



**AB LIMARKO LAIVININKYSTĖS KOMPANIJA**  
**LIMARKO SHIPPING COMPANY AB**

TO: Supervision Service of the Central Bank of the Republic of Lithuania  
Zirmunu str. 151  
LT-09128 Vilnius, Lithuania

2013-10-28 Nr. FIN-1-96-13

**Confirmation of responsible persons**

Following the Article 21 of the 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, Mindaugas Petrauskas, Executive Director of Limarko laivininkystės kompanija AB, and Diana Povilaitienė, Chief Accountant of Limarko laivininkystės kompanija AB, hereby confirm, that to the best of our knowledge, the enclosed Limarko laivininkystės kompanija AB Financial Statements for the nine months of 2013, prepared in accordance with International Financial Reporting Standards, 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 nine months of 2013;

Executive Director

Mindaugas Petrauskas

Chief Accountant

Diana Povilaitienė



# LIMARKO LAIVININKYSTĖS KOMPANIJA

Interim Financial Statements for the first nine months of 2013



October 2013, Klaipėda

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The interim financial statements of Limarko laivininkystės kompanija AB (LLK) have been prepared in accordance with International Financial Reporting Standards (IFRSs), as adopted by the European Union.

Interim financial statements for the first nine months of 2013 are not audited.

### Statement of financial position

In thousand of Litas	Note	2013-09-30	2012-12-31	2012-09-30
<b>Assets</b>				
Property, plant and equipment	6	123 465	133 620	141 496
Intangible assets	7	7	2	3
Other investments				
Long term receivable		264		
<b>Total non-current assets</b>		<b>123 736</b>	<b>133 622</b>	<b>141 499</b>
Inventories	8	584	967	968
Trade and other receivable	9	3 513	5 615	5 062
Cash and cash equivalents	10	2 695	1 298	1 973
<b>Total current assets</b>		<b>6 793</b>	<b>7 880</b>	<b>8 004</b>
<b>Total assets</b>		<b>130 529</b>	<b>141 502</b>	<b>149 503</b>
<b>Equity</b>				
Share capital		8 600	20 000	45 000
Reserves				
Retained earnings		2 473	(11 442)	(33 916)
<b>Total equity</b>	11	<b>11 073</b>	<b>8 558</b>	<b>11 084</b>
<b>Liabilities</b>				
Interest-bearing loans and borrowings	12			42 988
Other long-term liabilities		300	300	268
<b>Total non-current liabilities</b>		<b>300</b>	<b>300</b>	<b>43 256</b>
Interest-bearing loans and borrowings	12	110 844	123 471	84 840
Trade and other payables	14	8 311	9 173	10 322
<b>Total current liabilities</b>		<b>119 155</b>	<b>132 644</b>	<b>95 162</b>
<b>Total liabilities</b>		<b>119 455</b>	<b>132 944</b>	<b>138 419</b>
<b>Total equity and liabilities</b>		<b>130 529</b>	<b>141 502</b>	<b>149 503</b>

The notes set out on pages 6 to 20 form an integral part of these financial statements.



**Statement of comprehensive income**

In thousand of Litas	Note	July- September 2013	July- September 2012	January- September 2013	January- September 2012
Revenue	1	6 937	9 832	30 824	39 748
Cost of sales	2	(7 669)	(10 631)	(25 155)	(39 898)
<b>Gross profit</b>		<b>(731)</b>	<b>(799)</b>	<b>5 669</b>	<b>(150)</b>
Other operating income	3	2	197	112	497
Other operating expenses	3	(0)	(11 304)	(547)	(25 136)
Administrative expenses	4	(818)	(608)	(2 496)	(2 319)
<b>Operating profit before financing costs</b>		<b>(1 547)</b>	<b>(12 514)</b>	<b>2 738</b>	<b>(27 108)</b>
Financial income		1 580		1 580	0
Financial expenses		1 502	3 904	(1 802)	(3 331)
<b>Net financial costs/income</b>	5	<b>3 082</b>	<b>3 904</b>	<b>(222)</b>	<b>(3 331)</b>
<b>Profit (loss) before tax</b>		<b>1 535</b>	<b>(8 610)</b>	<b>2 516</b>	<b>(30 439)</b>
Income tax expense					
<b>Profit (loss) for the period</b>		<b>1 535</b>	<b>(8 610)</b>	<b>2 516</b>	<b>(30 439)</b>
Other comprehensive income					
<b>Total comprehensive income, net of income tax</b>		<b>1 535</b>	<b>(8 610)</b>	<b>2 516</b>	<b>(30 439)</b>

The notes set out on pages 6 to 20 form an integral part of these financial statements.



### Statement of cash flows

In thousand of Litas	Note	January- September 2013	January- September 2012
<b>Cash flows from operating activities</b>			
Profit (loss) for the period		2 516	(30 439)
Adjustments for:			
Depreciation	6	6 056	13 624
Amortization	7	3	5
Gain (loss) on disposal of property, plant and equipment	3	545	24 908
Effects of exchange rate changes on borrowings	5	(1 865)	782
Interest expenses, net	5	1 801	2 419
<b>Net cash from ordinary activities before any changes in working capital</b>		<b>9 055</b>	<b>11 300</b>
Change in inventories		382	3 233
Change in receivable		1 678	(2 620)
Change in trade and other payables		(818)	(13 979)
<b>Net cash generated from ordinary activities</b>		<b>10 296</b>	<b>(2 066)</b>
Net interests paid / received		(1 801)	(2 419)
Income tax paid		(43)	(58)
<b>Net cash used in operating activities</b>		<b>8 453</b>	<b>(4 543)</b>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment	6	(4 279)	(192)
Acquisitions of intangible assets	7	(7)	
Proceeds from sale of property, plant and equipment		7 992	19 988
<b>Net cash from investing activities</b>		<b>3 706</b>	<b>19 796</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings			
Repayment of borrowings		(10 762)	(13 463)
<b>Net cash used in financing activities</b>		<b>(10 762)</b>	<b>(13 463)</b>
<b>Change in cash and cash equivalents</b>		<b>1 397</b>	<b>1 790</b>
<b>Cash and cash equivalents at 1 January</b>		<b>1 298</b>	<b>184</b>
<b>Cash and cash equivalents at 30 September 2013</b>		<b>2 695</b>	<b>1 973</b>

The notes set out on pages 6 to 20 form an integral part of these financial statements.



### Statement of changes in equity

Thousand Litas	Note	Share capital	Legal reserve	Retained earnings	Total equity
As at 1 January 2012		120 212	7 645	(86 334)	41 523
<b>Comprehensive income for the period</b>					
Net profit (loss) for for January-September 2012				(30 439)	(30 439)
<b>Total comprehensive income for the period</b>				<b>(30 439)</b>	<b>(30 439)</b>
<b>Transactions with owners recognised in equity</b>					
Transfers from reserves			(7 645)	7 645	
Reduction of authorised capital		(75 212)		75 212	
<b>Total transactions with owners</b>		<b>(75 212)</b>	<b>(7 645)</b>	<b>82 857</b>	
At 30 September 2012	11	<b>45 000</b>		<b>(33 916)</b>	<b>11 084</b>
As at 1 January 2013		20 000		(11 442)	8 558
<b>Comprehensive income for the period</b>					
Net profit (loss) for for January-September 2013				2 516	2 516
<b>Total comprehensive income for the period</b>				<b>2 516</b>	<b>2 516</b>
<b>Transactions with owners recognised in equity</b>					
Transfers from reserves				11 400	
Reduction of authorised capital		(11 400)			
<b>Total transactions with owners</b>		<b>(11 400)</b>		<b>11 400</b>	
At 30 September 2013	11	<b>8 600</b>		<b>2 473</b>	<b>11 073</b>

The reduction of the share capital is presented in note 11.

The notes set out on pages 6 to 20 form an integral part of these financial statements.

### Explanatory letter

Limarko laivininkystės kompanija AB (the "Company") is a company registered in Lithuania. The Company provides the services of transportation of cargo by sea transport (vessels).

The major shareholder of the Company is Limarko UAB, a company incorporated in Lithuania, which owns 94.2% of the share capital (30 September 2013). The ordinary shares of the Company are listed on the NASDAQ OMX Vilnius.

The interim financial statements for the first nine months of 2013 have been prepared in accordance with International Financial Reporting Standards (IFRSs), as adopted by the European Union.

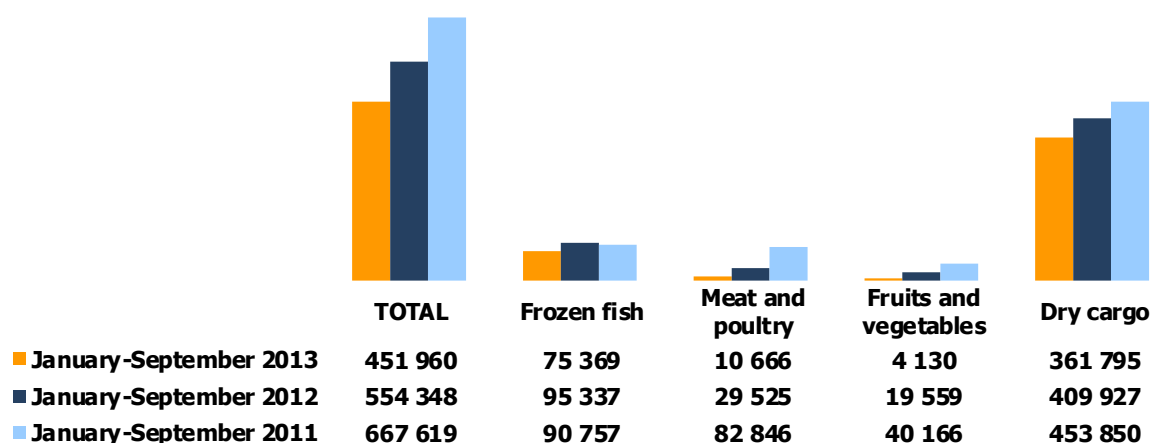
The financial statements are presented in Lit, the legal currency of Lithuania, which is considered to be the functional currency of the Company, and are prepared on the historical cost basis except for available-for-sale financial assets which are measured at fair value, accounting records are maintained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

On 30 September 2013 the fleet of the Company consisted of 6 vessels: 4 reefers and 2 container vessels.



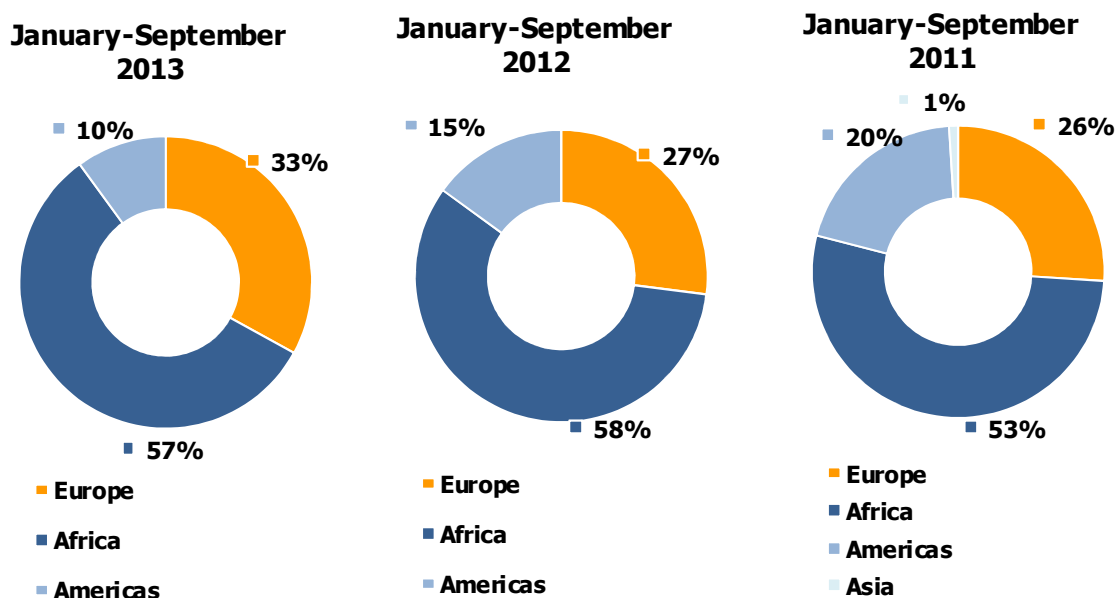


During the nine months of 2013 Limarko laivininkystės kompanija AB transported a total of 452 thousand tons of cargo, whereof 80% accounted for dry cargo accounted and the remaining 20% for frozen, chilled and perishable food products:



The total amount of cargo transported during the nine months of 2013 decreased by 18%, when compared to the first nine months of 2012. The main reason for the decrease – diminishing fleet of the Company. Due to varying length of transportation routes and cargo structure, revenue of the Company is not directly related to the quantity of cargo transported.

During the nine months of 2013, the main discharge regions of company’s vessels were West Africa and Europe, which respectively accounted for 57 and 33 percent of all transported cargo. Transportations in Americas constituted 10 percent.



The revenue of Limarko laivininkystės kompanija AB for the nine months of 2013 amounted to LTL 30.8 million and decreased by 22% when compared to the revenue of LTL 39.7 million during the nine months of 2012.





During the nine months of 2013 the Company achieved the EBITDA of LTL 9.2 million. The EBITDA for the nine months of 2012 was LTL 11.2 million

The profit of the Company for the nine months of 2013 was LTL 2.5 million. The loss of the Company for January-September of 2012 was LTL 30.4 million.

The decrease of the exchange rate of the US Dollar resulted in LTL 1.6.million profit from currency exchange rate change.

## 1. Revenue

In thousand of Litas	January-September 2013	January-September 2012
Pool operations	21 345	23 802
Time charter operations	8 790	11 000
Voyage charter operations	688	4 784
Demurrage		161
<b>Total revenue</b>	<b>30 824</b>	<b>39 748</b>

As of September 30 2013, the Company owned 6 vessels: 4 reefer ships and 2 container ships (as of 30 June 2012 – 4 reefer ships and 3 container ships).

As of September 30 2013, 4 ships were operated under a Pool agreement and 2 ships under long-term charter agreements (As of September 30 2012, 4 ships were operated under a Pool agreement, 3 ships under long-term charter agreements).

## 2. Cost of sales

In thousand of Litas	January-September 2013	January-September 2012
Crew costs	(9 313)	(12 514)
Depreciation	(6 014)	(13 539)
Repair and maintenance of vessels	(4 005)	(3 983)
Insurance	(1 988)	(2 916)
Lubricating oil	(1 478)	(2 215)
Commissions	(589)	(465)
Fuel	(608)	(2 417)
Port dues	(72)	(528)
Other costs	(1 088)	(1 321)
	<b>(25 155)</b>	<b>(39 898)</b>



### 3. Other operating items

In thousand of Litas	January-September 2013	January-September 2012
Net gain on sale of property, plant and equipment	1	177
Other income	110	321
	<b>112</b>	<b>497</b>

In thousand of Litas	January-September 2013	January-September 2012
Net loss on sale of property, plant and equipment	(547)	(25 085)
Other expenses		(51)
	<b>(547)</b>	<b>(25 136)</b>
	<b>(435)</b>	<b>(24 639)</b>

The Company sold m/v Serenada (built 1999) in May 2013.

### 4. Administrative expenses

In thousand of Litas	January-September 2013	January-September 2012
Staff costs	(1 523)	(1 505)
Rental costs	(165)	(125)
Business trips	(164)	(93)
Operation and maintenance expenses of real estate	(63)	(67)
Depreciation and amortization	(45)	(90)
Communication	(30)	(41)
Other costs	(506)	(399)
	<b>(2 496)</b>	<b>(2 319)</b>

### 5. Net financial income / costs

In thousand of Litas	January-September 2013	January-September 2012
Financial income:		
Currency exchange rate gain	1 580	
Total financial income	<b>1 580</b>	<b>0</b>
Financial expenses:		
Currency exchange rate loss		(868)
Interest on borrowings	(1 801)	(2 419)
Penalties	(1)	(44)
Total financial costs	<b>(1 802)</b>	<b>(3 331)</b>
	<b>(222)</b>	<b>(3 331)</b>



## 6. Property, plant and equipment

In thousand of Lit	Land and buildings	Vessels and cars	Other assets	Total
<b>Cost</b>				
Balance at 1 January 2012	411	323 814	1 263	325 487
Acquisitions		192		192
Disposals	(11)	(81 879)	(603)	(82 493)
Balance at 30 September 2012	400	242 127	659	243 186
Balance at 1 January 2013	400	241 346	623	242 369
Acquisitions		4 277	2	4 279
Disposals		(20 063)	(315)	(20 377)
Balance at 30 September 2013	400	225 560	310	226 270
<b>Depreciation and impairment losses</b>				
Balance at 1 January 2012	171	129 102	1 129	130 401
Depreciation charge for the period	23	13 553	49	13 624
Disposals	(7)	(41 771)	(558)	(42 335)
Balance at 30 September 2012	187	100 883	620	101 690
Balance at 1 January 2013	195	107 959	595	108 749
Depreciation charge for the period	23	6 013	20	6 056
Disposals		(11 686)	(314)	(12 000)
Balance at 30 September 2013	218	102 287	301	102 805
<b>Carrying amounts</b>				
At 1 January 2012	240	194 712	134	195 086
At 30 September 2012	213	141 244	39	141 496
At 1 January 2013	205	133 387	28	133 620
At 30 September 2013	182	123 274	9	123 465

### Security

As of 30 September 2013, ships with the carrying amount of 123 472 thousand Lit (as at 30 September 2012 – 141 245 thousand Lit) were pledged to secure bank loans (see note 12).

### Depreciation

Depreciation is recognised in the following items of the statement of comprehensive income:

In thousand of Lit	January-September 2013	January-September 2012
Cost of sales	(6 014)	(13 539)
General and administrative operating expenses	(42)	(86)
	<b>(6 056)</b>	<b>(13 624)</b>



With tax administrator's consent, as from 1st January 2013, the Company amended vessels' depreciation norms from 24-30 years to 30-35 years (from building year).

## 7. Intangible assets

In thousand of Litas	Software	Total
Balance at 1 January 2012	316	316
Acquisitions		
Disposals	(37)	(37)
Balance at 30 September 2012	279	279
Balance at 1 January 2013	277	277
Acquisitions	7	7
Disposals	(2)	(2)
Balance at 30 September 2013	282	282
<b>Amortisation and impairment losses</b>		
Balance at 1 January 2012	308	308
Amortisation for the period	5	5
Disposals	(37)	(37)
Balance at 30 September 2012	276	276
Balance at 1 January 2013	275	275
Amortisation for the period	3	3
Disposals	(2)	(2)
Balance at 30 September 2013	275	275
<b>Carrying amounts</b>		
At 1 January 2012	8	8
At 30 September 2012	3	3
At 1 January 2013	2	2
At 30 September 2013	7	7

Amortisation charge is provided in cost of sale and administrative costs.

## 8. Inventories

In thousand of Litas	2013-09-30	2012-09-30
Lubricating oil	584	731
Fuel		237
	584	968

During the nine months of 2013 fuel and lubricants, amounting to 2 086 tLTL (during the nine months of 2012 – 4 632 tLTL) were recognized under cost of sales.



## 9. Receivables

In thousand of Litas	2013-09-30	2012-09-30
Trade receivable	2 142	3 706
Prepaid expenses	785	966
Prepayments	48	3
Other receivable	539	387
	<b>3 513</b>	<b>5 062</b>

The majority of prepaid expenses comprise of prepaid insurance expenses.

The ageing of trade and other receivables as at 30 September 2013 and 2012 can be specified as follows:

In thousand of Litas	Trade and other receivables not past due an impairment allowance on which is not recognised	Trade receivables past due an impairment allowance on which is not recognised					Total
		Less than 30 days	30–59 days	60–89 days	90–359 days	More than 360 days	
2012-09-30	4 093						4 093
2013-09-30	2 680						2 680

### *Quality of financial assets not past due on which no impairment allowance has been formed*

No indication exists that receivables which are not past due and not impaired as at reporting date will not be settled as the Company provides services only to well known and solvent third parties.

## 10. Cash and cash equivalents

In thousand of Litas	2013-09-30	2012-09-30
Bank balances	2 668	1 958
Cash in hand	27	15
	<b>2 695</b>	<b>1 973</b>

In accordance with loan agreements with Swedbank AB and AB SEB Bankas, the Company has pledged existing and future cash balances in certain bank accounts to these banks.

## 11. Share capital

As of 30 September 2013, the authorised share capital, issued and fully paid, comprised 8 600 000 ordinary shares at a par value of LTL 1 each. The movement in share capital during the nine months of 2013 in the table below:

	Number of shares	General nominal value
31 December 2012	20 000 000	20 000 000
Reduction of authorized capital according to the Shareholders' meeting on 30 April 2013	8 600 000	8 600 000
30 September 2013	8 600 000	8 600 000



On 30 April 2013 the Annual General Meeting decided to reduce the authorized capital from 20 000 000 LTL to 8 600 000 LTL by cancelling shares in order to cancel the losses recorded in the balance sheet and to restore the ratio between equity and authorised capital to the level required by law. The amended Articles of Association with reduced authorised capital were registered on 16 May 2013.

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.

The total number of shareholders of Limarko laivininkystes kompanija AB on 30 September 2013 was 630.

Shareholders who on 30 September 2013 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 140765379)	8 099 693	94,2%	94,2%	94,2%

Limarko UAB pledged shares of Limarko laivininkystes kompanija AB to the banks (AS „UniCredit Bank“, „Swedbank“, AB and AB SEB bankas), securing the performance of the credit agreements with subject banks by Limarko laivininkystes kompanija AB. Limarko UAB retained voting rights and property in the shares.

### **Equity**

According to the Law on Companies of the Republic of Lithuania, equity of the company cannot be lesser than one half of the authorised capital of the company.

According to the Financial statements of the Company for the year ended 31 December 2012, equity of the company, as of 31 December 2012 amounted to 8 558 thousand Litass and was less than one half of the authorised capital of the Company (10 000 thousand Litass). Compared to the data as of 31 December 2012, the shareholders' equity decreased by 1 920 tLTL to 6 638 tLTL during the first quarter of 2013. Therefore, on 30 April 2013 the Annual General Meeting decided to reduce the authorized capital from 20 000 000 LTL to 8 600 000 LTL by cancelling shares in order to cancel the losses recorded in the balance sheet and to restore the ratio between equity and authorised capital to the level required by law. The amended Articles of Association with reduced authorized capital were registered on 16 May 2013.



## 12. Interest-bearing loans and borrowings

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

Lending institution	Ref	Principal amount	Balance tLTL 2013-09-30	Balance tLTL 2012-09-30
AB SEB Bankas, (mv "Andromeda", mv "Libra")	a)	3 788 tUSD	9 692	18 411
„Swedbank“, AB, (mv "Pluto" and mv "Uranus")	b)	3 876 tUSD	9 919	10 385
„Swedbank“, AB, (mv "Capella")	c)	4 295 tUSD	10 990	12 098
„Swedbank“, AB (mv "Cassiopea")	d)	7 826 tUSD	20 026	21 907
UniCredit Bank, (mv "America Feeder")	e)	5 248 tUSD	13 430	16 041
UniCredit Bank, (mv "Tokata")	f)	18 285 tUSD	46 788	48 986
<b>Total liabilities</b>		<b>43 319 tUSD</b>	<b>110 844</b>	<b>127 828</b>
Less: current portion		43 319 tUSD	110 844	(84 840)
<b>Total long term portion of net liabilities</b>				<b>42 988</b>

All loans and borrowings have been reported as current liabilities, as part of the loans mature on 31 October 2013 and the Company will negotiate with the banks to amend the repayment schedule.

a) The loan was received to finance acquisition of the vessels "Andromeda" and "Libra". The loan is to be repaid by 31 October 2013. The loan is secured by pledging the vessels "Andromeda" and "Libra".

b) The loan was received to finance the acquisition of the vessels "Pluto" and "Uranus". The loan is to be repaid by 31 October 2013.

c) The loan was received to finance the acquisition of the vessel "Capella". The loan is to be repaid by 31 December 2013.

d) The loan was received to finance the acquisition of the vessel "Cassiopea". The loan is to be repaid by 18 September 2015.

Loans b), c) and d) are secured by pledging the vessels "Capella" and "Cassiopea".

e) The loan was received to finance the acquisition of the vessel "America Feeder". The loan is to be repaid by 30 September 2017.

f) The loan was received to finance the acquisition of the vessel "Tokata". The loan is to be repaid by 31 October 2013.

Loans e) and f) are secured by pledging the vessels "Tokata" and "America Feeder".

Currently, the Company is negotiating with the banks to defer the repayment terms, and is expecting to reach a positive agreement in the near future.

## 13. Deferred tax assets and liabilities

Due to the fact that in 2007 the Company chose a fixed tonnage tax, the base of which is independent of the Company's results, no temporary differences between tax and financial reporting exist. Due to this no deferred taxes arise in the Company.





#### 14. Trade and other payables

In thousand of Litas	2013-09-30	2012-09-30
Trade payable	5 757	7 121
Remuneration payable and related taxes	2 322	2 867
Amounts received in advance for voyages	203	301
Other payable	29	33
	<b>8 311</b>	<b>10 322</b>

#### 15. Contingencies

At the issuance date of the financial statements the Company did not have any contingent liabilities.

#### 16. Contingent assets and liabilities

The tax authorities have not performed a full scope tax review of Limarko Shipping Company AB for the period from 2008 to 2012. According to prevailing tax legislation the tax authorities have the right to check accounting registers and records of the company for 5 years prior to the current accounting period and may charge additional taxes and penalties. The Company's management is not aware of any circumstances that may give rise to a potential material liability in this respect.

#### 17. Segment reporting

Segment reports to the management of the company are prepared on a type of vessels basis – vessels of each segment operate in different markets. There are two segments based on the vessels' types – reefers and container vessels. The Company operates exclusively in the international shipping market and geographical segment reporting is not possible.



### During the nine months of 2013:

In thousand of Lit	Reefers	Containers	Unallocated	Total
Voyage income	21 299	9 525	-	30 824
Voyage costs *	14	(1 284)	-	(1 270)
<b>Net voyage result</b>	<b>21 313</b>	<b>8 241</b>		<b>29 554</b>
Vessel operating costs **	(11 511)	(6 361)	-	(17 871)
Administration expenses	-	-	(2 451)	(2 451)
<b>Operating result before depreciation, EBITDA</b>	<b>9 803</b>	<b>1 880</b>	<b>(2 451)</b>	<b>9 231</b>
Depreciation	(3 524)	(2 489)	(45)	(6 058)
<b>Operating result, EBIT</b>	<b>6 278</b>	<b>(610)</b>	<b>(2 496)</b>	<b>3 173</b>
Other operating	(0)	(438)	3	(435)
Interest expenses	(1 021)	(780)	-	(1 801)
Result on currency exchange rate	997	868	(286)	1 580
Net other financial items	-	-	(1)	(1)
Taxes	-	-	-	-
<b>Net result</b>	<b>6 255</b>	<b>(959)</b>	<b>(2 780)</b>	<b>2 516</b>
Segment property, plant and equipment	67 280	55 995	198	123 472
Segment borrowings	50 626	60 218	-	110 844
Aquisition of property, plant and equipment	4 277	-	9	4 286

\* Voyage costs comprise: fuel costs, port duties, commissions.

\*\* Vessel operating costs comprise: labour related costs, repair and maintenance costs, insurance costs, communication costs, etc.

### During the nine months of 2012:

In thousand of Lit	Reefers	Containers	Unallocated	Total
Voyage income	28 747	11 000	-	39 748
Voyage costs *	(2 940)	(477)	-	(3 418)
<b>Net voyage result</b>	<b>25 807</b>	<b>10 523</b>		<b>36 330</b>
Vessel operating costs **	(16 582)	(6 359)	-	(22 941)
Administration expenses, excluding impairment of vessels	-	-	(2 229)	(2 229)
Impairment of vessels	-	-	-	-
<b>Operating result before depreciation, EBITDA</b>	<b>9 225</b>	<b>4 164</b>	<b>(2 229)</b>	<b>11 160</b>
Depreciation	(9 548)	(3 992)	(90)	(13 629)
<b>Operating result, EBIT</b>	<b>(323)</b>	<b>172</b>	<b>(2 319)</b>	<b>(2 469)</b>
Other operating	(24 643)	19	(15)	(24 639)
Interest expenses	(1 066)	(1 353)	-	(2 419)
Result on currency exchange rate	(500)	(288)	(79)	(868)
Net other financial items	-	(2)	(42)	(44)
Taxes	-	-	-	-
<b>Net result</b>	<b>(26 533)</b>	<b>(1 452)</b>	<b>(2 455)</b>	<b>(30 439)</b>
Segment property, plant and equipment	68 527	72 718	254	141 499
Segment borrowings	51 834	75 994	-	127 828
Aquisition of property, plant and equipment	-	192	-	192

\* Voyage costs comprise: fuel costs, port duties, commissions.

\*\* Vessel operating costs comprise: labour related costs, repair and maintenance costs, insurance costs, communication costs, etc.



## 18. Fair value of financial instruments

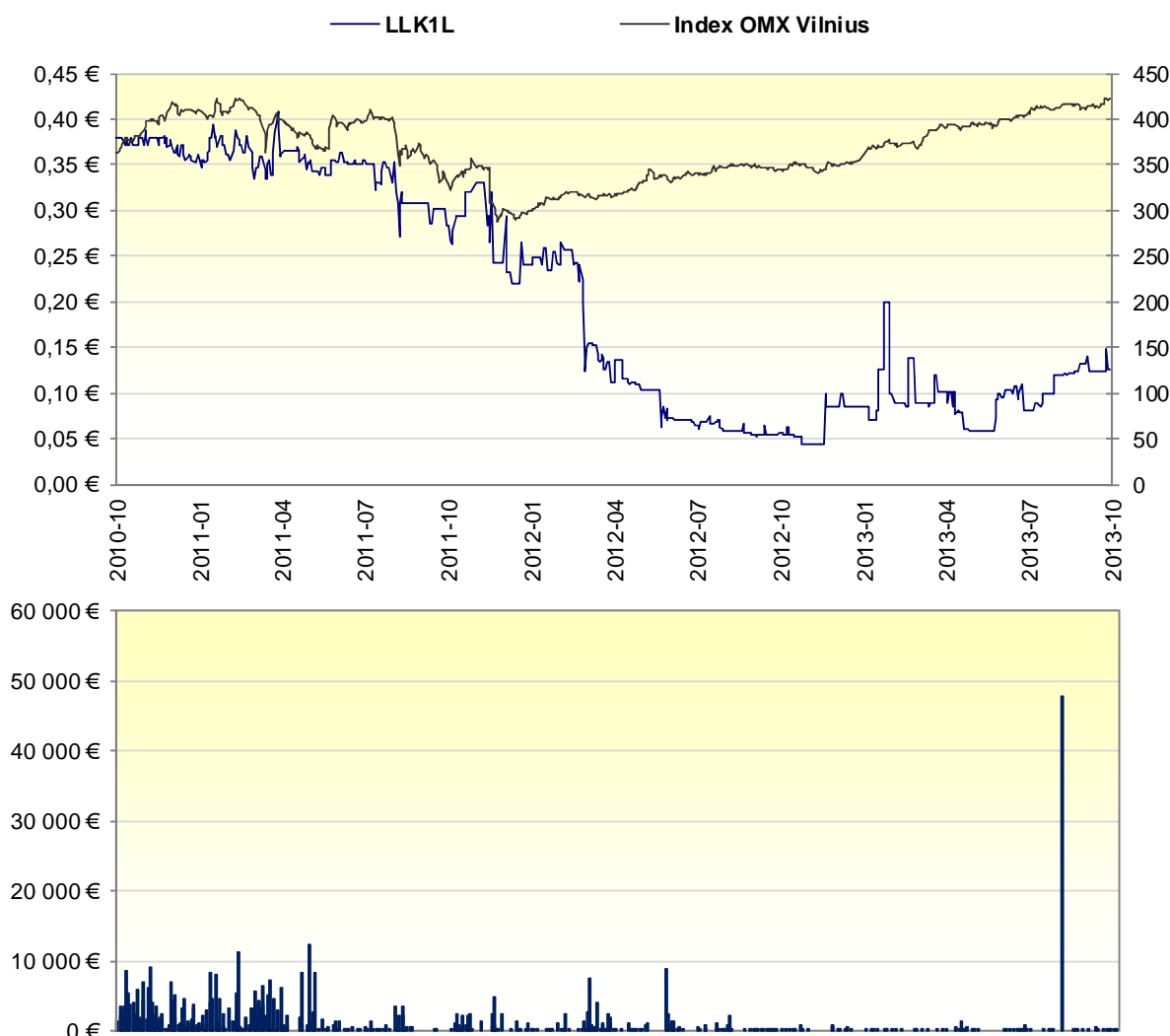
The Company does not have any financial instruments carried at fair value.

Fair value is defined as the amount at which the instrument could be exchanged between knowledgeable willing parties in an arm's length transaction, other than in forced or liquidation sale. As fair values cannot be obtained with reference from quoted market prices the discounted cash flow models are used.

Trade and other receivable amounts as well as trade and other payable amounts are of short-term nature. Received loans and borrowings bear variable interest rates, which are reviewed every 3-6 months. Therefore, the management is of the opinion that carrying amounts of these financial instruments are similar to their fair values.

### *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:



Information about trading in Limarko Shipping Company AB shares on NASDAQ OMX Vilnius stock exchange during the nine months of 2013:

Opening price	Lowest price	Highest price	Last price	Average price	Turnover (unites)	Turnover
0,056 €	0,056 €	0,199 €	0,125 €	0,116 €	486 272	56 215 €

LLK market capitalisation as of 30 September 2013 was LTL 3.7 million (as at 30 September 2012 - LTL 8.5 million).

**Members of collegial bodies, the Company's executive director, the chief accountant**

Personal status	Name, surname	Number of shares owned in the Issuer	Start date	End date
<b>Board:</b>				
Chairman of the Board	Vytautas Lygnugaris	-	2011-04-29	2015-04-29
Board member	Igoris Uba	-	2011-04-29	2015-04-29
Board member	Audrius Žiugžda	-	2011-04-29	2015-04-29
Board member	Egidijus Bernotas	-	2011-04-29	2015-04-29
Board member	Aurimas Lygnugaris	-	2011-04-29	2015-04-29
<b>Head of administration and Chief financial officer:</b>				
Executive Director	Mindaugas Petrauskas	716	2012-07-02	-
Chief Accountant	Diana Povilaitienė	-	2011-03-01	-

Vytautas Lygnugaris - Chairman of the Board of Limarko laivininkystės kompanija AB. Mr. Lygnugaris is also the Chairman of the Board of Lithuanian Ship-owners Association, Limarko UAB, Limarko jūrų agentūra UAB and Baltkonta 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, member of the Board of Limarko UAB, Limarko jūrų agentūra UAB and Baltkonta UAB. In 2004 he graduated from the Baltic Management Institute with the executive MBA. In 1984 he graduated from State Maritime Academy of St. Petersburg.

Audrius Žiugžda – member of the Board. Mr. Žiugžda is the Chief Executive Officer and Deputy Chairman of the Board of Šiaulių bankas, AB, Board Member of Vytautas Magnus University. During 1992-2010 held various positions within AB SEB bank and during 2006-2010 he was the Chairman of the bank. In 2010 Mr. Žiugžda was the Advisor to CEO of TEO LT. In 1995 completed studies of business administration and management in Vytautas Magnus University and was awarded Master's degree. The Company considers A. Žiugžda 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, Mediaras UAB and Charity Fund "Sport future". 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.

Aurimas Lygnugaris – member of the Board. Mr. Aurimas Lygnugaris is the Member of the Board of Limarko jūrų agentūra UAB. From 2009 till end of 2012 Mr. Aurimas Lygnugaris was the head of Klaipėda Region Corporate Customers Unit at Nordea Bank Finland Plc Lietuvos; during 2004-2009 held various positions at Swedbank, AB. In 2004 he graduated from International School of Management with a Bachelor of Business Management (specialization – Finance management), in 2011 he graduated from the Baltic Management Institute with the executive MBA.



Mindaugas Petrauskas – executive director. Mindaugas Petrauskas is the Member of the Board of Limarko UAB and the deputy director of Limarko UAB. In 2002 he graduated from Vilnius University with Masters degree in Law; in 2004 – graduated from Cardiff University with LL.M. degree in Legal Aspects of Marine Affairs. M. Petrauskas has been working for Limarko laivininkystės kompanija AB since 2004.

Diana Povilaitienė – Chief Accountant of the Company. Diana Povilaitienė graduated from the Economics Faculty of Vilnius University in 1995. During 1997-2003 she was the accountant at AB „Vakarų skirstomieji tinklai“ and senior accountant during 2003-2004. She started working as an accountant at Limarko laivininkystės kompanija AB in 2004. She became Deputy Chief Accountant in 2008 and Chief Accountant in 2011.

### **Committees constituted in the Company**

Personal status	Name, surname	Number of shares owned in the Issuer	Start date	End date
<b>Audit Committee:</b>				
Independent Member	Arūnas Bučys	-	2011-05-13	2015-04-29
Member	Vaida Kazlauskaitė	-	2011-05-13	2015-04-29

Arūnas Bučys – the independent member of the Audit Committee of Limarko laivininkystės kompanija AB. During 1990-1994 he was the Chief Accountant of Kiras UAB, during 1994-2002 – finansist of Koris UAB. During this time he learned at the Audit Institute and obtained the status of independent auditor in 1997. From 2002 he is the director – auditor of Pajūrio auditas UAB.

Vaida Kazlauskaitė – Chief Accountant of Limarko UAB (from 2007); from 2001 to 2007 she worked at Prorūna UAB, Žemaitijos auditas UAB, Audito ir konsultacijų biuras, UAB as accounting and finance consultant, assistant auditor. In 2007 she graduated from Kaunas Technological University with a master degree in economics (specialisation – accounting and finance).

The functions of the Audit Committee are to:

1. Observe the process of preparation of Company's financial statements;
2. Observe the effectiveness of Company's systems of internal controls and risk management;
3. Observe the process of Company's audit;
4. Monitor independence and impartiality of the external auditor;
5. Make recommendations to the Management Board related to the selection of the auditor, conditions of the audit contract and other issues in respect of Company's accounting, budget control and audit.



## **Employees**

	<b>2013-09-30</b>	<b>2012-09-30</b>	<b>2011-09-30</b>
<b>Number of employees</b>	<b>225</b>	<b>293</b>	<b>406</b>
Managing personnel	2	2	5
Specialists	113	154	207
Technicians	110	137	194

On September 30 2013 the Company employed 225 employees, whereof 209 worked in the fleet and 16 in the administration.

On September 30 2012 the Company employed 293 employees, whereof 275 worked in the fleet and 18 in the administration.

The decrease of the number of employees was triggered by the decrease in the number of vessels owned.

Company's Collective Bargaining Agreement does not contain very special rights or obligations of the employees.

## **Data on published information**

In accordance with the requirements of securities market regulations, the Company during the nine months of 2013 publicly announced the following information:

28 February 2013 Unaudited operational results for the year 2012

9 April 2013 Regarding the change of Q financial results after audit and regarding the ratio of equity and authorised capital

9 April 2013 Notice on the Annual General Meeting of Shareholders

24 April 2013 Operational results for the first quarter of 2013

30 April 2013 Resolutions of the Annual General Meeting of Shareholders

30 April 2013 Audited annual information for the year 2012

20 May 2013 Regarding the sale of vessel

23 July 2013 Operational results for the first half of 2013

02 August 2013 Notification on the transaction in issuer's securities by legal person associated with issuer's managers

09 August 2013 Regarding the intention of "Limarko", UAB to announce the voluntary takeover bid

27 August 2013 Interim information for the first six months of 2013

03 September 2013 Regarding the approval of the voluntary takeover bid of "Limarko", UAB

09 September 2013 Opinion of the Board of "Limarko laivininkystes kompanija", AB regarding the takeover bid

All information concerning material events publicly announced is available for familiarisation at the office of Limarko laivininkystes kompanija AB at the address: Naujoji Uosto str. 8, Klaipėda, and on the Company's website [www.limarko.com](http://www.limarko.com).

