

***Freeport of Riga Authority***

***Summary financial statements for 2010***

*\* 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.*

*Riga, 2011*

**FREEPORT OF RIGA AUTHORITY**

**CONTENTS**

---

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

## Translation from Latvian

### INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS

To the Board of Freeport of Riga Authority

The accompanying summary financial statements, which comprise the balance sheet as at 31 December 2010 and statement of income and expense for the year then ended are derived from the audited financial statements of Freeport of Riga Authority ("the Authority") for the year ended 31 December 2010. We expressed an unmodified audit opinion on those financial statements in our report dated 7 June 2011.

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 the Authority.

#### *Management's Responsibility for the Summary Financial Statements*

Management is responsible for the preparation of a summary of the audited financial statements 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 the Authority for the year ended 31 December 2010 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



Inguna Staša  
Board member

Rīga, Latvia  
29 June 2011




Elīna Sedliņa  
Sworn auditor  
Certificate No. 179

**FREEPORT OF RIGA AUTHORITY**

**BALANCE SHEET  
AS AT 31 DECEMBER 2010**

ASSETS	31.12.2010 LVL	31.12.2009 LVL
<b>Non-current assets</b>		
<b>Intangible assets</b>		
Intangible assets	125,450	95,371
Advances for intangible assets	22,436	-
<b>Total intangible assets</b>	<b>147,886</b>	<b>95,371</b>
<b>Tangible assets</b>		
Land, buildings and constructions	116,985,969	114,768,931
Leasehold improvements	4,126	-
Equipment and machinery	4,129,982	12,205,834
Other fixtures and fittings, tools and equipment	1,776,564	1,519,082
Construction in progress	11,614,497	5,847,813
Prepayments for tangible assets	1,302,450	235,322
<b>Total tangible assets</b>	<b>135,813,588</b>	<b>134,576,982</b>
<b>Non-current financial assets</b>		
Investments in subsidiaries	6,100,000	-
Other loans and non-current receivables	954,804	1,085,149
<b>Total non-current financial assets</b>	<b>7,054,804</b>	<b>1,085,149</b>
<b>Total non-current assets</b>	<b>143,016,278</b>	<b>135,757,502</b>
<b>Current assets</b>		
<b>Inventories</b>		
Raw materials	754,523	569,461
Prepayments for goods	678	16,134
<b>Total inventories</b>	<b>755,201</b>	<b>585,595</b>
<b>Receivables</b>		
Trade receivables	1,854,643	1,753,795
Other receivables	1,979,469	1,953,083
Prepaid expense	143,872	125,777
<b>Total receivables</b>	<b>3,977,984</b>	<b>3,832,655</b>
<b>Cash</b>	<b>21,465,263</b>	<b>13,899,501</b>
<b>Total current assets</b>	<b>26,198,448</b>	<b>18,317,751</b>
<b>TOTAL ASSETS</b>	<b>169,214,726</b>	<b>154,075,253</b>

On behalf of Freeport of Riga Authority the summary financial statements were signed on 29 June 2011 by:

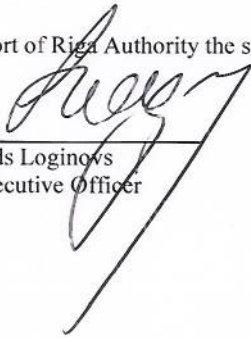
  
 Leonīds Logins  
 Chief Executive Officer

**FREEPORT OF RIGA AUTHORITY**

**BALANCE SHEET  
AS AT 31 DECEMBER 2010**

<b>EQUITY AND LIABILITIES</b>	<b>31.12.2010 LVL</b>	<b>31.12.2009 LVL</b>
<b>Equity</b>		
Non-current assets revaluation reserve	712,372	712,372
Reserves		
a) statutory reserves	62,286,942	53,317,041
b) other reserves	73,341,411	73,010,680
Surplus for the reporting year	6,438,983	8,965,522
<b>Total equity</b>	<b>142,779,708</b>	<b>136,005,615</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Loans from credit institutions	10,665,142	11,787,789
Trade payables	203,000	582,000
Deferred income	370,943	247,977
<b>Total non-current liabilities</b>	<b>11,239,085</b>	<b>12,617,766</b>
<b>Current liabilities</b>		
Loans from credit institutions	1,122,647	1,122,646
Advances received from EU Cohesion Fund	10,849,667	-
Prepayments received from customers	53,652	86,160
Trade payables	1,793,408	3,078,704
Other liabilities	512,116	430,552
Taxes payable	5,677	141
Deferred income	31,617	32,515
Accrued liabilities	827,149	701,154
<b>Total current liabilities</b>	<b>15,195,933</b>	<b>5,451,872</b>
<b>Total liabilities</b>	<b>26,435,018</b>	<b>18,069,638</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>169,214,726</b>	<b>154,075,253</b>

On behalf of Freeport of Riga Authority the summary financial statements were signed on 29 June 2011 by:

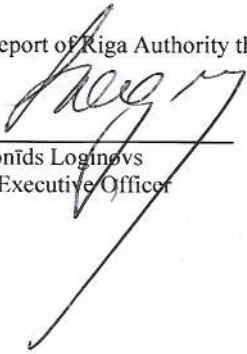
  
 Leonids Loginovs  
 Chief Executive Officer

**FREEPORT OF RIGA AUTHORITY**

**STATEMENT OF INCOME AND EXPENSE  
FOR THE YEAR ENDED 31 DECEMBER 2010**

	<b>2010</b>	<b>2009</b>
	<b>LVL</b>	<b>LVL</b>
Operating revenue	29,013,253	30,910,007
Cost of sales	(1,760,873)	(2,075,577)
<b>Gross surplus</b>	<b>27,252,380</b>	<b>28,834,430</b>
Administrative expense	(18,741,625)	(19,693,980)
Other operating income	490,415	294,632
Other operating expense	(2,396,063)	(210,219)
Interest receivable and similar income	142,725	188,604
Interest payable and similar expense	(185,356)	(365,637)
<b>Surplus before taxes</b>	<b>6,562,476</b>	<b>9,047,830</b>
Other taxes	(123,493)	(82,308)
<b>Net surplus</b>	<b>6,438,983</b>	<b>8,965,522</b>

On behalf of Freeport of Riga Authority the summary financial statements were signed on 29 June 2011 by:

  
\_\_\_\_\_  
Leonīds Logins  
Chief Executive Officer