REPORT OF TRADE ON NATURAL GAS EXCHANGE

TRADING DATA ON THE NATURAL GAS EXCHANGE

GET Baltic Exchange Participants		Granted rights for trading on the GET Baltic		GET Baltic Exchange Participants		Granted rights for trading on the GET Baltic	
		To buy gas	To sell gas			To buy gas	To sell gas
1.	AB „Lietuvos dujos“	+	+	21.	UAB „Dujotekana“	+	+
2.	„Lietuvos energijos gamyba“, AB	+	+	22.	UAB „SOGA Baltic Oil“	+	+
3.	AB „Klaipėdos energija“	+	-	23.	Kodiani dujos, UAB	+	+
4.	AB „Jonavos šilumos tinklai“	+	-	24.	NORDARSI OÜ	+	+
5.	UAB Kauno termofikacijos elektrinė	+	+	25.	UAB „Haupas“	+	+
6.	AB „Panevėžio energija“	+	+	26.	Akcinė bendrovė „Achema“	+	+
7.	AB „Kauno energija“	+	-	27.	UAB „Šalčininkų šilumos tinklai“	+	-
8.	UAB „Saurama“[1]	-	-	28.	UAB „GEOTERMA“	+	-
9.	UAB IKEA Industry Lietuva	+	-	29.	UAB „Energijos kodas“	+	+
10.	AB „Amber Grid“	+	+	30.	UAB Energijos tiekimo centras	+	+
11.	UAB „SBE Energy“	+	+	31.	AB „Klaipėdos kartonas“	+	-
12.	AB „Dvarčionių keramika“	+	-	32.	UAB „Kauno stiklas“	+	-
13.	AB „Linas“[1]	-	-	33.	UAB „Vilniaus energija“	+	-
14.	UAB „Maltosa“[1]	-	-	34.	Energijos tiekimas UAB	+	+
15.	UAB „Utenos šilumos tinklai“	+	-	**Exchange Participants registered during the third quarter 2014**			
16.	AB „Šiaulių energija“	+	+	35.	UAB LITGAS	+	+
17.	UAB „Nemenčinės komunalininkas“	+	-	36.	UAB „Imlitex“	+	+
18.	UAB „Orion Global pet“	+	-	37.	UAB „NEO GROUP“	+	-
19.	LSMUL VšĮ Kauno klinikos	+	-	38.	UAB „Arvi cukrus“	+	-
20.	UAB „Grata group“	+	+				

[1] The status of exchange participants have been temporarily suspended

FULFILLED DEALS AND OTHER TRADING DATA

Natural Gas Prices on the GET Baltic Exchange (by the trading products)

	Q3 2013	2014 July	2014 August	2014 September	Q3 2014	Q3 2014 compared with Q3 2013
Turnover (thou. LTL) [2]	1,518.96	18,762.56	-	738.60	19,501.17	17,982.21
Average price (LTL/thou. m³) [2]	1,234.93	1,006.85	-	1,055	1,008.59	-226.34
Lowest price (LTL/thou. m³) [2]	1,229	1,004	-	1,048	1,004	-225
Highest price (LTL/thou. m³) [2]	1,246	1,009	-	1,055	1,055	-191

	Total 2013	Q1 2014	Q2 2014	Q3 2014	Q1-Q3 2014
Turnover (thou. LTL) [2]	66,595.61	2,735.12	35,987.68	19,501.17	58,223.97
Average price (LTL/thou. m³) [2]	1,156.39	1,144.88	1,040.10	1,008.59	1,033.73
Lowest price (LTL/thou. m³) [2]	1,101	1,139	999	1,004	999
Highest price (LTL/thou. m³) [2]	1,308	1,160	1,200	1,055	1,200

[2] VAT excluded

Trading Volumes on the GET Baltic Exchange (by the trading products)						
	Q3 2013	2014 July	2014 August	2014 September	Q3 2014	Q3 2014 compared with Q3 2013
Turnover (thou. m³)	1,230	18,634.90	-	700.10	19,335	18,105
Number of deals	37	27	-	2	29	-8
Highest volume of fulfilled deals (thou. m³)	100	1.405	-	700	1,405	1,305
Lowest volume of fulfilled deals (thou. m³)	3	25	-	0.10	0.10	-2.90
Average volume of fulfilled deals (thou. m³)	33.24	690.18	-	350.05	666.72	633.48

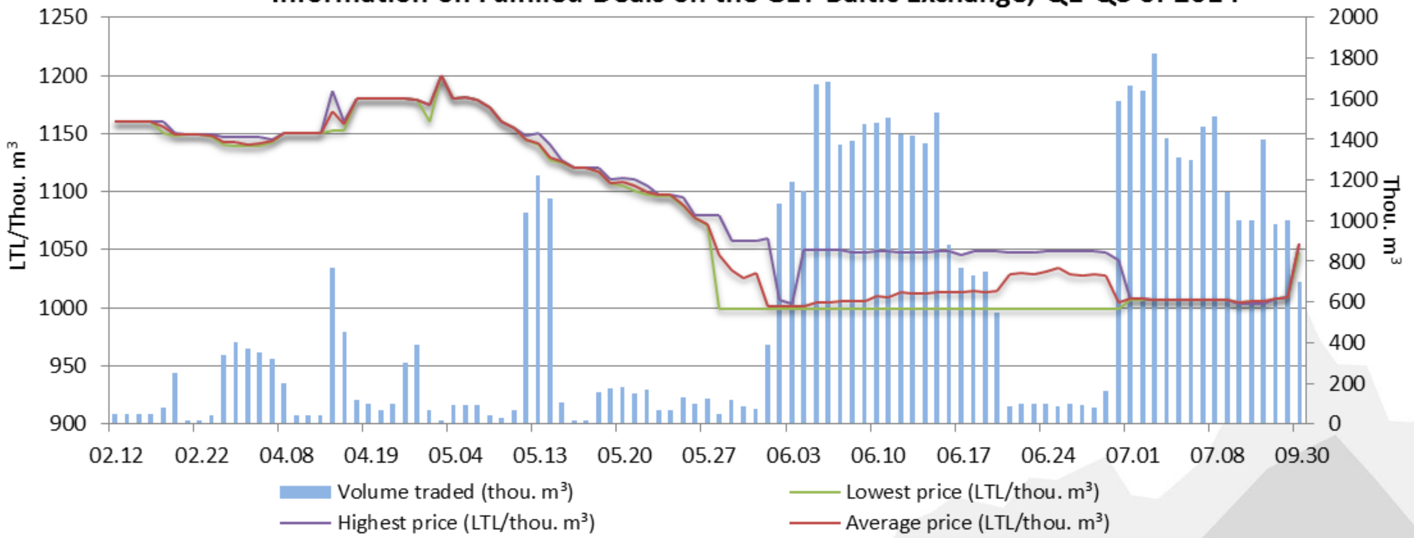
	Total 2013	Q1 2014	Q2 2014	Q3 2014	Q1-Q3 2014
Turnover (thou. m³)	57,589.10	2,389	34,600.10	19,335	56,324.10
Number of deals	176	35	185	29	249
Highest volume of fulfilled deals (thou. m³)	5,000	250	1,425.20	1,405	1,425.20
Lowest volume of fulfilled deals (thou. m³)	0.1	10	1	0.10	0.10
Average volume of fulfilled deals (thou. m³)	327.21	68.26	187.03	666.72	226.20

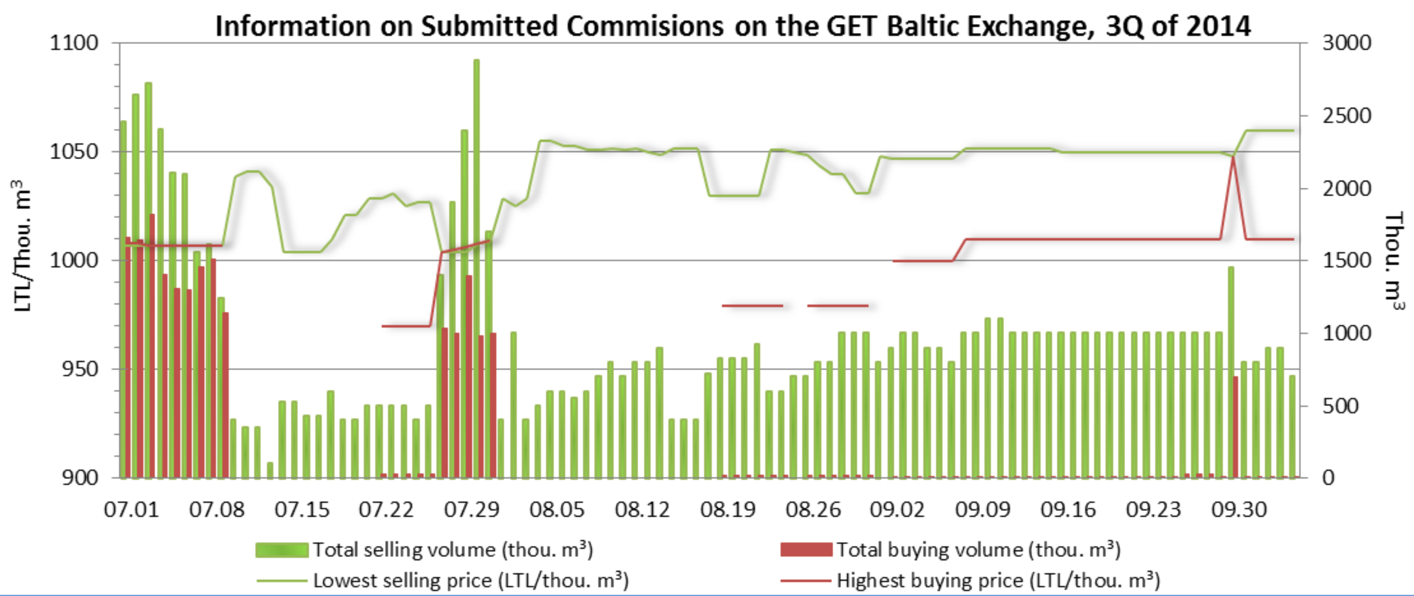
Volumes Data of Submitted Commission on the GET Baltic Exchange (by the trading products)						
	Q3 2013	2014 July	2014 August	2014 September	Q3 2014	Q3 2014 compared with Q3 2013
Total volume of commission to buy (thou. m³) [3]	6,625	18,814.90	240	853	19,907.90	13,283
Total volume of commission to sell (thou. m³) [3]	9,160	36,554.90	21,875	29,950.70	88,380.60	79,221

Price Data of Submitted Commission on the GET Baltic Exchange (by the trading products)						
	Q3 2013	2014 July	2014 August	2014 September	Q3 2014	Q3 2014 compared with Q3 2013
Average price of commission to buy (LTL/thou. m³) [3]	1,198.18	1,006.55	979.00	1,041.65	1,007.72	-190.46
Average price of commission to sell (LTL/thou. m³) [3]	1,278.29	1,017.63	1,045.92	1,050.56	1,035.79	-242.50

[3] All submitted commissions are summed up, regardless of their fulfilment

Information on Fulfilled Deals on the GET Baltic Exchange, Q1-Q3 of 2014





REVIEW OF TRADE ON THE GAS EXCHANGE

The trade turnover of third quarter of 2014 was 19.33 million m^3 of natural gas with a value of more than 19.50 million LTL, it is about 17.98 million m^3 more than in third quarter of 2013. The average price was 1,008.59 LTL/thou. m^3 during third quarter of 2014, it is 226.34 LTL (22,44%) less when compared to the same period last year when average price was 1,234.93 Lt/thou. m^3.

In third quarter of 2014 the trading on the exchange was not so active, there were 29 deals realized, it is 156 deals less compared to second quarter of 2014 (185 deals were realized in second quarter of 2014). The majority of deals were realized in July – 27 deals, and 2 deals in September. This quarter was different than others as there have been realized bigger volume deals, the average volume of fulfilled deals in July was 690.18 thou. m^3 and in September – 350.05 thou. m^3. The fulfilled deal with the biggest volume was realized in July, it was 1,405 thou. m^3.

In third quarter of 2014 the lowest price of fulfilled deal was 1,004 LTL/thou. m^3, executed in July, the highest price of fulfilled deal was 1,055 LTL/thou. m^3 executed on 30 September. The difference between the highest and the lowest price of fulfilled deals in third quarter of 2014 was 51 LTL. The average price in July was 1,006.85 LTL/thou. m^3, in September was 1,055 Lt/thou. m^3.

To review the trade on the Exchange since the beginning of 2014, the total traded volume was about 56.32 million m^3 with a value of more than 58.22 million LTL. There were 249 deals realized, the average price was 1,033.73 LTL/thou. m^3.

IMPORTANT INFORMATION

THE AMENDMENT OF THE LAW ON NATURAL GAS DUE TO SALE ON THE EXCHANGE HAS BEEN INICIATED

On 12 September of 2014 the Ministry of Energy of the Republic of Lithuania has presented the draft amendment of the law on natural gas to the interested institutions and individuals for coordination. By this draft it is suggested to eliminate the requirement for the gas exchange participants to have the supply license, if they want to sell gas on the exchange.

GAS CARGO THAT IS NEEDED FOR LNG TERMINAL COMMISSIONING WILL BE REALIZED ON GAS EXCHANGES

In September of 2014 LITGAS UAB, a designated supplier, announced, that selling process of the natural gas needed for LNG terminal commissioning will be executed using natural gas exchanges.

Until 31 December of 2014 LITGAS will offer to purchase up to 50 million. m^3 natural gas which is needed for LNG terminal testing works.

CHANGES OF MAIN ASPECTS OF TRADING ON THE NATURAL GAS EXCHANGE FROM 1 JANUARY OF 2015

- The trading currency – **Euro.**
- Delivery period of a day will start at **7:00** a.m. of each day and end at **7:00** a.m. of the next day.
- Trading will be executed in energy units – **MWh**.
- The minimum tick size is **1 MWh**.
- Unit Price in **EUR/MWh**.

OTHER IMPORTANT EVENTS IN THE GAS MARKET

THE NEW VERSION OF RULES FOR THE USE OF THE LNG TERMINAL HAS BEEN APPROVED

On 25 September of this year, the National Commission for Energy Control and Prices approved the new version of Rules for the Use of the Liquefied Natural Gas (LNG) Terminal. The basic provisions of the Rules are as follows:

- The terms of procedure for distribution of capacities of the LNG terminal were shortened. The modification of deviations from service scheduling was allowed. And opportunities to change and refuse of the capacities for individual categories of users of the LNG terminal are established. And unused capacities sanctioning provisions were smoothed, in order to provide the flexibility to use the LNG terminal and to encourage the higher demand of capacities.
- The clearer LNG reloading terms were provided. The procedures of information on gas carriers, their arrival, mooring were detailed, ensuring competitive activity of LNG terminal.
- In accordance with the remuneration principles of proportionality and the direct damages, the provisions of responsibilities and risk distribution between the terminal user and operator were unified.
- The procedures of LNG reloading was detailed, providing clearer provisions of nominations on LNG terminal services and the principle of the attribution of gas volumes on the relations between interconnected LNG terminal operator and natural gas transmission system operator relations.

Please click this link to review this document (document in Lithuanian only).

A NEW MINISTER OF ENERGY TAKES OFFICE

Under the decree of the President of Lithuania Dalia Grybauskaitė on 25 September of this year Rokas Masiulis took up the new position of the Minister of Energy of the Republic of Lithuania.

R. Masiulis was the general director of the company AB Klaipėdos Nafta since 2010 and was responsible for the implementation of the LNG terminal project – for construction, legal and commercial environment assurance for successful development of LNG terminal. He was also responsible for assurance of oil terminal activities.

Former Minister of Energy of the Republic of Lithuania Mr. Jaroslavas Neverovičius was relieved of his duties under the decree of the President of Lithuania on 19 August of this year.

MOST IMPORTANT CONSTRUCTION WORKS OF THE LNG TERMINAL HAVE BEEN COMPLETED

The most important construction works of hydraulic part of the project – the quay structure concreting was completed in September of this year.

For concreting in total was used 7,338 cubic meters of concrete. On continues concrete process worked from 25 to 30 workers and specialist at the same time.

In third quarter of 2014 the pipeline strings inclusion works under Vilhelmo (Klaipėdos) channel were completed, the main part fire tower with ladder, which links the LNG terminal and LNG ship were installed, the assembly and installation works of high pressure gas hoses of LNG terminal and other works were completed.

In October, it is planned to assign the object for the assessment of State Commission, in order to receive the construction completion certificate of LNG terminal port infrastructure with suprastructure (equipment).

LITGAS HAS SIGNED A LNG SUPPLY CONTRACT WITH STATOIL

On 21 August of this year LITGAS has signed a long-term 5 year duration LNG supply contract with Norwegian company Statoil ASA. LITGAS will ensure the supply of the minimal mandatory gas volume through the LNG terminal. Starting from 2015 Statoil will supply 540 million cubic meters of natural gas (approx. 950 thousand cubic meters of LNG) annually. Under the long-term contract signed with Statoil, the first LNG cargo is expected to be delivered to the Klaipėda terminal at the end of December 2014 so that the terminal could start commercial operation from the 1st of January 2015. Each year Statoil will deliver 6-7 such cargos to Klaipėda port.

The price of LNG supplied to Lithuania will be linked to the value of the Great Britain's natural gas hub NBP („National Balancing Point") index.

LITHUANIA AND POLAND SUBMITTED APPLICATIONS FOR SUPPORT FOR GAS INTERCONNECTION

On 19 August 2014, the Polish and Lithuanian natural gas transmission systems operators GAZ-SYSTEM S.A. and AB Amber Grid submitted joint applications to the Innovation & Networks Executive Agency (INEA) for the co-financing of the project Gas Interconnection Poland – Lithuania (GIPL) from Connecting Europe Facility (CEF).

Two applications were submitted, including: one of them to receive EU financial support for territory planning and design stages, and another for construction works.

Following the provisions of the legal acts for CEF, the maximum amount for cofunding for territory planning and engineering stages is up to 50 per cent, meanwhile, the maximum support for construction works amounts to up to 75 per cent of eligible costs.

Agency for the Cooperation of Energy Regulators (ACER) adopted a decision on the allocation of costs for the GIPL interconnection project between Poland and Baltic states on 11 August. This decision let to apply for financial support from CEF.

METHODOLOGICAL GUIDELINES OF THE PRICING MODEL FOR THE ENTRY AND EXIT POINTS HAS BEEN APPROVED

On 7 August of this year, the National Commission for Energy Control and Prices approved the Methodological Guidelines Of The Pricing Model For The Entry And Exit Points. Basic provisions are as follows:

- Presented the analysis of possible methodologies for the calculation of the pricing model of entry and exit points.
- Identified the need of virtual trading point after implementing the pricing model for the entry and exit points and its impact on the functioning secondary market of natural gas.
- Explained the price cap adjustment mechanism of transmission, when the pricing model for the entry and exit points will be implemented.
- Prepared the analysis of implementation of the pricing model for Entry and Exit points in the context of currently

applicable regulation.
Please click this link to review a draft document (document in Lithuanian only).

NATIONAL COMMISSION FOR ENERGY CONTROL AND PRICES ADJUSTED THE RULES FOR THE SUPERVISION OF TRADE IN NATURAL GAS

On 7 August of this year the National Commission for Energy Control and Prices adjusted the Rules for the Supervision of Trade in Natural Gas, which was adjusted in order to ensure the proper requirement of supervising and monitoring relating to the mandatory volume trade of LNG Terminal.
Please click this link to review this document (document in Lithuanian only).

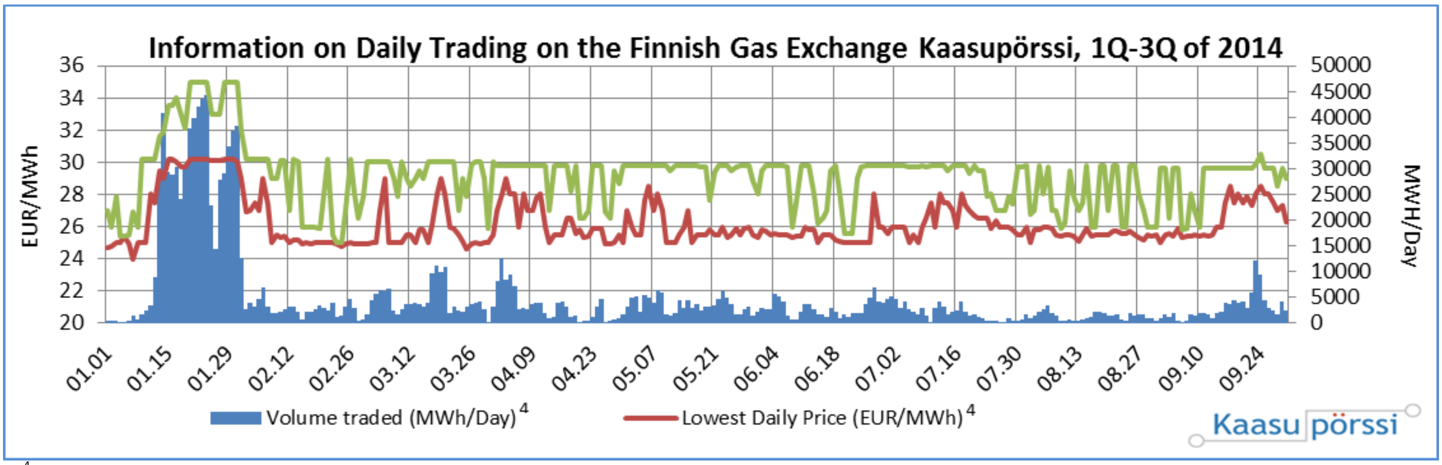
THE UNBUNDING OF AB LIETUVOS DUJOS SUPPLY ACTIVITY IS ON THE FINAL STRAIGHT

On 24 July 2014, the National Control Commission for Prices and Energy adopted a resolution regarding the amendment of AB Lietuvos Dujos action plan for the unbundling. The unbundling needs to be carried out no later than by 31 October 2014. It is foreseen that the distribution and supply activities will be unbundled by selling the gas supply activity with the assets, rights and obligations attributed to such activity, to a company controlled by the main shareholder of the Company Lietuvos Energija, UAB under the purchase - sale agreement of the part of the Company. AB Lietuvos Dujos continues to perform the distribution activity.

In accordance with this plan UAB Lietuvos Dujos tiekimas as a subsidiary of Lietuvos Energija, UAB was established on 3 September 2014, to which the activity of supply separated from the AB Lietuvos Dujos will be transferred.

TRADING DATA ON THE FINNISH GAS EXCHANGE

UAB GET Baltic together with the Finnish Natural Gas Exchange Kaasupörssi Oy is developing the regional gas exchange project, therefore there will be provided information about trading on the Finnish Natural Gas Exchange in these periodic reports.



[4] Taxes and costs of gas transmission excluded

TRADING ACTIVITY IN THE FINNISH GAS EXCHANGE KAASUPÖRSSI

KEY FACTS ABOUT KAASUPÖRSSI:
Activity: Finnish Natural Gas Exchange
Start of activity: from 2001
Trading platform: same as GET Baltic's
Number of participants: 27
Traded volume in 2013: 2.03 TWh (218 Mm^3)

In the third quarter of 2014 the trading in the Finnish gas exchange Kaasupörssi was not as active as was expected due to the the warm autumn. The trading volume for the 3Q 2014 was 21 Million cubic meters (0.19 TWh) compared to 26 Million cubic meters in 3Q 2013. (The volume of natural gas is expressed here as cubic meters at 20°C temperature and in the normal atmospheric pressure).
By the end of the third quarter this year the volume of traded gas in Kaasupörssi was 146 Million cubic meters (1.35 TWh) compared to 177 Million cubic meters in the same period in 2013. The trading volume is down 18 percent compared to the same period last year due to the warm weather in February and March 2014. This can be seen in the trading volume chart clearly.
The volume of Kaasupörssi's trade amounted to 6.4 percent of the total gas usage in Finland. The value of the trade was 41 Million Euros compared to 52 Million Euros in 1Q-3Q 2013.
The number of trades was in total 70000 (260 trades per day in average), with a 12 percent decrease compared to the same period last year.
The lowest price during the 3Q 2014 in the gas exchange was 25.00 EUR/MWh (aprox. 804 LTL/thou. m^3) and the highest price was 30.50 EUR/MWh (aprox. 981 LTL/thou. m^3). These prices cannot be directly compared with the gas prices in the Lithuanian gas exchange because of some key differences in the market structures.
For the 4Q/2014 the market situation for natural gas in Finland seems to remain challenging in combined heat and power (CHP) production mainly due the low price of coal. However, in the Nord Pool's electricity exchange area the water reservoir content is now at quite low level. If the weather continues dry and chilly during the rest of the year, the price level of electricity could rise. This would also activate the trading in the Finnish gas exchange.

Source: Finnish Gas Exchange - Kaasupörssi Oy

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