

SUMMARY HISTORICAL, PRO FORMA AND AUDITED FINANCIAL INFORMATION AND OPERATIONAL DATA

The audited financial statements and consolidated financial statements of Bité Finance International B.V (the “Company”), attached hereto, are prepared in accordance with International Financial Reporting Standards as adopted by European Union (IFRS) and in accordance with statutory provisions of Part 9, Book 2, of the Netherlands Civil Code.

Bité Finance International B.V. Group (“Bité Finance International Group”) consists of four companies: Bité Finance International B.V., SIA EECF Bella FinCo, UAB Bité Lietuva (“Bité Lithuania”) and SIA Bité Latvija (“Bité Latvia”). Of these, two, Bité Lithuania and Bité Latvia are engaged in providing telecommunication services, thus further operating and financial review is made for Bité Lithuania and Bité Latvia and the consolidated Bité Operating Group (“Bité Operating Group”) consisting of Bité Lithuania and Bité Latvia. In accordance with IFRS 3, we account for Bité Lithuania and Bité Latvia only from the date of their acquisition by the Company, which occurred on February 9, 2007 and therefore the Income Statement and cash flow of the audited consolidated financial statements includes only eleven months of the results of Bité Lithuania and Bité Latvia in year 2007. The acquisition of Bité Lithuania and Bité Latvia and the related financings are referred to as the “Transactions.

The management’s discussion and analysis of financial condition and results of operations, dated February 18, 2009, was prepared using pro forma financial statements for the 2007. The pro forma financial statements were prepared giving effect to the Transactions and certain other items described below. The management’s discussion and analysis of financial condition and results of operations should be read in conjunction with the accompanying pro forma unaudited consolidated financial statements of the Company for the twelve months ended December 31, 2007, and should also be read in conjunction with the audited financial statements for year 2007 and year 2008. Additional information related to the Company may be obtained at the listing agent in Luxembourg during normal business hours.

The following tables provide summary audited financial statements for the Company for the year to date ended December 31, 2008 and unaudited pro forma consolidated interim financial information for the quarter and year to date ended December 31, 2007. The unaudited pro forma consolidated financial information for the quarter and year to date ended December 31, 2007 gives following effects to the following:

- 1) the unaudited pro forma income statement for the quarter and year to date ended December 31, 2007 gives effect to the Transactions as if they had occurred on January 1, 2007;
- 2) the unaudited pro forma balance sheet information gives effect to the Transactions as if they had occurred on December 31, 2006;
- 3) the unaudited pro forma consolidated financial information gives effect as if Purchase Price Allocation on the fair value of the assets acquired has been

completed at the date of acquisition and the fair value of the assets acquired has been depreciated and/or amortized from February 9, 2007;

- 4) the unaudited pro forma consolidated financial information gives effect as if financial items for the Bité Finance International Group companies reclassified in the fourth quarter of year 2007 have been reclassified on January 1, 2007;
- 5) the unaudited pro forma consolidated financial information of Bité Lithuania and the Bité Operating Group gives effect to the Transactions as if Bité Lithuania and EECF Bella SPV, UAB have been merged at the date of Transaction, i.e. February 9, 2007;
- 6) the unaudited pro forma consolidated financial information gives effect as if a new loyalty points accounting policy has been applied from January 1, 2007, and
- 7) the unaudited pro forma consolidated financial information gives effect as if interest expenses and arrangement fees under the Company's revolving credit facility reclassified in the fourth quarter of year 2008 were reclassified in the fourth quarter of year 2007. Pro forma financial information for the full year 2007 gives effect as if bridge financing fees were reclassified in the first quarter of 2007.

Management believes the adjustments above were necessary to fairly present figures for the quarter and year to date ended December 31, 2007 to provide an appropriate base for comparison.

The summary unaudited financial information of Bité Lithuania, Bité Latvia and the unaudited consolidated financial information of Bité Operating Group for the quarters and year to date ended December 31, 2008 and 2007 presented below is derived from unaudited Monthly Management Reports (MMR) which are prepared in accordance with the same accounting policies as for IFRS consolidated financial statements.

Bité
Quarter ended December 31

	Bité Lithuania		Bité Latvia		Bité Operating Group		Bité Finance International Group	
	<i>2007</i>	<i>2008</i>	<i>2007</i>	<i>2008</i>	<i>2007</i>	<i>2008</i>	<i>2007</i>	<i>2008</i>
	Pro Forma	Actual	Actual	Actual	Pro Forma	Actual	Pro Forma	Actual
	<i>(€ in thousands)</i>							
Income Statement:								
Revenues	53,304	49,727	4,395	6,693	54,599	53,808	57,871	53,549
Costs and Expenses	-54,634	-97,873	-10,373	-11,525	-62,755	-60,152	-66,523	-60,168
Operating profit/(loss)	-1,330	-48,146	-5,978	-4,832	-8,157	-6,344	-8,651	-6,619
Finance costs	-8,665	-14,168	-418	-6	-9,002	-14,165	-7,833	-14,056
Finance income	821	437	12	9	834	447	-71	447
Share of profit/(loss) of associates	0	0	0	0	-7	-108	-7	-108
Profit/(loss) before tax	-9,174	-61,876	-6,384	-4,829	-16,331	-20,170	-16,562	-20,336
Income tax	1,220	-60	0	0	1,220	-60	1,115	-60
Net profit/(loss) after tax	-7,955	-61,935	-6,384	-4,829	-15,112	-20,230	-15,447	-20,396
Cash Flow Statement Data:								
Net cash generated from operating activities	-178	5,383	-3,076	-245	-8,121	2,596	-7,638	2,243
Net cash used in investing activities	-6,527	-6,051	-3,286	-3,681	-4,931	-3,192	-4,570	-2,594
Net cash (used in)/generated from financing activities	-3	2,266	4,000	3,998	3,981	2,266	-58	1,976
Balance Sheet Data:								
Total non current assets	434,933	392,313	37,683	44,451	434,537	393,972	423,528	393,322
Total current assets	42,224	34,598	5,748	6,984	43,743	39,508	45,137	37,957
Total shareholders' equity	141,090	56,935	11,294	40,749	119,297	58,891	135,831	75,776
Non current liabilities	305,061	336,243	24,197	283	324,258	336,526	296,501	318,166
Current liabilities	31,006	33,734	7,939	10,403	34,726	38,063	36,333	37,338
Total liabilities and shareholders' equity	477,157	426,912	43,431	51,435	478,280	433,480	468,666	431,279

Bité
YTD ended December 31

	Bité Lithuania		Bité Latvia		Bité Operating Group		Bité Finance International Group Pro Forma	
	Pro Forma	Actual	Actual	Actual	Pro Forma	Actual	Pro Forma	Actual
	2007	2008	2007	2008	2007	2008	2007	2008
	(€ in thousands)							
Income Statement:								
Revenues	202,988	206,243	16,840	23,139	207,458	218,513	209,964	217,309
Costs and Expenses	-202,388	-252,502	-36,058	-44,243	-229,410	-240,634	-234,753	-242,156
Operating profit/(loss)	601	-46,259	-19,217	-21,104	-21,952	-22,121	-24,789	-24,848
Finance costs	-26,966	-38,573	-883	-474	-27,578	-38,979	-28,054	-35,962
Finance income/(loss)	1,191	1,806	84	33	1,276	1,839	1,464	1,841
Share of profit/(loss) of associates	0	0	0	0	120	-15	120	-15
Profit/(loss) before tax	-25,174	-83,026	-20,016	-21,546	-48,134	-59,276	-51,258	-58,984
Income tax	906	-1,129	0	0	906	-1,129	657	-1,072
Net profit/(loss) after tax	-24,268	-84,155	-20,016	-21,546	-47,227	-60,405	-50,601	-60,056
Cash Flow Statement Data:								
Net cash generated from operating activities	9,785	23,151	-14,660	-17,092	-4,758	4,837	-6,379	6,213
Net cash used in investing activities	-478,966	-54,692	-13,168	-13,421	-487,253	-16,891	-474,461	-27,794
Net cash (used in)/generated from financing activities	465,535	32,003	24,000	30,994	484,535	12,997	485,430	21,207
Balance Sheet Data:								
Total non current assets	434,933	392,313	37,683	44,451	434,537	393,972	423,528	393,322
Total current assets	42,224	34,598	5,748	6,984	43,743	39,508	45,137	37,957
Total shareholders' equity	141,090	56,935	11,294	40,749	119,297	58,891	135,831	75,775
Non current liabilities	305,061	336,243	24,197	283	324,258	336,526	296,501	318,166
Current liabilities	31,006	33,734	7,939	10,403	34,726	38,063	36,333	37,338
Total liabilities and shareholders' equity	477,157	426,912	43,431	51,435	478,280	433,480	468,666	431,279

The following table sets forth our reconciliation of net profit (loss) to EBITDA:

	Bité					
	Quarter ended December 31,					
	Bité Lithuania		Bité Latvia		Bité Finance International Group	
	<i>2007</i>	<i>2008</i>	<i>2007</i>	<i>2008</i>	<i>2007</i>	<i>2008</i>
Pro Forma	Actual	Actual	Actual	Pro Forma	Actual	
<i>(€ in thousands)</i>						
Non-IFRS measures:						
Service Revenue	42,328	41,272	2,978	5,276	45,156	46,364
EBITDA	12,366	11,139	-4,891	-3,258	6,900	7,607
<i>EBITDA margin (total revenue)</i>	<i>23.2%</i>	<i>22.4%</i>	<i>-111.3%</i>	<i>-48.7%</i>	<i>11.9%</i>	<i>14.2%</i>
<i>EBITDA margin (Service revenue)</i>	<i>29.2%</i>	<i>27.0%</i>	<i>-164.2%</i>	<i>-61.8%</i>	<i>15.3%</i>	<i>16.4%</i>
Capital expenditures	5,882	3,500	3,844	1,630	9,726	5,129
EBITDA minus CAPEX	6,485	7,639	-8,735	-4,888	-2,826	2,478
Net interest expenses					-1,537	-8,217
Total net debt					287,208	308,609

	Bité					
	Quarter ended December 31,					
	Bité Lithuania		Bité Latvia		Bité Finance International Group	
	<i>2007</i>	<i>2008</i>	<i>2007</i>	<i>2008</i>	<i>2007</i>	<i>2008</i>
Pro Forma	Actual	Actual	Actual	Pro Forma	Actual	
<i>(€ in thousands)</i>						
Net profit (loss)	-7,955	-61,935	-6,384	-4,829	-15,447	-20,396
Depreciation and amortization costs	-13,696	-12,286	-1,088	-1,574	-15,551	-14,226
Impairment charge		-47,000				
Income tax	1,220	-60	0	0	1,115	-60
Finance costs	-8,665	-14,168	-418	-6	-7,833	-14,056
Finance income	821	437	12	9	-71	447
Share of profit/(loss) of associates	0	0	0	0	-7	-108
EBITDA	12,366	11,139	-4,891	-3,258	6,900	7,607

The following table sets forth our reconciliation of net profit (loss) to EBITDA year to date:

	Bité					
	YTD ended December 31					
	Bité Lithuania		Bité Latvia		Bité Finance International Group Pro Forma	
	<i>2007</i>	<i>2008</i>	<i>2007</i>	<i>2008</i>	<i>2007</i>	<i>2008</i>
Pro Forma	Actual	Actual	Actual	Pro Forma	Actual	
<i>(€ in thousands)</i>						
Non-IFRS measures:						
Service Revenue	166,072	171,196	10,558	17,175	176,127	187,675
EBITDA	53,183	52,120	-15,522	-15,527	34,301	33,711
<i>EBITDA margin (total revenue)</i>	<i>26.2%</i>	<i>25.3%</i>	<i>-92.2%</i>	<i>-67.1%</i>	<i>16.3%</i>	<i>15.5%</i>
<i>EBITDA margin (Service revenue)</i>	<i>32.0%</i>	<i>30.4%</i>	<i>-147.0%</i>	<i>-90.4%</i>	<i>19.5%</i>	<i>18.0%</i>
Capital expenditures	24,173	16,444	13,471	12,380	37,643	28,824
EBITDA minus CAPEX	29,010	35,676	-28,992	-27,907	-3,343	4,888
Net interest expenses					-21,998	-30,560
Total net debt					287,208	308,609

	Bité					
	YTD ended December 31					
	Bité Lithuania		Bité Latvia		Bité Finance International Group Pro Forma	
	Pro Forma	Actual	Actual	Actual	Pro Forma	Actual
	<i>2007</i>	<i>2008</i>	<i>2007</i>	<i>2008</i>	<i>2007</i>	<i>2008</i>
<i>(€ in thousands)</i>						
Net profit (loss)	-24,268	-84,155	-20,016	-21,546	-50,601	-60,056
Depreciation and amortization costs	-52,582	-51,380	-3,696	-5,577	-59,090	-58,559
Impairment charge		-47,000				
Income tax	906	-1,129	0	0	657	-1,072
Finance costs	-26,966	-38,573	-883	-474	-28,054	-35,962
Finance income/(loss)	1,191	1,806	84	33	1,464	1,841
Share of profit/(loss) of associates	0	0	0	0	120	-15
EBITDA	53,183	52,120	-15,522	-15,527	34,301	33,711

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE QUARTER AND YEAR ENDED DECEMBER, 31 2008

The following discussion and analysis should be read together with the financial statements, including the accompanying notes, included elsewhere in this Quarterly Report. The financial statements and the accompanying notes have been prepared in accordance with IFRS.

Bité Finance International B.V. Group consists of four companies: Bité Finance International B.V., SIA EECF Bella FinCo, UAB Bité Lietuva and SIA Bité Latvija. Of these, two, Bité Lithuania and Bité Latvia are engaged in providing telecommunication services, thus further operating and financial review is made for Bité Lithuania and Bité Latvia and the consolidated Bité Operating Group consisting of Bité Lithuania and Bité Latvia.

For analysis purposes financial information for the year 2007 gives pro forma effect to the Transactions and certain other items as described above.

Operational Overview

For the quarter ended December 31, 2008, the Company had consolidated revenues and other income of € 53.5 million and consolidated EBITDA of € 7.6 million. On a stand alone basis and before inter-company eliminations, Bité Lithuania had € 49.7 million of revenues and other income and € 11.1 million of EBITDA, and Bité Latvia had € 6.7 million of revenues and negative € 3.3 million of EBITDA.

For the full year 2008, the Company had consolidated revenues and other income of € 217.3 million and consolidated EBITDA of € 33.7 million. On a stand alone basis and before inter-company eliminations Bité Lithuania had € 206.2 million of revenues and other income and € 52.1 million of EBITDA, and Bité Latvia had € 23.1 million of revenues and negative € 15.5 million of EBITDA.

Key Factors Affecting Our Results of Operation

Our revenues are principally impacted by our average number of subscribers and ARPU, which is determined primarily by the traffic volume generated by our customers and the tariffs that we charge for our services.

Our Subscriber Base¹

The total subscriber base has fallen in the quarter as we continued to focus on revenue market share. Increase in the postpaid customer base was offset by a decrease in the prepaid customer base mainly in Lithuania, which is due to aggressive prepaid campaigning from the competition.

¹ All subscriber figures and indicators are based on retail subscribers. The subscriber figures for postpaid is closing base of subscribers end of period. The subscriber figures for prepaid is subscribers that have been active within the last three month period.

The postpaid subscriber base growth in both Lithuania and Latvia has contributed to a high 11.4 % growth in postpaid revenues. From December 31, 2007 we have increased our total postpaid customer base by 38,000 customers from 435,388 to 452,382 in Lithuania and from 36,483 to 57,607 in Latvia. The growth averaged approximately 3,177 new subscribers per month during the period analyzed.

Our subscriber growth over Q4 of 2008 and full year is summarized in the chart below.

	Bité Lithuania		Bité Latvia		Bité Operating Group	
	Q4 ended December 31, 2007	2008	Q4 ended December 31, 2007	2008	Q4 ended December 31, 2007	2008
Total subscribers at beginning of period	1,036,267	1,009,471	92,564	125,306	1,128,831	1,134,777
<u>Gross Additions</u>						
Postpaid	26,670	19,679	9,296	10,583	35,966	30,262
Prepaid	108,389	78,689	18,530	15,551	126,919	94,240
Total gross additions	135,059	98,368	27,826	26,134	162,885	124,502
<u>Net Additions</u>						
Postpaid	9,734	-1,845	4,698	3,922	14,432	2,077
Prepaid	-21,632	-48,170	-13,740	-5,596	-35,372	-53,766
Total net additions	-11,898	-50,015	-9,042	-1,674	-20,940	-51,689
<u>Subscribers end of period</u>						
Postpaid	435,388	452,382	36,483	57,607	471,871	509,989
Prepaid	588,981	507,074	47,039	66,025	636,020	573,099
Total subscribers at end of period	1,024,369	959,456	83,522	123,632	1,107,891	1,083,088
<u>Growth Rate</u>						
<u>Subscribers</u>						
Postpaid	11.5%	3.9%	94.8%	57.9%	15.3%	8.1%
Prepaid	-26.1%	-13.9%	-44.1%	40.4%	-27.8%	-9.9%
Total subscribers	-13.7%	-6.3%	-18.8%	48.0%	-14.1%	-2.2%

	Bité Lithuania		Bité Latvia		Bité Operating Group	
	YTD ended December 31, 2007	2008	YTD ended December 31, 2007	2008	YTD ended December 31, 2007	2008
Total subscribers at beginning of period	1,187,475	1,024,369	102,922	83,522	1,290,397	1,107,891
<u>Gross Additions</u>						
Postpaid	98,825	86,055	33,750	44,811	132,575	130,866
Prepaid	520,731	370,701	125,838	92,466	646,569	463,167
Total gross additions	619,556	456,756	159,588	137,277	779,144	594,033
<u>Net Additions</u>						
Postpaid	44,761	16,994	17,752	21,124	62,513	38,118
Prepaid	-207,867	-81,907	-37,152	18,986	-245,019	-62,921
Total net additions	-163,106	-64,913	-19,400	40,110	-182,506	-24,803
<u>Subscribers end of period</u>						
Postpaid	435,388	452,382	36,483	57,607	471,871	509,989
Prepaid	588,981	507,074	47,039	66,025	636,020	573,099
Total subscribers at end of period	1,024,369	959,456	83,522	123,632	1,107,891	1,083,088
<u>Growth Rate</u>						
Subscribers						
Postpaid	11.5%	3.9%	94.8%	57.9%	15.3%	8.1%
Prepaid	-26.1%	-13.9%	-44.1%	40.4%	-27.8%	-9.9%
Total subscribers	-13.7%	-6.3%	-18.8%	48.0%	-14.1%	-2.2%

Average Revenue per User (ARPU)²

The table below sets forth our ARPU for the fourth quarter of 2008 and 2007.

	Bité Lithuania		Bité Latvia		Bité Operating Group	
	Q4 ended December 31, 2007	2008	Q4 ended December 31, 2007	2008	Q4 ended December 31, 2007	2008
ARPU						
Postpaid	20.75	20.05	19.97	22.67	20.62	20.30
Prepaid	5.23	5.06	2.31	3.90	4.99	4.90
Blended ARPU ¹	11.72	11.96	9.16	12.29	11.48	11.97

(1) We define Blended ARPU as being the weighted average of our prepaid ARPU and postpaid ARPU.

ARPU of Bité

Blended ARPU of Bité Operating Group was € 11.97 for Q4 of 2008, an increase of 4.2 % as compared with a blended ARPU of € 11.48 in Q4 of 2007.

² Average revenue per user, or ARPU, is the measure of total service revenues for a given period, divided by the number of months in that period, and divided again by that period's average total subscribers. In calculating ARPU, total service revenues include postpaid voice and mobile data revenue, prepaid voice and mobile data revenue, outbound roaming revenue, less activation fee.

ARPU of Bité Lithuania and Bité Latvia

Blended ARPU of Bité Lithuania was € 11.96 for Q4 of 2008, an increase of 2.0 % as compared with a blended ARPU of € 11.72 in Q4 of 2007. Postpaid ARPU decreased by 3.4 % due to higher share of lower usage customers connected during the fourth quarter of 2007 and the first quarter of 2008.

Blended ARPU of Bité Latvia was € 12.29 for Q4 of 2008, an increase of 34.2 % as compared with a blended ARPU of € 9.16 in Q4 of 2007. This increase was due to higher share of postpaid customers with higher number of data customers in the base as well as higher prepaid ARPU due to successful launch of new prepaid brand “BiFri”.

The table below sets forth our ARPU for the years 2008 and 2007.

	Bité Lithuania		Bité Latvia		Bité Operating Group	
	YTD ended December 31,		YTD ended December 31,		YTD ended December 31,	
	2007	2008	2007	2008	2007	2008
ARPU						
Postpaid	20.93	20.87	20.08	21.50	20.82	20.87
Prepaid	4.26	5.33	2.27	3.36	4.08	5.14
Blended ARPU	10.49	12.29	7.54	11.60	10.23	12.19

ARPU of Bité

Blended ARPU of Bité Operating Group was € 12.19 for the year 2008, an increase of 19.1 % as compared with a blended ARPU of € 10.23 in the year 2007.

ARPU of Bité Lithuania and Bité Latvia

Blended ARPU of Bité Lithuania was € 12.29 for the year 2008, an increase of 17.2 % as compared with a blended ARPU of € 10.49 in the year 2007. This increase was mainly driven by higher prepaid MoU, giving a prepaid ARPU increase of 25.2 %.

Blended ARPU of Bité Latvia was € 11.60 for the year 2008, an increase of 53.8 % as compared with a blended ARPU of € 7.54 in the year 2007. This increase was due to higher ARPU in both postpaid and prepaid combined with a higher share of postpaid customers.

Our Traffic volume

Traffic volume for a given period measures the number of minutes of use for calls over our network for the period. The table below sets forth selected traffic data for the fourth quarter of 2008 and 2007:

	Bité Lithuania		Bité Latvia		Bité Operating Group	
	Q4 ended December 31,		Q4 ended December 31,		Q4 ended December 31,	
	2007	2008	2007	2008	2007	2008
AMOU⁽¹⁾						
Postpaid	324	310	189	243	314	303
Prepaid	137	162	44	207	129	167
Blended AMOU ⁽²⁾	215	230	100	223	206	229

- (1) AMOU, or average minutes of use, is defined as total traffic minutes for the applicable period (total outgoing and incoming minutes for the retail businesses) divided by the total number of average subscribers (relating to retail businesses) for the applicable period, divided by number of months in the period.
- (2) We define Blended AMOU as being the weighted average of our prepaid AMOU and postpaid AMOU.

AMOU of Bité Lithuania

Our prepaid AMOU for Q4 Y2008 was 162, an increase of 18.4 % from 137 for Q4 of 2007. The increase in prepaid AMOU was driven by on-net usage stimulation campaigns in Q4 of 2008 and improvement in the quality of the base.

Our postpaid AMOU for Q4 of 2008 was 310, a decrease of 4.2 % from 324 for Q4 of 2007. This decrease is mainly due to a higher share of mobile internet subscribers with no AMOU.

AMOU of Bité Latvia

Our prepaid AMOU for Q4 of 2008 was 207, an increase of 373.7 % from 44 for Q4 of 2007. The increase in prepaid AMOU is mainly due to an on-net usage promotion in Q4 of 2008.

Our postpaid AMOU for Q4 of 2008 was 243, an increase of 28.2 % from 189 for Q4 of 2007. This increase was mainly due to a higher proportion of postpaid business customers in the base and higher AMOU for postpaid residential customers.

The table below sets forth selected traffic data for years 2008 and 2007:

	Bité Lithuania		Bité Latvia		Bité Operating Group	
	YTD ended December 31,		YTD ended December 31,		YTD ended December 31,	
	2007	2008	2007	2008	2007	2008
AMOU⁽¹⁾						
Postpaid	333	321	192	221	324	311
Prepaid	96	137	40	147	91	138
Blended AMOU ⁽²⁾	184	219	85	181	177	216

AMOU of Bité Lithuania

Our prepaid AMOU for the year 2008 was 137, an increase of 42.8 % from 96 for the year 2007. The increase in prepaid AMOU was driven by usage stimulation campaigns in Q3 and Q4 Y2008 and by fewer non-active customers in the base.

Our postpaid AMOU for the year 2008 was 321, a decrease of 3.6 % from 333 for the year 2007. The decrease in AMOU is due to a higher proportion of mobile broadband and telemetry customers with no voice usage.

AMOU of Bité Latvia

Our prepaid AMOU for the year 2008 was 147, an increase of 265.9 % from 40 for the four quarters of 2007. The increase in prepaid AMOU is mainly due to an active on-net campaigning for “BiFri” customers and by fewer non-active customers in the base.

Our postpaid AMOU for the year 2008 was 221, an increase of 15.3 % from 192 for the year 2007. Increase in AMOU is due to higher share of business customers in the base and higher AMOU for postpaid residential customers.

Churn

Our churn rate — the measure by which we track mobile subscriber disconnections— also affects the growth of our subscriber base. Subscriber disconnections can occur on a voluntary basis, when subscribers switch to competing service providers or involuntary, when a subscriber is terminated by Bité.

	Bité Lithuania		Bité Latvia		Bité Operating Group	
	Q4 ended December 31,		Q4 ended December 31,		Q4 ended December 31,	
	2007	2008	2007	2008	2007	2008
Churn						
Postpaid	3.5%	5.1%	13.5%	12.0%	4.3%	5.9%
Prepaid	21.7%	23.6%	59.9%	30.7%	24.9%	24.4%
Blended ⁽¹⁾	14.1%	15.1%	41.9%	22.3%	16.3%	15.9%

- (1) Our total churn rate is the weighted average of our prepaid churn rate and postpaid churn rate over the period, based on weighted number of average prepaid and postpaid subscribers. Prepaid and postpaid churn are each calculated by dividing the respective prepaid or postpaid total number of subscriber disconnections for the period by the average number of prepaid or postpaid subscribers for the period. The average number of subscribers for the period is calculated by taking the average of each month's average number of prepaid or postpaid subscribers (calculated as the average of the total number of subscribers at month-end and the total number of subscribers at the end of the previous month) during the period.

Churn of Bité Lithuania

Postpaid churn has increased to 5.1 % in the fourth quarter of 2008 as compared to 3.5 % in the fourth quarter of 2007. The increase is due to aggressive price competition in the market during the fourth quarter of 2008.

Prepaid churn increased to 23.6 % in the fourth quarter of 2008 compared to 21.7 % in the fourth quarter of 2007 due to aggressive price competition in the market during the fourth quarter of 2008.

Churn of Bité Latvia

Postpaid churn decreased to 12.0 % in the fourth quarter of 2008 as compared to 13.5 % in the fourth quarter of the previous year due to tightened credit control procedures at acquisition leading to a better quality of the base.

Prepaid churn for the fourth quarter of 2008 has decreased to 30.7 % compared to 59.9 % in Q4 of 2007 due to high number of disconnections of “Toxic” customers in the fourth quarter of 2007, which was impacted by the termination of free-reload campaign in one of the biggest retail chains in Latvia in the second quarter of 2007.

	Bité Lithuania		Bité Latvia		Bité Operating Group	
	YTD ended December 31, 2007	2008	YTD ended December 31, 2007	2008	YTD ended December 31, 2007	2008
Churn						
Postpaid	14.2%	17.1%	57.9%	50.3%	17.0%	20.3%
Prepaid	105.2%	81.3%	248.4%	130.0%	117.6%	85.9%
Blended ⁽¹⁾	71.2%	52.6%	192.0%	93.8%	80.6%	56.5%

Churn of Bité Lithuania

Postpaid churn increased slightly in the year 2008 to 17.1 % as compared to 14.2 % in previous year due to aggressive price competition in the market during 2008 and especially in the fourth quarter and lower Bité Lithuania marketing activity level during the third quarter.

Prepaid churn decreased to 81.3 % as compared to 105.2 % in the year 2007 due to a general clean up of the base in the previous quarters.

Churn of Bité Latvia

Postpaid churn decreased to 50.3% in the year 2008 as compared to 57.9% of the previous year due to tightened credit control procedures and better payment collection.

Prepaid churn decreased to 130.0 % in the year 2008 as compared to 248.4% in the year 2007 due to high number of disconnections of “Toxic” customers in the second and third quarters of 2007, which was impacted by the termination of free-reload campaign in one of the biggest retail chains in Latvia in the second quarter of 2007.

Subscriber Acquisition Cost (SAC)

Subscriber acquisition costs reflect certain costs Bité Operating Group incurs when acquiring a new subscriber. We define postpaid SAC to include commissions paid to dealers for a new customer subscription as well as handset subsidy costs which are the result of selling a handset at a price below its purchase cost to entice a new customer to subscribe to our services. Our Prepaid SAC for the fourth quarter and year to date of year 2007 includes SIM costs and dealer commissions for SIMs and reloads sold, and our Prepaid SAC for the fourth quarter and year to date of 2008 includes SIM costs and dealer commissions for SIMs for new customers only. Dealer commissions for reloads sold are moved to direct costs.

The table below shows Bité Lithuania and Bité Latvia SAC figures for the fourth quarter of 2008 and 2007:

	Bité Lithuania		Bité Latvia		Bité Operating Group	
	Q4 ended December 31, 2007	2008	Q4 ended December 31, 2007	2008	Q4 ended December 31, 2007	2008
SAC						
Postpaid	141.7	127.1	132.9	91.3	139.4	114.6
Prepaid	5.2	0.1	3.6	1.7	5.0	0.4

SAC of Bité Lithuania

Postpaid SAC for Bité Lithuania has decreased by 10.3 % from € 141.7 to € 127.1 per gross connection. This was mainly driven by lower costs of handsets and offers with airtime discounts instead of handset subsidy.

SAC of Bité Latvia

Postpaid SAC for Bité Latvia has decreased by 31.3 % from € 132.9 to € 91.3 per gross connection. This decrease is related with implementation of new non subsidized rate plan with attractive airtime offers.

The table below shows Bité Lithuania and Bité Latvia SAC figures for the years 2008 and 2007:

	Bité Lithuania		Bité Latvia		Bité Operating Group	
	YTD ended December 31, 2007	2008	YTD ended December 31, 2007	2008	YTD ended December 31, 2007	2008
SAC						
Postpaid	129.1	138.8	131.6	101.7	129.7	126.1
Prepaid	4.7	0.4	2.8	1.7	4.3	0.7

SAC of Bité Lithuania

Postpaid SAC for Bité Lithuania has increased by 7.6 % from € 129.1 to € 138.8 per gross connection. This increase was mainly driven by higher dealer commissions for value added services.

SAC of Bité Latvia

Postpaid SAC for Bité Latvia has decreased by 22.8 % from € 131.6 to € 101.7 per gross connection. This decrease is related with implementation of new non subsidized rate plan with attractive airtime offers.

Results of Operations

The financial data in the following table is derived from our unaudited financial statements and sets forth certain profit and loss account items for the fourth quarter of 2008 and 2007.

	Bité Lithuania unconsolidated stand alone Q4 ended December 31,		Bité Latvia unconsolidated stand alone Q4 ended December 31,		Bité Operating Group consolidated Q4 ended December 31,	
	2007 Pro Forma	2008 Actual	2007 Actual	2008 Actual	2007 Pro Forma	2008 Actual
	<i>(€ in thousands)</i>					
Postpaid services revenue	26,867	27,271	2,059	3,798	28,825	31,009
Prepaid services revenue	9,538	8,182	370	796	9,899	8,957
Wholesale revenue	2,892	3,094	258	92	3,144	3,183
Other service revenue	3,031	2,724	291	591	3,288	3,216
Total Service Revenue	42,328	41,272	2,978	5,276	45,156	46,364
Handsets revenue	6,696	3,917	1,148	786	7,843	4,702
Other revenue and income	4,281	4,538	269	631	1,599	2,741
Total Revenue and other income	53,304	49,727	4,395	6,693	54,599	53,808
Interconnect & roaming costs	-15,007	-15,957	-1,197	-2,611	-15,706	-18,119
Sales & Marketing cost	-9,368	-6,618	-3,245	-2,914	-12,613	-9,532
Network Operations cost	-2,500	-2,791	-895	-1,074	-3,395	-3,864
Other expenses	-14,063	-13,222	-3,949	-3,353	-15,491	-14,411
Total expenses	-40,938	-38,587	-9,286	-9,951	-47,205	-45,926
EBITDA	12,366	11,139	-4,891	-3,258	7,394	7,882
<i>EBITDA margin (% of service revenue)</i>	<i>29%</i>	<i>27%</i>	<i>-164%</i>	<i>-62%</i>	<i>16%</i>	<i>17%</i>
Depreciation and amortization costs	-13,696	-12,286	-1,088	-1,574	-15,551	-14,226
Impairment charge	0	-47,000	0	0	0	0
Operating profit/(loss)	-1,330	-48,146	-5,978	-4,832	-8,157	-6,344
Finance costs	-8,665	-14,168	-418	-6	-9,002	-14,165
Finance income	821	437	12	9	834	447
Share of profit/(loss) of associates	0	0	0	0	-7	-108
Profit/(loss) before tax	-9,174	-61,876	-6,384	-4,829	-16,331	-20,170
Income tax	1,220	-60	0	0	1,220	-60
Net profit/(loss)	-7,955	-61,935	-6,384	-4,829	-15,112	-20,230

Quarter Ended December 31, 2008 Compared with Quarter Ended December 31, 2007

Revenues

Service revenues generated by Bité Operating Group increased by € 1,208 thousand, or 2.7 %, to € 46,364 thousand for Q4 of 2008 compared to € 45,156 thousand for Q4 of 2007. Total revenues generated by Bité Operating Group decreased by € 791 thousand, or 1.4 %, to € 53,808 thousand for Q4 of 2008 compared to € 54,599 thousand for Q4 of 2007.

Service revenues generated by Bité Lithuania decreased by € 1,056 thousand, or 2.5 %, to € 41,272 thousand for Q4 of 2008 compared to € 42,328 thousand for Q4 of 2007. Total revenues generated by Bité Lithuania decreased by € 3,578 thousand, or 6.7 %, to € 49,727 thousand for the quarter ended December 31, 2008 compared to € 53,304 thousand for the quarter ended December 31, 2007.

Service revenues generated by Bité Latvia increased by € 2,298 thousand, or 77.2 %, to € 5,276 thousand for Q4 of 2008 compared to € 2,978 thousand for Q4 of 2007. Total revenues generated by Bité Latvia increased by € 2,298 thousand, or 52.3 %, to € 6,693 thousand for the quarter ended December 31, 2008 compared to € 4,395 thousand for the quarter ended December 31, 2007.

Postpaid service revenue

Postpaid service revenue generated by Bité Operating Group increased by € 2,184 thousand, or 7.6 %, to € 31,009 thousand for Q4 of 2008 compared to € 28,825 thousand for Q4 of 2007.

Postpaid service revenue generated by Bité Lithuania increased by € 404 thousand, or 1.5 %, to € 27,271 thousand for Q4 of 2008 compared to € 26,867 thousand for Q4 of 2007. Postpaid revenue increase was driven by 17,000 additional postpaid customers.

Postpaid service revenue generated by Bité Latvia increased by € 1,738 thousand, or 84.4 % to € 3,798 thousand for Q4 of 2008 compared to € 2,059 thousand for Q4 of 2007. This increase was largely due to an increase of more than 21,000 in the postpaid customer base.

Prepaid service revenue

Prepaid service revenue generated by Bité Operating Group decreased by € 942 thousand, or 9.5 %, to € 8,957 thousand for Q4 of 2008 compared to € 9,899 thousand for Q4 of 2007.

Prepaid service revenue generated by Bité Lithuania decreased by € 1,355 thousand, or 14.2 %, to € 8,182 thousand for Q4 of 2008 compared to € 9,538 thousand for Q4 of 2007. Decrease in prepaid revenue was driven by lower average customer base and lower ARPU.

Prepaid service revenue generated by Bité Latvia increased by € 426 thousand, or 115.0 %, to € 796 thousand for Q4 of 2008 compared to € 370 thousand for Q4 of 2007. Increase in prepaid revenue is mainly driven by successful launch of a new prepaid brand “BiFri” in the second quarter of 2008.

Wholesale revenue

Wholesale revenue generated by Bité Operating Group increased by € 38 thousand, or 1.2 %, to € 3,183 thousand for Q4 of 2008 compared to € 3,144 thousand for Q4 of 2007.

Wholesale revenue generated by Bité Lithuania increased by € 202 thousand, or 7.0 %, to € 3,094 thousand for Q4 of 2008 compared to € 2,892 thousand for Q4 of 2007. This increase was due to higher revenue from value added services and lower bonuses for prepaid wholesale.

Wholesale revenue generated by Bité Latvia decreased by € 166 thousand, or 64.2 %, to € 92 thousand for Q4 of 2008 compared to € 258 thousand for Q4 of 2007 due to acquisition of two of the Service Providers in the first and third quarters of 2008.

Other service revenue

Other service revenue generated by Bité Operating Group decreased by € 72 thousand, or 2.2 %, to € 3,216 thousand for Q4 of 2008 compared to € 3,288 thousand for Q4 of 2007.

Other service revenue generated by Bité Lithuania decreased by € 307 thousand, or 10.1 %, to € 2,724 thousand for Q4 of 2008 compared to € 3,031 thousand for Q4 of 2007. This was largely a result of the EU regulation which came into effect at the end of August, 2007, mandating a decrease of roaming tariffs. This has resulted in the aforementioned decrease in revenue.

Other service revenue generated by Bité Latvia increased by € 300 thousand, or 102.9 %, to € 591 thousand for Q4 of 2008 from 291 thousand for Q4 of 2007. Roaming regulation in Latvia was offset by a higher number of roaming agreements which drove an increase in inbound roaming revenue.

Handsets revenue

Handsets revenue generated by Bité Operating Group decreased by € 3,141 thousand, or 40.0 %, to € 4,702 thousand for Q4 of 2008 compared to € 7,843 thousand for Q4 of 2007.

Handsets revenue generated by Bité Lithuania decreased by € 2,779 thousand, or 41.5 %, to € 3,917 thousand for Q4 of 2008 compared to € 6,696 thousand for Q4 of 2007. This decrease was largely due lower number of gross connections.

Handsets revenue generated by Bité Latvia decreased by € 362 thousand, or 31.6 %, to € 786 thousand for Q4 of 2008 compared to € 1,148 thousand for Q4 of 2007. This decrease was due to smaller share of gross connections with handset subsidies.

Other revenues and income

Other revenues and income generated by Bité Operating Group increased by € 1,142 thousand, or 71.5 %, to € 2,741 thousand for Q4 of 2008 compared to € 1,599 thousand for Q4 of 2007.

Other revenues generated by Bité Lithuania increased by € 257 thousand, or 6.0 %, to € 4,538 thousand for Q4 of 2008 compared to € 4,281 thousand for Q4 of 2007. Other revenues are lower due to lower sales of handsets to a subsidiary.

Other revenues generated by Bité Latvia increased by € 362 thousand, or 134.4 %, to € 631 thousand for Q4 of 2008 compared to € 269 thousand for Q4 of 2007. Other revenues are higher due to higher transit revenues.

Costs and Expenses

Costs and expenses of Bité Operating Group decreased by € 1,279 thousand, or 2.7 %, to € 45,926 thousand for Q4 of 2008 compared to € 47,205 thousand for Q4 of 2007.

Costs and expenses of Bité Lithuania decreased by € 2,351 thousand, or 5.7 %, to € 38,587 thousand for Q4 of 2008 compared to € 40,938 thousand for Q4 of 2007.

Costs and expenses of Bité Latvia increased by € 665 thousand, or 7.2 %, to € 9,951 thousand for Q4 of 2008 compared to € 9,286 thousand for Q4 of 2007.

Interconnect and roaming costs

Interconnect and roaming costs of Bité Operating Group increased by € 2,413 thousand, or 15.4 %, to € 18,119 thousand for Q4 of 2008 compared to € 15,706 thousand for Q4 of 2007.

Interconnect and roaming costs of Bité Lithuania increased by € 949 thousand, or 6.3 %, to € 15,957 thousand for Q4 of 2008 compared to € 15,007 thousand for Q4 of 2007. This increase was driven by higher share of off-net calls.

Interconnect and roaming costs of Bité Latvia increased by € 1,414 thousand, or 118.1 %, to € 2,611 thousand for Q4 of 2008 compared to € 1,197 thousand for Q4 of 2007. This increase was largely due to a higher postpaid customer base.

Sales and Marketing Costs

Sales and marketing costs of Bité Operating Group decreased by € 3,081 thousand, or 24.4 %, to € 9,532 thousand for Q4 of 2008 compared to € 12,613 thousand for Q4 of 2007.

Sales and marketing costs of Bité Lithuania decreased by € 2,750 thousand, or 29.4 %, to € 6,618 thousand for Q4 of 2008 compared to € 9,368 thousand for Q4 of 2007. This decrease was mainly due lower handset subsidies and reclassification of Vodafone royalty fee from Sales and Marketing costs in year 2007 to other expenses in year 2008.

Sales and marketing costs of Bité Latvia decreased by € 331 thousand, or 10.2 %, to € 2,914 thousand for Q4 of 2008 compared to € 3,245 thousand for Q4 of 2007. This decrease was largely due to fewer advertising activities and lower handset subsidies.

Network operations cost

Network operation costs of Bité Operating Group increased by € 469 thousand, or 13.8 %, to € 3,864 thousand for Q4 of 2008 compared to € 3,395 thousand for Q4 of 2007.

Network operations costs of Bité Lithuania increased by € 290 thousand, or 11.6 %, to € 2,791 thousand for Q4 of 2008 compared to € 2,500 thousand for Q4 of 2007. This increase was largely due to higher frequency charges and 3G related support fees.

Network operations costs of Bité Latvia increased by € 179 thousand, or 20.0 %, to € 1,074 thousand for Q4 of 2008 compared to € 895 thousand for Q4 of 2007. This increase was mainly due to a higher network rollout.

Other Costs and Expenses

Other costs and expenses of Bité Operating Group decreased by € 1,080 thousand, or 7.0 %, to € 14,411 thousand for Q4 of 2008 compared to € 15,491 thousand for Q4 of 2007.

Other costs and expenses of Bité Lithuania decreased by € 841 thousand, or 6.0 %, to € 13,222 thousand for Q4 of 2008 compared to € 14,063 thousand for Q4 of 2007. This decrease was largely due to lower sales of handsets.

Other costs and expenses of Bité Latvia decreased by € 597 thousand, or 15.1 %, to € 3,353 thousand for Q4 of 2008 compared to € 3,949 thousand for Q4 of 2007. This decrease was largely due to lower sales of handsets.

Depreciation and Amortization Costs

Depreciation and amortization costs of Bité Operating Group decreased by € 1,325 thousand, or 8.5 %, to € 14,226 thousand for Q4 of 2008 compared to € 15,551 thousand for Q4 of 2007.

Depreciation and amortization costs of Bité Lithuania decreased by € 1,411 thousand, or 10.3 %, to € 12,286 thousand for Q4 of 2008 compared to € 13,696 thousand for Q4 of 2007.

Depreciation and amortization costs of Bité Latvia increased by € 486 thousand, or 44.7 %, to € 1,574 thousand for Q4 of 2008 compared to € 1,088 thousand for Q4 of 2007. This increase was largely due to investments in 2G and 3G network rollout.

Impairment Charge

At the end of the year Bité Lithuania tested its investment into Bité Latvia for impairment, in accordance with the requirements of IAS 36. Based on the calculations performed the management concluded that there is an impairment in investment as at 31 December, 2008 of € 47,000 thousand and recorded this as a decrease in investment in Bité Latvija SIA on the balance sheet of Bité Lithuania and an impairment charge to the income statement. As the cost of investment in Bité Latvija SIA carried on Bité Lithuania balance sheet were eliminated upon Bité Latvija and Bité Lithuania consolidation, impairment charge was eliminated from the consolidated income statement as well.

Operating Profit/ (Loss)

Operating loss of Bité Operating Group decreased by € 1,813 thousand, or 22.2 %, to € 6,344 thousand for Q4 of 2008 compared to € 8,157 thousand for Q4 of 2007.

Operating loss of Bité Lithuania decreased by € 46,816 thousand to € 48,146 thousand for Q4 of 2008 compared to € 1,330 thousand for Q4 of 2007.

Operating loss of Bité Latvia decreased by € 1,146 thousand, or 19.2 %, to € 4,832 thousand for Q4 of 2008 compared to € 5,978 thousand for Q4 of 2007.

Finance Costs and Finance Income

Finance Costs

Finance costs of Bité Operating Group increased by € 5,164 thousand to € 14,165 thousand for Q4 of 2008 compared to € 9,002 thousand for Q4 of 2007.

Finance costs of Bité Lithuania increased by € 5,502 thousand to € 14,168 thousand for Q4 of 2008 compared to € 8,665 thousand for Q4 of 2007 due to an unrealized loss on interest rate collar.

Finance costs of Bité Latvia decreased by € 411 thousand to € 6 thousand for Q4 of 2008 compared to € 418 thousand for Q4 of 2007. Finance costs in Q4 of 2008 includes only accretion expenses and leasing interest, while in Q4 of 2007 Bité Latvia was paying interest on the loans issued by EECF Bella FinCo.

Finance Income

Finance income of Bité Operating Group decreased by € 387 thousand to € 447 thousand for Q4 of 2008 compared to € 834 thousand for Q4 of 2007.

Finance income of Bité Lithuania decreased by € 384 thousand to € 437 thousand for Q4 of 2008 compared to positive € 821 thousand for Q4 of 2007 due to lower hedging compensation.

Finance income of Bité Latvia decreased by € 3 thousand, or 20.9 %, to € 9 thousand for Q4 of 2008 compared to € 12 thousand for Q4 of 2007.

Share of profit/(loss) of associates³

The share of loss of associates decreased by € 101 thousand to € 108 thousand for Q4 of 2008 compared to € 7 thousand for Q4 of 2007 due to loss of Spaineta Latvia, SIA, which was acquired by Spainetos Prekybos Sistema, UAB at the beginning of August 2008.

Profit/ (Loss) before tax

Loss of Bité Operating Group increased by € 3,839 thousand to € 20,170 thousand for Q4 of 2008 compared to € 16,331 thousand for Q4 of 2007.

Loss of Bité Lithuania increased by € 52,702 thousand to € 61,876 thousand for Q4 of 2008 compared to € 9,174 thousand for Q4 of 2007.

Loss of Bité Latvia decreased by € 1,555 thousand, or 24.4 %, to € 4,829 thousand for Q4 of 2008 compared to € 6,384 thousand for Q4 of 2007.

Income tax

Income tax of Bité Lithuania increased by € 1,279 thousand to € 60 thousand for Q4 of 2008 compared to positive € 1,220 thousand for Q4 of 2007.

³ The associate company is our largest dealer Spainetos Prekybos Sistema UAB (SPS). Bité Lithuania owns 35% of SPS.

Net Profit/ (Loss)

Net loss of Bité Operating Group increased by € 5,118 thousand to € 20,230 thousand for Q4, 2008 compared to € 15,112 thousand for Q4 of 2007.

Net loss of Bité Lithuania increased by € 53,981 thousand to € 61,935 thousand for Q4 of 2008 compared to € 7,955 thousand for Q4 of 2007.

Net loss of Bité Latvia decreased by € 1,555 thousand, or 24.4 %, to € 4,829 thousand for Q4 of 2008 compared to € 6.384 thousand for Q4 of 2007.

Results of Operations

The financial data in the following table sets forth certain profit and loss account items for years 2007 and 2008 and is derived from our pro forma unaudited financial statements for year 2007 and our audited financial statements for year 2008.

	Bité Lithuania unconsolidated stand alone YTD ended December 31,		Bité Latvia unconsolidated stand alone YTD ended December 31,		Bité Operating Group consolidated YTD ended December 31,	
	2007 Pro Forma	2008 Actual	2007 Actual	2008 Actual	2007 Pro Forma	2008 Actual
	(€ in thousands)					
Postpaid services revenue	104,060	111,245	6,704	12,179	110,460	123,100
Prepaid services revenue	35,889	35,562	1,784	2,282	37,625	37,782
Wholesale revenue	12,354	12,688	968	538	13,306	13,209
Other service revenue	13,769	11,700	1,102	2,177	14,736	13,584
Total Service Revenue	166,072	171,196	10,558	17,175	176,127	187,675
Handsets revenue	18,356	16,596	4,851	4,149	23,208	20,746
Other revenue and income	18,560	18,449	1,431	1,814	8,124	10,092
Total Revenue and other income	202,988	206,243	16,840	23,139	207,458	218,513
Interconnect & roaming costs	-60,202	-63,052	-5,170	-7,676	-63,171	-69,406
Sales & Marketing cost	-28,396	-26,794	-9,966	-12,920	-38,363	-39,714
Network Operations cost	-9,685	-10,865	-3,098	-3,895	-12,783	-14,760
Other expenses	-51,522	-53,411	-14,128	-14,175	-56,003	-58,195
Total expenses	-149,805	-154,121	-32,362	-38,666	-170,320	-182,075
EBITDA	53,183	52,120	-15,522	-15,527	37,138	36,438
<i>EBITDA margin (% of service revenue)</i>	<i>32%</i>	<i>30%</i>	<i>-147%</i>	<i>-90%</i>	<i>21%</i>	<i>19%</i>
Depreciation and amortization costs	-52,582	-51,380	-3,696	-5,577	-59,090	-58,558
Impairment charge	0	-47,000	0	0	0	0
Operating profit/(loss)	601	-46,259	-19,217	-21,104	-21,952	-22,121
Finance costs	-26,966	-38,573	-883	-474	-27,578	-38,979
Finance income	1,191	1,806	84	33	1,276	1,839
Share of profit/(loss) of associates	0	0	0	0	120	-15
Profit/(loss) before tax	-25,174	-83,026	-20,016	-21,546	-48,134	-59,276
Income tax	906	-1,129	0	0	906	-1,129
Net profit/(loss)	-24,268	-84,155	-20,016	-21,546	-47,227	-60,405

Year to Date Ended December 31, 2007 Compared with Year to Date Ended December 31, 2008

Revenues

Service revenues generated by Bité Operating Group increased by € 11,549 thousand, or 6.6 %, to € 187,675 thousand for the year 2008 compared to € 176,127 thousand for the year 2007. Total revenues generated by Bité Operating Group increased by € 11,549 thousand, or 6.6 %, to € 218,513 thousand for the year 2008 compared to € 207,458 thousand for the year 2007.

Service revenues generated by Bité Lithuania increased by € 5,124 thousand, or 3.1 %, to € 171,196 thousand for the year 2008 compared to € 166,072 thousand for the year 2007. Total revenues generated by Bité Lithuania increased by € 3,255 thousand, or 1.6 %, to € 206,241 thousand for the year to date ended December 31, 2008 compared to € 202,988 thousand for the year to date ended December 31, 2007.

Service revenues generated by Bité Latvia increased by € 6,617 thousand, or 62.7 %, to € 17,175 thousand for the year 2008 compared to € 10,558 thousand for the year 2007. Total revenues generated by Bité Latvia increased by € 6,299 thousand, or 37.4 %, to € 23,139 thousand for the year to date ended December 31, 2008 compared to € 16,840 thousand for the year to date ended December 31, 2007.

Postpaid service revenue

Postpaid service revenue generated by Bité Operating Group increased by € 12,640 thousand, or 11.4 %, to € 123,100 thousand for the year 2008 compared to € 110,460 thousand for the year 2007.

Postpaid service revenue generated by Bité Lithuania increased by € 7,185 thousand, or 6.9 %, to € 111,245 thousand for the year 2008 compared to € 104,060 thousand for the year 2007. Postpaid revenue increase was driven by 17,000 additional postpaid customers.

Postpaid service revenue generated by Bité Latvia increased by € 5,475 thousand, or 81.7 %, to € 12,179 thousand for the year 2008 compared to € 6,704 thousand for the year 2007. This increase was largely due to an increase of more than 21,000 in the postpaid customer base.

Prepaid service revenue

Prepaid service revenue generated by Bité Operating Group increased by € 157 thousand, or 0.4 %, to € 37,782 thousand for the year 2008 compared to € 37,625 thousand for the year 2007.

Prepaid service revenue generated by Bité Lithuania decreased by € 327 thousand, or 0.9 %, to € 35,562 thousand for the year 2008 compared to € 35,889 thousand for the year 2007. This decrease was largely due to lower customer base and lower ARPU.

Prepaid service revenue generated by Bité Latvia increased by € 498 thousand, or 27.9 %, to € 2,282 thousand for the year 2008 compared to € 1,784 thousand for the four quarters of 2007. This increase was mainly driven by successful launch on the new prepaid brand “BiFri” in the second quarter of 2008.

Wholesale revenue

Wholesale revenue generated by Bité Operating Group decreased by € 96 thousand, or 0.7 %, to € 13,209 thousand for the year 2008 compared to € 13,306 thousand for the year 2007.

Wholesale revenue generated by Bité Lithuania increased by € 335 thousand, or 2.7 %, to € 12,688 thousand for the year 2008 compared to € 12,354 thousand for the year 2007. This increase was driven by a higher service provider postpaid customer base.

Wholesale revenue generated by Bité Latvia decreased by € 430 thousand, or 44.4 %, to € 538 thousand for the year 2008 compared to € 968 thousand for the year 2007. This decrease was mainly due to the acquisition of two of the Service Providers by Bité Latvia in the first and third quarters of 2008.

Other service revenue

Other service revenue generated by Bité Operating Group decreased by € 1,151 thousand, or 7.8 %, to € 13,584 thousand for the year 2008 compared to € 14,736 thousand for the year 2007.

Other service revenue generated by Bité Lithuania decreased by € 2,069 thousand, or 15.0 %, to € 11,700 thousand for the year 2008 compared to € 13,769 thousand for the year 2007. This was largely a result of the EU regulation which came into effect at the end of August, 2007, mandating a decrease of roaming tariffs. This has resulted in the aforementioned decrease in revenue.

Other service revenue generated by Bité Latvia increased by € 1,075 thousand, or 97.6 %, to € 2,177 thousand for the year 2008 compared to € 1,102 thousand for the year 2007. EU mandated roaming tariff reductions in Latvia were offset by a higher number of roaming agreements which drove an increase in inbound roaming revenue.

Handsets revenue

Handsets revenue generated by Bité Operating Group decreased by € 2,462 thousand, or 10.6 %, to € 20,746 thousand for the year 2008 compared to € 23,208 thousand for the year 2007.

Handsets revenue generated by Bité Lithuania decreased by € 1,760 thousand, or 9.6 %, to € 16,596 thousand for the year 2008 compared to € 18,356 thousand for the year 2007. This decrease was driven by lower postpaid gross additions.

Handsets revenue generated by Bité Latvia decreased by € 702 thousand, or 14.5 %, to € 4,149 thousand for the year 2008 compared to € 4,851 thousand for the year 2007. This decrease was largely due to higher share of connections without handset subsidies.

Other revenues and income

Other revenues and income generated by Bité Operating Group increased by € 1,968 thousand, or 24.2 %, to € 10,092 thousand for the year 2008 compared to € 8,124 thousand for the year 2007.

Other revenues generated by Bité Lithuania decreased by € 112 thousand, or 0.6 %, to € 18,449 thousand for the year 2008 compared to € 18,560 thousand for the year 2007. Other revenues are lower due to lower interest income from Group companies.

Other revenues generated by Bité Latvia increased by € 383 thousand, or 26.8 % to € 1,814 thousand for the year 2008 compared to € 1,431 thousand for the year 2007. Other revenues are higher due to higher transit revenue and collected penalties from the customers.

Costs and Expenses

Costs and expenses of Bité Operating Group increased by € 11,755 thousand, or 6.9 %, to € 182,075 thousand for the year 2008 compared to € 170,320 thousand for the year 2007.

Costs and expenses of Bité Lithuania increased by € 4,316 thousand, or 2.9 %, to € 154,121 thousand for the year 2008 compared to € 149,805 thousand for the year 2007.

Costs and expenses of Bité Latvia increased by € 6,304 thousand, or 19.5 %, to € 38,666 thousand for the year 2008 compared to € 32,362 thousand for the year 2007.

Interconnect and roaming costs

Interconnect and roaming costs of Bité Operating Group increased by € 6,235 thousand, or 9.9 %, to € 69,406 thousand for the year 2008 compared to € 63,171 thousand for the year 2007.

Interconnect and roaming costs of Bité Lithuania increased by € 2,850 thousand, or 4.7 %, to € 63,052 thousand for the year 2008 compared to € 60,202 thousand for the year 2007. This increase was driven by a higher number of postpaid customers and higher share of off-net calls.

Interconnect and roaming costs of Bité Latvia increased by € 2,505 thousand, or 48.5 %, to € 7,676 thousand for the year 2008 compared to € 5,170 thousand for the year 2007. This increase was largely due to a higher postpaid customer base.

Sales and Marketing Costs

Sales and marketing costs of Bité Operating Group increased by € 1,351 thousand, or 3.5 %, to € 39,714 thousand for the year 2008 compared to € 38,363 thousand for the year 2007.

Sales and marketing costs of Bité Lithuania decreased by € 1,602 thousand, or 5.6 %, to € 26,794 thousand for the year 2008 compared to € 28,396 thousand for the year 2007. This decrease was mainly due to lower subsidies for acquisitions and customers' retention.

Sales and marketing costs of Bité Latvia increased by € 2,954 thousand, or 29.6 %, to € 12,920 thousand for the year 2008 compared to € 9,966 thousand for the year 2007. This increase was largely due to Bité re-branding activities and re-launch of prepaid brand resulted in higher advertising expenses.

Network operations cost

Network operations costs of Bité Operating Group increased by € 1,977 thousand, or 15.5 %, to € 14,760 thousand for the year 2008 compared to € 12,783 thousand for the year 2007.

Network operations costs of Bité Lithuania increased by € 1,180 thousand, or 12.2 %, to € 10,865 thousand for the year 2008 compared to € 9,685 thousand for the year 2007. This increase was largely due to higher frequency charges and 3G related support fees.

Network operations costs of Bité Latvia increased by € 797 thousand, or 25.7 %, to € 3,895 thousand for the year 2008 compared to € 3,098 thousand for the year 2007. This increase was mainly due to higher 2G and 3G network rollout.

Other Costs and Expenses

Other costs and expenses of Bité Operating Group increased by € 2,192 thousand, or 3.9 %, to € 58,195 thousand for the year 2008 compared to € 56,003 thousand for the year 2007.

Other costs and expenses of Bité Lithuania increased by € 1,889 thousand, or 3.7 %, to € 53,411 thousand for the year 2008 compared to € 51,522 thousand for the year 2007. This increase was largely due to redundancy payments to employees during organizational changes in the second half of the year.

Other costs and expenses of Bité Latvia increased by € 47 thousand, or 0.3 %, to € 14,175 thousand for the year 2008 compared to € 14,128 thousand for the year 2007. Lower management fee to Bité Lithuania was offset by a higher number of employees in Latvia to support business growth.

Depreciation and Amortization Costs

Depreciation and amortization costs of Bité Operating Group decreased by € 531 thousand, or 0.9 %, to € 58,558 thousand for the year 2008 compared to € 59,090 thousand for the year 2007.

Depreciation and amortization costs of Bité Lithuania decreased by € 1,202 thousand, or 2.3 %, to € 51,380 thousand for the year 2008 compared to € 52,582 thousand for the year 2007.

Depreciation and amortization costs of Bité Latvia increased by € 1,882 thousand, or 50.9 %, to € 5,577 thousand for the year 2008 compared to € 3,696 thousand for the year 2007. This increase was largely due to investments into 2G and 3G network rollout.

Impairment Charge

At the end of the year Bité Lithuania tested its investment into Bité Latvia for impairment, in accordance with the requirements of IAS 36. Based on the calculations performed the management concluded that there is an impairment in investment as at 31 December, 2008 of € 47,000 thousand and recorded this as a decrease in

investment in Bité Latvija SIA on the balance sheet of Bité Lithuania and an impairment charge to the income statement. As the cost of investment in Bité Latvija SIA carried on Bité Lithuania balance sheet were eliminated upon Bité Latvija and Bité Lithuania consolidation, impairment charge was eliminated from the consolidated income statement as well.

Operating Profit/ (Loss)

Operating loss of Bité Operating Group increased by € 169 thousand to € 22,121 thousand for the year 2008 compared to loss of € 21,952 thousand for the year 2007.

Operating profit of Bité Lithuania decreased by € 46,860 thousand to a loss of € 46,259 thousand for the year 2008 compared to profit of € 601 thousand for the year 2007.

Operating loss of Bité Latvia increased by € 1,887 thousand, or 9.8 %, to € 21,105 thousand for the year 2008 compared to € 19,217 thousand for the year 2007.

Finance Costs and Finance Income

Finance Costs

Finance costs of Bité Operating Group increased by € 11,401 thousand, or 41.3 %, to € 38,979 thousand for the year 2008 compared to € 27,578 thousand for the year 2007.

Finance costs of Bité Lithuania increased by € 11,607 thousand, or 43.0 %, to € 38,573 thousand for the year 2008 compared to € 26,966 thousand for the year 2007 due to by one month longer interest period, higher debt by € 30.5 million compared to the same period in year 2007 and unrealized loss of derivative instrument of € 4,775 thousand.

Finance costs of Bité Latvia decreased by € 409 thousand to € 474 thousand for the year 2008 compared to € 883 thousand for the year 2007, due to interest paid to Bité Lithuania and EECF Bella FinCo during the first quarter of 2008 for the loans issued to finance Bité Latvia activities.

Finance Income

Finance income of Bité Operating Group increased by € 563 thousand to € 1,839 thousand for the year 2008 compared to € 1,276 thousand for the year 2007.

Finance income of Bité Lithuania increased by € 615 thousand, or 51.6 %, to € 1,806 thousand for the year 2008 compared to € 1,191 thousand for the year 2007 due to higher hedging compensation.

Finance income of Bité Latvia decreased by € 51 thousand, or 61.1 %, to € 33 thousand for the year 2008 compared to € 84 thousand for the year 2007.

Share of profit/(loss) of associates⁴

The share of profit of associates decreased by € 135 thousand to negative € 15 thousand for the year 2008 compared to positive € 120 thousand for the year 2007 due to loss of

⁴ The associate company is our largest dealer Spainetos Prekybos Sistema UAB (SPS). Bité Lithuania owns 35% of SPS.

Spaineta Latvia, SIA, which was acquired by Spainetos Prekybos Sistema, UAB at the beginning of August 2008.

Profit/ (Loss) before tax

Loss of Bité Operating Group increased by € 11,142 thousand to € 59,276 thousand for the year 2008 compared to a loss of € 48,134 thousand for the year 2007.

Loss of Bité Lithuania increased by € 57,852 thousand, or 229.8 %, to € 83,026 thousand for the year 2008 compared to loss of € 25,174 thousand for the year 2007.

Loss of Bité Latvia increased by € 1,530 thousand, or 7.6 %, to € 21,546 thousand for the year 2008 compared to € 20,016 thousand for the year 2007.

Income tax

Income tax of Bité Lithuania increased by € 2,035 thousand, to € 1,129 thousand for the year 2008 compared to positive € 906 thousand for the year 2007.

Net Profit/ (Loss)

Net loss of Bité Operating Group increased by € 13,177 thousand to € 60,405 thousand for the year 2008 compared to € 47,227 thousand for the year 2007.

Net loss of Bité Lithuania increased by € 59,887 thousand, or 246.8 %, to € 84,155 thousand for the year 2008 compared to € 24,268 thousand for the year 2007.

Net loss of Bité Latvia increased by € 1,530 thousand, or 7.6 %, to € 21,546 thousand for the year 2008 compared to € 20,016 thousand for the year 2007.

Historical Cash Flow

The table below sets out certain information related to our cash flows for the fourth quarter of 2008 and 2007.

	Bité Lithuania		Bité Latvia		Bité Operating Group	
	Q4 ended		Q4 ended		Q4 ended	
	December 31,		December 31,		December 31,	
	2007	2008	2007	2008	2007	2008
	Pro Forma	Actual	Actual	Actual	Pro Forma	Actual
	<i>(€ in thousands)</i>					
Cash and cash equivalents at beginning of period	9,029	1,185	2,652	700	11,681	1,885
Net cash flow generated from operating activities	-178	5,383	-3,076	-245	-8,121	2,596
Net cash flow to/from investing activities	-6,527	-6,051	-3,286	-3,681	-4,931	-3,192
Net cash flow to/from financing activities	-3	2,266	4,000	3,998	3,981	2,266
Cash and cash equivalents at end of period	2,321	2,783	290	771	2,611	3,554

Bité Cash Flow

Net cash flow from operating activities of Bité Operating Group increased by € 10,716 to € 2,596 thousand for Q4 of 2008, compared with negative € 8,121 thousand for Q4 of 2007, primarily due to higher EBITDA in Bité Latvia and better working capital management in Bité Lithuania.

Net cash flow to investing activities of Bité Operating Group decreased by € 1,738 to negative € 3,192 thousand for Q4 of 2008, compared with negative € 4,931 thousand for Q4 of 2007, primarily due to lower capital expenditures in the fourth quarter.

Net cash flow from financing activities of Bité Operating Group decreased by € 1,715 to € 2,266 thousand for Q4 of 2008, compared with € 3,981 thousand for Q4 of 2007. At the end of the fourth quarter of 2008 Bite Lithuania has drawn down an additional € 2,000 thousand from the Revolving Credit Facility, while in year Q4 of 2007 the Group was financed by € 4,000 thousand loans from EECF Bella FinCo.

Bité Lithuania Cash Flow

Net cash flow from operating activities of Bité Lithuania increased by € 5,561 thousand to € 5,383 thousand for Q4 of 2008, compared with negative € 178 thousand for Q4 of 2007, primarily due to better working capital management.

Net cash flow to investing activities of Bité Lithuania decreased by € 475 thousand to negative € 6,051 thousand for Q4 of 2008, compared with negative € 6,527 thousand for Q4 of 2007, primarily due to lower capital expenditures in the fourth quarter of 2008.

Net cash flow from financing activities of Bité Lithuania increased by € 2,270 thousand to € 2,266 thousand for the end of Q4 of 2008, compared with negative € 3 thousand for Q4 of 2007 due to an additional draw down from Revolving Credit Facility of € 2,000 thousand.

Bité Latvia Cash Flow

Net cash flow from operating activities of Bité Latvia increased by € 2,831 thousand to negative € 245 thousand for Q4 of 2008, compared with negative € 3,076 thousand for Q4 of 2007, primarily due to higher EBITDA and lower interest expenses.

Net cash flow to investing activities of Bité Latvia increased by € 396 thousand to negative € 3,681 thousand for Q4 of 2008, compared with negative € 3,286 thousand for Q4 of 2007, primarily due to higher amounts paid during the fourth quarter for the network equipment.

Net cash flow from financing activities of Bité Latvia decreased by € 2 thousand to € 3,998 thousand for Q4 of 2008, compared with € 4,000 thousand for Q4 of 2007. In Q4 of 2008 Bité Lithuania has increased share capital of Bité by € 4,000 thousand. In the fourth quarter of 2007 Bité Latvia was financed by the loans of € 4,000 thousand from EECF Bella FinCo.

The table below sets out certain information related to our cash flows for years 2008 and 2007.

	Bité Lithuania		Bité Latvia		Bité Operating Group	
	YTD ended		YTD ended		YTD ended	
	December 31,		December 31,		December 31,	
	2007	2008	2007	2008	2007	2008
	Pro Forma	Actual	Actual	Actual	Pro Forma	Actual
	<i>(€ in thousands)</i>					
Cash and cash equivalents at beginning of period	5,967	2,321	4,119	290	10,086	2,611
Net cash flow generated from operating activities	9,785	23,151	-14,660	-17,092	-4,758	4,837
Net cash flow to/from investing activities	-478,966	-54,692	-13,168	-13,421	-487,253	-16,891
Net cash flow to/from financing activities	465,535	32,003	24,000	30,994	484,535	12,997
Cash and cash equivalents at end of period	2,321	2,783	290	771	2,611	3,554

Bité Cash Flow

Net cash flow from operating activities of Bité Operating Group increased by € 9,595 to € 4,837 thousand for the year 2008, compared with negative € 4,758 thousand for the year 2007, primarily due to better working capital management.

Net cash flow to investing activities of Bité Operating Group increased to negative € 16,891 thousand for the year 2008, compared with negative € 487,253 thousand for the year 2007, primarily due to Transaction costs incurred in February 2007.

Net cash flow from financing activities of Bité Operating Group decreased to € 12,997 thousand for the year 2008, compared with € 484,535 thousand for the year 2007. In year 2008 Bite Lithuania received € 1,280 thousand for the interest rate floor, was financed by € 20,000 thousand from the Revolving Credit Facility, € 10,500 thousand from EECF Bella FinCo and has repaid a € 19,00 thousand loan.

Bité Lithuania Cash Flow

Net cash flow from operating activities of Bité Lithuania increased by € 13,366 thousand to € 23,151 thousand for the year 2008, compared with € 9,785 thousand for the year 2007, primarily due to better working capital management.

Net cash flow to investing activities of Bité Lithuania increased by € 424,274 thousand to negative € 54,692 thousand for the year 2008, compared with negative € 478,966 thousand for the year 2007, primarily due Transaction costs incurred in February 2007 and lower capital expenditures for the year 2008.

Net cash flow from financing activities of Bité Lithuania decreased by € 433,532 thousand to € 32,003 thousand for the year 2008, compared with € 465,535 thousand for the year 2007 due to cash received from Transaction in February 2007, loans in amount of € 30,500 thousand received from EECF Bella FinCo during year 2008 and sale of interest rate floor in the first quarter of 2008.

Bité Latvia Cash Flow

Net cash flow from operating activities of Bité Latvia decreased by € 2,431 thousand to negative € 17,092 thousand for the year 2008, compared with negative € 14,660 thousand for the year 2007, primarily due to decrease in trade payables and other current liabilities.

Net cash flow to investing activities of Bité Latvia increased by € 253 thousand to negative € 13,421 thousand for the year 2008, compared with negative € 13,168 thousand for the year 2007, primarily due to higher amounts paid for capital expenditures in year 2008.

Net cash flow from financing activities of Bité Latvia increased by € 6,994 thousand to € 30,994 thousand for the year 2008, compared with € 24,000 thousand for the year 2007. In year 2007 Bité Latvia was financed by the loans of € 24,000 thousand, while in year 2008 share capital of Bité Latvia was increased by € 55,000 thousand, and Bité Latvia repaid € 24,000 loans from EECF Bella FinCo.

Capital Expenditure

The capital expenditures of Bité Operating Group over Q4 and year to date, 2008 and 2007 are shown in the following tables.

	Quarter ended December 31,	
	2007	2008
<i>Capital Expenditures:</i>		(€ in thousands)
Lithuania	5,882	3,500
Latvia	3,844	1,630
Total	9,726	5,129

	YTD ended December 31,	
	2007	2008
<i>Capital Expenditures:</i>		(€ in thousands)
Lithuania	24,173	16,444
Latvia	13,471	12,380
Total	37,643	28,824

Our total capital expenditures in the fourth quarter of 2008 decreased by 47.3 % comparing to the same period of 2007 as bigger proportion of network expansions took place in first quarters. Also GSM rollout in Lithuania is almost finished and we are converting from expansion to maintenance mode which requires less investment.

In Latvia planned GSM radio network rollout of 84 new sites for the year 2008 was successfully finished by installing 14 new base stations in the fourth quarter. Q4 rollout was mainly targeted to further improvement of GSM coverage in the country side and Riga region. By the end of the 2008 we have achieved 96 % of population coverage and 83% of geographical coverage. No UMTS rollout was done in Q4 as all planned network expansion took place in the first quarters of 2008.

GSM investments in Lithuania were limited to 5 new coverage sites. In Lithuania we focused on expanding UMTS network. We installed 20 new sites in Q4, which increased 3G coverage and capacity in 7 sites to support sales of mobile data (7.2 Mbs) data products.

LIQUIDITY POSITION OF BITÉ FINANCE INTERNATIONAL GROUP FOR THE QUARTER ENDED DECEMBER 31, 2008

On March 2, 2007, the Company issued € 190 million of Senior Secured Floating Rate Notes, due 2014 and € 110 million of Senior Subordinated Floating Rate Notes due 2017. The Senior Secured Notes bear interest at a rate of EURIBOR plus 3.5 % per annum and the Senior Subordinated Notes bear interest at a rate of EURIBOR plus 6.75 % per annum. On April 4, 2007 the Company entered into an interest rate cap from June 15, 2007 to March 15, 2010, effectively capping the EURIBOR interest rate for the two note issuances at 4.3 % per annum. On March 18, the Company entered into an interest rate floor from June 16, 2008 to March 15, 2010 at 3.5 % per annum. The Company has a secured Revolving Credit Facility of € 30 million. This facility is for a term of 7 years expiring in year 2014 and drawing bear interest at EURIBOR + 2.25 % per annum. As of December 31, 2008 the Company has drawn down € 20 million from the Revolving Credit Facility.

For the quarter ended December 31, 2008, cash and cash equivalents of the Bité Finance International Group was € 3.9 million. Total debt was € 312.5 million, leaving a net debt of € 308.6 million.

The interest paid on the notes on 15th December is € 7,318 thousand based on a EURIBOR September 11, 2008 of 4.958 %. Accrued interest for the rest of Q4 of 2008 amounts to € 1,136 thousand based on a EURIBOR December 11, 2008 of 3.329 %.

CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Pursuant to the Lithuanian Law on Companies the authorised share capital of a private limited liability company must be not less than LTL 10,000 and the shareholders' equity should not be lower than 50 per cent of the company's registered share capital. As at 31 December 2008 and 31 December 2007, Bite Lithuania UAB complied with these requirements.

Pursuant to the Netherlands' legal requirement the authorised share capital of a private limited liability company must be not less than € 18,000. As at 31 December 2008 and 31 December 2007, the Company complied with these requirements.

Pursuant to the Revolving Credit Facility Agreement, the Company is required to comply with a consolidated leverage ratio financial maintenance covenant. The consolidated leverage ratio is calculated as of any date of determination by dividing the total amount of indebtedness (on a consolidated basis) plus an amount equal to the greater of the liquidation preference or the maximum fixed redemption or repurchase price of all capital stock which matures or is mandatory redeemable by the consolidated cash flow for the four most recent fiscal quarters ending immediately prior to the date of such determination. The level of the consolidated leverage ratio that, the Company is required to comply with decreases over time. As at December 31, 2008, the consolidated leverage ratio was required not to exceed 9.3:1 and the actual ratio was 9.2:1

<i>(€ in millions)</i>	Bite Finance International Group	
	2008	2007
Senior Secured Notes	185.2	184.5
Senior Subordinated Notes	106.9	106.7
Senior Revolving Credit facility	20	-
Other Third Party Debt	0.3	0.2
12 month Cash flow adjusted to covenant definition	34	32
Actual Consolidated Leverage ratio	9.2	9.1
Covenant (not higher than)	9.3	11.3

A breach of the financial maintenance covenant, if not cured within 60 days of notice thereof, would result in an event of default which may cause the principal, premium, if any, interest and any other monetary obligations on all the then outstanding loans under the Revolving Credit Facility Agreement to be due and payable immediately. Such event of default if not cured, could also accelerate the payment of the Senior Secured Notes and the Senior Subordinated Notes.

Management of the Company monitors the consolidated leverage ratio on a regular basis as a breach of such ratio would be a major risk for the Company. While Management of the Company expects to have adequate liquidity to meet current

obligations, the actual amount of funding requirements will depend on a number of factors, many of which are beyond the control of the Company. To the extent that the Company requires additional liquidity due to unforeseen circumstances or if it is at risk of breaching its financial maintenance covenant, the Company would expect to seek additional sources of funding by the way of capital injections from its shareholders and adjust its business plan to reduce an ongoing cash requirements by, for example, reducing a discretionary expenditure (e.g. advertising and customer acquisition costs). Management of the Company would also consider seeking an amendment to the terms of the Revolving Credit Facility Agreement in the event compliance with covenant could not otherwise be achieved.

In light of the Company's liquidity and capital resources position, the Company or its affiliates may, from time to time, purchase any outstanding debt securities for cash or exchange them for other classes of securities in open market purchases and/or privately negotiated transactions. The amounts of debt securities purchased or exchanged in any such transactions, individually or in the aggregate, may be material.

This announcement is not an offer to sell or a solicitation of any offer to buy the securities in the United States; securities may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as such term is defined in Regulation S under the U.S. Securities Act of 1933, as amended) absent registration or an exemption from registration. There will be no public offer of securities in the United States. Any offering of securities will be made only by means of an offering circular, which contains detailed information about our company and its management and financial statements.

For further information:

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