

The logo for Invalida, featuring the word "Invalida" in a white, italicized, sans-serif font, set against a solid black rectangular background.

Invalida

Consolidated Annual Report of Invalida AB for the year 2008

Prepared according to The Rules for the Drawing-up and the Submission of the
Periodic and Additional Information, approved by
Resolution No. 1K-3 of 23.02.2007 of the Lithuanian Securities Commission

Approved by the Board decision No. 2009-19 passed on 29.04.2009

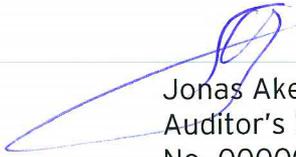
Independent Auditors' Review Report on Consolidated Annual Report of AB Invalda

We have reviewed AB Invalda (hereinafter the Company) Consolidated Annual Report for the year ended 31 December 2008. The consolidated report is the responsibility of the Company's management. Our responsibility is to present report on the Consolidated Annual Report based on our review.

We have audited the financial statements of AB Invalda for the year ended 31 December 2008 in accordance with International Standards of Auditing. On 29 April 2009 we have expressed unqualified opinion on these financial statements with emphasis of the matter on the subject of going concern uncertainty.

We have read the Consolidated Annual Report for the year ended 31 December 2008 and have not noted any material inconsistencies between the financial information included in it and the financial statements for the year ended 31 December 2008.

UAB ERNST & YOUNG BALTIC
Audit company's licence No. 001335



Jonas Akelis
Auditor's licence
No. 000003
President



Ramūnas Bartasius
Auditor's licence
No. 000362

The review was completed on 29 April 2009.

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I. GENERAL INFORMATION

1. Reporting period for which the report is prepared

The report is prepared for 2008.

2. General information about the Issuer and other companies comprising the Issuer's group

2.1. Information about the Issuer

Name of the Issuer	Public company Invalda, hereinafter Invalda AB
Enterprise code	121304349
Address of the registered office	Seimyniskiu str. 3, LT-09312 Vilnius, Lithuania
Address of the actual office	Maironio str. 11, LT-01124 Vilnius, Lithuania
Telephone	+370 5 279 0601
Fax	+370 5 279 0530
E-mail	info@invalda.lt
Website	www.invalda.lt
Legal form	public limited liability company
Date and place of registration	20.03.1992, Register of Enterprise of Vilnius
Register, in which data about the company are accumulated and stored	Register of Legal Entities

Invalda AB is the company actively managing its investments by acquiring and restructuring businesses, applying modern methods of management and funding, diversifying risks, The Company receives income from managed companies and / or exiting businesses thus providing return to shareholders of the company.

2.2. Information about other companies comprising the Issuer's group

Striving to obtain the highest effectiveness of investments and profitability to shareholders, Invalda AB concentrates to the priority segments, such as pharmacy, roads and bridges construction, furniture manufacturing and real estate. The activities of the group are developed in Lithuania, also in Latvia, Poland, Slovakia, and other European countries.

Group's companies and their contacts are described at the appendix 1 of this report.

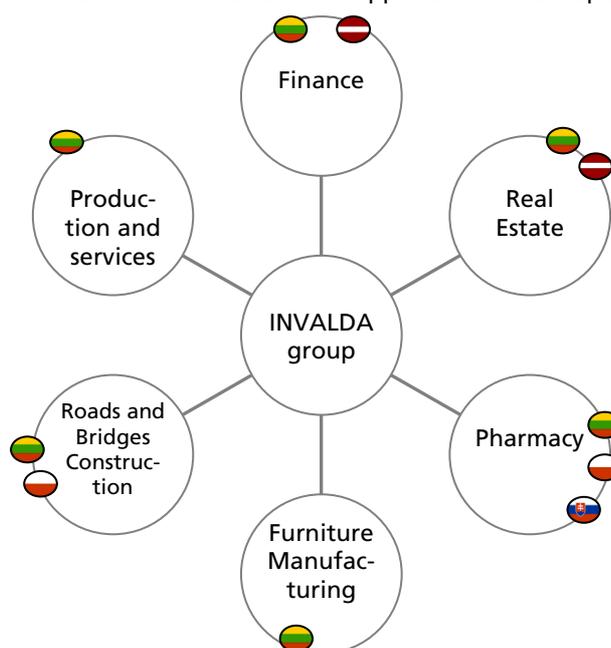
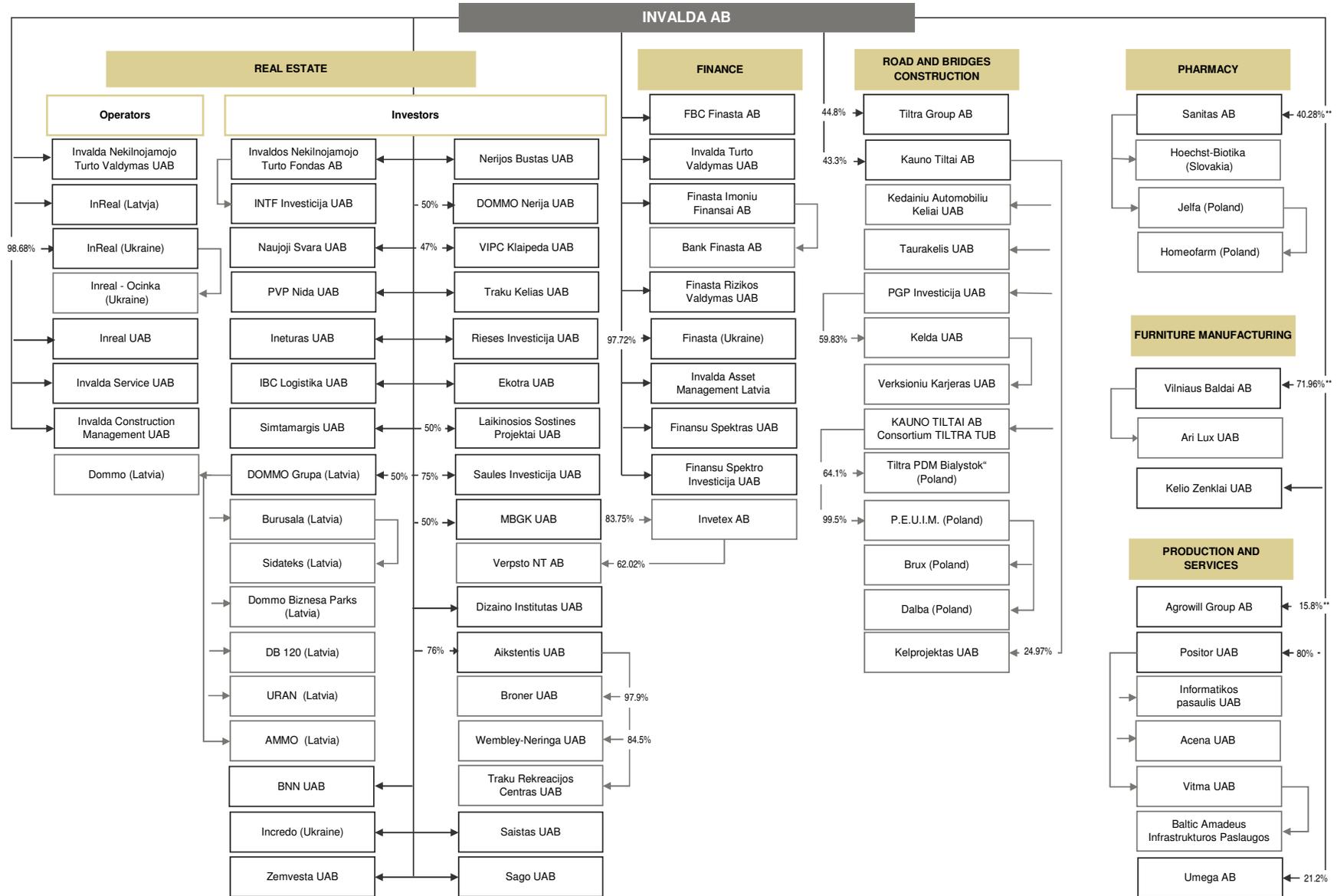


Fig. 2.2.1. Sectors of Invalda AB group as of 31.12.2008

On March 31, 2009 the Management Board of Invalda AB approved entering into the contract with the Bank Snoras AB regarding the sale of financial sector's companies shares.

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Simplified structure of Invalda group as of 31-12-2008
 * 100% of shares held if not indicated differently
 ** Including shares sold under repurchase agreements

Picture 2.2.2. Simplified structure of Invalda AB group as of 31.12.2008

3. Agreements with intermediaries of public trading in securities

Invalda AB has signed agreements with these intermediaries:

- Finasta AB FMI (Maironio str. 11, Vilnius, Lithuania, tel. +370 5 278 6833) – the agreement on investment services, the agreement on management of securities accounting, the agreement on payment of dividends;
- Bank Finasta AB (Maironio str. 11, Vilnius, tel. +370 5203 22 33) – the agreement on management of securities account;
- Siauliu Bankas AB (Tilzes str. 149, Siauliai, Lithuania, tel. +370 41 595 607) – the agreement on management of securities account and intermediation;
- Bankas Snoras AB (A. Vivulskio str. 7, Vilnius, Lithuania, tel. +370 5 232 7224) – the agreement on costumer services (for professional investor);
- DnB NOR Bankas AB (J. Basanaviciaus str. 26, Vilnius, Lithuania, tel. +370 5 239 3503) – the agreement on financial instruments account management, implementation of orders and offering recommendations;
- SEB Bankas AB (Gedimino ave. 12, Vilnius, Lithuania, tel. +370 5 268 2370) – the agreement on securities accounting;
- MP Investment Bank hf. acting via MP Investment Bank hf. Baltic branch (A.Tumeno str. 4, Vilnius, tel. +370 5219 55 00) – the agreement on investment services.

4. Information on Issuer's branches and representative offices

Invalda AB has no branches or representative offices.

5. The order of changing Issuer's Articles of Association

The Articles of Association of Invalda AB may be changed by the resolution of the General Meeting, passed by more than 2/3 of votes (except in cases provided for by the Law on Companies of the Republic of Lithuania).

During the reporting period company's Articles of Association were not changed. Actual wording is dated 28-09-2007. Articles of Association are announced in the company's website.

II. INFORMATION ABOUT SECURITIES

6. Information about Issuer's authorised capital

6.1. Structure of the authorised capital

Table 6.1.1. Structure of Invalda AB authorised capital

Type of shares	Number of shares, units	Nominal value, LTL	Total nominal value, LTL	Portion of the authorised capital, %
Ordinary registered shares	42,568,849	1	42,568,849	100,00

All shares are fully paid and no restrictions apply on their transfer.

6.2. Adjustments of authorised capital

Information concerning adjustments of Invalda AB authorised capital during past 10 years is presented.

On 01.01.1997 the authorised capital of Invalda AB amounted to LTL 38,000,000, it was divided into 38,000,000 ordinary registered shares of nominal value of LTL 1.

On 01.10.2004 the increased authorised capital of LTL 40,417,339 was registered, it was divided into 40,417,339 ordinary registered shares of nominal value of LTL 1. The emission of 2,417,339 shares was issued during the process of reorganisation changing Kremi AB shares into Invalda AB ones.

Invalda AB General Meeting held on 21.11.2005 passed the resolution to increase the authorised capital of the Company by LTL 1,317,323 from LTL 40,417,339 up to LTL 41,734,662, by issuing 1,317,323 shares of nominal value LTL 1. The amended Articles of Association were registered in Register of Legal Entities on 21.11.2005. The increased authorised capital amounted to LTL 41,734,662 and was divided into 41,734,662 ordinary registered shares of LTL 1 nominal value at par.

On 30.06.2006 Invalda AB and Pozityvios Investicijos AB reorganization was completed – Pozityvios Investicijos AB was merged to Invalda AB. During reorganisation shares of Pozityvios Investicijos AB were changed into

Invalda AB shares – the emission of 3,273,714 Invalda AB shares was issued. After the reorganisation the authorised capital of Invalda AB amounted to LTL 45,008,376 and was divided into 45,006,376 shares of nominal value of LTL 1.

On 28.09.2007 the reorganisation of Invalda AB and one of the major shareholders Nenuorama AB was finished – Nenuorama AB was merged to Invalda AB. Changing Nenuorama AB shares into Invalda AB ones, the emission of 19,866,060 shares was issued. Following the terms of the reorganisation 22,305,587 Invalda AB shares held by Nenuorama AB were annulled. After reorganisation the authorised capital of Invalda AB amounts to LTL 42,568,849 and is divided into 42,568,849 shares of nominal value of LTL 1.

6.3. Rights and obligations carried by the shares

6.3.1. Rights of the shareholders

The Company's shareholders have the following property and non-property rights:

- 1) to receive a part of the Company's profit (dividend);
- 2) to receive part of the Company's funds, when the Company's authorised capital is decreased, in order to pay the shareholders from the Company's funds;
- 3) to receive shares without payment if the authorised capital is increased out of the Company funds, except in cases provided for by the laws of the Republic of Lithuania;
- 4) to have the pre-emption right in acquiring shares or convertible debentures issued by the Company, except in cases when the General Meeting in the manner prescribed in the Law on Companies of the Republic of Lithuania decides to withdraw the pre-emption right in acquiring the Company's newly issued shares or convertible debentures for all the shareholders;
- 5) to lend to the Company in the manner prescribed by laws; however, when borrowing from its shareholders, the Company may not pledge its assets to the shareholders. When the Company borrows from the shareholder, the interest may not exceed the average interest of the commercial banks at the place of the lender at the moment of signing of the loan agreement. In this case, arrangement between the Company and the lender about the higher interest rate is forbidden.
- 6) to receive a part of assets of the Company in liquidation;
- 7) other property rights established by law;
- 8) to attend the General Meetings;
- 9) to vote at General Meetings according to voting rights carried by their shares;
- 10) to receive information on the Company specified in the Law on Companies of the Republic of Lithuania;
- 11) to file a claim with the court for reparation of damage resulting from nonfeasance or malfeasance by the Company manager and Board members of their obligations prescribed by the Law on Companies and other laws of the Republic of Lithuania and the Company's Articles of Association as well as in other cases laid down by laws;
- 12) other non-property rights established by law and the Company's Articles of Association.

6.3.2. Obligations of the shareholders

The shareholders have no property obligations to the Company, except for the obligation to pay up, in the established manner, all the shares subscribed for at their issue price.

If the General Meeting takes a decision to cover the losses of the Company from additional contributions made by the shareholders, the shareholders who voted "for" shall be obligated to pay the contributions. The shareholders who did not attend the General Meeting or voted against such a resolution shall have the right to refrain from paying additional contributions.

A shareholder shall repay the Company any dividend paid out in violation of the mandatory norms of the Law on Companies, if the Company proves that the shareholder knew or should have known thereof.

The shareholder shall be responsible for the notification of changes in the following data: personal number, address, phone number, and bank account number. If the shareholder fails to communicate the aforementioned details, provision of information by the known address or payment of money to the account indicated by the shareholder on the part of Invalda AB will be considered as proper execution by Invalda AB of its relevant obligation towards the shareholder.

7. Shareholders

There are no shareholders entitled to special rights of control.

Invalda AB has no knowledge of any restriction on voting rights or mutual agreements between the shareholders that might result in the restriction of transfer of the shares and (or) voting rights. There are no



agreements to which the Issuer is a party and which would come into effect, be amended or terminated in case of change in the Issuer's control.

As of 31.12.2008 the total number of shareholders was 6,588 (on 31.12.2007 it equalled to 6 413).

Table 7.1. Shareholders who held title to more than 5% of Invalda AB authorised capital and / or votes for the 31.12.2008

Name of the shareholder or company	Number of shares held by the right of ownership, units	Share of the authorised capital held, %	Share of the votes, %		
			Share of votes given by the shares held by the right of ownership	Indirectly held votes	Total (together with the persons acting in concert)
Mr. Vytautas Bucas	9,585,803	22.52	22.52	-	31.61
Mr. Darius Sulnis	1,174,964	2.76	2.76	5.83	
Mr. Dalius Kaziunas	54,661	0.13	0.13	0.37	
Ms. Dovile Kaziuniene	380	0.001	0.001	-	
Lucrum Investicija UAB, ent. code 300806471, Seimyniskiu str. 3, Vilnius, Lithuania	62,051	0.15	0.15	16.79	16.94
Mr. Algirdas Bucas	5,464,215	12.84	8.04	-	8.04
Mr. Dailius Juozapas Miseikis	5,307,468	12.47	7.63	-	7.63
Ms. Daiva Baniene	1,836,234	4.31	4.31	-	6.73
Mr. Alvydas Banys	3,039,492	7.14	2.42	-	
Hanner AB , ent. code 111535724, Konstitucijos ave. 7, Vilnius	3,079,699	7.23	-	-	-

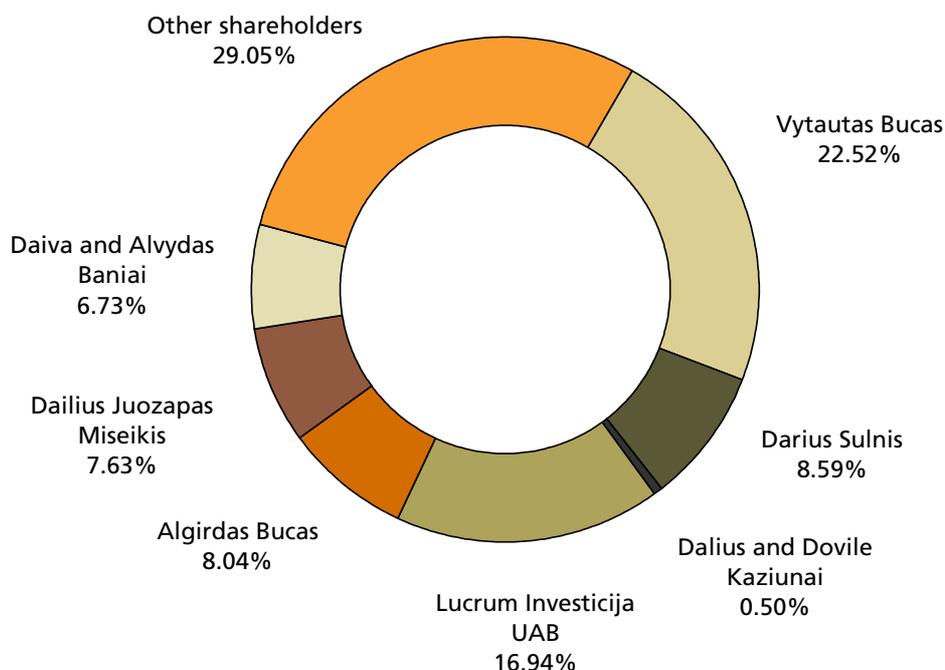


Fig. 7.1. Structure of shareholder as of 31.12.2008

8. Information about the Issuer's own shares

Invalda AB, subsidiary companies and persons acting under their direction but on their behalf do not own Invalda AB shares.

9. Data on trading in securities of the Issuer and its group companies in the regulated markets

9.1. Trading in securities of the Issuer

Table 9.1.1. Main characteristics of Invalda AB shares admitted to trading

ISIN code	LT0000102279
Name	IVL1L
Exchange	NASDAQ OMX Vilnius
List	Baltic Main List (from 01.01.2008)
Listing date	19.12.1995
Share issue, units	42,568,849
Nominal value, LTL	1
Total nominal value, LTL	42,568,849

Company uses no services of liquidity providers.

Table 9.1.2. Trading in Invalda AB shares

	2008	2007	2006
Share price, LTL			
- open	17.15	12.40	13.85
- high	17.34	20.29	15.00
- low	1.03	12.00	8.90
- last	1.67	17.15	12.48
Turnover, units	4,973,647	5,085,097	3,279,888
Turnover, LTL	47,080,502	80,362,022	39,596,023
Traded volume, units	9,162	11,508	8,808

Table 9.1.3. Trading in the Company's shares, 2006–2008 (quarterly)

Reporting period	Price, LTL			Turnover, LTL			Last trading date	Total turnover	
	high	low	last	high	low	last		units	LTL
2006, 1 st Q	15.00	12.40	14.25	453,135	0	316,825	31.03.2006	705,443	9,738,850
2006, 2 nd Q	14.70	8.90	10.40	1,245,070	0	49,853	30.06.2006	845,884	9,758,891
2006, 3 rd Q	12.69	10.01	11.90	544,232	0	27,138	29.09.2006	506,497	5,679,665
2006, 4 th Q	13.13	10.90	12.48	2,642,193	0	53,439	29.12.2006	1,222,064	14,418,617
2007, 1 st Q	14.05	12.00	12.75	1,849,966	22,014	325,859	30.03.2007	1,551,078	20,587,158
2007, 2 nd Q	16.85	12.65	16.40	1,924,814	0	180,404	29.06.2007	1,384,470	20,085,926
2007, 3 rd Q	20.29	16.00	19.67	2,192,376	19,810	142,384	28.09.2007	1,380,783	25,916,362
2007, 4 th Q	19.70	16.03	17.15	788,329	5,321	143,020	28.12.2007	768,766	13,772,576
2008, 1 st Q	17.34	14.00	14.45	632,089	22,141	157,226	31.03.2008	616,706	9,284,477
2008, 2 nd Q	16.45	11.70	16.44	4,282,119	2,767	353,288	30.06.2008	1,035,248	13,988,062
2008, 3 rd Q	17.10	7.40	7.60	2,608,388	16,932	970,695	30.09.2008	1,342,266	17,101,194
2008, 4 th Q	8.70	1.03	1.67	1,044,988	6,285	25,880	30.12.2008	1,979,427	6,706,769

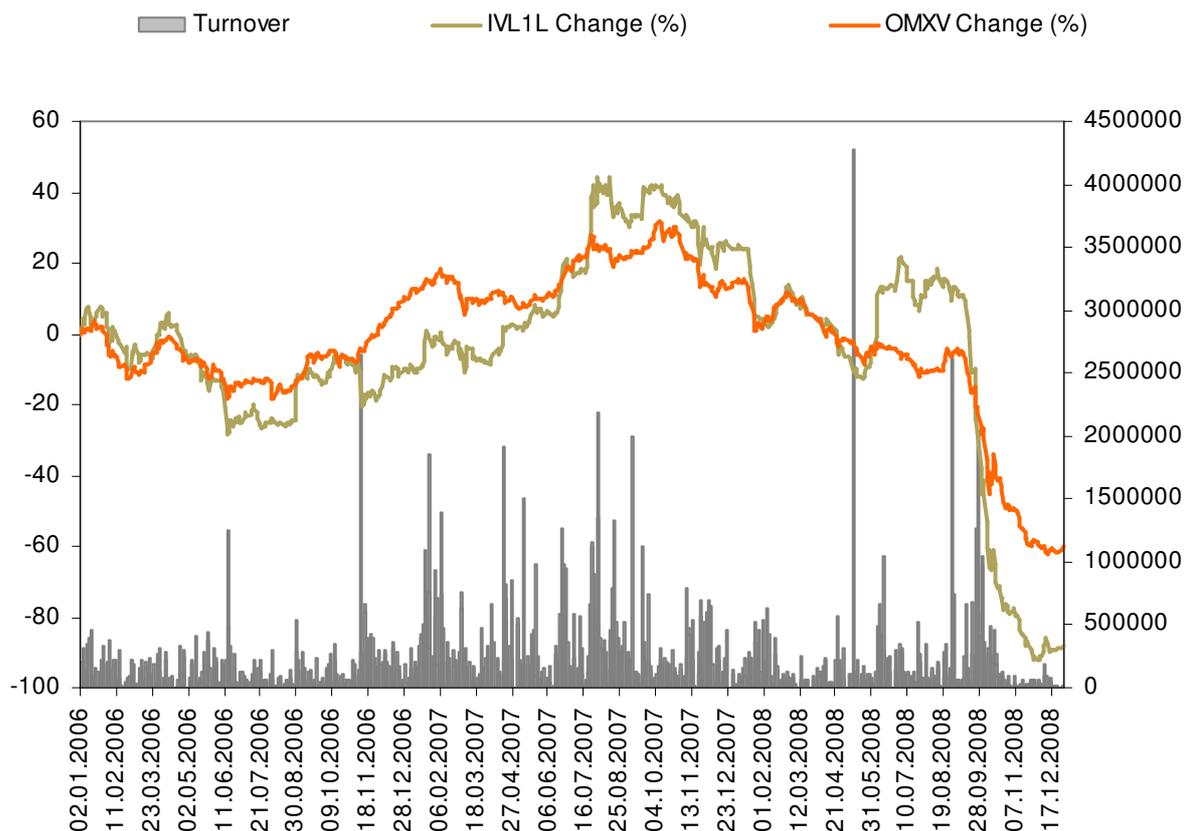


Fig. 9.1.1. Turnover of Invalda AB shares, change of share price and OMXV benchmark, 2006-2008

Table 9.1.4. Capitalisation

Last trading date	Number of issued shares, units	Last price, LTL	Capitalisation, LTL
31.03.2006	41,734,662	14.25	594,718,934
30.06.2006 ¹	45,008,376	10.40	468,087,110
29.09.2006	45,008,376	11.90	535,599,674
29.12.2006	45,008,376	12.48	561,704,532
30.03.2007	45,008,376	12.75	573,856,794
29.06.2007	45,008,376	16.40	738,137,366
28.09.2007 ²	42,568,849	19.67	837,329,260
28.12.2007	42,568,849	17.15	730,055,760
31.03.2008	42,568,849	14.45	615,119,868
30.06.2008	42,568,849	16.44	699,831,878
30.09.2008	42,568,849	7.60	323,523,252
30.12.2008	42,568,849	1.67	71,089,978

¹Regarding the reorganisation of Invalda AB on 30.06.2006 the number of issued shares was increased from 41,734,662 to 45,008,376 shares.

²Regarding the reorganisation of Invalda AB on 28.09.2007 the number of issued shares was decreased from 45,008,376 to 42,568,849 shares.



9.2. Trading in securities of the Issuer's group companies

Shares of Invalda AB group companies Sanitas AB, Vilniaus Baldai AB and Agrowill Group AB are admitted to trading in NASDAQ OMX Vilnius Main List.

9.2.1. Trading in shares of Sanitas AB

Table 9.2.1.1. Main characteristics of Sanitas AB shares admitted to trading

ISIN code	LT0000106171
Name	SAN1L
Exchange	NASDAQ OMX Vilnius
List	Baltic Main List
Listing date	13.09.1994
Share issue, units	31,105,920
Nominal value, LTL	1
Total nominal value, LTL	31,105,920

Table 9.2.1.2. Trading in Sanitas AB shares

	2008	2007	2006
Share price, LTL			
- open	29.90	13.60	14.00
- high	34.95	36.40	17.00
- low	7.00	13.00	12.33
- last	8.69	29.90	13.60
Turnover, units	1,267,264	3,204,531	1,461,782
Turnover, mLTL	27.69	63.75	20.66
Capitalisation, mLTL	270.31	930.07	423.04

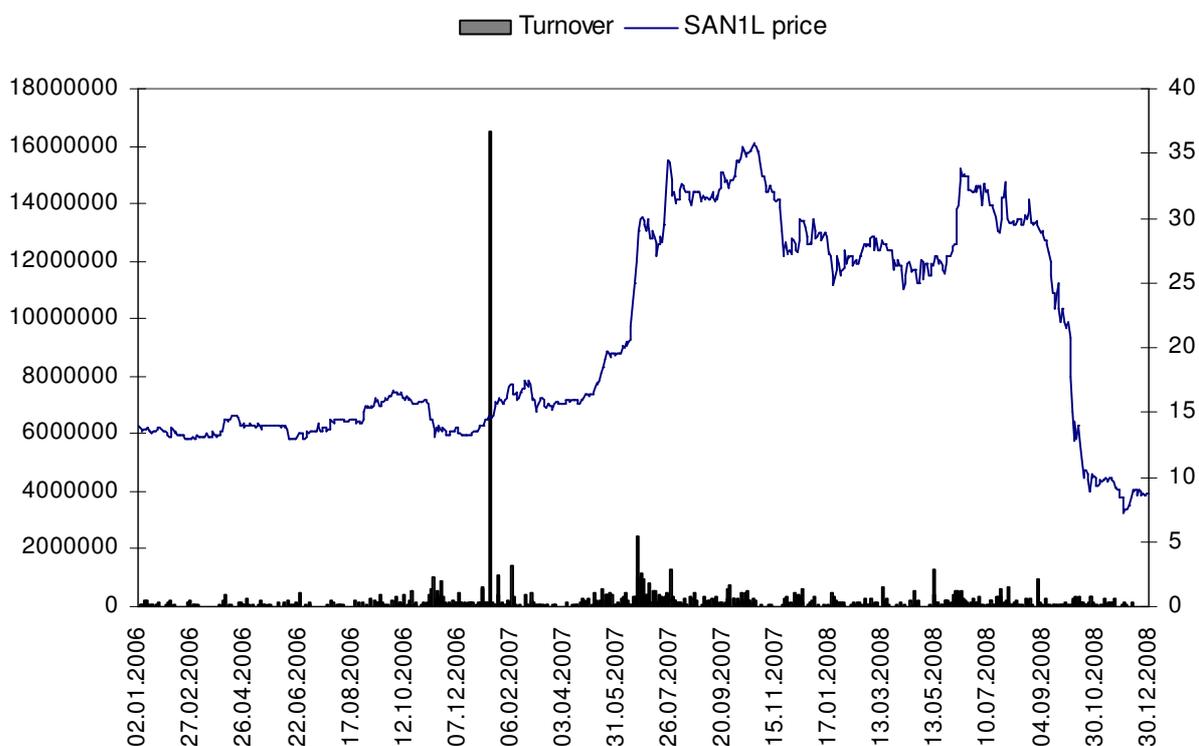


Fig. 9.2.1. Turnover and share price of Sanitas AB, 2006-2008

9.2.2. Trading in shares of Vilniaus Baldai AB

Table 9.2.2.1. Main characteristics of Vilniaus Baldai AB shares admitted to trading

ISIN code	LT0000104267
Name	VBL1L
Exchange	NASDAQ OMX Vilnius
List	Baltic Main List
Listing date	05.06.2000
Share issue, units	3,886,267
Nominal value, LTL	4
Total nominal value, LTL	15,545,068

Table 9.2.2.2. Trading in Vilniaus Baldai AB shares

	2008	2007	2006
Share price, LTL			
- open	22.00	18.02	36.00
- high	23.00	25.00	37.02
- low	11.60	17.03	17.00
- last	12.00	22.00	18.10
Turnover, units	160,117	297,985	204,787
Turnover, mLTL	2.87	5,86	4,89
Capitalisation, mLTL	46.64	85,50	70,34

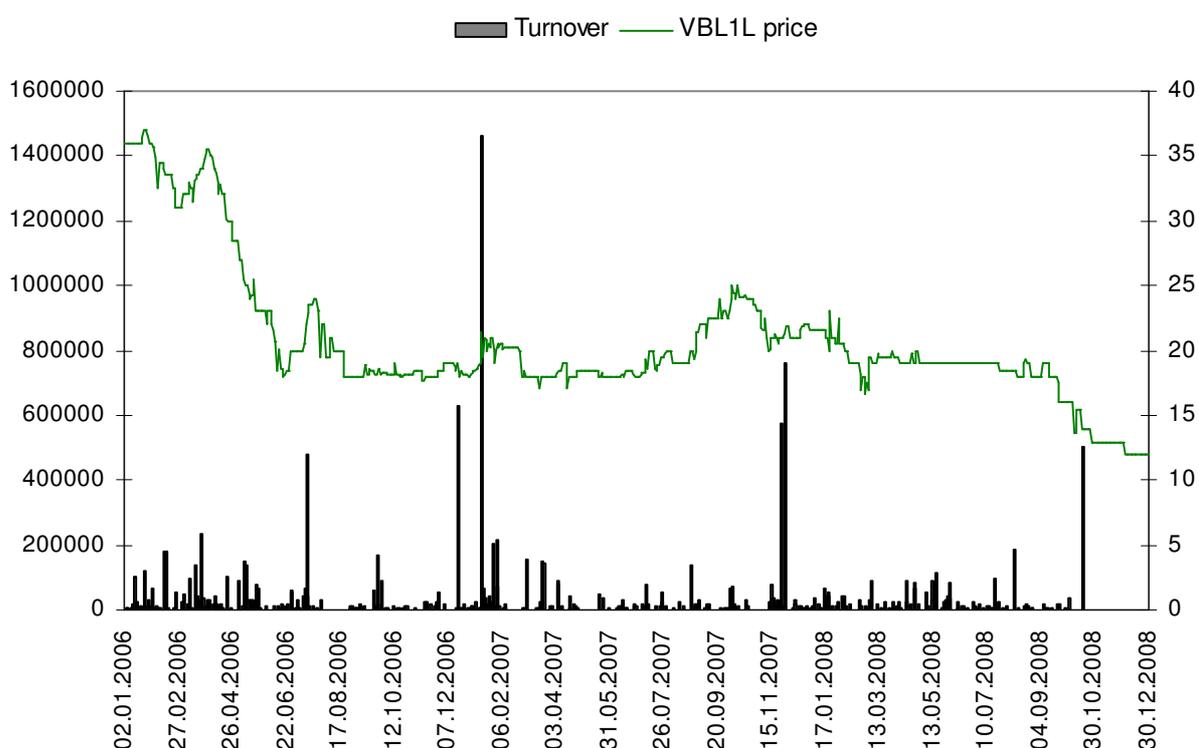


Fig. 9.2.2.1. Turnover and share price of Vilniaus Baldai AB, 2006-2008

9.3.1. Trading in shares of Agrowill Group AB

Table 9.3.1.1. Main characteristics of Agrowill Group AB shares admitted to trading

ISIN code	LT0000127466
Name	AVG1L
Exchange	NASDAQ OMX Vilnius
List	Baltic Main List
Listing date	02.04.2008
Share issue, units	26 142 732
Nominal value, LTL	1
Total nominal value, LTL	26 142 732

Table 9.3.1.2. Trading in Agrowill Group AB shares

	2008
Share price, LTL	
- open	5.50
- high	7.70
- low	1.35
- last	1.40
Turnover, units	3 474 439
Turnover, mLTL	19.03
Capitalisation, mLTL	36.60

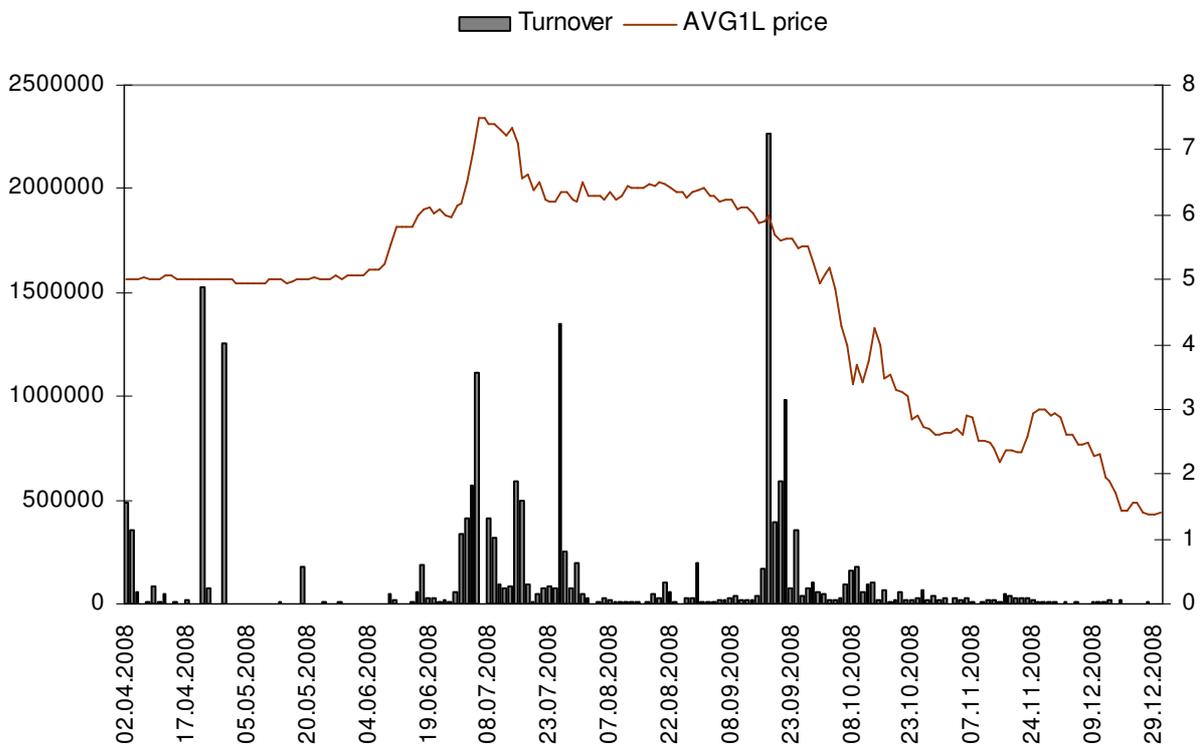


Fig. 9.3.2.1. Turnover and share price of Agrowill Group AB 2008

10. Dividends

The General Meeting of shareholders decides upon dividend payment and sets the amount of dividends. The Company pays out the dividends within 1 month after the day of adoption of the resolution on profit appropriation.

Persons have a right to get dividends if they were shareholders of the Company at the end of the tenth day of the General Meeting that declared dividends.

According the Law on Personal Income Tax and the Law on Corporate Income Tax, 20% tax (until 2009 it was 15%) is applied to the dividends. From 2009 permanent residents of the Republic of Lithuania from the received dividends pay 6% health insurance tax. The taxes are calculated, withdrawn and transferred (to the State) by the Company³.

The information about the dividends paid during the last 5 years is presented.

Table 10.1. Dividends

	Financial year				
	2007	2006	2005	2004	2003
Record date	30.04.2008	11.05.2007	28.04.2006	28.04.2005	22.03.2004
Ex-dividend date ⁴	28.04.2008	09.05.2007	26.04.2006	26.04.2005	18.03.2004
Total sum of dividends, LTL	12,770,655	11,252,094	8,346,932	6,062,601	1,900,000
Dividends per share, LTL	0.30	0.25	0.20	0.15	0.05
Net dividends per share (15% of Personal Income tax or Corporate Income tax is withdrawn), LTL	0.225	0.2125	0.17	0.1275	0.0425
Share of nominal value, %	30	25	20	15	5
Dividend yield (dividend per share / share price for the last day of the period), %	1.7	2.0	1.4	2.0	1.8
Dividend payment rate (total sum of the dividends / net profit)	0.15	0.39	0.87	0.31	0.95

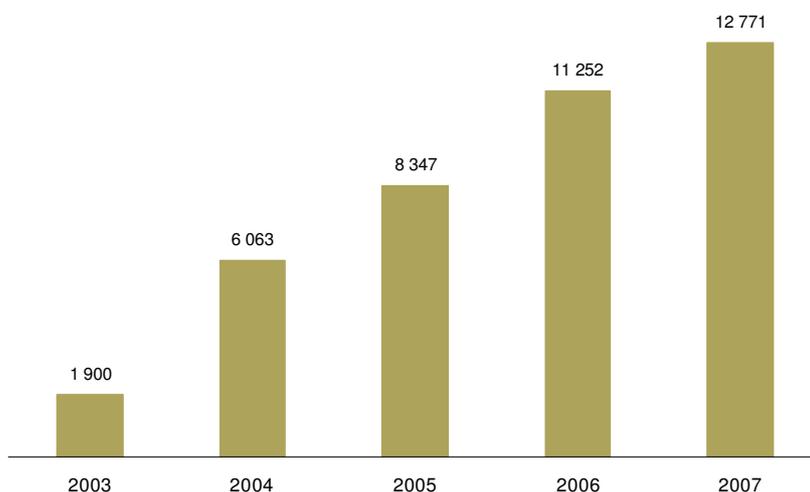


Fig. 10.1. Total sum of dividends, tLTL

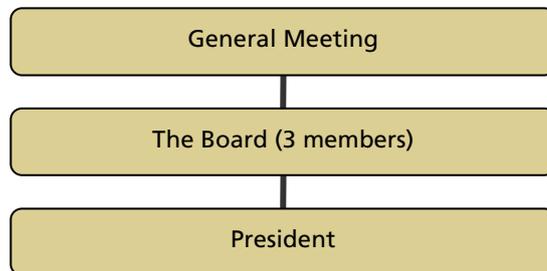
³This information should not be treated as tax consultation.

⁴The ownership right to the shares acquired through Automatically Matched trades is transferred on the 3rd day after conclusion of the transaction.

III. ISSUER'S MANAGING BODIES

11. Structure, authorities, the procedure for appointment and replacement

Invalda AB is managed through the General Meeting; it has as a single person managing body - President, and



a collegial managing body – the Board. The Supervisory Board is not formed.

11.1. General Meeting

Persons who are shareholders of the Company at the end of the record date (the 5th working day before the General Meeting) shall have the right to attend and vote at the General Meeting.

A General Meeting may take decisions and shall be held valid if attended by shareholders who hold shares carrying not less than ½ of all votes. If a quorum is not present, the General Meeting shall be considered invalid and a repeat General Meeting must be convened, which shall be authorised to take decisions only on the issues on the agenda of the meeting that has not been held and to which the quorum requirements shall not apply.

An Annual General Meeting must be held every year at least within 4 months from the end of the financial year.

The General Meeting shall have the exclusive right to:

- amend the Articles of Association of the Company, unless otherwise provided for by the Law on Companies of the Republic of Lithuania;
- elect the members of the Board;
- remove the Board or its members;
- select and remove the firm of auditors, set the conditions for auditor remuneration;
- determine the class, number, nominal value and the minimum issue price of the shares issued by the Company;
- take a decision regarding conversion of shares of one class into shares of another class, approve share conversion procedure;
- approve the annual financial statements;
- take a decision on profit/loss appropriation;
- take a decision on the formation, use, reduction and liquidation of reserves;
- take a decision to issue convertible debentures;
- take a decision to withdraw for all the shareholders the right of pre-emption in acquiring the shares or convertible debentures of a specific issue of the Company;
- take a decision to increase the authorised capital;
- take a decision to reduce the authorised capital, except where otherwise provided for by the Law on Companies of the Republic of Lithuania;
- take a decision for the Company to purchase own shares;
- take a decision on the reorganisation or division of the Company and approve the terms of reorganisation or division;
- take a decision to transform the Company;
- take a decision to restructure the Company;
- take a decision to liquidate the company, cancel the liquidation of the company, except where otherwise provided by the Law on Companies of the Republic of Lithuania;
- elect and remove the liquidator of the Company, except where otherwise provided by the Law on Companies of the Republic of Lithuania.

11.2. The Board

The Board shall continue in office for the 4 year period or until a new Board is elected and assumes the office but for not longer than the Annual General Meeting during the final year of its term of office.

The Board or its members shall start their work after the completion of the General Meeting which elected the Board or its members. Where the Articles of Association of the Company are amended due to the increase in the number of its members, newly elected members of the Board may commence in office only from the date of registration of the amended Articles of Association.

The General Meeting may remove from office the entire Board or its individual members before the expiry of their term of office. A member of the Board may resign from office prior to the expiry of his term of office by giving a written notice thereof to the Company at least 14 days in advance.

The Board shall have all authorities provided for in the Articles of Association of the Company as well as those assigned to the Board by the laws. The activities of the Board shall be based on collegial consideration of issues and decision-making as well as shared responsibility to the General Meeting for the consequences of the decisions made. Striving for as big benefit for the Company and shareholders as possible and in order to ensure the integrity and transparency of the control system, the Board closely cooperates with the Manager of the Company

The Board shall consider and approve:

- the operating strategy of the Company;
- the annual report of the Company;
- the management structure of the Company and the positions of the employees
- the positions to which employees are recruited by holding competitions;
- regulations of branches and representative offices of the Company.

The Board shall elect and remove the Manager of the Company, establish his remuneration, other provisions of the employment agreement, approve the job regulations, provide incentives for him and impose penalties. The Board shall be responsible for the effective supervision of the activities of the Manger of the Company.

The Board shall determine which information shall be considered to be the Company's commercial secret. Any information which must be publicly available under the laws may not be considered to be the commercial secret.

The Board shall take the following decisions:

- for the Company to become an incorporator or a member of other legal entities;
- to open branches and representative offices of the Company;
- to invest, dispose of or lease the tangible long-term assets the book value whereof exceeds 1/20 of the authorised capital of the Company (calculated individually for every tape of transaction);
- to pledge or mortgage the tangible long-term assets the book value whereof exceeds 1/20 of the authorised capital of the Company (calculated for the total amount of transactions);
- to offer surety or guarantee for the discharge of obligations of third persons the amount whereof exceeds 1/20 of the authorised capital of the Company;
- to acquire the tangible long-term assets the price whereof exceeds 1/20 of the authorised capital of the Company;
- to restructure the Company in the cases laid down in the Law on Restructuring of Enterprises;
- other decisions within the powers of the Board as prescribed by the Articles of Association or the decisions of the General Meeting.

Before adopting the decision to invest funds or other assets into another legal entity, the Board must notify thereof the creditors with which the Company failed to settle within the prescribed time limit, if the aggregate debt to these creditors exceeds 1/20 of the authorised capital of the Company.

The Board shall analyse and evaluate the documents submitted by the Manager of the Company on:

- the implementation of the operating strategy of the Company;
- the organisation of the activities of the Company;
- the financial status of the Company;
- the results of business activities, income and expenditure estimates, the stocktaking data and other accounting data of changes in the assets.

The Board shall analyse and assess the Company's and consolidated draft annual financial statements and draft of profit/loss appropriation and shall submit them to the General Meeting together with the annual report.

The Board shall determine the methods used by the Company to calculate the depreciation of tangible assets and the amortisation of intangible assets.

It shall be the duty of the Board to convene and organise General Meetings in due time.

Members of the Board shall be under duty not to divulge any commercial secrets of the Company which they learned working on the Board.

11.3. The President

The manager of the Company (the President) shall be elected and removed from office by the Board which shall also establish his remuneration, other provisions of the employment agreement, approve the job regulations, provide incentives for him and impose penalties. The employment agreement shall be concluded with the President. The President shall commence in his office after the election, unless otherwise provided for in the agreement concluded with him. If the Board adopts the decision to remove him from office, his employment agreement shall be terminated.

In his activities, the President shall be comply with laws and other legal acts, the Articles of Association of the Company, decisions of the General Meeting and the Board, his job regulations. The President is accountable to the Board.

The President shall organise daily activities of the Company, hire and dismiss employees, conclude and terminate employment agreements with them, provide incentives and impose penalties.

The President shall act on behalf of the Company and shall be entitled to enter into the transactions at his own discretion. The President may conclude the transactions to invest, dispose of or lease the tangible long-term assets the book value whereof exceeds 1/20 of the authorised capital of the Company (calculated individually for every tape of transaction), to pledge or mortgage the tangible long-term assets the book value whereof exceeds 1/20 of the authorised capital of the Company (calculated for the total amount of transactions), to offer surety or guarantee for the discharge of obligations of third persons the amount whereof exceeds 1/20 of the authorised capital of the Company, to acquire the tangible long-term assets the price whereof exceeds 1/20 of the authorised capital of the Company, provided that there is a decision of the Board to enter into these transactions.

The President shall be responsible for:

- the organisation of activities and the implementation of objects of the Company;
- the drawing up of the annual financial statements and the drafting of the annual report of the Company;
- the conclusion of the agreement with the firm of auditors;
- the submission of information and documents to the General Meeting and the Board;
- the submission of documents and particulars of the Company to the manager of the Register of Legal Entities;
- the submission of the documents to the Securities Commission and the Central Securities Depository of Lithuania;
- the publication of information referred to the legal acts;
- the submission of information to shareholders;
- the fulfilment of other duties laid down in the laws and legal acts as well as in the Articles of Association and the job regulations of the President.

The President shall set the rates used for calculating asset depreciation in the Company.

The President must keep confidential the commercial secrets of the Company which he learned serving in this office.

12. Information about members of the Board and Chief Financier

The Board of Invalda AB was elected by the General meeting of shareholders on 12.01.2006. The Board started its activity on 01.02.2006 as amended Articles of Associations were registered in the Register of Legal Entities. The Board is elected for the term of office of 4 years.

Information about the management of the Company:



Chairman of the Board
Vytautas Bucas (1968)

Educational background

1993, Vilnius University, Faculty of Economics
1994–2002 member of Association of Chartered Certified Accountants, UK
Since 1996 member of Lithuanian Chamber of Audit

Job experience

Since May 2007 chairman of the Board, Invalda AB
Since 2006 advisor, member of the Board, Invalda AB
2000–2006 member of the Board, executive vice president, CFO, Head of IT department, SEB Vilniaus Bankas AB
1992–2000 senior manager, manager, senior auditor, Arthur Andersen

Owned amount of Invalda AB shares

9,585,803 units, that is 22.52% shares and votes, (together with persons acting in concert 31.61% of votes)

Participation in other companies

Name of the company or organization	Duties	Start date
Invalda AB	Board member/ Chairman of the Board	Since 02 2006 / 05 2007
Tiltra Group AB	Chairman of the Supervisory Board	Since 06 2008
Invalda Turto Valdymas UAB	Board member	Since 04 2008
Invalda Nekilnojamojo Turto Valdymas UAB	Board member	Since 04 2008
AB bank Finasta	Chairman of the Supervisory Board	Since 03 2008
Invaldos Nekilnojamo Turto Fondas UAB	Chairman of the Board	Since 06 2007
Sanitas AB	Board member	Since 04 2007
Vilniaus Baldai AB	Chairman of the Board	Since 04 2007
Finasta Imoniu Finansai AB	Board member	Since 07 2006
FBC Finasta AB	Board member	Since 04 2006



Member of the Board,
president
Darius Sulnis (1971)

Educational background

1993, Vilnius University, Faculty of Economics
Financial broker's license (general) No. A109

Job experience

Since 2006 president, member of the Board, Invalda AB
2002–2006 director, Invalda Real Estate UAB
1994–2002 director, FBC Finasta AB

Owned amount of Invalda AB shares

1,174,964 units, that is 2.76% shares and 8.59% votes, (together with persons acting in concert 31.61% of votes)

Participation in other companies

Name of the company or organization	Duties	Start date
Invalda AB	Board member	Since 02 2006
Tiltra Group AB	Chairman of the supervisory board	Since 06 2008
Invalda Nekilnojamojo Turto Valdymas UAB	Chairman of the board	Since 04 2008
Bank Finasta AB	Member of the supervisory board	Since 03 2008
Invaldos Nekilnojamo Turto Fondas AB	Board member	Since 06 2007
Umega AB	Chairman of the board	Since 04 2007
Vilniaus Baldai AB	Board member	Since 04 2007
AMMO SIA	Chairman of the supervisory board	Since 12 2006
Finasta Imoniu Finansai UAB	Chairman of the board	Since 07 2006
Sanitas AB	Chairman of the board	Since 05 2006
Burusala SIA	Chairman of the supervisory board	Since 05 2006
DOMMO SIA	Chairman of the supervisory board	Since 12 2005
DOMMO grupa SIA	Chairman of the supervisory board	Since 08 2005
Invalda Turto Valdymas UAB	Chairman of the board	Since 07 2003

Owned shares and votes of other companies:

Company	Portion of share capital	Portion of votes
Golfas UAB	31 %	31 %
Lucrum investicija UAB	100 %	-



Since 10.07.2008 Board member Dalius Kaziuonas (1976)

Educational background

2000, Vilnius university, Faculty of Economics
Financial broker's license (trader) No. P022

Job experience

Since February 2008 Invalda advisor, July 2008 – Board member
Since January 2008 bank Finasta AB general manager
1996-2008 FBC Finasta AB director (since 2002), financial broker, assistant to the financial broker

Owned amount of Invalda AB shares

54,661 units, that is 0.13% shares and 0.5% votes, (together with persons acting in concert 31.61% of votes)

Participation in other companies

Name of the company or organization	Duties	Start date
Invalda AB	Board member	Since 07 2008
Bank Finasta AB	Chairman of the board	Since 01 2008
FBC Finasta AB	Board member	Since 03 2004
AS IPS Invalda Asset Management Latvia	Chairman of the supervisory board	Since 09 2008



Chief Financier Raimondas Rajeckas (1977)

Educational background

2001, Vilnius University, Faculty of Economics

Job experience

2001-2006 Chief Financier, Valmeda AB
2000–2001 Chief Financier, Galincius AB
2000–2001 Chief Financier, Invaldos Marketingas UAB (current name Invaldos Nekilnojamojo Turto Valdymas UAB)
2000–2002 accountant, Gildeta AB
1998–2000 accountant, Invalda AB

Owned amount of Invalda AB shares

Participation in other companies

Invaldos Nekilnojamojo Turto Fondas, member of the Board
Vilniaus Baldai AB, member of the Board
Aktyvo UAB, director
Investiciju tinklas UAB, director
VOLO UAB, director
FORTINA UAB, director
Aktyvus valdymas UAB, director
Finansu spektro investicija UAB, director
ENTE UAB, director

12.2. Information about the Audit Committee of the Company

The Audit Committee consist of 2 members, one of which is independent. The members of the Audit Committee are elected by the General Shareholders Meeting at the proposal of the Board of the Company. The term of office of the Audit Committee coincide with the term of office of the Board of the Company. The Audit Committee should report on its activities to the Board at least twice a year. The main functions of the Audit Committee should be the following:

- provide recommendations to the Board of the Company with selection, appointment, reappointment and removal of an external audit company as well as the terms and conditions of engagement with the audit company;
- monitor the process of external audit;

- monitor how the external auditor and audit company follow the principles of independence and objectivity;
- observe the process of preparation of financial reports of the Company;
- monitor the efficiency of the internal control and risk management systems of the Company. Once a year review the need of the internal audit function.

Regulations of the Formation and Activity of the Audit Committee of Invalda AB and the following Audit Committee members were appointed at the extraordinary General Meeting of Invalda, that took place on November 14, 2008

Information about members of the Audit Committee:

Tomas Bubinas
(independent member of
the Audit Committee)

Educational background

2007, IAA (the Institute of Internal Auditors), United States, Certified Internal Auditor (CIA);
2004-2005, BMI (Baltic Management Institute); international EMBA (Executive Master of Business Administration) programme;
1997–2000, Association of Chartered Certified Accountants (UK), Chartered Certified Accountant, currently fellow member (FCCA);
1997, Lithuanian Chamber of Auditors, Professional auditor qualification ;
1993, Vilnius University, Faculty of Economics.

Job experience

Since 2002, SICOR Biotech UAB / TEVA Baltic, CFO
1999 – 2002 PricewaterhouseCoopers, Senior Manager
1997 – 1999 Coopers&Lybrand (UK), Supervisor/Manager
1994 – 1997 Coopers&Lybrand, Senior auditor
1993 – 1994 Pando aps. (Denmark) Assistant-consultant

Owned amount of Invalda AB shares

Danute Kadanaite

Educational background

1997, International school of management;
2000 – 2004, Law university, faculty of Public administration;
2004 – 2006, Mykolas Romeris university, faculty of Law;

Job experience

Since 2002, FBC Finasta, lawyer;
1999 – 2002 office of lawyer Arturas Sukevicius, administrator;
1994 – 1999 FBC Apyvarta, law consultant

Owned amount of Invalda AB shares

13. Information on the amounts calculated by the Issuer, other assets transferred and guarantees granted to the Board members and Chief Financier

All members of the Board are Company's employees, and remuneration to them is paid as for the Companies employees.

During 2008 the Board members⁵ received 4922 tLTL dividends (for the financial year 2007).

During the reporting period there were no assets transferred, no guarantees granted, no bonuses paid, and no special payouts made for the Company's managers.

Table 13.1. Information about calculated remuneration to Invalda AB managers for 2008

	Calculated remuneration, tLTL	
	2008	2007
For members of the Board ⁵	711	481
For each member of the Board (average per month)	24	13
For members of administration (President and Chief Financier)	359	246
For each member of administration (average per month)	15	10

⁵ Until 09-07-2008 company's Board members' were elected V.Bucas, D.Sulnis and D.J.Miseikis, since 10-07-2008 D.Kaziunas was elected instead of D.J.Miseikis

IV. INFORMATION ABOUT THE ISSUER'S AND ITS GROUP COMPANIES' ACTIVITY

14. An objective review of the Issuer's and its group companies position, their performance and business development

Due to changing conditions in 2008 the company had difficulties implementing activity according to the forecasts. In December of 2007 the company announced forecasts for 2008. The forecasted consolidated net profit of Invalda AB group for 2008 equalled to 98.5 mLTL, the part of consolidated net profit attributable to the parent company equalled to 93.3 mLTL.

As sale of Valmeda AB shares influenced forecasted result of Invalda group, in March, 2008, Invalda AB amended profit forecasts as follows: 127 mLTL net consolidated profit and 121.8 mLTL the part of consolidated net profit attributable to the parent company.

Making forecasts it was assumed that until 31.12.2008:

- there won't be significant positive or negative changes in value of investment property;
- there won't be significant changes in financial and real estate markets;
- there won't be significant changes in the structure and owned investment property of the group or owned investment property.

In November 28, 2008, Invalda AB retracted activity forecasts earlier announced for 2008, since all of the assumptions have changed.

The Board of Invalda AB has evaluated loss of the financial sector companies, also considered the unaccomplished planned real estate deals and the possible lower value of investment assets after the reappraisal, which is made at the end of the year. The mentioned activities significantly affected the consolidated result for 2008 of the Invalda AB group. The company stated that consolidated result for this year can be negative and the net consolidated loss of the group can amount to 30 mLTL. Nonetheless, the decrease of investment asset value, allowances made in the group when the company's management conservatively assessed the asset value, loss of group's financial sector made the key negative influence on the consolidated result for 2008. Audited consolidated loss for 2008 of Invalda AB group companies totalled 92.12 mLTL, part of consolidated loss attributable to the shareholders of Invalda totalled 90.55 mLTL.

Lately Invalda fulfilled various actions in order to adjust the group to the changing environment. As it was announced the Board of Invalda AB considered the fact that the aim of Invalda financial group is to concentrate on the main businesses and strategic markets and decided to end the activity in Ukraine of group's financial and real estate sector companies. Also striving to decrease short term liabilities readjustment of loans portfolio was started, part of owned Sanitas AB shares was sold, 75 mLTL convertible bonds were issued.

Finance sector

	2008	2007	2006
Net result attributable to Invalda AB	-30.2 mLTL	14.1 mLTL	7.9 mLTL
Sector's net result	-30.3 mLTL	14.1 mLTL	7.7 mLTL

Bank Finasta AB was founded on the reporting period and it started providing investment and private banking services:

- 02-01-2008 the company registered in the Register of Legal Entities;
- 24-04-2008 the Lithuanian Securities Commission at its meeting decided that Bank Finasta AB is set for providing investment services;
- 15-05-2008 the Board of the Bank of Lithuania decided to issue a banking licence to Bank Finasta AB;
- The bank started providing services in September 2008 when the legal base for providing of licensed services was prepared; the agreements with the following institutions were signed: NASDAQ OMX Baltic, Lithuanian Central Securities Depository, other commercial banks, the Bank of Lithuania, etc.

In August 2008 pension and investment funds management company Finasta Investiciju Valdymas UAB changed its name to Invalda Turto Valdymas UAB.

21-08-2008 the Lithuanian Securities Commission decided to approve the supplement of Invalda Turto Valdymas UAB licence. This decision allows the company to expand its activity and to establish and manage special funds.

03-10-2008 Black Sea Region investment fund of Invalda Turto Valdymas UAB started its activity. The Black Sea investment fund invests in shares of middle-size companies operating in the Black Sea region. The fund's investments are based on "bottom up" selection of shares and strategic asset allocation. The exclusiveness of the fund's strategy is orientation to the shares of Turkish companies and a possibility to invest part of funds into high-yield regional bonds.

On March 31, 2009 the Management Board of Invalda AB approved entering into the contract with the Bank Snoras AB regarding the sale of 100% shares of Bank Finasta AB, FBC Finasta, asset management companies Invalda Turto Valdymas and Invalda Asset Management Latvia, as well as Finasta Imoniu Finansai AB. The deal will be finished when all permissions are received.

Real estate sector

	2008	2007	2006
Net result attributable to Invalda AB	-94.4 mLTL	44.6 mLTL	56.6 mLTL
Sector's net result	-97.9 mLTL	52.8 mLTL	67.8 mLTL

In the beginning of 2008 Invaldos Nekilnojamojo Turto Fondas sold two buildings located in J.Jasinskio str. And Vytenio Str. In Vilnius (3.06 thous. sq.m. and 2.22 thous. sq.m.). Moreover, at the same time Verspto NT, another company of Invalda group, completed sale of buildings (9.2 thous. sq.m.) and land plot (72 ares) of Verpstas factory, located in Siauliai. Total sum of these deal is 38.6 mLTL (including VAT); different investors acquired real estate objects.

In March 2008 InReal UAB started providing consultations regarding investments into real estate. It was planned that new services will include legal and economic analysis of the market and the region, surveys of investment environment of certain real estate objects and their profitability, alternative financing sources, determination of price, cash flow analysis and other consultations related to investments into real estate.

In June 2008 real estate company InReal started collaboration with GVA Worldwide - an international organization.

05-11-2008 Invaldos Nekilnojamojo Turto Fondas AB, a subsidiary of Invalda AB, signed an agreement regarding sale of real estate objects located at Savanoriu av. 28, Vilnius. Land plot (1.50 hectare), office building (12 thous. sq. meters) and industrial building (565 sq. meters) were sold for 35.4 mLTL (VAT included).

Investment properties valuation was fulfilled at the end of 2008 and this made negative influence on results for 2008 caused by significant changes in real estate market.

Pharmacy sector

	2008	2007	2006
Net result attributable to Invalda AB	-0.06 mLTL	13.2 mLTL	-2.4 mLTL

In September, 2008 the new modern plant was opened in Kaunas. The newly installed production equipment allowed to increase capacity of production and to extend the assortment - the new lines for eye drops and syringes were implemented.

On December 23, 2008, Jelfa SA, the subsidiary of Sanitas AB, purchased 100% of shares of Pharmaceutical Laboratory, Homeofarm Sp. z o.o., - a company situated in Gdańsk. Due to the afore-mentioned fact, group's product portfolio was extended.

On January 12, 2009, AB Invalda completed a transaction whereby it sold 20.3% of AB Sanitas share capital to Baltic Pharma Limited, an investment vehicle for funds managed by Citi Venture Capital International (CVCI).

Following this transaction, AB Invalda owns 25% of AB Sanitas' votes and intends to retain this interest over the medium term.

Furniture manufacturing sector

	2008	2007	2006
Net result attributable to Invalda AB	3.1 mLTL	-0.3 mLTL	-5.7 mLTL
Sector's net result	5.0 mLTL	0.1 mLTL	-7.7 mLTL

The Board of Vilniaus Baldai AB on December 9, 2008, decided to sell owned 122,497 shares, i.e. 25% of share capital, of Giritu Bizonas UAB.

Road and bridges construction sector

	2008	2007	2006
Net result attributable to Invalda AB	18.7 mLTL	5.7 mLTL	2.9 mLTL

Kauno Tiltai won gold medal at the competition Lithuanian Product of the Year '2008 organized by the Lithuanian Confederation of Industrialists. This prize was awarded for the largest overhead road in Lithuania (in Savanoriu ave, Vilnius).

Some projects of 2008:

- Renovation of P.Vileisis bridge in Kaunas;
- Cycle-track and pedestrian bridge Vaivorykste in Kedainiai;
- Vilnius West bypass;
- Two level roundabout in Kaunas;
- Engineering works in Bialystok-Ostrolenka road and Bialystok-Katrynka part of highway Via Baltika;
- Widening of crossing Al. J. Pilsudskiego, H. Dabrowskiego, pl. Dmowskiego streets in Bialystok (Poland).

Production and services companies

	2008	2007	2006
Net result attributable to Invalda AB	0.2 mLTL	7.5 mLTL	4.7 mLTL

IT companies that joined Invalda group in 2007 actively expanded activity in 2008. IT infrastructure services providing company Baltic Amadeus Infrastrukturos Paslaugos signed a partnership agreement with the Lithuanian branch of the US concern Oracle, has signed an exclusive partnership agreement with GlassHouse, which is one of the world's most esteemed IT infrastructure consulting enterprises, became an HP Gold Preferred Partner in Lithuania.

The Baltic Amadeus Infrastrukturos Paslaugos company, which installs IT infrastructure solutions, has adopted a Quality Management System in order to improve the quality of services provided and to guarantee the ability of the company to meet the expectations of users, as well as taking the needs of the staff into consideration. The company obtained Certificate of Conformity No. 9000-189, which confirms that the BAIP Quality Management System conforms to the requirements of LST EN ISO 9001:2001.

In 2008 Umega AB, one of the biggest metal product and machinery manufacturers in Lithuania, has acquired 100% of shares in Vieniye AB. Turnover of Vieniye AB reaches 45 mLTL, the company employs about 500 people. Production of Vieniye AB is similar to Umega's, both companies export 80% of their products to foreign countries. At the end of 2008 the reorganization took place and Vieniye AB was merged to Umega.

15. Analysis of financial and non-financial performance and information relating to environmental and employee matters

15.1. Issuer's and its group companies' performance results

Invalda AB actively manages its investments by acquiring and restructuring businesses, applying modern methods of management and funding, by receiving income from managed companies and / or exiting businesses providing high return to shareholders of the company and diversifying risks.

Table 15.1. Income, 2006–2008, tLTL

	Company's			Group's		
	2008	2007	2006	2008	2007	2006
Sales income	-	-	-	322 606	268 176	224 348
- real estate	-	-	-	131 012	37 348	37 793
- financial activities	-	-	-	12 007	33 998	30 475
- pharmacy	-	-	-	-	-	16 171
- furniture manufacturing	-	-	-	153 016	169 999	133 609
- hotel management	-	-	-	1 533	14 581	14 575
- production and services sector	-	-	-	29 116	14 866	14 111
- elimination	-	-	-	-4 078	-2 616	-7 926
Other income	77 956	1 228	17 719	41 992	31 005	24 733
Finance income	34 429	100 114	20 714	14 562	8 889	5 432
- interest income	13 836	7 126	2 412	9 148	8 391	4 928
- dividend income	20 478	92 877	18 302	5 106	-	-
- other finance income	115	111	-	308	498	504
Total	112 385	101 342	38 433	379 160	299 679	254 513

Table 15.2. Main items of financial statements, tLTL

	Company's			Group's		
	31.12.2008	31.12.2007	31.12.2006	31.12.2008	31.12.2007	31.12.2006
Non current assets	427 703	405 376	218 697	700 193	837 394	815 923
Current assets	125 742	110 065	17 067	213 664	279 464	122 083
Non current assets classified as held for sale	-	10 079	-	-	87 669	-
Equity	168 134	179 311	146 339	183 430	305 200	368 498
Equity attributable to equity holders of the parent company	168 134	179 311	-	172 115	299 144	328 091
Minority interest	-	-	-	11 315	6 056	40 407
Non-current liabilities	102 191	78 589	2 901	156 990	307 428	289 001
Current liabilities	283 120	267 620	86 524	573 437	536.731	280 507
Liabilities directly associated with non-current assets classified as held for sale	-	-	-	-	55 168	-
Result before taxes	1 410	86 096	31 257	-92 931	97 813	87 051
Net result	1 594	86 804	28 816	-92 128	87 560	75 552
Net result attributable to holders of the parent company	-	-	-	-90 554	78 964	65 533

Table 15.3. Financial ratios

	Company's			Group's		
	2008	2007	2006	2008	2007	2006
Return on Equity (ROE), %	0.92	53.31	25.00	-38.43	25.18	23.01
Debt ratio	0.70	0.66	0.38	0.80	0.75	0.61
Debt – Equity ratio	2.29	1.93	0.61	3.98	2.95	1.55
Liquidity ratio	0.44	0.45	0.20	0.37	0.62	0.44
Earning per share (EPS), LTL	0.04	1.96	0.66	-2.13	1.78	1.51
Price Earning ratio (P/E)	44.60	8.75	18.91	-0.79	9.63	7.17

15.2. Employees

There are no agreements of the Company and the members of the Board, or the employees' agreements providing for compensation in case of the resignation or in case they are dismissed without a due reason or their employment is terminated in view of the change of the control of the Company.

The collective agreement is not signed in the Company. There are no special employees' rights and duties described in the employment agreements.

Average number of employees in 2008 was 14. The education of all Company's employees is university education.

Table 15.4. Number of employees and average monthly salary

	Measuring units	2008	2007	2006
Total amount of employees as of the end of the period	person	11	13	11
- managers	person	4	4	5
- specialists	person	7	9	6
Average monthly salary (calculated for)	LTL	10 898	8,936	9,127
- managers	LTL	17 336	12,228	11,801
- specialists	LTL	8 398	6,895	6,577

The number of employees of Invalda AB and its subsidiaries on 31.12.2008 amounted to 1 095 (on 31.12.2007 equalled to 1,723). The decrease of the group employee's number was caused by the sale of Hidroprojektas UAB and Valmeda UAB at the beginning of the 2008 (the employees of these companies were not calculated in 2008) and the decline in the number of employees in group's furniture manufacture, real estate and financial companies.

15.3. Environment matters

Invalda AB group strives to pay attention towards environment matters. Great attempts are made to ecologise the production processes in manufacturing companies, to monitor the effect of the raw materials on the environment.

Social enterprise foundation Iniciatyvos Fondas, established by Invalda AB, in 2008 implemented the initiative training program Let's Catch Tomorrow 2008. The programme aimed to promote individual and collective initiative in the local communities. The participants of the programme had to initiate, plan ahead and implement of social or environment field action which would cause changes and contribute to the solution of the chosen problem.

16. Risk management

16.1. A description of the principal risks and uncertainties

The activities of Invalda AB group are developed in Lithuania, also in other foreign countries and the economic situation, especially the situation in finance and real estate markets, of those countries influences the performance of the group.

Global crisis resulted in the decrease of company's assets and possible income from group's real estate and financial companies. The decrease of the asset value can influence possible income from asset sale. Financial crisis may also result in the more difficult financing of the company's activity and to increase expenses of

financing. Since company's short term liabilities are larger than the short term assets, it means that there is a liquidity risk.

Information on risks, which Invalda AB and its group experience, and risk management is disclosed in the consolidated and Company's financial statements explanatory notes

16.2. Information about the extent of risk and its management in the company

Information on risks' extent and its management is disclosed in the consolidated and Company's financial statements explanatory notes

16.3. The main indications about internal control and risk management systems related to the preparation of consolidated financial statements

The Audit Committee supervises preparation of the consolidated financial statements, systems of internal control and financial risk management and how the company follows legal acts that regulate preparation of consolidated financial statements.

Chief financial officer of the company is responsible for the preparation supervision and the final revision of the consolidated financial statements. Moreover, he constantly reviews International Financial Reporting Standards (IFRS) in order to implement in time IFRS changes, analyses company's and group's significant deals, ensures collecting information from the group's companies and timely and fair preparation of this information for the financial statements. CFO of the company periodically informs the Board about the financial statements preparation process.

17. Information about activities of the Issuer and companies comprising the Issuer's group in the field of Research and Development

In Invalda AB group the field of Research and Development is covered by Sanitas AB and its subsidiaries. During 2008 concentration on the therapeutic areas of dermatology, ophthalmology, diabetology, urology, and hospital injectables was continued.

18. Significant events since the end of the last financial year

On January 12, 2009, Invalda AB completed a transaction whereby it sold 6 314 502 shares, 20.3 % of the share capital, of Sanitas AB for a total price of EUR30 mln to Baltic Pharma Limited, an investment vehicle for funds managed by Citi Venture Capital International (CVCI).

The transaction was implemented in two stages: (a) 1 555 296 Sanitas shares, 5% of share capital, were transferred for 25.51 mLTL on October 28, 2008. (b) Upon fulfilment of all necessary conditions precedent on January 12, 2009, the balance of 4 759 206 shares (15.3%) were transferred for 78.01 mLTL.

As per the terms of the agreement with Baltic Pharma Limited, the price paid for the shares and the number of shares transferred, may be adjusted upon a future sale of the shares by Baltic Pharma Limited, depending on the price received by the latter from such sale.

Following this transaction, AB Invalda owns 25% of AB Sanitas' votes and intends to retain this interest over the medium term.

On March 4, 2009 Invalda AB announced that it seeks to increase the value of group's financial sector and therefore hired SEB Enskilda UAB to evaluate strategic alternatives of financial sector. The evaluation of strategic alternatives may or may not lead to any proposal being made to Invalda AB.

On March 31, 2009 the Management Board of Invalda AB approved entering into the contract with the Bank Snoras AB regarding the sale of 100% shares of Bank Finasta AB, FBC Finasta, asset management companies Invalda Turto Valdymas and Invalda Asset Management Latvia, as well as Finasta Imoniu Finansai AB. The amount of the deal is confidential. The deal will be finished when all permissions are received.

19. Information on the related parties' transactions

Information on the related parties' transactions is disclosed in consolidated and Company's financial statements explanatory notes

20. Activity plans and forecasts

The Board of the company didn't consider forecasts for 2009 because all the assumptions constantly changes.

Invalda AB will continue implementing the long term goal to increase shareholders equity, transparency of the company by ensuring a high long-term financial rate of return, maintaining a small risk level and abiding by the ethic standards and traditional values. In 2009 particular attention will be paid to ensuring long term stability of the group and adjustment to the volatile business environment.

V. OTHER INFORMATION

21. References to and additional explanations of the data presented in the annual financial statements and consolidated financial statements

All data is presented in consolidated and Company's financial statements explanatory notes.

22. Information on audit

The audit of annual financial statements and consolidated financial statement of Invalda AB for 2006–2008 was performed by Ernst & Young Baltic UAB.

On 9 July, 2008 the Extraordinary General Meeting of Invalda AB shareholders elected Ernst & Young Baltic UAB for auditing the financial statements for the 2008-2009 years. The amount of payment for auditing services may not exceed 53,000 (fifty three thousand) EUR for the audit of financial statement for the year 2008. Payment for the audit of financial statements for the year 2009 will be calculated increasing the price for the audit services for the year 2008 by percentage change of Euro area's Harmonized Index of Consumer Prices (HICPs) calculated in May 2009.

Information about the audit firm:

Address of the registered office	Subaciaus str. 7, LT-01127 Vilnius, Lithuania
Enterprise code	110878442
Telephone	+370 5 274 2200
Fax	+370 5 274 2333
E-mail	vilnius@lt.ey.com
Website	www.ey.com/lt

The audit firm does not provide any other than audit services to the Company.

No internal audit is performed in the Company

23. Data on the publicly disclosed information

The information publicly disclosed of Invalda AB during 2008 is presented in Company's website www.invalda.lt.

Table 23.1. Summary of publicly disclosed information

Date of disclosure	Brief description of disclosed information
02.01.2008	Registration of AB bankas Finasta in the Register of Legal Entities
04.01.2008	Invalda AB signed contract regarding sale of 100% of Valmeda AB shares
10.01.2008	Invalda AB finished sale of Hidroprojektas UAB shares
17.01.2008	Dates of Invalda group results announcement in 2008
29.01.2008	Invalda's group Financial sector's preliminary results for 2007
31.01.2008	Regarding the extension of the term of Valmeda AB shares sale deal
01.02.2008	Invalda AB subsidiary Invaldos Nekilnojamojo Turto Fondas AB signed agreements concerning the sale of the real estate objects situated in Vilnius, Jasinskio and Vytenio streets
29.02.2008	Preliminary results of Invalda AB group for 2007
14.03.2008	Invalda AB finished sale of Valmeda AB shares

Table 23.1. continued

Date of disclosure	Brief description of disclosed information
14.03.2008	Amendments to forecasts of Invalda AB group for 2008
27.03.2008	Convocation of Invalda AB Ordinary General Shareholders Meeting
31.03.2008	Invalda's group Financial sector's audited results for 2007
18.04.2008	Regarding approval of subsidiary's Sanitas AB strategic options' review
19.04.2008	Draft decisions for the General Shareholders meeting of Invalda AB
19.04.2008	Annual information
28.04.2008.	Materials of Invalda AB conference
28.04.2008	The Management Board of Invalda approved the new group's operating strategy to concentrate group's activity into 2 fields: asset management also private and investment banking
29.04.2008	Invalda's group Financial sector's results
30.04.2008	Resolutions of Annual General Shareholders Meeting
15.05.2008	Regarding the issue of bank licence to AB Bankas Finasta
16.05.2008	Invalda AB signed agreement with Akciju Komerbanka Baltikums regarding acquisition of 100% shares of Baltikums Asset Management (investment management company) and regarding sale of 100% shares of Finasta Asset Management (investment management company)
19.05.2008	Regarding the change of director of FBC Finasta AB
30.05.2008	Results of Invalda AB group for the first quarter of 2008
06.06.2008	Convocation of Invalda AB Extraordinary General Shareholders Meeting
11.06.2008	Registration of Tiltra Group AB
27.06.2008	Draft resolutions for the Extraordinary General Meeting of Invalda AB shareholders
27.06.2008	Regarding the resignation of the Board member
09.07.2008	Resolutions of the Extraordinary General Meeting of Invalda AB shareholders
15.07.2008	Notifications on the disposal and acquisition of voting rights
29.07.2008	The result of Invalda AB group finance sector companies for the 1st half of 2008
29.08.2008	Results of Invalda AB group for 6 months of 2008
22.09.2008	Regarding acquisition of Balticums Asset Management and sale of Finasta Asset
26.09.2008	Informational announcement: clarification of announced information about buy-back of own shares and revision of forecasts
13.10.2008	Convocation of Invalda AB General Shareholders Meeting
13.10.2008	Regarding actions intended to perform
15.10.2008	Notification on transaction in issuer's securities
16.10.2008	Draft resolutions for the Extraordinary General Meeting of Invalda AB shareholders
16.10.2008	The signing of mLTL 75 Invalda AB bonds issue
27.10.2008	Regarding transfer of part of Sanitas AB shares
28.10.2008	The result of Invalda AB group finance sector companies for 9 months of 2008
29.10.2008	Supplemented Agenda of the General Shareholders Meeting of Invalda AB
29.10.2008	Supplemented Agenda of the General Shareholders Meeting of Invalda AB
05.11.2008	Regarding the sale of real estate
14.11.2008	Resolutions of the Extraordinary General Meeting of Invalda AB shareholders
28.11.2008	Results of Invalda AB group for 9 months of 2008
28.11.2008	Regarding forecasts of Invalda AB for 2008
02.12.2008	Regarding non-public bonds of Invalda AB
18.12.2008	Regarding ending the activity of Invalda AB group in Ukraine

Table 23.2. Summary of the notifications on transactions in Invalda AB shares concluded by Managers of the Company during 2008

Date	Person	Number of shares	Share price, LTL	Total value of transaction, LTL	Form of transaction	Type of transaction	Placement of transaction
17.04.2008	Vytautas Bucas	499 478	15.00	7 492170.00	acquisition	grant	XOFF
30.04.2008	Darius Sulnis	200 000	8.54	1 708 000.00	disposal	securities loan	XOFF
13.05.2008	Dailius Juozapas Miseikis	544	12.50	6 800.00	acquisition	purchase-sale	AUTO
13.05.2008	Dailius Juozapas Miseikis	2 300	12.55	28 865.00	acquisition	purchase-sale	AUTO
13.05.2008	Dailius Juozapas Miseikis	286	12.55	3 363.40	acquisition	purchase-sale	AUTO
13.05.2008	Dailius Juozapas Miseikis	620	12.45	7 719.00	acquisition	purchase-sale	AUTO
13.05.2008	Dailius Juozapas Miseikis	400	12.45	4 980.00	acquisition	purchase-sale	AUTO
13.05.2008	Dailius Juozapas Miseikis	126	12.45	1 586.70	acquisition	purchase-sale	AUTO
14.05.2008	Dailius Juozapas Miseikis	1 000	12.20	12 200.00	acquisition	purchase-sale	AUTO
14.05.2008	Dailius Juozapas Miseikis	1 350	12.20	16 470.00	acquisition	purchase-sale	AUTO
14.05.2008	Dailius Juozapas Miseikis	70	12.20	854.00	acquisition	purchase-sale	AUTO
14.05.2008	Dailius Juozapas Miseikis	140	12.20	1 708.00	acquisition	purchase-sale	AUTO
14.05.2008	Dailius Juozapas Miseikis	337	12.20	4 111.40	acquisition	purchase-sale	AUTO
15.05.2008	Dailius Juozapas Miseikis	3 120	11.70	36 504.00	acquisition	purchase-sale	AUTO
15.05.2008	Dailius Juozapas Miseikis	160	12.25	1 960.00	acquisition	purchase-sale	AUTO
15.05.2008	Dailius Juozapas Miseikis	2 000	12.25	24 500.00	acquisition	purchase-sale	AUTO
15.05.2008	Dailius Juozapas Miseikis	1 100	12.20	13 420.00	acquisition	purchase-sale	AUTO
16.05.2008	Dailius Juozapas Miseikis	300	12.20	3 660.00	acquisition	purchase-sale	AUTO
16.05.2008	Dailius Juozapas Miseikis	720	12.20	8 784.00	acquisition	purchase-sale	AUTO
19.05.2008	Dailius Juozapas Miseikis	1 116	12.00	13 392.00	acquisition	purchase-sale	AUTO
19.05.2008	Dailius Juozapas Miseikis	300	12.00	3 600.00	acquisition	purchase-sale	AUTO
19.05.2008	Dailius Juozapas Miseikis	1 000	12.00	12 000.00	acquisition	purchase-sale	AUTO
19.05.2008	Dailius Juozapas Miseikis	312	12.05	3 759.60	acquisition	purchase-sale	AUTO
19.05.2008	Dailius Juozapas Miseikis	25	12.05	301.25	acquisition	purchase-sale	AUTO
19.05.2008	Dailius Juozapas Miseikis	1 145	12.05	13 797.25	acquisition	purchase-sale	AUTO
19.05.2008	Dailius Juozapas Miseikis	30	12.05	361.50	acquisition	purchase-sale	AUTO
20.05.2008	Dailius Juozapas Miseikis	750	12.05	9 037.50	acquisition	purchase-sale	AUTO
20.05.2008	Dailius Juozapas Miseikis	150	12.05	1 807.50	acquisition	purchase-sale	AUTO
21.05.2008	Dailius Juozapas Miseikis	250	12.02	3 005.00	acquisition	purchase-sale	AUTO
21.05.2008	Dailius Juozapas Miseikis	53	12.02	637.06	acquisition	purchase-sale	AUTO

Table 23.2. continued

Date	Person	Number of shares	Share price, LTL	Total value of transaction, LTL	Form of transaction	Type of transaction	Placement of transaction
21.05.2008	Dailius Juozapas Miseikis	278	12.02	3 341.56	acquisition	purchase-sale	AUTO
21.05.2008	Dailius Juozapas Miseikis	100	12.04	1 204.00	acquisition	purchase-sale	AUTO
21.05.2008	Dailius Juozapas Miseikis	500	12.05	6 025.00	acquisition	purchase-sale	AUTO
21.05.2008	Dailius Juozapas Miseikis	500	12.05	6 025.00	acquisition	purchase-sale	AUTO
22.05.2008	Dailius Juozapas Miseikis	2 015	12.00	24 180.00	acquisition	purchase-sale	AUTO
22.05.2008	Dailius Juozapas Miseikis	1 700	12.00	20 400.00	acquisition	purchase-sale	AUTO
22.05.2008	Dailius Juozapas Miseikis	475	12.02	5 709.50	acquisition	purchase-sale	AUTO
22.05.2008	Dailius Juozapas Miseikis	1 000	12.05	12 050.00	acquisition	purchase-sale	AUTO
22.05.2008	Dailius Juozapas Miseikis	200	12.05	2 410.00	acquisition	purchase-sale	AUTO
22.05.2008	Dailius Juozapas Miseikis	2 679	12.10	32 415.90	acquisition	purchase-sale	AUTO
22.05.2008	Dailius Juozapas Miseikis	500	12.10	6 050.00	acquisition	purchase-sale	AUTO
22.05.2008	Dailius Juozapas Miseikis	1 121	12.10	13 564.10	acquisition	purchase-sale	AUTO
22.05.2008	Dailius Juozapas Miseikis	1 000	12.10	12 100.00	acquisition	purchase-sale	AUTO
22.05.2008	Dailius Juozapas Miseikis	500	12.10	6 050.00	acquisition	purchase-sale	AUTO
22.05.2008	Dailius Juozapas Miseikis	179	12.10	2 165.90	acquisition	purchase-sale	AUTO
22.05.2008	Dailius Juozapas Miseikis	1 000	12.10	12 100.00	acquisition	purchase-sale	AUTO
23.05.2008	Darius Sulnis	413 224	5.28	2 182 642.92	acquisition	repo agreement	XOFF
23.05.2008	Darius Sulnis	413 224	5.77	2 384 302.48	disposal	repo agreement	XOFF
26.05.2008	Darius Sulnis	1 952 966	12.20	23 826 185.20	disposal	securities loan	XOFF
26.05.2008	Vytautas Bucas	642 662	12.20	7 840 476.00	disposal	securities loan	XOFF
30.05.2008	Darius Sulnis	413 224	5.78	2 388 808.66	acquisition	repo agreement	XOFF
30.05.2008	Darius Sulnis	413 224	12.75	5 268 606.00	disposal	securities loan	XOFF
28.06.2008	Lucrum Investicija UAB	180 000	15.00	2 700 000.00	disposal	securities loan	XOFF
30.06.2008	Dailius Juozapas Miseikis	180 000	11.00	1 980 000.00	acquisition	repo agreement	XOFF
21.08.2008	Vytautas Bucas	376 762	16.00	6 028 192.00	disposal	securities loan	XOFF
05.09.2008	Lucrum Investicija UAB	1 809 805	8.99	16 278 490.97	disposal	repo agreement	XOFF
12.09.2008	Lucrum Investicija UAB	2 040 096	9.00	18 360 859.65	disposal	repo agreement	XOFF
19.09.2008	Lucrum Investicija UAB	135 680	12.00	1 628 160.00	disposal	securities loan	XOFF
25.09.2008	Lucrum Investicija UAB	75 000	9.50	712 500.00	acquisition	purchase-sale	TS

Table 23.2. continued

Date	Person	Number of shares	Share price, LTL	Total value of transaction, LTL	Form of transaction	Type of transaction	Placement of transaction
25.09.2008	Dalius Kaziunas	197 000	15.00	2 955 000.00	acquisition	purchase-sale	XOFF
25.09.2008	Dalius Kaziunas	73 103	10.30	752 960.90	disposal	securities loan	XOFF
25.09.2008	Dalius Kaziunas	46 687	10.30	480 876.10	disposal	securities loan	XOFF
25.09.2008	Dalius Kaziunas	700	10.25	7 175.00	acquisition	purchase-sale	AUTO
25.09.2008	Dalius Kaziunas	1 000	10.24	10 240.00	acquisition	purchase-sale	AUTO
25.09.2008	Dalius Kaziunas	300	10.20	3 060.00	acquisition	purchase-sale	AUTO
26.09.2008	Dalius Kaziunas	150	10.08	1 512.00	acquisition	purchase-sale	AUTO
26.09.2008	Dalius Kaziunas	450	10.08	4 536.00	acquisition	purchase-sale	AUTO
26.09.2008	Dalius Kaziunas	800	10.03	8 024.00	acquisition	purchase-sale	AUTO
26.09.2008	Dalius Kaziunas	300	10.05	3 015.00	acquisition	purchase-sale	AUTO
26.09.2008	Dalius Kaziunas	200	10.03	2 006.00	acquisition	purchase-sale	AUTO
26.09.2008	Lucrum Investicija UAB	508	10.00	5 080.00	acquisition	purchase-sale	AUTO
26.09.2008	Lucrum Investicija UAB	492	10.00	4 920.00	acquisition	purchase-sale	AUTO
26.09.2008	Lucrum Investicija UAB	250	10.00	2 500.00	acquisition	purchase-sale	AUTO
26.09.2008	Lucrum Investicija UAB	250	10.00	2 500.00	acquisition	purchase-sale	AUTO
26.09.2008	Lucrum Investicija UAB	500	10.00	5 000.00	acquisition	purchase-sale	AUTO
26.09.2008	Lucrum Investicija UAB	487	10.00	4 870.00	acquisition	purchase-sale	AUTO
26.09.2008	Lucrum Investicija UAB	200	10.00	2 000.00	acquisition	purchase-sale	AUTO
26.09.2008	Lucrum Investicija UAB	313	10.00	3 130.00	acquisition	purchase-sale	AUTO
26.09.2008	Lucrum Investicija UAB	350	10.00	3 500.00	acquisition	purchase-sale	AUTO
26.09.2008	Lucrum Investicija UAB	150	10.00	1 500.00	acquisition	purchase-sale	AUTO
26.09.2008	Lucrum Investicija UAB	500	10.00	5 000.00	acquisition	purchase-sale	AUTO
26.09.2008	Lucrum Investicija UAB	500	10.00	5 000.00	acquisition	purchase-sale	AUTO
26.09.2008	Lucrum Investicija UAB	500	10.00	5 000.00	acquisition	purchase-sale	AUTO
26.09.2008	Lucrum Investicija UAB	500	10.00	5 000.00	acquisition	purchase-sale	AUTO
26.09.2008	Lucrum Investicija UAB	1 000	10.00	10 000.00	acquisition	purchase-sale	AUTO
26.09.2008	Lucrum Investicija UAB	500	10.00	5 000.00	acquisition	purchase-sale	AUTO
26.09.2008	Lucrum Investicija UAB	250	10.00	2 500.00	acquisition	purchase-sale	AUTO
26.09.2008	Lucrum Investicija UAB	250	10.00	2 500.00	acquisition	purchase-sale	AUTO
26.09.2008	Lucrum Investicija UAB	500	10.00	5 000.00	acquisition	purchase-sale	AUTO
26.09.2008	Lucrum Investicija UAB	300	10.00	3 000.00	acquisition	purchase-sale	AUTO
26.09.2008	Lucrum Investicija UAB	450	10.00	4 500.00	acquisition	purchase-sale	AUTO

Table 23.2. continued

Date	Person	Number of shares	Share price, LTL	Total value of transaction, LTL	Form of transaction	Type of transaction	Placement of transaction
26.09.2008	Lucrum Investicija UAB	750	10.00	7 500.00	acquisition	purchase-sale	AUTO
26.09.2008	Lucrum Investicija UAB	2.000	10.00	20 000.00	acquisition	purchase-sale	AUTO
26.09.2008	Lucrum Investicija UAB	300	10.00	3 000.00	acquisition	purchase-sale	AUTO
26.09.2008	Lucrum Investicija UAB	700	10.00	7 000.00	acquisition	purchase-sale	AUTO
29.09.2008	Lucrum Investicija UAB	19 058	12.00	228.696.00	acquisition	securities loan	XOFF
29.09.2008	Lucrum Investicija UAB	280 942	10.00	2.809.420.00	acquisition	securities loan	XOFF
29.09.2008	Lucrum Investicija UAB	200 000	-	-	disposal	other (execution of repo agreement)	XOFF
29.09.2008	Lucrum Investicija UAB	2 059 604	8.00	16 476 828.36	disposal	repo agreement	XOFF
29.09.2008	Darius Sulnis	19 058	12.00	228 696.00	disposal	securities loan	XOFF
29.09.2008	Darius Sulnis	280 942	10.00	2 809 420.00	disposal	securities loan	XOFF
30.09.2008	Lucrum Investicija UAB	135 684	8.00	1 085 472.00	disposal	securities loan	XOFF
03.10.2008	Lucrum Investicija UAB	20 775	8.00	166 200.00	disposal	securities loan	XOFF
03.10.2008	Lucrum Investicija UAB	408 697	8.00	3 269 576.00	disposal	securities loan	XOFF
06.10.2008	Lucrum Investicija UAB	208 973	8.00	1 671 784.00	disposal	securities loan	XOFF
06.10.2008	Dalius Kaziunas	29 010	8.00	232 080.00	disposal	securities loan	XOFF
07.10.2008	Dalius Kaziunas	29 062	8.00	232 496.00	disposal	securities loan	XOFF
08.10.2008	Dalius Kaziunas	13 044	8.00	104 352.00	disposal	securities loan	XOFF
10.10.2008	Dalius Kaziunas	5 076	8.00	40 608.00	disposal	securities loan	XOFF
29.10.2008	Darius Sulnis	184 566	8.00	1 476 528.00	disposal	securities loan	XOFF
29.10.2008	Darius Sulnis	200 000	8.54	1 708 000.00	acquisition	securities loan	XOFF
30.10.2008	Darius Sulnis	300 000	10.00	3 000 000.00	acquisition	securities loan	XOFF
30.10.2008	Dalius Kaziunas	37 349	8.00	298 792.00	acquisition	securities loan	XOFF
30.10.2008	Lucrum Investicija UAB	21 260	15.00	318 900.00	acquisition	securities loan	XOFF
31.10.2008	Lucrum Investicija UAB	300 000	10.00	3 000 000.00	disposal	securities loan	XOFF
07.11.2008	Lucrum Investicija UAB	5 673	15.00	85 095.00	acquisition	securities loan	XOFF
07.11.2008	Darius Sulnis	586 678	3.00	1 760 034.00	disposal	securities loan	XOFF
07.11.2008	Darius Sulnis	29 801	3.00	89 403.00	disposal	securities loan	XOFF
12.11.2008	Darius Sulnis	195 734	3.00	587 202.00	disposal	securities loan	XOFF
12.11.2008	Darius Sulnis	25 303	3.00	75 909.00	disposal	securities loan	XOFF
13.11.2008	Lucrum Investicija UAB	129 433	3.00	388 299.00	disposal	securities loan	XOFF
18.12.2008	Vytautas Bucas	376 762	16.00	6 028 192.00	acquisition	securities loan	XOFF
18.12.2008	Vytautas Bucas	642 662	12.20	7 840 476.40	acquisition	securities loan	XOFF
18.12.2008	Darius Sulnis	491 474	12.20	5 995 982.80	acquisition	securities loan	XOFF

Explanations:

AUTO – automatically matched trade concluded in the regulated market;

XOFF – OTC trade;

Managers of the Company and closely related persons:

- Dailius Juozapas Miseikis – member of the Board (till 09-07-2008);
- Vytautas Bucas – chairman of the Board;
- Dalius Kaziunas - member of the Board;
- Darius Sulnis – member of the Board, president;
- Lucrum investicija UAB – legal entity, related to Darius Sulnis (100% of shares, voting rights are transferred).

ANNEX 1. INFORMATION ABOUT GROUP COMPANIES, THEIR CONTACT DETAILS

Company	Registration information	Type of activity	Contact details
FINANCE SECTOR			
FBC Finasta AB	Code 122570630 Residence address Maironio str. 11, Vilnius, Lithuania Legal form – public limited liability company Registration date 21.01.1994	broker services, security accounting	Telephone +370 5 203 2233 Fax +370 5 278 6838 E-mail info@finasta.lt www.finasta.lt
Invalda Turto Valdymas UAB	Code 126263073 Residence address Maironio str. 11, Vilnius, Lithuania Legal form – private limited liability company Registration date 21.07.2003	investment and pension funds, as well as personal investment portfolios management	Telephone +370 5 203 2233 Fax +370 5 273 4898 E-mail fondai@finasta.lt www.finasta.lt
Finasta Imoniu Finansai AB	Code 300587351 Residence address Maironio str. 11, Vilnius, Lithuania Legal form – public limited liability company Registration date 31.07.2006	corporate finance services	Telephone +370 5 236 1880 Fax +370 5 210 2474 E-mail imoniufinansai@finasta.lt www.finasta.lt
Bank Finasta AB	Code 301502699 Residence address Maironio str. 11, Vilnius, Lithuania Legal form – public limited liability company Registration date 02.01.2008	private and investment banking	Telephone +370 5 203 2233 Fax +370 5 278 6838 E-mail info@finasta.lt www.finasta.lt
Finasta Rizikos Valdymas UAB	Code 300045450 Residence address Maironio str. 11, Vilnius, Lithuania Legal form – private limited liability company Registration date 04.08.2004	investment activity	Telephone +370 5 278 6833 Fax +370 5 278 6838
Finansu Spektro Investicija UAB	Code 132209272 Registration address Konstitucijos ave. 23, Vilnius, Lithuania Residence address Maironio str. 11, Vilnius, Lithuania Legal form – private limited liability company Registration date 27.12.1990	investment activity	Telephone +370 5 279 0601 Fax +370 5) 279 0530
Invetex AB	Code 133190113 Registration address Konstitucijos ave. 23, Vilnius, Lithuania Residence address Maironio str. 11, Vilnius, Lithuania Legal form – public limited liability company Registration date 31.01.1992	investment activity	Telephone +370 5 210 2478 Fax +370 5 210 2474
TOB Finasta	Code 34762675 Address Kominterna str. 5, 01032 Kiev, Ukraine Legal form – limited liability company Registration date 22.11.2006	carries no activity	Telephone +38 044 234 04 47 Fax +38 044 238 23 09 E-mail office@finasta.com.ua www.finasta.com.ua

AS IPS Invalda Asset Management Latvia	Code 40003408014 Address Mukusalas street 45/47, LV-1004 Riga, Latvia Legal form – joint-stock company, investment management company Registration date 01.09.1998	investment funds and personal investment portfolios management	Telephone +371 750 3100 Fax +371 750 3099 E-mail fondi@invalda.com www.invalda.com
Company	Registration information	Type of activity	Contact details
REAL ESTATE SECTOR			
Invalda Nekilnojamojo Turto Valdymas UAB	Code 222894170 Registration address A. Juozapaviciaus str. 6 / Slucko str. 2, Vilnius, Lithuania Residence address Maironio str. 11, Vilnius Lithuania Legal form – private limited liability company Registration date 22.12.1994	real estate management and administration, development of investment projects	Telephone +370 5 273 0944 Fax +370 5 273 3065 E-mail info@inred.lt www.inred.lt
Inreal UAB	Code 300576166 Registration address A. Juozapaviciaus str. 7, Vilnius, Lithuania Residence address Maironio str. 11, Vilnius Lithuania Legal form – private limited liability company Registration date 14.06.2006	intermediation purchasing or selling real estate, real estate rent and valuation	Telephone +370 5 273 0000 Fax +370 5 273 0858 E-mail info@inreal.lt www.inreal.lt
Invalda Service UAB	Code 126180446 Address Seimyniskiu str. 3, Vilnius, Lithuania Legal form – private limited liability company Registration date 25.03.2003	management of building economy	Telephone +370 5 273 6565 Fax +370 5 273 6667 E-mail info@inservice.lt www.inservice.lt
Invalda Construction Management UAB	Code 186139653 Registration address A. Juozapaviciaus str. 6 / Slucko str. 2, Vilnius, Lithuania Residence address Maironio str. 11, Vilnius Lithuania Legal form – private limited liability company Registration date 17.02.1994	carries no activity	Telephone +370 5 272 5565 Fax +370 5 213 9073 E-mail info@incm.lt www.incm.lt
SIA Inreal	Code 40003690957 Address Mukusalas iela 45/47, Riga, LV-1004 Latvia Legal form – private limited liability company Registration date 22.07.2004	intermediation purchasing or selling real estate, real estate rent and valuation	Telephone +371 740 8676 Fax +371 740 8687 E-mail info@inreal.lv www.inreal.lv
SIA DOMMO	Code 40003787271 Address Mukusalas iela 45/47, Riga, LV-1004 Latvia Legal form – private limited liability company Registration date 05.12.2005	real estate management and administration, development of investment projects	Telephone +371 762 7417 Fax + 371 762 7793 E-mail info@dommo.lv www.dommo.lv
TOB Inreal	Code 34001410 Address Verchnij Val str. 30-A, Kiev 04071, Ukraine Legal form – limited liability company Registration date 17.01.2006	carries no activity	Telephone +38 044 390 5252 Fax +38 044 390 5252 E-mail info@inreal.com.ua www.inreal.com.ua

TOB Inreal – Ocinka	Code 35332251 Address Verchnij Val str. 30-A, Kiev 04071, Ukraine Legal form – limited liability company Registration date 13.08.2007	carries no activity	Telephone +38 044 390 5252 Fax +38 044 390 5252 E-mail inreal- ocenka@inreal.com.ua www.inreal.com.ua
Invaldos Nekilnojamojo Turto Fondas AB	Code 152105644 Registration address A. Juozapavicaus str. 6 / Slucko str. 2, Vilnius, Lithuania Residence address Maironio str. 11, Vilnius Lithuania Legal form – public limited liability company Registration date 28.01.1997	investments into real estate	Telephone +370 5 279 0614 Fax +370 5 273 3065 E-mail intf@intf.lt
INTF Investicija UAB	Code 300643227 Registration address A. Juozapavicaus str. 6 / Slucko str. 2, Vilnius, Lithuania Residence address Maironio str. 11, Vilnius Lithuania Legal form – private limited liability company Registration date 02.02.2007	real estate operations	Telephone +370 5 275 5093 Fax +370 5 273 3065
Nerijos Bustas UAB	Code 300512402 Registration address Misko str. 3, Neringa, Lithuania Residence address S. Simkaus str. 8, Klaipeda, Lithuania Legal form – private limited liability company Registration date 05.12.2005	real estate operations	Telephone +370 46 256 360 Fax +370 46 314 316
DOMMO Nerija UAB	Code 300516742 Registration address Smiltynes str. 25, Klaipeda, Lithuania Residence address S. Simkaus str. 8, Klaipeda, Lithuania Legal form – private limited liability company Registration date 21.12.2005	real estate operations	Telephone +370 46 276 691 Fax +370 46 314 316
Naujoji Svara UAB	Code 125235345 Registration address Seimyniskiu str. 3, Vilnius, Lithuania Residence address Maironio str. 11, Vilnius, Lithuania Legal form – private limited liability company Registration date 12.04.2000	real estate operations	Telephone +370 5 273 0944 Fax +370 5 273 3065
VIPC Klaipeda UAB	Code 300007510 Address Laisves ave. 3, Vilnius, Lithuania Legal form – private limited liability company Registration date 02.03.2004	real estate operations	Telephone +370 5 246 0766 Fax +370 5 246 0767 E-mail info@vipcentras.lt www.vipcentras.lt
PVP Nida UAB	Code 126366340 Registration address A. Juozapavicaus str. 6 / Slucko str. 2, Vilnius, Lithuania Residence address Maironio str. 11, Vilnius Lithuania Legal form – private limited liability company Registration date 07.11.2003	real estate operations	Telephone +370 5 273 0944 Fax +370 5 273 3065

Traku Kelias UAB	Code 124928371 Registration address A. Juozapavicaus str. 6 / Slucko str. 2, Vilnius, Lithuania Residence address Maironio str. 11, Vilnius Lithuania Legal form – private limited liability company Registration date 31.05.1999	real estate operations	Telephone +370 5 273 0944 Fax +370 5 273 3065
Ineturas UAB	Code 126075527 Registration address A. Juozapavicaus str. 6 / Slucko str. 2, Vilnius, Lithuania Residence address Maironio str. 11, Vilnius Lithuania Legal form – private limited liability company Registration date 20.10.2002	real estate operations	Telephone +370 5 273 0944 Fax +370 5 273 3065
Rieses Investicija UAB	Code 300606428 Registration address A. Juozapavicaus str. 6 / Slucko str. 2, Vilnius, Lithuania Residence address Maironio str. 11, Vilnius Lithuania Legal form – private limited liability company Registration date 11.10.2006	real estate operations	Telephone +370 5 273 0944 Fax +370 5 273 3065
IBC Logistika UAB	Code 300016395 Registration address A. Juozapavicaus str. 6 / Slucko str. 2, Vilnius, Lithuania Residence address Maironio str. 11, Vilnius Lithuania Legal form – private limited liability company Registration date 07.04.2004	real estate operations	Telephone +370 5 273 0944 Fax +370 5 273 3065
Ekotra UAB	Code 300040019 Registration address A. Juozapavicaus str. 6 / Slucko str. 2, Vilnius, Lithuania Residence address Maironio str. 11, Vilnius Lithuania Legal form – private limited liability company Registration date 21.07.2004	purchase, sale and rent of land	Telephone +370 5 263 6138 Fax +370 5 273 3065
Simtamargis UAB	Code 300593984 Registration address A. Juozapavicaus str. 6 / Slucko str. 2, Vilnius, Lithuania Residence address Maironio str. 11, Vilnius Lithuania Legal form – private limited liability company Registration date 29.08.2006	purchase, sale and rent of land	Telephone +370 5 263 6138 Fax +370 5 273 3065
Laikinosios Sostines Projektai UAB	Code 300543732 Registration address A. Juozapavicaus str. 6 / Slucko str. 2, Vilnius, Lithuania Residence address Maironio str. 11, Vilnius Lithuania Legal form – private limited liability company Registration date 01.03.2006	real estate operations	Telephone +370 5 273 0944 Fax +370 5 273 3065

Saules Investicija UAB	Code 300545039 Registration address Fiziku str. 33, Vilnius, Lithuania Residence address Maironio str. 11, Vilnius, Lithuania Legal form – private limited liability company Registration date 06.03.2006	real estate operations	Telephone +370 5 273 0944 Fax +370 5 273 3065
MBGK UAB	Code 300083611 Registration address A. Juozapavicaus str. 6 / Slucko str. 2, Vilnius, Lithuania Residence address Maironio str. 11, Vilnius Lithuania Legal form – private limited liability company Registration date 27.01.2005	investment activity	Telephone +370 5 279 0601 Fax +370 5 279 0530
Verpsto NT AB	Code 300519788 Registration address A. Juozapavicaus str. 6 / Slucko str. 2, Vilnius, Lithuania Residence address Totoriu str. 3, Vilnius Lithuania Legal form – public limited liability company Registration date 29.12.2005	real estate operations	Telephone +370 5 261 5639 Fax +370 5 261 4748
Dizaino Institutas UAB	Code 122288385 Registration address A. Juozapaviciaus str. 11, Vilnius, Lithuania Residence address Maironio str. 11, Vilnius, Lithuania Legal form – private limited liability company Registration date 29.12.1993	real estate operations	Telephone +370 5 273 0944 Fax +370 5 273 3065
Aikstentis UAB	Code 126412617 Registration address Seimyniskiu str. 1A, Vilnius, Lithuania Residence address Maironio str. 11, Vilnius, Lithuania Legal form – private limited liability company Registration date 23.12.2003	real estate operations	Telephone +370 5 279 0614 Fax +370 5 273 3065
Broner UAB	Code 110006173 Registration address A. Juozapavicaus str. 6 / Slucko str. 2, Vilnius, Lithuania Residence address Maironio str. 11, Vilnius Lithuania Legal form – private limited liability company Registration date 25.04.1991	real estate operations	Telephone +370 5 273 0944 Fax +370 5 273 3065
Wembley – Neringa UAB	Code 110013029 Registration address A. Juozapavicaus str. 6 / Slucko str. 2, Vilnius, Lithuania Residence address Maironio str. 11, Vilnius Lithuania Legal form – private limited liability company Registration date 28.05.1991	real estate operations	Telephone +370 5 273 0944 Fax +370 5 273 3065

Traku Rekreācijas Centras UAB	Code 300667160 Registration address Zemaites str. 2, Trakai, Lithuania Residence address Maironio str.11, Vilnius, Lithuania Legal form – private limited liability company Registration date 04.04.2007	real estate operations	Telephone +370 5 273 0944 Fax +370 5 273 3065
Designing Firm Saistas UAB	Code 133689632 Registration address A. Juozapavicaus str. 6 / Slucko str. 2, Vilnius, Lithuania Residence address Maironio str. 11, Vilnius Lithuania Legal form – private limited liability company Registration date 26.05.1993	real estate operations	Telephone +370 5 273 0944 Fax +370 5 273 3065
Zemvesta UAB	Code 300955547 Registration address A. Juozapavicaus str. 6 / Slucko str. 2, Vilnius, Lithuania Residence address Maironio str. 11, Vilnius Lithuania Legal form – private limited liability company Registration date 26.07.2007	purchase, sale and rent of land	Telephone +370 5 263 6138 Fax +370 5 273 3065
Sago UAB	Code 301206878 Registration address Seimyniskiu str. 3, Vilnius, Lithuania Residence address Maironio str. 11, Vilnius Lithuania Legal form – private limited liability company Registration date 31.10.2007	real estate operations	Telephone +370 5 273 0944 Fax +370 5 273 3065
BNN UAB	Code 126153374 Registration address A. Juozapavicaus str. 6 / Slucko str. 2, Vilnius, Lithuania Residence address Maironio str. 11, Vilnius Lithuania Legal form – private limited liability company Registration date 17.02.2003	real estate operations	Telephone +370 5 273 0944 Fax +370 5 273 3065
SIA DOMMO GRUPA	Code 40003733866 Address Mukusalas iela 45/47, Riga, LV-1004 Latvia Legal form – private limited liability company Registration date 17.03.2005	real estate operations	Telephone +371 762 7417 Fax +371 762 7793
SIA Burusala	Code 40003161313 Address Mukusalas iela 45/47, Riga, LV-1004 Latvia Legal form – private limited liability company Registration date 08.11.1993	real estate operations	Telephone +371 762 7417 Fax +371 762 7793
SIA Sidateks	Code 40003732930 Address Mukusalas iela 45/47, Riga, LV-1004 Latvia Legal form – private limited liability company Registration date 11.03.2005	real estate operations	Telephone +371 762 7417 Fax +371 762 7793

SIA DOMMO biznesa parks	Code 40003865398 Address Mukusalas iela 45/47, Riga, LV-1004 Latvia Legal form – private limited liability company Registration date 13.06.2006	real estate operations	Telephone +371 762 7417 Fax +371 762 7793
SIA DB 120	Code 40003864462 Address Mukusalas iela 45/47, Riga, LV-1004 Latvia Legal form – private limited liability company Registration date 11.10.2006	real estate operations	Telephone +371 762 7417 Fax +371 762 7793
SIA URAN	Code 40003864462 Address Mukusalas iela 45/47, Riga, LV-1004 Latvia Legal form – private limited liability company	real estate operations	Telephone +371 762 7417 Fax +371 762 7793
SIA AMMO	Code 40003718049 Address Mukusalas iela 45/47, Riga, LV-1004 Latvia Legal form – private limited liability company Registration date 22.12.2004	real estate operations	Telephone +371 762 7417 Fax +371 762 7793
SIA Gravity (in liquidation)	Code 40003737622 Address Mukusalas iela 45/47, Riga, LV-1004 Latvia Legal form – private limited liability company Registration date 08.04.2004	real estate operations	Telephone +371 762 7417 Fax +371 762 7793
TOB Incredio	Code 34355283 Address Kominterna str. 5, 01032 Kiev, Ukraine Legal form – limited liability company Registration date 17.05.2006	carries no activity	Telephone / fax +38 044 234 0417
Company	Registration information	Type of activity	Contact details
PHARMACY SECTOR			
Sanitas AB	Code 134136296 Address Veiveriu str. 134, Kaunas, Lithuania Legal form – public limited liability company Registration date 30.06.1994	various generic pharmaceuticals production and sales, new products development, contract manufacturing	Telephone + 370 37 226 725 Fax +370 37 223 696 E-mail sanitas@sanitas.lt www.sanitas.lt
Hoechst – Biotika spol. s. r. o.	Code 31 560 784 Address Sklabinska 30, 036 80 Martin, Slovakia Legal form – limited liability company Registration date 02.03.1992	manufacturing of pharmaceutical preparations	Telephone +421 43 420 2111 Fax +421 43 422 1004 E-mail hb@hoechst-biotika.sk www.hoechst-biotika.sk
Jelfa SA	Code 66687 Address 21 Wincentego Pola Str., 58-500 Jelenia Góra, Poland Legal form – limited liability company Registration date 02.12.1991	manufacturing of pharmaceutical preparations	Telephone +48 75 64 33 240 Fax +48 75 75 24 455 E-mail jelfa@jelfa.com.pl www.jelfa.pl
Laboratorium Farmaceutyczne Homeofarm sp. z. o. o.	Code 00001442971 Address Jagielonska Str. 44, Gdansk, Poland Legal form – limited liability company Registration date 02.12.1991	contract manufacturing, chemical research, registration of pharmaceutical preparations	Telephone +48 585 533 303 Fax +48 585 538 947 E-mail homeofarm@homeofarm.pl www.homeofarm.pl

Company	Registration information	Type of activity	Contact details
FURNITURE MANUFACTURING SECTOR			
Vilniaus Baldai AB	Code 121922783 Address Savanoriu ave. 178, Vilnius, Lithuania Legal form – public limited liability company Registration date 09.02.1993	furniture design and manufacturing	Telephone +370 5 252 5700 Fax +370 5 231 1130 E-mail info@vilniausbaldai.lt www.vilniausbaldai.lt
Giriu Bizonas UAB	Code 165746963 Address Gedimino str. 1, Kazlu Ruda, Lithuania Legal form – private limited liability company Registration date 30.12.1994	fibreboards and furniture from finished fibreboards manufacturing	Telephone +370 343 68 680 Fax +370 343 68 681 E-mail giriu@bizonas.lt www.mediena.lt
Ari-Lux UAB	Code 120989619 Address Savanoriu ave. 178, Vilnius, Lithuania Legal form – private limited liability company Registration date 28.10.1991	fitting packing	Telephone / fax +370 5 252 5744
Kelio Zenklai UAB	Code 185274242 Address Gelezinkelio str. 28, Pilviskiai, Vilkaviskis district Legal form – private limited liability company Registration date 06.09.1994	metal and wood processing, wholesale of different materials	Telephone +370 342 67 756 Fax +370 342 67 644 E-mail info@keliozenklai.lt www.keliozenklai.lt
ROAD AND BRIDGES CONSTRUCTION SECTOR			
Tiltra Group AB	Code 301741852 Address Seimyniskiu str. 1A, Vilnius, Lithuania Legal form – public limited liability company Registration date 11.06.2008	holding company	Telephone +370 5 273 6545 Fax +370 5 277 8780 E-mail info@tiltra.lt www.tiltra.lt
Kauno Tiltai AB	Code 133729589 Address Ateities ave 46, Kaunas, Lithuania Legal form – public limited liability company Registration date 01.07.1993	road and bridges construction	Telephone +370 37 473 935 Fax +370 37 473 787 E-mail kaunotiltai@kaunotiltai.l t www.kaunotiltai.lt
Kedainiu Automobiliu Keliai UAB	Code 161111895 Address Biochemiku str. 3, Kedainiai, Lithuania Legal form – private limited liability company Registration date 14.12.1990	road construction	Telephone +370 347 67 766 Fax +370 347 67 669 E-mail kedainiu_keliai@is.lt
Taurakelis UAB	Code 179861712 Address Svyturio str. 7, Taurage, Lithuania Legal form – private limited liability company Registration date 15.03.2000	road construction	Telephone +370 446 61 256 Fax +370 446 61 256 E-mail taurakelis@taurakelis.lt www.taurakelis.lt
Kelprojektas UAB	Code 234004210 Address I. Kanto str. 25, Kaunas, Lithuania Legal form – private limited liability company Registration date 21.03.1994	road, bridges and other objects designing	Telephone +370 37 223 186 Fax +370 37 205 227 E-mail info@kelprojektas.lt www.kelprojektas.lt

PGP Investicija UAB	Code 300621145 Address Ateities road 46, Kaunas, Lithuania Legal form – private limited liability company Registration date 30.11.2006	investment company	Telephone +370 37 473 935 Fax +370 37 473 787 E-mail kaunotiltai@kaunotiltai.l t
Kelda UAB	Code 181259645 Address Kauno str. 14, Vievis, Lithuania Legal form – private limited liability company Registration date 17.02.1993	road construction	Telephone +370 528 26 192 Fax +370 528 26 192 E-mail kelda@kelda.lt www.kelda.lt
Verksioniu Karjeras UAB	Code 186000365 Address Bagoteliu village, Vilnius district Legal form – private limited liability company Registration date 1990-11-29	gravel quarry	Telephone +370 686 98 492
Kauno Tiltai AB Consortium TILTRA TUB	Code 135774782 Address Ateities road 46, Kaunas, Lithuania Legal form – general partnership Registration date 08.06.2001	investment company	Telephone +370 37 473 935 Fax +370 37 473 787 E-mail kaunotiltai@kaunotiltai.lt
Tiltra PDM Bialystok	Code 0000206982 Address ul. Ciołkowskiego 90, 15-516 Białystok, Poland Legal form – public limited liability company Registration date 25.05.2004	road construction	Telephone +48 85 74 33 549 Fax +48 85 74 33 549 E-mail pdmbialystok@tiltra.pl
P.E.U.I.M.	Code 0000046002 Address ul. Produkcyjna 102, 15-680 Białystok, Poland Legal form – private limited liability company Registration date 24.09.2001	road construction	Telephone +48 85 65 30 773 Fax +48 85 65 30 761 E-mail peuim@peuim.com.pl www.peuim.com.pl
BruX	Code 0000195201 Address ul. Produkcyjna 102, 15-680 Białystok, Poland Legal form – private limited liability company Registration date 27.12.1994	skid production	Telephone +48 85 65 42 454 Fax +48 85 65 42 454 E-mail brux@brux.pl
Dalba	Code 0000175135 Address ul. Elewatorska 11/1, 15-620 Białystok, Poland Legal form – private limited liability company Registration date 10.05.1991	engineering network construction	Telephone +48 85 66 11 750 Fax +48 85 66 11 250 E-mail dalba@sitech.pl
Company	Registration information	Type of activity	Contact details
PRODUCTION AND SERVICES COMPANIES			
Agrowill Group AB	Code 126264360 Address Smolensko str. 10, Vilnius, Lithuania Legal form – public limited liability company Registration date 25.06.2003	management of agricultural companies	Telephone +370 5 233 5340 Fax +370 5 233 5345 E-mail info@agrowill.lt www.agrowill.lt
Umega AB	Code 126334727 Address Metalo str. 5, Utena, Lithuania Legal form – public limited liability company Registration date 25.09.2003	production of electric devices, metal items	Telephone +370 389 53 542 Fax +370 389 69 646 E-mail info@umega.lt www.umega.lt

Iniciatyvos Fondas Vsl	Code 300657209 Registration address Seimyniskiu str. 3, Vilnius, Lithuania Residence address Maironio str. 11, Vilnius, Lithuania Legal form – public institution Registration date 08.03.2007	organising of social initiative programmes	Telephone +370 5 263 6129 Fax +370 5 279 0530 E-mail info@iniciatyvosfondas.lt www.iniciatyvosfondas.lt
Positor UAB	Code 300893533 Registration address A.Juozapaviciaus str. 6 / Slucko str. 2, Vilnius, Lithuania Residence address Saltoniskiu str. 9, Vilnius, Lithuania Legal form – private limited liability company Registration date 27.06.2007	investments into IT companies	Telephone +370 698 23368 Fax +370 5 278 0409 E-mail ktonkunas@baip.lt www.positor.lt
Informatikos Pasaulis UAB	Code 126396718 Registration address Galvydzio str. 5/96, Vilnius, Lithuania Residence address Saltoniskiu str. 9, Vilnius, Lithuania Legal form – private limited liability company Registration date 11.12.2003	IT infrastructure solutions	Telephone +370 5 277 9700 Fax +370 5 277 9725 E-mail info@infopasaulis.lt www.infopasaulis.lt
Vitma UAB	Code 121998756 Address Akademijos str. 4, Vilnius, Lithuania Legal form – private limited liability company Registration date 25.06.1993	carries no activity	Telephone +370 5 272 9421
Baltic Amadeus Infrastruktūros Paslaugos UAB	Code 301318539 Registratios address Akademijos str. 4, Vilnius, Lithuania Residence address Saltoniskiu str. 9, Vilnius, Lithuania Legal form – private limited liability company Registration date 03.12.2007	IT infrastructure solutions, IT security consultations, technological solutions, IT infrastructure maintenance	Telephone +370 5 219 0000 Fax +370 5 219 5900 E-mail info@baltic- amadeus.lt www.baip.lt

ANNEX 2. DISCLOSURE CONCERNING THE COMPLIANCE WITH THE GOVERNANCE CODE

Invalda AB, following Article 21 paragraph 3 of the Law on Securities of the Republic of Lithuania and item 23.5 of the Rules of the regulated market of NASDAQ OMX Vilnius, discloses its compliance with the Governance Code, approved by NASDAQ OMX Vilnius for the companies listed on the regulated market, and its specific provisions.

PRINCIPLES/ RECOMMENDATIONS	YES / NO / NOT APPLICABLE	COMMENTARY
Principle I: Basic Provisions The overriding objective of a company should be to operate in common interests of all the shareholders by optimizing over time shareholder value.		
1.1. A company should adopt and make public the company's development strategy and objectives by clearly declaring how the company intends to meet the interests of its shareholders and optimize shareholder value.	Yes	The Company constantly discloses information about group's activities and objectives (in notifications on material event, annual information). The objectives and plans of Invalda AB group for 2008 were presented in the conference that took place on April. All the information is published in the Company's website and also disclosed via NASDAQ OMX news distribution service, seeking to ensure simultaneous provision of information to everyone.
1.2. All management bodies of a company should act in furtherance of the declared strategic objectives in view of the need to optimize shareholder value.	Yes	The Board's and the President's activities are concentrated on the fulfilment of the company's strategic objectives taking count of the shareholders' equity increase.
1.3. A company's supervisory and management bodies should act in close co-operation in order to attain maximum benefit for the company and its shareholders.	Yes	The Supervisory Board is not formed. Nevertheless, the Board and the President acts in close cooperation seeking to obtain the maximum benefit for the Company and its shareholders. The Board periodically reviews and assesses Company's activity results. The President may conclude the transactions referred to in subparagraphs 3, 4, 5 and 6, paragraph 4, Article 34 of the Law on Companies, provided that there is a decision of the Board to enter into these transactions.
1.4. A company's supervisory and management bodies should ensure that the rights and interests of persons other than the company's shareholders (e.g. employees, creditors, suppliers, clients, local community), participating in or connected with the company's operation, are duly respected.	Yes	The Company respects all rights and interests of the persons other than the Company's shareholders participating in or connected with the Company's operation.
Principle II: The corporate governance framework The corporate governance framework should ensure the strategic guidance of the company, the effective oversight of the company's management bodies, an appropriate balance and distribution of functions between the company's bodies, protection of the shareholders' interests.		
2.1. Besides obligatory bodies provided for in the Law on Companies of the Republic of Lithuania – a general shareholders' meeting and the chief executive officer, it is recommended that a company should set up both a collegial supervisory body and a collegial management body. The setting up of collegial bodies for supervision and management facilitates clear separation of management and supervisory functions in the company, accountability and control on the part of the chief executive officer, which, in its turn, facilitate a more efficient and transparent management process.	No	Due to its size, it is not expedient to form the Supervisory Board. Considering that only collegial management body - the Board is formed in the Company. The President of the company is accountable to the Board.

2.2. A collegial management body is responsible for the strategic management of the company and performs other key functions of corporate governance. A collegial supervisory body is responsible for the effective supervision of the company's management bodies.	Yes	The functions set forth in this recommendation are performed by the collegial management body – the Board.
2.3. Where a company chooses to form only one collegial body, it is recommended that it should be a supervisory body, i.e. the supervisory board. In such a case, the supervisory board is responsible for the effective monitoring of the functions performed by the company's chief executive officer.	No	Only one collegial body is formed in the Company - the Board. It performs all essential management functions and ensures accountability and control of the President of the Company. The Supervisory Board is not formed in the Company.
2.4. The collegial supervisory body to be elected by the general shareholders' meeting should be set up and should act in the manner defined in Principles III and IV. Where a company should decide not to set up a collegial supervisory body but rather a collegial management body, i.e. the board, Principles III and IV should apply to the board as long as that does not contradict the essence and purpose of this body.	Yes	The relevant provisions set forth in III and IV principles are applied to the Board's formation and assessment of its activity as long as that does not contradict the essence and purpose of this body.
2.5. Company's management and supervisory bodies should comprise such number of board (executive directors) and supervisory (non-executive directors) board members that no individual or small group of individuals can dominate decision-making on the part of these bodies.	Yes	There are 3 independent Board members in the Company who do not have any other mutual interests but only activity within the Board and who act seeking benefit to the Company and its shareholders.
2.6. Non-executive directors or members of the supervisory board should be appointed for specified terms subject to individual re-election, at maximum intervals provided for in the Lithuanian legislation with a view to ensuring necessary development of professional experience and sufficiently frequent reconfirmation of their status. A possibility to remove them should also be stipulated however this procedure should not be easier than the removal procedure for an executive director or a member of the management board.	No	The Supervisory Board is not formed in the Company, and there are no non-executive directors either.
2.7. Chairman of the collegial body elected by the general shareholders' meeting may be a person whose current or past office constitutes no obstacle to conduct independent and impartial supervision. Where a company should decide not to set up a supervisory board but rather the board, it is recommended that the chairman of the board and chief executive officer of the company should be a different person. Former company's chief executive officer should not be immediately nominated as the chairman of the collegial body elected by the general shareholders' meeting. When a company chooses to depart from these recommendations, it should furnish information on the measures it has taken to ensure impartiality of the supervision.	Yes	The chairman of the Board is not and has not been the Manager of the company. His current or past office constitutes has no obstacles to conduct independent and impartial supervision.
<p>Principle III: The order of the formation of a collegial body to be elected by a general shareholders' meeting</p> <p>The order of the formation a collegial body to be elected by a general shareholders' meeting should ensure representation of minority shareholders, accountability of this body to the shareholders and objective monitoring of the company's operation and its management bodies</p>		

3.1. The mechanism of the formation of a collegial body to be elected by a general shareholders' meeting (hereinafter in this Principle referred to as the 'collegial body') should ensure objective and fair monitoring of the company's management bodies as well as representation of minority shareholders.	Yes	The Board operates impartially, objectively and represents the interests of all shareholders equally.
3.2. Names and surnames of the candidates to become members of a collegial body, information about their education, qualification, professional background, positions taken and potential conflicts of interest should be disclosed early enough before the general shareholders' meeting so that the shareholders would have sufficient time to make an informed voting decision. All factors affecting the candidate's independence, the sample list of which is set out in Recommendation 3.7, should be also disclosed. The collegial body should also be informed on any subsequent changes in the provided information. The collegial body should, on yearly basis, collect data provided in this item on its members and disclose this in the company's annual report.	Yes	<p>According to the Board's procedures and regulations approved by the Board's decision of 01.03.2007 at least 10 days before the General Meeting, where it is planned to elect Board members (member), the information about the candidates to the Board will be fully disclosed to the shareholders with the indication of the candidates' names, surnames, their membership in supervisory and management bodies of other companies, shareholding of other companies exceeding 1/20, and all other circumstances that can affect the independence of the candidate as well as the data on their education, qualifications, professional experience, other important information.</p> <p>The Board members obligate to inform the chairman of the Board in case of the changes of the data. The information of these changes shall be disclosed to the shareholders in the Company's periodical reports.</p> <p>Information about current members of the Board, their educational background, qualification, professional experience, participation in other companies is disclosed in Company's website.</p>
3.3. Should a person be nominated for members of a collegial body, such nomination should be followed by the disclosure of information on candidate's particular competences relevant to his/her service on the collegial body. In order shareholders and investors are able to ascertain whether member's competence is further relevant, the collegial body should, in its annual report, disclose the information on its composition and particular competences of individual members which are relevant to their service on the collegial body.	Yes	Information about the composition of the Board, members' education, work experience and participation in other companies is disclosed in Company's periodical reports and website.
3.4. In order to maintain a proper balance in terms of the current qualifications possessed by its members, the collegial body should determine its desired composition with regard to the company's structure and activities, and have this periodically evaluated. The collegial body should ensure that it is composed of members who, as a whole, have the required diversity of knowledge, judgment and experience to complete their tasks properly. The members of the audit committee, collectively, should have a recent knowledge and relevant experience in the fields of finance, accounting and/or audit for the stock exchange listed companies.	Yes	The composition of the Board is regularly assessed with consideration to the nature of Company's activity and structure.
3.5. All new members of the collegial body should be offered a tailored program focused on introducing a member with his/her duties, corporate organization and activities. The collegial body should conduct an annual review to identify fields where its members need to update their skills and knowledge.	No	Presently, members of the Board do not perform the assessment of their skills and knowledge.

<p>3.6. In order to ensure that all material conflicts of interest related with a member of the collegial body are resolved properly, the collegial body should comprise a sufficient number of independent members.</p>	No	<p>Independency of the elected Board members has not been assessed yet and the content of independent members' sufficiency has not been discussed either.</p>
<p>3.7. A member of the collegial body should be considered to be independent only if he is free of any business, family or other relationship with the company, its controlling shareholder or the management of either, that creates a conflict of interest such as to impair his judgment. Since all cases when member of the collegial body is likely to become dependant are impossible to list, moreover, relationships and circumstances associated with the determination of independence may vary amongst companies and the best practices of solving this problem are yet to evolve in the course of time, assessment of independence of a member of the collegial body should be based on the contents of the relationship and circumstances rather than their form. The key criteria for identifying whether a member of the collegial body can be considered to be independent are the following:</p> <ol style="list-style-type: none"> 1) He/she is not an executive director or member of the board (if a collegial body elected by the general shareholders' meeting is the supervisory board) of the company or any associated company and has not been such during the last five years; 2) He/she is not an employee of the company or some any company and has not been such during the last three years, except for cases when a member of the collegial body does not belong to the senior management and was elected to the collegial body as a representative of the employees; 3) He/she is not receiving or has been not receiving significant additional remuneration from the company or associated company other than remuneration for the office in the collegial body. Such additional remuneration includes participation in share options or some other performance based pay systems; it does not include compensation payments for the previous office in the company (provided that such payment is no way related with later position) as per pension plans (inclusive of deferred compensations); 4) He/she is not a controlling shareholder or representative of such shareholder (control as defined in the Council Directive 83/349/EEC Article 1 Part 1); 5) He/she does not have and did not have any material business relations with the company or associated company within the past year directly or as a partner, shareholder, director or superior employee of the subject having such relationship. A subject is considered to have business relations when it is a major supplier or service provider (inclusive of financial, 	No	<p>Members of the Board are elected by the General Meeting. They are independent and in their actions seek the benefit to the Company and its shareholders, however fail to meet the recommendation on independency.</p>

<p>legal, counselling and consulting services), major client or organization receiving significant payments from the company or its group;</p> <p>6) He/she is not and has not been, during the last three years, partner or employee of the current or former external audit company of the company or associated company;</p> <p>7) He/she is not an executive director or member of the board in some other company where executive director of the company or member of the board (if a collegial body elected by the general shareholders' meeting is the supervisory board) is non-executive director or member of the supervisory board, he/she may not also have any other material relationships with executive directors of the company that arise from their participation in activities of other companies or bodies;</p> <p>8) He/she has not been in the position of a member of the collegial body for over than 12 years;</p> <p>9) He/she is not a close relative to an executive director or member of the board (if a collegial body elected by the general shareholders' meeting is the supervisory board) or to any person listed in above items 1 to 8. Close relative is considered to be a spouse (common-law spouse), children and parents.</p> <p>3.8. The determination of what constitutes independence is fundamentally an issue for the collegial body itself to determine. The collegial body may decide that, despite a particular member meets all the criteria of independence laid down in this Code, he cannot be considered independent due to special personal or company-related circumstances.</p>		
<p>3.9. Necessary information on conclusions the collegial body has come to in its determination of whether a particular member of the body should be considered to be independent should be disclosed. When a person is nominated to become a member of the collegial body, the company should disclose whether it considers the person to be independent. When a particular member of the collegial body does not meet one or more criteria of independence set out in this Code, the company should disclose its reasons for nevertheless considering the member to be independent. In addition, the company should annually disclose which members of the collegial body it considers to be independent.</p>	<p>No</p>	<p>No Board members' independency assessment and announcement practice has been applicable till now.</p>
<p>3.10. When one or more criteria of independence set out in this Code has not been met throughout the year, the company should disclose its reasons for considering a particular member of the collegial body to be independent. To ensure accuracy of the information disclosed in relation with the independence of the members of the collegial body, the company should require independent members to have their independence periodically re-confirmed.</p>	<p>No</p>	<p>No Board members' independency assessment and announcement practice has been applicable till now.</p>

3.11. In order to remunerate members of a collegial body for their work and participation in the meetings of the collegial body, they may be remunerated from the company's funds. The general shareholders' meeting should approve the amount of such remuneration.	Not applicable	The Board members are not remunerated for their work and participation in the meeting of the Board from the Company's funds.
Principle IV: The duties and liabilities of a collegial body elected by the general shareholders' meeting The corporate governance framework should ensure proper and effective functioning of the collegial body elected by the general shareholders' meeting, and the powers granted to the collegial body should ensure effective monitoring of the company's management bodies and protection of interests of all the company's shareholders.		
4.1. The collegial body elected by the general shareholders' meeting (hereinafter in this Principle referred to as the 'collegial body') should ensure integrity and transparency of the company's financial statements and the control system. The collegial body should issue recommendations to the company's management bodies and monitor and control the company's management performance.	Yes	The Board submits Company's annual financial statement and consolidated annual financial statement, profit distribution drafts to the General Meeting, delivers consolidated annual report, also performs all other functions set forth in the legal acts of the Republic of Lithuania.
4.2. Members of the collegial body should act in good faith, with care and responsibility for the benefit and in the interests of the company and its shareholders with due regard to the interests of employees and public welfare. Independent members of the collegial body should (a) under all circumstances maintain independence of their analysis, decision-making and actions (b) do not seek and accept any unjustified privileges that might compromise their independence, and (c) clearly express their objections should a member consider that decision of the collegial body is against the interests of the company. Should a collegial body have passed decisions independent member has serious doubts about, the member should make adequate conclusions. Should an independent member resign from his office, he should explain the reasons in a letter addressed to the collegial body or audit committee and, if necessary, respective company-not-pertaining body.	Yes	According to the information held with the Company, all Board members act in good will with respect to the Company, are guided by the interests of the Company, not by the personal or third parties' interests, and seek to preserve their independency while adopting the decisions.
4.3. Each member should devote sufficient time and attention to perform his duties as a member of the collegial body. Each member of the collegial body should limit other professional obligations of his (in particular any directorships held in other companies) in such a manner they do not interfere with proper performance of duties of a member of the collegial body. In the event a member of the collegial body should be present in less than a half of the meetings of the collegial body throughout the financial year of the company, shareholders of the company should be notified.	Yes	The Board members perform their functions properly: they actively participate in the Board meetings and devote sufficient time for the performance of their duties as Board members.
4.4. Where decisions of a collegial body may have a different effect on the company's shareholders, the collegial body should treat all shareholders impartially and fairly. It should ensure that shareholders are properly informed on the company's affairs, strategies, risk management and resolution of conflicts of interest. The company should have a clearly established role of members of the collegial body when communicating with and committing to shareholders.	Yes	The Board treats all shareholders honestly and impartially. Essential obligations of the Company to the shareholders are set forth in the Shareholders' Policy approved by the Board (which is published in Company's website).

<p>4.5. It is recommended that transactions (except insignificant ones due to their low value or concluded when carrying out routine operations in the company under usual conditions), concluded between the company and its shareholders, members of the supervisory or managing bodies or other natural or legal persons that exert or may exert influence on the company's management should be subject to approval of the collegial body. The decision concerning approval of such transactions should be deemed adopted only provided the majority of the independent members of the collegial body voted for such a decision.</p>	Yes	<p>There were no significant transactions between the Company and its shareholders or management bodies. The Board's procedures and regulations establish that if such transactions are concluded, all Board members should be informed thereof.</p>
<p>4.6. The collegial body should be independent in passing decisions that are significant for the company's operations and strategy. Taken separately, the collegial body should be independent of the company's management bodies. Members of the collegial body should act and pass decisions without an outside influence from the persons who have elected it. Companies should ensure that the collegial body and its committees are provided with sufficient administrative and financial resources to discharge their duties, including the right to obtain, in particular from employees of the company, all the necessary information or to seek independent legal, accounting or any other advice on issues pertaining to the competence of the collegial body and its committees.</p>	Yes	<p>The Board is independent while adopting decisions which are significant for the activity and strategy of the Company.</p>
<p>4.7. Activities of the collegial body should be organized in a manner that independent members of the collegial body could have major influence in relevant areas where chances of occurrence of conflicts of interest are very high. Such areas to be considered as highly relevant are issues of nomination of company's directors, determination of directors' remuneration and control and assessment of company's audit. Therefore when the mentioned issues are attributable to the competence of the collegial body, it is recommended that the collegial body should establish nomination, remuneration, and audit committees. Companies should ensure that the functions attributable to the nomination, remuneration, and audit committees are carried out. However they may decide to merge these functions and set up less than three committees. In such case a company should explain in detail reasons behind the selection of alternative approach and how the selected approach complies with the objectives set forth for the three different committees. Should the collegial body of the company comprise small number of members, the functions assigned to the three committees may be performed by the collegial body itself, provided that it meets composition requirements advocated for the committees and that adequate information is provided in this respect. In such case provisions of this Code relating to the committees of the collegial body (in particular with respect to their role,</p>	No	<p>Due to simplicity of the Company's management structure and small number of employees, it is not expedient to form the Nomination and Remuneration committees.</p>

<p>operation, and transparency) should apply, where relevant, to the collegial body as a whole.</p>		
<p>4.8. The key objective of the committees is to increase efficiency of the activities of the collegial body by ensuring that decisions are based on due consideration, and to help organize its work with a view to ensuring that the decisions it takes are free of material conflicts of interest. Committees should present the collegial body with recommendations concerning the decisions of the collegial body. Nevertheless the final decision shall be adopted by the collegial body. The recommendation on creation of committees is not intended, in principle, to constrict the competence of the collegial body or to remove the matters considered from the purview of the collegial body itself, which remains fully responsible for the decisions taken in its field of competence.</p>		
<p>4.9. Committees established by the collegial body should normally be composed of at least three members. In companies with small number of members of the collegial body, they could exceptionally be composed of two members. Majority of the members of each committee should be constituted from independent members of the collegial body. In cases when the company chooses not to set up a supervisory board, remuneration and audit committees should be entirely comprised of non-executive directors. Chairmanship and membership of the committees should be decided with due regard to the need to ensure that committee membership is refreshed and that undue reliance is not placed on particular individuals.</p>		
<p>4.10. Authority of each of the committees should be determined by the collegial body. Committees should perform their duties in line with authority delegated to them and inform the collegial body on their activities and performance on regular basis. Authority of every committee stipulating the role and rights and duties of the committee should be made public at least once a year (as part of the information disclosed by the company annually on its corporate governance structures and practices). Companies should also make public annually a statement by existing committees on their composition, number of meetings and attendance over the year, and their main activities. Audit committee should confirm that it is satisfied with the independence of the audit process and describe briefly the actions it has taken to reach this conclusion.</p>		
<p>4.11. In order to ensure independence and impartiality of the committees, members of the collegial body that are not members of the committee should commonly have a right to participate in the meetings of the committee only if invited by the committee. A committee may invite or demand participation in the meeting of particular officers or experts. Chairman of each of the committees should</p>		

<p>have a possibility to maintain direct communication with the shareholders. Events when such are to be performed should be specified in the regulations for committee activities.</p>		
<p>4.12. Nomination Committee. 4.12.1. Key functions of the nomination committee should be the following: 1) Identify and recommend, for the approval of the collegial body, candidates to fill board vacancies. The nomination committee should evaluate the balance of skills, knowledge and experience on the management body, prepare a description of the roles and capabilities required to assume a particular office, and assess the time commitment expected. Nomination committee can also consider candidates to members of the collegial body delegated by the shareholders of the company; 2) Assess on regular basis the structure, size, composition and performance of the supervisory and management bodies, and make recommendations to the collegial body regarding the means of achieving necessary changes; 3) Assess on regular basis the skills, knowledge and experience of individual directors and report on this to the collegial body; 4) Properly consider issues related to succession planning; 5) Review the policy of the management bodies for selection and appointment of senior management. 4.12.2. Nomination committee should consider proposals by other parties, including management and shareholders. When dealing with issues related to executive directors or members of the board (if a collegial body elected by the general shareholders' meeting is the supervisory board) and senior management, chief executive officer of the company should be consulted by, and entitled to submit proposals to the nomination committee.</p>		
<p>4.13. Remuneration Committee. 4.13.1. Key functions of the remuneration committee should be the following: 1) Make proposals, for the approval of the collegial body, on the remuneration policy for members of management bodies and executive directors. Such policy should address all forms of compensation, including the fixed remuneration, performance-based remuneration schemes, pension arrangements, and termination payments. Proposals considering performance-based remuneration schemes should be accompanied with recommendations on the related objectives and evaluation criteria, with a view to properly aligning the pay of executive director and members of the management bodies with the long-term interests of the shareholders and the objectives set by the collegial body; 2) Make proposals to the collegial body on the individual remuneration for executive directors</p>		

<p>and member of management bodies in order their remunerations are consistent with company's remuneration policy and the evaluation of the performance of these persons concerned. In doing so, the committee should be properly informed on the total compensation obtained by executive directors and members of the management bodies from the affiliated companies;</p> <p>3) Make proposals to the collegial body on suitable forms of contracts for executive directors and members of the management bodies;</p> <p>4) Assist the collegial body in overseeing how the company complies with applicable provisions regarding the remuneration-related information disclosure (in particular the remuneration policy applied and individual remuneration of directors);</p> <p>5) Make general recommendations to the executive directors and members of the management bodies on the level and structure of remuneration for senior management (as defined by the collegial body) with regard to the respective information provided by the executive directors and members of the management bodies.</p> <p>4.13.2. With respect to stock options and other share-based incentives which may be granted to directors or other employees, the committee should:</p> <p>1) Consider general policy regarding the granting of the above mentioned schemes, in particular stock options, and make any related proposals to the collegial body;</p> <p>2) Examine the related information that is given in the company's annual report and documents intended for the use during the shareholders meeting;</p> <p>3) Make proposals to the collegial body regarding the choice between granting options to subscribe shares or granting options to purchase shares, specifying the reasons for its choice as well as the consequences that this choice has.</p> <p>4.13.3. Upon resolution of the issues attributable to the competence of the remuneration committee, the committee should at least address the chairman of the collegial body and/or chief executive officer of the company for their opinion on the remuneration of other executive directors or members of the management bodies.</p>		
<p>4.14. Audit Committee.</p> <p>4.14.1. Key functions of the audit committee should be the following:</p> <p>1) Observe the integrity of the financial information provided by the company, in particular by reviewing the relevance and consistency of the accounting methods used by the company and its group (including the criteria for the consolidation of the accounts of companies in the group);</p> <p>2) At least once a year review the systems of internal control and risk management to</p>	<p>Yes</p>	<p>The members of the Audit Committee are elected by the General Shareholders Meeting at the proposal of the Board of the Company. The term of office of the Audit Committee coincide with the term of office of the Board of the Company. The Audit Committee should report on its activities to the Board at least twice a year. The main functions of the Audit Committee should be the following:</p> <ul style="list-style-type: none"> - provide recommendations to the Board of the Company with selection, appointment, reappointment and removal of an external audit

<p>ensure that the key risks (inclusive of the risks in relation with compliance with existing laws and regulations) are properly identified, managed and reflected in the information provided;</p> <p>3) Ensure the efficiency of the internal audit function, among other things, by making recommendations on the selection, appointment, reappointment and removal of the head of the internal audit department and on the budget of the department, and by monitoring the responsiveness of the management to its findings and recommendations. Should there be no internal audit authority in the company, the need for one should be reviewed at least annually;</p> <p>4) Make recommendations to the collegial body related with selection, appointment, reappointment and removal of the external auditor (to be done by the general shareholders' meeting) and with the terms and conditions of his engagement. The committee should investigate situations that lead to a resignation of the audit company or auditor and make recommendations on required actions in such situations;</p> <p>5) Monitor independence and impartiality of the external auditor, in particular by reviewing the audit company's compliance with applicable guidance relating to the rotation of audit partners, the level of fees paid by the company, and similar issues. In order to prevent occurrence of material conflicts of interest, the committee, based on the auditor's disclosed inter alia data on all remunerations paid by the company to the auditor and network, should at all times monitor nature and extent of the non-audit services. Having regard to the principals and guidelines established in the 16 May 2002 Commission Recommendation 2002/590/EC, the committee should determine and apply a formal policy establishing types of non-audit services that are (a) excluded, (b) permissible only after review by the committee, and (c) permissible without referral to the committee;</p> <p>6) Review efficiency of the external audit process and responsiveness of management to recommendations made in the external auditor's management letter.</p> <p>4.14.2. All members of the committee should be furnished with complete information on particulars of accounting, financial and other operations of the company. Company's management should inform the audit committee of the methods used to account for significant and unusual transactions where the accounting treatment may be open to different approaches. In such case a special consideration should be given to company's operations in offshore centers and/or activities carried out through special purpose vehicles (organizations) and justification of such operations.</p> <p>4.14.3. The audit committee should decide whether participation of the chairman of the</p>	<p>company as well as the terms and conditions of engagement with the audit company;</p> <ul style="list-style-type: none"> - monitor the process of external audit; - monitor how the external auditor and audit company follow the principles of independence and objectivity; - observe the process of preparation of financial reports of the Company; - monitor the efficiency of the internal control and risk management systems of the Company. Once a year review the need of the internal audit function.
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<p>collegial body, chief executive officer of the company, chief financial officer (or superior employees in charge of finances, treasury and accounting), or internal and external auditors in the meetings of the committee is required (if required, when). The committee should be entitled, when needed, to meet with any relevant person without executive directors and members of the management bodies present.</p> <p>4.14.4. Internal and external auditors should be secured with not only effective working relationship with management, but also with free access to the collegial body. For this purpose the audit committee should act as the principal contact person for the internal and external auditors.</p> <p>4.14.5. The audit committee should be informed of the internal auditor's work program, and should be furnished with internal audit's reports or periodic summaries. The audit committee should also be informed of the work program of the external auditor and should be furnished with report disclosing all relationships between the independent auditor and the company and its group. The committee should be timely furnished information on all issues arising from the audit.</p> <p>4.14.6. The audit committee should examine whether the company is following applicable provisions regarding the possibility for employees to report alleged significant irregularities in the company, by way of complaints or through anonymous submissions (normally to an independent member of the collegial body), and should ensure that there is a procedure established for proportionate and independent investigation of these issues and for appropriate follow-up action.</p> <p>4.14.7. The audit committee should report on its activities to the collegial body at least once in every six months, at the time the yearly and half-yearly statements are approved.</p>		
<p>4.15. Every year the collegial body should conduct the assessment of its activities. The assessment should include evaluation of collegial body's structure, work organization and ability to act as a group, evaluation of each of the collegial body member's and committee's competence and work efficiency and assessment whether the collegial body has achieved its objectives. The collegial body should, at least once a year, make public (as part of the information the company annually discloses on its management structures and practices) respective information on its internal organization and working procedures, and specify what material changes were made as a result of the assessment of the collegial body of its own activities.</p>	<p>Yes</p>	<p>Once a year the Board conducts its performance evaluation.</p> <p>On 2008 the Board analysed available information, discussed and adopted decisions concerning essential matters of Invalda AB and its group. The Board reacted promptly to the changing environment and made necessary decisions based on the possessed information, and considering the existent information, specialists' forecasts and business environment.</p> <p>Due to changes in the legal acts the Audit committee was formed but the board made the decision not to form Nomination and Remuneration committees, considering that the Board partially carries these functions. Considering the growth of the Company, changes of business environment and principals of activity, this issue may be discussed later.</p>
<p>Principle V: The working procedure of the company's collegial bodies The working procedure of supervisory and management bodies established in the company should ensure efficient operation of these bodies and decision-making and encourage active co-operation between the company's bodies.</p>		

<p>5.1. The company's supervisory and management bodies (hereinafter in this Principle the concept 'collegial bodies' covers both the collegial bodies of supervision and the collegial bodies of management) should be chaired by chairpersons of these bodies. The chairperson of a collegial body is responsible for proper convocation of the collegial body meetings. The chairperson should ensure that information about the meeting being convened and its agenda are communicated to all members of the body. The chairperson of a collegial body should ensure appropriate conducting of the meetings of the collegial body. The chairperson should ensure order and working atmosphere during the meeting.</p>	Yes	This provision is implemented by the Board (Supervisory Board is not formed in the Company).
<p>5.2. It is recommended that meetings of the company's collegial bodies should be carried out according to the schedule approved in advance at certain intervals of time. Each company is free to decide how often to convene meetings of the collegial bodies, but it is recommended that these meetings should be convened at such intervals, which would guarantee an interrupted resolution of the essential corporate governance issues. Meetings of the company's supervisory board should be convened at least once in a quarter, and the company's board should meet at least once a month⁶.</p>	Yes	According to the Board's procedures and regulations, the Board meetings are held at least once per quarter.
<p>5.3. Members of a collegial body should be notified about the meeting being convened in advance in order to allow sufficient time for proper preparation for the issues on the agenda of the meeting and to ensure fruitful discussion and adoption of appropriate decisions. Alongside with the notice about the meeting being convened, all the documents relevant to the issues on the agenda of the meeting should be submitted to the members of the collegial body. The agenda of the meeting should not be changed or supplemented during the meeting, unless all members of the collegial body are present or certain issues of great importance to the company require immediate resolution.</p>	Yes	The Board meetings are being convened by the chairman. The chairman of the Board informs members about the meeting at least 5 days prior to the meeting. Additional issues may be including into the agenda not later than 3 days prior to the meeting.
<p>5.4. In order to co-ordinate operation of the company's collegial bodies and ensure effective decision-making process, chairpersons of the company's collegial bodies of supervision and management should closely co-operate by co-ordinating dates of the meetings, their agendas and resolving other issues of corporate governance. Members of the company's board should be free to attend meetings of the company's supervisory board, especially where issues concerning removal of the board members, their liability or remuneration are discussed.</p>	No	The Company may not implement this recommendation since only the Board is formed.

⁶-The frequency of meetings of the collegial body provided for in the recommendation must be applied in those cases when both additional collegial bodies are formed at the company, the board and the supervisory board. In the event only one additional collegial body is formed in the company, the frequency of its meetings may be as established for the supervisory board, i.e. at least once in a quarter.

Principle VI: The equitable treatment of shareholders and shareholder rights The corporate governance framework should ensure the equitable treatment of all shareholders, including minority and foreign shareholders. The corporate governance framework should protect the rights of the shareholders.		
6.1. It is recommended that the company's capital should consist only of the shares that grant the same rights to voting, ownership, dividend and other rights to all their holders.	Yes	Shares which compose the authorised capital of the Company grant equal rights to all shareholders.
6.2. It is recommended that investors should have access to the information concerning the rights attached to the shares of the new issue or those issued earlier in advance, i.e. before they purchase shares.	Yes	The Company informs shareholders about the rights of newly issued shares. Information about the rights of already issued shares is provided in the Shareholders' Policy approved by the Board, the Articles of the Association, Company's annual report
6.3. Transactions that are important to the company and its shareholders, such as transfer, investment, and pledge of the company's assets or any other type of encumbrance should be subject to approval of the general shareholders' meeting. All shareholders should be furnished with equal opportunity to familiarize with and participate in the decision-making process when significant corporate issues, including approval of transactions referred to above, are discussed.	Yes	Shareholders of the Company have equal opportunities to get familiarised and participate in adopting decisions important to the Company. Approval of the General Meeting is also necessary in cases stipulated in Chapter V of the Law on Companies. No other cases when the approval of the General Meeting should be obtained are foreseen, since it would impair Company's business considering the nature of the Company's activity.
6.4. Procedures of convening and conducting a general shareholders' meeting should ensure equal opportunities for the shareholders to effectively participate at the meetings and should not prejudice the rights and interests of the shareholders. The venue, date, and time of the shareholders' meeting should not hinder wide attendance of the shareholders. Prior to the shareholders' meeting, the company's supervisory and management bodies should enable the shareholders to lodge questions on issues on the agenda of the general shareholders' meeting and receive answers to them.	Yes	The procedures of convening and conducting of the General Meeting comply with the provisions of legal acts and provide the shareholders with equal opportunities to participate in the meetings get familiarised with the draft resolutions and materials necessary for adopting the decision in advance, also give questions to the Board members.
6.5. It is recommended that documents on the course of the general shareholders' meeting, including draft resolutions of the meeting, should be placed on the publicly accessible website of the company in advance. It is recommended that the minutes of the general shareholders' meeting after signing them and/or adopted resolutions should be also placed on the publicly accessible website of the company. Seeking to ensure the right of foreigners to familiarize with the information, whenever feasible, documents referred to in this recommendation should be published in English and/or other foreign languages. Documents referred to in this recommendation may be published on the publicly accessible website of the company to the extent that publishing of these documents is not detrimental to the company or the company's commercial secrets are not revealed.	Yes	The minutes of General Meetings for the last 6 years are disclosed on Company's website. At least 10 days prior to the General Meeting, the documents prepared for the General Meeting shall be published on the Company's website.
6.6. Shareholders should be furnished with the opportunity to vote in the general shareholders' meeting in person and in absentia. Shareholders should not be prevented from voting in writing in advance by completing the general voting ballot.	Yes	The Company's shareholders are furnished with the opportunity to participate in the General Meeting both personally and via an attorney, if such a person has a proper authorisation or if an agreement on the transfer of voting rights was concluded in the manner set forth in the legal acts. The company provides the shareholders with conditions to vote by completing the general voting ballot.

<p>6.7. With a view to increasing the shareholders' opportunities to participate effectively at shareholders' meetings, the companies are recommended to expand use of modern technologies in voting processes by allowing the shareholders to vote in general meetings via terminal equipment of telecommunications. In such cases security of telecommunication equipment, text protection and a possibility to identify the signature of the voting person should be guaranteed. Moreover, companies could furnish its shareholders, with the opportunity to watch shareholder meetings by means of modern technologies.</p>	<p>Not applicable</p>	<p>Based on current practice of the Company, there has been no need so far to comply with this recommendation. Shareholders shall vote via an attorney or by completing the general voting ballot.</p>
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Principle VII: The avoidance of conflicts of interest and their disclosure
The corporate governance framework should encourage members of the corporate bodies to avoid conflicts of interest and assure transparent and effective mechanism of disclosure of conflicts of interest regarding members of the corporate bodies.

<p>7.1. Any member of the company's supervisory and management body should avoid a situation, in which his/her personal interests are in conflict or may be in conflict with the company's interests. In case such a situation did occur, a member of the company's supervisory and management body should, within reasonable time, inform other members of the same collegial body or the company's body that has elected him/her, or to the company's shareholders about a situation of a conflict of interest, indicate the nature of the conflict and value, where possible.</p>	<p>Yes</p>	<p>The Board members fully comply with these recommendations.</p>
<p>7.2. Any member of the company's supervisory and management body may not mix the company's assets, the use of which has not been mutually agreed upon, with his/her personal assets or use them or the information which he/she learns by virtue of his/her position as a member of a corporate body for his/her personal benefit or for the benefit of any third person without a prior agreement of the general shareholders' meeting or any other corporate body authorized by the meeting.</p>		
<p>7.3. Any member of the company's supervisory and management body may conclude a transaction with the company, a member of a corporate body of which he/she is. Such a transaction (except insignificant ones due to their low value or concluded when carrying out routine operations in the company under usual conditions) must be immediately reported in writing or orally, by recording this in the minutes of the meeting, to other members of the same corporate body or to the corporate body that has elected him/her or to the company's shareholders. Transactions specified in this recommendation are also subject to recommendation 4.5.</p>		
<p>7.4. Any member of the company's supervisory and management body should abstain from voting when decisions concerning transactions or other issues of personal or business interest are voted on.</p>		

Principle VIII: Company's remuneration policy
Remuneration policy and procedure for approval, revision and disclosure of directors' remuneration established in the company should prevent potential conflicts of interest and abuse in determining remuneration of directors, in addition it should ensure publicity and transparency both of company's remuneration policy and remuneration of directors.

<p>8.1. A company should make a public statement of the company's remuneration policy (hereinafter the remuneration statement). This statement should be part of the company's annual accounts. Remuneration statement should also be posted on the company's website.</p>	<p>No</p>	<p>The Company does not prepare a remuneration policy since the majority of VIII principle items are not relevant for the present structure of the Company. Information about the benefits and loans for the members of the management bodies is provided in the periodical reports, financial statements.</p>
<p>8.2. Remuneration statement should mainly focus on directors' remuneration policy for the following year and, if appropriate, the subsequent years. The statement should contain a summary of the implementation of the remuneration policy in the previous financial year. Special attention should be given to any significant changes in company's remuneration policy as compared to the previous financial year.</p>		
<p>8.3. Remuneration statement should leastwise include the following information: 1) Explanation of the relative importance of the variable and non-variable components of directors' remuneration; 2) Sufficient information on performance criteria that entitles directors to share options, shares or variable components of remuneration; 3) Sufficient information on the linkage between the remuneration and performance; 4) The main parameters and rationale for any annual bonus scheme and any other non-cash benefits; 5) A description of the main characteristics of supplementary pension or early retirement schemes for directors.</p>		
<p>8.4. Remuneration statement should also summarize and explain company's policy regarding the terms of the contracts executed with executive directors and members of the management bodies. It should include, inter alia, information on the duration of contracts with executive directors and members of the management bodies, the applicable notice periods and details of provisions for termination payments linked to early termination under contracts for executive directors and members of the management bodies.</p>		
<p>8.5. The information on preparatory and decision-making processes, during which a policy of remuneration of directors is being established, should also be disclosed. Information should include data, if applicable, on authorities and composition of the remuneration committee, names and surnames of external consultants whose services have been used in determination of the remuneration policy as well as the role of shareholders' annual general meeting.</p>		
<p>8.6. Without prejudice to the role and organization of the relevant bodies responsible for setting directors' remunerations, the remuneration policy or any other significant change in remuneration policy should be included into the agenda of the shareholders'</p>		

<p>annual general meeting. Remuneration statement should be put for voting in shareholders' annual general meeting. The vote may be either mandatory or advisory.</p>		
<p>8.7. Remuneration statement should also contain detailed information on the entire amount of remuneration, inclusive of other benefits, that was paid to individual directors over the relevant financial year. This document should list at least the information set out in items 8.7.1 to 8.7.4 for each person who has served as a director of the company at any time during the relevant financial year.</p> <p>8.7.1. The following remuneration and/or emoluments-related information should be disclosed:</p> <ol style="list-style-type: none"> 1) The total amount of remuneration paid or due to the director for services performed during the relevant financial year, inclusive of, where relevant, attendance fees fixed by the annual general shareholders meeting; 2) The remuneration and advantages received from any undertaking belonging to the same group; 3) The remuneration paid in the form of profit sharing and/or bonus payments and the reasons why such bonus payments and/or profit sharing were granted; 4) If permissible by the law, any significant additional remuneration paid to directors for special services outside the scope of the usual functions of a director; 5) Compensation receivable or paid to each former executive director or member of the management body as a result of his resignation from the office during the previous financial year; 6) Total estimated value of non-cash benefits considered as remuneration, other than the items covered in the above points. <p>8.7.2. As regards shares and/or rights to acquire share options and/or all other share-incentive schemes, the following information should be disclosed:</p> <ol style="list-style-type: none"> 1) The number of share options offered or shares granted by the company during the relevant financial year and their conditions of application; 2) The number of shares options exercised during the relevant financial year and, for each of them, the number of shares involved and the exercise price or the value of the interest in the share incentive scheme at the end of the financial year; 3) The number of share options unexercised at the end of the financial year; their exercise price, the exercise date and the main conditions for the exercise of the rights; 4) All changes in the terms and conditions of existing share options occurring during the financial year. <p>8.7.3. The following supplementary pension schemes-related information should be disclosed:</p>		

<p>1) When the pension scheme is a defined-benefit scheme, changes in the directors' accrued benefits under that scheme during the relevant financial year;</p> <p>2) When the pension scheme is defined-contribution scheme, detailed information on contributions paid or payable by the company in respect of that director during the relevant financial year.</p> <p>8.7.4. The statement should also state amounts that the company or any subsidiary company or entity included in the consolidated annual financial statements of the company has paid to each person who has served as a director in the company at any time during the relevant financial year in the form of loans, advance payments or guarantees, including the amount outstanding and the interest rate.</p>		
<p>8.8. Schemes anticipating remuneration of directors in shares, share options or any other right to purchase shares or be remunerated on the basis of share price movements should be subject to the prior approval of shareholders' annual general meeting by way of a resolution prior to their adoption. The approval of scheme should be related with the scheme itself and not to the grant of such share-based benefits under that scheme to individual directors. All significant changes in scheme provisions should also be subject to shareholders' approval prior to their adoption; the approval decision should be made in shareholders' annual general meeting. In such case shareholders should be notified on all terms of suggested changes and get an explanation on the impact of the suggested changes.</p>	<p>Not applicable</p>	<p>In 2008 the schemes, on which basis the managers were remunerated in shares, share selection transactions or other rights to acquire the shares or be remunerated based on the share price movements were not applied in the Company.</p>
<p>8.9. The following issues should be subject to approval by the shareholders' annual general meeting:</p> <ol style="list-style-type: none"> 1) Grant of share-based schemes, including share options, to directors; 2) Determination of maximum number of shares and main conditions of share granting; 3) The term within which options can be exercised; 4) The conditions for any subsequent change in the exercise of the options, if permissible by law; 5) All other long-term incentive schemes for which directors are eligible and which are not available to other employees of the company under similar terms. Annual general meeting should also set the deadline within which the body responsible for remuneration of directors may award compensations listed in this article to individual directors. 		
<p>8.10. Should national law or company's Articles of Association allow, any discounted option arrangement under which any rights are granted to subscribe to shares at a price lower than the market value of the share prevailing on the day of the price determination, or the average of the market values over a number of days preceding the date when the exercise price is determined, should also be subject to the shareholders' approval.</p>		

<p>8.11. Provisions of Articles 8.8 and 8.9 should not be applicable to schemes allowing for participation under similar conditions to company's employees or employees of any subsidiary company whose employees are eligible to participate in the scheme and which has been approved in the shareholders' annual general meeting.</p>		
<p>8.12. Prior to the annual general meeting that is intended to consider decision stipulated in Article 8.8, the shareholders must be provided an opportunity to familiarize with draft resolution and project-related notice (the documents should be posted on the company's website). The notice should contain the full text of the share-based remuneration schemes or a description of their key terms, as well as full names of the participants in the schemes. Notice should also specify the relationship of the schemes and the overall remuneration policy of the directors. Draft resolution must have a clear reference to the scheme itself or to the summary of its key terms. Shareholders must also be presented with information on how the company intends to provide for the shares required to meet its obligations under incentive schemes. It should be clearly stated whether the company intends to buy shares in the market, hold the shares in reserve or issue new ones. There should also be a summary on scheme-related expenses the company will suffer due to the anticipated application of the scheme. All information given in this article must be posted on the company's website.</p>		
<p>Principle IX: The role of stakeholders in corporate governance</p>		
<p>The corporate governance framework should recognize the rights of stakeholders as established by law and encourage active co-operation between companies and stakeholders in creating the company value, jobs and financial sustainability. For the purposes of this Principle, the concept "stakeholders" includes investors, employees, creditors, suppliers, clients, local community and other persons having certain interest in the company concerned.</p>		
<p>9.1. The corporate governance framework should assure that the rights of stakeholders that are protected by law are respected.</p>	<p>Yes</p>	<p>The company respects the rights of interest holders and allows the interest holders to participate in the management of the Company in the manner set forth by the laws.</p>
<p>9.2. The corporate governance framework should create conditions for the stakeholders to participate in corporate governance in the manner prescribed by law. Examples of mechanisms of stakeholder participation in corporate governance include: employee participation in adoption of certain key decisions for the company; consulting the employees on corporate governance and other important issues; employee participation in the company's share capital; creditor involvement in governance in the context of the company's insolvency, etc.</p>		
<p>9.3. Where stakeholders participate in the corporate governance process, they should have access to relevant information.</p>		
<p>Principle X: Information disclosure and transparency</p>		
<p>The corporate governance framework should ensure that timely and accurate disclosure is made on all material information regarding the company, including the financial situation, performance and governance of the company.</p>		

<p>10.1. The company should disclose information on:</p> <ol style="list-style-type: none"> 1) The financial and operating results of the company; 2) Company objectives; 3) Persons holding by the right of ownership or in control of a block of shares in the company; 4) Members of the company's supervisory and management bodies, chief executive officer of the company and their remuneration; 5) Material foreseeable risk factors; 6) Transactions between the company and connected persons, as well as transactions concluded outside the course of the company's regular operations; 7) Material issues regarding employees and other stakeholders; 8) Governance structures and strategy. <p>This list should be deemed as a minimum recommendation, while the companies are encouraged not to limit themselves to disclosure of the information specified in this list.</p>	<p>Yes</p>	<p>Information set forth in this recommendation is disclosed in the notifications on material event, periodical reports. This information is also published on Company's website.</p>
<p>10.2. It is recommended that consolidated results of the whole group to which the company belongs should be disclosed when information specified in item 1 of Recommendation 10.1 is under disclosure.</p>		
<p>10.3. It is recommended that information on the professional background, qualifications of the members of supervisory and management bodies, chief executive officer of the company should be disclosed as well as potential conflicts of interest that may have an effect on their decisions when information specified in item 4 of Recommendation 10.1 about the members of the company's supervisory and management bodies is under disclosure. It is also recommended that information about the amount of remuneration received from the company and other income should be disclosed with regard to members of the company's supervisory and management bodies and chief executive officer as per Principle VIII.</p>		
<p>10.4. It is recommended that information about the links between the company and its stakeholders, including employees, creditors, suppliers, local community, as well as the company's policy with regard to human resources, employee participation schemes in the company's share capital, etc. should be disclosed when information specified in item 7 of Recommendation 10.1 is under disclosure.</p>		
<p>10.5. Information should be disclosed in such a way that neither shareholders nor investors are discriminated with regard to the manner or scope of access to information. Information should be disclosed to all simultaneously. It is recommended that notices about material events should be announced before or after a trading session on the Vilnius Stock Exchange, so that all the company's shareholders and investors should have equal access to the information and make informed investing decisions.</p>	<p>Yes</p>	<p>The Company discloses information via NASDAQ OMX news distribution service so that the public in Lithuania and other EU countries should have equal access to the information. The information is disclosed in Lithuanian and English. The Company publishes its information prior to or after the trade sessions on the NASDAQ OMX Vilnius. The company doesn't disclose information that may have an effect on the price of shares in the commentaries, interview or other ways as long as such information is publicly announced via NASDAQ OMX news distribution service.</p>

10.6. Channels for disseminating information should provide for fair, timely and cost-efficient access to relevant information by users. It is recommended that information technologies should be employed for wider dissemination of information, for instance, by placing the information on the company's website. It is recommended that information should be published and placed on the company's website not only in Lithuanian, but also in English, and, whenever possible and necessary, in other languages as well.	Yes	The information is disclosed in Lithuanian and English simultaneously via NASDAQ OMX news distribution service. It is also published on Company's website.
10.7. It is recommended that the company's annual reports and other periodical accounts prepared by the company should be placed on the company's website. It is recommended that the company should announce information about material events and changes in the price of the company's shares on the Stock Exchange on the company's website too.	Yes	The Company publishes all information indicated in this recommendation on its website.
Principle XI: The selection of the company's auditor The mechanism of the selection of the company's auditor should ensure independence of the firm of auditor's conclusion and opinion.		
11.1. An annual audit of the company's financial statements and report should be conducted by an independent firm of auditors in order to provide an external and objective opinion on the company's financial statements.	Yes	The annual Company's and consolidated financial statements and consolidated annual report are conducted by the independent audit firm. The interim financial statements are not conducted by the audit firm.
11.2. It is recommended that the company's supervisory board and, where it is not set up, the company's board should propose a candidate firm of auditors to the general shareholders' meeting.	Yes	The candidate audit firm is suggested to the General Meeting by the Board.
11.3. It is recommended that the company should disclose to its shareholders the level of fees paid to the firm of auditors for non-audit services rendered to the company. This information should be also known to the company's supervisory board and, where it is not formed, the company's board upon their consideration which firm of auditors to propose for the general shareholders' meeting.	Not applicable	The audit firm does not provide non-audit services to the Company.

President

Darius Sulnis