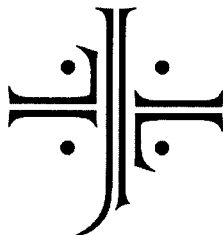


AKCINĖ BENDROVĖ
"LIETUVOS JŪRŲ LAIVININKYSTĖ"



PUBLIC COMPANY
"LITHUANIAN SHIPPING COMPANY"

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

2010-05-21

Nr. (05)-5-378
Klaipėda

l _____ Nr. _____

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

Following the Rules of Preparation and Submission of Periodic and Supplemental of the Securities Commission of the Republic of Lithuania as well as the Law on Securities of the Republic of Lithuania, Item 22, we hereby confirm that, to the best of our knowledge Financial statements for the year ended 31 March 2010, drawn in accordance with the International Financial Reporting Standards, corresponds to the reality and properly reflects the assets, liabilities, financial state, profit or loss of Public Company "Lithuanian Shipping Company".

Public Company "Lithuanian Shipping Company"
Acting General Director

Sigutė Noreikaitė

Public Company "Lithuanian Shipping Company"
Chief Accountant

Arvydas Stropus

“LIETUVOS JŪRŲ LAIVININKYSTĖ”
(Limited Liability Company)

FINANCIAL STATEMENTS
As at 31 March 2010

AB „Lietuvos jūrų laivininkystė“
Company code 110865039, address Malūnininkų str. 3, LT-92264 Klaipėda
Financial statements for the period ended on 31 March 2010
(in thousands of Litas, if not stated otherwise)

Explanatory Notes to the Financial Statements 31 March 2010

I. General Information.

AB "Lietuvos jūrų laivininkystė" (LJL) – limited liability company - established after reorganizing AB "Lietuvos jūrų laivininkystė" (LISCO) by the means of division. LJL was registered in the Registry of Legal Entities, certificate No. 027245. LJL was registered on 27 June 2001 with the company code 110865039. The Company is residing on Malūnininkų str. 3, Klaipėda. Operating activities of the Company include cargo transportation with sea transport and lease of ships.

The managing bodies of the Company include the general meeting of shareholders, supervisory board, board of directors and head of management.

As at 31 March 2010 the Company employed 409 people, 49 of which worked in coast divisions and 360 aboard.

As at 31 December 2009 the shareholders of the Company included:

	31.03.2010		31.03.2009	
	Number of shares	Equity, %	Number of shares	Equity, %
State Property Fund	9.596.998	4,78%	16.689.155	8,31%
Ministry of Transport and Communication	113.833.000	56,66%	113.833.000	56,66%
Swedbank AS (Estonia)	11.828.851	5,89%	11.706.741	5,83%
DFDS TOR LINE A/S	11.108.420	5,53%	10.414.479	5,18%
UAB Concern "Achemos grupė"	12.360.009	6,15%	10.523.528	5,24%
Other small shareholders	42.174.018	20,99%	37.804.261	18,82%
Total	200.901.290	100,00%	200.901.296	100,00%

II. Accounting Policy

Compliance with the Standards

Financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS) and their interpretations, approved by the International Accounting Standards Board (IASB) and provided for application in the EU Regulation EC 1606/2002, concerning the application of international accounting standards.

Basis for Financial Statement Preparation

In the financial statements the numbers are presented in Litas. This currency is the functional currency of the Company. Annual financial statements are prepared on the basis of historic cost and accounting records managed in accordance with the laws and legal acts of the Republic of Lithuania.

When preparing the financial statements according to IFRS, approved for application in the EU, the management has to make estimates and evaluations for the assumptions, which then influence the application of accounting policy and numbers related to assets, liabilities, income and expenses. Evaluations and related assumptions are based on the historic experience and other factors, which correspond to the current conditions and on the basis of the results of which the conclusion on the residual values of assets and liabilities is made and which cannot be determined based on any other sources. Actual results may differ from the estimates.

Evaluations and related assumptions are reviewed constantly. The influence of the change in the evaluation is recognized in the period of evaluation review, if it has any influence on that period, or in the

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evaluation review period and future periods, if the evaluation influences both - the review and the future periods.

Standards, standard adjustments and interpretations valid in 2009

In 2009 the Company applied IAS 1 "Presentation of Financial Statements". The adjustment involves different changes including: introduction of new definitions, the changed methods for disclosing equity capital transactions and introduction of the new comprehensive income statement. The requirements, related to the presentation of the financial statements in the presence of the retrospective adjustments, were also changed.

The below stated standards, standard adjustments and interpretations are due to be applied on the reporting periods starting on (or after) the 1st of January 2009, but not applicable to the activities of the Company:

IFRS 1 „First-time Adoption of International Financial Reporting Standards“
IFRS 2 „Share-based payment“
IFRS 3 „Business Combinations (revised)“ and IAS 27 „Consolidated and Separate Financial Statements“ and the out coming adjustments made to IAS 7 „Statement of Cash Flows“, IAS 28 „Investments in Associates“ and IAS 31 „Interests in Joint Ventures“.
IFRS 7 „Financial Instruments: Disclosures“
IFRS 8 „Operating Segments“
IAS 32 „Financial Instruments: Presentations“
IAS 39 „Financial Instruments: Recognition and Measurement“
IFRIC 12 „Service Concession Arrangements“
IFRIC 13 „Customer Loyalty Programmes“
IFRIC 14 „IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction“
IFRIC 15 „Agreements for the Construction of Real Estate“
IFRIC 16 „Hedges of a Net Investment in a Foreign Operation“
IFRIC 17 „Distributions of Non-cash Assets to Owners“
IFRIC 18 „Transfers of Assets from Customers“
IAS 20 „Accounting for Government Grants and Disclosure of Government Assistance“
IFRS 5 „Non-current Assets Held for Sale and Discontinued Operations“
IAS 27 „Consolidated and Separate Financial Statements (revised)“
IAS 38 „Intangible Assets“
IAS 41 „Agriculture“

Adjustments made to the following standards have no significant influence on the financial statements: IAS 40 „Investment Property“, IAS 16 „Property, Plant and Equipment“, IAS 36 „Impairment of Assets“, IAS 12 „Income Taxes“, IAS 21 „Changes in Foreign Exchange Rate“, IAS 23 „Borrowing Costs“.

Standards, standard adjustments and interpretations, which are not yet valid and the Company did not apply them before time

Below stated standards, standard adjustments and interpretations are due to be applied on the reporting periods of the Company starting on or after the 1st of January 2010 or any later periods, but which the Company did not apply before time:

IAS 1 „Presentation of Financial Statements“ – the adjustment of a standard determines the presentation of convertible instruments in separate groups as current and non-current. Although it is not usual to classify the liabilities, issued as property securities, into current and non-current, but after supplementing the description of current liabilities with the assumption that if a party is allowed to not fulfil the liability for at least 12 months by transferring the property securities or paying in cash, the liability is recognized as non-current. The Company did not issue any such instruments, therefore the financial statements of the Company will not be influenced by the adjustment.

IAS 7 „Statement of Cash Flows“ – the adjustment states that only expenses, which are recognized as assets in the statement of financial position (balance sheet), are attributable to the investing activities.

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The Company assumes the previous recognition of expenses will not differ significantly from the current requirements.

IAS 17 “Leases” – the adjustment removes the differences for classifying the land and building lease. Following the criteria stated in IAS 17, it is determined that the land lease might be classified either as operating lease or finance lease. The validation of the adjusted standard will not influence the financial statements of the Company.

IAS 36 “Impairment of Assets” – the adjustment is related to interpretation, which states that when applying the goodwill impairment test, the unit creating the largest amount of income might be recognized as the operating segment as it is determined in paragraph 5 in IFRS 8, i.e. before the integration of similar segments. The adjustment is not relevant to the Company and therefore will have no influence of the financial statements of the Company.

IAS 38 “Intangible Assets” – the adjustments are related to the requirements in IFRS 3, concerning the accounting and fair value application of the intangible assets, acquired when joining the ventures. The adjustments are not relevant to the Company and therefore will have no influence of the financial statements of the Company.

IAS 39 “Financial Instruments: Recognition and Measurement” – the adjustment involves different changes, including: fines, related to the previous loan return, are recognized as related derivative instruments; interpretations of exceptions applied on joint ventures; assurance by applying internal contracts; supplemented interpretations on cash flow assurance. The adjustments will not influence the financial statements of the Company.

IAS 32 “Financial Instruments: Presentation” – the adjustment specifies the recognition criteria, which determine whether the financial instrument should be recognized as financial liability or as the equity instrument. The adjustment will not influence the financial statements of the Company significantly.

IAS 18 “Revenue” is supplemented with references on the subject of determining whether the Company operates as the main service provider or as the intermediate. The supplement will not influence the financial statements of the Company.

Changes in the Accounting Principles

The below stated accounting principles of the Company were systematically applied on all periods presented in the financial statements.

Transactions in Foreign Currency

Transactions in foreign currency are evaluated in Litas regarding the official foreign currency exchange rate announced by the Bank of Lithuania on the day of the transaction. Monetary assets and liabilities in foreign currency are evaluated in Litas regarding the foreign currency exchange rate on the day of the statement of financial position. All operations pursued in Euros were converted applying the fixed exchange rate announced by the Bank of Lithuania (1 EUR=3,4528 LTL) and the accounts in US dollars are recalculated applying the exchange rate where 1 USD=2,4052 LTL.

Differences in currency exchange rates, occurred after the operations were pursued, are recognized in the income statement. Non-monetary assets and liabilities in foreign currency and recognized at fair value are recalculated in Litas at the foreign currency exchange rate on the day of value determination.

Derivative Financial Instruments

The Company did not apply any derivative financial instruments during the periods ended on December 31, 2009.

