

Annex No 5 to the Terms of Reorganization of AB
LESTO and public limited liability company Lietuvos Dujos

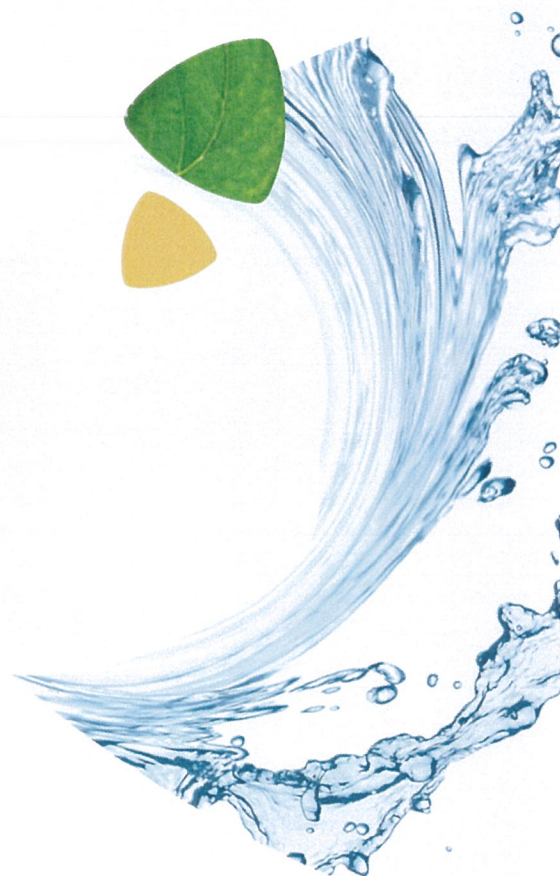
**Interim condensed audited financial statements of public limited liability company
Lietuvos Dujos for Q2 2015 and H1 2015**

[See attached]

2015

Lietuvos Dujos AB
COMPANY'S CONDENSED INTERIM
FINANCIAL STATEMENTS

COMPANY'S CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER OF 2015 AND THE FIRST HALF OF 2015 PREPARED ACCORDING TO INTERNATIONAL ACCOUNTING STANDARD 34, 'INTERIM FINANCIAL REPORTING' AS ADOPTED BY THE EUROPEAN UNION, PRESENTED TOGETHER WITH THE INDEPENDENT AUDITOR'S REPORT



Group of energy
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Translation note:

This version of the accompanying documents is a translation from the original, which was prepared in Lithuanian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of the accompanying documents takes precedence over this translation.



Independent Auditor's Report

To the shareholders of Lietuvos Dujos AB

Report on the condensed interim financial statements

We have audited the accompanying condensed interim financial statements of Lietuvos Dujos AB ("the Company") set out on pages 5 to 15, which comprise the condensed interim statement of financial position as of 30 June 2015, the condensed interim statement of comprehensive income for the three-month and six-month periods then ended, the condensed interim statements of changes in equity and cash flows for the six month period then ended and notes comprising a summary of significant accounting policies and other explanatory information ("the condensed interim financial statements").

Management's responsibility for the condensed interim financial statements

Management is responsible for the preparation of these condensed interim financial statements in accordance with International Accounting Standard 34, 'Interim financial reporting' as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of condensed interim financial statements that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these condensed interim financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the condensed interim financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the condensed interim financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the condensed interim financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the condensed interim financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the condensed interim financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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PricewaterhouseCoopers UAB, company code 111473315, is a private company registered with the Lithuanian Register of Legal Entities.



Opinion

In our opinion, the condensed interim financial statements for the Company are prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim financial reporting' as adopted by the European Union.

On behalf of PricewaterhouseCoopers UAB

A handwritten signature in blue ink, appearing to read 'Rimvydas Jogėla', is written over a large, circular blue ink scribble.

Rimvydas Jogėla
Partner
Auditor's Certificate No.000457

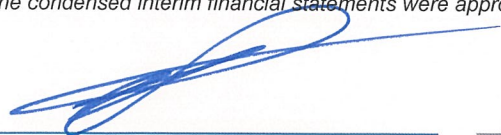
Vilnius, Republic of Lithuania
17 August 2015

LIETUVOS DUJOS AB, company code 120059523, Aaguonų g. 24, Vilnius, Lithuania
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
At 30 June 2015

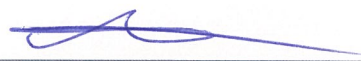
All amounts in EUR thousands unless otherwise stated

	Note	At 30 June 2015	At 31 December 2014
ASSETS			
Non-current assets			
Intangible assets	3	522	623
Property, plant and equipment	3	169,478	173,405
Prepayments for property, plant, equipment		4	8
Investment property	4	2,736	-
Investments in joint ventures and associates		749	755
Deferred income tax assets		2,800	3,670
Total non-current assets		176,289	178,461
Current assets			
Inventories		778	770
Prepayments		168	157
Trade receivables	5	2,821	10,758
Other amounts receivable		59	50
Prepaid income tax		-	4,910
Cash and cash equivalents		15,734	19,751
Non-current assets held for sale		-	421
Total current assets		19,560	36,817
Total assets		195,849	215,278
EQUITY AND LIABILITIES			
Equity			
Authorised share capital	6	84,299	84,188
Legal reserve		8,419	8,419
Revaluation reserve		3,850	4,672
Retained earnings		48,818	68,311
Total equity		145,386	165,590
Amounts payable and liabilities			
Amounts payable after one year and non-current liabilities			
Grants and subsidies		3,913	3,961
Long-term employee benefits		1,651	1,756
Deferred revenue from connection of new users		37,309	36,913
Total amounts payable after one year and non-current liabilities		42,873	42,630
Amounts payable within one year and current liabilities			
Trade payables		1,303	505
Advance amounts received		1,814	1,320
Income tax liabilities		93	-
Other amounts payable within one year and current liabilities		4,380	5,233
Total amounts payable within one year and current liabilities		7,590	7,058
Total amounts payable and liabilities		50,463	49,688
Total equity and liabilities		195,849	215,278

The accompanying notes form an integral part of these condensed interim financial statements.
The condensed interim financial statements were approved by Lietuvos Dujos, AB on 17 August 2015.



Liudas Liutkevičius
Chief Executive Officer



Virgilijus Motiejūnas
Manager of Finance Department
Acting Finance and Treasury
Director



Giedruolė Guobienė
Verslo Aptarnavimo Centras UAB,
Head of Reporting, Tax Accounting and
Control Division acting under Order No
V-047

LIETUVOS DUJOS AB, company code 120059523, Aguonų g. 24, Vilnius, Lithuania
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
for the three and six-month period ended 30 June 2015

All amounts in EUR thousands unless otherwise stated


	Note	1H 2015	Q2 2015	1H 2014 (restated)*	Q2 2014 (restated)*
Revenue					
Sales revenue		29,927	9,408	28,458	8,296
Other income		748	481	471	229
		30,675	9,889	28,929	8,525
Expenses					
Purchases of natural gas and transmission services		(2,525)	(860)	(1,883)	497
Depreciation and amortisation		(4,572)	(2,274)	(3,982)	(1,987)
Wages and salaries and related expenses		(10,668)	(5,285)	(10,461)	(5,178)
Repair and maintenance expenses		(1,061)	(616)	(1,902)	(1,335)
Taxes (other than income tax)		(847)	(414)	(855)	(415)
Other expenses		(2,124)	(1,259)	(2,892)	(1,975)
		(21,797)	(10,708)	(21,975)	(10,393)
Operating profit (loss)		8,878	(819)	6,954	(1,868)
Financing activities					
Finance income		15	8	11	6
Finance costs		(117)	(14)	(14)	(14)
		(102)	(6)	(3)	(8)
Profit (loss) before income tax		8,776	(825)	6,951	(1,876)
Current year income tax expense		(228)	2	(1,116)	154
Deferred income tax (expense)/income		(870)	260	185	142
Profit (loss) from continuing operations (attributable to equity holders of the Company)		7,678	(563)	6,020	(1,580)
Net profit from discontinued operations	9	-	-	79,598	76,818
Net profit (loss)		7,678	(563)	85,618	75,238
Other comprehensive income					
Other comprehensive income, net of deferred income tax		-	-	-	-
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD		7,678	(563)	85,618	75,238
Number of shares (units)		290,685,740	290,685,740	290,685,740	290,685,740
Basic and diluted earnings (loss) per share (in EUR) attributable to equity holders of the Company)		0.026	(0.002)	0.295	0.259

*Restated for comparability purposes by presenting the Company's transferred supply activity as discontinued operations and reclassifying revenue and expense items and retrospectively recording impairment of property, plant and equipment as disclosed in the annual financial statements for 2014 and Notes 9 and 12 of these condensed interim financial statements.

The accompanying notes form an integral part of these condensed interim financial statements.
The condensed interim financial statements were approved by Lietuvos Dujos, AB on 17 August 2015.


Liudas Liutkevičius
Chief Executive Officer


Virgilijus Motiejūnas
Manager of Finance Department
Acting Finance and Treasury
Director


Giedruolė Guobienė
Verslo Aptarnavimo Centras UAB,
Head of Reporting, Tax Accounting and
Control Division acting under Order No
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LIETUVOS DUJOS AB, company code 120059523, Abugonų g. 24, Vilnius, Lithuania
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
for the six-month period ended 30 June 2015

All amounts in EUR thousands unless otherwise stated

	Notes	Authorised share capital	Legal reserve	Revalua- tion reserve	Other reserves	Retained earnings	Total
Balance at 1 January 2014		84,188	8,419	-	94,999	(33,647)	153,959
Net profit (loss) for the reporting period		-	-	-	-	85,618	85,618
Total comprehensive income for the period						85,618	85,618
Balance at 30 June 2014 (restated)		84,188	8,419	-	94,999	51,971	239,577
Balance at 1 January 2015		84,188	8,419	4,672	-	68,311	165,590
Net profit (loss) for the reporting period		-	-	-	-	7,678	7,678
Total comprehensive income for the period						7,678	7,678
Transfer of revaluation reserve to retained earnings (transfer of depreciation, net of deferred income tax)		-	-	(822)	-	822	-
Dividends	7	-	-	-	-	(27,993)	(27,993)
Result of share capital conversion to the euro	6	111	-	-	-	-	111
Balance at 30 June 2015		84,299	8,419	3,850	-	48,818	145,386

The accompanying notes form an integral part of these condensed interim financial statements.

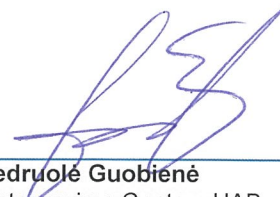
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LIETUVOS DUJOS AB, company code 120059523, Aaguonų g. 24, Vilnius, Lithuania
CONDENSED INTERIM STATEMENT OF CASH FLOWS
for the six-month period ended 30 June 2015

All amounts in EUR thousands unless otherwise stated

	Note	1 January – 30 June 2015	1 January – 30 June 2014 (restated)
Cash flows from operating activities			
Net profit (loss)		7,678	85,618
Adjustments for non-cash expenses (income) and other adjustments:			
Depreciation and amortisation expenses		4,724	4,305
Impairment of property, plant and equipment		-	951
Share of (profit)/loss of associates and joint ventures		6	14
Income tax expenses		1,098	15,513
(Depreciation) of grants and subsidies		(152)	(142)
Increase (decrease) in impairment for amounts receivable		13	217
Expenses (income) from inventory write-down allowance		(20)	16
(Gain) loss on disposal/write-off of property, plant and equipment and non-current assets held for sale		(194)	(57)
Share capital conversion to the euro		111	-
Interest (income)		(12)	(84)
Interest expenses		-	2
Other income/(expenses) of financing activities		(3)	-
Elimination of other non-cash items*		-	(89,967)
Changes in working capital:			
(Increase) decrease in trade receivables and other amounts receivable		7,918	22,002
(Increase) decrease in inventories		(134)	1,755
(Increase) decrease in prepayments		(11)	66
Increase (decrease) in trade payable, deferred income, advance amounts received and other current amounts payable and liabilities		1,996	(12,177)
Increase (decrease) in long-term employee benefits		(105)	-
Cash generated from operations		22,913	28,032
Income tax (paid) / recovered		3,237	(7,957)
Net cash flows from operating activities		26,150	20,075
<i>Whereof discontinued operations</i>		-	4,965
Cash flows from investing activities			
(Purchase) of property, plant and equipment and intangible assets		(2,825)	(3,153)
Proceeds from sale of property, plant and equipment and intangible assets		639	129
Disposal of non-current assets held for sale		352	-
Investments in associates		(474)	-
Grants received		110	115
Interest received		12	88
Net cash flows used in investing activities		(2,186)	(2,821)
<i>Whereof discontinued operations</i>		-	85
Cash flows from financing activities			
Interest paid		-	(2)
Dividends paid		(27,981)	(4)
Net cash flows used in financing activities		(27,981)	(6)
<i>Whereof discontinued operations</i>		-	-
Net (decrease) increase in cash and cash equivalents		(4,017)	17,248
Cash and cash equivalents at the beginning of the period		19,751	19,416
Cash and cash equivalents at the end of the period		15,734	36,664

*Other non-cash items include the natural gas price discount received from OAO Gazprom that had a non-cash impact on the result of the Company, prepayments and trade payables and the effect of provision for onerous contracts.
The accompanying notes form an integral part of these condensed interim financial statements.
The condensed interim financial statements were approved by Lietuvos Dujos, AB on 17 August 2015.

Liudas Liutkevičius
Chief Executive Officer

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

1 General information

Lietuvos Dujos AB ("the Company") is a public limited liability company registered in the Republic of Lithuania. The address of its registered office is as follows:

Aguonų g. 24,
 LT – 03212, Vilnius, Lithuania.

Until 31 October 2014, the Company's principal activity was distribution and supply of natural gas. The Company's natural gas supply activity (the supply segment) was sold to UAB Lietuvos Dujų Tiekimas UAB under the purchase-sale agreement dated 15 October 2014. In these condensed interim financial statements the supply activity of the Company is disclosed as discontinued operations (Note 9).

The Company's business operations are seasonal. The Company generates the larger portion of its revenue in the first half of the year, during the heating season, whereas expenses spread nearly evenly in the first and the second halves of the year. As a result, generally the Company's financial performance of the first half of the year is better than that of the second half.

The Company was registered on 23 November 1990. The shares of the Company have been listed on the main list of NASDAQ OMX Vilnius Stock Exchange.

The shareholders' structure of the Company was as follows:

	At 30 June 2015		At 31 December 2014	
	Number of shares held	Ownership interest, %	Number of shares held	Ownership interest, %
Lietuvos Energija, UAB	280,930,066	96.6%	280,930,066	96.6%
Other shareholders	9,755,674	3.4%	9,755,674	3.4%
Total	290,685,740	100%	290,685,740	100%

As at 30 June 2015 and 31 December 2014, Lietuvos Energija, UAB was the parent of the Company. Lietuvos Energija, UAB is wholly owned by the Lithuanian Government represented by the Lithuanian Ministry of Finance.

All shares of the Company with the nominal value of EUR 0.29 each are ordinary shares and they have been fully paid as at 30 June 2015 and 31 December 2014. The Company does not hold any shares other than those mentioned above, and its Articles of Association do not provide for any restrictions on shares or special control rights of shareholders. The Company has not acquired its own shares.

The Company's joint ventures and associates are listed below:

Joint venture or associate	Country	Year of acquisition	The Company's ownership interest (%)		Profile of activities
			At 30 June 2015	At 31 December 2014	
GET Baltic UAB	Lithuania	2012	34%	34%	Activity of the licensed natural gas market operator – organisation of trade in natural gas at the natural gas exchange
Technologijų ir Inovacijų Centras UAB	Lithuania	2014	9.00%	9.00%	Information technology and telecommunication, and other services to the shareholders
Verslo Aptarnavimo Centras UAB	Lithuania	2014	7.25%	7.25%	Public procurement organisation and implementation, accounting and personnel administration services to the shareholders

The shares of Technologijų ir Inovacijų Centras UAB and Verslo Aptarnavimo Centras UAB were fully paid in the first half of 2015.

As at 30 June 2015, the Company had 1,021 (31 December 2014: 1,136) employees.

On 1 June 2015, Vilnius, Kaunas, Klaipėda, Šiauliai and Panevėžys Branches of Lietuvos Dujos AB lost the status of a legal entity due to their reorganisation to Vilnius, Kaunas, Klaipėda and Northern Regions of Lietuvos Dujos AB.

On 3 March 2015, the Company released the statement on a material event to inform about the programme initiated within the group of the Lithuanian energy companies aimed at identifying central activities of this group. Under the concept of the programme the merger of LESTO AB and Lietuvos Dujos AB by establishing a single entity of distribution networks is scheduled to be completed by the end of December 2015, which will start its operations from 1 January 2016. On 29 May 2015, the extraordinary general shareholder meeting of Lietuvos Dujos AB was held where a decision was made to approve the preparation of the terms and conditions of the reorganisation of LESTO AB and Lietuvos Dujos AB by way of merger.

These condensed interim financial statements were approved by the Company's management on 17 August 2015.

2 Basis of preparation and accounting policies

2.1. Basis of preparation

These condensed interim financial statements for the three and six-month periods ended 30 June 2015 have been prepared according to International Accounting Standard No 34, 'Interim financial reporting'. These condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2014, which have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union.

2.2. Accounting policies

The accounting policies applied in the preparation of the condensed interim financial statements are consistent with those that were applied in the preparation of the annual financial statements for 2014.

Investment property

Investment property comprises property, which certain part may be used in the Company's operations, with the remainder being held for rental yields and/or for capital appreciation. If parts of the property which are used in the Company's operations can be sold separately, the Company accounts for such property separately. Parts of the property are separated according to the area of the building which is used in the Company's operations and which is held for rental yields and/or for capital appreciation. If parts cannot be sold separately, the property is classified as investment property only when the insignificant part of a property is used in the Company's operations. Investment property is measured at fair value.

The Company's investment property includes buildings, the majority of which are not used in the Company's operations and held to earn long-term rentals.

Investments in associates

Investments in associates over which the Company has a significant influence are accounted for using the equity method, except for the cases when the investment is acquired and held solely for the purpose of selling it in the near future (not later than within 12 months from the date of acquisition) and the management is engaged in active search for buyers.

New standards, amendments and interpretations

There are no new standards, amendments to standards and interpretations effective from 1 January 2015 that would have a material impact of the Company's condensed interim financial statements as at 30 June 2015.

2.3. Functional and presentation currency

These condensed interim financial statements are presented in the national currency the euro (EUR), which is the Company's functional and presentation currency. Until 31 December 2014, the currency of the Republic of Lithuania was the litas. The litas was pegged to the euro at the exchange rate of LTL 3.4528 to EUR 1. With effect from 1 January 2015, Lithuania joined the euro area and the euro became its national currency. The euro replaced the litas at the exchange rate of LTL 3.4528 to EUR 1. The Company converted comparative figures from the litas to the euro using the official exchange rate, i.e. LTL 3.4528 to EUR 1. The conversion of the authorised share capital is disclosed in Note 6.

2.4. Accounting estimates

The preparation of condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2014.

3 Intangible assets and property, plant and equipment

The movement on the Company's intangible assets account is as follows:

	Patents and licenses	Computer software	Other intangible assets	Total
Net book amount at 31 December 2014	301	319	3	623
Additions	-	19	-	19
Amortisation charge	(70)	(49)	(1)	(120)
Net book amount at 30 June 2015	231	289	2	522

The movement on the property, plant and equipment account is as follows:

	Buildings	Structures and machinery	Gas distribution pipelines and their equipment	Gas technological equipment and structures	Motor vehicles	IT and telecommunication equipment	Other property, plant and equipment	Construction in progress	Total
Net book amount at 31 December 2014	16.397	1.231	141.878	4.612	3.171	952	4.713	451	173.405
Additions	-	11	14	-	-	-	5	3.619	3.649
Sales	(432)	-	-	-	(17)	-	-	-	(449)
Write-offs	-	-	(1)	-	-	-	(1)	-	(2)
Reclassifications between categories	-	-	2.378	61	-	-	1.017	(3.456)	-
Reclassification to investment property	(2.501)	(232)	-	(3)	-	-	-	-	(2.736)
Reclassification from inventories	-	-	-	-	69	-	-	146	215
Depreciation charge	(423)	(116)	(2.089)	(223)	(728)	(209)	(816)	-	(4.604)
Net book amount at 30 June 2015	13.041	894	142.180	4.447	2.495	743	4.918	760	169.478

In management's opinion, there were no significant changes in the fair value of the categories of property, plant and equipment measured at fair value during the six-month period ended 30 June 2015.

As at 30 June 2015, the Company had the agreements for the acquisition of property, plant and equipment worth of EUR 3,462 thousand (31 December 2014: EUR 1,556 thousand).

4 Investment property

Property, plant and equipment was reclassified to investment property on 1 May 2015 after the lease of the major part of the administrative building (including its appurtenances) located at Aaguonų g. 26, in Vilnius. The carrying amount of the investment property was equal to EUR 2,736 thousand as at 30 June 2015. Independent valuation of investment property was performed in December 2014.

5 Trade receivables

Trade receivables are non-interest bearing and are normally settled with the term of 15 days.

As at 30 June 2015, trade receivables amounted to EUR 2,821 thousand (31 December 2014: EUR 10,758 thousand). Trade receivables decreased due to decline in trade receivables for natural gas distribution, i.e. lower quantities of natural gas were distributed in June 2015 compared to December 2014.

6 Authorised share capital

After the adoption of the new currency, the euro, in the Republic of Lithuania on 1 January 2015, in accordance with the Lithuanian Law on Redenomination to the Euro of the Capital and of the Nominal Value of Securities of Public Limited Liability Companies and Private Limited Liability Companies and Amendment of the Articles of Association of These Companies, in the first half of 2015 the Company recognised a one-off loss of EUR 111 thousand as a result of the conversion of the nominal value of one share of the Company expressed in the litas to the nominal value expressed in the euro and the conversion of the nominal value of the authorised share capital. The new value of the authorised share capital was registered on 15 May 2015 following re-registration of the Articles of Association with the state enterprise the Centre of Registers.

7 Dividends

The ordinary general meeting of shareholders of Lietuvos Dujos AB was held on 27 April 2015 where it was decided to approve the profit appropriation for 2014 and to allocate EUR 0.0963 per share in dividends, in total EUR 27,993 thousand in dividends.

8 Segment information

The Company's operations are organised in accordance with the regulatory requirements established for the activities regulated by the State. Operating segments are distinguished in accordance with the regulatory requirements. The Company uses the same accounting policies for the segment accounting and for the Company's financial accounting.

Until 31 October 2014, the Company had three main operating segments: natural gas distribution, supply and the segment of other activity:

Distribution of natural gas comprises the transportation of natural gas through the gas distribution pipeline;

Supply of natural gas comprises the natural gas sales to end users;

Other activity comprises other activity not related to the principal business activities.

The Company's natural gas supply activity (the supply segment) was transferred on 31 October 2014. With effect from 31 December 2014, the other activity segment is no longer separated as separately insignificant and related to the distribution activity.

With effect from 31 December 2014, the Company has a single operating segment, i.e. natural gas distribution.

The table below presents the Company's segment information for the six-month period ended 30 June 2015.

1 January – 30 June 2015	Continuing operations Distribution
Sales revenue	29,927
Profit (loss) before income tax	8,776
Assets at 30 June 2015	195,849

The table below presents the Company's segment information for the six-month period ended 30 June 2014.

1 January – 30 June 2014 (restated)	Discontinued operations Supply	Continuing operations Distribution (restated – combined with the other activity segment)	Total
Sales revenue	174,115	28,458	202,573
Profit (loss) before income tax	94,180	6,951	101,131
Assets at 30 June 2014	125,677	184,577	310,254

All assets of the Company are located in Lithuania.

9 Discontinued operations

In October 2014, the Company sold the supply activity. Information about the discontinued operations is presented below. Comparative figures were restated to disclose the result of the discontinued operations.

	1 January – 30 June 2014
Sales revenue	174,115
Other income	97
Expenses	(80,118)
Operating profit	94,094
Finance income	86
Profit from discontinued operations before tax	94,180
Income tax	(14,582)
Net profit from discontinued operations	79,598

Earnings per share from discontinued operations

	1 January – 30 June 2014
Net profit from discontinued operations attributable to shareholders (in EUR thousands)	79,598
Number of shares (units)	290,685,740
Earnings per share from discontinued operations (in EUR)	0.274

10 Commitments and contingencies

Legal disputes

On 25 March 2011, the Ministry of Energy of the Republic of Lithuania, which held 17.7% of the Company's shares by the right of trust at that date, filed a claim to Vilnius Regional Court in relation to examination of the legal entity's operations, wherein Lietuvos Dujos AB, the Board Members of Lietuvos Dujos AB delegated by Gazprom OAO, and the Managing Director were indicated as the respondents. In its claim, the Lithuanian Ministry of Energy demanded initiation of examination of operations of Lietuvos Dujos AB and application of relevant requirements set forth in the claim in case the results of examination showed that operations of Lietuvos Dujos AB and/or the aforementioned Board Members and/or the Managing Director were inappropriate. Upon completion of investigation of the claim, on 3 September 2012 Vilnius Regional Court ruled in favour of the claimant to initiate examination of operations of Lietuvos Dujos AB. The Company objected to the ruling of the court of the first instance and filed an appeal against it to the Court of Appeal of Lithuania. The Court of Appeal of Lithuania left the ruling of Vilnius Regional Court unchanged. On 29 April 2013, Lietuvos Dujos AB appealed by cassation to the Lithuanian Supreme Court with request to annul the decision passed by the Lithuanian Court of Appeal on 21 February 2013, and not to proceed with the case or reject it. On 20 November 2013, the Lithuanian Supreme Court suspended a judgement until the final resolution of the issue pertaining to recognition and enforcement of the arbitrary decision passed by the Arbitration institute of the Stockholm Chamber of Commerce (Kingdom of Sweden) (hereinafter "the arbitrary decision"). Based on the aforementioned arbitrary decision, it was concluded that the courts of the Republic of Lithuania are in a position to hear the case in relation to examination of operations of Lietuvos Dujos AB; however, all matters pertaining to natural gas supply and transit to Kaliningrad District (including prices and tariffs) are within an exclusive jurisdiction of the Arbitration. The Lithuanian Supreme Court investigated the issue pertaining to recognition of the arbitrary decision and referred to the Court of Justice of the European Union with request to give a preliminary (explanatory) ruling as to interpretation and application of regulatory requirements related to recognition of the arbitrary decision. The final outcome of the case is unclear and cannot be reasonably assessed.

On 14 July 2014, the Prosecution Service of the Republic of Lithuania filed an indictment to Vilnius City District Court where Lietuvos Dujos AB and its former employees were charged with allegedly causing damage in establishing the supply activity tariffs for domestic users. On 13 August 2014, Vilnius City District Court started the examination of this criminal case. The Prosecutor General requested the court to impose a fine on Lietuvos Dujos AB amounting to 25,000 times the minimum monthly wage or EUR 950 thousand. Lietuvos Dujos AB objected to the charges and requirements of the Prosecution Service. The Company expected the court to pass an acquittal. On 27 February 2015, Vilnius City District Court passed an acquittal whereby it acquitted Lietuvos Dujos AB as it was not established that the acts attributed were made. On 18 March 2015, the Prosecutor General appealed against the acquittal. At the present moment the case is investigated under the appeal procedure. In the opinion of Lietuvos Dujos AB, the decision of the court of the first instance is lawful and substantiated, therefore should not be changed.

On 23 January 2015, Vilniaus Energija UAB filed a claim to respondent Lietuvos Dujų Tiekimas UAB regarding the amendment to the pricing rules (formulas for the calculation of the price of natural gas established in the agreements) established in the agreements on the natural gas supply dated 28 December 2012 and 30 December 2013 and the awarding of the overpayment for natural gas acquired. The claim amount is equal to EUR 19,131,562.67 and consists of the following two elements: the natural gas price overpayment amounting to EUR 19,087,634.96 and interest amounting to EUR 43,927.71. On 14 July 2015, Vilniaus Energija UAB filed a revised claim by indicating Lietuvos Dujos AB as a second respondent and requested the court to order Lietuvos Dujų Tiekimas UAB and Lietuvos Dujos AB jointly and severally pay the natural gas price overpayment and interest. In the opinion of Lietuvos Dujos AB, neither the legal acts nor the agreements on the natural gas supply obliged Lietuvos Dujos AB and Lietuvos Dujų Tiekimas UAB to pay to Vilniaus Energija UAB any amounts due to the change in import prices of natural gas or recalculate the natural gas price in case such changes occur; Lietuvos Dujos AB has properly fulfilled its contractual obligations under the agreements. As a result, in the opinion of the Company's management, the claim is not substantiated. The case is under investigation by the court of the first instance.

11 Related-party transactions

The Company's related parties are as follows:

- the Ministry of Energy of the Republic of Lithuania, from 21 February 2014 Lietuvos Energija, UAB and its group companies (hereinafter "Lietuvos Energija, UAB") – one of the main shareholders of the Company until 21 May 2014 and the Company's parent from 21 May 2014;
- E.ON Ruhrgas International GmbH (one of the main shareholders of the Company until 21 May 2014);
- Gazprom OAO (one of the main shareholders of the Company until 19 June 2014);
- GET Baltic UAB (a joint venture);
- Latvijas Gaze AS (a jointly controlling shareholder until 19 June 2014).

The tables below disclose sale and purchase transactions with Lietuvos Energija, UAB for the period from 1 March 2014. Sale and purchase transactions with Gazprom OAO and Latvijas Gaze AS are disclosed for the period from 1 January 2014 to 30 June 2014.

Purchase and sale transactions with GET Baltic UAB do not include purchases and sales of natural gas as GET Baltic UAB only acts as a buying or selling agent providing intermediation services for a certain commission. Amounts receivable from and amounts payable to GET Baltic UAB are disclosed with amounts for natural gas.

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The Company's transactions with related parties between January and June of 2015 and the balances arising on these transactions as at 30 June 2015 are presented below:

	Purchases	Sales	Amounts receivable	Amounts payable
Lietuvos Energija, UAB Group	2,236	21,208	1,999	654
- <i>whereof: associates</i>				
<i>Verslo Aptarnavimo Centras UAB</i>	169	-	-	114
<i>Technologijų ir Inovacijų Centras UAB</i>	119	-	-	107
- <i>whereof: parent company</i>				
<i>Lietuvos Energija, UAB</i>	157			190
GET Baltic UAB	1	-	-	-
	2,237	21,208	1,999	654

The Company's transactions with related parties between January and June of 2014 and the balances arising on these transactions as at 31 December 2014 are presented below:

	Purchases	Sales	Amounts receivable	Amounts payable
Gazprom OAO	63,541	(374)	-	-
Latvijas Gaze AS	185	-	-	-
GET Baltic UAB	28	2	-	258
Lietuvos Energija, UAB Group	62	571	6,489	495
- <i>whereof: associates (from December 2014)</i>				
<i>Verslo Aptarnavimo Centras UAB</i>	-	-	-	32
<i>Technologijų ir Inovacijų Centras UAB</i>	-	-	-	443
	63,816	199	6,489	753

There were no guarantees given or received in respect of the related-party payables and receivables. As at 30 June 2015 and 31 December 2014, the Company did not establish any provisions for impairment in respect of the related-party receivables.

	At 30 June 2015	At 30 June 2014
Wages and salaries and other short-term benefits to management personnel	366	476
Average number of key management personnel	10	11

Until 31 May 2015, the Company's management included the Head of Administration, Deputy Heads, Directors of the Branches, Chief Accountant and from 1 June 2015, the Company's management includes the Board Members.

12 Restatement of comparative figures

The restatement of the condensed statement of comprehensive income for the six-month period ended 30 June 2014 is presented below. Restatement-related information is disclosed in the financial statements as of 31 December 2014.

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	At 30 June 2014 (before restatement)	Reclassification of supply activity to discontinued operations	Restatement of revenue line items and accounting for deferred income	Restatement of expense line items	Restatement of accounting for grants	Impairment of property, plant and equipment accounted for retrospectively	At 30 June 2014 (restated)
Revenue							
Sales revenue	202,450	(174,115)	123				28,458
Other income	725		(112)		(142)		471
	203,175	(174,115)	11		(142)		28,929
Expenses							
Purchases of natural gas and transmission services	(74,984)	73,387		(286)			(1,883)
Depreciation and amortisation	(6,230)	181			142	1,925	(3,982)
Wages and salaries and related expenses	(12,320)	1,859					(10,461)
Repair and maintenance expenses	(2,874)	103		869			(1,902)
Taxes (other than income tax)	(876)	21					(855)
Other expenses	(62,690)	4,567		(583)		55,814	(2,892)
	(159,974)	80,118			142	57,739	(21,975)
Operating profit (loss)	43,201	(93,997)	11			57,739	6,954
Financing activities							
Finance income	207	(185)	(11)				11
Finance costs	(16)	2					(14)
	191	(183)	(11)				(3)
Profit (loss) before income tax	43,392	(94,180)				57,739	6,951
Current year income tax expense	(16,773)	15,657					(1,116)
Deferred income tax (expense)/income	9,921	(1,075)				(8,661)	185
Profit (loss) from continuing operations	36,540	(79,598)				49,078	6,020
Net profit from discontinued operations		79,598					79,598
Net profit (loss)	36,540	-				49,078	85,618
Other comprehensive income							
Other comprehensive income, net of deferred income tax							
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	36,540	-				49,078	85,618

13 Events after the reporting period

There were no significant events subsequent to the reporting date.
