



Securities Commission of the Republic of Lithuania

19 August 2009

## CONFIRMATION OF RESPONSIBLE PERSONS

The confirmation of responsible persons regarding interim financial statement for 30 June 2009 ended period and interim report of AB Stumbras for the period of six months of 2009 is provided following the Law of Republic of Lithuania on securities, dated 18 January 2007 and Lithuanian Securities Commission resolution No.1K-3 on the rules of disclosure and submission of periodic and additional information, dated 23 February 2007.

We, responsible persons, hereby confirm that to the best of our knowledge, provided condensed interim financial statements for the period of six months of 2009, prepared in accordance with International Financial Reporting Standards as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit of Stumbras AB. We also confirm that Company's interim report includes a fair review of the development and performance of the business and position of the company in relation to the description of main risks and contingencies faced thereby.

General Manager

Česlovas Matulevičius

Chief Financial Officer

Voldemaras Kallo

**STUMBRAS AB**  
**CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2009**

<b>CONTENTS</b>	<b>Pages</b>
<b>CONDENSED INTERIM FINANCIAL INFORMATION</b>	
CONDENSED INTERIM BALANCE SHEET .....	3
CONDENSED INTERIM INCOME STATEMENT .....	4
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY .....	5
CONDENSED INTERIM CASH FLOW STATEMENT .....	6
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION .....	7 - 17

**STUMBRAS AB**  
**CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2009**

(all tabular amounts are in LTL'000 unless otherwise stated)

**Condensed interim balance sheet**

	Note	30 June 2009	31 December 2008
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	27,894	27,627
Intangible assets	6	467	612
Investment property	7	2,589	2,589
Deferred tax assets		753	753
Available-for-sale financial assets		15	15
Prepayments for property, plant and equipment		494	741
		32,212	32,337
<b>Current assets</b>			
Inventories	8	14,599	15,066
Trade and other receivables		59,148	71,284
Cash and cash equivalents	9	3,994	15,690
		77,741	102,040
<b>Total assets</b>		109,953	134,377
<b>EQUITY</b>			
<b>Capital and reserves attributable to equity holders of the Company</b>			
Share capital	10	40,000	40,000
Reserves	11	4,000	3,623
Retained earnings		14,768	29,805
<b>Total equity</b>		58,768	73,428
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	12	5,769	8,076
Deferred income tax liabilities		-	-
		5,769	8,076
<b>Current liabilities</b>			
Trade and other payables		24,719	45,828
Borrowings	12	16,943	4,231
Current income tax liabilities		2,098	1,097
Provisions for other liabilities and charges	13	1,656	1,717
		45,416	52,873
<b>Total liabilities</b>		51,185	60,949
<b>Total equity and liabilities</b>		109,953	134,377

The General Director and the Finance Director approved the condensed interim financial information on pages 3 to 17 on 10 August 2009.

Česlovas Matulevičius  
 General Director

Voldemaras Kallo  
 Finance Director

The notes on pages 7 to 17 are an integral part of this condensed interim financial information.

**STUMBRAS AB**  
**CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2009**

(all tabular amounts are in LTL'000 unless otherwise stated)

**Condensed interim income statement**

	Note	Half-year period ended 30 June		Three-month period ended 30 June	
		2009	2008	2009	2008
Sales	4	53,463	69,451	32,018	41,634
Cost of sales		26,821	(33,476)	(15,814)	(19,734)
<b>Gross profit</b>		26,642	35,975	16,204	21,900
Selling and marketing expenses		(4,823)	(5,949)	(3,678)	(3,669)
Administrative expenses		(9,295)	(12,789)	(5,094)	(8,423)
Other income		446	209	325	206
Other expenses		(82)	(98)	(34)	(39)
<b>Operating profit</b>		12,888	17,348	7,723	9,975
Finance income		298	115	102	43
Finance costs		(262)	(464)	(133)	(224)
<b>Profit before income tax</b>		12,924	16,999	7,692	9,794
Income tax expense	14	(2,584)	(2,439)	(2,584)	(2,439)
<b>Profit for the period</b>		10,340	14,560	5,108	7,355
Basic and diluted earnings per share (expressed in LTL per share)	15	0,26	0,36	0,13	0,18

The notes on pages 7 to 17 are an integral part of this condensed interim financial information.

**STUMBRAS AB**  
**CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2009**

(all tabular amounts are in LTL'000 unless otherwise stated)

**Condensed interim statement of changes in equity**

	Note	Share capital	Reserves	Retained earnings	Total equity
<b>Balance at 1 January 2008</b>		<b>40,000</b>	<b>1,985</b>	<b>34,464</b>	<b>76,449</b>
Profit for the half-year period		-	-	14,560	14,560
Total recognised income for the half-year period ended 30 June 2008		-	-	14,560	14,560
Transferred to legal reserve	11	-	1,638	(1,638)	-
Dividends relating to 2007	16	-	-	(32,000)	(32,000)
<b>Balance at 30 June 2008</b>		<b>40,000</b>	<b>3,623</b>	<b>15,386</b>	<b>59,009</b>
<b>Balance at 1 January 2009</b>		<b>40,000</b>	<b>3,623</b>	<b>29,805</b>	<b>73,428</b>
Profit for the half-year period		-	-	10,340	10,340
Total recognised income for the half-year period ended 30 June 2009		-	-	10,340	10,340
Transferred to legal reserve	11	-	377	(377)	-
Dividends relating to 2008		-	-	(25,000)	(25,000)
<b>Balance at 30 June 2009</b>		<b>40,000</b>	<b>4,000</b>	<b>14,768</b>	<b>58,768</b>

The notes on pages 7 to 17 are an integral part of this condensed interim financial information.

**STUMBRAS AB**  
**CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2009**

(all tabular amounts are in LTL'000 unless otherwise stated)

**Condensed interim cash flow statement**

	Note	Half-year period ended 30 June	
		2009	2008
<b>Cash flows from operating activities</b>			
Cash generated from operations	17	17,049	20,524
Interest received		411	406
Interest paid		(262)	(464)
Income tax paid		(1,583)	(1,905)
Net cash generated from operating activities		15,615	18,561
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment		(2,699)	(1,955)
Proceeds from sale of property, plant and equipment	17	-	14
Purchases of intangible assets		(43)	(39)
Loans granted to related parties		(10,000)	-
Loan repayments received from related parties		-	-
Net cash used in investing activities		(12,742)	(1,980)
<b>Cash flows from financing activities</b>			
Issuance of ordinary shares		12,328	3,000
Repayments of borrowings		(1,923)	(4,923)
Dividends paid to the Company's shareholders		24,974	(31,962)
Net cash used in financing activities		(14,569)	(33,885)
<b>Net (decrease)/increase in cash, cash equivalents</b>		(11,696)	(17,304)
Cash and cash equivalents at beginning of period		15,690	22,228
<b>Cash and cash equivalents at end of period</b>		3,994	4,924

The notes on pages 7 to 17 are an integral part of this condensed interim financial information.

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**STUMBRAS AB**  
**CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2009**

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(all tabular amounts are in LTL'000 unless otherwise stated)

## **Selected notes to the condensed interim financial information**

### **1. General information**

Stumbras AB (the Company) was registered as a Public Limited Liability Company under the laws of the Republic of Lithuania on 17 December 1990. Company code: 132082782. The shares of the Company are listed on the Secondary List of the Vilnius Stock Exchange. The shareholders of the Company are:

	<b>30 June 2008</b>	<b>31 December 2008</b>
Mineraliniai vandenys UAB	94.93 per cent	94.90 per cent
Other	5.07 per cent	5.10 per cent

The ultimate parent of the Company is Koncernas MG Baltic incorporated in Lithuania. Mr. Darius Juozas Mockus is the 100% owner of Koncernas MG Baltic.

The Company is incorporated and domiciled in Kaunas. The address of its registered office is as follows:

K. Būgos 7  
LT-44355 Kaunas  
Republic of Lithuania

The Company is involved in production and trade of strong alcohol drinks.

The number of the Company's employees as at 30 June 2009 amounted to 275 (31 December 2008: 297).

### **2. Accounting policies**

The accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 December 2007, as described in the annual financial statements for the year ended 31 December 2008.

### **3. Basis of preparation**

This condensed interim financial information for the nine-month period ended 31 March 2008 has been prepared in accordance with IAS 34, 'Interim financial reporting'. The interim condensed financial report should be read in conjunction with the annual financial statements for the year ended 31 December 2008.

The Company has not early adopted any of the new or revised standards and interpretations that become effective for financial years beginning on or after 1 January 2010.



**STUMBRAS AB**  
**CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2009**

(all tabular amounts are in LTL'000 unless otherwise stated)

**4. Segment information**

*(a) Primary reporting format – business segments*

The Company is operating in one business segment, i.e. production and sales of alcohol drinks.

*(b) Secondary reporting format – geographical segments*

The home-country of the Company is Lithuania.

<b>Sales</b>	<b>Half-year period ended 30 June</b>		<b>Three-month period ended 30 June</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
Lithuania	47,199	62,240	28,172	37,634
Poland	2,139	1,991	1,569	994
Estonia	2,012	2,342	1,207	1,494
Latvia	703	1,241	365	496
Israel	440	409	157	281
Spain	249	152	147	74
USA	148	245	48	184
Denmark	131	106	92	41
Other countries	442	725	261	436
<b>Total</b>	<b>53,463</b>	<b>69,451</b>	<b>32,018</b>	<b>41,634</b>

Sales are allocated based on the country in which the customers are located.

All Company's assets are located in Lithuania and all capital expenditure related to Lithuania.

<b>Analysis of sales by category</b>	<b>Half-year period ended 30 June</b>		<b>Three-month period ended 30 June</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
Sales of goods	52,366	69,052	31,386	41,360
Revenue from resale of goods	435	121	305	70
Revenue from services	662	278	327	204
	<b>53,463</b>	<b>69,451</b>	<b>32,018</b>	<b>41,634</b>

**STUMBRAS AB**  
**CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2009**

(all tabular amounts are in LTL'000 unless otherwise stated)

**5. Property, plant and equipment**

	Land and buildings	Plant and machinery	Vehicles	Other property, plant and equipment	Construction in progress	Total
<b>At 1 January 2008</b>						
Cost	21,484	30,944	1,593	3,485	95	57,601
Accumulated depreciation and impairment	(4,354)	(14,457)	(1,325)	(2,299)	-	(22,435)
Net book amount	17,130	16,487	268	1,186	95	35,166
<b>Year ended 31 December 2008</b>						
Opening net book amount	17,130	16,487	268	1,186	95	35,166
Additions	-	513	-	724	2,890	4,127
Disposals	-	(14)	-	(5)	-	(19)
Reclassifications	40	861	-	3	(904)	-
Reclassifications to investment property	(7,000)	-	-	-	-	(7,000)
Depreciation charge	(230)	(3,902)	(100)	(415)	-	(4,647)
Closing net book amount	9,940	13,945	168	1,493	2,081	27,627
<b>At 1 January 2009</b>						
Cost	14,524	31,182	1,493	3,893	2,081	53,173
Accumulated depreciation and impairment	4,584)	(17,237)	(1,325)	(2,400)	-	(25,546)
Net book amount	9,940	13,945	168	1,493	2,081	27,627
<b>At 30 June 2009</b>						
Opening net book amount	9,940	13,945	168	1,493	2,081	27,627
Additions	-	-	-	531	2,168	2,699
Disposals	-	-	-	-	-	-
Reclassifications	-	1,523	62	-	(1,585)	-
Depreciation charge	(116)	(2,016)	(42)	(258)	-	(2,432)
Closing net book amount	9,824	13,452	188	1,766	2,664	27,894
<b>At 30 June 2009</b>						
Cost	14,524	32,705	1,555	4,402	2,664	55,850
Accumulated depreciation and impairment	(4,700)	(19,253)	(1,367)	(2,636)	-	(27,956)
Net book amount	9,824	13,452	188	1,766	2,664	27,894

As at 30 June 2009 property, plant and equipment for the net book value of LTL 14,282 thousand (LTL 15,065 thousand as at 31 December 2008) and land rent rights for the value of LTL 1 thousand (1 thousand as at 31 December 2008) were provided as collateral for bank borrowings (Note 12).

**STUMBRAS AB**  
**CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2009**

(all tabular amounts are in LTL'000 unless otherwise stated)

**6. Intangible assets**

	Patents, licences	Software	Total
<b>At 1 January 2008</b>			
Cost	1,001	773	1,774
Accumulated amortisation	(523)	(300)	(823)
Net book amount	478	473	951
<b>Year ended 31 December 2008</b>			
Opening net book amount	478	473	951
Additions	63	27	90
Amortisation charge	(239)	(190)	(429)
Closing net book amount	302	310	612
<b>At 1 January 2009</b>			
Cost	875	675	1,550
Accumulated amortisation	(573)	(365)	(938)
Net book amount	302	310	612
<b>At 30 June 2009</b>			
Opening net book amount	302	310	612
Additions	43	-	43
Amortisation charge	(86)	(102)	(188)
Closing net book amount	259	208	467
<b>At 30 June 2009</b>			
Cost	918	675	1,593
Accumulated amortisation	(659)	(467)	(1,126)
Net book amount	259	208	467

The Company does not have internally generated intangible assets.

**7. Investment property**

	Land
<b>Year ended 31 December 2008</b>	
Opening net book amount	-
Reclassifications from property, plant and equipment	7,000
Impairment charge	(4,411)
Closing net book amount	2,589
<b>At 1 January 2009</b>	
Cost	7,000
Accumulated depreciation and impairment	(4,411)
Net book amount	2,589
<b>At 30 June 2009</b>	
Opening net book amount	2,589
Additions	-
Impairment charge	-
Closing net book amount	2,589

**STUMBRAS AB**  
**CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2009**

(all tabular amounts are in LTL'000 unless otherwise stated)

**7. Investment property (continued)**

	<u>Land</u>
<b>At 30 June 2009</b>	
Cost	7,000
Accumulated depreciation and impairment	(4,411)
Net book amount	<u>2,589</u>

Impairment assessment was based on a preliminary market value of land as at 31 December 2008 indicated by the independent property valuer.

As at 30 June 2009, in order to secure the fulfilment of obligations to the Bank assumed under the overdraft agreement, the Company pledged investment property in the carrying amount of LTL 2,589 thousand (the same amount as at 31 December 2008).

**8. Inventories**

	<b>30 June 2009</b>	<b>31 December 2008</b>
Raw materials	10,400	12,228
Work in progress	384	254
Finished goods	3,815	2,584
	<u>14,599</u>	<u>15,066</u>

As at 31 March 2009, inventories of LTL 20,000 thousand (the same amount as at 31 December 2008) are provided as collateral to secure the borrowings (Note 12).

	<b>Half-year period</b>		<b>Three-month period</b>	
	<b>ended 30 June</b>		<b>ended 30 June</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
Cost of inventories written-off during period	1	66	-	43

**9. Cash and cash equivalents**

	<b>30 June 2009</b>	<b>31 December 2008</b>
Cash at bank	2,958	15,690
Short-term bank deposits	1,036	-
	<u>3,994</u>	<u>15,690</u>

Cash at bank and future inflows to bank accounts amounting to LTL 42,000 thousand (as at 31 December 2008: LTL 20,000 thousand) is provided as a collateral for banks' borrowings and as a security of the fulfilment of obligations assumed under the overdraft agreement (see Note 12).

Short-term deposit at bank LTL 1,036 thousand is provided as a collateral for bank as a security of the fulfilment of obligations assumed under the unclosed credit for sum EUR 300 thousand.

**10. Share capital**

As at 30 June 2009, the Company's authorised share capital comprised 40,000,000 ordinary registered shares with a par value of LTL 1 per share (as at 31 December 2008: 40,000,000 shares with a par value of LTL 1 per share). All issued shares are fully paid.

**STUMBRAS AB**  
**CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2009**

(all tabular amounts are in LTL'000 unless otherwise stated)

**11. Reserves**

A legal reserve is a compulsory reserve under Lithuanian legislation. Annual transfers of 5 per cent of net profit for the reporting period calculated in accordance with the regulatory legislation on accounting of the Republic of Lithuania are required until the reserve reaches 10 per cent of the Company's authorised capital. The legal reserve shall not be used for the payment of dividends and it may be used to cover future losses only. As at 31 December 2008 the legal reserve amounted to LTL 3,623 thousand. The annual General Shareholders Meeting approved the decision to transfer LTL 377 thousand to the legal reserve in 2009.

**12. Borrowings**

	<b>30 June 2009</b>	<b>31 December 2008</b>
<b>Non current</b>		
Bank borrowings	5,769	8,076
<b>Current</b>		
Bank borrowings (syndicated)	4,615	4,231
Used amount of the overdraft limit	12,328	-
	16,943	4,231
<b>Total borrowings</b>	22,712	12,307

The amount of bank borrowings relates to a syndicated loan from two banks at a floating interest rate. This loan is to be repaid by 1 September 2011.

The Company and the Bank have signed the Overdraft Agreement up to the limit of LTL 15,000 thousand, according to this agreement the utilised amount of the overdraft limit is to be repaid over the period expiring on 31 August 2009.

Bank borrowings are secured by the property, plant and equipment (Note 5), investment property (Note 7), inventories (Note 8) and cash at bank including future inflows into bank accounts (Note 9).

Interest rate of borrowings is based on market interest rate with repricing term of 3 months, therefore carrying amount of borrowings approximates to its fair value as discounting effect is not material.

The maturity of non-current borrowings is as follows:

	<b>30 June 2009</b>	<b>31 December 2008</b>
Between 1 and 2 years	5,769	8,076
Between 2 and 5 years	-	-
	5,769	8,076

The carrying amounts of the Company's borrowings are denominated in the following currencies:

	<b>30 June 2009</b>	<b>31 December 2008</b>
EUR	10,384	12,307
LTL	12,328	-
	22,712	12,307

The bank provided a guarantee to the Company for the amount of LTL 500 thousand as at 30 June 2009, maturing on 15 May 2010. The maximum amount of guarantees that could be issued by the bank is LTL 500 thousand.

**STUMBRAS AB**  
**CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2009**

(all tabular amounts are in LTL'000 unless otherwise stated)

**13. Provisions for other liabilities and charges**

The whole amount of provisions for other liabilities and charges as at 30 June 2009 is established for expected expenses related to legal claims, where the Company is involved as a defendant.

A part of these provisions was established for a presumable claim related to failure to comply with terms and conditions of the agreement concluded with one of the Company's service providers and the remaining part of the provisions is established for the payment of remuneration and fulfilment of tax obligations. An estimated settlement period under all claims is between 2009 and 2010.

**14. Income tax expense**

	Half-year period ended 30 June		Three-month period ended 30 June	
	2009	2008	2009	2008
Income tax related	2,584	2,439	2,584	2,439

Profit is taxed at the income tax rate of 20 per cent (15 per cent in 2008) according to the tax laws of the Republic of Lithuania.

**15. Earnings per share**

*Basic*

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	Half-year period ended 30 June		Three-month period ended 30 June	
	2009	2008	2009	2008
Net profit attributable to equity holders of the Company	10,340	14,560	5,108	7,355
Weighted average number of ordinary shares in issue (thousands)	40,000	40,000	40,000	40,000
Basic earnings per share (LTL per share)	0.26	0.36	0.13	0.18

*Diluted*

The Company has no dilutive potential ordinary shares and therefore the diluted earnings per share are the same as basic earnings per share.

**16. Dividends per share**

At the annual General Shareholders' Meeting on 28 April 2009, a dividend in respect of 2008 of LTL 0.625 per share amounting to a total dividend of LTL 25 000 thousand was declared.

**STUMBRAS AB**  
**CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2009**

(all tabular amounts are in LTL'000 unless otherwise stated)

**17. Cash generated from operations**

	<b>30 June 2009</b>	<b>30 June 2008</b>
Net profit for the period	10,340	14,560
Adjustments for:		
- income tax (Note 14)	2,584	2,439
- depreciation (Note 5)	2,432	2,304
- amortisation (Note 6)	188	215
- loss/ (profit) on disposal of property, plant and equipment	-	(13)
- interest income	(442)	(115)
- interest expense	262	464
Changes in working capital:		
- non-current receivables and deferred charges	247	(903)
- inventories and assets held for sale	467	(2,150)
- trade and other receivables and prepayments	22,167	33,883
- trade and other payables, deferred income and provisions	(21,196)	(30,160)
Cash generated from operations	<u>17,049</u>	<u>20,524</u>

In the cash flow statement, proceeds from sale of property, plant and equipment comprise:

	<b>30 June 2009</b>	<b>30 June 2008</b>
Net book amount (Note 5 and Note 6)	-	1
Profit/ (loss) on disposal of non-current assets	-	13
Proceeds from sale of non-current assets	<u>-</u>	<u>14</u>

*Non-cash transactions*

No major non-cash transactions took place during the six-month period ended 30 June 2009 and 30 June 2008.

**18. Contingent and off-balance sheet liabilities**

*(a) Capital commitments*

Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

	<b>30 June 2009</b>	<b>31 December 2008</b>
Property, plant and equipment	<u>4,529</u>	<u>1,998</u>

*(b) Operating lease commitments – where the Company is the lessee*

The Company leases various property, plant and equipment under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	<b>30 June 2009</b>	<b>31 December 2008</b>
Not later than 1 year	329	384
Later than 1 year and not later than 5 years	309	367
Later than 5 years	-	-
	<u>638</u>	<u>751</u>

**STUMBRAS AB**  
**CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2009**

(all tabular amounts are in LTL'000 unless otherwise stated)

**19. Related-party transactions**

Mineraliniai vandenys AB is the majority shareholder of the Company owning 94.93 per cent of the Company's shares. The remaining shares are widely held.

Other companies treated as related parties are Koncernas MG Baltic UAB and subsidiaries.

Services are usually negotiated with related parties on a cost-plus basis. Goods are sold on the basis of the price list in force with non-related parties.

The following transactions were carried out with related parties:

(a) Sales of goods and services

	Half-year period ended 30 June		Three-month period ended 30 June	
	2009	2008	2009	2008
– UAB „Mineraliniai vandenys”	13,859	28,704	4,963	20,530
– AB „Biofuture“	-	2	-	1
– MV Poland Sp.z.o.o	1,743	-	1,422	-
	<u>15,602</u>	<u>28,706</u>	<u>6,385</u>	<u>20,531</u>

(b) Cost of sales

	Half-year period ended 30 June		Three-month period ended 30 June	
	2009	2008	2009	2008
– UAB „Tromina“	5	-	-	-
	<u>5</u>	<u>-</u>	<u>-</u>	<u>-</u>

(c) Selling and marketing cost

	Half-year period ended 30 June		Three-month period ended 30 June	
	2009	2008	2009	2008
– UAB „Mineraliniai vandenys”	212	403	49	246
– UAB „Tromina”	93	1	93	1
– UAB „Laisvas nepriklausomas kanalas“	324	202	304	108
– UAB „Neo press“	12	23	5	17
– MV Poland Sp.z.o.o.	863	-	863	-
	<u>1,504</u>	<u>629</u>	<u>1,314</u>	<u>372</u>

(d) Administrative expenses

	Half-year period ended 30 June		Three-month period ended 30 June	
	2009	2008	2009	2008
– UAB Koncernas „MG Baltic”	258	414	153	177
– UAB „MG Baltic Trade”	241	10	138	-
– UAB „Mineraliniai vandenys”	6	5	4	3
– UAB „MG Valda”	-	2	-	-
– UAB „Troja”	34	-	34	-
– UAB „Verslo trikampis”	124	74	85	74
– UAB „UPG Baltic”	-	-	9	-
– AB „Biofuture”	1	-	-	-
	<u>673</u>	<u>505</u>	<u>423</u>	<u>254</u>



**STUMBRAS AB**  
**CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2009**

(all tabular amounts are in LTL'000 unless otherwise stated)

**19. Related-party transactions (continued)**

*(e) Other income*

	Half-year period ended 30 June		Three-month period ended 30 June	
	2009	2008	2009	2008
– UAB „Mineraliniai vandenys”	4	23	3	10
– UAB „MG Baltic Trade”	145	-	99	-
	<u>149</u>	<u>23</u>	<u>102</u>	<u>10</u>

*(f) Purchases of property, plant and equipment*

	Half-year period ended 30 June		Three-month period ended 30 June	
	2009	2008	2009	2008
– UAB „Biofuture”	1	-	-	-
	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>

*(g) Key management compensation*

	Half-year period ended 30 June		Three-month period ended 30 June	
	2009	2008	2009	2008
Salaries and other employee benefits	392	851	212	443
Social security contributions	122	264	66	138
Life insurance contributions	30	-	15	-
	<u>544</u>	<u>1,115</u>	<u>293</u>	<u>581</u>

Key management includes 7 (31 June 2008: 7) members of the management of the Company.

*(h) Year-end balances arising from sales/purchases of goods/services*

Receivables from related parties:

	30 June 2009	31 December 2008
– UAB „Mineraliniai vandenys”	8,171	20,471
– UAB „MG Baltic Trade” (accrued interest)	31	-
– UAB „Mitnija”	10	-
– MV Poland Sp.z.o.o (2008:Stumbras Poland Sp.z.o.o)	1,518	286
	<u>9,730</u>	<u>20,757</u>

(j) Amounts due to related parties:

	30 June 2009	31 December 2008
Trade payables		
– MV Poland Sp.z.o.o (2008:Stumbras Poland Sp.z.o.o)	863	3,226
– UAB Koncernas „MG Baltic”	41	102
– UAB „Mineraliniai vandenys”	3	448
– UAB „Laisvas nepriklausomas kanalas”	179	136
– UAB „MG Baltic Trade”	43	-
– UAB „Verslo trikampis”	41	18
– UAB „UPG Baltic”	18	-
– UAB „Tromina”	40	-
– UAB „Troja”	20	-
	<u>1,248</u>	<u>3,930</u>

**STUMBRAS AB**  
**CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE HALF-YEAR PERIOD ENDED 30 JUNE 2009**

(all tabular amounts are in LTL'000 unless otherwise stated)

**19. Related-party transactions (continued)**

*(k) Loans to related parties (provided to MG Baltic Trade UAB)*

	<b>30 June 2009</b>	<b>31 December 2008</b>	
<i>Loans to related parties</i>			
Beginning of the period	-	-	-
Loan repayments received	-	-	-
Additional loans	10,000	-	-
End of the period	<u>10,000</u>	<u>-</u>	<u>-</u>
	<b>Half-year period</b>	<b>Three-month period</b>	
	<b>ended 30 June</b>	<b>ended 30 June</b>	
<i>Accrued interest on the loans to related parties</i>	<b>2009</b>	<b>2008</b>	<b>2009</b>
Beginning of the period	-	291	46
Interest charged	145	-	99
Interest payments received	(114)	(291)	(114)
End of the period	<u>31</u>	<u>-</u>	<u>31</u>

**20. Seasonality**

The Company's sales are subject to seasonal fluctuations with peak demand in the fourth quarter and the lowest sales in the first quarter of the year. This is due to the holiday periods.

# **STUMBRAS AB**

INTERIM REPORT FOR THE PERIOD OF SIX MONTHS OF 2009

Kaunas, August 2009

<b>CONTENTS</b>	<b>Pages</b>
1. Reporting period covered by the Report.....	4
2. Issuer and its contact data.....	4
3. Nature of the Issuer's operations.....	4
4. Contracts with intermediaries of securities' public turnover .....	4
5. Information about trade in the Issuer's securities in the regulated markets.....	4
6. Objective description of the Company's position, performance and development, analysis, description of its exposure to key risks and contingencies.....	5
7. Analysis of financial and non-financial performance.....	8
8. References to and additional explanations of data reported in the financial statements.....	8
9. Information about own shares owned and acquired by the Company.....	9
10. Significant events subsequent to the end of the previous financial year.....	9
11. Company's business plans and perspectives.....	9
12. Structure of the Issuer's authorised share capital.....	9
13. Restrictions on disposal of securities.....	10
14. Shareholders.....	10
15. Shareholders holding special control rights and descriptions of these rights.....	11
16. All restrictions regarding voting rights.....	11
17. All mutual agreements of shareholders of which the Issuer is aware and due to which restrictions on transfer of securities and/or voting rights may be imposed.....	11

18. Personnel.....	11
19. Amendment procedure of the Issuer's Articles of Association.....	12
20. Issuer's bodies.....	12
21. Members of the collegial bodies, the Company Manager, the Chief Financier.....	13
22. Information about significant agreements.....	16
23. Information about the compliance with the Governance Code.....	16
24. Information about transactions with related parties.....	16
25. Data on publicly announced information.....	16

## 1. Reporting period covered by the Report

The interim report is prepared for the period of six-month ended 30 June 2009. All amounts in the interim report present situation as at 30 June 2009, unless otherwise stated. Further in this report Stumbras AB can be referred to as the Company or the Issuer.

## 2. Issuer and its contact data

Name of the Issuer	Stumbras AB
Legal organisational form	public company
Authorised share capital	LTL 40,000,000
Date and place of incorporation	4 October 1995, Kaunas City Council
Registration certificate No.	AB 95 – 70B
Company code	1320 82782
Company VAT code	LT3208278211
Company's register	Register of Legal Entities of the Republic of Lithuania
Official seat	K. Būgos g. 7, LT- 44355 Kaunas
Telephone	8 (37) 308800
Facsimile	8 (37) 308833
E-mail	<a href="mailto:stumbras@stumbras.lt">stumbras@stumbras.lt</a>
Website	<a href="http://www.stumbras.eu/lt">www.stumbras.eu/lt</a>

The Company has established no affiliates and agencies.

## 3. Nature of the Issuer's operations

The Company's principal activities represent production of and trade in ethyl alcohol and alcoholic drinks. The Company can pursue other activities stipulated in its Articles of Association.

## 4. Contracts with intermediaries of securities' public turnover

On 24 October 2003, the Company concluded a contract on the service of the Issuer with SEB Vilnius Bankas AB (company code 112021238), Gedimino pr. 12, Vilnius, tel. (8 5) 268 2687, fax (8 5) 262 6043. In relationship with the Issuer the latter is represented by the Department of Financial Markets.

## 5. Information about trade in the Issuer's securities in the regulated markets

The Issuer's shares are listed on the Vilnius Stock Exchange. At the present moment, all 40,000,000 ordinary registered share with a par value of LTL 1 (one) comprising the Company's authorised share capital are listed on the Secondary List of the Vilnius Stock Exchange. ISIN code of securities: LT0000119430.

**6. Objective description of the Company's position, performance and development, analysis, description of its exposure to key risks and contingencies**

Main volumes of production over the period of the last 3 years are as follows (data is provided in decaliters (dal) and tons):

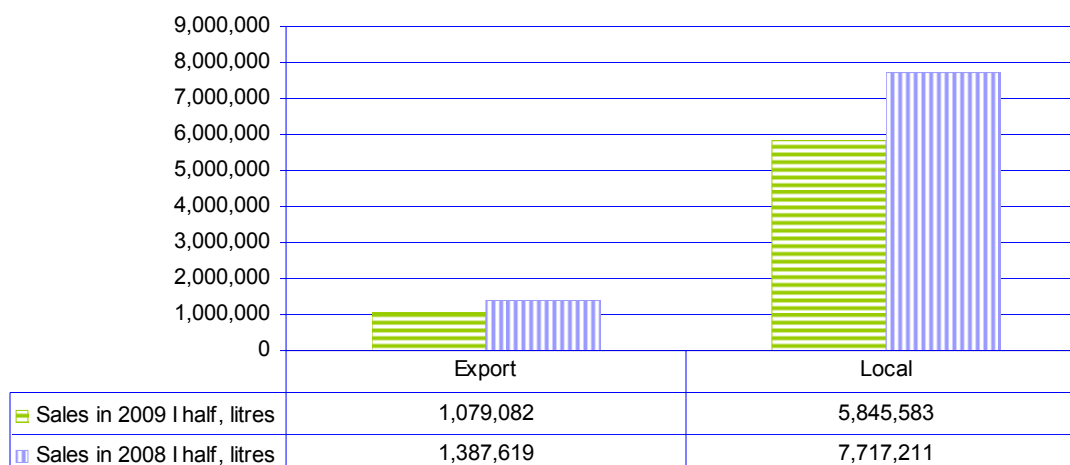
Name	Unit of measurement	2009 I half	2008 I half	2007 I half
Alcohol products	thousand dal	732	918	1,109
Including alcoholic drinks	thousand dal	731	917	1,106

In 2009 I half , new products were launched: vodka "N", "Nipernaadi Premium Black", "Premium vodka", "Senasis Herbas", spirit drinks "Aramis Fruitline PEAR", "Aramis Fruitline PLUM", "Aramis VSOP".

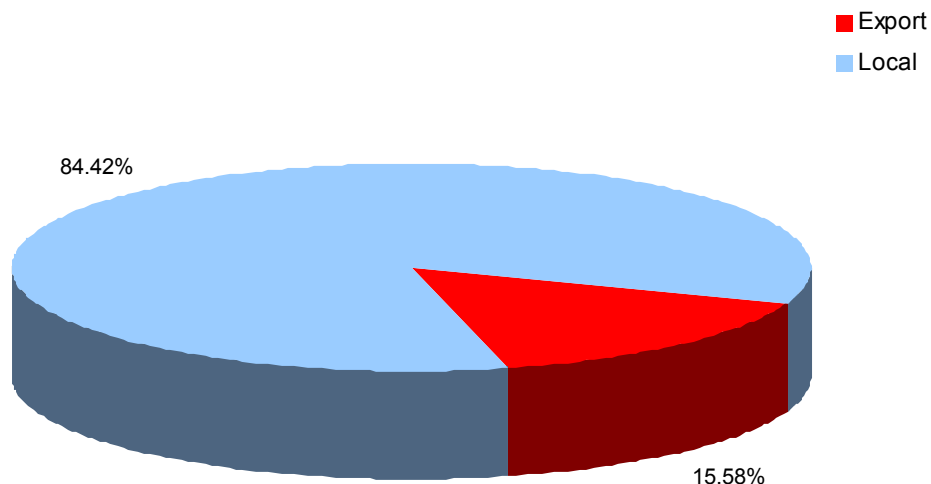
Ethyl alcohol and alcoholic drinks are subject to excise duties established under legal acts of the Republic of Lithuania. The latter duties make a significant impact on changes in prices and volumes of sales of products produced by Stumbras AB. Based on the 30 October 2001 to the Law on Excise Duties of the Republic of Lithuania No. IX-569 amendment (the Law No. XI-79 as of 19 December 2008), starting from 1 January 2009 the excise duty applicable to alcoholic drinks and ethyl alcohol has been increased and currently amounts to LTL 4,416 per hectoliter of pure ethyl alcohol. During period from 1 January 2008 till 31 December 2008 an excise duty of LTL 3,840 per hectoliter of pure ethyl alcohol was applicable to alcoholic drinks and ethyl alcohol.

When implementing its obligations under earlier concluded long-term purchase-sale contracts and entering into new contracts, the Company seeks to ensure constant and scheduled sales of products.

**Sales of Alcoholic Drinks by AB Stumbras According to Markets, litres**



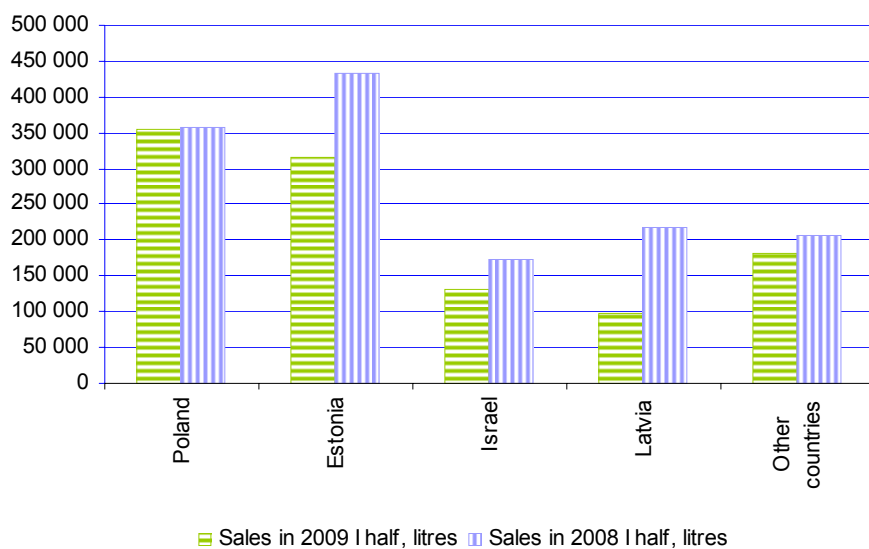
### Sales of Alcoholic Drinks in 2009 I half, litres



In 2009 I half, the Company's production was mainly exported to Poland, Estonia, Israel and Latvia which comprised 83.29 per cent of all exported products. Products were also traded in the Spain, Denmark, USA, Peru, Northern Ireland, Great Britain, Singapore, Italy, Norway, Ireland, Canada, France, Germany and Sweden.

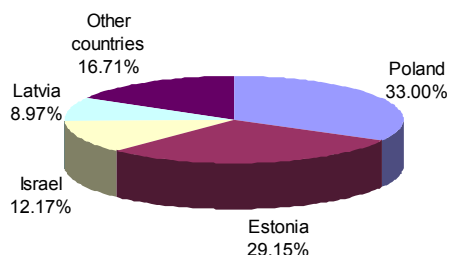
Company's development in export market:

#### Export of Alcoholic Drinks According to Countries, litres

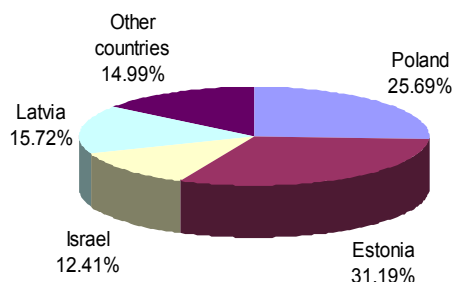




Export of alcoholic drinks in 2009 I half, litres, %



Export of Strong Drinks in 2008 I half, litres, %



Company is doing market researches for Company's activities protection, researches are connected with Company's goods awareness and goods (particular brands) market parts evaluation in Lithuanian market. Researches are performed by Nielsien Lietuva AC, RAIT, Baltijos tyrimai UAB in accordance with Company's requests.

#### Risk factors related to the Issuer's operations:

**Economic factors.** The Company's principal activities represent production of and trade in strong alcoholic drinks. The Company's competitors in the market are other Lithuanian producers of strong alcoholic drinks and business entities importing and selling strong alcoholic drinks in the Republic of Lithuania. Performance of the Company is affected by the existing illegal production, sale of alcoholic drinks and contraband of alcoholic drinks products as well as in rectified ethyl alcohol. When assessing the Company's competitive features, it can be claimed that the potential of employees and technical-technological base serves as a ground for a successful operations of the Company in this market.

One of potential operational risks that the Company is exposed to represents circumstances, in case of aggressive importers penetration to Lithuanian alcoholic drinks market, bringing their own, separate trademarks, and with a decreasing level of living standards of local residents, a part of consumers may start choosing other imported and cheaper drinks. Another operational risk may be linked with a growing power of commercial retail chains and their ability to affect sales of goods.

**Political factors.** Instability of laws and other regulatory legislation governing the Company's activities has a negative impact. Potential risk factors capable of making an indirect impact on the performance of the Company – excise duty increase, alcoholic drinks trading locations, trading time and advertising of alcoholic drinks additional restrictions and prohibitions.

**Ecological factors.** Expenses of environmental pollution incurred by the Company for the six-month period ended 30 June 2009 amounted to LTL 953 thousand (LTL 1,156 thousand for the six-month period ended 30 June 2008). Costs related to the management of package waste released to the domestic market constitute the major part of these expenses, which decreased due to a lower volume of sales.

**Technical-technological factors.** Equipment used by the Company is sufficient for the Company to carry out its operations. Possible damages are related to regular depreciation charges of equipment.

**Factors of financial risk.** Borrowings issued with variable interest rates expose the Company to cash flow interest rate risk.

In order to decrease variable interest rates risk, Company 12 January 2009 with bank made an interest fixing agreement, which is in conformity with long term borrowings repay schedule.

Information concerning Stumbras AB borrowings for 30 June 2009 is disclosed in 12 note of condensed interim financial information for six-month period ended 30 June 2009.

## 7. Analysis of financial and non-financial performance

For the six-month period ended 30 June 2009, the Company's revenue from sales of goods (net of excise duty) and provision of services amounted to LTL 53,463 thousand, i.e. 23.0 per cent less as compared to six-month period ended 30 June 2008 when revenue from sales amounted to LTL 69,451 thousand.

The Company's profit before tax was LTL 12,924 thousand, i.e. 24.0 per cent less as compared to six-month period ended 30 June 2008.

During a reporting period, the Company's taxes paid or payable to the budget in accordance with the terms prescribed under regulatory legislation totalled LTL 115,573 thousand comprising:

- excise duty – LTL 87,550 thousand;
- value-added tax – LTL 22,153 thousand;
- social security tax – LTL 1,990 thousand;
- income tax of individuals – LTL 817 thousand;
- corporate income tax – LTL 2,584 thousand;
- other taxes – LTL 479 thousand.

The Company's key financial and economic performance indicators are as follows:

	<b>Six-month period ended 30 June</b>	
	<b>2009</b>	<b>2008</b>
Sales revenue, LTL thousand	53 463	69 451
Sales revenue in foreign markets, LTL thousand	6 264	7 211
Exports per total sales, per cent	11,7	10,4
Gross profit, LTL thousand	26 642	35 975
Gross profitability, per cent	49,8	51,8
Profit before tax, LTL thousand	12 924	16 999
Profitability before tax, per cent	24,2	24,5
Net profit, LTL thousand	10 340	14 560
Net profitability, per cent	19,3	21,0
EBITDA, LTL thousand	15 807	19 983
EBITDA profitability	29,6	28,8
Assets (at the end of the period), LTL thousand	109 953	108 330
including: non-current assets, LTL thousand	32 212	36 567
current assets, LTL thousand	77 741	71 763
Authorised share capital (at the end of the period), LTL thousand	40 000	40 000
Equity (at the end of the period), LTL thousand	58 768	59 009
Investments in modernisation of the Company, LTL thousand	2 742	1 994

## 8. References to and additional explanations of data reported in the financial statements

All financial data presented in this Interim Report is calculated in accordance with the International Financial Reporting Standards and is not audited, unless specified otherwise.

## 9. Information about own shares owned and acquired by the Company

The Company did not acquire own shares during the current and previous reporting periods.

## 10. Significant events subsequent to the end of the previous financial year

Stumbras AB general shareholders' meeting held on 15 January 2009 elected PricewaterhouseCoopers UAB to audit the Company's financial statement for 2008.

Stumbras AB general shareholders' meeting held on 15 January 2009 elected Birutė Minalgienė as an independent member of the audit committee and Romanas Raulynaitis, Chairman of the Supervisory Board, was elected a member of the audit committee.

During a general meeting of shareholders of Stumbras AB as of 28 April 2009 dividends for 2008 were announced amounting to LTL 0.625 (EUR 0.18) per one ordinary registered share with the nominal value of LTL 1 (one) and making a total amount of LTL 25 million.

Stumbras AB general shareholders' meeting held on 28 April 2009 elected PricewaterhouseCoopers UAB to audit the Company's financial statement for 2009.

Other reporting period Company events was announced through the Central regulated information data base <http://www.nasdaqomxbaltic.com/?lang=lt>.

## 11. Company's business plans and perspectives

As a result of a significant increase in the excise duty, the Company should face reduction both in sales volumes and in profit before tax in 2009 as compared to 2008.

Due to uncertain developments in the industry of consumer goods and services and unexpected changes in the Lithuanian taxation system and their impact on trading activities, the Company's management has no possibilities of providing reliable performance indicators for 2009.

## 12. Structure of the Issuer's authorised share capital

As at 31 December 2008, the Company's authorised share capital was comprised of 40,000,000 ordinary registered shares with par value of LTL 1 each.

Structure of the Company's authorised share capital according to categories of shares:

Category of shares	Number of shares	Nominal value (LTL)	Total nominal value (LTL)	Percentage in the authorised share capital (%)
Ordinary registered shares	40,000,000	1	40,000,000	100.00
<b>Total</b>	<b>40,000,000</b>		<b>40,000,000</b>	<b>100.00</b>

All shares of Stumbras AB are fully paid.

The Company's shareholders shall have the following property rights:

- 1) to receive a part of the Company's profit (dividend);
- 2) to receive a part of assets of the Company in liquidation;
- 3) to receive shares without payment if the authorised share capital is increased out of the Company's funds, except in cases specified in the Law on Companies of the Republic of Lithuania;
- 4) to have the pre-emption right in acquiring shares or convertible debentures issued by the Company, except in cases when the General Shareholder Meeting decides to withdraw this right for all the shareholders;
- 5) to leave all or a part of shares to one or several persons under a will;
- 6) to transfer all or a part of shares to the ownership of other persons, except in cases specified in the laws of the Republic of Lithuania;
- 7) other property rights established by laws and the Company's Articles of Association.

The Company's shareholders shall have the following non-property rights:

- 1) to attend the General Shareholder Meetings and vote;
- 2) to receive information on the Company specified in paragraph 1 of Article 18 of the Law on Companies of the Republic of Lithuania;
- 3) to file a claim with the court for reparation of damage resulting from nonfeasance or malfeasance by the Company Manager of his/her obligations prescribed by the Articles of Association of the Company and other laws as well as in other cases laid down by laws;
- 5) other non-property rights established by laws and the Company's Articles of Association.

### 13. Restrictions on disposal of securities

There are no restrictions.

### 14. Shareholders

As at 31 December 2008, the number of shareholders of Stumbras AB was 711.

Shareholders holding more than 5 per cent of the Company's authorised share capital as at 31 December 2008 are as follows:

Full name of the shareholder (company name, type, official seat, code of the legal entities' register)	Number of shares owned by the shareholder (units)	Share in the authorised capital	Share of votes represented by shares owned	Share of votes conferred to the shareholder together with persons acting jointly
Mineraliniai Vandenys UAB J.Jasinskio g. 16, Vilnius, company code 121702328	37,970,139	94,93		

**15. Shareholders holding special control rights and descriptions of these rights**

There are no such shareholders.

**16. All restrictions regarding voting rights**

There are no restrictions

**17. All mutual agreements of shareholders of which the Issuer is aware and due to which restrictions on transfer of securities and/or voting rights may be imposed**

There are no such agreements

**18. Personnel**

**Number of employees**

	30/06/2009	30/06/2008
Managers	7	7
Officials-specialists	68	64
Workers	200	234
	275	305

**Average gross remuneration**

	Six-month period ended 30 June	
	2009	2008
Managers	10,036	21,013
Officials-specialists	5,229	5,394
Workers	2,276	2,187
Average gross remuneration	3,204	3,292

**Personnel education**

	30/06/2009	30/06/2008
Personnel with higher university education	74	75
Personnel with college education	58	67
Personnel with secondary education	132	151
Personnel without secondary education	11	12
	275	305

During the reporting period the number of staff decreased by 7.4 per cent. As at 30 June 2009, the Company had 275 employees (1 January 2009: 297 employees). The number of staff decreased due to a lower volume of production.

In applicable Company's collective agreement there is not indicated special personnel or part of personnel rights.

## **19. Amendment procedure of the Issuer's Articles of Association**

The Law on Companies of the Republic of Lithuania establishes that the General Shareholder Meeting shall be vested with an exclusive right to amend the Articles of Association.

The Company's Articles of Association stipulate that decision to amend Articles of Association is adopted by a 2/3 majority of the votes conferred by the shares of the shareholders present at the General Shareholder Meeting. Following the decision by the General Shareholder Meeting to amend the Company's Articles of Association, the full text of the amended Articles of Association shall be drawn up and signed by the person authorised by the General Shareholder Meeting

## **20. Issuer's bodies**

The Company's Articles of Association stipulate that the Company shall have the following bodies: the General Shareholder Meeting, the Supervisory Board, the Board and the Company Manager.

Articles of Association provide that restrictions on rights of the members of the Company's bodies shall be determined by the Law on Companies of the Republic of Lithuania.

Articles of Association provide that the competence of the General Shareholder Meeting shall be defined by the Law on Companies.

The Supervisory Board is a collegial supervisory body of the Company. The Supervisory Board composed of 3 (three) members is elected by the General Shareholder Meeting for the term of 4 (four) years. The General Shareholder Meeting may remove from office the entire Supervisory Board or its individual members before the expiry of the term of their office. In Company's article of association is indicated, that Supervisory Board competence is determined by Lithuanian Republic Law on Companies

The Board is a collegial management body of the Company. The Board composed of 6 (six) members is elected by the Supervisory Board for the term of 4 (four) years. The Supervisory Board may remove from office the entire Board or its individual members before the expiry of the term of their office.

The Articles of Association of the Company stipulate that the Board shall deal with major production, organisational, financial and economic issues, analyse and approve the operating strategy, the use of financial resources, approve the organisational and management structure of the Company, elect and remove the Company manager and shall fulfil other functions prescribed by the Law on Companies.

The Company Manager – the Chief Executive Office – is elected and removed under procedure prescribed by the Law on Companies. The competence of the Company Manager is defined by the Law on Companies. The Company Manager shall be responsible for the organisation of the Company's operations, implementation of it objectives, shall be entitled to enter into transactions at his own discretion, save in cases where the Law on Companies provides that there is a decision of the Board to enter into transactions. The Head of Administration shall follow decisions passed by the General Shareholder Meeting, the Supervisory Board and the Board.

In 2009, in Company established the audit committee that acts under the Regulations approved by the decision of the Board of Stumbras AB as of 10 December 2008. Main functions of the audit committee include observance of the process of preparation of the Company's financial statements; control of effectiveness of the Company's processes of internal control, risk management and internal audit, if any; observance of the process of auditing of the Company; observance of the compliance with the principles of independence and impartiality by the auditor and the audit firm; provision of written recommendations to the Board with regard to audit firms offered to be elected the Company's auditor by the General Shareholder Meeting; immediate notification of the Company Manager about the information provided to the audit committee by the audit firm concerning audit-related matters, in particular, when significant deficiencies of internal controls related to financial statements have been identified.

## 21. Members of the collegial bodies, the Company Manager, the Chief Financier

Position of the person	Name, surname	Number of the Issuer's shares held	Commencement date	Termination date
<b><u>Supervisory Board</u></b>				
Chairman of the Supervisory Board	Romanas Raulynaitis	15,959	01/12/2007	01/12/2011
Member of the Supervisory Board	Inga Žemkauskienė	-	01/12/2007	01/12/2011
Member of the Supervisory Board	Dalius Balceris	-	01/12/2007	01/12/2011

For the Members of the Board (for one person) for the six-month period ended 30 June 2009 were paid off dividends LTL 9,974. There were any other calculated money amounts, transmitted property and given guarantees.

### **Board**

Chairman of the Board	Darius Juozas Mockus	-	28/11/2007	28/11/2011
Member of the Board	Artūras Listavičius	-	28/11/2007	28/11/2011
Member of the Board	Rolandas Vingilis	-	28/11/2007	28/11/2011
Member of the Board	Raimondas Kurlianskis	-	28/11/2007	28/11/2011
Member of the Board	Česlovas Matulevičius	39,326	28/11/2007	28/11/2011
Member of the Board	Aurelijus Racevičius	11,812	28/11/2007	28/11/2011

For the Members of the Board for the six-month period ended 30 June 2009 were paid off dividends LTL 31,961, an average for one member – LTL 15,981. There were any other calculated money amounts, transmitted property and given guarantees.

### **Audit committee**

Independent member	Birutė Minalgienė	-	15/01/2009	15/01/2013
Committee member	Romanas Raulynaitis	15,959	15/01/2009	15/01/2013

### **Head of Administration and the Financial Manager**

Chief Executive Officer	Česlovas Matulevičius	39,326	01/09/2004	-
Financial Manager	Voldemaras Kallo	19,666	07/11/2003	-

For the six-month period ended 30 June 2009, the aggregate remuneration of the Chief Executive Officer and the Financial Manager amounted to LTL 123,931 (average for one person LTL 61,966). No other assets were disposed and no guarantees issued – also were not paid off dividends LTL 36,870 (average for one person LTL 18,435).

The Company has concluded no agreements with members of bodies or employees that would define their competence in case of their resignation or dismissal without a sound reason or in case of termination of their employment as a result of the change in the control of the Company.

Supervisory Board:

ROMANAS RAULYNAITIS – Chairman of the Supervisory Board.

Participation in the management of other companies:

- Laisvas ir Nepriklausomas Kanalas UAB (company code 123026090, Šeškinės g. 20, Vilnius) member of the Board from 30/12/2003.
- Lawyer at the law firm Raulynaitis, Žemkauskienė ir Partneriai (official seat J. Jasinskio g. 16, Vilnius) employed from 01/06/2004

INGA ŽEMKAUSKIENĖ – member of the Supervisory Board.

Participation in the management of other companies:

- Laisvas ir Nepriklausomas Kanalas UAB (company code 123026090, Šeškinės g. 20, Vilnius) member of the Board from 31/08/2006; Mitnija UAB (company code 134511472, Palemono g. 3, Kaunas), member of the Board from 23/03/2006, lawyer from 01/06/2004.

DALIUS BALCERIS – member of the Supervisory Board. Lawyer from 2005.

Board:

DARIUS JUOZAS MOCKUS – Chairman of the Board. Higher education acquired. Employment record: 1992–1996 Investicijos Fondas IAB, Chairman of the Board hired under the employment agreement; 1996– 2000 Minvista UAB, Director from 2000 to 2006; Koncernas MG Baltic UAB, President from 15/12/2000.

Participation in the management of other companies:

Koncernas MG Baltic UAB (company code 125459336, official seat J.Jasinskio g.16, Vilnius), Head of Administration/President;

Koncernas MG Baltic UAB (company code 125459336, official seat J.Jasinskio g.16, Vilnius), Chairman of the Board;

MG Baltic Trade UAB (company code 125313192, official seat J.Jasinskio g.16, Vilnius), General Manager;

Apranga APB (company code 121933274, official seat Kirtimų g.51, Vilnius), member of the Board;

Laisvas ir Nepriklausomas Kanalas UAB (company code 123026090, official seat Šeškinės g. 20, Vilnius), member of the Board.

ARTŪRAS LISTAVIČIUS – member of the Board, Director of Ethyl Alcohol Production Development at AB STUMBRAS AB. Higher education acquired. Employment record: from 01/01/1994 to 27/03/2002 UAB Mineraliniai Vandeny, Head of Administration/Director (General Manager); till 2005 MG Baltic Trade UAB, Head of Administration (General Manager); from 01/11/2003 to 01/09/2004 Stumbras AB, General Manager; till December 2005 Director of Ethyl Alcohol Production Development at Stumbras AB; from December 2005

Biofuture AB, Chairman of the Board.

Participation in the management of other companies:

MG Baltic Trade UAB (company code 125313192, official seat J.Jasinskio g.16, Vilnius), Chairman of the Board;

Koncernas MG Baltic UAB (company code 125459336, official seat J.Jasinskio g.16, Vilnius), member of the Board.



Board (continued):

ROLANDAS VINGILIS – member of the Board. Higher education acquired. Employment record: 1992–1994 Inovacinė Firma INIT UAB, Director of Vilnius Branch; 1994–1998 Trading M.J.D. UAB, Manager; From 1996 Troja UAB, Director; 1997–1999 Trojos Prekyba UAB, Deputy Director; 1998–1999 Trojina UAB, Acting Director.

Participation in the management of other companies:

Troja UAB (company code 2350162, official seat J.Jasinskio g.16, Vilnius), Head of Administration/Director;

MG Valda UAB (company code 2301033, official seat J.Jasinskio g 16, Vilnius), Chairman of the Board;

Koncernas MG Baltic UAB (company code 125459336, official seat J.Jasinskio g.16, Vilnius), member of the Board;

MG Baltic Trade UAB (company code 125313192, official seat J.Jasinskio g.16, Vilnius), member of the Board.

AURELIJUS RACEVIČIUS – member of the Board. Higher education acquired. Employment record: 1981–1986 Expert of the Expert and Criminal Division at the Ministry of the Interior; 1986–1990 Head of the Expert and Criminal Unit of Kaunas Internal Affairs Board; 1990–1991 Commissar Inspector of the Expert and Criminal Division of Kaunas Chief Police Commissariat; 1991–1998 Senior Commissioner of the Interpol Lithuanian National Bureau; 1998–1999 Special Attaché of the Ministry of the Interior to the Lithuanian Mission to the EU, Senior Commissioner; 1999–2000 Director of the Informatics and Communications Department at the Ministry of the Interior; as at 31/05/2000, a retired member of the reserve. From 2005 Biofuture AB, member of the Board.

RAIMONDAS KURLIANSKIS – member of the Board and General Manager of MG BALTIC INVESTMENT UAB (company code 123249022, official seat J.Jasinskio g.16, Vilnius) from 03/06/1998; MG BALTIC MEDIA UAB (company code 211616910, official seat J.Jasinskio g.16, Vilnius), Chairmen of the Board from 30/12/2003; Laisvas ir Nepriklausomas Kanalas UAB (company code 123026090, Šeškinės g. 20, Vilnius), Chairman of the Board from 30/12/2003, Mitnija UAB (company code 134511472, Palemono g. 3, Kaunas), Chairman of the Board from 23/03/2006; Apranga APB (company code 121933274, official seat Kirtimų g. 51, Vilnius), member of the Board; ALFA MEDIA UAB (company code 123405717, official seat J.Jasinskio g.16, Vilnius), member of the Board; UPG BALTIC UAB (company code 300651843, official seat Jonavos g. 254A, Kaunas), member of the Board; MEDIAFON UAB (company code 124424581, official seat Olimpiečių g. 1–31, Vilnius), member of the Board.

ČESLOVAS MATULEVIČIUS – member of the Board and Chief Executive Officer of STUMBRAS AB. Higher education acquired. Employment record: 1991–1995 Minta UAB; 1995–1997 owner of the sole proprietorship; May 1998 – October 1998 Gudrūna UAB, Deputy Director; November 1998 – December 1998

Industrijos Bankas AB, Klaipėda Branch, Cashier; December 1998 – January 1999 Anvija UAB, trade agent; January 1999 – September 1999 Pieno Žvaigždės AB, Deputy Head of Mažeikiai Dairy; September 1999 – July 2002 Pieno Žvaigždės AB, Director of Klaipėda Division; July 2002 – May 2003 Anykščių Vynas AB, Marketing Director; May 2003 – August 2004 Anykščių Vynas AB, Acting General Manager; Chief Executive Officer of Stumbras AB from 01/09/2004.

Audit committee:

BIRUTĖ MINALGIENĖ – independent member of the audit committee. Higher education acquired. Employment record: the field of accounting – chief bookkeeper at Saistas UAB from 06/1992 to 11/2000; chief bookkeeper at Hetlita UAB from 11/2000.

ROMANAS RAULYNAITIS – member of the audit committee and the Chairman of Company's Supervisory Board.

## 22. Information about significant agreements

The Company has concluded no significant agreements in which the Company is a party to and which would come into effect, change or terminate as a result of the change in the control of the Company.

## 23. Information about the compliance with the Governance Code

Stumbras AB confirms its substantial compliance with the principles of the Governance Code approved by the Vilnius Stock Exchange (VSE) for the companies listed on the regulated market. There were no essential changes during 30 June 2009 ended six months period.

## 24. Information about transactions with related parties

The major shareholder of the Company is Mineraliniai Vandeny AB which holds 94.93 per cent of the Company's shares. The remaining amount of the Company's shares is held by different small shareholders. Other companies treated as related parties are Koncernas MG Baltic UAB and subsidiaries. UAB Negotiations with related parties regarding services are conducted on "a cost plus" basis. Products are sold based on a price list applicable to unrelated parties.

Results of transactions with related parties performed during the period of six months of 2009 are disclosed in the notes to the financial statements of Stumbras AB as at 30 June 2009.

## 25. Data on publicly announced information

In the period from 1 January 2009 to 30 June 2009, the Company publicly announced information on the website of OMX Client News Service and on the Company's website. In addition, the Company announced dates of General Shareholder Meetings in the daily *Respublika*. The Company's public communications are available on the website of VSE at <http://www.baltic.omxgroup.com/market/?pg=news> and on the Company's website at <http://www.stumbras.eu/investuotojams/>.

Česlovas Matulevičius  
General Director



19 August 2009