AB City Service

SUMMARY
Of the Offering and Listing Prospectus

Offer Period 21 May 2007 – 1 June 2007
Price Range LTL 11.76 – LTL 13.24

Lead Manager, Underwriter and Bookrunner

DATED 14 May 2007

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ADDRESS BY THE CHAIRMAN OF THE BOARD

Dear Investor,

On behalf of the Board, I am pleased to present you an opportunity to invest into shares of AB City Service, a distinct leader in facility management market in Baltic States.

Back in 1999, our company became a pioneer of the facility management market in Lithuania and since then continues to demonstrate an exponential growth through both – organic growth and acquisitions. Having become the leader in Lithuania market, our company made a strategic step for expansion in Russia, Latvia and Ukraine. In 2006, we acquired three residential facility management companies in Saint Petersburg and became the largest private company in Saint Petersburg's residential facility management market. Within the last year, our company also started activities in Ukraine and Latvia by establishing local subsidiaries. We have also expanded our operations in Lithuania by acquiring 4 facility management companies in the largest towns. As the result, during the last year and this year to date, our company increased its facility space served two-fold from 4 million square metres to 8.6 million square metres. Today City Service group consolidates 13 companies in Lithuania, Latvia, Russia and Ukraine involved in facility management.

Outstanding growth during 2006 and 2007 to date is expected to reflect in the financial results of AB City Service. Consolidated net profit is expected to respectively result in LTL 13.1 million in 2007 (LTL 7.5 million in 2006).

City Service's competitive edge lies with the attention we pay to our clients and highest quality facility management services complying with quality standards of ISO 9001:2001. Our future vision is to strengthen City Service as a facility management market leader in the Baltic States and to become a strong player in Europe. Eastern Europe especially promises attractive prospects for development as in these markets the facility management market is still in the process of formation and makes an opportunity for our company to offer its services of high standards and extend the geography of our activities.

Today we are ready to make a step further – to take the company public and invite new shareholders to join the company through a public offering. As the result of the Offer sales net proceeds ranging from LTL 22.8 million to LTL 25.8 million will be contributed to the share capital of AB City Service by its major shareholder – UAB Rubicon Group - to support its future growth.

I encourage you to read the information on the company and the offer carefully and seek for professional advice if required before making your investment decision. On behalf of the Board, I recommend the offer to you and look forward to welcoming you as shareholder in a publicly listed AB City Service.

Yours sincerely,

Gintautas Jaugielavičius
Chairman of the Board

INTRODUCTION

Important notice to prospective investors

This is the summary (*the Summary*) of the offering and listing prospectus (*the Prospectus*) prepared and published by AB City Service (*the Company* and, together with subsidiaries, *the Group*) in connection with the public offering of 4,781,428 of Company's ordinary registered shares LTL 1 nominal value each (*the Shares*) to prospective investors in and outside Lithuania (*the Offering*).

This Summary is not the prospectus for the public Offering and the listing of the Shares. The Prospectus (dated 14 May 2007) is drawn up and published in the English language and contains significantly more information on Company's operations than the Summary at hand. Furthermore, this Summary is not an exact translation of the summary included in the Prospectus itself and is more extensive.

This Summary summarises the facts and circumstances that Company, in its absolute discretion, consider important with respect to its business and the public Offering of its Shares. Any decision to participate in the Offering and invest in Company's shares should be based by each investor on the Prospectus as a whole and not merely on this Summary.

This Summary is available in Lithuanian, Latvian and Estonian languages, while the entire English-language Prospectus will not be translated to these or any other languages. Prospective investors are cautioned that where a claim relating to the information contained in the Prospectus (or this Summary) is brought before a court, the plaintiff investor might, under the national legislation of the relevant state, have to bear the costs of translating the entire Prospectus before court proceedings are initiated. The Company accepts civil liability in respect of this Summary solely in the case where this Summary is found to be misleading, inaccurate or inconsistent when read together with the Prospectus as a whole. Members of the Board of the Company (Gintautas Jaugielavičius, Arūnas Mačiuitis, Žilvinas Lapinskas and Valdas Jankauskas), having taken all reasonable care to ensure fullness and correctness of the information contained in this Summary and the Prospectus, believe that the information contained in the Summary when read together with the Prospectus as a whole is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

Gintautas Jaugielavičius	Arūnas Mačiuitis	Žilvinas Lapinskas	Valdas Jankauskas
________________	________________	________________	________________
Chairman of the Board	Member of the Board	Member of the Board	Member of the Board

Available information

The entire Prospectus and this Summary are available in the electronic form from the web pages of AB City Service (www.cityservice.lt/IPO) and AB bankas Hansabankas (www.hansa.lt). In addition to that, this Summary is available in the electronic from from the web page of the Lithuanian Securities Commission (www.lsc.lt).

The paper-based versions of the Prospectus and this Summary are available from the larger branches of AB bankas Hansabankas throughout Lithuania, Latvia and Estonia until the end of the offer period (i.e. 1 June 2007).

At the request of an investor, the Prospectus and/or the Summary will be sent to it/him/her personally at the address designated by such investor. Such request may be made by calling the dedicated information line number +370 5 2684592. The same number may be used to request additional clarifications concerning the terms and conditions of the Offering and the submission of transaction orders in connection with the same. The personnel of the information line will not provide legal, financial or investment advice to investors and will not respond to enquiries concerning the Company and the Group. For legal, financial or investment advice in connection with the Offering, investors are strongly advised to seek independent professional assistance.

The Company's audited consolidated annual financial statements for financial years ended 31 December 2005 (including a comparison with the result of the financial year ended 31 December 2004, in English and Lithuanian) and 31 December 2006 (including a comparison with the result of the financial year ended 31 December 2005, in English and Lithuanian) may be obtained on the web page of the Company (www.cityservice.lt/IPO) or at the Company's registered address at Konstitucijos pr. 7, Vilnius, Lithuania.

THE OFFERING

Terms and Conditions of the Offering

General

Shareholders of the Company are offering for sale 4,157,800 ordinary registered shares of the Company LTL 1 nominal value each (*Offer Shares*) in a combined offering, which is comprised of (i) 2,511,400 Offer Shares offered by a major Company shareholder UAB Rubicon Group and (ii) 1,646,400 Offer Shares - by Company's individual shareholders. Provided that the Over-Allotment Option is exercised in full (see description in section *Over-Allotment Option* below), the Offering will comprise up to 4,781,428 Shares of the Company.

Part of the sales proceeds of the Offer Shares by UAB Rubicon Group will be used for payment of 2,110,000 new shares of the Company as described under Section *Shares and Share Capital of the Company* below.

Selling Shareholders

The breakdown of Offer Shares (together with the Over-Allotment Option) by the selling shareholders (*Selling Shareholders*) is provided in table below.

The selling shareholders of the Company

No.	Shareholder	Offer Shares	Offer Shares being subject to Over-Allotment Option
1.	UAB Rubicon Group	2,511,400	623,628
2.	Andrius Janukonis	235,200	-
3.	Darius Leščinskas	235,200	-
4.	Arūnas Mačiuitis	235,200	-
5.	Rimantas Bukauskas	235,200	-
6.	Gintautas Jaugielavičius	235,200	-
7.	Linas Samuolis	235,200	-
8.	Remigijus Lapinskas	235,200	-
	Total	**4,157,800**	**623,628**

Retail Offering and Institutional Offering

In the course of the Offering, ordinary registered shares of the Company (*Shares*) are being offered to Lithuanian, Latvian, Estonian and other foreign institutional investors (*Institutional Offering*) and to the general public in Lithuania, Latvia and Estonia (*Retail Offering* and, together with the Institutional Offering, *Offering*).

The division of Offer Shares between the Institutional Offering and the Retail Offering has not been predetermined. The number of Offer Shares included in the Institutional Offering and in the Retail Offering will be decided by the Selling Shareholders in consultation with the Lead Manager. This decision will be taken in conjunction with the allocation process, which will take place immediately after the expiry of the Offer Period (as defined below). When deciding the division of Offer Shares between the Institutional Offering and the Retail Offering, the Selling Shareholders will consider mainly (i) the overall demand for the Offer Shares, (ii) the demand for the Offer Shares in the Retail Offering and (iii) the variance in the size of orders in the Retail Offering and the distribution of orders of different sizes in the Retail Offering. When deciding such division, the Selling Shareholders will be aiming to determine a proportion between the Institutional Offering and the Retail Offering which (i) gives the Company a wide shareholder base and (ii) can be expected to contribute to a stable and favourable development of the price of its Shares in the aftermarket.

The division of the Offer Shares between the Institutional Offering and the Retail Offering will be announced together with the allocation.

Right to participate in the Retail Offering

The Retail Offering is directed to all natural and legal persons in Lithuania, Latvia and Estonia. For the purposes of these terms, a natural person will be deemed to be in Lithuania if such person has a securities account with one of the registered securities account operators in Lithuania and such person's address recorded in the records of one of the above-mentioned institutions in connection with such person's securities account is located in Lithuania. A legal person will be deemed to be in Lithuania if such person has a securities account with one of the registered securities account operators in Lithuania or with Lithuanian Central Securities Depositary and its registered address recorded in the records of one of the above-mentioned institutions in connection with its securities account is located in Lithuania and/or its registration code recorded in such records is the registration code of Lithuanian Register of Legal Persons.

For the purposes of these terms, a natural person will be deemed to be in Latvia if such person has a securities account with one of the registered securities account operators in Latvia and such person's address recorded in the records of one of the above mentioned institutions in connection with such person's securities account is located in Latvia. A legal person will be deemed to be in Latvia if such person has a securities account with one of the registered securities account operators in Latvia or with the Latvian Central Depositary and its registered address recorded in the records of one of the above-mentioned institutions in connection with its securities account is located in Latvia and/or its registration code recorded in such records is the registration code of the Latvian Commercial Register.

For the purposes of these terms, a natural person will be deemed to be in Estonia if such person has a securities account with the Estonian Central Register of Securities and such person's address recorded in Estonian Central Register of Securities records in connection with such person's securities account is located in Estonia. A legal person will be deemed to be in Estonia if it has a securities account with Estonian Central Register of Securities and its registered address recorded in records of aforementioned institution in connection with its securities account is located in Estonia and/or its registration code recorded in Estonian Central Register of Securities records is the registration code of the Estonian Commercial Register.

Purchase undertakings of retail investors can be submitted in Lithuania, Latvia and Estonia only through securities accounts opened respectively with AB bankas Hansabankas, AS Hansabanka or AS Hansapank.

Offer Price

The Selling Shareholders will decide upon the exact Offer Price in consultation with the Lead Manager after the completion of the book-building process directed to the institutional investors in the course of the Institutional Offering. The Offer Price will be based on the tenders for the Offer Shares obtained from institutional investors, also taking into account the total demand in the Institutional Offering, the price sensitivity of such demand and the quality of the demand. The Offer Price will be in the Offer Price Range of LTL 11.76 – LTL 13.24 per Offer Share.The above price range may be amended until the end of the Offer Period on the basis of information obtained in the book-building process in accordance with local legislation (see Procedure for Changing the Offer Price Range below). The Offer Price will be the same in the Institutional Offering and in the Retail Offering.

Procedure for Changing the Offer Price Range

If the Offer Price Range is changed, the Company will prepare a supplement to this Prospectus which will be subject to approval by the competent authority. The supplement will be published in the same manner as the original Prospectus. The Company will make an announcement concerning the supplement immediately through Vilnius Stock Exchange and on its website. Investors who have submitted Purchase Undertakings before the announcement will be given the opportunity to cancel their Purchase Undertakings within five working days after the announcement in accordance with the procedure described under the Section Amendment or cancellation of Purchase Undertakings below. Should the Offer Price Range be changed, the dates and other terms and conditions set forth herein may be changed. All such changes will be announced together with the announcement of the new Offer Price Range. Investors who have not cancelled their Purchase Undertakings within the above-mentioned time period will be deemed to have accepted all changes announced in accordance with the above. Should the upper limit of the price range change, all investors who have not cancelled their Purchase Undertakings within five working days after such announcement, will be deemed to have submitted a Purchase Undertaking at the new upper limit of the price range.

Offer Period

Investors may submit, amend or cancel the Purchase Undertakings for the Offer Shares (*Purchase Undertaking*) during the Offer Period, which commences on 21 May 2007 at 9.00 hours and terminates on 1 June 2007 at 14.00 hours (*the Offer Period*).

Submission of Purchase Undertakings

The Selling Shareholders invite investors to submit Purchase Undertakings in accordance with these terms and conditions and the following procedure.

In order to purchase the Offer Shares a retail investor must have a securities account with AB bankas Hansabankas in Lithuania, AS Hansabanka in Latvia or AS Hansapank in Estonia (any of which referred to as *the Broker*). Such securities account may be opened at any branch office of the Broker. Only institutional investors may submit Purchase Undertakings through nominee accounts of other intermediaries.

An investor wishing to purchase the Offer Shares should contact the Broker and submit a Purchase Undertaking for the purchase of securities in the form set out below. The Purchase Undertaking must be submitted to the Broker by the end of the Offer Period. The investor may use any method the Broker offers to submit the Purchase Undertaking (e.g., physically through a bank's branch, over the Internet or by other means).

The Purchase Undertaking of a retail investor must include the following information:

Owner of the securities account:	name of the investor
Securities account:	number of the investor's securities account
Broker:	
Lithuania	AB bankas Hansabankas
Latvia	AS Hansabanka
Estonia	AS Hansapank
Security:	Ordinary registered shares of AB City Service
ISIN code:	LT0000127375
Amount of securities:	the number of Offer Shares which the investor wishes to purchase
Price (per share):	maximum price from the Offer Price Range
Transaction amount:	the number of Offer Shares for which the investor wishes to purchase multiplied by the Offer Price
Counterparty:	
Lithuania	AB bankas Hansabankas
Latvia	AS Hansabanka
Estonia	AS Hansapank
Securities account of counterparty:	
Lithuania	22-V83494
Latvia	000850
Estonia	99000011822
Broker of the counterparty:	
Lithuania	AB bankas Hansabankas
Latvia	AS Hansabanka
Estonia	AS Hansapank
Value date of the transaction:	The settlement day
Type of transaction:	purchase
Type of settlement:	delivery against payment

Institutional investors may specify any price within the Offer Price Range in their Purchase Undertakings and otherwise deviate from the above form as may be specifically agreed between the Broker and an institutional investor.

An investor may submit a Purchase Undertaking either personally or through a representative whom the investor has authorized (in the form required by law) to submit the Purchase Undertaking.

Multiple Purchase Undertakings by one investor, if submitted, shall be merged for the purposes of allocation.

Purchase Undertaking is deemed submitted from the moment the Broker receives a duly completed transaction instruction from the investor. An investor shall be liable for the payment of all fees charged by the Broker in connection with the submission, cancellation or amendment of the Purchase Undertaking.

An investor must ensure that all information contained in the Purchase Undertaking is correct, complete and legible. The Company reserves the right to reject any Purchase Undertakings which are incomplete, incorrect unclear or illegible, or which have not been completed and submitted during the Offer Period in accordance with all requirements set out in these terms and conditions.

By submitting a Purchase Undertaking every investor:

- accepts the terms and conditions of the Offering set out under this Section and elsewhere in the Prospectus and agrees with the Selling Shareholders that such terms will be applicable to the investor's acquisition of any Offer Shares;

- acknowledges that the Offering does not constitute an offer of the Offer Shares by the Selling Shareholders in legal terms or otherwise and that the submission of a Purchase Undertaking does not itself entitle the investor to acquire the Offer Shares nor result in a contract for the sale of Offer Shares;

- accepts that the number of Offer Shares indicated by the investor in the Purchase Undertaking will be regarded as the maximum number of Offer Shares which the investor wishes to acquire (the Maximum Amount) and that the investor may receive less (but not more) Offer Shares than the Maximum Amount;

- undertakes to acquire and pay for any number of Offer Shares allocated to it/him/her in accordance with these terms and conditions;

- authorises the Broker with which the Purchase Undertaking was placed to amend the information contained in the investor's transaction instruction, including (a) to specify the value date of the transaction and (b) to specify (i) the number of Shares to be purchased by the investor, (ii) the Offer Price (as determined after the Offer Period) as the price per share and (iii) the total amount of the transaction found by multiplying the Offer Price by the number of Offer Shares allocated to the relevant investor.

Cancellation of the Offering

The Selling Shareholders have reserved the right to cancel the Offering at any time until they have received full payment for all Offer Shares, if the Underwriting Agreement among the Company, the Selling Shareholders and the Lead Manager is terminated prior to settlement.

The Offering is conducted on *all or nothing* basis, i.e. the Offer Shares will be sold only on condition that all the Offer Shares are allocated.

Cancellation of the Offering will be announced through Vilnius Stock Exchange. All rights and obligations of the parties in relation to the cancelled Offering will be considered terminated at the moment when such announcement is made public.

Amendment or cancellation of Purchase Undertakings

An investor may amend or cancel a Purchase Undertaking at any time before the expiry of the Offer Period. To do so, the investor must contact the Broker through whom the Purchase Undertaking in question has been made, and carry out the procedures required by the Broker for amending or cancelling a Purchase Undertaking (such procedures may differ between different brokers). All fees payable in connection with an amendment and/or cancellation of a Purchase Undertaking will be borne by the investor.

A cancellation or amendment of a Purchase Undertaking becomes effective at the moment when the transaction instruction of the investor in question has been cancelled by the relevant Broker.

Payment and Delivery of Offer Shares

By submitting a Purchase Undertaking, an investor authorises and instructs the Broker operating the investor's cash account connected to securities account to immediately block the whole transaction amount on the investor's cash account until the settlement is completed or funds are released in accordance with these terms and conditions. The transaction amount to be blocked will be equal to the maximum Offer Price multiplied by the maximum number of Offer Shares which the investor wishes to acquire. An investor may submit a Purchase Undertaking only when there are sufficient funds on its/his/her on the cash account connected to securities account with the relevant Broker to cover the whole transaction amount. Procedures set-out in this paragraph are not applicable to institutional investors.

Offer Shares allocated to investors will be transferred to their securities accounts on or about 7 June 2007 through the delivery versus payment method simultaneously with the transfer of payment for such Offer Shares. In no event will the date of settlement be later than 8 June 2007.

If an investor has submitted several Purchase Undertakings through several securities accounts belonging to, the Offer Shares allocated to such investor are transferred to such investor's securities accounts proportionally with the respective securities amounts set out in such investor's Purchase Undertakings. The number of Offer Shares to be transferred to each securities account may be rounded up or down, as necessary, in order to ensure that a whole number of Offer Shares is transferred to each securities account. If the transfer cannot be completed due to the lack of sufficient funds on the investor's cash account, the Purchase Undertaking of the respective investor will be rejected and the investor will lose all rights to the Offer Shares allocated to such investor.

Return of funds

If the Offering is revoked, if the investor's Purchase Undertaking is rejected or if the allocation deviates from the amount of Offer Shares applied for, the funds blocked on the investor's cash account, or a part thereof (the amount in excess of payment for the allocated Offer Shares) will be released by the Broker not later than on 7 June 2007. The Selling Shareholders shall not be liable for the release of the respective amount and for the payment of interest on the released amount for the time it was blocked.

Announcement of the allocation results

The Selling Shareholders expect to announce the Offer Price and the results of the allocation process, including the division of Offer Shares between the Institutional Offering and the Retail Offering, through Vilnius Stock Exchange and a daily newspaper circulated respectively throughout the territory of Lithuania, Latvia and Estonia no later than on 5 June 2007.

Distribution and Allocation Plan

The Selling Shareholders together with the Lead Manager will decide on the allocation after determining the Offer Price after the expiry of Offer Period, and no later than on 5 June 2007. The Offer Shares will be allocated to investors participating in the Offering by the following steps:

(i) *Division of tranche size for the Retail Offering and the Institutional Offering.* The Selling Shareholders, together with the Lead Manager will decide on tranche sizes of the Retail Offering and Institutional Offering (percentage wise).

(ii) *Allocation of shares for the Institutional Investors.* The Selling Shareholders, together with the Lead Manager, will determine allocation to institutional investors after the expiry of the Offer Period.

(iii) *Allocation of shares for the Retail Investors.* The Selling Shareholders, together with the Lead Manager, will determine allocation percentages applied to the Retail Offering in the following sub steps:

a. *Allocation of the minimum amount.* The total minimum amount of shares for the retail investors will be calculated by accumulating the minimum allocations (equal to Purchase Undertaking, but not exceeding the minimum size of allocation being 1,000 Offer Shares) for individual investors and will be deducted from the total tranche dedicated to the retail investors.

In case the minimum amount of shares for the retail investors exceeds the total tranche dedicated for the retail investors, the Selling Shareholders together with the Lead Manager will on discretionary basis determine a new number of Offer Shares fully allocated for each investors' securities account, which will be lower than previously stated.

b. *Allocation of the remaining amount.* After the deduction of the minimum amount of shares for the retail investors, the remainder of the total tranche dedicated to the retail investors will be allocated to the retail investors pro rata (proportionally). Each investor will be allocated an integral number of Offer Shares without fractions. If necessary, the number of allocated Offer Shares will be rounded down to the closest integral number of Offer Shares. Any remaining Offer Shares which cannot be allocated using the allocation process described above will be allocated to the largest investors.

An investor may obtain information about the number of Offer Shares allocated to it/him/her after the settlement has been completed by submitting an inquiry to the broker operating its/his/her respective securities account in accordance with the terms and conditions applied by that broker.

Over-Allotment Option

Selling Shareholders have granted the Lead Manager an option to purchase up to 623,628 Shares at the price of the Offering solely to cover over-allotments, if any. This option is exercisable starting from the date of public disclosure of the final price for the Offer Shares and end within 30 calendar days after the date of allotment.

Stabilisation

The Lead Manager may effect transactions to stabilise or maintain the market price of the Shares, in accordance with applicable laws, starting from the date of public disclosure of the final price for the Offer Shares and ending within 30 calendar days after the date of allotment. Any such stabilisation activity will be decided by the Lead Manager at its sole discretion and the Lead Manager is under no obligation to do so. Such stabilisation transactions may result in a situation where the Shares are traded at a price that is higher than the price that would have been formed by simple operation of supply and demand, without the effect of stabilisation. Stabilisation activities will be conducted in accordance with the European Commission Regulation (EC) No 2273/2003 implementing Directive 2003/6/EC of the European Parliament and the Council as regards exemptions for buy-back programs and stabilisation of financial instruments and will be notified to Lithuanian Securities Commission in accordance with Article 9 (4) of the aforementioned Regulation.

Lock-up

The Company and its shareholders have agreed that, without a prior written consent of the Lead Manager, the above-mentioned parties will not dispose of any Shares owned by them at any time or of any securities however convertible into the Shares during the period commencing on the last day of the Offer Period and ending 360 days after the commencement of trading in the Shares on Vilnius Stock Exchange.

Shares and share capital of the Company

The share capital of the Company currently consists of 17,000,000 ordinary registered shares with a nominal value of LTL 1 each. Distribution of the shares by each shareholder is provided in table below.

Breakdown of shareholders of the Company

No.	Shareholder	Number of shares	Percentage owned
1.	UAB Rubicon Group	14,328,572	84.29%
2.	Andrius Janukonis	381,634	2.24%
3.	Darius Leščinskas	381,634	2.24%
4.	Arūnas Mačiuitis	381,632	2.24%
5.	Rimantas Bukauskas	381,632	2.24%
6.	Gintautas Jaugielavičius	381,632	2.24%
7.	Linas Samuolis	381,632	2.24%
8.	Remigijus Lapinskas	381,632	2.24%
	Total	**17,000,000**	**100%**

On 14 May 2007, the Extraordinary Shareholders Meeting of the Company decided on issuing 2,110,000 Shares (*New Shares*) to UAB Rubicon Group at a subscription price equal to final price of the Offer Shares. The issue will be paid from the sales proceeds of the Offer Shares by UAB Rubicon Group provided that the sale of Offer Shares will be effected under the terms and conditions of this Prospectus. After the New Shares are issued, subscribed and paid by UAB Rubicon Group, the share capital of the Company will be LTL 19,110,000.

Immediately after Offering and UAB Rubicon Group acquiring the New Shares (2,110,000), the Shares being sold as part of the Offering will amount to 25% of the share capital of the Company provided that the Over-Allotment Option is exercised in full.

Each Offer Share carries one vote at the General Shareholders Meeting of the Company.

The Offer Shares entitle holders of the same to any future dividends declared for the financial year commenced 1 January 2007 and ending 31 December 2007 and any subsequent years.

Governing law

The Offering is conducted in accordance with and governed by Lithuanian law and with due regard to the laws of Latvia and Estonia with respect to the Retail Offering in these countries.

Key Dates

THE FOLLOWING ARE THE KEY DATES IN THE PROGRESS OF THE OFFERING

17 May 2007	Conditional listing on Vilnius Stock Exchange is expected to be approved.
21 May 2007	Offer Period commences.
1 June 2007	Offer Period concludes.
5 June 2007	Offer Price and allocation of the Offer Shares is published.
7 June 2007	Settlement and delivery of the Offer Shares is expected to take place.
8 June 2007	Trading in Shares of the Company is expected to commence on Vilnius Stock Exchange.

GENERAL CORPORATE INFORMATION

Corporate Details

The legal name of the Company is Akcinė bendrovė „City Service". It is incorporated under laws of the Republic of Lithuania in the form of a public limited company and entered into Lithuanian Register of Legal Entities under identification number 123905633.

The registered address of the Company is Konstitucijos 7, LT-09308 Vilnius, Lithuania and its principal place of business is Smolensko 12, LT-03201 Vilnius, Lithuania. Its contact details are as follows: Tel.:(+370 5) 2394900; Fax: (+370 5) 2394848; E-mail: info@cityservice.lt.

History

The Company was established in 1997 under the name UAB Rubikon Apskaitos Sistemos as a producer of heat and water meters. In 1999, the Company took over activities from UAB Bora and UAB Vilniaus Vatas and thus expanded its production range by heat supply substations and heat supply substation controllers, started the maintenance of heat and hot water supply systems in Vilnius and Klaipėda and signed the first contract for integrated facility management.

In 2000 and 2002, UAB Litesko and UAB Vilniaus Energija that belong to Dalkia Group, the largest energy service provider in Europe rented the heating facilities in Vilnius and 9 smaller towns all over Lithuania and committed to investment into their renovation, including repair and construction of heat pipelines, boiler-houses, heat supply substations. Since the beginning, the Company has taken part in the heating facility renovation as a project manager and has gained a vast amount of experience which enabled the Company to build the know-how quintessential for most professional facility management services.

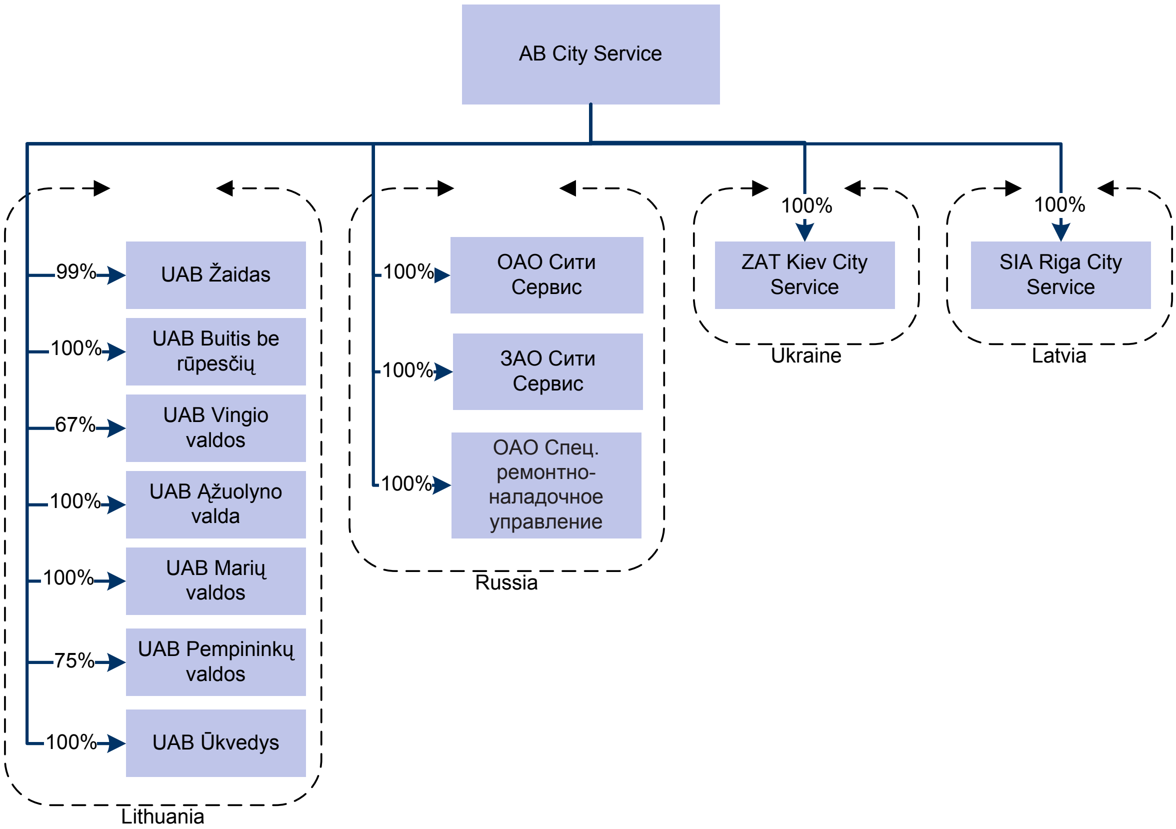
In 1999-2001, the Company concluded the first facility management agreements. In 2002, the Company started to manage energy resources (manage heat supply) for secondary schools and kindergartens in Vilnius. In 2003, the Company started divestment from production activities, fully devoted for facility management service provision and started expansion via acquisitions. In 2006, the Company expanded its activities to Russia, Latvia and Ukraine.

Timeline of expansion of the Group's operations

Date	Development
January 1997	Establishment of UAB Rubikon Apskaitos Sistemos.
May 1999	Merge with UAB Bora and UAB Vilniaus Vatas and expanding production range.
October 1999	Conclusion of first facility management agreements.
June 2000	Conclusion of agreements for the management of heating facility renovation projects with UAB Litesko.
May and July 2002	Conclusion of agreements for the management of heating facility renovation projects with UAB Vilniaus Energija.
June 2002	Start of maintenance of heat and hot water supply systems and management of energy resources for education institutions in Vilnius.
March – May 2003	Signature of facility management agreements with the leading commercial banks and a fixed communication service provider in Lithuania.
June 2003	Transfer of the Company's production activity to UAB Katra.
April – September 2003	Acquisition of 3 residential facility management companies in Lithuania.
May – December 2005	Divestment from non-core activities and sale of investments in UAB Katra and UAB Kazlų Rūdos Metalas (currently UAB Axis Industries).
January 2006-February 2007	Acquisition of 4 residential facility management companies in Lithuania, 3 residential facility management companies in Russia (St. Petersburg) and establishment of subsidiaries in Latvia and Ukraine

Group Structure

Significant subsidiaries of the Company and the respective shareholdings owned by the Company to date of the Prospectus are provided below.



BUSINESS

Introduction to the Company's Business

The Company is an outstanding leader in facility management market in the Baltic States and is also engaged in management of heating facility renovation projects. At present, the Company and its subsidiaries serve more than 8.6 million m^2 of facilities, including various commercial, residential and public buildings, offices and even such atypical objects as networks of call-boxes, stalls and GSM stations all over Lithuania. In 2006, the Group reached turnover of LTL 113.6 million. The Company is located in Lithuania and currently has 12 subsidiaries of which 7 in Lithuania, 3 in Russia, 1 in Latvia and 1 in Ukraine.

Services

Facility Management

Benefits of facility management

As formulated in the Company's mission statement, the purpose of the facility management services is to *enable the client to focus on its major activities by offering effective services and solutions for facility maintenance*. The main benefits ensured by the outsourced facility management services are as follows:

- *Economy of scale*. According to the Company's estimations, an outsourced facility management service saves the client around 15-50% of the building maintenance costs depending on the building's purpose and type, since specialised technical staff is allocated for several buildings.

- *Reliability*. Outsourced facility management service is especially quintessential for the clients, the primary activity of which largely depends on the streamlined functioning of its facilities (e. g. commercial properties and entertainment centres), as a specialised facility manager is in a better position to offer reliable full-scale service due to its expertise in the field, certified professional operation management and civil liability insurance. Facility management providers are also in a position to offer such services as control-room twenty four hours a day, seven days a week.

- *Flexibility*. The client remains flexible to receive the services upon actual need as the agreements with facility manager are periodically updated and provisions of various additional services upon request are usually included in the contract. The client is also in a position to negotiate with the facility manager concerning taking over of the client's employees.

Service bundles

Facility management services include (i) pursuing administrative tasks, (ii) maintenance of civil engineering systems (heat and hot water supply, water supply and sewerage, ventilation and cooling, common usage power supply systems, etc.), (iii) management of energy resources (management of heat supply) and (iv) management of various subcontractors (interior and exterior cleaning, security, repair works and renovation, maintenance of gas system, elevators, etc.). The Company holds ISO 9001 quality certificate in facility management.

Facility segments

According to the different service bundles provided for facilities, service pricing and facility type, the main facility segments served by the Company and the Group are the following:

- *Commercial properties.* The segment includes commercial property of various size and purpose (from supermarkets and entertainment centres to small outlets of retail chains).

- *Offices and atypical properties*. In terms of space served and turnover generated, the segment is by major share comprised of the office buildings, however, also includes recreational facilities, industrial and atypical objects, such as call-boxes, press stalls, mobile communication stations, etc.

- *Residential facilities*. The segment includes multi-apartment houses in the largest cities of Lithuania (currently in Vilnius, Kaunas, Klaipėda, Šiauliai and Alytus), as well as in St Petersburg in Russia.

- *Public facilities.* The segment currently includes 322 secondary schools and kindergartens served in Vilnius and Šiauliai. For public facilities, the Company provides the service of management of energy resources (in Vilnius only) and maintenance of heat supply systems and water supply and sewerage systems.

Facility space served in historical years (at the end of period) (m^2 in thousands)

	The Group					The Company				
	2004	**2005**	**2006**	**Current****	**CAGR***	**2004**	**2005**	**2006**	**Current****	**CAGR***
Commercial properties	385	432	534	536	16%	385	432	534	536	16%
Offices and atypical properties	493	464	480	474	-2%	493	464	480	474	-2%
Residential facilities	851	1,334	4,606	6,609	149%	679	1,163	3,095	3,509	108%
Lithuania	*851*	*1,334*	*3,278*	*3,809*	***95%***	*679*	*1,163*	*3,095*	*3,509*	*108%*
Russia	*-*	*-*	*1,328*	*2,784*	*210%*	*-*	*-*	*-*	*-*	*0%*
Latvia	*-*	*-*	*-*	*16*	*n/a*	*-*	*-*	*-*	*-*	*0%*
Ukraine	*-*	*-*	*-*	*-*	*n/a*	*-*	*-*	*-*	*-*	*0%*
Public facilities	742	742	994	994	14%	742	742	994	994	14%
Total	**2,471**	**2,972**	**6,614**	**8,613**	**74%**	**2,299**	**2,801**	**5,103**	**5,513**	**48%**

* Cumulative annual growth rate (CAGR) indicates average growth per annum and, in this case, includes the growth of space served during January – March 2007.

** As of 30 April 2007.

Management of heating facility renovation projects

The Company manages heating facility renovation projects in Vilnius and 9 smaller towns all over Lithuania. The Company is contracted for supply and installation of heat pipelines and boiler-houses, heat supply substations (including remote data collectors Rubisafe), heat and water meters and heat cost allocators and manages subcontractors hired for separate works. The Company's main tasks include selection of subcontractors, negotiation, signing contracts with subcontractors and monitoring and acceptance of the works performed. The service is provided mainly for UAB Vilniaus Energija and UAB Litesko that belong to Dalkia Group, the largest energy service provider in Europe.

Revenue

The breakdown of sales is provided in the table below. The remarkable decrease in the Group's consolidated sales is attributable to the sale of UAB Aviridis, UAB Arkoveta and UAB Vilniaus Pramogų Parkas in 2004 and UAB Katra, UAB Skiedrynė and UAB Kazlų Rūdos Metalas in 2005.

In 2004 – 2006, the Company's and the Group's financial results were also influenced by the diminishing turnover of the heating facility renovation project management, which was set-off by increasing sales of the facility management.

The breakdown of sales by the service groups (LTL in thousands)

	The Group				The Company			
	2004	**2005**	**2006**	**CAGR**	**2004**	**2005**	**2006**	**CAGR**
Facility management	35,661	36,244	51,950	21%	30,849	34,616	45,394	21%
Management of heating facility renovation projects	125,606	79,088	57,436	-32%	77,775	60,762	56,899	-14%
Other services	29,584	1,900	4,221	-62%	194	609	1,154	144%
Total	**190,851**	**117,232**	**113,607**	**-23%**	**108,818**	**95,986**	**103,447**	**-2%**

Investment

In 2007, the Company plans to invest LTL 20.7 million in financial assets (mostly acquisitions of RFMCs), LTL 1.3 million in tangible assets and LTL 105 thousand in intangible assets, while in total the Group will invest LTL 2.7 million in tangible assets and LTL 110 thousand in intangible assets.

The investments are planned to be financed by proceeds from the Offering and the Group's cash flows from operating activities, except for the investments in vehicles that will be financed by financial facilities.

Employment

The Group currently employs 1,335 people including 732 employees in Russia (St. Petersburg) and 596 employees in Lithuania. As of the end of 2005, the decrease in the number of employees in the Group was determined by the sale of UAB Katra, UAB Kazlų Rūdos Metalas and other subsidiaries. Since then, the number of employees has been constantly growing at an increasing pace.

Number of employees in the Group (at the end of the year)

	The Group				The Company			
	2004	**2005**	**2006**	**Current**	**2004**	**2005**	**2006**	**Current**
Lithuania	909	373	465	596	275	301	376	375
Russia	-	-	460	732	-	-	-	-
Latvia	-	-	2	5	-	-	-	-
Ukraine	-	-	-	2	-	-	-	-
Total	**909**	**373**	**927**	**1,335**	**275**	**301**	**376**	**375**

Trend information

In April 2007, the Company won a tender for UAB Lazdynų Būstas, a RFMC with 404 thousand m^2 of residential facilities served in Vilnius, and is currently in progress to conclude an acquisition. In May 2007, the Company also plans to conclude acquisition of UAB Atidumas, a RFMC with 170 thousand m^2 of residential facilities served in Šiauliai.

MANAGEMENT

Structure of the Management

The Company complies with the corporate governance regime of the Republic of Lithuania, except for the Corporate Governance Code of the Companies Listed on Vilnius Stock Exchange. The Company will be gradually harmonising its corporate governance with recommendations of the Corporate Governance Code following its listing on the Vilnius Stock Exchange.

In accordance with the Laws of Lithuania, the operational management is structured as a two-tier system – the Board and Key Executive Officers. The Board devotes a significant amount of time to planning and carrying out operations on the Group level, while Key executive officers of the Company are responsible for the day-to-day management of the Company's operations and are eligible to represent the Company on the basis of the law, the Articles of Association and individual Powers of Attorney. The Company does not have a Supervisory Council.

The Board

The Board of the Company consists of 4 members, whose authorities are valid for four years since the date of appointment.

Members of the Board

Name	Position in the Company	Start of tenure	End of tenure
Gintautas Jaugielavičius	Chairman of the Board	6 October 2005	6 October 2009
Arūnas Mačiuitis	Member of the Board	6 October 2005	6 October 2009
Žilvinas Lapinskas	Member of the Board	11 May 2007	6 October 2009
Valdas Jankauskas	Member of the Board	11 May 2007	6 October 2009

Key Executive Officers

The Company's key executive officers currently are Žilvinas Lapinskas (General Director), Marijus Jarockis (Deputy General Director), Edvinas Paulauskas (Executive Director) and Jonas Janukėnas (Chief Financial Officer and Head of Administration).

The Company is managed by the General Director, Žilvinas Lapinskas, who heads the Company's facility management activity since its early beginning (as the Director of Commerce since 1999, Head of Facility Management Department since 2002 and the General Director since 2004). The General Director's main tasks currently include the management of the Group's expansion in Lithuania and foreign markets. He is also in charge of Group's activity of heating facility renovation project management.

The Executive Director is entrusted with the entire facility management activity in Lithuania and is in charge of Commerce Department, Facility Management Department and Quality Manager, directly responsible for the supervision of the Company's conformity with ISO standards. Deputy General Director manages rapidly expanding operations of the Group's subsidiaries in Russia. Chief Financial Officer and Head of Administration is responsible for the management of the Group's financial resources and administration of personnel.

Key Executive Officers

Name	Position in the Company	Start of employment
Žilvinas Lapinskas	General Director	February 2004
Marijus Jarockis	Deputy General Director	May 2006
Edvinas Paulauskas	Executive Director	October 2006
Jonas Janukėnas	Chief Financial Officer and Head of Administration	May 2007

Žilvinas Lapinskas

Žilvinas Lapinskas (born in 1976) is the General Director of the Company (since February 2004) and a member of the Board of the Company (since May 2007). He has graduated from Kaunas Business College and holds a degree in Business Administration (1997). Prior to joining the Company, he served as a manager (1996 – 1997) and regional manager (1997 – 1999) in UAB Rubikon Prodimpeksas. He joined the Company in 1999, and since then has served as Director of Commerce (1999 -2002), Head of Facility Management Department (2002 – 2004).

Marijus Jarockis

Marijus Jarockis (born in 1980) is the Deputy General Director in the Company (since March 2006) and a representative of the Company in subsidiaries in St. Petersburg, Russia. He has graduated from Vilnius University, Faculty of Law and holds Master degree in Law (2003). Prior to joining the Company, he has served as a lawyer in UAB Gelvoros Saugos Konsultacijos (April 2000 – April 2003), expert in UAB Business Development and Administration Agency (May 2003 – April 2004) and Advisor of Chairman of the Board in UAB Rubicon Group (May 2004 – May 2006). He also is a member of the Board of UAB Ecoservice (since November 2004).

Edvinas Paulauskas

Edvinas Paulauskas (born 1976) is Executive Director of the Company (since October 2006). He has graduated from Vilnius Gediminas Technology University, environment engineering faculty, and holds a university degree in environment engineering (1998) and currently studies in Rubicon Academy, Executive Training Program (since October 2006). Prior to joining the Company, he served as Deputy General Director of Supply in AB Dvarčionių Keramika (January 2002 – October 2003) and Energy Project Manager in UAB Litesko (October 2003 – January 2005). He joined the Company in 2005, and prior to the current position, has served as Project Manager (January 2005 – April 2006) and Director of Commerce (April 2006 – October 2006).

Jonas Janukėnas

Jonas Janukėnas (born 1976) is Chief Financial Officer and Head of Administration in the Company (since May 2007). He has graduated from Vytautas Magnus University in Lithuania and holds MBA degree (2000). Prior to joining the Company, he has worked as a senior auditor and risk management consultant in Andersen Vilnius office (from 1998 to 2000), in UAB Litesko as a Financial Controller (May 2000 – May 2001) and in UAB Litesko as a Finance Director (May 2001 – May 2007).

PROFIT FORECAST

Main Assumptions

Consolidated structure of the Group

In 2006 and 2007 to date, the Company acquired 7 RFMCs of which AV and MV were already consolidated for the full financial year of 2006 and PCS-1 was consolidated for the 4th quarter of 2006 only.

In 2007 in Lithuania the Company plans further acquisitions of 5 residential facility management companies (RFMCs) (1,372 thousand m^2 of residential facilities served in total). In Latvia, the Company plans an acquisition in the second half-year (350 thousand m^2 of residential facilities served).

Sales

General overview

In 2007, the major part of the Company's and the Group's sales will be comprised of income from facility management and management of heating facility renovation projects. In 2007, on the Group's level, the facility management is forecasted to surpass the management of heating facility renovation projects and comprise more than half of the total turnover. Significant growth is forecasted in the Group's income from residential facility management, since 5 out of 7 RFMCs acquired during 2006 to date will be consolidated full-year starting from 2007 (including PCS-1 that was consolidated only for the 4th quarter in 2006).

The forecasted sales of the facility management activity are mainly based on the current structure of the Group. The forecast include the sales of the planned acquisitions as well, however, the latter comprise less than 10% of the total facility management sales in 2007.

Facility management

General information

By the end of 2007, the Group plans to serve 10,736 thousand m^2 of facilities in Lithuania, Russia, Latvia and Ukraine in total. In total, the Group plans to start serving additional 4,122 thousand m^2 of total facilities, of which 598 thousand m^2 of facilities will be served by the Company in 2007. As of 30 April 2007, the Group and the Company have already achieved respectively 49% and 69% out of the targeted growth in facility space served. The facility space served to date and forecast for 2007 are provided in table below.

Facility space served in historical years and forecast for 2007 (at the end of period) (m^2 in thousands)

	The Group					The Company				
	2004	**2005**	**2006**	**Current***	**2007F**	**2004**	**2005**	**2006**	**Current***	**2007F**
Commercial properties	385	432	534	536	553	385	432	534	536	553
Offices and atypical properties	493	464	480	474	530	493	464	480	474	530
Residential facilities	851	1,334	4,606	6,609	8,659	679	1,163	3,095	3,509	3,624
Public facilities	742	742	994	994	994	742	742	994	994	994
Total	**2,471**	**2,972**	**6,614**	**8,613**	**10,736**	**2,299**	**2,801**	**5,103**	**5,513**	**5,701**

* as of 30 April 2007.

Management of heating facility renovation projects

In Lithuania, the Company plans its sales of heating facility renovation projects based on the signed agreements and the investment plans of the major clients (UAB Vilniaus Energija and UAB Litesko). In 2007, the Company plans to increase its sales in management of heating facility renovation projects due to increased sales of heat supply substations and heat and water meters. The Company also plans to significantly increase its sales of heat cost allocators.

In Russia (St. Petersburg City), the Group plans to launch supply of heat and water meters and has already started to sign agreements with its partners St. Petersburg City. In Russia, to date the Company has already concluded agreements for more than 20% of the total planed turnover of the heat and water meters.

Cost of sales and operating expenses

The gross and operating margins for facility management activity in Latvia, Ukraine and Russia are forecasted to be lower than in Lithuania because of lower economies of scale. The gross and operating margins for management of heating facility renovation projects in Russia (supply of heat and water meters St. Petersburg) are forecasted to be significantly higher than in Lithuania.

In 2007, the largest share of the Company's and the Group's operating expenses will be comprised of salaries and social tax expenses effected by both – the increasing number of employees and increasing average gross wage in the Company and the Group. The forecasted depreciation and amortisation expenses will increase in result of the new investments made in 2006.

Forecasted Financial Results in 2007

The forecasted financial results for 2007 based on the assumptions provided in the Section *Main Assumptions*, page 18,theretofore are provided in table below.

Financial results in historical years and forecast for 2007(LTL in thousands) (year ended 31 December)

	The Group				The Company			
	2004	**2005**	**2006**	**2007F**	**2004**	**2005**	**2006**	**2007F**
EBITDA*	**27,057**	**8,161**	**10,561**	**17,819**	**12,577**	**15,479**	**9,913**	**11,302**
Net profit	**17,554**	**4,531**	**7,528**	**13,059**	**9,667**	**13,038**	**7,550**	**8,550**
Attributable to:								
The shareholders of the Company	15,490	5,049	7,516	13,036	9,667	13,038	7,550	8,550
Minority interests	2,064	(518)	12	23	-	-	-	-

* Earnings before interest expenses, profit taxes, depreciation and amortisation.

Factors not included in the Profit Forecast

Hereby, please find the factors that could potentially have effects on the financial result of the Company and the Group in 2007, however, were not accounted for in the forecasts because the uncertainty associated with their occurrence and timing is too high for the Company to judge on the likelihood of their occurrence in 2007.

State funding for renovation of residential facilities

Management of building repair and renovation projects is rising source of the Group's income, therefore Group's sales may be significantly influenced by the mainstream renovation of residential facilities in Lithuania. The Company forecast that, due to expected amendment of Lithuanian legislation according to the Modernisation Program for Multi-apartment Buildings, State subsidies for multi-apartment house renovation will be provided for facilities managed by administrators as well as house communities in order to stimulate a major surge of renovation projects. The net profit forecast for 2007 does not reflect any effect of this expected change in the legislation on the Company's and the Group's results of operations as the timing of the amendment of the legislation is still uncertain and, if passed, it is expected to have a tangible effect on the volume of the renovation projects performed in subsequent years only.

Concession of education institutions in Kaunas

The Company is currently involved as a claimant in an administrative case against the Council of Kaunas City Municipality to resume the negotiations regarding the 25-year concession for 192 secondary schools and kindergartens in Kaunas (550 thousand m^2) that has been won by the Company in a public tender. The concession agreement is currently not accounted for in the budget for 2007, because considering the complexity of the issue a positive decision of the court and the likelihood of concluding the contract in Kaunas in 2007 is remote.

Launch of privatisation of RFMCs in St. Petersburg, Russia

As the second stage in the facility management sector liberalisation reform in St. Petersburg, Russia, a large scale privatisation of State-owned RFMCs is expected to be launched by the end of 2007 and to involve at least 10 RFMCs according to the public information. The Company has aggressive expansion plans in St. Petersburg and intends to participate and bid for several RFMCs by the end of 2007. The Company has budgeted respective financial investments in RFMCs in St. Petersburg in 2007 based on the actual acquisitions that took place in the beginning of 2007. However, the Company cannot accurately forecast the timing of the possible other acquisitions and therefore does not include any potential financial results in the budget for 2007 related to them, as the likelihood of these other acquisitions' occurrence in 2007 is currently remote.

On-going legal proceedings regarding the ownership in RFMCs in Lithuania

The Company is currently involved as a claimant in several cases regarding its ownership in RFMCs in Lithuania. Potential rulings not accounted for in the financial forecast of 2007 are as follows:

- *Recovering the costs related to privatisation of UAB Ąžuolyno Valda*. Should the court satisfy the lawsuit of the Company, the Company may receive additional income of LTL 842,395, which however is not accounted for in the budget for 2007 as the Company does not expect a final ruling of the court in 2007.

- *Potential privatisation of UAB Naujamiesčio Būstas.* Should the court satisfy the lawsuit of the Company, Vilnius City Municipality will announce a repeated public tender for UAB Naujamiesčio Būstas. The Company however does not include potential acquisitions of UAB Naujamiesčio Būstas in the budget of 2007 because even if a new tender is launched it is not expected to be finalised in 2007.

RISK FACTORS

This overview of the various risk factors related to the Group's business represents what the Company, in its absolute discretion, considers to be of material importance in relation to its present and future operations. While the Company considers the following to be a fair, full and comprehensive disclosure of all relevant risk factors, this overview is not a substitute for the rest of the Prospectus and should not be perceived as such. The Company stresses that a full and accurate assessment of its operations may only be made on the basis of the entire Prospectus. Furthermore, the operations of the Group may be affected by risks that are either not known or have not materialised by the date of this Prospectus. Should such risks emerge, the value of the investment made in Shares of the Company may suffer.

Country Specific Risks

Slowdown in economic growth may adversely affect the spending on facility management services

The Group currently operates in emerging economies that have demonstrated remarkable growth during the last several years and will inevitably face the challenge to keep the pace of the outstanding growth for the upcoming years. Should the economies show the signs of slowdown, the Group's operations may be affected in a limited number of spheres. Though the Group operates in utility sector and most of its services are commodities in all facility management segments, the Group's financial results may be affected by the slowdown in (i) the growth of individual clients' purchasing power and business clients' budgets for premium facility management services and (to lesser extent) (ii) construction of new facilities. The aforementioned factors could respectively result in (i) decreased demand for premium facility management services and (ii) slowdown in Group's organic growth through increasing the facility space served that could adversely affect the Group's financial results.

The Group's results are subject to the volatility of currency exchange rates

Historically, the Group's operations have been carried out in Lithuania only (until mid 2006). However, in financial forecast of 2007 and further prospects, a substantial share of the Group's financial results will be comprised of revenues and expenses generated by the subsidiaries in foreign countries including but not limited to Russia, Latvia and Ukraine. As the financial results of the aforementioned subsidiaries will be denominated in RUB, LVL, UAH and possibly other currencies, the Group will be subject to the effects of exchange rate fluctuations with respect to any of these currencies. To date, the Group has not entered into agreements or purchased instruments to hedge the Group's exchange rate risks although the Group plans to do so in the future.

The Group has operations in Russia and Ukraine that bear legal uncertainties

While the Group's operations in Russia and Ukraine demonstrate significant potential for growth due to the limited competition and the immaturity of the market, they concurrently bear the risk to be undermined by the complicated and different legal system and the overall inefficiency of the state and municipal authorities. Russian and Ukrainian legislation and administrative policy may from time to time be influenced by changes in the political arena. Moreover, administrative discretion may be exercised in a manner that is detrimental to a particular market participant or the whole industry. Though showing signs of improvement, Russian and Ukrainian political systems remain unstable and prone to abrupt and unpredictable changes. The Group is closely monitoring the situation to remain informed of the recent developments.

Certain tenders, as a result of which Russian subsidiaries of the Company provide facility management services under agreements on management of common property in multi-apartment houses entered into with the State Housing Agencies and a State-owned clearing company, may be found to be non-compliant with respective rules of such tenders, which in turn may lead to invaliditation of the respective management service agreements. Anyway, duration of the agreements entered into as a result of the aforementioned tenders is one year, expiring at 31 January 2008. As a result of reform of communal services, which is now in the process in Russia, respective Group companies are now in the process of concluding direct facility management agreements with the apartment owners and the process is expected to be completed by the end of year 2007, with the largest part of the contracts to be concluded by mid of year 2007.

Industry Specific Risks

The Group's activities are regulated by municipalities

The Group's operation in the fields of facility management and management of heating facility renovation projects is subject to state and/or municipal regulation and supervision in most jurisdictions. Adverse legislative changes in any of the countries where the Group operates may have adverse effect on the business of the Group or create obstacles to further growth.

The Group's future acquisitions depend on the privatisation reforms in the residential facility management sector

The residential facility management markets the Group operates in are in the progress to undergo liberalization reforms that include privatisation of residential facility management companies (RFMCs). The process has made headway in Lithuania where a part of RFMCs has been privatised in Klaipėda and Vilnius. According to the public sources, in St. Petersburg (Russia), Riga (Latvia) and Kiev (Ukraine) privatisation is expected to take off in the upcoming couple of years. The Group has ambitious plans for expansion via acquisitions and projects acquisitions of particular RFMCs. Should the scope and timing of the privatisation process be undermined or political or legislative changes occur, the Group‘s financial results may deviate from the projected ones.

Demand for facility management services may not grow as expected

The Group's organic growth prospects rely on the increasing demand for facility management services in Lithuania and other countries the Group operates in. However, the future growth of the demand for facility management services in the aforementioned sector depends on the following anticipated key factors: (i) the growing outsourcing of the facility management by the private and business clients of the Group, (ii) increasing disposable income of private clients and budgets for facility management service of business clients, (iii) increasing facility space of target clients. Should any unforeseen factors emerge to undermine the development of the facility management industry, the Group's financial results could be adversely affected.

The tariffs of residential facility management are subject to regulation by municipalities

The residential facility management tariffs subject to state and/or municipal regulation and supervision in most jurisdictions the Group operates in. During the last several years, in most aforementioned countries, the residential facility management tariffs have been periodically increased in relation to the increasing expenses of the facility management entities. However, not all countries of the abovementioned have defined procedures on the methodology and timing of review of residential facility management tariffs. Therefore, the Company cannot guarantee that the residential facility management tariffs will go in line with the residential facility management expenses which may potentially result in fluctuating profit margins and adversely affect the financial results of the Group.

The Group is facing competition in many spheres of its activity

The Group faces competition from a number of different market players in many spheres of its activities including competition for clients, employees and acquisitions. While the Company was a pioneer in the facility management sector in Lithuania and has established an eminent market leader position, recently it has newly acquired 3 local residential facility management companies and in Kiev and Riga the Company's subsidiaries still remain at the initial phase of their operation. As a result, the Group faces the challenge to establish and maintain its competitive advantages in these new markets, including but not limited to thorough know-how and experience, long-term relationship with clients, partnerships with leading real estate developers held in Lithuania, and to establish its market position in all markets of its presence; a failure to do so may have material negative effects of the Group's financial performance.

Statistics referred to in this Prospectus may not be accurate, complete or up-to-date

Certain statistics relating to facility management industry, including statistics relating to current and projected residential, commercial and office facility space in Lithuania, Russia, Latvia and Ukraine, as well as other statistics in this Prospectus, are derived from various unofficial publications and obtained from the Group's partners. The aforementioned information accords with the Management's best belief and the Management considers the information sufficient for decision making, however, such information has not been independently verified by the Group and may be not accurate, complete or up-to-date or prepared on a consistent basis and therefore the Company makes no representation as to the correctness or accuracy of such statements and, accordingly, such information should not be unduly relied upon.

The rising personnel and energy costs may negatively affect the profit margins

The personnel costs (comprising 14% of the Group's total expenses) and energy prices have a direct and indirect impact on the Group's expense base and profitability of operations. Should the aforementioned costs continue to rise, and should the Group be unable to offset such increases by raising the prices for its services or the total turnover, the Group's profit margins and results of operations could be adversely affected.

Company Specific Risks

The Group has limited and incomparable operating history

Throughout the operations since 1997 the Group has experienced significant shifts in terms of the Group's structure and operations that have been reflected in respective financial results. In 2004, the Company was a major holding entity with a number of subsidiaries operating in production of boiler-houses, metering equipment, heat supply substations and biofuel, construction waste management and other activities not related to facility management from which the Company divested during the financial year 2005. During 2006 and the beginning of 2007, the Company established/ acquired 9 facility management companies, out of which only 2 (UAB Ąžuolyno Valda and UAB Marių Valdos) were fully consolidated in the financial results of the Group in 2006 (SIA Riga City Service and ZAT Kiev City Service were at start-up phase and ОАО Сити Сервис (former ОАО Ремонтно строительное предприятие) was consolidated for the last quarter only). For the abovementioned reasons, the historical financial information of the Group included in this Prospectus may not necessarily (i) be comparable from year to year and (ii) reflect the Group's results of operations, financial position and cash flows in the future and should be evaluated in the light of the structural and operational changes in the performance of the Group.

The Group has no written intra-group transaction policies and may be subject to tax claims

The Group enters into transactions with other entities belonging to UAB Rubicon Group and other related parties. In 2006, the Group's purchases of goods and services from the related parties amounted to 21% and the sales of goods, and services for the Related Parties amounted to 4% of the Group's total sales. The Company and its subsidiaries aim at pricing intra group transactions on arm's length basis, however, neither the Group, nor UAB Rubicon Group have adopted a formal transfer pricing policy supporting the pricing of intra-group transactions, and the lack of documentation may give rise to the tax claims to the Group. No provisions have been recorded in the financial statements of the Company and the Group for such tax claims as the management considers that the likelihood of additional material tax liabilities associated with the intra-group transactions is remote.

The Company's ownership in UAB Vingio Valdos may be exchanged to a respective ownership in UAB Būsto Administravimo Agentūra

The Company is involved in the civil case regarding validity of the agreement of the exchange of UAB Vingio Valdos and UAB Būsto Administravimo Agentūra shares. The litigation may result in (i) either the Company shareholding in UAB Vingio Valdos being restituted to 100% and loosing all the shares in UAB Būsto Administravimo Agentūra or (ii) the Company keeping its shareholding in UAB Vingio Valdos at 67% and a minority shareholding (approximately 37%) in UAB Būsto Administravimo Agentūra. The Company estimates the aforementioned shareholdings of an equivalent value and does not anticipate a substantial effect on the Company's operations in any case

The Group relies on performance and agreements with its major clients

To a large degree the Company's and the Group's sales are concentrated among a limited number of clients. A larger portion of the Group's sales is generated by the management of heating facility renovation projects for two major clients – UAB Vilniaus Energija and UAB Litesko, jointly comprising around 54% of the Company's and 49% of the Group's sales in 2006 respectively. Top 5 largest clients of the Company and the Group comprise respectively 76% and 70% of the sales in 2006. Though in 2007 the share of UAB Vilniaus Energija and UAB Litesko in the Company's and the Group's sales is planned to be diluted by the sales of the facility management services in Lithuania and other markets, the two major clients are still expected to account for 53% of the Company's and 31% of the Group's sales respectively.

The demand for the Company's services is directly dependent on investment budgets for renovation of heating facilities by UAB Vilniaus Energija and UAB Litesko in Vilnius and 9 smaller towns in Lithuania. Moreover, there is no full certainty whether the UAB Vilniaus Energija and UAB Litesko have complied with the applicable regulatory procedures in awarding contracts to the Company therefore the Company has no assurance that purchasing of Company's services by the aforementioned clients will be continued by similar scope or at all in the future.

Any significant changes in any other major clients' operating conditions, their preference for the Group's services and settlement terms may have a material impact on the Group's financial results. Although the Company believes that the Group's customer base is strong and diversified, the Group will continue to be dependent upon a relatively limited number of customers for a significant portion of its sales and loss or cancellation of business from the Group's most significant clients therefore could materially reduce the Group's revenues.

The Group is dependent on its partnerships with real estate developers

One of the major competitive edges of the Group lies within its partnership with the leading real estate developers in Lithuania. The Group possesses extensive knowledge in maintenance of civil engineering systems and therefore shares its knowledge with the real estate developers in designing efficient civil engineering systems in order to lower the costs of further maintenance of the systems. In turn, the Group is granted the preference in further maintaining the buildings either in disposition of the real estate developers or new owners of the property thereafter. Any significant changes in the Group's partners' operating conditions and their preference for the Group's services may have a material impact on the Group's financial results.

The Group is dependent on key executive officers and personnel

Much of the success of the Group to a significant degree depends on the continuity of the Management and other highly trained and experienced personnel who have deep understanding of the facility management and have dedicated substantial parts of their professional careers to the Group. Should the Group be unable to attract, retain and motivate the aforementioned personnel, in addition to potentially benefiting the competitors by its employees, the Group may have material adverse impact on its business and financial condition as hiring the personnel equivalent by knowledge and experience would entail inevitable additional costs and would not necessarily be immediately possible.

The Group entities are exposed to high liability against clients

The Group entities get an access to a number of client's premises with all equipment, personal belongings and other assets located inside those premises under facility management contracts and as service provider the Group assumes civil liability for the damage to the Client's property, operations, as well as to the persons that may be present in facilities. Subject to negotiations with the Client, to limited extent the Group restricts its liability contractually. The Company holds civil liability insurance in the amount of LTL 5 million. However, the aforementioned insurance policy is subject to applicable deductibles and non-insured events and, therefore, may not always adequately cover the liability the Company incurs.

The Group's acquisitions may not be completed in planned timing or may not achieve the intended economic results

The Group's success in implementing its long-term strategy will depend upon a number of factors including the factors inside and outside its control. In particular, the Group's acquisitions may not be completed in planned timing or may not achieve the intended economic results. The Company plans to acquire 5 residential facility management companies (RFMCs) in Lithuania in mid 2007, a RFMC in Latvia in the autumn of 2007 and several RFMCs in Russia by the end of 2007. The timing of the acquisitions and the planned performance of the acquired entities in Lithuania and Latvia are among the major underlying assumptions behind the forecasted financial results for 2007. However, the contemplated acquisitions of facilities management companies may be delayed or even not occur based on governmental and/ or municipal privatisation policies. Furthermore, Group's acquisition bids may not necessarily be successful due to competition by other potential bidders. Consequently, the Company cannot guarantee either that these acquisitions are made in aforementioned timing, or that the acquired entities will achieve the intended economic results or commercial viability, which in turn may adversely affect the Group's business, financial condition or the results of operations.

The Group's capital expenditure for planned acquisitions may exceed the budgeted investment

The Group's expansion plans are capital intensive. The Company plans to invest around LTL 18 million for several acquisitions in Lithuania, Latvia and Russia in 2007 alone. The Company plans to finance the estimated acquisition projects in 2007, or any other expansion projects that are still in the planning stage, by the net proceeds available from the Offering (LTL 22.8 million – LTL 25.8 million based on the Offer Price range) and cash generated from future operations. However, the Group cannot guarantee that the planned expansion projects will be completed within the Group's original budgets. Should the Group require additional funds and cannot obtain them in due timing, the Group may not be able to fully fund the necessary capital expenditure to implement the Group's business strategies. Should the Group be able to secure sufficient funding, the Group may still not be able to obtain the funds under relatively commercially favourable terms, which would result in increased financing costs. In case of occurrence, any of the abovementioned cases could impede the implementation of the Group's business strategies and/ or prevent the Group from entering into transactions, that would otherwise benefit the Group's business, and could adversely affect the Group's financial condition and results of operations.

The Group's business and reputation may be affected by adverse publicity in relation to the Group's services

The public interest in the facility management services and, concurrently, the publicity of the service are currently increasingly growing in Lithuania. Moreover, the residential facility management business inherently includes solving of utility problems many of which are beyond the Group's control, and dealing with a wide circle of price-sensitive private individuals, therefore, by nature many major events including accidents, breakdowns, emergencies and also price changes in residential facility management are periodically followed and in many cases inadequately reflected in the local mass media. As the Company is an outstanding market leader in Lithuania, the Group occasionally draws adverse publicity and may get engaged in public disputes for the Group's reputation. Should the latter occur, the adverse publicity and disputes may impose additional costs for defending these disputes and harm the Group's reputation, which could thereby have adverse effect on the Group's financial results.

The Group may be unable to manage its future growth

In 2007 and beyond, the Group anticipates an aggressive growth through both – horizontal and vertical acquisitions, as well as organic growth. The Group's expansion plans may place a significant strain on the Group's managerial, operational and financial resources as the Group's ability to manage its future growth will depend on the Group's ability to continue to expand, train, motivate and manage its workforce and pursue new clients, subcontractors, partners and acquisition opportunities on a timely basis.

The Company cannot guarantee that its personnel, systems, procedures and controls will be adequate to support the future growth. Failure to effectively manage the Group's expansion may potentially lead to increased costs and less optimal investment decisions and result in missed business opportunities.

Shares Specific Risks

An active market for the Shares may not develop

Prior to this Offering, there has been no public market for the Shares. The Company can not provide any assurance an actively trading market for Shares will emerge, develop or be sustained after the completion of the Offering. The Offer Price will be determined through discussions among the Lead Manager, the Company and the Selling Shareholders. This initial Offer Price may vary from the market price of the Shares after the Offering. If you purchase any Shares, you may not be able to resell those Shares at or above the Offer Price.

In order to mitigate this risk, the Selling Shareholders have granted the Lead Manager an option to purchase up to 623,628 Shares at the price of the Offering solely to cover over-allotments, if any. This option is exercisable starting from the date of public disclosure of the final price for the Offer Shares and ends within 30 calendar days after the date of allotment.

The price of the Shares after this Offering may be volatile and may fluctuate significantly in response to numerous factors including the actual or anticipated fluctuations in the quarterly and annual results of the Company and those of its competitors; industry and market conditions; mergers and strategic alliances; changes in laws and regulations; shortfalls in the operating results of the Company or its competitors compared to levels forecasted by investment analysts; public announcements concerning the Company or its competitors; global and regional economic conditions and the general state of securities markets. Many of these factors may be beyond the control of the Company and are difficult or impossible to predict.

Stocks listed on Vilnius Stock Exchange are volatile and of limited liquidity

Application has been made to Vilnius Stock Exchange for Shares to be admitted to trading on Vilnius Stock Exchange's Main List. Though every effort will be made to ensure that listing will occur, the Company can not provide any assurance that Shares will be admitted to trading.

Vilnius Stock Exchange is substantially less liquid and more volatile than established markets such as those in other countries with highly developed securities markets. The relatively small market capitalisation and low liquidity of Vilnius Stock Exchange may impair the ability of shareholders to sell Shares on Vilnius Stock Exchange, which could increase the volatility of the price of Shares.

Since Vilnius Stock Exchange is characterised by relatively low investor activity, the impact of individual transactions on the market price of securities may be significant. Lower investor activity may lead to wider spreads between the bid and ask prices and a correspondingly lower liquidity of traded securities.

The market price of the Shares may be affected by adverse publicity in relation to the Company and the Group

The public interest in the facility management services and, concurrently, the publicity of the service are currently increasingly growing in Lithuania. Moreover, the residential facility management business inherently includes solving of utility problems many of which are beyond the Group's control, and dealing with a wide circle of price-sensitive private individuals, therefore, by nature many major events including accidents, breakdowns, emergencies and also price changes in residential facility management are periodically followed and in many cases inadequately reflected in the local mass media. As the Company is an outstanding market leader in Lithuania, the Group occasionally draws adverse publicity and may get engaged in public disputes for the Group's reputation. Should the latter occur, the adverse publicity and disputes may have adverse effect on the market price of the Shares.

Payment of dividends is not guaranteed

Shareholders of the Company adopted a policy to distribute as dividends at least 25% of the net profit of the reporting financial year reduced by (i) retained loss of the previous financial years (if any) and (ii) mandatory allocation to reserves. Notably, such dividend policy should be treated as intention of the current shareholders and may be overruled by a resolution of the annual General Shareholders Meeting.

Major shareholder will be able to adopt major corporate decisions

Despite the Offering, the Company will remain under the control of UAB Rubicon Group. Following the completion of the Offering UAB Rubicon Group will hold approximately 75% of the Shares of the Company. Said shareholder will be able to adopt all major corporate decisions that are in the competence of the General Shareholders Meeting of the Company.

Shares in the Company owned by UAB Rubicon Group and shares in certain subsidiaries are pledged

5,250,000 of Company's shares owned by UAB Rubicon Group and constituting approximately 31% of the Company's share capital are pledged to AB DnB NORD bankas to secure obligations of UAB Rubicon Group. Furthermore, 3,570,000 of Company's shares owned by UAB Rubicon Group and constituting 21 % of the Company's share capital are pledged to AB SEB Vilniaus bankas to secure obligations of UAB Rubicon Aqua. Should UAB Rubicon Group default on the repayment of its aforementioned loans, the major shareholder of the Company may change. Furthermore, shares owned by the Company in its Lithuanian subsidiaries – UAB Žaidas, UAB Buitis Be Rūpesčių, UAB Vingio Valdos, UAB Ąžuolyno Valda and UAB Marių Valdos – are pledged to AB DnB NORD bankas to secure obligations of the Company against the bank. Should the Company default on the repayment of the loan secured by the pledge of shares in its subsidiaries, the Company may loose control in such subsidiaries.

Foreign exchange risk

Shares are denominated in Lithuanian Litas, which is currently pegged to Euro at the rate of 1 Euro to 3.4528 Lithuanian Litas. Dividends and other distributions by the Company will also be paid in Lithuanian Litas.

SUMMARY FINANCIAL INFORMATION

The tables below present certain selected consolidated financial information of the Company and the Group for the financial years ended 31 December 2004, 2005 and 2006. This information has been derived from audited consolidated financial statements of the Company and should be read in conjunction with, and is qualified in its entirety by reference to, such financial statements and the related notes. The financial statements of the Company and the Group have been prepared in accordance with the IFRS (International Financial Reporting Standards) as adopted by the European Union. The ratios and indicators set forth in the table below are provided to illustrate certain aspects of the business of the Company and its financial performance. Some of these ratios and indicators are used by the Management to evaluate the performance of the Company, while others are provided for the benefit of investors considering an investment in the Offer Shares. Although some of these ratios and indicators are not calculated in accordance with the IFRS, the Management believes that the ratios and indicators set forth below are customary and often used by public companies to illustrate their business and financial performance.

Highlights of Financial Statements and key ratios and indicators (LTL in thousands) (year ended 31 December)

Income Statement	The Group			The Company		
	2004	2005	2006	2004	2005	2006
Sales	**190,851**	**117,232**	**113,607**	**108,818**	**95,986**	**103,447**
Cost of Sales	(139,170)	(96,127)	(94,795)	(89,291)	(82,002)	(86,756)
of which Depreciation and Amortisation	(2,215)	(468)	(54)	-	-	-
Gross profit	**51,681**	**21,105**	**18,812**	**19,527**	**13,984**	**16,691**
Salaries and social security taxes	(10,798)	(5,845)	(3,309)	(1,594)	(1,758)	(2,459)
Depreciation and Amortisation	(2,041)	(1,114)	(550)	(637)	(480)	(410)
Other operating expenses	(19,074)	(8,164)	(7,668)	(5,076)	(4,831)	(5,528)
Total operating expenses	**(31,913)**	**(15,123)**	**(11,527)**	**(7,307)**	**(7,069)**	**(8,397)**
Other activities (net)	295	2,389	259	531	2,330	141
Operating Profit	**20,063**	**8,371**	**7,544**	**12,751**	**9,245**	**8,435**
Financial and investment activities (net)	1,492	(2,179)	2,106	(1,005)	5,525	760
of which interest expenses	(1,022)	(158)	(136)	(28)	-	(137)
of which non-typical items*	3,296	(2,975)	1,546	52	4,585	210
Result of associated companies (net)	29	-	-	-	-	-
Profit before income tax and minority interests	**21,584**	**6,192**	**9,650**	**11,746**	**14,770**	**9,195**
Income tax expenses	(4,030)	(1,661)	(2,122)	(2,079)	(1,732)	(1,645)
Net profit (loss)	**17,554**	**4,531**	**7,528**	**9,667**	**13,038**	**7,550**
Attributable to:						
The shareholders of the Company	15,490	5,049	7,516	9,667	13,038	7,550
Minority interests	2,064	(518)	12	-	-	-

Balance Sheet	The Group			The Company		
	2004	2005	2006	2004	2005	2006
Cash and cash equivalents	3,922	1,747	4,972	939	1,512	2,570
Trade receivables**	46,064	43,747	53,253	30,951	43,480	52,600
Inventories	17,690	1,028	2,419	2,063	941	1,785
Other current assets	14,104	4,931	4,864	10,638	3,975	3,562
Total current assets	**81,780**	**51,453**	**65,508**	**44,591**	**49,908**	**60,517**
Financial assets	14,317	734	856	18,982	1,622	11,186
Tangible assets	20,333	1,994	8,732	3,652	1,584	2,141
Intangible assets	632	21	3,554	45	7	26
Other non-current assets	294	51	207	-	51	157
Total non-current assets	**35,576**	**2,800**	**13,349**	**22,679**	**3,264**	**13,510**

Total assets	**117,356**	**54,253**	**78,857**	**67,270**	**53,172**	**74,027**
Trade creditors**	23,689	19,998	29,052	16,662	20,215	27,464
Short-term debt	8,017	165	1,669	155	165	1,598
Other short-term payables	20,580	8,922	11,655	13,928	7,923	9,682
Total current liabilities	**52,286**	**29,085**	**42,376**	**30,745**	**28,303**	**38,744**
Long-term debt	5,510	311	4,767	394	287	4,651
Other long-term payables and provisions	362	-	244	187	-	-
Total non-current liabilities	**5,872**	**311**	**5,011**	**581**	**287**	**4,651**
Total liabilities	**58,158**	**29,396**	**47,387**	**31,326**	**28,590**	**43,395**
Share capital	10,500	10,500	10,500	10,500	10,500	10,500
Reserves	10,700	1,050	1,061	10,700	1,050	1,050
Retained earnings	23,005	13,304	19,309	14,744	13,032	19,082
Minority share	14,993	3	615	-	-	-
Total shareholder's equity	**59,198**	**24,857**	**31,470**	**35,944**	**24,582**	**30,632**
Total liabilities and shareholder's equity	**117,356**	**54,253**	**78,857**	**67,270**	**53,172**	**74,027**

Cash Flow Statement	**The Group**			**The Company**		
	2004	**2005**	**2006**	**2004**	**2005**	**2006**
Cash flow from (to) operating activities	8,455	610	6,915	7,818	(784)	6,935
Cash flow from (to) investing activities	(21,251)	(1,373)	(6,948)	(14,066)	2,665	(9,186)
Cash flow from (to) financing activities	5,334	(1,412)	3,258	(2,097)	(1,308)	3,309

Key ratios and indicators	**The Group**			**The Company**		
	2004	**2005**	**2006**	**2004**	**2005**	**2006**
Number of shares ***	105	10,500	10,500	105	10,500	10,500
Earnings per share (EPS), LTL	167.2	0.4	0.7	92.1	1.2	0.7
Number of employees***	909	373	927	275	301	376
Sales per employee (LTL in thousands)	210	314	123	396	319	275
EBITDA (LTL in thousands)	27,057	8,161	10,561	12,577	15,479	9,913
EBITDA adjusted (LTL in thousands)	23,761	11,136	9,015	12,525	10,894	9,703
EBITDA margin,%	14.2%	7.0%	9.3%	11.6%	16.1%	9.6%
EBITDA adjusted margin,%	12.5%	9.5%	7.9%	11.5%	11.3%	9.4%
Operating profit margin,%	10.5%	7.1%	6.6%	11.7%	9.6%	8.2%
Return on equity (ROE), %	29.7%	18.2%	23.9%	26.9%	53.0%	24.6%
Equity ratio, %	50.4%	45.8%	39.9%	53.4%	46.2%	41.4%

* including write-off of negative goodwill, profit (loss) from disposal of investments and dividend income.
** including the accounts of related parties.
*** as of the end of the financial year.

EBITDA	=	Earnings before interest expenses, profit taxes, depreciation and amortisation. EBITDA is included as a supplemental item, since the Management believes that EBITDA, when considered in conjunction with cash flows from operating, investing and financing activities, may provide useful information. EBITDA is not a measure of operating performance calculated in accordance with IFRS and should not be considered as a substitute for operating profit, net income, cash flow from operations or other profit/ loss or cash flow data determined in accordance with IFRS.
EBITDA adjusted	=	EBITDA before atypical items. EBITDA adjusted is included as a supplemental item indicating steady profitability and eliminating results from atypical one-off events.
EBITDA margin	=	EBITDA / Sales. The EBITDA margin measures the relationship between EBITDA

		profitability and sales providing information about a company's profitability from the operations of its business and is independent of a company's financing and tax position as well as depreciation-related estimates.
EBITDA adjusted margin	=	EBITDA adjusted / Sales. The EBITDA adjusted margin measures the relationship between EBITDA adjusted profitability and sales providing information about a company's profitability from the operations of its business and is independent of a company's financing and non-typical and one-off financial activities and tax position as well as depreciation-related estimates.
Operating profit margin	=	Operating profit / Sales. The operating profit margin measures the relationship between operating profitability and sales providing information about a company's profitability from the operations of its business and is independent of both a company's financing and tax position.
Return on equity (ROE)	=	Net profit / Total equity. Return on equity excludes debt in the denominator and compares net income with total shareholders' equity. It measures the rate of return on shareholders' investment and is, therefore, useful in comparing the profitability of a company with its competitors.
Equity ratio	=	Equity / Total assets. Equity ratio is a measure of financial leverage which highlights the ratio of shareholders' equity to total assets. The analysis of the Company's financial leverage (or capital structure) is essential to evaluate its long-term risk and return prospects.

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