

**linas**

**Interim consolidated report  
for the six months of year  
2007**

**August, 2007  
Panevėžys**

## CONFIRMATION OF RESPONSIBLE PERSONS

Guiding article 22 of securities law of Lithuanian Republic and the rules of preparation and presentation of additional information, we, Lilijana Puriene, director of "Linus" AB and Virginija Jukoniene, finance director of accounting services supplying company "Linus Nordic" UAB, confirming that, according to the information we have, the review of business and activity is indicated correctly in this six months interim report of year 2007 of "Linus" AB.

"Linus" AB director



Lilijana Pūrienė

"Linus Nordic" UAB finance director

August 31, 2007



Virginija Jukoniene

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**1. Accounting period for which the report is prepared**

January – June of year 2007

**2. Main data about the issuer**

Name of the issuer	AB "Linus" (hereinafter as "Company")
Authorized (joint-stock) capital	24 038 990 Lt
Address of the company	S.Kerbedzio str.23, LT-35114, Panevezys
Telephone	+370 45 506100
Fax	+370 45 506345
E-mail	<a href="mailto:linas@linas.lt">linas@linas.lt</a>
Web site	<a href="http://www.linas.lt">www.linas.lt</a>
Legal – organizational form	Joint stock company
Registration data and place	1993 03 08 at the companies' register of Panevezys city
Re-registration date and place	September 9, 2004 at the juridical person register, registration certificate No.003429
Code of juridical person	147689083
Registration number of the company	AB 9329

**3. Main activity**

Main activity – production of textiles.

On June 30, 2007 the group of companies constituted AB "Linus" and its subsidiary company UAB "Linus Nordic". AB "Linus" managed financial property (shares and granted loans). The activity of textiles production is executed at subsidiary company UAB "Linus Nordic". High quality white, dyed, printed, striped, jacquard linen fabrics are produced for bedding, curtains, tablecloths, napkins, towels, garments in UAB "Linus Nordic".

**4. Contracts with intermediaries of securities of public turnover**

On December 4, 2003 the Issuer's service contract was signed with AB SEB Vilnius bank (company code 112021238, Gedimino avenue 12, Vilnius), represented by the department of Finance markets.

**5. Authorized capital of the issuer**

Authorized capital of AB "Linus" registered at companies register of Lithuanian Republic is 24 038 990 Lt.

The structure of AB "Linus" authorized capital according to the types of shares:

Type of shares	Number of shares	Nominal value (Lt)	Total nominal value	Part of authorized capital (%)
Ordinary registered shares	24 038 990	1	24 038 990	100,00
Total:	24 038 990	-	24 038 990	100,00

All shares of AB "Linās" are paid and no limitations of securities transfer are applied to them.

#### 6. Information about own shares of the issuer

Company has not obtained own shares. Subsidiary company hasn't obtained the shares of the company also. The company and its subsidiary company did not buy and sell own shares during the accounting period.

#### 7. Data about trading of securities of the issuer in controlled markets

Following AB "Linās" securities are included into the current trading list of Vilnius Stock Exchange (Vilnius Stock Exchange symbol - LNS1):

Type of shares	Number of shares (units)	Nominal value (Lt)	Total nominal value (Lt)	ISIN code of issuer
Ordinary registered shares	24 038 990	1	24 038 990	LT0000100661

#### 8. Shareholders

Total number of shareholders of AB "Linās" on June 30, 2007 was 1300.

Shareholders, according to the data of June 30, 2007, who have or manage as proprietary more than 5% of company's authorized capital:

Name, surname of shareholder (company name, type, address, code of companies register)	Number of shares own by the shareholder as proprietary (units)	Tenable part of authorized capital	Part of votes presented by proprietary shares	Part of votes dependent for shareholder together with acting persons
Lionė Lenčiauskienė	4 834 244	20,11%	20,11%	20,11%
Ramūnas Lenčiauskas	4 892 111	20,35%	20,35%	37,64%
UAB „Nordic investicija“ company code 135442762 Savanoriu avenue 192, Kaunas	4 156 585	17,29%	17,29%	37,64%

Neither one shareholder of the company has rights of special control. The rights of all shareholders are the same, so the number of AB "Linas" shares which give the votes at General Meeting is 24 038 990.

The company is not informed about any internecine agreements of the shareholders regarding which the transfer of securities and/or voting rights could be limited.

### 9. Employees

According to the data of June 30, 2007 totally 1324 employees worked in AB "Linas" group of companies. During January - June of year 2007 the number of employees decreased by 76 and during the year by 227 employees. On June 30, 2006 the total number of employees was 1551 and at the end of the year - 1400.

Group of employees	Average listed number		Average salary, Lt	
	1st half of 2006	1st half of 2007	1st half of 2006	1st half of 2007
Heads of company	41	39	4791	4337
Specialists	161	127	1525	1597
Workers	1379	1193	832	934
<b>Totally :</b>	<b>1581</b>	<b>1359</b>	<b>1005</b>	<b>1093</b>

It is indicated in the collective agreement of AB "Linas" subsidiary company UAB "Linas Nordic":

1. To pay bonus to the employees who worked in the company 10, 15, 20, 25, 30, 35 (further each 5 years) if the financial situation is favourable.

2. To allocate additional social support (if the financial situation is favourable):

-for the employees who have disable child up to 18 years and to pay one-off grant - 3 MLL (minimum living level);

-when the employee of company dies - to pay grant of 6 MLL;

-when nearest relatives (parents, children and spouses) die - to pay grant of 7

MLL;

-in other case - to pay grant. The value of tangible grant is decided both parties.

3. To give to the employees additional pay holiday:

-up to 3 calendar days when the nearest relative dies (parents, husband, wife, child, brother, sister);

-one calendar day for the wedding;

-to pay an employee average job salary for the working days.

4. Average job salary is paid for the employees for job time which is detained by health checking when health checking is compulsory. The employer pays all expenses related with health checking.

## *10. Bodies of the issuer*

According to the Articles of Association of AB "Linās" management bodies of the company are:

- General Meeting of shareholders;
- the Board of AB "Linās"
- the director of AB "Linās"

Observers Council is not made in the company.

The competence of company's Board, the order of its election and cancellation do not differ from the order which is indicated by Lithuania Republic law of joint-stock companies.

The Board discusses and confirms:

- the strategy of company's activity;
- management structure of the company and posts of employees;
- posts where employees are hired according to competition order;
- regulations of company's branches and subsidiaries.

The Board elects and cancels head of the company, indicates his salary, other terms of the contract, confirms post regulations, motivates him and imposes penalties.

The Board indicates information which is reputed to be commercial (production) secret of the company.

The Board makes:

- decisions to become the company as founder or participant of other juridical persons;
- decisions to establish branches and subsidiaries of the company;
- decisions regarding long-term assets the balance value of which is more than 1/20 of company's authorized capital; investment, transfer, rent (calculated separately for each type of transaction);
- decisions regarding the long-term assets the balance value of which is more than 1/20 of company's authorized capital pledging and mortgage (total transactions sum is calculated);
- decisions regarding long-term assets the balance value of which is more than 1/20 of company's authorized capital, sponson or guarantee fulfillment;
- decisions to obtain long-term assets for the price which is higher than 1/20 of company's authorized capital;
- in the cases indicated by the law of companies restructure - decision to restructure the company;
- other decisions according to company's regulations or shareholders meeting, assigned for the Board competence.

The Board has to inform creditors with whom the company hasn't settled all the matters during the indicated period before making the decision to invest the funds or other property into other juridical person if total debt for those creditors is higher than 1/20 of company's authorized capital.

The Board analyses and evaluates the materials presented by company's manager about:

- implementation of the strategy of company's activity;
- activity organization of the company;
- finance state of the company;
- results of economic activity, estimates of incomes and expenses, accounting data of inventory and other changes of the asset;
- project of annual financial accounting of the company and the project of profit (looses) allocation and renders them to General Meeting of shareholders. The Board indicates calculating methods for deterioration of tangible asset and depreciation of intangible asset which are applied in the company.

*The Board of AB "Linās" (June 30, 2007)*

RAMUNAS LENCIAUSKAS – chairman of the Board. Higher education at KTU university. Speciality – economic and management of machine production. Engineer – economist. Since 1995 10 16 – head (president) of AB "Linās", since 1996 02 19 – general director of AB "Linās", since 1997 03 14 – president of AB "Linās", since 1998 04 24 – temporary expert for business and finance strategy management of AB "Linās", since 2003 03 04 – 2005 10 01 advisor for business and finance strategy management. Since 2007 01 10 - advisor for business and finance strategy management. He has 84 313 units of preferred registered shares of AB "Linās". He has 0.35% of capital and votes in the total capital of issuer. The chairman of the Board of UAB "Linās Nordic". Since 2005 10 01 – 2007 01 09 - advisor for business and finance strategy management of UAB "Linās Nordic". Since 2004 06 17 – head (president) of UAB "Lino investicinis forndas", in 2005 the company was renamed into UAB "Nordic investicija". Since 2006 10 01 president's advisor for business and finance strategy management of UAB "Nordic investicija". The chairman of the Board and shareholder of UAB "Nordic investicija". He has 100% of capital and votes in the authorized capital. The shareholder of UAB "Pons Possibilitatis Prosperae". The part of capital and votes in authorized capital – 50%. The director and shareholder of UAB "Tryliktas aukstas". The part of capital and votes in the authorized capital – 50%.

VIKTORAS MAJAUSKAS – member of company's Board. Member of the Board of UAB "Linās Nordic". He doesn't participate in issuer's capital. Since 2007 02 26 – advisor for general questions of AB "Linās". President of UAB "Nordic investicija". The shareholder of UAB "Klasikiniai projektai". The part of capital and votes in the authorized capital is 49%.

VAIDAS ZARNAUSKAS – member of company's Board. He doesn't participate in the issuer's capital. Director of UAB "Verslo investiciju sistemas". Engineer expert of UAB "Simplit". Do not participate in the management and capital of other companies.



All members of the Board were elected for four years cadence in the shareholder's meeting on May 24, 2007.

*ADMINISTRATION (June 30, 2007)*

LILIJANA PURIENE – head – director of company's administration. Highest education at KTU university. Speciality – job organization and normalization. Engineer economist. Since 1995 03 01 – deputy of chief financier (accountant) of AB "Linas". Since 1995 07 04 – chief financier (accountant) of AB "Linas". Since 2000 12 01 – 2005 10 01 – finance director of AB "Linas". Since 2005 10 05 – general director of AB "Linas". Since 2006 05 10 – director of AB "Linas". She doesn't have shares of the company. Since 2005 10 01 – finance director of UAB "Linas Nordic". Since 2007 03 09 – temporary general director of UAB "Linas Nordic". Since 2007 06 20 – general director.

Members of management bodies of AB "Linas" are not and were not judged for the crimes for property, order of working, finances.

Information about total sums and average values paid from the profit for one person whom the company paid during accounting period as salaries, bonuses and other pay-offs:

Indicators	January – June, 2007 salaries (Lt)	Bonuses of 2006 (Lt)	Other pay-offs from the profit (Lt)	Totally (Lt)
For one member of Board in average*	6538	-	-	6538
Totally for all members of Board*	19615	-	-	19615
For one member of administration in average**	5880	-	-	5880
Totally for all members of administration**	5880	-	-	5880

\* - the Board of members consists of 3 members.

\*\* - the director of the company was the member of company's administration.

**11. Information about the activity results of the issuer**

The main incomes of group of companies for 1st half of year 2007 were received from production activity of textile items. AB "Linas" group of companies has sold linen textile items and presented services for 32.016 thousand Lt during 1st half of year 2007. Sales incomes increased in 2.639 thousand Lt or 9.0% in comparison with the 1st half of year 2006.

EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization) was 1.5 mln. Lt for six months of 2007 (EBITDA for six months of year 2006 was negative -2.1 mln. Lt).

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The margin of EBITDA increased from -7.3% (1st half of 2006) up to 4.6%.

The Group earned 580 thousand LT profit before taxation during January-June of 2007. The result of the same period of year 2006 was 3.314 thousand looses.

Subsidiary company of AB "Linas" has earned 121 thousand LT profit before taxation during 1st half of year 2007.

More information about company's results of activity and finances for six months of year 2007 is presented in the report of intermediate consolidated financial accountability of AB "Linas" for six months of year 2007.

*Risk factors related to issuer's activity*

*Economical:*

1. Increased supply of textile items from Asia countries and Russia and the dumping.
2. The passing of demand cycle of linen products market to the phase of usage decrease.
3. Seasonally: lower demand in summer and winter.
4. Price increase of energetic resources.
5. The lack of qualified employees.
6. Price increase of work force, increase of minimum month salary.
7. Not decreasing load of taxes.

*Political:*

1. Constant improvement of juridical base, replacement of standard documents which regulate taxing and financial accounting.
2. Passive Lithuanian policy in regard to foreign investments and local exporters.
3. Migration of work force.

*Ecological:*

AB "Linas" got TIPK (integrated prevention and control of pollution) permit No.1 - 1/002 in 2004.

The requirements of GPGB (the best available production methods) are applied. Since December 29, 2005 the permit is renewed for AB "Linas" subsidiary company UAB "Linas Nordic". The permit came into force on January 1, 2006. On 2006 03 09 the requisition regarding the permit to throw greenhouse gas was renewed. Also the plan for 2006-2007 for CO2 emission monitoring was renewed.

The debt of AB "Linas" group of companies to the banks was 3.012 thousand Lt on June 30, 2007.

On June 2006 AB "Linas" granted the loan of 12 mln. Lt to the subsidiary company UAB "Linas Nordic" and subsidiary company refunded the loan of 11.7 mln. for the bank. Totally AB "Linas" has granted the loans of 18.8 mln. Lt for the subsidiary company at the end of 2006. The sum of loans made 16 mln. Lt at the end of 1st half of year 2007.

## ***12. References and additional explanations about presented data in the intermediate financial report***

All financial data presented in this intermediate report are calculated according to International financial accounting standards and are not audited.

## ***13. Activity plans and prognoses of the issuer***

Consolidated strategic goals for year 2007 of AB "Linus" group of companies:

- sales incomes 69.1 mln. ( 20 mln EUR),
- profit before taxation 1,6 mln Lt (0,5 mln. EUR).

Predictive export of production – 93%.

It is planned to allocate 3,4 mln. Lt (1 mln. EUR) for technological equipment obtaining and renovation.

## ***14. Data about publicly announced information***

During January – June of year 2007 the company announced following notices about stock (material) events:

- 2007 01 25 – dates of activity results announcement of AB "Linus" during year 2007.
- 2007 02 15 – preliminary activity results of AB "Linus" group of companies of year 2006.
- 2007 02 15 – activity prognoses of AB "Linus" group of companies for year 2007.
- 2007 02 15 – regarding losses refund of subsidiary company UAB "Linus Nordic".
- 2007 03 09 – regarding the change of director of subsidiary company.
- 2007 03 26 – regarding convocation of Annual General Meeting.
- 2007 04 16 – regarding the project of decisions of Annual General Meeting.
- 2007 04 16 – change of AB "Linus" member of the Board.
- 2007 04 25 – financial results of the 1st quarter of year 2007 of AB "Linus" group of companies.
- 2007 04 25 – regarding the difference of preliminary and audited losses of the group of companies of year 2006.
- 2007 04 27 – regarding not occurred Annual General Meeting of AB "Linus".
- 2007 04 27 – regarding the convocation of repeated General Meeting.
- 2007 05 22 – announcement about loss/gain of block of shares.
- 2007 05 25 – decisions of repeated Annual General Meeting.
- 2007 05 31 – financial accountability of 1st quarter of year 2007 of AB "Linus" group of companies.

It is possible to get to know all the information about publicly announced stock (material) events which took place during 1st half of 2007 in the web page of AB "Linus" [www.linus.lt](http://www.linus.lt)

All stock (material) events related with the activity of AB "Linās" and information about time, place of General meeting and all other notices for shareholders and other persons are announced in the daily paper "Lietuvos rytas" according to the order indicated by Lithuanian Republic laws.

*15. Change order of issuer's regulations*

Lithuanian Republic law of joint stock companies indicates that the change of regulations is the exceptional right of General Meeting. When taking the decision regarding the change of regulations it is needed to have the majority of 2/3 qualified votes of General Meeting.

*16. Information about pursuance of management code of companies*

AB "Linās" essentially is pursuing to recommended attribution of management code of listed companies confirmed by Vilnius Stock Exchange on August, 2006.

**AB "Linās"**  
**Company code 147689083**  
**S.Kerbedžio str.23, Panevėžys**

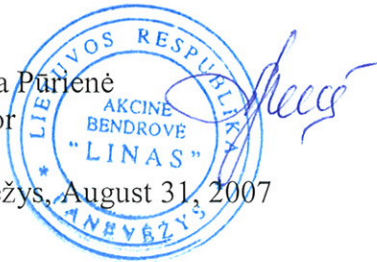
## **CONFIRMATION OF RESPONSIBLE PERSONS**

Following 22 article of the Law on Securities of the Republic of Lithuania and Submission of Periodic and Additional Information of the Lithuanian Securities Commission, confirming that interim financial accountability of AB "Linās" Group of companies of the first six months of 2007 is prepared in accordance with International Financial reporting Standards as adopted by the European Union.

The consolidated financial accountability of the 1<sup>st</sup> half of 2007 give a true and fair view of consolidated property of Group of companies, liabilities, financial position, profit (loss). Interim financial accountability was not audited.

Lilijana Pūrienė  
Director

Panevėžys, August 31, 2007



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**AB „Linás“  
consolidated interim  
financial statement**

**I half of 2007**

**2007 06 30**

## Summary

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**CONSOLIDATED BALANCE**  
**30/06/2007**

Formulated according to TFAS, not audited

Current period 01 01 2007 - 30 06 2007

LTL

No.	ASSETS	2007-06-30	2006-12-31
<b>A.</b>	<b>Long-term assets</b>	<b>13.043.611</b>	<b>10.735.243</b>
<b>I.</b>	<b>Intangible assets</b>	<b>107.342</b>	<b>97.133</b>
I.1.	Developmental works	0	0
I.2.	Prestige	0	0
I.3.	Patents, licenses	394	430
I.4.	Software	93.569	96.703
I.5.	Other intangible assets	13.379	0
<b>II.</b>	<b>Tangible assets</b>	<b>7.147.219</b>	<b>4.931.070</b>
II.1.	Land	0	0
II.2.	Buildings	205.000	0
II.3.	Structures	0	0
II.4.	Machinery and equipment	5.253.780	3.529.984
II.5.	Means of transport	314.381	266.124
II.6.	Other equipment, appliances, instruments and gear	906.737	986.186
II.7.	Constructions in progress	0	0
II.8.	Other tangible assets	467.321	148.776
<b>III.</b>	<b>Financial assets</b>	<b>5.143.300</b>	<b>5.061.290</b>
III.1.	Investments to affiliates and associated companies	0	0
III.2.	Loans to affiliates and associated companies	0	0
III.3.	Amounts received after one year	5.143.300	5.051.290
III.4.	Other financial assets	0	10.000
<b>IV.</b>	<b>Other long-term assets</b>	<b>645.750</b>	<b>645.750</b>
IV.1.	Deferred corporation tax assets	645.750	645.750
IV.2.	Other long-term assets	0	0
<b>B.</b>	<b>Short-term assets</b>	<b>32.712.806</b>	<b>29.616.604</b>
<b>I.</b>	<b>Stocks, prepayments and contracts in progress</b>	<b>16.868.874</b>	<b>14.798.659</b>
I.1.	Stocks	16.551.535	14.595.499
I.1.1.	Raw materials and consumables	2.567.105	2.182.305
I.1.2.	Work in progress	7.859.625	7.504.254
I.1.3.	Finished products	6.124.805	4.908.940
I.1.4.	Goods purchased for resale	0	0
I.1.5.	Other stocks	0	0
I.2.	Prepayments	317.339	203.160
I.3.	Contracts in progress	0	0
<b>II.</b>	<b>Amounts receivable within one year</b>	<b>10.604.384</b>	<b>9.223.199</b>
II.1.	Trade debtors	9.382.650	8.698.196
II.2.	Debts of affiliates and associated companies	0	0
II.3.	Other amounts receivable	1.221.734	525.003
<b>III.</b>	<b>Other short-term assets</b>	<b>5.030.300</b>	<b>5.236.707</b>
III.1.	Short-term investments	0	0
III.2.	Term deposits	0	0
III.3.	Other short-term assets	5.030.300	5.236.707
<b>IV.</b>	<b>Currency and its equivalents</b>	<b>209.248</b>	<b>358.039</b>
	<b>Total assets</b>	<b>45.756.417</b>	<b>40.351.847</b>



No.	PRIVATE ASSETS AND LIABILITIES	2007-06-30	2006-12-31
<b>C.</b>	<b>Private assets</b>	<b>32.204.204</b>	<b>31.624.028</b>
<b>I.</b>	<b>Capital</b>	<b>24.038.990</b>	<b>24.038.990</b>
I.1.	Subscribed capital	24.038.990	24.038.990
I.2.	Signed unpaid capital (-)	0	0
I.3.	Shares premiums	0	0
I.4.	Private shares(-)	0	0
<b>II.</b>	<b>Revaluation reserve (results)</b>	<b>0</b>	<b>0</b>
<b>III.</b>	<b>Reserves</b>	<b>11.214.655</b>	<b>11.469.597</b>
III.1.	Obligatory	2.403.898	2.424.243
III.2.	For purchase of proprietary shares	0	0
III.3.	Other reserves	8.810.757	9.045.354
<b>IV.</b>	<b>Profit (loss) brought forward</b>	<b>(3.049.441)</b>	<b>(3.884.559)</b>
<b>IV.1.</b>	<b>Profit (loss) of the current year</b>	<b>580.176</b>	<b>(3.948.150)</b>
IV.1.1.	Profit (loss) acknowledged in profit (loss) report	580.176	(3.948.150)
IV.1.2.	Profit (loss) not acknowledged in profit (loss) report	0	0
<b>IV.2.</b>	<b>Profit (loss) of the previous year</b>	<b>(3.629.617)</b>	<b>63.591</b>
<b>D.</b>	<b>Minority part</b>	<b>0</b>	<b>0</b>
<b>E.</b>	<b>Grants, subsidies</b>	<b>0</b>	<b>12.529</b>
<b>F.</b>	<b>Amounts payable and liabilities</b>	<b>13.552.213</b>	<b>8.715.290</b>
	<b>Amounts payable after one year and long-term liabilities</b>	<b>174.440</b>	<b>119.104</b>
I.1.	Financial debts	49.016	0
I.1.1.	Leasing (financial rents) or similar liabilities	0	0
I.1.2.	To credit organizations	49.016	0
I.1.3.	Other financial debts	0	0
I.2.	Debts to suppliers	0	0
I.3.	Received prepayments	0	0
I.4.	Suspensions	0	0
I.4.1.	Reimbursement of liabilities and demands	0	0
I.4.2.	Pensions and similar liabilities	0	0
I.4.3.	Other suspensions	0	0
I.5.	Suspended taxes	119.104	119.104
I.6.	Other amounts payable and long-term liabilities	6.320	0
	<b>Amounts payable within one year and short-term liabilities</b>	<b>13.377.773</b>	<b>8.596.186</b>
II.1.	Short term portion of long-term debts	4.818	0
II.2.	Financial debts	2.958.088	0
II.2.1.	To credit organizations	2.958.088	0
II.2.2.	Other financial debts	0	0
II.3.	Debts to suppliers	5.650.636	4.847.261
II.4.	Received prepayments	420.555	378.241
II.5.	Liabilities of income taxes	0	0
II.6.	Liabilities related to work relations	3.441.586	2.432.475
II.7.	Suspensions	0	0
II.8.	Other amounts payable and short-term liabilities	902.090	938.209
	<b>Total proprietary capital and liabilities</b>	<b>45.756.417</b>	<b>40.351.847</b>

Director

Lilijana Puriene

### PROFIT (LOSS) REPORT

Formulated according to TFAS, not audited

Current period 01 01 2007 - 30 06 2007

LTL

No.	ARTICLES	1 <sup>st</sup> half of 2007	1 <sup>st</sup> half of 2006
<b>I.</b>	<b>SALE INCOME</b>	<b>32.016.270</b>	<b>29.377.216</b>
I.1	Production of textile products	31.852.839	29.377.216
I.1.1	Income for sold goods	31.630.583	29.247.793
I.1.2	Income for sold services	222.256	129.423
I.2	Management of financial assets	163.431	0
<b>II.</b>	<b>SALE COST PRICE</b>	<b>24.237.085</b>	<b>24.069.363</b>
II.1	Production of textile products	24.197.483	24.069.363
II.1.1	Cost price of sold production	24.070.692	23.987.210
II.1.2	Cost price of sold services	126.791	82.153
II.2	Cost price of financial assets management	39.602	0
<b>III.</b>	<b>GROSS PROFIT (LOSS)</b>	<b>7.779.185</b>	<b>5.307.853</b>
<b>IV.</b>	<b>OPERATING EXPENSES</b>	<b>7.559.720</b>	<b>8.669.844</b>
IV.1	Sale	3.413.656	3.220.760
IV.2	General and administrative	4.146.064	5.449.084
<b>V.</b>	<b>PROFIT (LOSS) OF STANDARD ACTIVITY</b>	<b>219.465</b>	<b>(3.361.991)</b>
<b>VI.</b>	<b>OTHER OPERATIONS</b>	<b>151.441</b>	<b>98.972</b>
VI.1.	Income	295.037	107.162
VI.2.	Expenses	143.596	8.190
<b>VII.</b>	<b>FINANCIAL AND INVESTMENT ACTIVITIES</b>	<b>209.270</b>	<b>(51.162)</b>
VII.1.	Income	273.422	266.338
VII.2.	Expenses	64.152	317.500
<b>VIII.</b>	<b>PROFIT (LOSS) FROM ORDINARY ACTIVITIES</b>	<b>580.176</b>	<b>(3.314.181)</b>
IX.	EXTRAORDINARY GAIN	0	0
X.	EXTRAORDINARY LOSSES	0	0
<b>XI.</b>	<b>PROFIT (LOSS) BEFORE TAXES</b>	<b>580.176</b>	<b>(3.314.181)</b>
XII.	PROFIT TAX	0	0
<b>XIII.</b>	<b>PROFIT (LOSS) BEFORE MINORITY PART</b>	<b>580.176</b>	<b>(3.314.181)</b>
XIV.	MINORITY PART	0	0
<b>XV.</b>	<b>NET PROFIT (LOSS)</b>	<b>580.176</b>	<b>(3.314.181)</b>

Director

Lilijana Puriene

REPORT OF OWN CAPITAL CHANGES OF LINAS AB GROUP OF COMPANIES

30 June, 2007

LTL

	Paid-up authorized capital	Additions to shares	Proprietary shares (-)	Revaluation reserve (results)		Law covered reserves		Other reserves		Profit (loss) brought forward	Total
				Long-term tangible assets	Financial assets	Obligatory	Proprietary shares procurement	Support reserves and other payouts according to collective agreement	Other reserves		
	1	2	3	4	5	6	7	8	9	11	12
Remainder on 31 December, 2005	24.038.990	0	0	0	0	2.071.472	0	307.038	6.000.000	3.154.678	35.572.178
Profit/loss not acknowledged in profit (loss) report											0
Profit/loss of previous year accepted in profit (loss) report											0
Net profit / loss of the current period										(3.314.181)	(3.314.181)
Increase/reduction of authorized capital											0
Formed reserves						352.771		100.000	8.945.354	(9.398.125)	0
Utilized reserves											0
Liquidates reserves								(307.038)	(6.000.000)	6.307.038	0
Remainder on 30 June, 2006	24.038.990	0	0	0	0	2.424.243	0	100.000	8.945.354	(3.250.590)	32.257.997
Profit/loss not acknowledged in profit (loss) report											0
Net profit / loss of the current period										(633.969)	(633.969)
Formed reserves											0
Liquidates reserves											0
Remainder on 31 December, 2006	24.038.990	0	0	0	0	2.424.243	0	100.000	8.945.354	(3.884.559)	31.624.028
Profit/loss not acknowledged in profit (loss) report											0
Net profit / loss of the current period										580.176	580.176
Increase/reduction of authorized capital											0
Formed reserves								30.757	8.780.000	(8.810.757)	0
Liquidates reserves						(20.345)		(100.000)	(8.945.354)	9.065.699	0
Remainder on 30 June, 2007	24.038.990	0	0	0	0	2.403.898	0	30.757	8.780.000	(3.049.441)	32.204.204

Director

Lilijana Puriene


**CURRENCY CIRCULATION REPORT  
OF LINAS AB GROUP OF COMPANIES**

30 June, 2007

Formed in direct pattern, not audited

No.	Articles	LTL	
		1 <sup>st</sup> half of 2007	1 <sup>st</sup> half of 2006
<b>I.</b>	<b>Primary activity currency circulation</b>		
<b>I.1.</b>	<b>Earnings of report period (including VAT)</b>	<b>31.853.400</b>	<b>32.617.764</b>
I.1.1.	Earnings from clients	31.211.154	30.607.521
I.1.2.	Other earnings	642.246	2.010.243
<b>I.2.</b>	<b>Report period payouts</b>	<b>(32.343.591)</b>	<b>(33.954.262)</b>
I.2.1.	Payouts to suppliers of products and raw materials (including VAT)	(21.063.558)	(20.836.504)
I.2.2.	Monetary payouts related to work relations	(10.021.282)	(10.277.631)
I.2.3.	Taxes paid to budget	(770.979)	(558.255)
I.2.4.	Other payouts	(487.772)	(2.281.872)
	<b>Cash circulation of primary activity</b>	<b>(490.191)</b>	<b>(1.336.498)</b>
<b>II.</b>	<b>Currency circulation of investment activity</b>		
II.1.	Procurement of long-term assets (excluding investments)	(2.855.009)	(617.316)
II.2.	Transfer of long-term assets (excluding investments)	8.700	1.300
II.3.	Procurement of long-term investments	0	0
II.4.	Procurement of short-term investments	0	0
II.5.	Transfer of short-term investments	0	0
II.6.	Transfer of long-term investments	266.950	11.850.000
II.7.	Provision of loans	(58.450)	(105.220)
II.8.	Return of loans	38.777	6.502
II.9.	Received dividends	0	0
II.10.	Interests received for loans granted	0	0
II.11.	Other currency circulation increases of investment activities	0	0
II.12.	Other currency circulation decreases of investment activities	0	0
	<b>Cash circulation of investment activity</b>	<b>(2.599.032)</b>	<b>11.135.266</b>
<b>III.</b>	<b>Currency circulation of financial activity</b>		
III.1.	Currency circulation related to company owners	(194)	(467)
III.1.1.	Emission of shares	0	0
III.1.2.	Owners' contributions to loss reimbursements	0	0
III.1.3.	Procurement of own shares	0	0
III.1.4.	Payout of dividends	(194)	(467)
III.2.	Currency circulation related to other financial sources	2.957.365	(9.491.562)
III.2.1.	Increase of financial debts	10.520.818	5.792.840
III.2.1.1.	Receipt of loans from credit institutions	10.520.818	5.792.840
III.2.1.2.	Receipt of loans from associated and third parties	0	0
III.2.1.3.	Emission of bonds	0	0
III.2.2.	Reduction of financial debts	(7.563.520)	(15.285.020)
III.2.2.1.	Return of loans to credit institutions	(7.562.730)	(15.283.952)
III.2.2.2.	Return of loans to associated and third parties	0	0
III.2.2.3.	Procurement of own bonds	0	0
III.2.2.4.	Returned interests	0	(1.068)
III.2.2.5.	Leasing (financial rent) payments	(790)	0
III.2.3.	Interests received for bank accounts	67	618
III.2.4.	Increase of company's other liabilities	0	0
III.2.5.	Reduction of company's other liabilities	0	0
III.3.	Other increases of currency circulation of financial activity	105	15.629
III.4.	Other reductions of currency circulation of financial activity	(18.597)	(13.865)
	<b>Cash circulation of financial activity</b>	<b>2.938.679</b>	<b>(9.490.265)</b>
<b>IV.</b>	<b>Currency circulation of special articles</b>	<b>0</b>	<b>0</b>
IV.1.	Increase of currency circulations of special articles	0	0
IV.2.	Reduction of currency circulations of special articles	0	0
<b>V.</b>	<b>Impact of currency exchange rates to cash and equivalent currency remainder</b>	<b>1.753</b>	<b>(9.778)</b>
<b>VI.</b>	<b>Net currency circulation increase (reduction)</b>	<b>(148.791)</b>	<b>298.725</b>
<b>VII.</b>	<b>Currency and currency equivalents at the beginning of the period</b>	<b>358.039</b>	<b>1.157.731</b>
<b>VIII.</b>	<b>Currency and currency equivalents at the end of the period</b>	<b>209.248</b>	<b>1.456.456</b>

Director



Lilijana Puriene

## LINAS AB

### EXPLANATORY MEMORANDUM OF INTERIM FINANCIAL STATEMENT

30 June, 2007

#### 1.GENERAL

The Linas company was launched in 1957. A public limited company Linas (further called the Company) was registered in 1993. The Company is the company of limited property liability. Company registration code is 1476 89083. Company is registered in Juridical body register, in the department of legal body registration in Public company Register center, Panevėžys branch, the number of registration is 003429. Address: S.Kerbedžio Street 23, Panevėžys; LT-35114. Telephone (370-45) 506100, fax (370-45) 506345. E-mail address: [linas@mail.linas.lt](mailto:linas@mail.linas.lt); web page: [www.linas.lt](http://www.linas.lt).

Authorized capital of AB Linas is 24.038.990 Lt, it is divided into 24.038.990 denominative equity shares the nominal value of which is 1 Lt, there are no issued and not paid shares. There were no changes in authorized capital during accounting period.

Only significant information is presented in this explanatory memorandum which reflect interim accounting period economic operations and economic events which have the impact on financial state and results of the Group's accounting period.

As of 30 June, 2007, the group of companies consisted of AB Linas and it's daughter company UAB Linas Nordic (further called as the Group). UAB Linas Nordic has a corporate identification number 1485 32327 and it's registered address at S.Kerbedžio Street 23, Panevėžys. 100 % of UAB Linas Nordic shares own AB Linas.

The Company and it's daughter company do not have subsidiaries and representatives.

The main incomes of group of companies was received from the activity of textile goods production during the I<sup>st</sup> half of 2007. AB Linas group of companies sold linen textile goods and services for 32.016 thousand Lt during the I<sup>st</sup> half of 2007. Comparing to the I<sup>st</sup> half of 2006 the volume of sales increased by 2.639 thousand Lt or 9,0 per cent. During 01-06 months of 2007 Group earned 580 thousand Lt profit before taxation and the result of the same period of 2006 was 3.314 thousand Lt loss.

Since 1 September, 2005 AB Linas transferred all rights and liabilities in connection with linen textiles production to subsidiary company UAB Linas Nordic. UAB Linas Nordic is the largest linen textiles producer in Lithuania. The Company is producing linen, half linen, white, dyed, printed, jacquard, striped and checked fabrics for home textile and garments. Besides fabrics of various weaving and finishing types, the Company produces fabrics with special finishing types.

It was produced during the I<sup>st</sup> half of year 2007: linen and tow yarns – 707 tons (during I<sup>st</sup> half of year 2006 – 734 tons); raw fabrics – 2.701 thousand mtrs (I<sup>st</sup> half of year 2006 – 2.642 thousand mtrs); ready made fabrics – 2.789 thousand mtrs (I<sup>st</sup> half of year 2006 – 2.673 thousand mtrs).

37% of all produced fabrics were used for sewn items during I<sup>st</sup> half of year 2007 (I<sup>st</sup> half of year 2006 – 26%).

UAB Linas Nordic is reliable partner and produces production of good quality which is oriented to the average price level prices. The main competitors are Russian, Byelorussian,

Chinese, Czech and Polish linen companies and Italian, French, Irish textiles producers. At the moment company exports more than 92 % of it's production.

During 2006 the subsidiary company of AB Linas incurred 4.029 thousand Lt loss. On 14 02 2007 AB Linas – the only one shareholder of UAB Linas Nordic – took a decision to cover the incurred loss of 2006 of UAB Linas Nordic by shareholder's contribution, i.e. to decrease the presented loan in the sum of 2,8 mln Lt for subsidiary company.

The determinant impact on the negative results of 2006 of linen textile goods production and sales had the competition of Asia producers, linen products prices and decrease of demand in the market, lack of qualified employees and increasing production costs. UAB Linas Nordic succeeded to stabilize the position in 2007. Subsidiary company has earned 121 thousand Lt profit before taxation during 1<sup>st</sup> half of year 2007.

The company, seeking to stay in the market, and to increase competition profitability, will try to adjust produced goods to the individual requirements of the customer, to use export possibilities advantages by offering small supplying lots and quicker delivery to the customers. For this we constantly creating new assortment, executing projects for quality improvement and decrease of input.

After activity reorganization in 2005, AB Linas manages financial asset (investments to securities, presented loans) and intend to execute financial and other projects.

## **2.ACCOUNTING POLICY**

The Group executes accounting and prepares financial reporting in accordance with the legal provisions of bookkeeping and accounting, and financial reporting of the Republic of Lithuania, as well as other relevant provisions, including International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS).

Accounting policy was not changed during the interim accounting period. Interim financial accountability is prepared in accordance the same accounting policy as annual financial accountability. Accounting policy applicable of the group of companies is more described in explanatory memorandum to the year of 2006 financial accountability.

## **3.NOTES OF THE MEMORANDUM**

3.1. The main indicators of 1<sup>st</sup> half of 2007 and 1<sup>st</sup> half of 2006 of group of companies and their comparisons are presented in table 1.

3.2. The information about the situation of Group's debts for credit institutions is presented in table 2.

3.3. The information about the changes Group's long-term intangible assets and long-term tangible assets is presented in tables 3 and 4.

3.4. The information about textiles items production business branches and geographical areas segments disclosed in tables 5 and 6.

3.5. The information on Group's operating expenses (Table 7 "Operating expenses").

3.6. The information on the revenue and expenses of other (non typical) operating of the Group. (Table 8 "Other (non typical) activity").

3.7. Financial and investment activity of the Group, revenue and expenses shown by material items in table "Financial and investment activity".

3.8. The monetary assets and liabilities items were converted into Lt at the currency rate of the balance making date.

Table 1

## MAIN INDICATORS OF THE GROUP OF COMPANIES

Run No.	Indicators	Measure	1 <sup>st</sup> half of 2007	1 <sup>st</sup> half of 2006	Alteration
1.	Sales revenue	thousand LTL	32.016	29.377	2.639
2.	EBITDA	thousand LTL	1.478	-2.134	3.612
3.	EBITDA margin (%)	%	4,6	-7,3	11,9
4.	Standard activity profit (loss)	thousand LTL	219	-3.362	3.581
5.	Standard activity profit margin (%)	%	0,7	-11,4	12,1
6.	Profit (loss) before taxation	thousand LTL	580	-3.314	3.894
7.	Profit margin	%	1,8	-11,3	13,0
8.	Number of employees end of period	persons	1.324	1.551	-227

Table 2

## SITUATION OF DEBTS FOR CREDIT INSTITUTIONS

Run No.	Debts for credit institutions	2007.06.30		Date of loan return	2006.06.30*		Date of loan return
		Amount of loan currency	Amount of loan in LTL		Amount of loan currency	Amount of loan in LTL	
1.	Enterprise debts for credit institutions, payable in LTL		53.834 LTL	2012-05-20		0 LTL	
2.	Enterprise debts for credit institutions, payable in EUR	856.721 EUR	2.958.088 LTL		0 EUR	0 LTL	
2.1.		549.250 EUR	1.896.452 LTL	2007-06-30		0 LTL	
2.2.		307.471 EUR	1.061.636 LTL	since 2007-07-03 until 2007-08-06		0 LTL	
3.	Total	856.721 EUR	3.011.922 LTL		0 EUR	0 LTL	

\*3.378.815,95 EUR (11.666.375,72 Lt) loan was returned to AB SEB Vilniaus bankas on 2006.06.30.

Table 3

## CHANGES OF LINAS, LLC ENTERPRISE GROUP LONG-TERM INTANGIBLE ASSETS

(LTL)

Indicators	Developm ental works	Prestige	Patents, licenses	Software	Other intangible assets	Total
Residual value at the end of previous financial year			430	96.703	0	97.133
<b>a) Procurement cost price of long-term intangible assets</b>						
At the end of previous financial year			75.303	978.907	0	1.054.210
Changes of financial year			0	(21.949)	13.379	(21.949)
· Procurement of assets			0	35.800	13.379	35.800
· Assets, transferred to other individuals and discarded (-)			0	(57.749)	0	(57.749)
· Transcription from one article to another +/-(-)			0	0	0	0
<b>At the end of financial year</b>			<b>75.303</b>	<b>956.958</b>	<b>13.379</b>	<b>1.032.261</b>
<b>b) Amortization</b>						
At the end of previous financial year			74.873	882.204	0	957.077
Changes of financial year			36	(18.815)	0	(18.779)
· Financial year amortization			36	38.876	0	38.912
· Restorational records (-)			0	0	0	0
· Assets, transferred to other individuals and discarded (-)			0	(57.691)	0	(57.691)
· Transcription from one article to another +/-(-)			0	0	0	0
<b>At the end of financial year</b>			<b>74.909</b>	<b>863.389</b>	<b>0</b>	<b>938.298</b>
<b>e) Residual value at the end of financial year (a) - (b)</b>			<b>394</b>	<b>93.569</b>	<b>13.379</b>	<b>107.342</b>



Table 4

## CHANGES OF LINAS, LLC ENTERPRISE GROUP LONG-TERM TANGIBLE ASSETS

(LTL)

Indicators	Land	Buildings and structures	Machinery and equipment	Means of transport	Other equipment, appliances, instruments	Other tangible assets	Current construction	Total
Residual value at the end of previous financial year	0	0	3,529,984	266,124	986,186	148,776	0	4,931,070
<b>a) Procurement of cost price long-term tangible assets</b>								
At the end of previous financial year	0	0	21,772,393	1,545,170	3,138,044	148,776	0	26,604,383
Changes of financial year	0	205,000	1,836,645	(88,354)	21,430	318,545	0	2,293,266
· Procurement of assets	0	205,000	2,325,312	91,623	94,419	336,113	0	3,052,467
· Assets, transferred to other individuals and discarded (-)	0	0	(488,667)	(179,977)	(74,630)	0	0	(743,274)
· Transcription to short-time assets +/-)	0	0	0	0	0	(15,927)	0	(15,927)
· Transcription from one article to another +/-)	0	0	0	0	1,641	(1,641)	0	0
At the end of financial year	0	205,000	23,609,038	1,456,816	3,159,474	467,321	0	28,897,649
<b>b) Revaluation</b>								
At the end of previous financial year	0	0	0	0	0	0	0	0
Changes of financial year	0	0	0	0	0	0	0	0
· Increase (decrease) of value +/-)	0	0	0	0	0	0	0	0
· Assets, transferred to other individuals and discarded (-)	0	0	0	0	0	0	0	0
· Transcription from one article to another +/-)	0	0	0	0	0	0	0	0
At the end of financial year	0	0	0	0	0	0	0	0
<b>c) Depreciation (-)</b>								
At the end of previous financial year	0	0	18,242,409	1,279,047	2,151,858	0	0	21,673,314
Changes of financial year	0	0	112,849	(136,612)	100,879	0	0	77,116
· Depreciation of financial year	0	0	559,779	43,360	175,471	0	0	778,610
· Restorational records (-)	0	0	0	0	0	0	0	0
· Assets, transferred to other individuals and discarded (-)	0	0	(446,930)	(179,972)	(74,592)	0	0	(701,494)
· Transcription from one article to another +/-)	0	0	0	0	0	0	0	0
At the end of financial year	0	0	18,355,258	1,142,435	2,252,737	0	0	21,750,430
<b>d) Decrease of value</b>								
At the end of previous financial year	0	0	0	0	0	0	0	0
Changes of financial year	0	0	0	0	0	0	0	0
· Decrease of value of financial year	0	0	0	0	0	0	0	0
· Restoration records (-)	0	0	0	0	0	0	0	0
· Assets, transferred to other individuals and discarded (-)	0	0	0	0	0	0	0	0
· Transcription from one article to another +/-)	0	0	0	0	0	0	0	0
At the end of financial year	0	0	0	0	0	0	0	0
<b>e) Residual value at the end of financial year (a) + (b) - (c) - (d)</b>	0	205,000	5,253,780	314,381	906,737	467,321	0	7,147,219

Table 5

## Information about segments of textile products production business

(LTL)

Indicators	Segments (production, goods, types of activity)												Total	
	Fabrics		Sewn products		Yarns		Noils		Production services					
	I <sup>st</sup> half of 2007	I <sup>st</sup> half of 2006	I <sup>st</sup> half of 2007	I <sup>st</sup> half of 2006	I <sup>st</sup> half of 2007	I <sup>st</sup> half of 2006	I <sup>st</sup> half of 2007	I <sup>st</sup> half of 2006	I <sup>st</sup> half of 2007	I <sup>st</sup> half of 2006	I <sup>st</sup> half of 2007	I <sup>st</sup> half of 2006	I <sup>st</sup> half of 2007	I <sup>st</sup> half of 2006
Income	17.413.605	18.082.763	14.009.283	11.080.313	207.695	89.678	364	660	222.256	126.107	31.853.203	29.379.521		
Expenses	14.601.390	16.205.025	9.288.508	7.718.474	180.765	65.573	282	442	126.791	82.154	24.197.736	24.071.668		
Gross profit (losses)	2.812.215	1.877.738	4.720.775	3.361.839	26.930	24.105	82	218	95.465	43.953	7.655.467	5.307.853		
Operating expenses														
Profit (losses) on typical activity	2.812.215	1.877.738	4.720.775	3.361.839	26.930	24.105	82	218	95.465	43.953	346.950	(3.361.991)		

Table 6

## Information about geographical segments of textile items production

(LTL)

Indicators	Segments (regions)												Total	
	Scandinavian countries		European countries		USA		Lithuania		Other countries					
	I <sup>st</sup> half of 2007	I <sup>st</sup> half of 2006	I <sup>st</sup> half of 2007	I <sup>st</sup> half of 2006	I <sup>st</sup> half of 2007	I <sup>st</sup> half of 2006	I <sup>st</sup> half of 2007	I <sup>st</sup> half of 2006	I <sup>st</sup> half of 2007	I <sup>st</sup> half of 2006	I <sup>st</sup> half of 2007	I <sup>st</sup> half of 2006	I <sup>st</sup> half of 2007	I <sup>st</sup> half of 2006
Income	13.017.546	12.302.841	13.311.117	10.888.213	2.200.725	2.491.973	2.542.326	2.484.670	781.489	1.211.824	31.853.203	29.379.521		
Expenses	8.724.152	8.520.648	10.800.017	9.871.440	2.001.110	2.321.844	2.106.189	2.313.088	566.268	1.044.648	24.197.736	24.071.668		
Gross profit (losses)	4.293.394	3.782.193	2.511.100	1.016.773	199.615	170.129	436.137	171.582	215.221	167.176	7.655.467	5.307.853		
Operating expenses														
Profit (losses) on typical activity	4.293.394	3.782.193	2.511.100	1.016.773	199.615	170.129	436.137	171.582	215.221	167.176	346.950	(3.361.991)		

Table 7

## OPERATING EXPENSES

LTL

Run No.	Indicators	I <sup>st</sup> half of 2007	I <sup>st</sup> half of 2006
<b>1</b>	<b>Expenses on sales</b>	<b>3.413.656</b>	<b>3.220.760</b>
1.1	Expenses on commissions	1.351.723	1.170.564
1.2	Expenses on transporting of sold production	389.918	485.212
1.3	Expenses on production advertising and fair	260.725	390.765
1.4	Expenses on sales number employees wage and other with employees related relations	471.316	423.567
1.5	Expenses on production packing materials	694.028	498.352
1.6	Expenses on production storage premises rent	96.707	92.514
1.7.	Evaluate of customers creditworthiness and insurance costs of marketable credits	71.349	74.397
1.8	Other sales expenses	77.890	85.389
<b>2</b>	<b>General and administration expenses</b>	<b>4.146.064</b>	<b>5.449.084</b>
2.1	Expenses related with employees wage and other with employees related relations	1.964.943	2.250.638
2.2	Training costs of administration employees	10.898	792.822
2.3	Rent, exploitation and repairing expenses	1.173.987	1.151.645
2.4	Expenses of security services	158.583	162.783
2.5	Expenses of deterioration and amortization of non-current asset	163.712	169.401
2.6	Expenses of info technologies	146.887	149.145
2.7	Connection expenses	51.027	114.434
2.8	Expenses of bank services	53.527	75.760
2.9	Legal services expenses	17.250	104.888
2.10	Expenses of support provided	19.002	26.481
2.11	Expenses of social guarantees, stated in collective agreement	45.841	69.212
2.12	Representation expenses	25.703	69.615
2.13	Various other general and administrative expenses	256.054	267.409
2.14	Expenses of activity tax	58.650	44.851
2.15	Uncertain debts expenses	0	0
<b>3</b>	<b>TOTAL EXPENSES OF ACTIVITY</b>	<b>7.559.720</b>	<b>8.669.844</b>

Table 8

## OTHER (NON TYPICAL) ACTIVITY

LTL			
Run.No.	Indicators	I <sup>st</sup> half of 2007	I <sup>st</sup> half of 2006
1.	<b>INCOME OF OTHER ACTIVITY - TOTAL</b> Specification of significant amount:	295.037	107.162
1.1.	Profit of non-current asset transferring	7.347	1.112
1.2.	Income of various storages selling	248.100	62.559
1.3.	Income of rent	37.314	24.969
1.4.	Income of accounting and personnel hire services	2.125	7.860
1.5.	Various other non-typical activity income	151	10.662
2.	<b>EXPENSES OF OTHER ACTIVITY - TOTAL</b> Specification of significant amount:	143.596	8.190
2.1.	Loss of non-current asset transferring		
2.2.	Net cost of sold various storages	128.249	5.699
2.3.	Net cost of rent	15.278	2.461
2.4.	Various other non-typical activity expenses	69	30
3.	<b>RESULTS OF OTHER ACTIVITY (1-2)</b>	151.441	98.972

Table 9

## FINANCIAL AND INVESTMENT ACTIVITY

LTL			
Run.No.	Indicators	I <sup>st</sup> half of 2007	I <sup>st</sup> half of 2006
1.	<b>FINANCIAL AND INVESTMENT ACTIVITY INCOME - TOTAL</b> Specification of significant amount:	273.422	266.338
1.1.	Positive result of changes of currency exchange	16.161	26.866
1.2.	Income of bank interests	67	618
1.3.	Income of other interests		238.093
1.4.	Profit of investment transferring	256.950	
1.5.	Income of other financial-investment activity	244	761
2.	<b>FINANCIAL AND INVESTMENT ACTIVITY EXPENSES - TOTAL</b> Specification of significant amount:	64.152	317.500
2.1.	Expenses of interests	21.972	251.305
2.2.	Fines and delay fees	220	10.121
2.3.	Negative result of changes of currency exchange	23.357	42.190
2.4.	Expenses of other financial-investment activity	18.603	13.884
3.	<b>FINANCIAL AND INVESTMENT ACTIVITY RESULT (1-2)</b>	209.270	(51.162)