



The issuer's employees, administrative manager and the members of the management bodies who are responsible for the composition of interim consolidated financial statements for 3 months of 2009, hereby confirm that the information provided in the reports is prepared according to the applied accounting standards, reflects the reality correctly and fairly shows issuers' and consolidated general companies assets, liabilities, financial position, profit or loss.

The General Director of Vilkyškių pieninė

Gintaras Bertašius

The Accountant General of Vilkyškių pieninė

Lina Genienė



Date of preparation of the report:

29th of May, 2009

Place of preparation:

Vilkyškiai, Pagėgių municipality, Lithuania



AB "Vilkyškių pieninė"

Consolidated Interim Financial Statement
for 3 Month of 2009

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AB „Vilkyškių pieninė“

About the company

Name of the Issue	Public Company “Vilkyškių pieninė”
Authorized capital	LTL 11 943 000
Registered office	Vilkyškiai, Pagėgiai municipality
Telephone number	8-441 55330
Fax number	8-441 55242
E-mail address	centras@cheese.lt
Legal – organizational form	public company
Date and place of registration	The 10 th of May 1993
Date and place of re-registration	The 10 th of December 2005, Tauragė Branch of Public Institution Center of Registers
Code in the Register of Enterprises	277160980
Internet address	http://www.cheese.lt

Management Board of Vilkyškių pieninė AB

The Management Board of the Issuer consists of the following persons: Gintaras Bertašius, Sigitas Trijonis, Rimantas Jancevičius, Ramūnas Šniepis, Andrej Cyba and Linas Strėlis.

Director General of the Company is Gintaras Bertašius.

Significant accounting policies

Consolidated financial statements of Vilkyškių pieninė AB (company's code 277160980) are prepared following International Standards of Financial Accountability.

Balance sheet

Thousand LTL

	2009 03 31	2008 12 31
Assets		
Long-term tangible assets	70 205	71 740
Goodwill	23 875	23 875
Intangible assets	704	418
Long-term amounts receivable	1 110	1 233
Total long-term assets	95 894	97 267
Resources	15 006	20 601
Trading and other amounts receivable	18 107	18 584
Advance payment of income tax	1 140	1 117
Cash and cash equivalents	596	195
Total short-term assets	34 849	40 497
Total assets	130 743	137 764
Equity		
Share capital	11 943	11 943
Supplements of shares	11 396	11 396
Reserves	8 489	8 523
Retained earnings	813	-81
Total equity attributed to shareholders of the Company	32 641	31 781
Minority interest	68	55
Total equity	32709	31 836
Liabilities		
Loans and financial leasing liabilities	48 714	48 946
Capital subsidies	8 806	8 894
Deferred profits tax liabilities	1 293	1 591
Total long-term liabilities	58 813	59 431
Loans and financial leasing liabilities	17 111	21 601
Profits tax payable	0	0
Trade and other amounts payable	22 110	24 896
Total short-term liabilities	39 221	46 497
Total liabilities	98 034	105 928
Total equity and liabilities	130 743	137 764

Profit and loss account

Thousand LTL	2009 03 31	2008 03 31
Sales revenue	34 221	24 352
Cost price of sales	-29 917	-23 333
Gross profit (loss)	4 201	1 019
Other operating income, net	64	-671
Expenditure of distribution	-1 311	-364
Administrative expenditure	-1 431	-982
Operating profit (loss)	1 626	-998
Income from financial activity	51	28
Expenditure from financial activity	-1 110	-452
Net financing costs	-1 059	-424
Profit (loss) before taxes	567	-1 422
Profit tax expenditure	299*	-25
Net profit (loss)	866	-1 447
Attributable to:		
Shareholders of the company	853	-1 427
Minority interest	13	-20
Net profit (loss)	866	-1 447

* Correction of deferred profits tax which was determined by corrected calculation of taxing loss for the 1st quarter 2009.

** Consolidated data of Vilkyškių pieninė AB and Modest UAB (Kelmės pieninė AB has joined the group of companies since the 1st of May 2008).

Cash flow statement

Thousand LTL	2009 03 31	2008 12 31
Cash flows from operating activities		
Net profit	866	-11 969
Adjustments:		
Depreciation of long-term tangible assets	1 367	5 946
Amortization of intangible assets	8	93
Capital subsidies recognized as income	-88	-387
Result of transfer of long-term tangible assets	0	379
Interest expenditure, in net value	945	3 816
Income tax expenditure	-23	-1 447
Cash flows from ordinary activities before changes in the working capital	3 075	-3 569
Change in resources	5 595	-1 525
Change in amounts receivable	-599	-336
Change in trading and other amounts payable	-1 539	7 620
	6 532	2 190
Paid / received income, net value	-945	-3 816
Income tax paid	-23	-2 235
Cash flows from operating activities	5 564	-3 861
Cash flows form investing activities		
Acquisition of long-term tangible assets	-513	-10 520
Acquisition of long-term intangible assets	-327	-312
Income from sale of long-term tangible assets	0	431
Transfer of short-term investments	0	4 297
Investment into daughter-enterprise, minus acquired money	0	-30 028
Net cash flows from investing activities	-840	-36 132
Cash flows from financing activities		
Loans received	614	37 682
Repayment of borrowings	-4 741	-10 784
Payment of financial lease liabilities	-284	-1 040
Issue of shares	0	13 986
Dividends paid	0	-2 030
Capital subsidies received	88	1 319
Net cash flows from financing activities	-4 323	39 133
Change in cash and cash equivalents	401	-860
Net cash and cash equivalents as on the 1 st of January	195	1 055
Net cash and cash equivalents as on the 31th of March	596	195

Statement on changes in equity

Thousand LTL	Equity attributable to the Group							Total equity
	Share capital	Supplements of shares	Revaluation reserve	Compulsory reserve	Undistributed result	In total	Minority interest	
On the 1 st of January 2008	9 353	-	8 420	935	13 442	32 150	42	32 192
2008 m. Net profit					-11 916	-11 916	-53	-11 969
Emission of shares	2 590	11 396				13 986		13 986
Transferred to reserves			-423		423	0		0
Decrease in reevaluation reserve			-409			-409		-409
Dividends					-2 030	-2 030		-2 030
Changes in the Group							66	66
On the 31 st of December 2008.	11 943	11 396	7 588	935	-81	31 781	55	31 836
On the 1 st of January 2009	11 943	11 396	7 588	935	-81	31 781	55	31 836
2009 m. Net profit					853	853	13	866
Transfers from reserves			-101		101	0		0
Transfers to reserves								
Dividends								
Issue of Company's shares								
Others					7	7		7
On the 31 th of March 2009	11 943	11 396	7 494	935	873	32 641	68	32 709

Explanatory notes

Vilkyskių pieninė AB was established in 1934. In 1985 it was closed and its equipment was dismantled. In 1993 a group of like-minded people decided to revitalize the company and in May of the same year they started the reconstruction works of the former dairy, and already in November the company has started separating milk. After a year the dairy of Vilkyskiai started producing fermented cheese and after two years the dairy opened a butter production workshop. All the necessary service structure was created, all equipment of the company was bought and new workshops were built (cheese workshop, salting workshop, freezing unit, ripening workshop).

Vilkyskių pieninė AB is one of the most modern cheese factories in Lithuania which occupies about 17 % of national cheese market. According to this criterion, the company takes the fourth place among the producers of the country. The Company constantly increases its in-house capacities: the Company expands the assortment of cheese, in 2007 it opened a modern whey processing workshop where whey is processed into whey concentrate. At present Vilkyskių pieninė AB produces even 11 types of cheese of 56 different names.

Vilkyskių pieninė AB started expanding in June 2001 by acquiring Taurage workshop. In January 2006 it acquired Modest UAB, the activity of which was transferred to Taurage workshop. At present Vilkyskių pieninė AB controls 87 % of block of shares. In 2008, having invested LTL 3.6 million, new Mozzarella cheese production line was mounted and started operating. In 2008 Kelmes pieninė AB, which is strong and perspective company, joined the group of companies of Vilkyskių pieninė AB. Vilkyskių pieninė AB took an ownership to 99.09 percent of Kelmes pieninė AB shares. As Kelmes pieninė AB, which specializes in the production of curd products, has joined the group of companies of Vilkyskių pieninė AB, Vilkyskių pieninė AB has entered a market of fresh products.

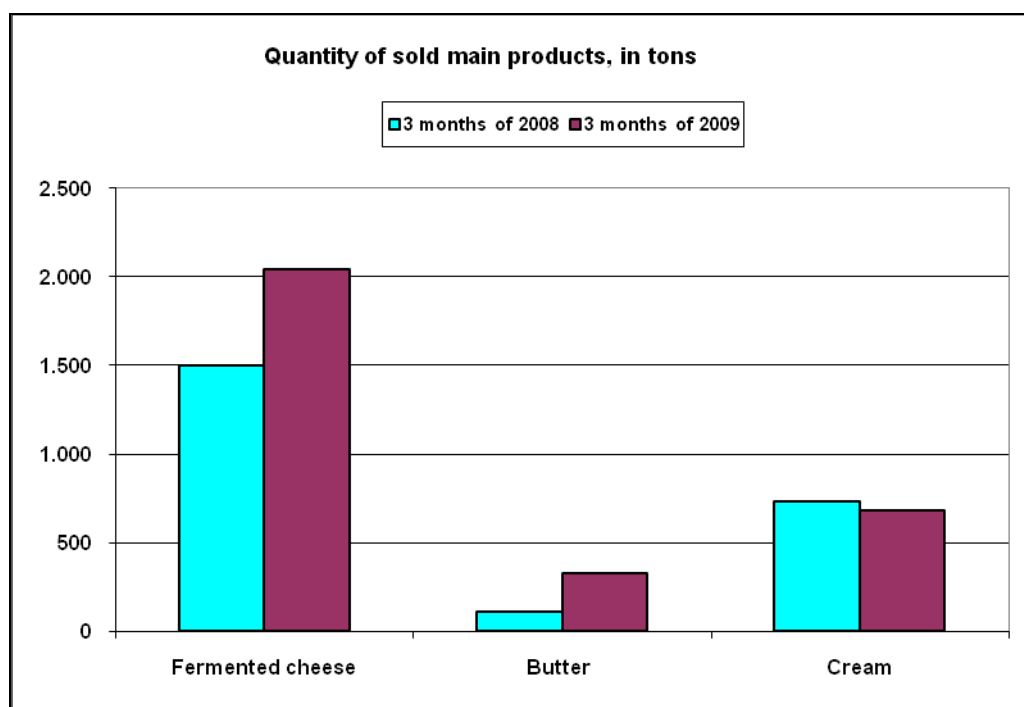
The main clients of the Company are all major Lithuanian trade networks, the purchasers of EU countries and Russia. At present the following value added cheeses are the most known and the most liked: Prussia, Maasdam, Memel Blue and Mozzarella. The group of companies, utilizing the assortment of fresh products of Kelmes pieninė AB, enters into the market of Estonia and of other countries, and this allows the group of companies to utilize better its productive capacities.

Currently, the number of employees of Vilkyskių pieninė AB is 433, and together with the employees of Modest UAB, which is owned by Vilkyskių pieninė AB, the total number of employees amounts to 722.

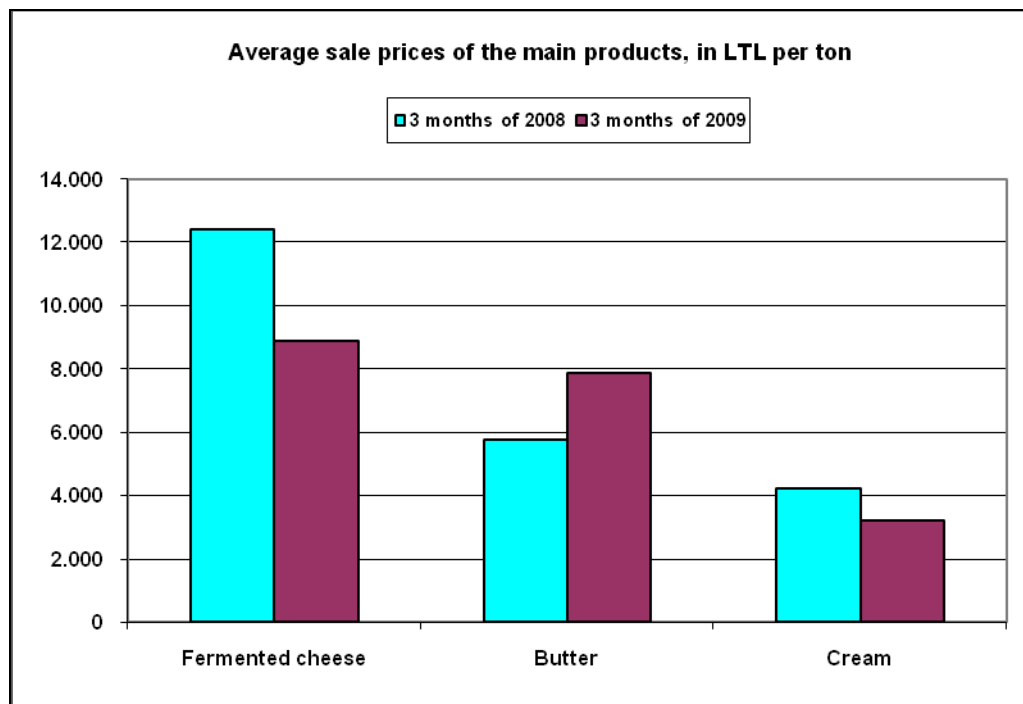
Despite the year 2007 was very successful, the year 2008 was loss-making for the group of companies of Vilkyskių pieninė AB. Consolidated loss reached LTL 11.9 million. The main reasons of loss were decreased prices of dairy products due to the excess of production in the Europe, the reappraisal of stock and onetime expenses because of the acquisition of Kelmes pieninė AB and its integration into the group of companies.

The Company expects that the results of the year 2009 will be more successful because of lower price of raw milk compared with the price of year 2008 and because of significantly reduced expenses of production, management and administration as well as because the European Commission has renewed the means of dairy market balancing: European Commission has revived export subsidies for some dairy products and has created the system of intervention warehouse. The actions of the EU institutions and the inducement of intervention purchases strike a balance between the demand and supply of production, whereas the prices of production, which have not been falling lately, demonstrates the period of stability

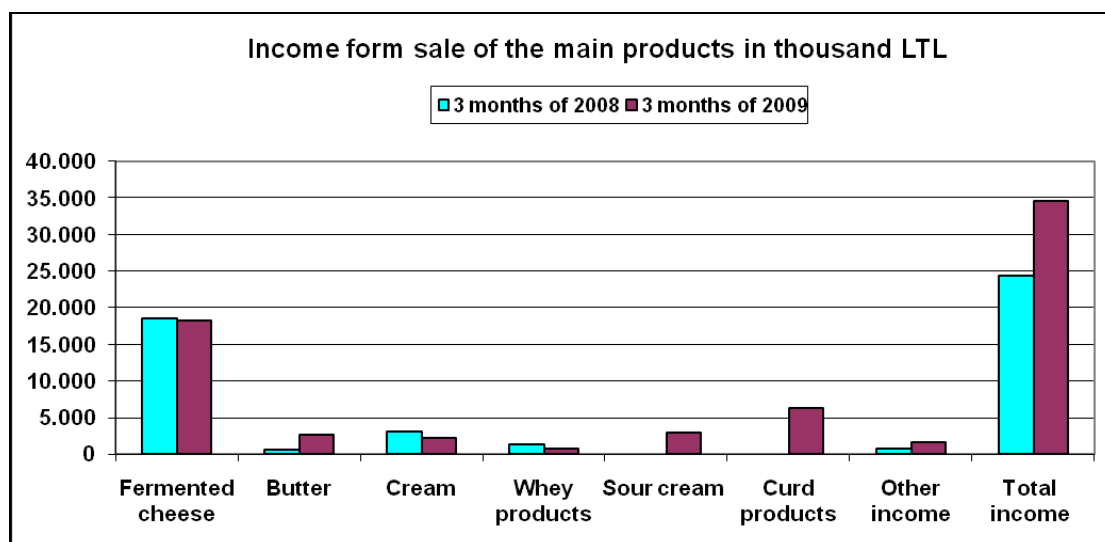
In the nearest future the Company plans to automate and optimize the processes of production, to develop fresh dairy products, to strengthen the department of sales, to introduce new means of marketing and to search for new markets. Moreover, the Company plans to carry out the purposeful transfer from the production of industrial cheese to brand cheese (having unique trade mark), to strengthen the trademarks of the Company and of certain products both in Lithuanian and in foreign markets by expanding the assortment with new exceptional types of cheese.



Quantity of sold main products, in tons	3 months of 2008	3 months of 2009
Fermented cheese	1 500	2 046
Butter	109	328
Cream	735	680



Average sale prices of the main products, in LTL per ton	3 months of 2008	3 months of 2009
Fermented cheese	12 410	8 976
Butter	5 752	7 863
Cream	4 234	3 225



Income form sale of the main products in thousand LTL	3 months of 2008	3 months of 2009
Fermented cheese	18 615	18 364
Butter	627	2 579
Cream	3 112	2 193
Whey products	1 296	779
Sour cream	-	2 897
Curd products	-	6 280
Other income	702	1 129
Total income	24 352	34 221

Material events

The sales of AB Vilkyškių pieninė group January – March 2009.

The consolidated sales of the company for **January 2009** amounted to 10.4 million LTL (3.01 million EUR) - 31.15 % increase comparing to January 2008. The sales of the company for the last 12 months (February 2008 - January 2009) amounted to 159.13 million LTL (46.09 million EUR) - 18.56 % increase comparing to the same period last year (February 2007 - January 2008).

The consolidated sales of the company for **February 2009** amounted to 10.9 million LTL (3.16 million EUR) - 25% increase comparing to February 2008. The sales of the company for the last 12 months (March 2008 - February 2009) amounted to 161.3 million LTL (46.7 million EUR) - 18% increase comparing to the same period last year (March 2007 - February 2008). The sales of the company for period January - February 2009 amounted to 21.3 million LTL (6.2 million EUR) - 28% increase comparing to the same period last year.

The consolidated sales of the company for **March 2009** amounted to 12.54 million LTL (3.63 million EUR) - 64% increase comparing to March 2008. The sales of the company for the last 12 months (April 2008 - March 2009) amounted to 166.4 million LTL (48.2 million EUR) - 25% increase comparing to the same period last year (April 2007 - March 2008). The sales of the company for period January - March 2009 amounted to 34 million LTL (9.9 million EUR) - 40% increase comparing to the same period last year.