



AS Merko Ehitus Annual General Meeting of Shareholders

28.06.2011

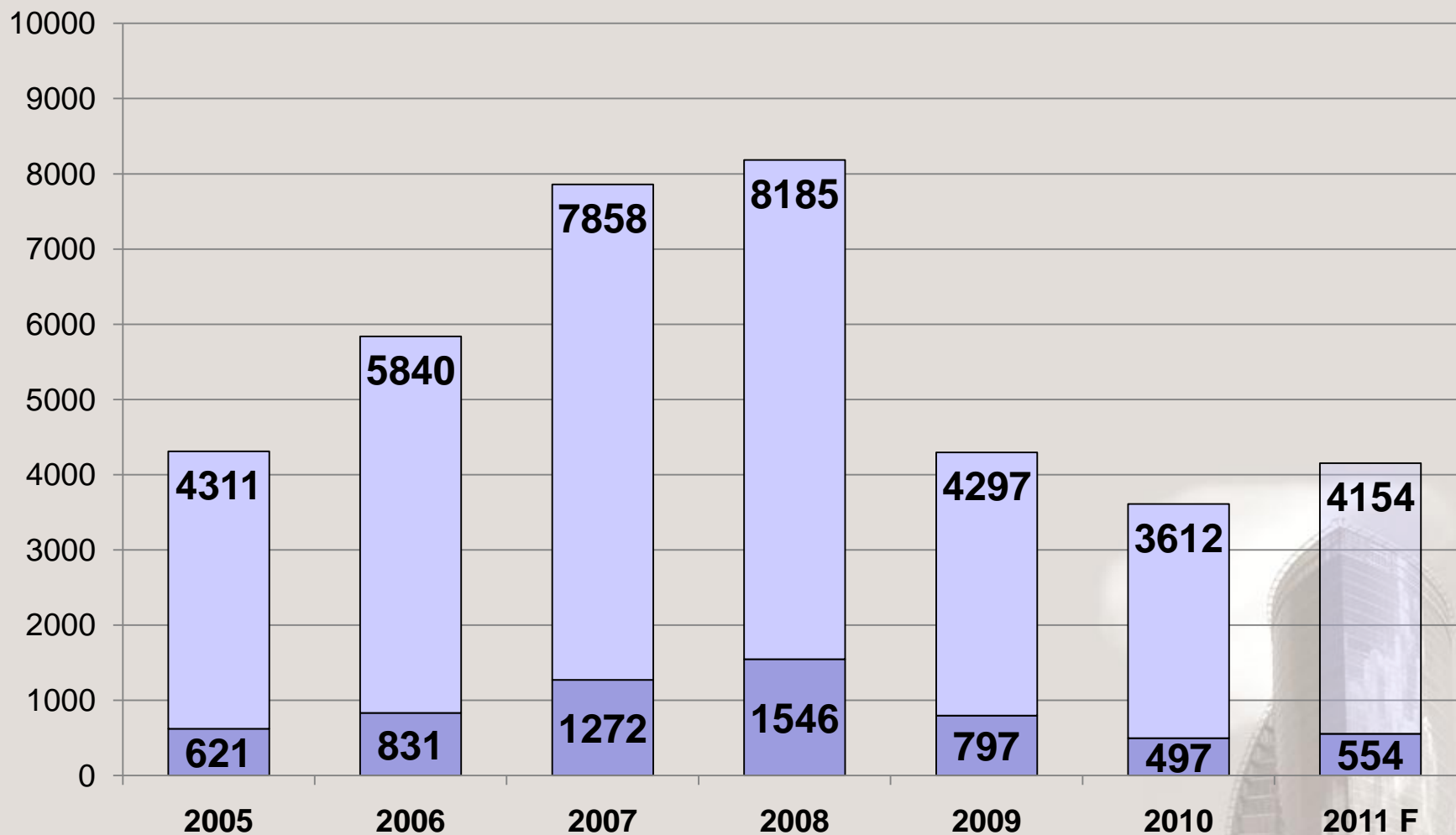




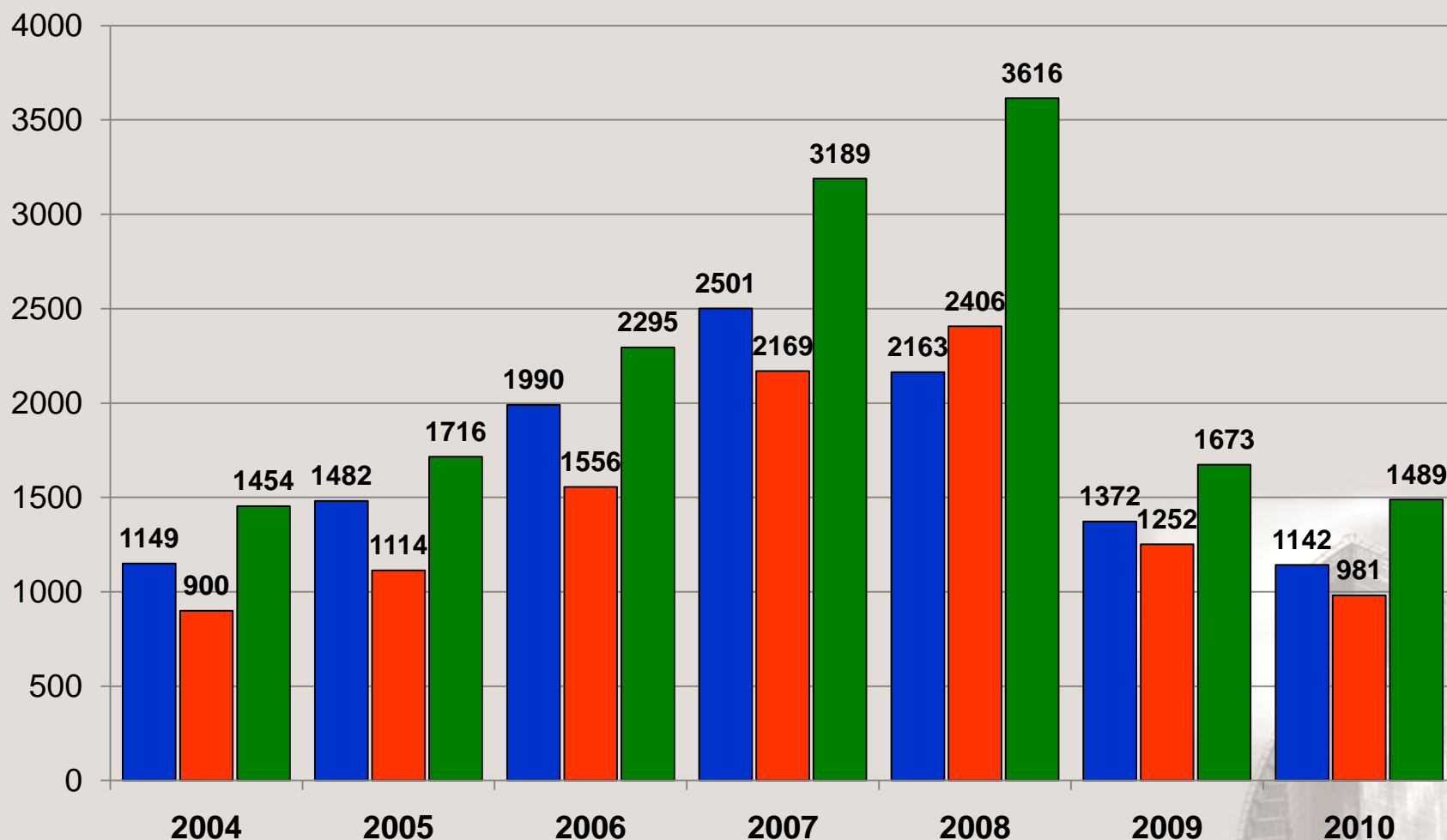
Agenda of the general meeting

1. Approval of the annual report of the year 2010 and overview of the economic results and the prospective of the ongoing year
2. Proposal on distribution of profits
3. Amendment of articles of association
4. Recalculation of the share capital into Euros, taking into use of shares without nominal value and increasing of the share capital
5. Extension of powers of members of the current Supervisory Board and election of an additional member of the Supervisory Board
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Baltic market construction production (with own forces), MEUR



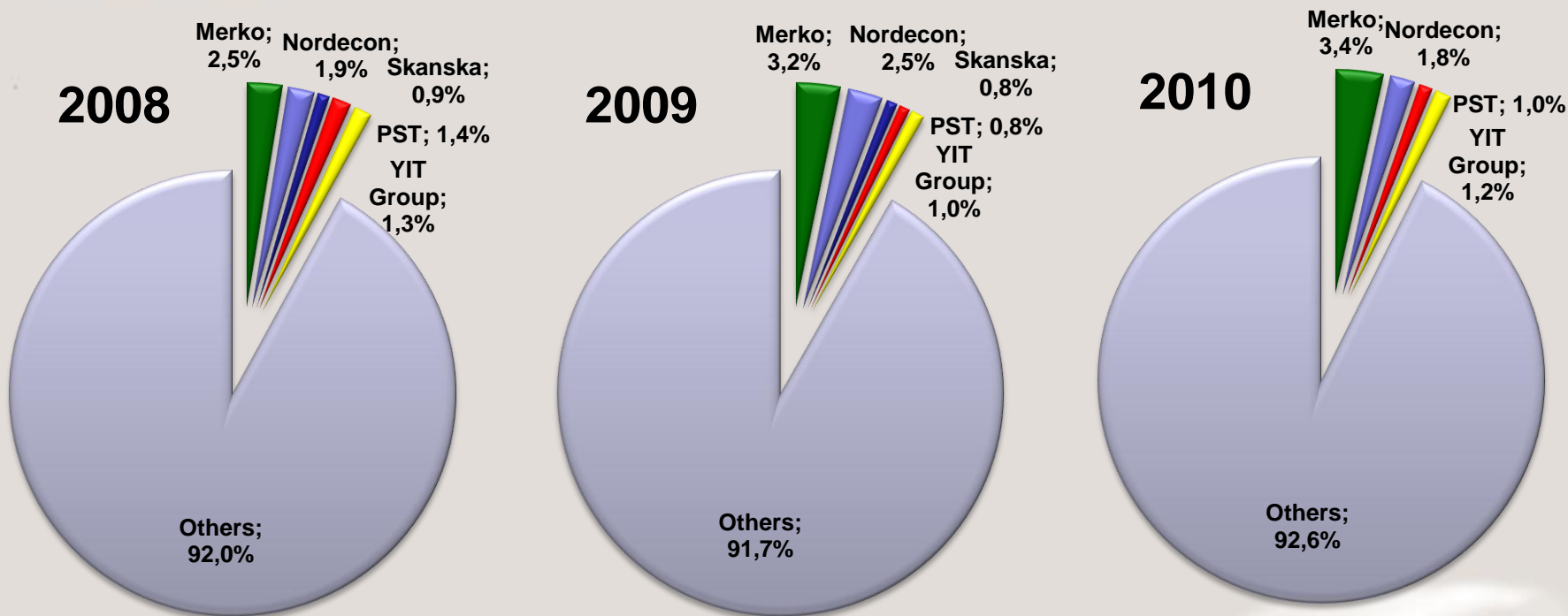
Baltic market construction production (with own forces), MEUR





Market shares in Baltics

(Sales in Baltics/construction activities in Baltics)



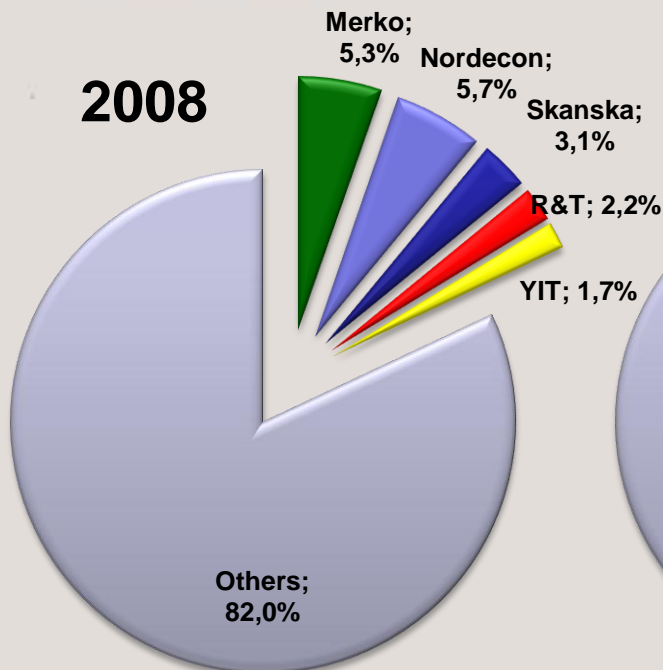
<i>In million EUR</i>	2008	2009	2010
Total construction activities in Baltics	11 765	6 018	5 019
Merko Ehitus sales in Baltics	297	203	172
Nordecon sales in Baltics	219	150	93
Skanska EMV sales in Baltics	111	46	n/a
YIT Group sales in Baltics	154	62	60
Panevežio statybos trestas sales in Baltics	159	51	52



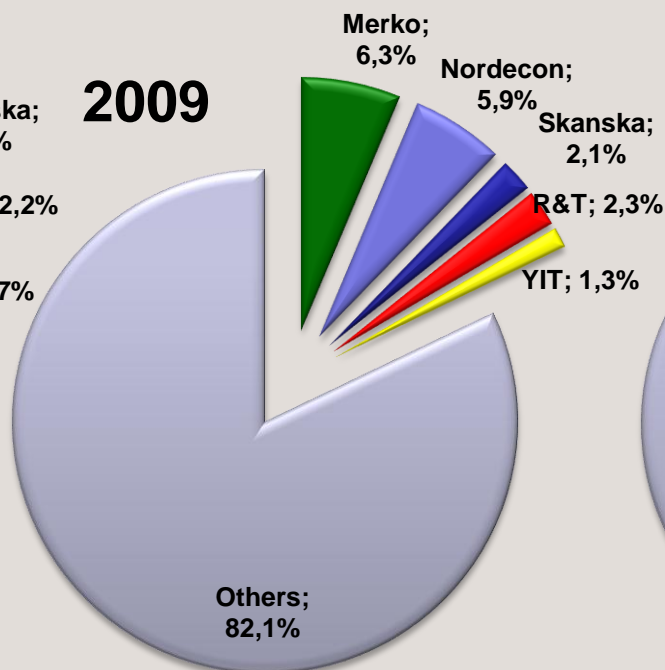
Market shares in Estonia

(Sales in Estonia/construction activities in Estonia)

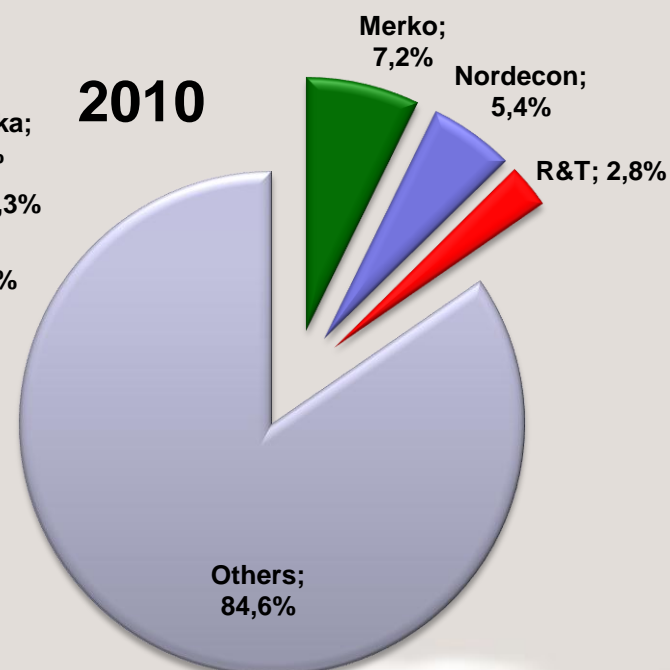
2008



2009



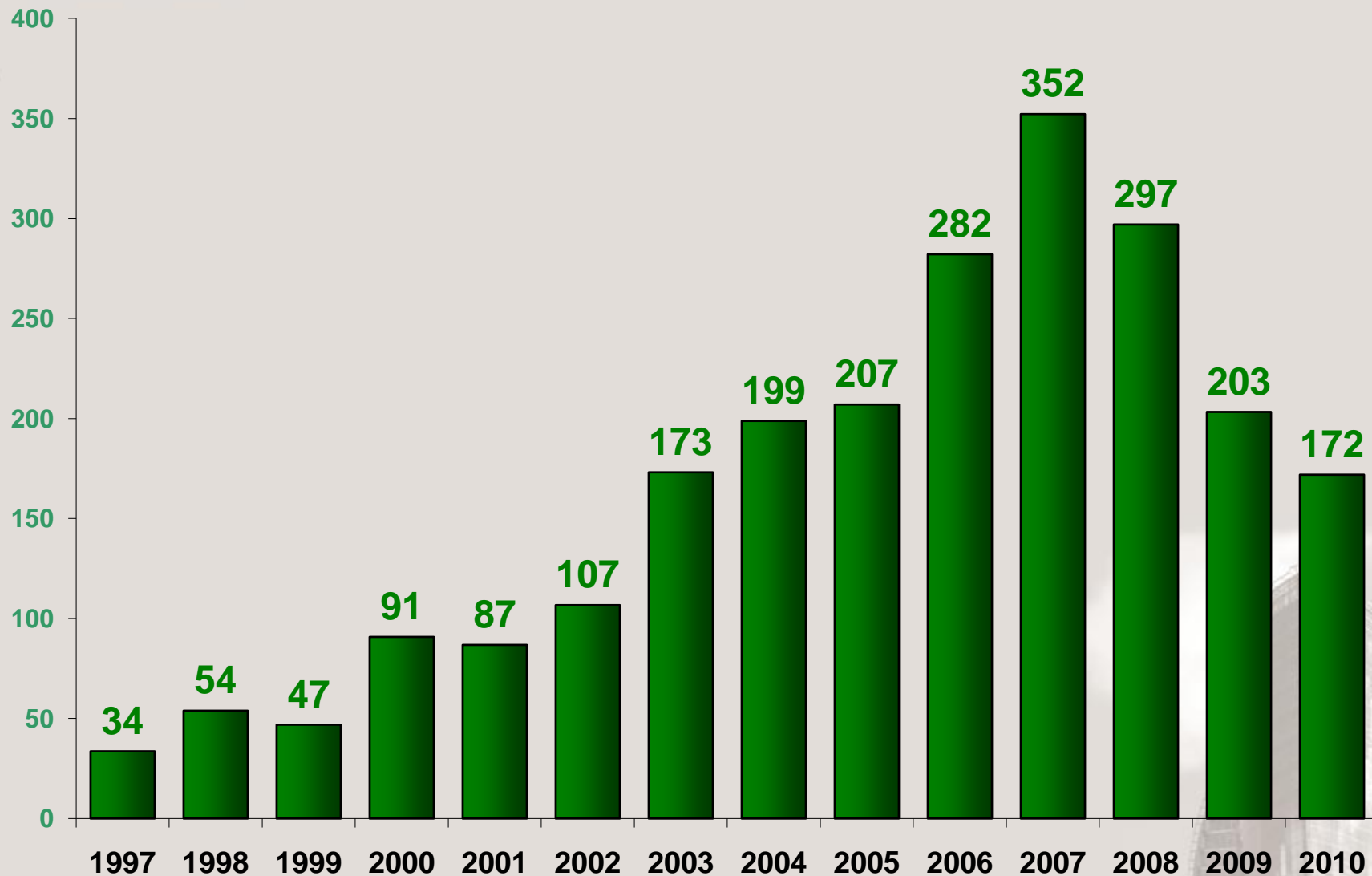
2010



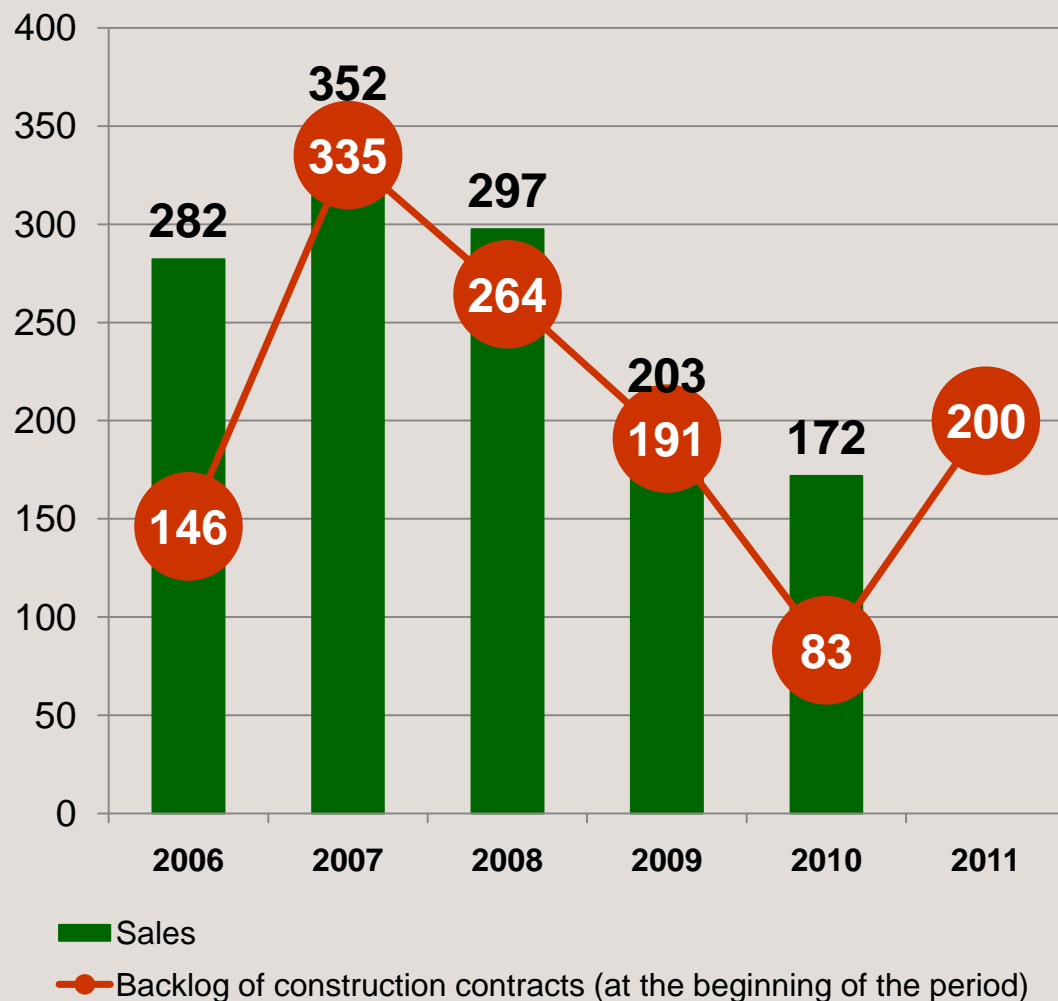
<i>In million EUR</i>	2008	2009	2010
Construction activities in Estonia	3 472	2 226	1 731
Merko Ehitus sales in Estonia	185	139	124
Nordecon International sales in Estonia	199	132	93
YIT Ehitus sales in Estonia	60	29	n/a
Rand&Tuulberg sales in Estonia	75	52	49
Skanska EMV sales in Estonia	107	46	n/a



Merko Ehitus sales, MEUR



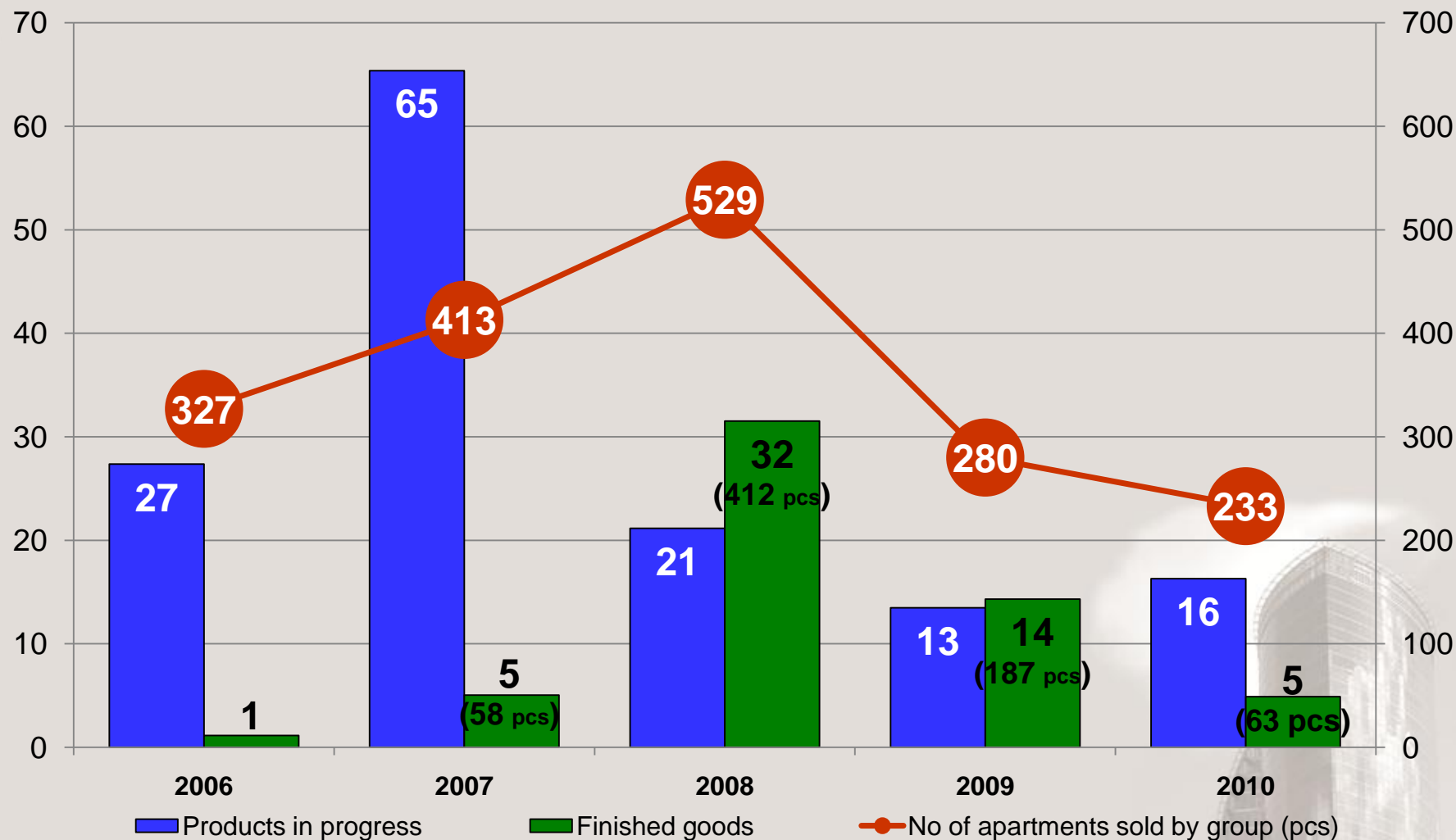
Sales and Backlog of construction contracts (in million eur)



- Backlog of construction contracts as of 31.03.2011 EUR 195 million.
- Macro contracts signed in 2011:
 - Tallinn Airport aircraft servicing complex 10,6 M.
 - Aruküla 330/110 kV sub-station 7,3 M.
 - Kehra city and area water and sewerage system reconstruction and expansion 5,8 M.
 - Design and construction of the water intakes and water treatment plants of Kohtla-Järve region 4,4 million.

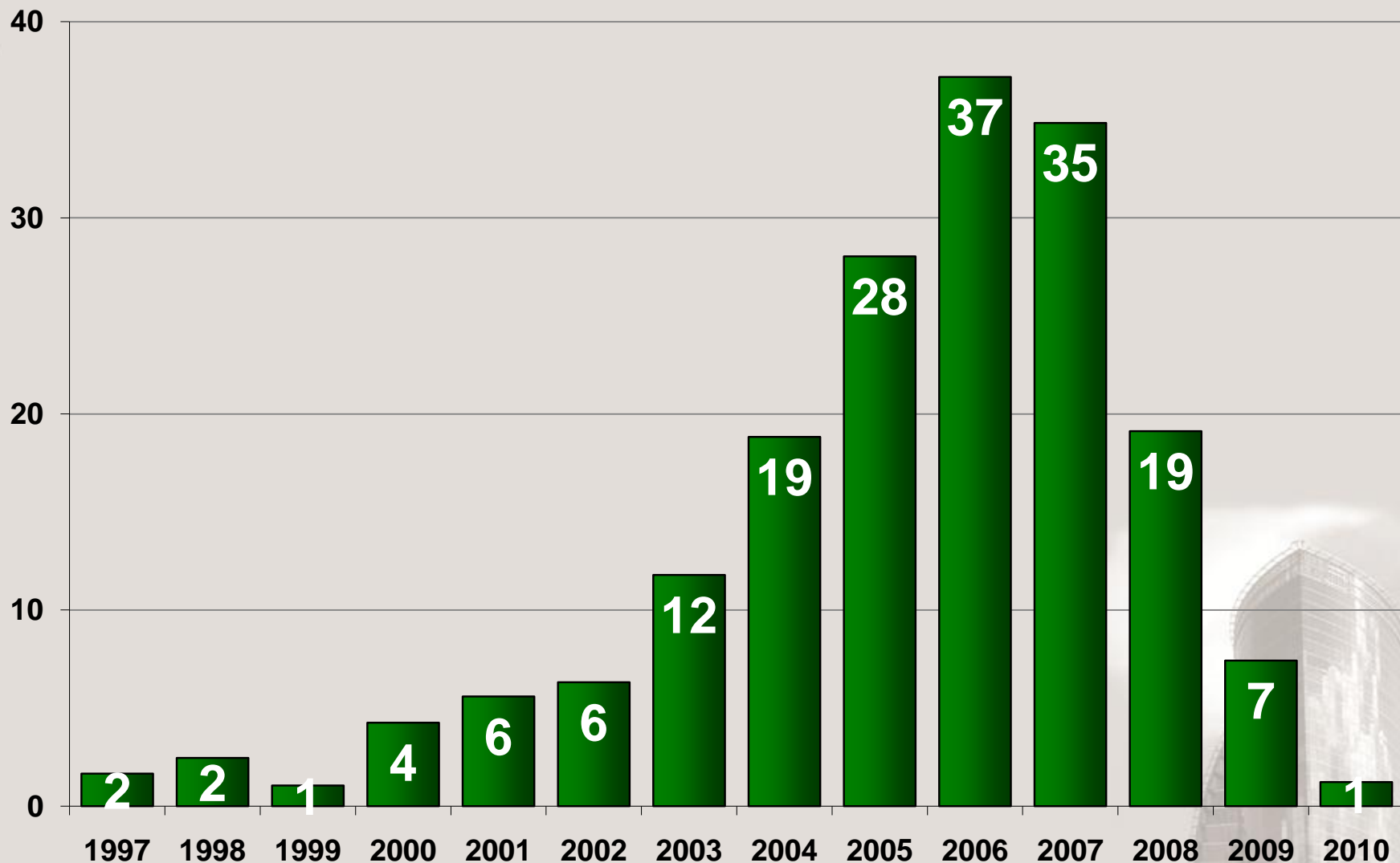


Products in progress and finished goods (apartments) and number of apartments sold (in million EUR)

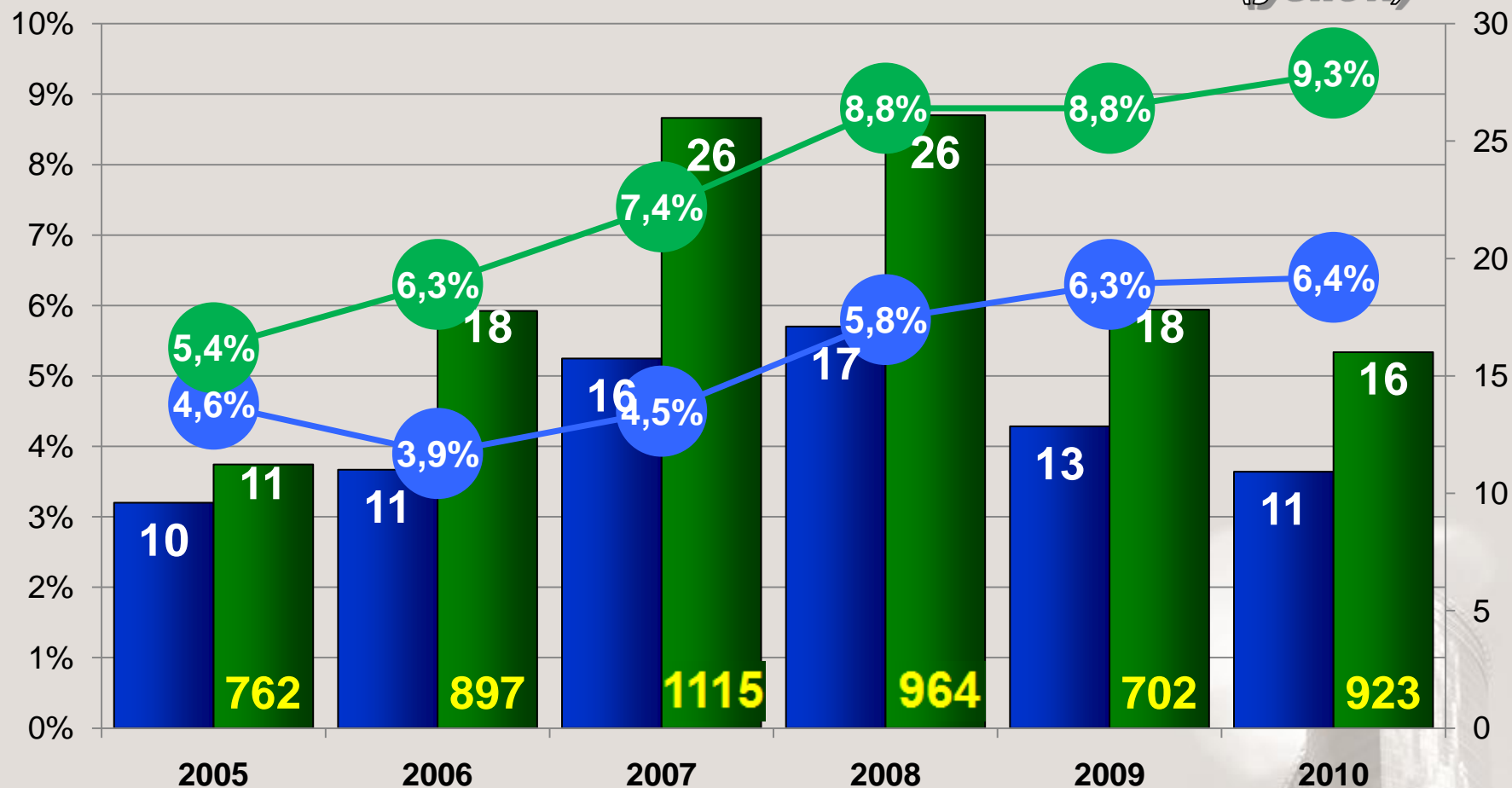




Merko Ehitus net profit, MEUR

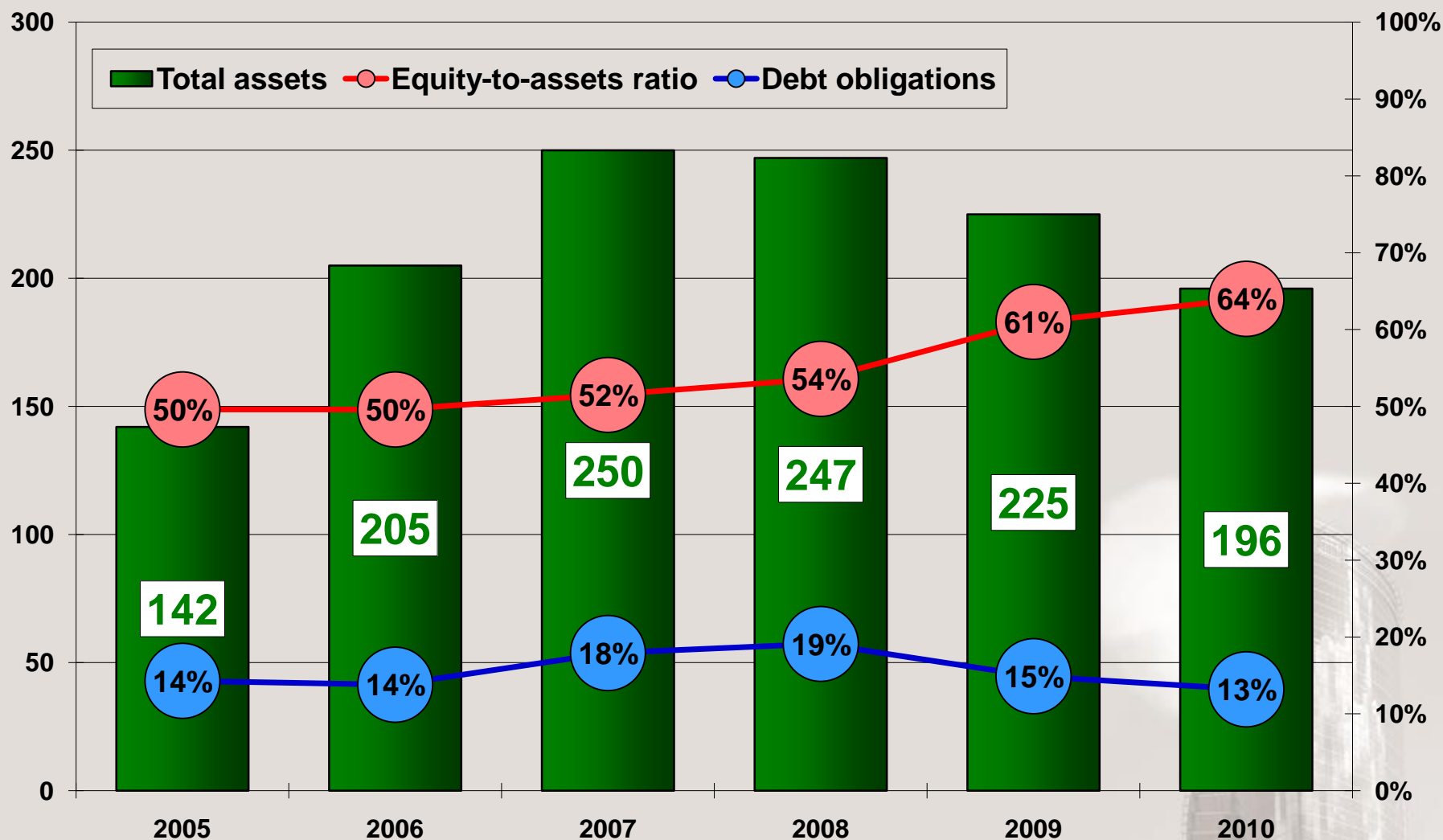


General costs, gross remuneration and no of employees at year-end (yellow)





Merko Ehitus total assets (in million EUR), equity-to-assets ratio and debt obligations



2011 challenges

1. Most of the orders concern public procurement projects from the public sector in the sphere of civil engineering.
2. The rise in input prices is putting the profitability of ongoing projects under great pressure.
3. The increasing financial burden of financing construction projects is forcing companies to meticulously manage their cash flows.
4. The bids made exceed the estimated budgets previously drawn up by contracting entities and, as a result, several procurements are postponed.
5. A sudden increase of orders from certain spheres at public procurement invitations to tender can be expected and, as a result, also an uncontrollable increase in prices.

2011 challenges

6. On the residential premises market the worst times are over and in 2011 a moderate increase in demand and selling prices is expected.
7. Participating at PPP-type procurements (AVERUS) creates opportunities for getting new orders.
8. We continue decreasing the general costs of the group with the aim of the annual average dropping to 5.5 %.
9. Utilising the inventories that will not be developed during the next five years in order to increase liquidity.
10. Increasing the profitability of the contracts in the contract portfolio.





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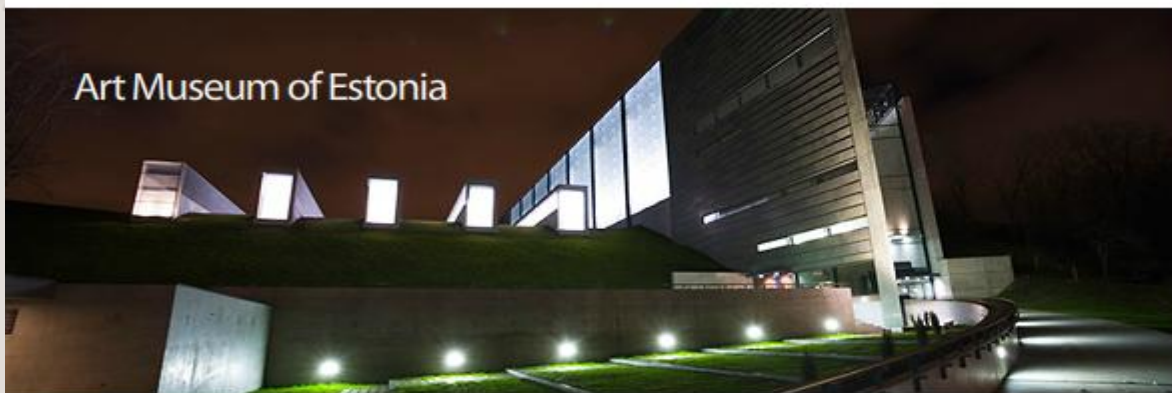
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Merko Ehitus website: www.merko.ee

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Art Museum of Estonia



Merko in the Baltic States

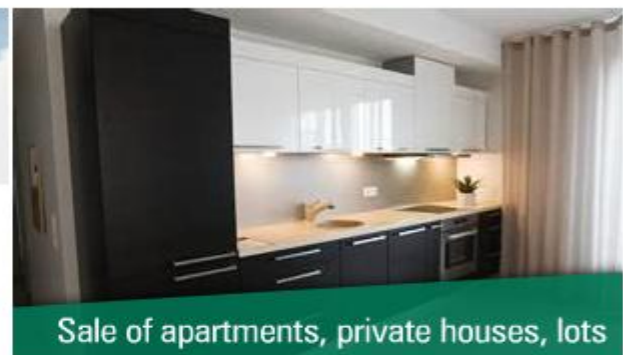


Merko supports

sport



Development/sale
of commercial areas, lots



Sale of apartments, private houses, lots

About Merko

Our vision is reliable solutions and quality performance for your ideas

Merko Ehitus is the construction company established at the beginning of 1990 which operates in Estonia, Latvia and Lithuania and which shares are quoted at Tallinn Stock Exchange from the year 1997. As at the end of the last year the group provided work for more than 900 persons. In 2010 the sales revenue of the company was 171,9 million euros (2,7 billion kroons).

We are a market leader today in Estonia, by building about 6% of all objects to be built in Estonia. The company continues the development of its activities in Latvia and Lithuania with the requirement to get among the leaders of the construction market of these countries through its subsidiaries SIA Merks and UAB Merko Statyba.

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