

LIETUVOS ENERGIJA AB

CONSOLIDATED AND COMPANY'S
CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD
ENDED 30 SEPTEMBER 2011
(unaudited)

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The condensed interim financial information was approved by the General Director, Director of Finance and Administration Department and Chief Financier of Lietuvos Energija AB on 30 November 2011.



Dalius Misiūnas
General Director



Gitutė Malakaitė
Acting Director of the Finance
and Administration Department



Giedruolė Guobienė
Chief Financier

CONFIRMATION OF RESPONSIBLE PERSONS

Referring to the provisions of the Article 22 of the Law on Securities of the Republic of Lithuania and the Rules for the Drawing up and Submission of the Periodic and Additional Information of the Securities Commission of the Republic of Lithuania, we, the undersigned Dalius Misiūnas, CEO of Lietuvos energija, AB, Gitutė Malakaitė, Acting Director of the Finance and Administration Department and Giedruolė Guobienė, Chief Financier of Lietuvos Energija, AB hereby confirm that, to the best of our knowledge, the interim consolidated financial statements for the period ended 30 June 2011 are prepared in accordance with the International Financial Reporting Standards adopted by the European Union, give a true and fair view of the Lietuvos energija, AB assets, liabilities, financial position and profit for the relevant period.

Dalius Misiūnas



CEO

Gitutė Malakaitė

Acting Director of the Finance and
Administration Department

Giedruolė Guobienė



Chief Financier

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
AT 30 SEPTEMBER 2011

All amounts in LTL thousands unless otherwise stated

ASSETS	Note	Group at 30 September 2011 (unaudited)	Company at 30 September 2011 (unaudited)	Group at 31 December 2010	Company at 31 December 2010
Non-current assets					
Intangible assets		16,153	15,827	57,084	56,984
Property, plant and equipment		3,122,406	3,099,405	2,952,124	2,928,498
Prepayments for property, plant, equipment		489	489	43,737	43,737
Investment property		1,831	1,831	1,852	1,852
Investments in subsidiaries		-	23,897	-	23,897
Investments in associates and joint ventures		164,669	160,836	162,719	160,836
Deferred income tax assets		1,230	-	1,200	-
Amounts receivable		1,001	7,501	1,171	7,671
Other financial assets		-	-	875	875
Total non-current assets		3,307,779	3,309,786	3,220,762	3,224,350
Current assets					
Inventories		136,585	135,172	127,908	126,209
Prepayments		5,374	4,712	13,108	12,051
Trade receivables		155,645	144,059	179,061	154,400
Other receivables		17,950	4,217	20,941	20,127
Prepaid income tax		5,824	5,824	8,383	7,893
Other financial assets		177	-	243	-
Cash and cash equivalents		86,507	82,897	86,925	83,375
		408,062	376,881	436,569	404,055
Non-current assets classified as held for sale		4,154	1,543	4,166	1,543
Total current assets		412,216	378,424	440,735	405,598
TOTAL ASSETS		3,719,995	3,688,210	3,661,497	3,629,948

(continued on the next page)

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
AT 30 SEPTEMBER 2011

All amounts in LTL thousands unless otherwise stated

EQUITY AND LIABILITIES	Note	Group at 30 September 2011 (unaudited)	Company at 30 September 2011 (unaudited)	Group at 31 December 2010	Company at 31 December 2010
Capital and reserves					
Share capital		635,084	635,084	635,084	635,084
Share premium		295,767	295,767	295,767	295,767
Revaluation reserve		8,232	6,256	8,583	6,604
Legal reserve		35,972	35,867	35,867	35,867
Other reserves		717,894	717,894	717,894	717,894
Retained earnings		153,628	139,127	184,380	182,448
Total equity attributable to owners of the Company		1,846,577	1,829,995	1,877,575	1,873,664
Non-controlling interest		-	-	-	-
Total equity		1,846,577	1,829,995	1,877,575	1,873,664
Non-current liabilities					
Borrowings		607,678	607,678	503,164	503,164
Finance lease liabilities		582	-	851	-
Grants		941,110	941,110	872,957	872,957
Other non-current accounts payable and liabilities		7,664	7,664	6,251	6,251
Deferred income tax liabilities		132,418	132,019	134,031	131,316
Total non-current liabilities		1,689,452	1,688,471	1,517,254	1,513,688
Current liabilities					
Borrowings		26,115	23,246	45,362	31,828
Finance lease liabilities		533	-	511	-
Trade payables		106,108	100,299	138,274	133,689
Advance amounts received		1,650	1,420	3,882	3,845
Income tax payable		2,186	-	1,405	-
Provisions for emission rights		18,126	18,126	54,212	54,212
Other accounts payable and liabilities		29,248	26,653	23,022	19,022
Total current liabilities		183,966	169,744	266,668	242,596
Total liabilities		1,873,418	1,858,215	1,783,922	1,756,284
TOTAL EQUITY AND LIABILITIES		3,719,995	3,688,210	3,661,497	3,629,948

**CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE INCOME
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2011**
All amounts in LTL thousands unless otherwise stated

	Note	Group 1 January – 30 September 2011 (unaudited)	Company 1 January – 30 September 2011 (unaudited)	Group 1 January – 30 September 2010 (unaudited)	Company 1 January – 30 September 2010 (unaudited)
Revenue					
Sales revenue		997,028	990,785	757,496	750,817
Other operating income		37,147	1,459	25,303	963
		1,034,175	992,244	782,799	751,780
Operating expenses					
Purchase of electricity or related services		(519,923)	(519,893)	(572,748)	(572,748)
Purchase of gas		(313,625)	(313,625)	(35,639)	(35,639)
Depreciation and amortisation		(46,840)	(44,800)	(23,680)	(19,890)
Salaries and related expenses		(36,449)	(28,607)	(22,233)	(15,808)
Repair and maintenance expenses		(3,821)	(6,045)	(2,540)	(2,383)
Inventory impairment/(surplus)		(1,755)	(1,755)	-	-
Expenses arising from revaluation of emission rights and provision expense		(9,946)	(9,946)	(3,667)	(3,667)
Other expenses		(41,319)	(18,032)	(56,209)	(39,263)
Total operating expenses		(973,678)	(942,703)	(716,716)	(689,398)
OPERATING PROFIT		60,497	49,541	66,083	62,382
Finance income		1,028	1,987	3,270	3,019
Finance (costs)		(4,454)	(4,229)	(1,371)	(2,459)
Share of results of activities of associates and joint ventures		1,950	-	267	-
		(1,476)	(2,242)	2,166	560
PROFIT BEFORE INCOME TAX		59,021	47,299	68,249	62,942
Current year income tax expense		(1,934)	(1,214)	(25,899)	(17,490)
Deferred income tax income/(expense)		(1,331)	(703)	12,679	12,681
		(3,265)	(1,917)	(13,220)	(4,809)
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS		55,756	45,382	55,029	58,133
DISCONTINUED OPERATIONS					
Profit/(loss) for the period from discontinued operations, net of income tax		-	-	20,686	(20,345)
PROFIT FOR THE PERIOD		55,756	45,382	75,715	37,788
PROFIT FOR THE PERIOD ATTRIBUTABLE TO:					
Owners of the Company		55,756	45,382	75,715	37,788
Non-controlling interest		-	-	-	-
		55,756	45,382	75,715	37,788
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO:					
Owners of the Company		55,756	45,382	75,715	37,788
Non-controlling interest		-	-	-	-
		55,756	45,382	75,715	37,788
Basic and diluted earnings per share (in LTL) from continuing operations		0.06		0.06	
Basic and diluted earnings per share (in LTL) from discontinued operations		0.00		0.02	

CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED 30 SEPTEMBER 2011
All amounts in LTL thousands unless otherwise stated

	Note	Group 1 July – 30 September 2011 (unaudited)	Company 1 July – 30 September 2011 (unaudited)	Group 1 July – 30 September 2010 (unaudited)	Company 1 July – 30 September 2010 (unaudited)
Revenue					
Sales revenue		367,761	364,884	317,307	314,772
Other operating income		15,190	799	3,998	279
		382,951	365,683	321,305	315,051
Operating expenses					
Purchase of electricity or related services		(172,484)	(172,454)	(222,599)	(222,599)
Purchase of gas		(163,625)	(163,625)	(35,639)	(35,639)
Depreciation and amortisation		(15,608)	(14,911)	(9,551)	(8,298)
Salaries and related expenses		(13,630)	(10,686)	(8,763)	(6,776)
Repair and maintenance expenses		(1,052)	(3,047)	(1,459)	(1,394)
Inventory impairment		(456)	(456)	-	-
Expenses arising from revaluation of emission rights and provision expense		(2,625)	(2,625)	(3,667)	(3,667)
Other expenses		(15,945)	(5,333)	(36,882)	(27,715)
Total operating expenses		(385,425)	(373,137)	(318,560)	(306,088)
OPERATING PROFIT		(2,474)	(7,454)	2,744	8,963
Finance income		235	301	1,135	812
Finance (costs)		(2,075)	(2,139)	(686)	(642)
Share of results of activities of associates and joint ventures		1,053	-	883	-
		(787)	(1,838)	1,332	170
PROFIT BEFORE INCOME TAX		(3,261)	(9,292)	4,076	9,133
Current year income tax expense		7,068	6,947	(4,377)	(3,586)
Deferred income tax income/(expense)		(2,133)	825	5,172	5,190
		4,935	7,772	795	1,604
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS		1,674	(1,520)	4,871	10,737
DISCONTINUED OPERATIONS					
Profit/(loss) for the period from discontinued operations, net of income tax		-	-	(291)	(7,426)
PROFIT FOR THE PERIOD		1,674	(1,520)	4,580	3,311
PROFIT FOR THE PERIOD ATTRIBUTABLE TO:					
Owners of the Company		1,674	(1,520)	4,580	3,311
Non-controlling interest		-	-	-	-
		1,674	(1,520)	4,580	3,311
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO:					
Owners of the Company		1,674	(1,520)	4,580	3,311
Non-controlling interest		-	-	-	-
		1,674	(1,520)	4,580	3,311

LIETUVOS ENERGIJA AB
Company code 302648707, Elektrinės g. 21, LT-26108 Elektrėnai

**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2011**
All amounts in LTL thousands unless otherwise stated

Group	Share capital	Share premium	Revaluation reserve	Legal reserve	Other reserves	Retained earnings (deficit)	Total
Balance at 31 December 2009	689,515	3	346,170	68,995	(63,777)	1,614,958	2,655,864
Share capital increase	304,099	325,386	-	-	-	(89,050)	629,485
Acquisition of subsidiaries	145,801	-	-	14,580	781,583	(489,448)	452,516
Depreciation of revaluation reserve	-	-	(20,237)	-	-	20,237	-
Dividends paid	-	-	-	-	-	(48,266)	(48,266)
Other transfers to/from the reserves	-	-	-	-	30	(30)	-
Adjustment to previous year	-	-	(875)	-	-	875	-
Comprehensive income	-	-	-	-	-	76,904	76,904
Balance at 30 September 2010	1,139,415	325,389	325,058	83,575	717,836	1,175,230	3,766,503
Balance at 31 December 2010	635,084	295,767	8,583	35,867	717,894	184,380	1,877,575
Dividends paid	-	-	-	-	-	(89,050)	(89,050)
Depreciation of revaluation reserve	-	-	(351)	-	-	351	-
Other transfers to/from the reserves	-	-	-	105	-	(105)	-
Comprehensive income	-	-	-	-	-	58,049	58,049
Balance at 30 September 2011	635,084	295,767	8,232	35,972	717,894	153,625	1,846,577

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LIETUVOS ENERGIJA AB
Company code 302648707, Elektrinės g. 21, LT-26108 Elektrėnai

**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2011**
All amounts in LTL thousands unless otherwise stated

Company	Share capital	Share premium	Revaluation reserve	Legal reserve	Other reserves	Retained earnings (deficit)	Total
Balance at 31 December 2009	689,515	3	343,404	68,952	(63,777)	1,621,740	2,659,837
Share capital increase	304,099	325,386	-	-	-	-	629,485
Acquisition of subsidiaries	145,801	-	-	14,580	781,702	(489,567)	452,516
Depreciation of revaluation reserve	-	-	(20,184)	-	-	20,184	-
Dividends paid	-	-	-	-	-	(48,266)	(48,266)
Adjustment to previous year	-	-	(875)	-	-	875	-
Comprehensive income	-	-	-	-	-	38,527	38,527
Balance at 30 September 2010	1,139,415	325,389	322,345	83,532	717,925	1,143,493	3,732,099
Balance at 31 December 2010	635,084	295,767	6,604	35,867	717,894	182,448	1,873,664
Dividends paid	-	-	-	-	-	(89,050)	(89,050)
Depreciation of revaluation reserve	-	-	(348)	-	-	348	-
Comprehensive income	-	-	-	-	-	45,382	45,382
Balance at 30 September 2011	635,084	295,767	6,256	35,867	717,894	139,127	1,829,995

(end)

The accompanying notes form an integral part of this condensed interim financial information

CONDENSED INTERIM STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2011
All amounts in LTL thousands unless otherwise stated

	Group 1 January – 30 September 2011	Company 1 January – 30 September 2011	Group 1 January – 30 September 2010	Company 1 January – 30 September 2010
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Profit from continuing and discontinued operations	55,756	45,382	75,715	37,788
Adjustments for non-cash items and other adjustments:				
Depreciation and amortisation expenses	55,663	53,605	126,991	124,634
Impairment of accounts receivable, inventories	1,769	128	(4,341)	(2,860)
Loss on revaluation of emission rights and provision expense	9,945	9,945	-	-
Share of (profit) of associates and joint ventures	(1,950)	-	267	-
Income tax expenses	(3,265)	1,917	13,220	4,809
Change in deferred income tax liability	(1,643)	703	(11,673)	(9,535)
(Income) from grants	(8,805)	(8,805)	(20,701)	(20,701)
Gains/(loss) on disposal/write-off of non-current assets	284	262	1,786	1,194
Elimination of results of financing and investing activities:				
Dividends	-	(774)	-	(300)
Effect of changes in foreign exchange rates, net	(5)	-	237	163
- Interest (income)	(808)	(802)	(2,746)	(2,211)
- Interest expense	2,693	2,359	723	423
- Other finance (income) costs	1,545	1,458	(113)	(144)
Changes in working capital				
(Increase) decrease in trade receivables and other amounts receivable	29,226	26,041	82,273	84,731
(Increase) decrease in inventories and prepayments	41,392	42,750	(4,569)	(856)
Increase (decrease) in accounts payable and advance amounts received	2,121	(4,877)	(30,837)	(49,271)
Income tax (paid)	(6,520)	(5,615)	(30,887)	(29,440)
Net cash generated from operating activities	177,398	163,697	195,345	138,177
Cash flows from investing activities				
(Purchase) of property, plant and equipment (PPE) and intangible assets	(188,589)	(186,908)	(57,341)	(57,341)
Proceeds from sale of PPE and intangible assets	39,152	39,152	1,177	-
Loans granted	-	-	-	(2,863)
Term deposits	-	-	(29,939)	17,000
Increase of other investing cash flow	-	-	19,625	19,625
(Acquisition) of investments	-	-	-	(5,151)
Dividends received	-	774	-	300
Interest received	495	492	2,086	1,685
Net cash used in investing activities	(148,942)	(146,490)	(64,392)	(26,778)
Cash flows from financing activities				
Proceeds from borrowings	129,761	127,061	5,972	-
Repayments of borrowings	(25,246)	(22,547)	(15,388)	(13,811)
Finance lease payments	(247)	-	(446)	-
Interest (paid)	(20,462)	(20,160)	(1,464)	(268)
Dividends (paid)	(89,050)	(89,050)	(1,737)	(1,511)
Net cash generated from/(used in) financing activities	(5,244)	(4,696)	(13,063)	(15,590)
Net increase (decrease) in cash and cash equivalents	23,212	12,511	117,890	95,809
Cash and cash equivalents at the beginning of the period	60,403	83,375	54,167	51,347
Cash and cash equivalents at the end of the period	83,613	95,884	172,057	147,156

The accompanying notes form an integral part of this condensed interim financial information

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2011
All amounts in LTL thousands unless otherwise stated

1 General information

Lietuvos Energija AB (hereinafter Company or Enterprise) is a Lithuania-registered profit-making public limited liability company, registered in the Register of Legal Entities, administered by Registrų Centras VI. The Company's registration date: 21 July 2011, code: 302648707, VAT payer code: LT100006256115. The Company was set up for unlimited period of time. The address of the Company's headquarters: Elektrinės st 21, LT-26108, Elektrėnai, Lithuania.

The Company was set up in line with the National Energy Strategy by merging two joint stock companies Lietuvos Energija AB, code 220551550, and its subsidiaries Kruonis Pumped Storage Plant and Kaunas Hydroelectric Power Plant with Lietuvos Elektrinė AB, code 110870933.

Lietuvos Energija AB and Lietuvos Elektrinė AB was reshuffled in line with Paragraph 4 of Article 2.97 of the Civil Code of the Republic of Lithuania by merging the reorganised companies, which ceased their operations as legal entities after the reshuffle, into Lietuvos Energija AB, which after the reshuffle continued the operations of the reorganised companies and took over the assets, rights and obligations of the reorganised companies, i.e. a new legal entity, Lietuvos Energija AB, was set up on the basis of the companies, which terminated their activity, and carried on their operations.

The purpose of the reshuffle was to merge and optimise the state-controlled electric energy generation capacities by creating an electric energy generation unit. As a result, the operations of electric energy generation was concentrated in one company and electric energy generation capacities, vital for securing the energy independence of the Republic of Lithuania, were reorganised and centralized.

The authorised capital of the Company is LTL 635,083,615 and it consists of 635,083,615 ordinary registered shares of the nominal value of LTL 1. The authorized capital of the Company did not change in 2011. All the shares are fully paid shares. On 1 September 2011, the Company's shares were listed on the official trade list of NASDAQ OMX Vilnius stock exchange. The Company did not acquire its own shares by 30 September 2011.

In 2011, the Company was engaged in the operations of electric energy generation, trade and export. Apart from these operations the Company may be engaged in any other commercial-economic activity specified in the Company's articles of association, which is not against the law.

The Company has unlimited permits for carrying out electric energy operations at Lietuvos Elektrinė power plant, Kaunas Hydroelectric Power Plant and Kruonis Pumped Storage Plant, and electric energy imports and exports. The Company also holds permits for developing the production capacities of Kaunas Hydroelectric Power Plant and Kruonis Pumped Storage Plant, and certificates for carrying out the operation and maintenance of electrical, thermal, natural gas and oil equipment. In line with the decision of the National Control Commission for Prices and Energy, on 29 July 2011 the Company was granted a licence of an independent electric energy supplier. The subsidiary of the Company, Energijos Tiekimas, also holds a licence of an independent electric energy supplier.

On the day of presenting this condensed interim financial statement, the Company was directly engaged (controlled or had a significant influence) in the management of the following companies: UAB Kauno Energetikos Remontas (Lithuania), UAB Energijos Tiekimas (Lithuania), UAB Data Logistics Center (Lithuania), AS Nordic Energy Link (Estonia), UAB Geoterma (Lithuania), UAB Technologijų ir Inovacijų Centras (Lithuania), UAB NT Valdys (Lithuania). The Company had a majority of votes indirectly through UAB Kauno Energetikos Remontas in UAB Gotlitas (Lithuania) and had a significant influence in the management of UAB Enmašas (Lithuania).

This condensed interim financial statement includes the consolidated condensed interim financial statements of Lietuvos Energija AB and its subsidiaries (hereinafter Group) and the condensed interim financial statement of the patronizing company Lietuvos Energija AB for a period on nine months which ended on 30 September 2011.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2011
All amounts in LTL thousands unless otherwise stated

1 General information (continued)

As at 30 September 2011, the Group consisted of Lietuvos Energija AB and the following directly and indirectly controlled subsidiaries:

Company	Address of the registered office	Shareholding of the Group at 30 September 2011	Share capital of the subsidiary at 30 September 2011	Profit for the period from 1 January to 30 September 2011	Equity at 30 September 2011	Principal activities
Kauno Energetikos Remontas UAB	Chemijos g. 17, Kaunas, Lithuania	100 proc.	31,341	1,520	16,156	Electricity generation
Gotlitas UAB (controlled through Kauno Energetikos Remontas UAB)	R.Kalantos g. 119, Kaunas, Lithuania	100 proc.	1,100	37	1,575	Repair of energy equipment, production of metal structures
Energijos Tiekimas UAB	Žvejų g. 14, Vilnius, Lithuania	100 proc.	750	3,863	8,804	Accommodation services, trading activities
Data Logistics Center UAB	Juozapavičiaus g. 13, Vilnius, Lithuania	100 proc.	12,847	3,778	16,743	Independent electricity supply

As at 30 September 2011, the number of employees of the Group was 815 (31 December 2010: 946). As at 30 September 2011, the number of employees of the Company was 515 (31 December 2010: 674).

2 Accounting policies

The Company's and consolidated Group's condensed interim financial information for the six-month period ended 30 September 2011 has been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and applicable to interim financial reporting (International Accounting Standard (IAS) 34, 'Interim financial reporting'). This financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2010, which have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union.

The financial year of the Company and other Group companies coincides with the calendar year.

The condensed interim financial statement of Lietuvos Energija AB for a period which ended on 30 September 2011 is presented in line with International Accounting Standard (IAS 27) Consolidated and Separate Financial Statements:

1. Information for 2011 is provided suggesting that Lietuvos Energija AB and Lietuvos Elektrinė AB were merged since the start of the reference period (consolidated period from 1 January 2011);
2. Comparative information for 2010 is presented suggesting that Lietuvos Energija AB and Lietuvos Elektrinė AB were merged at the moment when Lietuvos Energija AB took over the control of Lietuvos Elektrinė AB, i.e. from 18 August 2010 (consolidated period from 1 September 2010).

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2011
All amounts in LTL thousands unless otherwise stated

3 Intangible assets

The structure of the Group's intangible assets as at 30 September 2011 and 31 December 2010 is as follows:

Group	Patents and licenses	Computer software	Emission rights	Other intangible assets	Total
Period ended 30 September 2010					
Opening net book amount	11	2,421	-	23	2,455
Acquisition of subsidiary	-	-	10,243	-	10,243
Additions	15	4,662	-	13	4,690
Amortisation charge	(3)	(1,517)	-	(1)	(1,521)
Impairment	-	-	253	-	253
Write-offs	-	(1,333)	-	-	(1,333)
Net book amount at 30 September 2010	23	4,233	10,496	35	14,787
At 30 September 2010					
Cost	2,170	21,560	10,496	67	34,293
Accumulated amortisation	(2,147)	(17,222)	-	(32)	(19,401)
Accumulated impairment	-	(105)	-	-	(105)
Net book amount at 30 September 2010	23	4,233	10,496	35	14,787
At 31 December 2010					
Cost	36	1,901	56,864	31	58,832
Accumulated amortisation	(25)	(1,699)	-	(24)	(1,748)
Net book amount at 31 December 2010	11	202	56,864	7	57,084
Period ended 30 September 2011					
Opening net book amount	11	202	56,864	7	57,084
Additions	-	1,106	34,390	-	35,496
Transfers from property, plant and equipment	-	-	-	157	157
Grants received	-	-	26,701	-	26,701
Disposals	-	-	(38,948)	-	(38,948)
Write-offs	-	-	(54,212)	-	(54,212)
Impairment	-	-	(9,945)	-	(9,945)
Amortisation charge	(8)	(137)	-	(35)	(180)
Net book amount at 30 September 2011	3	1,171	14,850	129	16,153
At 30 September 2011					
Cost	36	3,007	14,850	188	18,081
Accumulated amortisation	(33)	(1,836)	-	(59)	(1,928)
Net book amount at 30 September 2011	3	1,171	14,850	129	16,153

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3Intangible assets (continued)

The structure of the Company's intangible assets as at 30 September 2011 and 31 December 2010 is as follows:

Company	Patents and licenses	Computer software	Emission rights	Other intangible assets	Total
Period ended 30 September 2010					
Opening net book amount	-	3,666	-	-	3,666
Acquisition of subsidiary	-	-	10,243	-	10,243
Additions	-	230	-	13	243
Amortisation charge	-	(838)	-	(1)	(839)
Impairment	-	-	253	-	253
Write-offs	-	(1,283)	-	-	(1,283)
Net book amount at 30 September 2010	-	1,775	10,496	12	12,283
At 30 September 2010					
Cost	2,049	14,592	10,496	13	27,150
Accumulated amortisation	(2,049)	(12,817)	-	(1)	(14,867)
Net book amount at 30 September 2010	-	1,775	10,496	12	12,283
At 31 December 2010					
Cost	-	1,280	56,984	1	58,265
Accumulated amortisation	-	(1,280)	-	(1)	(1,281)
Net book amount at 31 December 2010	-	-	56,984	-	56,984
Period ended 30 September 2011					
Opening net book amount	-	-	56,984	-	56,984
Additions	-	955	34,390	-	35,345
Grants received	-	-	26,701	-	26,701
Disposals	-	-	(38,948)	-	(38,948)
Write-offs	-	-	(54,212)	-	(54,212)
Impairment	-	-	(9,945)	-	(9,945)
Amortisation charge	-	(98)	-	-	(98)
Net book amount at 30 September 2011	-	857	14,970	-	15,827
At 30 September 2011					
Cost	-	2,235	14,970	-	17,205
Accumulated amortisation	-	(1,378)	-	-	(1,378)
Net book amount at 30 September 2011	-	857	14,970	-	15,827

As at 30 September 2011, 400,000 units of the Group's emission allowances with the value of LTL 14,764 thousand (31 December 2010: LTL 18,990 thousand) were lent out according to the terms and conditions of the lending agreement of 1 December 2009 concluded with STX Services BV.

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4 Property, plant, and equipment

The structure of the Group's property, plant and equipment as at 30 September 2011 and 31 December 2010 is as follows:

Group	Land	Buildings	Structures and equipment	Structures and equipment of Hydro Power Plant and Pumped Storage Power Plant	Structures and equipment of Thermal Power Plant	Motor vehicles	Other PP&E	Construction in progress	Total
Net book amount at 31 December 2009									
Cost or revaluated amount	286	135,125	2,009,335	687,391	-	-	90,084	26,661	2,958,723
Accumulated depreciation	-	-	-	(114,413)	-	(2,900)	(19,474)	-	(136,787)
Accumulated impairment	-	(4,953)	(4,013)	(769)	-	-	(256)	-	(9,991)
Net book amount at 31 December 2009	286	130,172	2,005,322	572,209	-	6,941	70,354	26,661	2,811,945
Period ended 30 September 2010									
Opening net book amount	286	130,172	2,005,322	572,209	-	6,941	70,354	26,661	2,811,945
Additions	7,542	1,200	56,034	8,311	3,475	49	1,765	32,630	111,006
Acquisition of subsidiary	-	-	180	-	1,053,225	435	2,157	1,044,188	2,100,185
Disposals	-	(1,158)	-	-	-	-	-	-	(1,158)
Write-offs	-	-	(1,185)	(1)	-	(276)	(309)	-	(1,771)
Impairment/reversal of impairment	-	(641)	-	-	-	(31)	-	-	(672)
Reclassifications between groups	-	472	19,231	-	-	1,151	(2,257)	(18,597)	-
Reclassifications to investment property	-	(1,959)	-	-	-	-	-	-	(1,959)
Reclassifications to intangible assets	-	-	-	-	-	-	(1,244)	-	(1,244)
Depreciation charge	-	(2,596)	(91,306)	(16,494)	(2,508)	(1,712)	(11,590)	-	(126,206)
Net book amount at 31 September 2010	7,828	125,490	1,988,276	564,025	1,054,192	6,557	58,876	1,084,882	4,890,126
At 30 September 2010									
Cost or revaluated amount	7,828	133,680	2,083,595	695,701	1,504,030	11,200	90,196	1,084,882	5,611,112
Accumulated depreciation	-	(2,596)	(91,306)	(130,907)	(449,838)	(4,612)	(31,064)	-	(710,323)
Accumulated impairment	-	(5,594)	(4,013)	(769)	-	(31)	(256)	-	(10,663)
Net book amount at 30 September 2010	7,828	125,490	1,988,276	564,025	1,054,192	6,557	58,876	1,084,882	4,890,126

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4 Property, plant, and equipment (continued)

Group	Land	Buildings	Structures and equipment	Structures and equipment of Hydro Power Plant and Pumped Storage Power Plant	Structures and equipment of Thermal Power Plant	Motor vehicles	Other PP&E	Construction in progress	Total
Net book amount at 31 December 2010									
Cost or revaluated amount	5,867	23,748	257,745	697,252	1,921,819	6,437	48,055	902,819	3,863,742
Accumulated depreciation	-	(7,999)	(242,244)	(136,399)	(474,293)	(5,076)	(34,760)	-	(900,771)
Accumulated impairment	-	(5,306)	(4,013)	(769)	-	(31)	(728)	-	(10,847)
Net book amount at 31 December 2010	5,867	10,443	11,488	560,084	1,447,526	1,330	12,567	902,819	2,952,124
Period ended 30 September 2011									
Opening net book amount	5,867	10,443	11,488	560,084	1,447,526	1,330	12,567	902,819	2,952,124
Additions	-	-	156	1,274	637	-	657	223,665	226,389
Disposals	-	-	-	(16)	(20)	(168)	-	-	(204)
Write-offs	-	-	(1)	(133)	(129)	-	(21)	-	(284)
Reclassifications to intangible assets	-	-	-	-	-	-	(157)	-	(157)
Depreciation charge	-	(283)	(998)	(20,617)	(32,012)	(272)	(1,280)	-	(55,462)
Net book amount at 31 September 2011	5,867	10,160	10,645	540,592	1,416,002	890	11,766	1,126,484	3,122,406
At 30 September 2011									
Cost or revaluated amount	5,867	23,465	256,902	677,776	1,890,315	6,165	47,254	1,126,484	4,034,228
Accumulated depreciation	-	(7,999)	(242,244)	(136,415)	(474,313)	(5,244)	(34,760)	-	(900,975)
Accumulated impairment	-	(5,306)	(4,013)	(769)	-	(31)	(728)	-	(10,847)
Net book amount at 30 September 2011	5,867	10,160	10,645	540,592	1,416,002	890	11,766	1,126,484	3,122,406

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4 Property, plant, and equipment (continued)

The structure of the Company's property, plant and equipment as at 30 September 2011 and 31 December 2010 is as follows:

Company	Land	Buildings	Structures and equipment	Structures and equipment of Hydro Power Plant and Pumped Storage Power Plant	Structures and equipment of Thermal Power Plant	Motor vehicles	Other PP&E	Construction in progress	Total
Net book amount at 31 December 2009									
Cost or revaluated amount	286	100,785	2,003,654	687,391	1,383,575	8,416	90,936	749,169	5,024,212
Accumulated depreciation	-	-	-	(114,413)	(430,432)	(2,560)	(19,387)	-	(566,792)
Accumulated impairment	-	(145)	(1,224)	(769)	-	-	(728)	-	(2,866)
Net book amount at 31 December 2009	286	100,640	2,002,430	572,209	953,143	5,856	70,821	749,169	4,454,554
Period ended 30 September 2010									
Opening net book amount	286	100,640	2,002,430	572,209	-	5,856	70,821	27,209	2,779,451
Additions	7,542	1,131	56,505	8,311	3,475	327	9,122	32,273	118,686
Acquisition of subsidiary	-	-	-	-	1,053,225	-	-	1,044,188	2,097,413
Disposals	-	-	(1,185)	(1)	-	(166)	(7,066)	-	(8,418)
Reclassifications between groups	-	472	19,231	-	-	1,151	(2,257)	(18,597)	-
Reclassifications to investment property	-	-	-	-	-	-	(1,244)	-	(1,244)
Reclassifications to intangible assets	-	(1,959)	-	-	-	-	-	-	(1,959)
Impairment/reversal of impairment	-	-	-	-	-	(31)	-	-	(31)
Depreciation charge	-	(2,326)	(90,879)	(16,494)	(2,508)	(1,753)	(11,800)	-	(125,760)
Net book amount at 31 September 2010	7,828	97,958	1,986,102	564,025	1,054,192	5,384	57,576	1,085,073	4,858,138
At 30 September 2010									
Cost or revaluated amount	7,828	100,429	2,078,156	695,701	1,504,030	9,709	89,188	1,085,073	5,570,114
Accumulated depreciation	-	(2,326)	(90,830)	(130,907)	(449,838)	(4,294)	(30,884)	-	(709,079)
Accumulated impairment	-	(145)	(1,224)	(769)	-	(31)	(728)	-	(2,897)
Net book amount at 30 September 2010	7,828	97,958	1,986,102	564,025	1,054,192	5,384	57,576	1,085,073	4,858,138

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4 Property, plant, and equipment (continued)

Company	Land	Buildings	Structures and equipment	Structures and equipment of Hydro Power Plant and Pumped Storage Power Plant	Structures and equipment of Thermal Power Plant	Motor vehicles	Other PP&E	Construction in progress	Total
Net book amount at 31 December 2010									
Cost or revaluated amount	5,867	415	11,698	697,466	1,920,202	5,238	34,515	904,603	3,580,004
Accumulated depreciation	-	-	-	(136,399)	(474,293)	(4,540)	(33,371)	-	(648,603)
Accumulated impairment	-	(151)	(1,224)	(769)	-	(31)	(728)	-	(2,903)
Net book amount at 31 December 2010	5,867	264	10,474	560,298	1,445,909	667	416	904,603	2,928,498
Period ended 30 September 2011									
Opening net book amount	5,867	264	10,474	560,298	1,445,909	667	416	904,603	2,928,498
Additions	-	-	-	1,274	637	-	-	222,948	224,859
Disposals	-	-	-	(16)	(20)	(168)	-	-	(204)
Write-offs	-	-	-	(133)	(129)	-	-	-	(262)
Nusidėvėjimas	-	(4)	(559)	(20,617)	(32,012)	(129)	(165)	-	(53,486)
Net book amount at 31 September 2011	5,867	260	9,915	540,806	1,414,385	370	251	1,127,551	3,099,405
At 30 September 2011									
Cost or revaluated amount	5,867	415	11,698	698,591	1,920,690	5,070	34,515	1,127,551	3,804,397
Accumulated depreciation	-	(4)	(559)	(157,016)	(506,305)	(4,669)	(33,536)	-	(702,089)
Accumulated impairment	-	(151)	(1,224)	(769)	-	(31)	(728)	-	(2,903)
Net book amount at 30 September 2011	5,867	260	9,915	540,806	1,414,385	370	251	1,127,551	3,099,405

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5 Share capital and share premium

As at 30 September 2011 and 31 December 2009, the share capital of the Company was LTL 635,083,615 and it was divided into 635,083,615 ordinary registered shares with the par value of LTL 1 each. All the shares are fully paid. The highest share price at the Stock Exchange session in 2011 was LTL 0.50 per share, the lowest – LTL 0.34 per share. The total number of shareholders as at 30 September 2011 was 6,639.

The shareholders' structure of the Company is as follows:

Shareholders	Akcinis kapitalas 2011 m. rugsėjo 30 d.		Akcinis kapitalas 2010 m. gruodžio 31 d.	
	(litai)	Proc.	(litai)	Proc.
Visagino Atominė Elektrinė AB	610,515,515	96.13	610,515,515	96.13
Other shareholders	24,568,100	3.87	24,568,100	3.87
Total	635,083,615	100.00	635,083,615	100.00

Visagino Atominė Elektrinė UAB is wholly owned by the State of Lithuania represented by the Lithuanian Ministry of Energy.

6 Borrowings

The Group's and the Company's borrowings according to repayment terms are presented in the table below.

	Group at 30 September 2011	Company at 30 September 2011	Group at 31 December 2010	Company at 31 December 2010
Non-current borrowings				
Syndicated loan (Swedbank AB, SEB Bankas AB, Nordea Bank Finland Plc, Lithuania Branch, DnB NORD AB, Danske Bank A/S) in EUR, to be repaid by 3 June 2016	281,058	281,058	217,625	217,625
Loan from the European Bank for Reconstruction and Development, in EUR, to be repaid by 18 February 2025	245,149	245,149	191,521	191,521
Syndicated loan (Swedbank AB, SEB Bankas AB, Nordea Bank Finland Plc, Lithuania Branch and DnB NORD AB) in EUR, to be repaid by 9 November 2020	77,757	77,757	88,447	88,447
Loan from DnB NORD AB, in EUR, to be repaid by 1 May 2013	3,714	3,714	5,571	5,571
Total non-current borrowings	607,678	607,678	503,164	503,164
Current borrowings				
Syndicated loan (Swedbank AB, SEB Bankas AB, Nordea Bank Finland Plc, Lithuania Branch and DnB NORD AB) in EUR, to be repaid by 9 November 2020	14,253	14,253	14,253	14,253
Loan from DnB NORD AB, in EUR, to be repaid by 1 May 2013	5,279	5,279	873	873
Loan from the European Bank for Reconstruction and Development, accrued interest	3,714	3,714	3,714	3,714
Overdrafts	2,869	-	26,522	12,988
Total current borrowings	26,115	23,246	45,362	31,828

As at 30 September 2011, the Group had not withdrawn overdrafts, the maximum amount of which was equal to LTL 60,000 thousand. The overdraft agreement expires on 1 March 2012.

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7 Grants

The grants balance consists of grants related to the financing of assets acquisition. The movement in grants during the nine-month period ended 30 September 2011 and 2010 is as follows:

	Group	Company
Balance at 31 December 2009	71,420	71,393
Grants acquired during acquisition of subsidiary	848,052	848,052
Received during the period	1,064	1,064
Depreciation of property, plant and equipment	(3,460)	(3,460)
Balance at 30 September 2010	917,076	917,049
Balance at 31 December 2010	872,957	872,957
Received during the period	95,064	95,064
Depreciation of property, plant and equipment	(8,805)	(8,805)
Utilised grant relating to emission rights	(18,106)	(18,106)
Balance at 30 September 2011	941,110	941,110

During the nine months of 2011, the Group's and the Company's grants relating to assets decreased by LTL 8,805 thousand (during the nine months of 2010: by LTL 3,460 thousand), i.e. by the depreciation charge of property, plant and equipment. For the purpose of the statement of comprehensive income, depreciation expenses of property, plant and equipment were reduced by this amount.

During the nine months of 2011, the Group was allocated LTL 66,520 thousand (LTL 1,221 thousand of which was allocated to finance the implementation of the environmental project and LTL 65,299 thousand was allocated for the construction of a new block of 400 MW combined cycle gas turbine) from the International Foundation for the Support of Decommissioning of Ignalina Nuclear Power Plant. In addition, the grant of LTL 26,701 thousand relating to emission rights was received.

8 Provisions for emission rights

Provisions for emission rights were accounted for as follows:

	Group	Company
Balance at 31 December 2010	54,212	54,212
Provisions for pollution emitted*	18,126	18,126
Emission rights utilised	(54,212)	(54,212)
Balance at 30 September 2011	18,126	18,126

*For the purpose of the statement of comprehensive income, expenses related to provisions for emission rights utilised are accounted for net of government grants utilised.

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9 Segment information

In 2011, management distinguished business segments based on the reports reviewed by the Board. The Board analyses business operations by the types of products provided. Operating profit (loss) is a profitability indicator analysed by management.

As at 30 September 2011 and 31 December 2010, the Group's management analyses the operations of the Company as a single segment of electricity generation and trading, including electricity export/import. On 31 August 2010 Lietuvos Elektrinė AB was acquired which operates in the segment of electricity generation and constitutes a separate segment. The operations of Energijos Tiekimas UAB representing independent energy supply activities constitute a separate segment. Other activities within the Group include repair services of energy objects and IT services.

Transactions between the Group companies are conducted at market prices, except for electricity trading and the related services which are traded within the Group at prices established by the Commission.

The table below presents the Group's information on segments for the nine-month period ended 30 September 2011.

2011	Electricity generation and trading (including electricity export/import)		Other activities	Total continuing operations
	Lietuvos energija AB	Energijos Tiekimas UAB		
Total segment revenue	992,244	143,288	38,258	1,173,790
Internal turnover among segments	(139,487)	-	(128)	(139,615)
Revenue from external sales	852,757	143,288	38,130	1,034,175
Expenses after elimination of turnover among the Group companies	(803,218)	(138,717)	(31,745)	(973,678)
including including depreciation and amortisation expenses	(44,800)	-	(2,040)	(46,840)
Operating profit	49,538	4,571	6,385	60,497
Net finance (costs)				(1,476)
Profit before income tax				59,021
Income tax				(3,265)
Profit for the period				55,756

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9 Segment information (continued)

The table below presents the Group's information on segments for the nine-month period ended 30 September 2010.

2010	Electricity generation and trading (including electricity export/import)		Other activities	Total continuing operations
	Lietuvos energija AB	Energijos Tiekimas UAB		
Total segment revenue	751,780	125,159	28,024	904,963
Internal turnover among segments	(119,443)	-	(2,721)	(122,164)
Revenue from external sales	632,337	125,159	25,303	782,799
Expenses after elimination of turnover among the Group companies	(569,955)	(120,786)	(25,975)	(716,716)
including including depreciation and amortisation expenses	(19,890)	-	(3,790)	(23,680)
Operating profit	62,382	4,373	(673)	66,083
Net finance (costs)				2,166
Profit before income tax				68,249
Income tax				(13,220)
Profit for the period				55,029

All assets of the Group and the Company are located in Lithuania.

The Group's revenue received from one external client during the nine months period ended 30 September 2011 amounted to LTL 457,844 thousand.

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10 Discontinued operations

On 30 November 2010, the Company transferred to LITGRID Turtas AB, a company established on the basis of a separated part of Lietuvos Energija AB, the electricity transmission system including the system's management, maintenance and operation activities. As a result, all income earned from these activities and related expenses incurred in 2010 were attributed to discontinued operations. Income and expenses of other activities which were transferred to associates NT Valdos UAB and Technologijų ir Inovacijų Centras UAB were also attributed to discontinued operations.

	Group	Company
	1 January – 30 September 2010	1 January – 30 September 2010
Revenue	519,628	118,231
Purchase of electricity or related services	(304,151)	-
Purchase of capacity reserve	(42,728)	-
Transit expenses	(10,051)	-
Salaries and related expenses	(21,626)	(16,795)
Repair and maintenance expenses	(4,967)	(5,738)
Depreciation and amortisation	(103,311)	(105,265)
Other expenses	(12,110)	(10,778)
Operating profit	20,686	(20,345)
Results of financing activities	-	-
Profit before tax	20,686	(20,345)
Tax expenses	-	-
Profit (loss) for the period from discontinued operations	20,686	(20,345)

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11 Related-party transactions

Purchase and sale of goods and services:

The Group's transactions with related parties during the period of January to September 2011 and the balances arising on these transactions as at 30 September 2011 are presented below:

Related parties	Payables and accrued expenses	Receivables and unbilled revenue	Purchases	Disposals
Entities controlled by the Ministry of the Energy of the Republic of Lithuania (including subsidiaries of Visagino Atominė Elektrinė UAB)	18,657	116,770	394,773	896,718
Visagino Atominė Elektrinė UAB	-	-	59	-
Associates of the Group	-	-	4,543	1,089
Total	18,657	116,770	399,375	897,807

The Company's transactions with related parties during the period of January to September 2011 and the balances arising on these transactions as at 30 September 2011 are presented below:

Related parties	Payables and accrued expenses	Receivables and unbilled revenue	Purchases	Disposals
Subsidiaries of the Company	1,833	21,184	2,092	138,222
Entities controlled by the Ministry of the Energy of the Republic of Lithuania (including subsidiaries of Visagino Atominė Elektrinė UAB)	17,443	110,794	394,002	894,648
Visagino Atominė Elektrinė UAB	-	-	59	-
Associates of the Company	-	-	4,543	-
Total	19,276	131,978	400,696	1,032,870

The major related-party sale and purchase transactions in 2011 and 2010 represented transactions with the entities controlled by the Ministry of Energy of the Republic of Lithuania: LITGRID AB, LESTO AB. The Group's purchases from these entities mainly included purchases of electricity, capacity, and PSO services. Sales transactions mainly included sales of electricity, capacity, electricity transmission services and PSO services.

Transactions with state entities other than those controlled by the Ministry of Energy included regular business transactions and therefore they are not disclosed.

The Company sold capacity to its associate Nordic Energy Link AS, paid capacity, operation, transmission and balancing fees to this company, and purchased capacity from it.

Payments to key management personnel

	Group 1 January – 30 September 2011	Company 1 January – 30 September 2011	Group 1 January – 30 September 2010	Company 1 January – 30 September 2010
Employment-related payments	2,053	1,132	2,199	1,388
Termination benefits	235	178	89	75
Number of key management personnel	20	9	31	14

Management consists of heads of administration and their deputies, and the chief financier.

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2011**
All amounts in LTL thousands unless otherwise stated

12 Commitments and contingencies

Guarantees issued and received

In 2005, the Company/Group guaranteed, under the guarantee agreements, the fulfilment of 25 per cent of Nordic Energy Link's AS liabilities to Nordic Investment Bank (LTL 45,750 thousand) and to SEB Eesti Uhispank AB (LTL 26,759 thousand). The guarantees shall expire after a full repayment of the loans by the associate to the respective banks, i.e. on 15 March 2014 and 15 September 2014, respectively. The Group/Company accounted for these guarantees at fair value. The carrying amount of the guarantee obligations amounted to LTL 591 thousand as at 30 September 2011 (31 December 2010: LTL 718 thousand). The Group/Company has not accounted for any additional provisions related to these guarantees, since management expects that the associate will fulfil its liabilities to the banks.

In order to ensure the fulfilment of obligations the power exchange participants are required to present to the market operator BALTPPOOL UAB a bank guarantee on the fulfilment of their obligations not later than within 10 (ten) working days before the commencement date of the trading session at the power exchange and/or provide a monetary collateral. As at 30 September 2011, a monetary collateral provided by the Company to BALTPPOOL UAB amounted to LTL 500 thousand (31 December 2010: LTL 6,000 thousand).

As at 31 December 2010, the support letter was submitted by the Company to Danske Bank A/S Lithuania Branch with regard to a guarantee of LTL 2,500 thousand and an overdraft of LTL 17,000 thousand granted to Energijos Tiekimas UAB by the Bank.

Under the agreements signed the Group's commitments to acquire and construct tangible fixed assets amounted to LTL 87,000 thousand as at 30 September 2011 (31 December 2010: LTL 279,143 thousand).

Legal proceedings

As at 31 December 2008, the Company disputed LTL 884 thousand account payable to Vilniaus Energija UAB related to the electricity supplied by this entity under public service obligation (PSO) scheme, which was not accounted for in the statement of financial position. The obligations to this supplier was recalculated by the Company based on the actual volumes of the electricity supplied in 2008 and the volumes of sponsored production levels as set by the Ministry of the Economy of the Republic of Lithuania. The supplier did not agree with the recalculation made by the Company and claimed the payment of the invoiced amounts for the PSO energy supplied. As at 31 December 2009, the amount disputed was LTL 1,049 thousand. On 20 February 2010, Vilniaus Energija UAB filed a revised claim for the total amount of LTL 1,494 thousand specifying that Lietuvos Energija AB did not pay for the PSO energy supplied in 2009 as well. On 29 June 2010, Vilnius County Court passed the ruling rejecting the claim of Vilniaus Energija UAB in its entirety. On 28 July 2010, Vilniaus Energija UAB filed a claim in appeal to Vilnius County Court requesting that the decision of Vilnius County Court is annulled and a new decision is passed, namely, that the claim of Vilniaus Energija UAB is satisfied in full. The Lithuanian Court of Appeals completed the examination of the case in November 2011 and left in force the unchanged ruling of Vilnius County Court. The ruling of Vilnius County Court becomes final and cannot be claimed.

Kauno Termofikacinė Elektrinė UAB filed a claim against the Company concerning PSO service fees paid for 2008. In the opinion of Lietuvos Energija AB, the fee for PSO service for December 2008 due to unsupplied volume of sponsored production level should be reduced from LTL 4,005 thousand to LTL 3,457 thousand. Kauno Termofikacinė Elektrinė UAB does not agree with this position of the Company. The claim amount is LTL 653 thousand. On 26 October 2010 Vilnius County Court passed the ruling which satisfied the claim of Kauno Termofikacinė Elektrinė UAB against Lietuvos Energija AB in part and ordered the repayment of the debt of LTL 647 thousand, interest of LTL 6 thousand and annual interest of 6 per cent charged on the amount awarded for the period from 20 March 2009 until a full fulfilment of the court's ruling. Lietuvos Energija AB filed an appeal against this decision. The examination of the appeal is to be held on 30 August 2011. With reference to the surrounding circumstances of the dispute, available evidence, arguments of Lietuvos Energija AB and explanations concerning the claims presented by the other party to the dispute, the dispute might be or might not be settled in favour of Lietuvos Energija AB.

13 Events subsequent to the end of the reporting period

On 25 September 2011, the National Control Commission for Prices and Energy approved the 2012 budget in accordance with public service obligations.
