

Grindex

Joint Stock Company “Grindeks”

*Non-audited consolidated financial statements
for the periods ended 31 March 2009 and
31 March 2008
prepared in accordance with International
Financial Reporting Standards*

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ANCILLARY INFORMATION

Name	“GRINDEKS”
Legal status	Joint Stock Company since 25 August 1997
Number, place and date of registration	40003034935, Riga, Republic of Latvia, 11 October 1991
Business activities	Production of pharmaceutical, medical and phyto-chemical medicines
Legal address	53 Krustpils Street Riga, LV – 1057 Latvia
Subsidiaries	JSC “Tallinn Pharmaceutical Plant” Tondi 33 11316, Tallinn, Estonia JSC “Kalceks” 53 Krustpils str. Riga, LV - 1057, Latvia “Namu apsaimniekosanas projekti” Ltd. 53 Krustpils str. Riga, LV - 1057, Latvia “Grindeks Rus” Ltd. 74/3 Warsaw str. 117556, Moscow, Russia
Associate	Biznesa centrs „Zakusala”SIA (22%)
Reporting period	1 January 2009 – 31 March 2009
Previous reporting period	1 January 2008 – 31 March 2008
Auditor’s and their addresses	BDO Invest Riga License No. 112 15 Pulkveza Brieza Street Riga, LV-1010 Latvia Aivars Putnins Certified auditor Certificate No. 123

THE BOARD AND THE SUPERVISORY COUNCIL

Board of the Company

(In compliance with the election/dismissal dates)

Since 13 October 2008 to the date of issuing the financial statements:

<u>Name</u>	<u>Position</u>
Janis Romanovskis	Chairman of the Board
Vadims Rabsa	Board member
Lipmans Zeligmans	Board member

Supervisory Council of the Company

(In compliance with the election/dismissal dates)

Since 22 February 2008 to the date of issuing the financial statements:

<u>Name</u>	<u>Position</u>
Kirovs Lipmans	Chairman of the Supervisory Council
Vitalijs Gavrilovs	Vice-Chairman of the Supervisory Council
Uldis Osis	Member of the Supervisory Council
Janis Naglis	Member of the Supervisory Council
Anna Lipmane	Member of the Supervisory Council

MAJOR SHAREHOLDERS

Shareholders of the Company as of 1 August 2008 and 1 February 2009 (*Latvian Central Depository data*)

	01.08.2008. Investments in percentage (%)	01.02.2009. Investments in percentage (%)
Kirovs Lipmans	33.29	33.29
Anna Lipmane	16.69	16.69
Vitalijs Gavrilovs	11.30	11.30
<i>Hansapank AS Clients Account</i>	14.20	9.40
<i>Skandinaviska Enskilda Banken</i>	8.60	8.48
<i>State Social Security Agency</i>	2.29	2.29
Other shareholders	13.63	18.55
Total	100.00	100.00

MANAGEMENT REPORT

Mode of activity

In the reporting period the Group of “Grindeks” consisted of JSC “Grindeks” and its four subsidiaries: JSC „Tallinn Pharmaceutical Plant”, JSC „Kalceks”, „Namu Apsaimniekošanas projekti” Ltd. and „Grindeks Rus” Ltd. (altogether hereinafter referred to as “the Group”). Main activity of the Group is research, development, manufacturing and sales of original products, generics and active pharmaceutical ingredients.

Group activity during accounting period

In the first quarter of 2009 turnover of the Group amounted to 14.1 million lats, which is by 2.9 million lats or 16.7% less than during the first three months of 2008. Net profit, related to the shareholders of the holding company, in the accounting period amounted to 1.2 million lats, which is by 64.7% less as compared to results of the first quarter of 2008.

In the first three months of 2009 gross profit margin of the Group was 50.3%, whereas, net profit margin comprised 8.8%. Products of the Group, manufactured during the accounting period, were exported to 33 states worldwide for the total amount of 13.4 million lats, which is by 3 million lats or 18.3% less than in the comparable accounting period of 2008.

Sales of final dosage medications

In the first quarter of 2009 sales volume of final dosage medications of “Grindeks” amounted to 13 million lats, which is less by 2.8 million lats or 17.7% than during first quarter of 2008.

Most of medications were sold to main export markets – Russia and other CIS countries for total of 11.5 million lats. In the first quarter of 2009 the results of sales in CIS countries (except Russia) are exceeding by 6.2% sales volumes then during first quarter 2008. Sales volume in Russia decreased by 3.2 million lats as compared to the corresponding period in 2008, as previously forecasted. Sales dynamic has been influenced by the fact that since February 2008 Russian pharmaceutical company OJSC “Pharmstandard” became an exclusive distributor of Mildronate® in Russian Federation and has purchased from “Grindeks” a considerable amount of products mainly to ensure safety stocks and to cope with the initial demand of the Russian pharmaceutical distribution network. It resulted in expansion of turnover increase in the corresponding accounting period of 2008.

Additionally, devaluation of local currencies in Russia and some other CIS countries against the lats, which took place at the end of 2008 and beginning 2009, had some influence on the sales dynamic of the final dosage medication forms in monetary terms in the first quarter of the 2009.

Sales of active pharmaceutical ingredients

The main export markets for active pharmaceutical ingredients (API) of “Grindeks” are Europe, Japan, the USA, Australia, Pakistan and India. In the first quarter of 2009 export of API reached 1.1 million lats, which is for 0.1 million lats or 6.2% less than in the first three months of 2008. Despite the market fluctuations, management of the Group forecasts more than 15% growth for the API business in the 2009 as compared to 2008.

Since the beginning of 2009, JSC “Grindeks” have been supplying the active pharmaceutical ingredient oxytocin to Worldwide organization „PATH” (Program for Appropriate Technology in Health) project „Oxytocin in Uniject”. „Oxytocin in Uniject” innovative non-reusable injection device prefilled with a single dose of oxytocin, which has been developed as part of numerous global initiatives to reduce materially the postpartum hemorrhage in women, in general, in the developing countries.

Investment program

Overall planned investment volume of „Grindeks” in 2009 is 9 million lats.

In January 2009, the new final dosage forms plant was opened. This is the largest investment project in the history of the company, with 9.1 million lats invested over two years, including 6.4 million lats in construction and 2.7 million lats in technological devices and equipment. The plant was financed from funds obtained in a share issue in 2005, as well as attracting bank resources in the amount of 2.5 million lats. Substantial investments in modernizing infrastructure and technological equipment were made in order to secure necessary production capacities for the potential market network broadening. It

will be possible to produce 1.5 billion tablets and 500 million capsules per year in the new final dosage forms plant.

To ensure adequate environmental protection, at the end of 2007 the construction of a new industrial waste water purification plant in production facilities in Latvia was started. At the second quarter of 2009 it is planned to fulfill all operations and to launch the object.

Growth of "Grindeks" share price during accounting period (data of „NASDAQ OMX Riga")

Since 2nd of January 2006 shares of "Grindeks" are listed in the Official list of "NASDAQ OMX Riga". "Grindeks" share price fluctuated within limits from LVL 1.55 to LVL 3.03 in "NASDAQ OMX Riga" during the first quarter of 2009. Total quantity of company's shares, traded in "NASDAQ OMX Riga", was 171 890 shares, reaching the turnover in the amount of 0.35 million lats. At the end of the first quarter market capitalization of "Grindeks" was 19.65 million lats.



The Group's profit per share (EPS coefficient) was 0.13 lats in the first quarter of 2009 in comparison with 0.37 lats in the same accounting period of 2008.

Further expectations

In 2009 "Grindeks" will continue to work at the increase of its shareholders' value, at the expansion of its product sales volume in the existing markets and at acquiring attractive new markets by improving company's productivity and effectiveness.

Considering the changing world markets conditions, „Grindeks" is performing cost reduction program, the results of which, mainly, will reflect in the second half of the 2009.

On behalf of the Group Management:

Janis Romanovskis
Chairman of the Board
7 May 2009

STATEMENT OF BOARD`S RESPONSIBILITIES

The Board of JSC "Grindex" (hereinafter - the Company) is bearing the responsibility for preparation of the consolidated interim financial statements of the Company and its subsidiaries (hereinafter the Group). Independent auditors have not audited interim financial statements of the Group.

The consolidated interim financial statements, enclosed from the page 9 to the page 18, are prepared in accordance with the accounting records and source documents, presenting fairly the financial position of the Group as of 31 March 2009 and the results of its operations and cash flows for the period of three-month ended 31 March 2009.

Above mentioned consolidated interim financial statements are prepared in accordance with the International Financial Reporting Standards, reposing on the principle of business activities continuation. Appropriate accounting policies have been applied on a consistent basis. The management in preparation of the consolidated interim financial statements has made prudent and reasonable judgments and estimates.

The Board of the Company is responsible for providing accounting records, preservation of the Group's assets and the prevention and disclosure of fraud and other irregularities of the Group. The Board is responsible for the compliance with the existing legislation in the countries in which the Group's companies are operating (Latvia, Russia and Estonia).

On behalf of the Board:



Janis Romanovskis
Chairman of the Board

7 May 2009

BALANCE SHEET

	31.03.2009. LVL	31.03.2008. LVL	31.03.2009. EUR	31.03.2008. EUR
ASSETS				
Non-current assets				
Intangible assets				
Software, patents, licenses, trademarks and other rights	398,820	400,950	567,470	570,500
Advance payments for intangible assets	119,707	25,000	170,327	35,572
Total intangible assets	518,527	425,950	737,797	606,072
Tangible fixed assets				
Land, buildings and constructions	12,851,237	6,284,609	18,285,663	8,942,193
Equipment and machinery	10,518,310	7,064,021	14,966,207	10,051,196
Other fixed assets	809,343	600,092	1,151,591	853,854
Advance payments for fixed assets	950,285	4,291,449	1,352,134	6,106,182
Construction in progress	5,789,146	5,778,640	8,237,213	8,222,264
Total tangible fixed assets	30,918,321	24,018,811	43,992,808	34,175,689
Investment property	4,763,966	4,667,600	6,778,513	6,641,396
Long-term financial investments				
Investments in associated companies	22,000	22,000	31,303	31,303
Other investments	1,349,165	105,421	1,919,689	150,002
Total long-term financial investments	1,371,165	127,421	1,950,992	181,305
Total non-current assets	37,571,979	29,239,782	53,460,110	41,604,462
Current assets				
Inventory				
Raw materials	2,986,532	1,717,528	4,249,452	2,443,822
Unfinished goods	1,637,784	1,838,888	2,330,357	2,616,502
Finished goods and goods for resale	3,050,585	3,364,152	4,340,591	4,786,757
Advance payments for goods	-	843	-	1,200
Total inventory	7,674,901	6,921,411	10,920,400	9,848,281
Debtors				
Trade receivables	17,901,276	21,339,746	25,471,221	30,363,723
Other debtors	2,758,187	1,576,316	3,924,546	2,242,896
Deferred expenses	203,748	143,343	289,907	203,958
Total debtors	20,863,211	23,059,405	29,685,674	32,810,577
Cash and cash equivalents	234,096	2,160,218	333,089	3,073,713
Total current assets	28,772,208	32,141,034	40,939,163	45,732,571
TOTAL ASSETS	66,344,187	61,380,816	94,399,273	87,337,033

	31.03.2009.	31.03.2008.	31.03.2009.	31.03.2008.
	LVL	LVL	EUR	EUR
EQUITY AND LIABILITIES				
EQUITY				
Share capital	9,585,000	9,585,000	13,638,226	13,638,226
Share premium	15,687,750	15,687,750	22,321,657	22,321,657
Other reserves	464,905	464,905	661,500	661,500
(Accumulated loss) / retained profit:				
a) prior year accumulated profit/loss	22,012,072	12,984,900	31,320,357	18,475,848
b) foreign currency revaluation	37,356	(13,249)	53,153	(18,850)
c) current year profit	1,242,649	3,523,409	1,768,130	5,013,359
Equity attributable to equity holders of the parent	49,029,732	42,232,715	69,763,023	60,091,740
Minority interest	54,380	52,554	77,376	74,777
Total equity	49,084,112	42,285,269	69,840,399	60,166,517
LIABILITIES				
Long-term liabilities				
Loans from credit institutions	4,471,843	3,827,239	6,362,859	5,445,670
Finance lease liabilities	1,309,398	689,147	1,863,106	980,568
Deferred income	1,209,953	1,333,986	1,721,608	1,898,091
Deferred tax liability	1,509,328	1,625,297	2,147,580	2,312,590
Total non-current liabilities	8,500,522	7,475,669	12,095,153	10,636,919
Current liabilities				
Loans from credit institutions	4,305,590	3,728,275	6,126,303	5,304,857
Finance lease liabilities	203,788	20,124	289,964	28,634
Advances from customers	5,764	115,181	8,201	163,888
Trade accounts payable	2,266,419	6,113,752	3,224,824	8,699,085
Taxes and social security liabilities	278,237	307,411	395,896	437,406
Other payables	1,115,268	964,510	1,586,883	1,372,374
Deferred income	93,913	93,588	133,626	133,165
Accrued liabilities	490,574	277,037	698,024	394,188
Total current liabilities	8,759,553	11,619,878	12,463,721	16,533,597
Total liabilities	17,260,075	19,095,547	24,558,874	27,170,516
TOTAL EQUITY AND LIABILITIES	66,344,187	61,380,816	94,399,273	87,337,033

STATEMENTS OF PROFIT AND LOSS

	2009	2008	2009	2008
	January- March	January- March	January- March	January- March
	LVL	LVL	EUR	EUR
Net sales	14,135,331	16,967,799	20,112,764	24,143,003
Cost of goods sold	(7,031,147)	(6,767,000)	(10,004,421)	(9,628,574)
Gross profit	7,104,184	10,200,799	10,108,343	14,514,429
Selling expenses	(3,476,136)	(3,697,323)	(4,946,096)	(5,260,817)
Administrative expenses	(1,590,329)	(1,522,510)	(2,262,834)	(2,166,337)
Other operating income	548,684	114,706	780,707	163,213
Other operating expenses	(904,104)	(559,070)	(1,286,424)	(795,485)
Interest income and similar income	2,798	102	3,981	145
Interest expense and similar expense	(43,797)	(74,921)	(62,318)	(106,603)
Real estate tax	(20,521)	(22,891)	(29,199)	(32,571)
Profit before taxation	1,620,779	4,438,892	2,306,160	6,315,974
Corporate income tax	(377,860)	(915,412)	(537,646)	(1,302,514)
NET PROFIT FOR THE YEAR	1,242,919	3,523,480	1,768,514	5,013,460
Attributable to:				
Equity holders of the parent	1,242,649	3,523,409	1,768,130	5,013,359
Minority interest	270	71	384	101
TOTAL	1,242,919	3,523,480	1,768,514	5,013,460
Earnings per share attributable equity holders of the parent (LVL per share)				
- Basic earnings per share	0.13	0.37	0.18	0.52
- Diluted earnings per share	0.13	0.37	0.18	0.52

STATEMENTS OF CHANGES IN EQUITY

	Share capital	Share premium	Other reserves	Accumulated (loss)/profit	Foreign currency translation reserve	Equity attributable to equity holders of the parent	Minority interest	Total
	LVL	LVL	LVL	LVL	LVL	LVL	LVL	LVL
As of 31.12.2008	9,585,000	15,687,750	464,905	22,012,072	(40,036)	47,709,691	54,110	47,763,801
Profit for the period	-	-	-	1,242,649	-	1,242,649	270	1,242,919
Foreign currency revaluation	-	-	-	-	77,392	77,392	-	77,392
As of 31.03.2009	9,585,000	15,687,750	464,905	23,254,721	37,356	49,029,732	54,380	49,084,112

	Share capital	Share premium	Other reserves	Accumulated (loss)/profit	Foreign currency translation reserve	Equity attributable to equity holders of the parent	Minority interest	Total
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
As of 31.12.2008	13,638,226	22,321,657	661,500	31,320,357	(56,966)	67,884,774	76,992	67,961,766
Profit for the period	-	-	-	1,768,130	-	1,768,130	384	1,768,514
Foreign currency revaluation	-	-	-	-	110,119	110,119	-	110,119
As of 31.03.2009	13,638,226	22,321,657	661,500	33,088,487	53,153	69,763,023	77,376	69,840,399

STATEMENTS OF CASH FLOWS

	2009 January-March LVL	2008 January-March LVL	2009 January-March EUR	2008 January-March EUR
OPERATING ACTIVITIES				
Net profit before taxation	1,620,779	4,438,892	2,306,160	6,315,974
<i>Adjustments to reconcile net profit to net cash provided by operating activities:</i>				
Depreciation and amortisation	578,790	508,112	823,544	722,978
Loss / (gain) on disposal of fixed assets and intangible assets	1,341	6,365	1,908	9,057
Income from EU funding	(31,077)	(31,077)	(44,219)	(44,219)
Interest income	(2,798)	(102)	(3,982)	(145)
Interest expense	43,797	74,921	62,318	106,603
<i>Changes in operating assets and liabilities:</i>				
Inventory	517,713	121,567	736,640	172,974
Debtors	(1,290,276)	(4,995,367)	(1,835,897)	(7,107,767)
Creditors	(1,820,573)	2,040,283	(2,590,442)	2,903,061
Gross cash provided by operating activities	(382,304)	2,163,594	(543,970)	3,078,516
Corporate income tax paid	(360,900)	(304,998)	(513,514)	(433,973)
Net cash provided by (used in) operating activities	(743,204)	1,858,596	(1,057,484)	2,644,543
INVESTING ACTIVITIES				
Purchase of fixed assets and intangible assets	(767,274)	(2,407,468)	(1,091,732)	(3,425,518)
Proceeds from sale of fixed assets	-	178	-	253
Purchase of long term financial investments	(1,265,047)	-	(1,800,000)	-
Net cash used in investing activities	(2,032,321)	(2,407,290)	(2,891,732)	(3,425,265)
FINANCING ACTIVITIES				
Received loans from credit institutions	2,489,348	1,305,777	3,542,023	1,857,954
Repaid loans to credit institutions	(306,774)	(326,096)	(436,500)	(463,993)
Interest income	2,048	102	2,915	145
Interest paid	(43,797)	(74,921)	(62,318)	(106,603)
Net cash provided by financing activities	2,140,825	904,862	3,046,120	1,287,503
Net (decrease)/ increase in cash and cash equivalents	(634,700)	356,168	(903,096)	506,781
Cash and cash equivalents at the beginning of the year	868,796	1,804,050	1,236,185	2,566,932
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	234,096	2,160,218	333,089	3,073,713

NOTES

FINISHED GOODS AND GOOD FOR RESALE

	31.03.2009.	31.03.2008.	31.03.2009.	31.03.2008.
	LVL	LVL	EUR	EUR
Goods for sale	1,899,626	2,324,285	2,702,924	3,307,160
Self-manufactured and co-manufactured production	1,150,959	1,039,867	1,637,667	1,479,597
Total	3,050,585	3,364,152	4,340,591	4,786,757

OTHER DEBTORS

	31.03.2009.	31.03.2008.	31.03.2009.	31.03.2008.
	LVL	LVL	EUR	EUR
Tax receivables	560,800	476,569	797,947	678,097
Other	2,197,387	1,099,747	3,126,599	1,564,799
Total	2,758,187	1,576,316	3,924,546	2,242,896

CASH AND CASH EQUIVALENTS

	31.03.2009.	31.03.2008.	31.03.2009.	31.03.2008.
	LVL	LVL	EUR	EUR
Cash in bank	228,904	2,157,555	325,701	3,069,924
Cash on hand	5,192	2,663	7,388	3,789
Total	234,096	2,160,218	333,089	3,073,713

LOANS FROM CREDIT INSTITUTIONS

	31.03.2009. LVL	31.03.2008. LVL	31.03.2009. EUR	31.03.2008. EUR
Credit line from JSC "Swedbank", Latvia	2,290,583	1,996,248	3,259,207	2,840,405
Credit line from JSC "UnicreditBank Latvia"	1,094,685	1,115,409	1,557,596	1,587,084
JSC "Swedbank", Latvia	265,660	265,660	378,000	378,000
JSC "UnicreditBank Latvia"	-	143,372	-	204,000
JSC "Swedbank", Latvia	474,393	151,834	675,000	216,040
JSC "Swedbank", Latvia	180,269	55,752	256,500	79,328
Current loans from credit institutions	4,305,590	3,728,275	6,126,303	5,304,857
JSC "Swedbank", Latvia	923,576	1,277,790	1,314,130	1,818,131
JSC "Swedbank", Latvia	1,739,440	1,614,358	2,475,000	2,297,024
JSC "SEB Unibanka", Latvia	1,325,611	839,510	1,886,175	1,194,515
JSC "UnicreditBank Latvia"	-	95,581	-	136,000
JSC "Swedbank", Latvia	483,216	-	687,554	-
Non-current loans from credit institutions	4,471,843	3,827,239	6,362,859	5,445,670
Total	8,777,433	7,555,514	12,489,162	10,750,527

TAX LIABILITIES

	31.03.2009. LVL	31.03.2008. LVL	31.03.2009. EUR	31.03.2008. EUR
Personal income tax	134,687	121,891	191,642	173,435
Corporate income tax	89,864	143,303	127,865	203,902
Social security payments	44,519	21,193	63,345	30,155
Other	9,167	21,024	13,044	29,914
Total	278,237	307,411	395,896	437,406

NET SALES

	2009	2008	2009	2008
	January- March	January- March	January- March	January- March
	LVL	LVL	EUR	EUR
Russia	8,136,243	11,315,239	11,576,831	16,100,135
Other CIS countries	5,254,611	4,977,513	7,476,638	7,082,363
Other countries	1,313,845	1,210,725	1,869,433	1,722,706
Latvia	718,907	557,628	1,022,913	793,433
Lithuania	362,947	499,688	516,427	710,992
Estonia	283,147	271,039	402,882	385,654
Other income	4,746	70,816	6,752	100,762
Gross sales	16,074,446	18,902,648	22,871,876	26,896,045
Less discounts				
Russia	(1,470,609)	(1,434,319)	(2,092,488)	(2,040,852)
Other CIS countries	(410,996)	(412,624)	(584,795)	(587,111)
Other countries	(4,256)	(7,343)	(6,054)	(10,448)
Latvia	(28,355)	(43,073)	(40,346)	(61,287)
Lithuania	(6,897)	(21,045)	(9,814)	(29,944)
Estonia	(18,002)	(16,445)	(25,615)	(23,400)
Discounts total	(1,939,115)	(1,934,849)	(2,759,112)	(2,753,042)
Total, net	14,135,331	16,967,799	20,112,764	24,143,003

COST OF GOODS SOLD

	2009	2008	2009	2008
	January- March	January- March	January- March	January- March
	LVL	LVL	EUR	EUR
Raw materials and packing	2,384,739	2,285,427	3,393,178	3,251,870
Direct labour and social security payments	1,948,492	1,427,514	2,772,454	2,031,169
Goods purchased for resale	1,477,229	2,471,355	2,101,908	3,516,421
Research costs	525,220	621,843	747,321	884,803
Depreciation of fixed assets and amortization of intangible assets	424,493	353,613	603,999	503,146
Electricity resource expenses	359,900	215,664	512,092	306,862
Machinery, buildings and equipment repairs	171,296	149,287	243,732	212,416
Transport	75,815	27,816	107,875	39,579
Household expenses	51,327	53,317	73,032	75,863
Rent of work clothing	27,034	21,309	38,466	30,320
Waste disposal	19,670	13,580	27,988	19,323
Other	321,437	292,241	457,363	415,822
Internal turnover of self-manufactured raw materials	(755,505)	(1,165,966)	(1,074,987)	(1,659,020)
Total	7,031,147	6,767,000	10,004,421	9,628,574

SELLING AND DISTRIBUTION COSTS

	2009	2008	2009	2008
	January- March	January- March	January- March	January- March
	LVL	LVL	EUR	EUR
Advertising	2,050,850	1,518,674	2,918,097	2,160,878
Expenses of representative offices	511,908	641,432	728,379	912,676
Salaries and social security payments	264,266	260,432	376,017	370,561
Patents	127,155	184,935	180,925	263,139
Distribution expenses for goods	120,585	138,874	171,577	197,600
Registration costs for medicine	105,380	48,820	149,942	69,465
Depreciation of fixed assets and amortisation of intangible assets	56,350	47,960	80,179	68,241
Commissions	20,881	132,959	29,711	189,184
Freight insurance	10,874	14,434	15,472	20,538
Other	207,887	708,803	295,797	1,008,535
Total	3,476,136	3,697,323	4,946,096	5,260,817

ADMINISTRATIVE EXPENSES

	2009 January- March LVL	2008 January- March LVL	2009 January- March EUR	2008 January- March EUR
Salaries and social security payments	664,057	629,791	944,868	896,112
Depreciation of fixed assets and amortisation of intangible assets	97,947	106,539	139,366	151,591
Personnel training and hiring expenses	95,169	30,172	135,413	42,931
Security costs	67,628	67,442	96,226	95,961
Electricity	67,530	49,382	96,087	70,264
Darbinieku apdrošināšana	52,257	43,020	74,355	61,212
Transport	44,941	48,338	63,945	68,779
Computers maintenance	35,373	33,340	50,331	47,439
Professional services	19,517	20,129	27,770	28,641
Business trips	18,908	15,696	26,904	22,333
Bank charges	16,307	16,809	23,203	23,917
Communication expense	9,222	8,249	13,122	11,737
Property and liability insurance	6,688	11,373	9,516	16,182
Other	394,785	442,230	561,728	629,238
Total	1,590,329	1,522,510	2,262,834	2,166,337

Currency exchange for the EUR – 0.702804

JSC “Grindex” hereby informs that there were no changes made in its accounting policy in 2009. In non-audited financial accounts for the period January - March 2009 the Group has employed the same Accounting and Consolidation Principles as in the audited consolidated financial accounts for the year 2008, released on April 24, 2009.

Chairman of the Board

Janis Romanovskis