



**LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY**

**CONSOLIDATED INTERIM REPORT FOR THE 3 MONTHS OF 2009**

**PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING  
STANDARDS**

**(Translation of the Latvian original)**

**ORIGINAL OF CONSOLIDATED ANNUAL REPORT IN LVL EXPRESSED IN EUR. EXCHANGE RATE  
0,702804 EUR/LVL.**

**LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY**  
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**LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY**  
**INFORMATION ABOUT PARENT COMPANY**

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**COMPANY NAME:** LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY

**LEGAL STATUS:** STOCK COMPANY

**REGISTRATION:** Registered in Latvian Register of Enterprises at 27.08.2004.  
Registration Number: 40003306807

**LEGAL ADDRESS:** 23, PATVERSMES STREET, RIGA, LV - 1005, LATVIA

**SHARES** 800 000 shares with face value 1,00 LVL, int. al.:  
798 800 public registered shares. ISIN code:LV0000100741  
  
1 200 registered shares listed in the register of the Board

**MAJOR SHAREHOLDERS:** JANIS BIRKS 38,9%  
GUNA SHVARCBERGA 10,4%  
ILZE AIZSILNIECE 10,1%  
STATE SOCIAL INSURANCE AGENCY 5%

**CEO:** MARTA AIZSILNIECE

**REPORTING PERIOD:** 1 JANUARY 2009 - 31 MARCH 2009

**LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY  
COUNCIL AND BOARD OF THE GROUP**

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**Council of the Group**

**Number of shares owned at  
31.03.09**

**From April 23, 2008 till the consolidated financial statements signing day**

<u>Name</u>	<u>Position</u>	
Martins Birks	Chairman of the Council	-
Antons Vjaters	Member of the Council	-
Vladislavs Skrebelis	Member of the Council	-
Austris Adumans	Vice-Chairman of the Council	-
Viesturs Shilinsh	Member of the Council	3 038

**Board of the Group**

**From April 28, 2005 till the consolidated financial statements signing day**

<u>Name</u>	<u>Position</u>	
Marta Aizsilniece	Chairperson of the Board	1 066
Marika Baumgarte	Member of the Board	12 071
Andris Vigants	Member of the Board	-

**MANAGEMENT REPORT**

In accordance with the paragraph 1 of Section 4 of the law "On Consolidated Annual Reports" the joint stock company is under an obligation to prepare the consolidated annual report.

The consolidated financial report contains information concerning the current situation and future development of parent company JSC "Latvijas Juras medicinas centrs" (hereinafter referred to as LJMC) and its subsidiary company SIA "Juras medicina" (hereinafter referred to as JM).

This not audited consolidated financial report is prepared in accordance with International Financial Reporting Standards (IFRS) and is based on business continuation principle. The financial statements were drawn up in Latvian lats (LVL) and euros (EUR). The applied currency exchange rate is EUR/LVL 0.702804.

The share of the parent company constitutes the dominant part of the group's assets, turnover and profits.

The profit before taxes of the parent company was 46 526 EUR.

The profit before taxes of subsidiary company was -08 277 EUR.

**Important events that affected results of the Group's activities in reporting period**

Due to the financial crisis, state government orders for a number of medical services during January - February 2009 were decreased from 4% to 20% compared to 2008 average monthly orders (income) and for some services up to 27%. To compensate the drop of government orders during January-March 2009, the volume of paid medical services from patients was increased twice compared to the corresponding period of 2008. Accordingly, the staff salaries and wages calculation and conditions were revised. The percentage of wages related to the quantity and the quality of the services were increased.

Rules published on 13.02.2009 by the Cabinet of Ministers have changed the conditions for financing of medical services; government orders are partly replaced by patient's payments.

HCISA decreased the quota on hospital services for the second quarter of 2009. The decrease of financing was partially covered by the increase of patients payments, resulting 53% of average monthly income compared to 2008 average monthly income.

The share price at the 31.12.08 was LVL 2,38; at 31.03.2009 - 2,38

**Important Events after the Balance Sheet Date**

On purpose to ensure high quality of medical service the quality control system and risk control system are now improved. A new lift is installed in surgery clinic. This will improve the service of oldest patients and patients with disturbances of movement.

The share price at the 25.05.2009 was LVL 1,70.

**Future Development of the Group**

The old X-ray equipment in surgery clinic will be replaced and also an elevator in the Primary Health care center. The developing of patient care centre and one day stationary is planned.

**Risk Management**

The company's management has developed main directions of changing company's structure, work process organization and keeping liquidity in case of further income decreasing due to crisis.

On behalf of the Group:

Chairperson of the Board

Marta Aizsilniece

Member of the Board

Andris Vigants

Member of the Board

Marika Baumgarte

Riga, 27 May, 2009.

**LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY**  
**DECLARATION OF MANAGEMENT RESPONSIBILITY**

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Consolidated financial statements are prepared to the best on our knowledge in accordance with International Financial Reporting Standards as adopted by EU. These financial statements gives a true and fair view of the state of activities of the Group and of the results of the Group for the period ended 31 March 2009 in all essential aspects. In preparing those financial statements, management:

- selected suitable accounting policies and then apply them consistently;
- made judgments and estimates that are reasonable and prudent
- prepared the financial statements on the going concern basis to presume that the Group will continue in business.

The Management Board is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that financial statements drawn up from them comply with International Financial Reporting Standards as adopted by EU. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Chairperson of the Board

Marta Aizsilniece

Member of the Board

Andris Vigants

Member of the Board

Marika Baumgarte

Riga, 27 May, 2009.

**LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY**  
**CONSOLIDATED BALANCE SHEET**  
**AS OF 31 MARCH 2009 AND 31 DECEMBER 2008**

	<b>March 31, 2009 EUR</b>	<b>December 31, 2008 EUR</b>	<b>Note</b>
<b>ASSETS</b>			
<b>Current assets:</b>			
<b>Stocks</b>			
Raw materials	83 256	124 454	<b>4</b>
<b>Total stocks</b>	<b>83 256</b>	<b>124 454</b>	
<b>Debtors:</b>			
Trade debtors	733 244	329 829	<b>5</b>
Other debtors	150 262	106 624	<b>6</b>
Accruals	3 014	9 269	<b>7</b>
<b>Total debtors</b>	<b>886 520</b>	<b>445 722</b>	
<b>Cash funds</b>	<b>1 233 166</b>	<b>1 476 210</b>	<b>8</b>
<b>Total current assets</b>	<b>2 202 943</b>	<b>2 046 386</b>	
<b>Long-term investments:</b>			
<b>Intangible assets:</b>			
Other intangible (fixed) assets	16 162	18 065	<b>2</b>
<b>Total intangible assets</b>	<b>16 162</b>	<b>18 065</b>	
<b>Fixed assets:</b>			
Land and buildings	4 947 994	5 036 135	
Technological equipment and machines	854 547	920 618	
Other fixed assets and inventory	118 878	129 747	
Long term investments in rented fixed assets	-	-	
Unfinished building objects	250 201	250 201	
Advance payments for fixed assets	49 126	18 852	
<b>Total fixed assets:</b>	<b>6 220 746</b>	<b>6 355 553</b>	<b>2</b>
<b>Long-term financial assets:</b>			
Investment assets	-	-	<b>2</b>
Participating interests in associated enterprises	191 523	189 764	<b>3</b>
<b>Total financial assets:</b>	<b>191 523</b>	<b>189 764</b>	
<b>Total long-term investments:</b>	<b>6 428 431</b>	<b>6 563 382</b>	
<b>TOTAL ASSETS</b>	<b>8 631 374</b>	<b>8 609 767</b>	

*The notes on pages 12-20 form an integral part of these financial statements.*

**LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY**  
**CONSOLIDATED BALANCE SHEET**  
**AS OF 31 MARCH 2009 AND 31 DECEMBER 2008**

	<b>March 31, 2009</b>	<b>December 31, 2008</b>	<b>Note</b>
<b>LIABILITIES</b>	<b>EUR</b>	<b>EUR</b>	
<b>Liabilities:</b>			
<b>Liabilities:</b>			
Received advance payments	30	261 222	<b>10</b>
Due to customers and suppliers	488 899	430 518	<b>11</b>
Taxes and social security payments	157 111	161 833	<b>12</b>
Other payables	214 995	213 311	<b>13</b>
Recognized deferred tax liabilities	597 481	637 393	<b>22</b>
<b>Total liabilities</b>	<b>1 458 515</b>	<b>1 704 277</b>	
<b>Provisions for liabilities and charges:</b>			
Provisions for vacations	375 174	186 501	
<b>Total provisions</b>	<b>375 174</b>	<b>186 501</b>	
<b>Total liabilities</b>	<b>1 833 689</b>	<b>1 890 779</b>	
<b>Equity capital:</b>			
Share equity	1 138 297	1 138 297	<b>9</b>
Reserves:			
c) reserves provided by the Articles of Association	45 522	45 522	
d) fixed asset's revaluation reserve	3 826 223	3 892 020	
Retained earnings:			
a) brought forward from previous years	1 718 532	1 640 284	
b) current year profit or loss	67 144	709	
<b>Total shareholders' equity</b>	<b>6 795 718</b>	<b>6 716 831</b>	
<b>Minority interest</b>	<b>1 966</b>	<b>2 157</b>	
<b>Total equity capital</b>	<b>6 797 685</b>	<b>6 718 989</b>	
<b>TOTAL EQUITY, PROVISIONS AND LIABILITIES</b>	<b>8 631 374</b>	<b>8 609 767</b>	
	-	-	
<b>Current Ratio</b>	<b>1,51</b>	<b>1,20</b>	
<b>Debt Ratio</b>	<b>0,21</b>	<b>0,22</b>	

*The notes on pages 12-20 form an integral part of these financial statements.*



**LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY**  
**CONSOLIDATED STATEMENT OF INCOME**  
**FOR THE PERIODS ENDED 31 MARCH 2009 AND 31 DECEMBER 2008**

	2008, 3 month period EUR	2009, 12 month period EUR	Note	2008, 3 month period EUR
Net sales	2 171 402	8 386 606	<b>14</b>	2 086 364
Cost of goods sold	(2 028 822)	(7 771 063)	<b>15</b>	(1 798 962)
<b>Gross profit or loss</b>	<b>142 580</b>	<b>615 543</b>		<b>287 402</b>
Administrative expenses	(146 896)	(710 249)	<b>16</b>	(154 501)
Other operating income	36 741	135 486	<b>17</b>	38 196
Other operating expenses	(730)	(19 883)	<b>18</b>	(4 348)
Income from investment in associates	879	11 113	<b>19</b>	-
Interest income and similar income	6 208	49 120	<b>20</b>	11 234
<b>Profit before taxes</b>	<b>38 783</b>	<b>81 129</b>		<b>177 981</b>
Corporate income tax	28 301	(80 304)	<b>21</b>	-
Minority interest	60	(117)		87
<b>NET PROFIT OR LOSS</b>	<b>67 144</b>	<b>709</b>		<b>178 068</b>
<b>Number of shares</b>	800 000	800 000		800 000
<b>Earnings per Share (EPS) (EUR)</b>	<b>0,08</b>	<b>-</b>		<b>0,16</b>

*The notes on pages 12-20 form an integral part of these financial statements.*

**LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (EUR)**  
**FOR THE PERIODS ENDED 31 MARCH 2009 AND 31 DECEMBER 2008**

	Share capital	Reserves provided by the Articles of Association	Investment evaluation reserve	Previous years retained earnings	Current year profit	Minority interest	Total
<b>At 31 December 2007</b>	<b>1 138 297</b>	<b>45 522</b>	<b>4 155 208</b>	<b>1 064 790</b>	<b>322 774</b>	<b>2 040</b>	<b>6 728 633</b>
Transfers to reserves	-	-	-	322 774	(322 774)	-	-
Dividends paid	-	-	-	(56 915)	-	-	(56 915)
Profit for the year	-	-	-	-	709	-	709
Depreciation of revaluation surplus	-	-	(309 634)	309 634	-	-	-
Minority interest changes	-	-	46 445	-	-	117	46 562
<b>At 31 December 2008</b>	<b>1 138 297</b>	<b>45 522</b>	<b>3 892 020</b>	<b>1 640 284</b>	<b>709</b>	<b>2 157</b>	<b>6 718 989</b>
Previous years retained earnings	-	-	-	709	(709)	-	-
Dividends paid	-	-	-	-	-	-	-
Depreciation of revaluation surplus	-	-	(77 408)	77 408	-	-	-
Deffered tax on revaluation surplus	-	-	11 612	-	-	-	11 612
Profit for the year	-	-	-	-	67 144	-	67 144
Minority interest changes	-	-	-	131	-	(191)	(60)
<b>At 31 March 2009</b>	<b>1 138 297</b>	<b>45 522</b>	<b>3 826 223</b>	<b>1 718 532</b>	<b>67 144</b>	<b>1 966</b>	<b>6 797 685</b>

*The notes on pages 12-20 form an integral part of these financial statements.*

**LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIODS ENDED 31 MARCH 2009 AND 31 DECEMBER 2008**

	2008, 3 month period EUR	2009, 12 month period EUR	Note	2008, 3 month period
<b>Cash flows used in operating activities</b>				
<b>Net income before tax</b>	<b>38 783</b>	<b>81 129</b>		<b>177 981</b>
Adjustments:				
a) depreciation of tangibles	167 621	626 825	<b>2</b>	150 153
b) depreciation of goodwill	1 902	3 119	<b>2</b>	-
c) provisions	188 673	5 519	<b>15</b>	-
d) loss (gain) on sale of tangibles	-	2 773	<b>2</b>	228
e) interest income	(8 833)	(69 892)	<b>20</b>	-
f) gain (loss) from investments in associates	(879)	(11 113)	<b>19</b>	-
<b>2. Gain (loss) before changes in current assets and liabilities</b>	<b>387 267</b>	<b>638 361</b>		<b>328 362</b>
Changes in operating assets and liabilities				
a) receivables.	(440 799)	(75 991)		(245 719)
b) inventory.	41 198	(33 396)		(39 379)
c) current liabilities.	(230 842)	99 227		(358 034)
<b>3. Gross operating cash flow</b>	<b>(243 176)</b>	<b>628 200</b>		<b>(314 771)</b>
4. Paid corporate income tax.	(31 922)	(191 886)	<b>12</b>	(1 474)
<b>6. Net cash used in operating activities</b>	<b>(275 098)</b>	<b>436 315</b>		<b>(316 245)</b>
<b>II. Cash flow used in investment activities</b>				
1. Purchase of shares of associates.	(879)	(57)	<b>3</b>	-
2. Purchase of fixed assets.	(32 814)	(725 518)	<b>2</b>	(29 611)
3. Selling of fixed assets.	-	-		-
4. Received interest.	8 833	69 892	<b>20</b>	
<b>5. Net cash from investment activities</b>	<b>(24 860)</b>	<b>(655 683)</b>		<b>-</b>
<b>III. Cash flows used in financing activities</b>				
1. Paid dividends.	56 915	(56 915)		-
<b>3. Net cash from financing activities</b>	<b>56 915</b>	<b>(56 915)</b>		<b>-</b>
<b>IV. Net increase (decrease) in cash</b>	<b>(243 044)</b>	<b>(276 283)</b>		<b>1 752 493</b>
<b>V. Cash at the beginning of the period</b>	<b>1 476 210</b>	<b>1 752 493</b>		<b>1 406 637</b>
<b>VI. Cash at the end of the period</b>	<b>1 233 166</b>	<b>1 476 210</b>		<b>1 121 306</b>

*The notes on pages 12-20 form an integral part of these financial statements.*

**LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIODS ENDED 31 MARCH 2009 AND 31 DECEMBER 2008**

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**GENERAL INFORMATION**

“Latvijas Juras Medicinas Centrs” is a joint-stock company (the Company) incorporated in the Republic of Latvia on 27 August 1996. The consolidated financial statements incorporate the financial statements of the Company and its subsidiary - "Juras medicina" Ltd. (the Group).

The Company's main activity is health care services.

**1. ACCOUNTING PRINCIPLES**

**Basis of consolidation**

The consolidated financial statements have been prepared in accordance with the International Financial reporting Standards. Enclosed financial statements are reflected in the national currency of Latvia, the lats (LVL).

There is no difference in balance sheet dates of the Company and its subsidiary.

The interest of minority shareholders is stated at the minority proportion of the assets and liabilities recognized.

All significant intercompany transactions and balances among Group companies are eliminated on consolidation.

The portion attributed to the parent company of the net assets are offset with the investment and have been eliminated. The portion attributed to the parent company of the retained earnings earned after the acquisition date of shares are included in the consolidated retained earnings.

**Foreign currency**

Transactions denominated in foreign currencies are converted into Lats at the official exchange rate of the Bank of Latvia at the date of transaction. Monetary assets and liabilities are converted at the Bank of Latvia rate at the balance sheet date.

The applicable rate used for the principal currencies were the follows:

	<b>March 31, 2009</b>	<b>December 31, 2008</b>
EUR	0,702804	0,702804
USD	0,532	0,495

Gains or losses on converted are posted to the profit or loss account at the Bank of Latvia official exchange rate as of the balance sheet date and recognized in the period when they incurred.

Exchange differences rising on the settlement of monetary items are recognised in the period in which they arise.

**Cash and cash equivalents**

Cash includes cash on hand and demand deposits within credit institutions. The statement on cash flow is prepared using indirect method, making adjustments affecting the net profit reconciling with the changes in cash during the year.

**Trade receivables**

Trade receivables are stated at their net realizable value. Trade receivables represent the gross balance due from customers less provision, if any, for doubtful accounts receivable. Provision for doubtful accounts receivable at the balance sheet date represents the estimated amounts of probable losses that might have been incurred at the balance sheet date based on individual evaluation of each debtor.

## **Inventory**

Inventories are stated at the lower of cost or market, using FIFO method.

## **Fixed assets**

Fixed assets excluding real estate are stated at historical cost, less accumulated depreciation. The cost of the item comprises its purchase price, including import duties and any directly attributable costs of bringing the asset to working condition for intended use. The cost of self-constructed asset is determined using the same principles as for an acquired asset. Only assets with its useful life more than one year are capitalized. Depreciation is calculated based on the historical cost.

Repair and maintenance costs are expensed when incurred. Capital expenditures such as refurbishment of buildings and improvements to structural elements are recognized as an asset if the expenditures improve the condition of the asset beyond its original estimated life.

Land and buildings (real estate) are accounted according to the revaluation model, recognized at the fair value determined from market-based evidence, appraised by professionally qualified valuers as of 31 December, 2006. Accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset. Depreciation is calculated based on the revalued amount. The depreciation charge for each period is recognised in the statement of income.

Depreciation is provided on all fixed assets based on historical cost. Depreciation on fixed assets are computed using the straight-line method over the estimated average useful lives:

Buildings:	20 years
Revaluated part of the buildings	15 years
Machinery and equipment:	3 years
Other fixed assets:	5 years

For tax purposes, depreciation on tangible fixed assets is calculated under the double declining balance method over the period established in accordance with prevailing tax legislation.

## **Investments in associates**

Investments in associates are initially recognized at the cost and then accounted under the equity method.

## **Revenue recognition**

Sales of goods are recognized when goods are delivered and title has passed.

## **Dividends**

Dividends are recognized as liabilities in the Group financial statements after the Group shareholders made a decision to pay.

## **Property revaluation surplus**

The revaluation surplus is included in equity under the heading "Investment revaluation reserve". According to IASs 16, p.41, the revaluation surplus included in equity is transferred directly to retained earnings. The surplus transferred is the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost. Transfers from revaluation surplus to retained earnings are not made through profit or loss.

## **Taxation**

Deferred taxes are provided on the liability method whereby deferred tax assets are recognized for deductible temporary differences and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax basis. Deferred tax assets are reduced by a valuation allowance when, in opinion of management, it is more likely than not that some proportion or all deferred tax assets will not be realized.

Deferred tax on revaluation surplus is charged or credited directly to equity in the same or a different period according to IAS 12 p.61.

**LATVIJAS JURAS MEDICINAS CENTRS STOCK COMPANY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIODS ENDED 31 MARCH 2009 AND 31 DECEMBER 2008**

**2 TOTAL FIXED ASSETS: AND OTHER INTANGIBLE (FIXED) ASSETS**

As of 31 March 2009 and 31 December 2008  
fixed assets are composed as follows: (EUR)

EUR	Intangible assets	Land & buildings	Investment assets	Machinery and equipment	Other fixed assets	Long-term investments in rented fixed assets	Advance payment s for fixed assets	Unfinishe d building objects	Total
<b>Historical cost</b>									
<b>At 31 December 2007</b>	<b>19 409</b>	<b>5 971 264</b>	<b>188 659</b>	<b>2 678 411</b>	<b>496 318</b>	<b>50 757</b>	<b>-</b>	<b>250 201</b>	<b>9 655 018</b>
Additions	17 931	20 299	-	598 150	70 287	-	18 852	-	725 518
Transfers	-	200 642	(188 659)	-	-	(11 983)	-	-	-
Disposals	(443)	(717)	-	(492 180)	(11 771)	(38 773)	-	-	(543 884)
<b>At 31 December 2008</b>	<b>36 898</b>	<b>6 191 487</b>	<b>-</b>	<b>2 784 381</b>	<b>554 833</b>	<b>-</b>	<b>18 852</b>	<b>250 201</b>	<b>9 836 651</b>
Additions	-	-	-	-	2 540	-	30 274	-	32 814
Transfers	-	-	-	-	-	-	-	-	-
Pārvērtēšana	-	-	-	-	-	-	-	-	-
Disposals or change of classif	-	-	-	(1 602)	(3 264)	-	-	-	(4 866)
<b>At 31 March 2009</b>	<b>36 898</b>	<b>6 191 487</b>	<b>-</b>	<b>2 782 779</b>	<b>554 109</b>	<b>-</b>	<b>49 126</b>	<b>250 201</b>	<b>9 864 600</b>
<b>Accumulated depreciation</b>									
<b>At 31 December 2007</b>	<b>16 037</b>	<b>809 623</b>	<b>-</b>	<b>2 131 263</b>	<b>386 964</b>	<b>30 314</b>	<b>-</b>	<b>-</b>	<b>3 374 201</b>
Charge for the year	3 119	36 406	-	222 948	49 378	8 459	-	-	320 310
Charge for the period for revaluationed fixed assets	-	309 634	-	-	-	-	-	-	309 634
Disposals	(323)	(310)	-	(490 448)	(11 256)	(38 773)	-	-	(541 111)
<b>At 31 December 2008</b>	<b>18 833</b>	<b>1 155 352</b>	<b>-</b>	<b>1 863 763</b>	<b>425 086</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 463 034</b>
Charge for the period	1 902	10 733	-	66 071	13 409	-	-	-	92 115
Charge for the period for revaluationed fixed assets	-	77 408	-	-	-	-	-	-	77 408
Disposals or change of classif	-	-	-	(1 602)	(3 264)	-	-	-	(4 866)
<b>At 31 March 2009</b>	<b>20 736</b>	<b>1 243 493</b>	<b>-</b>	<b>1 928 232</b>	<b>435 231</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 627 691</b>
<b>Net book value</b>									
<b>At 31 December 2007</b>	<b>3 372</b>	<b>5 161 641</b>	<b>188 659</b>	<b>547 148</b>	<b>109 353</b>	<b>20 442</b>	<b>-</b>	<b>250 201</b>	<b>6 280 817</b>
<b>At 31 December 2008</b>	<b>18 065</b>	<b>5 036 135</b>	<b>-</b>	<b>920 618</b>	<b>129 747</b>	<b>-</b>	<b>18 852</b>	<b>250 201</b>	<b>6 373 618</b>
<b>At 31 March 2009</b>	<b>16 162</b>	<b>4 947 994</b>	<b>-</b>	<b>854 547</b>	<b>118 878</b>	<b>-</b>	<b>49 126</b>	<b>250 201</b>	<b>6 236 908</b>

**3 PARTICIPATING INTERESTS IN ASSOCIATED ENTERPRISES**

	Capital share (%)	Amount of investment 2009 EUR	Capital share (%)	Amount of investment 2008 EUR
<b>Participating interests in associated enterprises</b>				
Participation in "Neirozu klinika" Ltd.	45	191 523	45	189 764
<b>Total participating interests in associated enterprises</b>		<b>191 523</b>		<b>189 764</b>

SIA "Neirozu klinika" 515 shares have been bought for 618 LVL. In the year 2009

**4 RAW MATERIALS**

	2009 EUR	2008 EUR
Pharmaceutical	70 239	107 939
Stock in warehouse	7 728	8 113
Inventory	1 015	3 369
Products	1 456	1 752
Furniture	1 059	572
Other materials	1 380	2 186
Advance payments to supplier of goods	381	524
<b>Total</b>	<b>83 256</b>	<b>124 454</b>

## 5 DUE FROM CUSTOMERS

	2009	2008
	EUR	EUR
VOVAA Rigas department	454 972	106 392
Riga slimokase AAS	35 208	31 788
Ergo Latvija AAS	41 589	81 226
BTA AAS	62 407	35 728
Accrued income	-	4 637
LMRIH	10 936	-
NBS militaras medicinas centrs	10 297	5 738
IF Latvija AAS	21 973	9 910
Riga l.hospital	-	-
Balva AAS	5 875	4 984
Baltikums Dzīvības AAS	-	542
<b>Total</b>	<b>733 244</b>	<b>329 829</b>

## 6 OTHER RECEIVABLES

	2009	2008
	EUR	EUR
Parex bank	-	-
Riga Latvian association	-	-
Taxes overpayment (note No.13)	112 568	87 149
LBM GROUP AS	-	-
VAT for unpaid invoices	747	6 275
Other debtors	36 948	13 200
<b>Total</b>	<b>150 262</b>	<b>106 624</b>

## 7 DIFFERED EXPENSES

	2009	2008
	EUR	EUR
Assurance expense	2 908	3 722
Riga Stock Exchange, shares quotation		3 557
Other expense	105	1 989
<b>Total</b>	<b>3 014</b>	<b>9 269</b>

## 8 CASH

	2009	2008
	EUR	EUR
Cash in banks	1 179 971	1 433 935
Deposit	40 146	40 146
Cash on hands	13 049	2 129
<b>Total</b>	<b>1 233 166</b>	<b>1 476 210</b>

## 9 SHARE CAPITAL

	2009	2009	2008	2008
	Number of shares	Share %	Number of shares	Share %
<b>Shareholders:</b>				
Janis Birks	311 583	38,9	311 583	38,9
Ilze Aizsilniece	80 766	10,1	80 766	10,1
Guna Shvarcberga	82 917	10,4	82 917	10,4
State social insurance agency	40 000	5,0	40 000	5,0
Other shareholders (shares less than 5%)	284 734	35,6	284 734	35,6
<b>Total</b>	<b>800 000</b>	<b>100,0</b>	<b>800 000</b>	<b>100,0</b>

## 10 DUE TO RECEIVED ADVANCE PAYMENTS

	2009	2008
	EUR	EUR
VOAVA advance payment for 2009		261 192
Other advances	30	30
<b>Total</b>	<b>30</b>	<b>261 222</b>



## 11 DUE TO SUPPLIERS AND CONTRACTORS

	2009 EUR	2008 EUR
Veselības centrs-4	-	-
Amerilat MD	-	16 313
Latvijas Gaze	-	11 850
Other suppliers	87 317	27 488
Sistēmu Audits SIA	3 443	-
Latvenergo Rīgas elektrotīkls	-	8 052
Johnsons Johnson SIA	7 049	-
Pean SIA	3 537	-
Tamro SIA	8 217	-
Rīgas Ūdens	2 389	1 769
Lattelekom	-	1 133
AB Medical Group Riga	748	664
Invitros SIA	17 232	1 177
B.Braun Medical SIA	23 812	267
Recipe Plus SIA	26 305	687
Tradintek SIA	308 849	361 118
<b>Total</b>	<b>488 899</b>	<b>430 518</b>

## 12 TAXES

	As of 31-12- 2007	Calculated	Paid	As of 31-03- 2009
Value added tax	(6 444)	10 154	(9 835)	(6 125)
Social insurance	99 036	285 030	(282 838)	101 227
Personal income tax	62 359	152 969	(159 841)	55 486
Corporate income tax	(80 646)	-	(31 922)	(112 568)
Unemployment duty	174	519	(521)	172
Natural resources tax	265	-	(265)	-
Real estate tax	(60)	346	(61)	225
<b>Total, including</b>	<b>74 684</b>	<b>449 017</b>	<b>(485 283)</b>	<b>38 418</b>
due to the budget	161 833			157 111
overpayment	(87 149)			(118 693)

## 13 DUE TO OTHER COMPANIES

	2009 EUR	2008 EUR
Salaries	212 419	210 724
Accrued liabilities	-	-
Trade union	1 595	1 638
Deposited salary	980	949
<b>Total</b>	<b>214 995</b>	<b>213 311</b>

## 14 NET SALES

	2009 EUR	2008 EUR
Medical hospital services	969 744	4 284 119
Medical ambulant services	737 114	2 793 644
Insurance payments	265 260	518 300
Services - minimum fixed part	52 830	273 230
VS ZDC ambulant services	77 383	216 888
Residents training	32 803	157 233
Stomatology services	17 067	61 189
Family doctors	13 711	53 187
Other income	5 489	28 816
<b>Total</b>	<b>2 171 402</b>	<b>8 386 606</b>

## 15 COST OF GOODS SOLD

	2009 EUR	2008 EUR
Salaries and wages	929 640	3 443 705
Medical goods	328 252	1 076 555
Social tax	218 769	804 496
Fixed assets depreciation	169 522	629 944
Repair expenses	24 977	402 954
VAT - expenses	78 678	307 991
Rent of equipment	33 315	223 651
Public utilities	59 721	206 988
Medical researches	13 211	62 353
Current assets write-off	21 144	149 431
Feeding expenses	21 295	88 773
Household goods	19 384	91 567
Gifts to employees	1 956	26 838
Employees trainings	18 308	67 209
Office expenses	5 182	19 391
Transport expense	2 634	8 951
Allowances to employees	1 167	3 159
Advertising	1 097	2 684
Insurance expenses	1 409	5 807
Unemployment duty	519	2 131
Accruals for vacations	35 206	5 519
Received discounts	(3 368)	(24 172)
Saņemtās atlaides	46 803	165 136
<b>Total</b>	<b>2 028 822</b>	<b>7 771 063</b>

## 16 ADMINISTRATIVE EXPENSES

	2009 EUR	2008 EUR
Salaries and wages	77 421	375 174
Social tax	17 945	81 442
Board chairperson remuneration	13 516	50 579
Office expenses	3 856	11 335
Board remuneration	11 481	46 095
Other administrative expenses	386	10 649
Sakaru izdevumi	5 119	30 330
Presentation expenses	1 234	19 826
Chairperson of the Board social tax	2 785	10 404
Board members social tax	2 766	11 106
Council chairperson remuneration	2 049	10 198
Audit expenses	-	7 114
Council members remuneration	5 976	33 181
Bank expenses	498	1 779
Chairperson of the Council social tax	494	2 456
Council members social tax	1 370	7 571
Legal services	-	1 010
<b>Total</b>	<b>146 896</b>	<b>710 249</b>

## 17 OTHER OPERATING INCOME

	2009 EUR	2008 EUR
Rent income	29 599	100 661
Feeding income	576	8 448
Received donations	-	-
Press goods	2 652	8 534
Solarium income	690	3 758
Laundry income	396	1 908
Other income	2 829	12 177
<b>Total</b>	<b>36 741</b>	<b>135 486</b>

## 18 OTHER OPERATING EXPENSES

	2009 EUR	2008 EUR
Loss from fixed assets disposals	-	3 598
Penalties	-	899
Currency exchange loss	91	-
Real estate tax	346	3 365
Other expenses	293	12 020
<b>Total</b>	<b>730</b>	<b>19 883</b>

## 19 INCOME FROM INVESTMENT IN ASSOCIATES

	2009 EUR	2008 EUR
Psihiskas Veselibas centrs "Dzintari"	879	11 113
<b>Total</b>	<b>879</b>	<b>11 113</b>

## 20 INTEREST INCOME AND SIMILAR INCOME

	<b>2009</b>	<b>2008</b>
	<b>EUR</b>	<b>EUR</b>
Interest income	6 208	49 120
<b>Total</b>	<b>6 208</b>	<b>49 120</b>

## 21 CORPORATE INCOME TAX

	<b>2009</b>	<b>2008</b>
	<b>EUR</b>	<b>EUR</b>
Calculated Corporate income tax	-	52 591
Deferred Corporate income tax	(28 301)	27 713
<b>Total</b>	<b>(28 301)</b>	<b>80 304</b>

## 23 CORPORATE INCOME TAX (CONTINUED ...)

	<b>2009</b>	<b>2008</b>
	<b>EUR</b>	<b>EUR</b>
Profit before tax	55 184	115 437
Theoretically calculated corporate income tax, rate 15%	8 277	17 315
Permanent differences	40 421	40 421
<b>Calculated corporate income tax</b>	<b>34 225</b>	<b>40 577</b>

### Deferred tax

Temporary difference between financial statement depreciation and depreciation for tax purposes	(410 157)	(410 157)
Temporary difference of fixed assets revaluation	(3 947 832)	(4 025 240)
Accruals for vacations	374 784	186 112
Accrued liabilities	-	-
<b>Total temporary differences</b>	<b>(3 983 204)</b>	<b>(4 249 286)</b>
Tax rate applied	15%	15%
<b>Deferred tax liabilities</b>	<b>597 481</b>	<b>637 393</b>
<b>Recognized deferred tax liabilities</b>	<b>597 481</b>	<b>637 393</b>

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