

VILKYŠKIŲ PIENINĖ AB
DIVIDEND POLICY
VILKYŠKIAI, 2012

1. General provisions

1.1 The Dividend Policy is prepared according to the Republic of Lithuania Law on Companies.

1.2 The Board of Directors expects that the proposed Dividend Policy will create additional value to the Company's shareholders, and the Dividend Policy will continue indefinitely.

2. Dividend size

2.1 The dividend is a share of profit allocated to the shareholder in proportion to the nominal value of shares owned by him.

2.2 The Annual General Meeting may not adopt the decision to declare and pay dividends if at least one of the following conditions is met: 1) the Company is insolvent or would become insolvent after the payment of dividends 2) the aggregate of profit/loss of the accounting financial year available for appropriation is negative (losses have been incurred) 3) the equity capital of the Company is lower or after the payment of dividends would become lower than the aggregate amount of the authorised capital of the Company, the legal reserve, the revaluation reserve and the reserve for own shares of a Company.

2.3 The Board of Directors, to determine the amount of the dividend to be recommended to the Annual General Meeting of shareholders, shall be guided by the consolidated net profit of the Company.

2.4 Provided that the Company remains profitable, the Company shall allocate a certain proportion of consolidated net profit to dividend payments as set forth in Section 2.6, and reinvest the remaining income to increase Company's capitalization.

2.5 Dividends shall be paid out in cash.

2.6 Dividends shall be determined by the Board of Directors on the basis of previous financial year results, and to be a minimum of 25% of the Company's consolidated net profit, but shall not exceed the Company's annual consolidated net profit.

2.7 The Company reserves the right to deviate from the dividend amount criteria as set forth by this Dividend Policy, and shall disclose the reason for such deviation.

3. Taking decision on dividend payout

3.1. The Company's Board of Directors shall determine the recommended dividend amount based on the proposal of the Company's General Director. General Director must follow the provisions in Article 2 to recommend annual dividend amount.

3.2. According to the Republic of Lithuania Law on Companies, the Company's shareholders shall be informed of the dividend amount proposed by the Company's Board of Directors, and take final decision at Annual General Meeting.

3.3. The decision on dividend payout and dividend amount shall be taken by Annual General Meeting. The dividend amount shall not exceed the amount proposed by the Company's Board of Directors.

4. Dividend payout procedure

4.1. According to the Republic of Lithuania Law on Companies, persons who were shareholders of the Company at the end of the day when the General Meeting declared the dividends or were entitled to receive dividends on other legal grounds shall be entitled to the dividend.

4.2. The Company must pay the allocated dividends within 1 month after the day of adoption of the decision on profit appropriation. Payment of dividends in advance shall be prohibited.

4.3. Paid dividends are subject to income tax, tax withholding and payment made is in accordance with the Republic of Lithuania Law on Income Tax.

5. Communicating the Company's Dividend Policy to the Company's shareholders

5.1. The Company must publish the following provisions, the changes in provisions and historical information about dividends payments to the Company's website.

5.2. Decisions on dividends payments during annual general meeting have to be published in the Company's website www.vikyskiu.lt and through the NASDAQ OMX Vilnius information system.