



Securities Commission of the Republic of Lithuania

21 February 2011

## CONFIRMATION OF RESPONSIBLE PERSONS

The confirmation of responsible persons regarding interim financial statements of AB Stumbras for the twelve-month period ended 31 December 2010 is provided following the Law of Republic of Lithuania on securities, dated 18 January 2007 and Lithuanian Securities Commission resolution No.1K-3 on the rules of disclosure and submission of periodic and additional information, dated 23 February 2007.

We, responsible persons, hereby confirm that to the best of our knowledge, provided interim financial statements for the twelve-month period ended 31 December 2010, prepared in accordance with International Financial Reporting Standards as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit of Stumbras AB.

General Director

Česlovas Matulevičius

Chief Financial Officer

Voldemaras Kallo

**STUMBRAS AB**  
**CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2010**

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(all tabular amounts are in LTL'000 unless otherwise stated)

**Condensed interim balance sheet**

	Note	31 December 2010	31 December 2009
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	25,861	29,536
Intangible assets	6	14	243
Investment property	7	2,589	2,589
Deferred income tax assets		560	551
Available-for-sale financial assets		15	15
Prepayments for property, plant and equipment		242	28
		<u>29,281</u>	<u>32,962</u>
<b>Current assets</b>			
Inventories	8	14,261	13,413
Trade and other receivables		44,695	55,459
Prepaid income tax		524	890
Cash and cash equivalents	9	6,033	19,301
		<u>65,513</u>	<u>89,063</u>
<b>Total assets</b>		<u>94,794</u>	<u>122,025</u>
<b>EQUITY</b>			
Ordinary shares	10	40,000	40,000
Reserves	11	4,000	4,000
Retained earnings		24,330	27,594
<b>Total equity</b>		<u>68,330</u>	<u>71,594</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	12	11	3,487
		<u>11</u>	<u>3,487</u>
<b>Current liabilities</b>			
Trade and other payables		23,361	27,559
Borrowings	12	3,092	19,160
Deferred income		-	68
Income tax liabilities		-	-
Provisions for other liabilities and charges	13	-	157
		<u>26,453</u>	<u>46,944</u>
<b>Total liabilities</b>		<u>26,464</u>	<u>50,431</u>
<b>Total equity and liabilities</b>		<u>94,794</u>	<u>122,025</u>

The General Director and the Finance Director approved the condensed interim financial information on pages 3 to 17 on 21 February 2011.

Česlovas Matulevičius  
 General Director

Voldemaras Kallo  
 Finance Director

The notes on pages 7 to 17 are an integral part of this condensed interim financial information.

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**Condensed interim statement of comprehensive income**

	Note	Twelve-month period ended 31 December		Three-month period ended 31 December	
		2010	2009	2010	2009
Sales	4	100,337	119,073	31,934	36,487
Cost of sales		(53,546)	(59,186)	(17,218)	(17,895)
<b>Gross profit</b>		<b>46,791</b>	<b>59,887</b>	<b>14,716</b>	<b>18,592</b>
Selling and marketing expenses		(10,993)	(14,392)	(4,329)	(5,809)
Administrative expenses		(16,480)	(18,224)	(5,076)	(5,745)
Other income		511	970	111	210
Other expenses		(326)	(395)	(68)	(209)
<b>Operating profit</b>		<b>19,503</b>	<b>27,846</b>	<b>5,354</b>	<b>7,039</b>
Finance income		14	308	-	-
Finance costs		(273)	(507)	(42)	(101)
<b>Profit before income tax</b>		<b>19,244</b>	<b>27,647</b>	<b>5,312</b>	<b>6,938</b>
Income tax expense	14	(2,508)	(4,481)	(421)	(340)
<b>Profit for the period</b>		<b>16,736</b>	<b>23,166</b>	<b>4,891</b>	<b>6,598</b>
<b>Other comprehensive income (expenses)</b>		-	-	-	-
<b>Total comprehensive income</b>		<b>16,736</b>	<b>23,166</b>	<b>4,891</b>	<b>6,598</b>
<b>Profit attributable to equity holders of the Company</b>		<b>16,736</b>	<b>23,166</b>	<b>4,891</b>	<b>6,598</b>
Basic and diluted earnings per share (expressed in LTL per share)	15	0.42	0.58	0.12	0.17

The notes on pages 7 to 17 are an integral part of this condensed interim financial information.

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**Condensed interim statement of changes in equity**

Note	Ordinary shares	Reserves	Retained earnings	Total equity
<b>Balance at 1 January 2009</b>	<b>40,000</b>	<b>3,623</b>	<b>29,805</b>	<b>73,428</b>
Total comprehensive income	-	-	23,166	23,166
Transferred to legal reserve	-	377	(377)	-
Dividends	-	-	(25 000)	(25 000)
<b>Balance at 31 December 2009</b>	<b>40,000</b>	<b>4,000</b>	<b>27,594</b>	<b>71,594</b>
<b>Balance at 1 January 2010</b>	<b>40,000</b>	<b>4,000</b>	<b>27,594</b>	<b>71,594</b>
Total comprehensive income	-	-	16,736	16,736
Transferred to legal reserve	-	-	-	-
Dividends	-	-	(20,000)	(20 000)
<b>Balance at 31 December 2010</b>	<b>40,000</b>	<b>4,000</b>	<b>24,330</b>	<b>68,330</b>

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**Condensed interim cash flow statement**

	Note	Twelve-month period ended 31 December	
		2010	2009
<b>Cash flows from operating activities</b>			
Cash generated from operating activities	17	32,079	31,301
Interest received		165	704
Interest paid		(273)	(507)
Income tax paid		(2,51)	(6,266)
Net cash generated from operating activities		29,820	25,23
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment		(2,549)	(7,097)
Proceeds from sale of property, plant and equipment	17	4	121
Purchases of intangible assets		-	(6)
Loans granted		(16,000)	(10,000)
Loan repayments received		15,000	10,000
Net cash used in investing activities		(3,545)	(6,982)
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		-	15,106
Repayments of borrowings		(19,544)	(4,766)
Dividends paid to shareholders of the Company		(19,999)	(24,979)
Net cash used in financing activities		(39,543)	(14,639)
<b>Net (decrease)/increase in cash and cash equivalents</b>		(13,268)	3,611
Cash and cash equivalents at beginning of the period		19,301	15,690
<b>Cash and cash equivalents at end of the period</b>		6,033	19,301

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## **Selected notes to the condensed interim financial information**

### **1. General information**

Stumbras AB (the Company) was registered as a Public Limited Liability Company under the laws of the Republic of Lithuania on 17 December 1990. Company code: 132082782. The shares of the Company are listed on the Secondary List of the Vilnius Stock Exchange. The shareholders of the Company are:

	<b>31 December 2010</b>	<b>31 December 2009</b>
Mineraliniai vandenys UAB	94.93 per cent	94.93 per cent
Other	5.07 per cent	5.07 per cent

The ultimate parent of the Company is Koncernas MG Baltic incorporated in Lithuania. Mr. Darius Juozas Mockus is the 100% owner of Koncernas MG Baltic.

The Company is incorporated and domiciled in Kaunas. The address of its registered office is as follows:

K. Būgos 7  
LT-44328 Kaunas  
Republic of Lithuania

The Company is involved in production and trade of strong alcohol drinks.

The number of the Company's employees as at 31 December 2010 amounted to 236 (31 December 2009: 262).

### **2. Accounting policies**

The accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 December 2009, as described in the annual financial statements for the year ended 31 December 2009.

### **3. Basis of preparation**

This condensed interim financial information for the twelve-month period ended 31 December 2010 has been prepared in accordance with IAS 34, 'Interim financial reporting'. The interim condensed financial report should be read in conjunction with the annual financial statements for the year ended 31 December 2009.

The Company has not early adopted any of the new or revised standards and interpretations that become effective for financial years beginning on or after 1 January 2010.



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**4. Segment information**

*(a) Primary reporting format – business segments*

The Company is operating in one business segment, i.e. production and sales of alcohol drinks.

*(b) Secondary reporting format – geographical segments*

The home-country of the Company is Lithuania.

Sales	Twelve-month period ended 31 December		Three-month period ended 31 December	
	2010	2009	2010	2009
Lithuania	89,197	105,970	28,588	32,654
Poland	3,786	4,451	976	1,574
Estonia	3,411	4,849	1,166	1,394
Latvia	656	1,093	219	229
Israel	574	440	114	-
USA	497	385	197	111
Great Britain	352	252	140	81
Spain	321	439	-	80
Other countries	1,543	1,194	534	364
<b>Total</b>	<b>100,337</b>	<b>119,073</b>	<b>31,934</b>	<b>36,487</b>

Sales are allocated based on the country in which the customers are located.

All Company's assets are located in Lithuania and all capital expenditure related to Lithuania.

Analysis of sales by category	Twelve-month period ended 31 December		Three-month period ended 31 December	
	2010	2009	2010	2009
Sales of goods	99,524	116,816	31,710	35,962
Revenue from resale of goods	313	1,384	77	397
Revenue from services	500	873	147	128
	<b>100,337</b>	<b>119,073</b>	<b>31,934</b>	<b>36,487</b>

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**5. Property, plant and equipment**

	Land and buildings	Plant and machinery	Vehicles	Other property, plant and equipment	Construction in progress	Total
<b>At 1 January 2009</b>						
Cost	14,524	31,182	1,493	3,893	2,081	53,173
Accumulated depreciation and impairment	4,584	(17,237)	(1,325)	(2,400)	-	(25,546)
Net book amount	9,940	13,945	168	1,493	2,081	27,627
<b>Year ended 31 December 2009</b>						
Opening net book amount	9,940	13,945	168	1,493	2,081	27,627
Additions	134	-	242	729	6,013	7,118
Disposals/Write-offs	-	(214)	-	-	-	(214)
Reclassifications	-	7,784	62	47	(7,893)	-
Depreciation charge	(231)	(4,140)	(100)	(524)	-	(4,995)
Closing net book amount	9,843	17,375	372	1,745	201	29,536
<b>At 31 December 2009</b>						
Cost	14,658	38,052	1,797	4,513	201	59,221
Accumulated depreciation and impairment	(4,815)	(20,677)	(1,425)	(2,768)	-	(29,685)
Net book amount	9,843	17,375	372	1,745	201	29,536
<b>Year ended 31 December 2010</b>						
Opening net book amount	9,843	17,375	372	1,745	201	29,536
Additions	-	864	-	1,249	222	2,335
Disposals/Write-offs	-	(34)	-	(1)	-	(35)
Reclassifications	121	241	8	-	(370)	-
Depreciation charge	(237)	(5,050)	(118)	(570)	-	(5,975)
Closing net book amount	9,727	13,396	262	2,423	53	25,861
<b>At 31 December 2010</b>						
Cost	14,779	38,687	1,703	5,612	53	60,834
Accumulated depreciation and impairment	(5,052)	(25,291)	(1,441)	(3,189)	-	(34,973)
Net book amount	9,727	13,396	262	2,423	53	25,861

As at 31 December 2010 property, plant and equipment for the net book value of LTL 12,536 thousand (LTL 13,480 thousand as at 31 December 2009) and land rent rights for the value of LTL 1 thousand (1 thousand as at 31 December 2009) were provided as collateral for bank borrowings (Note 12).

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**6. Intangible assets**

	<b>Patents, licences</b>	<b>Software</b>	<b>Total</b>
<b>At 1 January 2009</b>			
Cost	875	675	1,550
Accumulated amortisation	(573)	(365)	(938)
Net book amount	<u>302</u>	<u>310</u>	<u>612</u>
<b>Year ended 31 December 2009</b>			
Opening net book amount	302	310	612
Additions	6	-	6
Amortisation charge	(170)	(205)	(375)
Closing net book amount	<u>138</u>	<u>105</u>	<u>243</u>
<b>At 31 December 2009</b>			
Cost	881	675	1 556
Accumulated amortisation	(743)	(570)	(1 313)
Net book amount	<u>138</u>	<u>105</u>	<u>243</u>
<b>Year ended 31 December 2010</b>			
Opening net book amount	138	105	243
Additions	-	-	-
Amortisation charge	(125)	(104)	(229)
Closing net book amount	<u>13</u>	<u>1</u>	<u>14</u>
<b>At 31 December 2010</b>			
Cost	881	675	1 556
Accumulated amortisation	(868)	(674)	(1 542)
Net book amount	<u>13</u>	<u>1</u>	<u>14</u>

The Company does not have internally generated intangible assets.

**7. Investment property**

	<b>Land</b>
<b>At 1 January 2009</b>	
Cost	7,000
Accumulated depreciation and impairment	(4,411)
Net book amount	<u>2,589</u>
<b>Year ended 31 December 2009</b>	
Opening net book amount	2,589
Impairment charge	-
Closing net book amount	<u>2,589</u>
<b>At 31 December 2009</b>	
Cost	7,000
Accumulated depreciation and impairment	(4,411)
Net book amount	<u>2,589</u>
<b>Year ended 31 December 2010</b>	
Opening net book amount	2,589
Impairment charge	-
Closing net book amount	<u>2,589</u>

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**7. Investment property (continued)**

	<b>Land</b>
<b>At 31 December 2010</b>	
Cost	7,000
Accumulated depreciation and impairment	(4,411)
Net book amount	<u>2,589</u>

Impairment was established according to a preliminary market value of land as at 31 December 2008 provided by the independent property valuers which did not change significantly as at 31 December 2010.

As at 31 December 2010, in order to secure the fulfilment of obligations to the Bank assumed under the overdraft agreement, the Company pledged investment property in the carrying amount of LTL 2,589 thousand (the same amount as at 31 December 2009).

**8. Inventories**

	<b>31 December 2010</b>	<b>31 December 2009</b>
Raw materials	9,583	8,757
Work in progress	213	246
Finished goods	4,465	4,410
	<u>14,261</u>	<u>13,413</u>

As at 31 December 2010, inventories of LTL 20,000 thousand (the same amount as at 31 December 2009) are provided as collateral to secure the borrowings (Note 12).

	<b>Twelve-month period ended 31 December</b>		<b>Three-month period ended 31 December</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
Cost of inventories written-off during period	24	274	24	244

**9. Cash and cash equivalents**

	<b>31 December 2010</b>	<b>31 December 2009</b>
Cash at bank	6,033	301
Short-term bank deposits	-	19,000
	<u>6,033</u>	<u>19,301</u>

Cash at bank and future inflows to bank accounts amounting to LTL 42,000 thousand (as at 31 December 2009: LTL 42,000 thousand) is provided as a collateral for banks' borrowings and as a security of the fulfilment of obligations assumed under the overdraft agreement (see Note 12).

**10. Share capital**

As at 31 December 2010, the Company's authorised share capital comprised 40,000,000 ordinary registered shares with a par value of LTL 1 per share (as at 31 December 2009: 40,000,000 shares with a par value of LTL 1 per share). All issued shares are fully paid.

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**11. Reserves**

A legal reserve is a compulsory reserve under Lithuanian legislation. Annual transfers of 5 per cent of net profit for the reporting period calculated in accordance with the regulatory legislation on accounting of the Republic of Lithuania are required until the reserve reaches 10 per cent of the Company's authorised capital. The legal reserve shall not be used for the payment of dividends and it may be used to cover future losses only. As at 31 December 2010 the legal reserve amounted to LTL 4,000 thousand (the same amount as at 31 December 2009).

**12. Borrowings**

	<b>31 December 2010</b>	<b>31 December 2009</b>
<b>Non-current</b>		
Bank borrowings (syndicated loan)	-	3,461
Finance lease liabilities	11	26
	<u>11</u>	<u>3,487</u>
<b>Current</b>		
Bank borrowings (current portion of a syndicated loan)	3,077	4,231
Utilised amount of the overdraft	-	14,914
Finance lease liabilities	15	15
	<u>3,092</u>	<u>19,160</u>
<b>Total borrowings</b>	<u><u>3,103</u></u>	<u><u>22,647</u></u>

The amount of bank borrowings relates to a syndicated loan from two banks at a floating interest rate. This loan is to be repaid by 1 September 2011.

The Company and the Bank have signed the overdraft agreement up to the limit of LTL 20,000 thousand (LTL 10,000 thousand and EUR 2,896.2 thousand), according to which the overdraft is to be repaid by 31 August 2011.

Bank borrowings are secured by the property, plant and equipment (Note 5), investment property (Note 7), inventories (Note 8) and cash at bank including future inflows into bank accounts (Note 9).

Interest rate of borrowings is based on market interest rate with reprising term of 3 months, therefore carrying amount of borrowings approximates to its fair value as discounting effect is not material.

The maturity of non-current borrowings is as follows:

	<b>31 December 2010</b>	<b>31 December 2009</b>
Between 1 and 2 years	11	3,487
Between 2 and 5 years	-	-
	<u>11</u>	<u>3,487</u>

The carrying amounts of the Company's borrowings are denominated in the following currencies:

	<b>31 December 2010</b>	<b>31 December 2009</b>
EUR	3,103	17,547
LTL	-	5,100
	<u>3,103</u>	<u>22,647</u>

The bank provided a guarantee to the Company for the amount of LTL 500 thousand as at 31 December 2010, maturing on 15 May 2011. The maximum amount of guarantees that could be issued by the bank is LTL 500 thousand.

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**13. Provisions for other liabilities and charges**

Provisions for other liabilities at 31 December 2010 is not established, fully settled under all claims that was 31 December 2009.

**14. Income tax expense**

	Twelve-month period ended 31 December		Three-month period ended 31 December	
	2010	2009	2010	2009
Income tax related	2,508	4,481	421	340

Profit is taxed at the income tax rate of 15 per cent (20 per cent in 2009) according to the tax laws of the Republic of Lithuania.

**15. Earnings per share**

*Basic*

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	Twelve-month period ended 31 December		Three-month period ended 31 December	
	2010	2009	2010	2009
Profit attributable to equity holders of the Company	16,736	23,166	4,891	6,598
Weighted average number of ordinary shares in issue (thousands)	40,000	40,000	40,000	40,000
Basic earnings per share (LTL per share)	0,42	0,58	0,12	0,17

*Diluted*

The Company has no dilutive potential ordinary shares and therefore the diluted earnings per share are the same as basic earnings per share.

**16. Dividends per share**

At the annual General Shareholders' Meeting on 23 April 2009, a dividend in respect of 2009 of LTL 0.50 per share amounting to a total dividend of LTL 20 000 thousand was declared.

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**17. Cash generated from operations**

	<b>31 December 2010</b>	<b>31 December 2009</b>
Net profit for the period	16,736	23,166
Adjustments for:		
– income tax (Note 14)	2,508	4,481
– depreciation (Note 5)	5,975	4,995
– amortisation (Note 6)	229	375
– loss/ (profit) on disposal of property, plant and equipment	31	93
– write-offs of PP&E	-	692
– interest income	(144)	(725)
– interest expense	273	507
– change in provisions		(157)
Changes in working capital:		
– inventories and assets held for sale	(848)	1,653
– trade and other receivables and prepayments	11,743	15,846
– trade and other payables, deferred income and provisions	(4,267)	(18,222)
Cash generated from operations	<u>32,079</u>	<u>31,301</u>

In the cash flow statement, proceeds from sale of property, plant and equipment comprise:

	<b>31 December 2010</b>	<b>31 December 2009</b>
Net book amount (Note 5 and Note 6)	35	214
Profit/ (loss) on disposal of non-current assets	(31)	(93)
Proceeds from sale of non-current assets	<u>4</u>	<u>121</u>

*Non-cash transactions*

No major non-cash transactions took place during the nine-month period ended 31 December 2010 and 31 December 2009.

**18. Contingent liabilities and commitments**

*(a) Capital commitments*

Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

	<b>31 December 2010</b>	<b>31 December 2009</b>
Property, plant and equipment	<u>254</u>	<u>152</u>

*(b) Operating lease commitments – where the Company is the lessee*

The Company leases various property, plant and equipment under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	<b>31 December 2010</b>	<b>31 December 2009</b>
Not later than 1 year	347	299
Later than 1 year and not later than 5 years	522	240
Later than 5 years	-	-
	<u>869</u>	<u>539</u>

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**19. Related-party transactions**

Mineraliniai vandenys AB is the majority shareholder of the Company owning 94.93 per cent of the Company's shares. The remaining shares are widely held.

Other companies treated as related parties are subsidiaries of Koncernas MG Baltic UAB.

Services are usually negotiated with related parties on a cost-plus basis. Goods are sold on the basis of the price list in force with non-related parties.

The following transactions were carried out with related parties:

(a) Sales of goods and services, net of discounts

	Twelve-month period ended 31 December		Three-month period ended 31 December	
	2010	2009	2010	2009
– UAB „Mineraliniai vandenys”	29,681	34,999	3 459	11,691
– MV Poland Sp.z.o.o	3,781	4,382	970	1,574
– UAB „Mitnija“	10	3	2	3
– UAB „MG Valda”	4	-	4	-
– MV Eesti OU	-	76	-	-
– AB „Biofuture“	-	1	(1)	-
	<u>33,476</u>	<u>39,461</u>	<u>4,434</u>	<u>13,268</u>

(b) Selling and marketing cost

	Twelve-month period ended 31 December		Three-month period ended 31 December	
	2010	2009	2010	2009
– UAB „Mineraliniai vandenys”	1,191	341	527	130
– MV Poland Sp.z.o.o.	696	2,317	-	803
– UAB „Laisvas nepriklausomas kanalas“	453	844	298	426
– UAB „Tromina”	281	579	107	394
– UAB „UPG Baltic“	24	55	5	24
– UAB „Alfa media“	20	-	10	-
– MV Eesti OU	-	898	-	-
– MV Latvia SIA	-	414	-	-
– UAB „Neo press“	-	12	-	-
	<u>2,665</u>	<u>5,460</u>	<u>947</u>	<u>1,777</u>

(c) Administrative expenses

	Twelve-month period ended 31 December		Three-month period ended 31 December	
	2010	2009	2010	2009
– UAB „Verslo trikampis”	639	347	162	115
– UAB Koncernas „MG Baltic”	548	504	148	119
– UAB „MG Baltic Trade”	473	458	136	112
– UAB „Mineraliniai vandenys”	16	19	2	6
– UAB „Troja”	-	130	-	46
– AB „Biofuture”	-	1	-	-
	<u>1,676</u>	<u>1,459</u>	<u>448</u>	<u>398</u>



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**19. Related-party transactions (continued)**

*(d) Other income*

	Twelve-month period ended 31 December		Three-month period ended 31 December	
	2010	2009	2010	2009
– UAB „MG Baltic Trade” (interest)	129	417	-	107
– MV Poland Sp.z.o.o.	33	14	8	14
– UAB „Mineraliniai vandenys”	9	9	4	3
– MV Eesti OU	2	2	2	-
	<u>173</u>	<u>442</u>	<u>14</u>	<u>124</u>

*(e) Purchases of property, plant and equipment*

	Twelve-month period ended 31 December		Three-month period ended 31 December	
	2010	2009	2010	2009
– UAB „Biofuture”	-	1	-	-
	<u>-</u>	<u>1</u>	<u>-</u>	<u>-</u>

*(f) Key management compensation and other contributions*

	Twelve-month period ended 31 December		Three-month period ended 31 December	
	2010	2009	2010	2009
Salaries and other employee benefits	727	750	251	184
Social security contributions	225	232	78	57
Life insurance contributions	60	60	15	15
	<u>1,012</u>	<u>1,042</u>	<u>344</u>	<u>256</u>

Key management includes 7 (31 December 2009: 7) members of the management of the Company.

*(g) Year-end balances arising from sales/purchases of goods/services*

Receivables from related parties:

	31 December 2010	31 December 2009
– MV Poland Sp.z.o.o	2,852	1,853
– UAB „Mineraliniai vandenys”	2,210	14,351
– MV Eesti OU	2	78
– UAB „Mitnija”	1	4
– UAB „MG Baltic Trade” (interest receivable)	-	21
	<u>5,065</u>	<u>16,307</u>

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**19. Related-party transactions (continued)**

Amounts due to related parties:

	31 December 2010	31 December 2009
– UAB „Mineraliniai vandenys”	250	140
– UAB „Laisvas nepriklausomas kanalas”	107	197
– UAB „Tromina”	84	54
– UAB „Verslo trikampis”	68	51
– UAB Koncernas „MG Baltic”	59	53
– UAB „MG Baltic Trade”	55	51
– UAB „Alfa media“	7	-
– UAB „UPG Baltic“	1	8
– UAB „Troja”	-	14
– UAB „Teniso pasaulis”	-	1
	631	569

(h) Loans to related parties (loan provided to MG Baltic Trade UAB)

	31 December 2010	31 December 2009
<i>Loans to related parties</i>		
At beginning of period		-
Additional loans	15,000	10,000
Loan repayments received	(15,000)	(10,000)
At end of period	-	-

	Twelve-month period ended 31 December		Three-month period ended 31 December	
	2010	2009	2010	2009
<i>Accrued interest on the loans to related parties</i>				
At beginning of period	21	-	-	52
Interest	129	417	-	107
Interest payments received	(150)	(396)	-	(138)
At end of the period	-	21	-	21

**20. Seasonality**

The Company's sales are subject to seasonal fluctuations with peak demand in the fourth quarter and the lowest sales in the first quarter of the year. This is due to the holiday periods.