

30 November 2009
Vilnius

CONFIRMATION OF THE COMPANY'S RESPONSIBLE PERSONS

Hereby we confirm, that by our knowledge Consolidated Interim Financial Statements for the nine months of 2009 prepared in accordance with International Financial Reporting Standards are true and fairly present assets, liabilities, financial position, profit or loss of APB Apranga, as well as of Apranga Group consolidated companies.

Apranga Group General Manager
Rimantas Perveckas

Apranga Group Chief Financial Officer
Saulius Bačauskas

KIRTIMŲ G. 51 LT-02244 VILNIUS	TELEFONAS (5) 2390808	BENDROVĖS KODAS 121933274	AB „SEB BANKAS“ VILNIAUS FILIALAS	ATSISKAITOMŲJI SAŠKAITA LT04 7044 0600 0090 8237	LR ĮMONIŲ REJESTRAS VALSTYBĖS ĮMONĖS REGISTRŲ CENTRAS VILNIAUS FILIALAS ŠVITRIGAILOS G. 7, VILNIUS
ELEKTRONINIS PAŠTAS INFO@APRANGA.LT	FAKSAS (5) 2390800	PVM MOKĖTOJO KODAS LT 219332716	BANKO KODAS 70440	VALIUTINĖ SAŠKAITA LT50 7044 0600 0090 8282	

APRANGA APB
Interim Consolidated Financial Statements
For the Nine Months of 2009
Unaudited

30 November 2009
Vilnius

INCOME STATEMENTS

LTL thousand

	Note	Group		Company	
		9 months 2009	9 months 2008	9 months 2009	9 months 2008
Revenue	3	233 839	309 385	118 883	165 181
Cost of sales		(141 167)	(174 869)	(84 070)	(110 076)
GROSS PROFIT		92 672	134 516	34 813	55 105
Operating costs		(104 613)	(119 681)	(50 518)	(57 628)
Other income		849	688	12 412	15 987
Net foreign exchange gain (loss)		(10)	(37)	34	(37)
OPERATING PROFIT (LOSS)		(11 102)	15 486	(3 259)	13 427
Finance costs	7, 8	(2 517)	(2 798)	(2 857)	(2 783)
PROFIT BEFORE ICOME TAX		(13 619)	12 688	(6 116)	10 644
Income tax expense		(918)	(2 382)	(118)	(484)
NET PROFIT (LOSS)		(14 537)	10 306	(6 234)	10 160
Basic and diluted earnings per share (in LTL)	6	-0.33	0.29	-0.14	0.29

LTL thousand

	Note	Group		Company	
		Q3 2009	Q3 2008	Q3 2009	Q3 2008
Revenue		83 096	116 528	41 606	63 917
Cost of sales		(48 752)	(65 979)	(29 844)	(44 061)
GROSS PROFIT		34 344	50 549	11 762	19 856
Operating costs		(33 879)	(40 911)	(15 734)	(19 214)
Other income		163	253	1 704	2 729
Net foreign exchange gain (loss)		9	(60)	13	(59)
OPERATING PROFIT (LOSS)		637	9 831	(2 255)	3 312
Finance costs	7, 8	(1 007)	(857)	(1 169)	(890)
PROFIT BEFORE ICOME TAX		(370)	8 974	(3 424)	2 422
Income tax expense		(683)	(1 473)	39	(371)
NET PROFIT (LOSS)		(1 053)	7 501	(3 385)	2 051
Basic and diluted earnings per share (in LTL)	6	-0.02	0.21	-0.08	0.06

BALANCE SHEETS

LTL Thousand

	Note	Group		Company	
		30 09 2009	31 12 2008	30 03 2009	31 12 2008
ASSETS					
Non-current assets					
Property, plant and equipment	4	108 705	110 363	70 799	72 796
Intangible assets	4	1 402	1 592	1 040	1 158
Investments in subsidiaries	5	-	-	10 631	9 987
Receivables and prepayments		965	937	460	509
		111 072	112 892	82 930	84 450
Current assets					
Inventories		90 103	85 525	54 840	57 330
Non-current assets held for sale		1 118	1 118	1 118	1 118
Receivables and prepayments		3 815	9 029	33 097	24 866
Cash and cash equivalents		3 460	4 882	1 425	1 797
		98 496	100 554	90 480	85 111
TOTAL ASSETS	3	209 568	213 446	173 410	169 561
EQUITY AND LIABILITIES					
Equity					
Ordinary shares	6	55 292	35 292	55 292	35 292
Legal reserve		2 912	2 416	2 912	2 416
Translation difference		(381)	(405)	-	-
Retained earnings		43 012	58 075	26 560	33 290
		100 835	95 378	84 764	70 998
Non-current liabilities					
Deferred tax liabilities		5 780	5 312	3 321	3 199
Other liabilities		141	201	141	201
		5 921	5 513	3 462	3 400
Current liabilities					
Borrowings	7	44 000	56 889	57 486	53 811
Bonds issued	8	-	20 656	-	20 656
Obligations under finance leases		3	16	3	16
Current income tax liability		775	432	27	30
Trade and other payables		58 034	34 562	27 668	20 650
		102 812	112 555	85 184	95 163
Total liabilities		108 733	118 068	88 646	98 563
TOTAL EQUITY AND LIABILITIES		209 568	213 446	173 410	169 561

STATEMENTS OF CHANGES IN EQUITY

Group		Share capital	Legal reserve	Transla- tion reserve	Retained earnings	Total
	Note					
Balance at 1 January 2008		35 292	1 550	(76)	50 852	87 618
Currency translation difference - recognised directly in equity		-	-	(349)	(49)	(398)
Net profit for the period		-	-	-	10 306	10 306
Total recognised income and expenses for the period		-	-	(349)	10 257	9 908
Transfer to legal reserve		-	866	-	(866)	-
Dividends paid		-	-	-	(5 647)	(5 647)
Balance at 30 September 2008		35 292	2 416	(425)	54 596	91 879
Balance at 1 January 2009		35 292	2 416	(405)	58 075	95 378
Currency translation difference - recognised directly in equity		-	-	24	(30)	(6)
Net loss for the period		-	-	-	(14 537)	(14 537)
Total recognised income and expenses for the period		-	-	24	(14 567)	(14 543)
Transfer to legal reserve		-	496	-	(496)	-
Shares issue	6	20 000	-	-	-	20 000
Balance at 30 September 2009		55 292	2 912	(381)	43 012	100 835
Company						
	Note	Share capital	Legal reserve	Retained earnings	Total	
Balance at 1 January 2008		35 292	1 550	29 886	66 728	
Net profit for the period		-	-	10 160	10 160	
Transfer to legal reserve		-	866	(866)	-	
Dividends paid		-	-	(5 647)	(5 647)	
Balance at 30 September 2008		35 292	2 416	33 533	71 241	
Balance at 1 January 2009		35 292	2 416	33 290	70 998	
Net loss for the period		-	-	(6 234)	(6 234)	
Transfer to legal reserve		-	496	(496)	-	
Shares issue	6	20 000	-	-	20 000	
Balance at 30 September 2009		55 292	2 912	26 560	84 764	

STATEMENTS OF CASH FLOW

LTL thousand

	Note	Group		Company	
		9 months 2009	9 months 2008	9 months 2009	9 months 2008
OPERATING ACTIVITIES					
Profit before income taxes		(13 619)	12 688	(6 116)	10 644
Adjustments for:					
Depreciation and amortization		17 522	15 158	8 387	7 142
Change in allowances for slow moving inventories		1 151	678	951	568
(Gain) / loss on disposal of property, plant and equipment		(56)	360	(22)	103
Dividends received		-	-	(7 446)	(8 516)
Interest expenses	7, 8	2 489	2 791	2 047	2 420
		7 487	31 675	(2 199)	12 361
Changes in operating assets and liabilities:					
Decrease (increase) in inventories		(5 729)	(45.706)	1 539	(31.758)
Decrease (increase) in receivables		5 186	(167)	(4 995)	(10 457)
Unrealized foreign exchange (gain) / loss		(94)	(398)	-	-
Increase (decrease) in payables		23 412	47 403	6 958	36 640
Cash generated from operations		30 262	32 807	1 303	6 786
Income tax paid		(107)	(1 101)	1	(75)
Interest paid	7, 8	(3 173)	(3 129)	(3 513)	(3 082)
Net cash from operating activities		26 982	28 577	(2 209)	3 629
INVESTING ACTIVITIES					
Interest received		28	7	810	363
Dividends received		-	-	7 446	8 516
Loans granted		(17 000)	-	(63 191)	(35 155)
Loans returned		17 000	-	60 004	44 900
Purchases of property, plant and equipment and intangible assets	4	(21 786)	(14 773)	(6 547)	(9 144)
Proceeds on disposal of property, plant and equipment	4	6 256	650	297	82
Acquisition of subsidiaries	5	-	-	(644)	(300)
Net cash used in investing activities		(15 502)	(14 116)	(1 825)	9 262
FINANCING ACTIVITIES					
Dividends paid		-	(5 647)	-	(5 647)
Proceeds from borrowings	7	15 315	39 338	56 496	98 692
Repayments of borrowings	7	(20 315)	(49 379)	(49 099)	(105 782)
Repayments of obligations under finance leases		(13)	(14)	(13)	(14)
Repurchase of bonds	8	(20 000)	-	(20 000)	-
Revenues from shares issue	6	20 000	-	20 000	-
Net cash from financing activities		(5 013)	(15 702)	7 384	(12 751)
NET INCREASE (DECREASE) IN CASH AND BANK OVERDRAFT		6 467	(1 241)	3 350	140
CASH AND BANK OVERDRAFTS:					
AT THE BEGINNING OF THE PERIOD		(3 007)	(7 161)	(1 925)	(5 032)
AT THE END OF THE PERIOD		3 460	(8 402)	1 425	(4 892)

NOTES

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 2009 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
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	Elizabetes 51, Riga	Retail trade of apparel
OU Apranga	Estonia	Ravala 4/Laikmaa 15, Tallinn	Retail trade of apparel
OU Apranga Estonia	Estonia	Ravala 4/Laikmaa 15, Tallinn	Retail trade of apparel
OU Apranga BEE	Estonia	Ravala 4/Laikmaa 15, Tallinn	Retail trade of apparel
OU Apranga PB Trade	Estonia	Ravala 4/Laikmaa 15, Tallinn	Retail trade of apparel
OU Apranga ST Retail	Estonia	Ravala 4/Laikmaa 15, Tallinn	Retail trade of apparel

All 55291960 ordinary shares of nominal value LTL 1 each (ISIN code LT0000102337) that comprise Company's share capital are listed on Official list of NASDAQ OMX Vilnius Stock Exchange.

At 30 September 2009 the Company had 3453 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	29 677 397	53.7%
Swedbank AS (Estonia) clients	10060701	Liivalaia 8 Tallinn, Estonia	5 441 801	9.8%
UAB Minvista	110685692	Jasinskio 16, Vilnius, Lithuania	3 569 954	6.5%

An issue of 200000 Company's registered bonds of nominal value LTL 100 each and maturity of 2 years (ISIN code LT0000402216) was listed on Bond list of NASDAQ OMX Vilnius Stock Exchange (see Note 8. Bonds). Bonds were redeemed on 15 June 2009.

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.

Retail turnover of Group's stores by countries was as follows (LTL thousand, VAT included):

Country	9 months 2009	9 months 2008	Change
Lithuania	195 325	250 004	-21.9%
Latvia	64 278	90 853	-29.3%
Estonia	31 067	34 543	-10.1%
Total:	290 670	375 400	-22.6%

The number of Group's stores by countries was as follows:

Country	9 months 2009	9 months 2008	Change
Lithuania	76	60	26.7%
Latvia	31	23	34.8%
Estonia	8	7	14.3%
Total:	115	90	27.8%

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

Country	30 09 2009	30 09 2008	Change
Lithuania	42.1	38.4	9.6%
Latvia	18.3	13.6	34.6%
Estonia	5.3	4.9	8.2%
Total:	65.7	56.9	15.5%

The Group has opened 27 new stores and closed 13 in nine months 2009 (see Note 4. Investments into non-current assets). Due to underway retail chain optimisation, the Group shops area has decreased by 4.3 thousand sq. m. in third quarter 2009.

Main Indicators of the Group 9 months	9m 2009	9m 2008	Change
Net sales, LTL thousand	233 839	309 385	-24.4%
Net sales in foreign markets, LTL thousand	78 185	105 440	-25.8%
Like-for-like sales	-32.4%	0.7%	
Gross profit, LTL thousand	92 672	134 516	-31.1%
Gross margin	39.6%	43.5%	
EBT, LTL thousand	(13 619)	12 688	
EBT margin	-5.8%	4.1%	
Net profit, LTL thousand	(14 537)	10 306	
Net margin	-6.2%	3.3%	
EBITDA, LTL thousand	6 420	30 644	-79.0%
EBITDA margin	2.7%	9.9%	
Return on equity (end of the period)	-14.4%	10.8%	
Return on assets (end of the period)	-6.9%	4.8%	
Net debt to equity*	40.2%	54.5%	
Current ratio, times	1.0	0.9	7.2%

Main Indicators of the Group 3rd Quarter	Q3 2009	Q3 2008	Change
Net sales, LTL thousand	83 096	116 528	-28.7%
Net sales in foreign markets, LTL thousand	29 570	39 703	-25.5%
Like-for-like sales	-36.0%	-1.4%	
Gross profit, LTL thousand	34 344	50 549	-32.1%
Gross margin	41.3%	43.4%	
EBT, LTL thousand	(370)	8 974	
EBT margin	-0.4%	7.7%	
Net profit, LTL thousand	(1 053)	7 501	
Net margin	-1.3%	6.4%	
EBITDA, LTL thousand	6 598	15 037	-56.1%
EBITDA margin	7.9%	12.9%	
Return on equity (end of the period)	-1.0%	7.9%	
Return on assets (end of the period)	-0.5%	3.5%	
Net debt to equity*	40.2%	54.5%	
Current ratio, times	1.0	0.9	7.2%

*(Interest bearing liabilities less cash) / Equity

At 30 September 2009 the Group and the Company had 1538 and 747 employees, respectively. Number of employees in the Group and the Company during the last 12 months has decreased by 58.

The average monthly salary was LTL 1736 in the Group companies in third quarter 2009, and has decreased by 22.6% during the last 12 months.

2. Basis of preparation and summary of main accounting policies

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

Interim financial statements were based on the same accounting principles as the annual financial statements.

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

Currency		30 06 2009	31 12 2008	30 06 2008
1 EUR	=	3.4528 LTL	3.4528 LTL	3.4528 LTL
1 LVL	=	4.8823 LTL	4.8872 LTL	4.8742 LTL
10 EEK	=	2.2067 LTL	2.2067 LTL	2.2067 LTL

3. Segment information

The following is information on revenues and carrying amount of total assets by the segments:

LTL thousand	9 months 2009			
	Lithuania	Latvia	Estonia	Total
Total segment revenue	175 228	55 673	26 484	257 385
Intersegment revenue	(19 574)	(3 018)	(954)	(23 546)
Revenue	155 654	52 655	25 530	233 839

LTL thousand	9 months 2008			
	Lithuania	Latvia	Estonia	Total
Total segment revenue	235 453	78 342	30 247	344 042
Intersegment revenue	(31 508)	(2 048)	(1 101)	(34 657)
Revenue	203 945	76 294	29 146	309 385

LTL thousand	Assets	
	30 09 2009	30 09 2008
Lithuania	157 468	181 604
Latvia	39 271	39 556
Estonia	12 829	20 129
Total	209 568	241 289

4. Investments into non-current assets

Investments into development and reconstruction of retail network amounted to LTL 15530 thousand in 9 months of 2008.

5. Investments into subsidiaries

In February 2009 the Company has increased the share capitals of OU „Apranga PB Trade“ and OU „Apranga ST Retail“ from EEK 40 thousand (LTL 9 thousand) to EEK 1500 thousand (LTL 331 thousand). The Company has made the payment to the share capital in cash.

6. Share capital

The general shareholders' meeting convened on 30 April 2009 has resolved to increase Company's share capital by additional contributions of shareholders by issuing 20000000 ordinary registered shares of nominal value LTL 1 each with the subscription price LTL 1 each. All newly issued shares were paid in cash, and the amendments to the Articles of Association regarding increase of the share capital were registered at Company's Register of Republic of Lithuania on 5 June 2009. The

weighed average of shares outstanding of corresponding period was used in calculation of basic and diluted earnings per share.

7. Borrowings

In June 2009, the Group and SEB Bankas 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 80000 thousand in order to finance further expansion, also for increasing the working capital, issuing guarantees and opening letters of credit. The credit line expires on 31 May 2010, the interests are paid for the amount used and the interest rate is calculated as the 1 month VILIBOR plus margin.

In February 2009, the Group has settled accounts with SIA DnB Nord Banka according to the credit line agreement.

8. Bonds

On 15 June 2009 the Company has repurchased the issue of 200000 bonds of LTL 100 nominal value each for LTL 20000 thousand and paid the coupon of LTL 1198 thousand.

9. Guarantees and letters of credit

As of 30 September 2009 guarantees issued by the credit institutions on behalf of the Company to secure the obligations of its subsidiaries to their suppliers totalled LTL 23134 thousand (31 December 2008: LTL 22184 thousand). The letters of credit and guarantees provided to suppliers by the credit institutions on behalf of the Group as of 30 September 2009 amounted to LTL 30557 thousand (31 December 2008: LTL 31155 thousand).

As of 30 September 2009 the Company's guarantees to the credit institutions issued to secure the obligations of subsidiaries totalled LTL nil (31 December 2008: LTL 7820 thousand). As of 30 September 2009 the Company's guarantees issued to secure the obligations of its subsidiaries to their suppliers totalled LTL 2431 thousand (31 December 2008: LTL 2431 thousand).
