



**SC KLAIPĖDOS NAFTA**

**INTERIM CONDENSED FINANCIAL STATEMENTS,  
PREPARED ACCORDING TO INTERNATIONAL FINANCIAL REPORTING STANDARDS,  
AS ADOPTED BY THE EUROPEAN UNION**

**FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2015  
(UNAUDITED)**

CONTENT	PAGE
FINANCIAL STATEMENTS.....	3 – 15
Statement of financial position.....	3 – 4
Statement of comprehensive income.....	5
Statement of changes in equity.....	6
Cash flow statement.....	7
Explanatory note.....	8 –14
CONFIRMATION OF RESPONSIBLE PERSON.....	15

## Statement of financial position

	Notes	<u>2015-03-31</u>	<u>2014-12-31</u>
ASSETS		<i>(unaudited)</i>	<i>(audited)</i>
Non-current assets			
Intangible assets		614	623
Property, plant and equipment	3	181,447	182,830
Long-term receivables	5	1,858	1,681
Investment into associates		<u>4,107</u>	<u>4,098</u>
Total non-current assets		<u>188,026</u>	<u>189,232</u>
Current assets			
Inventories	6	1,713	1,600
Prepayments		804	962
Trade receivables	7	20,906	1,887
Refunds of income taxes		122	408
Other receivables	8	3,592	8,643
Other financial assets	9	8,284	8,284
Cash and cash equivalents	10	<u>15,842</u>	<u>10,902</u>
Total current assets		<u>51,263</u>	<u>32,687</u>
Total assets		<u>239,289</u>	<u>221,918</u>

*(cont'd on the next page)*

Explanatory note, set out on pages 8 - 14, is an integral part of these financial statements.

## Statement of financial position (cont'd)

	Notes	2015-03-31 <i>(unaudited)</i>	2014-12-31 <i>(audited)</i>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	1	110,376	110,232
Share premium		3,913	3,913
Legal reserve		7,644	7,644
Reserve for own shares		15,929	15,929
Other reserves		27,740	27,740
Retained earnings		13,730	9,257
<b>Total equity</b>		<b>179,332</b>	<b>174,715</b>
<b>Non-current liabilities</b>			
Deferred income tax liability		1,096	1,124
Non-current employee benefits		205	301
Loan	11	29,797	29,832
Grants related to assets		89	-
<b>Total non-current liabilities</b>		<b>31,187</b>	<b>31,257</b>
<b>Current liabilities</b>			
Loan	11	72	55
Trade payables	12	8,151	12,680
Payroll related liabilities	13	2,292	1,396
Prepayments received		15,146	1
Dividends payable		11	11
Other payables and current liabilities	14	3,098	1,803
<b>Total current liabilities</b>		<b>28,770</b>	<b>15,946</b>
<b>Nuosavo kapitalo ir įsipareigojimų iš viso</b>		<b>239,289</b>	<b>221,918</b>

Explanatory note, set out on pages 8 - 14 an integral part of these financial statements.

## Statement of comprehensive income

	Notes	For the three months period ended 31 March 2015 <i>(unaudited)</i>	For the three months period ended 31 March 2014 <i>(unaudited)</i>
Sales	15	26,614	8,944
Cost of sales	16	<u>(20,049)</u>	<u>(5,596)</u>
Gross profit		6,565	3,348
Operating expenses		(855)	(1,017)
Other income		<u>164</u>	<u>12</u>
Profit from operating activities		5,874	2,343
Income from financial activities	17	74	18
Loss from financial activities	17	<u>(798)</u>	<u>(2)</u>
Profit before income tax		5,150	2,359
Income tax expense		<u>(677)</u>	<u>(362)</u>
Net profit		4,473	1,997
Other comprehensive income		-	-
Items that will not be subsequently reclassified to profit or loss		-	-
Items that may be subsequently reclassified to profit or loss		-	-
Total comprehensive income		<u>4,473</u>	<u>1,997</u>
Basic and diluted earnings per share, in EUR	18	0.0017	0.0052

Explanatory note, set out on pages 8 - 14, is an integral part of these financial statements.

## Statement of changes in equity

	Notes	Share capital	Share premium	Legal reserve	Reserve for own shares	Other reserves	Retained earnings	Total
Balance as at 31 December 2013 (audited)		110,231	3,913	7,128	15,929	18,036	10,325	165,562
Net profit for the three months		-	-	-	-	-	1,997	1,997
Other comprehensive income		-	-	-	-	-	-	-
Total comprehensive income		-	-	-	-	-	1,997	1,997
Balance as at 31 March 2014 (unaudited)		110,231	3,913	7,128	15,929	18,036	12,322	167,559
Balance as at 31 December 2014 (audituota)		110,232	3,913	7,644	15,929	27,740	9,257	174,715
Currency conversion difference		144	-	-	-	-	-	144
Net profit for the three months		-	-	-	-	-	4,473	4,473
Other comprehensive income		-	-	-	-	-	-	-
Total comprehensive income		-	-	-	-	-	4,473	4,473
Balance as at 31 March 2015 (unaudited)		110,376	3,913	7,644	15,929	27,740	13,730	179,332

Explanatory note, set out on pages 8 - 14, is an integral part of these financial statements.

## Cash flow statement

	Notes	For the three months period ended 31 March 2015 <i>(unaudited)</i>	For the three months period ended 31 March 2014 <i>(unaudited)</i>
Cash flows from operating activities			
Net profit	18	4,473	1,997
Adjustments for noncash items:			
Depreciation and amortization	3	3,193	1,839
Change in vacation reserve	13	90	126
Change in non-current liabilities for employees		(96)	30
Impairment of inventory value	6	10	(10)
Other non-cash adjustments		145	-
Accrued income	5	(350)	(173)
Income tax expenses		677	362
Interest income	17	(6)	(16)
		<u>8,136</u>	<u>4,155</u>
Changes in working capital:			
(Increase) decrease in inventories	6	(123)	(128)
Decrease (increase) in prepayments		159	(11)
Decrease (increase) in trade and other accounts receivable		(19,018)	(44)
Decrease (increase) in other receivables		5,224	1,468
Increase (decrease) in trade and other payables		(3,199)	(1,810)
(Decrease) increase in prepayments received		15,145	(12)
Increase (decrease) in other current liabilities and payroll related liabilities		<u>806</u>	<u>566</u>
		<u>7,130</u>	<u>4,184</u>
Income tax (paid)		(420)	(256)
Interest received		<u>6</u>	<u>6</u>
Net cash flows from operating activities	16	<u>6,716</u>	<u>3,952</u>
Cash flows from investing activities			
(Acquisition) of property, plant, equipment and intangible assets		(1,800)	(9,852)
(Acquisition) of other Investments		(10)	-
Grants, subsidies		<u>89</u>	<u>-</u>
Net cash flows from investing activities		<u>(1,721)</u>	<u>(9,852)</u>
Cash flows from financing activities			
Interest (paid)		<u>(55)</u>	<u>(39)</u>
Net cash flows from financing activities		<u>(55)</u>	<u>(39)</u>
Net increase (decrease) in cash flows		4,940	(5,957)
Cash and cash equivalents on 1 January	10	<u>10,902</u>	<u>26,035</u>
Cash and cash equivalents on 31 March	10	<u>15,842</u>	<u>20,078</u>

Explanatory note, set out on pages 8 - 14, is an integral part of these financial statements.

## EXPLANATORY NOTES TO FINANCIAL STATEMENTS

### 1 General information

Stock Company Klaipėdos Nafta (hereinafter referred to as “the Company”) is a public limited liability company registered in the Republic of Lithuania. The address of its registered office is as follows: Burių str. 19, 91003 Klaipėda, Lithuania.

The main activities of the Company are holding oil terminal supplies, oil products transshipment services and other related services, as well as the liquefied natural gas terminal (hereinafter referred to as “LNGT”) to receive and store liquefied natural gas, regasify it and supply it to Gas Grid.

National Commission for Energy Control and Prices (hereinafter referred to as “NCC”) issued Natural Gas Regasification License to the Company on 27 November 2014.

The Company was established by SC Naftos Terminalas (Lithuania) and Lancaster Steel Inc. (USA) acquiring 51 and 49 percent of shares respectively. The Company was registered on 27 September 1994.

As of 24 March 2014 all the shares were owned by 1,871 shareholders. The Company’s share capital – EUR 110,375,793.36 (one hundred tenmillion three hundred seventy-five thousand seven hundred ninety-three) and 36 cents is fully paid. It is divided into 380,606,184 (three hundred eighty million six hundred six thousand one hundred eighty-four) ordinary shares with a par value of twenty nine(0,29) euro cents. 72.32 % of the shares (275,241,290 shares) are owned by the State of Lithuania, represented by the Ministry of Energy.

The Company has not acquired any own shares and has arranged no deals regarding acquisition or transfer of its own shares during the year 2015 and 2014 first term. The Company’s shares are listed in the Baltic Secondary List on the NASDAQ OMX Vilnius Stock Exchange (ISIN code LT0000111650, abbreviation KNF1L).

As of 31 March 2015 and 31 March 2014 the shareholders of the Company were:

	31 March 2015		31 D March 2014	
	Number of shares held (thousand)	Part of ownership (%)	Number of shares held (thousand)	Part of ownership (%)
State of Lithuania represented by the Ministry of Energy (Gediminas av. 38/2, Vilnius, 302308327)	275,241	72.32	275,241	72.32
Concern JSC Achemos grupė (Jonalaukis village, Jonava district, 156673480)	38,975	10.24	38,975	10.24
Other (less than 5 per cent each)	66,390	17.44	66,390	17.44
<b>Total</b>	<b>380,606</b>	<b>100.00</b>	<b>380,606</b>	<b>100.00</b>

The average number of employees on 31 March 2015 was 369 (384 – on 31 March 2014).

### 2 Accounting principles

1 January 2015 - Introduction of the euro in the Republic of Lithuania Day, so this day and accordingly changed the Company's functional currency. The recalculation of the litas to the euro has been applied in the euro exchange rate of conversion and smooth at 3.45280 for 1 euro, which irrevocably set by the EU Council.

The financial statements are presented in Euro and all values are rounded to the nearest thousand (EUR 000), except when otherwise indicated. The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (hereinafter the EU).

The Company applies the same accounting policies and the same calculation methods in preparing Interim Financial Statements as they have been used for the Annual Financial Statements of the year 2014. The principles used in preparation of financial statements were presented in more detail in the Notes to the Financial Statements for 2014.

These financial statements have been prepared on a historical cost basis.

The financial year of the Company coincides with the calendar year.

The numbers in tables may not coincide due to rounding of particular amounts to EUR thousand. Such rounding errors are not material in these financial statements.



### 3 Non-current tangible assets

During the three months of 2015 the Company continued works in the following projects:

- *Liquefied natural gas terminal project.* Strategic project of the Republic of Lithuania, implementation of which will create an alternative source for OAO Gazprom's natural gas in Lithuania. The project shall involve procurement of floating storage and regasification unit, construction of the jetty and installation of superstructure, dredging of jetty's access, building of gas pipeline and all other costs of the project implementation. On December 2014 the Terminal was capable of operating in the manner intended by management, except HDD access, which is intended to be completed per year 2015. As of 31 March 2015 the investments into implementation of LNG Terminal's project amounted to EUR 68,204 thousand. During the three months period of 2015 investment amounted to EUR 1,739 thousand.
- *Modernization works of fire protection system* – investments for the upgrade of mechanical and automatic sections of the fire protection system. In 2014 the trestle firefighting equipment was upgraded as well as the reconstruction of automatic section initiated. The total value of the works amounted to EUR 902 thousand.
- *Repairs of treatment plant's.* In order to upgrade the machinery and work performance of the treatment plant, the repairs value of treatment plant's amounted to EUR 143 thousand invested as of 31 March 2015 (During the first quarter of 2015 the value of the works amounted to EUR 14 thousand).
- *Other investment.* There were invested EUR 86 thousand as of 31 March 2015 (During the first quarter of 2015 the value of the works amounted to EUR 3 thousand).

Part of the Company's property, plant and equipment with the acquisition cost of EUR 27,013 thousand as on 31 March 2015 was completely depreciated (EUR 23,852 thousand on 31 December 2014), however, it was still in operation.

The depreciation of the Company's non-current tangible assets for the first quarter of 2015 amounts to EUR 3,150 thousand (EUR 1,815 thousand – in 2014 first term). EUR 3,112 thousand of amortisation charge has been included into cost of sales (EUR 1,781 thousand - in 2014 first term) EUR 6 thousand of amortisation charge was transferred to inventory value (EUR 10 thousand – in 2014), and the remaining amount EUR 32 (EUR 24 – in 2014 first term) has been included into operating expenses in the Statement of comprehensive income.

### 4 Operating segments

The Management of the Company has identified the following business segments:

- KN – oil terminal in Klaipėda supplying oil products, providing transshipment and other related services.
- SGD – LNG terminal in Klaipėda, which receives and stores liquefied natural gas, regasifies it and supplies to Gas Main.
- SKB - Subačius fuel base in Kupiškis district provides services of long-term storage of oil products and loading of auto-tankers.

Main indicators of the business segments of the Company included into the statement of comprehensive income for the financial year as of 31 March 2015 and Statement of financial position as of 31 March 2014, are described below:

For the three months period ended 31 March 2015	SGD	SKB	KN	Iš viso
Revenues from external customers	16,184	567	9,863	26,614
Profit before income tax	654	206	4,290	5,150
Segment net profit	568	179	3,726	4,473
Interest revenue	-	-	6	6
Interest expense	(177)	-	-	(177)
Depreciation and amortisation	(1,270)	(210)	(1,713)	(3,193)
Impairment of assets	1,747	14	39	1,800
Segment total assets	83,383	15,584	140,322	239,289
Financial liabilities	29,869	-	-	29,869
Segment total liabilities	55,285	747	3,925	59,957

  

For the three months period ended 31 March 2015	SGD	SKB	KN	Iš viso
Revenues from external customers	-	470	8,474	8,944
Profit before income tax	(422)	109	2,672	2,359
Segment net profit	(422)	109	2,310	1,997
Interest revenue	-	-	15	15
Depreciation and amortisation	(9)	(201)	(1,620)	(1,830)
Impairment of assets	7,213	-	661	7,874
Segment total assets	32,919	14,399	149,794	197,112
Financial liabilities	14,832	-	-	14,832
Segment total liabilities	24,647	806	4,100	29,553

## 5 Long-term receivables and accrued income

	31-03-2015	31-12-2014
Long-term accrued income	1,858	1,681

Subačius fuel storage reservoirs rent agreement signed with the Lithuanian petroleum products Agency in 2012 for the duration of 10 years is treated as operating leasing contract. The rent tariffs are different for the first 5, 5 years and for the remaining period. Therefore the rent income are recognised on a straight line basis over the lease term, i.e. the income are calculated on average tariff of the all leasing term (10 years).

## 6 Inventories

	31-03-2015	31-12-2014
Diesel fuel for the Terminal purpose	733	733
Oil products for sale	470	422
Liquefied natural gas in the connecting pipeline	63	63
Fuel for transport and other equipment	36	43
Spare parts, construction materials and other inventories	2,095	2,013
Total inventories	3,397	3,274
Write-down of spare parts, construction materials and other inventories	(1,684)	(1,674)
	1,713	1,600

As of 31 March 2015 the Company had accounted write-off of inventories in the amount of EUR 1,684 thousand (EUR 1,674 thousand on 31 December 2014), that have been written off down to the net realisable value, The Company makes write-off the inventories to the net realisable value if they are not used for more than 6 months. Write-off has been accounted for mostly construction materials and spare parts, which were not used during the reconstruction (1996 – 2005).

Write-off of inventories to the net realizable value of EUR 10 thousand for the three months ended of 31 March 2015 (31 December 2014 - EUR 10 thousand) are included under operating expenses in the profit (loss).

As of 31 March 2015 the Company stored 204.3 thousand tons of oil products delivered for transshipment in its storage tanks (196.6 thousand tons as on 31 December 2014). Such oil products are not recognised in the Company's financial statements, they are accounted for in the off-balance sheet accounts as the Company has no ownership rights into oil products.

As of 31 March 2015 the Company stores 1.8 thousand MWh (As of 31 December 2014 - 1.8 thousand MWh) natural gas in the connecting pipeline of the Liquefied natural gas terminal to ensure activities.

Oil products for sale are energy products collected in the Waste Water Treatment Facilities. On 31 March 2015 the Company stored 5,038 tons of oil products collected in its Waste Water Treatment Facilities (31 March 2014- 3,865 tons).

As of 31 March 2015 the Company stored 575 thousand MWh (As of 31 December 2014 - 1,087 thousand MWh of natural gas products delivered for transshipment in the Liquefied natural gas terminal. Such natural gas products are not recognised in the Company's financial statements, they are accounted for in the off-balance sheet accounts as the Company has no ownership rights for these products.

## 7 Trade receivables

	31-03-2015	31-12-2014
Receivables from natural gas regasification service	18,208	-
Receivables for trans-shipment of oil products and other related services	2,698	1,887
	20,906	1,887

Trade and other receivables are non-interest bearing and are generally on 6 - 15 days payment terms.

## 8 Other receivables

	31-03-2015	31-12-2014
Unbilled revenue from natural gas regasification service	1,998	5,793
Short-term accrued income for storage of oil products	735	562
Receivable compensation for the Liquefied natural gas terminal project	710	767
VAT receivable	5	1,468
Other receivables	144	53
	3,592	8,643

## 9 Other financial assets

	31-03-2015	31-12-2014
Cession of rights in Vnesekonom bank	29	29
Loan to UAB „Žavesys“	101	101
Less: impairment allowance for receivables	(130)	(130)
Total loans and receivables	-	-
	31-03-2015	31-12-2014
Cash deposits	8,284	8,284
Total other financial assets	8,284	8,284

Carrying values of other financial assets are denominated in the following currencies:

Currency	31-03-2015	31-12-2014
EUR	8,284	8,284

On 24 January 2003 AB „Naftos terminalas“, as a part of settlement for the shares acquired, transferred to the Company the right of demand for the deposit of USD 95,266 thousand (or EUR 80,295 thousand) in the liquidated Vnesekonom bank and the right to the loan provided to UAB “Zavesys”. Cost of sales of the right in the liquidated Vnesekonom bank amounts to EUR 28.96 thousand. The Company’s Management considers the receivables subject to the acquired rights of demand to be doubtful therefore they have been accounted for by cost less 100 per cent allowance.

## 10 Cash and cash equivalents

	31-03-2015	31-12-2014
Cash at bank	15,842	10,902

Cash in bank earns variable interest depending on the closing balance of every day. As of 31 March 2015 the Company had one night term deposits of EUR 371 thousand (as of 31 December 2014 – EUR 1,827 thousand).

Calculated values of cash and cash equivalents are denominated in the following currencies:

Currency	31-03-2015	31-12-2014
EUR	15,842	9,001
LTL	-	1,891
	15,842	10,902

Calculated values of cash and cash equivalents are denominated in the following currencies:

	31-03-2015	31-12-2014
AA -	12,960	1,829
A	10,100	17,261
A +	1,066	96
	24,126	19,186

The maximum exposure of these investments to credit risk at the reporting date was represented by carrying value of the securities and term deposits, classified as investments held to maturity.

## 11 Financial liabilities

	31-03-2015	31-12-2014
European Investment Bank’s loan	29,797	29,832
Payable loan interest	72	55
	29,869	29,887

## 12 Trade debts and other payables

	31-03-2015	31-12-2014
Payable to contractors	1,617	6,191
Payable for rent of land	234	190
Payable for railway services	69	135
Other trade payables	6,231	6,164
	8,151	12,680

Trade payables are non-interest bearing and are normally settled on 30-day payment terms. On 31 March 2015 trade payables of EUR 5,471 thousand were denominated in USD (EUR 4,488 thousand – on 31 December 2014).

### 13 Liabilities related to labour relations

	31-03-2015	31-12-2014
Salaries payable	733	3
Social insurance payable	453	2
Income tax payable	166	2
Mokėtinis garantinio fondo įmokos	2	-
Accrued vacation reserve	811	721
Accrual of bonuses	124	668
Other overdraw of salary	3	-
	<u>2,292</u>	<u>1,396</u>

### 14 Other current liabilities

	31-03-2015	31-12-2014
Accrued tax expenses and liabilities	2,050	163
Accrued expenses and liabilities	1,011	1,574
Other liabilities	37	66
	<u>3,098</u>	<u>1,803</u>

Other liabilities are non-interest bearing and have an average term of one month.

### 15 Sales income

	For the three months period ended 31 March 2015	For the three months period ended 31 March 2014
Income from LNGT services regulated by NCC	16,184	-
Sales of oil transshipment services	10,175	8,759
Other sales related to transshipment	255	185
	<u>26,614</u>	<u>8,944</u>

Other sales related to transshipment include moorage, sales of fresh water, transportation of crew and other sales related to transshipment,

### 16 Cost of sales

	For the three months period ended 31 March 2015	For the three months period ended 31 March 2014
FSRU rent and other expences	12,472	-
Depreciation and amortization	3,133	1,794
Wages, salaries and social security	1,548	1,375
Natural gas	886	1,172
Railway services	508	290
Electricity	389	452
Rent of land and quays	384	156
Insurance of assets	325	107
Tax on real estate	158	90
Repair and maintenance of non-current assets	81	54
Transport	54	8
Services for tankers	46	36
Rent of facilities	11	-
Work safety costs	8	22
Other	46	40
	<u>20,049</u>	<u>5,596</u>

## 17 Income (expenses) from financial and investment activities – net

	For the three months period ended 31 March 2015	For the three months period ended 31 March 2014
Income from currency exchange	64	-
Interest income	6	15
Fines collected	4	3
Financial income, total	74	18
(Losses) from currency exchange	(475)	(2)
Interest (expenses)	(177)	-
Other financial activity (expenses)	(146)	-
Financial activity expenses, total	(798)	(2)
Financial result, total	724	16

## 18 Earnings per share, basic and diluted

Basic earnings per share are calculated by dividing net profit of the Company by the number of the shares available. Diluted earnings per share equal to basic earnings per share as the Company has no instruments issued that could dilute shares issued. Basic and diluted earnings per share are as follows:

	For the three months period ended 31 March 2015	For the three months period ended 31 March 2014
Net profit attributable to shareholders	4,473	1,997
Weighted average number of ordinary shares (thousand)	380,606	380,606
Earnings per share (in EUR)	0.0117	0.0052

## 19 Related party transactions

The parties are considered related when one party has a possibility to control the other one or has significant influence over the other party in making financial and operating decisions. The related parties of the Company and transactions with them during the three months of 2015, 2014 and 2013 were as follows:

Transactions with Lithuanian State controlled enterprises and institutions:

		Purchases	Sales	Receivables	Payables
State Tax Inspectorate at the Finance Ministry of the Republic of Lithuania	2015 first quarter	15,674	-	-	4,578
	2014 first quarter	6,493	-	3,387	1,478
	2013 first quarter	990	-	-	1,549
State Social Insurance Fund Board under the Ministry of Social Security and Labour	2015 first quarter	809	-	-	453
	2014 first quarter	788	-	-	431
	2013 first quarter	682	-	-	344
State Enterprise Klaipėda State Seaport Authority owned by the State of Lithuania represented by the Ministry of transportation	2015 first quarter	193	22	-	234
	2014 first quarter	189	1,379	(1,939)	189
	2013 first quarter	148	-	-	148
AB Lithuanian Railways owned by the State of Lithuania represented by the Ministry of transportation	2015 first quarter	527	-	-	69
	2014 first quarter	351	-	-	76
	2013 first quarter	646	-	-	175
AB "Lesto", owned by the State of Lithuania represented by the Ministry of Energy	2015 first quarter	161	-	-	58
	2014 first quarter	253	-	-	57
	2013 first quarter	290	-	-	115
Other related parties	2015 first quarter	922	24,675	18,331	248
	2014 first quarter	1,649	374	122	430
	2013 first quarter	2,383	362	120	432
Transactions with related parties, in total:	2015 first quarter	18,286	24,697	18,331	5,640
	2014 first quarter	9,723	1,753	1,570	2,661
	2013 first quarter	5,139	362	120	2,763

Remuneration to the Management and other payments

The Company's Management is comprised of General Manager, Deputy General Manager, Directors of Departments and their Deputies, Managers of Departments.

## 19 Related party transactions (cont'd)

	For the three months period ended 31 March 2015	For the three months period ended 31 March 2014
Labour related disbursements	623	602
Number of managers	37	34

During the first three months of the years 2015 and 2014 the Management of the Company did not receive any loans, guarantees, or any other payments or property transfers were made or accrued.

## 20 Subsequent events

- On 10 April 2015 the National Commission for Energy and Control of Prices (hereinafter – the Commission) decided to issue a transmission system operator's license of indeterminate duration for Amber Grid, AB, with a condition that the Ministry of Energy of the Republic of Lithuania within the period, which would be no longer than 12 months from the date of coming into effect of the present decision by the Commission, shall perform actions in order that the shares of LITGAS, UAB, currently held by Klaipėdos nafta, AB, are transferred to a business entity, which is not directly or indirectly controlled by the Ministry of Energy of the Republic of Lithuania, as indicated in the Opinion of the European Commission. Klaipėdos nafta, AB, currently owns and holds in total 1/3 of shares of LITGAS, UAB.
- On 24th of April 2014 the Company has announced the annual liquefied natural gas (hereinafter, LNG) terminal capacities allocation procedure and an invitation for the potential users of the LNG Terminal to submit their requests for allocation of LNG terminal capacities for the upcoming Gas Year, lasting from the 1st of October, 2015 to the 1st of October, 2016.
- On 30 April, 2015 the Board of the Company adopted a decision on initiation of sale of the shares of LITGAS, UAB owned by the Company which constitute a tranche of 1/3 of the share capital of LITGAS, UAB by public offering.
- On 30 April 2015 at 1.00 p.m. was convened an ordinary general meeting of shareholders of the Company, which adopted these decisions:
  - On the announcement of the Auditor's Report regarding the Financial Statements and Annual Report of the Company for the year 2014 to the shareholders:  
"The Auditor's Report regarding the Financial Statements and Annual Report of the Company for the year 2014 had been heard by the shareholders. Decision on this topic of the Agenda should not be taken."
  - On the announcement of the Annual Report of Klaipėdos nafta, AB for the year 2014 to the shareholders, as approved by the Board of the Company:  
„The Annual Report of Klaipėdos nafta, AB for the year 2014, as drafted by the Company, assessed by the Auditor and approved by the Board of Klaipėdos nafta, AB had been heard by the Company. Decision on this topic of the Agenda should not be taken."
  - On the approval of the audited Financial Statements of Klaipėdos nafta, AB for the year 2014:  
"To approve the audited Financial Statements of Klaipėdos nafta, AB for the year 2014."
  - On the appropriation of profit (loss) of Klaipėdos nafta, AB for the year 2014:  
"To distribute the Company's profit in the total sum of 31,963,053 LTL (equal to 9,257,140 EUR) available for appropriation, as follows:

Ratios	Amount, Litas	Amount, Euro
Allocation of earnings to legal reserve	1,598,153	462,857
Allocation of profit to other reserves	30,045,270	8,701,712
Allocation of profit to dividends	319,631	92,571
Number of shares, units	380,606,184	380,606,184
Dividends per share	0.000839793	0.000243221

5. On the assignment of the audit company that shall perform the audit of the Financial Statements for the year 2015 and 2016, as well as, the approval of their terms of payment for audit services.

"1. Based on the results of the Public Tender "Purchase of the Financial Audit Services for the Year 2015 and 2016" the audit company to be assigned for the performance of the audit of the Financial Statements of the Company and assessment of its Annual Report for the years 2015 and 2016, shall be –"Ernst & Young Baltic", UAB (hereinafter referred to as the Auditor);

2. To authorize and oblige the General Manager of the Company to conclude the contract for audit services with "Ernst & Young Baltic", UAB, under the conditions approved by the present decision of the Board, with the total audit fee in the amount of EUR 29 000 (twenty nine thousand euro) exclusive of VAT to be paid for the audit of the Company's Financial Statement, assessment of the Annual Report and preparation of the Auditor's Report for the years 2015 and 2016 (EUR 14 500 for the years 2015 and 2016, respectively) (hereinafter referred to as the Audit Fee), under the following conditions of payment: 50 percent of the Contract price after completion of the interim audit but not later than 30 November of the relevant year and 50 percent of the Contract price after issuance of draft Auditor's Report on the relevant year Financial Statements by the Auditor, within 30 days after issuance of the duly formalized invoices to the Company."

No more significant subsequent events have occurred after the date of financial statements.

## CONFIRMATION OF RESPONSIBLE PERSONS

Following Article 22 of the Law on Securities of the Republic of Lithuania and the Rules on Preparation and Submission of Periodic and Additional Information of the Lithuanian Securities Commission, we, Osvaldas Sabaliauskas, Deputy General Manager, acting as General Manager, of SC Klaipėdos Nafta, Marius Pulkauninkas, Finance and Administrative Department Director of SC Klaipėdos Nafta, and Asta Sedlauskienė, Head of Accounting Division hereby confirm that to the best of our knowledge the above-presented unaudited Interim condensed Financial Statements of SC Klaipėdos Nafta for the first three month period ended on 31<sup>st</sup> March 2015, prepared in accordance with the International Financial Reporting Standards as adopted to be used in the European Union, give a true and fair view of the assets, liabilities, financial position and profit or loss and cash flows of SC Klaipėdos Nafta.

Deputy General Manager, acting as General Manager



Osvaldas Sabaliauskas

Director of Finance and Administrative Department



Marius Pulkauninkas

Head of Accounting Division



Asta Sedlauskienė