

*Freeport of Riga Authority*

*Summary consolidated financial statements  
for the year 2015\**

*Riga, 2016*

*\* This version of summary consolidated 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 consolidated financial statements takes precedence over this translation.*

**FREEPORT OF RIGA AUTHORITY  
SUMMARY CONSOLIDATED FINANCIAL STATEMENTS  
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## Independent Auditor's Report

### To the board of Freeport of Riga Authority

#### Report on the summary consolidated financial statements

The accompanying summary consolidated financial statements, as set out on pages 4 to 7, which comprise the consolidated balance sheet, the related consolidated statement of income and expenses as at and for the year ended 31 December 2015, and note, explaining basis of preparation of summary consolidated financial statements, are derived from the audited consolidated financial statements of Freeport of Riga Authority for the year ended 31 December 2015.

We expressed an unmodified audit opinion on consolidated financial statements of Freeport of Riga Authority, prepared in accordance with Latvian Law „On Consolidated Annual Reports”, in our report dated 20 June 2016. Summary consolidated financial statements do not reflect the effects of events and circumstances that occurred subsequent to 20 June 2016, when our auditor's report was issued.

The summary consolidated financial statements do not contain consolidated statement of changes in equity, consolidated cash flow statement and full set of disclosures, and therefore do not contain all the information required by Latvian Law „On Consolidated Annual Reports”. Reading the summary consolidated financial statements, therefore, is not a substitute for reading audited consolidated financial statements of Freeport of Riga Authority and its subsidiary, prepared in accordance with Latvian Law „On Consolidated Annual Reports” for the year ended 31 December 2015.

#### *Management's Responsibility for the summary consolidated financial statements*

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

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on the summary consolidated 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 consolidated financial statements derived from the Freeport of Riga Authority Group's audited consolidated financial statements for the year ended 31 December 2015 are consistent, in all material respects, with the audited consolidated financial statements, on the basis described in Note 1.

KPMG Baltics SIA  
Licence Nr. 55

Armine Movsisjana  
Board Member  
Riga, Latvia  
29 June 2016

Inga Lipšane  
Sworn Auditor  
Certificate Nr. 112

**FREEPORT OF RIGA AUTHORITY  
SUMMARY CONSOLIDATED FINANCIAL STATEMENTS  
CONSOLIDATED BALANCE SHEET  
AS AT 31 DECEMBER 2015**

<b>ASSETS</b>	<b>31.12.2015 EUR</b>	<b>31.12.2014 EUR (Restated)</b>
<b>Long-term investments</b>		
<b>Intangible assets</b>		
Intangible assets	217,537	211,934
Expenses of intangible assets formation	6,900	3,543
<b>Total intangible assets</b>	<u>224,437</u>	<u>215,477</u>
<b>Fixed assets</b>		
Land, buildings and constructions	263,849,156	119,847,715
Leasehold improvements	25,705	4,942
Equipment and machinery	20,682,768	21,529,949
Other fixed assets	3,304,022	3,378,781
Construction in progress	4,889,389	101,131,161
Prepayments for fixed assets	893,315	288,075
<b>Total fixed assets</b>	<u>293,644,355</u>	<u>246,180,623</u>
<b>Investment property</b>		
Investment property	98,784,234	119,537,068
Cost of creating investment property	300,209	301,767
Prepayments for investment property	-	123,122
<b>Total investment property</b>	<u>99,084,443</u>	<u>119,961,957</u>
<b>Total long-term investments</b>	<u>392,953,235</u>	<u>366,358,057</u>
<b>Current assets</b>		
<b>Stock</b>		
Raw materials	810,861	1,040,350
Prepayments for goods	899	554
<b>Total stock</b>	<u>811,760</u>	<u>1,040,904</u>
<b>Receivables</b>		
Trade receivables	3,612,456	3,647,334
Other receivables	552,271	637,851
Prepaid expense	570,923	463,976
<b>Total receivables</b>	<u>4,735,650</u>	<u>4,749,161</u>
<b>Cash and cash equivalents</b>	17,039,774	7,420,555
<b>Total current assets</b>	<u>22,587,184</u>	<u>13,210,620</u>
<b>TOTAL ASSETS</b>	<u>415,540,419</u>	<u>379,568,677</u>

*The accompanying Note 1 on page 7 forms an integral part of these summary consolidated financial statements*

On behalf of Freeport of Riga Authority the summary consolidated financial statements were signed on 29 June 2016 by:

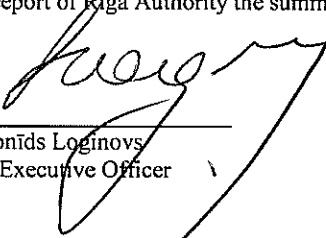
  
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Leonids Logins  
Chief Executive Officer

**FREEPORT OF RIGA AUTHORITY  
SUMMARY CONSOLIDATED FINANCIAL STATEMENTS  
CONSOLIDATED BALANCE SHEET  
AS AT 31 DECEMBER 2015**

<b>EQUITY AND LIABILITIES</b>	<b>31.12.2015 EUR</b>	<b>31.12.2014 EUR</b>
<b>Shareholders' equity</b>		
Long-term investment revaluation reserve	1,013,614	1,013,614
Reserves:		
a) statutory reserves	141,627,114	132,933,342
b) other reserves	107,139,206	125,525,186
Retained earnings brought forward from previous years	3,528,071	3,009,642
Surplus for the reporting year	9,142,880	9,212,201
<b>Total equity</b>	<b>262,450,885</b>	<b>271,693,985</b>
<b>Provisions</b>	<b>4,470,428</b>	<b>2,359,575</b>
<b>Liabilities</b>		
<b>Long-term liabilities</b>		
Loans from credit institutions	62,978,831	51,550,672
Accounts payable to suppliers and contractors	219,108	230,944
Other long-term liabilities	311,182	-
Deferred income	70,254,159	33,738,977
Deferred tax liabilities	365,937	348,338
<b>Total long-term liabilities</b>	<b>134,129,217</b>	<b>85,868,931</b>
<b>Short-term liabilities</b>		
Loans from credit institutions	4,978,631	1,597,382
Customer advances	4,478	27,734
Accounts payable to suppliers and contractors	2,254,628	12,856,231
Other liabilities	4,984,658	4,594,960
Taxes and compulsory state social security contributions	677,923	497,004
Deferred income	1,545,969	30,125
Accrued liabilities	43,602	42,750
<b>Total short-term liabilities</b>	<b>14,489,889</b>	<b>19,646,186</b>
<b>Total liabilities</b>	<b>148,619,106</b>	<b>105,515,117</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>415,540,419</b>	<b>379,568,677</b>

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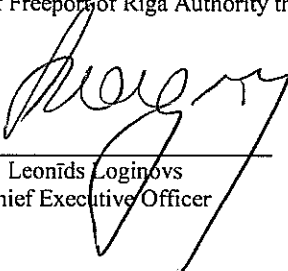
  
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Leonīds Logīnovs  
Chief Executive Officer

**FREEPOROT OF RIGA AUTHORITY  
SUMMARY CONSOLIDATED FINANCIAL STATEMENTS  
CONSOLIDATED STATEMENT OF INCOME AND EXPENSES  
FOR THE YEAR ENDED 31 DECEMBER 2015**

	2015 EUR	2014 EUR
Operating revenue	57,714,118	56,171,000
Cost of services provided	(35,629,848)	(35,311,150)
<b>Gross surplus</b>	<b>22,084,270</b>	<b>20,859,850</b>
Administrative expenses	(10,145,797)	(9,770,656)
Other operating income	1,435,698	214,712
Other operating expenses	(3,615,530)	(1,625,913)
Interest and similar income	35,021	195,937
Interest and similar expenses	(158,969)	(351,740)
<b>Surplus before taxes</b>	<b>9,634,693</b>	<b>9,522,190</b>
Corporate income tax for the reporting year	-	-
Deferred tax	(17,599)	(105,782)
Other taxes	(474,214)	(204,207)
<b>Surplus for the reporting year</b>	<b>9,142,880</b>	<b>9,212,201</b>

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On behalf of Freeport of Riga Authority the summary consolidated financial statements were signed on 29 June 2016 by:

  
 \_\_\_\_\_  
 Leonīds Loginovs  
 Chief Executive Officer

**FREEPORT OF RIGA AUTHORITY**  
**SUMMARY CONSOLIDATED FINANCIAL STATEMENTS**  
**NOTE TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS**

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**Note 1 SUMMARY CONSOLIDATED FINANCIAL STATEMENTS PREPARATION PRINCIPLES**

These summary consolidated financial statements for the year ended 31 December 2015 are prepared by the decision of the management of Freeport of Riga Authority to be submitted to different institutions and other users. These summary consolidated financial statements comprise the consolidated balance sheet as at 31 December 2015 and the related consolidated statement of income and expenses for the year 2015. Full version of audited consolidated financial statements of Freeport of Riga Authority and its' subsidiary SIA Rīgas brīvostas flote (the Group) for the year ended 31 December 2015 was prepared in accordance with Latvian Law "On Consolidated Annual Reports". Management considers that summary consolidated financial statements preparation principles are in accordance with the purpose of these statements.