/Loss 2013 (after tax, thousand, EUR) | 435                                | 1 363  | -1 193   |
| Profit/Loss 2012 (after tax, thousand, EUR) | 572                                | - 281  | -2 175   |
| Turnover in 2008 (thousand, EUR)            | 26 365                             | 21 281   | 13 525   |
| Changes in Turnover 2013 vs 2008, %         | - 20.7                             | - 23.6   | - 12.9   |
| Global Ultimate Owner                       | Public Broadcaster                 | Public Broadcaster                                       | Modern Times Group                                       |
| No 4  | BTV                                | Первый Балтийский Канал                                  | Первый Балтийский Канал                                  |
| Free or Paid                                | Free                               | Paid   | Paid   |
| Audience, %                                 | 7.0                                | 9.4  | 6.4  |
| Audience in the Previous Year, %            | 6.3                                | 9.0  | 7.7  |
| Owner                                       | Laisvas ir nepriklausomas kanalas  | Baltic Media Alliance                                    | Baltic Media Alliance                                    |
| Turnover in 2013 (thousand, EUR)            | 18 421                             | 15 510   | 15 510   |
| Turnover in 2012 (thousand, EUR)            | 18 155                             | 14 060   | 14 060   |
| Changes in Turnover 2013 vs 2012, %         | 1.5                                | 10.3   | 10.3   |
| Profit/Loss 2013 (after tax, thousand, EUR) | 322                                | 86   | 86   |
| Profit/Loss 2012 (after tax, thousand, EUR) | 176                                | 2  | 2  |
| Turnover in 2008 (thousand, EUR)            | 23 851                             | 11 662   | 11 662   |
| Changes in Turnover 2013 vs 2008, %         | - 22.8                             | 33.0   | 33.0   |
| Global Ultimate Owner                       | MG Baltic (Juozas Mockus Darius)   | Baltic Media Alliance (Alexey Plyasunov, Olegs Solodovs) | Baltic Media Alliance (Alexey Plyasunov, Olegs Solodovs) |

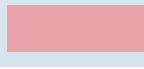

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| № 5   | Первый Балтийский Канал                                  | НТВ Мир Латвия   | НТВ Мир  |
|---|--|--|--|
| Free or Paid                                | Paid   | Paid   | Paid   |
| Audience, %                                 | 4.8  | 8.4  | 5.4  |
| Audience in the Previous Year, %            | 3.4  | 6.7  | 5.9  |
| Owner                                       | Baltic Media Alliance                                    | Baltic Media Alliance                                    | Baltic Media Alliance                                    |
| Turnover in 2013 (thousand, EUR)            | 15 510   | 15 510   | 15 510   |
| Turnover in 2012 (thousand, EUR)            | 14 060   | 14 060   | 14 060   |
| Changes in Turnover 2013 vs 2012, %         | 10.3   | 10.3   | 10.3   |
| Profit/Loss 2013 (after tax, thousand, EUR) | 86   | 86   | 86   |
| Profit/Loss 2012 (after tax, thousand, EUR) | 2  | 2  | 2  |
| Turnover in 2008 (thousand, EUR)            | 11 662   | 11 662   | 11 662   |
| Changes in Turnover 2013 vs 2008, %         | 33.0   | 33.0   | 33.0   |
| Global Ultimate Owner                       | Baltic Media Alliance (Alexey Plyasunov, Olegs Solodovs) | Baltic Media Alliance (Alexey Plyasunov, Olegs Solodovs) | Baltic Media Alliance (Alexey Plyasunov, Olegs Solodovs) |

**Source:**

|                              |   |            |           |
|------------------------------|---|------------|-----------|
| Audience data                | TNS LT  | TNS Latvia | TNS Emor  |
| Period for the audience data | June 2014   | June 2014  | June 2014 |
| Audience, %                  | percentage of radio or television sets tuned to a particular station or channel during a given period (Share %) |            |           |
| Company financial data       | Lithuania's company register/Lursoft  | Lursoft    | Orbis     |

**Footnote:**

|  |   |
|--|---|
| In pink: financial data of the mother company or publisher which includes data of other media outlets/channels of the same owner |  |
| In blue: financial data of the exact media title   |  |



SSE RIGA

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