

GRIGEO GRIGIŠKĒS AB
Interim information for the nine months of 2016

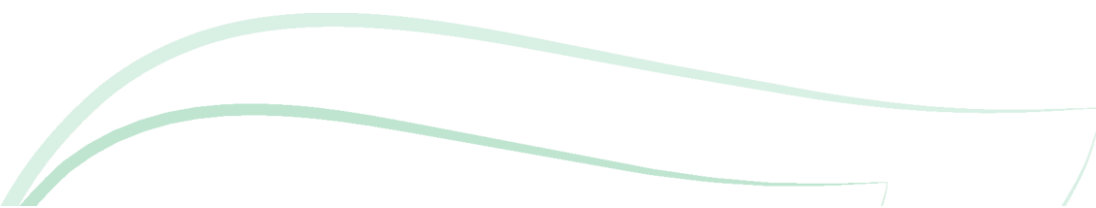


TABLE OF CONTENTS

1. REPORTING PERIOD FOR WHICH THIS FINANCIAL STATEMENTS HAVE BEEN PREPARED	4
2. AUDIT INFORMATION	4
3. GROUP COMPANIES AND THEIR CONTACT DETAILS.....	4
4. MISSION, VISSION, VALUES OF THE COMPANIES	5
5. NATURE OF CORE ACTIVITIES OF THE GROUP COMPANIES	5
6. CONTRACTS WITH INTERMEDIARIES OF PUBLIC TRADING IN SECURITIES AND CREDIT INSTITUTIONS	6
7. AUTHORISED CAPITAL OF THE ISSUER	6
7.1. <i>The authorized capital registered at the Register of Legal Persons</i>	6
7.2. <i>Information on the prospective increase of the authorized capital by converting issued debt securities or derivative securities into shares</i>	6
7.3. <i>Rights and obligations conferred by the shares</i>	6
8. SHAREHOLDERS.....	7
8.1. <i>Number of shareholders of the Company</i>	7
8.2. <i>Main shareholders owning in excess of 5 per cent of the authorised capital of the Issuer</i>	7
8.3. <i>Shareholders holding special controlling rights</i>	7
8.4. <i>Restrictions of the voting rights</i>	7
8.5. <i>Agreements between/among the shareholders</i>	7
9. INFORMATION ON TRADING WITH ISSUER'S SECURITIES ON THE REGULATED MARKETS	7
9.1. <i>Key characteristics of the shares of the Company</i>	8
9.2. <i>Share trading information</i>	8
9.3. <i>Capitalisation of the Company's shares</i>	9
9.4. <i>Issuer's share trading on other stock exchanges and regulated markets</i>	9
9.5. <i>Own shares buy out</i>	9
9.6. <i>Restrictions on shares transfer</i>	9
10. EMPLOYEES	9
11. AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE ISSUER	10
12. INFORMATION ON THE MANAGING BODIES OF THE ISSUER	10
12.1. <i>Members of the managing bodies</i>	11
12.2. <i>Information of the Chairman of the Board, President and Vice President, Finance</i>	11
12.3. <i>Information on the participation in the activities of other enterprises, agencies and organisations (name of the enterprise, agency or organisation and position thereat, capital interest and votes in excess of 5 per cent)</i>	12
12.4. <i>Data on the commencement and expiration of the tenure of each managing body</i>	14
13. INFORMATION ABOUT COMPLIANCE WITH GOVERNANCE CODE	14
14. REVIEW OF ACTYVITY OF THE GROUP COMPANIES	14
14.1. <i>Material events in the Issuer's activities</i>	14
14.2. <i>Newest events in the Issuer's activities</i>	15
14.3. <i>Offices and branches</i>	15
14.4. <i>Risk factors</i>	15
14.5. <i>Suppliers</i>	15
14.6. <i>Segment information</i>	15
14.7. <i>Strategy of the activity and plans for the close future</i>	18
14.8. <i>Financial indicators</i>	18

14.9. Related party transactions.....	19
15. FINANCIAL INFORMATION.....	20
15.1. Statement of financial position.....	20
15.2. Statements of comprehensive income.....	21
15.3. Statement of changes in equity.....	22
15.4. Statements of cash flows.....	23
15.5. Basis of preparation.....	24
15.6. Basis of consolidation.....	25
15.7. Non-current assets.....	36
15.8. Investment property.....	37
15.9. Intangible assets.....	38
15.10. Investments into subsidiaries.....	39
15.11. Account receivables.....	39
15.12. Cash and cash equivalents.....	39
15.13. Inventories.....	40
15.14. Share capital and legal reserve.....	40
15.15. Non-current and current borrowings.....	41
15.16. Trade and other payables.....	41
15.17. Other operating income.....	41
15.18. Other operating expenses.....	41
15.19. Off balance articles.....	42
15.20. Court and arbitration proceedings.....	42

1. REPORTING PERIOD FOR WHICH THIS FINANCIAL STATEMENTS HAVE BEEN PREPARED

Reports have been prepared for the nine months of 2016.

2. AUDIT INFORMATION

The interim consolidated information of Grigeo Grigiškės AB covering nine months of 2016 is not audited or checked-up by auditors.

3. GROUP COMPANIES AND THEIR CONTACT DETAILS

On the 30th of September 2016 Grigeo Grigiškės AB (further the Company or the Issuer) had nine subsidiaries: Grigeo Klaipėdos kartonas AB, Grigeo Baltwood UAB, Grigeo Recycling UAB, Grigeo Recycling SIA, Mena Pak PAT, AGR Prekyba UAB, Naujieji Verkiai UAB, Ekotara UAB and Grigiškių energija UAB.

Status	Issuer	Subsidiary	Subsidiary
Name	Grigeo Grigiškės AB	Grigeo Klaipėdos Kartonas AB	Grigeo Baltwood UAB
Company's ID No.	110012450	141011268	126199731
Authorised capital	19,053,000 Eur	11,890,550.55 Eur	6,100,000 Eur
Shares directly or indirectly controlled by Grigeo Grigiškės AB	Company has not acquired any shares of itself	95.78 %**	100 %*
Address	Vilniaus str. 10, Grigiškės, Vilnius	Nemuno str. 2, Klaipėda	Vilniaus str. 10, Grigiškės, Vilnius
Phone	+370 5 243 58 01	+370 46 39 56 01	+370 5 243 59 00
Fax	+370 5 243 58 02	+370 46 39 56 00	+370 5 243 59 10
E-mail	info.grigiskes@grigeo.lt	info.kartonas@grigeo.lt	info.baltwood@grigeo.lt
Internet address	http://www.grigeo.lt/en	http://www.grigeo.lt/en	http://www.grigeo.lt/en
Legal form	Public Limited Liability Company	Public Limited Liability Company	Private Limited Liability Company
Date of registration	23 May, 1991	22 September, 1994	10 April, 2003
Administrator of the register	State Enterprise Centre of Registers	State Enterprise Centre of Registers	State Enterprise Centre of Registers
Status	Subsidiary	Subsidiary	Subsidiary
Name	Grigeo Recycling UAB	Grigeo Recycling SIA	Mena Pak PAT
Company's ID No.	302529158	40203001091	00383260
Authorised capital	1,160,000 Eur	2,800 Eur	4,011,470 UAH
Shares directly or indirectly controlled by Grigeo Grigiškės AB	100 %***	100 %****	97.92 %***
Address	Vilniaus str. 10, Grigiškės, Vilnius	Ģertrūdes str. 12 - 7, Rīga, Latvia	Koshevovo str. 6, Chernihiv region, Mena, Ukraine
Phone	+370 5 243 3393	+370 5 243 3393	+380 4644 21341
Fax	-	-	+380 4644 21084
E-mail	info.recycling@grigeo.lt	info.recycling@grigeo.lt	menapack@ukr.net
Internet address	http://www.grigeo.lt/en	-	www.menapack.com.ua
Legal form	Private Limited Liability Company	Private Limited Liability Company	Public Limited Liability Company
Date of registration	16 July, 2010	16 June, 2016	30 December, 1993
Administrator of the register	State Enterprise Centre of Registers	Latvian Republic register of enterprises	Chernihiv region, Mena distr. Public administration

Status	Subsidiary	Subsidiary	Subsidiary	Subsidiary
Name	AGR Prekyba UAB	Naujieji Verkiai UAB	Ekotara UAB	Grigiškių energija UAB
Company's ID No.	302416687	300015674	302329061	302674488
Authorised capital	3,709,776 Eur	28,962 Eur	2,900 Eur	2,900 Eur
Shares directly or indirectly controlled by Grigeo Grigiškės	100 %*	100 %*	100 %*	100 %*
Address	Vilniaus str. 10, Grigiškės, Vilnius	Popieriaus str. 15, Vilnius	Vilniaus str. 10, Grigiškės, Vilnius	Vilniaus str. 14, Grigiškės, Vilnius
Phone	+370 5 243 5933	+370 5 243 59 33	+370 5 243 58 01	+370 5 243 5933
Fax	+370 5 243 58 02	+370 5 243 58 02	+370 5 243 58 02	+370 5 243 58 02
E-mail	viqmantas.kazukauskas@grigeo.lt	info.grigiskes@grigeo.lt	info.grigiskes@grigeo.lt	viqmantas.kazukauskas@grigeo.lt
Internet address	-	-	-	-
Legal form	Private Limited Liability Company	Private Limited Liability Company	Private Limited Liability Company	Private Limited Liability Company
Date of registration	10 July, 2009	6 April, 2004	10 April, 2009	7 October, 2011
Administrator of the register	State Enterprise Centre of Registers	State Enterprise Centre of Registers	State Enterprise Centre of Registers	State Enterprise Centre of Registers

*- Shares directly controlled by AB Grigeo Grigiškės.

** - Shares directly controlled by UAB AGR Prekyba.

*** - Shares directly controlled by AB Grigeo Klaipėdos kartonas.

**** - Shares directly controlled by UAB Grigeo Recycling.

4. MISSION, VISSION, VALUES OF THE COMPANIES

By creating and producing, we always think of you - our customers, employees, partners, colleagues... What is important for you, and how we can make your and your surroundings welfare.

Mission – to develop and produce environmentally friendly products, improving quality of life.

Vission – Recognized as the European manufacturer.

Values



5. NATURE OF CORE ACTIVITIES OF THE GROUP COMPANIES

Core business activities of Grigeo Grigiškės AB are as follows: manufacturing of toilet paper, paper towels and paper napkins, corrugated board, products from corrugated board.

Core business activities of Grigeo Klaipėdos kartonas AB are as follows: manufacturing of the raw materials for production of corrugated board – Testliner and Fluting. Beside the main activity, Grigeo Klaipėdos kartonas AB also produces paper honeycomb used in furniture industry.

Core business activities of Grigeo Baltwood UAB are as follows: wood processing; manufacturing self-coloured and painted hardboard.

Core business activities of Mena Pak PAT (In Ukrainian – публічне акціонерне товариство „МЕНА ПАК“) are as follows: manufacturing of corrugated board, products from corrugated board.

Core business activities of Ekotara UAB are as follows: manufacturing of corrugated board, products from corrugated board. The company has not been operating in year 2016.

Core business activities of Naujieji Verkiai UAB are as follows: building and development of real estate.

Core business activity of Grigiškių energija_UAB is planned to be a business of heat production and sale. The company has not been operating in year 2016.

Core business activity of Grigeo Recycling UAB are as follows: second-hand paper collection and preparation for recycling.

Core business activity of Grigeo Recycling SIA are as follows: second-hand paper collection and preparation for recycling. The company has not been operating in year 2016.

Core business activities of AGR Prekyba UAB are as follows: investment activities and corporate governance.

6. CONTRACTS WITH INTERMEDIARIES OF PUBLIC TRADING IN SECURITIES AND CREDIT INSTITUTIONS

The Company has signed a contract with Finasta AB (financial brokerage company) on payment of dividend to the shareholders for 2004 and subsequent financial years. On 21st of December, 2015 Finasta AB has been joined to Siaulių bankas AB, which from that date became successor to all assets, rights and obligations of Finasta AB.

The Company has signed a contract with Orion Securities UAB (financial brokerage company) (A. Tumėno str. 4, Vilnius, tel. (8~5) 231 3833, fax: (8~5) 231 3840, info@orion.lt) on the handling of securities issued by the Company and for making the market for the shares of Grigeo Grigiškės AB.

7. AUTHORISED CAPITAL OF THE ISSUER

7.1. The authorized capital registered at the Register of Legal Persons

7.1.1. Table. Structure of the authorized capital

Tape of shares	Number of shares	Par value, EUR	Total value, EUR	Interest in the authorised capital, %
Ordinary registered shares	65,700,000	0.29	19,053,000	100

All shares of the Issuer are fully paid up.

7.2. Information on the prospective increase of the authorized capital by converting issued debt securities or derivative securities into shares

The issuer has not issued any debt securities or derivative securities to be converted into shares.

7.3. Rights and obligations conferred by the shares

The shareholders have the following property and non-property rights:

- 1) to receive a part of the Company's profit - dividend;
- 2) to receive the Company's funds when the authorized capital of the Company is being reduced with a view to paying out the Company's funds to the shareholders;
- 3) to receive shares without payment if the authorized capital is increased out of the Company funds, except in cases specified in the Law on Companies of the Republic of Lithuania;
- 4) to have the pre-emption right in acquiring shares or convertible debentures issued by the Company, except in cases when the general meeting decides to withdraw the pre-emption right in acquiring the Company's newly issued shares or convertible debentures for all the shareholders in the manner prescribed by Law on Companies of the Republic of Lithuania;
- 5) to lend to the Company in the manner prescribed by laws of the Republic of Lithuania; however, when borrowing from its shareholders, the Company may not pledge its assets to the shareholders. When the company borrows from a shareholder, the interest may not be higher than the average interest rate offered by commercial banks of the locality where the lender has his place of residence or business, which was in effect on the day of conclusion of the loan agreement. In such a case the Company and shareholders shall be prohibited from negotiating a higher interest rate;
- 6) to receive a part of assets of the Company in liquidation;

- 7) to bequeath all or a part of the shares to the ownership of the other people;
- 8) to transfer all or part of the shares to ownership of other people;
- 9) to attend the general meetings of shareholders;
- 10) to vote at general meetings of the shareholders according to voting rights carried by their shares (each fully paid share of the nominal value of 0.29 EUR gives its holder one vote at the general meeting);
- 11) to receive information on the Company according to the procedure laid down in the laws of the Republic of Lithuania and the Articles of Association of the Company;
- 12) to file a claim with the court for reparation of damage resulting from nonfeasance or malfeasance by the Company manager and Board members of their obligations prescribed by the Law on Companies and other laws of the Republic of Lithuania and the Articles of Association of the Company as well as in other cases laid down by laws of the Republic of Lithuania;
- 13) to authorize a person to vote on his/her behalf at the general meeting of the shareholders;
- 14) to exercise other property and non-property rights provided by laws of the Republic of Lithuania.

8. SHAREHOLDERS

8.1. Number of shareholders of the Company

On the 30th of September 2016 there were 2,701 shareholders of Grigeo Grigiškės AB.

8.2. Main shareholders owning in excess of 5 per cent of the authorised capital of the Issuer

8.2. table. Shareholders owning in excess of 5 per cent of the authorised capital of the Issuer on the 30th of September 2016 and/or the 31st of December 2015.

Shareholder's name (company's name, type, headquarters address, corporate ID number)	30 September 2016			31 December 2015		
	Number of ordinary registered shares owned by the shareholder	Interest in the authorised capital, %	Votes granted by shares held by the right of ownership, %	Number of ordinary registered shares owned by the shareholder	Interest in the authorised capital, %	Votes granted by shares held by the right of ownership, %
UAB „GINVILDOS INVESTICIJA“ Turniškių str. 10a-2, Vilnius, 125436533	28,582,407	43.50	43.50	28,582,407	43.50	43.50
IRENA ONA MIŠEIKIENĖ	7,857,585	11.96	11.96	7,857,585	11.96	11.96

Information about shareholders of Ginvildos investicija UAB is further disclosed in chapter 12 of the interim report.

8.3. Shareholders holding special controlling rights

There are no shareholders holding special controlling rights.

8.4. Restrictions of the voting rights

There are no restrictions of the voting rights.

8.5. Agreements between/among the shareholders

The Issuer is not aware of any agreements between/among the shareholders likely to result in the restriction of securities transfer and (or) voting rights.

9. INFORMATION ON TRADING WITH ISSUER'S SECURITIES ON THE REGULATED MARKETS

Registered ordinary shares of Grigeo Grigiškės AB are listed in the main list of NASDAQ OMX VILNIUS, AB (ticker – GRG1L).

9.1. Key characteristics of the shares of the Company

9.1. table. Key characteristics of the shares of the Company

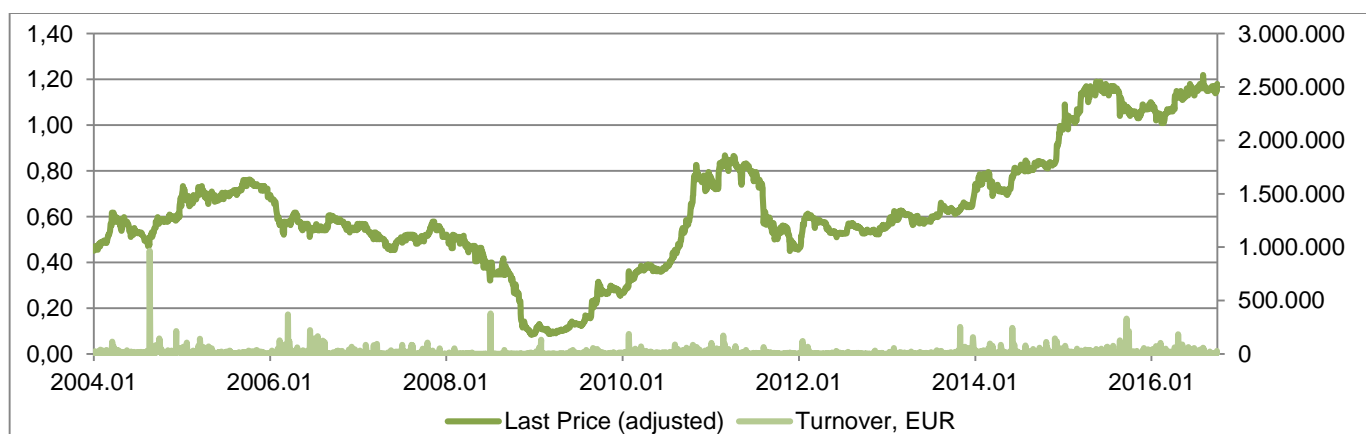
Type of shares	Securities ISIN code	Number of shares	Par value, EUR	Total par value, EUR
Registered ordinary shares	LT0000102030	65,700,000	0.29	19,053,000

9.2. Share trading information

9.2. table. Share trading information

Reported period	Price, EUR				Turnover, EUR			Total turnover	
	Max.	Min.	Last session	Average	Max.	Min.	Last session	Units	EUR
2012	0.614	0.462	0.550	0.554	120,810	0	1,973	2,139,943	1,185,976
2013, I Q	0.627	0.560	0.608	0.606	55,703	0	11,349	635,718	385,054
2013, II Q	0.609	0.563	0.583	0.583	20,406	301	1,299	384,097	224,093
2013, III Q	0.661	0.577	0.630	0.622	34,636	0	4,718	705,898	438,782
2013, IV Q	0.707	0.610	0.707	0.642	252,972	0	27,847	1,764,603	1,131,923
2013	0.707	0.560	0.707	0.624	252,972	0	27,847	3,490,316	2,179,853
2014, I Q	0.795	0.690	0.730	0.748	97,600	0	1,992	1,173,593	877,683
2014, II Q	0.814	0.695	0.798	0.744	243,318	0	1,995	1,340,247	996,743
2014, III Q	0.845	0.798	0.840	0.820	77,804	0	0	757,732	621,547
2014, IV Q	0.997	0.811	0.980	0.866	144,805	0	1,323	1,073,638	929,449
2014	0.997	0.690	0.980	0.788	243,318	0	1,323	4,345,210	3,425,422
2015, I Q	1.160	0.982	1.160	1.047	76,624	0	8,086	619,999	649,240
2015, II Q	1.190	1.100	1.170	1.155	56,780	0	56,780	639,333	738,494
2015, III Q	1.170	1.040	1.070	1.084	331,209	0	212,477	1,498,711	1,624,843
2015, IV Q	1.100	1.030	1.100	1.066	53,523	116	13,903	487,498	519,606
2015	1.190	0.982	1.100	1.088	331,209	0	13,903	3,245,541	3,532,183
2016, I Q	1.090	1.010	1.080	1.042	102,188	0	10,596	845,479	881,331
2016, II Q	1.180	1.070	1.150	1.128	183,659	454	12,207	1,065,079	1,201,738
2016, III Q	1.220	1.140	1.180	1.169	56,960	0	12,582	379,397	443,588

9.2. figure. Share price and turnover 01.01.2004 – 30.09.2016.



9.3. Capitalisation of the Company's shares

9.3. table. Capitalisation of the Company's shares

Last session date	Capitalisation, EUR
31.12.2012	32,999,000
31.03.2013	36,475,000
30.06.2013	38,303,000
30.09.2013	41,386,000
31.12.2013	46,447,000
31.03.2014	47,970,000
30.06.2014	52,422,000
30.09.2014	55,181,000
31.12.2014	64,391,000
31.03.2015	76,212,000
30.06.2015	76,869,000
30.09.2015	70,299,000
31.12.2015	72,270,000
31.03.2016	70,956,000
30.06.2016	75,555,000
30.09.2016	77,526,000

9.4. Issuer's share trading on other stock exchanges and regulated markets

The Company's shares are not traded on other stock exchanges and regulated markets.

9.5. Own shares buy out

The Company has not bought out own shares.

9.6. Restrictions on shares transfer.

There are no restrictions on shares transfer.

9.7. Official takeover bid

Official takeover bid for the Company's shares has not been declared. The Company also hasn't declared official takeover bid for shares of other companies.

10. EMPLOYEES

As it is disclosed previous interim reports there were no significant changes in number of employees or salary. Over the nine months of the year 2016 the number of the Group employees fluctuated naturally. The change of average salary was mostly caused by the following factors: labour market factors and the need and recruitment of workers of higher competences after investment projects were implemented.

10.1. table. Number of employees of the Group

	30.09.2016	31.12.2015
Number of employees	807	792

10.2. table. Number of employees of the Company

	30.09.2016	31.12.2015
Number of employees	355	348

10.3. table. Average number of employees, salary and grouping of employees by education of the Group during the nine months of 2016.

Employees	Average salary*	Employees by education			
		University	College	Secondary	Basic
Workpeople	910	62	178	292	16
Specialists	1,258	127	30	11	-
Managers	2,908	69	4	6	-
Total	1,220	258	212	309	16

10.4. table. Average number of employees, salary and grouping of employees by education of the Group during the nine months of 2015.

Employees	Average salary*	Employees by education			
		University	College	Secondary	Basic
Workpeople	873	50	182	313	18
Specialists	1,092	127	30	10	-
Managers	2,760	59	4	8	-
Total	1,100	236	216	331	18

10.5. table. Average number of employees, salary and grouping of employees by education of the Company during the nine months of 2016.

Employees	Average salary	Employees by education			
		University	College	Secondary	Basic
Workpeople	906	30	74	120	10
Specialists	1,348	64	10	9	-
Managers	2,705	31	3	1	-
Total	1,237	125	87	130	10

10.6. table. Average number of employees, salary and grouping of employees by education of the Company during the nine months of 2015.

Employees	Average salary	Employees by education			
		University	College	Secondary	Basic
Workpeople	867	19	70	127	11
Specialists	1,146	62	11	7	-
Managers	3,037	29	3	1	-
Total	1,142	110	84	135	11

* - information on the average wage is provided without Mena Pak PAT data to show the precise group average wages unaffected by fluctuations of Ukrainian currency.

11. AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE ISSUER

The Articles of Association of the Issuer are amended in the procedure prescribed by legal acts of the Republic of Lithuania.

12. INFORMATION ON THE MANAGING BODIES OF THE ISSUER

The Company has the general meeting of shareholders, the sole-person managing body – the head of the Company (the President), the collegial managing bodies – supervisory council and audit committee and the collegial managing body – the board.

The supervisory council is comprised of 5 members. The members to the supervisory council are elected by the general meeting of shareholders for a period of 4 years. The supervisory council elects and revokes the members of the board. The board of the Company consists of 5 members. The supervisory council elects and revokes the members of the Audit committee. The Audit committee of the Company consists of 3 members.

The Supervisory Board represents the shareholders and together with the Audit Committee performs supervisory functions.

The board of the Company elects and revokes the head of the Company, fixes his salary, approves his job description, awards bonuses to and imposes penalties on the head of the Company.

12.1. Members of the managing bodies

12.1. table. Members of the supervisory council, board and administration, and their capital share and votes

Full names	Positions	Education	Tenure	Capital share and votes, %
SUPERVISORY COUNCIL				
Norimantas Stankevičius	Chairman	University	Since 30 April 2015 until the annual General Meeting, to be held in 2019	4.41
Vilius Oškeliūnas	Member	University		-
Romualdas Degutis	Member	University		0.03
Tautvilas Adamonis	Member	University		-
Daiva Duksienė	Member	University		-
AUDIT COMMITTEE				
Norimantas Stankevičius	Chairman	University	Since 30 April 2015 until the annual General Meeting, to be held in 2019	4.41
Tautvilas Adamonis	Member	University		-
Daiva Duksienė	Member	University		-
BOARD				
Gintautas Pangonis	Chairman	University	Since 30 April 2015 until the annual General Meeting, to be held in 2019	-
Nina Šilerienė	Member	University		0.24
Vigmantas Kažukauskas	Member	University		0.85
Normantas Paliokas	Member	University		-
Vytautas Juška	Member	University		-
ADMINISTRATION				
Gintautas Pangonis	President	University	-	-
Nina Šilerienė	Vice President, Finance	University	-	0.24
Vigmantas Kažukauskas	Vice President, Business Development	University	-	0.85
Vytautas Juška	Vice President, Purchasing & Logistics	University	-	-
Robertas Krutikovas	Director General	University	-	0.30

12.2. Information of the Chairman of the Board, President and Vice President, Finance

Gintautas Pangonis – Chairman of the Board, president. Education – university degree. Profession – multichannel telecommunication engineer. Workplaces during the last 10 years:

Employers	Positions
Grigeo Grigiškės AB	Director general, chairman of the board
Grigeo Grigiškės AB	President, chairman of the board

Nina Šilerienė – Vice President, Finance. Education – university degree. Profession – economist for accounting, control and analysis of economic activities. Workplaces during the last 10 years:

Employers	Positions
Grigeo Grigiškės AB	Finance Director, member of the board
Grigeo Grigiškės AB	Vice president, Finance, member of the board

12.3. Information on the participation in the activities of other enterprises, agencies and organisations (name of the enterprise, agency or organisation and position thereat, capital interest and votes in excess of 5 per cent)

12.3. table. Participation of the members of the supervisory council, board and administration in the activities of other enterprises, agencies and organisations

Name	Business participation		Capital interest	
	Name of enterprise, agency and organisation	Positions	Name of enterprise, agency and organisation	Capital share and votes, %
Norimantas Stankevičius	Didma UAB	Project director	Didma UAB	51.00
			Naras UAB	62.48
			Bakenas, UAB	100.00
			Statybų namai, UAB	62.00
			Technikos namai, UAB	62.00
	Grigeo Grigiškės AB	Chairman of the supervisory council	Grigeo Grigiškės AB	4.41
Vilius Oškeliūnas	Grigeo Grigiškės AB	Member of the supervisory council		
	Gerovės kūrimas UAB	Director		
	Gerovės kūrimas UAB	Member of the board		
	Gerovės valdymas UAB	Wealth manager		
	IM investment UAB	Director		
Romualdas Degutis	Grigeo Grigiškės AB	Member of the supervisory council	Grigeo Grigiškės AB	0.03
	Telesat sprendimai UAB	Member of the board		
	Antena UAB	Chairman of the board		
	InComSystems UAB	Project manager		
	InComSystems UAB	Chairman of the board		
Tautvilas Adamonis	Grigeo Grigiškės AB	Member of the supervisory council		
	Statnektas UAB	Project manager		
Daiva Duksienė	Grigeo Grigiškės AB	Member of the supervisory council		
	Autodina UAB	Chief accountant		
Gintautas Pangonis	Grigeo Grigiškės AB	President		
	Ginvildos investicija UAB	Director	Ginvildos investicija UAB	100.0
	Grigeo Grigiškės AB	Chairman of the board		
	Grigeo Klaipėdos kartonas AB	Chairman of the board		
	Naujieji Verkliai UAB	Chairman of the board		
	Grigeo Baltwood UAB	Chairman of the board		
	Ekotara UAB	Chairman of the board		
	Grigiškių energija UAB	Chairman of the board		

Name	Business participation		Capital interest	
	Name of enterprise, agency and organisation	Positions	Name of enterprise, agency and organisation	Capital share and votes, %
	Grigeo Recycling UAB	Chairman of the board		
	Mena Pak PAT	Chairman of the Supervisory council		
	Grigeo Recycling SIA	Chairman of the Supervisory council		
Normantas Paliokas	Didma UAB	Head of Vilnius Representative Office		
	Grigeo Grigiškės AB	Member of the board		
Vigmantas Kažukauskas	Grigeo Grigiškės AB	Vice president, Business Development	Grigeo Grigiškės AB	0.85
	Grigeo Grigiškės AB	Member of the board		
	Grigeo Klaipėdos kartonas AB	Member of the board		
	Grigeo Baltwood UAB	Member of the board		
	Naujieji Verkiai UAB	Director		
	Naujieji Verkiai UAB	Member of the board		
	Ekotara UAB	Director		
	Ekotara UAB	Member of the board		
	Grigiškių energija, UAB	Director		
	Grigiškių energija, UAB	Member of the board		
	AGR Prekyba UAB	Director		
	Mena Pak PAT	Member of the Supervisory council		
	Vytautas Juška	Grigeo Grigiškės AB	Vice president, Purchasing & Logistics	
Grigeo Grigiškės AB		Member of the board		
Grigeo Baltwood UAB		Member of the board		
Grigeo Recycling UAB		Member of the board		
Grigiškių energija UAB		Member of the board		
Grigeo Recycling SIA		Deputy Chairman of the Supervisory council		
Nina Šilėrienė	Grigeo Grigiškės AB	Vice President, Finance	Grigeo Grigiškės AB	0.24
	Grigeo Grigiškės AB	Member of the board		
	Grigeo Klaipėdos kartonas AB	Member of the board		
	Naujieji Verkiai UAB	Member of the board		
	Grigeo Baltwood UAB	Member of the board		
	Ekotara UAB	Member of the board		
	Grigiškių energija UAB	Member of the board		

12.4. Data on the commencement and expiration of the tenure of each managing body

The Supervisory Council of Grigeo Grigiškės AB was elected on the 30th of April 2015 for a 4 years' period (ending in 2019). The Board of the Company was elected on the 30th of April 2015 for a 4 years' period (ending in 2019).

13. INFORMATION ABOUT COMPLIANCE WITH GOVERNANCE CODE

Grigeo Grigiškės AB follows a Corporate Governance Code for the Companies Listed on the Vilnius Stock Exchange. Information presented in the Annual Report of 2015 has not undergone any changes.

14. REVIEW OF ACTIVITY OF THE GROUP COMPANIES

14.1. Material events in the Issuer's activities

This section contains summary of all GRIGEO GRIGIŠKĖS AB published reports on material event. Full text of reports could be found on the Company's website:

<http://www.grigeo.lt/en/for-investors/notices-on-material-events>.

- 04.01.2016** Grigeo Grigiškės AB received a notification from the managers/related persons on the transactions in issuer's securities.
- 11.01.2016** AB Grigeo Klaipėdos Kartonas, a subsidiary company of Grigeo Grigiškės AB has successfully implemented an investment project and met the year 2016 with a new honeycomb production line, which has already started to produce commercial products.
- 29.02.2016** During the twelve months of 2015, the Group achieved the consolidated sales turnover of EUR 103.3 million. During the same period in question, the Company's sales amounted to EUR 54.1 million.
During the reporting period, the Group earned EUR 8.4 million and the Company earned EUR 2.9 million.
- 29.02.2016** Grigeo Grigiškės AB has successfully completed a new project in an investment of EUR 3.8 million. This time, the Company has invested in the expansion of its production, storage, and administration premises and in an upgrade to its corrugation unit.
- 31.03.2016** Grigeo Grigiškės AB, upon completion of the project "Connection of the independent heat producer to Vilnius Heating Networks", has signed an agreement on the purchase and sale of heat energy with UAB Vilniaus Energija.
- 06.04.2016** The Annual General Meeting of Shareholders of AB "Grigeo Grigiškės" is convened by initiative and the decision of the Board of the Company on the 29 April, 2016, at 11 a.m.
- 29.04.2016** The General Meeting of shareholders of AB Grigeo Grigiškės made the following decisions:
1. to approve the set of consolidated and separate financial statements of the Company for the year 2015.
 2. to form the reserve for the acquisition of own shares in the amount of EUR 1,000,000 (one million).
 3. to approve the appropriation of the Company's profit for the year 2015 according to the draft of profit appropriation presented for the Annual General Meeting of Shareholders.
 4. to acquire own shares EUR 0.29 (twenty-nine cents) par value each the total number of which may be up to 793,650 (seven hundred ninety-three thousand, six hundred fifty).
 5. to select the firm of auditors „KPMG Baltics“, UAB to perform the audit of the consolidated and separate financial statements of the Company for the year 2016 and 2017.
- 09.05.2016** During the three months of 2016, the Group achieved the consolidated sales turnover of EUR 26 million. During the same period in question, the Company's sales amounted to EUR 13.4 million.
During the reporting period, the Group earned EUR 1.4 million and the Company earned EUR 0.4 million profit before taxes.
- 01.06.2016** Grigeo Grigiškės AB received a notification from the managers/related persons on the transactions in issuer's securities.
- 21.06.2016** Grigeo Grigiškės AB received a notification from the managers/related persons on the transactions in issuer's securities.

05.08.2016 During the 1st half of 2016, the Group achieved the consolidated sales turnover of EUR 50.3 million. During the same period in question, the Company's sales amounted to EUR 26.9 million.

During the reporting period, the Group earned EUR 2.3 million and the Company earned EUR 2 million profit before taxes.

29.09.2016 AB Grigeo Klaipėdos Kartonas, a subsidiary company of Grigeo Grigiškės AB has successfully completed the 1st stage of modernisation of cardboard paper production machine.

14.2. Newest events in the Issuer's activities

This section contains summary of all GRIGEO GRIGIŠKĒS AB published reports on material event. Full text of reports could be found on the Company's website:

<http://www.grigeo.lt/en/for-investors/notices-on-material-events>.

12.10.2016 Grigeo Grigiškės AB has successfully completed a new project in an investment of EUR 1.9 million. This time, the Company has invested in the acquisition and installation of the new corrugated cardboard packaging production line.

14.3. Offices and branches

Company has Country marketing representatives operating in Latvia and Estonia. No new offices or branches are planned to open in 2016.

13.4. Risk factors

Information about financial risk management is provided in note No.3 of annual audited consolidated statements and annual report's chapter No. 13.4 for the year 2015. There are no material changes in financial risk management during nine months of year 2016.

14.5. Suppliers

14.5. table. Countries of suppliers of main raw materials and materials for the Company over the nine months of the year

Supplier's country	2016	2015
	%	%
Lithuania	61.5	62.8
Sweden	9.4	9.4
Finland	7.5	6.0
Estonia	7.2	3.4
France	4.3	0.1
Poland	3.9	6.1
The Netherlands	2.0	0.9
Germany	1.6	1.2
Latvia	0.9	1.4
Ukraine	0.6	0.0
Italy	0.4	4.8
Spain	0.2	0.2
Other countries	0.5	3.7
TOTAL	100.0	100.0

14.6. Segment information

For management purposes, the Group is organized into three and the Company is organized into two operating business units based on their products produced and have three reportable segments: paper, hardboard, raw material for corrugated cardboard and related production:

14.6.1. table. Consolidated segments of the Group over the nine months of the year 2016

	Paper and paper products	Hardboard	Raw material for corrugated cardboard and related production	Unallocated	Eliminations	TOTAL
Sales	27,013,202	12,070,687	34,746,843	644,198	-	74,474,930
Sales between segments	-	(654,466)	(5,357,957)	(3,148,984)	9,161,407	-
Non-consolidated segment sales	27,013,202	12,725,153	40,104,800	3,793,182	(9,161,407)	74,474,930
Cost of sales	(22,301,291)	(9,945,705)	(28,669,725)	(575,040)	-	(61,491,761)
Gross profit	4,711,911	2,124,982	6,077,118	69,158	-	12,983,169
Depreciation and amortization	3,543,329	968,376	3,172,663	868,245	-	8,552,613
Segment property, plant and equipment and intangible assets	30,854,215	7,497,952	46,581,898	6,076,473	-	91,010,538
Goodwill	-	-	3,001,072	-	-	3,001,072
Segment capital expenditure	3,787,927	530,775	16,885,624	58,150	-	21,262,476

14.6.2. table. Segments of the Company over the nine months of the year 2016

	Paper and paper products	Corrugated cardboard and related production	Unallocated	TOTAL
Sales	27,013,202	10,543,559	3,793,182	41,349,943
Cost of sales	(22,301,291)	(8,549,987)	(3,659,889)	(34,511,167)
Gross profit	4,711,911	1,993,572	133,293	6,838,776
Depreciation and amortization	3,543,329	841,911	868,245	5,253,485
Segment property, plant and equipment and intangible assets	30,854,215	8,994,550	6,076,473	45,925,238
Segment capital expenditure	3,787,927	2,129,244	58,150	5,975,321

14.6.3. table. Consolidated segments of the Group over the nine months of the year 2015

	Paper and paper products	Hardboard	Raw material for corrugated cardboard and related production	Unallocated	Eliminations	TOTAL
Sales	27,040,394	13,557,900	37,478,951	152,796	-	78,230,041
Sales between segments	-	(1,877,529)	(4,967,466)	(3,553,076)	10,398,071	-
Non-consolidated segment sales	27,040,394	15,435,429	42,446,417	3,705,872	(10,398,071)	78,230,041
Cost of sales	(22,040,221)	(10,255,395)	(30,024,622)	(122,139)	-	(62,442,377)
Gross profit	5,000,173	3,302,505	7,454,329	30,657	-	15,787,664
Depreciation and amortization	2,709,445	811,840	3,051,238	803,132	-	7,375,655

Segment property, plant and equipment and intangible assets	32,006,707	7,279,150	29,045,544	6,335,992	-	74,667,393
Goodwill	-	-	3,001,072	-	-	3,001,072
Segment capital expenditure	3,632,924	677,477	5,587,303	146,969	-	10,044,673

14.6.4. table. Segments of the Company over the nine months of the year 2015

	Paper and paper products	Corrugated cardboard and related production	Unallocated	TOTAL
Sales	27,040,394	9,786,113	3,705,872	40,532,379
Cost of sales	(22,040,221)	(8,032,999)	(3,566,489)	(33,639,709)
Gross profit	5,000,173	1,753,114	139,383	6,892,670
Depreciation and amortization	2,709,445	765,850	803,132	4,278,427
Segment property, plant and equipment and intangible assets	32,006,707	5,765,080	6,335,992	44,107,779
Segment capital expenditure	3,632,924	1,691,128	146,969	5,471,021

14.6.5. table. Group's and Company's countries of sales

Country	Group				Company			
	nine months of 2016		nine months of 2015		nine months of 2016		nine months of 2015	
	thousand euros	%	thousand euros	%	thousand euros	%	thousand euros	%
Lithuania	25,066	33.66	24,415	31.21	19,898	48.12	18,695	46.12
Latvia	4,742	6.37	4,889	6.25	4,421	10.69	4,339	10.71
Poland	16,450	22.09	20,674	26.43	3,441	8.32	2,615	6.45
Sweden	3,166	4.25	2,921	3.73	1,517	3.67	1,197	2.95
Denmark	4,636	6.22	5,198	6.64	3,764	9.10	4,548	11.22
Estonia	4,901	6.58	5,159	6.59	3,762	9.10	3,888	9.59
The Netherlands	729	0.98	1,492	1.91	66	0.16	744	1.84
Slovakia	78	0.10	8	0.01	-	-	-	-
Finland	4,764	6.40	4,000	5.11	2,163	5.23	2,549	6.29
Great Britain	2,023	2.72	991	1.27	663	1.60	-	-
Norway	62	0.08	342	0.44	62	0.15	342	0.84
Czech Republic	1,217	1.63	1,004	1.28	-	-	8	0.02
Germany	570	0.77	1,106	1.41	29	0.07	245	0.60
Belarus	866	1.16	1,232	1.57	320	0.77	350	0.86
Hungary	317	0.43	501	0.64	48	0.12	268	0.66
Italy	61	0.08	53	0.07	-	-	-	-
France	127	0.17	122	0.16	2	0.00	-	-
Ukraine	3,630	4.87	3,119	3.99	726	1.76	329	0.81
Russia	641	0.86	592	0.76	325	0.79	280	0.69
Other countries	429	0.58	412	0.53	143	0.35	135	0.33
Total	74,475	100.00	78,230	100.00	41,350	100.00	40,532	100.00

14.7. Strategy of the activity and plans for the close future

It is planned that the Group which consists of companies Grigeo Grigiškės AB, Grigeo Baltwood UAB, Grigeo Klaipėdos kartonas AB, Grigeo Recycling UAB and Mena Pak PAT in the year 2016 will reach a turnover of EUR 112 million. The Group's profit before taxes will reach EUR 11.1 million. It is also planned that EBITDA of the Group will reach EUR 19.5 million in 2016.

It is planned that Grigeo Grigiškės AB in the year 2016 will reach a turnover of EUR 68.3 million. The Company will earn a profit before taxes of EUR 5.1 million. It is also planned that EBITDA of Grigeo Grigiškės AB will reach EUR 11 million in 2016.

These forecasts are not audited.

14.8. Financial indicators

14.8.1. table. Group's financial indicators

Financial ratios	nine months of 2012, not audited	nine months of 2013, not audited	nine months of 2014, not audited	nine months of 2015, not audited	nine months of 2016, not audited
EBITDA	8,176,785	9,493,124	11,894,626	13,985,542	12,030,954
EBITDA profitability	12.9%	13.4%	15.7%	17.9%	16.2%
Gross margin	15.3%	16.0%	18.8%	20.2%	17.4%
Operating margin	5.2%	5.4%	8.0%	9.2%	5.5%
Net margin	4.0%	4.5%	6.6%	7.5%	4.3%
ROE, %	8.6%	9.5%	13.1%	13.8%	6.7%
ROA, %	3.5%	4.2%	5.8%	6.0%	2.9%
Current ratio	1.03	0.95	0.96	1.08	0.92
Quick ratio	0.70	0.66	0.65	0.74	0.58
Cash to current liabilities	0.013	0.035	0.020	0.072	0.007
P/E	12.64	11.85	11.24	11.91	24.41
Earnings per share	0.043	0.052	0.075	0.090	0.048
Debt to equity ratio	1.33	1.07	1.24	1.14	1.31
Debt to total assets ratio	0.55	0.50	0.52	0.51	0.55

14.8.2. table. Company's financial indicators

Financial ratios	nine months of 2012, not audited	nine months of 2013, not audited	nine months of 2014, not audited	nine months of 2015, not audited	nine months of 2016, not audited
EBITDA	4,688,407	5,123,338	5,826,488	6,376,863	7,075,266
EBITDA profitability	19.9%	16.3%	16.3%	15.7%	17.1%
Gross margin	18.1%	16.8%	17.5%	17.0%	16.5%
Operating margin	9.8%	6.1%	7.3%	6.1%	5.3%
Net margin	8.6%	5.2%	6.4%	5.6%	6.2%
ROE, %	7.3%	5.3%	6.8%	6.4%	6.9%
ROA, %	4.5%	3.3%	4.0%	3.4%	3.7%
Current ratio	0.91	0.96	0.89	0.99	1.16
Quick ratio	0.70	0.72	0.65	0.68	0.73
Cash to current liabilities	0.003	0.007	0.024	0.002	0.000
Earnings per share	0.035	0.026	0.035	0.035	0.039
Debt to equity ratio	0.58	0.47	0.75	0.80	0.72
Debt to total assets ratio	0.35	0.30	0.40	0.42	0.40

The indicators are calculated in accordance with the Nasdaq Vilnius recommended formulas:

EBITDA profitability = EBITDA / Revenue

Gross margin = Gross profit / Revenue

Operating margin = Profit from operations / Revenue

ROE, % = Net profit / average equity

ROA, % = Net profit / average assets

Current ratio = Current assets / current liabilities

Quick ratio = (Current assets – Inventories)/ current liabilities

Cash to current liabilities = cash / current liabilities

P/E = the market price of share / Total of attributable profit

Earnings per share = (Net profit - preferred stock dividends)/ weighted average number of ordinary shares in circulation

Debt to equity ratio = liabilities / Equity

Debt to total assets ratio = liabilities / assets

14.9. Related party transactions

All transactions with related persons were carried out at market prices.

Grigeo Klaipėdos kartonas AB – subsidiary of Grigeo Grigiškės AB.

Grigeo Baltwood UAB – subsidiary of Grigeo Grigiškės AB.

Mena Pak PAT – subsidiary of Grigeo Grigiškės AB.

AGR Prekyba UAB – subsidiary of Grigeo Grigiškės AB.

Ginvildos Investicija UAB – major shareholders of Grigeo Grigiškės AB.

Didma UAB and Naras UAB – companies related to the members of Supervisory Council.

Ekotara UAB – subsidiary of the group not subject to consolidation.

Naujieji Verkliai UAB – subsidiary of the group not subject to consolidation.

Grigeo Recycling UAB – subsidiary of Grigeo Grigiškės AB.

Grigeo Recycling SIA – subsidiary of Grigeo Grigiškės AB.

Grigiškių energija UAB – subsidiary of the group not subject to consolidation.

14.9.1. table. Group's transactions with related persons over the nine months of 2016. Balances of amounts receivable/payable in relation thereto on the 30th of September 2016 (EUR)

	Sale of goods and services	Purchase of goods and services	Amounts receivable*	Amounts payable
Entities with significant influence	31	34,882	-	3,784
Subsidiaries	2,009	-	223	-
Other related companies	12,973	16,161	2,518	3,229
Total	15,013	51,043	2,741	7,013

*Amounts receivable include prepayments for goods and services.

14.9.2. table. Company's transactions with related persons over the nine months of 2016. Balances of amounts receivable/payable in relation thereto on the 30th of September 2016 (EUR)

	Sale of goods and services	Purchase of goods and services	Amounts receivable*	Amounts payable
Entities with significant influence	31	21,820	-	1,892
Subsidiaries	3,503,827	5,958,764	2,269,449	-
Other related companies	10,285	9,497	2,052	3,229
Total	3,514,143	5,990,081	2,271,501	5,121

15. FINANCIAL INFORMATION

15.1. Statement of financial position

	Notes	The Group		The Company	
		30.09.2016	31.12.2015	30.09.2016	31.12.2015
ASSETS					
Non-current assets:					
Property, plant and equipment	15.7	89,356,598	76,632,995	44,905,715	44,214,480
Investment property	15.8	812,046	834,983	812,046	834,983
Intangible assets	15.9	3,842,966	3,993,666	207,477	254,265
Investments into subsidiaries	15.10	-	-	8,468,001	11,803,731
Investments into other companies		28,962	28,962	28,962	28,962
Non-current receivables		384,114	459,037	855,139	951,338
Deferred income tax assets		-	-	399,100	393,700
TOTAL NON-CURRENT ASSETS		94,424,686	81,949,643	55,676,440	58,481,459
CURRENT ASSETS:					
Cash and cash equivalents	15.12	178,419	760,322	4,019	12,261
Accounts receivable	15.11	13,222,142	12,332,335	7,671,923	6,517,611
Inventories	15.13	8,378,512	10,116,683	4,744,353	5,288,538
Other assets		289,022	191,337	223,255	117,481
Income tax receivable		118,478	7,488	-	-
TOTAL CURRENT ASSETS		22,186,573	23,408,165	12,643,550	11,935,891
TOTAL ASSETS		116,611,259	105,357,808	68,319,990	70,417,350
EQUITY AND LIABILITIES					
EQUITY					
Share capital	15.14	19,053,000	19,053,000	19,053,000	19,053,000
Share premium		1,118,906	1,118,906	1,118,906	1,118,906
Legal reserve		1,905,300	1,807,949	1,905,300	1,807,949
Reserve for the acquisition of own shares		1,000,000	-	1,000,000	-
Foreign currency translation reserve		(2,044,176)	(1,925,635)	-	-
Derivatives changes reserve		(343,686)	-	(203,402)	-
Retained earnings		27,486,601	26,721,855	15,421,017	15,261,790
Non-controlling interests		557,652	673,968	-	-
TOTAL EQUITY		48,733,597	47,450,043	38,294,821	37,241,645
GRANTS AND SUBSIDIES		3,879,534	4,484,121	2,599,744	2,983,606
NON-CURRENT LIABILITIES:					
Non-current borrowings	15.15	38,601,125	23,546,527	15,965,699	11,375,970
Financial lease obligations		690,908	598,557	279,744	238,490
Loans from subsidiaries companies		-	-	-	3,185,820
Deferred income tax liability		211,298	186,216	-	-
Derivatives		343,686	-	203,402	-
Non-current employee benefits		163,263	163,263	92,855	92,855
Other non-current liabilities		-	-	-	126,449
TOTAL NON-CURRENT LIABILITIES		40,010,280	24,494,563	16,541,700	15,019,584
CURRENT LIABILITIES:					
Current portion of long term loans	15.15	1,572,734	7,206,754	897,079	3,847,734
Current borrowings	15.15	3,627,184	3,196,401	1,307,406	2,407,179
Current portion of financial lease obligations		145,530	610,633	73,115	333,841
Income tax payable		45,574	454,661	45,574	56,182
Trade and other payable	15.16	18,596,826	17,460,632	8,560,551	8,527,579
TOTAL CURRENT LIABILITIES		23,987,848	28,929,081	10,883,725	15,172,515
TOTAL EQUITY AND LIABILITIES		116,611,259	105,357,808	68,319,990	70,417,350

15.2. Statements of comprehensive income

	Notes	The Group				The Company			
		January – September 2016	January – September 2015	July – September 2016	July – September 2015	January – September 2016	January – September 2015	July – September 2016	July – September 2015
Revenue		74,474,930	78,230,041	24,163,480	26,990,417	41,349,943	40,532,379	14,409,563	14,217,047
Cost of sales		61,491,761	62,442,377	19,809,582	21,531,701	34,511,167	33,639,709	11,915,539	11,926,604
Gross profit		12,983,169	15,787,664	4,353,898	5,458,716	6,838,776	6,892,670	2,494,024	2,290,443
Other operating income	15.17	648,195	1,281,951	123,924	146,205	331,867	908,037	63,136	79,530
Selling and distribution expenses		5,667,179	6,426,370	1,788,091	2,148,376	3,083,694	3,570,143	1,075,096	1,279,140
General and administrative expenses		3,732,816	3,322,877	1,138,531	1,019,869	1,747,354	1,586,909	542,646	469,198
Other operating expenses	15.18	148,441	106,516	109,154	(22,367)	133,952	161,979	53,954	39,998
Profit from operations		4,082,928	7,213,852	1,442,046	2,459,043	2,205,643	2,481,676	885,464	581,637
Other finance income		15,754	12,229	8,049	1,171	921,067	269,939	6,917	14,271
Other finance expenses		445,329	391,777	125,986	139,663	284,560	214,492	84,092	90,961
Profit before income tax		3,653,353	6,834,304	1,324,109	2,320,551	2,842,150	2,537,123	808,289	504,947
Income tax		431,921	829,934	126,527	333,377	271,572	258,401	69,119	49,971
NET PROFIT		3,221,432	6,004,370	1,197,582	1,987,174	2,570,578	2,278,722	739,170	454,976
Other comprehensive									
Exchange differences on translation of foreign operations		(121,053)	(344,237)	(55,755)	(45,044)	-	-	-	-
Total comprehensive income for the year, net of tax		3,100,379	5,660,133	1,141,827	1,942,130	2,570,578	2,278,722	739,170	454,976
Profit attributable to:									
The shareholders of the Company		3,176,097	5,901,097	1,185,489	1,847,573	2,570,578	2,278,722	739,170	454,976
Non-controlling interests		45,335	103,273	12,093	139,601	-	-	-	-
Total of attributable profit		3,221,432	6,004,370	1,197,582	1,987,174	2,570,578	2,278,722	739,170	454,976
Comprehensive income attributable to:									
The shareholders of the Company		3,057,556	5,564,005	1,130,891	1,803,464	2,570,578	2,278,722	739,170	454,976
Non-controlling interests		42,823	96,128	10,936	138,666	-	-	-	-
Total attributable comprehensive income		3,100,379	5,660,133	1,141,827	1,942,130	2,570,578	2,278,722	739,170	454,976
Basic and diluted earnings per share		0.048	0.090	0.018	0.028	0.039	0.035	0.011	0.007

15.3. Statement of changes in equity

The Group	Share capital	Share premium	Legal reserve	Reserve for acquisition of own shares	Value change of derivatives	Rate of exchange influence	Non-controlling interest	Retained earnings	Total
31 December 2014	19,028,035	1,118,906	1,638,100	-	-	(1,480,198)	626,283	20,474,314	41,405,440
Transfer to legal reserve	-	-	169,849	-	-	-	-	(169,849)	-
Share capital extension	24,965	-	-	-	-	-	-	-	24,965
Dividends paid	-	-	-	-	-	-	(89,948)	(1,314,000)	(1,403,948)
Other comprehensive income (expenses)	-	-	-	-	-	(337,092)	(7,145)	-	(344,237)
Net profit	-	-	-	-	-	-	103,273	5,901,097	6,004,370
30 September 2015	19,053,000	1,118,906	1,807,949	-	-	(1,817,290)	632,463	24,891,562	45,686,590
Other comprehensive income (expenses)	-	-	-	-	-	(108,345)	(2,296)	-	(110,641)
Net profit	-	-	-	-	-	-	43,802	1,830,293	1,874,095
31 December 2015	19,053,000	1,118,906	1,807,949	-	-	(1,925,635)	673,969	26,721,855	47,450,044
Transfer to legal reserve	-	-	97,351	-	-	-	-	(97,351)	-
Derivatives changes reserve	-	-	-	-	(343,686)	-	-	-	(343,686)
Reserve for the acquisition of own shares	-	-	-	1,000,000	-	-	-	(1,000,000)	-
Dividends paid	-	-	-	-	-	-	(159,140)	(1,314,000)	(1,473,140)
Other comprehensive income (expenses)	-	-	-	-	-	(118,541)	(2,512)	-	(121,053)
Net profit	-	-	-	-	-	-	45,335	3,176,097	3,221,432
30 September 2016	19,053,000	1,118,906	1,905,300	1,000,000	(343,686)	(2,044,176)	557,652	27,486,601	48,733,597

EUR

The Company	Share capital	Share premium	Legal reserve	Reserve for acquisition of own shares	Value change of derivatives	Retained earnings	Total
31 December 2014	19,028,035	1,118,906	1,638,100	-	-	13,895,531	35,680,572
Transfer to legal reserve	-	-	169,849	-	-	(169,849)	-
Dividends paid	-	-	-	-	-	(1,314,000)	(1,314,000)
Share capital extension	24,965	-	-	-	-	-	24,965
Net profit	-	-	-	-	-	2,303,687	2,303,687
30 September 2015	19,053,000	1,118,906	1,807,949	-	-	14,715,369	36,695,224
Net profit	-	-	-	-	-	546,421	546,421
31 December 2015	19,053,000	1,118,906	1,807,949	-	-	15,261,790	37,241,645
Transfer to legal reserve	-	-	97,351	-	-	(97,351)	-
Derivatives changes reserve	-	-	-	-	(203,402)	-	(203,402)
Reserve for the acquisition of own shares	-	-	-	1,000,000	-	(1,000,000)	-
Dividends paid	-	-	-	-	-	(1,314,000)	(1,314,000)
Net profit	-	-	-	-	-	2,570,578	2,570,578
30 September 2016	19,053,000	1,118,906	1,905,300	1,000,000	(203,402)	15,421,017	38,294,821

15.4. Statements of cash flows

	The Group		The Company	
	30.09.2016	30.09.2015	30.09.2016	30.09.2015
OPERATING ACTIVITIES				
Profit before income tax	3,653,353	6,834,304	2,842,150	2,537,123
Adjustments for:				
Depreciation and amortization	7,948,026	6,771,690	4,869,623	3,895,187
Elimination of financial activity results	392,944	(43,261)	(636,197)	(57,277)
Loss (profit) on disposal of fixed assets	(57,950)	(47,825)	(18,346)	(31,077)
Loss (profit) on disposal of emission rights	(284,800)	(624,034)	(142,400)	(624,034)
Provision for doubtful accounts receivable (reversal), write off of bad accounts receivables	(6,778)	(6,396)	(5,778)	-
Property, plant and equipment impairment losses (reversal)	-	-	-	-
TOTAL	11,644,795	12,884,478	6,909,052	5,719,922
Changes in current assets and liabilities:				
Decrease (increase) in trade and other accounts receivables	(823,039)	(3,591,264)	(1,067,268)	(1,651,472)
Decrease (increase) in inventories	1,739,393	65,590	545,407	(565,266)
(Increase) decrease in other assets	(97,685)	(21,641)	(105,774)	346,697
Increase (decrease) in trade and other accounts payable	741,529	2,016,957	1,322,567	698,072
TOTAL	1,560,198	(1,530,358)	694,932	(1,171,969)
Interest (paid)	(502,172)	(422,738)	(258,142)	(218,491)
Income tax received (paid)	(504,699)	(395,527)	(196,092)	(104,246)
Net cash from operating activities	12,198,122	10,535,855	7,149,750	4,225,216
INVESTING ACTIVITIES				
Purchase of noncurrent assets and intangible assets	(21,039,627)	(9,282,420)	(5,831,946)	(5,095,761)
Amounts payable for purchase of noncurrent assets and intangible assets	(67,615)	(1,819,965)	(1,388,472)	(1,396,281)
Investments in other companies	-	-	-	-
Proceeds on disposal noncurrent assets	84,574	102,898	38,600	37,347
Grants and subsidies received	14,933	37,333	14,933	37,333
Proceeds on disposal of emission rights	284,800	676,700	142,400	676,700
Dividends received	-	-	898,000	228,243
Repayment of loans granted	-	-	-	-
Net cash (used in) investing activities	(20,722,935)	(10,285,454)	(6,126,485)	(5,512,419)
FINANCING ACTIVITIES				
Dividends paid	(1,395,500)	(1,429,460)	(1,293,866)	(1,363,722)
Repayments of loans and mortgages	(5,058,832)	(3,735,708)	(2,648,967)	(2,096,320)
Proceeds from loans and mortgages	14,479,410	6,324,700	4,288,041	5,089,050
Short-term loans increase (decrease)	430,783	(552,557)	(1,099,773)	(279,730)
Loans received from subsidiaries and related persons	-	-	-	-
Repayments of finance lease liabilities	(512,951)	(640,212)	(276,942)	(342,222)
Net cash (used in) financing activities	7,942,910	(33,237)	(1,031,507)	1,007,056
Net (decrease)/increase in cash	(581,903)	217,164	(8,242)	(280,147)
CASH AND CASH EQUIVALENTS BEGINNING OF THE PERIOD	760,322	1,406,207	12,261	302,841
CASH AND CASH EQUIVALENTS END OF THE PERIOD	178,419	1,623,371	4,019	22,694

15.5. Basis of preparation

The financial statements of the Group and the Company are prepared in accordance with International Financial Reporting Standards effective as at 30 September 2016 that have been adopted for use in the European Union.

These financial statements have been prepared on a historical cost basis.

Changes in accounting policies

Except for the changes below, and except for the reclassifications made to the separate and consolidated cash flow statements, as explained in Note “Presentation changes”, the Group and the Company have consistently applied the accounting policies to all periods presented in these consolidated and separate financial statements.

The Group and the Company have adopted the following new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 1 January 2015.

The following new standards and amendments with the effective date of 1 January 2015 did not have any impact on these separate and consolidated financial statements:

- Amendments to IAS 19 – Defined Benefit Plans: Employee Contributions
- IFRIC 21 guidance on a levy imposed by government
- Annual improvements to IFRSs

Standards, interpretations and amendments to published standards that are not yet effective

A number of new standards, amendments and interpretations are effective for annual periods beginning after 1 January 2015, and have not been applied in preparing these separate and consolidated financial statements. Those which may be relevant to the Group and the Company as well as management’s judgements regarding the possible impact of initial application of new and revised standards and interpretations are set out below. The Group and the Company do not plan to adopt these amendments, standards and interpretations early.

- (i) *IFRS 11: Accounting for Acquisitions of Interests in Joint Operations (effective for annual periods beginning on or after 1 January 2016)*

These Amendments require business combination accounting to be applied to acquisitions of interests in a joint operation that constitutes a business. Business combination accounting also applies to the acquisition of additional interests in a joint operation while the joint operator retains joint control. The additional interest acquired will be measured at fair value. The previously held interests in the joint operation will not be remeasured.

The Amendments, when initially applied, have not a material impact on the Group’s and the Company’s financial statements because the Group and the Company have an existing accounting policy to account for acquisitions of joint operations in a manner consistent with that set out in the Amendments.

- (ii) *IAS 1 – Presentation of Financial Statements (effective for annual periods beginning on or after 1 January 2016)*

The Amendments to include the five, narrow-focus improvements to the disclosure requirements contained in the standard.

The Amendments, when initially applied, have not a material impact on the Group’s and the Company’s financial statements.

- (iii) *IAS 16 – Property, Plant and Equipment and IAS 38 – Intangible Assets (effective for annual periods beginning on or after 1 January 2016)*

The amendments explicitly state that revenue-based methods of depreciation cannot be used for property, plant and equipment. In addition, the amendments introduce a rebuttable presumption that the use of revenue-based amortisation methods for intangible assets is inappropriate. This presumption can be overcome only when revenue and the consumption of the economic benefits of the intangible asset are 'highly correlated', or when the intangible asset is expressed as a measure of revenue.

The Amendments, when initially applied, have not material impact on the Group's and the Company's financial statements, as the Group and the Company do not apply revenue-based methods of amortisation/depreciation.

(iv) *IAS 16 – Property, Plant and Equipment and IAS 41 – Agriculture (effective for annual periods beginning on or after 1 January 2016)*

These amendments result in bearer plants being in the scope of IAS 16 *Property, Plant and Equipment*, instead of IAS 41 *Agriculture*, to reflect the fact that their operation is similar to that of manufacturing.

The amendments, when initially applied, have not material impact on the financial statements as the Group and the Company have no bearer plants.

(v) *IAS 19 – Defined Benefit Plans: Employee Contributions (effective for annual periods beginning on or after 1 February 2015)*

The amendments are relevant only to defined benefit plans that involve contributions from employees or third parties meeting certain criteria. When these criteria are met, a company is permitted (but not required) to recognise them as a reduction of the service cost in the period in which the related service is rendered.

The amendment has not any impact on the financial statements since they do not have any defined benefit plans that involve contributions from employees or third parties.

(vi) *IAS 27 – Separate Financial Statements (effective for annual periods beginning on or after 1 January 2016)*

The amendments allow an entity to use the equity method in its separate financial statements to account for investments in subsidiaries, associates and joint ventures.

The amendments, when initially applied, have not a material impact on the financial statements as the Company intends to continue to carry its investments in subsidiaries at cost.

(vii) *Annual improvements to IFRSs*

The improvements introduce ten amendments to ten standards and consequential amendments to other standards and interpretations. These amendments are applicable to annual periods beginning on or after either 1 February 2015 or 1 January 2016, with earlier adoption permitted.

None of these amendments have a significant impact on the financial statements of the Group and the Company.

Changes of presentation

The Group and the Company changed the presentation of separate and consolidated statements of cash flows for the second quarter of the year 2015. Debts for non-current assets are shown under investing activities as acquisition of property, plant and equipment and intangible assets instead of being shown as decrease in trade and other receivables under operating activities.

Going concern

These financial statements have been prepared under the assumption that the Group and the Company will continue as a going concern.

15.6. Basis of consolidation

The consolidated financial statements of the Group include Grigeo Grigiškēs AB and its subsidiaries.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company or the Group obtains control, and continue to be consolidated until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Total comprehensive income within a subsidiary is attributed to the non-controlling interest even if that results in a deficit balance. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any non-controlling interest;
- Derecognises the cumulative translation differences, recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss;
- Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss. Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it should not be remeasured until it is finally settled within equity.

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed.

If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in the statement of comprehensive income.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Measurement and presentation currency

The amounts shown in these financial statements are presented in euro, unless otherwise stated.

The functional currency of the Company and its subsidiaries operating in Lithuania is euro. The functional currencies of foreign subsidiaries are the respective foreign currencies of the country of residence. Items included in the financial statements of these subsidiaries are measured using their functional currency.

Transactions in foreign currencies are initially recorded in the functional currency as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange as at the date of the statement of financial position. Non-monetary items carried at cost are translated using the exchange rate at the date of the transaction.

The assets and liabilities of foreign subsidiaries are translated into euro at the reporting date using the rate of exchange as at the date of the statement of financial position, and their statements of comprehensive income are translated at the weighted average exchange rates for the year. The exchange differences arising on this translation are recognised in other comprehensive income. On disposal of a foreign subsidiary, the deferred cumulative amount recognised in other comprehensive income relating to that foreign operation is recognised in the statement of comprehensive income.

Investments in subsidiaries (the Company)

Investments in subsidiaries in the Company's separate financial statements are carried at cost, less impairment.

At the end of 2011 the Company transferred a segment of its operations to one of its 100% subsidiaries. From the point of view of separate financial statements of Grigeo Grigiškės AB, this is in-kind contribution to the existing subsidiary. There is no guidance under IFRS on how to account for business contributions by the parent in its separate financial statements.

The Company made a decision to determine an appropriate accounting treatment. The policy followed was to recognise an increased investment in the subsidiary based on the fair value of the additional shares received and therefore recognise a gain/loss on disposal of the net assets of the segment transferred to the subsidiary (measured as the difference between fair value of shares received and the carrying values of the assets transferred).

Intangible assets other than goodwill

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is stated at fair value as at the date of acquisition. Intangible assets are recognised if it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of asset can be measured reliably.

The useful lives of intangible assets are assessed to be either finite or indefinite.

After initial recognition, intangible assets with finite lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets are amortised on a straight-line basis over their useful lives:

Land lease right	90 years
Licenses, patents and etc.	3 years
Software	1–3 years
Other intangible assets	3–4 years

Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The useful lives, residual values and amortisation method are reviewed annually to ensure that they are consistent with the expected pattern of economic benefits from items in intangible assets other than goodwill.

The Group and the Company do not have any intangible assets with infinite useful life other than goodwill.

Property, plant and equipment

The initial cost of property, plant and equipment comprises its purchase price, including non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditures incurred after the property, plant and equipment is ready for its intended

use, such as repair and maintenance costs, are normally charged to the statement of comprehensive income in the period the costs are incurred. Depreciation is computed on a straight-line basis over the following estimated useful lives:

Buildings and structures	8–91 years
Machinery and equipment	5–10 years
Vehicles	6–8 years
Other equipment and other assets	4–5 years

The useful lives, residual values and depreciation method are reviewed annually to ensure that they are consistent with the expected pattern of economic benefits from items in property, plant and equipment. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income in the year the asset is derecognised.

Construction in progress is stated at cost. This includes the cost of construction, plant and equipment and other directly attributable costs. Construction-in-progress is not depreciated until the relevant assets are completed and put into operation.

Investment property

Investment property, including part of buildings and structures, is held for earning rentals and / or for capital appreciation rather than for use in the production, provision of services, or for administration purposes or sale.

Investment property is stated at historical cost less accumulated depreciation and adjusted for impairment loss, if any. Depreciation is calculated on the straight-line method to write-off the cost of each asset to their residual values over their estimated useful life: 10–50 years.

Transfers to and from investment property are made only when there is an evidence of change in an asset's use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the carrying value of investment property at the date of change in use. If owner-occupied property becomes an investment property the Company and the Group account for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use. The deemed cost for subsequent investment property accounting is the carrying value at the time of assets' transfer.

Emission allowances

The EU Emission Allowance Trading Scheme was established by Directive 2003/87/EC and commenced on 1 January 2005. The first phase ran for the three-year period from 2005 to 2007; the second runs for five years from 2008 to 2012 to coincide with the first Kyoto Commitment Period; the third – for 8 years from 2013 to 2020. The scheme works on a 'Cap and Trade' basis. EU Member States' governments are required to set an emission cap for each phase for all 'installations' covered by the Scheme; this cap is established in the National Allocation Plan (NAP), which is issued by the relevant authority in each Member State. The NAP describes the amount of yearly emissions (measured in tonnes of carbon dioxide equivalents) permitted per installation for each phase for which allowances will be allocated on an annual basis.

Member States are required to allocate allowances to installations by 28 February each year according to the NAP (a certain number of allowances are kept in reserve for new installations).

Member States must ensure that by 30 April of the following year at the latest, that the operator of each installation surrenders a number of allowances equal to the total emissions from that installation during the preceding calendar year.

The Company and the Group apply a net liability approach in accounting for the emission allowances received. It records the emission allowances granted to it at a nominal (nil) amount. When actual emissions exceed allocated emission allowances, the obligation of purchasing additional allowances is recognized as

a provision measured at the market value of the allowances as at the reporting date. The Company and the Group have chosen a system that measures deficits on the basis of an annual allocation of emission allowances.

The outright sale of emission allowances is recorded as a sale at the fair value of consideration received. Any difference between the fair value of the consideration received and its carrying amount is recorded as a gain or loss, irrespective of whether this creates an actual or an expected deficit of the allowances held. When a sale creates an actual deficit an additional liability is recognised in the statement of financial position.

Borrowing costs

Borrowing costs are interest and other costs that the Company and the Group incur in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of that asset. Other borrowing costs are recognized as costs when incurred.

A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

Borrowing costs may include:

- interest expense calculated using the effective interest,
- finance charges in respect of finance leases and
- exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

The commencement date for capitalization is the date when all of the following three conditions are met:

- expenditures for the asset are incurred,
- borrowing costs are incurred,
- activities necessary to bring the asset into its intended use or sale are undertaken.

Capitalizing of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Financial assets

The Group's and the Company's financial assets are classified as financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables, and available-for-sale financial assets, as appropriate. All purchases and sales of financial assets are recognised on the trade date. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

Financial assets at fair value through profit or loss

The category financial assets at fair value through profit or loss includes financial assets classified as held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Gains or losses on investments held for trading are recognised in statement of comprehensive income.

The Group and the Company do not have any financial instruments at fair value through profit or loss.

Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group / the Company has the positive intention and ability to hold to maturity. Investments that are intended to be held-to-maturity are subsequently measured at amortised cost. Gains and losses are recognised in the statement of comprehensive income when the investments are derecognised or impaired, as well as through the amortisation process.

The Group and the Company do not have any held-to-maturity investments.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are initially recorded at the fair value of the consideration given. Loans and receivables are subsequently carried at amortised cost using the effective interest rate method less any allowance for impairment. Gains and losses are recognised in the statement of comprehensive income when the loans and receivables are derecognised or impaired, as well as through the amortisation process. Allowance for doubtful receivables is evaluated when the indications leading to the impairment of accounts receivable are noticed and the carrying amount of the receivable is reduced through use of an allowance account. Impaired debts are derecognised (written off) when they are assessed as uncollectible. The effective interest method is a method of calculating the amortized cost of a financial asset or liability and of allocating interest income and expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Available-for-sale financial assets

Available-for-sale financial assets are those non-derivative financial assets that are designated as available-for-sale or are not classified in any of the three preceding categories. After initial recognition available-for-sale financial assets are measured at fair value with unrealized gains or losses (except impairment and gain or losses from foreign currencies exchange) being recognised in other comprehensive income until the investment is derecognised or until the investment is determined to be impaired at which time the cumulative gain or loss previously reported in other comprehensive income is included in the statement of comprehensive income.

The Group and the Company do not have any available for sale financial assets as at 30 September 2016 and at 31 December 2015.

Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

Derecognition of financial assets and liabilities

Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired;
- the Group / the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement;
- or
- the Group / the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group / the Company has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group / the Company could be required to repay.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of comprehensive income.

Inventories

Inventories are valued at the lower of cost or net realisable value. Net realisable value is the selling price in the ordinary course of business, less the costs of completion, marketing and distribution. Cost of inventory is determined by the first-in, first-out (FIFO) method. The cost of finished goods and work in progress includes the applicable allocation of fixed and variable overhead costs based on a normal operating capacity. Unrealisable inventory has been fully written-off.

Cash and cash equivalents

Cash includes cash on hand and cash with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of 3 months or less and that are subject to an insignificant risk of change in value.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand and in current bank accounts as well as deposits in bank with original term equal to or less than 3 months.

Borrowings

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowings are initially recognised at fair value of proceeds received, less the costs of transaction. They are subsequently carried at amortised cost, the difference between net proceeds and redemption value being recognised in the net profit or loss over the period of the borrowings. The borrowings are classified as non-current if the completion of a refinancing agreement before the date of the statement of financial position provides evidence that the substance of the liability at the date of the statement of financial position was long-term.

Finance lease and operating lease

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

Finance lease – Group and the Company as a lessee

Leases in terms of which the Group and the Company assume substantially all the risks and rewards of ownership are classified as finance leases.

The Group and the Company recognise finance leases as assets and liabilities in the statement of financial position at amounts equal at the inception of the lease to the fair value of the leased property or, if lower, to the present value of the minimum lease payments. The rate of discount used when calculating the present value of minimum payments of finance lease is the interest rate of finance lease payment, when it is possible to determine it, in other cases, Company's incremental interest rate on borrowings applies. Directly attributable initial costs are included into the asset value. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

The depreciation is accounted for finance lease assets and it also gives rise to financial expenses in the Group's and the Company's statement of comprehensive income for each accounting period. The depreciation policy for leased assets is consistent with that for depreciable assets that are owned. The leased assets cannot be depreciated over the period longer than lease term, unless the Group or the Company, according to the lease contract, gets transferred their ownership after the lease term is over.

Operating lease – the Group and the Company as lessee

Leases where the lessor retains all the risk and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term.

The gains from discounts provided by the lessor are recognised as a decrease in lease expenses over the period of the lease using the straight-line method.

If the result of sales and lease back transactions is an operating lease and the transaction has been carried out at fair value, any profit or loss is recognised immediately. If the sales price is lower than the fair value, any profit or loss is recognised immediately, except for the cases when the loss is compensated by lower than market prices for lease payments in the future. The profit is then deferred and it is amortised in proportion to the lease payments over a period, during which the assets are expected to be operated. If the sales price exceeds the fair value, a deferral is made for the amount by which the fair value is exceeded and it is amortised over a period, during which the assets are expected to be operated.

Operating lease – the Group and the Company as lessor

Assets leased under operating lease in the statement of financial position of the Group and the Company are accounted for depending on their nature. Income from operating lease is recognised as other income in the statement of income within the lease period using the straight-line method. All the discounts provided to the operating lessee are recognised using straight-line method during the lease period by reducing the lease income. Initial direct expenses incurred in order to generate lease income are included in the carrying value of the leased asset.

Non-current employee benefits

According to the requirements of Lithuanian Labour Code, each employee leaving the Group or the Company at the age of retirement is entitled to a one-off payment in the amount of 2-month salary.

The past service costs are recognised as an expense on a straight-line basis in profit or loss immediately after the assessment of such liability. Any gains or losses appearing as a result of curtailment and/or settlement are recognised in the statement of comprehensive income as incurred.

The above mentioned employee benefit obligation is calculated based on actuarial assumptions, using the projected unit credit method. Obligation is recognised in the statement of financial position and reflects the present value of these benefits on the preparation date of the statement of financial position. Present value of the non-current obligation to employees is determined by discounting estimated future cash flows using the discount rate which reflects the interest rate of the Government bonds of the same currency and similar maturity as the employment benefits. Actuarial gains and losses are recognised in other comprehensive income as incurred.

Financial guarantee contracts

Financial guarantees provided for the liabilities of the sister companies (i.e. companies controlled by the same parent) during the initial recognition are accounted at estimated fair value as distribution to shareholder and financial liability in the balance sheet.

Subsequent to initial recognition this financial liability is amortised and recognised as income depending on the related amortisation / repayment of the sister company's financial liability to the bank. If there is a possibility that the sister company may fail to fulfil its obligations to the bank, a financial liability of the

Company is accounted for at the higher of amortised value and the value estimated according to IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

Grants and subsidies

Grants and subsidies (hereinafter “grants”) intended for the purchase, construction or other acquisition of non-current assets are considered as asset-related grants. Assets received free of charge are also allocated to this group of grants. The amount of the asset related grants is recognised in profit and loss gradually according to the depreciation rate of the assets associated with this grant. In the statement of comprehensive income, a relevant expense account is reduced by the amount of grant amortisation.

Grants received as a compensation for the expenses or unearned income of the current or previous reporting period, also, all the grants, which are not grants related to assets, are considered as grants related to income. The income-related grants are recognised as used in parts to the extent of the expenses incurred during the reporting period or unearned income to be compensated by that grant.

Trade and other payable

Trade payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

The nominal or cost value of the other payables is assumed to appropriate their fair value, if these are current liabilities.

Income tax

The Group companies are taxed individually, irrespective of the overall results of the Group. Income tax charge is based on profit for the year and considers deferred taxation. The charge for taxation included in these financial statements is based on the calculation made by the management in accordance with tax legislation of the Republic of Lithuania and Ukraine.

Income tax rate of 15% has been introduced starting from 1 January 2010 for companies operating in the Republic of Lithuania. Standard income tax rate in Ukraine was 18%.

Tax losses can be carried forward for indefinite period, except for the losses incurred as a result of disposal of securities and/or derivative financial instruments and for the losses accumulated in the Ukrainian company (under the Ukrainian law, losses can be carried forward for 4 years). Such carrying forward is disrupted if the Company changes its activities due to which these losses incurred except when the Company does not continue its activities due to reasons which do not depend on the Company itself. The losses from disposal of securities and/or derivative financial instruments can be carried forward for 5 consecutive years and can only be used to reduce the taxable income earned from the transactions of the same nature.

From 2014 tax losses carried forward shall not exceed 70 percent of the taxable profit of a taxable period according to Lithuanian laws.

Deferred taxes are calculated using the liability method. Deferred taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Deferred tax assets and liabilities are measured using the tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled based on tax rates enacted or substantially enacted at the date of the statement of financial position.

Deferred tax assets have been recognised in the statement of financial position to the extent the management believes they will be realised in the foreseeable future, based on taxable profit forecasts. If it is believed that part of the deferred tax is not going to be realised, this part of the deferred tax asset is not recognised in the financial statements.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the enterprise and the amount of the revenue can be measured reliably. Sales are recognised net of VAT and discounts.

Revenue from sales of goods is recognised when delivery has taken place and transfer of risks and rewards has been completed.

Revenue from services is recognised when services are rendered.

Dividend income from subsidiaries is recognised in the Company's stand-alone financial statements when the dividends are declared by the subsidiary.

Interest income is recognised on an accrual basis (using the effective interest rate). Interest income is included in financial and investing activities result in statement of comprehensive income.

Rental income arising from operating leases on investment properties is accounted for on a straight line basis over the lease terms.

Impairment of assets

Financial assets

Financial assets are reviewed for impairment at each date of the statement of financial position.

For financial assets carried at amortised cost, whenever it is probable that the Company will not collect all amounts due according to the contractual terms of loans or receivables, an impairment or bad debt loss is recognised in the statement of profit or loss. The reversal of impairment losses previously recognised is recorded when the decrease in impairment loss can be justified by an event occurring after the write-down. Such reversal is recorded in the statement of profit or loss. However, the increased carrying amount is only recognised to the extent it does not exceed the amortised cost that would have been had the impairment not been recognised.

If there is objective evidence that an impairment loss on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, has been incurred, the amount of the loss is measured as the difference between the carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset.

Impairment of non-financial assets

Non-financial assets, except for goodwill, inventories and deferred tax, are reviewed for impairment whenever events or changes in circumstances indicate that carrying amount of an asset may not be recoverable. If any such indication exists, then the asset's recoverable amount is estimated. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised in the statement of profit or loss. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased. The reversal is accounted for in the same caption of the statement of profit or loss as the impairment loss. An impairment loss of the goodwill is recognised in the statement of profit or loss.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Use of estimates in the preparation of financial statements

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and disclosure of contingencies, at the reporting date and within the next financial year. The significant areas of estimation used in the preparation of the accompanying financial statements relate to depreciation, amortisation, impairment of buildings, non-current employee benefits, impairment evaluation of goodwill, recognition of deferred income tax asset, and impairment

evaluation of other assets. Future events may occur which will cause the assumptions used in arriving at the estimates to change. Estimates and judgements are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Fair value measurement

A number of the Group's and the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal, or in its absence, the most advantageous market to which the Group and the Company have access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Group and the Company use market observable data as far as possible. Fair values are categorised within different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised within different levels of the fair value hierarchy, the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group and the Company recognize transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Contingencies

Contingent liabilities are not recognised in the financial statements, except for contingent liabilities associated with acquisitions. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is not recognised in the financial statements but disclosed when an inflow or economic benefits are probable.

Subsequent events

Subsequent events that provide additional information about the Group's / the Company's position at the date of statements of financial position (adjusting events) are reflected in the financial statements. Subsequent events that are not adjusting events are disclosed in the notes when material.

15.7. Non-current assets

On the 30th of September 2016 Group's non-current assets consisted of the following, EUR

The Group	Buildings and constructions	Machinery and Equipment	Vehicles	Other assets	Construction in progress and prepayments	Total
Modified cost						
31 December 2015	36,208,004	79,698,634	1,714,767	2,107,691	9,950,727	129,679,823
Additions	-	1,139,956	154,690	82,648	19,843,947	21,221,241
Disposals	-	(1,170,590)	(51,117)	(138,670)	-	(1,360,377)
Transfers	2,633,195	6,145,573	114,467	133,527	(9,026,762)	-
Rate of exchange influence	(71,106)	(49,509)	(2,064)	(4,148)	-	(126,827)
30 September 2016	38,770,093	85,764,064	1,930,743	2,181,048	20,767,912	149,413,860
Accumulated depreciation and impairment						
31 December 2015	7,347,062	43,258,334	925,121	1,516,311	-	53,046,828
Depreciation	1,523,959	6,374,408	195,156	244,339	-	8,337,862
Impairment loss/(reversal)	-	-	-	-	-	-
Disposals	-	(1,068,766)	(46,696)	(138,220)	-	(1,253,682)
Transfers	-	-	-	-	-	-
Rate of exchange influence	(34,360)	(35,952)	(877)	(2,557)	-	(73,746)
30 September 2016	8,836,661	48,528,024	1,072,704	1,619,873	-	60,057,262
Carrying amount						
31 December 2015	28,860,942	36,440,300	789,646	591,380	9,950,727	76,632,995
30 September 2016	29,933,432	37,236,040	858,039	561,175	20,767,912	89,356,598

All of the Group's property, plant and equipment are held for its own use.

On the 30th of September 2016, the part of the Group's property, plant and equipment with a carrying value of 57,000 thousand Euros (31 December 2015 – 38,358 thousand Euros) is pledged as a security for repayment of the loans granted by banks.

On the 30th of September 2016 Company's non-current assets consisted of the following, EUR

The Company	Buildings and constructions	Machinery and Equipment	Vehicles	Other assets	Construction in progress and prepayments	Total
Modified cost						
31 December 2015	15,376,607	53,553,861	542,241	1,103,635	4,576,967	75,153,311
Additions	-	78,850	59,412	64,012	5,732,377	5,934,651
Disposals	-	(348,805)	(20,465)	(9,812)	-	(379,082)
Transfers	2,380,478	4,427,040	2,815	133,038	(6,943,371)	-
30 September 2016	17,757,085	57,710,946	584,003	1,290,873	3,365,973	80,708,880
Accumulated depreciation and impairment						
31 December 2015	3,009,738	26,885,901	271,057	772,135	-	30,938,831
Depreciation	792,600	4,139,141	67,916	143,433	-	5,143,090
Impairment loss/(reversal)	-	-	-	-	-	-
Disposals	-	(252,854)	(16,101)	(9,801)	-	(278,756)
Transfers	-	-	-	-	-	-
30 September 2016	3,802,338	30,772,188	322,872	905,767	-	35,803,165
Carrying amount						
31 December 2015	12,366,869	26,667,960	271,184	331,500	4,576,967	44,214,480
30 September 2016	13,954,747	26,938,758	261,131	385,106	3,365,973	44,905,715

All of the Company's property, plant and equipment are held for its own use.

On the 30th of September 2016, the part of the Company's property, plant and equipment with a carrying value of 36,188 thousand Euros (31 December 2015 – 18,963 thousand Euros) is pledged as a security for repayment of the loans granted by banks.

15.8. Investment property

On the 30th of September 2016 Group's and Company's investment property consisted of the following, EUR:

Group / Company	Buildings and constructions	Total
Modified cost		
31 December 2015	1,048,424	1,048,424
Additions	-	-
Disposals	-	-
30 September 2016	1,048,424	1,048,424
Accumulated depreciation and impairment		
31 December 2015	213,441	213,441
Depreciation	22,937	22,937
Disposals	-	-
30 September 2016	236,378	236,378
Carrying amount		
31 December 2015	834,983	834,983
30 September 2016	812,046	812,046

15.9. Intangible assets

On the 30th of September 2016 Group's intangible assets consisted of the following, EUR:

The Group	Land lease rights	Licenses, patents	Software	Prestige	Other assets and prepayments	Total
Cost						
31 December 2015	695,088	59,511	1,140,087	3,001,072	728,781	5,624,539
Additions	-	20,972	7,709	-	12,554	41,235
Disposals	-	-	(6,879)	-	-	(6,879)
Transfers	-	-	-	-	-	-
Rate of exchange influence	-	-	(155)	-	-	(155)
30 September 2016	695,088	80,483	1,140,762	3,001,072	741,335	5,658,740
Accumulated amortization						
31 December 2015	95,253	40,718	841,833	-	653,069	1,630,873
Amortization	5,792	10,101	149,220	-	26,701	191,814
Disposals	-	-	(6,878)	-	-	(6,878)
Transfers	-	-	-	-	-	-
Rate of exchange influence	-	-	(35)	-	-	(35)
30 September 2016	101,045	50,819	984,140	-	679,770	1,815,774
Carrying amount						
31 December 2015	599,835	18,793	298,254	3,001,072	75,712	3,993,666
30 September 2016	594,043	29,664	156,622	3,001,072	61,565	3,842,966

On the 30th of September 2016, the Group's land lease rights with a carrying value of 594 thousand Euros (31 December 2015 – 600 thousand Euros) are pledged as a security for repayment of the loan granted by banks.

On the 30th of September 2016, Company's intangible assets consisted of the following, EUR:

The Company	Licenses and patents	Software	Other assets	Total
Cost				
31 December 2015	59,511	661,944	207,106	928,561
Additions	20,972	7,144	12,554	40,670
Disposals	-	-	-	-
Transfers	-	-	-	-
30 September 2016	80,483	669,088	219,660	969,231
Accumulated amortization				
31 December 2015	40,718	500,990	132,588	674,296
Amortization	10,101	51,063	26,294	87,458
Disposals	-	-	-	-
Transfers	-	-	-	-
30 September 2016	50,819	552,053	158,882	761,754
Carrying amount				
31 December 2015	18,793	160,954	74,518	254,265
30 September 2016	29,664	117,035	60,778	207,477

15.10. Investments into subsidiaries

On the 30th of September 2016 investments into subsidiaries consisted of the following, EUR:

	The Company	
	30.09.2016	31.12.2015
Grigeo Baltwood UAB	4,655,466	7,991,196
AGR Prekyba UAB	3,806,743	3,806,743
Ekotara UAB	2,896	2,896
Grigiškių energija UAB	2,896	2,896
Total investments in subsidiaries	8,468,001	11,803,731

15.11. Account receivables

On the 30th of September 2016 trade and other receivables consisted of the following, EUR:

	The Group		The Company	
	30.09.2016	31.12.2015	30.09.2016	31.12.2015
Trades receivable	12,897,311	12,233,676	7,697,912	6,472,801
Other receivable	544,261	324,867	18,464	95,041
	13,441,572	12,558,543	7,716,376	6,567,842
Less: allowance for doubtful amounts receivable	(219,430)	(226,208)	(44,453)	(50,231)
Total amounts receivable within one year:	13,222,142	12,332,335	7,671,923	6,517,611

The carrying amount of the Group's and the Company's trade and other receivables approximates their fair value.

The movement for 2016 in the allowance for doubtful amounts receivable consisted of the following, EUR:

	The Group		The Company	
	30.09.2016	31.12.2015	30.09.2016	31.12.2015
On the 1st of January	226,208	261,682	50,231	76,366
Change for the year	-	-	-	-
Reversed during the year	-	5,919	-	5,778
Receivables written off as uncollectible	(6,778)	(32,954)	(5,778)	(31,913)
Rate of exchange influence	-	(8,439)	-	-
At the end of the period	219,430	226,208	44,453	50,231

15.12. Cash and cash equivalents

On the 30th of September 2016 cash and cash equivalents consisted of the following:

	The Group		The Company	
	30.09.2016	31.12.2015	30.09.2016	31.12.2015
Cash at bank	177,035	748,206	4,019	1,389
Cash on hand	1,384	12,116	-	10,872
Total	178,419	760,322	4,019	12,261

15.13. Inventories

On the 30th of September 2016 inventories consisted of the following:

	The Group		The Company	
	30.09.2016	31.12.2015	30.09.2016	31.12.2015
Materials	3,838,664	5,428,906	1,455,571	2,676,401
Work in progress	1,378,103	1,279,990	804,692	930,546
Finished goods	3,175,474	3,531,278	1,497,864	1,863,783
Goods in transit	10,018	197,688	-	30,970
Prepayments	216,407	18,771	1,218,705	119,113
	8,618,666	10,456,633	4,976,832	5,620,813
Less: write-down to net realizable value	(240,154)	(339,950)	(232,479)	(332,275)
Total	8,378,512	10,116,683	4,744,353	5,288,538

On the 30th of September 2016, the Group's and the Company's inventories with carrying amount of 4,259 thousand Euros and 1,158 thousand Euros respectively are pledged as a security for the loan granted by the bank (31 December 2015 – the Group's and the Company's inventories were pledged respectively 5,840 thousand Euros and 1,158 thousand Euros).

15.14. Share capital and legal reserve

On the 30th of September 2016 share capital consisted of 65.700.000 ordinary shares at a par value of EUR 0.29 each. All shares were fully paid.

On the 30th of September 2016 shareholders of the Company were as follows:

	Number of shares	Proportion of ownership, %
Lithuanian legal entities	31,165,896	47.4
Lithuanian individuals	30,112,665	45.8
Foreign legal entities	3,105,249	4.7
Foreign individuals	1,316,190	2.1
Total	65,700,000	100.0

On the 30th of September 2016 shareholders of the Company (by country) were as follows:

	Number of shares	Proportion of ownership, %
Lithuania	61,278,561	93.3
Estonia	1,970,079	3.0
Sweden	1,198,649	1.8
Other countries	1,252,711	1.9
Total	65,700,000	100.0

The Company has one class of ordinary shares which carry no right to fixed income.

The legal reserve is a compulsory reserve under Lithuanian legislation. Annual contributions of 5 per cent of the net profit are required until the legal reserve reach 10 per cent of the statutory capital. The appropriation is restricted to reduction of the accumulated deficit.

The Company has contributed 10 per cent of the statutory capital to legal reserve.

15.15. Non-current and current borrowings

	The Group		The Company	
	30.09.2016	31.12.2015	30.09.2016	31.12.2015
The loans and mortgages are repayable as follows:				
Within one year	5,199,918	10,403,155	2,204,485	6,254,913
In the second year	16,621,410	15,045,238	9,838,895	9,392,722
In the third to fifth years inclusive	21,979,715	8,501,289	6,126,804	1,983,248
	43,801,043	33,949,682	18,170,184	17,630,883
Less: amount due for settlement within one year	(5,199,918)	(10,403,155)	(2,204,485)	(6,254,913)
Amount due for settlement after one year	38,601,125	23,546,527	15,965,699	11,375,970

15.16. Trade and other payables

	The Group		The Company	
	30.09.2016	31.12.2015	30.09.2016	31.12.2015
Trade payables	15,159,144	15,123,426	7,085,904	7,627,314
Taxes, salaries and social insurance payable	2,328,452	1,516,562	1,138,854	700,885
Advances received	178,446	121,531	55,476	61,913
Other payables	930,784	699,113	280,317	137,467
Total	18,596,826	17,460,632	8,560,551	8,527,579

15.17. Other operating income

	The Group		The Company	
	01.01.2016-30.09.2016	01.01.2015-30.09.2015	01.01.2016-30.09.2016	01.01.2015-30.09.2015
Income from disposal of emission rights	284,800	676,700	142,400	676,700
Rent income	63,156	114,532	54,471	52,583
Gain from disposal of fixed assets	63,435	59,817	18,356	31,188
Scrap metal recognition	169,558	99,368	10,915	22,678
Insurance compensation	28,750	31,777	8,481	12,576
Other income	38,496	299,757	97,244	112,312
Total	648,195	1,281,951	331,867	908,037

15.18. Other operating expenses

	The Group		The Company	
	01.01.2016-30.09.2016	01.01.2015-30.09.2015	01.01.2016-30.09.2016	01.01.2015-30.09.2015
Rent expenses	-	9,936	951	28
Insurance expenses	50,738	31,220	8,989	12,026
Other expenses	97,703	65,360	124,012	149,925
Total	148,441	106,516	133,952	161,979

15.19. *Off balance articles*

Emission rights movement for the nine months of 2016

	Amount, pcs.	
	The Group	The Company
31 December 2015	15,916	(2,363)
Emission rights allocated	58,845	35,060
Purchase of emission rights	-	-
Emission rights used	(12,382)	(7,269)
Sale of emission rights	(64,000)	(32,000)
30 September 2016	(1,621)	(6,572)

15.20. *Court and arbitration proceedings*

Over the nine months of 2016 the Group and the Company were not involved in court or arbitration proceedings which would have a material impact on the financial position of Grigeo Grigiškės AB.