

DECLARATION BY THE PERSONS RESPONSIBLE
27 February 2009

We hereby declare that the financial statements were drawn up according to the International Accounting Standards; the information contained therein is in accordance with the facts, and present a true view of the Company's assets, liabilities, financial status and profit.

Managing Director

Chief Financier

Marius Vaivada

Nijolė Čyžienė

Complete Form of the Balance Sheet

AB PRAMPROJEKTAS

(enterprise name)

133873358 , DONELAIČIO 60 KAUNAS

(enterprise identification number, address, other information)

NONAUDITED

APPROVED

BALANCE SHEET

31-12-2008

(reporting period)

(reporting currency and level of its accuracy)

	ASSETS	Note No.	Financial year 2008	Previous financial year 2007
A.	NON-CURRENT ASSETS		1852533	1766733
I.	INTANGIBLE ASSETS		59658	62287
I.1.	Development works			
I.2.	Goodwill			
I.3.	Licences and patents			
I.4.	Computer software	4.1	59658	62287
I.5.	Other intangible assets			
II.	TANGIBLE ASSETS	4.2-4.4	805389	918920
II.1.	Land			
II.2.	Buildings and constructions		544642	555991
II.3.	Plant and equipment			
II.4.	Vehicles		57027	90034
II.5.	Other property, plant and equipment		203720	272895
II.6.	Construction in progress			
II.7.	Other tangible assets			
II.8.	Investment assets		0	
II.8.1.	Land			
II.8.2.	Buildings			
III.	FINANCIAL ASSETS	4.5	987486	785526
III.1.	Investments in subsidiaries and associates			
III.2.	Loans to subsidiaries and associates			
III.3.	Amounts receivable after one year			
III.4.	Other financial assets		987486	785526
IV.	OTHER NON-CURRENT ASSETS		0	
IV.1.	Deferred tax assets			
IV.2.	Other non-current assets			
B.	CURRENT ASSETS		13864213	13998649
I.	INVENTORIES, PREPAYMENTS AND		102582	76501
I.1.	Inventories	4.6	16312	11640
I.1.1.	Raw materials and components			
I.1.2.	Work in progress			
I.1.3.	Finished products			
I.1.4.	Materials		16312	11640
I.2.	Prepayments		86270	64861
I.3.	Contracts in progress			
II.	AMOUNTS RECEIVABLE WITHIN ONE		3102347	2875109
II.1.	Trade amounts receivable		3094682	2829526
II.2.	Receivables from subsidiaries and associates			
II.3.	Other amounts receivable		7665	45583
III.	OTHER CURRENT ASSETS		10649174	11009760
III.1.	Current investments		10563894	10963147
III.2.	Time deposits			
III.3.	Other current assets		85280	46613
IV.	CASH AND CASH EQUIVALENTS		10110	37279
	TOTAL ASSETS:		15716746	15765382

	EQUITY AND LIABILITIES	Note No.	Financial year 2008	Previous financial year 2007
C.	EQUITY		13339645	13039273
I.	CAPITAL	4.10	5970972	5970972
I.1.	Authorised (subscribed)		5970972	5970972
I.2.	Subscribed uncalled share capital (-)			
I.3.	Share premium			
I.4.	Own shares (-)			
II.	REVALUATION RESERVE (RESULTS)			
III.	RESERVES		4597097	797097
III.1.	Legal reserve		597097	597097
III.2.	Reserve for acquiring own shares			
III.3.	Other reserves		4000000	200000
IV.	RETAINED EARNINGS (LOSSES)		2771576	6271204
IV.1.	Profit (loss) of the reporting year		300372	523336
IV.2.	Profit (loss) of the previous year		2471204	5747868
D.	GRANTS AND SUBSIDIES			
E.	AMOUNTS PAYABLE AND LIABILITIES		2377101	2726109
I.	NON-CURRENT AMOUNTS PAYABLE AND LIABILITIES		0	
I.1.	Financial debts			
I.1.1.	Leases and similar obligations			
I.1.2.	To credit institutions			
I.1.3.	Other financial debts			
I.2.	Trade amounts payable			
I.3.	Amounts received in advance			
I.4.	Provisions		0	
I.4.1.	For covering liabilities and demands			
I.4.2.	For pensions and similar obligations			
I.4.3.	Other provisions			
I.5.	Deferred tax liabilities			
I.6.	Other amounts payable and non-current liabilities			
II.	CURRENT AMOUNTS PAYABLE AND LIAB	4.9	2377101	2726109
II.1.	Current portion of non-current debts			
II.2.	Financial debts		185226	623550
II.2.1.	To credit institutions		185226	
II.2.2.	Other debts			623550
II.3.	Trade amounts payable		824358	844433
II.4.	Amounts received in advance		332515	450419
II.5.	Profit tax liabilities			
II.6.	Liabilities related with labour relations	4.9,4.12	860352	669642
II.7.	Provisions			
II.8.	Other amounts payable and current liabilities		174650	138065
	TOTAL EQUITY AND LIABILITIES:		15716746	15765382

MANAGING DIRECTOR
title of the head of enterprise
administration

(signature)

MARIUS VAIVADA
(full name)

Complete Form of Income Statement

AB" PRAMPROJEKTAS"

(enterprise name)

133873358 DONELAIČIO 60, KAUNAS

(enterprise identification number, address, other information)

NONAUDITED

APPROVED

INCOME STATEMENT**31-12-2008**

31-12-2008

(reporting period)

in litas

to specify – in litas or thousands of

No.	ITEMS	Note No.	Financial Year 2008	Financial year 2008 IV	Financial year 2007 IV	Previous financial year 2007
I.	SALES INCOME	4.11	11488852	2264073	3074385	10924661
II.	COST OF SALES		8440926	1742481	2248602	8004054
III.	GROSS PROFIT (LOSS)		3047926	521592	825783	2920607
IV.	OPERATING COSTS		2796640	788265	603128	2260512
IV.1	Sales					
IV.2	General and administrative		2796640	788265	603128	2260512
V.	OPERATING PROFIT (LOSS)		251286	-266673	222655	660095
VI.	OTHER ACTIVITIES	4.7	16568	2180	6493	18495
VI.1.	Income		57874	3930	8554	55643
VI.2.	Expenses		41306	1750	2061	37148
VII.	FINANCING AND INVESTING	4.8	104329	142271	-196658	-127337
VII.1.	Income		351819	347691	622978	289359
VII.2.	Expenses		47454	5384	819636	416696
VII.3.	The result of applying equity method					
VII.4.	Expenses the decrease of asset value		200036	200036		
VIII.	PROFIT (LOSS) FROM NORMAL ACTIVITIES		372183	-122222	32490	551253
IX.	GAIN				-5616	
X.	LOSSES					
XI.	PROFIT (LOSS) BEFORE TAX		372183	-122222	26874	551253
XII.	PROFIT TAX		71811		-45469	27917
XIII.	NET PROFIT (LOSS)		300372	-122222	72343	523336

MANAGING DIRECTOR

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(signature)

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APPROVED

STATEMENT OF CHANGES IN EQUITY

31-12-2008

31-12-2008

in litas

(reporting period)	Indicate – litas or thousands of litas										
	Paid up authorised capital	Share premium	Own shares (-)	Revaluation reserve (results)		Legal reserves		Other reserves		Retained earnings (losses)	Total
	1	2	3	4	5	6	7	8	9	10	11
1. Balance at the beginning of previous financial year 31.12.2005	5970972	0	0	0	0	530848	0	0	90000	5206270	11798090
2. Increase / decrease in non-current tangible assets value											0
3. Increase / decrease in financial assets value											0
4. Acquisition / sales of own shares											0
5. Profit / loss, excluded from Income Statement											0
6. Net profit / loss of the reporting period										717847	717847

22. Increase / reduction of authorised capital																					0
23. Balance at the end of reporting financial year 31.12.2007	5970972	0	0	0	0	0	597097	0	0	200000	6271204	13039273									
24. Increase / decrease in non-current tangible assets value																					0
25. Increase / decrease in financial assets value																					0
26. Acquisition of own shares																					0
27. Profit / loss, excluded from Income Statement																					0
28. Net profit / loss of the reporting period													300372								300372
28a. Expenses of applied allocated reserve 2007 m.																					
29. Dividends																					0
30. Other payments																					0
31. Formed reserves										4000000	-4000000										0
32. Used reserves										-200000	200000										0
33. Increase / reduction of authorised capital																					0
34. Balance at the end of reporting financial year 31.12.2008	5970972	0	0	0	0	0	597097	0	0	4000000	2771576	13339645									

Marius Vaivada
 (signature)

MARIUS VAIVADA

MANAGING DIRECTOR
 title of the head of enterprise
 administration

Complete Standard Form of the Cash Flow Statement
Prepared according to the Indirect Method

AB " PRAMPROJEKTAS"

(enterprise name)

133873358, DONELAIČIO 60 KAUNAS

(enterprise registration number, address, other information)

NONAUDITED

APPROVED

CASH FLOW STATEMENT

31-12-2008

31-12-2008

in litas

(reporting period)

to specify – in litas or thousands of litas

No.	ITEMS	Note No.	Financial Year 2008	Previous financial year 2007
I.	Cash flows from operating activities			
I.1.	Net profit (loss)		300372	523336
I.2.	Depreciation and amortization costs		191061	201470
I.3.	Decrease (increase) in amounts receivable after one year			
I.4.	Decrease (increase) in inventory		-4672	3276
I.5.	Decrease (increase) in advances received		-21409	37369
I.6.	Decrease (increase) in contracts in progress			
I.7.	Decrease (increase) in trade receivables		-265156	-1317993
I.8.	Decrease (increase) in amounts receivable from subsidiaries and associates			
I.9.	Decrease (increase) in other amounts receivable		37918	1399
I.10.	Decrease (increase) in other current assets		360586	-88210
I.11.	Increase (decrease) in non-current payables to suppliers and advances received			
I.12.	Increase (decrease) in current payables to suppliers and advances received		-137979	332949
I.13.	Increase (decrease) in profit tax liability			-90426
I.14.	Increase (decrease) in liabilities connected with labour relations		190710	152920
I.15.	Increase (decrease) in provisions			
I.16.	Increase (decrease) in other amounts payable and liabilities		36585	-70805
I.17.	Elimination of non-current and intangible assets transfer results		-251	
I.18.	Elimination of financing and investing activity results		40340	127337
I.19.	Elimination of other non-cash items		2832	-589
	Net cash flows from operating activities		730937	-187967
II.	Cash flows from investing activities			
II.1.	Acquisition of non-current assets (excluding investments)		-77736	-246587
II.2.	Transfer of non-current assets (excluding investments)		254	4763
II.3.	Acquisition of long-term investments		-201960	-509000
II.4.	Transfer of long-term investments			1525080

II.5.	Loans granted			
II.6.	Loans recovered			
II.7.	Dividends and interest received			
II.8.	Other increase in cash flows from investing activities			130830
II.9.	Other decrease in cash flows from investing activities			-1748277
	Net cash flows from investing activities		-279442	-843191
III.	Cash flows from financing activities			
III.1.	Cash flows related to enterprise owners:			
III.1.1.	Emission of shares			
III.1.2.	Owners' contributions against losses			
III.1.3.	Purchase of own shares			
III.1.4.	Dividends paid			
III.2.	Cash flows arising from other financing sources		-478664	628002
III.2.1.	Increase in financial debts		200000	623550
III.2.1.1.	Loans received		200000	623550
III.2.1.2.	Issue of bonds			
III.2.2.	Decrease in financial debts		-678664	
III.2.2.1.	Loans repaid		-638324	
III.2.2.2.	Purchase of bonds			
III.2.2.3.	Interest paid		-40340	
III.2.2.4.	Payments of lease (finance lease) liabilities			
III.2.3.	Increase in other enterprise liabilities			
III.2.4.	Decrease in other enterprise liabilities			
III.2.5.	Other increase in cash flows from financial activities			4910
III.2.6.	Other decrease in cash flows from financial items			-458
	Net cash flows from financing activities		-478664	628002
IV.	Cash flows from extraordinary items		0	0
IV.1.	Increase in cash flows from extraordinary items			
IV.2.	Decrease in cash flows from extraordinary items			
V.	The effects of changes in foreign exchange rates on cash and cash equivalents balance			
VI.	Net increase (decrease) in cash flows		-27169	-403156
VII.	Cash and cash equivalents at the beginning of period		37279	440435
VIII.	Cash and cash equivalents at the end of period		10110	37279

MANAGING DIRECTOR
title of the head of enterprise
administration



(signature)

MARIUS VAIVADA
(full name)

Intangible assets
No.4.1

AB PRAMPROJEKTAS
(company name)

133873358 Doneiācio 60, Kaunas
(company identification number, address, other data)

INTANGIBLE ASSETS 31-12-2008

LTL
Specify – in LTL or thousand LTL

Indices	Software	Patents, licenses	Other intangible assets	Total
Residual value at the end of the previous financial year	62287			62287
a) Non-current intangible assets at purchasing costs	264692			264692
At the end of the previous financial year:				
Changes of the financial year:				
– purchase of the assets	41637			41637
– assets assigned to other persons and written down (-)	-43196			-43196
– transfers between items + / (-)				
At the end of the financial year	263133			263133
b) Amortisation				
At the end of the previous financial year	202405			202405
Changes of the financial year:				
– amortisation of the financial year	41530			41530
– reversals (-)				
– amortisation of assets assigned to other persons and written down (-)	-40460			-40460
– transfers between items + / (-)				
At the end of the financial year	203475			203475
c) Impairment value				
At the end of the previous financial year				
Changes of the financial year				
– impairment value of the financial year				
– reversals (-)				
– assets assigned to other persons and written down (-)				
– transfers between items + / (-)				
At the end of the financial year				
d) Residual value at the end of the financial year (a) - (b) - (c)	59658			59658

Non-current tangible assets
No.4.2

AB PRAMPROJEKTAS
(company name)

Donelaičio 60, Kaunas
(company identification number, address, other data)

31-12-2008

**NON-CURRENT TANGIBLE ASSETS GROUPS, THEIR EVALUATION AND DEPRECIATION
CALCULATION METHODS**

Groups of non-current tangible assets	Evaluation	Method of depreciation calculation	Average actual useful life
buildings	Acquisition cost	Directly proportional (linear)	40 - 80 years
vehicles	Acquisition cost	Directly proportional (linear)	6 - 9 years
Other property, plant and equipment	Acquisition cost	Directly proportional (linear)	3 - 10 years

Non-current tangible assets
No.4.3

AB PRAMPROJEKTAS

(company name)

133873358

Donelaičio 60, Kaunas

(company identification number, address, other data)

LTL
Specify – in LTL or thousand LTL

NON-CURRENT TANGIBLE ASSETS 31 12 2008

Indices	Buildings	Vehicles	Other property, plant and equipment	Library stocks	Total
Residual value at the end of the previous financial year	555991	90034	268442	4453	918920
a) purchasing cost					
At the end of the previous financial year	837134	206902	1007267	4453	2055756
Changes of the financial year:					
- purchase of the assets			36099		36099
- assets assigned and written down (-)		-636	-67722	-11	-68369
- transfers between items +/-					
At the end of the financial year	837134	206266	975644	4442	2023486
b) Revaluation					
At the end of the previous financial year					
Changes of the financial year:					
- value increase (impairment) +/-					
- assets assigned to other persons and written down (-)					
- transfers between items +/-					
At the end of the financial year					
c) Depreciation					
At the end of the previous financial year	281143	116868	738825		1136836
Changes of the financial year:					
- depreciation of the financial year	11349	33006	105176		149531
- reversals (-)					
- depreciation of assets assigned to other persons and written down		-635	-67635		-68270
- transfers between items +/-					
At the end of the financial year	292492	149239	776366		1218097
d) Impairment Value					
At the end of the previous financial year					
Changes of the financial year:					
- impairment value of the financial year					
- reversals (-)					
- of assets assigned to other persons and written down (-)					
- transfers between items +/-					
At the end of the financial year					
e) Residual value at the end of the financial year (a) + (b) - (c) -	544642	57027	199278	4442	805389

Non-current tangible assets
Appendix No. 4.4

AB PRAMPROJEKTAS
(company name)

133873358 Donelaičio 60, Kaunas
(identification number, address, other data)

DEPRECIATED NON-CURRENT ASSETS STILL IN USE ON 31 12 2008

Assets group name	Acquisition cost (LTL)
Transport	35753
Other property, plant and equipment	518231
Intangible assets	128617
TOTAL	682601

Non-current financial assets
No.4.5

AB PRAMPROJEKTAS

133873358 Donelaičio 60, Kaunas

MOVEMENT TABLE OF NON-CURRENT FINANCIAL ASSETS

in LTL

		Balance on 31 12 2007				Acquired	Assigned to other persons	Income because of market price	carried from current assets i tem	Income (-) because of equity method	Balance on 31 12 2008
Acquisition cost	Income because of market price	Due to equity method	Total								
785526			785526	201960						987486	

AB PRAMPROJEKTAS
(company name)

133873358

Donelaičio 60, Kaunas

(identification number, address, other data)

INVENTORIES 31 12 2008

LTL

Specify in LTL or thousand LTL

Indices	Raw materials	Work in progress	Total
a) Cost of purchase of inventories	16312		16312
At the end of the previous financial year	16312		16312
At the end of the financial year			
b) Write-down to net realisable value (reversal)			
At the end of the previous financial year			
At the end of the financial year			
c) Net realisable value at the end of the financial year (a) - (b)			
Differences in cost methods in case of applying LIFO			
Value of pledged inventories			
Inventories held by third persons			

AB PRAMPROJEKTAS

company name

133873358

Donelaičio 60, Kaunas

(company identification number, other data)

RESULT OF OTHER ACTIVITIES, 31 12 2008

LTL

Specify in LTL or thousand LTL

Indices	Financial year 2008	Previous financial year 2007
a) INCOME FROM OTHER ACTIVITIES	57874	55643
Sales of non-current tangible assets		
Aisetas recreation facility		38575
Miscellaneous other income	57874	5616
building maintenance		11452
b) OTHER OPERATING EXPENSES	41306	37148
Significant amounts:		
Aisetas recreation facility	41306	37148
Building maintenance		
c) RESULT OF OTHER ACTIVITIES (a - b)	16568	18495

Appendix 4.8 Expenses

AB PRAMPROJEKTAS

(company name)

133873358

Donelaičio 60, Kaunas

(identification number, address, other data)

RESULT OF FINANCIAL AND INVESTING ACTIVITIES ON 31 12 2008

Indices	Specify – in LTL or thousand LTL	
	Financial year 2008	Previous financial year 2007
a) REVENUES FROM FINANCIAL AND INVESTING ACTIVITIES	669862	289359
Material amounts:		
Late charges received		3300
Received interest on subordinated loans		
Received interest on deposit account	4525	153248
Equity method result		370
Increase in securities value due to evaluation at market price	9	
dividends obtained	251	
Revenues from transfer of non-current financial assets	665000	130830
Miscellaneous other revenues	77	1611
Current assets sales income		
b) EXPENSES FOR FINANCIAL AND INVESTING ACTIVITIES	565533	416696
Material amounts:		
Payments to the National Stock Exchange	3195	
Interest on loan	40340	589
Losses of investment disposal-regarding shares revaluation	200036	
Influence of change in currency exchange rates		
Share valuation expenses	2481	
Lease interest	318043	52500
Revenues from transfer of non-current financial assets		363149
Late charges	95	458
Miscellaneous other	1343	
c) RESULT OF FINANCIAL AND INVESTING ACTIVITIES (a - b)	104329	-127337

Liabilities
No.4.9

AB PRAMPROJEKTAS
(company name)

elaičio 60, Kai
(identification number, other data)

CONDITION OF COMPANY'S LIABILITIES, 31 12 2008
(LTL)

Indicators	Debts or portions thereof, payable		
	Over one fiscal year	After one year but not later than over 5 years	After five years
Division of amounts payable by types			
1. Financial debts:	185226		
1.1. To credit institutions-lease			
1.2. Other financial debts	185226		
2. Debts to suppliers	824358		
3. Prepayments	332515		
4. Income tax liabilities			
5. Salary liabilities	727104		
6. Social insurance contributions	133248		
7. Social tax			
8. Other debts	174650		
Total	2377101		

AB PRAMPROJEKTAS
(company name)

133873358 Donelaičio 60, Kaunas
(identification number, address, other data)

STRUCTURE OF AUTHORISED CAPITAL 31 12 2008

Indices	Number of shares	Amount (LTL)
Share capital structure at the end of the fiscal year		
1. by kinds of shares		
1.1. Ordinary shares	2985486	5970972
1.2. Preference shares	2985486	5970972
1.3. Employee shares		
1.4. Special shares		
1.5. Other shares		
TOTAL:	2985486	5970972
2. State or municipal capital		
Own shares held by the Company itself		
Shares held by subsidiaries		

AB PRAMPROJEKTAS

company name

No.4.11

Appendix No. 4.11 "Information on Business Segments" to Explanatory Note

Information on geographical segments 31-12-2008

Indices	Segments (types of products, services, activities)												Total of the Company			
	A			B			C			D					Total of the Company	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007				
Revenue	9453629	9514914	1810187	682232	162281	225036	565234	Revenue	10924661							
Expenses	9245083	8940814	1772173	640615	152382	220310	530755	Expenses	10264566							
Operating profit	208546	574100	38014	41617	9899	4726	34479	Operating profit	660095							
Indices	E			F			G			H						
Revenue	20x5	20x6	20x5	20x6	20x5	20x5	20x6	20x5	20x6	20x5	20x6	Revenue	1148852	2008		
Expenses												Expenses	11237566			
Operating profit												Operating profit	251286			

*A similar Table can be completed for geographical segments on the basis of available data.

- A - Lithuania
- B - Germany
- C - Russia
- D - Italian

company name

15 "Financial Relationships with Company's Managers and Other Connected Persons" to Explanatory Notes

Financial Relationships with Company's Managers and Other Connected Persons		31 12 2008		Closing balance of the financial year
Indicators	Financial year	Previous financial year		
A. Amounts relating to employment relations calculated over the year:				
1. To managers	844203	350700		
2. To other connected persons	844203	350700		
B. Loans granted by the Company:				
1. To managers				
2. To other connected persons				
C. Loans received:				
1. From managers		623550		
2. From other connected persons		623550		
D. Assets transferred gratis and presents to:				
1. To managers				
2. To other connected persons				
E. Miscellaneous guarantees granted on behalf of the Company:				
1. To managers				
2. To other connected persons				
F. Other material amounts calculated over the year:				
1. To managers				
2. To other associated persons				
G. Other liabilities material to the Company of:				
1. Managers				
2. Other connected persons				
H. Solid assets:				
1. To managers				
2. To other connected persons				
Average annual number of managers	5	4		

**EXPLANATORY NOTES TO NONAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE YEAR 2008**

I. AIM

The aim of these Explanatory Notes is to present additional information in order to better explain AB PRAMPROJEKTAS un-audited interim Financial Statements for the year 2008.

II. GENERAL

2.1 Date of Registration

PRAMPROJEKTAS, a public limited liability company, was established in Kaunas City in 1940 for the purpose of designing Lithuanian industry, energy and utility facilities. In 1993 it was privatised. On 6 December 1993 the enterprise was registered. On 22 December 2004 it was re-registered with Kaunas Branch of the State Enterprise Centre of Registers. Company's identification number – 133873358, VAT payer's number – LT 338733515. Head-office –K. Donelaičio 60, Kaunas. Website: www.pramprojektas.lt

2.2 Financial Year

The company's financial year starts on 1 January and ends on 31 December.

When drawing up annual and periodical financial statements, data for the period from the beginning of the reporting year, a respective period of the previous year and the previous year are given in the balance sheet. In the income statement data for the reporting quarter, from the beginning of the reporting year, a respective period of the previous year and the previous year are given. Data of the results of the previous three financial years and for appropriate period from the beginning of the year (first quarter, first half year, 9 months, annual) are given in the statement of changes in equity. Data of the results of the previous year and reporting period is given the cash flow statement.

2.3 Information about the Company's Branches and Representative Offices

The Company does not hold any branches or representative offices.

2.4 Information about Subsidiaries

The Company does not hold any subsidiaries.

2.5 Information about Associates

The Company does not hold shares in the associated companies.

2.6 Company's Activities

The main Company's activity is design works. Other activities – income received from Aisetas holiday home as well as maintenance income and expenses of the building located on K. Donelaičio Str. 60, Kaunas. Financial activities – occasional transactions with shares held in other companies.

The main design works carried out within the fiscal year 2008 are:

AB „ Naujasis kalcitas“ The Basic design of solid fuel reclamation and installation of smoke cleaning filter in Venta;

AB „ Ragutis „ The Detail Design of the reconstruction of the part of the manufacturing building in Kaunas;

Basic and Detail designs of gas distribution stations in Daugėlai, Radviliškis, Papilė;

The diagram of the construction sites of the new nuclear power plant in Lithuania etc.

Contracts signed but still not started to be implemented:

-Design Contract No. 123-03 of 22 12 2003. Customer – Transport Investment Directorate. According to agreement No. 3.1-11 of 21 12 2005 the customer's functions were transferred to the Directorate of Border Crossing Infrastructure.

-Design Contract No. 3.3-9-096-04 of 20 09 2004. Customer – Directorate of Border Crossing Infrastructure.

2.7 Authorized Capital

The Company's authorized capital amounts to LTL5,970,972.

The Company's authorized capital is divided into 2985486 ordinary registered shares. All the shares are fully paid up.

2.8 Number of Employees.

The average number of Company's staff within the reporting period was 144. The average monthly salary amounted to LTL 3907.00. Temporary regulations of payment for work for the year 2008 were approved by Decree No. 116 of 31 December 2007.

III. ACCOUNTING POLICY

3.1 Statutory acts on the basis of which Financial Statements were prepared:

The Company handles its accounting and works out Financial Statements based on legislation regulating financial statements in the Republic of Lithuania and on legislation regulating accounting in the Republic of Lithuania, International Accounting Standards (IAS), International Financial Statements Standards and accounting policy issued by the company.

3.2 Influence of Change in the Accounting Policy on the Company's Operation Results

Since 2005 AB Pramprojektas has draw up Financial Statements according to the International Accounting Standards. During 2008 year accounting policy in the company was not changed.

3.3 Methods Applied for Assets Valuation:

- intangible assets—the cost of acquisition less accumulated amortization;
- non-current tangible assets – the cost of acquisition less accumulated depreciation;

In line with IAS requirements (39) financial assets and financial liabilities are classified as follows:

Financial assets:

- financial assets - at real value in the income (loss) statement;
- held to maturity investment (there was no for the period)
- loans and receivables;
- financial assets available to sell.

Financial liabilities:

- financial liabilities - at real value in the income (loss) statement;
- rest

3.4 Intangible Assets

AB PRAMPROJEKTAS' intangible asset is recognized when it meets the definition of intangible assets and the criteria of recognition thereof as intangible assets, i.e.: there exists a reasonable probability to receive economic benefit from the asset in the future; the cost of acquisition (production) of the asset can be reliably evaluated and separated from the value of other assets; the company can dispose of the asset, control it or restrict the right of use thereof to the others.

Amortization is calculating by directly proportional (linear) method.

Operating expenses of intangible assets are attributed to the expenditures of that reporting period when they are sustained.

Expenses of intangible asset renewal or improvement, sustained after acquisition thereof, are recognized as expenses of that reporting period when they are incurred.

In AB PRAMPROJEKTAS balance-sheet intangible assets are shown at the residual value (the cost of acquisition less accumulated amortisation).

Intangible assets include software whose amortization rate is 3 years.

3.5 Non-current Tangible Assets

AB PRAMPROJEKTAS' non-current tangible asset is recognised and recorded in the accounting if it meets all the recognition criteria of such assets. The asset, which is disposed of and controlled by the Company, from which it expects to receive economic benefit in the coming periods, which is used for a longer period than one year, and whose acquisition (production) cost can be reliably set and whose value is larger than the established minimum asset value is deemed as non-current tangible asset.

From 1 January 2004 the asset whose minimum acquisition cost amounts to LTL 1,000 is classified as non-current tangible asset.

Non-current tangible asset is accounted for at the cost of acquisition.

Depreciation is not calculated on library stocks.

Recording of non-current tangible asset reconstruction or repair works depends on the result produced by such works, which is established by the Commission on Acceptance of Works.

The result of transfer of non-current tangible assets is classified as other activities.

The depreciation rates of non-current tangible and intangible assets set forth in Appendix No. 1 of the Lithuanian Republic Law on Profit Tax (No.IX-675 of 20 12 2001) are applied for non-current tangible and intangible assets, respectively, from 1 January 2002.

Other tangible asset includes technical-information literature contained in library stocks. In the balance-sheet it is shown in the line of other equipment.

In AB PRAMPROJEKTAS' balance-sheet non-current tangible asset is shown at the residual value (the cost of acquisition less accumulated depreciation).

Following IAS 16, asset depreciation rates and liquidation values are reviewed every year. Over 2008 these rates did not change.

3.6 Non-current Financial Assets

AB PRAMPROJEKTAS has no subsidiaries.

Investments in other companies' shares, which do not exceed 20% of voting rights at the shareholders' meeting of other company and do not grant the right to make significant influence, are recorded in the accounting at the moment of acquisition and reflected at the cost of acquisition in the balance-sheet. Investments in other company shares, which exceed 20% of votes at shareholders' meeting of other company and grant the right to make significant influence, are recorded by acquisition cost method in the accounting at the moment of acquisition and are reflected in the balance-sheet by the equity method. Such investments are accounted for in the manner prescribed by IAS 28 "Accounting of Investments in Associates".

AB Pramprojektas has not made any investments in other company shares, which exceed 51% of the votes at shareholders' meeting of other company and grant the right of control.

The securities owned, whose market price is declared in the active market, are evaluated at the closing day price of the stock exchange applicable at the end of the reporting period. In financial year 2008 the company owned 512 units of AB "Ūkio bankas" shares.

The securities owned are classified as financial assets real value in the profit (loss) statement.

The securities owned whose real value cannot be set (the market price is not announced in the active market) are evaluated at the cost of acquisition taking into account value impairment, which would be calculated if the balance-sheet value exceeded the amount probable to receive for that asset.

3.7 Accounting Methods of Borrowing and Similar Expenses

Interest on loans received, asset acquired by lease (financial lease) in line with operating lease agreement and other expenditures related to borrowing are recognised as expenses during these periods when they are generated. Interest is classified as financial and investment activity expenses.

3.8 Assets revaluation Methods

Assets revaluation methods were not applied in the fiscal year 2008.

3.9 Recognition Principles of Income and Expenses

Sales income is recognized by accumulation principle. Only the increase of the Company's economic benefit is deemed income. The Value Added Tax is not recognized as income.

The result of transfer of used non-current tangible and intangible assets, Company's income from the lease of premises, income received from the holiday home Aisetas are attributed to other operations except for financing and investing activities.

The following items are attributed to financial and investing activities: dividends, interest, penalties and fines for delayed payments, profit or loss from investment accounted for by equity method, result of transfer of financial assets, and result of changes in currency exchange rates.

Forfeit, penalties, fines, interest payments for loss compensation, amounts for improper and overdue performance of contractual obligations are recorded as increase or decrease of operating expenses.

Upon failure to pay taxes to the budget in a timely manner this is classified as financial activity expenses, and payment to the budget for other violations of legislation having accumulated due to delayed payments are classified as activity expenses.

Income and expenses related to design works are recognized according to IAS 11. Expenses and income related to design contracts are recognized as income and expenses of the reporting period when works are actually carried out disregarding the fact that the deed of acceptance and transfer is not signed and the invoice is not issued. However, if the expenses of some project contract exceed the total contract income such excess is immediately recognized as expenses according to paragraph 36, IAS 11.

Expenses are calculated by each project.

Expenses are recognised according to the principles of accumulation and comparison during that reporting period when related income is earned disregarding the time of cash spending. Only that part of expenditures of the previous or reporting period that falls on the income earned over the reporting period is recognised as expenses.

General and administrative expenses of the reporting period relating to typical activities of the Company are attributed to operating expenses. Reporting period expenditures that cannot be directly related to the earning of particular income of the reporting period are classified as operating expenses

Expenses of future periods include insurance, advertising, subscription, and similar. In the balance-sheet they are included in Prepayments item.

AB Pramprojektas operating expenses of the reporting period also include aid granted and various bonuses and allowances paid over the reporting fiscal period.

3.10 Inventories Accounting

Inventories means current assets of the Company consumed to earn income during one year. The inventories are accounted for by constant accounting method. In the accounting the inventories are evaluated at the acquisition cost, while for the purpose of Financial Statements they are disclosed at the lower of the acquisition cost or net realisable value. The amount of inventories write-down to net realizable value is recognized as operating expenses of that period when the write-downs were performed. No inventory write-downs were performed during 2008. The biggest part of inventories includes paper, toners for copying machines and printers and other office supplies.

3.11 Amounts Receivable

Amounts receivable are disclosed in the balance-sheet at fair value, i.e. less estimated bad debts. The amounts of bad debts are recognized as operating expenses of the reporting period.

Accounts payable and accounts receivable by each buyer or supplier is recognised as bad debt by the decision of Commission on Annual Stock-taking.

3.12 Accounting of Research and Development Expenses

In the fiscal year 2008 the Company did not incur research and development expenses.

3.13. Investments in Associates

The value of AB Pramprojektas' investment in associates was set in the manner prescribed by the International Accounting Standard 28 "Accounting of Investment in Associates". Investment in associate is accounted for by equity method, except for the case when the investment is acquired and held exclusively with a view to its resale in twelve months from the date of acquisition, and the management are searching for the buyer.

3.14. Cash and Description of Cash Equivalents

Cash and Cash Equivalents item shows cash at bank and in hand. AB Pramprojektas had no current realizable debt securities.

3.15. Cases when Financial Statements Disclose only Net Result of Economic Operation

Financial Statements disclose only net result of economic operation when transferring non-current assets, receiving compensation for loss sustained and exchanging currency.

3.16. Accounting of Operations in Foreign Currency

At the time of initial recognition, transaction in foreign currency is evaluated in the currency of Financial Statements based on the exchange rate applicable on the date of transaction.

Business trip expenses in foreign currency are evaluated in the currency of Financial Statements by using the exchange rate applicable on the date of going on the business trip.

Currency items in the balance-sheet are evaluated in the currency of Financial Statements by using the exchange rate applicable on the balance-sheet date.

Differences, which occur after paying for the amounts recorded in currency items according to the exchange rate other than that applied during initial recognition, or on the date of the last Financial Statements (if currency items were recognised in the previous fiscal year), are recognised as income or expenses of the reporting period.

Financial and investing activities item of the Income Statement discloses only the result of change in currency exchange rates (profit or loss from change in currency exchange rate).

3.17 Principles of Provisions Formation

No provisions were formed in the Financial Statements for the year 2008. The reserve for holiday pays that should be paid to the Company's staff is attributed to current liabilities of the Company.

3.18 Policy of Correcting Accounting Errors

The errors, which have big influence on the Financial Statements of the last or several previous periods, when the Financial Statements of such period does not correctly reflect the financial condition and performance results of the Company, are considered material.

AB Pramprojektas applies the following methods of correcting accounting errors of previous periods:

Material errors are corrected by a retrospective method by adjusting the data of the previous fiscal year (periods) whose data were distorted by the error. Where it is impossible to exactly evaluate the influence of material error on the Financial Statements of the previous fiscal year, the error is corrected by a perspective method by corrected only the data of the reporting period.

Immaterial errors are corrected by a perspective method, i.e. they are corrected in the Financial Statements of the reporting period.

Making Financial Statement for 31.12.2008 the sums of corrected errors and correction sums stay within stated limits.

IV. COMMENTS PRESENTED IN THE EXPLANATORY NOTES

The comments of the Explanatory Notes about significant items of Financial Statements are given in explanatory tables. The numbers of comments of the Explanatory Notes are given in Financial Statements near statement items.

4.1 Non-current intangible assets

Information is given in Appendix No.4.1 "Intangible Assets" to the Explanatory Notes"

4.2 Non-current tangible assets

The condition of non-current tangible assets – 3 storeys of the lower 5-storeyed part of the building. The total useful space of the premises amounts to 3054.35sq.m. (Certificate from the Register of Real Estate, dated 11 10 2003). The cost of acquisition – LTL 766,302; Aisetas recreation facility in Paaisetė Village, Molėtai District. Useful space – 787.36 sq.m. The cost of acquisition amounts to LTL70, 832.

The taxing (basic) value of the real estate – premises located on Donelaičio Str. 60, Kaunas, owned by the public limited company Pramprojektas, established by the State Enterprise Centre of Registers by the method of mass valuation amounts to LTL 8,028,048 on 01 01 2006.

By the Letter No. 1.31./1133s-2061 of 31 March 2006, the Centre of Registers decided to approve the adjusted taxing value established after individual valuation, i.e. LTL 4,376,000.

The taxing (basic) value of the recreation facility Aisetas, established by the method of mass valuation, amounts to LTL 87,885.

Facility name	Balance-sheet (residual) value, LTL 31 12 2008	Construction year
Industrial building	519,729	1965
Recreation facilities	24,913	1984
Total	544,642	

Information given in appendices to the Explanatory Notes:

No.4.2 "Non-current Tangible Assets Groups, their Appraisal, and Methods of Depreciation Calculation"

No.4.3 "Non-current Tangible Assets"

No.4.4 "Depreciated Non-current Assets Still in Use "

4.3 Non-current financial assets

Investments in other companies

No.	Name	Amount of shares held	Portion in the Company's authorized capital, %
1	UAB „ Aloja“	770	3.54
2	UAB „ Bankinės konsultacijos“	12984	18.55

Information is given in the following Appendices to the Explanatory Notes:

No.4.5 "Movement of Non-current Financial Assets"

4.4 Inventories. Prepayments. Other Current Assets.

The major part of prepayments consists of advance payments of the income tax and prepayments made to subcontractors for design works.

No inventories were written down in 2008.

Other current assets include shares in other companies.

List of shares held in other companies:

No.	Name	Amount of shares held	Portion in the Company's authorized capital, %
1.	UAB „ Asocijuoto turto valdymas“	5899584	7.8661
2.	UAB„Energolinija“	141877	12.34
3.	DP International	1900	19,00
4.	AB „ Ūkio bankas“	512	0.008

Information is given in Appendix No. 4.6 "Inventories" to the Explanatory Notes

4.5 Operating Income, Cost, Results

Information is given in the Appendix

No.4.11 “Information on Geographical Segments” to the Explanatory Notes”

4.6 Liabilities

Loan agreement for borrowing 623,550.00 litas was made with UAB Asocijuotas turto valdymas on 20.12.2007. 8.5% annual interest is provided. The loan must be returned till 20.12.2008.

On October 2008 the loan to UAB Asocijuotas turto valdymas was returned.

Overdraft agreement was made with AB „Ūkio bankas“ on 04 June 2008-06-04. Return of account credit limit date is 03 June 2009.

The largest amount of payable sums and current liabilities are obligations to the subcontractors for the design works. The largest financial obligations to providers for design works for the 31 of December 2008 are shown in the table below:

No	Credit debt	Amount	per cent from all debts to supplier (balance sheet II.3)
1	Hidrosfera UAB	523,320	62.6
2	Kelprojektas UAB	214,288	25.7
3	Rapasta UAB	42,244	1.0

Information is given in the Appendix

No.4.9 “Condition of Company’s Liabilities” to the Explanatory Notes”

No.4.7 Result of Other Activities

Information is given in Appendix No.4.7 “Result of Other Activities” to the Explanatory Notes”

No.4.8 Result of Financial and Investing Activities

Information is given in Appendix

No.4.8 “Result of Financial and Investing Activities” to the Explanatory Notes

No.4.9 Amounts Receivable

Receivable sums per year are equal LTL 3,102,347. Amounts receivable from clients of design works on 31.12.2008 is equal LTL 2,546,685 or 82.3 per cent of all sums receivable per year.

The largest debtors are shown in the table below:

No	Debt	Amount	Per cent from all sums receivable per year
1.	Nukem Technologies	648090	20.9
2.	Hidrostatyba UAB	620567	20.0
3.	Lokys UAB	212400	6.8
4.	Alytaus miesto savivaldybės administracija	477610	15.4
5.	Klaipėdos jūrų krovinių kompanija	351404	11.3
6.	Intergas	49560	1.6
7.	Kruonio HAE statyba	5900	1.9

On 31 of December 2008 annual inventory of debts for the year 2008 was executed.

4.10 Cash and Cash Equivalents

Balances of cash in hand and current accounts meet the balances received from the ledger and bank statements.

4.11 Capital

Company's shareholders:

No.	Shareholder's surname and name, company's name	Company identity number	% of shares held in the authorized capital
1	Attentus UAB	135654594	14.22
2	Finbaltus UAB FMĮ	122020469	6,82
3	Gončaruk Olga		5.81
4	York Well Business Corp.	1012383	24.21
5	Romanov Roman		6.01
6	Romanov Vladimir		6.01
8.	Fiziniai asmenys		36,92
	Total		100.00

The Company did not acquire own shares either in the previous year or in the year 2008.

Structure of the authorised capital is presented in the Appendix No.4.10 "Structure of Authorised Capital" to the Explanatory Notes.

The Company's profit is appropriated in the manner prescribed by the Company law and the Company's Articles of Association. A draft of appropriation of profit (loss) for the fiscal year is presented along with Financial Statements. The Company's shareholders' meeting has to approve Company's Financial Statements and distribute the profit.

4.12 Cash Flow Statement

Cash Flow Statement is prepared by indirect method.

Non-cash items in the Cash Flow Statement: non-current assets depreciation (amortization), doubtful debts written-off, assets not fully depreciated and written-off, decrease in liabilities related to labour relations, difference in the fair and market prices of shares.

Information is given in the Cash Flow Statement.

4.13 Financial Relationships with Company's Managers and Other Connected Persons

Information is given in Appendix

No.4.12 "Financial Relationships with Company's Managers and Other Connected Persons" to the Explanatory Notes

4.14 Transactions with Connected Persons 31.12.2008

	2007m	31/12/2008	Receivable sum or balance 31.12.2008	Payable sum or balance 31.12.2008
Goods purchase				
Other important transactions	Loan received from UAB „Asocijuoto turto valdymas“	-	-	623 550

4.15 Guarantees issued

No guarantees were issued

4.16 Mortgage of the assets

Overdraft agreement was made with AB „Ūkio bankas“ on 04 June 2008-06-04. Return of account credit limit date is 03 June 2009.

AB Pramprojektas releases and mortgages to bank all present and future means to warrant the fulfilment of obligations.

4.17 Annual Inventorying

Financial Statements data are based on the inventorying of the assets disposed of by the Company at the end of the reporting period. Annual inventorying of the main means and current assets was performed on 26 November 2008 by Director's Order No. 98; the inventorying of the recreational facilities 08 October 2008 by Director's Decree No. 85, and in the inventorying of warehouse-30 December 2008, Decree No. 99.

4.18 Brief Description of Significant After Balance-sheet Events

Financial Statements of AB PRAMROJEKTAS are adjusted if after balance-sheet events have direct influence on the data of Financial Statements still not approved.

4.19 Audit of Annual Financial Statements

General shareholders' meeting held on 12/04/2008 elected UAB Auditorių biuras for the auditing of the Financial Statements for the year 2008. Lithuanian Securities Commission according the resolution No 2K-82 of 19.03.2008 approved candidacies of auditors firm UAB "Auditorių biuras"

27 February 2008

M.Vaivada,
Managing Director

N.Čyžienė,
Chief Financier