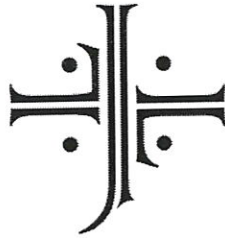


AKCINĖ BENDROVĖ
"LIETUVOS JŪRŲ LAIVININKYSTĖ"



PUBLIC COMPANY
"LITHUANIAN SHIPPING COMPANY"

To: The Bank of Lithuania
Žirmūnų str. 151,
LT-09128 Vilnius,
Lithuania

2013-11-25 Nr. (01)-5-244
Klaipėda
I _____ Nr. _____

CONFIRMATION BY THE RESPONSIBLE PERSONS OF PUBLIC COMPANY
"LITHUANIAN SHIPPING COMPANY"

Following the Rules of Preparation and Submission of Periodic and Supplemental of the Securities Commission of the Republic of Lithuania as well as the Law on Securities of the Republic of Lithuania, Item 22, we hereby confirm that, to the best of our knowledge Financial statements for the nine month 2013, drawn in accordance with the International Financial Reporting Standards, corresponds to the reality and properly reflects the assets, liabilities, financial state, profit or loss and cash flows of Public Company "Lithuanian Shipping Company".

Public Company "Lithuanian Shipping Company"
General Director

Audronis Lubys

Public Company "Lithuanian Shipping Company"
Chief Accountant

Arvydas Stropus



**Public Company Lithuanian Shipping
Company**

**Unaudited interim financial statements for the nine
month 2013**

**VENTA
KLAIPEDA
IMO 9074729**

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Company details

Public Company Lithuanian Shipping Company

Telephone: +370 46 393105
Telefax: +370 46 393119
Company code: 110865039
Address: Malūnininkų g. 3, Klaipėda

Supervisory Council

Tomas Karpavičius (Chairman)
Ona Barauskienė
Evaldas Zacharevičius
Laimutė Tinglum
Gytis Kaminskas

Board

Saulius Girdauskas
Andrius Šniuolis
Egle Vyšniauskaitė
Mindaugas Utkevičius
Stepas Telešius
Auditor
KPMG Baltics, UAB

Banks

AB SEB Bankas
AB DNB Bankas
Danske bank A/S Lithuanian branch

STATEMENT OF FINANCIAL POSITION
30 September , 2013

	Notes No.	2013-09-30	2012-12-31	2012-09-30
Intangible assets	2	1	8	11
Tangible assets	1	187.578	195.780	202.902
<i>Total non-current assets</i>		<i>187.579</i>	<i>195.788</i>	<i>202.913</i>
Inventories	3	4.847	5.135	4.194
Prepayments	3	1.383	867	2.288
Trade receivables	4	5.694	2.385	3.784
Other receivables	4	781	163	1.142
Cash and cash equivalents	5	7	369	52
<i>Total current assets</i>		<i>12.712</i>	<i>8.919</i>	<i>11.460</i>
<i>Total assets</i>		<i>200.291</i>	<i>204.707.</i>	<i>214.373</i>
Share capital	6	200.901	200.901	200.901
Legal reserve		-	-	-
Other reserves		-	-	-
Retained profit (loss)		(90.301)	(79.087)	(68.665)
<i>Total equity</i>	<i>17</i>	<i>110.600</i>	<i>121.814</i>	<i>132.236</i>
Payables to credit institutions	7	24.158	38.286	59.853
Non-current employee benefits		305	305	-
<i>Total non-current liabilities</i>		<i>24.463</i>	<i>38.591</i>	<i>59.853</i>
Payables to credit institutions	7	31.218	18.112	1.420
Trade payables	9	22.535	16.560	10.578
Received prepayments	9	4.878	5.174	3.961
Employment related payables	8	6.327	3.496	3.327
Profit tax liabilities		66	66	50
Other payables	9	204	894	2.948
<i>Total current liabilities</i>		<i>65.228</i>	<i>44.302</i>	<i>22.284</i>
<i>Total shareholders equity and liabilities</i>		<i>200.291</i>	<i>204.707</i>	<i>214.373</i>

The notes set out on pages 6-16 form an integral part of these financial statements.

General Director

Audronis Lubys

Chief Accountant

Arvydas Stropus

STATEMENT OF COMPREHENSIVE INCOME
30 September, 2013

	Notes No.	2013 June- September	2012 June- September	2013 January - September	2012 January - September
Sales	10	24.328	22.697	72.129	60.297
Cost of sales	11	(26.440)	(21.182)	(79.664)	(61.336)
Gross result		(2.112)	1.515	(7.535)	(1.039)
Administrative expenses	12	(925)	(905)	(3114)	(3.133)
Impairment of vessels		-	-	-	-
Distribution expenses		(4)	(2)	(5)	(3)
Other operating income	13	2	77	8	183
Other operating expenses	13	-	(1)	(5)	(3)
Operating result		(3.039)	684	(10.651)	(3.995)
Financial income	14	2.189	1.799	1.007	-
Financial expenses	14	(562)	(574)	(1.569)	(2.350)
Net financial expenses	14	1.627	1.225	(562)	(2.350)
Profit (loss) before tax		(1.412)	1.909	(11.213)	(6.345)
Income tax expenses		-	-	-	-
Profit (loss) for the year		(1.412)	1.909	(11.213)	(6.345)
Other comprehensive income , net of income tax		-	-	-	-
Total comprehensive income		(1.412)	1.909	(11.213)	(6.345)
Basic and diluted earnings (loss) per share (in Litās)	15	(0,007)	(0,009)	(0,056)	(0,032)

The notes set out on pages 6-16 form an integral part of these financial statements.

General Director

Audronis Lubys

Chief Accountant

Arvydas Stropus

CASH FLOWS STATEMENT
30 September, 2013

Articles	Notes No.	30-09-2013	30-09-2012
Cash flows from operating activity			
Profit (loss) for the period		(11.213)	(6.345)
Adjustments for:			
Depreciation and amortization	1,2	13.358	14.628
Effects of exchange rate changes on loans	7	(1.021)	274
Gain (loss) on disposal of property, plant and equipment	13	4	-
Impairment loss of vessels		-	-
Interest expenses, net	14	1.569	1.678
Income tax expense		-	-
Operating cash flows before changes in working capital		2.696	10.235
Decrease (increase) in receivables	4	(4.443)	(4.842)
Increase (decrease) in payables	8,9	7.819	9.070
Decrease (increase) in inventories	3	288	(1.757)
Cash flows generated from operating activities		6.360	12.706
Income tax paid		-	(16)
Net cash flows from operating activities		6.360	12.690
Cash flows from investing activities			
Acquisitions of non-current assets	1,2	(5.152)	(7.148)
Disposals of non-current assets		-	-
Received dividends and interests		-	-
Net cash flows from investing activities		(5.152)	(7.148)
Cash flows from financing activities			
Interest paid	14	(1.570)	(1.678)
Dividends paid to shareholders		-	1
Repayments of loans	7	-	(5.604)
Net cash flow from financing activities		(1.570)	(7.282)
Change in cash and cash equivalents		(362)	(1.741)
Cash and cash equivalents at 1 January		369	1.793
Cash and cash equivalents at 30 September	5	7	52

The notes set out on pages 6-16 form an integral part of these financial statements.

General Director

Audronis Lubys

Chief Accountant

Arvydas Stropus

STATEMENT OF CHANGES IN EQUITY
30 September 2013

	Share capital	Legal Reserve	Other reserves	Retained profit (loss)	Total
<i>Balance as at 31.12.2011 (recalculated)</i>	200.901			(62.320)	138.581
Comprehensive income for the period				(8.254)	(8.254)
Used reserves					
<i>Balance as at 30.09.2012</i>	200.901			(68.665)	132.236
Comprehensive income for the period				(16.767)	(16.767)
Used reserves					
Balance as at 31.12.2012	200.901			(79.087)	121.814
Comprehensive income for the period				(11.213)	(11.213)
<i>Balance as at 30.09.2013</i>	200.901			(90.301)	110.600

The notes set out on pages 6-16 form an integral part of these financial statements.

General Director



Audronis Lubys

Chief Accountant



Arvydas Stropus

Notes to the financial statements ended of the 30 September 2013

I. Reporting entity

Public Company Lithuanian Shipping Company (LJL) is a joint-stock company established after reorganizing Public Company Lithuanian Shipping Company (LISCO). LJL was registered in the Registry of Legal Entities, certificate No. 027245. LJL registration date is 27 June, 2001, company code is 110865039. The address of LJL is Malūnininkų g. 3, Klaipėda. Main activities of the Company are cargo carrying by sea transport and lease of ships.

Management bodies of the Company are general meeting of shareholders, supervisory board, board and Chief Executive Officer.

At the ended of the 30 September 2013 345 employees were employed in the Company, 29 of them worked in management divisions and 316 as seafarers.

The shareholders of the Company were on 30 September, 2013:

	30-09- 2013		30-09- 2012	
	Number of shares	Ownership percent	Number of shares	Ownership percent
Ministry of Transport and Communication of the Republic of Lithuania	113.833.000	56,66	113.833.000	56,66
Swedbank AS (Estonia)	7.277.586	3,62	11.437.444	5,69
DFDS TOR LINE A/S	11.108.420	5,53	11.108.420	5,53
Other small shareholders	68.682.290	34,19	64.552.432	32,12
Total:	200.901.296		200.901.296	

II. Performance review

The income during January-September, 2013 was LTL 72,1 million (EUR 20,9 million) and, if compared to the same months of 2012 income of LTL 60,3 million (EUR 17,5 million), has increased by 19,6%.

EBITDA during January-September, 2013 was LTL 2,7 million (EUR 0,8 million), EBITDA during the nine months of 2012 was LTL 10,4 million (EUR 3,0 million).

The loss during January- September, 2013 was LTL 11,2 million (EUR 3,2 million), of which LTL 1.0 million (EUR 0.3 million) is related to positive impact of currency exchange. The loss of the same months of 2012 was LTL 6,3 million (EUR 1,8 million).

LSC long-term investments (ship's repairs) during January- September, 2013 were LTL 5,1 million (EUR 1,5 million). Long-term investments during the same months of 2012 were LTL 7,1 million (EUR 2,1 million).

Due to protracted economic hardship in the global shipping market the interim results for the nine months of 2013 did not meet management's expectations. Considering that during the period January- September, 2013 all planned ship's repairs for the year 2013 were fully performed LSC expects to stable and more cost-effective performance in the 4 quarter of 2013.

III. Explanatory notes to accounts

1. Non-current tangible asset

Rodikliai tūkst. LTL	Buildings and constructions	Machines and equipment	Vessels (recalculated)	Others vehicles	Capitalised expenses in vessels inspections and overhauls	Other tangible assets	Not finished capitalised expenses in inspections and overhauls	Total
Acquisition costs								
Balance at 31 December 2011	3.672	807	453.676	297	22.131	538	751	481.872
Acquisitions		59	47		10.677	7		10.790
Disposals (-)		(72)	(4)		(9.754)			(9.830)
Reclassifications		(52)	52		751		(751)	
Balance at 31 December 2012	3.672	742	453.771	297	23.805	545		482.832
Acquisitions		10	3		5.135	4		5.152
Disposals(-)			(11)			(12)		(23)
Reclassifications		(4)	4					
Balance at 30 September 2013	3.672	748	453.767	297	28.940	537		487.961
Impairment/revaluation								
Balance at 31 December 2011			(93.557)					(93.557)
Impairment			5.750					5.750
Balance at 31 December 2012			(99.307)					(99.307)
Balance at 30 September 2013			(99.307)					(99.307)
Accumulated depreciation								
Balance at 31 December 2011	508	756	157.260	116	18.856	442		177.937
Charged for the period	196	38	14.258	40	5.061	45		19.638
Disposals (-)		(72)	(4)		(9.754)			(9.830)
Reclassifications		(51)	51					
Balance at 31 December 2012	703	671	171.565	156	14.163	487		187.745
Charged for the period	146	29	7.915	31	5.205	25		13.351
Disposals (-)			(8)			(11)		(19)
Balance at 30 September 2013	849	697	179.475	187	19.367	501		201.077
Carrying amounts								
Balance at 31 December 2011	3.164	51	202.860	181	3.275	96	751	210.378
Balance at 31 December 2012	2.969	71	182.899	141	9.492	58		195.780
Balance at 30 September 2013	2.823	51	174.985	110	9.572	36		187.577

1. Non-current tangible asset (continued)

The Company's non-current tangible assets at the end of 30 September, 2013 comprised 11 vessels, administration building, vehicles, machinery and equipment. The depreciation of vessels, equipment and machinery and other tangible assets in vessels was recognized in cost of sales. The depreciation of buildings, vehicles, equipment and machinery and other tangible assets on office was recognized in administrative expenses.

In thousands LTL	30-09-2013	30-09-2012
Depreciation (with capitalised expenses of vessels inspections and overhous) recognized under cost of sales	13.144	14.523
Depreciation recognized under administrative expenses	208	99
Amortization of intangible asset recognized in administrative expenses	7	7
Total:	13.358	14.629

The vessels are pledged for loans received from SEB Bank (see note 7).

2. Non-current intangible asset

Indicators In thousand LTL	Software
Acquisition value	
At 31 December, 2011	387
Acquisitions	3
Disposals	-
At 31 December 2012	390
At 30 September 2013	390
Amortization	
At 31 December, 2011	372
Amortization for the period	10
At 31 December, 2012	382
Amortization for the period	7
At 30 September 2013	389
Carrying amounts	
At 31 December, 2011	15
At 31 December, 2012	8
At 30 September 2013	1

Intangible asset is amortized over 3 years.

Amortization of intangible asset is recorded in the administrative expenses of comprehensive income.

3. Inventories and prepayments

In thousand LTL	30-09-2013	31-12-2012
Fuel	4.551	4.796
Spare parts, materials	149	166
Food stocks in vessels	147	173
<i>Total of inventories:</i>	<i>4.847</i>	<i>5.135</i>
Prepayments	1.383	867
Total:	6.230	6.002

The 4.551 thousand LTL amount of fuel at 30-09-2013 increased since all ships which worked under voyage-charter contracts, this type of inventories is left like a main part of short terms assets . Prepayment amount of 1.383 thousand LTL at 30-09-2013 consist : 23 thousand LTL of advance payments (for spare parts, supply, repairs), 1.015 thousand LTL – other advances for insurance, 345 thousand LTL – advances to vessel agents.

4. Trade receivables and other receivables

In thousand LTL	2013-09-30	2012-12-31
Trade Receivables	5.694	2.385
Net trade receivables	5.694	2.385
Receivables from State Budget	200	59
Prepayments to fleet	106	95
Other receivables	475	9
<i>Total receivables</i>	<i>781</i>	<i>163</i>
Total:	6.475	2.548

. In the trade receivables – 5.694 thousand LTL , is current trade receivable for vessel services. The trade receivables past due an impairment allowance on which is not recognized, the amounts are to be recovered at the accounted value.

In thousand LTL	Total	Trade and other receivables not past due an impairment allowance on which is not recognized	Trade receivables past due an impairment allowance on which is not recognized			
			Less than 30 days	31 - 60 days	61 - 90 days	More than 91 days
31-12-2012	2.385	1.721	282	51	70	261
30-09-2013	5.694	4.095	1.249	60	254	36

5. Cash and cash equivalents

In thousand LTL	30-09-2013	31-12-2012
Cash in bank in LTL	1	30
Cash in bank in foreign currencies	6	329
Cash in hand in LTL	-	5
Cash in hand in foreign currencies	-	5
Total:	7	369

Under the conditions of credit agreement with SEB Bank 100 percent of banking turnover must be carried out through accounts opened in this credit office. In addition, all existing and future funds in all currencies in these accounts are pledged to the bank by signing the contract of bank account pledging.

6. Share capital

In thousand LTL	Share capital	Share premiums	Total
31-12-2012	200.901	-	200.901
The new issue of shares	-	-	-
Purchased own shares	-	-	-
30-09-2013	200.901	-	200.901

The authorized capital of the Company at 30-09-2013 comprised 200.901.296 ordinary shares. Nominal value of one share is equal to 1 LTL. All shares are fully paid. Holders of ordinary shares have one vote per share at the general meeting of shareholders of the Company and are entitled to receive dividends when they are declared and the right to return the capital in case of capital reduction. The shares of the Company are quoted by PC NASDAQ OMX Vilnius.

7. Payables to credit institutions

In thousand LTL	2013-09-30	31-12-2012
Non-current payables	24.158	38.286
Current payables	31.218	18.112
Total:	55.376	56.398
Balance of loans at the beginning of the year	56.398	66.603
Received loans	-	-
Repaid loans	-	(8.829)
Influence of currency exchange rate	(1.022)	(1.376)
Total:	55.376	56.398

All loans of the Company to bank are secured by assets. 11 vessels are pledged with the carrying amount of 174.985 thousand LTL. At 30-09-2013 the total loans amount was 55.376 thousand LTL. Loan repayment term 2015-02-27.

The interest rate of loans is variable because is related to 3-months LIBOR (USD). The effective interest rate ranged from 3,31% to 3,91% in six months 2013. Due to fallen shipping market compny liquidity stuation have reduced during nine month of 2013 repayments of a credit to the bank was hold over.

8. Employment related payables

In thousand LTL	30-09-2013	31-12-2012
Wages payable	3.766	1.311
Vacation reserve (wages)	1.309	1.538
Vacation reserve (social security part)	488	429
Payable social security contributions	572	369
Other payables	192	2
Total:	6.327	3.496

9. Other payables

In thousand LTL	30-09-2013	31-12-2012
Trade payables	22.535	16.788
Received prepayments	4.878	5.174
Payable dividends	95	95
Accrued expenses	81	58
Other payables	94	77
Total:	27.683	22.192

Trade payables total 22.535 thousand LTL, including debts for repairs and technical provision – 7.632 thousand LTL, for lubricants – 780 thousand LTL, debts to the agents for vessel services –541 thousand LTL, debt for fuel -8.991 thousand LTL, debt Class society - 535 thousand LTL , debt insurance services for the future -1.732 thousand LTL, for various vessel services and coastal units -2.324 thousand LTL . Prepayments received –4.878 thousand LTL is income, received for voyages, which are over of the accounting period.

10. Sales

In thousand LTL	30-09-2013	30-09-2012
Voyage-charter sales	58.244	25.460
Time-charter sales	12.628	33.806
Other sales	1.257	1.031
Total:	72.129	60.297

In 2013 year during the reporting period increased by voyage- charter sales compared with last year reporting period , because all ships operated company itself .

11. Cost of Sales

In thousand LTL	30-09-2013	30-09-2012
Depreciation	(13.143)	(14.523)
Crew costs	(15.575)	(14.855)
Fuel	(26.803)	(12.097)
Port dues	(9.385)	(2.576)
Spare parts	(533)	(1.011)
Insurance	(3.653)	(3.299)
Repair of vessels	(982)	(2.954)
Commissions	(2.693)	(1.948)
Vessel's functional expenses	(2.122)	(2.293)
Lubricants	(1.168)	(2.052)
Other vessel costs	(3.607)	(3.728)
Total:	(79.664)	(61.336)

In January- September 2013 the fuel and port costs increase due to that at the end of reporting period almost all vessels work under voyage - charters contracts.

12. Administrative expenses

In thousand LTL	30-09-2013	30-09-2012
Employee expenses	(1.921)	(2.243)
Amortization and depreciation	(214)	(106)
Consultation and legal services	(89)	(83)
Business maintenance expenses	(123)	(132)
Impairment loss of trade receivables	-	-
Bank services	(105)	(101)
Communication services	(70)	(81)
Transport expenses	(83)	(80)
Maintenance of premises	(74)	(71)
Other expenses	(434)	(236)
Total:	(3.113)	(3.133)

Employee expenses decreased due to lower number of employees at the end 30 September of the 2013 year compared with nine month 2012. Depreciation has increased for the nine month of 2013 by administrative building depreciation period it was found that in the residual value of the building will be depreciation over 15 years.

13. Other operating income/expenses

In thousand LTL	30-09-2013	30-09-2012
Gain on disposal of non-current assets	-	-
Other income	8	183
<i>Total other operating income:</i>	8	183
Loss on disposal of non-currents assets	-	-
Other expenses	(5)	(3)
<i>Total other activity expenses:</i>	(5)	(3)
Total:	3	180

14. Financial income/expenses

In thousand LTL	30-09-2013	30-09-2012
Interest income	-	-
Gain of currency exchange rate	1.007	-
<i>Total financial activity income:</i>	1.007	-
Interest expenses	(1.569)	(1.678)
Loss of currency exchange rate	-	(672)
<i>Total financial activity expenses:</i>	(1.569)	(2.350)
Total:	(562)	(2.350)

15. Basic and diluted earnings (loss) per share

Basic earnings per share is calculated by dividing net profit attributable to ordinary equity holders by the weighted average number of ordinary shares. As there are no instruments that dilute equity, the basic and diluted earnings per share do not differ.

Loss per share was- 0.056 LTL in 30-09-2013 and in 30-06-2012 – 0.032 LTL.
The Company does not have any convertible or potentially convertible shares.

16. Cash flows statement

Cash at the end of the reporting period amounted to 7 thousand LTL and has decreased to 361 thousand LTL from the beginning of the year. During the reporting period , long- term investments (repairs of vessels) was 5,1 million LTL.

17. Statement of changes in equity

Owner's equity for the ended 30-09-2013 totaled 110.600 thousand LTL. The decrease is mainly related to loss during nine months.

18. Related parties

Members of the board, general director, director for chartering, technical director, director for finance, chief accountant and their family members are considered as Company's related parties. The wages totaling 331,7 thousand LTL were calculated for these persons during nine month 2013, in 2012 -365,0 thousand LTL. There were no other transactions with related natural or legal persons in 2013 and in 2012.

19. Segments

The Company operates in one business segment.

Company's main activity markets are:

- Atlantic ocean market, where the steel and nonferrous metals, alloys, fertilizer cargo are being carried from Europe, to USA, Latin and South America. Cargo for return trips consists of grain, coal, alumina and fluorspar.
- Northern European-North African market, where the rough sawn timber, paper cargo are being carried from Northern Europe and Scandinavia to the Mediterranean coast. Cargo for return trips consists of fertilizes, ore, steel coils and minerals.
- Caribbean market, where various cargo are being carried between USA and the Caribbean and

As identified based on the vessel tonnage ,there are three segments in the Company: “ Asta “ type vessels (“Asta”, “Audre” , Akvile”, “Daina”, with the deadweight up to 6.000 tons), “Alka” type vessels (“Alka”, “Skalva”, with the deadweigth up to 10.000 tons), “Raguva “ type vessels (“Raguva”, “Deltuva”,”Romuva”, “Voruta”, Venta”, with the deadweight up to 25.000 tons).

Public Company Lithuanian Shipping Company

Company code: 110865039, address: Malūninkų g. 3, LT-92264 Klaipėda

Financial statements for the ended 30 September, 2013

(thousands of litas, if not indicated otherwise)

30-09-2013, thousand LTL	„Asta „	„ Alka „	„ Raguva „	Not attributed	Total
Voyage income	12.293	12.915	46.921	-	72.129
Voyage costs	(4.929)	(8.104)	(28.461)	-	(41.494)
Voyage result	7.364	4.811	18.460	-	30.635
Current expenses	(6.828)	(4.216)	(13.982)	-	(25.026)
Operating expenses	-	-	-	(2.905)	(2.905)
Impairment of vessels	-	-	-	-	-
Operating result before depreciation, EBITDA	536	595	4.478	(2.905)	2.704
Depreciation	(2.741)	(1.662)	(8.741)	(214)	(13.358)
Operating result, EBIT	(2.205)	(1.067)	(4.263)	(3.119)	(10.654)
Other activity result	-	-	-	3	3
Interest expenses	-	-	-	(1.569)	(1.569)
Result of currency exchange differences	-	-	-	1.007	1.007
Net result	(2.205)	(1.067)	(4.263)	(3.678)	(11.213)
Non – current assets of segments	37.558	12.766	124.661	-	174.985

Voyage expenses include: fuel, port dues, commissions, loading services.

Current expenses of vessels include: salaries, taxes, daily allowances, vessel repair and maintenance, insurance, communication and other expenses.

30-09-2012, thousand LTL	„Asta „	„ Alka „	„ Raguva „	Not attributed	Total
Voyage income	9.354	13.505	37.438	-	60.297
Voyage costs	(316)	(6.622)	(12.302)	-	(19.240)
Voyage result	9.038	6.883	25.136	-	41.057
Current expenses	(7.544)	(4.755)	(15.274)	-	(27.573)
Operating expenses	-	-	-	(3.031)	(3.031)
Impairment of vessels	-	-	-	-	-
Operating result before depreciation, EBITDA	1.494	2.128	9.862	(3.031)	10.453
Depreciation	(2.832)	(2.088)	(9.603)	(106)	(14.629)
Operating result, EBIT	(1.338)	40	259	(3.137)	(4.176)
Other activity result	-	-	-	181	181
Interest expenses	-	-	-	(1.678)	(1.678)
Result of currency exchange differences	-	-	-	(672)	(672)
Net result	(1.338)	40	259	(5.306)	(6.345)
Non – current assets of segments	42.0295	14.589	138.580	-	195.198

Voyage expenses include: fuel, port dues, commissions, loading services.

Current expenses of vessels include: salaries, taxes, daily allowances, vessel repair and maintenance, insurance, communication and other expenses.

20. Capital management policy

It is planned to sell few unprofitably working assets in order to maintain the optimal capital structure

Debts – equity ratio

In thousand LTL	30-09-2013	31-12-2012
<i>Total liabilities:</i>	89.691	82.893
minus cash and equivalents	7	369
<i>Net amount of liabilities:</i>	89.684	82.524
<i>Total equity capital:</i>	110.600	121.814
Plus subordinated debt instruments	-	-
minus change in fair value of the recognized hedging instrument in equity	-	-
<i>Corrected equity capital</i>	110.600	121.814
debts – equity ratio	0.81	0.68

21. Financial ratios

	Calculation	30.09.2013	30.09.2012
Gross debt ratio	$\frac{\text{Total liabilities}}{\text{total asset}}$	0,45	0,38
Gross solvency ratio	$\frac{\text{Total equity}}{\text{Total liabilities}}$	1,23	1,61
Gross profitability	$\frac{\text{Gross profit}}{\text{Sales and services}}$	-0,10	-0,02
Current ratio	$\frac{\text{Current asset}}{\text{Current liabilities}}$	0,19	0,51
Receivables turnover	$\frac{\text{Sales and services}}{\text{Accounts receivable}}$	12,67	15,93

The maximum income risk is made from the risk of the receivable amounts. The income policy was established that customers pay in advance for ship services by making contracts.

22. Contingent assets and liabilities

The Company has not granted any guarantees and warranties for other persons.

The management of the Company is not aware of any circumstances in which the Company may be charged significant additional tax liabilities.

23. Subsequent events

On the October, 2013 Board of PC „Lithuanian shipping company” has approved an agreement to sell the motor vessels “Skalva “ and „Asta“. Delivery of the vessel to the buyer is to take place in November and December, 2013. The conditions of the sale are confidential. The sale of mv “Skalva “will not have any material effect on LSC financial results. Mv “Asta “ preliminary accounting loss of this transaction is USD 1.5 million. Funds received from the sale will be used for working capital and repayment of the loans.

24. Going concern

Due to protracted economic hardship in the global shipping market the interim results for the nine months of 2013 did not meet management’s expectations. Considering that during the period January- September, 2013 all planned ship’s repairs for the year 2013 were fully performed LSC expects to stable and more cost-effective performance in the 4 quarter of 2013.

General Director



Audronis Lubys

Chief accountant



Arvydas Stropus