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UAB Agriveta ANNUAL REPORT
for 2006/2007 season,
YEAR THAT ENDED on 30 June 2007.

Approved by
the only shareholder Akola Aps
on October 31st, 2007
Minutes No. 7

For shareholders of Agriveta, UAB

Private limited company Agriveta (hereinafter referred to as the Company) is an assets management company - holding with its main business activities focused on assets management through control of different sizes of stock packages of a number of companies. Financial year of the Company starts on the 1st of July and ends on the 30th of June. It is determined by the period of financial year used in Linas Agro Group, a member of which Agriveta, UAB is.

In the last financial year, Agriveta, UAB operated at a profit and earned the net profit in the amount of LTL 1.284 million or 9% more than during the respective period in the previous year. Main incomes of the Company were earned from the financial investment activities or dividends, since they represent the main business activities and strategy of the Company. Successful economic activities of the affiliate companies of Agriveta, UAB allowed payment of a share of the profit in dividends. It must be noted that incomes from dividends have become usual incomes, since the Company has been earning this kind of incomes for the last three years by now.

The Company controls 50% of shares in Dotnuvos projektai, UAB and Kustodija, UAB, each, 45% in Jungtinė ekspedicija, UAB, and 100% in Linas Agro Konsultacijos, UAB. Incomes from dividends formed the major part of the total incomes (i.e. 90%), the other share was earned from rent. The Company rents its transport fleet and premises to Linas Agro, AB. Expenses of the Company are related with administrative activities, i.e. servicing of the above-mentioned investments and assets. Expenses are minimum and amounted to about LTL 154,000 in the last reporting period. Company's expenses have significantly increased if compared with the previous period. Major part of the expenses consists of labour expenses (50%, the number employees increased to 4) and auditing and consulting expenses (42%). In order to achieve higher performance quality and better satisfaction of the needs of Linas Agro Group, the shareholders of the Company approved a new audit company - Rimess, UAB.

Structure of the main expenses of the Company is presented in Table 1 below.

Structure of the main expenses of Agriveta, UAB

Table 1.

Operating expenses	Financial year 2006/2007	Previous financial year 1 st half of 2006
General and administrative expenses (except depreciation, etc.)	154,406	22,916
Labour expenses	78,318	14,591
Commission charges of banks	1,338	353
Consulting, auditing expenses	65,000	5,000
Taxes and charges	8,190	2,972
Fines and default interest	21	
Other	1,539	
Bad debt expenses		12
Profit/loss of fluctuations in foreign exchange rate	12	10

Key financial rates of the Company are presented in Table 2 below.

Main financial rates of Agriveta, UAB

Table 2.

Main financial rates	01/07/2006- 30/06/2007	01/07/2005- 30/06/2006
Earnings before interest, taxation and depreciation – EBITDA	66,180	40,752
Earnings before taxes – EBT	1,284,807	1,239,477
Return on equity – ROE	19%	21%
Return on investments – ROI	-0.24%	6%
Return on capital employed – ROCE	19%	21%
Return on assets – ROA	11%	10%
Financial solvency ratios		
Current ratio	0.63	57%
Financial lever	43%	53%

Economic activities of the enterprises controlled by the Company are related with agriculture, therefore a complete package of services for Lithuanian farmers is ensured. Affiliate and associated companies of Agriveta, UAB specialise in seed production, agricultural machinery sale (Dotnuvos projektai, UAB), sale of pesticides and other plant protection products (Kustodija, UAB), management of agricultural companies (Linas Agro Konsultacijos, UAB). During the last financial year, the Company successfully implemented its agriculture-oriented investment policy. Companies to buy agricultural land were established in the agricultural enterprises controlled by the Company (Landvesta 1, ŽŪB; Landvesta 2, ŽŪB; Landvesta 3, ŽŪB and Landvesta 4, ŽŪB). The company acquired share contribution in Grūdų centras, KŪB of Linas Agro, UAB (company controlling elevators), grain trade company in Belarus – Selskohozaistvenyje Usługi, OOO (69.85%) and Krupica, OOO (44.53%). All these actions are expected to strengthen the enterprises controlled by the Company and to enable Agriveta, UAB to earn bigger return on investment.

The authorised capital of the Company has not changed and amounts to LTL 86,138. On 10 April 2007, the shareholders of the Company sold 91% of the Company's shares to Akola ApS (assets management company in Denmark) and natural person T. Šidlauskas. Akola ApS has 100% voting rights in Agriveta, UAB. Agriveta, UAB does not intend to pay dividends.

Agriveta, UAB being asset management or holding company fully conforms to the specifics of its activities and plans to stay the same in the future.

Director

Darius Zubas