

Freeport of Riga Authority

*Summary consolidated financial statements for
year 2011**

** 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.*

Rīga, 2012

FREEPORT OF RIGA AUTHORITY

CONTENTS

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

Translation from Latvian

INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

To the Freeport of Riga Authority Board

The accompanying summary consolidated financial statements, which comprise the consolidated balance sheet as at 31 December 2011 and consolidated statement of income and expense for the year then ended are derived from the audited consolidated financial statements of Freeport of Riga Authority and its subsidiary SIA "Rīgas brīvpostas flote" ("the Group") for the year ended 31 December 2011. We expressed an unmodified audit opinion on those consolidated financial statements in our report dated 13 June 2012.

The summary consolidated financial statements 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 the audited consolidated financial statements of the Group.

Management's Responsibility

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

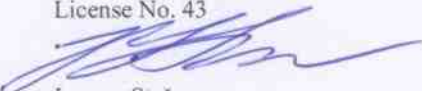
Auditor's Responsibility

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 audited consolidated financial statements of the Group for the year ended 31 December 2011 are consistent, in all material respects, with those consolidated financial statements, in accordance with Latvian Law "On Consolidated Annual Reports".

Deloitte Audits Latvia SIA
License No. 43


Inguna Staša
Board member

Rīga, Latvia
25 June 2012


Elīna Sedliņa
Sworn auditor
Certificate No. 179

FREEPORT OF RIGA AUTHORITY

**CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2011**

ASSETS	31.12.2011 LVL	31.12.2010 LVL
Non-current assets		
Intangible assets		
Intangible assets	145,627	126,080
Advances for intangible assets	28,893	22,436
Total intangible assets	174,520	148,516
Tangible assets		
Land, buildings and constructions	129,883,128	116,985,969
Leasehold improvements	3,116	4,126
Equipment and machinery	14,030,202	9,975,244
Other fixtures and fittings, tools and equipment	2,079,903	1,776,564
Construction in progress	6,514,617	11,614,497
Prepayments for tangible assets	2,031,176	1,302,450
Total tangible assets	154,542,142	141,658,850
Non-current financial assets		
Other loans and non-current receivables	818,970	954,804
Total non-current financial assets	818,970	954,804
Total non-current assets	155,535,632	142,762,170
Current assets		
Inventories		
Raw materials	794,795	824,538
Prepayments for goods	4,090	678
Total inventories	798,885	825,216
Receivables		
Trade receivables	1,975,890	1,882,089
Other receivables	924,225	1,989,603
Prepaid expense	206,382	174,460
Total receivables	3,106,497	4,046,152
Current financial assets	10,849,667	-
Cash and cash equivalents	6,537,030	21,658,675
Total current investments	21,292,079	26,530,043
TOTAL ASSETS	176,827,711	169,292,213

On behalf of Freeport of Riga Authority the summary consolidated financial statements were signed on 25 June 2012 by:


 Leonīds Logiņovs
 Chief Executive Officer

FREEPORT OF RIGA AUTHORITY

**CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2011**

EQUITY AND LIABILITIES	31.12.2011 LVL	31.12.2010 LVL
Equity		
Non-current assets revaluation reserve	712,372	712,372
Reserves		
<i>a) statutory reserves</i>	68,725,925	62,286,942
<i>b) other reserves</i>	74,132,277	73,341,411
Prior years retained earnings	1,472	-
Surplus for the reporting year	8,001,747	6,440,455
Total equity	151,573,793	142,781,180
Liabilities		
Non-current liabilities		
Loans from credit institutions	9,542,495	10,665,142
Trade payables	200,000	203,000
Deferred income	368,988	370,943
Deferred tax liabilities	159,001	-
Total non-current liabilities	10,270,484	11,239,085
Current liabilities		
Loans from credit institutions	1,122,647	1,122,647
Advances received from EU Cohesion Fund	10,849,667	10,849,667
Prepayments received from customers	17,351	53,652
Trade payables	1,192,296	1,808,321
Other liabilities	982,582	540,856
Taxes payable	91,555	38,039
Deferred income	9,181	31,617
Accrued liabilities	718,155	827,149
Total current liabilities	14,983,434	15,271,948
Total liabilities	25,253,918	26,511,033
TOTAL EQUITY AND LIABILITIES	176,827,711	169,292,213

On behalf of Freeport of Riga Authority the summary consolidated financial statements were signed on 25 June 2012 by:



 Leonids Loginovs
 Chief Executive Officer

FREEPORT OF RIGA AUTHORITY

**CONSOLIDATED STATEMENT OF INCOME AND EXPENSE
FOR THE YEAR ENDED 31 DECEMBER 2011**

	2011	2010
	LVL	LVL
Operating revenue	34,349,331	29,301,437
Cost of sales	(2,156,688)	(1,993,543)
Gross surplus	32,192,643	27,307,894
Administrative expense	(22,623,113)	(18,795,667)
Other operating income	197,359	490,415
Other operating expense	(1,416,749)	(2,396,063)
Interest receivable and similar income	250,568	142,725
Interest payable and similar expense	(261,472)	(185,356)
Surplus before taxes	8,339,236	6,563,948
Corporate income tax for reporting year	(14,304)	-
Deferred corporate income tax	(159,001)	-
Other taxes	(164,184)	(123,493)
Net surplus	8,001,747	6,440,455

On behalf of Freeport of Riga Authority the summary consolidated financial statements were signed on 25 June 2012 by:


 Leonīds Logiņovs
 Chief Executive Officer