

RESPONSIBLE PERSONS CONFIRMATION

28.06.2016

Following the Article 22 of the Law on Securities of the Republic of Lithuania and Rules on Preparation and Submission of Periodic and Additional Information of the Lithuanian Securities Commission, we hereby confirm that, Vilniaus Baldai AB Interim Condensed Consolidated Financial Statement for the nine months of FY2016 ended May 31, 2016 is prepared in accordance with International Financial Reporting Standards (IFRS). We consider that the accounting policies used are appropriate and Financial Statement thus gives a true and fair view in equity, cash flow, assets, liabilities and income statement.

APPENDIX:

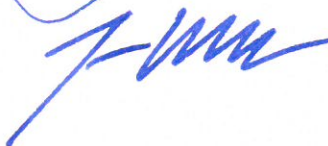
1. Interim Condensed Consolidated Financial Statement for the nine months of FY2016 ended May 31, 2016.

Chief Executive Officer



Rimantas Vaitkus

Head of Finance



Jonas Krutinis



**VILNIAUS
BALDAI**

ANNO 1883

*... Better
Faster
Stronger ...*

Vilniaus Baldai AB

**INTERIM CONDENSED
CONSOLIDATED FINANCIAL
STATEMENT FOR THE NINE
MONTHS OF FY2016
ENDED MAY 31, 2016**

INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENT FOR THE NINE MONTHS OF
FY2016 ENDED MAY 31,2016

(all amounts are in EUR thousand unless otherwise stated)



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(all amounts are in EUR thousand unless otherwise stated)

COMPANY INFORMATION

1. Reporting period covered by this Financial Statement

The Financial Statements for the nine months of the financial year (FY) 2016 ended May 31, 2016.

On the 8th of October, 2014 the Extraordinary General Shareholders Meeting of Vilniaus baldai AB has resolved to change the financial year of Vilniaus baldai AB with beginning on the 1st of September and ending on the 31st of August.

Due to the change, January – August of 2015 is considered a transitional financial year. September – May 2016 is considered the nine months of FY2016 ended May 31, 2016.

Due to the change of the financial year, financial statements for the first nine months of FY2016 ended May 31, 2016 is not compared to the same period of the previous year.

2. Main data about the issuer

Name of the issuer	Joint stock company (AB) Vilniaus Baldai
Code	121922783
Authorized capital	4 508 069.72 EUR
Office address	Savanoriu Ave. 178B, LT - 03154 Vilnius
Telephone	(+370~5) 252 57 00
Fax	(+370~5) 231 11 30
E-mail	info@vilniausbaldai.lt
Website	www.vilniausbaldai.lt
Legal form	Joint stock company
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
Type of activity	Design, production and sales of the furniture

Information about the subsidiary company of the issuer one

Name of the issuer	Limited liability company (UAB) Ari - Lux
Code	120989619
Authorized capital	2 896 EUR
Share of (AB) Vilniaus Baldai in the company	100 %
Office address	Savanoriu Ave. 178B, LT - 03154 Vilnius
Telephone	(+370~5) 252 57 44
Fax	(+370~5) 252 57 44
E-mail	aleksas.rimkus@ari-lux.lt
Website	-
Legal form	Limited liability company
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
Type of activity	Packaging

(all amounts are in EUR thousand unless otherwise stated)

3. Information about where to access the Financial Statement and the underlying documents, name of the designated mass media for announcements

The Financial Statement and underlying supporting documents can be accessed at the Company's headquarters at Savanoriu Ave. 178B, Vilnius. Designated mass media for Vilniaus Baldai AB announcements: NASDAQ OMX Vilnius AB, Central Storage Facility – information database.

4. Board

Chairman of the Board: Vytautas Bucas,
Members of the Board: Dalius Kaziunas,
Vaidas Savukynas.

5. Persons responsible for the accuracy of the information in the Financial Statement

Members of the managing bodies, employees and the Head of the Administration of the issuer are responsible for the accuracy of the information:

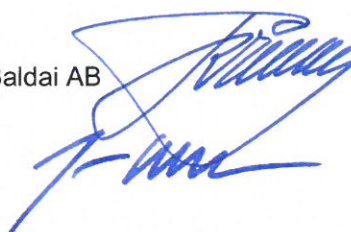
Rimantas Vaitkus, Chief Executive Officer, tel. (+370~5) 252 57 00, fax. (+370~5) 231 11 30,
Jonas Krutinis, Head of Finance, tel. (+370~5) 252 57 00.

6. Declaration by the members of the issuer's managing bodies, employees, the Head of the Administration and the issuer's consultants that the information contained in the Financial Statement is in accordance with the facts and that the Financial Statement makes no omission likely to have an effect on the investors' decision concerning purchase, sale or valuation of the issuer's securities or on the market price of these securities

Vilniaus Baldai AB, represented by Rimantas Vaitkus, Chief Executive Officer, and Jonas Krutinis, Head of Finance, hereby confirm that the information contained in the Financial Statement is in accordance with the facts and that the Financial Statement makes no omission likely to have an effect on the investors' decision concerning purchase, sale or valuation of the issuer's securities or on the market price of these securities.

Rimantas Vaitkus, Chief Executive Officer of Vilniaus Baldai AB

Jonas Krutinis, Head of Finance of Vilniaus Baldai AB



Date of signing the Report – 28 June 2016.

INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENT FOR THE NINE MONTHS OF
FY2016 ENDED MAY 31, 2016



(all amounts are in EUR thousand unless otherwise stated)

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT FOR THE NINE MONTHS OF
FY2016 ENDED MAY 31, 2016**

The auditors reviewed the Financial Statement of 31.08.2015, while the Statements as of 31.05.2016 are unaudited.

1. STATEMENT OF FINANCIAL POSITION

	31.05.2016	31.08.2015
Assets		
Non - current assets		
Non - current tangible assets	11 935	12 142
Intangible assets	49	26
Deferred income tax asset	77	91
Total non - current assets	12 061	12 259
Current assets		
Inventories	7 518	6 810
Trade debtors	4 355	6 511
Current income tax prepayment	-	24
Other accounts receivable	771	1 088
Cash and cash equivalents	54	413
Total current assets	12 698	14 846
Total assets	24 759	27 105
Shareholders' equity and liabilities		
Capital and reserves		
Share capital	4 508	4 508
Legal reserve	451	450
Retained earnings	4 793	6 930
Total capital and reserves	9 752	11 888
Non - current liabilities		
Grants and subsidies	34	36
Total grants and subsidies	34	36
Provision for employee benefits	685	685
Loans and other interest bearing payables	3 296	26
Total non - current liabilities	3 981	711
Current liabilities		
Loans and other interest bearing payables	4 853	7 661
Debts to suppliers	3 971	4 266
Current income tax payable	55	-
Other liabilities	2 113	2 543
Total current liabilities	10 992	14 470
Total liabilities	14 973	15 181
Total equity and liabilities	24 759	27 105

Due to the change of the financial year, financial statements for the first nine months of FY2016 ended May 31, 2016 is not compared to the first nine months of the previous year.

(all amounts are in EUR thousand unless otherwise stated)

2. STATEMENT OF COMPREHENSIVE INCOME

	FY2016 I-III quarter, ended May 31	FY2016 III quarter, ended May 31
Revenue	42 486	12 903
Cost of sales	(37 514)	(11 280)
Gross profit	4 972	1 623
Distribution costs	(1 133)	(285)
Administrative costs	(1 795)	(574)
Other operating income, net	134	36
Profit from operating activities	2 178	800
Financial income	3	1
Financial costs	(68)	(24)
Financial income, net	(65)	(23)
Profit before taxes	2 113	777
Income tax	(363)	(116)
Profit for the period	1 750	661
Other comprehensive income	-	-
Total comprehensive income for the period	1 750	661
Attributable to Owners of the Company:		
Profit	1 750	661
Other comprehensive income	-	-
Total comprehensive income	1 750	661
Earnings per share (in EUR)	0.45	0.17

Due to the change of the financial year, financial statements for the first nine months of FY2016 ended May 31, 2016 is not compared to the first nine months of the previous year.

(all amounts are in EUR thousand unless otherwise stated)

3. STATEMENT OF CHANGES IN EQUITY

	Share capital	Legal reserve	Obligatory reserve	Accrued earnings	Total
Balance as of 31 December 2014	4 502	450	-	4 783	9 735
Net profit	-	-	-	2 160	2 160
Other comprehensive income	-	-	-	(13)	(13)
Total comprehensive income	-	-	-	2 147	2 147
Dividends	-	-	-	-	-
Result of conversion of the Authorized capital	6	-	-	-	6
Balance as of 31 August 2015	4 508	450	-	6 930	11 888
Net profit	-	-	-	1 750	1 750
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	1 750	1 750
Legal reserve accrual	-	1	-	(1)	-
Dividends	-	-	-	(3 886)	(3 886)
Balance as of 31 May 2016	4 508	451	-	4 793	9 752

Due to the change of the financial year, financial statements for the first nine months of FY2016 ended May 31, 2016 is not compared to the first nine months of the previous year.

(all amounts are in EUR thousand unless otherwise stated)

4. STATEMENT OF CASH FLOWS

	31.05.2016	31.08.2015
Net profit (loss)	1 750	2 160
Adjustments:		
Depreciation and amortization	970	1 315
Result on disposal, writing off, etc. of non -current	(2)	(173)
Changes in provisions	-	90
Interest (income) expenses	59	70
Deferred income tax (income) expenses	14	(24)
Income tax expenses	349	393
Other expenses (income)	(36)	-
Cash flows from ordinary activities before changes	3 104	3 831
Changes in trade receivables and other amounts	2 164	(2 851)
Changes in inventories	(709)	(2 270)
Changes in debts to suppliers and other liabilities	(754)	1 055
Income tax paid	-	-
Cash flows from operating activities	3 805	(235)
(Acquisition) of tangible non - current assets	(767)	(471)
Sale / writing of non - current tangible assets	3	1 105
Transfer (to) from time deposits	-	1
Grants received	-	36
Cash flows from investing activities	(764)	671
Loans (granted) / repaid	-	-
Loans received / (repaid)	462	(1 042)
Interest (paid) / received	(52)	(63)
Dividends (paid)	(3 810)	(14)
Cash flows from financing activities, net	(3 400)	(1 119)
Cash flows from operating, investing and financing	(359)	(683)
Cash and cash equivalents as of 1 September	413	1 096
Cash and cash equivalents as of 29 February	54	413

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union (hereinafter the EU). The financial statements have been prepared based on acquisition cost principle.

Due to the change of the financial year, financial statements for the first nine months of FY2016 ended May 31, 2016 is not compared to the first nine months of the previous year.

(all amounts are in EUR thousand unless otherwise stated)

5. FINANCIAL RESULTS OF ACTIVITIES

The Group Revenue stood at 16 331 thousand EUR during September – November of 2015.
Net profit of the Group during September – November of 2015 was 719 thousand EUR, while EBITDA was 1 173 thousand EUR.

The Group Revenue stood at 13 252 thousand EUR during December of 2015 – February of 2016.
Net profit of the Group during December of 2015 – February of 2016 was 370 thousand EUR, while EBITDA was 850 thousand EUR.

The Group Revenue stood at 12 903 thousand EUR during March of 2016 – May of 2016.
Net profit of the Group during March of 2016 – May of 2016 was 661 thousand EUR, while EBITDA was 1 119 thousand EUR.

The Group Revenue stood at 42 486 thousand EUR during September of 2015 – May of 2016.
Net profit of the Group during September of 2015 – May of 2016 was 1 750 thousand EUR, while EBITDA was 3 142 thousand EUR.

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

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