


## CERTIFICATION STATEMENT

Referring to the provisions of the Article 22 of the Law on Securities of the Republic of Lithuania, we, the undersigned Juozas Bartlingas, Chief Executive Officer, Eglė Čiužaitė, Director of Finance and Legal Department, and Giedruolė Guobienė, Chief Financier, hereby confirm that, to the best of our knowledge, "Lietuvos Energijos gamyba", AB and consolidated financial statements for the nine months period of the financial year 2014 are prepared in accordance with the International Financial Reporting Standards adopted by the European Union, give a true and fair view of "Lietuvos Energijos gamyba", AB and its consolidated group assets, liabilities, financial position, period profit or loss and cash flows, the Consolidated semi - annual Report includes a fair review of the development and performance of the business and the position of the Lietuvos Energija, AB and consolidated position of group.

Chief Executive Officer



Juozas Bartlingas

Director of Finance and Legal Department



Eglė Čiužaitė

Chief Financier



Giedruolė Guobienė



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**„LIETUVOS ENERGIJOS GAMYBA“, AB**

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**CONSOLIDATED AND COMPANY'S  
CONDENSED INTERIM FINANCIAL INFORMATION  
FOR THE NINE-MONTH PERIOD  
ENDED 30 SEPTEMBER 2014  
(unaudited)**

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

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The condensed interim financial information was approved by the General Director, Director of Finance and Law department and Chief Financier of Lietuvos Energijos gamyba AB on 28 November 2014.



**Juozas Bartlingas**  
General Director



**Eglė Čiužaitė**  
Director of Finance and Law  
Department



**Giedruolė Guobienė**  
Chief Financier

**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**  
**At 30 September 2014**

All amounts in LTL thousands unless otherwise stated

<b>ASSETS</b>	<b>Note</b>	<b>Group at 30 September 2014</b>	<b>Company at 30 September 2014</b>	<b>Group at 31 December 2013</b>	<b>Company at 31 December 2013</b>
<b>Non-current assets</b>					
Intangible assets	5	25,420	24,929	29,542	28,968
Property, plant and equipment	6	2,590,710	2,569,384	2,636,706	2,597,392
Prepayments for property, plant, equipment		4,430	4,430	384	10,479
Investments in subsidiaries	13	-	11,050	-	52,397
Investments in associates and joint ventures	13	158,426	156,229	154,833	153,884
Deferred income tax assets		721	-	988	-
Other non-current assets		21,100	21,100	20,949	17,850
Amounts receivable		6,353	6,353	17,850	20,949
<b>Total non-current assets</b>		<b>2,807,160</b>	<b>2,793,475</b>	<b>2,861,252</b>	<b>2,881,919</b>
<b>Current assets</b>					
Inventories		21,462	18,606	24,032	23,113
Prepayments		15,562	15,833	15,725	5,659
Trade receivables		185,115	174,300	169,973	133,274
Other receivables		21,386	6,857	10,513	9,242
Prepaid income tax		7,608	7,602	10,147	10,073
Other financial assets		2	-	86	-
Cash and cash equivalents		253,801	243,630	219,746	178,087
		<b>504,936</b>	<b>466,828</b>	<b>450,222</b>	<b>359,448</b>
Non-current assets classified as held for sale		126	-	131	-
<b>Total current assets</b>		<b>505,062</b>	<b>466,828</b>	<b>450,353</b>	<b>359,448</b>
<b>TOTAL ASSETS</b>		<b>3,312,222</b>	<b>3,260,303</b>	<b>3,311,605</b>	<b>3,241,367</b>

(continued on the next page)

**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**  
**At 30 September 2014**

All amounts in LTL thousands unless otherwise stated

<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b>Group at 30 September 2014</b>	<b>Company at 30 September 2014</b>	<b>Group at 31 December 2013</b>	<b>Company at 31 December 2013</b>
<b>Capital and reserves</b>					
Share capital	7	635,084	635,084	635,084	635,084
Share premium		295,767	295,767	295,767	295,767
Revaluation reserve		37,896	3,842	37,852	4,015
Legal reserve		7,496	37,540	7,928	37,540
Other reserves	8	-	-	677,775	677,775
Retained earnings	9	290,460	277,093	(284,805)	(277,529)
<b>Total equity attributable to owners of the Company</b>		<b>1,266,703</b>	<b>1,249,326</b>	<b>1,369,601</b>	<b>1,372,652</b>
Non-controlling interest		-	-	43,896	-
<b>Total equity</b>		<b>1,266,703</b>	<b>1,249,326</b>	<b>1,413,497</b>	<b>1,372,652</b>
<b>Non-current liabilities</b>					
Borrowings	10	511,030	503,430	506,761	498,261
Finance lease liabilities		131	-	36	-
Grants	11	1,041,809	1,041,809	1,062,730	1,062,730
Other non-current accounts payable and liabilities		68,957	68,861	77,879	75,631
Deferred income tax liabilities		52,564	52,539	39,688	39,688
<b>Total non-current liabilities</b>		<b>1,674,491</b>	<b>1,666,639</b>	<b>1,687,094</b>	<b>1,676,310</b>
<b>Current liabilities</b>					
Borrowings	10	61,681	60,481	57,729	57,129
Finance lease liabilities		76	-	8	-
Trade payables		76,523	66,226	85,428	76,753
Advance amounts received		71,250	63,545	29,489	27,564
Income tax payable		-	-	1,222	-
Provisions for emission allowances	12	7,162	7,162	9,745	9,745
Other accounts payable and liabilities		154,336	146,924	27,393	21,214
<b>Total current liabilities</b>		<b>371,028</b>	<b>344,338</b>	<b>211,014</b>	<b>192,405</b>
<b>Total liabilities</b>		<b>2,045,519</b>	<b>2,010,977</b>	<b>1,898,108</b>	<b>1,868,715</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,312,222</b>	<b>3,260,303</b>	<b>3,311,605</b>	<b>3,241,367</b>

The accompanying notes form an integral part of this condensed interim financial information.

**CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE INCOME**  
**For nine months period ended 30 September 2014**

All amounts in LTL thousands unless otherwise stated

	Group 1 January – 30 September 2014	Company 1 January – 30 September 2014	Group 1 January – 30 September 2013 <i>(restated)</i>	Company 1 January – 30 September 2013 <i>(restated)</i>
<b>Revenue</b>				
Sales revenue	631,537	625,478	853,148	846,916
Other operating income	41,110	5,703	30,428	4,539
	<b>672,647</b>	<b>631,181</b>	<b>883,576</b>	<b>851,455</b>
<b>Operating expenses</b>				
Purchase of electricity and related services	(168,365)	(166,762)	(282,970)	(282,970)
Gas and heavy fuel expenses	(232,943)	(232,943)	(312,305)	(312,305)
Depreciation and amortisation	5,6,11 (59,377)	(57,690)	(60,073)	(58,490)
Wages and salaries and related expenses	(32,562)	(23,386)	(32,732)	(24,688)
Repair and maintenance expenses	5,585	(19,276)	(21,641)	(23,283)
Income/(expenses) on revaluation of emission allowances	(3,195)	(3,195)	(18,130)	(18,130)
Increase/(decrease) in value of other non-current assets	3,299	3,299	(5,511)	(5,511)
Inventory write-down (expenses)/reversal	187	187	(722)	(722)
Other expenses	(70,186)	(15,083)	(38,045)	(19,410)
<b>Total operating expenses</b>	<b>(557,557)</b>	<b>(514,849)</b>	<b>(772,129)</b>	<b>(745,509)</b>
<b>OPERATING PROFIT</b>	<b>115,090</b>	<b>116,332</b>	<b>111,447</b>	<b>105,946</b>
Finance income:				
Share of result of operations of associates and joint ventures	2,971	-	(102)	-
Other finance income	6,996	11,901	1,038	2,629
Other finance (costs)	(13,921)	(13,717)	(15,788)	(15,537)
	(3,954)	(1,816)	(14,852)	(12,908)
<b>PROFIT BEFORE INCOME TAX</b>	<b>111,136</b>	<b>114,516</b>	<b>96,595</b>	<b>93,038</b>
Current year income tax expense	(5,491)	(5,132)	(3,870)	(3,234)
Deferred income tax expense	(12,836)	(12,851)	(4,267)	(4,290)
	(18,327)	(17,983)	(8,137)	(7,524)
<b>PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS</b>	<b>92,809</b>	<b>96,533</b>	<b>88,458</b>	<b>85,514</b>
<b>DISCONTINUED OPERATIONS</b>				
Profit (loss) for the period from discontinued operations, net of income tax	524	-	2,317	-
<b>PROFIT (LOSS) FOR THE PERIOD</b>	<b>93,333</b>	<b>96,533</b>	<b>90,775</b>	<b>85,514</b>

*(continued on the next page)*

**CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE INCOME**  
**For nine months period ended 30 September 2014**

All amounts in LTL thousands unless otherwise stated

Note	Group 1 January – 30 September 2014	Company 1 January – 30 September 2014	Group 1 January – 30 September 2013 <i>(restated)</i>	Company 1 January – 30 September 2013 <i>(restated)</i>
<b>Other comprehensive income (loss)</b>				
Other comprehensive income less deferred income tax	-	-	-	-
<b>COMPREHENSIVE INCOME</b>	<b>93,333</b>	<b>96,533</b>	<b>90,775</b>	<b>85,514</b>
<b>PROFIT FOR THE PERIOD ATTRIBUTABLE TO:</b>				
Owners of the Company	93,092	96,533	89,710	85,514
Non-controlling interest	241	-	1,065	-
	<b>93,333</b>	<b>96,533</b>	<b>90,775</b>	<b>85,514</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO:</b>				
Owners of the Company	93,092	96,533	89,710	85,514
Non-controlling interest	241	-	1,065	-
	<b>93,333</b>	<b>96,533</b>	<b>90,775</b>	<b>85,514</b>
<b>Basic and diluted earnings per share (in LTL)</b>	<b>0.15</b>		<b>0.14</b>	

The accompanying notes form an integral part of this condensed interim financial information.

**CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE INCOME**  
**For three months period ended 30 September 2014**

All amounts in LTL thousands unless otherwise stated

Note	Group 1 July – 30 September 2014	Company 1 July – 30 September 2014	Group 1 July – 30 September 2013 <i>(restated)</i>	Company 1 July – 30 September 2013 <i>(restated)</i>
<b>Revenue</b>				
Sales revenue	309,836	306,879	370,589	368,837
Other operating income	(4,844)	1,826	14,998	713
	<b>304,992</b>	<b>308,705</b>	<b>385,587</b>	<b>369,550</b>
<b>Operating expenses</b>				
Purchase of electricity and related services	(58,955)	(57,538)	(70,203)	(70,196)
Gas and heavy fuel expenses	(173,779)	(173,779)	(215,913)	(215,913)
Depreciation and amortisation	(19,795)	(19,215)	(20,021)	(19,477)
Wages and salaries and related expenses	(10,458)	(7,302)	(10,626)	(7,796)
Repair and maintenance expenses	6,677	(11,264)	(11,730)	(12,383)
Income/(expenses) on revaluation of emission allowances	(5,231)	(5,231)	(846)	(846)
Increase/(decrease) in value of other non-current assets	36	36	3,118	3,118
Inventory write-down (expenses)/reversal	32	32	(451)	(451)
Other expenses	(18,395)	(6,050)	(16,817)	(5,943)
<b>Total operating expenses</b>	<b>(279,868)</b>	<b>(280,311)</b>	<b>(343,489)</b>	<b>(329,887)</b>
<b>OPERATING PROFIT</b>	<b>25,124</b>	<b>28,394</b>	<b>42,098</b>	<b>39,663</b>
Finance income:				
Share of result of operations of associates and joint ventures	1,462	-	(1,327)	-
Other finance income	176	127	254	156
Other finance (costs)	(2,303)	(2,233)	(5,705)	(5,623)
	(665)	(2,106)	(6,778)	(5,467)
<b>PROFIT BEFORE INCOME TAX</b>	<b>24,459</b>	<b>26,288</b>	<b>35,320</b>	<b>34,196</b>
Current year income tax expense	(2,171)	(2,050)	(471)	(302)
Deferred income tax expense	(4,999)	(5,010)	(3,513)	(3,498)
	(7,170)	(7,060)	(3,984)	(3,800)
<b>PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS</b>	<b>17,289</b>	<b>19,228</b>	<b>31,336</b>	<b>30,396</b>
<b>DISCONTINUED OPERATIONS</b>				
Profit (loss) for the period from discontinued operations, net of income tax	-	-	(371)	-
<b>PROFIT (LOSS) FOR THE PERIOD</b>	<b>17,289</b>	<b>19,228</b>	<b>30,965</b>	<b>30,396</b>

*(continued on the next page)*



**CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE INCOME**  
**For three months period ended 30 September 2014**

All amounts in LTL thousands unless otherwise stated

Note	Group 1 July – 30 September 2014	Company 1 July – 30 September 2014	Group 1 July – 30 September 2013 <i>(restated)</i>	Company 1 July – 30 September 2013 <i>(restated)</i>
<b>Other comprehensive income (loss)</b>				
Other comprehensive income less deferred income tax	-	-	-	-
<b>COMPREHENSIVE INCOME</b>	<b>17,289</b>	<b>19,228</b>	<b>30,965</b>	<b>30,396</b>
<b>PROFIT FOR THE PERIOD ATTRIBUTABLE TO:</b>				
Owners of the Company	17,289	19,228	31,135	30,396
Non-controlling interest	-	-	(170)	-
	<b>17,289</b>	<b>19,228</b>	<b>30,965</b>	<b>30,396</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO:</b>				
Owners of the Company	17,289	19,228	31,135	30,396
Non-controlling interest	-	-	(170)	-
	<b>17,289</b>	<b>19,228</b>	<b>30,965</b>	<b>30,396</b>
<b>Basic and diluted earnings per share (in LTL)</b>	<b>0.03</b>		<b>0.05</b>	

The accompanying notes form an integral part of this condensed interim financial information.

**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY**  
**For the nine-month period ended 30 September 2014**

All amounts in LTL thousands unless otherwise stated

		Equity attributable to shareholders of the Company								
Group	Note	Share capital	Share premium	Revaluation reserve	Legal reserve	Other reserves	Retained earnings (deficit)	Total	Non-controlling interest	Total equity
<b>Balance at 1 January 2013</b>		<b>635,084</b>	<b>295,767</b>	<b>12,055</b>	<b>36,145</b>	<b>717,775</b>	<b>(30,037)</b>	<b>1,666,789</b>	<b>41,498</b>	<b>1,708,287</b>
Revaluation of property, plant and equipment	2.3	-	-	-	-	-	(374,769)	(374,769)	-	(374,769)
<b>Balance at 1 January 2013</b>		<b>635,084</b>	<b>295,767</b>	<b>12,055</b>	<b>36,145</b>	<b>717,775</b>	<b>(404,806)</b>	<b>1,292,020</b>	<b>41,498</b>	<b>1,333,518</b>
Depreciation of revaluation reserve		-	-	(669)	-	-	669	-	-	-
Transfer to reserves		-	-	-	1,707	-	(1,707)	-	-	-
Other adjustments		-	-	(65)	-	-	-	(65)	-	(65)
Transfer to retained earnings		-	-	-	-	(40,000)	40,000	-	-	-
Dividends paid		-	-	-	-	-	(25,403)	(25,403)	-	(25,403)
Comprehensive income		-	-	-	-	-	89,710	89,710	1,065	90,775
<b>Balance at 30 September 2013</b>		<b>635,084</b>	<b>295,767</b>	<b>11,321</b>	<b>37,852</b>	<b>677,775</b>	<b>(301,537)</b>	<b>1,356,262</b>	<b>42,563</b>	<b>1,398,825</b>
<b>Balance at 1 January 2014</b>		<b>635,084</b>	<b>295,767</b>	<b>7,928</b>	<b>37,852</b>	<b>677,775</b>	<b>(284,805)</b>	<b>1,369,601</b>	<b>43,896</b>	<b>1,413,497</b>
Depreciation of revaluation reserve		-	-	(432)	-	-	432	-	-	-
Transfer to reserves		-	-	-	44	-	(44)	-	-	-
Transfer to retained earnings	8	-	-	-	-	(677,775)	677,775	-	-	-
Dividends paid	9	-	-	-	-	-	(219,859)	(219,859)	-	(219,859)
Sale of subsidiaries		-	-	-	-	-	23,869	23,869	(44,137)	(20,268)
Comprehensive income		-	-	-	-	-	93,092	93,092	241	93,333
<b>Balance at 30 September 2014</b>		<b>635,084</b>	<b>295,767</b>	<b>7,496</b>	<b>37,896</b>	<b>-</b>	<b>290,460</b>	<b>1,266,703</b>	<b>-</b>	<b>1,266,703</b>

(continued on the next page)

**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY**  
**For the nine-month period ended 30 September 2014**

All amounts in LTL thousands unless otherwise stated

Company		Share capital	Share premium	Revaluation reserve	Legal reserve	Other reserves	Retained earnings (deficit)	Total equity
<b>Balance at 1 January 2013</b>		<b>635,084</b>	<b>295,767</b>	<b>7,774</b>	<b>35,867</b>	<b>717,775</b>	<b>(10,572)</b>	<b>1,681,695</b>
Revaluation of property, plant and equipment	2.3	-	-	-	-	-	(374,769)	(374,769)
<b>Balance at 1 January 2013</b>		<b>635,084</b>	<b>295,767</b>	<b>7,774</b>	<b>35,867</b>	<b>717,775</b>	<b>(385,341)</b>	<b>1,306,926</b>
Depreciation of revaluation reserve		-	-	(400)	-	-	400	-
Transfer to reserves		-	-	-	1,673	-	(1,673)	-
Transfer to retained earnings		-	-	-	-	(40,000)	40,000	-
Dividends paid		-	-	-	-	-	(25,403)	(25,403)
Comprehensive income		-	-	-	-	-	85,514	85,514
<b>Balance at 30 September 2013</b>		<b>635,084</b>	<b>295,767</b>	<b>7,374</b>	<b>37,540</b>	<b>677,775</b>	<b>(286,503)</b>	<b>1,367,037</b>
<b>Balance at 1 January 2014</b>		<b>635,084</b>	<b>295,767</b>	<b>4,015</b>	<b>37,540</b>	<b>677,775</b>	<b>(277,529)</b>	<b>1,372,652</b>
Depreciation of revaluation reserve		-	-	(173)	-	-	173	-
Transfer to retained earnings	8	-	-	-	-	(677,775)	677,775	-
Dividends paid	9	-	-	-	-	-	(219,859)	(219,859)
Comprehensive income		-	-	-	-	-	96,533	96,533
<b>Balance at 30 September 2014</b>		<b>635,084</b>	<b>295,767</b>	<b>3,842</b>	<b>37,540</b>	<b>-</b>	<b>277,093</b>	<b>1,249,326</b>

(end)

The accompanying notes form an integral part of this condensed interim financial information.

**CONDENSED INTERIM STATEMENTS OF CASH FLOWS**  
**For the nine-month period ended 30 September 2014**

All amounts in LTL thousands unless otherwise stated

	<b>Group 1 January – 30 September 2014</b>	<b>Company 1 January– 30 September 2014</b>	<b>Group 1 January– 30 September 2013</b>	<b>Company 1 January– 30 September 2013</b>
Profit for the period	<b>93,333</b>	<b>96,533</b>	<b>90,775</b>	<b>85,514</b>
<b>Adjustments for non-cash items and other adjustments:</b>				
Depreciation and amortisation expenses	88,517	86,830	97,728	87,867
Inventory write-down (expenses) / reversal	(187)	(187)	5,242	5,232
(Gain) on disposal of investments in subsidiaries and associates	219	219	-	-
Expenses/(income) on revaluation of emission allowances	(3,639)	(3,639)	9,803	9,803
Other impairments/reversal of impairment	(9,198)	(7,038)	-	-
Share of (profit) of associates and joint ventures	(2,971)	-	102	-
Income tax expense	5,491	5,132	4,426	3,234
Change in deferred income tax liability	12,856	12,851	4,120	4,290
(Income) from grants	(29,140)	(29,140)	(29,377)	(29,377)
Increase/(decrease) in provisions	7,459	7,459	8,379	8,379
Profit/(loss) on disposal/write-off of non-current assets (other than financial assets)	516	479	102	17
Elimination of results of financing and investing activities:				
- Interest (income)	(291)	(254)	(12)	(7)
- Interest expense	12,854	12,659	17,504	17,361
- Other finance (income)	(5,638)	(10,589)	(2,798)	(4,446)
<b>Changes in working capital</b>				
Decrease in trade receivables and other amounts receivable	(31,819)	(20,257)	8,361	8,401
(Increase) decrease in inventories and prepayments	2,122	(6,157)	23,176	30,529
Decrease in amounts payable and advance amounts received	72,442	56,202	111,574	105,307
Income tax (paid)	(3,383)	(3,383)	(9,833)	(8,380)
<b>Net cash generated from operating activities</b>	<b>209,543</b>	<b>197,720</b>	<b>339,272</b>	<b>323,724</b>
<b>Cash flows from investing activities</b>				
(Acquisition) of property, plant and equipment and intangible assets	(41,666)	(29,957)	(94,119)	(95,152)
Disposal of property, plant and equipment and intangible assets	-	-	411	165
Sale of subsidiaries	14,801	41347	-	-
Acquisition of investments in associates	(4,462)	(4,462)	-	-
Disposal of investments in associates	1,898	1,898	-	-
Dividends received	6,643	11,643	-	2,000
Interest received	291	254	12	7
<b>Net cash (used in) investing activities</b>	<b>(22,495)</b>	<b>20,723</b>	<b>(93,696)</b>	<b>(92,980)</b>
<b>Cash flows from financing activities</b>				
Proceeds from borrowings	567,244	567,244	11,893	10,465
Repayments of borrowings	(558,198)	(557,898)	(47,536)	(44,381)
Finance lease payments	207	-	(267)	-
Interest (paid)	(12,870)	(12,870)	(14,760)	(14,617)
Dividends (paid out)	(149,376)	(149,376)	(25,403)	(25,403)
<b>Net cash (used in) financing activities</b>	<b>(152,993)</b>	<b>(152,900)</b>	<b>(76,073)</b>	<b>(73,936)</b>
<b>Net increase in cash and cash equivalents</b>	<b>34,055</b>	<b>65,543</b>	<b>169,503</b>	<b>156,808</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>219,746</b>	<b>178,087</b>	<b>(29,546)</b>	<b>(49,271)</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>253,801</b>	<b>243,630</b>	<b>139,957</b>	<b>107,537</b>

The accompanying notes form an integral part of this condensed interim financial information.

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## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION For the nine-month period ended 30 September 2014

All amounts in LTL thousands unless otherwise stated

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### **1 General information**

Lietuvos Energijos Gamyba AB is a public limited liability company registered in the Republic of Lithuania. Lietuvos Energijos Gamyba AB (hereinafter referred to as the "Company") is a limited liability for-profit corporate entity, registered with the Register of Legal Entities managed by a public institution Centre of Registers. The Company's registration date is 21 July 2011, company code 302648707, VAT payer's code LT100006256115. The Company has been established for an unlimited period. The Company's registered office address: Elektrinės g. 21, LT-26108, Elektrėnai, Lithuania.

At the General Meeting of Shareholders of Lietuvos Energija AB held on 29 July 2013, the shareholders made a decision to rename Lietuvos Energija AB (company code 302648707) into Lietuvos Energijos Gamyba AB. With effect from 5 August 2013, the company's name is Lietuvos Energijos Gamyba AB. Information on the change of the company's name was announced in accordance with the procedure established by law and in the electronic newsletter issued by a public institution Centre of Registers, which manages the Register of Legal Entities. There were no changes in other requisite or contact details of the Company.

Lietuvos Energijos Gamyba AB was established for the implementation of the National Energy Strategy, as a result of reorganisation by way of merger of the following two public companies: AB Lietuvos Energija, company code 220551550, including its branch offices Kruonis Pumped Storage Power Plant, Kaunas Hydro Power Plant, and AB Lietuvos Elektrinė, company code 110870933.

The authorised share capital of Lietuvos Energijos Gamyba AB amounts to LTL 635,083,615 and it is divided into 635,083,615 ordinary registered shares with par value of LTL 1 each. There were no changes in the Company's authorised share capital during 2014 and 2013. All the shares issued are fully paid. With effect from 1 September 2011, the shares of Lietuvos Energijos Gamyba AB have been listed on the Main List of NASDAQ OMX Vilnius Stock Exchange. As at 30 September 2014 and at 31 December 2013, the Company had not acquired its own shares.

In 2013 and in 2014, the Company was engaged in electricity generation, electricity trading and export activities. In addition to these principal activities, the Company is free to be engaged in any other business activities not forbidden under the laws and stipulated in the Company's Articles of Association.

The Company has permits of unlimited validity to engage in electricity generation activities at the Reserve Power Plant and the Combined Cycle Block (hereinafter referred to as the complex of Elektrėnai), Kaunas Hydro Power Plant and Kruonis Pumped Storage Power Plant, as well as in electricity import and export activities. The Company also holds permits to expand electricity generation capacities at the complex of Elektrėnai and Kruonis Pumped Storage Power Plant, and certificates entitling to engage in maintenance and operation of electric, thermal power, natural gas and oil facilities. On 29 July 2011, based on the decision of the National Control Commission for Prices and Energy, Lietuvos Energijos Gamyba AB obtained a licence of an independent electricity supplier. The Company's subsidiary Energijos Tiekimas UAB also holds a licence of an independent electricity supplier, as well as a licence of natural gas supplier. The subsidiary was not engaged in any purchase/sale activities of natural gas throughout 2014.

As of the date of these financial statements, the Company directly participated (had control or significant influence) in the management of the following companies Kauno energetikos remontas UAB (Lithuania), Energijos tiekimas UAB (Lithuania), Technologijų ir inovacijų centras UAB (Lithuania), Nordic Energy Link AS (Estonia), Geoterma UAB (Lithuania), NT Valdos UAB (Lithuania), Verslo aptarnavimo centras UAB (Lithuania). Indirectly, the Company had the majority of votes in Geton Energy SIA (Latvia) and Geton Energy OU (Estonia) through Energijos tiekimas UAB. In addition, the Company indirectly had the majority of votes in Gotlitas UAB (Lithuania) through Kauno energetikos remontas UAB).

These financial statements cover the consolidated financial statements of Lietuvos energijos gamyba AB and its subsidiaries and the stand-alone financial statements of Lietuvos energijos gamyba AB as a parent company.

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION**  
**For the nine-month period ended 30 September 2014**

All amounts in LTL thousands unless otherwise stated

**1 General information (continued)**

As at 30 September 2014 and 31 December 2013, the Group consisted of Lietuvos energijos gamyba AB and the following directly and indirectly controlled subsidiaries:

<b>Company</b>	<b>Address of the company's registered office</b>	<b>The Group's shareholding at 30 September 2014</b>	<b>The Group's shareholding at 31 December 2013</b>	<b>Profit (loss) for 1 January – 30 September 2014</b>	<b>Equity at 30 September 2014</b>	<b>Profile of activities</b>
Kauno Energetikos Remontas UAB	Chemijos g. 17, Kaunas, Lithuania	100 proc.	100 proc.	(3,930)	16,674	Repair of energy equipment, production of metal constructions
Gotlitas UAB	R.Kalantos g. 119, Kaunas, Lithuania	100 proc.	100 proc.	114	1,466	Accommodation services, trade
Energijos Tiekimas UAB	Žvejų g. 14, Vilnius, Lithuania	100 proc.	100 proc.	2,250	9,599	Independent electricity supply
Geton Energy OU	Narva mnt 5, 10117 Tallinn	100 proc.	100 proc.	(6)	102	Independent electricity supply
Geton Energy SIA	Elizabetes iela 45/47, Riga, LV-1010	100 proc.	100 proc.	(9)	75	Independent electricity supply
Duomenų Logistikos Centras UAB*	Juozapavičiaus g. 13, Vilnius, Lithuania	- proc.	54.04 proc.	474	15,772	IT services
Respublikinis Energetikų Mokyimo Centras VŠĮ *	Jeruzalės g. 21, Vilnius, Lithuania	- proc.	54.04 proc.	247	(911)	Professional development of energy specialists and continual professional training

As at 30 September 2014 and 31 December 2013, Group's investments into associates and joint ventures consisted:

<b>Company</b>	<b>Address of the company's registered office</b>	<b>The Group's shareholding at 30 September 2014</b>	<b>The Group's shareholding at 31 December 2013</b>	<b>Profile of activities</b>
UAB „Geoterma“	Lypkių g. 53, LT-94100 Klaipėda, Lietuva	23.44 proc.	23.44 proc.	Geothermal energy production
UAB „NT Valdos“	Geologų g. 16, LT-02190 Vilnius, Lietuva	41.74 proc.	42.32 proc.	Asset management services
UAB Technologijų ir inovacijų centras	Juozapavičiaus g. 13, Vilnius, Lietuva	22.22 proc.	20.00 proc.	IT services
AS Nordic Energy Link	Laki 24, Tallinn 12915	25.00 proc.	25.00 proc.	Management of electricity transmission line between Finland and Estonia
UAB Verslo aptarnavimo centras	P.Lukšio g. 5B, LT-08221 Vilnius	20.00 proc.	- proc.	Business Administration and accountant services

As at 30 September 2014, the number of labor contract of the Group was 775 (31 December 2013 the number of employees – 1,104). As at 30 September 2014, the number of labor contract of the Company was 502 (31 December 2013 the number of employees - 503).

The Company's and Group's operations are not affected by seasonality.

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION For the nine-month period ended 30 September 2014

All amounts in LTL thousands unless otherwise stated

### 2 Accounting policies

#### 2.1 Basis of preparation

The Company's and consolidated Group's condensed interim financial information for a nine-month period ended 30 September 2014 has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and applicable to interim financial reporting (International Accounting Standard (IAS) 34, 'Interim financial reporting'). This condensed interim financial information should be read together with the annual financial statements for the year ended 31 December 2013, which have been prepared in accordance with IFRS as adopted by the EU.

Financial year of Company and other Group companies coincides with the calendar year.

#### 2.2 Accounting policies

Except as described below, the accounting policies applied in the preparation of this condensed interim financial information are consistent with those of the annual financial statements for the year ended 31 December 2013.

Income taxes for the interim reporting periods have been estimated using the tax rate that would be applicable to the estimation of income taxes on the expected gross profit for the year.

#### **Adoption of new and (or) amended IFRS and interpretations of the International Financial Reporting Interpretations Committee (IFRIC)**

There are no new standards, amendments and interpretations that are mandatory for the Company and the Group with effect from 2014, and that have a significant impact on the Company's and the Group's financial information.

The Company's management do not believe the newly published standards, amendments and interpretations that are mandatory for the Company's and the Group's reporting periods beginning on or after 1 January 2014 will have a significant impact on the Company's and the Group's financial statements.

#### **2.3 Adjustment to comparative figures on re-estimation of carrying amount of property, plant and equipment**

Since the first-time adoption of International Financial Reporting Standards back in 2004, the Company had incorrectly applied depreciation rates to property, plant and equipment of the Reserve Power Plant, which resulted in misstatements that had not been corrected for the entire period from 2004 to 31 December 2012.

In 2013, the Company re-estimated the depreciation for property, plant and equipment of the Reserve Power Plant and adjusted accordingly to eliminate the aforementioned misstatements.

Information on effect of correction of error on the Group's expenses, operating profit and net profit for the year ended 30 September 2013 is summarised below:

	<b>At 30 September 2013</b>	<b>Correction of error</b>	<b>At 30 September 2013 (restated)</b>
<b>Operating expenses</b>			
Depreciation expenses	(72,033)	3,682	(68,351)
<b>Operating profit</b>	<b>111,009</b>	<b>3,682</b>	<b>114,691</b>
Deferred tax expense	(3,357)	(763)	(4,120)
<b>NET PROFIT</b>	<b>87,856</b>	<b>2,919</b>	<b>90,775</b>

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION**  
**For the nine-month period ended 30 September 2014**

All amounts in LTL thousands unless otherwise stated

**2.3 Adjustment to comparative figures on re-estimation of carrying amount of property, plant and equipment (continued)**

Information on effect of correction of error on the Company's expenses, operating profit and net profit for the year ended 30 September 2013 is summarised below:

	<b>At 30 September 2013</b>	<b>Correction of error</b>	<b>At 30 September 2013 (restated)</b>
<b>Operating expenses</b>			
Depreciation expenses	(62,172)	3,682	(58,490)
<b>Operating profit</b>	<b>102,264</b>	<b>3,682</b>	<b>105,946</b>
Deferred tax expense	(3,527)	(763)	(4,290)
<b>NET PROFIT</b>	<b>82,595</b>	<b>2,919</b>	<b>85,514</b>

The effect of correction of error on the Group's basic and diluted earnings per share on 30 September 2013 was as follows:

	<b>At 30 September 2013</b>	<b>Correction of error</b>	<b>At 30 September 2013 (restated)</b>
Net profit attributable to owners	86,791	2,919	89,710
Weighted average number of shares (units)	635,083,615	-	635,083,615
<b>Basic and diluted earnings per share (LTL)</b>	<b>0.14</b>		<b>0.14</b>

**3 Critical accounting estimates and uncertainties**

The preparation of condensed interim financial information in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and disclosure of contingencies. Future events can amend assumptions that were used in making accounting estimates. Such changes in estimates will be recorded in the financial statements when determinable. When preparing this condensed interim financial information, the significant judgments made by management in relation to accounting policies and key sources of identification of contingencies were consistent with those applied in the preparation of the financial statements for the year ended 31 December 2013.

Tax audits

The tax authorities may at any time inspect the books and records within 5 years subsequent to the reported tax year, and may impose additional tax assessments and penalties. The Company's and Group's management is not aware of any circumstances which may give rise to a potential material liability in this respect.

Depreciation rates of property, plant and equipment

When assessing the remaining useful life of property, plant and equipment, management takes into consideration the conclusions provided by employees responsible for technical maintenance of assets.

Revaluation of property, plant and equipment

On 31 December 2013, the independent property valuers Turto ir Verslo Tyrimo Centras UAB and OBER-HAUS UAB determined the market value of the Company's assets stated at revalued amount. The valuation was performed using the comparative and cost method.

Considering the date of the last revaluation of these assets and the periods of their acquisition, in the opinion of management, the fair value of the Company's property, plant and equipment stated at revaluated amounts as at 30 September 2014 did not significantly differ from their carrying amount.



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**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION**  
**For the nine-month period ended 30 September 2014**

All amounts in LTL thousands unless otherwise stated

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## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION For the nine-month period ended 30 September 2014

All amounts in LTL thousands unless otherwise stated

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### **3 Critical accounting estimates and uncertainties (continued)**

#### Impairment of property, plant and equipment

The Group and the Company makes an assessment, at least annually, whether there are any indications that the carrying amount of property, plant and equipment has been impaired.

In 2014 and 2013, the Group and the Company accounted for property, plant and equipment (except for assets of the Hydro Power Plant, Pumped Storage Power Plant, Reserve Power Plant and Combined Cycle Block) at fair value in accordance with International Accounting Standard No.16 'Property, plant and equipment'.

As of 30 September 2014 and 31 December 2013, impairment test was carried out and the estimated recoverable amount of property, plant and equipment of the Hydro Power Plant, Pumped Storage Power Plant, Reserve Power Plant and Combined Cycle Block exceeded the carrying amount of LTL 2,080 million (as of 31 December 2013: LTL 2,090 million ), hence no impairment charge was recognised.

Property, plant and equipment was tested for impairment on 30 September 2014 based on assumptions and methods described in the financial statements as of 31 December 2013.

#### Write-down of inventory to net realisable value

Write-down of inventory to the net realisable value was determined based on the management's estimates on inventory obsolescence and estimated possible selling prices. This determination requires significant judgment. Judgment is exercised based on historical and future usage of spare parts and materials as well as estimated possible selling price and other factors.

#### Provisions for emission allowances

The Group and the Company estimates the provisions for emission allowances based on actual quantity of emission during the reporting period multiplied by the market price of one emission allowance. The actual quantity of emission is approved by the responsible regulating state authority within 4 months after the year-end. Based on historical experience, the management of the Company does not expect any material differences between the amount of estimated provisions as at 30 September 2014 and emission quantities which will be approved in 2015.

#### Accrual of PSO service fees

The variable part of PSO service fees is estimated with reference to variable costs incurred during the reporting period. The producers ensuring the security of electric power supply and reserves of energy system, submit their PSO service fee estimates to the Commission which include breakdown of variable electric power production costs – natural gas, heavy fuel oil, emission allowance costs, costs for reagent desulphurization. The variable part of PSO service fees in future calendar year is estimated with reference to scheduled variable costs to be incurred for the production of approved quota of electricity subject to support. As of 30 September 2014, the amount of variable costs incurred by the Company was lower than the amount allocated for compensation of PSO service costs, therefore the Company accounted for refundable PSO amount of LTL 44,224 thousand as of 30 September 2014, which will be compensated during 2016 (As of 31 December 2013: LTL 56,955 thousand, which will be compensated during 2015).

### **4 Financial risk management**

In performing their activities, the Group and the Company are exposed to financial risks, i.e. credit risk, liquidity risk and market risk (foreign exchange risk, fair value interest rate risk and cash flows interest rate risk, and securities price risk).

This condensed interim financial information does not include the management of all information related to financial risks and disclosures mandatory, preparation of annual financial statements and should be read in conjunction with the annual financial statements for the year ended 31 December 2013.

No changes were made concerning risk management objectives or policies since 31 December 2013.

#### Fair value of financial assets and liabilities

The Group's and the Company's principal financial assets and liabilities not carried at fair value are trade and other accounts receivable, trade and other accounts payables, non-current and current borrowings.

The fair value of the Group's financial assets at fair value through profit or loss is based on the prices in an active market.

Fair value is defined as the amount at which the instrument could be exchanged or at which a mutual liability could be set off between knowledgeable parties in an arm's length transaction willing to buy/sell an asset or to set off a mutual liability. Fair value is determined on the basis of quoted market prices, discounted cash flow models and option pricing models as appropriate.

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION**  
**For the nine-month period ended 30 September 2014**

All amounts in LTL thousands unless otherwise stated

**4 Financial risk management (continued)**

The following methods and assumptions are used to estimate the fair value of each class of financial assets and liabilities:

- The carrying amount of cash and cash equivalents, current trade and other accounts receivable, current trade and other accounts payable and current borrowings approximates their fair value.
- The fair value of non-current borrowings is based on the quoted market price for the same or similar loan or on the current rates available for loan with the same maturity profile. The fair value of a non-current borrowing bearing variable interest rates approximates its carrying amount, provided that the margin on such loan corresponds to margins currently prevailing in the market.

**5 Intangible assets**

The movement of the Group's intangible assets is presented below:

<b>Group</b>	<b>Computer software</b>	<b>Emission allowances</b>	<b>Other intangible assets</b>	<b>Total</b>
<b>At 30 September 2014</b>				
Opening net book amount	755	28,704	48	29,507
Additions	89	-	-	89
Grant received	-	1,358	-	1,358
Emission allowances utilised	-	(10,042)	-	(10,042)
Revaluation costs of emission allowances	-	3,639	-	3,639
Reclassification from property, plant and equipment	1,253	-	-	1,253
Amortisation	(371)	-	(13)	(384)
<b>Net book amount at 30 September 2014</b>	<b>1,726</b>	<b>23,659</b>	<b>35</b>	<b>25,420</b>

The movement of the Company's intangible assets is presented below:

<b>Company</b>	<b>Computer software</b>	<b>Emission allowances</b>	<b>Other intangible assets</b>	<b>Total</b>
<b>At 30 September 2014</b>				
Opening net book amount	216	28,704	48	28,968
Grant received	-	1,358	-	1,358
Emission allowances utilised	-	(10,042)	-	(10,042)
Revaluation costs of emission allowances	-	3,639	-	3,639
Reclassification from property, plant and equipment	1,253	-	-	1,253
Amortisation	(234)	-	(13)	(247)
<b>Net book amount at 30 September 2014</b>	<b>1,235</b>	<b>23,659</b>	<b>35</b>	<b>24,929</b>

The fair value of emission allowances is determined using the prices quoted in an active market, therefore, it is attributable to Level 1 in the fair value hierarchy. At the end of each reporting period, the value of emission allowances is estimated with reference to the market prices prevailing at the year-end, and the difference is included in operating expenses.

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION**  
**For the nine-month period ended 30 September 2014**

All amounts in LTL thousands unless otherwise stated

**6 Property, plant and equipment**

Movements in the Group's PP&E account were as follows:

Group	Land	Buildings	Structures and equipment	Structures and equipment of Hydro Power Plant and Pumped Storage Power Plant	Structures and equipment of Thermal Power Plant	Combined-cycle block	Motor vehicles	Other PP&E	Construction in progress	Total
<b>At 30 September 2014</b>										
Opening net book amount	6,490	17,961	8,457	484,307	814,106	1,268,690	854	707	17,578	2,619,149
Additions	-	221	663	113	481	52	17	68	59,171	60,786
Write-offs	-	-	(6)	-	(2)	-	-	(9)	-	(17)
Disposals	-	-	-	-	(477)	-	(22)	-	-	(499)
Reclassifications between groups	-	82	6,859	800	3,366	-	-	241	(11,348)	-
Reclassification to intangible assets	-	-	-	-	-	-	-	-	(1,253)	(1,253)
Reclassification from/to inventories	-	-	-	212	(65)	530	-	-	-	677
Capitalized to construction in progress	-	-	-	-	(82)	-	-	-	82	-
Depreciation	-	(380)	(1,256)	(20,457)	(27,719)	(37,916)	(255)	(150)	-	(88,133)
<b>Net book amount at 30 September 2014</b>	<b>6,490</b>	<b>17,884</b>	<b>14,717</b>	<b>464,975</b>	<b>789,608</b>	<b>1,231,356</b>	<b>594</b>	<b>857</b>	<b>64,230</b>	<b>2,590,710</b>

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION**  
**For the nine-month period ended 30 September 2014**

All amounts in LTL thousands unless otherwise stated

**6 Property, plant and equipment (continued)**

In 2014, independent valuation of the Group's property, plant and equipment carried at revalued amount wasn't performed, because the fair value did not significantly differ from the carrying amount.

	Level 1	Level 2	Level 3	
	Quoted prices in active markets for identical assets	Other directly or indirectly observable inputs	Unobservable inputs	<b>Total:</b>
Land	-	6,490	-	6,490
Structures and equipment	-	10,008	-	10,008
Buildings	-	2,232	-	2,232
Motor vehicles	-	306	-	306
Other PP&E	-	394	-	394
<b>Fair value as of 30 September 2014</b>	-	<b>19,430</b>	-	<b>19,430</b>

The fair value valuation method is attributed to Level 2 in the fair value hierarchy.

	Level 1	Level 2	Level 3	
	Quoted prices in active markets for identical assets	Significant other observable inputs	Significant unobservable inputs	<b>Total:</b>
Land	-	6,490	-	6,490
Structures and equipment	-	3,381	-	3,381
Buildings	-	2,186	-	2,186
Motor vehicles	-	461	-	461
Other PP&E	-	194	-	194
<b>Fair value as of 31 December 2013</b>	-	<b>12,712</b>	-	<b>12,712</b>

The Group's property, plant and equipment amounting to LTL 1,237,836 thousand was pledged to the bank as collateral (31 December 2013: LTL 1,347,271 thousand).

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION**  
**For the nine-month period ended 30 September 2014**

All amounts in LTL thousands unless otherwise stated

**6 Property, plant and equipment (continued)**

Movements in the Company's PP&E account were as follows:

Company	Land	Buildings	Structures and equipment	Structures and equipment of Hydro Power Plant and Pumped Storage Power Plant	Structures and equipment of Reserve Power Plant	Combined-Cycle Block	Motor vehicles	Other PP&E	Construction in progress	Total
<b>At 30 September 2014</b>										
Opening net book amount	6,490	2,186	3,381	484,307	814,106	1,268,690	461	194	17,578	2,597,392
Additions	-	-	-	113	481	52	17	10	58,957	59,630
Write-offs	-	-	-	-	(2)	-	-	-	-	(2)
Disposals	-	-	-	-	(477)	-	-	-	-	(477)
Reclassifications between groups	-	82	6,859	800	3,366	-	-	241	(11,348)	-
Reclassification to intangible assets	-	-	-	-	-	-	-	-	(1,253)	(1,253)
Reclassification from/to inventories	-	-	-	212	(65)	530	-	-	-	677
Capitalized to construction in progress	-	-	-	-	(82)	-	-	-	82	-
Depreciation	-	(36)	(232)	(20,457)	(27,719)	(37,916)	(172)	(51)	-	(86,583)
<b>Net book amount at 30 September 2014</b>	<b>6,490</b>	<b>2,232</b>	<b>10,008</b>	<b>464,975</b>	<b>789,608</b>	<b>1,231,356</b>	<b>306</b>	<b>394</b>	<b>64,016</b>	<b>2,569,384</b>

In 2014, the Company capitalised expenses of LTL 51,259 thousand related to Biofuel boiler project.

As of 30 September 2014, the Company's contractual commitments to acquire or construct property, plant and equipment amounted to LTL 37 m (As of 31 December 2013-LTL 86m).

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION**  
**For the nine-month period ended 30 September 2014**

All amounts in LTL thousands unless otherwise stated

**6 Property, plant and equipment (continued)**

In 2014, independent valuation of the Company's property, plant and equipment carried at revalued amount wasn't performed, because the fair value did not significantly differ from the carrying amount.

	Level 1 Quoted prices in active markets for identical assets	Level 2 Other directly or indirectly observable inputs	Level 3 Unobservable inputs	Total:
Land	-	6,490	-	6,490
Structures and equipment	-	10,008	-	10,008
Buildings	-	2,232	-	2,232
Motor vehicles	-	306	-	306
Other PP&E	-	394	-	394
<b>Fair value as of 30 September 2014</b>	-	<b>19,430</b>	-	<b>19,430</b>

In 2013, independent valuation of the Company's property, plant and equipment carried at revalued amount was performed using the comparative and cost methods. The impairment was debited against the revaluation reserve and recognised within operating expenses. The fair value valuation method is attributed to Level 2 in the fair value hierarchy.

	Level 1 Quoted prices in active markets for identical assets	Level 2 Other directly or indirectly observable inputs	Level 3 Unobservable inputs	Total:
Land	-	6,490	-	6,490
Structures and equipment	-	3,381	-	3,381
Buildings	-	2,186	-	2,186
Motor vehicles	-	461	-	461
Other PP&E	-	194	-	194
<b>Fair value as of 31 December 2013</b>	-	<b>12,712</b>	-	<b>12,712</b>

The Company's property, plant and equipment amounting to LTL 1,237,836 thousand was pledged to the bank as collateral (31 December 2013: LTL 1,347,271 thousand).

**7 Share capital**

As at 30 September 2014 and 31 December 2013, the share capital of the Company was LTL 635,083,615 and it was divided into 635,083,615 ordinary registered shares with the par value of LTL 1 each. All the shares are fully paid. The highest share price at the Stock Exchange trading session in 2014 was LTL 2.949 per share (2013: LTL 1.419), and the lowest share price was LTL 1.364 per share (2013: LTL 1.243). The total number of shareholders as at 30 September 2014 was 6,241 (31 December 2013: 6,153).

The shareholders' structure of the Company is as follows;

Shareholders	Share capital at 30 September 2014		Share capital at 31 December 2013	
	(LTL)	%	(LTL)	%
Lietuvos Energija UAB	610,515,515	96.13	610,515,515	96.13
Other shareholders	24,568,100	3.87	24,568,100	3.87
<b>Total:</b>	<b>635,083,615</b>	<b>100.00</b>	<b>635,083,615</b>	<b>100.00</b>

Lietuvos Energija UAB is wholly (100.00%) owned by the State of Lithuania represented by the Lithuanian Ministry of Finance.

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**8 Other reserves**

The Group's and the Company's other reserves comprised as follows:

<b>Group/Company</b>	<b>Reserve for share capital reduction due to transfer of heavy fuel oil storage facilities</b>	<b>Reserve for investments</b>	<b>Non-current asset-related reserves</b>	<b>Total</b>
<b>Balance at 31 December 2012</b>	<b>(63,777)</b>	<b>116,883</b>	<b>664,669</b>	<b>717,775</b>
Reserves utilised	-	-	(40,000)	(40,000)
<b>Balance at 31 December 2013</b>	<b>(63,777)</b>	<b>116,883</b>	<b>624,669</b>	<b>677,775</b>
<b>Balance at 31 December 2013</b>	<b>(63,777)</b>	<b>116,883</b>	<b>624,669</b>	<b>677,775</b>
Reserves utilised	-	(53,106)	(624,669)	(677,775)
<b>Balance at 30 September 2014</b>	<b>(63,777)</b>	<b>63,777</b>	<b>-</b>	<b>-</b>

Upon the first-time adoption of IFRSs on 1 January 2004, the Company's equity increased by LTL 721,107 thousand. In order to impose restrictions on the ability to distribute this increase, a non-current assets-related reserve was established. As of 31 December 2013, the amount of this reserve attributable to the owners of the Company was equal to LTL 624,669 thousand. During the General Meeting of Shareholders held in 2014, the decision was made to transfer LTL 624,669 thousand to retained earnings.

As of 30 September 2014 and 31 December 2013, the Company's reserve for investments amounted to LTL 116,883 thousand. It was established to accumulate funds for the construction and development of non-current assets. During the General Meeting of Shareholders held in 2014, the decision was made to transfer LTL 53,106 thousand to retained earnings.

The reserve for the share capital due to the transfer of heavy fuel oil storage facilities is the negative reserve for the reduction of the share capital, which was established in 1999 as a result of the transfer of heavy fuel oil storage facilities to VĮ Vilniaus Mazuto Saugykla. Although expected, the share capital has not been reduced by this amount until now.

**9 Dividends per share**

The Ordinary General Meeting of Shareholders of Lietuvos Energijos Gamyba AB was held on 30 September 2014 and resolved to pay out dividends of LTL 0.11 per share from retained earnings for the period shorter than financial year (30 September 2014).

The Ordinary General Meeting of Shareholders of Lietuvos Energijos Gamyba AB was held on 4 April 2014 and resolved to pay out dividends of LTL 0.24 per share from retained earnings .

	<b>At 30 September 2014</b>
Weighted average number of shares (units)	635,083,615
Amount of dividends (LTL'000)	150,000
<b>Dividends per share (LTL)</b>	<b>0.24</b>
Amount of dividends (LTL'000)	69,859
<b>Dividends per share (LTL)</b>	<b>0.11</b>

The Ordinary General Meeting of Shareholders of Lietuvos Energijos Gamyba AB was held on 30 April 2013 and resolved to pay out dividends of LTL 0.04 per share from retained earnings .

	<b>At 31 December 2013</b>
Amount of dividends (LTL'000)	25,403
Weighted average number of shares (units)	635,083,615
<b>Dividends per share (LTL)</b>	<b>0.04</b>



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**10 Borrowings**

The Group's and the Company's borrowings by maturity grouping are presented below:

	<b>Group at 30 September 2014</b>	<b>Company at 31 September 2014</b>	<b>Group at 31 December 2013</b>	<b>Company at 31 December 2013</b>
<b>Non-current borrowings</b>				
Syndicated loan (Swedbank AB, SEB Bankas AB, Nordea Bank Finland Plc, Lithuania Branch, DnB NORD Bankas AB) to be repaid by 1 April 2018	-	-	45,687	45,687
Loan from the European Bank for Reconstruction and Development, to be repaid by 18 February 2025	-	-	204,291	204,291
Syndicated loan (Swedbank AB, SEB Bankas AB, Nordea Bank Finland Plc, Lithuania Branch, DnB NORD AB Bank, Danske Bank A/S) to be repaid by 3 June 2016	-	-	237,818	237,818
Loan from Nordea Bank Finland Plc, Lithuania Branch, in EUR, to be repaid by 1 December 2017	7,600	-	8,500	-
Syndicated loan (Nordea Bank Finland Plc, Lithuania Branch, AB BNB bankas) in EUR, to be repaid by 31 March 2027	34,265	34,265	10,465	10,465
Loan from SEB Bankas AB (refinancing), in EUR, to be repaid by 23 February 2024	469,165	469,165	-	-
<b>Total non-current borrowings:</b>	<b>511,030</b>	<b>503,430</b>	<b>506,761</b>	<b>498,261</b>
<b>Current borrowings</b>				
Syndicated loan (Swedbank AB, SEB Bank AB, Nordea Bank Finland Plc, Lithuania Branch, DnB NORD Bankas AB) to be repaid by 1 April 2018	-	-	14,253	14,253
Loan from Nordea Bank Finland Plc, Lithuania Branch, in EUR, to be repaid by 1 December 2017	1,200	-	600	-
Syndicated loan (Swedbank AB, SEB Bankas AB, Nordea Bank Finland Plc, Lithuania Branch and DnB NORD Bank AB, Danske Bank A/S) in EUR, to be repaid by 3 June 2016	-	-	21,620	21,620
Loan from the European Bank for Reconstruction and Development, in EUR, to be repaid by 18 February 2025	-	-	20,429	20,429
Loan from the European Bank for Reconstruction and Development, accrued interest	-	-	827	827
Syndicated loan (Nordea Bank Finland Plc, Lithuania Branch, AB BNB bankas) in EUR, to be repaid by 31 March 2027	5,285	5,285	-	-
Loan from SEB Bankas AB (refinancing), in EUR, to be repaid by 23 February 2024	55,196	55,196	-	-
<b>Total current borrowings:</b>	<b>61,681</b>	<b>60,481</b>	<b>57,729</b>	<b>57,129</b>

On 21 February 2014 the Company concluded a loan agreement with SEB Bankas AB for an amount up to EUR 158,000,000. The purpose of this agreement is to refinance three loans under the credit agreements with the banks operating in Lithuania and the European Bank for Reconstruction and Development.

As of 30 September 2014, the Group's undrawn balances of loans and overdrafts under the above-listed agreements amounted to LTL 241,770 thousand (31 December 2013: LTL 272,855 thousand). As of 30 September 2014, the Company's undrawn balances of loans and overdrafts amounted to LTL 236,770 thousand (31 December 2013: LTL 265,855 thousand).

As of 30 September 2014, the fair value of Group's borrowings was equal to LTL 540,378 thousand (31 December 2013: LTL 618,404 thousand). As of 30 September 2014, the fair value of Company's borrowings was equal to LTL 531,927 thousand (31 December 2013: LTL 609,920 thousand). The fair value was estimated using a 2.55% discount rate. The fair value of borrowings is attributed to Level 3 in the fair value hierarchy.

The Group's and the Company's property, plant and equipment was pledged to the bank as collateral (note 5)

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**11 Grants**

The grants balance consists of grants to finance acquisition of assets. Movements in grants during the nine-month periods ended 30 September 2014 and 30 September 2013 were as follows:

Group/Company	Assets-related grants			Total
	Fuel combustion equipment and other assets	Project for renovation, improvement of environmental and safety standards	Grants for emission allowances	
<b>Balance at 1 January 2013</b>	<b>91,729</b>	<b>1,008,732</b>	-	<b>1,100,461</b>
Grants received	(1,116)	(18,489)	-	(19,605)
Depreciation of property, plant and equipment	-	-	1,040	1,040
Repayable grants	(23)	-	-	(23)
Utilisation of grant for emission allowances	-	-	(1,040)	(1,040)
<b>Balance at 30 September 2013</b>	<b>90,590</b>	<b>990,243</b>	-	<b>1,080,833</b>
<b>Balance at 1 January 2014</b>	<b>88,842</b>	<b>973,888</b>	-	<b>1,062,730</b>
Grants received	8,014	-	1,358	9,372
Depreciation of property, plant and equipment	(1,395)	(27,745)	-	(29,140)
Utilisation of grant for emission allowances	-	-	(1,153)	(1,153)
<b>Balance at 30 September 2014</b>	<b>95,461</b>	<b>946,143</b>	<b>205</b>	<b>1,041,809</b>

During 2014, Company's assets-related grants decreased by LTL 29,140 thousand, i.e. by the amount of depreciation of property, plant and equipment (nine-month period ended 30 September 2013: LTL 29,377 thousand). Depreciation expenses of property, plant and equipment were reduced by this amount in the statement of comprehensive income.

In 2014 the Company received a LTL 8,014 thousand grant for the construction of engineering infrastructure in Kruonis industrial park.

In 2014 the Company received an additional grant of LTL 1,358 thousand for emission allowances, whereof LTL 764 thousand to be utilised for 2013 and LTL 594 thousand to be utilised for 2014 (during the same period in 2013 the Company received a grant of LTL 1,040 thousand for emission allowances).

**12 Provisions for emission allowances**

Provisions for emission allowances were accounted for as follows:

	Group	Company
<b>Balance at 31 December 2013</b>	<b>9,745</b>	<b>9,745</b>
Emission allowances utilised	(9,745)	(9,745)
Provisions for emissions*	7,162	7,162
<b>Balance at 30 September 2014</b>	<b>7,162</b>	<b>7,162</b>

\*For the purpose of the statement of comprehensive income, expenses related to provisions for emission allowances utilised are accounted for net of government grants utilized (Note 11).

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**13 Investments**

As at 30 September 2014 and 31 December 2013, the Company had direct control over the following subsidiaries:

**Subsidiary**

**At 30 September 2014**

	<b>Cost</b>	<b>Impairment</b>	<b>Carrying amount</b>
Kauno Energetikos Remontas UAB	31,341	(21,041)	10,300
Energijos Tiekimas UAB	750	-	750
<b>Total</b>	<b>32,091</b>	<b>(21,041)</b>	<b>11,050</b>

On 31 March, 2014 the Company sold 31,835,166 (thirty-one million, eight hundred and thirty-five thousand, one hundred and sixty-six) ordinary registered shares of Duomenų Logistikos Centras for LTL 41,347 thousand. After the transaction the Company has disposed indirectly owned public institution of VŠĮ Respublikinis energetikų mokymo centras.

**Subsidiary**

**At 31 December 2013**

	<b>Cost</b>	<b>Impairment</b>	<b>Carrying amount</b>
Duomenų logistikos centras UAB	43,601	(2,254)	41,347
Kauno Energetikos Remontas UAB	31,341	(21,041)	10,300
Energijos Tiekimas UAB	750	-	750
<b>Total</b>	<b>75,692</b>	<b>(23,295)</b>	<b>52,397</b>

Movements of investments in subsidiaries for the periods ended 30 September 2014 were as follows:

	<b>Company 2014</b>
<b>Carrying amount as at 1 January</b>	<b>52,397</b>
Disposal of investments in subsidiaries	(41,347)
<b>Carrying amount at 30 September</b>	<b>11,050</b>

Structure of the Group's investments in the associates and the joint venture as at 30 September 2014 and 31 December 2013 was as follows:

<b>Group At 30 September 2014</b>	<b>Cost</b>	<b>Ownership interest (%)</b>	<b>Impairment</b>	<b>Carrying amount</b>
NT Valdos UAB	130,720	41.74	(3,466)	127,254
Nordic Energy Link AS	19,058	25.00	7,423	26,481
Geoterma UAB	7,396	23.44	(7,396)	-
Verslo ir aptarnavimo centras UAB	20	20.00	(3)	17
Technologijų ir Inovacijų Centras UAB	4,444	22.22	230	4,674
<b>Total</b>	<b>161,638</b>		<b>(3,212)</b>	<b>158,426</b>

<b>Group At 31 December 2013</b>	<b>Cost</b>	<b>Ownership interest (%)</b>	<b>Impairment</b>	<b>Carrying amount</b>
NT Valdos UAB	132,560	42.32	(6,527)	126,033
Nordic Energy Link AS	21,175	25.00	7,625	28,800
Geoterma UAB	7,396	23.44	(7,396)	-
Technologijų ir Inovacijų Centras UAB	2	20.00	(2)	-
<b>Total</b>	<b>161,133</b>		<b>(6,300)</b>	<b>154,833</b>

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**13 Investments (continued)**

Structure of the Company's investments in the associates and the joint venture as at 30 September 2014 and 31 December 2013 was as follows:

<b>Company At 30 September 2014</b>	<b>Cost</b>	<b>Ownership interest (%)</b>	<b>Impairment</b>	<b>Carrying amount</b>
NT Valdos UAB	130,720	41.74		130,720
Nordic Energy Link AS	19,058	25.00		19,058
Geoterma UAB	7,396	23.44	(5,409)	1,987
Verslo ir aptarnavimo centras UAB	20	20.00		20
Technologijų ir Inovacijų Centras UAB	4,444	22.22		4,444
<b>Total</b>	<b>161,638</b>		<b>(5,409)</b>	<b>156,229</b>

<b>Company At 31 December 2013</b>	<b>Cost</b>	<b>Ownership interest (%)</b>	<b>Impairment</b>	<b>Carrying amount</b>
NT Valdos UAB	130,720	41.74		130,720
Nordic Energy Link AS	21,175	25.00		21,175
Geoterma UAB	7,396	23.44	(5,409)	1,987
Technologijų ir Inovacijų Centras UAB	2	20.00		2
<b>Total</b>	<b>159,293</b>		<b>(5,409)</b>	<b>153,884</b>

Movements of investments in the associates and the joint venture during the period ended 30 September 2014 :

	<b>Grupė 2014 m.</b>	<b>Įmonė 2014 m.</b>
<b>Carrying amount at 1 January</b>	<b>154,833</b>	<b>153,884</b>
Acquisition of associates	4,462	4,462
Disposal of investments in associates	(3,840)	(2,117)
Share of result of operations of associates and joint ventures, (loss)/profit	2,971	-
<b>Carrying amount at 30 September</b>	<b>158,426</b>	<b>156,229</b>

**Disposal of Nordic Energy Link AS**

On 19 March 2014, shareholders of Nordic Energy Link AS made a decision on dissolution of Nordic Energy Link AS. On 19 March 2014, NEL redeemed from its shareholders 10 % of shares held by them on a proportionate basis. The Company sold 860,000 ordinary registered shares for LTL 1,898 thousand.

**Increase in share capital of Technologijų ir Inovacijų Centras UAB**

During the Ordinary General Meeting of Shareholders of Technologijų ir Inovacijų Centras UAB held on 30 April 2014, the decision was made to increase its authorised share capital to LTL 19,990,000, by way of issuing 19,990,000 new ordinary registered shares.

On 19 May 2014, the Company and Technologijų ir Inovacijų Centras UAB signed an Agreement for the Subscription of Shares, based on which Lietuvos Energijos Gamyba AB subscribed for 4,442,222 newly issued ordinary registered shares of Technologijų ir Inovacijų Centras UAB with par value of LTL 1 each. The total issue price was paid in cash. As a result of this transaction, the Company's ownership interest in Technologijų ir Inovacijų Centras UAB increased from 20% to 22,22%.

**Establishment of Verslo aptarnavimo centras UAB**

On 21 July 2014 Lietuvos Energijos Gamyba AB together with Lietuvos Energija UAB, LESTO AB, LITGAS UAB and Technologijų ir Inovacijų Centras UAB signed a memorandum on the establishment of a new company Verslo Aptarnavimo Centras UAB. Based on this memorandum, the Company acquired 20,000 ordinary registered shares of Verslo Aptarnavimo Centras UAB with par value of LTL 1 each. The total issue price was paid in cash. On 30 July 2014 Verslo Aptarnavimo Centras AB was registered at a public institution Centre of Registers. As a result of this transaction, the Company owns 20% of shares of Verslo Aptarnavimo Centras UAB.

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**14 Segment information**

In 2014, management distinguished operating segments based on the reports reviewed by the Board. The Board is a primary decision maker within the Group. The Board analyses business operations separating activities to regulated and commercial. Operating profit (loss) is a profitability measure analysed by the Board. The reports reviewed by the Board are in line with the financial statements prepared in accordance with IFRS, except for the format of presentation.

As at 30 September 2014 and 2013, the Board analyses the operations of the Company separating activities to regulated and commercial. The regulated activities include revenue from heat and electricity production of the complex of Elektrėnai, revenue from balancing and regulating activities, power reserve, including electric power reservation income of Kruonis Pumped Storage Power Plant. Commercial activities include electricity trade in the market, export / import, electricity production in Kaunas Hydro Power Plant and Kruonis Pumped Storage Power Plant, including related regulatory and balancing services. Administrative costs are allocated between the regulated and commercial activities with a reference to operating expenses, number of employees and purchase volumes. The operations of Energijos Tiekimas UAB representing trade in electricity also constitute a separate segment. Other activities within the Group include repair services of energy facilities and IT services.

Inter-company transactions within the Group are conducted at market prices, except for trade in electricity and related services, the prices of which are established by the National Control Commission for Prices and Energy.

The table below presents the Group's information on segments for the nine-month period ended 30 September 2014:

2014	Electricity production and trade (including export/import)			Other activities	Total Regulated activities Regulated activities
	Lietuvos Energijos Gamyba, AB		Energijos Tiekimas, UAB (group)		
	Regulated activities	Commercial activities			
<b>Total segment revenue</b>	379,093	252,088	162,704	86,021	879,906
Inter-segment revenue	-	-	(156,645)	(50,614)	(207,259)
<b>Revenue from external clients</b>	<b>379,093</b>	<b>252,088</b>	<b>6,059</b>	<b>35,407</b>	<b>672,647</b>
<b>Expenses after elimination of turnover among the Group companies</b>	<b>(327,227)</b>	<b>(187,622)</b>	<b>(3,713)</b>	<b>(38,995)</b>	<b>(557,557)</b>
including depreciation and amortisation expenses	(41,381)	(16,309)	(78)	(1,609)	(59,377)
<b>Operating profit</b>	<b>51,866</b>	<b>64,466</b>	<b>2,346</b>	<b>(3,588)</b>	<b>115,090</b>
<b>Finance income</b>	<b>4</b>	<b>6,897</b>	<b>12</b>	<b>83</b>	<b>6,996</b>
<b>Finance costs</b>	<b>(12,459)</b>	<b>(1,258)</b>	<b>(2)</b>	<b>(202)</b>	<b>(13,921)</b>
<b>Share of result of associates and joint ventures</b>				<b>2,971</b>	<b>2,971</b>
<b>Profit before income tax</b>	<b>39,411</b>	<b>70,105</b>	<b>2,356</b>	<b>(736)</b>	<b>111,136</b>
<b>Income tax</b>					<b>(18,327)</b>
<b>Profit for the period from continuing operations</b>					<b>92,809</b>

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**14 Segment information (continued)**

The table below presents the Group's information on segments for the nine-month period ended 30 September 2013:

2014	Electricity production and trade (including export/import)			Other activities	Total Regulated activities Regulated activities
	Lietuvos Energijos Gamyba, AB		Energijos Tiekimas, UAB (group)		
	Regulated activities	Commercial activities			
<b>Total segment revenue</b>	478,638	372,817	136,795	44,839	1,018,024
Inter-segment revenue			(130,563)	(3,885)	(134,448)
<b>Revenue from external clients</b>	<b>478,638</b>	<b>372,817</b>	<b>6,232</b>	<b>40,954</b>	<b>883,576</b>
<b>Expenses after elimination of turnover among the Group companies</b>	<b>(436,742)</b>	<b>(308,767)</b>	<b>(2,166)</b>	<b>(24,454)</b>	<b>(772,129)</b>
including depreciation and amortisation expenses	(44,208)	(14,282)	(31)	(1,552)	(60,073)
<b>Operating profit</b>	<b>41,896</b>	<b>64,050</b>	<b>4,066</b>	<b>16,500</b>	<b>111,447</b>
<b>Finance income</b>	<b>491</b>	<b>138</b>	<b>405</b>	<b>4</b>	<b>1,038</b>
<b>Finance costs</b>	<b>(15,050)</b>	<b>(487)</b>	<b>(20)</b>	<b>(231)</b>	<b>(15,788)</b>
<b>Share of result of associates and joint ventures</b>				<b>(102)</b>	<b>(102)</b>
<b>Profit before income tax</b>	<b>27,337</b>	<b>63,701</b>	<b>4,451</b>	<b>16,171</b>	<b>96,595</b>
<b>Income tax</b>					<b>(8,137)</b>
<b>Profit for the period from continuing operations</b>					<b>88,458</b>

All assets of the Group and the Company are located in Lithuania.

The Group's revenue received from a single external client during the nine-month period ended 30 September 2014 amounted to LTL 366,441 thousand (the nine-month period ended 30 September 2013- LTL 302,707 thousand).

**15 Related-party transactions**

Purchase and sale of goods and services:

The Group's transactions with related parties during the period from January to September 2014 and the balances arising on these transactions as at 30 September 2014 are presented below:

Related parties	Payables and accrued expenses	Receivables and unbilled revenue	Purchases	Sales
Associates of the Group	609	123	3,332	9,966
Entities controlled by the Ministry of Finance of the Republic of Lithuania (including subsidiaries of Lietuvos Energija UAB)	36	45,721	314	367,465
Litgrid AB group	2,377	77,162	24,931	360,550
Lietuvos dujos AB	9	-	147	-
Lietuvos Energija UAB	67,157	40	23	254
<b>Total</b>	<b>70,188</b>	<b>123,046</b>	<b>28,747</b>	<b>738,235</b>

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**15 Related-party transactions (continued)**

The Company's transactions with related parties during the period from January to September 2014 and the balances arising on these transactions as at 30 September 2014 are presented below:

<b>Related parties</b>	<b>Payables and accrued expenses</b>	<b>Receivables and unbilled revenue</b>	<b>Purchases</b>	<b>Sales</b>
Subsidiaries of the Company	12,410	28,711	50,710	161,601
Entities controlled by the Ministry of Finance of the Republic of Lithuania (including subsidiaries of Lietuvos Energija UAB)	13	45,443	106	366,441
Litgrid AB group	2,377	74,199	24,931	350,283
Lietuvos dujos AB	4	-	43	-
Lietuvos Energija UAB	67,157	40	23	254
Associates of the Company	445	2	2,448	8,544
<b>Total</b>	<b>82,406</b>	<b>148,395</b>	<b>78,261</b>	<b>887,123</b>

The Group's transactions with related parties during the period from January to September 2013 and the balances as at 31 December 2013 are presented below:

<b>Related parties</b>	<b>Payables and accrued expenses</b>	<b>Receivables and unbilled revenue</b>	<b>Purchases</b>	<b>Sales</b>
Associates of the Group	1,351	400	9,228	1,507
Entities controlled by the Ministry of Finance of the Republic of Lithuania (including subsidiaries of Lietuvos Energija UAB)	75	35,879	228	323,941
Litgrid AB group	7,031	59,745	76,858	322,749
Lietuvos Energija UAB	-	124	18	410
<b>Total</b>	<b>8,457</b>	<b>96,148</b>	<b>86,332</b>	<b>648,607</b>

The Company's transactions with related parties during the period from January to September 2013 and the balances as at 31 December 2013 are presented below:

<b>Related parties</b>	<b>Payables and accrued expenses</b>	<b>Receivables and unbilled revenue</b>	<b>Purchases</b>	<b>Sales</b>
Subsidiaries of the Company	1,652	34,428	3,425	132,489
Entities controlled by the Ministry of Finance of the Republic of Lithuania (including subsidiaries of Lietuvos Energija UAB)	143	-	4,740	-
Litgrid AB group	10	31,463	71	302,707
Lietuvos Energija UAB	6,415	57,406	72,224	580,892
Associates of the Company	-	-	18	-
<b>Total</b>	<b>8,220</b>	<b>123,297</b>	<b>80,478</b>	<b>1,016,088</b>

The major related-party sale and purchase transactions in 2014 and 2013 comprised transactions with the entity controlled by the Ministry of Finance of the Republic of Lithuania AB LESTO. The Group's sales transactions to this entity mainly included sales of electricity.

Transactions with state-owned entities other than those controlled by the Ministry of Finance included regular business transactions and therefore they are not disclosed.

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION**  
**For the nine-month period ended 30 September 2014**

All amounts in LTL thousands unless otherwise stated

**16 Payments to key management personnel**

	<b>Group 1 January – 30 September 2014</b>	<b>Company 1 January – 30 September 2014</b>	<b>Group 1 January – 30 September 2013</b>	<b>Company 1 January – 30 September 2013</b>
Employment-related payments	2,008	1,195	3,338	1,168
Termination benefits	40	40	288	-
Number of key management personnel	16	7	27	10

Key management personnel in the table above are heads of administration and their deputies, and the chief financier.

**17 Events subsequent to the end of the reporting period**

**Regarding the decommissioning of the units 1 and 2 of Lithuanian power plant owned by "Lietuvos energijos gamyba", AB**

Implementing the strategy of the Company and taking into account the opinion of the Supervisory Board, on 20 October, 2014 decided to decommission units 1, 2 of the Lithuanian power plant owned by the Company starting from 1 January, 2015 (1 unit will be decommissioned starting 1 January, 2015, 2 unit will be decommissioned starting from 1 April, 2015).

**Increase in share capital of Verslo Aptarnavimo Centras UAB**

During the Ordinary General Meeting of Shareholders of Verslo Aptarnavimo Centras UAB held on 28 October 2014, the decision was made to increase its authorised share capital to LTL 1,400,000, by way of issuing 1,400,000 new ordinary registered shares. On 29 October 2014, the Company and Verslo Aptarnavimo Centras UAB signed an Agreement for the Subscription of Shares, based on which Lietuvos Energijos Gamyba AB subscribed for 280,000 newly issued ordinary registered shares of Verslo Aptarnavimo Centras UAB with par value of LTL 1 each. The total issue price was paid in cash.

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