

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

Quarterly Report
(non-audited)

For 6 months of the year 2011

CONTENT

Information About the Company _____	page 3
Management Statement _____	4
Statement Regarding the Management Responsibility _____	5
Statements of financial position _____	6
Statements of comprehensive income _____	8
Cash Flow Statement _____	9
Statement of Changes in Shareholders' Equity _____	10
Enclosures to the Quarterly Report:	
Enclosures to Statements of financial position _____	12
Enclosures to Statements of comprehensive income _____	18

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: LV40003014197
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. Accounting period: 2011, 6 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 Vīlnītis
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 banka, UNLALV2X
LV96UNLA 0012002467028
14. Chief Accountant: Ligita Bērzupe
15. Average number of employees: 2125

**JOINT-STOCK COMPANY "LIEPĀJAS METALURĢS"
MANAGEMENT STATEMENT REGARDING
THE FINANCIAL STATEMENTS FOR 6 MONTHS OF 2011.**

The Company's profit from business activities in the reporting period was 2.2 million LVL (EUR 3.2 mill.), which was a loss of 7.7 million LVL (EUR 11 mill.) in the first half of 2010. Profit increase was associated with the 33.9% price increase of product sold.

The Net turnover in the reporting period was 122.1 million LVL (EUR 173.8 mill.), which was by 41.3 million LVL (EUR 58.8) greater than in the first half of last year.

The Joint-Stock Company "Liepājas Metalurģs" will continue the modernization of its meltshop production, where the equipment erection works had begun. There were 25.6 million LVL (EUR 36.4 million) invested in the meltshop modernization during the reporting period.

The "SMA LM Mineral" Ltd was established in order to process limestone and secure the burned lime for the needs of the new technology of the JSC "Liepājas Metalurģs". Certain modifications took place during the realization of the modernization project related to the order of supply of burned lime for the new production technology. As a result of such changes, lime will be purchased as an already finished product, because of which the local production by "SMA LM Mineral" Ltd will not be needed any longer. Since the "SMA LM Mineral" Ltd had not started its operating activities, it was liquidated as of 28.06.2011.

Due to the need of the additional necessary scrap volumes for the production needs related to the fulfillment of the modernization project, a daughter company of the JSC "Liepājas Metalurģs" was established – the "LM Resurss" Ltd (the Council minutes of the meeting No.6, p.1, dated 16.05.2011.), which will work with the purpose to acquire scrap in other regions of the Republic of Latvia and add this scrap to the materials volumes for the new production technology of the JSC "Liepājas Metalurģs".

In the name of the JSC "Liepājas Metalurģs"

Chairman of the Board _____ V.Terentjevs

STATEMENT REGARDING THE MANAGEMENT RESPONSIBILITY

The JSC "Liepājas Metalurģs" (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 June 30, 2011 as well as the results of its operations and cash flow for 6 months of the year 2011. 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 Metalurģs"

Chairman of the Board _____ V. Terentjevs

STATEMENTS OF FINANCIAL POSITION for 6 months of the year 2011

ASSETS	Enclosure Number	As of 30.06.2011.		As of 30.06.2010.	
		LVL	EUR	LVL	EUR
1.LONG-TERM INVESTMENTS					
I. Intangible investments					
1. Other intangible investments		35007	49810	51251	72924
2. Advance payments for intangible investments		0	0	0	0
I. TOTAL:		35007	49810	51251	72924
II. Fixed assets					
1. Land, buildings and constructions and long-term sites					
		49683720	70693565	50341059	71628874
2. Technological equipment and machinery		22480431	31986772	27202137	38705154
3. Other fixed assets and inventory		1435948	2043170	2048730	2915080
4. Fixed assets formation and costs of unfinished construction sites		56371384	80209253	14679534	20887095
5. Advance payments for fixed assets		439259	625009	41532	59095
II. TOTAL:		130410742	185557769	94312992	134195298
III. Investment properties					
1. Investment properties		4922000	7003375	5009000	7127165
IV. Long-term financial investments					
1. Share in the related companies (subsidiaries)		9071006	12906879	9069006	12904033
2. Loans to the related companies (subsidiaries)		41260	58708	41260	58708
3. Share in the capital of associated companies		1522959	2166975	741218	1054658
IV. TOTAL:	1	10635225	15132562	9851484	14017399
Section 1 total amount:		146002974	207743516	109224727	155412785
2. CURRENT ASSETS					
I. Stock (Inventories)					
1. Raw materials, basic and auxiliary materials		13687441	19475474	9974873	14192966
2. Unfinished products, Work-in-Process		39574	56309	591868	842152
3. Finished products and goods for sales		36502345	51938158	30204303	42976851
4. Incompleted orders		287937	409697	245153	348821
5. Advance payments for goods		12004554	17080941	1571266	2235710
I. TOTAL:		62521851	88960579	42587463	60596501
II. Accounts receivable (Debtors)					
1. Trade accounts receivable		2111286	3004089	1633850	2324759
2. Debt of related companies (subsidiaries)		506652	720901	293601	417757
3. Debt of associated enterprises		56409	80263	21451	30522
4. Other debtors (accounts receivable)		898787	1278859	1469924	2091513
5. Prepaid expenses		59707	84955	67249	95687
II. TOTAL:	2	3632841	5169067	3486075	4960238
III. Short-term financial investments					
III. TOTAL:		0	0	0	0
IV. Cash		986566	1403757	3608078	5133832
IV. TOTAL:		986566	1403757	3608078	5133832
Section 2 total amount		67141258	95533403	49681616	70690571
TOTAL ASSETS		213144232	303276919	158906343	226103356

LIABILITIES AND SHAREHOLDERS' EQUITY	Enclosure Number	As of 30.06.2011.		As of 30.06.2010.	
		LVL	EUR	LVL	EUR
1. SHAREHOLDERS' EQUITY					
1. Share capital (fixed capital)		16981033	24161833	16981033	24161833
2. Long-term investments revaluation reserve		44397145	63171446	46864776	66682569
3. Reserves: a) reserves stipulated by law		0	0	0	0
3. Reserves: b) other reserves		44524829	63353124	44524829	63353124
TOTAL:		44524829	63353124	44524829	63353124
4. Retained earnings					
a) undistributed profit from the previous years		-19123498	-27210286	-12429482	-17685560
4. Retained earnings					
b) undistributed profit of the reporting year		2221303	3160629	-7713526	-10975359
section 1 total amount:		89000812	126636747	88227630	125536608
2. PROVISIONS					
1. Provisions for anticipated taxes		1470350	2092120	1321598	1880465
2. Other provisions		821000	1168178	830000	1180984
section 2 total amount:	3	2291350	3260297	2151598	3061448
3. LIABILITIES (Accounts Payable)					
I. Long-term Creditors (Accounts Payable).		47349522	67372300	11770069	16747299
I. TOTAL:		47349522	67372300	11770069	16747299
II. Short-term Creditors (Accounts payable)					
1. Loans from credit institutions		15706263	22347999	16587088	23601300
2. Other loans		33711	47966	125086	177981
3. Advance payments received from customers		29334517	41739257	27363881	38935295
4. Suppliers and contractors trade account payable		28066417	39934914	11263856	16027023
5. Accrued liabilities (Payable bills of exchange)		0	0	0	0
6. Payable (debt) to related companies (subsidiaries)		224659	319661	58036	82578
7. Payable (debt) to associated companies		0	0	19711	28046
8. Taxes and state social insurance payments		576963	820944	667090	949184
9. Other liabilities		560018	796834	672298	956594
II. TOTAL:	4	74502548	106007575	56757046	80758001
Section 3 total amount:		121852070	173379875	68527115	97505300
TOTAL LIABILITIES AND EQUITY		213144232	303276919	158906343	226103356

In the name of the JSC "Liepājas Metalurģs"

Chairman of the Board _____ V.Terentjevs

STATEMENTS OF COMPREHENSIVE INCOME

for 6 months of the year 2011

No.	Parameter designation	Enclosure Number	As of 30.06.2011.		As of 30.06.2010.	
			LVL	EUR	LVL	EUR
1	Net turnover	5, 6	122131435	173777376	80853753	115044526
2	Production costs of goods sold	7	-116076170	-165161510	-82634237	-117577926
3	Gross profit or loss (from turnover)		6055265	8615866	-1780484	-2533400
4	Sales costs	8	-2141599	-3047221	-3241098	-4611667
5	Administration costs	9	-2053556	-2921947	-2080743	-2960631
6	Other operating income	10	5401769	7686025	970489	1380881
7	Other operating costs	11	-4677823	-6655942	-1172025	-1667641
8	Interest income and other similar income	12	33895	48228	12102	17220
9	Interest payments and similar expenses		-255462	-363490	-293083	-417020
10	Profit or loss before extraordinary items and taxes		2362489	3361520	-7584842	-10792258
11	Profit or loss before taxes		2362489	3361520	-7584842	-10792258
12	Other taxes		-141186	-200890	-128684	-183101
13	Reporting period profit or loss after taxes		2221303	3160629	-7713526	-10975359

The JSC "Liepājas metalurģs" demonstrated profit at the rate of 0,13 LVL (EUR 0,18) 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).

In the name of the JSC "Liepājas Metalurģs"

Chairman of the Board _____ V.Terentjevs

CASH FLOW STATEMENT (by direct method) for 6 months of the year 2011

	As of 30.06.2011.		As of 30.06.2010.	
	LVL	EUR	LVL	EUR
OPERATING CASH FLOW				
Cash received from buyers	112369706	159887687	85768688	122037848
Cash received from other business activities	767257	1091708	601739	856197
VAT overpayment received	2638	3754	8303485	11814795
Bank interest received	33827	48131	11334	16127
Cash paid to suppliers and employees	-111708078	-158946275	-109827368	-156270266
Cash received from the core business activity	1465350	2085005	-15142122	-21545299
Interest payment	-315942	-449545	-293083	-417020
Corporate income tax payment	0	0	0	0
Other tax payments	-611116	-869540	-24245	-34498
Net cash flow from the core business activity	538292	765921	-15459450	-21996816
CASH FLOW FROM INVESTMENT ACTIVITIES				
Acquisition of fixed assets	-3787579	-5389239	-2301970	-3275408
Sale of fixed assets and intangible assets	3744	5327	4840	6887
Investments in related companies	-522616	-743616	0	0
Net cash flow from investment operations	-4306451	-6127528	-2297130	-3268522
CASH FLOW FROM FINANCING ACTIVITIES				
Short-term borrowings in net value (credit line)	2215238	3152000	17168656	24428797
Repayment of loans and interests from related companies	0	0	929	1322
Costs not associated with operating activities	-701278	-997829	-490256	-697571
Net cash flow from financial activities	1513960	2154171	16679329	23732547
Result of foreign currency exchange rate fluctuations	-357938	-509300	-49297	-70143
Net growth of cash and its equivalents	-2612137	-3716736	-1126548	-1602933
Cash and its equivalents at the beginning of accounting period	3598703	5120493	4734626	6736766
Cash and its equivalents at the end of accounting period	986566	1403757	3608078	5133832

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY, LVL

	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 01.01.2010.	16981033	49907552	0	44524829	-12429482	0	98983932
Previous year profit put in reserves					12429482	-12429482	0
Undistributed profit of the reporting period					-6694016		-6694016
Reserves distribution							0
Increase of revaluation reserve							0
Written-off revaluation reserve		-3991283					-3991283
As of 31.12.2010.	16981033	45916269	0	44524829	-6694016	-12429482	88298633
Previous year profit put in reserves					6694016	-6694016	0
Undistributed profit of the review period					2221303		2221303
Increase of fixed capital							0
Increase of revaluation reserve							0
Written-off revaluation reserve		-1519124					-1519124
As of 30.06.2011.	16981033	44397145	0	44524829	2221303	-19123498	89000812

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY, EUR

	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 01.01.2010.	24161833	71012049	0	63353124	-17685560	0	140841447
Previous year profit put in reserves					17685560	-17685560	0
Undistributed profit of the reporting period					-9524727		-9524727
Reserves distribution							0
Increase of revaluation reserve							0
Written-off revaluation reserve		-5679084					-5679084
As at 31.12.2010.	24161833	65332965	0	63353124	-9524727	0	125637636
Previous year profit put in reserves					9524727	-9524727	0
Undistributed profit of the review period					3160629		3160629
Increase of fixed capital							0
Increase of revaluation reserve							0
Written-off revaluation reserve		-2161519					-2161519
As of 30.06.2011.	24161833	63171446	0	63353124	3160629	-9524727	126636747

ENCLOSURES TO THE 6 MONTH QUARTERLY REPORT ENCLOSURES TO FINANCIAL POSITION

1. Investment changes

Long-Term Financial Investment (LVL)

Company Name, Address, Registration Number	As of 30.06.2011.			
	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 metalurģs", Ltd. Brīvības iela 93, Liepāja; 40003348213	2000	95	1900	1900
"Ice-Hockey Hall "Liepājas metalurģs"", Ltd. Brīvības iela 93, Liepāja; 40003421648	2000	95	1900	1900
"Rūķis LM", Ltd. Vānes iela 25, Liepāja; 42103038147	1316000	100	1316000	1316000
"LM Resurss", Ltd. Brīvības iela 93, Liepāja; 42103055448	2000	100	2000	2000
Total Investments in Related Companies, LVL			9071006	9071006
Associated Companies				
"Elme Messer Metalurģs", Ltd. Brīvības iela 93, Liepāja; 40003461570	3653136	26	952959	952959
JSC "Sātiņi Energo LM" Brīvības iela 93, Liepāja; 42103037207	900000	50	450000	450000
"Metalurģs & Duna", Ltd. Spīķera iela 19/23, Liepāja; 42103019610	240000	50	120000	120000
Total Investments in Associated Companies, LVL			1522959	1522959

All investments in related and associated companies are recorded in the balance sheet at their acquisition value.

Long-Term Financial Investment (EUR)

Company Name, Address, Registration Number	As of 30.06.2011.			
	Share capital	Ownership in %	Ownership in EUR	The investment carrying value EUR
Related Companies (Subsidiaries)				
JSC "Liepājas osta LM" (Liepāja's Port LM) Sliežu iela 7/1, Liepāja; 40003154754	11586525	95.17	11026127	11026127
"Sports Club Liepājas metalurģs", Ltd. Brīvības iela 93, Liepāja; 40003348213	2846	95	2703	2703
"Ice-Hockey Hall "Liepājas metalurģs"", Ltd. Brīvības iela 93, Liepāja; 40003421648	2846	95	2703	2703
"Rūķis LM", Ltd. Vānes iela 25, Liepāja; 42103038147	1872499	100	1872499	1872499
"LM Resurss", Ltd. Brīvības iela 93, Liepāja; 42103055448	2000	100	2846	2846
Total Investments in Related Companies, EUR			12906879	12906879
Associated Companies				
"Elme Messer Metalurģs", Ltd. Brīvības iela 93, Liepāja; 40003461570	5197944	26	1355938	1355938
JSC "Sātiņi Energo LM" Brīvības iela 93, Liepāja; 42103037207	1280585	50	640292	640292
"Metalurģs & Duna", Ltd. Spīķera iela 19/23, Liepāja; 42103019610	341489	50	170745	170745
Total Investments in Associated Companies, EUR			2166975	2166975

All investments in related and associated companies are recorded in the balance sheet at their acquisition value.

Long-Term Financial Investments: 6 months 2011 Movement Report (LVL)

	Share in the capital of related companies (subsidiaries)	Share in the capital of associated companies	Long-Term Loans
Beginning value on 31.12.2010.	9069006	1015343	41260
Invested (loans provided)	2000	520616	0
Moved to another item (or written-off)	0	-13000	0
The balance on 30.06.2011.	9071006	1522959	41260

Long-Term Financial Investments: 6 months 2011 Movement Report (EUR)

	Share in the capital of related companies (subsidiaries)	Share in the capital of associated companies	Long-Term Loans
Beginning value on 31.12.2010.	12904033	1444703	58708
Invested (loans provided)	2846	740770	0
Moved to another item (or written-off)	0	-18497	0
The balance on 30.06.2011.	12906879	2166976	58708

2. Accounts receivable (debtors)

DEBTORS	As of 30.06.2011.		As of 30.06.2010.	
	LVL	EUR	LVL	EUR
Customers and affiliated companies debts	2674347	3805253	1948902	2773038
Incl. Debts of buyers and customers	2077575	2956123	1600139	2276793
Incl. Debts of buyers with factoring activities	33711	47966	33711	47966
Incl. Debts of related companies (subsidiaries)	506652	720901	293601	417757
Incl. Debts of associated enterprises (doubtful debtors debt)	56409	80263	21451	30522
	/386137/	/555298/	/128098/	/182267/
Other debtors	898787	1278859	1469924	2091513
Incl. Accrued and unpaid VAT	15336	21821	69180	98434
Incl. Advance payments	941	1339	133	189
Incl. VAT budget overpayments	851926	1212181	1208559	1719625
Incl. Debt for caused damages to the enterprise	0	0	115518	164367
Incl. Various debtors	29412	41850	11236	15987
Incl. Overpaid salaries	245	349	0	0
Incl. Advance prepayment for services	0	0	41273	58726
Incl. Advance prepayment for Corporate income tax	825	1174	13495	19202
Incl. Overpaid taxes	102	145	530	754
Incl. Security deposit	0	0	10000	14229
Future periods payments	59707	84955	67249	95687
Incl. Press expenses	5283	7517	4144	5896
Incl. Miscellaneous	7719	10983	11650	16576
Incl. Property insurance	46705	66455	51455	73214
Total Debtors:	3632841	5169067	3486075	4960238

3. PROVISIONS

	Provisions for anticipated vacations (4318)		Provisions for doubtful debtors (4319)		Tax provisions	
	LVL	EUR	LVL	EUR	LVL	EUR
On 31.12.2010	821000	1168178	390266	555298	1470350	2092120
Written-off as bad debt	0	0	-4129	-5875	0	0
On 30.06.2011	821000	1168178	386137	549423	1470350	2092120

4. Accounts payable (creditors)

CREDITORS	As of 30.06.2011.		As of 30.06.2010.	
	LVL	EUR	LVL	EUR
Long-term borrowings	47349522	67372300	11770069	16747299
Short-term borrowing from credit institutions (credit line)	15706263	22347999	16587088	23601300
Advance payments (residents)	96978	137987	422090	600580
Advance payments (non residents)	29237539	41601270	26941791	38334715
Other borrowing (factoring)	33711	47966	33711	47966
(individuals)	0	0	91375	130015
Debts to suppliers and contractors	28066417	39934914	11263856	16027023
Incl. Materials and gas	21590069	30719901	6791709	9663731
Incl. Services	4418449	6286887	841146	1196843
Incl. Scrap, various services related to scrap delivery, processing	1765595	2512215	3627605	5161617
Incl. Fixed assets	289511	411937	1480	2106
Incl. Medical department creditors	1837	2614	1534	2183
Incl. Other Creditors	956	1360	382	544
Debts to related enterprises (subsidiaries)	224659	319661	58036	82578
Debts to associated enterprises	0	0	19711	28046
Accrued liabilities	0	0	0	0
Taxes and social insurance payments	576963	820944	667090	949184
Incl. State tax	549	781	575	818
Incl. Residents' Income tax	198545	282504	239563	340867
Incl. Social Security tax	374248	532507	384014	546403
Incl. Nature resources tax	3621	5152	42938	61095
Other creditors (liabilities)	560018	796834	672298	956594
Incl. Payments for salaries	527918	751160	643046	914972
Incl. Deductions from salaries	32100	45674	29252	41622
Total Creditors:	121852070	173379875	68527115	97505300

ENCLOSURES TO PROFIT AND LOSS STATEMENT

5. Net turnover (revenue) by products

Product Description	As of 30.06.2011.		As of 30.06.2010.	
	LVL	EUR	LVL	EUR
Rolled steel	121096355	172304590	80116323	113995258
Castings	78199	111267	14836	21110
Wire	781	1111	0	0
Crushed slag	270446	384810	12442	17703
Services	164857	234570	194490	276734
Sold steam, gCal	4961	7059	13288	18907
Medical department	449521	639611	446546	635378
Transportation services	66315	94358	55828	79436
TOTAL	122131435	173777376	80853753	115044526

6. Net turnover by geographic markets

Market	As of 30.06.2011.		As of 30.06.2010.	
	LVL	EUR	LVL	EUR
European Union countries	87745746	124850948	33074414	47060651
Other third countries	34385689	48926428	47779339	67983875
Total	122131435	173777376	80853753	115044526

7. Production costs of sold goods

Cost Description	As of 30.06.2011.		As of 30.06.2010.	
	LVL	EUR	LVL	EUR
Materials	103666135	147503621	64407954	91644262
Salaries and wages	5402985	7687755	4346981	6185197
Social benefits deductions	1276930	1816908	1020873	1452571
Depreciation	2240760	3188314	2466079	3508914
Other costs	3489360	4964912	10392350	14786982
Total	116076170	165161510	82634237	117577926

8. Sales costs

Cost Description	As of 30.06.2011.		As of 30.06.2010.	
	LVL	EUR	LVL	EUR
Packing materials	29134	41454	45491	64728
Transportation costs	1014455	1443439	464258	660580
Freight	143415	204061	1365160	1942448
Port handling charges	751062	1068665	996906	1418469
Advertising and marketing costs	18690	26593	13459	19150
Other sales costs (insurance, storage/warehousing, depreciation, and other)	182263	259337	310767	442182
Costs related to factoring	861	1225	1848	2629
Costs related to L/C	1719	2446	43209	61481
Total	2141599	3047221	3241098	4611667

9. Administration costs

Costs Description	As of 30.06.2011.		As of 30.06.2010.	
	LVL	EUR	LVL	EUR
Salaries and social costs	1246509	1773623	1321333	1880087
Communication costs	28573	40656	35672	50757
Office supplies and office maintenance costs	433371	616631	403607	574281
Legal and auditing fees	58233	82858	41529	59090
Presentation costs	81349	115749	81636	116158
Depreciation of fixed assets	113051	160857	111828	159117
Management traveling expenses	47752	67945	49685	70695
Management training	1925	2739	3839	5462
Costs for bank account services	33675	47915	22750	32370
Costs related to stockholders	9118	12974	8864	12612
Total	2053556	2921947	2080743	2960631

10. Other operating income

Income Description	As of 30.06.2011.		As of 30.06.2010.	
	LVL	EUR	LVL	EUR
Sale of current assets	2009513	2859279	391781	557454
Sale of fixed assets and liquidation	922236 858646	1312224 1221743	4000 658	5691 936
Currency exchange gain	0	0	301068	428381
Received fines	9761	13889	7187	10226
Written-off revaluation reserve of liquidated fixed assets	1519123	2161517	42776	60865
Other income from operating activity	32597	46381	223019	317327
Income due to a decrease in provisions	4126	5871	0	0
Received discounts	45767	65121	0	0
Total	5401769	7686025	970489	1380881

11. Other operating costs

Costs Description	As of 30.06.2011.		As of 30.06.2010.	
	LVL	EUR	LVL	EUR
Sales costs of current assets	1989449	2830731	314991	448192
Costs related to the sale and liquidation of fixed assets	20787 45765	29577 65118	2450 10018	3486 14254
Currency exchange loss	336211	478385	0	0
Doubtful debts write-off	4129	5875	0	0
Paid compensations and other benefits	29596	42111	31627	45001
Other costs	720466	1025131	79388	112959
Paid fines	609	867	1918	2729
Costs not associated with operating activities	723084	1028856	652113	927873
Costs of infrastructure maintenance	10436	14849	10573	15044
Training costs of the new staff	22212	31605	19925	28351
Costs of previous period	18547	26390	28722	40868
Extraordinary costs (production site close for modernization)	733038	1043019	0	0
Costs of auto maintenance	23494	33429	20300	28884
Total	4677823	6655942	1172025	1667641

12. Interest income

Income	As of 30.06.2011.		As of 30.06.2010.	
	LVL	EUR	LVL	EUR
Income from loans to business persons	768	1093	768	1093
Income from bank accounts	3413	4856	211	300
Income from deposit investments	29714	42279	11123	15827
Total Interest Income	33895	48228	12102	17220