

CONFIRMATION OF RESPONSIBLE PERSON

Vilnius, 29.08.2008

Following the Art. 22(1-2) of the Law on Securities of the Republic of Lithuania, we hereby confirm that, to the best of our knowledge, company's and consolidated interim financial statements for 6 months of 2008 have been prepared in accordance with International Financial Reporting Standards (IFRS) and give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the group of undertakings, as well as consolidated interim report includes a fair review of the development and performance of the business

ENCLOSED:

1. Company's and consolidated interim financial statements for 6 months of 2008.
2. Consolidated interim report for 6 months of 2008.

President

Darius Sulnis

Chief Financier

Raimondas Rajeckas



Consolidated Interim Report for 6 Months of 2008

Prepared in accordance with The Rules for the Preparing and the Submission of the Periodic and Additional Information, approved by the Resolution No. 1K-3 of 23.02.2007 of the Lithuanian Securities Commission

Approved by the Board decision No 2008-28 passed on 28.08.2008

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I. GENERAL INFORMATION

1. Reporting period for which the report is prepared

The report is prepared for 6 months of 2008 (January – June).

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
Telephone	+ 370 5 279 0601
Fax	+ 370 5 279 0530
E-mail	post@invalda.lt
Website	www.invalda.lt
Legal form	Public limited liability company
Date and place of registration	20.03.1992, Register of Enterprises of Vilnius
Register, in which data about the company are accumulated and stored	Register of Legal Entities

Invalda AB is a financial group oriented to asset management, also investment and private banking. Historically, Invalda AB is a company actively managing its investments by:

- acquiring and restructuring businesses;
- introducing modern management and financial management methods;
- receiving income from managed companies and/or exiting businesses and providing high return to shareholders of the company;
- diversifying risk.

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

The operating strategy of Invalda financial group is concentrated into asset management also private and investment banking. At the moment the activity of asset management concentrates on finance, real estate, pharmacy, furniture manufacturing, roads and bridges construction segments The businesses of the group are developed in Lithuania, also in Latvia, Poland, Ukraine, Slovakia, and other European countries.

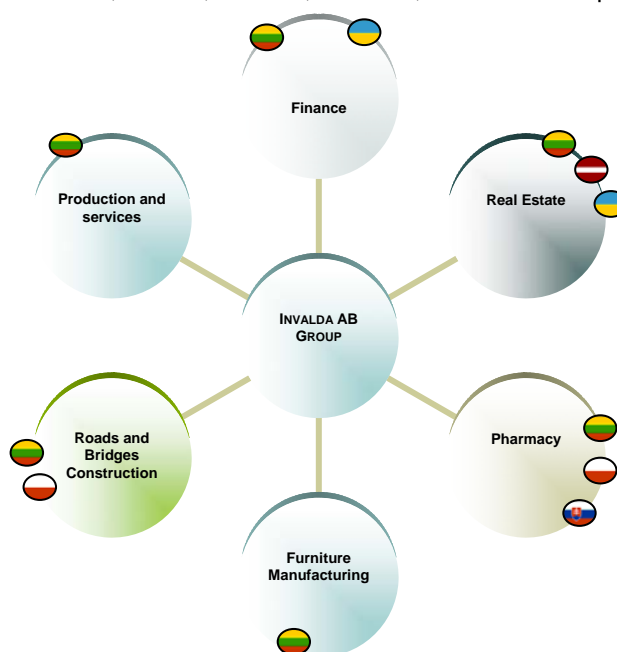
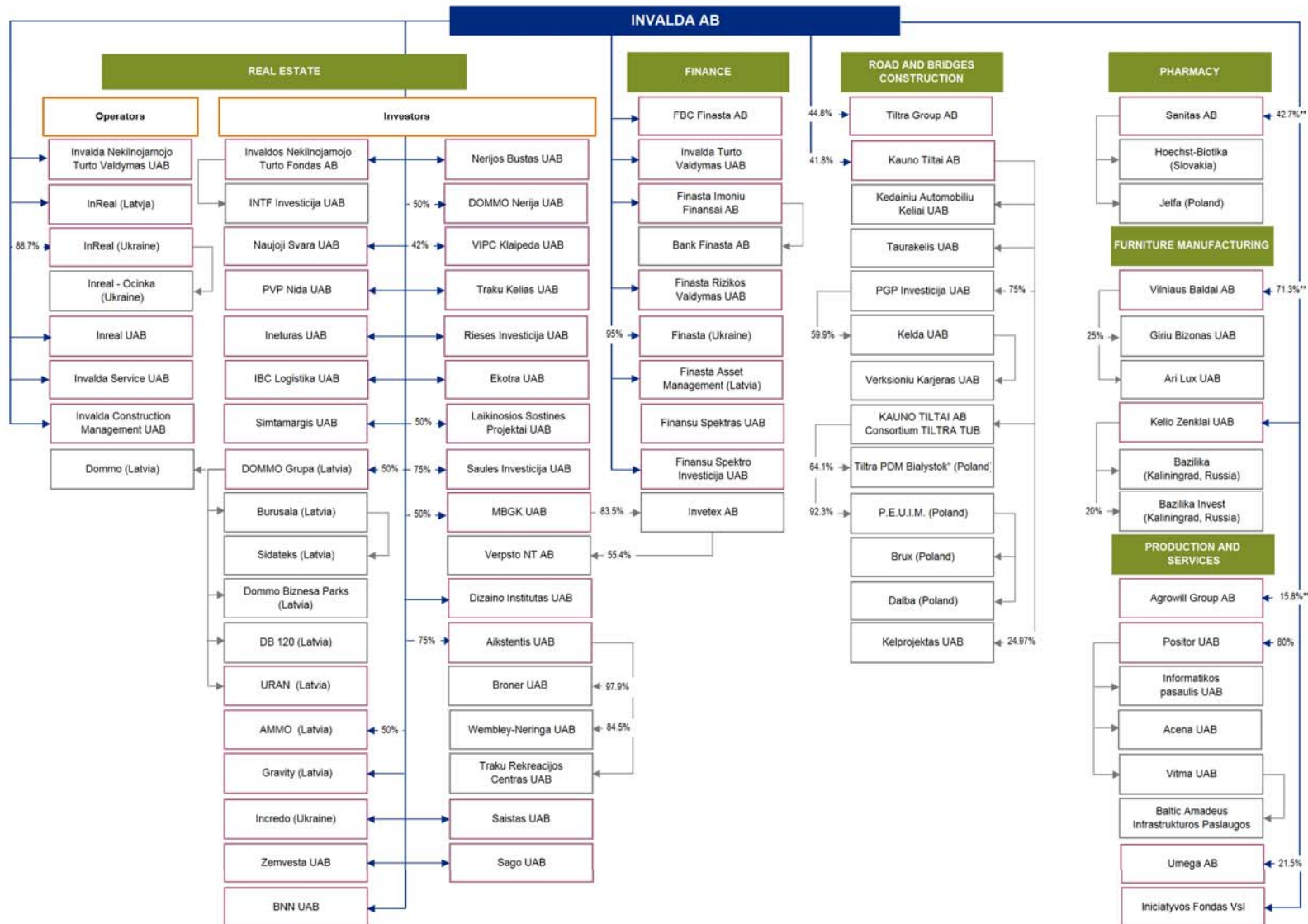


Fig. 2.2.1. Sectors of Invalda AB group

Information about companies comprising Invalda AB group, their contact details are presented in Appendix 1.



* 100% of shares held if not indicated differently
 ** Including shares sold under repurchase agreements

Fig. 2.2.2. Structure of Invalda AB group as of 30.06.2008

3. Agreements with intermediaries of public trading in securities

Invalda AB has signed agreements with these intermediaries:

- FBC Finasta AB (Konstitucijos ave. 23, Vilnius, Lithuania, tel. +370 5 278 6833) – the agreement on the investment services, the agreement on the management of securities accounting, the agreement on the payment of dividends;
- Siauliu Bankas AB (Tilzes str. 149, Siauliai, Lithuania, tel. +370 41 595 607) – the agreement on the management of securities account and intermediation;
- Bankas Snoras AB (A. Vivulskio str. 7, Vilnius, Lithuania, tel. +370 5 232 7224) – the agreement on the customer services (for professional investor);
- DnB NORD Bankas AB (J. Basanaviciaus str. 26, Vilnius, Lithuania, tel. +370 5 239 3503) – the agreement on the 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.

4. 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).

II. INFORMATION ABOUT SECURITIES

5. Structure of the authorised capital

Table 5.1. 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. Shareholders

As of 01.07.2008 the total number of shareholders was 6,318 (on 31.12.2007 it equalled to 6,413).

Table 6.1. Shareholders who held title to more than 5% of Invalda AB authorised capital and or votes

Names of the shareholders (name of enterprise, code, address)	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 persons acting in concert)
Vytautas Bucas	8,943,141	21.01	21.01	1.51	37.60
Dailius Juozapas Miseikis	2,961,671	6.96	6.96	-	
Darius Sulnis	1,505,572	3.54	3.54	4.59	
Lucrum Investicija UAB, code 300806471, Seimyniskiu str. 3, Vilnius, Lithuania	7,096,865	16.67	16.67	-	16.67
Algirdas Bucas	3,424,119	8.04	8.04	-	8.04
Daiva Baniene	1,836,234	4.31	4.31	-	6.73
Alvydas Banys	1,029,624	2.42	2.42	-	
Hanner AB, code 111535724, Konstitucijos ave. 7, Vilnius, Lithuania	2,595,628	6.10	-	-	-

On 09.07.2008 the General Meeting of Invalda AB shareholders elected a new Board member Dalius Kaziuonas instead of resigning Board member Dailius Juozapas Miseikis. Following the Art. 24(2) of the Law on Securities of the Republic of Lithuania the new group of persons acting in concert was formed. Updated information about major shareholders of Invalda AB is presented above.

Table 6.2. Shareholders who held title to more than 5% of Invalda AB authorised capital and or votes as of 10.07.2008

Names of the shareholders (name of enterprise, code, address)	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 persons acting in concert)
Vytautas Bucas	8,943,141	21.01	21.01	1.51	30.67
Darius Sulnis	1,505,572	3.54	3.54	4.59	
Dalius Kaziuonas	12,394	0.03	0.03	-	
Dovile Kaziuuniene	380	0.001	0.001	-	
Lucrum Investicija UAB, code 300806471, Seimyniskiu str. 3, Vilnius, Lithuania	7,096,865	16.67	16.67	-	16.67
Algirdas Bucas	3,424,119	8.04	8.04	-	8.04
Dailius Juozapas Miseikis	2,961,671	6.96	6.96	-	6.96

Table 6.2. continued

Names of the shareholders (name of enterprise, code, address)	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)
Daiva Baniene	1,836,234	4.31	4.31	-	6.73
Alvydas Banys	1,029,624	2.42	2.42	-	
Hanner AB, code 111535724, Konstitucijos ave. 7, Vilnius, Lithuania	2,595,628	6.10	-	-	-

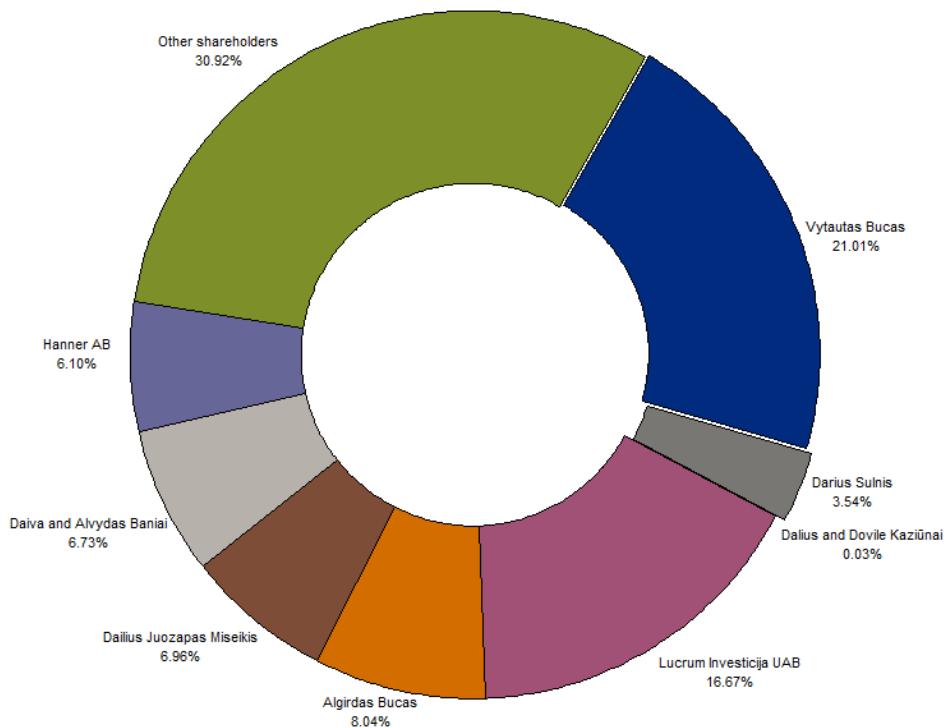


Fig. 6.1. Structure of shareholders

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.

7. Information about the Issuer's own shares

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

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

8.1. Trading in securities of the Issuer

Table 8.1.1. Main characteristics of Invalda AB shares admitted to trading

ISIN code	LT0000102279
Name	IVL1L
Exchange	Vilnius Stock Exchange
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

Table 8.1.2. Trading in Invalda AB shares

	1 H 2008	1 H 2007
Share price, LTL:		
- open	17.15	12.40
- high	17.34	16.85
- low	11.70	12.00
- last	16.44	16.40
- average	14.09	13.86
Turnover, units	1,651,954	2,935,548
Turnover, LTL	23,272,539	40,673,084
Traded volume, units	3,579	5,343
Capitalisation, LTL thousand	699,831.9	738,137.4

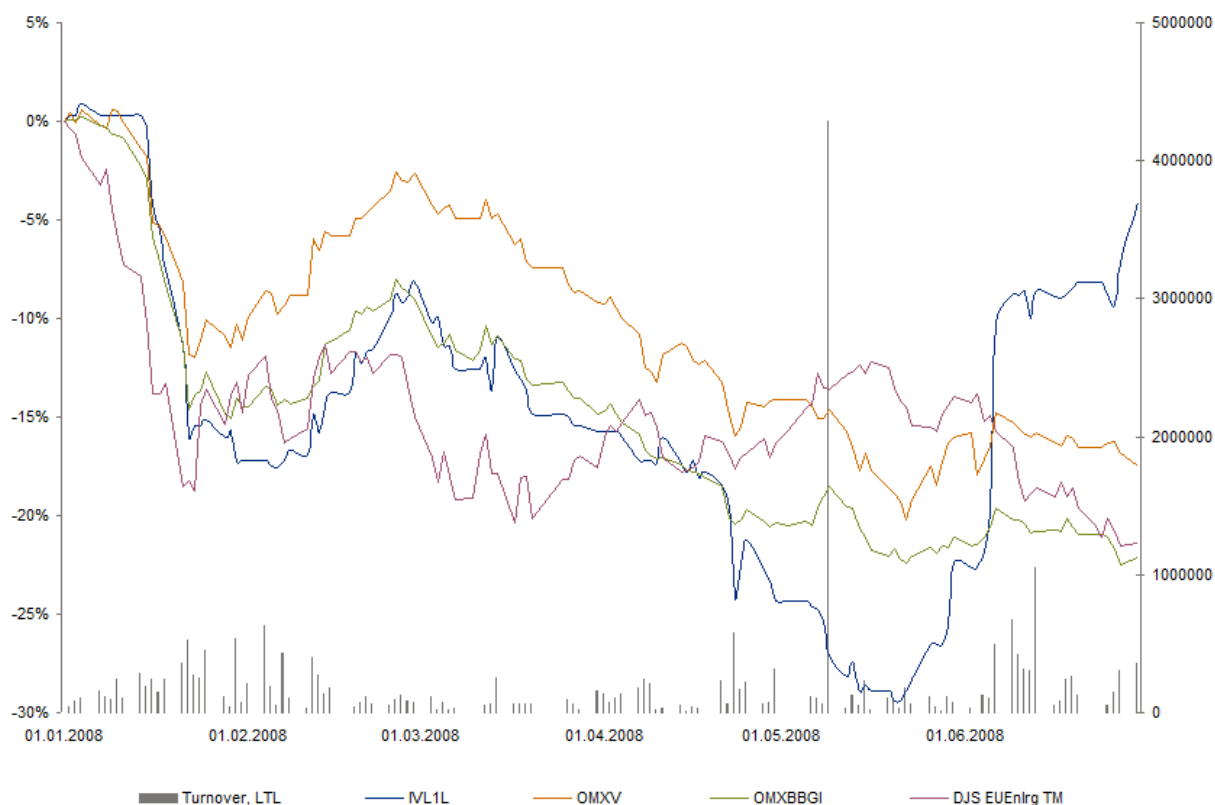


Fig. 8.1.1. Turnover of Invalda AB shares, changes of share price and indexes that include Invalda AB shares for January – June of 2008

8.2. 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 Vilnius Stock Exchange Main List.

8.2.1. Trading in shares of Sanitas AB

Table 8.2.1.1. Main characteristics of Sanitas AB shares admitted to trading

ISIN code	LT0000106171
Name	SAN1L
Exchange	Vilnius Stock Exchange
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 8.2.1.2. Trading in Sanitas AB shares

	1 H 2008	1 H 2007
Share price, LTL:		
- open	29.00	13.60
- high	34.95	30.27
- low	23.00	13.00
- last	32.50	29.40
- average	27.92	16.46
Turnover, units	525,517	2,457,564
Turnover, LTL	14,672,721	40,451,290
Traded volume, units	1,880	2,388
Capitalisation, LTL thousand	1,010,942.4	914,514.0

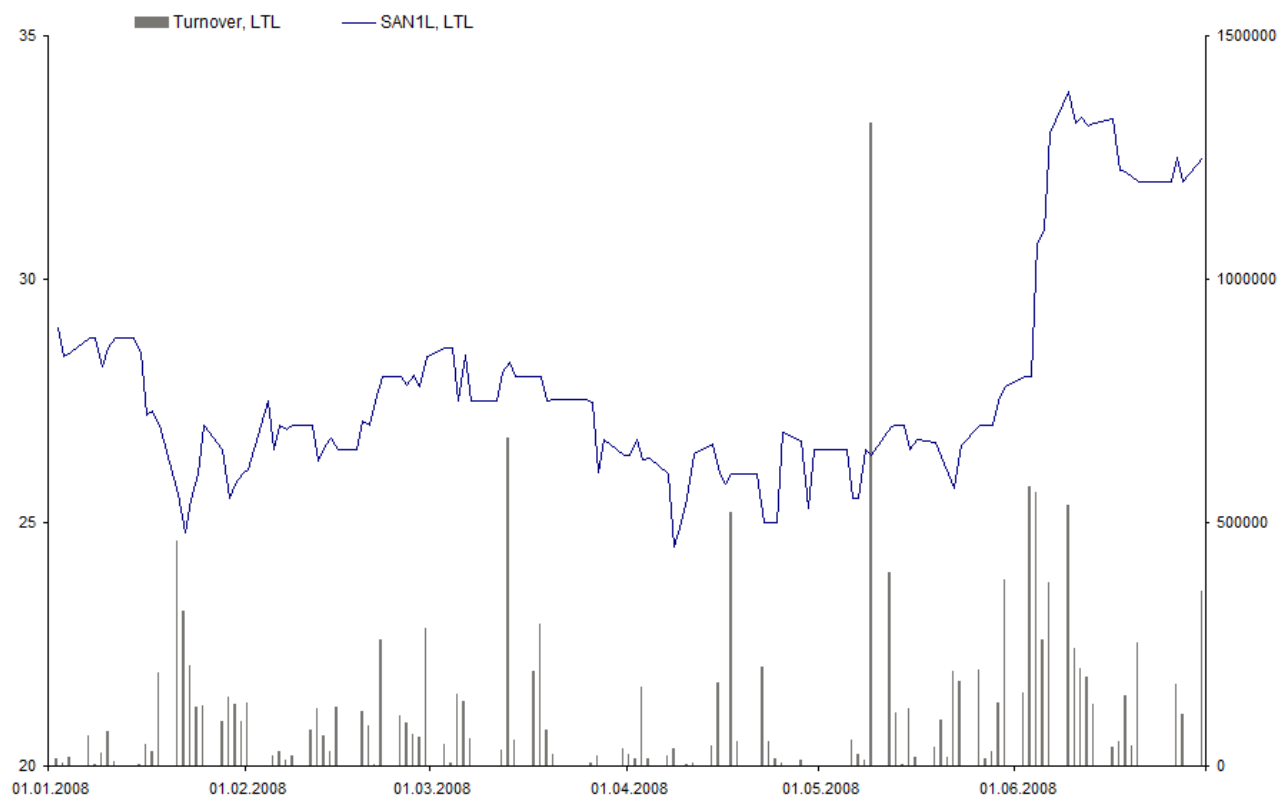


Fig. 8.2.1.1. Turnover and share price of Sanitas AB for January – June of 2008

8.2.2. Trading in shares of Vilniaus Baldai AB

Table 8.2.2.1. Main characteristics of Vilniaus Baldai AB shares admitted to trading

ISIN code	LT0000104267
Name	VBL1L
Exchange	Vilnius Stock Exchange
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 8.2.2.2. Trading in Vilniaus Baldai AB shares

	1 H 2008	1 H 2007
Share price, LTL:		
- open	21.50	18.02
- high	23.00	21.37
- low	16.50	17.03
- last	19.00	18.05
- average	19.43	18.71
Turnover, units	91,614	176,933
Turnover, LTL	1,779,992	3,310,557
Traded volume, units	276	266
Capitalisation, LTL thousand	73,839.1	70,147.1

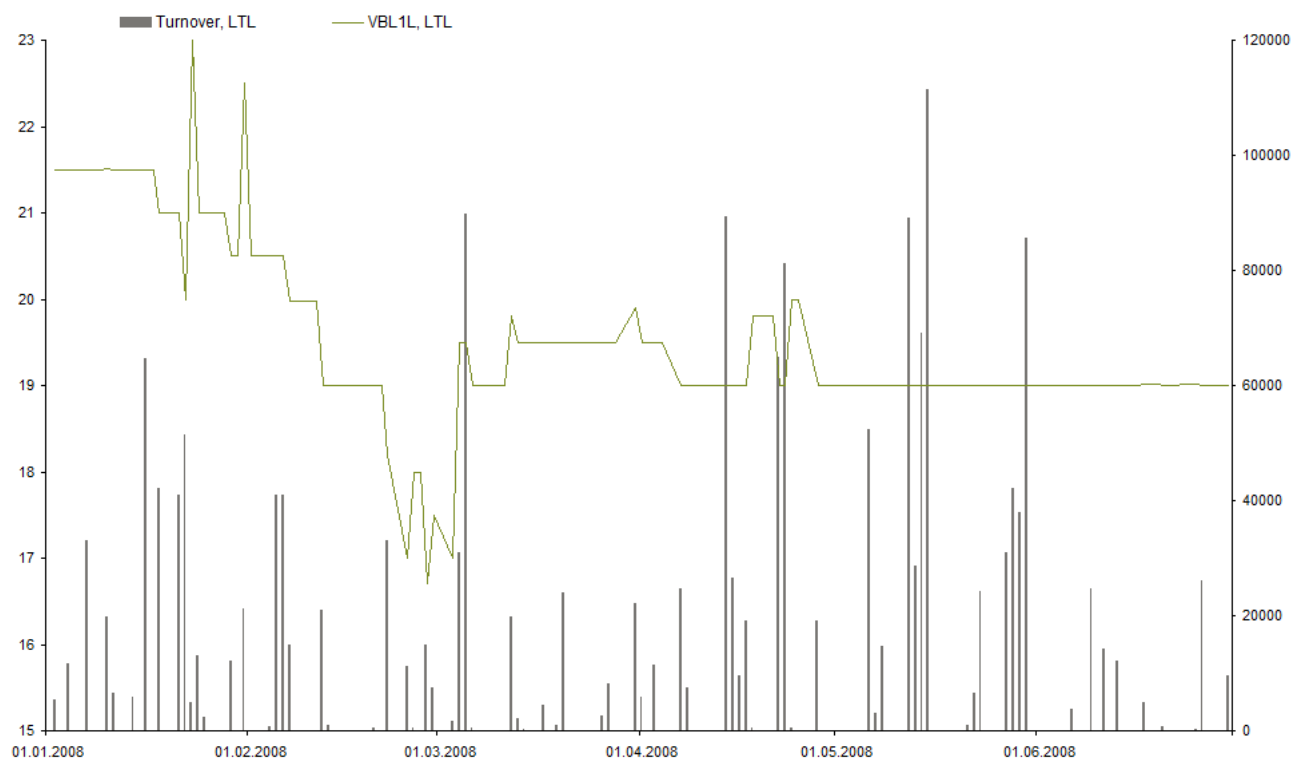


Fig. 8.2.2.1. Turnover and share price of Vilniaus Baldai AB for January – June of 2008

8.2.3. Trading in shares of Agrowill Group AB

Table 8.2.2.1. Main characteristics of Agrowill Group AB shares admitted to trading

ISIN code	LT0000127466
Name	AVG1L
Exchange	Vilnius Stock Exchange
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 8.2.3.2. Trading in Agrowill Group AB shares

	1 H 2008
Share price, LTL:	
- open	5.50
- high	6.20
- low	4.80
- last	6.15
- average	5.08
Turnover, units	906,842
Turnover, LTL	4,610,882
Traded volume, units	411
Capitalisation, LTL thousand	160,777.8

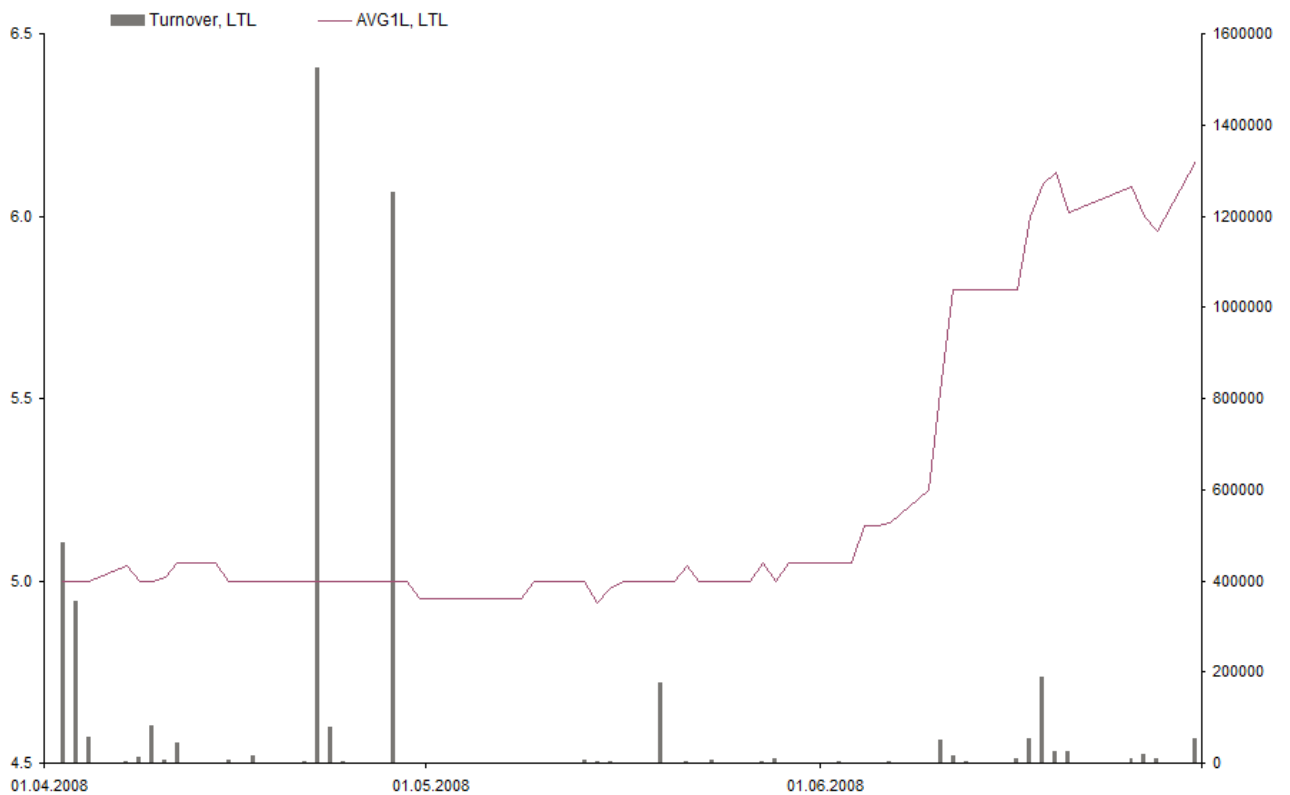
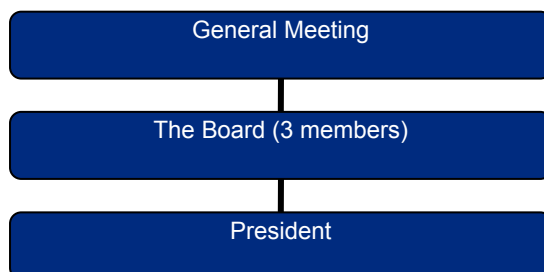


Fig. 8.2.3.1. Turnover and share price of Agrowill Group AB from the beginning of trading

III. ISSUER'S MANAGING BODIES

9. Issuer's managing bodies

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.



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

On 26.06.2008 Invalda AB received the notification of the Board member Dailius Juozapas Miseikis concerning the resignation out of office from 09.07.2008. The General Meeting of Invalda AB shareholders, held on 09.07.2008, elected Dalius Kazianus as a Board member until the end office of the Board.

Information about Issuer's Board members and CFO



Chairman of the Board
Vytautas Bucas (1968)

Educational background, qualification

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 2006 advisor, member of the Board, Invalda AB, since May 2007 chairman of the Board

2006–2007 director, Invaldos Nekilnojamojo Turto Fondas AB

2000–2006 member of the Board, executive vice president, CFO, Head of IT department, SEB Vilniaus Bankas AB (recent name SEB Bankas AB)

1992–2000 senior auditor, senior manager, manager, Arthur Andersen

Owned amount of Invalda AB shares

8,943,141 units, 21.01% shares (30.67% votes together with persons acting in concert)

Participation in other companies

Bank Finasta AB, chairman of the Supervisory Board

Tiltra Group AB, member of the Supervisory Board

Vilniaus Baldai AB, chairman of the Board

Invaldos Nekilnojamojo Turto Fondas AB, chairman of the Board

FBC Finasta AB, chairman of the Board

Sanitas AB, member of the Board

Finasta Imoniu Finansai AB, member of the Board

Invalda Turto Valdymas UAB (previous name Finasta Investiciju Valdymas UAB), member of the Board

Invalda Nekilnojamojo Turto Valdymas UAB (previous name Inred UAB), member of the Board

Kauno Tiltai AB, member of the Board

Giriu Bizonas UAB, member of the Board



Member of the Board,
president
Darius Sulnis (1971)

Educational background, qualification

1993, Vilnius University, Faculty of Economics
Financial Broker licence (general) No A109

Job experience

Since 2006 president, member of the Board, Invalda AB
2002–2006 director, Invalda Real Estate UAB (recent name Invalda Nekilnojamojo Turto Valdymas UAB)
1994–2002 director, FBC Finasta AB

Owned amount of Invalda AB shares

1,505,572 units, 3.54% shares (30.67% votes together with persons acting in concert)

Participation in other companies

Bank Finasta AB, member of the Supervisory Board
Tiltra Group AB, member of the Supervisory Board
Sanitas AB, chairman of the Board
Finasta Imoniu Finansai AB, chairman of the Board
Invalda Turto Valdymas UAB (previous name Finasta Investiciju Valdymas UAB), chairman of the Board
Invalda Nekilnojamojo Turto Valdymas UAB (previous name Inred UAB), chairman of the Board
Vilniaus Baldai AB, member of the Board
Invaldos Nekilnojamojo Turto Fondas AB, member of the Board
Umega AB, member of the Board
SIA AMMO (Latvia), chairman of the Supervisory Board
SIA DOMMO (Latvia), chairman of the Supervisory Board
SIA DOMMO GRUPA (Latvia), chairman of the Supervisory Board
SIA Burusala (Latvia), chairman of the Supervisory Board
Golfas UAB (31% shares)
Lucrum Investicija UAB (100% shares, all voting rights are transferred)



Until 09.07.2008 member
of the Board
Dailius Juozapas Miseikis
(1943)

Educational background

1968, Vilnius University, Faculty of Economics

Job experience

2002–2008 member of the Board, Invalda AB
Since 2006 advisor, 1998–2006 vice president, 1992–1998 director of real estate, Invalda AB
1991–1992 manager, Ministry of International Economical Relationship
1967–1991 deputy director, Experimental and Clinical Medical Science Research Institute

Owned amount of Invalda AB shares

2,961,671 units, 6.96% shares

Participation in other companies

Bank Finasta AB, member of the Supervisory Board
FBC Finasta AB, member of the Board
Grigiskes AB (7.32%)



From 10.07.2008 member of the Board
Dalius Kaziunas (1976)

Educational background, qualification

2000, Vilnius University, Faculty of Economics
Financial Broker licence (trader) No P022

Job experience

Since February 2008 advisor; Invalda AB, member of the Board (from July)
Since January 2008 CEO, Bank Finasta AB
1996–2008 CEO (from 2002), financial broker, assistant of financial broker, FBC Finasta AB

Owned amount of Invalda AB shares

12,394 units, 0.03% shares (30.67% votes together with persons acting in concert)

Participation in other companies

Bank Finasta AB, chairman of the Board, CEO
FBC Finasta AB, member of the Board
Invalda Turto Valdymas UAB (previous name Finasta Investiciju Valdymas UAB), member of the Board
Invalda Nekilnojamojo Turto Valdymas UAB (previous name Inred UAB), member of the Board
AS IPS Finasta Asset Management (Latvia), chairman of the Supervisory Board



CFO Raimondas Rajeckas (1977)

Educational background

2001, Vilnius University, Faculty of Economics

Job experience

2001-2006 CFO, Valmeda AB
2000–2001 CFO, Galincius AB
2000–2001 CFO, Invaldos Marketingas UAB (recent name Invalda 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

10. Information on the amounts calculated by the Issuer, other assets transferred and guarantees granted to the Board members and CFO

During six months of 2008 the calculated remuneration to the Board members of Invalda AB (as employees of the company) amounted to 215.6 tLTL, that is on the average 12.0 tLTL per month for each member.

The calculated remuneration to president of the company (he is the Board member as well) and CFO totalled to 147.0 tLTL, on the average 12.3 tLTL per month for each.

The Board members received 4,183.5 tLTL dividends for the financial year 2007 (taxes are withdrawn).

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 and CFO.

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

11. Overview of Issuer's and its group activity

Significant events

- On 02.01.2008 Bankas Finasta AB was registered in the Register of Legal Entities. On 15.05.2008 the Board of the Bank of Lithuania issued the bank licence for the company.
- On 10.01.2008 Invalda AB for the price of 8.6. mLTL sold 97.99% Hidroprojektas UAB shares to the Swedish company SWECO BKG LSPI.
- On 13.03.2008 Invalda AB completed the deal of 100% Valmeda AB, the company managing 2 hotels in Vilnius: Holiday Inn Vilnius and Ecotel Vilnius, shares sale. The shares for the price of 68.5 mLTL were sold to the hotel division of the London based company the Triangle Group.
- Regarding the influence of Valmeda AB shares sale deal in March 2008, the forecasts of Invalda AB group for 2008 were revised. The forecasted net consolidated profit of Invalda AB group for 2008 is 127 mLTL, the part of net profit attributable to the shareholders of the company should equal 121.8 mLTL.
- Since April 2008, Sanitas AB started equipment relocation from the current plant in Vytauto ave. 3, Kaunas, to the newly built plant, situated at Veiveriu str. 134 B, Kaunas.
- Since 02.04.2008 shares of Agrowill Group AB are listed in the Main List of Vilnius Stock Exchange.
- In April 2008, the Board and major shareholders of Sanitas AB initiated a review of Sanitas AB strategic options to explore ways to enhance shareholders value.
- On 28.04.2008 the Board of Invalda AB approved the new group's operating strategy to concentrate group's activity into 2 fields: asset management also private and investment banking.
- On 30.04.2008 the General Meeting of Invalda AB shareholders adopted the decision to allot 12.77 mLTL dividends (0.30 LTL per share).
- On 16.05.2008 Invalda AB signed the agreement with Akciju komercbanka Baltikums (Latvia) regarding the acquisition of 100% shares of investment management company Baltikums Asset Management (Latvia) and sale of 100% shares of investment management company Finasta Asset Management (Latvia).
- On 11.06.2008 the Register of Legal Entities registered the company Tiltra Group AB. In Lithuania Tiltra Group AB will control road and bridges construction companies Kauno Tiltai AB, Taurakelis UAB, Kedainiu Automobiliu Keliai UAB and Kelda UAB, in Poland – road and bridges construction, engineering network construction and skid production companies Tiltra PDM Bialystok, P.E.U.I.M., Dalba and Brux.
- Since June 2008 real estate company Inreal UAB began to cooperate with international organization GVA Worldwide which unites leading regional real estate companies.

Results of the Issuer and its group

For the 1st half of 2008 Invalda AB group earned 44.77 mLTL net profit, the part of which attributable to shareholders of Invalda AB totalled to 46.24 mLTL, it is correspondingly 2 and 2.4 times more than in the 1st half of 2007 (22.01 mLTL and 19.25 mLTL).

The net profit of the company, if compare with 2007, increased by 16.7 mLTL an amounted to 98.45 mLTL (in the 1st half of 2007 – 81.77 mLTL).

Table 11.1. Financial results of Invalda AB and its group, LTL thousand

	2008			2007		
	January – March	April – June	January - June	January – March	April – June	January - June
GROUP						
Profit before taxes	31,620	16,538	48,158	17,267	10,374	27,641
Net profit	29,723	15,046	44,769	12,903	9,107	22,010
Net profit attributable to the holders of the parent company	30,494	15,750	46,244	9,992	9,253	19,245
COMPANY						
Profit before taxes	69,345	33,022	102,367	14,041	67,725	81,766
Net profit	68,687	29,765	98,452	14,041	67,725	81,766

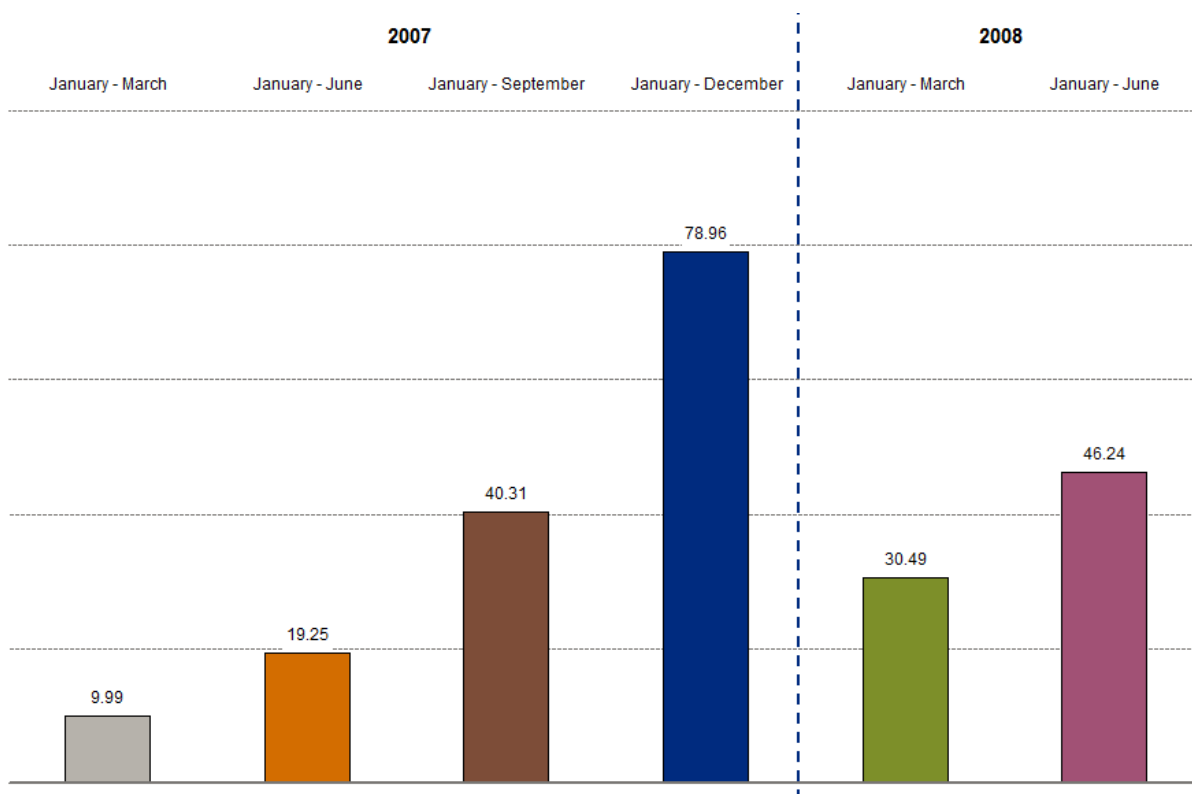


Fig. 11.1. Consolidated net profit attributable to the shareholders of Invalda AB, mLTL

Table 11.2. Part of consolidated net profit attributable to the shareholders of Invalda AB (sectors results), mLTL

Sector	2008			2007		
	January - March	April - June	January - June	January - March	April - June	January - June
Real estate	8.36	1.13	9.49	0.22	(5.30)	(5.08)
Finance	(4.09)	(5.40)	(9.49)	9.71	5.94	15.65
Furniture manufacturing	(1.55)	(1.19)	(2.74)	(0.59)	(0.18)	(0.77)
Pharmacy	4.41	4.43	8.84	2.19	5.60	7.79
Road and bridges construction	(6.02)	6.45	0.43	(3.70)	4.23	0.53
Hotel management (discontinued operation) *	30.53	-	30.53	(0.16)	1.12	0.96
Other **	(1.14)	10.32	9.18	2.32	(2.15)	0.17
Total	30.5	15.74	46.24	9.99	9.26	19.25

* The result of Valmeda AB share sale is included.

** The results of other group companies, Hidroprojekta UAB shares sale result, profit considering the loss of major influence upon Agrowill Group AB (see Note 8, of Notes to the interim financial statements) and other consolidation records are included.

Table 11.3. Main items of balance sheet, LTL thousand

	Group			Company		
	30.06.2008	31.12.2007	change	31.12.2007	30.06.2008	change
Non - current assets	850,579	837,394	13,185	422,926	405,376	17,550
Current assets	237,926	279,464	-41,538	176,804	110,065	66,739
Non current assets classified as held for sale	-	87,669	-87,669	-	10,079	-10,079
Equity	348,579	305,200	43,379	264,992	179,311	85,681
Equity attributable to the equity holders of the parent company	343,815	299,144	44,671	-	-	-
Minority interest	4,764	6,056	-1,292	-	-	-

Table 11.3 continued

	Group			Company		
	30.06.2008	31.12.2007	change	31.12.2007	30.06.2008	change
Non - current liabilities	303,790	307,428	-3,638	63,192	78,589	-15,427
Current liabilities	436,136	536,731	-100,595	271,576	267,620	3,956
Liabilities directly associated with non - current assets classified as held for sale	-	55,168	-55,168	-	-	-

Table 11.4. Ratios

	Group		Company	
	2008	2007	2008	2007
Return on average equity (ROAE), %	28.77	25.18	88.64	53.31
Debt ratio	0.68	0.75	0.56	0.66
Debt - equity ratio	2.12	2.95	1.26	1.93
Liquidity ratio	0.55	0.62	0.65	0.45
Earnings per share (EPS), LTL	2.17	1.78	4.63	1.96
Price - earnings ratio (P/E)	7.57	9.63	3.55	8.75

Methodology of calculations:

Return on average equity (ROAE) $^* / ^{**} = \text{net profit} / (\text{equity at the beginning of a time period} + \text{equity at the end of a time period}) / 2$

Debt ratio = total liabilities / total assets

Debt - equity ratio = total liabilities / equity

Liquidity ratio = current assets / current liabilities

Earnings per share (EPS) $^{**} = \text{net profit} / \text{average share amount}$

Price - earnings ratio (P/E) = share price at the end of a time period / EPS

Remarks:

Calculating ratios, for 2007 the actual data (company's and consolidated net profit, as well as consolidated net profit attributable to the equity holders of the parent company) were used, for the year 2008 - the data of 6 months of 2008 (company's and consolidated net profit, as well as consolidated net profit attributable to the equity holders of the parent company) were multiplied 2 times.

* Calculating group ratios, the items of equity attributable to holders of the parent company and consolidated net profit attributable to holders of the parent company, are used

** Calculating group ratios, the item of net consolidated profit attributable to holders of the parent company, is used

12. Significant events since the end of the reporting period

Since 01.07.2008 Invalda AB shares are included into the composition of trading index OMX Baltic 10. This index consists of 10 most actively traded stocks on the NASDAQ OMX Baltic exchanges.

On July 2008 Umega AB completed the purchase of Vienybe AB shares deal.

In July 2008 Bank Finasta AB was approved as a member on the NASDAQ OMX Baltic Market stock exchanges in Tallinn, Riga and Vilnius.

On 09.07.2008 the General Meeting of Invalda AB shareholders passed the decision to elect audit company Ernst & Young Baltic UAB for auditing the financial statements for 2008-2009. The General Meeting also resolved to purchase up to 10% of company shares (the period during which the company may acquire own shares – 18 months from the date of passing the decision, the maximum price of one share being acquired - 30 LTL and the minimum price – 14 LTL). The Board was authorised to organize the purchase and sale of own shares, to determine the procedure for purchase and selling own shares, number of shares and the price, to choose the time for purchase and sale of own shares, also to perform any other associated actions in compliance with the conditions set in the decision of the General Meeting.

The General Meeting approved the following policies:

- The Policy of payouts to the shareholders. In this policy the provision during 2008–2010 to ensure the total amount of payouts to the shareholders equal to 127,706,547 LTL, taking into consideration the financial results of the company, is set. Dividends for 2008-2010 (paid out in 2009-2011 accordingly), funds paid out while purchasing own shares in 2008-2010 and other payouts provided in the legal acts of the Republic of Lithuania are attributable to the payouts.
- The Policy for the participation of group employees in the capital of Invalda AB. The aim of this policy is to grant the group employees the right to participate in the ownership of the company seeking to develop their loyalty, to motivate and induce them. Taking into consideration of performance results of the group and separate enterprises thereof, in 2009-2011 the Board has the right to sign options contracts with the employees on which basis the employees would acquire the right to subscribe up to 1,250,000 newly issued ordinary registered company shares in compliance with the procedures set in the policy.
- The Policy of remuneration of the management of Invalda AB. The purpose of the policy is to provide shareholders with essential information associated with a portion of variable remuneration of the management and present the opportunity to express their opinion on this issue at the General Meetings of shareholders, also to avoid a conflict of interest that may arise between the management, shareholders and the company itself, to enhance the trust of investors in the company.

In August 2008 Vilniaus Baldai AB announced the revised forecasts for 2008. The sales of the company should total to 148.6 mLTL, EBITDA – 12.7 mLTL, the loss for 2008 should amount to 0.6 mLTL.

13. Activity plans and forecasts

In 2008 Invalda AB group plans to earn 127 mLTL consolidated net profit, the part of it attributable to the shareholders of Invalda AB should equal to 121.8 mLTL.

The forecasts of Invalda AB group may be revised, when the annual plans of the group companies are reviewed and main assumptions, which are necessary to evaluate Invalda AB investment activity's influence on group's results, are determined.

14. Information on the related parties' transactions

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

President



Darius Sulnis

ANNEX 1. INFORMATION ABOUT GROUP COMPANIES, THEIR CONTACT DETAILS

Company	Registration information	Type of activity	Contact details
FINANCE SECTOR			
FBC Finasta AB	Code 122570630 Address Konstitucijos ave. 23, Vilnius, Lithuania Legal form – public limited liability company Registration date 21.01.1994	broker services, security accounting	Telephone +370 5 278 6833 Fax +370 5 278 6838 E-mail info@finasta.lt www.finasta.lt
Invalda Turto Valdymas UAB (previous name Finasta Investiciju Valdymas UAB)	Code 126263073 Address Konstitucijos ave. 23, 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 5 273 2928 Fax +370 5 273 4898 E-mail fondai@finasta.lt www.finasta.lt
Finasta Imoniu Finansai AB	Code 300587351 Address Konstitucijos ave. 23, 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 Address Konstitucijos ave. 23, Vilnius, Lithuania Legal form – public limited liability company Registration date 02.01.2008	private and investment banking	Telephone +370 5 278 6833 Fax +370 5 278 6838 E-mail info@finasta.lt www.finasta.lt
Finasta Rizikos Valdymas UAB	Code 300045450 Address Konstitucijos ave. 23, 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 Spektras UAB (in liquidation)	Code 134003456 Address Konstitucijos ave. 23, Vilnius, Lithuania Legal form – private limited liability company Registration date 18.03.1994	investment activity	Telephone +370 5 278 6833 Fax +370 5 278 6838
Finansu Spektro Investicija UAB	Code 132209272 Address Konstitucijos ave. 23, Vilnius, Lithuania (registration); Seimyniskiu str. 3, Vilnius, Lithuania (actual) 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 Address Konstitucijos ave. 23, 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	financial services	Telephone +38 044 234 04 47 Fax +38 044 238 23 09 E-mail office@finasta.com.ua www.finasta.com.ua

Continued

Company	Registration information	Type of activity	Contact details
AS IPS „Finasta Asset Management“	Code 50003840061 Address Tirgonu iela 8, LV-1050 Riga, Latvia Legal form – public limited liability company, investment management company Registration date 11.07.2006	investment funds and personal investment portfolios management	Telephone +371 750 3100 Fax +371 750 3099 E-mail info@finasta.lv www.finasta.lv
REAL ESTATE SECTOR			
Invalda Nekilnojamojo Turto Valdymas UAB (previous name Inred UAB)	Code 222894170 Address A. Juozapaviciaus str. 6 / Slucko str. 2, 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 Address A. Juozapaviciaus str. 7, 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 Address A. Juozapaviciaus str. 6 / Slucko str. 2, Vilnius, Lithuania Legal form – private limited liability company Registration date 17.02.1994	management of construction objects, General Contracting	Telephone +370 5 272 5565 Fax +370 5 213 9073 E-mail info@incm.lt www.incm.lt
SIA Inreal	Code 40003690957 Address Mūkusalas 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 Mūkusalas 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	intermediation purchasing or selling real estate, real estate rent	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	real estate valuation	Telephone +38 044 390 5252 Fax +38 044 390 5252 E-mail inreal-ocenka@inreal.com.ua www.inreal.com.ua

Continued

Company	Registration information	Type of activity	Contact details
Invaldos Nekilnojamojo Turto Fondas AB	Code 152105644 Address A. Juozapaviciaus str. 6/2, 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 Address A. Juozapaviciaus str. 6 / Slucko str. 2, 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 Address Misko str. 3, Neringa, Lithuania Legal form – private limited liability company Registration date 05.12.2005	real estate operations	Telephone +370 46 314 313 Fax +370 46 314 316
DOMMO Nerija UAB	Code 300516742 Address Smiltynes str. 25, Klaipeda, Lithuania (registration); S. Simkaus str. 8, Klaipeda, Lithuania (actual) Legal form – private limited liability company Registration date 21.12.2005	real estate operations	Telephone +370 46 310 696 Fax +370 46 314 316
Naujoji Svara UAB	Code 125235345 Address Seimyniskiu str. 3, Vilnius, Lithuania (registration); A. Juozapaviciaus str. 6 / Slucko str. 2, Vilnius, Lithuania (actual) 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 Address A. Juozapaviciaus str. 6 / Slucko g. 2, 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 Address A. Juozapaviciaus str. 6 / Slucko g. 2, 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

Continued

Company	Registration information	Type of activity	Contact details
Ineturas UAB	Code 126075527 Address A. Juozapaviciaus str. 6 / Slucko str. 2, 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 Address A. Juozapaviciaus str. 6 / Slucko str. 2, 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 Address A. Juozapaviciaus str. 6 / Slucko str. 2, 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 Address A. Juozapaviciaus str. 6 / Slucko str. 2, Vilnius, Lithuania (registration); Vytauto ave. 3, Kaunas, Lithuania (actual) Legal form – private limited liability company Registration date 21.07.2004	purchase, sale and rent of land	Telephone +370 37 202 120 Fax +370 37 321 132
Simtamargis UAB	Code 300593984 Address A. Juozapaviciaus str. 6 / Slucko str. 2, Vilnius, Lithuania (registration); Vytauto ave. 3, Kaunas, Lithuania (actual) Legal form – private limited liability company Registration date 29.08.2006	purchase, sale and rent of land	Telephone +370 37 202 120 Fax +370 37 321 132
Laikinosios Sostines Projektai UAB	Code 300543732 Address A. Juozapaviciaus str. 6 / Slucko str. 2, Vilnius, Lithuania Legal form – private limited liability company Registration date 2006-03-01	real estate operations	Telephone +370 5 273 0944 Fax +370 5 273 3065
Saules Investicija UAB	Code 300545039 Address Fiziku str. 33, Vilnius, Lithuania (registration); A. Juozapaviciaus str. 6 / Slucko str. 2, Vilnius, Lithuania (actual) 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 Address Konstitucijos ave. 23, Vilnius, Lithuania (registration); Seimyniskiu str. 3, Vilnius, Lithuania (actual) Legal form – private limited liability company Registration date 27.01.2005	investment activity	Telephone +370 5 279 0601 Fax +370 5 279 0530

Continued

Company	Registration information	Type of activity	Contact details
Verpsto NT AB	Code 300519788 Address A. Juozapaviciaus str. 6 / Slucko str. 2, Vilnius, Lithuania Legal form – public limited liability company Registration date 29.12.2005	real estate operations	Telephone +370 5 273 0944 Fax +370 5 273 3065
Dizaino Institutas UAB	Code 122288385 Address A. Juozapaviciaus str. 11, Vilnius, Lithuania (registration); A. Juozapaviciaus str. 6 / Slucko str. 2, Vilnius, Lithuania (actual) 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 Address Seimyniskiu str. 1A, Vilnius, Lithuania (registration); A. Juozapaviciaus str. 6 / Slucko str. 2, Vilnius, Lithuania (actual) 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 Address A. Juozapaviciaus str. 6 / Slucko str. 2, 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 Address A. Juozapaviciaus str. 6 / Slucko str. 2, 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 Rekreacijos Centras UAB	Code 300667160 Address Zemaites str. 2, Trakai, Lithuania (registration); A. Juozapaviciaus str. 6 / Slucko str. 2, Vilnius, Lithuania (actual) 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 Address A. Juozapaviciaus str. 6 / Slucko str. 2, 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 Address A. Juozapaviciaus str. 6 / Slucko str. 2, Vilnius, Lithuania (registration); Vytauto ave. 3, Kaunas, Lithuania (actual) Legal form – private limited liability company Registration date 26.07.2007	purchase, sale and rent of land	Telephone +370 37 202 120 Fax +370 37 321 132

Continued

Company	Registration information	Type of activity	Contact details
Sago UAB	Code 301206878 Address Seimyniskiu str. 3, Vilnius, Lithuania (registration); A. Juozapaviciaus str. 6 / Slucko str. 2, Vilnius, Lithuania (actual) 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 Address A. Juozapaviciaus str. 6/2, 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 Mūkusalas iela 45/47, Rīga, 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 Mūkusalas iela 45/47, Rīga, 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 Mūkusalas iela 45/47, Rīga, 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 Mūkusalas iela 45/47, Rīga, 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 Mūkusalas iela 45/47, Rīga, 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 Mūkusalas iela 45/47, Rīga, 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 Mūkusalas iela 45/47, Rīga, 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

Continued

Company	Registration information	Type of activity	Contact details
SIA Gravity (in liquidation)	Code 40003737622 Address Mūkusalas 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 Incredito	Code 34355283 Address Kominterna str. 5, 01032 Kiev, Ukraine Legal form – limited liability company Registration date 17.05.2006	real estate operations	Telephone / fax +38 044 234 0417
PHARMACY SECTOR			
Sanitas AB	Code 134136296 Address Vytauto ave. 3, Kaunas, Lithuania Legal form – public limited liability company Registration date 30.06.1994	manufacturing of pharmaceutical preparations	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
FURNITURE MANUFACTURING SECTOR			
Vilniaus Baldai AB	Code 121922783 Address Savanorių 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, Kazlų 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 Savanorių 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

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Company	Registration information	Type of activity	Contact details
OOO Bazilika Invest	Code 3905064366 Address Zukovskio str. 7-4, Kaliningrad, Russia Legal form – limited liability company Registration date 31.03.2005	carry no activity	Telephone +74015 932 373 Fax +74015 932 373
OOO Bazilika	Code 39050296369 Address Gostinnaja 5, Kaliningrad, Russia Legal form – limited liability company Registration date 27.02.1998	carry no activity	Telephone +74015 932 373 Fax +74015 932 373
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.lt 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. 5, 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.lt
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@omni.lt www.kelda.lt

Continued

Company	Registration information	Type of activity	Contact details
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 TŪB	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
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 Address Seimyniskiu str. 3, Vilnius, Lithuania Legal form – public institution Registration date 08.03.2007	organising of social initiative programmes	Telephone +370 5 231 6010 Fax +370 5 273 0858 E-mail info@iniciatyvosfondas.lt www.iniciatyvosfondas.lt
Positor UAB	Code 300893533 Address A.Juozapaviciaus str. 6 / Slucko str. 2, Vilnius, Lithuania Legal form – private limited liability company Registration date 27.06.2007	investments into IT companies	Telephone +370 5 278 0400 Fax +370 5 278 0409 E-mail ktonkunas@invalida.lt www.positor.lt

Continued

Company	Registration information	Type of activity	Contact details
Informatikos Pasaulis UAB	Code 126396718 Address Galvydzio str. 5/96, Vilnius, Lithuania (registration), Kareiviu str. 6-511, Vilnius, Lithuania (actual) 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
Acena UAB	Code 300935644 Address Vysniu str. 6-4, Vilnius, Lithuania (registration); Vytauto str. 5, Vilnius, Lithuania (actual) Legal form – private limited liability company Registration date 20.07.2007	IT infrastructure solutions	Telephone +370 5 275 9647 Fax +370 5 273 5106 E-mail info@acena.lt www.acena.lt
Vitma UAB	Code 121998756 Address Akademijos str. 4, Vilnius, Lithuania Legal form – private limited liability company Registration date 25.06.1993	carry no activity	Telephone +370 5 272 9421
Baltic Amadeus Infrastruktūros Paslaugos UAB	Code 301318539 Address Akademijos str. 4, 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 5 278 0400 Fax +370 5 278 0409 E-mail info@baltic-amadeus.lt www.baip.lt

AB INVALIDA

CONSOLIDATED AND PARENT COMPANY'S CONDENSED NOT-AUDITED FINANCIAL
STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2008 PREPARED ACCORDING TO
INTERNATIONAL FINANCIAL REPORTING STANDARDS AS ADOPTED BY THE EUROPEAN
UNION

AB INVALIDA

CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2008

(all amounts are in LTL thousand unless otherwise stated)

GENERAL INFORMATION

Board of Directors

Mr. Vytautas Bučas (chairman of the Board)

Mr. Darius Šulnis

Mr. Dalius Kaziūnas

Management

Mr. Darius Šulnis (president)

Mr. Raimondas Rajeckas (chief financial officer)

Registered office and company code

Šeimyniškių St. 3,

Vilnius,

Lithuania

Company code 121304349

Bankers

Nordea Bank Finland Plc.

AB DnB Nord bankas

Akcinė bendrovė Šiaulių bankas

AB SEB Vilniaus bankas

AB bankas „Hansabankas“

AB Sampo Bankas

The financial statements were approved and signed by the Management and the Board of Directors on 28 August 2008.



Mr. Darius Šulnis
President



Mr. Raimondas Rajeckas
Chief financial officer

Consolidated and parent Company's income statements

	Group		Company		
	I Half Year 2008	I Half Year 2007	I Half Year 2008	I Half Year 2007	
Revenue					
Furniture production revenue	72,359	84,711	-	-	
Sales of apartments	86,373	-	-	-	
Rent and other real estate income	16,827	18,072	-	-	
Financial mediation revenue	5,863	20,694	-	-	
Other production and services revenue	10,486	4,990	-	-	
Total revenue	191,908	128,467	-	-	
Other income	9.1	49,564	8,813	92,212	209
Valuation gains		219	7,186	-	-
Valuation losses		-	-	-	-
Changes in inventories of finished goods and work in progress		1,199	(1,433)	-	-
Raw materials and consumables used		(534,431)	(53,850)	(34)	(12)
Salaries and related expenses		(32,631)	(31,769)	(975)	(849)
Depreciation and amortization		(5,491)	(6,020)	(75)	(78)
Subcontractor expenses		(1,851)	(3,486)	-	-
Premises rent and utilities		(8,383)	(6,608)	(197)	(190)
Fees for securities		(3,425)	(1,420)	(69)	(40)
Vehicles maintenance costs		(2,058)	(1,619)	(118)	(29)
Other taxes		(1,954)	(1,799)	(117)	(73)
Advertising and other promotion expenses		(1,704)	(1,742)	(32)	(7)
Repair and maintenance of premises		(2,068)	(700)	-	(1)
Cost of sales of apartments		(69,177)	-	-	-
Other operating expenses		(8,547)	(8,659)	(1,329)	(10,107)
Finance income	9.3	10,308	5,003	26,844	95,682
Finance expenses	9.2	(23,524)	(13,962)	(13,743)	(2,739)
Share of profit from associates and joint ventures		10,204	11,239	-	-
Profit before tax		48,158	27,641	102,367	81,766
Income tax expense	7	(2,895)	(6,588)	(3,915)	-
Profit for year from continuing operations		45,263	21,053	98,452	81,766
Discontinued operation					
Profit/(Loss) after tax for the year from a discontinued operation		(494)	957	-	-
PROFIT FOR THE PERIOD		44,769	22,010	98,452	81,766
Attributable to:					
Equity holders of the parent		46,244	19,245	98,452	81,766
Minority interest		(1,475)	2,765	-	-
Basic and diluted earnings per share (in LTL)		1.09	0.43		

Consolidated and parent Company's income statements

	Group		Company	
	II Quarter 2008	II Quarter 2007	II Quarter 2008	II Quarter 2007
Revenue				
Furniture production revenue	37,857	46,014	-	-
Sales of apartments	14,528	-	-	-
Rent and other real estate income	8,767	9,128	-	-
Financial mediation revenue	3,066	11,874	-	-
Other production and services revenue	6,172	1,958	-	-
Total revenue	70,390	68,974	-	-
Other income	9.1	11,381	1,891	25,147
Valuation gains		91	190	-
Valuation losses		-	-	-
Changes in inventories of finished goods and work in progress		606	(1,928)	-
Raw materials and consumables used		(29,168)	(28,672)	(20)
Salaries and related expenses		(16,973)	(17,043)	(497)
Depreciation and amortization		(2,778)	(3,097)	(37)
Subcontractor expenses		(1,767)	(1,490)	-
Premises rent and utilities		(3,556)	(4,291)	(105)
Fees for securities		(2,264)	(772)	(34)
Vehicles maintenance costs		(1,124)	(949)	(72)
Other taxes		(1,059)	(883)	(74)
Advertising and other promotion expenses		(892)	(830)	(29)
Repair and maintenance of premises		(1,025)	(700)	-
Cost of sales of apartments		(9,018)	-	-
Other operating expenses		(4,407)	(3,886)	(1,239)
Finance income	9.3	7,920	2,717	16,797
Finance expenses	9.2	(12,378)	(6,615)	(6,815)
Share of profit from associates and joint ventures		12,559	7,758	-
Profit before tax		16,538	10,374	33,022
Income tax expense	7	(1,492)	(2,383)	(3,257)
Profit for year from continuing operations		15,046	7,991	29,765
Discontinued operation				
Profit/(Loss) after tax for the year from a discontinued operation		-	1,116	-
PROFIT FOR THE PERIOD		15,046	9,107	29,765
Attributable to:				
Equity holders of the parent		15,750	9,253	29,765
Minority interest		(704)	(146)	-
Basic and diluted earnings per share (in LTL)		0.37	0.21	

Consolidated and parent Company's balance sheets

	Group		Company	
	As of 30 June 2008	As of 31 December 2007	As of 30 June 2008	As of 31 December 2007
	unaudited	audited	Unaudited	audited
ASSETS				
Non-current assets				
Property, plant and equipment				
Hotels	-	-	-	-
Other property, plant and equipment	82,374	80,424	397	535
Total property, plant and equipment	82,374	80,424	397	535
Investment properties	403,761	402,933	-	-
Intangible assets	22,963	23,546	7	10
Non-current financial assets				
Investments into subsidiaries	8	-	176,883	163,991
Investments into associates and joint ventures	8	309,021	216,067	216,350
Other non-current investments		5,564	1,821	1,821
Granted loans		22,541	27,751	21,961
Total non-current financial assets		337,126	422,522	404,123
Other non-current assets		2,850	-	-
Deferred tax asset		1,505	-	708
Total non-current assets		850,579	422,926	405,376
Current assets				
Inventories		58,158	-	-
Trade and other receivables		41,467	12,420	239
Short term loans granted		75,885	137,834	108,754
Prepaid income tax		2,705	662	900
Prepayments and other current assets		3,612	242	142
Financial assets at fair value through profit or loss		45,627	25,371	-
Cash and cash equivalents	5	10,472	275	30
Total current assets		237,926	176,804	110,065
Non-current assets and assets of disposal group classified as held for sale		-	-	10,079
Total assets		1,088,505	599,730	525,520

(cont'd on the next page)

Consolidated and parent Company's balance sheets (cont'd)

	Group		Company	
	As of 30 June 2008	As of 31 December 2007	As of 30 June 2008	As of 31 December 2007
	unaudited	audited	Unaudited	Audited
EQUITY AND LIABILITIES				
Equity				
Equity attributable to equity holders of the parent				
Share capital	42,569	42,569	42,569	42,569
Share premium	50,588	50,588	50,588	50,588
Reserves	75,538	41,852	73,383	39,001
Retained earnings	175,067	136,131	98,452	47,153
Translation reserve	53	(73)	-	-
Reserves of disposal group classified as held-for-sale	-	28,077	-	-
	343,815	299,144	264,992	179,311
Minority interest	4,764	6,056	-	-
Total equity	348,579	305,200	264,992	179,311
Liabilities				
Non-current liabilities				
Non-current borrowings	266,878	270,395	60,193	78,589
Financial lease liabilities	341	230	-	-
Government grants	25	31	-	-
Provisions	133	136	-	-
Deferred tax liability	35,133	35,356	2,969	-
Other non-current liabilities	1,280	1,280	-	-
Total non-current liabilities	303,790	307,428	63,162	78,589
Current liabilities				
Current portion of non-current borrowings	88,748	134,830	50,000	1,350
Current portion of financial lease liabilities	176	6,102	-	-
Current borrowings	295,858	186,821	217,355	144,244
Trade payables	23,410	26,159	1,483	890
Income tax payable	6,252	4,729	-	-
Advances received	1,981	47,400	-	1,233
Other current liabilities	19,711	130,690	2,738	119,903
Total current liabilities	436,136	536,731	271,576	267,620
Non-current liabilities and liabilities of disposal group directly associated with the assets classified as held-for-sale	-	55,168	-	-
Total liabilities	739,926	899,327	334,738	346,209
Total equity and liabilities	1,088,505	1,204,527	599,730	525,520

(the end)

AB INVALIDA**CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2008**

(all amounts are in LTL thousand unless otherwise stated)

Consolidated and parent Company's statements of changes in equity

Group	Equity attributable to equity holders of the parent									
	Share capital	Share premium	Revaluation reserve	Fair value reserves	Other reserves	Translation reserve	Retained earnings	Total	Minority interest	Total equity
Balance as of 31 December 2006	45,008	50,588	18,391	3,432	6,860	(48)	203,860	328,091	40,407	368,498
Net gain (loss) on available-for-sale investments	-	-	-	(2,935)	-	-	-	(2,935)	-	(2,935)
Income (expenses) recognised directly in equity	-	-	-	-	-	-	1,235	1,235	-	1,235
Total income and expenses for the year recognised directly in equity	-	-	-	(2,935)	-	-	1,235	(1,700)	-	(1,700)
Profit for the 1 st half year of 2007	-	-	-	-	-	-	19,245	19,245	2,765	22,010
Total income and expenses for the year	-	-	-	(2,935)	-	-	20,480	17,545	2,765	20,310
Minority of subsidiaries acquired	-	-	-	-	-	-	306	306	2,690	2,996
Revaluation reserve release	-	-	(246)	-	-	-	289	43	-	43
Change in reserves	-	-	-	-	34,678	(25)	(34,678)	(25)	-	(25)
Equity dividends	-	-	-	-	-	-	(11,252)	(11,252)	-	(11,252)
Dividends of subsidiaries	-	-	-	-	-	-	-	-	(31,065)	(31,065)
Balance as of 30 June 2007	45,008	50,588	18,145	497	41,538	(73)	179,005	334,708	14,797	349,505

AB INVALIDA

CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2008

(all amounts are in LTL thousand unless otherwise stated)

Consolidated and parent Company's statements of changes in equity (cont'd)

Group	Equity attributable to equity holders of the parent									Minority interest	Total equity
	Share capital	Share premium	Discontinued operations	Fair value reserves	Legal and other reserves	Translation reserve	Retained earnings	Total			
Balance as of 31 December 2007	42,569	50,588	28,077	552	41,300	(73)	136,131	299,144	6,056	305,200	
Net gain (loss) on available-for-sale investments	-	-	-	(918)	-	-	-	(918)	-	(918)	
Income (expenses) recognised directly in equity	-	-	-	-	-	-	12,838	12,838	-	12,838	
Total income and expenses for the year recognised directly in equity	-	-	-	(918)	-	-	12,838	11,920	-	11,920	
Profit for the 1 st half year of 2008	-	-	-	-	-	-	46,244	46,244	(1,475)	44,769	
Total income and expenses for the year	-	-	-	(918)	-	-	59,082	58,164	(1,475)	56,689	
Dividends paid	-	-	-	-	-	-	(12,771)	(12,771)	-	(12,771)	
Dividends of subsidiaries	-	-	-	-	-	-	-	-	(228)	(228)	
Investments into subsidiaries	-	-	-	-	-	-	-	-	850	850	
Changes in reserves	-	-	-	-	34,604	-	(34,604)	-	-	-	
Minority of subsidiaries acquired	-	-	-	-	-	-	(846)	(846)	(394)	(1,242)	
Discontinued operation	-	-	(28,077)	-	-	-	28,077	-	(45)	(45)	
Foreign currency translation	-	-	-	-	-	126	-	126	-	126	
Balance as of 30 June 2008	42,569	50,588	-	(366)	75,904	53	175,067	343,815	4,764	348,579	

AB INVALDA**CONSOLIDATED AND PARENT COMPANY'S CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2008**

(all amounts are in LTL thousand unless otherwise stated)

Consolidated and parent Company's statements of changes in equity (cont'd)

Company	Share capital	Share premium	Legal reserve	Reserve of purchase of own shares	Retained earnings	Total
Balance as of 31 December 2006	45,008	50,588	3,068	-	47,675	146,339
Net profit for the 1 st half year of 2007	-	-	-	-	81,766	81,766
Total income and expenses for the year	-	-	-	-	14,041	14,041
Dividends for 2006	-	-	-	-	(11,252)	(11,252)
Transferred to legal reserve	-	-	1,433	-	(1,433)	-
Transferred to reserve of purchase of own shares	-	-	34,500	-	(34,500)	-
Balance as of 30 June 2007	45,008	50,588	39,001	-	82,256	216,853

Company	Share capital	Share premium	Legal reserve	Reserve of purchase of own shares	Retained earnings	Total
Balance as of 31 December 2007	42,569	50,588	4,501	34,500	47,153	179,311
Net profit for the 1 st half year of 2008	-	-	-	-	98,452	98,452
Total income and expenses for the year	-	-	-	-	98,452	98,452
Changes in reserves	-	-	(244)	34,626	(34,382)	-
Dividends paid	-	-	-	-	(12,771)	(12,771)
Balance as of 30 June 2008	42,569	50,588	4,257	69,126	98,452	264,992

AB INVALIDA**CONSOLIDATED AND PARENT COMPANY'S CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2008**

(all amounts are in LTL thousand unless otherwise stated)

Consolidated and parent Company's cash flow statements

	Group		Company	
	I Half Year 2008	I Half Year 2007	I Half Year 2008	I Half Year 2007
Cash flows from (to) operating activities				
Net profit	44,769	22,010	98,452	81,766
Adjustments for non-cash items:				
Valuation gain, net	(15,543)	(7,186)	-	-
Depreciation and amortization	5,491	6,900	75	78
(Gain) on disposal of property, plant and equipment	(30)	(177)	(21)	-
(Gain) on disposal of investments	(35,348)	(7,803)	(67,169)	6,292
Share of net profits of associates and joint ventures	(10,204)	(11,239)	-	-
Interest (income)	(4,854)	(3,184)	(6,338)	(2,819)
Interest expenses	23,303	11,901	13,687	2,728
Deferred taxes	(817)	2,175	3,677	-
Current income tax expenses	3,712	4,557	238	-
Allowance for receivables	-	-	-	3,387
Allowance for inventories	-	-	-	-
Change in provisions	(3)	-	-	-
Dividend (income)	-	(141)	(20,478)	(92,846)
Loss (gain) from other financial activities	-	930	(25,014)	(6)
	10,476	18,743	(2,891)	(1,420)
Changes in working capital:				
(Increase) decrease in inventories	61,792	2,049	-	-
Decrease (increase) in trade and other receivables	(11,689)	(61,183)	(97)	(1)
Decrease in other current assets	18,428	(21,018)	(186)	(3)
(Decrease) increase in trade payables	(2,749)	2,422	(137)	(481)
Income tax paid	(1,216)	(471)	-	(134)
(Decrease) increase in other current liabilities	(30,906)	10,243	(123,242)	724
Net cash flows (to) from operating activities	44,136	(49,215)	(126,553)	(1,315)

(cont'd on the next page)

AB INVALIDA

CONSOLIDATED AND PARENT COMPANY'S CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2008

(all amounts are in LTL thousand unless otherwise stated)

Consolidated and parent Company's cash flow statements (cont'd)

	Group		Company	
	I Half Year 2008	I Half Year 2007	I Half Year 2008	I Half Year 2007
Cash flows from (to) investing activities				
(Acquisition) of tangible non-current assets (except investment properties)	(7,866)	(28,648)	(52)	(26)
Proceeds from sale of tangible non-current assets (except investment properties)	1,038	258	139	-
(Acquisition) of investment properties	(2,091)	(24,382)	-	-
Proceeds of sale of investment properties	1,516	2,991	-	-
(Acquisition) of subsidiaries, net of cash acquired	-	-	(71)	(10)
Proceeds from sales of subsidiaries	42,553	(17)	46,017	-
(Acquisition) of associates	(67)	(2,364)	(69)	(22,508)
Proceeds from sales of associates	-	230	24	230
Loans (granted)	(32,828)	(11,025)	(83,331)	(110,850)
Repayment of granted loans	34,920	-	52,903	16,917
Dividends received	-	141	7000	92,470
Interest received	4,854	3,184	2,690	770
(Acquisition) of minority interest	(1,241)	(488)	(8,416)	(1,950)
Other cash flow from investing activities	1,854	-	-	(50)
Net cash flows (to) investing activities	42,642	(60,120)	16,834	(25,007)
Cash flows from (to) financing activities				
Cash flows related to company shareholders				
Issue of shares	-	-	-	-
Dividends (paid)	(12,999)	(11,252)	(12,138)	(11,252)
Dividends to minority	-	(31,065)	-	-
	(12,999)	(42,317)	(12,138)	(11,252)
Cash flows related to other sources of financing				
Proceeds from loans	212,238	204,868	320,152	70,895
Issue of bonds	-	-	-	-
(Repayment) of loans	(251,397)	(64,208)	(192,948)	(31,288)
Interest (paid)	(23,330)	(11,901)	(5,097)	(2,105)
Financial lease (payments)	(5,991)	(582)	-	-
Other cash flows from financing activities	925	22,955	(5)	6
	(67,555)	151,132	122,102	37,508
Net cash flows from financial activities	(80,554)	108,815	109,964	26,256
Impact of currency exchange on cash and cash equivalents	-	-	-	-
Net (decrease) increase in cash and cash equivalents	6,224	(520)	245	(66)
Cash and cash equivalents at the beginning of the year	4,248	9,161	30	82
Cash and cash equivalents at the end of the year	10,472	8,641	275	16

(the end)

Notes to the financial statements

1 General information

AB Invalda (hereinafter "the Company") is a joint stock company registered in the Republic of Lithuania on 20 March 1992. The address of its registered office is as follows:

Šeimyniškių St. 3,
Vilnius,
Lithuania.

Company's activity strategy is concentrated to asset management and private and investment banking area. The goal of the group – successful activity developing, orienting to steady long term growth and assuring high long term financial return to the shareholders. Asset management activity currently concentrates into finance, real estate, pharmacy, furniture manufacturing and roads and bridges construction sectors.

The Company's shares are traded on the Baltic Main List of Vilnius Stock Exchange.

2 Basis of preparation and accounting policies

Basis of preparation

The interim condensed financial statements for the I six months ended 30 June 2008 have been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2007.

Significant accounting policies

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Group's and Company's annual financial statements for the year ended 31 December 2007.

3 Seasonality of operations

Road and bridge building business give lower revenue and operational profit in the 1st and 4th quarter in contrast to the 2nd and the 3rd quarters. Investment assets owned by the Group are revaluated and the change of their value is included in the profit/loss statement at the end of a year.

4 Segment information

The operating business are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

For management purposes, the Group is organized into following segments:

Real estate

The real estate segment is involved in investment in real estate, real estate management and administration, facility management, contraction management, intermediation in buying, selling and rating real estate.

AB INVALIDA

CONSOLIDATED AND PARENT COMPANY'S CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2008

(all amounts are in LTL thousand unless otherwise stated)

Financial mediation

The financial mediation segment is involved in financial brokerage, corporate finance services, investment and pension fund management.

Pharmacy

The pharmacy segment produces injections preparations, tablets, ointments.

Furniture production

The furniture segment includes furniture design, production and sale.

Hotels management

The hotels management segment renders room revenue, restaurant revenue, conference facilities revenue. The segment was sold in 2008 and in these financial statements it is presented as discontinued operations.

Roads and bridge construction

The roads and bridge construction segment is involved in building bridges and high quality highway construction.

Other production and service segments

The other production and service segment is involved in designing water management objects, agricultural investment, hardware articles production, information technology solution services and other.

Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties. Segment revenue, segment expense and segment result include transfers between business segments. Those transfers are eliminated in consolidation.

AB INVALIDA
CONSOLIDATED AND PARENT COMPANY'S CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2008

(all amounts are in LTL thousand unless otherwise stated)

The following table present revenues and profit information regarding the Group's business segments for the 6 months ended 30 June 2008:

Year ended 30 June 2008	Continuing operations							Discontinued operation		Total operations
	Real estate	Financial mediation	Pharmacy	Furniture production	Roads and bridge construction	Other production and service	Elimination and other	Total	Hotels management	
Revenue										
Sales to external customers	103,200	5,863	-	72,359	-	10,486	-	191,908	1,533	193,441
Inter-segment sales	1,158	50	-	323	-	6	(1,537)	-	-	-
Total revenue	104,358	5,913	-	72,682	-	10,492	(1,537)	191,908	1,533	193,441
Results										
Other income	1,638	6,600	-	966	-	21,350	29,537	60,091	17	60,108
Segment expenses	97,569	23,646	-	75,339	-	10,773	(7,048)	200,279	2,044	202,323
Unallocated expenses	-	-	-	-	-	-	13,766	13,766	-	13,766
Operating profit (loss)	8,427	(11,133)	-	(1,691)	-	21,069	21,282	37,954	(494)	37,460
Share of profit (loss) of the associates and joint ventures	2,622	-	8,840	(2,125)	427	440	-	10,204	-	10,204
Profit (loss) before income tax	11,049	(11,133)	8,840	(3,816)	427	21,509	21,282	48,158	(494)	47,664
Income tax expenses	1,877	(1,631)	-	36	-	2,450	163	2,895	-	2,895
Net profit for the year	9,172	(9,502)	8,840	(3,852)	427	19,059	21,119	45,263	(494)	44,769
Attributable to:										
Equity holders of the parent	9,485	(9,486)	8,840	(2,737)	427	19,090	21,119	46,738	(494)	46,244
Minority interest	(313)	(16)	-	(1,115)	-	(31)	-	(1,475)	-	(1,475)

Gain of sale of AB Hidroprojektas shares and gain of loss of significant influence in AB Agrowill group" is shown in "Other income" of other production and service segment. Gain of sale of AB Valmeda shares is shown in "Other income" in Elimination and other column.

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(all amounts are in LTL thousand unless otherwise stated)

The following table present revenues and profit information regarding the Group's business segments for the 6 months ended 30 June 2007:

Year ended 30 June 2007	Continuing operations							Discontinued operation		
	Real estate	Financial mediation	Pharmacy	Furniture production	Roads and bridge construction	Other production and service	Elimination and other	Total	Hotels management	Total operations
Revenue										
Sales to external customers	18,072	20,694	-	84,711	-	4,990	-	128,467	6,611	135,078
Inter-segment sales	1,071	138	-	4	-	-	(1,213)	-	-	-
Total revenue	19,143	20,832	-	84,715	-	4,990	(1,213)	128,467	6,611	135,078
Results										
Other income	7,797	13,140	-	812	-	10	908	22,667	65	22,732
Segment expenses	25,194	14,722	-	85,088	-	4,578	(4,371)	125,211	5,575	130,786
Unallocated expenses	-	-	-	-	-	-	9,521	9,521	-	9,521
Operating profit (loss)	1,746	19,250	-	439	-	422	(5,455)	16,402	1,101	17,503
Share of profit (loss) of the associates and joint ventures	(2,225)	-	7,785	(734)	531	5,882	-	11,239	-	11,239
Profit (loss) before income tax	(479)	19,250	7,785	(295)	531	6,304	(5,455)	27,641	1,101	28,742
Income tax expenses	1,910	3,582	-	425	-	97	574	6,588	144	6,732
Net profit for the year	(2,389)	15,668	7,785	(720)	531	6,207	(6,029)	21,053	957	22,010
Attributable to:										
Equity holders of the parent	(5,082)	15,650	7,785	(766)	531	6,199	(6,029)	18,288	957	19,245
Minority interest	2,693	18	-	46	-	8	-	2,765	-	2,765

5 Cash and cash equivalents

	Group		Company	
	30 June 2008	31 December 2007	30 June 2008	31 December 2007
Cash at bank	10,117	4,170	275	30
Cash in hand	355	78	-	-
	10,472	4,248	275	30

6 Dividends

The General Meeting of shareholders of 30 March 2008 allocated LTL 12,771 thousand for dividends, i.e. LTL 0.30 per one share (these dividends are not included as liabilities in the balance of 31 March 2008). In 2007, LTL 11,252 thousand were allocated, i.e. LTL 0.25 per one share.

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(all amounts are in LTL thousand unless otherwise stated)

7 Income tax

	Group		Company	
	I Half Year 2008	I Half Year 2007	I Half Year 2008	I Half Year 2007
Components of income tax expense				
Current income tax charge	(3,712)	(2,175)	238	-
Deferred income tax income (expense)	817	(4,413)	3,677	-
Income tax (expenses) income charged to the income statement	<u>(2,895)</u>	<u>(6,588)</u>	<u>3,915</u>	<u>-</u>

8 Investment into subsidiaries and associates**Acquisitions of 2008**

During the I half year 2008 The Group invested LTL 11,591 thousand additionally to increased share capital of companies: UAB *Positor*, AB FMĮ *Finasta*, UAB *Invalda turto valdymas* (former UAB *Finasta investicijų valdymas*), SIA *Inreal* (Latvija), TOV *Finasta* (Ukraina)

The Group acquired information technology company UAB *Acena* for LTL 230 thousand. The value of the net assets acquired was LTL 78 thousand. The goodwill equal to LTL 153 thousand was recognized provisionally.

The Group acquired 1,67 % of shares of *Vilniaus Baldai* AB for LTL 1,241 thousand additionally. The value of the additional interest acquired was LTL 419 thousand. The negative difference equal to LTL 822 thousand between the consideration and the value of the interest acquired has been recognised directly to the shareholders equity.

In June of 2008 was established AB *Tiltra Group* (investment size LTL 67 thousand).

Sales in 2008

On 4 January 2008 the Company has signed a contract regarding sale of 100% of AB Valmeda shares with Triangle Group (UK). AB Valmeda manages hotels Holiday Inn Vilnius and Ecotel Vilnius. The deal was closed and ownership of AB Valmeda was transferred to the buyer on 13 March 2008. The Group and the Company have earned profit of LTL 31,025 thousand and LTL 60,693 thousand, respectively, for this transaction.

On 10 January 2008, the Company completed the sale of UAB Hidroprojektas shares. 97.99% of UAB Hidroprojektas shares were sold to SWECO BKG LSPI for LTL 8,600 thousand. The Group and the Company have earned profit of LTL 5,695 thousand and LTL 6,326 thousand, respectively, for this transaction.

AB Agrowill Group

AB Agrowill Group completed its initial public offering. As a result the Company ceased to have significant influence (share of stock of AB Agrowill Group decreased from 20.63 % till 15.78 % and the Company is not represented in the governing bodies). From 1 April 2008 the Company accounts this investment as financial assets at fair value through profit or loss. The fair value on 30 June 2008 was LTL 25,371 thousand.

In the standalone income statement gain of LTL 25,019 thousand and deferred tax expenses of LTL 3,753 thousand were recognized (total positive influence – LTL 21,266 thousand).

In the consolidated income statement gain of LTL 15,324 thousand and deferred tax expenses of LTL 2,299 thousand were recognized (total positive influence – LTL 13,025 thousand).

AB INVALIDA**CONSOLIDATED AND PARENT COMPANY'S CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2008**

(all amounts are in LTL thousand unless otherwise stated)

9 Other revenues and expenses**9.1. Other revenues**

	Group		Company	
	I Half Year 2008	I Half Year 2007	I Half Year 2008	I Half Year 2007
Gain on sale of subsidiaries and associates	36,720	205	67,169	205
Gain from financial assets at fair value through profit or loss	10,072	7,598	25,019	-
Gain on sale of investment properties	1,368	176	-	-
Other	1,404	834	24	4
	<u>49,564</u>	<u>8,813</u>	<u>92,212</u>	<u>209</u>

9.2. Finance expenses

	Group		Company	
	I Half Year 2008	I Half Year 2007	I Half Year 2008	I Half Year 2007
Interest expenses	(23,303)	(11,241)	(13,687)	(2,728)
Foreign currency exchange loss	-	(1,154)	-	(2)
Other finance expenses	(221)	(1,567)	(56)	(9)
	<u>(23,524)</u>	<u>(13,962)</u>	<u>(13,743)</u>	<u>(2,739)</u>

9.3. Finance income

	Group		Company	
	I Half Year 2008	I Half Year 2007	I Half Year 2008	I Half Year 2007
Interest income	4,854	3,184	6,338	2,819
Foreign currency exchange gain	(148)	1,033	28	17
Dividend income	5,165	-	20,478	92,846
Other finance income	437	789	-	-
	<u>10,308</u>	<u>5,006</u>	<u>26,844</u>	<u>95,682</u>

AB INVALIDA**CONSOLIDATED AND PARENT COMPANY'S CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2008**

(all amounts are in LTL thousand unless otherwise stated)

10 Related party transactions

The Company's transactions with related parties in the 1st half year of 2008 and related quarter-end balances were as follows:

I half year 2008 Company	Sales to related parties	Purchases from related parties	Amounts owed to related parties	Amounts owed by related parties
Loans and borrowings	5,804	2,363	122,484	159,912
Rent and utilities	-	160	206	-
Dividends	20,478	-	-	7,978
Payables for share capital in subsidiaries in Ukraine and Latvia	-	-	1,110	-
Other	-	37	42	-
	26,282	2,560	123,843	167,890

The Company's transactions with related parties in the 1st half year of 2007 and related quarter-end balances were as follows:

I Half Year 2007 Company	Sales to related parties	Purchases from related parties	Amounts owed to related parties	Amounts owed by related parties
Loans and borrowings	2,549	1,076	49,151	133,695
Rent and utilities	-	154	43	-
Dividends	-	-	-	376
Increase of share capital	-	-	-	3,701
Shares transactions	-	-	-	378
Other	2	60	8	2
	2,551	1,290	49,202	138,152

The Group's transactions with related parties in the 1st half year of 2008 and related quarter-end balances were as follows:

I Half Year 2008 Group	Sales to related parties	Purchases from related parties	Amounts owed to related parties	Amounts owed by related parties
Loans and borrowings	1,385	736	27,349	38,685
Rent and utilities	793	112	150	44
Financial segment	549	-	-	-
Roads and bridges construction segment	229	35	119	32
Raw materials purchased by AB Vilniaus baldai from UAB „Girių bizonas“	-	9,749	1,379	-
Dividends receivables by AB "Invalda" from AB "Sanitas"	-	-	-	7,978
Other	67	-	59	104
	3,023	10,632	29,056	46,844

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(all amounts are in LTL thousand unless otherwise stated)

The Group's transactions with related parties in the 1st half year of 2007 and related quarter-end balances were as follows:

I Half Year 2007 Group	Sales to related parties	Purchases from related parties	Amounts owed to related parties	Amounts owed by related parties
Loans and borrowings	973	12	-	30,891
Rent and utilities	888	341	-	775
Increase of share capital	-	-	-	3,701
Dividends	-	-	-	299
Roads and bridges construction segment	89	644	324	30
Shares transactions	-	-	-	378
Raw materials purchased by AB Vilniaus balдай from UAB „Girių bizonas“	-	5,596	1,519	-
Other	32	-	-	11
	<u>1,982</u>	<u>6,593</u>	<u>1,843</u>	<u>36,085</u>

11 Subsequent eventsThe Company

The Company received the approval of the Financial and Capital Market Commission to acquire assets management company IPAS Baltikums Asset Management (subsidiaries of Latvian bank AS Akciju komercbanka Baltikums). When the deal is completed, AB Invalda will entered Latvian pension fund market.

On May 2008 the Company signed the agreement with Akciju Komerbanka Baltikums regarding acquisition of 100% shares of Baltikums Asset Management (investment management company registered in the Republic of Latvia) and regarding sale to Akciju Komerbanka Baltikums 100% shares of Finasta Asset Management (investment management company registered in the Republic of Latvia). Management of investment funds of Finasta Asset Management will be transferred to Baltikums Asset Management which already manages 3 investment and 2 pension funds. Deal will be closed when other actions are completed.

The Group

On July 2008 Umega AB completed the purchase deal of Vienybe AB shares and obtained control.