

Preliminary results of *AB Invalda* group
for the period 3 months ending March 31, 2012

Vilnius, May 24, 2012

What is *Invalda AB*?

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

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

More about businesses managed by *Invalda AB* can be found in the slides No. 19-29 and on www.invalda.lt

- *Invalda AB* started its activity in 1991

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

More about shares of *Invalda AB* can be found in the slides No.10-11.

Management principles

Invalda AB follows these principles:

- **Competitiveness and independence**

Each business of the Group must be competitive and self-sustainable, have professional management teams capable of forming business strategy and implementing ambitious objectives.

- **Risk segregation**

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

- **Avoidance of conflicts of interest**

Managers of the Group companies do not participate in competing activities.

Investment philosophy

- *Invalda AB* is a company driven by shareholder value creation

Invalda AB seeks to acquire competitive businesses that, with additional capital or management resources, may successfully be developed organically, consolidate fragmented markets or otherwise increase value.

Invalda AB invests into undervalued assets that, when restructured, may facilitate significant value increase.

Invalda AB does not avoid complex business transactions and opportunities. Such approach is supported by our belief that the efforts will lead to good results.

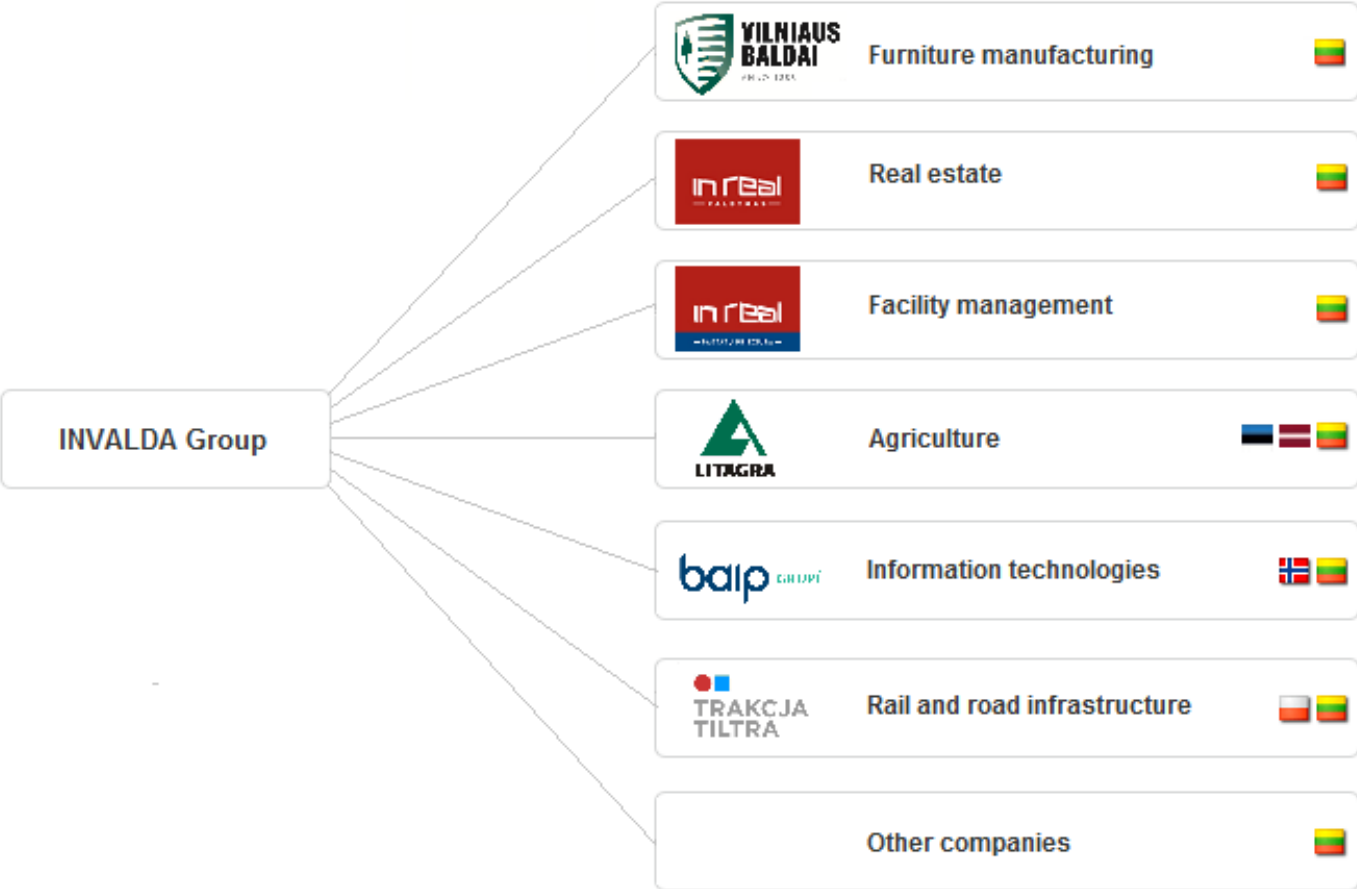
- Long-term prospects

With a view to maximize the investment value, *Invalda AB* normally pursues long-term investment horizon.

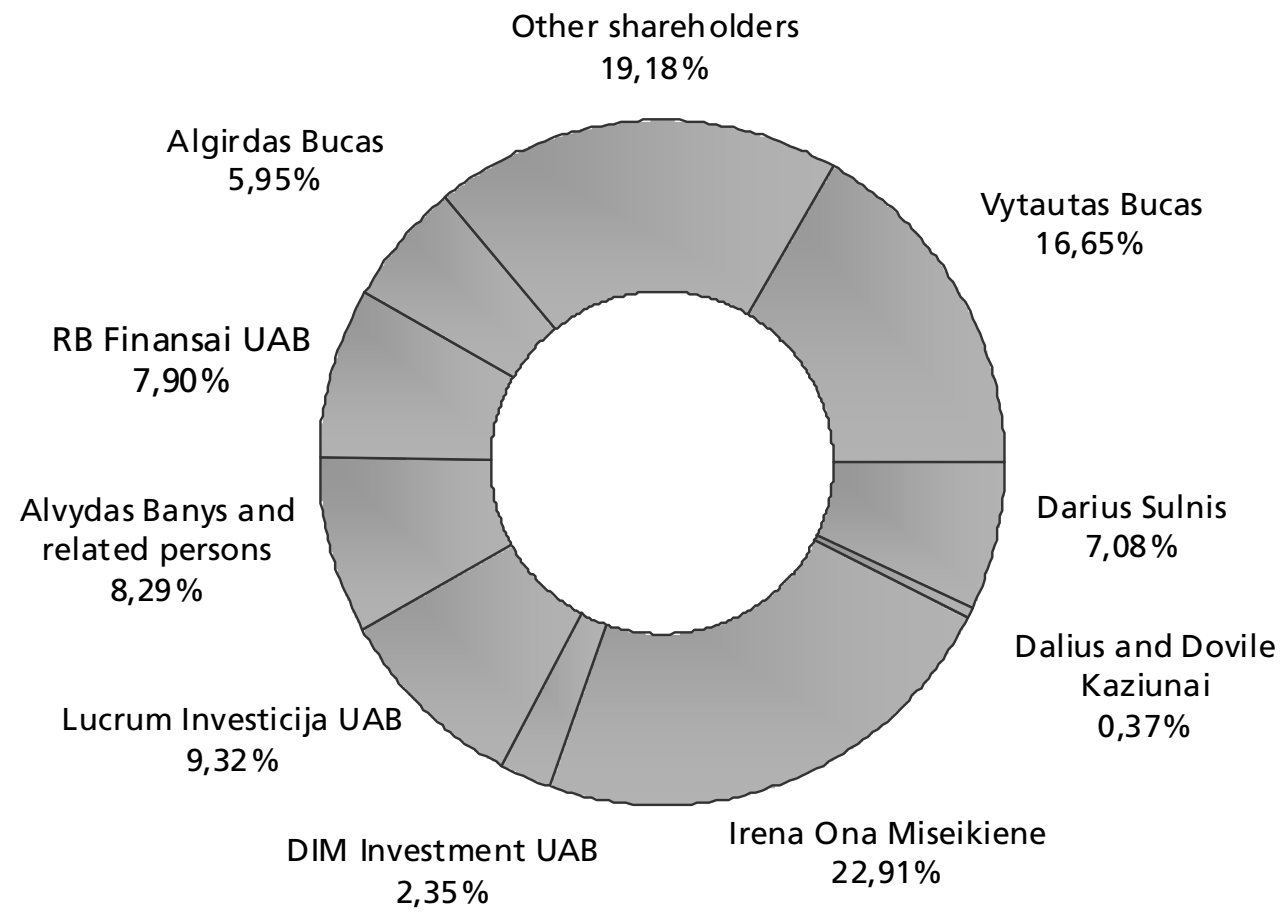
Invalda AB offers businesses for sale only when they are properly prepared for sale and become attractive to potential buyers, or having received any proposal matching future prospects of the businesses.

- A synergy of different competences may potentially increase the investment

Invalda AB group activity sectors

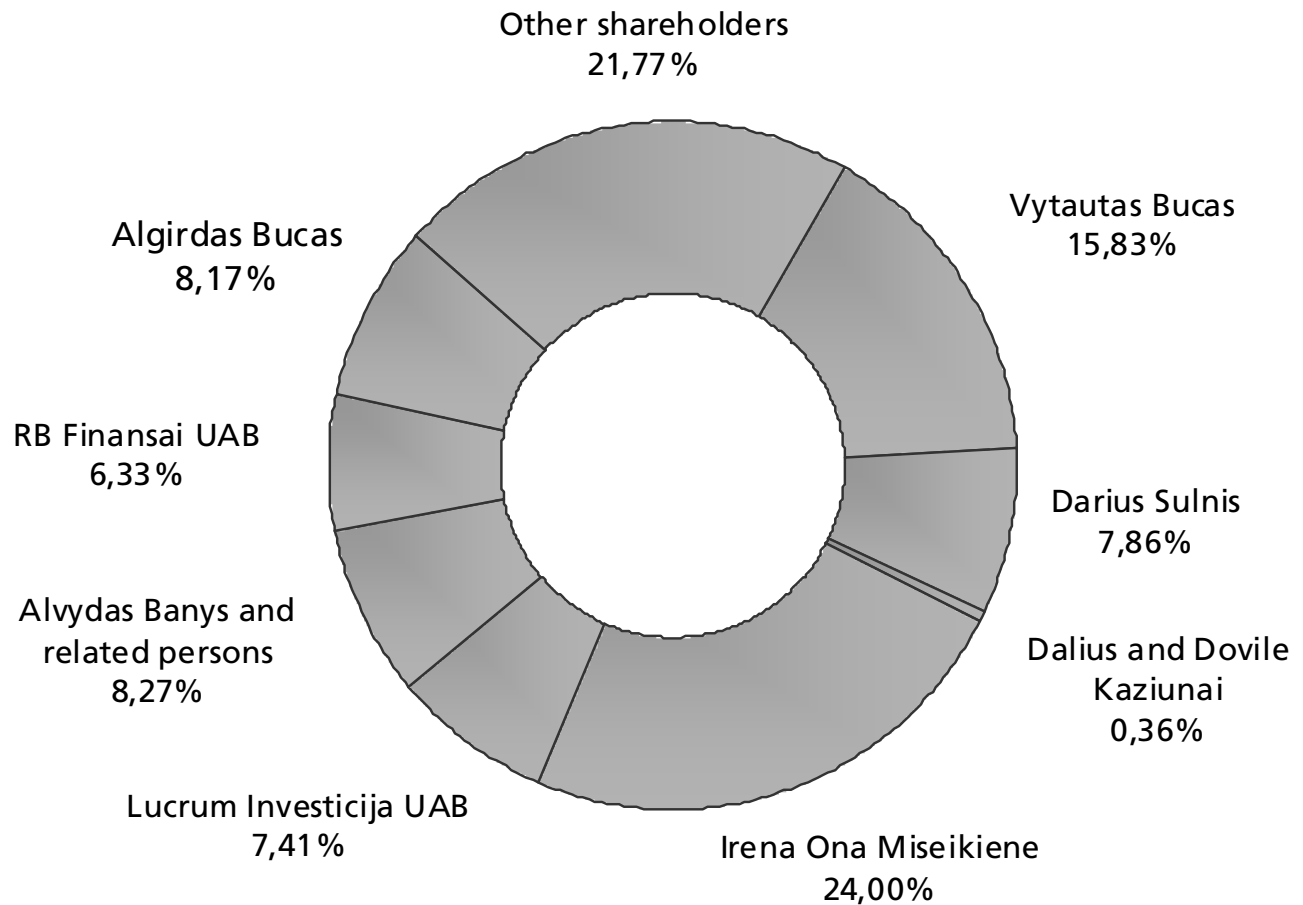


Shareholder structure



Votes for the announcement day of March 31, 2012

Shareholder structure



Votes for the announcement day of May 24, 2012

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 company *Arthur Andersen* where he started as an auditor's assistant and then 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 was a Member of the Board of the Bank. For the past five years he was a member of the Board at companies which are operating in the finance and real estate sector, also the pharmaceuticals company *Sanitas AB*. Currently he is a member of the Boards of *Inreal Pastatu Prieziura UAB*, *BAIP Group UAB* and *Litagra UAB*, Chairman of the Board of *Vilniaus Baldai AB*, *Invaldos Nekilnojamojo Turto Fondas UAB* and *Invalda AB* which he joined in 2006.



Darius Sulnis - Member of the Board

Darius Sulnis took his Master's degree in accounting and audit at Vilnius University. He has managed the financial brokerage firm *Finasta AB* for eight years and a real estate company *Inreal Valdymas UAB* for four years . Furthermore, Darius Sulnis had been a member of Boards and Supervisory Boards of several Polish, Latvian and Lithuanian companies. Currently Darius Sulnis is a Member of the Board of the investment company *Invalda AB* where he was a president until 2012. He is also a Member of the Boards of *Vilniaus Baldai AB*, *Invaldos Nekilnojamojo Turto Fondas UAB* and *Litagra UAB*.

Management



Indre Miseikyte – Member of the Board (from April 30, 2012)

Indre Miseikyte has graduated architecture studies in Vilnius Gediminas technical university. From 1994 till 1996 she worked in *Vilniaus Baldai AB*, late – in real estate and investment companies *Gildeta UAB*, *Kremi UAB* and *Invalda AB*. From 2002 she works as an architect in *Inreal Valdymas UAB*. She was elected as Member of the Board of *Invalda AB* from April, 2012.



Dalius Kaziunas - President

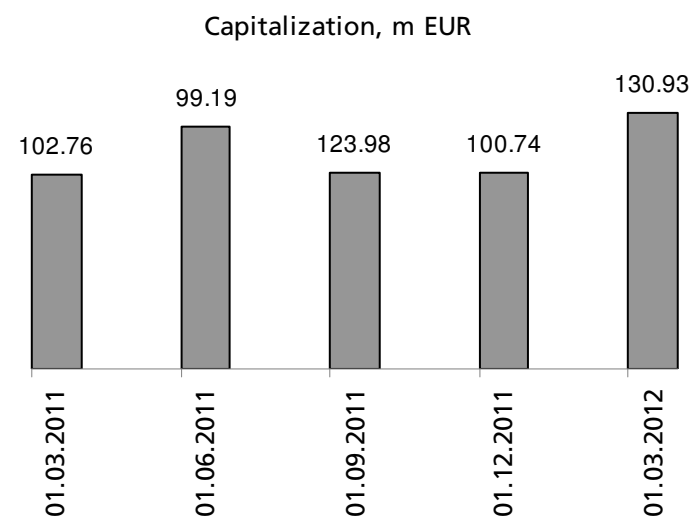
Dalius Kaziunas holds a Master's degree in economics from Vilnius University. Dalius Kaziunas has worked at the financial brokerage company *Finasta AB* for more than 10 years and he has been its General Manager for six years. He was a General Manager and Chairman of the Board of the *AB bank Finasta* in 2008-2009. Dalius Kaziunas has been working as an advisor for *Invalda AB* for the past two years and is a Member of its Board as well as a Member of the Boards of *Vilniaus Baldai AB*, *Inreal Pastatu Prieziura UAB*, *Litagra UAB*, and *BAIP Group UAB*. He is also member of Supervisory Board of *Vernitas AB*

The shares of *Invalda AB*

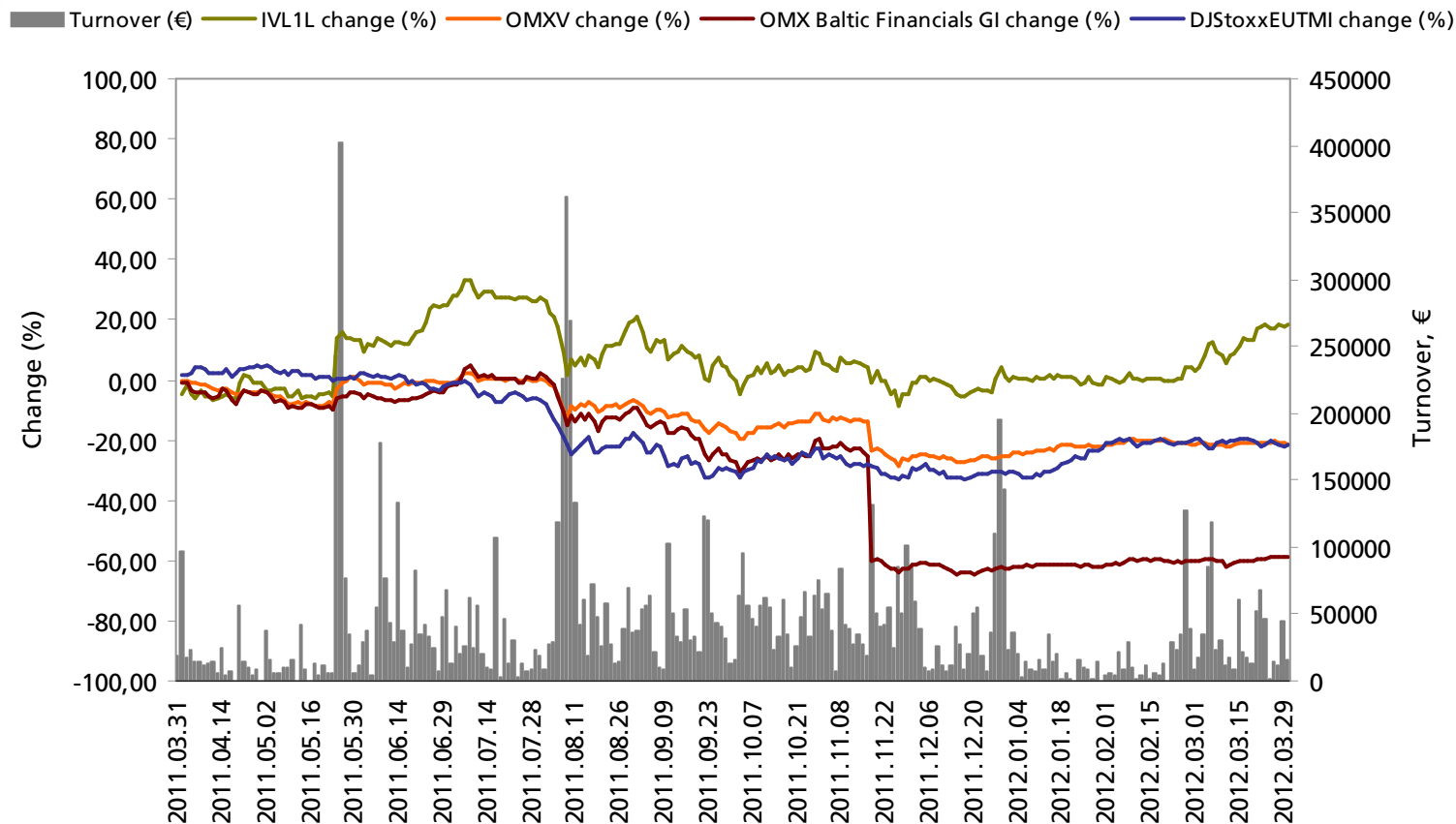
Total number of securities	57 557 940* (shares)
Nominal (par) value	1 litas
ISIN	LT0000102279
Name	IVL1L
Exchange	NASDAQ OMX Vilnius
List	BALTIC MAIN LIST

	2012 3 months	2011 3 months
Share price, € :		
- open	1.930	2.000
- highest	2.280	2.120
- lowest	1.871	1.750
- last	2.274	1.920
Volume traded, € million	1.37	1.58

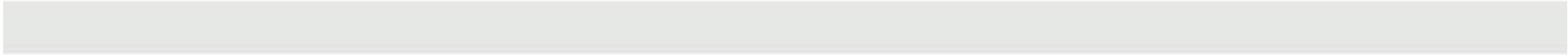
*On May 18, *Invalda AB* acquired 10 percent of its own shares, i.e. 5 755 794 shares. As own shares of the Company do not have voting rights, the shares of *Invalda AB* (ISIN LT0000102279) with voting rights total to 51.802.146.



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 more than 90% of the outstanding shares. Dow Jones Stoxx EU Enlarged TMI index covers approximately 95% of the free float market capitalization of the New Europe countries, including Bulgaria, Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia and Slovenia.



Financial results



Key events

(1)

In the January, 2012, *Invalda AB* sold 29.5 percent of shares of the metal processing company *Umega AB*. Shares sold for the 3.7 million litas (€ 1.07 million). The transaction should have a preliminary positive effect of approximately 2 million litas (€ 0.6 million) in the consolidated statements.

The notification to convert 32.44 million litas (€ 9.4 million) par value bonds into *Invalda AB* shares was received from the bondholders.

After the conversion, *Invalda AB* share capital was increased by 5.898.182 litas (€ 1.708.231,60) from 51 659 758 litas (€ 14.961.700,07) to 57.557.940 litas (€ 6.669.931,60).

The conversion price of new shares issue of 5.898.182 (€ 1.708.231,60) litas is 5.5 litas (€ 1.59) per share. The bondholders had the obligation to pay back 4.787.998 litas (€ 1.386.700,10) interest paid according to the conditions of the bond issue. The accrued interest as of March 28th, 2012 in the amount of 2.375.675 litas (€ 688.043) was not be payable to the bondholders.

Invalda AB is completely debt free after the completion of the bond conversion. The company will continue to adhere to the prudent borrowing policy.

Key events

(2)



Invalda AB acquired 10 percent of its own shares for the amount of 59.6 million litas (€ 17.26 million) after completion of the share buy-back program.

In the General Shareholders' Meeting, on April 30, 2012, *Invalda AB* shareholders approved the results for the year 2011, formed a reserve of 269.1 million litas for the share buy-back.

Taking into consideration the passed resolutions the Board of *Invalda AB* decided to acquire up to 10 per cent of shares of the Company, paying for each of them 10.358 litas (€ 3).

Buy-back program was completed on May 18. The amount of proposed for sale shares was higher than the amount to be acquired, therefore each selling shareholder sold 14.47 percent of shares. As own shares of the Company do not have voting rights, the shares of *Invalda AB* with voting rights will total to 51.802.146.

The resolution reduce the Company's authorized share capital to 51.8 million litas (€15 million) by cancelling Company's treasury shares was adopted on 24th of May in the *Invalda AB* Extraordinary General Shareholders' meeting.

The Board of *Invalda AB* was authorized to organise an additional buy-back of up to 10 percent of *Invalda AB* shares paying for each of them from 1 € to 5 €.

Activity results of *Invalda AB*

million litas	Consolidated		Parent company	
	2012 3 months	2011 3 months	2012 3 months	2011 3 months
Assets	667.9	611.3	414.4	310.9
Equity	472.3	208.9	410.3	84.8
Liabilities	195.6	402.5	4.1	226.1
Profit (loss) for the period	18.2	8.4	11.0	(1.0)
Attributable to equity holders of the parent company	16.6	6.7	-	(1.0)

} detailed on slide 16

Equity and liabilities

<i>Invalda AB</i> , million litas	2012 3 months	2011 3 months
Equity	410.3	84.8
Liabilities to financial institutions	-	138.9
of which are long term	-	94.1
Liabilities to group companies	0.4	51.3
Bonds	34.1	32.4
Other liabilities	(3.7)	3.5
Total liabilities	(4.1)	226.1
Total equity and liabilities	414.4	310.9



AB Invalda assets (book value)

Asset	Book value March 31, 2012, million litas	Description
Furniture manufacturing	13.9	72.14 percent stake of <i>AB Vilniaus Baldai</i> , the share value on December 31, 2011 in NASDAQ OMX Vilnius is 99.7 million litas (€28.9 million)
Real estate	142.5	Investments into the real estate and loans granted to the sector companies
Facility management	7.5	100 percent stake in <i>UAB Inreal Pastatu Prieziura</i> , <i>UAB Priemiestis</i> and <i>UAB Jurita</i> ; loans granted to the sector companies
Agricultural	38.6	Investments into <i>UAB Litagra</i> shares
Information technology infrastructure sector	12.1	80 percent stake in <i>UAB BAIP Group</i> and loans granted
Rail and road construction	27.7	12.5 percent stake in <i>Trakcja – Tiltra, S.A.</i>
Other investments	59.7	Investments into <i>AB Umega</i> , <i>AB Vernitas</i> shares and other assets
Deferred income tax assets	16.6	Deferred income tax assets
Cash, deposits, short-term loans and investments	95.8	Cash, deposits, other financial investments
Total assets	414.4	

Results

- Impact to the profit (loss) statement of *Invalda AB* due to group sectors and financial investments

million litas	2012 3 months	2011 3 months
Furniture manufacturing	4.4	4.9
Real estate	0.2	0.3
Facilities management	(0.1)	0.1
Agricultural	(1.5)	-
Information technology infrastructure sector	(0.5)	(0.5)
Change in share price of <i>Trakcja-Tiltra, S.A.</i>	12.2	-
Pharmaceuticals (sold segment)	-	4.2
Other companies	1.9	(2.3)
Total	16.6	6.7

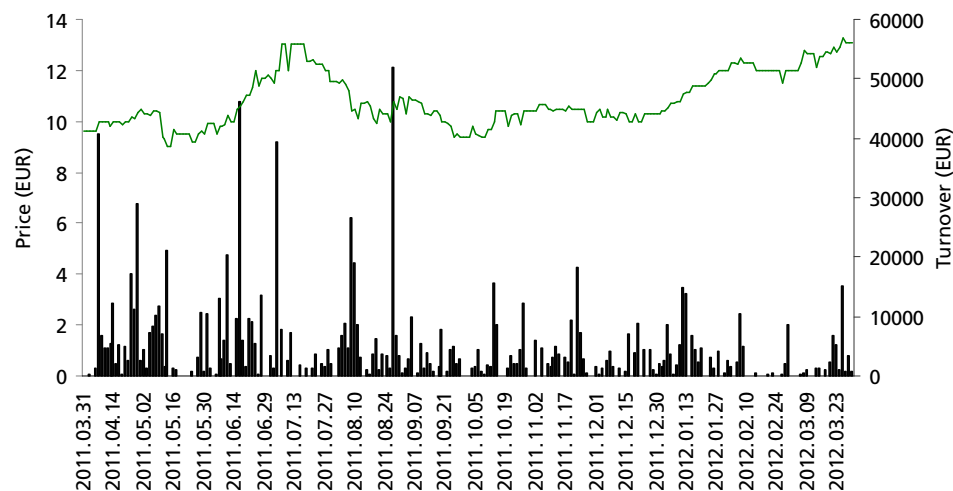
Furniture manufacturing

(1)



million litas	2012 3 months	2011 3 months	Change	Change, %
Sales	58.5	56.6	1.9	3
EBITDA	8.5	9.2	(0.7)	(7)
Net profit	6.1	6.9	(0.8)	(12)
Capitalization	175.8	128.8	47	37

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



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

Furniture manufacturing

(2)



▪ Main events

Vilniaus baldai AB had no significant changes of activities in the first quarter of 2012. The company has achieved the planned sales and sold 3.5 percent more production than in the corresponding period of 2011.

In the first quarter the production volume was higher than sales for the reason that the company was preparing to stop production in April for two weeks and it was necessary to accumulate sufficient production in storage.

It was decided to allocate 38,863 million litas (€ 11,255.5 million) for dividends, or 10 litas (€ 2.89) per share on April 27, 2012, in the General Shareholders Meeting. 28,034 million litas (€ 8.119 million) of this amount is allocated to *Invalda AB*.

Vytautas Bucas, Darius Sulnis, Dalius Kaziunas - the representatives of *Invalda AB*, were elected to the Company's Board for a four year term.

Furniture manufacturing sector of *Invalda AB* group

72.14%



Real estate sector

(1)



million litas	2012 3 months	2011 3 months	Change	Change, %
Value of real estate	255.4	249.6	5.8	2
Commercial real estate	155.6	176.6	(21)	(12)
Real estate for development	60.0	51.5	8.5	17
Residential real estate	4.5	5.6	(1.1)	(20)
Agricultural land	35.3	15.9	19.4	122
Shareholders' equity (incl. loans from <i>Invalda AB</i>)	132.5	104.4	28.1	27
Loans from credit institutions	121.4	141.1	(19.7)	(14)
Rental income	4.5	4.2	0.3	7
from this owned by clients	1.3	1.2	0.1	8
Change of the real estate value	0	0	-	-
Companies' sales result, allowance and other non-monetary items	0	1.0	(1)	(100)
Result of the real estate sector	0.2	0.3	(0.1)	(33)

Real estate sector

(2)



▪ Main events

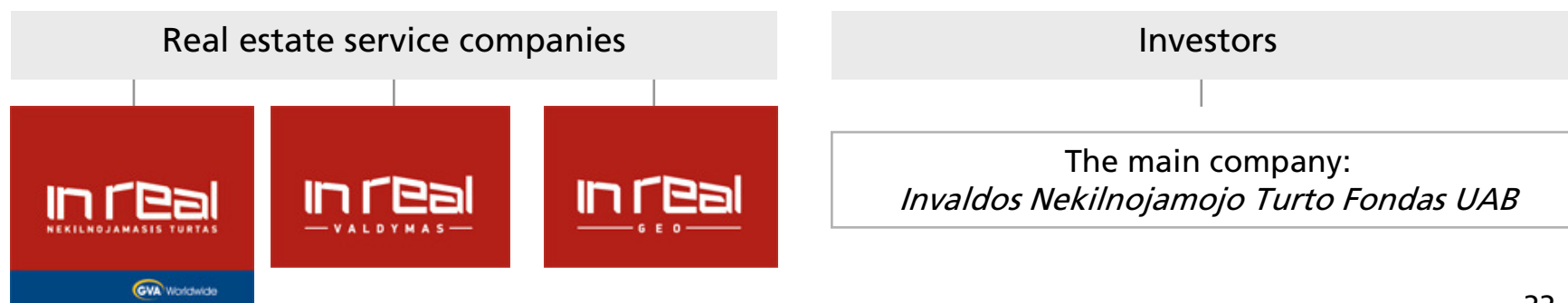
The total sector's income growth was caused by the fact that apartments for the total amount of 4.3 million litas (€ 1.2 million) were sold in project *Elniakampio Namai*. Overall residential property sales amounted to 5.6 million litas (€ 1.6 million).

During the first quarter of 2012 further increases in the agricultural land investments were made: land was acquired for the total amount of 0.5 million litas (€ 0.14 million).

Justiniskiu Aikstele UAB and *Justiniskiu Valda UAB* collectively managing real estate for the value of 2.7 million litas (€ 0.8 million) have been added to the real estate portfolio.

14.7 million litas (€ 4.3 million) was returned to the Lithuanian branch of *Nordea Bank Finland* by the company managing the real estate *Naujoji Svara UAB* in April 2012.

Real estate sector of Invalda AB group



Facility management sector

(1)



▪ Sector's results

From the first quarter of 2011 facility management sector is recognized as a separate sector in the financial statements of *Invalda AB*.

Jurita UAB results were not consolidated fully in 2011.

million litas	2012 3 months	2011 3 months	Change	Change, %
Sales	3.0	2.3	0.7	30
EBITDA	0.03	0.2	(0.17)	(85)
Net profit	(0.1)	0.1	0	0

Facility management sector

(2)



▪ Main events

Management structure of the facility management sector was reorganized, business processes and quality of services were optimized in the first quarter of 2012. The business management system and other business digitization projects (for example, automated meter readings) started to be implemented.

In the first quarter, *Inreal Pastatu Priežiūra UAB* started its operations in Siauliai by opening a department. An autonomous cleaning services (previously bought from contractors) as well as labor safety and fire protection consulting services were started to be provided by the department in Siauliai.

Justiniskiu Valda UAB and *Justiniskiu Aikštele UAB*, spun-off from *Jurita UAB*, started their activities since the beginning of 2012 as a result of reorganization of the group structure, and these companies will be included into the real estate sector.

Facility management sector of *Invalda AB* group



Agricultural sector

(1)



Since December, 2011, *Invalda AB* owns 36.9 percent of *Litagra UAB* shares, which is one of the largest agriculture company groups in the Baltic countries.

The companies of *Litagra UAB* Group are engaged in the primary crop and livestock (milk) production, grain processing and agricultural services. Group companies trade in plant protection products, fertilizers, seeds, compound feed, feed supplements, veterinary products. Moreover, companies buy grain; provide drying of grain and other raw materials, cleaning, loading and storage services. Group companies provide agricultural services in Lithuania, Latvia and Estonia.

Agricultural sector of Invalda AB

36,9%



Litagros Zemes Ukio
Centras UAB

Companies: Aristavos ZUB,
Sesupes ZUB, Bausu ZUB,
Slapaberzes ZUB, Kalpoku ZUB,
Raktineliu ZUB, Berzu ZUB

Litagros Grudu
Centras UAB

Companies: Joniskio grudai AB,
Kedainiu Grudai AB, Marijampoles
Grudai AB, Taurages Grudai AB

Litagros Prekybos
Centras UAB

Companies: Litagros Grudai UAB,
Litagros Prekyba UAB, Litagros
Prekyba UAB (Latvian subsidiary),
Litagra OU (Estonia)

Agricultural sector

(2)



▪ Sector's results

In April 2012, SEB bank together with DNB bank granted to *Litagra UAB* two syndicated loans totaling to 98.4 million litas (€ 28.5 million).

This amount finance working capital needs and refinance current loans.

Litagra UAB group incurred a loss in the first quarter. It was affected by seasonality of the sector. In the agricultural sector, the best results are usually achieved in the third quarter.

million litas	2012 3 months	2011 3 months	Change	Change, %
Sales	36.9	44.7	(7.8)	(17)
EBITDA	1.1	1.9	(0.8)	(42)
Net profit, according data provided by the company, on the ground of business accounting standards.	(2.6)	(2.6)	0	0

Information technology sector

▪ Consolidated results of *BAIP Group*¹ *UAB*

million litas	2012 3 months	2011 3 months	Change	Change, %
Sales	7.2	8.4	(1.2)	(14)
EBITDA	0.4	0.3	0.1	33
Net profit before investment amortization ² and cost of management options	(0.2)	(0.1)	0.1	(100)
Net profit	(0.6)	(0.6)	0	0

▪ Main events

In Lithuania *BAIP UAB* prolonged the *CopyPrint* agreement with the retail chain of *MAXIMA LT*. The *CopyPrint* services support reducing the printing and copying costs as well as provide control and management optimization services.

NRD UAB signed the 3 years agreement with *State Food and Veterinary Service (SFVS)* on information systems development and maintenance services.

1. Norway Registers Development, AS (NRD) results are consolidated from December 2011.
2. Amortization of contract assets formed during UAB BAIP acquisition.

Information technology sector

- Abroad activities

BAIP group has gained legal IT consulting expertise, and started to provide critical information systems development, architecture and applications services after the acquisition of Norwegian company *Norway Registers Development AS (NRD)* at the end of 2011. Also it has expanded its markets in Eastern African and Indochinese countries. In the first quarter of 2012, the group was involved in projects in Uganda, Tanzania, Liberia, Guatemala, Kenya and Vietnam.

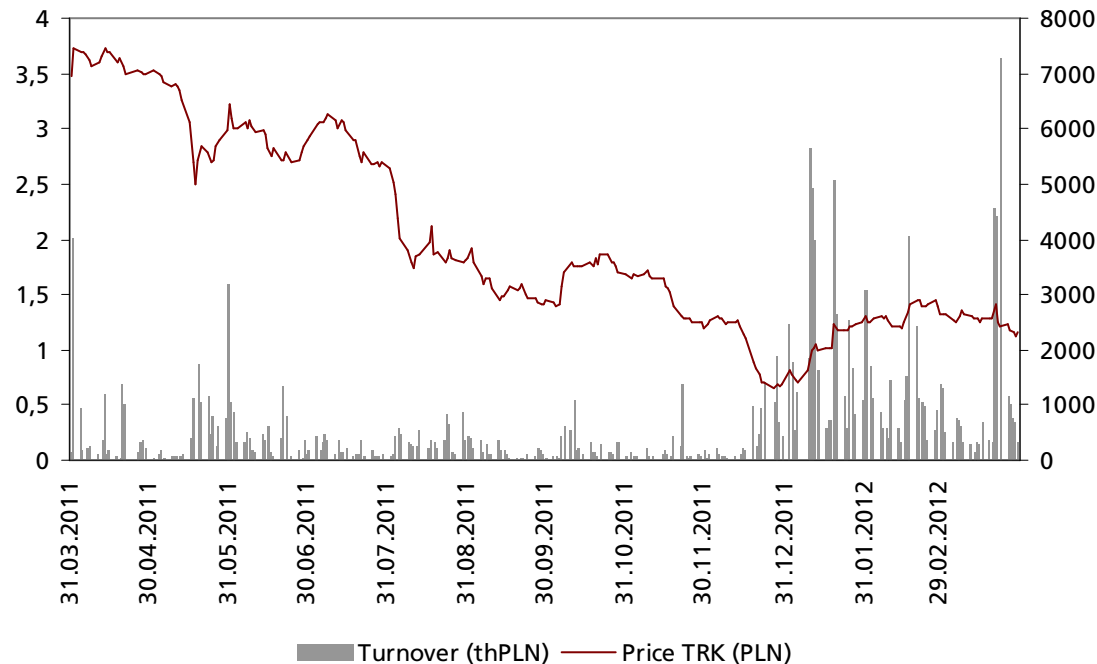
NRD UAB also won a consultancy services tender on the Mortgage registration system development for the Development Board of the Government of Rwanda.

IT sector of *Invalda AB* Group



Rail and road infrastructure

- *Trakcja – Tiltra, S.A.* shares are listed on Warsaw Stock Exchange



Invalda AB owns 12.5% shares of *Trakcja-Tiltra S.A.*, which are listed in Warsaw Stock Exchange.

Due to the share price increase of *Trakcja – Tiltra, S.A.*, *Invalda AB* earned profit of 12.2 million litas (€ 3,5 million) during the 1st quarter.

Disclaimer

- The presentation was prepared by *AB Invalda*. The following information was used for the preparation:
 - Preliminary consolidated and Company's financial statements of Invalda for 3 months of 2012;
- Data provided here is for information purposes only.
- The information provided here is not a recommendation or solicitation to buy or sell any securities of *AB Invalda* or companies related to *AB Invalda*.
- *AB Invalda* does not take responsibility for the actions any third parties made based only on information provided here.
- Group composition charts are simplified. Shares owned including shares sold under repurchase agreements are presented. *AB Invalda* owns 100% in the companies if not stated otherwise.
- *AB Invalda* accounts its investments into furniture manufacturing and information technology sectors at acquisition costs. Investment properties of the real estate sector are accounted at fair value. Results of agricultural land sector will be consolidated from the beginning of 2012. *AB Litagra* is an associated entity. Shares of the rail and road infrastructure company *Trakcja -Tiltra S.A.* are accounted by their price on Warsaw stock exchange.
- Since November 22, 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 Euros (€).



Thank you!