

I. General Information

Reporting period

4th quarter ended 31st December 2014

Company and its contact details

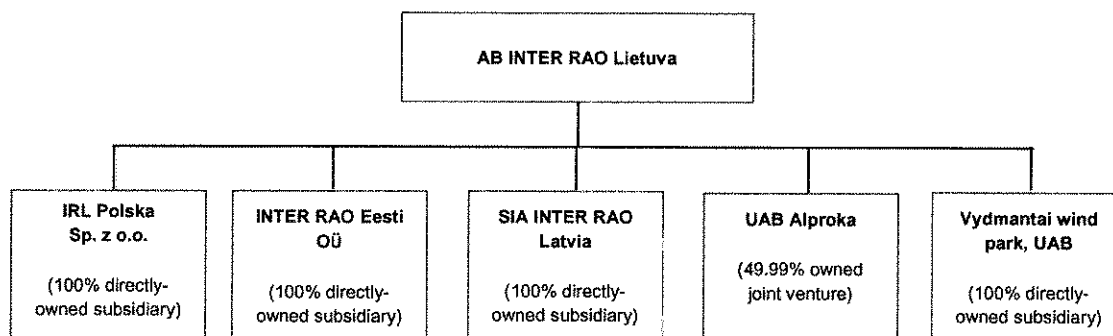
Company name	AB INTER RAO Lietuva (hereinafter - IRL or „the Company“)
Company code	126119913
Legal form	Public company (joint-stock company)
Date of registration	21 December 2002
Name of register of Legal Entities	State Enterprise Centre of Registers
Registered office	A.Tumėno str. 4, block B, LT-01109 Vilnius
Telephone number	+370 5 242 11 21
Fax number	+370 5 242 11 22
E-mail	info@interrao.lt
Internet address	www.interrao.lt

The Group structure

As on 31st December 2014, INTER RAO Lietuva Group consisted of the Company and the below described directly and indirectly controlled subsidiaries and joint venture (hereinafter - the Group):

Company	Company code	Directly and indirectly held effective attributable interest	Equity as at 31 st December 2014	Registration address	Activity (including planned)
INTER RAO Eesti OÜ - subsidiary	11879805	100 %	555	Vaikare-Karja 3/Sauna 2, Tallinn, Estonia	Trade of electricity
SIA INTER RAO Latvia - subsidiary	40103268639	100 %	(4,794)	Ropažu 10, LV 1039, Riga, Latvia	Trade of electricity
IRL Polska Sp. z.o.o. - subsidiary	0000436992	100 %	7,359	Emilii Plater 53. Warsaw, Poland	Trade of electricity
UAB Alproka - joint venture	125281684	49,99 %	1,351	Verkių Str. 25C, Vilnius, Lithuania	Operations with real estate
Vydmantai Wind Park, UAB - subsidiary	302666616	100 %	36,520	A.Tumėno Str. 4, Vilnius, Lithuania	Generation of electricity

The following chart sets out the Group's subsidiaries and interest in those subsidiaries, as well as the structure of the Group as at 31st December 2014:



Main activities of the Group

The Group of INTER RAO Lietuva (hereinafter - "the Group") is an independent supplier of electricity and, as such, may engage in various forms of electricity trading. Moreover, the Group is also present in electricity generation operations, as it owns a wind farm in Western Lithuania.

The Group is engaged in various forms of electricity trading: the purchase and sale of electricity under bilateral contracts with other electricity suppliers, as well as on the power exchange; supply of electricity to end-users; provision of balancing services for end-users and other wholesalers of electricity; sale and purchase of regulating and balancing electricity for the transmission system operators; cross-border electricity trading.

The Group has permission to import and export electricity to and from Lithuania, it is engaged in the import of electricity from Russia and, to a lesser extent, from Belarus, as well as in export to these countries.

The Group sells all of the electricity it cross-border delivers from the third countries to the Lithuanian internal market on the power exchange since, in accordance with respective regulations, all electricity cross-border delivered to the Lithuanian internal electricity market has to be sold on the power exchange. Then the Group buys the electricity on the power exchange in a volume corresponding to its contractual obligations with clients. Sale and purchase orders are submitted for the same prices and trades are executed at the market price. Some portion of electricity is also sold through Nord Pool Spot AS in Lithuania to other market participants. Trades on the power exchange are executed at the market price.

The price of electricity sold under bilateral contacts is the market price, adjusted for variances depending on the electricity trading or consumption pattern of the customer and contractual arrangements (e.g., fixed on annual or monthly basis or agreed in daily delivery schedules).

Apart from importing electricity, the Group also purchases the electricity from other wholesalers of electricity in Lithuania and Latvia under bilateral contracts based on various pricing arrangements, as well as on Nord Pool Spot AS in Lithuania, Latvia and Estonia.

The Group is also present in the electricity trading market in Poland, where it started its operations this year and is involved in buying and selling electricity on the Polish Power Exchange.

The Group history and development

- 2002 The Company was incorporated as UAB Energijos realizacijos centras.
- 2003 The Company received its license as independent electricity supplier with permission to export electricity.
- The Company signed sale-purchase agreements with INTER RAO UES and Lietuvos energija AB.
- The Company began electricity trading activities by exporting electricity to Russia and Belarus.
- 2004 Permission to import electricity was granted to the Company.
- 2005 The Company began importing electricity to Lithuania.
- RAO Nordic OY, a wholly owned subsidiary of INTER RAO UES, acquired 18 per cent of the Company's share capital from UAB VB rizikos kapitalo valdymas.
- 2006 The Company acquired a 49.99 per cent stake in UAB Alproka, a company engaged in real estate development in the Lithuanian seaside resort of Palanga.
- 2007 UAB Scaent Baltic acquired an 82 per cent stake in the Company's share capital from Scaent Holdings Cooperatie UA and Bengtsbädd Förvaltning AB.
- 2008 RAO Nordic OY increased its shareholding in the Company by acquiring a 33per cent stake from UAB Scaent Baltic. The stake of RAO Nordic OY in the Company's share capital reaches 51 per cent, while the stake of UAB Scaent Baltic decreases to 49 per cent.
- 2009 The Company signed electricity sale-purchase agreements with the Belarusian company, Belenergo and the Latvian company, Latvenergo.
- Cooperation regarding the sale of electricity with the largest electricity consumer in the Baltic States, Orlen Lietuva, was established. Delivery was initiated in 2010.
- The Company changed its name to UAB INTER RAO Lietuva.
- 2010 The Company established two wholly-owned subsidiaries, one in Latvia (SIA INTER RAO Latvia) and the second in Estonia (INTER RAO Eesti OU).
- SIA INTER RAO Latvia received its license for electricity trading in Latvia.
- 2011 SIA INTER RAO Latvia begins electricity trading operations.
- The Company begins trading activities in the Estonian area of NordPool Spot.
- The Company begins operations in electricity generation from renewable energy sources by acquiring the wind park in Vydmantai.
- The Company signs an agreement with INTER RAO UES on potential export of electricity generated in Baltiiskaya NPP under construction in Kaliningrad Oblast.
- 2012 Decision on public offering and listing of the Company's shares on the Warsaw Stock Exchange was made.
- Business entity (IRL POLSKA Sp. z o.o.) in Poland was established.

2013 AB INTER RAO Lietuva shareholders decided to distribute 27 million Litas as dividends.

In July 2013, the Company has completed a merger of its two subsidiary companies UAB IRL Wind and Vydmantai wind park, UAB. Subsidiary companies were reorganised by merging UAB IRL Wind, which ceased its activities as a legal entity after the merger, into Vydmantai wind park, UAB which continued its activities after the merger.

On 4th December 2013, the statutory capital of subsidiary company of AB INTER RAO Lietuva in Poland IRL Polska Sp.z o.o. was increased from PLN 2 million to PLN 10 million.

2014 On 3rd January 2014, the subsidiary company of AB INTER RAO Lietuva in Poland IRL Polska Sp.z o.o. was granted the license for trade in electricity in Poland. The term of the license is from 9th January 2014 till 9th January 2024.

On 30th of April 2014, the General Annual Meeting of shareholders has adopted the decision to pay dividends to the shareholders of the Company in the amount of 13 million Litas.

On 22nd of May 2014, IRL Polska Sp. z o.o. begins electricity trading operations.

Agreements with intermediaries of public trading in securities

Since 29th October 2012 the Company and UAB FMJ Orion Securities (code 122033915), A. Tumėno str. 4, LT-01109 Vilnius, have an agreement on accounting of the Company's securities and services related to the accounting of securities.

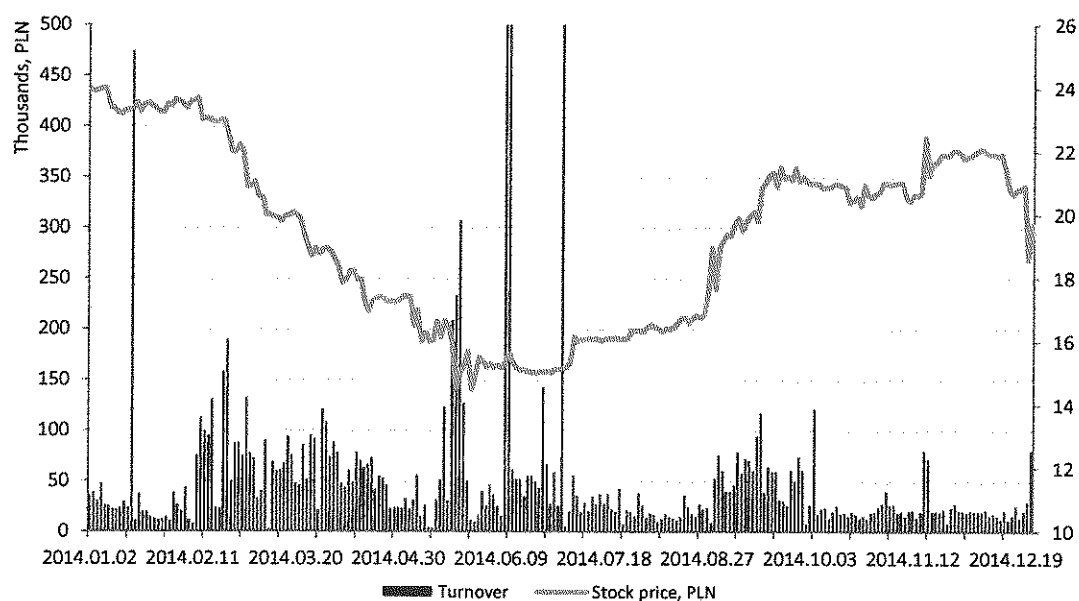
Data about securities traded on regulated market

The following securities of the Company are included into the Main List of Warsaw stock exchange (symbol: IRL):

Types of shares	Number of shares	Nominal value (in LTL)	Total nominal value (in LTL)	Issue Code
Ordinary registered shares	20,000,000	1	20,000,000	LT0000128621

In December 2012, the initial public offering of the Company's ordinary shares was completed on the Warsaw Stock Exchange. The total oversubscription for the Company's ordinary shares exceeded 26 per cent. Given the ordinary share offer price of PLN 24.17 the value of the offering exceeded PLN 96.7 million. The Company's ordinary shares were included into the Main list of the Warsaw Stock Exchange.

Trading in the Company's securities on Warsaw Stock Exchange:



Securities of the Group's subsidiaries are not traded publicly.

As at 31st December 2014 the shareholder structure of the Company was as following:

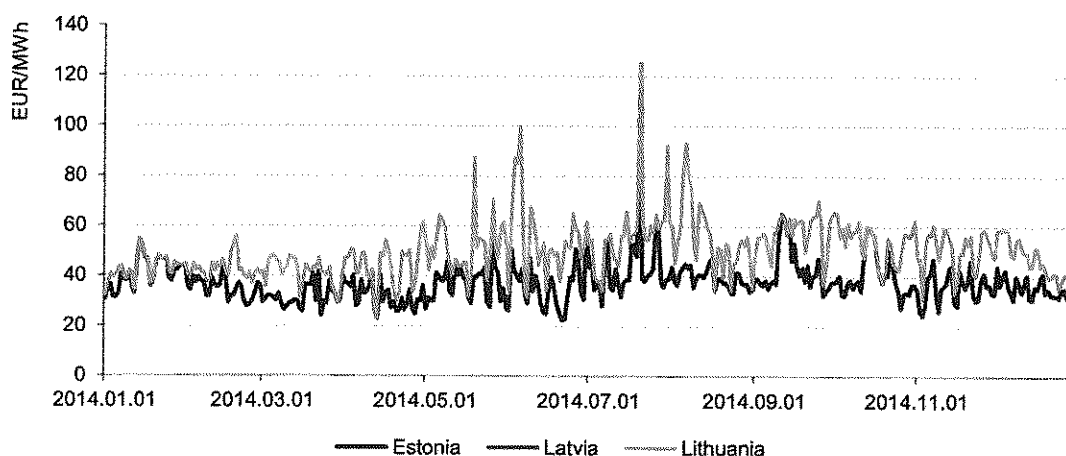
Shareholder	Number of shares/votes	Percentage of shares
RAO Nordic Oy	10,200,000	51%
UAB Scaent Baltic	5,800,000	29%
Other shareholders	4,000,000	20%
Total	20,000,000	100%

II. Financial information

Revenues

The total consolidated Group's sales revenue in 2014 was equal to LTL 726 million, a 4.2 per cent less than in 2013. Total revenue declined due to lower amount of electricity traded in all Baltic countries, which was facilitated by relatively low electricity prices in the Nordpool system as well as risk persisting due to the uncertainties associated with possible technical limitation of interconnection links. In addition to that, higher electricity sales in the Baltic countries by Estonian oil shale based producer resulted in smaller demand for imported electricity.

Electricity price in NordPoolSpot exchange



The consolidated financial statements of the Group have been prepared according to the International Financial Reporting Standards as adopted by the European Union.

Key figures of IRL Group

Financial figures	2014	2013
Sales (LTL thousand)	726,337	757,882
Gross profit (LTL thousand)	75,163	25,806
Gross profit margin (%)	10.35%	3.41%
Operating profit (LTL thousand)	51,904	2,459
Operating profit margin (%)	7.15%	0.32%
EBITDA (LTL thousand)	61,368	11,024
EBITDA profit margin (%)	8.45%	1.45%
Net profit (LTL thousand)	42,616	2,684
Net profit margin (%)	5.87%	0.35%
Number of shares (thousand)	20,000	20,000
Earnings per share (LTL)	2.13	0.13

The total consolidated Group's sales decreased by 4.2 per cent in 2014, compared to Group's sales in 2013. Decrease in cost of sales was significantly higher than decrease in sales and amounted to 11.05 per cent, compared to 2013. Such a decrease in costs of sales was mainly due to the changes in trading structure and lower electricity prices in the markets. Therefore despite the decrease in sales, the Group's gross profitability increased and equaled to 10.35 per cent in the accounting period, if compared to 3.41 per cent in 2013. Group's operating profit margin increased to 7.15 per cent in accounting period from the 0.32 per cent in 2013. During the period of 2014, the Company and the Group delivered electricity to all of its clients and fulfilled all of its contractual obligations of electricity sales at prices, agreed upon in the contracts.

Company's gross profit margin in 2014 accounts to 9.3 per cent, compared to 2.65 per cent in 2013. Operating profit margin of the Company increased from the 0.49 per cent in 2013 to 6.95 per cent in 2014.

The increase in Groups profitability was also attributable to the changes in trading structure and risk management policies, the Group undertook to cope with uncertainties and risks arising from the technical limitations of interconnection links.

Group's and Company's EBITDA for 2014 was LTL 61.4 million and LTL 46.9 million respectively. Group's EBITDA profitability margin increased from 1.45 per cent in January-December of 2013 to 8.45 per cent in accounting period of 2014. In 2014, Group's net profit increased to LTL 42.6 million from the LTL 2.7 million in 2013. As a result, Group's net profit margin during the accounting period returned to the industry normal level and was equal to 5.9 per cent, compared to the 0.35 per cent a year ago.

Sales revenues by operating segments, thous. LTL	4 th quarter 2014	4 th quarter 2013
Electricity purchases and sales	236,759	190,721
Electricity production and sales	5,232	7,180
Total	241,991	197,901

Group's revenue from purchases and sales of electricity in the 4th quarter of 2014 amounted to LTL 236.8 million. Revenue from produced electricity sales in the 4th quarter accounted for LTL 5.2 million, a 27.1 per cent less than a year ago. Despite the latter fact, during 2014 Vydmantai wind park, UAB has produced only a 0.92 per cent less of electricity compared to the 2013 (sold 56.48 GWh in 2014 compared to 57.01 GWh in 2013).

Company's revenue during October-December 2014 were higher by 15.85 per cent and was equal to LTL 202.4 million compared to LTL 174.7 million in the same period in 2013. Company's revenue during 2014 were lower by 8.28 per cent and was equal to LTL 651.7 million compared to LTL 710.5 million in 2013.

The tables below present data on the electricity trading activities of the Group for the 4th quarter of 2014 and 2013, with a breakdown by each country for the periods indicated (S - sale, P - purchase).

	For the 4 th quarter of 2014		For the 4 th quarter of 2013	
	S	P	S	P
	GWh		GWh	
Lithuania*	1,124	37	1,078	119
Latvia	150	40	121	116
Estonia	40	40	13	13
Russia	9	1,110	8	839
Belarus		96		133
Poland	31	31		
Total*	1,354	1,354	1,220	1,220

* Excluding equivalent trades on the power exchange

Differences between purchased and sold electricity total values is due to rounding

Expenses

COGS by operating segments, thous. LTL	4 th quarter 2014	4 th quarter 2013
Electricity purchases and sales	217,051	184,828
Electricity production and sales	1,582	1,594
Total	218,633	186,422

Group's cost of sales in October-December of 2014 accounted to LTL 218.6 million, a 17.3 per cent more than during the last 3 months of 2013. The increase in cost of sales was due to several reasons: (1) the higher amount of electricity traded by the Group compared to the same period a year ago, (2) the reduction of the amount of electricity sold to other independent suppliers under the annual contracts in 2013 due to the persisting risk of possible limitations of electricity transmission capacities from the third countries.

The Company's and the Group's cost of purchase of electricity in 2014 decreased by 14.6 per cent and 11.2 per cent respectively if compared to 2013 and amounted to LTL 582 million and LTL 636 million. Cost of purchase of electricity constituted 98.5 per cent and 97.7 per cent of total cost of sales for the Company and for the Group respectively in 2014.

Group's cost of purchased electricity in the last 3 months of 2014 amounted to LTL 217.1 million. Cost of purchased electricity comprised 97.9 per cent of total cost of sales.

Group's operating expenses in the 4th quarter of 2014 amounted to LTL 7.4 million, a 7.3 per cent increase over a year ago. Company's operating expenses amounted to LTL 4.3 million in October-December 2014 compared to LTL 3.8 million in the same period a year ago (a 13.7 per cent increase).

Earnings

Gross profit of the Group in October-December of 2014 amounted to LTL 23.4 million, while the gross profit margin increased to 9.7 per cent (compared to 5.8 per cent a year ago). Gross profit of the Company in the same period accounted to LTL 18.2 million, compared to LTL 7.5 million a year ago. Company's gross profit margin increased from 4.3 per cent in the last quarter of 2013 to an industry normal 9 per cent in the last 3 months of 2014.

Gross profit in 2014 returned to industry normal level after the severe slump in 2013, caused by then unexpected limitations of transmission capacities from the third countries. It increased over the year by 221.5 per cent and amounted to LTL 60.6 million for the Company, increased by 191.3 per cent, and amounted to LTL 75.2 million for the Group, if compared to LTL 18.9 million and LTL 25.8 million respectively in 2013. Gross profit margin in 2014 returned to healthy levels and increased to 9.3 per cent for the Company and to 10.4 per cent for the Group from 2.7 per cent and 3.4 per cent in 2013.

Group's operating profit over the 4th quarter accounted to LTL 15.9 million, while the operating profit margin increased to 6.6 per cent from the negative 2.3 per cent a year ago. Operating profit in the last 3 months of 2014 of the Company amounted to LTL 13.9 million compared to the LTL 3.7 million the same period in 2013.

Profit from operations for the Company and for the Group for year 2014 were equal to LTL 45.3 million and LTL 51.9 million, compared to the profit from operations of LTL 3.5 million and LTL 2.5 million in 2013. Operating profit margin for the Company and for the Group returned to industry normal level of 6.95 per cent and 7.15 per cent compared to 0.49 per cent and 0.32 per cent a year ago.

Net loss of financial and investing activities of the Group in the last quarter of 2014 amounted to LTL (0.8) million, a 3.4 per cent decrease over the net financial loss the same period year ago. Financial expenses were mainly comprised of interest expenses that were due for the stand-alone financing of the wind park.

Net result from financial and investing activities for the Company in 2014 was by 147.8 per cent lower than a year ago and amounted to LTL (-0.7) million. Net consolidated result from financial and investing activities for the Group increased by 25.8 per cent compared to 2013 and amounted to LTL (-3.0) million. Better overall result for the Group from financial activities was mainly caused by year-on-year 20.5 per cent lower interest expenses, which in 2014 totalled to LTL 3.4 million.

Group's net profit in the October-December of 2014 amounted to LTL 14.5 million, compared to LTL 8.5 million for the same period year ago. The profit margin increased from 4.3 per cent a year ago to 6 per cent for the 4th quarter of 2014. Increase in profit was mainly due to the set of risk management policies and change in trading structure the Group undertook as a response to the uncertainties associated with technical limitations of interconnection links.

As a result, profit before tax for the Company and for the Group in 2014 amounted to LTL 45.25 million and LTL 49.58 million respectively.

The net profit of the Company and the Group during 12 months of 2014 amounted to LTL 38.7 million and LTL 42.6 million respectively.

Due to deferred income tax income, the Group in 2013 received an income tax gain in the amount of LTL 4.3 million. As a result, net profit for the Company and for the Group for the period of 2013 amounted to LTL 4.07 million and LTL 2.68 million respectively.

The net profit margins for the Company and for the Group in 2014 were returned to healthy 5.9 per cent and 5.9 per cent (compared to 0.5 per cent and 0.35 per cent year ago).

Balance sheet and cash flow

During January-December 2014 total assets of the Company increased by 25.6 per cent and of the Group increased by 10.8 per cent. The most significant influence to the assets was caused by increase of cash and cash equivalents in the Company and in the Group.

Total non-current assets of the Company decreased by 1 per cent and of the Group decreased by 5 per cent. The most significant change in assets in the Group was related to depreciation of patents and licenses held by subsidy Vydmantai wind park. Total non-current assets amounted to 31 per cent of the total assets for the Company and to 52 per cent of total assets for the Group.

During the year, shareholders' equity of the Company and of the Group increased by 73.6 per cent and 85.8 per cent and amounted to 43 per cent of the total assets of the Company and to 28 per cent of the total assets of the Group. Increase in equity was caused by the better operating activities of the Company and the Group for the year of 2013. Total dividends distributed in 2014 reached LTL 13 million.

At the end of December 2014, total amount of borrowings, including financial liabilities related to finance lease and bank financing, amounted to LTL 10.5 million for the Company and LTL 83.5 million for the Group. Cash, cash equivalents amounted to LTL 28.8 million for the Company and LTL 38.8 million for the Group.

Net cash flow from operating activities for the Company and for the Group in 2014 were by 232.8 per cent and 116.1 per cent higher than a year ago and amounted to LTL 45.1 million and LTL 58.3 million respectively (compared to LTL 13.6 million and LTL 27 million a year ago).

During 2014 net cash flow from investing and financing activities amounted to negative LTL (-19.7) million for the Company and negative LTL (-34.7) million for the Group (compared to negative LTL (-15.5) million for the Company and to negative LTL (-23) million for the Group in 2013). Negative result from financing activities is related to the loans repaid and paid out dividends.

Personnel

As of 30 September 2014 there were 41 employee in the Group and 25 in the Company. The employment structure by category is provided in the table below.

Employee category	Number of employees			
	As at 31 st December 2014		As at 31 st December 2013	
	Group	Company	Group	Company
Management	8	8	8	8
Sales Managers, including Traders	15	8	11	6
PR & Marketing Staff	2	2	3	3
Project managers	4	1	4	1
Technical staff	2	1	3	1
Office Staff	11	6	11	6
Total	42	26	40	24

On 31st December 2014 26 employees were employed in the Company. Company's personnel consisted of 8 managers and 18 specialists.

AB INTER RAO LIETUVA, company code 126119913, A.Tumėno str. 4, Vilnius, Lithuania
CONSOLIDATED AND COMPANY'S FINANCIAL STATEMENTS
FOR THE 4th QUATER ENDED 31 December 2014
(all amounts are in LTL thousand unless otherwise stated)

Statement of financial position

	Notes		Company	
	Group As at 31 st December 2014	Group As at 31 st December 2013	As at 31 st December 2014	As at 31 st December 2013
ASSETS				
Non-current assets				
Intangible assets				
Goodwill	5,926	5,926	-	-
Operating license	25,059	29,247	-	-
Other intangible assets	288	88	284	88
Total intangible assets	31,273	35,261	284	88
Property, plant and equipment				
Land	2,545	2,687	-	-
Buildings and structures	11,122	11,713	-	-
Office premises	3,191	3,451	3,191	3,451
Machinery and equipment	62,319	65,486	-	2
Other property, plant and equipment	269	343	243	300
Total property, plant and equipment	79,446	83,680	3,434	3,753
Investment property	544	584	544	584
Interest in a joint venture and subsidiaries	675	944	39,301	40,301
Other non-current financial assets	4,238	1,905	728	119
Derivative financial instruments	88	-	91	-
Total non-current assets	116,264	122,374	44,382	44,845
Current assets				
Inventories and prepayments	486	449	411	368
Accounts receivable				
Trade receivables	59,522	50,099	52,850	45,253
Prepayments to and receivables from and subsidiaries and joint venture	-	-	14,407	9,938
Accrued income and other receivables	7,757	4,599	-	13
Total accounts receivable	67,279	54,698	67,257	55,204
Prepaid income tax	654	8,778	-	8,310
Other current assets	862	1,106	646	714
Derivative financial instruments	195	-	195	-
Cash and cash equivalents	38,767	15,202	28,838	3,418
Total current assets	108,243	80,233	97,347	68,014
Total assets	224,507	202,607	141,729	112,859

(cont'd on the next page)

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

AB INTER RAO LIETUVA, company code 126119913, A.Tumėno str. 4, Vilnius, Lithuania
CONSOLIDATED AND COMPANY'S FINANCIAL STATEMENTS
FOR THE 4th QUATER ENDED 31 December 2014
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Statement of financial position (cont'd)

	Notes	Group		Company	
		As at 31 st December 2014	As at 31 st December 2013	As at 31 st December 2014	As at 31 st December 2013
EQUITY AND LIABILITIES					
Equity					
Share capital		20,000	20,000	20,000	20,000
Legal reserves		2,754	2,000	2,000	2,000
Cash flow hedge reserve		(1,476)	(693)	167	-
Retained earnings		40,787	11,925	38,769	13,096
Foreign exchange effect		(215)	62	-	-
Total equity		61,850	33,294	60,936	35,096
Liabilities					
Non-current liabilities					
Non-current borrowings		58,870	70,264	-	-
Financial lease obligations		2,445	2,587	-	-
Derivative financial instruments		1,644	385	-	-
Deferred income tax liability		2,876	2,676	-	-
Total non-current liabilities		65,835	75,912	-	-
Current liabilities					
Current portion of non-current borrowings		11,394	11,746	-	-
Other financial debts		10,536	17,182	10,536	17,182
Current portion of financial lease obligations		235	237	-	-
Derivative financial instruments		1,116	1,141	119	-
Trade payables		55,507	48,776	54,933	48,387
Income tax payable		3,851	-	3,851	-
Advances received		650	3,429	623	3,418
Other current liabilities		13,533	10,890	10,731	8,776
Total current liabilities		96,822	93,401	80,793	77,763
Total equity and liabilities		224,507	202,607	141,729	112,859

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

General Director Giedrius Balčiūnas

27 February 2015

Director of Economics Paulius Vazniokas

27 February 2015

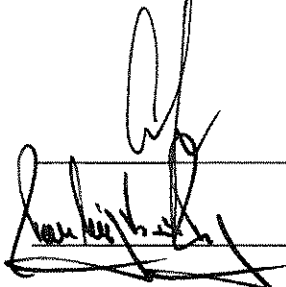
Statement of comprehensive income
For the 12 months ended 31st December 2014

	Notes	Group	Group	Company	Company
		2014	2013	2014	2013
Sales		726,337	757,882	651,695	710,514
Cost of sales		(651,174)	(732,076)	(591,080)	(691,657)
Gross profit		75,163	25,806	60,615	18,857
General and administrative expenses		(23,259)	(23,347)	(15,342)	(15,362)
Profit from operations		51,904	2,459	45,273	3,495
Other activities		710	38	630	58
Finance income		194	210	568	1,567
Finance expenses		(3,409)	(4,286)	(1,221)	(200)
Share of result of joint venture		182	(13)	-	-
Profit (loss) before tax		49,581	(1,592)	45,250	4,920
Income tax		(6,965)	4,276	(6,577)	(849)
Net profit		42,616	2,684	38,673	4,071

Statement of comprehensive income

	Notes	Group	Group	Company	Company
		4 th quarter 2014	4 th quarter 2013	4 th quarter 2014	4 th quarter 2013
Sales		241,991	197,901	202,354	174,673
Cost of sales		(218,633)	(186,422)	(184,115)	(167,140)
Gross profit		23,358	11,479	18,239	7,533
General and administrative expenses		(7,418)	(6,914)	(4,346)	(3,823)
Profit from operations		15,940	4,565	13,893	3,710
Other activities		613	20	580	18
Finance income		48	21	30	246
Finance expenses		(825)	(976)	(1,061)	(82)
Share of result of joint venture		(10)	140	-	-
Profit before tax		15,766	3,770	13,442	3,892
Income tax		(1,226)	4,768	(1,072)	(429)
Net profit		14,540	8,538	12,370	3,463

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

	Giedrius Balčiūnas		27 February 2015
	Paulius Vazniokas		27 February 2015

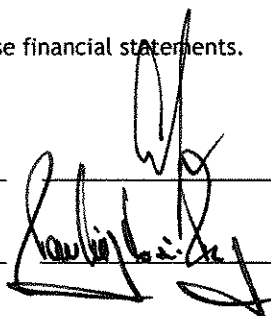
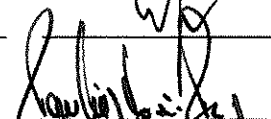
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CONSOLIDATED AND COMPANY'S FINANCIAL STATEMENTS
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(all amounts are in LTL thousand unless otherwise stated)

Statement of changes in equity
For the 12 months ended 31st December 2014

Group

	Equity attributable to equity holders of the parent					
	Share capital	Currency translation reserve	Legal reserve	Cash flow hedge reserve	Retained earnings	Total
Balance as at 31 December 2012	20,000	-	100	(1,651)	38,141	56,590
Transfer to reserves	-	-	1,900	-	(1,900)	-
Net profit for the year	-	-	-	-	2,684	2,684
Other comprehensive income, net of tax	-	62	-	958	-	1,020
Total comprehensive income	-	62	-	958	2,684	3,704
Dividends declared	-	-	-	-	(27,000)	(27,000)
Balance as at 31 December 2013	20,000	62	2,000	(693)	11,925	33,294
Transfer to reserves	-	-	754	-	(754)	-
Net profit for the year	-	-	-	-	42,616	42,616
Other comprehensive income, net of tax	-	(277)	-	(783)	-	(1,060)
Total comprehensive income	-	(277)	754	(783)	42,616	41,556
Dividends declared	-	-	-	-	(13,000)	(13,000)
Balance as at 31 December 2014	20,000	(215)	2,754	(1,476)	40,787	61,850

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

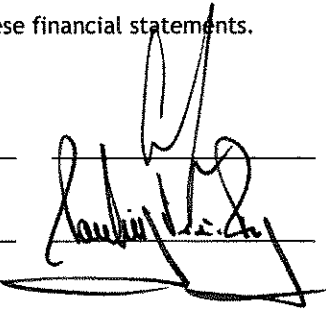

General Director	Giedrius Balčiūnas		27 February 2015
Director of Economics	Paulius Vazniokas		27 February 2015

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Company

	Share capital	Legal reserve	Cash flow hedge reserve	Retained earnings	Total
Balance as at 31 December 2012	20,000	100	-	37,925	58,025
Transfer to reserves	-	1,900	-	(1,900)	-
Net profit for the year	-	-	-	4,071	4,071
Total comprehensive income	-	-	-	4,071	4,071
Dividends declared	-	-	-	(27,000)	(27,000)
Balance as at 31 December 2013	20,000	2,000	-	13,096	35,096
Net profit for the year	-	-	-	38,673	38,673
Other comprehensive income	-	-	167	-	167
Total comprehensive income	-	-	167	38,673	38,840
Dividends declared	-	-	-	(13,000)	(13,000)
Balance as at 31 December 2014	20,000	2,000	167	38,769	60,936

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

General Director	Giedrius Balčiūnas		27 February 2015
Director of Economics	Paulius Vazniokas		27 February 2015

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Statements of cash flows
For the 12 months ended 31st December

	Group		Company	
	2014	2013	2014	2013
Cash flows from (to) operating activities				
Net profit	42,616	2,684	38,673	4,071
Adjustments for non-cash items:				
Income tax (benefit) expenses	6,965	(4,276)	6,577	849
Depreciation and amortisation	8,535	8,541	442	461
Impairment of goodwill	-	1,000	-	-
Impairment of investment to joint venture	-	-	1,000	-
Allowance for doubtful accounts receivable	6	4	6	4
Result of non-current assets sold	9	-	-	-
Share of net profit of joint venture	(181)	13	-	-
Dividend (income)	-	-	(462)	(1,460)
Interest (income) expenses	3,316	3,947	215	175
	61,266	11,975	46,451	4,100
Changes in working capital:				
(Increase) decrease in inventories and prepayments, prepayments to and other receivables from subsidiaries and joint venture	(37)	(91)	(4,511)	(10,006)
(Increase) decrease in accounts receivable and other current assets	(12,343)	6,158	(7,523)	12,641
(Increase) decrease in other non-current assets	(2,333)	1,650	(609)	(17)
Increase in trade payables	6,731	9,612	6,546	9,322
Income tax (paid)	(228)	(9,158)	-	(8,041)
Increase (decrease) in other current liabilities	5,193	6,806	4,744	5,554
Net cash flows from operating activities	58,249	26,952	45,098	13,553
Cash flows from (to) investing activities				
(Acquisition) of non-current assets	(282)	(362)	(279)	(362)
(Incorporation) and (increase) in share capital of subsidiaries	-	-	-	(6,576)
Interest received	78	121	1	18
Dividends received	450	750	462	1,460
Net cash flows (to) investing activities	246	509	184	(5,460)

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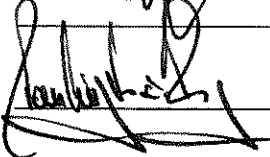
The accompanying notes are an integral part of these financial statements.

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Statements of cash flows (cont'd)

	Group		Company	
	2014	2013	2014	2013
Cash flows from (to) financing activities				
Dividends (paid)	(2,600)	(10,000)	(2,600)	(10,000)
Repayment of loans	(28,928)	(857)	(17,182)	-
Interest (paid)	(3,258)	(3,889)	(80)	(20)
Financial lease (payments)	(144)	(8,731)	-	-
Net cash flows (to) financing activities	(34,930)	(23,477)	(19,862)	(10,020)
Net increase (decrease) in cash and cash equivalents	23,565	3,984	25,420	(1,927)
Cash and cash equivalents at the beginning of the year	15,202	11,218	3,418	5,345
Cash and cash equivalents as at the end of period	38,767	15,202	28,838	3,418

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

<u>General Director</u>	<u>Giedrius Balčiūnas</u>		<u>27 February 2015</u>
<u>Director of Economics</u>	<u>Paulius Vazniokas</u>		<u>27 February 2015</u>

Confirmation of Responsible Persons

Following the Article No. 22 of the Law on Securities of the Republic of Lithuania and Rules on Preparation and Submission of Periodic and Additional Information of the Central Bank of the Republic of Lithuania, I, Giedrius Balčiūnas, the General Director of AB INTER RAO Lietuva hereby confirm that, to the best of my knowledge, AB INTER RAO Lietuva Unaudited Consolidated Financial results for the 4th quarter of 2014 as set out on above are prepared in accordance with International Financial Reporting Standards as adopted by the European Union and give a true and fair view of the assets, liabilities, financial position and profit or loss and cash flows of the Company and the Group.

Giedrius Balčiūnas

General Director

