



AB LIMARKO LAIVININKYSTĖS KOMPANIJA
LIMARKO SHIPPING COMPANY AB

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

2009-02-25 Nr. FIN-1-45-09

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 twelve 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 twelve months of 2008;

President & CEO

Finance Director

Vytautas Lygnugaris

Renaldas Vyšniauskas



LIMARKO LAIVININKYSTĖS KOMPANIJA

Interim Financial Statements for the twelve months of 2008

February 2009, Klaipėda

TABLE OF CONTENTS

Income statement	3
Balance sheet	4
Statement of cash flows.....	6
Statement of changes in equity	7
Explanatory letter	7



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.

Interim financial statements for the twelve months of 2008 are not audited.

Income statement

No.		In thousand of Litas	<i>In thousand of Litas</i>			
			October-December 2008	October-December 2007	2008	2007
I.	SALES INCOME		<u>37 902</u>	<u>32 347</u>	<u>151 363</u>	<u>136 705</u>
II.	COST OF SALES		<u>40 964</u>	<u>32 718</u>	<u>141 807</u>	<u>117 787</u>
III.	GROSS PROFIT (LOSS)		(3 062)	(371)	9 556	18 918
IV.	OPERATING COSTS		<u>1 954</u>	<u>3 034</u>	<u>7 557</u>	<u>8 756</u>
IV.1	Sales		43	35	33	54
IV.2	General and administrative		1 911	2 999	7 524	8 703
V.	OPERATING PROFIT (LOSS)		(5 017)	(3 405)	2 000	10 162
VI.	OTHER ACTIVITIES		<u>(57)</u>	<u>1 183</u>	<u>(61)</u>	<u>1 402</u>
VI.1.	Income		73	1 376	274	1 738
VI.2.	Expenses		130	194	335	336
VII.	FINANCING AND INVESTING ACTIVITIES		<u>(4 192)</u>	<u>1 576</u>	<u>(14 579)</u>	<u>3 080</u>
VII.1.	Income		33	3 297	123	9 314
VII.2.	Expenses		4 225	1 722	14 702	6 233
VIII.	PROFIT (LOSS) FROM NORMAL ACTIVITIES		(9 266)	(647)	(12 640)	14 644
IX.	GAIN					
X.	LOSSES					
XI.	PROFIT (LOSS) BEFORE TAX		(9 266)	(647)	(12 640)	14 644
XII.	PROFIT TAX		<u>73</u>	<u>(6 318)</u>	<u>73</u>	<u>(6 318)</u>
XIII.	NET PROFIT (LOSS)		(9 339)	5 672	(12 713)	20 962



Balance sheet

In thousand of Litas

ASSETS		2008 12 31	2007 12 31
A.	NON-CURRENT ASSETS	325 455	239 292
I.	INTANGIBLE ASSETS	45	56
I.1.	Development works		
I.2.	Goodwill		
I.3.	Licences and patents		
I.4.	Computer software	45	56
I.5.	Other intangible assets		
II.	TANGIBLE ASSETS	324 224	238 796
II.1.	Land		
II.2.	Buildings and constructions	1 815	1 903
II.3.	Machinery and equipment		
II.4.	Vehicles	321 721	236 024
II.5.	Other property, plant and equipment	688	869
II.6.	Construction in progress		
II.7.	Other tangible assets		
III.	FINANCIAL ASSETS	1 186	440
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	1 186	248
B.	CURRENT ASSETS	15 887	20 977
I.	INVENTORIES, PREPAYMENTS AND CONTRACTS IN PROGRESS	8 929	9 761
I.1.	Inventories	5 916	7 388
I.1.1.	Raw materials and consumables	5 916	7 388
I.1.2.	Work in progress		
I.1.3.	Finished goods		
I.1.4.	Goods for resale		
I.2.	Prepayments	3 013	2 373
I.3.	Contracts in progress		
II.	AMOUNTS RECEIVABLE WITHIN ONE YEAR	6 585	9 515
II.1.	Trade amounts receivable	6 096	9 075
II.2.	Receivables from subsidiaries and associates		
II.3.	Other amounts receivable	489	439
III.	OTHER CURRENTS ASSETS		
III.1.	Current investments		
III.2.	Time deposits		
III.3.	Other currents assets		
IV.	CASH AND CASH EQUIVALENTS	374	1 702
TOTAL ASSETS		341 342	260 269



EQUITY AND LIABILITIES		2008 12 31	2007 12 31
C.	EQUITY	129 246	131 347
I.	CAPITAL	120 212	109 451
I.1.	Authorised (subscribed)	120 212	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
III.1.	Legal reserve	7 645	6 597
III.2.	Reserve for acquiring own shares		
III.3.	Other reserves		
IV.	RETAINED EARNINGS (LOSSES)	1 389	15 299
IV.1.	Profit (loss) of the reporting year profit	(12 713)	20 962
IV.2.	Profit (loss) of the previous year	14 101	(5 663)
D.	GRANTS AND SUBSIDIES		
E.	AMOUNTS PAYABLE AND LIABILITIES	212 096	128 922
I.	NON-CURRENT AMOUNTS PAYABLE AND LIABILITIES	164 513	92 778
I.1.	Financial debts	164 513	92 778
I.1.1.	Leases and similar obligations		
I.1.2.	To credit institutions	164 513	92 778
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		
I.6.	Other amounts payable and non-current liabilities		
II.	CURRENT AMOUNTS PAYABLE AND LIABILITIES	47 583	36 144
II.1.	Current portion of non-current debts	25 047	17 732
II.2.	Financial debts		
II.2.1.	To credit institutions		
II.2.2.	Other debts		
II.3.	Trade amounts payable	13 418	11 882
II.4.	Amounts received in advance	1 527	755
II.5.	Profit tax liabilities	73	82
II.6.	Liabilities related with labour relations	7 481	5 658
II.7.	Provisions		
II.8.	Other amounts payable and current liabilities	38	36
TOTAL EQUITY AND LIABILITIES		341 342	260 269



Statement of cash flows

In thousand of Litas

No.	In thousand of Litas	2008	2007
I.	Cash flows from operating activities		
I.1.	Net profit (loss)	(12 713)	20 962
I.2.	Depreciation and amortization costs	25 277	21 210
I.3.	Decrease (increase) in amounts receivable after one year	-	-
I.4.	Decrease (increase) in inventory	1 472	(3 924)
I.5.	Decrease (increase) in advances received	(449)	419
I.6.	Decrease (increase) in contracts in progress	-	-
I.7.	Decrease (increase) in trade receivables	2 979	(1 836)
I.8.	Decrease (increase) in amounts receivable from	-	-
I.9.	Decrease (increase) in other amounts receivable	(49)	(32)
I.10.	Decrease (increase) in other current assets	-	-
I.11.	Increase (decrease) in non-current payables to suppliers	-	-
I.12.	Increase (decrease) in current payables to suppliers and	2 308	5 668
I.13.	Increase (decrease) in profit tax liability	(9)	(1 827)
I.14.	Increase (decrease) in liabilities connected with labour	1 823	2 481
I.15.	Increase (decrease) in provisions	-	(6 400)
I.16.	Increase (decrease) in other amounts payable and	3	1
I.17.	Elimination of financing and investing activity results	5 831	(3 983)
	Net cash flows from operating activities	26 473	32 740
II.	Cash flows from investing activities		
II.1.	Acquisition of non-current assets (excluding investments)	(116 113)	(82 357)
II.2.	Transfer of non-current assets (excluding investments)	5 236	9 280
II.3.	Acquisition of long-term investments	(938)	-
II.4.	Transfer of long-term investments	-	-
II.5.	Loans granted	-	-
II.6.	Loans recovered	-	(142)
II.7.	Dividends and interest received	121	273
	Net cash flows from investing activities	(111 694)	(72 863)
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	73 282	24 981
III.2.1.	Increase in financial debts	97 620	54 720
III.2.1.1.	Loans received	88 932	54 720
III.2.1.2.	Issue of bonds	-	-
III.2.1.3.	Currency exchange rate influence to the loans	8 688	-
III.2.2.	Decrease in financial debts	(24 338)	(29 739)
III.2.2.1.	Loans repaid	(18 570)	(13 700)
III.2.2.2.	Purchase of bonds	-	-
III.2.2.3.	Interest paid	(5 768)	(6 212)
III.2.2.4.	Payments of lease (finance lease) liabilities	-	(5)
III.2.2.5.	Currency exchange rate influence to the loans	-	(9 823)
	Net cash flows from financing activities	83 894	24 981
IV.	Cash flows from extraordinary items	-	-
V.	The effects of changes in foreign exchange rates on	-	9 041
VI.	Net increase (decrease) in cash flows	(1 327)	(6 102)
VII.	Cash and cash equivalents at the beginning of period	1 702	7 804
VIII.	Cash and cash equivalents at the end of period	374	1 702



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 (loss) for 2007	-	-	20 962	20 962
Balance at 31 December 2007	109 451	6 597	15 299	131 347
Balance at 1 January 2008	109 451	6 597	15 299	131 347
Net profit (loss) for 2008	-	-	(12 713)	(12 713)
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 31 December 2008	120 212	7 645	1 389	129 246

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 (31 December 2008). The ordinary shares of the company are listed on the NASDAQ OMX Vilnius.

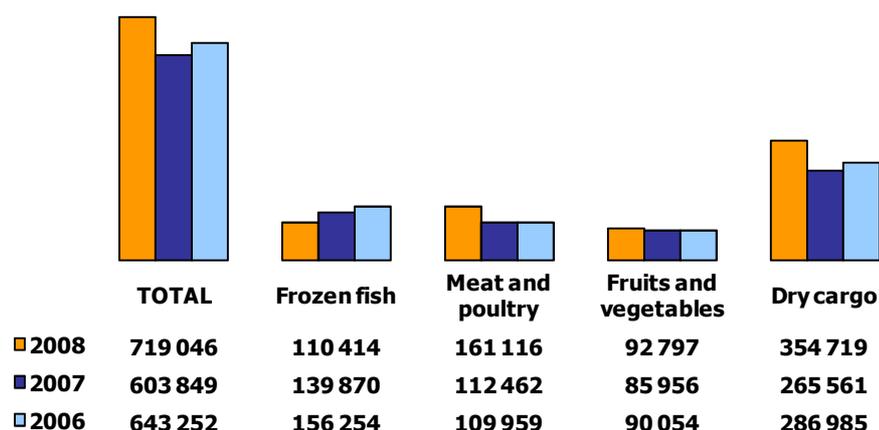
The financial statements for the twelve months of 2008 have been prepared in accordance with International Financial Reporting Standards (IFRSs), as adopted by the European Union, and have not been audited.

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 31 December 2008, the Company owned 17 vessels: 14 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 and m/v "Cassiopea" (built 1993) on 9 October 2008.

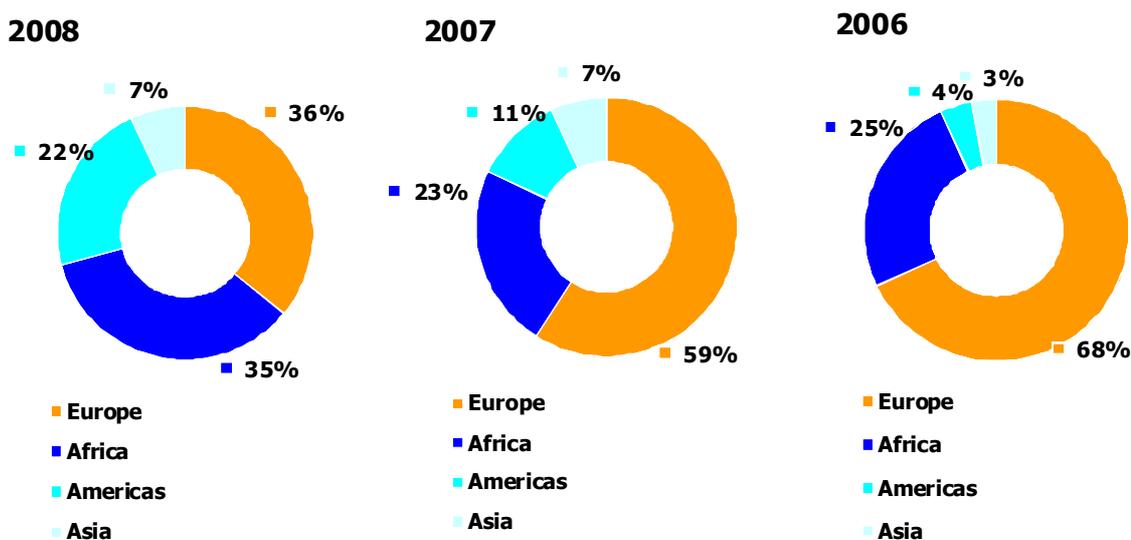
During the year 2008 Limarko laivininkystės kompanija AB transported a total of 719 thousand tons of cargo, whereof 51% accounted for frozen, chilled and perishable food products, and the remaining 49% accounted for dry cargo:





The total amount of cargo transported during the year 2008 increased by 19%, when compared to the year 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 Africa, which respectively accounted for 36 and 35 percent of all transported cargoes. Transportations in the region of Americas constituted 22 percent and 7 percent in Asia:



During the year 2008 the unaudited revenue of Limarko laivininkystės kompanija AB reached LTL 151.4 million and increased by 10.7% when compared to the revenue of the Company for the year 2007.

The result of the Company for the year 2008 was a loss of LTL 12.7 million, which mainly resulted from the rise of the value of the United States Dollar (the negative effect of changes in currency exchange rates amounted to LTL 8 million) and high prices of marine fuel.

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	2008	2007
Voyage charter operations	92 940	83 277
Time charter operations	34 664	23 460
Pool operations	20 843	27 258
Demurrage	2 915	2 710
Total revenue	151 363	136 705

Cost of sales

In thousand of Litas	2008	2007
Fuel	40 378	27 289
Crew costs	35 075	28 201
Depreciation	24 824	20 825
Repair and maintenance of vessels	15 441	16 360
Commissions	7 333	6 047
Port dues	5 572	5 786
Insurance	5 494	5 535
Lubricating oil	4 725	4 404
Other costs	2 964	3 339
	141 807	117 787

Other operating income/expenses

In thousand of Litas	2008	2007
Revenue from sale of non-current assets	5 904	6 172
Cost of sold non-current assets	-6 088	-5 291
Net revenue from sale of non-currents assets	-184	881
Other operating income, net		521
	-184	1 402

Operating costs

In thousand of Litas	2008	2007
Staff costs	3 706	4 539
Rental costs	1 014	958
Depreciation and amortization	454	385
Business trips	397	382
Exploitation and maintenance of real estate	248	274
Communication	192	209
Other costs	1 545	1 955
	7 557	8 703



Financial income/costs

In thousand of Litas	2008	2007
Financial income:		
Currency exchange rate gain		9 041
Interest	121	273
Penalties	2	
Total financial income	123	9 314
Financial expenses:		
Currency exchange rate loss	-8 019	
Interest	-5 768	-6 212
Penalties	-59	-22
Investments revaluation loss	-856	
Total financial costs	-14 702	-6 233
	-14 579	3 080

A steep rise in the United States Dollar since August 2008 was instrumental to the currency exchange rate change loss of LTL 8 million.

Depreciation

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

In thousand of Litas	2008	2007
Cost of sales	24 824	20 825
General and administrative operating expenses	454	385
	25 277	21 210

Investments

In thousand of Litas	2008 12 31	2007 12 31
Shares of Alpha Reefer Transport GmbH	166	248
Investment into securities	1 021	
	1 186	248

Inventories

In thousand of Litas	2008 12 31	2007 12 31
Fuel	4 141	5 836
Lubricating oil	1 775	1 560
	5 916	7 458
Allowance for slow moving inventory		-70
	5 916	7 388



Receivables

In thousand of Litas	2008 12 31	2007 12 31
Trade receivable	6 096	9 075
Deferred expenses	2 925	2 278
Prepayments	88	95
Other receivable	489	439
	9 598	11 888

The majority of deferred expenses comprise prepaid insurance premiums.

Cash and cash equivalents

In thousand of Litas	2008 12 31	2007 12 31
Bank balances	357	1 666
Cash in hand	17	36
	374	1 702

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 31 December 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 NASDAQ OMX Vilnius.

Shareholders

The total number of shareholders of Limarko laivininkystės kompanija AB on 31 December 2008 was 523.

Shareholders who on 31 December 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)	104 835 420	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 12 31	Balance tLTL 2007 12 31
AB SEB Bankas, (mv "Andromeda")	a)	2 400 tUSD	5 882	7 543
AB SEB Bankas, (mv "Libra")	b)	3 500 tUSD	8 577	10 372
AB "Hansabankas", (mv "Pluto" and mv "Uranus")	c)	9 321 tUSD	22 843	28 807
AB "Hansabankas", (mv "Capella")	d)	9 584 tUSD	23 487	24 301
AB SEB Bankas, (mv "Serenada")	e)	5 899 tUSD	14 458	15 538
UniCredit Bank, (mv "America Feeder")	f)	9 062 tUSD	22 207	23 949
UniCredit Bank, (mv "Tokata")	g)	21 920 tUSD	53 719	
AB "Hansabankas", (mv "Cassiopea")	h)	15 663 tUSD	38 386	
Total liabilities		77 349 tUSD	189 560	110 510
Less: current portion		-10 220 tUSD	-25 047	-17 732
Total long term portion of net liabilities		67 129 tUSD	164 513	92 778

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".

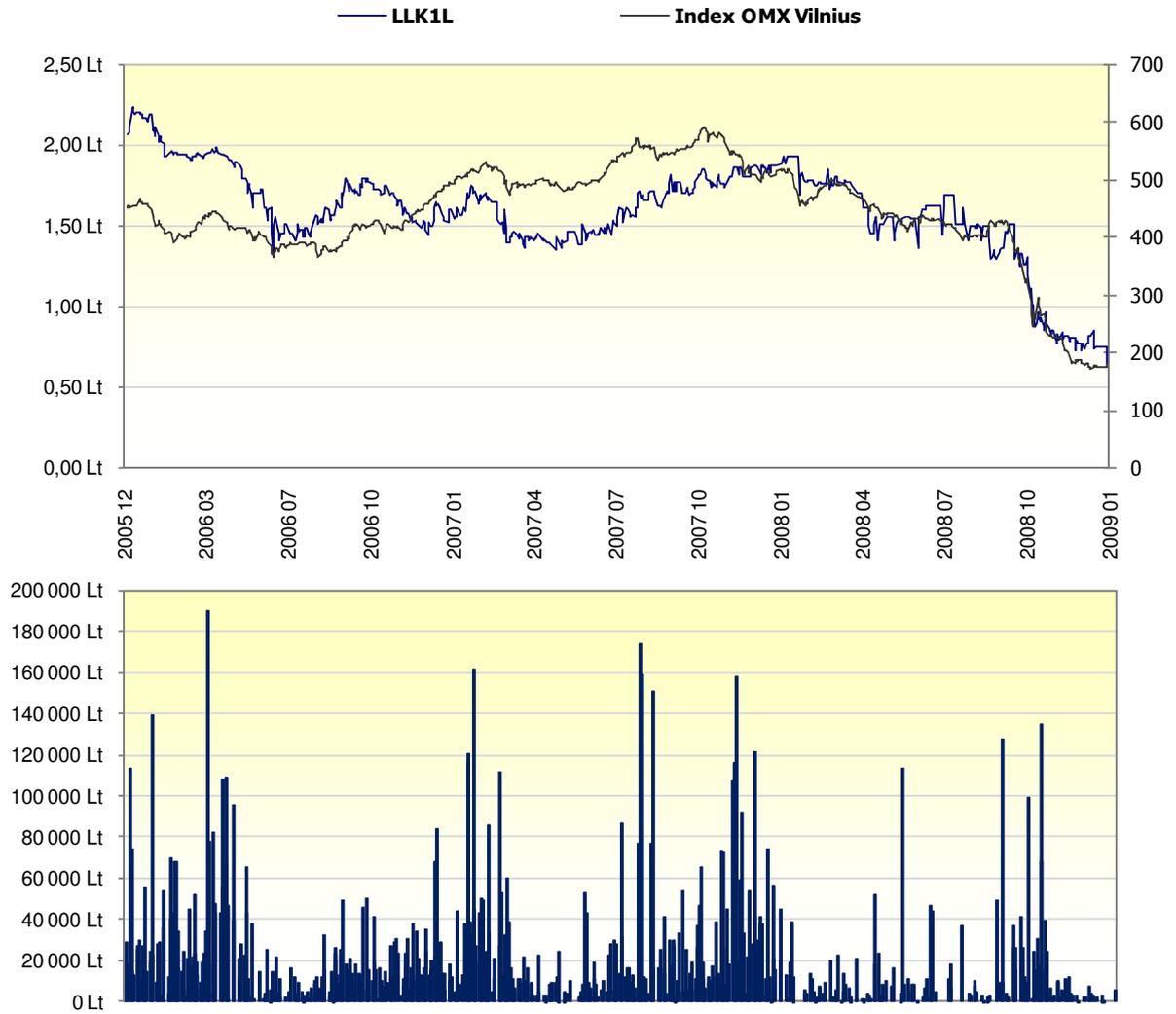
g) The loan was received to finance the acquisition of the vessel "Tokata". The loan is to be repaid by 15 June 2011 in quarterly payments. The loan is secured by pledging the vessel "Tokata".

g) The loan was received to finance the acquisition of the vessel "Cassiopea". The loan is to be repaid by 18 September 2015 in quarterly payments. The loan is secured by pledging the vessels "Cassiopea", "Astra", as well as "Uranus" by secondary pledge.



Dynamics of share price and turnover

Dynamics of Limarko laivininkystės kompanija AB share price and turnover in NASDAQ OMX Vilnius 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 & CEO 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 Chief Technical Officer of Limarko laivininkystės kompanija AB. In 1975 he graduated from the Department of Maritime Navigation at Klaipėda 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

The Board of Limarko laivininkystės kompanija AB, aiming to optimise the management of the company and to reduce management costs, approved the new organizational and management structure of the company.



In the new structure, the head of administration shall be the CEO, which replaces the current position of the President. After this amendment Mr. Vytautas Lygnugaris shall remain the head of the administration.

As of 2 February 2009, the company operates through its four departments - Operations, Technical, Finance and Legal and Corporate Affairs. The latter was established by reorganising the Personnel department and other departments. Mr. Audronis Lubys shall be Chief Operations Officer, Mr. Steponas Ranonis - Chief Technical Officer, Mr. Renaldas Vyšniauskas - Chief Financial Officer, Mr. Mindaugas Petrauskas - Director for Legal and Corporate Affairs. Chief Operations and Technical Officers shall be the vice CEOs.

The positions of the CEO and vice CEOs are planned to be effected by amending the Articles of Association of the Company in the annual General Meeting.

