



For the Stocks committee of the Republic of Lithuania,
Konstitucijos pr. 23,
LT-08105 Vilnius

THE CONFIRMATION BY THE RESPONSIBLE INDIVIDUALS

Following the 22nd article of the Lithuania's Republic's stocks law and also following the Laws of the periodic and fill-in information arrangements and presentations, I, Joint-stock Company's „Klaipėdos baldai“ director, Ramūnas Marozas, confirm that to my knowledge, there is an attached financial accountability 30 June 2008 of the joint-stock company's „Klaipėdos baldai“ which is not verified by auditors, made accordingly to the international financial accountability standards initiated by the European Union, coincide with the reality and fairly indicate the company's wealth, obligations, financial state, profit or detriment, review of business development and practice, stated in the interim six months statement is correct.

Director

Ramūnas Marozas

**JSC "KLAIPEDOS BALDAI"
INTERMEDIATE FINANCIAL REPORTING
JUNE 30, 2008**

JSC "KLAIPEDOS BALDAI"
Company code: 140656052, Joniskes St., 21, Klaipeda

PROFIT (LOSS) REPORT
June 30, 2008

Prepared in accordance with TFAS

(in thousands litas)

#	Accounts		January-June 2008	January-June 2007
I.	SALE INCOME		90 271	74 075
II.	SALE PRIME COSTS		(87 249)	(70 663)
III.	TOTAL PROFIT (LOSS)		3 022	3 412
IV.	ACTIVITY EXPENSES		(1 881)	(1 837)
IV.1.	Sale		(1)	(7)
IV.2.	General and administrative		(1 880)	(1 830)
V.	PROFIT (LOSS) OF TYPICAL ACTIVITY		1 141	1 575
VI.	OTHER ACTIVITY		411	244
VI.1.	Income		905	699
VI.2.	Expenditures		(494)	(455)
VII.	FINANCIAL AND INVESTMENT ACTIVITY		(585)	(567)
VII.1.	Income		213	203
VII.2.	Expenditures		(798)	(770)
VIII.	INCOME OF (LOSS) ORDINARY ACTIVITY		968	1 252
IX.	WINDFALL PROFITS			-
X.	LOSSES			-
XIII.	PROFIT (LOSS) BEFORE TAXES		968	1 252
XIV.	PROFIT TAX		(146)	(226)
XV.	NET PROFIT (LOSS)		822	1 026

Director



Ramūnas Marozas

JSC “KLAIPEDOS BALDAI”
Company code: 140656052, Joniskes St., 21, Klaipeda

BALANCE
June 30, 2008

(Thousands litas)

#	Accounts	2008-06-30	2007-12-31
A.	LONG-TERM ASSETS	51 383	51 840
I.	INTANGIBLE ASSETS	46	161
I.1.	Patents, licenses	-	26
I.2.	Programming equipment	46	135
I.3.	Other intangible assets	-	-
II.	TANGIBLE ASSETS	48 949	49 248
II.1.	Land	-	-
II.2.	Buildings and constructions	23 423	24 493
II.3.	Machinery and equipment	16 708	16 290
II.4.	Transportation means	440	235
II.5.	Other equipment, devices, instruments and units	45	44
II.6.	Construction in progress	112	-
II.7.	Other tangible assets	94	59
II.8.	Investment property	8 127	8 127
II.8.1.	Buildings	8 127	8 127
	FINANCIAL ASSETS	2 388	2 431
III.1.	Investments in affiliate and associated companies	22	22
III.2.	Credits to associated and affiliate companies	-	-
III.3.	Accounts receivable in one year	2 078	2 121
III.4.	Other financial assets	288	288
B.	SHORT-TERM ASSETS	47 170	42 753
I.	STOCK, ADVANCE PAYMENTS AND CONTRACTS IN PROGRESS	13 478	13 472
I.1.	Stock	13 131	13 195
I.1.1.	Raw materials and component parts	6 242	6 360
I.1.2.	Production in process	2 572	2 693
I.1.3.	Produced products	4 317	4 142
I.2.	Advance payments	347	277
I.3.	Contracts in process	-	-
II.	ACCOUNTS RECEIVABLE WITHIN ONE YEAR	33 662	29 232
II.1.	Buyers' debts	29 298	24 945
II.2.	Debts of affiliate and associated companies	-	-
II.3.	Other accounts receivable	4 364	4 287
III.	OTHER SHORT-TERM ASSETS		-
III.1.	Short-term investments		-
III.2.	Time deposits		-
III.3.	Other short-term assets		-
IV.	MONEY AND MONEY EQUIVALENTS	30	49
	TOTAL ASSETS:	98 553	94 593

BALANCE (continued)
June 30, 2008

#	Accounts	2008-06-30	2007-12-31
C.	EQUITY CAPITAL	60 402	59 580
I.	CAPITAL	8 166	8 166
I.1.	Statutory (subscribed)	8 166	8 166
II.	REEVALUATION RESERVE (RESULTS)	11 184	11 789
III.	RESERVES	8 515	8 515
III.1.	Obligatory	817	817
III.3.	Other reserves	7 698	7 698
IV.	UNDISTRIBUTED PROFITS (LOSS)	32 537	31 110
IV.1.	Profit (loss) of the reporting year	822	3 016
IV.2.	Profit (loss) of the previous year	31 715	28 094
D.	DOTATIONS, SUBSIDIES	-	-
E.	ACCOUNTS PAYABLE AND LIABILITIES	38 151	35 013
I.	ACCOUNTS PAYABLE IN ONE YEAR AND LONG-TERM LIABILITIES	9 640	9 633
I.1.	Financial debts	6 862	6 855
I.1.1.	Leasing (financial rent) and similar liabilities	3 862	2 715
I.1.2.	To credit institutions	3 000	4 140
I.1.3.	Other financial debts	-	-
I.2.	Debts to providers	-	-
I.3.	Received advanced payments	-	-
I.4.	Provisions	-	-
I.4.1.	To cover liabilities and demands	-	-
I.4.2.	Other provisions	-	-
I.5.	Deferred taxes	2 778	2 778
I.6.	Other accounts payable and long-term liabilities	-	-
II.	ACCOUNTS PAYABLE WITHIN ONE YEAR AND SHORT-TERM LIABILITIES	28 511	25 380
II.1.	The current year part of long-term debts	3 820	3 564
II.2.	Financial debts	16 854	16 654
II.2.1.	To credit institutions	16 854	16 654
II.2.2.	Other debts	-	-
II.3.	Debts to providers	2 777	1 611
II.4.	Received advanced payments	5	-
II.5.	Profit tax liabilities	-	-
II.6.	Liabilities connected with labor relations	1 455	1 445
II.7.	Provisions		
II.8.	Other accounts payable and short-term liabilities	3 600	2 106
	TOTAL EQUITY CAPITAL AND LIABILITIES	98 553	94 593

Director



Ramūnas Marozas

JSC "KLAIPEDOS BALDAI"
FINANCIAL REPORTING
June 30, 2008

(All the sums in the table are shown in thousands litas, unless specified otherwise)

Report on changes of equity capital

June 30, 2008

(Thousands litas)

	Share capital	Reevaluation reserve	Reserves set forth by law	Other reserves	Undistributed profit	Total
Balance as of January 1, 2007	8 166	12 688	817	7 698	27 014	56 363
Used reserves	-	(606)	-	-	606	-
Net profit	-	-	-	-	1 026	1 026
Balance as of June 30, 2007	8 166	12 062	817	7 698	28 646	57 389
The year finished on December 31, 2007						
Balance as of January 1, 2007	8 166	12 688	817	7 698	27 014	56 363
Used reserves	-	(1 080)	-	-	1 080	-
Depreciation transfer-tax	-	201	-	-	-	201
Recognition of deferred profit tax liabilities	-	-	-	-	-)
Net profit	-	-	-	-	3 016	3 016
Balance as of December 31, 2007	8 166	11 789	817	7 698	31 110	59 580
Used reserves	-	(605)	-	-	605	-
Net profit (loss)	-	-	-	-	822	822
Balance as of June 30, 2008	8 166	11 184	817	7 698	32 537	60 402

Director



Ramūnas Marozas

JSC "KLAIPEDOS BALDAI"
FINANCIAL REPORTING
June 30, 2008

(All the sums in the table are shown in thousands litas, unless specified otherwise)

Cash flows report	June 30, 2008	June 30, 2007
Cash flows in thousands LTL		
Cash flows from ordinary activity		
Net result	822	1 026
Corrections adjusting net profit with cash flows from ordinary activity	-	-
Corrections	-	-
Wear and amortization	3 449	3 639
Value decrease	(31)	5
Written-off sums	-	-
Elimination of profit (loss) from sale of long-term assets	(8)	(2)
Elimination of results of connected companies and minority part	-	-
	4 232	4 668
Changes of short-term assets and short-term liabilities	-	-
Decrease (increase) of buyers' debts	(4 354)	(7 083)
Decrease (increase) of other accounts receivable within one year	(90)	(27)
Decrease (increase) of stock	95	2 042
Decrease (increase) of advance payments	(71)	(264)
Decrease (increase) of accumulated income and expenditures of future periods	1	136
Increase (decrease) of short-term debts to providers	1 166	313
Increase (decrease) of provisions and deferred taxes		-
Increase (decrease) of accumulated expenditures and income of future periods	250	388
Sums received in advance under signed contracts	4	(14)
Taxes, salaries and social insurance	1 247	
Increase (decrease) of other payable sums and short-term liabilities	7	(6)
Net cash flows from ordinary activity	2 488	153
	-	-
Acquisition of long-term assets by net value	(2 991)	(1 288)
Changes of share capital		
Acquisition (sale) of long-term financial assets	-	-
Net cash flows (used) for investment activity	(2 991)	(1 288)
	-	-
Changes of long-term financial debts	20	(10 866)
Changes of other accounts payable and long-term liabilities	264	(246)
Changes of accounts receivable in one year	-	
Changes of short-term financial debts	200	11 871
Changes of investments and time deposits	-	-
Net cash flows (used) for financial activity	484	759
	-	-
Increase (decrease) of money and its equivalents	(19)	(376)
		-
Money and its equivalents in the beginning of the period	49	442
		-
Money and its equivalents in the end of the period	30	66

Director



Ramūnas Marozas

JSC "KLAIPEDOS BALDAI"
FINANCIAL REPORTING
June 30, 2008

(All the sums in the tables are shown in thousands litas, unless specified otherwise)

Long-term tangible assets

	Buildings	Vehicles	Machinery and equipment, equipment of computers and organiz.	Finance lease	Other tangible assets	Constructi on in progress and prepaymen ts	Total
a) Acquisition value at the end of previous financial years	28 051	1 004	31 164	11 891	520		72 630
a) Changes of current year			273	2 506	56	112	2 947
.Acquisitions of asset			309	2 583	57	112	3 061
.Assigned and unused asset(-)			(36)	(77)	(1)	0	(114)
.Transcriptions from one article to another +/-(-)							
a) Acquisition value at the end of current year	28 051	1 004	31 437	14 397	576	112	75 577
b) Reappraisal at the end of previous financial years	17 016						17 016
b) Changes of current year							
.of increase of value							
.of assigned asset to the third parties (-)							
.of write-offs (-)							
.Transcriptions from one article to another +/-(-)							
b) Reappraisal at the end of current year	17 016						17 016
c) Written-off sums and depreciation (-)	(12 447)	(845)	(22 408)	(4 231)	(467)	0	(40 398)
c) Written-off sums and depreciation (-) (Deprec.)	(12 420)	(845)	(22 408)	(4 231)	(467)	0	(40371)
c) Written-off sums and depreciation (-) (Reduction of value)	(27)						(27)
c) Changes of current year	(1 070)	(21)	(1 179)	(961)	(15)	0	(3 246)
.Increases	(1 070)	(21)	(1 215)	(998)	(17)	0	(3 321)
.Restored records (-)							
.of assigned asset to the third parties (-)			23	37	2		62
.of write-offs (-)			13				13
.Transcriptions from one article to another +/-(-)							
.Moratoriums for asset, which is used little+/-(-)							
c) Written-off sums and depreciation (-)	(13 517)	(866)	(23 587)	(5 192)	(482)	0	(43 644)
d) Net book amount	31 550	138	7 850	9 205	94	112	48 949
<i>Among them:</i>							
<i>Transport equipment</i>				302			
<i>Investment property</i>	8 127			8 903			

**JSC “KLAIPEDOS BALDAI”
FINANCIAL REPORTING
June 30, 2008**

(All the sums in the tables are shown in thousands litas, unless specified otherwise)

Long-term intangible assets

	Computer software and other intangible assets
a) ACQUISITION VALUE In the end of the previous year	1 349
a) Changes of current year	13
Acquisition of assets	13
Transferred and unused assets (-)	
Rewritings from one account into another +/-(-)	
a) ACQUISITION VALUE In the end of the current year	1 362
b) WRITTEN OFF SUMS AND WEAR (-)	1 189
b) WRITTEN OFF SUMS AND WEAR (-) (OrdDep)	
b) WRITTEN OFF SUMS AND WEAR (-) (Imp)	
b) Changes of the current year	127
Increases	127
Restoring entries (-)	
Assets transferred to the third persons	
Written off assets (-)	
Rewritings from on account to another +/-(-)	
Provisions for little used assets +/-(-)	
b) WRITTEN OFF SUMS AND WEAR (-) in the end of the current year	1 316
Net book amount	46

**JSC “KLAIPEDOS BALDAI”
FINANCIAL REPORTING
June 30, 2008**

(All the sums in the tables are shown in thousands litas, unless specified otherwise)

1. General information

JSC “Klaipėdos baldai” (further – the Company) is registered as a joint-stock company on March 3, 1993. The Company’s registration # AB 93-59. The Company’s office address is:

Joniskės St., 21, LT-91267 Klaipėda
Lithuania

On June 30, 2008, the Company’s shareholders were:

	Number of shares, pcs.	Share of the share capital, %
JSC “SBA furniture group”	5 273 658	64,58
Hansabank Clients	439 614	5,38
Association Industry and Marketing Business center	262 374	3,21
Virgilijus Rancys	200 000	2,45
“Skandinaviska Enskilda Banken”	295 327	3,62
“Finasta”, AB FMI	222 783	2,73
“JSC “Finasta Rizikos valdymas”	222 300	2,72
Other shareholders	1 250 256	15,31
Total	8 166 312	100

The Company’s ordinary registered shares are quoted in the Current list of securities of Vilnius stock exchange.

During the 6 months of the year 2008 average number of the Company’s employees was 629 (in 2007 – 659).

Information about segments

From May, 2004, the Company has been carrying on its activity in one business segment – furniture production, and in one geographic segment – in Lithuania. The Company’s basic activity is production of furniture. During the six-months of the year 2008 98,44 per cent of all the Company’s sales were done to its affiliated party JSC “SBA baldų kompanija”.

Sale cost

	January-June 2008	January-June 2007
Raw materials	70 409	55 326
Salary and social insurance	11 444	10 369
Wear and tear	2 883	2 971
Utilities	1 635	1 361
Repairs	394	410
Other	484	226
	87 249	70 663

**JSC “KLAIPEDOS BALDAI”
FINANCIAL REPORTING
June 30, 2008**

(All the sums in the tables are shown in thousands litas, unless specified otherwise)

Sale and distribution expenditures

	January-June 2008	January-June 2007
Advertising	1	7
Salary and social insurance of sales personnel	-	-
Other expenditures	-	-
	<u>1</u>	<u>7</u>

General and administrative expenses

	January-June 2008	January-June 2007
Salary and social insurance	358	363
Communication and informational technologies expenses	189	174
Taxes, except for profit tax	104	114
Wear and amortization	281	345
Consulting, audit, training, accounting services	210	224
Association fees and decrease of value	191	156
Security expenses	117	89
Writing off of stock and decrease of value	-	-
Materials and operation expenses	77	153
Business travel expenses	6	20
Written off long-term tangible assets	-	-
Other	347	192
	<u>1 880</u>	<u>1 830</u>

Income of another activity

	January-June 2008	January-June 2007
Rent income	348	286
Income from holiday houses	60	64
Profit from sale of long-term tangible assets	8	2
Other	489	347
	<u>905</u>	<u>699</u>

Expenditures of another activity

	January-June 2008	January-June 2007
Expenditures of holiday houses	(291)	(235)
Rent expenditures	(203)	(220)
Other	-	-
	<u>(494)</u>	<u>(455)</u>

**JSC “KLAIPEDOS BALDAI”
FINANCIAL REPORTING
June 30, 2008**

(All the sums in the tables are shown in thousands litas, unless specified otherwise)

Income of financial activity

	January-June 2008	January-June 2007
Income from interest	185	171
Income from dividends	28	32
Other	-	-
	<u>213</u>	<u>203</u>

Expenditures of financial activity

	January-June 2008	January-June 2007
Interest expenditures	(775)	(767)
Other	(23)	(3)
	<u>(798)</u>	<u>(770)</u>

Investments in associated and affiliate companies

	2008-06-30	2007-12-31
In the beginning of the year	22	22
Contributions of shareholders to cover losses		
Sale of affiliate company – cost		
Minus decrease of value	-	-
Sale of affiliate company – contribution of shareholders to cover losses		
	<u>-</u>	<u>-</u>
	<u>22</u>	<u>22</u>

To sell owned investments

	2008-06-30	2007-12-31
In the beginning of the year	288	288
Acquisitions	-	-
Restoration of decrease of value	-	-
Transfers	-	-
	<u>288</u>	<u>288</u>
Balance in the end of the period		
Long-term	288	288
Short-term	-	-
	<u>288</u>	<u>288</u>

**JSC “KLAIPEDOS BALDAI”
FINANCIAL REPORTING
June 30, 2008**

(All the sums in the tables are shown in thousands litas, unless specified otherwise)

Long-term receivable accounts

	2008-06-30	2007-12-31
Non-current part of loans granted to related parties	1 839	1 839
Loans granted to employees	5	12
Prepayments for property, plant and equipment	234	270
	2 078	2 121

Stock

	2008-06-30	2007-12-31
Raw materials	6 378	6 496
Construction in process	2 572	2 693
Produced products and goods meant for resale	4 317	4 142
Reduction in price to the net value of possible realization	(136)	(136)
	13 131	13 195

As of June 30, 2008, the Company has mortgaged stock 12 000 thousand LTL of value in order to guarantee payment of credit.

Accounts receivable, advanced payments and expenditures of future period

	2008-06-30	2007-12-31
Receivables from related parties, including current	33 458	28 972
Trade receivables	168	228
Receivable VAT		
Prepaid income tax	-	24
Current portion of loans granted to employees	23	36
Prepayments and deferred charges	347	230
Other receivable accounts	13	19
	34 009	29 509

Cash and cash equivalents

	2008-06-30	2007-12-31
Cash at bank	12	38
Cash in hand	18	11
	30	49

JSC "KLAIPEDOS BALDAI"
FINANCIAL REPORTING
June 30, 2008

(All the sums in the tables are shown in thousands litas, unless specified otherwise)

Share capital

As of June 2008 the share capital consisted of **8 166 312** ordinary registered shares, each of nominal value **1 LTL**. All the shares are fully paid. During the six-month of 2008 here were no changes of share capital.

Reserves

	2008-06-30	2007-12-31
<i>Reserves:</i>		
- reevaluation reserve	11 184	11 789
- reserve presupposed by law	817	817
- other reserves	7 698	7 698
	<u>19 699</u>	<u>20 304</u>

Borrowings

	2008-06-30	2007-12-31
<i>Short-term credits</i>		
Short-term loans received from banks	16 854	16 654
Current portion of long-term loans received from banks	2 279	2 279
Finance lease liabilities	1 541	1 285
	<u>20 674</u>	<u>20 218</u>
 <i>Long-term borrowings</i>		
Long-term loans received from banks	3 000	4 140
Finance lease liabilities	3 862	2 715
	<u>6 862</u>	<u>6 855</u>
	<u>27 536</u>	<u>27 073</u>

Total borrowings

Trade and other payable sums

	2008-06-30	2007-12-31
Trade payable sums	1 543	1 036
Sums payable to affiliated parties	1 233	575
Taxes	1 538	302
Salary and social insurance payable	1 455	1 445
Sums received in advance	5	-
Vacation reserve	1 741	1 673
Other payable sums and accumulated expenditures	322	131
	<u>7 837</u>	<u>5 162</u>

JSC “KLAIPEDOS BALDAI”
FINANCIAL REPORTING
June 30, 2008

(All the sums in the tables are shown in thousands litas, unless specified otherwise)

Related-party transactions

<i>Sales of goods and services</i>	January-June 2008	January-June 2007
Koncernas SBA UAB	-	1
SBA baldų kompanija UAB	88 928	73 234
Visagino linija UAB	303	239
Klaipėdos baldų prekyba UAB	145	274
Šilutės baldai UAB	369	147
Euromodus UAB	2	-
Akmena UAB	2	69
Germanika UAB	252	69
Kauno baldai AB	5	5
Baldstata UAB		8
Karigė AB		194
	<hr/>	<hr/>
	90 006	74 240

Interest received

SBA baldų kompanija UAB	107	104
Klaipėdos baldų prekyba UAB	78	67
	<hr/>	<hr/>
	185	171

Purchases of goods and services

Koncernas SBA UAB	104	167
SBA baldų kompanija UAB	68 098	51 723
Visagino linija UAB	159	290
Baldstata UAB	257	236
Šilutės baldai AB	75	28
Germanika, UAB	7	-
Karigė AB	223	18
Klaipėdos baldų prekyba UAB	7	3
Kauno baldai AB	4	
Utenos trikotažas UAB	-	9
Association Industry Marketing and Business Centre	181	146
Akmena AB	2	9
Šatrija AB	20	-
	<hr/>	<hr/>
	69 137	52 629

Related party transactions mostly comprise sales and purchases of furniture and materials.

**JSC “KLAIPEDOS BALDAI”
FINANCIAL REPORTING
June 30, 2008**

(All the sums in the tables are shown in thousands litas, unless specified otherwise)

Related-party transactions (continued)

<i>Amounts receivable within one year</i>	2008-06-30	2007-12-31
SBA baldų kompanija UAB	31 338	27 416
Klaipėdos baldų prekyba UAB	1 035	794
Akmena AB	514	515
Šilutės baldai AB	508	169
Kauno baldai AB	43	42
Baldutura UAB	31	30
Germanika UAB	(159)	6
Visagino linija UAB	170	-
Effigy UAB	1	-
	<u>33 458</u>	<u>28 972</u>
 <i>Amounts receivable after one year</i>		
Klaipėdos baldų prekyba UAB	1 839	1 839
	<u>1 839</u>	<u>1 839</u>
 <i>Amounts payable within one year</i>		
Koncernas SBA UAB	341	219
Association Industry Marketing and Business Centre	489	308
Baldstata UAB	117	48
Šilutės baldai AB	-	-
Karigė AB	262	-
Šatrija AB	24	-
	<u>1 233</u>	<u>575</u>

Contingent liabilities and commitments

The Company has a commitment against SEB Lizingas UAB to repurchase equipment leased by Akmena AB from SEB Lizingas UAB for the amount of EUR 59thousand in case the lease agreement between SEB Lizingas UAB and Akmena AB is terminated prior to its expiry term.

**JOINT STOCK COMPANY
KLAIPĖDOS BALDAI**

JSC “Klaipėdos baldai”

SIX-MONTH INTERIM REPORT OF 2008

Klaipėda, 2008

1. Reporting cycle, for which interim report is prepared.

The interim report of JSC "Klaipėdos baldai" is prepared for six months of 2008th.

2. Main data about an issuer.

Name of the issuer	JSC "KLAIPEDOS BALDAI"
Authorized capital	8 166 312 LTL
Residence address	Joniskes Str. 21; 91267 Klaipėda, Lithuanian Republic
Telephone	(46) 31 39 35 (46) 31 39 60
Fax	(46) 31 39 51
E-mail address	info@kbaldai.lt
Juridical-organizational form	Joint-stock company
Date and place of registration	The 3 rd of March, 1993, Administration of Klaipėda City
Registration Nr.	AB 93-59
Company registry code	140656052

3. Format of main issuer's activity.

Furniture trade.

4. Information about contracts with agents of public turnover securities.

On the 30th of November, 2006, JSC "Klaipėdos baldai" and JSC SEB Vilnius bank (Gedimino Str. 12, LT-01103 Vilnius, tel.(5)268 2687, Fax(5)262 6043) concluded the following contract Nr.S-Gend-231 on the Securities accounts administration and service.

5. Information about issuer's securities dealings on the controlled markets.

JSC "Klaipėdos baldai" securities are entered into the lists of Vilnius Stock Exchange on the 9th of August, 1994. At this time in the current dealings list of VSE there are 8 166 312 common inscribed paperless shares of JSC "Klaipėdos baldai" at par value of one litas, which aggregate par value – 8 166 312 litas.

6. Structure of issuer's authorized capital.

Authorized capital of the company registered at the LR Board of Agriculture is 8 166 312 Lt.
Structure of JSC "KLAIPEDOS BALDAI" authorized capital by stock type

Stock type	Stock number	Nominal value (Lt)	Aggregate par value	Part of authorized capital (%)
Common inscribed paperless share	8 166 312	1	8 166 312	100,00
In total:	8 166 312	-	8 166 312	100,00

All stock of JSC "KLAIPEDOS BALDAI" is paid. There were no changes in the authorized capital at the recent time.

7. Shareholders.

Total number of JSC "KLAIPEDOS BALDAI" shareholders for the 30th of June, 2008, is 845.

For the 30th of June, 2008, there were no shareholders, who have had more than 5% of Company authorized capital votes, belonging to the person with jointly operating persons.

Name, surname (company name, type, residence address, company register code) of a shareholder	Number of common inscribed paperless share, belonging to a shareholder by right of ownership (pcs)	Part of authorized capital in stock (%)	Part of votes, provided by stock, belonging by right of ownership (%)
CJSC “SBA furniture group”, 300103836 Laisvės Av. 3, Vilnius	5 273 658	64,58	64,58
Hansabank Clients, 10060701, Liivalaia 8, Tallinn	439 614	5,38	5,38
Skandinaviska Enskilda Banken AB Finnish Clients, 5020329081 Sergels Torg 2 ,10640 Stockholm, Sweden	295 327	3,62	3,62
Association "Business centre of industry and marketing" 134292039 K.Donelaicio Str .62, Kaunas	262 374	3,21	3,21
Financial brokerage company „Finasta“, 110356825, konstitucijos av 23, Vilnius	222 783	2,73	2,73
UAB ‘Finasta rizikos valdymas’, 300045450, Konstitucijos av. 23, Vilnius	222 300	2,72	2,72
Virgilijus Rancys, Priekules Str. 12 ,Kaunas	200 000	2,45	2,45
Other shareholders	1 250 256	15,31	15,31
In total	8 166 312	100	100

8. Information about issuer’s activity results.

Six-month sales of JSC “Klaipėdos baldai” in 2008 amounted to 90 271 thousands Lt, in comparison with the same period of time in 2007 sales increased for 21,9%. Six-month pre-tax profit in 2008 – 968 thousands Lt. Company, pursuing its activity, faces different risks.

Financial risk management is performed by the administration.

Credit risk is mostly influenced by financial condition of CJSC “SBA Baldu kompanija”, as the company gets most income from CJSC “SBA Baldu kompanija”. Conservative management of liquidity risk allows holding the due amount of cash and money equivalents, required to cover the planned expenses. The company performs short forecast of money flows and it is concluded contracts with banks on the opportunity to borrow money, if necessary.

Market risk: main company production is marketed by CJSC “SBA Baldu kompanija”. Marketing and selling functions are performed by CJSC “SBA Baldu kompanija”.

Stores (materials) risk issues from constantly rising costs of raw materials. Materials are bought through CJSC “SBA Baldu kompanija”, that allows to expect beneficial prices from raw supplier by uniting purchases of several companies.

Product quality risk: From 1997 Quality Management System, competent to requirements of new standard LST EN ISO 9001:2001, is operating effectively at the Company. TUV CERT experts confirm every year during regulatory audits. Rising problems are constantly analyzed and solved; work is improved by choosing masterly stage of Quality Management Development – General Quality Management (GQM).

Ecology risk. At JSC “Klaipėdos baldai” is operating Environment Protection Management System competent to requirements of standards ISO 14001, implemented and certified in 1999. New, proprietary and of cleaner production technology is obtained by modernizing production. Environment Protection Management System requires permanent and systematic supervision, evaluation and effect (result) prognostication of system efficiency. To perform this, monitoring is pursued to supervise changes during particular period of time (ratio of energy input and furniture production, power resources input for 1000 m² of made production and so on). Internal and external audits of functional system are also performed.

Personnel risk: the number of fired workers has decreased in 2008. It was conditioned by effective policy of incentive of workers, as well as capacity of newly employed workers to adjust to requirements and aims, raised by the company. The company considers its priority to increase productivity of workers and also salaries.

More information about company’s six-month work and financial results is given in financial accountability report.

9. Personnel.

According to the information on the 30th of June, 2008, average listing number of operatives at the company was 648 workers, 607 of them are workers, what makes 93,67 % of all operatives, and 41 managers and specialists – 6,33 % of all operatives. 36 workers with higher education, 24 – with further education, 123 – with vocational-technical education, 97 – with professional secondary education, 295 – with secondary education and 73 – with uncompleted secondary education worked in the company in 2008.

Company spent 33 338 Lt for personnel training during the half-year of 2008

Average number of workers and average salary:

	Half-year of 2008
Average conditional number of workers, prs.	648
Average salary or worker per month, lt	2619
Average salary of managers and specialists per month	5463
Average salary of workman per month	2403

Rights and obligations of issuer’s workers, covered in the collective agreement of the company didn’t change since information representation in the annual prospectus-report of 2007.

10. Order of changing issuer’s regulations.

Regulations of JSC “Klaipėdos baldai” cover, that only general meeting of JSC “Klaipėdos baldai” shareholders has an exclusive right to change company regulations, except cases, covered by the law of joint-stock company of Lithuanian Republic. For making a decision on regulations change 2/3 votes of shareholders, majority of participating in the general meeting, are needed.

11. Issuer’s organs.

According to regulations of JSC “Klaipėdos baldai”, Company regulatory bodies are General Meeting of Shareholders, Council of Supervisors, The Management and Company Director. Resolutions of the General Meeting of Shareholders, accepted on the questions, covered by Company regulations, within the competence of General Meeting of Shareholders, are

compulsory for shareholders, Council of Supervisors, Management, Director and other Company workers.

Shareholders, who were Company shareholders at the end of the accounting day of the General Meeting of Shareholders, have a right to participate in the General Meeting of Shareholders. Company meeting accounting day is the fifth working day to the General Meeting of Shareholders or the fifth working day to the repeated General Meeting of Shareholders. The person, participating in the General Meeting of Shareholders and having a right to vote, has to present personal identity document. The person, who is not a shareholder, besides personal identity document, should present a document, confirming a right to vote.

Collegial supervision organ - Council of Supervisors is chosen by the General Meeting of Shareholders in the order, covered by the law of joint-stock company of Lithuanian Republic. The Council of Supervisors consists of 3 (three) Council members. The Council of Supervisors is chosen for the period of 4 (four) years. The Council of Supervisors is choosing the council chairman from its members. The General Meeting of Shareholders can cancel all Council of Supervisors or its individual members till the end of tenure of Council of Supervisors. If individual members of the Council are chosen, they are chosen only till the end of functional council tenure.

The Council of Supervisors choose and destitute management members, supervises management and work of company director, presents responses and offers to the General Meeting of Shareholders on the strategy of company activity, annual financial accountability, project of profit distribution and company annual report, as well as on the management and work of company director, lays proposals to management and company director to cancel their resolutions, which contradict law and other legal acts, company regulations or resolutions of the General Meeting of Shareholders. It also solves other questions on the company and its management work supervision, which are assigned to the competence of the Council of Supervisors by resolutions at the General Meeting of Shareholders. The Council of Supervisors doesn't have a right to consign or pass functions, assigned to its competence in the joint-stock company law of Lithuanian Republic, for performing to other company organs.

The Management is a collegial organ of company administration, which consists of 3 (three) management members. The Council of Supervisors is choosing The Management for a period of 4 (four) years. The Council of Supervisors can cancel all Management or its individual members till the end of their tenure. If individual members of the Management are chosen, they are chosen only till the end of functional management tenure. The Management is choosing the management chairman from its members.

The Management choose and destitute the company director, sets his salary, other conditions of employment contract, official provisions, stimulates him and fines him.

The Director is a head of the Company. The head of the company is a one-man company management organ, which organizes company's activity. Authorizations and responsibility of the company administration members are determined by an order of the director.

12. Members of collegial organs, company director.

COUNCIL OF SUPERVISORS (the 30th of June, 2008)

Nr.	Post	Name, Surname	Participation in issuer's capital (stock) %	Part of votes, %	Personal code
1.	Chairman	Egidijus Valentinavicius	-		
2.	Member	Dalia Maleckiene	-	-	
3.	Member	Virgilijus Rancys	2,45	2,45	

The Management (the 30th of June, 2008)

Nr.	Post	Name, Surname	Start of tenure	End of tenure	Participation in issuer's capital (stock) %	Part of votes, %	Personal code
1.	Chairman	Ricerdas Kiaurakis	25 04 2008	25 04 2012	-	-	
2.	Member	Audrone Mineikiene	25 04 2008	25 04 2012	-	-	
3.	Member	Nikolajus Ivanovas	25 04 2008	25 04 2012	-	-	

ADMINISTRATION DIRECTOR (the 30th of June, 2008)

Post	Name, Surname	Works at this post	Participation in issuer's capital (available stock)	Participation in issuer's capital (available stock)	Personal code
Director	Ramunas Marozas	01 04 2008	-	-	

13. Essential and newest events in the issuer's activity.

All essential events, which happened in 2008, are presented to Vilnius Stock Exchange and Stock Commission as it is required by rules of periodic display of information about issuer's work and their stock.

Sales of 2007.

Sales of 2007 – 154 330,5 thousands Lt.
23 01 2008

Work results announcement of 2007, the General Meeting of Shareholders

On the 29th of February, 2008, the Management of JSC "Klaipedos baldai" confirmed the audited work result of 2007: sales - 154 331 thousands Lt, pre-tax profit – 4 080 thousands Lt, net profit – 3 016 thousands Lt.

On the 15 03 2008 the Management of JSC "Klaipedos baldai" decided to call the General Meeting of Shareholders, on the 25th of April, 2008, the Management of JSC "Klaipedos baldai" decided not to propose to the General Meeting of Shareholders to distribute profit for dividends, and designate the free funds to investments.

The General Meeting of Shareholders occurred on the 25th of April, 2008.

The meeting decided:

- To second an report of the Council of Supervisors and an report of auditors;
- To confirm the company's work report for 2007;
- To confirm the company's financial accountability for 2007;
- To confirm profit distribution: there are no other distribution; not to distribute remaining profit – 28 610 thousands Lt;
- To confirm by the auditor the audit company CJSC "PriceWaterhouseCooper" of 2008.

25 04 2008

Operating results of a quarter of 2008.

Sales for January-March of 2008 amount to 43058 thousands Lt, pre-tax profit 344 thousands Lt.
28 05 2008

New manager of the company

Board meeting of SC "Klaipėdos baldai" sustained the applications of Eimuntas Jankauskas to retire from his current position from 17th of March 2008 apropos of shift to another SBA Group company.

15.03.2008

SC "Klaipėdos baldai" board nominated Ramunas Marozas as director of the company starting 1st of April 2008.

28.03.2008

Operating results of May,2008.

Sales of JSC "Klaipėdos baldai" for May, 2008, amount to 15 169 thousands Lt, and sales for January-May of 2008 amount to 72 749 thousands Lt.

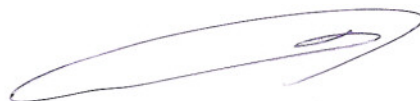
12 06 2008

14. Information about pursuance of Management Code.

JSC "Klaipėdos baldai" mainly follows listing company Management Code of recommendatory nature, confirmed in August of 2006 at Vilnius Stock Exchange.

JSC "KLAIPEDOS BALDAI"

Director



Ramunas Marozas