

AB INVALIDA LT

CONSOLIDATED AND COMPANY'S INTERIM CONDENSED NOT-AUDITED FINANCIAL
STATEMENTS
FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2014 PREPARED ACCORDING TO
INTERNATIONAL FINANCIAL REPORTING STANDARDS AS ADOPTED BY THE EUROPEAN
UNION

AB INVALIDA LT

CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2014

(all amounts are in LTL thousand unless otherwise stated)

GENERAL INFORMATION

Board of Directors

Mr. Alvydas Banys (chairman of the Board)
Ms. Indrė Mišeikytė
Mr. Darius Šulnis

Management

Mr. Darius Šulnis (president)
Mr. Raimondas Rajeckas (chief financial officer)

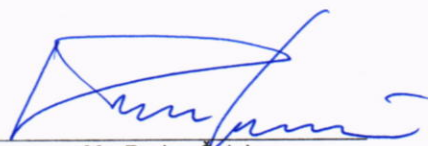
Principal place of business and company code

Seimyniskiu Str. 1A,
Vilnius,
Lithuania
Company code 121304349

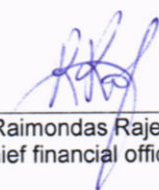
Banks

AB DNB Bankas
AB Šiaulių Bankas
AB SEB Bankas
Nordea Bank AB Lithuania Branch
Danske Bank A/S Lithuania Branch
AB Bankas Finasta
"Swedbank", AB
AB Citadele bankas
UAB Medicinos Bankas
DNB Bank Polska S. A.

The financial statements were approved and signed by the Management and the Board of Directors on 23 February 2015.



Mr. Darius Šulnis
President



Mr. Raimondas Rajeckas
Chief financial officer

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CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2014

(all amounts are in LTL thousand unless otherwise stated)

Interim consolidated and Company's income statements

		Group		Company	
		2014	2013	2014	2013
		Unaudited	Restated	Unaudited	Audited
Continuing operations					
Revenue					
Facility management		6,043	15,527	-	-
Asset management		941	-	-	-
Other production and services revenue		1,963	8,783	-	-
Total revenue		8,947	24,310	-	-
Other income	9.3	3,720	4,478	18,736	23,244
Net gains (losses) on disposal of subsidiaries, associates and joint ventures	8	2	1,333	45,020	(517)
Revaluation of investments on becoming investment entity	8, 15	7,715	-	11,881	-
Net changes in fair value of financial assets at fair value through profit or loss	9.1	149	1,426	148	1,426
Split-off		-	-	-	68,071
Changes in inventories of finished goods and work in progress		50	(52)	-	-
Raw materials and consumables used		(1,519)	(6,205)	(14)	(21)
Employee benefits expenses		(5,288)	(12,063)	(2,046)	(2,242)
Impairment, write-down and provisions	9.4	(1,013)	(1,278)	659	(5,745)
Premises rent and utilities		(939)	(1,649)	(140)	(167)
Depreciation and amortisation		(514)	(1,398)	(49)	(41)
Repair and maintenance cost of premises		(1,397)	(4,420)	(58)	(54)
Other expenses		(2,342)	(3,034)	(886)	(938)
Operating profit (loss)		7,571	1,448	73,251	83,016
Finance costs	9.2	(205)	(393)	(176)	(335)
Share of profit (loss) of associates and joint ventures		(438)	3,694	-	-
Profit (loss) before income tax		6,928	4,749	73,075	82,681
Income tax credit (expenses)	7	(6,235)	(1,912)	(6,372)	(1,691)
Profit (loss) for the period from continuing operations		693	2,837	66,703	80,990
Discontinued operation					
Profit/(Loss) after tax for the period from discontinued operation	13	9,970	105,695	-	-
PROFIT (LOSS) FOR THE PERIOD		10,663	108,532	66,703	80,990
Attributable to:					
Equity holders of the parent		10,725	107,275	66,703	80,990
Non-controlling interests		(62)	1,257	-	-
		10,663	108,532	66,703	80,990
Basic earnings (deficit) per share (in LTL)	14	0.70	3.12	4.32	2.36
Basic earnings (deficit) per share (in LTL) from continuing operations		0.05	0.08	4.32	2.36
Diluted earnings (deficit) per share (in LTL)		0.70	3.12	4.32	2.36
Diluted earnings (deficit) per share (in LTL) from continuing operations		0.05	0.08	4.32	2.36

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CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2014

(all amounts are in LTL thousand unless otherwise stated)

Interim consolidated and Company's statements of comprehensive income

	Group		Company	
	2014	2013	2014	2013
	Unaudited	Restated	Unaudited	Audited
Profit (loss) for the year	10,663	108,532	66,703	80,990
Other comprehensive income (loss)				
<i>Other comprehensive income (loss) that may be subsequently reclassified to profit or loss</i>				
Exchange differences on translation of foreign operations	22	(120)	-	-
Share of other comprehensive income (loss) of associates	(4)	(4)	-	-
Net other comprehensive income (loss) that may be subsequently reclassified to profit or loss	18	(124)	-	-
<i>Other comprehensive income (loss) that will not be reclassified to profit or loss</i>				
Share of other comprehensive income (loss) of associates - re-measurement gains (losses) on defined benefit plans	-	26	-	-
Net other comprehensive income (loss) not to be reclassified to profit or loss	-	26	-	-
Other comprehensive income (loss) for the period, net of tax	18	(98)	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	10,681	108,434	66,703	80,990
Attributable to:				
Equity holders of the parent	10,739	107,201	66,703	80,990
Non-controlling interests	(58)	1,233	-	-
Total comprehensive income attributable to equity holders of the parent arising from:				
Continuing operations	705	2,861	66,703	80,990
Discontinued operations	10,034	104,340	-	-
	10,739	107,201	66,703	80,990

AB INVALIDA LT**CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2014**

(all amounts are in LTL thousand unless otherwise stated)

Interim consolidated and Company's income statements

	Group		Company	
	IV Quarter 2014	IV Quarter 2013	IV Quarter 2014	IV Quarter 2013
	Unaudited		Unaudited	
Continuing operations				
Revenue				
Facility management	-	4,608	-	-
Asset management	941	-	-	-
Other production and services revenue	-	1,740	-	-
Total revenue	941	6,348	-	-
Other income	1,585	803	686	1,048
Net gains (losses) on disposal of subsidiaries, associates and joint ventures	-	-	-	-
Revaluation of investments on becoming investment entity	-	-	-	-
Net changes in fair value of financial assets at fair value through profit or loss	(5,132)	746	(5,133)	746
Split-off	-	-	-	-
Changes in inventories of finished goods and work in progress	-	(308)	-	-
Raw materials and consumables used	(7)	(812)	(3)	(7)
Employee benefits expenses	(1,048)	(2,690)	(663)	(443)
Impairment, write-down and provisions	11	(515)	11	(6,194)
Premises rent and utilities	(76)	(514)	(35)	(41)
Depreciation and amortisation	(126)	(378)	(13)	(10)
Repair and maintenance cost of premises	(19)	(1,317)	(19)	(54)
Other expenses	(1,011)	(1,282)	(428)	(214)
Operating profit (loss)	(4,882)	81	(5,597)	(5,169)
Finance costs	-	(77)	-	(57)
Share of profit (loss) of associates and joint ventures	-	(612)	-	-
Profit (loss) before income tax	(4,882)	(608)	(5,597)	(5,226)
Income tax credit (expenses)	(5,666)	(1,179)	(5,673)	(1,076)
Profit (loss) for the period from continuing operations	(10,548)	(1,787)	(11,270)	(6,302)
Discontinued operation				
Profit/(Loss) after tax for the period from discontinued operation	-	14,524	-	-
PROFIT (LOSS) FOR THE PERIOD	(10,548)	12,737	(11,270)	(6,302)
Attributable to:				
Equity holders of the parent	(10,548)	12,491	(11,270)	(6,302)
Non-controlling interests	-	246	-	-
	(10,548)	12,737	(11,270)	(6,302)
Basic earnings (deficit) per share (in LTL)	(0.58)	0.64	(0.37)	(0.18)
Basic earnings (deficit) per share (in LTL) from continuing operations	(0.63)	(0.04)	(0.37)	(0.18)
Diluted earnings (deficit) per share (in LTL)	(0.58)	0.64	(0.37)	(0.18)
Diluted earnings (deficit) per share (in LTL) from continuing operations	(0.63)	(0.04)	(0.37)	(0.18)

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CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2014

(all amounts are in LTL thousand unless otherwise stated)

Interim consolidated and Company's statements of comprehensive income

	Group		Company	
	IV Quarter 2014	IV Quarter 2013	IV Quarter 2014	IV Quarter 2013
	Unaudited		Unaudited	
Profit (loss) for the year	(10,548)	12,737	(11,270)	(6,302)
Other comprehensive income (loss)				
<i>Other comprehensive income (loss) that may be subsequently reclassified to profit or loss</i>				
Exchange differences on translation of foreign operations	-	(64)	-	-
Share of other comprehensive income (loss) of associates	-	(4)	-	-
Net other comprehensive income (loss) that may be subsequently reclassified to profit or loss	-	(68)	-	-
<i>Other comprehensive income (loss) that will not be reclassified to profit or loss</i>				
Share of other comprehensive income (loss) of associates - re-measurement gains (losses) on defined benefit plans	-	26	-	-
Net other comprehensive income (loss) not to be reclassified to profit or loss	-	26	-	-
Other comprehensive income (loss) for the period, net of tax	-	(42)	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	(10,548)	12,695	(11,270)	(6,302)
Attributable to:				
Equity holders of the parent	(10,548)	12,462	(11,270)	(6,302)
Non-controlling interests	-	233	-	-

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CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2014

(all amounts are in LTL thousand unless otherwise stated)

Interim consolidated and Company's statements of financial position

	Group		Company	
	As at 31 December 2014	As at 31 December 2013	As at 31 December 2014	As at 31 December 2013
	Unaudited	Audited	Unaudited	Audited
ASSETS				
Non-current assets				
Property, plant and equipment		123	42	33
Investment properties	10	-	-	-
Intangible assets		12,031	44	50
Investments into subsidiaries	8; 15	73,686	93,672	52,487
Investments into associates and joint ventures	8	-	-	25,108
Investments available-for-sale		1,705	1,705	1,705
Loans granted		27,551	27,551	21,396
Trade and other receivables long term		-	-	1,202
Other non-current assets		-	-	-
Deferred income tax asset		4,596	1,397	7,652
Total non-current assets		119,692	124,411	109,633
Current assets				
Inventories		-	-	-
Trade and other receivables		2,496	1,217	1,710
Current loans granted		4,955	4,955	55,061
Prepaid income tax		11	-	-
Prepayments and deferred charges		74	37	45
Financial assets at fair value through profit loss	15	13,408	12,137	5,602
Deposits and financial assets held to maturity		431	-	-
Restricted cash		-	-	-
Cash and cash equivalents	5	13,890	11,367	2,515
Total current assets		35,265	29,713	64,933
Assets of disposal group classified as held-for-sale		-	-	-
Total assets		154,957	154,124	174,566

(cont'd on the next page)

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CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2014

(all amounts are in LTL thousand unless otherwise stated)

Consolidated and Company's statements of financial position (cont'd)

	Group		Company		
	As at 31 December 2014	As at 31 December 2013	As at 31 December 2014	As at 31 December 2013	
	Unaudited	Audited	Unaudited	Audited	
EQUITY AND LIABILITIES					
Equity					
Equity attributable to equity holders of the parent					
Share capital	12	11,866	24,834	11,866	24,834
Own shares	12	-	(20,813)	-	(20,813)
Share premium		17,249	33,139	17,249	33,139
Reserves		40,031	97,292	40,031	95,685
Retained earnings		81,276	84,374	80,574	27,138
		150,422	218,826	149,720	159,983
Non-controlling interests		-	360	-	-
Total equity		150,422	219,186	149,720	159,983
Liabilities					
Non-current liabilities					
Non-current borrowings	11	-	55,824	-	-
Financial lease liabilities		-	145	-	-
Government grants		-	46	-	-
Provisions		-	-	-	-
Deferred income tax liability		-	15,296	-	-
Other non-current liabilities		-	2,627	-	-
Total non-current liabilities		-	73,938	-	-
Current liabilities					
Current portion of non-current borrowings	11	-	44,597	-	-
Current portion of financial lease liabilities		-	69	-	-
Current borrowings		-	9,313	-	12,682
Trade payables		450	10,417	110	305
Income tax payable		2	92	2	-
Provisions		-	-	-	-
Advances received		1	2,026	1	-
Other current liabilities	16	4,082	6,308	4,291	1,596
Total current liabilities		4,535	72,822	4,404	14,583
Total liabilities		4,535	146,760	4,404	14,583
Total equity and liabilities		154,957	365,946	154,124	174,566

(the end)

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CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2014

(all amounts are in LTL thousand unless otherwise stated)

Consolidated and Company's statements of changes in equity

Group	Equity attributable to equity holders of the parent									
	Share capital	Own shares	Share premium	Reserves			Retained earnings (accumulated deficit)	Subtotal	Non-controlling interests	Total equity
				Legal and other reserves	Foreign currency translation reserve					
Balance as at 31 December 2013 (audited)	24,834	(20,813)	33,139	97,354		(62)	84,374	218,826	360	219,186
Profit (loss) for the year of 2014	-	-	-	-	-	-	10,725	10,725	(62)	10,663
Other comprehensive income (loss) for the year of 2014	-	-	-	-	-	18	(4)	14	4	18
Total comprehensive income (loss) for the year of 2014	-	-	-	-	-	18	10,721	10,739	(58)	10,681
Share of movements in equity of associates	-	-	-	-	-	-	72	72	-	72
Value of employee services	-	-	-	-	-	-	-	-	19	19
Changes in reserves	-	-	-	329	-	-	(329)	-	-	-
Cease of consolidation of subsidiaries due to the change in the status	8	-	-	(37)	-	-	37	-	1,024	1,024
Decrease of share capital	12	(2,036)	20,813	(18,777)	-	-	-	-	-	-
Distribution as a result of split-off in 2014	3	(10,932)	-	(15,890)	(38,838)	44	(13,599)	(79,215)	(1,345)	(80,560)
Balance as at 31 December 2014 (unaudited)	11,866	-	17,249	40,031	-	-	81,276	150,422	-	150,422

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CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2014

(all amounts are in LTL thousand unless otherwise stated)

Consolidated and Company's statements of changes in equity (cont'd)

Group	Equity attributable to equity holders of the parent								Total equity
	Share capital	Own shares	Share premium	Reserves		Retained earnings (accumulated deficit)	Subtotal	Non-controlling interests	
				Legal and other reserves	Foreign currency translation reserve				
Balance as at 31 December 2012 (audited)	51,802	-	60,747	241,489	34	38,883	392,955	23,241	416,196
Profit (loss) for the year of 2013	-	-	-	-	-	107,275	107,275	1,257	108,532
Other comprehensive income (loss) for the year of 2013	-	-	-	-	(96)	22	(74)	(24)	(98)
Total comprehensive income for the year of 2013	-	-	-	-	(96)	107,297	107,201	1,233	108,434
Share of movements in equity of associates	-	-	-	-	-	512	512	-	512
Value of employee services	-	-	-	-	-	-	-	(344)	(344)
Dividends of non-controlling interests of subsidiaries	-	-	-	-	-	-	-	(311)	(311)
Acquisition of subsidiaries	-	-	-	-	-	-	-	7	7
Disposal of subsidiaries	-	-	-	9	-	(9)	-	-	-
Changes in reserves	-	-	-	23	-	(23)	-	-	-
Acquired own shares	12	(72,658)	-	-	-	-	(72,658)	-	(72,658)
Decrease of share capital	12	(6,279)	51,845	(45,566)	-	-	-	-	-
Distribution as a result of split-off in 2013	(20,689)	-	(27,608)	(98,601)	-	(62,282)	(209,180)	(23,270)	(232,450)
Acquisition of the non-controlling interest	-	-	-	-	-	(4)	(4)	(196)	(200)
Balance as at 31 December 2013 (audited)	24,834	(20,813)	33,139	97,354	(62)	84,374	218,826	360	219,186

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INTERIM CONSOLIDATED AND COMPANY'S CONDENSED FINANCIAL STATEMENTS FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2014

(all amounts are in LTL thousand unless otherwise stated)

Consolidated and Company's statements of changes in equity (cont'd)

Company	Reserves						Retained earnings (accumulated deficit)	Total
	Share capital	Own shares	Share premium	Legal reserve	Reserve of purchase of own shares			
Balance as at 31 December 2013 (audited)	24,834	(20,813)	33,139	3,140	92,545	27,138	159,983	
Profit (loss) for the year of 2014	-	-	-	-	-	66,703	66,703	
Decrease of share capital	12 (2,036)	20,813	-	-	(18,777)	-	-	
Distribution as a result of split-off in 2014	3 (10,932)	-	(15,890)	(1,506)	(35,371)	(13,267)	(76,966)	
Balance as at 31 December 2014 (unaudited)	11,866	-	17,249	1,634	38,397	80,574	149,720	

Company	Reserves						Retained earnings (accumulated deficit)	Total
	Share capital	Own shares	Share premium	Legal reserve	Reserve of purchase of own shares			
Balance as at 31 December 2012 (audited)	51,802	-	60,747	5,756	215,211	27,045	360,561	
Profit (loss) for the year of 2013	-	-	-	-	-	80,990	80,990	
Acquired own shares	12 -	(72,658)	-	-	-	-	(72,658)	
Decrease of share capital	12 (6,279)	51,845	-	-	(45,566)	-	-	
Distribution as a result of split-off in 2013	(20,689)	-	(27,608)	(2,616)	(77,100)	(80,897)	(208,910)	
Balance as at 31 December 2013 (audited)	24,834	(20,813)	33,139	3,140	92,545	27,138	159,983	

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**INTERIM CONSOLIDATED AND COMPANY'S CONDENSED FINANCIAL STATEMENTS FOR THE TWELVE MONTHS
ENDED 31 DECEMBER 2014**

(all amounts are in LTL thousand unless otherwise stated)

Consolidated and Company's statements of cash flows

	Group		Company	
	2014 Unaudited	2013 Audited	2014 Unaudited	2013 Audited
Cash flows from (to) operating activities				
Net profit (loss) for the period	10,663	108,532	66,703	80,990
Adjustments for non-cash items and non-operating activities:				
Valuation (gain) loss, net	(118)	(10,736)	-	-
Depreciation and amortization	1,256	6,075	49	41
(Gain) loss on disposal of property, plant and equipment	(13)	37	-	-
Realized and unrealized loss (gain) on investments	(149)	(1,540)	(148)	(1,426)
Revaluation of investments on becoming investment entity	-	-	-	-
(Gain) loss on disposal of subsidiaries and associates	(18,879)	(1,333)	(56,901)	517
Split-off	-	(85,363)	-	(68,071)
Share of net loss (profit) of associates and joint ventures	(1,536)	(5,425)	-	-
Interest (income)	(2,123)	(1,560)	(3,081)	(6,331)
Interest expenses	995	2,211	176	335
Deferred taxes	6,005	3,273	6,371	1,687
Current income tax expenses	320	352	2	4
Allowances	5,064	(3,610)	(659)	5,745
Change in provisions	-	(30)	-	-
Share based payment	19	(344)	-	-
Profit (loss) from bargain purchase	(898)	-	-	-
Dividend (income)	-	(71)	(15,527)	(16,841)
Loss (gain) from other financial activities	-	(29)	-	(24)
	606	10,439	(3,015)	(3,374)
Changes in working capital:				
(Increase) decrease in inventories	(672)	(1,670)	-	-
Decrease (increase) in trade and other receivables	(1,653)	(3,087)	1,505	(3,215)
Decrease (increase) in other current assets	(1,069)	2	3	28
(Decrease) increase in trade payables	(884)	1,869	(37)	49
(Decrease) increase in other current liabilities	2,943	(90)	132	(45)
Transfer (to)/from restricted cash	1,814	(2,044)	-	-
Cash flows (to) from operating activities	1,085	(5,419)	1,412	(6,557)
Income tax (paid)	38	(199)	-	(4)
Net cash flows (to) from operating activities	1,123	(5,220)	1,412	(6,561)

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Consolidated and Company's statements of cash flows (cont'd)

	Group		Company	
	2014	2013	2014	2013
	Unaudited	Unaudited	Audited	Audited
Cash flows from (to) investing activities				
(Acquisition) of non-current assets (except investment properties)	(355)	(6,076)	(52)	(92)
Proceeds from sale of non-current assets (except investment properties)	25	42	-	-
(Acquisition) of investment properties	(1,602)	(4,464)	-	-
Proceeds from sale of investment properties	87	1,636	-	-
(Acquisition) and establishment of subsidiaries, net of cash acquired	(16,533)	(6)	(32,157)	(4,432)
Proceeds from sales of subsidiaries, net of cash disposed	(1,030)	(63)	693	74
(Acquisition) of associates and joint ventures	-	(12,070)	-	(12,070)
Proceeds from sales of associates and joint ventures	8 40,547	-	40,547	-
Cash of the subsidiaries left the Group in the split-off	3 (1,469)	(23,402)	-	-
Payment according to terms of split-off	3 (647)	(13,200)	(647)	(13,200)
Acquisition of loans	(212)	(7,769)	(212)	(7,769)
Loans (granted)	(10,464)	(9,905)	(14,714)	(19,402)
Repayment of granted loans	8,721	41,513	10,725	55,237
Transfer to/from term deposits	-	13,382	-	-
Dividends received	15,527	15,940	15,527	16,830
Interest received	2,117	1,332	2,105	3,299
(Acquisition) of and proceeds from sales of financial assets at fair value through profit loss and available-for-sale investments	(19,262)	20,131	(6,190)	20,131
Net cash flows (to) investing activities	15,450	17,021	15,625	38,606
Cash flows from (to) financing activities				
Cash flows related to Group owners				
(Acquisition) of non-controlling interests	-	(200)	-	-
(Acquisition) of own shares	12 -	(72,658)	-	(72,658)
Dividends (paid) to equity holders of the parent	(28)	(567)	(28)	(567)
Dividends (paid) to non-controlling interests	-	(311)	-	-
	(28)	(73,736)	(28)	(73,225)
Cash flows related to other sources of financing				
Proceeds from loans	1,402	27,441	1,809	31,178
(Repayment) of loans	(9,898)	(23,193)	(7,001)	(20,599)
Interest (paid)	(610)	(2,202)	(141)	(438)
Financial lease (payments)	(23)	(204)	-	-
	(9,129)	(1,842)	(5,333)	10,141
Net cash flows (to) from financial activities	(9,157)	(71,894)	(5,361)	(63,084)
Impact of currency exchange on cash and cash equivalents	11	24	-	24
Net (decrease) increase in cash and cash equivalents	7,427	(49,629)	8,852	(31,015)
Cash and cash equivalents at the beginning of the period	5 6,463	56,092	2,515	33,530
Cash and cash equivalents at the end of the period	5 13,890	6,463	11,367	2,515

(the end)

AB INVALIDA LT

**INTERIM CONSOLIDATED AND COMPANY'S CONDENSED FINANCIAL STATEMENTS FOR THE TWELVE MONTHS
ENDED 31 DECEMBER 2014**

(all amounts are in LTL thousand unless otherwise stated)

Notes to the interim condensed financial statements

1 General information

AB Invalda LT (hereinafter the Company) is a joint stock company registered in the Republic of Lithuania on 20 March 1992. The address of the office is as follows:

Šeimyniškių str. 1A,
Vilnius,
Lithuania.

The Company is incorporated and domiciled in Lithuania. AB Invalda LT is one of the major companies in Lithuania investing in other businesses and managing assets whose primary objective is to steadily increase the investors equity value, solely for capital appreciation or investment income (in the form of dividends and interest). After the Split-off completed in 2014 the Company's investments are asset management, agriculture and facility management and banking activities segments. Until the Split-off the Company's segments were also furniture manufacturing, real estate, agricultural land, information technology (IT) infrastructure.

In respect of each business the Company defines its performance objectives, sets up the management team, participates in the development of the business strategy and monitors its implementation. The Company plays an active role in making the decisions on strategic and other important issues that have an effect on the value of the Group companies.

The Company's shares are traded on the Baltic Main List of NASDAQ Vilnius.

2 Basis of preparation and accounting policies

Basis of preparation

The interim condensed financial statements for the 12 months ended 31 December 2014 have been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2013.

Significant accounting policies

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Group's and Company's annual financial statements for the year ended 31 December 2013, except adoption of new Standards and Interpretations as of 1 January 2014, noted below.

The main change in the accounting principles is adopting of these standards amendments:

Amendments to IFRS 10, IFRS 12 and IAS 27 - *Investment entities*

The amendment introduced a definition of an investment entity as an entity that (i) obtains funds from investors for the purpose of providing them with investment management services, (ii) commits to its investors that its business purpose is to invest funds solely for capital appreciation or investment income and (iii) measures and evaluates its investments on a fair value basis. An investment entity will be required to account for its subsidiaries at fair value through profit or loss, and to consolidate only those subsidiaries that provide services that are related to the entity's investment activities. IFRS 12 was amended to introduce new disclosures, including any significant judgements made in determining whether an entity is an investment entity and information about financial or other support to an unconsolidated subsidiary, whether intended or already provided to the subsidiary.

2 Basis of preparation and accounting policies (cont'd)

According to the management, The Company meets all the defining criteria of an investment entity after completing the Split-off in 2014 and is presented from the financial statements for the six months ended 30 June 2014 as an investment entity according to IFRS 10 (Note 3). The Company consolidates only three subsidiaries that were established in order to provide services related to investment activities (UAB Invalda LT Investments, UAB INVL Fondai and newly acquired UAB MP Pension Funds Baltic). Other subsidiaries, associates and joint ventures using exception from applying the equity method in IAS 28 are measured at fair value through profit or loss. From the Split-off the Company became the investment entity, so it ceased to consolidate subsidiaries (except three the above mentioned subsidiaries) and recognised the gain on revaluation of subsidiaries. The change is accounted for prospectively, therefore comparative figures are not changed. But the results of the real estate, agricultural land, information technology infrastructure segments, which left the Group during the Split-off, are presented as discontinued operation. The impact of revaluation of investments on profit or loss becoming the investment entity are amounted to LTL 14,733 thousand in the Group (LTL 7,715 thousand are recognised within 'Revaluation of investments on becoming investment entity' and 7,018 thousand are recognised within 'Discontinued operations') and amounted to LTL 11,881 thousand in the Company (this amount is recognised within 'Revaluation of investments on becoming investment entity').

Below summary of new accounting principles regarding investment entity is presented:

Investment entity

The Company has multiple unrelated investors and holds multiple investments. Ownership interests in the Company are in the form of equity securities issued by the Company – ordinary registered shares. In the management's opinion, the Company meets the definition of an investment entity as the following conditions exist:

- (i) The Company obtains funds from investors for the purpose of providing them with investment management services.
- (ii) The Company commits to investors that its business purpose is to invest funds solely for capital appreciation, investment income, or both. And
- (iii) The management measures and evaluates its investments and makes investment decisions on a fair value as a key criterion.

Subsidiaries

The Company has no subsidiaries other than those determined to be controlled subsidiary investments. Controlled subsidiary investments are measured at fair value through profit or loss and not consolidated, in accordance with IFRS 10. The fair value of controlled subsidiary investments is determined on a consistent basis to all other investments measured at fair value through profit or loss, and as described below.

The fair value of investments traded in active markets is based on quoted market prices at the close of trading, which is the date closest to the reporting date. The fair value of investments that are not traded in active markets is determined by using valuation techniques. Such valuation techniques may include the most recent transactions in the market, the market price for similar transactions, discounted cash flow analysis or any other valuation models.

Controlled subsidiary investments include the special purpose entities (SPEs) that are incorporated for the purpose of holding underlying investments ("the portfolio companies") on behalf of the Company. As new SPEs are incorporated for each investment, there are no business combinations. The SPEs have no operations other than their respective investment in portfolio companies and providing a vehicle for the onward sale of a portfolio investment. The SPEs are also reflected at fair value, with the key fair value driver being investment in the underlying portfolio company investments that the SPEs hold on behalf of the Company. The SPEs is not consolidated in accordance with IFRS 10, if it is not provide services that relate to the investment entity's investment activities.

Where the Company is deemed to control an underlying portfolio company, whereby the control is exercised via voting rights or indirectly through the ability to direct the relevant activities in return for access to a significant portion of the variable gains and losses derived from those relevant activities, the underlying portfolio company and its results are also not consolidated and are instead reflected at fair value through profit or loss (through the reflection of the value of the respective SPE that holds the underlying portfolio company in the Company's financial statements).

2 Basis of preparation and accounting policies (cont'd)

Associates

An associate is an entity, over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Investments that are held as part of the Company's investment portfolio are carried at fair value even though the Company may have significant influence over those companies. This treatment is permitted by IAS 28 'Investments in associates and joint ventures' as exception from applying the equity method.

Below is described the other amendments:

IFRS 10 Consolidated Financial Statements

IFRS 10 replaces all of the guidance on control and consolidation in IAS 27 *Consolidated and separate financial statements* and SIC-12 *Consolidation - special purpose entities*. IFRS 10 changes the definition of control so that the same criteria are applied to all entities to determine control. This definition is supported by extensive application guidance. IFRS 10 had no impact on the Group's consolidation structure.

IFRS 11 Joint Arrangements

IFRS 11 replaces IAS 31 *Interests in Joint Ventures* and SIC-13 *Jointly Controlled Entities—Non-Monetary Contributions by Ventures*. Changes in the definitions have reduced the number of types of joint arrangements to two: joint operations and joint ventures. The existing policy choice of proportionate consolidation for jointly controlled entities has been eliminated. Equity accounting is mandatory for participants in joint ventures. The Group has used equity accounting for the interests in joint ventures already. IFRS 11 had no impact on the Group's financial statements for the 12 months ended 31 December 2014.

IFRS 12 Disclosure of Interest in Other Entities

IFRS 12 applies to entities that have an interest in a subsidiary, a joint arrangement, an associate or an unconsolidated structured entity. IFRS 12 sets out the required disclosures for entities reporting under the two new standards: IFRS 10, *Consolidated financial statements*, and IFRS 11, *Joint arrangements*, and replaces the disclosure requirements currently found in IAS 28, *Investments in associates*. IFRS 12 requires entities to disclose information that helps financial statement readers to evaluate the nature, risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. To meet these objectives, the new standard requires disclosures in a number of areas, including significant judgments and assumptions made in determining whether an entity controls, jointly controls, or significantly influences its interests in other entities, extended disclosures on share of non-controlling interests in group activities and cash flows, summarised financial information of subsidiaries with material non-controlling interests, and detailed disclosures of interests in unconsolidated structured entities. None of these disclosure requirements are applicable for interim condensed consolidated financial statements. Accordingly, the Group has not made such disclosures.

IAS 27 Separate Financial Statements

IAS 27 was changed and its objective is now to prescribe the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. The guidance on control and consolidated financial statements was replaced by IFRS 10 *Consolidated Financial Statements*. The amendment had no impact on the Group's financial statements for the 12 months ended 31 December 2014.

IAS 28 Investments in Associates and Joint Ventures

The amendment of IAS 28 resulted from the Board's project on joint ventures. When discussing that project, the Board decided to incorporate the accounting for joint ventures using the equity method into IAS 28 because this method is applicable to both joint ventures and associates. With this exception, other guidance remained unchanged. The amendment had no impact on the Group's financial statements for the 12 months ended 31 December 2014.

Amendments to IAS 32 Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities

The amendment added application guidance to IAS 32 to address inconsistencies identified in applying some of the offsetting criteria. This includes clarifying the meaning of 'currently has a legally enforceable right of set-off' and that some gross settlement systems may be considered equivalent to net settlement. The amendment had no impact on the Group's financial statements for the 12 months ended 31 December 2014

2 Basis of preparation and accounting policies (cont'd)

Transition Guidance Amendments to IFRS 10, IFRS 11 and IFRS 12

The amendments clarify the transition guidance in IFRS 10 *Consolidated Financial Statements*. Entities adopting IFRS 10 should assess control at the first day of the annual period in which IFRS 10 is adopted, and if the consolidation conclusion under IFRS 10 differs from IAS 27 and SIC 12, the immediately preceding comparative period (that is, year 2013 for a calendar year-end entity that adopts IFRS 10 in 2014) is restated, unless impracticable. The amendments also provide additional transition relief in IFRS 10, IFRS 11, *Joint Arrangements*, and IFRS 12, *Disclosure of Interests in Other Entities*, by limiting the requirement to provide adjusted comparative information only for the immediately preceding comparative period. Further, the amendments will remove the requirement to present comparative information for disclosures related to unconsolidated structured entities for periods before IFRS 12 is first applied. The amendment had no impact on the Group's financial statements for the 12 months ended 31 December 2014.

Amendments to IAS 39 - *Novation of Derivatives and Continuation of Hedge Accounting*

The amendments will allow hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated (i.e. parties have agreed to replace their original counterparty with a new one) to effect clearing with a central counterparty as a result of laws or regulation, if specific conditions are met. The amendments are not relevant to the Group currently, because it has not recognised any hedging instrument.

Judgements

In the process of applying the Group accounting policies, management has made the following judgements, which has most significant effect on the amounts recognised in the consolidated financial statements:

Investment entity

According to the management, The Company meets all the defining criteria of an investment entity from the Split-off in 2014 and henceforth investments in subsidiaries and associates are measured at fair value through profit or loss. The management periodically reviews whether the Company meets all the defining criteria of an investment entity. In addition, the management assesses the Company's operation objective, investment strategy, origin of income and fair value models.

Accounting of the split-off

Management has made a judgement that the split-off completed in 2014 (unlike the split-off in 2013) was not in scope of IFRIC 17 „Distribution of Non-cash Assets to Owners“. IFRIC 17 includes an exemption that the Interpretation does not apply to a distribution of a non-cash asset that is ultimately controlled by the same party or parties before and after the distribution. During the split-off shares were allocated proportionally to all shareholders in the Company and in the separated entities, the Company is controlled according to the agreement by the same shareholders group before and after the Split-off, therefore this exemption could be applied. Therefore, profit or loss is not recognised in the financial statements during the Split-off and it accounted as the transfer of assets at carrying amounts.

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3 Split-off in 2014

The Extraordinary General Shareholders Meeting of the Company, held on 5 February 2014, adopted resolution to approve the preparation of the terms of split-off of AB Invalda LT. The split-off terms were announced on 21 March 2014. The Extraordinary General Shareholders Meeting approved the terms of the Company's split-off on 28 April 2014. The Split-off was completed on 29 April 2014. According to the terms, three entities AB INVL Baltic Farmland, AB INVL Baltic Real Estate and AB INVL Technology, comprising 47.95% of the Company assets calculated at carrying amounts, were split-off from the Company. These entities will apply for closed-end investment company licenses. The split-off of the Company will allow realizing the earlier announced plan to concentrate into asset management business. Entities, operating in agricultural land, real estate and information technology segments, and three newly established entities (note 8), which initial names were the same as the split-off entities, were transferred to newly split-off entities (UAB Sago was not transferred). Shares were allocated proportionally to all shareholders of the Company (presently there are about 4000 shareholders of the Company) in the separated entities. All the shares of the newly established companies were listed on the NASDAQ Vilnius Exchange from 4 June 2014.

According to the exemption in the IFRIC 17, the Split-off is accounted as the transfer of assets at carrying amounts. It is not recognised any profit or loss.

The Company

Below the split-off of the balance sheet of the Company according to the split-off terms is presented as at 29 April 2014:

	The Company before split-off	AB „INVL Baltic Real Estate”	AB „INVL Baltic Farmland”	AB „INVL Technology”	The Company after split-off
Percent		30.90%	14.45%	2.60%	52.05%
Intangible assets	62	-	-	-	62
Property, plant and equipment	43	-	-	-	43
Investments into subsidiaries	54,540	39,373	6,112	4,013	5,042
Investments into associates and joint ventures	25,108	-	-	-	25,108
Investments available for sale	1,705	-	-	-	1,705
Investments held for trade	4,251	-	-	-	4,251
Deferred income tax asset	7,302	-	68	-	7,234
Loans granted	81,220	14,915	18,943	414	46,948
Prepayments	46	5	-	-	41
Trade and other receivables	166	-	-	-	166
Cash and cash equivalents	1,764	155	339	154	1,116
Total assets	176,207	54,448	25,462	4,581	91,716
Share capital	22,797	7,044	3,294	593	11,866
Share premium	33,139	10,240	4,789	861	17,249
Reserves	76,909	23,765	11,113	2,000	40,031
Retained earnings	27,668	8,550	3,998	719	14,401
<i>Total equity</i>	<i>160,513</i>	<i>49,599</i>	<i>23,194</i>	<i>4,173</i>	<i>83,547</i>
Borrowings	13,074	4,849	2,268	408	5,549
Trade payables	15	-	-	-	15
Income tax payable	14	-	-	-	14
Other liabilities	2,591	-	-	-	2,591
<i>Total liabilities</i>	<i>15,694</i>	<i>4,849</i>	<i>2,268</i>	<i>408</i>	<i>8,169</i>
Total equity and liabilities	176,207	54,448	25,462	4,581	91,716

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3 Split-off in 2014 (cont'd)The Group

The carrying amounts of the assets and liabilities of the Group transferred according to the terms of the split-off and derecognised from the statement of financial position are follows:

	<u>Carrying amount at the transfer date</u>
Intangible assets	6,578
Investment properties	167,181
Property, plant and equipment	2,057
Other non-current assets	2,848
Deferred income tax assets	254
Inventories	1,015
Trade and other receivables	16,529
Loans granted	39,059
Prepaid income tax	76
Prepayments and deferred charges	1,174
Restricted cash	2,272
Cash and cash equivalents	2,116
Total assets	241,159
Deferred income tax liability	(15,122)
Borrowings and financial lease liabilities	(130,452)
Trade payables	(6,899)
Income tax payable	(55)
Advance received	(1,567)
Other liabilities	(6,504)
Total liabilities	(160,599)
Total net assets	80,560

AB INVALIDA LT

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4 Segment information

The Board of Directors monitors the operating results of its business units of the Group separately for the purpose of making decisions about resource allocations and performance assessment. Segment performance is evaluated based on net profit or loss and it is measured on the same basis as net profit or loss in the financial statements. Group financing (including finance costs and finance revenue) and income taxes are allocated between segments as they are identified on basis of separate legal entities. Consolidation adjustments and eliminations are not allocated on a segment basis. Segment assets are measured in a manner consistent with that of the financial statements. All assets are allocated between segments, because segments are identified on basis of separate legal entities.

For management purposes, the Group is organised into following operating segments based on their products and services:

Asset management (continuing operations)

The asset management segment include pension, investment funds and portfolio management services.

Agriculture (continuing operations)

Agricultural activities include the primary crop and livestock (milk) production, grain processing and agricultural services. The segment's companies sell plant protection products, fertilizers, seeds, compound feed, feed supplements, veterinary products, buy grain, provide grain and other raw materials drying, cleaning, handling and storage services.

Facility management (continuing operations)

The facility management segment includes facility management of dwelling-houses, commercial and public real estate properties.

Banking activities (continuing operations)

The banking activities segment include investment and private banking activities, financial brokerage and accounting services of the issuers' shares.

Other production and service segment (continuing operations)

The other production and service segment is involved in road signs production, wood manufacturing. The entity engaged in growing and trading of ornamental trees and shrubs was transferred from the Group according to the terms of the split-off of the Company in 2013. The Group also presents investment, financing and management activities of the holding company in this segment, as these are not analysed separately by the Board of Directors.

Furniture production (disposed, discontinued operation)

The furniture segment includes flat-pack furniture mass production and sale. Due to the split-off of the Company in 2013 the subsidiary operating in this segment became an associate of the Group. In May 2014 entities of the segment were disposed.

Real estate (transferred during the Split-off, discontinued operation)

The real estate segment is investing in investment properties held for future development and in commercial real estate and its rent. The subsidiaries active in real estate management and administration, intermediation in buying, selling and valuation of real estate, and in the geodesic measurement of land were transferred from the Group during the split-off of the Company in 2013. Remaining entities were transferred during the Split-off completed in 2014 to AB INVL Baltic Real Estate. Control of UAB Sago was lost due to a bankruptcy proceedings.

Agricultural land (transferred during the Split-off, discontinued operation)

The agricultural land segment is involved in investment in agricultural land and its rent. The entities of the segment were transferred during the Split-off completed in 2014 to AB INVL Baltic Farmland.

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4 Segment information (cont'd)
Information technology infrastructure (transferred during the Split-off, discontinued operation)

The information technology infrastructure segment is involved in offering IT infrastructure strategy, security and maintenance solutions and supplies of all hardware and software needed for IT infrastructure solutions of any size and in the development and implementation of software for government register systems, including consultation. The entities of the segment were transferred during the Split-off completed in 2014 to AB INVL Technology.

Segment revenue, segment expense and segment result include transfers between business segments. Those transfers are eliminated in column 'Inter-segment transactions and consolidation adjustments'. As at 31 December 2014 the granted loans from the Company are allocated to segment, to which entities they are granted, assets. As at 31 December of 2013 the granted loans from the Company are allocated to other production and services segment. The impairment losses for these loans are allocated to a segment to which the loans are granted initially.

The following table present revenues and profit information regarding the Group's business segments for the year ended 31 December 2014:

Period ended 31 December 2014	Asset manage- ment	Furniture produc- tion	Real estate	Agricultural land	Agricul- ture	Informa- tion tech- nology	Facility manage- ment	Other production and service	Inter-segment transactions and consolidation adjustments	Total
Revenue										
Sales to external customers	941	-	-	-	-	-	6,043	1,963	-	8,947
Inter-segment sales	-	-	-	-	-	-	-	-	-	-
Total revenue	941	-	-	-	-	-	6,043	1,963	-	8,947
Results										
Other income	900	-	-	-	-	-	9	3,124	(313)	3,720
Net gain (losses) on disposal of subsidiaries, associates and joint ventures	-	-	-	-	-	-	-	2	-	2
Revaluation of investments on becoming investment entity	-	-	-	-	1,729	-	5,308	678	-	7,715
Net changes in fair value on financial assets	1	-	-	-	(1,632)	-	1,741	39	-	149
Segment expenses	(1,125)	-	-	-	-	-	(5,440)	(5,601)	12	(12,154)
Impairment, write-down and allowance	-	-	-	-	-	-	-	(1,013)	-	(1,013)
Share of profit (loss) of the associates and joint ventures	-	-	-	-	(205)	-	-	(233)	-	(438)
Profit (loss) before income tax	717	-	-	-	(108)	-	7,661	(1,041)	(301)	6,928
Income tax	7	-	-	-	-	-	(92)	(6,150)	-	(6,235)
Discontinued operation	-	6,118	3,929	(411)	-	33	-	-	301	9,970
Net profit (loss) for the period	724	6,118	3,929	(411)	(108)	33	7,569	(7,191)	-	10,663
Attributable to:										
Equity holders of the parent	724	6,118	3,929	(411)	(108)	79	7,569	(7,175)	-	10,725
Non-controlling interests	-	-	-	-	-	(46)	-	(16)	-	(62)

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(all amounts are in LTL thousand unless otherwise stated)

4 Segment information (cont'd)

The following table present revenues and profit information regarding the Group's business segments for the year ended 31 December 2013:

Period ended 31 December 2013	Furniture production	Real estate	Agricultural land	Agricul- ture	Information technology	Facility manage- ment	Other production and service	Inter-segment transactions and consolidation adjustments	Total
Revenue									
Sales to external customers	-	-	-	-	-	15,527	8,783	-	24,310
Inter-segment sales	-	-	-	-	-	1	-	(1)	-
Total revenue	-	-	-	-	-	15,528	8,783	(1)	24,310
Results									
Other income	-	-	-	-	-	65	5,580	(1,167)	4,478
Net losses from fair value adjustment on investment property	-	-	-	-	-	-	-	-	-
Net gain (losses) on disposal of subsidiaries, associates and joint ventures	-	-	-	-	-	1,333	-	-	1,333
Net changes in fair value on financial assets	-	-	-	-	-	-	1,426	-	1,426
Segment expenses	-	-	-	-	-	(15,439)	(13,954)	89	(29,214)
Impairment, write-down and allowance	-	-	-	-	-	(907)	(371)	-	(1,278)
Share of profit (loss) of the associates and joint ventures	-	-	-	4,163	-	-	(469)	-	3,694
Profit (loss) before income tax	-	-	-	4,163	-	670	995	(1,079)	4,749
Income tax	-	-	-	-	-	(217)	(1,695)	-	(1,912)
Discontinued operation	90,371	4,462	9,066	-	717	-	-	1,079	105,695
Net profit (loss) for the period	90,371	4,462	9,066	4,163	717	453	(700)	-	108,532
Attributable to:									
Equity holders of the parent	89,267	4,462	9,066	4,163	536	453	(672)	-	107,275
Non-controlling interests	1,104	-	-	-	181	-	(28)	-	1,257

The following table represents segment assets of the Group operating segments as at 31 December 2014 and 31 December 2013:

Segment assets	Asset manage- ment	Furniture production	Real estate	Agricul- ral land	Agricul- ture	Informa- tion techno- logy	Facility manage- ment	Banking activities	Other production and service	Elimi- nation	Total
At 31 December 2014	20,375	-	-	-	50,299	-	10,791	14,791	58,701	-	154,957
At 31 December 2013	-	74,079	156,067	36,447	11,607	27,732	9,084	-	97,848	(46,918)	365,946

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4 Segment information (cont'd)

The following table represents segment liabilities of the Group operating segments as at 31 December 2014 and 31 December 2013:

Segment liabilities	Asset management	Furniture production	Real estate	Agricultural land	Agriculture	Information technology	Facility management	Banking activities	Other production and service	Elimination	Total
At 31 December 2014	1,063	-	-	-	-	-	-	-	3,472	-	4,535
At 31 December 2013	-	-	125,437	19,124	-	26,199	5,464	-	17,454	(46,918)	146,760

5 Cash and cash equivalents

	Group		Company	
	As at 31 December 2014	As at 31 December 2013	As at 31 December 2014	As at 31 December 2013
Cash at bank	13,890	6,298	11,367	2,515
Cash in hand	-	16	-	-
Cash in transit	-	149	-	-
Term deposits with the maturity up to 3 months	-	-	-	-
	<u>13,890</u>	<u>6,463</u>	<u>11,367</u>	<u>2,515</u>

6 Dividends

In 2014 and 2013 dividends were not declared.

7 Income tax

Components of income tax expense	Group		Company	
	31 December of 2014	31 December of 2013	31 December of 2014	31 December of 2013
Current income tax charge	(119)	(163)	(2)	(4)
Prior year current income tax correction	-	(27)	-	(33)
Deferred income tax income (expense)	(6,116)	(1,722)	(6,370)	(1,654)
Income tax (expenses) income charged to the income statement	<u>(6,235)</u>	<u>(1,912)</u>	<u>(6,372)</u>	<u>(1,691)</u>

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(all amounts are in LTL thousand unless otherwise stated)

8 Investment into subsidiaries and associates, becoming investment entity

During the 1st Quarter the Company has established UAB Invalda LT Investments by investing LTL 1,381 thousand. This entity has applied to the Bank of Lithuania for the asset management company license. Also, the Company has invested LTL 30 thousand to newly established entities UAB INVL Baltic Real Estate (current name – UAB Proprietas), UAB INVL Baltic Farmland (current name – UAB Cooperor), UAB INVL Technology (current name – UAB Inventio). These entities are dormant yet. During 2nd Quarter UAB INVL Fondai was established by investing LTL 10 thousand. In September 2014 the Company has additionally invested LTL 11,400 thousand into the share capital of UAB INVL Fondai in order to finance the acquisition of UAB MP Pension Funds Baltic through this entity. In December 2014 the Company has invested LTL 7 thousand into the share capital of UAB Regenus (the legal registration of share capital increase was completed in January 2015).

After the Split-off during 2nd Quarter, the Company has decreased the share capital of UAB Aktyvus Valdymas and has returned free funds of LTL 691 thousand.

In July 2014 the Company has sold 54.55% shares of UAB Finansų Rizikos Valdymas for LTL 2 thousand.

In March 2014 management of UAB Sago and UAB INTF Investicija has applied to the court regarding bankruptcy (Note 11). On 29 April 2014, when the split-off was completed, UAB INTF Investicija has left the Group (it's solely shareholder, AB Invalidos Nekilnojamojo Turto Fondas, was transferred during the split-off). On 16 May 2014 after the court decision regarding bankruptcy of UAB Sago came to force, The Group has ceased to control this entity also.

During the split-off in 2014 the Group has transferred:

- to AB INVL Baltic Farmland the following entities: UAB Avižėlė, UAB Beržytė, UAB Dirvolika, UAB Duonis, UAB Ekotra, UAB Kvietukas, UAB Laukaitis, UAB Lauknešys, UAB Linažiedė, UAB Pušaitis, UAB Puškaitis, UAB Sėja, UAB Vasarojus, UAB Žalvė, UAB Žemgalė, UAB Žemynėlė, UAB Žiemkentys, UAB Cooperor;
- to AB INVL Baltic Real Estate the following entities: AB Invalidos Nekilnojamojo Turto Fondas, UAB Rovelija, UAB Perspektyvi Veikla, UAB Proprietas, UAB INTF Investicija;
- to AB INVL Technology the following entities: UAB BAIP Grupė, UAB Informatikos Pasaulis, UAB Vitma, UAB BAIP, UAB Acena, Norway Registers Development AS, UAB NRD, NRD EA, UAB NRD CS, UAB Inventio.

According to the management the Company is investment entity in accordance with IFRS 10 after the Split-off completed in 2014. Therefore, the subsidiaries are ceased to consolidate and the revaluation of investments is recognised. Subsidiaries and associates are measured at fair value (Note 15). The entities having negative equity, are measured at nil. The Group has earned a profit of LTL 14,733 thousand from the revaluation of investments. In this profit the profit of 7,018 thousand from UAB Sago, which equity was negative, is included. But the Group has also recognised impairment loss of LTL 4,032 thousand from loans granted by real estate segment entities to UAB Sago. So the carrying amount of transferred net assets during the Split-off (total positive impact of deconsolidation of UAB Sago to the Group profit or loss was LTL 2,986 thousand) was more accurately reflected.

The Company has earned a profit of LTL 11,880 thousand from the revaluation of investments becoming the investment entity. Due to the bankruptcy of UAB Sago the Company had not suffered any additional loss, because the impairment losses were recognised in the previous accounting periods.

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8 Investment into subsidiaries and associates, becoming investment entity (cont'd)

The carrying amounts of the assets and liabilities of the Group derecognised due to becoming investment entity are follows:

	<u>Carrying amount</u>
Intangible assets	1,008
Investment properties	15,000
Property, plant and equipment	3,117
Deferred income tax assets	609
Inventories	2,345
Trade and other receivables	5,315
Loans granted	1,069
Prepayments and deferred charges	470
Restricted cash	1,593
Cash and cash equivalents	1,723
Total assets	32,249
Deferred income tax liability	(156)
Borrowings and financial lease liabilities	(31,618)
Trade payables	(2,057)
Income tax payable	(78)
Advance received	(918)
Other liabilities	(3,419)
Total liabilities	(38,246)
Total net assets	(5,997)

Disposal of AB Vilniaus Baldai and additional acquisition of UAB Litagra

On 28 April 2014 the Company signed the agreement with AB Invalda Privatus Kapitalas regarding sale of 45.4% of shares in associates AB Vilniaus Baldai. The transaction was completed on 28 May 2014. Shares' sale price after deduction of dividends received (LTL 15,527 thousand), amounted to LTL 64,671 thousand. The Company and The Group has recognised the profit of LTL 45,019 thousand and LTL 4,144 thousand from the shares sale, respectively.

On 28 April 2014 the Company signed the agreement with AB Invalda Privatus Kapitalas regarding purchase of 45.45% of shares of UAB Cedus Invest and loans granted by the seller to this entity for LTL 24,124 thousand (for the shares it was paid LTL 10,798 thousand, for the loan – LTL 13,326 thousand). After this transaction the Group has increased owned shares of UAB Cedus Invest from 54.55% till 100% and the entity became the Group's subsidiary (before the transaction it was a joint venture). UAB Cedus Invest owns shares of associates UAB Litagra. So the Group has increased owned shares of UAB Litagra from 20.12% till 36.88%. In June 2014 the Company has invested LTL 27,981 thousand to increase the share capital of UAB Cedus Invest by converting loans granted.

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8 Investment into subsidiaries and associates, becoming investment entity (cont'd)Acquisition of UAB MP Pension Funds Baltic

On 20 May 2014 the Group has signed Share Sale and Purchase Agreement with MP Banki hf to acquire 100 % of shares of UAB MP Pension Funds Baltic for LTL 11,394 thousand (all amount paid in cash). The transaction was closed on 23 September 2014.

The acquiree is a specialised pension funds management entity, which manages three 2nd pillar and two 3rd pillar pension funds. 62 thousand customers are using services provided by UAB MP Pension Funds Baltic. As of 30 September 2014 the entity managed LTL 308 million of assets. As the result of the acquisition, the Group will sooner be able to reach a goal to become one of the leading asset management companies in the region.

Based on the preliminary assessment, the fair values of the identifiable assets and liabilities of UAB MP Pension Funds Baltic were:

	Fair values recognised on acquisition
Intangible assets	7,623
Property, plant and equipment	33
Financial assets	133
Deferred tax assets	1,590
Trade and other receivables	336
Prepayment and deferred charges	28
Cash and cash equivalents	1,934
Total assets	11,677
Current liabilities	(319)
Total liabilities	(319)
Total identifiable net assets	11,358
Goodwill	36
Total consideration transferred	11,394

In the reporting period LTL 941 thousand of revenue and LTL 174 thousand of loss from the acquired business are included into the Group results.

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8 Investment into subsidiaries and associates, becoming investment entity (cont'd)Acquisition of UAB Finasta Asset Management

On 4 November 2014 the Group has signed Share Purchase Agreement with AB Finasta Holding and BAB bankas Snoras to acquire 100 % of shares of UAB Finasta Asset Management for LTL 7,195 thousand (all amount paid in cash). The transaction was closed on 1 December 2014.

The acquiree is a specialised pension funds management entity, which manages four 2nd pillar, two 3rd pillar pension funds, seven investment funds and portfolio of individual clients. 50 thousand customers are using services provided by UAB Finasta Asset Management. As of 31 December 2014 the entity managed LTL 463 million of assets. As the result of the acquisition, the Group will sooner be able to reach a goal to become one of the leading asset management companies in the region.

Based on the preliminary assessment, the fair values of the identifiable assets and liabilities of UAB Finasta Asset Management were:

	Fair values recognised on acquisition
Intangible assets	4,437
Property, plant and equipment	51
Financial assets	1,137
Deferred tax assets	1,602
Trade and other receivables	944
Prepaid income tax	11
Prepayment and deferred charges	10
Term deposits	431
Cash and cash equivalents	122
Total assets	8,745
Current liabilities	(652)
Total liabilities	(652)
Total identifiable net assets	8,093
Profit from bargain purchase	(898)
Total consideration transferred	7,195

In the reporting period any revenue and profit or loss from the acquired business is not included into the Group results.

If the acquisition of asset management entities had occurred on 1 January 2014, the consolidated revenue would have been LTL 16,212 thousand and consolidated net profit would have been LTL 11,112 thousand for year ended on 31 December 2014.

Acquisition of AB Bank Finasta and AB FMJ Finasta

According to the agreement of 4 November 2014 the Company has acquired 78.28% shares of both AB bankas Finasta and financial brokerage company AB Finasta. The settlement for the shares was completed on 29 December 2014. The partners who participated in acquisition have exercised the option right and sold its shares to the Company. The settlement with them was completed on 5 January 2015. Therefore, the Company own now 99.99% shares of AB bankas Finasta and 100% shares of AB FMJ Finasta. The Company has invested LTL 14,791 thousand into these shares (as at 31 December 2014 LTL 1,726 thousand was unpaid).

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9 Other revenues and expenses**9.1. Net changes in fair value on financial assets**

	Group		Company	
	31 December of 2014	31 December of 2013	31 December of 2014	31 December 2013
Net gain (loss) from revaluation of subsidiaries	(197)	-	(197)	-
Gain (loss) from financial assets designated at fair value through profit and loss on initial recognition	392	278	391	278
Net gain (loss) from financial assets held for trading	(46)	1,148	(46)	1,148
<i>Net gain (loss) from financial assets at fair value, total</i>	<u>149</u>	<u>1,426</u>	<u>148</u>	<u>1,426</u>
<i>Realised (loss) gain from available-for-sale investments</i>	-	-	-	-
	<u>149</u>	<u>1,426</u>	<u>148</u>	<u>1,426</u>

9.2. Finance expenses

	Group		Company	
	31 December of 2014	31 December of 2013	31 December of 2014	31 December of 2013
Interest expenses	(199)	(345)	(170)	(292)
Other finance expenses	(6)	(48)	(6)	(43)
	<u>(205)</u>	<u>(393)</u>	<u>(176)</u>	<u>(335)</u>

9.3. Other income

	Group		Company	
	31 December of 2014	31 December of 2013	31 December of 2014	31 December of 2013
Interest income	2,692	4,306	3,081	6,331
Dividend income	-	71	15,527	16,841
Other income	1,028	101	128	72
	<u>3,720</u>	<u>4,478</u>	<u>18,736</u>	<u>23,244</u>

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9.4. Impairment, write-down and provisions

	Group		Company	
	31 December of 20134	31 December of 2013	31 December of 20134	31 December of 2013
Change in provision for impairment of loans granted	(1.007)	(814)	23	5,025
Change in provision for impairment of trade receivables	(6)	(205)	(6)	(98)
<i>Impairment on financial assets, total</i>	<u>(1,013)</u>	<u>(1,019)</u>	<u>17</u>	<u>4,927</u>
Impairment of investments in subsidiaries, associates and joint ventures	-	-	-	(10,672)
Reversal of impairment due to increase of recoverable amount of the investments in subsidiaries, associates and joint ventures	-	-	642	-
Change in write-down of inventories	-	(289)	-	-
Provisions	-	30	-	-
<i>Impairment on non-financial assets and provisions, total</i>	<u>-</u>	<u>(259)</u>	<u>642</u>	<u>(10,672)</u>
	<u>(1,013)</u>	<u>(1,278)</u>	<u>659</u>	<u>(5,745)</u>

After the Split-off and deconsolidation of the subsidiaries the loans granted to the subsidiaries were recognised in the statement of financial position. The part of these loans was impaired in the Company in the previous accounting periods. Therefore, loans in the Group were impaired to the same carrying amount and the impairment loss of LTL 1,018 thousand was recognised.

10 Investment properties

In February of 2014 the Group has acquired a flat, located in Kalvarijų 11A, Vilnius, for LTL 330 thousand. In April 2014 the last flat of the above mentioned building was acquired for LTL 360 thousand. By the opinion of the management prices of these transactions better reflects value of the building, located in Kalvarijų 11A, as the whole. According to prices of these transactions the earlier acquired flats of this building were revalued as at 31 March 2014. Therefore, the Group has recognised LTL 572 thousand of the fair value adjustment on investment properties. Besides, the loss from fair value adjustment of LTL 456 thousand of the agricultural land was recognised.

11 Borrowings

On 28 February 2014 the borrowings of LTL 36,464 thousand of subsidiaries UAB INTF Investicija and UAB Sago have matured. The agreement with the bank regarding the extension of terms of borrowings was not reached and the subsidiaries have defaulted. Therefore, the management of subsidiaries initiated bankruptcy procedures (Note 8). The main creditors of subsidiaries are Nordea Bank Finland Plc Lithuania Branch and the Group. In March of 2014 the bank had deducted the amount of LTL 265 thousand of the restricted cash to cover instalments of borrowings.

Due to above mentioned default, according to the terms of credit agreements between AB Invalidos Nekilnojamojo Turto Fondas and Nordea bank, the bank had demanded to repay part of loan earlier than is set in the credit agreement. In March 2014 the bank had deducted the amount of LTL 1,351 thousand of the restricted cash of the entity to settle the repayment of loan. After the split-off AB Invalidos Nekilnojamojo Turto Fondas has left the Group.

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12 Acquisition of own shares and cancelling of shares

According to the terms of the Split-off completed in 2014 2,036,254 acquired own shares were cancelled, and the reserve for the acquisition of own shares was decreased by LTL 18,777 thousand. In addition, according to the terms of the Split-off, 10,931,304 shares owned by the shareholders, were transferred to the share capital of AB INV L Baltic Farmland, AB INV L Baltic Real Estate and AB INV L Technology.

During the six month period ended 30 June 2013 the Company implemented two share buy-backs. The first share buy-back took place from 19 February until 5 March through the market of official offer. Maximum number of shares to be acquired was set at 5,180,214. Share acquisition price was established at LTL 8,287 per share. All offered shares were bought-back, and the Company has paid for own shares LTL 42,956 thousand, including brokerage fees. The second share buy-back took place from 10 April until 24 May through the market of official offer according to the split-off terms. The shareholders holding the shares with the nominal value of less than 1/10 of the authorized capital of the Company, except the shareholders whose rights to sell shares to the Company during the split – off were limited according to the split – off terms, had a right to request that their shares are be redeemed by the Company within 45 days after approval of the split – off terms by the general meeting of shareholders (until 24 May 2013). The number of shares acquired during this buy-back was 1,099,343. Share acquisition price was established at LTL 8,076 per share. The Company has paid for own shares LTL 8,889 thousand, including brokerage fees.

According to the terms of the split-off completed in 2013 6,279,557 acquired own shares were cancelled, and the reserve for the acquisition of own shares was decreased by LTL 45,566 thousand. In addition, according to the terms of the split-off, 20,689,038 shares, which were owned by the shareholders, were transferred to the share capital of AB Invalida Privatus Kapitalas.

From 24 September 2013 until 7 October 2013 the third share buy-back took place. Maximum number of shares to be acquired was set at 2,000,000. Share acquisition price was established at EUR 2.90 (LTL 10.01) per share. During this buy-back 1,842,553 shares (7.42% of share capital) were acquired for LTL 18,465 thousand, including brokerage fees. The main shareholders had also sold some of their shares to the Company. The acquired shares were settled on 10 October 2013.

From 16 until 20 December 2013 the fourth share buy-back took place. Maximum number of shares to be acquired was set at 248,335. Share acquisition price was established at EUR 3.50 (LTL 12.08) per share. During this buy-back 193,701 shares (0.78% of share capital) were acquired for LTL 2,348 thousand, including brokerage fees. The shares were sold only by minor shareholders during the fourth share buy-back. The acquired shares were settled on 30 December 2013.

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13 Discontinued operation

Due to the Split-off completed in 2014 the Group has transferred and does not continue activity in the real estate, agricultural land and information technology infrastructure segments. Also the furniture production segment was disposed. Therefore, the result of these segments is presented as discontinued operations. For the year ended 31 December 2014 the data include only a period from January till April and the furniture production segment was accounted using equity method as associates. For the year ended 31 December 2013 the furniture production segment data was consolidated as subsidiary from January till May and from June till December it was accounted using equity method as associates. Below detailed profit or loss caption of discontinued operation is presented:

	Group	
	31 December of 2014	31 December of 2013
Sales revenue	19,885	130,675
Changes in investments assets	118	10,735
Other income	(595)	(2,133)
Net changes in fair value of financial assets at fair value through profit or loss	-	114
Changes in inventories of finished goods, work in progress and residential real estate	-	(143)
Raw materials and consumables	(4,204)	(63,848)
Employee benefits expenses	(3,857)	(20,076)
Impairment, write-down and provisions	(4,053)	4,919
Premises rent and utilities	(3,776)	(13,323)
Depreciation and amortization	(742)	(4,677)
Repairs and maintenance cost of premises	(527)	(4,425)
Other expenses	(4,535)	(15,684)
Operating profit (loss)	(2,286)	22,134
Finance cost	(790)	(1,819)
Share of profit (loss) of associates and joint ventures	1,974	1,731
Profit (loss) before income tax	(1,102)	22,046
Income tax credit (expense)	(90)	(1,714)
Profit (loss) for the period before the disposal	(1,192)	20,332
Gain on the split-off completed in 2013	-	85,363
Gain from the disposal of associates	4,144	-
Gain from the revaluation of subsidiaries	7,018	-
Profit (loss) for the period	9,970	105,695
Earnings per share in LTL:	31 December of 2014	31 December of 2013
Basic from discontinued operations (LTL per share)	0.65	3.04
Diluted from discontinued operations (LTL per share)	0.65	3.04
	31 December 2014	31 December 2013
Operating cash flows	5,994	9,394
Investing cash flows	(3,139)	(15,617)
Financing cash flows	(4,331)	7,418
Total cash flows	(1,476)	1,195

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14 Earnings per share

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

The weighted average number of shares for the year ended 31 December 2014 and 2013 were as follows:

Calculation of weighted average for the year ended 31 December 2014	Number of shares (thousand)	Par value (LTL)	Issued/365 (days)	Weighted average (thousand)
Shares issued as at 31 December 2013	22,797	1	365/365	22,797
Decrease of share capital as at 29 April 2014	(10,931)	1	246/365	(7,367)
Shares issued as at 31 December 2014	11,866	1	-	15,430

Calculation of weighted average for the year ended 31 December 2013	Number of shares (thousand)	Par value (LTL)	Issued/365 (days)	Weighted average (thousand)
Shares issued as at 31 December 2012	51,802	1	365/365	51,802
Acquired own shares as at 8 March 2013	(5,180)	1	298/365	(4,229)
Acquired own shares as at 27 May 2013	(1,099)	1	218/365	(656)
Decrease of shares capital as at 31 May 2013	(20,689)	1	214/365	(12,130)
Acquired own shares as at 10 October 2013	(1,843)	1	81/365	(414)
Acquired own shares as at 30 December 2013	(194)	1	1/365	(1)
Shares issued as at 31 December 2013	22,797	1	-	34,372

The following table reflects the income and share data used in the basic earnings per share computations:

	Group		Company	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
Net profit (loss), attributable to equity holders of the parent for basic earnings	10,725	107,275	66,703	80,990
Weighted average number of ordinary shares (thousand)	15,430	34,372	15,430	34,372
Basic earnings (deficit) per share (LTL)	0.70	3.12	4.32	2.36

During the nine months of 2014 and 2013 diluted earnings per share of the Group and Company is the same as basic earnings per share.

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15 Financial assets and fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly;

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

According to the management after the Split-off completed in 2014 the Company is investment entity in accordance with IFRS 10. Subsidiaries and associates are measured at fair value through profit or loss.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange and those prices represent actual and regularly occurring market transactions on arm's length basis. The quoted market price used for financial assets held by the Group is the measurement date exchange closing price.

Investment into shares of UAB Litagra (agriculture segment) was measured according to the latest deal that has finished at the end of May of 2014 at the time of becoming an investment entity (Note 8). At the end of the reporting period it was measured using EBITDA multiplier method for the pieces of grains processing and agricultural productions and using Price to book value (P/BV) multiplier method for trading piece. It was used EBITDA for 2012 – 2014 years with bigger weight for last year figures.

Investment in facility management entities was measured using trailing twelve months EBITDA and applying a multiplier of comparable entity AB City Service, operating in Lithuania and listed on the NASDAQ Vilnius. It was decided not to use other foreign companies' multipliers, which were higher than the one used in the calculations due to the fact that facility management is local business dependent on varying Lithuanian legal and business environment. Other facility management entities operating in Lithuania are not public companies.

The entities of banking activities segment were measured according to the last acquisition.

UAB Kelio Ženkli was measured according to fair value of its assets and liabilities. On the preliminary assessment the value of UAB Kelio Ženkli reflects its liquidation value. Dormant SPEs are measured according to its equity, because they have only cash and current liabilities.

The following table represents inputs and fair value valuation techniques of subsidiaries used by the Company as at 30 April 2014 (the time when the Company became an investment entity):

Profile of activities	Fair value	Valuation technique	Inputs	Values of inputs
Facility management (Level 3)	6,663	Comparable companies in the market	EBITDA multiple	4.6
Agriculture (before additional acquisition, Note 8) (Level 2)	12,965	Comparable valuation	-	-
Road signs production, wood manufacturing and dormant SPEs (Level 3)	1,368	Liquidation value	-	-

The following table represents inputs and fair value valuation techniques of subsidiaries used by the Company as at 31 December 2014:

Profile of activities	Fair value	Valuation technique	Inputs	Values of inputs
Facility management (Level 3)	8,403	Comparable companies in the market	EBITDA multiple	3.9
Agriculture (UAB Litagra) (Level 3)	50,113	Comparable companies in the market	EBITDA multiple and P/BV multiple	6.3 – 6.4 0.9
Banking activities (Level 2)	14,791	Comparable valuation	-	-
Road signs production, wood manufacturing and dormant SPEs (Level 3)	379	Liquidation value	-	-

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15 Financial assets and fair value hierarchy (cont'd)

If EBITDA multiple goes by 1 to either direction, correspondingly the value of shares of the facility management segments' entities will move to the same direction by LTL 2,301 thousand as at 31 December 2014 (29 April 2014 – LTL 1,825 thousand). If EBITDA multiple goes by 0.5 to either direction, correspondingly the value of shares of the agriculture segments' entity will move to the same direction by LTL 9,827 thousand as at 31 December 2014. If P/BV multiple goes by 0.1 to either direction, correspondingly the value of shares of the agriculture segments' entity will move to the same direction by LTL 3,251 thousand as at 31 December 2014.

In June of 2014 the Company has acquired 12.42 % of shares of AB INVL Baltic Real Estate and AB INVL Technology for LTL 7,596 thousand. These investments are measured using quoted prices, because they are listed.

The following table presents the group's assets and liabilities that are measured at fair value at 31 December 2014:

	Level 1	Level 2	Level 3	Total balance
Assets				
Subsidiaries and associates				
- Facilities management	-	-	8,403	8,403
- Agriculture	-	-	50,113	50,113
- Other activities	-	-	379	379
- Banking activities	-	14,791	-	14,791
Financial assets designated upon initial recognition at fair value through profit or loss				
- Real estate	5,622	-	-	5,622
- Information technology	2,567	-	-	2,567
- Collective investment undertaking	376	-	-	376
- Bonds	895	-	-	895
Financial assets held for trading				
Equity securities				
- Food industry	1,931	-	-	1,931
- Bank sector	2,017	-	-	2,017
Total Assets	13,408	14,791	58,895	87,094
Liabilities				
	-	-	-	-

The following table presents the group's assets and liabilities that are measured at fair value on 31 December 2013:

	Level 1	Level 2	Level 3	Total balance
Assets				
Financial assets designated upon initial recognition at fair value through profit or loss				
- Infrastructure construction and energy sector – equity securities	1,609	-	-	1,609
Financial assets held for trading				
Equity securities				
- Food industry	2,126	-	-	2,126
- Bank sector	1,867	-	-	1,867
Total Assets	5,602	-	-	5,602
Liabilities				
	-	-	-	-

During the year ended 31 September 2014, there were no transfers between Level 1 and Level 2 fair value measurements.

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15 Financial assets and fair value hierarchy (cont'd)**Financial instruments in Level 3**

Investments into agriculture segment, when they were measured using EBITDA and P/BV multiplier methods, instead of the value of the completed deal, were transferred into Level 3.

The following table presents the changes in Level 3 instruments for the nine months ended 31 December 2014.

	Facilities management	Agriculture	Other activities	Total
The carrying amount of consolidated net assets on the time becoming investment entity	1,355	-	690	2,045
Gains and losses from the revaluation of investments becoming investment entity	5,308	-	678	5,986
Gains and losses recognised in profit or loss after becoming investment entity (within 'Net changes in fair value of financial assets at fair value through profit or loss')	1,740	(1,632)	(305)	(197)
Transfer from Level 2	-	51,745	-	51,745
Acquisition	-	-	7	-
Decreased share capital – free funds returned	-	-	(691)	(691)
Closing balance	8,403	50,113	379	58,895
Change in unrealised gains or losses for the period included in profit or loss for assets held at the end of the reporting period	7,049	97*	373	7,519

* It was recognised profit of LTL 1,729 thousand on the Company becoming investment entity from the revaluation of investments into agriculture segment according to the last deal of additionally acquisition of shares of UAB Litagra.

16 Other current liabilities

	Group		Company	
	As of 31 December 2014	As of 31 December 2013	As of 31 December 2014	As of 31 December 2013
Employee benefits	592	2,545	221	109
Other	3,490	3,763	4,070	1,487
Total other current liabilities	4,082	6,308	4,291	1,596

AB INVALIDA LT**INTERIM CONSOLIDATED AND COMPANY'S CONDENSED FINANCIAL STATEMENTS FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2014**

(all amounts are in LTL thousand unless otherwise stated)

17 Related party transactions

Receivables from related parties are presented in gross amount (without allowance).

The Company's transactions with related parties during the year 2014 and related year-end balances were as follows:

2014 Company	Sales to related parties	Purchases from related parties	Receivables from related parties	Payables to related parties
Loans and borrowings	2,880	85	38,320	-
Accounting services	113	-	20	-
Information technology maintenance	20	56	-	2
Dividends	15,527	-	-	-
Payables for share capital of subsidiaries	-	-	-	932
	<u>18,540</u>	<u>141</u>	<u>38,340</u>	<u>934</u>
Liabilities to shareholders and management	-	7,596	-	-

The Company has acquired shares from shareholder UAB Lucrum investicija for LTL 7,596 thousand (Note 15).

The Company's transactions with related parties during the year 2013 and related year-end balances were as follows:

2013 Company	Sales to related parties	Purchases from related parties	Receivables from related parties	Payables to related parties
Loans and borrowings	5,709	217	69,506	4,907
Rent and utilities	-	70	-	-
Transfer of tax losses	-	-	489	-
Dividends	16,770	-	-	-
Other	59	88	19	5
	<u>22,538</u>	<u>375</u>	<u>70,014</u>	<u>4,912</u>
Liabilities to shareholders and management	-	-	-	-

The Group's transactions with related parties during the year 2014 and related year-end balances were as follows:

2014 Group	Sales to related parties	Purchases from related parties	Receivables from related parties	Payables to related parties
Loans and borrowings	1,878	-	38,320	-
Information technology segment	68	38	-	2
Dividends	15,527	-	-	-
Other	103	-	20	-
	<u>17,576</u>	<u>38</u>	<u>38,340</u>	<u>2</u>
Liabilities to shareholders and management	-	7,596	-	-

AB INVALIDA LT**INTERIM CONSOLIDATED AND COMPANY'S CONDENSED FINANCIAL STATEMENTS FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2014**

(all amounts are in LTL thousand unless otherwise stated)

17 Related party transactions (cont'd)

The Group's transactions with related parties during the year 2013 and related year-end balances were as follows:

2013 Group	Sales to related parties	Purchases from related parties	Receivables from related parties	Payables to related parties
Loans and borrowings	435	-	22,336	-
Rent and utilities	2	-	-	-
Information technology segment	113	-	8	-
Dividends	15,880	-	-	-
Other	59	3	277	-
	<u>16,489</u>	<u>3</u>	<u>22,621</u>	<u>-</u>
Liabilities to shareholders and management	85	-	-	-

18 Events after the reporting period

On 5 January 2015 the Group has acquired 100% shares of IPAS Finasta Asset Management for LTL 3,164 thousand (all amount paid in cash). Therefore, it was completed the implementation of the Share Purchase Agreement of the 4 November 2014 with AB Finasta Holding and BAB bankas Snoras. The acquiree operates in Latvia and manages three 2nd pillar, three investment funds and portfolio of individual clients. As of 31 December 2014 the entity managed LTL 155.8 million of assets. Based on the preliminary assessment, the fair values of the net assets acquired are LTL 4,467 thousand, and profit from bargain purchase is LTL 1,303 thousand.