



**VILNIAUS
BALDAI**

ANNO 1883

*... Better
Faster
Stronger ...*

Vilniaus Baldai AB

INTERIM

CONSOLIDATED REPORT

FOR THE SIX MONTHS OF 2015

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COMPANIES COMPOSING THE GROUP

Vilniaus Baldai AB (hereinafter – the Company) consists of Vilniaus Baldai AB and subsidiary ARI – LUX UAB in which the Company directly controls 100% of shares.

GENERAL INFORMATION ABOUT THE COMPANY:

Name	Joint stock company Vilniaus Baldai AB
Legal form	Joint stock company
Code	121922783
VAT payer's code	LT219227811
Authorised capital	EUR 4 508 069.72 divided into 3 886 267 ordinary registered shares with the par value of EUR 1.16 each
Office address	Savanoriu Ave. 178B, LT - 03154 Vilnius
Telephone	(8~5) 252 57 00
Fax	(8~5) 231 11 30
E-mail	info@vilniausbaldai.lt
Internet website	www.vilniausbaldai.lt
Registration date and place	9 February 1993, Vilnius City Board
Register, where all the information about the Company is collected and stored	Register of legal entities
Main type of the activity	Design, production and selling of the office, bedroom, living-room and hall furniture

GENERAL INFORMATION ABOUT THE SUBSIDIARY:

Name	Limited liability company ARI – LUX UAB
Legal form	Limited liability company
Code	120989619
VAT payer's code	LT209896113
Authorised capital	EUR 2 896
Office address	Savanoriu Ave. 178, LT - 03154 Vilnius
Telephone	(8~5) 252 57 44
Fax	(8~5) 252 57 44
E-mail	aleksas.rimkus@ari-lux.lt
Internet website	-
Registration date and place	28 October 1991, Vilnius City Board
Register, where all the information about the Company is collected and stored	Register of legal entities
Main type of the activity	Packaging

1. REVIEW OF THE COMPANIES GROUP'S POSITION, ACTIVITY AND DEVELOPMENT, CHARACTERISATION OF THE MAIN TYPES OF RISKS AND UNCERTAINTIES, FACED BY THE COMPANY

Vilniaus Baldai AB is a leading manufacturer of flat-pack furniture. The public company Vilniaus Baldai is the Company that cherishes time-honoured traditions, applies modern technologies and enjoys a stable and continuous business growth.

The activity of Vilniaus Baldai was successful during the first half of 2015. The revenue grew to EUR 33 million. In 2015 the Company focuses on the increase of productivity and improvement of quality. The Company achieves these objectives through the introduction of the LEAN methodology in the areas of manufacturing processes, operational management, improvement of professional skills of employees and their involvement in a process of continuous development.

Main risks faced by the Group:

Economic risk factors. The sales of Vilniaus Baldai AB to the main customer Swedish concern IKEA made about 98 % of all the sales of the Company during the first half 2015 (in 2014 – 98 %, in 2013 – 98 %). In the first half 2015, the Company's sales revenue comprised sales of furniture which account for 99 % of total sales (in 2014 – 99 %, in 2013 – 99 %) and sales of raw materials and waste of raw materials.

The Company competes with the world furniture producers.

Political risk factors. Critical changes in the business environment are related to the unstable situation in the business. There are no requirements and restrictions established by the State to the issuer's activity.

Social risk factors. The increasing competition in the business affects the Company as well, and this results in the need for changes to be introduced in the Company's organisational structure, the need for higher labour productivity, introduction of an effective system of the purchase of raw materials and services, a continuous enhancement of technology. The Company pays great attention to the improvement of operating conditions and training and qualification improvement of the employees, implementation of LEAN management principles and methods. Trade Union, representing the interests of the employees, operates actively in the Company.

Supply. Vilniaus Baldai has introduced an effective system of the purchase of raw materials and services. The Company maintains strong strategic relations with suppliers and constantly searches for new opportunities in the markets of raw materials and services. Vilniaus Baldai AB signs long-term contracts with the suppliers of the raw materials.

Technical and technological risk factors. The modern production equipment is introduced in the Company. The manufacturing processes should be further modernised. The physical and moral condition of the main facilities is good and does not cause any risk to the activity of the Company. Vilniaus Baldai AB focuses on maintenance of production facilities, optimisation of technological processes, increase in labour productivity. The Company regularly invests in renovation of facilities and introduction of the latest technologies.

Ecological risk factors. There is an environment protection management system introduced in the Company, corresponding to the ISO 14001 requirements. The core of this system is the management and permanent improvement of the environment protection. The Company works purposefully seeking to make the production ecological, to control the impact that the materials and raw materials have on the environment, to ensure that the suppliers of the products and services correspond to the environment protection management requirements. Company was granted FSC production line certificate. The annual audit for quality management system and environmental management system according EN ISO 9001 and EN ISO 14001 was performed in June 2015. There aren't identified any non - conformances. During the first half of 2015 Vilniaus Baldai AB paid EUR 2 thousand of the environment pollution taxes, as well as EUR 43 thousand for the waste utilisation services. There were no manufacturing restrictions because of the environment pollution.

Repayment of the loans. The repayment of the loans is made according upon the contractual schedules. All the payments to the bank are made on time. Information on terms and conditions of repayment of financial liabilities, credit of the Group is provided in the Notes to the interim condensed consolidated financial statements for the six months of 2015 (14 Note).

Characteristics of internal control and risk management systems related to the preparation of consolidated financial statement of the Company and the Group. The compliance with the requirements for the preparation of the set of the consolidated financial statements, internal control and financial risk management systems, legal acts regulating the preparation of the set of the consolidated financial statements is supervised by the Audit Committee established on 16 September 2013.

The Audit Committee:

Tomas Bubinas	
Position Independent Member of the Audit Committee, elected to the Audit Committee 16.09.2013, end of the term – 2017	
Work experience Since 2013 Chief Operating Officer at Biotechpharma UAB 2010 – 2012 Senior Director of Operations at TEVA Biopharmaceuticals USA 2001 – 2010 Chief Financial Officer at SICOR Biotech / TEVA Baltic 1999 – 2001 Senior Manager at PricewaterhouseCoopers 1994 – 1999 Senior Auditor, Manager at Coopers & Lybrand	
Education Master degree in Economics of Vilnius University and Executive MBA of BMI (Baltic Management Institute), a fellow member of the Association of Chartered Certified Accountants (ACCA) and a registered Lithuanian Sworn Auditor.	
Participation in Vilniaus Baldai AB authorised capital -	Number of shares and of voting rights -

Vaidas Savukynas	
Position Member of the Audit Committee, elected to the Audit Committee 16.09.2013, end of the term – 2017	
Work experience Since 2013 Chief Financial Officer at Invalda privatus kapitalas AB 2011 – 2013 Chief Financial Officer at food retail chain Narodnyi in Kyrgyz Republic 2010 – 2010 Director of Administration at Zemaitijos pienas AB 1998 – 2009 Chief Financial Officer and Financial Analyst at concern MG Baltic and its companies (MG Baltic Trade, Apranga, Minvista) 1993 – 1995 Chief Executive Officer at brokerage company Bankoras 1990 – 1993 Marketing Manager at Lietuvos birza AB	
Education Vilnius University diploma in economics, Master degree in Social Sciences of Stockholm University (Sweden), Financial sector schemes introductory courses in Leeds University (Great Britain)	
Participation in Vilniaus Baldai AB authorised capital -	Number of shares and of voting rights -

The Company's Chief Accountant is responsible for the preparation of the consolidated financial statement, ensures the collection of information from Group companies, its' timely and fair processing and preparation for the financial statement.

2. THE ANALYSIS OF THE FINANCIAL AND NON-FINANCIAL ACTIVITY RESULTS, INFORMATION RELATED TO THE ENVIRONMENTAL AND PERSONNEL MATTERS

Turnover of the Group during the first three months of 2015 stood at 16 508 thousand EUR, while at the same time last year – 15 325 thousand EUR. Net profit of the Group during the first quarter in 2015 was 818

thousand EUR, while in during respective period of 2014 it was 1 589 thousand EUR. EBITDA was 1 494 thousand EUR. Year ago it was 2 126 thousand EUR.

The Group Revenue stood at 16 088 thousand EUR during April-June of 2015, while revenue for the same period of 2014 was 14 077 thousand EUR. Net profit of the Group during April-June of 2015 was 822 thousand EUR, while net profit during the same period of 2014 was 1 111 thousand. EBITDA of the Group was 1 370 thousand EUR in the second quarter of 2015, while at the same time last year it was 1 676 thousand EUR.

The Group Revenue stood at 32 596 thousand EUR during January-June of 2015, while revenue for the same period of 2014 was 29 402 thousand EUR. Net profit of the Group during January-June of 2015 was 1 640 thousand EUR, while net profit during the same period of 2014 was 2 700 thousand. EBITDA of the Group was 2 864 thousand EUR in the first half of 2015, while at the same time last year it was 3 802 thousand EUR.

The main items of the Group of financial position, EUR thousand:

	30.06.2015	31.12.2014
Non - current assets	13 376	14 012
Current assets	14 468	10 802
Total assets	27 844	24 814
Capital and reserves	11 381	9 735
Total liabilities	16 463	15 079
Non - current liabilities	1 608	4 179
<i>Financial debts</i>	977	3 583
Current liabilities	14 855	10 900
<i>Financial debts</i>	5 758	5 146

The main items of the Group of comprehensive income, EUR thousand:

	2015 first half	2014 first half
Sales income, EUR thousand	32 596	29 402
- in Lithuania	495	371
- in EU countries	18 381	16 239
- other countries	13 720	12 792
Gross profit, EUR thousand	3 538	4 192
Gross profit margin, %	10.85	14.26
Operating profit, EUR thousand	1 967	2 987
Operating profit margin, %	6.03	10.16
Profit before taxes, EUR thousand	1 901	2 954
Profit before taxes margin, %	5.83	10.05
Net profit, EUR thousand	1 640	2 700
Net profit margin, %	5.03	9.18
EBITDA, EUR thousand	2 864	3 802
EBITDA margin, %	8.79	12.93

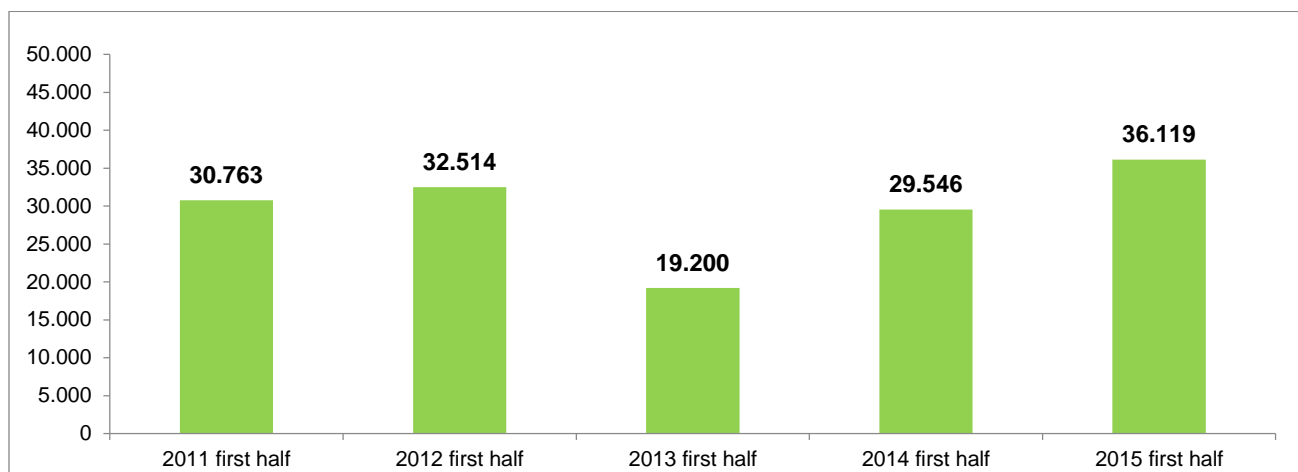
Production and sales

Vilniaus Baldai AB designs, produces flat-pack furniture. The production of the Company is produced from wood particle boards, the most modern technology of board on frame is used, according to which the produced furniture is lighter, however massively looking. When employing this technology less raw materials can be used, and stable quality of the production is attained. Each year new products are developed and

production technologies of the existing ones are improved taking into consideration the needs of consumers and prevailing tendencies. The planning system is implemented in the Company.

Modern equipment, purchased from such world-renowned manufacturers as Homag, Holzma, Burkle, Weeke, Wikoma, Ima, Biesse, Wemhoner etc., enables to manufacture different types of the furniture, coated with planed plywood and enamel.

The volumes of Company's production in terms of value in the period of 2011 – 2015 first half, EUR thousand:

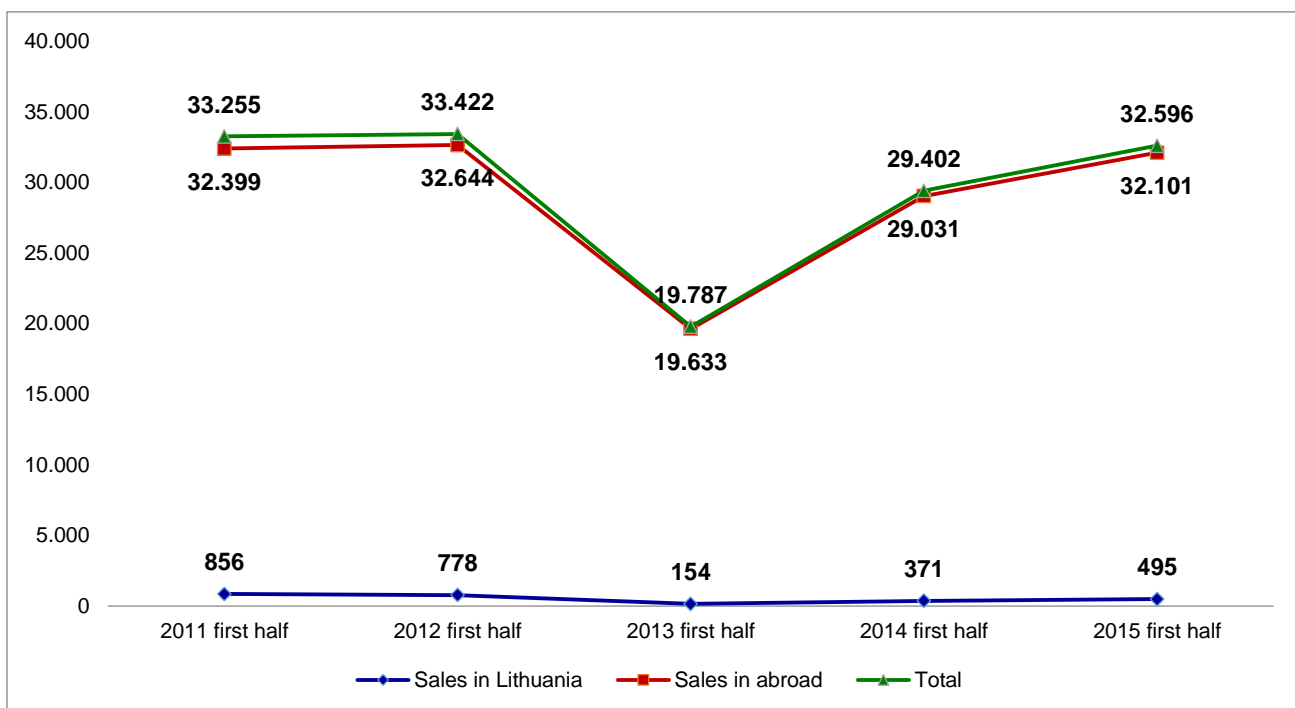


Production sales according to the markets in the period of 2011 – 2015 first half:

Sales	2015 I half		2014 I half		2013 I half		2012 I half		2011 I half	
	EUR th	%	EUR th	%	EUR th	%	EUR th	%	EUR th	%
In Lithuania	495	1.5	371	1.3	154	0.8	778	2.3	856	2.6
In abroad	32 101	98.5	29 031	98.7	19 633	99.2	32 644	97.7	32 399	97.4
Total	32 596	100	29 402	100	19 787	100	33 422	100	33 255	100

Sales in Lithuania include: raw materials sales, waste sales and other sales.

Sales of the Company in the period of 2011 – 2015 first half, in EUR thousand:



Supply

Vilnius Baldai AB has introduced an effective system of the purchase of raw materials and services. The Company maintains strong strategic relations with suppliers and constantly searches for a new opportunities in the markets of raw materials and services. The purchase process is distinguished into strategic and operational purchases. The Company aims to manage the supply risk, therefore main raw materials may be supplied by a principal or alternative suppliers. The Company has implemented and continuously improves the assessment system of suppliers, audits of suppliers are carried out.

Vilnius Baldai AB establishes the long-term contracts with the suppliers. The Company acquires the main raw materials from the local, Slovak, Polish and German producers. The main suppliers are IKEA Industry Lietuva UAB, IKEA Components S.R.O, IKEA Industry Polska Sp.zo.o., Sherwin – Williams Lietuva UAB, Rehau UAB, DS Smith Packaging Lithuania UAB, P.U.P. Senko Sp. Z o.o. The local supply of the raw materials is pre-conditioned by the cheap transportation costs and good relations with the major suppliers.

Employees

The Company pays great attention and allocates funds for the improvement of working conditions, trainings and qualification improvement of the personnel. Vilnius Baldai AB makes regular investments in its production facilities, automation of technological processes in order to improve working conditions, reduce physical workload of employees. Investments in occupational safety and wellbeing of the employees serve as a basis for establishing a different working environment, which encourages to aim for a better performance and achieve higher competitiveness in the international markets.

During the first half 2015 the number of work places at the Group and the Company was increase, this was caused by the increase in production capacity and sales. 755 employees worked in the Group and 701 employees in the Company at the end first half of 2015 (671 in the Group and 629 in the Company on 31 December 2014). The average age of the employees is 42 years.

The average number of the recorded employees in the period of 2012 – 2014 and during the first half 2015:

	2015 first half	2014	2013	2012
Executive personnel	4	4	4	4
Specialists	36	35	33	35
Workers	588	460	368	388
Total	628	499	405	427

Remuneration comprises a basic and variable component. A variable component of remuneration depends on the Company's results of operations. The Company is proud of its highly experienced and qualified employees.

The average wages of the employees in the period of 2012 – 2014 and during the first half 2015:

	2015 first half	2014	2013	2012
Executive personnel	5 402	5 969	5 957	5 725
Specialists	1 681	1 501	1 415	1 440
Workers	930	806	814	858
Total	1 000	900	915	951

The collective agreement is concluded in the Company. The agreement is mandatory for all the employees of the Company. The purpose of this agreement is to ensure the harmonious work of the staff, high level of working conditions of different categories of employees, salary and other working conditions also to ensure additional social guarantees which are not stated according to the regulations of Lithuanian legislations for the employees of the Company. The collective agreement includes the working contract formation, change, termination, work and rest time, payment for work done, improvement of the qualification of the employees, safety at work and medical assistance, social care, trade - union activity and guarantees of the elected employees.

3. REFERENCES AND ADDITIONAL EXPLANATIONS ABOUT THE INFORMATION PRESENTED IN THE INTERIM FINANCIAL STATEMENTS

The information presented in the interim condensed consolidated financial statements and the explanatory notes.

4. INFORMATION ABOUT THE OWN SHARES

The Company did not have any own shares, did not acquire or transfer any in the reporting period.

5. INFORMATION ABOUT THE BRANCHES AND REPRESENTATIVE OFFICES OF THE COMPANY

The Company does not have any branches or representative offices.

6. IMPORTANT EVENTS, WHICH HAVE OCCURRED SINCE THE END OF THE LAST FISCAL YEARS

On the initiative and decision of the Company's Board of Directors the Ordinary General Shareholders Meeting of Vilniaus baldai AB was held on 30 April, 2015 at 10 a. m. in Savanoriu ave. 178B, Vilnius.

The meeting resolved to:

Item1 of the Agenda: Consolidated annual report.
The Company's consolidated annual report for 2014 was presented.

Item2 of the Agenda: Company's auditor's report.
The report of auditor KPMG Baltics UAB for 2014 was presented.

Item3 of the Agenda: Approval of the Company's financial statements for 2014.
Resolution: to approve Company's financial statements for 2014.

Item4 of the Agenda: Approval of the Company's consolidated financial statements for 2014.
Resolution: to approve Company's consolidated financial statements for 2014.

Item5 of the Agenda: Approval of the Company's profit distribution.
Resolution: to approve Company's profit distribution

Undistributed retained earnings, brought forward	78 755 LTL	22 809 EUR
Net result for the current year	16 440 625 LTL	4 761 534 EUR
Profit (loss) not recognized in the income statement of the reporting financial year	(60 185) LTL	(17 431) EUR
Transfer from the reserve for own shares acquisition	-	-
Distributable result	16 459 195 LTL	4 766 912 EUR
Transfers to the obligatory reserves	-	-
Profit transfers to the reserves for own shares acquisition	-	-
Transfers to other reserves	-	-
To be paid as dividends	-	-
To be paid as annual payments (bonus) to Board	-	-
Undistributed retained earnings, carried forward	16 459 195 LTL	4 766 912 EUR

Item6 of the Agenda: Approval of the change of expression of nominal value of shares and Authorised capital in litas into expression in euro.

Resolutions:

1. To change an expression of nominal value of shares and Authorised capital in litas into expression in euro.
2. To set that nominal value of one share is 1.16 (one euro 16 euro cents) EUR.
3. To set that Authorized capital of the Company is 4.508.069.72 (four million five hundred eight thousand sixty nine euro and 72 euro cents) EUR.

Item7 of the Agenda: Approval of the new edition of the Company Regulation.

Resolution:

1. Taking into consideration the adopted decision to change the expression of the nominal value of shares and authorised capital in litas into expression in euro, pursuant to the amendment of the Company Law of the Republic of Lithuania, entered into force since the last version of the Company's Regulations registration, to approve new edition of the Company Regulations. To authorize general manager Rimantas Vaitkus to sign the new edition of Vilniaus baldai AB Regulations.

Since the end of the reporting fiscal year till the interim condensed consolidated financial statement confirmation there were no important events at the Company.

7. OPERATING PLANS AND FORECASTS OF THE GROUP'S ACTIVITY

In 2015 the Company focuses on the increase of productivity and improvement of quality. The Company achieves these objectives through the introduction of the LEAN methodology in the areas of manufacturing processes, operational management, improvement of professional skills of employees and their involvement in a process of continuous development. In 2015, the Company expects to see a consistent growth of sales revenue and production volumes, earn profit and create over 70 new workplaces.

8. INFORMATION ABOUT THE RESEARCH AND DEVELOPMENT ACTIVITY OF THE COMPANY

The Group did not carry out any research or development activity. The Company used the results of the customers' research.

9. WHEN THE GROUP EMPLOYS THE FINANCIAL INSTRUMENTS AND WHEN IT IS IMPORTANT FOR VALUATION OF THE COMPANY'S ASSETS, EQUITY, LIABILITIES, FINANCIAL POSITION AND ACTIVITY RESULTS OF THE COMPANY, THE COMPANY DISCLOSES THE OBJECTIVES OF THE FINANCIAL RISK MANAGEMENT, ITS POLICY FOR HEDGING MAJOR TYPES OF FORECASTED TRANSACTIONS FOR WHICH HEDGE ACCOUNTING IS USED, AND COMPANY'S EXPOSURE TO PRICE RISK, CREDIT RISK, LIQUIDITY RISK AND CASH FLOW RISK

The Group did not use any financial instruments, which are important for the evaluation of the company's assets, liabilities and operation results.

10. INFORMATION ON THE CONTRACTS WITH THE INTERMEDIARIES OF THE PUBLIC TURNOVER OF THE SECURITIES

The Company has signed the contract with the Finasta FMI AB (Maironio Str. 11, Vilnius) on the accounting management of the securities issued by the Company and the dividends paid to the shareholders.

11. STRUCTURE OF THE ISSUER'S AUTHORIZED CAPITAL

Structure of the authorized capital of Vilniaus Baldai AB:

Type of shares	Number of shares, units	Nominal value, EUR	Total nominal value, EUR	Share in the authorised capital, %
Ordinary registered shares	3 886 267	1.16	4 508 069.72	100.00

All shares are fully paid up and no restrictions are applied to their transfer.

Rights and obligations carried by the shares

The shareholders have no property obligations to the Company, except for the obligation to pay up, in the established manner, all the shares subscribed for at their issue price.

If the General Meeting takes a decision to cover the losses of the Company from additional contributions made by the shareholders, the shareholders who voted "for" shall be obligated to pay the contributions. The shareholders who did not attend the General Meeting or voted against such a resolution shall have the right to refrain from paying additional contributions.

A shareholder shall repay to the Company any dividend paid out in violation of the mandatory norms of the Law on Stock Companies of the Republic of Lithuania, if the Company proves that the shareholder knew or should have known thereof.

The shareholders have the following property and moral rights:

1. to receive a part of Company's profit (dividend);
2. to receive Company's funds when the authorized capital of the Company is decreased in order to pay the Company's funds to the shareholders;
3. to receive shares without payment if the authorized capital is increased out of the Company's funds except in cases provided for by the laws of the Republic of Lithuania;
4. to have the pre-emption right in acquiring shares or convertible debentures issued by the Company, except in cases when the General Meeting in the manner prescribed in the Law on Companies of the Republic of Lithuania decides to withdraw the pre-emption right in acquiring the Company's newly issued shares or convertible debentures for all the shareholders;
5. to lend the Company in the manner prescribed by laws, but the Company, borrowing from its shareholders has no right to mortgage its property to shareholders. The interest shall not exceed the average interest rate of commercial banks in the lender's place of residence or business in force at the time of the loan contract when the Company is borrowing from the shareholder. In this case it is prohibited to the Company and its shareholders to agree on a higher interest rate;
6. to receive a part of assets of the Company in liquidation;
7. other statutory property rights;
8. the rights, indicated in statutes 1 - 4 have persons who were Company's shareholders at the tenth day after the decision that was accepted at the end of general shareholders' meeting (hereinafter – at the end of right record day);
9. to participate in general shareholders' meetings;

The shareholders have the following property and moral rights (cont'd):

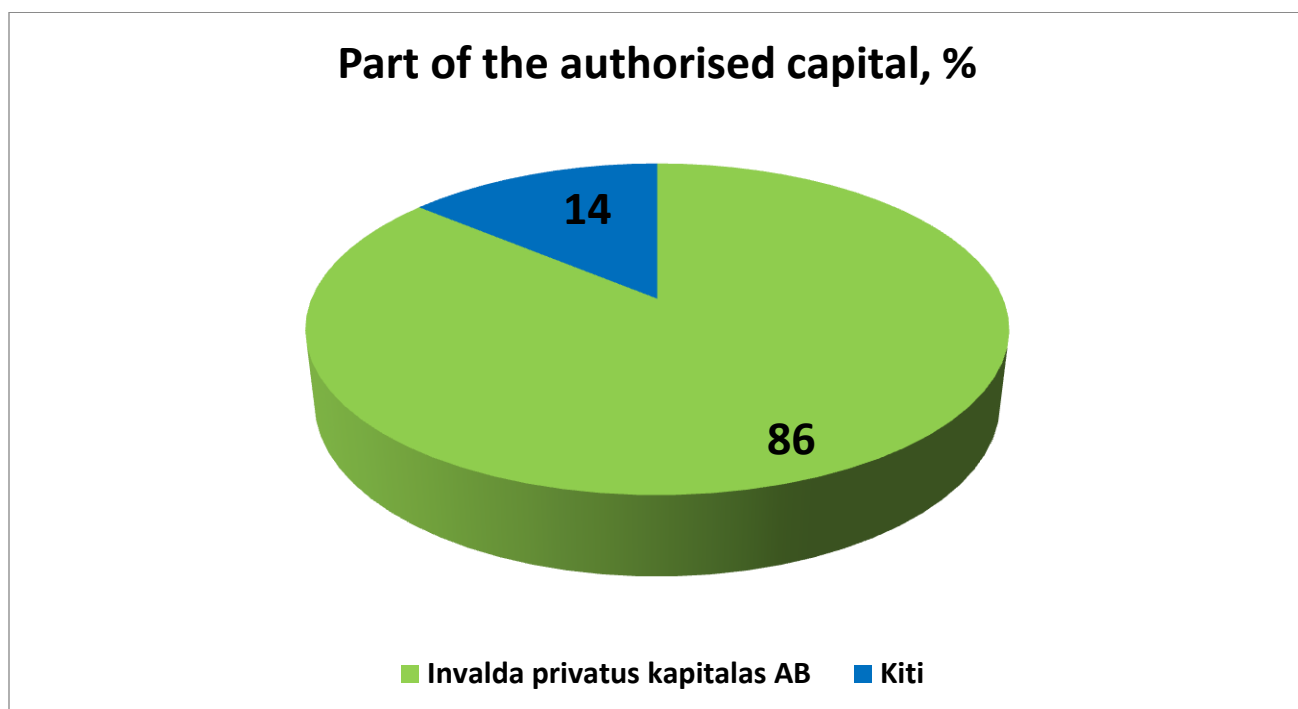
10. to submit the questions related to the agenda of general shareholders' meetings to the Company in advance;
11. to vote at general shareholders' meetings according to voting rights carried by their shares. Each registered ordinary share carries one vote at the general shareholders' meeting except the exceptions indicated in the Company Law of the Republic of Lithuania. The right to vote at the general shareholders' meetings may be prohibited or restricted by the Company Law of the Republic of Lithuania and other cases established by law, as well as, when the ownership of the share is being disputed;
12. to receive information on the Company as indicated in the Company Law of the Republic of Lithuania;
13. to file a claim with the court for reparation of Company's damage resulting from nonfeasance or malfeasance by the Company's executive and board members of their obligations prescribed by the Company Law of the Republic of Lithuania and other laws as well as Company's regulations;
14. to authorize natural or legal person to represent him in relations with the Company and other persons;
15. other non-property rights established by the Company Law of the Republic of Lithuania or Company's regulations.

12. SHAREHOLDERS

Total number of the shareholders as of 30 June 2015 was 1 365.

The shareholders who had upon the property rights or possessed more than 5 % of the issuer's authorised capital on 30 June 2015:

Names of the companies, office addresses, codes	Number of shares owned under the property rights, units	Part of the authorised capital, %	Part of the votes, %
Invalda privatus kapitalas AB, company code 303075527, Seimyniskiu Str. 1 A, Vilnius	3 342 160	86.00	86.00



The are no shareholders, having any special rights of control.

The are no voting rights restrictions.

The issuer is not aware of any agreements between the shareholders, because of which the transfer of the securities and (or) the voting right could be limited.

13. INFORMATION ABOUT THE ISSUER'S STOCK EXCHANGE TRADING ON THE REGULATED MARKETS

The Company's ordinary registered shares are on the Main list of the Nasdaq OMX Vilnius AB.

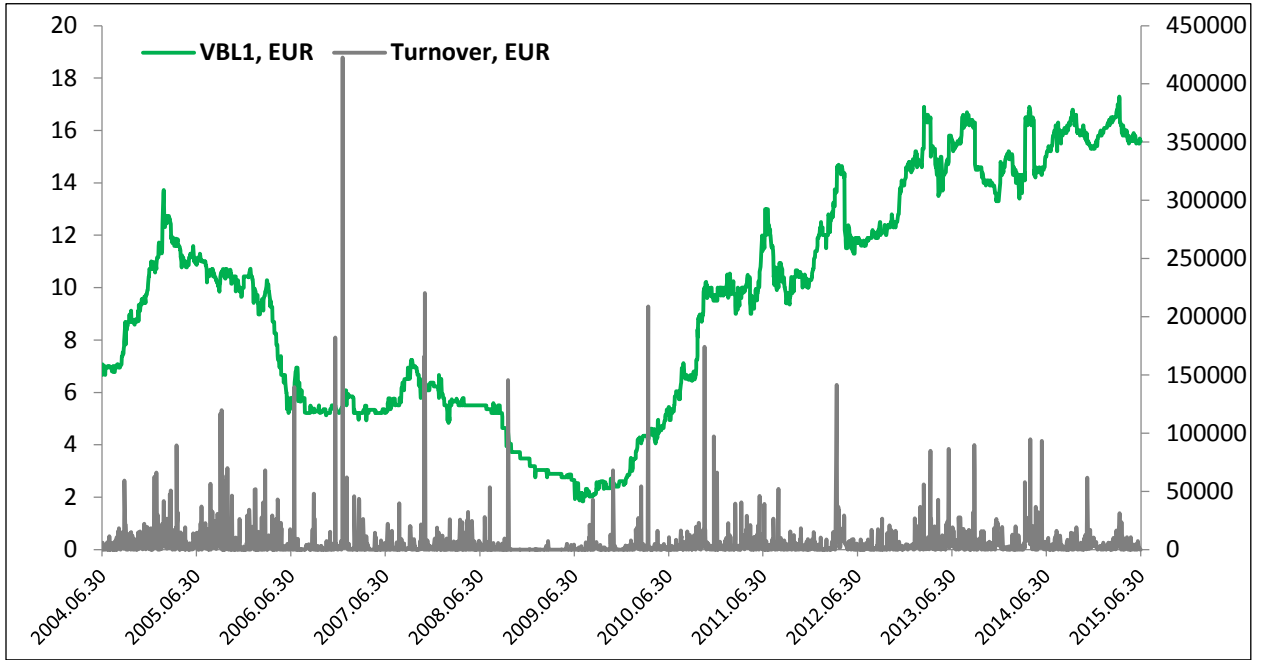
The main characteristics of the shares:

Type of shares	VP ISIN code	Abbreviation	Number of shares, units.	Nominal value, EUR	Total nominal value, EUR
Ordinary registered shares	LT0000104267	VBL1L	3 886 267	1.16	4 508 069.72

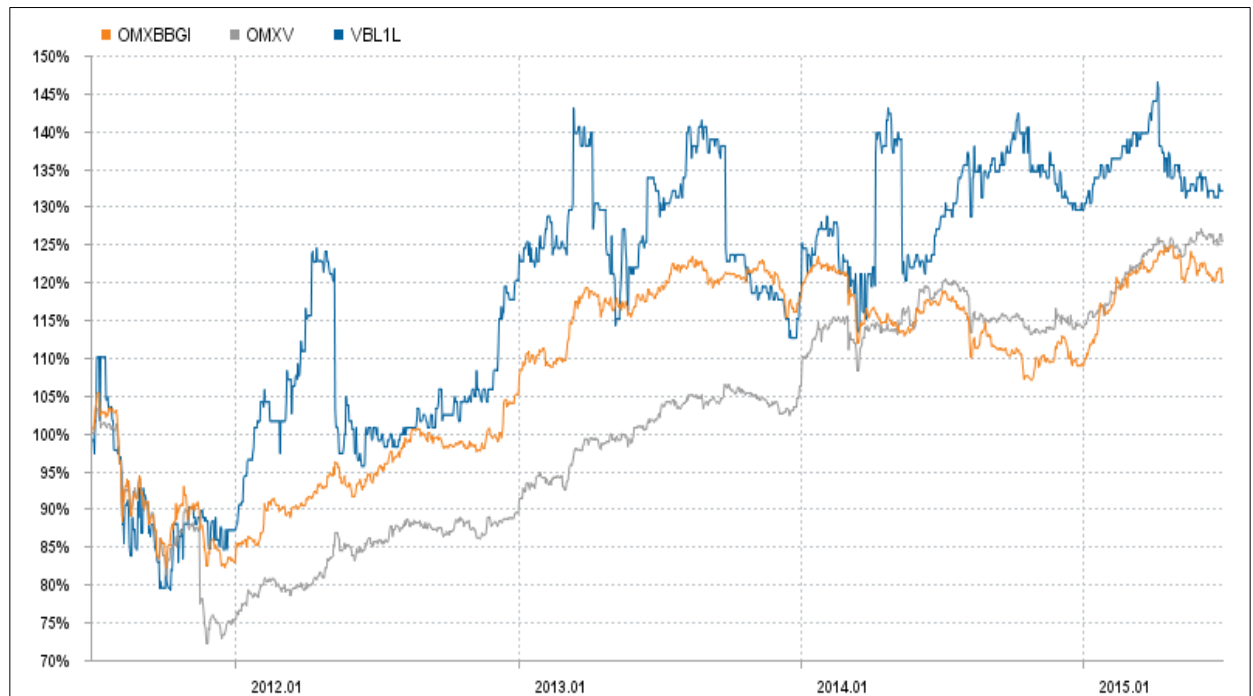
The trade of the shares of the Company:

	2015 first half	2014 first half
Price of the shares, EUR:		
- opening	15.40	14.00
- highest	17.30	16.90
- lowest	15.40	13.10
- closing	15.70	15.10
Turnover of shares, units	24 663	57 989
Turnover of shares, EUR	399 196	822 202
Total number of transactions, units	521	901
Capitalization, million EUR	61.01	58.69

Vilnius Baldai AB turnover and price since the end first half 2004:



Comparison of the price of shares of Vilnius Baldai AB with the OMXBB index since the end first half 2011:



Index/Equity	30.06.2011	30.06.2015	+/-%
—OMX Baltic Benchmark GI	518.62	625.19	20.55
—OMX Vilnius	396.16	497.46	25.57
—VBL1L	11.660 EUR	15.600 EUR	33.79

14. ORDER OF CHANGING OF THE ISSUER'S ARTICLES OF ASSOCIATION



The Articles of Company are changed by the resolution of the General Meeting of shareholders, adopted by the majority of more than 2/3 of all the votes.

15. ISSUER'S BODIES



The Company has the General Meeting of shareholders, a one-man management body – chief executive officer (General Director) and the collegial management body – the Board. The Company does not have a Supervisory Board.

The Board of the Company consists of 3 members. It is elected for the period of four years by the General Meeting. The Board of the Company elects and withdraws and dismisses from the position the Chief Executive Officer, determines his salary, confirms the job descriptions, appoints him and imposes penalties.


The Board and Administration of the Company:

	Mr. Vytautas Bucas	
	Position Chairman of the Board, elected to the Board on 12.04.2007, re-elected on 29.04.2008 and 27.04.2012, end of the term – 2016.	
	Work experience Since May 2013 Adviser, Chairman of the Board of Invalda privatus kapitalas AB 2006 – May 2013 Adviser of Invalda AB, Board member (since May 2007 till May 2013 Chairman of the Board) 2006 – 2007 Director of Invaldos Nekilnojamojo Turo Fondas AB 2000 – 2006 SEB Bankas AB, Board member, Vice President, CFO, Head of IT Department 1992 – 2000 Senior Auditor, Senior Manager, Manager at Arthur Andersen	
	Participation in the activities of other companies Chairman of the Board of Invalda privatus kapitalas AB	Number of shares and of voting rights 39.63 % of shares and of voting rights
	Mr. Dalius Kaziunas	
	Position Board member, elected to the Board on 29.04.2010, re-elected on 27.04.2012, end of the term – 2016.	
	Work experience Since May 2013 CEO, Board member of Invalda privatus kapitalas AB 2012 – May 2013 President of Invalda AB, Board member (till April 2012) 2008 – 2011 Adviser and Board member of Invalda AB 2008 – 2009 Director of Bankas Finasta AB 1996 – February 2008 assistant of financial broker of FMI Finasta AB, financial broker, Director.	
	Participation in the activities of other companies CEO and Board member of Invalda privatus kapitalas AB	Number of shares and of voting rights 0.60 % of shares and of voting rights
	Chairman of the Board of Kulpes slenis AB	-
Chairman of the Board of Lauko gelininkystes bandymu stotis UAB	-	
Member of the Supervisory Board at Vernitas AB	-	

The Board and Administration of the Company (cont'd):

	Mr. Vaidas Savukynas	
	Position Board member, end of the term – 2016.	
	Work experience Since 2013 Chief Financial Officer at Invalda privatus kapitalas AB 2011 – 2013 Chief Financial Officer at food retail chain Narodnyi in Kyrgyz Republic 2010 – 2010 Director of Administration at Zemaitijos pienas AB 1998 – 2009 Chief Financial Officer and Financial Analyst at concern MG Baltic and its companies (MG Baltic Trade, Apranga, Minvista) 1993 – 1995 Chief Executive Officer at brokerage company Bankoras 1990 – 1993 Marketing Manager at Lietuvos birza AB	
	Participation in the activities of other companies CFO at Invalda Privatus Kapitalas AB	Number of shares and of voting rights -
	Member of the Chairman of Invetex AB	-
	Board member of Lauko gelininkystes Bandymu stotis UAB	-
	CEO of Krevina UAB	-
	CEO of Investiciju Tinklas UAB	-
	CEO Justum UAB	-
	CEO Variagis UAB	-
CEO Pluknis UAB	-	
Board member of Bordena UAB	-	
CEO Geruvis UAB	-	
	Mr. Rimantas Vaitkus	
	Position General director since 12.05.2014	
	Work experience 2013 – 2014 m. Project Office Director of Lietuvos energija UAB 2011 – 2013 m. CEO of Visagino atomine elektrine UAB 2011 – 2011 m. External Relation Director of Visagino atomine elektrine UAB 2010 – 2011 m. CEO of VST AB 2009 – 2010 m. CEO of LEO LT UAB 2008 – 2009 m. CEO of Rytu skirstomieji tinklai AB 2001 – 2008 m. Country General Manager of IBM Lietuva UAB 1998 – 2001 m. Vice-Minister of the Ministry of Economy	
	Participation in the activities of other companies Board member of KIRIGAMI DESIGN UAB	Number of shares and of voting rights -

The Board and Administration of the Company (cont'd):

	Mr. Jonas Krutinis	
	Position	
	Head of Finance department since 2015-02-23	
	Work experience	
2014 – 2015 m. Business intelligence manager at SEB Baltics		
2006 – 2014 m. Deputy Chairman of the Management Board, head of business support, CFO at SEB Bank, Russia		
2002 – 2006 m. Head of planning at SEB Vilniaus bankas AB		
1999 – 2002 m. Business consultant at Arthur Andersen UAB		
1997 – 1999 m. Analyst at VB Vilfima UAB		
1995 – 1997 m. Specialist at CSDL		
Participation in the activities of other companies	Number of shares and of voting rights	
Board member of Autoverslas UAB	-	

The Company's key management personnel includes the Company's General Director and Chief Accountant. In the first half 2015 the average monthly remuneration to the management member of the Company amounted to EUR 13.00 thousand (in the first half 2014 – EUR 12.83 thousand). The remuneration is not paid to the Board members of the Company.

Remuneration to the management member of the Company:

	2015 I half, ended 30 June	2014 I half, ended 30 June
Wages, salaries	119	118
Social security	37	36
Total	156	154

During the first half of 2015 the Company did not transfer any assets for the Board members, Head of the Company, Chief accountant. Also any guarantees or warranties, by which the performance of their liabilities would be secured, were not made.

16. SIGNIFICANT AGREEMENTS IN WHICH THE COMPANY IS INVOLVED AND WHICH WOULD BECOME EFFECTIVE, WOULD CHANGE OR WOULD BE TERMINATED IF THE CONTROL OF ISSUER WILL CHANGE

During the first half of 2015 no material agreements were signed which would become effective, would change or would be terminated if the control of issuer will change. Furthermore, there were no agreements signed during the first half of 2015 between the Company and its body, employees which allow compensations if they would resign or would be fired without the justified reason or their work would be finished due to the issuer control change.

17. RELATED PARTY TRANSACTIONS

The parties are considered related when one party has the possibility to control the other one or have significant influence over the other party in making financial and operating decisions. The related parties of the Company as of 30 June 2015 were: Ari-Lux UAB (the subsidiary), Invalda Privatus Kapitalas AB (ultimate shareholder) and all companies controlled by Invalda Privatus Kapitalas AB (as of 30 June 2014 were: Ari-Lux UAB (the subsidiary), and Invalda privatus kapitalas AB (shareholder). Transactions with related parties during the first half of 2015 and during the first half of 2014 and the balances as of 30 June 2015 and 2014 are provided in the Notes (Note 17) to the interim condensed consolidated financial statements for the six months of 2015.

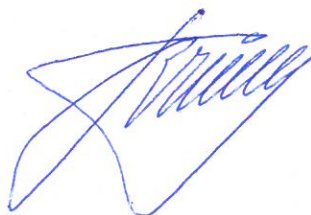
18. DATA ON THE PUBLICLY DISCLOSED INFORMATION

The information publicly disclosed by Vilniaus Baldai AB during the first half of 2015 is presented on the Company's website www.vilniausbaldai.lt.

Summary of publicly disclosed information:

Date of disclosure	Brief description of disclosed information
07.01.2015	Vilniaus baldai AB investor's calendar for year 2015
24.02.2015	Vilniaus Baldai AB result for activity and non audited interim condensed consolidated financial statement for the twelve months of 2014
17.03.2015	Vilniaus baldai AB annual audited information for the year 2014
08.04.2015	Convocation of Vilniaus baldai AB Ordinary General Shareholders Meeting
08.04.2015	Draft resolutions of the Annual General Shareholders Meeting
24.04.2015	Vilniaus Baldai AB result for activity and non audited condensed interim consolidated financial statement for the three months of 2015
30.04.2015	Resolutions of the Annual General Shareholders Meeting of Vilniaus baldai AB on 30/04/2015

General Director



Rimantas Vaitkus

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