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AB SNAIGĖ
Semi-annual report for 2006

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I. GENERAL PROVISIONS

1. Accounting period of the statement

The statement has been issued as of the first half of 2006.

2. The basic data about the issuer

The name of the company – *SNAIGĖ* PLC (hereinafter referred to as the Company)

Authorised capital - 23,070,405 LTL

Address - Pramonės str. 6, LT-62175 Alytus

Phone - (315) 56 206

Fax – (315) 56 207; (315) 56 269

E-mail - snaige@snaige.lt

Internet web-page - <http://www.snaige.lt>

Legal organisation status – legal entity, public limited company

Registered as an enterprise on December 1, 1992 in the Municipality Administration of Alytus; registration number AB 92-119; enterprise register code 249664610. The latest Statute of AB “Snaigė” was re-registered on May 2, 2006 in Alytus Department of Register of Legal Entities of the Republic of Lithuania.

3. Information with regard to the location and time provided for introduction of the statement and the accompanying documents; name of the mass media

The report and its accompanying documents are available in the Budget and Accounting Department of AB “Snaigė” (room 411) at Pramonės str. 6, Alytus, on work days from 8.00 to 16.30, as well as in Financial Broker Firm “Baltijos vertybiniai popieriai” Ltd. at Gedimino ave. 60, Vilnius.

The mass media units – daily paper “Lietuvos Rytas” and the BNS news agency.

4. Persons responsible for the information provided in the report

4.1 The issuer’s employees, administrative manager and the members of the management bodies are responsible for the statement

Mindaugas Šeštokas, Managing Director, phone (315) 56 200, fax (315) 56 207

Arūnas Lingė, Finance Manager, phone (315) 56 206.

4.2. The present report was issued by the Financial Broker Firm “Baltijos vertybiniai popieriai” Ltd. The address of the enterprise: Gedimino ave. 60, LT-01110 Vilnius, phone (5) 2313833, fax (5) 2313840. Responsible person – Financial Broker-Consultant Karolis Rūkas, phone (5) 2603969.

5. The issuer's employees, administrative manager and the members of the management bodies who are responsible for the composition of the report, as well as the issuer's consultants hereby confirm that the information provided herein is actual and that no facts have been concealed, which could have affected the investors' decision to buy or sell the issuer's securities and their market price or evaluation thereof.

The Managing Director of AB "Snaigė" Mindaugas Šestokas



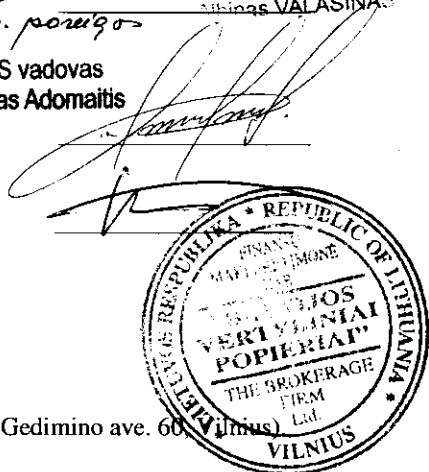
[Signature]
Technikos direktorius
Mindaugas VALAŠINAS

The Finance Director of AB "Snaigė" Arūnas Liška

[Signature]

BAFS vadovas
Vytautas Adomaitis

Financial Broker of UAB FMĮ "Baltijos vertybiniai popieriai" Karolis Rūkas



Date of preparation of the report:
Place of preparation:

August 16, 2006
FMĮ "Baltijos vertybiniai popieriai" (Gedimino ave. 60) Vilnius

II. INFORMATION ABOUT THE ISSUER'S AUTHORIZED CAPITAL, THE ISSUED SECURITIES AND MEMBERS OF THE MANAGEMENT BODIES

6. The issuer's authorized capital

6.1. The authorized capital registered in the enterprise register

Name of the securities	Amount of the securities	Nominal value, in LTL	Total nominal value, in LTL	Share of the authorized capital, in percentage
Ordinary registered shares	23 070 405	1	23 070 405	100

6.2. Information with regard to prospective increase of the authorized capital by converting or trading the issued loan or secondary securities for the shares

The Company has not issued any loan or secondary securities, therefore no increase of the authorized capital by converting or trading such securities for the shares is planned.

7. Shareholders

The total number of the shareholders on June 30, 2006 was 1092.

The major shareholders who own or control more than 5 percent of the issuer's authorized capital are listed below:

Names (company names, addresses, enterprise register codes) of the shareholders	Amount of the ordinary registered shares available, in units		Share of the authorized capital and votes available, in percentage				
	Total	incl. the ones owned by the shareholder	Total		incl. the ordinary registered shares owned by the shareholder		Total incl. the share of the entities operating jointly, in percentage
			share of the votes	share of the capital	share of the appointed votes	share of the capital	
Hansabank – Customer VP, Liivalaia 8, Tallinn 15040 Estonia, Enterprise reg.no. 10060701	11 726 551	11 726 551	50,83	50,83	50,83	50,83	-
UAB "Survesta" –K. Kalinausko str. 2B, Vilnius Enterprise reg.no. 126408152	4 964 488	4 964 488	21,21	21,21	21,21	21,21	21,52
Skandinaviska Enskilda – Customers VP, Sergels Torg 2, 10640 Stockholm, Sweden, Enterprise reg.no. 50203290810	1 941 568	1 941 568	8,42	8,42	8,42	8,42	-

8. Securities without a share of the authorized capital, the circulation of which is regulated by the Law on the Securities Market of the Republic of Lithuania

No securities without a share of the authorized capital, the circulation of which is regulated by the Law on the Securities Market of the Republic of Lithuania, has been issued.

9. The secondary turnover of the issuer's securities

The securities issued by the Company have been listed in the Official Trading List of Vilnius Securities Stock Exchange since April 9, 1998. Trade of the Company's ordinary registered shares in the securities stock exchange was started on August 11, 1995. The VP CD (Securities Central Depository) number is 10927.

Name of the securities – the ordinary registered shares of AB “Snaigė”.

Amount of the securities: 23 070 405 units. The nominal value of a share: 1 (one) LTL.

Trade in securities

Accounting period		Price (LTL)			Turnover (LTL)			Date of last session	Total turnover	
from	to	max.	min.	as of last session	max.	min.	as of last session		units	of LTL
2006.01.01	2006.03.31	17,20	14,98	15,50	2 591 000	0	3 873	2004.03.31	1 641 772	26 093 777
2006.04.01	2006.06.30	15,30	9,10	9,50	4 695 397	0	25 403	2005.06.30	1 255 583	17 324 697

10. Agreements with the stakeholders of public circulation of securities

On September 29, 2003 AB “Snaigė” entered into agreement with Financial Broker Firm “Baltijos vertybiniai popieriai” Ltd. (Gedimino ave. 60, LT-2600 Vilnius) for management of accounts of the Company's issued securities and management of accounts of personal securities.

11. Members of the Management Bodies

11.1 Position, names and data with regard to the share of the issuer's authorized capital available

Name	Position	Amount of shares available, in units	Share of the capital available, in percentage	Share of votes, in percentage
BOARD				
Nerijus Dagilis	Chairman of the Board of AB “Snaigė”	-	-	-
Domininkas Kašys	Member of the Board of AB “Snaigė”	-	-	-

Martynas Česnavičius	Member of the Board of AB "Snaigė"	15	0,00	0,00
Mindaugas Šeštokas	Member of the Board of AB "Snaigė", Managing Director	-	-	-
ADMINISTRATION (Administrative Manager, Chief Accountant)				
Mindaugas Šeštokas	Managing Director of AB "Snaigė"	-	-	-
Arūnas Lingė	Finance Director of AB "Snaigė"	-	-	-

11.2. Information with regard to participation in the activities of other companies and organisations (name of enterprise, institution or organisation, position); the share of the capital and votes above 5 percent, in percentage

Name	Name of organisation, position	Share of the capital and votes available in other companies, in percentage
Nerijus Dagilis	Chairman of the Board of UAB "Hermis Capital"	17,52
	Member of the Board of AB "Kelmės pieninė"	-
	Member of the Board of KITRON ASA	-
	UAB "Deitona"	-
	Chairman of the Board of AB "Vilniaus Vingis"	-
	UAB "Ežerų pasaulis"	25,00
	UAB "Baltijos polistirenas"	40,00
	Director of UAB "Survesta"	-
	Director of UAB "Hermis fondų valdymas"	-
	UAB "Gulbinų turizmas"	8,33
	Member of the Board of UAB "Naftos tėkmė"	-
	UAB "Holdita"	25,00
	Chairman of the Board of AB "Snaigė"	-
	Member of the Board of "BVP investicijų valdymas"	-
Domininkas Kašys	Director of UAB "Vespera"	90,00
	Member of the Board of UAB "Hermis Capital"	0,75
	Director of UAB "Gulbinų turizmas"	11,11
Martynas Česnavičius	Member of the Board of UAB LNK	-
	Chairman of the Board of UAB 1L Ekspresas	45,00
	Member of the Board of AB "Utenos Trikotažas"	-
	Member of the Board of AB "Malsena"	-
	Member of the Board of UAB "Litagros Chemija"	-
	Member of the Board of UAB "Naftos tekė"	-
	Member of the Board of AB "Sanitas"	-
Member of the Board of AB "Sidabra"	-	

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	Member of the Board of AB "Atradimų studija"	-
Mindaugas Šeštokas	-	-

Upon the Resolution of the General meeting of the shareholders, held on April 27, 2006, the Board of Observers was withdrawn, while electing Mr. Nerijus Dagilis, Mr. Domininkas Kašys, Mr. Martynas Česnavičius, and Mr. Mindaugas Šeštokas to the Board of the Company consisting of four members.

III. FINANCIAL STATUS

AB "Snaigė" is a parent company situated in Lithuania with the subsidiaries in Russia and Ukraine. The financial statements of the subsidiary companies are integrated into the consolidated financial statements. The following financial statements have been composed in accordance with the Business Accounting Standards of Lithuania and the International Accounting Standards.

12. Accounting Balance Sheet (in LTL)

Ref. No.	Items	2006.06.30	2005.12.31	2005.06.30
A.	Fixed assets	107 499 449	113 758 599	113 343 788
I.	FORMATION COSTS			
II.	INTANGIBLE ASSETS	7 476 432	7 369 338	4 416 380
III.	FIXED TANGIBLE ASSETS	99 105 475	105 471 719	108 926 408
III.1.	Land			
III.2.	Buildings	40 184 495	41 363 950	39 385 627
III.3.	Other fixed tangible assets	56 089 840	63 429 341	65 848 114
III.4.	Construction in progress and advance payments	2 831 140	678 428	3 692 667
IV.	FIXED FINANCIAL ASSETS			1 000
V.	Deferred taxes assets	917 542	917 542	
VI.	ACCOUNTS RECEIVABLE AFTER ONE YEAR			
B.	Current assets	157 993 955	132 525 873	165 139 756
I.	INVENTORY AND CONTRACTS IN PROGRESS	81 295 242	60 760 584	79 044 031
1.1.	Inventory	81 295 242	60 760 584	78 332 227
1.2.	Advance payments			711 804
1.3.	Contracts in progress			
II.	ACCOUNTS RECEIVABLE WITHIN ONE YEAR	71 426 253	66 579 507	80 975 288
III.	INVESTMENTS AND TERM DEPOSITS			
IV.	CASH AT BANK AND ON HAND	4 207 114	5 185 782	5 120 437
V.	Other current assets	1 065 346		
	TOTAL ASSETS	265 493 404	246 284 472	278 483 544

Ref. No.	Shareholders' equity and liabilities	2006.06.30	2005.12.31	2005.06.30
A.	Capital and reserves	102 001 452	103 274 266	107 748 449
I.	SHARE CAPITAL	26 714 155	26 714 155	26 714 155
I.1.	Authorized (subscribed) share capital	23 070 405	23 070 405	23 070 405
I.2.	Uncalled share capital (-)			
II.	SHARE PREMIUM (surplus of nominal value)	3 643 750	3 643 750	3 643 750
	Own shares (-)			
III.	REVALUATION RESERVE	-1 633 947	-1 288 563	
IV.	RESERVES	29 255 527	28 925 913	29 235 161
V.	PROFIT (LOSS) BROUGHT FORWARD	47 665 717	48 922 761	51 799 133
B.	Minority interest	-958 008	23 994	1 945 369
C.	Financing (grants and subsidies)	4 500 886	5 108 932	5 794 228
D.	Provisions and deferred taxes	0	0	0
I.	PROVISIONS FOR COVERING LIABILITIES AND DEMANDS			
II.	DEFERRED TAXES			
E.	Accounts payable and liabilities	159 949 074	137 877 280	162 995 498
I.	ACCOUNTS PAYABLE AFTER ONE YEAR AND NON-CURRENT LIABILITIES	82 044 778	47 918 387	102 370 569
I.1.	Financial debts	81 633 929	46 293 607	92 761 473
I.2.	Trade creditors			
I.3.	Advances received on contracts in progress			
I.4.	Other accounts payable and non-current liabilities	410 849	1 624 780	9 609 096
II.	ACCOUNTS PAYABLE WITHIN ONE YEAR AND CURRENT LIABILITIES	77 904 296	89 958 893	60 624 929
II.1.	Current portion of non-current debts	25 329 938	24 188 308	10 341 063
II.2.	Financial debts			
II.3.	Trade creditors	42 252 965	45 983 031	40 987 815
II.4.	Advances received on contracts in progress	234 968	303 946	135 024
II.5.	Taxes, remuneration and social security payable	4 962 536	4 645 321	5 610 276
II.6.	Other accounts payable and current liabilities	5 123 889	10 718 019	3 550 751
II.7.	Fair value of derivative financial instruments		4 120 268	
F.	Accrued expenses and deferred income			
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	265 493 404	246 284 472	278 483 544

13. Profit (Loss) Report (in LTL)

Ref. No.	Assets	2006.06.30	2005.06.30
I.	SALES INCOME	126,294,045	163 389 581
II.1.	Income of goods and other products sold	6,025,436	5 993 026
II.2.	Income of refrigerators sold	120,268,609	157 396 555
II.	SALES COST	106,521,676	135 745 767
II.1.	Net cost of goods sold	5,422,840	3 325 427
II.2.	Net cost of refrigerators sold	101,098,836	13 242 0340
III.	GROSS PROFIT (LOSS)	19,772,369	27 643 814
IV.	OPERATING EXPENSES	22,617,181	20 882 572
IV.1.	Sales expenses	12,211,742	13 530 391
IV.2.	General and administrative expenses	10,405,439	7 352 181
V.	PROFIT (LOSS) FROM TYPICAL ACTIVITIES	-2,844,812	6 761 242
VI.	OTHER ACTIVITY	1,524,557	138 889
VI.1.	Income	2,605,805	1 395 758
VI.2.	Expenses	1,081,248	1 256 869
VII.	FINANCIAL AND INVESTING ACTIVITIES	2,481,877	9 250 451
VII.1.	Income	14,505,839	31 396 370
VII.2.	Expenses	12,023,962	22 145 919
VIII.	PROFIT (LOSS) FROM ORDINARY ACTIVITIES	1,161,622	16 150 582
IX.	EXTRAORDINARY GAIN		
X.	EXTRAORDINARY LOSS		
XI.	PROFIT (LOSS) BEFORE TAXES	1,161,622	16 150 582
XII.	TAXES	3,080,013	1 732 556
XII.1.	Profit tax	2,303,968	1 732 556
XII.2.	Adjustment of deferred profit tax	79,543	
XII.3.	Social tax	696,502	
XIII.	Minority interest	934,154	-1 112 043
XIII.	NET PROFIT (LOSS)	-984 237	13 305 983

Cash Flows Statement (in LTL)

Ref. No.	Assets	2006.06.30	2005.06.30
I.	Cash flows from the key operations		
I.1.	Operating result before taxes	1 161 622	16 150 582
I.2.	Depreciation and amortization expenses	10 836 904	9 684 885
I.3.	Subsidies amortization	(651 546)	(685 296)
I.4.	Return from sales of fixed assets	1 465 601	55 305
I.5.	Fixed assets written-off	4 923	4 516
I.6.	Write-off of inventory		
I.7.	Devaluation of trade receivables		
I.8.	Unrealised loss of future currency transactions	(1 007 734)	
I.9.	Change in provisions for warranty repair services	(1 018 577)	2 281 049
I.10.	Financial income	(14 505 839)	(29 823 419)
I.11.	Financial expenses	10 277 790	20 572 968
	Cash flows from operating activities against change in circulating assets	6 563 144	18 240 590
II.1.			
II.2.	Change (increase) in trade receivables and other debts	(4 846 746)	(19 022 540)
II.3.	Change (increase) in inventory	(20 592 270)	(24 385 456)
II.4.	Change (decrease) in trade payables and other debts to suppliers	(9 271 313)	8 971 771
	Cash flows from ordinary activities	(28 147 185)	(16 195 635)
III.1.	Interest received		
III.2.	Interest paid	(1 746 172)	(1 572 951)
III.3.	Profit tax paid	(3 000 470)	(1 732 566)
	Cash flows from operating activities, at net book value	(32 893 827)	(19 501 152)
IV.	Cash flows from the investing activities		
IV.1.	Acquisition of fixed tangible assets	(668 534)	(2 497 406)
IV.2.	Capitalisation of fixed intangible assets	(205 871)	(95 396)
IV.3.	Inflows from sales of fixed assets	1 647 120	164 604
IV.4.	Loans granted		
IV.5.	Loans regained		
	Net cash flows from the investing activities	772 715	(2 428 198)

Ref. No.	Assets	2006.06.30	2005.06.30
III.	Cash flows from the financial activities		
III.1.	Cash flows related to the shareholders of the company	-	(1,384,221)
III.1.1	Issue of shares		
III.1.2	Shareholders' contributions for covering losses		
III.1.3	Inflows from sales of own shares		
III.1.4	Payment of dividends		(1,384,221)
III.2.	Cash flows arising from other financing sources	32,955,124	17,545,881
III.2.1	Subsidies received	43,500	111,000
III.2.1.1	Inflows from non-current loans	57,277,245	50,672,885
III.2.1.2	Loans repaid	(24,369,577)	(33,119,644)
III.2.2	Leasing received	217,613	89,808
III.2.2.1	Payments of leasing liabilities	(213,657)	(208,168)
	Cash flows from financing activities, at net book value	32,955,124	16,161,660
IV.	Cash flows from extraordinary items		
IV.1.	Increase in cash flows from extraordinary items		
IV.2.	Decrease in cash flows from extraordinary items		
V.	The influence of exchange rates adjustments on the balance of cash and cash equivalents	144,656	5,479,563
VI.	Cash flows from ordinary activities, investments and financing activities, at net book value	(978,668)	(288,127)
VII.	Cash and cash equivalents at the beginning of period	5,185,782	5,408,564
VIII.	Cash and cash equivalents at the end of period	4,207,114	5,120,437

Statement of Changes in Equity

	Paid up authorised capital	Share premium	Own shares (-)	Legal reserves		Other reserves					Profit (loss) brought forward	TOTAL	Small shareholders	TOTAL
				Compu- sory	Acquisition of own shares	For charity and donation	For social needs and Christmas events	For investments	Other	Reserve for currency exchange				
Recalculated balance as of December 31, 2004	23 070 405	3 643 750		2 337 913	10 000 000	187 000	401 000	16 000 000			35 291 013	90 144 710		90 144 710
Dividends for 2004											-1 384 224	-1 384 224		-1 384 224
Net profit / loss of the reporting period (2005)											13 722 364	13 220 172	1 317 602	14 537 774
Appropriated profit of the small shareholders for covering previous losses, which have been defrayed by the big shareholders											1 293 608	1 293 608	-1 293 608	0
Balance as of December 31, 2005	23 070 405	3 643 750	0	2 337 913	10 000 000	187 000	401 000	16 000 000	0	-1 288 563	48 922 761	103 274 266	23 994	103 298 260
Total registered income and expenses as of 2006-06-30											-1 918 391	-1 918 391	-982 002	-930 389
Formed reserves					10 000 000	151 000	410 000	16 338 000	0		-26 899 000	0	0	0
Transfers from reserves					-10 000 000	-187 000	-401 000	-16 000 000	0		26 588 000	0	0	0
Appropriated profit of the small shareholders for covering previous losses, which have been defrayed by the big shareholders											934 154	934 154		934 154
Other changes									18 614	-345 384		-326 771		-326 771
Current year profit not registered in the Profit (Loss) Report											38 193	38 193		38 193
Balance as of June 30, 2006	23 070 405	3 643 750	0	2 337 913	10 000 000	151 000	410 000	16 338 000	18 614	-1 633 947	47 665 717	102 001 451	-958 008	101 043 443

14. Explanatory Note

The refrigerator plant was established on April 1, 1963. Upon privatisation of the enterprise via public subscription of shares on December 1, 1992, "Snaigė" PLC was registered. All the state-owned shares were retired in December of 1993.

AB "Snaigė" being a parent company of "Snaigė" group, is situated in Alytus, at Pramonės str. 6.

The Company has established 4 subsidiary enterprises abroad, as of 2006-06-30, including:

1. in Russian Federation:

- Refrigerators production company "Techprominvest", with 85 % of controlled portfolio amounting to 2808360 LTL, situated in Kaliningrad, at 4 Balshaja Okruzhnaja, 1-a. The company was established for the activities comprising manufacture and sales of refrigerators in Russian Federation.

- Sales company "Moroz Trade", with 100 % of controlled portfolio amounting to 947 LTL, situated in Moscow, at Prospekt Mira 52. The goal of this company is sales of refrigerators produced by OOO "Techprominvest" in Russian Federation.

- Sales company "Liga – Servis", with 100 % of controlled portfolio amounting to 1028 LTL, situated in Moscow, at Prospekt Mira 52. The goal of this company is expansion of sales market and sales of refrigerators produced by OOO "Techprominvest" in Russian Federation.

2. In Ukraine:

- Sales company "Snaigė-Ukraine", with 99 % of controlled portfolio amounting to 88875 LTL, situated in Kiev, at Grushevski str. 28-2a / 43. The company was acquired for increasing the sales amounts of the products of AB "Snaigė in Ukraine.

The financial data of the said companies were completely integrated into the consolidated statement of AB "Snaigė" for the 1st half of 2006.

Average number of employees was 2219 on 2006-06-30, and 2355 on the last day of the 2nd quarter of 2006 (2005-06-30).

The main business activities of AB "Snaigė": manufacture of refrigerators, freezers, plastic articles and equipment, transport services, sales of consumer commodities, service of refrigerators, and other activities indicated in the registered Statute.

The Company's bookkeeping is done in compliance with the accounting principles effective in the Republic of Lithuania. These financial statements have been prepared in accordance with the Law on Bookkeeping, Law on Financial Statements of Companies, and Law on Consolidated Financial Statements of the Republic of Lithuania, as well as the International Accounting Standards. The inventory is written off in the statement using the FIFO method. Goods and services, and amounts payable and receivable in foreign currency are booked at the official exchange rate valid on the date of transaction. Provisions are accumulated with regard to future expenses related to warranty service of refrigerators, profit tax liabilities, amounts receivable and risk inventory in stock.

The balance of cash, amounts receivable and liabilities in foreign currency available at the end of the quarter are accounted in Litas, using the official exchange rate valid at the end of the fiscal period.

Income and expenses are accounted in accordance with the principle of accumulation of the income and expenses from continuous activities.

The subsidiary enterprises are controlled by the Company. The balances of the group enterprises, as well as income and expenses, and profit and loss from transactions settled between the group enterprises, have been entirely eliminated while preparing the consolidated financial statements.

The accounting system of the group is managed in Litas, except for the subsidiary enterprises "Techprominvest", "Moroz Trade" and "Liga-Servis", the accounts of which are managed in Russian

Roubles; and the subsidiary company "Snaigė Ukraina", the account of which is managed in Ukrainian Grivinas.

The amounts of the consolidated financial statements are presented in Litas.

In order to cover the risk related to sales in foreign currency, the Company uses derivative foreign currency instruments. On each date of composition of the financial statement the derivative financial instruments are revaluated up to the fair value as of the particular date, by registering profit and loss. The fair value of the future currency transactions is established based on the market prices on the day of composition of the balance sheet.

The Company's intangible assets include identifiable non-monetary assets without physical substance disposed by the Company, expecting to obtain direct and indirect economic benefits from the use of such assets. At the moment of acquisition (production) fixed intangible assets are recorded at the acquisition (production) cost. The balance sheet contains the residual value of intangible assets, which is calculated by deducting accumulated amortisation from the acquisition cost. Amortisation is calculated by applying the straight-line (linear) method. The liquidation value is not considered. The amortisation costs related to development are recorded as the operating expenses of the Company, whereas the costs related to software are attributed to the expense centres. The Company's intangible assets amount to 6.95 percent of the total fixed assets. The Company's objects are accepted as fixed tangible assets, if they satisfy the following criteria: the value of the assets is not less than 500 Litas; the assets are numerously incorporated into the production and service process by retaining their exterior form; depreciation of the assets lasts longer than one year; the Company can reasonably expect to obtain economic benefits from the assets in the future; the acquisition (production) cost of the assets can be reliably measured; the whole risk related to the tangible assets has been passed over to the Company. The liquidation value of fixed assets is 1 Litas. Depreciation of the fixed assets is calculated by applying the straight-line (linear) method in years. At the moment of acquisition fixed tangible assets are recorded at the acquisition cost in the accounting system. The balance sheet includes the acquisition cost of the fixed tangible assets, less the accumulated depreciation.

The fixed assets amount to 40.5 percent of the total assets of the Company. The tangible assets compose the major part (92.2 percent) of the fixed assets.

The intangible assets amount to 59,5 percent of the total assets of the Company, and have increased by 5,7 percent during the first half of the current year.

The major portion of the current assets includes:

1. Inventory (51.45 percent), which increased by 5.6 percent during the first half of the current year.
2. Amounts receivable within one year (45.2 percent), which decreased by 5 percent from the beginning of the year.

Upon having evaluated the risk of payment of the amounts receivable and usage and realisation of the inventory available in the Company's stock, the provisions have been accumulated with regard to each buyer and each inventory as of 2006-06-30, namely:

1. For risk inventory – 113106 LTL.
2. For amounts receivable – 2157392 LTL.
3. Provisions for warranty service of refrigerators – 3104018 LTL.

The share capital of the Company amounts to 26714155 LTL (23070405 ordinary registered shares, the nominal value of a share being 1 LTL). The shares of the Company are registered in the Official List of Vilnius Securities Stock Exchange.

The financial grants and subsidies amount to 4500886 LTL.

The amounts payable and liabilities amount to 159949074 LTL, including the following:

- amounts payable after one year - 82044778 LTL.
- amounts payable within one year – 77904296 LTL.

The amounts payable within one year include the following:

- trade debts - 42252965 LTL,
- current portion of non-current debts – 25329938 LTL,
- advance payments received - 234968 LTL,
- taxes, remuneration and social security - 4962536 LTL,
- other amounts payable – 5123889 LTL.

In order to supplement the circulating assets the Company uses bank loans, which amount to 106963867 LTL.

The Company's gross consolidated profit from sales and services rendered during the first half of the current year amounted to 19772369 LTL, which is 7871445 LTL less than the profit gained from the same activities during the first half of the previous financial year. The sales income from the typical activities amounted to 126294045 LTL, whereas the expenses amounted to -106521676 LTL.

The operating expenses amount to 22617181 LTL, including:

- sales expenses – 12211742 LTL;
- general and administrative expenses – 10405439 LTL.

The Company's loss from the typical activities during the first half of the current year amounted to 2844812 LTL, thus reducing the profit gained from the typical activities by 9606054 LTL, in comparison with the same period of the previous year.

The profit from other Company's activities amounted to 1524557 LTL. Other operating income amounts to 2605805 LTL, whereas operating expenses amount to 1081248 LTL.

The profit from the financial investment activities amounted to 2481877 LTL.

The income from the financial investment activities amounts to 14505839 LTL.

The expenses from the financial investment activities amount to 12023962 LTL.

The Company has not gained any income or expenses from extraordinary activities, i.e., extraordinary profit or extraordinary loss, during the first half of the current year.

The Company's consolidated profit before taxes as of the current year amounts to 1161622 LTL.

15. Information about the audit

The audit of the accounting system and financial statements of the first half of 2006 has not been performed.

IV. ESSENTIAL EVENTS OF THE ISSUER'S ACTIVITIES

11. Essential events of the issuer's activities

The essential events are announced to the Lithuanian Securities Commission, Vilnius Securities Stock Exchange, the daily newspaper "Lietuvos rytas" and the news agency BNS.

January 23, 2006. During the meeting of the Company's Board of 2006-01-20 it was decided to acquire 100% of the share capital of Russian company OOO "Liga Servis".

February 28, 2006. The preliminary, not audited, consolidated results of the activities of AB "Snaigė" are as follows: sales - 376,6 mill. of LTL (109,1 mill. of EUR); profit before taxes – 19,7 mill. of LTL (5.7 mill. of EUR).

March 23, 2006. Regarding the general meeting of shareholders

March 23, 2006. The Board of AB "Snaigė" decided to call the general meeting of the shareholders of AB "Snaigė" (Enterprise reg. no. 249664610, legal address Pramonės str. 6, Alytus) on April 27, 2006, at 14.00, in Alytus, at Pramonės str. 6, in the Company's conference room. The registration of the shareholders starts at 13. 30 and lasts to 13. 50.

The agenda of the meeting:

1. The report of the Board of AB "Snaigė" with regard to the Company's activities during 2005.
2. The auditor's report with regard to the Company's financial statements as of 2005.
3. Approval of the Company's financial statements as of 2005.
4. Distribution of the profit of 2005.
5. Regarding distribution of own shares.
6. Acceptance of the new revision of the Company's Statute.
7. Election of the Board of the Company.

Only the persons who were the shareholders of the Company at the end of the meeting date (April 20, 2006), or the persons who entered into agreement regarding transition of the voting right have the right to participate and vote in the general meeting of shareholders, either personally or through the authorized persons. The participants of the meeting shall have the personal identity document. The authorized persons shall have the Power of Attorney issued in accordance with the valid legislation.

April 19, 2006. Draft decisions of the general meeting of shareholders.

Pursuant to the resolution of the Board of the Company dated on 2006-04-19 the following draft decisions of the ordinary general meeting of shareholders of April 27, 2006 have been proposed:

The report of the Board of AB "Snaigė" with regard to the Company's activities during 2005. It was proposed: To approve the report of the Board of AB "Snaigė" with regard to the Company's activities during 2005.

The auditor's report with regard to the Company's financial statements as of 2005. It was proposed: To advise the shareholders to consider the auditor's report while voting regarding the financial statement of the Company.

Approval of the Company's financial statements as of 2005. It was proposed: To approve the financial statements of the Company of 2005.

Distribution of the profit of 2005. It was proposed: To approve distribution of profit.

Profit brought forward at the beginning of the reporting fiscal year amounted to 48 537 666 LTL (14 057 480 EUR).

The net profit of the financial year amounted to 7 545 957 LTL (2 185 460 EUR).

Transfers from reserves - 26 588 000 LTL (7 700 417 EUR).

Total profit to be appropriated amounted to 82 671 623 LTL (23 943 357 EUR).

The profit share appropriated to the reserve for acquisition of own shares is 10 000 000 LTL (2 896 200 EUR).

The profit share appropriated to the reserve for investments 16 338 000 LTL (4 731 812 EUR).

The profit share appropriated to the other reserves – 561 000 LTL (162 477 EUR), including: for charity and donation - 151 000 LTL (43 733 EUR), for social and cultural needs - 410 000 LTL (118 744 EUR).

The profit share appropriated for payment of dividends - 0 LTL (0 EUR).

The profit share appropriated for payment of tantiemes - 0 LTL (0 EUR).

Profit brought forward at the end of the fiscal year amounted to 55 772 623 Lt (16 152 868 EUR).

Regarding distribution of own shares.

It was proposed: To purchase the ordinary registered shares of AB "Snaigė" (with the nominal value of 1 LTL each / VP ISIN code LT 0000109274), by submitting the voluntary official tender in accordance to the procedure established in the legislative enactments regulating the securities market, and implementing it in Vilnius Securities Stock Exchange;

The purpose of acquisition of shares is to maintain and increase the price of the Company's shares;

To purchase up to 10 percent of the Company's shares in the National Securities Market for the price of 10 000 000 (ten million) Lit, as such profit share have been appropriated to the reserve for acquisition of own shares.

The Company will purchase the shares up to October 27, 2007;

The maximum and minimum acquisition price of the shares: the minimum acquisition price of the shares is 12 LTL, the maximum acquisition price of the shares is 20 LTL.

The minimum sales price of own shares is 12 LTL for one share. To ensure the equal opportunities for all the shareholders willing to purchase the Company's shares. The acquired own shares of the Company will be sold in Vilnius Securities Stock Exchange only. The particular terms and conditions of the voluntary official tender, as well as the amounts and prices of the shares to be purchased, the sales terms and prices of the shares shall be determined by the Board of the Company. All other issues not mentioned in the above resolutions shall be solved by the Board of the Company.

Acceptance of the new revision of the Company's Statute.

It was proposed: To approve the new revision of the Statute.

To withdraw the Board of Observers by cancelling clause 6.1.2 of the Statute of the Company.

To replace clause 6.1.3 by clause 6.1.2 and to add the following remark: "6.1.2. The Board shall be composed of four members and elected for the period of four years."

To replace clause 6.1.4 by clause 6.1.3.

To withdraw clause 6.3, and to replace clause 6.4 by clause 6.3 adding the following remark: "6.3. The Board of the Company shall be elected and withdrawn by the general meeting of shareholders in accordance with the procedure established in the Law on Public Companies of the Republic of Lithuania. The Board of the Company shall have the right to draw the decision with regard to issue of bonds. The competence of the Board with regard to other issues shall not be different from the one determined in the Law on Public Companies of the Republic of Lithuania. The operating procedure of the Board shall be determined in the operating regulation of the Board."

To replace clause 6.5 by clause 6.4.

Election of the Board of the Company. It was proposed: To elect the Board of the Company during the meeting of shareholders.

April 19, 2006. Audited consolidated results of activities as of 2005

Turnover and other operating income amount to 372,1 mill. of LTL (107.8 mill. of EUR);

Profit before taxes – 19.2 mill. of LTL (5.6 mill. of EUR).

EBITDA – 41.4 mill. of LTL (12.0 mill. of EUR).

April 27, 2006. Resolutions of the general meeting of shareholders.

During the general meeting of shareholders held on April 27, 2006 it was decided:

1. To approve the report of the Board of AB "Snaigė" with regard to the Company's activities during 2005.
2. To consider the auditor's report while voting regarding the financial statements of the Company.
3. To approve the financial statements of the Company as of 2005.
4. To approve distribution of profit:

Profit brought forward at the beginning of the reporting fiscal year amounted to 48 537 666 LTL (14 057 480 EUR).

The net profit of the financial year amounted to 7 545 957 LTL (2 185 460 EUR).

Transfers from reserves - 26 588 000 LTL (7 700 417 EUR).

Total profit to be appropriated amounted to 82 671 623 LTL (23 943 357 EUR).

The profit share appropriated to the reserve for acquisition of own shares is 10 000 000 LTL (2 896 200 EUR).

The profit share appropriated to the reserve for investments - 16 338 000 LTL (4 731 812 EUR).

The profit share appropriated to other reserves – 561 000 LTL (162 477 EUR),

including: for charity and donation – 151 000 LTL (43 733 EUR),

for social and cultural needs - 410 000 Lt (118 744 EUR).

The profit share appropriated for payment of dividends - 0 LTL (0 EUR).

The profit share appropriated for payment of tantiemes - 0 LTL (0 EUR).

Profit brought forward at the end of the fiscal year amounted to 55 772 623 Lt (16 152 868 EUR).

5. To purchase the ordinary registered shares of AB "Snaigė" (with the nominal value of 1 LTL each / VP ISIN code LT 0000109274), by submitting the voluntary official tender in accordance to the procedure established in the legislative enactments regulating the securities market, and implementing it in Vilnius Securities Stock Exchange;

The purpose of acquisition of shares is to maintain and increase the price of the Company's shares;

To purchase up to 10 percent of the Company's shares in the Vilnius Securities Market for the price of 10 000 000 (ten million) Litas, as such profit share have been appropriated to the reserve for acquisition of own shares.

The Company will purchase the shares up to October 27, 2007;

The maximum and minimum acquisition price of the shares: the minimum acquisition price of the shares is 12 LTL, the maximum acquisition price of the shares is 20 LTL.

The minimum sales price of own shares is 12 LTL for one share. To ensure the equal opportunities for all the shareholders willing to purchase the Company's shares. The acquired own shares of the Company will be sold in Vilnius Securities Stock Exchange only. The particular terms and conditions of the voluntary official tender, as well as the amounts and prices of the shares to be purchased, the sales terms and prices of the shares shall be determined by the Board of the Company.

All other issues not mentioned in the above resolutions shall be solved by the Board of the Company.

6. To approve the new revision of the Statute.

To withdraw the Board of Observers by cancelling clause 6.1.2 of the Statute of the Company.

To replace clause 6.1.3 by clause 6.1.2 and to add the following remark:

"6.1.2. The Board shall be composed of four members and elected for the period of four years."

To replace clause 6.1.4 by clause 6.1.3.

6.3. To withdraw clause 6.3, and to replace clause 6.4 by clause 6.3 and the following remark:

"6.3. The Board of the Company shall be elected and withdrawn by the general meeting of shareholders in accordance with the procedure established in the Law on Public Companies of the Republic of Lithuania.

The Board of the Company shall have the right to draw the decision with regard to issue of bonds.

The competence of the Board with regard to other issues shall not be different from the one determined in the Law on Public Companies of the Republic of Lithuania.

The operating procedure of the Board shall be determined in the operating regulation of the Board."

To replace clause 6.5 by clause 6.4.

7. To elect the following persons to the Board of the Company for the new term of office of the Board (amounting to four years): Mr. Nerijus Dagilis, Mr. Domininkas Kašys, Mr. Martynas Česnavičius, and Mr. Mindaugas Šeštokas.

May 2, 2006. Not audited consolidated results of activities as of 1st quarter of 2006

Turnover and other operating income amount to 52,68 mill. of LTL (15.26 mill. of EUR)

Profit before taxes – 0.84 mill. of LTL (0.24 mill. of EUR),

EBITDA - 6.73 mill. of LTL (1.95 mill. of EUR).

May 3, 2006. Election of the Chairman of the Board of the Company.

During the meeting of the Board held on May 2, 2006 Mr. Nerijus Dagilis was appointed the Chairman of the Board of AB "Snaigė".

July 28, 2006. Not audited consolidated results of activities as of the 1st half of 2006

Sales income and other operating income: 128.90 mill. of LTL (37.33 mill. of EUR)



Profit before taxes: 1.16 mill. of LTL (0.34 mill. of EUR).

EBITDA (profit before interest, taxes and depreciation): 13.1 mill. of LTL (3.79 mill. of EUR)

17. Legal proceedings and third party (arbitration) trials

There were no legal proceedings during the 1st half of 2006, which could have critically affected the issuer's financial status.