

The Draft Decisions of The Ordinary General Meeting of Shareholders called on the 30th of April, 2012

1. On presentation of the consolidated annual report of the Company for the year 2011.

1.1. Taken for the information.

2. On presentation of the auditor's report of the Company.

2.1. Taken for the information.

3. On approval of the Company's consolidated set of financial statements of the year 2011.

3.1. Approve the Company's consolidated set of financial statements of the year 2011.

4. On distribution of profit (loss) of the year 2011.

	Amount (LTL thousand)
Retained earnings – profit (loss) transferred from prior reporting period	20,984
Net result for the reporting year – profit (lost)	12,103
The profit (loss) of the accounting financial year not recognised in the profit (loss) account	-
The transfers from the reserves	-
The shareholders contributions to cover the losses of the Company	-
Distributable result – profit at the end of the reporting period	33,087
Profit distribution:	
Transfers to legal reserve	-
Transfers to Company's shares acquire reserve	-
The share of profit allocated to other reserves;	-
For dividends	(7,270)
For annual payments (bonuses) for the Board members	(2,420)
Retained earnings – profit at the end of the reporting period	23,397

4.1. Approve Company's profit (loss) distribution for the year 2011 as provided above in the table.

4.2. Pay dividends in the amount of LTL 7,270,300 (EUR 2,105,624), one share of nominal value of 1 LTL should receive LTL 0.23 (EUR 0.0666) dividend. Pay dividends to the shareholders within the term settled in Law of Companies of Republic of Lithuania.

4.3. Pay the remuneration for the Company's Board Members in amount of LTL 2,420,000 (EUR 700,880) and assign the Board of the Company to decide the distribution of the above mentioned sum among the Members of the Board.

5. Regarding the enforcements of the Heat Sector law of Lithuania and authorization of the Board of the Company.

- A) The clause 2 of Article 20 of the Heat Sector of Lithuania, entered into force on 1 November 2011 provides: *The building heating and hot water systems supervisor (operator) is prohibited to be associated with the heat supplier or a person related to the heat supplier in working relations or by supplying materials or services to the heat supplier, also prohibited to be associated with a person which supplies the heat producing-fuel, the measuring devices or any other equipment to the heat*

supplier, also to be associated with a persons who are engaged in the manufacture, wholesale or retail trade of the heat producing-fuel or the persons with previously mentioned persons belonging to a group of associated undertakings as described in the Law on Competition of Lithuania. The provisions must be implemented in full capacity until 1 July 2012, otherwise the building heating and hot water systems supervisors (operators) that are associated with abovementioned persons shall be prohibited to perform the abovementioned maintenance activity.

- B) At the moment in the Parliament of Lithuania are considered various amendments of Civil code of Lithuania concerned with strict limitations for the persons who perform administration of residential facility. In the one of the draft amendments is provided that *the administrator cannot be the heat, electricity, gas, water suppliers, the persons who are engaged in waste management activities, also the persons who manufacture the materials, measuring devices or other equipment to the abovementioned activities, also the persons who are engaged in wholesale or retail trade of the materials, measuring devices or other equipment to the abovementioned activities, also the persons who produce, wholesale or perform retail trade of bio-fuel or the persons with previously mentioned persons belonging to a group of associated undertakings as described in the Law on Competition of Lithuania.*
- C) The Company, through the controlling shareholder Icor UAB (code 300021944), is associated with the manufacturer of the measuring devices or other equipment and materials used in the heat supply activities, also associated the company that is engaged in wholesale and retail trade of bio-fuel, **therefore, if necessary actions shall not be performed, the above described law enforcements shall have extreme negative impact on the activities and results of subsidiaries of the Company which perform the administration of residential facility and supervision of heat and hot water systems in Lithuania.**

5.1. Considering the settled in clauses A), B) and C) and in the absence of any other alternatives which should be more appropriate to the existing imperative legal regulation, the Shareholders of the Company hereby decide to sell 100% of shares of subsidiary City Service LT UAB (code 300883806) which at the moment perform commercial real estate management and maintenance activities in Lithuania and directly controls the subsidiaries which are registered in Lithuania and perform the administration of residential facility, maintenance of inside engineering systems and other activities related with the above mentioned activities.

5.2. The Shareholders of the Company oblige and authorize the Board of the Company to undertake these actions:

- a) To organize the process of City Service LT UAB shares sale and according to the situation and the results of negotiation to perform the actions that are required to conclude the share purchase – sale agreement of City Service LT UAB and other agreements between the Company and the purchaser.
- b) By the discretion of the Board to determine and approve the final list of City Service LT UAB controlled subsidiaries which are registered in Lithuania. At the same time, according to the results of negotiation with the potential purchaser of City Service LT UAB and in pursuance of increase of attractiveness of the sale of City Service LT UAB shares, to decide on the sale of 100% of the shares of the Company subsidiary Riga City Service SIA to the same purchaser who shall acquire the shares of City Service LT UAB.
- c) Determine the price of City Service LT UAB shares by the discretion of the Board according to the situation and results of negotiation. The Shareholders hereby confirm that the Shareholders own the information that the negotiation on the share price shall be impeded by the fact of compulsory share sale, therefore the criteria for the share price are not defined.
- d) Perform all other actions, adopt necessary decision and approve necessary documents, authorize to sign them to the entitled persons in order to implement above adopted decisions by the Shareholders of the Company.
- e) Inform the Shareholders of the Company about the process of implementation of above adopted decisions and achieved results through NASDAQ OMX Vilnius Globe newswire system.