

Preliminary results of *Invalda AB* group for 12 months of 2010

Vilnius, 28 February 2011

What is *Invalda AB*?

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

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

More about businesses managed by *Invalda* in 16-25 slides and on www.invalda.lt

- *Invalda* started its activity in 1991.

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

More about shares of *Invalda* in 8-9 slides.

Management principles

Invalda is proactively managing its investments following these principles:

- **Competitiveness and independence**

Each business of the Group must be competitive and self-sufficient, have professional teams and top managers capable of creating business visions and implementing ambitious objectives.

- **Risk segregation**

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

- **Diversification**

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

- **Transparency**

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

- **Avoidance of conflicts of interest**

Managers of the Group companies do not participate in the activities' of their competitors.

Investment philosophy

- *Invalda* is the company driven by shareholder value creation objectives.

Invalda seeks to acquire competitive businesses that, with an influx of additional capital or management resources, may successfully further develop organically, consolidate fragmented markets or provide other possibilities to increase value.

Investing into undervalued assets that, when restructured, may facilitate significant value increase.

Invalda doesn't avoid any complex business opportunities. This is supported by its belief that the efforts will lead to good results.

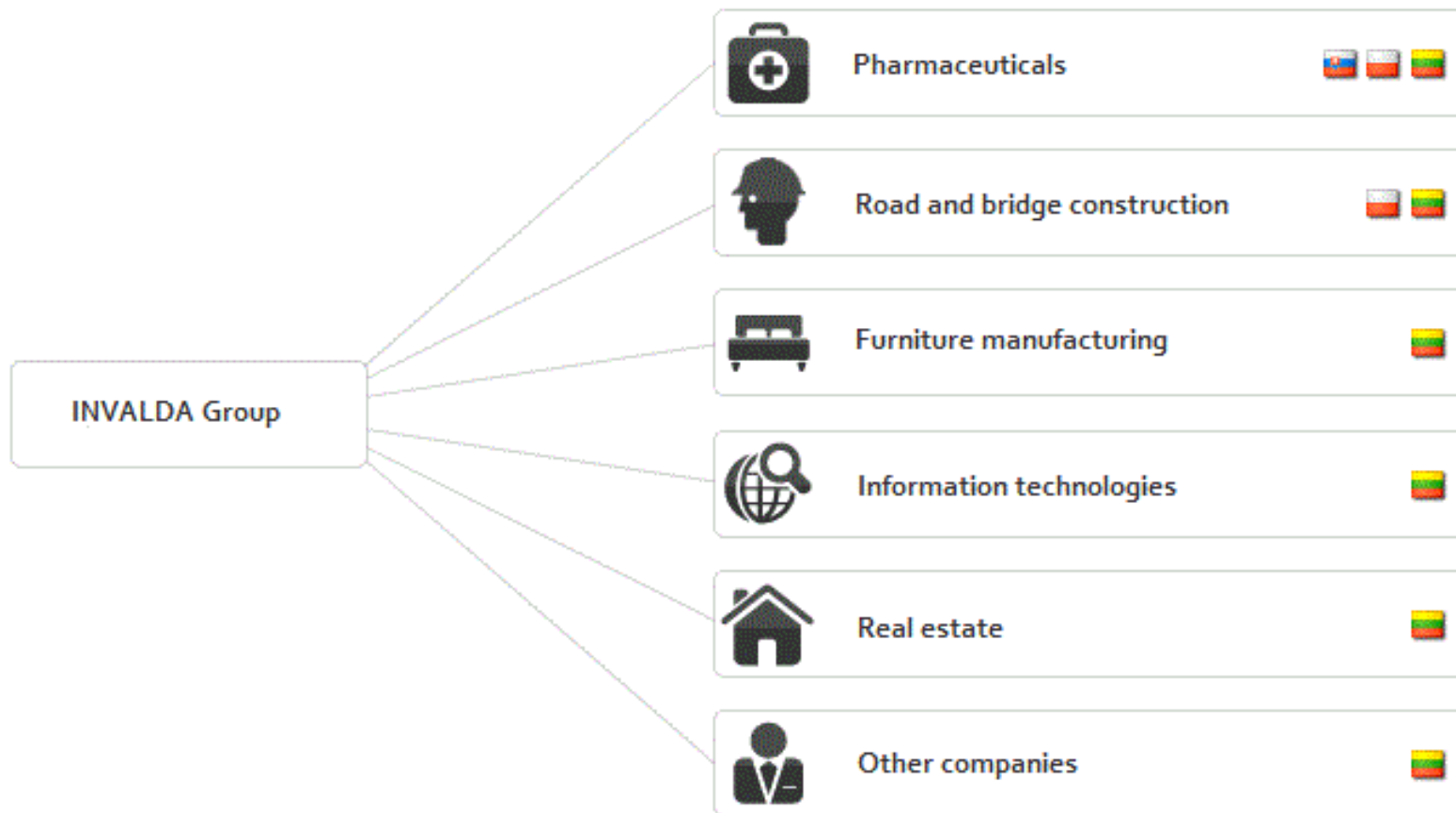
- Long-term prospects.

With a view to maximizing the investment potential to its full scale, *Invalda* normally pursues long-term prospects.

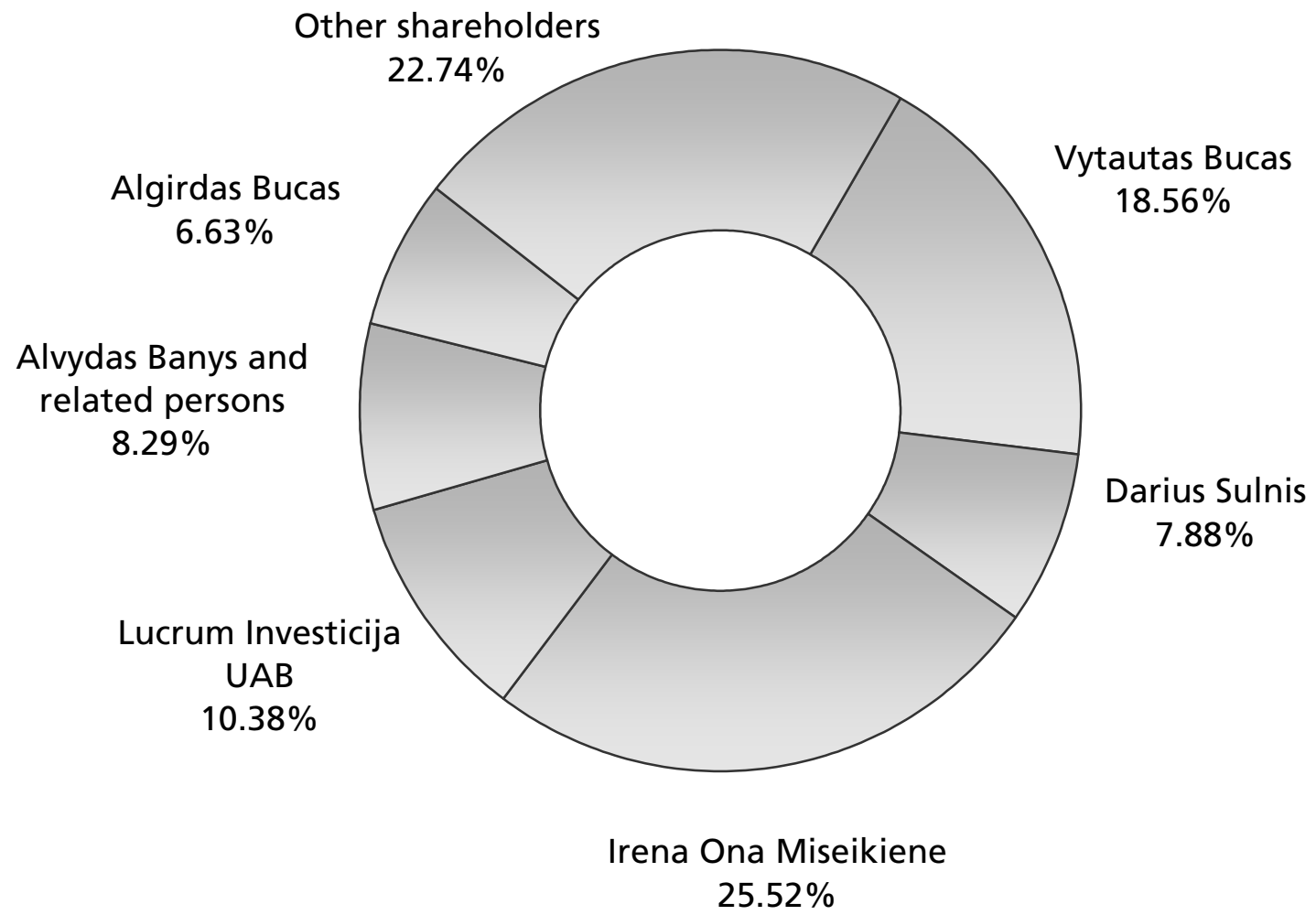
Invalda focuses its efforts to maximize the investment value in the long-term perspective, and offers business for sale only when they are properly prepared and become attractive to potential buyers, or having received any proposal matching the corporate future prospects.

- A merge of different competences may potentially appreciate the investment value.

Activity sectors of *Invalda* Group



The structure of shareholders



Management



Vytautas Bucas - Chairman of the Board

Vytautas Bucas is a member of ACCA (Association of Chartered Certified Accountants, UK) since 2002. After graduation from his studies at Vilnius University for a period he worked at the audit firm *Arthur Andersen*, where, having started from an auditor assistant grew to the position of the Chief auditor. Later on, in *SEB Bank* he was managing the Finance and IT departments, was holding the position of the Deputy President, and a Member of the Board of the Bank. In the course of the past five years was a member of the Board of companies operating in the finance and real estate sector, also the pharmaceuticals company *Sanitas*, currently - member of the Supervisory Board of *Tiltra Group*, member of the Board of *Invalda Service* and *BAIP Group*, Chairman of the Board of *Vilniaus Baldai*, *Invaldos Nekilnojamojo Turto Fondas* and *Invalda* which he joined in 2006.



Darius Sulnis - Member of the Board, President

Darius Sulnis acquired his Master's degree in accounting and audit at Vilnius University. He has for eight years managed the financial brokerage firm *Finasta*, and for four years - a real estate company *Invalda Nekilnojamojo Turto Valdymas*. Furthermore, Darius Sulnis has been a member of Boards and Supervisory Boards of a number of Polish, Latvian and Lithuanian companies. Currently Darius Sulnis is the President and a member of the Board of the investment company *Invalda*. Also he holds the position of a member of the Supervisory Board of *Tiltra Group*, had been for a considerable period of time a Member of the Boards of *Vilniaus Baldai*, *Sanitas*, *Umega*, *Invaldos Nekilnojamojo Turto Fondas*.



Dalius Kaziunas - Member of the Board

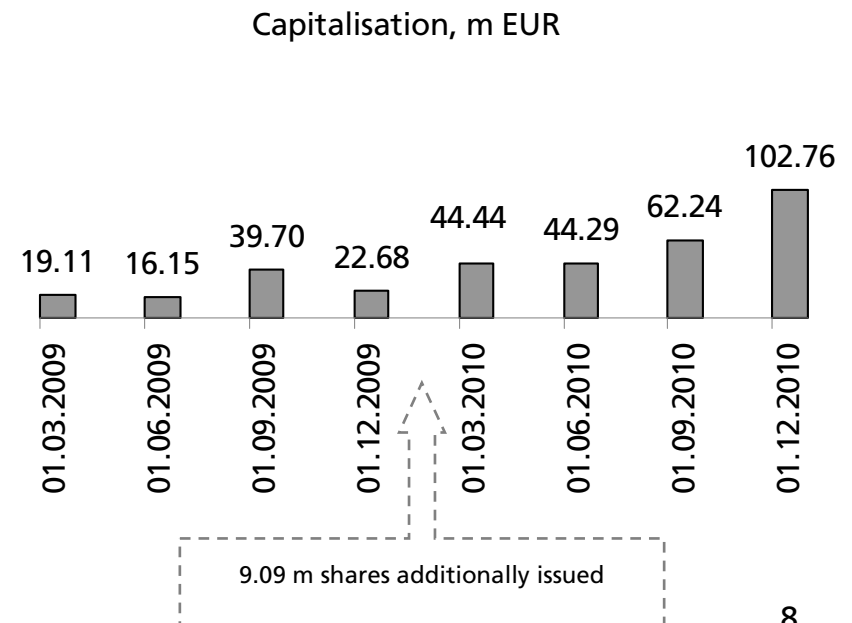
Dalius Kaziunas holds a Master's degree in economics, graduate of Vilnius University. Dalius Kaziunas has for more than 10 years worked at the financial brokerage firm *Finasta*, of which was its General Manager for six years. In 2008-2009 he was General Manager and Chairman of the Board of the *Bank Finasta*. For the past two years *Dalius Kaziunas* has been working as an advisor for *Invalda*, and is a Member of its Board, as well as Member of the Boards of *Ineturas*, *Invalda Service*, *Vilniaus Baldai*, *Kelio Zenklai*, *BAIP Group*.

Information about *Invalda AB* shares

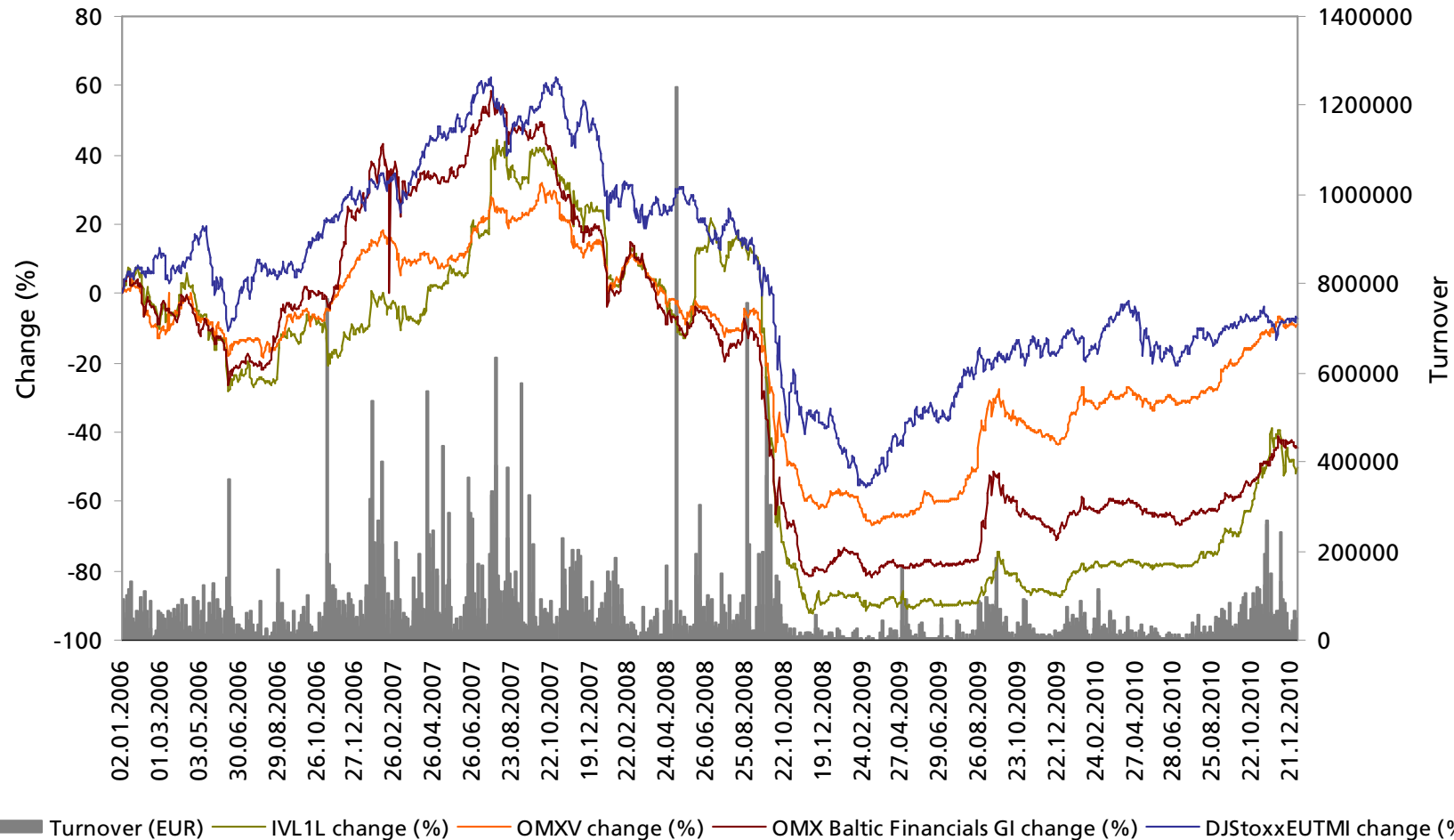
Total number of securities	51 659 758 (units)
Nominal value	1 LTL
ISIN	LT0000102279
Name	IVL1L
Exchange	NASDAQ OMX Vilnius
List	BALTIC MAIN LIST

The company has issued convertible bonds of 32.44 m LTL in nominal value; after converting, the authorized capital could increase by 5.898.182 shares of 1 LTL in nominal value.

	2009	2010
Price of shares, EUR:		
- open	0.484	0.533
- highest	1.075	2.546
- lowest	0.319	0.521
- last	0.533	1.989
Turnover, m EUR	4.11	8.25



Trading in shares



OMXV index is an all-share index consisting of all the shares listed on the Main and Secondary lists of the NASDAQ OMX Vilnius with exception of the shares of the companies where a single shareholder controls at least 90% of the outstanding shares.

Dow Jones Stoxx EU Enlarged TMI index cover approximately 95% of the free float market capitalisation of the New Europe countries, including Bulgaria, Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia and Slovenia.



Financial results

Key events of 2010

- Financial liabilities were reduced and rearranged.

After conversion of a bond issue, equity of *Invalda* increased by LTL 50 m.

Banking liabilities portfolio was rearranged, most of the debts converting into long-term.

- Merger of activities, purchase and sale transactions in the group.

An agreement with the Polish listed railway infrastructure construction market leader *Trakcja Polska S.A.* and its largest shareholder *Comsa Emte* group regarding merger of activities of *Trakcja Polska* and *Tiltra Group* was signed.

In July 2010, *Sanitas* sold *HBM Pharma* (previous name – *Hoechst-Biotika*) engaged in contractual manufacturing activities. The total value of the transaction was LTL 45.46 m.

During privatisation *Invalda* Group acquired from the Vilnius city Municipality the company *Priemiestis*, engaged in the provision of building maintenance services in Naujoji Vilnia, a district of Vilnius.

Activity results of Invalda AB

mLTL	Consolidated		Parent company		
	2009	2010	2009	2010	
Assets	610.1	596.0	306.8	307.0	} detailed in 13 slide
Equity	91.7	198.9	46.3	85.9	
Liabilities	518.4	397.1	260.5	221.1	} detailed in 14 slide
Profit (loss) for the period	(85.7)	50.7	(121.8)	(10.5)	
Attributable to equity holders of the parent company	(88.6)	40.7	(121.8)	(10.5)	

Company assets (book value)

<i>Invalda AB, mLTL</i>	31-12-2009	31-12-2010	Description of assets as of 12-31-2010
Investments in <i>Sanitas</i>	119.6	111.9	26.5 per cent stake in <i>Sanitas AB</i> and loans to the company
Investments in road construction	25	25	43.3 per cent stake in <i>Kauno Tiltai AB</i> and 44.8 per cent stake in <i>Tiltra Group</i>
Investments in real estate	120.0	111.9	Commercial real estate, flats, land for development, agricultural land and loans granted to the sector companies
Investments in <i>Vilniaus Baldai</i>	13.7	13.7	72 per cent stake in <i>Vilniaus Baldai AB</i>
Investments in IT sector	6.0	6.2	80 per cent stake in <i>BAIP Group</i> and loans granted
Other assets	22.5	38.3	Deferred tax asset, stakes in <i>Vernitas</i> , <i>Umega</i> , <i>Kelio Zenklai</i> and other assets
Total assets	306.8	307.0	Fair value of assets might differ from the book values.

Equity and liabilities

<i>Invalda AB, mLTL</i>	2009	2010
Equity	46.3	85.9
Liabilities to financial institutions	147.4	138.7
from this long term	0	94.3
Liabilities to group companies	19.8	46.6
Bonds	83.1	32.4
Other liabilities	10.2	3.4
Total liabilities	260.5	221.1
Total equity and liabilities	306.8	307.0

Preliminary results by sectors



- Effect of the group's sectors on the profit (loss) statement of *Invalda*

Part of net profit (loss) attributable to *Invalda* calculated in proportion to capital held by *Invalda*, applying equity accounting method

Before the investment amortization and share based payment expenses, *BAIP Group* ended the year profitably (disclosed further in 23 slide).

mLTL	2009	2010
Pharmaceuticals	4.7	14.1
Road construction	13.3	10.1
Real estate	(115.8)	1.1
Furniture manufacturing	11.2	20
IT	(1.1)	(0.5)
Other	(7)	(4.1)
Total	(94.7)	40.7

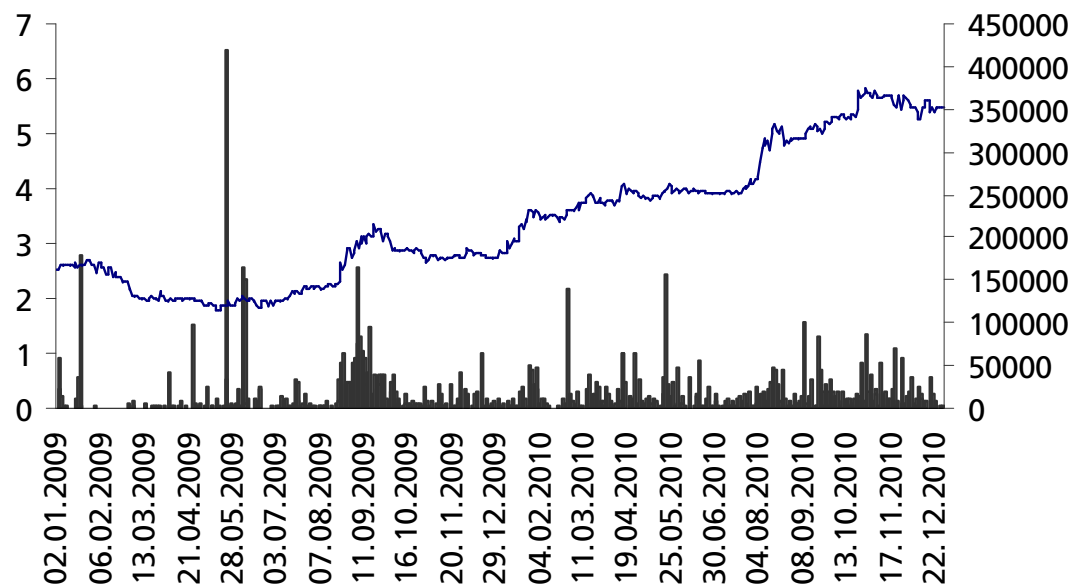
Pharmaceuticals sector (*Sanitas AB*)

(1)

	2009 mLTL	2010 mLTL	Change, mLTL	Change %
Sales	322.7	339.4	16.7	5.18
Net profit	17.8	53.3	35.5	199.44
Capitalization	296.4	590.3	293.9	99.16

- *Sanitas'* shares are listed on NASDAQ OMX Vilnius stock exchange.

Turnover and price of *Sanitas'* shares, EUR



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

Pharmaceuticals sector (*Sanitas AB*)

(2)

▪ Events and trends in 2010:

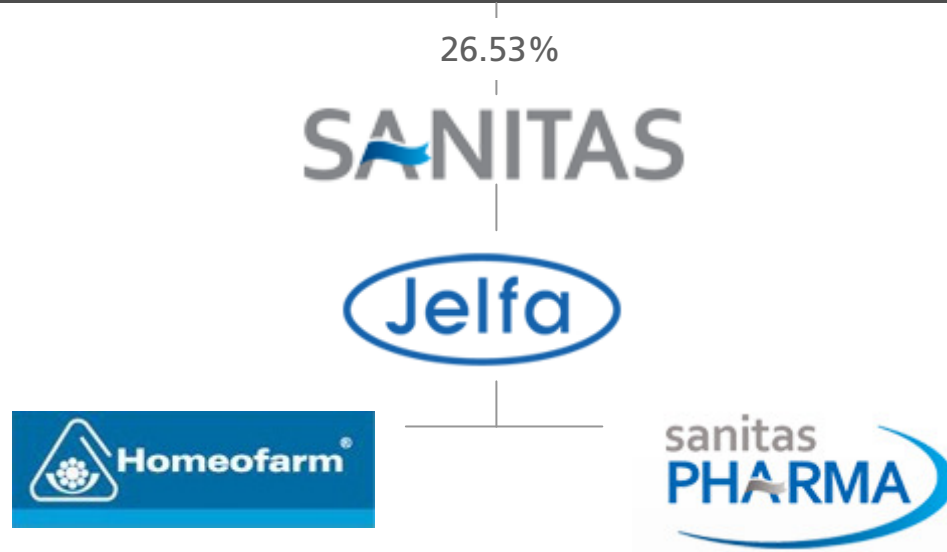
In July 2010, *Sanitas* sold *HBM Pharma* (previous name – *Hoechst-Biotika*) engaged in contractual manufacturing activities.

The total value of the transaction was LTL 45.46 m.

Sanitas continued concentrating on the sale of own products.

The sale of own products increased in all largest markets of the company.

Pharmaceuticals sector of *Invalda* group



Road and bridge construction

- *Trakcja Polska* and *Tiltr* Group signed a merger agreement.

In November 2010 it was announced about the activities merger of *Tiltr* Group and the Polish railway infrastructure construction market leader *Trakcja Polska S.A.*

Total amount of the deal - 777.536 mPLN.

The part of Invalda before the expenses related to the deal - 314.1 mPLN.

- A policy of Invalda is to refrain from comments until the deal is finished. More information is provided in the material events announcements of Invalda and *Trakcja Polska*.

Road and bridge construction sector of *Invalda* group



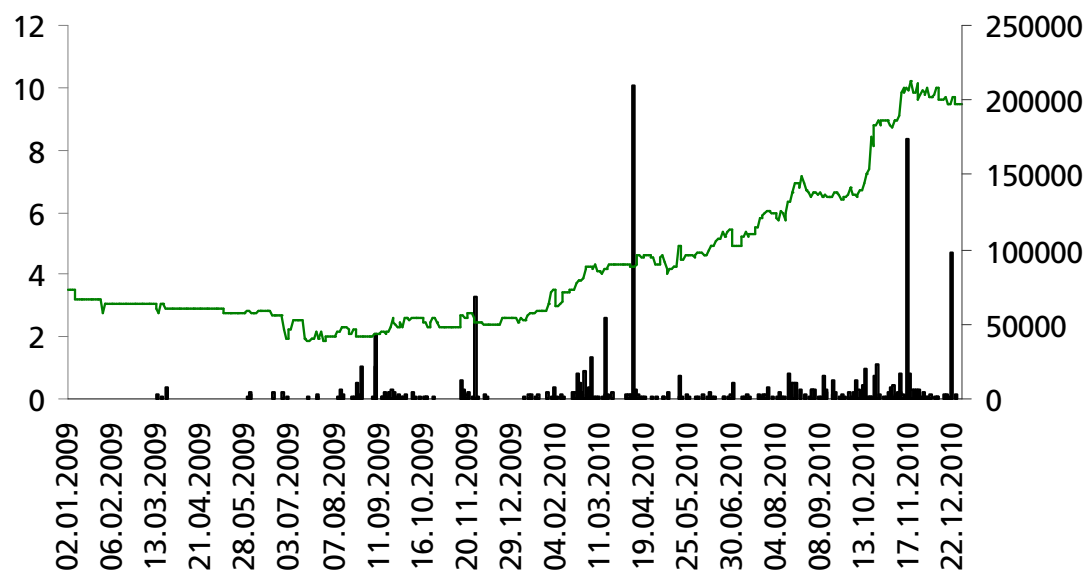
Furniture manufacturing (*Vilniaus Baldai AB*)

(1)

	2009 mLTL	2010 mLTL	Change, mLTL	Change, %
Sales	149	197	48	32.2
Net profit	15.6	27.8	12.2	78.2
Capitalization	35	127.5	92.5	264.29

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

Turnover and price of Vilniaus Baldai shares, EUR



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

Furniture manufacturing (*Vilniaus Baldai AB*)

(2)

- 2010 events:

In 2010 *Vilniaus Baldai* achieved the best results in the company's history.

The company generated stable cash flows from its activities.

From July new CEO of the company is Aidas Mackevicius.

Seeking to ensure effective management of the production, the company invested into and directed its efforts towards improving its business and accounting systems.

A trend of the price increase for the raw materials may keep the company down from the achieved profitability rates.

In 2011 *Vilniaus Baldai* expects to grow alongside the increasing sales of *Ikea*.

Furniture manufacturing sector of *Invalda* group

72.01%



Real estate sector

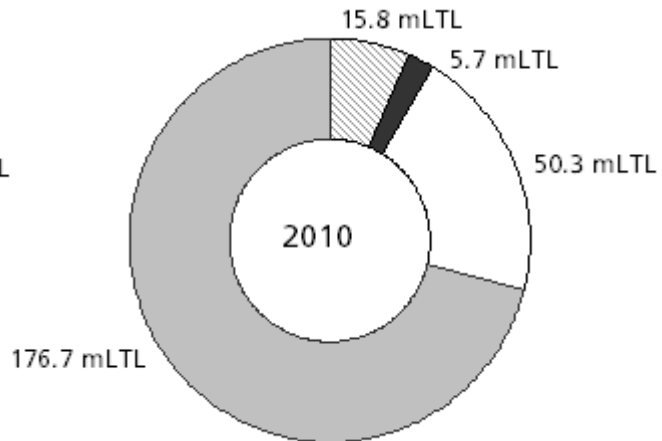
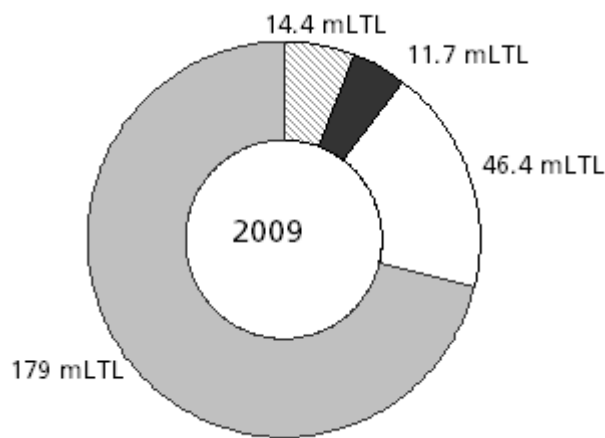
(1)

Excluding companies that were sold in 2010.

	mLTL	2009	2010
Value of real estate		251.5	248.5
Shareholders' equity (incl. loans from <i>Invalda</i>)		113.5	114.1
Loans from credit institutions		145.2	144.0
Rent income		20.5	18.4
from this owned by clients		5.4	5.2
Change of the real estate value		-72.3	1.2
Companies' sale result, allowance and other non-monetary items		-42.4	4.1
Result of the real estate sector		-116.7	3.4

Real estate values

- ▣ Agricultural land
- Residential
- For development
- ▣ Commercial



Real estate sector

(2)

▪ Changes and trends in 2010:

In 2010 exited from economically unreasoned projects.

Decrease of the proceeds from rent stabilised.

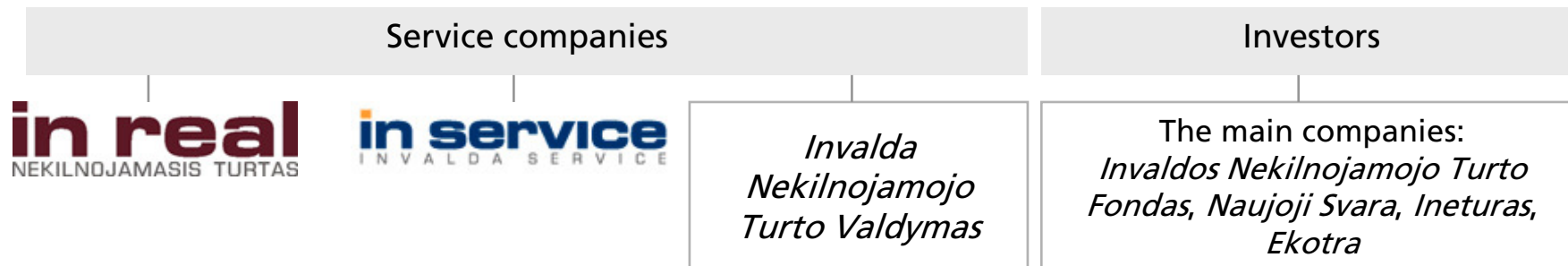
Companies generated positive cash flows from the activities.

Change of the investment property of *Invalda* group wasn't significant.

Apartments sold (in *Nida* and *Zuvintas* complexes) for about LTL 7 m.

Activities in the field of a facilities management were expanded. During a privatisation the company *Priemiestis*, engaged in the facilities management services in Naujoji Vilnia, a district of Vilnius, was acquired.

Real estate sector of *Invalda* group





▪ Consolidated results of *BAIP Group*

mLTL	2009	2010	Change, mTL
Sales	25.5	27.7	2.2
Net profit before investment amortisation and share based payment expenses.	(0.2)	0.7	0.9
Net profit	(1.6)	(0.7)	0.9



- 2010 events:

BAIP group actively worked in banking and financial enterprises sector by delivering equipment supply, data migration, IT infrastructure design and maintenance services in this way supporting a smooth system performance and protection of important data.

Active development abroad: various projects and social initiatives have been implemented in the Baltic states, The Balkan countries, Georgia, Belarus, Liberia etc.

In developing industry and economy digitizing initiative, *BAIP group* strengthened collaboration among scientists, research centers and higher education institutions.

- The most salable IT service fields and initiatives in 2010:

Maintenance of critical IT infrastructure (CIMF) is a special method created by *BAIP* and used to deliver services for the largest Lithuanian companies - IT users - by maintaining the most important and critical IT infrastructure of a client.

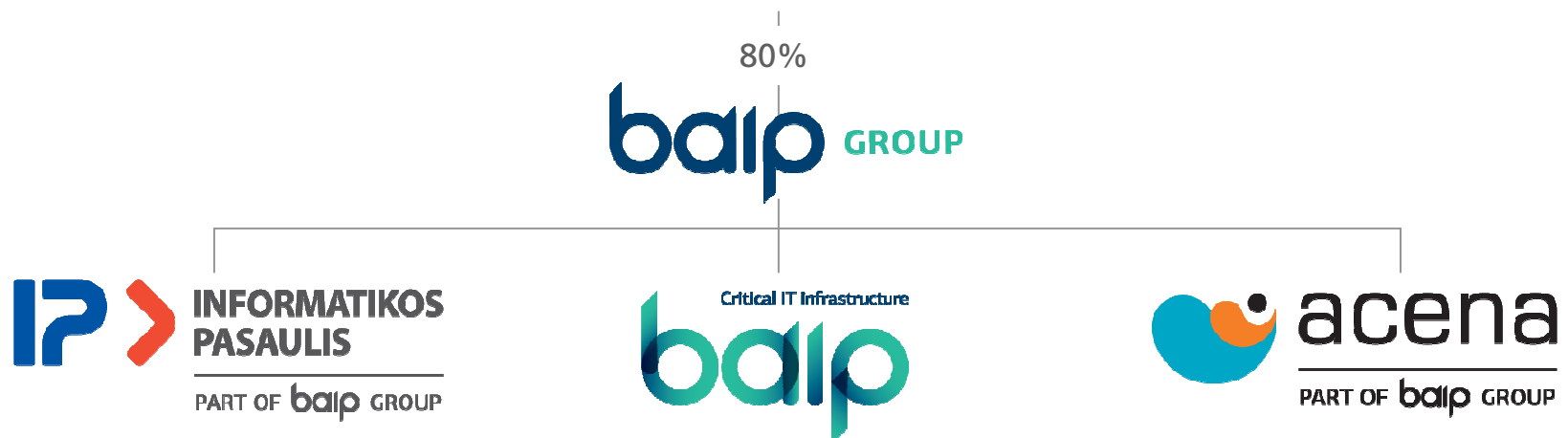
Supercomputer design which requires deep expertise and specific knowledge in this field.



- Changed names of the companies, 2011.

BAIP Group and *BAIP* changed their names and logos (before that *BAIP Group* was called *Positor* and *BAIP* - *Baltic Amadeus Infrastrukturos Paslaugos*). This change is a planned action by which one of the provisions of company acquisition is implemented according to which the company was obliged within a defined period of time to change its name and logo. In 2007, *Baltic Amadeus UAB* detached its infrastructure business into a separate company called *Baltic Amadeus Infrastrukturos Paslaugos UAB* and sold it to *Positor* group.

IT sector of *Invalda* Group



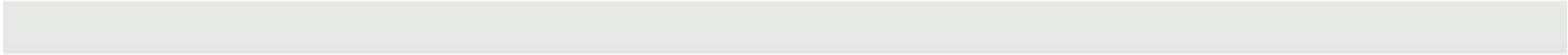
Other events

- After the capital increase the stake owned by *Invalda* declined and didn't let to influence the management, therefore shares of *Agrowill Group* were sold on the stock exchange.

- In the beginning of 2011 a 51% stake of *Lauko Gelininkystes Bandymu Stotis* was acquired from the State Property Fund for LTL 911 thousand.

Disclaimer

- The presentation was prepared by Invalda AB. The following information was used for the preparation:
 - Preliminary consolidated and Company's financial statements of Invalda for the year 2010;
 - Audited consolidated and Company's financial statements of Invalda for year 2009.
- Data provided here is for information purpose only.
- The information provided here is not a recommendation or solicitation to buy or sell any securities of Invalda AB or companies related to Invalda AB.
- Invalda AB does not take responsibility for the actions any third parties make based only on information provided here.
- Group composition charts are simplified. Presented owned shares including shares sold under repurchase agreements. Invalda AB owns 100% in the companies if not stated otherwise.
- Agreement with Baltic Pharma Limited regarding the sale of block of shares of AB Sanitas (the deal closed in 2009) includes a clause stating that the price paid for the shares and the number of shares transferred, may be adjusted upon a future sale of the shares by Baltic Pharma Limited, depending on the price received by the latter from such sale.
- Invalda its investments into pharmaceuticals, road construction, furniture manufacturing and IT sectors measure at acquisition costs. Investment properties of the real estate sector are measured at fair value.
- Since 22 November 2010, shares of the listed companies are traded only in EUR on NASDAQ OMX Vilnius stock exchange, therefore all information related to the securities trading is provided in EUR.



Thank you!