



VILKYŠKIŲ PIENINĖ AB GROUP



**THE RESULTS OF
9 MONTHS OF 2012**

ABOUT THE COMPANY

Vilkyškių pieninė AB, was established in 1993 m.

On the 30th of September 2012 the Group had 917 employees

The production of Dairy products is the core of Group business

Company's share capital amounts to 11,9 million. Lt

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

Standards: ISO 9001:2000 and ISO 22000:2000

COMPANIES OF THE GROUP

VILKYŠKIŲ PIENINĖ AB

Parent Company

Established in 1993

Main activities: The production of cheese, cream, whey

"MODEST" AB

The subsidiary Company

Established in 1992

Main activities: The production of melted smoked cheese, cheese with mould, Mozzarella, other kinds of cheese

KELMĖS PIENINĖ AB

The subsidiary Company

Established in 1993 m.

Main activities: The production of fresh dairy products.

SHORT HISTORY OF THE COMPANY

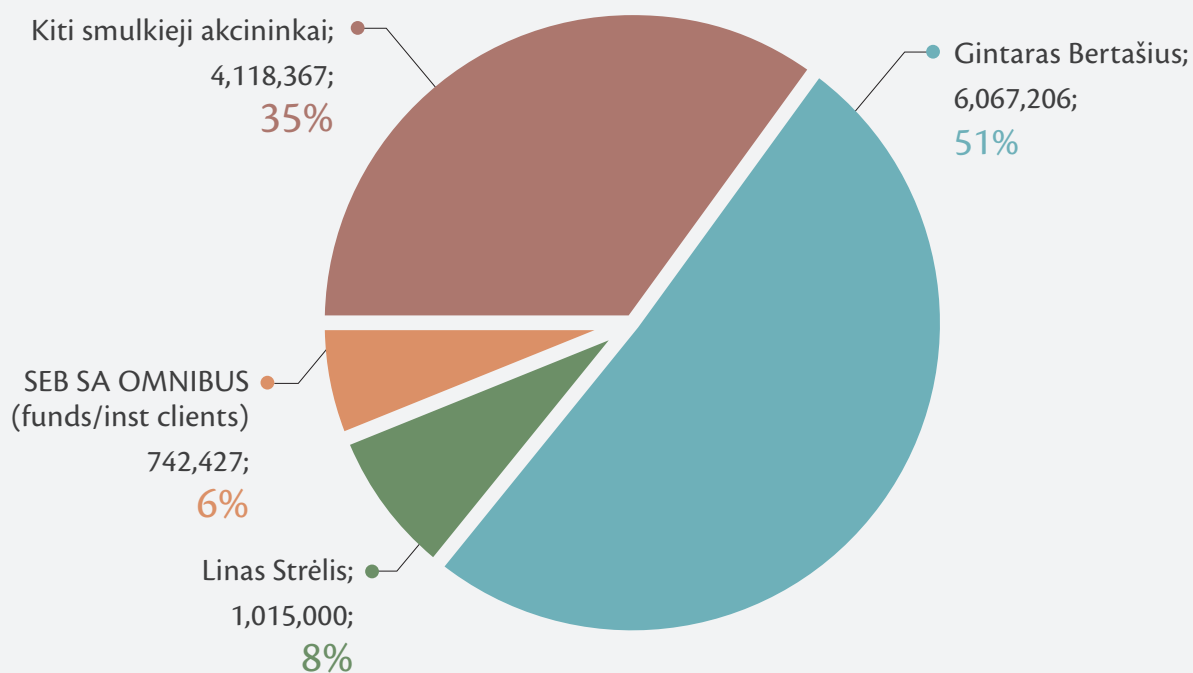
1993	Company established
1999-2000	the fully computerized and automated technological line of cheese production started to work in Vilkyškiai
2000	the company received Export Licence to the European Union
2001	company acquired Taurage workshop form Mažeikiai subsidiary of Pieno Žvaigždės AB
2004	Vilkyškių pieninė AB received Export Licence to Russia
2006	acquired "Modest" AB
2006	the Company have been included into the Current Trade List of Vilnius Stock Exchange
2007	implement development of main technological line of cheese production in Vilkyškiai
2008	acquired Kelmės pieninė
2008	installed the whey processing shop in Vilkyškiai
2008	These certificates of the standards ISO 9001:2000 and ISO 22000:2000 were presented to Vilkyškių pieninė AB
2009	Kelmės pieninė AB received Export Licence to Russia
2005-2011	Company use the support of European Union and other funds, involve in social projects

SIGNIFICANT EVENTS IN III Q 2012

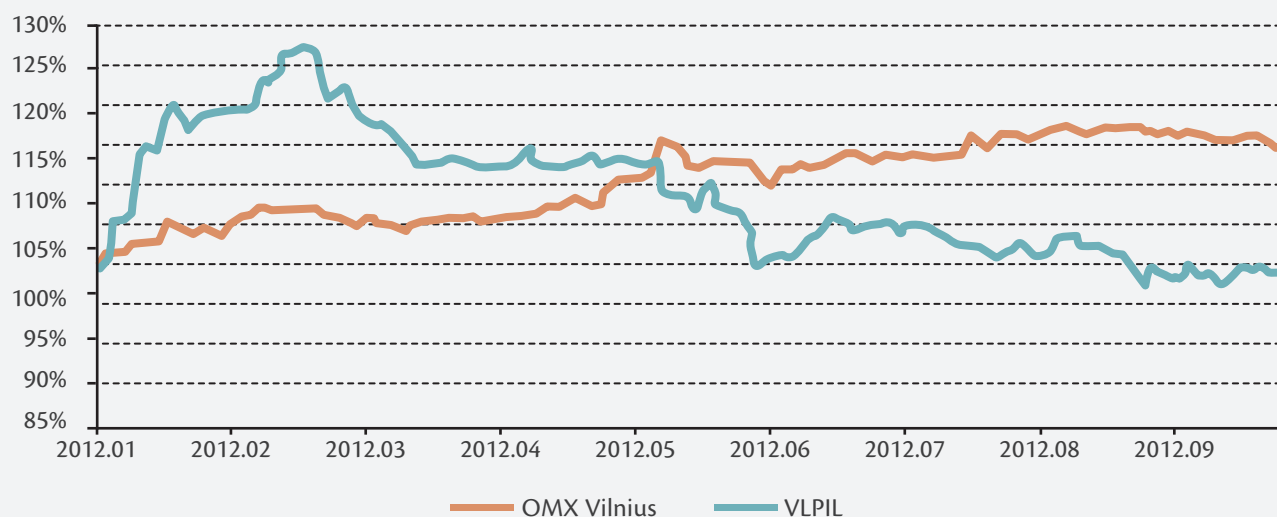
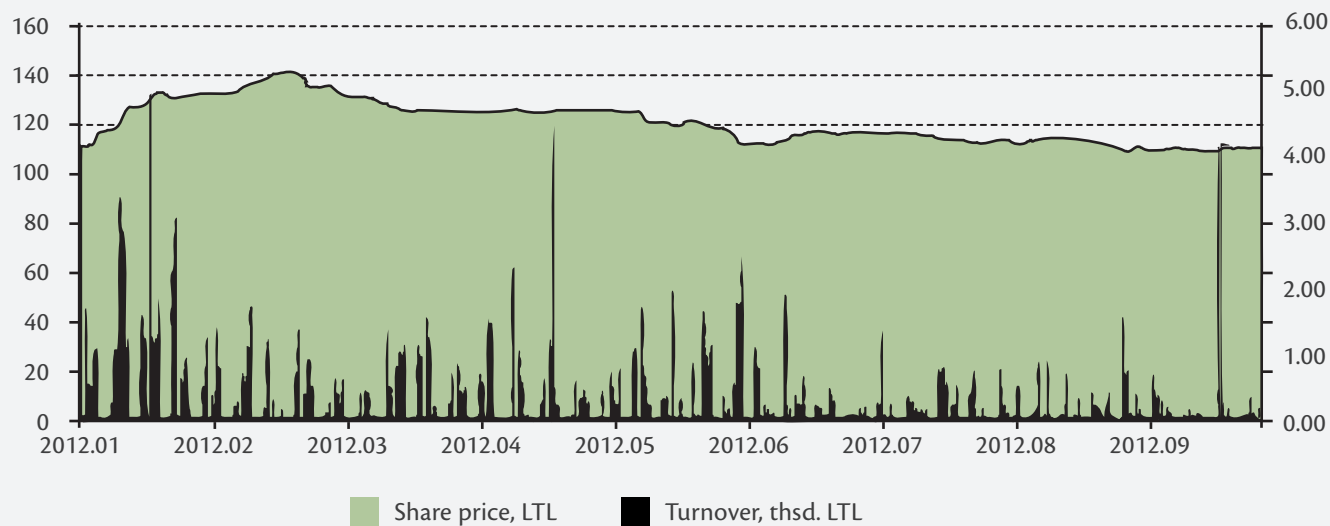
- A new cheese production line, worth about 16 million. LTL, was installed in Vilkyškių pieninė AB. The growth of production's capacity seek 30 percent
- Vilkyškių pieninė AB participated in exhibition "ProdExpo 2012", which took place in February Moscow, Russia
- Semi - hard cheese "Maasdam" was awarded gold medal in category "The best product" at the international exhibition "ProdExpo" in 2012
- "Vilkyškių" gooseberry yoghurt was awarded gold medal in category "The best product" at the international exhibition "ProdExpo" in 2012
- Piquant semi - hard cheese "Basilis" with basil and glazed sweet cheese curd with sea-buckthorns and rhubarbs were nominated as "Russia's trade network selection" at the international exhibition "ProdExpo" which took place in 2012 Moscow.
- Souvenir packages collection of cheeses was introduced (hard cheeses "Prussia", "Žalgiris" and "Legend" - in the souvenir packages)
- The website was renewed to www.vilkyskiu.lt
- According to the updated brand concept, cheese packaging design of "Vilkyškių Pieninė" was renewed.
- A new product - 15 percent. fat "Sour cream for salad" - was introduced in the market.
- Vilkyškių Pieninė AB participated in exhibition "Agrobalt 2012".
- Vilkyškių Pieninė was the main sponsor of the exhibition "Wine Day 2012". During the exhibition, hard cheeses, piquant cheeses and cheese with the blue mold were presented.
- New products were introduced in the market - "Glazed sweet cheese curd with blueberries" and new different flavors functional yogurts: "Vanilla and roasted flax seeds yogurt", "Quince, pumpkin and cereal yogurt" and "Yogurt with apples and oats"
- At the exhibition "WorldFood Moscow 2012", which was in September, "Functional yogurt with apples and oats" and "Curd spread with iodized salt" were awarded silver medals
- Cheese packaging and treatment line installation was started. Its value 9.5 million. LTL
- Kelmės pieninė AB installed a new line of glazed sweet cheese curds production, which allowed to double capacity

SHAREHOLDERS

Shareholder	Akcijos	Ownership interest, %
Gintaras Bertašius	6,067,206	51%
Linas Strėlis	1,015,000	8%
SEB SA OMNIBUS (funds/inst clients)	742,427	6%
Non-controlling interest	4,118,367	35%
Capital in total	11,943,000	100%



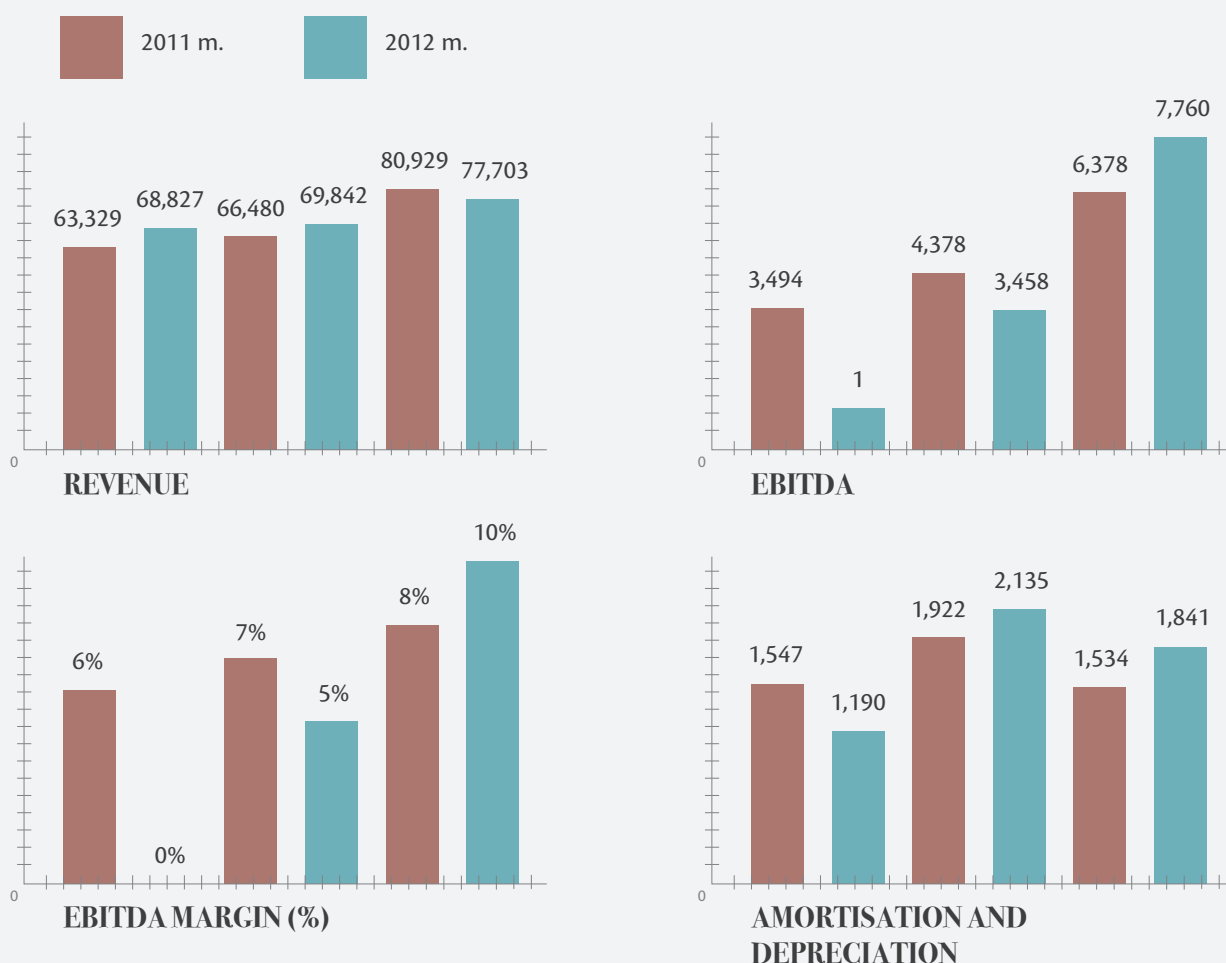
TRADING IN THE ISSUER'S SECURITIES ON THE REGULATED MARKETS

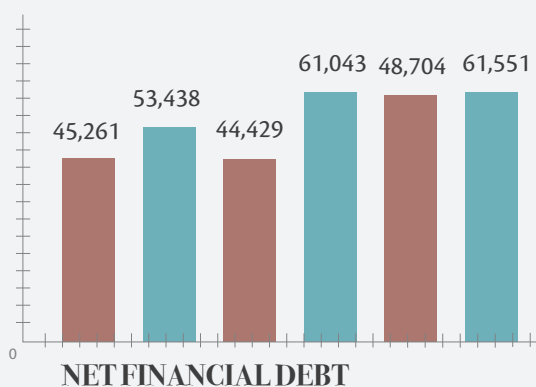
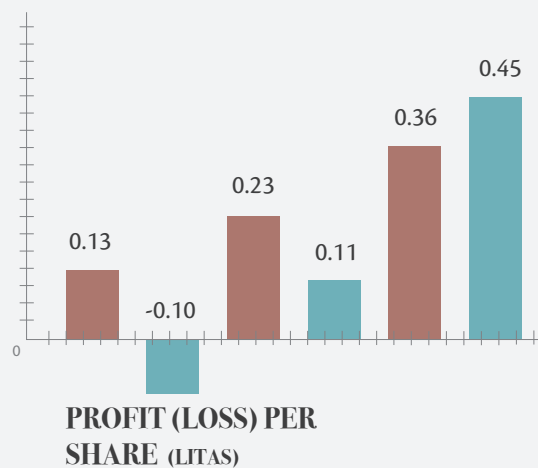
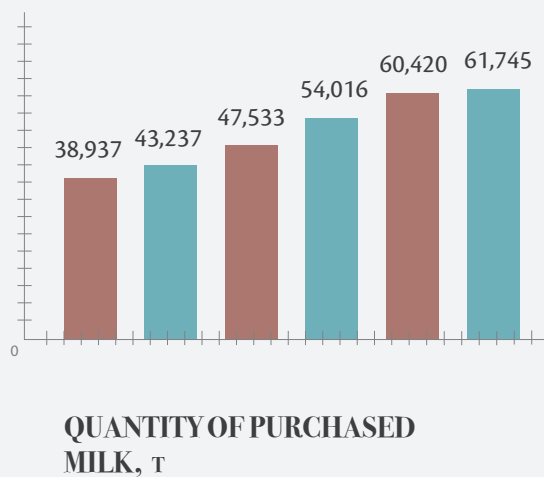
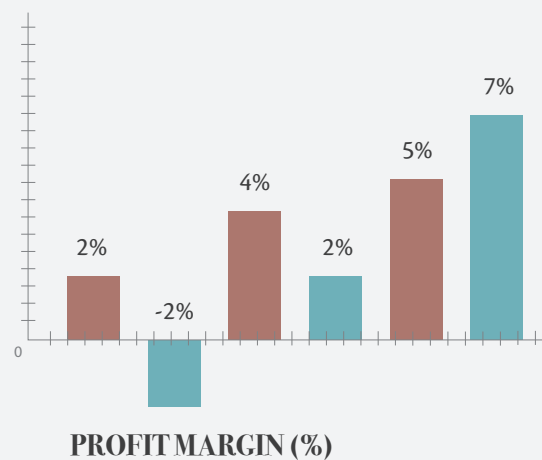
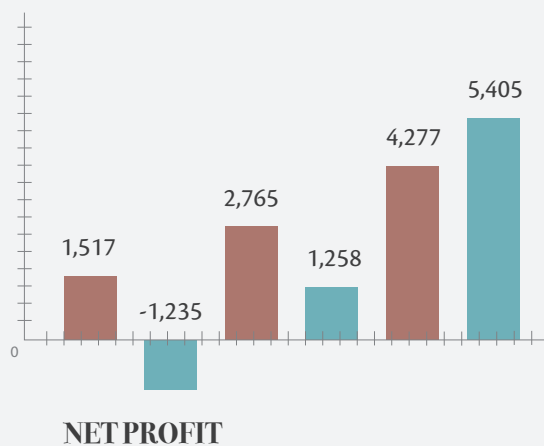


MAIN FINANCIAL INDICATORS

In the first nine months of this year The Group earned 5.428 thousand LTL. During the first months of this year, the Group had a loss, because of modernization works of cheese line in the main cheese-making manufactory of Vilkyškių Pieninė AB. At that time, the production of cheese was completely stopped. Half-year results were affected by significant fall in products' sales prices in export markets compared to the same period of the last year. During the third quarter of this year The Group had 5.405 thousand LTL profit because of higher sales prices in export markets.

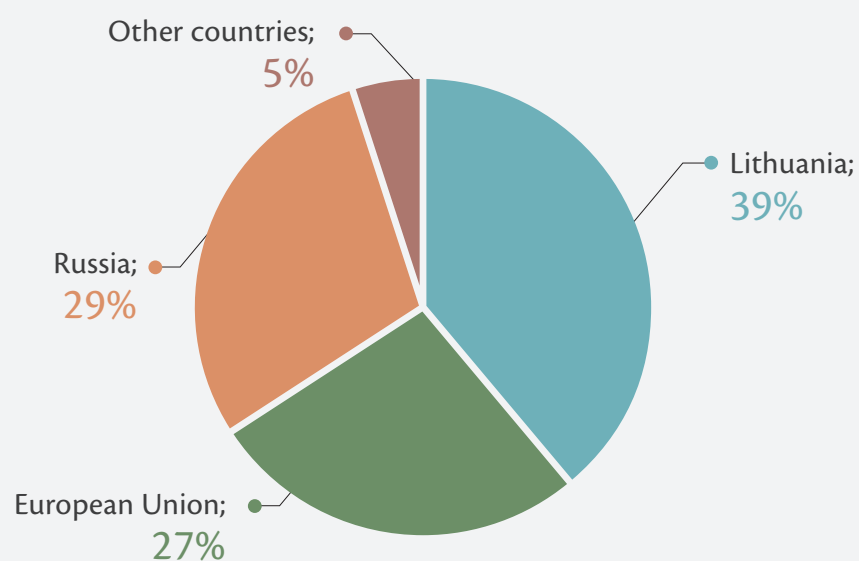
(Thousands LTL)	2011 I Q	2011 II Q	2011 III Q	2012 I Q	2012 II Q	2012 III Q
Revenue	63,329	66,480	80,929	68,827	69,842	77,703
EBITDA	3,494	4,378	6,378	1	3,458	7,760
EBITDA margin (%)	6%	7%	8%	0%	5%	10%
Amortisation and depreciation	1,547	1,922	1,534	1,190	2,135	1,841
Net profit	1,517	2,765	4,277	-1,235	1,258	5,405
Profit margin (%)	2%	4%	5%	-2%	2%	7%
Quantity of purchased milk, t	38,937	47,533	60,420	43,237	54,016	61,745
Profit (loss) per share (Litas)	0.13	0.23	0.36	-0.10	0.11	0.45
Net financial debt	45,261	44,429	48,704	53,438	61,043	61,551



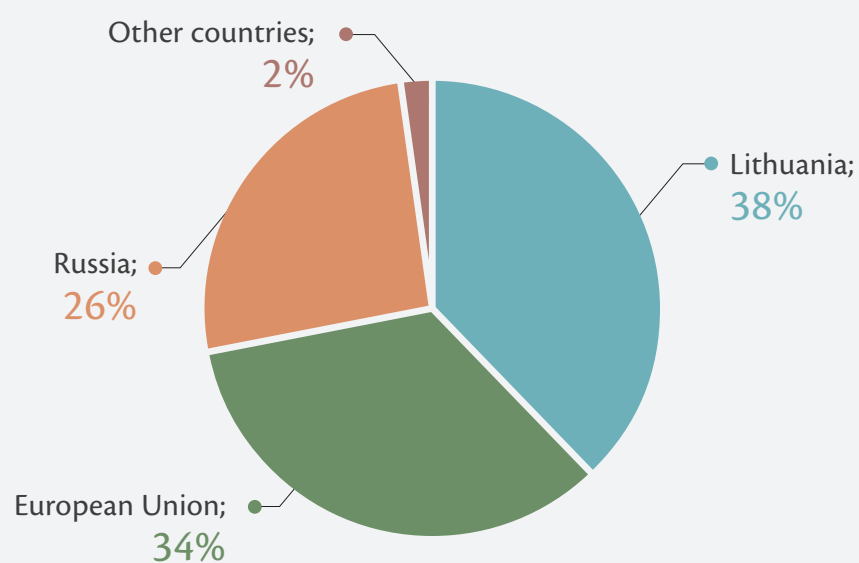


SALES MARKETS

(Thousands LTL)	2011 III Q		2012 III Q	
Lithuania	79,676	38%	85,096	39%
European Union	71,049	34%	59,251	27%
Russia	54,484	26%	63,512	29%
Other countries	5,529	2%	8,513	5%
Total income:	210,738		216,372	



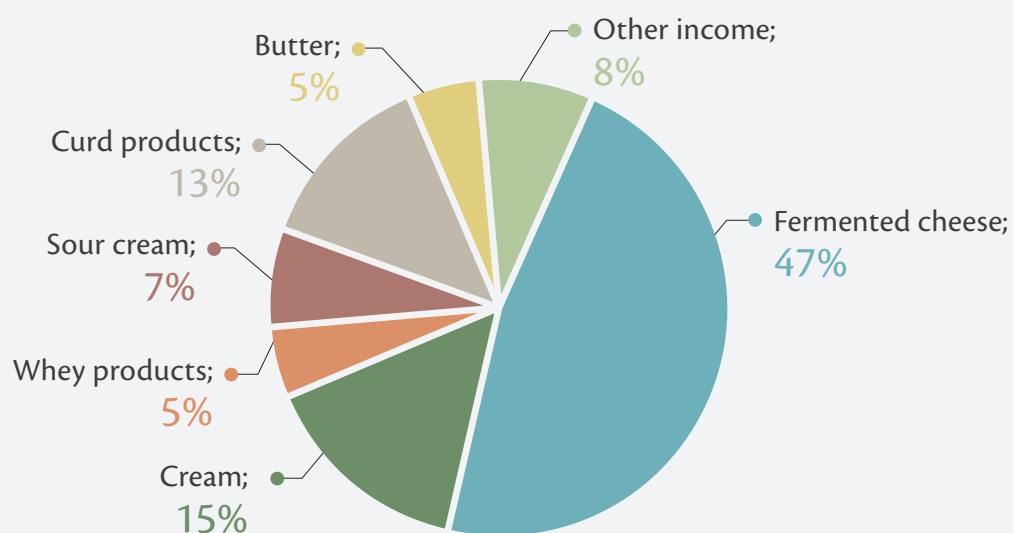
2012 III Q



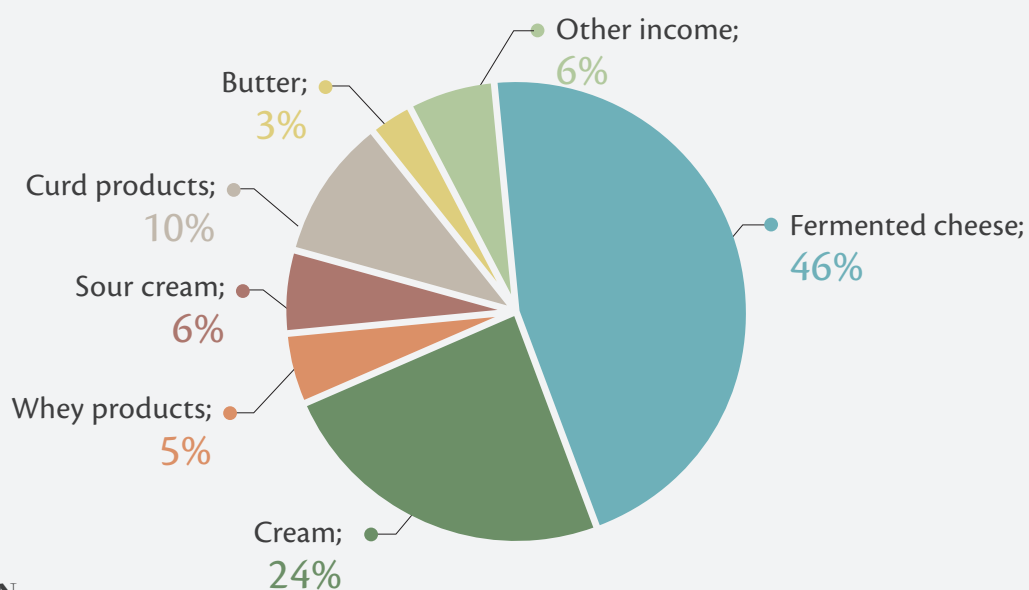
2011 III Q

INCOME FROM SOLD PRODUCTION

(Thousands LTL)	2011 III Q		2012 m. 9 mėn	
Fermented cheese	96,967	46%	102,210	47%
Cream	51,404	24%	31,528	15%
Whey products	9,634	5%	10,261	5%
Sour cream	12,849	6%	15,504	7%
Curd products	20,608	10%	27,158	13%
Butter	5,766	3%	10,351	5%
Other income	13,510	6%	19,360	8%
Total income:	210,738		216,372	



2012 M. 9 Mėn.



2011 M. 9 Mėn.

VILKYŠKIŲ PIENINĖ AB

Vilkyškiai, Pagėgių sav.

277160980

tel. 8-441-55330

faks. 8-441-55242

info@vilkyskiu.lt

www.vilkyskiu.lt

CONTACTS

Gintaras Bertašius

Director General

tel.8-441-55330

gintaras@cheese.lt

Vilija Milaševičiutė

Finance Director

tel.8-441-55102

vilija@cheese.lt