

Freeport of Riga Authority

*Summary financial statements
for the year 2012**

Riga, 2013

** This version of 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.*

FREEPORT OF RIGA AUTHORITY

CONTENTS

	PAGE
INDEPENDENT AUDITORS' REPORT	3
SUMMARY FINANCIAL STATEMENTS:	
BALANCE SHEET	4-5
STATEMENT OF INCOME AND EXPENSE	6

Translation from Latvian

INDEPENDENT AUDITOR'S REPORT

To the Freeport of Riga Authority Board

The accompanying summary financial statements, which comprise the balance sheet as at 31 December 2012 and statement of income and expense for the year 2012 are derived from the audited financial statements of Freeport of Riga Authority for the year 2012. We expressed an unmodified audit opinion on those financial statements in our report dated 17 July 2013.

The summary financial statements 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 the audited financial statements of Freeport of Riga Authority.

Management's Responsibility

Management is responsible for the preparation of summary financial statements based on audited financial statements prepared in accordance with Latvian Law "On Annual Reports".

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 of Riga Authority for the year 2012 are consistent, in all material respects, with those financial statements, in accordance with Latvian Law "On Annual Reports".

Deloitte Audits Latvia SIA
License No. 43

Roberts Stūģis
Board member

Riga, Latvia
22 July 2013



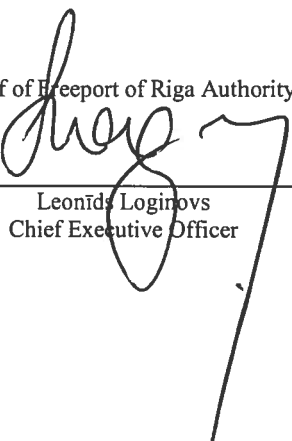
Elīna Sedliņa
Sworn auditor
Certificate No. 179

FREEPORT OF RIGA AUTHORITY

**BALANCE SHEET
AS AT 31 DECEMBER 2012**

ASSETS	31.12.2012 LVL	31.12.2011 LVL (Restated)
Non-current assets		
Intangible assets		
Intangible assets	109,431	127,663
Advances for intangible assets	7,629	27,215
Total intangible assets	117,060	154,878
Tangible assets		
Land, buildings and constructions	149,844,528	129,883,128
Leasehold improvements	7,755	3,116
Equipment and machinery	7,155,300	7,720,942
Other fixtures and fittings, tools and equipment	2,385,122	2,028,366
Construction in progress	17,312,900	6,514,617
Prepayments for tangible assets	2,595,720	1,634,100
Total tangible assets	179,301,325	147,784,269
Non-current financial assets		
Investments in subsidiaries	9,300,000	9,300,000
Other loans and non-current receivables	-	818,970
Total non-current financial assets	9,300,000	10,118,970
Total non-current assets	188,718,385	158,058,117
Current assets		
Inventories		
Raw materials	442,233	439,609
Prepayments for goods	10,293	3,525
Total inventories	452,526	443,134
Receivables		
Trade receivables	3,169,358	1,876,664
Other receivables	945,834	861,459
Prepaid expense	170,358	128,599
Total receivables	4,285,550	2,866,722
Current financial investments	-	10,849,667
Cash and cash equivalents	15,428,058	5,121,146
Total current assets	20,166,134	19,280,669
TOTAL ASSETS	208,884,519	177,338,786

On behalf of Freeport of Riga Authority the financial statements were signed on 22 July 2013 by:

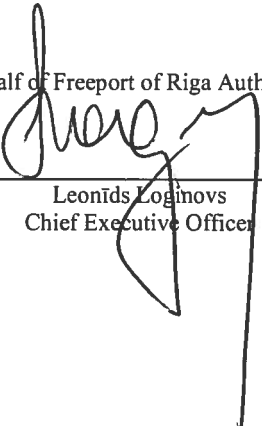

 Leonīds Loginovs
 Chief Executive Officer

FREEPORT OF RIGA AUTHORITY

**BALANCE SHEET
AS AT 31 DECEMBER 2012**

EQUITY AND LIABILITIES	31.12.2012 LVL	31.12.2011 LVL (Restated)
Equity		
Non-current assets revaluation reserve	712,372	712,372
Reserves		
a) statutory reserves	77,939,070	68,725,925
b) other reserves	92,531,728	74,132,277
Surplus for the reporting year	9,833,050	9,198,415
Total equity	181,016,220	152,768,989
Liabilities		
Non-current liabilities		
Loans from credit institutions	8,419,849	9,542,495
Advances received from EU Cohesion Fund	10,849,667	-
Trade payables	464,707	200,000
Deferred income	446,094	368,988
Total non-current liabilities	20,180,317	10,111,483
Current liabilities		
Loans from credit institutions	1,122,647	1,122,647
Advances received from EU Cohesion Fund	-	10,849,667
Prepayments received from customers	77,573	15,092
Trade payables	5,440,446	1,176,995
Other liabilities	382,652	557,234
Taxes payable	38,382	34,559
Deferred income	9,529	9,181
Accrued liabilities	616,753	692,939
Total current liabilities	7,687,982	14,458,314
Total liabilities	27,868,299	24,569,797
TOTAL EQUITY AND LIABILITIES	208,884,519	177,338,786

On behalf of Freeport of Riga Authority the financial statements were signed on 22 July 2013 by:



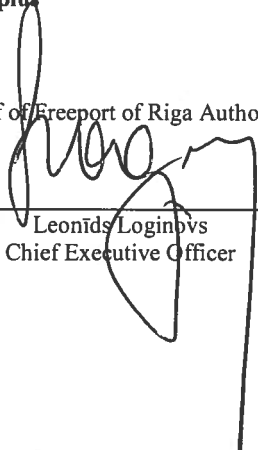
 Leonīds Logīnovs
 Chief Executive Officer

FREEPORT OF RIGA AUTHORITY

**STATEMENT OF INCOME AND EXPENSE
FOR THE YEAR 2012**

	2012 LVL	2011 LVL
Operating revenue	32,584,146	31,078,423
Cost of sales	(997,854)	(418,853)
Gross surplus	31,586,292	30,659,570
Administrative expense	(21,916,070)	(22,244,897)
Other operating income	846,538	199,527
Other operating expense	(528,156)	(1,415,957)
Income from investment in subsidiary	-	2,174,955
Interest and similar income	191,196	250,582
Interest and similar expense	(169,510)	(261,181)
Surplus before taxes	10,010,290	9,362,599
Other taxes	(177,240)	(164,184)
Net surplus	9,833,050	9,198,415

On behalf of Freeport of Riga Authority the financial statements were signed on 22 July 2013 by:


 Leonīds Loginovs
 Chief Executive Officer