

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

## CONFIRMATION OF RESPONSIBLE PERSONS

2013-04-29

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 the three months ended 31 March 2013, 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.

Enclosed: Klaipėdos baldai, AB unaudited Interim Financial Statements for the three months ended 31 March 2013.

Director



Ramūnas Marozas

Chief Accountant



Audronė Mineikienė

**KLAIPĖDOS BALDAI, AB**

COMPANY'S INTERIM CONDENSED FINANCIAL STATEMENTS  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2013  
PREPARED ACCORDING TO INTERNATIONAL FINANCIAL  
REPORTING STANDARTS, AS ADOPTED BY THE EUROPEAN UNION  
(UNAUDITED)

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**KLAIPĖDOS BALDAI AB**  
**Unaudited Interim Financial Statements**  
**for the three months ended 31 March 2013**

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

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**KLAIPĖDOS BALDAI AB****Unaudited Interim Financial Statements  
for the three months ended 31 March 2013**

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

**Statement of comprehensive income**

	Notes	January- March 2013	January- March 2012
Revenue	2	48 805	46 163
Cost of sales	3	(46 970)	(44 252)
<b>Gross profit</b>		1 835	1 911
Selling costs	3	(71)	-
Administrative expenses	3	(806)	(814)
Other income	4	483	389
Other expenses	5	(212)	(204)
Other gains/(losses) - net	6	24	154
<b>Operating profit</b>		1 253	1 436
Finance income	7	31	52
Finance costs	7	(89)	(168)
<b>Profit before income tax</b>		1 195	1 320
Income tax income/(expense)		(179)	(198)
<b>Profit for the year</b>		1 016	1 122
<b>Attributable to:</b>			
Shareholders of the Company		1 016	1 122
		1 016	1 122

**Earnings per share attributable to the  
owners of the Company during the year  
(expressed in LTL per share)**

- basic and diluted	1	0,13	0,14
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Director



Ramūnas Marozas

Chief accountant



Audronė Mineikienė

**KLAIPĖDOS BALDAI AB****Unaudited Interim Financial Statements  
for the three months ended 31 March 2013**

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

**Statement of financial position**


	Notes	31 March 2013	31 December 2012
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	8	31 725	32 478
Investment property	9	5 562	5 562
Intangible assets	10	5	6
Available-for-sale financial assets	12	288	288
Other receivables	13	3 562	3 562
Other non-current assets	11	23	23
		<b>41 165</b>	<b>41 919</b>
<b>Current assets</b>			
Inventories	14	20 514	20 769
Trade and other receivables	15	44 793	42 768
Cash and cash equivalents	16	32	63
		<b>65 339</b>	<b>63 600</b>
<b>Total assets</b>		<b>106 504</b>	<b>105 519</b>
<b>EQUITY</b>			
<b>Equity attributable to shareholders of the Company</b>			
Ordinary shares	17	7 749	7 749
Own shares	18	(418)	(418)
Reserves	19	19 491	19 822
Retained earnings		54 831	53 484
<b>Total equity</b>		<b>81 653</b>	<b>80 637</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Deferred income tax liabilities		2 418	2 418
Borrowings	20	2 675	2 779
Defined benefit obligations	21	442	442
		<b>5 535</b>	<b>5 639</b>
<b>Current liabilities</b>			
Borrowings	20	12 210	13 270
Trade and other payables	22	6 886	5 787
Current income tax liabilities		220	186
		<b>19 316</b>	<b>19 243</b>
<b>Total liabilities</b>		<b>24 851</b>	<b>24 882</b>
<b>Total equity and liabilities</b>		<b>106 504</b>	<b>105 519</b>

Director



Ramūnas Marozas

Chief accountant



Audronė Mineikienė

**KLAIPĖDOS BALDAI AB**
**Unaudited Interim Financial Statements  
for the three months ended 31 March 2013**

(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								Total equity
	Share capital	Own shares	Revaluation reserve	Legal reserve	Reserve for acquisition of own shares	Other reserves	Retained earnings		
<b>Balance as at 31 December 2011</b>	<b>8 166</b>	<b>(1 506)</b>	<b>8 391</b>	<b>817</b>	<b>3 500</b>	<b>7 698</b>	<b>49 068</b>	<b>76 134</b>	
Total comprehensive income	-	-	-	-	-	-	1 122	1 122	
Depreciation transfer gross	19	-	(353)	-	-	-	353	-	
<b>Balance as at 31 March 2012</b>	<b>8 166</b>	<b>(1 506)</b>	<b>8 038</b>	<b>817</b>	<b>3 500</b>	<b>7 698</b>	<b>50 543</b>	<b>77 256</b>	
<b>Balance as at 31 December 2011</b>	<b>8 166</b>	<b>(1 506)</b>	<b>8 391</b>	<b>817</b>	<b>3 500</b>	<b>7 698</b>	<b>49 068</b>	<b>76 134</b>	
Net profit for the year	-	-	-	-	-	-	4 995	4 995	
Change in defined benefit obligations, net of tax	-	-	-	-	-	-	(74)	(74)	
Total comprehensive income	-	-	-	-	-	-	4 921	4 921	
Depreciation transfer gross	19	-	(1 275)	-	-	-	1 275	-	
Depreciation transfer – tax	19	-	191	-	-	-	(191)	-	
Transfer to reserves	19	-	-	-	500	-	(500)	-	
Acquisition of own shares	18	-	(418)	-	-	-	-	(418)	
Cancellation of own shares	18	(417)	1 506	-	-	-	(1 089)	-	
<b>Balance as at 31 December 2012</b>	<b>7 749</b>	<b>(418)</b>	<b>7 307</b>	<b>817</b>	<b>4 000</b>	<b>7 698</b>	<b>53 484</b>	<b>80 637</b>	
Total comprehensive income	-	-	-	-	-	-	1 122	1 122	
Depreciation transfer gross	19	-	(331)	-	-	-	353	-	
<b>Balance as at 31 March 2013</b>	<b>7 749</b>	<b>(418)</b>	<b>6 976</b>	<b>817</b>	<b>4 000</b>	<b>7 698</b>	<b>54 831</b>	<b>81 653</b>	

Director



Ramūnas Marozas

Chief accountant



Audronė Mineikienė

**KLAIPĖDOS BALDAI AB****Unaudited Interim Financial Statements  
for the three months ended 31 March 2013**

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

**Cash flow statement**

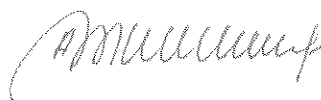
	Notes	31 March 2013	31 March 2012
Net profit		1 016	1 122
<i>Adjustments for:</i>			
Income tax expenses	8	179	198
Depreciation	10	1 188	1 140
Amortisation	6	1	2
Loss (gain) on disposal of property, plant and equipment and write-off	7	(24)	(154)
Interest expenses	7	89	168
Interest received		(31)	(52)
Change in working capital:			
– amounts receivable and prepayments		(2 025)	5 125
– inventories		255	(6 054)
– amounts payable		1 099	249
Cash generated from operations		1 747	1 744
Interest paid	7	(89)	(168)
Income tax paid		(145)	(145)
Net cash generated from operating activities		1 513	1 431
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	8	(457)	(959)
Purchase of intangible assets	10	-	(5)
Disposal of property, plant and equipment	6	46	159
Interest received	7	31	52
Net cash used in investing activities		(380)	(753)
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		313	440
Repayment of borrowings		(1 464)	(1 130)
Finance lease principal payments		(13)	(18)
Net cash used in financing activities		(1 164)	(708)
<b>Net increase (decrease) in cash and cash equivalents</b>		(31)	(30)
Cash and cash equivalents at beginning of year	16	63	102
Cash and cash equivalents at end of year	16	32	72

Director



Ramūnas Marozas

Chief accountant



Audronė Mineikienė

**KLAIPĖDOS BALDAI AB****Unaudited Interim Financial Statements  
for the three months ended 31 March 2013**

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

**1. General information**

JSC "Klaipėdos baldai" (further – the Company) is registered as a joint-stock company on March 3, 1993. The Company's registration No. AB 93-59. The Company's office address is:  
Joniskės St., 21, LT-91267 Klaipėda  
Lithuania

Shareholders of the Company as at 31 March 2013 were as follows:

	Number of shares held	Shares of the share capital, %	Shares of votes, %
SBA Furniture Group UAB	6 055 566	78,14	79,16
Other shareholders	1 593 732	20,57	20,84
Own shares	99 951	1,29	-
<b>Total</b>	<b>7 749 249</b>	<b>100,00</b>	<b>100,00</b>

The Company's ordinary registered shares are quoted in the Current list of securities of Vilnius stock exchange.

During the 3 months of the year 2012, the Company's average number of employees was 706 (2012: 716).

**Earnings per share**

Earnings per share are calculated as follows:

	January-March 2013	January-March 2012
Profit attributable to equity holders of the Company	1 016	1 122
Weighted average number of shares in issue (thousands)	7 749	7 749
Basic earnings per share (LTL)	0,13	0,14

**2. Segment reporting**

The Company operates in one business segment, i.e. manufacturing of furniture, as well as one geographical segment – Lithuania, with 99,8 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-March 2013	January-March 2012
Sales of goods	48 799	46 161
Revenue from services	6	2
	<b>48 805</b>	<b>46 163</b>



**KLAIPĖDOS BALDAI AB****Unaudited Interim Financial Statements  
for the three months ended 31 March 2013**

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

**3. Expenses by nature****Sale cost**

	January-March 2013	January-March 2012
Raw materials	(37 130)	(34 300)
Remuneration and social security	(7 096)	(7 452)
Depreciation and amortization	(959)	(911)
Utilities	(1 101)	(1 059)
Repairs	(155)	(109)
Other property operating costs	(219)	(190)
Other	(310)	(231)
	<u>(46 970)</u>	<u>(44 252)</u>

**Selling costs**

	January-March 2013	January-March 2012
Logistics	(71)	-
Advertising	-	-
	<u>(71)</u>	<u>-</u>

**Administrative expenses**

	January-March 2013	January-March 2012
Remuneration and social security	(150)	(149)
Communication and IT maintenance expenses	(112)	(102)
Depreciation and amortization	(98)	(97)
Consulting, training, accounting services	(66)	(107)
Taxes other than income tax	(55)	(52)
Other	(325)	(307)
	<u>(806)</u>	<u>(814)</u>
Total cost of sales, selling costs and administrative expenses	(47 847)	(45 066)

**4. Other income**

	January-March 2013	January-March 2012
Sales of heat	324	236
Rent income	117	121
Income from holiday houses	14	8
Other	28	24
	<u>483</u>	<u>389</u>

**5. Other expenses**

	January-March 2013	January-March 2012
Expenses of holiday houses	(199)	(188)
Other rental expenses	(1)	(2)
Direct operating expenses arising from investment property	(12)	(13)
Other	-	(1)
	<u>(212)</u>	<u>(204)</u>

**6. Other gains/ (losses) net**

	January-March 2013	January-March 2012
Gain on disposal of property, plant and equipment	24	154
	<u>24</u>	<u>154</u>

**KLAIPĖDOS BALDAI AB****Unaudited Interim Financial Statements  
for the three months ended 31 March 2013**

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

**7. Financial activities****Income**

	January-March 2013	January-March 2012
Interest received	31	52
	<u>31</u>	<u>52</u>

**Expenses**

	January-March 2013	January-March 2012
Interest expenses	(89)	(168)
	<u>(89)</u>	<u>(168)</u>

**8. Property plant and equipment**

	Buildings	Plant and machinery	Vehicles	Total
<b>At 1 January 2012</b>				
Cost or revalued amount	39 436	50 455	1 012	90 903
Accumulated depreciation and impairment	(20 976)	(35 815)	(831)	(57 622)
Net book amount	<u>18 460</u>	<u>14 640</u>	<u>181</u>	<u>33 281</u>
<b>Year ended 31 December 2012</b>				
Opening net book amount	18 460	14 640	181	33 281
Additions	1 342	2 271	36	3 649
Sold / written off assets acquisition value	-	(2 637)	(344)	(2 981)
Sold / written off assets accumulated depreciation	-	2 624	344	2 968
Depreciation	(2 057)	(2 322)	(60)	(4 439)
Closing net book amount	<u>17 745</u>	<u>14 576</u>	<u>157</u>	<u>32 478</u>
<b>At 31 December 2012</b>				
Cost or revalued amount	40 778	50 089	704	91 571
Accumulated depreciation and impairment	(23 033)	(35 513)	(547)	(59 093)
Net book amount	<u>17 745</u>	<u>14 576</u>	<u>157</u>	<u>32 478</u>
<b>At 31 March 2013</b>				
Opening net book amount	17 745	14 576	157	32 478
Additions	121	336	0	457
Sold / written off assets acquisition value	-	( 65)	0	( 65)
Sold / written off assets accumulated depreciation	-	43	0	43
Depreciation	( 546)	( 627)	(15)	(1 188)
Closing net book amount	<u>17 320</u>	<u>14 263</u>	<u>142</u>	<u>31 725</u>
<b>At 31 March 2013</b>				
Cost or revalued amount	40 899	50 360	704	91 963
Accumulated depreciation and impairment	(23 579)	(36 097)	( 562)	(60 238)
Net book amount	<u>17 320</u>	<u>14 263</u>	<u>142</u>	<u>31 725</u>

**KLAIPĖDOS BALDAI AB****Unaudited Interim Financial Statements  
for the three months ended 31 March 2013**

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

**9. Investment property**

	<b>Total investment property</b>
<b>At 31 December 2012</b>	
Investment property at fair value as at 1 January	5 562
Change during the period	-
Investment property at fair value as at 31 December	<u>5 562</u>
<b>At 31 March 2013</b>	
Investment property at fair value as at 1 January	5 562
Change during the period	-
Investment property at fair value as at 31 March	<u>5 562</u>

**10. Intangible assets**

	<b>Computer software and other intangible assets</b>
<b>At 1 January 2012</b>	
Cost	1333
Accumulated amortisation	(1 331)
Net book amount	<u>2</u>
<b>At 31 December 2012</b>	
Opening net book amount	2
Additions	7
Amortisation	(3)
Closing net book amount	<u>6</u>
<b>At 31 December 2012</b>	
Cost	1 340
Accumulated amortisation	(1 334)
Net book amount	<u>6</u>
<b>At 31 March 2013</b>	
Opening net book amount	6
Additions	-
Amortisation	(1)
Closing net book amount	<u>6</u>
<b>At 31 March 2013</b>	
Cost	1 340
Accumulated amortisation	(1 335)
Net book amount	<u>5</u>

**11. Other non-current assets**

	<b>January- March 2013</b>	<b>January- December 2012</b>
Investments in associated and affiliate companies	23	23
	<u>23</u>	<u>23</u>

**12. Available-for-sale financial assets**

	<b>January- March 2013</b>	<b>January- December 2012</b>
Available for sale financial assets	288	288
	<u>288</u>	<u>288</u>

**KLAIPĖDOS BALDAI AB****Unaudited Interim Financial Statements  
for the three months ended 31 March 2013**

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

**13. Long-term receivable accounts**

	January-March 2013	January-December 2012
Non-current part of loans granted to related parties	3 562	3 562
	<u>3 562</u>	<u>3 562</u>

**14. Stock**

	January-March 2013	January-December 2012
Raw materials	3 801	3 866
Construction in process	2 075	1 922
Produced products and goods meant for resale	14 679	15 022
Reduction in price to the net value of possible realization	(41)	(41)
	<u>20 514</u>	<u>20 769</u>

**15. Trade and other receivables**

	January-March 2013	January-December 2012
Receivables from related parties including current portion of long-term debts	43 973	42 554
Trade receivables	255	94
Other amounts receivable and prepayments	565	120
	<u>44 793</u>	<u>42 768</u>

**16. Cash and cash equivalents**

	January-March 2013	January-December 2012
Cash at bank	23	59
Cash in hand	9	4
	<u>32</u>	<u>63</u>

**17. Share capital**

As at 31 March 2013 the share capital comprised 7 749 249 ordinary registered shares with par value of LTL 1 each. All the shares are fully paid

**18. Own shares**

As at 31 March 2013 the Company had 99 951 of its own shares and paid for them LTL 418 thousand. Own shares are accounted for by the amount paid as a reduction in shareholders' equity.

**19. Reserves**

	January-March 2013	January-December 2012
<i>Reserves:</i>		
- reevaluation reserve	6 976	7 307
- reserve presupposed by law	817	817
- reserve for acquisition of own shares	4 000	4 000
- other reserves	7 698	7 698
	<u>19 491</u>	<u>19 822</u>

*Revaluation reserve*

During the 1-st quarter of the year 2013 as a result of depreciation of revalued assets, revaluation reserve was decreased by the amount of LTL 331 thousand ( 2012: LTL 353 thousand), where as the retained result was increased by the same amount accordingly.

**KLAIPĖDOS BALDAI AB****Unaudited Interim Financial Statements  
for the three months ended 31 March 2013**

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

*Legal reserve*

Legal reserve is a compulsory reserve under the Lithuanian legislation. The legal reserve cannot be distributed as dividends and is formed to cover future losses. A part of legal reserve in excess of 10 per cent of the authorized share capital may be redistributed when appropriation of profit for the following financial year is performed.

*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. There were no changes in this reserve during the 1-st quarter of the year 2013.

*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.

**20. Borrowings**

	January-March 2013	January- December 2012
<i>Short-term credits</i>		
Short-term loans received from banks	-	-
Current portion of long-term loans received from banks	12 206	13 253
Finance lease liabilities	4	17
	<u>12 210</u>	<u>13 270</u>
<i>Long-term borrowings</i>		
Long-term loans received from banks	2 675	2 779
Finance lease liabilities	-	-
	<u>2 675</u>	<u>2 779</u>
Total borrowings	<u>14 885</u>	<u>16 049</u>

**21. Defined benefit obligations**

As at 31 March 2013 the Company accounted for defined benefit obligations for employees leaving the Company at the age of retirement and other benefits foreseen in the collective agreement. During the 1-st quarter of the year 2013 additional accruals have not been performed. Outstanding amount of the liability is presented under the defined benefit obligations caption and other in the statement of financial position.

	January-March 2013	January- December 2012
Non-current liabilities	442	301
Current liabilities	140	153
	<u>582</u>	<u>454</u>

**22. Trade and other payable sums**

	January-March 2013	January- December 2012
Trade payable sums	1 889	1 510
Sums payable to affiliated parties (23 note)	470	395
Payables for equipment purchased	-	-
Taxes	360	548
Salary and social insurance payable	1 875	1 521
Vacation reserve and bonuses	2 066	1 593
Current portion of non-current employee benefits	140	140
Other payable sums and accumulated expenditures	86	80
	<u>6 886</u>	<u>5 787</u>

**KLAIPĖDOS BALDAI AB****Unaudited Interim Financial Statements  
for the three months ended 31 March 2013**

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

**23. Related-party transactions**

<b>Sales of goods and services</b>	<b>January-March 2013</b>	<b>January-March 2012</b>
- <i>Ultimate parent company:</i>		
Koncernas SBA UAB	-	-
- <i>Subsidiaries of ultimate parent company:</i>		
SBA baldų kompanija UAB	48 706	46 339
Šilutės baldai UAB	31	9
Kauno baldai AB	10	-
Baldstata UAB	5	5
Mebelain OOO	51	-
	<u>48 803</u>	<u>46 353</u>

<b>Interest received</b>	<b>January-March 2013</b>	<b>January-March 2012</b>
- <i>Subsidiaries of ultimate parent company:</i>		
SBA baldų kompanija UAB	31	41
Klaipėdos baldų prekyba UAB	-	10
	<u>31</u>	<u>51</u>

<b>Purchases of goods and services</b>	<b>January-March 2013</b>	<b>January-March 2012</b>
- <i>Ultimate parent company:</i>		
Koncernas SBA UAB	81	66
- <i>Subsidiaries of ultimate parent company:</i>		
SBA baldų kompanija UAB	35 967	39 541
Visagino linija UAB	34	34
Baldstata UAB	95	96
Association Industry Marketing and Business Centre	5	5
Šilutės baldai AB	-	1
Šatrija AB	26	10
	<u>36 208</u>	<u>39 753</u>

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

<b>Amounts receivable within one year</b>	<b>31 March 2013</b>	<b>31 December 2012</b>
- <i>Subsidiaries of ultimate parent company:</i>		
SBA baldų kompanija UAB	43 671	42 024
Šilutės baldai AB	88	450
Kauno baldai AB	75	-
Germanika UAB	9	-
Mebelain RAUB	130	80
	<u>43 973</u>	<u>42 554</u>

**Amounts receivable within one year**

	<b>31 March 2013</b>	<b>31 December 2012</b>
SBA baldų kompanija UAB	<u>3 562</u>	<u>3 562</u>
	<u>3 562</u>	<u>3 562</u>

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**KLAIPĖDOS BALDAI AB****Unaudited Interim Financial Statements  
for the three months ended 31 March 2013**

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

**Related-party transactions (continued)**

<i>Amounts payable within one year</i>	<b>31 March 2013</b>	<b>31 December 2011</b>
- <i>Ultimate parent company:</i>		
Koncernas SBA UAB	254	156
- <i>Subsidiaries of ultimate parent company:</i>		
Baldstata UAB	126	123
Kauno baldai AB	-	29
Visagino linija UAB	71	30
Klaipėdos baldų prekyba UAB	1	-
Association Industry Marketing and Business Centre	5	57
Šatrija AB	13	-
	<hr/> 470	<hr/> 395