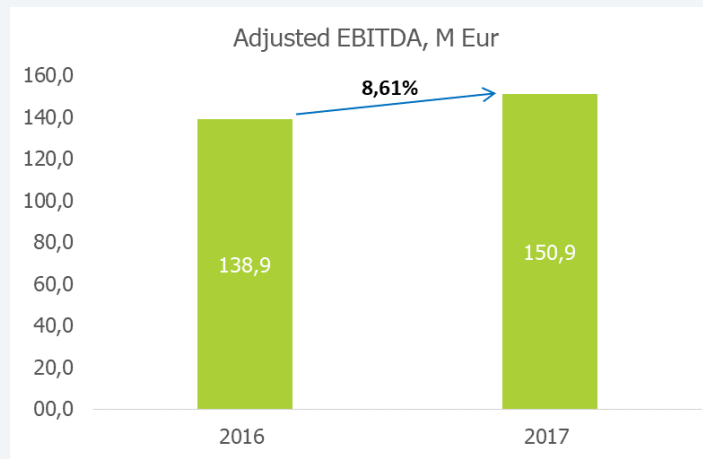
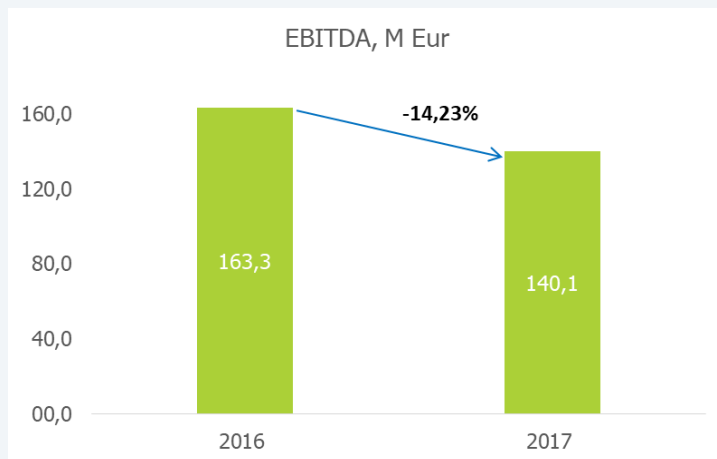
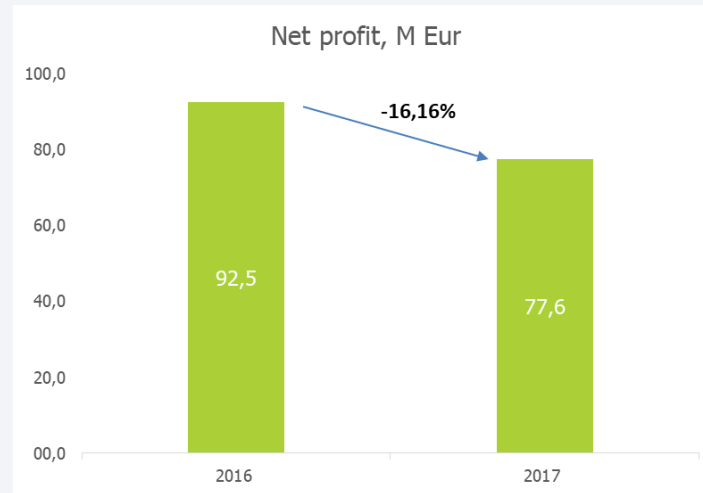
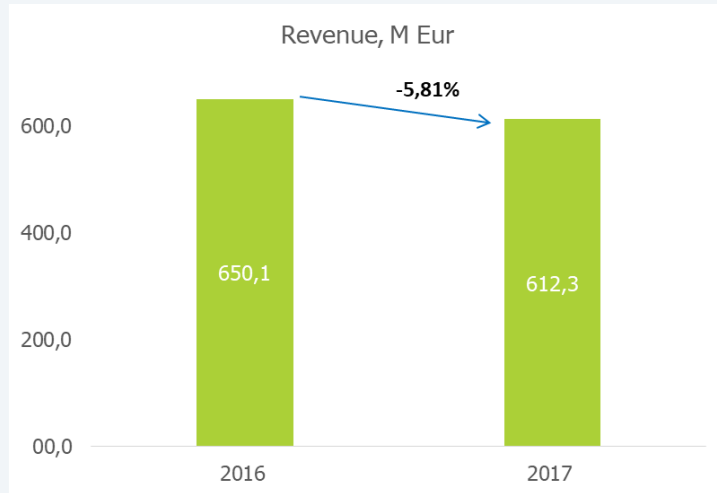




AB “Energijos skirstymo operatorius” Financial results of 2017

2018-03-06

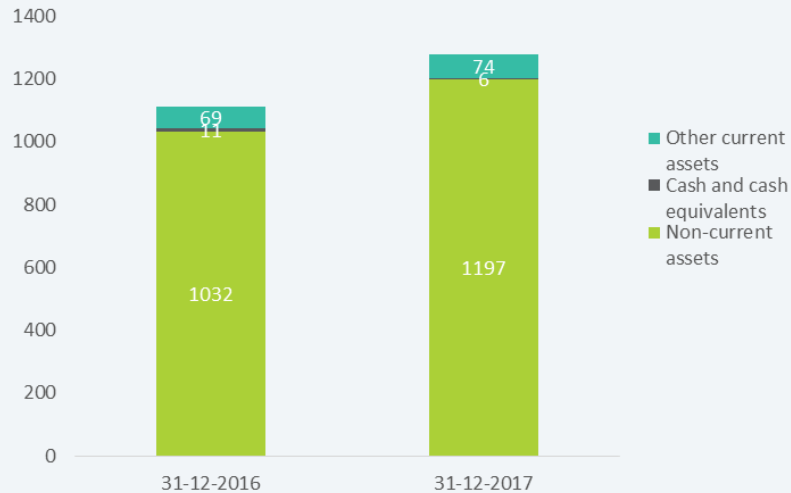
Main financial ratios



The adjusted EBITDA is calculated by adding the impact of the recalculation of regulated activities revenue generated in prior periods (as established by respective resolutions of the Commission) and by eliminating the difference that arose during the reporting period between the return on investments permitted by the Commission and the return of investments calculated by the management. The management estimates that the adjusted EBITDA indicator more accurately reflects the Company's performance and allows to better compare results between the periods, as it presents the actual amount of revenue earned by the Company during the reporting period, as well as by eliminating the differences arising between the return on investments permitted by the Commission and the actual return on investments of prior periods which might have both a positive and negative effect on the results of the reporting period. The adjusted EBITDA indicator is not calculated using data presented in the financial statements.

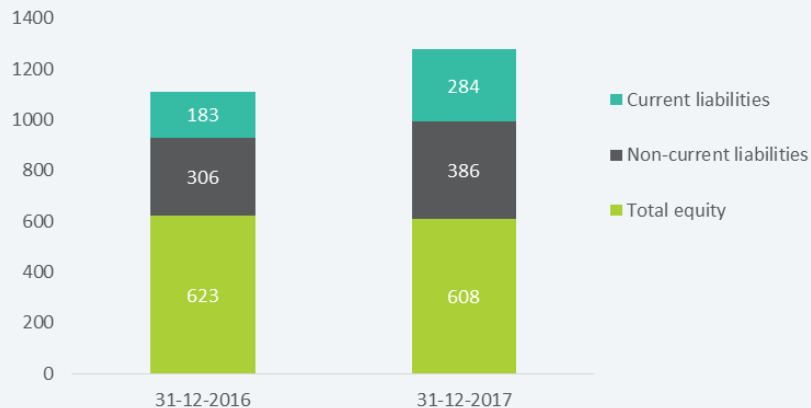
Assets, equity and liabilities

Total assets, M Eur

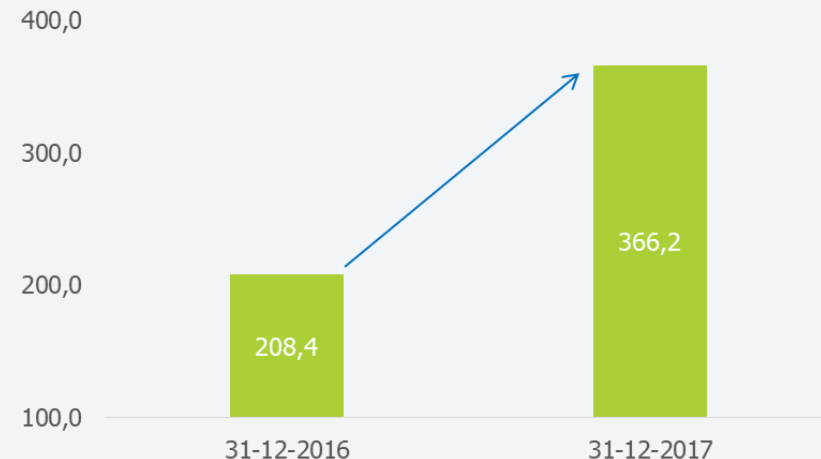


Non-current assets accounted for 93.7% of the total assets. During the reported period non-current assets increased by 16.0 %.

Equity and liabilities, M Eur

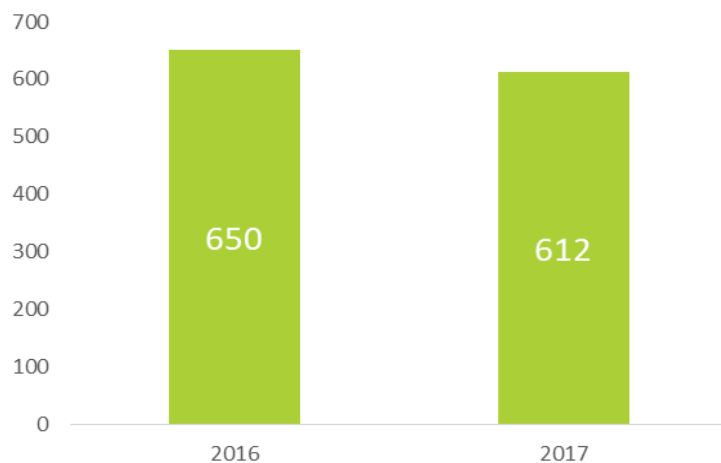


Net financial debt, M Eur



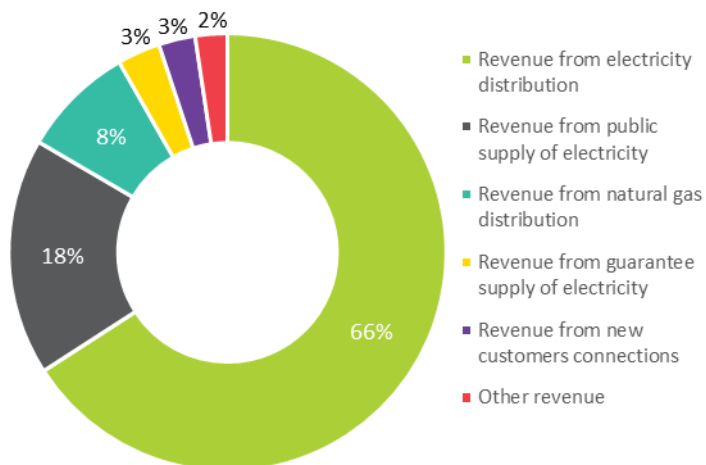
Revenue

Revenue, M Eur



ESO's revenue for 2017 reached EUR 612,3 million, which is a 5.81% decrease compared to 2016. Revenue decreased due to lower electricity and natural gas distribution prices for customers

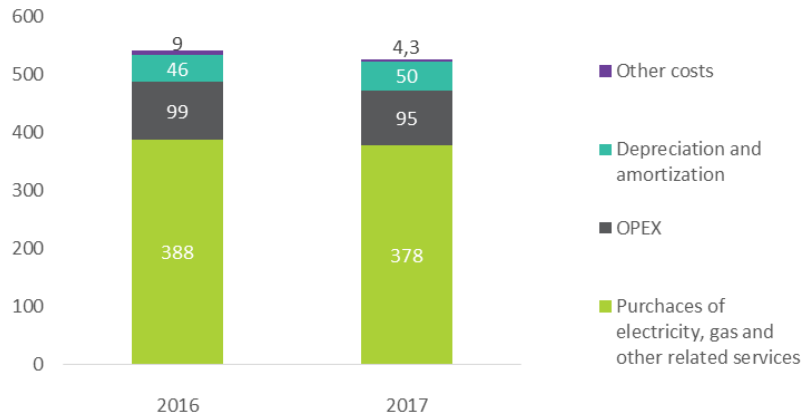
ESO revenue structure



Revenue from electricity distribution is the main source of the Company's revenue. In 2017, distribution revenue comprised 66%

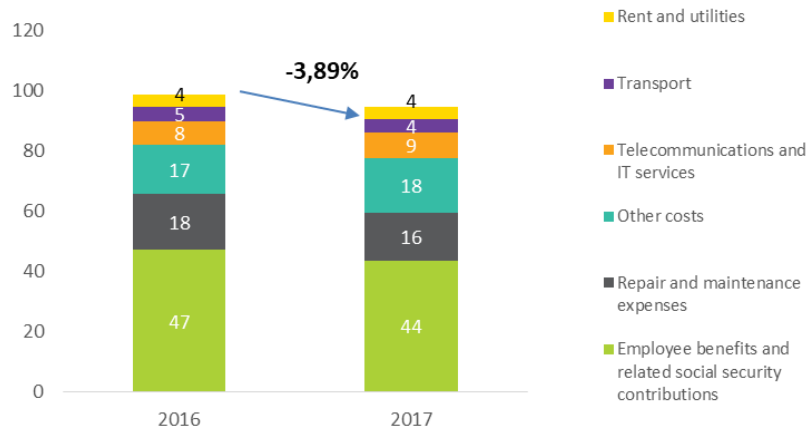
Costs

Costs, M Eur



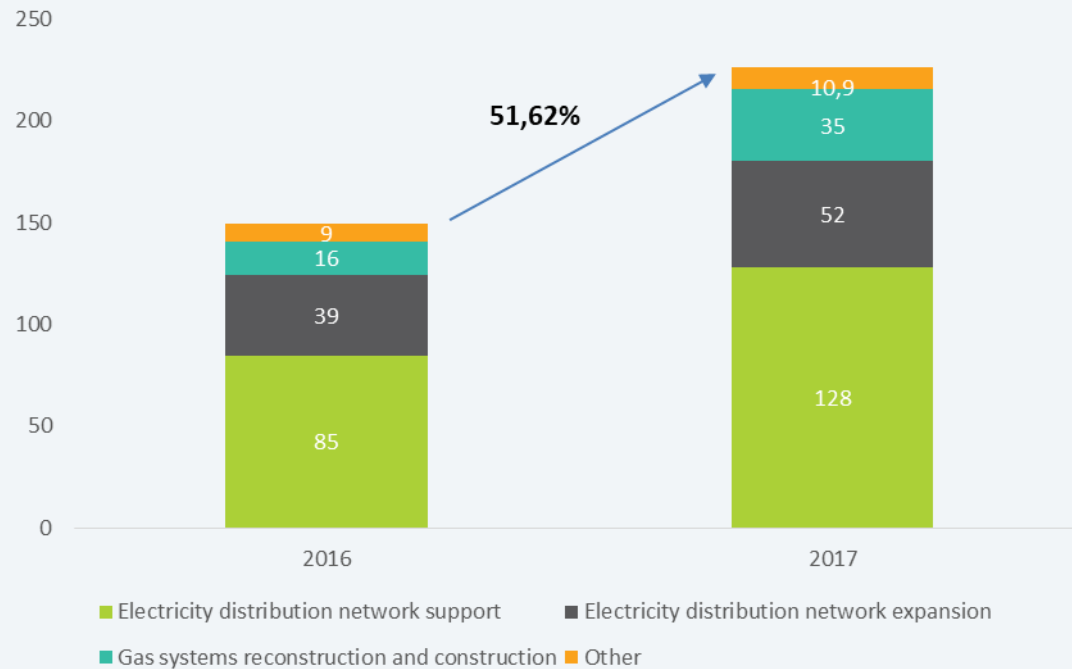
In 2017, purchases of electricity, natural gas or related services made up EUR 377.5 million and decreased by 2.8% compared to the 2016.

OPEX, M Eur



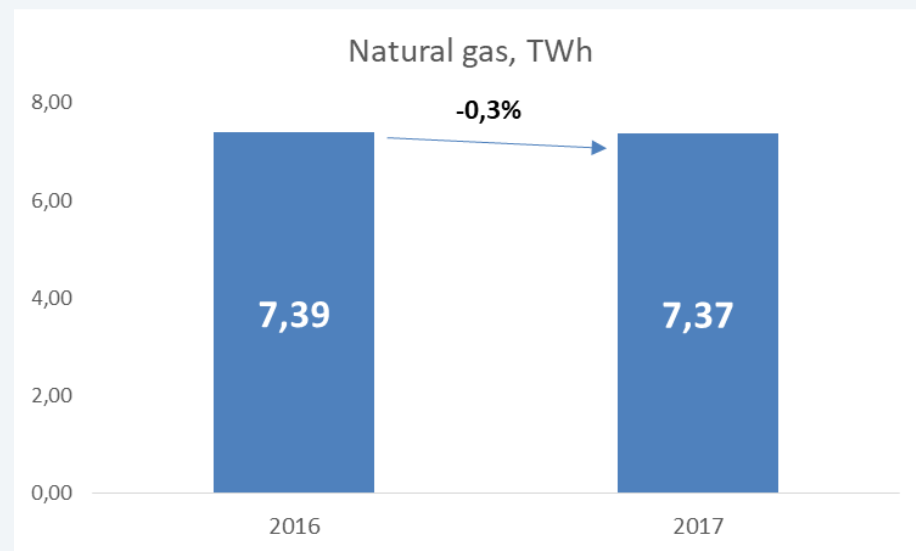
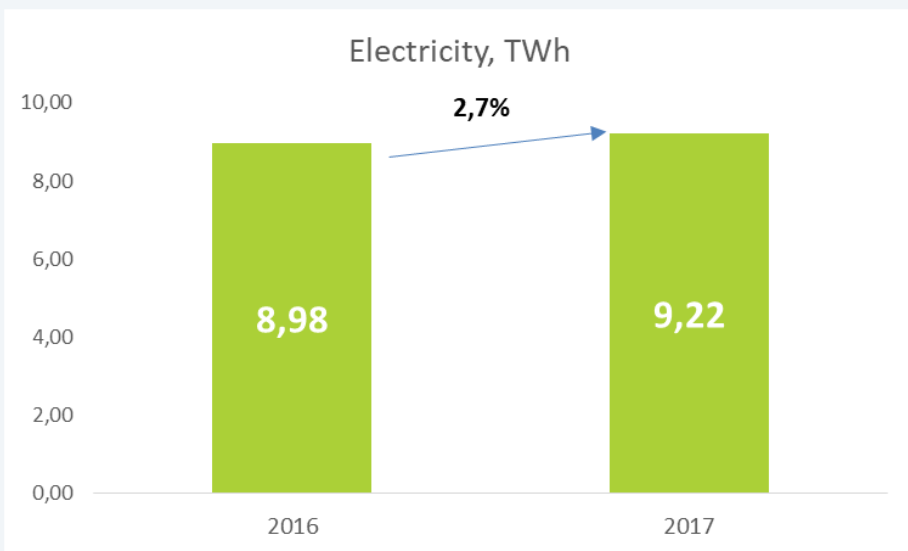
In 2017, operating expenses decreased by 3.9% compared to the 2016 and amounted to EUR 94.7 million

Investment, M Eur



- In 2017 ESO's investments in the electricity and gas distribution networks amounted to EUR 226.202 million, which is 51.6% more than in the 2016 when they were equal to EUR 149.188 million

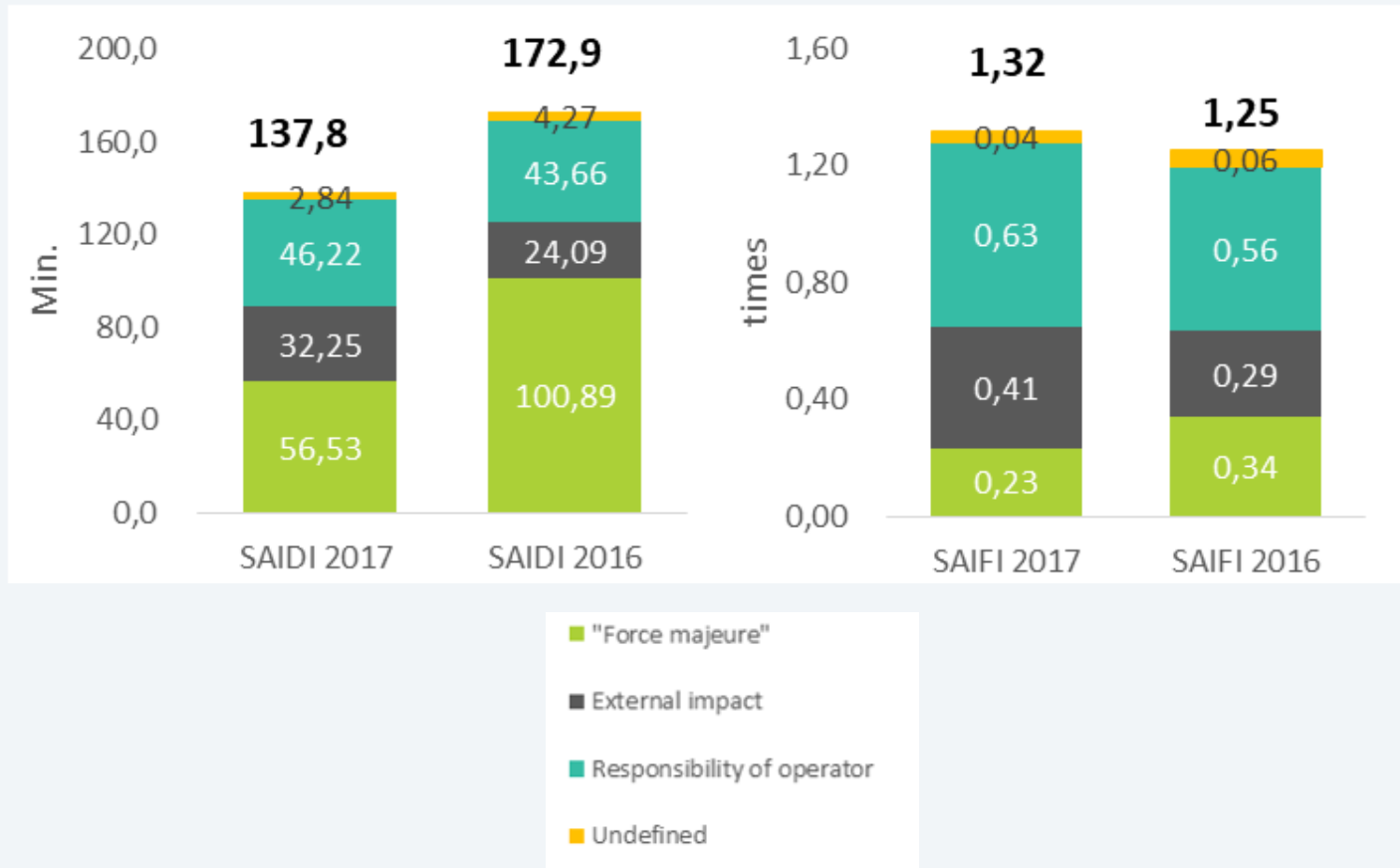
Distributed volumes



The volume of electricity distributed increased by 2.7% compared to the same period of 2016. Electricity consumption is closely linked with the growth of GDP, therefore economic growth also impacts the distributed volumes of electricity.

In 2017, ESO transported approx. 0.3% less natural gas than in 2016. Gas distribution volumes decreased mainly due to slightly lower gas consumption as a result of warmer weather that prevailed in 2017 compared to 2016.

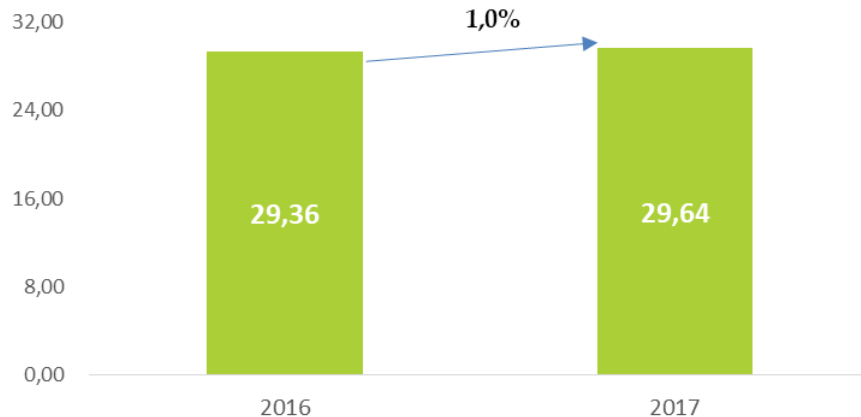
Electricity quality indices



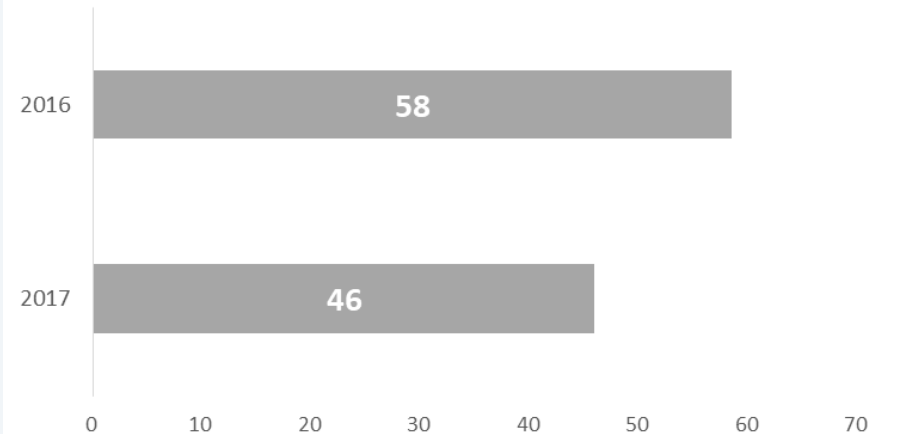
During 2017, the system average interruption duration index (SAIDI) per customer was 35.1 minutes less compared to 2016. In 2017, the system average interruption frequency index (SAIFI) per customer was 0.07 time more compared to 2016.

Connection of new customers - ELECTRICITY

Connected new customers, thous. units



Connection time, c.d.

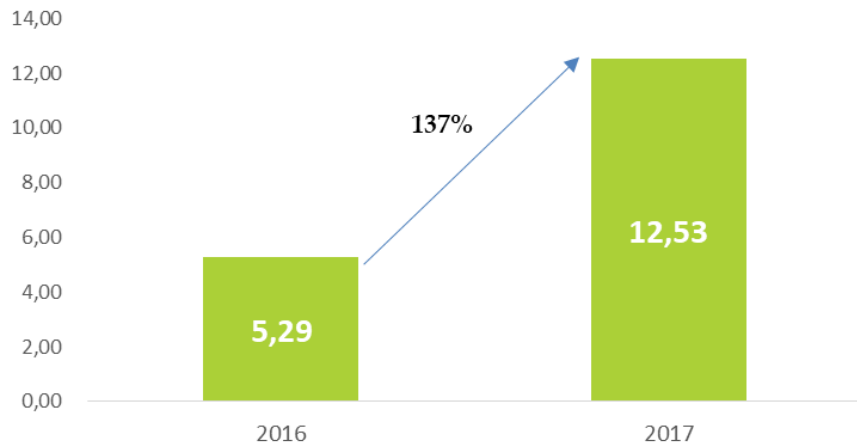


In 2017 ESO connected 1% more customers to the electricity distribution network than in 2016.

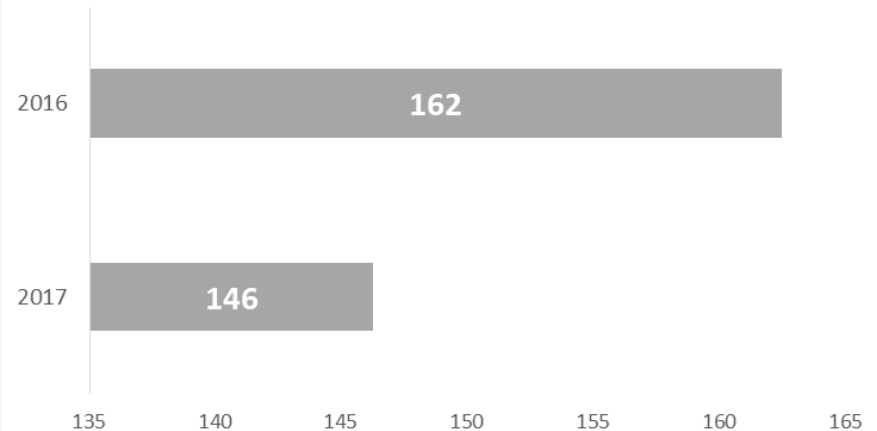
Connection time decreased by 12 calendar days.

Connection of new customers – NATURAL GAS

Connected new customers, thous. units



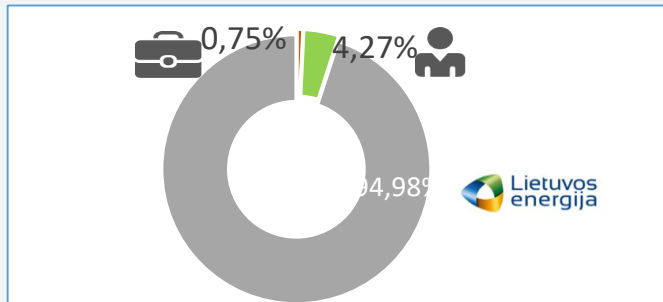
Connection time, c.d.



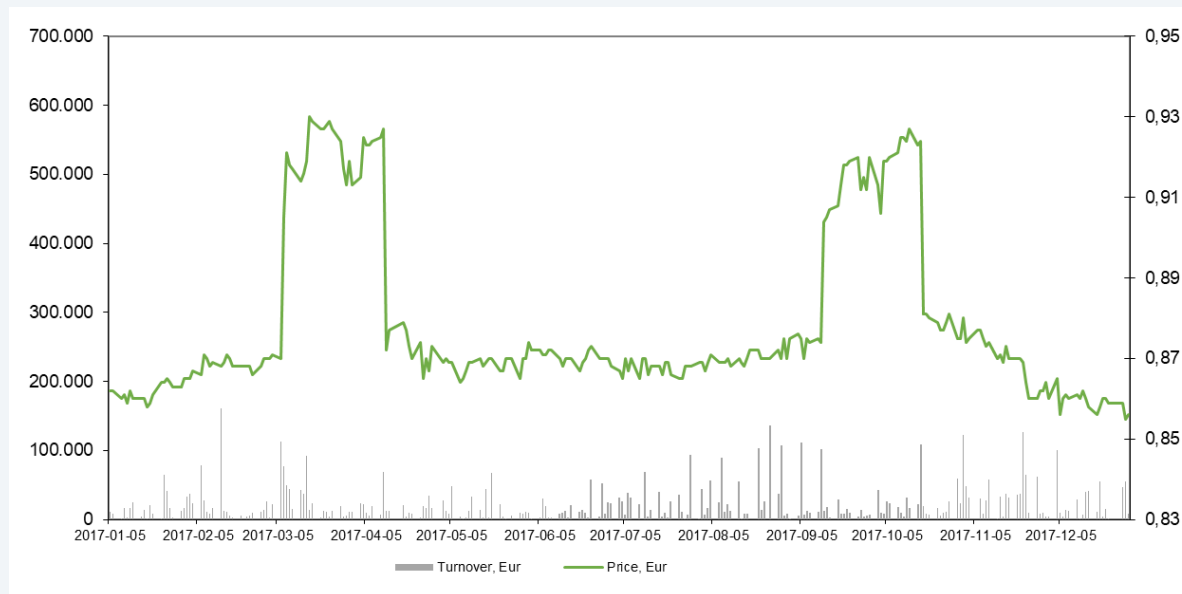
In 2017 ESO connected 137% more customers to the natural gas distribution network than in 2016.

Connection time decreased by 16 calendar days.

Share price and shareholders



On 31.12.2017 the number of ESO shareholders amounted to 8789. Main shareholder was „Lietuvos energija“, UAB holding 94.98% of shares.



- ESO – the largest company by market capitalization on NASDAQ Baltic Exchange (769,4 mln. EUR). The weighted average price during the reporting period was EUR 0.869



eso

AB “Energijos skirstymo operatorius”

Company code 304151376

VAT code LT100009860612

Aguonų g. 24, Vilnius, 03212 Lithuania

Tel. (8 5) 277 7524

Fax. (8 5) 277 7514

info@eso.lt

www.eso.lt