To The Securities Commission of the Republic of Lithuiania
Konstitucijos ave. 23
LT-08105 Vilnius

31 08 2009

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, General Manager of Rytų skirstomieji tinklai AB, and, Darius Selevičius, acting Director of Finance Department, hereby do confirm that, to the best of our knowledge, the Interim Consolidated Financial Statements of the six months of the year 2009 of Rytų skirstomieji tinklai 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 Rytų skirstomieji tinklai AB and the Group as well as the Consolidated Interim Report includes a fair review of the development and performance of the business.

General Manager — Arvydas Tarasevičius

Acting Director of Finance department — Darius Selevičius

Consolidated Interim report of the group of companies of Rytų Skirstomieji Tinklai AB for 2009

Contents

I. GENERAL INFORMATION

Reporting period covered by the Interim report

The consolidated Interim report provides information on the activities of public limited company Rytų Skirstomieji Tinklai (hereinafter referred to as 'RST' or 'the Company') and the whole group of companies in January - June 2009 for its shareholders, creditors and other stakeholders.

Persons responsible for the information provided in the Interim report

Office	Name, surname	Telephone
General Manager	Arvydas Tarasevičius	+370 5 251 26 59
Director of Finance department	Arvydas Zakalskis	+370 5 251 26 52
Head of the Economic and Finance department	Darius Selevičius	+370 5 251 26 70
Head of the Marketing and Communication department	Kristina Mažeikytė	+370 5 255 25 28

Information on where and when one can get acquainted with the report and documents on the basis of which it has been prepared, and the means of mass media

This report and other documents based on which it has been prepared are available at the Company's registered office at P. Lukšio str. 5B, Vilnius, Marketing and Communication department (office No.103) on business days from 8.30 a.m. to 12.30 a.m. and from 13.30 p.m. to 17.30 p.m.
Rytų Skirstomieji Tinklai AB provides information to the public via the following mass media: daily newspaper Lietuvos Rytas, news agency BNS and Lithuanian news agency ELTA.

Main data on the issuer

Name of the company	Public limited company **Rytų Skirstomieji Tinklai**
Company Reg. No	1108 70890
Authorised capital	LTL 492,404,653
Paid-up authorised capital	LTL 492,404,653
Address	P. Lukšio str. 5B, LT-08221 Vilnius
Telephone	+370 5 277 75 24
Fax	+370 5 277 75 14
E-mail	info@rst.lt
Website	www.rst.lt
Legal and organisational form	Public limited liability company, private legal entity with limited liability
Date and place of registration	31 December, 2001, Ministry of Economy of the Republic of Lithuania
Register in which data on the company are collected and stored	Register of Legal Entities

Nature of the main activities of the Company

The main activities of RST include electricity distribution in low and medium voltage power networks as well as power supply (sale) to customers in the eastern part of Lithuania.
As a distribution network operator, RST is responsible for the maintenance and development of low and medium voltage electricity networks. As a public electricity supplier, it supplies electricity to residents and business customers in the territory serviced.

RST provides services to 758,9 thousand customers in a 34,800 sq m area. There are 25 territorial customer service offices in Vilnius, Panevėžys, Alytus and Utena counties and part of Kaunas and Marijampolė counties.

RST mission is reliable, safe and efficient supply of electricity to customers.
RST vision is to become the best energy company in Lithuania in terms of the quality of services, modern technologies and attractive working conditions.

Information on the RST group of companies

RST and its subsidiaries Elektros Tinklo Paslaugos UAB, Rytra UAB and Tetas UAB (hereinafter referred to as 'subsidiaries') make up the group of companies of Rytų Skirstomieji Tinklai AB (hereinafter referred to as 'the RST Group').
The common principles of reliability, customer orientation, and pursuit of efficient and profitable activities are applied throughout the Group.

Main data on subsidiaries

	Elektros tinklo paslaugos UAB	Rytra UAB	Tetas UAB
Registered office	Vilnius city municipality, Vilnius city, Motorų str. 2	Vilnius city municipality, Vilnius city, Geologų str. 16	Panevėžys city municipality, Panevėžys city, Senamiesčio str. 102B
Date and place of registration	8 December 2004, Register of Legal Entities	8 December 2004, Register of Legal Entities	8 December 2005, Register of Legal Entities
Reg. No	3000 72351	3000 72305	3005 13148
Telephone	+370 5 210 68 09	+370 5 210 65 39	+370 45 504 577
Fax	+370 5 216 78 75	+ 370 5 210 65 43	+370 45 504 684
E-mail	etp@rst.lt	rytra.info@rst.lt	sigita.bertuliene@rst.lt
Website	www.etp.rst.lt	www.rytra.lt	Has no website
Authorised capital, LTL	11,657,000	22,998,000	1,988,000
Type and class of shares held by the issuer	Ordinary registered shares	Ordinary registered shares	Ordinary registered shares
Number of shares	11,657,000	22,998,000	1,988,000
Nominal value of shares, LTL	1	1	1
Percentage of votes owned or controlled by the issuer at general meetings of the companies	100	100	100
Operating income, LTL mln	23.7	9.1	5.5
Net profit, LTL mln	(1.5)	(0.2)	0.2
Assets, LTL mln	24.5	27.7	5.2

All the shares of subsidiaries are owned by RST.
The Company has no other directly or indirectly controlled interest.
The main objective of subsidiaries is to provide services to the Group, expanding the number of external customers at the same time.

Nature of main activities of subsidiaries

Subsidiary	Nature of activities
Rytra UAB	The company provides transport rental services. It rents machinery for construction and special-purpose machinery, cargo vehicles and passenger cars.
Elektros Tinklo Paslaugos UAB	The company provides the services of technical maintenance, operation and repair of the electric network and equipment, performs low voltage power network construction works and connects electrical equipment of new customers to the distribution network.
Tetas UAB	The company provides specialised services of technical maintenance, repair, design and installation of transformer substations and distribution points as well as carries out testing.

Overview of activities

Key events over reporting period

On 1 January 2009 a new procedure of RST electricity prices and tariffs and their application approved by an independent decision of the National Control Commission for Prices and Energy came into force.

On 5 February, 2009 the member of Supervisory Board of Rytų skirstomieji tinklai (RST) Andrius Šimkus presented the request to RST on the resignation from the members of Supervisory Board from 19 February, 2009.

On 2 March, 2009 the Constitutional Court of the Republic of Lithuania passed a ruling in the case on the compliance with the Constitution of the Republic of Lithuania of the provisions of Articles 8, 10 and 11 of the Law on the nuclear power plant and of Article 19 of the Law on the management and use of and access to assets of the State and municipalities.
The Constitutional Court ruled that Article 8(1) of the Law on the nuclear power plant (28 June 2007 edition), which lays down legal regulation, would not ensure the objective of the Law, i.e. to create financial preconditions for the implementation of a new nuclear power plant construction project, and contradicted Article 46(3) of the Constitution. The Constitutional Court did not find any other provisions as contradicting the Constitution of the Republic of Lithuania.

On 3 April, 2009 the General shareholders meeting of LEO LT, AB has elected the new Supervisory Council of LEO LT, AB. As the President and the Chairman of the Supervisory Council was elected the Chairman of the National Control Commission for Prices and Energy Mr. Virgilijus Poderys. As members of the Supervisory Council which will represent interests of the State became Tomas Vaitkevičius (Vice-minister of the Ministry of Justice), Romas Švedas (Vice-minister of the Ministry of Energy), Rimantas Žylius (Vice-minister of the Ministry of Economy), Aloyzas Vitkauskas (Undersecretary of the Ministry of Finance), Šarūnas Adomavičius (Undersecretary of the Ministry of Foreign Affairs) and Kęstutis Škiudas (Adviser to the Prime Minister Andrius Kubilius). Interests of NDX Energy, UAB in the Supervisory Council will be represented by Ignas Staškevičius (Chairman of the Board of NDX Energy, UAB), Petras Jašinskas (Chief Financial Officer of NDX Energy, UAB), Marius Krisčiūnas (VP Group Lawyer) and Lina Karkliauskaitė (Chief Legal Officer of NDX Energy, UAB).

On 9 April, 2009 a meeting of the Supervisory Board of LEO LT, AB has elected the new Management Board of the Company. As members of the new Management Board of the Company were elected following persons: Valdas Bancevičius, Ramūnas Bičiulaitis, Rokas Masiulis, Rimantas Vaitkus and Šarūnas Vasiliauskas.

On 9 April, 2009 a meeting of the Management Board of the Company has elected Rimantas Vaitkus as a Chairman of the Management Board and the Chief Executive Officer of the Company.

On 22 April, 2009 the Management Board of Rytų skirstomieji tinklai, AB approved an application of General Manager of Rytų skirstomieji tinklai, AB Rimantas Vaitkus to recall him from General Manager's office from 24th of April, 2009, considering that Rimantas Vaitkus is elected to the positions of the Chairman of the Management Board and the Chief Executive Officer of LEO LT, AB.

On 30 April, 2009 a meeting of the Management Board of RST has elected Arvydas Tarasevičius as a Chairman of the Management Board and a General Manager of the Company.

On 21 May, 2009 the National Control Commission for Prices and Energy has published the decision to reduce the tariffs of equipment connection for electricity energy customers, which comes into force from 1 July, 2009.

On 23 June, 2009 the Extraordinary General Meeting of the Shareholders of RST has decided to recall the current Supervisory Board *in corpore*, which authorities are being terminated with the initiation of activities of a new Supervisory Board. To the Supervisory Board of RST were elected Tadas Adomaitis, Darius Kašauskas, Arūnas Markevičius, Mario Nullmeier, Vytautas Vazalinskas.

Development and expansion of activities

New departments and divisions were established at RST upon reorganisation of the Company's structure in 2008, namely the Law and Administration, Safety and Prevention, Personnel, Asset Management and Control, and Procurement Departments, Project Management, Marketing and Communication Divisions, etc., which successfully improve activities of the Group and boost customer satisfaction with the services provided by the companies.

Established at Rytų Skirstomieji Tinklai (RST) ten months ago, the Safety and Prevention Department, in association with police officers and other institutions, has effectively implemented preventive measures intended to ensure uninterrupted power supply and reduction of losses. In the first half of this year, the Company recorded 899 cases of illegal power consumption, up by 58% from 570 cases recorded in the same period last year.

The Marketing and Communication Division continues RST participation in social activities and support, which are intended to promote safe use of electricity, encourage people to take care of the environment and provide information on rational use of electricity.

The development of RST activities is closely related with the Company's investment projects. Their implementation not only boosts the reliability of the power network and ensures uninterrupted electricity supply but also increases the number of electricity users in the eastern part of Lithuania serviced by the Company. From the beginning of the year, the total number of the Company's customers increased by 5,097. Currently RST provides services to 758,986 customers. Over reporting period the total permitted capacity of connected new customers' facilities made up 71.3 MW.

Investment in the power distribution network

In order to boost the reliability of the power network and at the same time improve the quality of customer services, RST regularly reconstructs and upgrades its power distribution network.

In the first half of this year, RST investments in the power network and its modernisation amounted to LTL 66.8 mln. Over the same period last year, RST investments made up LTL 126.3 mln. The volume of investment decreased this year owing to a drop in construction prices in the market and effective procurement of network modernisation works and services conducted by RST.

By investing in the distribution network, the Company considerably reduces the number of breakdowns and their elimination costs. The amount of non-supplied electricity is reduced as well. Network reconstruction and maintenance prolong the life of network equipment and devices as well as reduce the Company's technological costs and commercial losses.

Information security management systems were installed at RST in 2009. This RST investment, which amounted to several dozen thousands of litas, will ensure more effective protection of the Company's information systems and information.

Customer services

Just like every year, RST is improving the quality of customer services, which is one of its key objectives.
On 20 January 2009, RST decided not to carry out scheduled repairs to the power network requiring suspension of power supply for consumers at an air temperature of -5° C and lower. RST management made such a decision in an effort to ensure implementation of a customer service optimisation programme. RST carries out scheduled power network inspections and repairs on a regular basis all year long in order to ensure quality and reliable power supply to consumers. However, suspension of power supply to residents causes a lot of problems in winter when repairs to power lines take more than several hours. Therefore, repairs to the power network will not be carried out in settlements and residential quarters of cities where suspension of power supply may affect the functioning of heating systems.

Since 2 February 2009, interruptions in power supply or other incidents can be reported by calling RST at 1802. RST made such a decision in order to manage phone reports of interruptions in power supply in a centralised manner and ensure expeditious elimination of such incidents in regions serviced by the Company. Consumers had previously approached local RST control groups about power outages. Now all incidents are reported by calling a single number 1802. Control groups, the main function of which is to eliminate power outages expeditiously, are informed of such incidents. By calling RST at 1802, customers can both report power outages and receive information on time limits for elimination of incidents.

Taking account of customer needs, the Company is adjusting the working hours of customer service offices. From 1 April, the working hours of customer service offices were extended by two hours in Vilnius and by 1.5 hours in other big cities. Vilnius-based customer service offices now work on Saturdays. All of 25 RST customer service offices work without lunch breaks.

Seeking to ensure expeditious elimination of interruptions in power supply in extreme weather conditions, RST is taking additional technical and organisational measures in 2009. In extreme weather conditions, there is possibility to boost the number of consultants at the contact centre (1802) fourfold, so that the majority of consumer reports are expeditiously transferred to RST controllers and residents are informed of power outages and their elimination. If necessary, the Company is ready to mobilise additional teams to restore power supply after natural disasters in all RST regions.

Following a new customer service conception, RST renovated three customer service offices in the first half of 2009. Molėtai, Kupiškis and Rokiškis offices were the first to enjoy a new image and interior. After the renovation, the Company's offices have become more spacious, brighter, give more privacy to customers, workplaces are comfortable and well-ventilated.

Environmental protection

RST is looking for means and measures to reduce the negative impact of energy objects on people and the environment, encouraging the development of environmental initiatives. The Company participates in the implementation of one of the most important and oldest environmental directives, the Birds Directive, which is aimed at protecting all species of wild birds naturally occurring within the territories of EU member states. RST cooperates with the Institute of Ecology of Vilnius University in preserving white stork breeding grounds and moving their nests from power line poles as well as implementing the programme on protecting aerial power lines from storks. Every year, the Company arranges and moves several hundred stork nests from aerial power lines. New stork nests protect power lines and ensure safe and reliable power supply to consumers. Storks returning to their nests are also protected from injuries.

Support and social projects

RST gives much attention to both the boosting of customer satisfaction and improvement of the quality of services as well as implements social projects aimed at encouraging people to use electricity in a safe manner, taking care of the environment and providing information on rational use of electricity.

In 2009, RST launched the initiative of safe use of electricity and presented a new project for senior pupils entitled ElektroMagija. A successful start of the project laid firm foundations for its development and expansion. The purpose of ElektroMagijos is to provide youth with more information on electricity and safe use of electrical equipment and devices. Virtual characters tell about electricity, its benefits and risks in a way attractive to youth on the RST website (www.elektromagija.lt). Fifth to eights grade students also had an opportunity to listen to these stories live during an ElektrosMagija competition in May 2009, the main prize of which was an entertaining educational lesson on electricity.

Rytų Skirstomieji Tinklai seeks to contribute to the development of public welfare, enabling people to enjoy both the light and beauty provided by electricity as well as culture. In 2009, RST sponsored the Lithuanian State Symphony Orchestra, thus contributing to the unflagging energy radiated by the orchestra through its wonderful music and amazing events for twenty years already.

II. INFORMATION ON THE ISSUER’S SECURITIES, THE AUTHORISED CAPITAL AND MEMBERS OF MANAGEMENT BODIES

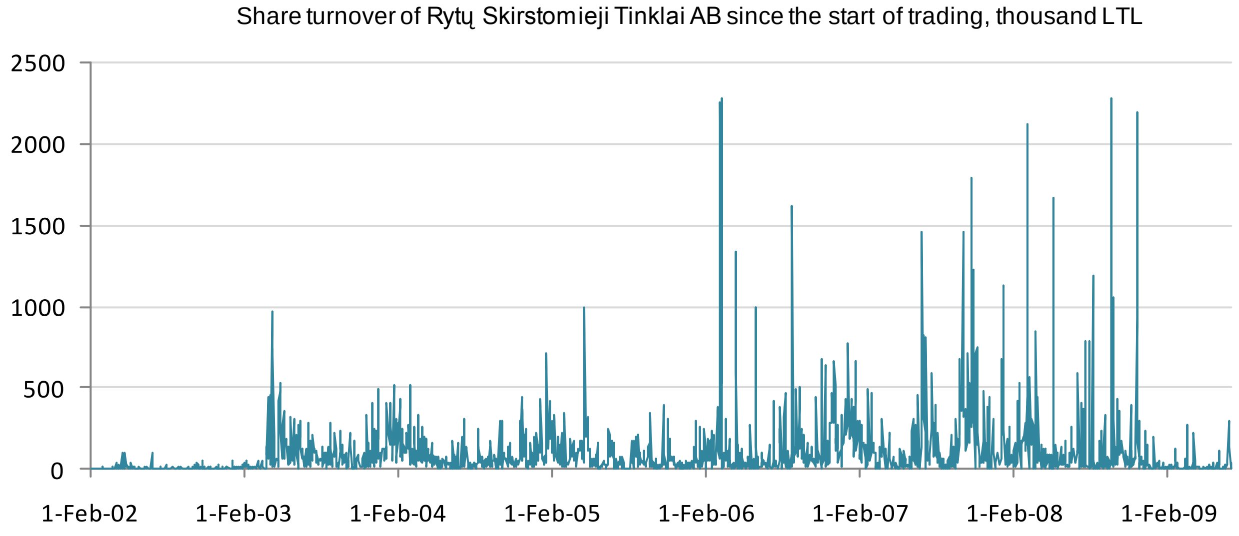
Information on the issuer’s securities

RST shares were included in the Secondary List of NASDAQ OMX Vilnius on 1 February 2002.
On 2 May 2007, the Company’s shares were included in the Main List of NASDAQ OMX Vilnius. RST shares are not traded in other regulated markets.
The securities of the Company’s subsidiaries are not traded publicly as they are private limited companies and all of their shares are owned by RST.
The authorised capital of RST has not changed since the establishment of the Company (1 January 2002). It is comprised of 492,404,653 ordinary registered shares with a nominal value of LTL 1.
All the shares of the Company are registered for public trading.
The Company has no own shares. Subsidiaries have no own shares or shares of the Company.
ISIN code of securities – LT0000126385.
Abbreviation of securities – RST1L.

Information related to shares and dividends

	RST Group			
	2009 January - June	2008	2007	2006
Number of shares	492,404,653	492,404,653	492,404,653	492,404,653
Net profit per share (LTL)	(0.01)	(0.17)	0.15	0.05
Highest share price (LTL)	2.08	5.13	5.80	3.86
Lowest share price (LTL)	1.20	1.85	3.20	2.17
Average share price (LTL)	1.54	3.61	4.23	2.71
Last share price (LTL)	1.50	1.99	4.60	3.75
PE ratio	(150.0)	(11.7)	30.67	75.00

Since the start of trading in RST shares on the stock exchange, the share price increased 4.8 fold, from LTL 0.31 (1 February 2002) to LTL 1.50 (30 June 2009). The highest share price ever (LTL 5.58) was recorded on 24 October 2007.

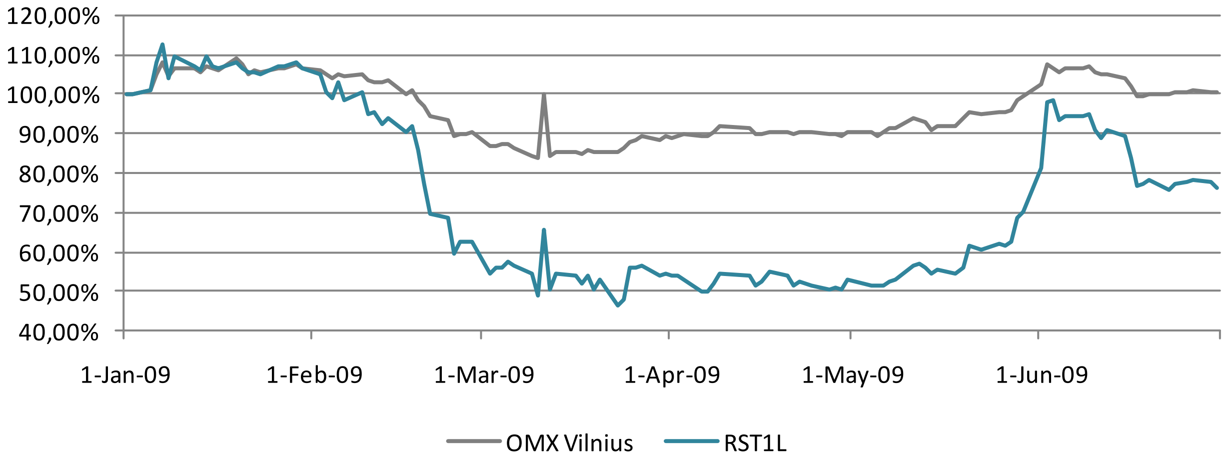


The share price decreased 1.3 fold, from LTL1.99 (31 December 2008) to LTL 1.50 (30 June 2009). The highest and the lowest share price recorded over six months of 2009 were LTL 2.08 and LTL 1.20, respectively.

Dynamics of the share price of Rytų Skirstomieji Tinklai AB since the start of trading, LTL

RST shares are included in the OMX Vilnius index and the OMX Baltic Benchmark index of the first half of 2009. The OMX Baltic Benchmark index consists of the most traded stocks representing a certain economic sector. The Company represents the public utilities sector.

Dynamics of the share price of Rytų Skirstomieji Tinklai AB and the OMX Vilnius index in 2009 IH



The Company did not issue, convert, withdraw or redeem securities in the reporting period.

Information on agreements with intermediaries of public trading in securities

On 10 May 2007, RST concluded an issuer services agreement with a consortium comprised of SEB Bank AB (company reg. No 112021238, Gedimino pr. 12, LT-01103 Vilnius) and law firm Adamonis, Beržanskienė ir Partneriai SORAINEN LAW OFFICES (company reg. No 9400025, Jogailos g. 4, LT – 01116 Vilnius), represented by the Financial Markets Department of SEB Bank AB. Under the agreement, the consortium undertakes to manage the Company's securities accounts, provide dividend payment services and represent the Company in the Lithuanian securities market.

The issuer's contracts with financial brokerage companies and/or credit establishments providing investment services and/or conducting investment activities

RST did not conclude any contracts with financial brokerage companies and/or credit establishments providing investment services and/or conducting investment activities.

Restrictions on the transfer of securities

No restrictions are imposed on the transfer of RST securities.

Authorised capital structure

Type of shares	Number of shares	Nominal value, LTL	Total nominal value, LTL	Percentage of authorised capital
Ordinary registered shares	492,404,653	1	492,404,653	100.00

Rights and obligations granted by the shares

All ordinary registered shares grant the same rights. Share owners are granted the right to participate in the management of the Company, unless otherwise provided by law, the right to receive dividends, the right to a portion of the Company's assets remaining after its liquidation, and other rights provided by law.

Shareholders

On 30 June 2009, the number of RST shareholders totalled 6,443.
On the accounting day (16 June 2009) of the last extraordinary general meeting of shareholders on 23 June 2009, there were 6,460 shareholders.

Shareholders who owned more than 5 percent of the issuer's authorised capital as at 30 June 2009

Forename and surname of shareholder (company name, legal form, registered office, reg. No)	Number of ordinary registered shares owned by shareholder	Percentage of authorised capital held	Percentage of votes carried by shares owned
LEO LT, AB, Žvejų str. 14, LT-09310 Vilnius, Company reg. No 301732248	351,316,161	71.35	71.35
E.ON Ruhrgas International AG, Huttropstrasse 60, Essen, Germany HRB No 10974	99,845,392	20.28	20.28

Shareholders having special rights of control and descriptions of their rights

None of the RST shareholders has any special rights of control. All the RST shareholders have the same (property and non-property) rights provided by the Law on Companies of the Republic of Lithuania and the RST Articles of Association.

Restrictions on voting rights

There are no restrictions on voting rights at the Group.

Mutual agreements among shareholders the issuer is aware of, which may be a reason for restricting the transfer of securities and/or voting rights

RST does not know any mutual agreements among shareholders which could be a reason for restricting the transfer of securities and/or voting rights.

Procedure for amending the Articles of Association

The general meeting of shareholders has the right to amend the Articles of Association of RST and its subsidiaries.

Management bodies

RST management bodies include the general meeting of shareholders, the Supervisory Board, the Board and the head of RST.
The management bodies of subsidiaries are the general meeting of shareholders, the Board and heads of the companies.

Supervisory Board

The RST Supervisory Board, which is comprised of 5 members, is elected (and dismissed) by the General Meeting of Shareholders. The RST Supervisory Board was elected at an Extraordinary General Meeting of Shareholders on 23 June 2009. The Supervisory Board was elected for the remaining calendar term of office of the dismissed Supervisory Board, i.e. until the date of the Ordinary General Meeting of Shareholders to be held in 2012.

Board
Members of the RST Board are elected (and dismissed) by the Supervisory Board.
A new RST Board was elected at the Supervisory Board's meeting on 8 July 2008. On 4 December 2008, the Board was dismissed and a new Board was elected by the Supervisory Board for the remaining term of office of the previous Board. Rimantas Vaitkus was dismissed as member of the Board by the Supervisory Board's decision on 24 April 2009. A new member of the Board, Arvydas Tarasevičius, was elected by the Supervisory Board's decision on 20 April 2009.
Members of the Boards of subsidiaries are elected (and dismissed) by the General Meeting of Shareholders for a period of 4 years.

Head
The head of RST -- the general manager -- is appointed and dismissed by the RST Board. From 4 December 2008 to 24 April 2009, the Company has been headed by Rimantas Vaitkus. Since 30 April 2009, the Company has been headed by Arvydas Tarasevičius.

The powers of management bodies of RST and its subsidiaries and the procedure for appointing and dismissing them are specified in the Articles of Association of RST and its subsidiaries.

Members of management and supervisory bodies and their share in the authorised capital of the issuer

Until 30 04 2009

Name, surname	Office	Share in authorised capital held (%)	Number of votes (%)
Supervisory Board (elected at the extraordinary general meeting of shareholders on 08-07-2008)			
Andrius Šimkus*	Chairman	-	-
Mario Nullmeier	Member	-	-
Vidmantas Grušas	Member	-	-
Darius Kašauskas	Member	-	-
Algimantas Zaremba	Member	-	-
Board (elected at the Supervisory Board's meeting on 04-12-2008)			
Rimantas Vaitkus	Chairman	-	-
Vytenis Kudinskas	Member	-	-
Laimutė Milašauskienė	Member	-	-
Virgilijus Žukauskas	Member	0.000002	0.000002
Head of the Company (elected at the Board meeting on 04-12-2008), Chief Financier			
Rimantas Vaitkus	General Manager	-	-
Veslava Juchevič	Head of the Accounting Department	-	-

* On 19 February 2009, Andrius Šimkus resigned as member of the RST Supervisory Board.

Since 30 04 2009

Supervisory Board			
Mario Nullmeier	Member	-	-
Vidmantas Grušas	Member	-	-
Darius Kašauskas	Member	-	-
Algimantas Zaremba	Member	-	-
Board			
Arvydas Tarasevičius	Chairman	-	-
Vytenis Kudinskas	Member	-	-
Laimutė Milašauskienė	Member	-	-
Virgilijus Žukauskas	Member	0.000002	0.000002
Head of the Company (elected at the Board meeting on 30-04-2009), Chief Financier			
Arvydas Tarasevičius	General Manager	-	-
Veslava Juchevič	Head of the Accounting Department	-	-

Supervisory Board since 23 06 2009

Supervisory Board (elected at the extraordinary general meeting of shareholders on 23-06-2009)			
Vytautas Vazalinskas*	Chairman	-	-
Tadas Adomaitis	Member	-	-
Arūnas Markevičius	Member	-	-
Mario Nullmeier	Member	-	-
Darius Kašauskas	Member	-	-

*On 19 August 2009 the Supervisory Board has elected Vytautas Vazalinskas as the Chairman of Supervisory Board

Data on the participation of member of the Supervisory Board, Board and administration in the activities of other companies, institutions and organisations (name of the company, institution or organisation, position, percentage of other companies' capital and votes held in excess of 5%)

Until 30 04 2009

Name, surname	Name of organisation, office	Percentage of other companies' capital and votes held
Supervisory Board		
Andrius Šimkus	Chief Legal Officer of LEO LT AB until 01-12-2008 Member of the Supervisory Board of LitPol Link Sp. z o.o. until 30-09-2008	-
Mario Nullmeier	Head of the Baltic office of E.ON Ruhrgas International (ERI) AG	-
Vidmantas Grušas	Member of the Board of Lietuvos Energija AB Deputy General Manager of Lietuvos Energija AB for the Transmission Network Director of the Transmission Network Department of Lietuvos Energija AB	-
Darius Kašauskas	Director for Control and Analysis at LEO LT AB	-
Algimantas Zaremba	Director of the Energy Department of the Ministry of Economy of the Republic of Lithuania	-
Board		
Rimantas Vaitkus	-	-
Vytenis Kudinskas	Chairman of the Board of Rytra UAB	5% in AJ Šokoladas UAB
Laimutė Milašauskienė	-	-
Virgilijus Žukauskas	-	-
Head and Chief Accountant of the Company		
Rimantas Vaitkus	-	-
Veslava Juchevič	-	-

Since 30 04 2009

Supervisory Board		
Mario Nullmeier	Head of the Baltic office of E.ON Ruhrgas International (ERI) AG	-
Vidmantas Grušas	Member of the Board of Lietuvos Energija AB Deputy General Manager of Lietuvos Energija AB for the Transmission Network Director of the Transmission Network Department of Lietuvos Energija AB	-
Darius Kašauskas	Director for Control and Analysis at LEO LT AB	-
Algimantas Zaremba	Director of the Energy Department of the Ministry of Economy of the Republic of Lithuania	-

Board		
Arvydas Tarasevičius	-	-
Vytenis Kudinskas	Chairman of the Board of Rytra UAB	5% in AJ Šokoladas UAB
Laimutė Milašauskienė	-	-
Virgilijus Žukauskas	Chairman of the Board of Elektros tinklo paslaugos UAB Chairman of the Board of Tetas UAB	-
Head and Chief Accountant of the Company		
Arvydas Tarasevičius	-	-
Veslava Juchevič	-	-

Supervisory Board since 23 06 2009

Supervisory Board		
Vytautas Vazalinskas	Head of the Department of Energy Resources, Electricity and Heating of the Ministry of Energy of the Republic of Lithuania	-
Tadas Adomaitis	Electricity Market Development Manager at LEO LT AB	-
Arūnas Markevičius	Manager for Reliability and Safety of Supply at LEO LT AB	-
Mario Nullmeier	Head of the Baltic office of E.ON Ruhrgas International (ERI) AG	-
Darius Kašauskas	Director for Control and Analysis at LEO LT AB	-

Information on payments to members of the RST management and supervisory bodies over reporting period

	Salaries, LTL	Other payments, LTL	Tantiemes, LTL	Other payments from profit (dividends), LTL
To members of the Supervisory Board	-	-	-	-
To members of the Board	624,332	-	-	-
In average per one member of the Board (4)	156,083	-	-	-

Other special payments to the Chairman of the Board, the Board and the Supervisory Board

There were no other special payments to the Chairman of the Board, members of the Board and the Supervisory Board.

Information on assets transferred and guarantees provided to members of management bodies

RST has not transferred any assets to members of management bodies.
The Company has provided members of the Board with directors and officer's liability insurance.

Information on major transactions of associated parties – indicate the value of transactions, the nature of relations among associated parties, and other information on transactions necessary to understand the Company's financial situation, if such transactions are significant or have been concluded in unusual market conditions

Information on transactions of associated parties is provided in clause 13 of the notes to the consolidated Interim financial statements for six months of 2009.

Significant agreements to which the issuer is a party and which would come into effect, change or would be terminated if the control of the issuer changed, as well as effects thereof, except in cases where revelation thereof would cause considerable damage to the issuer due to the nature of such agreements

The Company has not entered into significant agreements which would come into effect, change or would be terminated if the control of the issuer changed.

Biographical information on members of the Board

Arvydas Tarasevičius

Position: General Manager, Chairman of the Board

Took office: in April 2009

Education: in 1973 graduated from Vilnius University, Faculty of Economics, where he acquired economist – mathematician speciality. In 1979 – 1983 he completed distance learning postgraduate studies at Vilnius University and defended a PhD thesis in social science.

Professional experience: In 1989 – 1990 senior research associate at the Economics Institute of the Academy of Sciences, in 1990 – 1991 Deputy Head of IT Centre of the Ministry of Industry, in 1991 – 1992 consultant to the Government of the Republic of Lithuania on state property privatization. From 1992 to 1998 A.Tarasevičius worked at the Savings bank as a member of the Board and department director responsible for development of the Bank retail banking products and services, and from 1998 to 2005 he worked as Head of Vilnius Business Center of Nord/LB Lietuva Bank. From 2005 – Director General of Invalda Construction Management, from 2009 – Director of Vilnius territorial statistical office.

Vytenis Kudinskas

Position: Deputy General Manager, member of the Board

Took office: in July 2008

Education: in 1984, finished industrial electronics studies at the Faculty of Automation of the Kaunas Polytechnic Institute.

Professional experience: In 1992-2006, performed managerial work at Lithuanian commercial banks (Vakarų Bankas AB, Hermis Bank AB, SEB Vilnius Bank AB). From 2006 to 2008, worked as a deputy general manager of insurance companies PZU Lietuva UAB and PZU Lietuva Gyvybės Draudimas UAB and was a member of the Boards of these companies.

Virgilijus Žukauskas

Position: Power Network Director, Deputy General Manager, member of the Board

Took office: in November 2008

Education: In 1985, finished studies of power supply to industrial enterprises at the Department of Electrical Systems of the Kaunas Polytechnic Institute.

Professional experience: In 1994-2008, performed managerial work at Lietuvos Energija AB and Rytų Skirstomieji Tinklai AB.

Laimutė Milašauskienė

Position: Power Supply Director, member of the Board.

Took office: in December 2008

Education: In 1982, finished credit studies at the Faculty of Economic Cybernetics and Finance of Vilnius University. In 2000, accomplished international trade studies at the International Business School of Vilnius University.

Professional experience: In 1990-2006, performed managerial work at the Bank of Lithuania and SEB Vilnius Bank AB.

III. ANALYSIS OF FINANCIAL RESULTS

In January-June of 2009, the operating income of the RST Group reached LTL 612.2 mln, up by 1.65% from 2008 (LTL 602.2 mln).
The Group's earnings before interest, tax, depreciation, effect of revaluation of property, plant and equipment and amortisation (EBITDA) made up LTL 153.1 mln, a drop by 1.48% from LTL 155.4 mln in 2008.
The Group's six months net loss totalled LTL 6.5 mln.

Subsidiaries receive more than 90% of income from the RST Group and therefore consolidated operating results do not differ much from RST results.

The main financial indicators of the RST Group

Indicators	RST Group		
	30 06 2009	30 06 2008	30 06 2007
Income (LTL thousand)	612,175	602,222	525,143
EBITDA margin (%)	*25,0%*	*25,8%*	*23,1%*
Operating profit (loss) (LTL thousand)	(6,295)	13,241	34,290
Operating profit margin (%)	*-1,0%*	*2,2%*	*6,5%*
Profit (loss) before tax (LTL thousand)	(6,853)	10,766	31,965
Profit margin before tax (%)	*-1,1%*	*1,8%*	*6,1%*
Net profit (loss) (LTL thousand)	(6,464)	8,420	26,051
Net profit margin (%)	*-1,1%*	*1,4%*	*5,0%*

The RST Group's EBITDA margin, which shows what part of the earnings the EBITDA profit constitutes (earnings before interest, taxes, depreciation and amortization), has decreased by 0,8 percentage points to 25,0 percent. A loss incurred by the Group was determined by an unexpected interruption in the operation of Ignalina Nuclear Power Plant in June and a decrease in the value of tangible fixed assets.

Income

In first half of 2009, RST sold customers 1,984.9 mln kWh of electricity, less by 8.1% from 2008 same period. Compared with 2008, the average electricity selling price for end users increased by 10.3% in 2009 due to increased electricity generation, transmission and distribution prices.
In 2009, the consolidated income of the RST Group made up LTL 612.2 mln (RST – LTL 610.5 mln), up by LTL 9.95 mln or 1.65% year-on-year. The rise in the Company's income was determined by a rise in electricity prices for domestic and business customers on 1 January 2009. A drop in electricity consumption in Lithuania had a negative impact on the Company's revenue.

Costs

Over reporting period variable costs – purchase and transmission of electricity – made up LTL 374.6 mln, up by LTL 46.5 mln or 14.2%. The rise in variable costs was determined by an increased price of services meeting public interests approved by the National Control Commission for Prices and Energy since 1 January 2009.
With decrease of non-current assets value, the Group's depreciation costs in 2009, compared with those in 2008, reduced by LTL 16.2 million and amounted to LTL 125.0 million.
In 2009 the Group's activity costs, excluding impact of variable costs, depreciation and revaluation, amounted to LTL 87.2 million and were by LTL 33 million less than in 2008. The reduction of costs was determined by decreased payments to employees, lower repair and maintenance costs.

Assets

In 2009, the value of the Group's fixed assets shrank by LTL 272.5 mln and reached LTL 2 983.4 mln. The decrease in the value was determined by investments lower than depreciation costs and revaluation of tangible fixed assets according to construction price indexes published by Statistics Lithuania.
The Group's current assets in 2009 increased by LTL 60.6 million up to LTL 209.7 million. The change in the current assets was determined by increased cash and cash equivalents at the end of the first half of 2009.

Equity

The Group's consolidated equity decreased by LTL 145.6 mln and made up LTL 2,277 mln at the end of reporting period. The equity shrank due to negative results of revaluation of non-current assets.

Liabilities

In 2009 the Group's liabilities decreased by LTL 66.4 million to LTL 916 million.
A decrease in long-term liabilities was determined by a lower deferred income tax liability. A drop in short-term liabilities was determined by a reduction of advance payments for the connection of new consumers' equipment and a decrease in payables for electricity due to seasonality.
At the end of reporting period, financial debts of the RST Group amounted to LTL 183.6 mln (including LTL 147.3 mln of long-term and LTL 36.3 mln of short-term debts).

IV. OTHER INFORMATION ON THE RST GROUP

Employees

Qualified, educated and properly-motivated staff is the greatest value and a guarantee of efficient and successful activities. Therefore, the Group creates a safe working environment and a motivation system, so that each employee feels an important part of the Group.
Various training programmes are implemented to improve staff skills. Such programmes are aimed at enhancing leadership and team work skills of employees at various levels, supporting those eager to learn more, attracting new employees having appropriate qualification.
Valuing and treasuring its qualified specialists, the Group constantly invests in their safety and training.
There was a minor drop in the number of the staff of the RST Group in the reporting period. On 30 June 2009, compared to the start of the year, the number of employees shrank by 34. This change was mostly determined by optimisation of the Company’s processes and a drop in the volumes of services provided by subsidiaries.

Number of employees of the Group

Company	Number of employees		Change
	31 12 2008	30 06 2009	
Group	2,579	2,545	-1,3%
RST	1,839	1,831	-0,4%
Elektros Tinklo Paslaugos UAB	470	452	-3,8%
Rytra UAB	145	141	-2,8%
Tetas UAB	125	121	-3,2%

Amid optimisation of the management structure and introduction of modern technologies, the number of workers is gradually reduced while the number of qualified specialists is on the rise.
Every year, the Company is joined by young and promising people with or seeking higher education. Students who have interned with the Company often join the Company's team.

RST employees by category

Category of employees	Number of employees		Change
	31 12 2008	30 06 2009	
Managers	234	234	0%
Specialists	1,237	1,237	0%
Workers	368	360	-2,1%
All employees	1,839	1,831	-0,4%

RST employees with higher or post-secondary education account for over 4/5 of all employees.
Every year, the team of educated staff is joined by people working for the Company who, having graduated from higher education establishments, contribute their qualification and competence to the efforts to achieve the Company’s objectives.

Distribution of RST employees by education

Education	Number of employees			
	31 12 2008		30 06 2009	
Higher	801	44%	828	45%
Post-secondary	679	37%	642	35%
Secondary	263	14%	258	14%
Other	96	5%	100	6%

In January-June, the average gross salary of RST employees was LTL 3,120.

Special rights of the issuer's employees set out in the collective agreement

The main social protection of RST employees is provided for in the collective agreement, which is updated every two years. The collective agreement specifies a scheme of remuneration for work of RST employees, working, economic and social conditions as well as additional guarantees applicable to employees (allowances in case of accidents, illnesses, death of family members, childbirth allowance and anniversary allowance, additional holidays with pay in case of birth of a child, marriage, death of a family member and in other cases, higher remuneration for work on non-working days than stipulated in the Labour Code.

Risk factors

On 1 June 2009 Law No. XI-198 amending Articles 2,5,6,43,44 and 48 of the Lithuanian Law on Electricity of 19 March 2009 became effective. The amended law requires the regulatory authority to prepare the principles of determination of the value of property, plant and equipment used in the licensed activities and the Lithuanian Government to approve these principles. As at the date of this financial information, these principles have not been approved.
Prior to the amendment to the aforementioned law, determination of regulated prices and tariffs applicable to the Group and the Company was based on the balance sheet value of property, plant and equipment used in the licensed activities of the service provider as reported in the financial statements. The effect of such provision of the law was to ensure that the recoverable amount of the property, plant and equipment could not be less than its balance sheet value. The amended law provides no such assurance.

In its activities, the Group is also exposed to economic, political, technical and other risk factors, which haven't changed substantially since the beginning of the year.

Plans of activities and forecasts

The Company's main objectives for 2009 include the boosting of operating efficiency, improvement of the quality of customer services and enhancement of reliability of power supply and distribution. RST will give particular attention to social responsibility programmes, encouraging consumers to use electricity in an effective, responsible and safe manner.
In 2009 compared to the previous year, the Group's revenue is expected to decrease by 4% due to lower electricity tariffs for customers applied since July 2009. Operating costs, excluding depreciation and electricity purchase costs, are planned to be reduced by 24%. In 2009, the RST Group is expected to incur a loss due to depreciation of tangible fixed assets as a result of negative tendencies in real estate and construction price movements.
LTL 170.6 mln is planned to be invested in tangible fixed assets in 2009.

V. PUBLIC DISCLOSURES

In implementing its duties according to the binding legislation that regulates the securities market, RST 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.rst.lt and the website of NASDAQ OMX Vilnius AB at www.baltic.omxgroup.com.

Events of major importance after the end of the reporting period

On 1 July 2009 new prices and tariffs of electricity and the procedure of their application became effective at RST.

On 13 August, 2009 the information was announced stating that "E. ON Ruhrgas International" intends to sell its owned 20.28% shares of RST.

On 20 August, 2009 has been published Lithuanian Government decree, authorizing the Ministry of Energy vote for the liquidation of LEO LT, AB at the General meeting of shareholders of LEO LT, AB. LEO LT, AB owns 71,35 percent of RST shares.

In six months of the year 2009, RST published the following information on material events

06.02.2009 Information on the resignation of the Supervisory Board member

On 5 February, 2009, the member of supervisory board of Rytų skirstomieji tinklai (RST) Andrius Šimkus presented the request to RST on the resignation from the members of supervisory board from 19th of February, 2009.

13.02.2009 On the decrease of electricity consumption

Rytų skirstomieji tinklai AB notifies that over January 2009 electricity consumption has amounted to 399.7 million kWh, i.e. 5.4 per cent less than over January 2008.
The highest drop in the consumption of electricity has been recorded in the segment of industry – over the first month of this year, the industry has used 27 per cent less of electricity compared to the same period of the last year. The use of electricity by heating companies has decreased 19 per cent.

27.02.2009 The preliminary consolidated result of the group of companies of Rytų Skirstomieji Tinklai AB for 2008

The preliminary (unaudited) consolidated result of the group of companies of Rytų Skirstomieji Tinklai AB (hereinafter 'the RST Group') for 2008 according to International Financial Reporting Standards.

Operating revenue of the RST Group for 2008 was LTL 1,197.1 mln (EUR 346.7 mln), i.e. up by 12.7 pct from the 2007 result of LTL 1,062.4 mln (EUR 307.7 mln);
Earnings before Interest, taxes, depreciation and amortization (EBITDA) of the RST Group for 2008 made up LTL 251.9 mln (EUR 73.0 mln), i.e. by 11.5 pct higher than in 2007 when EBITDA was LTL 226.0 mln (EUR 65.5 mln);
Loss before taxes of the RST Group for 2008 amounted to LTL 87.7 mln (EUR 25.4 mln), while 2007 witnessed a profit before taxes of LTL 87.6 mln (EUR 25.4 mln);
Net loss of the RST Group for 2008 was LTL 82.1 mln (EUR 23.8 mln), and in 2007 net profit equalled LTL 73.7 mln (EUR 21.3 mln);
Investments of the RST Group for 2008 made up LTL 256.1 mln (EUR 74.2 mln), i.e. down by 6.2 pct from LTL 273.0 mln (EUR 79.1 mln) in 2007.
The loss of the RST Group, compared to the expected results announced previously (projected net loss of LTL 25 mln), was higher due to the revaluation of assets carried out at the end of 2008 (LTL 47.2 mln influence on the final result), the first ever decrease in sales in the last quarter year-on-year.

27.02.2009 Rytu stistomieji tinklai AB report for the twelve months of the year 2008

Rytu Skirstomieji Tinklai AB submitted report for the twelve months of the year 2008 and confirmation of responsible persons.

03.03.2009 Regarding the decision of the Constitutional Court of the Republic of Lithuania

On March 2th, 2009 the Constitutional Court of the Republic of Lithuania has published the decision in case On the compliance of the provisions of the articles 8, 10, 11 of the Law on the Nuclear Plant and article 19 of the Law on the Administration, operation and disposal of State and municipal assets to the Constitution of the Republic of Lithuania.
More information can be found on the Constitutional Court of the Republic of Lithuania internet site www.lrkt.lt.

23.03.2009 Information on the resignation of the Management Board of LEO LT, AB member

Chairman of the Management Board and the Chief Executive Officer of LEO LT, AB Gintautas Mažeika announced that he presented the request to the Supervisory Board of LEO Lt, AB concerning his resignation from the Management Board and the Chief Executive Officer of LEO LT, AB form 26th of March, 2009.

23.03.2009 On the decrease of electricity consumption in February

Rytų Skirstomieji Tinklai AB notifies that over February 2009 electricity consumption has amounted to 391 million kWh, i.e. 6,2 per cent less than over February 2008.

27.03.2009 Information Regarding Resignation of President of LEO LT AB

On March 26, 2009 Mr.Julius Niedvaras, President of LEO LT, AB submitted a notification on his resignation from the position of Chairman of the Supervisory Council of LEO LT, AB (President of the Company).

27.03.2009 Notice on Ordinary General Shareholders Meeting of Rytu skirstomieji tinklai AB

According to the decision of the Management Board of Rytų Skirstomieji Tinklai AB, (company code110870890 registered office at P.Lukšio st.5B, LT-08221, Vilnius) ordinary General Meeting of Rytų Skirstomieji Tinklai AB Shareholders is being convened on April 30, 2009, at 9 a.m. in Vilnius, Lukšio 5B.

Agenda of the Ordinary General Meeting of Shareholders:
1. Approval of 2008 Consolidated Annual Report;
2. Approval of 2008 consolidated and Rytų skirstomieji tinklai, AB financial statements;
3. Distribution of profit (loss) of 31 December, 2008;

Registration of shareholders starts on April 30, 2009 at 8 a.m. and ends at 8:50 a.m.
The accounting day of the Ordinary General Meeting of Shareholders is 23 April, 2009.
The shareholders shall submit ID documents on arrival. Shareholders' proxies must also have a power of attorney certified in accordance with the procedure, established by law.

03.04.2009 The general shareholders meeting of LEO LT, AB has elected the new Supervisory Council of LEO LT, AB

On April 3, 2009 the General shareholders meeting of LEO LT, AB has elected the new Supervisory Council of LEO LT, AB.
As the President of LEO LT, AB and the Chairman of the Supervisory Council was elected the Chairman of the National Control Commission for Prices and Energy Mr. Virgilijus Poderys.
As members of the Supervisory Council which will represent interests of the State became Tomas Vaitkevičius (Vice-minister of the Ministry of Justice), Romas Švedas (Vice-minister of the Ministry of Energy), Rimantas Žylius (Vice-minister of the Ministry of Economy), Aloyzas Vitkauskas (Undersecretary of the Ministry of Finance), Šarūnas Adomavičius (Undersecretary of the Ministry of Foreign Affairs) and Kęstutis Škiudas (Adviser to the Prime Minister Andrius Kubilius).
Interests of NDX Energy, UAB in the Supervisory Council will be represented by Ignas Staškevičius (Chairman of the Board of NDX Energy, UAB), Petras Jašinskas (Chief Financial Officer of NDX Energy, UAB), Marius Krisčiūnas (VP Group Lawyer) and Lina Karkliauskaitė (Chief Legal Officer of NDX Energy, UAB).

09.04.2009 The meeting of the Supervisory Board of LEO LT, AB was convened on April 9, 2009

On April 9, 2009 the meeting of the Supervisory Board of LEO LT, AB (hereinafter – the Company) has elected the new Management Board of the Company. As members of the new Management Board of the Company were elected following persons: Valdas Bancevičius, Ramūnas Bičiulaitis, Rokas Masiulis, Rimantas Vaitkus and Šarūnas Vasiliauskas.

On the same date (9 April), a meeting of the Management Board of the Company was convened. The Management Board of the Company has elected Rimantas Vaitkus as a Chairman of the Management Board and the Chief Executive Officer of the Company.

15.04.2009 Supplemented agenda of the ordinary general meeting of shareholders

On 14 April 2009 the Management Board of Rytu skirstomieji tinklai, AB (company code 110870890, registered office at P.Lukšio st. 5B, LT-08221, Vilnius) decided to supplement the agenda of the Ordinary General Meeting of shareholders to be held on 30 April 2009 with the following draft resolution:
- Election of audit company and approval of payment conditions for audit services;

Therefore the agenda of the Ordinary General Meeting of shareholders that shall take place at the registered office of Rytu skirstomieji tinklai, AB (P.Lukšio st. 5B, Vilnius), in the cabinet No.600, on 30 April 2009, shall be:
1. Approval of 2008 Rytų skirstomieji tinklai, AB Consolidated Annual Report;
2. Approval of 2008 consolidated and Rytų skirstomieji tinklai, AB financial statements;
3. Distribution of Rytų skirstomieji tinklai, AB profit (loss) of 31 December, 2008;
4. Election of audit company and approval of payment conditions for audit services;

Registration of shareholders starts on April 30, 2009 at 8 a.m. and ends at 8:50 a.m. The accounting day of the Ordinary General Meeting of Shareholders is 23 April, 2009. The shareholders shall submit ID documents on arrival. Shareholders' proxies must also have a power of attorney certified in accordance with the procedure, established by law.

The documents, related to the agenda of the Ordinary General Meeting, shall be available for the shareholders from 17 of April, 2009 on the website of Rytu skirstomieji tinklai, AB at www.rst.lt and on the website of NASDAQ OMX Vilnius, AB at www.nasdaqomxbaltic.com.

17.04.2009 Draft resolutions of the Ordinary General Meeting of shareholders

On 17 April 2009 the Management Board of Rytu skirstomieji tinklai, AB (company code 110870890, registered office at P.Lukšio st. 5B, LT-08221, Vilnius) approved draft resolutions of the Ordinary General Meeting of shareholders, to be held on 30 April 2009:

1. Approval of 2008 Consolidated Annual Report.

Draft resolution:
„To approve 2008 Rytų skirstomieji tinklai, AB Consolidated Annual Report (attached) ".

2. Approval of 2008 consolidated and Rytų skirstomieji tinklai, AB financial statements.

Draft resolution:
„To approve 2008 consolidated and Rytų skirstomieji tinklai, AB financial statements (attached) ".

3. Distribution of Rytų skirstomieji tinklai, AB profit (loss) of 31 December, 2008.

Draft resolution:
„To approve the distribution of Rytų skirstomieji tinklai, AB the profit (loss) of 31 December, 2008:

Articles	**Amount, Lt**
The unappropriated balance of the balance not available for distribution of the previous financial year in the beginning of the accounting financial year	
Net profit (loss) of the accounting financial year	-80.080.656
The profit of the accounting financial year not recognized as such in the profit (loss) account	169.357.779
The contributions of shareholders to cover the loss of the enterprise	
Transfers from the reserves	333.518.792
Distributable profit (loss) in total:	**422.795.915**
Distribution of profit:	
- The slice of the profit appropriated to the legal reserves	
- The slice of the profit appropriated to the reserve for purchasing own shares	
- The slice of the profit appropriated to other reserves	
- The slice of the profit appropriated to pay out dividends	
- The slice of the profit appropriated for annual payouts (bonuses), premium pays and other	
Profit (loss) brought forward from the previous year at the end of the current year is put forward to the next financial year	**422.795.915**

4. Election of audit company and approval of payment conditions for audit services.
Draft resolution:
“To elect audit company „PricewaterhouseCoopers”, UAB for the audit of financial statements for the year 2009 of Rytų skirstomieji tinklai, AB (including consolidated financial statements) and to approve remuneration conditions in amount not bigger 80 000 Lt (VAT excluded)”.

Registration of shareholders starts on April 30, 2009 at 8 a.m. and ends at 8:50 a.m.
The accounting day of the Ordinary General Meeting of Shareholders is 23 April, 2009.
The shareholders shall submit ID documents on arrival. Shareholders’ proxies must also have a power of attorney certified in accordance with the procedure, established by law.
The documents, related to the agenda of the Ordinary General Meeting, shall be available for the shareholders on the website of Rytu skirstomieji tinklai, AB at http://www.rst.lt and on the website of NASDAQ OMX Vilnius, AB at www.nasdaqomxbaltic.com.

22.04.2009 Management Board of Rytų skirstomieji tinklai, AB approved an application of General Manager

On 22th of April, 2009, the Management Board of Rytų skirstomieji tinklai, AB approved an application of General Manager of Rytų skirstomieji tinklai, AB Rimantas Vaitkus to recall him from General Manager’s office from 24th of April, 2009, considering that Rimantas Vaitkus is elected to the positions of the Chairman of the Management Board and the Chief Executive Officer of LEO LT, AB.
The Management Board of Rytų skirstomieji tinklai, AB has temporarily assigned the office of General Manager of Rytų skirstomieji tinklai, AB to the Deputy General Manager Vytenis Kudinskas.

2009.04.24 Decision to recall the Management Board member

On 24th of April 2009, a meeting of the Supervisory Board of Rytų skirstomieji tinklai, AB was convened at 10:00 a.m.The Supervisory Board adopted the following decision: to recall the Management Board member of Rytų skirstomieji tinklai, AB Rimantas Vaitkus from 24th of April, 2009.

30.04.2009 Preliminary unaudited operating results of Rytų Skirstomieji Tinklai AB company group for the first quarter of 2009

Preliminary unaudited operating results of Rytų Skirstomieji Tinklai AB company group for the first quarter of 2009 is a net profit of LTL 8.1 million (EUR 2.3 million) according to International Financial Reporting Standards.
In the first quarter of 2009 the operating income of the group reached LTL 338.4 million (EUR 98.0 million). Investments of Rytų Skirstomieji Tinklai AB made up LTL 30.4 million (EUR 8.8 million) over this period.

30.04.2009 The notice of The Board of LEO LT, AB

On 30 April, The Board of LEO LT, AB, taking in to account the objective set by shareholders, will find a possibility to reduce the electricity price by 4 ct/kWh to the customers from 1 July, 2009.

“Taking in to account the country’s economical situation and having strictly expressed position of the shareholders, from the second half of this year we take the responsibility to reduce the price of the electricity to the consumers, restoring it to the level of the year 2008. We will use all possible recourses to strive it“, - says LEO LT, AB Chairman of the Board Rimantas Vaitkus.

30.04.2009 The decision of Extraordinary Meeting of the Supervisory Board

The Extraordinary Meeting of the Supervisory Board of Rytų skirstomieji tinklai, AB (hereinafter - RST) was convened on April 30, 2009.
The Supervisory Board elected Arvydas Tarasevičius to the Management Board of RST for the remaining term of the functioning Management Board.

On the same date (30 April), a meeting of the Management Board of RST was convened at 12:00 a.m.
The Management Board of RST adopted the following decisions:
1) To elect Arvydas Tarasevičius as a chairman of the Management Board of RST.
2) To elect Arvydas Tarasevičius as a General Manager of RST.

30.04.2009 The decisions, adopted in the Ordinary General Meeting of the Shareholders of Rytų skirstomieji tinklai, AB on April 30, 2009

The Ordinary General Meeting of the Shareholders of Rytu skirstomieji tinklai, AB, held on April 30, 2009, adopted the following decisions:
1. To approve 2008 Rytų skirstomieji tinklai, AB Consolidated Annual Report (attached).

2. To approve 2008 consolidated and Rytų skirstomieji tinklai, AB financial statements (attached).
3. To approve the distribution of Rytų skirstomieji tinklai, AB the profit (loss) of 31 December, 2008:

Articles	Amount, Lt
The unappropriated balance of the balance not available for distribution of the previous financial year in the beginning of the accounting financial year	
Net profit (loss) of the accounting financial year	-80.080.656
The profit of the accounting financial year not recognized as such in the profit (loss) account	169.357.779
The contributions of shareholders to cover the loss of the enterprise	
Transfers from the reserves	333.518.792
Distributable profit (loss) in total:	**422.795.915**
Distribution of profit:	
- The slice of the profit appropriated to the legal reserves	
- The slice of the profit appropriated to the reserve for purchasing own shares	
- The slice of the profit appropriated to other reserves	
- The slice of the profit appropriated to pay out dividends	
- The slice of the profit appropriated for annual payouts (bonuses), premium pays and other	
Profit (loss) brought forward from the previous year at the end of the current year is put forward to the next financial year	**422.795.915**

4. To elect audit company „PricewaterhouseCoopers", UAB for the audit of financial statements for the year 2009 of Rytų skirstomieji tinklai, AB (including consolidated financial statements) and to approve remuneration conditions in amount not bigger 80 000 Lt (VAT excluded).

21.05.2009 Information regarding the decision adopted by the National Control Commission for Prices and Energy

On 21st May, 2009, the National Control Commission for Prices and Energy (NCCPE) has published the decision to reduce the tariffs of equipment connection for electricity energy customers, which comes into force form 1st July, 2009.More information can be found on the NCCPE web page www.regula.lt.

21.05.2009 The Extraordinary Meeting of Shareholders

The Extraordinary Meeting of of Rytų Skirstomieji Tinklai AB, (company code110870890 registered office at P.Lukšio str. 5B, LT-08221, Vilnius), will take place on June 23, 2009, at 10 a.m. in Vilnius, Lukšio str. 5B. The meeting is convened on the initiative of the Shareholder of Rytų Skirstomieji Tinklai AB (LEO LT, AB) and by the resolution of the Management Board of Rytų Skirstomieji Tinklai AB.

Agenda of the Extraordinary General Meeting of Shareholders:
1. Recall of the Supervisory Board of Rytu skirstomieji tinklai, AB;
2. Election of the Supervisory Board of Rytu skirstomieji tinklai, AB.

Draft resolutions of the Extraordinary General Meeting of shareholders:
1. Recall of the Supervisory Board of Rytu skirstomieji tinklai, AB
Draft resolution:
"To recall the current Supervisory Board of Rytų skirstomieji tinklai, AB in corpore, which authorities are being terminated with the initiation of activities of a new Supervisory Board of Rytų skirstomieji tinklai, AB".
2. Election of the Supervisory Board of Rytų skirstomieji tinklai, AB
Draft resolution:
„1. To elect the following persons to the Supervisory Board of Rytų skirstomieji tinklai, AB:
- [____________];
2. To establish the date for activity initiation of the new Supervisory Board of Rytų skirstomieji tinklai, AB to be the date of the meeting of Rytų skirstomieji tinklai, AB shareholders, which have elected the Supervisory Board".

Registration of shareholders starts on June 23, 2009 at 9 a.m. and ends at 9:50 a.m.
The accounting day of the Extraordinary General Meeting of Shareholders is 16 June, 2009.

The shareholders shall submit ID documents on arrival. Shareholders' proxies must also have a power of attorney certified in accordance with the procedure, established by law.

22.05.2009 Regarding information, published in the media

The information was announced in the media on 21 of May, stating that from July 1, 2009, electricity tariff could be reduced by LTC 1.67 at the expense of the national energy group of companies LEO LT, AB and, according to that, this year group would not earn the income of LTL 52 million.
LEO LT, AB controls joint-stock companies Rytų skirstomieji tinklai, „VST" and „Lietuvos energija".
Rytų skirstomieji tinklai, AB notes, that information, regarding the approved electricity tariffs as well as the data about the particular results of the company will be announced in the compliance with requirements for publication of such information.

28.05.2009 RST approved the prices and tariffs of electricity and the procedure of their application for the second half of the year 2009

On 28Th of May, 2009 the Management Board of RST approved the prices and tariffs of electricity and the procedure of their application for the second half of the year 2009 and submitts them to the National Control Commission for Prices and Energy (NCCPE). The Management Board of RST decided to decrease the price for electricity distribution by 1.43 LTc/Wh. It is intended, that the electricity price will decrease on average by 4 LTc/kWh (including VAT) since 1st of July, 2009. The determinate prices and tariffs of electricity and the procedure of their application shall be promulgated by NCCPE in accordance with the legal acts.
For more information, please visit the website of the National Control Commission for Prices and Energy, www.regula.lt.

29.05.2009 National Control Commission for Prices and Energy took a decision to announce the prices and tariffs of electricity for the second half of the year 2009

At the meeting held on 29Th of May, 2009, the National Control Commission for Prices and Energy took a decision to announce the prices and tariffs of electricity for the second half of the year 2009 supplied by Rytų Skirstomieji Tinklai, AB. The electricity price will decrease on average by 4 LTc/kWh (including VAT) since 1st of July, 2009. The electricity price for household consumers will decrease by 2 LTc/kWh (including VAT) and the electricity price for enterprises and institutions will decrease on the average by 4.2 LTc/kWh (excluding VAT). The price for electricity distribution will decrease on average by 1.43 LTc/kWh.
For more information, please visit the website of the National Control Commission for Prices and Energy, www.regula.lt .

23.06.2009 The decisions, adopted in the Extraordinary General Meeting of the Shareholders of RST, held on June 23, 2009

The Extraordinary General Meeting of the Shareholders of Rytu skirstomieji tinklai, AB, held on June 23, 2009, 10 a.m., adopted the following decisions:

1. To recall the current Supervisory Board of Rytų skirstomieji tinklai, AB in corpore, which authorities are being terminated with the initiation of activities of a new Supervisory Board of Rytų skirstomieji tinklai, AB.

2.1. To elect the following persons to the Supervisory Board of Rytų skirstomieji tinklai, AB for the remaining term of the Supervisory Board that abandoned its duties (i.e. until the day of 2012 Ordinary General Meeting of the Shareholders of Rytu skirstomieji tinklai, AB):

- Tadas Adomaitis;
- Darius Kašauskas;
- Arūnas Markevičius;
- Mario Nullmeier;
- Vytautas Vazalinskas.

2.2. To establish the date for activity initiation of the new Supervisory Board of Rytų skirstomieji tinklai, AB to be the end of the General Meeting of the Shareholders of Rytų skirstomieji tinklai, AB, which have elected the Supervisory Board.

AB RYTŲ SKIRSTOMIEJI TINKLAI
CONSOLIDATED AND THE COMPANY‘S
INTERIM FINANCIAL INFORMATION
FOR THE FIRST HALF OF 2009
(UNAUDITED)

This is a translation from the original, which was prepared in Lithuanian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

CONTENTS Page

Statement of financial position

	Note	GROUP		COMPANY	
ASSETS		30/06/2009	31/12/2008	30/06/2009	31/12/2008
Non-current assets					
Property, plant and equipment	4	2,971,318	3,236,996	2,935,108	3,195,633,
Intangible assets		6,025	9,254	6,017	9,244,
Prepayments for property, plant, equipment and intangible assets		3,057	6,571	3,057	6,571
Investments in subsidiaries		-	-	36,643	36,643
Deferred income tax asset		199	209	-	-
Non-current receivables		2,760	2,875	2,760	2,875
		2,983,359	**3,255,905**	**2,983,585**	**3,250,966**
Current assets					
Inventory		6,013	5,442	1,615	1,286
Trade and other receivables	5	92,393	109,591	90,854	109,713
Prepayments, deferred charges and accrued income		8,615	10,507	8,615	10,360
Prepaid income tax		272	322	-	-
Cash and cash equivalents	6	101,210	23,085	100,761	22,821
		208,503	148,947	201,845	144,180
Non-current assets classified as held for sale		1,165	148	64	148
		209,668	**149,095**	**201,909**	**144,328**
Total assets		**3,193,027**	**3,405,000**	**3,185,494**	**3,395,294**
EQUITY					
Equity and reserves attributable to equity holders of the Company					
Share capital		492,405	492,405	492,405	492,405
Revaluation reserve		1,257,880	1,462,054	1,250,013	1,452,735
Legal reserve		49,551	49,516	49,240	49,240
Other reserves	7	1,638	336,169	-	333,519
Retained earnings		475,568	82,495	483,149	89,277
Total equity		**2,277,042**	**2,422,639**	**2,274,807**	**2,417,176**
LIABILITIES					
Amounts payable after one year and non-current liabilities					
Borrowings	11	147,298	143,111	147,298	143,111
Deferred income tax liability		354,851	407,343	354,525	406,713
Deferred income	8	189,993	172,274	189,993	172,274
Grants and subsidies		9,290	9,578	9,290	9,578
Long-term employee benefits		5,379	6,068	5,379	6,068
Other non-current liabilities		853	734	853	734
		707,664	**739,108**	**707,338**	**738,478**
Amounts payable within one year and current liabilities					
Borrowings	11	36,284	33,934	34,346	29,489
Trade and other payables	9	129,479	144,079	126,472	145,069
Advances received and accrued charges	10	34,152	61,367	34,125	61,209
Derivative financial instruments		374	287	374	287
Income tax payable		8,032	3,586	8,032	3,586
		208,321	**243,253**	**203,349**	**239,640**
Total liabilities		**915,985**	**982,361**	**910,687**	**978,118**
Total equity and liabilities		**3,193,027**	**3,405,000**	**3,185,494**	**3,395,294**

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

General Director	Arvydas Tarasevičius		
Finance Director	Arvydas Zakalskis		

Statement of comprehensive income

		1 January – 30 June			
		GROUP		COMPANY	
	Note	2009	2008	2009	2008
Revenue	1	612,175	602,222	610,523	601,944
Other operating income		28	24	-	2
Purchase of electricity		(292,016)	(244,553)	(292,016)	(244,553)
Electricity transmission service expense		(82,571)	(83,525)	(82,571)	(83,525)
Depreciation and amortisation		(124,982)	(141,157)	(121,885)	(137,955)
Employee benefits and related social insurance contributions		(56,265)	(69,781)	(45,910)	(52,486)
Repair and maintenance expense		(13,791)	(26,954)	(21,081)	(40,097)
Transportation expense		(136)	(734)	(4,644)	(7,747)
Effect of revaluation of property, plant and equipment	4	(32,087)	-	(31,903)	-
Gain on disposal of property, plant and equipment		324	380	11	226
Other operating expenses		(16,974)	(22,681)	(15,972)	(23,427)
Operating profit (loss)		**(6,295)**	**13,241**	**(5,448)**	**12,382**
Finance income		2,316	985	3,200	1,937
Finance (costs)		(2,874)	(3,460)	(2,830)	(3,377)
Finance (costs) – net		(558)	(2,475)	370	(1,440)
Profit (loss) before income tax		**(6,853)**	**10,766**	**(5,078)**	**10,942**
Income tax expense	12	389	(2,346)	475	(2,237)
Net profit (loss)		**(6,464)**	**8,420**	**(4,603)**	**8,705**
Other comprehensive income (expenses):					
Losses on revaluation of property, plant and equipment		(173,896)	-	(172,207)	-
Deferred income tax effect		34,763	-	34,441	-
Other comprehensive income (expenses)		**(139,133)**	**-**	**(137,766)**	**-**
Gross profit (loss) for the period		**(145,597)**	**8,420**	**(142,369)**	**8,705**
Profit (loss) attributable to equity holders of the Company					
Net profit (loss)		(6,464)	8,420	(4,603)	8,705
Gross profit (loss)		(145,597)	8,420	(142,369)	8,705
Basic and diluted earnings per share (in LTL)		(0.01)	0.02	-	-

Statement of comprehensive income (continued)

		1 April – 30 June			
		GROUP		COMPANY	
	Note	2009	2008	2009	2008
Revenue	1	273 769	273 586	271 828	272 863
Other operating income		28	22	-	-
Purchase of electricity		(134 740)	(108 172)	(134 740)	(108 172)
Electricity transmission service expense		(36 030)	(37 240)	(36 030)	(37 240)
Depreciation and amortisation		(62 549)	(69 949)	(61 027)	(68 333)
Employee benefits and related social insurance contributions		(27 013)	(34 432)	(21 904)	(26 873)
Repair and maintenance expense		(7 687)	(13 825)	(11 141)	(20 260)
Transportation expense		423	(429)	(2 385)	(3 909)
Effect of revaluation of property, plant and equipment	4	(19 159)	-	(18 975)	-
Gain on disposal of property, plant and equipment		165	349	11	195
Other operating expenses		(8 296)	(14 102)	(7 308)	(14 198)
Operating profit (loss)		**(21 089)**	**(4 192)**	**(21 671)**	**(5 927)**
Finance income		1 136	768	1 162	809
Finance (costs)		(1 141)	(1 541)	(1 116)	(1 489)
Finance (costs) – net		(5)	(773)	46	(680)
Profit (loss) before income tax		**(21 094)**	**(4 965)**	**(21 625)**	**(6 607)**
Income tax expense	12	6 550	298	6 553	382
Net profit (loss)		**(14 544)**	**(4 667)**	**(15 072)**	**(6 225)**
Other comprehensive income (expenses):					
Losses on revaluation of property, plant and equipment		(173 896)	-	(172 207)	-
Deferred income tax effect		34 763	-	34 441	-
Other comprehensive income (expenses)		**(139 133)**	**-**	**(137 766)**	**-**
Gross profit (loss) for the period		**(153 677)**	**(4 667)**	**(152 838)**	**(6 225)**
Profit (loss) attributable to equity holders of the Company					
Net profit (loss)		**(14 544)**	**(4 667)**	**(15 072)**	**(6 225)**
Gross profit (loss)		**(153 677)**	**(4 667)**	**(152 838)**	**(6 225)**
Basic and diluted earnings per share (in LTL)		(0,03)	(0,01)	-	-

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

General Director	Arvydas Tarasevičius		
Finance Director	Arvydas Zakalskis		

Statement of changes in equity

GROUP	Note	Share capital	Revaluation reserve	Legal reserve	Other reserves	Retained earnings	Total equity
		Attributable to equity holders of the Company					
Balance at 1 January 2008		**492,405**	**1,923,857**	**49,409**	**160,207**	**170,092**	**2,795,970**
Gross profit for the period		-	-	-	-	8 420	8,420
Transfers to retained earnings (depreciation, net of deferred income tax)		-	(86,345)	-	-	86,447	102
Transfer to reserves		-	-	107	175,962	(176,069)	-
Balance at 30 June 2008		**492,405**	**1,837,512**	**49,516**	**336,169**	**88,890**	**2,804,492**
Balance at 1 January 2009		**492,405**	**1,462,054**	**49,516**	**336,169**	**82,495**	**2,422,639**
Gross loss for the period		-	(139,133)	-	-	(6,464)	(145,597)
Transfers to retained earnings (depreciation, net of deferred income tax)		-	(65,041)	-	-	65,041	-
Transfer to reserves		-	-	35	(331,881)	331,846	-
Reserves utilised		-	-	-	(2,650)	2,650	-
Balance at 30 June 2009		**492,405**	**1,257,880**	**49,551**	**1,638**	**475,568**	**2,277,042**

COMPANY	Note	Share capital	Revaluation reserve	Legal reserve	Other reserves	Retained earnings	Total equity
Balance at 1 January 2008		**492,405**	**1,906,787**	**49,240**	**158,521**	**174,998**	**2,781,951**
Gross profit for the period		-	-	-	-	8,705	8,705
Transfers to retained earnings (depreciation, net of deferred income tax)		-	(86,345)	-	-	86,447	102
Transfer to reserves		-	-	-	174,998	(174,998)	-
Balance at 30 June 2008		**492,405**	**1,820,442**	**49,240**	**333,519**	**95,152**	**2,790,758**
Balance at 1 January 2009		**492,405**	**1,452,735**	**49,240**	**333,519**	**89,277**	**2,417,176**
Gross loss for the period		-	(137,766)	-	-	(4,603)	(142,369)
Transfers to retained earnings (depreciation, net of deferred income tax)		-	(64,956)	-	-	64,956	-
Reserves utilised		-	-	-	(333,519)	333,519	-
Balance at 30 June 2009		**492,405**	**1,250,013**	**49,240**	**-**	**483,149**	**2,274,807**

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

General Director	Arvydas Tarasevičius		
Finance Director	Arvydas Zakalskis		

Cash flow statement

		1 January – 30 June			
		GROUP		COMPANY	
	Note	2009	2008	2009	2008
Cash flows from operating activities					
Net profit (loss)		(6,464)	8,420	(4,603)	8,705
Reversals:					
Depreciation and amortisation		125,270	141,411	122,173	138,209
Impairment of property, plant and equipment		1,538	741	1,538	741
Revaluation of property, plant and equipment	4	32,087	-	31,903	-
Income tax expense		(391)	2,346	(477)	2,237
Amortisation of deferred income		(3,794)	(4,510)	(3,794)	(4,510)
Amortisation of grants		(288)	(254)	(288)	(254)
Provisions		(689)	-	(689)	-
(Gain) loss on disposal/write-off of property, plant and equipment		398	2,298	699	2,461
Dividends		-	-	(812)	(858)
Finance (income)		(2,316)	(985)	(2,388)	(1,079)
Finance costs		2,872	3 439	2,828	3,376
Other finance costs		2	1	2	1
Changes in working capital					
(Increase) decrease in trade receivables and other receivables		20,476	991	19,468	3,370
(increase) decrease in inventories, prepayments and other assets		(847)	1,026	(329)	1,616
Increase in amounts payable and advance amounts received		(16,656)	3,458	(19,352)	(434)
Income tax (paid)		(12,917)	(8,536)	(12,823)	(8,351)
Net cash flows from operating activities		**138,281**	**149,846**	**133,056**	**145,230**
Cash flows from investing activities					
(Purchase) of property, plant and equipment and intangible assets		(66,108)	(133,363)	(65,166)	(130,743)
Proceeds from sale of property, plant and equipment		485	652	145	486
Loans repaid by subsidiaries		-	-	1,000	-
Loan repayments received		249	257	249	257
Dividends received		-	-	812	858
Interest received		2,316	984	2,388	1,079
Net cash flows from investing activities		**(63,058)**	**(131,470)**	**(60,572)**	**(128,063)**
Cash flows from financing activities					
Proceeds from borrowings		-	24,170	-	24,170
(Repayments) of borrowings		-	(13,811)	-	(13,811)
Dividends (paid) to the Company's shareholders		(35)	(60)	(35)	(60)
Interest (paid)		(3,597)	(3,182)	(3,553)	(3,119)
Other increases (decreases) in cash flows from financing activities		(2)	-	-	-
Net cash flows from financing activities		**(3,634)**	**7,117**	**(3,588)**	**7,180**
Net increase in cash flows		**71,589**	**25,493**	**68,896**	**24,347**
Cash and cash equivalents at beginning of the year	6	**7,479**	**(30,048)**	**11,660**	**(27,406)**
Cash and cash equivalents at end of the year	6	**79,068**	**(4,555)**	**80,556**	**(3,059)**

The accompanying condensed notes are an integral part of these interim financial statements

General Director	Arvydas Tarasevičius		
Finance Director	Arvydas Zakalskis		

Condensed notes to the interim financial statements

1. General information

Rytų Skirstomieji Tinklai AB (hereinafter "the Company") is a public company registered in the Republic of Lithuania. The Company was registered with the Register of Legal Entities on 31 December 2001. As of 2 May 2007, the shares of the Company are listed on the official trading list of the NASDAQ OMX Vilnius Stock Exchange. The address of the Company's registered office is:
P. Lukšio g. 5b,
LT-08221 Vilnius,
Lithuania.

The main activity of the Company is electricity supply and distribution. The Company, owning medium and low voltage electricity network, is a sole provider of electricity distribution service to the consumers in the eastern part of Lithuania.

At the meeting held on 29 May 2009 the National Control Commission for Prices and Energy announced electricity prices and tariffs for the second half of 2009 applicable to Rytų Skirstomieji Tinklai AB and their application procedures. With effect from 1 July 2009, the price of the electricity distribution service will decrease by an average of 1.4 ct/kWh as compared to the first half of 2009.

As at 30 June 2009 and 31 December 2008, the shareholders of the Company were as follows:

	At 30 June 2009		At 31 December 2008	
	Number of shares held	**Interest held**	**Number of shares held**	**Interest held**
LEO LT, AB	351,316,161	71.35%	351,316,161	71.35%
E.ON Ruhrgas International AG (Germany)	99,845,392	20.28%	99,845,392	20.28%
Other shareholders	41,243,100	8.37%	41,243,100	8.37%
Total	492,404,653	100%	492,404,653	100%

All the Company's shares with the nominal value of LTL 1 are ordinary shares and they were fully paid as at 30 June 2009 and 31 December 2008. The Company does not hold any other ordinary shares except those mentioned above. The Company's Articles of Association do not stipulate any restrictions with regard to shares or special control rights in terms of shareholders. The Company and its subsidiaries do not hold own shares.

The Company's revenue increased as a result of a higher price of provided electricity effective from 1 January 2009. The revenue growth was lower than expected due to a lower consumption level of electricity in Lithuania.

Expenses related to the purchase of electricity increased because of decision passed by the State Control Commission of Prices and Energy dated 1 January 2009.

Taking in account a decreasing level of electricity consumption and a general economic environment in the country the Company continues to implement the cost optimisation policy, improves internal processes, carries out effective and transparent procurements that in an aggregate effect enable to reduce costs. These measures resulted in a significantly lower repair and maintenance costs and other expenses.

Consolidated group

The consolidated group (hereinafter "the Group") consists of the Company and its three subsidiaries. The subsidiaries included in the Group's consolidated financial statements are listed below:

				Interest held by the Group (%)		
Subsidiary	**Country**	**Cost of investment**	**Year of establish -ment**	**At 30 June 2009**	**At 31 December 2008**	**Profile of activities**
Rytra UAB	Lithuania	22,998	2004	100%	100%	Transportation services
Elektros Tinklo Paslaugos UAB	Lithuania	11,657	2004	100%	100%	Electricity network and related equipment repair, maintenance and construction services
Tetas UAB	Lithuania	1,988	2005	100%	100%	Electricity network design, construction, repair and maintenance services.
		36,643				

General information (continued)

Recent volatility in global and Lithuanian financial markets

The ongoing global liquidity crisis which commenced in the middle of 2008 has resulted in, among other things, a lower level of capital market funding, lower liquidity levels across the banking sector, and, at times, higher interbank lending rates and very high volatility in stock markets. The uncertainties in the global financial markets have also led to bank failures and bank rescues in the United States of America, Western Europe, Russia and elsewhere. Indeed the full extent of the impact of the ongoing financial crisis is proving to be impossible to anticipate or completely guard against.

Management is unable to reliably estimate the effects on the Company's and the Group's financial position of any further deterioration in the liquidity of the financial markets and the increased volatility in the currency and equity markets. Management believes it is taking all the necessary measures to support the sustainability and growth of the Company's and the Group's business in the current circumstances.

Debtors of the Company and the Group may be affected by the lower liquidity situation which could in turn impact their ability to repay the amounts owed. Deteriorating operating conditions for customers may also have an impact on management's cash flow forecasts and assessment of the impairment of financial and non-financial assets. To the extent that information is available, management has properly reflected revised estimates of expected future cash flows in its impairment assessments.

Uncertainty in respect of determination of the recoverable value of property, plant and equipment used in licensed activities

At the date of this financial information, a significant uncertainty exists relating to the recoverable amount of property, plant and equipment (as defined by International Accounting Standard No. 36) used by the Company and the Group in carrying out licensed activities under regulated service prices and tariffs.

On 1 June 2009 Law No. XI-198 amending Articles 2,5,6,43,44 and 48 of the Lithuanian Law on Electricity of 19 March 2009 became effective. The amended law requires the regulatory authority to prepare the principles of determination of the value of property, plant and equipment used in the licensed activities and the Lithuanian Government to approve these principles. As at the date of this financial information, these principles have not been approved.

Prior to the amendment to the aforementioned law, determination of regulated prices and tariffs applicable to the Group and the Company was based on the balance sheet value of property, plant and equipment used in the licensed activities of the service provider as reported in the financial statements. The effect of such provision of the law was to ensure that the recoverable amount of the property, plant and equipment could not be less than its balance sheet value. The amended law provides no such assurance.

As a result of the above uncertainty, the management of the Company is unable to assess what impact the new principles of determination of the value of property, plant and equipment used in the licensed activities will have on the recoverable amounts of property, plant and equipment of the Company and the Group.

2. Basis of preparation

These condensed interim financial statements for the first half of 2009 have been prepared in accordance with IAS 34, 'Interim financial reporting'.

The condensed interim financial statements for the first half of 2009 should be read in conjunction with the annual financial statements for 2008, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

3. Accounting policies

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for 2008.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

Adoption of New or Revised Standards and Interpretations

IAS 1, Presentation of Financial Statements (revised September 2007; effective for annual periods beginning on or after 1 January 2009). The main change in IAS 1 is the replacement of the income statement by a statement of comprehensive income which will also include all non-owner changes in equity, such as the revaluation of available-for-sale financial assets. Alternatively, entities will be allowed to present two statements: a separate income statement and a statement of comprehensive income. The revised IAS 1 also introduces a requirement to present a statement of financial position (balance sheet) at the beginning of the earliest comparative period whenever the entity restates comparatives due to reclassifications, changes in accounting policies, or corrections of errors. The Group and Company changed the presentation of its financial statements but it had no impact on the recognition or measurement of specific transactions and balances.

IFRS 8, Operating Segments (effective for annual periods beginning on or after 1 January 2009). The standard applies to entities whose debt or equity instruments are traded in a public market or that file, or are in the process of filing, their financial statements with a regulatory organisation for the purpose of issuing any class of instruments in a public market. IFRS 8 requires an entity to report financial and descriptive information about its operating segments, with segment information presented on a similar basis to that used for internal reporting purposes. There was no impact on the Group's segment disclosures as it still has one reporting segment.

IAS 23, Borrowing Costs (effective for annual periods beginning on or after 1 January 2009). The main change to IAS 23 is the removal of the option of immediately recognising as an expense borrowing costs that relate to assets that take a substantial period of time to get ready for use or sale. An entity is, therefore, required to capitalise such borrowing costs as part of the cost of the asset. The revised standard applies prospectively to borrowing costs relating to qualifying assets for which the commencement date for capitalisation is on or after 1 January 2009. This amendment does not change the current policy of expensing borrowing costs, as the Group's and Company's property, plant and equipment is accounted for using revaluation method.

Puttable Financial Instruments and Obligations Arising on Liquidation—IAS 32 and IAS 1 Amendment (effective for annual periods beginning on or after 1 January 2009). The amendment requires classification as equity of some financial instruments that meet the definition of financial liabilities. This amendment is not applicable to the Company's and Group's financial statements.

Vesting Conditions and Cancellations—Amendment to IFRS 2, Share-based Payment (effective for annual periods beginning on or after 1 January 2009). The amendment clarifies that only service conditions and performance conditions are vesting conditions. Other features of a share-based payment are not vesting conditions. The amendment specifies that all cancellations, whether by the entity or by other parties, should receive the same accounting treatment. This amendment is not applicable to the Company's and Group's financial statements.

Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate—IFRS 1 and IAS 27 Amendment (effective for annual periods beginning on or after 1 January 2009). The amendment allows first-time adopters of IFRS to measure investments in subsidiaries, jointly controlled entities or associates at fair value or at previous GAAP carrying value as deemed cost in the separate financial statements. The amendment also requires distributions from pre-acquisition net assets of investees to be recognised in profit or loss rather than as a recovery of the investment. This amendment is not applicable to the Company's and Group's financial statements.

IFRIC 13, Customer Loyalty Programmes (effective for annual periods beginning on or after 1 July 2008 for financial statements prepared under IFRS; adopted by the EU with an effective date postponed to annual periods beginning after 31 December 2008; early adoption permitted). IFRIC 13 clarifies that where goods or services are sold together with a customer loyalty incentive (for example, loyalty points or free products), the arrangement is a multiple-element arrangement and the consideration receivable from the customer is allocated between the components of the arrangement using fair values. This interpretation is not applicable to the Company's and Group's financial statements.

IFRIC 14, IAS 19—The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction. *(IFRIC 14 as adopted by the EU is effective for annual periods beginning on or after 31 December 2008, with early adoption permitted)*. The interpretation contains guidance on when refunds or reductions in future contributions may be regarded as available for the purposes of the asset ceiling test in IAS 19, Employee Benefits. The interpretation does not have any significant effect on the Company's and Group's financial statements.

Improvements to International Financial Reporting Standards (issued in May 2008). In 2007, the International Accounting Standards Board decided to initiate an annual improvements project as a method of making necessary, but non-urgent, amendments to IFRS. The amendments consist of a mixture of substantive changes, clarifications, and changes in terminology in various standards. The substantive changes relate to the following areas: classification as held for sale under IFRS 5 in case of a loss of control over a subsidiary; possibility of presentation of financial instruments held for trading as non-current under IAS 1; accounting for sale of IAS 16 assets which were previously held for rental and classification of the related cash flows under IAS 7 as cash flows from operating activities; clarification of definition of a curtailment under IAS 19; accounting for below market interest rate government loans in accordance with IAS 20; making the definition of borrowing costs in IAS 23 consistent with the effective interest method; clarification of accounting for subsidiaries held for sale under IAS 27 and IFRS 5; reduction in the disclosure requirements relating to associates and joint ventures under IAS 28 and IAS 31; enhancement of disclosures required by IAS 36; clarification of accounting for advertising costs under IAS 38; amending the definition of the fair value through profit or loss category to be consistent with hedge accounting under IAS 39; introduction of accounting for investment properties under construction in accordance with IAS 40; and reduction in restrictions over manner of determining fair value of biological assets under IAS 41. Further amendments made to IAS 8, 10, 18, 20, 29, 34, 40, 41 and to IFRS 7 represent terminology or editorial changes only, which the IASB believes have no or minimal effect on accounting. None of the amendments had material effect on the Group's and Company's financial statements.

***IFRIC 11, IFRS 2 - Group and Treasury Share Transactions*.** [*(IFRIC 11 as adopted by the EU is effective for annual periods beginning on or after 1 March 2008, with early adoption permitted)*.] The interpretation contains guidelines on the following issues: an entity grants its employees rights to its equity instruments that may or must be repurchased from a third party in order to settle obligations towards the employees; or an entity or its owner grants the entity's employees rights to the entity's equity instruments. Adoption of the interpretation did not have any significant impact on the Company's and Group's financial statements.

New or revised standards and interpretations that are mandatory for the Company's and Group's accounting periods beginning on or after 1 July 2009 or later periods and which the Group and Company has not early adopted

IAS 27, Consolidated and Separate Financial Statements (revised January 2008; effective for annual periods beginning on or after 1 July 2009). The revised IAS 27 will require an entity to attribute total comprehensive income to the owners of the parent and to the non-controlling interests (previously "minority interests") even if this results in the non-controlling interests having a deficit balance (the current standard requires the excess losses to be allocated to the owners of the parent in most cases). The revised standard specifies that changes in a parent's ownership interest in a subsidiary that do not result in the loss of control must be accounted for as equity transactions. It also specifies how an entity should measure any gain or loss arising on the loss of control of a subsidiary. At the date when control is lost, any investment retained in the former subsidiary will have to be measured at its fair value. The Group does not expect the amended standard to have a material effect on its financial statements.

IFRS 3, Business Combinations (revised January 2008; effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009). The revised IFRS 3 will allow entities to choose to measure non-controlling interests using the existing IFRS 3 method (proportionate share of the acquiree's identifiable net assets) or at fair value. The revised IFRS 3 is more detailed in providing guidance on the application of the purchase method to business combinations. The requirement to measure at fair value every asset and liability at each step in a step acquisition for the purposes of calculating a portion of goodwill has been removed. Instead, in a business combination achieved in stages, the acquirer will have to remeasure its previously held equity interest in the acquiree at its acquisition-date fair value and recognise the resulting gain or loss, if any, in profit or loss. Acquisition-related costs will be accounted for separately from the business combination and therefore recognised as expenses rather than included in goodwill. An acquirer will have to recognise at the acquisition date a liability for any contingent purchase consideration. Changes in the value of that liability after the acquisition date will be recognised in accordance with other applicable IFRSs, as appropriate, rather than by adjusting goodwill. The revised IFRS 3 brings into its scope business combinations involving only mutual entities and business combinations achieved by contract alone. The Group does not expect the amended standard to have a material effect on its financial statements.

IFRIC 12, Service Concession Arrangements *(IFRIC 12 as adopted by the EU is effective for annual periods beginning on or after 30 March 2009, with early adoption permitted)*.The interpretation contains guidance on applying the existing standards by service providers in public-to-private service concession arrangements. Application of IFRIC 12 will not have any impact on the Company's and Group's financial statements because it is not subject to any service concession arrangements.

IFRIC 15, Agreements for the Construction of Real Estate (effective for annual periods beginning on or after 1 January 2009; not yet adopted by the EU). The interpretation applies to the accounting for revenue and associated expenses by entities that undertake the construction of real estate directly or through subcontractors, and provides guidance for determining whether agreements for the construction of real estate are within the scope of IAS 11 or IAS 18. It also provides criteria for determining when entities should recognise revenue on such transactions. IFRIC 15 is not relevant to the Group's and Company's operations because it does not have any agreements for the construction of real estate.

IFRIC 16, Hedges of a Net Investment in a Foreign Operation (effective for annual periods beginning on or after 1 October 2008; IFRIC 16 as adopted by the EU is effective for annual periods beginning after 30 June 2009, with early adoption permitted*).* The interpretation explains which currency risk exposures are eligible for hedge accounting and states that translation from the functional currency to the presentation currency does not create an exposure to which hedge accounting could be applied. The IFRIC allows the hedging instrument to be held by any entity or entities within a group except the foreign operation that itself is being hedged. The interpretation also clarifies how the gain or loss recycled from the currency translation reserve to profit or loss is calculated on disposal of the hedged foreign operation. Reporting entities will apply IAS 39 to discontinue hedge accounting prospectively when their hedges do not meet the criteria for hedge accounting in IFRIC 16. IFRIC 16 does not have any impact on these financial statements as the Group and Company does not apply hedge accounting.

Eligible Hedged Items—Amendment to IAS 39, Financial Instruments: Recognition and Measurement (effective with retrospective application for annual periods beginning on or after 1 July 2009*;* not yet adopted by the EU). The amendment clarifies how the principles that determine whether a hedged risk or portion of cash flows is eligible for designation should be applied in particular situations. The amendment is not expected to have any impact on the Group's and Company's financial statements as hedge accounting is not applied.

IFRIC 17, Distribution of Non-Cash Assets to Owners (effective for annual periods beginning on or after 1 July 2009; not yet adopted by the EU). The interpretation clarifies when and how distribution of non-cash assets as dividends to the owners should be recognised. An entity should measure a liability to distribute non-cash assets as a dividend to its owners at the fair value of the assets to be distributed. A gain or loss on disposal of the distributed non-cash assets will be recognised in profit or loss when the entity settles the dividend payable. The Group is currently assessing the impact of the new interpretation on its financial statements. IFRIC 17 is not relevant to the Group's operations at the moment because it does not distribute non-cash assets to owners.

IFRS 1, First-time Adoption of International Financial Reporting Standards (following an amendment in December 2008, effective for the first IFRS financial statements for a period beginning on or after 1 July 2009; not yet adopted by the EU). The revised IFRS 1 retains the substance of its previous version but within a changed structure in order to make it easier for the reader to understand and to better accommodate future changes. The Group and Company concluded that the revised standard does not have any effect on its financial statements.

IFRIC 18, Transfers of Assets from Customers (effective for annual periods beginning on or after 1 July 2009; not yet adopted by the EU). The interpretation clarifies the accounting for transfers of assets from customers, namely, the circumstances in which the definition of an asset is met; the recognition of the asset and the measurement of its cost on initial recognition; the identification of the separately identifiable services (one or more services in exchange for the transferred asset); the recognition of revenue, and the accounting for transfers of cash from customers. The Group and Company is currently assessing the impact of the new interpretation on its financial statements.

Improving Disclosures about Financial Instruments - Amendment to IFRS 7, Financial Instruments: Disclosures (effective for annual periods beginning on or after 1 January 2009; not yet adopted by the EU). The amendment requires enhanced disclosures about fair value measurements and liquidity risk. The entity will be required to disclose an analysis of financial instruments using a three-level fair value measurement hierarchy. The amendment (a) clarifies that the maturity analysis of liabilities should include issued financial guarantee contracts at the maximum amount of the guarantee in the earliest period in which the guarantee could be called; and (b) requires disclosure of remaining contractual maturities of financial derivatives if the contractual maturities are essential for an understanding of the timing of the cash flows. An entity will further have to disclose a maturity analysis of financial assets it holds for managing liquidity risk, if that information is necessary to enable users of its financial statements to evaluate the nature and extent of liquidity risk. The Group and Company is currently assessing the impact of the amendment on disclosures in its financial statements.

Embedded Derivatives - Amendments to IFRIC 9 and IAS 39 (effective for annual periods ending on or after 30 June 2009; not yet adopted by the EU). The amendments clarify that on reclassification of a financial asset out of the 'at fair value through profit or loss' category, all embedded derivatives have to be assessed and, if necessary, separately accounted for. This amendment is not relevant to the Company and Group.

Improvements to International Financial Reporting Standards (issued in April 2009; amendments to IFRS 2, IAS 38, IFRIC 9 and IFRIC 16 are effective for annual periods beginning on or after 1 July 2009; amendments to IFRS 5, IFRS 8, IAS 1, IAS 7, IAS 17, IAS 36 and IAS 39 are effective for annual periods beginning on or after 1 January 2010; the improvements have not yet been adopted by the EU). The improvements consist of a mixture of substantive changes and clarifications in the following standards and interpretations: clarification that contributions of businesses in common control transactions and formation of joint ventures are not within the scope of IFRS 2; clarification of disclosure requirements set by IFRS 5 and other standards for non-current assets (or disposal groups) classified as held for sale or discontinued operations; requiring to report a measure of total assets and liabilities for each reportable segment under IFRS 8 only if such amounts are regularly provided to the chief operating decision maker; amending IAS 1 to allow classification of certain liabilities settled by entity's own equity instruments as non-current; changing IAS 7 such that only expenditures that result in a recognised asset are eligible for classification as investing activities; allowing classification of certain long-term land leases as finance leases under IAS 17 even without transfer of ownership of the land at the end of the lease; providing additional guidance in IAS 18 for determining whether an entity acts as a principal or an agent; clarification in IAS 36 that a cash generating unit shall not be larger than an operating segment before aggregation; supplementing IAS 38 regarding measurement of fair value of intangible assets acquired in a business combination; amending IAS 39 (i) to include in its scope option contracts that could result in business combinations, (ii) to clarify the period of reclassifying gains or losses on cash flow hedging instruments from equity to profit or loss and (iii) to state that a prepayment option is closely related to the host contract if upon exercise the borrower reimburses economic loss of the lender; amending IFRIC 9 to state that embedded derivatives in contracts acquired in common control transactions and formation of joint ventures are not within its scope; and removing the restriction in IFRIC 16 that hedging instruments may not be held by the foreign operation that itself is being hedged. The Group and Company is currently assessing the impact of the amendments on its financial statements.

Group Cash-settled Share-based Payment Transactions - Amendments to IFRS 2, Share-based Payment (effective for annual periods beginning on or after 1 January 2010, not yet adopted by the EU). The amendments provide a clear basis to determine the classification of share-based payment awards in both consolidated and separate financial statements. The amendments incorporate into the standard the guidance in IFRIC 8 and IFRIC 11, which are withdrawn. The amendments expand on the guidance given in IFRIC 11 to address plans that were previously not considered in the interpretation. The amendments also clarify the defined terms in the Appendix to the standard. The Group and Company is currently assessing the impact of the amendments on its financial statements.

4. Property, plant and equipment

Group	Land	Buil-dings	Structures and machinery	Motor vehicles	Other property, plant and equipment	Construc-tion in progress	Total
Opening net book amount at 1 January 2008	**-**	**234,990**	**3,127,244**	**17,768**	**94,881**	**70,702**	**3,545,585**
Additions	40	93	1,428	2,700	521	123,727	128,509
Disposals	-	(76)	(181)	(3)	(3)	-	(263)
Write-offs	-	(74)	(2,588)	-	(25)	-	(2,687)
Impairment	-	-	-	-	(923)	-	(923)
Reversal of impairment	-	55	118	-	-	9	182
Reclassifications between groups	-	7,783	75,950	-	6,802	(90,251)	284
Depreciation charges	-	(8,109)	(117,738)	(2,026)	(11,148)	-	(139,021)
Closing net book amount at 30 June 2008	**40**	**234,662**	**3,084,233**	**18,439**	**90,105**	**104,187**	**3,531,666**
Opening net book amount at 1 January 2009	**40**	**181,145**	**2,883,047**	**17,375**	**85,756**	**69,633**	**3,236,996**
Additions	-	55	846	360	57	65,387	66,705
Disposals	-	(84)	(3)	(18)	(49)	-	(154)
Write-offs	-	(4)	(809)	(10)	(1,867)	-	(2,690)
Reversal of impairment	-	7	-	-	-	10	17
Impairment	-	-	(18)	-	(1,537)	-	(1,555)
Revaluation	-	(15,158)	(188,619)	-	(78)	(2,128)	(205,983)
Reclassifications between groups	-	5,228	60,335	119	12,537	(79,237)	(1,018)
Depreciation charges	-	(6,393)	(101,878)	(1,883)	(10,846)	-	(121,000)
Closing net book amount at 30 June 2009	**40**	**164,796**	**2,652,901**	**15,94,**	**83,973**	**53,665**	**2,971,318**

Company	Land	Buil-dings	Structures and machinery	Motor vehicles	Other property, plant and equipment	Construc-tion in progress	Total
Opening net book amount at 1 January 2008	**-**	**207,041**	**3,122,241**	**140**	**92,861**	**70,598**	**3,492,881**
Additions	40	49	1,427	-	400	123,683	125,599
Disposals	-	(75)	(181)	-	(3)	-	(259)
Write-offs	-	(74)	(2,588)	-	(25)	-	(2,687)
Impairment	-	-	-	-	(923)	-	(923)
Reversal of impairment	-	55	118	-	-	9	182
Reclassifications between groups	-	7,783	75,951	-	6,699	(90,149)	284
Depreciation charges	-	(7,700)	(117,343)	(25)	(10,752)	-	(135,820)
Closing net book amount at 30 June 2008	**40**	**207,079**	**3,079,625**	**115**	**88,257**	**104,141**	**3,479,257**
Opening net book amount at 1 January 2009	**40**	**162,027**	**2,879,416**	**86**	**84,477**	**69,587**	**3,195,633**
Additions	-	55	874	-	43	65,387	66,359
Disposals	-	(85)	-	-	(49)	-	(134)
Write-offs	-	(4)	(809)	-	(1,867)	-	(2,680)
Reversal of impairment	-	7	-	-	-	10	17
Impairment	-	-	(18)	-	(1,537)	-	(1,555)
Revaluation	-	(13,285)	(188,619)	-	(78)	(2,128)	(204,110)
Reclassifications between groups	-	5,676	61,108	-	12,536	(79,236)	84
Depreciation charges	-	(6,499)	(101,472)	(20)	(10,515)	-	(118,506)
Closing net book amount at 30 June 2009	**40**	**147,892**	**2,650,480**	**66**	**83,010**	**53,620**	**2,935,108**

Property, plant and equipment (continued)

Write-offs mostly comprise write-offs of structures and electricity networks due to their reconstruction, damage or replacement as requested by the user.

In order to avoid incurring possible extensive losses because of the impairment of property, plant and equipment as at the year-end and seeking to measure non-current assets at fair value, the Company and its subsidiaries revalued their property, plant and equipment using the indexes of construction price announced by the Statistics Department. As of 31 December 2009 property, plant and equipment valuation will be updated by an independent valuator.

For the purpose of revaluation of buildings and engineering structures impairment rates of 9.32 per cent and 7.39 per cent, respectively, were applied.

Decrease in the carrying amount arising on the revaluation of the Group‘s and the Company‘s property, plant and equipment amounting to LTL 205,983 thousand and LTL 204,110 thousand, respectively was recognised as a reduction to the revaluation reserve of previous valuations of LTL 173,896 thousand and LTL 172,207 thousand, respectively and as a revaluation decrease of LTL 32,087 thousand and LTL 31,903 thousand charged to the profit and loss account.

Decrease in the carrying amount arising on the revaluation, net of deferred income tax effect, accounted for in the revaluation reserve in the Group's and the Company's equity amounts to LTL 139,133 thousand and LTL 137,766 thousand, respectively.

5. Trade and other receivables

	Group		Company	
	30/06/2009	**31/12/2008**	**30/06/2009**	**31/12/2008**
Trade receivables	106,006	115,968	104,062	113,767
Trade receivables and other amounts receivable from related parties	3,386	2,026	3,553	2,034
Loans granted to subsidiaries	-	-	1,000	2,000
Current portion of mortgages	343	350	343	350
Other amounts receivable	3,781	10,399	2,962	10,677
Less: impairment of doubtful receivables	(21,123)	(19,152)	(21,066)	(19,115)
	92,393	109,591	90,854	109,713

The fair values of trade and other receivables approximate their carrying amounts.

The Group‘s and the Company‘s trade receivables not classified as doubtful included as follows:

	Group		Company	
	30/06/2009	**31/12/2008**	**30/06/2009**	**31/12/2008**
Not overdue	72,681	92,219	70,794	90,055
Up to 1 month	3,277	3,276	3,277	3,276
1 to 3 months	7,654	640	7,654	640
Over 3 months	1,271	681	1,271	681
Carrying amount	84,883	96,816	82,996	94,652

No impairment on other amounts receivable was accounted for.

Trade receivables are non-interest bearing and are normally settled with the term of 25 to 35 days.

Trade and other receivables (continued)

Movements in the provision for impairment of the Group's trade receivables and other receivables in the first half of 2009 and 2008 were as follows:

Balance at 1 January 2008	18,509
Charge for the half-year	607
Utilised amounts	(289)
Balance at 30 June 2008	18,827
Balance at 1 January 2009	19,152
Charge for the half-year	2,252
Utilised amounts	(281)
Balance at 30 June 2009	21,123

Movements in the provision for impairment of the Company's trade receivables and other receivables in the first half of 2009 and 2008 were as follows:

Balance at 1 January 2008	18,472
Charge for the half-year	601
Utilised amounts	(289)
Balance at 30 June 2008	18,784
Balance at 1 January 2009	19,115
Charge for the half-year	2,232
Utilised amounts	(281)
Balance at 30 June 2009	21,066

The Group's and the Company's trade receivables with the nominal value of LTL 17,755 thousand as at 30 June 2009 (31 December 2008: LTL 16,828 thousand) were fully provided for.

6. Cash and cash equivalents

	Group		Company	
	30/06/2009	**31/12/2008**	**30/06/2009**	**31/12/2008**
Term deposits with maturity of up to 3 months	100,845	22,500	100,500	22,500
Cash at bank	300	493	196	229
Cash in transit	65	92	65	92
	101,210	23,085	100,761	22,821

Cash and cash equivalents and bank overdrafts include the following for the purposes of the cash flow statement:

	Group		Company	
	30/06/2009	**31/12/2008**	**30/06/2009**	**31/12/2008**
Cash and cash equivalents	101,210	23,085	100,761	22,821
Bank overdraft (Note 11)	(22,142)	(15,606)	(20,205)	(11,161)
	79,068	7,479	80,556	11,660

As at 30 June 2009, the average weighted interest rate for the deposits with the maturity of up to three months was 7.1 per cent (31 December 2008: 8.8 per cent).

7. Reserves

Other reserves are formed based on the decision of shareholders and can be redistributed on the distribution of next year's profit.
At the ordinary general shareholders' meeting held on 30 April 2009 shareholders of Rytų Skirstomieji Tinklai AB resolved not to distribute the amount of LTL 333,519 thousand accounted for in other reserves and remain it recorded under the item of retained earnings (deficit).

8. Deferred income

	Group/Company	
	30/06/2009	**31/12/2008**
Deferred income from customer connection fees	181,535	164,774
Deferred income from public service obligations (PSO) electricity sales	489	489
Deferred income from installation of electricity equipment	7,969	7,011
	189,993	172,274

<u>Deferred income from customer connection fees</u>

	30/06/2009	**30/06/2008**
Opening balance	170,582	110,608
Deferred during the half-year	20,476	28,660
Recognised in the profit and loss account	(3,070)	(8,240)
Closing balance	187,988	131,028
Non-current portion	181,535	128,800
Current portion (Note 10)	6,453	2,228
Total	187,988	131,028

9. Trade and other payables

	Group		Company	
	30/06/2009	**31/12/2008**	**30/06/2009**	**31/12/2008**
Trade payables	39,692	35,983	31,962	30,654
Amounts payable to subsidiaries (Note 13)	-	-	8,717	9,699
Amounts payable to entities controlled by the Ministry of Economy (Note 13)	74,346	91,565	74,343	91,565
Total trade payables	114,038	127,548	115,022	131,918
Taxes other than income tax	2,783	7,780	2,188	6,742
Employment-related liabilities	12,277	8,339	8,888	5,999
Other current liabilities	381	412	374	410
Total other amounts payables	15,441	16,531	11,450	13,151
	129,479	144,079	126,472	145,069

<u>Trade payables</u>

The Group's and the Company's trade payables at 30 June 2009 decreased due to the decrease in amounts payable to suppliers and contractors.

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled within the term of up to 60 days.
- Other payables are non-interest bearing and have an average settlement term of 6 months.
- Interest payable is normally paid in quarters over the course of the financial year.
- Terms and conditions applicable to amounts payable to related parties are discussed in Note 13.

10. Advances received and accrued charges

	Group		Company	
	30/06/2009	31/12/2008	30/06/2009	31/12/2008
Advances received	25,098	45,370	25,091	45,344
Current portion of deferred income from customer connection fees (Note 8)	6,453	5,807	6,453	5,807
Accruals	2,601	10,190	2,581	10,058
	34,152	61,367	34,125	61,209

<u>Advances received</u>

Advances received mostly comprise advances received for new customer connection. Decrease was caused by a worsening economic situation and lower prices and volumes of construction in Lithuania.

11. Borrowings

	Group		Company	
	30/06/2009	31/12/2008	30/06/2009	31/12/2008
Non-current borrowings				
Bank borrowings	147,298	143,111	147,298	143,111
Current borrowings				
Overdraft	22,143	15,606	20,205	11,161
Bank borrowings	14,141	18,328	14,141	18,328
	36,284	33,934	34,346	29,489
Total borrowings	183,582	177,045	181,644	172,600

All the Group's and the Company's borrowings are bearing floating interest rate with repricing period up to 6 months. No assets are provided as collateral for bank borrowings.

The maturity of non-current borrowings is as follows:

	Group		Company	
	30/06/2009	31/12/2008	30/06/2009	31/12/2008
1 to 2 years	24,510	21,054	24,510	21,054
2 to 5 years	98,255	94,798	98,255	94,798
Over 5 years	24,533	27,259	24,533	27,259
	147,298	143,111	147,298	143,111

The average interest rates at the balance sheet date were as follows:

	Group		Company	
	30/06/2009	31/12/2008	30/06/2009	31/12/2008
Overdraft	3.61%	4.64%	3.60%	4.27%
Bank borrowings	1.94%	4.45%	1.94%	4.45%

The carrying amount of non-current and current borrowings bearing floating interest rate equals their fair value.

12. Deferred income tax

The Group's and the Company's income tax expense for the first half of 2009 and the first half of 2008 comprised as follows:

	Group 1 January – 30 June		Company 1 January – 30 June	
	2009	2008	2009	2008
Current year income tax expense	17,336	15,417	17,273	15,329
Deferred income tax (benefit)	(17,725)	(13,071)	(17,748)	(13,092)
	(389)	2,346	(475)	2,237

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year.

13. Related-party transactions

The parties are deemed to be related when one party has a power to exercise control over the other party or make significant influence on its financial and operation decisions.

As at 30 June 2009, LEO LT, AB was the main shareholder of the Company. LEO LT, AB is controlled by the Lithuanian Government. For the purposes of the related party disclosure the Company's related parties in the first half of 2009 were as follows:

Entities controlled by the Ministry of Economy and the Ministry of Energy of Lithuania;
LEO LT, AB (the main shareholder of the Company) and its subsidiaries;
Subsidiaries of the Company;
E.ON Ruhrgas International AG (Germany).

For the purposes of the related party disclosure transactions between the Company and the related parties include all transactions but exclude transactions on the sale of electricity under the officially established tariffs.

Some related party amounts for 2008 have been amended.

The following transactions were carried out with related parties:

Sales of goods and services

	Group 1 January – 30 June		Company 1 January – 30 June	
	2009	**2008**	**2009**	**2008**
Subsidiaries	-	-	2,334	3,354
Entities controlled by the Ministry of Economy and the Ministry of Energy of Lithuania (including LEO LT, AB and its subsidiaries)	605	799	337	560
	605	799	2,671	3,914

Purchases of goods and services

	Group 1 January – 30 June		Company 1 January – 30 June	
	2009	**2008**	**2009**	**2008**
Subsidiaries	-	-	31,538	46,212
Entities controlled by the Ministry of Economy and the Ministry of Energy of Lithuania (including LEO LT, AB and its subsidiaries)	341 534	304,410	341,530	304,400
	341,534	304,410	373,068	350,612

Related-party transactions (continued)

Compensation of key management personnel	Group 1 January – 30 June		Company 1 January – 30 June	
	2009	**2008**	**2009**	**2008**
Salaries and other short-term employee benefits	624	907	624	907

Key management includes 4 members.

Receivables from related parties:	Group		Company	
	30/06/2009	**31/12/2008**	**30/06/2009**	**31/12/2008**
Subsidiaries	-	-	265	144
Entities controlled by the Ministry of Economy and the Ministry of Energy of Lithuania (including LEO LT, AB and its subsidiaries)	3,186	1,591	3,047	1,346
	3,186	1,591	3,312	1,490

Payables to related parties	Group		Company	
	30/06/2009	**31/12/2008**	**30/06/2009**	**31/12/2008**
Subsidiaries	-	-	8,717	9,699
Entities controlled by the Ministry of Economy and the Ministry of Energy of Lithuania (including LEO LT, AB and its subsidiaries)	74,346	91,568	74,343	91,565
	74,346	91,568	83,060	101,264

Loans granted to subsidiaries	Company	
	30/06/2009	**31/12/2008**
Opening balance	2,000	3,000
Loans repaid during the period	(1,000)	(1,000)
Interest income	73	192
Interest received	(73)	(192)
Closing balance	1.000	2,000