

RESPONSIBLE PERSONS CONFIRMATION

25.10.2017

Following Article 22 of the Law on Securities of the Republic of Lithuania and the Rules on Preparation and Submission of Periodic and Additional Information of the Bank of Lithuania, we, Rimantas Vaitkus, General Manager of Vilniaus baldai, AB, and Jonas Krutinis, Head of Finance of Vilniaus baldai, AB, hereby confirm that, to the best of our knowledge, the not audited Vilniaus baldai, AB Interim Consolidated Financial Statements for the twelve months of FY2017 ended 31 August 2017, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position, profit and cash flows of Vilniaus baldai, AB and the Group of undertakings.

General Manager



Rimantas Vaitkus

Head of Finance



Jonas Krutinis



**VILNIAUS
BALDAI**

ANNO 1883

*... Better
Faster
Stronger ...*

Vilniaus Baldai AB

INTERIM CONDENSED
CONSOLIDATED FINANCIAL
STATEMENT FOR
THE TWELVE MONTHS
OF FY2017 ENDED
AUGUST 31, 2017

INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENT FOR THE TWELVE MONTHS
OF FY2017 ENDED AUGUST 31, 2017

(all amounts are in EUR thousand unless otherwise stated)



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(all amounts are in EUR thousand unless otherwise stated)

COMPANY INFORMATION

1. Reporting period covered by this Financial Statement

The Financial Statements for the twelve months of the financial year (FY) 2017, beginning September 01, 2016 and ended August 31, 2017.

2. Main data about the issuer

Name of the issuer	Joint stock company (AB) Vilniaus Baldai
Code	121922783
LEI code	529900MJDB8L13ZF6G26
Authorized capital	4 508 069.72 EUR
Office address	Savanoriu Ave. 178B, LT - 03154 Vilnius
Telephone	(+370~5) 252 57 00
Fax	(+370~5) 231 11 30
E-mail	info@vilniausbaldai.lt
Website	www.vilniausbaldai.lt
Legal form	Joint stock company
Registration date and place	9 February 1993, Vilnius City Board
Register, where all the information about the Company is collected and stored	Register of legal entities
Type of activity	Design, production and sales of the furniture

Information about the subsidiary company of the issuer one

Name of the issuer	Limited liability company (UAB) Ari - Lux
Code	120989619
Authorized capital	2 896 EUR
Share of (AB) Vilniaus Baldai in the company	100 %
Office address	Savanoriu Ave. 178B, LT - 03154 Vilnius
Telephone	(+370~5) 252 57 44
Fax	(+370~5) 252 57 44
E-mail	aleksas.rimkus@ari-lux.lt
Website	-
Legal form	Limited liability company
Registration date and place	28 October 1991, Vilnius City Board
Register, where all the information about the Company is collected and stored	Register of legal entities
Type of activity	Packaging

3. Information about where to access the Financial Statement and the underlying documents, name of the designated mass media for announcements

The Financial Statement and underlying supporting documents can be accessed at the Company's headquarters at Savanoriu Ave. 178B, Vilnius.

Designated mass media for Vilniaus Baldai AB announcements: NASDAQ Vilnius AB, Central Storage Facility – information database.

(all amounts are in EUR thousand unless otherwise stated)

4. Board

Chairman of the Board: Vytautas Bucas,
Members of the Board: Dalius Kaziunas,
Vaidas Savukynas.

5. Persons responsible for the accuracy of the information in the Financial Statement

Members of the managing bodies, employees and the Head of the Administration of the issuer are responsible for the accuracy of the information:

Rimantas Vaitkus, Chief Executive Officer, tel. (+370~5) 252 57 00,
Jonas Krutinis, Head of Finance, tel. (+370~5) 252 57 00.

6. Declaration by the members of the issuer's managing bodies, employees, the Head of the Administration and the issuer's consultants that the information contained in the Financial Statement is in accordance with the facts and that the Financial Statement makes no omission likely to have an effect on the investors' decision concerning purchase, sale or valuation of the issuer's securities or on the market price of these securities

Vilniaus Baldai AB, represented by Rimantas Vaitkus, Chief Executive Officer, and Jonas Krutinis, Head of Finance, hereby confirm that the information contained in the Financial Statement is in accordance with the facts and that the Financial Statement makes no omission likely to have an effect on the investors' decision concerning purchase, sale or valuation of the issuer's securities or on the market price of these securities.

Rimantas Vaitkus, Chief Executive Officer of Vilniaus Baldai AB

Jonas Krutinis, Head of Finance of Vilniaus Baldai AB



Date of signing the Report – October 25, 2017.

(all amounts are in EUR thousand unless otherwise stated)

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT FOR THE TWELVE MONTHS
OF FY2017 ENDED AUGUST 31, 2017**

The auditors reviewed the Financial Statement as of 31.08.2016, while the Statements as of 31.08.2017 are unaudited.

1. STATEMENT OF FINANCIAL POSITION

	31.08.2017	31.08.2016
Assets		
Non - current assets		
Non - current tangible assets	13 365	11 761
Intangible assets	34	43
Deferred income tax asset	126	81
Total non - current assets	13 525	11 885
Current assets		
Inventories	6 493	6 632
Trade debtors	4 607	4 868
Current income tax prepayment	-	-
Loans granted	506	-
Other accounts receivable	888	924
Cash and cash equivalents	954	755
Total current assets	13 448	13 179
Total assets	26 973	25 064
Shareholders' equity and liabilities		
Capital and reserves		
Share capital	4 508	4 508
Legal reserve	451	451
Retained earnings	9 687	6 307
Total capital and reserves	14 646	11 266
Non - current liabilities		
Grants and subsidies	55	58
Total grants and subsidies	55	58
Provision for employee benefits	708	643
Loans and other interest bearing payables	-	823
Total non - current liabilities	708	1 466
Current liabilities		
Loans and other interest bearing payables	3 810	4 973
Debts to suppliers	4 838	4 740
Current income tax payable	109	187
Other liabilities	2 807	2 374
Total current liabilities	11 564	12 274
Total liabilities	12 272	13 740
Total equity and liabilities	26 973	25 064

(all amounts are in EUR thousand unless otherwise stated)

2. STATEMENT OF COMPREHENSIVE INCOME

	FY2017 I-IV quarter, ended August 31	FY2017 IV quarter, ended August 31	FY2016 I-IV quarter, ended August 31	FY2016 IV quarter, ended August 31
Revenue	63 423	17 443	58 953	16 467
Cost of sales	(54 585)	(14 811)	(51 296)	(13 782)
Gross profit	8 838	2 632	7 657	2 685
Distribution costs	(1 246)	(313)	(1 466)	(333)
Administrative costs	(2 719)	(815)	(2 428)	(633)
Other operating income, net	161	31	163	29
Profit from operating activities	5 034	1 535	3 926	1 748
Financial income	9	5	4	1
Financial costs	(73)	(18)	(91)	(23)
Financial income, net	(64)	(13)	(87)	(22)
Profit before taxes	4 970	1 522	3 839	1 726
Income tax	(520)	-	(596)	(233)
Profit for the period	4 450	1 522	3 243	1 493
Other comprehensive income	(21)	(21)	21	21
Total comprehensive income for the period	4 429	1 501	3 264	1 514
Attributable to Owners of the Company:				
Profit	4 450	1 522	3 243	21
Other comprehensive income	(21)	(21)	21	21
Total comprehensive income	4 429	1 501	3 264	3 264
Earnings per share (in EUR)	1,15	0,39	0.83	0.38

(all amounts are in EUR thousand unless otherwise stated)

3. STATEMENT OF CHANGES IN EQUITY

	Share capital	Legal reserve	Obligatory reserve	Accrued earnings	Total
Balance as of 31 August 2015	4 508	450	-	6 930	11 888
Net profit	-	-	-	3 243	3 243
Other comprehensive income	-	-	-	21	21
Total comprehensive income	-	-	-	3 264	3 264
Legal reserve accrual		1	-	(1)	-
Dividends	-	-	-	(3 886)	(3 886)
Balance as of 31 August 2016	4 508	451	-	6 307	11 266
Net profit	-	-	-	4 450	4 450
Other comprehensive income	-	-	-	(21)	(21)
Total comprehensive income	-	-	-	4 429	4 429
Legal reserve accrual		-	-	-	-
Dividends	-	-	-	(1 049)	(1 049)
Balance as of 31 August 2017	4 508	451	-	9 687	14 646

(all amounts are in EUR thousand unless otherwise stated)

4. STATEMENT OF CASH FLOWS

	31.08.2017	31.08.2016
Net profit (loss)	4 450	3 243
Adjustments:		
Depreciation and amortization	1 348	1 302
Result on disposal, writing off, etc. of non -current	(14)	26
Changes in provisions	65	(43)
Change in write down to net realizable value	-	(25)
Interest (income) expenses	52	78
Deferred income tax (income) expenses	(41)	10
Income tax expenses	560	586
Other expenses (income)	3	2
Cash flows from ordinary activities before changes	6 423	5 179
Changes in trade receivables and other amounts	(334)	1 245
Changes in inventories	115	134
Changes in debts to suppliers and other liabilities	528	486
Income tax paid	-	-
Cash flows from operating activities	6 732	7 044
(Acquisition) of tangible non - current assets	(2 994)	(940)
Proceeds from disposal of non-current assets	68	3
Transfer (to) from time deposits	6	-
Grants received	-	24
Cash flows from investing activities	(2 920)	(913)
Loans (granted) / repaid	(500)	-
Loans received / (repaid)	(1 986)	(1 891)
Interest (paid)	(53)	(80)
Dividends (paid)	(1 074)	(3 818)
Cash flows from financing activities, net	(3 613)	(5 789)
Cash flows from operating, investing and financing	199	342
Cash and cash equivalents as of 1 September 2016	755	413
Cash and cash equivalents as of 1 September 2017	954	755

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union (hereinafter the EU). The financial statements have been prepared based on acquisition cost principle.

(all amounts are in EUR thousand unless otherwise stated)

5. FINANCIAL RESULTS OF ACTIVITIES

The Group revenue during the twelve months of FY2017 stood at 63 423 thousand EUR, while during the same period of FY2016 revenue was 58 953 thousand EUR.

Net profit of the Group during the twelve months was 4 450 thousand EUR, up from 3 243 thousand EUR at the same period last year.

EBITDA constituted 6 389 thousand EUR, while year ago it stood at 5 219 thousand EUR.

The Group Revenue during the fourth quarter of FY2017 stood at 17 443 thousand EUR, while during the same period of FY2016 revenue was 16 467 thousand EUR.

Net profit of the Group during the fourth quarter was 1 522 thousand EUR, up from 1 493 thousand EUR at the same period last year.

EBITDA constituted 1 932 thousand EUR, while year ago it stood at 2 077 thousand EUR.

Since the end of the reporting fiscal year till the interim condensed consolidated financial statement confirmation there were no important events at the Company.

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