

AB „SNAIGĒ“

The interim report for the 1st half of the year 2007

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I. GENERAL PROVISIONS

1. Accounting period of the interim report

The interim report has been issued as of the first half of 2007.

2. The basic data about the issuer

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

Authorized capital - 23,827,365 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 organization 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 January 18, 2007 in Alytus Department of Register of Legal Entities of the Republic of Lithuania.

3. The type of the issuer’s main business activities

The main business activity of the Company is manufacture of refrigerators and freezers and other activities, permitted by Lithuanian laws, as indicated in the registered Statute.

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

The report and its accompanying documents are available in the Budget Department of AB “Snaigė” (room 411) at Pramonės str. 6, Alytus on work days from 8.00 to 16.30, as well as in UAB FMĮ “Orion Securities” at Tumėno str. 4, corp. B, floor 9, LT-01109, Vilnius on work days from 9.00 to 17.00.

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

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

5. The issuer's authorized capital

5.1. The authorized capital registered in the enterprise register

Name of the securities	Amount of the securities	Nominal value, LTL	Total nominal value, LTL	Share of the authorized capital, in percentage
Ordinary registered shares	23 827 365	1	23 827 365	100

On 18 January 2007 the increased authorized capital was registered in the enterprise register. The value of increased authorized capital is 23,827,365 LTL. Nominal value of one share – 1 LTL.

5.2. 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 no issued any derivative financial instruments, thus there are no increases in subscribed capital by converting these instrument into shares expected.

6. Major shareholders

The total number of the shareholders on 30 June 2007 was 977.

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 pcs.		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 group 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	12,373,177	12,373,177	51.93	51.93	51.93	51.93	-
UAB “Survesta” –K. Kalinausko str. 2B, Vilnius Enterprise reg. no. 126408152	4,944,400	4,944,400	20.75	20.75	20.75	20.75	21.05
Skandinaviska Enskilda – Customers VP, Sergels Torg 2, 10640 Stockholm, Sweden, Enterprise reg. no. 502032908101	2,562,664	2,562,664	10.76	10.76	10.76	10.76	-

7. 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.

8. 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 ISIN number is LT0000109274.

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

Amount of the securities: 23 827 365 units. The nominal value of a share: 1 (one) LTL.

Trade in securities

Accounting period		Price (LTL)			Turnover (LTL)			Date of last session min.	Total turnover	
from	to	max.	min.	as of last session	from	to	max.		as of last session	from
2007.01.01	2007.03.31	12,02	10.05	11.3	1,409,258	0	101,703	2007.03.31	1,127,186	13,149,055
2007.04.01	2007.06.30	11,35	10.00	10.25	3,101,705	0	13,639	2007.06.30	690,458	7,423,146

9. Agreements with the stakeholders of public circulation of securities

On September 29, 2003 AB “Snaigė” entered into agreement with Financial Broker Firm “Orion Securities” Ltd. (A. Tumėno str. 4, B corp., LT-01109, Vilnius) for management of accounts of the Company's issued securities and management of accounts of personal securities.

10. Members of the Management Bodies

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

Name, surname	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
Marius Binkevičius	Member of the Board of AB "Snaigė"	-	-	-
Mindaugas Šeštokas	Member of the Board of AB "Snaigė", Managing Director	-	-	-
ADMINISTRATION (Administrative Manager, Chief Accountant)				
Mindaugas Šeštokas	Managing Director of AB "Snaigė"	-	-	-
Loreta Nagulevičienė	Finance Director of AB "Snaigė"	-	-	-

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

Name	Name of organization, position	Share of the capital and votes available in other companies, in percentage
Nerijus Dagilis	Chairman of the board of UAB „Hermis Capital”	17,72
	Member of the board of AB „Kelmės pieninė“	-
	Member of the board of KITRON ASA	-
	Chairman of the board of AB „Vilniaus Vingis“	-
	UAB „Ežerų pasaulis“	25,00
	UAB „Baltijos polistirenas“	40,00
	Director of UAB „Survesta“	-
	Member of the board of UAB „Hermis fondų valdymas”	-
	UAB „Gulbinų turizmas“	8,33
	Member of the board of UAB „Naftos tėkmė“	-
	Member of the board of UAB „Naftos gavyba“	-
	Member of the board of AB „Geonafta“	-
	Member of the board of UAB „Genčių nafta“	-
	Member of the board of UAB „Minijos nafta“	-
	Chairman of the board of UAB „Klaipėdos laikraščio redakcija“	-
Chairman of the board of UAB „Kauno diena“	-	
Domininkas Kašys	Director of UAB „Vespera”	90,00
	Member of the board of UAB „Hermis Capital”	5,08
	Director of UAB „Gulbinų turizmas“	8,33
Martynas Česnavičius	Member of the board of UAB LNK (Laisvas nepriklausomas kanalas)	-
	Chairman of the board of UAB "Profinance"	45,00
	Member of the board of AB „Malsena”	-
	Member of the board of UAB „Litagros Chemija”	-
	Member of the board of UAB „Naftos tėkmė”	-
	Member of the board of AB „Sanitas”	-
	Member of the board of UAB „Sidabra”	-
	Member of the board of UAB „Atradimų studija”	15,00
Member of the board of AB „Kauno Pieno Centras“	-	
Marius Binkevičius	Director of UAB “Alta Capital Partners”	-
Mindaugas Šeštokas	-	-
Loreta Nagulevičienė	UAB “Audilona”	50,00

10.3. Information about benefits and loans granted to the members of the management bodies

During the first half of 2007 247,370 LTL were paid as salaries for the members of the management board. No bonuses to the board members were paid during the reporting period.

III. INFORMATION ABOUT THE ISSUER'S BUSINESS ACTIVITIES

11. Overview of Company's business activities during the reporting period

According to the non-audited financial information the AB „Snaigė“ group has achieved a consolidated turnover of 107.06 million LTL during the second quarter of the year 2007, which is 40% more than in the same period of 2006 when turnover was equal to 76.22 mln. LTL. During the second quarter of 2007 the Company has earned 1.7 million LTL non-audited earnings before tax, which is 1.37 million LTL more than in the same period in 2006, when non-audited before tax profit was 320 thousand LTL.

The consolidated EBITDA of the second quarter of 2007 is equal to 7.66 million LTL. In the same period of 2006 consolidated EBITDA was equal to 6.37 million LTL.

The achieved results are considered by management as positive and bigger profit is planned to be earned by the end of the year. Optimistic expectations also arise due to the growing sales in the markets of high importance: sales in Ukraine increased by 33%, in other Eastern countries – by 34%, sales in Russia surged by impressive 400%.

AB “Snaigė” according to non-audited financial information has reached turnover of 180.4 million LTL during the first half of 2007, which is 40% larger than in the same period of 2006, when the turnover was equal to 128.9 million LTL. During the first half of 2007 the company incurred consolidated loss of 880 thousand LTL. During the same period in 2006, company has achieved a non-audited profit before tax of 1.16 million LTL.

The decrease in consolidated profit was mainly caused by rising prices of raw materials and energy resources. The decreasing USA dollar exchange rate also had negative influence, as large part of production (25%) is exported to Ukraine, where all the payments are made in dollars.

The consolidated EBITDA of the first half of 2007 is equal to 11 million LTL, in the same period of 2006 the EBITDA was equal to 13.1 million LTL.

12. Information about Company's employees

The main information about the employees of AB „Snaigė“ and its subsidiaries' employees is presented in the table below:

Employees group	January – June of 2007	
	Aver. number of employees	Aver. monthly salary, LTL
Administrative employees	460	3,070
Factory workers	1,900	1,334
In total	2,360	1,672

13. Information about the subsidiary companies of the issuer

On 30 June 2007 the AB „Snaigė“ group consisted of the following companies: the parent company of the group AB „Snaigė“, subsidiary companies „Techprominvest“, „Moroz trade“, „Liga servis“, „Snaige-Ukraine“, „Almecha“. The main information about the Group's subsidiary companies is presented in the table below:

	TECHPROMINVEST	MOROZ TRADE	LIGA SERVIS	SNAIGE UKRAINE	ALMECHA
Head-office address	Russia	Russia	Russia	Ukraine	Alytus, Lithuania
Type of activities	Manufacture of refrigerators	Sales and marketing services	Sales and marketing services	Sales and marketing services	Manufacture of other machinery and equipment
Share of the authorized capital available to AB „Snaigė“, %	100%	100%	100%	99%	100%
The authorized capital (LTL)	12 648 840	947	1 028	88 875	1 375 785
Share of the authorized capital unpaid by the issuer	Completely paid	Completely paid	Completely paid	Completely paid	Completely paid

14. Transactions with the related parties

14.1. Types of transactions

Loan received.

14.2. Terms of transaction

On the 3 May 2007 a loan reception agreement was signed with UAB „Genčių nafta“ for the amount of 3.5 million LTL. The loan was paid back.

IV. UPDATE AND ESSENTIAL EVENTS OF THE ISSUER'S ACTIVITIES

15. Essential events of the issuer's activities

January 5, 2007. Decisions of shareholders extraordinary general meeting. Extraordinary general meeting on January 5, 2007 passed resolution to conclude the contract with UAB "Deloitte Lietuva" concerning the audit of AB "Snaigė" financial statement and consolidated financial statement. To conclude the contract for the duration of 1 year and set the contract price for one year of no more than LTL 130 000 (EUR 37651).

January 19, 2007. The amended Charter has been registered after the increase of the authorized capital. On January 18, 2007 the Charter of AB "Snaigė" with the increased authorized capital was registered in the Entities Register. The authorized capital of the company after the increase has reached LTL 23 827 365 (EUR 6 900 882). The nominal value of a share is 1 LTL.

February 15, 2007. 15-02-2007

Consolidated non-audited preliminary results for the year 2006 and forecast for the year 2007

1. Results for the year 2006

Total turnover and other operating income LTL 357.0 million (EUR 103.4 million);

Pre-tax profit (loss) LTL -10.1 million (EUR -2.9 million);

EBITDA LTL 13.7 million (EUR 4.0 million)

2. Forecast for the year 2007

Revenue and other operating income: LTL 468.8 million (EUR 135.8 million);

Pre-tax profit LTL 10.2 million (EUR 3.0 million);

Net profit LTL 8.4 million (EUR 2.4 million);

EBITDA LTL 34.3 million (EUR 9.9 million)

Negative consolidated result was driven by difficulties in Russian market – high stocks of goods and price reduction at distributors. Also because of increased risk the company made bad debts accruals for sales in 2004-2005 for amount LTL 9,8 million (EUR 2.8 million).

March 20, 2007. Notice of the annual general meeting of shareholders. On March 20 2007 the Management board of „Snaigė“AB decided to convene the Annual General Meeting of shareholders „Snaigė“ AB (code 249664610, headquarters, Pramonės str. 6, Alytus) on April 26, 2007 at 2:00 pm in the hall of the company (Pramonės str. 6, Alytus). Registration starts 1:30 pm, ends- 1:50 pm.

On the agenda:

1. The annual report on the company's activities for the year 2006.
2. Auditor's report on company's financial statements of the year 2006.
3. Approval of company's annual financial statements of the year 2006. The board company's activity report of the year 2006.
4. Approval of the 2006 profit appropriation.

5.Regarding the buy-back of the company's own shares.

Shareholders who at the end of the accounting day of the General Meeting of Shareholders, i.e. April 19 2007, will be on the shareholders list of the Company have a right to participate and vote at the General Meeting of Shareholders personally or by proxy, or represented by the person with whom an agreement on the transfer of voting rights is concluded. The shareholders attending the meeting must provide person's identification document. The authorized representatives of the shareholders must additionally possess a proxy approved by the procedure prescribed by law.

April 13, 2007. Project of shareholders general meeting decisions. There are suggested following projects for the meeting of shareholders on April 26th in 2007 by decision of the Company's Management Board of 02-04-2007.

1. The annual report on the company's activities for the year 2006.

Suggestion: To approve the annual report on the company's activities for the year 2006.

2. Auditor's conclusion about company's financial statements report of the year 2006.

Suggestion: To recommend for shareholders to consider auditor's conclusion while voting regarding approval of company's yearly financial statements.

3. Approval of company's annual financial statement of the year 2006.

Suggestion: To approve company's financial statements for year 2006.

4. Approval of the 2006 profit appropriation.

Suggestion: To approve distribution of company's profit for the year 2006.

Retained earnings at the beginning of the year LTL 55 772 622 (EUR 16 152 868).

Net profit for year 2006 LTL 10 659 081 (EUR 3 087 083).

Transfers from reserves LTL 26 899 000 (EUR 7 790 489).

Profit for distribution LTL 93 330 703 LTL (EUR 27 030 440).

Profit for distribution to the reserve for acquisition of the company's own shares LTL 10 000 000 (EUR 2 896 200).

Profit distribution to the investment reserves LTL 23 647 600 (EUR 6 848 818).

Profit distribution, to other reserves LTL 440 000 (EUR 127 433),

including: support, charity LTL 90 000 (EUR 26 066),

social, cultural needs LTL 350 000 (EUR 101 367).

Profit distribution , to dividends LTL 0 (EUR 0).

Profit distribution, to bonuses of the board members LTL 0 (EUR 0).

Retained earnings at the end of financial year 2006 LTL 59 243 103 (EUR 17 157 989).

5. Regarding the buy-back of the company's own shares.

Suggestion: To buy out ordinary registered shares of Snaige AB worth LTL 1 by nominal value (ISIN code LT 0000109274) by means of a voluntary tender offer in accordance with the procedure prescribed by legal acts regulating securities market and execute the said tender offer on the Vilnius Stock Exchange; The purpose for the acquisition of the shares is to maintain and increase the price of the company's shares; To buy out up to 10 percent of the company's shares in the national securities market for LTL 10 000 000 (ten million), i.e. this is the share of profit allocated to the reserve for the acquisition of own shares; The Company will buy shares till October 26, 2008; The maximum and minimum acquisition price: the minimum buying price of the shares is LTL 5, the maximum buying price of the shares is LTL 16; The

minimum selling price of own shares is LTL 16 per share. To ensure equal opportunities for all shareholders to buy the shares of the company. The company's own shares bought by the company will be traded only on the Vilnius Stock Exchange. To authorize the Board of the company to establish and decide on the specific conditions and terms of the voluntary tender offer, the volumes and prices of the shares to be acquired, and the selling prices and conditions of the shares.

All other issues, which are not provided for in this decision shall be delegated to the Board of the Company.

April 17, 2007. Audited Annual Financial Statement and Annual Report for the year 2006 is submitted.

April 27, 2007. Decisions of annual general meeting. The annual general meeting of shareholders held on April 26th in 2007 passed the following decisions:

1. To approve the annual report on the company's activities for the year 2006.
2. To take in to consideration for shareholders auditor's conclusion while voting regarding approval of company's yearly financial statements.
3. To approve company's financial statements for year 2006.
4. To approve distribution of company's profit for the year 2006.

Retained earnings at the beginning of the year	LTL 55 772 622 (EUR 16 152 868).
Net profit for year 2006	LTL 10 659 081 Lt (EUR 3 087 083).
Transfers from reserves	LTL 26 899 000 (EUR 7 790 489).
Profit for distribution	LTL 93 330 703 LTL (EUR 27 030 440).
Profit for distribution to the reserve for acquisition of the company's own shares	LTL 10 000 000 (EUR 2 896 200).
Profit distribution to the investment reserves	LTL 23 647 600 (EUR 6 848 818).
Profit distribution, to other reserves	LTL 440 000 (EUR 127 433),
including: support, charity	LTL 90 000 (EUR 26 066),
social, cultural needs	LTL 350 000 (EUR 101 367).
Profit distribution , to dividends	LTL 0 (EUR 0).
Profit distribution, to bonuses of the board members	LTL 0 (EUR 0).
Retained earnings at the end of financial year 2006	LTL 59 243 103 (EUR 17 157 989).

5. To buy out ordinary registered shares of Snaige AB worth LTL 1 by nominal value (ISIN code LT 0000109274) by means of a voluntary tender offer in accordance with the procedure prescribed by legal acts regulating securities market and execute the said tender offer on the Vilnius Stock Exchange; The purpose for the acquisition of the shares is to maintain and increase the price of the company's shares; To buy out up to 10 percent of the company's shares in the national securities market for LTL 10 000 000 (ten million), i.e. this is the share of profit allocated to the reserve for the acquisition of own shares; The Company will buy shares till October 26, 2008; The maximum and minimum acquisition price: the minimum buying price of the shares is LTL 5, the maximum buying price of the shares is LTL 16; The minimum selling price of own shares is LTL 16 per share. To ensure equal opportunities for all shareholders to buy the shares of the company. The company's own shares bought by the company will be traded only on the Vilnius Stock Exchange. To authorize the Board of the company to establish and decide on the specific conditions and terms of the voluntary tender offer, the volumes and prices of the shares to be acquired, and the selling prices and conditions of the shares.

All other issues, which are not provided for in this decision shall be delegated to the Board of the Company.

May 25, 2007. On prospectus for 2006. The company's prospectus for the year 2006 has been submitted to securities Commission and Vilnius Stock Exchange.

May 25, 2007. Regarding the interest of investors. Once potential investors express interest in the company, the audit of operational and financial activities is carried out and meetings between top management and investors are initiated.

May 28, 2007. Financial statements for the I quarter 2007 are presented to the stock exchange and Securities Commission.

16. Court and arbitration processes

There have been no court or arbitration processes during the I half of 2007 which may have significant influence on Company's financial position.