

VST, AB

Lithuanian Securities Commission
Konstitucijos ave. 23
LT-08105 Vilnius, Lithuania



2010-08-31

CONFIRMATION OF RESPONSIBLE PERSONS

Following the Article No. 22 of the Law on Securities of the Republic of Lithuania and Rules on Preparation and Submission of Periodic and Additional Information of the Lithuanian Securities Commission, we Rimantas Vaitkus, Chief Executive Officer of VST, AB, and Ramutė Ribinskienė, Chief Financial Officer of VST, AB, hereby confirm that, to the best of our knowledge, the attached not audited VST, AB Interim Financial statements for the six months of 2010, prepared in accordance with International Financial Reporting Standards, and gives a true and fair view of the assets, liabilities, financial position and profit or loss of VST, AB.

ENCLOSURE. Not audited VST, AB Interim Financial statements for the six months of 2010 (1 copy, 17 pages).

Chief Executive Officer

A handwritten signature in blue ink, appearing to read 'Rimantas Vaitkus', is written over a light blue rectangular background.

Rimantas Vaitkus

Chief Financial Officer

A handwritten signature in purple ink, appearing to read 'Ramutė Ribinskienė', is written over a light blue rectangular background.

Ramutė Ribinskienė

BUSINESS PHILOSOPHY

MISSION

We are working to ensure the supply of electric energy in western Lithuania.

VISION OF 2010

We are seeking to become the best provider of regulated services in Lithuania.

VALUES

PROFESSIONALITY AND RESPONSIBILITY:

We keep improving and are open for new things. We leave no space for mediocrity and negligence. Our priority is the capability to see several steps ahead and the wish to become the best. Relationship with the customer, the society and the colleagues is based on responsibility, mutual trust and understanding.

QUALITY:

We guaranty safe and reliable exploitation of the electric power network, supply and distribution of electric power. We aim to turn our work into the best business practice and the services we provide to be of the top quality. We are open for criticism; we see our mistakes and take lessons from them. We aim for qualitative and effective service for our internal and external customers. Our clients and partners are the main valuator of our activity and provided services.

TEAM WORK:

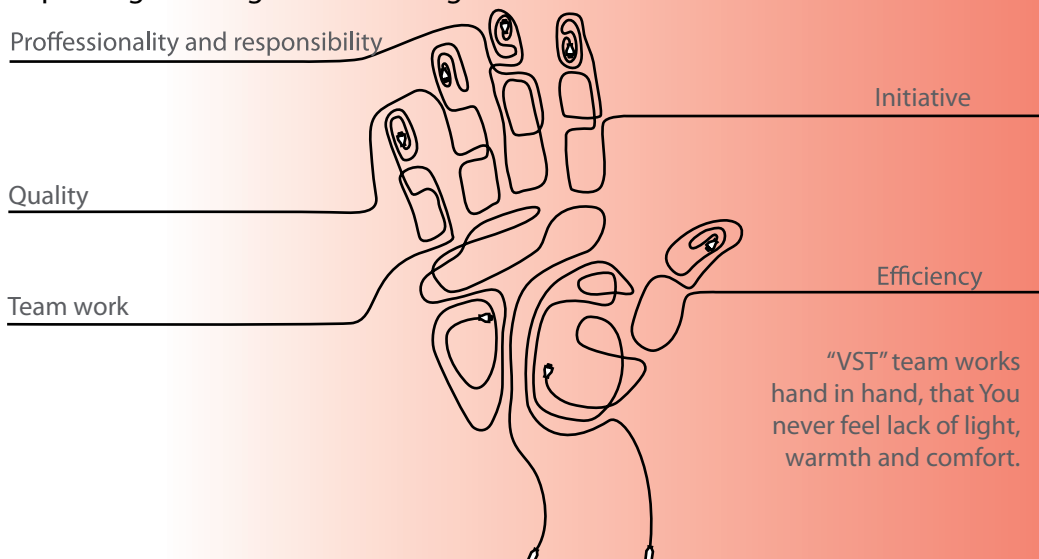
We are a team. Working as a team we reach our goal faster. While sharing our knowledge and experience we can overcome problems, meet challenges and find the best solutions. Aiming for the good result of our work we are aware of our function and responsibility. While working together we aim to be reliable and support each other.

INITIATIVE:

We are ready for new challenges, active and look for problem solution ways. We encourage creativity and always implement the best ideas.

EFFICIENCY:

We seek for the efficiency of the operation individually and all together. Directed orientation toward the result lets us reach the set goals. Work of every one of us is important and it adds to the value to the company's operation. The stability and reliability of the company as well as open and clear operation of it and improving results guaranties the growth of added value to the shareholders of the company.



VST

KAD GYVENTI BŪTŲ ŠVIESIAU

AB VST

**Condensed interim financial information
for the period ended 30 June 2010
(unaudited)**

AB VST

CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2010

Company code: 110870748, address: J. Jasinskio St. 16C, LT-01112 Vilnius

This interim financial information has been prepared in Lithuanian and in English. In all matters of interpretation of information, views or opinions, the Lithuanian version takes precedence over the English version.

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Our report has been prepared in Lithuanian and in English. In all matters of interpretation of information, views or opinions, the Lithuanian version of our report takes precedence over the English version.

Review report of interim financial information

To the shareholders and Board of Directors of VST AB

Introduction

We have reviewed the accompanying condensed interim statement of financial position of VST AB (hereinafter "the Company") as of 30 June 2010 and the related condensed interim statements of comprehensive income, changes in equity and cash flows for the six – month period then ended, and condensed explanatory notes set out on pages 5 – 16. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Financial Reporting Standards as adopted by the European Union applicable to interim financial reporting (International Accounting Standard (IAS) No. 34, "Interim financial reporting"). Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of review

Except as discussed below we conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of interim financial information performed by the independent auditor of the entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion - scope limitation

According to the Company's accounting policy, property, plant and equipment should be carried at revalued amounts (being their fair values as of the date of revaluation less subsequent accumulated depreciation and impairment losses) and are subject to an impairment test when impairment indicators exist. As explained in Note 1.2 to the financial information, the amendments to the legislation may have a significant adverse impact on the fair value and recoverable amount of the Company's assets. The Company's management was not able to reassess fair values of property, plant and equipment with the carrying amounts of LTL 2,321 million as of 30 June 2010 (LTL 2,334 million as of 31 December 2009), or to carry out a proper impairment test. It has not been possible to estimate reliably the financial effects of this non-compliance.

Qualified conclusion

Based on our review, except for the possible effects on the condensed interim financial information of the matter referred to in the preceding paragraph, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with IAS No. 34, "Interim financial reporting".

On behalf of PricewaterhouseCoopers UAB



Christopher C. Butler
Partner

Vilnius, Republic of Lithuania
23 August 2010



Rimvydas Jogėla
Auditor's Certificate No.000457

AB VST**CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2010**

Company code: 110870748, address: J. Jasinskio St. 16C, LT-01112 Vilnius

*(All amounts are in LTL '000 unless otherwise stated)***Statement of comprehensive income**

	Notes	Six months ended 30 June	
		2010	2009
Revenue		601 206	595 919
Other operating income		1 792	1 723
		<u>602 998</u>	<u>597 642</u>
Purchase of electricity	1	(441 790)	(355 053)
Depreciation and amortisation		(116 832)	(135 721)
Wages, salaries and social security tax		(36 590)	(37 581)
Repair and maintenance expense		(7 144)	(6 249)
Spare parts and other inventories		(7 146)	(7 765)
Utilities and communications expenses		(2 936)	(3 612)
Revaluation of property, plant and equipment			(32 646)
Impairment and write-off of property, plant and equipment		(3 337)	(1 924)
Other operating expenses		(8 991)	(13 783)
		<u>(624 766)</u>	<u>(594 334)</u>
Operating profit		(21 768)	3 308
Finance income		1 394	1 999
Finance (costs)		(3 513)	(10 876)
Profit (loss) before income tax		(23 887)	(5 569)
Income tax	9	3 779	1 102
Profit (loss) for the reporting period		(20 108)	(4 467)
Other comprehensive (expense)/income:			
Gain (loss) on revaluation of property, plant and equipment	3	-	(170 147)
	3	-	34 029
Income tax relating to components of other comprehensive income			
Other comprehensive income for the reporting period		-	(136 118)
Total comprehensive (expense)/income for the reporting period		(20 108)	(140 585)
Basic and diluted earnings (deficit) per share (in LTL)		-5,41	-1,20

Financial information presented on pages 5 to 16 were approved by the General Director on 13 August 2010.

Notes presented on pages 9 to 16 are an integral part of this condensed interim financial information.

Finance Director
Ramutė Ribinskienė


(signature)
General Director
Rimantas Vaitkus


(signature)

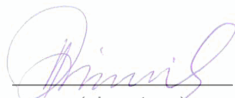
AB VST**CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2010**

Company code: 110870748, address: J. Jasinskio St. 16C, LT-01112 Vilnius

*(All amounts are in LTL '000 unless otherwise stated)***Statement of financial position**

	Notes	As at 30 June 2010	At 31 December 2009 (Restated)
ASSETS			
Non-current assets			
Property, plant and equipment	3	2 320 787	2 410 145
Non-current amounts receivable		14 023	14 022
Intangible assets		74	80
		<u>2 334 884</u>	<u>2 424 247</u>
Current assets			
Inventories		11 551	9 424
Trade and other receivables	5	93 895	124 848
Prepayments, deferred charges and accrued income		12 630	11 347
Term deposits held with banks		80 000	-
Cash and cash equivalents	6	5 003	74 927
		<u>203 079</u>	<u>220 546</u>
Total assets		<u>2 537 963</u>	<u>2 644 793</u>
EQUITY			
Share capital		111 540	111 540
Revaluation reserve		999 808	1 046 820
Legal reserve		11 154	11 154
Retained earnings		364 072	344 976
Total equity		<u>1 486 574</u>	<u>1 514 490</u>
LIABILITIES			
Non-current liabilities			
Borrowings	7	334 754	386 148
Grants and subsidies		40 576	41 284
Employee benefits		1 185	1 185
Deferred income	8	180 287	184 719
Deferred income tax liabilities		218 710	229 971
		<u>775 512</u>	<u>843 307</u>
Current liabilities			
Borrowings	7	118 793	102 788
Trade payables, other financial liabilities and other amounts payable	10	112 157	136 042
Other amounts payable		7 335	4 596
Advances received, accrued charges and deferred income	11, 8	31 200	37 983
Current income tax liabilities		6 392	5 587
		<u>275 877</u>	<u>286 996</u>
Total liabilities		<u>1 051 389</u>	<u>1 130 303</u>
Total equity and liabilities		<u>2 537 963</u>	<u>2 644 793</u>

Notes presented on pages 9 to 16 are an integral part of this condensed interim financial information.

Finance Director
Ramutė Ribinskienė


(signature)
General Director
Rimantas Vaitkus


(signature)

AB VST**CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2010**

Company code: 110870748, address: J. Jasinskio St. 16C, LT-01112 Vilnius

*(All amounts are in LTL '000 unless otherwise stated)***Statement of cash flows**

	Notes	Six months ended 30 June	
		2010	2009
Cash flows from operating activities			
Profit (loss) for the reporting period		(20 108)	(4 467)
Adjustments for non-cash items:			
- Income tax expense	9	(3 779)	(1 102)
- Depreciation and amortisation expense		117 540	136 448
- Depreciation of property, plant and equipment received at no consideration		(708)	(727)
- Recognition of income from the connection of new customers		(4 431)	(4 190)
- Unbilled revenue from electricity sales		(6433)	1 768
- Loss on sale of property, plant and equipment		267	12
- Revaluation, write-offs and impairment (reversal of impairment) of property, plant and equipment, revaluation reserve		3 337	34 570
- Impairment (reversal) of impairment of receivables and prepayments		807	2 301
- Inventories surplus and (reversal) of inventories impairment		255	229
- Accrued wages, salaries and social security expenses and other accruals		1 066	5 087
- Interest (income)		(1 394)	(1 999)
- Interest expenses		3 464	10 868
		89 882	178 798
Changes in working capital:			
- (Increase) decrease in inventories		(2 362)	(801)
- (Increase) decrease in receivables, prepayments and deferred charges		13 504	4 730
- Increase in deferred income		-	12 255
- Increase (decrease) in payables, other financial liabilities, advances received and accrued charges		(39 835)	20
Cash generated from operations		61 190	195 002
Income tax paid		(6 600)	(20 000)
Net cash generated from operating activities		54 590	175 002
Cash flows from investing activities			
(Acquisition) of property, plant and equipment		(15 094)	(39 830)
(Acquisition) of intangible assets		(20)	(5)
Grants received			
Proceeds from sale of property, plant and equipment		736	220
Interest received		1 084	1 642
Bank deposits		(80 000)	-
Loan repayments received		8 000	9
Net cash used in investing activities		(85 293)	(37 964)
Cash flows from financing activities			
Proceeds from borrowings		16 004	9 225
Loans (repaid)		(51 394)	(54 475)
Financial lease payments			
Interest (paid)		(3 490)	(11 279)
Dividends (paid)		(341)	(103)
Net cash used in financing activities		(39 221)	(56 632)
Foreign exchange effect on net balance of cash		-	-
Net (decrease)/increase in cash and cash equivalents		(69 924)	80 406
Cash and cash equivalents at the beginning of period	6	74 927	6 232
Cash and cash equivalents at the end of the period	6	5 003	86 638

Notes presented on pages 9 to 16 are an integral part of this condensed interim financial information.

Finance Director
Ramutė Ribinskienė


(signature)
General Director
Rimantas Vaitkus


(signature)

AB VST**CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2010**

Company code: 110870748, address: J. Jasinskio St. 16C, LT-01112 Vilnius

*(All amounts are in LTL '000 unless otherwise stated)***Statement of changes in equity**

	Notes	Share capital	Revaluation reserve	Legal reserve	Retained earnings	Total
Balance at 1 January 2009		111 540	1 319 030	11 154	179 925	1 621 649
Total comprehensive (expense)/income for the reporting period		-	(136 118)	-	(4 467)	(140 585)
Transfers from revaluation reserve to retained earnings (depreciation and write-offs), gross		-	(96 902)	-	96 902	-
Deferred income tax related to transfers from revaluation reserve to retained earnings (depreciation and write-offs)		-	19 381	-	(19 381)	-
Total		-	(213 639)	-	73 054	(140 585)
Balance at 30 June 2009		111 540	1 105 391	11 154	252 979	1 481 064
Balance at 1 January 2010		111 540	1 046 820	11 154	337 449	1 506 963
Effect of change in accounting policy	2.2.	-	-	-	7 527	7 527
Balance at 1 January 2010 (restated)		111 540	1 046 820	11 154	344 976	1 514 490
Total comprehensive (expense)/income for the reporting period		-	-	-	(20 108)	(20 108)
Transfers from revaluation reserve to retained earnings (depreciation and write-offs), gross		-	(55 310)	-	55 310	-
Deferred income tax related to transfers from revaluation reserve to retained earnings (depreciation and write-offs)		-	8 298	-	(8 298)	-
Total		-	(47 012)	-	26 904	(20 108)
Dividends relating to 2009	4	-	-	-	(7 808)	(7 808)
Balance at 30 June 2010		111 540	999 808	11 154	364 072	1 486 574

Notes presented on pages 9 to 16 are an integral part of this condensed interim financial information.

Finance Director
Ramutė Ribinskiėnė


(signature)
General Director
Rimantas Vaitkus


(signature)

(All amounts are in LTL '000 unless otherwise stated)

Notes to condensed interim financial information

1 General information

AB VST (hereinafter "the Company") is a public limited liability company registered in the Republic of Lithuania which established following the reorganisation of AB Lietuvos energija and registered on 31 December 2001. The Company has changed the name to AB VST on 26 April 2005 from AB Vakarų skirstomieji tinklai.

The shares of the Company are traded on the Baltic Secondary List of the NASDAQ OMX Vilnius Stock Exchange.

As at 30 June 2009, the shareholders of the Company were as follows:

Shareholders	Number of shares	(%)
LEO LT, AB	3,651,524	98.21
Other shareholders	66,474	1.79
	3,717,998	100.00

At at 30 June 2010, the shareholders of the Company were as follows:

Shareholders	Number of shares	(%)
UAB VAE *	3,651,534	98.21
Other shareholders	66,464	1.79
	3,717,998	100.00

* UAB Visagino atominė elektrinė (hereinafter "UAB VAE")

During implementation of the energy sector reorganisation plan (which has been approved by the Lithuanian Government) and seeking to implement the provisions of the Third Energy Package of the European Union, on 4 June, LEO LT, AB in liquidation contributed shares of controlled company AB VST and mostly all shares of AB Lietuvos energija held and on 5 June shares of controlled company AB RST to the authorised share capital of UAB Visagino atominė elektrinė. The Government also contributed shares of AB Lietuvos elektrinė. These actions have been approved by the Governmental Commission for the Consistency of Potential Members of Strategic or Significant Importance to National Security with Interests of National Security. Changes in capital structure will enable the shareholder - the State of Lithuania - to continue implementing measures set forth in the energy sector reorganisation plan in an operative and effective manner.

On 4 January 2010, an extraordinary general meeting of shareholders of AB VST was convened where it was decided to reorganise AB Rytų skirstomieji tinklai and AB VST by way of merger. On 4 May 2010, the Ministry of Energy made a public statement announcing that the Government of the Republic of Lithuania approved of the plan on reorganisation of Lithuanian energy companies the implementation of which will result in the formation of four segments of electric power companies namely transmission, generation, distribution and maintenance. During this reorganisation process AB VST and AB Rytų skirstomieji tinklai will be merged to form a new company over which control be retained by the Lithuanian Government.

UAB Visagino atominė elektrinė is a parent company as at 30 June 2010. UAB Visagino atominė elektrinė is wholly-owned by the Lithuanian Government (ultimate controlling party).

The activities of the Company are regulated by the Law on Electricity of the Republic of Lithuania.

The National Control Commission for Prices and Energy (hereinafter "the Commission") regulates the Company's activities by setting price-caps of licensed activity services. On 26 November 2009, a sitting of the the Commission was convened where it was decided to announce prices of electric power and the distribution service for 2010 applicable to AB VST. With effect from 1 January 2010, the price of the electricity increased by an average of 9 ct/kWh (excl. VAT) for residential customers and by an average of 7 ct/kWh (excl. VAT) for industrial and commercial customers. Prices are announced by the Commission in the manner prescribed by the legislative acts.

The increase in expenses related to the purchase of electricity in 2010 was caused by the increase in purchase prices of electricity by 9 ct/kWh following the closedown of the Ignalina Nuclear Power Plant.

In 2009, the following caps on public power tariffs were set:

- for users that receive power from networks with voltage below 110 kV but not lower than 6kV – 28.10 ct/kWh;
- for users that receive power from 0.4 kV voltage networks – 38.33 ct/kWh.

In 2010, the following caps on public power tariffs were set:

- for users that receive power from networks with voltage below 110 kV but not lower than 6kV – 29.27 ct/kWh;
- for users that receive power from 0.4 kV voltage networks – 36.01 ct/kWh.

The average number of the Company's employees was 1,853 on 30 June 2010 (30 June 2009: 1,853).

1.2. Critical accounting estimates

Revaluation and impairment of assets

The Company designates property, plant and equipment at fair value in accordance with International Accounting Standard No.16 'Property, plant and equipment'. Fair value of mostly all items of property, plant and equipment due to their specific nature is measured using a depreciated replacement cost approach.

If the value of assets is measured using a depreciated replacement cost method, International Valuation Standards require that an adequate profitability test is performed. Accounting standards require that values of property, plant and equipment are reviewed on a regular basis. When the carrying amount of property, plant and equipment stated in the balance sheet is higher than its value in use or fair value, less selling expenses, the value of property, plant and equipment should be reduced. In other words, the value of property, plant and equipment recorded in the balance sheet should be written down to higher of the two indicators: value of future benefits of assets expected from their use or value of proceeds expected to be received from immediate write-off and disposal of assets.

(All amounts are in LTL '000 unless otherwise stated)

The previous version of the Lithuanian Law on Electricity effective at 31 December 2008 stipulated that the price caps of electricity transmission, distribution and public supply services were determined based on the value of assets used in licensed activities of the service provider which was being established on the grounds of data reported in the service provider's financial statements (regulated base of assets).

According to the amendment effective from 1 June 2009 the Law has been amended and requires the price caps of transmission, distribution and public supply services to be determined based on the value of assets used in licensed activities of the service provider which is being estimated and approved by the National Control Commission for Prices and Energy in accordance with the principles of determination of the value of assets used in licensed activities of the service provider that have been drafted by the Commission and approved by the Government.

According to the Resolution on the Methodology of Determination of the Value of Assets used in Licensed Activities of the Electricity Service Provider, the determination of the price caps of electricity transmission, distribution and public supply services is to include the value of assets used in licensed activities of the service provider which is equal to net book value (carrying amount) of property, plant and equipment as at 31 December 2002 as increased by the amount of investments implemented and agreed with the Commission and reduced by the depreciation amount calculated pursuant to the procedure stipulated by the Lithuanian Law on Income Tax.

The aforementioned amendments to regulatory legislation have a significant negative impact on fair value of property, plant and equipment. Due to the reasons specified, values of property, plant and equipment reported in these financial statements may materially differ from those that would be determined if the valuation of assets were performed by independent valuers as required by International Valuation and Accounting Standards. It is probable that such valuation would have a negative effect on the results of the Group's and the Company' activities and the shareholders' equity reported in the financial statements for the year 2009 and for the first half of 2010.

Valuation of fair values of property, plant and equipment as at 31 December 2009 was not performed by independent valuers, as the mentioned amendments to regulatory legislation came in force only on 1 January 2010 and the impact of these amendments on the Company's ability to earn income in future periods cannot be reliably estimated. Valuation of property, plant and equipment was not performed by independent valuers on 30 June 2010 either.

1.2. Financial risk management – liquidity risk

The Company's current liabilities exceeded its current assets as a longer term of settlements with suppliers and contractors was fixed. In addition, due to changes in the determination of price caps for electricity transmission, distribution and public supply services the Company may face additional liquidity problems in a long term.

Management expects that cash flows for 2010 will be negative, however it believes that the Company will have sufficient funds and will receive funding from banks to cover expenses expected to be incurred in 2010. Nevertheless, in the periods beyond 2010 the Company's liquidity situation may become extremely complicated in case regulations determining price caps for electricity transmission, distribution and public supply services are not amended.

On 19 July 2010, the Company's Board passed a decision regarding the conclusion of the overdraft agreement with Danske Bank A/S Lithuania Branch based on which the Company will receive an overdraft of LTL 34.5 million.

2 Summary of significant accounting policies

2.1. Basis of preparation

These condensed interim financial statements for the six months ended 30 June 2010 have been prepared in accordance with IAS 34, 'Interim financial reporting'. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2009, which have been prepared in accordance with IFRSs as adopted by the EU.

2.2. Accounting policies

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2009.

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

New or amended standards and interpretations effective in 2010

IFRIC 18, 'Transfers of assets from customers' (effective prospectively to transfers of assets from customers received on or after 1 July 2009; IFRIC 18 as adopted by the EU is effective for annual periods beginning after 31 October 2009, with early adoption permitted). 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 Company started to apply IFRIC 18 from 1 January 2010. Although the interpretation as adopted by the EU is effective for annual periods beginning after 31 October 2009, IFRIC 18 is applied to assets received from clients starting from 1 July 2009. As a result, the Company made retrospective adjustments to income received from new customer connection fees from 1 July 2009. For the purpose of the balance sheet as at 31 December 2009, this change in accounting policies in 2010 caused a reduction of deferred income by the amount of LTL 8,855 thousand (note 8), an increase of deferred income tax liability by the amount of LTL 1,328 thousand and an increase of retained earnings by the amount of LTL 7,527 thousand.

New or revised standards effective in 2010 but not relevant to the Company

IFRS 3, 'Business combinations' (revised in 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).

IAS 27, 'Consolidated and separate financial statements' (revised in January 2008) (effective for annual periods beginning on or after 1 July 2009).

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).

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).

Improvements to IFRSs (May 2008 and April 2009). In May 2008 and April 2009 IASB issued its first omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording. Most of the changes are effective for financial years beginning on or after 1 January 2010, unless stated otherwise.

IFRIC 12, 'Service concession arrangements' (effective for financial years beginning on or after 30 March 2009).

(All amounts are in LTL '000 unless otherwise stated)

IFRIC 15, 'Agreements for the construction of real estate' (effective for annual periods beginning on or after 1 January 2009; IFRIC 15 as adopted by the EU is effective for annual periods beginning after 31 December 2009, with early adoption permitted).

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).

IFRIC 17, 'Distribution of non-cash assets to owners' (effective for annual periods beginning on or after 1 July 2009; IFRIC 17 as adopted by the EU is effective for annual periods beginning after 31 October 2009, with early adoption permitted).

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; restructured IFRS 1 as adopted by the EU is effective for annual periods beginning after 31 December 2009, with early adoption permitted).

New or revised standards and interpretations that are mandatory for the Company's accounting periods beginning on or after 1 July 2010 or later periods and which the Company has not early adopted

IAS 24, 'Related party disclosures' (amended in November 2009; effective for annual periods beginning on or after 1 January 2011; not yet adopted by the EU). IAS 24 was revised in 2009 by: (a) simplifying the definition of a related party, clarifying its intended meaning and eliminating inconsistencies from the definition and by (b) providing a partial exemption from the disclosure requirements for government-related entities.

IFRS 9, 'Financial instruments' (issued in November 2009; effective for annual periods beginning on or after 1 January 2013, with earlier application permitted; not yet adopted by the EU). IFRS 9 replaces those parts of IAS 39 relating to the classification and measurement of financial assets.

Classification of rights issues – Amendment to IAS 32, 'Financial instruments: Presentation' (effective for annual periods beginning on or after 1 February 2010).

Prepayments of a minimum funding requirement – Amendment to IFRIC 14 (effective for annual periods beginning on or after 1 January 2011; not yet adopted by the EU).

IFRIC 19, 'Extinguishing financial liabilities with equity instruments' (effective for annual periods beginning on or after 1 July 2010; not yet adopted by the EU).

Limited exemptions from comparative IFRS 7 disclosures for first-time adopters – Amendments to IFRS 1 (effective for annual periods beginning on or after 1 July 2010 once adopted by the EU).

Additional exemptions for first-time adopters – Amendments to IFRS 1, 'First-time adoption of IFRS' (effective for annual periods beginning on or after 1 January 2010; not yet adopted by the EU).

Improvements to International Financial Reporting Standards (issued in May 2010; effective dates vary standard by standard, most improvements are effective for annual periods beginning on or after 1 January 2011; the improvements have not yet been adopted by the EU).

AB VST

CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2010

Company code: 110870748, address: J. Jasinskio St. 16C, LT-01112 Vilnius

(All amounts are in LTL '000 unless otherwise stated)

3 Property, plant and equipment

	Land and buildings	Structures and machinery	Motor vehicles	Other property, plant and equipment	Construction in progress	Total
Six months ended 30 June 2009						
Net book amount at 1 January 2009	384 743	2 352 400	30 685	43 059	37 397	2 848 284
Additions	-	536	1 871	697	36 726	39 830
Disposals	(29)	-	-	-	(201)	(230)
Write-offs	(100)	(2 021)	(5)	(7)	-	(2 133)
Revaluation	(34 843)	(165 363)	-	(2 587)	-	(202 793)
Changes in impairment	-	-	-	-	79	79
Reclassifications between groups	(288)	39 760	-	1 677	(41 149)	-
Depreciation charge	(8 234)	(119 552)	(3 909)	(4 707)	-	(136 402)
Net book amount at 30 June 2009	341 249	2 105 760	28 642	38 132	32 852	2 546 635
Six months ended 30 June 2010						
Net book amount at 1 January 2010	301 430	1 999 715	36 891	37 518	34 591	2 410 145
Additions	50	476	7	6 660	25 325	32 518
Disposals	(405)	(126)	(446)	(26)	-	(1 003)
Write-offs	(27)	(3 090)	(29)	(54)	(137)	(3 337)
Revaluation	-	-	-	-	-	-
Changes in impairment	-	-	-	-	-	-
Reclassifications between groups	2 192	34 302	-	(5837)	(30 678)	(21)
Depreciation charge	(6 970)	(103 074)	(4 084)	(3 387)	-	(117 515)
Net book amount at 30 June 2010	296 270	1 928 203	32 339	34 874	29 101	2 320 787

Revaluation of property, plant and equipment

On 30 June 2009 the Company's property, plant and equipment (except for construction in progress and vehicles) was revalued. Valuations were made on the basis of index of construction price. The decreases in carrying amounts arising on the revaluation of property, plant and equipment are as follows:

	Land and buildings	Structures and machinery	Motor vehicles	Other property, plant and equipment	Construction in progress	Total
Decrease in carrying amount	(34 843)	(165 363)	-	(2 587)	-	(202 793)

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 amounting to LTL 202,793 thousand was recognised as a reduction of LTL 170,147 thousand charged to the revaluation reserve of previous valuations, and as an impairment expenses of LTL 32,646 thousand charged to the profit and loss account. The revaluation decrease, net of applicable deferred income tax effect, is accounted for in the revaluation reserve in equity and amounts to LTL 136,118 thousand.

Revaluation of the Company's property, plant and equipment was not performed on 30 June 2010.

4 Dividends

During the shareholder meeting held on 30 April 2010 it was decided to pay dividends relating to 2009 of LTL 7,808 thousand or LTL 2.10 per ordinary registered share. Dividends paid relating to the current year for the period ended 30 June 2010 amounted to LTL 87 thousand. Dividends of LTL 7,668 thousand for the main shareholder LEO LT, AB were offset against the loan to be repaid. This set-off was recorded in the statement of cash flows.

5 Trade and other receivables

	Six months ended 30 June 2010	At 31 December 2009
Trade receivables	95 667	108 334
Other amounts receivable	19 358	36 837
Trade and other receivables, gross	115 025	145 171
Impairment allowance for trade receivables	(20 399)	(19 677)
Impairment allowance for other receivables	(731)	(646)
	(21 130)	(20 323)
	93 895	124 848

Trade receivables are non-interest bearing and are normally settled on 30 - 90 days' terms.

AB VST

CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2010

Company code: 110870748, address: J. Jasinskio St. 16C, LT-01112 Vilnius

(All amounts are in LTL '000 unless otherwise stated)

5 Trade and other receivables (continued)

Movements in the allowance for impairment of receivables were as follows:

Balance at 1 January 2009	<u>23 102</u>
Charge for the half-year	2 324
Balance at 30 June 2009	<u>25 426</u>
Balance at 1 January 2010	<u>20 323</u>
Charge for the half-year	807
Balance at 30 June 2010	<u>21 130</u>

The ageing analysis of trade and other receivables as at 30 June 2010, 31 December 2009, 30 June 2009 is as follows:

Trade receivables	Overdue				Overdue 90 - 120 days	Overdue for more than 120 days	Total
	Not overdue	less than 30 days	Overdue 30 - 60 days	Overdue 60 - 90 days			
at 30 June 2010	67 083	5 504	1 435	865	689	20 091	95 667
at 31 December 2009	79 649	6 357	1 285	916	651	19 476	108 334

6 Cash and cash equivalents

	Six months ended 30		At 31 December
	June 2010	December 2009	
Cash at bank and in hand	3 318	1 696	
Short-term bank deposits	1 685	73 231	
	<u>5 003</u>	<u>74 927</u>	

On 30 June 2010, the overnight short-term deposit of LTL 1,685 thousand bearing interest rate of 0.10 per cent was withdrawn from the Company's account in the bank Swedbank.

Short-term deposits amounted to LTL 73,231 thousand as at 31 December 2009. The effective annual interest rate was set as 3.59 per cent.

7 Borrowings

	Six months ended 30		At 31 December
	June 2010	December 2009	
Non-current borrowings			
Bank borrowings	334 754	386 148	
	<u>334 754</u>	<u>386 148</u>	
Current borrowings			
Current portion of non-current bank borrowings	102 789	102 788	
Overdraft	16 004	-	
	<u>118 793</u>	<u>102 788</u>	
Total borrowings	<u>453 547</u>	<u>488 936</u>	

Loans are denominated in EUR.

The interest rate on borrowings varies depending on EURIBOR interest rate fluctuations plus 0.45 per cent margin.

AB VST

CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2010

Company code: 110870748, address: J. Jasinskio St. 16C, LT-01112 Vilnius

(All amounts are in LTL '000 unless otherwise stated)

7 Borrowings (continued)

The Company uses an overdraft granted by AB SEB bankas. The outstanding balance of the overdraft received from AB SEB bankas amounted to LTL 16,004 thousand as at 30 June 2010, and has to be repaid until 31 July 2010 (the interest rate of the overdraft varies depending on VILIBOR interest rate fluctuations plus 0.55 per cent margin). After the balance sheet date outstanding balance of this overdraft was fully repaid. The weighted average of interest rate is 1.32 per cent.

The maturity of non-current borrowings (except for financial lease liabilities) was as follows:

	Six months ended 30 June 2010	At 31 December 2009
Within one year	118 793	102 788
Within 2 to 5 years	334 754	386 148
After 5 years	-	-
	453 547	488 936

In 2009 and 2010, the Company did not meet all the terms of the loan agreements concerning cash inflows into bank accounts. However, the Company has received written confirmations from all banks on the fulfilment of obligations at as 31 December 2009 and 30 June 2010. Based on that non-current borrowings are portions thereof were reclassified to current.

8 Deferred income

Deferred income relates to contributions received from new customers until 31 December 2009 for the assets installed. Information about the income from connection fees deferred is presented below:

Note	Six months ended 30 June 2010	Six months ended 30 June 2009	At 31 December 2009 (restated)
Opening balance	193 289	188 901	188 901
New customers fees received during the period	-	12 838	21 758
Recognised as income in the statement of comprehensive income for the period	(4 432)	(4 190)	(8 515)
Closing balance	188 857	197 549	202 144
Effect of change in accounting policy	-	-	(8 855)
Closing balance (restated)	188 857	197 549	193 289
Current portion of new customer connection income	(8 570)	(8 739)	(8 570)
	180 287	188 810	184 719

With effect from 1 January 2010, all income from new customer connection to electricity equipment and from replacement of electricity lines are recognised during the period in which works are performed and a VAT invoice is issued (note 2.2.). Accrued income until 1 July 2009 is recognised as income over an average useful life of non-current assets.

9 Income tax

	Six months ended 30 June	
	2010	2009
Current year income tax expense	7 405	25 299
Deferred income tax (benefit)	(11 184)	(26 401)
Income tax expenses (income) charged to the statement of comprehensive income	(3779)	(1102)

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.

AB VST**CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2010**

Company code: 110870748, address: J. Jasinskio St. 16C, LT-01112 Vilnius

*(All amounts are in LTL '000 unless otherwise stated)***10 Trade payables, other financial liabilities and other amounts payable**

	Six months ended 30		At 31	
	June	December	June	December
	2010	2009		
Trade payables	104 429	128 252		
Dividends payable	7 700	7 758		
Other	28	32		
Total trade and other financial liabilities	112 157	136 042		
Wages, salaries and social security payable	4 550	1 836		
Taxes, other than income tax	2 785	2 760		
Total other amounts payable	7 335	4 596		
	119 492	140 638		

Terms and conditions of the above mentioned financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 15 - 60 days' terms. The same terms apply for sales to related parties.
- Other payables are non-interest bearing and have an average term of 1 - 2 months.

11 Advances received, accrued charges and deferred income

	Six months ended 30		At 31	
	June	December	June	December
	2010	2009		(restated)
Accrued charges	5 697	6 763		
Advances for new customer connections	13 462	12 125		
Current portion of new customer connection income (Note 8)	8 570	8 570		
Advances received for electricity	841	6 433		
Other advances	2 630	4 092		
	31 200	37 983		

(a) Accrued charges mainly include accrued employment-related liabilities (vacation accrual and social security contributions) that amount to LTL 5,387 thousand as at 30 June 2010 (31 December 2009: LTL 6,324 thousand).

12 Related-party transactions*Transactions with Company's management*

During the six-month period ended 30 June 2010, total remuneration of the Company's management (4 managers) amounted to LTL 455 thousand (during the six-month period ended 30 June 2009: LTL 674 thousand (5 managers)). The management of the Company did not receive any loans, guarantees no other payments or property transfers were made or accrued.

Transactions with other related parties

(I) Sales of services (excl. VAT):

	January -		January -	
	June	June	June	June
	2010	2009	2009	2009
AB Lietuvos energija	498	11 197		
UAB Gotlitas	28	21		
Kaunas HE	2	-		
AB LEO LT	201	-		
Lietuvos elektrinė	144	-		
Public Institution Centre of Training for Energy Specialists	3	-		
Kaunas Territorial Statistics Board	-	4		
Klaipėda Territorial Statistics Board	-	1		
UAB Litgrid	4 741	-		
UAB Kauno energetikos remontas	154	142		
	5 771	11 365		

AB VST**CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2010**

Company code: 110870748, address: J. Jasinskio St. 16C, LT-01112 Vilnius

*(All amounts are in LTL '000 unless otherwise stated)***12 Related-party transactions (continued)**

(II) Purchase of goods and services (excl. VAT):

	January - June 2010	January - June 2009
AB Lietuvos energija - electricity	141 068	272 271
Ignalina Nuclear Power Plant - electricity		58 892
LEO LT, AB - consulting services	102	512
UAB Elektros tinklo paslaugos - works		193
Kaunas Territorial Statistics Board - services		181
Klaipėda Territorial Statistics Board - services		152
UAB Kauno energetikos remontas - works		156
Public Institution Centre of Training for Energy Specialists - services	33	49
UAB Energetikos pajėgos	74	
AB Lietuvos elektrinė	102 915	
UAB Litgrid	164 221	
Šiauliai Territorial Statistics Board - services		1
	408 413	332 407

(III) Amounts payable and advances received:

	Six months ended 30 June 2010	Year ended 31 December 2009
AB Lietuvos energija	28 229	57 621
Ignalina Nuclear Power Plant		10 165
LEO LT, AB	100	362
AB Lietuvos elektrinė	13 113	-
Public Institution Centre of Training for Energy Specialists	3	20
AB Lietuvos elektrinė		1730
UAB Energetikos pajėgos		36
UAB Litgrid	28 816	
	70 261	69 934

(IV) Amounts receivables:

	Six months ended 30 June 2010	Year ended 31 December 2009
AB LEO LT	15 337	31 000
UAB VAE		
UAB Litgrid	670	
AB Lietuvos energija	172	3 014
UAB Kauno energetikos remontas	22	30
UAB Gotlitas	6	
	16 207	34 044

There have been no guarantees provided or received for any related party receivables or payables. For the six months ended 30 June 2010 the Company has not made any provision for doubtful debts relating to amounts owned by related parties as all the assets are not overdue.

13 Events after the balance sheet date

On 1 July 2010, the Company's Board considered draft reorganisation terms of AB Rytų skirstomieji tinklai ir AB VST.

According to Order No 4-450 of 3 December 2003 of the Minister of Economy, as amended by Order No 4-72 of 15 February 2005, the Company has been granted with the right to buy out from individuals and companies electricity distribution equipment jointly used by them and the Company. The Company's Board passed a decision to allocate LTL 1.5 million for the buy-out of such equipment.

By the proposal dated 28 June 2010 Visagino Atominė Elektrinė UAB informed the Company that on 19 June 2010 the Board of Visagino Atominė Elektrinė UAB approved the sale of assets owned by Visagino Atominė Elektrinė UAB and possessed and used by the Lithuanian Ministry of Energy by the right of trust and proposed that the Company acquire the mentioned assets for a market price not lower than that determined by independent property valuers. The Company's Board passed a decision to acquire these assets for a consideration not exceeding LTL 1.1 million

After the balance sheet date the Company concluded and overdraft agreement for the amount of LTL 34,5 million with Danske bank A/S Lithuanian Branch. At the date of approval of this condensed interim financial information the outstanding balance of the overdraft was zero.

VST, AB

Lithuanian Securities Commission
Konstitucijos ave. 23
LT-08105 Vilnius, Lithuania



2010-08-31

CONFIRMATION OF RESPONSIBLE PERSONS

Following the Article No. 22 of the Law on Securities of the Republic of Lithuania and Rules on Preparation and Submission of Periodic and Additional Information of the Lithuanian Securities Commission, we Rimantas Vaitkus, Chief Executive Officer of VST, AB, and Ramutė Ribinskienė, Chief Financial Officer of VST, AB, hereby confirm that, to the best of our knowledge, the attached VST, AB Interim Report for the six months of 2010 includes a fair review of the development and performance of the business.

ENCLOSURE. VST, AB Interim Report for the six months of 2010 (1 copy, 25 pages).

Chief Executive Officer

A handwritten signature in blue ink, appearing to read 'Rimantas Vaitkus', is written over a light blue rectangular background.

Rimantas Vaitkus

Chief Financial Officer

A handwritten signature in purple ink, appearing to read 'Ramutė Ribinskienė', is written over a light purple rectangular background.

Ramutė Ribinskienė

BUSINESS PHILOSOPHY

MISSION

We are working to ensure the supply of electric energy in western Lithuania.

VISION OF 2010

We are seeking to become the best provider of regulated services in Lithuania.

VALUES

PROFESSIONALITY AND RESPONSIBILITY:

We keep improving and are open for new things. We leave no space for mediocrity and negligence. Our priority is the capability to see several steps ahead and the wish to become the best. Relationship with the customer, the society and the colleagues is based on responsibility, mutual trust and understanding.

QUALITY:

We guaranty safe and reliable exploitation of the electric power network, supply and distribution of electric power. We aim to turn our work into the best business practice and the services we provide to be of the top quality. We are open for criticism; we see our mistakes and take lessons from them. We aim for qualitative and effective service for our internal and external customers. Our clients and partners are the main valuator of our activity and provided services.

TEAM WORK:

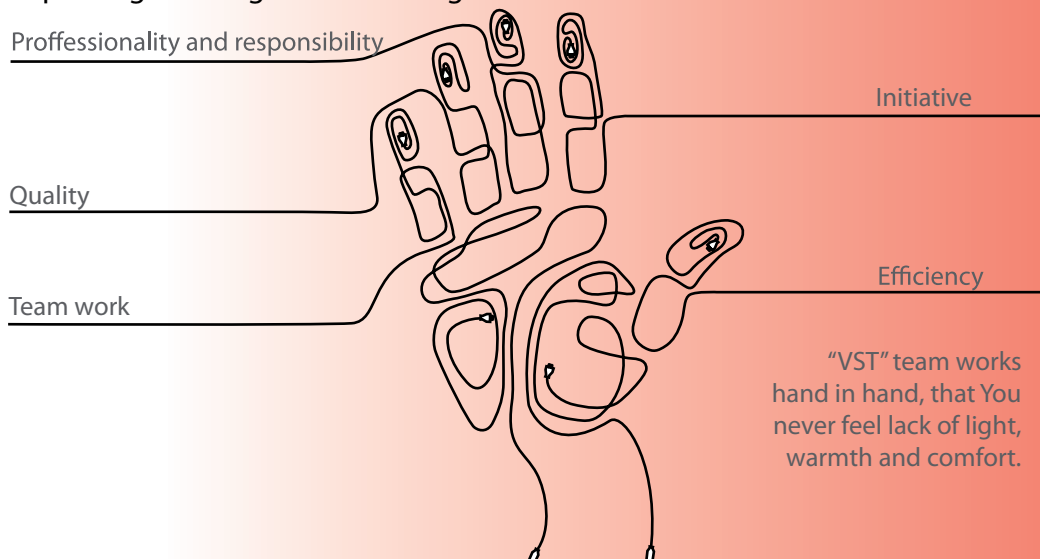
We are a team. Working as a team we reach our goal faster. While sharing our knowledge and experience we can overcome problems, meet challenges and find the best solutions. Aiming for the good result of our work we are aware of our function and responsibility. While working together we aim to be reliable and support each other.

INITIATIVE:

We are ready for new challenges, active and look for problem solution ways. We encourage creativity and always implement the best ideas.

EFFICIENCY:

We seek for the efficiency of the operation individually and all together. Directed orientation toward the result lets us reach the set goals. Work of every one of us is important and it adds to the value to the company's operation. The stability and reliability of the company as well as open and clear operation of it and improving results guaranties the growth of added value to the shareholders of the company.



VST, AB
Interim Report for the six months of 2010

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The Report is prepared in accordance with the Rules on Preparation and Submission of Periodic and Additional Information of the Lithuanian Securities Commission.

ACCOUNTING PERIOD COVERED BY THE REPORT

January – June of 2010

KEY DATA ON THE ISSUER

Name of the Company:	VST, AB
Address of its headquarters:	J.Jasinskio str. 16C, LT-01112, Vilnius
Telephone number:	(8~5) 278 12 59
Fax number:	(8~5) 278 12 69
E-mail address:	www.vst.lt
Website:	vst@vst.lt
Share capital:	111 539 940 Lt
Legal-organization form:	Joint stock Company
Registration in the Register of Enterprises:	
-Place of registration:	Ministry of Economy
-Date of registration:	31 December 2001
-Code in the Registry of Enterprises:	1108 70748
-Former code:	1087074
Registrant of the Register of legal bodies:	State Enterprise Centre of registers

Information on where and when the Report is publicly available

The Report is available during work days from 7:30 till 16:30 and Fridays from 7:30 till 15:15 at the headquarters of the company at the address: J. Jasinskio str. 16 C, Vilnius, Department of Marketing and Public relations. Also, the Report is available in the Company's internet site www.vst.lt and in the Baltic Secondary list of NASDAQ OMX Vilnius site www.nasdaqomxbaltic.com.

Company's means of mass media for public information are daily newspaper "Verslo žinios", Lithuanian News Agency ELTA and news agency "BNS".

Persons in charge of the information contained in the Report

Position	Full name	Telephone number	Fax number
Chief Executive Officer	Rimantas Vaitkus	(8 5) 2781 200	(8 5) 2781 269
Chief Financial Officer	Ramutė Ribinskienė	(8 5) 2781 200	(8 5) 2781 269
Deputy of the Economic and finance department	Artūras Paipolas	(8 5) 2781 259	(8 5) 2781 269
Accounting Department Manager, Chief Accountant	Zina Chmieliauskienė	(8 5) 2781 259	(8 5) 2781 269
T.a. Head of the Marketing and Public relations department	Giedrė Vinickienė	(8 5) 2781 259	(8 5) 2781 269

THE MAIN ACTIVITIES OF THE COMPANY

VST, AB is the owner of electric power distribution network (medium and low voltage power lines, transformer substations and other electricity distribution equipment). The main activity of the Company is the distribution of electricity through medium and low voltage power networks and supply of electric power to its consumers in Kaunas, Klaipėda and Šiauliai regions of Lithuania. It is responsible for the security, reliable performance, maintenance, management and development of these networks.

Company supplied services to 724,5 thousand customer objects in the end of the first half of this year.

CONTACTS WITH THE MEDIATORS OF SECURITIES PUBLIC CIRCULATION

VST, AB "Swedbank", AB have signed a contract on securities accounting issued by VST, AB, and handling personal accounts of securities:

"Swedbank", AB
Konstitucijos pr. 20A
LT-03502 Vilnius
Phone (8 5) 268 44 44
Fax (8 5) 268 2700

Key characteristics of the publicly traded securities

From the start of company's operation till 04/06/2004 the share capital of 405 261 782 LTL, which has been divided into 405 261 782 ordinary registered shares, was registered at the Register of enterprises. The par value of one share was 1 Lt.

After 04/06/2004 the share capital was divided into 3 717 998 ordinary registered shares with the par value of each – 109 LTL.

After 02/12/2004 the share capital was divided into 3 717 998 ordinary shares with the par value of each 1 LTL.

After 26/04/2005 it was divided into 3 717 998 ordinary registered shares with the par value of each 30 LTL.

All shares of the company are fully paid. The share capital of the company during 2005 has increased from 3 717 998 Lt to 111 539 940 LTL (30 times). All shares issued by the company are registered for public trade.

Data on non-publicly traded shares

The company has not issued any shares for non-public circulation.

Data on depository notes issued on the basis of shares

The company does not have any depository notes issued on the basis of shares.

The main characteristics of debt securities issued for public circulation of securities

The company has not issued debt securities for public circulation.

Data on non-publicly traded debt securities

The company has not issued debt securities for non-public circulation.

Securities that do not mark participation in the share capital, but the circulation of which is governed by the Law on the Securities Market, with the exception of debt securities

The company has not issued any securities that do not mark participation in the share capital.

DATA ON THE SECONDARY CIRCULATION OF THE SECURITIES ISSUED BY THE ISSUER

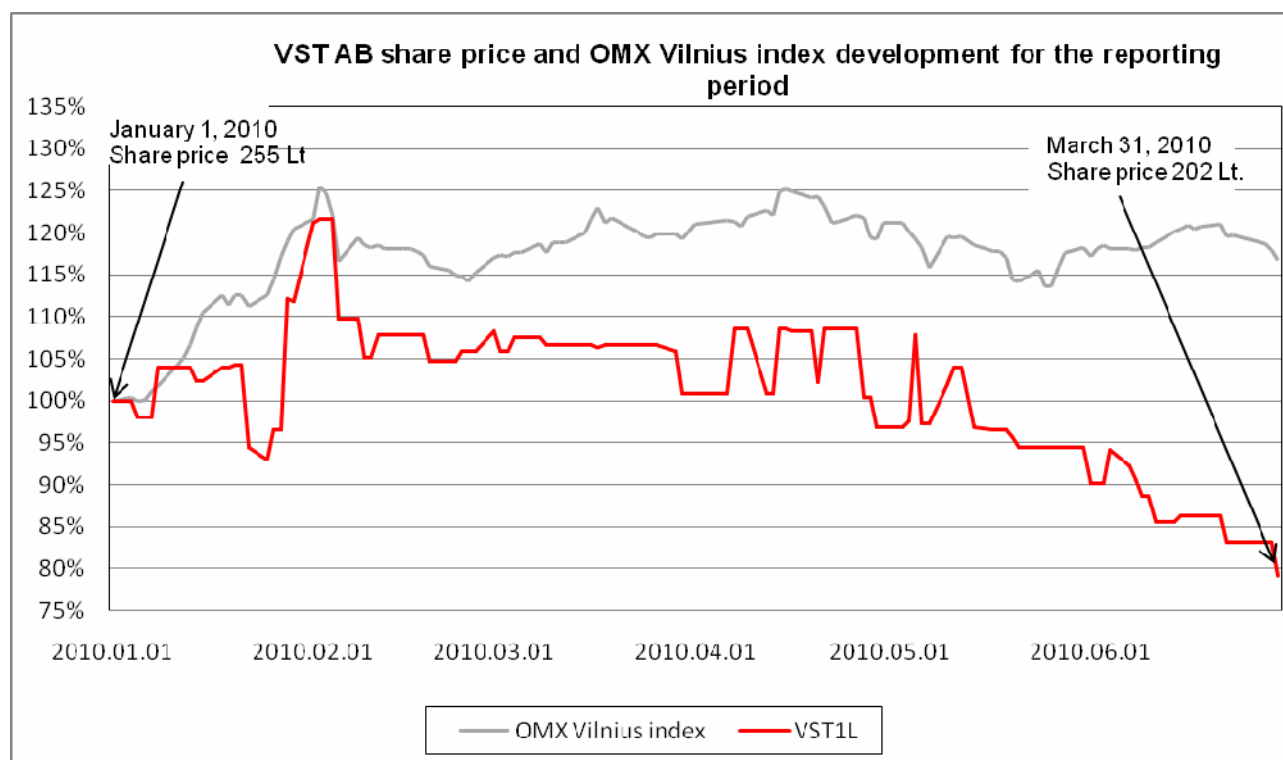
Ordinary registered shares of the VST, AB are included into the Baltic Secondary list of Vilnius Stock Exchange (Trading code – VST1L). There is no trade of company's shares by other organized markets.

ISIN code	Sales list	Number of shares, pcs.	Par value of a share, LTL	Total par value, LTL
LT0000126377	BALTIC I-LIST	3 717 998	30	111 539 940

Share price

The price of Company's share during the first half of 2009 decreased by 20,8 percent from 255 LTL to 202 LTL per share (at the beginning and at the end of period accordingly). The maximum and minimum price was 310 LTL and 202 LTL accordingly. The maximum turnover amounted to 16 723LTL (76 pieces).

The dynamics of the share price of VST, AB and the dynamics of OMXV¹ index during January – June of 2010 are shown below.



Sales of Issuer's securities outside the Stock Exchange

The shares of the VST, AB are sold in Current list of VSE. The sales are only possible on the Central market and/or direct deals.

Data on purchasing of own shares by the Issuer

The company has not purchased it's own shares.

¹ OMXV index is a cap-weighted index based on the principles of going concern and return on shares. It covers all the shares of the companies listed on the Vilnius Stock Exchange's Official and Secondary Lists except for companies in which a single shareholder controls 90% or more of the issued shares. The index is designed to reflect the current situation and dynamics of the Vilnius Stock Exchange. The base date for OMXV is 31 December 1999 and the base value is 100 points. The index is presented as a return index (RI)

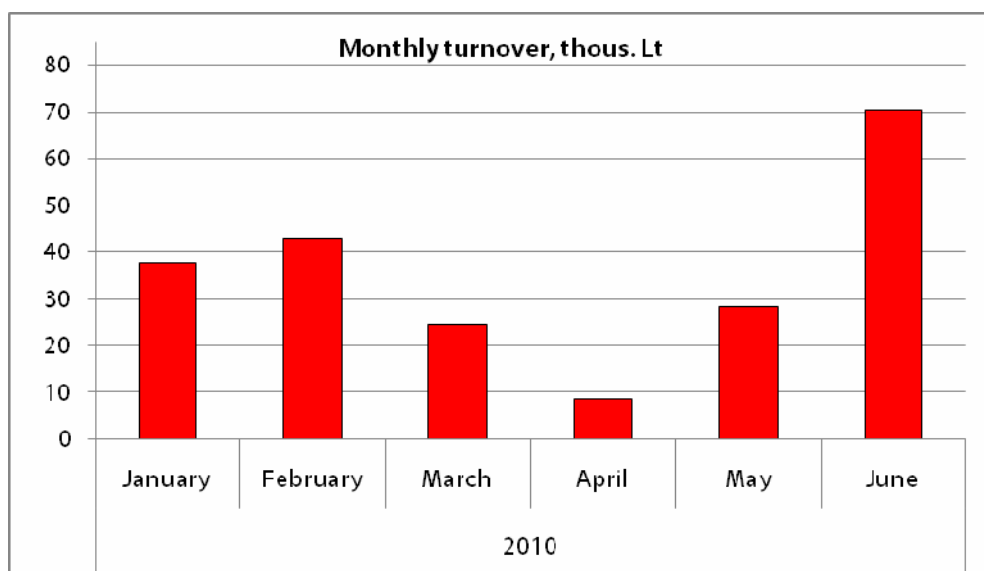
Announcement of official offers

Neither has the VST, AB announced official offers to purchase securities of other Issuers.

Restrictions on transfer of securities

No restrictions on the transfer of securities are known to the Company.

The monthly turnover of trading in VST shares in January - June, 2010 is presented below.



SHARE CAPITAL

Share capital has not been changed during the reported period and amounted to 111 539 940 LTL (registration date: 26 April, 2005).

All shareholders of the Company have equal rights (interest and non interest), provided in the Law on Companies of the Republic of Lithuania and Company's Articles of Association. Company's Articles can be found on the Company's site www.vst.lt.

Type of shares	Number of shares	Par value (LTL)	Total par value (LTL)	Part in the share capital (%)
Ordinary registered shares	3 717 998	30	111 539 940	100
Total:	3 717 998	-	111 539 940	100

All shares of the company are fully paid.

SHAREHOLDERS

The number of the shareholders on 30 June, 2010 was 3839.

The biggest shareholder, which holds under ownership right or control more than 5 percent of the share capital of the Issuer:

Full names of the shareholders (names of companies, types, headquarter addresses, companies' register code)	Numbers of ordinary registered shares, pcs.		Part of the share capital and votes, percent		
	total	including shares owned by the shareholders under the ownership right	total	including ordinary registered shares hold by a shareholder under the ownership right	Together with persons acting in corporate, percent
UAB Visagino atominė elektrinė Žvejų str.14 LT-09310 Vilnius, code 301844044	3 651 534	3 651 534	98,2	98,2	-

Shareholders having special control rights and description of such rights

Neither of the Company's shareholders has any special control rights. All the shareholders of the Company have equal rights (property and non-property rights) as provided for in the Republic of Lithuania Law on Companies and the Articles of Association of the Company.

Restrictions on voting rights

No restrictions on voting rights are known to the Company.

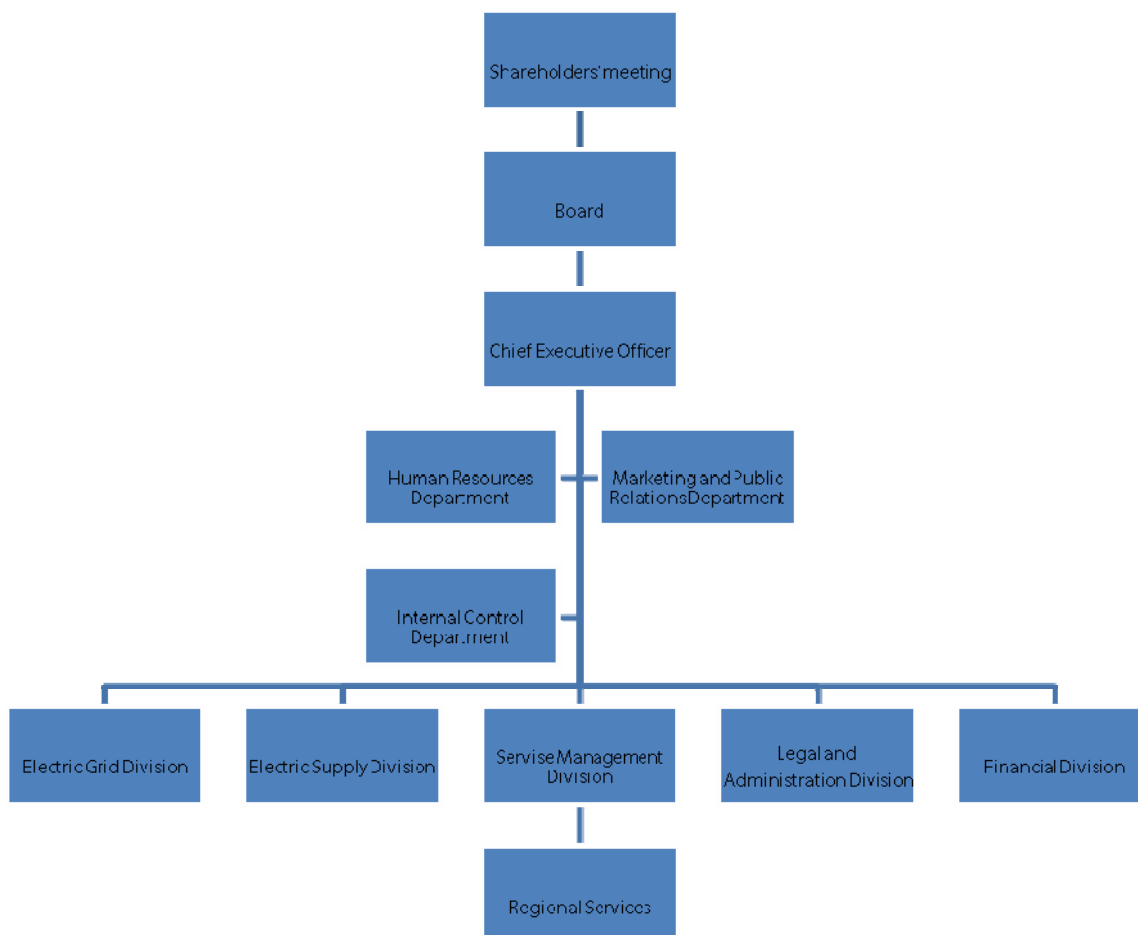
Agreements between the shareholders which are known to the Issuer and due to which the securities transfer and/or voting rights may be subject to limitations

No agreements between the Company's shareholders due to which the securities transfer and/or voting rights may be subject to limitations are known to the Company.

MEMBERS OF THE MANAGING BODIES

The management bodies of the company are general meeting of shareholders, the board and the head of the Company – the general manager. The managing bodies of the company are the Board and Chief executive officer. The company does not have a supervisory board.

VST, AB Managements bodies



The last amendments of the Bylaws of the company (dated August 2, 2010) sets forth that the Board consists of 5 members. The members of the Board with the Office term of 4 years are elected by the general meeting of the shareholders. Managing Director is appointed and recalled by the Board of the Company.

The company doesn't have a supervisory board.

Administration

Full name	Position	Share of owned capital, %.	Share of votes, %
Rimantas Vaitkus	Chief Executive Officer	-	-
Zina Chmieliauskienė	Chief Accountant, Accounting Department Manager	-	-

Chairman of the Board (Chief Executive Officer) – Rimantas Vaitkus:

Education (profession)	Former employers in last 10 year	Positions	Data about
Vilnius University. Doctor of Science.	1999-2001 Ministry of Economy the Republic of Lithuania 2001-2008 UAB „IBM Lietuva“ 2008-2009 AB „Rytų Skirstomieji Tinklai“ 2009-2010 AB „LEO LT“	Deputy Minister, responsible for nuclear energy Chief Executive Officer Chief Executive Officer, Chairman of the Board Chief Executive Officer, Chairman of the Board	None

Chief Accountant, Accounting Department Manager – Zina Chmieliauskienė:

Education (profession)	Former employers in last 10 year	Positions	Data about
University Education. Vilnius Technical School of Accounting of Agriculture. Financial Accounting. Lithuanian Academy of Agriculture. Economics.	1992-2009 UAB „Skuba“ 2002-2009 AB „Gajus ir Rukas“	Chief Accountant Assistant Auditor	None

The Board is elected from 23 October 2010 till 30 April 2010

Full name	Position	Share of owned capital, %	Share of votes, %
Henrikas Bernatavičius	Chairman	-	-
Rytis Borkys	member	0,00016%	0,00016%
Arvydas Tarasevičius	member	-	-
Vytautas Kazimieras Aranauskas	member	-	-
Vytautas Vazalinskas	member	-	-

The Board is elected from 30 April 2010 till 21 June 2010

Full name	Position	Share of owned capital, %	Share of votes, %
Henrikas Bernatavičius	Chairman	-	-
Rytis Borkys	member	0,00016%	0,00016%
Arvydas Tarasevičius	member	-	-
Vytautas Kazimieras Aranauskas	member	-	-
Kęstutis Žilėnas	member	-	-

The Board is elected from 21 June 2010 till 1 July 2010

Full name	Position	Share of owned capital, %	Share of votes, %
Rytis Borkys	member	0,00016%	0,00016%
Arvydas Tarasevičius	member	-	-
Vytautas Kazimieras Aranauskas	member	-	-
Kęstutis Žilėnas	member	-	-

The Board is elected from 1 July 2010 till 23 July 2010

Full name	Position	Share of owned capital, %	Share of votes, %
Arvydas Tarasevičius	Chairman	-	-
Rytis Borkys	member	0,00016%	0,00016%
Vytautas Kazimieras Aranauskas	member	-	-
Kęstutis Žilėnas	member	-	-

The Board is elected from 23 July 2010 till the date of the Report

Full name	Position	Share of owned capital, %	Share of votes, %
Arvydas Tarasevičius	Chairman	-	-
Vytautas Kazimieras Aranauskas	member	-	-
Rytis Borkys	member	0,00016%	0,00016%
Kęstutis Žilėnas	member	-	-
Arvydas Darulis	member	-	-

Information on participation in other companies and organizations; over 5% shareholdings in other companies

Full name	Name of the company, institution or organisation, position	Share of owned capital, %.	Share of votes, %
Rimantas Vaitkus	Chairman of the Board of Inovacijų ir technologijų centras UAB	-	-
Zina Chmieliauskienė	-	-	-
Arvydas Tarasevičius	Member of the Board of Lietuvos energija AB	-	-
	Member of the Board of Rytų skirstomieji tinklai AB	-	-
	Chief Executive Officer of Rytų skirstomieji tinklai AB	-	-
	Member of the Board of Lithuanian Electricity Association	-	-
	Member of the Board of community garden Žemyna	-	-
Vytautas Kazimieras Aranauskas	Reorganization project director of VST AB	-	-
	Deputy General Manager of Klaipėdos nafta AB	-	-
Rytis Borkys	Director of Elektros tinklo tarnyba of VST AB	-	-
Kęstutis Žilėnas	Head of the Department of Energy Resources, Electricity and Heating of the Ministry of Energy of Republic of Lithuania	-	-
	Member of the Board of Klaipėdos nafta AB	-	-
	Member of the Board of Lietuvos energija AB	-	-
	Member of the Board of Rytų skirstomieji tinklai AB	-	-
Arvydas Darulis	Deputy Minister of the Ministry of Energy of Republic of Lithuania	-	-
	Member of the Board of Klaipėdos nafta AB	-	-
	Chairman of the Board of Lietuvos elektrinė AB	-	-
	Chairman of the Board of Lietuvos energija AB	-	-
	Chairman of the Board of Rytų skirstomieji tinklai AB	-	-
	Chairman of the Board of Visagino atominė elektrinė UAB	-	-

Information on the salaries, bonuses and other payments from profit in average amounts per one person

January-June, 2009	Salary, LTL	Bonus, LTL	Other payments from profit, LTL
In average per one member of the Board*	120 816	-	-
Totally for all Board members*	241 632	-	-
In average per one member of Administration	97 702	-	-
Totally for all members of Administration	195 402	-	-

* Salary received for other (non Member's of the Board) positions hold in the Company.

Significant agreements to which the Issuer is a party and which would take effect or be amended or terminated in case of change in the Issuer's ownership

The Company has not entered into any significant agreements which would take effect or be amended or terminated in case of change in the Issuer's ownership.

PROCEDURE FOR AMENDMENT OF THE COMPANY'S BY-LAWS

According to the By-laws of VST, AB, By-laws of the company could be amended only by General Meeting of Shareholders and come into force after registering in the State Enterprise Centre of Registers.

EMPLOYEES OF THE COMPANY

The average number of employees in the end of June, 2010 was 1 853 and remained stable, in comparison with the end of June, 2009. The average monthly brutto salary increased from 2496 Lt iki 2530 Lt.

The Company has been collaborating closely with academic institutions, accepting their students for internships. In the first half of 2010, sixty-two students from various academic institutions — Kaunas University of Technology, Klaipėda University, Mykolas Romeris University, ISM University of Management and Economics, Kaunas Technical College, Lithuanian University of Agriculture, Šiauliai College, College of Žemaitija did their field training in the Company. The Company continues to maintain its programme for the funding of studies, which provides partial (50 percent) financial support for the academic studies in electrotechnics.

The Company maintains a Collective Agreement, signed on 30 May 2008. The purpose of this Collective Agreement is to ensure effective work in the Company and to represent the interests of all of the Company's employees. It sets the social and professional terms as well as guarantees pertaining to work, working conditions, and remuneration. The Company sponsors cultural and sporting activities organized by the unions. In 2010, the unions received LTL 15 000 from VST, AB. 22 percent of employees are the members of unions.

In 2010, the Company has continued its consistent personnel management policies directed towards the development of employees' skills that match the Company's strategic goals. The added value created by personnel management is the development of professional leaders. The workshops conducted by client service specialists help to implement one of the strategic goals of the Company — to develop a strong culture of high-quality customer service. In the first half of 2010, about LTL 230 000 has already been invested by the Company into the development of employees' competencies.

THE COMPANY'S ACTIVITY REVIEW

The Company's revenue is constantly growing due to increasing sales of electricity. In the first half of this year the Company received revenue of 591,3 million LTL from sales and remittance. The same period last year revenue from sales and remittance amounted was 591,7 million LTL.

VST AB experienced negative result – 20,1 million LTL net loss in the first half of 2010. Last year – 4,5 million LTL net profit was earned.

More information on financial result of VST, AB activities in the first half of this year is presented in interim financial report for six months of 2010.

INFORMATION ON TRANSACTION OF ASSOCIATED BODIES

Transactions of associated bodies were not made during the first six months of 2010.

KEY RISK FACTORS

The electrical power distribution and supply activities are regulated by Law on Electricity of the Republic of Lithuania. Amendments to this law and other related legislation may have an impact upon the Company's operations and results.

Service prices are regulated, with the ceilings set and controlled by the National Control Commission for Prices and Energy. The Company's performance results may depend upon such regulatory decisions.

Another key risk is related to the market price for electricity generation/import, which has a direct effect on the cost of electricity. The latter is influenced both by domestic and neighbouring countries' supply and demand factors as well as political decisions. Any increase in the electricity cost poses considerable risk because the public supply price is regulated and fixed irrespective of the electricity price prevailing in the market.

The key economic risk factor is insufficient capacity of the company and its contractors quickly eliminate the damages, which occur in result of natural calamities. Due to the disorders of electric power supply the incomes may be lost and losses may occur.

Therefore since the beginning of 2010, liberalisation of the electricity market has started and customers have started actively using the opportunity to choose an independent supplier. As a result of this the Company will experience loss of part of its income from supply operations.

INFORMATION RELATING TO ENVIRONMENTAL PROTECTION ISSUES

The joint stock company VST is an electrical energy supply and distribution enterprise. Unlike some electricity-producing enterprises, it has little impact on the environment. The possibility of certain activities of this share-issuing firm being limited or stopped because of damage to the environment is not great.

The Company has been working consistently for already several years to conserve the nature and its resources, and to take care of ecology. In order to contribute to environmental activities, it initiates and implements various projects aimed at preserving the environment.

Power engineers have been lifting special metal supports, on which birds can later safely make their nests, over electricity pylons at their expense in early spring and late autumn for already five years. Power engineers are going to lift over 300 stork nests in Western Lithuania this year.

Over 2,000 stork nests have been put on electricity pylons in the territory supervised by Joint Stock Company "VST" yet.

INFORMATION ON THE SUBSIDIARIES OF THE COMPANY

During the period of January – June of 2010 the Company had no subsidiaries.

IMPORTANT EVENTS DURING THE REPORTING PERIOD

On 4 January 2010, an extraordinary general meeting of shareholders of AB VST was convened where it was decided to reorganize AB Rytų skirstomieji tinklai and AB VST by way of merger. On 4 May 2010, the Ministry of Energy made a public statement announcing that the Government of the Republic of Lithuania approved of the plan on reorganization of Lithuanian energy companies the implementation of which will result in the formation of four segments of electric power companies namely transmission, generation, distribution and maintenance. During this reorganization process AB VST and AB Rytų skirstomieji tinklai will be merged to form a new company over which control be retained by the Lithuanian Government.

On January 6, 2010 LEO LT, AB, which owns 3 651 534 shares of VST, AB, announced that on December 31, 2009 a resolution, taken on December 30, 2009 by the sole shareholder of LEO LT, AB the Lithuanian Government to liquidation LEO LT, AB, took force.

During implementation of the energy sector reorganization plan (which has been approved by the Lithuanian Government) and seeking to implement the provisions of the Third Energy Package of the European Union, on 4 June, LEO LT, AB in liquidation contributed shares of controlled company AB VST to the authorized share capital of UAB Visagino atominė elektrinė.

Since the beginning of the year till the date of the report the Board held the following changes:

On April 30, 2010 Kęstutis Žilėnas was elected to the company's Board until the end of tenure of the current Board.

On 21 June, 2010 Chairman of the Board Henrikas Bernatavičius resigned from the Chairman of the Board.

On 1 July, 2010 Arvydas Tarasevičius have been appointed to the position of the Chairman of the Board VST, AB.

On July 23, 2010 Arvydas Darulis was elected to the company's Board until the end of tenure of the current Board.

Quality of Client Services

Once again this year, the Company's top priorities were provision of quality services and consistent improvement of the client service culture. In 2010 and beyond, the quality of services provided will continue to be improved and training will be arranged for employees whose duties include direct service provision to clients. The key objective is to enhance the quality of customer service, to strengthen the culture of customer service and to increase the employees' involvement in this process and satisfaction with the work carried out.

In March, the Company initiated a campaign "Pressing the right", which aimed at better understanding of our clients, the assessment of customer service staff work and improving the quality of service.

Special Educational Movie for „VST“ customers. The company's employees often receive customer questions. They are willing to know what do you need to know to inspect electricity metering devices properly, how should the meter seal look like, how should they understand whether seals are violated. Considering to customer needs, the company's specialists have developed a special educational video, simple, comprehensible and clearly explaining how to properly write off the electricity meter readings and pay for consumption of electricity.

Based on customer needs we expand services in cyberspace. Legal person customers using the services of Portal can now account for the provision of electric energy or transmission services via email. There is introduced a one-and two-time-zone rates comparison calculator. People can use this calculator to compare differences in payment amounts between one and two – time zone rates and select the rate most suited to the needs of electricity. Legal clients can compare and choose the most acceptable electricity tariff and the tariff plan. Calculators can be found on company's website www.vst.lt. We hope that these calculators will be beneficial not only for customers but also for employees of the company in servicing our customers.

Investments

Investment of the Company in Kaunas, Klaipėda and Šiauliai Regions made up LTL 32.4 million during the first six months of this year. The major portion of investment was intended for ensuring the quality and reliability of electric energy supply, and the maintenance of distribution networks run. The Company's funds are allocated for the renovation of transformer substations, laying of air and cable lines, and the acquisition of modern and safe equipment ensuring quality and reliable supply of electric energy to customers.

In the first six months of this year, the reconstruction of the Raudondvaris 35/10 kW transformer substation was completed. This year is planned to allocate to project LTL 1.7 million, the total cost of the project is about LTL 3,7 million. During the reconstruction transformers were repaired, new switchyards constructed, sewage system arranged, lightning protection equipment constructed.

Assistance Projects

The support of the Joint Stock Company is intended for innovative educational, cultural and science projects, and the most vulnerable members of the public.

Joint Stock Company "VST" is a regular patron of the Paediatric Department of Hospital of Kaunas University of Medicine. This year, the Company has provided the Department of Paediatric Intensive Therapy with support to improve the conditions.

During the first six months of 2010, Joint Stock Company "VST" offered cities and towns in which it operates support for the organization of festivals and cultural events. Supporting various regional events, the Company seeks to establish and maintain cordial relations with the communities of cities and towns.

Collaboration

The joint stock company VST collaborates with the academic community. For several years the Company has been awarding personal scholarships to the most promising students of the Faculty of Electricity Engineering and Control Systems of the Kaunas University of Technology. Such scholarships reached students in January 2010.

Social Responsibility

In April 2010, Joint Stock Company "VST" organized social campaigns – "I am a friend of electricity but do not play up with it", during which about two thousand children became aware of the dangers of electricity. In June 2010, was organized campaign "For a lighter life", in which employees of the Company's all divisions worked to contribute to the welfare of their community – cleaned parks, mounds and the banks of rivers.

In April, Joint Stock Company "VST" along with LOD (Lithuanian Ornithological Society) and RST organizes the Feast of the Storks, by which aimed to draw attention to the national bird and its preservation.

Together with "Encourage the Future" initiated a contest for young inventors for high school students - Electricity: safe and practical use." Its aim was to promote a responsible approach to energy consumption. VST has prepared and presented the Social Responsibility Report of year 2009, distributed a letter to clients on investments in each city and region.

PLANS AND FORECASTS OF THE COMPANY OPERATION

In 2010 the Company does not plan any changes in the key operation and is going to continue distributing electric power by medium and low voltage lines and supplying electric power to the consumers. VST, AB plans to continue reconstruction and modernization works, and improvement of customer service quality.

ESSENTIALS EVENTS

2010-08-19 Regarding election of the Chairman of the Board VST, AB

On 19th of August, 2010 the Board of VST, AB elected Mr. Arvydas Darulis as the Chairman of the Board of the Company.

2010-08-13 Regarding Resolution of Management Board of Visagino Atominė Elektrinė UAB Dated August 12, 2010

On August 13, 2010 VST AB has received a letter from Visagino Atominė Elektrinė UAB to the effect that on August 12, 2010 during the meeting of the Management Board a resolution was adopted regarding the definition of the main guidelines for reorganization of the electricity sector. This resolution of the Management Board was also approved by shareholders of Visagino Atominė Elektrinė UAB. In the transcript of minutes of the meeting of the Management Board, dated August 12, 2010 the following essential defined guidelines of the reorganization are presented:

1. The Reorganization is performed in order to ensure that the model of the Lithuanian energy sector activity complies with the National energy strategy, requirements of the Third Energy Package of the EU, aimed at liberalization of electricity and gas markets and creates conditions for integration of the Lithuanian electric energy system into the European Union market and ensures financing of the commenced strategic energy projects;
2. The Reorganization aims to ensure effective separation of electricity transmission activity from generation, supply and distribution activities and their commercial interests - to reorganize vertically integrated energy companies performing their activities in the sector;
3. During the Reorganization there will be formed four main blocks of companies for the activities of transmission, generation, distribution and maintenance:
 - 3.1. Main goals of formation of the transmission block:
 - (i) To separate and purify its activity,
 - (ii) To comply with requirements of the Third Energy Package of the EU,
 - (iii) to form a strong company, capable of interconnecting the Lithuanian electricity grid with ENTSO-E / ECN grid, beginning with the links to Poland, Sweden,
 - (iv) to implement measures, meant to facilitate the liberalization of the electricity market,
 - (v) to transfer auxiliary functions to maintenance companies.
 - 3.2. Goals of formation of the generation block:
 - (i) To purify and concentrate the activity of generation in one company - the joint-stock company Lietuvos Energija (these aims, inter alia, are achieved by transferring the joint-stock company Lietuvos Elektrinė to the joint-stock company Lietuvos Energija),

(ii) To reorganize and centralize generation capacities, necessary to ensure the energy independence of Lithuania,
(iii) to transfer auxiliary functions to maintenance companies.

3.3. Main goals of formation of the distribution block:

- (i) To form a customer-oriented and effectively functioning company while revising the branches of the core activity
- (ii) to obtain all possible synergies while merging the joint-stock company VST and joint-stock company Rytu Skirstomieji Tinklai,
- (iii) To prepare the distribution networks company, which is currently under merging, for possible attracting of funds,
- (iv) to transfer auxiliary functions to maintenance companies.

3.4. Main goals of formation of the maintenance block:

- (i) To purify and optimize activities of maintenance, by establishing two companies of network maintenance, by implementing promotion measures of free market and, when necessary, by allowing entrance of a strategic investor (if it is economically feasible),
- (ii) the Generation maintenance company: to concentrate capacities and maintain competitive advantage,
- (iii) the Assets management company: to accumulate, optimize non-technological real estate and transport under ownership, to sell redundant assets at most favorable conditions,
- (iv) Commercial IT company: to perform the sales of data transmission and data center services at the market.

2010-07-23 The decisions adopted in the Extraordinary General Shareholders Meeting of VST, AB on July 23, 2010

The Extraordinary General Shareholders Meeting of VST, AB (company code - 110870748, registered office at J. Jasinskio str. 16C, Vilnius), held on July 23, 2010, adopted the following decisions:

1. The item of agenda "Amendment of the Bylaws of VST, AB":
 - 1.1. To approve the new wording of the Bylaws of VST, AB (enclosed).
 - 1.2. To authorize the Chief Executive Officer of Company to sign the new wording of the Bylaws of the Company set forth by the Law and to perform other necessary actions abiding by the procedure to registry thereof in the Register of Legal Entities under the procedure established by legislation.
2. The item of agenda "Election of the member of the Board of VST, AB":
 - 2.1. To elect Mr. Arvydas Darulis (personal ID <...>, address <...>), to the company's Board until the end of tenure of the current Board.
 - 2.2. To set that the new member of the Board starts their duties from the end from the shareholders meeting that has elected him.
3. The item of agenda "Election of the audit company for the audit of financial reports of VST, AB for the year 2010 and set of the terms of remuneration for audit services":
 - 3.1. To elect audit company PricewaterhouseCoopers, UAB as the audit company for the audit of financial reports of VST, AB for the year 2010 and to pay for audit services not more than LTL 73 000 (VAT not included).

2010-07-13 Regarding debts takeover

Continuing of the LEO LT, AB liquidation and implementing energy sector reform plan (which is approved by the Government), on 4th of June, 2010 Visagino atominė elektrinė, UAB (code - 301844044, registered office address Žvejų g.14, Vilnius), 100% indirectly controlled by the Republic of Lithuania, acquired from the liquidating LEO LT, AB 3 651 534 ordinary registered shares (face value of each share is equal to 30 (thirty) LTL) of VST, AB. These shares are acquired by increasing Visagino atominė elektrinė, UAB share capital.

On 12th of July, 2010 Visagino atominė elektrinė, UAB took from the liquidating LEO LT, AB outstanding debts (15 331 778,60 LTL) under the contract, concluded on 3th of December, 2009 between VST, AB and LEO LT, AB.

Visagino atominė elektrinė, UAB owns 3 651 534 shares (98,2 percent) of VST, AB.

2010-07-01 The decisions of the Board VST, AB

On July 1, 2010 the Board of VST, AB have been appointed Arvydas Tarasevičius to the position of the Chairman of the Board VST, AB.

2010-07-01 CORRECTION: The draft resolutions of the Extraordinary General Shareholders Meeting of VST, AB

Correction: attached new wording of the Bylaws of VST, AB.

According to the decision of the Board of VST, AB the Extraordinary General Shareholders Meeting of VST, AB (company code - 110870748, registered office at J. Jasinskio str. 16C, Vilnius) is called on July 23, 2010 and shall take place at the office of the company J. Jasinskio 16C, Vilnius, 5th floor, at 10.00 AM.

The shareholders will be asked to approve the following items:

1. The item of agenda "Amendment of the Bylaws of VST, AB":

"1. To approve the new wording of the Bylaws of VST, AB (enclosed).

2. To authorize the Chief Executive Officer of Company to sign the new wording of the Bylaws of the Company set forth by the Law and to perform other necessary actions abiding by the procedure to registry thereof in the Register of Legal Entities under the procedure established by legislation."

2. The item of agenda "Election of the member of the Board of VST, AB":

"1. To elect [name, surname], personal ID [personal ID], address [address], to the company's Board until the end of tenure of the current Board.

2. To set that the new member of the Board starts their duties from the end from the shareholders meeting that has elected him."

3. The item of agenda "Election of the audit company for the audit of financial reports of VST, AB for the year 2010 and set of the terms of remuneration for audit services":

"1. To elect audit company PricewaterhouseCoopers, UAB as the audit company for the audit of financial reports of VST, AB for the year 2010 and to pay for audit services not more than LTL 73 000 (VAT not included)."

Initiator of the General Shareholders Meeting: the Board of VST, AB.

The date and time of the General Shareholders Meeting: July 23, 2010, 10.00 AM.

The account date of the General Meeting of Shareholders: the July 16, 2010.

Shareholders that own VST, AB shares on the end of the working day of July 16, 2010, shall have the right to participate in convened General Shareholders Meeting. The General Shareholders Meeting place: Vilnius, J. Jasinskio str. 16C (5th floor).

Registration starts: July 23, 2010, 9.25 AM.

Registration ends: July 23, 2010, 9.55 AM.

2010-07-01 The draft resolutions of the Extraordinary General Shareholders Meeting of VST, AB

According to the decision of the Board of VST, AB the Extraordinary General Shareholders Meeting of VST, AB (company code - 110870748, registered office at J. Jasinskio str. 16C, Vilnius) is called on July 23, 2010 and shall take place at the office of the company J. Jasinskio 16C, Vilnius, 5th floor, at 10.00 AM.

The shareholders will be asked to approve the following items:

1. The item of agenda "Amendment of the Bylaws of VST, AB":

"1. To approve the new wording of the Bylaws of VST, AB (enclosed).

2. To authorize the Chief Executive Officer of Company to sign the new wording of the Bylaws of the Company set forth by the Law and to perform other necessary actions abiding by the procedure to registry thereof in the Register of Legal Entities under the procedure established by legislation."

2. The item of agenda "Election of the member of the Board of VST, AB":

"1. To elect [name, surname], personal ID [personal ID], address [address], to the company's Board until the end of tenure of the current Board.

2. To set that the new member of the Board starts their duties from the end from the shareholders meeting that has elected him."

3. The item of agenda "Election of the audit company for the audit of financial reports of VST, AB for the year 2010 and set of the terms of remuneration for audit services":

"1. To elect audit company PricewaterhouseCoopers, UAB as the audit company for the audit of financial reports of VST, AB for the year 2010 and to pay for audit services not more than LTL 73 000 (VAT not included)."

Initiator of the General Shareholders Meeting: the Board of VST, AB.

The date and time of the General Shareholders Meeting: July 23, 2010, 10.00 AM.

The account date of the General Meeting of Shareholders: the July 16, 2010.

Shareholders that own VST, AB shares on the end of the working day of July 16, 2010, shall have the right to participate in convened General Shareholders Meeting.

The General Shareholders Meeting place: Vilnius, J. Jasinskio str. 16C (5th floor).

Registration starts: July 23, 2010, 9.25 AM.

Registration ends: July 23, 2010, 9.55 AM.

2010-07-01 The Extraordinary General Shareholders Meeting of VST, AB is called on July 23, 2010, at 10.00 AM

The Board of VST, AB on July 1, 2010 adopted a decision to call the

Extraordinary General Shareholders Meeting of VST, AB (company code - 110870748, registered office at J. Jasinskio str. 16C, Vilnius) and approved the following agenda of the meeting:

1. Amendment of the Bylaws of VST, AB.
2. Election of the member of the Board of VST, AB.
3. Election of the audit company for the audit of financial reports of VST, AB for the year 2010 and set of the terms of remuneration for audit services.

Initiator of the General Shareholders Meeting: the Board of VST, AB.

The date and time of the General Shareholders Meeting: July 23, 2010, 10.00 AM.

The account date of the General Meeting of Shareholders: the July 16, 2010. Shareholders that own VST, AB shares on the end of the working day of July 16, 2010, shall have the right to participate in convened General Shareholders Meeting. The General Shareholders Meeting place: Vilnius, J. Jasinskio str. 16C (5th floor).

Registration starts: July 23, 2010, 9.25 AM.

Registration ends: July 23, 2010, 9.55 AM.

The shareholders, who own shares no less than 1/20 of all votes, are entitled to propose to supplement the agenda of the Extraordinary General Shareholders Meeting submitting draft resolution on every additional item of agenda, also to propose draft resolutions on the issues already included or to be included in the agenda of the General Shareholders Meeting. Each shareholder of VST, AB are entitled to submit questions to the company related to the issues of agenda of

the General Shareholders Meeting in advance. Each shareholder also may authorize either a natural or a legal person to participate and to vote on the shareholder's behalf at the General Shareholders Meeting. The representative has the same rights as his represented shareholder at the General Shareholders Meeting. The authorized persons must have documents confirming their personal identity and power of attorney approved in the manner specified by law which must be submitted to the company no later than before the end of registration for the General Shareholders Meeting.

Shareholder or its representative may vote in writing by filling general voting bulletin. If shareholder requests, the company shall send the general voting bulletin to the requesting shareholder by registered mail or shall deliver it in person against signature no later than 10 days prior to the General Shareholders Meeting free of charge. The filled general voting bulletin must be signed by the shareholder or its authorized representative. Document confirming the right to vote must be added to the general voting bulletin if authorized person is voting. The filled general voting bulletin must be delivered to the company by registered mail or in person against signature no later than before the day of the General Shareholders Meeting.

The shareholders at General Shareholders Meeting can't participate and voting by electronic means.

2010-06-22 Regarding the resignation of the Chairman of the Board

On 21th June, 2010 VST, AB received the application of the Chairman of the Board Henrikas Bernatavičius on the resignation from the Chairman of the Board from 21th June, 2010.

2010-06-11 Notification about acquisition (disposal) of a block of shares

On 10th June, 2010 VST, AB received a notification about disposal of a block of shares from LEO LT, AB (attached).

On 10th June, 2010 VST, AB received a notification about acquisition of a blocks of shares from Visagino atominė elektrinė, UAB (attached).

2010-06-07 Regarding the transfer of VST, AB shares

Continuing of the LEO LT, AB liquidation and implementing energy sector reform plan (which is approved by the Government), on 4th of June, 2010 liquidating LEO LT, AB lost of shares and votes of VST, AB. Visagino atominė elektrinė, UAB 100% indirectly controlled by the Republic of Lithuania, acquired from the liquidating LEO LT, AB 3 651 534 ordinary registered shares (face value of each share is equal to 30 (thirty) LTL, code of share issue LT0000126377) of VST, AB. These shares are acquired by increasing Visagino atominė elektrinė, UAB share capital.

2010-05-28 VST, AB Interim financial statement, Interim report for the three months of 2010 and confirmation of responsible persons

VST, AB published Interim financial statement, Interim report for the three months of 2010 and confirmation of responsible persons (attachment).

2010-05-27 National Control Commission for Prices and Energy took a decision to unilateral set public electricity prices supplied by VST, AB for the second half of the year 2010

On 27 May, 2010 the National Control Commission for Prices and Energy took a decision to set and announce public electricity prices, tariffs and application procedure supplied by VST, AB for the second half of 2010. Since the 1st of July the nighttime tariff for the household consumers will be reduced by 2 LTc/kWh (including VAT). Electricity tariffs for the other groups of consumers will not change.

2010-05-14 VST, AB Corporate Social Responsibility Report 2009

VST, AB prepared the Corporate Social Responsibility Report 2009.

2010-05-04 Regarding the Plan of energy companies' restructuring

On 4th of May, 2010 the Ministry of Energy published the report to the media that Government of the Republic of Lithuania approved the Plan of energy companies' restructuring, according to four blocks of electricity companies will be formed - transmission, generation, distribution and maintenance. More information is published in <http://www.enmin.lt>.

After receiving the official information about restructuring of energy sector and Company, Company will announce this information following the requirements determined for disclosure of such information.

2010-04-30 VST, AB Annual information 2009

The Annual Information 2009 of VST, AB was announced.

2010-04-30 The decisions adopted in the Ordinary General Meeting of the shareholders of VST AB on April 30, 2010

The Ordinary General shareholders meeting of VST AB, held on April 30, 2010, adopted the following decisions:

1. The item of agenda "The consideration of the 2009 annual report of VST, AB":

1.1. Accept the 2009 annual report of VST, AB.

2. The item of agenda "Approval of the 2009 set of financial statements of VST, AB":

2.1. Approve the 2009 set of financial statements of VST, AB audited by the audit company UAB „PricewaterhouseCoopers“.

3. The item of agenda "Distribution of 2009 profit (loss) of VST, AB":

3.1. Approve the distribution of 2009 profit (loss) of VST, AB:

Retained earnings at the beginning of the financial year 179.923.547 LTL (52.109.461,02 EUR)

Net annual operating result (profit/loss) 4.631.177 LTL (1.341.281,57 EUR)

Profit (loss) of the financial year that is unrecognized in the profit (loss) statement 152.894.189 LT (44.281.217,85 EUR)

Shareholders contributions to cover losses 0 LTL (0 EUR)

Transfers from reserves 0 LTL (0 EUR)

Total distributable profit (loss): 337.448.913 LTL (97.731.960,44 EUR)

Distribution of profit: 7.807.796 LTL (2.261.294,02 EUR)

- profit allocation to the compulsory reserve 0 LTL (0 EUR)

- profit allocation to the reserve to purchase company's own shares 0 LTL (0 EUR)

- profit allocation to other reserves 0 LTL (0 EUR)

- profit allocation to pay out dividends (profit allocation to pay out dividends per share - 2,10 LTL (0,61 EUR) 7.807.796 LTL 2.261.294,02 EUR

- profit allocation to yearly pay outs to board and council members, employee bonuses and other purposes (including relief) 0 LTL 0 EUR

Retained earnings carried forward to next financial year 329.641.117 LTL (95.470.666,42 EUR)

4. The item of agenda "Formation of Audit Committee of VST, AB":

4.1. According to Article 52 of the Law of Audit, to assign for the Board of VST, AB, to frame the proposal to formulate the Audit Committee and to submit it to the Annual General Meeting of Shareholders of VST, AB.

5. The item of agenda "Election of the member of the Board of VST, AB":

5.1. To elect Kęstutis Žilėnas, personal ID <...>, address <...>, to the company's Board until the end of tenure of the current Board.

5.2. To set that the new member of the Board starts their duties from the end from the shareholders meeting that has elected him.

The right to receive dividends shall have those persons, which on the end of the record date, i.e. on the end of May 14, 2010, shall be the shareholders of VST, AB. The dividends to such persons should be paid according to the paragraph 60 part 4 of the Lithuanian Republic Law on Companies, i.e. in one month from the adoption day of the decision to pay dividends, payment being made through the company's shareholders' issuer accountants and the company's (issuer's) issuer accountant - "Swedbank", AB.

2010-04-29 Preliminary unaudited operating results of VST AB for the first quarter of 2010

Preliminary unaudited operating results of VST AB for the first quarter of 2010 is a net loss of LTL 9.7 million (EUR 2.8 million) according to International Financial Reporting Standards.

Over the first quarter of 2010 the operating income of VST AB reached LTL 334 million (EUR 96.7 million). Investments of VST AB made up LTL 8.7 million (EUR 2.5 million) over this period.

2010-04-29 VST, AB approved the prices and tariffs of electricity and the procedure of their application for the second half of the year 2010

On 29th of April, 2010 the Management Board of VST, AB approved the prices and tariffs of electricity and the procedure of their application for the second half of the year 2010 and submits them to the National Control Commission for Prices and Energy (NCCPE).

The Management Board of VST, AB decided not to change tariffs of electricity for the second half of the year 2010. Final electricity prices, tariffs and their application are published by the NCCPE according the procedures laid down in the legal acts.

2010-04-20 The draft resolutions of the Ordinary General Shareholders Meeting of VST, AB

According to the decision of the Board of VST, AB the Ordinary General Shareholders Meeting of VST, AB is called on April 30, 2010 and shall take place at the office of the company J. Jasinskio 16C, Vilnius, 5th floor, at 10.00 AM. The Board of VST, AB on April 19, 2010 adopted the decision to update the agenda of the Ordinary General Shareholders Meeting.

The shareholders will be asked to approve the following items:

1. The item of agenda "Consideration of the 2009 annual report of VST, AB": "Accept the 2009 annual report of VST, AB."

2. The item of agenda "Approval of the 2009 set of financial statements of VST, AB":

"Approve the 2009 set of financial statements of VST, AB audited by the audit company UAB „PricewaterhouseCoopers“".

3. The item of agenda "Distribution of 2009 profit (loss) of VST, AB": "Approve the distribution of 2009 profit (loss) of VST, AB:

Retained earnings at the beginning of the financial year 179.923.547 LTL (52.109.461,02 EUR)

Net annual operating result (profit/loss) 4.631.177 LTL (1.341.281,57 EUR)

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Shareholders contributions to cover losses 0 LTL (0 EUR)

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Total distributable profit (loss): 337.448.913 LTL (97.731.960,44 EUR)

Distribution of profit: 7.807.796 LTL (2.261.294,02 EUR)

- profit allocation to the compulsory reserve 0 LTL (0 EUR)

- profit allocation to the reserve to purchase company's own shares 0 LTL (0 EUR)

- profit allocation to other reserves 0 LTL (0 EUR)

- profit allocation to pay out dividends (profit allocation to pay out dividends per share - 2,10 LTL (0,61 EUR) 7.807.796 LTL (2.261.294,02 EUR)

- profit allocation to yearly pay outs to board and council members, employee bonuses and other purposes (including relief) 0 LTL (0 EUR)

Retained earnings carried forward to next financial year 329.641.117 LTL (95.470.666,42 EUR)

4. The item of agenda "Formation of Audit Committee of VST, AB": "According to Article 52 of the Law of Audit, to assign for the Board of VST,AB, to frame the proposal to formulate the Audit Committee and to submit it to the Annual General Meeting of Shareholders of VST, AB."

5. The item of agenda "Election of the member of the Board of VST, AB":

"1. To elect Kęstutis Žilėnas, personal ID <...>, address <...>, to the company's Board until the end of tenure of the current Board.

2. To set that the new member of the Board starts their duties from the end from the shareholders meeting that has elected him."

Initiator of the shareholders meeting: the Board of VST, AB.

The date and time of the Ordinary General Shareholders Meeting: April 30, 2010, 10.00 AM.

The account date of the Ordinary General Meeting of Shareholders: the April 23, 2010. Shareholders that own VST, AB shares on the end of the working day of April 23, 2010, shall have the right to participate in convened Ordinary General Meeting.

The account date of the rights of Shareholders: 14th of May, 2010. Only the persons, who will be the Shareholders of the Company in the end of the account date (14th of May, 2010) will have the rights of Shareholders, provided in Article 15 paragraph 1 article's 1-4, of the Law of Companies.

The shareholders meeting place: Vilnius, J. Jasinskio str. 16C (5th floor).

Registration starts: April 30, 2010, 9.25 AM.

Registration ends: April 30, 2010, 9.55 AM.

The Board of VST, AB will suggest the Ordinary General Meeting of Shareholders of Company to adopt the decision to pay dividends for the years 2009.

2010-04-19 Updated agenda of the Ordinary General Shareholders Meeting of VST, AB which will be held on April 30, 2010

The Board of VST, AB on April 19, 2010 adopted the decision to update the agenda of the Ordinary General Shareholders Meeting which will be held on April 30, 2010 and approved the following agenda of the meeting:

1. Consideration of the 2009 annual report of VST, AB.
2. Approval of the 2009 set of financial statements of VST, AB.
3. Distribution of 2009 profit (loss) of VST, AB.
4. Formation of Audit Committee of VST, AB.
5. Election of the member of the Board of VST, AB.

Initiator of the shareholders meeting: the Board of VST, AB.

The date and time of the Ordinary General Shareholders Meeting: April 30, 2010, 10.00 AM.

The account date of the Ordinary General Meeting of Shareholders: the April 23, 2010. Shareholders that own VST, AB shares on the end of the working day of April 23, 2010, shall have the right to participate in convened Ordinary General Meeting.

The account date of the rights of Shareholders: 14th of May, 2010. Only the persons, who will be the Shareholders of the Company in the end of the account date (14th of May, 2010) will have the rights of Shareholders, provided in Article 15 paragraph 1 article's 1-4, of the Law of Companies.

The shareholders meeting place: Vilnius, J. Jasinskio str. 16C (5th floor).

Registration starts: April 30, 2010, 9.25 AM.

Registration ends: April 30, 2010, 9.55 AM.

2010-03-31 The draft resolutions of the Ordinary General Meeting of the shareholders of VST, AB

According to the decision of the Board of VST, AB the Ordinary General Meeting of the shareholders of VST, AB is called on April 30, 2010 and shall take place at the office of the company J. Jasinskio 16C, Vilnius, 5th floor, at 10.00 AM.

The shareholders will be asked to approve the following items:

1. The item of agenda "Consideration of the 2009 annual report of VST, AB": "Accept the 2009 annual report of VST, AB (attached)."
2. The item of agenda "Approval of the 2009 set of financial statements of VST, AB": "Approve the 2009 set of financial statements of VST, AB audited by the audit company UAB „PricewaterhouseCoopers" (attached)."
3. The item of agenda "Formation of Audit Committee of VST, AB": "According to Article 52 of the Law of Audit, to assign for the Board of VST,AB, to frame the proposal to formulate the Audit Committee and to submit it to the Annual General Meeting of Shareholders of VST, AB."

Initiator of the shareholders meeting: the Board of VST, AB.

The date and time of the Ordinary General Shareholders Meeting: April 30, 2010, 10.00 AM.

The account date of the Ordinary General Meeting of Shareholders: the April 23, 2010. Shareholders that own VST, AB shares on the end of the working day of April 23, 2010, shall have the right to participate in convened Ordinary General Meeting.

The account date of the rights of Shareholders: 14th of May, 2010. Only the persons, who will be the Shareholders of the company in the end of the account date (14th of May, 2010) will have the rights of Shareholders, provided in Article 15 paragraph 1 article's 1-4, of the Law of Companies.

The shareholders meeting place: Vilnius, J. Jasinskio str. 16C (5th floor).

Registration starts: April 30, 2010, 9.25 AM.

Registration ends: April 30, 2010, 9.55 AM.

2010-03-31 The Ordinary General Meeting of the Shareholders of VST, AB is called on April 30, 2010, at 10.00 AM

The Board of VST, AB on 30 March, 2010 adopted a decision to call the Ordinary General Meeting of Shareholders of VST, AB and approved the following agenda of the meeting:

1. Consideration of the 2009 annual report of VST, AB.
2. Approval of the 2009 set of financial statements of VST, AB.
3. Distribution of 2009 profit (loss) of VST, AB.
4. Formation of Audit Committee of VST, AB.

2010-03-19 Regarding information announced in the mass media

Information on merger of Rytų skirstomieji tinklai, AB and VST, AB has been recently announced in the mass media. VST, AB notifies that the company is not aware and does not possess any official information regarding the abovementioned publicly announced facts.

The company notifies that information on reorganization VST, AB and associated decisions will be announced following the requirements determined for disclosure of such information.

2010-02-26 VST, AB Interim financial statement, Interim report for the twelve months of 2009 and confirmation of responsible persons.

VST, AB published Interim financial statement, Interim report for the twelve months of 2009 and confirmation of responsible persons.

2010-02-26 VST, AB preliminary result for the year 2009

The Company's non-audited net profit for the year 2009 is 4.6 million LTL (1.3 million EUR) according to the International Financial Reporting Standards, in 2008 audited net profit was 11.7 million LTL (3.4 million EUR).

The Company's revenue from sales - 1 129.6 million LTL (327.2 million EUR) in 2009, compared with 1 159.8 million LTL (335.9 million EUR) in 2008.

In 2009 the Company sold 3 757 million kWh of electric power, compared with 4020 million kWh in 2008.

In 2009 the Company invested 116.1 million LTL (33.6 million EUR) into electric power distribution and other property, plant and equipment.

2010-01-27 Regarding information announced in media

The Lithuanian Ministry of Energy on 26th January 2010 publicly announced that national energy company LEO LT, AB, which received a loan in amount of 192 million from its subsidiaries VST, AB, Rytų skirstomieji tinklai, AB (RST) and Lietuvos energija, AB last December, is going to refund the loan by dividends.

The payment scheme and amount of dividends are not announced.

VST, AB notice, that information about annual financial results and associated decisions will be announced following the requirements determined for disclosure of such information.

2010-01-13 Regarding preparation merger strategy and detailed action plan for VST, AB and RST, AB

The Lithuanian Ministry of Energy on 13th January 2010 publicly announced that International audit and consulting company E&Y Baltic subsidiary of E&Y in Lithuania was selected in public tender to prepare merger strategy and detailed action plan for VST, AB and RST, AB.

2010-01-06 Regarding liquidation of LEO LT, AB

LEO LT, AB, which owns 3 651 534 shares of VST, AB, on January 6, 2010 announced that on December 31, 2009 a resolution, taken on December 30, 2009 by the sole shareholder of LEO LT, AB the Lithuanian Government to liquidation LEO LT, AB, took force.

2010-01-04 The decisions adopted in the Extraordinary General Shareholders Meeting of VST, AB on January 4, 2010

The Extraordinary General Shareholders Meeting of VST, AB, held on January 4, 2010, adopted the following decisions:

1. The item of agenda: "Regarding the preparation of reorganization conditions for Rytų skirstomieji tinklai AB and VST, AB by the way of merger":

1.1. To assign the preparation of conditions of reorganization of Rytų skirstomieji tinklai, AB and VST, AB by the way of merger to the Management Boards of Rytų skirstomieji tinklai, AB and VST, AB in collaboration with management board of the parent company or person performing duties of the management board."

2. The item of agenda: "Regarding the amendment of the Bylaws of VST, AB"

2.1. To amend the article 63 of the Bylaws of VST, AB and to word it as follows:

„63. Company's notices that according to the laws, other legal acts and/or these bylaws should be published in press, in news paper "Verslo žinios". If there is no possibility to publish Company's notices in newspaper "Verslo žinios", they, according to the laws, other legal acts and/or these bylaws should be published in other newspaper of Lithuanian Republic. Company may publish notices in other ways as well.“

2.2. According to the decision mentioned in item 2.1 of this protocol, to approve the new wording of the Bylaws of VST, AB.

2.3. To authorize the Chief Executive Officer of Company to sign the new wording of the Bylaws of the Company set forth by the Law and to perform other necessary actions abiding by the procedure to registry thereof in the Register of Legal Entities under the procedure established by legislation.

Chief Executive Officer
27 August 2010

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