



# 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

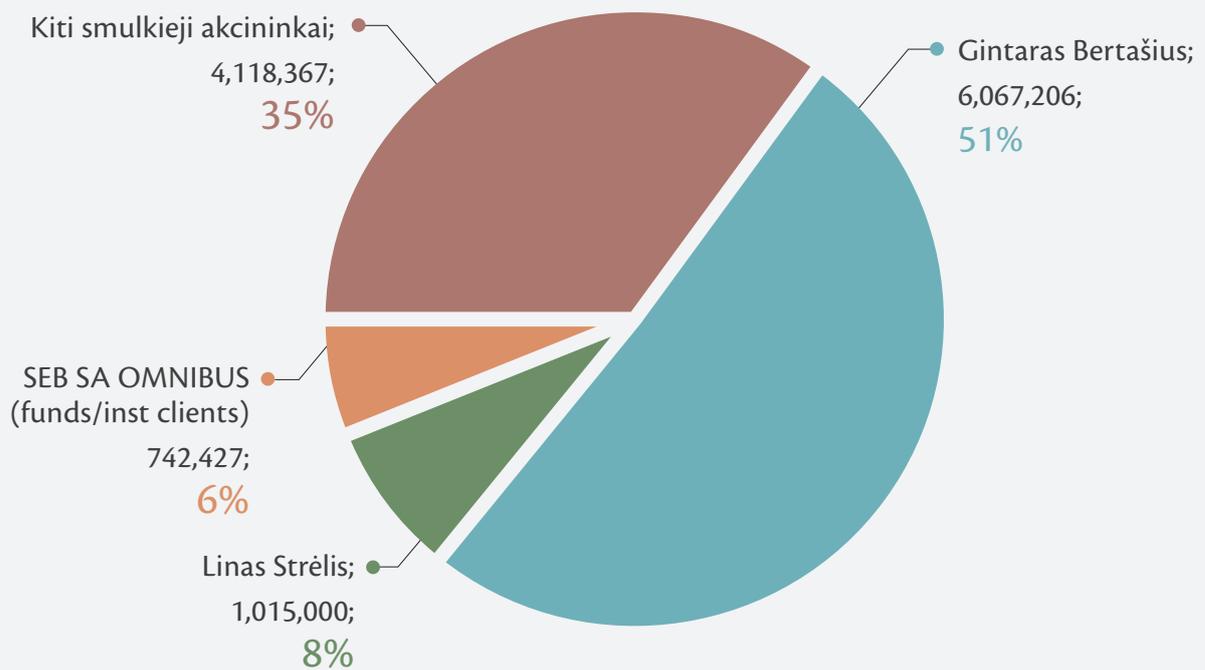
<b>1993</b>	Company established
<b>1999-2000</b>	the fully computerized and automated technological line of cheese production started to work in Vilkyškiai
<b>2000</b>	the company received Export Licence to the European Union
<b>2001</b>	company acquired Taurage workshop form Mažeikiai subsidiary of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

## SIGNIFICANT EVENTS IN III Q 2012

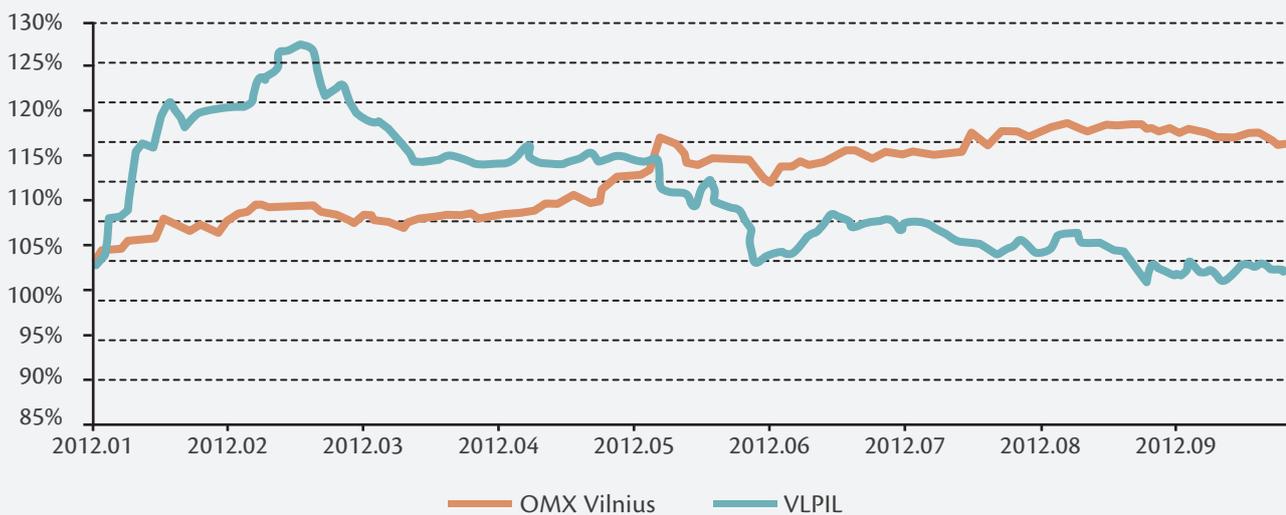
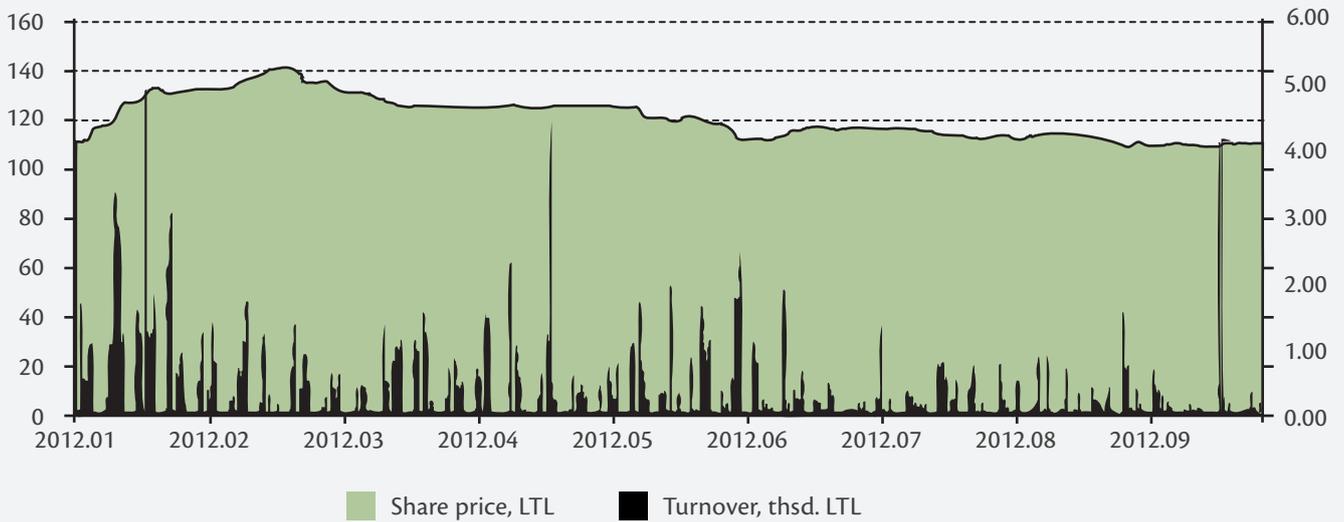
- A new cheese production line, worth about 16 million. LTL, was installed in Vilkyškių pieninė AB. The growth of production's capacity seek 30 percent
- Vilkyškių pieninė AB participated in exhibition "ProdExpo 2012", which took place in February Moscow, Russia
- Semi - hard cheese "Maasdam" was awarded 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](http://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%
<b>Capital in total</b>	<b>11,943,000</b>	<b>100%</b>



# TRADING IN THE ISSUER'S SECURITIES ON THE REGULATED MARKETS

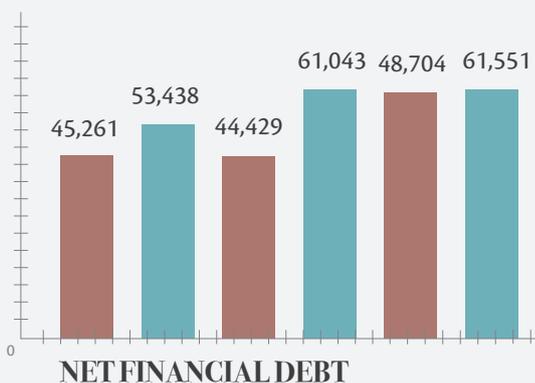
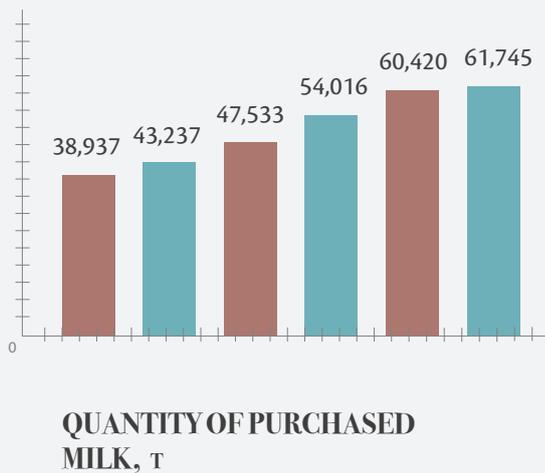
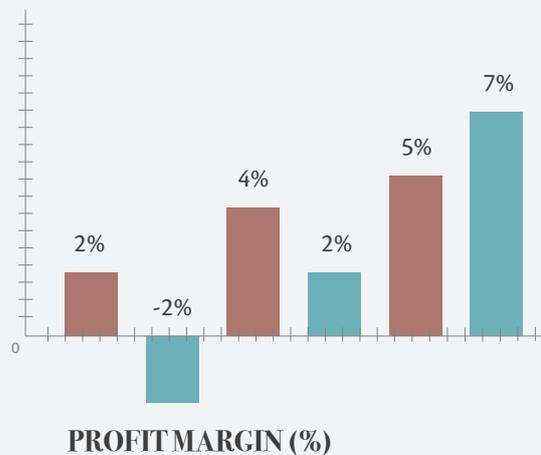
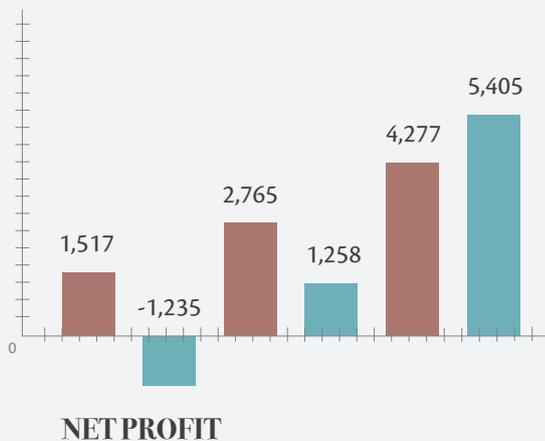


## MAIN FINANCIAL INDICATORS

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.

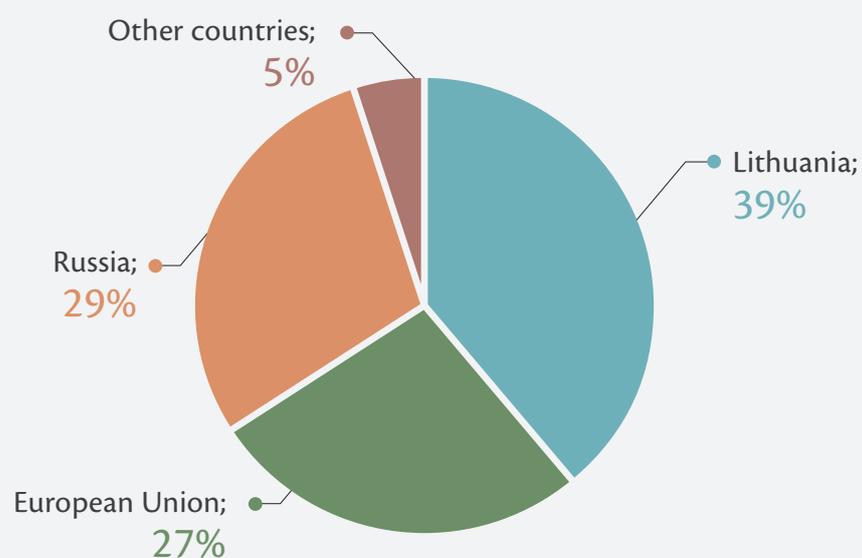
(Thousands LTL)	2011 I Q	2011 II Q	2011 III Q	2012 I Q	2012 II Q	2012 III Q
Revenue	63,329	66,480	80,929	68,827	69,842	77,703
EBITDA	3,494	4,378	6,378	1	3,458	7,760
EBITDA margin (%)	6%	7%	8%	0%	5%	10%
Amortisation and depreciation	1,547	1,922	1,534	1,190	2,135	1,841
Net profit	1,517	2,765	4,277	-1,235	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



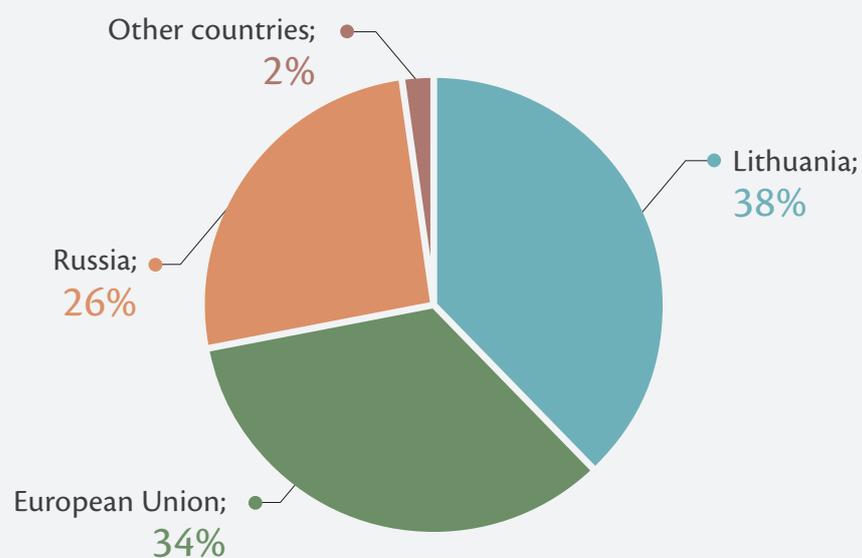


## SALES MARKETS

(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%
<b>Total income:</b>	<b>210,738</b>		<b>216,372</b>	



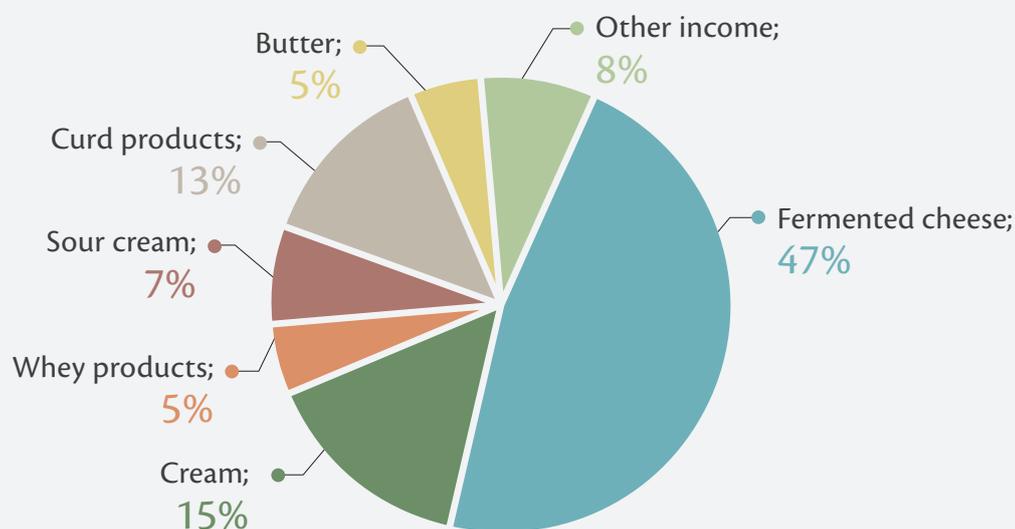
### 2012 III Q



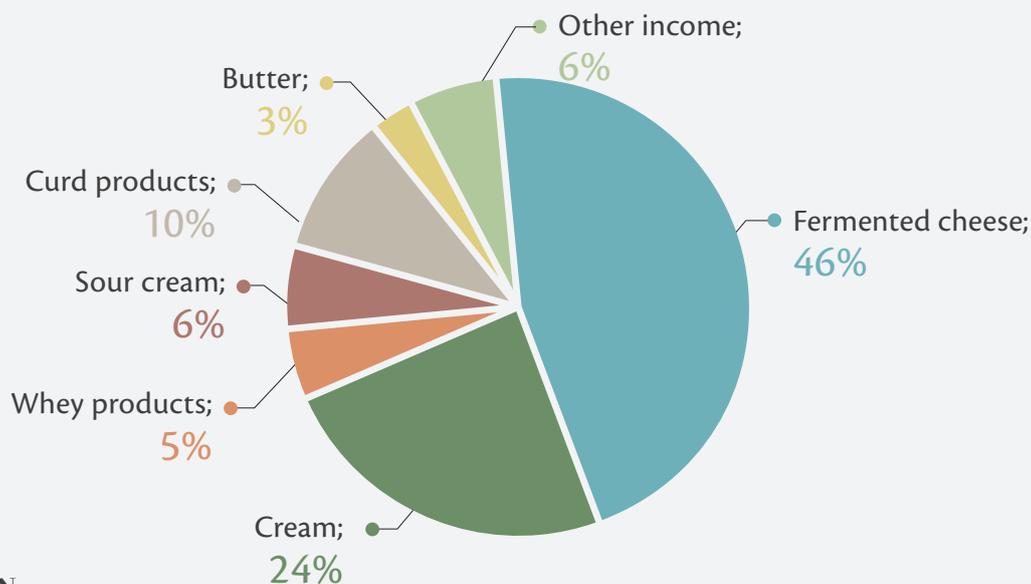
### 2011 III Q

# 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%
<b>Total income:</b>	<b>210,738</b>		<b>216,372</b>	



2012 M. 9 Mėn.



2011 M. 9 Mėn.

## VILKYŠKIŲ PIENINĖ AB

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