

**AVIA SOLUTIONS GROUP AB**  
**CONSOLIDATED INTERIM FINANCIAL INFORMATION**  
**FOR THE TWELVE MONTHS PERIOD ENDED 31 DECEMBER 2010**  
**(UNAUDITED)**

Beginning of the financial year	1 January 2010
End of reporting period	31 December 2010
Name of the company	<b>Avia Solutions Group, AB</b> (hereinafter “the Company”)
Legal form	public company (joint-stock company)
Date of registration	31 August 2010
Code of enterprise	302541648
Name of Register of Legal Entities	State Enterprise Centre of Registers
Registered office	Smolensko Str. 10, LT-03201 Vilnius, Lithuania
Telephone number	+370 5 252 5500
Fax number	+370 5 252 5501
Internet address	<a href="http://www.AviaSG.com">www.AviaSG.com</a>
Main activities	Charter Operations, Aircraft Maintenance, Repair and Overhaul, Aircraft Ground Handling and Fuelling, Pilot and Crew Training

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

## **MANAGEMENT REPORT**

In 2010 Avia Solutions Group AB and its subsidiaries (hereinafter – the Group) achieved a considerably good result in the recovering market that was significantly affected by overall regional downturn. Despite the fact that demand has started recovering only in second half of 2010, revenue of the Group increased by 33% in 2010 as compared to the full year of 2009 up to LTL 311 million and net profit amounted to LTL 18.6 million being 3 times larger than in 2009.

The result was driven by revenue and profitability growth in all sectors with largest revenue growth in aircraft ground handling and fuelling segment that increased by 430% and largest profitability growth in aircraft maintenance, repair and overhaul segment that increased 121%. Results were generated primarily as a result of strategic decisions made, operational plans implemented and cost control measures taken.

The major events to the Group's structure during 2010 were as follows:

<b>Date</b>	<b>Operating Segment</b>	<b>Event</b>
February 2010	Charter Operations	Small Planet Airlines S.r.l. is established in Padova (Italy)
April 2010	Aircraft Ground Handling and Fuelling	Baltic Ground Services PL Sp. z.o.o. is established in Warsaw (Poland)
September 2010	All segments	Pre-IPO Reorganisation takes place
November 2010	Aircraft Maintenance, Repair and Overhaul (MRO)	FLT Trading House UAB is acquired
December 2010	Aircraft Maintenance, Repair and Overhaul (MRO)	FL Technics Jets UAB is acquired
December 2010	Aircraft Maintenance, Repair and Overhaul (MRO)	Locatory.com UAB is established in Vilnius, Lithuania
December 2010	Aircraft Ground Handling and Fuelling	Baltic Ground Services IT S.r.l. is established in Rome, Italy

In 2010 new businesses were going through development process that did not yet contribute to revenues:

Maintenance of business jets. The Group intends to enter the business jets' maintenance business through the recently acquired subsidiary – FL Technics Jets UAB. The company is currently under certification process with Lithuanian CAA for line and base maintenance of Hawker – 700 / 750 / 800 / 800XP / 850XP / 900XP aircraft types. The certification is expected to be completed and PART-145 certificate received in March 2011. Further at the next stage of development the company is expected to receive PART-147 maintenance training certificate for above mentioned types of aircraft for training of technical personnel.

Online aircraft spare parts platform. Locatory.com UAB was established in December 2010 to develop worldwide aviation spare parts trade online platform designed for search, sales and acquisition of aircraft parts. The platform will target maintenance and repair organizations, airlines, distributors, repair shops, leasing companies and other market participants. Increased functionality and multilanguage interface shall be key advantages against incumbent competitors such as ILSMart.com, PartsBase.com, PartsLogistics.com and Fipart.com. Locatory.com is expected to complement existing spare part trade business conducted by FL Technics AB. Estimated start of the business – by the end of the second quarter of 2011.

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The Group also focused on obtaining additional licenses and further business development. Key events during 2010 are summarized below:

Date	Operating Segment	Event
May 2010	Charter Operations	Small Planet Airlines Sp. z.o.o. obtains the Air Operator Certificate (AOC)
May 2010	Charter Operations	Small Planet Airlines Sp. z.o.o. obtains the Operating Licence and starts its operation as a certified air carrier in the Republic of Poland
May 2010	Training	Baltic Aviation Academy UAB is granted the authorisation by Lithuanian CAA to use ERJ 145 and CRJ 600 Full Flight Simulators (FFSs) located in France and Germany respectively for its training services
May 2010	Training	Baltic Aviation Academy UAB further expands its TRTO capability list: Embraer 135 & 145 Type Rating Training is added to Type Rating Training capability list
June 2010	Aircraft Ground Handling and Fuelling	Baltic Ground Services UAB obtains the Licence to Engage in Wholesale of Bulk Petroleum Products
June 2010	Aircraft Maintenance, Repair and Overhaul (MRO)	FL Technics AB expands its PART-145 maintenance capabilities with Boeing 737 -600/700/800/900 base maintenance services
July 2010	Training	Baltic Aviation Academy UAB further expands its TRTO capability list: Airbus A320 and Bombardier CRJ 100 are added to Type Rating Training capability list
August 2010	Aircraft Maintenance, Repair and Overhaul (MRO)	FL Technics AB expands its maintenance training capabilities with ATR 42 -200/300 and ATR 72 -100/200 theoretical training services
August 2010	Training	Baltic Aviation Academy UAB obtains the approval of Kyrgyz Civil Aviation Authorities for its TRTO services
August 2010	Aircraft Maintenance, Repair and Overhaul (MRO)	FL Technics AB purchases second Boeing 737-300 fuselage for part-out
August 2010	Aircraft Ground Handling and Fuelling	Baltic Ground Services PL Sp. z.o.o. obtains Airport Handling Agent Certificate in the Republic of Poland
December 2010	Aircraft Maintenance, Repair and Overhaul (MRO)	Airbus A318/A319/A320/A321 are added to PART M capability list

**Members of the managing bodies**

According to the By-laws of Avia Solutions Group AB (hereinafter – the Company) managing bodies are General Meeting, Supervisory Council, Management Board and General Manager. The Management Board, the Supervisory Council and the Key Executives of the Company as at 31 December 2010 were as follows:

Name	Position within the Company	In the position	
		Since	Until
<b>Supervisory Council</b>			
Vladas Bagavičius	Chairman of the Supervisory Council	23 August 2010	23 August 2014
Michal Ireneusz Bobrowski	Member of the Supervisory Council	23 August 2010	23 August 2014
Džiuginta Balčiūnė	Member of the Supervisory Council	23 August 2010	23 August 2014
Hubert Bojdo	Member of the Supervisory Council	23 August 2010	23 August 2014
<b>Management Board</b>			
Gediminas Žimelis	Chairman of the Management Board	25 August 2010	25 August 2014
Saulius Batavičius	Member of the Management Board	25 August 2010	25 August 2014
Aurimas Sanikovas	Member of the Management Board	25 August 2010	25 August 2014
Jonas Butautis	Member of the Management Board	25 August 2010	25 August 2014
Vytautas Kaikaris	Member of the Management Board	25 August 2010	25 August 2014
<b>Key Executives</b>			
Linas Dovydenas	General Manager	25 August 2010	Indefinite
Aurimas Sanikovas	Chief Financial Officer	30 September 2010	Indefinite
Gediminas Žimelis	Director of Development	30 September 2010	Indefinite

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Mr Gediminas Žiemelis is an indirect shareholder of the Company and has an indirect control through ZIA Valda Cyprus Ltd. ZIA Valda Cyprus Ltd., as indicated below, has 43.88% shareholding or 1 939 275 shares in the Company and the sole shareholder of ZIA Valda Cyprus Ltd is ŽIA Valda AB, 84.42% shareholding in which is owned by Mr Gediminas Žiemelis.

#### **Share capital and shareholders**

The authorised capital of the Company as at 31 December 2010 was LTL 4,420,000 and is divided into 4,420,000 ordinary shares with a par value of LTL 1 each. All shares carry equal voting rights.

As at 31 December 2010 there were 6 shareholders in the Company. Shareholders and share capital of the Company as at 31 December 2010 were as follows:

<b>No.</b>	<b>Shareholder</b>	<b>Role in the Company's Management</b>	<b>Number of shares</b>	<b>Percentage owned</b>
1.	ZIA Valda Cyprus Ltd.		1,939,275	43.875%
2.	Harberin Enterprises Limited		1,077,375	24.375%
3.	Indeco: Investment and Development UAB		1,292,850	29.250%
4.	Vytautas Kaikaris	Member of the Management Board	55,250	1.250%
5.	Jonas Butautis	Member of the Management Board	44,200	1.000%
6.	Aurimas Sanikovas	Member of the Management Board	11,050	0.250%
	<b>Total</b>		<b>4,420,000</b>	<b>100.00%</b>

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**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Note	October-December		January-December	
		2010	2009	2010	2009
<b>Revenue</b>		<b>81 904</b>	<b>53 151</b>	<b>311 159</b>	<b>233 358</b>
Other income		3	140	95	217
Aircraft fuel		( 17 945)	( 12 209)	( 87 726)	( 47 048)
Rent of aircrafts and equipment		( 13 047)	( 6 966)	( 52 436)	( 43 479)
Employee related expenses		( 11 147)	( 8 825)	( 39 550)	( 40 528)
Aircraft servicing and handling expenses		( 8 387)	( 5 676)	( 29 063)	( 33 138)
Spare parts and consumables expenses		( 7 775)	( 4 991)	( 19 168)	( 15 346)
Aircraft maintenance expenses		( 2 726)	( 2 127)	( 7 914)	( 4 879)
Rent and maintenance of premises		( 1 834)	( 7 010)	( 2 807)	( 9 414)
Cost of services resold		( 1 597)	2 782	( 9 632)	( 3 557)
Impairment of receivables		( 1 208)	( 1 674)	( 1 311)	( 2 769)
Depreciation and amortization		( 1 060)	( 1 270)	( 5 131)	( 4 700)
Other operating expenses		( 10 859)	( 5 026)	( 31 692)	( 21 004)
Other gain/(loss) - net		( 21)	160	( 13)	296
<b>Operating profit (loss)</b>		<b>4 301</b>	<b>459</b>	<b>24 811</b>	<b>8 009</b>
Finance income		44	( 310)	1 437	375
Finance cost		( 236)	( 620)	( 4 216)	( 2 049)
<b>Finance costs – net</b>		<b>( 192)</b>	<b>( 930)</b>	<b>( 2 779)</b>	<b>( 1 674)</b>
<b>Profit (loss) before income tax</b>		<b>4 109</b>	<b>( 471)</b>	<b>22 032</b>	<b>6 335</b>
Income tax	4	( 397)	( 120)	( 3 432)	( 1 685)
<b>Profit (loss) for the year</b>		<b>3 712</b>	<b>( 591)</b>	<b>18 600</b>	<b>4 650</b>
<b>Other comprehensive income:</b>					
Other comprehensive income for the period		( 13)	-	( 17)	-
<b>Total comprehensive income for the year</b>		<b>3 699</b>	<b>( 591)</b>	<b>18 583</b>	<b>4 650</b>
Total comprehensive income attributable to:					
Equity holders		3 814	( 589)	18 698	4 619
Non-controlling interests		( 115)	( 2)	( 115)	31
		<b>3 699</b>	<b>( 591)</b>	<b>18 583</b>	<b>4 650</b>
Basic and diluted earnings (loss) per share (in LTL)	5	0.87	(0.13)	4.20	1.01

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**CONSOLIDATED BALANCE SHEETS**

	Note	As at 31 December	
		2010	2009
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	29 055	25 340
Intangible assets	6	1 712	2 235
Trade and other receivables	7	4 791	4 200
Deferred income tax assets		1 045	1 040
		<b>36 603</b>	<b>32 518</b>
<b>Current assets</b>			
Inventories		12 295	9 102
Trade and other receivables	7	51 474	21 634
Short-term bank deposit		1 925	1 468
Prepaid income tax		240	165
Cash and cash equivalents		10 714	5 909
		<b>76 648</b>	<b>38 278</b>
<b>Total assets</b>		<b>113 251</b>	<b>71 093</b>
<b>EQUITY</b>			
<b>Equity attributable to the Group's equity shareholders</b>			
Share capital	1	4 420	-
Merger reserve		(3 471)	-
Cumulative translations differences		(17)	-
Retained earnings		24 777	-
Invested capital	1	-	7 015
		<b>25 709</b>	<b>7 015</b>
Non-controlling interests		182	-
<b>Total equity</b>		<b>25 891</b>	<b>7 015</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings		10 318	15 344
Security deposits received		9 380	-
Trade and other payables		1 746	-
Deferred income tax liabilities		56	3 963
		<b>21 500</b>	<b>19 307</b>
<b>Current liabilities</b>			
Borrowings		24 580	8 560
Trade and other payables		34 534	30 457
Advances received		3 381	1 013
Current income tax liabilities		2 430	2 630
Security deposits received		935	2 111
		<b>65 860</b>	<b>44 771</b>
<b>Total liabilities</b>		<b>87 360</b>	<b>64 078</b>
<b>Total equity and liabilities</b>		<b>113 251</b>	<b>71 093</b>



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**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

	Equity attributable to equity holders of the Group					Total	Non- control- ling interests	Total equity
	Share capital	Merger reserve	Currency translation differences	Retained earnings	Invested capital			
<b>Balance at 1 January 2009</b>	-	-	-	-	811	<b>811</b>	261	<b>1 072</b>
Profit for the period – <b>total comprehensive income</b>	-	-	-	-	4 619	<b>4 619</b>	31	<b>4 650</b>
<b>Transactions with owners</b>								
Acquisition of minority interest	-	-	-	-	292	<b>292</b>	( 292)	-
Movements in invested capital	-	-	-	-	1 293	<b>1 293</b>	-	<b>1 293</b>
<b>Total transactions with owners</b>	-	-	-	-	<b>1 585</b>	<b>1 585</b>	( 292)	<b>1 293</b>
<b>Balance at 31 December 2009</b>	-	-	-	-	<b>7 015</b>	<b>7 015</b>	-	<b>7 015</b>
<b>Balance at 1 January 2010</b>	-	-	-	-	<b>7 015</b>	<b>7 015</b>	-	<b>7 015</b>
Currency translation differences	-	-	( 17)	-	-	( 17)	-	( 17)
Net excess recognised directly in equity	-	-	-	( 290)	-	( 290)	-	( 290)
Profit (loss) for the year	-	-	-	18 715	-	<b>18 715</b>	( 115)	<b>18 600</b>
<b>Total comprehensive income</b>	-	-	( 17)	<b>18 425</b>	-	<b>18 408</b>	( 115)	<b>18 293</b>
<b>Transactions with owners</b>								
Share issue pursuant to share acquisition agreements	150	-	-	-	-	<b>150</b>	-	<b>150</b>
Issue of share capital	4 270	-	-	-	-	<b>4 270</b>	-	<b>4 270</b>
Reallocation of accumulated invested capital pursuant to the Pre-IPO Reorganisation	-	46	-	6 352	( 7 015)	( 617)	297	( 320)
Effect of transactions with non-controlling interest pursuant to the Pre-IPO Reorganisation	-	( 3 517)	-	-	-	( 3 517)	-	( 3 517)
<b>Total transactions with owners</b>	<b>4 420</b>	<b>( 3 471)</b>	-	<b>6 352</b>	<b>( 7 015)</b>	<b>286</b>	<b>297</b>	<b>583</b>
<b>Balance at 31 December 2010</b>	<b>4 420</b>	<b>( 3 471)</b>	<b>( 17)</b>	<b>24 777</b>	-	<b>25 709</b>	<b>182</b>	<b>25 891</b>

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**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	<b>12 months ended 31 December</b>	
	<b>2010</b>	<b>2009</b>
<b>Operating activities</b>		
Profit (loss) for the year	18 600	4 650
Income tax	3 432	1 685
<i>Adjustments for:</i>		-
Depreciation and amortisation	5 131	4 700
Impairment of accounts receivable, inventories	1 311	2 769
Accruals of c-check costs, hangar lease payments	2 859	2 615
Finance costs - net	468	693
Discounting effect on deposits placed	( 406)	437
<i>Changes in working capital:</i>		-
- Inventories	( 3 194)	(1 085)
- Trade and other receivables	( 30 711)	(12 921)
- Trade and other payables, advances received	( 3 726)	4 246
- Security deposits received	8 720	2 111
<b>Cash generated from (used in) operations</b>	<b>2 484</b>	<b>9 900</b>
Income tax paid	( 1 424)	( 1 948)
Interest paid	( 483)	( 606)
Interest received	14	-
<b>Net cash generated from (used in) operating activities</b>	<b>591</b>	<b>7 346</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment and intangible assets	( 8 389)	( 1 904)
Proceeds from property, plant and equipment and intangible assets	82	346
Loans granted	( 5 331)	( 2 986)
Repayments of loans granted	6 395	2 720
Deposits placed	( 2 676)	( 974)
<b>Net cash used in investing activities</b>	<b>( 9 919)</b>	<b>( 2 798)</b>
<b>Financing activities</b>		
Capital contribution towards share capital of combining entities	-	4
Proceeds from issue of ordinary shares	4 420	-
Increase of minority interests	101	-
Bank borrowings received	16 105	1 622
Repayments of bank borrowings	( 11 441)	( 2 933)
Borrowings from related parties received	7 687	3 115
Repayments of borrowings from related parties	( 3 113)	-
Repayments of lease liabilities	( 539)	( 541)
<b>Net cash generated from financing activities</b>	<b>13 220</b>	<b>1 267</b>
<b>Increase in cash and cash equivalents</b>	<b>3 892</b>	<b>5 815</b>
At beginning of year	4 416	( 1 399)
Increase (decrease) in cash and cash equivalents	3 892	5 815
<b>At end of year</b>	<b>8 308</b>	<b>4 416</b>

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**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL INFORMATION**

**1 Accounting policies**

The consolidated interim financial information for the 12 months period ended 31 December 2010 (hereinafter *The Consolidated Financial Information*) is prepared in accordance with the International Financial Accounting Standards, as adopted by the European Union, includes IAS 34 „Interim financial reporting“.

The consolidated interim financial information for the 12 months period ended 31 December 2010 is the continuance of combined financial statements presented elsewhere in the Prospectus. The consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual Combined Financial Statements for the three years ended 31 December 2009, 2008 and 2007 and with the consolidated condensed interim financial information for the 9 months period ended 30 September 2010.

The presentation currency is litas. The consolidated financial information is presented in thousands of litas, unless indicated otherwise. The consolidated financial information is prepared under the historical cost convention.

The consolidated interim financial information for the period ended 31 December 2010 is not audited. The Group's annual Combined Financial Statements for the three years ended 31 December 2009, 2008 and 2007 are audited by the external auditor UAB PricewaterhouseCoopers. The consolidated condensed interim financial information for the 9 months period ended 30 September 2010 has been reviewed by the external auditor UAB PricewaterhouseCoopers but not audited.

**Invested capital**

The Company did not exist until 23 August 2010, and did not become the parent company of the Group until 30 September 2010. Therefore it is not meaningful to show share capital or an analysis of reserves for the Group before 30 September 2010. Invested capital represents the difference between the cumulative investment in the entities which form the combined Group and any non-controlling interest (being interest not controlled by the holding company of the Initial Group) which is disclosed as a separate element of equity.

Details of invested capital's structure and movements were included in the Group's annual Combined Financial Statements for the three years ended 31 December 2009, 2008 and 2007 and in the Group's consolidated condensed interim financial information for the 9 months period ended 30 September 2010.

**Share capital**

Ordinary shares are stated at their par value and classified as equity.

Where the Company or its subsidiaries purchase the Company's equity share capital (treasury shares), in the Company's and the Group's financial statements the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction cost and the related income tax effects, is included in equity attributable to the Company's equity holders.

**Earnings per share**

Basic EPS is calculated by dividing net profit for the year attributable to controlling equity shareholders of the Group by the number of ordinary shares of the Company outstanding after the Pre-IPO Reorganisation (see Note 1). The net profit for the year attributable to controlling equity shareholders of the Group has been calculated assuming that the equity ownership structure which was established after the Pre-IPO Reorganisation as at 30 September 2010 has been in place during the whole period presented in this consolidated condensed interim financial information.

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**2 Investments in subsidiaries**

The subsidiaries included in the Group's consolidated financial information are indicated below:

Subsidiary	Country of establishment	Operating segment	Share of equity, %			Date of acquiring/establishment and activity
			31-12-2010	30-09-2010	31-12-2009 <sup>1</sup>	
Baltic Aviation Academy UAB	Lithuania	Pilot and Crew Training	100	100	100	The subsidiary was established on 22 November 2006. The company provides aircraft crew training services.
Baltic Ground Services UAB	Lithuania	Aircraft ground handling and fuelling	100	100	100	The subsidiary was acquired on 31 October 2008. The company provides aircraft ground handling and fuelling services.
Baltic Ground Services Sp.z.o.o.	Poland	Aircraft ground handling and fuelling	100	100	-	The subsidiary was established in spring of 2010. It is a direct subsidiary of Baltic Ground Services UAB. Currently it has started aircraft ground handling and fuelling activities in Poland.
Baltic Ground Services s.r.l.	Italy	Aircraft ground handling and fuelling	100	-	-	The subsidiary was established in winter of 2010. It is a direct subsidiary of Baltic Ground Services UAB. Currently it has started preparations for aircraft ground handling and fuelling activity in Italy.
Locatory.com UAB	Lithuania	Aircraft maintenance, repair and overhaul (MRO)	100	-	-	The subsidiary was established on 7 December 2010. Currently the Company has started preparations for active sales.
Small Planet Airlines UAB	Lithuania	Charter operations	95.5	95.5	100	The subsidiary was established on 14 March 2007. In autumn of 2008 the Company started active sales of charter flights.
Small Planet Airlines AS	Estonia	Charter operations	95.5	95.5	100	The subsidiary was established on 5 December 2008. In spring of 2009 the Company started active sales of charter flights.
Small Planet Airlines Sp.z.o.o.	Poland	Charter operations	95.5	95.5	100	The subsidiary was established on 25 November 2009. In spring of 2010 the Company started active sales of charter flights.
Small Planet Airlines s.r.l.	Italy	Charter operations	95.5	95.5	-	The subsidiary was established on 17 February 2010. Currently the Company has started preparations for charter flights.
FL Technics AB	Lithuania	Aircraft maintenance, repair and overhaul (MRO)	100	100	100	The subsidiary was established on 22 December 2005. In summer of 2007 the Company started active sales of aircraft maintenance, repair and overhaul (MRO) services.
FL Technics Jets UAB	Lithuania	Aircraft maintenance, repair and overhaul (MRO)	100	-	-	The subsidiary was acquired on 1 December 2010. Currently the Company has started preparations for active sales of aircraft maintenance, repair and overhaul (MRO) services.
FLT Traiding House UAB	Lithuania	Aircraft maintenance, repair and overhaul (MRO)	100	-	-	The subsidiary was acquired on 19 November 2010. Currently the Company has started preparations for active sales of aircraft maintenance, repair and overhaul (MRO) services.

<sup>1</sup> – As at 31 December 2009 the Companies were controlled by Avia Solutions Group Holdings AB.

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**FOR THE TWELVE MONTHS PERIOD ENDED 31 DECEMBER 2010**

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

**3 Segment information**

For management purposes, the Group is organised into business units based on the services provided, and has four reportable operating segments: charter operations; aircraft maintenance, repair and overhaul (MRO); aircraft ground handling and fuelling; pilot and crew training. Unallocated sales mainly include sales of management services, which can not be attributed to the other segments. The management assesses the performance of the Group's companies based on measure of gross profit.

Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties. Segment revenue, segment cost of sales and segment gross profit include transfers between business segments. Those transfers are eliminated in consolidation.

The following table present sales to external customers, costs of sales and gross profit information according to the Group's business segments for the twelve-month period ended 31 December 2010:

	Charter operations	Aircraft maintenance, repair and overhaul (MRO)	Aircraft ground handling and fuelling	Pilot and crew training	Unallocated	Inter-segment eliminations	Total continuing operations
<b>Twelve-month period ended 31 December 2010</b>							
<b>Revenue</b>							
Sales to external customers	165 240	76 109	57 316	12 494	-	-	311 159
Other income	93	2	-	-	-	-	95
Inter-segment sales	4 566	9 079	18 149	406	289	(32 489)	-
<b>Total revenue</b>	<b>169 899</b>	<b>85 190</b>	<b>75 465</b>	<b>12 900</b>	<b>289</b>	<b>(32 489)</b>	<b>311 254</b>
Cost of sales	(157 322)	(50 636)	(66 781)	(8 540)	(237)	30 422	(253 094)
<b>Segment gross profit</b>	<b>12 577</b>	<b>34 554</b>	<b>8 684</b>	<b>4 360</b>	<b>52</b>	<b>(2 067)</b>	<b>58 160</b>

The following table present sales to external customers, costs of sales and gross profit information according to the Group's business segments for the twelve-month period ended 31 December 2009:

	Charter operations	Aircraft maintenance, repair and overhaul	Aircraft ground handling and fuelling	Pilot and crew training	Inter-segment eliminations	Total continuing operations
<b>Twelve-month period ended 31 December 2010</b>						
<b>Revenue</b>						
Sales to external customers	155 905	62 459	10 822	4 172	-	233 358
Other income	196	-	21	-	-	217
Inter-segment sales	3 350	7 288	15 509	323	(26 470)	-
<b>Total revenue</b>	<b>159 451</b>	<b>69 747</b>	<b>26 352</b>	<b>4 495</b>	<b>(26 470)</b>	<b>233 575</b>
Cost of sales	(146 933)	(54 112)	(23 255)	(2 577)	25 695	(201 182)
<b>Segment gross profit</b>	<b>12 518</b>	<b>15 635</b>	<b>3 097</b>	<b>1 918</b>	<b>(775)</b>	<b>32 393</b>

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**4 Income tax**

The tax expenses for the period comprise current and deferred tax.

Profit for 2010 is taxable at a rate of 15% in accordance with Lithuanian regulatory legislation on taxation (2009: 20%). A new profit tax rate at 15% was adopted by the Lithuanian Parliament on 28 December of 2009.

**5 Earnings per share**

The following reflects the income and adjusted share data used in EPS computations. The assumptions used in calculation of weighted average number of ordinary shares and profit (loss) attributable to equity holders were explained in Notes 1.

	<b>12 months ended 31 December</b>	
	<b>2010</b>	<b>2009</b>
<b>Profit for the period</b>	<b>18 599</b>	<b>4 650</b>
Less: profit (loss) attributable to minority interests calculated in accordance with the structure as at 31 December 2010	( 49)	( 172)
<b>Profit attributable to equity ownership holders of the Company calculated in accordance with shareholders structure as at 31 December 2010</b>	<b>18 550</b>	<b>4 478</b>
Weighted average number of ordinary shares (thousand)	4 420	4 420
<b>EPS – basic and diluted (in LTL)</b>	<b>4.20</b>	<b>1.01</b>

**6 Property, plant and equipment and intangible assets**

	<b>Property, plant and equipment</b>	<b>Intangible assets</b>
<b>Year ended 31 December 2009</b>		
<b>Opening net book amount as at 1 January 2009</b>	<b>29 156</b>	<b>1 319</b>
Additions	823	1 183
Disposals	( 206)	-
Depreciation charge	( 4 433)	( 267)
<b>Closing net book amount as at 31 December 2009</b>	<b>25 340</b>	<b>2 235</b>
<b>Year ended 31 December 2010</b>		
<b>Opening net book amount as at 1 January 2010</b>	<b>25 340</b>	<b>2 235</b>
Additions	7 943	318
Acquisition of subsidiaries	2	-
Disposals	67	-
Depreciation charge	( 4 297)	( 841)
<b>Closing net book amount as at 31 December 2010</b>	<b>29 055</b>	<b>1 712</b>

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7 **Trade and other receivables**

	<b>2010</b>	<b>2009</b>
Trade receivables	31 040	13 059
Less: provision for impairment of trade receivables	( 1 272)	( 1 670)
<b>Trade receivables – net</b>	<b>29 768</b>	<b>11 389</b>
Receivables from related parties	106	1 215
Less: provision for impairment of trade receivables from related parties	( 39)	( 1 185)
<b>Receivables from related parties - net</b>	<b>67</b>	<b>30</b>
Security deposit with lessor	5 422	2 935
Discounting of security deposit	( 110)	( 189)
<b>Security deposit – net</b>	<b>5 312</b>	<b>2 746</b>
Prepayments	8 377	3 912
Prepayments from related parties	14	-
Deferred charges	6 519	2 409
Deferred charges to related parties	24	67
Loans to related parties	710	1 774
VAT receivables	1 498	1 591
Amount due from customers for contract work	2 710	1 486
Other receivables	1 266	430
	<b>56 265</b>	<b>25 834</b>
Less non-current portion :	( 4 791)	( 4 200)
<b>Current portion :</b>	<b>51 474</b>	<b>21 634</b>

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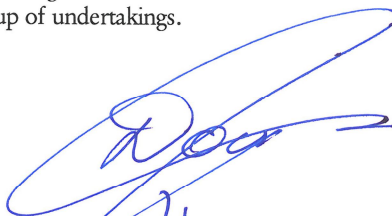
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**MANAGEMENT CONFIRMATION OF THE CONSOLIDATED INTERIM FINANCIAL INFORMATION**

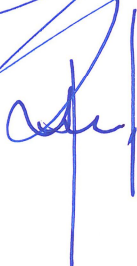
Following Article 22 of the Law on Securities of the Republic of Lithuania and Rules on Preparation and Submission of Periodic and Additional Information of the Lithuanian Securities Commission, we, Linas Dovydenas, General Manager of Avia Solutions Group AB, and Aurimas Sanikovas, Chief Financial Officer of Avia Solutions Group AB, hereby confirm that, to the best of our knowledge, the not audited Avia Solutions Group AB Consolidated Interim Financial Information for the twelve-month period ended 31 December 2010, prepared in accordance with International Financial Reporting Standards as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit of Avia Solutions Group AB and the Group of undertakings.

General Manager



Linas Dovydenas

Chief Financial Officer



Aurimas Sanikovas

Vilnius, 28 February 2011