

Freeport of Riga Authority

*Summary financial statements
for the year 2016**

Riga, 2017

** 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.*

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Independent Auditors' Report on the Summary Financial Statements

To the board of Freeport of Riga Authority

Opinion

The summary financial statements, which comprise the summary statement of financial position as at 31 December 2016, the summary statements of income and expenses for the year then ended, and related note, are derived from the audited financial statements of Freeport of Riga Authority ("the Company") for the year ended 31 December 2016.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, on the basis described in Note 1.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by 'Law on the Annual Reports and Consolidated Annual Reports' of the Republic of Latvia. Reading the summary financial statements and our report thereon, therefore, is not a substitute for reading the audited financial statements and our report thereon.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 14 June 2017.

Management's Responsibility for the Summary Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), "Engagements to Report on Summary Financial Statements."

KPMG Baltics SIA
License No. 55

Armine Movsisjana
Chairperson of the Board
Riga, Latvia

Inga Lipšāne
Latvian Certified Auditor
Certificate No. 112

3 July 2017

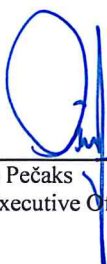
FREEPORT OF RIGA AUTHORITY
Reg. No. 90000512408, Kalpaka bulvāris 12, Riga, Latvia
SUMMARY FINANCIAL STATEMENTS FOR 2016

BALANCE SHEET AS AT 31 DECEMBER 2016

ASSETS	31.12.2016. EUR	31.12.2015. EUR (Restated)
Long-term investments		
Intangible assets		
Intangible assets	214,087	214,674
Expenses of intangible assets formation	-	6,900
Total intangible assets	214,087	221,574
Fixed assets		
Land, buildings and engineering structures	362,030,540	362,633,390
Leasehold improvements	19,599	25,705
Equipment and devices	3,137,027	9,484,236
Other fixed assets	2,147,284	3,222,976
Construction in progress	6,537,047	3,058,552
Prepayments for fixed assets	12,962,724	893,315
Total fixed assets	386,834,221	379,318,174
Long-term financial investments		
Investments in subsidiaries	18,302,708	18,302,708
Loans to related companies	5,102,370	-
Total long-term financial investments	23,405,078	18,302,708
Total long-term investments	410,453,386	397,842,456
Current assets		
Stock		
Raw materials	212,441	426,407
Prepayments for goods	8,059	899
Total stock	220,500	427,306
Receivables		
Trade receivables	3,148,280	3,455,600
Due from related parties	17,170	7,520
Other receivables	440,727	395,979
Prepaid expenses	272,076	391,961
Accrued income	13,955	36,539
Total receivables	3,892,208	4,287,599
Cash	6,801,214	11,551,683
Total current assets	10,913,922	16,266,588
TOTAL ASSETS	421,367,308	414,109,044

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

On behalf of Freeport of Riga Authority the summary financial statements were signed on 3 July 2017 by:



 Aigars Pečaks
 Acting Chief Executive Officer



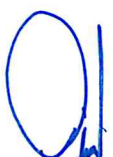
 Santa Šveda
 Chief Accountant

BALANCE SHEET AS AT 31 DECEMBER 2016

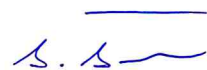
EQUITY AND LIABILITIES	31.12.2016. EUR	31.12.2015. EUR (Restated)
Shareholders' equity		
Long-term investment revaluation reserve	1,007,461	1,013,614
Reserves:		
a) statutory reserves	153,883,975	144,721,796
b) other reserves	107,123,973	107,139,206
Surplus for the reporting year	10,436,885	9,141,269
Total equity	272,452,294	262,015,885
Provisions	4,909,407	3,659,632
Liabilities		
Long-term liabilities		
Loans from credit institutions	58,000,199	62,978,831
Accounts payable to suppliers and contractors	201,811	218,443
Other long-term liabilities	103,727	311,182
Deferred income	75,401,004	70,254,159
Total long-term liabilities	133,706,741	133,762,615
Short-term liabilities		
Loans from credit institutions	4,978,631	4,978,631
Customer advances	5,166	4,478
Accounts payable to suppliers and contractors	524,499	679,792
Taxes and compulsory state social security contributions	562,125	578,506
Other liabilities	1,040,139	4,891,426
Deferred income	1,741,581	1,545,969
Accrued liabilities	1,446,725	1,992,110
Total short-term liabilities	10,298,866	14,670,912
Total liabilities	144,005,607	148,433,527
TOTAL EQUITY AND LIABILITIES	421,367,308	414,109,044

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 Aigars Pečaks
 Acting Chief Executive Officer



 Santa Šveda
 Chief Accountant


FREEPORT OF RIGA AUTHORITY
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SUMMARY FINANCIAL STATEMENTS FOR 2016

STATEMENT OF INCOME AND EXPENSES FOR 2016


	2016 EUR	2015 EUR (Restated)
Net sales	50,222,745	53,543,219
Cost of services	(30,683,457)	(33,108,811)
Gross surplus	19,539,288	20,434,408
Administrative expenses	(9,268,169)	(9,252,849)
Other operating income	4,601,762	1,940,442
Other operating expenses	(3,465,065)	(3,821,937)
Other interest and similar income	-	43
Interest and similar expenses	(970,931)	(158,838)
Surplus for the reporting year	10,436,885	9,141,269

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 Aigars Pečaks
 Acting Chief Executive Officer

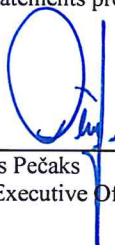


 Santa Šveda
 Chief Accountant

NOTE TO THE SUMMARY FINANCIAL STATEMENTS

Note 1 SUMMARY FINANCIAL STATEMENTS PREPARATION PRINCIPLES

These summary financial statements for the year ended 31 December 2016 are prepared by the decision of the management of Freeport of Riga Authority to be submitted to different institutions and other users. These summary financial statements comprise the balance sheet as at 31 December 2016 and the related statement of income and expenses for the year 2016. Full version of audited financial statements of Freeport of Riga Authority for the year ended 31 December 2016 was prepared in accordance with 'Annual Reports and Consolidated Annual Report Law' of Republic of Latvia. Management considers that summary financial statements preparation principles are in accordance with the purpose of these statements.



Aigars Pečaks
Acting Chief Executive Officer



Santa Šveda
Chief Accountant

3 July 2017