

***AB „SNAIGĒ“***

***The interim report for the 1st half of the year 2009***

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## **I. GENERAL PROVISIONS**

### **1. Accounting period of the interim report**

The interim report has been issued as of the first half of 2009.

### **2. The basic data about the issuer**

The name of the company – *SNAIGĖ* PLC (hereinafter referred to as the Company)

Authorized capital - 27,827,365 LTL

Address - Pramonės str. 6, LT-62175 Alytus

Phone - (315) 56 206

Fax – (315) 56 207

E-mail - [snaige@snaige.lt](mailto:snaige@snaige.lt)

Internet web-page - <http://www.snaige.lt>

Legal organization status – legal entity, public limited company

Registered as an enterprise on December 1, 1992 in the Municipality Administration of Alytus; registration number AB 92-119; enterprise register code 249664610. The latest Statute of AB “Snaigė” was re-registered on May 25 2009 in Alytus Department of Register of Legal Entities of the Republic of Lithuania.

### **3. The type of the issuer’s main business activities**

The main business activity of the Company is manufacture of refrigerators and freezers and other activities, permitted by Lithuanian laws, as indicated in the registered Statute.

### **4. Information with regard to the location and time provided for introduction of the report and the accompanying documents; name of the mass media**

The report and its accompanying documents are available in the Accounting and Finance Department of AB “Snaigė” at Pramonės str. 6, Alytus on work days from 8.00 to 16.30, as well as in UAB FMĮ “Orion Securities” at Tumėno str. 4, corp. B, floor 9, LT-01109, Vilnius on work days from 9.00 to 17.00.

The mass media unit – daily paper “Kauno diena” and NASDAQ OMX Vilnius web page <http://www.nasdaqomxbaltic.com/>

## II. INFORMATION ABOUT THE ISSUER'S AUTHORIZED CAPITAL, THE ISSUED SECURITIES, SHAREHOLDERS AND MEMBERS OF THE MANAGEMENT BODIES

### 5. The issuer's authorized capital

#### 5.1. The authorized capital registered in the enterprise register

Name of the securities	Amount of the securities	Nominal value, LTL	Total nominal value, LTL	Share of the authorized capital, in percentage
Ordinary registered shares	27 827 365	1	27 827 365	100

5.2. Information with regard to prospective increase of the authorized capital by converting or trading the issued loan or secondary securities for the shares

AB „Snaigē“ has issued convertible bonds with maturity of 367 days and annual interest rate of 18%. During the subscription period the whole issue with nominal value of 7 500 000 EUR was subscribed. If all holders of bonds decide to convert bonds into shares, the share capital would increase by 25 875 000 EUR.

### 6. Major shareholders

The total number of the shareholders on 30 June 2009 was 1 191.

The major shareholders who own or control more than 5 percent of the issuer's authorized capital are listed below:

Names (company names, addresses, enterprise register codes) of the shareholders	Amount of the ordinary registered shares available, in pcs.		Share of the authorized capital and votes available, in percentage				
	Total	incl. the ones owned by the shareholder	Total		incl. the ordinary registered shares owned by the shareholder		Total incl. the share of the entities group operating jointly, in percentage
			share of the votes	share of the capital	share of the appointed votes	share of the capital	
Hansabank – Customer VP, Liivalaia 8, Tallinn 15040 Estonia, Enterprise reg. no. 10060701	12 383 670	12 383 670	44,50	44,50	44,50	44,50	-
UAB “Survesta” –K. Kalinausko str. 2B,Vilnius Enterprise reg. no. 126408152	5 779 551	5 779 551	20,77	20,77	20,77	20,77	24,51
Skandinaviska Enskilda – Customers VP, Sergels Torg 2, 10640 Stockholm, Sweden, Enterprise reg. no. 502032908101	4 784 326	4 784 326	17,19	17,19	17,19	17,19	-

## 7. Securities without a share of the authorized capital, the circulation of which is regulated by the Law on the Securities Market of the Republic of Lithuania

The company has published convertible bonds with ISIN number LT1000401174. The main information about the published bonds:

- Maturity of the bonds: 367 days.
- Nominal value of one bond: 100.00 EUR.
- Number of issued bonds: 75 000 units.
- Annual interest rate: 18%
- Redemption price: 100.00 EUR.
- Shares, to which bonds can be converted: AB “Snaigė” ordinary shares.
- Conversion rate: 1:345 (one bond is converted into 345 shares)
- Subscription period: 10 March 2009 - 6 April 2009
- Preemptive right period: 10 March 2009 - 23 March 2009
- Beginning of the bonds validity period: 7 April 2009
- Bonds redemption date: 8 April 2010

Bond holders will have a right to convert the bonds to ordinary shares of AB “Snaigė” at the date of the redemption (8 April 2010).

## 8. The secondary turnover of the issuer’s securities

The securities issued by the Company have been listed in the Official Trading List of NASDAQ OMX Villnius since April 9, 1998. Trade of the Company’s ordinary registered shares in the securities stock exchange was started on August 11, 1995. The VP ISIN number is LT0000109274.

Name of the securities – the ordinary registered shares of AB “Snaigė”.

Amount of the securities: 27 827 365 units. The nominal value of a share: 1 (one) LTL.

Based on May 15, 2009 AB “Snaigė” request the Company’s shares from NASDAQ OMX Vilnius Baltic main list were moved to NASDAQ OMX Vilnius Baltic secondary list.

### Trade in securities

Accounting period		Price (LTL)			Turnover (LTL)			Date of last session min.	Total turnover	
from	to	max.	min.	as of last session	from	to	max.		as of last session	from
2009.01.01	2009.03.31	0,55	0,20	0,00	283 817	0	3 311	2009.03.31	1 684 678	536 730
2009.04.01	2009.06.30	0,71	0,19	0,51	672 268	0	20 127	2009.06.30	6 759 213	3 302 406

## 9. Agreements with the stakeholders of public circulation of securities

On September 29, 2003 AB “Snaigė” entered into agreement with Financial Broker Firm “Orion Securities” Ltd. (A. Tumėno str. 4, B corp., LT-01109, Vilnius) for management of accounts of the Company’s issued securities and management of accounts of personal securities.

**10. Members of the Management Bodies**

## 10.1 Position, names and data with regard to the share of the issuer's authorized capital available

Name, surname	Position	Amount of shares available, in units	Share of the capital available, in percentage	Share of votes, in percentage
<b>BOARD</b>				
Nerijus Dagilis	Chairman of the Board of AB "Snaigė"	-	-	-
Domininkas Kašys (till 2009 04 01)	Member of the Board of AB "Snaigė"	-	-	-
Kęstutis Pilipuitis (from 2009 04 22)	Member of the Board of AB "Snaigė"			
Martynas Česnavičius	Member of the Board of AB "Snaigė"	15	0,00	0,00
Marius Binkevičius	Member of the Board of AB "Snaigė"	-	-	-
Robertas Beržinskas	Member of the Board of AB "Snaigė"			
<b>ADMINISTRATION (Administrative Manager, Chief Accountant)</b>				
Gediminas Čeika	Managing Director of AB "Snaigė"			
Neringa Menčiūnienė	Finance Director of AB "Snaigė"			

10.2. Information with regard to participation in the activities of other companies and organizations (name of enterprise, institution or organization, position); the share of the capital and votes above 5 percent, in

Name	Name of organization, position	Share of the capital and votes available in other companies, in percentage
Nerijus Dagilis	Chairman of the board of UAB „Hermis Capital”	-
	Chairman of the board of KITRON ASA	-
	UAB „Ežerų pasaulis“	25,00
	UAB „Baltijos polistirenas“	40,00
	Director of UAB „Survesta“	-
	Director of UAB „Hermis fondų valdymas”	-
	UAB „Gulbinų turizmas“	16,67
	Member of the board of UAB „Meditus”	-
	Director of Kaunas sport club „Oktanas”	-
	Member of the board of AB „Geonafta“	-
	Member of the board of UAB „Genčių nafta“	-
	Member of the board of UAB „Minijos nafta“	-
	Member of the board of UAB „Kauno duona“	-
	Chairman of the board of UAB „Diena Media News“	-
	Director UAB „Deitona“	100,00
Domininkas Kašys		
Kęstutis Pilipuitis	Liquidator of UAB „Kreditų valdymo sprendimai”	-
Martynas Česnavičius	Member of the board of UAB LNK (Laisvas nepriklausomas kanalas)	-
	UAB "Profinance"	50,00
	Chairman of the board of AB „Malsena-Plius”	
	Member of the board of UAB „Litaga”	-
	Member of the board of UAB „Meditus”	-
	Member of the board of AB „Sanitas”	-
	Member of the board of UAB „Atradimų studija”	31,00
	Member of the board of AB „Kauno Pieno Centras“	-
Marius Binkevičius	Director of UAB „Alta Capital Partners”	-
	Director of UAB „Vienybės Investicija”	100,00
	UAB „FIS Investicija”	50,00
	Member of the board of Alta Capital Partners Mangement s.a.r.l.	16,80
Robertas Beržinskas	Member of the board of AB „Utenos Trikotažas“	-
	Member of the board of UAB „Meditus“	-
Gediminas Čeika	Member of the board of OOO „Techprominvest”	-
Neringa Menčiūnienė	Liquidator of AB „Vilniaus Vingis“	-
	Member of the board of AB „Kauno duona“	-
	Chairman of the board of UAB „Almecha“	-

	Member of the board of OOO "Techprominvest"	
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### 10.3. Information about benefits and loans granted to the members of the management bodies

No loans or benefits were granted to the members of the management bodies during this period.

## III. INFORMATION ABOUT THE ISSUER'S BUSINESS ACTIVITIES

### 11. Overview of Company's business activities during the reporting period

According to the non audited consolidated financial information the AB "Snaigė" has achieved a consolidated turnover of 64,3 million LTL during the first half of 2009. Major part of turnover, namely 53,8 million LTL, the company achieved in Alytus plant. The work in Kaliningrad plant was suspended since March due to ruble devaluation and economic recession in Russia.

According to AB „Snaigė“ managing director Gediminas Čeika the company was able to stabilize its activities. "During the second quarter of this year the company experienced only 3,5 million LTL. consolidated non audited loss, which is 4 times lower than it was the first quarter" said G. Čeika. „Second quarters consolidated non audited EBITDA was 144 thous. LTL. This is a good result compared with first quarters (-9,2 million LTT) and it shows that company is moving towards the right direction.

First quarters optimization of management processes in the company and a significant decrease in sales in the key markets of Russia and Ukraine, had major consequences on AB „Snaigė“ first half results of 2009.

During the first half of 2009 AB „Snaigė“ had 17,6 million LTL non audited consolidated loss before taxes. The loss due to the ruble devaluation amounted to over 6 million LTL, and severance pay for dismissed employees amounted to around 5 million LTL.

Currently, Alytaus plant is running on 100% capacity., works five days a week. The company has more orders then it can produce, but cannot increase production due to the lack of working capital.

The company received INVEGA guarantee for 5 million. LTL. and is negotiating with banks to receive a loan for its working capital.

### 12. Information about Company's employees

The main information about the employees of AB „Snaigė“ and its subsidiaries' employees is presented in the table below:

Employees group	January – June of 2009	
	Average number of employees	Average monthly salary, LTL
Administrative employees (with executive officers)	216	3 422
Factory workers	915	1 092



<b>In total</b>	<b>1 131</b>	<b>1 537</b>
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### 13. Information about the subsidiary companies of the issuer

On 30 June 2007 the AB „Snaigė“ group consisted of the following companies: the parent company of the group AB „Snaigė“, subsidiary companies „Techprominvest“, „Moroz trade“, „Liga servis“, „Snaige-Ukraine“, „Almecha“. The main information about the Group's subsidiary companies is presented in the table below:

	<b>TECHPROMINVEST</b>	<b>MOROZ TRADE</b>	<b>LIGA SERVIS</b>	<b>SNAIGE UKRAINE</b> –	<b>ALMECHA</b>
Head-office address	Russia	Russia	Russia	Ukraine	Alytus, Lithuania
Type of activities	Manufacture of refrigerators	Sales and marketing services	Sales and marketing services	Sales and marketing services	Manufacture of other machinery and equipment
Share of the authorized capital available to AB „Snaigė“, %	100%	100%	100%	99%	100%
The authorized capital (LTL)	46 317 618	788	788	53 311	1 375 785
Share of the authorized capital unpaid by the issuer	Completely paid	Completely paid	Completely paid	Completely paid	Completely paid

### 14. Transactions with the related parties

Parties are held related, when one of the parties has ability and power to control another party or can have significant influence in another party's financial decisions and decisions of its activities. During first half of 2009 and 2008 such transactions were carried out:

UAB „Hermis Capital „ (general controlling shareholder);

UAB „Genčių nafta „(general controlling shareholder);

AB „Kauno duona „(general controlling shareholder);

UAB „Meditus „(general controlling shareholder);

UAB „Baltijos polistirenas „ (board member and their relative controlled companies);

UAB „Astmaris „(board member and their relative controlled companies);

<b>2009 m. (first half)</b>		<b>Purchase</b>	<b>Sales</b>	<b>Receivable</b>	<b>Payable</b>
UAB „Baltijos polistirenas“	raw material	1 347 969 -	-	-	457 404
UAB „Astmaris“	raw material	652 500 -	-	-	376 992
		2 000 469 -	-	-	834 396
<b>2008 m. (first half)</b>		<b>Purchase</b>	<b>Sales</b>	<b>Receivable</b>	<b>Payable</b>

UAB „Baltijos polistirenas” raw material	2 129 051 -	-	815 907
UAB „Astmaris” raw material	3 994 299 -	-	1 647 276
	6 123 350 -	-	2 463 183

Company undertakes the policy of entering deals with related parties on a commercial basis and conditions. Non of the guarantees were received or granted to ensure returns of related parties receivable or payable amounts.

Financial and investment deals with related parties:

	<u>2009 first half</u>			<u>2008</u>		
	Received Debt	Debt Pay back	Paid Interest	Received Debt	Debt Pay back	Paid Interest
UAB „Hermis Capital „	5713379	5159876	-	29300000	23586621	87109
UAB „Genčių nafta „	-	-	-	8750000	8750000	190137
AB „Kauno duona „	-	-	-	1100000	1100000	33659
UAB „Baltijos polistirenas „	-	-	-	3000000	3000000	-
UAB „Meditus „	1000000	-	-	6000000	5000000	-
Total :	6713379	5159876	-	48150000	41436621	310905

During the first half of 2009 the company's and its subsidiaries governing body received in total 748,7 thou. LTL and 356,4 thou LTL (2008 first half sums were 2314,7 thou. LTL and 524,2 thou LTL accordingly)

## 15. The risk

**Market risk** – Issuer's companies are involved in production and sales of domestic and commercial use refrigerators. Investors must accept the risk that due to unfavorable changes in realization and production markets the Issuer and its controlled companies might suffer losses, which will worsen the financial situation.

**Currency risk** – part of company's income is received in US Dollars which has a free float exchange rate with respect to Lithuanian Litas. In case the exchange rate will dramatically change due to some extraordinary events in US Economy or the world, Company's financial situation might change in a unfavorable matter.

**Political risk** – Issuer is involved in production during which hazardous chemical substances are a byproduct. Environment protection is politically heavy regulated in Lithuania and European Union

**Operational risk** – is a risk to incur direct/indirect losses due to inadequate or inoperative internal processes, systems, or technologies, actions of employees, representatives, other external actions. A part of operational risk is the legal risk, which occurs in case of inappropriate execution or implementation of various treaties, contracts, agreements, cases, and laws.

#### **IV. UPDATE AND ESSENTIAL EVENTS OF THE ISSUER'S ACTIVITIES**

##### **15. Essential events of the issuer's activities**

**January 21, 2009.** The only domestic refrigerators manufacturer in the Baltic states AB „Snaigė“ continues to implement radical means in order to increase efficiency of the company operations and reduce manufacturing costs.

According to general director Mr. Čeika, operation expenses will be decreased not only by saving and more strict control of company's spending, but also by decreasing number of employees. In the first quarter of this year the number of employees in the Alytus factory will be decreased by approx 300. These changes are determined not only by declining consumption of products but also by the drastic devaluation of local currencies in the company's strategic markets.

“The devaluation of local currencies in Russia and especially in Ukraine has struck not only us but all the exporters of large domestic appliances”, - comments G. Čeika. “Sales in these very important for us markets have stopped and there is no evidence that these markets will revive in this quarter. As a result, we had to reduce manufacturing plans and decrease number of employees.

Mr. Čeika has stressed that AB „Snaigė“ will create all possible opportunities to alleviate social consequences of the workforce cut. According to him, the special work group is formed in the company responsible for the issue. „We will invite representatives of Lithuanian labour exchange and training centers which will consult our employees“, - said Mr. Čeika.

G. Čeika does not reject a possibility that the company will try to re-hire part of fired employees when situation becomes better.

**January 22, 2009.** Management board of AB „Snaigė“ decided to convene the Extraordinary General Meeting AB „Snaigė“ (code 249664610) shareholders on February 23, 2009 at 10:00 in the main meeting hall of the company (Pramonės str. 6, Alytus).

Registration starts 9:30 pm, ends- 9:50 pm.

On the agenda:

1. Issuing convertible debentures and increasing the authorized capital.
2. Deputation of authority.

Shareholders who at the end of the accounting day of the General Meeting of Shareholders, i.e. February 13, 2009, will be on the shareholders list of the Company have a right to participate and vote at the General Meeting personally, by proxy, or represented by a person with whom an agreement on the transfer of voting rights is concluded.

The shareholders attending the meeting must provide personal identification document. The authorized representatives of the shareholders must additionally possess a proxy approved by the procedure prescribed by law.

**January 26, 2009.** Notification on transactions concluded by managers of the companies

Announcement about the executive officer's transaction of the issuer's securities.

**February 6, 2009.** AB „Snaigė“ management board decided to put on hold the production line in Kaliningrad (Russia) factory. The decision is taken in order to avoid losses caused by devaluation of Russian national currency rouble and due to current overall market contraction. Due to decreasing sales volumes in Russia, in the short run Kaliningrad factory is able to satisfy current demand by selling accrued inventories from the warehouses.

**February 9, 2009.** Decisions project of the shareholder meeting of 23 February 2009

- 1.Convertible bonds issue and increase of subscribed capital;
- 2.Change of articles of the Company;
- 3.Grant of authorization.

Proposed decisions project:

1. Convertible bonds issue and increase of subscribed capital;

A. To issue Company's convertible bonds (hereinafter - Bonds) under the following conditions:

- 1.1.Number of issued Bonds - 75 000 (seventy five thousands) units;
- 1.2.Nominal value of one Bond - 100,- EUR (one hundred Euros);
- 1.3.Total nominal value of the issue - 7 500 000 EUR (seven millions five hundred thousand Euros );
- 1.4.The shareholders of the company have a preemptive right to acquire issued Bonds proportionally to nominal value of shares, which they owned on the rights accounting day of this general shareholder meeting, during the first 14 subscription days. After the end of this period all the other investors are also allowed to acquire issued bonds.
- 1.5.Rights provided by the Bonds: at redemption day to receive preset interest or convert Bonds to Company's ordinary shares according to the conversion ratio specified in this meeting decisions and Bonds subscription agreement;
- 1.6.Shares, to which one Bond is convertible:
  - 1.6.1.Class - ordinary shares;
  - 1.6.2.Number - 345 (three hundred forty five) units;
  - 1.6.3.Nominal value - 1 LTL (one litas);
  - 1.6.4.Rights provided:
    - 1.6.4.1.To participate in the management of the company;
    - 1.6.4.2.To receive a dividend;
    - 1.6.4.3.To receive a part of Company's assets after liquidation;
    - 1.6.4.4.To receive free shares if the Company's share capital is increased from the Company's capital;
    - 1.6.4.5.Preemptive right to subscribe to newly issued shares or bonds of the Company, with the exceptions described in the Company's articles of association and legal acts;
    - 1.6.4.6.To give loans for the Company as described in legal acts;
    - 1.6.4.7.To sell or in any other way transfer all of part of the shares, or to bequeath the shares in a will;
    - 1.6.4.8.To participate and to vote in the shareholder meetings. This right can be prohibited or limited as described in the legal acts of Lithuanian Republic, and then the ownership rights are disputed;
    - 1.6.4.9.According to the articles of association and other legal acts, to receive information about Company's activities;
    - 1.6.4.10 Other material and immaterial rights specified in legal acts and in the articles of the Company.
- 1.7. Ratio, by which bonds are convertible into ordinary shares of the Company - 1:345 (one bond is convertible to 345 ordinary shares);
- 1.8. Bonds redemption date - 367th day after the end of Bonds subscription period. Bonds are convertible into shares on the redemption day;
- 1.9. Maximum annual interest rate - 18% (eighteen percent);
- 1.10. Method of interest payment: interest is paid in one payment when redeeming the Bonds;
- 1.11. Bonds are redeemed in Euros;

B. If after the bonds redemption date there are Bonds which were converted into shares, to increase the Company's subscribed capital by the nominal value of shares to which the Bonds were converted.

2. Grant of authorization

2.1. To authorize (with the right to reauthorize) and to oblige Company's director general:

2.2. To sign an agreement with the public turnover intermediary UAB FMI „Orion securities“, enterprise code 1220 33915, regarding to the processes needed to be taken to implement this meeting's decision of issuing convertible Bonds;

To sign Bonds subscription agreements, while setting other parts of the agreement at discretion;

2.3. To sign changed articles of the Company after the increase in subscribed capital and number of ordinary shares and to provide the articles to the enterprise register of Lithuania;

2.4. To execute any other actions, related to the implementation of the decisions of this meeting.

**February 9, 2009.** Extraordinary general meeting of shareholders held on February 23th in 2009 passed the following decision:

1. Convertible bonds issue and increase of subscribed capital.

A. To issue Company's convertible bonds (hereinafter - Bonds) under the following conditions:

1.1. Number of issued Bonds - 75 000 (seventy five thousands) units;

1.2. Nominal value of one Bond - 100,- EUR (one hundred Euros);

1.3. Total nominal value of the issue - 7 500 000 EUR (seven millions five hundred thousand Euros );

1.4. The shareholders of the company have a preemptive right to acquire issued Bonds proportionally to nominal value of shares, which they owned on the rights accounting day of this general shareholder meeting, during the first 14 subscription days. After the end of this period all the other investors are also allowed to acquire issued bonds.

1.5. Rights provided by the Bonds: at redemption day to receive preset interest or convert Bonds to Company's ordinary shares according to the conversion ratio specified in this meeting decisions and Bonds subscription agreement;

1.6. Shares, to which one Bond is convertible:

1.6.1. Class - ordinary shares;

1.6.2. Number - 345 (three hundred forty five) units;

1.6.3. Nominal value - 1 LTL (one litas);

1.6.4. Rights provided:

1.6.4.1. To participate in the management of the Company;

1.6.4.2. To receive a dividend;

1.6.4.3. To receive a part of Company's assets after liquidation;

1.6.4.4. To receive free shares if the Company's share capital is increased from the Company's capital;

1.6.4.5. Preemptive right to subscribe to newly issued shares or bonds of the Company, with the exceptions described in the Company's articles of association and legal acts;

1.6.4.6. To give loans for the Company as described in legal acts;

1.6.4.7. To sell or in any other way transfer all or part of the shares, or to bequeath the shares in a will;

1.6.4.8. To participate and to vote in the shareholder meetings. This right can be prohibited or limited as described in the legal acts of Lithuanian Republic, and then the ownership rights are disputed;

1.6.4.9. According to the articles of association and other legal acts, to receive information about Company's activities;

1.6.4.10. Other material and immaterial rights specified in legal acts and in the articles of the Company.

1.7. Ratio, by which bonds are convertible into ordinary shares of the Company - 1:345 (one bond is convertible to 345 ordinary shares);

1.8. Bonds redemption date - 367th day after the end of Bonds subscription period. Bonds are convertible into shares on the redemption day;

1.9. Maximum annual interest rate - 18% (eighteen percent);

1.10. Method of interest payment: interest is paid in one payment when redeeming the Bonds;

1.11. Bonds are redeemed in Euros;

B. If after the bonds redemption date there are Bonds which were converted into shares, to increase the Company's subscribed capital by the nominal value of shares to which the Bonds were converted.

2. Grant of authorization

To authorize (with the right to reauthorize) and to oblige Company's director general:

To sign an agreement with the public turnover intermediary UAB FMI „Orion securities“, enterprise code 1220 33915, regarding to the processes needed to be taken to implement this meeting's decision of issuing convertible Bonds;

2.1. To sign Bonds subscription agreements, while setting other parts of the agreement at discretion;

2.2. To sign changed articles of the Company after the increase in subscribed capital and number of ordinary shares and to provide the articles to the enterprise register of Lithuania;

2.3. To execute any other actions, related to the implementation of the decisions of this meeting.

**February 27, 2009.** Interim financial reports for 12 month of year 2008 and preliminary results for year 2008 of AB „Snaigė“

1. Preliminary consolidated non-audited results for 2008

Sales and other revenues: 341.69 m. LTL (98.96 m. EUR).

Loss before tax: -25.98 m. LTL (-7.52 m.EUR),

Net loss: -22.99 m. LTL (-6.66 m.EUR),

EBITDA: 2.94 m. LTL (0.85 m.EUR).

Despite AB „Snaigė“ in previous years had put lots of effort into optimization of company's management and manufacturing processes, minimization of costs and structuring of sales markets, it was not enough to counter the consequences of global economic recession in the main sales markets of the company.

After stopping of the sales in Ukraine and partially in Russia the company has lost up to 35 m.LTL of planned revenues. Only due to devaluation of Russian rubble, which began at the end of 2008, the company has lost 8.4 m.LTL. As a result the year was ended with 22.986 m.LTL non-audited consolidated loss before taxes, instead of projected loss of 15 m.LTL.

In 2009 in response to decreasing consumption, AB „Snaigė“ continues optimization of manufacturing scope, minimization of costs, rejects small and less profitable clients and concentrates on serving the most perspective and profitable ones.

After implementation of these means the company plans to undergo the difficult period and does not eliminate the possibility, that at the peak refrigerator buying season the product demand and sales will increase.

2. The consolidated non-audited interim financial reports for 12 months of 2008 and the confirmation of accountable persons are provided to the public (attached).

**March 4, 2009.** CORRECTION: Interim financial reports for 12 month of year 2008 and preliminary results for year 2008 of AB „Snaigė“

The consolidated non-audited interim financial reports for 12 months of 2008 and the confirmation of accountable persons .

Correction:

1.Balance Sheet of Y'2008

2.Profit (Loss) Report of Y '2007

3.Statement of Changes in Equity of Y'2007.



**March 5, 2009.** The prospectus of AB „Snaigė“ convertible bonds issue with maturity of 367 days, nominal value of the whole issue of 7.5 m.EUR (25.9 m. LTL) was approved by Securities Commission on 5 March 2009.

The main facts about the issued convertible bonds:

- Maturity of the bonds: 367 days.
- Nominal value of one bond: 100.00 EUR.
- Number of issued bonds: 75 000 units.
- Annual interest rate: 18%
- Redemption price: 100.00 EUR.
- Shares, to which bonds can be converted: AB “Snaigė” ordinary shares.
- Conversion rate: 1:345 (one bond is converted into 345 shares)
- Subscription period: 10 March 2009 - 6 April 2009
- Preemptive right period: 10 March 2009 - 23 March 2009
- Beginning of the bonds validity period: 7 April 2009
- Bonds redemption date: 8 April 2010

Bond holders will have a right to convert the bonds to ordinary shares of AB “Snaigė” at the date of the redemption (8 April 2010).

The shareholders of AB „Snaigė“ will have a preemptive right to acquire the issued bonds during the first 14 subscription days (10 March 2009 - 23 March 2009), proportionally to the nominal value of shares owned at the end of 23 February 2009 general shareholder meeting rights accounting day (9 March 2009). During the remaining subscription period (24 March 2009 - 6 April 2009) the remaining investors will have a right to acquire the bonds.

Investors are invited to sign the Bonds purchase agreements during the Bonds subscription period at UAB FMĮ „Orion Securities“, A.Tumėno g.4B, LT - 01109, Vilnius, Lithuania during working days from 8.30 till 17.30.

**March 6, 2009.** AB "Snaigė" convertible bonds Prospektus

**March 9, 2009.** Alytus, 9 March 2009. Alytus factory of the only refrigerators producer in the Baltic states AB „Snaigė“ from 9 March 2009 will not work for 4 days.

According to the director general Gediminas Čeika, the company meets its customers' demand both by manufacturing new products and selling already manufactured products from the warehouses. „After the decrease in demand in main company's markets we are seeking not to increase the number of ready-made products kept in warehouses and to manufacture only the amount for which we have outstanding orders“ - said Gediminas Čeika.

According to Gediminas Čeika, effective management of manufacturing processes and minimization of costs are the main means to assure successful business activity during current adverse economic period.

AB „Snaigė“ will restore manufacturing on 16 March 2009.

**March 10, 2009.** Investments of the only refrigerator manufacturer in the Baltic states AB „Snaigė“ in year 2009 will amount up to 1.8 m.LTL. These investments will be intended to maintain effective functioning of current technological base.

**March 19, 2009.** On 18 March, 2009, member of the Management Board "Snaige" AB Domininkas Kašys presented the request on the resignation from the members of Management Board from 1th of April, 2009.

**March 19, 2009.** Management board of AB „Snaigė“ decided to convene the Annual General Meeting AB „Snaigė“ (code 249664610) shareholders on April 22, 2009 at 10:00 in the main meeting hall of the company (Pramonės str. 6, Alytus). Registration starts 9:30 pm, ends- 9:50 pm.

On the agenda:

1. The annual report on the company's activities for the year 2008;
2. Auditor's report on company's financial statements of the year 2008;
3. Approval of company's annual financial statements of the year 2008;
4. Approval of the 2008 profit appropriation;
5. Changes in the Company's Statute;
6. Election of Management Board member;
7. Members of audit committee election and regulations of committee approval.

Shareholders who at the end of the accounting day of the Annual General Meeting of Shareholders, i.e. April 15, 2009, will be on the shareholders list of the Company have a right to participate and vote at the General Meeting personally, by proxy, or represented by a person with whom an agreement on the transfer of voting rights is concluded.

The shareholders attending the meeting must provide personal identification document. The authorized representatives of the shareholders must additionally possess a proxy approved by the procedure prescribed by law.

**April 6, 2009.** On 6 April 2009 AB „Snaigė“ did not fully redeem the bond issue with maturity of 367 days, which was issued in year 2008.

Due to high losses incurred during 2008 the company didn't manage to generate enough cash needed for redemption of the bonds and due to unfavorable conditions in country's credit market required funds were not possible to borrow from banks.

Almost all of the owners of the bonds issued in 2008 agreed to refinance possessed securities by acquiring newly issued AB „Snaigė“ convertible bonds with maturity of 367 days and annual interest rate of 18%. For such investors instead of cash, payable on the redemption day, newly issued bonds with corresponding acquisition value were granted. Major shareholders of AB „Snaigė“, who were also the holders of largest part of bond issue of year 2008, decided to refinance all securities. In total bond holders have refinanced 85% of year 2008 bonds issue.

The company will start negotiation with the owners of bonds which were not redeemed regarding settlement of new redemption term.

**April 6, 2009.** The subscription period of AB „Snaigė“ convertible bonds with maturity of 367 days and annual interest rate of 18% has ended. During the subscription period the whole issue with nominal value of 7 500 000 EUR was subscribed.

80% of bonds were subscribed by holders of year 2008 AB „Snaigė“ bond issue who decided to refinance their securities. Instead of receiving cash on the redemption day these investors were granted newly issued bonds for the corresponding subscription value.



The remaining part of the issue was subscribed by major shareholders of AB "Snaigė" who converted loans, earlier provided to the Company, into newly issued bonds.

The fact that majority of the newly issued bonds were subscribed by the holders of year 2008 bond issue shows that bond holders do understand current complicated financial situation of the Company and believe in Company's ability to redeem the newly issued bonds after one year.

**April 8, 2009.** Notification on transactions concluded by managers of the companies

Announcement about the executive officer's transaction of the issuers securities.

**April 8, 2009.** AB "Snaigė" has submitted to the management board of Nasdaq OMX Vilnius securities exchange application to list convertible bonds with maturity of 367 days on Nasdaq OMX Vilnius debt securities trading list.

**April 15, 2009.** Management Board of Snaigė AB passed the following decision on 10 April, 2009 to approve the draft resolutions to the General Meeting to be convened on 22 April, 2009:

1. The annual report on the company's activities for the year 2008.  
Suggestion: To approve the annual report on the company's activities for the year 2008.
2. Auditor's report on company's financial statements of the year 2008.  
Suggestion: To listen the auditor's report of company's financial statement for the year 2008.
3. Approval of company's annual financial statements of the year 2008.  
Suggestion: To approve annual financial statement for the year 2008
4. Approval of the 2008 profit appropriation.  
Suggestion: To approve appropriation of profit (loss) of the year 2008 Retained earnings of the previous financial year at the end of reporting year 52,517,654 LTL (15,210,164 EUR)  
Net profit for the year 2008 is -15,128,201 LTL (-4,381,430 EUR)  
Net profit (loss) for allocation at the end of financial year 37,389,453 LTL (10,828,734 EUR)  
Shareholders contributions 0 LTL (0 EUR)  
Transfers from reserves 34,087,600 LTL (9,872,451 EUR)  
Profit for distribution 71,477,053 LTL (20,701,185 EUR)  
Allocation of profit:  
Share of profit allocated to the statutory reserve 400,000 LTL (115,848 EUR)  
Share of profit allocated to other reserves 1,860,000 LTL (538,693 EUR)  
Of which:  
To charity, support 0 LTL (0 EUR)  
To social, cultural needs 60,000 LTL (17,377 EUR)  
Share of profit allocated to dividends 0 LTL (0 EUR)  
Share of profit allocated to bonuses for the Board members 0 LTL (0 EUR)  
Share of profit allocated for buy-back of company's own shares 0 LTL (0 EUR)  
Share of profit allocated to investment reserve 1,800,000 LTL (521,316 EUR)  
Retained earnings at the end of reporting year 69,217,053 LTL (20,046,644 EUR)

5. Changes in the Company's Statute;

Suggestion: to approve changed company's statute parts:

"2.2. The Company performs manufacture of refrigerators and freezers (manufacture of electric domestic appliances and devices (27.51) and other activity not forbidden by laws of the Republic of Lithuania."

"9.1.2 A notice of the General Meeting must be published in the daily Kauno diena or delivered against acknowledgement of receipt sent by registered post to each shareholder not later than 30 days before the General Meeting. If the General Meeting is not held, the shareholders must be notified of the repeat General

Meeting in the manner specified herein at least 5 days before the day of this General Meeting. The repeat General Meeting shall be convened at least 5 days and within 30 days after the day of the General Meeting which was not held.”

“9.1.6 Every creditor of the Company must be notified against acknowledgement of receipt or by registered mail of the decision to reduce the authorized capital of the Company. Moreover, the mentioned decision must be published in the daily Kauno diena or every shareholder must be notified thereof against acknowledgement of receipt or by registered mail.”

“9.1.8 The Company shall publish the prepared terms of reorganization in the daily Kauno diena three times with at least 30-day intervals between publications or publish them once at least 30 days before the General Meeting on the reorganization of the company in the daily Kauno diena and notify all shareholders and creditors of the Company in writing.”

“9.1.9 A notice of the decision to transform the Company must be published in the daily Kauno diena three times with at least 30-day intervals between publications or publish them once at least 30 days before the General Meeting on the reorganization of the company in the daily Kauno diena and notify all shareholders and creditors of the Company in writing.”

“9.1.10. A notice of the decision to liquidate the Company shall be in the daily Kauno diena three times with at least 30-day intervals between publications or publish them once at least 30 days before the General Meeting on the reorganization of the company in the daily Kauno diena and notify all shareholders and creditors of the Company in writing.”

5. 1. To authorize (with the right of re-authorization) and obligate the Company’s Managing Director to undersign the revision of the Company’s Statute and present it to a manager of Juridical Persons Register, if not provided otherwise in this report, as well as carry out all other actions connected with the fulfillment of decisions agreed during this Meeting.

6. Election of Management Board member;

Suggested: To elect Kestutis Pilipuitis as member of Company’s Management Board for the rest of functional period of the Board.

7. Members of audit committee election and regulations of committee approval.

Suggested: To elect Kustaa Aima, Rasa Balčiūnaitė-Kaminskienė, and Virginijus Dumbliauskas as the members of Audit committee for the rest of functional period of the Board and to approve committee's rules.

**April 15, 2009.** Notification on transactions concluded by managers of the companies

Announcement about the executive officer's transaction of the issuers securities.

**April 17, 2009.** CORRECTION: Draft resolutions of the General Meeting

Correction: The Annual report and auditor's Review Report for the shareholders of Snaigė AB are attached.

Management Board of Snaigė AB passed the following decision on 10 April, 2009 to approve the draft resolutions to the General Meeting to be convened on 22 April, 2009:

1. The annual report on the company’s activities for the year 2008.

Suggestion: To approve the annual report on the company's activities for the year 2008.

2. Auditor’s report on company’s financial statements of the year 2008.

Suggestion: To listen the auditor's report of company's financial statement for the year 2008.

3. Approval of company’s annual financial statements of the year 2008.

Suggestion: To approve annual financial statement for the year 2008

4. Approval of the 2008 profit appropriation.

Suggestion: To approve appropriation of profit (loss) of the year 2008 Retained earnings of the previous financial year at the end of reporting year 52,517,654 LTL (15,210,164 EUR)

Net profit for the year 2008 is -15,128,201 LTL (-4,381,430 EUR)

Net profit (loss) for allocation at the end of financial year 37,389,453 LTL (10,828,734 EUR)

Shareholders contributions 0 LTL (0 EUR)

Transfers from reserves 34,087,600 LTL (9,872,451 EUR)

Profit for distribution 71,477,053 LTL (20,701,185 EUR)

Allocation of profit:

Share of profit allocated to the statutory reserve 400,000 LTL (115,848 EUR)

Share of profit allocated to other reserves 1,860,000 LTL (538,693 EUR)

Of which:

To charity, support 0 LTL (0 EUR)

To social, cultural needs 60,000 LTL (17,377 EUR)

Share of profit allocated to dividends 0 LTL (0 EUR)

Share of profit allocated to bonuses for the Board members 0 LTL (0 EUR)

Share of profit allocated for buy-back of company's own shares 0 LTL (0 EUR)

Share of profit allocated to investment reserve 1,800,000 LTL (521,316 EUR)

Retained earnings at the end of reporting year 69,217,053 LTL (20,046,644 EUR).

#### 5. Changes in the Company's Statute;

Suggestion: to approve changed company's statute parts:

“2.2. The Company performs manufacture of refrigerators and freezers (manufacture of electric domestic appliances and devices (27.51) and other activity not forbidden by laws of the Republic of Lithuania.”

“9.1.2 A notice of the General Meeting must be published in the daily Kauno diena or delivered against acknowledgement of receipt sent by registered post to each shareholder not later than 30 days before the General Meeting. If the General Meeting is not held, the shareholders must be notified of the repeat General Meeting in the manner specified herein at least 5 days before the day of this General Meeting. The repeat General Meeting shall be convened at least 5 days and within 30 days after the day of the General Meeting which was not held.”

“9.1.6 Every creditor of the Company must be notified against acknowledgement of receipt or by registered mail of the decision to reduce the authorized capital of the Company. Moreover, the mentioned decision must be published in the daily Kauno diena or every shareholder must be notified thereof against acknowledgement of receipt or by registered mail.”

“9.1.8 The Company shall publish the prepared terms of reorganization in the daily Kauno diena three times with at least 30-day intervals between publications or publish them once at least 30 days before the General Meeting on the reorganization of the company in the daily Kauno diena and notify all shareholders and creditors of the Company in writing.”

“9.1.9 A notice of the decision to transform the Company must be published in the daily Kauno diena three times with at least 30-day intervals between publications or publish them once at least 30 days before the General Meeting on the reorganization of the company in the daily Kauno diena and notify all shareholders and creditors of the Company in writing.”

“9.1.10. A notice of the decision to liquidate the Company shall be in the daily Kauno diena three times with at least 30-day intervals between publications or publish them once at least 30 days before the General Meeting on the reorganization of the company in the daily Kauno diena and notify all shareholders and creditors of the Company in writing.”

5. 1. To authorize (with the right of re-authorization) and obligate the Company's Managing Director to undersign the revision of the Company's Statute and present it to a manager of Juridical Persons Register, if not provided otherwise in this report, as well as carry out all other actions connected with the fulfillment of decisions agreed during this Meeting.

6. Election of Management Board member;

Suggested: To elect Kestutis Pilipuitis as member of Company's Management Board for the rest of functional period of the Board.

7. Members of audit committee election and regulations of committee approval.

Suggested: To elect Kustaa Aima, Rasa Balčiūnaitė-Kaminskienė, and Virginijus Dumbliauskas as the members of Audit committee for the rest of functional period of the Board and to approve committee's rules.

**April 20, 2009.** CORRECTION: Draft resolutions of the General Meeting

Correction: The Annual report, Financial Statements and auditor's Review Report for the shareholders of Snaigė AB are attached.

Management Board of Snaigė AB passed the following decision on 10 April, 2009 to approve the draft resolutions to the General Meeting to be convened on 22 April, 2009:

1. The annual report on the company's activities for the year 2008.

Suggestion: To approve the annual report on the company's activities for the year 2008.

2. Auditor's report on company's financial statements of the year 2008.

Suggestion: To listen the auditor's report of company's financial statement for the year 2008.

3. Approval of company's annual financial statements of the year 2008.

Suggestion: To approve annual financial statement for the year 2008

4. Approval of the 2008 profit appropriation.

Suggestion: To approve appropriation of profit (loss) of the year 2008 Retained earnings of the previous financial year at the end of reporting year 52,517,654 LTL (15,210,164 EUR)

Net profit for the year 2008 is -15,128,201 LTL (-4,381,430 EUR)

Net profit (loss) for allocation at the end of financial year 37,389,453 LTL (10,828,734 EUR)

Shareholders contributions 0 LTL (0 EUR)

Transfers from reserves 34,087,600 LTL (9,872,451 EUR)

Profit for distribution 71,477,053 LTL (20,701,185 EUR)

Allocation of profit:

Share of profit allocated to the statutory reserve 400,000 LTL (115,848 EUR)

Share of profit allocated to other reserves 1,860,000 LTL (538,693 EUR)

Of which:

To charity, support 0 LTL (0 EUR)

To social, cultural needs 60,000 LTL (17,377 EUR)

Share of profit allocated to dividends 0 LTL (0 EUR)

Share of profit allocated to bonuses for the Board members 0 LTL (0 EUR)

Share of profit allocated for buy-back of company's own shares 0 LTL (0 EUR)

Share of profit allocated to investment reserve 1,800,000 LTL (521,316 EUR)

Retained earnings at the end of reporting year 69,217,053 LTL (20,046,644 EUR).

5. Changes in the Company's Statute;

Suggestion: to approve changed company's statute parts:

"2.2. The Company performs manufacture of refrigerators and freezers (manufacture of electric domestic appliances and devices (27.51) and other activity not forbidden by laws of the Republic of Lithuania."

"9.1.2 A notice of the General Meeting must be published in the daily Kauno diena or delivered against acknowledgement of receipt sent by registered post to each shareholder not later than 30 days before the General Meeting. If the General Meeting is not held, the shareholders must be notified of the repeat General Meeting in the manner specified herein at least 5 days before the day of this General Meeting. The repeat General Meeting shall be convened at least 5 days and within 30 days after the day of the General Meeting which was not held."

“9.1.6 Every creditor of the Company must be notified against acknowledgement of receipt or by registered mail of the decision to reduce the authorized capital of the Company. Moreover, the mentioned decision must be published in the daily Kauno diena or every shareholder must be notified thereof against acknowledgement of receipt or by registered mail.”

“9.1.8 The Company shall publish the prepared terms of reorganization in the daily Kauno diena three times with at least 30-day intervals between publications or publish them once at least 30 days before the General Meeting on the reorganization of the company in the daily Kauno diena and notify all shareholders and creditors of the Company in writing.”

“9.1.9 A notice of the decision to transform the Company must be published in the daily Kauno diena three times with at least 30-day intervals between publications or publish them once at least 30 days before the General Meeting on the reorganization of the company in the daily Kauno diena and notify all shareholders and creditors of the Company in writing.”

“9.1.10. A notice of the decision to liquidate the Company shall be in the daily Kauno diena three times with at least 30-day intervals between publications or publish them once at least 30 days before the General Meeting on the reorganization of the company in the daily Kauno diena and notify all shareholders and creditors of the Company in writing.”

5. 1. To authorize (with the right of re-authorization) and obligate the Company's Managing Director to undersign the revision of the Company's Statute and present it to a manager of Juridical Persons Register, if not provided otherwise in this report, as well as carry out all other actions connected with the fulfillment of decisions agreed during this Meeting.

6. Election of Management Board member;

Suggested: To elect Kestutis Pilipuitis as member of Company's Management Board for the rest of functional period of the Board.

7. Members of audit committee election and regulations of committee approval.

Suggested: To elect Kustaa Aima, Rasa Balčiūnaitė-Kaminskienė, and Virginijus Dumbliauskas as the members of Audit committee for the rest of functional period of the Board and to approve committee's rules.

**April 22, 2009.** General meeting of shareholders held on April 22th in 2009 passed the following decision:

1.Approved the annual report on the company's activities for the year 2008.

2.Listened the auditor's report of company's financial statement for the year 2008.

3.Approved annual financial statement for the year 2008.

4.Approved appropriation of profit (loss) of the year 2008:

Retained earnings of the previous financial year at the end of reporting year 52,517,654 LTL (15,210,164 EUR)

Net profit for the year 2008 is -15,128,201 LTL (-4,381,430 EUR)

Net profit (loss) for allocation at the end of financial year 37,389,453LTL (10,828,734 EUR)

Shareholders contributions 0 LTL (0 EUR)

Transfers from reserves 34,087,600 LTL (9,872,451 EUR)

Profit for distribution 71,477,053 LTL (20,701,185 EUR)

Allocation of profit:

Share of profit allocated to the statutory reserve 400,000 LTL (115,848 EUR)

Share of profit allocated to other reserves 1,860,000 LTL (538,693 EUR)

Of which:

To charity, support 0 LTL (0 EUR)

To social, cultural needs 60,000 LTL (17,377 EUR)

Share of profit allocated to dividends 0 LTL (0 EUR)

Share of profit allocated to bonuses for the Board members 0 LTL (0 EUR)

Share of profit allocated for buy-back of company's own shares 0 LTL (0 EUR)

Share of profit allocated to investment reserve 1,800,000 LTL (521,316 EUR)



Retained earnings at the end of reporting year 69,217,053 LTL (20,046,644 EUR).

5. Approved changed company's statute parts:

“2.2. The Company performs manufacture of refrigerators and freezers (manufacture of electric domestic appliances and devices (27.51) and other activity not forbidden by laws of the Republic of Lithuania” and 9.1.2, 9.1.6, 9.1.8, 9.1.9, 9.1.10 items relating with The Company's announcements publishing in newspaper. The company changing newspaper Lietuvos rytas to the newspaper Kauno diena.

5.1. The Company's Managing Director authorized (with the right of re-authorization) and obligated to undersign the revision of the Company's Statute and present it to a manager of Juridical Persons Register, perform all other actions connected with the fulfillment of decisions agreed during this Meeting.

6. Kestutis Pilipuitis elected as member of Company's Management Board for the rest of functional period of the Board.

7. Kustaa Aima, Rasa Balčiūnaitė-Kaminskienė, and Virginijus Dumbliauskas elected as the members of Audit committee for the rest of functional period of the Board and to approve committee's rules.

**April 23, 2009.** We would like to present the consolidated financial statements for the year 2008, the report of auditor, the confirmation of responsible persons and the consolidated annual report.

**May 4, 2009.** Joint Stock Company “Snaige” from the May 4th is back to the normal five days a week work schedule. According to AB Snaige General Manager Gediminas Čeika, returning to the five working days have been planned in advance. "Refrigerators sale season starts from around the month of May. From this period, always feel the increased need for our products. Therefore, the return to five working days of the week was provided at the end of last year, "- said Gediminas Čeika.

**May 11, 2009.** Notification on transactions concluded by managers of the companies

Announcement about the executive officer's transaction of the issuers securities.

**May 15, 2009.** The only domestic refrigerators manufacturer in the Baltic states AB „Snaigė“ submitted an application to the NASDAQ OMX Vilnius AB for the transfer of the issuer's securities from the NASDAQ OMX Vilnius Main List to the NASDAQ OMX Vilnius Secondary List.

**May 27, 2009.** On 22 May 2009 the subscription period of AB „Snaigė“ bonds with maturity of 321 days and annual interest rate of 14% has ended. During the subscription period 5 295 bonds with nominal value of 100LTL were subscribed.

The issued securities were exceptionally offered only for the holders of AB “Snaigė” bonds which were not redeemed on 6 April 2009 by allowing to swap one non-redeemed bond to one newly issued. In such a way holders of 18% of all non-redeemed bonds agreed to restructure their overdue securities.

The company invites the holders of remaining non-redeemed bonds to continue negotiations in order to identify solution appropriate for both parties.

**May 29, 2009.** According to unaudited consolidated data the revenues of AB “Snaige” have reached 32.8 m.LTL in the first quarter of 2009. The revenues were two times smaller than in the same period in 2008 (79.08 m.LTL).

According to the director general of AB "Snaige" Gediminas Čeika, reached revenues are the same as planned in the beginning of the year, taking into account that only one of company's two factories was operating and that only one shift was employed for 4 days a week. "The first quarter was challenging" - says G. Čeika. - "Due to devaluation of local currencies in Russia and Ukraine and due to 18% increase in import tax in Ukraine sales in these main markets of AB "Snaige" have significantly decreased. Due to decreased sales we were forced to reduce number of employees, restructure manufacturing and adapt to new conditions.

During the first wuarter of 2009 the company has incurred consolidated unaudited loss before tax of 14 m.LTL. Loss due to devaluation of Russian rubble amounted about 6 m.LTL, and due to employees severance compensation - about 3 m.LTL.

According to director general of AB "Snaige" the loss is almost 5 m.LTL smaller than consolidated loss before taxes incurred during the last quarter of 2008. "This is small, but still a step ahead" - says G. Čeika. - "After the beginning of hot season we started to receive more orders, entered into 5 working days per week manufacturing mode. However we are unable to increase manufacturing significantly due to lack of working capital. If the company would be successful in receiving government support or reaching more favorable agreements with Lithuanian banks, we would be able to manufacture more refrigerators and fulfill more orders."

According to consolidated unaudited data, AB "Snaige" has reached EBITDA of -9.2 m.LTL.

The consolidated non-audited interim financial reports for 3 months of 2009 and the confirmation of accountable persons (attached).

**June 8, 2009.** Notification on transactions concluded by managers of the companies

Announcement about the executive officer's transaction of the issuers securities.

**June 18, 2009.** Notification on transactions concluded by managers of the companies

Announcement about the executive officer's transaction of the issuers securities.

## **16. Court and arbitrage processes**

Currently the court procedure is in progress regarding the fire in France, damage value around 73 033, 01 EUR. It is suspected, that fire has started due to the overheating of refrigerator compressor, which was manufactured by AB „Snaige“. However, it is not proved so far. The settlement agreement was signed.

Currently the dispute is being solved in Ukraine concerning the debt repayment for "Snaigė". The total amount is 572 616,11 UAH.

Currently the court procedure is in progress regarding the fire in Lithuania. It is not enough evidence that fire was caused of a poor quality refrigerator manufactured by AB "Snaigė". The court has received comments from AB "Snaigė" regarding the claim. The next trial period is not assigned yet.

Currently the court procedure in Lithuania is in progress regarding the failure to redeem the bonds.

The ongoing dispute with UAB „Fibiura“.