



CONFIRMATION OF RESPONSIBLE PERSONS

27 May 2016 No. *5-310-25*

Acting in accordance with Article 22 of the Law on Securities of the Republic of Lithuania and the Rules for Drawing up and Submission of Periodic and Additional Information as approved by Resolution No 03-48 of the Board of the Bank of Lithuania as of 28 February 2013, we, Saulius Bilys, General Manager of AB Amber Grid, and Rimantas Šukys, Financial Director of AB Amber Grid, hereby confirm that, to the best of our knowledge, the attached condensed financial statements of the company AB Amber Grid as of 31 March 2016 drawn up according to International Financial Reporting Standards as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position, profit or loss and cash flows of AB Amber Grid.

General Manager

Saulius Bilys

Financial Director

Rimantas Šukys

AB AMBER GRID

**CONDENSED FINANCIAL STATEMENTS AS OF 31 MARCH 2016
PREPARED ACCORDING TO INTERNATIONAL FINANCIAL REPORTING STANDARDS
AS ADOPTED BY THE EUROPEAN UNION**

COMPANY'S CONDENSED FINANCIAL STATEMENTS

AS OF 31 MARCH 2016

(all amounts are in euro thousand unless stated otherwise)

Statement of financial position

			As of 31 March 2016 (unaudited)	As of 31 December 2015 (audited)
	Notes			
ASSETS				
A. Non-current assets			352,193	354,911
I. Intangible assets			725	801
II. Property, plant and equipment			351,246	353,888
II.1. Land			113	113
II.2. Buildings and structures			282,823	285,159
II.2.1. Buildings			6,476	6,544
II.2.2. Gas transmission pipelines and related installations			271,296	273,458
II.2.3. Gas distribution pipelines and related installations			104	105
II.2.4. Other buildings and structures			4,947	5,052
II.3. Machinery and equipment			58,816	60,078
II.4. Motor vehicles			1,145	1,216
II.5. Other equipment, tools and devices fittings, tools and equipment			3,610	4,046
II.6. Other property, plant and equipment			169	184
II.7. Construction in progress	4		4,570	3,092
III. Non-current financial assets			222	222
III.1. Investment into subsidiary	1		222	222
B. Current assets			69,262	98,442
I. Inventories and prepayments			2,947	3,086
I.1. Inventories			2,801	2,949
I.1.1. Raw materials, spare parts and other inventories			1,293	1,170
I.1.2. Natural gas			1,508	1,779
I.1.3. Assets held for sale			-	-
I.2. Prepayments			146	137
II. Accounts receivable			39,916	37,001
II.1. Trade receivables	5		7,121	9,435
II.2. Other receivables	6		32,795	27,566
III. Other financial assets	7		10	31,386
IV. Cash and cash equivalents	8		26,389	26,969
Total assets			421,455	453,353

(cont'd on the next page)

The accompanying notes are an integral part of these financial statements.

COMPANY'S CONDENSED FINANCIAL STATEMENTS



AS OF 31 MARCH 2016

(all amounts are in euro thousand unless stated otherwise)

Statement of financial position (cont'd)

			As of 31 March 2016 (unaudited)	As of 31 December 2015 (audited)
EQUITY AND LIABILITIES				
C. Equity			203,503	194,664
I. Share capital			51,731	51,731
II. Reserves			126,955	126,955
II.1. Legal reserve			5,166	5,166
II.2. Other reserves			121,789	121,789
III. Retained earnings (deficit)			24,817	15,978
III.1. Current year profit (loss)			8,839	15,978
III.2. Previous year profit (loss)			15,978	-
D. Accounts payable and liabilities			217,952	258,689
I. Amounts payable after one year and non-current liabilities			173,589	180,742
I.1. Non-current borrowings	9		105,111	112,889
I.2. Grants (deferred revenue)	10		62,829	62,885
I.3. Non-current employee benefits			419	419
I.4. Deferred income tax liability			5,230	4,549
II.1. Current financial liability	9		-	-
II.2. Current portion of non-current borrowings	9		22,893	25,121
II.3. Current year portion of non-current employee benefits			76	76
II.4. Trade payables	12		2,939	8,562
II.5. Advance amounts			1,261	1,261
II.6. Income tax payable			861	316
II.7. Payroll related liabilities			1,378	826
II.8. Other payables and current liabilities	13		14,955	41,785
Total equity and liabilities			421,455	453,353

The accompanying notes are an integral part of these financial statements.

General Manager	Saulius Bilys		27 May 2016
Chief Accountant	Dzintra Tamulienė		27 May 2016

COMPANY'S CONDENSED FINANCIAL STATEMENTS


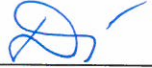
AS OF 31 MARCH 2016

(all amounts are in euro thousand unless stated otherwise)

Income statement

		Notes	For the period of three months ended 31 March 2016 (unaudited)	For the period of three months ended 31 March 2015 (unaudited)
I.	Revenue	15	21,275	16,342
II.	Expenses		(10,760)	(10,980)
II.1.	Cost of natural gas		(2,747)	(3,723)
II.2.	Depreciation and amortization		(3,982)	(3,722)
II.3.	Employee benefits and related social security tax expenses		(2,109)	(1,975)
II.4.	Repair and technical maintenance expenses		(967)	(817)
II.5.	Taxes other than income tax		(467)	(363)
II.6.	Other expenses		(488)	(380)
III.	Operation profit (loss)		10,515	5,362
IV.	Financial activity		(145)	(63)
IV.1.	Income		45	93
IV.2.	Expense		(190)	(156)
V.	Profit (loss) before income tax		10,370	5,299
VI.	Income tax	11	(1,531)	801
VI.1.	Current period income tax		(850)	(467)
VI.2.	Deferred income tax		(681)	1,268
VII.	Net profit (loss)		8,839	6,100
Basic and diluted earnings (loss) per share (Eur)			0.05	0.03

The accompanying notes are an integral part of these financial statements.

General Manager	Saulius Bilys		27 May 2016
Chief Accountant	Dzintra Tamulienė		27 May 2016

COMPANY'S CONDENSED FINANCIAL STATEMENTS



AS OF 31 MARCH 2016

(all amounts are in euro thousand unless stated otherwise)

Statement of comprehensive income

		For the period of three months ended 31 March 2016 (unaudited)	For the period of three months ended 31 March 2015 (unaudited)
I.	Net profit (loss)	8,839	6,100
II.	Total comprehensive income (loss)	8,839	6,100

The accompanying notes are an integral part of these financial statements.

General Manager	Saulius Bilys		27 May 2016
Chief Accountant	Dzintra Tamulienė		27 May 2016

COMPANY'S CONDENSED FINANCIAL STATEMENTS

AS OF 31 MARCH 2016



(all amounts are in euro thousand unless stated otherwise)

Statement of changes in equity

	Share capital	Legal reserve	Other reserves	Retained earnings (deficit)	Total
Balance as of 31 December 2014 (audited)	51,663	5,166	288,830	(109,044)	236,615
Total comprehensive income (loss)	68*	-	-	6,100	6,100
<i>Net profit (loss) for the year</i>	<i>68*</i>	<i>-</i>	<i>-</i>	<i>6,100</i>	<i>6,100</i>
Balance as of 31 March 2015 (unaudited)	51,731	5,166	288,830	(102,944)	242,783
Transfer from other reserves	-	-	(167,041)	167,041	-
Dividends declared	-	-	-	(57,997)	(57,997)
Total comprehensive income	-	-	-	9,878	9,878
<i>Net profit (loss) for the year</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>9,878</i>	<i>9,878</i>
Balance as of 31 December 2015 (audited)	51,731	5,166	121,789	15,978	194,664
Total comprehensive income (loss)	-	-	-	8,839	8,839
<i>Net profit (loss) for the year</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>8,839</i>	<i>8,839</i>
Balance as of 31 March 2016 (unaudited)	51,731	5,166	121,789	24,817	203,503

The accompanying notes are an integral part of these financial statements.

* Result of share capital conversion into the euro.

General Manager	Saulius Bilys		27 May 2016
Chief Accountant	Dzintra Tamulienė		27 May 2016

COMPANY'S CONDENSED FINANCIAL STATEMENTS

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(all amounts are in euro thousand unless stated otherwise)

Statement of cash flows

	31 March 2016 (unaudited)	31 March 2015 (unaudited)
I. Cash flows from (to) operating activities		
I.1. Net profit (loss)	8,839	6,100
Adjustments of non-cash items and other corrections:		
I.2. Depreciation and amortisation	4,465	4,056
I.3. Loss (gain) on property, plant and equipment, doubtful trade accounts receivable and inventories write-off and disposal	(10)	-
I.4. Impairment losses (reversal of impairment) for property, plant and equipment, financial assets, allowance for doubtful trade accounts receivable and inventories	11	1
I.5. Income tax expenses (income)	1,532	(801)
I.6. Interest (income)	(2)	(1)
I.7. Interest expenses	189	89
I.8. Amortisation of grants (deferred revenue)	(498)	(343)
I.9. Elimination of other non-cash items	-	28
	14,526	9,129
Changes in working capital:		
I.10. Decrease (increase) in inventories	137	796
I.11. Decrease (increase) in trade accounts receivable	2,316	1,380
I.12. Decrease (increase) in other accounts receivable and prepayments	(4,830)	(14,400)
I.13. Increase (decrease) in trade accounts payable	(332)	(431)
I.14. Increase (decrease) in other accounts payable and other current liabilities	(26,241)	(380)
I.15. Decrease (increase) in other financial assets	31,376	13,267
I.16. Income tax (paid)	(305)	-
Total changes in working capital	2,121	232
Net cash flows from operating activities	16,647	9,361
II. Cash flows from (to) investing activities		
II.1. (Acquisitions) of property, plant and equipment and intangible assets	(7,039)	(15,685)
II.2. Proceeds from sales of property, plant and equipment	10	-
Acquisition of investments in joint venture	-	-
II.3. Acquisition of held-to-maturity investments	-	-
II.4. Sale of held-to-maturity investment	-	-
II.5. Interest received	1	1
II.7. Disposal (acquisition) of other short term investments	-	-
Net cash flows (to) investing activities	(7,028)	(15,684)

The accompanying notes are an integral part of these financial statements.
(cont'd on the next page)

COMPANY'S CONDENSED FINANCIAL STATEMENTS



AS OF 31 MARCH 2016

(all amounts are in euro thousand unless stated otherwise)

Statements of cash flows (cont'd)

	31 March 2016 (unaudited)	31 March 2015 (unaudited)
III. Cash flows from (to) financing activities		
III.1. Dividends (paid)	(6)	-
III.2. Proceeds from borrowings	-	43,768
III.3. (Repayments) of borrowings	(10,006)	(39,104)
III.4. Grants received	33	58
III.5. Interest (paid)	(220)	(89)
Net cash flows from (used in) financing activities	(10,199)	4,633
IV. Net increase (decrease) in cash and cash equivalents	(580)	(1,690)
V. Cash and cash equivalents at the beginning of the period	26,969	1,714
VI. Cash and cash equivalents at the end of the period	26,389	24

The accompanying notes are an integral part of these financial statements.

General Manager	Saulius Bilys		27 May 2016
Chief Accountant	Dzintra Tamulienė		27 May 2016

COMPANY'S CONDENSED FINANCIAL STATEMENTS

AS OF 31 MARCH 2016

(all amounts are in euro thousand unless stated otherwise)

Notes to the Financial Statements

1 General information

AB Amber Grid (hereinafter referred to as the "Company") was registered on 25 June 2013 after the spin-off from AB Lietuvos Dujos of the natural gas transmission activity with respective assets, rights and duties attributed to the activity in question.

On 13 January 2015, the National Commission for Energy Control and Prices (hereinafter referred to as the "NCC") stated that AB Amber Grid's transmission activity unbundling was in compliance with provisions of the Law on Natural Gas. On 10 April 2015, upon obtaining of a positive decision from the European Commission, the NCC issued in respect of the Company an open-ended License No. L2-3 (GDP) for the engagement in the Transmission System Operator's activity within the territory of Lithuania.

The Company's largest shareholder is UAB EPSO-G. UAB EPSO-G is 100-percent-owned by the Republic of Lithuania and is managed by trust by the Ministry of Energy of the Republic of Lithuania. UAB EPSO-G is in charge of the Republic of Lithuania's electricity and gas transmission system operators' share package management.

Since 1 August 2013, the Company's shares have been traded on a Stock Exchange; they are listed on the Baltic Secondary Trading List of NASDAQ OMX Vilnius Stock Exchange (ISIN code LT0000128696, instruments AMG1L).

As of 31 March 2016, the Company's shareholders were as follows:

	Number of shares owned	Ownership share (percent)
UAB EPSO-G (Company Code 302826889, A. Juozapavičiaus g. 13, Vilnius)	172,279,125	96.58
Other shareholders	6,103,389	3.42
	178,382,514	100.00

The Company's share capital amounts to EUR 51,730,929.06. It is divided into 178,382,514 ordinary registered shares with par value of EUR 0.29 each.

The Company's authorised share capital was converted into euros as of 1 January 2015 according to the special procedure for the conversion into euros as provided for by legislation governing the authorised share capital conversion procedure. As a result of the conversion the par value per share was found to amount to EUR 0.29, which was then multiplied by the total number of shares and the resulting authorised share capital amount of EUR 51,730,929.06, was approved by the Annual General Meeting of Shareholders as of 23 April 2015 through the introduction of respective amendments into the articles of association of AB Amber Grid.

In pursuit of the strategic goal of the development of a competitive regional natural gas market, on 6 November 2015, AB Amber Grid acquired from AB Lietuvos Dujos an additional 34% stake in UAB GET Baltic. AB Amber Grid became the largest shareholder of UAB GET Baltic, which controls 66% of the authorised share capital. The remaining 34% stake is owned by the Finnish natural gas company, Gasum Oy. As at 31 March 2016, UAB GET Baltic's authorised share capital amounted to EUR 580,000 and was composed of 2 million units of shares with par value of EUR 0.29 each.

UAB GET Baltic is a company with a valid natural gas market operator's license, whose main function is to organise and develop trade on the Natural Gas Exchange.

The Company's investment in UAB GET Baltic is recorded in the Company's financial statements as of 31 December 2015 and as of 31 December 2016 at the acquisition cost.

According to the exception clause provisions of the Law on Consolidated Financial Statements Article 6 part 1, the subsidiary's financial statements shall not be subject to consolidation because from the Company's point of view they are negligible, as the subsidiary's assets at year-end does not exceed 5 per cent of the assets of the Company and the net turnover during the year does not exceed 5 percent of the Company's sales net income over the same period.

1 General information (cont'd)

The UAB GET Baltic's condensed financial statements as of 31 March 2016 were prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and have not been audited.

The Company, being engaged in the natural gas Transmission System Operator's activity, provides system users, other operators, and gas market players with the following services:

- transmission of natural gas in the territory of the Republic of Lithuania;
- balancing of flows of natural gas in the transmission system;
- administration of the funds aimed to compensate for the installation and fixed operating costs of the Liquefied Natural Gas (hereinafter referred to as the "LNG") Terminal, its infrastructure and connector.

As of 31 December 2015, the Company was party to 89 natural gas transmission service contracts with natural gas transmission system users (consumers of natural gas, natural gas distribution system operators, natural gas companies which supply gas up to consumer systems). As regards natural gas businesses that trade in natural gas, but do not transmit gas via the Transmission System, the Company had entered with such companies into 3 natural gas balancing agreements.

AB Amber Grid's condensed financial statements; including the financial statements as of 31 March 2016, the profit (loss) accounts, the comprehensive income statements, the cash flow statements and the statement of changes in equity have not been audited. The Company's financial statements as of 31 December 2015 were audited; they were prepared in accordance with International Financial Reporting Standards (IFRS). For a better understanding of the information contained in these condensed financial statements it is highly recommended to read the present AB Amber Grid's condensed financial statements in conjunction with the Company's annual financial statements for the year ended 31 December 2015.

2 Accounting principles

1 January 2015 was the day of the introduction of the euro in the Republic of Lithuania. Therefore, starting from this date on, the Company's functional currency was also converted to the euro. The exchange rate that was applied when converting the litas to the euro was equal to LTL 3.4528 litas for EUR 1, which had been irrevocably set by the EU Council.

The Company's condensed financial statements as of 31 December 2015 were prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting".

The figures in the Company's financial statements are presented in thousand euros. The financial statements were prepared relying on the historical cost basis. The Company's accounting policies are consistent with the accounting principles used in the previous year.

3 Information according to segments

The Company is engaged in natural gas transmission activity and operates as one segment. All non-current assets of the Company are located in Lithuania, where the Company carries out its activity.

During the year 2015, the Company earned 75 percent of its revenue from Lithuanian system users and 25 percent of its revenue was received from the transit service, i.e. transportation of gas to the Kaliningrad Region of the Russian Federation and Latvia.

4 Construction in progress

Major objects of construction in progress of the Company as of 31 March 2016 were as follows:

Object	31 March 2016 (unaudited)	31 December 2015 (audited)
Preparatory works in the territory of the Republic of Lithuania in preparation for the implementation of the Gas Interconnector Poland-Lithuania (GIPL) Project	1,849	936
Installation of an intelligent pig launcher and receiver on the the Riga-Panevėžys-Vilnius gas transmission pipeline (DN700) on the Lithuanian-Latvian border	800	800
Spatial planning and engineering design services required for the construction of an interconnection of Vilnius-Kaunas and Kaunas-Šakiai gas transmission pipelines	547	544
Modernisation of gas transmission pipeline Line Valve Sites	711	184
Reconstruction of Vilnius yard buildings (Gudelių g. 49, Vilnius)	255	255
Other	408	373
	4,570	3,092

5 Trade receivables

	31 March 2016 (unaudited)	31 December 2015 (audited)
Gas transmission services receivables	7,128	9,417
Other trade receivables	9	34
Less: allowance for the decrease in value of trade receivables	(16)	(16)
	7,121	9,435

The Company's trade receivables from the system users for natural gas transmission as of 31 March 2016 decreased as a result of the recalculation of the price of service of gas transmission to the Kaliningrad Region, which was carried out on 31 December 2015.

The trade receivables do not include any interest; the payment period is 15 calendar days.

6 Other receivables

	31 March 2016 (unaudited)	31 December 2015 (audited)
LNGT funds receivable (administered by the Company)	14,362	9,473
Other receivables	18,433	18,093
Less: allowance for the decrease in value of other receivables	-	-
	32,795	27,566

Total accounts receivable of the LNGT-funds include AB Achema's debt of EUR 3,153 thousand and the debt of UAB Kauno Termofikacinė Elektrinė of EUR 638 thousand. For more information about AB Achema's liabilities see Note 16 "Commitments and contingencies".

COMPANY'S CONDENSED FINANCIAL STATEMENTS

AS OF 31 MARCH 2016

(all amounts are in euro thousand unless stated otherwise)

7 Other financial assets

Acting in accordance with provisions of the Republic of Lithuania Law on Liquefied Natural Gas Terminal Article 5 part 2, the Company performs the functions of an administrator of the Liquefied Natural Gas Terminal (hereinafter referred to as the "LNGT"-funds). The administration of the LNGT-funds is performed in accordance with the Procedures for the Administration of Funds Aimed to Compensate for the Installation Costs and Fixed Operating Costs of the Liquefied Natural Gas Terminal Facility, its Infrastructure and its Connector as approved by the NCC Resolution No. 03-294 as of 9 October 2012 as subsequently amended (the title was changed by the NCC Resolution No. 03-750 of 23 December 2013 effective from 1 January 2014).

As of 31 March 2016, the Company's Other Financial Assets consisted of the cash received from the natural gas supply security-related extra tariff component added to the natural gas transmission price (surcharge). These funds are aimed to be paid out to the LNGT funds beneficiaries and are kept in a separate bank account opened for the LNGT-funds, which was selected and opened in compliance with applicable legislative requirements. As prescribed by the NCC Resolution No. 03-683 as of 23 December 2015, the amounts collected starting from the year 2016 onwards, in accordance with the established procedure, are remitted to the designated payees of the LNG terminal funds, AB Klaipėdos Nafta and UAB Litgas.

8 Cash and cash equivalents

	31 March 2016 (unaudited)	31 December 2015 (audited)
Cash at bank	26,389	26,969
	26,389	26,969

The Company keeps its cash in bank accounts or (where there is such a possibility) invests in deposits with the shortest term possible (overnight). The interest rates of the overnight deposits are floating ones. The floating interest rates depend on EONIA inter-bank interest rates.

9 Loans

	31 March 2016 (unaudited)	31 December 2015 (audited)
Long-term loans		
Loans from credit institutions of Lithuania	80,111	87,889
Loan from international financial institutions	25,000	25,000
Short-term loans		
Short-term loans	-	-
Current portion of long-term loans	22,889	25,111
Leasing	4	10
	128,004	138,010

In January of 2016, the Company repaid prior to maturity (refinanced) part (EUR 10,000 thousand) of its loan to Swedbank, AB. After this repayment, the loan to Swedbank, AB amounts to EUR 103,000 thousand.

On 19 August 2015, the Company entered into a long-term loan agreement with the Nordic Investment Bank, according to which the Company borrowed EUR 25,000 thousand for a 15-year period. The loan is intended for the financing of the Project "Capacity enhancement of Klaipėda-Kiemėnai gas pipeline (Construction of Klaipėda-Kuršėnai pipeline)".

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AS OF 31 MARCH 2016

(all amounts are in euro thousand unless stated otherwise)

9 Loans (cont'd)

To balance its working capital, on 14 May 2014, the Company concluded an overdraft contract with Danske Bank A/S Lithuania branch for the overdraft amount of up to EUR 5,792 thousand. As of 31 March 2016, the overdraft had not been used.

On 22 December 2015, the Company entered into an agreement with the European Investment Bank on the possibility of borrowing of up to EUR 28,000 thousand for the period of up to 20 years. As of 31 March 2016, the loan had not been used. The loan is intended for the financing of the construction under the Project "Capacity enhancement of Klaipėda-Kiemėnai gas pipeline (Construction of Klaipėda-Kuršėnai gas transmission pipeline)".

10 Grants (deferred revenue)

	Deferred revenue	Asset- related grants	Revenue- related grants	Total
Balance as at 31 December 2015	1,569	61,316	-	62,885
Received / receivable	-	443	7	450
Written off	-	(7)	-	(7)
Depreciation/amortisation	(9)	(483)	(7)	(499)
Balance as at 31 March 2016	1,560	61,269	-	62,829

In the profit (loss) statement, the depreciation of the asset-related grants, amounting to EUR 483 thousand (over the period of 3 months ended 31 March 2015: EUR 334 thousand) is presented by cross-covering the costs of depreciation of the related assets with the grant-related revenue.

11 Income tax

In 2016, the standard corporate income tax rate applicable to the companies of the Republic of Lithuania was 15 per cent (in 2015: 15 per cent). The income tax expenses for the period comprise the current income tax and the deferred income tax.

In accordance with the amendments to the Law on Corporate Income Tax, which provide for a possibility of taking advantage of the corporate income tax relief on investments in new technologies, as at 31 March 2016, the Company had calculated a corporate income tax relief amounting to EUR 849 thousand (as at 31 March 2015: EUR 467 thousand).

12 Trade payables

	31 March 2016 (unaudited)	31 December 2015 (audited)
Payables to suppliers under construction programme	950	5,142
Payables to suppliers under the reconstruction programme	83	1,182
Payables to service providers	846	870
Payables to repair service suppliers for non-current assets	23	470
Payables to natural gas suppliers	1,037	898
	2,939	8,562

The decrease in trade payables as at 31 March 2016 came as a result of the Company's settlement with the suppliers for the Klaipėda-Kuršėnai gas transmission pipeline project construction works.

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AS OF 31 MARCH 2016

(all amounts are in euro thousand unless stated otherwise)

13 Other payables and current liabilities

	31 March 2016 (unaudited)	31 December 2015 (audited)
Payable LNG terminal funds for administration by Company	2,920	25,794
Accrued LNG funds for administration*	11,698	15,316
Payable Real Estate Tax	-	386
Value Added Tax (VAT) payable	51	-
Other payables	286	289
	14,955	41,785

*Accrued LNGT funds subject to administration by the Company are accounted when natural gas transmission system users pay them to the Company. Accrued funds subject to administration by the Company are included into the LNGT-funds account when AB Klaipėdos Nafta and UAB Litgas issue a VAT invoice to the Company in respect of the security-of-supply-related extra tariff component added to the regular natural gas tariff.

14 Earnings per share

Basic earnings per share reflect the Company net income divided by the weighted average number of shares. There are no diluting instruments, therefore basic and diluted earnings per share are equal. Calculations of the basic earnings per share are presented below:

	31 March 2016 (unaudited)	31 March 2015 (unaudited)
Net profit (loss) attributable to the shareholders (EUR thousand)	8,839	6.100
Weighted average number of shares (thousand)	178,383	178,383
Earnings (loss) per share (EUR)	0.05	0.03

15 Revenue

	For the period of three months ended 31 March 2016 (unaudited)	For the period of three months ended 31 March 2015 (unaudited)
Income from natural gas transmission in the territory of Lithuania	18,520	14,501
Income from balancing services in the transmission system	2,685	1,756
Grants recognised as income	15	41
Income from LNG terminal fund administration	36	36
Other income	19	8
	21,275	16,342

16 Commitments and contingencies

Litigation

1. Pursuant to the Republic of Lithuania Law on the Liquefied Natural Gas Terminal and applicable resolutions as adopted by the National Commission for Energy Control and Prices, all users of the natural gas system that transport natural gas through the transmission system are required to pay an additional component to be included in the natural gas transmission price (the LNG-terminal-component) when they make payments for natural gas transmission services. Since AB Achema, as a transmission system user, has systematically failed to pay the LNG-terminal-component, a claim was filed with the court. The Court of First Instance by its ruling as of 12 December 2013 satisfied in part the claim of AB Amber Grid, i.e. adjudged the full amount of claimed debt plus procedural interest, but reduced the awarded penalties from 0.04 to 0.02%. By its ruling of 2 July 2015, the Lithuanian Court of Appeal satisfied the claim of AB Amber Grid, i.e. adjudged full amount of claimed debt of EUR 11,073 thousand for the period from January to the end of August 2013, plus procedural interest and penalties of EUR 489 thousand. In implementation of the said court ruling, on 9 July 2015, AB Achema paid thousand to AB Amber Grid EUR 12,953.

On 6 January 2016, the case was heard at the Supreme Court of Lithuania. On 5 February the Supreme Court of Lithuania (SCL) rejected Achema's appeal and upheld the ruling of the Court of Appeal as of July 2015 under which Achema was ordered to pay EUR 11,073 thousand indebted for the so-called LNG terminal extra tariff component for the January-August of 2013 plus late payment interest in the amount of EUR 489 thousand, legal interest and nearly EUR 20 thousand of legal costs. AB Achema appealed against this ruling.

2. On 7 March 2014, AB Amber Grid applied to Kaunas County Court with request to adjudge the debt from AB Achema for the unpaid LNG terminal-related extra tariff component for the period from 1 September 2013 to 31 December 2013, and to adjudge penalties on late payment of the LNG terminal component for the aforesaid period. On 16 March 2015, Amber Grid AB applied to Kaunas County Court with a new claim, whereby it requested to adjudge from AB Achema the debt for the LNG terminal funds intended to compensate for the fixed operating costs of the LNG terminal, its infrastructure and connector (hereinafter "the additional supply security component"), the collection of which was started from 3 December 2014, plus penalties and 6% annual interest. As the Court merged the two cases, on 29 September 2015, Kaunas County Court satisfied in full the claim of AB Amber Grid and adjudged from AB Achema the debt of EUR 3,188 thousand for the period from 1 September 2013 to 31 December 2013, plus penalties of EUR 545 thousand, plus procedural interest and debt of EUR 14,721 thousand for the period from 3 December 2014 to 30 April 2015, plus penalties in the amount of EUR 305 thousand plus procedural interest. AB Achema appealed against the aforesaid court ruling.

3. On 19 November 2012, AB Achema applied to Vilnius County Administrative Court with request to annul paragraphs 3.1 and 4 of the Commission's Resolution No 03-317 of 19 October 2012 On the establishment of funds for the year 2013 intended to compensate for all or part of the construction and operating costs of the liquefied natural gas terminal, its infrastructure and connector, and to annul paragraph 2 of the Commission's Resolution No 03-330 of 26 October 2012 On AB Lietuvos Dujos natural gas transmission and distribution price cap adjustment and establishment of additional component to be included in the natural gas transmission price cap (the LNG terminal component) for the year 2013. AB Amber Grid acts as a third party in the lawsuit. On 28 May 2015, Vilnius County Administrative Court rejected in full the claim of AB Achema. AB Achema appealed against the court ruling.

4. On 22 December 2014, AB Achema applied to Vilnius County Administrative Court with request to annul paragraphs 1.1, 2.2.1, 2.3 and 3 of the Commission's Resolution No 03-895 of 20 November 2014 On the establishment of the upper liquefaction limit of natural gas (additional natural gas supply security component to be included in the natural gas transmission price) for the years 2015-2019. Based on the Court ruling of 7 July 2015, AB Amber Grid joined the lawsuit as a third party. On 11 November 2015 court ruled suspend the lawsuit. A separate complaint was filed.

5. On 22 January 2016 AB Achema appealed to the Vilnius County Administrative Court with a request to annul paragraph 1 of the Commission's Resolution No 03-683 as of 23 December 2015 On the setting of an additional natural gas supply security-related price component to be included in the natural gas transmission price. On 9 March 2016 by a court order AB Amber Grid was involved in this case as a third person concerned. The parties submitted their comments.

COMPANY'S CONDENSED FINANCIAL STATEMENTS

AS OF 31 MARCH 2016

(all amounts are in euro thousand unless stated otherwise)

17 Related party transactions

The parties are considered to be related where one party has a possibility to control the other one or may have a significant influence over the other party when it is making financial and operating decisions.

As of 31 March 2016 and as of 31 March 2015, the related parties of the Company were as follows:

- UAB GET Baltic (a joint venture in which the Company has a shareholding);
- UAB EPSO-G (the parent company);
- UAB LITGRID (co-shareholders);
- UAB Baltpool (a subsidiary of AB EPSO-G);
- UAB Tetas (a subsidiary of AB LITGRID);
- UAB Tinklo Priežiūros Centras (a subsidiary of AB LITGRID);
- UAB Duomenų Logistikos Centras (an associated company of AB LITGRID Group);
- Lit Pol Link Sp.z.o.o. (a joint venture co-owned by LITGRID AB and the Polish electricity network operator PSE S.A.);
- Management.

The tables below present the Company's balances and transactions with the related parties as of 31 March 2016 and as of 31 March 2015.

As of 31 March 2016 (unaudited)

	Acquisitions	Sales	Accounts receivable	Accounts payable
UAB GET Baltic	-	2	1	-
	-	2	1	-

As of 31 March 2015 (unaudited)

	Acquisitions	Sales	Accounts receivable	Accounts payable
UAB GET Baltic	-	1	-	-
	-	1	-	-

There were no guarantees either provided or received for receivables from the related parties or for payables to them. As at 31 March 2016, the Company had not accounted any impairment loss allowances for receivables from any related parties.

Benefits to the Management

During the period of 3 months ended 31 March 2016, the Company's benefits to the Management of the Company amounted to EUR 70 thousand (during the period of 3 months ended 31 March 2015: EUR 73 thousand). The Company's Management consists of the Chief Executive Officer (General Manager), his Deputies, and the Chief Accountant. The Management of the Company were not given any loans or guarantees and were not subject to any asset transfers.

18 Subsequent events

On 6 April 2016 AB Amber Grid redeemed the shares of the new issue of UAB GET Baltic's, i.e. acquired a total of 696,300 newly issued shares of UAB GET Baltic. The procedures for the reduction and increase of the authorised share capital did not change the overall stake of AB Amber Grid in UAB GET Baltic's authorised share capital, which continues to account for 66%.

On 26 April 2016 the Company held an Annual General Meeting of Shareholders, which adopted resolutions on all the items of the agenda.

On 22 April 2016 the National Commission for Energy Control and Prices (hereinafter—the Commission) in the light of the fact that within 12-month time period set by the Commission itself, third parties failed to satisfy the Company's certification condition as set by the Commission regarding the transfer of the shares of UAB Litgas held by AB

18 Subsequent events (cont'd)

Klaipėdos Nafta to an economic entity that would be neither directly nor indirectly controlled by the Ministry of Energy of the Republic of Lithuania, concluded that AB Amber Grid was found as failing to comply with the requirements for Transmission System Operator's independence and unbundling of activities as provided for by the Law on Natural Gas, and:

- obligated AB Amber Grid, within 2 months of the decision's entry into force, to take the necessary steps regarding the transfer of the shares of UAB Litgas held by AB Klaipėdos Nafta to an economic entity that is neither directly or indirectly controlled by the Ministry of Energy of the Republic of Lithuania, and within 10 working days to submit a Shares Transfer Action Plan to the Commission;

- recommended to the Ministry of Energy of the Republic of Lithuania, the Ministry of Finance of the Republic of Lithuania, to UAB EPSO-G, to AB Klaipėdos Nafta, and to UAB Litgas to take steps that are required for the transfer of the shares of UAB Litgas held by AB Klaipėdos Nafta to an economic entity that is neither directly nor indirectly controlled by the Ministry of Energy of the Republic of Lithuania;

- warned the Company that in case of the Company's failure to fulfil the instruction within the time period as specified thereby, the Commission, acting in accordance with applicable provisions of the Law on Energy may impose a fine of up to 10 percent of AB Amber Grid's annual income from its regulated natural gas transmission activity of last financial year.