



**AKCINĖ BENDROVĖ „LIETUVOS DUJOS“  
JOINT STOCK COMPANY LIETUVOS DUJOS**

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To: Lithuanian Securities Commission

2008-11-26

**CONFIRMATION OF RESPONSIBLE PERSONS**

Following Art. 22 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, Viktoras Valentukevičius, General Manager and Giedrė Glinskienė, Deputy General Manager-Chief Financial Officer of AB Lietuvos Dujos, hereby confirm that to the best of our knowledge, the attached AB Lietuvos Dujos Consolidated and Parent Company's Condensed Financial Statements for the Nine Months Ended 30 September 2008 Prepared According to International Financial Reporting Standards as Adopted by European Union, give a true and fair view of the assets, liabilities, financial position, profit or loss of AB Lietuvos Dujos and the Group.

General Manager

Viktoras Valentukevičius

Deputy General Manager-Chief Financial Officer

Giedrė Glinskienė

# AB LIETUVOS DUJOS

CONSOLIDATED AND PARENT COMPANY'S CONDENSED FINANCIAL  
STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2008  
PREPARED ACCORDING TO  
INTERNATIONAL FINANCIAL REPORTING STANDARDS AS ADOPTED BY EU

AB LIETUVOS DUJOS, company code 120059523, Aaguonų Str. 24, Vilnius, Lithuania  
**CONSOLIDATED AND PARENT COMPANY'S CONDENSED FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2008**  
(all amounts are in LTL thousand unless otherwise stated)

## Balance sheets

	Notes	Group		Company	
		As of 30 September	As of 31 December	As of 30 September	As of 31 December
		2008	2007	2008	2007
		(pre-audited)	(audited)	(pre-audited)	(audited)
<b>ASSETS</b>					
<b>A.</b>	<b>Non-current assets</b>	<b>2,227,422</b>	<b>2,220,673</b>	<b>2,230,980</b>	<b>2,223,695</b>
I.	Intangible assets	2,878	3,487	2,874	3,482
II.	Non-current tangible assets	2,224,469	2,216,707	2,217,294	2,209,401
II.1	Land	183	183	183	183
II.2	Buildings and structures	2,032,700	2,059,625	2,025,959	2,052,776
II.2.1	Buildings	82,278	82,542	75,537	75,693
II.2.2	Transmission networks and related installations	1,279,272	1,313,874	1,279,272	1,313,874
II.2.3	Distribution networks and related installations	662,378	654,101	662,378	654,101
II.2.4	Other buildings and structures	8,772	9,108	8,772	9,108
II.3	Machinery and equipment	80,316	84,839	80,316	84,839
II.4	Vehicles	12,370	12,025	12,349	11,994
II.5	Other equipment, tools and devices	29,741	31,123	29,418	30,754
II.6	Other non-current tangible assets	4,185	3,995	4,185	3,995
II.7	Construction in progress	64,974	24,917	64,884	24,860
III.	Non-current financial assets	75	75	10,812	10,812
III.1	Investments	-	-	10,737	10,737
III.2	Non-current accounts receivable	75	75	75	75
IV.	Deferred tax assets	-	404	-	-
<b>B.</b>	<b>Current assets</b>	<b>231,828</b>	<b>238,283</b>	<b>227,385</b>	<b>234,231</b>
I.	Inventories and prepayments	44,513	109,388	44,495	109,370
I.1	Inventories	44,155	109,064	44,141	109,048
I.1.1	Raw materials, spare parts and other inventories	3,743	2,160	3,742	2,159
I.1.2	Goods for resale (including natural gas)	40,412	106,904	40,399	106,889
I.2	Prepayments	358	324	354	322
II.	Accounts receivable	69,910	91,579	69,875	91,524
II.1	Trade receivables	68,967	88,380	68,935	88,382
II.2	Other receivables	943	3,199	940	3,142
III.	Other current assets	29,083	3,722	25,000	-
IV.	Cash and cash equivalents	88,322	33,594	88,015	33,337
	<b>Total assets</b>	<b>2,459,250</b>	<b>2,458,956</b>	<b>2,458,365</b>	<b>2,457,926</b>

(cont'd on the next page)

The accompanying notes are an integral part of these financial statements.

AB LIETUVOS DUJOS, company code 120059523, Aiguonų Str. 24, Vilnius, Lithuania  
**CONSOLIDATED AND PARENT COMPANY'S CONDENSED FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2008**  
(all amounts are in LTL thousand unless otherwise stated)

**Balance sheets (cont'd)**

	Notes	Group		Company	
		As of 30 September	As of 31 December	As of 30 September	As of 31 December
		2008	2007	2008	2007
		(pre-audited)	(audited)	(pre-audited)	(audited)
<b>EQUITY AND LIABILITIES</b>					
<b>C.</b>	<b>Equity</b>	<b>1,957,462</b>	<b>1,929,787</b>	<b>1,956,297</b>	<b>1,928,825</b>
I.	Share capital	469,068	469,068	469,068	469,068
II.	Reserves	1,411,775	1,357,881	1,409,678	1,355,991
II.1	Legal reserves	23,160	17,962	22,983	17,795
II.2	Other reserves	1,388,615	1,339,919	1,386,695	1,338,196
III.	Retained earnings	76,619	102,838	77,551	103,766
<b>D.</b>	<b>Liabilities</b>	<b>501,788</b>	<b>529,169</b>	<b>502,068</b>	<b>529,101</b>
I.	Non-current liabilities	344,262	338,876	344,660	338,876
I.1	Non-current borrowings	7	9,648	10,720	9,648
I.2	Grants (deferred revenue)		150,066	137,231	150,066
I.3	Deferred tax liability	6.1	184,548	190,925	184,946
II.	Current liabilities		157,526	190,293	157,408
II.1	Current portion of non-current borrowings	7	2,144	10,839	2,144
II.2	Trade payables		105,500	119,515	105,478
II.3	Prepayments received		23,049	15,170	23,047
II.4	Income tax payable		1,393	12,950	1,383
II.5	Payroll related liabilities		7,658	6,555	7,580
II.6	Other current liabilities		17,782	25,264	17,776
<b>Total equity and liabilities</b>		<b>2,459,250</b>	<b>2,458,956</b>	<b>2,458,365</b>	<b>2,457,926</b>

The accompanying notes are an integral part of these financial statements.

General Manager V. Valentukevičius  26 November 2008

Chief Accountant Ž. Augutis  26 November 2008

AB LIETUVOS DUJOS, company code 120059523, Agonuų Str. 24, Vilnius, Lithuania  
CONSOLIDATED AND PARENT COMPANY'S CONDENSED FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2008  
(all amounts are in LTL thousand unless otherwise stated)

**Income statements**

	Group		Company		Group		Company	
	Three months period ended 30 September 2008	Three months period ended 30 September 2007	Three months period ended 30 September 2008	Three months period ended 30 September 2007	Nine months period ended 30 September 2008	Nine months period ended 30 September 2007	Nine months period ended 30 September 2008	Nine months period ended 30 September 2007
Notes	(pre-audited)	(pre-audited)	(pre-audited)	(pre-audited)	(pre-audited)	(pre-audited)	(pre-audited)	(pre-audited)
I. Sales	278,883	165,958	278,224	165,225	1,059,702	656,426	1,058,562	655,211
II. Cost of sales	(217,755)	(106,582)	(217,675)	(106,515)	(798,509)	(394,038)	(798,333)	(393,867)
<b>III. Gross profit</b>	<b>61,128</b>	<b>59,376</b>	<b>60,549</b>	<b>58,710</b>	<b>261,193</b>	<b>262,388</b>	<b>260,229</b>	<b>261,344</b>
IV. Operating expenses	(59,550)	(53,191)	(59,246)	(52,873)	(181,257)	(163,798)	(180,367)	(162,998)
V. Other operating activities income (net)	1,195	2,388	1,195	2,388	4,779	5,121	4,779	5,121
<b>VI. Profit from operations</b>	<b>2,773</b>	<b>8,573</b>	<b>2,498</b>	<b>8,225</b>	<b>84,715</b>	<b>103,711</b>	<b>84,641</b>	<b>103,467</b>
<b>VII. Financial and investing activities</b>	<b>1,744</b>	<b>420</b>	<b>1,684</b>	<b>380</b>	<b>4,268</b>	<b>77</b>	<b>4,102</b>	<b>(36)</b>
VII.1 Income	1,936	758	1,876	718	4,975	2,123	4,809	2,010
VII.2 Expenses	(192)	(338)	(192)	(338)	(707)	(2,046)	(707)	(2,046)
<b>VIII. Profit before tax</b>	<b>4,517</b>	<b>8,993</b>	<b>4,182</b>	<b>8,605</b>	<b>88,983</b>	<b>103,788</b>	<b>88,743</b>	<b>103,431</b>
<b>IX. Income tax</b>	<b>(89)</b>	<b>(985)</b>	<b>(56)</b>	<b>(925)</b>	<b>(11,308)</b>	<b>(16,614)</b>	<b>(11,271)</b>	<b>(16,549)</b>
IX.1 Current period income tax	(2,046)	(3,489)	(2,015)	(3,432)	(17,281)	(18,447)	(17,250)	(18,390)
IX.2 Deferred income tax	1,957	2,504	1,959	2,507	5,973	1,833	5,979	1,841
<b>X. Net profit</b>	<b>4,428</b>	<b>8,008</b>	<b>4,126</b>	<b>7,680</b>	<b>77,675</b>	<b>87,174</b>	<b>77,472</b>	<b>86,882</b>
Basic and diluted earnings per share (LTL)	0.01	0.02	0.01	0.02	0.17	0.19	0.17	0.19

The accompanying notes are an integral part of these financial statements.

The income statements for the nine months ended 30 September 2007 are restated due to the reclassification of the result from the other operating activities.

General Manager V. Valentukevičius 26 November 2008

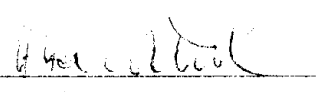
Chief Accountant Ž. Augustis 26 November 2008

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**CONSOLIDATED AND PARENT COMPANY'S CONDENSED FINANCIAL STATEMENTS**  
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### Statements of changes in equity

Group	Notes	Share capital	Legal reserve	Corporate business development reserve	Retained earnings (deficit)	Total
<b>Balance as of 1 January 2007 (audited)</b>		<b>469,068</b>	<b>14,996</b>	<b>1,313,561</b>	<b>58,184</b>	<b>1,855,809</b>
Transfer to legal reserve		-	2,966	-	(2,966)	-
Transfers to corporate business development reserve		-	-	26,358	(26,358)	-
Dividends declared		-	-	-	(30,000)	(30,000)
Other profit (loss) not recognized in the Income Statements		-	-	-	3	3
Net profit for the reporting period		-	-	-	87,174	87,174
<b>Balance as of 30 September 2007 (pre-audited)</b>		<b>469,068</b>	<b>17,962</b>	<b>1,339,919</b>	<b>86,037</b>	<b>1,912,986</b>
<b>Balance as of 31 December 2007 (audited)</b>		<b>469,068</b>	<b>17,962</b>	<b>1,339,919</b>	<b>102,838</b>	<b>1,929,787</b>
Transfer to legal reserve		-	5,198	-	(5,198)	-
Transfers to corporate business development reserve		-	-	48,696	(48,696)	-
Dividends declared	9	-	-	-	(50,000)	(50,000)
Net profit for the reporting period		-	-	-	77,675	77,675
<b>Balance as of 30 September 2008 (pre-audited)</b>		<b>469,068</b>	<b>23,160</b>	<b>1,388,615</b>	<b>76,619</b>	<b>1,957,462</b>

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General Manager V. Valentukevičius  26 November 2008

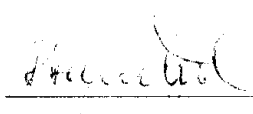
Chief Accountant Ž. Augutis  26 November 2008

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**Statements of changes in equity (cont'd)**

Company	Notes	Share capital	Legal reserve	Corporate business development reserve	Retained earnings (deficit)	Total
<b>Balance as of 1 January 2007 (audited)</b>		<b>469,068</b>	<b>14,838</b>	<b>1,312,013</b>	<b>59,140</b>	<b>1,855,059</b>
Transfer to legal reserve		-	2,957	-	(2,957)	-
Transfers to corporate business development reserve		-	-	26,183	(26,183)	-
Dividends declared		-	-	-	(30,000)	(30,000)
Net profit for the reporting period		-	-	-	86,882	86,882
<b>Balance as of 30 September 2007 (pre-audited)</b>		<b>469,068</b>	<b>17,795</b>	<b>1,338,196</b>	<b>86,882</b>	<b>1,911,941</b>
<b>Balance as of 31 December 2007 (audited)</b>		<b>469,068</b>	<b>17,795</b>	<b>1,338,196</b>	<b>103,766</b>	<b>1,928,825</b>
Transfer to legal reserve		-	5,188	-	(5,188)	-
Transfers to corporate business development reserve		-	-	48,499	(48,499)	-
Dividends declared	9	-	-	-	(50,000)	(50,000)
Net profit for the reporting period		-	-	-	77,472	77,472
<b>Balance as of 30 September 2008 (pre-audited)</b>		<b>469,068</b>	<b>22,983</b>	<b>1,386,695</b>	<b>77,551</b>	<b>1,956,297</b>

The accompanying notes are an integral part of these financial statements.

General Manager V. Valentukevičius  26 November 2008

Chief Accountant Ž. Augutis  26 November 2008

## Cash flows statements

	Group		Company	
	9 months period ended 30 September 2008 (pre-audited)	9 months period ended 30 September 2007 (pre-audited)	9 months period ended 30 September 2008 (pre-audited)	9 months period ended 30 September 2007 (pre-audited)
<b>I. Cash flows from (to) operating activities</b>				
I.1 Net profit	77,675	87,174	77,472	86,882
<b>Adjustments of non-cash items:</b>				
I.2 Depreciation and amortisation	70,403	70,473	70,216	70,295
I.3 (Gain) loss on property, plant and equipment, doubtful trade accounts receivable and inventories write-off and disposal	(136)	(1,452)	(136)	(1,452)
I.4 (Reversal of) impairment for property, plant and equipment, financial assets, (reversal of) allowance for doubtful trade accounts receivable and inventories	(1,581)	(1,616)	(1,581)	(1,616)
I.5 Income tax expenses	11,308	16,614	11,271	16,549
I.6 Interest (income)	(3,870)	(1,905)	(3,704)	(1,792)
I.7 Interest expenses	706	2,045	706	2,045
I.8 Loss (gain) on foreign currency exchange	1	1	1	1
I.9 Elimination of other financial activity results	(122)	(413)	(122)	(413)
I.10 Amortisation of the grants, deferred revenue and other non-cash items	(2,729)	(2,175)	(2,729)	(2,175)
	<b>151,655</b>	<b>168,746</b>	<b>151,394</b>	<b>168,324</b>
<b>Changes in working capital:</b>				
I.11 (Increase) decrease in inventories	65,002	(39,548)	65,001	(39,553)
I.12 Decrease in trade accounts receivable	22,170	5,106	22,205	5,159
I.13 (Increase) decrease in other accounts receivable and prepayments	2,400	(339)	2,355	(412)
I.14 (Decrease) in trade accounts payable	(22,984)	(7,984)	(22,989)	(7,825)
I.15 Increase in other current liabilities	13,461	20,167	13,425	20,141
I.16 Income tax (paid)	(28,830)	(7,732)	(28,816)	(7,697)
	<b>51,219</b>	<b>(30,330)</b>	<b>51,181</b>	<b>(30,187)</b>
<b>Net cash flows from operating activities</b>	<b>202,874</b>	<b>138,416</b>	<b>202,575</b>	<b>138,137</b>
<b>II. Cash flows from (to) investing activities</b>				
II.1 (Acquisitions) of property, plant and equipment and intangible assets	(68,636)	(55,719)	(68,582)	(55,622)
II.2 Proceeds from sales of property, plant and equipment	548	2,948	548	2,948
II.3 Proceeds from sales of financial assets	-	5	-	5
II.4 (Acquisitions) of held-to-maturity investments	(25,000)	-	(25,000)	-
II.5 (Increase) in term deposits	(361)	(306)	-	-
II.6 Interest received	3,470	1,817	3,304	1,704
<b>Net cash flows (to) investing activities</b>	<b>(89,979)</b>	<b>(51,255)</b>	<b>(89,730)</b>	<b>(50,965)</b>

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The accompanying notes are an integral part of these financial statements.



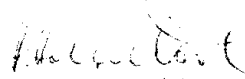
**Cash flows statements (cont'd)**

	<b>Group</b>		<b>Company</b>	
	9 months period ended 30 September 2008 (pre-audited)	9 months period ended 30 September 2007 (pre-audited)	9 months period ended 30 September 2008 (pre-audited)	9 months period ended 30 September 2007 (pre-audited)
<b>III. Cash flows from (to) financing activities</b>				
III.1 Dividends (paid)	(49,924)	(29,958)	(49,924)	(29,958)
III.2 Loans received	-	186,451	-	186,451
III.3 Loans (repaid)	(9,767)	(197,450)	(9,767)	(197,450)
III.4 Grants received	2,101	2,667	2,101	2,667
III.5 Interest (paid)	(577)	(1,881)	(577)	(1,881)
<b>Net cash flows (to) financing activities</b>	<b>(58,167)</b>	<b>(40,171)</b>	<b>(58,167)</b>	<b>(40,171)</b>
<b>IV. Impact of changes in currency exchange rates on cash balance</b>	-	-	-	-
<b>V. Net increase in cash and cash equivalents</b>	<b>54,728</b>	<b>46,990</b>	<b>54,678</b>	<b>47,001</b>
<b>VI. Cash and cash equivalents at the beginning of the period</b>	<b>33,594</b>	<b>23,559</b>	<b>33,337</b>	<b>23,124</b>
<b>VII. Cash and cash equivalents at the end of the period</b>	<b>88,322</b>	<b>70,549</b>	<b>88,015</b>	<b>70,125</b>

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General Manager

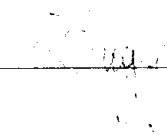
V. Valentukevičius



26 November 2008

Chief Accountant

Ž. Augutis



26 November 2008

## Notes to the financial statements

### 1 General information

AB Lietuvos Dujos (hereinafter "the Company") and consolidated AB Lietuvos Dujos and UAB Palangos Perlas (hereinafter "the Group") condensed financial statements, including the balance sheets as of 30 September 2008, income statements, cash flows statements and statements of changes in equity for the nine months ended 30 September 2008 and 30 September 2007 are not audited. The consolidated and the Company's financial statements for the year ended 31 December 2007 are audited and prepared according to International Financial Reporting Standards (IFRS). For better understanding of the information provided in those financial statements, the consolidated and the Company's condensed financial statements must be read together with the consolidated and the Company's annual financial statements of 2007.

The Company's shares are traded in the Vilnius Stock Exchange. On 1 January 2008 the Company's shares were moved from the Secondary List into the Main List of the Vilnius Stock Exchange.

### 2 Accounting principles

The Company's and the Group's condensed financial statements as of 30 September 2008 have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting.

The principal accounting policies adopted in preparing the condensed financial statements for the nine months period ended as of 30 September 2008 were the same as these used for preparing the financial statements for 2007 according to the IFRS, as adopted in European Union.

### 3 Segment information

Till 1 July 2007 supply activities were separated between regulated and eligible customers, after this date due to changes in legislation all customers became eligible. The Company and the Group merged Supply for regulated customers and Supply for eligible customers segments into one segment – Supply.

Segment information for the periods ended 30 September 2008 and 30 September 2007 is presented below:

#### Group

As of 30 September 2008	Transmission	Distribution	Supply	Other	Total
Sales	99,507	98,781	858,248	3,166	1,059,702
Profit from operations	20,454	5,321	56,182	2,758	84,715
<b>As of 30 September 2007</b>					
Sales	76,552	89,824	485,789	4,261	656,426
Profit from operations	5,598	10,014	83,253	4,846	103,711

#### Company

As of 30 September 2008	Transmission	Distribution	Supply	Other	Total
Sales	99,507	98,781	858,285	1,989	1,058,562
Profit from operations	20,454	5,321	56,141	2,725	84,641
<b>As of 30 September 2007</b>					
Sales	76,552	89,824	485,789	3,046	655,211
Profit from operations	5,598	10,014	83,253	4,602	103,467

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**4 Inventories**

	<b>Group</b>		<b>Company</b>	
	<b>30 September 2008 (pre-audited)</b>	<b>31 December 2007 (audited)</b>	<b>30 September 2008 (pre-audited)</b>	<b>31 December 2007 (audited)</b>
Raw materials, spare parts and other inventories	3,856	2,367	3,855	2,366
Goods for resale (including natural gas)	40,412	106,904	40,399	106,889
Inventories, gross	44,268	109,271	44,254	109,255
Less: allowance for inventories	(113)	(207)	(113)	(207)
	<u>44,155</u>	<u>109,064</u>	<u>44,141</u>	<u>109,048</u>

As of 30 September 2008 the Group's and the Company's balances of the goods for resale decreased significantly due to the lower volumes of natural gas kept in the natural gas storage facility in Latvia.

The cost of inventories participating in the evaluation of impairment amounted to LTL 2,572 thousand at net realizable value as of 30 September 2008 (LTL 1,422 thousand as of 31 December 2007). Changes in the allowance for inventories in the nine months of 2008 and 2007 were included into operating expenses.

**5 Other current assets**

The other current assets of the Group and the Company as of 30 September 2008 total LTL 29,083 thousand and LTL 25,000 thousand (LTL 3,722 thousand and LTL 0 as of 31 December 2007). During the nine months of the year 2008 the Group's and the Company's balances of the other current assets increased significantly due to the new deals on the short-term investment of the funds.

**6 Income tax**

**6.1 Deferred income tax**

Since that the Group's deferred income tax asset and deferred income tax liability are calculated in compliance with the requirements set by the same tax authority and that the deferred income tax asset will be realized and the liability will be covered at approximately the same time in the future, the deferred income tax asset and deferred income tax liability are netted.

The calculations of the net book value of the deferred income tax liability as of 30 September 2008 are presented below:

<b>Group</b>	<b>30 September 2008 (pre-audited)</b>
Deferred tax asset	398
Deferred tax liability	184,946
Less: deferred tax asset netted with deferred tax liability	398
Deferred tax liability, net	<u><b>(184,548)</b></u>

**6.2 Income tax expenses**

To calculate the income tax for the nine months of 2008, including deferred income tax, the 15 % rate was applied compared with the 3% social tax rate applied in addition to the valid 15 % rate when calculating the income tax for the nine months of 2007.

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**7 Borrowings**

AB Lietuvos Dujos borrowings as of 30 September 2008:

Borrowings (pre-audited)	Borrowings and their portions, payable			Total
	Current borrowings	Payable after one year but not later than in five years	Payable after five years	
Borrowings from Lithuanian credit institutions	2.144	8.576	1.072	11.792
	<b>2.144</b>	<b>8.576</b>	<b>1.072</b>	<b>11.792</b>

In the calculations, official currency exchange rates as of 30 September 2008 set by the Bank of Lithuania are applied: EUR/LTL 3.4528

As of 30 September 2008, weighted average annual interest rate of borrowings outstanding was 5.65 % (5.05% as of 31 December 2007).

The borrowings outstanding as of 30 September 2008 were denominated in EUR (100 %).

**8 Earnings per share**

Basic earnings per share reflect the Group's and the Company's net income, divided by the weighted average number of shares. There are no diluting instruments, therefore basic and diluted earnings per share are equal. Calculations of the basic earnings per share are presented below:

	Group		Company	
	30 September 2008 (pre-audited)	30 September 2007 (pre-audited)	30 September 2008 (pre-audited)	30 September 2007 (pre-audited)
Net profit attributable to the shareholders (in LTL thousand)	77,675	87,174	77,472	86,882
Weighted average number of shares in thousand	469,068	469,068	469,068	469,068
Basic earnings per share (in LTL)	0.17	0.19	0.17	0.19

**9 Dividends**

During the regular general shareholders' meeting on 16 April 2008, when approving the Company's 2007 profit and loss appropriation, the decision was made to pay to shareholders dividends for the year 2007 in the amount of LTL 50 million (LTL 0.107 per ordinary registered share with the par value of LTL 1 per share).

**10 Commitments and contingencies**

AB Lietuvos Dujos applied to the Vilnius District Administrative Court requesting to partially annul Resolution No. R2-152 of the National Control Commission for Prices and Energy (hereinafter – the Commission) as of February 7, 2007, by which the Commission stated that AB Lietuvos Dujos must issue the terms for connection to the AB Lietuvos Dujos gas system requested by UAB Intergas. The court of the first instance adjudged that the Commission had justly obligated AB Lietuvos Dujos to issue terms for the connection to two of the four connection points requested by UAB Intergas. AB Lietuvos Dujos has lodged the petition of appeal.

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**11 Related party transactions**

The parties are considered related when one party has the possibility to control the other one or have significant influence over the other party in making financial and operating decisions.

The related parties of the Group and the Company and related party transactions in the nine months of the year 2008 and 2007 were as follows:

- E.ON Ruhrgas International AG (one of the major shareholders of the Company);
- OAO Gazprom (one of the major shareholders of the Company);
- State Property Fund (one of the major shareholders of the Company);
- UAB Palangos Perlas (subsidiary of the Company);
- AS Latvijas Gaze (sister Company, same shareholder)

30 September 2008 (pre-audited)	Purchases	Sales	Accounts receivable	Accounts payable
OAO Gazprom	732,662	6,915	739	89,563
UAB Palangos Perlas	78	37	5	-
AS Latvijas Gaze	4,286	-	-	1
	737,026	6,952	744	89,564

30 September 2007 (pre-audited)	Purchases	Sales	Accounts receivable	Accounts payable
OAO Gazprom	433,510	7,160	-	45,708
UAB Palangos Perlas	73	23	1	-
AS Latvijas Gaze	3,765	-	-	1,746
	437,348	7,183	1	47,454