

APRANGA

GROUP

APRANGA APB

Interim Consolidated Financial Statements

For the Nine months period ended 30 September 2013

(UNAUDITED)

5 November 2013
Vilnius

APB APRANGA

Company's code 121933274, Kirtimu 51, Vilnius

INFORMATION ABOUT COMPANY

Name of the company	Apranga APB
Legal form	Public limited liability company
Date of registration	1 st March 1993
Code of company	121933274
Share capital	LTL 55 291 960
Registered office	Kirtimu 51, LT-02244 Vilnius, Lithuania
Name of Register of Legal Entities	Registru centras VĮ, Vilnius branch
Telephone number	+370 5 239 08 08
Fax number	+370 5 239 08 00
E-mail	info@apranga.lt
Internet address	http://www.apranga.lt
Main activities	Retail trade of apparel
Auditor	PricewaterhouseCoopers UAB

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REVIEW OF ACTIVITY OF THE GROUP COMPANIES

The retail turnover (including VAT) of Apranga Group amounted to LTL 419.9 million in January through September 2013 or by 10.5% more than in first nine months of 2012. The highest growth rates were recorded in Latvia (12.7%), the lowest – in Estonia (8.9%).

According to EUROSTAT data, the retail trade (except of motor vehicles and motorcycles) in Baltic States during the 9 months 2013 grew the most in Lithuania (+5%) and Latvia (+4%). Meanwhile in Estonia the retail growth rate was slower and amounted to 1.3%. The average annual (i.e. of the last 12 months) retail trade growth rates in Baltic States ranged from 1.5% to 4.5% (+4.5% in Latvia, +4.3% in Lithuania, +1.5% in Estonia). European Union (28 countries) retail trade over the past year decreased by 0.8% (the year before retail trade declined by 0.4%), although in the last this year quarter, the retail trade has increased minimally.

The retail turnover of the Group's stores by countries during 9 months of 2013 was (LTL thousand, VAT included):

Country	9 months 2013	9 months 2012	Change
Lithuania	263 866	239 896	10,0%
Latvia	103 310	91 646	12,7%
Estonia	52 734	48 411	8,9%
Total:	419 910	379 953	10,5%

The retail turnover of the Group's stores during the third quarter 2013 by countries was as follows (LTL thousand, VAT included):

Country	Q3 2013	Q3 2012	Change
Lithuania	102 876	95 241	8,0%
Latvia	43 433	37 314	16,4%
Estonia	21 531	21 001	2,5%
Total:	167 840	153 556	9,3%

The highest growth rates in the third quarter of 2013 (the same as within 9 months of this year) was in Latvia - there were opened six new stores in 2013.

The retail turnover of the Group's stores by chains during 9 months 2013 was as follows (LTL thousand, VAT included):

Chain	9 months 2013	9 months 2012	Change
Economy	40 526	39 975	1,4%
Youth	140 633	129 816	8,3%
Business	59 557	41 823	42,4%
Luxury	50 480	40 553	24,5%
Zara	113 205	112 361	0,8%
Outlets	15 509	15 425	0,5%
Total	419 910	379 953	10,5%

In 1st nine months 2013, the turnover of Business and Luxury chains increased mostly (by 42.4% and 24.5%, respectively). It was mainly influenced by the development of these chains in 2012-2013, and rising consumption.

During the nine months of 2013 Apranga Group opened 11 stores, reconstructed 8 and closed 1 store. The capital expenditure of the retail chain expansion amounted to LTL 14.9 million (see Note 4 "Investments into non-current assets"). Investments (acquisitions) by segments are disclosed in Note 3 ("Segment information"). The Group is not engaged in activities related to research and experimental development, except to the extent of process improvement. Group uses the latest technology and the latest technology processes that meet environmental standards and help reduce the negative impact on the environment.

The number of stores by countries was as follows:

Country	30 09 2013	30 09 2012	Change
Lithuania	93	88	5,7%
Latvia	38	33	15,2%
Estonia	13	12	8,3%
Total:	144	133	8,3%

The number of stores by chains was as follows:

Chain	30 09 2013	30 09 2012	Change
Economy	12	12	0,0%
Youth	74	67	10,4%
Business	21	18	16,7%
Luxury	20	18	11,1%
Zara	10	10	0,0%
Outlets	7	8	-12,5%
Total	144	133	8,3%

The total *sales area* operated by the Group has increased by 3.0% or by 2.0 thousand sq. m. during the period from 30 September 2012 till 30 September 2013. Sales area increased most in Latvia and Estonia (respectively 5.4% and 5.7%).

The total area of stores by countries was as follows (thousand sq. m):

Country	30 09 2013	30 09 2012	Change
Lithuania	43,1	42,3	1,7%
Latvia	18,9	17,9	5,4%
Estonia	6,3	5,9	5,7%
Total:	68,2	66,2	3,0%

Despite last year's high comparative base and increased competition, the Group managed to maintain a general level of gross profitability and the same volumes of Earnings before taxes.

The Group has earned LTL 33 099 thousand of *profit before income tax* in nine months 2013, while profit before taxes amounted to LTL 31 474 thousand during nine months of 2012 (an increase of 5.2%). In 3rd quarter the profit before income tax increased from LTL 16 519 thousand in 2012 to LTL 17 068 thousand in 2013 (an increase of 3.3%).

EBITDA of the Group was LTL 46 856 thousand during 9 months 2013, and it was LTL 44 232 thousand in corresponding previous year period. *EBITDA* margin has decreased from 14.6% to 13.9% during the year. The current ratio of the Group remained at the same level as the year before - 1.7 times.

Main Group Indicators	9 months 2013	9 months 2012	9 months 2011
Net sales, LTL thousand	336 531	303 280	239 332
Net sales in foreign markets, LTL thousand	126 940	113 352	88 813
Like-to-like sales, %	1,7%	19,4%	9,3%
Gross profit, LTL thousand	154 624	139 402	109 665
Gross margin, %	45,9%	46,0%	45,8%
Operating profit, LTL thousand	33 164	31 522	17 913
Operating profit margin, %	9,9%	10,4%	7,5%
EBT, LTL thousand	33 099	31 474	17 766
EBT margin, %	9,8%	10,4%	7,4%
Profit (loss) for the period, LTL thousand	27 830	26 638	14 815
Profit (loss) for the period margin, %	8,3%	8,8%	6,2%
EBITDA, LTL thousand	46 856	44 232	31 234
EBITDA margin, %	13,9%	14,6%	13,1%
Return on equity (end of the period), %	20,3%	20,6%	13,1%
Return on assets (end of the period), %	12,6%	13,3%	8,4%
Net debt to equity*, %	6,4%	-2,2%	7,0%
Current ratio, times	1,7	1,7	1,7

* (Interest bearing liabilities less cash) / Equity

Main Group Indicators	Q3 2013	Q3 2012	Q3 2011
Net sales, LTL thousand	134 612	123 016	96 735
Net sales in foreign markets, LTL thousand	52 915	47 415	36 430
Like-to-like sales, %	0,2%	20,3%	9,4%
Gross profit, LTL thousand	61 519	56 239	43 771
Gross margin, %	45,7%	45,7%	45,2%
Operating profit, LTL thousand	17 092	16 532	10 142
Operating profit margin, %	12,7%	13,4%	10,5%
EBT, LTL thousand	17 068	16 519	10 096
EBT margin, %	12,7%	13,4%	10,4%
Profit (loss) for the period, LTL thousand	14 390	14 296	8 411
Profit (loss) for the period margin, %	10,7%	11,6%	8,7%
EBITDA, LTL thousand	21 727	20 711	14 569
EBITDA margin, %	16,1%	16,8%	15,1%
Return on equity (end of the period), %	10,5%	11,0%	7,4%
Return on assets (end of the period), %	6,5%	7,1%	4,8%
Net debt to equity*, %	6,4%	-2,2%	7,0%
Current ratio, times	1,7	1,7	1,7

* (Interest bearing liabilities less cash) / Equity

The *operating expenses* of the Group totaled LTL 122 881 thousand during 9 months 2013 and increased by 13.0%, comparing to the same period 2012. The finance costs of the Group were LTL 65 thousand in 9 months 2013 (less than 0.1% of the total costs of the Group). Total finance debts of the Group increased from LTL 4.7 million at 30 September 2012 to LTL 12.8 million at 30 September 2013, mainly due to the fact that the Company paid LTL 30.4 million dividends in May 2013.

Main Group Indicators	9 months 2013	9 months 2012	Change
Net sales, LTL thousand	336 531	303 280	11,0%
Net sales in foreign markets, LTL thousand	126 940	113 352	12,0%
Gross profit, LTL thousand	154 624	139 402	10,9%
Operating expenses	(122 881)	(108 781)	13,0%
Operating profit, LTL thousand	33 164	31 522	5,2%
EBT, LTL thousand	33 099	31 474	5,2%
Profit (loss) for the period, LTL thousand	27 830	26 638	4,5%
EBITDA, LTL thousand	46 856	44 232	5,9%

The Group's *level of inventories* during the year grew by 21.8% (the increase from LTL 81.2 million to LTL 111.0 million). Company's inventories grew by 19.4%. Slightly more significant growth of inventories was driven by new stores opening. It was also influenced by increased quantity of winter season items due to unusually warm weather.

The *number of employees* during the year till 30 September 2013 in the Group has increased by 96 to 1669 (+6.1%), and has increased in Company by 36 to 724 (+5.2%). During the 3rd quarter 2013 the number of employees increased by 5 (+0.3%) in the Group, and decreased by 10 (-1.4%) in the Company.

The *price of the Company share* during 9 months 2013 increased from LTL 7.35 per share to LTL 8.87 per share (+21%). The maximum share price during the twelve months period was LTL 9.39 per share, minimum share price - LTL 7.32 per share. The market capitalization of the Company increased from LTL 407 million at the beginning of the year to LTL 491 million at the end of September 2013. The average price of share during the reporting period was LTL 8.48 per 1 share. The share price during the last 12 months increased from LTL 6.87 to LTL 8.87 per share, or by 29%.

Apranga APB share price during 12 months period from 1st October 2012 to 30th September 2013:



Information about members of the Management board on 30 September 2013:

Name, Surname	Position	Number of shares owned and part in the share capital	Election date	End of term
Darius Juozas Mockus	Chairman of the Board	- -	30 04 2010	30 04 2014
Rimantas Perveneckas	Member of the Board, General Director	800 770 1.45%	30 04 2010	30 04 2014
Ilona Simkuniene	Member of the Board, Purchasing Director	- -	30 04 2010	30 04 2014
Ramunas Gaidamavicius	Member of the Board, Development Director	5 000 0.01%	30 04 2010	30 04 2014
Vidas Lazickas	Member of the Board	31 515 0.06%	29 04 2011	30 04 2014
Marijus Strončikas	Member of the Board	- -	30 04 2010	30 04 2014

STATEMENT OF COMPREHENSIVE INCOME

	Note	Group		Company	
		9 months 2013	9 months 2012	9 months 2013	9 months 2012
Revenue	3	336 531	303 280	146 273	130 158
Cost of sales		(181 907)	(163 878)	(92 360)	(80 486)
Gross profit		154 624	139 402	53 913	49 672
Operating expenses		(122 881)	(108 781)	(53 909)	(51 030)
Other income		1 450	834	36 596	28 065
Net foreign exchange gain (loss)		(29)	67	(28)	60
Operating profit (loss)		33 164	31 522	36 572	26 767
Finance costs	6	(65)	(48)	(126)	(276)
Profit (loss) before income tax		33 099	31 474	36 446	26 491
Income tax expense		(5 269)	(4 836)	(1 350)	(1 174)
Profit (loss) for the year	3	27 830	26 638	35 096	25 317
Other comprehensive income					
Currency translation difference		(184)	133	-	-
TOTAL COMPREHENSIVE INCOME		27 646	26 771	35 096	25 317
Basic and diluted earnings (losses) per share (in LTL)		0,50	0,48	0,63	0,46

	Note	Group		Company	
		Q3 2013	Q3 2012	Q3 2013	Q3 2012
Revenue	3	134 612	123 016	60 423	53 858
Cost of sales		(73 093)	(66 777)	(40 333)	(35 681)
Gross profit		61 519	56 239	20 090	18 177
General and administrative expenses		(44 787)	(40 021)	(19 209)	(18 198)
Other income		341	266	3 474	3 125
Net foreign exchange gain (loss)		19	48	18	46
Operating profit (loss)		17 092	16 532	4 373	3 150
Finance costs	6	(24)	(13)	(39)	(92)
Profit (loss) before income tax		17 068	16 519	4 334	3 058
Income tax expense		(2 678)	(2 223)	(643)	(516)
Profit (loss) for the year	3	14 390	14 296	3 691	2 542
Other comprehensive income					
Currency translation difference		(20)	87	-	-
TOTAL COMPREHENSIVE INCOME		14 370	14 383	3 691	2 542
Basic and diluted earnings (losses) per share (in LTL)		0,26	0,26	0,07	0,05

BALANCE SHEET

		Group		Company	
	Note	30 09 2013	31 12 2012	30 09 2013	31 12 2012
ASSETS					
Non-current assets					
Property, plant and equipment		79 384	78 356	49 440	50 376
Intangible assets		259	330	228	244
Investments in subsidiaries		-	-	16 101	16 101
Prepayments		1 085	899	206	202
Trade and other receivables		113	113	113	113
		80 841	79 698	66 088	67 036
Current assets					
Inventories		111 003	75 232	57 095	40 846
Available for sale financial assets	5	16 361	16 239	16 361	16 239
Non-current assets held for sale		1 118	1 118	1 118	1 118
Prepayments		5 545	3 319	3 583	1 929
Trade and other receivables		2 348	10 447	29 135	29 697
Cash and cash equivalents		4 031	8 804	886	1 999
		140 406	115 159	108 178	91 828
TOTAL ASSETS	3	221 247	194 857	174 266	158 864
EQUITY AND LIABILITIES					
Equity					
Ordinary shares		55 292	55 292	55 292	55 292
Legal reserve		5 529	4 612	5 529	4 612
Translation difference		(206)	(45)	-	-
Retained earnings		76 227	79 748	54 985	51 216
		136 842	139 607	115 806	111 120
Non-current liabilities					
Deferred tax liabilities		3 173	3 540	1 079	1 205
Other liabilities		319	339	319	339
		3 492	3 879	1 398	1 544
Current liabilities					
Borrowings	6	12 772	-	26 018	23 639
Current income tax liability		7 351	4 727	3 369	1 910
Trade and other payables		60 790	46 644	27 675	20 651
		80 913	51 371	57 062	46 200
Total liabilities		84 405	55 250	58 460	47 744
TOTAL EQUITY AND LIABILITIES		221 247	194 857	174 266	158 864

STATEMENTS OF CHANGES IN EQUITY

GROUP

	Note	Share capital	Legal reserve	Translation reserve	Retained earnings	Total
Balance at 1 January 2012		55 292	3 262	92	64 456	123 102
Comprehensive income						
Profit for the 9 months 2012	3				26 638	26 638
Other comprehensive income						
Currency translation difference		-	-	(71)	204	133
Total comprehensive income		-	-	(71)	26 842	26 771
Transactions with owners						
Transfer to legal reserve		-	1 350	-	(1 350)	-
Dividends paid		-	-	-	(20 458)	(20 458)
Balance at 30 September 2012		55 292	4 612	21	69 490	129 415
Balance at 1 January 2013		55 292	4 612	(45)	79 748	139 607
Comprehensive income						
Profit for the 9 months 2013	3	-	-	-	27 830	27 830
Other comprehensive income						
Currency translation difference		-	-	(161)	(23)	(184)
Total comprehensive income		-	-	(161)	27 807	27 646
Transactions with owners						
Transfer to legal reserve	8	-	917	-	(917)	-
Dividends paid	8	-	-	-	(30 411)	(30 411)
Balance at 30 September 2013		55 292	5 529	(206)	76 227	136 842

COMPANY

	Share capital	Legal reserve	Retained earnings	Total
Balance at 1 January 2012	55 292	3 262	43 492	102 046
Comprehensive income				
Profit for the 9 months 2012	-	-	25 317	25 317
Transactions with owners				
Transfer to legal reserve	-	1 350	(1 350)	-
Dividends paid	-	-	(20 458)	(20 458)
Balance at 30 September 2012	55 292	4 612	47 001	106 905
Balance at 1 January 2013	55 292	4 612	51 217	111 121
Comprehensive income				
Profit for the 9 months 2013		-	35 096	35 096
Transactions with owners				
Transfer to legal reserve	8	917	(917)	-
Dividends paid	8		(30 411)	(30 411)
Balance at 30 September 2013	55 292	5 529	54 985	115 806

STATEMENTS OF CASH FLOW

		Group		Company	
	Note	9 months 2013	9 months 2012	9 months 2013	9 months 2012
OPERATING ACTIVITIES					
Profit (loss) before income taxes	3	33 099	31 474	36 446	26 491
Adjustments for:					
Depreciation and amortization		13 692	12 710	6 073	6 577
Impairment charge		(9)	(54)	(9)	(54)
Change in allowances for slow-moving inventories		22	(1 467)	414	(210)
Gain on disposal of property, plant and equipment		4	(10)	4	(10)
Write-off of property, plant and equipment		304	164	246	163
Dividends income		-	-	(27 532)	(20 325)
Interest expenses, net of interest income		(461)	(371)	(424)	(162)
		46 651	42 446	15 218	12 470
Changes in operating assets and liabilities:					
Decrease (increase) in inventories		(35 793)	(25 662)	(16 663)	(10 580)
Decrease (increase) in receivables		(2 455)	(1 713)	(5 820)	(7 269)
Unrealized foreign exchange loss (gain)		(184)	133	-	-
Increase (decrease) in payables		13 887	26 837	6 779	12 693
Cash generated from operations		22 106	42 041	(486)	7 314
Income taxes paid		(3 012)	(1 920)	(31)	(81)
Interest paid	6	(65)	(50)	(126)	(279)
Net cash from operating activities		19 029	40 071	(643)	6 954
INVESTING ACTIVITIES					
Interest received		668	561	692	579
Dividends received		-	-	27 532	20 325
Loans granted		(49 500)	(86 500)	(80 121)	(106 049)
Loans repayments received		57 500	86 500	84 704	103 863
Purchases of property, plant and equipment and intangible assets	3, 4	(15 731)	(23 040)	(5 379)	(9 097)
Proceeds on disposal of property, plant and equipment	3, 4	783	1 416	17	949
Purchases of available-for-sale financial assets	5	(5 689)	(2 710)	(5 689)	(2 710)
Proceeds on disposal of available-for-sale financial assets	5	5 567	-	5 567	-
Net cash used in investing activities		(6 402)	(23 773)	27 323	7 860
FINANCING ACTIVITIES					
Dividends paid	8	(30 172)	(20 285)	(30 172)	(20 285)
Proceeds from borrowings		20 500	-	113 228	97 807
Repayments of borrowings		(10 500)	-	(113 621)	(96 415)
Repayments of obligations under finance leases		-	(3)	-	-
Net cash from financing activities		(20 172)	(20 288)	(30 565)	(18 893)
NET INCREASE (DECREASE) IN CASH AND BANK OVERDRAFTS					
		(7 545)	(3 990)	(3 885)	(4 079)
CASH AND BANK OVERDRAFTS:					
AT THE BEGINNING OF THE PERIOD		8 804	6 878	1 999	1 863
AT THE END OF THE PERIOD		1 259	2 888	(1 886)	(2 216)

NOTES TO INTERIM CONSOLIDATED AND COMPANY'S FINANCIAL STATEMENTS

1. General information

APB Apranga, (hereinafter "the Company"), was incorporated and commenced its operations in March 1993. The Company's main office is situated in Kirtimu 51, Vilnius, Lithuania. The Company has legal form of public limited liability company under the Law on Companies of Republic of Lithuania. The principal activity of the Company and its subsidiaries (hereinafter "the Group") is retail trade of apparel.

At 30 September 2013 the Group consisted of the Company and the following 100% owned subsidiaries:

Name	Country	Headquarters	Principal activity
UAB Apranga LT	Lithuania	Kirtimu 51, Vilnius	Retail trade of apparel
UAB Apranga BPB LT	Lithuania	Kirtimu 51, Vilnius	Retail trade of apparel
UAB Apranga PLT	Lithuania	Kirtimu 51, Vilnius	Retail trade of apparel
UAB Apranga SLT	Lithuania	Kirtimu 51, Vilnius	Retail trade of apparel
UAB Apranga MLT	Lithuania	Kirtimu 51, Vilnius	Retail trade of apparel
SIA Apranga	Latvia	Elizabetes 51, Riga	Retail trade of apparel
SIA Apranga LV	Latvia	Elizabetes 51, Riga	Retail trade of apparel
SIA Apranga BPB LV	Latvia	Elizabetes 51, Riga	Retail trade of apparel
SIA Apranga PLV	Latvia	Elizabetes 51, Riga	Retail trade of apparel
SIA Apranga SLV	Latvia	Terbatas 30, Riga	Retail trade of apparel
SIA Apranga MLV	Latvia	Terbatas 30, Riga	Retail trade of apparel
OU Apranga ¹	Estonia	Pärnu mnt 10/Väike-Karja 12 Tallinn	Retail trade of apparel
OU Apranga Estonia	Estonia	Pärnu mnt 10/Väike-Karja 12 Tallinn	Retail trade of apparel
OU Apranga BEE	Estonia	Pärnu mnt 10/Väike-Karja 12 Tallinn	Retail trade of apparel
OU Apranga PB Trade	Estonia	Pärnu mnt 10/Väike-Karja 12 Tallinn	Retail trade of apparel
OU Apranga ST Retail	Estonia	Pärnu mnt 10/Väike-Karja 12 Tallinn	Retail trade of apparel

¹ 100 % jointly with OU Apranga Estonia

All 55 291 960 ordinary shares of nominal value LTL 1 each (ISIN code LT0000102337) that comprise Company's share capital are listed on Baltic equity list of NASDAQ OMX Vilnius Stock Exchange.

At 30 September 2013 the Company had 3 174 shareholders. Company's shareholders which owned or had under management more than 5% of share capital were:

Shareholder	Enterprise code	Address	Number of shares	% of total ownership
UAB MG Baltic Investment	123249022	Jasinskio 16B, Vilnius, Lithuania	29 289 582	53,0%
Swedbank AS (Estonia) clients	10060701	Liivalaia 8 Tallinn, Estonia	7 161 757	13,0%
UAB Minvista	110685692	Jasinskio 16, Vilnius, Lithuania	4 710 652	8,5%

The ultimate parent company whose financial statements are available for public use is UAB Koncernas MG Baltic. The ultimate controlling individual of the Group is Mr. D. J. Mockus.

2. Basis of preparation and summary of main accounting policies

The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU.

The principle accounting policies applied in the preparation of Interim financial statements are the same to those applied in preparation of the Annual financial statements.

The applicable rates used for the balance sheet preparation were as follows:

Currency		30 09 2013	31 12 2012	30 09 2012
1 EUR	=	3.4528 LTL	3.4528 LTL	3.4528 LTL
1 LVL	=	4.9146 LTL	4.9520 LTL	4.9597 LTL

3. Segment information

Management has determined the operating segments based on the reports reviewed by the General Director and other 6 Directors (responsible for managing, marketing, human resources, purchases, development and finance) that are used to make strategic decisions.

All financial information, including the measure of profit and total assets, is analyzed on a country basis.

The segment information provided to the Directors for the reportable segments for the 9 months 2013 is as follows:

9 months 2013	Lithuania	Latvia	Estonia	Total	Inter-company eliminations	Total in consolidated financial statements
Total segment revenue	237 651	86 694	44 234	368 579	-	
Inter-segment revenue	(28 060)	(2 950)	(1 038)	(32 048)	-	
Revenue from external customers	209 591	83 744	43 196	336 531	-	336 531
Gross margin	45,4%	46,9%	46,8%	45,9%		45,9%
Profit (loss) for the year	17 540	6 218	4 072	27 830	-	27 830
Total assets	195 793	45 334	21 172	262 299	(41 052)	221 247
Additions to non-current assets (other than financial instruments and prepayments for leases)	10 113	3 914	1 708	15 735	(787)	14 948

9 months 2012	Lithuania	Latvia	Estonia	Total	Inter-company eliminations	Total in consolidated financial statements
Total segment revenue	210 356	76 083	40 459	326 898	-	
Inter-segment revenue	(20 428)	(2 346)	(844)	(23 618)	-	
Revenue from external customers	189 928	73 737	39 615	303 280	-	303 280
Gross margin	45,5%	46,2%	47,5%	46,0%		46,0%
Profit (loss) for the year	14 960	6 925	4 753	26 638	-	26 638
Total assets	175 455	43 083	17 581	236 119	(35 199)	200 920
Additions to non-current assets (other than financial instruments and prepayments for leases)	10 638	8 593	2 608	21 839	(215)	21 624

4. Investments into non-current assets

Net investments of the Group amounted to LTL 14.9 million in first nine months of 2013 (LTL 6.2 million in 3rd quarter 2013). The Company totally invested LTL 5.4 million in first nine months of 2013. Daughter companies' investments into development of the retail network amounted to LTL 9.5 million.

5. Investments into financial assets

During the year 2013 the Company for LTL 5.6 million sold and for the same amount acquired the Lithuanian Government issued long-term bonds (redemption years - 2015 and 2016) denominated in Litas, which are recorded as Available for sale financial assets. Total investments in the Lithuanian Government issued the long-term bonds amounted to LTL 16.4 million on 30 September 2013.

6. Borrowings

In November 2012, the Company and SEB bank have signed the amendment to agreement which modified the previous contract on the credit line. According to it, the Group was provided a credit line of LTL 60 000 thousand in order to finance the working capital, issuing guarantees and opening letters of credit. The credit line expires on 30 November 2013. The interests are paid for the amount used and the interest rate is calculated as 1-night VILIBOR plus margin. There is fixed interest rate set for amount used for the issuance of guarantees and letters of credit.

In June 2012, the Company and NORDEA bank have signed the amendment to the overdraft facility and general agreement on bank's guarantees. Under this amendment, the Group granted EUR 5 000 thousand credit line extended until 30 June 2014. For the drawdown amount of LTL portion of the credit line a floating interest rate calculated as the 1-week VILIBOR plus margin is being paid, and for the drawdown amount of EUR portion of the credit line a floating interest rate calculated as the EONIA plus margin is being paid. There is fixed interest rate set for amount used for the issuance of guarantees.

7. Guarantees and letters of credit

As of 30 September 2013 guarantees issued by the credit institutions on behalf of the Company to secure the obligations of its subsidiaries to their suppliers totaled LTL 34 891 thousand (31 December 2012: LTL 29 332 thousand). The letters of credit and guarantees provided to suppliers by the credit institutions on behalf of the Group as of 30 September 2013 amounted to LTL 41 276 thousand (31 December 2012: LTL 36 661 thousand).

As of 30 September 2013 the Company's guarantees issued to secure the obligations of its subsidiaries to their suppliers totaled LTL 2 149 thousand (31 December 2012: LTL 1 725 thousand).

8. Profit distribution

The Annual shareholders meeting of APB Apranga held on 30 April 2013 has resolved to pay LTL 30 411 thousand in dividends, allocate LTL 917 thousand to legal reserve, and to pay LTL 720 thousand as annual bonuses.

9. Events after the reporting period

On October 2013 Apranga Group finalised the transaction of taking over 5 Mango stores in Estonia and Latvia. Mango stores in shopping centers in Tallinn Viru Keskus and Rocca al Mare, and in shopping centers in Riga Alfa, Galerija Centrs and Galleria Riga have been taken over from the Latvian company Imobile Style SIA and its related company in Estonia.
