

Vilniaus Vingis AB

Report for the First Quarter of the Year 2007

TABLE OF CONTENTS

I. GENERAL PROVISIONS..... 3
II. INFORMATION ABOUT THE ISSUER'S LARGEST SHAREHOLDERS AND MEMBERS OF THE
MANAGING BODIES 5
III. FINANCIAL STATUS..... 8

I. GENERAL PROVISIONS

1. Reporting period for which the report has been prepared

The report has been prepared for the first quarter of the year 2007.

2. Main data about the Issuer

Name of the Issuer	Vilniaus Vingis AB
Code in the Register of Enterprises	1225 97830
Authorised capital	36 492 420 LTL
Address	Savanoriu ave. 176, LT-03154 Vilnius, Lithuania
Telephone	+370 5 239 25 00
Fax	+370 5 239 25 55
E-mail address	info@vingis.lt
Internet address	www.vingis.lt
Legal and organisational form	public company (joint-stock company)
Date and place of registration	25 February 1994, State Enterprise Centre of Registers
Date and place of re-registration	28 September 2001, State Enterprise Centre of Registers
Register	Register of Legal Persons

3. Information about where and how it is possible to get acquainted with the report.

Company News Service OMX Nordic Exchange.

4. Persons responsible for the accuracy of information in the report

Members of the managing bodies of the Issuer, employees and the head of the administration responsible for the report

Neringa Menčiūnienė, General Director, tel. +370 5 239 25 00, fax +370 5 239 25 55

Svetlana Ivanova, Chief Accountant, tel. +370 5 239 29 30

5. Confirmation of the members of the Issuer's managing bodies, its employees, head of administration and the Issuer's consultants responsible for the preparation of this report that information contained in the report is true and there are no suppressed facts which could have an impact on investors' decisions concerning purchase, sale or valuation of the Issuer's securities or on the market price of these securities

Vilniaus Vingis AB, represented by Neringa Menčiūnienė, General Director and Svetlana Ivanova, Chief Accountant, confirms that information contained in the report is true and there are no suppressed facts which could have an impact on investors' decisions concerning purchase, sale or valuation of the Issuer's securities or on the market price of these securities.



General Director
Neringa Menčiūnienė



Chief Accountant
Svetlana Ivanova

Date of signing the Report: 28 May 2007

Place of preparation – Vilniaus Vingis AB

II. INFORMATION ABOUT THE ISSUER'S LARGEST SHAREHOLDERS AND MEMBERS OF THE MANAGING BODIES

6. Shareholders

On 31 March 2007 the total number of Vilniaus Vingis AB shareholders was 820.

Table 6. Shareholders who hold more than 5 per cent of the Issuer's authorised capital or / and votes.

Name of the shareholder, its type, address of head office, code in the Register of Enterprises	Number of ordinary registered shares owned by the right of ownership	Part in the authorised capital, %	Part of votes given by the shares owned by the right of ownership, %	Part of votes of shareholders that are acting jointly, %
Hermis Capital UAB A. Tumėno str.4 Vilnius, Lithuania 125699527	3 379 961	37,05	39,09	----
MP FJARFESTINGARBANKI HF CLIENTS SKIPHOLT 50D, 105 REKJAVIK, ICELAND	1 547 100	16,96	17,89	----
FINANCIAL SPECTRUM INVESTMENT Konstitucijos ave. 23, LT-08105 Vilnius, Lithuania 132209272	764377	8,38	8,84	
FINASTA INVESTMENT MANAGEMENT INVESTMENT FUND OF CENTRAL AND EASTERN EUROPE Konstitucijos ave. 23, LT-08105 Vilnius, Lithuania 2626307	793 440	8,70	9,18	11,17
FINASTA INVESTMENT MANAGEMENT REASONABLE RISK PENSION FUND Konstitucijos ave. 23, LT-08105 Vilnius, Lithuania 2626307	152 168	1,67	1,76	
FINASTA INVESTMENT MANAGEMENT Konstitucijos ave. 23, LT-08105 Vilnius, Lithuania 2626307	17 139	0,019	0,20	
FINASTA INVESTMENT MANAGEMENT GROWING INCOME PENSION FUND Konstitucijos ave. 23, LT-08105 Vilnius, Lithuania 2626307	2663	0,03	0,03	
VILNIAUS VINGIS AB SAVANORIŲ AVE 176, VILNIUS, LITHUANIA 122597830	475817	5,22	----	----

7. Members of the managing bodies

Vilniaus Vingis AB has the General Meeting, a single-person management organ – the manager (General Director) and collegial management organ – the Board. The Supervisory Board is not formed in the Company.

The Board is elected by the General Meeting for a term of 4 years. The Board has 3 members.

The Board elects and removes from office the manager of the Company, fixes his salary, approves his job description, provides incentives for him and imposes penalties.

7.1. Position held, names and surnames, data about participation in the Issuer's authorised capital

Table 7.1. Members of the managing bodies and their participation in Issuer's authorised capital.

Name, surname	Position held	Share of the capital held, %	Share of the votes held, %
THE BOARD			
Nerijus Dagilis	Chairman	-	-
Darius Janulevičius	Member	-	-
Marija Leitonienė	Member	-	-
ADMINISTRATION			
Neringa Menčiūnienė	General Director	-	-
Asta Dagilienė	Personnel Director	-	-
Svetlana Ivanova	Chief Accountant	-	-

7.2. Data about participation in the activities of other companies, enterprises and organisations (name of the company, enterprise, or organisation and position held), over 5 percent of capital and votes held in other enterprises (percentage)

Table 7.2. Participation in activities of other companies, enterprises and organisations.

Name, surname	Name of the company, enterprise, organisation, position held	Share of capital held in other enterprises, %
Nerijus Dagilis	Chairman of the Board of Hermis Capital UAB	17,84
	Director of Survesta UAB	-
	Chairman of the Board of Vilniaus Vingis AB	-
	Chairman of the Board of Snaigė AB	-
	Member of the Board of Kelmės pieninė AB	-
	Member of the Board of Kitron ASA	-
	Member of the Board of Naftos tėkmė UAB	-
	Baltijos polistirenas UAB	40.0
	Ežerų pasaulis UAB	25.0
	Gulbinų turizmas UAB	8.33
	Holdita UAB	25.0
	Member of the Board of Naftos gavyba UAB	-
	Member of the Board of Geonafta UAB	-
	Director of Hermis fondų valdymas	-
	Member of the Board of Genčių nafta UAB	-
	Member of the Board of Minijos nafta UAB	-
Member of the Board of Kelda UAB	-	

Darius Janulevičius	Director of Hermis Capital UAB	1.02
	Chairman of the Board of HC ir R-IV projektai UAB	4.0
	Member of the Board of FBC Baltijos vertybiniai popieriai UAB	–
	Chairman of the Board of Naftos tékmé UAB	–
	Member of the Board of Naftos gavyba UAB	–
	Member of the Board of Genčių nafta UAB	-
	Member of the Board of Minijos nafta UAB	-
	Member of the Board of Geonafta AB	–
	Urbo slénis UAB	12.5
	ERAMOS APDAILA UAB	50.0
	Chairman of the Board of Edinye Neftepromyslovye Energeticheskoye Systemy OOO	–
Marija Leitonienė	Member of the Board of Finasta įmonių finansai AB	–
	Šaldytuvų remontas UAB	11.6
Neringa Menčiūnienė	Chairman of the Board of Vilniaus Vingio Geba UAB	–
Asta Dagilienė	Member of the Board of Vilniaus Vingio Geba UAB	–

III. FINANCIAL STATUS

Financial statements provided in this section are prepared in accordance with the International Financial Reporting Standards.

Financial statements for 31 December 2006 are audited and the financial statements for 31 March 2006 and 31 March 2007 are unaudited.

8. Balance sheet

LTL

No.	ASSETS	NOTE	GROUP		COMPANY	
			31.03.2007	31.03.2006	31.03.2007	31.03.2006
A.	NON – CURRENT ASSETS		8,243,141	39,680,222	8,335,998	39,978,252
I.	INTANGIBLE ASSETS	2	211,400	656,244	211,400	419,341
I.1.	Licences and patents		38,993	68,429	38,993	68,429
I.2.	Computer software		172,407	374,048	172,407	137,145
I.3.	Other intangible assets		-	213,767	-	213,767
II.	TANGIBLE ASSETS	1	5,913,74	39,023,978	5,100,598	32,682,853
II.1.	Land					
II.2.	Buildings and constructions		0	16,136,692	0	16,136,692
II.3.	Machinery and equipment		3,098,489	14,914,013	2,592,346	8,764,510
II.4.	Means of transportation		133,811	565,164	113,273	434,539
II.5.	Other fixtures, fittings, tools and equipment		2,681,433	7,831,865	2,394,971	7,860,768
II.6.	Construction in progress		0	89,900	0	0
II.7.	Provisions for construction in progress					
II.8.	Other tangible assets		8	23,186	8	23,186
II.9.	Provisions			(536,842)		(536,842)
III.	FINANCIAL ASSETS		-		906,000	6,876,058
IV.	DEFERRED TAX ASSETS		2,118,000		2,118,000	
B.	CURRENT ASSETS		71,259,527	26,305,853	71,220,166	25,829,773
I.	INVENTORIES, PREPAYMENTS AND CONTRACTS IN PROGRESS		2,387,655	10,944,330	2,387,655	6,705,305
I.1.	Inventories	3	2,363,683	10,477,562	2,363,683	6,309,163
I.1.1.	Raw materials and consumables		899,093	6,141,287	899,093	3,458,472
I.1.2.	Work in progress		0	730,769	0	0
I.1.3.	Finished products		1,464,590	1,989,927	1,464,590	1,235,112
I.1.4.	Goods for resale		0	1,615,579	0	1,615,579
I.2.	Prepayments		23,972	466,768	23,972	396,142
I.3.	Contracts in progress					
II.	AMOUNTS RECEIVABLE WITHIN ONE YEAR		67,152,887	12,492,775	67,150,297	17,086,683
II.1.	Trade debtors		63,516,725	9,666,750	63,516,725	8,075,632
II.2.	Receivables from subsidiaries and associates					6,717,977
II.3.	Other amounts receivable		3,636,162	2,826,025	3,633,572	2,293,074
III.	OTHER CURRENT ASSETS		1,539,292	572,820	1,539,292	572,820
IV.	CASH AND CASH EQUIVALENTS	4	179,693	2,295,928	142,922	1,464,965
	TOTAL ASSETS		79,502,668	65,986,075	79,556,164	65,808,025

continuation

No.	EQUITY AND LIABILITIES	NOTE	GROUP		COMPANY	
			31.03.2007	31.03.2006	31.03.2007	31.03.2006
C.	EQUITY		66,293,230	47,143,116	65,651,648	48,012,049
I.	CAPITAL		34,756,952	34,756,952	34,756,952	34,756,952
I.1.	Authorised (subscribed)	5	36,492,420	36,492,420	36,492,420	36,492,420
I.2.	Share premium		2,211,200	2,211,200	2,211,200	2,211,200
I.3.	Own shares (-)	6	(3,946,668)	(3,946,668)	(3,946,668)	(3,946,668)
II.	REVALUATION RESERVE (RESULTS)		275	275	275	275
III.	RESERVES		8,651,582	6,632,624	8,651,582	6,632,624
III.1.	Legal reserve		2,085,956	2,085,956	2,085,956	2,085,956
III.2.	Reserve for acquiring own shares		6,565,626	3,946,668	6,565,626	3,946,668
III.3.	Other reserves			600,000		600,000
IV.	RETAINED EARNINGS (LOSSES)		22,884,421	5,753,265	22,242,839	6,622,198
D.	GRANTS AND SUBSIDIES					
E.	AMOUNTS PAYABLE AND LIABILITIES		13,209,438	18,842,959	13,904,516	17,795,976
I.	AMOUNTS PAYABLE AFTER ONE YEAR AND NON-CURRENT LIABILITIES			6,131,713		6,131,713
I.1.	Financial debts			6,131,713		6,131,713
II.	AMOUNT PAYABLE WITHIN ONE YEAR AND CURRENT LIABILITIES	7	13,209,438	12,711,246	13,904,516	11,664,263
II.1.	Current portion of non-current debts					0
II.2.	Financial debts to credit institutions					
II.3.	Trade creditors		1,103,687	9,205,240	2,323,899	8,831,403
II.4.	Debts to subsidiaries and associates					300,000
II.5.	Amounts received in advance (on contracts in progress)		11,000,545	192,646	11,000,545	37,405
II.6.	Profit tax liabilities					
II.7.	Liabilities related with labour relations		516,983	2,270,648	167,083	1,457,219
II.8.	Provisions					
II.9.	Other amounts payable and current liabilities		588,223	1,042,712	412,989	1,038,236
	TOTAL EQUITY AND LIABILITIES		79,502,668	65,986,075	79,556,164	65,808,025

9. Profit (loss) statement

LTL

No.	ITEMS	GROUP		COMPANY	
		1ST QUARTER OF 2007	1ST QUARTER OF 2006	1ST QUARTER OF 2006	1ST QUARTER OF 2006
I.	TURNOVER	6,453,477	20,680,532	6,600,333	20,358,648
II	PRODUCTION COST	6,383,495	19,341,037	6,530,351	18,483,872
III.	GROSS PROFIT (LOSS)	69,982	1,339,495	69,982	1,874,776
IV.	OPERATING COSTS	1,314,487	2,874,584	1,978,410	2,537,136
IV.1.	Sales	88,813	355,612	88,813	279,965
IV.2.	General and administrative	1,225,674	2,518,972	1,889,597	2,257,171
V.	OPERATING PROFIT (LOSS)	(1,244,505)	(1,535,089)	(1,908,428)	(662,360)
VI.	OTHER ACTIVITIES	43,077,847	165,002	43,077,847	143,698
VI.1	Income	60,487,609	498,153	60,492,750	4,385,453
VI.II	Expenses	17,409,762	333,151	17,414,903	4,241,755
VII.	FINANCING AND INVESTING ACTIVITIES	(350,668)	823,311	(350,668)	826,115
VI.1	Income	23,448	922,586	23,448	915,391
VI.II	Expenses	374,116	99,275	374,116	89,276
VIII.	PROFIT (LOSS) FROM NORMAL ACTIVITIES	41,482,674	(546,775)	40,818,751	307,453
IX.	EXTRAORDINARY GAIN				
X.	EXTRAORDINARY LOSSES				
XI.	PROFIT (LOSS) BEFORE TAXES	41,482,674	(546,775)	40,818,751	307,453
XII.	PROFIT TAX				
XIII.	NET PROFIT (LOSS)	41,482,674	(546,775)	40,818,751	307,453

10. Statement of changes in shareholders' equity

Company, LTL

	Share capital	Share premium	Own shares (-)	Legal reserve	Other reserves	Retained earnings (losses)	Total
SHAREHOLDERS' EQUITY AT 31 DECEMBER 2005	36,492,420	2,211,200	(3,946,668)	2,085,956	4,546,943	6,314,745	47,704,596
Profit 31 March 2006						307,453	307,453
SHAREHOLDERS' EQUITY AT 31 MARCH 2006	36,492,420	2,211,200	(3,946,668)	2,085,956	4,546,943	6,622,198	48,012,049

SHAREHOLDERS' EQUITY AT 31 DECEMBER 2006	36,492,420	2,211,200	(3,946,668)	2,085,956	6,565,901	(18,575,912)	24,832,897
Transfer to reserves							
Profit 31 March 2007						40,818,751	40,818,751
SHAREHOLDERS' EQUITY AT 31 MARCH 2007	36,492,420	2,211,200	(3,946,668)	2,085,956	6,565,901	22,242,839	65,651,648

Consolidated, LTL

	Share capital	Share premium	Own shares (-)	Legal reserve	Other reserves	Retained earnings (losses)	Total
SHAREHOLDERS' EQUITY AT 31 DECEMBER 2005	36,492,420	2,211,200	(3,946,668)	2,085,956	4,546,943	6,300,041	47,689,892
Loss 31 March 2006						(546,776)	(546,776)
SHAREHOLDERS' EQUITY AT 31 MARCH 2006	36,492,420	2,211,200	(3,946,668)	2,085,956	4,546,943	5,753,265	47,143,116

SHAREHOLDERS' EQUITY AT 31 DECEMBER 2006	36,492,420	2,211,200	(3,946,668)	2,085,956	6,565,901	(18,598,253)	24,810,556
Profit 31 March 2007						41,482,674	41,482,674
SHAREHOLDERS' EQUITY AT 31 MARCH 2007	36,492,420	2,211,200	(3,946,668)	2,085,956	6,565,901	22,884,421	66,293,230

11. Cash flow statement

LTL

No.	ITEMS	GROUP		COMPANY	
		1ST QUARTER OF 2007	1ST QUARTER OF 2006	1ST QUARTER OF 2007	1ST QUARTER OF 2006
I.	CASH FLOW FROM MAIN ACTIVITY				
I.1.	Cash inflows (including VAT) of the reporting period	6,418,016	24,900,294	6,417,315	23,307,230
I.1.1.	Cash inflows from customers	6,216,480	24,483,786	6,216,480	22,892,827
I.1.2.	Other inflows	201,536	416,508	200,835	414,403
I.2.	Cash payments of the reporting period	(8,545,256)	(20,936,956)	(8,569,253)	(20,012,432)
I.2.1.	Payments (including VAT) for raw materials, goods and services	(4,756,692)	(15,134,304)	(6,032,847)	(15,359,729)
I.2.2.	Payments related to labour relations	(1,508,164)	(3,905,381)	(467,017)	(2,777,351)
I.2.3.	Taxes paid	(220,920)	(1,833,221)	(11,000)	(1,831,549)
I.2.4.	Other payments	(2,059,480)	(64,050)	(2,058,389)	(43,803)
	NET CASH FLOW FROM MAIN ACTIVITY	(2,127,240)	3,963,338	(2,151,938)	3,294,798
II.	CASH FLOW FROM INVESTING ACTIVITIES				
II.1.	Purchases of non-current assets (except investments)	0	(69,464)	0	(69,464)
II.2.	Sales of non-current assets (except investments)	6,073,242	73,256	6,073,242	70,188
II.3.	Purchases of long-term investments	0	0	0	(125,000)
II.4.	Sales of long-term investments	0	0	0	0
II.5.	Loans provided	(1,200,000)		(1,200,000)	0
II.6.	Loans returned	0	0	0	0
II.7.	Dividends, interests received	20,330	2,334	20,327	2,310
II.8.	Other increases in cash flow from investing activities	0	1,843,411	0	1,843,411
II.9.	Other decreases in cash flow from investing activities	0	0	0	0
	NET CASH FLOW FROM INVESTING ACTIVITIES	4,893,572	1,849,537	4,893,569	1,721,445
III.	CASH FLOW FROM FINANCIAL ACTIVITIES				
III.1.	Cash flows related to owners		(5,695)	0	(5,695)
III.1.1.	Emission of shares		0	0	0
III.1.2.	Owners contributions against losses		0	0	0
III.1.3.	Redemption of own shares		0	0	0
III.1.4.	Dividend paid		(5,695)		(5,695)
III.2.	Cash flows related to other financing sources	(1,886,773)	(4,104,245)	(1,883,153)	(4,104,245)
III.2.1.	Increase in financial debts	4,708,715	7,479,678	4,708,715	7,479,678
III.2.1.1.	Loans gained	4,708,715	7,479,678	4,708,715	7,479,678
III.2.1.2.	Bonds emission	0	0	0	0
III.2.2.	Decrease in financial debts	(6,590,205)	(11,583,923)	(6,590,205)	(11,583,923)
III.2.2.1.	Loans paid	(6,590,205)	(11,309,636)	(6,590,205)	(11,309,636)
III.2.2.2.	Redemption of bonds	0	0	0	0
III.2.2.3.	Interests paid	0	(14,085)	0	(14,085)
III.2.2.4.	Leasing payments	0	(260,202)	0	(260,202)
III.2.3.	Increase in other liabilities	0	0	0	0
III.2.4.	Decrease in other liabilities	(5,283)		(1,663)	0
III.3.	Increase in other cash flows from financial activities	0	0	0	0
III.4.	Decrease in other cash flows from financial activities	0	(87,381)	0	(77,838)
	NET CASH FLOW FROM FINANCIAL ACTIVITIES	(1,886,773)	(4,197,321)	(1,883,153)	(4,187,778)

Continuation

No.	Items	GROUP		COMPANY	
		1ST QUARTER OF 2007	1ST QUARTER OF 2006	1ST QUARTER OF 2007	1ST QUARTER OF 2006
IV.	CASH FLOWS FROM EXTRAORDINARY ACTIVITIES	0	0	0	0
IV.1.	Increase in cash flows from extraordinary activities	0	0	0	0
IV.2.	Decrease in cash flows from extraordinary activities	0	0	0	0
V.	INFLUENCE OF CHANGES IN FOREIGN CURRENCY EXCHANGE RATES TO BALANCE OF CASH AND CASH EQUIVALENTS	(12,537)	(21,785)	(12,537)	(20,920)
VI.	INCREASE (DECREASE) IN NET CASH FLOW	867,022	1,593,769	845,941	807,545
VII.	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	851,963	1,274,979	836,273	1,230,240
VIII.	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	1,718,985	2,868,748	1,682,214	2,037,785

12. Explanatory letter

EXPLANATORY LETTER OF 31 MARCH 2007

Summary of significant accounting policies and practises

The joint stock company Vilniaus Vingis AB is a publicly listed company domiciled in Lithuania. The Company's shares are traded on the Official List of Vilnius Stock Exchange (VSE).

The Company is involved in the manufacture of electronic components. The main products are deflection yokes. As at 31 March 2007, the Company employed 27 employees.

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations adopted by the International Accounting Standards Board (IASB).

Basis of preparation

The financial statements are presented in Litas. They are prepared on the historical cost basis except for derivative financial instruments, which are stated at their fair value.

Loans and receivables originated by the Company are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost, less impairment, if any.

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Litas at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to Litas at foreign exchange rates ruling at the dates the fair value was determined.

1. Non-current tangible assets

Owned assets

Non-current tangible assets are stated at cost as deemed cost less accumulated depreciation and impairment losses. The cost of self-constructed assets includes the cost of materials, direct labour and an appropriate proportion of production overheads.

Where parts of an item non-current tangible assets have different useful lives, they are accounted for as separate items of non-current tangible assets.

Depreciation

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item non-current tangible assets. The estimated useful lives are as follows:

- buildings 8 - 60 years
- plant, machinery and equipment 2 - 15 years
- motor vehicles 5 - 6 years
- other assets 2 - 8 years

2. Intangible assets

Intangible assets, comprising computer software, that are acquired by the Company are stated at cost less accumulated amortisation. Computer software is amortised using the straight-line method over a 1-3 years' period.

3. Inventories

Inventories sold in the ordinary course of business are stated at the lower of cost and net realisable value. Other inventories are stated at the lower of cost and fair value less cost to sell. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The cost of inventories is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

Litas	2007	2006
Inventories		
Raw materials	899,093	6,141,287
Work in progress	0	730,769
Finished goods	1,464,590	1,989,927
Goods for resale	0	1,615,579
	2,363,683	10,477,562
Net book value at 31 March		

Raw materials consist of plastics, wires, metals and other materials used in production.

4. Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows, if it complies with the cash management policy.

Cash and cash equivalents	2007	2006
Term deposits	1,539,292	572,820

Cash at bank	152,894	2,271,506
Cash in hand	26,799	24,422
	<u> </u>	<u> </u>
Cash and cash equivalents at the end of the year	1,718,985	2,868,748
	<u> </u>	<u> </u>

Capital and reserves

5. Share capital

The share capital comprises 9,123,105 ordinary shares with a nominal value of Litas 4 each and the total share capital amounts to Litas 36,492,420.

6. Reacquired own shares

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a change in equity. Repurchased shares are classified as treasury shares and presented as a deduction from total equity.

The Company reacquired own shares in the Vilnius Stock Exchange as follows:

	2007	
	Number of shares	Value, LTL
	<u> </u>	<u> </u>
At 1 January 2007	475,817	3,946,668
Treasury shares acquired in the market	0	0
	<u> </u>	<u> </u>
At 31 March 2007	475,817	3,946,668
	<u> </u>	<u> </u>

Reacquired own shares are stated as a deduction from the equity at their acquisition price.

7. Liabilities

Litas	2007	2006
	<u> </u>	<u> </u>
Other creditors		
Salaries and related taxes	309,299	1,292,789
Taxes	180,570	359,794
Vacation reserve	207,684	977,859
Dividend payable for previous year	132,420	139,408
Advances	11,000,545	192,646
Other payables and accrued charges	275,233	543,510
	<u> </u>	<u> </u>
	12,105,751	3,506,006
	<u> </u>	<u> </u>

8. Activity results

During the 1st quarter of 2007 Vilniaus Vingis the sales volume is amounted to LTL 6,453 thousand and consolidated profit is amounted to LTL 41,473 thousand. The loss is reached LTL 1,908 thousand of main activity, LTL 350,7 thousand – of financial activity and at the same time the profit of other activities reached LTL 43,078 thousand. The main influence to reach such result had the sales of real estate (buildings) of Vilniaus Vingis AB for Vilniaus Vingio verslo centras UAB.

9. The events after balance.

The situation being changed through the rising of new TV technologies and the reducing of product's prices the company's products become not comprehensive and the business of deflection yokes becomes unprofitable. Due to those reasons the sales volumes of DY is reduced in the first quarter of the year 2007. The customer's orders aren't Vilniaus Vingio Geba UAB was appealed to close the production. Vilniaus Vingis, as the only shareholder of Vilniaus Vingio Geba UAB, governing 100% of company's shares, made decision to close the production of deflection yokes and to liquidate Vilniaus Vingio Geba UAB from 25April, 2007.

IV. IMPORTANT EVENTS IN THE ISSUER'S ACTIVITY

11. Important events in the Issuer's activity

Audited activity results of Vilniaus Vingis AB in 2006:

- Sales – LTL 48.38 million (EUR 14.01 million);
- Loss – LTL 24.87 million (EUR 7.2 million).

During the first quarter of the year 2006 Vilniaus Vingis Group sold its products for LTL 6.453 million (EUR 1.869 million).

The Ordinary General Shareholder's meeting of Vilniaus Vingis AB held on 20 April 2007 and adopted the following resolutions:

1. To approve of the annual report on the Company's in 2006.
2. Debriefed "KPMG Baltics" UAB the annual report of the Company for the year 2006.
3. To approve the financial statements on the Company's in 2006.
4. To approve the company's profit (loss) distribution:
 - 1) Not allotted profit (loss) brought forward from the previous year at beginning of the financial year - 4295787 Lt;
 - 2) Net loss for the accountable financial year -22871699 Lt;
 - 3) Not acquainted profit (loss) in report for the accountable financial year 0 Lt;
 - 4) Transference from reserve 0 Lt;
 - 5) Shareholders contribution against losses (if the shareholders decide to cover all or part of the profit(loss) to be appropriated) – 0 Lt;
 - 6) Profit (loss) appropriated - 18 575 912 Lt;
 - 7) Appropriation of profit to legal reserve 0 Lt;
 - 8) The share of profit of a public limited liability company allocated to the reserve for own shares – 0 Lt;
 - 9) Appropriation of profit to other reserve- 0 Lt;
 - 10) Appropriation of profit for the payment of dividend- 0 Lt ;
 - 11) The share of profit for the payment of annual bonuses to Board and Supervisory Board members, payment of incentives to workers and other allocations – 0 Lt;
 - 12) Profit (loss) to be carried forward to the next financial year -18 575 912 Lt ;

The new wording of Company's Statutes is approved:

The wording of paragraph 6.1.2 of company's Statutes from "The Board is formed of 5 members for the term of not longer than four years" is changed to "The Board is formed of 3 members for the term of not longer that four years".

The mentioned newspaper “Lietuvos rytas” is changed to “Kauno diena” in paragraph 7 of company’s Statutes.

Vilniaus Vingis AB Board’s members Mr.Nerijus Dagilis, Mr.Darius Janulevičius, Mr.Valdas Petrauskas, Ms Marija Leitonienė were recalled from 20.04.2007.

The new members of company’s Board Mr. Nerijus Dagilis, Mr. Darius Janulevičius, Ms Marija Leitonienė were elected