



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

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CONFIRMATION OF RESPONSIBLE PERSONS

31 May 2012 No 4-31-1066

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 Three Months Ended 31 March 2012 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 THREE MONTHS ENDED 31 MARCH 2012
PREPARED ACCORDING TO
INTERNATIONAL FINANCIAL REPORTING STANDARDS AS ADOPTED BY THE EU**

Statements of financial position

	Notes	Group		Company	
		As of 31 March 2012 (pre-audited)	As of 31 December 2011 (audited)	As of 31 March 2012 (pre-audited)	As of 31 December 2011 (audited)
ASSETS					
A. Non-current assets		2,297,554	2,318,573	2,299,454	2,320,412
I. Intangible assets		3,035	3,390	3,029	3,382
II. Property, plant and equipment		2,293,817	2,315,167	2,286,542	2,307,833
II.1. Land		223	223	223	223
II.2. Buildings and structures		1,971,571	1,985,438	1,964,667	1,978,499
II.2.1. Buildings		87,884	88,411	80,980	81,472
II.2.2. Transmission networks and related installations		1,191,200	1,201,402	1,191,200	1,201,402
II.2.3. Distribution networks and related installations		668,563	671,304	668,563	671,304
II.2.4. Other buildings and structures		23,924	24,321	23,924	24,321
II.3. Machinery and equipment		250,833	254,843	250,833	254,843
II.4. Vehicles		14,447	15,605	14,374	15,528
II.5. Other equipment, tools and devices		28,072	29,546	27,839	29,294
II.6. Other property, plant and equipment		3,343	3,659	3,343	3,659
II.7. Construction in progress		25,328	25,853	25,263	25,787
III. Non-current financial assets		702	16	9,883	9,197
III.1. Investments into subsidiaries			-	9,181	9,181
III.2. Non-current accounts receivable		702	16	702	16
B. Current assets		375,496	380,058	373,271	377,725
I. Inventories and prepayments		80,293	78,792	80,263	78,765
I.1. Inventories		79,925	78,516	79,915	78,504
I.1.1. Raw materials, spare parts and other inventories		7,450	7,182	7,449	7,181
I.1.2. Goods for resale (including natural gas)		72,475	71,334	72,466	71,323
I.2. Prepayments		368	276	348	261
II. Accounts receivable		155,070	173,393	155,057	173,391
II.1. Trade receivables	5	151,348	168,847	151,346	168,848
II.2. Other receivables		3,722	4,546	3,711	4,543
III. Prepaid income tax		-	-	-	-
IV. Other current assets	6	21,926	31,989	20,000	30,000
V. Cash and cash equivalents		118,207	95,884	117,951	95,569
Total assets		2,673,050	2,698,631	2,672,725	2,698,137

(cont'd on the next page)



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

AB LIETUVOS DUJOS, company code 120059523, Aaguonų Str. 24, Vilnius, Lithuania
CONSOLIDATED AND PARENT COMPANY'S CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2012
(all amounts are in LTL thousand unless otherwise stated)

Statements of financial position (cont'd)

	Notes	Group		Company	
		As of 31 March 2012 (pre-audited)	As of 31 December 2011 (audited)	As of 31 March 2012 (pre-audited)	As of 31 December 2011 (audited)
EQUITY AND LIABILITIES					
C. Equity		2,086,056	2,055,340	2,085,211	2,054,297
I. Share capital		469,068	469,068	469,068	469,068
II. Reserves		1,490,158	1,491,640	1,489,543	1,489,543
II.1. Legal reserve		39,100	39,100	38,908	38,908
II.2. Other reserves		1,451,058	1,452,540	1,450,635	1,450,635
III. Retained earnings		126,830	94,632	126,600	95,686
D. Liabilities		586,994	643,291	587,514	643,840
I. Non-current liabilities		357,777	359,435	358,373	360,035
I.1. Non-current borrowings		2,144	2,144	2,144	2,144
I.2. Grants (deferred revenue)		191,436	191,053	191,436	191,053
I.3. Non-current employee benefits		9,097	9,097	9,097	9,097
I.4. Deferred tax liability		155,100	157,141	155,696	157,741
II. Current liabilities		229,217	283,856	229,141	283,805
II.1. Current portion of non-current borrowings		2,144	2,144	2,144	2,144
II.2. Trade payables	7	153,692	215,569	153,672	215,562
II.3. Prepayments received		8,025	9,445	8,022	9,445
II.4. Income tax payable		11,873	2,413	11,873	2,413
II.5. Payroll related liabilities		14,266	10,403	14,214	10,372
II.6. Other payables and current liabilities		39,217	43,882	39,216	43,869
Total equity and liabilities		2,673,050	2,698,631	2,672,725	2,698,137

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



General Manager	Viktoras Valentukevičius		31 May 2012
Deputy Chief Accountant	Kristina Aladaitė		31 May 2012

AB LIETUVOS DUJOS, company code 120059523, Aguonų Str. 24, Vilnius, Lithuania
CONSOLIDATED AND PARENT COMPANY'S CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2012
(all amounts are in LTL thousand unless otherwise stated)

Income statements

	Notes	Group		Company	
		Three months period ended	Three months period ended	Three months period ended	Three months period ended
		31 March	31 March	31 March	31 March
		2012	2011	2012	2011
		(pre-audited)	(pre-audited)	(pre-audited)	(pre-audited)
I.	Revenue	700,772	566,728	700,734	566,676
I.1.	Sales	699,224	565,333	699,186	565,281
I.2.	Other income	1,548	1,395	1,548	1,395
II.	Expenses	(662,756)	(497,020)	(662,513)	(496,778)
II.1.	Cost of natural gas	(596,109)	(434,292)	(596,109)	(434,292)
II.2.	Other expenses	(66,647)	(62,728)	(66,404)	(62,486)
III.	Profit from operations	38,016	69,708	38,221	69,898
IV.	Financial activity	635	463	625	451
IV.1.	Income	703	559	693	547
IV.2.	Expense	(68)	(96)	(68)	(96)
V.	Profit before tax	38,651	70,171	38,846	70,349
VI.	Income tax	(7,935)	(11,139)	(7,932)	(11,370)
VI.1.	Current period income tax	(9,977)	(13,374)	(9,977)	(13,374)
VI.2.	Deferred income tax	2,042	2,235	2,045	2,004
VII.	Net profit	30,716	59,032	30,914	58,979
	Basic and diluted earnings per share (LTL)	8	0.07	0.13	



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

General Manager	Viktoras Valentukevičius		31 May 2012
Deputy Chief Accountant	Kristina Aladaitė		31 May 2012

Statements of comprehensive income

	Group		Company	
	Three months period ended	Three months period ended	Three months period ended	Three months period ended
	31 March	31 March	31 March	31 March
	2012	2011	2012	2011
	(pre-audited)	(pre-audited)	(pre-audited)	(pre-audited)
I. Net profit	30,716	59,032	30,914	58,979
II. Total comprehensive income	30,716	59,032	30,914	58,979



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

General Manager	Viktoras Valentukevičius		31 May 2012
Deputy Chief Accountant	Kristina Aladaitė		31 May 2012

Statements of changes in equity

<u>Group</u>	Notes	Share capital	Legal reserve	Other reserves	Retained earnings	Total
Balance as of 1 January 2011 (audited)		469,068	31,114	1,421,016	158,380	2,079,578
Transfer from other reserves to cover the losses of subsidiary		-	-	(205)	205	-
Total comprehensive income		-	-	-	59,032	59,032
<i>Net profit for the year</i>					59,032	59,032
Balance as of 31 March 2011 (pre-audited)		469,068	31,114	1,420,811	217,617	2,138,610
Balance as of 31 December 2011 (audited)		469,068	39,100	1,452,540	94,632	2,055,340
Transfer from other reserves to cover the losses of subsidiary		-	-	(1,482)	1,482	-
Total comprehensive income		-	-	-	30,716	30,716
<i>Net profit for the year</i>					30,716	30,716
Balance as of 31 March 2012 (pre-audited)		469,068	39,100	1,451,058	126,830	2,086,056



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

<u>General Manager</u>	<u>Viktoras Valentukevičius</u>		<u>31 May 2012</u>
<u>Deputy Chief Accountant</u>	<u>Kristina Aladaitė</u>		<u>31 May 2012</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 2011 (audited)		469,068	30,922	1,418,906	159,715	2,078,611
Total comprehensive income		-	-	-	58,979	58,979
<i>Net profit for the year</i>					58,979	58,979
Balance as of 31 March 2011 (pre-audited)		469,068	30,922	1,418,906	218,694	2,137,590
Balance as of 31 December 2011 (audited)		469,068	38,908	1,450,635	95,686	2,054,297
Total comprehensive income		-	-	-	30,914	30,914
<i>Net profit for the year</i>					30,914	30,914
Balance as of 31 March 2012 (pre-audited)		469,068	38,908	1,450,635	126,600	2,085,211

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

General Manager	Viktoras Valentukevičius		31 May 2012
Deputy Chief Accountant	Kristina Aladaitė		31 May 2012

AB LIETUVOS DUJOS, company code 120059523, Aguonų Str. 24, Vilnius, Lithuania
CONSOLIDATED AND PARENT COMPANY'S CONDENSED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2012
(all amounts are in LTL thousand unless otherwise stated)

Statements of cash flows

	Group		Company	
	Three months period ended 31 March 2012 (pre-audited)	Three months period ended 31 March 2011 (pre-audited)	Three months period ended 31 March 2012 (pre-audited)	Three months period ended 31 March 2011 (pre-audited)
I. Cash flows from (to) operating activities				
I.1. Net profit	30,716	59,032	30,914	58,979
Adjustments of non-cash items and other corrections:				
I.2. Depreciation and amortisation	28,518	27,942	28,455	27,872
I.3. (Gain) loss on property, plant and equipment, doubtful trade accounts receivable and inventories write-off and disposal	(22)	(26)	(22)	(26)
I.4. (Reversal of) impairment losses for property, plant and equipment, financial assets, allowance for doubtful trade accounts receivable and inventories	(79)	575	(79)	575
I.5. Income tax expenses	7,935	11,139	7,932	11,370
I.6. Interest (income)	(465)	(253)	(455)	(240)
I.7. Interest expenses	67	96	67	96
I.8. (Amortisation) of the grants (deferred revenue)	(1,376)	(1,116)	(1,376)	(1,116)
I.9. Elimination of other non-cash items	(7)	-	(7)	-
	65,287	97,389	65,429	97,510
Changes in working capital:				
I.10. (Increase) in inventories	(1,413)	(2,686)	(1,415)	(2,689)
I.11. Decrease in trade accounts receivable	17,507	37,503	17,510	37,498
I.12. (Increase) in other accounts receivable and prepayments	(69)	(127)	(57)	(136)
I.13. (Decrease) in trade accounts payable	(48,384)	(54,686)	(48,397)	(54,703)
I.14. (Decrease) in other accounts payable and other current liabilities	(413)	(10,167)	(425)	(10,167)
I.15. Income tax (paid)	(679)	(3,346)	(679)	(3,346)
Total changes in working capital	(33,451)	(33,509)	(33,463)	(33,543)
Net cash flows from operating activities	31,836	63,880	31,966	63,967
II. Cash flows from (to) investing activities				
II.1. (Acquisitions) of property, plant and equipment and intangible assets	(20,318)	(20,647)	(20,316)	(20,646)
II.2. Proceeds from sales of property, plant and equipment	35	45	35	45
II.3. Disposal of investment units held for trade	-	307	-	-
II.4. Decrease (increase) in term deposits	63	(160)	-	-
II.5. Interest received	511	231	501	219
II.6. (Acquisitions) disposal of other short term investments	10,000	(10,000)	10,000	(10,000)
Net cash flows (to) investing activities	(9,709)	(30,224)	(9,780)	(30,382)



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

Statements of cash flows (cont'd)

	Group		Company	
	Three months period ended 31 March 2012 (pre-audited)	Three months period ended 31 March 2011 (pre-audited)	Three months period ended 31 March 2012 (pre-audited)	Three months period ended 31 March 2011 (pre-audited)
III. Cash flows from (to) financing activities				
III.1. Dividends (paid)	(4)	(1)	(4)	(1)
III.2. Grants received	207	65	207	65
III.3. Interest (paid)	(7)	(6)	(7)	(6)
Net cash flows from financing activities	196	58	196	58
IV. Net increase in cash and cash equivalents	22,323	33,714	22,382	33,643
V. Cash and cash equivalents at the beginning of the period	95,884	114,536	95,569	114,383
VI. Cash and cash equivalents at the end of the period	118,207	148,250	117,951	148,026

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

General Manager	Viktoras Valentukevičius		31 May 2012
Deputy Chief Accountant	Kristina Aladaitė		31 May 2012

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 31 March 2012, income statements, statements of comprehensive income, statements of cash flows and statements of changes in equity for the three months ended 31 March 2012 and 31 March 2011 are not audited. The consolidated and the Company's financial statements for the year ended 31 December 2011 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 2011.

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 passed a new Law on Natural Gas of the Republic of Lithuania transferring the 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 EU Third Energy Package) to the national law. Out of three alternative models for unbundling natural gas activities provided for by the Third Energy Package, the Seimas selected the unbundling of natural gas transmission and supply activities on the basis of ownership. Together with the Law on Natural Gas, the Law on the Implementation of the Law on Natural Gas was adopted. It set forth the methods and terms for the unbundling of activities. These laws came into force on 1 August 2011.

On 28 October 2011, the Government of the Republic of Lithuania passed Resolution No. 1239 Regarding the Approval of the Plan on Performing the Unbundling of Activities and Control of Natural Gas Companies that do not Conform to the Requirements of the Law on Natural Gas of the Republic of Lithuania (amended by Resolution No. 257 of the Government of the Republic of Lithuania of 7 March 2012). In accordance with the above mentioned legal acts the Company by 31 October 2014 shall implement the unbundling of transmission activity and control and legally, functionally and organisationally unbundle its natural gas distribution activity in order to achieve compliance with Paragraph 8 of the Law on Natural Gas.

In accordance with the aforementioned legal acts and with due consideration of the Company's request, the National Control Commission for Prices and Energy (hereinafter referred to as "the NCCPE"), by its Resolution No. O3-70 of 20 March 2012, enacted that AB Lietuvos Dujos should select the method for unbundling the natural gas transmission activity and control and the method for legal, functional and organizational unbundling the natural gas distribution activity and submit to the NCCPE a comprehensive description of the methods selected together with the plan of actions to be performed by 31 May 2012.

The General Meeting of Shareholders of AB Lietuvos Dujos of 28 May 2012 adopted the following resolutions:

1. To perform the unbundling of the transmission activity of AB Lietuvos Dujos following the method provided for by Article 4 of the Law on Implementation of the Law on Natural Gas of the Republic of Lithuania and Paragraph 8 of the plan approved by the Resolution No. 1239 of the Government of the Republic of Lithuania of 28 October 2011 "On Approval of the Plan on Performing the Unbundling of Activities and Control of Natural Gas Companies that do not Conform to the Requirements of the Law on Natural Gas of the Republic of Lithuania" in accordance with the terms provided for by the legal acts by spinning off a part (i.e. the activity of natural gas transmission of the Company) from the Company which continues its activity and establishing a new company on the basis of the assets, rights and obligations attributed to the activity of natural gas transmission of the Company as provided for by Article 71 of the Law on Companies of the Republic of Lithuania.
2. To perform the unbundling of the distribution activity of AB Lietuvos Dujos by establishing a subsidiary of the Company and by transferring the natural gas distribution activity (complex of assets) to the subsidiary together with the assets, rights and obligations attributed to the activity as contribution in kind for the newly issued shares of the subsidiary in accordance with the terms provided for by the legal acts.

On 28 May 2012, the Board of Directors of AB Lietuvos Dujos approved the Description of the methods for the unbundling of the Company's gas transmission activity and control and gas distribution activity together with the unbundling action plans (hereinafter referred to as "the Description"). The Description foresees that the Company's natural gas transmission activity will be legally, functionally, and organizationally unbundled by establishing a new transmission system operator company by 31 July 2013 and that unbundling of control over the transmission activity will be implemented and the Company's natural gas distribution activity will be legally, functionally, and organizationally unbundled by establishing a distribution system operator subsidiary by 31 October 2014. In accordance with the requirements of legal acts of the Republic of Lithuania, the Company submitted the Description to the National Control Commission for Prices and Energy within the time limits established, i.e. by 31 May 2012.

The implementation of the provisions of these laws will have a substantial effect on the activities of the Company.

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(all amounts are in LTL thousand unless otherwise stated)

3 Accounting principles

The Group's and the Company's condensed financial statements as of 31 March 2012 have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting.

Accounting principles adopted in preparing the condensed financial statements for the three months period ended 31 March 2012 were the same as these used for preparing the financial statements for 2011 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.

Segment information for the periods ended 31 March 2012 and 31 March 2011 is presented below:

Group					
Three months period ended 31 March 2012 (pre-audited)	Transmission	Distribution	Supply	Other activity	Total
Sales	48,529	67,573	582,726	396	699,224
Profit before tax	13,443	10,851	14,403	(46)	38,651
Group					
Three months period ended 31 March 2011 (audited)	Transmission	Distribution	Supply	Other activity	Total
Sales	49,022	68,710	447,198	403	565,333
Profit before tax	20,776	26,018	23,360	17	70,171

In the three months of 2012 the Group and the Company earned over 98 % of its revenue from Lithuanian customers (in the three months of 2011 - over 98 %).

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 and stored in Latvia gas storage.

5 Trade receivables

	Group		Company	
	31 March 2012 (pre-audited)	31 December 2011 (audited)	31 March 2012 (pre-audited)	31 December 2011 (audited)
Receivables for natural gas, Transmission and distribution of natural gas from non-household customers	140,353	159,792	140,362	159,803
Receivables for natural gas, Transmission and distribution of natural gas from household customers	18,870	16,949	18,870	16,949
Other trade receivables	376	523	365	513
Less: allowance for trade receivables	(8,251)	(8,417)	(8,251)	(8,417)
	<u>151,348</u>	<u>168,847</u>	<u>151,346</u>	<u>168,848</u>

The Groups' and the Company's trade receivables for natural gas, Transmission and Distribution of natural gas from non-household customers in the three months of 2012 decreased significantly due to lower volumes of the natural gas consumed.

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(all amounts are in LTL thousand unless otherwise stated)

6 Other current assets

	Group		Company	
	31 March 2012 (pre-audited)	31 December 2011 (audited)	31 March 2012 (pre-audited)	31 December 2011 (audited)
Debt securities	20,000	30,000	20,000	30,000
Short-term deposits with maturity 3-12 months	1,926	1,989	-	-
	21,926	31,989	20,000	30,000

As of 31 March 2012, the significant decrease in the other current assets owned by the Group and the Company was due to the debt securities sold in 2012.

The maturity of short term investments is 3-12 months period. As of 31 March 2012 weighted average annual interest rate of the short term investments of the Group was 2.19 % (2.24 % as of 31 December 2011).

7 Trade payables

	Group		Company	
	31 March 2012 (pre-audited)	31 December 2011 (audited)	31 March 2012 (pre-audited)	31 December 2011 (audited)
Suppliers of natural gas	146,461	192,122	146,461	192,122
Other	7,231	23,447	7,211	23,440
	153,692	215,569	153,672	215,562

As of 31 March 2012 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 31 March 2012 the Group's and the Company's other trade payables significantly decreased due to decreased payables for construction, reconstruction and repair works.

8 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	
	31 March 2012 (pre-audited)	31 March 2011 (pre-audited)
Net profit attributable to the shareholders (in LTL thousand)	30.716	59.032
Weighted average number of shares in thousand	469.068	469.068
Basic earnings per share (in LTL)	0,07	0,13

9 Dividends

During the regular general shareholders' meeting on 23 April 2012, when approving the Company's 2011 profit and loss appropriation, the decision was made to pay to shareholders dividends for the year 2011 in the amount of LTL 72.0 million (LTL 0.153 per ordinary registered share with the par value of LTL 1 per share).

10 Commitments and contingencies

Legal disputes

On 25 March 2011 the Ministry of Energy of the Republic of Lithuania, which holds 17.7 percent of the Company's shares by the right of trust, applied to Vilnius Regional Court with an action for an investigation of activities of a legal person and indicated AB Lietuvos Dujos, the Company's board members delegated by OAO Gazprom and the general manager as defendants. This action requests initiation of an investigation of AB Lietuvos Dujos activities and satisfaction of the respective claims specified in the action, provided that the activities of the company AB Lietuvos Dujos and/or the above board members and/or the general manager are found inadequate.

On 28 October 2011 AB Lietuvos Dujos applied to Vilnius Regional Administrative Court with a request to partially annul the Resolution of the National Control Commission for Prices and Energy No. O3-283 of 30 September 2011 Regarding a Planned Target Inspection of AB Lietuvos Dujos, where violations of AB Lietuvos Dujos licensed activities' regulations were identified and requirements applicable for providing the data for adjusting the upper price margin of transmission and distribution for 2012, for determination of the property, plant and equipment depreciation expenses as well as for the other obligations were imposed for the Company. On 20 February 2012 Vilnius Regional Administrative Court rejected the Company's claim. The Company did not agree with the decision of the first instance court and appealed against it to the Supreme Administrative Court.

On 28 November 2011 AB Lietuvos Dujos applied to Vilnius Regional Administrative Court with a complaint and requested annulment of the Resolution of the National Control Commission for Prices and Energy No. O3-347 of 27 October 2011 Regarding Violation of Regulated Activities of AB Lietuvos Dujos, based on which AB Lietuvos Dujos was imposed a fine of LTL 350 thousand.

The abovementioned legal cases are under ruling in the first instance and / or appealing stage. The outcome of these legal cases is not known and cannot be reliably estimated.

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, transaction amounts and debts as of 31 March 2012 and 31 March 2011 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).

As of 31 March 2012 (pre-audited)	Purchases	Sales	Accounts receivable	Accounts payable
OAO Gazprom	597,253	10,846	3,510	146,461
UAB Palangos Perlas	6	31	9	-
AS Latvijas Gaze	763	-	-	739
UAB Kaunas Heat and Power Plant	-	4,313	795	-
	598,022	15,190	4,314	147,200

As of 31 March 2011 (pre-audited)	Purchases	Sales	Accounts receivable	Accounts payable
OAO Gazprom	435,988	8,587	2,894	129,228
OAO Beltransgaz	3	-	-	-
UAB Palangos Perlas	-	25	9	-
AS Latvijas Gaze	39	-	-	9
UAB Kaunas Heat and Power Plant	-	4,820	884	-
	436,030	13,432	3,787	129,237

There were no receivables from related parties and payables to them, for which the guarantees would be provided for or received. As at 31 March 2012 the Group and the Company has not accounted for any allowance for receivables from related parties.