

For the Bank of Lithuania,
Supervisory Authority
Žirmūnų str. 151,
LT-09128 Vilnius
Lithuania

CONFIRMATION OF RESPONSIBLE PERSONS

30-08-2012

In accordance with Article 22 of the Law on Securities of the Republic of Lithuania and the Rules on Preparation and Submission of Periodical and Additional Information adopted by the Securities Commission of the Republic of Lithuania, we, Ramūnas Marozas, Director of Klaipėdos baldai, AB and Audronė Mineikienė, Chief Accountant, hereby confirm that, to the best of our knowledge, the attached unaudited Interim Financial Statements of Klaipėdos baldai, AB for the six months ended 30 June 2012, prepared in accordance with the International Financial Reporting Standards as adopted to be used in the European Union, give a true and fair view of the assets, liabilities, financial position, profit or loss and cash flow of the Company. Present Interim Report includes a fair review of the development and performance of the business.

Enclosed: Klaipėdos baldai, AB unaudited Interim Financial Statements for the six months ended 30 June 2012 and Interim Report for 6 months of 2012.

Director



Ramūnas Marozas

Chief Accountant



Audronė Mineikienė

KLAIPEDOS BALDAI, AB

INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX
MONTHS PERIOD ENDED 30 JUNE 2012 PREPARED ACCORDING TO
INTERNATIONAL FINANCIAL REPORTING STANDARDS,
AS ADOPTED BY THE EUROPEAN UNION
AND
INTERIM REPORT
(UNAUDITED)

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KLAIPEDOS BALDAI, AB
 Unaudited Interim Financial Statements
 for the six months ended 30 June 2012

(All the sums in the table are shown in thousands litas, unless specified otherwise)

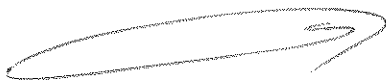
Statement of comprehensive income

	Note	January-June 2012	April-June 2012	January-June 2011	April-June 2011
Revenue	2	90 921	44 758	84 455	45 313
Cost of sales	3	(87 297)	(43 045)	(80 427)	(43 008)
Gross profit		3 624	1 713	4 028	2 305
Selling costs	3	-	-	(3)	(3)
Administrative expenses	3	(1 724)	(910)	(1 600)	(799)
Other income	4	1 058	616	937	516
Other expenses	5	(418)	(214)	(538)	(283)
Other gains/(losses) - net	6	154	-	18	18
Operating profit		2 694	1 205	2 842	1 754
Finance costs	7	(302)	(133)	(305)	(158)
Profit before income tax		2 392	1 072	2 537	1 596
Income tax income/(expense)		(354)	(156)	(382)	(241)
Profit for the period		2 038	916	2 155	1 355
Attributable to:					
Shareholders of the Company		2 038	916	2 155	1 355
		2 038	916	2 155	1 355

Earnings per share attributable
 to the owners of the Company
 during the period (expressed in
 LTL per share)
 - basic and diluted

1	0,26	0,12	0,26	0,17
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Director



Ramūnas Marozas

Chief Accountant



Audronė Mineikienė

KLAIPEDOS BALDAI, AB
 Unaudited Interim Financial Statements
 for the six months ended 30 June 2012

(All the sums in the table are shown in thousands litas, unless specified otherwise)

Statement of financial position

	Note	2012-06-30	2011-12-31
ASSETS			
Non-current assets			
Property plant and equipment	8	32 971	33 281
Investment property	9	5 562	5 562
Intangible assets	10	4	2
Available-for-sale financial assets	12	288	288
Other receivables	13	3 562	3 562
Other non-current assets	11	23	23
		42 410	42 718
Current assets			
Inventories	14	20 244	13 457
Trade and other receivables	15	42 067	47 150
Prepaid income tax		206	249
Cash and cash equivalents	16	91	102
		62 608	60 958
Total assets		105 018	103 676
EQUITY			
Equity attributable to shareholders of the Company			
Ordinary shares	17	8 166	8 166
Own shares	18	(1 506)	(1 506)
Reserves	19	20 200	20 406
Retained earnings		51 312	49 068
Total equity		78 172	76 134
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities			
Borrowings		2 483	2 483
Defined benefit obligations	20	12 120	13 867
	21	301	301
		14 904	16 651
Current liabilities			
Borrowings	20	4 574	4 592
Trade and other payables	22	7 368	6 299
Current income tax liabilities		-	-
		11 942	10 891
Total liabilities		26 846	27 542
Total equity and liabilities		105 018	103 676

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KLAIPEDOS BALDAI, AB

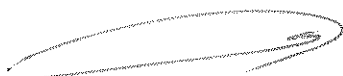
Unaudited Interim Financial Statements
for the six months ended 30 June 2012

(All the sums in the table are shown in thousands litas, unless specified otherwise)

Statement of changes in equity

Note	Attributable to shareholders of the Company							
	Share capital	Own shares	Revaluation reserve	Legal reserve	Reserve for acquisition of own shares	Other reserves	Retained earnings	Total equity
Balance as at 31 December 2010	8 166	-	9 475	817	2 500	7 698	43 422	72 078
Net profit for the six months ended 30 June 2011	-	-	-	-	-	-	2 155	2 155
Transfer to reserves	-	-	-	-	1 000	-	(1 000)	-
Acquisition of own shares	-	(1 389)	-	-	-	-	-	(1 389)
Used reserves	19	-	(706)	-	-	-	706	-
Balance as at 30 June 2011	8 166	(1 389)	8 769	817	3 500	7 698	45 283	72 844
Balance as at 31 December 2010	8 166	-	9 475	817	2 500	7 698	43 422	72 078
Net profit for the year	-	-	-	-	-	-	5 545	5 545
Change in defined benefit obligations, net of tax	-	-	-	-	-	-	17	17
Total comprehensive income	-	-	-	-	-	-	5 562	5 562
Depreciation transfer gross	19	-	(1 275)	-	-	-	1 275	-
Depreciation transfer - tax	19	-	191	-	-	-	(191)	-
Transfer to reserves	19	-	-	-	1 000	-	(1 000)	-
Acquisition of own shares	18	-	(1 506)	-	-	-	-	(1 506)
Balance as at 31 December 2011	8 166	(1 506)	8 391	817	3 500	7 698	49 068	76 134
Net profit for the six months ended 30 June 2012	-	-	-	-	-	-	2 038	2 038
Transfer to reserves	-	-	-	-	500	-	(500)	-
Used reserves	19	-	(706)	-	-	-	706	-
Balance as at 30 June 2012	8 166	(1 506)	7 685	817	4 000	7 698	51 312	78 172

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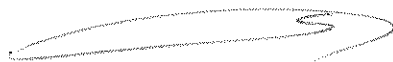
KLAIPEDOS BALDAI, AB
 Unaudited Interim Financial Statements
 for the six months ended 30 June 2012

(All the sums in the table are shown in thousands litas, unless specified otherwise)

Cash flow statement

	Notes	January-June 2012	January-June 2011
Net profit		2 038	2 155
<i>Adjustments for:</i>			
Income tax expenses		354	382
Depreciation	8	2 289	2 089
Amortisation	10	3	13
Loss (gain) on disposal of property plant and equipment and write-off	6	(154)	(18)
Interest expenses	7	300	305
Interest income	4	(92)	(100)
Change in working capital:			
– amounts receivable and prepayments		5 126	(4 003)
– inventories		(6 787)	821
– amounts payable		715	3 606
Cash generated from operations		<u>3 792</u>	<u>5 250</u>
Interest paid	7	(300)	(305)
Net cash generated from operating activities		<u>3 492</u>	<u>4 945</u>
Cash flows from investing activities			
Purchase of property plant and equipment	8	(1 985)	(2 625)
Purchase of intangible assets	10	(5)	-
Disposal of property plant and equipment		160	18
Interest received		92	100
Net cash used in investing activities		<u>(1 738)</u>	<u>(2 507)</u>
Cash flows from financing activities			
Proceeds from borrowings		532	973
Repayment of borrowings		(2 262)	(1 845)
Acquisition of own shares		-	(1 389)
Finance lease principal payments		(35)	(34)
Net cash used in financing activities		<u>(1 765)</u>	<u>(2 295)</u>
Net increase (decrease) in cash and cash equivalents		(11)	143
Acquisition of own shares			
Cash and cash equivalents at beginning of year	16	102	77
Cash and cash equivalents at end of year	16	<u>91</u>	<u>220</u>

Director



Ramūnas Marozas

Chief Accountant



Audronė Mineikienė

KLAIPEDOS BALDAI, AB
 Unaudited Interim Financial Statements
 for the six months ended 30 June 2012

(All the sums in the table are shown in thousands litas, unless specified otherwise)

1. General information

Klaipėdos baldai, AB (hereinafter – “the Company”) was registered as a public company on March 3, 1993. The Company’s registration No. AB 93-59. The Company’s registered address is as follows:

Joniskės St., 21, LT-91267 Klaipėda
 Republic of Lithuania

Shareholders of the Company as at 30 June 2012 were as follows:

	Number of shares held	Shares of the share capital, %	Shares of votes, %
SBA Furniture Group UAB	6 055 566	74,15	78,14
Swedbank AS (Estonia) clients	348 827	4,27	4,50
Association Industry Marketing and Business Centre	262 374	3,21	3,39
Other shareholders	1 082 482	13,26	13,97
Own shares	417 063	5,11	-
Total	8 166 312	100,00	100,00

The Company’s ordinary registered shares are quoted on the secondary list of Vilnius Stock Exchange.

During the six months of the year 2012, the Company’s average number of employees was 724 (2011: 508).

Earnings per share

Earnings per share are calculated as follows:

	January-June 2012	April-June 2012	January-June 2011	April-June 2011
Profit attributable to equity holders of the Company	2 038	916	2 155	1 355
Weighted average number of shares in issue (thousands)	7 749	7 749	8 147	8 128
Basic earnings per share (LTL)	0,26	0,12	0,26	0,17

2. Information about segments

The Company operates in one business segment, i.e. manufacturing of furniture, as well as one geographical segment – Lithuania, with 99,9 per cent of the Company’s total sales made to the SBA Baldų Kompanija UAB and all assets of Company are located in Lithuania.

Analysis of sales revenue by category

	January-June 2012	January-June 2011
Sales of goods	90 913	84 409
Revenue from services	8	46
	90 921	84 455

KLAIPEDOS BALDAI, AB
 Unaudited Interim Financial Statements
 for the six months ended 30 June 2012

(All the sums in the table are shown in thousands litas, unless specified otherwise)

3. Expenses by nature

Cost of goods sold

	January-June 2012	January-June 2011
Raw materials	68 290	66 133
Remuneration and social security	14 078	9 786
Depreciation	1 835	1 610
Utilities	1 979	1 769
Repairs	663	709
Other	452	420
	<u>87 297</u>	<u>80 427</u>

Selling costs

	January-June 2012	January-June 2011
Advertising	-	3

Administrative expenses

	January-June 2012	January-June 2011
Remuneration and social security	277	259
Communication and IT maintenance expenses	208	171
Taxes other than income tax	103	110
Depreciation and amortization	192	193
Consulting, training, accounting services	210	200
Other	734	667
	<u>1 724</u>	<u>1 600</u>
Total cost of sales and administrative expenses	<u>89 021</u>	<u>82 030</u>

4. Other income

	January-June 2012	January-June 2011
Sales of thermoelectricity	585	406
Rental income	240	326
Interest income	92	100
Income from holiday houses	78	37
Other	63	68
	<u>1 058</u>	<u>937</u>

5. Other expenses

	January-June 2012	January-June 2011
Expenses of holiday houses	(383)	(448)
Other rental expenses	(2)	(54)
Direct operating expenses arising from investment property	(33)	(30)
Other	-	(6)
	<u>(418)</u>	<u>(538)</u>

6. Other gains (losses) net

	January-June 2012	January-June 2011
Gain on disposal of property plant and equipment	154	18
	<u>154</u>	<u>18</u>

KLAIPEDOS BALDAI, AB
**Unaudited Interim Financial Statements
for the six months ended 30 June 2012**

(All the sums in the table are shown in thousands litas, unless specified otherwise)

7. Finance costs

	January-June 2012	January-June 2011
Interest expenses	(300)	(305)
Other	(2)	-
	(302)	(305)

8. Property plant and equipment

	Buildings	Plant and machiner y	Vehicles	equipme nt of compute rs and organiz.	Construc -tion in progress	Other tangible asset	Total
Cost or revalued amount at 31 December 2011	18 460	13 384	181	75	1 037	144	33 281*
a) Acquisition value at the end of previous financial years	20 830	48 033	1 012	689	1 037	694	72 295
Changes of current year:							
acquisitions of asset	27	398	36	5	1506	13	1 985
assigned and unused asset(-)	-	(2 166)	(55)	-	-	(14)	(2 235)
transcriptions from construction in progress	-	674	-	-	(674)	-	-
transcriptions from one article to another +/(-)	-	-	-	-	-	-	-
Acquisition value at 30 June 2012	20 857	46 939	993	694	1 869	693	72 045
b) Reappraisal at the end of previous financial years	18 606	-	-	-	-	-	18 606
Changes of current year:							
of increase of value	-	-	-	-	-	-	-
of assigned asset to the third parties (-)	-	-	-	-	-	-	-
of write-offs (-)	-	-	-	-	-	-	-
transcriptions from one article to another +/(-)	-	-	-	-	-	-	-
Revaluation at 30 June 2012	18 606	-	-	-	-	-	18 606
c) Written-off sums and depreciation at the end of previous financial years	20 374	34 649	831	614	-	550	57 018
Changes of current year:							
increases	1130	1 098	29	17	-	23	2 297
restored records	-	-	-	-	-	-	-
of assigned asset to the third parties	-	(2 160)	(55)	-	-	(14)	(2 229)
transcriptions from one article to another	-	-	-	-	-	-	-
Accumulated depreciation at 30 June 2012	21 504	33 587	805	631	-	559	57 086
d) Accumulated impairment at the end of previous financial years	602	-	-	-	-	-	602
Changes of current year:							
increases	(8)	-	-	-	-	-	(8)
restored records	-	-	-	-	-	-	-
of assigned asset to the third parties	-	-	-	-	-	-	-
transcriptions from one article to another	-	-	-	-	-	-	-
Accumulated impairment at 30 June 2012	594	-	-	-	-	-	594
e) Net book at 30 June 2012 (a)+(b)-(c)-(d)	17 365	13 352	188	63	1 869	134	32 971*
Among them purchased from the lease (leasing):	-	-	152	-	-	-	152

* As at 31 June 2012 property plant and equipment balance include LTL 345 thousand prepayments for plant and machinery (at 31 December 2011 - LTL 122 thousand).

KLAIPEDOS BALDAI, AB
 Unaudited Interim Financial Statements
 for the six months ended 30 June 2012

(All the sums in the table are shown in thousands litas, unless specified otherwise)

9. Investment property

	2012-06-30	2011-12-31
Investment property at fair value as at 1 January	<u>5 562</u>	<u>4 490</u>
Transfer to owner occupied premises	-	1 072
Gain on fair value change	-	-
Losses from fair value change	-	-
Investment property at fair value at the end of period	<u>5 562</u>	<u>5 562</u>

10. Long-term intangible assets

	Computer software and other intangible assets
Cost or revalued amount at the end of previous financial years	<u>2</u>
a) Acquisition value at the end of previous financial years	<u>1 333</u>
Changes of current year:	
. Acquisitions of asset	5
. Assigned and unused asset(-)	
. Transcriptions from one article to another +/-(-)	
Acquisition value at 30 June 2012	<u>1 338</u>
b) Depreciation at the end of previous financial years	1 331
Changes of current year:	
. Increases	3
. Restored records	
. of assigned asset to the third parties	
. transcriptions from one article to another	
Accumulated depreciation at 30 June 2012	<u>1 334</u>
c) Accumulated impairment at the end of previous financial years	-
Changes of current year:	
. Increases	-
. Restored records	-
. of assigned asset to the third parties	-
. transcriptions from one article to another	-
Accumulated impairment at 30 June 2012	<u>-</u>
d) Net book at 30 June 2012 (a)-(b)-(c)	<u>4</u>

KLAIPEDOS BALDAI, AB
 Unaudited Interim Financial Statements
 for the six months ended 30 June 2012

(All the sums in the table are shown in thousands litas, unless specified otherwise)

11. Investments in associated and affiliate companies

	2012-06-30	2011-12-31
Investments in associated and affiliate companies	23	23
	<u>23</u>	<u>23</u>

12. Available-for-sale financial assets

	2012-06-30	2011-12-31
Available for sale financial assets	288	288
	<u>288</u>	<u>288</u>

Available for sale financial assets comprise investments in unquoted equity instruments and are carried at cost less impairment charges. There were no acquisitions nor disposals of available for sale financial assets during the 1-st half of the year 2012.

13. Long-term receivable accounts

	2012-06-30	2011-12-31
Long term loans granted to related parties (Note 23)	3 562	3 562
	<u>3 562</u>	<u>3 562</u>

14. Stock

	2012-06-30	2011-12-31
Raw materials	4 655	4 852
Work in process	2 162	1 694
Finished products and goods for resale	13 498	6 982
Write-down to net realisable value	(71)	(71)
	<u>20 244</u>	<u>13 457</u>

15. Trade and other receivables

	2012-06-30	2011-12-31
Receivables from related parties including current portion of long-term debts (Note 23)	41 460	46 674
Trade receivables	183	100
Other amounts receivable and prepayments	424	376
	<u>42 067</u>	<u>47 150</u>

16. Cash and cash equivalents

	2012-06-30	2011-12-31
Cash at bank	85	99
Cash in hand	6	3
	<u>91</u>	<u>102</u>

(All the sums in the table are shown in thousands litas, unless specified otherwise)

17. Share capital

As at 30 June 2012 the share capital comprised 8 166 312 ordinary registered shares with par value of LTL 1 each. All the shares are fully paid. There were no changes in share capital during the 1-st half of the year 2012.

18. Own shares

As at 30 June 2012 the Company had 417 063 of its own shares and paid for them LTL 1 506 thousand.

Own shares are accounted for by the amount paid as a reduction in shareholders' equity.

19. Reserves

	2012-06-30	2011-12-31
<i>Reserves:</i>		
- reevaluation reserve	7 685	8 391
- legal reserve	817	817
- reserve for acquisition of own shares	4 000	3 500
- other reserves	7 698	7 698
	<u>20 200</u>	<u>20 406</u>

Revaluation reserve

During the 1-st half of the year 2012 as a result of depreciation of revalued assets, revaluation reserve was decreased by the amount of LTL 706 thousand (2011: LTL 706 thousand), where as the retained result was increased by the same amount accordingly.

Legal reserve

Legal reserve is a compulsory reserve under the Lithuanian legislation, the reserve consists of 10 per cent of the share capital.

Reserve for acquisition of own shares

This reserve is established following the decision made during the annual general meeting of shareholders in relation to distribution of profit available for appropriation. This reserve may be used only for the acquisition of the Company's shares. During the 1-st half of the year 2012 this reserve was increased by LTL 500 thousand.

Other reserves

Other reserves are established following the decision made during the annual general meeting of shareholders in relation to distribution of profit available for appropriation. These reserves may be used only for the purposes approved by annual general meeting of the shareholders. There were no changes in this reserve during the 1-st half of the year 2012.

20. Borrowings

	2012-06-30	2011-12-31
<i>Short-term borrowings</i>		
Short-term loans received from banks	-	-
Current portion of long-term loans received from banks	4 523	4 523
Finance lease liabilities	51	69
	<u>4 574</u>	<u>4 592</u>
<i>Long-term borrowings</i>		
Long-term loans received from banks	12 120	13 850
Finance lease liabilities	4	17
	<u>12 120</u>	<u>13 867</u>
Total borrowings	<u>16 694</u>	<u>18 459</u>

KLAIPEDOS BALDAI, AB
 Unaudited Interim Financial Statements
 for the six months ended 30 June 2012

(All the sums in the table are shown in thousands litas, unless specified otherwise)

21. Defined benefit obligations

	2012-06-30	2011-12-31
Non-current liabilities	301	301
Current liabilities	153	153
	454	454

22. Trade and other payable sums

	2012-06-30	2011-12-31
Trade payables	1 211	1 467
Payables to related parties (23 note)	819	621
Payables for equipment purchased	122	366
Taxes	1 014	213
Remuneration and social insurance payable	1 703	1 823
Vacation pay and bonuses accrual	1 972	1 568
Current portion of non-current employee benefits (Note 21)	153	153
Other amounts payable and accrued charges	374	88
	7 368	6 299

23. Related-party transactions

Sales of goods and services

	January-June 2012	January-June 2011
- <i>Ultimate parent company:</i>		
Koncernas SBA UAB	-	-
- <i>Subsidiaries of ultimate parent company:</i>		
SBA baldų kompanija UAB	90 933	82 629
Visagino linija UAB	-	3
Šilutės baldai UAB	16	1 525
Germanika UAB	-	208
Kauno baldai AB	1	3
Baldstata UAB	9	-
	90 959	84 368

Interest received

	January-June 2012	January-June 2011
- <i>Subsidiaries of ultimate parent company:</i>		
SBA baldų kompanija UAB	81	77
Klaipėdos baldų prekyba UAB	10	23
	91	100

KLAIPEDOS BALDAI, AB
 Unaudited Interim Financial Statements
 for the six months ended 30 June 2012

(All the sums in the table are shown in thousands litas, unless specified otherwise)

23. Related-party transactions
 (continued)

<i>Purchases of goods and services</i>	January-June 2012	January-June 2011
- <i>Ultimate parent company:</i>		
Koncernas SBA UAB	136	84
- <i>Subsidiaries of ultimate parent company:</i>		
SBA baldų kompanija UAB	73 556	63 770
Visagino linija UAB	74	5
Baldstata UAB	202	238
Association Industry Marketing and Business Centre	9	9
Šilutės baldai AB	1	49
Klaipėdos baldų prekyba UAB	-	11
Kauno baldai AB	-	28
Germanika, UAB	10	363
Šatrija AB	16	22
	74 004	64 579

Related party transactions mostly comprise sales and purchases of furniture and materials.

<i>Amounts receivable within one year</i>	2012-06-30	2011-12-31
- <i>Subsidiaries of ultimate parent company:</i>		
SBA baldų kompanija UAB	41 406	45 489
Klaipėdos baldų prekyba UAB	-	1 148
Šilutės baldai AB	54	37
	41 460	46 674

<i>Amounts receivable after one year</i>	2012-06-30	2011-12-31
- <i>Subsidiaries of ultimate parent company:</i>		
SBA baldų kompanija UAB	3 562	3 562
	3 562	3 562

<i>Amounts payable within one year</i>	2012-06-30	2011-12-31
- <i>Ultimate parent company:</i>		
Koncernas SBA UAB	342	179
- <i>Subsidiaries of ultimate parent company:</i>		
Association Industry Marketing and Business Centre	72	88
Baldstata UAB	117	108
Kauno baldai AB	29	31
Visagino linija UAB	106	16
Germanika UAB	146	135
Pastatų Idėjų įgyvendinimas UAB	-	8
Šatrija AB	7	56
	819	621

KLAIPEDOS BALDAI, AB
INTERIM REPORT FOR 6 MONTHS
ENDED 30 JUNE 2012

1. Reporting cycle, for which interim report is prepared.
The interim report of JSC "Klaipedos baldai" is prepared for six months of 2012th.
2. Main data about an issuer.

Name of the issuer	JSC "KLAIPEDOS BALDAI"
Authorized capital	8 166 312 LTL
Residence address	Joniskes Str. 21; 91267 Klaipeda, Lithuanian Republic
Telephone	(46) 31 39 35 (46) 31 39 60
Fax	(46) 31 39 51
E-mail address	info@kbaldai.lt
Juridical-organizational form	Joint-stock company
Date and place of registration	The 3 rd of March, 1993, Administration of Klaipeda City
Registration Nr.	AB 93-59
Company registry code	140656052

3. Format of main issuer's activity.
Furniture trade.

4. Information about contracts with agents of public turnover securities.
On the 30th of November, 2006, JSC "Klaipedos baldai" and JSC SEB Vilnius bank (Gedimino Str. 12, LT-01103 Vilnius, tel.(5)268 2687, Fax(5)262 6043) concluded the following contract Nr.S-Gend-231 on the Securities accounts administration and service.

5. Information about issuer's securities dealings on the controlled markets.
JSC "Klaipedos baldai" securities are entered into the lists of Vilnius Stock Exchange on the 9th of August, 1994. At the 30th of June, 2012 in the additional dealings list of VSE there were 8 166 312 common inscribed paperless shares of JSC "Klaipedos baldai" at par value of one litas, which aggregate par value - 8 166 312 litas.

6. Structure of issuer's authorized capital.
Authorized capital of the company registered at the LR Board of Agriculture is 8 166 312 Lt.
Structure of JSC "KLAIPEDOS BALDAI" authorized capital by stock type

Stock type	Stock number	Nominal value (Lt)	Aggregate par value	Part of authorized capital (%)
Common inscribed paperless share	8 166 312	1	8 166 312	100,00
In total:	8 166 312	-	8 166 312	100,00

All stock of JSC "KLAIPEDOS BALDAI" is paid. There were no changes in the authorized capital at the recent time.

An ordinary registered share grants to its owner (shareholder) the following property rights:

1. To receive a portion of the Company's profit (dividend);
2. To receive a portion of the assets of the Company in liquidation;
3. To receive shares free of charge when the authorised capital is increased from the Company's funds, save exceptions stipulated in the Law on Companies of the Republic of Lithuania;
4. To acquire shares or convertible bonds issued by the Company by the right of pre-emption, except when the general shareholders meeting decides to recall the right of pre-emption for all the shareholders in accordance with the procedure prescribed by the Law on Companies of the Republic of Lithuania;

5. To lend money to the Company in any manner prescribed by the laws; however, when borrowing money from its shareholders, the Company has no right to mortgage its property to the shareholders. When the Company borrows money from its shareholder, interest rate may not exceed the average interest rate of commercial banks located in the lender's place of residence or business, that is effective at the time of concluding a loan agreement. In such a case the Company and shareholders are forbidden to agree upon higher interest rates;
6. To transfer all shares or part thereof to other persons;
7. To demand that other shareholders would compulsorily sell their shares to them, or to demand that other shareholders would compulsorily buy shares from them in cases and in the order prescribed by the Law on the Securities Market;
8. Other property rights established by the laws.

An ordinary registered share grants to its owner (shareholder) the following personal non-property rights:

1. To attend general shareholders meetings;
2. To vote at general shareholders meetings under the rights granted by the shares. One ordinary registered share grants one vote;
3. To receive information about the Company to the extent prescribed by the laws;
4. Other non-property rights established by the laws.

7. Shareholders.

Total number of JSC "KLAIPEDOS BALDAI" shareholders for the 30th of June, 2012, is 660.

The table below lists the major shareholders of the Company.

Name, surname (company name, type, residence address, company register code) of a shareholder	Number of common inscribed paperless share, belonging to a shareholder by right of ownership (pcs)	Part of authorized capital in stock (%)	Part of votes, provided by stock, belonging by right of ownership (%)
CJSC "SBA furniture group", 300103836 Laisves Av. 3, Vilnius	6 055 566	74,15	78,14
SWEDbank Clients, 10060701, Liivalaia 8, Tallinn	348 827	4,27	4,50
Klaipedos baldai AB, 140656052, Joniskes 21, Klaipeda	417 063	5,11	
Association "Business centre of industry and marketing" 134292039 K.Donelaicio Str .62, Kaunas	262 374	3,21	3,39
Other shareholders	1 082 482	13,26	13,97
In total	8 166 312	100	100

There are no shareholders holding special control rights.

There are no restrictions imposed on voting rights.

There are no mutual agreements between shareholders of which the Issuer is aware and due to which restrictions on transfer of securities and/or voting rights may be imposed.

Klaipėdos Baldai AB have 417 063 units own shares.

8. Information about issuer's activity results.

Six-month sales of AB "Klaipėdos baldai" in 2012 amounted to 90 921 thousands Lt, in comparison with the same period of time in 2011 sales increased for 7,6 %. Six-month pre-tax profit in 2012 - 2 392 thousands Lt.

The was exported 95% of all sailes. The main trends of the export were South Europe (France, Italy, Spain) and USA.

Company, pursuing its activity, faces different risks.

Financial risk management is performed by the administration. More information about financial-risk management can be found in Company annual reports .

Credit risk. Conservative management of liquidity risk allows holding the due amount of cash and money equivalents, required to cover the planned expenses. The company performs short forecast of money flows and it is concluded contracts with banks on the opportunity to borrow money, if necessary.

Market risk: main company production is marketed by CJSC "SBA Baldu kompanija". Marketing and selling functions are performed by CJSC "SBA Baldu kompanija".

Stores (materials) risk issues from constantly varying costs of raw materials. Materials are bought through CJSC "SBA Baldu kompanija", that allows to expect beneficial prices from raw supplier by uniting purchases of several companies.

Product quality risk: From 1997 Quality Management System, competent to requirements of new standard LST EN ISO 9001:2001, is operating effectively at the Company. TUV CERT experts confirm every year during regulatory audits. Rising problems are constantly analyzed and solved; work is improved by choosing masterly stage of Quality Management Development - General Quality Management (GQM).

Ecology risk. At JSC "Klaipėdos baldai" is operating Environment Protection Management System competent to requirements of standards ISO 14001, implemented and certified in 1999. New, proprietary and of cleaner production technology is obtained by modernizing production. Environment Protection Management System requires permanent and systematic supervision, evaluation and effect (result) prognostication of system efficiency. To perform this, monitoring is pursued to supervise changes during particular period of time (ratio of energy input and furniture production, power resources input for 1000 m² of made production and so on). Internal and external audits of functional system are also performed.

Personnel risk: the number of fired workers has decreased in 2012. It was conditioned by effective policy of incentive of workers, as well as capacity of newly employed workers to adjust to requirements and aims, raised by the company. The company considers its priority to increase productivity of workers and also salaries.

The Company's Board is responsible for the development and verification of the sequence and directions of the Company's internal-control actions, while the Company's Director is responsible for the implementation thereof. The following sequence of internal-control actions is established in the Company:

1. Determination of standards (control standards define effectiveness indicators);
2. Comparison of actual data with planned data;
3. Decision-making.

Internal-control directions vary depending on changes inside the Company and in the external environment.

More information about company's six-month work and financial results is given in financial accountability report.

9. Personnel and investments.

According to the information on the 30th of June, 2012, listing number of operatives at the company was 734 workers, 694 of them are workers, what makes 94.6 % of all operatives, and 40 managers and specialists - 5.4 % of all operatives. 65 workers with higher education, 32 - with further education, 192 - with vocational-technical education, 55 - with professional secondary education, 330 - with secondary education and 60 - with uncompleted secondary education worked in the company in 2012

Company spent 16 349 Lt for personnel training during the half-year of 2012.

Average number of workers and average salary:

	Half-year of 2012
Average number of workers, prs.	724
Average salary or worker per month, Lt	2552
Average salary of managers and specialists per month	4652
Average salary of workman per month	2430

Rights and obligations of issuer's workers, covered in the collective agreement of the company didn't change since information representation in the annual report of 2011.

The company invested 2.0 million Lt during the first half of 2012. The major part of investments was intended for the development of technologies, the increasement of the production efficiency and optimization of costs, what allows to maintain a competetiveness of the company and ensures the stability and continuity of the activity. Next year the company is planning to maintain the strategy of investment, which was already mentioned.

10. Order of changing issuer's regulations.

Regulations of JSC "Klaipėdos baldai" cover, that only general meeting of JSC "Klaipėdos baldai" shareholders has an exclusive right to change company regulations, except cases, covered by the law of joint-stock company of Lithuanian Republic. For making a decision on regulations change 2/3 votes of shareholders, majority of participating in the general meeting, are needed.

11. Issuer's organs.

According to regulations of JSC "Klaipėdos baldai", Company regulatory bodies are General Meeting of Shareholders, Council of Supervisors, The Management and Company Director. Resolutions of the General Meeting of Shareholders, accepted on the questions, covered by Company regulations, within the competence of General Meeting of Shareholders, are compulsory for shareholders, Council of Supervisors, Management, Director and other Company workers.

Shareholders, who were Company shareholders at the end of the accounting day of the General Meeting of Shareholders, have a right to participate in the General Meeting of Shareholders. Company meeting accounting day is the fifth working day to the General Meeting of Shareholders or the fifth working day to the repeated General Meeting of Shareholders. The person, participating in the General Meeting of Shareholders and having a right to vote, has to present personal identity document. The person, who is not a shareholder, besides personal identity document, should present a document, confirming a right to vote.

Collegial supervision organ - Council of Supervisors is chosen by the General Meeting of Shareholders in the order, covered by the law of joint-stock company of Lithuanian Republic. The Council of Supervisors consists of 3 (three) Council members. The Council of Supervisors is chosen for the period of 4 (four) years. The Council of Supervisors is choosing the council chairman from its members. The General Meeting of Shareholders can cancel all Council of Supervisors or its individual members till the end of tenure of Council of Supervisors. If individual members of the Council are chosen, they are chosen only till the end of functional council tenure.

The Council of Supervisors choose and destitute management members, supervises management and work of company director, presents responses and offers to the General Meeting of Shareholders on the strategy of company activity, annual financial accountability, project of

profit distribution and company annual report, as well as on the management and work of company director, lays proposals to management and company director to cancel their resolutions, which contradict law and other legal acts, company regulations or resolutions of the General Meeting of Shareholders. It also solves other questions on the company and its management work supervision, which are assigned to the competence of the Council of Supervisors by resolutions at the General Meeting of Shareholders. The Council of Supervisors doesn't have a right to consign or pass functions, assigned to its competence in the joint-stock company law of Lithuanian Republic, for performing to other company organs.

The Management is a collegial organ of company administration, which consists of 3 (three) management members. The Council of Supervisors is choosing The Management for a period of 4 (four) years. The Council of Supervisors can cancel all Management or its individual members till the end of their tenure. If individual members of the Management are chosen, they are chosen only till the end of functional management tenure. The Management is choosing the management chairman from its members.

The Management choose and destitute the company director, sets his salary, other conditions of employment contract, official provisions, stimulates him and fines him.

The Director is a head of the Company. The head of the company is a one-man company management organ, which organizes company's activity. Authorizations and responsibility of the company administration members are determined by an order of the director.

Members of collegial organs, company director.

COUNCIL OF SUPERVISORS (the 30th of June, 2011)

Nr.	Post	Name, Surname	Start of tenure	End of tenure	Participation in issuer's capital (stock) %	Part of votes, %	Qualification
1.	Chairman	Egidijus Valentinavicius	2012-04-25	2016-04-25	-	-	Higher education in the field of economy (economics and management) Vice President of Business Management (Private Limited Liability Company (UAB) Concern "SBA")
2.	Member	Dalia Maleckiene	2012-04-25	2016-04-25	-	-	Higher education in the field of engineering (production management) Head of Business Planning (Private Limited Liability Company (UAB) Concern "SBA")
3.	Member	Virgilijus Rancys	2012-04-25	2016-04-25	-	-	Higher education in the field of economy (finance and credit) Head of Treasury (Private Limited Liability Company (UAB) Concern "SBA")

THE MANAGEMENT (the 30th of June, 2012)

Nr.	Post	Name, Surname	Start of tenure	End of tenure	Participation in issuer's capital (stock) %	Part of votes, %
1.	Chairman	Ricerdas Kiaurakis	25 04 2008	25 04 2012	-	-
2.	Member	Rasa Zvirbliene	13 02 2009	25 04 2012	-	-
3.	Member	Eimuntas Jankauskas	13 02 2009	25 04 2012	-	-

ADMINISTRATION DIRECTOR (the 30th of June, 2011)

Post	Name, Surname	Works at this post	Participation in issuer's capital (available stock)	Participation in issuer's capital (available stock)
Director	Ramunas Marozas	01 04 2008	-	-

AUDIT COMMITTEE (the 30th of June, 2012)

Nr.	Workplace	Name, Surname	Start of tenure	End of tenure	Participation in issuer's capital (stock) %	Part of votes, %
1.	UAB "Grant Thornton Rimess"	Genadij Makušev	2009.05.18	2013.05.18	-	-
2.	Concern „SBA“	Jolanta Gulbinaitė	2009.05.18	2013.05.18	-	-
3.	AB Satrija	Giedrius Grondskis	2009.05.18	2013.05.18	-	-

13. Information on transactions that would be harmful may have had or will have a negative impact on the Company's operations and (or) performance

There were no significant transactions on behalf of the Company that would be harmful may have had or will have a negative impact on the Company's operations and (or) performance during the reporting period.

14. Information on transactions made under a conflict of interests between the Company's managers, controlling shareholders or other related parties obligations to the Company and their private interests and (or) other duties

There were no material transactions on behalf of Company that would enter a conflict of interests between the

Company's managers, controlling shareholder or other related parties obligations to the Company and their private interests and (or) other duties during the reporting period.

15. Essential and newest events in the issuer's activity.

All essential events, which happened in 2012, are presented to Vilnius Stock Exchange and Stock Commission as it is required by rules of periodic display of information about issuer's work and their stock. Any information about the company essential events can be found at: www.nasdaqomxbaltic.com.

In first half of 2012 the Company publicly disclosed in NASDAQ OMX GlobeNewswire system the following information:

- 30.05.2012 Preliminary unaudited results for the first quarter of the year 2012
- 26.04.2012 Supplement of Annual Information
- 25.04.2012 Annual information for the year 2011
- 25.04.2012 Resolutions adopted by the General Shareholders Meeting, held on 25-04-2012
- 04.04.2012 RESOLUTION PROJECTS FOR GENERAL STOCKHOLDER'S MEETING HELD ON 2012 APRIL 25th
- 04.04.2012 Concerning general shareholder meeting
- 14.03.2012 Notification on transaction concluded by managers of the company
- 29.02.2012 Result and interim financial report for the year 2011
- 23.02.2012 Interim non audited turnover of AB "Klaipėdos baldai" during period 2011

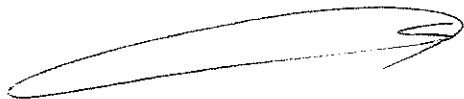
16. Information about pursuance of Management Code.

JSC "Klaipėdos baldai" mainly follows listing company Management Code of recommendatory nature, confirmed in August of 2006 at Vilnius Stock Exchange.

In 2009 Company established internal Audit Committee. Audit Committee consist from three members. One member of Audit Committee are independent.

KLAIPEDOS BALDAI, AB

Director



Ramūnas Marozas

Chief Accountant



Audronė Mineikienė