

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("**MiFID II**") or (ii) a customer within the meaning of Directive 2002/92/EC, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

MiFID II product governance / Professional investors and eligible counterparties only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

Final Terms dated 9 July 2018

„Lietuvos energija”, UAB
(incorporated with limited liability in the Republic of Lithuania)

Issue of
EUR 300,000,000 1.875 per cent. Notes due 10 July 2028

under the EUR 1,500,000,000
Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Base Prospectus dated 21 June 2018 and the supplement dated 2 July 2018 which together constitute a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Directive. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus.

Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing at <https://www.le.lt/> and copies may be obtained from the registered office of the Issuer at Žvejų g. 14, LT-09310, Vilnius, The Republic of Lithuania.

The expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU **provided, however, that** all references in this document to the "Prospectus Directive" in relation to any Member State of the European

Economic Area refer to Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive)), and includes any relevant implementing measure in the relevant Member State.

1. (i) Series Number: 2
- (ii) Tranche Number: 1
- (iii) Date on which the Notes become fungible: Not Applicable
2. Specified Currency: Euro ("EUR")
3. Aggregate Nominal Amount:
 - (i) Series: EUR 300,000,000
 - (ii) Tranche: EUR 300,000,000
4. Issue Price: 98.290 per cent. of the Aggregate Nominal Amount
5. (i) Specified Denominations: EUR 100,000 and integral multiples of EUR 1,000 in excess thereof up to and including EUR 199,000. No Notes in definitive form will be issued with a denomination in excess of EUR 199,000
- (ii) Calculation Amount: EUR 1,000
6. (i) Issue Date: 10 July 2018
- (ii) Interest Commencement Date: Issue Date
7. Maturity Date: 10 July 2028
8. Interest Basis: 1.875 per cent. Fixed Rate (further particulars specified below in paragraph 13)
9. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount.
10. Change of Interest or Redemption/Payment Basis: Not Applicable
11. Put/Call Options: Change of Control Put
Issuer Call
(See paragraphs 16 and 18 below)

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|-----|------|-----------------------------------------------------|-----------------------------|
| 12. | (i) | Status of the Notes: | Senior |
| | (ii) | Date Board approval for issuance of Notes obtained: | 31 May 2018 and 3 July 2018 |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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|-----|--------------------------------------|---------------------------|--------------------------------------------------------------------------------------|
| 13. | Fixed Rate Note Provisions | | Applicable |
| | (i) | Rate of Interest: | 1.875 per cent. per annum payable in arrear on each Interest Payment Date |
| | (ii) | Interest Payment Date(s): | 10 July in each year, commencing 10 July 2019, up to and including the Maturity Date |
| | (iii) | Fixed Coupon Amount(s): | EUR 18.75 per Calculation Amount |
| | (iv) | Broken Amount(s): | Not Applicable |
| | (v) | Day Count Fraction: | Actual/Actual (ICMA) |
| | (vi) | Determination Dates: | 10 July in each year |
| 14. | Floating Rate Note Provisions | | Not Applicable |
| 15. | Zero Coupon Note Provisions | | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

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|-----|--------------------|---------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 16. | Call Option | | Applicable |
| | (i) | Optional Redemption Date(s): | <p>(1) <i>Make Whole</i>: Any date from, and including, the Issue Date to, but excluding, the Par Redemption Date</p> <p>(2) <i>Issuer Call</i>: Any date from, and including, the Par Redemption Date to, but excluding, the Maturity Date</p> |
| | (ii) | Optional Redemption Amount(s) of each Note: | <p>(1) <i>Make Whole</i>: Make Whole Redemption Amount:</p> <ul style="list-style-type: none"> • Benchmark Security: DBR 0.500% due 15 February 2028 • Reference Time: 11:00 a.m. London time |

	• Make-Whole Margin:	+ 0.30 per cent.
	(2) <i>Issuer Call</i> :	EUR 1,000 per Calculation Amount
(a) Par Redemption Date:		10 April 2028
(b) Linear Interpolation:		Not Applicable
(c) If redeemable in part:		Not Applicable
(d) Notice period:		As set out in Condition 9(c) (<i>Redemption and Purchase – Redemption at the option of the Issuer</i>)
17. Put Option		Not Applicable
18. Change of Control Put Option		Applicable
19. Final Redemption Amount of each Note		EUR 1,000 per Calculation Amount
20. Early Redemption Amount		
Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption:		EUR 1,000 per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

21. Form of Notes:	Registered Notes:	
		Global Registered Note registered in the name of a nominee for a common safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the New Safekeeping Structure (NSS))
22. New Global Note:		No
23. Additional Financial Centre(s):		Not Applicable
24. Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):		No

Signed on behalf of „LIETUVOS ENERGIJA”, UAB:

Darius Maikštėnas
Generalinis direktorius



By:

Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing: Official List of the Luxembourg Stock Exchange
- (ii) Admission to Trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange Green Exchange segment with effect from the Issue Date
- Application has also been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Nasdaq Vilnius Stock Exchange which (if granted) is expected to take effect on or before 11 July 2018
- (iii) Estimate of total expenses related to admission to trading: EUR 600 (listing fee)

2. RATINGS

The Notes to be issued have been rated BBB+ by Standard & Poor's Credit Market Services Europe Limited

As of the date of these Final Terms, Standard & Poor's Credit Market Services Europe Limited has been merged into S&P Global Ratings Europe Limited. S&P Global Ratings Europe Limited is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

Save for any fees payable to the Joint Lead Managers, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The Joint Lead Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business

4. REASONS FOR THE OFFER

The Notes are intended to be issued as Green Bonds.

Use of Proceeds

The proceeds of each Green Bond will be used exclusively for the financing or the re-financing of existing Eligible Projects. "**Eligible Projects**" means a selected pool of projects funded, in whole or in part, by the Issuer that promote the transition to a low-carbon and climate resilient growth and a sustainable economy as

determined by the Issuer.

Eligible Projects:

- Renewable energy including wind, hydro¹, biogas, solar and geothermal power and related infrastructure.
- Pollution prevention and control, including waste-to-energy².
- Energy efficiency including construction and reconstruction of electricity distribution networks to decrease network losses and/or provide possibilities to connect renewable energy, smart grid projects and ESCO projects.
- Clean transportation solutions for maintenance vehicles based on non-fossil fuel and supporting infrastructure.

The proceeds of each Green Bonds will not be used to finance nuclear or fossil energy generation projects. Green Bonds can be used to finance the acquisition and development of new projects and to refinance existing Eligible Projects. The division of the allocation of Green Bond proceeds between new projects and refinancing will be included in the annual Green Bond Investor Letter.

Project Evaluation and Selection

All investment projects are approved by the Board of Directors of the Issuer. Approved projects will be evaluated by the Issuer's Green Bond Committee and selected for financing from the Green Bond proceeds if they meet the criteria for Eligible Projects as specified under "*Use of Proceeds*" above and there is a high likelihood that the net, long-term environmental effects are positive. The Green Bond Committee consists of representatives from the following functions: environmental, energy efficiency (technology), energy distribution, corporate social responsibility and finance. The members of the Green Bond Committee will be approved by the Board of Directors. The Green Bond Committee will select Eligible Projects in consensus, i.e. all participating departments have a veto.

Management of Proceeds

An amount equal to the net proceeds of the issue of the Green Bonds will be credited to a special account that will support the Issuer's funding of Eligible Projects. As long as the Green Bonds are outstanding and the special account has a positive balance, at the end of every fiscal quarter, funds will be deducted from the special account and added to the Issuer's Green Project Portfolio in an amount equal to all disbursements made during such quarter in respect of financing and/or

¹ Hydro power is defined as a) new investments, refurbishment and maintenance of small scale hydro power plants (up to 10 megawatts (MW) of generating capacity) and b) refurbishment and maintenance of large scale hydro without any increase in the size of its impoundment.

² Waste-to-energy is defined as local municipal waste (which cannot be recycled or reused, harmless industrial waste and sludge accumulating in the water treatment plant (which cannot be used as fertilizer) and/or forest biomass from areas that have, or meet the requirements for, FSC or PEFC certification and that comply with the EU FLEGT Regulation, if applicable.

refinancing of Eligible Projects. Until disbursement to Eligible Projects, the special account balance will be placed in liquidity reserves and managed accordingly. If, for any reason, a financed Eligible Project no longer meets the eligibility criteria, it will be removed from the Green Project Portfolio.

Reporting

To enable investors to follow the development and provide insight to prioritized areas, the Issuer will provide an annual Green Bond Investor Letter to investors including:

- (a) a list of the projects financed, including a brief description and expected impact;
- (b) information about the division of the allocation of Green Bond proceeds between new projects and refinancing;
- (c) a summary of the Issuer's Green Bond development.

The Issuer recognises the importance of transparency and will include expected and actual impact reporting on financed projects in the Green Bond Investor Letter when feasible. The internal tracking method, the allocation of funds from the Green Bond proceeds and the annual Green Bond Investor Letter will be verified by the Issuer's external auditor. The Green Bond Investor Letter and the opinion of the external auditor will be made publicly available on the Issuer's website.

Considerations for investors seeking exposure to green assets

Neither the Issuer nor the Dealers make any representation as to the suitability of the Green Bonds to fulfil environmental and sustainability criteria required by prospective investors. Each potential purchaser of Green Bonds should determine for itself the relevance of the information contained or referred to in the Base Prospectus and these Final Terms regarding the use of proceeds and its purchase of Notes should be based upon such investigation as it deems necessary.

The Issuer has agreed and committed itself to certain management of proceeds and reporting obligations. However, it will not be an event of default under the terms and conditions of any Green Bonds if it fails to comply with such obligations. Each potential purchaser of the Notes should be aware that Eligible Projects may not deliver the sustainability benefits anticipated.

Green Bond Framework

The Issuer has, in connection with issues of Green Bonds under the Programme, established a Green Bond framework (the "**Green Bond Framework**"). The Green Bond Framework, amongst other things, sets out how Eligible Projects are evaluated and selected and how the Issuer will manage, and report on, the proceeds of its Green Bonds.

Pursuant to the recommendation in the ICMA Green Bond Principles that issuers use external review to confirm their alignment with the key features of the ICMA Green Bond Principles, the Issuer has engaged the Centre for International Climatic and Environmental Research ("**CICERO**") to issue an independent report

regarding the Green Bonds' compliance with certain environmental and sustainability criteria.

Copies of the Green Bond Framework, CICERO's Second Opinion Report and any reports prepared by the Issuer or the relevant external auditor (as described in the preceding sentence) may be obtained by investors from the website of the Issuer, at www.le.lt. None of these documents is incorporated into, or forms part of, either these Final Terms or the Base Prospectus.

5. **YIELD**

Applicable

Indication of yield: 2.066 per cent. per annum

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield

7. **HISTORIC INTEREST RATES**

Not Applicable

7. **OPERATIONAL INFORMATION**

ISIN: XS1853999313

Common Code: 185399931

Delivery Delivery against payment

Names and addresses of additional Paying Agent(s) (if any): Not Applicable

Intended to be held in a manner which would allow Eurosystem eligibility: Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met

8. **DISTRIBUTION**

(i) Method of distribution: Syndicated

(ii) If syndicated:

- (a) Names of Dealers: *Joint Lead Managers:*
- BNP Paribas**
 10 Harewood Avenue
 London NW1 6AA
 United Kingdom
- J.P Morgan Securities plc**
 25 Bank Street
 Canary Wharf
 London E14 5JP
 United Kingdom
- AB SEB Bankas**
 Gedimino Ave. 12
 LT-01103 Vilnius
 The Republic of Lithuania
- (b) Date of subscription agreement: 9 July 2018
- (c) Stabilising Manager(s) (if any): BNP Paribas
- (iii) If non-syndicated, name Dealer: Not Applicable
- (iv) US Selling Restrictions: Reg. S Compliance Category 1; TEFRA not applicable