



LIMARKO LAIVININKYSTĖS KOMPANIJA

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1987-2007

Interim Report for the first six months of 2007

August 2007, Klaipėda

TABLE OF CONTENTS

1. The reporting cycle for which the report was drawn up.....	3
2. Issuer and its contact information.....	3
3. The Nature of the Issuer's Main Activity	3
4. Agreements with Intermediaries of Public Trading in Securities	3
5. Information about trading in the Issuer's securities on regulated markets	3
6. The objective review of the Company's state, activity performance and development; the description of the main risk types and uncertainties encountered by the enterprise	3
7. Analysis of financial and non-financial activity results.....	5
8. References and additional explanatory notes regarding the data presented in the financial accountability for the first six months of 2007	6
9. Information about own shares acquired and owned by the enterprise.....	6
10. Material events since the close of the previous financial year.....	6
11. Plans and forecast for the enterprise's activity	7
12. The Issuer's Authorized Capital Structure	7
13. Restrictions on assignment of securities	8
14. Shareholders	8
15. Shareholders having special control rights & Description of such rights	8
16. All restrictions on voting rights	8
17. All mutual agreements by shareholders, of which the Issuer is aware and due to which the assignment of securities and (or) voting rights may be restricted.....	8
18. Employees	8
19. Procedure for the amendment of the Issuer's Articles of Association	8
20. Issuer's bodies	9
21. Members of collegial bodies, the Company's chief executive officer, the chief finance officer	9
22. Information on compliance with the corporate governance code.....	9
23. Data on published information.....	9



1. The reporting cycle for which the report was drawn up

The Interim report was drawn up for the first six months of 2007; all numbers presented are as of 30 June 2007, unless otherwise indicated. In the report Limarko laivininkystės kompanija AB may be designated as Enterprise, Company or Issuer.

2. Issuer and its contact information

Issuer name:	AB "Limarko Shipping Company"
Legal and organizational form:	Public Limited Liability Company
Authorized capital:	109,450,664 LTL
Date and place of registration:	9 September 1991, Board of Klaipėda City
Registration certificate:	No. AB 95 - 114
Company code:	140346648
VAT payer's code:	LT403466412
Enterprise register:	Register of Legal Persons of the Republic of Lithuania
Office address:	Naujoji Uosto str. 8, LT-92125 Klaipėda, Lithuania
Telephone number:	+370 46 340001
Fax number:	+370 46 341195
E-mail address:	info@limarkoshipco.lt
Website address:	www.limarko.lt

3. The Nature of the Issuer's Main Activity

The main activity of Limarko laivininkystės kompanija AB is transportation of cargo by water (sea) transport. In previous years the Company was mainly operating in the market of frozen sea cargo transportation. On 17 November 2004 the General Shareholders Meeting resolved to expand the fleet by acquiring dry-cargo vessels. The main activity of Limarko laivininkystės kompanija AB became split into two fields: transportation of frozen and dry sea cargo.

The Company may engage in other activities provided for in the Articles of Association.

4. Agreements with Intermediaries of Public Trading in Securities

On 29 April 2003 the Company signed the Issuer's Service Agreement with the bank AB SEB "Vilniaus bankas", represented by the Department of Finance Markets, located at the address Gedimino pr. 12, Vilnius, tel. (8 5) 268 2687, fax (8 5) 262 6043.

5. Information about trading in the Issuer's securities on regulated markets

On 22 May 2000 the Issuer's shares were admitted to the lists of Vilnius Stock Exchange. Presently the VSE Current List of trading contains 109,450,664 ordinary registered shares of Limarko laivininkystės kompanija AB at par value of one LTL each. The ISIN code of these securities is LT0000119646.

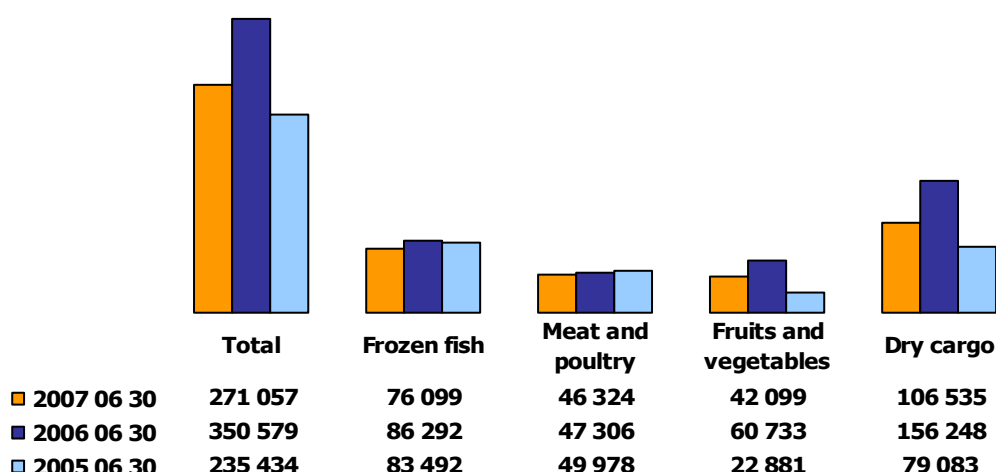
6. The objective review of the Company's state, activity performance and development; the description of the main risk types and uncertainties encountered by the enterprise

On 30 June 2007 the fleet of the Company comprises of 16 vessels: 14 being reefers, container vessel "Serenada" and dry-cargo vessel "Siuita".

On 9 February 2007 Limarko laivininkystės kompanija AB acquired motor vessels "Capella". On 22 March 2007 the Company acquired until then bareboat-chartered dry-cargo vessel "Siuita". The investment in the expansion of the fleet during the first six months of 2007 amounted to LTL 45 million.

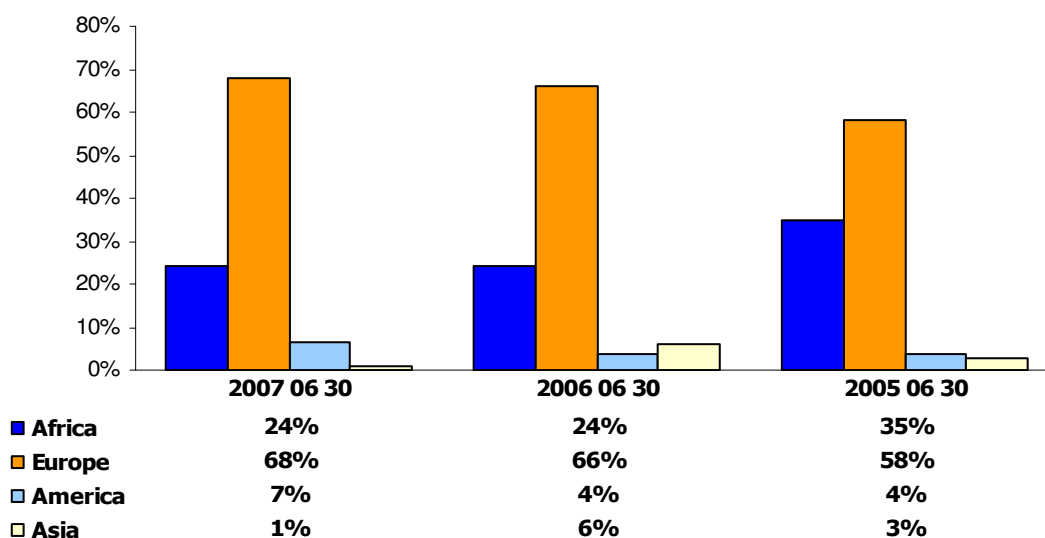
During the first six months of 2007 Limarko laivininkystės kompanija AB transported 271 thousand tons of cargo in total, whereof 61% accounted for frozen, chilled and perishable food products, and the remaining 39% accounted for dry cargo:





When compared to the first six months of 2006, the total amount of cargo transported during the first six months of 2007 decreased, the reason being that the cargo was transported on longer routes.

The main operation regions of the vessels controlled by the Company remain the continents of Europe and Africa, which respectively accounted for 68 and 24 percent of all transported cargoes. Transportations in the region of North and South America constituted 7 percent, while in Asia 1 percent of all transportations:



Risk factors related to the Issuer's activity:

Economic risk factors. The vessels of Limarko laivininkystės kompanija AB are operating in the international market of sea cargo transportation, and the quality of its rendered services conforms to the international requirements. Upon evaluation of the Enterprise's competitiveness it may be asserted that the potential of employees and vessels in possession allow at present to successfully operate in this market; nevertheless, in order to maintain the competitiveness of our services in the future, it is indispensable to pay attention to the renewal of the fleet, the implementation of which is sought by selling old vessels that require large operation costs and by acquiring newer ones.

The Enterprise's services realization volume depends on the situation in the international market. It is not dependant on monopoly consumers.



Procurement opportunities – of raw materials, consumables, manufacturing areas, workforce and financial resources – are unlimited. Raw materials and services are bought from diverse suppliers; consequently, the Company is not dependant on particular suppliers.

In the market of frozen cargo transportation there exists the influence of seasonality, which manifests itself in the decrease of transportation prices in the summer season.

Political risk factors. Having regard to the particularities of the shipping business, the European Commission in 2004 adopted the Guidelines on State aid to maritime transport (2004/C 13/03). It is established in the Guidelines that one of the main measures to strengthen the maritime transport is the reduction of fiscal and other expenses of the ship owners. The aim of such state aid measures is to ensure the competitiveness of the European Union shipping sector in relation to the third countries. The Guidelines contain state aid measures, which are exclusively designed to promote maritime transport; however, this does not influence competition between different trades of the company, because shipping is developed in international markets.

On 3 May 2007 the Parliament of the Republic of Lithuania adopted the Law amending and supplementing the Law on Profits, whereby the shipping companies can decide to pay the fixed profit tax (tonnage tax) instead of currently applied profit tax. These amendments to the Law on Profits shall enable Lithuanian shipping companies to allocate additional funds to the modernisation of the fleet.

Social risk factors. The average salary in the Enterprise exceeds the average salary in Lithuania, and there are no problems concerning the payment thereof. Part of the Enterprise's employees belongs to the trade-union of Limarko laivininkystės kompanija AB.

Technical-technological risk factors. The technical condition of the Enterprise's vessels is supervised by classification companies authorized by the national supervisory authority in charge of the technical condition of vessels. These companies certify that vessels conform to the international standards for the technical condition of vessels, that they may be operated and that no obstacles are applied to them in ports. The Enterprise's vessels undergo scheduled maintenance works, as well as dock repair works every 2-3 years in ship-repair enterprises in Lithuania and abroad.

Ecological risk factors. According to the nature of its activity, the Company releases no pollution into the environment; therefore, no fines for environment pollution had to be paid. There is no possibility of suspending the Company's activity due to the negative impact on the environment.

The main ecological risk factor is related to the operation of the Company's vessels – there exists a possibility that the negative impact on the environment may be done in the case of a vessel's incident. However, the Company's vessels are insured in respect of incidents and consequences thereof, so in these cases the damage to the environment would be indemnified and fines would be paid by the insurance company, and such incidents and consequences thereof would have no impact on the Company's financial status.

7. Analysis of financial and non-financial activity results

During the first six months of 2007 the pre-audited turnover of Limarko laivininkystės kompanija AB reached LTL 74 million and increased by 17% compared to the six months of 2006. The pre-audit net profit before taxes of the Company for the first half of 2007 was LTL 13.5 million and increased by 31% compared to the corresponding period of the last year.

The main financial results of Limarko laivininkystės kompanija AB:



LTL	H1 2007	H1 2006
Income	73 992 221	63 077 614
EBITDA	23 538 932	18 109 683
<i>EBITDA margin</i>	<i>31.8%</i>	<i>28.7%</i>
EBIT	13 629 946	9 711 789
<i>EBIT margin</i>	<i>18.4%</i>	<i>15.4%</i>
Net profit (loss)	13 462 622	10 244 340
<i>Net profit (loss) margin</i>	<i>18.2%</i>	<i>16.2%</i>
Equity	123 847 397	111 027 859
Financial debts	98 101 538	88 240 146
Total assets	243 966 510	216 476 196
Efficiency indicators:		
Return of assets, ROA (annual estimate)	5.2%	8.5%
Return on equity, ROE (annual estimate)	10.3%	16.6%
Return of capital employed, ROCE (annual estimate)	5.8%	9.2%

Following the good beginning of the year, the Company continued successful activities during the second quarter of the year. The first half of the year in the global shipping market is traditionally more active and this triggered the increasing demand for reefer vessels.

Total investments in the modernization of the fleet during the first six months of 2007 amounted to 45 million LTL. The Enterprise is planning investments in the vessels in accordance with the long-term company fleet renewal and expansion strategy, covering the period up to the year 2010. Concrete decisions depend on the situation in the world market. Currently in the global market of frozen cargo transportation there prevail favourable trends for vessel owners. The market of fruit, vegetables, frozen and chilled food products transportation is growing every year by 4 percent on the average, while the number of reefer vessels operating in the international market practically is not changing. Market experts forecast that this ratio between the demand and supply of reefer vessels that is favourable for vessel owners will remain in the proximate years.

On 30-06-2007 the Company employed 459 employees, whereof 416 worked in the fleet and 43 in the administration.

During the first six months of 2007 the Enterprise had further carried on an active social activity – Klaipeda Concert Hall, Lithuanian State Symphony Orchestra, Klaipeda Sea-sailors' Club, Universa Via School, Klaipeda Rowing Centre, Telsiai Diocese Youth Centre, M. K. Ciurlionis Fund and others were financially supported.

8. References and additional explanatory notes regarding the data presented in the financial accountability for the first six months of 2007

All financial data provided in this interim report are calculated according to the International Financial Accountability Standards and are not audited.

9. Information about own shares acquired and owned by the enterprise

During the reporting cycle the Company had acquired none of its own shares.

10. Material events since the close of the previous financial year

On 9 February 2007 Limarko laivininkystės kompanija AB acquired motor vessel "Capella". The motor vessel was built in 1993 in Japan. The maximum vessel speed is 18 knots. The vessel of 134 metres in length is designed for carriage of 3,450 standard Europalettes. Motor vessel "Capella" may carry fruit,



vegetables, frozen or perishable food products (meat, fish). After completing the vessel acquisition deal, the total capacity of the refrigerators controlled by the Enterprise has increased by the tenth and now amounts to 4 million cubic feet.

On 22 March 2007 the Company acquired until then bareboat-chartered dry-cargo vessel "Siuita".

Limarko laivininkystės kompanija AB informed Klaipėda County State Tax Inspectorate that the company decided to pay the fixed profit tax (tonnage tax) for the years 2007-2016. Fixed profit tax for Limarko laivininkystės kompanija AB for the year 2007 is estimated at up to LTL 100,000. On 3 May 2007 the Parliament of the Republic of Lithuania adopted the Law amending and supplementing the Law on Profits, whereby the shipping companies can decide to pay the fixed profit tax (tonnage tax) instead of currently applied profit tax.

11. Plans and forecast for the enterprise's activity

Considering the trends in the international market, in the year 2007 the Company is planning to earn about 12 million LTL of pre-tax profit and reach the turnover of 140 million LTL.

In the year 2007 approximately 70 million LTL are intended to be invested in the modernization of the fleet. In February of the current year the motor vessel "Capella" was already acquired. Given favourable conditions for the acquisition of vessels as well as an optimum ratio between the price and the quality, it is planned to acquire one more vessel during this year.

12. The Issuer's Authorized Capital Structure

On 30 June 2007 the Enterprise's authorized capital constituted 109,450,664 ordinary registered shares at the par value of 1 LTL each.

The company shareholders have the following property rights:

- 1) To receive a share of the Company's profit (dividend);
- 2) To receive a share of assets of the Company under liquidation;
- 3) To obtain shares gratuitously if the authorized capital is being increased from the Company's funds, excluding exceptions established by the Law on Companies;
- 4) To acquire, with the right of priority, any shares issued by the Company or convertible bonds, unless the General Meeting resolves to revoke this right for all shareholders;
- 5) To devise all or part of shares to one or more persons;
- 6) To assign all or part of shares to other persons by the right of ownership;
- 7) To lend money in favour of the Company;
- 8) Other property rights established by the Company's Articles of Association.

The company shareholders have the following non-property rights:

- 1) To participate in General Shareholders Meetings;
- 2) To obtain all information regarding the Company's economic activity;
- 3) To appeal to a court against the decisions or actions taken by the General Meeting, the Board or the head of the administration. One or more shareholders are entitled, without a separate authority, to claim the indemnification of damage caused to the shareholders;
- 4) To conclude an agreement with an auditing firm for the inspection of the Company's activity and documentation;
- 5) Other non-property rights established by the laws and the Company's Articles of Association.

The structure of the authorized capital of Limarko laivininkystės kompanija AB according to the types of shares:

Type of shares	Number of shares	Par value	General nominal value	Portion in authorized capital
Ordinary registered shares	109,450,664	1 LTL	109,450,664	100%

All shares of AB "Limarko Shipping Company" are paid-up.



13. Restrictions on assignment of securities

N/A.

14. Shareholders

The total number of shareholders of Limarko laivininkystes kompanija AB on 30 June 2007 was 468.

Shareholders who on 30 June 2007 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)	99,469,279	90.88%	90.88%	90.88%
Skandinaviska Enskilda Banken (Sergels Torg 2, 10640 Stockholm, code 502032908101)	6,327,335	5.78%	5.78%	5.78%

15. Shareholders having special control rights & Description of such rights

N/A.

16. All restrictions on voting rights

N/A.

17. All mutual agreements by shareholders, of which the Issuer is aware and due to which the assignment of securities and (or) voting rights may be restricted

N/A.

18. Employees

	2007 06 30	2006 06 30
Number of employees:	459	432
Managing personnel	6	6
On-shore employees	37	30
Seamen	416	396
Vidutinis bruto darbo užmokestis:		
Managing personnel	12 153 Lt	16 287 Lt
On-shore employees	4 091 Lt	3 378 Lt
Seamen (with daily allowance)	4 451 Lt	3 912 Lt

19. Procedure for the amendment of the Issuer's Articles of Association

The Law on Companies of the Republic of Lithuania establishes that the amendment of the Articles of Association is an exclusive right of the General Shareholders Meeting.

The Company's Articles of Association stipulate that a decision concerning the amendment of the Articles of Association shall be taken by the majority, i.e. 2/3 of all votes cast by the shareholders entitled to vote and participating in the meeting.



20. Issuer's bodies

The Company's Articles of Association determine that the Company's bodies are the General Meeting, the Board and the Head of the Administration.

The Articles of Association state that the competence of the General Meeting is established by the Law on Companies.

The Company's Board is the Company's management body, comprised of 5 members, elected in the order established by the Law on Companies for the term of four years. The Board members shall be recalled in the order established by the Law on Companies.

The Company's Articles of Association establish that the Board solves the main production, organizational, financial and economic matters of the Company, analyzes and approves the activity strategy, the application of financial resources, approves the Company's organizational and management structure, elects and recalls the head of the administration and the chief finance officer as well as performs other functions established by the Law on Companies.

The head of the administration – the president – is elected and recalled by the Board in the order established by the Law on Companies. The competence of the head of the administration is established by the Law on Companies - the head of the administration is responsible for the organization of the Company's activity, the implementation of its goals, is entitled to conclude deals in his sole discretion, excluding the cases established by the Law on Companies when the decision regarding the deal is to be adopted by the Board. While performing his activity, the head of the administration shall follow the decisions of the General Meeting and the Board.

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

Personal status	Name, surname	Number of shares owned by the Issuer	Start date	End date
Board:				
Chairperson of the Board	Vytautas Lygnugaris	-	2007 04 20	2011 04 20
Board member	Igoris Uba	-	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	Paul Lawrence	-	2007 04 20	2011 04 20
Head of administration and Finance Director:				
President	Vytautas Lygnugaris	-	2003 10 07	-
Finance Director	Renaldas Vyšniauskas	-	2004 02 17	-

22. Information on compliance with the corporate governance code

Limarko laivininkystės kompanija AB essentially follows a recommendatory Corporate Governance Code for the Companies Listed on the Vilnius Stock Exchange adopted in August 2006.

23. Data on published information

During the six months of 2007 the Issuer published the following notices on material events:

- 2007-02-20 Regarding operational results Limarko laivininkystės kompanija AB in 2006
- 2007-02-20 Limarko laivininkystės kompanija AB forecast for the year 2007
- 2007-03-20 Regarding a General Meeting of Shareholders
- 2007-04-06 Regarding Draft Resolutions of Ordinary General Meeting of Shareholders
- 2007-04-20 Resolutions of the Ordinary General Meeting of Shareholders
- 2007-04-26 Results of the first quarter of 2007



2007-06-26 Results of the first half-year of 2007

All information concerning material events publicly announced during six months of 2007 is available for familiarization at the office of Limarko laivininkystės kompanija AB at the address: Naujoji Uosto str. 8, Klaipėda, and on the Company's website www.limarko.lt.

All material events related to the Company's activity and information about the time and place of the General Shareholders Meeting and other notices to be served to the shareholders and other persons were published in Lithuanian daily newspaper "Lietuvos rytas" in the order established by the laws of the Republic of Lithuania.





AB LIMARKO LAIVININKYSTĖS KOMPANIJA
LIMARKO SHIPPING COMPANY AB

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

2007-08-08 Nr. FIN-1-145-07

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 six months of 2007, 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. We hereby also confirm, that to the best of our knowledge, the report on business development and activities in the attached Interim Report for the first six months of 2007 is correct.

Enclosure:

1. Limarko laivininkystės kompanija AB Interim Financial Statements for the six months of 2007;
2. Limarko laivininkystės kompanija AB Interim Report for the first six months of 2007.

President & CEO

Vytautas Lygnugaris

Finance Director

Renaldas Vyšniauskas



LIMARKO LAIVININKYSTĖS KOMPANIJA

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Interim Financial Statements for the first six months of 2007

August 2007, 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.

Financial statements for the first six months of 2007 are not audited. Limarko laivininkystės kompanija AB financial statements for the year ended 31 December 2006 are audited by the auditors - KPMG Baltics, UAB.

Income statement

(in Litas)

No.	ITEMS	H1 2007	H1 2006
I.	SALES INCOME	73 992 221	63 077 614
II.	COST OF SALES	56 564 005	50 502 728
III.	GROSS PROFIT (LOSS)	17 428 216	12 574 886
IV.	OPERATING COSTS	3 798 270	2 863 097
IV.1	Sales	2 316	(17 286)
IV.2	General and administrative	3 795 954	2 880 383
V.	OPERATING PROFIT (LOSS)	13 629 946	9 711 789
VI.	OTHER ACTIVITIES	303 614	59 879
VI.1.	Income	328 993	79 724
VI.2.	Expenses	25 380	19 845
VII.	FINANCING AND INVESTING ACTIVITIES	(470 938)	472 671
VII.1.	Income	2 541 106	2 917 480
VII.2.	Expenses	3 012 044	2 444 809
VIII.	PROFIT (LOSS) FROM NORMAL ACTIVITIES	13 462 622	10 244 340
IX.	GAIN		
X.	LOSSES		
XI.	PROFIT (LOSS) BEFORE TAX	13 462 622	10 244 340
XII.	PROFIT TAX		
XIII.	NET PROFIT (LOSS)	13 462 622	10 244 340



Balance sheet

(in Litas)

ASSETS		2007 06 30	2006 12 31	2006 06 30
A.	NON-CURRENT ASSETS	218 279 660	186 485 388	191 266 976
I.	INTANGIBLE ASSETS	72 872	95 906	107 153
I.1.	Development works			
I.2.	Goodwill			
I.3.	Licences and patents			
I.4.	Computer software	72 872	95 906	107 153
I.5.	Other intangible assets			
II.	TANGIBLE ASSETS	217 875 774	186 009 477	190 768 740
II.1.	Land			
II.2.	Buildings and constructions	1 947 407	1 980 658	2 571 883
II.3.	Machinery and equipment			
II.4.	Vehicles	215 361 429	180 637 630	187 939 151
II.5.	Other property, plant and equipment	566 938	283 689	257 706
II.6.	Construction in progress		3 107 500	
II.7.	Other tangible assets			
III.	FINANCIAL ASSETS	331 015	380 005	391 083
III.1.	Investments into subsidiaries and associates			
III.2.	Loans to subsidiaries and associates			
III.3.	Amounts receivable after one year		48 991	60 068
III.4.	Other financial assets	331 015	331 015	331 015
B.	CURRENT ASSETS	25 686 850	21 706 545	25 209 220
I.	INVENTORIES, PREPAYMENTS AND CONTRACTS IN PROGRESS	9 496 159	6 255 638	9 057 184
I.1.	Inventories	6 211 371	3 463 721	6 018 310
I.1.1.	Raw materials and consumables	6 211 371	3 463 721	6 018 310
I.1.2.	Work in progress			
I.1.3.	Finished goods			
I.1.4.	Goods for resale			
I.2.	Prepayments	3 284 788	2 791 917	3 038 874
I.3.	Contracts in progress			
II.	AMOUNTS RECEIVABLE WITHIN ONE YEAR	6 856 399	7 647 150	9 380 349
II.1.	Trade amounts receivable	6 485 156	7 239 916	9 072 741
II.2.	Receivables from subsidiaries and associates			
II.3.	Other amounts receivable	371 243	407 234	307 608
III.	OTHER CURRENTS ASSETS	1 420 006		
III.1.	Current investments			
III.2.	Time deposits	1 420 006		
III.3.	Other currents assets			
IV.	CASH AND CASH EQUIVALENTS	7 914 287	7 803 757	6 771 687
TOTAL ASSETS		243 966 510	208 191 933	216 476 196



EQUITY AND LIABILITIES		2007 06 30	2006 12 31	2006 06 30
C.	EQUITY	123 847 397	110 384 776	111 027 859
I.	CAPITAL	109 450 664	109 450 664	109 450 664
I.1.	Authorised (subscribed)	109 450 664	109 450 664	109 450 664
I.2.	Subscribed uncalled share capital (-)			
I.3.	Share premium			
I.4.	Own Shares (-)			
II.	REVALUATION RESERVE (RESULTS)			
III.	RESERVES	6 597 114	6 597 114	6 597 114
III.1.	Legal reserve	6 597 114	6 597 114	6 597 114
III.2.	Reserve for acquiring own shares			
III.3.	Other reserves			
IV.	RETAINED EARNINGS (LOSSES)	7 799 619	(5 663 002)	(5 019 919)
IV.1.	Profit (loss) of the reporting year profit	13 462 622	9 601 256	10 244 340
IV.2.	Profit (loss) of the previous year	(5 663 002)	(15 264 259)	(15 264 259)
D.	GRANTS AND SUBSIDIES			
E.	AMOUNTS PAYABLE AND LIABILITIES	120 119 112	97 807 157	105 448 337
I.	NON-CURRENT AMOUNTS PAYABLE AND LIABILITIES	89 424 284	72 549 126	80 755 149
I.1.	Financial debts	83 024 284	66 149 126	74 557 149
I.1.1.	Leases and similar obligations			4 882
I.1.2.	To credit institutions	83 024 284	66 149 126	74 552 267
I.1.3.	Other financial debts			
I.2.	Trade amounts payable			
I.3.	Amounts received in advance			
I.4.	Provisions			
I.4.1.	For covering liabilities and demands			
I.4.2.	For pensions and similar obligations			
I.4.3.	Other provisions			
I.5.	Deferred taxes	6 400 000	6 400 000	6 198 000
I.6.	Other amounts payable and non-current liabilities			
II.	CURRENT AMOUNTS PAYABLE AND LIABILITIES	30 694 829	25 258 031	24 693 188
II.1.	Current portion of non-current debts	15 077 254	13 168 475	13 682 997
II.2.	Financial debts			
II.2.1.	To credit institutions			
II.2.2.	Other debts			
II.3.	Trade amounts payable	8 698 892	6 045 743	6 569 288
II.4.	Amounts received in advance	577 900	923 564	715 754
II.5.	Profit tax liabilities	1 908 390	1 908 390	
II.6.	Liabilities related with labour relations	4 397 373	3 176 916	3 690 914
II.7.	Provisions			
II.8.	Other amounts payable and current liabilities	35 019	34 944	34 235
TOTAL EQUITY AND LIABILITIES		243 966 510	208 191 933	216 476 196



Statement of cash flows

No.	ITEMS	H1 2007	H1 2006
I.	Cash flows from operating activities		
I.1.	Net profit (loss)	13 462 622	10 244 340
I.2.	Depreciation and amortization costs	9 908 986	8 397 893
I.3.	Decrease (increase) in amounts receivable after one year		
I.4.	Decrease (increase) in inventory	(2 747 650)	(3 010 095)
I.5.	Decrease (increase) in advances received	(492 871)	4 593 845
I.6.	Decrease (increase) in contracts in progress	-	-
I.7.	Decrease (increase) in trade receivables	754 760	(2 989 749)
I.8.	Decrease (increase) in amounts receivable from	-	-
I.9.	Decrease (increase) in other amounts receivable	35 991	(57 257)
I.10.	Decrease (increase) in other current assets	(1 420 006)	-
I.11.	Increase (decrease) in non-current payables to suppliers	-	-
I.12.	Increase (decrease) in current payables to suppliers and	2 307 485	1 180 252
I.13.	Increase (decrease) in profit tax liability	-	-
I.14.	Increase (decrease) in liabilities connected with labour	1 220 458	1 191 627
I.15.	Increase (decrease) in provisions	-	-
I.16.	Increase (decrease) in other amounts payable and	75	(552 862)
I.17.	Elimination of financing and investing activity results	475 412	(474 970)
	Net cash flows from operating activities	23 505 263	18 523 024
II.	Cash flows from investing activities		
II.1.	Acquisition of non-current assets (excluding investments)	(44 956 988)	(53 255 902)
II.2.	Transfer of non-current assets (excluding investments)	3 181 100	3 748
II.3.	Acquisition of long-term investments		
II.4.	Transfer of long-term investments	-	-
II.5.	Loans granted	-	-
II.6.	Loans recovered	48 991	15 213
II.7.	Dividends and interest received	161 853	113 765
II.8.	Other increase in cash flows from investing activities		
II.9.	Other decrease in cash flows from investing activities		
	Net cash flows from investing activities	(41 565 044)	(53 123 177)
III.	Cash flows from financing activities		
III.1.	Cash flows related to enterprise owners:		
III.1.1.	Emission of shares	-	-
III.1.2.	Owners' contributions against losses	-	-
III.1.3.	Purchase of own shares	-	-
III.1.4.	Dividends paid	-	-
III.2.	Cash flows arising from other financing sources	18 364 393	36 729 234
III.2.1.	Increase in financial debts	30 005 748	46 948 643
III.2.1.1.	Loans received	30 005 748	46 948 643
III.2.1.2.	Issue of bonds	-	-
III.2.2.	Decrease in financial debts	(11 641 355)	(10 219 409)
III.2.2.1.	Loans repaid	(8 643 810)	(7 732 460)
III.2.2.2.	Purchase of bonds	-	-
III.2.2.3.	Interest paid	(2 992 879)	(2 442 510)
III.2.2.4.	Payments of lease (finance lease) liabilities	(4 667)	(44 440)
III.2.3.	Increase in other enterprise liabilities		
III.2.4.	Decrease in other enterprise liabilities		
III.2.5.	Other increase in cash flows from financial activities		
III.2.6.	Other decrease in cash flows from financial items		
	Net cash flows from financing activities	18 364 393	36 729 234
IV.	Cash flows from extraordinary items	-	-
IV.1.	Increase in cash flows from extraordinary items	-	-
IV.2.	Decrease in cash flows from extraordinary items	-	-
V.	The effects of changes in foreign exchange rates on	(194 081)	(932 944)
VI.	Net increase (decrease) in cash flows	110 530	1 196 137
VII.	Cash and cash equivalents at the beginning of period	7 803 757	5 575 550
VIII.	Cash and cash equivalents at the end of period	7 914 287	6 771 687



Statement of changes in equity

	<i>(in Litas)</i>			
	Share capital	Legal reserve	Retained earnings	Total equity
Balance at 1 January 2006	109 450 664	6 597 114	(15 264 259)	100 783 519
Net profit for H1 2006			10 244 340	10 244 340
Balance at 30 June 2006	109 450 664	6 597 114	(5 019 919)	111 027 859
Balance at 1 January 2007	109 450 664	6 597 114	(5 663 002)	110 384 776
Net profit for H1 2007			13 462 622	13 462 622
Balance at 30 June 2007	109 450 664	6 597 114	7 799 619	123 847 397

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 90.88% of the share capital (2007 06 30). The ordinary shares of the company are listed on the Vilnius Stock Exchange

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

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

Revenue

In Litas	H1 2007	H1 2006
Voyage charter operations	46 047 305	34 705 549
Pool operations	17 572 579	21 688 231
Time charter operations	9 377 579	6 001 107
Demurrage	994 759	682 727
Total revenue	73 992 221	63 077 614

On 30 June 2007 the fleet of the Company comprises of 16 vessels: 14 being reefers, container vessel "Serenada" and dry-cargo vessel "Siuita".

During the first six months of 2007 the pre-audited turnover of Limarko laivininkystės kompanija AB reached LTL 74 million and increased by 17% compared to the first six months of 2006.



Cost of sales

In Litas	H1 2007	H1 2006
Crew costs	13 145 700	10 937 216
Fuel	12 969 414	13 071 101
Depreciation	9 747 650	8 257 304
Repair and maintenance of vessels	7 989 219	6 070 347
Commissions	3 043 355	2 250 912
Port dues	3 011 961	3 426 380
Insurance	2 743 165	2 850 697
Lubricating oil	2 127 372	1 524 745
Other costs	1 786 170	2 114 024
	56 564 005	50 502 728

Other operating income/expenses

In Litas	H1 2007	H1 2006
Other activities income:		
Profit from sale of non-currents assets	1 579	
Rental and revenue from the sales of goods	206 152	69 581
Revenue from non-ordinary activities	121 262	10 143
Total other activities income	328 993	79 724
Other activities costs:		
Loss from sale of non-currents assets	-25 218	-3 748
Cost of sold non-current assets	-161	-16 097
Total other activities costs	-25 380	-19 845
	303 614	59 879

Operating costs

In Litas	H1 2007	H1 2006
Staff costs	1 820 598	1 568 032
Rental costs	454 651	40 749
Business trips	164 371	169 035
Depreciation and amortization	161 336	140 589
Exploitation and maintenance of real estate	146 651	38 749
Communication	97 320	127 386
Financial, legal advisory	65 706	130 613
Other costs	887 637	647 944
	3 798 270	2 863 097



Financial income/costsme

In Litas	H1 2007	H1 2006
Financial income:		
Currency exchange rate gain	2 379 253	2 803 715
Interest	161 853	113 765
Total financial income	2 541 106	2 917 480
Financial expenses:		
Interest	-2 992 879	-2 442 510
Penalties	-19 166	-2 299
Total financial costs	-3 012 044	-2 444 809
	-470 938	472 671

Depreciation

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

In Litas	H1 2007	H1 2006
Cost of sales	9 747 650	8 257 304
General and administrative operating expenses	161 336	140 589
	9 908 986	8 397 893

Investments

In Litas	H1 2007	H1 2006
Available-for-sale investments	331 015	331 015
	331 015	331 015

Available-for-sale investments include 20% of the shares of Alpha Reefer Transport GmbH. Alpha Reefer Transport GmbH is the company, through which Limarko laivininkystes kompanija AB earns pool revenue.

Although the Company has 20% investment in Alpha Reefer Transport GmbH, it does not have representation in the Board and management and, therefore, does not exercise significant influence. Accordingly, it is not treated as an associated entity under IFRS.

Inventories

In Litas	H1 2007	H1 2006
Fuel	4 948 325	5 123 669
Lubricating oil	1 271 258	895 090
Raw materials and consumables	61 788	69 550
	6 281 371	6 088 310
Allowance for slow moving inventory	-70 000	-70 000
	6 211 371	6 018 310



Receivable

In Litas	H1 2007	H1 2006
Trade receivable	6 485 156	9 072 741
Prepayments	470 365	93 627
Deferred expenses	2 814 423	2 945 248
Other receivable	371 243	307 608
	10 141 187	12 419 223

The majority of deferred expenses comprise prepaid insurance expenses.

Cash and cash equivalents

In Litas	H1 2007	H1 2006
Bank balances	7 843 536	6 720 719
Cash in hand	70 750	50 968
	7 914 286	6 771 687

Share capital

As of 30 June 2007, the authorised share capital, issued and fully paid, comprised 109 450 664 ordinary shares at a par value of Litas 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 shareholders at the balance sheet date were as follows::

	Paprastosisios akcijos	Nuosavybė
UAB "Limarko"	99 469 279	91%
Skandinaviska Enskilda Banken	6 327 335	6%
Other minority shareholders	3 654 050	3%
	109 450 664	100%

The shares are listed in Vilnius Stock Exchange.

Interest-bearing loans and borrowings

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

Lending institution	Ref	Principal amount	Balance LTL 2007 06 30	Balance LTL 2006 06 30
AB "SEB Vilniaus bankas", (mv "Andromeda")	a)	\$3 500 000	8 974 700	11 837 470
AB "SEB Vilniaus bankas", (mv "Libra")	b)	\$4 760 000	12 205 592	15 581 414
AB "Hansabankas", (mv "Pluto" and mv "Uranus")	c)	\$12 801 000	32 824 324	41 626 601
AB "Hansabankas", (mv "Capella")	d)	\$10 733 750	27 523 482	
AB "SEB Vilniaus bankas", (mv "Serenada")	e)	€ 4 800 000	16 573 440	19 163 040
"Nordea Finance Leasing"				31 621
Total liabilities			98 101 538	88 240 146
Less: current portion			-15 077 254	-13 682 997
Total long term portion of net liabilities			83 024 284	74 557 149



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 should 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 should 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 should 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 should be repaid by 31 December 2013 in quarterly payments. The loan is secured by pledging the vessels "Capella" and „Astra“.

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

Subsequent events

No material events, having influence on Company's activities, occurred after the Interim Financial Statement was prepared.

