



To The Securities Commission of the Republic of Lithuania
Konstitucijos Ave. 23
LT-08105 Vilnius

31-05-2011

CONFIRMATION OF RESPONSIBLE PERSONS

Following Article 22 of the Law on Securities of the Republic of Lithuania and the Rules on Preparation and Submission of Periodic and Additional Information of the Securities Commission of the Republic of Lithuania, we, Arvydas Tarasevičius, Chief Executive Officer of LESTO AB, and, Ramutė Ribinskienė, Director of Finance and Administration Division, hereby do confirm that, to the best of our knowledge, the Interim Consolidated Unaudited Financial Statements of the three months of the year 2011 of LESTO AB have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and give a true and fair view of the assets, liabilities, financial position and profit or loss of LESTO AB and the Group.

Chief Executive Officer

Arvydas Tarasevičius

Director of Finance and Administration
Division

Ramutė Ribinskienė



AB LESTO
Interim report
for the three months of 2011

31 May 2011

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GENERAL INFORMATION**Reporting period covered by the report**

Report covers January to March of 2011.

Key data on issuer

Company name	AB LESTO
Company code	302577612
Authorised capital	LTL 603 944 593
Registered address	Žvejų str. 14, LT-09310 Vilnius
Telephone	+370 5 277 7524
Fax	+370 5 277 7514
E-mail	info@lesto.lt
Website	www.lesto.lt
Legal- organisational form	Joint-stock company
Date and place of registration	27 December 2011, Register of Legal Entities of the Republic of Lithuania
Register in which data on the company is collected and stored	Register of Legal Entities
Register manager	State Enterprise Centre of Registers

Information availability

This report and other documents based on which it has been prepared are available at the company's office at Žvejų str. 14, Vilnius, Corporate Communication department (office No.118) from 7.30 to 16.30 Monday to Thursday and from 7.30 to 15.15 on Fridays. Report is available on company's website www.lesto.lt and on Stock exchange market NASDAQ OMX Vilnius website <http://www.nasdaqomxbaltic.com>.

Public announcements, that AB LESTO must announce according to the valid Laws of the Republic of Lithuania, are published via Register of Legal Entities electronic edition for public announcements. Company also publishes announcements via company's website www.lesto.lt and Stock exchange market NASDAQ OMX Vilnius website www.nasdaqomxbaltic.com.

Persons responsible for the information provided in the report

Office	Name, surname	Telephone
Chief Executive Officer	Arvydas Tarasevičius	+370 5 251 7524
Director of Finance and Administration division	Ramutė Ribinskienė	+370 5 251 7524
Acting director of Finance department	Artūras Paipolas	+370 5 251 7524
Director of Accounting department	Zina Chmieliauskienė	+370 5 251 7524

Report is prepared in accordance with Law on Securities of the Republic of Lithuania, decision of the Securities Commission of the Republic of Lithuania No. 1K-6 (29 July, 2010) on Rules of Drawing up and the Submission of the Periodic and Additional Information, and other valid laws and legal acts.

Report signature date

Report was prepared and signed on 31 May 2011.

LESTO activities

AB LESTO (hereinafter – LESTO, Company) was established on the basis of reorganized Lithuanian electricity distribution companies Rytų skirstomieji tinklai AB and “VST” AB that were merged and on 31 December, 2011 finished their activity as legal entities. LESTO took over assets, rights and obligations of merged companies and since 1 January, 2011 started its activity as electricity distributor and public supplier.

LESTO is Lithuanian distribution network operator. Company's main responsibilities include: provision of network service for costumers; satisfaction of costumers needs; effective connection of new users; exploitation, maintenance, management and expansion of distributive network; assurance of network security; optimization of operating costs and reduction of technological losses.

LESTO values

COOPERATION: We work and take responsibility as a team.

RESPECT: We respect each individual and the surrounding environment.

DEDICATION: We are proud to represent energy sector and serve our community.

POSITIVE ATTITUDE: We are always looking ahead and constantly spread good mood.

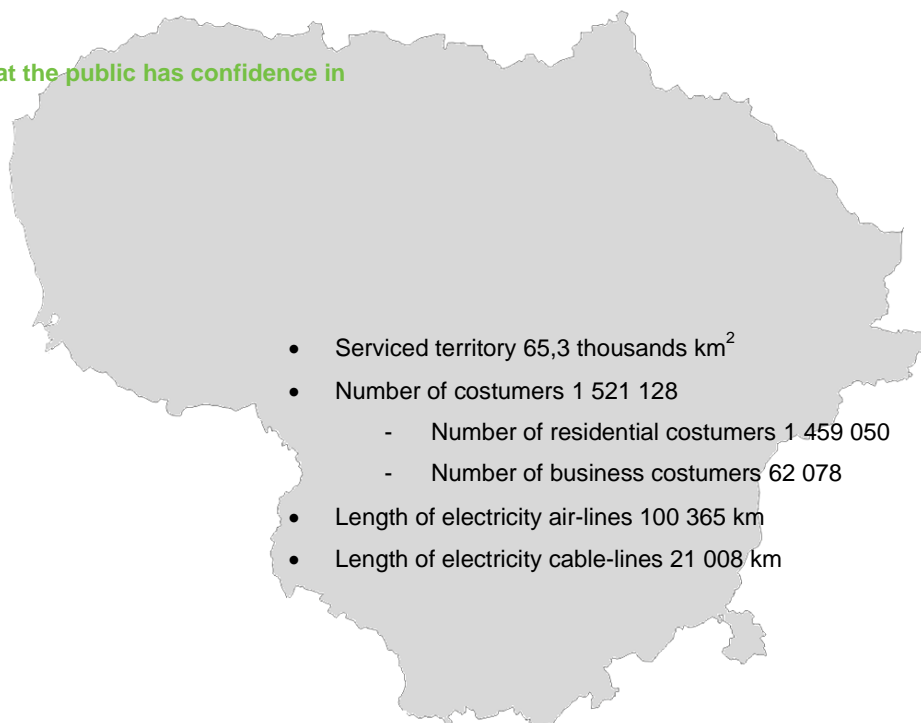
INNOVATIVENESS: We are seeking perfection and initiating changes.

LESTO mission

Reliable electricity for a meaningful life of everyone

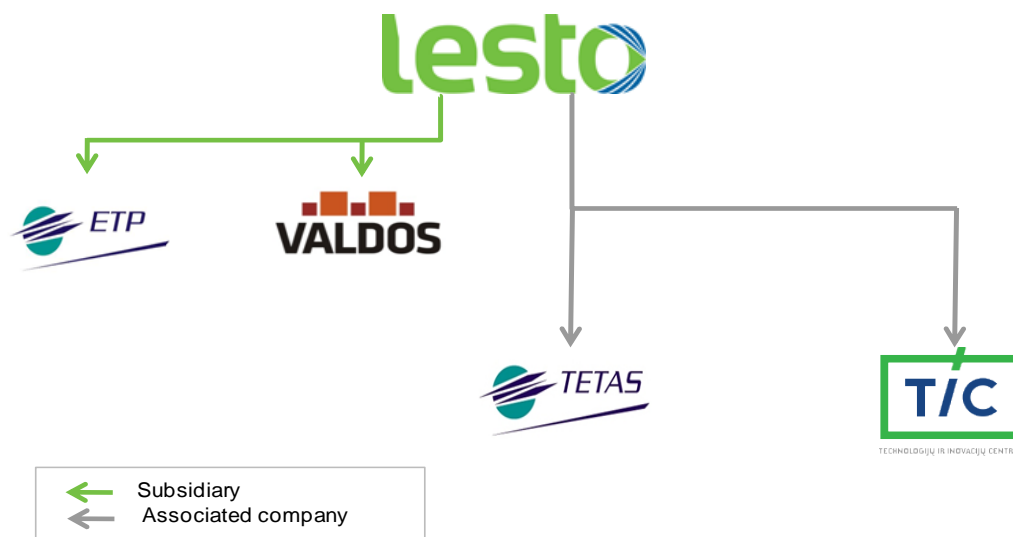
LESTO vision

A model company that the public has confidence in



LESTO company group

LESTO with its subsidiaries Elektros tinklo paslaugos UAB, NT Valdოს UAB and associated companies Technologijų ir inovacijų centras UAB, TETAS UAB make up LESTO company group (hereinafter – LESTO group).



Key data on subsidiaries and associated companies

	Elektros tinklo paslaugos UAB	NT Valdოს UAB	Technologijų ir inovacijų centras UAB	TETAS UAB
Address	Motorų str. 2, Vilnius	Geologų str. 16, Vilnius	A.Juozapavičiaus str. 13, Vilnius	Senamiesčio str. 102B, Panevėžys
Registration date	8 December 2004	18 January 2007	9 July 2010.	8 December 2005
Company code	300072351	300634954	302527488	300513148
Telephone	+370 5 210 6809	+370 5 210 6539	+370 5 278 2272	+370 5 504 670
Fax	+370 5 216 7875	+370 5 210 6543	+370 5 278 2299	+370 5 504 684
E-mail	etp@rst.lt	info@valdos.eu	info@etic.lt	tetas@rst.lt
Website	-	www.valdos.eu	www.etic.eu	-
LESTO ownership, %	71,13	57,92	43,03	38,87
Profile of activities	Power network engineering, construction, repair, maintenance and customer connection to the grid services.	Real estate and transport rental and administration services.	IT and communication services.	Power network engineering, construction, repair, maintenance and customer connection to the grid services

LESTO management

LESTO management bodies include General Meeting of Shareholders, Board and Chief Executive Officer. LESTO does not have Supervisory Board.

General Meeting of Shareholders

General Meeting of Shareholders is a supreme management body of the Company.

The competence of the General Meeting of Shareholders and the procedure for convening the meeting and adopting decisions are governed by the laws, other legal acts and Articles of Association.

During reporting period shareholders of the Company had equal rights (property and non-property) defined in the laws, other legal acts and Articles of Association. None of the LESTO shareholders had any special rights of control.

The managing bodies of the Company provided adequate conditions for exercise of the rights of the Company's shareholders during the reporting period.

Board

LESTO Board is a collegiate managing body of the Company.

The competence of the Board, the procedure for adoption of decisions and election and recall of members are governed by the laws, other legal acts and Articles of Association. The Board consists of five Board members that are elected by the General Meeting of Shareholder for the term of four years. The Board members elect the chairman of the Board out of its members.

During the reporting period the Board of the Company consisted of the chairman of the Board Arvydas Darulis and Board members: Kęstutis Žilėnas, Dalius Misiūnas, Aloyzas Vitkauskas, Šarūnas Vasiliauskas.

On 29 April, 2011 Board member Dalius Misiūnas was recalled from the LESTO Board and Arvydas Tarasevičius was elected to the Board by the decision of General Meeting of Shareholders.

On the report signature day the Board of the Company consists of the chairman of the Board Arvydas Darulis and Board members: Kęstutis Žilėnas, Arvydas Tarasevičius, Aloyzas Vitkauskas, Šarūnas Vasiliauskas.

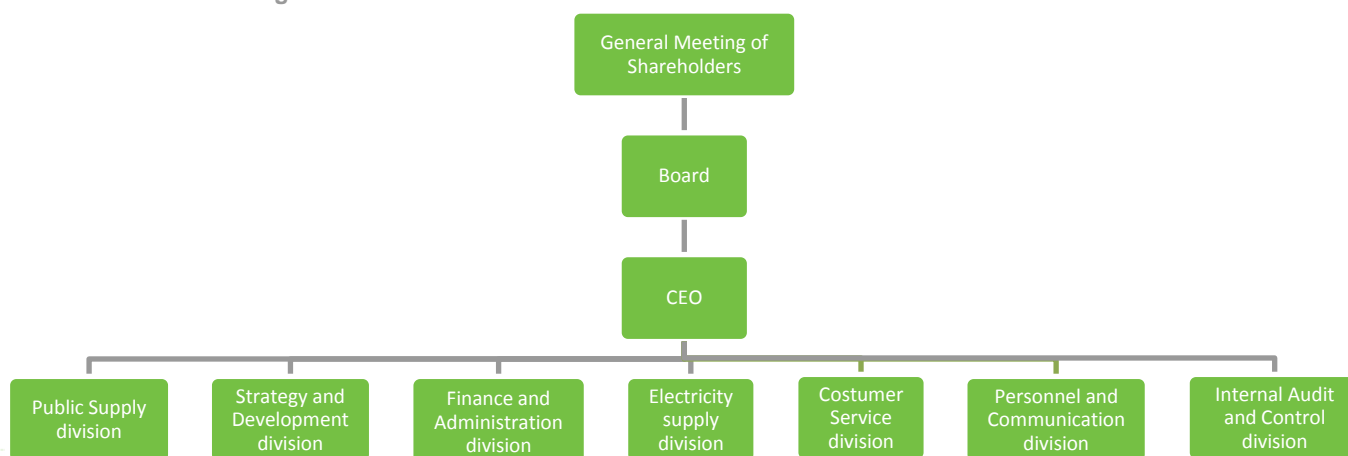
Chief Executive Officer

Chief Executive Officer (hereinafter – CEO) is a one-person managing body of the Company.

The competence of the Managing Director and the procedure for election and recall thereof are governed by the laws, other legal acts and Articles of Association. CEO is elected and recalled by the Board of the Company. CEO organises the Company's activities, manages the Company, act on behalf of the Company and unilaterally conclude transactions.

On 13 December, 2010 Arvydas Tarasevičius was elected as a CEO of LESTO

LESTO management structure



LESTO Board and CEO



Arvydas Darulis
Chairman of the Board

In this position: since 13 December, 2010

Education:

Vilnius University, Economist degree.
Dalhousie University, Baltic economic management training programme.

Main occupation: Ministry of Energy of the Republic of Lithuania, Vice-minister



Kęstutis Žilėnas
Member of the Board

In this position: since 13 December, 2010

Education:

Mykolas Romeris University, Master in Law.
Kaunas University of Technology, Computer systems and network engineer qualification.

Main occupation: Ministry of Energy of the Republic of Lithuania, Head of the Energy Resources, Electricity and Heat division



Aloyzas Vitkauskas
Member of the Board

In this position: since 13 December, 2010

Education:

Vilnius Engineering Construction Institute, Technological sciences.
Vilnius Engineering Construction Institute, Master in Civil Engineering.

Main occupation: Ministry of Finance of the Republic of Lithuania, Vice-minister



Šarūnas Vasiliauskas
Member of the Board

In this position: since 29 December, 2010

Education:

Vilnius University, Master in Natural Sciences.

Main occupation: Visagino atominė elektrinė UAB, CEO



Arvydas Tarasevičius
Member of the Board

In this position: since 29 April, 2011*

Education:

Vilnius University, Doctor of Social Science

Vilnius University, Economist-mathematician.

Main occupation: LESTO AB, CEO

*On 29 April, 2011 General Meeting of Shareholders elected Arvydas Tarasevičius instead of recalled member of the Board Dalius Misiūnas.

Information on LESTO Board members participation in the activities of companies and organisations; shareholding in other companies exceeding 5% of capital/votes

Name, surname	Name of organisation, position	Capital held, %	Share of votes, %
Board			
Arvydas Darulis	LESTO AB, chairman of the Board	-	-
	Ministry of Energy of the Republic of Lithuania, Vice-minister		
	Klaipėdos nafta AB, member of the Board	-	-
	Lietuvos elektrinė AB, chairman of the Board	-	-
	Lietuvos energija AB, chairman of the Board	-	-
	Visagino atominė elektrinė UAB, chairman of the Board	-	-
Kęstutis Žilėnas	LESTO AB, member of the Board	-	-
	Ministry of Energy of the Republic of Lithuania, Head of the Energy Resources, Electricity and Heat division	-	-
	Klaipėdos nafta AB, member of the Board	-	-
	Lietuvos energija AB, chairman of the Board	-	-
	Elektros tinklo paslaugos UAB, chairman of the Board	-	-
	TETAS UAB, chairman of the Board	-	-
Aloyzas Vitkauskas	LESTO AB, member of the Board	-	-
	Ministry of Finance of the Republic of Lithuania, Vice-minister	-	-
	Lietuvos energija AB, member of the Board	-	-
	Visagino atominė elektrinė UAB, member of the Board	-	-
	State Enterprise Turto bankas, member of the Board	-	-
	State Enterprise Valstybės turto fondas, member of the Board	-	-
Šarūnas Vasiliauskas	LESTO AB, member of the Board	-	-
	Lietuvos energija AB, member of the Board	-	-
	Visagino atominė elektrinė UAB, CEO and member of the Board	-	-
Arvydas Tarasevičius	LESTO AB, CEO and member of the Board*	-	-
	Technologijų ir inovacijų centras UAB, member of the Board	-	-
	NT Valdos UAB, member of the Board	-	-
	Lithuanian Electric Energy Association, member of the Council	-	-
	Homestead cooperative Žemyna, member of the Board	-	-
CEO			
Arvydas Tarasevičius	Look for the information above	-	-
Chief Financer, Director of Accounting department			
Zina Chmieliauskienė	-	-	-

*On 29 April, 2011 General Meeting of Shareholders elected Arvydas Tarasevičius instead of recalled member of the Board Dalius Misiūnas.

INFORMATION ON THE ISSUER'S SECURITIES AND AUTHORISED CAPITAL

Authorised capital structure

Type of shares	Number of shares	Nominal value, LTL	Total nominal value, LTL	Share in authorized capital, %
Ordinary registered shares	603 944 593	1	603 944 593	100,00

Rights and obligations granted by shares

All ordinary registered shares grant the same rights. Property and non-property rights are defined in the law, other legal acts and Articles of Association.

Shareholders

On April 29, 2011 during the General Meeting of Shareholders of LESTO number of shareholders (record day 21 April, 2011) totaled- 7 821. On 1 January, 2011 number of LESTO shareholders amounted to 7 999.

Shareholders of Rytų skirstomieji tinklai AB and VST AB that owned shares on 27 December, 2010 became LESTO shareholders. According to reorganization terms one VST AB share granted 68,21 of LESTO shares and one Rytų skirstomieji tinklai AB share- 0,71 of LESTO share.

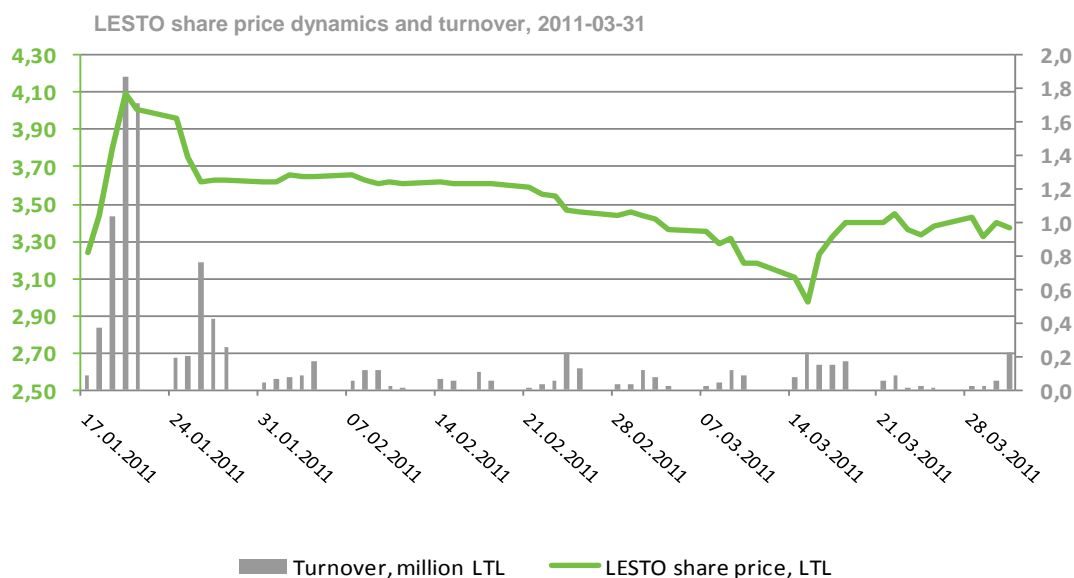
Shareholders who owned more than 5 % of the issuer's authorized capital on 31 March, 2011.

Full names of the shareholders (names of companies, types, headquarter addresses, company register code)	Number of ordinary registered shares	Share of authorized capital, %	Votes granted by shares owned, %
Visagino atominė elektrinė, UAB Žvejų str.14, Vilnius, company reg. No. 301844044	499 026 209	82,63	82,63
E.ON Ruhrgas International GmbH, Huttopstrasse 60, Essen, Germany HRB No 10974	71 040 473	11,76	11,76

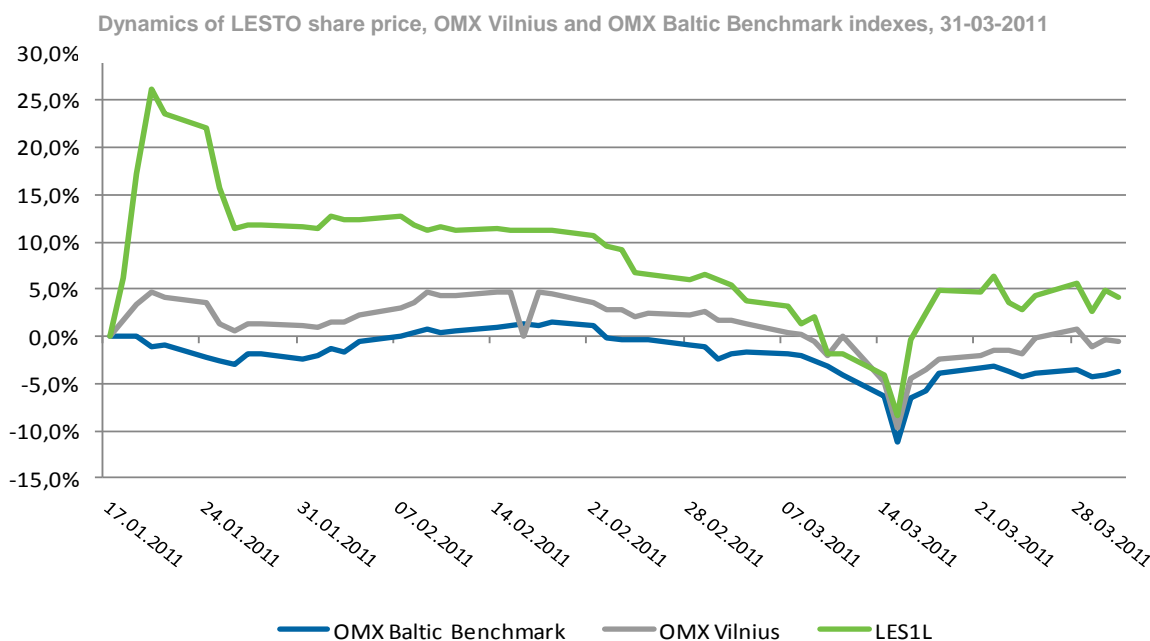
Information on issuer's securities

On 17 January, 2011 LESTO shares were included in the Main List of NASDAQ OMX Vilnius. LESTO shares are not traded in other regulated markets.

ISIN code	Trading list	Abbreviation of securities	Number of shares	Nominal value, LTL
LT0000128449	BALTIC MAIN LIST	LES1L	603 944 593	1



LESTO- one of the biggest companies by market capitalization in OMX Baltic securities exchange market. Start of trading in LESTO shares attained attention of large and small investors, within four trading days price of LESTO share grew by 26,2 % and on 20 January, 2011 reached the highest point during reporting period- LTL 4,09. When the initial attention cooled down share price corrected and moved towards average price of the first quarter of 2011- LTL 3,5. LESTO share price reached the lowest point (LTL 2,97) on 15 March, 2011, Drop of the price was encouraged by Japanese crisis. During the reporting period LESTO share price went up by 4,2 %. On 31 March, 2011 price of LESTO share stood at LTL 3,38.



LESTO shares are included in both OMX Vilnius and OMX Baltic Benchmark indexes. Index OMX Vilnius consists of all the shares listed on the Main and Secondary lists of the Vilnius exchange market. LESTO shares have the biggest weight in this index- 18,95%.

OMX Baltic Benchmark index consists of a portfolio of the largest and most traded shares, representing all sectors available on the NASDAQ OMX Baltic Market. LESTO represents utility sector. Since the beginning of trading in LESTO shares until the 31 March, 2011 index OMX Vilnius dropped by 0,6%, OMX Baltic Benchmark went down by 3,7%, while price of LESTO share increased by 4,2%.

LESTO securities account manager

Swedbank, AB is official manager of LESTO security account.

Contact details of Swedbank, AB:

Konstitucijos ave. 20A, LT-03502 Vilnius

Tel. 1884, +370 5 268 4444, fax +370 5 258 2700

FINANCIAL STATUS

Unaudited financial statements of LESTO and consolidated unaudited financial statements of LESTO group presented in this chapter have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union.

Statement of financial position, LTL thousand

	LESTO group 31-03-2011	Company 31-03-2011
ASSETS		
Non-current assets		
Property, plant and equipment	4 870 529	4 743 699
Intangible assets	4 342	4 330
Prepayments for property plant and intangible assets	1 169	1 169
Investments in subsidiaries	-	191 018
Investment in associates	19 091	21 570
Investment property	184 244	-
Deferred income tax asset	139	-
Non-current receivables	10 225	10 225
	5 089 739	4 972 011
Current assets		
Inventories	13 171	8 409
Trade and other receivables	180 887	198 172
Prepayments, deferred charges and accrued income	48 202	26 075
Prepaid income tax	15	-
Short-term deposits	76 980	73 980
Cash and cash equivalents	15 457	6 774
	334 712	313 410
Non-current assets held for sale	760	-
	335 472	313 410
Total assets	5 425 211	5 285 421
EQUITY		
Equity and reserves attributed to owners of the Company		
Share capital	603 945	603 945
Revaluation reserve	1 980 803	1 975 848
Legal reserve	60 574	60 394
Other reserves	271	-
Retained earnings	976 547	986 943
	3 622 140	3 627 130
Non-controlling interest	133 992	-
Total equity	3 756 132	3 627 130
LIABILITIES		
Amounts payable after one year and non-current liabilities		
Borrowings	205 448	219 322
Deferred income tax liabilities	423 527	419 190
Deferred income	353 017	353 017
Grants and subsidies	52 031	52 031
Non-current employee benefits	4 318	4 247
Other non-current liabilities	686	686
	1 039 027	1 048 493
Amounts payable within one year and current liabilities		
Borrowings	280 693	266 820
Trade and other payables	264 990	260 367
Advances received and accrued liabilities	78 470	76 712
Derivative financial instruments	468	468
Current income tax liabilities	5 431	5 431
	630 052	609 798
Total liabilities	1 669 079	1 658 291
Total equity and liabilities	5 425 211	5 285 421

Statement of comprehensive income, LTL thousand

	LESTO group 31-03-2011	Company 31-03-2011
Sales revenue	615 848	608 856
Purchases of electricity	(452 355)	(452 355)
Depreciation and amortization	(109 082)	(106 399)
Employee benefits and related social security contributions	(41 672)	(34 991)
Repair and maintenance expenses	(12 242)	(12 812)
Transportation costs	(1 512)	(5 127)
Other expenses	(10 349)	(9 506)
Operating profit (loss)	(11 364)	(12 334)
Finance income	1 584	1 573
Finance (costs)	(2 065)	(2 065)
Finance income/ (costs), net	(481)	(492)
Profit (loss) on investment in associates	396	-
Profit (loss) before income tax	(11 449)	(12 826)
Income tax	3 563	3 578
Profit (loss) for the year	(7 886)	(9 248)
Other comprehensive income(expense):		
Gain (loss) on revaluation of property, plant and equipment	-	-
Deferred income tax effect	-	-
Other comprehensive income (expense) for the year	-	-
Total comprehensive income (expense) for the year	(7 886)	(9 248)
Profit (loss) for the year attributable to:		
Owners of the Company	(8 278)	(9 248)
Non-controlling interest	392	-
	(7 886)	(9 248)

Statement of changes in equity, thousand LTL

LESTO group	Share capital	Revaluation reserve	Legal reserve	Other reserves	Retained earnings	Total	Non-controlling interest	Total equity
Balance at 31 December 2010	603 945	2 037 875	60 574	271	927 753	3 630 418	133 600	3 764 018
Profit (loss) for the year					(8 278)	(8 278)	392	(7 886)
Other comprehensive income (expense):								
Transfers to retained earnings (depreciation, net of deferred income tax)	-	(57 072)	-	-	57 072	-	-	-
Total comprehensive income (expense)	-	(57 072)	-	-	48 794	(8 278)	392	(7 886)
Transaction with owners—transferred to reserves	-	-	-	-	-	-	-	-
Transaction with owners—reserves utilised	-	-	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-	-	-
Balance at 31 March 2011	603 945	1 980 803	60 574	271	976 547	3 622 140	133 992	3 756 132

Company	Share capital	Revaluation reserve	Legal reserve	Other reserves	Retained earnings	Total
Balance at 1 January 2011	603 945	2 032 898	60 394	-	939 141	3 636 378
Profit (loss) for the year					(9 248)	(9 248)
Other comprehensive income (expense):						
From revaluation of property, plan and equipment, net of deferred tax	-	-	-	-	-	-
Transfers to retained earnings (depreciation, net of deferred income tax)	-	(57 050)	-	-	57 050	-
Total comprehensive income (expense)	-	(57 050)	-	-	47 802	(9 248)
Transaction with owners—transferred to reserves	-	-	-	-	-	-
Transaction with owners—reserves utilized	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-
Balance at 31 March 2011	603 945	1 975 848	60 394	-	986 943	3 627 130

Statement of cash flows, thousand LTL

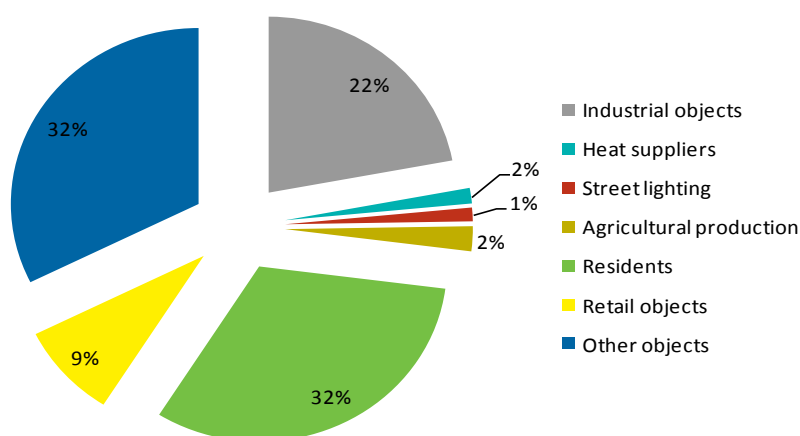
	LESTO group 31-03-2011	Company 31-03-2011
Cash flows from operating activities		
Profit (loss) for the year	(7 886)	(9 248)
Adjustment for:		
– Income tax	(3 563)	(3 579)
– Depreciation and amortisation	109 614	106 931
– Revaluation of property, plant and equipment	(530)	(530)
– Amortisation of grants	(532)	(532)
– Gain (loss) on disposal and write-off property, plant and equipment	-	-
– Impairment of associates value	(396)	-
– Dividends	-	-
– Finance (income)	(1 584)	(1 573)
– Finance costs	2 065	2 065
Changes in working capital:		
– Trade and other receivables	8 004	4 588
– (Increase) decrease in inventories, prepayments and other assets	827	2 712
– Increase in amounts payable and advances received	(10 514)	(8 928)
– Paid income tax	(3 160)	(3 160)
Net cash generated from operating activities	<u>92 345</u>	<u>88 746</u>
Cash flows from investing activities		
– (Purchase) of property, equipment and intangible assets	(89 876)	(88 459)
– Proceeds from sale of property, plant and equipment	-	-
– Loans repayments received	(145)	(145)
– Term deposits	(60 816)	(57 816)
– Interests received	823	811
Net cash used in investing activities	<u>(150 014)</u>	<u>(145 609)</u>
Cash flows from financing activities		
– Proceed of borrowings	-	-
– (Repayments) of borrowings	(36 361)	(36 361)
– Dividends (paid) to the Company's shareholders	(72)	(71)
– Interests paid	(1 988)	(1 988)
Net cash used in financing activities	<u>(38 421)</u>	<u>(38 420)</u>
Net increase (decrease) in cash and cash equivalents	<u>(96 090)</u>	<u>(95 283)</u>
Cash and cash equivalents at the beginning of the year	<u>111 370</u>	<u>101 880</u>
Cash and cash equivalents at the end of the year	<u>15 280</u>	<u>6 597</u>

Activity results analysis

Activity indicators	2011 January- March
Amount of electricity received to the distribution network, million. kWh	2.350
Technological losses in the distribution network, million kWh	247
Volume of network service, million kWh	2.102
Amount of electricity sold, million. kWh	1.251
SAIDI, minutes	96,6
SAIFI, times	0,51

During the first quarter of 2011 the amount of LESTO network service reached 2.102 million kWh. Electricity sales made up 59,4% of this amount, to the rest costumers LESTO granted only network service. LESTO electricity sales in high voltage electricity grids during the first quarter made up 2 million kWh. Technological losses experienced by the Company amounted to 247 million kWh.

Breakdown of network service volumes by objects



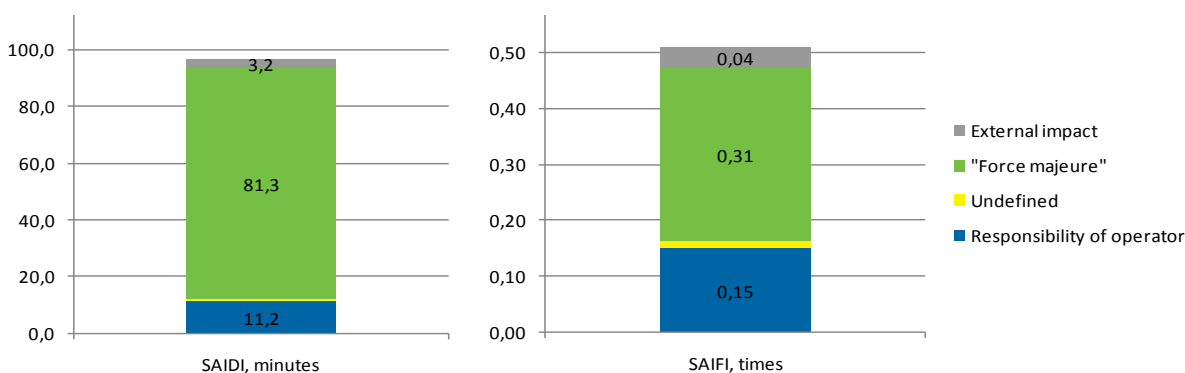
Almost one third of electricity network service volume was allocated to residents. Industrial and retail objects consumed 22% and 9% respectively.

Index for measurement of distribution network reliability:

- SAIDI, minutes- System average interruption duration index. Indicates average duration of electricity supply interruptions to one customer during reporting period.
- SAIFI, times- System average interruption frequency. Indicates average number of electricity supply interruptions to one customer during reporting period.

During the first quarter of 2011 LESTO SAIDI Index made up 96,6 minutes, SAIFI – 0,51 time. Major reason for electricity supply interruptions were caused by events under the category „Force majeure“ (natural disasters). Reliability indexes excluding the effect of „Force majeure“ and external impact events were better. SAIDI index stood at 12,1 minutes and SAIFI – 0,16 times.

Distribution network reliability indexes

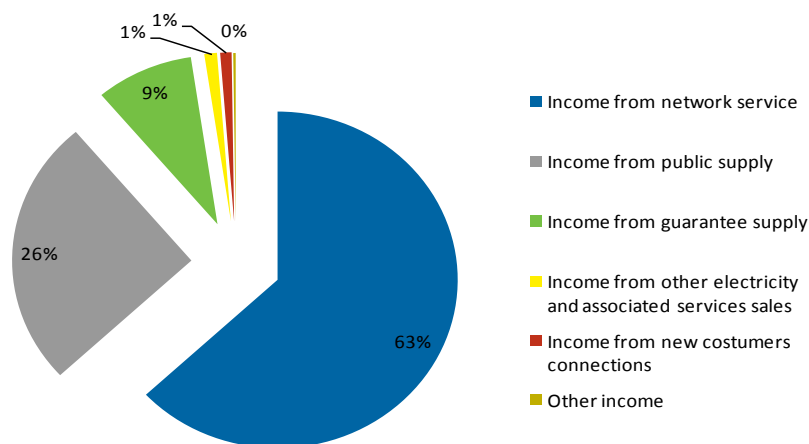


Income, costs and profitability

LESTO group profitability ratios	2011 January-March
Net profit margin	-1,28 %
Operating profit margin	-1,85 %
EBITDA, LTL thousand	97 718
EBITDA margin	15,87 %
ROA	-0,15 %
ROE	-0,21 %

During the first quarter of 2011 LESTO group earned LTL 615,8 million, Company's income share in this number made up 98,9% i.e. 608,9 LTL million. The main source of Company's income- income from network service that made up 63% of total income, income from public supply service consisted 26%, income from guarantee supply for the costumers that have not chosen independent supplier amounted to 9% of Company's income.

LESTO income structure

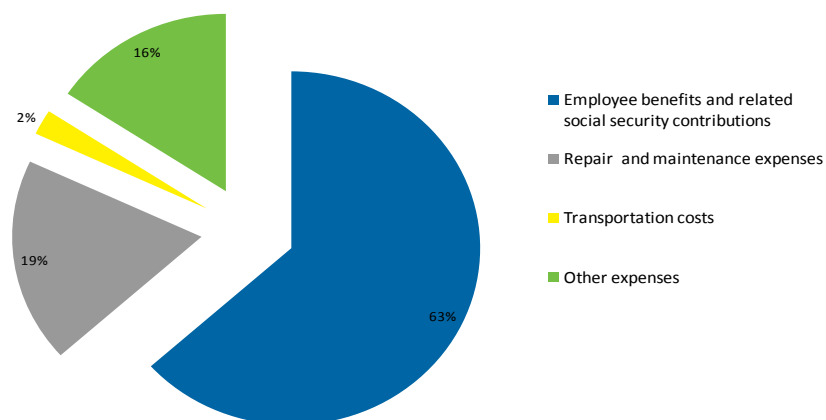


Electricity purchase costs during the reporting period made up LTL 452,4 million i.e. 72,1% of total costs. Depreciation and amortization accounted to 17,4% of total costs and the rest costs of the group that made up 10,5% are classified as activity costs.

In 2011 EBITDA of LESTO group reached LTL 97,7 million , EBITDA margin made up 15.9% of income.

LESTO group experienced net loss of 7,9 million during three months of 2011

LESTO activity costs structure



Other financial ratios and investment

LESTO group liquidity ratios	31-03-2011
Current liquidity ratio	0,53
Acid test ratio	0,51
Cash liquidity ratio	0,15
Working capital, LTL thousand	-294.580
Working capital to total assets ratio	-0,05

LESTO group financial leverage ratios	31-03-2011
Total liabilities to total assets ratio	0,31
Debt to equity ratio	0,13
Net financial debt, LTL thousand	393.704
Net financial debt to equity ratio	0,10

The value of LESTO group assets at the end of reporting period made up LTL 5.425,2 million. Non-current assets proportion in total assets was equal to 93,8%. Short-term deposits and cash with cash equivalents accounted to LTL 92,4 million i.e. 27,6% of total current assets.

Equity of LESTO group exceeds liabilities 2,25 fold. At the end of reporting period financial debts made up LTL 486,4 million or 29,1% of total liabilities. Current borrowings overweighs non-current borrowings by LTL 75,2 million due to the large amount of loans that will come to maturity within one year. At the end of reporting period LESTO current borrowings made up LTL 630,1 million.

Current liabilities exceed current assets by LTL 294,6 million. Current liquidity ratio stood at 0,53. Inventories made up only 3,9% of current assets, consequently acid test ratio do not differ significantly from current liquidity ratio. Financial debt reduced by the amount of the most liquid assets (short-term deposits and cash with cash equivalents) indicates net financial debt. Net financial debt of the LESTO group amounted to LTL 405,4 million and consisted only 10% of equity.

Over 2011 LESTO invested LTL 29 million. Main part of investment was devoted for electricity network expansion. Investment in connection of new costumers made up LTL 15,8 million, while buyout of electricity objects amounted to LTL 0,8 million. During the first quarter of 2011 Company allocated LTL 5,9 million for maintenance of low voltage electricity grid. Maintenance of medium voltage electricity grid cost LTL 4,9 million.

LESTO investment, thousand LTL

	2011 January- March	Structure
Investment in expansion	16.659	57,4%
Connection of new costumers	15.847	95,1%
Buyout of electricity objects	812	4,9%
Investment in maintenance	12.362	42,6%
Low voltage electricity grid	5.879	47,6%
Medium voltage electricity grid	4.886	39,5%
Other investment	1.596	12,9%
Total	29.021	

ESSENTIAL EVENTS

In implementing its duties according to the binding legislation that regulates the securities market, LESTO announces material events (as well as all further regulated information) for the whole of the European Union. Information published by the Company is available on its website www.lesto.lt and the website of NASDAQ OMX Vilnius AB at www.nasdaqomxbaltic.com.

LESTO essential events over reporting period

Date	Essential event
17-01-2011	Regarding trading of AB LESTO shares on the Main list of NASDAQ OMX Vilnius.
20-01-2011	Regarding authorized stock account manager of the LESTO AB.
15-02-2011	Regarding change of AB LESTO licences for activities of the electricity distribution and electricity supply.
04-03-2011	Regarding the establishment of the Audit Committee of Visagino atominė elektrinė UAB.