



Results of INVALDA group for 2006 and short-term plans

Vilnius, 16-04-2007

About us

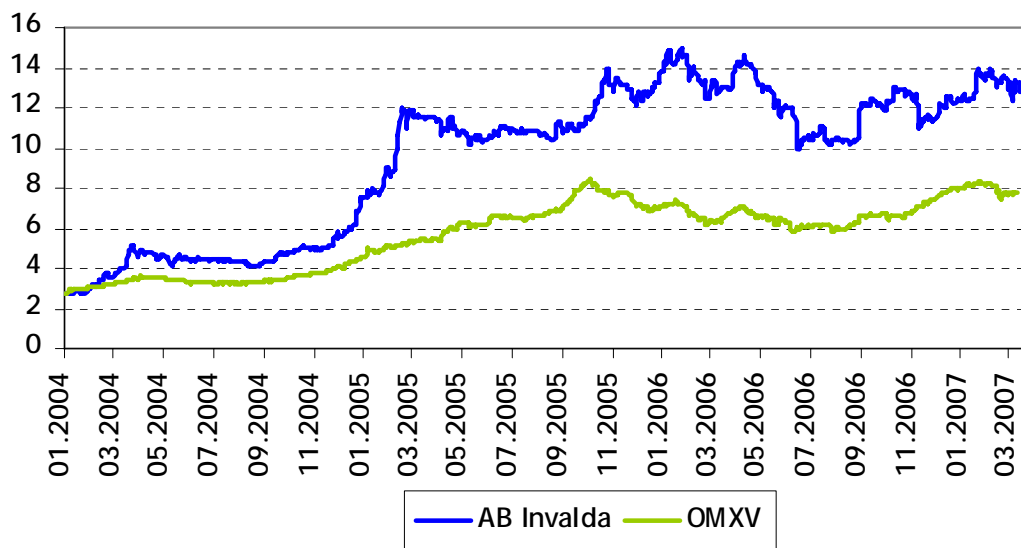


- Invalda was established in 1992 during the start of the first part of privatization process.
- Since 1995 listed on the stock exchange.
- Invalda is the holding company actively managing its investments:
 - By acquiring and restructuring businesses;
 - By introducing modern management and financial management methods;
 - By receiving income from managed companies and/or exiting businesses and providing high return to shareholders of the company;
 - By diversifying risk.



Shareholders and shares

Shareholders as of 30.03.2007	Portion owned, including shares sold by repurchase agreements, %
Nenuorama UAB	21.08
Dailius Juozapas Mišeikis	15.09
Vytautas Bučas	13.07
Alvydas Banys	11.92
Darius Šulnis	9.94
Other shareholders	28.9



Key management principles

- **Competitiveness** – we strive for every single business of the Invalda group to be competitive and to have the best managers that would be motivated and able to develop business vision, organize a team, set ambitious goals and implement them.
- **Independency** – we believe that Invalda owned businesses are independent from each other and could act independently after main shareholders are changed.
- **Risk diversification** – striving to retain maximum stability and security, Invalda does not act as a risk guarantor nor takes responsibility for separate businesses, as well as separate businesses do not take responsibility for each other.



INVALIDA

FINANCIAL
ACTIVITY

REAL ESTATE

PHARMACY

ROAD AND
BRIDGES
CONSTRUCTION

FURNITURE
MANUFACTURING

HOTEL
MANAGEMENT

PRODUCTION AND
SERVICES
COMPANIES

- Services of financial brokeregare.
- Custody.
- Management of investment and pension funds.
- Management of private portfolios.
- Corporate finance services.

- Investment into real estate.
- Real estate development and management.
- Brokerage services.
- Valuation.
- Construction and facility management services.

- Production and sale of generic drugs.
- Development of new products.
- Contract manufacturing of pharmaceuticals.

- Construction and repairs of bridges, viaducts and tunnels.
- Building and repairs of roads and streets.

- Production and sale of furniture from board of frame, solid wood and particle board.

- Management of business class hotel Holiday Inn Vilnius and economy class hotel Ecotel

- Management of agricultural companies.
- Investigation and designing of water management objects.
- Production of hardware articles.
- Consulting.

Finasta
Finasta investicijų
valdymas
Finasta įmonių finansai
Finasta Asset
Management
and others



Inred
Inreal
Invalida Construction
Managemen
Invalida Service
Dommo
and others



Sanitas
Jelfa
Hoechst-Biotika



"Kauno tiltai"
"Kėdainių
automobilių keliai"
"Taurakelis"
"Kelprojektas"
ir kt.



Vilniaus baldai
Girių bizonas
Minija
and others



Valmeda
Kelionių viešbučiai



Agrovaldymo grupė
Hidroprojektas
Umega
Amber Viking Capital





Financial sector

Profile



- Finasta – the largest non-banking financial brokerage company:
 - One of the largest custodians and active financial brokers;
 - In process of obtaining full scope banking license;
 - Focuses on investment and private banking.
- Finasta įmonių finansai provides corporate finance services:
 - One of the most active Lithuanian players in SME segment;
 - Outstanding local market knowledge.
- Finasta investicijų valdymas:
 - Among the best results in respect of return on managed investment and pension funds in their region;
 - Private portfolio management;
 - Expanding activities into Latvia.



Financial brokerage

- In 2006 Finasta:
 - provided brokerage services making 15.54 % of annual transactions in Vilnius stock exchange (45 500 transactions);
 - share turnover in Vilnius stock exchange covered 11.71 % of total annual share turnover in Vilnius stock exchange;
 - turnover in debt securities in Vilnius stock exchange – 6.45 % of the market;
 - At the end of 2006 capitalization of securities accounted by Finasta totaled 8 611.16 mLTL or 21.57 % of securities held with intermediaries registered at Central Securities Depository.



Asset management

	Managed funds, mLTL		Fund values, changes %		
	31.12.2006	31.03.2007	2005	2006	since inception
Investment Funds					
Central and East Europe Fund	65.09	64.61	25.78	15.97	130.35
New Europe Fund	108.77	147.70	15.23	40.09	84.07
Russian Fund	24.21	28.77	-	17.81	25.95
Bond Fund	2.17	7.5	2.04	2.41	10.66
Total	200.24	248.59			
Pension Funds					
Conservative Investment	0.32	0.40	1.1	1.19	7.36
Growing Yield	1.25	1.46	11.98	8.45	53.5
Active Investment	6.18	7.30	21.4	11.64	88.15
Rational Risk	12.24	16.50	28.18	29.95	175.08
Pension 1	1.15	1.34	3.72	0.72	7.23
Pension 2	0.72	0.84	2.07	3.61	6.19
Total	21.85	25.65			
Voluntary Pension Funds					
Shares	4.47	5.44	25.24	22.22	66.85
Bonds	0.14	0.31	0.87	1.82	3.17
Total	4.61	5.75			
Private portfolios	21.7	39.8			
TOTAL	248.4	319.79			



Financial sector in 2006

- **Results:**

- **Net profit attributable to Invalda – 7.7 mLTL;**
- **Net profit of the sector – 7.9 mLTL.**

- **Events:**

- Finasta was reorganized by separating the department of corporate finance into the new company Finasta įmonių finansai.
- 100 % of Medicinos banko investicijų valdymas shares acquired. After reorganization Medicinos banko investicijų valdymas was merged to Finasta investicijų valdymas.
- Offices in Kaunas and Klaipėda. In March of 2006 rep. office in Riga (Latvia) was opened and in November the one rep. office was opened in Kiev, capital of Ukraine.



Financial sector in 2007

- Forecasts:
 - Net profit attributable to Invalda – 5.5 mLTL;
 - Net profit of the sector – 5.5 mLTL.
- Priorities raised by Invalda:
 - Transformation of the financial sector companies into the bank by focussing on high level quality management, investment and private banking services;
 - Further development and profitability.





Real estate sector

Profile



- Investment profile in Lithuania and Latvia:
 - Active development from land acquisition to letting out;
 - Commercial properties such as office premises and logistic centers;
 - Residential properties in downtown and resorts:
 - Focused search and selection of opportunities;
 - High quality and post construction services.
 - Active trading in real estate at own account.
- Real estate brokerage services in Lithuania, Latvia and Ukraine.
- Construction and facility management services.



- In Lithuania

	Buildings, units	Buildings, thous.sq.m.	Land plots, units.	Land, hectare
Offices	59	63.4	16	5.54
Warehouses, logistics	37	34.3	9	28.63
Residential RE	159	106.9	27	40.22
Other	56	17.3	11	9.48
Total	311	221.9	63	83.87

- In Latvia

Land for development, hectare	66.226
Buildings, thous.sq.m.	41.4
Total units of real estate.	50



- Employees:
 - in Vilnius - 43;
 - in Kaunas -15;
 - in Klaipėda - 12;
 - in Riga -19;
 - in Kiev - 90.
- In 2006 total value of assets sold using brokerage services of InReal reached 250 mLTL.



Real estate sector in 2006

- **Results:**
 - **Net profit attributable to Invalda – 56.1 mln. Lt**
 - **Net profit of the sector – 67.3 mln. Lt.**
- **Events:**
 - Invalda Real Estate completed reorganisation, during which the activity of real estate mediation was separated from the activity of real estate project development and management;
 - Invalidos nekilnojamojo turto fondas completed the acquisition transaction of the real estate package owned by TEO LT (8 buildings, 40 thousand sq.m.);
 - Expanding brokerage activities into Ukraine;



Real estate sector in 2007

- Forecasts:
 - Net profit attributable to Invalda – 32.5 mLTL;
 - Net profit of the sector - 42.6 mLTL.
- Priorities raised by Invalda:
 - High financial return and balanced risk from investment into the real estate;
 - Focussed selection of priority markets and segments.





Pharmacy sector

Profile

- Sanitas group is among fastest growing companies in CEE region and becomes a significant player in the market.
- Production and sale of generic drugs under GMP.
- Companies:
 - Sanitas in Lithuania;
 - Jelfa in Poland;
 - Hoechst – Biotika in Slovakia.
- Representative offices:
 - Jelfa's rep. offices in Kiev (Ukraine) and Moscow (Russia);
 - HBM rep.office in Prague (Czech Republic).
- Medicines are sold in 27 countries.



Production capacities (per year)



- Injections preparations – 50 mln. units ampoules.
- Tablets and capsules – 100 mln. units.
- Ointments – 4.3 mln. tubes.

- Hoechst-Biotika, spol. s r.o.

- Injections preparations – 80 mln. units ampoules.
- Tablets - 500 mln. units.
- Ointments – 5.7 mln. tubes.



- Injections preparations - 80 mln. units ampoules.
- Tablets - 1 bln. units.
- Ointments - 50 mln. tubes.



Pharmacy sector in 2006

- **Results:**

- **Net loss attributable to Invalida – 1.8 mLTL*;**
- **Net loss of the sector – 7.3 mLTL*.**

- **Įvykiai:**

- In February a shareholders agreement was concluded between Invalida, holding the largest shareholding of Sanitas AB, several shareholders and the investment funds Amber Trust II SCA and Citigroup Venture Capital International Jersey Limited. The agreement was signed regarding the new emission of Sanitas AB shares intended for the redemption of the Polish pharmaceutical enterprise Jelfa .
- Sanitas acquired 100 % shares of Polish pharmaceutical company Jelfa;
- During 2006, the turnover in Sanitas shares reached 20.66 mLTL and capitalization totalled 423.04 mLTL at the end of the year.

* Possible changes



Pharmacy sector in 2007

- Forecasts:
 - Net profit attributable to Invalda – 6.7 mLTL;
 - Net profit of the sector – 21.3 mLTL;
 - Sales – 340.5 mLTL;
 - EBITDA – 77.1 mLTL.
- Priorities raised by Invalda:
 - To achieve the status of one of the best CEE region pharmaceutical enterprises;
 - Realisation in financial results of the effect and synergy received from the restructuring of enterprises.





Roads and bridges construction sector

Profile



- Kauno tiltai:
 - Operating in Lithuania, including subsidiaries;
 - Operating in Poland via jointly (together with partner) controlled two companies in Bialystok area;
 - Specializing on the construction of complex bridges and high quality highway construction.
- More than 800 employees
- Modern equipment and outstanding track record in respect of quality, timeliness and complexity of works performed.
- Active participant in the sector consolidation process.



Roads & bridges construction sector in 2006



- **Results:**
 - Net profit attributable to Invalda – **2.9 mLTL**;
 - **Net profit of the sector – 7.6 mLTL.**
- **Events:**
 - Kauno tiltai together with the partners consortium has won the contest for the construction of the Southern Vilnius detour, worth 265 mLTL.
 - Due to the significant increase of investments the leading-edge asphalt mixing plant in the Baltics (320 t/hour) was purchased.
 - Kauno tiltai started improving business management system, environmental and work-safety standards.
 - In 2006 the management team of Kauno tiltai was strengthened seeking to enhance the company's position in the market.



Road & bridges construction sector in 2007 m.

- Forecasts:
 - Net profit attributable to Invalda – 2.8 mLTL;
 - Net profit of the sector – 7.2 mLTL.
- Priorities raised by Invalda:
 - To enhance the position through acquisitions and organisational development in Lithuania and neighbouring countries;
 - To increase an efficiency of the enterprises and improve the main financial indicators.





Furniture production sector

Profile



- Vilniaus baldai:
 - Board of frame products;
 - Large scale production by using modern production technology;
 - Main customer – IKEA, mutually beneficial long-term relationships;
 - OMX listed company.
- Minija ir Kelio ženklai:
 - Solid wood customized items;
 - Small batch, flexible manufacturing process.



UAB "Girių bizonas"



Furniture production sector in 2006

- **Results:**
 - **Net loss attributable to Invalda – 5.7 mLTL**
 - **Net loss of the sector – 7.7 mLTL**
- 2006 was the most difficult year for this sector, but problems were identified, decisions were made and actions necessary for situation improvement were started.



Baldų gamybos sektorius 2007

- Forecasts:
 - Net profit attributable to Invalda – 0.4 mLTL;
 - Net profit of the sector - 0.4 mLTL;
 - EBITDA – 15.3 mLTL.
- Priorities raised by Invalda:
 - Efficient and competitive manufacturing;
 - Formation of an optimal portfolio of the clients' orders.
 - Profitable operation.





Hotel management sector

Profile

- 2 hotels in Vilnius are managed:
 - four stars business class hotel Holiday Inn Vilnius;
 - Economy class hotel Ecotel.
- Attractive geographical location.

		
Total area of buildings, sq.m.	7 521	4 037
Number of rooms	134	168
Number of conference halls	4	3
Total area of conference halls, sq.m.	320	128



Hotel management sector in 2006



- **Results:**
 - **Net profit attributable to Invalda – 1.8 mLTL.**
 - **Net profit of the sector – 1.8 mln. Lt**
- **Events:**
 - The occupancy of the 4 star hotel Holiday Inn Vilnius increased up 61%, and of the economic class hotel Ecotel Vilnius - up to 66% in 2006.
 - The hotel Holiday Inn Vilnius was acknowledged one of the best hotels of the Holiday INN network in the service field among 600 EMEA region hotels for the second year in a row.



Hotel management sector in 2007



- Forecasts:
 - Net profit attributable to Invalda – 1.93 mLTL;
 - Net profit of the sector – 1.93 mLTL.
- Priorities raised by Invalda:
 - Further improvement of the main indicators – profitability, EBITDA, occupancy;
 - Analysis of development possibilities .
- In process of sale.





Production and services sector

Production & services companies in 2006



- **Results:**
 - **Net profit attributable to Invalda – 3.1 mLTL*.**
 - **Net profit of the sector – 3.3 mLTL*.**
- 100 % of Klaipėdos konditerija shares were sold.

*Changes possible



- Forecasts:
 - Net profit attributable to Invalda – 1.75 mLTL;
 - Net profit of the sector – 1.75 mLTL.
- Invalda's policy:
 - To participate only in those non-strategic businesses where a high rate of return and risk ratio is probable, and which require management adequate to their size.





INVALIDA group in 2006

Invalda (non-consolidated data)

- Assets (total) – 235.8 mln. Lt:
 - Investments into main business– 179.9 mLTL
 - Investments into other business– 7.8 mLTL
 - Loans granted – 47.4 mLTL
 - Other assets – 0.7 mLTL

- Equity – 146.4 mLTL

- Financial liabilities – 86 mLTL
- Other liabilities – 3.4 mLTL

- Net profit – 28.8 mLTL



Sectors of Invalda group

31.12.2006, mLTL	Acquisition cost	Equity (Invalda's part)
Finance	12.6	30.0
Real estate	35.7	191.3
Pharmacy	93.1	93.5
Roads & bridges constr.	12.6	21.3
Furniture production	18.1	23.1
Hotel management	7.8	28.9
Production & services companies	7.8	15.4
Total	187.7	403.5



Invaldos group in 2006

Profit (loss), mLTL	Part attributable to Invalda	Total
Net consolidated	58.5*	66.5*
Financial sector	7.7	7.9
Real estate sector	56.1	67.3
Pharmacy sector	-1.8*	-7.3*
Roads & bridges construction sector	2.9	7.6
Furniture production sector	-5.7	-7.7
Hotel management sector	1.8	1.8
Production & services sector	3.1*	3.3*

* Changes possible



Invalda group forecasts for 2007



Profit (loss), mLTL	Part attributable to Invalda	Total
Net consolidated	47.8	77
Financial sector	5.5	5.5
Real estate sector	32.5	42.6
Pharmacy sector	6.7	21.3
Roads & bridges construction sector	2.8	7.2
Furniture production sector	0.4	0.4
Hotel management sector	1.93	1.93
Production & services sector	1.75	1.75

* Assumptions for forecasts:

- won't be significant positive or negative changes in investment property in the market
- won't be significant changes in the structure of the Group

** Forecasts confirmed on 18.12. 2006; in 2007 the Board can propose to recalculate forecasts





Changes

Situation today

- Owners of controlling block of shares:

Shareholders as of 30.03.2007	Portion owned including shares sold by repurchase agreements, %
Nenuorama UAB	21.08
Dailius Juozapas Mišeikis	15.09
Vytautas Bučas	13.07
Alvydas Banys	11.92
Darius Šulnis	9.94



Changes

- Planned changes:
 - Dailius Mišeikis and Alvydas Banys will decrease blocks of Invalda and Nenuorama shares;
 - Darius Šulnis and Vytautas Bučas will increase blocks of Invalda and Nenuorama shares;
 - After reorganization Nenuorama will be merged to Invalda.
- Situation after changes:
 - D.J.Mišeikis and A.Banys plan to withdraw from active work. They will own blocks of Invalda shares representing less than 10 %.





Management opinion about share price
Benchmark valuations

Financial sector

We value this business according to the following ratios:

- P/Bv - Price to book value;
- P/Sales - Price to sales;
- P/E – Price to earnings;
- Enterprise value to assets under management;
- Custody – accounted assets and market share.



We value this business according to the following historical and forecasted ratios:

- NAV – Net asset value;
- NAV is calculated with the following provisions:
 - evaluating difference between book value and market value of projects under management (value of assets before development and invested sums).
 - evaluating difference between latter deals real estate yield of latter deals and discount rate applied by assessors of group's assets.
- P/NAV;
- P/E;
- Cash flows at present and discounted future cash flows, estimating forecasted results of started projects.



Pharmacy

We value this business according to the following historical and forecasted ratios:

- EV/EBITDA – enterprise value to EBITDA;
- P/Sales– enterprise value to sales;
- P/E;
- Production capacities;
- Securities market price;
- Discounted cash flows.



Roads and bridges construction

We value this business according to the following historical and forecasted ratios:

- EV/EBITDA – enterprise value to EBITDA;
- EV/Sales – enterprise value to sales;
- P/E;
- Size of signed future contracts.
- Discounted cash flows.



Furniture production

We value this business according to the following historical and forecasted ratios:

- EV/EBITDA – enterprise value to EBITDA;
- EV/Sales– enterprise value to sales;
- P/E;
- Production capacities;
- Discounted cash flows;
- Market price of buildings and land;
- Securities market price.



Hotel management

We value this business according to the following historical and forecasted ratios:

- EV/EBITDA – enterprise value to EBITDA;
- EV/Sales – enterprise value to sales;
- P/E;
- Hotel room price;
- Market price of buildings and land;



Management opinion

- Further to the provided assumptions about businesses valuation, the management of Invalda suppose that capitalization of the company is less than real value of equity.
- This situation does not satisfy both the interest of shareholders and the management of the company.

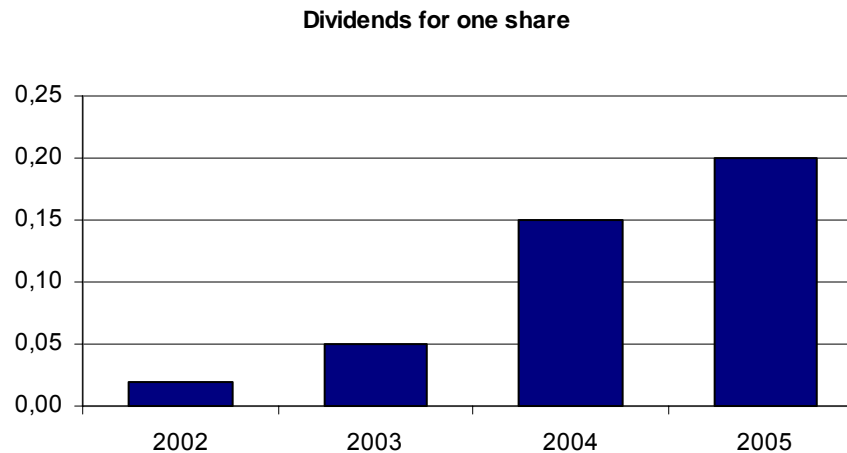


1. Dividend policy.
2. Disclosure of information.
3. Interventions into stock market by purchasing own shares.



Dividend policy

- Invalda's dividends payment policy is stable.



- It will be proposed to pay 0,25 LTL dividend for one share.

Year	LTTL for one share	% of nominal value	Dividend Yield
2002	0,02	2	5,4
2003	0,05	5	1,8
2004	0,15	15	2,0
2005	0,2	20	1,4
2006	0,25	25	2,0



Disclosure of information

- To disclose maximum information necessary for objective valuation assets of Invalda group and the future, not only material events.
- Information cannot be disclosed only when the disclose can be restricted by signed contracts and /or the disclose can be harmful for the group and competitiveness of businesses.



Purchase of own shares

- At present situation when real value of equity is larger than capitalization, the reserve of 34.5 mLTL for purchase of own shares is formed.
- If the share price doesn't reach 14 LTL till June 30, 2007, to convene shareholders meeting and initiate purchase of own shares.



Objectives

- To ensure significant financial influence and ordinary financial stability with low risk level and ethical actions;
- To ensure high financial return for Invalda's shareholders due to dividend payment and share price increase.
- Efficient management of businesses.
- Actively look and pursue for new opportunities.





THANK YOU!