

The results of *AB Invalda* group for 2011

Vilnius, April 30, 2012

What is *AB Invalda*?

- *AB Invalda* is one of the largest Lithuanian investment companies whose primary objective is to steadily increase the investor equity value

AB Invalda actively manages its investments, exercising control or significant influence over target businesses.

More about businesses managed by *AB Invalda* can be found in the slides No. 25-33 and on www.invalda.lt

- *AB Invalda* started its activity in 1991

Its shares have been traded on the NASDAQ OMX Vilnius exchange since 1995.

More about shares of *AB Invalda* can be found in the slides No. 9-10.

Management principles

AB Invalda follows these principles:

- **Competitiveness and independence**

Each business of the Group must be competitive and self-sustainable, have professional management teams capable of forming business strategy and implementing ambitious objectives.

- **Risk segregation**

AB Invalda does not grant guarantees or assume any obligations in respect of individual businesses, and individual businesses do not assume any obligations in respect of each other.

- **Diversification**

The company diversifies its investment in order to avoid any excessive risk concentration in homogeneous business sectors.

- **Transparency**

AB Invalda discloses information in adherence to the principle that market participants must get equivalent information at the same time, except for such cases where the publication of the information is not possible because of the obligations assumed in respect of third parties, and/or the disclosure may adversely affect the businesses' ability to compete.

- **Avoidance of conflicts of interest**

Managers of the Group companies do not participate in competing activities.

Investment philosophy

- *AB Invalda* is a company driven by shareholder value creation

AB Invalda seeks to acquire competitive businesses that, with additional capital or management resources, may successfully be developed organically, consolidate fragmented markets or otherwise increase value.

AB Invalda invests into undervalued assets that, when restructured, may facilitate significant value increase.

AB Invalda does not avoid complex business transactions and opportunities. Such approach is supported by our belief that the efforts will lead to good results.

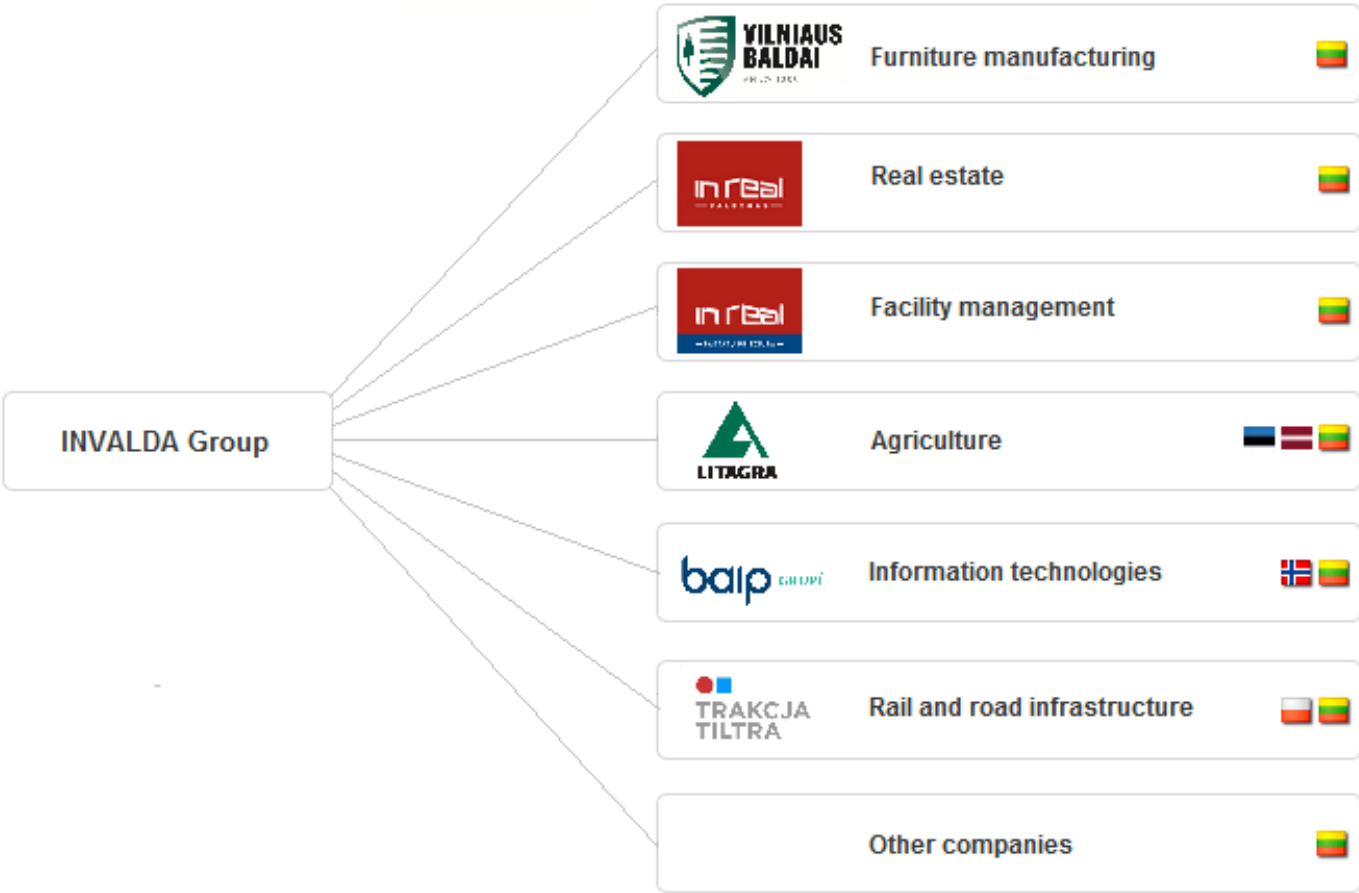
- Long-term prospects

With a view to maximize the investment value, *AB Invalda* normally pursues long-term investment horizon.

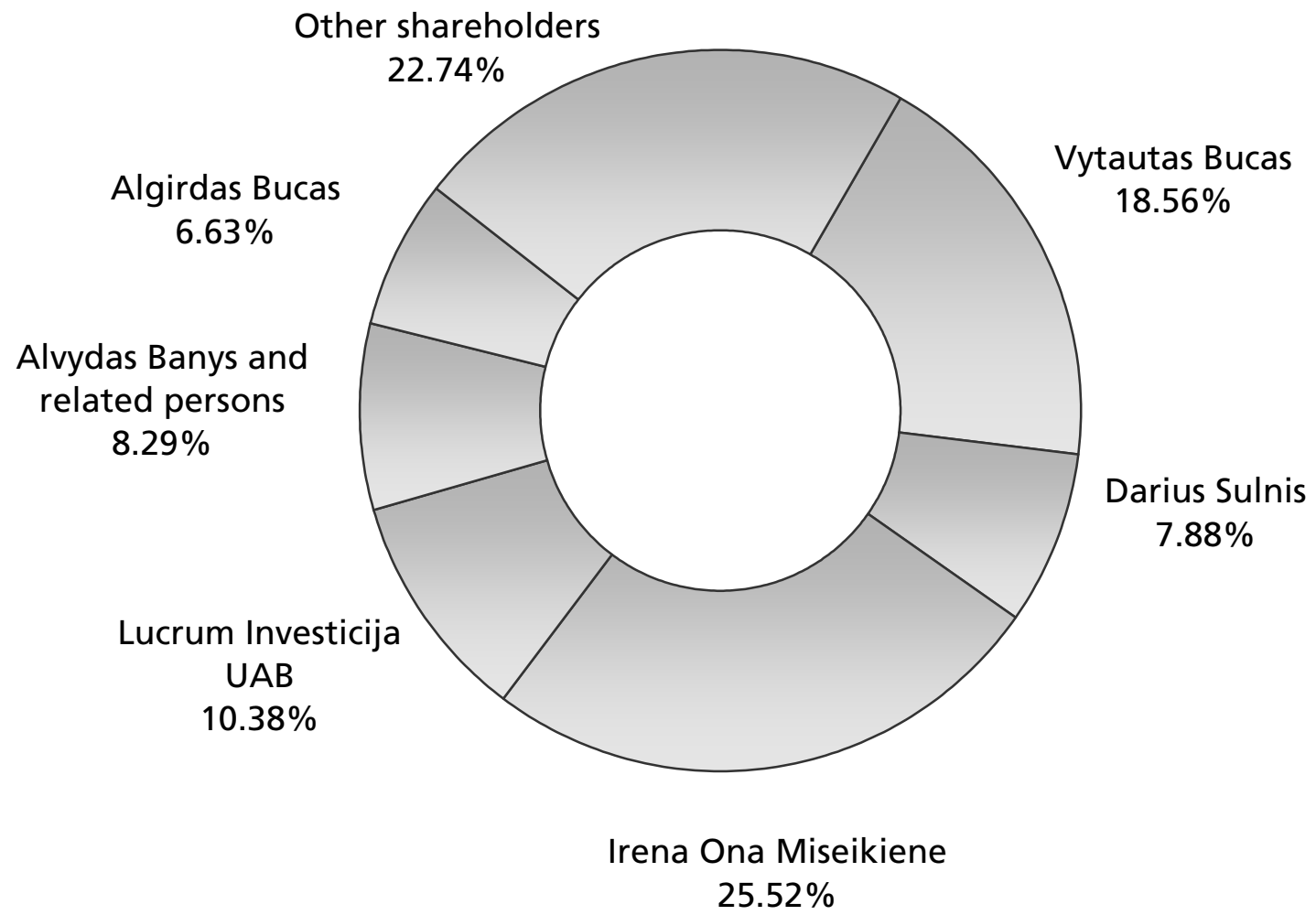
AB Invalda offers businesses for sale only when they are properly prepared for sale and become attractive to potential buyers, or having received any proposal matching future prospects of the businesses.

- A synergy of different competences may potentially increase the investment

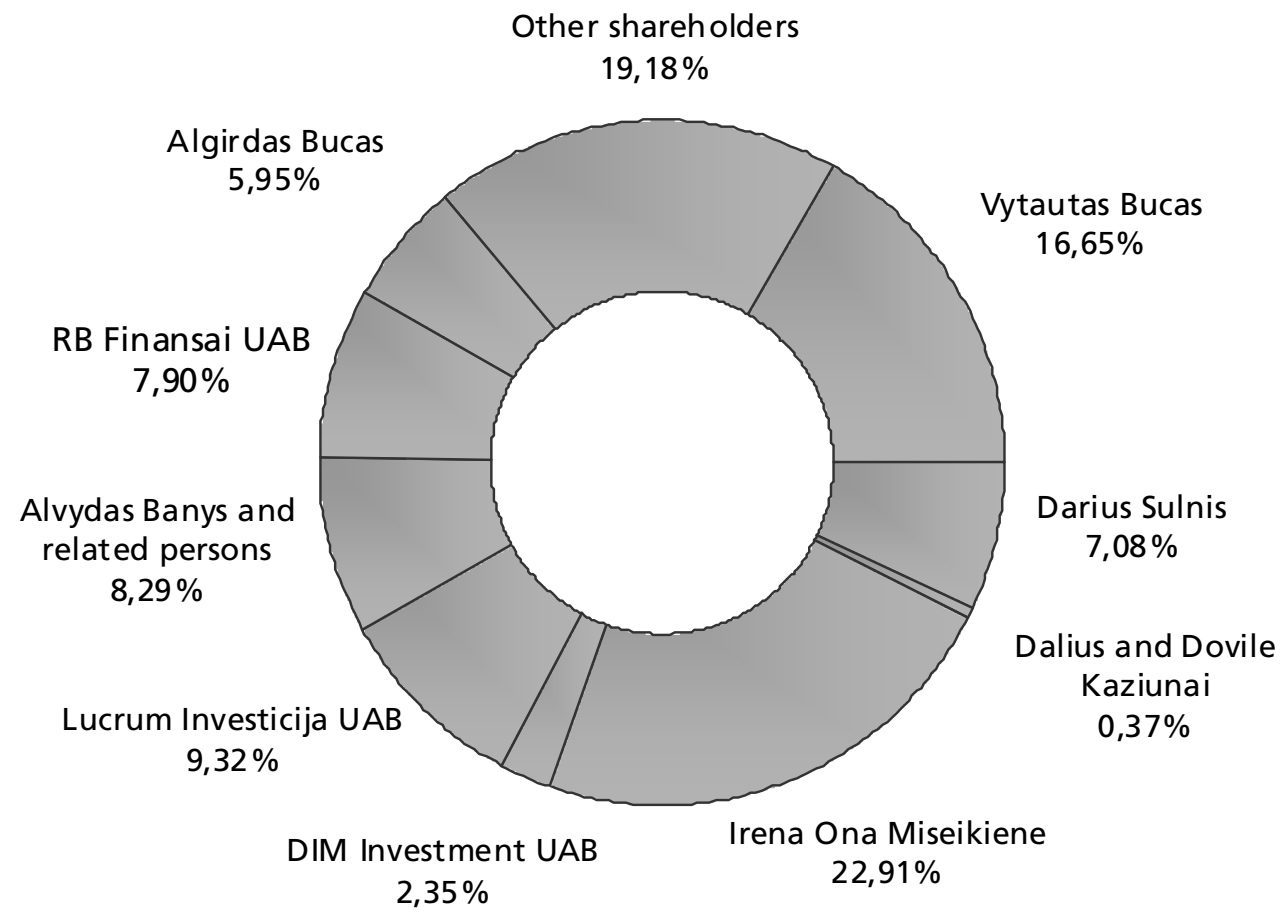
AB Invalda group activity sectors



Shareholder structure



Shareholder structure



Votes for the announcement day of this audited result presentation

Management



Vytautas Bucas - Chairman of the Board

Vytautas Bucas is a member of ACCA (Association of Chartered Certified Accountants, UK) since 2002. After graduation from his studies at Vilnius University for a period he worked at the audit company *Arthur Andersen* where he started as an auditor's assistant and then grew to the position of the Chief auditor. Later on, in *SEB Bank* he was managing the Finance and IT departments, was holding the position of the Deputy President, and was a Member of the Board of the Bank. For the past five years he was a member of the Board at companies which are operating in the finance and real estate sector, also the pharmaceuticals company *AB Sanitas*. Currently he is a member of the Boards of *UAB Inreal Pastatu Prieziura*, *UAB BAIP Group* and *UAB Litagra*, Chairman of the Board of *AB Vilniaus Baldai*, *UAB Invaldos Nekilnojamojo Turto Fondas* and *AB Invalda* which he joined in 2006.



Dalius Kaziunas - President (since January 2, 2012), Member of the Board

Dalius Kaziunas holds a Master's degree in economics from Vilnius University. Dalius Kaziunas has worked at the financial brokerage company *AB Finasta* for more than 10 years and he has been its General Manager for six years. He was a General Manager and Chairman of the Board of the *AB bank Finasta* in 2008-2009. Dalius Kaziunas has been working as an advisor for *AB Invalda* for the past two years and is a Member of its Board as well as a Member of the Boards of *AB Vilniaus Baldai*, *UAB Inreal Pastatu Prieziura*, *UAB Litagra*, and *UAB BAIP Group*.



Darius Sulnis - Member of the Board

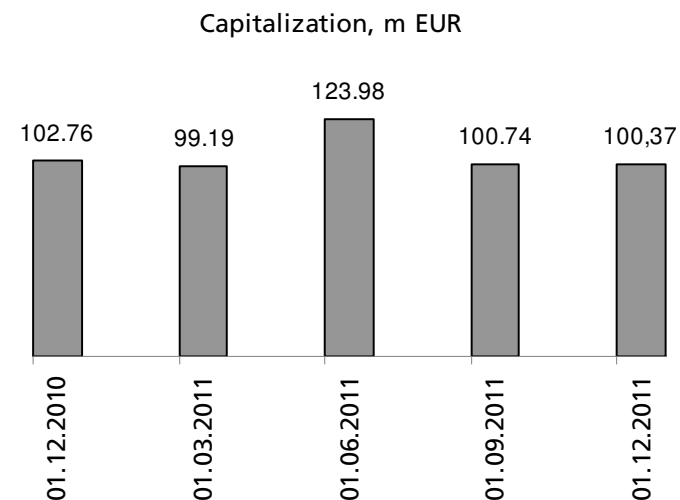
Darius Sulnis took his Master's degree in accounting and audit at Vilnius University. He has managed the financial brokerage firm *AB Finasta* for eight years and a real estate company *UAB Inreal valdymas* for four years . Furthermore, Darius Sulnis had been a member of Boards and Supervisory Boards of several Polish, Latvian and Lithuanian companies. Currently Darius Sulnis is a Member of the Board of the investment company *AB Invalda* where he was a president until 2012. He is also a Member of the Boards of *AB Vilniaus Baldai*, *UAB Invaldos Nekilnojamojo Turto Fondas* and *UAB Litagra*.

The shares of *AB Invalda*

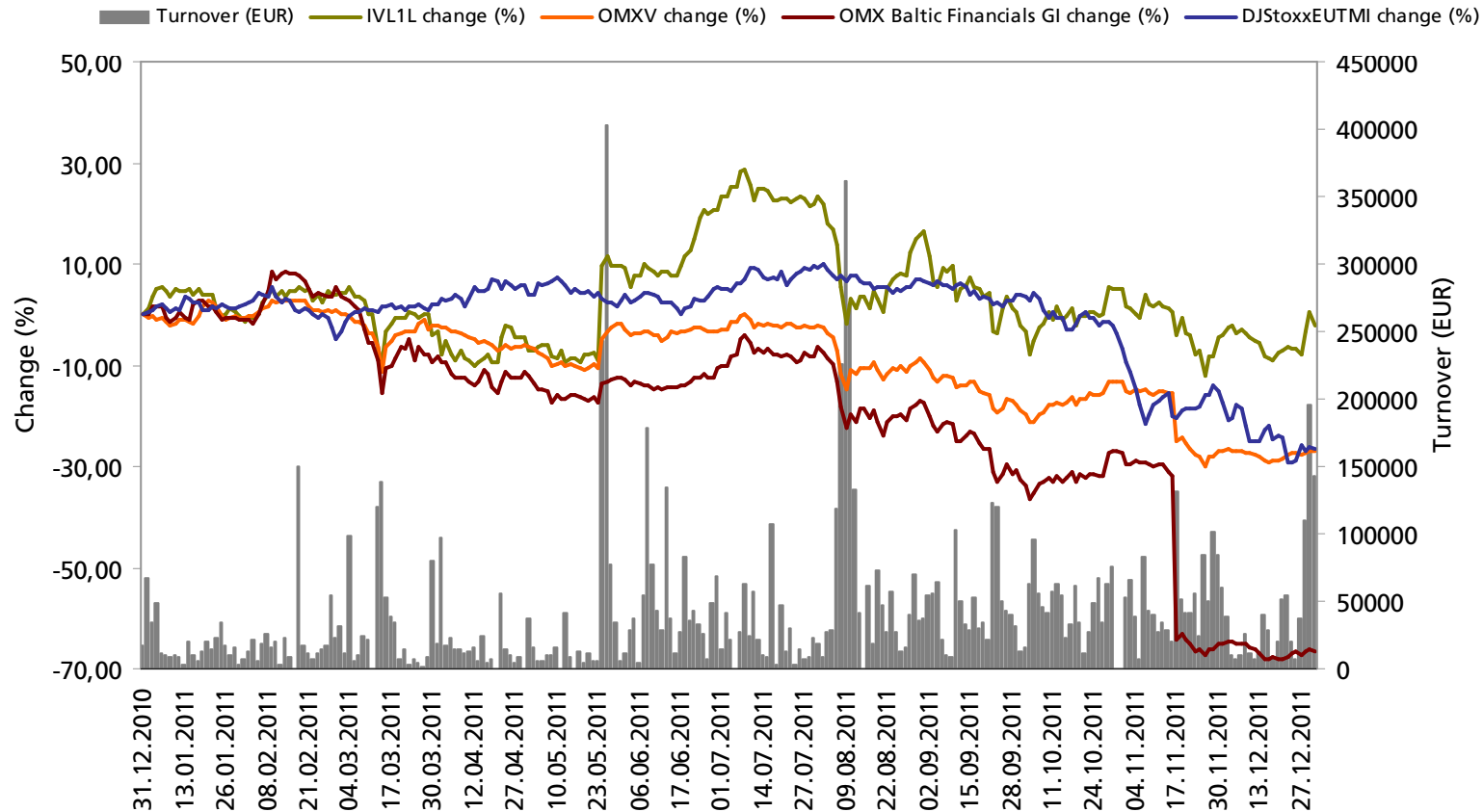
Total number of	51 659 758 (shares)
Nominal (par) value	1 litas
ISIN	LT0000102279
Name	IVL1L
Exchange	NASDAQ OMX Vilnius
List	BALTIC MAIN LIST

On March 30, 2012 the conversion face value of 32.44 million litas convertible bonds resulted the increase of share capital of Invalda AB by 5.898.182 litas from 51 659 758 litas to 57.557.940 litas 5 898 182 ordinary registered shares of 1 litas par value was issued.

	2011	2010
Share price, € :		
- open	2.000	0.533
- highest	2.650	2.546
- lowest	1.733	0.521
last Volume traded, €	1.943	1.989
million	10.14	8.24



Trading in shares



OMXV index is an all-share index consisting of all the shares listed on the Main and Secondary lists of the NASDAQ OMX Vilnius with exception of the shares of the companies where a single shareholder controls more than 90% of the outstanding shares. Dow Jones Stoxx EU Enlarged TMI index covers approximately 95% of the free float market capitalization of the New Europe countries, including Bulgaria, Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia and Slovenia.



Financial results



Key events of 2011

(1)

Investments, divestments and other events

(1)

- *AB Tiltru Group* and *Trakcja Polska, S.A.* merger transaction was completed with value of 679.5 million litas (PLN 777.5 million);
- *AB Invalda* and other shareholders sold *AB Sanitas* to a Canadian company *Valeant Pharmaceuticals International, Inc.*, for the price of 1.260 million litas (€365 million) in which 26.5 percent was owned by *AB Invalda*;
- *AB Invalda* paid down all liabilities to credit institutions;
- *AB Invalda* group company acquired a 36.9 percent stake in an agricultural company *UAB Litagra* for the price of 38.6 million litas (€11.2 million);
- *UAB BAIP group* acquired 100 percent stake in a Norwegian company *Norway Registers Development, AS* which owns 70.7 percent shares of *UAB NRD* in Lithuania.
- *UAB Inreal pastatu prieziura* acquired 100 percent stake in a facility management company *UAB Jurita* which manages residential buildings in Vilnius' Justiniskes residential area .

Key events of 2011

(2)

Investments, divestments and other events

- *AB Invalda* group company acquired 100 percent stake in *UAB Lauko Gelininkystes Bandyu Stotis*.
- *AB Invalda* held 20 million litas (€5.79 million) certificate of deposit in *AB bank Snoras*. Due to the bank bankruptcy, a provision equal to 100 percent of the invested amount was formed.
- *AB Invalda* signed a contract for the sale of a 29.5 percent stake of metal processing company *AB Umega*.
- *AB Invalda* increased the stake in yarn spinning company *AB Vernitas* from 11.7 percent to more than 20 percent.
- *AB Invalda* was further increasing investments in agricultural land portfolio.

Key events of 2011

(3)

- A merger of *Trakcja Polska, S.A.* and *AB Tiltr Group* completed in April

AB Invalda sold a 44.8 percent stake in *AB Tiltr Group* and a 43.4 percent stake in *AB Kauno Tiltai* for 274.5 million litas (PLN 314.1 million)*.

AB Invalda in turn obtained: a) a 12.5 percent stake in *Trakcja Polska, S.A.* for the price of 115.6 million litas (PLN 132.3 million), b) *Trakcja Polska, S.A.* bonds for the price of almost 104.7 million litas (PLN 119.8 million), c) 54 million litas (PLN 62 million) in cash*.

AB Invalda, which currently owns 12.5 percent of *Trakcja – Tiltr, S.A.* shares, remains as a financial investor.

Due to the reason that *AB Tiltr Group* did not achieve the planned results that were agreed in the merger contract, *AB Tiltr Group* share price attributable to *AB Invalda* was reduced by 40.2 LTL million (PLN 52.1 million) in December 2011. The maximum reduction could have amounted up to 46.7 million litas (PLN 60.6 million)*.

AB Invalda standalone profit from the transaction was 157.6 million litas (€45.6 million), consolidated – 110.5 million litas (€32 million).

*the exchange rate on agreement date

Key events of 2011

(4)

- The sale of *AB Sanitas* shares to *Valeant Pharmaceuticals International, Inc.* was completed on August 19, 2011

AB Invalda sold 26.5 percent stake in *AB Sanitas*, for which *Valeant Pharmaceuticals International, Inc.* paid 286.7 million litas (€83 million) or 34.74 litas (€10.06) per share.

AB Invalda additionally received 28.9 million litas (€8.37 million), taking into account share price adjustment mechanism set out in the agreement signed on October 24th, 2008, (regarding the sale of 20.3 percent of the shares in *AB Sanitas*).

Net gain in the consolidated financial statements of *AB Invalda* and standalone financial statements of *AB Invalda* is 185.9 million litas (€53.8 million) and 204.5 million litas (€59.2 million) respectively.

This is one of the most successful deals during *AB Invalda* history which added a lot of value to other financial investors, small shareholders and to *AB Sanitas* management.

Key events of 2011

(5)



- The agreement regarding investments in *UAB Litagra* was signed

AB Invalda acquired 36.9 percent stake in *UAB Litagra* shares for the price of 38.6 million litas (€11.2 million). 37.1 million litas (€10.7 million) were invested into the new share issue of *UAB Litagra* in December of 2011.

The enterprise value of *UAB Litagra* has been estimated at about 200 million litas (€57.9 million) before the new share issue.

UAB Litagra turnover grew 7.7 percent to 338.5 million litas (€98.0 million) in 2011.

The activities of *UAB Litagra* group companies include the primary crop and livestock (milk) production, grain processing and agricultural services. The group companies sell plant protection products, fertilizers, seeds, compound feed, feed supplements, veterinary products, grain trading, providing grain and other raw materials drying, cleaning, handling and storage services.



Key events of 2011

(6)

- Investments into a certificate of deposit in *AB bank Snoras*

AB Invalda acquired a 20 million litas (€5.8 million) certificate of deposit in *AB bank Snoras*.

AB bank Snoras was declared bankrupt in December 2011.

After considering the possibilities of investment recovery, *AB Invalda* formed a provision equal to 100 percent for the invested amount.

Key events of 2011

(7)

- *UAB BAIP group* acquired a Norwegian company

UAB BAIP group acquired a 100 percent stake in Norwegian company *Norway Registers Development, AS* for the price of 4.14 million litas (€1.2 million). *Norway Registers Development, AS* owns 70.73 percent shares of *UAB NRD* in Lithuania.

In 2011 *Norway Registers Development, AS* group consolidated revenues totaled 7.6 million litas (€2.2 million), net profit (after minority interest) was – 386.7 thousand litas (€112 thousand).

The acquired company specializes in the programming of register systems including legislation development, project implementation and support.



Key events of 2011

(8)

Other events

AB Invalda paid down all financial liabilities to credit institutions.

A facility management company *UAB Jurita* that manages residential buildings in Vilnius' Justiniskes residential area was acquired for the price of 2.5 million litas (€0.7 million) from Vilnius City Municipality.

AB Invalda group acquired 51 percent of *UAB Lauko Gelininkystes Bandytu Stotis* shares from the State Property Fund for the price of 911 thousand litas (€263.8 thousand). Later on, the stake was increased up to 100 percent. Main activities of the company are ornamental plants' nursery, perennial and annual flower cultivation and trade.

In December 2011 *AB Invalda* signed a contract for the sale of 29.5 percent shares of the metal processing company *AB Umega*.

AB Invalda group increased stake in yarn spinning company *AB Vernitas* from 11.7 percent up to more than 20 percent.

A company *UAB Inreal GEO* which provides land geodetic measurement services was established.

Significant events since the end of the last financial year

The notification from the bondholders to convert 32.44 million litas (€ 9.4 million) par value bonds into *Invalda AB* shares was received on March 28, 2012.

After the conversion, *Invalda AB* share capital was increased by 5.898.182 litas (€ 1.708.231,60) from 51 659 758 litas (€ 14.961.700,07) to 57.557.940 litas (€ 16.669.931,60). 5 898 182 ordinary registered shares of 1 litas (€ 0.29) par value were issued. The conversion price of new shares issue of 5.898.182 (€ 1.708.231,60) litas is 5.5 litas (€ 1.59) per share.

Invalda AB issued convertible 25 million litas (€ 7.2 million) par value bonds on December 1, 2008. These bonds were acquired by *RB Finansai UAB*. Another convertible 7.44 million litas (€ 2.2 million) par value bonds issue was issued on January 30, 2010; it was sold to *DIM Investment UAB*. The annual interest rate for both bond issues was 9.9 percent, maturity date – July 2, 2012 (in case the bonds are not converted at earlier date).

After the conversion *RB Finansai UAB* received 7.9 percent and *DIM Investment UAB* - 2.35 percent of *Invalda AB* shares.

On March 30th, 2012 new Articles of Association of *Invalda AB* were registered.

Activity results of *AB Invalda*

million litas	Consolidated		Parent company	
	2011	2010	2011	2010
Assets	646.4	597.3	399.0	307.0
Equity	415.3	200.1	360.7	85.9
Liabilities	231.1	397.2	38.3	221.1
Profit (loss) for the period	216.5	52.5	274.9	(10.5)
Attributable to equity holders of the parent company	209.0	42.5	274.9	(10.5)

} detailed on slide 22

Equity and liabilities

<i>AB Invalda</i> , million litas	2011	2010
Equity	360.7	85.9
Liabilities to financial institutions	0.0	138.7
of which are long term	0.0	94.3
Liabilities to group companies	0.4	46.6
Bonds	34.1	32.4
Other liabilities	3.8	3.0
Total liabilities	38.3	221.1
Total equity and liabilities	399.0	307.0



AB Invalda assets (book value)

Asset	Book value December 31, 2011, million litas	Description
Furniture manufacturing	13.9	72.14 percent stake of <i>AB Vilniaus Baldai</i> , the share value on December 31, 2011 in NASDAQ OMX Vilnius is 99.7 million litas (€28.9 million)
Real estate	142.8	Investments into the real estate and loans granted to the sector companies
Facility management	7.4	100 percent stake in <i>UAB Inreal Pastatu Prieziura</i> , <i>UAB Priemiestis</i> and <i>UAB Jurita</i> ; loans granted to the sector companies
Agricultural	39.4	Investments into <i>UAB Litagra</i> shares
Information technology infrastructure sector	11.4	80 percent stake in <i>UAB BAIP Group</i> and loans granted
Rail and road construction	15.5	12.5 percent stake in <i>Trakcja – Tiltra, S.A.</i>
Other investments	42.9	Investments into <i>AB Umega</i> , <i>AB Vernitas</i> shares and other assets
Deferred income tax assets	19.9	Deferred income tax assets
Cash, deposits, short-term loans and investments	105.8	Cash, deposits, other financial investments
Total assets	399.0	

Results

- Impact to the profit (loss) statement of *AB Invalda* due to group sectors and financial investments

million litas	2011	2010
Furniture manufacturing	19.3	20.1
Real estate	(17.8)	0.6
Change in share price of <i>Trakcja-Tiltra, S.A.</i>	(76.6)	-
Information technology infrastructure sector	(0.7)	(0.5)
Facilities management	1.03	0.4
Road construction (segment sold)	110.5	11.4
Pharmaceuticals (segment sold)	187.5	14.1
Other companies	(14.2)	(3.6)
Total	209.0	42.5

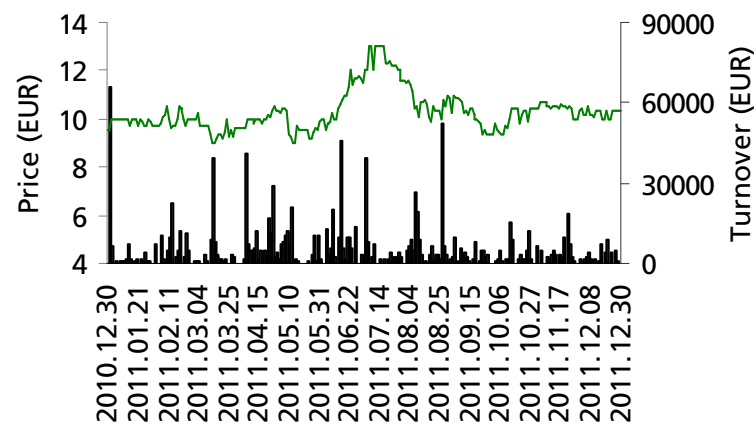
Furniture manufacturing

(1)



million litas	2011	2010	Change	Change, %
Sales	238.4	197.2	41.2	21
EBITDA	36.1	38.2	(2.1)	(0.05)
Net profit	26.8	27.9	(1.1)	(0.04)
Capitalization	138.2	127.5	10.7	8
Number of employees	507	453	54	12

- Shares of *AB Vilniaus Baldai* are listed on NASDAQ OMX Vilnius stock exchange



More information about company's activities and results are provided on www.vilniausbaldai.lt

Furniture manufacturing

(2)



▪ Trends

An increase of sales offset the decline in margins on the rising prices of raw materials.

The amount of 15.5 million litas (€4.5 million) was allocated for dividends in 2011, which is 4 litas (€1.20) per share.

Strong sales growth is not expected in 2012, but the trends are more favourable in raw materials market than in 2011.

The goal of *AB Vilniaus Baldai* is to improve manufacturing processes, increase productivity and remain one of the most competitive companies in the furniture manufacturing sector.

Furniture manufacturing sector of *AB Invalda* group

72.14%



Real estate sector

(1)



million litas	2011	2010	Change	Change, %
Value of real estate	255.4	247.8	7.6	3
Commercial real estate	155.6	175.8	(20.2)	(11)
Real estate for development	57.1	50.7	6.4	13
Residential real estate	7.9	5.5	2.4	44
Agricultural land	34.8	15.8	19.0	120
Shareholders' equity (incl. loans from <i>AB Invalda</i>)	131.9	116.7	15.2	13
Loans from credit institutions	121.8	142.5	(20.7)	(15)
Rental income	16.7	18.4	(1.7)	(9)
from this owned by clients	5.0	5.2	(0.2)	(4)
Change of the real estate value	(15.6)	1.2	(14.4)	-
Companies' sales result, allowance and other non-monetary items	1.5	4.2	(2.7)	(64)
Result of the real estate sector	(17.9)	2.9	(15)	-
Number of employees	67	51	16	31

Real estate sector

(2)



▪ Trends

Real estate sector companies of *AB Invalda* operate under *INREAL* brand.

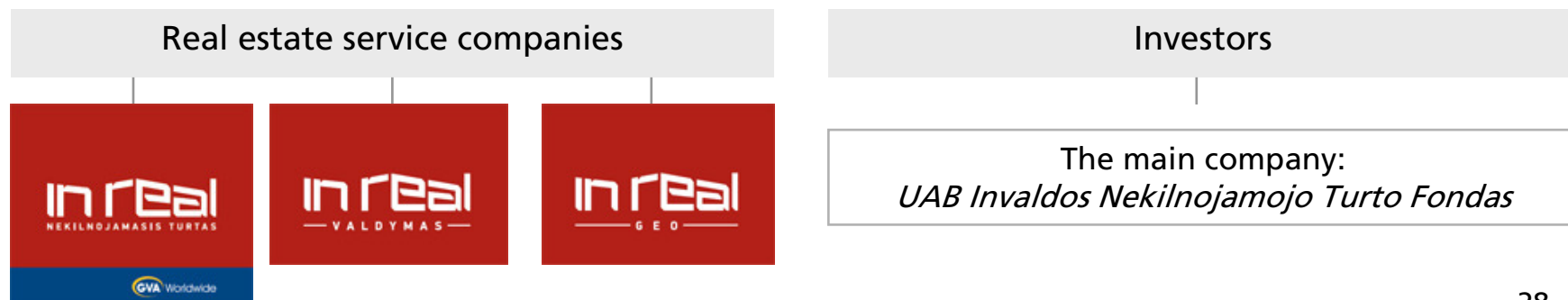
Revaluation of investment property led to the 15.6 million litas (€4.5 million) loss of the sector.

Increased investments into agricultural land portfolio from 15.8 million litas (€4.6 million) to 34.8 million litas (€10.1 million). *AB Invalda* manages 4.7 thousand hectares of agricultural land.

Disposals of real estate during the year totaled 2.5 million litas (€0.7 million), new investments into real estate were 19.2 million litas (€5.5 million).

Rental income decreased due to the termination of the lease contract with the key tenant *AB TEO LT* in an office building in Palangos street in Vilnius.

Real estate sector of AB Invalda group



Facility management sector

(1)



▪ Sector's results

From the first quarter of 2011 facility management sector is recognized as a separate sector in the financial statements of *AB Invalda*.

UAB Priemiestis and *UAB Jurita* results were not consolidated fully in 2010.

million litas	2011	2010	Change	Change, %
Sales	10.7	8.2	2.5	30
EBITDA	0.9	0.6	0.3	50
Net profit, without extraordinary income	0.3	0.4	(0.1)	(25)
Net profit	1.0	0.4	0.6	150
Number of employees	167	114	53	46

Facility management sector

(2)



▪ Main events

AB Invalda group acquired 100 percent stake in facility management company *UAB Jurita* that manages residential buildings in the Vilnius's Justiniskes residential area for the price of 2.5 million litas (€0.7 million) from Vilnius City Municipality in August 2011.

UAB Invalda Service changed its name to *UAB Inreal Pastatu Priežiūra*, at the same time the company joined a renewed *INREAL* brand. *INREAL* group is the first and still the only provider of a wide range of real estate and facility management services.

Facility management sector of *AB Invalda* group



Information technology sector

▪ Consolidated results of *UAB BAIP Group*¹

million litas	2011	2010	Change	Change, %
Sales	34.5	27.7	6.8	25
EBITDA	3.2	2.3	0.9	39
Net profit before investment amortization ² and cost of management options	1.1	0.8	0.3	38
Net profit	(0.7)	(0.6)	0.1	-
Number of employees	121	67	54	81

▪ Events of 2011

UAB BAIP designed and introduced a supercomputer at Vilnius University, which allows scientists to perform a new quality of multidimensional calculations.

UAB BAIP and Vilnius University organized the first forum *European Grid Infrastructure* in Lithuania which attracted more than 400 scientists from all over the world.

1. Norway Registers Development, AS (NRD) results are consolidated from December 2011.
2. Amortization of contract assets formed during *UAB BAIP* acquisition.

Information technology sector

(2)



▪ UAB BAIP Group acquisitions

Shares of specialized register programming company Norway Registers Development AS together with taking over the control of *UAB NRD* in Lithuania were acquired for the price of 4.14 million litas (€1.2 million) plus performance related payments

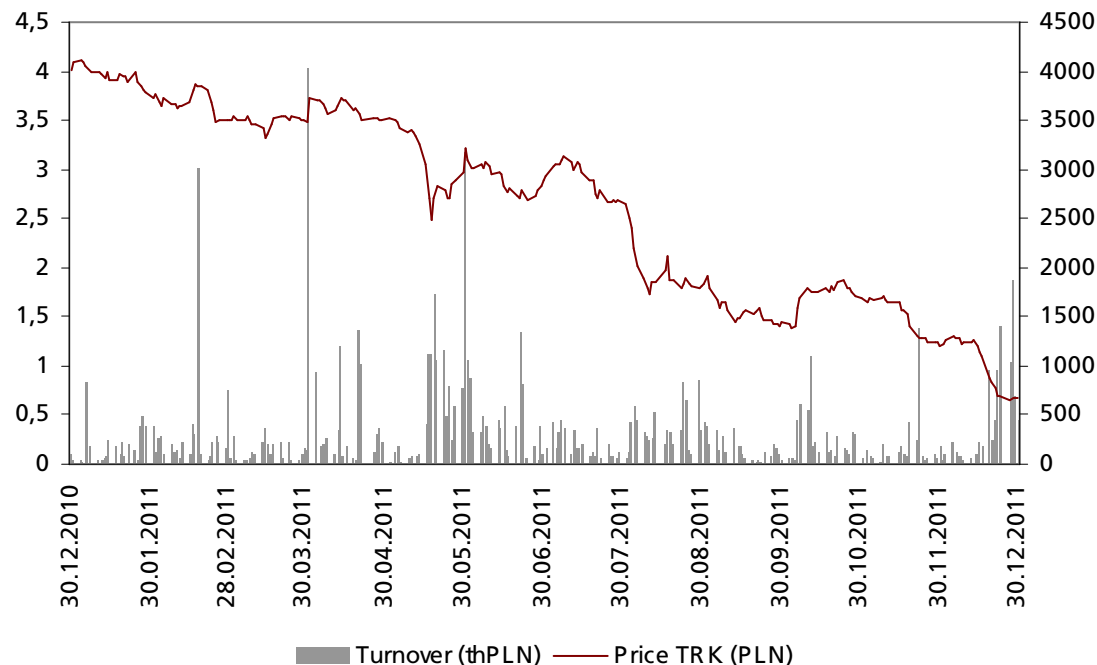
Norway Registers Development, AS is involved in the development of various countries' register reforms and consulting in implementation of information systems for 15 years.

IT sector of AB Invalda Group



Rail and road infrastructure

- *Trakcja – Tiltra, S.A.* shares are listed on Warsaw Stock Exchange



AB Invalda owns 12.5% shares of *Trakcja-Tiltra S.A.*, which are listed in Warsaw Stock Exchange.

Due to the share price decrease of *Trakcja – Tiltra, S.A.*, *AB Invalda* incurred a loss of 76.6 million litas (PLN 85.6 million) during 2011 and 17.3 million litas (PLN 22.3 million) during the 4th quarter.

Disclaimer

- The presentation was prepared by *AB Invalda*. The following information was used for the preparation:
 - Consolidated and Company's financial statements of *AB Invalda* for 2011.
- Data provided here is for information purposes only.
- The information provided here is not a recommendation or solicitation to buy or sell any securities of *AB Invalda* or companies related to *AB Invalda*.
- *AB Invalda* does not take responsibility for the actions any third parties made based only on information provided here.
- Group composition charts are simplified. Shares owned including shares sold under repurchase agreements are presented. *AB Invalda* owns 100% in the companies if not stated otherwise.
- *AB Invalda* accounts its investments into furniture manufacturing and information technology sectors at acquisition costs. Investment properties of the real estate sector are accounted at fair value. Results of agricultural land sector will be consolidated from the beginning of 2012. *AB Litagra* is an associated entity. Shares of the rail and road infrastructure company *Trakcja -Tiltra S.A.* are accounted by their price on Warsaw stock exchange.
- Since November 22, 2010, shares of the listed companies are traded only in EUR on *NASDAQ OMX Vilnius* stock exchange, therefore all information related to the securities trading is provided in Euros (€).



Thank you!