

## **SUMMARY HISTORICAL, PRO FORMA AND UNAUDITED FINANCIAL INFORMATION AND OPERATIONAL DATA**

The unaudited condensed consolidated interim financial information, attached hereto, is prepared in accordance with International Financial Reporting Standards.

Bité Finance International B.V. Group (“Bité Finance International Group”, “the Company” or “Bité”) consists of five companies: Bité Finance International B.V., Bité Finance International II 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.

The management’s discussion and analysis, dated October 28, 2009 should be read in conjunction with the accompanying unaudited condensed consolidated interim financial information of Bité for the three months ended September 30, 2009, and should also be read in conjunction with the unaudited condensed consolidated interim financial information for Bité Finance International B.V. Additional information related to Bité may be obtained at the listing agent in Luxembourg during normal business hours.

The following tables provide summary unaudited consolidated interim financial information for the Company for the quarter ended September 30, 2009 and unaudited pro forma consolidated interim financial information for the quarter ended September 30, 2008. The unaudited pro forma consolidated interim financial information for the quarter ended September 30, 2008 gives following effect to the financial statements:

- 1) 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 2008 were reclassified in the first quarter of 2008.

Management believes the adjustment above was necessary to fairly present figures for the quarter ended September 30, 2008 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 ended September 30, 2009 and 2008 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 September 30, 2009**

	<b>Bité Lithuania</b>		<b>Bité Latvia</b>		<b>Bité Operating Group</b>		<b>Bité Finance International Group</b>	
	<i>2008</i>	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>	<i>2009</i>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Pro Forma</b>	<b>Actual</b>
<i>(€ in thousands)</i>								
<b>Statement of Comprehensive Income Data:</b>								
Revenues	53,707	43,215	6,536	8,900	57,491	49,107	57,225	48,887
Costs and Expenses	-49,666	-40,926	-11,367	-12,134	-58,649	-50,268	-58,969	-50,891
<b>Operating profit/(loss)</b>	<b>4,041</b>	<b>2,289</b>	<b>-4,831</b>	<b>-3,234</b>	<b>-1,158</b>	<b>-1,161</b>	<b>-1,744</b>	<b>-2,004</b>
Unrealized fair value gains/(losses) on derivative financial instrument	-3,415	1,152	0	0	-3,415	1,152	-3,415	1,152
Finance costs	-8,771	-7,677	-5	-48	-8,776	-7,726	-8,039	-4,889
Finance income	521	14	7	0	529	14	529	4
Share of profit/ (loss) of associates	0	0	0	0	134	155	134	155
<b>Profit/(loss) before tax</b>	<b>-7,624</b>	<b>-4,222</b>	<b>-4,829</b>	<b>-3,282</b>	<b>-12,685</b>	<b>-7,566</b>	<b>-12,535</b>	<b>-5,582</b>
Income tax	-301	-317	0	0	-301	-317	-95	-317
<b>Net profit/(loss) after tax</b>	<b>-7,925</b>	<b>-4,539</b>	<b>-4,829</b>	<b>-3,282</b>	<b>-12,986</b>	<b>-7,883</b>	<b>-12,630</b>	<b>-5,899</b>
<b>Cash Flow Statement Data:</b>								
Net cash generated from operating activities	10,242	4,294	-5,365	-598	2,400	3,978	2,493	5,831
Net cash to/from investing activities	-15,544	-3,123	-4,563	-1,162	-9,129	-4,564	-9,568	-4,564
Net cash flow (used in)/generated from financing activities	3,981	878	8,496	0	3,977	875	3,977	-25
<b>Statement to Financial Position Data:</b>								
Total non current assets	444,164	379,844	44,410	43,659	403,256	367,999	402,609	368,146
Total current assets	35,945	32,966	8,101	7,731	42,477	38,947	41,115	41,387
Total shareholders' equity	118,870	37,098	45,578	43,829	79,121	25,424	96,171	146,675
Non current liabilities	333,641	345,457	252	293	333,893	345,749	315,297	227,593
Current liabilities	27,598	30,255	6,681	7,268	32,719	35,773	32,256	35,265
<b>Total liabilities and shareholders' equity</b>	<b>480,109</b>	<b>412,810</b>	<b>52,511</b>	<b>51,390</b>	<b>445,733</b>	<b>406,946</b>	<b>443,724</b>	<b>409,533</b>

**Bité**  
**YTD ended September 30, 2009**

	<b>Bité Lithuania</b>		<b>Bité Latvia</b>		<b>Bité Operating Group</b>		<b>Bité Finance International Group</b>	
	<i>2008</i>	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>	<i>2009</i>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Pro Forma</b>	<b>Actual</b>
	<i>(€ in thousands)</i>							
<b>Statement of Comprehensive Income Data:</b>								
Revenues	156,515	127,818	16,446	23,347	164,705	143,172	163,761	142,493
Costs and Expenses	-154,628	-125,225	-32,718	-36,202	-180,482	-154,136	-181,369	-155,577
<b>Operating profit/(loss)</b>	<b>1,887</b>	<b>2,593</b>	<b>-16,272</b>	<b>-12,855</b>	<b>-15,777</b>	<b>-10,964</b>	<b>-17,608</b>	<b>-13,084</b>
Unrealized fair value gains/(losses) on derivative financial instrument	775	-3	0	0	775	-3	775	-3
Finance costs	-25,197	-22,797	-468	-71	-25,589	-22,868	-23,301	-17,355
Finance income	1,385	31	23	6	1,393	37	1,394	64,757
Share of profit/ (loss) of associates	0	0	0	0	93	-10	92	-10
<b>Profit/(loss) before tax</b>	<b>-21,150</b>	<b>-20,176</b>	<b>-16,717</b>	<b>-12,920</b>	<b>-39,105</b>	<b>-33,808</b>	<b>-38,648</b>	<b>34,305</b>
Income tax	-1,070	341	0	0	-1,070	341	-1,012	341
<b>Net profit/(loss) after tax</b>	<b>-22,220</b>	<b>-19,835</b>	<b>-16,717</b>	<b>-12,920</b>	<b>-40,175</b>	<b>-33,467</b>	<b>-39,660</b>	<b>34,646</b>
<b>Cash Flow Statement Data:</b>								
Net cash generated from operating activities	17,768	11,832	-16,846	-10,068	2,241	4,597	3,971	8,093
Net cash to/from investing activities	-48,640	-19,606	-9,740	-5,294	-13,699	-11,730	-25,201	-13,755
Net cash flow (used in)/generated from financing activities	29,736	9,043	26,996	15,994	10,731	9,034	19,231	9,924
<b>Statement to Financial Position Data:</b>								
Total non current assets	444,164	379,844	44,410	43,659	403,256	367,999	402,609	368,146
Total current assets	35,945	32,966	8,101	7,731	42,477	38,947	41,115	41,387
Total shareholders' equity	118,870	37,098	45,578	43,829	79,121	25,424	96,171	146,675
Non current liabilities	333,641	345,457	252	293	333,893	345,749	315,297	227,593
Current liabilities	27,598	30,255	6,681	7,268	32,719	35,773	32,256	35,265
<b>Total liabilities and shareholders' equity</b>	<b>480,109</b>	<b>412,810</b>	<b>52,511</b>	<b>51,390</b>	<b>445,733</b>	<b>406,946</b>	<b>443,724</b>	<b>409,533</b>

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

**Bité**  
**Quarter ended September 30, 2009**

	<b>Bité Lithuania</b>		<b>Bité Latvia</b>		<b>Bité Finance International Group</b>	
	<i>2008</i>	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>	<i>2009</i>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Pro Forma</b>	<b>Actual</b>
	<i>(€ in thousands)</i>					
<b>Non-IFRS measures:</b>						
Service Revenue	45,015	36,610	4,886	7,190	49,706	43,428
EBITDA	16,776	12,601	-3,360	-1,658	12,829	10,101
<i>EBITDA margin (total revenue)</i>	<i>31.2%</i>	<i>29.2%</i>	<i>-51.4%</i>	<i>-18.6%</i>	<i>22.4%</i>	<i>20.7%</i>
<i>EBITDA margin (Service revenue)</i>	<i>37.3%</i>	<i>34.4%</i>	<i>-68.8%</i>	<i>-23.1%</i>	<i>25.8%</i>	<i>23.3%</i>
Capital expenditures	3,224	1,997	2,039	2,004	5,263	4,001
EBITDA minus CAPEX	13,552	10,605	-5,400	-3,662	7,566	6,101
Net interest expenses					-7,605	-3,004
Total net debt					308,021	222,046

**Bité**  
**Quarter ended September 30, 2009**

	<b>Bité Lithuania</b>		<b>Bité Latvia</b>		<b>Bité Finance International Group</b>	
	<i>2008</i>	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>	<i>2009</i>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Pro Forma</b>	<b>Actual</b>
	<i>(€ in thousands)</i>					
<b>Net profit (loss)</b>	<b>-7,925</b>	<b>-4,539</b>	<b>-4,829</b>	<b>-3,282</b>	<b>-12,629</b>	<b>-5,899</b>
Depreciation and amortization costs	-12,735	-10,312	-1,471	-1,576	-14,573	-12,105
Impairment charge	0	0	0	0	0	0
Income tax	-301	-317	0	0	-95	-317
Unrealized fair value gains/(losses) on derivative financial instrument	-3,415	1,152	0	0	-3,415	1,152
Finance costs	-8,771	-7,677	-5	-48	-8,038	-4,889
Finance income	521	14	7	0	529	4
Share of profit/(loss) of associates	0	0	0	0	134	155
<b>EBITDA</b>	<b>16,776</b>	<b>12,601</b>	<b>-3,360</b>	<b>-1,658</b>	<b>12,829</b>	<b>10,101</b>

**Bité**  
**YTD ended September 30, 2009**

	<b>Bité Lithuania</b>		<b>Bité Latvia</b>		<b>Bité Finance International Group</b>	
	<i>2008</i>	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>	<i>2009</i>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Pro Forma</b>	<b>Actual</b>
	(€ in thousands)					
<b>Non-IFRS measures:</b>						
Service Revenue	129,924	109,278	11,899	18,836	141,311	127,222
EBITDA	40,982	34,764	-12,268	-7,826	26,725	24,817
<i>EBITDA margin (total revenue)</i>	<i>26.2%</i>	<i>27.2%</i>	<i>-74.6%</i>	<i>-33.5%</i>	<i>16.2%</i>	<i>17.3%</i>
<i>EBITDA margin (Service revenue)</i>	<i>31.5%</i>	<i>31.8%</i>	<i>-103.1%</i>	<i>-41.5%</i>	<i>18.9%</i>	<i>19.5%</i>
Capital expenditures	12,944	8,547	10,750	4,253	23,693	12,800
EBITDA minus CAPEX	28,037	26,216	-23,019	-12,078	3,032	12,016
Net interest expenses					-22,343	-13,392
Total net debt					308,021	222,046

**Bité**  
**YTD ended September 30, 2009**

	<b>Bité Lithuania</b>		<b>Bité Latvia</b>		<b>Bité Finance International Group</b>	
	<i>2008</i>	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>	<i>2009</i>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Pro Forma</b>	<b>Actual</b>
	(€ in thousands)					
<b>Net profit (loss)</b>	<b>-22,220</b>	<b>-19,835</b>	<b>-16,717</b>	<b>-12,920</b>	<b>-39,660</b>	<b>34,646</b>
Depreciation and amortization costs	-39,095	-32,171	-4,004	-5,029	-44,333	-37,901
Impairment charge	0	0	0	0	0	0
Income tax	-1,069	341	0	0	-1,012	341
Unrealized fair value gains/(losses) on derivative financial instrument	775	-3	0	0	775	-3
Finance costs	-25,197	-22,786	-468	-71	-23,301	-17,355
Finance income	1,385	20	23	6	1,394	64,757
Share of profit/(loss) of associates	0	0	0	0	92	-10
<b>EBITDA</b>	<b>40,982</b>	<b>34,764</b>	<b>-12,268</b>	<b>-7,826</b>	<b>26,725</b>	<b>24,817</b>

## **MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE QUARTER ENDED SEPTEMBER 30, 2009**

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 (“Bité Finance International Group”, “the Company” or “Bité”) consists of five companies: Bité Finance International B.V., Bité Finance International II 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.

For analysis purposes financial information for the 2008 gives pro forma effect to certain items as described above.

### **Operational Overview**

For the quarter ended September 30, 2009, the Company had consolidated revenues and other income of € 48.9 million and consolidated EBITDA of € 10.1 million. On a stand alone basis and before inter-company eliminations, Bité Lithuania had € 43.2 million of revenues and other income and € 12.6 million of EBITDA, and Bité Latvia had € 8.9 million of revenues and other income and negative € 1.7 million of EBITDA.

For the first three quarters ended September 30, 2009, the Company had consolidated revenues and other income of € 142.5 million and consolidated EBITDA of € 24.8 million. On a stand alone basis and before inter-company eliminations, Bité Lithuania had € 127.8 million of revenues and other income and € 34.8 million of EBITDA, and Bité Latvia had € 23.3 million of revenues and other income and negative € 7.8 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 Base<sup>1</sup>***

The total subscriber base has fallen over the year, but has increased compared to the previous quarter. Increase was driven by prepaid and connectivity customer base due

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<sup>1</sup> 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 subscriber figures for connectivity is closing base of subscribers end of period and include mobile data and telemetry customers.

to attractive campaigning in Lithuania and Latvia. Postpaid customer base remained stable during the quarter.

From September 30, 2008 we have increased our total postpaid customer base by 8,634 customers: a decrease from 414,820 to 406,354 in Lithuania was outweighed by an increase of customer base in Latvia from 47,639 to 64,739 customers. The total growth averaged approximately 720 new subscribers per month during the period analyzed.

From September 30, 2008 we have increased our total connectivity customer base by 27,546 customers from 39,163 to 59,945 in Lithuania and from 6,046 to 12,810 in Latvia. The growth averaged approximately 2,296 new subscribers per month during the period analyzed. The connectivity subscriber base growth in both Lithuania and Latvia has contributed to a high 32.0 % growth in connectivity revenues for Bité Operating Group.

Our subscriber growth over the last four quarters is summarized in the chart below.

	<b>Bité Lithuania</b>		<b>Bité Latvia</b>		<b>Bité Operating Group</b>	
	<b>Q3 ended September 30, 2008</b>	<b>2009</b>	<b>Q3 ended September 30, 2008</b>	<b>2009</b>	<b>Q3 ended September 30, 2008</b>	<b>2009</b>
<b>Total subscribers at beginning of period</b>	<b>1,019,701</b>	<b>943,889</b>	<b>99,454</b>	<b>143,728</b>	<b>1,119,155</b>	<b>1,087,617</b>
<b><u>Gross Additions</u></b>						
Postpaid	12,649	14,119	11,611	11,516	24,260	25,635
Prepaid	95,738	78,062	34,941	24,339	130,679	102,401
Connectivity	5,160	7,529	1,793	2,214	6,953	9,743
<b>Total gross additions</b>	<b>113,547</b>	<b>99,710</b>	<b>48,345</b>	<b>38,069</b>	<b>161,892</b>	<b>137,779</b>
<b><u>Net Additions</u></b>						
Postpaid	-4,535	-5,264	6,611	5,143	2,076	-121
Prepaid	-9,663	7,774	17,858	12,043	8,195	19,817
Connectivity	3,968	4,142	1,383	1,195	5,351	5,337
<b>Total net additions</b>	<b>-10,230</b>	<b>6,652</b>	<b>25,852</b>	<b>18,381</b>	<b>15,622</b>	<b>25,033</b>
<b><u>Subscribers end of period</u></b>						
Postpaid	414,820	406,354	47,639	64,739	462,459	471,093
Prepaid	555,488	484,242	71,621	84,560	627,109	568,802
Connectivity	39,163	59,945	6,046	12,810	45,209	72,755
<b>Total subscribers at end of period</b>	<b>1,009,471</b>	<b>950,541</b>	<b>125,306</b>	<b>162,109</b>	<b>1,134,777</b>	<b>1,112,650</b>
<b><u>Growth Rate</u></b>						
<b><u>Subscribers</u></b>						
Postpaid	6.1%	-2.0%	84.2%	35.9%	11.0%	1.9%
Prepaid	-18.4%	-12.8%	-23.8%	18.1%	-19.0%	-9.3%
Connectivity	92.1%	53.1%	782.6%	111.9%	114.5%	60.9%
<b>Total subscribers</b>	<b>-7.5%</b>	<b>-5.8%</b>	<b>4.0%</b>	<b>29.4%</b>	<b>-6.4%</b>	<b>-1.9%</b>

	Bité Lithuania		Bité Latvia		Bité Operating Group	
	YTD ended September 30,		YTD ended September 30,		YTD ended September 30,	
	2008	2009	2008	2009	2008	2009
<b>Total subscribers at beginning of period</b>	<b>1,024,369</b>	<b>959,456</b>	<b>83,522</b>	<b>123,632</b>	<b>1,107,891</b>	<b>1,083,088</b>
<b><u>Gross Additions</u></b>						
Postpaid	45,907	55,199	29,600	34,059	75,507	89,258
Prepaid	292,012	221,892	76,915	56,701	368,927	278,593
Connectivity	14,690	21,008	4,628	7,450	19,318	28,458
<b>Total gross additions</b>	<b>352,609</b>	<b>298,099</b>	<b>111,143</b>	<b>98,210</b>	<b>463,752</b>	<b>396,309</b>
<b><u>Net Additions</u></b>						
Postpaid	-8,409	-2,679	13,018	14,272	4,609	11,593
Prepaid	-33,493	-20,344	24,582	19,575	-8,911	-769
Connectivity	27,004	14,108	4,184	4,630	31,188	18,738
<b>Total net additions</b>	<b>-14,898</b>	<b>-8,915</b>	<b>41,784</b>	<b>38,477</b>	<b>26,886</b>	<b>29,562</b>
<b><u>Subscribers end of period</u></b>						
Postpaid	414,820	406,354	47,639	64,739	462,459	471,093
Prepaid	555,488	484,242	71,621	84,560	627,109	568,802
Connectivity	39,163	59,945	6,046	12,810	45,209	72,755
<b>Total subscribers at end of period</b>	<b>1,009,471</b>	<b>950,541</b>	<b>125,306</b>	<b>162,109</b>	<b>1,134,777</b>	<b>1,112,650</b>
<b><u>Growth Rate</u></b>						
<b>Subscribers</b>						
Postpaid	6.1%	-2.0%	84.2%	35.9%	11.0%	1.9%
Prepaid	-18.4%	-12.8%	-23.8%	18.1%	-19.0%	-9.3%
Connectivity	92.1%	53.1%	782.6%	111.9%	114.5%	60.9%
<b>Total subscribers</b>	<b>-7.5%</b>	<b>-5.8%</b>	<b>4.0%</b>	<b>29.4%</b>	<b>-6.4%</b>	<b>-1.9%</b>

### *Average Revenue per User (ARPU)<sup>1</sup>*

The table below sets forth our ARPU for the third quarter of 2009 and 2008.

	Bité Lithuania		Bité Latvia		Bité Operating Group	
	Q3 ended September 30,		Q3 ended September 30,		Q3 ended September 30,	
	2008	2009	2008	2009	2008	2009
<b>ARPU</b>						
Postpaid	21.93	17.92	21.75	23.65	21.87	18.63
Prepaid	5.62	4.91	3.78	5.38	5.42	4.96
Connectivity	14.36	12.39	26.93	13.93	15.94	12.66
Blended ARPU <sup>1</sup>	12.64	10.98	11.97	13.49	12.55	11.30

<sup>1</sup> 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, connectivity revenue, outbound roaming revenue, less activation fee.

### *ARPU of Bité*

Blended ARPU of Bité Operating Group was € 11.30 for Q3 of 2009, a decrease of 10.0% as compared with a blended ARPU of € 12.55 in Q3 of 2008.

### *ARPU of Bité Lithuania and Bité Latvia*

Blended ARPU of Bité Lithuania was € 10.98 for Q3 of 2009, a decrease of 13.1% as compared with a blended ARPU of € 12.64 in Q3 of 2008. Postpaid ARPU decreased by 18.3% mainly due to interconnect prices being decreased by 20% in Lithuania for all of the three SMP mobile operators from January 2009 and lower revenue from roaming as a consequence of the economic downturn. Prepaid ARPU decreased by 12.6% due to lower interconnect rates and lower outgoing AMOU. Connectivity ARPU decreased by 13.7% due to competition driven decline in prices in the mobile internet segment and introduction of prepaid mobile data services in Q4 of 2008 with lower monthly ARPU driving blended connectivity ARPU to decline.

Blended ARPU of Bité Latvia was € 13.49 for Q3 of 2009, an increase of 12.7% as compared with a blended ARPU of € 11.97 in Q3 of 2008. Postpaid ARPU increased by 8.8% due to introduction of bundle type rate plans in Q2 of 2008 with higher monthly subscription, higher incoming MoU and higher outbound roaming ARPU. Prepaid ARPU increased by 42.3% mainly due higher incoming AMOU. Connectivity ARPU decreased by 48.3% from € 26.93 in Q3 of 2008 to € 13.93 in Q3 of 2009 due to introduction of prepaid mobile data services in Q4 of 2008 with lower monthly ARPU driving blended connectivity ARPU to decline.

The table below sets forth our ARPU for the first three quarters of 2009 and 2008.

	<b>Bité Lithuania</b>		<b>Bité Latvia</b>		<b>Bité Operating Group</b>	
	<b>YTD ended September 30,</b>	<b>YTD ended September 30,</b>	<b>YTD ended September 30,</b>	<b>YTD ended September 30,</b>	<b>YTD ended September 30,</b>	<b>YTD ended September 30,</b>
	<b>2008</b>	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>	<b>2009</b>
<b>ARPU</b>						
Postpaid	20.99	17.90	19.86	22.78	20.83	18.46
Prepaid	5.25	4.85	2.77	4.38	5.01	4.78
Connectivity	20.45	12.99	28.17	16.37	21.48	13.55
Blended ARPU <sup>1</sup>	12.12	10.87	10.46	12.68	11.93	11.08

### *ARPU of Bité*

Blended ARPU of Bité Group was € 11.08 for the first three quarters of 2009, a decrease of 7.1% as compared with a blended ARPU of € 11.93 in the first three quarters of 2008.

### *ARPU of Bité Lithuania and Bité Latvia*

Blended ARPU of Bité Lithuania was € 10.87 for the three quarters of 2009, a decrease of 10.3% as compared with a blended ARPU of € 12.12 in the three quarters of 2008. This decrease is due to lower postpaid ARPU by 14.7% and connectivity ARPU by 36.5%.

Blended ARPU of Bité Latvia was € 12.68 for the three quarters of 2009, an increase of 21.2% as compared with a blended ARPU of € 10.46 in the three quarters of 2008. This increase was due to higher ARPU in both postpaid and prepaid combined with a lower share of prepaid 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 third quarter of 2009 and 2008:

	<b>Bité Lithuania</b>		<b>Bité Latvia</b>		<b>Bité Operating Group</b>	
	<b>Q3 ended September 30,</b>		<b>Q3 ended September 30,</b>		<b>Q3 ended September 30,</b>	
	<b>2008</b>	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>	<b>2009</b>
<b>AMOU<sup>1</sup></b>						
Postpaid	354	364	262	361	345	364
Prepaid	142	135	202	283	148	156
Connectivity	0	0	0	0	0	0
Blended AMOU <sup>(2)</sup>	224	226	216	292	223	235

#### *AMOU of Bité Lithuania*

Our postpaid AMOU for Q3 of 2009 was 364, an increase of 2.9% from 354 for Q3 of 2008. This increase is mainly due to higher AMOU to own network driven by higher share of customers choosing rate plans offering free of charge calls in Bité network.

Our prepaid AMOU for Q3 of 2009 was 135, an decrease of 4.8% from 142 for Q3 of 2008. Prepaid AMOU slightly decreased due to SMS usage stimulation campaigns in Q3 of 2009.

#### *AMOU of Bité Latvia*

Our postpaid AMOU for Q3 of 2009 was 361, an increase of 37.7% from 262 for Q3 of 2008. This increase was mainly due to a higher proportion of postpaid business customers in the base and higher AMOU for both business and residential customers.

Our prepaid AMOU for Q3 of 2009 was 283, an increase of 40.4% from 202 for Q3 of 2008. The increase in prepaid AMOU is mainly due to an on-net usage promotion launched in Q2 of 2009.

The table below sets forth selected traffic data for the first three quarters of 2009 and 2008:

<sup>1</sup> 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.

	<b>Bité Lithuania</b>		<b>Bité Latvia</b>		<b>Bité Operating Group</b>	
	<b>Q3 ended September 30, 2008</b>	<b>2009</b>	<b>Q3 ended September 30, 2008</b>	<b>2009</b>	<b>Q3 ended September 30, 2008</b>	<b>2009</b>
<b>AMOU</b>						
Postpaid	341	358	228	335	331	355
Prepaid	125	144	107	249	123	158
Connectivity	0	0	0	0	0	0
Blended AMOU <sup>(2)</sup>	211	227	151	265	205	232

### *AMOU of Bité Lithuania*

Our postpaid AMOU for the three quarters of 2009 was 358, a increase of 5.0% from 341 for the three quarters of 2008. This increase is mainly due to higher AMOU to own network driven by higher share of customers choosing rate plans offering free of charge calls in Bité network.

Our prepaid AMOU for the three quarters of 2009 was 144, an increase of 15.0% from 125 for the first three quarters of 2008. The increase in prepaid AMOU was driven by on-net usage stimulation campaigns launched in year 2009.

### *AMOU of Bité Latvia*

Our postpaid AMOU for the three quarters of 2009 was 335, an increase of 46.6% from 228 for the three quarters of 2008. Increase in AMOU is due to higher share of business customers in the base and higher AMOU for postpaid residential customers.

Our prepaid AMOU for the three quarters of 2009 was 249, an increase of 132.1% from 107 for the three quarters of 2008. The increase in prepaid AMOU is mainly due to an on-net usage promotion in year 2009.

### **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.

	<b>Bité Lithuania</b>		<b>Bité Latvia</b>		<b>Bité Operating Group</b>	
	<b>Q3 ended September 30, 2008</b>	<b>2009</b>	<b>Q3 ended September 30, 2008</b>	<b>2009</b>	<b>Q3 ended September 30, 2008</b>	<b>2009</b>
<b>Churn</b>						
Postpaid	4.5%	4.6%	11.3%	10.1%	5.1%	5.3%
Prepaid	18.5%	14.5%	27.2%	15.7%	19.4%	14.7%
Connectivity	3.5%	8.0%	7.7%	8.3%	4.0%	8.1%
Blended <sup>(1)</sup>	12.2%	9.8%	20.0%	12.8%	13.0%	10.2%

### *Churn of Bité Lithuania*

Postpaid churn has increased to 4.6% in the third quarter of 2009 as compared to 4.5% in the third quarter of 2008. The increase is mainly driven by the macroeconomic factors.

Prepaid churn decreased to 14.5% in the third quarter of 2009 compared to 18.5% in the third quarter of 2008, as the base stabilized as a result of attractive offers for on-net calls and SMS.

Connectivity churn increased to 8.0% in the third quarter of 2009 compared to 3.5% in the third quarter of 2008 due to macroeconomic factors and higher share of prepaid connectivity customers in the base with higher average churn rate.

#### *Churn of Bité Latvia*

Postpaid churn decreased to 10.1% in the third quarter of 2009 as compared to 11.3% in the third quarter of the previous year due to improved churn management activities and higher average customer base.

Prepaid churn for the third quarter of 2009 has decreased to 15.7% compared to 27.2% in Q3 of 2008 due to high share of customers with free on-net calls offer.

Connectivity churn increased to 8.3% in the third quarter of 2009 compared to 7.7% in the third quarter of 2008 due to more prepaid connectivity cards in the base which have higher churn than postpaid .

	<b>Bité Lithuania</b>		<b>Bité Latvia</b>		<b>Bité Operating Group</b>	
	<b>YTD ended September 30, 2008</b>	<b>2009</b>	<b>YTD ended September 30, 2008</b>	<b>2009</b>	<b>YTD ended September 30, 2008</b>	<b>2009</b>
<b>Churn</b>						
Postpaid	10.7%	13.8%	38.7%	34.3%	13.2%	16.3%
Prepaid	56.0%	48.7%	88.2%	49.7%	59.0%	48.8%
Connectivity	14.2%	18.7%	27.9%	26.6%	16.1%	20.0%
Blended <sup>1</sup>	36.3%	32.1%	66.4%	41.8%	39.1%	33.4%

#### *Churn of Bité Lithuania*

Postpaid churn increased in the first three quarters of 2009 to 13.8% as compared to 10.7% of the first three quarters of previous year due to macroeconomic factors.

Prepaid churn decreased to 48.7% as compared to 56.0% of the first three quarters of 2008, as the base stabilized as a result of competitive offers for on-net calls and SMS.

Connectivity churn increased to 18.7% as compared to 14.2% of the first three quarters of 2008 due to macroeconomic factors and higher share of prepaid connectivity customers in the base with higher average churn rate.

<sup>1</sup> Our total churn rate is the weighted average of our prepaid churn rate, connectivity churn rate and postpaid churn rate over the period, based on weighted number of average prepaid, connectivity and postpaid subscribers. Prepaid, connectivity and postpaid churn are each calculated by dividing the respective prepaid, connectivity or postpaid total number of subscriber disconnections for the period by the average number of prepaid, connectivity 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, connectivity 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 Latvia*

Postpaid churn decreased to 34.3% in the first three quarters of 2009 as compared to 38.7% in the first three quarters of the previous year due to improved churn management activities and higher average customer base.

Prepaid churn decreased to 49.7% in the first three quarters of 2009 as compared to 88.2% in the first three quarters of 2008 due to high share of customers with free on-net calls offer.

Connectivity churn decreased to 26.6% in the first three quarters of 2009 as compared to 27.9% in the first three quarters of 2008 due to more prepaid connectivity cards in the base which have lower churn than postpaid.

### *Subscriber Acquisition Cost (SAC)*

Subscriber acquisition costs reflect certain costs Bité Operating Group incurs when acquiring a new subscriber. We define postpaid and connectivity SAC to include commissions paid to dealers for a new customer subscription<sup>1</sup> as well as handset or equipment subsidy costs which are the result of selling a handset or mobile internet modem at a price below its purchase cost to entice a new customer to subscribe to our services and we deduct the activation fee which partly covers the SAC. Our Prepaid SAC includes SIM costs and dealer commissions for start kits sold for new customers.

The table below shows Bité Lithuania and Bité Latvia SAC figures for the third quarter of 2009 and 2008:

	<b>Bité Lithuania</b>		<b>Bité Latvia</b>		<b>Bité Operating Group</b>	
	<b>Q3 ended September 30, 2008</b>	<b>2009</b>	<b>Q3 ended September 30, 2008</b>	<b>2009</b>	<b>Q3 ended September 30, 2008</b>	<b>2009</b>
<b>SAC</b>						
Postpaid	133.5	112.3	78.9	75.0	107.4	95.5
Prepaid	0.4	0.6	0.3	1.0	0.4	0.7
Connectivity	56.4	46.7	108.6	46.4	69.9	46.7
Blended SAC	17.8	19.9	23.2	26.0	19.4	21.6

### *SAC of Bité Lithuania*

Postpaid SAC for Bité Lithuania has decreased by 15.9% from € 133.5 to € 112.3 per gross connection. This was mainly driven by lower costs of handsets and offers with airtime discounts instead of handset subsidy.

Connectivity SAC for Bité Lithuania has decreased by 17.2% from € 56.4 to € 46.7 per gross connection mainly due to the lower purchase costs of a mobile internet modem and higher share of prepaid connectivity customers without equipment subsidies.

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<sup>1</sup> Our SAC figures reported in 2008 included dealer commissions for both new connections and prolongations. SAC figures from 2009 include dealer commissions for new connections only. Figures for 2008 are adjusted retrospectively.

### *SAC of Bité Latvia*

Postpaid SAC for Bité Latvia has decreased by 4.9% from € 78.9 to € 75.0 per gross connection. This decrease is related with implementation of new non subsidized rate plan with attractive airtime offers and lower costs of handsets.

Connectivity SAC for Bité Latvia has decreased by 57.3% from € 108.6 to € 46.4 per gross connection due to lower costs of mobile internet modem and higher share of prepaid connectivity customers without equipment subsidies.

The table below shows Bité Lithuania and Bité Latvia SAC figures for the first three quarters of 2009 and 2008:

	<b>Bité Lithuania</b>		<b>Bité Latvia</b>		<b>Bité Operating Group</b>	
	<b>YTD ended September 30, 2008</b>	<b>2009</b>	<b>YTD ended September 30, 2008</b>	<b>2009</b>	<b>YTD ended September 30, 2008</b>	<b>2009</b>
<b>SAC</b>						
Postpaid	161.6	89.9	106.9	76.4	140.6	84.7
Prepaid	0.5	0.7	1.6	1.1	0.7	0.8
Connectivity	73.9	52.8	106.9	53.6	81.8	53.0
Blended SAC	24.6	20.9	32.4	31.2	26.5	23.4

### *SAC of Bité Lithuania*

Postpaid SAC for Bité Lithuania has decreased by 44.4% from € 161.6 to € 89.9 per gross connection. This was mainly driven by lower costs of handsets and offers with airtime discounts instead of handset subsidy.

Connectivity SAC for Bité Lithuania has decreased by 28.6% from € 73.9 to € 52.8 per gross connection. This decrease was mainly driven by lower costs of mobile internet modem and higher share of prepaid connectivity customers without equipment subsidies.

### *SAC of Bité Latvia*

Postpaid SAC for Bité Latvia has decreased by 28.5% from € 106.9 to € 76.4 per gross connection. This decrease is related with implementation of new non subsidized rate plan with attractive airtime offers.

Connectivity SAC for Bité Latvia has decreased by 49.9% from € 106.9 to € 53.6 per gross connection. This decrease was mainly driven by lower costs of mobile internet modem and higher share of prepaid connectivity customers without equipment subsidies.

## Results of Operations

The financial data in the following table is derived from our unaudited financial statements and sets forth certain statement of comprehensive income account items for the third quarter of 2009 and 2008.

	Bité Lithuania unconsolidated stand alone		Bité Latvia unconsolidated stand alone		Bité Operating Group consolidated	
	Q3 ended September 30,		Q3 ended September 30,		Q3 ended September 30,	
	2008	2009	2008	2009	2008	2009
	Actual	Actual	Actual	Actual	Actual	Actual
	<i>(€ in thousands)</i>					
Postpaid services revenue	27,452	22,020	2,900	4,419	30,296	26,371
Prepaid services revenue	9,564	7,143	720	1,271	10,265	8,384
Connectivity services revenue	1,602	2,172	433	513	2,034	2,684
Wholesale revenue	3,159	2,618	106	78	3,261	2,693
Other service revenue	3,238	2,657	727	909	3,850	3,296
<b>Total Service Revenue</b>	<b>45,015</b>	<b>36,610</b>	<b>4,886</b>	<b>7,190</b>	<b>49,706</b>	<b>43,428</b>
Handsets revenue	4,116	2,495	1,048	833	5,162	3,329
Other revenue and income	4,576	4,110	602	877	2,623	2,350
<b>Total Revenue and other income</b>	<b>53,707</b>	<b>43,215</b>	<b>6,536</b>	<b>8,900</b>	<b>57,491</b>	<b>49,107</b>
Interconnect & roaming costs	-16,882	-13,460	-2,162	-3,846	-18,298	-15,929
Sales & Marketing cost	-4,996	-5,193	-3,091	-2,648	-8,087	-7,841
Network Operations cost	-2,570	-2,452	-1,051	-720	-3,621	-3,049
Other expenses	-12,483	-9,509	-3,591	-3,344	-14,070	-11,344
<b>Total expenses</b>	<b>-36,931</b>	<b>-30,614</b>	<b>-9,896</b>	<b>-10,558</b>	<b>-44,076</b>	<b>-38,163</b>
<b>EBITDA</b>	<b>16,776</b>	<b>12,601</b>	<b>-3,360</b>	<b>-1,658</b>	<b>13,415</b>	<b>10,944</b>
<i>EBITDA margin (% of service revenue)</i>	<i>37%</i>	<i>34%</i>	<i>-69%</i>	<i>-23%</i>	<i>27%</i>	<i>25%</i>
Depreciation and amortization costs	-12,735	-10,312	-1,471	-1,576	-14,573	-12,105
Impairment charge	0	0	0	0	0	0
<b>Operating profit/(loss)</b>	<b>4,041</b>	<b>2,290</b>	<b>-4,831</b>	<b>-3,234</b>	<b>-1,158</b>	<b>-1,161</b>
Unrealized fair value gains/(losses) on derivative financial instrument	-3,415	1,152	0	0	-3,415	1,152
Finance costs	-8,771	-7,678	-5	-48	-8,776	-7,716
Finance income	521	14	7	0	530	4
Share of profit/(loss) of associates	0	0	0	0	134	155
<b>Profit/(loss) before tax</b>	<b>-7,624</b>	<b>-4,222</b>	<b>-4,829</b>	<b>-3,282</b>	<b>-12,685</b>	<b>-7,566</b>
Income tax	-301	-317	0	0	-302	-317

Net profit/(loss)	-7,925	-4,539	-4,829	-3,282	-12,987	-7,883
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## Quarter Ended September 30, 2009 Compared with Quarter Ended September 30, 2008

### Revenues

Service revenues generated by Bité Operating Group decreased by € 6,278 thousand, or 12.6%, to € 43,428 thousand for Q3 of 2009 compared to € 49,706 thousand for Q3 of 2008. Total revenues generated by Bité Operating Group decreased by € 8,385 thousand, or 14.6%, to € 49,107 thousand for Q3 of 2009 compared to € 57,491 thousand for Q3 of 2008.

Service revenues generated by Bité Lithuania decreased by € 8,405 thousand, or 18.7%, to € 36,610 thousand for Q3 of 2009 compared to € 45,015 thousand for Q3 of 2008. Total revenues generated by Bité Lithuania decreased by € 10,491 thousand, or 19.5%, to € 43,216 thousand for the quarter ended September 30, 2009 compared to € 53,707 thousand for the quarter ended September 30, 2008.

Service revenues generated by Bité Latvia increased by € 2,303 thousand, or 47.1%, to € 7,190 thousand for Q3 of 2009 compared to € 4,886 thousand for Q3 of 2008. Total revenues generated by Bité Latvia increased by € 2,365 thousand, or 36.2%, to € 8,900 thousand for the quarter ended September 30, 2009 compared to € 6,535 thousand for the quarter ended September 30, 2008.

### *Postpaid service revenue*

Postpaid service revenue generated by Bité Operating Group decreased by € 3,925 thousand, or 13.0%, to € 26,371 thousand for Q3 of 2009 compared to € 30,296 thousand for Q3 of 2008.

Postpaid service revenue generated by Bité Lithuania decreased by € 5,432 thousand, or 19.8%, to € 22,020 thousand for Q3 of 2009 compared to € 27,452 thousand for Q3 of 2008. Postpaid revenue decrease was driven by decrease in interconnect prices from the beginning of 2009, lower customer base in postpaid business segment and lower revenue from roaming and international calls.

Postpaid service revenue generated by Bité Latvia increased by € 1,519 thousand, or 52.4% to € 4,419 thousand for Q3 of 2009 compared to € 2,900 thousand for Q3 of 2008. This increase was largely due to an increase of 17,100 subscribers in the postpaid customer base.

### *Prepaid service revenue*

Prepaid service revenue generated by Bité Operating Group decreased by € 1,881 thousand, or 18.3%, to € 8,384 thousand for Q3 of 2009 compared to € 10,265 thousand for Q3 of 2008.

Prepaid service revenue generated by Bité Lithuania decreased by € 2,421 thousand, or 25.3%, to € 7,143 thousand for Q3 of 2009 compared to € 9,564 thousand for Q3 of 2008. Decrease in prepaid revenue was driven by lower average customer base and lower ARPU.

Prepaid service revenue generated by Bité Latvia increased by € 551 thousand, or 76.4%, to € 1,271 thousand for Q3 of 2009 compared to € 720 thousand for Q3 of 2008. Increase in prepaid revenue is mainly driven by an increase of nearly 13,000 in prepaid customer base.

#### *Connectivity service revenue*

Connectivity service revenue generated by Bité Operating Group increased by € 650 thousand, or 32.0%, to € 2,684 thousand for Q3 of 2009 compared to € 2,034 thousand for Q3 of 2008.

Connectivity service revenue generated by Bité Lithuania increased by € 570 thousand, or 35.6%, to € 2,172 thousand for Q3 of 2009 compared to € 1,602 thousand for Q3 of 2008. Increase in connectivity revenue was driven by an increase in connectivity customer base by more than 20,700 customers.

Connectivity service revenue generated by Bité Latvia increased by € 80 thousand, or 18.5%, to € 513 thousand for Q3 of 2009 compared to € 433 thousand for Q3 of 2008. Increase in connectivity revenue was mainly due to an increase in connectivity customer base by more than 6,700 customers.

#### *Wholesale revenue*

Wholesale revenue generated by Bité Operating Group decreased by € 567 thousand, or 17.4%, to € 2,693 thousand for Q3 of 2009 compared to € 3,261 thousand for Q3 of 2008.

Wholesale revenue generated by Bité Lithuania decreased by € 541 thousand, or 17.1%, to € 2,618 thousand for Q3 of 2009 compared to € 3,159 thousand for Q3 of 2008. This decrease was due to lower wholesale postpaid customer base.

Wholesale revenue generated by Bité Latvia decreased by € 28 thousand, or 26.5%, to € 78 thousand for Q3 of 2009 compared to € 106 thousand for Q3 of 2008 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 € 554 thousand, or 14.4%, to € 3,296 thousand for Q3 of 2009 compared to € 3,850 thousand for Q3 of 2008.

Other service revenue generated by Bité Lithuania decreased by € 581 thousand, or 17.9%, to € 2,657 thousand for Q3 of 2009 compared to € 3,238 thousand for Q3 of 2008. This was largely a result of lower revenue from inbound roaming due to lower number of visitors coming to Lithuania and lower roamers' AMOU.

Other service revenue generated by Bité Latvia increased by € 182 thousand, or 25.0%, to € 909 thousand for Q3 of 2009 from 727 thousand for Q3 of 2008. The increase was mainly driven by higher number of roaming agreements signed.

### *Handsets revenue*

Handsets revenue generated by Bité Operating Group decreased by € 1,834 thousand, or 35.5%, to € 3,329 thousand for Q3 of 2009 compared to € 5,162 thousand for Q3 of 2008.

Handsets revenue generated by Bité Lithuania decreased by € 1,621 thousand, or 39.4%, to € 2,495 thousand for Q3 of 2009 compared to € 4,116 thousand for Q3 of 2008. This decrease was largely due lower number of gross connections with handset subsidy.

Handsets revenue generated by Bité Latvia decreased by € 215 thousand, or 20.5%, to € 833 thousand for Q3 of 2009 compared to € 1,048 thousand for Q3 of 2008. This decrease was due to a smaller share of gross connections with handset subsidies.

### *Other revenues and income*

Other revenues and income generated by Bité Operating Group decreased by € 272 thousand, or 10.4%, to € 2,350 thousand for Q3 of 2009 compared to € 2,623 thousand for Q3 of 2008.

Other revenues generated by Bité Lithuania decreased by € 466 thousand, or 10.2%, to € 4,110 thousand for Q3 of 2009 compared to € 4,576 thousand for Q3 of 2008. Other revenues are lower due to lower management fee from Bité Latvia, lower interest income from Group companies and lower handsets sales to Bité Latvia.

Other revenues generated by Bité Latvia increased by € 274 thousand, or 45.5% %, to € 877 thousand for Q3 of 2009 compared to € 602 thousand for Q3 of 2008. Other revenues are higher due to higher transit revenues and higher penalties from customers.

### **Costs and Expenses**

Costs and expenses of Bité Operating Group decreased by € 5,913 thousand, or 13.4%, to € 38,163 thousand for Q3 of 2009 compared to € 44,076 thousand for Q3 of 2008.

Costs and expenses of Bité Lithuania decreased by € 6,317 thousand, or 17.1%, to € 30,614 thousand for Q3 of 2009 compared to € 36,931 thousand for Q3 of 2008.

Costs and expenses of Bité Latvia increased by € 662 thousand, or 6.7%, to € 10,558 thousand for Q3 of 2009 compared to € 9,896 thousand for Q3 of 2008.

### *Interconnect and roaming costs*

Interconnect and roaming costs of Bité Operating Group decreased by € 2,369 thousand, or 12.9%, to € 15,929 thousand for Q3 of 2009 compared to € 18,298 thousand for Q3 of 2008.

Interconnect and roaming costs of Bité Lithuania decreased by € 3,422 thousand, or 20.3%, to € 13,460 thousand for Q3 of 2009 compared to € 16,882 thousand for Q3 of 2008. This decrease was driven by a decrease in interconnect price from January 2009 and lower roaming costs.

Interconnect and roaming costs of Bité Latvia increased by € 1,684 thousand, or 77.9%, to € 3,846 thousand for Q3 of 2009 compared to € 2,162 thousand for Q3 of 2008. 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 € 246 thousand, or - 3.0%, to € 7,841 thousand for Q3 of 2009 compared to € 8,087 thousand for Q3 of 2008.

Sales and marketing costs of Bité Lithuania increased by € 196 thousand, or 3.9%, to € 5,193 thousand for Q3 of 2009 compared to € 4,996 thousand for Q3 of 2008. This increase was mainly due to more prepaid and connectivity advertising activities as compared with the third quarter of 2008.

Sales and marketing costs of Bité Latvia decreased by € 443 thousand, or 14.3%, to € 2,648 thousand for Q3 of 2009 compared to € 3,091 thousand for Q3 of 2008. This decrease was due to fewer advertising activities, lower handset subsidies and lower staff costs.

### *Network operations cost*

Network operation costs of Bité Operating Group decreased by € 572 thousand, or 15.8%, to € 3,049 thousand for Q3 of 2009 compared to € 3,621 thousand for Q3 of 2008.

Network operations costs of Bité Lithuania decreased by € 118 thousand, or 4.6%, to € 2,452 thousand for Q3 of 2009 compared to € 2,570 thousand for Q3 of 2008. This decrease was largely due to lower support fees.

Network operations costs of Bité Latvia decreased by € 331 thousand, or 31.5%, to € 720 thousand for Q3 of 2009 compared to € 1,051 thousand for Q3 of 2008. This decrease was due to the revision downward of the rental accrual for base stations in the amount of € 389 thousand.

### *Other Costs and Expenses*

Other costs and expenses of Bité Operating Group decreased by € 2,704 thousand, or 19.2%, to € 11,365 thousand for Q3 of 2009 compared to € 14,070 thousand for Q3 of 2008.

Other costs and expenses of Bité Lithuania decreased by € 2,953 thousand, or 23.7%, to € 9,530 thousand for Q3 of 2009 compared to € 12,483 thousand for Q3 of 2008. This decrease was largely due to lower sales of handsets to Bité Latvia and lower number of employees.

Other costs and expenses of Bité Latvia decreased by € 248 thousand, or 6.9%, to € 3,344 thousand for Q3 of 2009 compared to € 3,591 thousand for Q3 of 2008. This decrease was largely due to lower sales of handsets and lower staff costs.

### **Depreciation and Amortization Costs**

Depreciation and amortization costs of Bité Operating Group decreased by € 2,468 thousand, or 16.9%, to € 12,105 thousand for Q3 of 2009 compared to € 14,573 thousand for Q3 of 2008.

Depreciation and amortization costs of Bité Lithuania decreased by € 2,423 thousand, or 19.0%, to € 10,312 thousand for Q3 of 2009 compared to € 12,735 thousand for Q3 of 2008.

Depreciation and amortization costs of Bité Latvia increased by € 105 thousand, or 7.1%, to € 1,576 thousand for Q3 of 2009 compared to € 1,471 thousand for Q3 of 2008. This increase was largely due to investments in 2G and 3G network rollout.

### **Operating Profit/ (Loss)**

Operating loss of Bité Operating Group increased by € 4 thousand, or 0.3%, to € 1,161 thousand for Q3 of 2009 compared to € 1,158 thousand for Q3 of 2008.

Operating profit of Bité Lithuania decreased by € 1,751 thousand to € 2,290 thousand for Q3 of 2009 compared to operating profit of € 4,041 thousand for Q3 of 2008.

Operating loss of Bité Latvia decreased by € 1,597 thousand, or 33.1%, to € 3,234 thousand for Q3 of 2009 compared to € 4,831 thousand for Q3 of 2008.

### **Finance Activities**

#### *Unrealized Fair Value Gains/(Losses) on Derivative Financial Instrument*

Unrealized fair value gain on derivative financial instruments of Bité Lithuania increased by € 4,567 thousand to € 1,152 thousand for Q3 of 2009 compared to unrealized fair value loss of € 3,415 thousand for Q3 of 2008 due to shorter term left to contract maturity.

#### *Finance Costs*

Finance costs of Bité Operating Group decreased by € 1,060 thousand to € 7,716 thousand for Q3 of 2009 compared to € 8,776 thousand for Q3 of 2008.

Finance costs of Bité Lithuania decreased by € 1,094 thousand to € 7,678 thousand for Q3 of 2009 compared to € 8,771 thousand for Q3 of 2008 due to lower EURIBOR.

Finance costs of Bité Latvia increased by € 43 thousand to € 48 thousand for Q3 of 2009 compared to € 5 thousand for Q3 of 2008.

#### *Finance Income*

Finance income of Bité Operating Group decreased by € 525 thousand to € 4 thousand for Q3 of 2009 compared to € 529 thousand for Q3 of 2008.

Finance income of Bité Lithuania decreased by € 507 thousand to € 14 thousand for Q3 of 2009 compared to € 521 thousand for Q3 of 2008, as in the third quarter of 2008 Bité Lithuania received a hedging compensation as EURIBOR for the quarter exceeded cap of 4.3 %.

Finance income of Bité Latvia decreased by € 7 thousand to € 0 thousand for Q3 of 2009 compared to € 7 thousand for Q3 of 2008.

### **Share of profit/(loss) of associates<sup>1</sup>**

The share of profit of associates increased by € 21 thousand to € 155 thousand for Q3 of 2009 compared to € 134 thousand for Q3 of 2008 due to improved results 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 decreased by € 5,119 thousand to € 7,566 thousand for Q3 of 2009 compared to € 12,685 thousand for Q3 of 2008.

Loss of Bité Lithuania decreased by € 3,402 thousand to € 4,222 thousand for Q3 of 2009 compared to € 7,624 thousand for Q3 of 2008.

Loss of Bité Latvia decreased by € 1,547 thousand, or 32.0%, to € 3,282 thousand for Q3 of 2009 compared to € 4,829 thousand for Q3 of 2008.

### **Income tax**

Income tax of Bité Lithuania increased to negative € 317 thousand for Q3 of 2009 compared to negative € 301 thousand for Q3 of 2008.

### **Net Profit/ (Loss)**

Net loss of Bité Operating Group decreased by € 5,102 thousand to € 7,883 thousand for Q3, 2009 compared to € 12,986 thousand for Q3 of 2008.

Net loss of Bité Lithuania decreased by € 3,386 thousand, or -42.7%, to € 4,539 thousand for Q3 of 2009 compared to € 7,925 thousand for Q3 of 2008.

Net loss of Bité Latvia decreased by € 1,547 thousand, or 32.0%, to € 3,282 thousand for Q3 of 2009 compared to € 4,829 thousand for Q3 of 2008.

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<sup>1</sup> The associate company is our largest dealer Spainetos Prekybos Sistema UAB (SPS). Bité Lithuania owns 35% of SPS.

## Results of Operations

The financial data in the following table sets forth certain profit and loss account items for the first three quarters of 2008 and 2009 and is derived from our unaudited financial statements.

	Bité Lithuania		Bité Latvia		Bité Operating Group	
	unconsolidated stand alone		unconsolidated stand alone		consolidated	
	YTD ended September 30,		YTD ended September 30,		YTD ended September 30,	
	2008	2009	2008	2009	2008	2009
	Actual	Actual	Actual	Actual	Actual	Actual
	<i>(€ in thousands)</i>					
Postpaid services revenue	79,252	65,749	7,379	11,839	86,367	77,405
Prepaid services revenue	27,380	21,767	1,486	2,949	28,825	24,647
Connectivity services revenue	4,722	6,211	1,003	1,549	5,724	7,760
Wholesale revenue	9,594	7,784	446	256	10,027	8,034
Other service revenue	8,976	7,767	1,586	2,243	10,368	9,376
<b>Total Service Revenue</b>	<b>129,924</b>	<b>109,278</b>	<b>11,899</b>	<b>18,836</b>	<b>141,311</b>	<b>127,222</b>
Handsets revenue	12,680	6,705	3,364	2,141	16,043	8,846
Other revenue and income	13,911	11,835	1,183	2,370	7,351	7,104
<b>Total Revenue and other income</b>	<b>156,515</b>	<b>127,818</b>	<b>16,446</b>	<b>23,347</b>	<b>164,705</b>	<b>143,172</b>
Interconnect & roaming costs <sup>1</sup>	-48,040	-40,786	-5,105	-10,032	-51,287	-47,236
Sales & Marketing cost	-20,176	-15,650	-10,006	-8,161	-30,182	-23,810
Network Operations cost	-8,074	-8,416	-2,822	-3,133	-10,896	-11,141
Other expenses	-39,243	-28,202	-10,783	-9,847	-43,785	-34,048
<b>Total expenses</b>	<b>-115,533</b>	<b>-93,054</b>	<b>-28,715</b>	<b>-31,173</b>	<b>-136,150</b>	<b>-116,235</b>
<b>EBITDA</b>	<b>40,982</b>	<b>34,764</b>	<b>-12,268</b>	<b>-7,826</b>	<b>28,555</b>	<b>26,937</b>
<i>EBITDA margin (% of service revenue)</i>	<i>32%</i>	<i>32%</i>	<i>-103%</i>	<i>-42%</i>	<i>20%</i>	<i>21%</i>
Depreciation and amortization costs	-39,095	-32,171	-4,004	-5,029	-44,332	-37,901
Impairment charge	0	0	0	0	0	0
<b>Operating profit/(loss)</b>	<b>1,887</b>	<b>2,593</b>	<b>-16,272</b>	<b>-12,855</b>	<b>-15,777</b>	<b>-10,964</b>
Unrealized fair value gains/(losses) on derivative financial instrument	775	-3	0	0	775	-3

<sup>1</sup> In the Summary historical, pro forma and unaudited financial information and operational data for the first quarter of 2009, dated April 22, 2009 part of interconnect & roaming costs for Q1 of 2008 and Q1 of 2009 were reported in other expenses line. The impact of amounts reported in these lines for the period is not considered significant and the resulting reclassification is presented below (in EUR thousands):

- for the quarter ended March 31, 2008: interconnect & roaming costs of -1,157; other expenses of -3,715;

- for the quarter ended March 31, 2009: interconnect & roaming costs of -2,747; other expenses of -3,286.

Finance costs	-25,197	-22,786	-468	-71	-25,589	-22,857
Finance income	1,385	20	23	6	1,394	26
Share of profit/(loss) of associates	0	0	0	0	92	-10
<b>Profit/(loss) before tax</b>	<b>-21,150</b>	<b>-20,176</b>	<b>-16,717</b>	<b>-12,920</b>	<b>-39,105</b>	<b>-33,808</b>
Income tax	-1,070	341	0	0	-1,070	341
<b>Net profit/(loss)</b>	<b>-22,220</b>	<b>-19,835</b>	<b>-16,717</b>	<b>-12,920</b>	<b>-40,175</b>	<b>-33,467</b>

## **Year to Date Ended September 30, 2009 Compared with Year to Date Ended September 30, 2008**

### **Revenues**

Service revenues generated by Bité Group decreased by € 14,089 thousand, or 10.0%, to € 127,222 thousand for the first three quarters of 2009 compared to € 141,311 thousand for the first three quarters of 2008. Total revenues generated by Bité Group decreased by € 21,533 thousand, or 13.1%, to € 143,172 thousand for the first three quarters of 2009 compared to € 164,705 thousand for the first three quarters of 2008.

Service revenues generated by Bité Lithuania decreased by € -20,646 thousand, or 15.9%, to € 109,278 thousand for the first three quarters of 2009 compared to € 129,924 thousand for the first three quarters of 2008. Total revenues generated by Bité Lithuania decreased by € 28,697 thousand, or 18.3%, to € 127,818 thousand for the year to date ended September 30, 2009 compared to € 156,515 thousand for the year to date ended September 30, 2008.

Service revenues generated by Bité Latvia increased by € 6,937 thousand, or 58.3%, to € 18,836 thousand for the first three quarters of 2009 compared to € 11,899 thousand for the first three quarters of 2008. Total revenues generated by Bité Latvia increased by € 6,901 thousand, or 42.0%, to € 23,347 thousand for the year to date ended September 30, 2009 compared to € 16,446 thousand for the year to date ended September 30, 2008.

### *Postpaid service revenue*

Postpaid service revenue generated by Bité Group decreased by € 8,962 thousand, or 10.4%, to € 77,405 thousand for the first three quarters of 2009 compared to € 86,367 thousand for the first three quarters of 2008.

Postpaid service revenue generated by Bité Lithuania decreased by € 13,502 thousand, or 17.0%, to € 65,749 thousand for the first three quarters of 2009 compared to € 79,252 thousand for the first three quarters of 2008. Postpaid revenue decrease was driven by decrease in interconnect prices from the beginning of 2009, lower customer base in postpaid business segment and lower revenue from roaming and international calls.

Postpaid service revenue generated by Bité Latvia increased by € 4,460 thousand, or 60.4%, to € 11,839 thousand for the first three quarters of 2009 compared to € 7,379

thousand for the first three quarters of 2008. Increase in postpaid revenue is mainly driven by an increase of more than 17,100 subscribers in the postpaid customer base.

#### *Prepaid service revenue*

Prepaid service revenue generated by Bité Group decreased by € 4,178 thousand, or 14.5%, to € 24,647 thousand for the first three quarters of 2009 compared to € 28,825 thousand for the first three quarters of 2008.

Prepaid service revenue generated by Bité Lithuania decreased by € 5,613 thousand, or 20.5%, to € 21,767 thousand for the first three quarters of 2009 compared to € 27,380 thousand for the first three quarters of 2008. Decrease in prepaid revenue was driven by lower average customer base and lower ARPU.

Prepaid service revenue generated by Bité Latvia increased by € 1,463 thousand, or 98.5%, to € 2,949 thousand for the three quarters of 2009 compared to € 1,486 thousand for the three quarters of 2008. Increase in prepaid revenue is mainly driven by an increase of nearly 13,000 subscribers in prepaid customer base.

#### *Connectivity service revenue*

Connectivity service revenue generated by Bité Group increased by € 2,036 thousand, or 35.6%, to € 7,760 thousand for the first three quarters of 2009 compared to € 5,724 thousand for the first three quarters of 2008.

Connectivity service revenue generated by Bité Lithuania increased by € 1,489 thousand, or 31.5%, to € 6,211 thousand for the first three quarters of 2009 compared to € 4,722 thousand for the first three quarters of 2008. Increase in connectivity revenue was driven by an increase in connectivity customer base by more than 20,700 customers.

Connectivity service revenue generated by Bité Latvia increased by € 547 thousand, or 54.5%, to € 1,549 thousand for the three quarters of 2009 compared to € 1,003 thousand for the three quarters of 2008. Increase in connectivity revenue was mainly due to an increase in connectivity customer base by more than 6,700 customers.

#### *Wholesale revenue*

Wholesale revenue generated by Bité Group decreased by € 1,993 thousand, or 19.9%, to € 8,034 thousand for the first three quarters of 2009 compared to € 10,027 thousand for the first three quarters of 2008.

Wholesale revenue generated by Bité Lithuania decreased by € 1,810 thousand, or 18.9%, to € 7,784 thousand for the first three quarters of 2009 compared to € 9,594 thousand for the first three quarters of 2008. This decrease was due to lower wholesale postpaid customer base.

Wholesale revenue generated by Bité Latvia decreased by € 190 thousand, or 42.6%, to € 256 thousand for the first three quarters of 2009 compared to € 446 thousand for the first three quarters of 2008. This decrease was mainly 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 Group decreased by € 992 thousand, or 9.6%, to € 9,377 thousand for the first three quarters of 2009 compared to € 10,368 thousand for the first three quarters of 2008.

Other service revenue generated by Bité Lithuania decreased by € 1,209 thousand, or 13.5%, to € 7,767 thousand for the first three quarters of 2009 compared to € 8,976 thousand for the first three quarters of 2008. This was largely a result of lower revenue from inbound roaming due to lower number of visitors coming to Lithuania and lower roamers' AMOU.

Other service revenue generated by Bité Latvia increased by € 657 thousand, or 41.4%, to € 2,243 thousand for the first three quarters of 2009 compared to € 1,586 thousand for the first three quarters of 2008. The increase was mainly driven by higher number of roaming agreements signed.

#### *Handsets revenue*

Handsets revenue generated by Bité Group decreased by € 7,197 thousand, or 44.9%, to € 8,846 thousand for the first three quarters of 2009 compared to € 16,043 thousand for the first three quarters of 2008.

Handsets revenue generated by Bité Lithuania decreased by € 5,975 thousand, or 47.1%, to € 6,705 thousand for the first three quarters of 2009 compared to € 12,680 thousand for the first three quarters of 2008. This decrease was largely due lower number of gross connections with handset subsidy.

Handsets revenue generated by Bité Latvia decreased by € 1,222 thousand, or 36.3%, to € 2,141 thousand for the first three quarters of 2009 compared to € 3,364 thousand for the first three quarters of 2008. This decrease was due to a smaller share of gross connections with handset subsidies.

#### *Other revenues and income*

Other revenues and income generated by Bité Group increased by € 247 thousand, or 3.4%, to € 7,104 thousand for the first three quarters of 2009 compared to € 7,351 thousand for the first three quarters of 2008.

Other revenues generated by Bité Lithuania decreased by € 2,076 thousand, or 14.9%, to € 11,835 thousand for the first three quarters of 2009 compared to € 13,911 thousand for the first three quarters of 2008. Other revenues are lower due to lower management fee from Bité Latvia and lower interest income from Group companies.

Other revenues generated by Bité Latvia increased by € 1,187 thousand, or 100.3% to € 2,370 thousand for the first three quarters of 2009 compared to € 1,183 thousand for the first three quarters of 2008. Other revenues are higher due to higher transit revenues and higher penalties from customers.

## **Costs and Expenses**

Costs and expenses of Bité Group decreased by € 19,914 thousand, or 14.6%, to € 116,235 thousand for the first three quarters of 2009 compared to € 136,150 thousand for the first three quarters of 2008.

Costs and expenses of Bité Lithuania decreased by € 22,478 thousand, or 19.5%, to € 93,056 thousand for the first three quarters of 2009 compared to € 115,534 thousand for the first three quarters of 2008.

Costs and expenses of Bité Latvia increased by € 2,457 thousand, or 8.6%, to € 31,172 thousand for the first three quarters of 2009 compared to € 28,715 thousand for the first three quarters of 2008.

### *Interconnect and roaming costs*

Interconnect and roaming costs of Bité Group decreased by € 4,051 thousand, or 7.9%, to € 47,236 thousand for the first three quarters of 2009 compared to € 51,287 thousand for the first three quarters of 2008.

Interconnect and roaming costs of Bité Lithuania decreased by € 7,255 thousand, or 15.1%, to € 40,786 thousand for the first three quarters of 2009 compared to € 48,040 thousand for the first three quarters of 2008. This decrease was driven by a decrease in interconnect price from January 2009 and lower roaming costs.

Interconnect and roaming costs of Bité Latvia increased by € 4,928 thousand, or 96.5%, to € 10,032 thousand for the first three quarters of 2009 compared to € 5,105 thousand for the first three quarters of 2008. This increase was largely due to a higher postpaid customer base.

### *Sales and Marketing Costs*

Sales and marketing costs of Bité Group decreased by € 6,372 thousand, or 21.1%, to € 23,810 thousand for the first three quarters of 2009 compared to € 30,182 thousand for the first three quarters of 2008.

Sales and marketing costs of Bité Lithuania decreased by € 4,526 thousand, or 22.4%, to € 15,650 thousand for the first three quarters of 2009 compared to € 20,176 thousand for the first three quarters of 2008. This decrease was mainly due lower handset subsidies as compared with the first three quarters of 2008.

Sales and marketing costs of Bité Latvia decreased by € 1,846 thousand, or 18.4%, to € 8,161 thousand for the first three quarters of 2009 compared to € 10,006 thousand for the first three quarters of 2008. This decrease was due to fewer advertising activities, lower staff costs and lower handset subsidies.

### *Network operations cost*

Network operations costs of Bité Group increased by € 245 thousand, or 2.3%, to € 11,141 thousand for the first three quarters of 2009 compared to € 10,896 thousand for the first three quarters of 2008.

Network operations costs of Bité Lithuania increased by € 342 thousand, or 4.2%, to € 8,416 thousand for the first three quarters of 2009 compared to € 8,074 thousand for

the first three quarters of 2008. This increase was largely due to higher frequency charges.

Network operations costs of Bité Latvia increased by € 311 thousand, or 11.0%, to € 3,133 thousand for the first three quarters of 2009 compared to € 2,822 thousand for the first three quarters of 2008. This increase was mainly due to more base stations on the network.

#### *Other Costs and Expenses*

Other costs and expenses of Bité Group decreased by € 9,715 thousand, or 22.2%, to € 34,070 thousand for the first three quarters of 2009 compared to € 43,785 thousand for the first three quarters of 2008.

Other costs and expenses of Bité Lithuania decreased by € 11,020 thousand, or 28.1%, to € 28,223 thousand for the first three quarters of 2009 compared to € 39,243 thousand for the first three quarters of 2008. This decrease was largely due to lower sales of handsets and lower number of employees.

Other costs and expenses of Bité Latvia decreased by € 936 thousand, or 8.7%, to € 9,847 thousand for the first three quarters of 2009 compared to € 10,783 thousand for the first three quarters of 2008. This decrease was largely due to lower sales of handsets.

#### **Depreciation and Amortization Costs**

Depreciation and amortization costs of Bité Group decreased by € 6,432 thousand, or 14.5%, to € 37,901 thousand for the first three quarters of 2009 compared to € 44,332 thousand for the first three quarters of 2008.

Depreciation and amortization costs of Bité Lithuania decreased by € 6,924 thousand, or 17.7%, to € 32,171 thousand for the first three quarters of 2009 compared to € 39,095 thousand for the first three quarters of 2008.

Depreciation and amortization costs of Bité Latvia increased by € 1,026 thousand, or 25.6%, to € 5,029 thousand for the first three quarters of 2009 compared to € 4,004 thousand for the first three quarters of 2008. This increase was largely due to investments into 2G and 3G network rollout.

#### **Operating Profit/ (Loss)**

Operating loss of Bité Group decreased by € 4,813 thousand to € 10,964 thousand for the first three quarters of 2009 compared to loss of € 15,777 thousand for the first three quarters of 2008.

Operating profit of Bité Lithuania increased by € 706 thousand to € 2,593 thousand for the first three quarters of 2009 compared to € 1,887 thousand for the first three quarters, 2008.

Operating loss of Bité Latvia decreased by € 3,417 thousand, or 21.0%, to € 12,855 thousand for the first three quarters, 2009 compared to € 16,272 thousand for the first three quarters, 2008.

## **Finance Costs and Finance Income**

### *Unrealized Fair Value Gains/(Losses) on Derivative Financial Instrument*

Unrealized fair value gain on derivative financial instruments of Bité Lithuania decreased by € 778 thousand to a loss of € 3 thousand for the first three quarters, 2009 compared to a gain of € 775 thousand for the first three quarters, 2008 due to a shorter time left to the contract maturity.

### *Finance Costs*

Finance costs of Bité Group decreased by € 2,732 thousand, or 10.7%, to € 22,857 thousand for the first three quarters, 2009 compared to € 25,589 thousand for the first three quarters, 2008 mainly due to lower EURIBOR.

Finance costs of Bité Lithuania decreased by € 2,411 thousand, or 9.6%, to € 22,786 thousand for the first three quarters, 2009 compared to € 25,197 thousand for the first three quarters, 2008 due to lower EURIBOR.

Finance costs of Bité Latvia decreased by € 397 thousand to € 71 thousand for the first three quarters, 2009, compared to € 468 thousand for the first three quarters, 2008, 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 Group decreased by € 1,366 thousand to € 26 thousand for the first three quarters, 2009 compared to € 1,392 thousand for the first three quarters, 2008.

Finance income of Bité Lithuania decreased by € 1,365 thousand, or 98.5%, to € 20 thousand for the first three quarters, 2009 compared to € 1,385 thousand for the three quarters, 2008 as in the first three quarters of 2008 Bité Lithuania received a hedging compensation as EURIBOR for the quarter exceeded cap of 4.3 %.

Finance income of Bité Latvia decreased by € 18 thousand, or 75.0%, to € 6 thousand for the first three quarters, 2009 compared to € 23 thousand for the first three quarters, 2008.

### **Share of profit of associate<sup>1</sup>**

The share of loss of associate increased by € 103 thousand to € 10 thousand for the first three quarters, 2009 compared to profit of € 93 thousand for the first three quarters, 2008 due to improved results 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 Group decreased by € 5,298 thousand to € 33,808 thousand for the first three quarters, 2009 compared to a loss of € 39,1051 thousand for the first three quarters, 2008.

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<sup>1</sup> The associate company is our largest dealer Spainetos Prekybos Sistema UAB (SPS). Bité Lithuania owns 35% of SPS.

Loss of Bité Lithuania decreased by € 974 thousand, or 4.6%, to € 20,176 thousand for the first three quarters, 2009 compared to loss of € 21,150 thousand for the first three quarters, 2008.

Loss of Bité Latvia decreased by € 3,797 thousand, or 22.7%, to € 12,920 thousand for the first three quarters, 2009 compared to € 16,717 thousand for the first three quarters, 2008.

### **Income tax**

Income tax of Bité Lithuania decreased by € 1,410 thousand, to positive € 341 thousand for the first three quarters, 2009 compared to negative € 1,070 thousand for the first three quarters, 2008. Income tax for the first three quarters of 2009 relates to the decrease of deferred tax liability due to created deffered tax asset on taxable loss.

### **Net Profit/ (Loss)**

Net loss of Bité Group decreased by € 6,707 thousand to € 33,467 thousand for the first three quarters, 2009 compared to € 40,175 thousand for the first three quarters, 2008.

Net loss of Bité Lithuania increased by € 2,383 thousand, or 10.7%, to € 19,837 thousand for the first three quarters, 2009 compared to € 22,220 thousand for the first three quarters, 2008.

Net loss of Bité Latvia decreased by € 3,797 thousand, or 22.7%, to € 12,920 thousand for the first three quarters, 2009 compared to € 16,717 thousand for the first three quarters, 2008.

### **Historical Cash Flow**

The table below sets out certain information related to our cash flows for the third quarter of 2009 and 2008.

	Bité Lithuania		Bité Latvia		Bité Operating Group	
	Q3 ended September 30, 2008		Q3 ended September 30, 2008		Q3 ended September 30, 2008	
	Actual	Actual	Actual	Actual	Actual	Actual
Cash and cash equivalents at beginning of period	2,506	2,002	2,131	3,164	4,637	5,166
Net cash flow generated from operating activities	10,242	4,294	-5,365	-598	2,400	3,978
Net cash flow to/from investing activities	-15,544	-3,123	-4,563	-1,162	-9,129	-4,564
Net cash flow to/from financing activities	3,981	878	8,496	0	3,977	875
Cash and cash equivalents at end of period	1,185	4,052	700	1,404	1,885	5,455

### *Bité Cash Flow*

Net cash flow from operating activities of Bité Operating Group increased by € 1,578 thousand to € 3,978 thousand for Q3 of 2009, compared with € 2,400 thousand for Q3 of 2008, primarily due to better EBITDA in Bité Latvia, lower interest expenses and taxes paid for Bité Lithuania.

Net cash flow to investing activities of Bité Operating Group decreased by € 4,565 thousand to negative € 4,564 thousand for Q3 of 2009, compared with negative € 9,129 thousand for Q3 of 2008 mainly due to lower capital expenditures in the first three quarters of 2009.

Net cash flow from financing activities of Bité Operating Group decreased by € 3,102 thousand to € 875 thousand for Q3 of 2009, compared with € 3,977 thousand for Q3 of 2008. During the third quarter of 2008 Bite Lithuania has borrowed an additional € 4,000 thousand from Revolving Credit Facility, while in the third quarter of 2009 Bité Lithuania has borrowed additional € 900 thousand from EECF Bella FinCo.

### *Bité Lithuania Cash Flow*

Net cash flow from operating activities of Bité Lithuania decreased by € 5,948 thousand to € 4,294 thousand for Q3 of 2009, compared with € 10,242 thousand for Q3 of 2008, primarily due to lower EBITDA, and higher working capital needs.

Net cash flow to investing activities of Bité Lithuania decreased by € 12,421 thousand to negative € 3,123 thousand for Q3 of 2009, compared with negative € 15,544 thousand for Q3 of 2008 primarily due to lower investments in Bité Latvia and lower payments for capital expenditures.

Net cash flow from financing activities of Bité Lithuania decreased by € 3,103 thousand to € 878 thousand for the end of Q3 of 2009, compared with € 3,981 thousand for Q3 of 2008. In the third quarter of 2008 Bité Lithuania borrowed € 4,000 thousand from the Revolving Credit Facility, while in the third quarter of 2009 borrowed € 900 thousand from EECF Bella FinCo.

### *Bité Latvia Cash Flow*

Net cash flow from operating activities of Bité Latvia increased by € 4,766 thousand to negative € 598 thousand for Q3 of 2009, compared with negative € 5,365 thousand for Q3 of 2008, primarily due to better EBITDA and higher payables to Bité Lithuania.

Net cash flow to investing activities of Bité Latvia decreased by € 3,401 thousand to negative € 1,162 thousand for Q3 of 2009, compared with negative € 4,563 thousand for Q3 of 2008, primarily due to lower amounts paid during the third quarter for network equipment.

Net cash flow from financing activities of Bité Latvia decreased by € 8,496 thousand to € 0 thousand for Q3 of 2009, compared with € 8,496 thousand for Q3 of 2008, as share capital of Bité Latvia was not increased in the third quarter of 2009.

The table below sets out certain information related to our cash flows for the first three quarters of 2009 and 2008.

	<b>Bité Lithuania</b>		<b>Bité Latvia</b>		<b>Group</b>	
	<b>YTD ended</b>		<b>YTD ended</b>		<b>YTD ended</b>	
	<b>September 30,</b>	<b>September 30,</b>	<b>September 30,</b>	<b>September 30,</b>	<b>September 30,</b>	<b>September 30,</b>
	<b>2008</b>	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>	<b>2009</b>
	<i>(in thousands of Euro)</i>					
Cash and cash equivalents at beginning of period	2,321	2,783	290	771	2,611	3,554
Net cash flow generated from operating activities	17,768	11,832	-16,846	-10,068	2,241	4,597
Net cash flow to/from investing activities	-48,640	-19,606	-9,740	-5,294	-13,699	-11,730
Net cash flow to/from financing activities	29,736	9,043	26,996	15,994	10,731	9,034
Cash and cash equivalents at end of period	1,185	4,052	700	1,404	1,885	5,455

#### *Bité Cash Flow*

Net cash flow from operating activities of Bité Group increased by € 2,356 to € 4,597 thousand for the first three quarters of 2009, compared with € 2,241 thousand for the first three quarters of 2008, primarily due to lower interest expenses for Bité Lithuania and lower taxes paid.

Net cash flow to investing activities of Bité Group decreased by € 1,968 thousand to negative € 11,730 thousand for the first three quarters of 2009, compared with negative € 13,699 thousand for the first three quarters of 2008 mainly due to lower payments for capital expenditures.

Net cash flow from financing activities of Bité Group decreased by € 1,697 to € 9,034 thousand for the first three quarters of 2009, compared with € 10,731 thousand for the first three quarters of 2008 due to lower borrowings from EECF Bella FinCo.

#### *Bité Lithuania Cash Flow*

Net cash flow from operating activities of Bité Lithuania decreased by € 5,937 thousand to € 11,832 thousand for the first three quarters of 2009, compared with € 17,768 thousand for the first three quarters of 2008 mainly due to lower EBITDA and higher receivables from Bité Latvia.

Net cash flow to investing activities of Bité Lithuania decreased by € 29,034 thousand to negative € 19,606 thousand for the first three quarters of 2009, compared with negative € 48,640 thousand for the first three quarters of 2008. In the first quarter of 2008 Bité Lithuania has changed the capital structure of Bité Latvia resulted in an increase of share capital of Bité Latvia by € 32,500 thousand, which was financed by the repayment of € 15,000 thousand loans from EECF Bella FinCo and additional borrowing from FinCo of € 18,500 thousand. Bité Latvia share capital increase in the second and third quarters of 2009 was lower by € 13,000 thousand, and payments for capital expenditures were lower by more than € 2,000 thousand.

Net cash flow from financing activities of Bité Lithuania decreased by € 20,693 thousand to € 9,043 thousand for the first three quarters of 2009, compared with € 29,736 thousand for the first three quarters of 2008. In the first half of 2008 Bité

Lithuania borrowed € 30,880 thousand from EECF Bella FinCo, repaid € 2,380 thousand to EECF Bella FinCo and received € 1,280 thousand from the sale of interest rate floor, whereas in the first quarter of 2009 Bité Lithuania borrowed € 13,900 thousand from FinCo and repaid a loans of € 4,790 thousand.

#### *Bité Latvia Cash Flow*

Net cash flow to operating activities of Bité Latvia increased by € 6,779 thousand to negative € 10,068 thousand for the first three quarters of 2009, compared with negative € 16,846 thousand for the first three quarters of 2008, primarily due to better EBITDA and higher payables to Bité Lithuania.

Net cash flow to investing activities of Bité Latvia decreased by € 4,446 thousand to negative € 5,294 thousand for the first three quarters of 2009, compared with negative € 9,740 thousand for the first three quarters of 2008, primarily due to lower amounts paid during the first three quaters of 2009 for the network equipment.

Net cash flow from financing activities of Bité Latvia decreased by € 11,002 thousand to € 15,994 thousand for the first three quarters of 2009, compared with € 26,996 thousand for the first three quarters of 2008 due to smaller increase in share capital in the first three quaters of 2009.

#### *Capital Expenditure*

The capital expenditures of Bité Operating Group over Q3, 2009 and Q3, 2008 are shown in the following table:

	<b>Quarter ended September 30, 2009</b>	
	<b>2008</b>	<b>2009</b>
<i>Capital Expenditures:</i>	<i>(in thousands of Euros)</i>	
Lithuania	3,224	1,997
Latvia	2,039	2,004
<b>Total</b>	<b>5,263</b>	<b>4,001</b>
	<b>YTD ended September 30, 2009</b>	
	<b>2008</b>	<b>2009</b>
<i>Capital Expenditures:</i>	<i>(in thousands of Euros)</i>	
Lithuania	12,944	8,547
Latvia	10,750	4,253
<b>Total</b>	<b>23,693</b>	<b>12,800</b>

Our total capital expenditures in the third quarter of 2009 decreased by 46.0% comparing to the same period of 2008 as the majority of the network rollout was completed in 2008.

The GSM rollout in Lithuania is finished. GSM investments in Lithuania in 2009 are focused to maintain existing network and provide in-door coverage in newly constructed hot spots: new shopping malls and arenas.

In Latvia planned GSM radio network for the 2009 is focused to solve main coverage issues by improvement of GSM coverage in the country side and in-door coverage in

Riga city. In Q3, 2009 fourteen new GSM base stations were installed. By the end of the Q3, 2009 we have more than 97% population coverage and 85% geographical coverage of the country.

In 3G network the main planned activities for 2009 in Lithuania and Latvia are focused on increasing “Vodafone Mobile Connect” users experience by solving any remaining 3G network coverage issues and increasing 3G network capacity in already covered areas, and network expansion into few new high mobile data traffic areas. In Q3, 2009 ten new 3G sites were installed in Lithuania and five in Latvia. By the end of the Q3, 2009 Bite is providing 3G (HSPA 7.2/1.4 Mbps) services in 39 cities in Lithuania and 10 cities in Latvia.

## **LIQUIDITY POSITION OF BITÉ FINANCE INTERNATIONAL GROUP FOR THE QUARTER ENDED SEPTEMBER 30, 2009**

On March 2, 2007, the Company issued € 190 million of Senior Secured Floating Rate Notes due 2014 (the “Senior Secured Notes”) and € 110 million of Senior Subordinated Floating Rate Notes due 2017 (the “Senior Subordinated Notes”). 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 19 March, 2009 Bite Finance International (Cayman) Ltd., an indirect subsidiary of the ultimate controlling party of the Company, purchased from noteholders € 103,930 thousand aggregate principal amount of Senior Subordinated Notes. On 25 March, 2009 Bite Finance International (Cayman) Ltd. and Bite Finance International B.V. entered into Release Agreement pursuant to which Bite Finance International (Cayman) Ltd. released € 50,000 thousand of Senior Subordinated Notes and any and all accrued interest on it in favor of Bite Finance International B.V. The value of transaction that equals the fair value of the released Senior Subordinated Notes (€ 17,546 thousand) less direct costs incurred upon buyback and debt release transaction is recognized directly in equity as an informal share capital contribution and the difference between the fair value and amortized cost of released notes in amount of € 30,997 thousand is accounted for as finance income.

On 16 June, 2009 Bite Finance International (Cayman) Ltd. and Bite Finance International B.V. have entered into Release agreement pursuant to which Bite Finance International (Cayman) Ltd. has released remaining Senior Subordinated Notes with a nominal value of € 53,930 thousand on behalf of Bite Finance International B.V. These bonds were carried at amortised cost in the financial statements of the Group and their carrying amount was equal to € 52,467 thousand as at release date. The value of transaction that equaled the fair value of the released Senior Subordinated Notes (€ 18,925 thousand) was recognised directly in equity as an informal share capital contribution and the difference between the fair value and amortised cost of released notes in amount of € 33,542 thousand was accounted for as finance income in the second quarter of 2009.

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, 2008, 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 2014 and drawing bear interest at EURIBOR + 4.00 % per annum. As of September 30, 2009 the Company has drawn down € 30 million from the Revolving Credit Facility.

For the quarter ended September 30, 2009, cash and cash equivalents of the Bité Finance International Group was € 8.2 million. Total debt was € 222.0 million, leaving a net debt of € 213.8 million.

The interest paid on the notes on September 15 is € 2,444 thousand based on a EURIBOR June 11, 2009 of 1.277 %. Accrued interest for the rest of Q3 of 2009 amounts to € 0,381 thousand based on a EURIBOR September 11, 2009 of 0.773 %.

*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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