

SNAIGÈ AB
Report for the Quarter III of 2006

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I. GENERAL PROVISIONS

1. Accounting period of the report

The report has been issued as of the first quarter of 2006.

2. Basic information about the issuer

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

Authorised capital – 23,070,405 LTL

Address – Pramonės str. 6, LT-62001 Alytus

Phone – (8-315) 56 206

Fax – (8-315) 56 207; (8-315) 56 242

E-mail – snaige@snaige.lt

Internet address – <http://www.snaige.lt>

Legal organisation status – legal entity, public limited company

Registered as an enterprise on December 1, 1992 in the Municipality Administration of Alytus; registration number AB 92-119; enterprise register code 249664610. The latest Statute of “Snaigė” AB was registered on June 30, 2004 in Alytus Department of Register of Legal Entities of the Republic of Lithuania.

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

The report and its accompanying documents are available in the Budget Department of “Snaigė” AB (room 411) at Pramonės str. 6, Alytus on work days from 8.00 to 16.30, as well as in Financial Broker Firm UAB “Baltijos vertybiniai popieriai” at Gedimino ave. 60, Vilnius on work days from 9.00 to 17.00.

The mass media units – daily paper “Lietuvos Rytas” and news agency BNS.

4. Persons responsible for the information provided in the report

4.1. The issuer’s employees, administrative manager and the members of the management bodies are responsible for the report:

The Managing Director of “Snaigė” AB Mindaugas Šeštokas, phone (315) 56 206.

The acting Finance Manager of “Snaigė” AB Vytautas Adomaitis, phone (315) 56 205.

4.2. The present report was issued by the Financial Broker Firm UAB “Baltijos vertybiniai popieriai”. The address of the enterprise: Gedimino ave. 60, LT-01110 Vilnius, phone (5) 2313833, fax (5) 2313840. The responsible person – financial broker-consultant Karolis Rūkas, phone (5) 2313833.

5. Confirmation of the members of Issuer's governing bodies, employees, the head of administration and the Issuer's consultants that the information contained in the report corresponds with the reality and it comprises no concealed facts that could have an impact on investors' decisions to buy or sell the Issuer's securities, the market price or valuation of these securities

"Snaigė" AB managing director **Mindaugas Šeštokas**

"Snaigė" AB acting finance director **Vytautas Adomaitis**

UAB FMĮ "Baltijos vertybiniai popieriai" financial
broker-consultant **Karolis Rūkas**

Date of preparation:

30 October 2006

Place of preparation:

UAB FMĮ "Baltijos vertybiniai popieriai" (Gedimino ave. 60, Vilnius).

II. INFORMATION ABOUT THE MAJOR SHAREHOLDERS AND MEMBERS OF THE MANAGEMENT BODIES

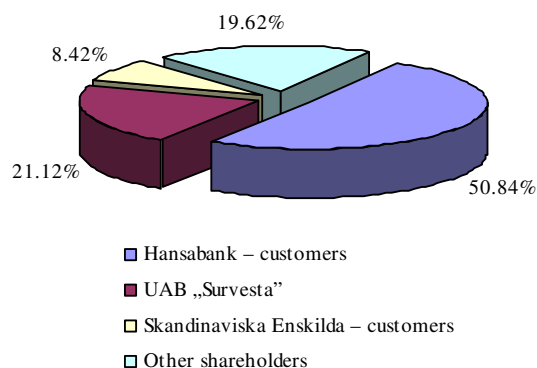
6. Shareholders

The total number of the shareholders on September 30, 2006 was 1,076.

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

Names (company names, addresses, enterprise register codes) of the shareholders	Number of the ordinary registered shares available		Share of the authorised capital and votes available, in percentage				
	total	incl. the ones owned by the shareholder	total		incl. the ordinary registered shares owned by the shareholder		Total incl. the share of the entities operating jointly, in percentage
			share of the votes	share of the capital	share of the appointed votes	share of the capital	
Hansabank – Customer, Liivalaia 8, Tallinn 15040 Estonia, Enterprise reg. no. 10060701	11 729 895	11 729 895	50,84	50,84	50,84	50,84	-
UAB “Survesta” – Kalinausko str. 2B, Vilnius, Enterprise reg. no. 126408152	4 872 000	4 872 000	21,12	21,12	21,12	21,12	21,43
Skandinaviska Enskilda – Customers, Sergels Torg 2, 10640 Stockholm, Sweden, Enterprise reg. no. 50203290810	1 941 568	1 941 568	8,42	8,42	8,42	8,42	-

Shareholders of AB “Snaigė”



6.1. Share price and volume development in Quarter III



7. Members of the Management Bodies

7.1. Position, names and information with regard to the share of the issuer's authorised capital available

Name	Position	Number of shares available	Share of the capital available, in percentage	Share of votes, in percentage
BOARD				
Nerijus Dagilis	Chairman of the Board of "Snaigė" AB	-	-	-
Domininkas Kašys	Member of the Board of "Snaigė" AB	-	-	-
Martynas Česnavičius	Member of the Board of "Snaigė" AB	15	0,00	0,00
Marius Binkevičius	Member of the Board of "Snaigė" AB	-	-	-
Mindaugas Šeštokas	Member of the Board of "Snaigė" AB, Managing Director	-	-	-
ADMINISTRATION (Administrative Manager, Chief Accountant)				
Mindaugas Šeštokas	Managing Director of "Snaigė" AB	-	-	-
Vytautas Adomaitis	Acting Finance Director of "Snaigė" AB	-	-	-

7.2. Information with regard participation in the activities of other companies and organisations (name of enterprise, institution or organisation, position); the share of the capital and votes above 5 percent, in percentage

Vardas, pavardė	Organizacijos pavadinimas, pareigos	Kitų įmonių kapitalo ir balsų dalis, proc.
Nerijus Dagilis	Chairman of the Board of UAB "Hermis Capital"	17,52
	Member of the Board of AB "Kelmės pieninė"	-
	Member of the Board of KITRON ASA	-
	Director of UAB "Deitona"	-
	Chairman of the Board of AB "Vilniaus Vingis"	
	UAB "Ežerų pasaulis"	25,00
	UAB "Baltijos polistirenas"	40,00
	Director of UAB "Survesta"	-
	Director of UAB "Hermis fondų valdymas"	-
	UAB "Gulbinų turizmas"	8,33
	Member of the Board of UAB "Naftos tėkmė"	-
	UAB "Holdita"	25,00
	Chairman of the Board of "Snaigė" AB	-
	Member of the Board of UAB "Naftos gavyba"	-
	Member of the Board of AB "Geonafta"	-
	Member of the Board of UAB "BVP investicijų valdymas"	-
Domininkas Kašys	Director of UAB "Vespera"	90,00
	Member of the Board of UAB "Hermis Capital"	0,75
	Director of UAB "Gulbinų turizmas"	8,33
Martynas Česnavičius	Member of the Board of UAB LNK (Free and Independent Channel)	-
	Chairman of the Board of UAB 1L Ekspresas	45,00
	Member of the Board of AB "Utenos Trikotažas"	-
	Member of the Board of AB "Malsena"	-
	Member of the Board of UAB "Litagros Chemija"	-
	Member of the Board of UAB "Naftos tekė"	-
	Member of the Board of AB "Sanitas"	-
	Member of the Board of UAB "Sidabra"	-
	Member of the Board of UAB "Atradimų studija"	-
Member of the Board of AB "Kauno Pieno Centras"	-	
Marius Binkevičius	-	-
Mindaugas Šeštokas	-	-
Vytautas Adomaitis	-	-

III. FINANCIAL STATUS

“Snaigė” AB is a parent company situated in Lithuania with the subsidiaries in Russia and Ukraine. The financial statements of the subsidiary companies are integrated into the consolidated financial statements. The following financial statements have been composed in accordance with the Business Accounting Standards of Lithuania and the International Accounting Standards.

8. Accounting Balance Sheet (in LTL)

Ref. No.	ASSETS	30.09.2006	30.09.2005	31.12.2005
A.	Fixed assets	107 298 349	114 664 464	113 758 599
I.	FORMATION COSTS			
II.	INTANGIBLE ASSETS	7 445 086	6 936 415	7 369 338
III.	FIXED TANGIBLE ASSETS	99 853 263	106 716 668	105 471 719
III.1.	Land			
III.2.	Buildings	39 683 173	39 265 682	41 363 950
III.3.	Other fixed tangible assets	57 420 632	60 398 330	63 429 341
III.4.	Construction in progress and advanced payments	2 749 458	7 052 656	678 428
IV.	FIXED FINANCIAL ASSETS		1 000	
V.	DEFERRED TAXES ASSETS		1 010 381	917 542
VI.	ACCOUNTS RECEIVABLE AFTER ONE YEAR			
B.	Current assets	166 256 118	153 744 538	132 525 873
I.	INVENTORY AND CONTRACTS IN PROGRESS	55 949 593	58 123 307	60 760 584
I.1.	Inventory	55 949 593	57 366 513	60 760 584
I.2.	Advance payments		710 494	
I.3.	Contracts in progress		46 300	
II.	ACCOUNTS RECEIVABLE WITHIN ONE YEAR	102 128 024	81 151 975	66 579 507
III.	INVESTMENTS AND TERM DEPOSITS		36 152	
IV.	CASH AT BANK AND ON HAND	7 511 366	11 603 073	5 185 782
V.	OTHER CURRENT ASSETS	667 135	2 830 031	
	TOTAL ASSETS	273 554 467	268 409 002	246 284 472

Ref. No.	SHAREHOLDERS' EQUITY AND LIABILITIES	30.09.2006	30.09.2005	31.12.2005
A.	Capital and reserves	104 097 789	113 813 804	103 274 266
I.	SHARE CAPITAL	26 714 155	26 714 155	26 714 155
I.1.	Authorised (subscribed) share capital	23 070 405	23 070 405	23 070 405
I.2.	Uncalled share capital (-)			
I.3.	SHARE PREMIUM (surplus of nominal value)	3 643 750	3 643 750	3 643 750
I.4.	Own shares (-)			
III.	REVALUATION RESERVE	-1 303 431	266 456	-1 288 563
IV.	RESERVES	29 255 241	28 925 913	28 925 913
V.	PROFIT (LOSS) BROUGHT FORWARD	49 431 824	57 907 280	48 922 761
B.	Minority interest	-10 14 472	653 567	23 994
C.	Financing (grants and subsidies)	4 175 113	5 451 580	5 108 932
D.	Provisions and deferred taxes	0	0	0
I.	PROVISIONS FOR COVERING LIABILITIES AND DEMANDS			
II.	DEFERRED TAXES			
E.	Accounts payable and liabilities	166 296 037	148 490 051	137 877 280
I.	ACCOUNTS PAYABLE AFTER ONE YEAR AND NON-CURRENT LIABILITIES	80 393 267	61 732 211	47 918 387
I.1.	Financial debts	79 982 418	60 445 469	46 293 607
I.2.	Trade creditors			
I.3.	Advances received on contracts in progress			
I.4.	Other accounts payable and non-current liabilities	410 849	1 286 742	1 624 780
II.	ACCOUNTS PAYABLE WITHIN ONE YEAR AND CURRENT LIABILITIES	85 902 770	86 757 840	89 958 893
II.1.	Current portion of non-current debts	16 853 183		24 188 308
II.2.	Financial debts		5 788 851	
II.3.	Trade creditors	57 890 673	68 509 248	45 983 031
II.4.	Advances received on contracts in progress	405 714	199 785	303 946
II.5.	Taxes, remuneration and social security payable	5 517 612	7 748 902	4 645 321
II.6.	Other accounts payable and current liabilities	5 235 588	4 511 054	10 718 019
II.7.	Fair value of derivative financial instruments			4 120 268
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	273 554 467	268 409 002	246 284 472

9. Profit (Loss) Account (in LTL)

Ref. No.	ITEM	2006 9 months	2005 9 months
I.	SALES INCOME	248 230 269	279 413 169
I.1.	Income of goods and other products sold	10 659 828	10 527 362
I.2.	Income of refrigerators sold	237 570 441	268 885 807
II.	SALES COST	212 305 067	228 501 310
II.1.	Net cost of goods sold	10 223 062	7 120 128
II.2.	Net cost of refrigerators sold	202 082 005	221 381 182
III.	GROSS PROFIT (LOSS)	35 925 202	50 911 859
IV.	OPERATING EXPENSES	35 568 926	32 608 475
IV.1.	Sales expenses	19 588 407	18 962 820
IV.2.	General and administrative expenses	15 980 519	13 645 655
V.	PROFIT (LOSS) FROM TYPICAL ACTIVITIES	356 276	18 303 384
VI.	OTHER ACTIVITY	1 718 774	318 019
VI.1.	Income	3 365 587	2 227 101
VI.2.	Expenses	1 646 813	1 909 082
VII.	FINANCIAL AND INVESTING ACTIVITIES	1 029 763	7 115 951
VII.1.	Income	17 985 979	67 526 552
VII.2.	Expenses	16 956 216	60 410 601
VIII.	PROFIT (LOSS) FROM ORDINARY ACTIVITIES	3 104 813	25 737 354
IX.	EXTRAORDINARY GAIN		
X.	EXTRAORDINARY LOSS		
XI.	PROFIT (LOSS) BEFORE TAXES	3 104 813	25 737 354
XII.	TAXES	3 323 077	4 454 923
XII.1.	Profit tax	3 581 951	3 826 103
XII.2.	Adjustment of deferred profit tax	-1 303 627	628 820
XII.3.	Social tax	1 044 753	
XIII.	Minority interest	1 038 325	1 494 008
XIV.	NET PROFIT (LOSS)	820 061	19 788 423

Cash Flows Statement (in LTL)

Ref. No.	ITEM	2006 9 months	2005 9 months
I.	Cash flows from key operations		
I.1.	Operating result before taxes	3 104 813	25 737 354
I.2.	Depreciation and amortization expenses	15 105 023	13 304 884
I.3.	Subsidies amortization	(944 694)	(916 944)
I.4.	Return from sales of fixed assets	1 557 379	
I.5.	Fixed assets written-off	8 687	
I.6.	Write-off of inventory		
I.7.	Devaluation of trade receivables		
I.8.	Unrealised loss of future currency transactions	(667 135)	
I.9.	Change in provisions for warranty repair services	111 832	2 151 504
I.10.	Financial income	(17 985 979)	(67 526 552)
I.11.	Financial expenses	16 956 216	60 410 601
	Cash flows from operating activities against change in circulating assets	17 246 142	33 160 847
I.12.	Change (increase) in trade receivables and other debts	(35 548 517)	(26 748 123)
I.13.	Change (increase) in inventory	4 810 991	(3 373 442)
I.14.	Change (decrease) in trade payables and other debts to suppliers	7 287 438	33 815 161
	Cash flows from ordinary activities	(6 203 946)	36 854 443
I.15.	Interest received	33 767	
I.16.	Interest paid	(2 790 647)	(2 421 746)
I.17.	Profit tax paid	(4 626 704)	(2 184 832)
	Cash flows from operating activities, at net book value	(13 587 530)	32 247 865
II.	Cash flows from investing activities		
II.1.	Acquisition of fixed tangible assets	(4 550 815)	(14 304 323)
II.2.	Capitalisation of fixed intangible assets	(210 322)	
II.3.	Inflows from sales of fixed assets	1 784 819	
II.4.	Loans granted		
II.5.	Loans regained		
	Net cash flows from investing activities	(2 976 318)	(14 304 323)

Ref. No.	ITEM	2006.09.30	2005.09.30
III.	Cash flows from financial activities		
III.1.	Cash flows related to the shareholders of the company		
III.1.1.	Issue of shares		
III.1.2.	Shareholders' contributions for covering losses		
III.1.3.	Inflows from sales of own shares		
III.1.4.	Payment of dividends		(1 758 516)
III.2.	Cash flows arising from other financing sources		(21 949 961)
III.2.1.	Subsidies received	43 500	
III.2.1.1.	Inflows from non-current loans	60 020 176	
III.2.1.2.	Loans repaid	(37 627 036)	(19 528 215)
III.2.2.	Leasing received	217 613	
III.2.2.1.	Payments of leasing liabilities	(324 803)	
III.3.	Other decrease in cash flows from financial activities		(2 948 388)
	Cash flows from financing activities, at net book value	22 329 450	(24 235 119)
IV.	Cash flows from extraordinary items		
IV.1.	Increase in cash flows from extraordinary items		
IV.2.	Decrease in cash flows from extraordinary items		
V.	The influence of exchange rates adjustments on the balance of cash and cash equivalents	(3 440 018)	12 486 086
VI.	Cash flows from ordinary activities, investments and financing activities, at net book value	2 325 584	6 194 509
VII.	Cash and cash equivalents at the beginning of the period	5 185 782	5 408 564
VIII.	Cash and cash equivalents at the end of the period	7 511 366	11 603 073

Statement of Changes in Equity

	Paid up authorised capital	Share premium	Own shares (-)	Legal reserves		Other reserves					Profit (loss) brought forward	TOTAL	Minority shareholders	TOTAL
				Compul-sory	Acquisition of own shares	For charity and donation	For social needs and Christmas events	For investments	Other	Reserve for currency exchange				
Recalculated balance as of December 31, 2004	23 070 405	3 643 750		2 337 913	10 000 000	187 000	401 000	16 000 000		-786 371	35 291 013	90 144 710		90 144 710
Dividends for 2004											-1 384 224	-1 384 224		-1 384 224
Net profit / loss of the reporting period (2005)										-502 192	13 722 364	13 220 172	1 317 602	14 537 774
Appropriated profit of the small shareholders for covering previous losses, which have been defrayed by the big shareholders											1 293 608	1 293 608	-1 293 608	0
Balance as of December 31, 2005	23 070 405	3 643 750	0	2 337 913	10 000 000	187 000	401 000	16 000 000	0	- 1 288 563	48 922 761	103 274 266	23 994	103 298 260
Total registered income and expenses as of 2006-06-30											820 063	820 063	-1 038 466	1 858 529
Formed reserves					10 000 000	151 000	410 000	16 338 000	0		-26 899 000	0		0
Transfers from reserves					-10 000 000	-187 000	-401 000	-16 000 000	0		26 588 000	0		0
Appropriated profit of the small shareholders for covering previous losses, which have been defrayed by the big shareholders												0		0
Other changes									18 327	-14 868		3 459		3 459
Current year profit not registered in the Profit (Loss) Report														
Balance as of September 30, 2006	23 070 405	3 643 750	0	2 337 913	10 000 000	151 000	410 000	16 338 000	18 327	-1 303 431	49 431 824	104 097 789	-1 014 472	103 083 317

10. Explanatory Note

The refrigerator plant was established on April 1, 1963. Upon privatisation of the enterprise via public subscription of shares on December 1, 1992, "Snaigė" PLC was registered. All the state-owned shares were retired in December of 1993.

"Snaigė" AB being a parent company of "Snaigė" group, is situated in Alytus, at Pramonės str. 6.

The Company has established 4 subsidiary enterprises abroad, as of 30-09-2006, including:

1. In the Russian Federation:

- Refrigerators production company "Techprominvest", with 85 % of controlled portfolio amounting to 2 808 360 LTL, situated in Kaliningrad, at 4 Balshaja Okruzhnaja, 1-a. The company was established for the activities comprising of manufacture and sales of refrigerators in the Russian Federation.

According to the resolutions of the shareholders extraordinary general meeting, held on 30-09-2006, the company is going to acquire 15 % of OOO "Techprominvest" shares.

- Sales company "Moroz Trade", with 100 % of controlled portfolio amounting to 947 LTL, situated in Moscow, at Prospekt Mira 52. The goal of this company is sales of refrigerators produced by OOO "Techprominvest" in the Russian Federation.

- Sales company "Liga – Servis", with 100 % of controlled portfolio amounting to 1 028 LTL, situated in Moscow, at Prospekt Mira 52. The goal of this company is expansion of sales market and sales of refrigerators produced by OOO "Techprominvest" in the Russian Federation.

2. In Ukraine:

- Sales company "Snaigė-Ukraine", with 99 % of controlled portfolio amounting to 88 875 LTL, situated in Kiev, at Grushevski str. 28-2a / 43. The company was acquired for increasing the sales amounts of the products of AB "Snaigė" in Ukraine.

The financial data of the said companies were completely integrated into the consolidated statement of "Snaigė" AB for the quarter III of 2006.

The average number of employees was 2271 during the three quarters of 2006.

The main business activities of "Snaigė" AB: manufacture of refrigerators, freezers, plastic articles and equipment, transport services, sales of consumer commodities, service of refrigerators, and other activities indicated in the registered Statute.

The Company's bookkeeping is done in compliance with the accounting principles effective in the Republic of Lithuania. These financial statements have been prepared in accordance with the Law on Bookkeeping, Law on Financial Statements of Companies, and Law on Consolidated Financial Statements of the Republic of Lithuania, as well as the International Accounting Standards. The inventory is written off in the statement using the FIFO method. Goods and services, and amounts payable and receivable in foreign currency are booked at the official exchange rate valid on the date of transaction. Provisions are accumulated with regard to future expenses related to warranty service of refrigerators, profit tax liabilities, amounts receivable and risk inventory in stock.

The balance of cash, amounts receivable and liabilities in foreign currency available at the end of the quarter are accounted in Litas, using the official exchange rate valid at the end of the fiscal period.

Income and expenses are accounted in accordance with the principle of accumulation of the income and expenses from continuous activities.

The subsidiary enterprises are controlled by the Company. The balances of the group enterprises, as well as income and expenses, and profit and loss from transactions settled between the group enterprises, have been entirely eliminated while preparing the consolidated financial statements.

The accounting system of the group is managed in Litas, except for the subsidiary enterprises "Techprominvest", "Moroz Trade" and "Liga-Servis", the accounts of which are managed in Russian

Roubles; and the subsidiary company “Snaigė Ukraina“, the accounts of which are managed in Ukrainian Grivinas.

The amounts of the consolidated financial statements are presented in Litas.

In order to cover the risk related to sales in foreign currency, the Company uses derivative foreign currency instruments. On each date of composition of the financial statement the derivative financial instruments are revaluated up to the fair value as of the particular date, by registering profit and loss. The fair value of the future currency transactions is established based on the market prices on the day of composition of the balance sheet.

The Company’s intangible assets include identifiable non-monetary assets without physical substance disposed by the Company, expecting to obtain direct and indirect economic benefits from the use of such assets. At the moment of acquisition (production) fixed intangible assets are recorded at the acquisition (production) cost. The balance sheet contains the residual value of intangible assets, which is calculated by deducting accumulated amortisation from the acquisition cost. Amortisation is calculated by applying the straight-line (linear) method. The liquidation value is not considered. The amortisation costs related to development are recorded as the operating expenses of the Company, whereas the costs related to software are attributed to the expense centres. The Company’s intangible assets amount to 6.94 percent of the total fixed assets. The Company’s objects are accepted as fixed tangible assets, if they satisfy the following criteria: the value of the assets is not less than 500 Litas; the assets are numerously incorporated into the production and service process by retaining their exterior form; depreciation of the assets lasts longer than one year; the Company can reasonably expect to obtain economic benefits from the assets in the future; the acquisition (production) cost of the assets can be reliably measured; the whole risk related to the tangible assets has been passed over to the Company. The liquidation value of fixed assets is 1 Litas. Depreciation of the fixed assets is calculated by applying the straight-line (linear) method in years. At the moment of acquisition fixed tangible assets are recorded at the acquisition cost in the accounting system. The balance sheet includes the acquisition cost of the fixed tangible assets, less the accumulated depreciation.

The fixed assets amount to 39.2 percent of the total assets of the Company. The tangible assets compose the major part (93.1 percent) of the fixed assets.

The current assets amount to 60.8 percent of the total assets of the Company, and have increased by 7.0 percent during the three quarters of the current year.

The major portion of the current assets includes:

1. Inventory (33.7 percent), which decreased by 12.2 percent during the three quarters of the current year.
2. Amounts receivable within one year (61.4 percent), which decreased by 11.2 percent from the beginning of the year.

Upon having evaluated the risk of payment of the amounts receivable and usage and realisation of the inventory available in the Company’s stock, the provisions have been accumulated with regard to each buyer and each inventory as of 30-09-2006, namely:

1. For risk inventory – 113 106 LTL.
2. For amounts receivable – 2 149 752 LTL.
3. Provisions for warranty service of refrigerators – 4 234 427 LTL.

The share capital of the Company amounts to 26 714 155 LTL (23 070 405 ordinary registered shares, the nominal value of a share being 1 LTL). The shares of the Company are registered in the Official List of Vilnius Securities Stock Exchange.

The financial grants and subsidies amount to 4 175 113 LTL.

The amounts payable and liabilities amount to 166 296 037 LTL, including the following:

- amounts payable after one year – 80 393 267 LTL.
- amounts payable within one year – 85 902 770 LTL.

The amounts payable within one year include the following:

- trade debts – 57 890 673 LTL,
- current portion of non-current debts – 16 853 183 LTL,
- advance payments received – 405 714 LTL,
- taxes, remuneration and social security – 5 517 612 LTL,
- other amounts payable – 5 235 588 LTL.

In order to supplement the circulating assets the Company uses bank loans, which amount to 96 835 601 LTL.

The Company's gross consolidated profit from sales and services rendered during the three quarters of the current year amounted to 35 925 202 LTL, which is 14 986 657 LTL less than the profit gained from the same activities during the three quarters of the previous financial year. The sales income from the typical activities amounted to 248 230 269 LTL, whereas the expenses amounted to – 212 305 067 LTL.

The operating expenses amount to 35 568 926 LTL, including:

- sales expenses – 19 588 407 LTL;
- general and administrative expenses – 15 980 519 LTL.

The Company's profit from the typical activities during the three quarters of the current year amounted to 356 276 LTL.

The profit from other Company's activities amounted to 1 718 774 LTL. Other operating income amounts to 3 365 587 LTL, whereas operating expenses amount to 1 646 813 LTL.

The profit from the financial investment activities amounted to 1 029 763 LTL. The income from the financial investment activities amounts to 17 985 979 LTL. The expenses from the financial investment activities amount to 16 956 216 LTL.

The Company has not gained any income or expenses from extraordinary activities, i.e., extraordinary profit or extraordinary loss, during the three quarters of the current year.

The Company's consolidated profit before taxes for 9 months of the current year amounts to 3 104 813 LTL, whereas the net profit equals 820 061 LTL.

IV. ESSENTIAL EVENTS OF THE ISSUER'S ACTIVITIES

11. Essential events of the issuer's activities

The essential events are announced in *LCVPD*, *VVPB*, *VPK*, and in the daily newspaper "Lietuvos rytas".

January 23, 2006. During the meeting of the Company's Board of 2006-01-20 it was decided to acquire 100% of the share capital of Russian company OOO "Liga Servis".

February 28, 2006. The preliminary, not audited, consolidated results of the activities of "Snaigė" AB are as follows: sales - 376,6 mill. LTL (109,1 mill. of EUR); profit before taxes – 19,7 mill. LTL (5,7 mill. EUR).

March 23, 2006. Regarding the general meeting of shareholders

March 23, 2006. The Board of "Snaigė" AB decided to call the general meeting of shareholders of "Snaigė" AB (enterprise reg. No. 249664610, legal address Pramonės str. 6, Alytus) on April 27, 2006, at 14.00, in Alytus, at Pramonės str. 6, in the Company's conference room. The registration of shareholders begins at 13.30 and ends at 13.50.

The agenda of the meeting:

1. The report of the Board of "Snaigė" AB with regard to the company's activities during 2005.
2. The auditor's report with regard to the Company's financial statements as of 2005.
3. Approval of the Company's financial statements as of 2005.
4. Distribution of the profit of 2005.
5. Regarding distribution of own shares.
6. Approval of new revision of the Company's Statute.
7. Election of the Company's Board.

Only the persons who were the shareholders of the Company at the end of the meeting date (April 20, 2006) have the right to participate and vote in the general meeting of shareholders, either personally or through the authorised persons, or the persons who entered into agreement regarding transition of the voting right. In the meeting the participants shall have the personal identity document. The authorised persons shall have the Power of Attorney issued in accordance with the valid legislation.

April 19, 2006. Draft decisions of the general meeting of shareholders.

Pursuant to the resolution of the Board of the Company dated on 2006-04-19 the following draft decisions of the ordinary general meeting of shareholders of April 27, 2006 have been proposed:

The report of the Board of "Snaigė" AB with regard to the companies activities during 2005. It was proposed: To approve the report of the Board of "Snaigė" AB with regard to the Company's activities during 2005.

The auditor's report with regard to the Company's financial statements as of 2005. It was proposed: To advise the shareholders to consider the auditor's report while voting regarding the financial statement of the Company.

Approval of the Company's financial statements as of 2005. It was proposed: To approve the financial statements of the Company of 2005.

Distribution of the profit of 2005. It was proposed: To approve distribution of profit.

Profit brought forward at the beginning of the reporting fiscal year amounted to 48 537 666 LTL (14 057 480 EUR).

The net financial profit of the year amounted to 7 545 957 LTL (2 185 460 EUR).

Transfers from reserves - 26 588 000 LTL (7 700 417 EUR).

Total profit to be appropriated amounted to - 82 671 623 LTL (23 943 357 EUR).

The profit share appropriated to the reserve for acquisition of own shares is - 10 000 000 LTL (2 896 200 EUR).

The profit share appropriated to the reserve for investments - 16 338 000 LTL (4 731 812 EUR).

The profit share appropriated to the other reserves - 561,000 LTL (162,477 EUR), including: for charity and donation - 151 000 LTL (43 733 EUR), for social and cultural needs - 410 000 LTL (118 744 EUR).

The profit share appropriated for payment of dividends - 0 LTL (0 EUR).

The profit share appropriated for payment of bonuses - 0 LTL (0 EUR).

Profit brought forward at the end of the reporting fiscal year amounted to 55 772 623 Lt (16 152 868 EUR).

Regarding distribution of own shares.

It was proposed: To purchase the ordinary registered shares (with the nominal value of 1 LTL each / VP ISIN code LT 0000109274), by submitting the official tender in accordance to the procedure established in the legislative enactments regulating the securities market and implementing it in Vilnius securities stock Exchange;

The purpose of acquisition of shares is to maintain and increase the price of the Company's shares;

To purchase up to 10 percent of the Company's shares in the National securities market for the price of 10 000 000 (ten million) Lit, i.e., such profit share appropriated to the reserve for acquisition of own shares.

The Company will purchase the shares up to October 27, 2007;

The maximum and minimum acquisition price of the shares: the minimum acquisition price of the shares is 12 LTL, the maximum acquisition price of the shares is 20 LTL.

The minimum sales price of own shares is 12 LTL for one share. To ensure the equal opportunities for all the shareholders willing to purchase the Company's shares. The acquired own shares of the Company will be sold in Vilnius securities stock exchange only. The particular conditions and terms of the official tender and the amounts and prices of the shares to be purchased, the sales price of the shares and sales terms shall be determined by the Board of the Company. All other issues not mentioned in the above resolutions shall be solved by the Board of the Company.

Acceptance of the new revision of the company's Statute.

It was proposed: To approve the new revision of the Statute.

To withdraw the Board of Observers by cancelling clause 6.1.2 of the Statute of the Company.

To replace clause 6.1.3 by clause 6.1.2 and to add the following remark: "6.1.2. The Board shall be composed of four members and elected for the period of four years."

To replace clause 6.1.4 by clause 6.1.3.

To withdraw clause 6.3, and to replace clause 6.4 by clause 6.3 and the following remark: “6.3. The Board of the Company shall be elected and withdrawn by the general meeting of shareholders in accordance with the procedure established in the Law on Public Companies of the Republic of Lithuania. The Board of the Company shall have the right to draw the decision with regard to issue of bonds. The competence of the Board with regard to other issues shall not be different from the one determined in the Law on public Companies of the Republic of Lithuania. The operating procedure of the Board shall be determined in the operating regulation of the Board.

To replace clause 6.5 by clause 6.4.

Election of the Board of the Company. It was proposed: To elect the Board of the Company during the meeting of shareholders.

April 19, 2006. Audited consolidated results of activities as of 2005

Turnover and other operating income amount to 372,1 mill. of LTL (107.8 mill. EUR).

Profit before taxes – 19.2 mil. of LTL (5.6 mill. EUR).

EBITDA – 41,4 mill. of LTL (12.0 mill. EUR).

July 28, 2006. Consolidated unaudited results for first half of the year 2006

Revenue and other operating income: LTL 128.90 million (EUR 37.33 million)

Profit before tax: LTL 1.16 mln. (EUR 0.34 million).

EBITDA (profit before interest, tax, depreciation and amortisation): LTL 13.1 million (EUR 3.79 million).

August 9, 2006. On convening The extraordinary general meeting of shareholders

On August 8, 2006 the Management board of „Snaigė“ AB decided to convene the Extraordinary General Meeting of shareholders „Snaigė“ AB (code 249664610, headquarters, Pramonės str. 6, Alytus) on September 11, 2006 at 2:00 pm in the hall of the company (Pramonės str. 6, Alytus).

Registration starts at 1:30 pm, ends at 1:50 pm.

On the agenda:

1. Increase of the company's authorised capital by additional contributions.
2. Cancellation of the right to buy company's shares of new emission for all shareholders.
3. Approval of a new wording of the Articles of Association.
4. Election of the management board member due to changes in the Articles of Association to increase number of board members till five members. Shareholders who at the end of the accounting day of the General Meeting of Shareholders, i.e. September 4, 2006, will be on the shareholders list of the Company have a right to participate and vote at the General Meeting of Shareholders personally or by proxy, or represented by the person with whom an agreement on the transfer of voting rights is concluded.

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

August 29, 2006. “Snaigė” AB group consolidated unaudited results for first half of the year 2006

Profit before tax: LTL 1.16 mln. (EUR 0.34 million).

Net loss: LTL 0.984 mln. (EUR 0.29 million).

September 1, 2006. Project of shareholders extraordinary general meeting decisions

It's offered by the company's Management board on August 31, 2006 as follows:

1. Concerning the increase of the Company's authorized capital by additional contributions.

1.1. to increase the Company's authorized capital by 756 960 Lt (seven hundred and fifty six thousand nine hundred and sixty) or by EUR 219 231 (two hundred nineteen thousand and two hundred thirty one), by issuing the new emission of 756 960 (seven hundred and fifty six thousand nine hundred and sixty) simple registered Company shares, with par value of each share being LTL 1 (one litas);

1.2. to determine that the acquisition value of one newly issued simple registered share is 13 (thirteen) litas;

1.3. to determine that the newly issued shares of the Company shall be paid for by money or non-pecuniary contribution – 15 percent of the commodity (authorized capital) share of the limited liability legal entity „TechPromInvest” of Russian Federation – no later than within 30 (thirty) days from the date of conclusion of the share acquisition contract;

1.4. to establish a 120 (one hundred and twenty) days term from the date of the extra-ordinary General meeting of shareholders for the conclusion of the share acquisition contract with the Company;

1.5. to establish that in the case if not all shares are signed within the set period of time, the authorized capital of the Company shall be increased by the total sum of par value of the undersigned shares. In such case the Director General of the Company shall be respectively authorized to change the size of

the authorized capital and the number of shares in the Company's By-laws and submit the amended company's By-laws to the manager of the Register of Legal entities;

1.6. to modify the By-laws of the Company in respect of the adopted resolutions and authorize Director General of the Company to sign the amended Company's By-laws and carry out all necessary activities for the registration of the By-laws.

2. Concerning the revocation of the pre-emption right of all Company's shareholders to acquire the new emission of shares:

2.1. the reasons for revocation of the pre-emption right of the shareholders to acquire the new emission of the Company's shares:

2.1.1. presently the emission of the Company's shares is the only possible way to acquire 15 percent of the commodity (authorized capital) share of the limited liability legal entity „TechPromInvest” of Russian Federation;

2.1.2. the additional investment is necessary for the development of the economic-commercial activities of the Company for the following reasons:

2.1.2.1. the acquisition of the commodity (authorized capital) share will simplify the management of the limited liability legal entity „TechPromInvest” in such case if the Company adopts the resolution to develop and expand its activities through the aforementioned Russian company;

2.1.2.2. the acquisition of the commodity (authorized capital) share will increase the value of the whole share of the limited liability legal entity „TechPromInvest” for the potential strategic investor;

2.1.2.3. according to the economic estimations, the acquisition of the commodity

(authorised capital) share will allow the increase of consolidated income and profit of “Snaigė” AB in future.

2.1.3. the persons, acquiring the shares of the Company, are reliable;

2.2. The substantiation of the share price for the new emission of the Company's shares:

2.2.1. the acquisition price for the new emission of the Company's shares is 13 (thirteen) litas for one simple registered share with par value of 1 litas;

2.2.2. the price for the new emission of the Company's shares is equal to the preliminary market value of 15 percent of the commodity (authorized capital) share of the limited liability legal entity „TechPromInvest” of Russian Federation, intended to be acquired;

2.3. The persons, who shall be offered to acquire the new emission of the Company's shares and the number of shares:

2.3.1. The person, who shall acquire the shares of the Company – the citizen of the Republic of Lithuania Ždanas Rysevas, personal identification number 36603260025, residing at Mindaugo str. 10-51, Kėdainiai.

The number of the acquired shares is 454176 (four hundred and fifty four thousand one hundred and seventy six), 13 (thirteen) litas for each simple registered share.

2.3.2. The person, who shall acquire the shares of the Company – the citizen of Russian Federation Rybnikov Valentin Valentinovič, personal identification number 390600967437, residing at Elovaja ave. 38-3, Kaliningrad, RF. The number of the acquired shares is 302784 (three hundred and two thousand seven hundred and eighty four), 13 (thirteen) litas for each simple registered share.

2.3.3. The total number of the issued shares is 756 960 (seven hundred and fifty six thousand nine hundred and sixty) newly issued Company's simple registered shares, with par value of one share being 1 (one) litas.

3. Concerning the adoption of the new edition of the Company's By-laws:

3.1. to form the Board of the Company, which shall be constituted of five members;

3.2. to modify the By-laws of the Company in respect of the adopted resolutions and authorize Director General of the Company to sign the amended Company's By-laws and carry out all necessary activities for the registration of the By-laws.

To authorize the Head of the Company to carry out all actions in respect of the adopted resolutions.

4. Concerning the election of the member of the Board in respect to the amendment in the By-laws on increasing the number of the members of the Board to five members:

4.1. to elect Marius Binkevičius to the Board of the Company (on the proposal of the shareholder “Hansabank customers”);

4.2. to authorize the Director General to notify the Register of Legal entities of the newly elected member of the Board and carry out all activities related to this.

Septemebr 11, 2006. Decisions of shareholders extraordinary general meeting

Extraordinary general meeting on September 31, 2006 passed the following resolution:

1. Concerning the increase of the Company's authorized capital by additional contributions.

1.1. to increase the Company's authorized capital by 756 960 Lt (seven hundred and fifty six thousand nine hundred and sixty) or by EUR 219 231 (two hundred nineteen thousand and two hundred thirty one), by issuing the new emission of 756 960 (seven hundred and fifty six thousand nine hundred and sixty) simple registered Company shares, with par value of each share being LTL 1 (one litas);

1.2. to determine that the acquisition value of one newly issued simple registered share is 13 (thirteen) litas;

1.3. to determine that the newly issued shares of the Company shall be paid for by money or non-pecuniary contribution – 15 percent of the commodity (authorized capital) share of the limited liability legal entity „TechPromInvest” of Russian Federation – not later than within 30 (thirty) days from the date of conclusion of the share acquisition contract;

1.4. to establish a 120 (one hundred and twenty) days term from the date of the extra-ordinary General meeting of shareholders for the conclusion of the share acquisition contract with the Company;

1.5. to establish that in the case if not all shares are signed within the set period of time, the authorized capital of the Company shall be increased by the total sum of par value of the undersigned shares. In such case the Director General of the Company shall be respectively authorized to change the size of the authorized capital and the number of shares in the Company's By-laws and submit the amended Company's By-laws to the manager of the Register of Legal entities;

1.6. to modify the By-laws of the Company in respect of the adopted resolutions and authorize Director General of the Company to sign the amended Company's By-laws and carry out all necessary activities for the registration of the By-laws."

2. Concerning the revocation of the pre-emption right of all Company's shareholders to acquire the new emission of shares:

2.1. to revoke the pre-emption right of the shareholders to acquire the new emission of the Company's shares;

2.2. to enable the right the persons to acquire the new emission of the Company's shares:

2.2.1. The citizen of the Republic of Lithuania Ždanas Rysevas, personal identification number 36603260025, residing at Mindaugo str. 10-51, Kėdainiai. The number of the acquired shares is 454176 (four hundred and fifty four thousand one hundred and seventy six), 13 (thirteen) litas for each simple registered share.

2.2.2. The citizen of Russian Federation Rybnikov Valentin Valentinovič, personal identification number 390600967437, residing at Elovaja ave. 38-3, Kaliningrad, RF. The number of the acquired shares is 302784(three hundred and two thousand seven hundred and eighty four), 13 (thirteen) litas for each simple registered share.

3. Concerning the adoption of the new edition of the Company's By-laws:

3.1. to form the Board of the Company, which shall be constituted of five members;

3.2. to modify the By-laws of the Company in accordance with the adopted resolutions on the modification of the number of members of the Board, to authorize the Director General to sign the amended By-laws of the Company and carry out all necessary activities for the registration of the By-laws.

3.3. in consideration of the fact that the authorization of the newly elected member of the Board shall be commenced on the registration of the amended By-laws of the Company in the Register of Legal entities, to authorize the Director General to first and foremost submit the By-laws on the modification of the number of members of the Board to the Register of Legal entities (without the change in the size of the authorized capital), and submit the By-laws on the change of the size of the authorized capital to the Register of Legal entities in accordance with the procedure set forth by the laws.

4. Concerning the election of Board member in respect to the amendment in the By-laws on increasing the number of the members of the Board to five members:

4.1. to elect Marius Binkevičius to the Board of the Company (on the proposal of the shareholder "Hansabank customers");

4.2. to authorize the Director General to notify the Register of Legal entities of the newly elected member of the Board and carry out all activities related to this.

October 18, 2006. Regarding project of the daughter enterprise establishment

"Snaigė" AB has started to prepare a project regarding establishment of the daughter enterprise, to which is planned to transfer the certain part of company business, not related to the main business of it. When the Board of company will make the decision concerning realization of this project, the material event including the detailed information will be announced.