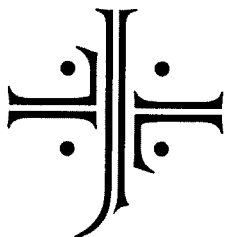


AKCINĖ BENDROVĖ
"LIETUVOS JŪRŲ LAIVININKYSTĖ"



PUBLIC COMPANY
"LITHUANIAN SHIPPING COMPANY"

To: Lithuanian Securities commission
Konstitucijos pr.23,
LT-08105 Vilnius,
Lithuania

2008-11-26 Nr. 101-5-435
Klaipėda

I _____ Nr. _____

CONFIRMATION BY THE RESPONSIBLE PERSONS OF PUBLIC COMPANY
"LITHUANIAN SHIPPING COMPANY"

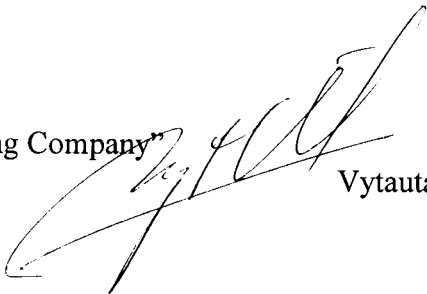
With reference to the Law on Securities of the Republic of Lithuania ,Article 22 ,and the Rules of the Securities Commission of the Republic of Lithuania on preparation and submission of the periodical and further information , we, Vytautas Petras Vismantas , General Director and Arvydas Stropus , Chief Accountant of the Public Company " Lithuanian Shipping Company" hereby confirm that to the extent of our knowledge the enclosed financial statement of the Public Company "Lithuanian Shipping Company" of the 30 September 2008, made in accordance with the International Financial Reporting Standards, corresponds to the facts and properly demonstrates the assets, liabilities, financial state, profit or loss of Public Company "Lithuanian Shipping Company".

Attach:

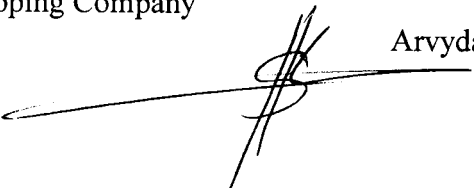
Financial statement of Public Company " Lithuanian Shipping Company " 30 September 2008.

Public Company "Lithuanian Shipping Company"
General Director




Vytautas Petras Vismantas

Public Company "Lithuanian Shipping Company"
Chief Accountant


Arvydas Stropus

**“LITHUANIAN SHIPPING COMPANY”
(PUBLIC COMPANY)**

FINANCIAL STATEMENT OF THE 30 SEPTEMBER 2008

**Financial statements of AB "Lietuvos Jūrų Laivininkystė" 30 September 2008
(in thousands LTL, if not stated otherwise)**

EXPLANATORY NOTES

General Information

AB "Lietuvos jūrų laivininkystė" (LJL) is a joint-stock company established after reorganizing AB "Lietuvos jūrų laivininkystė" (LISCO) by way of division. LJL was registered in the Registry of Legal Entities, certificate No. 027245. LJL registration date is 27 June 2001, its company code is 110865039. The address of LJL is Malunininku str. 3, Klaipėda. Main activities of the Company are cargo carrying by sea transport and lease of ships.

The Company's management bodies are general meeting of shareholders, supervisory board, board of directors and head of management.

On 30 September 2008 the Company had 475 employees, of which 56 in coast divisions and 419 on board.

On 30 September 2008 the Company's shareholders were:

	2008-09-30	
	Number of shares	Ownership percent
State Property Fund (VĮ Valstybės turto fondas)	16.669.791	8,3%
Ministry of Transport and Communication	113.833.000	56,66%
„Hansabank clients“	16.289.741	8,1
DFDS TOR LINE A/S	11.108.420	5,5%
Other small shareholders	43.000.344	21,44%

II. Accounting Policy

Main principles of accounting, which are the basis of preparation of these financial statements, are set out below. These principles were applied consistently in all presented periods, unless stated otherwise.

In the process of preparing financial statements in accordance with International Financial Reporting Standards, the Company's management have to make estimates and assumptions, which have an effect on the carrying amounts of assets and liabilities as well as on required disclosures

**Financial statements of AB "Lietuvos Jūrų Laivininkystė" 30 September 2008
(in thousands LTL, if not stated otherwise)**

on the reporting date and on amounts of income and expenses recognised during the reporting period. These estimates may vary from the actual results.

(a) Basis of Preparation

The Company's financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The financial statements are prepared in accordance with the accrual and going concern principles. Following the accrual principle, transactions and other events are recognised and recorded in the accounts when they occur, and are presented in the financial statements of such periods.

The financial statements are prepared assuming that AB "Lietuvos jūrų laivininkystė" (LJL) does not have any intentions or requirements to be liquidated or reduce significantly the scope of its operations.

During the reporting period the Company has started to apply all new and revised Standards and Interpretations approved by the International Accounting Standards Board (IASB) or the International Financial Reporting Interpretations Committee (IFRIC), which are relevant to the Company's operations and become effective from the reporting periods beginning on 1 January 2007.

Amendments to IAS 39 "Financial Instruments: Recognition and Measurement" and IFRS 4 "Insurance Contracts" related to "Financial Guarantee Contracts" have to be applied in the reporting periods of the Company starting on or after 1 January 2007. The purpose of these amendments is to ensure that the issuers of financial guarantee contracts account for liabilities related to such contracts in their balance sheets. As the Company does not have any transactions of such nature, the application of this Standard did not have any significant effect on the Company's financial statements.

Amendment to IAS 19 related to "Actuarial Gains or Losses, Group's Plans and Disclosures". This amendment is not relevant to the Company;

Amendment to IAS 39 related to "Fair Value Option". This amendment is not relevant to the Company;

Amendment to IAS 21 related to "Net Investment in a Foreign Operation". This amendment is not relevant to the Company;

Amendment to IAS 39 related to "Cash Flow Hedges of Forecast Intragroup Transactions". This amendment is not relevant to the Company;

IFRS 6 "Exploration for and Evaluation of Mineral Resources". This Standard is not relevant to the Company;

**Financial statements of AB "Lietuvos Jūrų Laivininkystė" 30 September 2008
(in thousands LTL, if not stated otherwise)**

IFRIC 4 "Determining Whether an Arrangement Contains a Lease". The Company reviewed its agreements and determined they are not affected by this Interpretation;

IFRIC 5 "Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds". This Interpretation is not relevant to the Company;

IFRIC 6 "Liabilities Arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment". This Interpretation is not relevant to the Company;

Amendment to IFRS "First-time Adoption of International Financial Reporting Standards" and IFRS 6 "Exploration for and Evaluation of Mineral Resources". This amendment is not relevant to the Company;

IFRIC 7 "Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies". The management believe this Interpretation is not relevant to the Company;

IFRIC 8 "Scope of IFRS 2". The management believe this Interpretation is not relevant to the Company;

IFRIC 9 "Reassessment of Embedded Derivatives". The management believe this Interpretation is not relevant to the Company;

IFRIC 11 "IFRS 2: Group and Treasury Share Transactions". The management believe this Interpretation is not relevant to the Company;

IFRIC 12 "Service Concession Arrangements". The management believe this Interpretation is not relevant to the Company.

(b) Non-current Assets

In the financial statements all economic resources controlled by the Company are recognised as assets if the Company can reasonably expect to obtain future economic benefits from using the resources and they have a value which can be measured reliably.

Non-current assets presented in the financial statements are stated at the acquisition or production cost of the assets less their accumulated depreciation and impairment value. In accordance with the procedure for non-currents assets accounting approved on 18 July 2001 by the board of directors, LJL recognises assets as non-current tangible assets if their acquisition value is at least LTL 1000 and they are going to be used for more than one year. Residual value of non-current assets is LTL 1, except for "Akville", "Asta", "Audre" and "Daina" ships (residual value 9-9,5% of acquisition value), "Alka", "Deltuva" (Clipper Eagle) and "Clipper Falcone", "Venta" ships (10% of acquisition value), "Romuva" (2%), "Voruta", "Svilas" and "Staris" (9,5%) and administrative building (6,3%).

**Financial statements of AB "Lietuvos Jūrų Laivininkystė" 30 September 2008
(in thousands LTL, if not stated otherwise)**

Depreciation is calculated from the first day of the next month having started using a non-current tangible asset; it is discontinued from the first day of the next month after its write-off, sale or when all value of a non-current asset in use (less the residual value) is transferred into the cost of goods or services. The assets are depreciated on the basis of the straight-line method.

The management determines the useful life of an asset at the moment of acquisition, later it is reviewed every year. Useful life of assets is determined on the basis of past experience related to similar items as well as expected future events, which may affect the useful life.

If repairs of a non-current tangible asset do not upgrade its useful features (nor will these repairs lead to future income), the value of such works is recognised as expenses of the reporting period when they are carried out.

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there are indications of impairment. If such indications are noticed, the recoverable amounts of such assets are determined. A recoverable amount is the higher of an asset's expected net realisable value and its value in use. An impairment loss is recognised if the carrying amount of an asset is higher than its recoverable amount. All losses related to impairment are presented in the income statement.

In accordance with the requirements of classification companies the ships are repaired periodically: every five years the class of ship is confirmed after repairs (SS); three years after SS repairs dock repair works are carried out. LJJ writes off repair expenses related to class-certification within 3 years, dock repairs – within 2 years.

Non-current intangible assets are amortised within the period of 3 years.

(c) Inventories

Inventories are accounted for at the lower of cost of purchase and expected net realisable value. In order to determine the cost of inventories sold FIFO method is applied. Net realisable value is estimated as expected selling price less expenses related to the sale.

When inventories are purchased from third parties, their cost of purchase is their purchase price combined with all purchase-related taxes (custom duties, etc.), transportation, preparation for use and other costs directly attributable to the purchase of the inventories, less received discounts and rebates. Insignificant (or stable for several reporting periods) amounts of inventories transportation and preparation for use costs are written off to operating expenses rather than included into the cost of purchase.

(d) Amounts Receivable

On recognition amounts receivable are measured at their fair value. Thereinafter, current amounts receivable are measured taking into account their impairment, non-current amounts receivable are measured at a discounted value less any impairment loss in value.

(e) Cash And Cash Equivalents

**Financial statements of AB "Lietuvos Jūrų Laivininkystė" 30 September 2008
(in thousands LTL, if not stated otherwise)**

Cash comprises cash in hand and in bank accounts. Cash equivalents are liquid investments readily convertible into a known cash amount. The term of these investments is up to three months and they are subject to insignificant risk of changes in value.

In the cash flow statement cash and cash equivalents comprise cash in hand, cash at current accounts, other short-term liquid investments.

(f) Liabilities

Borrowing expenses are written off when they are incurred. At the initial recognition, liabilities are stated at the fair value of received funds less the cost of transaction. Thereinafter, they are accounted for at amortised cost, and the difference between the funds received and amount payable within the period of loan is included into the profit or loss for the period. Liabilities are recognised as non-current if a financing agreement made by the date of the financial statements' approval confirms that they are long-term in substance.

(g) Provisions

Provisions are recognised when and only when the Company has a legal obligation or irrevocable commitment as a result of past events; and it is probable that an outflow of resources embodying economic benefits will be required to settle it; and the amount of obligation can be measured reliably. Provisions are reviewed at each balance sheet date and adjusted to reflect the most accurate current estimates. When the time effect on the value of money is significant, the amount of provision is equal to the present value of outflows, which are expected to be required for the settlement of obligation. When discounting is used, an increase in provision reflecting the past period is recorded as interest expenses.

(h) Income Tax

Computation of corporate income tax is based on a yearly profit and is made in accordance with the requirements of the tax laws of the Republic of Lithuania. Deferred income tax is calculated on the basis of temporary differences in the carrying amounts of assets and liabilities in the financial statements and their tax bases. An amount of deferred income tax depends on expected useful lives of assets and future repayments of liabilities and expected tax rates of the corresponding periods. A standard rate of corporate income tax for Lithuanian entities is 15%, however, in 2007 the Company chose to pay a tonnage tax and computes corporate income tax on the basis of ships' payload capacity. Deferred income tax and assets are no longer computed.

In accordance with the amendment of 3 May 2007 of the Law on Corporate Income Tax of the Republic of Lithuania, AB "Lietuvos Jūrų Laivininkystė" chose to calculate a fixed rate corporate income tax for the tax period beginning with 2007 and subsequent tax periods. The base of the fixed rate corporate income tax is calculated for each 100 payload capacity units (CU) of a sea-going vessel by applying a fixed daily amount and multiplying the resulting amount by the number of days in a tax period of a shipping entity.

(I) Revaluation of Currency

**Financial statements of AB "Lietuvos Jūrų Laivininkystė" 30 September 2008
(in thousands LTL, if not stated otherwise)**

In the accounting records transactions in foreign currencies are stated in the national currency, litas (LTL), in accordance with the official exchange rate of litas and foreign currency announced by the Bank of Lithuania at the transaction date, except for accumulated income and expenses, which are stated based on the official exchange rate of litas and foreign currency announced by the Bank of Lithuania on the last day of the reporting period.

In the balance sheet currency entries are stated in accordance with the official exchange rate of litas and foreign currency announced by the Bank of Lithuania at the date of the financial statements. The Company's owned cash in foreign currencies as well as all amounts receivable and payable in foreign currencies are considered to be currency entries.

Changes in currency entries, which occurred due to changes in the exchange rate of litas and foreign currency announced by the Bank of Lithuania and arose when performing currency transactions or revaluating currency entries registered earlier, are recognised as income or expenses from financial activities of the related reporting period.

(j) Income Recognition

The moment of rendering services is recognised as the moment of earning income. Service provision is completed when the buyer pays for services at once or takes on an obligation to pay for them later without any significant additional conditions (when both parties sign a corresponding document: invoice, delivery note, etc.). Cash received as prepayment is recorded in accounts as an increase in the Company's liabilities to clients. In this case, income is recognised when the services are rendered.

(k) Expenses Recognition

The cost of rendered services is always connected with the services rendered during the reporting period. It comprises a portion of costs incurred during the reporting period in order to render the services sold. When it is impossible to relate directly the costs of the reporting period with earning some specific income and they are not going to earn income in the coming periods, such costs are recognised as expenses of the period when they are incurred.

(l) Use of Estimates in Preparation of Financial Statements

When they prepare the financial statements, the management have to make certain assumptions and estimates, which influence the presented amounts of assets, liabilities, income and expenses and disclosures of contingencies. Significant accounts of these financial statements, which are influenced by estimates, include depreciation, impairment and provisions. Future events may influence the assumptions used to make estimates. The results of such changes in estimates will be presented in the financial statements when they are uncovered.

(m) Contingencies

**Financial statements of AB "Lietuvos Jūrų Laivininkystė" 30 September 2008
(in thousands LTL, if not stated otherwise)**

Contingent liabilities are not recognised in the financial statements. They are disclosed in the financial statements, except for the cases when it is hardly probable that the outflow of economic resources will be required.

(n) Managing Financial Risks

The Company's transactions are made on international markets in euros and US dollars, therefore, the risk related to fluctuations and changes in foreign currency exchange rates is unavoidable. Credit risk or risk related to the failure of partners to fulfil their obligations is controlled through applying credit terms and control of procedures. The Company does not face a significant credit risk related to any of its partners or partner groups. The Company avoids liquidity risk by keeping a sufficient flow of cash and cash equivalents or receiving financing in a credit form, by planning its cash flows in advance. The Company does not use any financial instruments to mitigate its financial risks.

(o) Events After the Balance Sheet Date

Events after the balance sheet date, which provide additional information about the Company's position at the balance sheet date (events leading to adjustment), are reflected in the financial statements. Post balance sheet events not leading to adjustment are disclosed in the notes if they are significant.

Financial statements of AB "Lietuvos Jūrų Laivininkystė" 30 September 2008
(in thousands LTL, if not stated otherwise)

III. Explanatory Notes to Accounts

1. *Non-current Intangible Assets*

Indicators	Computer software
Acquisition cost	
31 December 2005	288,2
Acquisitions	11,2
Write-offs	
Transfers to other accounts	
31 December 2006	299,4
Acquisitions	3,3
Write-offs	1,5
31 December 2007	301,2
Acquisitions	59,6
Write-offs	
30 September 2008	360,8
Accumulated amortisation	
31 December 2005	275,1
Calculated during the period	13,5
Write-offs	
Transfers to other accounts	
31 December 2006	288,6
Calculated during the period	6,8
Write-offs	1,5
Transfers to other accounts	
31 December 2007	293,9
Calculated during the period	3,5
30 September 2008	297,4
Carrying amount	
31 December 2005	13,1
31 December 2006	10,8
31 December 2007	7,3
30 September 2008	63,4

Intangible assets of 2008 year have increased after purchase of MS Windows and Office licenses in September

Financial statements of AB "Lietuvos Jūrų Laivininkystė" 30 September 2008
(in thousands LTL, if not stated otherwise)

2. Non-current Tangible Assets, in thousand LTL

Indicators	Buildings and construction	Machinery	Ships	Other vehicles	Repairs	Other tangible assets	Total
Acquisition cost							
31 December 2005	3.737,4	4.631,6	346.32750	726,4	9.402,4	579,2	365.404,5
Acquisitions		1.461,0	43.348,0		1.766,0	36,0	46.611,0
Write-offs		681,0	9.981,0		5.733,0	138,0	16.533,0
Transfers to other accounts							
31 December 2006	3.737,4	5.411,6	379.694,5	726,0	5.435,4	477,2	395.482,5
Acquisitions		1.860,7	66.609,4	75,4	2.310,2	175,7	71.032,9
Write-offs		-1.827,4	-26.549,8		4.236,9	-92,3	-32.706,4
Transfers to other accounts							
31 December 2007	3.737,4	5.444,9	419.754,1	801,8	3.510,2	560,6	433.809,0
Acquisitions		1.342,1	77.222,2		3.502,5	51,1	82.117,9
Write-offs	64,9	486,6	10.970,5		1.476,3	55,4	13.321,7
30 September 2008	3.672,5	6.302,4	486.005,8	801,8	5.266,4	556,3	502.605,2
Revaluation /impairment							
31 December 2005			-36.886,0				
Revalued (+), impaired (-) Depreciated during the period							
31 December 2006			-36.886,0				
Revalued (+), impaired (-) Depreciated during the period							
31 December 2007			-36.886,0				
30 September 2008			-36.886,0				
Accumulated depreciation							
31 December 2005	233,0	2.773,0	84.554,0	184,0		348,5	88.092,5
Calculated during the period	57,0	526,0	24.395,0	158,0		52,0	25.188,0
Write-offs		430,0	6.183,0			102,0	6.715,0
Transfers to other accounts							
31 December 2006	290,0	2.869,0	102.766,0	342,0		298,5	106.565,5
Calculated during the period	57,1	786,7	26.522,2	158,9		60,2	27.585,1
Write-offs		-1.216,4	-20.601,4			-51,9	-21.869,7
Transfers to other accounts							

