

SNAIGĖ

The issuer's employees, administrative manager and the members of the management bodies who are responsible for the composition of financial account of 3rd quarter of 2007, as well as the issuer's consultants hereby confirm that the information provided in the reports is prepared according to the applied accounting standards, reflects the reality correctly and fairly shows issuer's assets, liabilities, financial position, profit or loss.

The Managing Director of AB "Snaigė" **Mindaugas Šeštokas**

The Finance Director of AB "Snaigė" **Loreta Nagulevičienė**

Financial Broker of UAB FMI "Orion Securities" **Mykantas Urba**

The image shows three handwritten signatures in blue ink. The first signature is at the top, the second is in the middle, and the third is at the bottom. To the right of these signatures is a circular blue stamp with text around the perimeter, which is partially obscured by the signatures.

Date of preparation of the report:
Place of preparation:

November 27, 2007
UAB FMI "Orion Securities" (Tumėno str. 4, Vilnius).

AB SNAIGÉ
Interim consolidated report for the quarter III of 2007

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I. GENERAL PROVISIONS

1. Accounting period of the report

The report has been issued for the three quarters of 2007.

2. The basic data about the issuer

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

Authorised capital – 23,827,365 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 AB “Snaigė” was registered on January 18, 2007 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 and Accounting Department of AB “Snaigė” (room 411) at Pramonės str. 6, Alytus on the days of I-IV from 7.30 to 16.30, and V from 7.30 to 14.00, as well as in Financial Broker Firm UAB “Orion Securities” at Tumėno str. 4, corp. B, floor 9, LT-01109, Vilnius on work days from 9.00 to 17.00.

The mass media unit – daily paper “Lietuvos Rytas”.

II. FINANCIAL STATUS

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

8. Accounting Balance Sheet (in LTL)

Ref. No.	ASSETS	2007-09-30	2006-12-31	2006-09-30
A.	Non-current assets	122,947,832	124,056,863	107,298,349
I.	INTANGIBLE ASSETS	17,444,093	17,356,669	7,445,086
II.	TANGIBLE ASSETS	101,809,581	103,532,482	99,853,263
II.1.	Land			
II.2.	Buildings	37,333,319	38,569,527	39,683,173
II.3.	Other non-current tangible assets	51,665,274	54,820,400	57,420,632
II.4.	Construction in progress and advance payments	12,810,988	10,142,555	2,749,458
III.	NON-CURRENT FINANCIAL ASSETS			
IV.	DEFERRED TAXES ASSETS	3,694,158	3,167,712	
B.	Current assets	146,274,103	133,070,208	166,256,118
I.	INVENTORY AND CONTRACTS IN PROGRESS	58,032,989	55,871,283	55,949,593
I.1.	Inventory	58,032,989	55,871,283	55,949,593
I.2.	Advance payments			
I.3.	Contracts in progress			
II.	ACCOUNTS RECEIVABLE WITHIN ONE YEAR	86,011,043	72,382,575	102,128,024
III.	OTHER CURRENT ASSETS	142,712	11,270	667,135
IV.	CASH AT BANK AND ON HAND	2,087,359	4,805,080	7,511,366
C.	Accrued income and prepaid expenses			
	TOTAL ASSETS	269,221,935	257,127,071	273,554,467

Ref. No.	SHAREHOLDERS' EQUITY AND LIABILITIES	2007-09-30	2006-12-31	2006-09-30
A.	Capital and reserves	102,740,437	93,007,483	104,097,789
I.	SHARE CAPITAL	36,554,635	26,714,155	26,714,155
I.1.	Authorized (subscribed) share capital	23,827,365	23,070,405	23,070,405
I.2.	Uncalled share capital (-)			
I.3.	Share premium (surplus of nominal value)	12,727,270	3,643,750	3,643,750
	Own shares (-)			
III.	REVALUATION RESERVE	-889,823	-986,564	-1,303,431
IV.	RESERVES	36,425,513	29,236,913	29,255,241
V.	PROFIT (LOSS) BROUGHT FORWARD	30,650,112	38,042,979	49,431,824
B.	Minority interest	4,071	7,368	-1,014,472
C.	Financing (grants and subsidies)	3,310,749	3,849,340	4,175,113
D.	Accounts payable and liabilities	163,166,678	160,262,880	166,296,037
I.	ACCOUNTS PAYABLE AFTER ONE YEAR AND NON-CURRENT LIABILITIES	52,136,208	42,315,421	80,393,267
I.1.	Financial debts	48,953,726	39,233,456	79,982,418
I.2.	Trade creditors			
I.3.	Advances received on contracts in progress			
I.4.	Provisions			
I.5.	Deferred taxes			
I.6.	Other accounts payable and non-current liabilities	3,182,482	3,081,965	410,849
II.	ACCOUNTS PAYABLE WITHIN ONE YEAR AND CURRENT LIABILITIES	111,030,470	117,947,459	85,902,770
II.1.	Current portion of non-current debts	16,223,539	29,420,029	16,853,183
II.2.	Financial debts			
II.3.	Trade creditors	81,772,216	67,346,955	57,890,673
II.4.	Advances received on contracts in progress	1,911,146	794,895	405,714
II.5.	Taxes, remuneration and social security payable	6,957,750	5,422,121	5,517,612
II.6.	Provisions			
II.7.	Other accounts payable and current liabilities	4,165,819	14,963,459	5,235,588
II.8.	Fair value of derivative financial instruments			
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	269,221,935	257,127,071	273,554,467

9. Profit (Loss) Report (in LTL)

Ref. No.	ITEMS	2007-09-30	2006-09-30
I.	SALES AND SERVICES	303,646,464	248,230,269
II.	COST OF GOODS SOLD AND SERVICES RENDERED	264,589,187	212,305,067
III.	GROSS PROFIT	39,057,277	35,925,202
IV.	OPERATING EXPENSES	34,096,067	35,568,926
V.	PROFIT (LOSS) FROM OPERATIONS	4,961,210	356,276
VI.	OTHER ACTIVITY	391,559	1,718,774
VI.1.	Income	2,135,256	3,365,587
VI.2.	Expenses	1,743,697	1,646,813
VII.	FINANCIAL AND INVESTING ACTIVITIES	-5,246,299	1,029,763
VII.1.	Income	8,367,278	17,985,979
VII.2.	Expenses	13,613,577	16,956,216
VIII.	PROFIT (LOSS) FROM ORDINARY ACTIVITIES	106,470	3,104,813
IX.	EXTRAORDINARY GAIN		
X.	EXTRAORDINARY LOSS		
XI.	CURRENT ACCOUNTING PERIOD PROFIT (LOSS) BEFORE TAXES	106,470	3,104,813
XII.	TAXES	298,898	3,323,077
XIII.	PROFIT TAX	159,669	3,581,951
XIV.	Adjustment of deferred profit tax		-1,303,627
XV.	Social tax	139,229	1,044,753
XVI.	MINORITY INTEREST	3,297	1,038,325
XVII.	NET CURRENT ACCOUNTING PERIOD PROFIT (LOSS)	-189,131	820,061

Cash Flows Statement

Ref. No.		2007-09-30	2006-09-30
I.	Cash flows from the key operations		
I.1	Result before taxes	106,470	3,104,813
I.2	Depreciation and amortization expenses	15,310,494	15,105,023
I.3	Subsidies amortization	(883,871)	(944,694)
I.4	Result of sold non-current assets	(75,198)	1,557,379
I.5	Write-off of non-current assets	21,729	8,687
I.6	Write-off of inventories	158,277	
I.7	Depreciation of receivables		
I.8	Non-realized loss on currency future deals	-	(667,135)
I.9	Change in provision for guarantee repair	(870,452)	111,832
I.10	Financial income	(28,242)	(17,985,979)
I.11	Financial expenses	3,305,633	16,956,216
	Cash flows from the key operations until decrease (increase) in working capital	17,044,840	17,246,142
II.1	Decrease (increase) in receivables and other liabilities	(13,628,468)	(35,548,517)
II.2	Decrease (increase) in inventories	(2,161,706)	4,810,991
II.3	Decrease (increase) in trade and other debts to suppliers	15,555,321	7,287,438
	Cash flows from the main activities	16,809,987	(6,203,946)
		-	
III.1	Interest received	28,242	33,767
III.2	Interest paid	(3,305,633)	(2,790,647)
III.3	Profit tax paid	(3,740,455)	(4,626,704)
	Net cash flows from the key operations	9,792,141	(13,587,530)

II.	Cash flows from the investing activities		
II.1	Acquisition of tangible non-current assets	(7,839,776)	(4,550,815)
II.2	Capitalization of intangible non-current assets	(103,585)	(210,322)
II.3	Sales of non-current assets	2,568,698	1,784,819
	Net cash flows from the investing activities	(5,374,663)	(2,976,318)

III.	Cash flows from the 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	Sale of own shares		
III.1.4	Payment of dividends		
III.2	Cash flows arising from other financing sources		
III.2.1	Subsidies received	345,280	43,500
III.2.1.1	Loans received	111,933,219	60,020,176
III.2.1.2	Loans repaid	(118,393,535)	(37,627,036)
III.2.2	Finance lease received		217,613
III.2.2.1	Payments of leasing (finance lease) liabilities	(1,560,935)	(324,803)
	Net cash flows from the financial activities	(7,675,971)	22,329,450

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	540,772	(3,440,018)
VI.	Net increase (decrease) in cash flows	(2,717,721)	2,325,584
VII.	Cash and cash equivalents at the beginning of period	4,805,080	5,185,782
VIII.	Cash and cash equivalents at the end of period	2,087,359	7,511,366

Statement of Changes in Equity

	Paid up authorised capital	Share premium	Own shares (-)	Legal reserves		Revaluation reserve (results)	Other reserves					Retained earnings (losses)	TOTAL	Minority shareholders	TOTAL
				Compulsory	For acquiring own shares		For charity, donation	For social needs	For investments	Other reserves	Currency exchange reserve				
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		-1,288,563	48,922,761	103,274,266	23,994	103,298,260
Dividends for 2004													0		0
Acquisition of own shares													0		0
Formed reserves							-36,000	9,000	338,000			-311,000	0		0
Total registered income and expenses as of 2006													0		0
Total registered income and expenses as of 2006												820.061	820.061		820.061
Other changes										18.327	-14.868		3.459	-1.038.466	-1.035.007
Non recognized profit (loss) in the profit/loss statement 2006													0		0
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	49,431,822	104,097,786	-1,014,472	103,083,314
Total registered income and expenses as of 2006											316.867	-11,401.701	-11,084.834	-3.628	-11,088.462
Non recognized profit (loss) in the profit/loss statement 2006												12.858	12.858	-12.998	-140
Other changes										-18.327			-18.327	1,038.466	1,020.139
Balance as of December 31, 2006	23,070,405	3,643,750	0	2,337,913	10,000,000		151,000	410,000	16,338,000	0	-986,564	38,042,979	93,007,483	7,368	93,014,851
Total registered income and expenses as of 2007											96,741	-189,131	-92,390	-18,432	-110,822
Dividends for 2006													0		0
Formed reserves					10,000,000		90,000	350,000	23,647,600			-34,087,600	0		0
Transfer from reserves					-10,000,000		-151,000	-410,000	-16,338,000			26,899,000	0		0
Acquisition of own shares during financial year													0		0
Sale of own shares during financial year													0		0
Other changes	756,960	9,083,520											9,840,480		9,840,480
Non recognized profit (loss) in the profit/loss statement												-15,136	-15,136	15,136	-1
Balance as of September 30, 2007	23,827,365	12,727,270	0	2,337,913	10,000,000		90,000	350,000	23,647,600		-889,823	30,650,112	102,740,438	4,071	102,744,509

10. Explanatory Notes

The refrigerator manufacturing plant was established on the 1 April 1963. After the privatization of the Company on 1 December 1992, the joint-stock company “Snaigė” was established and in December 1993 all state-owned shares were bought out.

AB „Snaigė“, which is the main company of „Snaigė“ group is located in Alytus, Pramonės - 6.

The Company has established 4 subsidiary enterprises abroad, as of 2007-09-30, including:

1. in Russian Federation:

- Refrigerators Production Company with 100 % of controlled portfolio amounting to 12,648,840 LTL, situated in Kaliningrad, at 4 Balshaja Okruzhnaja, 1-a “Techprominvest”. The company was established for the activities comprising manufacture and sales of refrigerators in Russian Federation.

On the 28th of December 2006, according to a signed authorized capital acquisition agreement, AB „Snaigė“ had acquired 15% of shares in OOO „Techprominvest“ and from then fully owns the company. The whole block of shares is valued 12,648,840 LTL.

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

- Sales company with 100 % of controlled portfolio amounting to 1028 LTL, situated in Moscow, at prospekt Mira 52, “Liga – Servis“. The goal of this company is the expansion of sales network and the resale of refrigerators produced by OOO “Techprominvest” in Russian Federation.

2. In Lithuania

- manufacturing company UAB „Almecha“ with 100% of controlled portfolio amounting to 30000 LTL, situated in Alytus, Pramonės str. 6. On 1 January 2007 the subscribed company’s capital was increased by property contribution to 1,375,785 LTL.

3. In Ukraine

- Sales company with 99 % of controlled portfolio amounting to 88875 LTL, situated in Kiev, at Grushevski str. 28-2a / 43 “Snaige-Ukraine”. The company was acquired for increasing the sales amounts of the products of AB “Snaigė in Ukraine.

The financial data of the mentioned companies were completely integrated into the consolidated statement of AB “Snaigė” third quarter 2007 report.

Up to September 30th 2007, 2527 employees were working for the company: 450 managers and specialists, 2077 workers.

The main activity of AB “Snaigė”: manufacturing of refrigerators, freezers, plastic products, equipment, transport services, trade of consumer goods, technical servicing of refrigerators and other activities allowed by the company’s 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, Law on Consolidated Financial Statements of the Republic of Lithuania, as well as Business Accounting Standards (BAS) of Lithuania and the International Accounting Standards (IAS). 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.

Subsidiary companies are fully controlled by the Company. The balance items, revenues and costs, profit and loss, from transaction between the group companies are fully eliminated while preparing consolidated financial accounts.

The accounting of the groups is done using Litas currency, except for subsidiaries „Techprominvest“, „Moroz Trade“ and „Liga-Servis“ for which Russian Ruble is used and subsidiary company „Snaige ukraina“, for which Ukrainian Hryvnia is used.

All the items of consolidated financial statements are expressed in Lithuanian Litas.

Currently company is not using derivative currency instruments due to extremely low USD exchange rate, as business plan is prepared using rate of 2.7 LTL for 1 USD.

Intangible assets include identifiable non-monetary assets without physical substance disposed by the enterprise expecting to obtain direct and indirect economic benefits from the use of such assets. At the moment of acquisition (production) 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 the software are attributed to the expense centres. Balance sheet item Intangible assets also includes goodwill (12,312,707). Intangible assets make up 14.2% of all the non-current assets.

Expenses are accepted as non-current tangible assets if they satisfy the following criteria: the value of the assets is not less than 500 LTL; 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 enterprise 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 enterprise. The liquidation value of non-current assets is equal to 1 LTL. Depreciation of the non-current assets is calculated by applying the straight-line (linear) method in years:

- Buildings: 15-63 years
- Machinery and equipment: 5-10 years
- Transport equipment and other assets: 3-8 years

At the moment of acquisition tangible assets are recorded at the acquisition cost. The balance sheet includes the acquisition cost of the tangible assets, less the accumulated depreciation.

Non-current assets constitute 45.7% of total company's assets. The biggest part of non-current assets are tangible assets (82.8%).

Current assets are equal to 54.3% of total company's assets; it has increased by 2.5% during the three quarters of 2007.

The major portion of the current assets includes:

1. Inventory (39.7 percent), which decreased by 2.3 percent from the beginning of the year. The decrease is a result of accumulation over the summer of finished production in the warehouses.

2. Amounts receivable within one year (58.8 percent) increased by 4.4 percent over the 9 months of 2007. After evaluating receivables payment and inventories' realization risks for the day of 2007-09-30, the following provisions were formed:

1. For illiquid inventories – 52,318 LTL

2. For receivables – 11,763,408 LTL

3. Provisions for guarantee servicing of the refrigerators – 3,462,467 LTL. Provisions formed are shown on the balance sheet: Accounts payable after one year and non-current liabilities – 3,182,482 LTL and accounts payable within one year and current liabilities -279,985 LTL.

The share capital of the company amounts to 23,827,365 LTL (23,827,365 ordinary registered shares, the nominal value of a share being 1 LTL). The shares of the Company are listed on the Official list on Vilnius Stock Exchange.

The financial grants and subsidies amount to 3,310,749 LTL.

The amounts payable amount to 163,166,678 LTL, including the following:

- the amounts payable after one year – 52,136,208 LTL,

- amounts payable within one year – 111,030,470 LTL.

The amounts payable within one year include the following:

- trade debts – 81,772,216 LTL,

- current year portion of long-term debts – 16,223,539 LTL,

- advance payments received – 1,911,146 LTL,

- taxes, remuneration and social security – 6,957,750 LTL,

- other amounts payable and liabilities – 4,165,819 LTL.

As for the operating capital, Company uses loans from banks, which amount to 32,017,247 LTL, factoring of 21,770,982 LTL, overdraft of 7,758,341 LTL and lease for the gain of long term assets of 3,630,695 LTL.

The company's gross consolidated income from sales and services rendered during the three months of the current year amounted to 39,057,277 LTL; which is 3,132,075 LTL more than the profit received during the same period of the previous financial year. The sales income from the ordinary activities amounted to 303,646,464 LTL, whereas the expenses amounted to 264,589,187 LTL.

The consolidated operating expenses amount to 34,096,067 LTL, including:

- sales costs – 16,288,377 LTL;

- general and administrative expenses – 17,807,690 LTL.

The profit from other Company's activities amounted to 391,559 LTL, which compared with the same period last year was 1,327,215 LTL lower. The difference in 2006 numbers arose from the sale of camp in Šventoji. Other operating income amounted to 2,135,256 LTL, whereas operating expenses amount to 1,743,697 LTL.

The loss from the financial investment activities amounted to 5,246,299 LTL.

The income from the financial investment activities amounted to 8,367,278 LTL for the 9 months of 2007, compared to 17,985,979 LTL for 9 months of 2006.

The expenses from the financial investment activities amounted to 13,613,577 LTL for the 9 months of 2007, compared to 16,956,216 LTL for the 9 months of 2006.

The Company has not gained any income or expenses from extraordinary activities, i.e., extraordinary profit or extraordinary loss during 9 months of the current year.

The Company's consolidated profit before taxes for the month of September is 481,234 LTL; whereas, during the 9 months of 2007 it has reached 106,470 LTL of profit.