

RESPONSIBLE PERSONS CONFIRMATION

28.11.2008

Confirm that by LR Law on Securities article 22, part 1 AB "Vilniaus baldai" Financial statement for the nine months of 2008 have been prepared in accordance with International Financial Reporting Standards (IFRS). We consider that the accounting policies used are appropriate and financial statement thus gives a true and fair view in equity, cash flow, assets, liabilities and income statement.

APPENDIX:

Consolidate Financial statement for the nine months of 2008.

Chief Executive Officer


Nerijus Pacevičius

Chief Financial Officer


Aušra Kibirkštienė

**Public company “Vilniaus baldai”
Consolidate Financial Statement
for the nine months of 2008**

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COMPANY INFORMATION

1. Reporting period covered by this Report

The Report has been drawn up for the nine months of 2008.

2. Main data about the issuer

Name of the issuer	Public company (AB) "Vilniaus baldai"
Code	121922783
Authorized capital	15 545 068 LTL
Office address	Savanorių Ave. 178, LT-03154 Vilnius
Telephone	(+370~5) 252 57 00
Fax	(+370~5) 231 11 30
E-mail	info@vilniausbaldai.lt
Website	www.vilniausbaldai.lt
Legal and organizational form	Legal person of limited liability; public company
Date and place of registration	9 February 1993; Vilnius municipality
Register, in which data about the company are accumulated and stored	Register of legal entities
Type of activity	design, manufacturing and sale of office, bedroom, sitting room and hall furniture

Information about the subsidiary company of the issuer

Name of the issuer	Public company (UAB) "Ari-Lux"
Code	120989616
Authorized capital	10 000 LTL
Share of "Vilniaus baldai" in the company	100 %
Office address	Savanorių Ave. 178, LT-03154 Vilnius
Telephone	(+370~5) 252 5744
Fax	(+370~5) 252 5744
E-mail	saxela@takas.lt
Website	-
Legal and organizational form	private limited liability company
Date and place of registration	28 October 1991; the Board of Vilnius Municipality
Register, in which data about the company are accumulated and stored	Register of Legal Entities
Type of activity	fitting packing

3. Information about where and how to access the Report and the documents, on the basis of which it has been drawn up, and the designation of the means of mass media for announcements

The Report and supporting documents, on the basis of which it has been drawn up, can be accessed at the Company's registered office at Savanorių Ave. 178, Vilnius, and in the financial brokerage firm AB "Finasta", Konstitucijos Ave. 23, Vilnius.

The means of mass media for AB "Vilniaus baldai" announcements: the daily "Verslo žinios", the Lithuanian news agency ELTA and the news agency BNS.

4. Board

Prezident of board: Vytautas Bučas.
Members of board: Darius Šulnis,
Raimondas Rajeckas.

5. Persons responsible for the accuracy of the information in the Report

Members of the managing bodies, employees and the Head of the Administration of the issuer are responsible for the accuracy of the information:

Nerijus Pacevičius, Chief Executive Officer, tel. (+370~5) 252 57 00, fax. +370 5 231 11 30

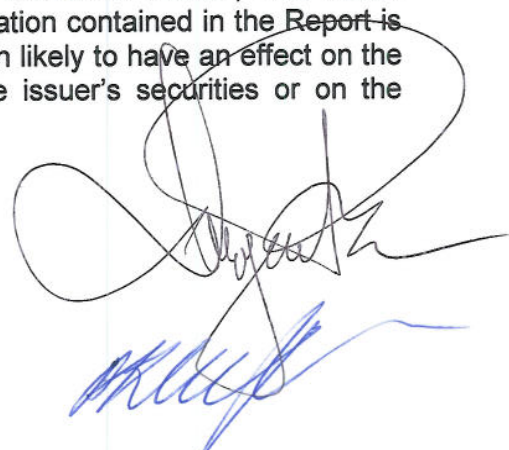
Aušra Kibirkštienė, Chief Financial Officer, tel. (+370~5) 252 57 20

6. Declaration by the members of the issuer's managing bodies, employees, the Head of the Administration and the issuer's consultants that the information contained in the Report is in accordance with the facts and that the Report makes no omission likely to have an effect on the investors' decision concerning purchase, sale or valuation of the issuer's securities or on the market price of these securities.

AB "Vilniaus baldai", represented by Nerijus Pacevičius, Chief Executive Officer, and Aušra Kibirkštienė, Chief Financial Officer, hereby confirm that the information contained in the Report is in accordance with the facts and that the Report makes no omission likely to have an effect on the investors' decision concerning purchase, sale or valuation of the issuer's securities or on the market price of these securities.

Nerijus Pacevičius, Chief Executive Officer of AB "Vilniaus baldai"

Aušra Kibirkštienė, Chief Financial Officer of AB "Vilniaus baldai"



Date of signing the Report - 28 November 2008.

INTERMEDIATE CONSOLIDATE FINANCIAL STATEMENT FOR THE NINE MONTHS OF 2008

The financial statements of AB "Vilniaus baldai" presented in this section of the Report are drawn up in accordance with the International Financial Reporting Standards (IFRS).

The auditors reviewed the financial statements of 31 December 2007, while those of 30 September 2008 and 30 September 2007 are unaudited.

Balance Sheet

	30.09.2008	31.12.2007	LTL thousand 30.09.2007
Assets			
Non-current assets:			
Non-current tangible assets	46 737	51 866	54 635
Intangible assets	330	306	241
Investment	19 378	22 697	23 916
Total non-current assets	66 445	74 869	78 792
Current assets			
Inventories	11 064	11 587	12 847
Trade debtors	14 448	11 162	13 328
Other accounts receivable	3 559	2 530	2 286
Cash and Cash Equivalents	41	61	1 482
Total current assets	29 112	25 340	29 943
Total assets	95 557	100 209	108 735
Shareholders' equity and liabilities			
Capital and reserves			
Share capital	15 545	15 545	15 545
Revaluation reserve	8 356	8 356	8 554
Legal reserve	1 422	1 222	1 222
Retained earnings	(1 685)	2 917	4 012
Total capital and reserves	23 638	28 040	29 333
Non-current liabilities			
Grants	22	31	34
Deferred tax liabilities	1 769	1 769	1 744
Loans and other interest bearing payables	22 914	23 358	42 051
Total non-current liabilities	24 705	25 158	43 829
Total current liabilities			
Loans and other interest bearing payables	25 337	30 105	14 061
Debts to Suppliers	18 627	13 874	17 356
Other liabilities	3 250	3 032	4 156
Total current liabilities	47 214	47 011	35 573
Total liabilities	71 919	72 169	79 402
Total equity and liabilities	95 557	100 209	108 735

Income Statement

LTL thousand

	I - III quarter 2008	I - III quarter 2007	III quarter 2008	III quarter 2007
Turnover	101 809	114 184	38 219	39 841
Production costs	(95 035)	(101 659)	(35 613)	(35 097)
GROSS PROFIT	6 774	12 525	2 606	4 744
Distribution costs	(1 033)	(1 237)	(351)	(696)
Administrative costs	(5 252)	(4 673)	(1 545)	(1 343)
Other operating income, net	1 082	1 339	637	1 660
Profit from operating activities	1 571	7 954	1 347	4 365
Financial income, net	(2 655)	(2 692)	(836)	(886)
Operating result of the associated firm	(3 318)	(1 141)	(1 193)	(407)
Profit before taxes	(4 402)	4 121	(682)	3 072
Income tax	0	(1 049)	0	(674)
Net annual profit	(4 402)	3 072	(682)	2 398
Earnings per share	(1,13)	0,79	(0,18)	0,62

Statement of Changes in Equity

LTL thousand

	Share Capital	Legal reserve	Revaluation reserve	Accrued earnings	Total
Capital and reserves as of 31 December 2006	15 545	1 222	8 554	920	26 241
Replacement of the revaluation reserve					
Change in the deferred tax liability					
Dividend					
Allocation to the legal reserve					
Adjustment of retained earnings (deficit)				20	20
Net profit (Loss)				3 072	3 072
Capital and reserves as of 30 September 2007	15 545	1 222	8 554	4 012	29 333
Replacement of the revaluation reserve			(198)	198	0
Dividend					
Allocation to the legal reserve					0
Net profit (Loss)				(1 293)	(1 293)
Capital and reserves as of 31 December 2007	15 545	1 222	8 356	2 917	28 040
Replacement of the revaluation reserve					
Dividend					
Allocation to the legal reserve		200		(200)	-
Net profit (Loss)				(4 402)	(4 402)
Capital and reserves as of 30 September 2008	15 545	1 422	8 356	(1 685)	23 638

Cash Flow Statement

	LTL thousand	
	30.09.2008	30.09.2007
Result after taxes	(4 402)	3 072
Adjustments:		
Depreciation and amortisation	5 442	6 572
Result from investing activities	3 318	
Sale, writing off, etc. of non-current tangible assets	(419)	2 129
Deferred taxes		
Provisions for outdated inventories		
Provisions for problematic amounts receivable		
Amounts accrued to cover tax liabilities		1 049
Holiday pay reserve		
Financial income and costs	2 655	3 737
Cash flow from ordinary activities before changes in working capital	6 594	14 433
Changes in trade receivables and other amounts receivable	(4 315)	(6 030)
Changes in inventories	523	760
Changes in debts to suppliers and other liabilities	5 511	3 292
Cash flow from operating activities	8 313	(1 978)
Income tax paid	(539)	
Cash flow from operating activities	7 774	12 455
Acquisition of non-current assets	(667)	
Acquisition of investments		(13)
Result from investing activities		5
Capitalisation of non-current intangible assets		
Sale/writing off of non-current tangible assets	729	143
Dividend and interest received	1	135
Cash flows from investing activities	7 837	135
Dividend paid		
Loans received/repaid	(5 212)	(8 587)
Interest paid	(2 645)	(2 536)
Cash flows from financing activities, net	(7 857)	(11 123)
Cash flows from operating, investing and financing activities	(20)	1 467
Cash and cash equivalents as of 1 January 2008	61	15
Cash and cash equivalents as of 30 September 2008	41	1 482

Explanatory Notes

1 Summary of the basic accounting principles and practices

The public company AB "Vilniaus baldai" is a listed company in Lithuania.

The company manufactures furniture. As of 30 September 2008 the Group employed 641 people, Company employed 591 people (on 30 September 2007, there were 734 employees).

The Company's shares are traded on the Official List of the OMX Vilnius Stock Exchange.

Compliance of the statements with established standards

Financial statements were drawn up in accordance with the International Financial Reporting Standards (IFRS) issued by the International Financial Reporting Standards Board (IFRSB) and with the interpretations of the Standard Interpretation Committee of the IFRSB.

Basis for drawing up of the statements

In the financial statements all figures are provided in LTL thousand. The statements are drawn up applying the method of historical costs.

When drawing up the financial statements in accordance with the IFRS, the managers are required to make calculations and estimations to support the assumptions that have an impact on application of the accounting principles and on the amounts of assets and liabilities, income and costs. The calculations and related assumptions are based on historical experience and other factors that correspond to the present situation and on the basis of which conclusions concerning the carrying amount of assets and liabilities are made that cannot be decided on the basis of other sources. The actual amounts may differ from these assumptions.

The Company's accounting policies are consistent with those used in the previous years.

Amounts in foreign currencies are shown in the national currency

Transactions in foreign currencies are recorded in litas at the official exchange rate on the day of the transaction. Accounts receivable and payable and cash in foreign currencies are translated into litas at the exchange rate on the balance sheet day. The differences in the currency exchange rates that occur after the transactions are recorded in the Income Statement.

Balance Sheet

Non-current tangible assets

Non-current tangible assets, except buildings, are disclosed at acquisition or production cost, less accrued depreciation and impairment losses. The costs of internally developed assets include the costs of materials, direct labour costs and respective indirect production costs.

The value of buildings is disclosed at revaluation cost less accrued depreciation and impairment losses. Revaluation of buildings is performed every five years.

The costs suffered in an attempt to replace an element of tangible assets that is recorded separately, including costs of major repairs, undergo capitalisation. Other costs are capitalized only if they increase the expected economic benefit receivable from those assets. All other costs related to these assets are recorded in the Income Statement when incurred. Depreciation (amortization) of the non-current tangible assets is calculated on a straight – line basis over the estimated useful life of the assets and disclosed in the Income Statement, while its major elements are recorded separately.

The projected useful economic life of the assets is as follows:

- | | |
|-------------------------------|--------------|
| – buildings | 40 years |
| – non-current tangible assets | 6 – 10 years |
| – vehicles | 5 – 10 years |
| – other assets | 2 – 6 years |

Non-current intangible assets

Non-current intangible assets that consist of the acquired software are recorded at actual acquisition or production cost, less accrued amortisation. Amortization is calculated on a straight – line basis over a period of 3 years.

Trade debtors and other accounts receivable

Trade debtors and other accounts receivable are disclosed at costs after the deduction of the provisions for potential losses.

Inventories

Raw materials are recorded at the acquisition cost or at net realizable value, whichever are lower, less provisions for slow-turnover and outdated inventory items.

Construction in progress is disclosed at costs that include the purchase price of raw materials and assembling units, direct labour costs and related indirect production costs.

Completed products are disclosed at the standard sales price adjusted by an estimated average margin.

When calculating the costs the FIFO method is applied.

Cash and cash equivalents

For the purposes of this Cash Flow Statement, cash and cash equivalents include cash on hand and demand deposits.

Impairment

The carrying amount of the Company's assets, excluding inventories and the deferred tax assets is tested at each balance sheet date for impairment when changes in circumstances indicate that the carrying amount may not be recoverable.

If any such indication exists, the recoverable amount of the assets is tested. The recoverable amount of the intangible assets not yet used is tested at each balance sheet date. Where the carrying amount of the asset exceeds the estimated recoverable amount, the impairment losses are recognized in the Income statement.

Calculation of the recoverable amount

The recoverable amount is its fair value less costs to sell or its value in use, whichever is higher. The asset value in use is calculated by discounting future cash flows to their present value applying a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Dividend

Dividends are recorded as a liability in the period they are announced.

Amounts carrying interest

The amounts carrying interest are disclosed at nominal value, less the costs of related transactions. After the initial recognition, the amounts carrying interest are recorded at amortized value, showing the difference between the nominal and amortized value in the Income Statement during the lifetime of the liability in accordance with the effective interest rates.

Income Statement

Income

Income from sales is recognised in the Income Statement when the material risk and benefit in relation to title has been accepted by the customer. Income from services is recognised in the Income Statement if they were rendered before the balance sheet date. Income is not recognized if there are doubts concerning recovery of the transaction amounts or related costs or there is a probability that the goods will be returned.

Production costs

Production costs cover direct and indirect costs related to income from the sales of the year, including depreciation and remuneration. The costs of imported products include acquisition costs and transportation costs related to the sales of the year.

Income tax for the reporting year

The income tax includes current and deferred taxes. Income tax is recorded in the Income Statement, except those instances when it is related to items directly recorded in shareholders' equity, in which case it is recorded in shareholders' equity.

The current income tax is the actual tax calculated on the annual taxable income, applying tax rates effective and applicable at the balance sheet date, including adjustments to tax amounts in the previous year, if any.

The deferred tax is calculated using the liability method of net positive timing differences between accounting and taxation balance sheet values of assets and liabilities. The deferred tax amount depends on the projected use of the assets and coverage of the liabilities in the future and projected tax rates at the balance sheet date.

Deferred tax allowances are recognized as an asset in the balance sheet to the extent that they are considered capable of being realized in the future. The deferred tax asset is discounted to the amount to be realized.

Segment reporting

A segment is a significant part of the enterprise business, based on the products supplied or services rendered (business segment) or on the supply of products/ rendering of services within a particular economic environment that is subject to risks and returns particular for that economic environment.

Cash Flow Statement

The cash flow statement shows inflow and outflow of cash during the reporting period and the financial status at the end of the year. The cash flows are classified according to three main types of activities, namely, operating, investing and financing activities.

In the Cash Flow Statement the operating cash flows are recorded using the indirect method, i.e. on the basis of income and costs as recorded in the Income Statement.

Cash and cash equivalents comprise cash at bank and on hand together with short-term securities recorded in current assets.

Cash flows from operating activities are recorded as a net profit or loss adjusted for the effects of non-cash transactions, changes in working capital, financial and extraordinary items, less income tax paid.

Working capital includes current assets, except those recorded in cash and cash equivalents, and current liabilities, except loans, taxes and dividends. Cash at bank and on hand together with short-term securities recorded in current assets are not included.

Cash flows from investing comprise increase and decrease in non-current assets. The increase is shown as costs. The decrease is recorded as the sales costs after deduction of the expenses.

Cash flows from financing activities include cash received from and paid to the shareholders, loans received and repaid, and long-term and short-term liabilities, not included into the working capital.

2 Segment reporting

The Company's single business segment (the basis for the primary segment report format) pertains to furniture manufacturing. Information about the segments is provided with regard to the Company's geographical segments (the secondary segment report format).

Income and all assets according to geographical segments:

	Sales		Total assets	
	30.09.2008	30.09.2007	30.09.2008	30.09.2007
	LTL	LTL	LTL	LTL
	thousand	thousand	thousand	thousand
Lithuania	1 076	2 546	95 557	108 735
Other European countries	58 939	72 743		
Other countries	41 794	38 895		
	<u>101 809</u>	<u>114 184</u>	<u>95 557</u>	<u>108 735</u>

3 Distribution costs

	30.09.2008	30.09.2007
	LTL thousand	LTL thousand
Remuneration and social insurance	777	536
Depreciation	110	102
Export costs (transportation)	63	146
Business trips	3	4
Advertising	2	6
Other	78	443
	<u>1 033</u>	<u>1 237</u>

4 Administrative costs

	30.09.2008	30.09.2007
	LTL thousand	LTL thousand
Remuneration and social insurance	2 615	2 129
Repairs and maintenance costs	342	176
Utilities and communication	309	161
Depreciation	279	338
Amortization	192	182
Employee training and other	191	523
Insurance	110	83
Business trips	49	82
Bank services	30	32
Professional services	7	39
Other	1 128	928
	<u>5 252</u>	<u>4 673</u>

5 Income from ancillary activities, net

	30.09.2008	30.09.2007
	LTL thousand	LTL thousand
Lease income	694	175
Sale of waste materials	419	1 385
Written off problematic debts	0	(402)
Other income and losses	(31)	181
	<u>1 082</u>	<u>1 339</u>

6 Financial income, net

	30.09.2008	30.09.2007
	LTL thousand	LTL thousand
Bank loan interest costs	(2 645)	(2 634)
Amortisation of future income		
Currency exchange profit, less loss	(8)	(16)
Other income and losses	(2)	(42)
	<u>(2 655)</u>	<u>(2 692)</u>

7 Earnings per share

The basic portion of earnings per share is computed by dividing net shareholders' earnings by the weighted average number of common shares outstanding during the year.

	30.09.2008	30.09.2007
	LTL thousand	LTL thousand
Net annual profit	(4 402)	3 072
Weighted average number of the shares (thou)	3 886	3 886
Earnings per share (LTL)	<u>(1,13)</u>	<u>0,79</u>

The Company has issued no other securities that could be potentially converted into common shares. The earnings per share and the earnings per potentially convertible share is the same.

8 Non-current tangible assets

LTL thousand	Buildings	Machinery and equipment	Vehicles	Other non-current assets	Construction in progress	Total
Costs as of 1 January	33 093	59 596	374	2 912	0	95 975
Increase	0	296	0	134	0	430
Sales	(460)	(294)	(241)	(7)	0	(1 002)
Writing off	0	(94)	0	(78)	0	(172)
Regrouping	0	0	0	0	0	0
Costs as of 30 September	32 633	59 504	133	2 961	0	95 231
Depreciation as of 1 January	10 585	31 373	189	1 962	0	44 109
Depreciation during first quarter of the year	754	4 251	12	235	0	5 252
Sales	(262)	(294)	(133)	(6)	0	(695)
Writing off	0	(94)	0	(78)	0	(172)
Regrouping	0	0	0	0	0	0
Depreciation as of 30 September	11 077	35 236	68	2 113	0	48 494
Net carrying value as of 30 September	21 556	24 268	65	848	0	46 737
Net carrying value as of 1 January	22 508	28 223	185	950	0	51 866
Depreciation period	40 years	6 - 10 years	5 – 10 years	2 – 6 years		

Depreciation was broken down as follows:

	30.09.2008	30.09.2007
	LTL thousand	LTL thousand
Production and product development costs	4 864	5 936
Sales, administrative and other costs	388	440
Total	5 252	6 376

9 Investments

	30.09.2008	30.09.2007
	LTL thousand	LTL thousand
Shares of UAB "Girių Bizonas"	26 250	26 250
Other	1	1
The result of proprietary method	(6 873)	(2 335)
Net carrying value as of 30 September	19 378	23 916

10 Inventories

	30.09.2008	30.09.2007
	LTL thousand	LTL thousand
Raw materials	7 399	8 773
Production in progress	2 770	2 469
Finished products	895	1 567
Goods for resale	0	38
Net carrying value as of 30 September	11 064	12 847

Raw materials include wood, fittings and accessories, plastic elements, chemicals and other materials used in production.

11 Other accounts receivable

	30.09.2008	30.09.2007
	LTL thousand	LTL thousand
Advance income tax	0	147
Amounts receivable from the state (VAT recoverable)	1 119	1 576
Other amounts receivable and future costs	2 440	563
Net carrying value as of 30 September	3 559	2 286

12 Cash and cash equivalents

	30.09.2008	30.09.2007
	LTL thousand	LTL thousand
Cash in banks	28	1 458
Cash on hand	13	24
Cash and cash equivalents at the end of the period	41	1 482

13 Capital and reserves

Share capital

The share capital is made up of 3 886 267 common shares of the nominal value of LTL 4, while the total value of the share capital amounts to LTL 15 545 068.

Legal reserve

The reserve of 1 422 thousand LTL is the legal reserve made under the laws of the Republic of Lithuania. An allocation of at least 5% of the net profit must be made into the legal reserve out of the profit to be appropriated every year until the legal reserve reaches 10% of the authorized capital.

14 Loans and other borrowings, secured with pledged assets

	30.09.2008	30.09.2007
	LTL thousand	LTL thousand
Non-current liabilities		
Long-term loan	22 914	42 051
Net carrying value as of 30 September	22 914	42 051
Short-term liabilities, secured with pledged assets		
Current portion of loans	13 310	14 062
Net carrying value as of 30 September	13 310	14 062

Terms and maturity

The credit agreement with AB "Sampo bankas" was extended on 3 September 2004. The agreement guaranteed a loan extension in the amount of EUR 2540 thousand to refinance liabilities to UAB "SEB VB lizingas" and the loan issued by AB "Sampo bankas" as well as to

finance investment into plant and equipment. The loan matures on 25 February 2010. The annual interest rate on the credit is 6 months' EURIBOR + 1.3%.

On 8 August 2005, the Company signed a credit agreement with AB "Sampo bankas" concerning extension of EUR 4 650 thousand credit limit to finance investment into production buildings and equipment. The term of maturity is 28 December 2011; the annual interest rate on the credit equals 6 months' EURIBOR + 1.5%.

On 8 June 2006, the Company extended its credit line agreement with AB "Sampo bankas" concerning financing of the working capital. The maximum credit line amounts to LTL 14 447 thousand and matures on 25 February 2007. The annual interest rate on the credit equals 6 months' VILIBOR + 1.3%.

On 27 November 2006, the Company signed a credit extension agreement with AS "Sampo pank". AS "Sampo pank" shall transfer to AB "Sampo Bankas" all rights and duties related to the portion of the loan and remaining nonrepaid, amount of EUR 4 719. The loan matures on 1 July 2012; the annual interest rate on the credit amounts to 6 months' EURIBOR + 1.5%.

On 01 March 2007, the Company extended its credit line agreement with AB "Sampo bankas" concerning financing of the working capital. The maximum credit line amounts to LTL 14 447 thousand and matures on 25 February 2007. The annual interest rate on the credit equals 6 months' VILIBOR + 1.3%.

On August 10 2007 the Company signed appendix on credit line agreement with AB "Sampo bankas". The maximum credit line amounts to 12 500 thousand LTL. The annual interest rate on the credit equals 6 months' VILIBOR + 1.1%.

On August 10 2007 the Company signed appendix on 28 December 2004 loan agreement with AB "Sampo bankas". The annual interest rate on the credit equals 6 months' EURIBOR + 1.1%.

On August 10 2007 the Company signed appendix on 25 February 2003 loan agreement with AB "Sampo bankas". The annual interest rate on the credit equals 6 months' EURIBOR + 1.1%.

On February 22 2008 the Company re-form credit line agreement with AB "Sampo bankas". The maximum credit line amounts to 3 620 thousand EUR. The annual interest rate on the credit equals 6 months' EURIBOR + 1.1%.

Schedule of payment for financial liabilities, secured with pledged assets:

LTL thousand	Total amount payable as of 30 September 2008	10 – 12 2008	2009	2010-2012
Loan of EUR 2 540 thousand	2 435	406	1 623	406
Loan of EUR 9 369 thousand	22 039	1 154	4 618	16 267
Used credit of EUR 3 620 thousand	11 750	1 560	11 750	16 673
Total	36 224	1 560	17 991	16 673

15 Other creditors

	30.09.2008	30.09.2007
	LTL thousand	LTL thousand
Holiday pay reserve	1 201	983
Remuneration	1 091	1 282
Operating taxes	99	89
Social insurance	509	567
Dividend for the previous year	281	3
Income tax liability	1	1 049
Other accounts payable and accrued taxes	68	183
Net carrying value as of 30 September	3 250	4 156

16 Personnel costs

	30.09.2008	30.09.2007
	LTL thousand	LTL thousand
Production and product development costs	14 476	16 533
Sales, administrative and other costs	3 392	2 665
	17 868	19 198

Currency risk

The Company's exposure to the currency risk when selling, purchasing and borrowing in foreign currencies, except EUR is mostly related to the SEK.

Accounts receivable and payable in foreign currencies as of 30 September 2008 may be broken down as follows:

LTL thousand	EUR	USD	SEK	Other
Trade debtors	43	0	0	0
Cash	0	0	0	0
Borrowings	(36 224)	0	0	0
Debts to suppliers	(4 765)	0	(1 563)	0
	(40 946)	0	(1 563)	0

Interest risk

VILIBOR and EURIBOR related floating interest rates are applied to the loans extended to the Company.

As of 30 September 2008 the Company used no financial instruments as interest risk hedging.