

**INTER RAO Lietuva Group announces financial results for 2016:**  
 Bigger trading volumes and more clients generated more than 9 million euro net profit

- Electricity trading volume in 2016 increased to 4 666 GWh in 2016 versus 4 273 GWh in 2015.
- During 2016 the client base of the Group increased to 1 191 (839 in 2015).
- Revenue from sales decreased by 4.2%, to EUR 178.9 million, compared to EUR 186.7 million in 2015, due to lower electricity prices in the Baltic States.
- Group's gross profit in 2016 decreased to EUR 18.9 million from EUR 29.6 million in 2015.
- Operating profit reached EUR 10.9 million, versus EUR 22.8 million in 2015.
- Group's net profit was EUR 9.3 million compared to EUR 18.9 million in 2015.
- Group's EBITDA reached EUR 15 million while EBITDA margin was 8.4 percent.
- The electricity production in the wind farm decreased by 17.7% due to worse wind conditions in the area.
- The electricity trading volume in Poland was 386 GWh versus 254 GWh in 2015.

- The year 2016 was challenging for all the market participants due to on average lower and highly volatile electricity prices after introducing NordBalt and LitPol Link power interconnections and their multiple unplanned disconnections during first half of the year. The generation in the wind farm was affected by much worse meteorological conditions. Despite this, the INTER RAO Lietuva Group traded more electricity and increased the client base, and the trading volumes during the last quarter of the year were increasing in all the countries of presence. The Group managed to generate 10.59% gross profitability and the net profit of the Group was 9.3 million euro. The net profit margin during the year was 5.17% and the Group has earned EUR 0.46 per share - says Giedrius Balčiūnas, CEO at INTER RAO Lietuva.

#### Key figures of IRL Group

Financial figures	2016	2015	2014	2013	2012
Sales (EUR thousand)	178,880	186,694	210,362	219,498	259,915
Gross profit (EUR thousand)	18,943	29,602	21,769	7,474	28,005
Gross profit margin (%)	10.59%	15.86%	10.35%	3.41%	10.80%
Operating profit (EUR thousand)	10,939	22,798	15,033	712	21,180
Operating profit margin (%)	6.12%	12.21%	7.15%	0.32%	8.10%
EBITDA (EUR thousand)	15,024	25,301	17,774	3,913	23,606
EBITDA profit margin (%)	8.40%	13.55%	8.45%	1.45%	9.10%
Net profit (EUR thousand)	9,256	18,819	12,343	777	16,831
Net profit margin (%)	5.17%	10.08%	5.87%	0.35%	6.50%
Number of shares (thousand)	20,000	20,000	20,000	20,000	20,000
Earnings per share (EUR)	0.46	0.94	0.62	0.04	0.84

### Revenue from sales

The increase in the amount of electricity traded (4 644 GWh in 2016 versus 4 273 GWh in 2015) was mainly influenced by Estonian and Polish subsidiaries as those companies signed more contracts with their clients.

sales revenue in 2015. Total revenue declined due to on average lower and highly volatile electricity prices in the market, after introducing NordBalt and LitPol Link power interconnections and their multiple unplanned disconnections during first half of 2016 (the NordBalt was not operational approx. 60% of time during the first half of 2016).

The decline was also caused by much worse meteorological conditions, which negatively affected electricity generation and sale from the wind park owned by the Group. Revenue from produced electricity sales accounted for EUR 4.9 million, which is a 17.7% less than the sales a year ago.

During 2016 the Company and the Group fulfilled all of its contractual obligations to the Clients, and its client's base during the course of 2016 increased: from 839 in 2015 to 1.191 in 2016. The Company and the Group improved relationships with the largest electricity customers in the region, further developed electricity trading operations in Poland.

### Earnings

Gross profit in 2016 decreased over the year for the Group decreased by 36%, and amounted to EUR 18.9 million, if compared to EUR 29.6 million in 2015. Gross profit margin in 2016 decreased to 10.59% for the Group from 15.86% in 2015, but stayed at the healthy levels.

Profit from operations for the Group for the year 2016 was equal to EUR 10.9 million, compared to the profit from operations of EUR 22.8 million in 2015. Operating profit margin for the Group was equal to 6.12% compared to 12.21% a year ago.

As a result, profit before tax for the Group in 2016 decreased and amounted to EUR 10.8 million. The net profit of the Group in 2016 amounted to EUR 9.3 million. The net profit margin for the Group in 2016 decreased and was equal to 5.17% (compared to 10.08% year ago).

The Group has earned EUR 0.46 per share in 2016.