



Vilkyskiu pienine, AB

Group

The results of six months of 2011

About the Company

- Vilkyskiu pienine AB, was established in 1993
- On the 30th of June, in 2011 the Group had 857 employees
- The production of Dairy products is the core of Group business
- Shares issued by the Company have been included into the Current Trade List of Vilnius Stock Exchange. The shares are listed in the Official List of Vilnius Stock Exchange
- Standards: ISO 9001:2000 and ISO 22000:2000.



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Companies of the Group

Vilkyskiu pienine AB

- Parent company
- Established in 1993
- 2006-2008 had acquired shares of these dairy companies: Kelmes pienine, AB and Modest, AB
- Main activities: The production of cheese, cream, whey

Modest AB

- The subsidiary company
- Established in 1992
- Since 2006 working at the Group of Vilkyskiu pienine
- Main activities: The production of melted smoked cheese. also other kinds of cheese, such like cheese with mould, Mozzarella cheese.

Kelmes pienine AB

- The subsidiary company
- Established in 1993
- Since 2008 working at the Group of Vilkyskiu pienine
- Main activities: The production of Fresh dairy products



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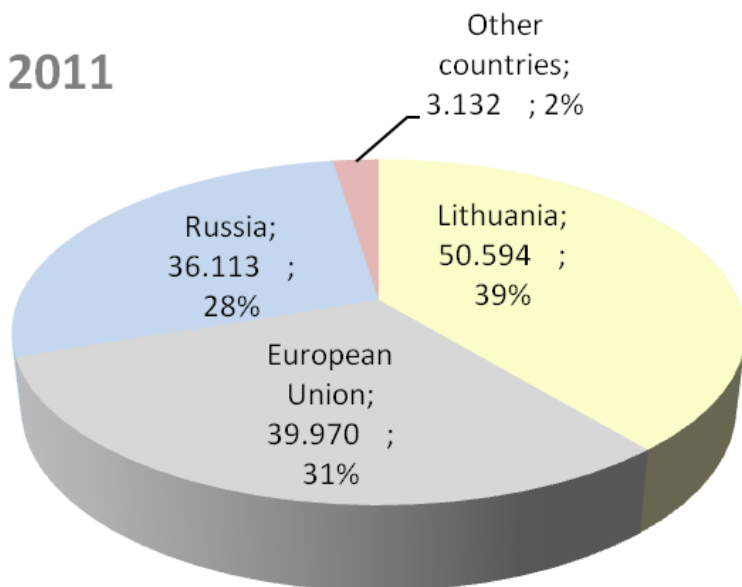
Significant events in 2011 (of the first six months)

- At the exhibition “Prodexpo 2011”, three products of Vilkyskiu pienine, AB were awarded, as having an exclusive acknowledgement through the cheese manufactory:
 - “Prūsija” – the cheese had received gold medal in the international competition for the category “The best product 2011”
 - “Legenda” and “Žalgiris” - cheeses that were recognized at the category “The choice of Russia’s trade chains 2011”
- Modest, AB received the Licence of Export to Russia;
- At the beginning of the year it was integrated inovative, modern equipment for cutting and packing sliced cheese, regarding to one of the most popular demands of consumer recently.
- The company Modest, AB had contracted the project “New technologies improving the quality of products”, funded from EU structural support, for a 150 thousand Lt worth.
- The new giant project “The development of cheese production line”, worth about 16 million. Lt. has been started. The growth of production’s capacity will seek 30 percent after the end of the project.
- Renewed the logo of the company, as well as the visualization of product’s line.

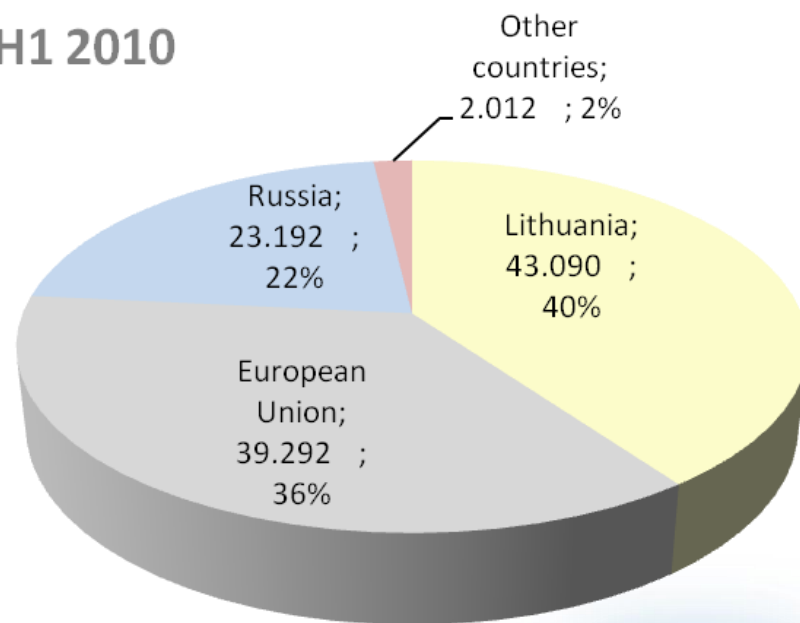


Specification of the markets per revenue (in LTL thousand)

H1 2011

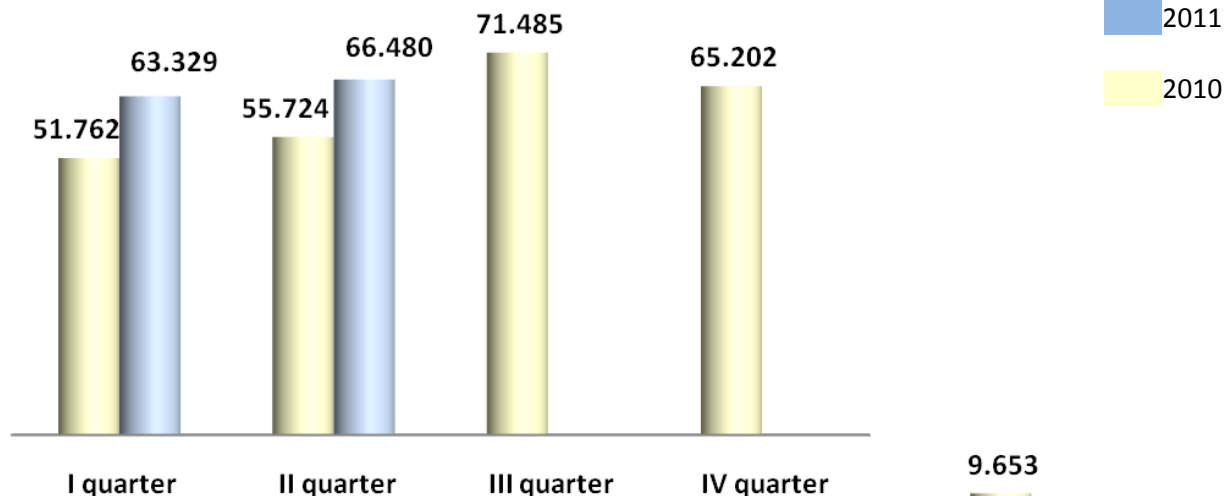


H1 2010

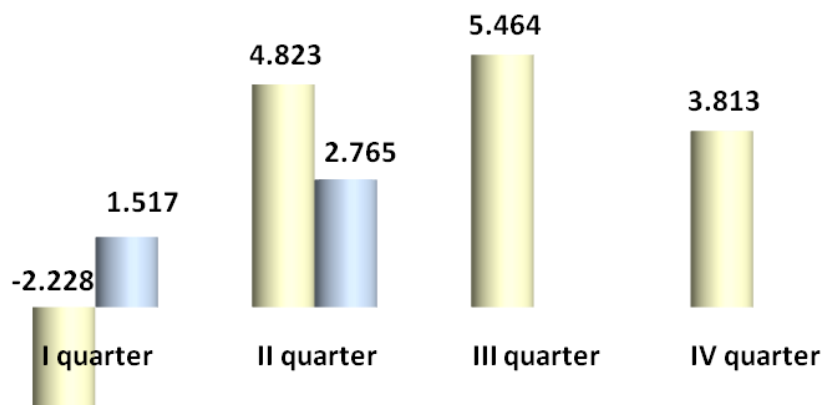


Financial indicators by quarters (in LTL thousand)

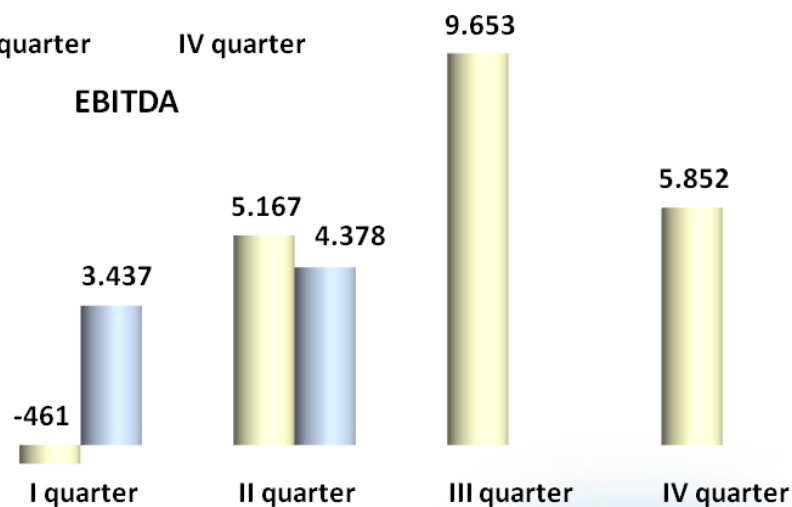
Revenues



Net profit (loss)



EBITDA



Main financial indicators

(Thousands LTL)	January - June 2011	January- June 2010	Change	2010	2009	Change
Revenue	129.809	107.586	21%	244.273	159.318	53%
EBITDA	8.215	6.965	18%	20.211	18.049	12%
EBITDA margin	6,3%	6,5%		8,3%	11,3%	
Amortisation and depreciation	3.469	3.288	6%	6.645	6.731	-1,3%
Net profit	4.282	2.595*	7 times	11.872	7.972	49%
Profit margin	3,3%	2,4%		4,9%	5,0%	
Quantity of purchased milk	0,36	0,22	1,6 times	0,99	0,56	77%
Investments	86.470	78.917	10%	181.643	151.150	20%
Net financial debt	44.429	49.123	-10%	40.700	55.256	-26%

*Gain from disposal of UAB "Kelmės pieno centras", amounting to 1,967 thousand Litass, accounted for.



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Sales income for the first half of the current year has increased by more than 20% and the profit has increased 7 times (after elimination of financial income amounting to 1,9 million LTL), compared with the same period of the previous year.

An increase in revenue and net profit occurred due to full exhaustion of production capacities in the parent company Vilkyskiu Pienine AB during the winter time as well as due to significantly increased prices for exported goods since the beginning of the year. The profit has been earned from export markets



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