TELIA LIETUVA, AB

CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2018
(UNAUDITED)

Beginning of the financial year	1 January 2018
End of reporting period	31 March 2018
Name of the company	Telia Lietuva, AB (hereinafter – “Telia Lietuva” or “the Company”)
Legal form	public company (joint-stock company)
Date of registration	6 February 1992
Code of enterprise	121215434
LEI code	5299007A0LO7C2YYI075
Name of Register of Legal Entities	State Enterprise Centre of Registers
Registered office	Lvovo str. 25, LT-03501 Vilnius, Lithuania
Telephone number	+370 5 262 1511
Fax number	+370 5 212 6665
Internet address	www.telia.lt
Main activities	Integrated telecommunication, IT and TV services to residential and business customers in Lithuania

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MANAGEMENT REPORT

First quarter of 2018*:

- Total revenue amounted to EUR 90.8 million, up by 6.9 per cent over the revenue of EUR 84.9 million in Q1 2017.
- EBITDA, excluding non-recurring items, was EUR 31 million, an increase by 8.6 per cent over the restated EBITDA, excluding non-recurring items, of EUR 28.5 million a year ago.
- Free cash flow amounted to EUR 5.4 million and was almost 2.3 time higher than a year ago when it amounted to 2.4 million.

Management comment:
One year has already passed since we started to operate under Telia brand and offer fixed and mobile communications services from a single point. Apart of new services, such as hybrid-type Internet that combined copper line and mobile Internet technologies, the most striking evidence of the value created by the merger of fixed and mobile operations is a success of the converged offer "Telia One".

In February 2018, we have reached the milestone of 10 thousand customers that had used converged offer "Telia One". It means that more than 10 thousand Telia Lietuva customers and counting are enjoying higher speed, more data and more TV content because they use both fixed and mobile services.

In January, we were the first in Lithuania to present "Super VDSL" (S-VDSL) technology, which provides up to 250 Mbps Internet via copper lines. More than 2 thousand customers already switched from DSL to S-VDSL technology.

Positive intake of a new customers which accelerated with the launch of the converged offer "Telia One" in October 2017 continued. Over the year the number of:

- IPTV users increased by 10.3 per cent up to 215 thousand,
- FTTH Internet customers by 6.8 per cent up to 268 thousand,
- Post-paid mobile service users by 3.6 per cent up to 1,093 thousand.

The growing number of customers, galloping usage of mobile data and continuous demand for equipment led to growth in total revenue by 6.9 per cent, whereof revenue from:

- equipment sales increased by 22.3 per cent,
- billed mobile services by 11.6 per cent,
- TV and IT services, respectively, by 7.7 and 7.8 per cent.

Higher revenue in combination with cost control and operations efficiency improvements resulted in EBITDA, excluding non-recurring items, growth over the year by 8.6 per cent, and EBITDA, including non-recurring items, margin for the first quarter of 2018 stood at 34.1 per cent (33.6 per cent a year ago).

The Company's investments which during the first quarter of 2018 amounted to EUR 13.6 million (EUR 12.9 million a year ago) besides continuing expansion of network capacities and access are allocated into development of IT systems under ongoing business transformation program. As a result, 166 thousand customers or one third of home service users are already migrated into a new SAP CRM system. Under transformation program we are also revising our services and products portfolio with the aim to terminate provision of less profitable services.

In March 2018, Telia Lietuva has become the first IT company in the Baltic States to receive a certificate from the software manufacturer SAP, which allows the Company to serve the IT systems of the largest enterprises. At the same time, the Company announced the launch of Telia IT Academy in Šiauliai, where SAP top-level professionals will share their knowledge and experience with the academy participants.

Following the Company's dividend policy which requires that the Company's net debt to EBITDA ratio should not be higher than 1.5 and pay-out of dividends should not exceed 80 per cent of free cash flow, the Board proposed to the Annual General Meeting, which will be held on 25 April 2018, to more than double dividend pay-out and to pay EUR 0.07 dividend per share for the year 2017, while for the year 2016 the dividend per share amounted to EUR 0.03. This one of the highest dividends pay-out in the Company's history and is as result of combined operations' synergy.

For ongoing investment into the progress of telecommunication industry, creation of the value to all stakeholders and contribution to the country's development Telia Lietuva in April 2018 was granted the award of Company of the Centenary by Investors' Forum, that unites foreign investors in Lithuania.

** Note. Starting from 1 January 2018, the Company adopted International Financial Reporting Standard 15 "Revenue from Contracts with Customers" (IFRS 15) and in order to compare financial results for the year 2018 with financial results a year ago the Company restated financial data for the year 2017. An effect of restatement of financial data for the first quarter of 2017 was as follows: total revenue was reduced by EUR 404 thousand, while total operating expenses were increased by EUR 256, having a total negative effect of EUR 660 thousand on EBITDA and EBIT.*

(All tabular amounts are in EUR '000 unless otherwise stated)

KEY FIGURES OF THE GROUP

Financial figures	January-March 2018	January-March 2017 (restated)*	Change (%)
Revenue	90,762	84,889	6.9
EBITDA excluding non-recurring items	30,985	28,531	8.6
EBITDA margin excluding non-recurring items (%)	34.1	33.6	
EBITDA	30,882	27,580	11.8
EBITDA margin (%)	34.0	32.5	
Operating profit (EBIT) excluding non-recurring items	15,269	12,058	26.6
EBIT margin excluding non-recurring items (%)	16.8	14.2	
Operating profit (EBIT)	15,166	11,107	36.5
EBIT margin (%)	16.7	13.1	
Profit before income tax	14,987	10,868	37.9
Profit before income tax margin (%)	16.5	12.8	
Profit for the period	11,967	9,558	25.2
Profit for the period margin (%)	13.2	11.3	
Earnings per share (EUR)	0.021	0.016	
Number of shares (thousand)	582,613	582,613	-
Cash flow from operations	22,522	23,440	(3.9)
Operating free cash flow	5,436	2,392	127.3

Operating figures	31-03-2018	31-03-2017	Change (%)
Mobile service subscriptions, in total (thousand)	1,363	1,346	1.3
- Post-paid (thousand)	1,093	1,055	3.6
- Pre-paid (thousand)	270	291	(7.2)
Broadband Internet connections, in total (thousand)	415	405	2.5
- Fiber-optic (FTTH/B) (thousand)	268	251	6.8
- Copper (DSL) (thousand)	147	154	(4.5)
Fixed telephone lines in service (thousand)	401	454	(11.7)
TV service customers, in total (thousand)	245	232	5.6
- IPTV (thousand)	215	195	10.3
- Digital terrestrial TV (DVB-T) (thousand)	30	36	(16.7)
Number of personnel (head-counts)	2,980	3,173	(6.1)
Number of full-time employees	2,715	2,846	(4.6)

Financial ratios	31-03-2018	31-03-2017*
Return on capital employed (%)	12.6	10.0
Return on average assets (%)	10.4	8.4
Return on shareholders' equity (%)	17.6	15.0
Operating cash flow to sales (%)	30.3	33.8
Gearing ratio (%)	42.0	59.4
Debt to equity ratio (%)	48.5	67.2
Current ratio (%)	169.7	88.8
Rate of turnover of assets (%)	67.8	62.0
Equity to assets ratio (%)	57.2	51.6

**Note: In 2018, the Company introduced IFRS 15 "Revenue from Contracts with Customers" and amendments to IFRS 15 "Effective date of IFRS 15" adopted by the EU on 22 September 2016 (effective for annual periods beginning on or after 1 January 2018). Therefore, Consolidated Statements of Comprehensive Income, Financial Position, Changes in Equity and Cash Flow for the first quarter of 2017 and for the full year of 2017 presented in this report are restated retrospectively in line with IFRS 15.*

(All tabular amounts are in EUR ‘000 unless otherwise stated)

Breakdown of revenue by services	January-March 2018	January-March 2017 (restated)*	Change (%)
Fixed services	**46,136**	**46,027**	**0.2**
Voice telephony services	16,642	17,678	(5.9)
Internet services	14,487	14,403	0.6
Data communication and network capacity	4,690	4,853	(3.4)
TV services	6,321	5,870	7.7
IT services	2,610	2,420	7.8
Other services	1,386	803	72.6
Mobile services	**28,394**	**25,584**	**11.0**
Billed services	23,589	21,136	11.6
Other mobile service	4,805	4,448	8.0
Equipment	**16,237**	**13,278**	**22.3**
Total	**90,767**	**84,889**	**6.9**

REVENUE

Due to introduction of IFRS 15 “Revenue from Contracts with Customers” and to have comparable data, revenue for the first quarter of 2017 was restated. The major impact was that amount of EUR 816 thousand representing revenue from end equipment lease was reclassified and moved from revenue line “TV services” to revenue line “Equipment” and fair value of equipment sold with deferred payment (mainly mobile phones and other gadgets) was recalculated giving a total negative effect of EUR 404 thousand on revenue from equipment sales and total revenue for the first quarter of 2017.

The **total revenue** of the Company in January-March of 2018 was EUR 90.8 million, an increase by 6.9 per cent over the total restated revenue of EUR 84.9 million in the first three months of 2017.

The main drivers of revenue growth during the first quarter of 2018 was revenue from equipment sales and mobile communication services supported by revenue from TV and IT services.

Share of revenue from fixed and mobile communication services amounted to 50.8 and 31.3 per cent, respectively, from the total revenue for the first three months of 2018. Share of revenue from equipment sales was 17.9 per cent.

During the first quarter of 2018, revenue from services provided to residential customers (B2C) amounted to 56.9 per cent, to business customers (B2B) – 42.4 per cent, and others – 0.7 per cent of the total revenue.

By February 2018, we had 10 thousand customers that took advantage of our converged offer “Telia One” that gives more value – higher speed, more data and more TV content – to those who have both fixed and mobile services. This convenient and worthy converged offer when customers can get fixed and mobile connectivity home offer by visiting one portal, one retail outlet, or calling one customer care number was launched in October 2017.

During the first quarter of 2018, the number of post-paid **mobile** communication service users increased by 18 thousand, while the number of pre-paid service users eased by 7 thousand. Over the last twelve months, the number of post-paid service users went up by 38 thousand and the number of pre-paid service users contracted by 21 thousand. Over the year, the total number of active mobile subscriptions increased by 17 thousand.

The growth in billed revenue from mobile services was driven by increased number of active mobile subscriptions, continuous customers’ migration from pre-paid to higher ARPU post-paid mobile services and accelerating usage of mobile data. Over the year amount of data used by mobile devices increased by 1.7 times, and especially after the elimination of roaming charges in the European Union from 15 June 2017.

Revenue from **other mobile services** include revenue from the Company’s mobile network interconnections and other network services.

During January-March of 2018, the number of fixed telephone lines in service contracted by 14.5 thousand, while over the last twelve months it went down by 52.7 thousand. Over the year the total retail fixed voice telephony traffic decreased by 17.4 per cent. As a result, revenue from retail fixed **voice telephony** services, compared with the first quarter of 2017, decreased by 14.1 per cent, while revenue from network interconnection services increased by 4.1 per cent but could not offset decline in revenue from retail voice telephony services.

During the first quarter of 2018, the number of fixed **broadband Internet** access users over fiber-optic network using FTTH/B technologies increased by 3.6 thousand, while the number of broadband Internet service users over the copper DSL connections eased by 1.1 thousand. The total net increase in the number of broadband Internet access users was 2.5 thousand.

Over the last twelve months, the total number of broadband Internet access users increased by 10.1 thousand. The number of FTTH/B connections increased by 17 thousand and reached 268 thousand at the end of March 2018, while the number of copper DSL connections eased by 6.9 thousand to 147 thousand. As of 31 March 2018, the number of Internet connections over the fiber-optic access network amounted to 64.5 per cent of all 415 thousand broadband Internet connections.

In January, the Company introduced “Super VDSL” (S-VDSL) technology, which depending on the length of the copper line connecting Telia Lietuva exchange and end equipment provides up to 250 Mbps Internet speed. For comparison, DSL technology ensures just up to 19 Mbps speed over the copper line. According to estimates, more than 70 thousand businesses and residents having the Company’s DSL lines especially in regional centres and smaller neighbourhoods where a lot of people live in private houses will be able to use high speed Internet provided by S-VDSL technology.

Compared with the first quarter of 2017, revenue from **data communication** services alone increased by 3.5 per cent, while revenue from **network capacity** services alone decreased by 12.2 per cent.

During January-March of 2018, the number of IPTV (including “Interneto.tv”) service users increased by 4.7 thousand, while over the last twelve months it rose by 20.1 thousand and by the end of March 2018 amounted to 215 thousand. During the last twelve months, the number of digital terrestrial television (DVB-T) users decreased by 6.8 thousand and amounted to 30 thousand. The Company is encouraging its DVB-T users to migrate to the more advanced IPTV platform that besides other functionalities features more than 40 national and international TV channels in HD quality. Over the year, the total number of **television** service customers went up by 13.3 thousand.

Revenue from **IT services** is generated from the data center, information system management and web-hosting services provided to local and multinational enterprises.

In February 2018, the Company opened the second largest Telia Lietuva IT competence centre in Šiauliai. The Company plans to create 50 new jobs in Šiauliai in the upcoming few years and to expand its IT team up to 200 employees.

In March, Telia Lietuva obtained certificate from SAP, a German-based one of the largest software manufacturers in the world and the business applications market leader. The audit carried out by SAP experts confirmed that the Company meet all the criteria, and has all the required competences and sufficient experience in maintaining IT SAP systems of large enterprises.

In March 2018, the Company and Šiaulių Bankas signed an agreement regarding the Bank’s computerized work places management. Under this agreement, Telia Lietuva will lease all necessary computer hardware to Šiaulių Bankas and take over its maintenance. Lease and maintenance of computerized working places created specifically to meet the need of Šiaulių Bankas is a completely new service provided by Telia Lietuva. It will reduce IT costs and, at the same time, have the highest level of excellence in IT maintenance. Another advantage of this integrated service is the introduction of the security systems and technologies latest on the market which meet extremely stringent requirements of the General Data Protection Regulation (GDPR). This not only ensures higher level of personal data security but also guarantees cyber security to banking systems.

Revenue from **other services** consists of the non-telecommunication services such as Contact Center services to external customers, lease of premises, discount refunds and other. Revenue from Contact Center services for the first quarter of 2018 was 83.2 per cent lower than a year ago, because the Company’s subsidiary ceased to provide services to external customers (except the Directory Inquiry service 118) from 1 February 2017. Revenue from other non-core business services for January-March of 2018, compared with the same period a year ago, increased by 25.6 per cent.

Gain or loss from sale of property, plant and equipment, as well as gain or loss on currency exchange is recorded at net value as **other gain (loss)**. During the first quarter of 2018, the non-recurring gain from sales of property amounted to EUR 424 thousand.

(All tabular amounts are in EUR '000 unless otherwise stated)

MARKET INFORMATION

According to the latest Report of the Communications Regulatory Authority (CRA), the Lithuanian electronic communications market in terms of revenue increased by 2 per cent in the fourth quarter of 2017 compared with the fourth quarter of 2016 and amounted to EUR 172 million. Market revenue for the year 2017, compared with the year 2016, increased by 3.8 per cent, and amounted to EUR 681 million.

Telia Lietuva remains the largest telecommunications' service provider in Lithuania with the market share (in term of revenue) of 42.3 per cent for the fourth quarter of 2017, an increase by 0.9 percentage point over the last twelve months. It should be noted that the Company is regaining its share on mobile voice market: during the fourth quarter of 2017 it improved by 1.8 percentage point.

	The market shares in terms of customers (%)		The market shares in terms of revenue (%)	
	Q4 2017	**Change (p.p.) (y-o-y)**	**Q4 2017**	**Change (p.p.) (y-o-y)**
Fixed voice telephony services	85.4	(2.3)	91.3	(0.4)
Mobile voice telephony services	30.1	0.2	27.3	(2.5)
Internet access services (total):	45.1	(1.7)	52.0	(1.2)
- Fixed access	51.3	4.4	61.5	4.6
- Mobile access	31.7	(14.8)	27.2	(12.9)
Pay-TV services	33.6	1.5	40.7	1.8
Data communication services	n/a	n/a	68.5	(6.3)

According to the Report of the CRA, on 31 December 2017, broadband Internet penetration per 100 residents of Lithuania was 41.7 per cent (44.7 per cent a year ago) and pay-TV penetration per 100 households was 56.8 per cent (55.6 per cent a year ago). The penetration of active mobile communication users per 100 residents was 152.8 per cent (147.6 per cent a year ago) and penetration of fixed voice telephony lines per 100 residents – 16.9 per cent (18.3 per cent a year ago).

OPERATING EXPENSES

During January-March of 2018, **cost of goods and services** increased by 17.2 per cent over the cost of goods and services for the same period a year ago, mainly due to higher equipment sales and voice transit traffic.

Due to introduction of IFRS 15 and restatement of Statement of Comprehensive Income for the year 2017, employee-related expenses for the first three months of 2017 were reduced by EUR 751 thousand, while other expenses for the same period were increased by EUR 1 million. As a result, restated operating expenses (excluding cost of goods and services) for January-March of 2017 were increased by EUR 256 thousand.

Operating expenses (excluding cost of goods and services, and non-recurring items) for the first quarter of 2018 were 6.9 per cent lower than restated operating expenses in January-March of 2017.

Employee-related expenses (excluding one-time redundancy pay-outs) for the first three months of 2018 decreased by 2.8 per cent over restated employee-related expenses (excluding one-time redundancy pay-outs) for the first three months of 2017. During the first quarter of 2018, the Company had non-recurring redundancy charge that amounted to EUR 527 thousand (EUR 340 thousand a year ago).

During the first quarter of 2018, the total **number of employees** (headcount) decreased by 47, while over the last twelve months, the total number of employees went down by 193 (mainly in Contact Center) – from 3,173 to 2,980.

In terms of full-time employees, the total number of employees during January-March of 2018 decreased by 17, while over the last twelve months – by 131 from 2,846 to 2,715.

Other expenses for the first quarter of 2018 were 11.8 per cent lower than restated other expenses (excluding non-recurring expenses) a year ago. During January-March of 2017 non-recurring expenses related to rebranding amounted to EUR 610 thousand.

EARNINGS

Restatement of financial data for year 2017 following the introduction of IFRS 15 from 1 January 2018 had a negative effect of EUR 660 thousand on EBITDA and EBIT for the first quarter of 2017.

(All tabular amounts are in EUR '000 unless otherwise stated)

EBITDA excluding non-recurring items for the first quarter of 2018 went up by 8.6 per cent, compared with restated EBITDA excluding non-recurring items of EUR 28.5 million for the first quarter of 2017, and amounted to EUR 31 million. EBITDA excluding non-recurring items margin amounted to 34.1 per cent, while in 2017 it was 33.6 per cent.

EBITDA including non-recurring items in January-March of 2018 was EUR 30.9 million, an increase by 11.8 per cent over restated EBITDA including non-recurring items of EUR 27.6 million for the same period in 2017. EBITDA including non-recurring items margin in the first quarter of 2018 stood at 34 per cent (32.5 per cent a year ago).

Depreciation, amortisation and impairment charges for the first three months of 2018 went down by 4.6 per cent over depreciation, amortisation and impairment charges a year ago, and in January-March of 2018 amounted to 17.3 per cent of the total revenue (19.4 per cent a year ago).

Operating profit (EBIT) excluding non-recurring items for the first quarter of 2018 was 26.6 per cent higher than restated operating profit (EBIT) excluding non-recurring items for the same period in 2017, and the operating profit excluding non-recurring items margin was 16.8 per cent (14.2 per cent in 2017).

Operating profit (EBIT) including non-recurring items for the first three months of 2018 was 36.5 per cent higher than restated operating profit (EBIT) including non-recurring items for the same period a year ago. Operating profit including non-recurring items margin was 16.7 per cent (13.1 per cent a year ago).

Net financial income in January-March of 2018 was negative and amounted to EUR 179 thousand. Net financial income a year ago was also negative and amounted to EUR 239 thousand.

Profit before income tax for the first three months of 2018 was up by 37.9 per cent and amounted to EUR 15 million, while restated profit before income tax a year ago was EUR 10.9 million, and profit before income tax margin increased from 12.6 per cent for the first quarter of 2017 to 16.5 per cent for the same quarter of 2018.

The profit tax rate in Lithuania is 15 per cent. Following the provisions of the Law on Corporate Profit Tax regarding tax relief for investments in new technologies, the profit tax relief for the first quarter of 2017 amounted to EUR 869 thousand while in 2018 it was not applicable. Therefore, **income tax expenses** for the first three months of 2018 were 2.3 times higher than restated income tax expenses a year ago.

Profit for the period in January-March of 2018 amounted to EUR 12 million, an increase by 25.2 per cent over restated profit of EUR 9.6 million for January-March of 2017. The profit margin stood at 13.2 per cent while restated profit margin a year ago was 11.3 per cent.

FINANCIAL POSITION AND CASH FLOW

Due to introduction of IFRS 15 "Revenue from Contracts with Customers" the audited Statement of Financial Position for the year 2017 was restated and new items on the balance sheet such as "Cost to obtain a contract", "Contract assets" and "Contract liabilities" were created. As a result, the restated total assets as of 31 December 2017 were by EUR 2.2 million higher than audited total assets as of 31 December 2017 and amounted to EUR 568.6 million. During the first quarter of 2018, **total assets** of the Group decreased by 2.2 per cent.

Total **non-current assets** eased by 1 per cent and amounted to 76.2 per cent of total assets. Total **current assets** decreased by 6.5 per cent and amounted to 23.1 per cent of total assets, whereof cash alone represented 3.7 per cent of total assets.

During the first three months of 2018, **shareholders' equity** increased by 3.9 per cent and amounted to 57.2 per cent of total assets.

The Board of the Company proposed to the Annual General Meeting of Shareholders that will be held on 25 April 2018 to allocate from the Company's distributable profit of EUR 116.7 million an amount of EUR 40.8 million for the payment of **dividends** for the year 2017, i. e. EUR 0.07 dividend per share, and carry forward to the next financial year an amount of EUR 76 million as retained earnings (undistributed profit).

Dividends paid to legal entities (residents and non-residents) will be subject to withholding Corporate income tax of 15 per cent and dividends paid to natural persons (residents and non-residents) will be subject to withholding Personal income tax of 15 per cent.

During the first quarter of 2018, the Company repaid another tranche of EUR 7.5 million from the total long-term loan of EUR 150 million. At the end of March 2018, the total amount of **borrowings** amounted to EUR 154.1 million (EUR 190 million a year ago), whereof EUR 150 million were loans from banks and EUR 4.1 million – obligation under financial lease agreements. As of 31 March 2018, Telia Lietuva had no borrowings from the largest shareholder of the Company, Telia Company AB.

(All tabular amounts are in EUR '000 unless otherwise stated)

Net **cash flow from operating activities** in the first three months of 2018 was 3.9 per cent lower than restated cash flow for same period in 2017. **Operating free cash flow** (operating cash flow excluding capital investments) in January-March 2018 was EUR 5.4 million, while restated free cash flow a year ago amounted to EUR 2.4 thousand, an increase by almost 2.3 times.

During the first three months of 2018, the total **capital investments** amounted to EUR 13.6 million (EUR 12.9 million a year ago). An amount of EUR 7.5 million was invested into development of the fixed core and fiber-optic access network, while EUR 2.8 million was allocated for the expansion of the mobile network of the Company. An amount of EUR 2.9 million was invested into the development of IT systems under ongoing business transformation program and EUR 0.4 million were other investments.

During January-March 2018, the Company installed and launched 105 new LTE 4G base stations and now has 2,102 4G base stations across the Lithuania. According to the latest data of CRA, Telia Lietuva 4G connectivity has covered 99 per cent of the populated territory of Lithuania and remains the fastest in the country.

By the end of March 2018, the Company had 893 thousand households passed (873 thousand a year ago), or 73 per cent of the country's households, by the fiber-optic network.

Cash and cash equivalents during the period of the first three months of 2018 decreased by EUR 2.5 million.

SHARE CAPITAL AND SHAREHOLDERS

The **authorised capital** of the Company amounts to 168,957,810.02 euro and consists of 582,613,138 ordinary registered shares with a nominal value of 0.29 euro each. The number of the Company's shares that provide voting rights during the General Meeting is 582,613,138.

582,613,138 ordinary registered shares of Telia Lietuva, AB (ISIN code LT0000123911) are listed on the Main List of Nasdaq Vilnius stock exchange (code: TEL1L). Nasdaq Vilnius stock exchange is a home market for the Company's shares.

From January 2011, the Company's shares are included into the trading lists of Berlin Stock Exchange (Berlin Open Market (Freiverkehr), Frankfurt Stock Exchange (Open Market (Freiverkehr), Munich Stock Exchange and Stuttgart Stock Exchange. Telia Lietuva share's symbol on German stock exchanges is ZWS.

Over the year, because of synergy from fixed and mobile operations merger the Company's market capitalisation increased by EUR 111 million and on 31 March 2018 amounted to EUR 664 million (EUR 553 million a year ago).

Information about **trading in Telia Lietuva shares** on Nasdaq Vilnius stock exchange in January-March of 2018:

Currency	Opening price	Highest price	Lowest price	Last price	Average price	Turnover (units)	Turnover
EUR	0.966	1.150	0.956	1.140	1.058	2,451,031	2,592,208

Shareholders, holding more than 5 per cent of the share capital and votes, as on 31 March 2018:

Name of the shareholder (name of the enterprise, type and registered office address, code in the Register of Enterprises)	Number of ordinary registered shares owned by the shareholder	Share of the share capital (%)	Share of votes given by the shares owned by the right of ownership (%)	Share of votes held together with persons acting in concert (%)
Telia Company AB, 169 94 Solna, Sweden, code 556103-4249	513,594,774	88.15	88.15	-
Other shareholders	69,018,364	11.85	11.85	-
TOTAL:	**582,613,138**	**100.00**	**100.00**	**-**

The number of **shareholders** on the shareholders' registration day (20 April 2017) for the last Annual General Meeting of Shareholders, which was held on 27 April 2017, was 11,344.

(All tabular amounts are in EUR '000 unless otherwise stated)

OTHER MATERIAL INFORMATION

On 30 January 2018, the Company's subsidiaries UAB Kompetencijos Ugdymo Centras changed the name to Telia Global Services Lithuania, UAB. This change is related to establishment of Telia Group shared service center in Vilnius.

On 27 March 2018, the Board of the Company approved the transfer of the Company's employees that are providing services to Telia Company Group to Telia Global Services Lithuania and sale of a 100 per cent stake in Telia Global Services Lithuania to Telia Company AB, which is a shareholder of the Company and owns a 88.15 per cent stake in Telia Lietuva.

On 27 March 2018, the Board of the Company decided to convoke the Annual General Meeting of Shareholders on 25 April 2018. The Board proposed to the General Meeting to allocate from the Company's distributable profit of EUR 116,746 thousand EUR 40,783 thousand for the payment of dividends for the year 2017, i.e. EUR 0.07 dividend per share, and carry forward to the next financial year an amount of EUR 75,962 thousand as retained earnings (undistributed profit). For two independent members to the Board – Inga Skisaker and Rolandas Viršilas – as tantiems (annual payment) for the year 2017 to allocate in total an amount of EUR 31,280, or EUR 15,640 each. In addition, the Board proposed to elect UAB Deloitte Lietuva as the Company's audit enterprise to perform the audit of the annual consolidated and separate financial statements of the Company for the year 2018 and 2019, and to assess the consolidated annual report of the Company for the year 2018 and 2019.

MEMBERS OF THE MANAGING BODIES

According to the By-laws of Telia Lietuva, the managing bodies of the Company are General Meeting, Board and General Manager. The Company does not have a Supervisory Council.

Members of the Board as of 31 March 2018:

Name, surname	Position in the Board	Employment	Ownership of the Company's shares
Henriette Wendt	Chairwoman of the Board, Chairwoman of the Remuneration Committee	Telia Company AB (Sweden), Head of LED (Lithuania, Estonia, Denmark) cluster	-
Stefan Block	Member of the Board, Chairman of the Audit Committee	Telia Company AB (Sweden), Group Procurement, Deputy CPO	-
Claes Nycander	Member of the Board, member of the Remuneration Committee	Telia Company AB (Sweden), Vice President and Head of Special Projects & LED (Lithuania, Estonia, Denmark) Management at Group Service Operations	-
Ole Stenkil	Member of the Board, member of the Audit Committee	Telia Danmark A/S (Denmark), Vice President and General Counsel	-
Inga Skisaker	Member of the Board, member of the Audit Committee	Nordea Bank AB (Sweden), Norway branch, Head of Business Risk Implementation and Support for Personal Banking	-
Rolandas Viršilas	Member of the Board, member of the Remuneration Committee	UAB Švyturys-Utenos Alus (Lithuania), CEO; Carlsberg Baltic countries, CEO	75,000 shares or 0.0129% of the total number of shares and votes

Following provisions of The Governance Code for the Companies Listed on Nasdaq Vilnius stock exchange, all members of the Board are regarded as non-executive members of the Board, and Inga Skisaker and Rolandas Viršilas are regarded as independent members of the Board. Information about other Board assignments of the members of the Company's Board is provided at the Company's webpage www.telia.lt.

Stefan Block, Ole Stenkil, Inga Skisaker and Rolandas Viršilas will resign from the Board as of 24 April 2018. Telia Company AB, as a shareholder having 88.15 per cent of the Company's shares and votes, proposed to the Annual General Meeting of Shareholders, which will be held on 25 April 2018, to elect Agneta Wallmark, Hannu-Matti Mäkinen, Tomas Balžekas and Mindaugas Glodas as members of the Board for the current term of this Board, i. e. till 27 April 2019.

Following provisions of The Governance Code for the Companies Listed on the Nasdaq Vilnius stock exchange Agneta Wallmark, Hannu-Matti Mäkinen, Tomas Balžekas and Mindaugas Glodas upon election would be regarded as non-executive member of the Board, while Tomas Balžekas and Mindaugas Glodas besides would be regarded as independent members of the Board.

From 1 January 2018, Haval van Drumpt, previously CEO of Zitius, a part of Telia Company Group, became a new Head of B2C at Telia Lietuva.

In February 2018, Vaida Jurkonienė, a Head of Marketing and Brand at B2C of the Company, was appointed to lead a newly established Marketing and Communication unit, that united corporate communication, brand and marketing competences into a single unit.

Management Team as of 31 March 2018:

Name, surname	Position in the Company	Involvement into activities of other entities	Ownership of the Company’s shares
Kęstutis Šliužas	CEO	Telia Company AB (Sweden), LED (Lithuania, Estonia, Denmark) cluster, member of the management team; Kaunas Technology University (Lithuania), member of the Council; Vilnius Tech Park (Lithuania), member of the Council; Investors' Forum (Lithuania), member of the Board; Association INFOBALT (Lithuania), member of the Board; Baltic Institute of Corporate Governance, member of the Board; UAB Mobilieji Mokėjimai (Lithuania), member of the Supervisory Council	-
Mindaugas Ubartas	Head of Business to Business (B2B)	-	-
Haval van Drumpt	Head of Business to Consumer (B2C)		-
Andrius Šemeškevičius	Head of Technology	-	8,761 shares or 0.0015% of the total number of shares and votes
Laimonas Devyžis	Head of Finance	UAB LD Corporate Consulting (Lithuania), 100 per cent owner & Director; UAB Mobilieji Mokėjimai (Lithuania), member of the Board	-
Ramūnas Bagdonas	Head of Human Resources	Telia Company AB (Sweden), LED (Lithuania, Estonia, Denmark) cluster, member of the management team responsible for Human Resources; Association of Personnel Management Professionals (Lithuania), member of the Board; State Enterprise Lithuanian Airports (Lithuania), Member of the Board	-

(All tabular amounts are in EUR ‘000 unless otherwise stated)

Giedrė Kaminskaitė-Salters	General Counsel and Head of Public Affairs	Telia Company AB (Sweden), Head of Legal for LED (Lithuania, Estonia and Denmark) cluster; LMT SIA (Latvia), member of the Supervisory Council; UAB Litexpo (Lithuania), Chairwoman of the Board; Association Lyderė (Lithuania), member of the Board	-
Vaida Jurkonienė	Head of Marketing and Communication	-	-
Mantas Goštautas	Head of Business Development	Vilnius Tech Park (Lithuania), member of the Selection Committee	
Vytautas Bučinskas	Head of Operational Excellence	Member of the Cyber Security Council (Lithuania); Association INFOBALT (Lithuania), Deputy Chairman of Cybersecurity Committee; European Telecommunications Network Operator’s (ETNO) Association, Deputy Chairman of Cybersecurity Committee	-

(All tabular amounts are in EUR '000 unless otherwise stated)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	January - March 2018	January - March 2017 restated*
Revenue		90,762	84,889
Cost of goods and services		(36,083)	(30,798)
Employee-related expenses		(14,060)	(14,260)
Other expenses		(10,285)	(12,275)
Other gain/ (loss) – net		548	24
Depreciation, amortisation and impairment of fixed assets	2	(15,716)	(16,473)
Operating profit		15,166	11,107
Finance income		311	323
Finance costs		(490)	(562)
Finance income/ costs – net		**(179)**	**(239)**
Profit before income tax		**14,987**	**10,868**
Income tax	6	(3,020)	(1,310)
Profit for the period		**11,967**	**9,558**
Other comprehensive income:		-	
Other comprehensive income for the period		-	-
Total comprehensive income for the period		**11,967**	**9,558**
Profit and comprehensive income attributable to:			
Owners of the Parent		11,967	9,558
Minority interests		-	-
Earnings per share for profit attributable to the equity holders of the Company (expressed in euro per share)	7	0.021	0.016

**Note: In 2018, the Company introduced IFRS 15 "Revenue from Contracts with Customers" and amendments to IFRS 15 "Effective date of IFRS 15" adopted by the EU on 22 September 2016 (effective for annual periods beginning on or after 1 January 2018). Therefore, Consolidated Statements of Comprehensive Income, Financial Position, Changes in Equity and Cash Flow for the first quarter of 2017 and for the full year of 2017 presented in this report are restated retrospectively in line with IFRS 15.*

(All tabular amounts are in EUR '000 unless otherwise stated)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	31 March 2018	31 December 2017 restated*
ASSETS			
Non-current assets			
Property, plant and equipment	2	288,686	290,435
Intangible assets	2	120,977	122,401
Investment property		1,277	1,277
Investments in associates and subsidiaries		576	650
Cost to obtain a contract (non-current)		3,698	3,470
Other contract assets (non-current)		544	544
Trade and other receivables		8,259	9,459
		424,017	**428,236**
Current assets			
Inventories		11,547	11,242
Other current contract assets		1,164	1,303
Trade and other receivables		95,081	101,650
Current income tax receivable		130	174
Cash and cash equivalents		20,644	23,166
		128,566	**137,535**
Assets held for sale		3,505	2,743
Total assets		**556,088**	**568,514**
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital	4	168,958	168,958
Legal reserve		16,896	16,896
Retained earnings		131,972	120,005
Total equity		**317,826**	**305,859**
LIABILITIES			
Non-current liabilities			
Borrowings		122,989	130,626
Deferred tax liabilities		19,753	19,080
Deferred revenue and accrued liabilities		9,070	9,151
Other non-current contract liabilities		-	50
Provisions	5	10,700	10,728
		162,512	**169,635**
Current liabilities			
Trade, other payables and accrued liabilities		40,779	59,018
Current income tax liabilities		3,461	1,959
Borrowings		31,064	31,385
Other current contract liabilities		446	645
Provisions	5	-	13
		75,750	**93,020**
Total liabilities		**238,262**	**262,655**
Total equity and liabilities		**556,088**	**568,514**

**Note: In 2018, the Company introduced IFRS 15 "Revenue from Contracts with Customers" and amendments to IFRS 15 "Effective date of IFRS 15" adopted by the EU on 22 September 2016 (effective for annual periods beginning on or after 1 January 2018). Therefore, Consolidated Statements of Comprehensive Income, Financial Position, Changes in Equity and Cash Flow for the first quarter of 2017 and for the full year of 2017 presented in this report are restated retrospectively in line with IFRS 15.*

(All tabular amounts are in EUR '000 unless otherwise stated)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

GROUP	Share capital	Legal reserve	Retained earnings	Total equity
Balance at 1 January 2017	**168,958**	**16,896**	**87,407**	**273,261**
Net profit	-	-	9,558	9,558
Total comprehensive income for the period	**-**	**-**	**9,558**	**9,558**
Balance at 31 March 2017	**168,958**	**16,896**	**106,523**	**292,377**
Balance at 1 January 2018	**168,958**	**16,896**	**120,005**	**305,859**
Net profit	-	-	11,967	11,967
Total comprehensive income for the period	**-**	**-**	**11,967**	**11,967**
Balance at 31 March 2018	**168,958**	**16,896**	**131,972**	**317,826**

**Note: In 2018, the Company introduced IFRS 15 "Revenue from Contracts with Customers" and amendments to IFRS 15 "Effective date of IFRS 15" adopted by the EU on 22 September 2016 (effective for annual periods beginning on or after 1 January 2018). Therefore, Consolidated Statements of Comprehensive Income, Financial Position, Changes in Equity and Cash Flow for the first quarter of 2017 and for the full year of 2017 presented in this report are restated retrospectively in line with IFRS 15.*

(All tabular amounts are in EUR ‘000 unless otherwise stated)

CONSOLIDATED STATEMENT OF CASH FLOW

	January-March	
	2018	**2017 restated***
Operating activities		
Profit for the period	11,967	9,558
Income tax	3,020	1,310
Depreciation, amortisation and impairment of fixed assets	15,716	16,473
Other gains and losses	(548)	(24)
Interest income	(119)	(398)
Interest expenses	418	537
Changes in working capital:		
Inventories	(75)	972
Trade and other receivables	7,538	6,491
Trade, other payables and accrued liabilities	(14,395)	(10,630)
Cash generated from operations	**23,522**	**24,289**
Interest paid	(318)	(615)
Interest received	119	398
Tax paid	(801)	(632)
Net cash from operating activities	**22,522**	**23,440**
Investing activities		
Purchase of property, plant and equipment (PPE) and intangible assets	(17,883)	(21,048)
Proceeds from disposal of PPE and intangible assets	797	-
Net cash used in investing activities	**(17,086)**	**(21,048)**
Financing activities		
Repayment of borrowings	(7,958)	(37,000)
Borrowings	-	-
Net cash used in financing activities	**(7,958)**	**(37,000)**
Increase (decrease) in cash and cash equivalents	**(2,522)**	**(34,608)**
Movement in cash and cash equivalents		
At the beginning of the year	23,166	56,650
Increase (decrease) in cash and cash equivalents	(2,522)	(34,608)
At the end of the period	**20,644**	**22,042**

**Note: In 2018, the Company introduced IFRS 15 “Revenue from Contracts with Customers” and amendments to IFRS 15 “Effective date of IFRS 15” adopted by the EU on 22 September 2016 (effective for annual periods beginning on or after 1 January 2018). Therefore, Consolidated Statements of Comprehensive Income, Financial Position, Changes in Equity and Cash Flow for the first quarter of 2017 and for the full year of 2017 presented in this report are restated retrospectively in line with IFRS 15.*

(All tabular amounts are in EUR '000 unless otherwise stated)

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

The consolidated interim financial statements for the three months period ending 31 March 2018 are prepared in accordance with the International Financial Accounting Standards, as adopted by the European Union, includes IAS 34. In all material respects, the same accounting principles have been followed as in the preparation of financial statements for 2017.

The presentation currency is euro. The financial statements are presented in thousands of euro, unless indicated otherwise. The financial statements are prepared under the historical cost convention.

Financial statements for the period ended 31 March 2018 are not audited. Financial statements for the year ended 31 December 2017 are audited by the external auditor UAB Deloitte Lietuva.

2 Property, plant and equipment and intangible assets

	Property, plant and equipment	Intangible assets
Three months ended 31 March 2017		
Opening net book amount as at 31 December 2016	**291,818**	**124,512**
Additions	11,175	1,726
Disposals and retirements	(29)	-
Reclassification	(34)	(3)
Depreciation and amortisation charge	(13,044)	(3,429)
Closing net book amount as at 31 March 2017*	**289,886**	**122,806**
Three months ended 31 March 2018		
Opening net book amount as at 31 December 2017	**290,435**	**122,401**
Additions	11,956	1,663
Disposals and retirements	(84)	-
Reclassification	(992)	-
Depreciation and amortisation charge	(12,629)	(3,087)
Closing net book amount as at 31 March 2018	**288,686**	**120,977**

**Note: In 2018, the Company introduced IFRS 15 "Revenue from Contracts with Customers" and amendments to IFRS 15 "Effective date of IFRS 15" adopted by the EU on 22 September 2016 (effective for annual periods beginning on or after 1 January 2018). Therefore, Consolidated Statements of Comprehensive Income, Financial Position, Changes in Equity and Cash Flow for the first quarter of 2017 and for the full year of 2017 presented in this report are restated retrospectively in line with IFRS 15.*

(All tabular amounts are in EUR '000 unless otherwise stated)

3 Investments in subsidiaries and associates

The subsidiaries and associates included in the Group's consolidated financial statements are indicated below:

		Ownership interest in %		
Name	**Country of incorporation**	**31 March 2018**	**31 December 2017**	**Profile**
Telia Customer Service LT, UAB	Lithuania	100%	100%	The subsidiary provides Directory Inquiry Service 118 and customer care services to customers of the Company.
Telia Global Services Lithuania, UAB	Lithuania	100%	100%	The dormant subsidiary of the Company until 30 January 2018 was known as UAB Kompetencijos Ugdymo Centras.
UAB Verslo Investicijos	Lithuania	100%	100%	The subsidiary is implementing investment project.
VšĮ Numerio Perkėlimas	Lithuania	50%	50%	A non-profit organization established by Lithuanian telecommunications operators administers central database to ensure telephone number portability.
UAB Mobilieji Mokėjimai	Lithuania	33.3%	33.3%	An associated company is equally owned by three Lithuanian telecommunications operators and is engaged in development of instant payment platform.

4 Share capital

The authorised share capital comprises of 582,613,138 ordinary shares of EUR 0.29 nominal value each. All shares are fully paid up.

5 Provisions

Provisions movement during January-March 2018:

	Provision for restructuring	Assets retirement obligation	Total
Opening net book amount at 31 December 2017	**13**	**10,728**	**10,741**
Additions	-	-	-
Used provisions	(13)	(28)	(41)
Closing net book amount at 31 March 2018	**0**	**10,700**	**10,700**

The restructuring provision comprises of compensation to employees as a result of the restructuring plan approved by the Company. Provisions for restructuring were fully utilized during the year 2018.

(All tabular amounts are in EUR '000 unless otherwise stated)

5 Provisions (continued)

The Company leases land for the construction of mobile stations. Upon expiry of the lease term the mobile stations should be disassembled and land restored so that it could be returned to the land owner in a condition it was before the lease. Similarly, the Company has telecommunication equipment installed in the premises or on the buildings leased from third parties. This equipment will have to be disassembled when the lease agreement expires. To cover these estimated future costs, assets retirement obligation has been recognised. The Company expects that assets retirement obligation will be realised later than after one year. Therefore, the whole amount of assets retirement obligation has been classified as non-current provision for other liabilities and charges.

6 Income tax

The tax expenses for the period comprise current and deferred tax.

Profit for 2018 is taxable at a rate of 15 per cent in accordance with Lithuanian regulatory legislation on taxation (2017: 15 per cent).

According to amendments to the Law on Corporate Profit Tax which provides tax relief for investments in new technologies, the Company's calculated profit tax relief in 2017 amounted to EUR 869 thousand. In 2018, the profit tax relief for investments was not applicable for the Company.

7 Earnings per share

Basic earnings per share are calculated by dividing the net profit (loss) for the period by the weighted average number of ordinary shares in issue during the period. The Group has no dilutive potential ordinary shares and therefore diluted earnings per share are the same as basic earnings per share. The weighted average number of shares for the both reporting periods amounted to 582,613 thousand.

	January–March	
	2018	**2017**
Net profit	**11,967**	**9,558**
Weighted average number of ordinary shares in issue (thousands)	582,613	582,613
Earnings per share (euro)	**0.021**	**0.016**

8 Dividends per share

A dividend that relates to the period to 31 December 2017 was proposed by the Board on 27 March 2018. The total proposed amount is EUR 40,783 thousand or EUR 0.07 per ordinary share.

(All tabular amounts are in EUR '000 unless otherwise stated)

9 Business combination and legal merger

On 1 February 2017, continuing plan for increasing synergies and cost saving, the Company's 100 per cent controlled subsidiaries – AB Omnitel and AB Baltic Data Center – were merged into the Company. The merger transaction was accounted at carrying values, used in the Group consolidated financial statements.

At the date of legal merger, the net assets of merged companies were the following:

	1 February 2017
Assets	
Non-current assets	
Property, plant and equipment	74,451
Goodwill	26,769
Intangible assets	87,293
Long term non-interest-bearing receivables	10,315
	198,828
Current assets	71,283
Total assets	**270,111**
Liabilities	
Non-current liabilities	25,850
Current liabilities	85,081
Total liabilities	**110,931**
Net assets of merged companies	**159,180**
Cost of investments	145,317
Result of legal merger	**13,863**

On 4 January 2016, the Company acquired a 100 per cent stake in AB Omnitel from Telia Company AB, which also owns 88.15 per cent of the Company's shares.

The companies operated in the same geographical market in interrelated segments. In general, the telecom industry, is expected to become more integrated in the future, in a digital and connected world and the industry is going through rapid change in services as well as when it comes to innovation (business commerce, social, healthcare, education and utilities). Management expected that the acquisition would enable synergies in net sales, costs and investments, also would give a better platform for being an outsourced partner for rest of Telia Company Group.

As it is required by accounting standards, the acquired intangible assets were identified and fair value of certain assets, liabilities and other components as of acquisition date was evaluated. The evaluation was assisted by external consultants. In most cases, fair value was estimated based on market comparable approach and management's consideration. Client based was evaluated applying expected maturity EUR in thousand-period excess earnings method. Created tax amortization benefit was also considered where applicable.

Goodwill arising on acquisition

Purchase consideration	144,107
Fair value of net assets acquired	(119,376)
Goodwill	**24,731**

Goodwill arose in the acquisition because the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

(All tabular amounts are in EUR '000 unless otherwise stated)

9 Business combination and legal merger (continued)

Assets acquired and liabilities recognised at the date of acquisition

	Acquirer's carrying amount	Fair value
Cash and cash equivalents	14,489	14,489
Property, plant and equipment	71,564	74,845
Intangible assets	16,453	79,837
Inventories	4,473	4,473
Trade and other receivables	59,331	59,331
Trade and other payables	(25,209)	(25,209)
Deferred tax liability	(1,228)	(11,390)
Borrowings	(77,000)	(77,000)
Net assets acquired	**62,873**	**119,376**

Net cash outflow on acquisition of subsidiaries

Purchase consideration settled in cash	144,107
Cash and cash equivalents in subsidiaries acquired	(14,489)
Cash outflow on acquisition	**129,618**

10 Related party transactions

The Group is controlled by Telia Company AB, which as of 31 March 2018 owned 88.15 per cent (88.15 per cent a year ago) of the Company's shares. The following transactions were carried out with related parties:

Sales and purchases from Telia Company AB and its subsidiaries:

	January–March	
	2018	**2017**
Sales of telecommunication and other services	1,230	1,833
Total sales of telecommunication and other services	**1,230**	**1,833**
Purchases of services	2,096	3,507
Purchases of assets	144	394
Total purchases of services and assets:	**2,240**	**3,901**

Balances arising from sales/purchase of assets/services and other transaction to/from Telia Company AB and its subsidiaries:

	As at 31 March	
	2018	**2017**
Long-term receivables from related parties	251	251
Receivables from related parties	629	1,013
Accrued revenue from related parties	315	568
Total receivables and accrued revenue from related parties	**1,195**	**1,832**
Short-term borrowings from related parties	-	70,000
Payables to related parties	254	1,052
Accrued expenses to related parties	18	157
Total borrowings, payables and accrued expenses to related parties	**272**	**71,209**

As of 31 March 2018, the amount of EUR 15.6 thousand of tantiemes assigned for the year 2010, was not paid to one member of the Board.

(All tabular amounts are in EUR '000 unless otherwise stated)

MANAGEMENT CONFIRMATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

Following Article 22 of the Law on Securities of the Republic of Lithuania and the Rules on Information Disclosure of the Bank of Lithuania, we, Kęstutis Šliužas, CEO of Telia Lietuva, AB, and Laimonas Devyžis, Head of Finance of Telia Lietuva, AB, hereby confirm that, to the best of our knowledge, the not audited Telia Lietuva, AB Interim Consolidated Financial Statements for the three months period ended 31 March 2018, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position, profit and cash flows of Telia Lietuva, AB and the Group of undertakings.

Kęstutis Šliužas
CEO

Laimonas Devyžis
Head of Finance

Vilnius, 19 April 2018