



AB LIMARKO LAIVININKYSTĖS KOMPANIJA
LIMARKO SHIPPING COMPANY AB

TO: Lithuanian Securities Commission
Konstitucijos ave. 23
LT-08105 Vilnius, Lithuania

2008-11-27 Nr. FIN-1-181-08

Confirmation of responsible persons

Following the Article No. 22 of Law on Securities of the Republic of Lithuania and Rules on Preparation and Submission of Periodic and Additional Information of the Lithuanian Securities Commission, we, Vytautas Lygnugaris, President of Limarko laivininkystės kompanija AB, and Renaldas Vyšniauskas, Finance Director of Limarko laivininkystės kompanija AB, hereby confirm, that to the best of our knowledge, the attached not audited Limarko laivininkystės kompanija AB Interim Financial Statements for the nine months of 2008, prepared in accordance with International Financial Reporting Standards as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit or loss of Limarko laivininkystės kompanija AB.

Enclosure:

1. Limarko laivininkystės kompanija AB Interim Financial Statements for the nine months of 2008;

President & CEO

Vytautas Lygnugaris

Finance Director

Renaldas Vyšniauskas



LIMARKO LAIVININKYSTĖS KOMPANIJA

Interim Financial Statements for the first nine months of 2008

November 2008, Klaipėda

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The financial statements of Limarko laivininkystės kompanija AB have been prepared in accordance with International Financial Reporting Standards (IFRSs), as adopted by the European Union.

Financial statements for the first nine months of 2008 are not audited.

Income statement

No. In thousand of Litas		<i>In thousand of Litas</i>			
		July- September 2008	July- September 2007	January- September 2008	January- September 2007
I.	SALES INCOME	36 296	30 365	113 461	104 358
II.	COST OF SALES	<u>34 981</u>	<u>28 605</u>	<u>100 843</u>	<u>85 069</u>
III.	GROSS PROFIT (LOSS)	1 315	1 760	12 619	19 289
IV.	OPERATING COSTS	<u>1 931</u>	<u>1 977</u>	<u>5 602</u>	<u>5 723</u>
IV.1	Sales	10	16	(10)	18
IV.2	General and administrative	1 921	1 961	5 613	5 704
V.	OPERATING PROFIT (LOSS)	(616)	(217)	7 016	13 566
VI.	OTHER ACTIVITIES	<u>43</u>	<u>58</u>	<u>(3)</u>	<u>219</u>
VI.1.	Income	56	175	201	362
VI.2.	Expenses	13	117	205	143
VII.	FINANCING AND INVESTING ACTIVITIES	<u>(14 601)</u>	<u>1 975</u>	<u>(10 387)</u>	<u>1 505</u>
VII.1.	Income	(6 551)	3 475	91	6 017
VII.2.	Expenses	8 050	1 500	10 478	4 512
VIII.	PROFIT (LOSS) FROM NORMAL ACTIVITIES	(15 174)	1 816	(3 374)	15 291
IX.	GAIN				
X.	LOSSES				
XI.	PROFIT (LOSS) BEFORE TAX	(15 174)	1 816	(3 374)	15 291
XII.	PROFIT TAX				
XIII.	NET PROFIT (LOSS)	(15 174)	1 816	(3 374)	15 291



Balance sheet

In thousand of Litas

ASSETS		2008 09 30	2007 12 31	2007 09 30
A.	NON-CURRENT ASSETS	283 673	239 292	216 285
I.	INTANGIBLE ASSETS	51	56	59
I.1.	Development works			
I.2.	Goodwill			
I.3.	Licences and patents			
I.4.	Computer software	51	56	59
I.5.	Other intangible assets			
II.	TANGIBLE ASSETS	281 670	238 796	215 895
II.1.	Land			
II.2.	Buildings and constructions	1 837	1 903	1 925
II.3.	Machinery and equipment			
II.4.	Vehicles	279 106	236 024	213 073
II.5.	Other property, plant and equipment	726	869	897
II.6.	Construction in progress			
II.7.	Other tangible assets			
III.	FINANCIAL ASSETS	1 953	440	331
III.1.	Investments into subsidiaries and associates			
III.2.	Loans to subsidiaries and associates			
III.3.	Amounts receivable after one year		191	
III.4.	Other financial assets	1 953	248	331
B.	CURRENT ASSETS	22 651	20 977	20 168
I.	INVENTORIES, PREPAYMENTS AND CONTRACTS IN PROGRESS	12 848	9 761	8 802
I.1.	Inventories	6 941	7 388	3 980
I.1.1.	Raw materials and consumables	6 941	7 388	3 980
I.1.2.	Work in progress			
I.1.3.	Finished goods			
I.1.4.	Goods for resale			
I.2.	Prepayments	5 907	2 373	4 823
I.3.	Contracts in progress			
II.	AMOUNTS RECEIVABLE WITHIN ONE YEAR	7 281	9 515	7 155
II.1.	Trade amounts receivable	6 796	9 075	6 783
II.2.	Receivables from subsidiaries and associates			
II.3.	Other amounts receivable	485	439	372
III.	OTHER CURRENTS ASSETS	475		
III.1.	Current investments			
III.2.	Time deposits	475		
III.3.	Other currents assets			
IV.	CASH AND CASH EQUIVALENTS	2 047	1 702	4 211
TOTAL ASSETS		306 324	260 269	236 454



EQUITY AND LIABILITIES		2008 09 30	2007 12 31	2007 09 30
C.	EQUITY	138 585	131 347	125 675
I.	CAPITAL	120 212	109 451	109 451
I.1.	Authorised (subscribed)	120 212	109 451	109 451
I.2.	Subscribed uncalled share capital (-)			
I.3.	Share premium			
I.4.	Own Shares (-)			
II.	REVALUATION RESERVE (RESULTS)			
III.	RESERVES	7 645	6 597	6 597
III.1.	Legal reserve	7 645	6 597	6 597
III.2.	Reserve for acquiring own shares			
III.3.	Other reserves			
IV.	RETAINED EARNINGS (LOSSES)	10 727	15 299	9 628
IV.1.	Profit (loss) of the reporting year profit	(3 374)	20 962	15 291
IV.2.	Profit (loss) of the previous year	14 101	(5 663)	(5 663)
D.	GRANTS AND SUBSIDIES			
E.	AMOUNTS PAYABLE AND LIABILITIES	167 739	128 922	110 778
I.	NON-CURRENT AMOUNTS PAYABLE AND LIABILITIES	132 496	92 778	82 950
I.1.	Financial debts	132 496	92 778	76 550
I.1.1.	Leases and similar obligations			
I.1.2.	To credit institutions	132 496	92 778	76 550
I.1.3.	Other financial debts			
I.2.	Trade amounts payable			
I.3.	Amounts received in advance			
I.4.	Provisions			
I.4.1.	For covering liabilities and demands			
I.4.2.	For pensions and similar obligations			
I.4.3.	Other provisions			
I.5.	Deferred taxes			6 400
I.6.	Other amounts payable and non-current liabilities			
II.	CURRENT AMOUNTS PAYABLE AND LIABILITIES	35 243	36 144	27 828
II.1.	Current portion of non-current debts	19 152	17 732	14 163
II.2.	Financial debts			
II.2.1.	To credit institutions			
II.2.2.	Other debts			
II.3.	Trade amounts payable	7 543	11 882	6 850
II.4.	Amounts received in advance	1 667	755	359
II.5.	Profit tax liabilities	68	82	1 911
II.6.	Liabilities related with labour relations	6 773	5 658	4 512
II.7.	Provisions			
II.8.	Other amounts payable and current liabilities	39	36	34
TOTAL EQUITY AND LIABILITIES		306 324	260 269	236 454



Statement of cash flows

No.	In thousand of Lit	January-September 2008	January-September 2007
I.	Cash flows from operating activities		
I.1.	Net profit (loss)	(3 374)	15 291
I.2.	Depreciation and amortization costs	17 841	15 147
I.3.	Decrease (increase) in amounts receivable after one year	-	-
I.4.	Decrease (increase) in inventory	447	(516)
I.5.	Decrease (increase) in advances received	(3 343)	(2 031)
I.6.	Decrease (increase) in contracts in progress	-	-
I.7.	Decrease (increase) in trade receivables	2 279	457
I.8.	Decrease (increase) in amounts receivable from	-	-
I.9.	Decrease (increase) in other amounts receivable	(46)	35
I.10.	Decrease (increase) in other current assets	(475)	-
I.11.	Increase (decrease) in non-current payables to suppliers	-	-
I.12.	Increase (decrease) in current payables to suppliers and	(3 427)	239
I.13.	Increase (decrease) in profit tax liability	(14)	3
I.14.	Increase (decrease) in liabilities connected with labour	1 115	1 335
I.15.	Increase (decrease) in provisions	-	-
I.16.	Increase (decrease) in other amounts payable and	3	(1)
I.17.	Elimination of financing and investing activity results	3 810	4 266
	Net cash flows from operating activities	14 817	34 225
II.	Cash flows from investing activities		
II.1.	Acquisition of non-current assets (excluding investments)	(66 127)	(48 206)
II.2.	Transfer of non-current assets (excluding investments)	5 236	3 182
II.3.	Acquisition of long-term investments	(1 704)	-
II.4.	Transfer of long-term investments	-	-
II.5.	Loans granted	-	-
II.6.	Loans recovered	-	49
II.7.	Dividends and interest received	89	256
	Net cash flows from investing activities	(62 507)	(44 719)
III.	Cash flows from financing activities		
III.1.	Cash flows related to enterprise owners:	10 612	-
III.1.1.	Emission of shares	10 762	-
III.1.2.	Owners' contributions against losses	-	-
III.1.3.	Purchase of own shares	-	-
III.1.4.	Dividends, bonuses paid	(150)	-
III.2.	Cash flows arising from other financing sources	37 898	6 902
III.2.1.	Increase in financial debts	54 838	30 006
III.2.1.1.	Loans received	48 084	30 006
III.2.1.2.	Issue of bonds	-	-
III.2.1.3.	Currency exchange rate influence to the loans	6 754	-
III.2.2.	Decrease in financial debts	(17 415)	(23 103)
III.2.2.1.	Loans repaid	(13 699)	(12 052)
III.2.2.2.	Purchase of bonds	-	-
III.2.2.3.	Interest paid	(3 716)	(4 493)
III.2.2.4.	Payments of lease (finance lease) liabilities	-	(5)
III.2.2.5.	Currency exchange rate influence to the loans	-	(6 554)
III.2.3.	Increase in other enterprise liabilities	-	-
III.2.4.	Decrease in other enterprise liabilities	-	-
III.2.5.	Other increase in cash flows from financial activities	475	-
	Net cash flows from financing activities	48 510	6 902
IV.	Cash flows from extraordinary items	-	-
V.	The effects of changes in foreign exchange rates on	-	-
VI.	Net increase (decrease) in cash flows	820	(3 592)
VII.	Cash and cash equivalents at the beginning of period	1 702	7 804
VIII.	Cash and cash equivalents at the end of period	2 522	4 211



Statement of changes in equity

In thousand of Litas

In thousand of Litas	Share capital	Legal reserve	Retained earnings	Total equity
Balance at 1 January 2007	109 451	6 597	(5 663)	110 385
Net profit for January-September, 2007	-	-	15 291	15 291
Balance at 30 September 2007	109 451	6 597	9 628	125 675
Balance at 1 January 2008	109 451	6 597	15 299	131 347
Net profit for January-September, 2008	-	-	(3 374)	(3 374)
Appropriation of profit for the year 2007:				
Increasing of the statutory reserve	-	1 048	(1 048)	-
Bonuses	-	-	(150)	(150)
Increase of authorised capital	10 762			10 762
Balance at 30 September 2008	120 212	7 645	10 727	127 823

Explanatory letter

Limarko laivininkystės kompanija AB (the "Company") is a company domiciled in Lithuania. The Company is involved in transportation of cargo by sea transport (vessels).

The major shareholder of the Company is Limarko UAB, a company incorporated in Lithuania, which owns 87.2% of the share capital (30 September 2008). The ordinary shares of the company are listed on the Vilnius Stock Exchange

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), as adopted by the European Union.

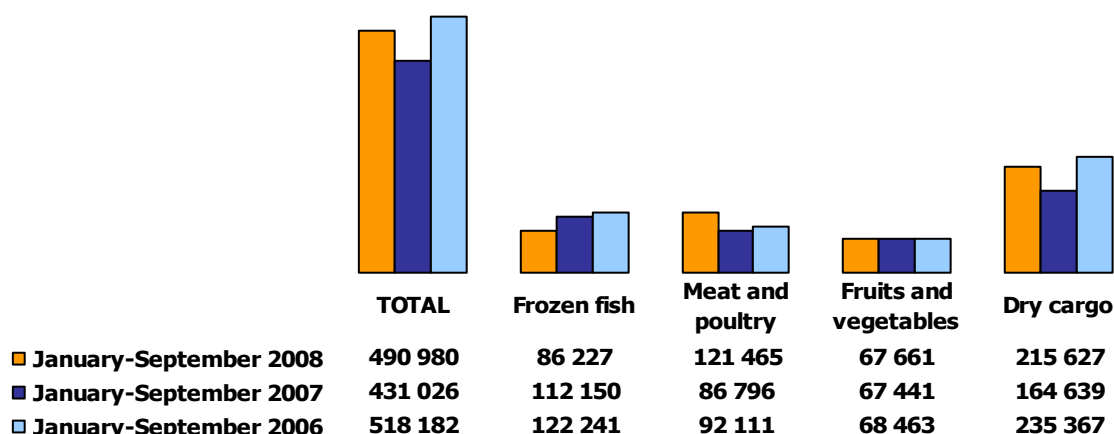
The financial statements are presented in Litas, the legal currency of Lithuania and considered to be the functional currency of the company, and are prepared on the historical cost basis except for available-for-sale financial assets which are measured at fair value, from accounting records maintained in accordance with Lithuanian laws and regulations.

As of 30 September 2008, the Company owned 16 vessels: 13 reefer ships and 3 container ships. The Company sold m/v Tukanas on 21 May 2008, and acquired m/v "Tokata" (built 2006) on 3 July 2008.

On 9 October 2008 Limarko laivininkystės kompanija AB acquired m/v "Cassiopea" (built 1993). After this acquisition the fleet of the Company consists of 17 vessels: 14 reefers and 3 container vessels.

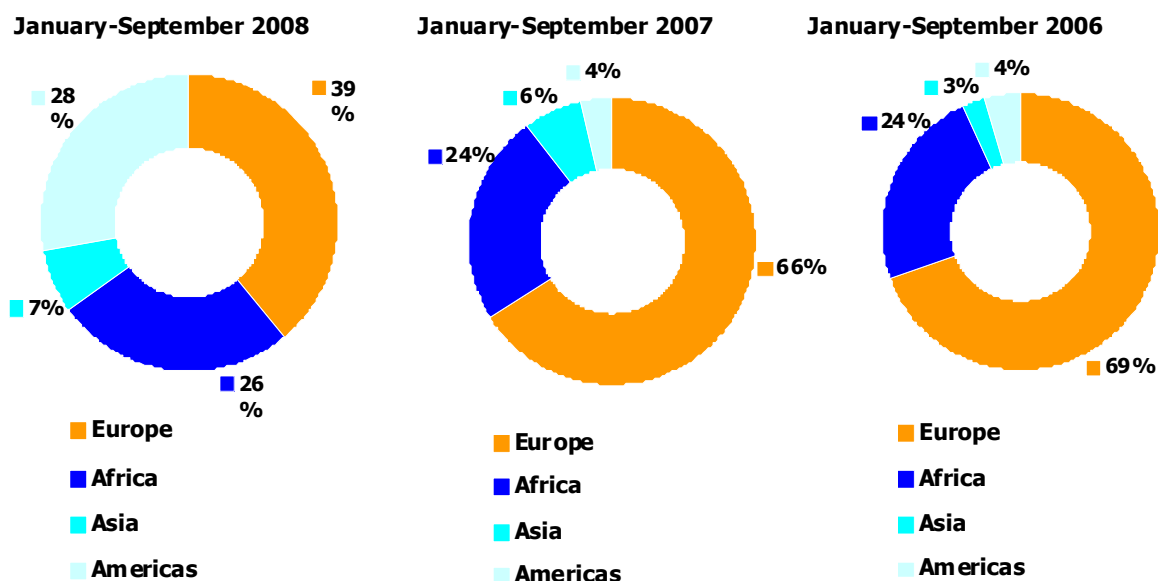
During the first nine months of 2008 Limarko laivininkystės kompanija AB transported a total of 491 thousand tons of cargo, whereof 56% accounted for frozen, chilled and perishable food products, and the remaining 44% accounted for dry cargo:





The total amount of cargo transported during the first nine months of 2008 increased by 14%, when compared to the first nine months of 2007. Due to varying length of transportation routes and cargo structure, revenue of the Company is not directly related to the quantity of cargo transported.

The main operation regions of the Company vessels were the continents of Europe and Americas, which respectively accounted for 39 and 28 percent of all transported cargoes. Transportations in the region of Africa constituted 26 percent and 7 percent in Asia:



During the first nine months of 2008 the unaudited revenue of Limarko laivininkystes kompanija AB reached LTL 113 million and increased by 8.7% when compared to the revenue of the Company for the first nine months of 2007.

The result of the Company for the first nine months of 2008 was a loss of LTL 3.4 million, which resulted from the rise of the value of United States Dollar. The negative effect of changes in currency exchange rates amounted to LTL 6.7 million.

However, in the long term the Company foresees a positive effect of the strengthening United States Dollar for the results of main activity and cash flows of the Company.



Revenue

In thousand of Litas	January-September 2008	January-September 2007
Voyage charter operations	71 198	64 234
Time charter operations	23 321	15 804
Pool operations	16 177	22 873
Demurrage	2 766	1 448
Total revenue	113 461	104 358

Cost of sales

In thousand of Litas	January-September 2008	January-September 2007
Fuel	28 874	19 638
Crew costs	25 240	20 256
Depredation	17 505	14 879
Repair and maintenance of vessels	10 490	11 781
Commissions	5 323	4 371
Port dues	4 030	4 366
Insurance	3 871	4 166
Lubricating oil	3 357	3 226
Other costs	2 152	2 387
	100 843	85 069

Other operating income/expenses

In thousand of Litas	January-September 2008	January-September 2007
Revenue from sale of non-current assets	5 904	74
Cost of sold non-current assets	-6 087	-72
Net revenue from sale of non-currents assets	-182	2
Other operating income, net	179	217
	-3	219

Operating costs

In thousand of Litas	January-September 2008	January-September 2007
Staff costs	2 711	2 728
Rental costs	766	707
Depredation and amortization	336	268
Business trips	284	276
Exploitation and maintenance of real estate	181	193
Communication	130	150
Other costs	1 195	1 401
	5 602	5 723



Financial income/costs

In thousand of Litas	January-September 2008	January-September 2007
Financial income:		
Currency exchange rate gain		5 761
Interest	89	256
Penalties	2	
Total financial income	91	6 017
Financial expenses:		
Currency exchange rate loss	-6 705	
Interest	-3 716	-4 493
Penalties	-57	-19
Total financial costs	-10 478	-4 512
	-10 387	1 505

A steep rise in the United States Dollar since August 2008 was instrumental to the currency exchange rate change loss of LTL 6.7 million.

Depreciation

Depreciation is recognised in the following line items in the income statement:

In thousand of Litas	January-September 2008	January-September 2007
Cost of sales	17 505	14 879
General and administrative operating expenses	336	265
	17 841	15 144

Investments

In thousand of Litas	2008 09 30	2007 09 30
Shares of Alpha Reefer Transport GmbH	248	331
Investment into securities	1 704	
	1 953	331

Inventories

In thousand of Litas	2008 09 30	2007 09 30
Fuel	5 549	2 822
Lubricating oil	1 453	1 165
Raw materials and consumables	9	63
	7 011	4 050
Allowance for slow moving inventory	-70	-70
	6 941	3 980



Receivables

In thousand of Lit	2008 09 30	2007 09 30
Trade receivable	6 796	6 783
Deferred expenses	1 403	1 414
Prepayments	4 504	3 409
Other receivable	485	372
	13 188	11 977

The majority of deferred expenses comprise prepaid insurance expenses.

The majority of the prepayments is comprised of the advance payment for mv „Cassiopea“, purchased on 9 October 2008.

Cash and cash equivalents

In thousand of Lit	2008 09 30	2007 09 30
Bank balances	2 018	4 170
Cash in hand	29	41
Short-term time deposit	475	
	2 522	4 211

Share capital

On 12 June 2008 Limarko laivininkystės kompanija AB completed the offering of the share issue. During the offering 10 761 765 shares at par value of LTL 1 were subscribed to and fully paid up. On 2 July 2008 Articles of Association of Limarko laivininkystės kompanija AB with increased authorized capital were registered with the Register of legal entities. After the increase, the Company's authorized capital amounts to LTL 120 212 429.

As of 30 September 2008, the authorised share capital, issued and fully paid, comprised 120 212 429 ordinary shares at a par value of LTL 1 each.

Holders of ordinary shares are entitled to one vote per share in the General Meeting of the Company and are entitled to receive dividends.

The shares are listed in Vilnius Stock Exchange.

Shareholders

The total number of shareholders of Limarko laivininkystės kompanija AB on 30 September 2008 was 486.

Shareholders who on 30 September 2008 owned more than 5% of the Company's authorized capital:



Shareholder's name, surname (enterprise name, form, office address, enterprise register code)	Number (units) of shares belonging to shareholders by the right of ownership	Owned portion of the authorized capital	Portion of votes granted by shares belonging by the right of ownership	Portion of votes belonging to a shareholder jointly with associated persons
Limarko UAB (Naujoji uosto str. 8, Klaipėda, enterprise code 4076537)	104 830 645	87,2%	87,2%	87,2%
Skandinaviska Enskilda Banken Clients (Sergels Torg 2, 10640 Stockholm, code 502032908101)	6 832 415	5,7%	5,7%	5,7%

Interest-bearing loans and borrowings

The company's interest-bearing loans and borrowings are as follows:

Lending institution	Ref	Principal amount	Balance tLTL 2008 09 30	Balance tLTL 2007 09 30
AB SEB Bankas, (mv "Andromeda")	a)	2 550 tUSD	6 113	8 171
AB SEB Bankas, (mv "Libra")	b)	3 680 tUSD	8 822	11 171
AB "Hansabankas", (mv "Pluto" and mv "Uranus")	c)	9 901 tUSD	23 737	29 807
AB "Hansabankas", (mv "Capella")	d)	9 734 tUSD	23 336	25 509
AB SEB Bankas, (mv "Serenada")	e)	6 134 tUSD	14 707	16 056
UniCredit Bank, (mv "America Feeder")	f)	9 336 tUSD	22 383	
UniCredit Bank, (mv "Tokata")	g)	21 920 tUSD	52 551	
Total liabilities		63 255 tUSD	151 648	90 713
Less: current portion		-7 989 tUSD	-19 152	-14 163
Total long term portion of net liabilities		55 267 tUSD	132 496	76 550

Interest rates for the loans are variable and relate to LIBOR, varying from LIBOR+0.8% to LIBOR+1.35%.

a) The loan was received to finance the acquisition of the vessel "Andromeda". The loan is to be repaid by 31 December 2011 in quarterly payments. The loan is secured by pledging the vessel "Andromeda".

b) The loan was received to finance the acquisition of the vessel "Libra". The loan is to be repaid by 23 October 2012 in quarterly payments. The loan is secured by pledging the vessel "Libra".

c) The loan was received to finance the acquisition of the vessels "Pluto" and "Uranus". The loan is to be repaid by 3 January 2013 in quarterly payments. The loan is secured by pledging the vessels "Pluto", "Uranus" and "Lyra".

d) The loan was received to finance the acquisition of the vessel "Capella". The loan is to be repaid by 31 December 2013 in quarterly payments. The loan is secured by pledging the vessel "Capella".

e) The loan was received to finance the acquisition of the vessel "Serenada". The loan is to be repaid by 11 August 2012 in quarterly payments. The loan is secured by pledging the vessel "Serenada".

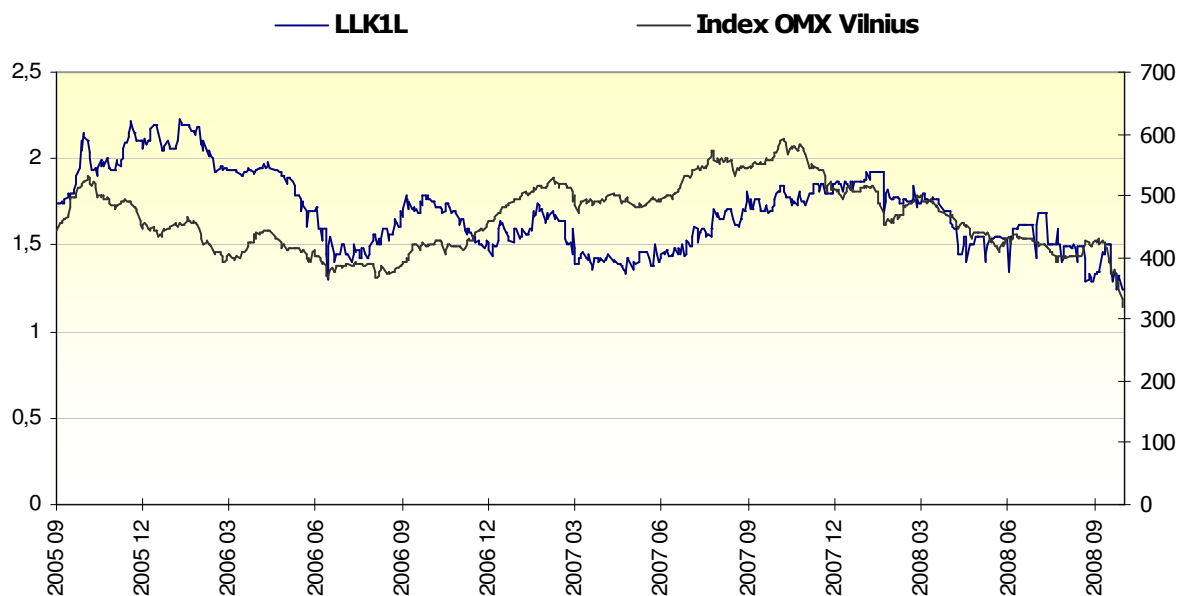
f) The loan was received to finance the acquisition of the vessel "America Feeder". The loan is to be repaid by 30 September 2017 in quarterly payments. The loan is secured by pledging the vessel "America Feeder".

g) The loan was received to finance the acquisition of the vessel "Tokata". The loan is to be repaid by 15 June 2011 in quarterly payments. The loan is secured by pledging the vessel "Tokata".



Dynamics of share price

Dynamics of Limarko laivininkystės kompanija AB share price in Vilnius Stock Exchange during the last three years:



Members of collegial bodies, the Company's chief executive officer

Personal status	Name, surname	Number of shares owned in the Issuer	Start date	End date
Board:				
Chairman of the Board	Vytautas Lygnugaris	2 949 852	2007 04 20	2011 04 20
Board member	Igoris Uba	1 264 222	2007 04 20	2011 04 20
Board member	Sigitas Baltuška	-	2007 04 20	2011 04 20
Board member	Egidijus Bernotas	-	2007 04 20	2011 04 20
Board member	Steponas Ranonis	-	2008 08 11	2011 04 20
Board member	Paul Lawrence	-	2007 04 20	2008 07 03
Head of administration:				
President	Vytautas Lygnugaris	2 949 852	2003 10 07	-

Vytautas Lygnugaris - Chairman of the Board and President of Limarko laivininkystės kompanija AB. Mr. Lygnugaris is also the Chairman of the Board of Lithuanian Shipowners Association and Limarko jūrų agentūra UAB. In 2002 he graduated from the Baltic Management Institute with the executive MBA. In 1987 he graduated from State Maritime Academy of St. Petersburg.

Igoris Uba – member of the Board. Mr. Uba is the director general and member of the Board of Limarko jūrų agentūra UAB. He is also the member of the Board of Lithuanian Shipbrokers and Agents Association. In 2004 he graduated from the Baltic Management Institute with the executive MBA. In 1984 he graduated from State Maritime Academy of St. Petersburg.

Sigitas Baltuška – member of the Board. Mr. Baltuška is the director of public relations agency GCI. He graduated from the Faculty of Economics of Vilnius University with a master in Industry Planning. He



also obtained MBA degree from Vytautas Magnus University and graduated from the Baltic Management Institute with the executive MBA. From 2000 to 2004 he worked as a coordinator and representative for relations with the Government at Philip Morris Lietuva UAB. From 1994 to 2000 Mr. Baltuška worked as the commerce advisor at the Danish Embassy. The Company considers Mr. Baltuška to be an independent member of the Board.

Egidijus Bernotas - member of the Board. Mr. Bernotas is Attorney-at-law at Bernotas & Dominas Glimstedt law firm. He is also a member of the Board at Adminiculum UAB and Public Enterprise European Social, Legal and Economic Projects. In 1994 he graduated from the Law Faculty of Vilnius University with a master's degree in law. The Company considers Mr. Bernotas to be an independent member of the Board.

Steponas Ranonis - member of the Board. Mr. Ranonis is the Vice President of Limarko laivininkystės kompanija AB. In 1975 he graduated from the Department of Maritime Navigation at Klaipeda Naval School, where he obtained the qualification of technical-navigational officer. In 1982 Mr. Ranonis obtained the qualification of engineer-economist from the Economics Faculty of Kaliningrad Fishing, Industry and Economy Institute. From 1975 until 1996 he served on vessels and finished his sea-going career as a Master Mariner.

Subsequent events

On 9 October 2008 in Pusan (South Korea), Limarko laivininkystės kompanija AB completed the takeover of motor vessel "Cassiopea" and became her owner. M/v "Cassiopea" was built in Japan in 1993. Vessel's maximum performing speed is 18 knots. The vessel is of 134 m length and is designed to carry 3450 standard europallets. M/v "Cassiopea" shall transport cargoes requiring temperature control. M/v "Cassiopea" is a sistership of m/v "Capella", which was added to the Company fleet last year. This will allow to optimize the operation of these vessels and reduce their running costs.

