

Joint-Stock Company
"Liepājas Metalurģs "
Reg.Nr. 40003014197

Quarterly Report
(Non-audited)

For 12 months of the year 2010

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Joint-Stock Company "Liepājas Metalurgs" Management Statement Regarding the Financial Statements for 12 months of 2010.

JSC "Liepājas Metalurgs" is the only steel production company in the Baltic region. The company did not change the nature of its business in 2010, and all production types worked consistently.

The Net Turnover in the reporting period was 194.3 million LVL (EUR 276.5 mill.), and last year it was 159.4 million LVL (EUR 226.8 mill.).

The JSC "Liepājas Metalurgs" reported a loss of 6.3 million LVL (EUR 9 mill.) for the year of 2010. The loss was 12.4 million LVL (EUR 17.6 mill.) in the reporting period of 2009.

The increase in net turnover and decrease in losses were due to the 12-month average price for the sold product increased by 29.5% in comparison to 18.2% in materials prices when compared to the levels in the same period of the year 2009.

The Company invested LVL 30.3 million (approx. EUR 43.1 mill.) in its development during the reporting period, including LVL 2.2 million (approx. EUR 3.1 mill.) from its working capital..

The JSC "Liepājas Metalurgs" continued the activities concerning the steel melting production processes.

Chairman of the Board	_____	V.Terentjevs
Member of the Board	_____	I.Segals
Member of the Board	_____	L.Ptičkins

Statement Regarding the Management Responsibility.

The JSC "Liepājas Metalurgs" (in this text – the Company) Council and Board are responsible for the preparation of the Company financial statement.

The Financial Statement represents the true picture for the Company financial position as of December 31, 2010 as well as the results of its operations and cash flow for 12 months of the year 2010. The above-mentioned financial statements are prepared in accordance with the requirements of the International Accounting Standards for the financial statements, which are acceptable in the European Union. During the preparation of the financial statements the management:

- has been using and applying the appropriate accounting methods
- has been issuing justified and conservative conclusions and estimates
- has been adhering in accordance with the principle of the management's continuation

In the name of the JSC "Liepājas Metalurgs",

Chairman of the Board	_____	V.Terentjevs
Member of the Board	_____	I.Segals
Member of the Board	_____	L.Ptičkins

INFORMATION ON THE COMPANY

1. Full name of the Company:	Joint-Stock Company "Liepājas Metalurģs"		
2. Legal status of the Company:	Public Joint-Stock Company		
3. Registration number of the State Registration, place, date:	40003014197	The Republic of Latvia Commercial Register, 07-Aug-2003	
4. Taxpayer registration number:	40003014197		
5. Legal address of the Company	Brīvības street 93, Liepāja LV-3401, LATVIA		
6. Office address and phone number:	Brīvības street 93, Liepāja LV-3401, LATVIA Phone: +371 634 55921		
7. Type of business activity:	Steel production		
8. Year of account:	2010, 12 months		
9. Director:	Leons Ptičkins Position: Managing Director and a Member of the Board		
10. Information on the major stockholders:	The biggest stockholders are:		
	Sergejs Zaharjins		
	Proportion (%) of stocks (shares)		49%
	Iļja Segals		
	Proportion (%) of stocks (shares)		21%
	Kirovs Lipmans		
	Proportion (%) of stocks (shares)		20%
11. Council:	Sergejs Zaharjins Aleksejs Zaharjins Kirovs Lipmans Māris Pomerancis Guntis Vilnītis Andris Deniņš		
12. Members of the Board:	Valērijs Terentjevs Iļja Segals Leons Ptičkins		
13. The name of the bank, code, operating account number:	AS SEB Unibanka Konta Nr.LV96UNLA 0012002467028		
14. Chief Accountant:	Ligita Bērzupe		
15. Average number of employees:	2267		

BALANCE SHEET

ASSETS	Enclosure Number	31.12.2010. LVL	31.12.2010. EUR	31.12.2009. LVL	31.12.2009. EUR
I.LONG-TERM INVESTMENTS					
I. Intangible investments					
1. Other intangible investments		45309	64469	60382	85916
2. Advance payments for intangible investments		0	0	0	0
I. TOTAL:		45309	64469	60382	85916
II. Fixed assets					
1. Land, buildings and constructions and long-term sites		49988505	71127235	50681702	72113565
2. Technological equipment and machinery		23927709	34046063	29103776	41410942
3. Other fixed assets and inventory		1782663	2536501	2329471	3314539
4. Fixed assets formation and costs of unfinished construction sites		30982489	44084110	651212	926591
5. Advance payments for fixed assets		18413	26199	371389	528439
II. TOTAL:		106699779	151820108	83137550	118294076
III. Investment properties					
1. Investment properties		4922000	7003375	5009000	7127165
IV. Long-term financial investments					
1. Share in the related companies (subsidiaries)		9069006	12904033	9069006	12904033
2. Loans to the related companies (subsidiaries)		41260	58708	41260	58708
3. Share in the capital of associated companies		1015343	1444703	649843	924643
4. Other loans		0	0	0	0
IV. TOTAL:	1	10125609	14407444	9760109	13887384
Section 1 total amount:		121792697	173295395	97967041	139394541
2. CURRENT ASSETS					
I. Stock (Inventories)					
1. Raw materials, basic and auxiliary materials		8895862	12657671	10983249	15627755
2. Unfinished products, Work-in-Process		220299	313457	1514799	2155365
3. Finished products and goods for sales		39791180	56617748	9996549	14223808
4. Incompleted orders		209935	298711	130419	185570
5. Advance payments for goods		8069074	11481258	2207495	3140982
I. TOTAL:		57186350	81368845	24832511	35333480
II. Accounts receivable (Debtors)					
1. Trade accounts receivable		971991	1383019	1109728	1579001
2. Debt of related companies (subsidiaries)		388191	552346	207711	295546
3. Debt of associated enterprises		38535	54830	25746	36633
4. Other debtors (accounts receivable)		858084	1220944	4234623	6025326
5. Short-term loans		0	0	0	0
6. Prepaid expenses		70073	99705	96988	138001
II. TOTAL:	2	2326874	3310843	5674796	8074507
III. Short-term financial investments		0	0	0	0
III. TOTAL:		0	0	0	0
IV. Cash		3598703	5120493	4734626	6736766
IV. TOTAL:		3598703	5120493	4734626	6736766
Section 2 total amount		63111927	89800182	35241933	50144753
TOTAL ASSETS		184904624	263095577	133208974	189539294

LIABILITIES AND SHAREHOLDERS' EQUITY	Enclosure Number	31.12.2010. LVL	31.12.2010. EUR	31.12.2009. LVL	31.12.2009. EUR
1. SHAREHOLDERS' EQUITY					
1. Share capital (fixed capital)		16981033	24161833	16981033	24161833
2. Long-term investments revaluation reserve		46000301	65452532	49907552	71012049
3. Reserves: a) reserves stipulated by law		0	0	0	0
3. Reserves: b) other reserves		44524829	63353124	44524829	63353124
3. TOTAL:		44524829	63353124	44524829	63353124
4. Retained earnings a) undistributed profit from the previous years		-12429483	-17685561	0	0
4. Retained earnings b) undistributed profit of the reporting year		-6336474	-9015990	-12429483	-17685561
section 1 total amount:		88740206	126265938	98983931	140841445
2. PROVISIONS					
1. Provisions for anticipated taxes		1048748	1492234	1321598	1880465
2. Other provisions		821000	1168178	830000	1180984
section 2 total amount:	3	1869748	2660412	2151598	3061448
3. LIABILITIES (Accounts Payable)					
I. Long-term Creditors (Accounts Payable).		25432579	36187300	0	0
I. TOTAL:		25432579	36187300	0	0
II. Short-term Creditors (Accounts payable)					
1. Loans from credit institutions		13520667	19238176	14002621	19923935
2. Other loans		125086	177981	348986	496562
3. Advance payments received from customers		41459776	58991947	8043459	11444811
4. Suppliers and contractors trade account payable		10184712	14491540	8073220	11487157
5. Accrued liabilities (Payable bills of exchange)		1874287	2666870	77141	109762
6. Payable (debt) to related companies (subsidiaries)		84570	120332	91741	130536
7. Payable (debt) to associated companies		160347	228153	25886	36832
8. Taxes and state social insurance payments		730970	1040077	647166	920834
9. Other liabilities		721676	1026852	763225	1085971
II. TOTAL:		68862091	97981928	32073445	45636401
Section 3 total amount:	4	94294670	134169228	32073445	45636401
TOTAL LIABILITIES AND EQUITY		184904624	263095577	133208974	189539294

Chairman of the Board _____

V.Terentjevs

Member of the Board _____

I.Segals

Member of the Board _____

L.Ptičkins

PROFIT AND LOSS STATEMENT

No.	Parameter designation	Enclosure Number	At the end of the report period LVL	At the end of the report period EUR	12 months 2009 LVL	12 months 2009 EUR
1	2	3	4	5	6	7
1	Net turnover	5,6	194263074	276411452	159390566	226792343
2	Production costs of goods sold	7	-192623235	-274078171	-158513014	-225543699
3	Gross profit or loss (from turnover)		1639839	2333281	877552	1248644
4	Sales costs	8	-5336999	-7593865	-9206803	-13100100
5	Administration costs	9	-4683212	-6663610	-4553521	-6479077
6	Other operating income	10	7540329	10728922	6849284	9745653
7	Other operating costs	11	-5042356	-7174626	-4265826	-6069724
8	Interest income and other similar income	12	213899	304351	180069	256215
9	Proceeds from subsidiary and associated companies capital		0	0	123674	175972
10	Interest payments and similar expenses		-670446	-953959	-695749	-989962
11	Profit or loss before extraordinary items and taxes		-6338946	-9019508	-10691320	-15212378
12	Profit or loss before taxes		-6338946	-9019508	-10691320	-15212378
13	Deferred tax		272850	388231	-1488598	-2118084
14	Other taxes		-270378	-384713	-249565	-355099
15	Reporting period profit or loss after taxes		-6336474	-9015990	-12429483	-17685561

The JSC "Liepājas metalurgs" demonstrated loss at the rate of -0.37 LVL per share. In the Financial Statements the LVL amounts were converted into EUR by applying the Bank of Latvia exchange rate at EUR 0.702804 (divide)

Chairman of the Board _____

V.Terentjevs

Member of the Board _____

I.Segals

Member of the Board _____

L.Ptičkins

CASH FLOW STATEMENT
(by direct method)

	Reporting period		12 months 2009	
	LVL	EUR	LVL	EUR
OPERATING CASH FLOW				
Cash received from buyers	218781231	311297646	146143599	207943607
Cash received from other business activities	1636743	2328875	531379	756084
VAT overpayment received	12953260	18430829	12664368	18019772
Bank interest received	214046	304560	181715	258557
Cash paid to suppliers and employees	-241884258	-344170292	-179871431	-255933989
Cash received from the core business activity	-8298978	-11808382	-20350370	-28955968
Interest payment	-641333	-912535	-717320	-1020654
Corporate income tax payment	0	0	-252995	-359979
Other tax payments	-1011222	-1438839	-7097471	-10098791
Net cash flow from the core business activity	-9951533	-14159756	-28418156	-40435393
CASH FLOW FROM INVESTMENT ACTIVITIES				
Acquisition of fixed assets and intangible assets	-4071638	-5793419	-525505	-747726
Sale of fixed assets and intangible assets	4840	6887	1600	2277
Investments in related or associated companies	-115000	-163630	0	0
Revenue from other activities	0	0	123674	175972
Net cash flow from investment operations	-4181798	-5950162	-400231	-569477
CASH FLOW FROM FINANCING ACTIVITIES				
Short-term borrowings in net value (credit line)	14072592	20023494	32269415	45915241
Related companies (subsidiaries) loans (and interests) repayment	2027	2884	2197	3126
Costs not associated with the operating activities	-886191	-1260936	-1129502	-1607137
Net cash flow from financial activities	13188428	18765442	31142110	44311230
Result of foreign currency exchange rate fluctuations	-191020	-271797	-178723	-254300
Net growth of cash and its equivalents	-1135923	-1616273	2145000	3052060
Cash and its equivalents at the beginning of accounting period	4734626	6736766	2589626	3684706
Cash and its equivalents at the end of accounting period	3598703	5120493	4734626	6736766

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Share capital	Revaluation reserve of long-term investments	Reserves stated by Statute	Other reserves	Retained Earnings of the reporting year	Retained Earnings of the previous year	Equity capital TOTAL
	LVL	LVL	LVL	LVL	LVL	LVL	LVL
As of 31.12.2008.	16981033	63016797	0	38393389	6131440	0	124522659
Previous year profit put in reserves				6131440	-6131440		0
Undistributed profit of the reporting period					-12429482		-12429482
Reserves distribution							0
Increase of revaluation reserve							0
Written-off revaluation reserve		-13109245					-13109245
As of 31.12.2009.	16981033	49907552	0	44524829	-12429482	0	98983932
Previous year profit put in reserves					12429482	-12429482	0
Undistributed profit of the reporting period					-6336474		-6336474
Increase of fixed capital							0
Increase of revaluation reserve							0
Written-off revaluation reserve		-3907251					-3907251
As of 31.12.2010.	16981033	46000301	0	44524829	-6336474	-12429482	88740207

	Share capital	Revaluation reserve of long-term investments	Reserves stated by Statute	Other reserves	Retained Earnings of the reporting year	Retained Earnings of the previous years	Equity capital TOTAL
	EUR	EUR	EUR	EUR	EUR	EUR	EUR
As of 31.12.2008.	24161833.2	89664824	0	54628871	8724253	0	177179781
Previous year profit put in reserves				8724253	-8724253		0
Undistributed profit of the reporting period					-17685560		-17685560
Reserves distribution		0					0
Increase of revaluation reserve		0					0
Written-off revaluation reserve		-18652775					-18652775
As of 31.12.2009.	24161833	71012049	0	63353124	-17685560	0	140841447
Previous year profit put in reserves					17685560	-17685560	0
Undistributed profit of the reporting period					-9015990		-9015990
Increase of fixed capital							0
Increase of revaluation reserve		0					0
Written-off revaluation reserve		-5559517					-5559517
As of 31.12.2010.	24161833	65452532	0	63353124	-9015990	-17685560	126265939

ENCLOSURES TO BALANCE SHEET

1. INVESTMENT CHANGES

Long-Term Financial Investment, (LVL)

Company Name, Address, Registration Number	31.12.2010.			
	Share capital	Ownership in %	Ownership in LVL	The investment carrying value, LVL
Related Companies (Subsidiaries)				
LSEZ JSC "Liepājas osta LM" (Liepāja's Port LM) Sliežu iela 7/1, Liepāja; 40003154754	8143056	95.17%	7749206	7749206
"Sports Club Liepājas metalurgs", Ltd. Brīvības iela 93, Liepāja; 40003348213	2000	95%	1900	1900
"Ice-hall "Liepājas metalurgs"", Ltd. Brīvības iela 93, Liepāja; 40003421648	2000	95%	1900	1900
"Rūķis LM", Ltd. Vānes iela 25, Liepāja; 42103038147	1316000	100%	1316000	1316000
Total Investments in Related Companies, LVL			9069006	9069006
Associated Companies				
"Elme Messer Metalurgs", Ltd. LSEZ Brīvības iela 93, Liepāja; 40003461570	2682496	16%	432343	432343
"SMA LM Mineral", Ltd. Brīvības iela 93, Liepāja; 42103037781	26000	50%	13000	13000
JSC "Sātiņi LM", Brīvības iela 93, Liepāja; 42103037207	900000	50%	**450000	450000
"Metalurgs & Duna", Ltd. Stūrmaņa 1, Liepāja; 42103019610	240000	50%	120000	120000
Total Investments in Associated Companies, LVL			1015343	1015343

** The applied and registered in the Enterprise Register shares are 450 000. Actually paid are 290 875 shares in the amount of 290 875 LVL. The value of unpaid shares is 159 125 LVL, which is recorded in the Liabilities section of the Balance Sheet as "Payable (debt) to associated companies". All investments in the related and associated companies are recorded in the Balance Sheet at their acquisition value.

Long-Term Financial Investment, (EUR)

Company Name, Address,Registration Number	31.12.2010.			
	Share capital	Ownership %	Ownership EUR	The investment carrying value, EUR
Related Companies (Subsidiaries)				
LSEZ JSC "Liepājas osta LM" (Liepāja's Port LM) Sliežu iela 7/1, Liepāja; 40003154754	11586525	95%	11026127	11026127
"Sports Club Liepājas metalurgs", Ltd. Brīvības iela 93, Liepāja; 40003348213	2846	95%	2703	2703
"Ice-hall "Liepājas metalurgs"", Ltd. Brīvības iela 93, Liepāja; 40003421648	2846	95%	2703	2703
"Rūķis LM", Ltd. Vānes iela 25, Liepāja; 42103038147	1872499	100%	1872499	1872499
Total Investments in Related Companies, EUR			12904033	12904033
Associated Companies				
"Elme Messer Metalurgs", Ltd. LSEZ Brīvības iela 93, Liepāja; 40003461570	3816848	16%	615169	615169
"SMA LM Mineral", Ltd. Brīvības iela 93, Liepāja; 42103037781	36995	50%	18497	18497
JSC "Sātiņi LM" Brīvības iela 93, Liepāja; 42103037207	1280585	50%	640292	640292
"Metalurgs & Duna", Ltd. Stūrmaņa 1, Liepāja; 42103019610	341489	50%	170745	170745
Total Investments in Associated Companies, EUR			1444703	1444703

Long-Term Financial Investments: 12 months 2010 Movement Report, (LVL)

	Share in the capital of related companies (subsidiaries)	Share in the capital of associated companies	Long-Term Loans
Beginning value on 31.12.2009.	9069006	649843	41260
Invested (loans provided)		206375	
Written off (Repaid loans)		159125	
Moved to another item (or written-off)			
Accumulated saving			
The balance on 31.12.2010.	9069006	1015343	41260

Long-Term Financial Investments: 12 months 2010 Movement Report, (EUR)

	Share in the capital of related companies (subsidiaries)	Share in the capital of associated companies	Long-Term Loans
Beginning value on 31.12.2009.	12904033	924643	58708
Invested (loans provided)		293645	
Written off (Repaid loans)		226414	
Moved to another item (or written-off)			
Accumulated saving			
The balance on 31.12.2010.	12904033	1444703	58708

2. ACCOUNTS RECEIVABLE (DEBTORS)

DEBTORS	As of 31.12.2010.		As of 31.12.2009.	
	LVL	EUR	LVL	EUR
Customers and affiliated companies debts	1398717	1990195	1343185	1911180
Incl. Debts of buyers and customers	938280	1335052	760742	1082438
Incl. Debts of buyers with factoring activities	33711	47966	348986	496562
Incl. Debts of related companies (subsidiaries)	388191	552346	207711	295546
Incl. Debts of associated enterprises (doubtful debtors debt)	38535 /390266/	54830 /555298/	25746 /128098/	36633 /182267/
Other debtors	858084	1220944	4234623	6025326
Incl. Accrued and unpaid VAT	109087	155217	18143	25815
Incl. Advance payments	297	423	2424	3449
Incl. VAT budget overpayments	706357	1005055	2230410	3173588
Incl. Debt for caused damages to the enterprise	0	0	115545	164406
Incl. Various debtors	25890	36838	15602	22200
Incl. Overpaid salaries	93	132	18	26
Incl. Advance prepayment for services	15436	21963	29318	41716
Incl. Advance prepayment for Corporate income tax	825	1174	1808600	2573406
Incl. Overpaid taxes	99	141	4563	6493
Incl. Security deposit	0	0	10000	14229
Future periods payments	70073	99705	96988	138001
Incl. Press expenses	7982	11357	6329	9005
Incl. Miscellaneous	14588	20757	12697	18066
Incl. Property insurance	47503	67591	49169	69961
Incl. Audit expenses	0	0	9707	13812
Incl. Rent	0	0	19086	27157
Total Debtors:	2326874	3310843	5674796	8074507

3. PROVISIONS

	Provisions for anticipated vacations (4318)		Provisions for doubtful debtors (4319)		Tax provisions	
	LVL	EUR	LVL	EUR	LVL	EUR
On 31.12.2009.	830000	1180984	128098	182267	1321598	1880465
Increase	0	0	262168	373031	0	0
Decrease	-9000	-12806	0	0	-272850	-388231
On 31.12.2010.	821000	1168178	390266	555298	1048748	1492234

4. ACCOUNTS PAYABLE (CREDITORS)

CREDITORS	As of 31.12.2010.		As of 31.12.2009.	
	LVL	EUR	LVL	EUR
Long-term borrowings	25432579	36187300	0	0
Short-term borrowing from credit institutions (credit line)	13491025	19195999	13995639	19914000
Credit interests	29642	42177	6982	9934
Advance payments (residents)	136346	194003	56619	80562
Advance payments (non residents)	41323430	58797944	7986840	11364249
Other borrowing (factoring)	33711	47966	348986	496562
(physical persons)	91375	130015	0	0
Debts to suppliers and contractors	10184712	14491540	8073220	11487157
Incl. Materials and gas	7328987	10428209	4097671	5830461
Incl. Services	1103154	1569647	816246	1161413
Incl. Scrap, various services related to scrap delivery, processing	1549367	2204551	3151356	4483976
Incl. Fixed assets	202234	287753	984	1400
Incl. Medical department creditors	970	1380	3481	4953
Incl. Other Creditors	0	0	3482	4954
Debts to related enterprises (subsidiaries)	84570	120332	91741	130536
Debts to associated enterprises	160347	228153	25886	36832
Accrued liabilities to suppliers	1874287	2666870	77141	109762
Taxes and social insurance payments	730970	1040077	647167	920836
Incl. State tax	573	815	573	815
Incl. Residents' Income tax	272166	387257	221661	315395
Incl. VAT for the previous period	4521	6433	0	0
Incl. Social Security tax	415867	591725	395041	562093
Incl. Natural resources tax	32546	46309	29892	42532
Incl. Real estate tax (buildings)	5195	7392	0	0
Incl. Real estate tax (land)	102	145	0	0
Other creditors (liabilities)	721676	1026852	763224	1085970
Incl. Payments for salaries	659033	937719	731691	1041102
Incl. Deductions from salaries	31078	44220	31453	44754
Incl. Loans to other creditors	30835	43874	0	0
Incl. Settlement parties	730	1039	80	114
Total Creditors:	94294670	134169228	32073445	45636401

ENCLOSURES TO PROFIT AND LOSS STATEMENT

5. Net turnover (revenue) by products for 12 months of the year 2010

Product Description	For 12 months of year 2010		For 12 months of year 2009	
	LVL	EUR	LVL	EUR
Rolled steel	192175828	273441568	158023912	224847770
Consumer goods	93981	133723	0	0
Crushed slag	355206	505413	0	0
Services	572817	815045	214993	305907
Sold steam, gCal	24451	34791	26217	37303
Medical department	916703	1304351	1056487	1503246
Transportation services	124088	176561	68957	98117
TOTAL	194263074	276411452	159390566	226792343

6. Net turnover by geographic markets for 12 months of the year 2010

Market	For 12 months of year 2010		For 12 months of year 2009	
	LVL	EUR	LVL	EUR
European Union countries	102051746	145206553	55131510	78445071
Other third countries	92211328	131204899	104259056	148347272
Total	194263074	276411452	159390566	226792343

**7. Production costs of sold goods
 for 12 months of the year 2010**

Cost Description	For 12 months of year 2010		For 12 months of year 2009	
	LVL	EUR	LVL	EUR
Materials	168741182	240097071	131452304	187039778
Salaries and wages	9710230	13816413	11616971	16529461
Social benefits deductions	2278903	3242587	2739448	3897883
Depreciation	5417114	7707859	5622412	7999972
Other costs	7285306	10366057	7081879	10076606
Total	193432735	275229986	158513014	225543699

8. Sales costs for 12 months of year 2010

Cost Description	31.12.2010.		31.12.2009.	
	LVL	EUR	LVL	EUR
Packing materials	74634	106195	120165	170979
Transportation costs	1251129	1780196	1346890	1916452
Freight	1476617	2101037	4111112	5849585
Port handling charges	1765432	2511983	2452738	3489932
Advertising and marketing costs	28213	40143	40328	57382
Other sales costs (insurance, storage/warehousing, depreciation, and other)	677089	963411	942311	1340788
Bank services	0	0	696	990
Costs related to factoring	19988	28440	92558	131698
Costs related to L/C	43897	62460	100005	142294
Total	5336999	7593865	9206803	13100100

9. Administration costs for 12 months of the year 2010

Costs Description	31.12.2010.		31.12.2009.	
	LVL	EUR	LVL	EUR
Salaries and social costs	2944424	4189538	2896306	4121072
Communication costs	73690	104851	83964	119470
Office supplies and technical books/literature and other office supplies and office maintenance costs	853999	1215131	893023	1270657
Legal and auditing fees, translation	63755	90715	98146	139649
Presentation costs	333948	475165	169835	241653
Depreciation of fixed assets	233155	331750	226933	322897
Management traveling expenses	111761	159022	107248	152600
Management training	6908	9829	4847	6897
Costs for bank account services	40034	56963	55267	78638
Costs related to stockholders	21538	30646	17952	25543
Total	4683212	6663610	4553521	6479077

10. Other operating income for 12 months of the year 2010

Income Description	31.12.2010.		31.12.2009.	
	LVL	EUR	LVL	EUR
Sale of current assets	1573764	2239264	748830	1065489
Income from fixed assets sale	4000	5691	157217	223700
Income from fixed assets liquidation	97912	139316	340419	484373
Income from foreign exchange sale or purchase	640265	911015	300212	427163
Received fines	21800	31019	42251	60118
Written-off revaluation reserve from the fixed assets liquidation	74068	105389	458680	652643
Bad debt recovery	0	0	37145	52853
Other income from operating activity	4501813	6405503	3762930	5354167
Income due to a decrease in provisions	9000	12806	1001600	1425148
Received discounts	617707	878918	0	0
Total	7540329	10728922	6849284	9745653

11. Other operating costs for 12 months of the year 2010

Costs Description	For 12 months of year 2010		For 12 months of year 2009	
	LVL	EUR	LVL	EUR
Sales costs of current assets	909756	1294466	663121	943536
Costs related to the sale and liquidation of fixed assets	2450 65039	3486 92542	52690 33215	74971 47261
Currency exchange loss	0	0	0	0
Provisions for bad debts	262168	373031	0	0
Doubtful debts write-off	21754	30953	1802	2564
Investment properties value decrease	87000	123790	141775	201728
Paid compensations and other benefits	67795	96464	297785	423710
Other costs	294794	419454	1565366	2227315
Paid fines	58313	82972	535	761
Costs not related to the operating activities	1211240	1723439	1355288	1928401
Costs of infrastucture maintenance	21064	29971	35378	50338
Training costs of the new staff	47366	67396	34710	49388
Costs of previous period	41265	58715	44239	62946
Costs related to production shutdown	1913228	2722278	0	0
Costs of auto maintenance	39124	55668	39922	56804
Total	5042356	7174626	4265826	6069724

12. Interest income for 12 months of the year 2010

Income	31.12.2010.		31.12.2009.	
	LVL	EUR	LVL	EUR
Income from loans to business persons	1548	2203	1561	2221
Income from bank accounts	1043	1484	2438	3469
Income from deposit investments	211308	300664	176070	250525
Total Interest Income	213899	304351	180069	256215