

TRADING DATA ON THE NATURAL GAS EXCHANGE

PARTICIPANTS OF THE EXCHANGE

GET Baltic Exchange Participants		Granted rights for trading on the GET Baltic Exchange	
		To buy natural gas	To sell natural gas
1.	AB Lietuvos Dujos	+	+
2.	Lietuvos Energija, AB	+	+
3.	AB Klaipėdos Energija	+	-
4.	AB Jonavos Šilumos Tinklai	+	-
5.	UAB Kauno Termofikacijos Elektrinė	+	+
6.	AB Panevėžio Energija	+	+
7.	AB Kauno Energija	+	-
8.	SKY ENERGY GROUP, UAB	+	+
9.	UAB Swedspan Girių Bizonas	+	-
10.	AB Amber Grid	+	+

FULFILLED DEALS AND OTHER TRADING DATA

Natural Gas Prices on the GET Baltic Exchange

	First Half 2013	July	August	September	Third Quarter 2013	2013 (Jan-Sep)
Turnover (LTL)*	579,485	-	221,310	1,297,651	1,518,961	2,098,446
Average price (LTL/thou. m ³)*	1,293.49	-	1,229.50	1,235.86	1,234.93	1,250.56
Lowest price (LTL/thou. m ³)*	1,275	-	1,229	1,231	1,229	1,229
Highest price (LTL/thou. m ³)*	1,308	-	1,230	1,246	1,246	1,308

* Without VAT

Trading Volumes on the GET Baltic Exchange

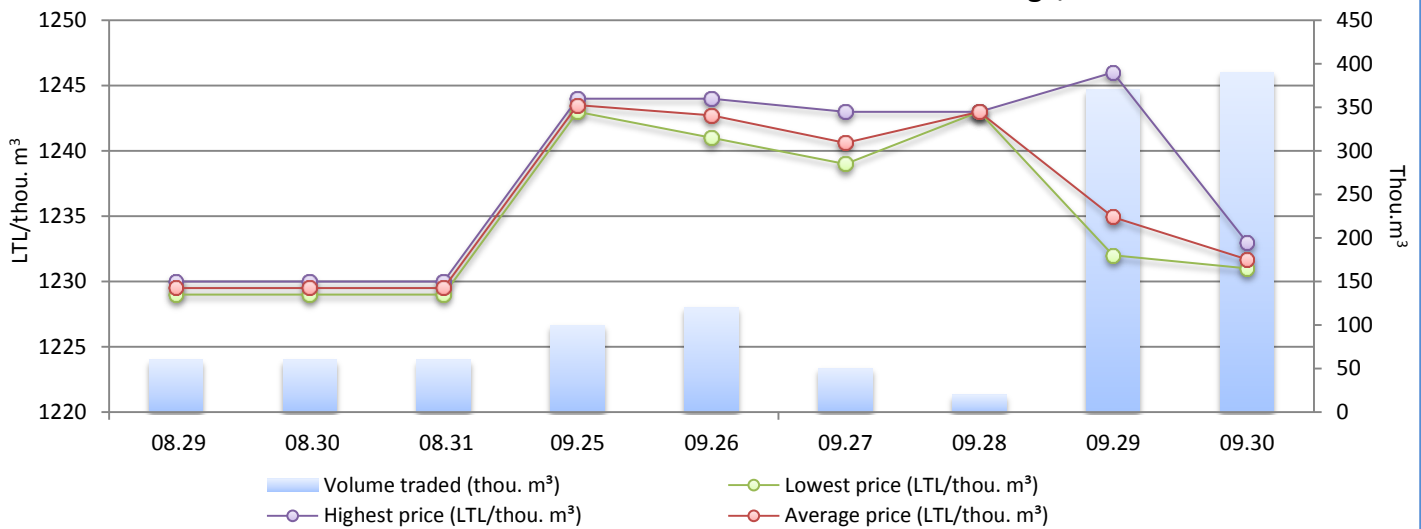
	First Half 2013	July	August	September	Third Quarter 2013	2013 (Jan-Sep)
Turnover (thou. m ³)	448	-	180	1,050	1,230	1,678
Number of deals	38	-	6	31	37	75
Highest volume of fulfilled deals (thou. m ³)	40	-	30	100	100	100
Lowest volume of fulfilled deals (thou. m ³)	1	-	30	3	3	1
Average volume of fulfilled deals (thou. m ³)	11.79	-	30	33.87	33.24	22.37

Data of Submitted Commission on the GET Baltic Exchange

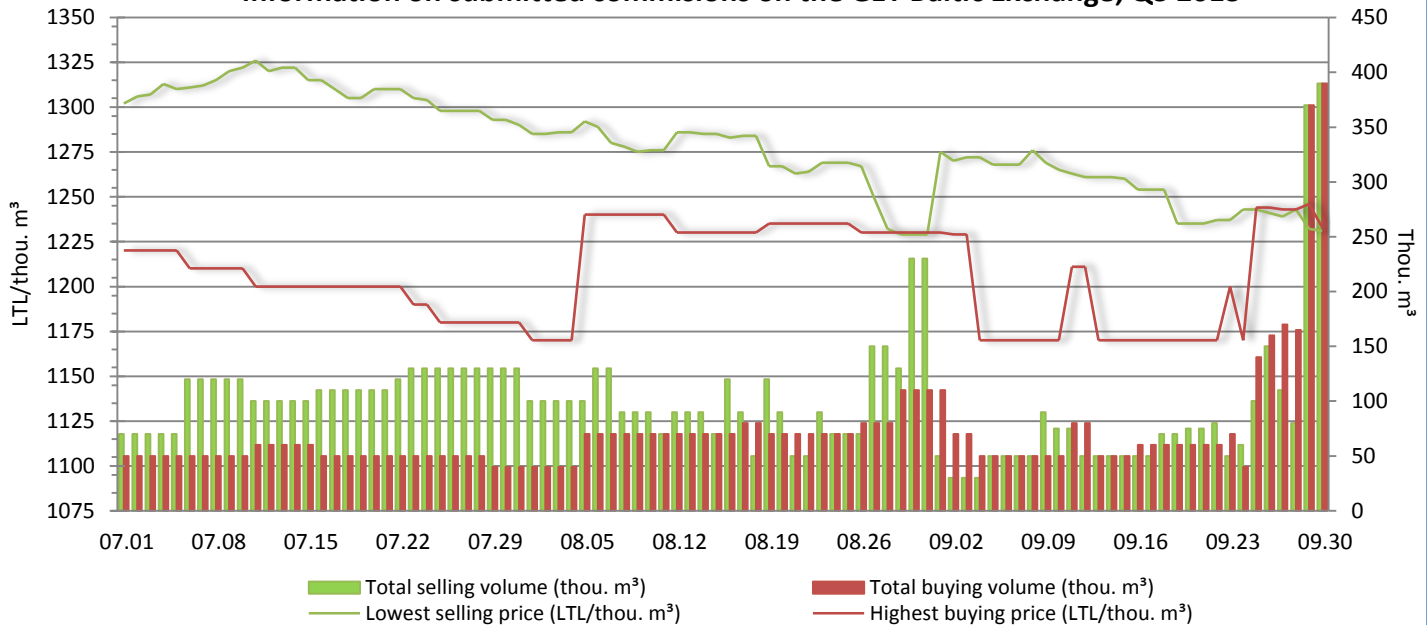
	First Half 2013	July	August	September	Third Quarter 2013	2013 (Jan-Sep)
Total volume of submitted commission to buy (thou. m ³)**	9,378	1,570	2,220	2,835	6,625	16,003
Total volume of submitted commission to sell (thou. m ³)**	30,095	3,400	3,200	2,560	9,160	39,255

** All submitted commissions are summed up, regardless of their fulfilment

Information on Fulfilled Deals on the GET Baltic Exchange, Q3 2013



Information on submitted commissions on the GET Baltic Exchange, Q3 2013



REVIEW OF TRADE ON THE GET BALTIC NATURAL GAS EXCHANGE

In third quarter of this year, active trade on Natural Gas Exchange of GET Baltic was in the end of August and in the end of September. The trade turnover of third quarter was 1230 thou. m³ of natural gas with a value of more than 1.5 million LTL. The average price was 1234.93 thou. m³ during this period. In this quarter, there were 37 deals realized on the Exchange (6 deals in August, 31 deals in September). The highest volume of the fulfilled deal was 100 thou. m³. The total traded volume in

August was 180 thou. m³ and in September was 1050 thou. m³, this is significantly higher volume than in previous months. On 30 September the record daily volume, which was 390 thou. m³, was traded. In August, the average price on the Exchange was 1229.50 LTL, this was 6.36 LTL less than on September when the average price was 1235.86 LTL. The highest price of fulfilled deal in third quarter was 1246 LTL/thou. m³, executed on 29 September, the lowest price of fulfilled deal was 1229 LTL/thou. m³, execut-

ed on 29 - 31 of August. The difference between the highest and the lowest price in fulfilled deal of third quarter was 17 LTL. The price of fulfilled deals were fluctuating in 15 LTL interval in September, while in August fluctuation was only in 1 LTL interval. To review the trade on the Exchange since the beginning of this year, the total traded volume was 1678 thou. m³ with a value of more than 2.1 million LTL. There was traded 72 per cent of total traded volume on the Exchange during third quarter of this year.

NEW ON THE NATURAL GAS EXCHANGE

On 18 July of this year, the new edition of Regulation of Trading on the Natural Gas Exchange was approved by the National Control Commission for Prices and Energy. These main amendments came into effect from 1 September, this year:

1. To expand the trading days. Now the trading on the Exchange is carried out on weekends as well. This means that the trading is carried out every day during a trading session (from 10:00 a.m. to 14:00 p.m.).

2. The possibility to choose the plan of fees. It is foreseen a possibility to choose the plan of fees. This innovation provides an opportunity for the Exchange participants to choose the plan of fees, which better matches their needs. It is planned that

starting from the next year the company will offer additional plan of fees, which will be without fixed annual membership fee and this plan will be useful for the smaller gas market participants.

3. The previous day product. Selling and buying natural gas of previous day is the sale of the purchased natural gas by Exchange participant's (on the Exchange and (or) by the bilateral agreements) which is supplied to the transmission system, but not consumed and the purchase of the gas consumed by the Exchange participant, but not purchased. The trade of ended delivery day natural gas is held on the trading session of next day after the ended delivery day. This means, that Exchange participant shall operate the trade of

the natural gas when the certain delivery day is ended.

This product helps to carry out the responsibility of gas flow balancing on the transmission system for natural gas market players. When the balancing period is over, the participant shall trade their mismatches (imbalances) with each other on the Exchange, on the next trading session after they count the difference between used and supplied volumes of natural gas to the transmission system.

If you want to read the new edition of Regulation of Trading on the Natural Gas Exchange, please click [this link](#).

OTHER IMPORTANT EVENTS IN THE GAS MARKET

SPIN-OFF OF THE TRANSMISSION SYSTEM OPERATOR FROM AB LIETUVOS DUJOS IS COMPLETED

While implementing the requirements of Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas, on 19 August of this year the process of spin-off of the transmission system operator activity from AB Lietuvos Dujos has been completed after the Final Spin-off Balance Sheet was signed between AB Lietuvos Dujos and AB Amber Grid.

AB Amber Grid has carried out the transmission system operator's activity from 1 August of this year, after the National Control Commission for Prices and Energy adopted decision to revoke natural gas transmission licence, issued to AB Lietuvos dujos and issue fixed-term natural gas transmission licence to AB Amber Grid.

Shareholders structure of AB Amber Grid is the same as AB Lietuvos Dujos: E.ON Ruhrgas International GmbH (Germany) holds a 38.9% of the company's shares, OAO Gazprom (Russia) holds a 37.1% of shares, the Ministry of Energy of the Republic of Lithuania (Lithuania) holds a 17.7% of shares and minor shareholders hold a 6.3% of shares.

BALANCING PRICE OF NATURAL GAS TRANSMISSION SYSTEM WAS SET

On 18 July of this year the balancing price of natural gas transmission system was by National Control Commission for Prices and Energy.

The balancing price shall be 10 percent of

the marginal purchase price of balancing gas, if gas market players cause the lack of gas on transmission system. Or the balancing price shall be 10 percent of the marginal sell price of balancing gas, if gas market players cause the surplus of gas on transmission system. The balancing price set by Commission is in force since 1 August 2013 to 31 December 2013.

The system user has a duty to pay the fee for the disbalance on the natural gas transmission system in accordance with the Balancing Rules for the Natural Gas Transmission System.

EXCISE DUTY ON NATURAL GAS

The draft Law on Amendments of Art. 1, 2, 57, 58, 58¹, 59, 60 and Annex 1 of the Law on excise duty was prepared by the Ministry of Finance. The project has been prepared in accordance with Directive 2003/96/EC of the European Parliament and of the Council of 27 October 2003, by this Directive Lithuania has to impose the excise tax on natural gas, which are used as heating fuel, from 1 May 2014. It is suggested not to tax the natural gas, which is:

- exported and supplied to another Member State;
- used as motor fuel for the local urban and suburban regular bus traffic;
- used as heating fuel supplied for households and public entities, which are beneficiary;
- losses, which arise on the natural gas transmission system, on the distribution system and on the natural gas liquefaction process.

- used for combined heat and electricity production.

It is suggested to introduce the excise tax amounting to LTL 35.00/1,000 m³ for gas used as heating fuel. For consumers, who are using natural gas for business needs it is suggested to introduce the excise tax amounting to LTL 18.00/1,000 m³.

If you want to read the draft amendments to the Law on excise duty, please click [this link](#) (document in Lithuanian only.)

THE DRAFT AMENDMENTS OF PROCEDURE OF NATURAL GAS DIVERSIFICATION HAS BEEN PREPARED

In accordance with the Law on Amendments of Art. 5, 10, and 11 of the Law on LNG Terminal, the Government of Republic of Lithuania has prepared the draft of procedure of the natural gas supply diversification, this document regulate:

- general diversification requirements for natural gas supply;
- the implementation of the procedure of natural gas diversification requirements;
- the requirements for natural gas designated supplier;
- the procedures and conditions for designation of natural gas designated supplier;
- the rights, duties and responsibilities of the energy companies using the natural gas;
- the national supervision and control procedure of obligatory commitment of the natural gas supply and diversification.

There is suggested to set 540 million m³ per year minimum annual volume of regasified natural gas for at least 5 years after the requirements of natural gas supply diversi-

fication will come into effect.

If you want to read this draft, please click [this link](#) (document in Lithuanian only.)

APPROVAL OF THE METHODOLOGY FOR SETTING NATURAL GAS PRICES REGULATED BY THE GOVERNMENT

On 13 September of this year, the methodology for setting natural gas prices on gas sector was made and approved by the National Control Commission for Prices and Energy. This methodology regulates how the upper price limits and concrete prices of transmission, distribution, liquefaction and supply activities are set. It is provided the rules of setting regulated price for services of natural gas companies' and defined the evaluation of the economically reasonable costs included to regulated

prices. There is an approved detailed procedures for determination and calculation of return on investment, foreseeing the evaluation criteria for the rate on investment and regulated assets. There are stipulated rules for natural gas companies for provision on the information needed for setting the upper limits or the concrete values of the regulated prices.

If you want to read this draft, please click [this link](#) (document in Lithuanian only.)

NEGOTIATIONS WITH RUSSIAN CONCERN GAZPROM

Negotiations regarding the conditions of natural gas supply to Lithuania have been launched between Russian energy concern Gazprom and the Government of Lithuania in May of this year and still are in process.

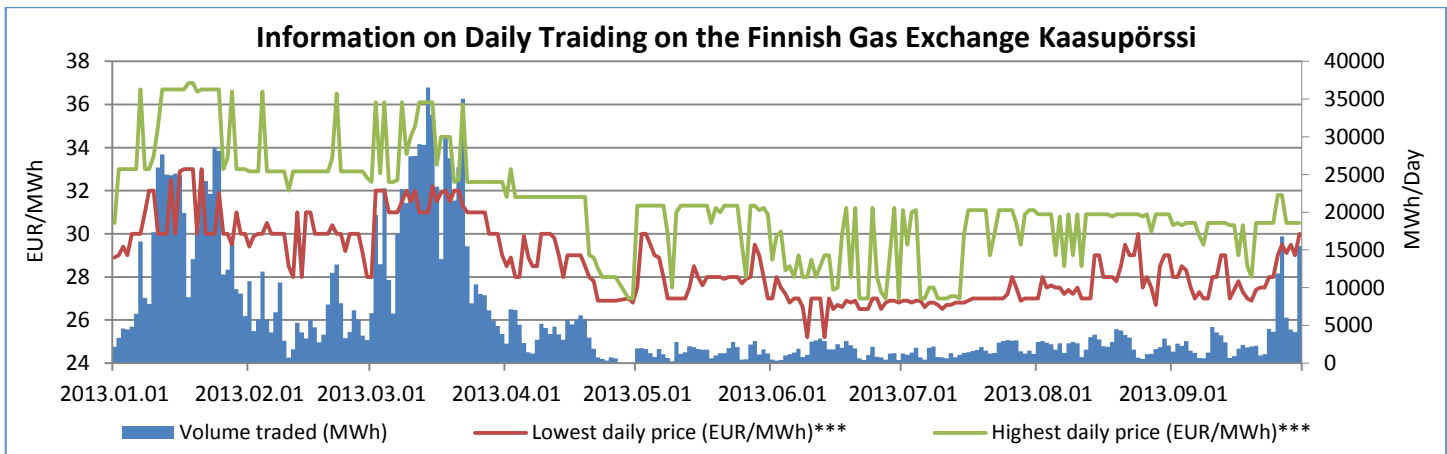
On 6 September Alexey Miller – head of Russian concern Gazprom came to Lithuania for a meeting. The Government of Lithuania had confirmed that after the meeting the offers to Lithuania from Russian concern Gazprom were received. In the end of September the Government of Lithuania has responded to the received offers and now is waiting for further negotiations regarding price reduction for natural gas for Lithuania.

CHEVRON ANNOUNCED AS THE WINNER OF PUBLIC TENDER FOR SHALE GAS EXPLORATION IN WEST LITHUANIA

On 16 September of this year, the USA energy corporation Chevron was announced as the winner of public tender for shale gas exploration in west Lithuania of the Hydrocarbon Commission of Ministry of Environment.

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. From now in these periodic reports there will be provided information about trading on the Finnish Natural Gas Exchange.



*** Taxes and costs of gas transmission are 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 2012:** 2.6 TWh (280 Mm³)

By the end of September the volume of traded gas in the Finnish Gas Exchange was 177 Million cubic meters (1.65 TWh), which is three per cent less compared to last year (183 Million cubic meters (1.7 TWh) in Jan-Sep/2012). Volume of natural gas is expressed as volumetric units of measurement – normal cubic meter at 20°C tempe-

rature and atmospheric pressure (101.325 kPa). The value of the traded gas was 52 Million Euros compared to 54 Million Euros in Jan-Sep/2012.

The total volume of Kaasupörssi's trade amounted to about seven per cent of the total gas usage in Finland.

The number of trades was in total 80 000 (290 trades per day in average), with a seven per cent increase compared to the same period last year (75 000 in Jan-Sep/2012). The difference with Lithuanian Gas Exchange is that the trading in Finnish Gas Exchange is organized on hourly basis while in Lithuania on daily basis. The lowest price during reported period

on the Exchange was 25.2 EUR/MWh (864LTL/thou. m³), the highest price was 37 EUR/MWh (1184 LTL/thou. m³). The prices cannot be directly comparable with the gas prices in Lithuanian Exchange because of some key differences in market structure.

The fourth quarter last year was extremely active in Finnish Gas Exchange due to the early winter. This autumn the overall market position of natural gas has improved slightly in Finland and this trend may well lead Kaasupörssi's trading to reach same volume as last year, 280 Million cubic meters.

Source: Finnish Gas Exchange - Kaasupörssi Oy

If you want to subscribe Reports of Trade on Natural Gas Exchange, you can do this on the web page www.getbaltic.lt on the section "Subscribe!".