



UTENOS TRIKOTAŽAS, AB

CONSOLIDATED AND COMPANY'S INTERIM FINANCIAL STATEMENTS
FOR THE 12 MONTHS PERIOD ENDED 31 DECEMBER 2014
(UNAUDITED)

Statements of financial position

	Notes	Group		Company	
		January - December		January - December	
		2014	2013	2014	2013
ASSETS					
Non-current assets					
Intangible assets	6	2 991	3 352	57	71
Property, plant and equipment	7	27 363	33 343	19 325	21 543
Investment property		394	403	394	403
Investments into subsidiaries		-	-	5 175	5 175
Trade and other receivables		7	24	-	-
Receivables from subsidiaries		-	-	9 574	10 360
Deferred income tax asset		140	150	-	-
		30 895	37 272	34 525	37 552
Current assets					
Inventories	8	11 873	12 088	11 131	10 484
Trade receivables	9	4 509	4 282	3 510	2 809
Other receivables		727	880	487	387
Cash and cash equivalents	10	3 296	2 347	752	552
		20 405	19 597	15 880	14 232
Non-current assets held for resale		-	1 062	-	1 062
		20 405	20 659	15 880	15 294
Total assets		51 300	57 931	50 405	52 846

Statements of financial position (cont'd)

	Notes	Group		Company	
		January - December		January - December	
		2014	2013	2014	2013
EQUITY AND LIABILITIES					
Equity attributable to the shareholders of the Company					
Share capital	11	5 000	19 834	5 000	19 834
Revaluation reserve	12	11 454	12 695	6 406	7 509
Legal reserve	12	1 983	1 983	1 983	1 983
Foreign currency translation reserve		354	2 141	-	-
Accumulated retained earnings/ (losses)		(1 712)	(18 065)	(71)	(15 289)
		17 079	18 588	13 318	14 037
Non-controlling interest		1 211	1 276	-	-
Total equity		18 290	19 864	13 318	14 037
LIABILITIES					
Non-current liabilities					
Long-term loans	13	3 576	-	3 576	-
Borrowings from subsidiaries	13	-	-	6 284	6 284
Convertible bonds issued	13	10 515	12 932	10 515	12 932
Deferred income tax liabilities		1 539	2 031	859	974
Provisions for employee benefits		585	444	544	403
Other long-term liabilities		-	-	387	-
		16 215	15 407	22 165	20 593
Current liabilities					
Current portion of non-current loans	13	1 714	1 214	1 714	-
Current portion of non-current finance lease	13	-	7 392	-	7 392
Convertible bonds issued	13	4 503	-	4 503	-
Trade payables		3 516	3 791	3 450	3 396
Payables to subsidiaries		-	-	106	100
Payables to other related parties		1 078	4 173	1 069	3 197
Income tax payable		318	148	-	-
Accrued expenses and other current liabilities	14	5 666	5 942	4 080	4 131
		16 795	22 660	14 922	18 216
Total liabilities		33 010	38 067	37 087	38 809
Total equity and liabilities		51 300	57 931	50 405	52 846

Statements of comprehensive income

Group

	Notes	January - December		October- December	
		2014	2013	2014	2013
Revenue	5,15	68 248	69 548	17 160	17 529
Cost of sales	16	(53 972)	(57 877)	(13 546)	(13 853)
Gross profit		14 276	11 671	3 614	3 676
Selling expenses	17	(3 322)	(2 814)	(767)	(684)
General and administrative expenses	17	(6 345)	(7 082)	(1 660)	(1 822)
Other income	18	1 297	673	349	121
Other expenses	18	(212)	(118)	(39)	(15)
Operating profit (loss)		5 694	2 330	1 497	1 276
Finance income	19	305	1 250	(1 216)	172
Finance cost	19	(5 546)	(4 817)	4 443	(1 221)
Profit (loss) before tax		453	(1 237)	4 724	227
Income tax		(219)	92	(418)	92
Profit (loss) for the year		234	(1 145)	4 306	319
Profit (loss) attributable to:					
Equity holders of the Company	20	124	(1 272)	4 321	324
Non-controlling interest		110	127	(15)	(5)
		234	(1 145)	4 306	319
Other comprehensive income (loss)					
Foreign currency translation gain (losses)		(1 787)	292	(5 116)	(83)
Other comprehensive income (loss)		(1 787)	292	(5 116)	(83)
Total comprehensive income (loss) for the period		(1 553)	(853)	(810)	236
<u>Basic/dilutive earnings per share</u>	20	0,02	(0,06)	0,23	0,02

Statements of comprehensive income

	Notes	Company			
		January - December		October- December	
		2014	2013	2014	2013
Revenue	5,15	55 385	57 389	14 220	13 925
Cost of sales	16	(45 554)	(49 694)	(11 618)	(11 457)
Gross profit		9 831	7 695	2 602	2 468
Selling expenses	17	(2 916)	(2 411)	(668)	(578)
General and administrative expenses	17	(5 631)	(6 018)	(2 350)	(2 263)
Other income	18	822	390	94	71
Other expenses	18	(144)	(13)	(23)	(1)
Operating profit (loss)		1 962	(357)	(345)	(303)
Finance income	19	274	234	83	57
Finance cost	19	(2 991)	(2 587)	(910)	(649)
Profit (loss) before tax		(755)	(2 710)	(1 172)	(895)
Income tax		115	374	(73)	374
Profit (loss) for the year		(640)	(2 336)	(1 245)	(521)

Statements of changes in equity

Equity attributable to the equity holders of the Company

Group	Share capital	Foreign currency translation reserve	Legal reserve	Asset revaluation reserve	Accumulated retained earnings/(losses)	Total	Non-controlling interest	Total equity
Balance as of 31 December 2012	19 834	1 852	1 983	-	(17 054)	6 615	952	7 567
Total comprehensive income (loss)	-	289	-	12 695	(1 011)	11 973	324	12 297
Balance as of 31 December 2013	19 834	2 141	1 983	12 695	(18 065)	18 588	1 276	19 864
Total comprehensive income (loss)	(14 834)	(1 787)	-	(1 241)	16 353	(1 509)	(65)	(1 574)
Balance as of 31 December 2014	5 000	354	1 983	11 454	(1 712)	17 079	1 211	18 290

Statements of cash flows

	Group		Company	
	31 December 2014	2013	31 December 2014	2013
Cash flows from operating activities				
Profit (loss) for the period	234	(1 145)	(640)	(2 336)
Adjustments for non-cash items:				
Depreciation and amortization	2 643	2 954	2 040	2 290
Impairment of accounts receivable from subsidiaries	-	-	1 200	1 307
Impairment (reversal) of non-current assets held for sale	(59)	654	(1)	437
Loss (gain) on disposal of property, plant and equipment and investment property	(680)	225	(497)	-
Impairment and write-off (reversal) of inventories	158	448	155	392
Impairment and write-off (reversal) of accounts receivable	(9)	94	-	94
Provisions for employees benefits	126	39	122	35
Provisions for employees benefits	2 688	2 501	2 705	2 352
Income tax expense	219	(92)	(115)	(374)
Changes in working capital:				
Decrease (increase) in inventories	57	(1 334)	(802)	(770)
Decrease (increase) in trade receivables	(218)	1 033	(1 901)	(83)
Decrease (increase) in receivables from subsidiaries	(1)	-	786	787
Decrease (increase) in other receivables and other current assets	147	(1 607)	(100)	(1 393)
Increase (decrease) in trade and other accounts payable	(873)	(1 202)	(1 700)	(1 287)
Increase (decrease) in taxes payable and other current liabilities	(485)	2 327	(47)	1 069
Cash generated from operating activities	3 947	4 895	1 205	2 520
Income tax (paid)	(168)	-	-	-
Net cash flows from operating activities	3 779	4 895	1 205	2 520
Cash flows from investing activities				
Acquisition of property, plant and equipment	(1 591)	(255)	(699)	(558)
Acquisition of intangible assets	-	(36)	-	(36)
Proceeds from sale of property, plant and equipment	2 713	1 829	2 416	1 615
Investments in term deposits	-	-	-	-
Interest received	1	2	207	-
Net cash flows generated from investing activities	1 123	1 540	1 924	1 021

Statements of cash flows (cont'd)

	Group		Company	
	31 December 2014	2013	31 December 2014	2013
Cash flows from financing activities				
Proceeds from borrowings	6 624	-	6 624	834
Repayment of borrowings	(9 973)	(4 301)	(8 726)	(3 242)
Interest paid	(604)	(712)	(827)	(768)
Net cash flows from financing activities	(3 953)	(5 013)	(2 929)	(3 176)
Net (decrease) in cash and cash equivalents	949	1 422	200	365
Cash and cash equivalents at the beginning of the period	2 347	925	552	187
Cash and cash equivalents at the end of the period	3 296	2 347	752	552

Notes to the financial statements

1. General information

Utenos Trikotažas AB (hereinafter „the Company“) is a joint-stock company registered in the Republic of Lithuania on 6 December 1994. The address of its registered office is as follows:

Basanavičiaus str. 122,
Utena,
Lithuania

The Company is engaged in production of knitted articles.

The shares of Utenos Trikotažas AB are listed on the Official List of the NASDAQ OMX Vilnius Stock Exchange.

As of 31 December 2014 and 31 December 2013 the shareholders of the Company were as follows:

	As of 31 December 2014		As of 31 December 2013	
	Number of shares held	Interest held (%)	Number of shares held	Interest held (%)
UAB Koncernas SBA	2 556	51.12	10 140	51.12
Investment Fund Amber Trust	681	13.61	2 700	13.61
Investment Fund East Capital Asset	527	10.54	2 091	10.54
Investment Fund KJK	276	5.52	1 095	5.52
Other shareholders	960	19.21	3 808	19.21
	5 000	100.00	19 834	100.00

All the shares are registered ordinary shares with a par value of LTL 1 each. As of 31 December 2014 and 31 December 2013 subsidiaries did not hold any shares of the Company. The Company did not hold its own shares within this period.

The consolidated group (hereinafter “the Group”) consists of the Company and the following subsidiaries:

	Registered address	Group's share (%)		Profile
		31 December 2014	31 December 2013	
Šatrija AB	Vilniaus str. 5, Raseiniai	89,78	89,78	Sewing of clothes
Gotija UAB	Laisvės Str. 33, Kaunas	90,50	90,50	Retail trade
PAT MTF Mrija	Motroso Str. 13, Mukachov, Ukraine	98,95	98,95	Production of knitted articles

On 31 of December 2014 the average number of employees of the Group was 1 143, while on 31 of December 2013 it was 1 086.

2. Form and contents of the financial statements

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

3. Change in the accounting method of the Companies' and the Group's Non-current assets Buildings group

In order to achieve a more accurate accounting of the financial results in March 31, 2013 the Non-current assets Buildings group accounting method was changed to the fair value method, as the book value of the Companies' and the Group's Non-current assets Buildings group, which was carried at historical cost, less subsequent accumulated depreciation, had not corresponded with the buildings market value.

4. Consolidation

The consolidated financial statements of the Group include AB Utenos trikotažas and its subsidiaries as well as associated companies. The financial statements of the subsidiaries are prepared for the same reporting year, using consistent accounting policies.

Subsidiaries are consolidated from the date from which effective control is transferred to the Company and cease to be consolidated from the date on which control is transferred out of the Group. All intercompany transactions, balances and unrealised gains and losses on transactions among the Group companies have been eliminated. The equity and net income attributable to non-controlling interests are shown separately in the statement of financial position and the statement of comprehensive income.

5. Segment information

The Group has three main business segments: production of knitted articles, production of working clothes and retail of knitted articles.

In assessing operational performance of segments the Group's Board takes into account the sales revenue, gross profit, EBITDA (earnings before financial activity result, taxes, depreciation and amortization and allowance due to change in accounting policy), profit (loss) ratios, therefore the report on the Group's segments discloses these items in respect of each segment. As the Board also assesses other items of the statement of comprehensive income by each segment, these items are presented in the report on the Group's segments. Inter-segment transactions are eliminated on consolidation.

Below, there is a summary of major indicators for the main business segments of the Group included in the statement of comprehensive income for the years 2014 and 2013:

of 31 December 2014	Production of knitted articles	Production of working clothes	Retail in knitted articles	Eliminations	Total
External sales	55 519	12 002	727	-	68 248
Internal sales	1 853	53	-	(1 906)	-
Total revenue	57 372	12 055	727	(1 906)	68 248
Gross profit	10 797	3 161	318	-	14 276
EBITDA	3 428	2 198	68	-	5 694
Profit (loss) for the period	(1 692)	1 815	111	-	234

of 31 December 2013	Production of knitted articles	Production of working clothes	Retail in knitted articles	Eliminations	Total
External sales	57 208	11 730	610	-	69 548
Internal sales	3 389	44	-	(3 433)	-
Total revenue	60 597	11 774	610	(3 433)	69 548
Gross profit	8 473	2 925	273	-	11 671
EBITDA	3 599	1 912	24	-	5 535
Profit (loss) for the period	(2 538)	1 320	73	-	(1 145)

6. Non-current intangible assets

Amortization expenses of intangible assets are included within general and administrative expenses in profit and loss statement.

7. Non-current tangible assets

Depreciation of non-current tangible property amounted to LTL 2 643 thousand as of 31 December 2014, LTL 2 121 thousand are included into cost of sales in the Group's Profit (loss) statement. The remaining amounts were included in general and administrative expenses and inventories in the statement of financial position.

In order to achieve a more accurate presentation of the financial results in March 31, 2013 the Non-current assets Buildings group accounting method was changed to the fair value method, as the book value of the Companies' and the Group's Non-current assets Buildings group, which was carried at historical cost, less subsequent accumulated depreciation, had not corresponded with the buildings market value.

In 31 of March 2013 the fair value of the Companies' and the Group Buildings was 25 210 thousand LTL and 15 837 thousand LTL, or 15 364 thousand LTL and 9 030 thousand LTL respectively higher compared to the historical cost method.

8. Inventories

	Group		Company	
	2014.12.31	2013.12.31	2014.12.31	2013.12.31
Raw materials	5 551	5 895	4 154	3 937
Work in progress	3 525	3 602	3 408	3 243
Finished goods	5 143	4 728	4 955	4 535
Goods for resale	178	231	-	-
	14 397	14 456	12 517	11 715
Write-down to net realisable value:				
Opening balance	(2 368)	(1 922)	(1 231)	(839)
Change	(156)	(446)	(155)	(392)
Closing balance	(2 524)	(2 368)	(1 386)	(1 231)
	11 873	12 088	11 131	10 484

9. Trade receivables

	Group		Company	
	2014.12.31	2013.12.31	2014.12.31	2013.12.31
Trade receivables, gross	4 973	4 842	3 901	3 296
Allowance for trade receivables:				
Opening balance	(560)	(780)	487)	(707)
Change	96	220	96	220
Closing balance	(464)	(560)	(391)	(487)
	4 509	4 282	3 510	2 809

Changes in impairment allowance for doubtful trade receivables as of 31 December 2014 and 31 December 2013 were recorded within general and administrative expenses in the Group's Profit (loss) statement.

10. Cash and cash equivalents

	Group		Company	
	2014.12.31	2013.12.31	2014.12.31	2013.12.31
Cash at bank and on hand	3 296	2 347	752	552
	3 296	2 347	752	552

11. Share capital

The authorized capital of the Company was reduced by implementing the Decision of the Extraordinary General Meeting of Shareholders which had been held on 12th of September, 2014. The purpose of reduction of the Company's authorised capital is - to eliminate the losses recorded in the balance sheet of the Company.

On 8th of October 2014, the Register of Legal Entities of the Republic of Lithuania registered a new edition of the Company's Articles of Association with regard to reduced Company's authorized capital. The authorized capital of the Company was reduced from LTL 19.834.442 (nineteen million eight hundred thirty four thousand four hundred forty two litas) to LTL 5.000.000 (five million litas).

On 20th of October 2014, the procedure of the reduction of Company's authorized capital was completed and Company's ordinary registered shares' (ISIN code LT0000109324) issue registration account was amended: issue was reduced to 5.000.000 (five million) ordinary registered shares of LTL 1 (one litas) par value each by cancelling 14.834.442 (fourteen million eight hundred thirty four thousand four hundred forty two) ordinary registered shares. After the cancelling of part of Company's shares the share issue of the Company consist of 5.000.000 (five million) ordinary registered shares of LTL 1 (one litas) par value each.

12. Reserves

Exchange differences are classified as shareholders' equity in the consolidated financial statements until the investment is realised.

Upon sale of the corresponding assets the cumulative translation reserve is transferred to retained result in the same period when the gain or loss on realization of the investment is recognized.

Other reserves

The balances of other reserves as of 31 December 2014 and 31 December 2013 were as follows:

	Group		Company	
	2014.12.31	2013.12.31	2014.12.31	2013.12.31
Legal reserve	1 983	1 983	1 983	1 983
Revaluation reserves	11 454	12 695	6 406	7 509
	13 437	14 678	8 389	9 492

13. Borrowings and convertible bonds issued

	Group		Company	
	2014.12.31	2013.12.31	2014.12.31	2013.12.31
Current				
Current portion of non-current bank borrowings	1 714	1 214	1 714	-
Finance lease liabilities	-	7 392	-	7 392
	1 714	8 606	-	7 392
Non-current				
Long-term loans	3 576	-	3 576	-
Borrowings from subsidiaries	-	-	6 284	6 284
	3 576	-	9 860	6 284
Total borrowings	5 290	8 606	11 574	13 676

On 18 of July 2013, the Company and Swedbank Lizingas UAB entered into the new agreements concerning the lease contracts. The parties revised the instalment schedules agreeing on the three-month grace period starting in June 2013. The final settlement term of finance lease liabilities was not changed - 30 September 2014.

On 28 of April 2014, the Company and Swedbank Lizingas UAB entered into the new agreements concerning the lease contracts. The finance lease totalling LTL 6 742 thousand settlement term was changed to 31 December 2016.

On 28 of April 2014, the Company and Swedbank AB entered into the agreement concerning the credit. The Company received LTL 1 335 thousand, which settlement date was 31 December 2014. The agreed fixed interest rate – 5 percent.

On 29th of January 2014, the subsidiary Company PAT MTF Mrija and FIDO bank entered into the new agreements concerning the loan. The parties agreed the new final settlement term of the loan – 28 January 2015 and a new annual interest rate was agreed – 15 per cent.

In November, 2014 the subsidiary Company PAT MTF Mrija repaid the loan and fulfilled all obligations to FIDO bank.

On 26th of November 2014 the Company and AB DNB entered into and signed a long-term loan agreement according to which the Company will be granted a loan of EUR 4 634 000 (four million six hundred thirty four thousand euros). The loan term – 5 (five) years. The funds will be used to refinance the Company's financial liabilities in respect of UAB "Swedbank lizingas" and to fulfil the Company's settlement obligations in respect of the convertible bonds holders (i.e. to pay the redemption price of the convertible bonds to be redeemed).

On 29th of December 2014 the Company fulfilled all obligations to UAB "Swedbank lizingas".

As at 31th of December 2014, the used part of loan granted by AB DNB amounted to LTL 5 290 thousand.

In 2014 and 2013, the bank borrowings are secured by property plant and equipment.

On 11 January 2010, an agreement on convertible bonds was entered into by the Company and Swedbank AB. Based on the 3 December 2009 decision of the extraordinary general shareholder meeting it was resolved to issue 50 units of convertible bonds with the nominal value in total of LTL 11 850 thousand (equivalent in EUR 3 432 thousand) by restructuring a part of the Company's finance lease liabilities to the finance lease company.

Based on the convertible bond agreement the Company is obliged to redeem bonds or exchange them for the shares of the Company under the terms and conditions established in the agreement. A nominal value of one bond is LTL 237 thousand (equivalent in EUR 69 thousand); a discounted value of one bond issued is LTL 112 thousand (equivalent in EUR 36 thousand); the bond bears interest at 15%. The maturity term of bonds is 5 years; the maturity date is 12 January 2015. If Swedbank AB chooses to convert the bonds into the shares, it has to submit a written request to the Company as from 12 January 2010 till 11 December 2014 inclusive and the convertible bonds shall be exchanged into the shares of the Company on the redemption day. The maximum number of the shares for which the issued convertible bonds might be converted at the end of the conversion period – 11 850 thousand shares with the nominal value LTL 1.

„Swedbank“, AB on 15th of December 2011 disposed all convertible bonds of the Company to company FR&R Invest AB, which is registered in Sweden and is related party to the bank.

In addition, an agreement on convertible bonds was entered into by the Company and the ultimate parent company Koncernas SBA UAB on 11 January 2010. Based on the 3 December 2009 decision of the extraordinary general shareholder meeting it was resolved to issue 16 units of convertible bonds with the nominal value in total of LTL 3 166 thousand (equivalent in EUR 917 thousand) by restructuring the Company's financial liabilities to the ultimate parent company.

Based on the convertible bond agreement the Company is obliged to redeem bonds or exchange them for the shares of the Company under the terms and conditions established in the agreement. A nominal value of one bond is LTL 198 thousand (equivalent in EUR 57 thousand); a discounted value of one bond issue is LTL 94 thousand (equivalent in EUR 27 thousand); yield of the bond is 15 per cent of annual interest. The maturity term of bonds is 5 years; the maturity date is 12 January 2015. If Koncernas SBA UAB chooses to convert the bonds into the shares, it has to submit a written request to the Company as from 12 January 2010 till 11 December 2014 inclusive and the convertible bonds shall be exchanged into the shares of the Company on the redemption day. The maximum number of the shares for which the issued convertible bonds might be converted at the end of the conversion period – 3 168 thousand shares with the nominal value LTL 1.

Convertible bonds were issued after the restructuring of finance lease liabilities and amounts payable to SBA Koncernas UAB. The Company measured the liability and equity components of this compound financial instrument. During the measurement it was determined that the equity component is close to zero, therefore the total value of the compound financial instrument was attributed to the liability component.

On 26 March 2014 the extraordinary General shareholders meeting decided to make the Amendment to the issue terms and conditions of non-public issue of convertible bonds (ISIN code LT1000450007) adopted in the extraordinary general meeting of the shareholders of the Company as of 3 December 2009 and to determine the order of the Amendment enforcement. A more detailed information concerning decisions of extraordinary general shareholder's meeting might be found on the Companies internet site (www.ut.lt) investors relations-public announcements section.

On 24 April 2014 the Company get information, that a Swedish company FR&R Invest AB sold all it had (50 units) convertible bonds of the Company to the following shareholders of the Company:

- ✓ UAB koncernas „SBA“ (number of acquired bonds: 34 units);
- ✓ AmberTrust S.C.A., SICAF-SIF (number of acquired bonds: 9 units);
- ✓ KJK Fund, SICAF-SIF (number of acquired bonds: 4 units);
- ✓ FIREBIRD REPUBLICS FUND LTD (number of acquired bonds: 2 units);
- ✓ FIREBIRD AVRO
- ✓ RA FUND LTD (number of acquired bonds: 1 units).

Convertible bonds obligations:

	Group		Company	
	2014.12.31	2013.12.31	2014.12.31	2013.12.31
FR&R Invest AB	-	10 209	-	10 209
AmberTrust S.C.A., SICAF-SIF	2 133	-	2 133	-
KJK Fund, SICAF-SIF	948	-	948	-
FIREBIRD REPUBLICS FUND LTD	474	-	474	-
FIREBIRD AVRORA FUND LTD	237	-	237	-
UAB Koncernas „SBA“	11 226	2 723	11 226	2 723
Total convertible bonds obligations:	15 018	12 932	15 018	12 932

14. Accrued expenses and other current liabilities

	Group		Company	
	2014.12.31	2013.12.31	2014.12.31	2013.12.31
Amounts payable for services and non-current assets	1 403	1 355	1 242	1 255
Wages, salaries and social security	1 260	1 437	1 056	1 002
Accrual for vacation reserve	2 045	2 222	1 007	1 309
Prepayments received	509	283	495	268
Bonuses for employees	-	150	-	-
Taxes payable, except for profit tax	316	360	280	293
Other liabilities	133	135	-	4
	5 666	5 942	4 080	4 131

15. Revenue

Group	January - December		October- December	
	of 2014	of 2013	of 2014	of 2013
Revenue from sales of goods and services	68 056	69 342	17 098	17 470
Revenue from sales of materials	192	206	62	59
	68 248	69 548	17 160	17 529

Company	January - December		October- December	
	of 2014	of 2013	of 2014	of 2013
Revenue from sales of goods and services	55 242	57 291	14 131	13 888
Revenue from sales of materials	143	98	89	37
	55 385	57 389	14 220	13 925

16. Cost of sales

Group	January - December		October- December	
	of 2014	of 2013	of 2014	of 2013
Materials	19 885	23 992	4 295	5 072
Wages and salaries and social security	22 508	21 068	5 658	5 916
Other overhead expenses	9 342	10 329	2 964	2 275
Depreciation and amortisation	2 121	2 424	584	577
Cost of materials sold	116	64	45	13
	53 972	57 877	13 546	13 853

Company	January - December		October- December	
	of 2014	of 2013	of 2014	of 2013
Materials	17 812	17 110	4 025	4 541
Wages and salaries and social security	16 207	19 241	4 080	3 972
Other overhead expenses	9 794	11 366	3 112	2 506
Depreciation and amortisation	1 724	1 969	399	435
Cost of materials sold	17	8	2	3
	45 554	49 694	11 618	11 457

17. Selling general and administrative expenses

Group	January - December		October- December	
	of 2014	of 2013	of 2014	of 2013
Selling expenses				
Wages and salaries and social security	1 180	1 059	325	265
Other selling expenses	2 142	1 755	442	419
Total selling expenses	3 322	2 814	767	684
General and administrative expenses				
Wages and salaries and social security	2 506	2 502	668	627
Communications and consulting services	958	780	332	188
Taxes other than income tax	242	278	36	51
Depreciation and amortization	502	518	125	173
Vehicles exploitation expenses	241	205	65	55
Premises exploitation expenses	135	114	53	28
Security	316	337	78	84

Services of financial institutions	220	188	71	46
Representation expenses	193	111	110	31
Business trips	93	101	10	17
Impairment and write-off (reversal) of inventories	91	445	(165)	232
Other	848	1 503	277	290
Total general and administrative expenses	6 345	7 082	1 660	1 822
	9 667	9 896	2 427	2 506

Company	January - December		October- December	
	of 2014	of 2013	of 2014	of 2013
Selling expenses				
Wages and salaries and social security	932	829	268	202
Other selling expenses	1 984	1 582	400	376
Total selling expenses	2 916	2 411	668	578
General and administrative expenses				
Wages and salaries and social security	1 700	1 690	444	417
Communications and consulting services	793	603	275	151
Taxes other than income tax	187	217	24	34
Depreciation and amortization	297	288	73	79
Vehicles exploitation expenses	192	151	54	41
Premises exploitation expenses	104	83	55	22
Security	145	144	37	35
Services of financial institutions	177	149	61	37
Representation expenses	180	85	110	23
Business trips	79	77	10	11
Impairment and write-off (reversal) of inventories	155	392	(100)	180
Other	1 622	2 139	1 307	1 233
Total general and administrative expenses	5 631	6 018	2 350	2 263
	8 547	8 429	3 018	2 841

18. Other income and expenses

Group	January - December		October- December	
	of 2014	of 2013	of 2014	of 2013
Rent income	61	67	(187)	18
Other income	486	381	339	97
Gain from disposal of non-current assets	750	225	197	6
Other income	1 297	673	349	121
Loss from disposal of non-current assets	(70)	-	-	-
Rent costs	(32)	(22)	(19)	1
Other expenses	(110)	(96)	(20)	(16)
Other expenses	(212)	(118)	(39)	(15)

Company	January - December		October- December	
	of 2014	of 2013	of 2014	of 2013
Rent income	61	66	14	18
Other income	194	106	66	53
Gain from disposal of non-current assets	567	218	14	-
Other income	822	390	94	71
Loss from disposal of non-current assets	(70)	-	-	-
Rent costs	(32)	(22)	(19)	1
Other expenses	(42)	9	(4)	(2)
Other expenses	(144)	(13)	(23)	(1)

19. Finance costs, net

Group	January - December		October- December	
	of 2014	of 2013	of 2014	of 2013
Net foreign exchange gain (loss)	(2 553)	(1 066)	4 024	(430)
Interest expenses	(2 689)	(2 503)	(797)	(619)
Interest income	1	2	-	-
	(5 241)	(3 567)	3 227	(1 049)

Since 1st January 2014 the management considers loans granted and long term receivables from PAT MTF Mrija as net investment, as no request for repayment is planned nor likely to occur. Foreign currency exchange difference related to these amounts, are accounted through other comprehensive income (expenses) in Group's consolidated financial statements.

Net investment amounts LTL 11.9 million (EUR 3.5 million) and related foreign currency exchange difference for the year 2014 amounts LTL 6.6 million (EUR 1.9 million), which is accounted through other comprehensive income (expenses) in Group's consolidated financial statements.

Company	January - December		October- December	
	of 2014	of 2013	of 2014	of 2013
Net foreign exchange gain (loss)	(13)	(1)	(12)	-
Interest expenses	(2 911)	(2 559)	(870)	(644)
Interest income	207	207	55	52
	(2 717)	(2 353)	(827)	(592)

20. Basic/dilutive earnings per share

Profit (loss) per share reflect the Group's net profit/(loss), divided by the outstanding number of shares. Calculation of the profit/(loss) per share is presented below:

Group	January - December	
	of 2014	of 2013
Profit/ (loss) attributable to the equity holders of the Group	124	(1 272)
Weighted average number of shares in issue (thousand)	5 000	19 834
Basic / diluted earnings per share (in LTL)	0,025	(0,064)

21. Post balance sheet events

1. AB „Utenos trikotažas“, legal entity code 183709468, registered address at J. Basanavičiaus str. 122, Utena, Republic of Lithuania (hereinafter – the Company) hereby announces that on 14 January 2015, the procedure of the increase of Company's authorized capital was completed and Company's ordinary registered shares' (ISIN code LT0000109324) issue registration account was amended: issue was increased to 9 503 000 (nine million five hundred three thousand) ordinary registered shares of EUR 0.29 (twenty nine euro cents) par value each (the previously registered issue of ordinary registered shares which amounted to 5 000 000 ordinary registered shares was merged with a new issue of 4 503 000 ordinary registered shares).

Since January 14, 2015, the shares issue of the Company consist of 9 503 000 (nine million five hundred three thousand) ordinary registered shares of EUR 0.29 (twenty nine euro cents) par value each. The total nominal value of the shares amounts to EUR 2 755 870 (two million seven hundred fifty five thousand eight hundred seventy euros). Amount of voting rights - 9 503 000 (nine million five hundred three thousand).

The authorized capital of the Company was increased by implementing the decisions of the Company's General Shareholders Meetings held on 03-12-2009, 26-03-2014 and pursuant to the convertible bonds (ISIN code LT1000450007) holders written requests to convert 19 units of convertible bonds into 4 503 000 ordinary registered shares of the Company.

2. On 26th of November 2014 the Company and AB DNB entered into and signed a long-term loan agreement according to which the Company will be granted a loan of EUR 4 634 000 (four million six hundred thirty four thousand euros). The loan term – 5 (five) years. The funds will be used to refinance the Company's financial liabilities in respect of UAB “Swedbank lizingas” and to fulfil the Company's settlement obligations in respect of the convertible bonds holders (i.e. to pay the redemption price of the convertible bonds to be redeemed).

On 15th of January 2015, the Company used EUR 3 044 thousand to pay the redemption price of the convertible bonds.

3. On 19 th of February 2015, the Company and Swedbank AB entered into the agreement on termination of bank guarantee provided on 2014 July 24th.