FREEPORT OF RIGA AUTHORITY

SUMMARY FINANCIAL STATEMENTS FOR THE YEAR 2013*

INDEPENDENT AUDITOR'S REPORT

The accompanying summary financial statements, as set out on pages 4 to 7, which comprise the balance sheet, the related statement of income and expenses as at and for the year ended 31 December 2013, and note, explaining basis of preparation of summary financial statements, are derived from the audited financial statements of Freeport of Riga Authority for the year ended 31 December 2013.

We expressed an unmodified audit opinion on financial statements of Freeport of Riga Authority, prepared in accordance with Latvia Law "On Annual Reports", in our report dated 16 July 2014. Summary financial statements do not reflect the effects of events and circumstances that occurred subsequent to 16 July 2014, when our auditor's report was issued.

The summary financial statements do not contain statement of changes in equity, cash flow statement and full set of disclosures, and therefore do not contain all the information required by Latvian Law "On Annual Reports". Reading the summary financial statements, therefore, is not a substitute for reading audited financial statements of Freeport of Riga Authority, prepared in accordance with Latvian Law "On Annual Reports".

Management's Responsibility for the summary financial statements
Management is responsible for the preparation of summary financial statements on the basis described in Note 1.

Auditor's Responsibility
Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing 810, "Engagements to Report on Summary Financial Statements."

Opinion
In our opinion, the summary financial statements derived from the audited financial statements of Freeport od Riga Authority for the year ended 31 December 2013 are consistent, in all material respects, with the audited financial statements, on the basis described in Note 1.

KPMG Baltics SIA
License No. 55

Armine Movsisjana
Board member
Riga, Latvia
29 July 2014

Inga Lipsane
Sworn auditor
Certificate No. 112

** This version of summary financial statements is a translation from the original, which was prepared in the Latvian language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, the original language version of financial statements takes precedence over this translation.*

BALANCE SHEET AS AT 31 DECEMBER 2013

ASSETS

	31.12.2013 LVL	31.12.2012 LVL (Restated)
LONG-TERM INVESTMENTS		
Intangible assets		
Intangible assets	145,267	109,431
Prepayments for intangible assets	-	7,629
Total intangible assets	**145,267**	**117,060**
Fixed assets		
Land, buildings and constructions	72,694,501	61,337,978
Leasehold improvements	5,614	7,755
Equipment and machinery	9,101,443	7,155,300
Other fixed assets	2,489,416	2,385,122
Construction in progress	52,473,130	17,312,900
Prepayments for fixed assets	2,425,284	2,595,720
Total fixed assets	**139,189,388**	**90,794,775**
Investment property	**85,098,980**	**88,506,550**
Long term financial investments		
Investments in subsidiaries	9,300,000	9,300,000
Total long term financial investments	9,300,000	9,300,000
Total long term investments	**233,733,635**	**188,718,385**
CURRENT ASSETS		
Stock		
Raw materials	370,048	388,612
Prepayments for goods	818	10,293
Total stock	**370,866**	**398,905**
Receivables		
Trade receivables	2,087,534	3,169,358
Other receivables	1,378,496	945,834
Prepaid expense	392,009	223,979
Total receivables	**3,858,039**	**4,339,171**
Cash and cash equivalents	**1,410,882**	**15,428,058**
Total current assets	**5,639,787**	**20,166,134**
TOTAL ASSETS	**239,373,422**	**208,884,519**

On behalf of Freeport of Riga Authority the summary consolidated financial statements were signed on 29 July 2014 by:

Leonīds Loginovs
Chief Executive Officer

BALANCE SHEET AS AT 31 DECEMBER 2013

EQUITY AND LIABILITIES

	31.12.2013 LVL	31.12.2012 LVL (Restated)
SHAREHOLDERS' EQUITY		
Long term investment revaluation reserve	712,372	712,372
Reserves:		
a) statutory reserves	87,772,930	77,939,070
b) other reserves	90,041,908	92,531,728
Surplus for the reporting year	6,793,409	9,833,050
Total equity	**185,320,619**	**181,016,220**
Provisions	**1,742,932**	**582,441**
LIABILITIES		
Long-term liabilities		
Loans from credit institutions	19,326,837	8,419,849
Accounts payable to suppliers and contractors	2,180,919	464,707
Deferred income	18,615,931	446,094
Prepayments received from the EU Cohesion Fund	-	10,849,667
Total long-term liabilities	**40,123,687**	**20,180,317**
Short-term liabilities		
Loans from credit institutions	1,122,647	1,122,647
Customer advances	9,710	77,573
Accounts payable to suppliers and contractors	10,258,687	5,440,446
Other liabilities	422,891	382,652
Taxes and compulsory state social security contributions	337,234	38,382
Deferred income	1,677	9,529
Accrued liabilities	33,338	34,312
Total short-term liabilities	**12,186,184**	**7,105,541**
Total liabilities	**52,309,871**	**27,285,858**
TOTAL LIABILITIES	**239,373,422**	**208,884,519**

On behalf of Freeport of Riga Authority the summary consolidated financial statements were signed on 29 July 2014 by:

Leonīds Loginovs
Chief Executive Officer

STATEMENT OF INCOME AND EXPENSE FOR THE YEAR 2013

	2013 LVL	2012 LVL (Restated)
Operating revenue	32,076,516	32,584,146
Cost of services provided	(16,753,171)	(15,978,751)
Gross surplus	**15,323,345**	**16,605,395**
Administrative expense	(6,546,065)	(6,396,548)
Other operating income	461,238	307,913
Other operating expenses	(2,021,898)	(528,156)
Interest and similar income	52,583	191,196
Interest and similar expenses	(323,788)	(169,510)
Surplus before taxes	**6,945,415**	**10,010,290**
Other taxes	(152,006)	(177,240)
Surplus for the reporting year	**6,793,409**	**9,833,050**

On behalf of Freeport of Riga Authority the summary consolidated financial statements were signed on 29 July 2014 by:

Leonīds Loginovs
Chief Executive Officer