



„FINASTA BALTIC FUND“

I. GENERAL INFORMATION

1. „Finasta Baltic Fund“ information

Name	„Finasta Baltic Fund“
Date of Securities Commission agreement on establishment of the collective investment undertaking (CIU)	December 8, 2005

2. Reporting period covered by this report:

January 1, 2015 – June 30, 2015

3. Information about the Management company:

Name	INVL Asset Management, UAB
Company code	126263073
Headquarters (address)	Maironio st. 11, LT-01124 Vilnius
Telephone number	(8-700) 55 959
Fax number	
Email address	info@invl.com
Website	www.invl.com
Business license number	VJK-005
Managers and other decision makers of the collective investment undertaking	Vytautas Plunksnis, member of the board of directors; Arturs Miezis, asset manager Finasta Asset Management (Latvia); Tomas Krakauskas, Deputy General Director and head of Portfolio management department.

4. Custodian information:

Name	SEB bank, AB
Business code	112021238
Headquarters (address)	Gedimino av. 12, LT-01103 Vilnius
Telephone number	(8~5) 268 28 00
Fax number	(8~5) 268 23 33

II. NET ASSETS, VALUES AND QUANTITY OF INVESTMENT UNITS (STOCKS)

5. Quantity and value of net assets and investment units (stocks):

	At the beginning of reporting period (2015-01-01)	At the end of reporting period (2015-06-30)	Year before (2014-06-30)	2 years before (2013-06-30)
Value of net assets, Eur	2.057.464,8200	1.894.153,0800	2.518.996,1500	2.228.238,1400
Value of investment unit (stock), Eur	24,0199	26,4612	25,8865	25,8039
Number of investment units (stock) outstanding	85.656,543743	71.582,345358	97.309,393545	86.352,898935

6. Number of distributed and redeemed investment units or stocks, total sum of conversion:

	Number of investment units	Net value, Eur
Distributed (by converting monetary funds into investment units)	3.723,810406	97.023,92
Redeemed (by converting investment units into monetary funds)	17.798,0088	472.335,34

III. EXPENSE AND TURNOVER INDICES OF COLLECTIVE INVESTMENT UNDERTAKING

7. Deductions from the collective investment undertaking assets:

Deductions	Fee ratio		Fee amount calculated over the reporting period, Eur	% of the average net assets value over the reporting period
	Maximum as specified in foundation documents	Applied during the reporting period		
Management fee				
<i>Fixed fee</i>	2% average annual net assets	2% of average annual net assets	19.916,74	0.97
<i>Performance fee</i>	Not applied	Not applied	-	-
For the depository	Maximum 0.25% of average annual net assets	0.25% of average annual net assets	1.368,38	0.07
Transactions' expenses	Maximum 1% of net value of agreements	Maximum 1% of net value of agreements	1.105,98	0.05
Other expenses (distribution fee)	2% of fund unit value	2% of fund unit value	38,43	-
For audit	Maximum 0.5% of average annual value of net assets	Maximum 0.5% of average annual value of net assets	-	-
Other expenses (third party fees for custody services by other financial institutions)	According to custody fees provided by custodian	According to custody fees provided by custodian	1.881,46	0,09
Other expenses (bank services)			-	-
Remuneration to bank for accounting of participants	Maximum 0.5% of average annual value of net assets	Maximum 0.5% of average annual value of net assets	26,45	-
Other operating expenses (fees to market maker, quotation expenses and occasional expenses)			629,50	0,03
Other expenses (legal expenses)	Maximum 1% of average annual value of composite fund net assets	Maximum 1% of average annual value of composite fund net assets	-	-
Total expenses			26.357,01	

8. Intermediary fees:

Name of intermediary	Description of services provided	Remuneration for services, Eur (2015-06-30)	Remuneration for services, Eur (2014-06-30)	Intermediary's connection with the Management Company
AB bank „Finasta“	Commission fee for intermediation in securities transactions	911,07	1.503,42	The supervisory person of the Management Company and the intermediary supervisory person is one and the same
SEB bank, AB	Commission fee for intermediation in securities transactions	194,91	-	SEB bank, AB is the depository of the fund managed by Management Company since 2014-07-01
Swedbank, AB	Commission fee for intermediation in securities transactions	-	535,78	Swedbank, AB was the depository of the fund managed by Management Company until 2014-06-30
Total		1.105,98	2.039,20	

9. Information on all existing agreements on hidden commission fees and sharing of payments:

Within reporting period management company has not formed any formal or informal agreements on sharing of payments. No hidden commission fees were applied

10. Example of subtractions influence on investor's return on investment:

Information is provided on the annual report.

IV. INFORMATION ABOUT PORTFOLIO OF INVESTMENT INSTRUMENTS OF COLLECTIVE INVESTMENT UNDERTAKING

11. Investment portfolio composition at the end of reporting period:

Issuer name	Country	ISIN Code	Quantity, units	Total nominal value	Total acquisition value	Total market value	Market, according to which data the market value has been established (website)	Vote share of the issuer, %	Share of NA, %
Equity securities, included in official or other corresponding equity list									
City Service AS	LT	LT0000127375	52.065	15.098,85	89.127,23	83.876,72	www.nasdaqomxbaltic.com	0,1647	4,43
Apranga APB	LT	LT0000102337	30.721	18.432,60	79.386,07	83.376,79	www.nasdaqomxbaltic.com	0,0556	4,4
Vilkyskiu Pienine AB	LT	LT0000127508	45.311	13.140,19	63.657,20	85.637,79	www.nasdaqomxbaltic.com	0,3794	4,52
Siauliu Bankas AB	LT	LT0000102253	385.384	111.761,36	100.455,57	110.990,59	www.nasdaqomxbaltic.com	0,1641	5,86
Rokiskio Suris AB	LT	LT0000100372	64.112	18.592,48	97.899,87	92.321,28	www.nasdaqomxbaltic.com	0,1787	4,87
Linas Agro Group AB	LT	LT0000128092	132.508	38.427,32	94.215,54	90.635,47	www.nasdaqomxbaltic.com	0,0834	4,79
Grigiskes AB	LT	LT0000102030	138.854	138.854,00	90.531,66	161.209,49	www.nasdaqomxbaltic.com	0,2113	8,51
LESTO AB	LT	LT0000128449	86.259	25.015,11	78.504,45	82.291,09	www.nasdaqomxbaltic.com	0,0143	4,34
Silvano Fashion Group AS	EE	EE3100001751	57.982	17.394,60	97.802,94	76.304,31	www.nasdaqomxbaltic.com	0,1487	4,03
Tallink Grupp AS	EE	EE3100004466	94.942	56.965,20	81.992,09	68.927,89	www.nasdaqomxbaltic.com	0,0141	3,64
Grindeks AS	LV	LV0000100659	12.704	12.704,00	114.436,18	71.752,19	www.nasdaqomxbaltic.com	0,1325	3,79
Merko Ehitus AS	EE	EE3100098328	6.820	0,00	47.141,87	57.274,36	www.nasdaqomxbaltic.com	0,0385	3,02
Nordecon AS	EE	EE3100039496	40.701	0,00	46.763,33	42.736,05	www.nasdaqomxbaltic.com	0,1323	2,26
Olainfarm AS	LV	LV0000100501	22.069	30.896,60	157.127,96	177.655,45	www.nasdaqomxbaltic.com	0,1567	9,38
Olympic Entertainment Group AS	EE	EE3100084021	66.844	668.440,00	127.231,44	123.394,02	www.nasdaqomxbaltic.com	0,0442	6,51
Tallinna Kaubamaja Grupp AS	EE	EE0000001105	14.668	8.800,80	79.284,15	88.081,34	www.nasdaqomxbaltic.com	0,036	4,66
Total:			1.251.944		1.445.557,54	1.496.464,83			79,01
Equity securities, included in secondary or other corresponding equity list									
Klaipedos Nafta AB	LT	LT0000111650	384.557	111.521,53	126.288,55	145.747,10	www.nasdaqomxbaltic.com	0,101	7,69
Latvijas Gaze AB	LV	LV0000100899	8.984	12.577,60	84.841,86	89.408,77	www.nasdaqomxbaltic.com	0,0225	4,72
Valmieras Stikla Skiedra AS	LV	LV0000100485	20.200	20.200,00	63.428,00	75.709,60	www.nasdaqomxbaltic.com	0,0845	4
Total:			413.741		274.558,41	310.865,47			16,41
Equity securities traded in other regulated markets									
Total:									
New emissions of equity securities									
Total:									
Total of equity securities:			1.665.685		1.720.115,96	1.807.330,30			95,42

„FINASTA BALTIC FUND“ SEMI-ANNUAL REPORT JANUARY – JUNE 2015

Issuer name	Country	ISIN Code	Quantity, units	Total nominal value	Total acquisition value	Total market value	Interest rate	Maturity/conversion date	Share of NA, %
Non-equity securities, included in official or other corresponding equity list									
Total:									
Non-equity securities, included in secondary or other corresponding equity list									
Total:									
Non-equity securities traded in other regulated markets									
Total:									
New emissions of non-equity securities									
Total:									
Total of non-equity securities:									

CIU name	Country	ISIN Code	Quantity, units	Manager	Total acquisition value	Total market value	Market, according to which data the market value has been established (website)	CIU type*	Share of NA, %
CIU items (shares) following requirements of Article 61 (1) of the Law on Collective Investment Undertakings									
Total:									
Units (stocks) of other CIUs									
Total:									
Total of CIU units (stocks):									

* CIU 1 – Collective investment undertaking, which according to its strategy invests up to 100% of net assets into non-equity securities;
 CIU 2 – Collective investment undertaking, which applies mixed (balanced) investment strategy;
 CIU 3 – Collective investment undertaking, which according to its strategy invests up to 100% of net assets into non-equity securities;
 CIU 4 – Collective investment undertaking, which according to its strategy invests up to 100% of net assets into money market instruments;
 CIU 5 – Collective investment undertakings of other types (alternative investment, private capital, real estate, commodities and etc.).

Issuer name	Country	Instrument name	Quantity, units	Currency	Total market value	Interest rate	Termination date	Share of NA, %
Money market instruments traded in regulated markets								
Total:								
Other money market instruments								
Total:								
Total of money market instruments:								

Credit institution name	Country	Currency	Total market value	Interest rate	Termination of the deposit period	Share of NA, %
Deposits in credit institutions						
Total deposits in credit institutions:						

„FINASTA BALTIC FUND“ SEMI-ANNUAL REPORT JANUARY – JUNE 2015

Instrument name	Issuer	Country	Other part of the transaction	Currency	Investment transaction	Transaction value	Total market value	Market name (website)	Termination date	Share of NA, %
Derivative financial instruments which are traded in regulated markets										
Total:										
Other derivative financial instruments										
Total:										
Total of derivative financial instruments:										

Name of the bank	Currency	Total market value	Interest rate	Share of Net Assets, %
Money				
AB SEB bank	EUR	89.208,88	-	4,71
Total of money:		89.208,88		4,71

Name	Brief description	Total value	Purpose	Share of Net Assets, %
Other instruments, not mentioned in CIU regulations article 57.1				
Receivables		1.786,39		0,09
Payables		(4.172,49)		(0,22)
Total:		(2.386,10)		(0,13)

12. Distribution of investments according to investment strategies in compliance of set criteria:

According to investment object

Distribution of investments	Market value	% of assets	Market value at the beginning of reporting period	% of assets at the beginning of reporting period
Stocks	1.807.330,30	95,42	1.986.158,61	96,53
Government bonds	-	-	-	-
Corporate bonds	-	-	-	-
CIUs (Collective Investment Undertakings)	-	-	-	-
Money market instruments	-	-	-	-
Deposits	-	-	-	-
Derivative financial instruments	-	-	-	-
Money in credit institutions	89.208,88	4,71	76.330,01	3,71
Other instruments	-	-	-	-
Total:	1.896.539,18	100,13	2.062.488,62	100,24

According to sector

Distribution of investments	Market value	% of assets	Market value at the beginning of reporting period	% of assets at the beginning of reporting period
Telecommunications	-	-	-	-
Health care	249.407,64	13,17	233.877,14	11,37
Optional consumer goods and services	352.003,01	18,58	417.422,76	20,29
Daily consumer goods and services	266.040,41	14,05	384.132,82	18,67
Financial services	110.990,59	5,86	97.784,09	4,75
IT	-	-	-	-
Industrial materials	175.720,01	9,28	145.567,79	7,08
Utility goods and services	256.803,28	13,56	390.065,93	18,96
Energy	235.155,87	12,41	164.963,16	8,02
Materials	161.209,49	8,51	152.344,92	7,40
CIU (Collective Investment Undertakings)	-	-	-	-
Derivative investment instruments	-	-	-	-
Government Bonds	-	-	-	-
Total:	1.807.330,30	95,42	1.986.158,61	96,54

According to currencies

Distribution of investments	Market value	% of assets	Market value at the beginning of reporting period	% of assets at the beginning of reporting period
Lithuanian Litas	-	-	20.535,82	1,00
Euro	1.896.539,18	100,13	2.041.952,80	99,25
Total:	1.896.539,18	100,13	2.062.488,62	100,25

12. Distribution of investments according to investment strategies in compliance of set criteria (continued)

According to geographical zone

Distribution of investments	Market value	% of assets	Market value at the beginning of reporting period	% of assets at the beginning of reporting period
Lithuania	1.025.295,20	54,14	1.143.012,77	55,55
Latvia	414.526,01	21,88	352.726,62	17,14
Estonia	456.717,97	24,11	566.749,23	27,55
Total:	1.896.539,18	100,13	2.062.488,62	100,24

According to the type of issuer

Distribution of investments	Market value	% of assets	Market value at the beginning of reporting period	% of assets at the beginning of reporting period
Government of the Republic of Lithuania	-	-	-	-
Governments of other countries	-	-	-	-
Companies registered in the Republic of Lithuania	936.086,32	49,42	1.066.682,76	51,84
Companies registered in other countries	871.243,98	46	919.475,85	44,69
CIUs registered in the Republic of Lithuania	-	-	-	-
CIUs registered in other countries	-	-	-	-
Other	-	-	-	-
Total:	1.807.330,30	95,42	1.986.158,61	96,53

13. Following transactions were completed within the reporting period, except transactions specified in point 11 of this report:

Within reporting period there were no executions of such transactions.

14. Types of financial instruments and related risks, quantitative boundaries and methods used to evaluate risk related to derivative financial instruments indicated in point 11 of the appendix. Methods that can be used to hedge investment position against risk using derivative financial instruments:

Within reporting period there were no executions of transactions involving derivative investment instruments.

15. Gross value of liabilities arising from the use of derivative financial instruments:

Within reporting period there were no completions of transactions involving derivative investment instruments. Therefore, there were no liabilities related to use of derivative financial instruments.

16. Risk, related to derivative investment instruments taken by financed collective investment entity:

16.1. The sum of the direct potential risk extent of the feeder collective investment undertaking and the actual derivative financial instruments risk of the master collective investment undertaking that is proportional to the feeder collective investment undertaking investments to the master undertaking:

The collective investment undertaking is a non-master investment undertaking.

16.2. The sum of the direct potential risk extent of the feeder collective investment undertaking and the extent of potential maximum risk that was taken by the master collective investment undertaking according to transactions on derivative financial instruments and that was determined in the founding documents of the master collective investment undertaking and that is proportional to the feeder collective investment undertaking investments to the master undertaking:

The collective investment undertaking is a non-master investment undertaking.

17. Identify factors within reporting period that had most significant impact on investment portfolio structure and changes in its value:

Investment portfolio of the fund is in compliance with its investment strategy.

Investment strategy principal to invest from 50 to 100 per cent of fund net assets into companies listed on Lithuanian, Latvian and Estonian stock exchanges was maintained.

In the first half of 2015 fund assets were mostly allocated within consumer goods and services, utility goods and services and health care sectors on Vilnius, Tallinn and Riga stock exchanges.

18. Identify factors within reporting period that had most significant impact on investment portfolio structure and changes in its value:

Fluctuations of stock and commodity prices had the greatest impact on investment portfolio value changes.

V. RETURN ON INVESTMENTS AND RISK INDICATORS OF THE COLLECTIVE INVESTMENT UNDERTAKING

19. Benchmark index (if selected) and its brief description:

Information is provided in the annual report.

20. Change in unit (share) value for the same period, change in annual return (gross and net) on investments, and change in value of benchmark index (if selected), and other indicators over the last 10 years of the fund's operation:

Information is provided in the annual report.

21. Average return on investments, average change in value of investment unit and average change in value of benchmark index (if selected) over the last three, five, ten years (average net return on investments, average change in unit value and average change in value of benchmark index are calculated as a geometric mean of annual changes in net return on investments, annual changes in unit value and annual changes in value of benchmark index, respectively):

Information is provided in the annual report.

22. Other indicators revealing the risks pertaining to the investment portfolio:

Information is provided in the annual report.

VI. FINANCIAL POSITION OF COLLECTIVE INVESTMENT UNDERTAKING

23. Financial statements of collective investment undertaking are in compliance with legal requirements determined by legal acts of Republic of Lithuania.

23.1. Statement of financial position:

No.	Assets	Note No.	Financial year (2015-06-30)	Previous financial year (2014-12-31)
A.	ASSETS		1.898.325,57	2.062.488,62
I.	CASH		89.426,67	76.330,01
II.	TERM DEPOSITS		-	-
III.	MONEY MARKET INSTRUMENTS		-	-
III.1.	Treasury bills		-	-
III.2.	Other money market instruments		-	-
IV.	TRANSFERABLE SECURITIES		1.807.330,30	1.986.159
IV.1.	Non-equity securities		-	-
IV.1.1.	Governments and central banks or non-equity securities guaranteed by them		-	-
IV.1.2.	Other non-equity securities		-	-
IV.2.	Equity securities		1.807.330,30	1.986.159
IV.3.	Investment instruments and shares of other collective investment undertakings		-	-
V.	ACCOUNTS RECEIVABLE		1.568,60	-
V.1.	Receivable accounts from sale of investment transactions		-	-
V.2.	Other receivable accounts		1.568,60	-
VI.	INVESTMENT AND OTHER PROPERTY		-	-
VI.1.	Investment assets		-	-
VI.2.	Derivative financial instruments		-	-
VI.3.	Other assets		-	-
B.	LIABILITIES		4.172,49	5.023,80
I.	Financial and investment asset purchase liabilities		-	-
II.	Liabilities to credit institutions		-	-
III.	Liabilities from contracts for derivative financial instruments		-	-
VI.	Accounts payable to the Management Company and the depository		3.833,51	4.120,78
V.	Other payable accounts and liabilities		338,98	903
C.	NET ASSETS		1.894.153,08	2.057.464,82

23.2. Statement of changes in net assets:

No.	Articles	Note No.	Financial year (2015-06-30)	Previous financial year (2014-06-30)
I.	NET ASSETS VALUE AT THE START OF THE REPORTING PERIOD		2.057.464,82	2.078.236,50
II.	INCREASE OF THE NET ASSET VALUE			
II.1.	Members' contributions to the fund		97.062,35	593.616,84
II.2.	Amounts received from other funds		-	344.131,79
II.3.	Margins		-	-
II.4.	Interest income		-	-
II.5.	Dividends		40.001,81	40.930,64
II.6.	Profit on change in value of investments and sales		430.718,43	604.063,30
II.7.	Profit on change in foreign exchange rate		6.684,40	7.217,66
II.8.	Profit from derivative financial instrument transactions		-	-
II.9.	Other increases in net asset value		-	-
	TOTAL INCREASE:		574.467	1.589.960,24
III.	DECREASE IN NET ASSETS VALUE			
III.1.	Allowances for the fund's members		472.335,34	514.409,20
III.2.	Allowances for other funds		-	-
III.3.	Losses on changes in value of investments and sales		239.086,38	604.125,85
III.4.	Losses on changes in foreign exchange rate		0,01	52,17
III.5.	Losses from derivative financial instrument transactions		-	-
III.6.	Management costs:		26.357,01	30.613,37
III.6.1.	Salary for the Management Company		19.955,18	22.521,40
III.6.2.	Salary for depository		1.368,38	977,90
III.6.3.	Salary for intermediaries		1.105,98	2.039,20
III.6.4.	Audit costs		1.881,46	1.897,20
III.6.5.	Other expenses		2.046,01	3.177,67
III.7.	Other decreases in net asset value		-	-
III.8.	Cost reimbursement (-)		-	-
III.9.	Distribution of profit		-	-
	TOTAL DECREASE:		737.778,73	1.149.200,58
IV.	NET ASSETS VALUE AT THE END OF THE REPORTING PERIOD		1.894.153,08	2.518.996,15

24.3. Explanatory Notes:

24.3.1. General information:

Information about the collective investment undertaking

Name	„Finasta“ Baltic Fund
Legal form	Open-ended harmonized investment fund
Date on which the Securities Commission approved the documents on the formation of the collective investment undertaking	8 December, 2005
Duration of operation	Unlimited
Location	Vilnius

Details of the management company

Name	INVL Asset Management, UAB
Company code	126263073
Office address	Maironio st. 11, LT-01124 Vilnius
Telephone number	(8-700) 55 959
Fax number	
Email address	info@invl.com
Website address	www.invl.com
License No	VJK-005
Managers and other decision makers of the collective investment undertaking	Vytautas Plunksnis, member of the board of directors; Arturs Miezis, asset manager Finasta Asset Management (Latvia); Tomas Krakauskas, Deputy General Director and head of Portfolio management department.

Details of the depository

Name	SEB bank, AB
Business code	112021238
Office address	Gedimino av. 12, LT-01103 Vilnius
Telephone number	(8~5) 268 28 00
Fax number	(8~5) 268 23 33

Details of the audit company engaged to audit the annual financial statements

Name	PricewaterhouseCoopers UAB
Company code	111473315
Office address	J.Jasinskio 16B, LT-03163 Vilnius
Telephone number	(8~5) 239 2300

Reporting period

From 1 January 2015 to 30 June 2015

24.3.2. Accounting policy:

Legislation used in the preparation of the financial statements

The financial reports were prepared in accordance with the following legal acts:

- Law on Accounting of the Republic of Lithuania;
- Law on Financial Statements of Entities of the Republic of Lithuania;
- Law on Collective Investment Undertaking of the Republic of Lithuania;
- Business Accounting Standards of the Republic of Lithuania.

The Fund's assets are denominated in euros, so investments could be made in different foreign currencies. The Management Company plans to use derivative financial instruments to avoid losses due to adverse effects of exchange rate fluctuations.

The Fund financial year is the calendar year. The Fund's financial statements are prepared within four months of the end of the financial year.

The Management Company keeps accounts and all amounts in these financial statements provides in the official currency of Republic of Lithuania – euro. Since 1 January 2015 Lithuania became the full-fledged member of the Eurozone and now uses the euro as the official currency.

Financial goals and their description

The fund makes investments in shares quoted on Baltic stock exchanges, or actively operating in the Baltic countries, to ensure maximum growth on assets to the fund's participants, given medium and higher risk levels.

Investment policy

Investment trends: the primary investment trend of the fund is focused on equity securities (shares) of companies developing their businesses in the Baltic countries (Lithuania, Latvia and Estonia).

Investment specialization: The Fund will limit its operations in the Baltic and Nordic countries in a geographical zone, investing only in the Republic of Lithuania and in the countries which are referred in paragraph 27 of this Prospectus. There is no Fund specialization in industry or investment style.

Investment objects: the exchange-traded shares of companies in Lithuania, Latvia and Estonia investing at least 50 per cent of the Fund's net assets. The remainder of the Fund's net assets may be invested in companies conducting a significant part of its operations in the Baltic countries, the shares which are listed on other markets referred to in paragraph 27 of this Prospectus, as well as other investment instruments referred to in paragraph 3.2 of the Rules of the Fund. The Fund's assets may be invested in other collective investment entities that invest in the Baltic States, units. Shares of the Fund invested in units of other collective investment undertaking may not exceed 20 percent of the Fund's net assets. For the purpose of maintaining the liquidity of the investment of the Fund's assets may be invested in government and corporate debt securities. Shares of the Fund are invested in corporate debt securities may not exceed 25 per cent of the Fund's net assets. Share in the Fund assets may be held in cash or invested in money market instruments in order to reduce the Fund's risk of market fluctuations or while waiting for a favorable opportunity to acquire the shares.

The Fund's assets are invested in highly liquid securities. The probability that a significant change in the Fund's net asset value changes only when there is large market fluctuations.

The Fund will focus on long-term investments. The Fund's portfolio management approach is based on an identification the exciting sector of the economy and corporate. Fund managers to actively evaluate and implement new investment ideas.

Managing the assets of the Fund Management Company may charge a short-term (up to 3 months) loans, which can be up to 10 percent of the Fund's net asset value. Loans can be taken if it is necessary to maintain liquidity. This does not mean prohibition to borrow a foreign currency for the purchase of transferable securities or money market instruments, if the repayment of the loan to the lender passed at least the amount of the other currency.

The fund's portfolio structure is in line with the general rules and restrictions defined in the legal acts.

Profile of a typical investor

The fund is suitable for investors with only minor experience of investing in securities. The recommended term to maturity of investments is more than three years. In terms of risk tolerance, the fund's investors are individuals willing to accept medium to high risk levels.

Investment risk and risk management

Specific risk:

Specific risk is a risk of change in the price of securities included in the fund's investment portfolio due to factors pertaining to the issuer of these securities. To minimize this risk, the fund's investment portfolio is diversified, with investments also made in equity securities of companies from different industry sectors.

Market liquidity risk:

Due to a relatively small size of capital market in Lithuania and some other countries, the fund may incur losses in case of urgent necessity to sell the securities previously acquired. To minimize this risk, the fund's assets are invested in securities with the highest possible liquidity, however, without prejudice to potential long-term investment results of the fund. The fund's investments in highly liquid securities account for no more than 50% of the fund's total assets.

Market volatility risk:

Market volatility risk is a key risk that affects the entities operating in this industry sector, with direct impact on changes in the value of the fund's investment portfolio. Falls and rises may be observed in securities market. To protect against sudden fluctuations in the market, the fund strives to make long-term investments in securities with good prospects. Still there exists a probability of adverse macroeconomic changes that may affect the entire securities market.

Operating risk:

There is a risk that in the event of a sudden increase in the number of applications for the redemption of the fund's units, the fund will not be able to make settlements with the fund's participants in due time. To mitigate this risk, the fund strives to invest in securities with the highest possible liquidity.

Foreign exchange risk:

There is a risk that the value of investments may decline due to unfavorable fluctuations in exchange rates. The foreign exchange effect on the fund's net asset value is at a minimal level since the fund's assets are mostly invested in the countries in which the euro is in circulation or whose national currencies are pegged to the euro. The fund does not apply any maximum or minimum limitations on investments in securities denominated in specific currencies.

Inflation risk:

The real appreciation of the fund's assets may appear to be lower due to inflation. Moreover, inflation has direct impact on changes in interest rates, which in turn affect the value of the fund's investment portfolio. Historically, investments in equity securities have provided adequate protection against inflation.

Interest rate risk:

The changes in interest rates may have direct impact on the value of securities included in the fund's investment portfolio. Since shares account for the major portion of the fund's investment portfolio, direct impact of this risk on return on investments of the fund will be at a minimal level. The fund makes no forecasts of and does not manage interest rate risk.

Counterparty and settlement risk:

There is a risk to incur losses due to the counterparty's default on fulfilment of financial obligations. To minimize this risk, the fund seeks to transact only with those reliable financial institutions that have an impeccable reputation. The fund's transactions using the fund's assets are mostly conducted following the principle of contemporaneous settlement. The fund's investment portfolio is diversified to mitigate significant influence of a single position over the entire portfolio. Nonetheless, there is no assurance that the value of the fund's investment portfolio will increase.

Potential use of derivative financial instruments to manage the risk – in non-standard market situations the fund may use derivative financial instruments to manage foreign exchange and credit risks.

Rules on deductions to the management company and the depository

The fee charged by the management company for the management of the fund is paid from the fund's assets.

The annual fee to the management company may be no more than 2% of the fund's average annual net asset value (this fee does not include distribution fee charged by the management company for distribution of the fund's units).

The management fee to the management company is calculated on each business day with reference to the fund's net asset value on that day. The fee on each business day is equal to the fund's net asset value on that day multiplied by the annual fee rate (%) and divided by the number of days in a year. The calculation of fee is based on the number of business days in a given year.

The maximum management fee rate to the management company is set and revised by the decision of the board of the management company.

After the end of the calendar year, the management fee rate to the management company is reviewed. All overpayments during the calendar year are refunded to the fund over 30 (thirty) calendar days after the end of the financial year, and all underpayments should be covered to the management company by the fund over 30 (thirty) calendar days after the end of the financial year.

The distribution fee to the management company for the distribution of the fund's units may be no more than 3% of the invested amount.

The distribution fee to the management company for the distribution of the fund's units is payable for each month by the 15th day of the following month.

The management company is obliged to retain all documents that provide evidence of an accurate calculation of the fee to the management company.

The fee to the depository for the provision of depository services is paid from the fund's assets. The annual fee to the depository may be no more than 0.25% of the fund's average annual net asset value. The fee to the depository is calculated on each business day with reference to the fund's net asset value on that day. The daily fee is based on the fund's net asset value on that day. The calculation of the fee is based on the number of business days in a given year.

The depository is obliged to provide the management company with all reports and documents that give evidence of an accurate calculation of the fee to the depository.

Other expenses:

The annual fee to the fund's auditor may be no more than 0.5% of the fund's average annual net asset value. The fee to the auditor is calculated on each business day with reference to the fund's net asset value on that day. The calculation of the fee is based on the number of business days in a given year.

Costs of intermediary fees for the services rendered. These costs may be no more than 0.75% of the average annual value of transactions conducted. The fee to the intermediaries is calculated on each business day, provided there is at least one settlement on that day. The fee is payable under the procedure defined by the intermediaries.

The below listed types of costs may be no more than 0.5% (zero point five per cent) of the fund's average annual net asset value.

- Bank charges (including, but not limited to, amounts charged by banks and other credit institutions for local and international money transfers). These charges are calculated with reference to the prices of services offered by credit institutions.
- Fees charged by NASDAQ OMX Vilnius Stock Exchange: a) admission fee to NASDAQ OMX Vilnius Stock Exchange; b) annual fee for quotation of securities, etc.
- Fees charged by the Central Securities Depository of Lithuania (CSDL): a) a one-off fee for registration of the fund; b) a quarterly fee for administration of accounts; c) a fee for service of significant events in securities; d) a fee for keeping of the register of owners of securities; e) annual fee, etc.
- Fees charged by the market maker, CSDL – a mandated party of the Management Company, administrators of participators and their accounts of investment units.

Total maximum costs to be covered from the fund's assets may be no more than 7% (seven) of the fund's average annual net asset value.

Any costs other than referred to in the fund's rules or exceeding the established limits are covered at the expense of the management company.

Rules on valuation of investment units

The initial value of the Fund's item was LTL 100 (one hundred litas), i.e. EUR 28,9620 (twenty eight and nine hundred sixty two thousandths euros).

The fund's net asset value is calculated on each business day in accordance with the methodology for the calculation of net asset value approved by the Bank of Lithuania and based on the requirements for the calculation of net asset value of funds management by the management company approved by the board of the management company.

The value of the fund's unit is calculated by dividing the fund's net asset value by the total number of the fund's units in circulation. The total value of all units of the fund is always equal to the fund's net asset value. The value of the fund's unit is determined as four figures after the decimal point and rounded according to the mathematical rules of rounding.

The fund's net asset value and the fund's unit value are calculated in the euro.

The fund's net asset value for the current day and the fund's unit value are announced not later than by midday (12am) of the following business day on the website at address: www.invl.com.

Cash and time deposits:

Cash includes the fund's cash balances at bank accounts. Cash equivalents include short-term deposits with maturity of 3 months or less. Time deposits are recorded at nominal value with interest accumulated thereon on a straight-line basis.

Cash and cash equivalents that are nominated in a foreign currency are evaluated according to the official exchange rate provided by the European Central Bank (ECB) on the date of calculation. In cases when foreign currency exchange rate is not provided by the ECB, official exchange rate provided by the Bank of Lithuania on the date of calculation.

Subsequent events

Significant events subsequent to the end of the reporting period have been disclosed in Note 14.

24.3.3. Notes:

Note 1. Net asset value, number and value of units

Information is provided in the report's Clause 5.

Note 2. Number and value of units distributed and redeemed over the reporting period

Information is provided in the report's Clause 6.

Note 3. Investment portfolio structure

Information is provided in the report's Clause 11.

Note 4. Breakdown of investments by the criteria that meet the investment strategy

Information is provided in the report's Clause 12.

Note 5. Change in value of investments

Items of the statement of net assets	Change					At the end of the reporting period
	At the end of the previous reporting period	Acquired over the period	Sold (redeemed)	Value increase*	Value decrease*	
Time deposits	-	-	-	-	-	-
Money market instruments	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-
Debt securities issued or guaranteed by governments and central banks	-	-	-	-	-	-
Other debt securities	-	-	-	-	-	-
Equity securities	6.746.902,48	1.552.501,63	1.500.871,60	2.085.709,78	2.085.925,73	6.798.316,55
Units and shares of collective investment undertakings	-	-	-	-	-	-
Derivative financial instruments	-	-	-	-	-	-
Real estate objects	-	-	-	-	-	-
Other investments	-	-	-	-	-	-
Total:	6.746.902,48	1.552.501,63	1.500.871,60	2.085.709,78	2.085.925,73	6.798.316,55

*The net value of investment increase or decrease is provided here; the net value is calculated from the investment profit from sales and investment increase amount by contracting investment losses from sales and investment value decrease amount.

Note 6. Results of sale of investments

During the first six months of year 2015, the undertaking had no sale transactions involving financial instruments other than those measured at fair value.

Note 7. Derivative financial instruments

Information is provided in the report's Clauses 13, 14 and 15.

Note 8. Remuneration costs for intermediaries

Information is provided in the report's Clause 8.

Note 9. Dividends and other benefits assessed and/or paid to the participants that do not result in changes in units

Information is provided in the report's Clause 26.

Note 10. Borrowings and loans granted

Information is provided in the report's Clause 27.

Note 11. Third-party guarantee commitments in respect of the undertaking's yield

During the reporting period and at the end of it, there were no third party's liabilities to guarantee the yield size of the undertaking.

Note 12. Related-party transactions over the financial year and previous financial year

No transactions were drawn with the related persons during the reporting period.

Note 13. Significant effect of changes in accounting estimates, or if these were not made, adjustments to comparative information due to changes in accounting policies or correction of errors

During the reporting period from 1 January 2015 to 30 June 2015, the Fund applied accounting policies consistent with those applied in the previous year.

Note 14. Brief description of significant events after the end of the reporting period, that, if not disclosed, might have material impact on the ability of users of these financial statements to make decisions

INVL Asset Management UAB have a status of company taking part in reorganization. MP Pension Funds Baltic UAB and INVL fondai UAB companies will be reorganized by merging them into one asset management company INVL Asset Management UAB, after the reorganization procedure only INVL Asset Management UAB will continue its operations. Reorganisation terms and information on the ongoing merger are public and can be found at website: www.invl.com.

Note 15. Significant changes in assets and liabilities that occurred after the date of calculation net asset value and that were not included in net asset value

There were no significant changes in assets and liabilities after the end of the reporting period.

Note 16. Other significant information on the financial position of the collective investment undertaking, factors and circumstances that had impact on assets and liabilities of the collective investment undertaking

There is no other significant information on the financial position of the collective investment undertakings.

24. The full text of the audit's conclusion:

Information provided in the annual report.

25. Information on investment income and expenses of the collective investment undertaking over the reporting period:

I.	Income from investing activities	
1.	Interest income	-
2.	Realized gain on investment in:	54.582,69
2.1.	equity securities	7.896,48
2.2.	government non-equity securities	
2.3.	corporate non-equity securities	
2.4.	financial instruments	
2.5.	derivative financial instruments	-
2.6.	units of other collective investment undertaking	
2.7.	other (dividends, coupon, currency)	46.686,21
3.	Unrealized gain (loss) on:	183.711,14
3.1.	equity securities	183.711,14
3.2.	government non-equity securities	-
3.3.	corporate non-equity securities	-
3.4.	financial instruments	-
3.5.	derivative financial instruments	-
3.6.	units of other collective investment undertaking	-
3.7.	other	-
	Total income	238.293,83
II.	Expenses of investing activities	
1.	Operating expenses:	26.332,58
1.1.	deductions of management fee	19.955,18
1.2.	deductions of depository fee	1.368,38
1.3.	intermediary fee	1.081,55
1.4.	audit fee	1.881,46
1.5.	deductions of other fees and charges	2.046,01
2.	Other expenses	-
	Total expenses	26.332,58
III.	Net income	211.961,25
IV.	Payments (dividends) to holders of investment units	-
V.	Re-invested earnings	211.961,25

26. Other significant information on the financial position of the collective investment undertaking, factors and circumstances that had impact on assets and liabilities of the collective investment undertaking:

There is no other significant information on the fund's financial position.

VII. INFORMATION ON PAYMENT OF DIVIDENDS

27. Information on dividends declared and/or paid:

The fund did not pay and did not account for any dividends payable to its clients over the reporting period.

VIII. INFORMATION ON COLLECTIVE INVESTMENT UNDERTAKING'S BORROWINGS FOR ITS OWN NEEDS

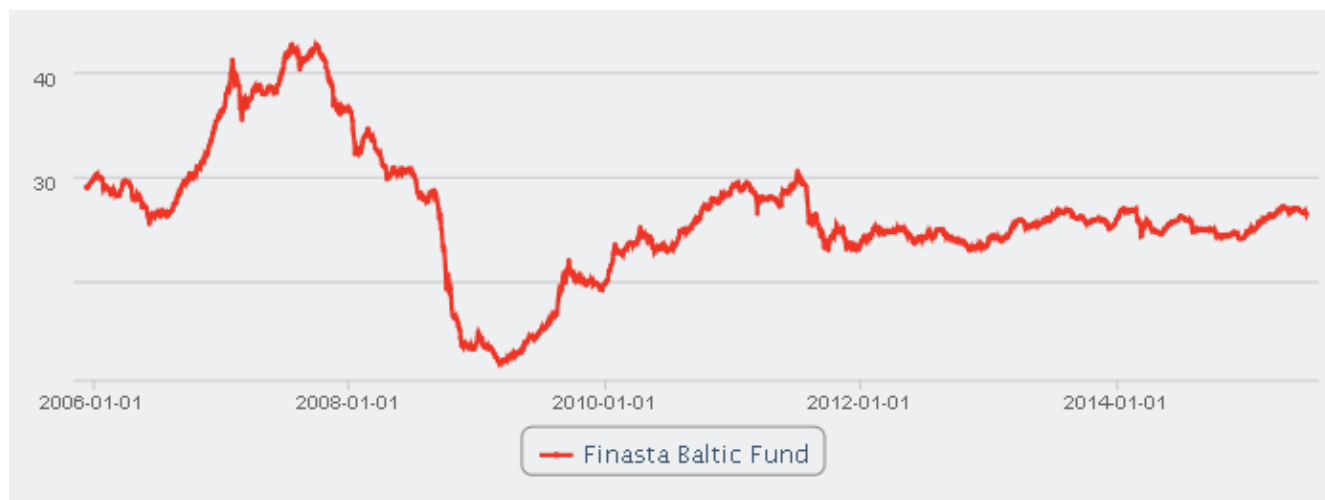
28. Collective investment undertaking's borrowings for its own needs as at the end of the reporting period:

The fund had no borrowings for its own needs as at the end and over the reporting period.

IX. OTHER INFORMATION

29. Explanations, comments, graphic illustrations and other important information on the activities of collective investment undertaking enabling the investor to assess appropriately all changes in and results of operations of the undertaking:

Picture 1. Change in value of unit since start of the fund's operations



X. ACCOUNTABLE PERSONS

30. First and last names (names of legal entities), addresses, titles and registration numbers of permits to engage in relevant activities of consultants whose services were used in the preparation of the financial statements (finance dealer firms, auditors, etc.):

No services of consultants were used in the preparation of these financial statements.

31. First and last names, job titles and workplace of persons who prepared the financial statements (if other than employees of the company):

The financial statements were prepared by the employees of the management company.

32. Statement made by the management company's head of administration, chief financier, persons who prepared the financial statements and consultants to confirm that information contained in the financial statements is true and fair and that there are no omissions of facts that might substantially affect the values of reported items:

I, Darius Šulnis, General Director of INVL Asset Management UAB, hereby confirm that information contained in these financial statements is true and fair and there are no omissions of facts that might substantially affect the values of reported items.

(signature)

I, Dovilė Bajalienė, Deputy Head of Finance and IT department of INVL Asset Management UAB, hereby confirm that information contained in these financial statements is true and fair and there are no omissions of facts that might substantially affect the values of reported items.

(signature)

33. Persons responsible for information contained in these financial statements:

33.1. Members of the undertaking's managerial bodies, employees and head of administration who are responsible for the preparation of the financial statements:

Full name	Darius Šulnis	Dovilė Bajalienė
Job position	General Director	Deputy Head of Finance and IT department
Telephone number	8 (5) 279 06 01	8 (37) 71 93 02
Fax number	8 (5) 203 22 44	8 (5) 203 22 44
Email address	Darius.Sulnis@invl.com	Dovile.Bajaliene@invl.com

33.2. If the financial statements have been prepared by or with assistance of consultants, please specify their full names, telephone and fax numbers, email addresses (if a consultant is a legal entity, please specify its name, telephone and fax numbers, email address and full name(s) of a consultant's representative(s)); please indicate, which specific sections have been prepared by or with assistance of consultants and the scope of their liability.

No services of consultants were used in the preparation of these financial statements.