

**JSC „ZEMAITIJOS PIENAS“
TRANSITIONAL REPORT FOR THE PERIOD OF 6
MONTHS OF THE YEAR 2011,
AND
TRANSITIONAL CONSOLIDATED NON-AUDITED
FINANCIAL ACCOUNTABILITY FOR THE PERIOD
OF 6 MONTHS OF THE YEAR 2011**

Transitional report for the period of 6 months of the year 2011

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AKCINĖ
BENDROVĖ

STOCK
COMPANY



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įmonės kodas 180240752

To: the Securities Commission of the Republic of Lithuania
Konstitucijos avenue 23
LT – 08105 Vilnius

Confirmation by responsible persons of the company
Žemaitijos pienas AB

August 29, 2011

Telšiai

Referring to the Article 22 of the Law on Securities of the Republic of Lithuania and rules on preparation and submission of periodic and additional information of the Securities Commission of the Republic of Lithuania, we, Algirdas Pažemeckas, the Chief Executive Officer, and Dalia Gecienė, the Chief Accountant of the company *Žemaitijos pienas AB* hereby do confirm that, to the best of our knowledge, the enclosed Non-Audited Interim Consolidated Financial Statement for the period of six months of the year 2011 of the company *Žemaitijos pienas AB* was prepared in compliance with the International Financial Accountability standards applicable in European Union, corresponds to the reality and correctly represents total consolidated assets, liabilities, financial condition, profits and losses of the company and enterprises incorporated in this group, review of business development and practice, stated in the interim six months statement is correct.

Chief Executive Officer

Algirdas Pažemeckas

Chief Accountant

Dalia Gecienė



JSC „ZEMAITIJOS PIENAS“

Company code 180240752, Sedos str. 35, Telsiai, Lithuania

Transitional report for the period of 6 months of the year 2011

1. Reporting cycle for which transitional report has been structured

The report that encompasses first half of the year 2011 was structured according to “Standards for the Preparation and Submission of Periodic and Supplementary information” approved by resolution of the Securities Commission of the Republic of Lithuania on 23-02-2007 № Nr.1K-3.

2. Main details on the issuer

Name	JSC „Zemaitijos pienas“
Legal-administrative form	Joint Stock Company
Registry Register	Joint Stock Company has been entered to the on 23 rd of June, 1993.
Company code	180240752
VAT payer code	LT802407515
Authorized capital	48 375 000 Lt, is divided to 48 375 000 ordinary registered shares, each of par value of 1 Lt
Address	Sedos str. 35, LT-87101 Telsiai
Telephone	8-444-22201
Fax:	8-444-74897
E-mail	info@zpienas.lt
Website	www.zpienas.lt

3. Information regarding companies and subsidiaries of the Group

Subsidiary enterprises that are managed by the Company:

JSC-FIRM „Silutes Rambynas“, registration code 277141670.

Registry date and place: 09-12-1992 Silutes region municipality, Silutes city, Klaipedos str. 3

Authorized capital – 8.596.650 Lt. The Company owns 87, 82% of the shares.

Office address: Klaipedos str.3, Silute.

Activities' character – Cheese production

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FARM COOPERATIVE “Tarpuciu pienas”, registration code 151449845.

Registry date and place: 05-06-2001 Silutes region municipality Silutes city, Klaipedos str. 3

Authorized capital - 496.027 Lt. The Company owns 10, 08 percent, i.e. 50.000 Lt of authorized capital of farm cooperative.

Office address: Klaipedos str. 3, Silute.

Activities' character: chilling of the raw milk.

JSC “Zemaitijos pienas” has the following 7 subsidiaries:

- Vilnius subsidiary, at address: Algirdo str. 40/13, Vilnius
- Kaunas subsidiary, at address: Kedainiu str. 8A, Kaunas
- Anyksčiai subsidiary at address: Vilties str. 4A, Anyksčiai
- Alytus subsidiary at address: Putinu str. 23, Alytus
- Klaipeda subsidiary at address: Silutes road 33, Klaipeda
- Panevezys subsidiary at address: J. Janonio str. 9, Panevezys
- Telsiai subsidiary at address: Sedos str. 35, Telsiai

4. Nature of main activities of the Company

Generation, manufacture and sales within foreign and Lithuanian markets of the following milk products: cheese, cheese products, pre-packed cheese and cheese products, melted cheese and cheese products, cream, curd cream, spreads of milk products of butter, mixed spreads, milk fat, scalded cream, buttermilk, whey, dry milk products, fresh milk products (milk, cream, curd, curd products, yoghurts, puddings, curd snacks, coated curd snacks, pickled milk products) – these are main activities JSC “Zemaitijos pienas”.

Generation, manufacture and sales of cheese, also manufacture and sales of scalded cream, scalded whey and whey concentrate are main activities of JSC-FIRM „Silutes Rambynas“

Chilling of the raw milk is meant as main activity of FARM COOPERATIVE “Tarpuciu pienas”.

5. Information on contracts as being made with agents for public circulation of securities

On 16th of July, 2004 the Company has contracted out an Agreement with JSC Siauliai bank, located at address: Tilzes str. 149, Siauliai, in accordance to which administration of the accounts of securities issued by the Company since 23rd of July, 2004 was transferred to Siauliai bank.

6. Details regarding selling of stocks within regulated markets by the companies that form the Group

Only the stocks issued by the Company are quoted by supplementary list of Vilnius Stock Exchange. ISIN code LT0000121865, number of shares – 48.375.000 units.

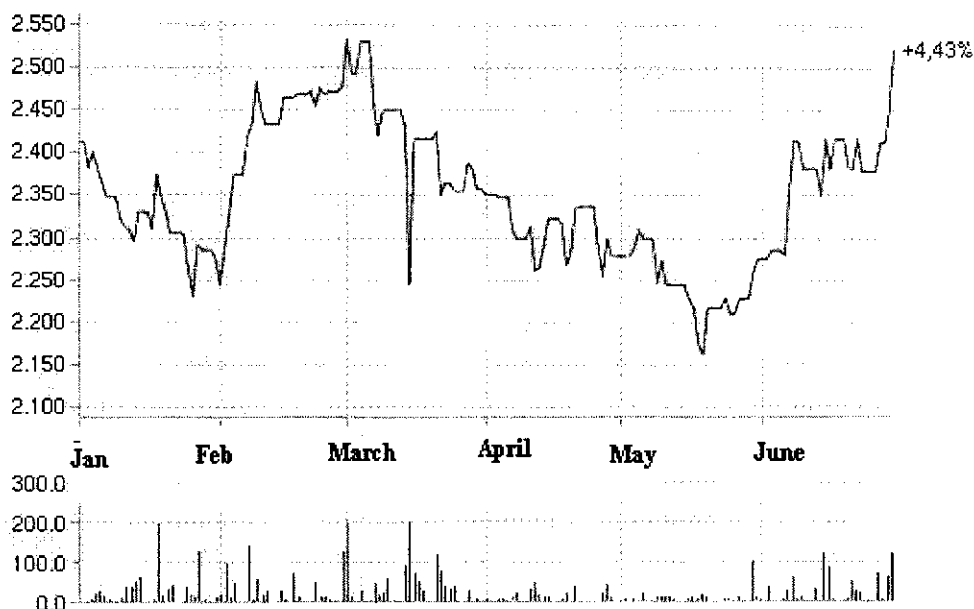
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Transactions of the stocks of JSC “Zemaitijos pienas” at Vilnius Stock Exchange that took place within 6 months of 2011 are represented below. The diagrams are taken of the website of AB NASDAQ OMX Vilnius:

http://www.nasdaqomxbaltic.com/market/?instrument=LT0000121865&list=3¤cy=LTL&pg=details&tab=historical&lang=lt&downloadsv=0&date=&start_d=1&start_m=1&start_y=2011&end_d=30&end_m=6&end_y=2011



7. Authorized capital

Authorized capital of the Company amounts to 48.375.000 Litas. It consists of 48.375.000 ordinary registered shares. Par value of each of the shares is 1 Lt.

8. Procurement of own shares

The Company has got 10 ordinary registered shares of JSC „Žemaitijos pienas“ of 1 (one) litas stock value.

9. Shareholders

On 30th of June 2011 the number of the shareholders of the Company amounts to 3 453, while on 31st of December 2010 it has gone up to 3 530. All shares issued by the Company ensure equal rights for the shareholders that are provided by the Law on Joint Stock Companies of the Republic of Lithuania and the Statute of the Company.

Shareholders that, under proprietary rights, possess and manage more than 5 percents of the shares of authorized capital and the votes of JSC „Zemaitijos pienas“ are the following:

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Serial №	The shareholder	Number of the shares resting under proprietary rights	Part of owned authorized capital and part of available votes %	Part of the votes available together with related persons, %
1	Pazemeckas Algirdas p.c.	21 509 180	44,46	50,71
2	SKANDINAVISKA ENSKILDA BANKEN CLIENTS, code 50203290810, SERGELS TORG 2, 10640 STOCKHOLM, SWEDEN	5 454 903	11,28	11,28
3	JSC “Klaipedos pienas”, company code 240026930, Silutes road 33, 91107 Klaipeda	3 601 844	7,45	7,45
4	Pazemeckiene Danute p.c.	3 025 820	6,25	50,71
5	Other shareholders	14 783 253	30,56	30,56

Limitations for cession of the securities are absent. The shareholders exercise their interests and non-proprietary rights; also they have liabilities, provided by the Law on Joint Stock Companies of the Republic of Lithuania and by Statute of the Company.

Limitations on the voting rights are the following: all shares of the Company that empower voting are of equal par value; each of the shares ensures one vote at a time of General meeting of the shareholders.

The shareholders of the Company have the right for interests as follows:

To obtain the part of profit of the Company (the dividend); to obtain the part of property of liquidated Company; to obtain stocks free of charge in case, when the authorized capital of the Company shall increase by means of the Company, except in cases provided by the Law; in case, when the shareholder is presented as natural person then he is able to devise all or the part of stocks to sole or some persons; on a time basis of legislation under certain conditions to sell or transfer by any other means all or the part of his stocks on behalf of any other persons;

The shareholders of the Company have non-proprietary rights as follows:

To participate in the meetings; to vote at the meetings in strength of the rights provided by the shares; to receive non-confidential information concerning economical activities of the Company; to elect or to be elected to authorities acting with the aim to control or to manage the Company, to hold any office at the Company, if the Law on Joint Stock Companies of the Republic of Lithuania or the Statute of the Company doesn't provide the opposite; to submit particular offers for improvement of financial, economical organizational, etc., activities of the Company; to appeal to court against the decisions or actions of meetings of the shareholders, Council of the beholders the Board or the Chief-executive of Company that trespass the Laws of the Republic of Lithuania, Statute of the Company and interests or non-proprietary rights of the shareholders. Sole or some of the shareholders are empowered to request for repayment of the damage suffered by the shareholders devoid of particular authorization; other non-proprietary rights provided by legislation.

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The person obtains all rights and liabilities that are provided by the obtained part of authorized capital of the Company and/or the part of his voting rights: in case of expansion of the authorized capital since the date of registration of the amendments to the Statute regarding expansion of authorized capital and/or the voting rights; in other cases – since the date of nascence of the proprietorship of the part of authorized capital of the Company and/or the part of the voting rights.

10. Risks' management

The Company is engaged in recasting of milk. Main factors that create risk for business of the Company shall be possible transfigurations being observable within the markets of raw materials and the products as well as possible political, legal, social and technological transfigurations related to business of JSC „Zemaitijos pienas“ directly or indirectly, these that may influence money flows and movement results of the Company.

Main material that is used by the Company is milk, the amount of which as sold for recasting is limited for milk processors in countries of European Union is limited by national milk quotas. Limitations of supply of raw material may influence shortage of raw material as well as raising its prices. All these transfigurations may influence money flows and movement results of the Company.

Business of the Company (especially collecting of milk and its conveyance to place) represents the process that requires plenty of the labour force. Changeable price of the fuel and growth of salary of the employees may influence negatively potential growth and movement results of the Company.

The Company specializes in processing the products of fresh milk and cheese; major part of its revenue consists of income received after selling these products. This is the reason of negative transfigurations towards market relating to demand and price of fresh milk products and cheese may influence financial state and profit of the Company. Competition that manifests itself within local and international market of milk products may negatively influence the prices of milk production also.

11. Information on the results of activitiesMain indicators that reflect activities of the Group during 1st half-year period of 2011, in thousands Lt:

Financial indicators	Groups	
	1 st half-year of 2011	1 st half-year of 2010
Turnover	247.556	195.713
Total profit	47.273	36.847
Profit including dues, interest and amortization	13.323	12.337
Profit including dues	4.076	2.635
Investments' amount to long-term assets	8.596	4.323

Comparison of the prices and tonnage of raw milk bought up during 1st half-year of 2011 and 1st half-year of 2010:

Procurement of raw milk (recalculated to basic richness)	1 st half-year of 2011	1 st half-year of 2010
Amount of milk that was bought up, in thousands tons	154	115
Price of milk that was bought up, Lt/t	877	708

During period of 1st half-year of 2011 128 tons of natural milk were bought up.

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Distribution of production of JSC “Zemaitijos pienas“ as dependant on sort of the products that were sold in Lithuania as well as exported abroad during the period of 1st half-year of 2011, in comparison with 1st half-year of 2010, in thousands Lt:

Name of Good's Group	Turnover in Litas	
	1 st half-year of 2011	1 st half-year of 2010
Cheese	102.068	82.160
Fresh milk products	81.708	68.842
Butter and spreading fat blends	30.891	22.643
Dry milk products	10.464	7.181
Ice cream	44	75
Other	22.381	14.464
Export subsidies	0	349
Total	247.556	195.713

12. Plans and forecast of activities

Long-term objectives of JSC „Zemaitijos pienas“ equal to endeavours to become strong, technologically modern, reliable Company, though attractive to investors; to develop profitable market for its own production in European Union as well as in Baltic countries; to maintain high quality level of the products; to use fully existent industrial potencies; to accumulate systematically intellectual capital.

Main current objectives of the Company:

- to buy milk according to market conditions, but not more expensively then other participant of the market shall buy raw milk in Lithuania;
- to increase sales according to prices being beneficial for he Company; to concentrate on main bag of the most important products and to retain the part home market not less then of 20 %; to orient to sales of production with higher value added tax, while selling within Export markets;
- strengthen marketing function as well as status of the Company;
- minimize production outlay as well as costs of production;
- as soon as possible reject the production that seems to be economically profitless;
- minimize expenses intended for allocation;
- stimulate the employees for final result only, and for accomplishment their of undertaken plans.

By reason of economical situation of the country as being forecasted hardly, „Zemaitijos pienas“ Group refrains from manifestation of the turnover and profit prognoses for 2nd half-year of 2011.

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13. Environmental control

JSC „Zemaitijos pienas“, as Company, which processes and sells milk products, according to settled criterions shall be subsumed to be the Equipment's Group, which is provided by Annex № 1 of the TIPK (Integral Prevention and Control of Pollution) Rules of Environmental Control licence. On 29-12-2006 the licence for Integral Prevention and Control of Pollution has been issued to the Company, the expiry date of which was not limited, nevertheless, with respect to the changes it shall be corrected. The Company doesn't perform any negative action meant as environmental impact, for reduction of which immediate cure should be taken, though the Company observes its indicators permanently, plans and implements investments that might minimize the costs of production as well as energy consumption and improve environmental control conditions managed by the Company. Furthermore, the Company is always ready to solve environmental control topping issues together with community.

In 2008 the Company has implemented integrated Quality Management system together with Food Safety Management system that generally conform to requirements of the standards ISC 9001:2008 and ISO 22000:2005; it plans to develop system for Management of Environmental Control being in conformity with requirements of the standard ISO 14000.

The Company doesn't create considerably negative environmental effect. It disposes polluted waste-water for reprocessing by the city. The fuel, which pollutes the atmosphere at the least, namely – natural gas, is used at the boiler rooms. As per the plan of distribution of Tradable National Pollution Allowances of 2008-2012 years, the Company is not included to ATL (Tradable National Pollution Allowances) sales system. Natural resources are used cost-effectively. Environmental affects are monitored according to coordinated monitoring programmes.

The Company has developed scenarios that might be applied in case of possible accidents as well as plans for liquidation of their reasons considering hazards identification, risk analysis and assessment of the repository of the air-pumps room and fuel-station that are meant as dangerous objects.

Waste and packages are kept according to settled requirements of environmental control. JSC „Zemaitijos pienas“ performs actions for segregation of secondary raw materials out of total wastes' stream and dispose them to collectors and converters periodically. Dangerous and innocuous waste in the territory of the Company is stored and managed in such way that they couldn't impact the environment negatively; waste materials are screened, their respective storage places are marked also. All waste materials are taken out in time to waste disposal enterprises.

The Company permanently develops investment plans, during which it implements new and modern technologies, that let using energy resources more effectively. Currently the Company is implementing second stage of the project “Increase of competitiveness of JSC “Zemaitijos pienas” by implementing innovations of technological process”; in line with the measure of of the programme for countryside development in Lithuania, namely “Reprocessing of agricultural products in order to increase added value” of 2007-2013, the Company reclaims approximately 10,8 mil. Litas. After implementation of the part of the mentioned project, worn equipment shall be replaced by new ones, so quality of the processed food products shall become better and energy resources shall be saved also.

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14. Main events of the reporting circle

Products that were certified in 2011:

- JSC „Zemaitijos pienas“. Lowland sour cream. Certificate issued by public enterprise „Kulinarijos paveldo fondas“ (“Cookery Heritage Fund”) (Certificate № 3P of 06 01 2011).
- JSC „Zemaitijos pienas“. Homemade curd cheese. Certificate issued by public enterprise „Kulinarijos paveldo fondas“ (“Cookery Heritage Fund”) (Certificate № 3P/2 of 03 03 2011).
- Solid cheese „Dziugas“ of 40 % richness. Dry mass selection (small knife). Certified by Kaliningrad Certification centre. (Certificate № C-LT- АЯ19.Н 00075 of 20-04-2011).
- JSC „Zemaitijos pienas“:
 - Natural milk
 - Eco-friendly milk of 2, 5 % richness
 - Eco-friendly yoghurt of 2, 4 % richness
 - Eco-friendly yoghurt with cherries of 2, 0 % richness
 - Eco-friendly yoghurt with strawberry of 2, 0 % richness
 - Eco-friendly yoghurt with lemons and gingers of 2, 0 % richness
 - Eco-friendly yoghurt with red currants and apples of 2, 0 % richness
 - Eco-friendly yoghurt with mint of 2, 0 % richness
 - Eco-friendly cheese of 45 % richness of dry mass
 - Eco-friendly solid cheese of 45 % richness of dry mass(Public enterprise „EKOAGROS“ LT- EKO - 01) (Certificate № SER-K-11-00021) (08 03 2011)
- JSC „Zemaitijos pienas“:
 - Eco-friendly semi-rich curd of 9 % richness
 - Eco-friendly curd snack with red berries of 6, 5 % richness
 - Eco-friendly curd snack with yellow berries of 6 5 % richness(Public enterprise „EKOAGROS“ LT- EKO-01) (Certificate № SER-K-11-00088) (15 06 2011)
- At international exhibition of food products „ПРОДЭКСПО – 2011“ (PRODEXPO – 2011) solid cheese DZIUGAS of 40% richness, pre-packed for 2 months, being produced by JSC “Zemaitijos pienas” was presented with diploma (Moscow, 7-11th of February, 2011)
- At international exhibition of food products „ПРОДЭКСПО – 2011“ (PRODEXPO – 2011) solid smoked cheese DZIUGAS of 40% richness, pre-packed for 2 months, being produced by JSC “Zemaitijos pienas” was presented with golden medal (Moscow, 7-11th of February, 2011)
- On 29th of April, 2011 at Government of Lithuania rewarding of conquerors of the tender “The most popular good 2010” that was organized by Association of Lithuanian trade enterprises has taken place:
 - JSC „Zemaitijos pienas“: most popular mixed spread 2010 „Saulute“;
 - JSC „Zemaitijos pienas“: most popular coated curd snack 2010 „Magija“.
- JCS „Zemaitijos pienas“: solid cheese „DZIUGAS“, Brussels, 26th of May, 2011; prize (two stars) of the tender „Superior Taste Award“ for assessment food and beverage that was organized by „International Taste and Quality Institute“ (iTQi) in Brussels.

Audits that were performed in 201:

- On 13-14th of January, 2011 the auditors of International certification institution, namely - Bureau Veritas Certification have performed an audit on production of cheese and butter as well as on production of melted and pre-packed cheese of JSC “Zemaitijos pienas“, according to BRC (Global Food Standard Issue 5 (British Retail Consortium) standards (14 01 2011 Certificate DNKFRC93675F)
- JSC „Zemaitijos pienas“ was audited by Telsiai circle State Food and Veterinary Service: Milk reprocessing enterprise’s Testing Certificate № Nr. V- 57 issued on 11 02 2011; Milk reprocessing enterprise’s Testing Certificate № Nr. V- 177 issued on 28 04 2011;

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Milk reprocessing enterprise's Testing Certificate № Nr. V- 187 issued on 02 05 2011.

- Certificates issued by Public enterprise Agricultural and food products regulation agency of Lithuania:

Certificate is issued at place of endorsement of cold storage on 18 05 2011; Certificate № 2011/301PTV- 12;

Certificate is issued at place of endorsement of Milk processing enterprise on 18 05 2011; Certificate № 2011/301PTV- 13;

Certificate is issued at place of inspection of storehouse on 18 05 2011; Certificate № 2011/301PTV- 14.

15. Issuer's authorities

Issuer's authorities are the following: General meeting of the shareholder, Council of the beholders, the Board and Chief-executive of the Company (General Director). Authorities are the following: the Board and also Chief-executive of the Company.

Council of the beholders of the Company means collegial inspecting authority that performs inspection on movement of the Company. The Board is governed by its chairman. The Board of the Company that consists of 3 members is elected by General meeting of the shareholders for the period of four years. As provided by the Statute of the Company, number of tenures of the member of the Board is not limited.

The Board of the Company means collegial managing body that represents the shareholders of the Company for the period between their meetings by taking the decisions on main issues of economical activities of the Company. The procedure of the Board is governed by working Rules of the Board as accepted by it. The Board consists of 5 members. The members of the Board are elected by the Council of the beholders for maximal period of four years. The number of their tenures is not limited. Actions of the Board are governed by the chairman, who is elected by the Board against all members as present at Board.

Chief-executive of the Company is meant as General Director, who acts on the ground of the Statute of the Company as well as on the ground of decisions of General meeting of the shareholders, decisions of the Board and working regulations settled for Administration.

Chief-executive organizes daily activities of the Company and performs the actions that are required for pursuance of its functions, implementation of the decisions of authorities of the Company and for security of the practice of the Company. General Director of the Company is meant being responsible, so he must regularly report to the Board of the Company.

Within the scope of their actions the authorities of the Company are governed by the Law and legislation of the Republic of Lithuania as well as by their liabilities provided by the Statute of the Company. According to provisions of the mentioned documents, the authorities of the Company shall be elected, appointed and revoked off their position.

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16. Members of collegial bodies of the Company

Council of the beholders of the Company

Name and surname	Positions within the issuer	Number of owned stocks (units) and the part of authorized capital, in%	Beginning of the tenure	End of the tenure	Date of starting to work at "Zemaitijos pienas"
Romusas Jarulaitis	Chairman of Council of the beholders	1 105 510 2,29	08 04 2011	07 04 2015	26 01 1988
Robertas Pazemeckas	Member of Council of the beholders	-	08 04 2011	07 04 2015	26 08 2002
Algirdas Bladzinauskas	Member of Council of the beholders	-	08 04 2011	07 04 2015	20 08 1996

Board of the Company

Name and surname	Positions within the issuer	Number of owned stocks (units) and the part of authorized capital, in%	Beginning of the tenure	End of the tenure	Date of starting to work at "Zemaitijos pienas"
Algirdas Pazemeckas	Chairman of the Board, General Director	21 509 180 44,46	01 05 2011	30 04 2015	26 12 1986
Marius Dromantas	Member of the Board, Sales and marketing director	-	01 05 2011	30 04 2015	01 12 2003
Asta Gaubiene	Member of the Board, Sales manager	-	01 05 2011	30 04 2015	
Vygantas Sliesoraitis	Member of the Board, the consultant		01 05 2011	30 04 2015	05 05 2011

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Alvydas Zabolis	Member of the Board		01 05 2011	30 04 2015	-
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Administration:

Name and surname	Position	Number of owned stocks (units)	The part of authorized capital, in%
Algirdas Pazemeckas	General Director	21 509 180	44,46
Natalija Vainikeviciute	Financial Director	-	-

Sums that were counted in by the Issuer for authorities of the Company during reporting circle: during 1st half-year of 2011 m. the sum that was counted in for authorities of the Company equals to 535.325 Lit. This sum was allocated as follows: for member of Council of the beholders - 134.100 Lit. and for members of the Board - 401.225 Lit.

The warranties and suretyships relating to pursuance of liabilities by the members of the authorities were not provided during 6 months of 2011.

17. Transactions made with related parties

Agreements, by which the issuer is meant as a party and which might authorize, transform or become terminated, after the control of the issuer changes, are absent.

The issuer didn't contract out any agreements with the members of the authorities and employees as providing any compensations in case, if they are retired or might be retired devoid of certain reason, or if their working expires as a result of alternation of the control of the issuer.

18. The employees

According to data of 30th of June, 2011 number of employees of the Group amounted to 1 579. As by comparing these data with these of 31st of December of 2010, variation regarding the employees seems to be insignificant.

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Average variation of the employees of JSC „Zemaitijos pienas“ Group during latter financial year:

	30 06 2011	31 12 2010
Average number of employees	1579	1550

Grouping of employees after their background:

Number of employees	30 06 2011	31 12 2010
The Masters	10	3
With high education	232	214
With higher education	390	414
With professional education	314	298
With secondary education	522	517
With unfinished secondary education	111	104
Total:	1579	1550

Average salary of JSC „Zemaitijos pienas“ Group after relevant employees' labour groups:

Subdivision	30 06 2011		31 12 2010	
	Number of employees	Average salary	Number of employees	Average salary
Administration	152	3850	121	3820
Operating personnel	228	2355	230	2178
Transport subdivision	128	2352	167	2423
Procurement of raw material	296	974	269	962
Production subdivision	315	1766	447	1790
Subsidiaries	334	2494	316	2311
Total:	1579		1550	

Rights and liabilities of employees of the Company are provided by their official regulations. Particular rights and liabilities are not provided by the Employment Contracts.

By pursuing policy of human resources the Company seeks to create and develop long-term relations with its employees. Employees of the Company have possibility to improve their knowledge and skills. The Company has prepared the following programs: program for the workers, processing machine operators, production operators, production machinists-operators as well as for production masters.

19. Details on information as manifested publicly

Transitional information on JSC „Zemaitijos Pienas“ on 28-02-2011
Preliminary non-audited operating results of JSC „Zemaitijos pienas“ Group of 2010

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Company code 180240752, Sedos str. 35, Telsiai, Lithuania

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Consolidated non-audited turnover of JSC “Zemaitijos pienas“ Group in 2010 amounts to 433, 7 mil.Lt (125, 6 mln. EUR); it has increased for 16, 3% in comparison with the year 2009. The turnover has increased as a result of major export.

Non-audited net profit forms 4, 46 % of the turnover of JSC „Zemaitijos pienas“ Group in 2010.

Attached: Set of non-audited transitional consolidated financial reports of JSC „Zemaitijos pienas“ of 2010.

18-03-2011. JSC „Zemaitijos Pienas“: Report on general event

Regarding ordinary General meeting of the shareholders of JSC „Zemaitijos pienas“

On initiative of the Board of JSC “Zemaitijos pienas“ and on the ground of its decision General meeting of the shareholders of JSC “Zemaitijos pienas”, company code 300041701, former address Sedos str. 35, Telsiai, was convened that took place on 8th of April, 2011 at 15 p.m.

Agenda of the meeting:

1. Regarding listening annual report of the Company;
2. Regarding conclusion of auditor of the Company on the set of financial reports of the Company and on listening annual report of the Company also;
3. Regarding approval of audited financial reports of the Company of 2010;
4. Regarding approval of allocation of the profit (loss) of the Company of 2010;
6. Regarding procurement of stocks of the Company;
7. Regarding emission of stocks after issuing new stocks;
8. Regarding partial supplement/modification of the Statute of the Company;
9. Regarding revocation of the members of Council of the beholders and the Board of the Company and election the new ones;
10. Regarding revocation of independent member of the Audit Committee of the Company and election the new one;
11. Regarding separation of the laboratory of the Company;
12. Regarding separation of the transport unit;
13. Regarding provision of services for centralist business accounting;
14. Other questions;

21-03-2011. JSC „Zemaitijos Pienas“: Report on general event

Regarding ordinary General meeting of the shareholders of JSC „Zemaitijos pienas“

Corrected: modified agenda of the meeting

On initiative of the Board of JSC “Zemaitijos pienas“ and on the ground of its decision General meeting of the shareholders of JSC “Zemaitijos pienas”, company code 300041701, former address Sedos str. 35, Telsiai, was convened that took place on 8th of April, 2011 at 15 p.m.

Agenda of the meeting:

1. Regarding listening annual report of the Company;
2. Regarding conclusion of auditor of the Company on the set of financial reports of the Company and on listening annual report of the Company also;
3. Regarding approval of audited financial reports of the Company of 2010;
4. Regarding approval of allocation of the profit (loss) of the Company of 2010;
5. Regarding procurement of stocks of the Company;
6. Regarding partial supplement/modification of the Statute of the Company;
7. Regarding revocation of the members of Council of the beholders and the Board of the Company and election the new ones;
8. Regarding revocation of independent member of the Audit Committee of the Company and election the new one;
9. Regarding separation of the laboratory of the Company;

Transitional report for the period of 6 months of the year 2011

10. Regarding separation of the transport unit;
11. Regarding provision of services for centralist business accounting;
12. Other questions;

21-03-2011. JSC „Zemaitijos Pienas“: Report on general event

The Board of JSC „Zemaitijos pienas“ has allotted to General meeting of the shareholders to process projects of the decisions

The Board of JSC „Zemaitijos pienas“ has allotted to General meeting of the shareholders to process projects, as follows:

1. to listen to annual report of the Company (attached);
2. to listen to conclusion of auditor of the Company on the set of financial reports of the Company and on annual report of the Company also (attached);
3. to approve the set of audited financial reports of the Company of 2010;
4. to approve allocation of profit (loss) of the Company of 2010:
 - at the beginning of the reported financial year unappropriated balance (loss) has amounted to 37.872 thous.Litas, (10.968 thous. EUR);
 - net profit (loss) of the reported financial year has amounted to 18.582 thous. Litas, (5.382 thous. EUR);
 - remittances from backlogs -;
 - contributions of the shareholder for covering loss of the Company (if all or the part of loss were decided to be covered by the shareholders) -;
 - total allocated profit (loss) (nuostoliai) - 56.454 thous. Litas, (16. 350 thous. EUR);
 - part of profit allocated to mandatory backlog -;
 - part of profit of Joint Stock Company that was allocated to the backlog with the aim to purchase own stocks - 5.000 thous. Litas, (1. 448 thous. EUR)
 - part of profit allocated to other baclogs -;
 - part of profit allocated for disbursing dividends -;
 - part of profit allocated for annual profit sharing paid for the members of the Board and Council of the beholders, for employees' bonus and for other purpose -;
 - retained earnings (loss) at the end of the reported financial year that shall be removed to next financial year - 51.454 thous. Litas, (14. 902 thous. EUR).
5. By allocation of the profits of 2009 and 2010 years the backlog of 15 mil. Lt (fifteen millions Litas), (4, 34 mil. EUR) (four millions three hundreds and forty thousands euro) was formed for procurement of own stocks;

To assess the conditions for procurement of own stocks:

 - the stocks shall be bought for the aim to support and increase the price of stocks of the Company;
 - the number of purchasable ordinary registered shares of the Company shall be extended up to 10% of authorized capital of the Company, i.e. up to 4 837 500 units.
 - the term, during which the Company can purchase its own stocks, shall be extended up to 18 months since taking the decision
 - to set maximal price for single stock, namely – 3 Lt of the purchasable stocks and to set minimal purchase price for the single stock as equal to par value of the single stock, i.e. 1 Lt;
 - under the requirements provided by the Law on Joint Stock Companies of the Republic of Lithuania as well as conditions stated by this decision to empower the Board of the Company to set order and the conditions of procurement/purchase of own stocks in details as with respect to criterions and other circumstances of procurement of own stocks provided by General meeting of the shareholders. By this decision the Board shall be authorized to perform all other actions insofar, as they are related with procurement of own stocks of the Company.
6. Regarding partial supplement/modification of the Statute with the following clauses:

Transitional report for the period of 6 months of the year 2011

„7.42. The Board elects and revokes Chief-executive of the Company. The Board accepts the candidacies of his assistants proposed by Chief-executive of the COMPANY as well as the candidacies to other posts, to which the employees shall be accepted by means of the tender.

7.42.1. The Board elects Production Director, Commerce Director, Finance Director, Logistics Director, the Directors, who manage the Personnel and Law of the Company, for the period of its valid liabilities (for its tenure).”

7. Regarding revocation of the members of Council of the beholders and the Board of the Company and election of the new ones;

7.1. The proposal was declared regarding revocation of Council of the beholders or several its members, namely - Romusas Jarulaitis, Arturas Kanapienis, Robertas Pazemeckas and new members of the Council – Romusas Jarulaitis, Robertas Pazemeckas and _____ were offered being elected;

7.2. The proposal was declared regarding revocation of members of the Board and Council of the beholders of the Company, as being elected anew, who were authorized to elect and approve new members of the Board;

8. Regarding revocation of independent member of Audit Committee of the Company and election of new one;

8.1. Independent member of the Audit Committee Sigitas Ertmanas as well as members of the Audit Committee Viktorija Kungyte, Asta Sliogeriene were revoked and new members were elected: _____ as independent member of Audit Committee and _____ as members of Committee;

9. Separation of laboratory by delegating the task to the Board of the Company to implement condition, course and other provisions related to separation of the laboratory;

10. Separation of transport unit laboratory by delegating the task to the Board of the Company to implement condition, course and other provisions related to separation of transport unit;

11. Provision of the services of centralist business accounting;

12. Other questions.

10-04-2011, JSC "Zemaitijos pienas": Report on general event

Decisions of General meeting of the shareholders of JSC “Zemaitijos pienas”

Ordinary general meeting of the shareholders of JSC “Zemaitijos pienas” that took place on 8th of April 2011, came to decisions as follows:

1. ITEM OF THE AGENDA: Annual report of the Company for the year 2010.

Annual report of the Company for the year 2010 was heard out. (Attached).

2. ITEM OF THE AGENDA: Conclusion made by Audit enterprise regarding the set of financial reports of the Company and annual report of the Company for the year 2010.

Heard out. (Attached).

3. ITEM OF THE AGENDA: Approval of the set of the financial reports of the Company for the year 2010.

The decision was taken as to approve the set of the financial reports of the Company for the year 2010 (Attached).

4. ITEM OF THE AGENDA: Allocation of profit (loss) of the Company of 2010.

The decision was taken as to approve allocation of profit (loss) (thous. Lt; thous. EUR) of the Company of 2010, as follows:

1) Retained earnings (loss) at the beginning of financial year have amounted to 37.872 thous. Lt, 10.968 thous. EUR ;

2) net profit (loss) of the reported financial year - 18.582 thous. Lt, 5.382 thous. EUR ;

3) **total allocated profit (loss) (nuostoliai)** - 56.454 thous. Litas, 16.350 thous EUR ;

Transitional report for the period of 6 months of the year 2011

- 4) part of profit of Joint Stock Company that was allocated to backlog for procurement of own stocks - 5.000 thous. Lit, 1.448 thous. EUR ;
- 5) part of profit allocated for disbursing dividends – 2.500 thous. Lt; 724 thous. EUR (0,051 Lt. or 0,014 EUR for single stock);
- 6) part of profit allocated for annual profit sharing paid for the members of the Board and Council of the beholders -1.500 thous. Lt; 434 thous. EUR ;
- 7) part of profit allocated for employees' bonus and other purpose – 1.500 thous. Lt; 434 thous. EUR;
- 8) retained earnings (loss) at the end of the reported financial year that shall be removed to next financial year - 45.954 thous. Lt, 13.310 thous. EUR.

With respect to allocation of profit of the Company of 2010 to profit sharing the Company has allocated 3 mil. Lt. As by the Law, the Company could allocate within 20% of net profit of the reporting year for the profit sharing, so undischarged odds were removed back to retained earnings.

5. ITEM OF THE AGENDA: Regarding procurement of own stock and making the backlog for procurement of own stocks.

The decision was taken as follows:

5.1. By allocating profits of the years 2009 and 2010 the backlog was formed as consisting of 15 mil. Lt (fifteen millions Lit), 4,34 mil. EUR (four millions three hundreds and forty thousands euro);

5.2. Setting of the conditions for procurement of own stocks:

- 1) the stocks shall be bought for the aim to support and increase the price of stocks of the Company;
- 2) the number of purchasable ordinary registered shares of the Company shall be extended up to 10% of authorized capital of the Company, i.e. up to 4 837 500 units;
- 3) - the term, during which the Company can purchase its own stocks. shall be extended up to 18 months since taking the decision;
- 4) to set maximal price for single stock, namely – 3 Lt of the purchasable stocks and to set minimal purchase price for the single stock as equal to par value of the single stock, i.e. 1 Lt;
- 5) under the requirements provided by the Law on Joint Stock Companies of the Republic of Lithuania as well as conditions stated by this decision to empower the Board of the Company to set order and the conditions of procurement/purchase of own stocks in details as with respect to criterions and other circumstances of procurement of own stocks provided by General meeting of the shareholders. By this decision the Board shall be authorized to perform all other actions insofar, as they are related with procurement of own stocks of the Company;

6. ITEM OF THE AGENDA: Regarding partial supplement/modification of the Statute.

The decision was taken to agree with partial supplement/modification of the Statute with following clauses:

„7.42. The Board elects and revokes Chief-executive of the Company. The Board accepts the candidacies of his asistents proposed by Chief-executive of the COMPANY as well as the candidacies to other posts, to which the employees shall be accepted by means of the tender.

7.42.1. The Board elects Production Director, Commerce Director, Finance Director, Logistics Director, the Directors, who manage the Personnel and Law of the Company, for the period of its valid labilities (for its tenure).”

7. ITEM OF THE AGENDA: Regarding revocation of the members of Council of the beholders and the Board of the Company and election of the new ones;

7.1. The proposal was declared regarding revocation of Council of the beholders or several its members and election of the new ones for the tenure of four years, namely – Algirdas Bladzinauskas, Romusas Jarulaitis and Robertas Pazemeckas;

7.2. Council of the beholders, as elected anew, was authorized to revoke member of the Board of the Company and elect the new ones;

8. ITEM OF THE AGENDA: Regarding revocation of independent member of the Audit Committee of the Company and election the new one.

Transitional report for the period of 6 months of the year 2011

Independent member of the Audit Committee Sigitas Ertmananas was revoked and the new member, namely – **Angele Taraskeviciene** was elected. The Board was authorized to assign the salary for independent member of the Audit Committee. Chief-executive of the Company was authorized to sign an employment contract with independent member of the Committee. Viktorija Kungyte and Asta Sliogeriene were elected as members of the Committee.

9. ITEM OF THE AGENDA: Separation of the laboratory by commissioning the Board of the Company to implement conditions, course and other relation provisions of separation of laboratory. Approval of the separation of laboratory by commissioning the Board of the Company to implement conditions, course and other relation provisions of separation of laboratory.

10. ITEM OF THE AGENDA: Separation of the transport unit by commissioning the Board of the Company to implement the conditions, the course and other provisions related to separation of the transport unit of the Company.

The decision was taken to approve separation of the transport unit by commissioning the Board of the Company to implement the conditions, the course and other provisions related to separation of the transport unit of the Company and prepare the project of separation of the transport unit as running by stages.

11. ITEM OF THE AGENDA: Provision of services of centralist business accounting.

The decision was taken to approve provision of services of centralist business accounting by commissioning the Board of the Company to implement the conditions, the course and other provisions related to provision of services of centralist business accounting.

12-04-2011. Annual information of 2011.

Annual information of 2010 on JSC “Zemaitijos pienas“ is provided herein. (see: Annex)

28-04-2011. JSC "Zemaitijos pienas": Report on general event

Decision of Coouncil of the beholders of JSC „Zemaitijos pienas“

1. 2n 28-04-2011 Council of the beholders of JSC “Zemaitijos pienas” has elected the chairman of the Council - Romusas Jarulaitis.

2. Since 01-05-2011 the Board of the Company has been revoked and new members of the Board of the Company were appointed: Marius Dromantas, Asta Gaubiene, Algirdas Pazemeckas, Vygantas Sliesoraitis, Alvydas Zabolis.

3. The Contract regarding their activities herewith the Company was constructed with the members of the Board. R. Jarulaitis was authorized to sign the contract.

30-05-2011. JSC "Zemaitijos pienas" Transitional information

Preliminary monement’s results of JCS “Zemaitijos pienas“ for three months of 2011

Non-audited consolidated sales earnings of JSC “Zemaitijos pienas“ for first quarter of 2011 amount to 116, 2 mil.Lt (33, 65 min. EUR); in comparison with the first quarter of the year 2010, earnings have increased for 26,31%. Non-audited consolidated net profit of the first quarter of the year 2011 was 1, 1 mil.Lt (0, 32 mil. EUR), while profit of the first quarter of the year 2010 was 0, 13 mil.Lt (0, 04 mil. EUR).

Non-audited consolidated transitional accountability of JSC „Zemaitijos pienas“ for three months of the year 2011 as well as approval of managers of the Company are provided by files atatched hereto.

31-05-2011. JSC "Zemaitijos pienas": Reports on transactions of the managers

Report on closely related transaction of the managers

Report on transaction of the person as closely related to Chief-executive regarding securities of the issuer.

JSC „ZEMAITIJOS PIENAS“

Company code 180240752, Sedos str. 35, Telsiai, Lithuania

Transitional report for the period of 6 months of the year 2011

27-06-2011. JSC "Zemaitijos pienas": Reports on transactions of the managers

Report on transaction related to securities of the issuer.

Report on transaction of the person as closely related to Chief-executive regarding securities of the issuer.

On the time basis of the Statute of JSC „Zemaitijos pienas“ and legislation of the Republic of Lithuania the Company has informed Securities commission of the Republic of Lithuania and Vilnius Stock Exchange (JSC NASDAQ OMX Vilnius). The reports were published by Central database of the regulated information as well as by website of the Company www.zpienas.lt. The reports regarding General meetings of the shareholders of were published additionally by daily paper „Valstieciu laikrastis“. Information regarding transactions of the managers was published by websites of Vilnius Stock Exchange and of Securities commission of the Republic of Lithuania.

20. Course of the amendments to the Statute

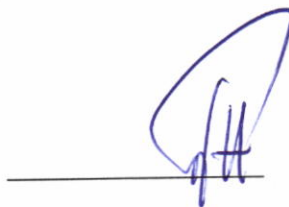
Within the scope of activities JSC „Zemaitijos pienas“ is governed by the Law of the Republic of Lithuania, Government's resolutions, other legislation that regulate activities of the companies as well as the Statute of the Company.

The Statute of JSC „Zemaitijos pienas“ shall be amended on a time basis of legislation of the Republic of Lithuania.

21. Information on pursuance of Corporate Governance Codex

The Company pursues various standards of Corporate Governance Codex. The authorities of the Company are the following: General meeting of the shareholders, Council of the beholders consisting of 3 members that is elected for 4 years period ; the Board of the Company consisting of 5 members that is elected for 4 years period by Council of the beholders and the Head of administration. Information on issues how the Company pursues particular articles of Corporate Governance Codex is provided thereby annual report of the year 2010. All information also is provided by website of the Company www.zpienas.lt .

General Director



Algirdas Pazemeckas