



AKCINĖ BENDROVĖ „LIETUVOS DUJOS“
JOINT STOCK COMPANY LIETUVOS DUJOS

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To: The Securities Commission
of the Republic of Lithuania

2011-11-30

CONFIRMATION OF RESPONSIBLE PERSONS

Following Art. 22 of the Law on Securities of the Republic of Lithuania and the Rules for the Drawing up and the Submission of Periodic and Additional Information approved by the Securities Commission of the Republic of Lithuania, 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 2011 Prepared According to International Financial Reporting Standards as Adopted by the European Union, give a true and fair view of the assets, liabilities, financial position, profit or loss and cash flows 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 2011
PREPARED ACCORDING TO
INTERNATIONAL FINANCIAL REPORTING STANDARDS AS ADOPTED BY THE EU**

Statements of financial position

	Notes	Group		Company	
		As of 30 September 2011 (pre-audited)	As of 31 December 2010 (audited)	As of 30 September 2011 (pre-audited)	As of 31 December 2010 (audited)
ASSETS					
A. Non-current assets		2,312,987	2,368,608	2,314,761	2,370,194
I. Intangible assets		2,970	3,867	2,961	3,852
II. Property, plant and equipment		2,309,994	2,364,718	2,302,596	2,357,138
II.1. Land		223	183	223	183
II.2. Buildings and structures		1,985,723	2,034,892	1,978,747	2,027,808
II.2.1. Buildings		88,275	89,492	81,299	82,408
II.2.2. Transmission networks and related installations		1,204,465	1,239,810	1,204,465	1,239,810
II.2.3. Distribution networks and related installations		668,575	680,072	668,575	680,072
II.2.4. Other buildings and structures		24,408	25,518	24,408	25,518
II.3. Machinery and equipment		252,891	260,264	252,891	260,264
II.4. Vehicles		14,012	15,562	13,931	15,467
II.5. Other equipment, tools and devices		29,277	33,062	29,002	32,726
II.6. Other property, plant and equipment		3,417	3,519	3,417	3,519
II.7. Construction in progress		24,451	17,236	24,385	17,171
III. Non-current financial assets		23	23	9,204	9,204
III.1. Investments into subsidiaries		-	-	9,181	9,181
III.2. Non-current accounts receivable		23	23	23	23
B. Current assets		302,086	340,977	299,624	338,742
I. Inventories and prepayments		71,572	47,623	71,557	47,600
I.1. Inventories	5	71,256	47,307	71,248	47,294
I.1.1. Raw materials, spare parts and other inventories		7,213	5,422	7,213	5,421
I.1.2. Goods for resale (including natural gas)		64,043	41,885	64,035	41,873
I.2. Prepayments		316	316	309	306
II. Accounts receivable		105,903	174,288	105,883	174,265
II.1. Trade receivables	6	102,633	170,283	102,615	170,281
II.2. Other receivables		3,270	4,005	3,268	3,984
III. Prepaid income tax		-	2,494	-	2,494
IV. Other current assets	7	32,139	2,036	30,000	-
V. Cash and cash equivalents		92,472	114,536	92,184	114,383
Total assets		2,615,073	2,709,585	2,614,385	2,708,936



(cont'd on the next page)

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

Statements of financial position (cont'd)

	Notes	Group		Company	
		As of 30 September 2011 (pre-audited)	As of 31 December 2010 (audited)	As of 30 September 2011 (pre-audited)	As of 31 December 2010 (audited)
EQUITY AND LIABILITIES					
C. Equity		2,057,348	2,079,578	2,056,139	2,078,611
I. Share capital		469,068	469,068	469,068	469,068
II. Reserves		1,491,640	1,452,130	1,489,543	1,449,828
II.1. Legal reserve		39,100	31,114	38,908	30,922
II.2. Other reserves		1,452,540	1,421,016	1,450,635	1,418,906
III. Retained earnings		96,640	158,380	97,528	159,715
D. Liabilities		557,725	630,007	558,246	630,325
I. Non-current liabilities		357,155	356,189	357,758	356,569
I.1. Non-current borrowings		3,216	4,288	3,216	4,288
I.2. Grants (deferred revenue)		185,525	177,842	185,525	177,842
I.3. Non-current employee benefits		9,097	9,097	9,097	9,097
I.4. Deferred tax liability		159,317	164,962	159,920	165,342
II. Current liabilities		200,570	273,818	200,488	273,756
II.1. Current portion of non-current borrowings		2,144	2,144	2,144	2,144
II.2. Trade payables	8	130,588	206,006	130,573	205,992
II.3. Prepayments received		17,364	12,203	17,363	12,199
II.4. Income tax payable		10,171	-	10,171	-
II.5. Payroll related liabilities		12,386	10,227	12,324	10,193
II.6. Other payables and current liabilities	9	27,917	43,238	27,913	43,228
Total equity and liabilities		2,615,073	2,709,585	2,614,385	2,708,936

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

General Manager	Viktoras Valentukevičius		30 November 2011
Chief Accountant	Žydrūnas Augutis		30 November 2011

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 2011
 (all amounts are in LTL thousand unless otherwise stated)

Income statements

	Group		Company		Group		Company	
	Three months period ended 30 September 2011 (pre-audited)	Three months period ended 30 September 2010 (pre-audited)	Three months period ended 30 September 2011 (pre-audited)	Three months period ended 30 September 2010 (pre-audited)	Nine months period ended 30 September 2011 (pre-audited)	Nine months period ended 30 September 2010 (pre-audited)	Nine months period ended 30 September 2011 (pre-audited)	Nine months period ended 30 September 2010 (pre-audited)
I. Revenue	347,485	259,019	346,877	258,525	1,274,689	1,221,952	1,273,817	1,221,218
I.1. Sales	345,969	257,867	345,361	257,373	1,270,404	1,218,368	1,269,547	1,217,634
I.2. Other income	1,516	1,152	1,516	1,152	4,285	3,584	4,270	3,584
II. Expenses	(335,358)	(254,035)	(334,998)	(253,731)	(1,163,870)	(1,117,741)	(1,162,979)	(1,116,911)
II.1. Cost of natural gas	(264,078)	(192,013)	(264,078)	(192,013)	(961,597)	(931,258)	(961,597)	(931,258)
II.2. Other expenses	(71,280)	(62,022)	(70,920)	(61,718)	(202,273)	(186,483)	(201,382)	(185,653)
III. Profit from operations	12,127	4,984	11,879	4,794	110,819	104,211	110,838	104,307
IV. Financial activity	497	361	484	341	1,621	2,848	1,583	2,748
IV.1. Income	577	470	564	450	1,884	2,783	1,846	2,709
IV.2. Expense	(80)	(109)	(80)	(109)	(263)	65	(263)	39
V. Profit before tax	12,624	5,345	12,363	5,135	112,440	107,059	112,421	107,055
VI. Income tax	(865)	232	(861)	234	(14,670)	(14,751)	(14,893)	(14,745)
VI.1. Current period income tax	(2,580)	(1,531)	(2,580)	(1,531)	(20,314)	(20,329)	(20,314)	(20,329)
VI.2. Deferred income tax	1,715	1,763	1,719	1,765	5,644	5,578	5,421	5,584
VII. Net profit	11,759	5,577	11,502	5,369	97,770	92,308	97,528	92,310
Basic and diluted earnings per share (LTL)	10	0.03	0.01	0.21	0.20			

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

General Manager Viktoras Valentukevičius 30 November 2011

Chief Accountant Žydrūnas Augutis 30 November 2011

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 (all amounts are in LTL thousand unless otherwise stated)

Statements of comprehensive income

	Group		Company		Group		Company	
	Three months period ended 30 September 2011 (pre-audited)	Three months period ended 30 September 2010 (pre-audited)	Three months period ended 30 September 2011 (pre-audited)	Three months period ended 30 September 2010 (pre-audited)	Nine months period ended 30 September 2011 (pre-audited)	Nine months period ended 30 September 2010 (pre-audited)	Nine months period ended 30 September 2011 (pre-audited)	Nine months period ended 30 September 2010 (pre-audited)
I. Net profit	11,759	5,577	11,502	5,369	97,770	92,308	97,528	92,310
II. Total comprehensive income	11,759	5,577	11,502	5,369	97,770	92,308	97,528	92,310

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

General Manager

Viktoras Valentukevičius

30 November 2011

Chief Accountant

Žydrūnas Augutis



30 November 2011

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CONSOLIDATED AND PARENT COMPANY'S CONDENSED FINANCIAL STATEMENTS
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(all amounts are in LTL thousand unless otherwise stated)

Statements of changes in equity

<u>Group</u>	<u>Notes</u>	<u>Share capital</u>	<u>Legal reserve</u>	<u>Other reserves</u>	<u>Retained earnings</u>	<u>Total</u>
Balance as of 1 January 2010 (audited)		469,068	26,372	1,342,998	152,746	1,991,184
Transfer to legal reserve		-	4,742	-	(4,742)	-
Transfer to other reserves		-	-	78,109	(78,109)	-
Transfer from other reserves to cover the losses of subsidiary		-	-	(91)	91	-
Dividends declared		-	-	-	(71,100)	(71,100)
Total comprehensive income		-	-	-	92,299	92,299
Balance as of 30 September 2010 (pre-audited)		469,068	31,114	1,421,016	91,185	2,012,383
Balance as of 31 December 2010 (audited)		469,068	31,114	1,421,016	158,380	2,079,578
Transfer to legal reserve		-	7,986	-	(7,986)	-
Transfer to other reserves		-	-	31,729	(31,729)	-
Transfer from other reserves to cover the losses of subsidiary		-	-	(205)	205	-
Dividends declared	11	-	-	-	(120,000)	(120,000)
Total comprehensive income		-	-	-	97,770	97,770
Balance as of 30 September 2011 (pre-audited)		469,068	39,100	1,452,540	96,640	2,057,348


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

<u>General Manager</u>	<u>Viktoras Valentukevičius</u>		<u>30 November 2011</u>
<u>Chief Accountant</u>	<u>Žydrūnas Augutis</u>		<u>30 November 2011</u>

Statements of changes in equity (cont'd)

<u>Company</u>	<u>Notes</u>	<u>Share capital</u>	<u>Legal reserve</u>	<u>Other reserves</u>	<u>Retained earnings</u>	<u>Total</u>
Balance as of 1 January 2010 (audited)		469,068	26,180	1,340,797	153,951	1,989,996
Transfer to legal reserve		-	4,742	-	(4,742)	-
Transfer to other reserves		-	-	78,109	(78,109)	-
Dividends declared		-	-	-	(71,100)	(71,100)
Total comprehensive income		-	-	-	92,310	92,310
Balance as of 30 September 2010 (pre-audited)		469,068	30,922	1,418,906	92,310	2,011,206
Balance as of 31 December 2010 (audited)		469,068	30,922	1,418,906	159,715	2,078,611
Transfer to legal reserve		-	7,986	-	(7,986)	-
Transfer to other reserves		-	-	31,729	(31,729)	-
Dividends declared	11	-	-	-	(120,000)	(120,000)
Total comprehensive income		-	-	-	97,528	97,528
Balance as of 30 September 2011 (pre-audited)		469,068	38,908	1,450,635	97,528	2,056,139

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

General Manager	Viktoras Valentukevičius		30 November 2011
Chief Accountant	Žydrūnas Augutis		30 November 2011

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CONSOLIDATED AND PARENT COMPANY'S CONDENSED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2011
(all amounts are in LTL thousand unless otherwise stated)

Statements of cash flows

	Group		Company	
	Nine months period ended 30 September 2011 (pre-audited)	Nine months period ended 30 September 2010 (pre-audited)	Nine months period ended 30 September 2011 (pre-audited)	Nine months period ended 30 September 2010 (pre-audited)
I. Cash flows from (to) operating activities				
I.1. Net profit	97,770	92,308	97,528	92,310
Adjustments of non-cash items and other corrections:				
I.2. Depreciation and amortisation	83,718	73,951	83,515	73,751
I.3. (Gain) on property, plant and equipment, doubtful trade accounts receivable and inventories write-off and disposal	(265)	(69)	(249)	(69)
I.4. Impairment losses for property, plant and equipment, financial assets, allowance for doubtful trade accounts receivable and inventories	787	938	787	938
I.5. Income tax expenses	14,670	14,751	14,893	14,745
I.6. Interest (income)	(912)	(1,711)	(876)	(1,634)
I.7. Interest expenses	254	350	254	350
I.8. Loss (gain) on foreign currency exchange	2	4	2	4
I.9. Other adjustments of cash flows from financing and investing activities	(4)	(26)	(4)	-
I.10. (Amortisation) of the grants (deferred revenue)	(3,398)	(3,013)	(3,398)	(3,013)
	192,622	177,483	192,452	177,382
Changes in working capital:				
I.11. (Increase) in inventories	(23,942)	(227)	(23,945)	(230)
I.12. Decrease in trade accounts receivable	65,976	54,681	65,992	54,676
I.13. (Increase) decrease in other accounts receivable and prepayments	(380)	401	(402)	91
I.14. (Decrease) in trade accounts payable	(62,014)	(63,557)	(62,015)	(63,056)
I.15. (Decrease) in other accounts payable and other current liabilities	(4,408)	(8,338)	(4,428)	(8,339)
I.16. Income tax (paid)	(3,586)	(10,028)	(3,586)	(10,028)
Total changes in working capital	(28,354)	(27,068)	(28,384)	(26,886)
Net cash flows from operating activities	164,268	150,415	164,068	150,496
II. Cash flows from (to) investing activities				
II.1. (Acquisitions) of property, plant and equipment and intangible assets	(41,897)	(121,991)	(41,883)	(121,769)
II.2. Proceeds from sales of property, plant and equipment	660	86	645	86
II.3. Disposal of financial assets held for trade	307	20,616	-	21,017
II.4. Receipt of non-current receivables and loans granted	-	17	-	17
II.5. (Increase) decrease in term deposits	(410)	112	-	-
II.6. Interest received	751	2,161	714	2,089
II.7. (Acquisitions) of debt securities	(30,000)	-	(30,000)	-
II.8. Other (decreases) of cash flows of investing activities	(2)	-	(2)	-
Net cash flows (to) investing activities	(70,591)	(98,999)	(70,526)	(98,560)



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

Statements of cash flows (cont'd)

	Group		Company	
	Nine months period ended 30 September 2011 (pre-audited)	Nine months period ended 30 September 2010 (pre-audited)	Nine months period ended 30 September 2011 (pre-audited)	Nine months period ended 30 September 2010 (pre-audited)
III. Cash flows from (to) financing activities				
III.1. Dividends (paid)	(119,847)	(71,051)	(119,847)	(71,051)
III.2. Loans (repaid)	(1,072)	(1,072)	(1,072)	(1,072)
III.3. Grants received	5,369	450	5,369	450
III.4. Interest (paid)	(191)	(257)	(191)	(257)
III.5. Other increases of cash flows from financing activities	-	419	-	393
Net cash flows (to) financing activities	(115,741)	(71,511)	(115,741)	(71,537)
IV. Net (decrease) in cash and cash equivalents	(22,064)	(20,095)	(22,199)	(19,601)
V. Cash and cash equivalents at the beginning of the period	114,536	64,828	114,383	64,156
VI. Cash and cash equivalents at the end of the period	92,472	44,733	92,184	44,555

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

General Manager	Viktoras Valentukevičius		30 November 2011
Chief Accountant	Žydrūnas Augutis		30 November 2011

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 statements of financial position as of 30 September 2011, income statements, statements of comprehensive income, statements of cash flows and statements of changes in equity for the nine months ended 30 September 2011 and 30 September 2010 are not audited. The consolidated and the Company's financial statements for the year ended 31 December 2010 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 2010. The Company's shares are traded on the NASDAQ OMX Vilnius stock exchange on the Main trade list.

2 Other material information

On 30 June 2011, the Seimas of the Republic of Lithuania adopted a new Law on Natural Gas transposing into the national law of Lithuania provisions of Directive 2009/73/EC of the European Parliament and of the Council concerning common rules for the internal market in natural gas (the so-called "third energy package of the EU"). Of the three models of the unbundling of the natural gas transmission and supply activities provided for by the third energy package of the EU, the Seimas of the Republic of Lithuania opted for the most radical one, i.e. the unbundling of the natural gas transmission and supply activities through Ownership Unbundling. Together with the new Law on Natural Gas, the Seimas also passed the Law on Implementation of the Law on Natural Gas providing for the methods and terms of the unbundling of activities. The aforesaid laws came into effect on 1 August 2011. The implementation of the provisions of the Laws will have a material impact on the Company's activities.

On 1 November 2011, the Resolution of the Government of the Republic of Lithuania No 1239 of 28 October 2011 "On Approval of the Plan of Performing the Unbundling of Activities and Control of Natural Gas Companies that do not Conform to the Requirements of the Law of the Republic of Lithuania on Natural Gas" came into effect. The Plan that was approved by the Government of the Republic of Lithuania sets the key dates by which natural gas companies must perform main actions in order to conform to the requirements of Chapter Eight "Unbundling of Activities and Accounts" of the Law on Natural Gas.

On 20 October 2011, AB Lietuvos Dujos procured a LTL 20 million AB bankas Snoras deposit certificate. On 16 November 2011, the Government of the Republic of Lithuania took over 100% of the shares of AB bankas Snoras for public needs. On 28 November 2011, the Board of the Bank of Lithuania applied to the Vilnius Regional Court regarding the initiation of AB bankas Snoras bankruptcy case.

3 Accounting principles

The Group's and the Company's condensed financial statements as of 30 September 2011 have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting.

Accounting principles adopted in preparing the condensed financial statements for the nine months period ended 30 September 2011 were the same as these used for preparing the financial statements for 2010 according to the IFRS, as adopted in the European Union.

4 Segment information

The Company's business activities are organised based on the legal requirements for regulated activities. These activities are used to identify operating segments. The accounting principles used for in the segment accounting are the same as for the financial accounting of the Group and the Company.

The Group and the Company have three main operating segments: natural gas transmission, distribution and supply, as well as segment of other activity:

- Transmission of natural gas comprises the transportation of natural gas through the transmission pipelines. The transmission activity also includes transit of natural gas to the district of Kaliningrad of the Russian Federation;
- Distribution of natural gas comprises the transportation of natural gas through the distribution gas pipelines;
- Supply of natural gas comprises the natural gas sales to end users;
- Other activity comprises other activity not related to main business.

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(all amounts are in LTL thousand unless otherwise stated)

4 Segment information (cont'd)

Segment information for the periods ended 30 September 2011 and 30 September 2010 is presented below:

Group					
Nine months period ended					
30 September 2011 (pre-audited)	Transmission	Distribution	Supply	Other activity	Total
Sales	123,933	124,923	1,019,596	1,952	1,270,404
Profit before tax	31,580	28,666	51,379	815	112,440
Nine months period ended					
30 September 2010 (pre-audited)	Transmission	Distribution	Supply	Other activity	Total
Sales	105,989	133,886	976,733	1,760	1,218,368
Profit before tax	26,947	37,831	41,970	311	107,059

In the nine months of 2011 the Group and the Company earned over 98 % of its revenue from Lithuanian customers (in the nine months of 2010 - over 99 %).

All the assets of the Group and the Company are allocated in the territory of Lithuania where the Group and the Company are operating, except for a part of natural gas accounted for in inventories.

5 Inventories

	Group		Company	
	30 September 2011 (pre-audited)	31 December 2010 (audited)	30 September 2011 (pre-audited)	31 December 2010 (audited)
Raw materials, spare parts and other inventories	7,379	5,594	7,379	5,593
Goods for resale (including natural gas)	64,043	41,885	64,035	41,873
Inventories, gross	71,422	47,479	71,414	47,466
Less: allowance for inventories	(166)	(172)	(166)	(172)
	71,256	47,307	71,248	47,294

As of 30 September 2011, the Group's and the Company's balances of goods for resale increased significantly due to the increase in the natural gas purchase price and higher quantities of natural gas stored in Latvia gas storage.

The cost of inventories accounted for at net realizable value amounted to LTL 2,147 thousand as of 30 September 2011 (LTL 1,667 thousand as of 31 December 2010). Changes in the allowance for inventories in the year 2011 and 2010 were included into Other expenses.

6 Trade receivables

	Group		Company	
	30 September 2011 (pre-audited)	31 December 2010 (audited)	30 September 2011 (pre-audited)	31 December 2010 (audited)
Receivables for natural gas, Transmission and Distribution of natural gas from non-household customers	102,310	161,092	102,313	161,103
Receivables for natural gas, Transmission and Distribution of natural gas from household customers	7,747	15,142	7,747	15,142
Other trade receivables	1,118	1,874	1,097	1,856
Less: allowance for trade receivables	(8,542)	(7,825)	(8,542)	(7,820)
	102,633	170,283	102,615	170,281

The Group's and the Company's trade receivables for natural gas, Transmission and Distribution of natural gas in the nine months of 2011 decreased significantly due to lower volumes of the natural gas consumed.

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7 Other current assets

	Group		Company	
	30 September 2011 (pre-audited)	31 December 2010 (audited)	30 September 2011 (pre-audited)	31 December 2010 (audited)
Investment units	-	306	-	-
Debt securities	30,000	-	30,000	-
Short-term deposits with maturity 3-12 months	2,139	1,730	-	-
	32,139	2,036	30,000	-

As of 30 September 2011, the increase in the other current assets owned by the Group and the Company was due to the debt securities bought in 2011.

The maturity of short term investments is 3-12 months period. As of 30 September 2011 weighted average annual interest rate of the short term investments of the Group was 2.24 % (3.41 % as of 31 December 2010).

8 Trade payables

	Group		Company	
	30 September 2011 (pre-audited)	31 December 2010 (audited)	30 September 2011 (pre-audited)	31 December 2010 (audited)
Suppliers of natural gas	117,331	180,025	117,331	180,025
Other	13,257	25,981	13,242	25,967
	130,588	206,006	130,573	205,992

As of 30 September 2011 the Group's and the Company's trade payables to the gas suppliers significantly decreased due to the lower volumes of the import of natural gas.

As of 30 September 2011 the Group's and the Company's other trade payables significantly decreased due to decreased payables for construction and reconstruction works.

9 Other payables and current liabilities

Other payables and current liabilities mainly consist of VAT payable. The other payables and current liabilities of the Group and the Company decreased due to the decrease of VAT payable. The Group's and the Company's VAT payable was equal to LTL 27,078 thousand and LTL 27,075 thousand respectively as of 30 September 2011 (LTL 39,619 thousand as of 31 December 2010).

10 Earnings per share

Basic earnings per share reflect the Group'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	
	30 September 2011 (pre-audited)	30 September 2010 (pre-audited)
Net profit attributable to the shareholders (in LTL thousand)	97,770	92,308
Weighted average number of shares in thousand	469,068	469,068
Basic earnings per share (in LTL)	0.21	0.20

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11 Dividends

During the regular general shareholders' meeting on 20 April 2011, when approving the Company's 2010 profit and loss appropriation, the decision was made to pay to shareholders dividends for the year 2010 in the amount of LTL 120.0 million (LTL 0.256 per ordinary registered share with the par value of LTL 1 per share).

12 Commitments and contingencies

Legal disputes

On 25 March 2011, the Ministry of Energy of the Republic of Lithuania (which holds in trust 17.7% of the Company's shares) lodged a claim with the Vilnius Regional Court Regarding an investigation into the activities of the legal entity, specifying as defendants AB Lietuvos Dujos, the members of the Board of Directors of AB Lietuvos Dujos delegated by OAO Gazprom, and the General Manager of the Company. In the claim, the claimant requires commencement of an investigation into the activities of AB Lietuvos Dujos and, should it be established that the activities of AB Lietuvos Dujos and/or the aforesaid members of the Board of Directors and/or the General Manager of the Company are inappropriate, application of respective requirements as specified in the claim.

On 28 October 2011, AB Lietuvos Dujos lodged a complaint with the Vilnius Regional Administrative Court seeking partial annulment of the Resolution of the National Control Commission for Prices and Energy No O3-283 of 30 September 2011 "On the Planned Target Inspection of AB Lietuvos Dujos" establishing violations of AB Lietuvos Dujos licensed activities terms and imposing on the Company respective obligations.

On 28 November 2011, AB Lietuvos Dujos lodged a complaint with the Vilnius Regional Administrative Court seeking annulment of the Resolution of the National Control Commission for Prices and Energy No O3-347 of 27 October 2011 "On AB Lietuvos Dujos regulated activities violation" whereby a fine of LTL 350 thousand was imposed on AB Lietuvos Dujos.

13 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, transaction amounts and debts as of 30 September 2011 and 30 September 2010 were as follows:

- E.ON Ruhrgas International GmbH (one of the major shareholders of the Company);
- OAO Gazprom (one of the major shareholders of the Company);
- Ministry of Energy of the Republic of Lithuania (one of the major shareholders of the Company);
- UAB Palangos Perlas (subsidiary of the Company);
- AS Latvijas Gaze (the same shareholders);
- UAB Kaunas Heat and Power Plant (same ultimate shareholder);
- OAO Beltransgaz (same ultimate shareholder);
- E.ON IS GmbH (same ultimate shareholder);
- Open Grid Europe GmbH (same ultimate shareholder);

As of 30 September 2011 (pre-audited)	Purchases	Sales	Accounts receivable	Accounts payable
OAO Gazprom	983,760	21,640	2,197	117,331
OAO Beltransgaz	30	-	-	26
UAB Palangos Perlas	31	41	3	2
AS Latvijas Gaze	1,597	-	-	736
UAB Kaunas Heat and Power Plant	-	12,265	777	-
Open Grid Europe GmbH	239	-	-	239
	<u>- 985,657</u>	<u>33,946</u>	<u>2,977</u>	<u>118,334</u>

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13 Related party transactions (cont'd)

As of 30 September 2010 (pre-audited)	Purchases	Sales	Accounts receivable	Accounts payable
OA0 Gazprom	930,741	10,445	811	65,687
OA0 Beltransgaz	86	-	-	-
UAB Palangos Perlas	89	38	3	-
AS Latvijas Gaze	998	-	-	1
UAB Kaunas Heat and Power Plant	-	11,162	1,323	-
E. ON IS GmbH	5	-	-	-
	<u>931,919</u>	<u>21,645</u>	<u>2,137</u>	<u>65,688</u>