Company Group ALITA AB

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE TWELVE MONTH PERIOD ENDED 31 DECEMBER 2010

Contents

Company details

Company Group ALITA AB

Telephone :	+370 315 57243
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Company code :	302444238
Registered office :	Miškininkų g.17, Alytus

Board of Directors

Vytautas Junevičius
Vilmantas Pečiūra
Arvydas Jonas Stankevičius
Darius Vėželis

Management

Paulius Kibiša (General Director)
Loreta Nagulevičienė (Finance and Administration Director)
Alina Miežiūnienė (Chief Accountant)

Auditor

KPMG Baltics, UAB

Banks

Swedbank, AB
AB Šiaulių bankas
Danske bankas A/S Lietuvos filialas

Company Group ALITA AB
Company code 302444238, Alytus, Miškininkų 17

Consolidated statement of financial position as of 31 December 2010

(LTL '000)

Note		31 December 2010	31 December 2009
	ASSETS		
	NON-CURRENT ASSETS		
	Intangible assets	762	586
	Investment property	1.491	1.557
	Property, plant and equipment	68.782	73.905
3.	Available-for-sale financial assets	8.053	8.008
	Deferred income tax assets	761	554
	Total non-current assets	79.849	84.610
	CURRENT ASSETS		
4.	Inventories	14.047	18.648
	Available-for-sale non-current assets	129	-
	Prepayment income tax	-	1
5.	Trade and other accounts receivable	25.738	34.407
5.	Available-for-sale current assets	-	-
	Cash and cash equivalents	9	13
	Total current assets	39.923	53.069
	TOTAL ASSETS	119.772	137.679
	LIABILITIES AND SHAREHODERS' EQUITY		
	SHAREHOLDERS' EQUITY		
6.	Share capital	27.154	27.154
	Compulsory reserve	5.083	5.083
6.	Revaluation reserve	(1.394)	(1.433)
7.	Retained earnings (loss)	(105.861)	(25.788)
	Total equity attributable to the equity holders of the parent Company	(75.018)	5.016
	Minority interest	1.120	1.314
	Total shareholders' equity	(73.898)	6.330
	NON-CURRENT LIABILITIES		
8.	Government grants	3.467	3.862
9.	Long-term bank loans and leasing liabilities	11.038	37.289
	Deferred income tax liability	-	-
	Total non-current liabilities	14.505	41.151
	CURRENT LIABILITIES		
9.	Short-term bank loans and current portion of loans and leasing liabilities	154.682	57.961
	Trade and other accounts payable	24.482	32.237
	Income tax payable	1	-
10.	Available-for-sale trade and other accounts payable	-	-
	Total current liabilities	179.165	90.198
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	119.772	137.679

General director Paulius Kibiša

Consolidated statement of comprehensive income for the twelve month period ended 31 December 2010

(LTL '000)

Note		2010	2009
11.	NET SALES	88.113	13.388
	Cost of sales	(56.024)	(7.784)
	GROSS PROFIT	32.089	5.604
	Other income	714	167
	Selling and distribution expenses	(14.194)	(1.669)
	General and administrative expenses	(20.590)	(2.552)
	Other expenses	(345)	(119)
	OPERATING PROFIT	(2.326)	1.431
	Financial income	1.567	2
	Financial expenses	(8.829)	(1.295)
	Finance costs -net	(7.262)	(1.293)
	Extraordinary gain (loss), net	(70.892)	-
	PROFIT BEFORE INCOME TAX	(80.480)	138
	Income tax	213	(664)
	NET PROFIT FOR THE YEAR	(80.267)	(526)
	OTHER COMPREHENSIVE INCOME		
3.	Increase (decrease) in value of available-for-sale financial assets	45	673
	Effect of deferred tax	(6)	(220)
	TOTAL OTHER COMPREHENSIVE INCOME	39	453
	TOTAL COMPREHENSIVE INCOME FOR THE REPORTING PERIOD	(80.228)	(73)
	Net profit (loss) attributable to:		
	Equity holders of the parent	(80.073)	(526)
	Minority interrest	(194)	-
	Total net profit (loss)	(80.267)	(526)
	Total comprehensive income attributable to:		
	Equity holders of the parent	(80.034)	(73)
	Minority interrest	(194)	-
	Total comprehensive income	(80.228)	(73)
7.	Basic and diluted earnings (loss) per share (in Litas)	-2,96	-0,02

General director Paulius Kibiša

Company Group ALITA AB
Company code 302444238, Alytus, Miškininkų 17

Consolidated statement of Income for the October - December month period 2010

(LTL '000)

Note		October - December 2010	October - December 2009
	NET SALES	26.529	13.388
	Cost of sales	(15.443)	(7.784)
	GROSS PROFIT	11.086	5.604
	Other income	123	167
	Selling and distribution expenses	(3.687)	(1.669)
	General and administrative expenses	(7.608)	(2.552)
	Other expenses	65	(119)
	OPERATING PROFIT	(21)	1.431
	Financial income	1.531	2
	Financial expenses	(4.550)	(1.295)
	Finance costs -net	(3.019)	(1.293)
	Extraordinary gain (loss), net	(70.892)	-
	PROFIT BEFORE INCOME TAX	(73.932)	138
	Income tax	213	(664)
	NET PROFIT FOR THE YEAR	(73.719)	(526)
	OTHER COMPREHENSIVE INCOME		
3.	Increase (decrease) in value of available-for-sale financial assets	856	673
	Effect of deferred tax	(129)	(220)
	TOTAL OTHER COMPREHENSIVE INCOME	727	453
	TOTAL COMPREHENSIVE INCOME FOR THE REPORTING PERIOD	(72.992)	(73)
	Net profit (loss) attributable to:		
	Equity holders of the parent	(73.614)	(526)
	Minority interrest	(105)	-
	Total net profit (loss)	(73.719)	(526)
	Total comprehensive income attributable to:		
	Equity holders of the parent	(72.887)	(73)
	Minority interrest	(105)	-
	Total comprehensive income	(72.992)	(73)
7.	Basic and diluted earnings (loss) per share (in Litas)	-2,71	-0,02

General director Paulius Kibiša

Consolidated statement of Changes in Equity for the twelve month period ended 31 December 2010

(LTL '000)

Note		Attributable to equity holders of the Company						
Note		Share capital	Compulsory reserve	Revaluation reserve	Retained earnings (deficit)	Total equity	Minority interest	Total
	Transfer the discontinued production activities of AB Alita as of 27 October 2009	27.154	5.083	(1.886)	(25.262)	5.089	1.314	6.403
	Comprehensive income							-
	Net profit (loss)							-
	for the year	-	-		(526)	(526)		(526)
	Other comprehensive income							
3.	Increase (decrease) in value of							-
	available-for-sale financial assets			673		673		673
	Effect of deferred tax			(220)		(220)		(220)
	Total other comprehensive income			453	-	453	-	453
	Total comprehensive income			453	(526)	(73)	-	(73)
	Balance as of 31 December 2009	27.154	5.083	(1.433)	(25.788)	5.016	1.314	6.330
	Comprehensive income							
	Net profit (loss)							-
	for the year	-	-		(80.073)	(80.073)	(194)	(80.267)
	Other comprehensive income							
	Increase (decrease) in value of							-
	available-for-sale financial assets			45		45		45
	Effect of deferred tax			(6)		(6)		(6)
	Total other comprehensive income			39	-	39	-	39
	Total comprehensive income			39	(80.073)	(80.034)	(194)	(80.228)
	Balance as of 31 December 2010	27.154	5.083	(1.394)	(105.861)	(75.018)	1.120	(73.898)

General director Paulius Kibiša

Consolidated statement of Cash Flows for the twelve month period ended 31 December 2010

(LTL '000)

	2010	2009
Cash flow from (to) operating activities:		
Net profit (loss)	(80.267)	(526)
Adjustments to reconcile net profit to net cash provided by operating activities:		
Taken over financial liabilities	70.892	-
Depreciation, amortisation, write-off and impairment of non-current assets	6.527	676
Write-off and change of impairment of current assets	3.271	(89)
Interest expenses	8.488	1.264
Interest income	(56)	(2)
Deferred income tax expense (income)	(213)	664
	8.642	1.987
Changes in current assets and current liabilities:		
Decrease (increase) in inventories	4.256	(1.350)
Decrease (increase) in accounts receivable	7.901	(10.686)
Increase (decrease) in amounts payable	(7.754)	14.563
Net cash provided by operating activities	13.045	4.514
Cash flow from (to) investing activities:		
Acquisition and sale of non-current assets	(1.514)	(3.483)
(Issued) loans	(2.681)	(598)
Cash outflow due to business spin-off	-	900
Interest received	56	2
Net cash (used in) investing activities	(4.139)	(3.179)
Cash flow from (to) financing activities:		
Loans received	2.097	-
(Repayment) of loans	(2.519)	(58)
Interest (paid)	(8.488)	(1.264)
Net cash (used in) financing activities	(8.910)	(1.322)
Increase (decrease) in cash and cash equivalents	**(4)**	**13**
Cash and cash equivalents in beginning of the period	**13**	**-**
Cash and cash equivalents at end of the period	**9**	**13**

General director Paulius Kibiša

Notes to the consolidated interim financial statements
for the twelve month period ended 31 December 2010
(LTL '000 unless otherwise stated)

1. Reporting entity

On September 29, 2009 the resolution to approve the Terms of the Spin-off of Company Group ALITA AB was passed at the Extraordinary General Meeting and as of 7 October 2009 Company Group ALITA AB was separated from the AB Alita and registered.

Registered address of the Company Group ALITA, AB is Miškininkų 17, Alytus, Lithuania.

Shareholders of the Company Group ALITA, AB in the end of the period were:

	Nominal value (LTL)	Percent
Private share capital	27.153.793	100,0

The nominal value of one share is LTL 1.. The Company Group ALITA AB shares are enlisted in the Additional Trade List of the NASDAQ OMX Vilnius Stock Exchange for the regulated trading.

The Company group ALITA AB was established and began its activity on the basis of the below given decisions, by the spin off of all the production activity and all the attributed assets, rights and obligations to this activity from the AB "Alita". The Company group ALITA AB pursues the production and economic-commercial activities by taking over the raw material, production material, the long-term assets and low-value assets, the rights to the trade-marks and designs, ISO standards and the new licences for the new production, wholesale and retail of the alcoholic drinks and retail of the tobacco production.

A detailed description of the completed reorganisation of AB Alita, the balance sheet drawn up in relation to the spin-off of the Company Group ALITA AB, pro forma financial statements and other material information can be found in the Prospectus for the Admission of Shares of the Company Group ALITA AB into Trading on Regulated Market in the website of Vilnius Stock Exchange at www.nasdaqomxbaltic.com or in the Company's website at www.alita.lt .

After the reorganization of AB Alita, a producer of alcoholic drinks, AB Anykščių vynas, was transferred to Company Group ALITA AB. Currently Company Group ALITA AB holds 46,577,570, or 94.90% of the total registered shares in the AB Anykščių Vynas, each of 1 Litas in nominal value.

Also, under the terms of the reorganization, the right of control of UAB Alita Distribution (which was renamed to UAB "A.L.D.") was transferred to Company Group ALITA AB, which holds 100% of the registered shares of 100 Litas in nominal value. UAB "A.L.D." disposed 100% of the shares of UAB Vilkmergės alus to AB Anykščių vynas in August, 2010.

The financial statements of Company Group ALITA AB, AB Anykščių Vynas, UAB A.L.D. and UAB Vilkmergės Alus are consolidated as of 31 December 2009.

The Group produces and distributes alcohol beverages, including sparkling wines, alcohol mixes, cider, beer, wines, hard liqueurs, as well as concentrated fruit juice.

Statement of compliance

These financial statements are consolidated financial statements of Company Group ALITA AB. They have been prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations, adopted by International Accounting Standards Board (IASB), as approved by the European Union.

2. Summary of significant accounting policies

Basis of preparation

The consolidated financial statements are presented in thousand Litas. Litas is the functional currency of the Group.

The consolidated financial statements are prepared on the historical cost basis, except for the following:
- Property, plant and equipment presented at deemed cost.
- Available for sale financial assets are measured at fair value.

Accounting is kept according to laws and regulations of the Republic of Lithuania.

Basis of consolidation

Subsidiaries are entities controlled by the Group. Control exists when the controlling entity may manage financial and activity policies of the subsidiary. When assessing existence of control, the right to vote and potential right to vote is considered (for potentially convertible instruments into shares). The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

Comparative figures

The Company's financial year begins on 1 January and ends on 31 December. After the reorganisation assets and liabilities related to production activities were assigned to the Company Group ALITA AB. As the Company Group ALITA, AB began its activity on October 7, 2009, the comparable information in the financial statements for the period from October 7, 2009 to December 31, 2009 is taken from the audited consolidated reports for the year of 2009.

Foreign currency transactions

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement.

Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.
Certain items of property, plant and equipment that have been indexed in accordance with Lithuanian legislation prior to 1 January 2004, the date of transition to IFRSs, are measured on the basis of deemed cost, being the indexed amount at the date of the indexation less indexed accumulated depreciation and impairment losses.
The cost of self-constructed assets includes the cost of materials, direct labor and an appropriate proportion of production overheads.
Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Subsequent costs

The Group recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item or major overhaul when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Group and the cost of the item can be measured reliably. All other costs are recognized in the income statement as an expense as incurred.

2. Significant accounting policies (cont'd)

Depreciation

	Years
Buildings	8-84
Machinery and equipment	2-50
Motor vehicles, furniture and fixtures	4-25
IT equipment	4-5

The useful lives are reviewed periodically to ensure that the period of depreciation is consistent with the expected pattern of economic benefits from items of property, plant and equipment.

Intangible assets

Intangible assets, comprising computer software and other licenses that are acquired by the Group, are stated at cost less accumulated amortisation and impairment.

Amortisation is charged to the income statement on a straight-line basis. The Group's intangible assets are amortized over 1-3 years.

Inventories

Inventories, including work in process, are valued at the lower of cost or net realisable value, after recognition of impairment loss for obsolete and slow moving items. Net realisable value is the selling price in the ordinary course of business, less the costs of completion, marketing and distribution. Cost is determined in accordance FIFO principle.

Auxiliary materials and supplies are expensed at the time they are taken into use or booked to the finished goods value if used in production.

In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

The Company accounts for bottles as current assets in inventory, since they are not expected to be reused following the initial delivery. Bottles are booked to the cost of finished goods when used in production.

The Company books multiple usage tare, which comprise plastic boxes, pallets and etc. for placing the bottles of alcohol beverages, to the operating expenses immediately after it is taken for use.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Impairment

The carrying amounts of the Company's assets, other than inventories and deferred tax assets, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

Calculation of recoverable amount

The recoverable amount of the Company's receivables carried at amortized cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e., the effective interest rate computed at the initial recognition of these financial assets). Receivables with a short duration are not discounted.

Divdends

Dividends are recognized as a liability in the period in which they are declared.

2. Significant accounting policies (cont'd)

Government grants

Government grants are initially recognized as deferred income when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. The grants related to an expense item are recognized as a reduction of the expense over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Grants that compensate the Company for the cost of an asset are recognized in profit or loss on a systematic basis over the useful life of the asset.

Liabilities

Liabilities are initially recognized at fair value less direct costs related to occurrence of respective loan and other liabilities. Subsequent to initial recognition, liabilities are stated at amortized cost on an effective interest method basis. Short-term liabilities are not discounted.

Provisions

A provision is recognized in the balance sheet when the Company has a legal or constructive obligation as a result of past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Revenue

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the enterprise and the amount of the revenue can be measured reliably. Sales are recognised net of VAT, excise tax and price discounts directly related to the sales. Revenue from sales of goods is recognised when delivery has taken place and transfer of risks and rewards has been completed.

Revenue from the services rendered is recognized in the income statement as the services are rendered. The revenue recognized is net of discounts provided.

Rental income is recognized in the income statement on a straight-line basis over the term of the lease.
Revenue from disposal of assets is recognized in the income statement when the significant risks and rewards of ownership have been transferred to the buyer.

No revenue is recognized if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of assets disposed also continuing management involvement with the assets.

Expenses

Operating expenses comprise costs regarding sales personnel, advertising, administrative staff, management, office premises and office expenses etc., including depreciation and amortisation.

Payments made under operating leases are recognized in the income statement on a straight-line basis over the term of the lease.

Net financing costs comprise interest payable on borrowings calculated using the effective interest rate method, interest receivable on funds invested, foreign exchange gains and losses.

Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to the items recognized directly in equity, in which case it is recognized in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Earnings per share

The Company presents data of basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares. During reporting periods there were no any dilutive potential ordinary shares issued by the Company.

Subsequent events

Post-year-end events that provide additional information about the Group's position at the balance sheet date (adjusting events) are reflected in the financial statements. Post-year-end events that are not adjusting events are disclosed in the notes when material.

(LTL '000 unless otherwise stated)

3. Available-for-sale financial assets

Available-for-sale financial assets consist of the following:

	31 December 2010	31 December 2009
AB Šiaulių Bankas shares	9.693	9.693
Other securities	-	-
Total	9.693	9.693
Increase (decrease)in value in the beginning of the year	(1.685)	-
Transfer of impairment due to business spin-off	-	(2.358)
Increase (decrease) in value during the year	45	673
Increase (decrease) in value at the end of the year	(1.640)	(1.685)
Total	8.053	8.008

As at 31 December 2010 the Company Group ALITA AB held 6,920,480 ordinary registered shares of AB Šiaulių Bankas with a nominal value of 1 Litas each. Change in value (decrease) of AB Šiaulių Bankas shares was registered in the Company's accounting . The decision to decrease the value was made based on the market value of the share which comprised 1,164 Litas per share. The change in value of AB Šiaulių Bankas shares is booked in equity .

4. Inventories

Inventories consist of:

	31 December 2010	31 December 2009
Raw materials	4.489	6.658
Work-in-process and finished goods:	10.102	13.241
Goods for resale	70	2.179
	14.661	22.078
Impairment of inventories in the beginning of the year	(3.430)	(391)
Transfer of impairment due to business spin-off		(3.039)
Change in impairment during the year	2.816	-
Impairment of inventories at the end of the year	(614)	(3.430)
Total	14.047	18.648

5. Trade and other accounts receivable

Trade and other accounts receivable consist of:

	31 December 2010	31 December 2009
Trade and other accounts receivable	29.733	37.690
Impairment in the beginning of the year	(3.283)	-
Transfer of impairment due to business spin-off		(3.338)
Doubtful trade and other accounts receivable write off	2.765	55
Additional impairment during the year	(3.477)	-
Impairment at the end of the year	(3.995)	(3.283)
Total	25.738	34.407

According to a tripartite agreement (see Note 9) signed on 28 October, 2009 the Company Group ALITA, AB paid bank interest instead of AB "ALT investicijos" in year 2010, which were accounted as issued loans. Total issued loans on 31 December, 2010 were 3,279 thousand Litas. In accordance to circumstances mentioned in note 12 recorded impairment by 3,279 thousand Litas for this short-term asset applied. Impairment is booked in financial expenses.

Available-for-sale current assets consist of :

	31 December 2010
Bankrupt subsidary company's :	
Available-for-sale non-current assets	18
Prepayments	40
Trade accounts receivable	8
Impairment	(66)
Total	-

The impairment is booked in finance costs -net.

6. Shareholders' equity

Share capital

The share capital comprises 27,153,793 ordinary shares with a nominal value of 1 Litas each and the total share capital of LTL 27,153,793 fully paid. The holders of the ordinary shares are entitled to one vote per share in the shareholders' meeting and are entitled to receive dividends as declared from time to time and to capital repayment in case and to a share of residual assets. One ordinary share gives a right to one vote at the shareholders' meeting.

Revaluation reserve

	Impair-ment	Deferred income tax	Impairment net of deferred income tax
Revaluation reserve as of 1 January 2010	(1.685)	252	(1.433)
Change in fair value during the period	45	(6)	39
Revaluation reserve as of 31 December 2010	(1.640)	246	(1.394)

7. Basic earnings (loss) per share

Basic earnings (loss) per share are calculated as follows:

	2010	2009
Net profit (loss), attributable to the shareholders	(80.073)	(526)
Number of shares (thousands)	27.154	27.154
Basic and diluted earnings (loss) per share (Litas)	-2,95	-0,02

	October - December 2010	October - December 2009
Net profit (loss), attributable to the shareholders	(73.614)	(526)
Number of shares (thousands)	27.154	27.154
Basic and diluted earnings (loss) per share (Litas)	-2,71	0,02

The Company has no dilutive potential shares or convertibles. The diluted earnings (loss) per share are the same as the basic earnings (loss) per share.

(LTL '000 unless otherwise stated)

8. Government grants

	31 December 2010	31 December 2009
Balance of the funds, received from EU structural funds	3.467	3.862

In 2009 the Group in order to increase competitiveness of production and to decrease environmental pollution started to realize reconstruction of boiler-house, modernization of heat network. The support of up to 3,473 thousand Litas from the European Structural Funds and the treasury of Lithuanian Republic for the implementation of this Project was granted by the Ministry of Economy of the Republic of Lithuania. The total value of the Project is about 7 million Litas. The project is finished in June 2010.

Ministry of Economy of the Republic of Lithuania has allocated funding (amount of 400 thousand Litas) according to the European Union Structural Assistance Use Strategy of Lithuania for the period 2007-2013 and according to the Implementing Measure "New Opportunities" of Second Priority of Action Program Increasing of Business Productivity and Improving Environment for the Business". The current project are targeted at the promotion of the export of alcoholic drinks. Project is financed (by 70 per cent of their total value) by the European Union Regional Development fund. Projects are going to be finished in July-August 2012.

9. Long-term and short-term loans and leasing liabilities

	31 December 2010	31 December 2009
Long-term loans and leasing liabilities	11.038	37.289
Current portion of long-term loan and leasing liabilities	253	563
Short-term loans	83.537	57.398
Taken over financial liabilities	70.892	-
Total short-term liabilities	154.682	57.961

As at 31 December 2010, the Group has the following long-term loans: EUR 7,815 thousand , 2,700 thousand Litas and 7,997 thousand Litas and its repayment terms are the years 2011 and 2012. The average variable rate of the loans was from 3,406 % to 9,78 % in 2010.

The limit of the credit lines of the Group amounts to LTL 56,923 thousand, the actually used part is LTL 56,546 thousand. The average variable rate of the loans was from 7,60 % to 3,50 %.

In June 2006, AB Alita (later renamed into AB ALT investicijos)and AB Hansabankas (later renamed into AB Swedbank) concluded the Credit Line Agreement, according to which AB ALT investicijos was opened a credit line and granted a credit and a bank guarantee. Following the spin-off transaction resulting in the separation of Company Group ALITA AB from AB ALT investicijos, on 28 October 2009, the two companies and Swedbank entered into a tripartite agreement. Pursuant to Article 6.5 of the Civil Code of the Republic of Lithuania, AB ALT investicijos and Company Group ALITA AB, acting as joint debtors, shall discharge the liabilities arising from the Credit Line Agreement in the following shares was specified in the Terms of the Spin-off of :

- to Company Group ALITA AB shall be transferred: (i) the rights and obligations under the Credit Line Agreement where the amount of the credit granted and outstanding as at the date of the Terms of the Spin-off is EUR 7,820 thousand (equivalent in Litas –27,000 thousand Litas), and (ii) the rights and obligations under the Credit Line Agreement where the amount of the credit granted and outstanding as of the date of the Terms of the Spin-off is 45,000 thousand Litas;

- AB ALT investicijos shall be allocated a share of the rights and obligations under the Credit Line Agreement as follows: (i) share of the credit referred to in the Credit Line Agreement where the amount of the credit granted and outstanding as at the date of the Spin-Off Terms is EUR 17,952 thousand (equivalent in litas –61,985 thousand Litas), and (ii) the rights and the future liabilities to AB Swedbank under the guarantee issued thereby and in accordance with the Credit Line Agreement (i.e., the undertaking to repay to AB Swedbank the amount which the Bank, upon the receipt of the appropriate payment request from the Guarantee recipient would pay to the Guarantee recipient from the funds of the Bank)

The liability of both Company Group ALITA AB and AB ALT investicijos under the solidary liability agreement is unlimited.

In relation to bankruptcy case of AB "ALT investicijos", the Company Group ALITA, AB on the basis of the above-mentioned joint liability agreement, the obligation for Company Group ALITA, AB to take over the AB "ALT investicijos" bank obligations appears. Taken over financial liabilities comprises 70,842 thousand Litas on 31 December 31 and are recorded as extraordinary losses.

To secure long-term loans and credit lines, the Company has pledged tangible non-current assets, inventories, all the current and future Company funds in the banks, trademarks.

10. Available-for-sale trade and other accounts payable consist of :

	31 December 2010
Bankrupt subsidary company's :	
Trade account payable	486
Other account payable	1.089
Impairment	(1.575)
Total	-

The impairment is booked in finance costs -net.

(LTL '000 unless otherwise stated)

11. Information according to business and geographic segments

Segment information is presented below:

Business segments	2010	2009
Wholesale alkoholic drinks	40.731	-
Alkoholic products	42.655	13.253
Apple products	3.086	-
Unallocated	1.640	135
Total	88.113	13.388
Geographic segments		
Revenue from domestic market customers	80.641	12.616
Revenue from foreign customers	7.472	772
Total	88.113	13.388

	October - December	
Business segments	2010	2009
Wholesale alkoholic drinks	19.182	-
Alkoholic products	5.824	13.253
Apple products	1.253	-
Unallocated	269	135
Total	26.529	13.388
Geographic segments		
Revenue from domestic market customers	23.164	12.616
Revenue from foreign customers	3.365	772
Total	26.529	13.388

All the Company's asset are located in Lithuania.

12. Events after the balance sheet date

On 5 January 2011 the Vilnius Regional Court decided to Initiate the bankruptcy proceeding of the subsidiary UAB A.L.D. The Decision of the Court has come into effect and further the activities of the subsidiary UAB A.L.D. shall be subject to the provisions of the Law on Enterprise Bankruptcy of the Republic of Lithuania.

On 19 January 2011 the Kaunas Regional Court decided initiate the bankruptcy proceedings of AB ALT investicijos.

13. Information about audit

Concolidated interim financial statements was not audited. An audit will be perform for the full financial year 2010.

The comparative information is taken from consolidated financial statements for the year 2009, which was prepared and audited in accordance with International Financial Reporting Standarts as adopted by European Union.