

CONFIRMATION OF RESPONSIBLE PERSONS

30 August 2013

Following the Rules on Preparation And Submission Of Periodic And Additional Information of the Bank of Lithuania and the Law on Securities (article 22) of the Republic of Lithuania, management of Invalda LT, AB hereby confirms that, to the best our knowledge, the attached Company's and consolidated interim condensed financial statements for the 6 months of 2013 are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, give true and fair view of the assets, liabilities, financial position and profit or loss of Invalda LT and the Consolidated Group. Present Consolidated interim report includes a fair review of the development and performance of the business.

ENCLOSURE:

1. Company's and consolidated interim financial statements for 6 months of 2013.
2. Consolidated interim report for 6 months of 2013.

President



Darius Sulnis

Chief Financier



Raimondas Rajeckas

AB INVALIDA LT

CONSOLIDATED AND COMPANY'S INTERIM CONDENSED NOT-AUDITED FINANCIAL
STATEMENTS
FOR THE THREE MONTHS ENDED 30 JUNE 2013 PREPARED ACCORDING TO
INTERNATIONAL FINANCIAL REPORTING STANDARDS AS ADOPTED BY THE EUROPEAN
UNION

AB INVALIDA LT

CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS
ENDED 30 JUNE 2013

(all amounts are in LTL thousand unless otherwise stated)

GENERAL INFORMATION

Board of Directors

Mr. Alvydas Banyš (chairman of the Board)

Mrs. Indrė Mišeikytė

Mr. Darius Šulnis

Management

Mr. Darius Šulnis (president)

Mr. Raimondas Rajeckas (chief financial officer)

Principal place of business and company code

Seimyniskiu Str. 1A,
Vilnius,
Lithuania
Company code 121304349

Bankers

Nordea Bank Finland Plc Lithuania Branch

AB DNB Bankas

AB SEB Bankas

Danske Bank A/S Lithuania Branch

Bankas Finasta AB

Šiaulių Bankas AB

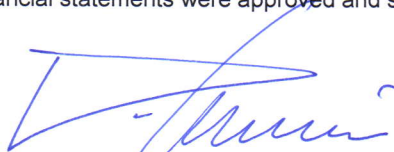
"Swedbank", AB

Citadele bankas AB

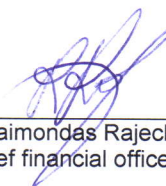
UAB Medicinos Bankas

Bank DnB NORD Polska S. A.

The financial statements were approved and signed by the Management and the Board of Directors on 30 August 2013.



Mr. Darius Šulnis
President



Mr. Raimondas Rajeckas
Chief financial officer

AB INVALIDA LT
CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013

(all amounts are in LTL thousand unless otherwise stated)

Interim consolidated and Company's income statements

		Group		Company	
		I Half Year 2013	I Half Year 2012	I Half Year 2013	I Half Year 2012
Continuing operations		Unaudited		Unaudited	
Revenue					
Residential real estate revenue		2,380	6,557	-	-
Rent and other real estate revenue		12,649	12,820	-	-
Information technology revenue		19,057	15,230	-	-
Facility management		6,341	5,220	-	-
Other production and services revenue		5,318	6,028	-	-
Total revenue		45,745	45,855	-	-
Other income	10.3	1,040	2,215	4,316	34,894
Net gains (losses) on disposal of subsidiaries, associates and joint ventures		1,333	1,282	(517)	(1,052)
Net gains (losses) from fair value adjustments on investment property		323	275	-	-
Net changes in fair value of financial assets at fair value through profit or loss	10.1	272	7,055	272	5,575
Gain on the split-off	9	89,358	-	67,400	-
Changes in inventories of finished goods and work in progress		303	(114)	-	-
Raw materials and consumables used		(13,386)	(11,473)	(29)	(12)
Changes in residential real estate		(1,967)	(4,725)	-	-
Employee benefits expenses		(13,175)	(12,123)	(1,397)	(1,402)
Impairment, write-down and provisions		206	876	(12)	1,079
Premises rent and utilities		(7,135)	(7,042)	(91)	(87)
Depreciation and amortisation		(2,178)	(2,148)	(26)	(41)
Repair and maintenance cost of premises		(2,613)	(2,437)	-	-
Other expenses		(7,012)	(5,490)	(584)	(602)
Operating profit (loss)		91,115	12,006	69,332	38,352
Finance costs		(1,099)	(2,629)	(182)	(776)
Share of profit (loss) of associates and joint ventures		3,638	5,712	-	-
Profit (loss) before income tax		93,654	15,089	69,150	37,576
Income tax credit (expenses)	7	(139)	(996)	(323)	(1,407)
Profit (loss) for the period from continuing operations		93,515	14,093	68,827	36,169
Discontinued operation					
Profit/(Loss) after tax for the period from discontinued operation	9	3,962	10,857	-	-
PROFIT (LOSS) FOR THE PERIOD		97,477	24,950	68,827	36,169
Attributable to:					
Equity holders of the parent		96,445	22,137	68,827	36,169
Non-controlling interests		1,032	2,813	-	-
		97,477	24,950	68,827	36,169
Basic earnings per share (in LTL)	13	2.15	0.42	1.53	0.68
Basic earnings per share (in LTL) from continuing operations		2.08	0.27	1.53	0.66
Diluted earnings per share (in LTL)	13	2.15	0.41	1.53	0.68
Diluted earnings per share (in LTL) from continuing operations		2.08	0.27	1.53	0.66

AB INVALIDA LT

CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS
ENDED 30 JUNE 2013

(all amounts are in LTL thousand unless otherwise stated)

Interim consolidated and Company's statements of comprehensive income

	Group		Company	
	I Half Year 2013	I Half Year 2012	I Half Year 2013	I Half Year 2012
	Unaudited		Unaudited	
PROFIT (LOSS) FOR PERIOD	97,477	22,950	68,827	36,169
Continuing operation				
<i>Other comprehensive income to be reclassified to profit or loss in subsequents periods:</i>				
Net gain (loss) on available-for-sale financial assets	-	-	-	-
Reclassification adjustment for gain (loss) included in profit or loss	-	-	-	-
Income tax	-	-	-	-
	-	-	-	-
Exchange differences on translation of foreign operations	(73)	31	-	-
Net other comprehensive income to be reclassified to profit or loss in subsequents periods	(73)	-	-	-
Other comprehensive income (loss) for the period from continuing operation	(73)	31	-	-
Other comprehensive income (loss) for the period, net of tax	(73)	31	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	97,404	24,981	68,827	36,169
Attributable to:				
Equity holders of the parent	96,387	22,162	68,827	36,169
Non-controlling interests	1,017	2,819	-	-

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CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013

(all amounts are in LTL thousand unless otherwise stated)

Interim consolidated and Company's income statements

	Group		Company	
	2 st Quarter 2013	2 st Quarter 2012	2 st Quarter 2013	2 st Quarter 2012
	Unaudited		Unaudited	
Continuing operations				
Revenue				
Residential real estate revenue	366	991	-	-
Rent and other real estate revenue	5,579	6,190	-	-
Information technology revenue	10,389	8,086	-	-
Facility management	3,345	2,696	-	-
Other production and services revenue	2,860	3,755	-	-
Total revenue	22,539	27,718	-	-
Other income	474	981	1,980	31,691
Net gains (losses) on disposal of subsidiaries, associates and joint ventures	1,333	(755)	(517)	(754)
Net gains (losses) from fair value adjustments on investment property	199	226	-	-
Net changes in fair value of financial assets at fair value through profit or loss	1,301	(7,203)	1,301	(6,570)
Gain on the split-off	89,358	-	67,400	-
Changes in inventories of finished goods and work in progress	302	(30)	-	-
Raw materials and consumables used	(7,456)	(6,166)	(19)	(6)
Changes in residential real estate	(267)	(726)	-	-
Employee benefits expenses	(6,657)	(6,117)	(623)	(470)
Impairment, write-down and provisions	48	751	416	753
Premises rent and utilities	(2,811)	(2,967)	(43)	(41)
Depreciation and amortisation	(1,079)	(1,068)	(12)	(21)
Repair and maintenance cost of premises	(1,563)	(1,268)	-	-
Other expenses	(3,844)	(3,108)	(253)	(270)
Operating profit (loss)	91,877	(5,732)	69,630	24,312
Finance costs	(588)	(757)	(117)	(4)
Share of profit (loss) of associates and joint ventures	4,097	5,089	-	-
Profit (loss) before income tax	95,386	(1,400)	69,513	24,308
Income tax credit (expenses)	(105)	1,201	(304)	855
Profit (loss) for the period from continuing operations	95,281	(199)	69,209	25,163
Discontinued operation				
Profit/(Loss) after tax for the period from discontinued operation	777	4,738	-	-
PROFIT (LOSS) FOR THE PERIOD	96,058	4,539	69,209	25,163
Attributable to:				
Equity holders of the parent	95,929	3,321	69,209	25,163
Non-controlling interests	129	1,218	-	-
	96,058	4,539	69,209	25,163
Basic earnings per share (in LTL)	2.14	0.05	1.54	0.47
Basic earnings (deficit) per share (in LTL) from continuing operations	2.12	(0.01)	1.54	0.46
Diluted earnings per share (in LTL)	2.14	0.07	1.54	0.47
Diluted earnings (deficit) per share (in LTL) from continuing operations	2.12	(0.01)	1.54	0.46

AB INVALIDA LT

CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS
ENDED 30 JUNE 2013

(all amounts are in LTL thousand unless otherwise stated)

Interim consolidated and Company's statements of comprehensive income

	Group		Company	
	2 st Quarter 2013	2 st Quarter 2012	2 st Quarter 2013	2 st Quarter 2012
	Unaudited		Unaudited	
PROFIT (LOSS) FOR PERIOD	96,058	4,539	69,209	25,163
Continuing operation				
<i>Other comprehensive income to be reclassified to profit or loss in subsequents periods:</i>				
Net gain (loss) on available-for-sale financial assets	-	-	-	-
Reclassification adjustment for gain (loss) included in profit or loss	-	-	-	-
Income tax	-	-	-	-
	-	-	-	-
Exchange differences on translation of foreign operations	(91)	6	-	-
Net other comprehensive income to be reclassified to profit or loss in subsequents periods	(91)	6	-	-
Other comprehensive income (loss) for the period from continuing operation	(91)	6	-	-
Other comprehensive income (loss) for the period, net of tax	(91)	6	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	95,967	4,545	69,209	25,163
Attributable to:				
Equity holders of the parent	95,857	3,326	69,209	25,163
Non-controlling interests	110	1,219	-	-

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CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013

(all amounts are in LTL thousand unless otherwise stated)

Interim consolidated and Company's statements of financial position

	Group		Company	
	As at 30 June 2013	As at 31 December 2012	As at 30 June 2013	As at 31 December 2012
	Unaudited	Audited	Unaudited	Audited
ASSETS				
Non-current assets				
Property, plant and equipment	5,783	47,471	41	127
Investment properties	167,585	225,587	-	-
Intangible assets	9,586	11,390	38	13
Investments into subsidiaries	8 -	-	58,799	98,119
Investments into associates and joint ventures	8 90,449	48,799	13,038	685
Investments available-for-sale	1,705	2,859	1,705	1,817
Loans granted	16,342	-	56,674	82,862
Trade and other receivables long term	3,106	5,156	2,405	-
Other non-current assets	2,848	2,848	-	-
Deferred income tax asset	9,979	19,624	9,284	17,401
Total non-current assets	307,383	363,734	141,984	201,024
Current assets				
Inventories	3,750	39,564	5	-
Trade and other receivables	21,343	35,833	820	273
Current loans granted	9,841	31,730	18,413	104,193
Prepaid income tax	213	1,521	10	3
Prepayments and deferred charges	916	3,441	45	155
Financial assets at fair value through profit loss	14 3,888	32,974	-	32,974
Deposits and financial assets held to maturity	5 -	21,418	3,888	41
Restricted cash	12 34,523	3,602	29,733	-
Cash and cash equivalents	5 1,993	56,092	278	33,530
Total current assets	76,467	226,175	53,192	171,169
Total assets	383,850	589,909	195,176	372,193

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CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS
ENDED 30 JUNE 2013

(all amounts are in LTL thousand unless otherwise stated)

Consolidated and Company's statements of financial position (cont'd)

	Group		Company		
	As at 30 June 2013	As at 31 December 2012	As at 30 June 2013	As at 31 December 2012	
	Unaudited	Audited	Unaudited	Audited	
EQUITY AND LIABILITIES					
Equity					
Equity attributable to equity holders of the parent					
Share capital	9, 11	24,834	51,802	24,834	51,802
Own shares	9	-	-	-	-
Share premium	9	33,139	60,747	33,139	60,747
Reserves	9	97,330	241,523	95,685	220,967
Retained earnings		72,128	38,883	15,587	27,045
		227,431	392,955	169,245	360,561
Non-controlling interests		556	23,241	-	-
Total equity		227,987	416,196	169,245	360,561
Liabilities					
Non-current liabilities					
Non-current borrowings		97,684	98,737	-	-
Financial lease liabilities		197	423	-	-
Government grants		92	152	-	-
Provisions		-	396	-	-
Deferred income tax liability		13,702	15,116	-	-
Other non-current liabilities		2,687	4,831	-	-
Total non-current liabilities		114,362	119,655	-	-
Current liabilities					
Current portion of non-current borrowings		2,781	6,071	-	-
Current portion of financial lease liabilities		43	206	-	-
Current borrowings	12	20,460	549	24,007	9,125
Trade payables		9,257	28,373	293	55
Income tax payable		149	114	-	-
Provisions		-	227	-	-
Advances received		2,073	4,272	-	-
Other current liabilities	15	6,738	14,246	1,631	2,452
Total current liabilities		41,501	54,058	25,931	11,632
Total liabilities		155,863	173,713	25,931	11,632
Total equity and liabilities		383,850	589,909	195,176	372,193

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CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013

(all amounts are in LTL thousand unless otherwise stated)

Consolidated and Company's statements of changes in equity

Group	Equity attributable to equity holders of the parent									
	Reserves						Retained earnings (accumulated deficit)	Subtotal	Non-controlling interests	Total equity
	Share capital	Own shares	Share premium	Fair value reserves	Legal and other reserves	Own share reserve				
Balance as at 31 December 2012 (audited)	51,802	-	60,747	-	241,489	34	38,883	392,955	23,241	416,196
Net (loss) for the I half year of 2013	-	-	-	-	-	-	96,445	96,445	1,032	97,477
Other comprehensive income (loss) for the I half year of 2013	-	-	-	-	-	(58)	-	(58)	(15)	(73)
Total comprehensive income (loss) for the I half year of 2013	-	-	-	-	-	(58)	96,445	96,387	1,017	97,404
Share of movements in equity of associates	-	-	-	-	-	-	414	414	-	414
Share based payments	-	-	-	-	-	-	-	-	79	79
Dividends of subsidiaries	-	-	-	-	-	-	-	-	(311)	(311)
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	1	1
Changes in reserves	-	-	-	-	23	-	(23)	-	-	-
Own shares buy back	9	(51,845)	-	-	-	-	-	(51,845)	-	(51,845)
Minority of subsidiaries acquired	-	-	-	-	-	-	(4)	(4)	(196)	(200)
Decrease of share capital	9	(6,279)	51,845	-	(45,566)	-	-	-	-	-
Changes due to split-off	9	(20,689)	-	(27,608)	(98,592)	-	(63,587)	(210,476)	(23,275)	(233,751)
Balance as at 30 June 2013 (unaudited)	24,834	-	33,139	-	97,354	(24)	72,128	227,431	556	227,987

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CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013

(all amounts are in LTL thousand unless otherwise stated)

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

Group	Equity attributable to equity holders of the parent									
	Share capital	Own shares	Share premium	Fair value reserves	Reserves			Subtotal	Non-controlling interests	Total equity
					Legal and other reserves	Foreign currency translation reserve	Retained earnings (accumulated deficit)			
Balance as at 31 December 2011 (audited)	51,660	-	34,205	-	20,299	-	280,046	386,210	29,151	415,361
Net (loss) for the I half year of 2012	-	-	-	-	-	-	22,137	22,137	2,813	24,950
Income and expenses for the year recognised directly in equity	-	-	-	-	-	25	-	25	6	31
Total comprehensive income for the I half year of 2012	-	-	-	-	-	25	22,137	22,162	2,819	24,981
Share of movements in equity of associates	-	-	-	-	-	-	38	38	-	38
Share based payments	-	-	-	-	-	-	-	-	121	121
Dividends of subsidiaries	-	-	-	-	-	-	-	-	(10,828)	(10,828)
Changes in reserves	-	-	-	-	274,991	-	(274,991)	-	-	-
Increase of share capital	11	5,898	26,542	-	-	-	6,098	38,538	-	38,538
Own shares buy back	-	(59,659)	-	-	-	-	-	(59,659)	-	(59,659)
Minority of subsidiaries acquired	-	-	-	-	-	-	2,309	2,309	(2,309)	-
Balance as at 30 June 2012 (unaudited)	57,558	(59,659)	60,747	-	295,290	25	35,637	389,598	18,954	408,552

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

Company	Reserves						Retained earnings (accumulated deficit)	Total
	Share capital	Own shares	Share premium	Legal reserve	Reserve of purchase of own shares			
Balance as at 31 December 2012 (audited)	51,802	-	60,747	5,756	215,211	27,045	360,561	
Profit (loss) for the I half year of 2013	-	-	-	-	-	68,827	68,827	
Own shares buy back	9	(51,845)	-	-	-	-	(51,845)	
Cancellation of own shares bought back	9	(6,279)	51,845	-	-	(45,566)	-	
Split-off	9	(20,689)	-	(27,608)	(2,616)	(77,100)	(80,285)	
Balance as at 30 June 2013 (unaudited)	24,834	-	33,139	3,140	92,545	15,587	169,245	

Company	Reserves						Retained earnings (accumulated deficit)	Total
	Share capital	Own shares	Share premium	Legal reserve	Reserve of purchase of own shares			
Balance as at 31 December 2011 (audited)	51,660	-	34,205	-	-	274,870	360,735	
Profit (loss) for the I half year of 2013	-	-	-	-	-	36,169	36,169	
Changes in reserves	-	-	-	5,756	269,114	(274,870)	-	
Increase of share capital	5,898	-	26,542	-	-	6,098	38,538	
Own shares buy back	-	(59,659)	-	-	-	-	(59,659)	
Balance as at 30 June 2012 (unaudited)	57,558	(59,659)	60,747	5,756	269,114	42,267	375,783	

Consolidated and Company's statements of cash flows

	Group		Company	
	I Half Year 2013	I Half Year 2012	I Half Year 2013	I Half Year 2012
	Unaudited	Unaudited	Unaudited	Unaudited
Cash flows from (to) operating activities				
Net profit (loss) for the period	97,477	24,950	68,827	36,169
Adjustments for non-cash items and non-operating activities:				
Valuation (gain) loss, net	(323)	(275)	-	-
Depreciation and amortization	4,207	5,058	26	41
(Gain) loss on disposal of property, plant and equipment	20	(21)	-	-
Realized and unrealized loss (gain) on investments	(272)	(7,055)	(272)	(5,575)
(Gain) loss on disposal of subsidiaries and associates	(1,333)	(1,282)	517	1,052
Gain on the split-off	(89,358)	-	(67,400)	-
Share of net loss (profit) of associates and joint ventures	(3,638)	(5,712)	-	-
Interest (income)	(904)	(2,247)	(4,232)	(6,218)
Interest expenses	1,024	2,545	182	776
Deferred taxes	(61)	1,724	319	1,404
Current income tax expenses	550	1,247	4	3
Allowances	(177)	(935)	13	(1,079)
Change in provisions	(29)	(12)	-	-
Share based payment	79	121	-	-
Dividend (income)	(71)	(18)	(71)	(28,674)
Loss (gain) from other financial activities	(15)	124	(24)	124
	7,176	18,212	(2,111)	(1,977)
Changes in working capital:				
(Increase) decrease in inventories	(2,339)	4,735	(5)	-
Decrease (increase) in trade and other receivables	(5,548)	(3,239)	(2,942)	-
Decrease (increase) in other current assets	(192)	(309)	28	14
(Decrease) increase in trade payables	632	(6,582)	32	(548)
(Decrease) increase in other current liabilities				
	608	(1,770)	(24)	(503)
Cash flows (to) from operating activities	337	11,047	(5,022)	(3,014)
Income tax (paid)	214	(218)	(4)	-
Net cash flows (to) from operating activities	551	10,829	5,026	(3,014)

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Consolidated and Company's statements of cash flows (cont'd)

	Group		Company	
	I Half Year 2013	I Half Year 2012	I Half Year 2013	I Half Year 2012
Cash flows from (to) investing activities	Unaudited	Unaudited	Unaudited	Unaudited
(Acquisition) of tangible non-current assets (except investment properties)	(5,850)	(5,662)	(73)	(16)
Proceeds from sale of non-current assets (except investment properties)	25	109	-	-
(Acquisition) of investment properties	(927)	(2,171)	-	-
Proceeds from sale of investment properties	1,338	575	-	-
(Acquisition) and establishment of subsidiaries, net of cash acquired	(5)	-	-	-
Proceeds from sales of subsidiaries, net of cash disposed	(64)	-	74	-
(Acquisition) of associates and joint ventures	-	-	-	-
Proceeds from sales of associates and joint ventures	8	3,745	-	3,745
Cash of the subsidiaries left the Group in the split-off	(23,402)	-	-	-
Loans (granted)	(9,113)	(137)	(15,628)	(23,624)
Repayment of granted loans	30,751	40,596	38,124	50,347
Transfer to/from term deposits	13,482	85,673	-	48,339
(Acquisition) of and proceeds from sales held to maturity investments	-	(5,964)	-	(5,964)
Dividends received	60	15	60	28,049
Interest received	861	3,178	1,987	6,319
(Acquisition) of and proceeds from sales of held-for-trade and available-for-sale investments	20,691	4,625	20,691	2,937
Net cash flows (to) investing activities	27,847	124,582	45,235	110,132
Cash flows from (to) financing activities				
Cash flows related to Group owners				
(Acquisition) of non-controlling interests	(200)	-	-	(155)
(Acquisition) of own shares	(51,845)	(59,659)	(51,845)	(59,659)
Payment according to terms of split-off	(12,996)	-	(12,996)	-
Dividends (paid) to equity holders of the parent	(530)	(48)	(530)	(48)
Dividends (paid) to non-controlling interests	(311)	(9,766)	-	-
	(65,882)	(69,473)	(65,371)	(59,862)
Cash flows related to other sources of financing				
Proceeds from loans	18,814	3,398	23,410	-
(Repayment) of loans	(3,381)	(20,361)	(1,554)	(6)
Interest (paid)	(1,011)	(1,811)	(237)	-
Financial lease (payments)	(140)	(185)	-	-
Transfer (to)/from restricted cash	(30,921)	(387)	(29,733)	-
	(16,639)	(19,346)	(8,114)	(6)
Net cash flows (to) from financial activities	(82,521)	(88,819)	(73,485)	(59,868)
Impact of currency exchange on cash and cash equivalents	24	(109)	24	(124)
Net (decrease) increase in cash and cash equivalents	(54,099)	46,483	(33,252)	47,126
Cash and cash equivalents at the beginning of the period	5	56,092	21,346	33,530
Cash and cash equivalents at the end of the period	5	1,993	67,829	278

(the end)

Notes to the interim condensed financial statements

1 General information

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

Šeimyniškių str. 1A,
Vilnius,
Lithuania.

AB Invalda LT is incorporated and domiciled in Lithuania. AB Invalda LT is one of the major Lithuanian investment companies whose primary objective is to steadily increase investor equity value. For the purpose of achieving this objective the Company actively manages its investments, exercising control or significant influence over target businesses. The Company gives the priority to furniture manufacturing, real estate, agriculture, IT infrastructure and facilities management segments.

In respect of each business the Company defines its performance objectives, sets up the management team, participates in the development of the business strategy and monitors its implementation. AB Invalda LT plays an active role in making the decisions on strategic and other important issues that have an effect on the value of the Group companies.

The Company's shares are traded on the Baltic Main List of NASDAQ OMX Vilnius.

2 Basis of preparation and accounting policies

Basis of preparation

The interim condensed financial statements for the six months ended 30 June 2013 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 2012.

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 2012, except adoption of new Standards and Interpretations as of 1 January 2013, noted below.

Amendments to IAS 1 Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income

The amendments change the disclosure of items presented in other comprehensive income. It requires entities to separate items presented in other comprehensive income into two groups, based on whether or not they may be reclassified to profit or loss in the future. The suggested title used by IAS 1 has changed to 'statement of profit or loss and other comprehensive income'. The amended standard changes presentation of Group's financial statements, but has no impact on the Group's financial position or performance.

IAS 19 Employee Benefits (Amendment)

The amendment makes significant changes to the recognition and measurement of defined benefit pension expense and termination benefits, and to the disclosures for all employee benefits. The standard requires recognition of all changes in the net defined benefit liability (asset) when they occur, as follows: (i) service cost and net interest in profit or loss; and (ii) remeasurements in other comprehensive income. The Group has to recognise all actuarial gains and losses in other comprehensive income, not in the profit or loss as currently, and to present service cost and net interest in separate line in the income statement. The amendment has no impact in the Group's financial statements for the three months ended 30 June of 2013.

2 Basis of preparation and accounting policies

Amendments to IAS 12 Deferred Tax: Recovery of Underlying Assets

The amendment introduced a rebuttable presumption that an investment property carried at fair value is recovered entirely through sale. This presumption is rebutted if the investment property is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. SIC-21, Income Taxes – Recovery of Revalued Non-Depreciable Assets, which addresses similar issues involving non-depreciable assets measured using the revaluation model in IAS 16, Property, Plant and Equipment, was incorporated into IAS 12 after excluding from its scope investment properties measured at fair value. The amendment has no impact in the Group's financial statements for the three months ended 30 June of 2013.

IFRS 13 Fair value measurement

IFRS 13 aims to improve consistency and reduce complexity by providing a revised definition of fair value, and a single source of fair value measurement and disclosure requirements for use across IFRSs. The amendment has no impact in the Group's financial statements for the three months ended 30 June of 2013.

Amendments to IFRS 7 Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities

The amendment requires disclosures that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off. The amendment will have an impact on disclosures but will have no effect on measurement and recognition of financial instruments. The amendment has no impact in the Group's financial statements for the three months ended 30 June of 2013.

Improvements to IFRS (issued in May 2012)

The improvements consist of changes to five standards.

- IFRS 1 *First-time adoption of International Financial Reporting Standards* was amended to (i) clarify that an entity that resumes preparing its IFRS financial statements may either repeatedly apply IFRS 1 or apply all IFRSs retrospectively as if it had never stopped applying them, and (ii) to add an exemption from applying IAS 23, *Borrowing costs*, retrospectively by first-time adopters.
- IAS 1 *Presentation of Financial Statements* was amended to clarify that explanatory notes are not required to support the third balance sheet presented at the beginning of the preceding period when it is provided because it was materially impacted by a retrospective restatement, changes in accounting policies or reclassifications for presentation purposes, while explanatory notes will be required when an entity voluntarily decides to provide additional comparative statements.
- IAS 16 *Property, Plant and Equipment* was amended to clarify that servicing equipment that is used for more than one period is classified as property, plant and equipment rather than inventory.
- IAS 32 *Financial Instruments: Presentation* was amended to clarify that certain tax consequences of distributions to owners should be accounted for in the income statement as was always required by IAS 12.
- IAS 34 *Interim Financial Reporting* was amended to bring its requirements in line with IFRS 8. IAS 34 will require disclosure of a measure of total assets and liabilities for an operating segment only if such information is regularly provided to chief operating decision maker and there has been a material change in those measures since the last annual financial statements.

As a result of the amendment, the Group now also includes disclosure of total segment liabilities.

3 Seasonality of operations and other recurring discrepancies in quarters

Historically information technology segment earned a bigger revenue and operational profit in the 4th quarter. The agriculture segment earned a bigger operational profit in the 2nd and 3rd quarter. The investment properties usually are revaluated in the Group at the end of financial year.

4 Segment information

The Board of Directors monitors the operating results of its business units of the Group separately for the purpose of making decisions about resource allocations and performance assessment. Segment performance is evaluated based on net profit or loss and it is measured on the same basis as net profit or loss in the financial statements. Group financing (including finance costs and finance revenue) and income taxes are allocated between segments as they are identified on basis of separate legal entities. Consolidation adjustments and eliminations are not allocated on a segment basis. Segment assets are measured in a manner consistent with that of the financial statements. All assets are allocated between segments, because segments are identified on basis of separate legal entities.

For management purposes, the Group is organised into following operating segments based on their products and services:

Furniture production

The furniture segment includes flat-pack furniture mass production and sale. Due to split-off of the Company the subsidiary operating in this segment became an associate of the Group.

Real estate

The real estate segment is involved in investment in commercial real estate and agricultural land. The subsidiaries which activities have been management and administration, intermediation in buying, selling and valuation of real estate, and in the geodesic measurement of land were transferred from the Group due to the split-off of the Company.

Agriculture

Agricultural activities include the primary crop and livestock (milk) production, grain processing and agricultural services. The segment's companies sell plant protection products, fertilizers, seeds, compound feed, feed supplements, veterinary products, buying grain, providing grain and other raw materials drying, cleaning, handling and storage services.

Information technology infrastructure

The information technology infrastructure segment is involved in offering IT infrastructure strategy, security and maintenance solutions, supplies of all hardware and software needed for IT infrastructure solutions of any size and in the development and implementation of software for government register systems, including consultation.

Facilities management

The facilities management segment is involved in facilities management of dwelling-houses, commercial and public real estate properties, as well as construction management.

Other production and service segments

The other production and service segment is involved in, road signs production, wood manufacturing. The entity which activities are growing and trading of ornamental trees and shrubs was transferred from the Group according to the terms of the split-off of the Company. The Group also presents investment, financing and management activities of the holding company in this segment, as these are not analysed separately by the Board of Directors.

Segment revenue, segment expense and segment result include transfers between business segments. Those transfers are eliminated in column 'Inter-segment transactions and consolidation adjustments'. Capital expenditure consists of additions of property, plant and equipment, intangible assets and investment properties including assets from the acquisition of subsidiaries.

The granted loans from the Company are allocated to other production and services segment. The impairment losses for these loans are allocated to a segment to which the loans are granted initially.

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(all amounts are in LTL thousand unless otherwise stated)

4 Segment information (cont'd)

The following table present revenues and profit information regarding the Group's business segments for the 6 months ended 30 June 2013:

6 months ended 30 June 2013	Furniture production	Real estate	Agriculture	Information technology	Facility management	Other production and service	Inter-segment transactions and consolidation adjustments	Total continuing operations
Revenue								
Sales to external customers	-	14,942	-	19,034	6,341	5,318	-	45,635
Inter-segment sales	-	433	-	67	478	-	(868)	110
Total revenue	-	15,375	-	19,101	6,819	5,318	(868)	45,745
Results								
Other income	-	172	-	-	19	3,535	(2,686)	1,040
Net losses from fair value adjustment on investment property	-	323	-	-	-	-	-	323
Net gain (losses) on disposal of subsidiaries, associates and joint ventures	-	-	-	-	1,333*	-	-	1,333
Gain on the split-off	-	-	-	-	-	89,358	-	89,358
Net changes in fair value on financial assets	-	-	-	-	-	272	-	272
Segment expenses	-	(16,762)	-	(19,731)	(7,184)	(8,138)	3,554	(48,261)
Impairment, write-down and provision	-	153	-	-	30	23	-	206
Share of profit (loss) of the associates and joint ventures	(204)	(95)	3,982	-	-	(45)	-	3,638
Profit (loss) before income tax	(204)	(834)	3,982	(630)	1,017	90,323	-	93,654
Income tax	-	99	-	28	(139)	(127)	-	(139)
Discontinued operation**	3,962	-	-	-	-	-	-	3,962
Net profit (loss) for the period	3,758	(735)	3,982	(602)	878	90,196	-	97,477
Attributable to:								
Equity holders of the parent	2,654	(735)	3,982	(531)	878	90,197	-	96,445
Non-controlling interests	1,104	-	-	(71)	-	(1)	-	1,032

*The Group sold a dormant company UAB Cmanagement for the LTL 1. Since the equity was negative, the Group earned a profit. Without this one-time transaction the facility management segment would have suffered a loss of LTL 455 thousand.

** AB Vilnius Baldai became an associate of the Group due to the split-off of the Company. According to IFRS 5 the results of the subsidiary until the split-off are presented as discontinued operations as a single amount.

AB INVALIDA LT
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(all amounts are in LTL thousand unless otherwise stated)

4 Segment information (cont'd)

The following table present revenues and profit information regarding the Group's business segments for the 6 months ended 30 June 2012:

6 months ended 30 June 2012	Furniture production	Real estate	Agriculture	Information technology	Facility management	Other production and service	Inter-segment transactions and consolidation adjustments	Total continuing operations
Revenue								
Sales to external customers	-	19,236	-	15,136	5,186	6,027	-	45,858
Inter-segment sales	-	622	-	107	795	3	(1,257)	270
Total revenue	-	19,858	-	15,243	5,981	6,030	(1,257)	45,855
Results								
Other income	-	56	-	159	223	6,115	(4,338)	2,215
Net losses from fair value adjustment on investment property	-	275	-	-	-	-	-	275
Net gain (losses) on disposal of subsidiaries, associates and joint ventures	-	(755)	-	-	-	2,037	-	1,282
Net changes in fair value on financial assets	-	-	-	-	-	7,055	-	7,055
Segment expenses	-	(20,649)	-	(16,773)	(6,442)	(9,912)	5,595	(48,181)
Impairment, write-down and provision	-	802	-	-	12	62	-	876
Share of profit (loss) of the associates and joint ventures	-	(124)	5,806	-	-	30	-	5,712
Profit (loss) before income tax	-	(537)	-	(1,371)	(226)	11,417	-	15,089
Income tax	-	248	5,806	83	33	(1,360)	-	(996)
Discontinued operation	10,857	-	-	-	-	-	-	10,857
Net profit (loss) for the period	10,857	(289)	5,806	(1,288)	(193)	10,057	-	24,950
Attributable to:								
Equity holders of the parent	7,832	(288)	5,806	(1,056)	(193)	10,036	-	22,137
Non-controlling interests	3,025	(1)	-	(232)	-	21	-	2,813

The following table represents segment assets of the Group operating segments as at 30 June 2013 and 31 December 2012:

Segment assets	Furniture production	Real estate	Agriculture	Informatio n technology	Facility management	Other production and service	Elimi- nation	Total continuing operations
At 30 June 2013	78,310	182,936	12,139	27,251	9,482	122,387	(48,655)	383,850
At 31 December 2012	98,504	275,954	48,114	27,236	9,853	249,236	(118,988)	589,909

The following table represents segment liabilities of the Group operating segments as at 30 June 2013 and 31 December 2012:

Segment liabilities	Furniture production	Real estate	Agriculture	Informatio n technology	Facility management	Other production and service	Elimi- nation	Total continuing operations
At 30 June 2013	-	142,676	-	26,574	6,510	28,758	(48,655)	155,863
At 31 December 2012	26,495	219,277	-	25,453	7,654	13,822	(118,988)	173,713

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(all amounts are in LTL thousand unless otherwise stated)

5 Cash and cash equivalents

	Group		Company	
	As at 30 June 2013	As at 31 December 2012	As at 30 June 2013	As at 31 December 2012
Cash at bank	1,740	32,194	278	9,719
Cash in hand	53	15	-	-
Cash in transit	200	72	-	-
Term deposits with the maturity up to 3 months	-	23,811	-	23,811
	<u>1,993</u>	<u>56,092</u>	<u>278</u>	<u>33,530</u>

On 30 June 2013, the Group and the Company have placed also with the banks term deposits with the maturity more than 3 months.

	Group	Company
Deposit's certificate of AB bankas Snoras	10,910	10,910
Accumulated interest of term deposits	55	55
Less allowance for impairment as consequence of AB bankas Snoras insolvency	<u>(10,965)</u>	<u>(10,965)</u>
	<u>-</u>	<u>-</u>

As at 31 December 2012, the Group and the Company have placed term deposits at banks with the maturity of more than 3 months.

	Group	Company
Deposits with the maturity between 3 and 6 months	9,020	-
Deposits with the maturity more than 6 months	12,316	-
Deposit's certificate of AB Bankas Snoras	20,000	20,000
Accumulated interest	182	141
Less allowance for impairment as consequence of AB Bankas Snoras insolvency	<u>(20,100)</u>	<u>(20,100)</u>
	<u>21,418</u>	<u>41</u>

6 Dividends

In 2012 and 2011 dividends were not declared.

7 Income tax

	Group		Company	
	I Half Year 2013	I Half Year 2012	I Half Year 2013	I Half Year 2012
Components of income tax expense				
Current income tax charge	(225)	(331)	(4)	(3)
Prior year current income tax correction	-	42	-	-
Deferred income tax income (expense)	<u>86</u>	<u>(707)</u>	<u>(319)</u>	<u>(1,404)</u>
Income tax (expenses) income charged to the income statement	<u>(139)</u>	<u>(996)</u>	<u>(323)</u>	<u>(1,407)</u>

AB INVALIDA LT

INTERIM CONSOLIDATED AND COMPANY'S CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013

(all amounts are in LTL thousand unless otherwise stated)

8 Investment into subsidiaries and associates

During the 1st Quarter of 2013 the subsidiaries, which invest in agricultural land, and two subsidiaries, which hold investments, were split-off as preparing of the Company's split-off. Therefore, the Group now has these subsidiaries UAB Kvietnešys, UAB Kvietukas, UAB Laukaitis, UAB Lauknešys, UAB Vasarojus, UAB Žiemkentys, UAB Žiemgula, UAB Žemėja, UAB Žemgalė, UAB Deltuvis, UAB Justum.

In January 2013 the Group acquired 5.27 % of the shares of AB NRD for LTL 200 thousand. The value of the additional interest acquired was LTL 196 thousand. The negative difference equal to LTL 4 thousand between the consideration and the value of the interest acquired has been recognised directly to the shareholders equity

In April 2013 the Group acquired 70% of the shares of 360° Smart Consulting Ltd for LTL 12 thousand to implement the projects of the information technology segment in Tanzania as resident. Later the entity changed its name to Norway Registers Development East Africa Limited. The net assets of the entity was insignificant, the non-controlling interest was increased by LTL 1 thousand due to the acquisition.

On 31 May 2013 the split-off of AB Invalda was completed, due to this the Group have changed significantly. The split-off is described in detail in note 9.

In May 2013 the 100% of the shares of UAB Cmanagement was sold for the LTL 1. The Company suffered loss of LTL 367 thousand on the sale of the shares, because there was recognised impairment of LTL 367 thousand for this investment in previous years, therefore, the impairment was reversed and overall impact on profit or loss of the Company was equal to nil. The Group had earned the profit of LTL 1,333 thousand, because the equity of the subsidiary was negative. Also the liquidation of Invalda Lux S.a.r.l., which was established in Luxembourg, was completed in May. The Company recognised the loss of LTL 150 thousand in the caption "Gains (losses) on disposal of subsidiaries, associates and joint ventures", but the impairment of the same amount was reversed.

During the 1st Half of 2012 the Company and the Group has invested LTL 155 thousand to increase share capital of Invalda Lux S.a.r.l. During 1st Quarter of 2012 UAB Justiniškių Valda and UAB Justiniškių Aikštelė, which owns investment property previously owned by UAB Jurita, were separated from UAB Jurita. The new separated entities are assigned to real estate segment. The Group has established two real estate investment companies by investing by cash LTL 20 thousand: UAB Laukseja (investment in the agricultural land) and UAB Danės Gildija (project of apartments building in Klaipėda). Also investment properties with carrying value of LTL 7,970 thousand, located in Klaipėda, were invested into share capital of UAB Danės Gildija.

AB Umeqa

On 12 January 2012, the sale of 29.27% of shares of AB Umeqa according to the agreement signed on 30 November 2011 was completed. Price for the shares sold equal to LTL 3,745 thousand. The Group has earned a profit of LTL 2,037 thousand. In the Company statements, the price for the shares sold was equal to the carrying amount of the investments. In the caption "Net gains (losses) on disposal of subsidiaries, associates and joint ventures" of the Company's income statements was presented loss of LTL 298 thousand (the price of the shares was less as initial acquisition cost). Therefore, in the caption "Impairment, write-down and provisions" of the Company's income statements was presented impairment reversal of the same amount - LTL 298 thousand.

9 Split-off, discontinued operation, acquisition of own shares

On 20 November 2012 the Extraordinary General Shareholders Meeting of the Company approved drawing up of the terms of the Company's split-off and authorized the Board to prepare the terms of split-off. On 13 February 2013 the split-off terms were published to public. The Extraordinary General Shareholders Meeting approved the terms of the Company's split-off on 9 April 2013. The new name of the Company after the split-off is AB Invalda LT. The name of new established company after split-off is AB Invalda Privatus Kapitalas. In the split-off approximately 45.45 percent of the total assets, liabilities and the equity of the Company was allocated to AB Invalda Privatus Kapitalas. According to the split-off terms some assets were allocated not proportionally (in full to one or other side), some assets was allocated proportionally (investment into the furniture production and agriculture segments). The entities that invest into agricultural land were split-off in the 1st Quarter 2013 into separate legal entities (see Note 8). New entities were allocated in full to one or other side. Remaining assets were allocated under there principle that transferred assets to AB Invalda Privatus Kapitalas would constitute approximately 45.45 percent of total assets of the Company as of the day of executing of the Transfer – acceptance certificates.

During the six month ended 30 June 2013 the Company implemented two share buy-back. The first share buy-back was implemented from 19 February until 5 March through the market of official offer. Maximum number of shares to be acquired was 5,180,214. Share acquisition price established at LTL 8,287 per share. All offered shares were bought-back, the Company has paid for own shares LTL 42,950 thousand, including brokerage fees. The second share buy-back was implemented from

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(all amounts are in LTL thousand unless otherwise stated)

9 Split-off, discontinued operation, acquisition of own shares (cont'd)

10 April until 24 May through the market of official offer according to the split-off terms. The shareholders holding the shares with the nominal value of less than 1/10 of the authorized capital of the Company, except the shareholders whose rights to sell shares to the Company during the split – off were limited according to the split – off terms, had a right within 45 days after approval of the split – off terms by the general meeting of shareholders to request that their shares would be redeemed by the Company (until 24 May 2013). The number of shares acquired was 1,099,343. Share acquisition price established at LTL 8,076 per share. The company has paid for own shares LTL 8,889 thousand, including brokerage fees.

Split-off of the Company was ended on 31 May 2013.

According to the terms of the split-off 6,279,557 acquired own shares was cancelled, the reserve for the acquisition of own shares was decreased by LTL 45,566 thousand. Also according to the terms of the split-off 20,689,038 shares, which was owned by the shareholders, which received in exchange shares of AB Invalda Privatus kapitalas, was cancelled.

After above mentioned transactions the shareholders of the Company are (by votes):

	Number of votes held	Percentage
UAB LJB Investments	7.563.974	30.46%
Mrs. Irena Ona Mišeikiene	6.217.082	25.04%
UAB „Lucrum Investicija	5.601.621	22,56%
Mr. Darius Šulnis	2.219.762	8,94%
Other minor shareholders	3.231.112	13,00%
Total	<u>24.833.551</u>	<u>100,00%</u>

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(all amounts are in LTL thousand unless otherwise stated)

9 Split-off, discontinued operation, acquisition of own shares (cont'd)

Below the split-off of the balance sheet of the Company as at 31 May 2013 according to the split-off terms is presented:

	The Company before split-off	AB Invalda LT	AB Invalda Privatus Kapitalas
Non-current asset			
Property, plant and equipment	151	43	108
Intangible assets	11	11	-
Investments into subsidiaries	97,653	71,837	25,816
Investments into associates and joint ventures	631	-	631
Investments available-for-sale	1,817	1,705	112
Non-current loans granted	96,683	56,223	40,460
Trade and other receivables long term	2,405	2,405	-
Deferred income tax asset	17,107	9,308	7,799
Total non-current assets	216,458	141,532	74,926
Current asset			
Trade and other receivables	791	791	-
Current loans granted	69,893	18,834	51,059
Prepaid income tax	13	13	-
Prepayments and deferred charges	111	28	83
Financial assets at fair value through profit loss	12,647	3,852	8,795
Cash and cash equivalents	25,873	12,673	13,200
Total current assets	109,328	36,191	73,137
TOTAL ASSETS	325,786	177,723	148,063
Equity			
Share capital	45,523	24,834	20,689
Share premium	60,747	33,139	27,608
Reserves	175,401	95,685	79,716
Retained earnings	28,351	15,466	12,885
Total equity	310,022	169,124	140,898
Current liabilities			
Current borrowings	13,907	6,988	6,919
Trade payables	120	56	64
Other current liabilities	1,737	1,555	182
Total current liabilities	15,764	8,599	7,165
Total liabilities	15,764	8,599	7,165
TOTAL EQUITY AND LIABILITIES	325,786	177,723	148,063

According to IFRIC 17 the gain on the split-off has to be recognised in the profit or loss as difference between fair value and carrying amount of the transferred assets. Based on the preliminary assessment of the fair value of the transferred assets the Company was recognised gain of LTL 67,400 thousand. The main impact of the gain was resulted from the valuation of AB Vilniaus Baldai shares as 6 month average market price in the NASDAQ OMX exchange. Due to assessment of shares of AB Vilniaus Baldai the Company recognised gain of LTL 59,094 thousand. Another part of the gain was related with transfer of the entities, investing in the agricultural land, and entity, through which was invested in UAB Litagra.

AB INVALIDA LT**INTERIM CONSOLIDATED AND COMPANY'S CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013**

(all amounts are in LTL thousand unless otherwise stated)

9 Split-off, discontinued operation, acquisition of own shares (cont'd)

The assets and liabilities of the Group entities and of the Company transferred from the Group according to the terms of the split-off and recognised in the statement of financial position are follows (inter-group balances are eliminated):

	<u>Carrying amount at the transfer date</u>
Intangible assets	1,013
Investment properties	57,914
Property, plant and equipment	44,071
Investment into associates and joint ventures	24,126
Investments available-for-sale	1,154
Deferred income tax assets	9,749
Inventories	38,075
Trade and other receivables	21,386
Loans granted	936
Prepaid income tax	1,445
Prepayments and deferred charges	2,642
Financial assets at fair value through profit loss	8,795
Term deposits	7,958
Cash and cash equivalents	36,602
Total assets	255,866
Deferred income tax liability	(1,506)
Borrowings	(1,438)
Trade payables	(19,824)
Income tax payable	(78)
Advance received	(2,392)
Other liabilities	(9,596)
Total liabilities	(34,834)
Total net assets	221,032

The Group has recognised gain on the split-off of LTL 89,358 thousand, from which gain on loss of control of AB Vilniaus Baldai was LTL 89,123 thousand. The calculation of it is presented below:

The fair value of transferred shares of AB Vilniaus Baldai	65,411)
The carrying amount of transferred part of the net assets	24,906
Gain on the transferred shares	40,505
Fair value of retained shares of AB Vilniaus Baldai	78,514
The carrying amount of retained part of the net assets	29,896
Gain on remeasuring remaining interest to fair value	48,618
Gain total	89,123

AB Vilniaus Baldai became an associate, which deemed acquisition cost in the Group is equal to the fair value of retained shares of AB Vilniaus Baldai (LTL 78,514 thousand). On the basis of preliminary assessment the fair value of retained part of identifiable net assets is LTL 55,819 thousand. In the carrying amount of associates is recognised goodwill of LTL 22,695 thousand. After split-off the Group has owned 39.35 percent of AB Vilniaus Baldai shares.

AB INVALDA LT**INTERIM CONSOLIDATED AND COMPANY'S CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013**

(all amounts are in LTL thousand unless otherwise stated)

Due to split-off the Group transferred 16.76 percent of UAB Litagra shares. On the basis of the preliminary assessment, the fair value of UAB Litagra is equal to its carrying amount, therefore, any gain was not recognised in profit or loss of the Group. The Group has also transferred these entities: UAB Dizaino institutas, UAB IBC logistika, UAB Minijos valda, UAB Riešės investicija, UAB Naujoji švara, UAB Ineturas, UAB Elniakampio namai, UAB projektavimo firma Saistas, UAB BNN, UAB Trakų kelias, UAB Inreal valdymas, UAB Inreal, UAB Inreal GEO, UAB Aikstentis. UAB Ente, UAB Justum, UAB Kvietnešys, UAB Šimtamargis, UAB Žemvesta, UAB Deltuvis, UAB Investicijų tinklas, UAB Fortina, UAB Via solutions, AB Invetex, UAB Agrobītē, UAB Lauko gēlininkystēs bandymų stotis, UAB Žemēpatis, UAB IŽB 1, UAB Lauksēja, UAB Žiemgula, UAB Žemēja, UAB Kopų vētrungēs, UAB Danēs gildija, UAB Justiniškių valda, UAB Justiniškių aikštelē.

Since due to the split –off was loss of control of AB Vilniaus Baldai, therefore according to IFRS 5, the results of this subsidiary is presented as discontinued operations. Below is presented detailed profit or loss caption of discontinued operation:

	Group	
	I Half Year 2013	I Half Year 2012
Sales revenue	56,285	115,128
Other income	631	569
Changes in inventories of finished goods, work in progress and residential real estate	(143)	(863)
Raw materials and consumables	(36,457)	(75,405)
Employee benefits expenses	(7,912)	(14,746)
Impairment, write-down and provisions	-	71
Premises rent and utilities	(1,757)	(2,378)
Depreciation and amortization	(2,029)	(2,911)
Repairs and maintenance cost of premises	(1,912)	(2,756)
Other expenses	(2,390)	(3,860)
Operating profit (loss)	4,316	12,849
Finance cost	(3)	(18)
Profit (loss) before income tax	4,313	12,831
Income tax credit (expense)	(351)	(1,974)
PROFIT FOR THE YEAR	3,962	10,857

AB INVALIDA LT**INTERIM CONSOLIDATED AND COMPANY'S CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013**

(all amounts are in LTL thousand unless otherwise stated)

10 Other revenues and expenses**10.1. Net changes in fair value on financial assets**

	Group		Company	
	I Half Year 2013	I Half Year 2012	I Half Year 2013	I Half Year 2012
Gain (loss) from shares of Trakcja	(697)	5,665	(697)	5,665
Other	969	1,390	969	(90)
<i>Net gain (loss) from financial assets at fair value, total</i>	<i>272</i>	<i>7,055</i>	<i>272</i>	<i>5,575</i>
<i>Realised (loss) gain from available-for-sale investments</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
	272	7,055	272	5,575

10.2. Finance expenses

	Group		Company	
	I Half Year 2013	I Half Year 2012	I Half Year 2013	I Half Year 2012
Interest expenses	(1,024)	(2,527)	(148)	(776)
Other finance expenses	(75)	(102)	(34)	-
	(1,099)	(2,629)	(182)	(776)

9.3. Other income

	Group		Company	
	I Half Year 2013	I Half Year 2012	I Half Year 2013	I Half Year 2012
Interest income	904	1,865	4,232	6,218
Dividend income	71	18	71	28,674
Other income	65	332	13	2
	1,040	2,215	4,316	34,894

11 The conversion of the convertible bonds

The application from the bondholders to convert LTL 32,400 thousand par value bonds (par value of one bond is LTL 100) into the shares of the Company was received on 28 March 2012. The bonds were converted into 5,898,182 shares of LTL 1 par value on 30 March 2012, when new By-laws of the Company were registered. After the conversion, share capital of the Company was increased by LTL 5,898 thousand up to LTL 57,558 thousand and divided into 57,557,940 shares of LTL 1 par value. The conversion price of new shares is LTL 5.50 per share. During the 1st half year of 2013 the bond holders paid back of earlier received interest of LTL 4,788 thousand and had forfeited the accrued interest of LTL 2,386 thousand as at 30 March 2012. All these amounts were reversed through equity. The current income tax expenses of LTL 1,076 thousand was presented in the equity also. So total positive impact for the Company's and the Group's equity was amounted to LTL 6,098 thousand.

12 Borrowings and restricted cash

After split-off the Company together with AB Invalda Privatus Kapitalas had announced tender offer to buy up shares of AB Vilniaus Baldai. Since according to the law it is required to accumulate all money, which could to require, if all remaining shareholder of AB Vilniaus Baldai would be respond to the tender offer, the loan of LTL 17,000 thousand was took out from DNB bank and amount of LTL 29,733 thousand was deposited in the separate account (the amount is presented in the caption 'Restricted cash' in the statement of financial position).

AB INVALIDA LT**INTERIM CONSOLIDATED AND COMPANY'S CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013**

(all amounts are in LTL thousand unless otherwise stated)

13 Earnings per share

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

The weighted average number of shares for the six months ended 30 June 2013 and 2012 were as follows:

Calculation of weighted average for the six months ended 30 June 2013	Number of shares (thousand)	Par value (LTL)	Issued/181 (days)	Weighted average (thousand)
Shares issued as at 31 December 2012	51,802	1	181/181	51,802
Acquired own shares as at 8 March 2013	(5,180)	1	114/181	(3,263)
Acquired own shares as at 27 May 2013	(1,099)	1	34/181	(206)
Decrease of shares capital as at 31 May 2013	(20,689)	1	30/181	(3,429)
Shares issued as at 30 June 2013	24,834	-	-	44,904

Calculation of weighted average for the six months ended 30 June 2012	Number of shares (thousand)	Par value (LTL)	Issued/182 (days)	Weighted average (thousand)
Shares issued as at 31 December 2011	51,660	1	182/182	51,660
Shares issued as at 30 March 2012	5,898	1	92/182	2,981
Own shares acquired on 18 May 2012	(5,756)	1	43/182	(1,360)
Shares issued as at 30 June 2012	51,802	1	-	53,281

The following table reflects the income and share data used in the basic earnings per share computations:

	Group		Company	
	I Half Year 2013	I Half Year 2012	I Half Year 2013	I Half Year 2012
Net profit (loss), attributable to equity holders of the parent for basic earnings	96,445	22,137	68,827	36,169
Weighted average number of ordinary shares (thousand)	44,904	53,281	44,904	53,281
Basic earnings (deficit) per share (LTL)	2.15	0.42	1.53	0.68

During the 1st half year of 2013 diluted earnings per share of the Group and Company is the same as basic earnings per share.

AB INVALIDA LT**INTERIM CONSOLIDATED AND COMPANY'S CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013**

(all amounts are in LTL thousand unless otherwise stated)

13 Earnings per share (cont'd)

The following table reflects the share data used in the diluted earnings per share computations for the six months ended 30 June 2012:

	Number of shares (thousand)	Issued/182 (days)	Weighted average (thousand)
Weighted average number of ordinary shares for basic earnings per share	-	-	53,281
Potential shares from convertible bond of LTL 25 million (issued on 1 December 2008)	4,545	90/182	2,248
Potential shares from convertible bond of LTL 7.44 million (issued on 8 January 2010)	1,353	90/182	669
Weighted average number of ordinary shares for diluted earnings per share	-	-	<u>56,198</u>

The following table reflects the income data used in the diluted earnings per share computations for the six months ended 30 June 2012:

	Group I Half Year 2012	Company I Half Year 2012.
Net profit (LTL thousand), attributable to the equity holders of the parent for basic earnings	22,137	36,169
Interest on convertible bond	765	768
Net profit (LTL thousand), attributable to equity holders of the parent for diluted earnings	<u>22,902</u>	<u>36,937</u>
Weighted average number of ordinary shares (thousand)	<u>56,198</u>	<u>56,198</u>
Diluted earnings(deficit) per share (LTL)	<u>0,41</u>	<u>0,66</u>

14 Financial assets and fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly;

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The following table presents the group's assets and liabilities that are measured at fair value at 30 June 2013:

	Level 1	Level 2	Level 3	Total balance
Assets				
Shares of Trakcja	634	-	-	634
Held-for-trade securities	3,254	-	-	3,254
Total Assets	3,888	-	-	3,888
Liabilities	-	-	-	-

The following table presents the group's assets and liabilities that are measured at fair value at 31 December 2012:

	Level 1	Level 2	Level 3	Total balance
Assets				
Shares of Trakcja	9,958	-	-	9,958
Held-for-trade securities	7,748	15,268	-	23,016
Total Assets	17,706	15,268	-	32,974
Liabilities	-	-	-	-

During the six months ended 30 June 2013, there were no transfers between Level 1 and Level 2 fair value measurements. Financial assets in Level 2 was sold in 1st Quarter 2013.

AB INVALIDA LT**INTERIM CONSOLIDATED AND COMPANY'S CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2013**

(all amounts are in LTL thousand unless otherwise stated)

15 Other current liabilities

	Group		Company	
	As of 30 June 2013	As of 31 December 2012	As of 30 June 2013	As of 31 December 2012
Employee benefits	2,673	7,095	178	386
Other	4,065	7,151	1,453	2,066
Total other current liabilities	6,738	14,246	1,631	2,452

16 Related party transactions

Receivables from related parties are presented in gross amount (without allowance).

The Company's transactions with related parties during the 1st half year of 2013 and related quarter-end balances were as follows:

I half year of 2013 Company	Sales to related parties	Purchases from related parties	Receivables from related parties	Payables to related parties
Loans and borrowings	3,749	123	7,006	81,873
Rent and utilities	-	70	-	-
Dividends	-	-	-	-
Other	-	65	3	136
	3,749	258	7,009	82,009
Liabilities to shareholders and management	-	-	-	-

16 Related party transactions (cont'd)

The Company's transactions with related parties during the 1st half year of 2012 and related quarter-end balances were as follows:

I half year of 2012 Company	Sales to related parties	Purchases from related parties	Receivables from related parties	Payables to related parties
Loans and borrowings	5,162	9	168,089	362
Rent and utilities	-	79	-	99
Dividends	28,656	-	622	-
Other	-	2	223	-
	<u>33,818</u>	<u>90</u>	<u>168,934</u>	<u>461</u>
Liabilities to shareholders and management	-	-	-	-

The Group's transactions with related parties during the 1st half year of 2013 and related quarter-end balances were as follows:

I half year of 2013 Group	Sales to related parties	Purchases from related parties	Receivables from related parties	Payables to related parties
Loans and borrowings	74	-	-	22,119
Roads and bridges construction segment	-	-	-	845
Other	50	2	-	20
	<u>124</u>	<u>2</u>	<u>-</u>	<u>22,984</u>
Liabilities to shareholders and management	58	-	-	9,796

In June 2013 the Group has granted loan of LTL 9 million to the Company's shareholder, which was fully repaid on July 2013.

The Group's transactions with related parties during the 1st half year of 2012 and related quarter-end balances were as follows:

I half year of 2012 Group	Sales to related parties	Purchases from related parties	Receivables from related parties	Payables to related parties
Loans and borrowings	27	-	6,844	-
Rent and utilities	-	-	-	-
Other	-	-	-	-
	<u>27</u>	<u>-</u>	<u>6,844</u>	<u>-</u>
Liabilities to shareholders and management	270	-	689	-

During six months of 2013 the Group and the Company has accrued interest expenses of LTL 768 thousand for owners of convertible bonds, which become the shareholder of the Company. Upon conversion the accrued interest was reversed.

17 Events after the reporting period

Acquisition of AB Vilniaus Baldai

The official tender offer to buy up shares in AB Vilniaus baldai was implemented from 15 July 2013 until 29 July 2013, during which the Company acquired 235,093 shares in AB Vilniaus baldai with par value of LTL 4, for the total amount of LTL 12,074 thousand. After the tender offer implementation AB Invalda LT owns 45.40 percent of shares of AB Vilniaus Baldai. Furthermore, after implementation of the tender offer, AB Invalda LT repaid the short term loan to the DNB Bank which was provided for financing of the tender offer.

Reconstruction of companies investing in agricultural land

In order to reconstruct parcels owned by the companies investing in agricultural land so that each company manages geographically close parcels located in one or several regions of Lithuania and at the same time to simplify management of the land and reduce operating expenses, the companies' splitting up by mode of parcelling out was initiated. For this purpose, 17 companies (UAB Avižėlė, UAB Beržytė, UAB Dirvolika, UAB Duonis, UAB Kupiškio žemgalė, UAB Linažiedė, UAB Marijampolės puškaitis, UAB Pakruojo kvietukas, UAB Pakruojo laukaitis, UAB Panevėžio vasarojus, UAB Pasvalio lauknešys, UAB Pasvalio žiemkentys, UAB Pušaitis, UAB Sėja, UAB Vilkaviškio ekotra, UAB Vilkaviškio žemynėlė and UAB Žalvė), which will take over the assets of the companies now operating, were incorporated in August 2013. Reorganization shall be completed at the end of September.

A decorative graphic consisting of two parallel diagonal lines, one red and one blue, extending from the top left towards the bottom left of the page.

Invalda LT, AB Consolidated Interim Report for 6 months of 2013

Prepared in accordance with The Rules for the Preparation and the Submission of the Periodic and Additional Information, approved by the decision No. 03-48 of the Board of the Bank of Lithuania passed on 2013-02-28

Approved by the Board decision on August 30, 2013

Translation note:

This version of the Annual Report is a translation from the original, which was prepared in Lithuanian language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version takes precedence over this translation.

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I. GENERAL INFORMATION

1. Reporting period for which the report is prepared

The report is prepared for 6 months of 2013 (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 LT, hereinafter Invalda LT, AB
Code	121304349
Address	Seimyniskiu str. 1A, LT-09312 Vilnius, Lithuania
Telephone	+370 5 279 0601
Fax	+370 5 279 0530
E-mail	info@invalidalt.com
Website	www.invalidalt.com
Legal form	public limited liability company
Date and place of registration	March 20, 1992, Register of Enterprise of Vilnius
Register, in which data about the Company are accumulated and stored	Register of Legal Entities

Invalda LT, AB is one of the largest Lithuanian investment companies whose primary objective is to steadily increase the investor equity value. For the purpose of attainment of this objective Invalda LT, AB actively manages its investments, exercising control or significant influence over target businesses.

Invalda LT, AB started the activity in 1991. Its equities have been traded on the NASDAQ OMX Vilnius Exchange since 1995. Currently, major part of Invalda LT Group assets is concentrated in Lithuania.

In respect of each business Invalda LT, AB defines its performance objectives, sets up the management team, participates in the development of the business strategy and monitors its implementation. The Board of the company plays an active role in passing decisions on strategic and other important issues that have an effect upon the value of the group companies.

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

The main sectors of Invalda LT, AB are the following: furniture manufacturing, real estate, agriculture, information technology (IT) infrastructure and facility management.

Group's companies and their contacts are presented in Appendix 1 of this report.

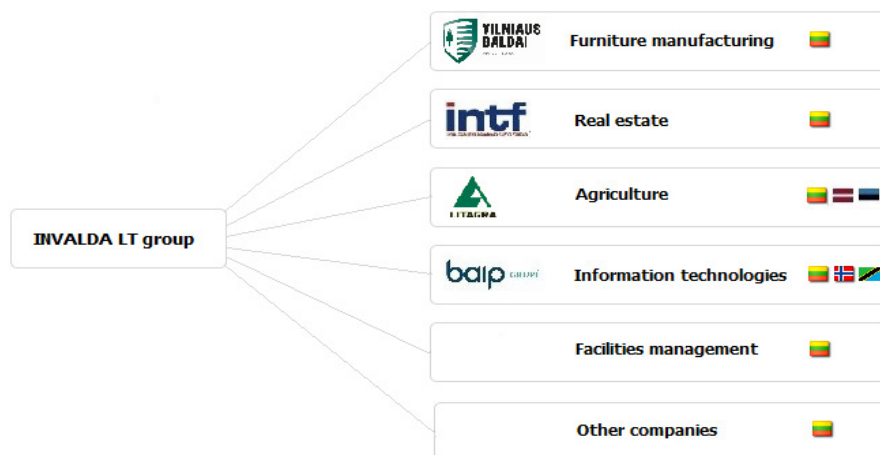
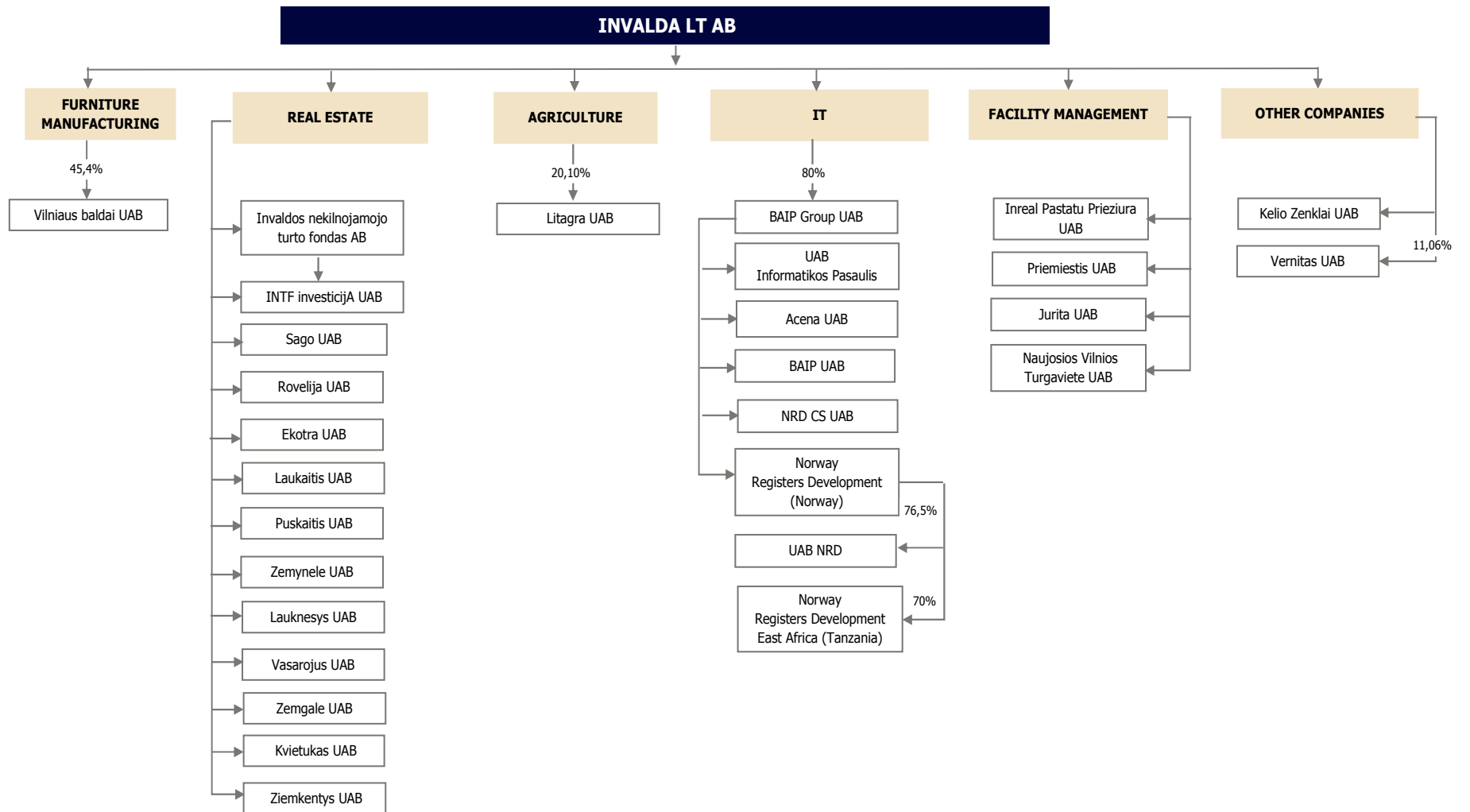


Fig. 2.2.1. The main sectors of Invalda LT, AB group as of August 30, 2013



Picture 2.2.2. Simplified structure of Invalda LT, AB group as of August 30, 2013.

3. Agreements with intermediaries on public trading in securities

Invalda LT, AB has signed agreements with these intermediaries:

- Finasta AB FMI (Maironio str. 11, Vilnius, Lithuania, tel. +370 5 278 6833) – the agreement on investment services, the agreement on management of securities accounting, the agreement on payment of dividends;
- Bank Finasta AB (Maironio str. 11, Vilnius, tel. +370 5 203 2233) – the agreement on management of securities account, the agreement on investment services;
- Siauliu Bankas AB (Tilzes str. 149, Siauliai, Lithuania, tel. +370 41 595 607) – the agreement on management of securities account and intermediation;
- DnB Bankas AB (J. Basanaviciaus str. 26, Vilnius, Lithuania, tel. +370 5 239 3503) – the agreement on financial instruments account management, implementation of orders and offering recommendations;
- SEB Bankas AB (Gedimino ave. 12, Vilnius, Lithuania, tel. +370 5 268 2370) – the agreement on securities accounting;
- Medicinos Bankas UAB (Pamenkalnio str. 40, Vilnius, Lithuania, tel. +370 5 264 4845) - the agreement on management of securities account;
- FMI Orion Securities UAB (A. Tumeno str. 4, block B, Vilnius, Lithuania, tel. +370 5 231 3841) - the agreement on investment services;
- Dom Maklerski BZ WBK S.A. (Pl. Wolnosci str. 15, 60-967 Poznan, Poland, tel. +48 61 856 48 80) – the agreement of intermediation;
- AB SEB Pank (Tornimae str. 2, 15010 Tallin, Estonia, tel. +372 6657 772) - the agreement of intermediation.

4. The order of amendment of Issuer's Articles of Association

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

During the reporting period the Company's Articles of Association were amended once:

The amended Articles of Association of the public joint-stock company Invalda were registered with the Register of Legal Entities on May 31, 2013. The Articles of Association were amended due to split-off of the Company and stated a new name of the Company – public joint-stock company Invalda LT as well as a reduced authorized capital due (for more information please check paragraph 11).

After registration of the amended Articles of Association of the public joint – stock company INVALDA, continuing activity under the new name Invalda LT, AB on May 31, 2013, the authorized capital of the company is LTL 24 833 551, it is divided into 24 833 551 ordinary registered shares with nominal value - 1 (one) litas per share. The total amount of voting rights in Invalda LT, AB (ISIN LT0000102279) totals to 24 833 551.

Actual wording of the Articles of Association is dated as of May 31, 2013. The document has been published on the Company's website.

II. INFORMATION ABOUT SECURITIES

5. Information about Issuer's authorised capital

5.1. Structure of the authorised capital

Table 5.1.1. Structure of Invalda LT, AB authorised capital as of June 30, 2013

Type of shares	Number of shares, units	Nominal value, LTL	Total nominal value, LTL	Portion of the authorised capital, %
Ordinary registered shares	24 833 551	1	24 833 551	100

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

6. Shareholders

There are no shareholders entitled to special rights of control.

Invalda LT, AB has no knowledge of any restriction on voting rights or mutual agreements between the shareholders, that might result in the restriction of shares transfer and (or) voting rights. There are no agreements to which the Issuer is a party and which would come into effect of being amended or terminated in case of change in the Issuer's control in the first half of 2013. As of June 30, 2013 the total number of shareholders was 4 184.

The Shareholders of Invalda LT, AB Alvydas Banys, LJB Investments UAB, Irena Ona Miseikiene, Indre Miseikyte, Greta Miseikyte-Myers, Darius Sulnis, Lucrum investicija UAB, Ilona Sulniene ir Tatjana Sulniene holding together 90.15 percent of shares in Invalda LT, AB signed the agreement on the implementation of a long-term corporate governance policy and acquired the responsibility to issue the official Tender Offer to buy up all the remaining shares. No shares of Invalda LT, AB were provided for sale during the tender offer implementation period (from July 2, 2013 till July 15, 2013), i.e. the acquiring persons named in the tender offer circular did not acquire any shares of Invalda LT, AB.

Table 6.1. Shareholders who held title to more than 5% of Invalda LT, AB authorised capital and/or votes as of June 30, 2013

Name of the shareholder or Company	Number of shares held by the right of ownership, units	Share of the authorised capital held, %	Share of the votes, %		
			Share of votes given by the shares held by the right of ownership.	Indirectly held voices (total votes of the persons acting in concert)	Total (together with the persons acting in concert)
LJB investments, UAB code 300822575, P. Smuglevičiaus str. 20, Vilnius	7 563 974	30.46%	30.46%	59.69%	90.15
Ms. Irena Ona Miseikiene	7 127 232	28.70%	25.04%	65.11%	
Mr. Darius Sulnis	2 219 762	8.94%	8.94%	81.21%	
Lucrum investicija, UAB code 300806471, Seimyniškių str. 3, Vilnius	2 031 321	8.18%	8.18%	81.97%	
Mr. Alvydas Banys	1 750 000	7.05%	0%	90.15%	
Ms. Ilona Sulniene	717 597	2.89%	2.89%	87.26%	
Ms. Indre Miseikyte	455 075	1.83%	0%	90.15%	
Ms. Greta Miseikyte-Myers	455 075	1.83%	0%	90.15%	
Ms. Sulniene Tatjana	66 200	0.27%	0.27%	89.88%	

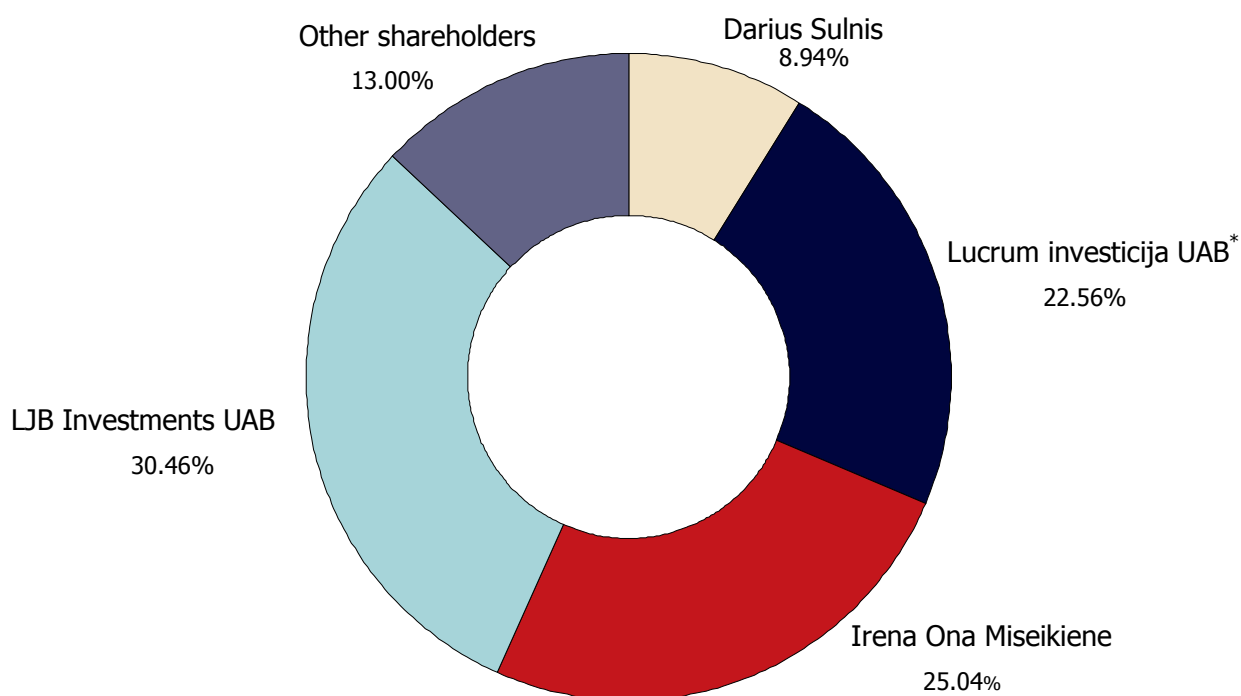


Fig. 6.1. Votes as of June 30, 2013

7. Information about the Issuer's treasury shares

Invalda LT, AB does not hold any of its treasury shares as of the announcement of this report.

On March 8, 2013 former Invalda AB acquired 10 percent of its treasury shares at the total price of LTL 42.928 million (EUR 12.433 million). Share acquisition price – LTL 8.87 (EUR 2.4) per share. The share buy-back was implemented through the market of the official offer of NASDAQ OMX Vilnius AB.

Invalda AB carried out the implementation of the share redemption procedure on April 10 – May 24, 2013 after the resolution on Company's split-off and split-off terms was issued by the General Meeting of Shareholders on April 9, 2013. 2.1 percent of the company's shares were acquired during the above mentioned period for the total amount of LTL 8.878 million (EUR 2.571 million). Share acquisition price - LTL 8.076 (EUR 2.339).

All redeemed shares were annulled on the basis of the split-off terms due to reduction of the authorised capital of Invalda AB.

On August 30, 2013 the General Shareholders Meeting, having considered that Invalda LT, AB had allocated a reserve of LTL 92.5 million (EUR 26.8 million) to acquire own shares, authorised the Board to adopt the resolution on the acquisition of Invalda LT, AB shares through the market of official offer of NASDAQ OMX Vilnius AB in accordance with conditions stated below.

The nominal value of the treasury shares acquired may not exceed 1/10 of the Company's share capital. The period during which the Company may acquire its treasury shares – 12 months from the day of the resolution. The maximum share acquisition price – EUR 3.50 (LTL 12.08), minimum share acquisition price – EUR 2,50 (LTL 8,63).

* - including votes held by repurchase agreements

8. Trading of Issuer's and Issuer's group companies securities as well as securities, which are deemed to be a significant financial investment to the Issuer on a regulated market

8.1. Trading in securities of the Issuer

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

ISIN code	LT0000102279
Name	IVL1L
Exchange	NASDAQ OMX Vilnius
List	Baltic Main List (from 01.01.2008)
Listing date	19.12.1995
Shares issued, units	24 833 551
Nominal value, Lt	1 Lt
Total nominal value, Lt	24 833 551

Company uses no services of liquidity providers.

Table 8.1.2. Trading in Invalda LT AB shares

	6 months of 2011	6 months of 2012	6 months of 2013
Share price, EUR			
- open	2.00	1.93	1.97
- high	2.40	2.94	2.83
- low	1.75	1.87	1.96
- last	2.40	2.55	2.65
Turnover, units	1 895 688	1 657 603	1 935 755
Turnover, EUR	3 891 813	4 003 653	4 403 436
Traded volume, units	3 757	3 561	3 243
Capitalisation, mln. EUR	124.0	132.1	65.8

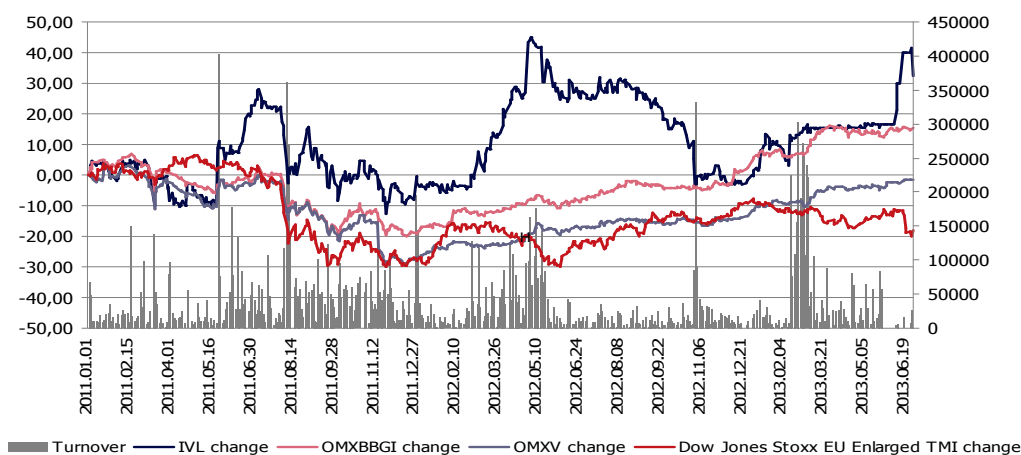


Fig. 8.1.1. Turnover of Invalda LT, AB shares, change of share price and indexes *

* OMX index is an all-share index which includes all the shares listed on the Main and Secondary lists on the NASDAQ OMX Vilnius with exception of the shares of the companies where a single shareholder controls at least 90% of the outstanding shares. The OMX Baltic Financial GI index is based on the Industry Classification Benchmark (ICB) developed by FTSE Group (FTSE). Dow Jones Stoxx EU Enlarged TMI index covers approximately 95% of the free float market capitalisation of the New Europe countries, including Bulgaria, Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia and Slovenia.

8.2. Trading Issuer's group companies securities as well as securities, which are deemed to be a significant financial investment to the Issuer

Shares of Invalda AB group company Vilniaus Baldai AB are admitted to trading in NASDAQ OMX Vilnius Main List.

8.2.1. Trading in shares of Vilniaus Baldai AB

Table 8.2.1.1. Main characteristics of Vilniaus Baldai AB shares admitted to trading

ISIN code	LT0000104267
Name	VBL1L
Exchange	NASDAQ OMX Vilnius
List	Baltic Main List
Listing date	June 05, 2000
Share issue, units	3 886 267
Nominal value, Lt	4
Total nominal value, Lt	15 545 068

Table 8.2.1.2. Trading in Vilniaus Baldai AB shares

Year	6 months of 2011	6 months of 2012	6 months of 2013
Share price, EUR			
- open	9.40	10.3	14.5
- high	12.00	14.9	16.9
- low	7.80	10.3	13.5
- last	11.8	11.9	15.6
Turnover, units	68 208	57 469	82 559
Turnover, EUR	673 000	768 377	1 173 018
Traded volume, units	724	844	1 197
Capitalization, mln. EUR	45.9	46.2	60.6



Fig. 8.2.1.1 Turnover and share price of Vilniaus Baldai AB

9. Issuer's Managing Bodies

9.1. Information about Issuer's Board members

The governing bodies of Invalda LT, AB are: the General Shareholders' Meeting, sole governing body – the President, and a collegial governing body – the Board. The Supervisory Board is not formed.

Information about Issuer's Board members, the president and CFO



Alvydas Banyas (1968)
Board member
The term of office
from 2013 until 2016

Educational background and qualifications

Vilnius Gedimino Technical University, Faculty of Civil Engineering, Junior Scientific co-worker, Economic's Institute of Lithuania's Science Academy.

Work experience

Since July 1, 2013 Advisor, Invalda LT AB

1996 - 2006 Vice President, Invalda AB

1996 - 2007 President, Nenuorama UAB

Owned amount of Invalda LT, AB shares is the following: 1 750 000; units of shares; share of authorised capital – 7.05%; Share of votes given by the shares held by the right of ownership – 0%. Total (together with the persons acting in concert) – 90.15%.

Participation in other companies

Name of the company or organization	Position
LJB investment UAB	Director
LJB proptert UAB	Director
Cedus invest UAB	Board member
BAIP group UAB	Board member

Owned shares and votes of other companies:

Company	Portion of share capital	Portion of votes
LJB investments UAB	99.99%	99.99%
LJB property UAB	62.84%	62.84%
Gulbinu turizmas UAB	7.7%	7.7%



Indre Miseikyte (1970)
Board member
The term of office
from 2013 until 2016

Educational background and qualifications

1994 Vilnius Gedimino Technical University, Faculty of Architecture

Work experience

Since May 2012 Advisor, Invalda LT AB

Since 2002 Architect, Inreal valdymas UAB

2000 – 2002 Architect, Gildeta UAB

1996 – 2002 Architect, Invalda AB

1996 – 1997 Architect, Gildeta UAB

1996 – 1997 Architect, Kremit UAB

1994 – 1996 Architect, Vilniaus baldai AB

Participation in other companies

Name of the company or organization	Position
Invalda privatus kapitalas AB	Board member



President, Board member
Darius Sulnis (1971)
The term of office
from 2013 until 2016

Educational background and qualifications

1993, Vilnius University, Faculty of Economics
Financial broker's license (general) No. A109
Since 2012, Duke University, USA Business Administration (Global Executive MBA)

Work experience

2006–2011 the President, Invalda AB (since 2006 member of Board, Invalda AB). Appointed as the President of the Company for the second time in 2013.
2002–2006 Director, Invalda nekilnojamojo turto valdymas UAB.
1994–2002 Director, FBC Finasta AB

Owned amount of Invalda LT, AB shares is the following: 2 219 762 units of shares. Share of authorised capital – 8.94 %. Share of votes given by the shares held by the right of ownership – 8.94 %. Total (together with the persons acting in concert) – 90.15 %.

Participation in other companies

Name of the company or organization	Position
Vilniaus baldai AB	Board member
Burusala SIA	Chairman of the Supervisory Board
DOMMO SIA	Chairman of the Supervisory Board
Invaldos nekilnojamojo turto fondas AB	Board member
Litagra UAB	Board member
BAIP group UAB	Board member
Inreal pastatų priežiūra UAB	Board member

Owned shares and votes of other companies:

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



Raimondas Rajeckas (1977), CFO

Educational background and qualifications

2001, Vilnius University, Faculty of Economics

Job experience

Since 2006 CFO, Invalda AB
2001-2006 CFO, Valmeda AB
2000–2001 CFO, Galincius AB
2000–2001 CFO, Invaldos Marketingas UAB (current name Inreal valdymas UAB)
2000–2002 accountant, Gildeta AB
1998–2000 accountant, Invalda AB

Owned amount of Invalda LT, AB shares is 0 units.

Participation in other companies

Name of the company or organization	Position
Aktyvo UAB	Director
Aktyvus Valdymas UAB	Director
Finansu Rizikos Valdymas UAB	Director
Iniciatyvos Fondas	Director
MBGK UAB	Director
MGK invest UAB	Director
RPNG UAB	Director
Regenus UAB	Director
Cedus Invest UAB	Director
Consult Invalda UAB	Director
Cedus UAB	Director

9.2. Information about the Audit Committee of the Company

On August 30, 2013 the General Shareholders meeting removed the Audit Committee in corpore and elected new Committee members: Danute Kadanaite, a lawyer at Legisperitus and Tomas Bubinas, a Chief Operating Officer at Biotechpharma UAB (independent member).



Danute Kadanaite (1966)

Educational background and qualifications

2004 - 2006 Mykolas Romeris University, Faculty of Law, Msc in Financial Law
 2000 - 2004 m. Faculty of Law, BA in Law
 1997 International Business School, Management

Work experience

Since 2009 Legisperitus UAB, Lawyer
 2008 – 2009 Finasta Corporate Finance AB, Lawyer
 2008 Invalda AB, Lawyer
 1999 – 2002 Office of Attorney of Law Arturas Sukevicius, Administrator
 1994 – 1999 Financial brokerage company Apyvarta UAB, Legal Consultant
 Does not hold Invalda LT, AB shares



Tomas Bubinas (1970)

Educational background and qualifications

2004 - 2005 Baltic Management Institute (BMI), Executive MBA
 1997 - 2000 Association of Chartered Certified Accountants, ACCA, Fellow Member
 1997 m. Lithuanian Sworn Registered Auditor
 1988 – 1993 m. Vilnius University, Msc. in Economics

Work experience

2010 – 2012 TEVA Biopharmaceuticals USA, Senior Director, Operations
 1999 – 2001 PricewaterhouseCoopers, Senior Manager
 1994 - 1999 Coopers & Lybrand, Senior Auditor, Manager

Does not hold Invalda LT, AB shares

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

Within 6 months period of 2013 the calculated remuneration for the Board members of Invalda LT, AB (as employees of the Company) amounted to 488.8 thousand litas, that is on the average 29.3 thousand litas per month for each member. The calculated remuneration to the President of the Company and CFO totalled to 245.2 thousand litas, on the average 20.4 thousand litas per month for each member.

During the reporting period the Issuer transferred no assets, granted no guarantees, paid no bonuses or dividends, and made no special payouts for the Company's managers and CFO.

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

11. Overview of the Issuer's and its group activity

11.1. Significant Issuer's and its group events during the reporting period and since the end of it

The Company

- **On March 8, 2013 Invalda LT, AB acquired 10 percent of its treasury shares at the total price of LTL 42.928 million (EUR 12.433 million).** Share acquisition price – LTL 8.87 (EUR 2.4) per share. The share buy-back was implemented through the market of the official offer of NASDAQ OMX Vilnius AB on February 19, 2013. The maximum amount of shares to be acquired during the share buy-back program – 5,180,214 shares. The total amount of offered shares was 5,381,665 and as a result each shareholder sold 96.26 percent of the proposed amount of shares.
- **On April 9, 2013 the General shareholders Meeting of Invalda AB approved split-off terms of the public joint-stock company. In accordance with the split-off terms a part of Invalda assets has been split-off and on its basis a new public-joint stock company Invalda privatus kapitalas has been formed.** 45.45 percent of the total assets of Invalda as well as 45.45 percent of the Company's equity capital and liabilities have been allocated to the newly established entity. The shares in Invalda privatus kapitalas AB will not be listed on NASDAQ OMX Vilnius Stock Exchange. In accordance the split-off terms, the Company will continue its activity after the split-off under the new name of Invalda LT AB.
- **On April 30, 2013 the Ordinary General Shareholders Meeting of Invalda AB approved the Company's consolidated annual report for 2012.** The shareholders decided not to allocate dividends and bonuses, as well as carry forward the retained earnings of LTL 24.7 million to the next financial year. Invalda AB earned an audited consolidated net profit of LTL 24.7 million attributable to the Company's shareholders within 2012. This is 8.5 times less than in the same period of 2011 when the profit was 209 million litas.
- **On May 22, 2013 the Board of Invalda AB removed Dalius Kaziunas and appointed Darius Sulnis as the President of Invalda AB.** Darius Sulnis has already been the president of Invalda in 2006-2011.
- **On May 27, 2013 Invalda AB acquired 2.1 percent of the treasury shares for the total amount of LTL 8.878 million.** In accordance with the Company Law, the shareholders of Invalda AB holding shares of the nominal value whereof is less than 1/10 of the authorized capital of Invalda AB had a right within 45 days to require the Company to redeem their shares. The shares were acquired at a price of LTL 8.076 through the market of the mandatory official offer of NASDAQ OMX Vilnius AB.
- **On May 28, 2013 the Board of Invalda LT AB was elected.** Mr. Alvydas Banys was appointed as the Chairman of the Board, Mr. Darius Sulnis and Ms. Indre Mišeikyte were elected as the Members of the Board.
- **On May 31, 2013 the amended Articles of Association of the public joint-stock company Invalda were registered with the Register of Legal Entities.** The amended Articles of Association stated a new name of the company – public joint-stock company Invalda LT as well as a reduced authorized capital. Moreover, a new legal entity – public joint-stock company Invalda privatus kapitalas was registered on the basis of a split-off part of equity, assets and liabilities of the public joint-stock company Invalda. The authorized capital of the stock company Invalda after the split-off continuing activity under the new name Invalda LT AB is LTL 24,833,551. It is divided into 24,833,551 ordinary registered shares with nominal value - 1 (one) litas per share
- **On June 3, 2013 was announced that upon completion of the split-off of Invalda AB one of the largest Lithuanian Investment companies Invalda LT AB will focus on the revision of its investment portfolio as well as on a creation of strategies of particular businesses.** The main activity

of Invalda LT AB is currently concentrated in furniture manufacturing (Vilniaus Baldai, AB), agricultural (Litagra, UAB), real estate property (Invalidos nekilnojamojo turto fondas, AB), IT (BAIP group, UAB) and facility management sectors.

- **On June 26, 2013 the Bank of Lithuania registered the Official Tender Offer Circular to buy up shares in one of the largest Lithuanian investment companies.** The shareholders of Invalda LT, AB Alvydas Banyas, LJB Investments UAB, Irena Ona Miseikiene, Darius Sulnis, Lucrum Investicija UAB and others holding together 90.15 percent of shares in Invalda LT, AB, offered EUR 2.355 per one share of Invalda LT. The Tender offer was implemented on July 2 – 15, 2013.
- **On July 9, 2013 the Bank of Lithuania registered the Official Tender Offer Circular to buy up shares in one of the largest Lithuanian furniture manufacturers companies issued by cooperating parties Invalda LT, AB, Invalda privatus kapitalas AB and companies' shareholders.** The Official Tender offer was announced due to the change of control in Invalda LT, AB, as well as indirect change of control in Vilniaus baldai AB. Offered share acquisition price - EUR 14.869 (LTL 51.34) per share.
- **On August 1, 2013 Invalda LT, AB increased its stake in the furniture manufacturer Vilniaus baldai, AB from 39.4 percent to 45.4 percent.** Invalda LT, AB paid EUR 3.495 million (LTL 12.069 million) for 6 percent of shares in Vilniaus baldai AB acquired during the mandatory official tender offer. Acquisition was made by Invalda LT, AB using its own funds, thus, the short term loan was paid back to DNB bank AB.
- **On August 8, 2013 the Board of Invalda LT, AB issued the announcement calling the shareholders to authorise a buy-back of up to 10 percent of its treasury shares.** It was proposed to set the share acquisition price at of EUR 2.5 to EUR 3.5 (LTL 8.63 to LTL 12.08).
- **On August 30, 2013 it was announced that the shareholders of Invalda LT, AB authorised the Board to initiate the acquisition of Company's treasury shares.** It was decided to set the share acquisition price at of EUR 2.5 to EUR 3.5 (LTL 8.63 to LTL 12.08).
- **On August 30, 2013 Invalda LT, AB announced that The General Shareholders meeting authorised the Board to initiate the acquisition of 10 percent of the Company's treasury shares.**
- **On August 30, 2013 the General Shareholders meeting removed the Audit Committee in corpore and elected new Committee members Danute Kadanaite, a Lawyer at Legisperitus and Tomas Bubinas, a Chief Operating Officer at Biotechpharma UAB (as the independent member).**

The Sectors

Furniture manufacturing sector

In the furniture manufacturing sector Invalda LT, AB controls 45.45 percent in Vilniaus Baldai AB, the leading furniture manufacturing company in Lithuania which exports almost all its production to the Swedish concern IKEA. Vilniaus Baldai AB produces mass production furniture made of wood particle boards, using the most modern honeycomb substrate technology that helps to reduce the weight of a massive panel.



The sales of Vilniaus baldai AB amounted to 68.321 million litas in the first half of 2013 or 41 percent less than in the corresponding period of 2012 (115.398 million litas).

The net profit of Vilniaus Baldai AB was 5.247 million litas during the first half of 2013, in the same period in 2012 the net profit of the Company was 10.858 million litas. Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) reduced to 48 percent (from 15.383 million litas to 7.926 million litas).

In the first half of 2013 the main goal of the Company was the successful change in a production range and related technical and technological reorganisations.

As the Management of Vilniaus baldai have stated, the majority of works have been successfully completed and since April 2013 the main factory is working at its full capacity and according to the schedule. The second factory is undergoing a modernisation programme and is scheduled to be completed by the end of this year. It is expected that the sales will be rising steadily and the results will improve in the second half of 2013.

The shareholders of Vilniaus baldai AB decided not to pay dividends during the split-off process of Invalda AB. Invalda LT AB proposed to pay interim dividends using the retained earnings in the end of June 2013.

Shares of Vilniaus Baldai AB are admitted to trading in NASDAQ OMX Vilnius Main List. More information about company's activities and results can be found in publicly available reports.

Table 11.1.1. Results of the furniture manufacturing sector

Million litas	6 months of 2011	6 months of 2012	6 months of 2013
Sales	114.8	115.4	68.3
EBITDA	18.2	15.4	7.9
Net result	13.4	10.9	5.2
Capitalisation	158.3	159.7	209.3

Real estate sector

In the real estate sector Invalda LT, AB owns commercial rental real estate, agricultural land and development sites. After the completion of split-off of Invalda AB, the Company owns 48.5 thousand square meters of own premises in Vilnius and 27.3 thousand square meters of third party premises in Vilnius and Kaunas.

Also Invalda LT, AB group companies hold 2.8 thousand hectares of agricultural land. In the third quarter of this year the reorganization was started. When the reorganization is finished, agricultural land of Invalda LT will be managed by 17 companies, each owning lands located nearby.



Table 11.1.2. Results of real estate sector

Million litas	6 months of 2011	6 months of 2012	6 months of 2013
Value of the real estate:	250.5	255.9	167.6
Commercial real estate	175.4	155.6	143.7
Real estate for development	53.6	59.7	0.5
Residential real estate	4.8	3.8	-
Agricultural land	16.7	36.8	23.4
Shareholders' equity (inc. loans from Invalda AB)	110.7	149.7	69.5
Loans from credit institutions	133.2	103.1	97.7
Rental income	8.4	9	8.4
From this owned by clients	2.5	2.6	2.8
Change of the real estate value	0	0.3	0.3
Companies' sales result, allowance and other non-monetary items	0.9	0	0.2
Result of the real estate sector	-1.4	-0.3	-0.7

Table 11.1.3 Results of real estate companies owned by Invalda LT after the split-off (excluding agricultural land companies)

Million litas	6 months of 2011	6 months of 2012	6 months of 2013
Real estate value	156	144.3	144.2
Shareholders' equity (inc. loans from Invalda LT, AB)	56.8	45.4	47
Loans from credit institutions	103.9	101.9	97.7
Rental income	7.2	7.4	7.2
From this owned by clients	2.5	2.6	2.8
Result of companies	-0.9	-0.3	0.7

Agricultural sector

In the agriculture sector Invalda LT AB owns 20 percent of Litagra UAB (one of the largest groups of agriculture companies in the Baltic states) shares through Cedus invest company. The shareholding decreased after the split-off of Invalda AB.

Litagra Group has successfully increased its revenue and profits. It is expected that the yield will be slightly lower in 2013, despite the fact that it has been one of the best in the last 20 years so far. Drop in grain prices in the world markets most likely will negatively affect results of second half of 2013.



Table 11.1.4. Results of the Litagra UAB group

Million litas	6 months of 2012	6 months of 2013
Sales	174.5	185.9
EBITDA	14.1	14.8
Net profit, according data provided by the company, on the ground of business accounting standards.	6.4	9.0
Result of the agricultural sector according TFAS	5.8	4.0

More information on the services and activity of the sector is provided on <http://www.litagra.lt>

IT Sector

BAIP UAB in the first half of 2013

A new portfolio of cyber-security services covering defence governance, security audit, security incident response, security governance management, cyber defence technologies and services was developed and launched in the first half of 2013. International partnerships with „AccessData“, „Lumension“, „Qualys“, „Fortinet“, „FireEye“, „Vasco“, „Renesys“, „Thycotic“, „AlientVault“, „Headtechnology“, „IBM Security“ manufacturers were expanded to implement the services mentioned.

The contract on Residents' Register Service data security audit was signed and the feasibility study on Lithuanian internet infrastructure's criticality and resilience was conducted in the first half of 2013. The specializations and partnerships were expanded – BAIP has been accepted into the IBM System Storage specialty and the partnership agreement with cyber security leader FireEye was signed.

NRD UAB and State Tax Inspectorate under the Ministry of Finance of the Republic of Lithuania signed three years term contract on VAT information exchange between



European Union members for the information systems maintenance services procurement". Also, the contracts on Foreigners Register improvement services with Migration Department under the Ministry of the Interior of the Republic of Lithuania as well as the agreement on Population Register of the applications and services monitoring software development and implementation services were signed.

NRD UAB

The project on motor transport registration services in the electronic environment development on request of the state enterprise Regitra which lasted two years, has been successfully implemented. The software improvement of the main SIRENE national unit in Lithuania has been completed.

Activity abroad

Norway Registers Development AS (NRD) has invested in the East Africa and acquired 70 per cent shares of Tanzanian company 360° Smart Consulting Ltd In April 2013. Later the Company changed its name to Norway Registers Development East Africa Limited (NRD EA).

A contract on business, mortgage and intellectual property rights registry systems development (worth 1.735 million litas) was signed with Rwanda Development Board was signed.

Vietnam's Information System of Business Registry development pilot project has been implemented

Norway Registers Development AS and one of the largest Internet and telecommunication services providers in the East African region SimbaNET have signed a two-year Cooperation and Services Agreement worth approx. 3.2 million USD.

Norway Registers Development AS (NRD), as a lead partner in joint venture has been awarded a year and a half long contract of Supply and Implementation of an eRegistry System in Mauritius worth 3.7 million USD.

More information on the services and activity of the sector is provided on www.baip.lt.



Table 11.1.5. Results of IT sector

Million litas	6 months of 2011	6 months of 2012	6 months of 2013
Sales	14.5	15.2	19.1
EBITDA	0.8	0.6	1.4
Net profit before investment amortization and cost of management options	-0.06	-0.6	0.0
Net profit	-1.0	-1.3	-0.6

Facility management sector

The companies of facility management sector are providing facility management, engineering systems oversight, audit and incidents management, indoor air quality testing, multi-apartment house management, installation, repair, cleaning and other services.

Rimvydas Ramanauskas took over the management of the Inreal Pastatu Priežiūra from Rolandas Rutenas on May 21, 2013. Prior to this position Mr. Ramanauskas worked as the Associate Director for the Company in 2010-2011.

The optimization of internal processes is of great importance. The main focus is on a profitable business, not on growth of sales and into a sector now. It is expected that current reforms will show positive results in the fourth quarter of 2013.

Table 11.1.6. Results of the facility management sector

Million litas	6 months of 2011	6 months of 2012	6 months of 2013
Sales	4.4	6.0	6.8
EBITDA	0.5	0.1	0.1
Net profit	0.2	-0.2	0.9*

* - a result is influenced by one-time sale of construction company

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

Table 11.2.1. Income, thousand litas

	Company's			Group's		
	months of 2011	6 months of 2012	6 months of 2013	6 months of 2011	6 months of 2012	6 months of 2013
Sales income				150 229	160 984	113 956*
- furniture manufacturing				114 825	115 398	68 321
- real estate	-	-	-	13 340	19 858	15 386
- information technology	-	-	-	4 440	5 981	6 819
- facilities management	-	-	-	14 481	15 243	19 101
- other companies	-	-	-	5 317	6 030	5 318
- elimination	-	-	-	-2 174	-1 526	-989
Gain (loss) from investments	176 538	4 523	-245	-18 872	8 337	1 605
Other income	15 852	34 894	4 316	4 354	2 784	1 040
- interest income	4 526	6 218	4 232	2 231	2 247	904
- dividend income	11 314	28 674	71	-	18	71
- other income	12	2	13	2 123	519	65
Change in value of investment properties	-	-	-	25	275	323
Valuation gain (loss) from investment property	-	-	67 400	-	-	89 358

* Result for five months

Table 11.2.2. Main items of financial statements, thousand litas

	Company's			Group's		
	6 months of 2011	6 months of 2012	6 months of 2013	6 months of 2011	6 months of 2012	6 months of 2013
Non current assets	104 426	124 067	141 984	311 332	373 940	307 383
Current assets	224 752	254 745	53 192	242 367	207 142	76 467
Assets classified as held for sale	155 306	-	-	171 864	-	-
Equity	278 962	375 783	169 245	341 827	408 552	227 987
Equity attributable to equity holders of the parent Company	278 962	375 783	169 245	316 732	389 598	227 431
Minority interest	-	-	-	25 095	18 954	556
Non-current liabilities	111 010	-	-	264 336	124 879	114 362
Current liabilities	94 512	3 029	25 931	119 400	47 651	41 501
Result before taxes	185 183	37 576	69 150	-10 597	15 089	93 654
Net result	193 097	36 169	68 827	145 354	24 950	97 477
Net result attributable to holders of the parent Company	-	-	-	141 746	22 137	96 445

Table 11.2.3. Equity and liabilities

Invalida LT, AB million litas	6 months of 2011	6 months of 2012	6 months of 2013
Equity	279.0	375.8	169.2
Liabilities to financial institutions	80.3	0	17.0
From this long term	78.6	-	-
Liabilities to group companies	31.9	0.4	7.0
Bonds	32.4	-	-
Other liabilities	60.9	2.6	1.9
Total liabilities	205.5	3.0	25.9
Total Equity and Liabilities	484.5	378.8	195.1

12. A description of the principal risks and uncertainties

During the first half of this year there were no material changes from the information about the principal risks and uncertainties disclosed in the latest annual report.

13. Significant investments made during the reporting period

After the official tender offer settlement on August 1, 2013 Invalda LT, AB increased its stake in the furniture manufacturer Vilniaus baldai AB from 39.4 percent to 45.4 percent. Invalda LT AB paid EUR 3.495 million (LTL 12.069 million) for 6 percent of shares in Vilniaus baldai AB acquired during the mandatory official tender offer.

Information about other investments is provided in the paragraph 8 of the Company's financial statements.

14. Issuer's and its group activity plans and forecasts

Invalda LT, AB will continue to seek the long term goal to increase shareholders equity and value of managed companies. Moreover, Invalda LT will strive to ensure profitable operations and organical growth of all main group businesses.

The results of Invalda LT mainly are influenced by concluded companies sale or purchase agreements which are difficult to predict. Therefore, the Board of the company decided not to announce activity forecasts.

15. Information on the related parties' transactions

There were no harmful transactions (those that are not in line with issuer's goals, not under usual market terms, harmful to the shareholders' or stakeholders' interests and so on) made in the name of the issuer that had or potentially could have negative effects in the future on the issuer's activities or business results. There were also no transactions where a conflict of interest was present between issuer's management's, controlling shareholders' or other related parties' obligations to the issuer and their private interests.

Loan agreements, premises rent agreements as well as IT purchases made a major part of the related parties' transactions of the Company and Group within the reported period. The most significant of them are loan agreements for crediting of activity of the subsidiaries in the real estate sector. Furthermore, the Group company has granted loan of 9 million litas to the Company's shareholder, which was fully repaid on July 2013. The detailed information on the related parties' transactions has been disclosed in the section 16 of the consolidated and Company's interim financial statements explanatory notes.

President

A handwritten signature in blue ink, appearing to read 'Darius Sulnis', positioned between the 'President' and 'Darius Sulnis' text.

Darius Sulnis

APPENDIX 1. INFORMATION ABOUT GROUP COMPANIES, THEIR CONTACT DETAILS

Company	Registration information	Type of activity	Contact details
FURNITURE MANUFACTURING SECTOR			
Vilniaus Baldai AB	Code 121922783 Address Savanoriu ave. 178. Vilnius Legal form – public limited liability company Registration date 09.02.1993	furniture design and manufacturing	Telephone +370 2 52 5700 Fax +370 2 31 1130 E-mail info@vilniausbaldai.lt www.vilniausbaldai.lt
Ari-Lux UAB	Code 120989619 Address Savanorių pr. 178, Vilnius Legal form – public limited liability company Registration date 28.10.1991	fitting packing	Telephone / Fax +370 2 52 5744
REAL ESTATE SECTOR			
Invalidos Nekilnojamojo Turto Fondas AB	Code 152105644 Registration address A. Juozapaviciaus str. 6/2. Vilnius Residence address - Palangos str. 4. Vilnius Legal form – public limited liability company Registration date 28.01.1997	investments into real estate	Telephone +370 2 79 0601 Fax +370 2 73 3065 E-mail intf@intf.lt
INTF Investicija UAB	Code 300643227 Registration address A. Juozapaviciaus str. 6/2. Vilnius Residence address - Palangos str. 4. Vilnius Legal form – private limited liability company Registration date 02.02.2007	investments into real estate	Telephone +370 2 75 5093 Fax +370 2 73 3065
Rovelija UAB	Code 302575846 Address Palangos str. 4. Vilnius Legal form – private limited liability company Registration date 20.12.2010	investments into real estate	Telephone +370 2 63 6129 Fax +370 2 79 0530
Perspektyvi Veikla UAB	Code 302607087 Address Kalvariju str. 11-20. Vilnius Legal form – private limited liability company Registration date 25.03.2011	investments into real estate	Telephone +370 2 79 0614
Sago UAB	Code 301206878 Registration address Seimyniskiu str. 3. Vilnius; Residence address - Palangos str. 4. Vilnius Legal form – private limited liability company Registration date 31.10.2007	investments into real estate	Telephone +370 2 73 0849 Fax +370 2 73 3065
Ekotra UAB	Code 300040019 Seimyniskiu str. 1A. Vilnius; Legal form – private limited liability company; Registration date 21.07.2004	investments into agricultural land	Telephone +370 62071080 E-mail info@ekotra.lt

Company	Registration information	Type of activity	Contact details
REAL ESTATE SECTOR			
Puskaitis UAB	Code 300634388 Address Seimyniskiu str. 1A. Vilnius. Legal form – private limited liability company Registration date 17.01.2007	investments into agricultural land	Telephone +370 62071080 E-mail info@ekotra.lt
Zemynele UAB	Code 302532930 Address Seimyniskiu str. 1A. Vilnius Legal form – private limited liability company Registration date 29.07. 2010	investments into agricultural land	Telephone +370 62071080 E-mail info@ekotra.lt
Kvietukas UAB	Code 303004512 Address Seimyniskiu str. 1A. Vilnius Legal form – private limited liability company Registration date 20.02.2013	investments into agricultural land	Telephone +370 62071080 E-mail info@ekotra.lt
Lauknesys UAB	Code 303004576 Address Seimyniskiu str. 1A. Vilnius Legal form – private limited liability company Registration date 20.02.2013	investments into agricultural land	Telephone +370 62071080 E-mail info@ekotra.lt
Vasarojus UAB	Code 303004626 Address Seimyniskiu str. 1A. Vilnius Legal form – private limited liability company Registration date 20.02.2013	investments into agricultural land	Telephone +370 62071080 E-mail info@ekotra.lt
Laukaitis UAB	Code 303004583 Address Seimyniskiu str. 1A. Vilnius Legal form – private limited liability company Registration date 20.02.2013	investments into agricultural land	Telephone +370 62071080 E-mail info@ekotra.lt
Ziemkentys UAB	Code 303004665 Address Seimyniskiu str. 1A. Vilnius Legal form – private limited liability company Registration date 20.02.2013	investments into agricultural land	Telephone +370 62071080 E-mail info@ekotra.lt
Zemgale UAB	Code 303004505 Address Seimyniskiu str. 1A. Vilnius Legal form – private limited liability company Registration date 20.02.2013	investments into agricultural land	Telephone +370 62071080 E-mail info@ekotra.lt

Company	Registration information	Type of activity	Contact details
REAL ESTATE SECTOR			
Avizele UAB	Code 303113077 Address Seimyniskiu str. 1A. Vilnius Legal form – private limited liability company Registration date 01.08.2013	investments into agricultural land	Telephone +370 62071080 E-mail info@ekotra.lt
BerzYTE UAB	Code 303112915 Address Seimyniskiu str. 1A. Vilnius Legal form – private limited liability company Registration date 01.08.2013	investments into agricultural land	Telephone +370 62071080 E-mail info@ekotra.lt
Duonis UAB	Code 303112790 Address Seimyniskiu str. 1A. Vilnius Legal form – private limited liability company Registration date 01.08.2013	investments into agricultural land	Telephone +370 62071080 E-mail info@ekotra.lt
Pusaitis UAB	Code 3031131032 Address Seimyniskiu str. 1A. Vilnius Legal form – private limited liability company Registration date 01.08.2013	investments into agricultural land	Telephone +370 62071080 E-mail info@ekotra.lt
Zalve UAB	Code 303113045 Address Seimyniskiu str. 1A. Vilnius Legal form – private limited liability company Registration date 01.08.2013	investments into agricultural land	Telephone +370 62071080 E-mail info@ekotra.lt
Seja UAB	Code 303113013 Address Seimyniskiu str. 1A. Vilnius Legal form – private limited liability company Registration date 01.08.2013	investments into agricultural land	Telephone +370 62071080 E-mail info@ekotra.lt
Dirvolika UAB	Code 303112954 Address Seimyniskiu str. 1A. Vilnius Legal form – private limited liability company Registration date 01.08.2013	investments into agricultural land	Telephone +370 62071080 E-mail info@ekotra.lt
Marijampoles Puskaitis UAB	Code 303112769 Address Seimyniskiu str. 1A. Vilnius Legal form – private limited liability company Registration date 01.08.2013	investments into agricultural land	Telephone +370 62071080 E-mail info@ekotra.lt

Company	Registration information	Type of activity	Contact details
REAL ESTATE SECTOR			
Pasvalio Lauknesys UAB	Code 303112655 Address Seimyniskiu str. 1A. Vilnius Legal form – private limited liability company Registration date 01.08.2013	investments into agricultural land	Telephone +370 62071080 E-mail info@ekotra.lt
Pasvalio Ziemkentys UAB	Code 303112648 Address Seimyniskiu str. 1A. Vilnius Legal form – private limited liability company Registration date 01.08.2013	investments into agricultural land	Telephone +370 62071080 E-mail info@ekotra.lt
Pakruojo Kvietukas UAB	Code 303112678 Address Seimyniskiu str. 1A. Vilnius Legal form – private limited liability company Registration date 01.08.2013	investments into agricultural land	Telephone +370 62071080 E-mail info@ekotra.lt
Vilkaviskio Ekotra UAB	Code 303112623 Address Seimyniskiu str. 1A. Vilnius Legal form – private limited liability company Registration date 01.08.2013	investments into agricultural land	Telephone +370 62071080 E-mail info@ekotra.lt
Vilkaviskio zemynele UAB	Code 303112559 Address Seimyniskiu str. 1A. Vilnius Legal form – private limited liability company Registration date 01.08.2013	investments into agricultural land	Telephone +370 62071080 E-mail info@ekotra.lt
Kupiskio Zemgale UAB	Code 303112744 Address Seimyniskiu str. 1A. Vilnius Legal form – private limited liability company Registration date 01.08.2013	investments into agricultural land	Telephone +370 62071080 E-mail info@ekotra.lt
Linaziede UAB	Code 303112922 Address Seimyniskiu str. 1A. Vilnius Legal form – private limited liability company Registration date 01.08.2013	investments into agricultural land	Telephone +370 62071080 E-mail info@ekotra.lt

Company	Registration information	Type of activity	Contact details
REAL ESTATE SECTOR			
Pakruojis Laukaitis UAB	Code 303112694 Address Seimyniskiu str. 1A. Vilnius Legal form – private limited liability company Registration date 01.08.2013	investments into agricultural land	Telephone +370 62071080 E-mail info@ekotra.lt
AGRICULTURE SECTOR			
Litagra UAB	Code 123496364 Address Savanoriu pr. 173. Vilnius; Legal form – private limited liability company Registration date 30.01.1996	consulting and business management activity	Telephone +370 2 36 1600 Fax +370 2 36 1601 E-mail office@litagra.lt www.litagra.lt El.p. office@litagra.lt www.litagra.lt
INFORMATION TECHNOLOGY SECTOR			
BAIP Group UAB	Code 300893533 Address Juozapaviciaus str. 6 / Slucko str. 2. Vilnius Legal form – private limited liability company Registration date 27.06.2007	investments into information technology companies	Telephone +370 2 19 0000 Fax +370 219 5900 E-mail info@baipgrupe.lt www.baipgrupe.lt
Informatikos Pasaulis UAB	Code 126396718 Address Juozapaviciaus str. 6 / Slucko str. 2. Vilnius Legal form – private limited liability company Registration date 11.12.2003	investments into information technology companies	Telephone +370 2 77 9700 Fax +370 2 77 9725 E-mail info@infopasaulis.lt www.infopasaulis.lt
Acena UAB	Code 301318539 Address Juozapaviciaus str. 6 / Slucko str. 2. Vilnius Legal form – private limited liability company Registration date 03.12.2007	information technology infrastructure solutions. information technology security consultations. information technology infrastructure support services	Telephone +370 2 75 9647 Fax +370 2 73 5106 E-mail info@acena.lt www.acena.lt

Company	Registration information	Type of activity	Contact details
INFORMATION TECHNOLOGY SECTOR			
BAIP UAB	Code 301318539 Address Juozapaviciaus str. 6 / Slucko str. 2, Vilnius Legal form – private limited liability company Registration date 03.12.2007	information technology infrastructure solutions. information technology security consultations. information technology infrastructure support services	Telephone +370 2 19 0000 Fax +370 2 19 5900 E-mail info@baip.lt www.baip.lt
Norway Registers Development AS	Code 985 221 405 Address Billingstadsletta 35 1375 BILLINGSTAD 0220 ASKER Norvegija Legal form – public limited liability company Registration date 23.12.2002	creation of new register reforms in various countries.providing consultancy on the information system design	Telephone + 47 66 98 30 28 E-mail nrd@nrd.no
NRD UAB	Code 111647812 Address Zygimantu str. 11-5. Vilnius Legal form – private limited liability company Registration date 15.10.1998	creation of new register reforms in various countries. providing consultancy on the information system design	Telephone +370 2 31 0731 Fax +370 2 31 0730 E-mail info@nrd.lt www.nrd.lt
NRD CS UAB	Code 303115085 Address A. Juozapaviciaus str. 6, Vilnius Legal form – private limited liability company Registration date 06.08.2013	cyber security services	Tel. +370 219 0000
Norway Registers Development East Africa Limited	Code Adresas P.O. Box 71914, Plot No 416/129 Nkrumah St, Dar es Salaam, Tanzania	creation of new register reforms in various countries. providing consultancy on the information system design	Telephone. +255 719 25 30 37
Vitma UAB	Code 121998756 Address Juozapaviciaus str. 6 / Slucko str. 2. Vilnius Legal form – private limited liability company Registration date 25.06.1993	investments into information technology companies	Telephone +370 2 19 0000 Fax +370 2 19 5900
FACILITY MANAGEMENT SECTOR			
Inreal Pastatu Prieziura UAB	Code 126180446 Residence address Palangos str. 4, Vilnius Legal form – private limited liability company Registration date 25.03.2003	facilities management	Telephone +370 2 73 6607 E-mail prieziura@inreal.lt www.inreal.lt
Priemiestis UAB	Code 221487620 Address Skydo str. 30, Vilnius Legal form – private limited liability company Registration date 09.07.1992	facilities management	Telephone +370 2 67 0204 Fax +370 2 67 2941 E-mail info@priemiestis.lt www.priemiestis.lt

Company	Registration information	Type of activity	Contact details
FACILITY MANAGEMENT SECTOR			
Jurita UAB	Code 220152850 Address Justiniskiu str. 62, Vilnius Legal form – private limited liability company Registration date 28.12.1990	facilities management	Telephone +370 2 48 2088 E-mail info@jurita.lt www.jurita.lt
Naujosios Vilnios Turgaviete UAB	Code 302650163 Address Skydo str. 30, Vilnius Legal form – private limited liability company Registration date 26.07.2011	markets activities	Telephone +370 2 67 0204 E-mail info@priemiestis.lt buch.priemiestis@takas.lt
OTHER COMPANIES			
Kelio Zenklai UAB	Code 185274242 Address Gelezinkelio str. 28, Pilviskiai, Vilkaviskio r. Legal form – private limited liability company Registration date 06.09.1994	metal and wood processing and wholesale trade	Telephone +370 342 67 756 Fax +370 342 67 644 E-mail info@keliozenklai.lt www.keliozenklai.lt
MBGK UAB	Code 300083611 Address Seimyniskiu str. 1A, Vilnius Legal form – private limited liability company Registration date 27.2005.01	carries no activity	Telephone +370 263 6129 Fax +370 279 0530
IPP Integracijos Projektai UAB	Code 302890482 Address Palangos str. 4, Vilnius Legal form – private limited liability company Registration date 12.2012.10	facilities management	Telephone +370 273 6607 E-mail prieziura@inreal.lt
MGK Invest UAB	Code 302531757 Address Seimyniskiu str. 1A, Vilnius Legal form – private limited liability company Registration date 27.07.2010.	carries no activity	Telephone +370 263 6129 Fax +370 279 0530
RPNG UAB	Code 302575892 Address Seimyniskiu str. 1A, Vilnius Legal form – private limited liability company Registration date 20.12.2010	carries no activity	Telephone +370263 6129 Fax +370279 0530
Consult Invalda UAB	Code 302575814 Address Seimyniskiu str. 1A, Vilnius Legal form – private limited liability company Registration date 20.12.2010	carries no activity	Telephone +370 2 63 6129 Fax +370 2 79 0530

Company	Registration information	Type of activity	Contact details
OTHER COMPANIES			
Regenus UAB	Code 302575821 Address Seimyniskiu str. 1A, Vilnius Legal form – private limited liability company Registration date 20.12.2010	carries no activity	Telephone +370 2 63 6129 Fax +370 2 79 0530
Cedus UAB	Code 302656796 Address Seimyniskiu str. 1A, Vilnius Legal form – private limited liability company Registration date 18.08.2011	carries no activity	Telephone +370 2 63 6129 Fax +370 2 79 0530
Aktyvus Valdymas UAB	Code 301673764 Registration address Seimyniskiu str. 3, Vilnius; Residence address Address Seimyniskiu str. 1A, Vilnius Legal form – private limited liability company Registration date 07.04.2008	investment in real estate companies	Telephone +370 2 63 6129 Fax +370 2 79 0530
Inreal Pastatu Prieziuros Grupe UAB	Code 301673796 Residence address Seimyniskiu str. 1A, Vilnius; Legal form – private limited liability company Registration date 07.04.2008	investing in building maintenance companies	Telephone +370 2 63 6129 Fax +370 2 79 0530
Finansu Rizikos Valdymas UAB	Code 300045450 Residence address Seimyniskiu str. 1A, Vilnius Legal form – private limited liability company Registration date 04.08.2004	investment activities	Telephone +370 2 63 6129 Fax +370 2 79 0530
Iniciatyvos Fondas Vsi	Code 300657209 Registration address Seimyniskiu str. 3, Vilnius Residence address Seimyniskiu str. 1A, Vilnius Legal form – public institution Registration date 08.03.2007	organising of social initiative programmes	Telephone +370 2 63 6129 Fax +370 2 79 0530 E-mail info@iniciatyvosfondas.lt www.iniciatyvosfondas.lt
Laikinosios SostinEs Projektai UAB	In bankruptcy		