

# AB INVALIDA LT

CONSOLIDATED AND COMPANY'S INTERIM CONDENSED NOT-AUDITED FINANCIAL  
STATEMENTS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014 PREPARED ACCORDING TO  
INTERNATIONAL FINANCIAL REPORTING STANDARDS AS ADOPTED BY THE EUROPEAN  
UNION

AB INVALIDA LT

CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS  
ENDED 30 SEPTEMBER 2014

(all amounts are in LTL thousand unless otherwise stated)

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## GENERAL INFORMATION

### Board of Directors

Mr. Alvydas Banys (chairman of the Board)  
Ms. Indrė Mišeikytė  
Mr. Darius Šulnis

### Management

Mr. Darius Šulnis (president)  
Mr. Raimondas Rajeckas (chief financial officer)

### Principal place of business and company code

Seimyniskiu Str. 1A,  
Vilnius,  
Lithuania  
Company code 121304349

### Bankers

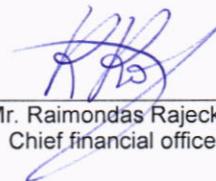
AB DNB Bankas  
AB Šiaulių Bankas  
AB SEB Bankas  
Nordea Bank AB Lithuania Branch  
Danske Bank A/S Lithuania Branch  
AB Bankas Finasta  
"Swedbank", AB  
AB Citadele bankas  
UAB Medicinos Bankas  
DNB Bank Polska S. A.

The financial statements were approved and signed by the Management and the Board of Directors on 27 November 2014.



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Mr. Darius Šulnis  
President



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Mr. Raimondas Rajeckas  
Chief financial officer

**AB INVALIDA LT**
**CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014**

(all amounts are in LTL thousand unless otherwise stated)

**Interim consolidated and Company's income statements**

		Group		Company	
		Nine months of 2014	Nine months of 2013	Nine months of 2014	Nine months of 2013
		Unaudited		Unaudited	
<b>Continuing operations</b>					
Revenue					
Facility management		6,043	10,919	-	-
Other production and services revenue		1,963	7,043	-	-
<b>Total revenue</b>		<b>8,006</b>	<b>17,962</b>	-	-
Other income	9.3	2,135	3,675	18,050	22,196
Net gains (losses) on disposal of subsidiaries, associates and joint ventures	8	2	1,333	45,020	(517)
Revaluation of investments on becoming investment entity	8, 15	7,715	-	11,881	-
Net changes in fair value of financial assets at fair value through profit or loss	9.1	5,281	680	5,281	680
Split-off		-	-	-	68,071
Changes in inventories of finished goods and work in progress		50	256	-	-
Raw materials and consumables used		(1,512)	(5,393)	(11)	(14)
Employee benefits expenses		(4,240)	(9,373)	(1,383)	(1,799)
Impairment, write-down and provisions	9.4	(1,024)	(763)	648	449
Premises rent and utilities		(863)	(1,135)	(105)	(126)
Depreciation and amortisation		(389)	(1,020)	(36)	(31)
Repair and maintenance cost of premises		(1,378)	(3,103)	(39)	-
Other expenses		(1,330)	(1,752)	(458)	(724)
<b>Operating profit (loss)</b>		<b>12,453</b>	<b>1,367</b>	<b>78,848</b>	<b>88,185</b>
Finance costs	9.2	(205)	(316)	(176)	(278)
Share of profit (loss) of associates and joint ventures		(438)	4,306	-	-
<b>Profit (loss) before income tax</b>		<b>11,810</b>	<b>5,357</b>	<b>78,672</b>	<b>87,907</b>
Income tax credit (expenses)	7	(569)	(733)	(699)	(615)
<b>Profit (loss) for the period from continuing operations</b>		<b>11,241</b>	<b>4,624</b>	<b>77,973</b>	<b>87,292</b>
<b>Discontinued operation</b>					
Profit/(Loss) after tax for the period from discontinued operation	13	9,970	91,171	-	-
<b>PROFIT (LOSS) FOR THE PERIOD</b>		<b>21,211</b>	<b>95,795</b>	<b>77,973</b>	<b>87,292</b>
Attributable to:					
Equity holders of the parent		21,273	94,784	77,973	87,292
Non-controlling interests		(62)	1,011	-	-
		<b>21,211</b>	<b>95,795</b>	<b>77,973</b>	<b>87,292</b>
Basic earnings (deficit) per share (in LTL)	14	1.28	2.49	4.69	2.29
Basic earnings (deficit) per share (in LTL) from continuing operations		0.68	0.12	4.69	2.29
Diluted earnings (deficit) per share (in LTL)		1.28	2.49	4.69	2.29
Diluted earnings (deficit) per share (in LTL) from continuing operations		0.68	0.12	4.69	2.29

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CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014

(all amounts are in LTL thousand unless otherwise stated)

Interim consolidated and Company's statements of comprehensive income

	Group		Company	
	Nine months of 2014	Nine months of 2013	Nine months of 2014	Nine months of 2013
	Unaudited		Unaudited	
<b>Profit (loss) for the year</b>	<b>21,211</b>	<b>95,795</b>	<b>77,973</b>	<b>87,292</b>
<b>Other comprehensive income (loss)</b>				
<i>Other comprehensive income (loss) that may be subsequently reclassified to profit or loss</i>				
Exchange differences on translation of foreign operations	22	(56)	-	-
Share of other comprehensive income (loss) of associates	(4)	-	-	-
<b>Net other comprehensive income (loss) that may be subsequently reclassified to profit or loss</b>	<b>18</b>	<b>(56)</b>	<b>-</b>	<b>-</b>
<i>Other comprehensive income (loss) that will not be reclassified to profit or loss</i>				
Share of other comprehensive income (loss) of associates - re-measurement gains (losses) on defined benefit plans	-	-	-	-
<b>Net other comprehensive income (loss) not to be reclassified to profit or loss</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other comprehensive income (loss) for the period, net of tax</b>	<b>18</b>	<b>(56)</b>	<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>	<b>21,229</b>	<b>95,739</b>	<b>77,973</b>	<b>87,292</b>
Attributable to:				
Equity holders of the parent	21,287	94,739	77,973	87,292
Non-controlling interests	(58)	1,000	-	-
<b>Total comprehensive income attributable to equity holders of the parent arising from:</b>				
Continuing operations	11,253	4,637	77,973	87,292
Discontinued operations	10,034	90,102	-	-
	<b>21,287</b>	<b>94,739</b>	<b>77,973</b>	<b>87,292</b>

**AB INVALIDA LT**

**CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014**

(all amounts are in LTL thousand unless otherwise stated)

**Interim consolidated and Company's income statements**

	Group		Company	
	3 <sup>rd</sup> Quarter 2014	3 <sup>rd</sup> Quarter 2013	3 <sup>rd</sup> Quarter 2014	3 <sup>rd</sup> Quarter 2013
	Unaudited		Unaudited	
<b>Continuing operations</b>				
Revenue				
Facility management	-	4,101	-	-
Other production and services revenue	-	1,725	-	-
<b>Total revenue</b>	<b>-</b>	<b>5,826</b>	<b>-</b>	<b>-</b>
Other income	640	831	640	17,880
Net gains (losses) on disposal of subsidiaries, associates and joint ventures	2	-	2	-
Revaluation of investments on becoming investment entity	-	-	-	-
Net changes in fair value of financial assets at fair value through profit or loss	2,450	408	2,450	408
Split-off	-	-	-	-
Changes in inventories of finished goods and work in progress	-	(47)	-	-
Raw materials and consumables used	(5)	(1,376)	(5)	(2)
Employee benefits expenses	(448)	(2,653)	(446)	(402)
Impairment, write-down and provisions	-	(1)	-	461
Premises rent and utilities	(34)	(474)	(34)	(35)
Depreciation and amortisation	(14)	(326)	(14)	(5)
Repair and maintenance cost of premises	(12)	(1,308)	(12)	-
Other expenses	(123)	(281)	(121)	(123)
<b>Operating profit (loss)</b>	<b>2,456</b>	<b>601</b>	<b>2,460</b>	<b>18,182</b>
Finance costs	-	(106)	-	(96)
Share of profit (loss) of associates and joint ventures	-	369	-	-
<b>Profit (loss) before income tax</b>	<b>2,456</b>	<b>864</b>	<b>2,460</b>	<b>18,086</b>
Income tax credit (expenses)	12	(464)	12	(292)
<b>Profit (loss) for the period from continuing operations</b>	<b>2,468</b>	<b>400</b>	<b>2,472</b>	<b>17,794</b>
<b>Discontinued operation</b>				
Profit/(Loss) after tax for the period from discontinued operation	-	2,185	-	-
<b>PROFIT (LOSS) FOR THE PERIOD</b>	<b>2,468</b>	<b>2,585</b>	<b>2,472</b>	<b>17,794</b>
Attributable to:				
Equity holders of the parent	2,468	2,606	2,472	17,794
Non-controlling interests	-	(21)	-	-
	<b>2,468</b>	<b>2,585</b>	<b>2,472</b>	<b>17,794</b>
Basic earnings (deficit) per share (in LTL)	0.29	0.43	0.73	0.74
Basic earnings (deficit) per share (in LTL) from continuing operations	0.22	0.03	0.73	0.74
Diluted earnings (deficit) per share (in LTL)	0.29	0.43	0.73	0.74
Diluted earnings (deficit) per share (in LTL) from continuing operations	0.22	0.03	0.73	0.74

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ENDED 30 SEPTEMBER 2014

(all amounts are in LTL thousand unless otherwise stated)

Interim consolidated and Company's statements of comprehensive income

	Group		Company	
	3 <sup>rd</sup> Quarter 2014	3 <sup>rd</sup> Quarter 2013	3 <sup>rd</sup> Quarter 2014	3 <sup>rd</sup> Quarter 2013
	Unaudited		Unaudited	
<b>Profit (loss) for the year</b>	<b>2,468</b>	<b>2,585</b>	<b>2,472</b>	<b>17,794</b>
<b>Other comprehensive income (loss)</b>				
<i>Other comprehensive income (loss) that may be subsequently reclassified to profit or loss</i>				
Exchange differences on translation of foreign operations	-	17	-	-
Share of other comprehensive income (loss) of associates	-	-	-	-
<b>Net other comprehensive income (loss) that may be subsequently reclassified to profit or loss</b>	<b>-</b>	<b>17</b>	<b>-</b>	<b>-</b>
<i>Other comprehensive income (loss) that will not be reclassified to profit or loss</i>				
Share of other comprehensive income (loss) of associates - re-measurement gains (losses) on defined benefit plans	-	-	-	-
<b>Net other comprehensive income (loss) not to be reclassified to profit or loss</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other comprehensive income (loss) for the period, net of tax</b>	<b>-</b>	<b>17</b>	<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>	<b>2,468</b>	<b>2,602</b>	<b>2,472</b>	<b>17,794</b>
Attributable to:				
Equity holders of the parent	2,468	2,619	2,472	17,794
Non-controlling interests	-	(17)	-	-

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CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014

(all amounts are in LTL thousand unless otherwise stated)

Interim consolidated and Company's statements of financial position

	Group		Company	
	As at 30 September 2014	As at 31 December 2013	As at 30 September 2014	As at 31 December 2013
	Unaudited	Audited	Unaudited	Audited
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment		76	42	33
Investment properties	10	-	-	-
Intangible assets		8,114	50	50
Investments into subsidiaries	8; 15	63,674	76,465	52,487
Investments into associates and joint ventures	8	-	-	25,108
Investments available-for-sale		1,705	1,705	1,705
Loans granted		28,992	28,992	21,396
Trade and other receivables long term		1,202	1,202	1,202
Other non-current assets		-	-	-
Deferred income tax asset		9,180	7,084	7,652
<b>Total non-current assets</b>		<b>112,943</b>	<b>115,540</b>	<b>109,633</b>
<b>Current assets</b>				
Inventories		-	-	-
Trade and other receivables		386	50	1,710
Current loans granted		7,628	7,628	55,061
Prepaid income tax		-	-	-
Prepayments and deferred charges		77	50	45
Financial assets at fair value through profit loss	15	12,552	12,418	5,602
Restricted cash		-	-	-
Cash and cash equivalents	5	30,280	27,899	2,515
<b>Total current assets</b>		<b>50,923</b>	<b>48,045</b>	<b>64,933</b>
Assets of disposal group classified as held-for-sale		-	-	-
<b>Total assets</b>		<b>163,866</b>	<b>163,585</b>	<b>174,566</b>

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CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014

(all amounts are in LTL thousand unless otherwise stated)

Consolidated and Company's statements of financial position (cont'd)

	Group		Company		
	As at 30 September 2014	As at 31 December 2013	As at 30 September 2014	As at 31 December 2013	
	Unaudited	Audited	Unaudited	Audited	
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
<b>Equity attributable to equity holders of the parent</b>					
Share capital	12	11,866	24,834	11,866	24,834
Own shares	12	-	(20,813)	-	(20,813)
Share premium		17,249	33,139	17,249	33,139
Reserves		40,031	97,292	40,031	95,685
Retained earnings		91,824	84,374	91,844	27,138
		<b>160,970</b>	<b>218,826</b>	<b>160,990</b>	<b>159,983</b>
<b>Non-controlling interests</b>		-	<b>360</b>	-	-
<b>Total equity</b>		<b>160,970</b>	<b>219,186</b>	<b>160,990</b>	<b>159,983</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Non-current borrowings	11	-	55,824	-	-
Financial lease liabilities		-	145	-	-
Government grants		-	46	-	-
Provisions		-	-	-	-
Deferred income tax liability		911	15,296	-	-
Other non-current liabilities		-	2,627	-	-
<b>Total non-current liabilities</b>		<b>911</b>	<b>73,938</b>	-	-
<b>Current liabilities</b>					
Current portion of non-current borrowings	11	-	44,597	-	-
Current portion of financial lease liabilities		-	69	-	-
Current borrowings		-	9,313	-	12,682
Trade payables		19	10,417	18	305
Income tax payable		15	92	15	-
Provisions		-	-	-	-
Advances received		-	2,026	-	-
Other current liabilities	16	1,951	6,308	2,562	1,596
<b>Total current liabilities</b>		<b>1,958</b>	<b>72,822</b>	<b>2,595</b>	<b>14,583</b>
<b>Total liabilities</b>		<b>2,896</b>	<b>146,760</b>	<b>2,595</b>	<b>14,583</b>
<b>Total equity and liabilities</b>		<b>163,866</b>	<b>365,946</b>	<b>163,585</b>	<b>174,566</b>

(the end)

**AB INVALIDA LT**

**CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014**

(all amounts are in LTL thousand unless otherwise stated)

**Consolidated and Company's statements of changes in equity**

Group	Equity attributable to equity holders of the parent									
	Share capital	Own shares	Share premium	Reserves			Retained earnings (accumulated deficit)	Subtotal	Non-controlling interests	Total equity
				Legal and other reserves	Foreign currency translation reserve					
<b>Balance as at 31 December 2013 (audited)</b>	<b>24,834</b>	<b>(20,813)</b>	<b>33,139</b>	<b>97,354</b>		<b>(62)</b>	<b>84,374</b>	<b>218,826</b>	<b>360</b>	<b>219,186</b>
Profit (loss) for the 9 months of 2014	-	-	-	-	-	-	21,273	21,273	(62)	21,211
Other comprehensive income (loss) for the 9 months of 2014	-	-	-	-	-	18	(4)	14	4	18
<b>Total comprehensive income (loss) for the 9 months of 2014</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18</b>	<b>21,269</b>	<b>21,287</b>	<b>(58)</b>	<b>21,229</b>
Share of movements in equity of associates	-	-	-	-	-	-	72	72	-	72
Value of employee services	-	-	-	-	-	-	-	-	19	19
Changes in reserves	-	-	-	329	-	-	(329)	-	-	-
Cease of consolidation of subsidiaries due to the change in the status	8	-	-	(37)	-	-	37	-	1,024	1,024
Decrease of share capital	12	(2,036)	20,813	(18,777)	-	-	-	-	-	-
Split-off	3	(10,932)	-	(15,890)	(38,838)	44	(13,599)	(79,215)	(1,345)	(80,560)
<b>Balance as at 30 September 2014 (unaudited)</b>	<b>11,866</b>	<b>-</b>	<b>17,249</b>	<b>40,031</b>	<b>-</b>	<b>-</b>	<b>91,824</b>	<b>160,970</b>	<b>-</b>	<b>160,970</b>

**AB INVALIDA LT**
**CONSOLIDATED AND COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014**

(all amounts are in LTL thousand unless otherwise stated)

**Consolidated and Company's statements of changes in equity (cont'd)**

Group	Equity attributable to equity holders of the parent								Total equity
	Share capital	Own shares	Share premium	Reserves		Retained earnings (accumulated deficit)	Subtotal	Non-controlling interests	
				Legal and other reserves	Foreign currency translation reserve				
<b>Balance as at 31 December 2012 (audited)</b>	<b>51,802</b>	-	<b>60,747</b>	<b>241,489</b>	<b>34</b>	<b>38,883</b>	<b>392,955</b>	<b>23,241</b>	<b>416,196</b>
Profit (loss) for the 9 months of 2013	-	-	-	-	-	94,784	94,784	1,011	95,795
Other comprehensive income (loss) for the 9 months of 2013	-	-	-	-	(45)	-	(45)	(11)	(56)
<b>Total comprehensive income for the 9 months of 2013</b>	-	-	-	-	<b>(45)</b>	<b>94,784</b>	<b>94,739</b>	<b>1,000</b>	<b>95,739</b>
Share of movements in equity of associates	-	-	-	-	-	493	493	-	493
Value of employee services	-	-	-	-	-	-	-	118	118
Dividends of non-controlling interests of subsidiaries	-	-	-	-	-	-	-	(311)	(311)
Acquisition of subsidiaries	-	-	-	-	-	-	-	7	7
Disposal of subsidiaries	-	-	-	9	-	(9)	-	-	-
Changes in reserves	-	-	-	23	-	(23)	-	-	-
Acquired own shares	12	(51,845)	-	-	-	-	(51,845)	-	(51,845)
Decrease of share capital	12	(6,279)	51,845	(65,592)	-	-	(20,026)	-	(20,026)
Distribution as a result of split-off	(20,689)	-	(27,608)	(98,601)	-	(62,282)	(209,180)	(23,270)	(232,450)
Acquisition of the non-controlling interest	-	-	-	-	-	(4)	(4)	(196)	(200)
<b>Balance as at 30 September 2013 (unaudited)</b>	<b>24,834</b>	-	<b>33,139</b>	<b>77,328</b>	<b>(11)</b>	<b>71,842</b>	<b>207,132</b>	<b>589</b>	<b>207,721</b>

AB INVALIDA LT

INTERIM CONSOLIDATED AND COMPANY'S CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED  
30 SEPTEMBER 2014

(all amounts are in LTL thousand unless otherwise stated)

Consolidated and Company's statements of changes in equity (cont'd)

Company		Reserves					Retained earnings (accumulated deficit)	Total
		Share capital	Own shares	Share premium	Legal reserve	Reserve of purchase of own shares		
<b>Balance as at 30 September 2014</b> <b>(audited)</b>		<b>24,834</b>	<b>(20,813)</b>	<b>33,139</b>	<b>3,140</b>	<b>92,545</b>	<b>27,138</b>	<b>159,983</b>
Profit (loss) for the 9 months of 2014		-	-	-	-	-	77,973	77,973
Decrease of share capital	12	(2,036)	20,813	-	-	(18,777)	-	-
Split-off	3	(10,932)	-	(15,890)	(1,506)	(35,371)	(13,267)	(76,966)
<b>Balance as at 30 September 2014</b> <b>(unaudited)</b>		<b>11,866</b>	<b>-</b>	<b>17,249</b>	<b>1,634</b>	<b>38,397</b>	<b>91,844</b>	<b>160,990</b>

Company		Reserves					Retained earnings (accumulated deficit)	Total
		Share capital	Own shares	Share premium	Legal reserve	Reserve of purchase of own shares		
<b>Balance as at 31 December 2012</b> <b>(audited)</b>		<b>51,802</b>	<b>-</b>	<b>60,747</b>	<b>5,756</b>	<b>215,211</b>	<b>27,045</b>	<b>360,561</b>
Profit (loss) for the 9 months of 2013		-	-	-	-	-	87,292	87,292
Acquired own shares	12	-	(51,845)	-	-	-	-	(51,845)
Decrease of share capital	12	(6,279)	51,845	-	-	(65,592)	-	(20,026)
Distribution as a result of split-off		(20,689)	-	(27,608)	(2,616)	(77,100)	(80,897)	(208,910)
<b>Balance as at 30 September 2013</b> <b>(unaudited)</b>		<b>24,834</b>	<b>-</b>	<b>33,139</b>	<b>3,140</b>	<b>72,519</b>	<b>33,440</b>	<b>167,072</b>

**AB INVALIDA LT**

**INTERIM CONSOLIDATED AND COMPANY'S CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014**

(all amounts are in LTL thousand unless otherwise stated)

**Consolidated and Company's statements of cash flows**

	Group		Company	
	Nine months of 2014	Nine months of 2013	Nine months of 2014	Nine months of 2013
	Unaudited	Unaudited	Unaudited	Unaudited
<b>Cash flows from (to) operating activities</b>				
Net profit (loss) for the period	21,211	95,795	77,973	87,292
<b>Adjustments for non-cash items and non-operating activities:</b>				
Valuation (gain) loss, net	(118)	(1,012)	-	-
Depreciation and amortization	1,131	5,112	36	31
(Gain) loss on disposal of property, plant and equipment	(13)	29	-	-
Realized and unrealized loss (gain) on investments	(5,281)	(680)	(5,281)	(680)
Revaluation of investments on becoming investment entity	(14,733)	-	(11,881)	-
(Gain) loss on disposal of subsidiaries and associates	(4,146)	(1,333)	(45,020)	(66,874)
Split-off	-	(85,363)	-	(680)
Share of net loss (profit) of associates and joint ventures	(1,536)	(5,439)	-	-
Interest (income)	(1,480)	(1,284)	(2,439)	(5,315)
Interest expenses	995	1,682	176	278
Deferred taxes	325	672	684	611
Current income tax expenses	334	356	15	4
Allowances	5,077	413	(648)	(448)
Change in provisions	-	(29)	-	-
Share based payment	19	118	-	-
Dividend (income)	-	(71)	(15,527)	(16,841)
Loss (gain) from other financial activities	(1)	(29)	(1)	(24)
	<b>1,784</b>	<b>8,937</b>	<b>(1,913)</b>	<b>(2,646)</b>
<b>Changes in working capital:</b>				
(Increase) decrease in inventories	(672)	(2,804)	-	-
Decrease (increase) in trade and other receivables	(1,691)	(2,521)	1,470	(3,218)
Decrease (increase) in other current assets	(1,083)	(359)	(10)	9
(Decrease) increase in trade payables	(1,315)	(202)	(129)	-
(Decrease) increase in other current liabilities	3,187	186	128	(14)
Transfer (to)/from restricted cash	1,814	(1,127)	-	-
<b>Cash flows (to) from operating activities</b>	<b>2,024</b>	<b>(2,110)</b>	<b>(454)</b>	<b>(5,869)</b>
Income tax (paid)	38	(108)	-	(4)
<b>Net cash flows (to) from operating activities</b>	<b>2,062</b>	<b>(2,002)</b>	<b>(454)</b>	<b>(5,873)</b>

(cont'd on the next page)

**Consolidated and Company's statements of cash flows (cont'd)**

	Group		Company	
	Nine months of 2014	Nine months of 2013	Nine months of 2014	Nine months of 2013
	Unaudited	Unaudited	Unaudited	Unaudited
<b>Cash flows from (to) investing activities</b>				
(Acquisition) of non-current assets (except investment properties)	(348)	(7,171)	(45)	(79)
Proceeds from sale of non-current assets (except investment properties)	25	41	-	-
(Acquisition) of investment properties	(1,602)	(1,552)	-	-
Proceeds from sale of investment properties	87	1,338	-	-
(Acquisition) and establishment of subsidiaries, net of cash acquired	(9,460)	(6)	(11,889)	(4,336)
Proceeds from sales of subsidiaries, net of cash disposed	(1,030)	(64)	693	74
(Acquisition) of associates and joint ventures	-	(12,070)	-	(12,070)
Proceeds from sales of associates and joint ventures	8 40,547	-	40,547	-
Cash of the subsidiaries left the Group in the split-off	3 (1,469)	(23,402)	-	-
Payment according to terms of split-off	3 (647)	(13,200)	(647)	(13,200)
Acquisition of loans	(212)	-	(212)	-
Loans (granted)	(8,425)	(9,978)	(12,677)	(17,548)
Repayment of granted loans	2,989	41,351	4,994	51,514
Transfer to/from term deposits	-	13,419	-	-
Dividends received	15,527	60	15,527	950
Interest received	1,043	1,117	1,032	2,246
(Acquisition) of and proceeds from sales of financial assets at fair value through profit loss and available-for-sale investments	(6,125)	20,271	(6,125)	20,271
<b>Net cash flows (to) investing activities</b>	<b>30,900</b>	<b>10,154</b>	<b>31,198</b>	<b>27,822</b>
<b>Cash flows from (to) financing activities</b>				
Cash flows related to Group owners				
(Acquisition) of non-controlling interests	-	(200)	-	-
(Acquisition) of own shares	12 -	(51,845)	-	(51,845)
Dividends (paid) to equity holders of the parent	(28)	(553)	(28)	(553)
Dividends (paid) to non-controlling interests	-	(311)	-	-
	(28)	(52,909)	(28)	(52,398)
Cash flows related to other sources of financing				
Proceeds from loans	1,402	19,119	1,809	23,410
(Repayment) of loans	(9,898)	(22,226)	(7,001)	(19,846)
Interest (paid)	(610)	(1,623)	(141)	(281)
Financial lease (payments)	(23)	(146)	-	-
	(9,129)	(4,876)	(5,333)	3,283
<b>Net cash flows (to) from financial activities</b>	<b>(9,157)</b>	<b>(57,785)</b>	<b>(5,361)</b>	<b>(49,115)</b>
<b>Impact of currency exchange on cash and cash equivalents</b>	<b>12</b>	<b>24</b>	<b>1</b>	<b>24</b>
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>23,817</b>	<b>(45,605)</b>	<b>25,384</b>	<b>(27,142)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>5 6,463</b>	<b>56,092</b>	<b>2,515</b>	<b>33,530</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>5 30,280</b>	<b>10,487</b>	<b>27,899</b>	<b>6,388</b>

(the end)

## **Notes to the interim condensed financial statements**

### **1 General information**

AB Invalda LT (hereinafter the Company) is a joint stock company registered in the Republic of Lithuania on 20 March 1992. The address of the office is as follows:

Šeimyniškių str. 1A,  
Vilnius,  
Lithuania.

The Company is incorporated and domiciled in Lithuania. AB Invalda LT is one of the major companies in Lithuania investing in other businesses and managing assets whose primary objective is to steadily increase the investors equity value, solely for capital appreciation or investment income (in the form of dividends and interest). After the Split-off completed in 2014 the Company's investments are agriculture and facility management segments. In September 2014 the entity having asset management license was acquired (UAB MP Pension Funds Baltic). Another acquisition of similar entity is planned to complete in the nearest future (Note 18). Until the Split-off the Company's segments were also furniture manufacturing, real estate, agricultural land, information technology (IT) infrastructure.

In respect of each business the Company defines its performance objectives, sets up the management team, participates in the development of the business strategy and monitors its implementation. The Company plays an active role in making the decisions on strategic and other important issues that have an effect on the value of the Group companies.

The Company's shares are traded on the Baltic Main List of NASDAQ Vilnius.

### **2 Basis of preparation and accounting policies**

#### **Basis of preparation**

The interim condensed financial statements for the 9 months ended 30 September 2014 have been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2013.

#### **Significant accounting policies**

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Group's and Company's annual financial statements for the year ended 31 December 2013, except adoption of new Standards and Interpretations as of 1 January 2014, noted below.

The main change in the accounting principles is adopting of these standards amendments:

#### **Amendments to IFRS 10, IFRS 12 and IAS 27 - *Investment entities***

The amendment introduced a definition of an investment entity as an entity that (i) obtains funds from investors for the purpose of providing them with investment management services, (ii) commits to its investors that its business purpose is to invest funds solely for capital appreciation or investment income and (iii) measures and evaluates its investments on a fair value basis. An investment entity will be required to account for its subsidiaries at fair value through profit or loss, and to consolidate only those subsidiaries that provide services that are related to the entity's investment activities. IFRS 12 was amended to introduce new disclosures, including any significant judgements made in determining whether an entity is an investment entity and information about financial or other support to an unconsolidated subsidiary, whether intended or already provided to the subsidiary.

## **2 Basis of preparation and accounting policies (cont'd)**

According to the management, The Company meets all the defining criteria of an investment entity after completing the Split-off in 2014 and is presented from the financial statements for the six months ended 30 June 2014 as an investment entity according to IFRS 10 (Note 3). The Company consolidates only three subsidiaries that were established in order to provide services related to investment activities (UAB Invalda LT Investments, UAB INVL Fondai and newly acquired UAB MP Pension Funds Baltic). Other subsidiaries, associates and joint ventures using exception from applying the equity method in IAS 28 are measured at fair value through profit or loss. From the Split-off the Company became the investment entity, so it ceased to consolidate subsidiaries (except three the above mentioned subsidiaries) and recognised the gain on revaluation of subsidiaries. The change is accounted for prospectively, therefore comparative figures are not changed. But the results of the real estate, agricultural land, information technology infrastructure segments, which left the Group during the Split-off, are presented as discontinued operation. The impact of revaluation of investments on profit or loss becoming the investment entity are amounted to LTL 14,733 thousand in the Group (LTL 7,715 thousand are recognised within 'Revaluation of investments on becoming investment entity' and 7,018 thousand are recognised within 'Discontinued operations') and amounted to LTL 11,881 thousand in the Company (this amount is recognised within 'Revaluation of investments on becoming investment entity').

Below summary of new accounting principles regarding investment entity is presented:

### Investment entity

The Company has multiple unrelated investors and holds multiple investments. Ownership interests in the Company are in the form of equity securities issued by the Company – ordinary registered shares. In the management's opinion, the Company meets the definition of an investment entity as the following conditions exist:

- (i) The Company obtains funds from investors for the purpose of providing them with investment management services.
- (ii) The Company commits to investors that its business purpose is to invest funds solely for capital appreciation, investment income, or both. And
- (iii) The management measures and evaluates its investments and makes investment decisions on a fair value as a key criterion.

### Subsidiaries

The Company has no subsidiaries other than those determined to be controlled subsidiary investments. Controlled subsidiary investments are measured at fair value through profit or loss and not consolidated, in accordance with IFRS 10. The fair value of controlled subsidiary investments is determined on a consistent basis to all other investments measured at fair value through profit or loss, and as described below.

The fair value of investments traded in active markets is based on quoted market prices at the close of trading, which is the date closest to the reporting date. The fair value of investments that are not traded in active markets is determined by using valuation techniques. Such valuation techniques may include the most recent transactions in the market, the market price for similar transactions, discounted cash flow analysis or any other valuation models.

Controlled subsidiary investments include the special purpose entities (SPEs) that are incorporated for the purpose of holding underlying investments ("the portfolio companies") on behalf of the Company. As new SPEs are incorporated for each investment, there are no business combinations. The SPEs have no operations other than their respective investment in portfolio companies and providing a vehicle for the onward sale of a portfolio investment. The SPEs are also reflected at fair value, with the key fair value driver being investment in the underlying portfolio company investments that the SPEs hold on behalf of the Company. The SPEs is not consolidated in accordance with IFRS 10, if it is not provide services that relate to the investment entity's investment activities.

Where the Company is deemed to control an underlying portfolio company, whereby the control is exercised via voting rights or indirectly through the ability to direct the relevant activities in return for access to a significant portion of the variable gains and losses derived from those relevant activities, the underlying portfolio company and its results are also not consolidated and are instead reflected at fair value through profit or loss (through the reflection of the value of the respective SPE that holds the underlying portfolio company in the Company's financial statements).

## **2 Basis of preparation and accounting policies (cont'd)**

### Associates

An associate is an entity, over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Investments that are held as part of the Company's investment portfolio are carried at fair value even though the Company may have significant influence over those companies. This treatment is permitted by IAS 28 'Investments in associates and joint ventures' as exception from applying the equity method.

Below is described the other amendments:

#### *IFRS 10 Consolidated Financial Statements*

IFRS 10 replaces all of the guidance on control and consolidation in IAS 27 *Consolidated and separate financial statements* and SIC-12 *Consolidation - special purpose entities*. IFRS 10 changes the definition of control so that the same criteria are applied to all entities to determine control. This definition is supported by extensive application guidance. IFRS 10 had no impact on the Group's consolidation structure.

#### *IFRS 11 Joint Arrangements*

IFRS 11 replaces IAS 31 *Interests in Joint Ventures* and SIC-13 *Jointly Controlled Entities—Non-Monetary Contributions by Ventures*. Changes in the definitions have reduced the number of types of joint arrangements to two: joint operations and joint ventures. The existing policy choice of proportionate consolidation for jointly controlled entities has been eliminated. Equity accounting is mandatory for participants in joint ventures. The Group has used equity accounting for the interests in joint ventures already. IFRS 11 had no impact on the Group's financial statements for the nine months ended 30 September 2014.

#### *IFRS 12 Disclosure of Interest in Other Entities*

IFRS 12 applies to entities that have an interest in a subsidiary, a joint arrangement, an associate or an unconsolidated structured entity. IFRS 12 sets out the required disclosures for entities reporting under the two new standards: IFRS 10, *Consolidated financial statements*, and IFRS 11, *Joint arrangements*, and replaces the disclosure requirements currently found in IAS 28, *Investments in associates*. IFRS 12 requires entities to disclose information that helps financial statement readers to evaluate the nature, risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. To meet these objectives, the new standard requires disclosures in a number of areas, including significant judgments and assumptions made in determining whether an entity controls, jointly controls, or significantly influences its interests in other entities, extended disclosures on share of non-controlling interests in group activities and cash flows, summarised financial information of subsidiaries with material non-controlling interests, and detailed disclosures of interests in unconsolidated structured entities. None of these disclosure requirements are applicable for interim condensed consolidated financial statements. Accordingly, the Group has not made such disclosures.

#### *IAS 27 Separate Financial Statements*

IAS 27 was changed and its objective is now to prescribe the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. The guidance on control and consolidated financial statements was replaced by IFRS 10 *Consolidated Financial Statements*. The amendment had no impact on the Group's financial statements for the nine months ended 30 September 2014.

#### *IAS 28 Investments in Associates and Joint Ventures*

The amendment of IAS 28 resulted from the Board's project on joint ventures. When discussing that project, the Board decided to incorporate the accounting for joint ventures using the equity method into IAS 28 because this method is applicable to both joint ventures and associates. With this exception, other guidance remained unchanged. The amendment had no impact on the Group's financial statements for the nine months ended 30 September 2014.

#### *Amendments to IAS 32 Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities*

The amendment added application guidance to IAS 32 to address inconsistencies identified in applying some of the offsetting criteria. This includes clarifying the meaning of 'currently has a legally enforceable right of set-off' and that some gross settlement systems may be considered equivalent to net settlement. The amendment had no impact on the Group's financial statements for the nine months ended 30 September 2014.

## 2 Basis of preparation and accounting policies (cont'd)

Transition Guidance Amendments to IFRS 10, IFRS 11 and IFRS 12

The amendments clarify the transition guidance in IFRS 10 *Consolidated Financial Statements*. Entities adopting IFRS 10 should assess control at the first day of the annual period in which IFRS 10 is adopted, and if the consolidation conclusion under IFRS 10 differs from IAS 27 and SIC 12, the immediately preceding comparative period (that is, year 2013 for a calendar year-end entity that adopts IFRS 10 in 2014) is restated, unless impracticable. The amendments also provide additional transition relief in IFRS 10, IFRS 11, *Joint Arrangements*, and IFRS 12, *Disclosure of Interests in Other Entities*, by limiting the requirement to provide adjusted comparative information only for the immediately preceding comparative period. Further, the amendments will remove the requirement to present comparative information for disclosures related to unconsolidated structured entities for periods before IFRS 12 is first applied. The amendment had no impact on the Group's financial statements for the nine months ended 30 September 2014.

Amendments to IAS 39 - *Novation of Derivatives and Continuation of Hedge Accounting*

The amendments will allow hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated (i.e parties have agreed to replace their original counterparty with a new one) to effect clearing with a central counterparty as a result of laws or regulation, if specific conditions are met. The amendments are not relevant to the Group currently, because it has not recognised any hedging instrument.

### Judgements

In the process of applying the Group accounting policies, management has made the following judgements, which has most significant effect on the amounts recognised in the consolidated financial statements:

#### Investment entity

According to the management, The Company meets all the defining criteria of an investment entity from the Split-off in 2014 and henceforth investments in subsidiaries and associates are measured at fair value through profit or loss. The management periodically reviews whether the Company meets all the defining criteria of an investment entity. In addition, the management assesses the Company's operation objective, investment strategy, origin of income and fair value models.

#### Accounting of the split-off

Management has made a judgement that the split-off completed in 2014 (unlike the split-off in 2013) was not in scope of IFRIC 17 „Distribution of Non-cash Assets to Owners“. IFRIC 17 includes an exemption that the Interpretation does not apply to a distribution of a non-cash asset that is ultimately controlled by the same party or parties before and after the distribution. During the split-off shares were allocated proportionally to all shareholders in the Company and in the separated entities, the Company is controlled according to the agreement by the same shareholders group before and after the Split-off, therefore this exemption could be applied. Therefore, profit or loss is not recognised in the financial statements during the Split-off and it accounted as the transfer of assets at carrying amounts.

**AB INVALDA LT****INTERIM CONSOLIDATED AND COMPANY'S CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014**

(all amounts are in LTL thousand unless otherwise stated)

**3 Split-off in 2014**

The Extraordinary General Shareholders Meeting of the Company, held on 5 February 2014, adopted resolution to approve the preparation of the terms of split-off of AB Invalda LT. The split-off terms were announced on 21 March 2014. The Extraordinary General Shareholders Meeting approved the terms of the Company's split-off on 28 April 2014. The Split-off was completed on 29 April 2014. According to the terms, three entities AB INVL Baltic Farmland, AB INVL Baltic Real Estate and AB INVL Technology, comprising 47.95% of the Company assets calculated at carrying amounts, were split-off from the Company. These entities will apply for closed-end investment company licenses. The split-off of the Company will allow realizing the earlier announced plan to concentrate into asset management business. Entities, operating in agricultural land, real estate and information technology segments, and three newly established entities (note 8), which initial names were the same as the split-off entities, were transferred to newly split-off entities (UAB Sago was not transferred). Shares were allocated proportionally to all shareholders of the Company (presently there are about 4000 shareholders of the Company) in the separated entities. All the shares of the newly established companies were listed on the NASDAQ Vilnius Exchange from 4 June 2014.

According to the exemption in the IFRIC 17, the Split-off is accounted as the transfer of assets at carrying amounts. It is not recognised any profit or loss.

The Company

Below the split-off of the balance sheet of the Company according to the split-off terms is presented as at 29 April 2014:

	<b>The Company before split-off</b>	<b>AB „INVL Baltic Real Estate”</b>	<b>AB „INVL Baltic Farmland”</b>	<b>AB „INVL Technology”</b>	<b>The Company after split-off</b>
Percent		30.90%	14.45%	2.60%	52.05%
Intangible assets	62	-	-	-	62
Property, plant and equipment	43	-	-	-	43
Investments into subsidiaries	54,540	39,373	6,112	4,013	5,042
Investments into associates and joint ventures	25,108	-	-	-	25,108
Investments available for sale	1,705	-	-	-	1,705
Investments held for trade	4,251	-	-	-	4,251
Deferred income tax asset	7,302	-	68	-	7,234
Loans granted	81,220	14,915	18,943	414	46,948
Prepayments	46	5	-	-	41
Trade and other receivables	166	-	-	-	166
Cash and cash equivalents	1,764	155	339	154	1,116
<b>Total assets</b>	<b>176,207</b>	<b>54,448</b>	<b>25,462</b>	<b>4,581</b>	<b>91,716</b>
Share capital	22,797	7,044	3,294	593	11,866
Share premium	33,139	10,240	4,789	861	17,249
Reserves	76,909	23,765	11,113	2,000	40,031
Retained earnings	27,668	8,550	3,998	719	14,401
<i>Total equity</i>	<i>160,513</i>	<i>49,599</i>	<i>23,194</i>	<i>4,173</i>	<i>83,547</i>
Borrowings	13,074	4,849	2,268	408	5,549
Trade payables	15	-	-	-	15
Income tax payable	14	-	-	-	14
Other liabilities	2,591	-	-	-	2,591
<i>Total liabilities</i>	<i>15,694</i>	<i>4,849</i>	<i>2,268</i>	<i>408</i>	<i>8,169</i>
<b>Total equity and liabilities</b>	<b>176,207</b>	<b>54,448</b>	<b>25,462</b>	<b>4,581</b>	<b>91,716</b>

**AB INVALIDA LT****INTERIM CONSOLIDATED AND COMPANY'S CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED  
30 SEPTEMBER 2014**

(all amounts are in LTL thousand unless otherwise stated)

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**3 Split-off in 2014 (cont'd)**The Group

The carrying amounts of the assets and liabilities of the Group transferred according to the terms of the split-off and derecognised from the statement of financial position are follows:

	<u>Carrying amount at the transfer date</u>
Intangible assets	6,578
Investment properties	167,181
Property, plant and equipment	2,057
Other non-current assets	2,848
Deferred income tax assets	254
Inventories	1,015
Trade and other receivables	16,529
Loans granted	39,059
Prepaid income tax	76
Prepayments and deferred charges	1,174
Restricted cash	2,272
Cash and cash equivalents	2,116
<b>Total assets</b>	<b>241,159</b>
Deferred income tax liability	(15,122)
Borrowings and financial lease liabilities	(130,452)
Trade payables	(6,899)
Income tax payable	(55)
Advance received	(1,567)
Other liabilities	(6,504)
<b>Total liabilities</b>	<b>(160,599)</b>
<b>Total net assets</b>	<b>80,560</b>

#### **4 Segment information**

The Board of Directors monitors the operating results of its business units of the Group separately for the purpose of making decisions about resource allocations and performance assessment. Segment performance is evaluated based on net profit or loss and it is measured on the same basis as net profit or loss in the financial statements. Group financing (including finance costs and finance revenue) and income taxes are allocated between segments as they are identified on basis of separate legal entities. Consolidation adjustments and eliminations are not allocated on a segment basis. Segment assets are measured in a manner consistent with that of the financial statements. All assets are allocated between segments, because segments are identified on basis of separate legal entities.

For management purposes, the Group is organised into following operating segments based on their products and services:

##### Agriculture (continuing operations)

Agricultural activities include the primary crop and livestock (milk) production, grain processing and agricultural services. The segment's companies sell plant protection products, fertilizers, seeds, compound feed, feed supplements, veterinary products, buy grain, provide grain and other raw materials drying, cleaning, handling and storage services.

##### Facility management (continuing operations)

The facility management segment includes facility management of dwelling-houses, commercial and public real estate properties.

##### Other production and service segment (continuing operations)

The other production and service segment is involved in road signs production, wood manufacturing. The entity engaged in growing and trading of ornamental trees and shrubs was transferred from the Group according to the terms of the split-off of the Company in 2013. The Group also presents investment, financing and management activities of the holding company in this segment, as these are not analysed separately by the Board of Directors. In September 2014 the Group has acquired the entity having asset management license. The profit or loss of the entity will be consolidated from 1 October 2014 and from this moment an asset management segment will be separated. On 30 September 2014 assets and liabilities of the acquired asset management entity is presented within the other production and service segment.

##### Furniture production (disposed, discontinued operation)

The furniture segment includes flat-pack furniture mass production and sale. Due to the split-off of the Company in 2013 the subsidiary operating in this segment became an associate of the Group. In May 2014 entities of the segment were disposed.

##### Real estate (transferred during the Split-off, discontinued operation)

The real estate segment is investing in investment properties held for future development and in commercial real estate and its rent. The subsidiaries active in real estate management and administration, intermediation in buying, selling and valuation of real estate, and in the geodesic measurement of land were transferred from the Group during the split-off of the Company in 2013. Remaining entities were transferred during the Split-off completed in 2014 to AB INVL Baltic Real Estate. Control of UAB Sago was lost due to a bankruptcy proceedings.

##### Agricultural land (transferred during the Split-off, discontinued operation)

The agricultural land segment is involved in investment in agricultural land and its rent. The entities of the segment were transferred during the Split-off completed in 2014 to AB INVL Baltic Farmland.

##### Information technology infrastructure (transferred during the Split-off, discontinued operation)

The information technology infrastructure segment is involved in offering IT infrastructure strategy, security and maintenance solutions and supplies of all hardware and software needed for IT infrastructure solutions of any size and in the development and implementation of software for government register systems, including consultation. The entities of the segment were transferred during the Split-off completed in 2014 to AB INVL Technology.

Segment revenue, segment expense and segment result include transfers between business segments. Those transfers are eliminated in column 'Inter-segment transactions and consolidation adjustments'. The granted loans from the Company are allocated to other production and services segment. The impairment losses for these loans are allocated to a segment to which the loans are granted initially.

**AB INVALIDA LT**
**INTERIM CONSOLIDATED AND COMPANY'S CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014**

(all amounts are in LTL thousand unless otherwise stated)

**4 Segment information (cont'd)**

The following table present revenues and profit information regarding the Group's business segments for the nine months ended 30 September 2014:

Period ended 30 September 2014	Furniture production	Real estate	Agricultural land	Agricul- ture	Information technology	Facility manage- ment	Other production and service	Inter-segment transactions and consolidation adjustments	Total
<b>Revenue</b>									
Sales to external customers	-	-	-	-	-	6,043	1,963	-	8,006
Inter-segment sales	-	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,043</b>	<b>1,963</b>	<b>-</b>	<b>8,006</b>
<b>Results</b>									
Other income	-	-	-	-	-	9	2,439	(313)	2,135
Net gain (losses) on disposal of subsidiaries, associates and joint ventures	-	-	-	-	-	-	2	-	2
Revaluation of investments on becoming investment entity	-	-	-	1,729	-	5,308	678	-	7,715
Net changes in fair value on financial assets	-	-	-	-	-	5,023	258	-	5,281
Segment expenses	-	-	-	-	-	(5,440)	(4,439)	12	(9,867)
Impairment, write-down and allowance	-	-	-	-	-	-	(1,024)	-	(1,024)
Share of profit (loss) of the associates and joint ventures	-	-	-	(205)	-	-	(233)	-	(438)
Profit (loss) before income tax	-	-	-	1,524	-	10,943	(356)	(301)	11,810
Income tax	-	-	-	-	-	(92)	(477)	-	(569)
Discontinued operation	6,118	3,929	(411)	-	33	-	-	301	9,970
<b>Net profit (loss) for the period</b>	<b>6,118</b>	<b>3,929</b>	<b>(411)</b>	<b>1,524</b>	<b>33</b>	<b>10,851</b>	<b>(833)</b>	<b>-</b>	<b>21,211</b>
Attributable to:									
Equity holders of the parent	6,118	3,929	(411)	1,524	79	10,851	(817)	-	21,273
Non-controlling interests	-	-	-	-	(46)	-	(16)	-	(62)

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(all amounts are in LTL thousand unless otherwise stated)

**4 Segment information (cont'd)**

The following table present revenues and profit information regarding the Group's business segments for the nine months ended 30 September 2013:

Period ended 30 September 2013	Furniture production	Real estate	Agricultural land	Agricul- ture	Information technology	Facility manage- ment	Other production and service	Inter-segment transactions and consolidation adjustments	Total
<b>Revenue</b>									
Sales to external customers	-	-	-	-	-	10,919	7,043	-	17,962
Inter-segment sales	-	-	-	-	-	1	-	(1)	-
<b>Total revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,920</b>	<b>7,043</b>	<b>(1)</b>	<b>17,962</b>
<b>Results</b>									
Other income	-	-	-	-	-	28	4,593	(946)	3,675
Net losses from fair value adjustment on investment property	-	-	-	-	-	-	-	-	-
Net gain (losses) on disposal of subsidiaries, associates and joint ventures	-	-	-	-	-	1,333	-	-	1,333
Net changes in fair value on financial assets	-	-	-	-	-	-	680	-	680
Segment expenses	-	-	-	-	-	(10,973)	(10,936)	73	(21,836)
Impairment, write-down and allowance	-	-	-	-	-	(787)	24	-	(763)
Share of profit (loss) of the associates and joint ventures	-	-	-	4,513	-	-	(207)	-	4,306
Profit (loss) before income tax	-	-	-	4,513	-	521	1,197	(874)	5,357
Income tax	-	-	-	-	-	(193)	(540)	-	(733)
Discontinued operation	89,774	1,479	(360)	-	(596)	-	-	874	91,171
<b>Net profit (loss) for the period</b>	<b>89,774</b>	<b>1,479</b>	<b>(360)</b>	<b>4,513</b>	<b>(596)</b>	<b>328</b>	<b>657</b>	<b>-</b>	<b>95,795</b>
Attributable to:									
Equity holders of the parent	88,670	1,479	(360)	4,513	(516)	328	670	-	94,784
Non-controlling interests	1,104	-	-	-	(80)	-	(13)	-	1,011

The following table represents segment assets of the Group operating segments as at 30 September 2014 and 31 December 2013:

Segment assets	Furniture production	Real estate	Agricultural land	Agricul- ture	Information technology	Facility manage- ment	Other production and service	Elimi- nation	Total
At 30 September 2014	-	-	-	51,609	-	11,686	100,571*	-	163,866
At 31 December 2013	74,079	156,067	36,447	11,607	27,732	9,084	97,848	(46,918)	365,946

\*LTL 12,623 thousand from this amount are attributable to the asset management entity.

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**4 Segment information (cont'd)**

The following table represents segment liabilities of the Group operating segments as at 30 September 2014 and 31 December 2013:

Segment liabilities	Furniture production	Real estate	Agricultural land	Agriculture	Information technology	Facility management	Other production and service	Elimination	Total
At 30 September 2014	-	-	-	-	-	-	2,896*	-	2,896
At 31 December 2013	-	125,437	19,124	-	26,199	5,464	17,454	(46,918)	146,760

\*LTL 1,229 thousand from this amount are attributable to the asset management entity.

**5 Cash and cash equivalents**

	Group		Company	
	As at 30 September 2014	As at 31 December 2013	As at 30 September 2014	As at 31 December 2013
Cash at bank	30,280	6,298	27,899	2,515
Cash in hand	-	16	-	-
Cash in transit	-	149	-	-
Term deposits with the maturity up to 3 months	-	-	-	-
	<u>30,280</u>	<u>6,463</u>	<u>27,899</u>	<u>2,515</u>

On 30 September 2014, the Group and the Company have placed also with the banks term deposits with the maturity more than 3 months.

	Group	Company
Deposit's certificate of AB bankas Snoras	10,910	10,910
Accumulated interest of term deposits	55	55
Less allowance for impairment as consequence of AB bankas Snoras insolvency	(10,965)	(10,965)
	<u>-</u>	<u>-</u>

Nordea bank had deducted the amount of LTL 1,618 thousand of the Group's restricted cash to cover overdue instalments of borrowings (Note 11).

**6 Dividends**

In 2014 and 2013 dividends were not declared.

**7 Income tax**

Components of income tax expense	Group		Company	
	Nine months of 2014	Nine months of 2013	Nine months of 2014	Nine months of 2013
Current income tax charge	(133)	(80)	(15)	(4)
Prior year current income tax correction	-	-	-	-
Deferred income tax income (expense)	(436)	(653)	(684)	(611)
Income tax (expenses) income charged to the income statement	<u>(569)</u>	<u>(733)</u>	<u>(699)</u>	<u>(615)</u>

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#### 8 Investment into subsidiaries and associates, becoming investment entity

During the 1<sup>st</sup> Quarter the Company has established UAB Invalida LT Investments by investing LTL 1,381 thousand. This entity has applied to the Bank of Lithuania for the asset management company license. Also, the Company has invested LTL 30 thousand to newly established entities UAB INVL Baltic Real Estate (current name – UAB Proprietas), UAB INVL Baltic Farmland (current name – UAB Cooperor), UAB INVL Technology (current name – UAB Inventio). These entities are dormant yet. During 2<sup>nd</sup> Quarter UAB INVL Fondai was established by investing LTL 10 thousand. In September 2014 the Company has additionally invested LTL 11,400 thousand into the share capital of UAB INVL Fondai in order to finance the acquisition of UAB MP Pension Funds Baltic through this entity.

After the Split-off during 2<sup>nd</sup> Quarter, the Company has decreased the share capital of UAB Aktyvus Valdymas and has returned free funds of LTL 691 thousand.

In July 2014 the Company has sold 54.55% shares of UAB Finansų Rizikos Valdymas for LTL 2 thousand.

In March 2014 management of UAB Sago and UAB INTF Investicija has applied to the court regarding bankruptcy (Note 11). On 29 April 2014, when the split-off was completed, UAB INTF Investicija has left the Group (it's solely shareholder, AB Invalidos Nekilnojamojo Turto Fondas, was transferred during the split-off). On 16 May 2014 after the court decision regarding bankruptcy of UAB Sago came to force, The Group has ceased to control this entity also.

During the split-off in 2014 the Group has transferred:

- to AB INVL Baltic Farmland the following entities: UAB Avižėlė, UAB Beržytė, UAB Dirvolika, UAB Duonis, UAB Ekotra, UAB Kvietukas, UAB Laukaitis, UAB Lauknešys, UAB Linažiedė, UAB Pušaitis, UAB Puškaitis, UAB Sėja, UAB Vasarojus, UAB Žalvė, UAB Žemgalė, UAB Žemynėlė, UAB Žiemkentys, UAB Cooperor;
- to AB INVL Baltic Real Estate the following entities: AB Invalidos Nekilnojamojo Turto Fondas, UAB Rovelija, UAB Perspektyvi Veikla, UAB Proprietas, UAB INTF Investicija;
- to AB INVL Technology the following entities: UAB BAIP Grupė, UAB Informatikos Pasaulis, UAB Vitma, UAB BAIP, UAB Acena, Norway Registers Development AS, UAB NRD, NRD EA, UAB NRD CS, UAB Inventio.

According to the management the Company is investment entity in accordance with IFRS 10 after the Split-off completed in 2014. Therefore, the subsidiaries are ceased to consolidate and the revaluation of investments is recognised. Subsidiaries and associates are measured at fair value (Note 15). The entities having negative equity, are measured at nil. The Group has earned a profit of LTL 14,733 thousand from the revaluation of investments. In this profit the profit of 7,018 thousand from UAB Sago, which equity was negative, is included. But the Group has also recognised impairment loss of LTL 4,032 thousand from loans granted by real estate segment entities to UAB Sago. So the carrying amount of transferred net assets during the Split-off (total positive impact of deconsolidation of UAB Sago to the Group profit or loss was LTL 2,986 thousand) was more accurately reflected.

The Company has earned a profit of LTL 11,880 thousand from the revaluation of investments becoming the investment entity . Due to the bankruptcy of UAB Sago the Company had not suffered any additional loss, because the impairment losses were recognised in the previous accounting periods.

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**8 Investment into subsidiaries and associates, becoming investment entity (cont'd)**

The carrying amounts of the assets and liabilities of the Group derecognised due to becoming investment entity are follows:

	<u>Carrying amount</u>
Intangible assets	1,008
Investment properties	15,000
Property, plant and equipment	3,117
Deferred income tax assets	609
Inventories	2,345
Trade and other receivables	5,315
Loans granted	1,069
Prepayments and deferred charges	470
Restricted cash	1,593
Cash and cash equivalents	1,723
<b>Total assets</b>	<b>32,249</b>
Deferred income tax liability	(156)
Borrowings and financial lease liabilities	(31,618)
Trade payables	(2,057)
Income tax payable	(78)
Advance received	(918)
Other liabilities	(3,419)
<b>Total liabilities</b>	<b>(38,246)</b>
<b>Total net assets</b>	<b>(5,997)</b>

Disposal of AB Vilniaus Baldai and additional acquisition of UAB Litagra

On 28 April 2014 the Company signed the agreement with AB Invalda Privatus Kapitalas regarding sale of 45.4% of shares in associates AB Vilniaus Baldai. The transaction was completed on 28 May 2014. Shares' sale price after deduction of dividends received (LTL 15,527 thousand), amounted to LTL 64,671 thousand. The Company and The Group has recognised the profit of LTL 45,019 thousand and LTL 4,144 thousand from the shares sale, respectively.

On 28 April 2014 the Company signed the agreement with AB Invalda Privatus Kapitalas regarding purchase of 45.45% of shares of UAB Cedus Invest and loans granted by the seller to this entity for LTL 24,124 thousand (for the shares it was paid LTL 10,798 thousand, for the loan – LTL 13,326 thousand). After this transaction the Group has increased owned shares of UAB Cedus Invest from 54.55% till 100% and the entity became the Group's subsidiary (before the transaction it was a joint venture). UAB Cedus Invest owns shares of associates UAB Litagra. So the Group has increased owned shares of UAB Litagra from 20.12% till 36.88%. In June 2014 the Company has invested LTL 27,981 thousand to increase the share capital of UAB Cedus Invest by converting loans granted.

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**8 Investment into subsidiaries and associates, becoming investment entity (cont'd)**Acquisition of UAB MP Pension Funds Baltic

On 20 May 2014 the Group has signed Share Sale and Purchase Agreement with MP Banki hf to acquire 100 % of shares of UAB MP Pension Funds Baltic for LTL 11,394 thousand (all amount paid in cash). The transaction was closed on 23 September 2014.

The acquiree is a specialised pension funds management entity, which manages three 2<sup>nd</sup> pillar and two 3<sup>rd</sup> pillar pension funds. 62 thousand customers are using services provided by UAB MP Pension Funds Baltic. As of 30 September 2014 the entity managed LTL 308 million of assets. As the result of the acquisition, the Group will sooner be able to reach a goal to become one of the leading asset management companies in the region.

Based on the preliminary assessment, the fair values of the identifiable assets and liabilities of UAB MP Pension Funds Baltic were:

	<b>Fair values recognised on acquisition</b>
Intangible assets	8,064
Property, plant and equipment	33
Financial assets	133
Deferred tax assets	2,096
Trade and other receivables	336
Prepayment and deferred charges	27
Cash and cash equivalents	1,934
<b>Total assets</b>	<b>12,623</b>
Deferred tax liabilities	(910)
Current liabilities	(319)
<b>Total liabilities</b>	<b>(1,229)</b>
<b>Total identifiable net assets</b>	<b>11,394</b>
<b>Total consideration transferred</b>	<b>11,394</b>

In the reporting period any revenue and profit or loss from the acquired business is not included into the Group results.

If the acquisition of the entity had occurred on 1 January 2014, the consolidated revenue would have been LTL 10,468 thousand and consolidated net profit would have been LTL 21,009 thousand for nine months ended on 30 September 2014.

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(all amounts are in LTL thousand unless otherwise stated)

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#### 8 Investment into subsidiaries and associates, becoming investment entity (cont'd)

##### Changes in January – September 2013

During the 1<sup>st</sup> Quarter 2013 the subsidiaries, which invest in agriculture land, and two subsidiaries, which hold investments, were split-off as preparing for the Company's split-off. Therefore, the Group now has these subsidiaries UAB Kvietnešys, UAB Kvietukas, UAB Laukaitis, UAB Lauknešys, UAB Vasarojus, UAB Žiemkentys, UAB Žiemgula, UAB Žemėja, UAB Žemgalė, UAB Deltuvis, UAB Justum.

In January 2013 the Group acquired 5.27 % of the shares of AB NRD for LTL 200 thousand. The value of the additional interest acquired was LTL 196 thousand. The negative difference equal to LTL 4 thousand between the consideration and the value of the interest acquired has been recognised directly to the shareholders equity

In April 2013 the Group acquired 70% of the shares of 360° Smart Consulting Ltd for LTL 12 thousand to implement the projects of the information technology segment in Tanzania as a resident. Later the entity changed its name to Norway Registers Development East Africa Limited. The net assets of the entity were LTL 25 thousand, the non-controlling interest increased by LTL 7 thousand due to the acquisition.

On 31 May 2013 the split-off of AB Invalda was completed, due to this the Group have changed significantly. The split-off is described in detail in Note 3 of the annual financial statements for the year ended 31 December 2013.

In May 2013 the 100% of the shares of UAB Cmanagement was sold for the LTL 1. The Company suffered a loss of LTL 367 thousand on the sale of the shares, because there was recognised impairment of LTL 367 thousand for this investment in previous years; therefore, the impairment was reversed and overall impact on profit or loss of the Company was equal to nil. The Group had earned the profit of LTL 1,333 thousand, because the equity of the subsidiary was negative. Also the liquidation of Invalda Lux S.a.r.l., which was established in Luxembourg, was completed in May. The Company recognised the loss of LTL 150 thousand in the caption "Gains (losses) on disposal of subsidiaries, associates and joint ventures", but the impairment of the same amount was reversed.

In August 2013 the Group has established a new subsidiary UAB NRD CS in the information technology infrastructure segment by investing LTL 10 thousand into the share capital.

On 31 July 2013 the Company has acquired 100% of shares of UAB Puškaitis, UAB Žemynėlė, UAB Žemgalė, UAB Kvietukas, UAB Vasarojus, UAB Lauknešys from subsidiary UAB Aktyvus Valdymas for LTL 4,166 thousand.

In order to reorganise the parcels owned by the companies investing in agricultural land so that each company manages geographically close parcels located in one or several regions of Lithuania and at the same time to simplify management of the land and reduce operating expenses, the companies' legal demerger was initiated. For this purpose, 17 companies were incorporated in August 2013 by investing LTL 170 thousand: UAB Avizėlė, UAB Beržytė, UAB Dirvolika, UAB Duonis, UAB Kupiškio Žemgalė (after reorganization was renamed to UAB Žemgalė), UAB Linažiedė, UAB Marijampolės Puškaitis (after reorganization was renamed to UAB Puškaitis), UAB Pakruojo Kvietukas (after reorganization was renamed to UAB Kvietukas), UAB Pakruojo Laukaitis (after reorganization was renamed to UAB Laukaitis), UAB Panevėžio Vasarojus (after reorganization was renamed to UAB Vasarojus), UAB Pasvalio Lauknešys (after reorganization was renamed to UAB Lauknešys), UAB Pasvalio Žiemkentys (after reorganization was renamed to UAB Žiemkentys), UAB Pušaitis, UAB Sėja, UAB Vilkaviškio Ekotra (after reorganization was renamed to UAB Ekotra), UAB Vilkaviškio Žemynėlė (after reorganization was renamed to UAB Žemynėlė) and UAB Žalvė. On 30 September 2013 mentioned above entities were taken over the assets and liabilities of the nine companies, which have ended activities as consequence of reorganisation: UAB Ekotra, UAB Puškaitis, UAB Žemynėlė, UAB Žemgalė, UAB Kvietukas, UAB Laukaitis, UAB Vasarojus, UAB Lauknešys, UAB Žiemkentys.

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**9 Other revenues and expenses****9.1. Net changes in fair value on financial assets**

	<b>Group</b>		<b>Company</b>	
	<b>Nine months of 2014</b>	<b>Nine months of 2013</b>	<b>Nine months of 2014</b>	<b>Nine months of 2013</b>
Net gain (loss) from revaluation of subsidiaries	4,590	-	4,590	-
Gain (loss) from financial assets designated at fair value through profit and loss on initial recognition	386	(437)	386	(437)
Net gain (loss) from financial assets held for trading	305	1,117	305	1,117
<i>Net gain (loss) from financial assets at fair value, total</i>	<u>5,281</u>	<u>680</u>	<u>5,281</u>	<u>680</u>
<i>Realised (loss) gain from available-for-sale investments</i>	-	-	-	-
	<u>5,281</u>	<u>680</u>	<u>5,281</u>	<u>680</u>

**9.2. Finance expenses**

	<b>Group</b>		<b>Company</b>	
	<b>Nine months of 2014</b>	<b>Nine months of 2013</b>	<b>Nine months of 2014</b>	<b>Nine months of 2013</b>
Interest expenses	(199)	(280)	(170)	(244)
Other finance expenses	(6)	(36)	(6)	(34)
	<u>(205)</u>	<u>(316)</u>	<u>(176)</u>	<u>(278)</u>

**9.3. Other income**

	<b>Group</b>		<b>Company</b>	
	<b>Nine months of 2014</b>	<b>Nine months of 2013</b>	<b>Nine months of 2014</b>	<b>Nine months of 2013</b>
Interest income	2,049	3,546	2,439	5,315
Dividend income	-	71	15,527	16,841
Other income	86	58	84	40
	<u>2,135</u>	<u>3,675</u>	<u>18,050</u>	<u>22,196</u>

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**9.4. Impairment, write-down and provisions**

	Group		Company	
	Nine months of 2014	Nine months of 2013	Nine months of 2014	Nine months of 2013
Change in provision for impairment of loans granted	(1,018)	(814)	12	377
Change in provision for impairment of trade receivables	(6)	21	(6)	-
<i>Impairment on financial assets, total</i>	<i>(1,024)</i>	<i>(793)</i>	<i>6</i>	<i>377</i>
Impairment of investments in subsidiaries, associates and joint ventures	-	-	-	-
Reversal of impairment due to increase of recoverable amount of the investments in subsidiaries, associates and joint ventures	-	-	642	72
Change in write-down of inventories	-	-	-	-
Provisions	-	30	-	-
<i>Impairment on non-financial assets and provisions, total</i>	<i>-</i>	<i>30</i>	<i>642</i>	<i>-</i>
	<u>(1,024)</u>	<u>(763)</u>	<u>648</u>	<u>449</u>

After the Split-off and deconsolidation of the subsidiaries the loans granted to the subsidiaries were recognised in the statement of financial position. The part of these loans were impaired in the Company in the previous accounting periods. Therefore, loans in the Group were impaired to the same carrying amount and the impairment loss of LTL 1,018 thousand was recognised.

**10 Investment properties**

In February of 2014 the Group has acquired a flat, located in Kalvarijų 11A, Vilnius, for LTL 330 thousand. In April 2014 the last flat of the above mentioned building was acquired for LTL 360 thousand. By the opinion of the management prices of these transactions better reflects value of the building, located in Kalvarijų 11A, as the whole. According to prices of these transactions the earlier acquired flats of this building were revalued as at 31 March 2014. Therefore, the Group has recognised LTL 572 thousand of the fair value adjustment on investment properties. Besides, the loss from fair value adjustment of LTL 456 thousand of the agricultural land was recognised.

**11 Borrowings**

On 28 February 2014 the borrowings of LTL 36,464 thousand of subsidiaries UAB INTF Investicija and UAB Sago have matured. The agreement with the bank regarding the extension of terms of borrowings was not reached and the subsidiaries have defaulted. Therefore, the management of subsidiaries initiated bankruptcy procedures (Note 8). The main creditors of subsidiaries are Nordea Bank Finland Plc Lithuania Branch and the Group. In March of 2014 the bank had deducted the amount of LTL 265 thousand of the restricted cash to cover instalments of borrowings.

Due to above mentioned default, according to the terms of credit agreements between AB Invalidos Nekilnojamojo Turto Fondas and Nordea bank, the bank had demanded to repay part of loan earlier than is set in the credit agreement. In March 2014 the bank had deducted the amount of LTL 1,351 thousand of the restricted cash of the entity to settle the repayment of loan. After the split-off AB Invalidos Nekilnojamojo Turto Fondas has left the Group.

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#### **12 Acquisition of own shares and cancelling of shares**

According to the terms of the Split-off completed in 2014 2,036,254 acquired own shares were cancelled, and the reserve for the acquisition of own shares was decreased by LTL 18,777 thousand. In addition, according to the terms of the Split-off, 10,931,304 shares owned by the shareholders, were transferred to the share capital of AB INVL Baltic Farmland, AB INVL Baltic Real Estate and AB INVL Technology.

During the six month period ended 30 June 2013 the Company implemented two share buy-backs. The first share buy-back took place from 19 February until 5 March through the market of official offer. Maximum number of shares to be acquired was set at 5,180,214. Share acquisition price was established at LTL 8,287 per share. All offered shares were bought-back, and the Company has paid for own shares LTL 42,956 thousand, including brokerage fees. The second share buy-back took place from 10 April until 24 May through the market of official offer according to the split-off terms. The shareholders holding the shares with the nominal value of less than 1/10 of the authorized capital of the Company, except the shareholders whose rights to sell shares to the Company during the split – off were limited according to the split – off terms, had a right to request that their shares are be redeemed by the Company within 45 days after approval of the split – off terms by the general meeting of shareholders (until 24 May 2013). The number of shares acquired during this buy-back was 1,099,343. Share acquisition price was established at LTL 8,076 per share. The Company has paid for own shares LTL 8,889 thousand, including brokerage fees.

According to the terms of the split-off completed in 2013 6,279,557 acquired own shares were cancelled, and the reserve for the acquisition of own shares was decreased by LTL 45,566 thousand. In addition, according to the terms of the split-off, 20,689,038 shares, which were owned by the shareholders, were transferred to the share capital of AB Invalda Privatus Kapitalas.

From 24 September 2013 until 7 October 2013 the third share buy-back took place. Maximum number of shares to be acquired was set at 2,000,000. Share acquisition price was established at EUR 2.90 (LTL 10.01) per share. A liability of LTL 20,026 thousand for the value of own shares purchase amount was recognised in the statements of financial position of the Company and the Group as at 30 September 2013, which decreased own shares purchase reserve.

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**13 Discontinued operation**

Due to the Split-off completed in 2014 the Group has transferred and does not continue activity in the real estate, agricultural land and information technology infrastructure segments. Also the furniture production segment was disposed. Therefore, the result of these segments is presented as discontinued operations. For the nine months ended 30 September 2014 the data include only a period from January till April and the furniture production segment was accounted using equity method as associates. For the nine months ended 30 September 2013 the furniture production segment data was consolidated as subsidiary from January till May and from June till December it was accounted using equity method as associates. Below detailed profit or loss caption of discontinued operation is presented:

	<b>Group</b>	
	<b>Nine months of 2014</b>	<b>Nine months of 2013</b>
Sales revenue	19,855	106,351
Changes in investments assets	118	1,012
Other income	(595)	(1,655)
Changes in inventories of finished goods, work in progress and residential real estate	-	(143)
Raw materials and consumables	(4,204)	(50,922)
Employee benefits expenses	(3,857)	(17,252)
Impairment, write-down and provisions	(4,053)	380
Premises rent and utilities	(3,776)	(10,640)
Depreciation and amortization	(742)	(4,092)
Repairs and maintenance cost of premises	(527)	(3,343)
Other expenses	(4,535)	(13,319)
<b>Operating profit (loss)</b>	<b>(2,286)</b>	<b>6,377</b>
Finance cost	(790)	(1,407)
Share of profit (loss) of associates and joint ventures	1,974	(1,134)
<b>Profit (loss) before income tax</b>	<b>(1,102)</b>	<b>6,104</b>
Income tax credit (expense)	(90)	(296)
<b>Profit (loss) for the period before the disposal</b>	<b>(1,192)</b>	<b>5,808</b>
<b>Gain on the split-off completed in 2013</b>	<b>-</b>	<b>85,363</b>
<b>Gain from the disposal of associates</b>	<b>4,144</b>	<b>-</b>
<b>Gain from the revaluation of subsidiaries</b>	<b>7,018</b>	<b>-</b>
<b>Profit (loss) for the period</b>	<b>9,970</b>	<b>91,171</b>
Earnings per share in LTL:	<b>Nine months of 2014</b>	<b>Nine months of 2013</b>
Basic from discontinued operations (LTL per share)	0.60	2.36
Diluted from discontinued operations (LTL per share)	0.60	2.36
	<b>Nine months of 2014</b>	<b>Nine months of 2013</b>
Operating cash flows	5,994	7,423
Investing cash flows	(3,139)	(14,099)
Financing cash flows	(4,331)	8,242
<b>Total cash flows</b>	<b>(1,476)</b>	<b>1,566</b>

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**14 Earnings per share**

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

The weighted average number of shares for the nine months ended 30 September 2014 and 2013 were as follows:

<b>Calculation of weighted average for the nine months ended 30 September 2014</b>	<b>Number of shares (thousand)</b>	<b>Par value (LTL)</b>	<b>Issued/273 (days)</b>	<b>Weighted average (thousand)</b>
Shares issued as at 31 December 2013	22,797	1	273/273	22,797
Decrease of share capital as at 29 April 2014	(10,931)	1	154/273	(6,166)
Shares issued as at 30 September 2014	11,866	1	-	16,631

<b>Calculation of weighted average for the nine months ended 30 September 2013</b>	<b>Number of shares (thousand)</b>	<b>Par value (LTL)</b>	<b>Issued/273 (days)</b>	<b>Weighted average (thousand)</b>
Shares issued as at 31 December 2012	51,802	1	273/273	51,802
Acquired own shares as at 8 March 2013	(5,180)	1	206/273	(3,909)
Acquired own shares as at 27 May 2013	(1,099)	1	126/273	(507)
Decrease of shares capital as at 31 May 2013	(20,689)	1	122/273	(9,246)
Shares issued as at 30 September 2013	24,834	1	-	38,140

The following table reflects the income and share data used in the basic earnings per share computations:

	<b>Group</b>		<b>Company</b>	
	<b>30 September 2014</b>	<b>30 September 2013</b>	<b>30 September 2014</b>	<b>30 September 2013</b>
Net profit (loss), attributable to equity holders of the parent for basic earnings	21,273	94,784	77,973	87,292
Weighted average number of ordinary shares (thousand)	16,631	38,140	16,631	38,140
Basic earnings (deficit) per share (LTL)	1.28	2.49	4.69	2.29

During the nine months of 2014 and 2013 diluted earnings per share of the Group and Company is the same as basic earnings per share.

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**15 Financial assets and fair value hierarchy**

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly;

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

According to the management after the Split-off completed in 2014 the Company is investment entity in accordance with IFRS 10. Subsidiaries and associates are measured at fair value through profit or loss.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange and those prices represent actual and regularly occurring market transactions on arm's length basis. The quoted market price used for financial assets held by the Group is the measurement date exchange closing price.

Investment into shares of UAB Litagra (agriculture segment) was measured according to the latest deal that has finished at the end of May of 2014 both at the time of becoming an investment entity and at the end of the reporting period (Note 8). Investment in facility management entities was measured using trailing twelve months EBITDA and applying a multiplier of comparable entity AB City Service, operating in Lithuania and listed on the NASDAQ Vilnius. It was decided not to use other foreign companies' multipliers, which were higher than the one used in the calculations due to the fact that facility management is local business dependent on varying Lithuanian legal and business environment. Other facility management entities operating in Lithuania are not public companies. UAB Kelio Ženkliai was measured according to its equity deducting recognised deferred tax assets, which would be not realised if the activity would be ceased. On the preliminary assessment the value of UAB Kelio Ženkliai reflects its liquidation value. Dormant SPEs are measured according to its equity, because they have only cash and current liabilities.

The following table represents inputs and fair value valuation techniques of subsidiaries used by the Company as at 30 April 2014 (the time when the Company became an investment entity):

<b>Profile of activities</b>	<b>Fair value</b>	<b>Valuation technique</b>	<b>Inputs</b>	<b>Values of inputs</b>
Facility management (Level 3)	6,663	Comparable companies in the market	EBITDA multiple	4.6
Agriculture (before additional acquisition, Note 8) (Level 2)	12,965	Comparable valuation	-	-
Road signs production, wood manufacturing and dormant SPEs (Level 3)	1,368	Liquidation value	-	-

The following table represents inputs and fair value valuation techniques of subsidiaries used by the Company as at 30 September 2014

<b>Profile of activities</b>	<b>Fair value</b>	<b>Valuation technique</b>	<b>Inputs</b>	<b>Values of inputs</b>
Facility management	11,686	Comparable companies in the market	EBITDA multiple	5.0
Agriculture (UAB Litagra)	51,609	Comparable valuation	-	-
Road signs production, wood manufacturing and dormant SPEs	379	Liquidation value	-	-

If EBITDA multiple goes by 1 to either direction, correspondingly the value of shares of the facility management segments' entities will move to the same direction by LTL 2,608 thousand as at 30 September 2014 (29 April 2014 – LTL 1,825 thousand).

In June of 2014 the Company has acquired 12.42 % of shares of AB INVL Baltic Real Estate and AB INVL Technology for LTL 7,596 thousand. These investments are measured using quoted prices, because they are listed.

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**15 Financial assets and fair value hierarchy (cont'd)**

The following table presents the group's assets and liabilities that are measured at fair value at 30 September 2014:

	Level 1	Level 2	Level 3	Total balance
<b>Assets</b>				
<b>Subsidiaries and associates</b>				
- Facilities management	-	-	11,686	11,686
- Agriculture	-	51,609	-	51,609
- Other activities	-	-	379	379
<b>Financial assets designated upon initial recognition at fair value through profit or loss</b>				
- Real estate	5,547	-	-	5,547
- Information technology	2,572	-	-	2,572
- Government bonds	134	-	-	134
<b>Financial assets held for trading</b>				
Equity securities				
- Food industry	2,115	-	-	2,115
- Bank sector	2,184	-	-	2,184
<b>Total Assets</b>	<b>12,552</b>	<b>51,609</b>	<b>12,065</b>	<b>76,226</b>
<b>Liabilities</b>				
	-	-	-	-

The following table presents the group's assets and liabilities that are measured at fair value on 31 December 2013:

	Level 1	Level 2	Level 3	Total balance
<b>Assets</b>				
<b>Financial assets designated upon initial recognition at fair value through profit or loss</b>				
- Infrastructure construction and energy sector – equity securities	1,609	-	-	1,609
<b>Financial assets held for trading</b>				
Equity securities				
- Food industry	2,126	-	-	2,126
- Bank sector	1,867	-	-	1,867
<b>Total Assets</b>	<b>5,602</b>	<b>-</b>	<b>-</b>	<b>5,602</b>
<b>Liabilities</b>				
	-	-	-	-

During the nine months ended 30 September 2014, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

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**15 Financial assets and fair value hierarchy (cont'd)****Financial instruments in Level 3**

The following table presents the changes in Level 3 instruments for the nine months ended 30 September 2014.

	Facilities management	Other activities	Total
The carrying amount of consolidated net assets on the time becoming investment entity	1,355	690	2,045
Gains and losses from the revaluation of investments becoming investment entity	5,308	678	5,986
Gains and losses recognised in profit or loss after becoming investment entity (within 'Net changes in fair value of financial assets at fair value through profit or loss')	5,023	(298)	4,725
Decreased share capital – free funds returned	-	(691)	(691)
<b>Closing balance</b>	<b>11,686</b>	<b>379</b>	<b>12,065</b>
Change in unrealised gains or losses for the period included in profit or loss for assets held at the end of the reporting period	10,331	380	10,711

**16 Other current liabilities**

	Group		Company	
	As of 30 September 2014	As of 31 December 2013	As of 30 September 2014	As of 31 December 2013
Employee benefits	366	2,545	242	109
Other	1,585	3,763	2,320	1,487
Total other current liabilities	1,951	6,308	2,562	1,596

**17 Related party transactions**

Receivables from related parties are presented in gross amount (without allowance).

The Company's transactions with related parties during the nine months of 2014 and related quarter-end balances were as follows:

<b>Nine months of 2014 Company</b>	<b>Sales to related parties</b>	<b>Purchases from related parties</b>	<b>Receivables from related parties</b>	<b>Payables to related parties</b>
Loans and borrowings	2,267	85	43,127	-
Accounting services	84	-	57	-
Information technology maintenance	-	48	-	2
Dividends	15,527	-	-	-
Payables for share capital of subsidiaries	-	-	-	932
	<b>17,878</b>	<b>133</b>	<b>43,184</b>	<b>934</b>
Liabilities to shareholders and management	-	7,596	-	-

The Company has acquired shares from shareholder UAB Lucrum investicija for LTL 7,596 thousand (Note 15)

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**17 Related party transactions (cont'd)**

The Company's transactions with related parties during the nine months of 2013 and related quarter-end balances were as follows:

<b>Nine months of 2013 Company</b>	<b>Sales to related parties</b>	<b>Purchases from related parties</b>	<b>Receivables from related parties</b>	<b>Payables to related parties</b>
Loans and borrowings	4,751	175	71,243	5,765
Rent and utilities	-	70	-	-
Dividends	16,770	-	15,880	-
Other	27	80	154	15
	<u>21,548</u>	<u>325</u>	<u>87,277</u>	<u>5,780</u>

Liabilities to shareholders and management	-	-	-	-
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The Group's transactions with related parties during the nine months of 2014 and related quarter-end balances were as follows:

<b>Nine months of 2014 Group</b>	<b>Sales to related parties</b>	<b>Purchases from related parties</b>	<b>Receivables from related parties</b>	<b>Payables to related parties</b>
Loans and borrowings	1,265	-	43,127	-
Information technology segment	68	30	-	2
Dividends	15,527	-	-	-
Other	54	-	57	-
	<u>16,914</u>	<u>30</u>	<u>43,184</u>	<u>2</u>

Liabilities to shareholders and management	-	7,596	-	-
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The Group's transactions with related parties during the nine months of 2013 and related quarter-end balances were as follows:

<b>Nine months of 2013 Group</b>	<b>Sales to related parties</b>	<b>Purchases from related parties</b>	<b>Receivables from related parties</b>	<b>Payables to related parties</b>
Loans and borrowings	255	-	22,300	-
Rent and utilities	2	-	-	-
Roads and bridges construction segment	7	-	-	-
Information technology segment	38	-	107	-
Dividends	-	-	15,880	-
Other	-	3	277	33
	<u>302</u>	<u>3</u>	<u>38,564</u>	<u>33</u>

Liabilities to shareholders and management	85	-	-	-
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**AB INVALIDA LT**

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30 SEPTEMBER 2014**

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**18 Events after the reporting period**

On 4 November 2014 the Group together with partners has signed the Finasta group Share Purchase Agreement. A total of EUR 7,000 thousand (LTL 24,170 thousand) will be paid for the Finasta group (the final price may be higher or lower depending on the changes in Finasta bank equity until the final closing of the deal).

The Company will acquire 78.28% of both AB bankas Finasta and financial brokerage company AB Finasta shares and will gain 100% of asset management companies UAB Finasta Asset Management in Lithuania and IPAS Finasta Asset Management in Latvia. Acquiring AB bankas Finasta its subsidiary asset management company AS Finasta Atklatais Pensiju Fonds in Latvia will be acquired. The price paid which will be paid for the shares to be bought by Invalda LT amounts to EUR 6,131 thousand (LTL 21,170 thousand). The final closing of the deal is expected once the relevant permissions from Lithuanian Competition Council and Latvian Financial and Capital Market Commission are obtained. The above mentioned permissions have already been applied for. The permission from Lithuanian Competition Council was received.

The equity capital of these companies in the end of 2013 amounted to EUR 7 million (LTL 24.2 million). Asset management companies in Lithuania and Latvia have almost 100 thousand clients and about EUR 170 million (LTL 587 million) assets under management.