



AB KLAIPĖDOS NAFTA UNAUDITED FINANCIAL RESULTS OF 2016

31th January 2017



AB KLAIPĖDOS NAFTA WEBINAR– PRESENTATION OF THE UNAUDITED FINANCIAL RESULTS OF 2016

Marius Pulkauninkas
Acting General Director





CONTENT

- About the Company
- Highlights
- Financial results



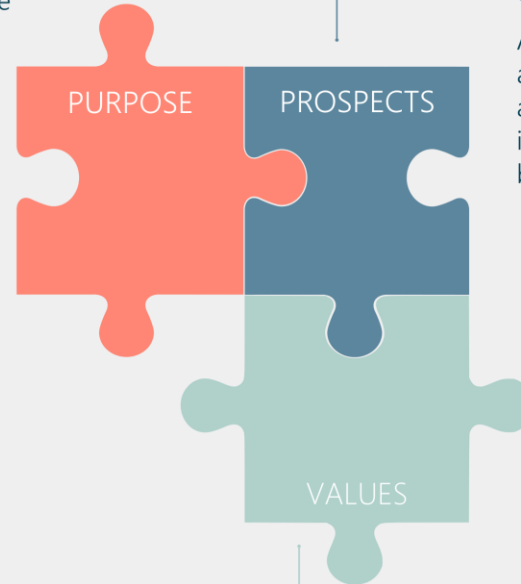
ABOUT THE COMPANY



MISSION, VISION, VALUES

OUR MISSION

Ensure reliable and effective supply of LNG and transhipment of oil products.



OUR VISION

A reliable operator of oil and LNG terminals that adds value through implemented projects and balanced expansion.

OUR VALUES

Initiative, transparency, professionalism and reliability, social responsibility.



ACTIVITIES OF THE COMPANY



OIL TERMINALS



KLAIPĖDA OIL
TERMINAL



SUBAČIUS OIL
TERMINAL

LNG TERMINALS



KLAIPĖDA LNG
TERMINAL



KLAIPĖDA SMALL-
SCALE LNG
TERMINAL



HIGHLIGHTS



AB Klaipėdos nafta renewed it's brand.

As of 22 December 2016, AB Klaipėdos Nafta launched a renewed Companies logo – KN.

The legal status of AB Klaipėdos Nafta (further KN) has not changed.





HIGHLIGHTS OF 4Q 2016

- **Change in the Board of the Company.** On 1st of December 2016 Rytis Ambrazevičius resigned from Board of the Company. On 30 of December 2016 Giedrius Dusevičius was elected to the duties of independent Board Members of the Company until the term of office of the acting Board of the Company.
- **International composition of Board.** The Supervisory Council adopted the decision to elect Bjarke Palsson to the duties of independent Board Members of the Company to the current vacancy from 24 January, 2017.
- **Change in the Management of the Company.** After Mantas Bartuška resignation in the end of 2016 acting General Director of the AB Klipėdos nafta became Marius Pulkauninkas, Director of Finance and Administration Department.



On the 2nd January of 2017 LNG reloading service from FSRU was held for the first time.

LNG carrier vessel “Coral energy” was the first small scale LNG carrier loaded in LNG terminal. It was the first LNG reloading service from FSRU type terminal dedicated to LNG small scale services market.

<https://www.youtube.com/watch?v=wyg3weGWJQo>





Nasdaq Baltic Market Awards

On 26th January 2017 Nasdaq announces the winners of the Baltic Market Awards 2016.

KN was awarded in 4 categories.



KLAIPĒDOS NAFTA

Most Visible Improvement
Over 3 Years
1ST PLACE

Best Investor Relations
In Baltics
2ND PLACE

Best Reporting Company
2ND PLACE

Best Interactive
Investor Relations
3RD PLACE



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HIGHLIGHTS OF 4Q 2016

- **The Company sold shares of UAB LITGAS.** On 3th October 2016 the Company and Lietuvos energija, UAB have signed sale - purchase agreement of UAB LITGAS 33.33 per cent shares owned by the Company. Transaction amount – EUR 4.35 million.
- **Claim regarding the damages from the breach of the competition law.** KN received documents from the Vilnius Regional Court regarding a claim filed by UAB "KROVINIŲ TERMINALAS" to the Company and AB "ORLEN Lietuva" for damages from the breach of the competition law. Claim for the amount of almost EUR 6 million.

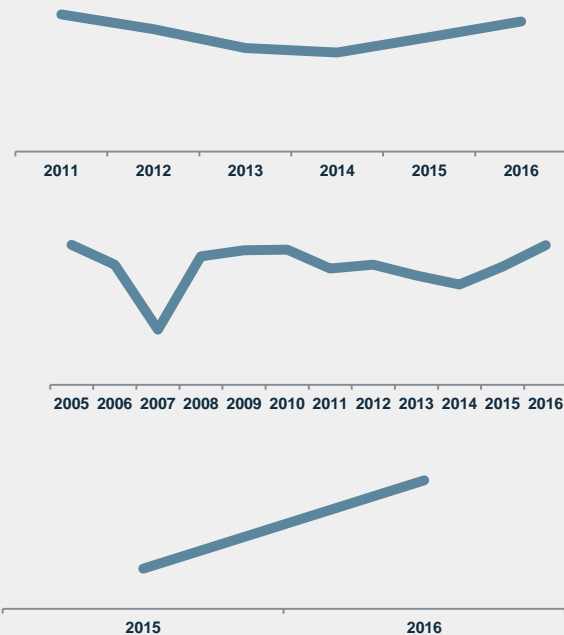


FINANCIAL RESULTS



RESULTS OF 2016

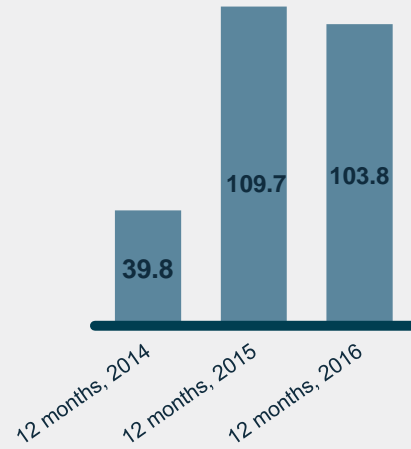
- **KN petroleum product transshipment – the highest since 2011.** 7.338 thousand tons of petroleum products in Klaipėda and Subačius oil terminals have been reloaded during the 2016.
- **Petroleum product transshipment from Orlen Lietuva AB – the highest since 2005.** 4.852 thousand tons of petroleum products sent from Orlen Lietuva refinery have been reloaded in Klaipėda oil terminal during the year 2016.
- **LNG re-gasification volume growth by 3.2 times in 2016.** 14.611 thousand MWh have been re-gasified and supplied to the natural gas transmission system.



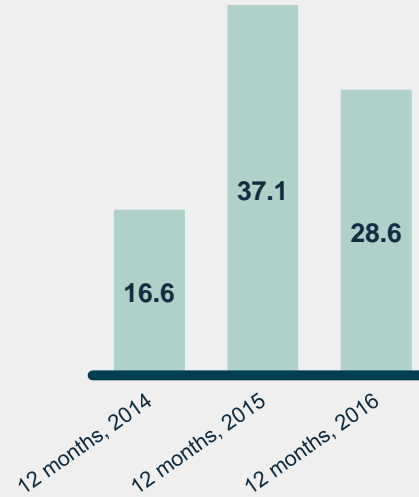


REVENUE, EBITDA, NET PROFIT (UNAUDITED)

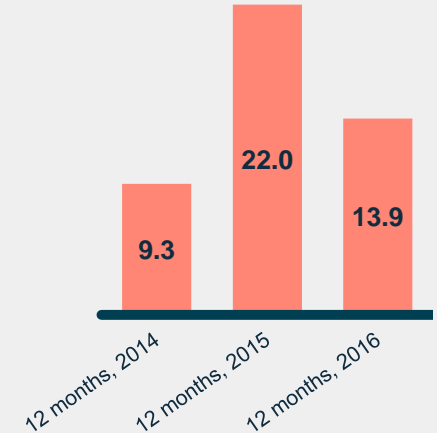
Revenue, MEUR



EBITDA, MEUR



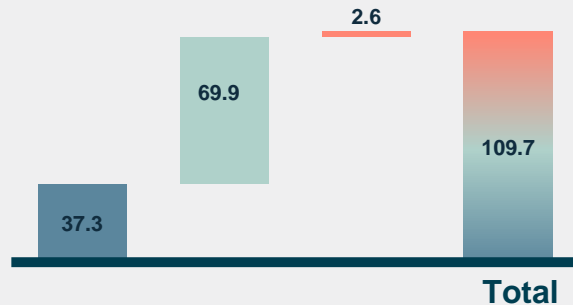
Net profit, MEUR



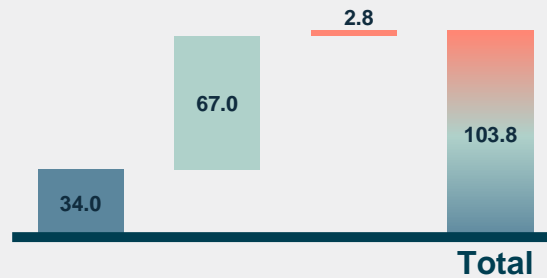


STRUCTURE OF SALES REVENUE AND EBITDA BASED ON OPERATING SEGMENTS (UNAUDITED)

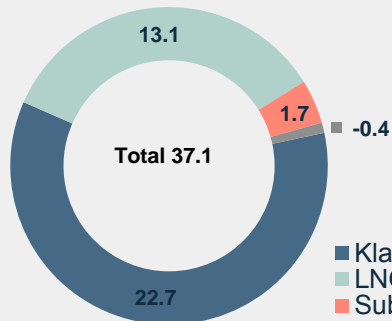
Revenue of 2015, MEUR



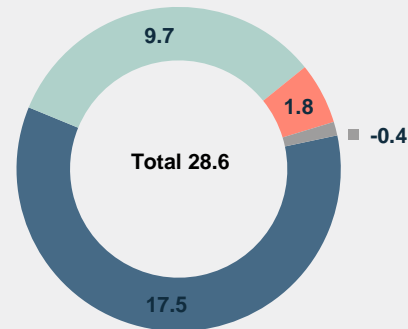
Revenue of 2016, MEUR



EBITDA 2015, MEUR



EBITDA 2016, MEUR



- Klaipėda oil terminal
- LNG terminal
- Subačius oil terminal
- LNG small scale



KLAIPĖDA OIL TERMINAL RESULTS OF 2016

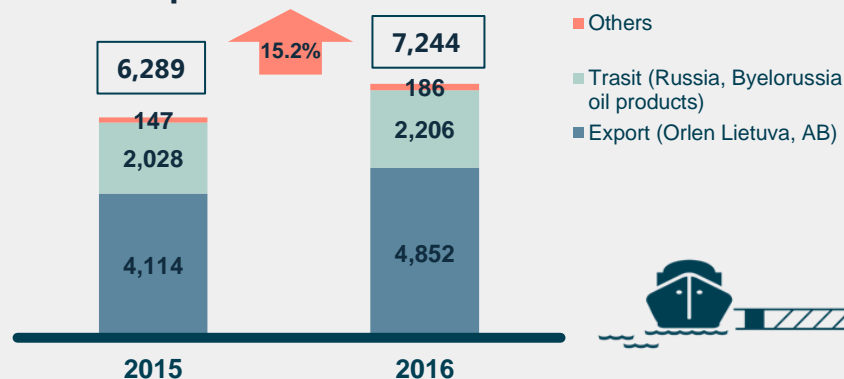
BUSINESS FACTORS:

AB ORLEN Lietuva increased utilization capacity in 2016, therefore reloaded 18 per cent more oil products in through KN terminal.

Transit petroleum products transshipment grew up by 8.8 per cent in 2016. Although in the second half of previous year due to political reasons the crude oil supply to Byelorussia refineries has been reduced that affected the slowdown in transit cargos transshipment.

MEUR	2015	2016
Revenue	37.3	34.0
Net profit	14.7	10.0
EBITDA	22.7	17.5

Transshipment, thousand tons





SUBAČIUS OIL TERMINAL RESULTS OF 2016

BUSINESS FACTORS:

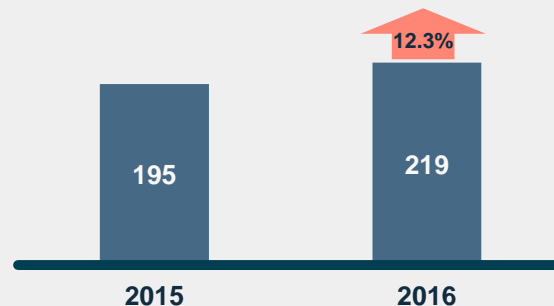
In connection with the increased fuel consumption in country the amount of stored obligatory reserve of oil products has increased accordingly in 2016.

Transshipment in Subačius oil terminal amounted to 93.9 thousand tons in 2016.

Sales revenue from the commercial storage oil products contract amounted to EUR 0.6 million.

MEUR	2015	2016
Revenue	2.6	2.8
Net profit	0.9	0.8
EBITDA	1.7	1.8

Average storage volume, thousand tons





LNG TERMINAL RESULTS OF 2016

BUSINESS FACTORS:

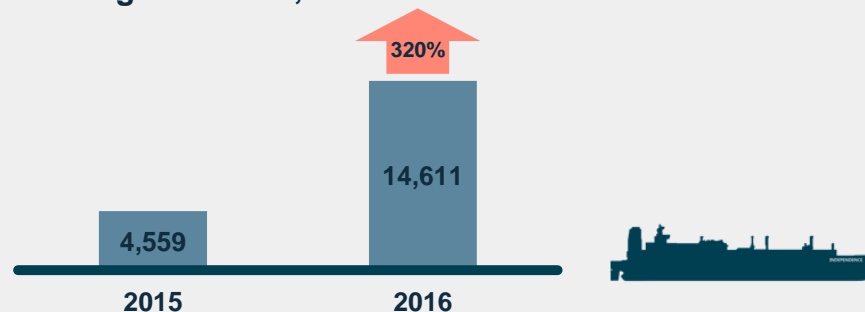
During 2016 16 LNG carriers have been accepted, which have delivered 1,000.6 thousand tons of LNG;

In 2016 LNG terminal users (total 3): LITGAS UAB, Lietuvos dujų tiekimas UAB, Achema AB.

*As a result of the lower consumption capacities of the natural gas in 2016 total revenue received are lower than it was set according to regulations. Based on the profit calculation methodic of the regulated activity the normalized unaudited preliminary profit for the year 2016 is EUR 4.0 million.

MEUR	2015	2016
Revenue	69.9	67.0
Net profit	7.0	3.4
Net profit (normalized)*	1.8	4.0
EBITDA	13.2	9.7

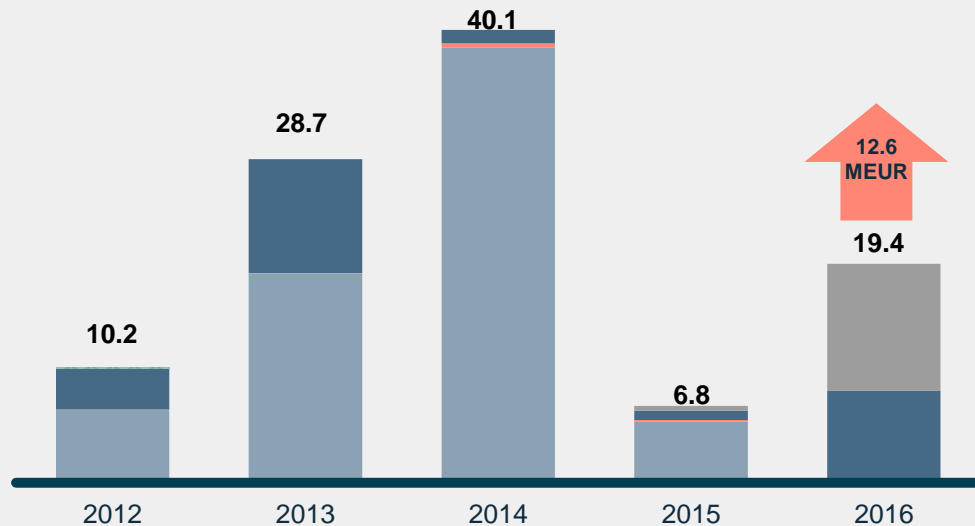
Re-gasification, thousand MWh





INVESTMENTS OF THE COMPANY, MILLION EUR

- Klaipėda oil terminal
- LNG terminal
- Subačius oil terminal
- LNG small scale





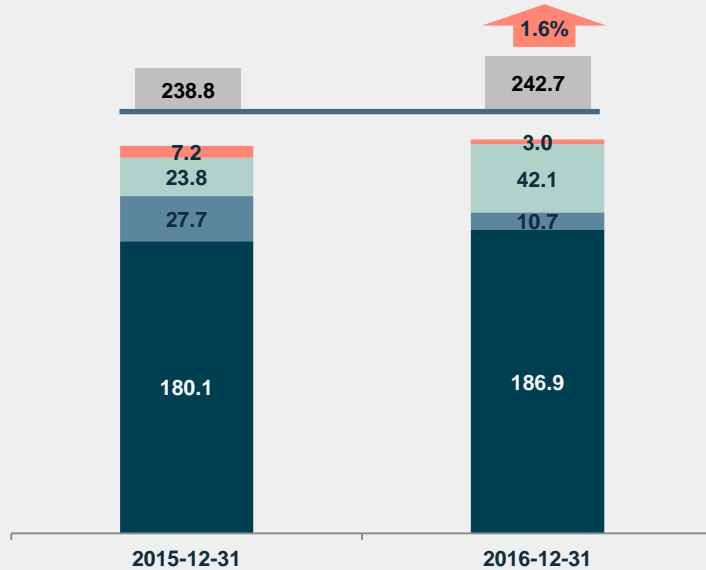
FINANCIAL FIGURES (UNAUDITED)

MEUR	2015	2016	Change, %
Sales Revenue	109.7	103.8	-5.4%
Gross profit	29.1	20.9	-28.2%
EBITDA	37,1	28.6	-22.9%
Profit before taxation (EBIT)	24.1	15.3	-36.5%
Net profit	22,0	13.9	-36.8%
Gross profit margin	26.5%	20.1%	-
EBITDA margin	33.8%	27.6%	-
Net profit margin	20.1%	13.4%	-
Return on equity (ROE)	11.9%	7.1%	-
Return on assets (ROA)	9.6%	5.8%	-
Profit per share (EPS), EUR/share	0.058	0.037	-36.2%
Average number of shares	380,606,184	380,606,184	-



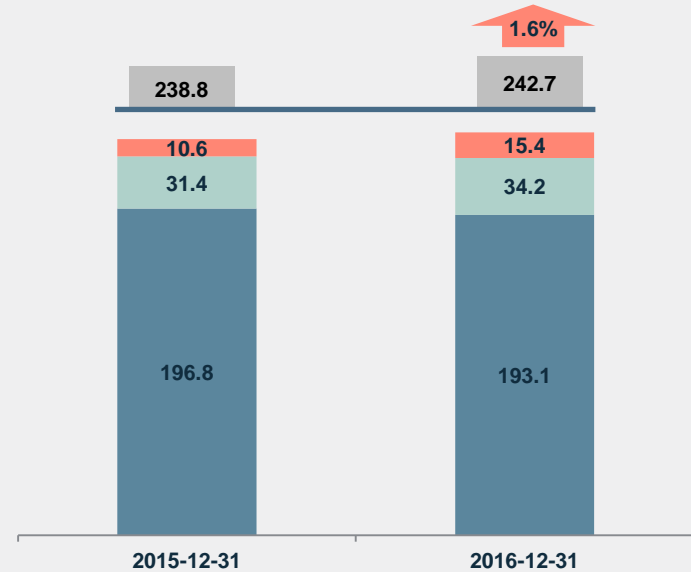
BALANCE SHEET (UNAUDITED)

Assets, MEUR



- Non-current assets
- Trade Receivables
- Cash and cash equivalents
- Other current assets

Equity and liabilities, MEUR



- Other non-current and current liabilities
- Financial liabilities
- Total equity



THANK YOU

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