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INTER RAO Lietuva Group announces financial results for 1H 2015
Strategies of changing markets situation led to the better results of the Group

- Group's gross profit increased by 16.08% to EUR 13.84 million from EUR 10.41 million in 1H 2014.
- Operating profit reached EUR 10.45 million, versus EUR 7.36 million in 1H 2014.
- Group's net profit increased to EUR 8.64 million from EUR 5.95 million in 1H 2014.
- Group's EBITDA increased to EUR 11.69 million while EBITDA margin increased to 13.58 percent from 9.29 percent a year ago.
- Electricity trading volume was 2 047 GWh, compared to 1 970 in the 1H 2014.
- Revenue from sales decreased by 8.1%, to EUR 86.09 million, compared to EUR 93.72 million in the 1H 2014, due to the continuous changes in trading structure, further diversification of trading portfolio between countries and lower electricity prices in the markets.
- The electricity trading volume in Poland increased from 4 GWh in the 1H 2014 to 128 GWh in the 1H 2015.

- *The flexibility of the INTER RAO Lietuva Group to challenge the new market situations allowed to get the better profitability results despite the lower electricity prices on the NordPoolSpot market. Continuous changes in trading structure and further diversification of trading portfolio between countries led to increase the net profit of the Group to EUR 8.6 million in the 1st half of 2015 and to get the much better result than a year before. Net profit margin improved from 6.3% to industry normal 10%. The Group has earned EUR 0.43 per share, 13 EUR cents more than during the same period in 2014 - says Giedrius Balčiūnas, CEO at INTER RAO Lietuva.*

Key figures of IRL Group

Financial figures	1st half 2015	1st half 2014
Sales (EUR thousand)	86.086	93.720
Gross profit (EUR thousand)	13.841	10.412
Gross profit margin (%)	16,08%	11,11%
Operating profit (EUR thousand)	10.448	7.355
Operating profit margin (%)	12,14%	7,85%
EBITDA (EUR thousand)	11.692	8.705
EBITDA profit margin (%)	13,58%	9,29%
Net profit (EUR thousand)	8.640	5.946
Net profit margin (%)	10,04%	6,34%
Number of shares (thousand)	20.000	20.000
Earnings per share (EUR)	0,43	0,30

Revenue from sales

Group's sales decreased by 8.1 per cent in 1st half 2015, compared to the same period in 2014. However, decrease in cost of sales was deeper than decrease in sales - 13.3 per cent, if compared to 1st half of 2014. Such a decrease in costs of sales was mainly due to the continuous changes in trading structure, further diversification of trading portfolio between countries and lower

electricity prices in the markets. Therefore despite the decrease in sales, the Group's gross profitability equaled to 16.08 per cent in the accounting period, if compared to 11.11 per cent in January-June 2014.

Revenue from produced electricity sales accounted for EUR 3 million, a 21.14 per cent more than in the same period a year ago. During the accounting period Vydmantai wind park, UAB has produced a higher amount of electricity compared to long-term average, due to positive meteorological conditions: higher wind speeds. The better wind conditions than the estimated long-term average lead to one of the best results of Vydmantai wind park, UAB since the beginning of performance of the wind park in 2006.

Earnings

Gross profit of the Group increased by 25.3 per cent and amounted to EUR 7.9 million, compared to EUR 6.3 million in the same period a year ago. Gross profit margin of the Group in the accounting period amounted to 16.2 per cent and was higher compared to a year ago, when gross profit margin was equal to 13.5 per cent.

Group's operating profit over the same period accounted to EUR 10.4 million, while the operating profit margin increased to 12.14 per cent from 7.85 per cent a year ago. As a result, profit before tax for the Group in the accounting period amounted to EUR 10.04 million compared to EUR 6.94 million in the 1st half in 2014.

Group's net profit in the 1st half of 2015 amounted to EUR 8.6 million, if compared to the profit of EUR 5.9 million for the same period year ago. The profit margin increased from 6.34 per cent a year ago to 10.04 per cent in the accounting period. Increase in profit was due to the set of risk management policies, change in trading structure the Group undertook in a response to the uncertainties associated with technical limitations of interconnection links, further expansion and diversification of trading activities in all the countries and better results from sales of electricity generated in the wind park.

For more information please refer to:

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About INTER RAO Lietuva:

INTER RAO Lietuva is a leading player in the electricity market in the Baltic countries and one of the largest independent suppliers of electricity in Lithuania. The Company trades electricity on the leading European power exchange Nord Pool Spot and operates one of the largest wind farms in Lithuania. The Company also supplies electricity to the largest consumers in the Baltics on the basis of bilateral agreements. The Group is expanding its activities in Poland, Latvia and Estonia.

At the beginning of 2014 the subsidiary of INTER RAO Lietuva in Poland (IRL Polska Sp. z o.o.) has been granted the license for electricity trading in Poland. The same year IRL Polska began electricity trading operations on the Polish Power Exchange.

INTER RAO Lietuva is also active in the retail electricity market making it one of the largest independent suppliers of electricity in Lithuania and a rapidly growing force in Latvia and Estonia.

The Group started selling electricity to end-users in Latvia during the first half of 2012, followed by Lithuania in July 2012 and Estonia from 2013.

