



Construction company

for your success

believe in your dreams

Nr. 140, 2018

In relation to customers we strive to ensure a professional, responsible and qualified attitude to satisfy the market requirements. The primary value of the Company is our customers' appreciation and full satisfaction, as far as our services are concerned.

Extract from the statement of Litana Group

2017

WORK RESULTS

DECEMBER

 – A symbol of the winner of the month	Construction				Production		Shipbuilding		
	Russia	Belarus	Industrial projects	Europe	Lithuania	Russia	Finland	France	Holland
Performed plan in volumes	100 %	100 %	58 %	104 %	128 %	43 %	112 %	98 %	93 %
Output	100 %	101 %	95 %	100 %	83 %	66 %	100 %	94 %	96 %
Primary works execution		44 %	41 %	70 %	100 %	40 %	100 %	100 %	100 %
Results of the competition	7	5 6	3	4 9 12	10		1 8 12	2	11

The winners of December and year 2017 are the builders from Europe and shipbuilders from Finland. CONGRATULATIONS!

2017

PROJECT ASSESSMENT RESULTS

NOVEMBER

DECEMBER

Site name	Shopping center No: 170307 (Lithuania)	Shopping center No: 170608 (Lithuania)	Industrial project No: 160825 (Lithuania)	Residential building No: 161026 (Latvia)	Factory development No: 170730 (Latvia)	University building No: 170201 (Sweden)
Site evaluation average score	3.79	4.06	4.15	3.85	0.57	4.81
Site manager	K. Valma	P. Kamaitis	E. Nekoz	S. Alekseev	V. Liepiņš	J. Beniušis
Site name	Industrial project No: 170325 (Sweden)	Industrial project No: 170204 (Sweden)	Shopping center No: 170505 (Belarus)	Restaurant No: 170412 (Belarus)	Factory development No: 170623 (Belarus)	
Site evaluation average score	3.52	3.91	4.10	4.09	4.63	
Site manager	N. Morozov	D. Jakštas	A. Kacora	A. Pozdniakov	A. Prokopenko	

MAIN ACTIVITY

The scope of works planned for January for the whole "Litana" group amounts to 105 524 hours. During this month it is planned to produce 580 tons of metal structures for those facilities being under construction in Russia, Belarus, Lithuania, France, Latvia, Finland, Sweden, and 2 465 tons of metal structures for shipbuilding industry.

Russia. In Kaliningrad, they started engineering design works for a new shopping and leisure centre.

Belarus. They go on with the construction of the new shopping center in Gomel.

Lithuania. "Litana" continues the construction of the "Lidl" shopping center in Klaipėda, as well as the fabrication of metal structures for the electrostatic filter and gas flues for the oil refinery in Mažeikiai.

Latvia. In Riga, "Litana" continues construction works of a new trade center, as well as the design and construction works of the new apartment complexes.

Ukraine. The installation of the specific doors in Chernobyl NPP is going on.

Sweden. The manufacturing and installation of metal structures for the customer in Stenungsund are going on; the works on structural steel erection are carried out at the heating station in Boden. In Lund, "Litana" works at

the next construction stage – steel and reinforced concrete frame installation.

Finland. "Litana" continues ship hull assembling works in Turku, the door and hatchway installation works at the nuclear power plant in Olkiluoto, as well as the pipefitting and equipment installation works in Helsinki.

France. At the shipbuilding yards, the ship hull assembling works, piping and painting works are carried out.

Holland. "Litana" continues equipment installation works and piping works at "Damen" dock yard.

JANUARY

The Belarussian subdivision of "Litana" group of companies put across the next general contract project for the reconstruction of the existing retail building for the public catering facility with the automatic servery line. The works were started on April 28, 2017, and completed within the prescribed time limit – November 28, 2017. The first construction stage of the object with an area of 617 sq. m, began with the dismantling of the old building, with its utility systems inside, with further expansion of the landscape amenities. The customer – "KSB Victory Restaurants" – noted the well-coordinated work of the team at the construction site, giving prominence to the precise control over the work of subcontractors, carried out by Elvira Mirzoyeva, construction superintendent.



"LITANA'S" 25 YEARS: FROM A HANGAR TO A NEUTRONIC ACCELERATOR

JSC "Litana ir Ko" was founded in Gargždai 25 years ago, and began its activity with the construction of hangars. Today "Litana" is a transnational general construction contract company, for which any task is within its range: starting from project design to turn-key basis projects. From other enterprises of the construction sector the company is distinguished by a vast geographic activity, a variety of objects and undeniable uniqueness.

"Litana ir Ko" is a headquarters of the group of companies. This is the place where all activities are planned, directions for further development are set, strategic issues are decided. A group consists of 10 enterprises operating in 9 countries, therefore, the consolidated results of the whole group should be taken into account when evaluating the financial indicators: last year the total turnover reached a record level of 100 mio. euros, with 90 % of the revenues coming from exports. The strengths of "Litana" group of companies are the centralized management and unified business processes that run seamlessly both in the eastern and western markets, starting with staff selection, planning, and ending with high-quality work performance and ensuring the labor safety at construction sites. Such a management model allows to adopt quickly the advanced experience and know-how, work more efficiently, and to continuously improve. Another, no less strong aspect of the company is its qualified specialists. The number of personnel was 60 people in 1992,

during the next decade it grew up to more than a hundred, and in the next 10 years – to a thousand. Currently a group of companies counts over 1,400 people.

Overcoming difficulties as an incentive for further development

The construction division of the group of companies was founded in 1992, and initially was engaged in construction of hangar-type facilities. A year later, manufacturing areas were reconstructed, and the metal structure manufacturing activity began there. Over the time, it became obvious that company's business in the domestic market only would not afford to establish a competitive business model. Therefore, construction works began in the city of Kaliningrad (Russia).

The economic crisis in Russia demonstrated that there is necessary to diversify the company's activities and find new opportunities in the Western Europe market. This required determination and great pertinacity: new branches were opened in Latvia, Finland, France, and also in Belarus. The geographical spread of "Litana's" projects continued to expand – to the UK, Italy, Spain and beyond. More and more "Litana" drew its attention to Nordics, where currently our most ambitious projects are implemented.

Another growth direction is the expansion of the range of services. As an example, "Litana" has two metalwork plants: in Gargždai and Kaliningrad. The design department has been working since 1995, providing design services to other companies; for the production of stainless steel products and structures, a new division was launched, in

addition the company provides services of installation and leasing of industrial scaffolds.

Our achievements

Currently, "Litana" works on the projects in 9 countries. In Lithuania "Litana's" projects are: the waste disposal enterprise "Fortum" in Klaipėda, the production and installation of the bearing structures of "Švyturio Arena", the reconstruction of the "Ice Palace" in Elektrėnai, the construction of "Lidl" retail food store chain supermarkets, "Eleven" business center for the customer "Baltic Red"; in the plans – the investments in the construction of residential housing. In Belarus and Russia "Litana ir Ko" carries out the orders for foreign investors: in Belarus – "Oma" DIY shopping malls belonging to "Kesko Senukai" retail chain, and "McDonald's" fast-food restaurants; in Russia "Litana" cooperates with the French retail chain "Leroy Merlin". Especially important is the Nordics market, where "Litana" has been operating for about 10 years, and already enjoys well-deserved recognition. Working in Sweden and Norway, the company's specialists learned a lot. In Sweden, "Litana" cooperates with top 20 largest general contracting companies; they entrust "Litana" with more and more challenging and large projects. Recently, the construction of the hospital in Stockholm was completed: it was one of the largest and most complicated projects for our company on the Nordics market. The construction works were carried out next to the operating hospital building, so the strict requirements to the noise level, cleanliness, transportation conditions should had been taken into account.



The need for constant movement and development.

The willpower, that is like a desire to get the job done and move forward in order to achieve the target.

"Litana" is a construction company for your success". This is the message to all our employees, clients and business partners. The main purpose of company's management is to make everyone feel successful within cooperation.

"LITANA'S" SUCCESS FORMULA OF 25 YEARS OLD

Success is not an accidental event, but the result of purposeful and persistent work. It is easy to take single steps, however, to achieve the goal, it is necessary to combine all the elements of the "Success Formula" into a single whole and jointly implement them.



This year the conference of "Litana's" senior managers was devoted to the history of the company's development ahead of its 25th anniversary. During the conference day, much was said about our success formula, but one can't maintain success only in words: the team spirit was demonstrated by playing of the opera "Carmina Burana". It turns out that we can play musical instruments no worse than we can build.



Architectural visualization of Neutron Accelerator

Alternative types of activity

Shipbuilding is a very unusual type of activity for a construction company. This is a well developed branch of the company's business, which has been working effectively for more than 10 years and contributing to risk diversification of the company's activities.

There is an industrial projects subdivision in "Litana" group of companies, which is engaged in the construction and reconstruction of power plants, including nuclear plants, as well as dealing with other specific projects. Each project requires close attention and non-standard solutions, so the tasks like these need experts of the highest qualification. Many time clients pointed to the adequate quality of our staff, therefore the global reach of "Litana" is constantly extending. It often happens that a client, who is satisfied with the results of collaboration with "Litana", calls in our company to the new projects in different countries of the world. For instance, the French customer company, which

worked together with "Litana" in Finland, offered us to take part in a joint project in France, and then in Chernobyl (Ukraine). And this is not the solitary example.

Neutron accelerator

At present, in Sweden, they continue to build the largest object of scientific infrastructure - linear accelerator of charged particles. "Litana" is one of the main contractors of this project.

The construction of a tunnel 0.5 km long, in which the neutrons will accelerate to the lightspeed, is completed. The contract for the construction of the next block is already signed, and the second stage of construction has begun. This is a very important feedback for us, because the client's desire to continue common work with us means that the first stage of works has been done flawlessly.

The Nordics remains to be a promising market, where new interesting projects come around. For instance, there are

plans to relocate fully the Swedish city of Kiruna in the near future, because there is a threat of sinkhole collapse due to the underground mine under this city, where the works on digging for mine ore are still going on.

For the "relocation" of the entire city it is planned to allocate 1.5 bio. euros. This region beyond the Arctic Circle does not attract builders of Sweden and other countries, because of the rigorous climate. But "Litana" is not afraid of frost or distance: it already built a school in Kiruna, and is aimed to take a role of general contractor in the city relocation project.

Celebrating its 25th anniversary this year, "Litana" group of companies treats Western Europe and Nordics already like a "domestic" market. The company continues to set ambitious targets and actively expand: there are plans to increase the number of employees up to 2,000 people during the next few years, to achieve a turnover of 150 mio. euros and constantly explore new geographical directions for the further development.

The beginning of shipbuilding. The metal structures manufacturing plant in Kaliningrad is opened

An affiliate in Finland founded 510

Affiliates in Ukraine and France founded

An affiliate in Belarus founded

Affiliates in Sweden and Norway founded

The assembly and lease of industrial scaffolders

1193

The stainless steel workshop is opened in Gargzdai

1406

2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017



The staff of JSC "Litana ir Ko" met the upcoming holidays by participating in the musical motivational show, delivered by an actor Jurgis Didžiulis "From spectate to participate", held on the 22nd of December. At the end of the show, the colleagues went away not only in festive mood, but with the understanding of the importance of personal responsibility, not only staying in observer's role, but acting bravely and assertively in order to solve the business issues on an everyday basis.

The employees of Kaliningrad office were visited by "Dedushka Moroz" (rus. "Santa Claus"), who shared his festive mood with everybody.



Traditionally, employees of ICUE "Litana-BelStroy" congratulated each other with Christmas and New Year on the evening party. A projects manager **Andrey Pozdnyakov** was congratulated for the fastly built object in the expiring year 2017.

On the 15th of December, the employees of design department have been invited to the reinforced concrete structures manufacturing enterprise JSC "Akša" in the city of Kaunas, in order to share the experience.

Reinforced concrete structures, manufactured by JSC "Akša", are used to construct the buildings of manufacturing and commercial purpose, as well as the residential houses, including those designed and built by "Litana".



STOCK-TAKING

On the 19th of December, an annual inventory was held at the warehouse of "Litana ir Ko", which has been passed with no claims. The group of auditors made specific mention of the perfect order in the warehouse. For this, tremendous credit goes to the warehouse supervisor **Giedrė Armalienė** and warehouse storekeeper **Stasys Vicherta** – "invisible" employees, performing work behind the scenes at first glance, but what they do is very important to ensure the production workflow coordination.



Warehouse storekeeper **Stasys Vicherta**



On the 8th of December, 2017, the employees from Latvian subdivision – accountants **Yekaterina Kuzmenko** with her son, **Olga Vrublevska** and estimator **Jevgenijs Pipirs** – went off on a journey, granted by "Litana": a voyage to Stockholm by "Romantika" ferry.

Olga Vrublevska: "We were blessed with the weather very much, the sea was calm, and nobody got sick with the nausea, despite of the fact everybody was afraid of that in particular 😊. Stockholm, dressed up for Christmas, impressed us unforgettably, by no means we are going to visit this city with pleasure one more time. Thank you for a pleasant trip!!!"

Congratulation!

Principal design engineer **Konstantin Yemelyanov** got married **Irina Lebedeva** on the 7th of December.



Anniversaries celebrated in January:

Congratulation to those celebrating a jubilee!

- 60 years... **Mykola Ivakhnenko**, assembler; **Mihai Simion**, ship metal hull assembler.
- 55 years... **Mykola Kyrylyuk**, ship metal hull assembler; **Sergey Boklashko**, chief engineer.
- 50 years... **Nikolay Stefanov-Kolev**, ship metal hull assembler; **Keštutis Merliūnas**, ship metal hull assembler.
- 45 years... **Andrey Sakson**, assembler; **Artūras Remeikis**, foreman; **Oleksandr Korotkiy**, welder; **Anatoliy Fedoryak**, pipe fitter; **Valeriy Rahutkin**, assembler.
- 40 years... **Darius Jocys**, assembler; **Sergey Oreshechko**, ship metal hull assembler; **Yuriy Chabanov**, ship metal hull assembler; **Aleksey Bondarenko**, pipe fitter.
- 35 years... **Igor Brekhov**, pipe fitter; **Aleksandr Lomonosov**, assembler; **Yuriy Rudiy**, pipe fitter.
- 30 years... **Aleksandr Danilov**, ship metal hull assembler; **Vladimir Boiko**, director; **Valeriy Karmalov**, welder.
- 25 years... **Anton Nekhaychik**, assembler; **Yuriy Shcherbanyuk**, pipe fitter.
- 20 years... **Ilya Kulnich**, welder.

