



CONFIRMATION OF RESPONSIBLE PERSONS

25 November 2016 No. 5-310-62

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, Director General 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 30 September 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.

Director General

Saulius Bilys

Financial Director

Rimantas Šukys

AB AMBER GRID

**CONDENSED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2016
PREPARED ACCORDING TO INTERNATIONAL FINANCIAL REPORTING STANDARDS
AS ADOPTED BY THE EUROPEAN UNION**

COMPANY'S CONDENSED FINANCIAL STATEMENTS

AS OF 30 SEPTEMBER 2016

(all amounts are in euro thousand unless stated otherwise)

Statement of financial position

			As of 30 September 2016 (unaudited)	As of 31 December 2015 (audited)
	Notes			
ASSETS				
A. Non-current assets			350,253	354,911
I. Intangible assets			667	801
II. Property, plant and equipment			349,232	353,888
II.1. Land			125	113
II.2. Buildings and structures			278,549	285,159
II.2.1. Buildings			6,338	6,544
II.2.2. Gas transmission pipelines and related installations			267,369	273,458
II.2.3. Gas distribution pipelines and related installations			103	105
II.2.4. Other buildings and structures			4,739	5,052
II.3. Machinery and equipment			56,266	60,078
II.4. Motor vehicles			1,143	1,216
II.5. Other equipment, tools and devices			2,936	4,046
II.6. Other property, plant and equipment			147	184
II.7. Construction in progress	4		10,066	3,092
III. Non-current financial assets			354	222
III.1. Investment into subsidiary	1		354	222
B. Current assets			38,673	98,442
I. Inventories and prepayments			2,443	3,086
I.1. Inventories			2,266	2,949
I.1.1. Raw materials, spare parts and other inventories			1,117	1,170
I.1.2. Natural gas			1,149	1,779
I.1.3. Assets held for sale			-	-
I.2. Prepayments			177	137
II. Accounts receivable			18,920	37,001
II.1. Trade receivables	5		5,420	9,435
II.2. Other receivables	6		13,500	27,566
III. Other financial assets	7		197	31,386
IV. Cash and cash equivalents	8		17,113	26,969
Total assets			388,926	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 30 SEPTEMBER 2016

(all amounts are in euro thousand unless stated otherwise)

Statement of financial position (cont'd)

			As of 30 September 2016 (unaudited)	As of 31 December 2015 (audited)
	Notes			
EQUITY AND LIABILITIES				
C. Equity			196,187	194,664
I. Share capital			51,731	51,731
II. Reserves			130,151	126,955
II.1. Legal reserve			5,173	5,166
II.2. Other reserves			124,978	121,789
III. Retained earnings (deficit)			14,305	15,978
III.1. Current year profit (loss)			14,305	15,978
III.2. Previous year profit (loss)			-	-
D. Accounts payable and liabilities			192,739	258,689
I. Amounts payable after one year and non-current liabilities			162,843	180,742
I.1. Non-current borrowings	9		93,667	112,889
I.2. Grants (deferred revenue)	10		63,618	62,885
I.3. Non-current employee benefits			419	419
I.4. Deferred income tax liability			5,139	4,549
II. Accounts payable within one year and short-term liabilities			29,896	77,947
II.1. Current financial liability			-	-
II.2. Current portion of non-current borrowings	9		11,444	25,121
II.3. Current year portion of non-current employee benefits			76	76
II.4. Trade payables	12		3,601	8,562
II.5. Advance amounts			1,261	1,261
II.6. Income tax payable			481	316
II.7. Payroll related liabilities			1,390	826
II.8. Other payables and current liabilities	13		11,643	41,785
Total equity and liabilities			388,926	453,353

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

Director General	Saulius Bilys		25 November 2016
Chief Accountant	Dzintra Tamulienė		25 November 2016

COMPANY'S CONDENSED FINANCIAL STATEMENTS

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(all amounts are in euro thousand unless stated otherwise)

Income statement

	Notes	For the period of three months ended 30 September 2016 (unaudited)	For the period of three months ended 30 September 2015 (unaudited)	For the period of nine months ended 30 September 2016 (unaudited)	For the period of nine months ended 30 September 2015 (unaudited)
I. Revenue	16	13,088	10,545	46,992	37,851
II. Expenses		(9,901)	(9,800)	(30,266)	(30,066)
II.1. Cost of natural gas		(1,646)	(1,540)	(5,678)	(7,449)
II.2. Depreciation and amortization		(3,968)	(3,764)	(11,915)	(11,207)
II.3. Employee benefits and related social security tax expenses		(1,875)	(1,841)	(5,849)	(5,706)
II.4. Repair and technical maintenance expenses		(1,475)	(1,896)	(3,931)	(3,489)
II.5. Taxes other than income tax		(478)	(355)	(1,401)	(1,068)
II.6. Other expenses		(459)	(404)	(1,492)	(1,147)
III. Operation profit (loss)		3,187	745	16,726	7,785
IV. Financial activity		(129)	(328)	(401)	(406)
IV.1. Income		3	(52)	72	49
IV.2. Expense		(132)	(276)	(473)	(455)
V. Profit (loss) before income tax		3,058	417	16,325	7,379
VI. Income tax	11	(289)	682	(2,020)	2,122
VI.1. Current period income tax		(282)	(93)	(1,430)	(833)
VI.2. Deferred income tax		(7)	775	(590)	2,955
VII. Net profit (loss)		2,769	1,099	14,305	9,501
Basic and diluted earnings (loss) per share (Eur)	14			0.08	0.05

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

Director General	Saulius Bilys		25 November 2016
Chief Accountant	Dzintra Tamulienė		25 November 2016

COMPANY'S CONDENSED FINANCIAL STATEMENTS



AS OF 30 SEPTEMBER 2016

(all amounts are in euro thousand unless stated otherwise)

Statement of comprehensive income

	For the period of three months ended 30 September 2016 (unaudited)	For the period of three months ended 30 September 2015 (unaudited)	For the period of nine months ended 30 September 2016 (unaudited)	For the period of nine months ended 30 September 2015 (unaudited)
I. Net profit (loss)	2,769	1,099	14,305	9,501
II. Total comprehensive income (loss)	2,769	1,099	14,305	9,501

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

Director General	Saulius Bilys		25 November 2016
Chief Accountant	Dzintra Tamulienė		25 November 2016

COMPANY'S CONDENSED FINANCIAL STATEMENTS

AS OF 30 SEPTEMBER 2016


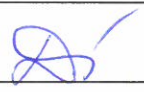
(all amounts are in euro thousand unless stated otherwise)

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
Transfer from other reserves	-	-	(167,041)	167,041	-
Dividends declared	-	-	-	(57,997)	(57,997)
Total comprehensive income (loss)	68*	-	-	9,501	9,501
<i>Net profit (loss) for the year</i>	<i>68*</i>	<i>-</i>	<i>-</i>	<i>9,501</i>	<i>9,501</i>
Balance as of 30 September 2015 (unaudited)	51,731	5,166	121,789	9,501	188,187
Total comprehensive income	-	-	-	6,477	6,477
<i>Net profit (loss) for the year</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>6,477</i>	<i>6,477</i>
Balance as of 31 December 2015 (audited)	51,731	5,166	121,789	15,978	194,664
Transfer from other reserves	-	-	3,189	(3,189)	-
Transfer to legal reserve	-	7	-	(7)	-
Dividends declared	-	-	-	(12,782)	(12,782)
Total comprehensive income (loss)	-	-	-	14,305	14,305
<i>Net profit (loss) for the year</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>14,305</i>	<i>14,305</i>
Balance as of 30 September 2016 (unaudited)	51,731	5,173	124,978	14,305	196,187

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

* Result of share capital conversion into the euro.

Director General	Saulius Bilys		25 November 2016
Chief Accountant	Dzintra Tamulienė		25 November 2016

Statement of cash flows

	30 September 2016 (unaudited)	30 September 2015 (unaudited)
I. Cash flows from (to) operating activities		
I.1. Net profit (loss)	14,305	9,501
Adjustments of non-cash items and other corrections:		
I.2. Depreciation and amortisation	13,364	12,211
I.3. Loss (gain) on property, plant and equipment, doubtful trade accounts receivable and inventories write-off and disposal	(10)	(7)
I.4. Impairment losses (reversal of impairment) for property, plant and equipment, financial assets, allowance for doubtful trade accounts receivable and inventories	7	6
I.5. Income tax expenses (income)	2,020	(2,122)
I.6. Interest (income)	(3)	(6)
I.7. Interest expenses	473	352
I.8. Amortisation of grants (deferred revenue)	(1,491)	(1,171)
I.9. Elimination of other non-cash items	(69)	87
	28,596	18,851
Changes in working capital:		
I.10. Decrease (increase) in inventories	677	1,552
I.11. Decrease (increase) in trade accounts receivable	4,015	2,383
I.12. Decrease (increase) in other accounts receivable and prepayments	(1,443)	(11,810)
I.13. Increase (decrease) in trade accounts payable	(850)	1,171
I.14. Increase (decrease) in other accounts payable and other current liabilities	(29,550)	(3,920)
I.15. Decrease (increase) in other financial assets	31,189	14,602
I.16. Income tax (paid)	(1,264)	(240)
Total changes in working capital	2,774	3,738
Net cash flows from operating activities	31,370	22,589
II. Cash flows from (to) investing activities		
II.1. (Acquisitions) of property, plant and equipment and intangible assets	(12,684)	(45,331)
II.2. Proceeds from sales of property, plant and equipment	10	7
II.3. Acquisition of investments in joint venture	(132)	-
II.4. (Acquisition) of held-to maturity investment	-	-
II.5. (Disposal) of held-to-maturity investment	-	-
II.6. Interest received	2	6
II.7. Disposal (acquisition) of other short term investments	-	-
Net cash flows (to) investing activities	(12,804)	(45,318)

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

COMPANY'S CONDENSED FINANCIAL STATEMENTS



AS OF 30 SEPTEMBER 2016

(all amounts are in euro thousand unless stated otherwise)

Statements of cash flows (cont'd)

	30 September 2016 (unaudited)	30 September 2015 (unaudited)
III. Cash flows from (to) financing activities		
III.1. Dividends (paid)	(12,780)	(57,837)
III.2. Proceeds from borrowings	-	138,000
III.3. (Repayments) of borrowings	(32,900)	(39,117)
III.4. Grants received	17,691	59
III.5. Interest (paid)	(502)	(470)
III.6. Other cash flows from (to) financial activities	69	-
Net cash flows from (to) financing activities	(28,422)	40,609
IV. Net increase (decrease) in cash and cash equivalents	(9,856)	17,880
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	17,113	19,594

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

Director General	Saulius Bilys		25 November 2016
Chief Accountant	Dzintra Tamulienė		25 November 2016

COMPANY'S CONDENSED FINANCIAL STATEMENTS

AS OF 30 SEPTEMBER 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 obligations 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 the 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 management of the shareholdings of the electricity and gas transmission system operators of the Republic of Lithuania.

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, instrument AMG1L).

As of 30 September 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.

AB Amber Grid has a single subsidiary, UAB GET Baltic. In the financial statements as of 30 September 2015 and 2016, UAB GET Baltic is accounted for at acquisition cost. 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.

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 September 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.

Company	Company code	Registered address of the company	Stake of shares held as of 30 September 2016	Stake of shares held as of 30 September 2015
UAB GET Baltic	302861178	Savanorių pr. 28, Vilnius	66 %	32 %

According to the exemption clause provisions of Article 6(1) of the Law on Consolidated Financial Statements, 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 do not exceed 5 per cent of the assets of the Company and the sales net income during the reporting year does not exceed 5 percent of the Company's sales net income over the same period.

The condensed financial statements as of 30 September 2016 drawn up by UAB GET Baltic in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and have not been audited.

1 General information (cont'd)

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 allocated to compensate for the installation and fixed operating costs of the Liquefied Natural Gas (hereinafter – the LNG) Terminal, its infrastructure and connector and, as of 2016, for reasonable costs of the designated supplier for the supply of an obligatory quantity of liquefied natural gas.

As of 30 September 2016, the Company was party to 93 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 30 September 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 of 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 Company's condensed financial statements as of 30 September 2016 have been 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 nine months of 2016, the Company earned 76 percent of its revenue from Lithuanian system users and 24 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.

COMPANY'S CONDENSED FINANCIAL STATEMENTS

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(all amounts are in euro thousand unless stated otherwise)

4 Construction in progress

Major objects of construction in progress of the Company as of 30 September 2016 were as follows:

Object	30 September 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	6,204	936
Construction of the gas transmission pipeline section to Tauragė gas transmission station and construction of the gas transmission station	1,259	-
Installation of an intelligent pig launcher and receiver on the Riga-Panevėžys-Vilnius gas transmission pipeline (DN700) on the Lithuanian-Latvian border	-	800
Spatial planning and engineering design services required for the construction of an interconnection of Vilnius-Kaunas and Kaunas-Šakiai gas transmission pipelines	549	544
Introduction of automation into the maintenance of the cathodic protection of gas transmission pipelines	352	-
Modernisation of gas transmission pipeline Line Valve Sites	906	184
Reconstruction of Vilnius yard buildings (Gudelių g. 49, Vilnius)	255	255
Other	541	373
	10,066	3,092

5 Trade receivables

	30 September 2016 (unaudited)	31 December 2015 (audited)
Gas transmission services receivables	5,432	9,417
Other trade receivables	4	34
Less: allowance for the decrease in value of trade receivables	(16)	(16)
	5,420	9,435

The Company's trade receivables from the system users for natural gas transmission as of 30 September 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

	30 September 2016 (unaudited)	31 December 2015 (audited)
LNG terminal funds receivable (administered by the Company)	10,858	9,473
Other receivables	2,642	18,093
Less: allowance for the decrease in value of other receivables	-	-
	13,500	27,566

The LNG terminal funds receivable include the overdue amount of EUR 3,632 thousand, of which AB Achema's debt is EUR 2,354 thousand and the debt of UAB Kauno termofikacinė elektrinė is EUR 270 thousand. For more information about AB Achema's liabilities see Note 17 'Commitments and contingencies'.

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(all amounts are in euro thousand unless stated otherwise)

7 Other financial assets

Acting in accordance with provisions of Article 5(2) of the Republic of Lithuania Law on Liquefied Natural Gas Terminal, the Company performs the functions of an administrator of the Liquefied Natural Gas Terminal. The administration of the LNG terminal funds is performed in accordance with the Description of procedures for the administration of funds allocated to cover the installation costs and fixed operating costs of the Liquefied Natural Gas Terminal Facility, its infrastructure and connector as approved by the NCC Resolution No. O3-294 as of 9 October 2012 as subsequently amended (the title was changed by the NCC Resolution No. O3-750 of 23 December 2013 effective from 1 January 2014).

As of 30 September 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) (hereinafter referred to as LNGT funds). These funds have been received from system users, are kept in a separate bank account for LNG terminal funds opened in compliance with legislative requirements and are designated to be paid out to the beneficiaries of LNG terminal funds. As prescribed by the NCC Resolution No. O3-683 as of 23 December 2015, Resolution No. O3-83 of 25 March 2016 and Resolution No. O3-121 of 13 May 2016, the amounts collected in 2016 are remitted to the designated payees of the LNG terminal funds, AB Klaipėdos Nafta and UAB Litgas.

8 Cash and cash equivalents

	30 September 2016 (unaudited)	31 December 2015 (audited)
Cash at bank	17,113	26,969
	17,113	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 Company had no overnight deposit contracts as of 30 September 2016.

9 Loans

	30 September 2016 (unaudited)	31 December 2015 (audited)
Long-term loans		
Loans from credit institutions of Lithuania	68,667	87,889
Loan from international financial institutions	25,000	25,000
Short-term loans		
Short-term loans	-	-
Current portion of long-term loans	11,444	25,111
Leasing	-	10
	105,111	138,010

In September of 2016, the Company repaid prior to maturity part (EUR 11,444 thousand) of its loan to Swedbank, AB. After this repayment, the outstanding loan to Swedbank, AB amounts to EUR 80,111 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 in September 2015. The loan is intended for the financing of the Project 'Capacity enhancement of Klaipėda-Kiemėnai gas pipeline (Construction of Klaipėda-Kuršėnai pipeline)'.

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 30 September 2016, the loan had not been used. The loan is intended for the financing of the construction under the

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(all amounts are in euro thousand unless stated otherwise)

9 Loans (cont'd)

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	-	2,215	16	2,231
Written off	-	(7)	-	(7)
Depreciation/amortisation	(26)	(1,449)	(16)	(1,491)
Balance as at 30 September 2016	1,543	62,075	-	63,618

In the profit (loss) statement, the depreciation of the asset-related grants, amounting to EUR 1,449 thousand (over the period of 9 months ended 30 September 2015: EUR 1,003 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 30 September 2016, the Company had calculated a corporate income tax relief amounting to EUR 1,405 thousand (as at 30 September 2015: EUR 646 thousand).

12 Trade payables

	30 September 2016 (unaudited)	31 December 2015 (audited)
Payables to suppliers under investment programme (new construction)	1,500	5,142
Payables to suppliers under investment programme (reconstruction and modernisation)	713	1,182
Payables to service providers	585	870
Payables to repair service suppliers for non-current assets	284	470
Payables to natural gas suppliers	519	898
	3,601	8,562

The decrease in trade payables as at 30 September 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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(all amounts are in euro thousand unless stated otherwise)

13 Other payables and current liabilities

	30 September 2016 (unaudited)	31 December 2015 (audited)
Payable LNG terminal funds for administration by Company	6,833	25,794
Accrued LNG terminal funds subject to administration*	4,457	15,316
Real Estate Tax payable	-	386
Value Added Tax (VAT) payable	-	-
Other payables	353	289
	11,643	41,785

*Accrued LNG terminal 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 LNG terminal 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's net profit 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:

	30 September 2016 (unaudited)	30 September 2015 (unaudited)
Net profit (loss) attributable to the shareholders (EUR thousand)	14,305	8,402
Weighted average number of shares (thousand)	178,383	178,383
Earnings (loss) per share (EUR)	0.08	0.05

15 Dividends

On 26 April 2016, the Annual General Shareholders' Meeting, when approving the Company's 2015 profit appropriation, passed a decision to pay the Company's shareholders dividends in the amount of EUR 12,782 thousand (or EUR 0.07 per ordinary registered share with part value of EUR 0.29) for the year 2015.

16 Revenue

	For the period of three months ended 30 September 2016 (unaudited)	For the period of three months ended 30 September 2015 (unaudited)	For the period of nine months ended 30 September 2016 (unaudited)	For the period of nine months ended 30 September 2015 (unaudited)
Income from natural gas transmission in the territory of Lithuania	11,468	10,178	41,370	36,011
Income from balancing services in the transmission system	1,553	240	5,428	1,527
Grants recognised as income	14	77	42	168
Income from LNG terminal fund administration	36	37	108	109
Other income	17	13	44	36
	13,088	10,545	46,992	37,851

17 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-related price component (funds)) 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-related price 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. awarded the full debt amount claimed (EUR 11,073 thousand) plus procedural interest, but reduced the awarded penalties from 0.04 to 0.02%. By its decision of 2 July 2015, the Lithuanian Court of Appeal satisfied the claim of AB Amber Grid, i.e. awarded the full amount of EUR 11,073 thousand of the debt claimed for the period from January to the end of August 2013, plus procedural interest and penalties of EUR 489 thousand. On 9 July 2015 AB Achema, excuted the said court decision and repaid EUR 12,953 thousand to AB Amber Grid. On 6 January 2016, the case was heard at the Supreme Court of Lithuania. On 5 February 2015, 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, procedural interest and litigation costs amounting to almost EUR 20 thousand.

2. On 7 March 2014, AB Amber Grid submitted a statement of claim to Kaunas Regional Court requesting to award 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, as well as penalties on late payment of the LNG terminal component for the aforesaid period. On 16 March 2015, AB Amber Grid applied to Kaunas Regional Court with a new statement of claim, whereby it requested to award 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 joined the two cases, on 29 September 2015, Kaunas Regional Court satisfied in full the claim of AB Amber Grid and awarded from AB Achema the debt of EUR 3,188 thousand for the period from 1 September 2013 to 31 December 2013, plus late payment penalty of EUR 545 thousand, plus procedural interest, as well as the debt of EUR 14,721 thousand for the period from 3 December 2014 to 30 April 2015, late payment penalty in the amount of EUR 305 thousand plus procedural interest. AB Achema appealed against the aforesaid court decision. The Court of Appeal of Lithuania upheld the decision of the court of first instance on 8 June 2016. On 9 August 2016 the Supreme Court of Lithuania accepted a cassation appeal. The Supreme Court of Lithuania has not completed the examination of the case yet.

3. On 19 November 2012, AB Achema applied to Vilnius Regional Administrative Court requesting to revoke paragraphs 3.1 and 4 of the Commission's Resolution No 03-317 of 19 October 2012 'On the establishment of funds intended to compensate for all or part of the construction and operating costs of the liquefied natural gas terminal, its infrastructure and connector for the year 2013', and to revoke paragraph 2 of the Commission's Resolution No 03-330 of 26 October 2012 'On adjustment of the price caps for natural gas transmission and distribution of AB Lietuvos Dujos and establishment of the additional component to be included in the natural gas transmission price cap (the LNG terminal component) for the year 2013'. AB Amber Grid is involved in the proceedings as a third party concerned. On 28 May 2015, Vilnius Regional Court rejected the claim of AB Achema in its entirety. AB Achema filed an appeal. The case has been adjudged, the verdict is due on 24 October 2016, 16:00 h.

4. On 22 December 2014, AB Achema applied to Vilnius Regional Administrative Court requesting to revoke 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 concerned. On 11 November 2015, the court suspended the proceedings by its ruling. A separate appeal was filed.

5. On 22 January 2016, AB Achema appealed to the Vilnius Regional Administrative Court requesting to annul paragraph 1 of the Commission's Resolution No 03-683 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'. By a court ruling of

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AS OF 30 SEPTEMBER 2016

(all amounts are in euro thousand unless stated otherwise)

17 Commitments and contingencies (cont'd)

9 March 2016, AB Amber Grid was involved in the proceedings as a third party concerned. The parties submitted their responses. A hearing was assigned for 10 November 2016, 10:00 h.

6. On 18 April 2016, AB Achema applied to Vilnius Regional Court requesting to revoke paragraph 1 of the Commission's Resolution No O3-83 of 25 March 2016 'On the setting of an additional natural gas supply security-related price component to be included in the natural gas transmission price'. By a court ruling of 2 May 2016, AB Amber Grid was involved in the proceedings as a third party concerned. The parties submitted their responses. The hearing has not been assigned yet.

7. On 18 August 2016, AB Amber Grid filed a lawsuit with Kaunas Regional Court requesting to adjudge from AB Achema debt amounting to EUR 2,430 thousand of the LNGT-funds under the natural gas transmission service contracts of 2012 and 2014. The parties were assigned a deadline for the submission of responses.

18 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 in making financial and operating decisions.

As of 30 September 2016 and as of 30 September 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);
- AB LITGRID (co-shareholders);
- UAB Baltpool (a subsidiary of UAB EPSO-G);
- UAB Tetas (a subsidiary of AB LITGRID);
- UAB LITGRID Power Link Service (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 AB LITGRID 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 30 September 2016 and as of 30 September 2015.

As of 30 September 2016 (unaudited)	Acquisitions	Sales	Accounts receivable	Accounts payable
UAB GET Baltic	133	5	1	-
	133	5	1	-
As of 31 September 2015 (unaudited)	Acquisitions	Sales	Accounts receivable	Accounts payable
UAB GET Baltic	-	5	1	-
	-	5	1	-

There were no guarantees either provided or received for receivables from the related parties or for payables to them. As at 30 September 2016, the Company had not accounted any impairment loss allowances for receivables from any related parties.

Benefits to the Management

During the period of 9 months ended 30 September 2016, the Company's benefits to the Management of the Company amounted to EUR 294 thousand (during the period of 9 months ended 30 September 2015: EUR 282 thousand). The Company's Management consists of the Chief Executive Officer and his Deputies. The Management of the Company were not given any loans or guarantees and were not subject to any asset transfers.

19 Subsequent events

AB Klaipėdos Nafta's transfer of 3 October 2016 of all its shareholding at UAB LITGAS to UAB Lietuvos Energija resulted in the implementation of the National Commission for Energy Control and Prices Resolution No O3-242 of 10 April 2015, whereby the Company was designated a Transmission System Operator with a proviso that the Ministry of Energy of the Republic of Lithuania would undertake actions required for the transfer of UAB LITGAS shares held by AB Klaipėdos Nafta to a company free from either direct or indirect control of the Ministry of Energy of the Republic of Lithuania.

In October of 2016, the Government of the Republic of Lithuania, having taken into account Polish Ministry of Energy's notification of the postponement of the date of the implementation of the part of the project for gas interconnection between Poland and Lithuania (GIPL) in the territory of Republic of Poland, adopted a resolution to extend the deadline for the implementation of the GIPL project part in the territory of the Republic of Lithuania until 31 December 2021.

On 4 October 2016, the Company terminated the previously announced tenders for the gas pipeline construction and for the procurement of pipes.