

**Public Joint Stock Company  
Latvian Shipping Company  
and it's Subsidiaries**

## **Unaudited Condensed Consolidated Financial Statements**

**for the 1<sup>st</sup> quarter 2009**



**Latvian Shipping Company & its Subsidiaries**  
**Unaudited Condensed Consolidated Financial Statements**  
**for the 1st quarter 2009**

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**INFORMATION ON PARENT COMPANY**

***THE SUPERVISORY COUNCIL***

<b>Chairman of the Council</b>	Māris Gailis (from 13.01.2009) Uldis Pumpurs (till 12.01.2009)
<b>Deputy Chairperson of the Council</b>	Andris Vilcmeiers Vladimirs Solomatins
<b>Members of the Council:</b>	Ansis Sormulis Guntis Ločmelis Kārlis Boldiševics Māris Gailis (till 12.01.2009) Uldis Pumpurs (from 13.01.2009) Miks Ekbaums Normunds Staņēvičs Olga Pētersone Svens Zālītis Vladimirs Koškuls

***THE MANAGEMENT BOARD***

<b>Chairman of the Management Board</b>	Imants Sarmulis
<b>Member of the Management Board – 1.vice-president</b>	Andris Linužs
<b>Member of the Management Board – vice-president</b>	Raivis Veckāgans
<b>Members of the Management Board</b>	Guntis Tīrmanis Ilva Purēna

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**MANAGEMENT REPORT**

**Line of Business**

The core business of JSC „Latvijas kuģniecība” (Latvian Shipping Company – LASCO) Group is cargo shipments among the ports worldwide.

**Performance during the Report Period**

During the first quarter of 2009 JSC „Latvijas kuģniecība” Group was proceeding with the implementation of its strategic goal set – ensuring increase of the Group’s value and securing its place among the leading medium range tanker owners in the world.

In the first quarter of 2009 as the result of effective cost optimisation the net profit of JSC „Latvijas kuģniecība” Group reached USD 7,6 million regardless of the low market activity and decline of the freight rates in the shipping market. With the revenues from the sale of the JSC „Latvijas kuģniecība” elderly vessel tonnage having dropped considerably the profit attained in 2009 was USD 7,8 million lower compared to the first quarter of the previous year.

During the report period JSC „Latvijas kuģniecība” 100% subsidiary “LASCO Investment” Ltd. had accomplished the acquisition of assets and commenced to work on high quality elaboration of the strategy for non-shipping related investment development and to secure its implementation.

JSC „Latvijas kuģniecība” assets had decreased by USD 44,4 million or 4 per cent during the first quarter of 2009 comprising USD 1 106 million on March 31, 2009. The Group’ equity value was USD 546,7 million at the end of the report period, that is USD 4.6 million higher than at the beginning of the year and represented 49 per cent from the total Group’s assets. The liabilities had decreased by USD 49 million or 8 per cent and comprised 51 per cent of the Group’s assets. The LASCO Groups return on equity over the 12 month period (01. 04. 2008. – 31. 03. 2009.) was 10 per cent and the earnings per share (EPS) were USD 0,25.

All the JSC „Latvijas kuģniecība” shares are being traded publicly at the Official List of NASDAQ OMX Riga. Given the prevailing negative macroeconomic tendencies in the Baltic stock markets and around the world the JSC „Latvijas kuģniecība” share price had fallen from LVL 0,66 at the beginning of the quarter to LVL 0,46 at the end of the first quarter of 2009. In total during the report period there had been 360 transactions made with 278 thousand shares for the total value of LVL 130 thousand.

On March 31, 2009 the JSC „Latvijas kuģniecība” share capitalisation at NASDAQ OMX Riga reached LVL 92 000 000.

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**MANAGEMENT REPORT** *(continued)*

**Fleet performance**

At the end of the first quarter of 2009 the fleet in JSC „Latvijas kuģniecība” commercial management consisted of 32 tankers, including three vessels chartered in from other shipowners, two LPG carriers and one dry cargo ship. Vessel operating profit had reached USD 20,3 million in the first three months of 2009, the result being 9 per cent or USD 1.7 million higher than for the respective period a year before. This positive indicator was attained because of effective assessment of the operational costs and their economy. The net voyage result was USD 52,7 million during the first quarter of 2009. The result was USD 4,2 million or 7 per cent lower than that achieved over the first three months period of 2008.

During the first quarter of 2009 the majority of JSC „Latvijas kuģniecība” Tanker fleet was operating on the time charter basis in accordance with the rates agreed before the report period. Unfortunately already in June last year negative tendencies could be observed in the tanker shipping markets, and with the tendencies prevailing also during the report period, the spot (voyage charter) time charter equivalent had reached the level when freight revenues were lower than vessel operating costs. The fast global recession along with intensive delivery of new vessel tonnage in the market caused considerable reduction of the demand for tanker tonnage. At the result of the difficult external factors the revenues from the tanker fleet were lower in the first quarter of 2009 compared to the respective period a year ago.

Both the LPG carriers of the JSC „Latvijas kuģniecība” fleet “*Kurzeme*” un “*Vidzeme*” were operating on time charter basis during the first quarter of 2009. The profit indicators of this fleet sector had remained positive, however, they did not reach the level of the year before.

During the report period the only dry cargo vessel of the JSC „Latvijas kuģniecība” fleet “*Telo*” also continued to work in accordance with the time charter agreement signed before, but showing slightly lower result than a year before due to currency exchange rate fluctuation.

**Tanker Fleet Renewal Programme**

The implementation of the Tanker fleet renewal programme has resulted in decrease of the average age of JSC „Latvijas kuģniecība” Group fleet from 17,5 years at the end of 2005 to 9,7 years at the end of 2008, but the total deadweight had grown from DWT 1,01 million to DWT 1,29 million.

In accordance with the tanker fleet development scenario foreseen in JSC „Latvijas kuģniecība” Operations Strategy for the period till year 2015 there are four medium range tankers being built at “*Hyundai Mipo Dockyard Co., Ltd*” in Korea. The parameters of the tanker newbuildings ordered are optimum for their comprehensive employment in oil product, chemical cargo and vegoil shipments.

Imants Sarmulis  
Chairman of the Management Board  
*JSC Latvijas kuģniecība*

Riga, May 26, 2009.

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***STATEMENT OF MANAGEMENT'S RESPONSIBILITIES***

Un-audited consolidated financial statements are prepared to the best on our knowledge in accordance with International Financial Reporting Standards as adopted by the European Union. These un-audited financial statements give a true and fair view of the state of affairs of the Group and of the results of the Group for the period ended 31 march 2009 in all material aspects. In preparing those financial statements, management:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate 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 the European Union. 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.

Imants Sarmulis  
Chairman of the Management Board  
*JSC Latvijas kuģniecība*

Riga, May 26, 2009

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***CONSOLIDATED INCOME STATEMENT***

	31.03.2009 US \$'000	31.03.2008 US \$'000	31.03.2009 LVL'000	31.03.2008 LVL'000	31.03.2009 EUR'000	31.03.2008 EUR'000
Revenues	56 726	56 855	30 465	26 694	42 940	36 000
Cost of sales	(38 429)	(38 261)	(20 639)	(17 965)	(29 090)	(24 226)
<b>Gross profit</b>	<b>18 297</b>	<b>18 594</b>	<b>9 826</b>	<b>8 729</b>	<b>13 850</b>	<b>11 774</b>
Sales and distribution expenses	(766)	-	(411)	-	(580)	-
Administration expenses	(6 997)	(5 720)	(3 757)	(2 686)	(5 296)	(3 622)
Gain on sale of assets	1 885	6 696	1 012	3 144	1 427	4 240
<b>Profit before financial items</b>	<b>12 419</b>	<b>19 570</b>	<b>6 670</b>	<b>9 187</b>	<b>9 401</b>	<b>12 392</b>
Net financial items	(4 930)	(4 129)	(2 648)	(1 939)	(3 732)	(2 615)
<b>Profit before taxation</b>	<b>7 489</b>	<b>15 441</b>	<b>4 022</b>	<b>7 248</b>	<b>5 669</b>	<b>9 777</b>
Taxes	(91)	(2)	(49)	(1)	(69)	(1)
Minority interest	164	-	88	-	124	-
<b>Net profit</b>	<b>7 562</b>	<b>15 439</b>	<b>4 061</b>	<b>7 247</b>	<b>5 724</b>	<b>9 776</b>
<b>Earnings per share</b>	<b>US\$ 0.04</b>	<b>US\$ 0.08</b>	<b>LVL 0.02</b>	<b>LVL 0.04</b>	<b>EUR 0.03</b>	<b>EUR 0.05</b>

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***CONSOLIDATED BALANCE SHEET***

	31.03.2009 US \$'000	31.12.2008 US \$'000	31.03.2009 LVL'000	31.12.2008 LVL'000	31.03.2009 EUR'000	31.12.2008 EUR'000
<b><u>ASSETS</u></b>						
<i>NON-CURRENT ASSETS</i>						
Goodwill	15 530	16 646	8 262	8 240	11 756	11 363
Intangible assets	3 367	3 721	1 791	1 842	2 549	2 540
<b><i>Total intangible assets</i></b>	<b>18 897</b>	<b>20 367</b>	<b>10 053</b>	<b>10 082</b>	<b>14 305</b>	<b>13 903</b>
Fleet	683 086	693 126	363 402	343 097	517 074	473 156
Other property, plant and equipment	48 339	53 006	25 716	26 238	36 591	36 184
Assets under construction	102 426	71 446	50 701	34 580	69 920	49 203
<b><i>Total property, plant and equipment</i></b>	<b>831 952</b>	<b>848 553</b>	<b>442 598</b>	<b>420 033</b>	<b>629 761</b>	<b>579 257</b>
<b><i>Investment properties</i></b>	<b>138 806</b>	<b>149 212</b>	<b>73 845</b>	<b>73 860</b>	<b>105 072</b>	<b>101 858</b>
Investments in associates accounted for using the equity method	26	26	14	13	20	18
<b><u>TOTAL NON-CURRENT ASSETS</u></b>	<b>989 681</b>	<b>1 018 158</b>	<b>526 510</b>	<b>503 988</b>	<b>749 158</b>	<b>695 036</b>
<i>CURRENT ASSETS</i>						
Inventories	6 366	6 707	3 387	3 320	4 819	4 578
Trade accounts receivable	8 078	14 565	4 297	7 210	6 115	9 943
Prepayments and other receivables	11 256	8 605	5 988	4 259	8 520	5 874
Accounts receivable from related party	-	142	-	70	-	97
Deposits with maturity more than three months	47 388	62 101	25 210	30 740	35 871	42 393
Financial assets designated at fair value through profit or loss	3 781	4 028	2 011	1 994	2 862	2 750
Cash and cash equivalents	39 167	35 849	20 837	17 745	29 648	24 472
<b><u>TOTAL CURRENT ASSETS</u></b>	<b>116 036</b>	<b>131 997</b>	<b>61 730</b>	<b>65 339</b>	<b>87 835</b>	<b>90 107</b>
<b><u>TOTAL ASSETS</u></b>	<b>1 105 717</b>	<b>1 150 155</b>	<b>588 240</b>	<b>569 326</b>	<b>836 993</b>	<b>785 143</b>
 <b><i>Total cash and cash equivalents including deposits and similar</i></b>	 <b>90 336</b>	 <b>101 978</b>	 <b>48 058</b>	 <b>50 479</b>	 <b>68 381</b>	 <b>69 615</b>



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**CONSOLIDATED BALANCE SHEET (continued)**

	31.03.2009 US \$'000	31.12.2008 US \$'000	31.03.2009 LVL'000	31.12.2008 LVL'000	31.03.2009 EUR'000	31.12.2008 EUR'000
<b><u>SHAREHOLDERS' EQUITY &amp; LIABILITIES</u></b>						
<i>SHAREHOLDERS EQUITY</i>						
Share capital	362 319	362 319	200 000	200 000	284 574	284 574
Cash flow hedge reserve	(4 825)	(4 777)	(2 567)	(2 365)	(3 652)	(3 261)
Translation reserve	(14 454)	(11 673)	(12 555)	(31 241)	(15 634)	(54 117)
Retained earnings	203 026	195 464	105 626	101 565	148 064	142 340
	<b>546 066</b>	<b>541 333</b>	<b>290 504</b>	<b>267 959</b>	<b>413 352</b>	<b>369 536</b>
<i>Minority interest</i>	<i>590</i>	<i>753</i>	<i>314</i>	<i>373</i>	<i>447</i>	<i>514</i>
<b><u>TOTAL EQUITY</u></b>	<b>546 656</b>	<b>542 086</b>	<b>290 818</b>	<b>268 332</b>	<b>413 799</b>	<b>370 050</b>
<i>NON-CURRENT LIABILITIES</i>						
Non-current portion of bank loans	344 062	352 078	183 041	174 279	260 444	240 343
Finance lease	19 832	21 314	10 551	10 550	15 012	14 550
Accounts payable to related party	78 115	83 954	41 557	41 557	59 131	57 310
Derivative financial instruments	3 527	3 492	1 876	1 729	2 670	2 384
Deferred tax liabilities	16 580	17 563	8 821	8 694	12 551	11 989
Other liabilities	993	1 062	528	526	752	725
<b><u>TOTAL NON-CURRENT LIABILITIES</u></b>	<b>463 109</b>	<b>479 463</b>	<b>246 374</b>	<b>237 335</b>	<b>350 560</b>	<b>327 301</b>
<i>CURRENT LIABILITIES</i>						
Current portion of bank loans	51 530	39 295	27 414	19 451	39 007	26 824
Finance lease	7 345	7 532	3 908	3 728	5 560	5 142
Accounts payable to related party	1 264	46 487	672	23 011	957	31 734
Trade accounts payable	11 501	9 429	6 119	4 667	8 706	6 437
Derivative financial instruments	2 503	1 285	1 332	636	1 895	877
Deferred revenue	8 770	7 534	4 666	3 729	6 639	5 143
Other liabilities	13 039	17 044	6 937	8 437	9 870	11 635
<b><u>TOTAL CURRENT LIABILITIES</u></b>	<b>95 952</b>	<b>128 606</b>	<b>51 048</b>	<b>63 659</b>	<b>72 634</b>	<b>87 792</b>
<b><u>TOTAL LIABILITIES</u></b>	<b>559 061</b>	<b>608 069</b>	<b>297 422</b>	<b>300 994</b>	<b>423 194</b>	<b>415 093</b>
<b><u>TOTAL EQUITY &amp; LIABILITIES</u></b>	<b>1 105 717</b>	<b>1 150 155</b>	<b>588 240</b>	<b>569 326</b>	<b>836 993</b>	<b>785 143</b>

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***CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY***

	Share capital	Cash flow hedge reserve	Translation reserve	Retained earnings	Minority interest	Total
	US \$'000	US \$'000	US \$'000	US \$'000	US \$'000	US \$'000
<b>At 31 December 2007</b>	<b>362 319</b>	-	<b>(11 503)</b>	<b>136 774</b>	-	<b>487 590</b>
Currency translation differencies	-	-	1 318	-	-	1 318
Net profit for the period	-	-	-	15 439	-	15 439
<b>At 31 March 2008</b>	<b>362 319</b>	-	<b>(10 185)</b>	<b>152 213</b>	-	<b>504 347</b>
Currency translation differencies and other reserves	-	(4 777)	(1 488)	-	-	(6 265)
Net profit for the period	-	-	-	43 251	-	43 251
Minority interest	-	-	-	-	753	753
<b>At 31 December 2008</b>	<b>362 319</b>	<b>(4 777)</b>	<b>(11 673)</b>	<b>195 464</b>	<b>753</b>	<b>542 086</b>
Currency translation differencies and other reserves	-	(48)	(2 781)	-	-	(2 829)
Net profit for the period	-	-	-	7 562	-	7 562
Minority interest	-	-	-	-	(163)	(163)
<b>At 31 March 2009</b>	<b>362 319</b>	<b>(4 825)</b>	<b>(14 454)</b>	<b>203 026</b>	<b>590</b>	<b>546 656</b>

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**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
*(continued)*

	Share capital	Cash flow hedge reserve	Translation reserve	Retained earnings	Minority interest	Total
	LVL '000	LVL '000	LVL '000	LVL '000	LVL '000	LVL '000
<b>At 31 December 2007</b>	<b>200 000</b>	<b>-</b>	<b>(37 413)</b>	<b>73 407</b>	<b>-</b>	<b>235 994</b>
Currency translation differences	-	-	(18 808)	-	-	(18 808)
Net profit for the period	-	-	-	7 247	-	7 247
<b>At 31 March 2008</b>	<b>200 000</b>	<b>-</b>	<b>(56 221)</b>	<b>80 654</b>	<b>-</b>	<b>224 433</b>
Currency translation differences and other reserves	-	(2 365)	24 980	-	-	22 615
Net profit for the period	-	-	-	20 911	-	20 911
Minority interest	-	-	-	-	373	373
<b>At 31 December 2008</b>	<b>200 000</b>	<b>(2 365)</b>	<b>(31 241)</b>	<b>101 565</b>	<b>373</b>	<b>268 332</b>
Currency translation differences and other reserves	-	(202)	18 686	-	-	18 486
Net profit for the period	-	-	-	4 061	-	4 061
Minority interest	-	-	-	-	(59)	(59)
<b>At 31 March 2009</b>	<b>200 000</b>	<b>(2 567)</b>	<b>(12 555)</b>	<b>105 626</b>	<b>314</b>	<b>290 818</b>

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***CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY***  
*(continued)*

	Share capital	Cash flow hedge reserve	Translation reserve	Retained earnings	Minority interest	Total
	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000
<b>At 31 December 2007</b>	<b>284 574</b>	<b>-</b>	<b>(51 061)</b>	<b>102 276</b>	<b>-</b>	<b>335 789</b>
Currency translation differences	-	-	(26 223)	-	-	(26 223)
Net profit for the period	-	-	-	9 776	-	9 776
<b>At 31 March 2008</b>	<b>284 574</b>	<b>-</b>	<b>(77 284)</b>	<b>112 052</b>	<b>-</b>	<b>319 342</b>
Currency translation differences and other reserves	-	(3 261)	23 167	-	-	19 906
Net profit for the period	-	-	-	30 288	-	30 288
Minority interest	-	-	-	-	514	514
<b>At 31 December 2008</b>	<b>284 574</b>	<b>(3 261)</b>	<b>(54 117)</b>	<b>142 340</b>	<b>514</b>	<b>370 050</b>
Currency translation differences and other reserves	-	(391)	38 483	-	-	38 092
Net profit for the period	-	-	-	5 724	-	5 724
Minority interest	-	-	-	-	(67)	(67)
<b>At 31 March 2009</b>	<b>284 574</b>	<b>(3 652)</b>	<b>(15 634)</b>	<b>148 064</b>	<b>447</b>	<b>413 799</b>

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**CONSOLIDATED CASH FLOW STATEMENT**

	31.03.2009 US \$'000	31.03.2008 US \$'000	31.03.2009 LVL'000	31.03.2008 LVL'000	31.03.2009 EUR'000	31.03.2008 EUR'000
<b>Profit before taxation</b>	<b>7 489</b>	<b>15 441</b>	<b>4 022</b>	<b>7 248</b>	<b>5 669</b>	<b>9 777</b>
<u>Adjustments for:</u>						
Depreciation	10 308	7 956	5 536	3 735	7 803	5 038
Profit on sale of fixed assets	(1 885)	(6 696)	(1 012)	(3 144)	(1 427)	(4 240)
Other adjustments	(1 919)	5 638	280	1 078	1 213	568
	<b>13 993</b>	<b>22 339</b>	<b>8 826</b>	<b>8 917</b>	<b>13 258</b>	<b>11 143</b>
<b>Movements in net working capital:</b>						
Inventories	341	(876)	183	(411)	258	(555)
Trade accounts receivable, prepayments and other receivables	3 978	(6 112)	2 136	(2 870)	3 011	(3 870)
Trade accounts payable and other liabilities	6 553	6 146	3 519	2 886	4 960	3 892
<b>Cash flow from Operations</b>	<b>24 865</b>	<b>21 497</b>	<b>14 664</b>	<b>8 522</b>	<b>21 487</b>	<b>10 610</b>
Net Cash flow from Investing Activities	(23 998)	(35 500)	(12 888)	(16 668)	(18 166)	(22 478)
<b>Cash flow before Financing Activities</b>	<b>867</b>	<b>(14 003)</b>	<b>1 776</b>	<b>(8 146)</b>	<b>3 321</b>	<b>(11 868)</b>
Net Cash flow from Financing Activities	2 451	(7 942)	1 316	(3 729)	1 855	(5 029)
<b>Increase in Cash and Cash Equivalents</b>	<b>3 318</b>	<b>(21 945)</b>	<b>3 092</b>	<b>(11 875)</b>	<b>5 176</b>	<b>(16 897)</b>
<b>Cash and Cash Equivalents at 1 January</b>	<b>35 849</b>	<b>54 097</b>	<b>17 745</b>	<b>26 183</b>	<b>24 472</b>	<b>37 255</b>
<b>Cash and Cash Equivalents at 31 March</b>	<b>39 167</b>	<b>32 152</b>	<b>20 837</b>	<b>14 308</b>	<b>29 648</b>	<b>20 358</b>

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**NOTES**

**1. Accounting policies**

These unaudited condensed consolidated financial statements are prepared in accordance with and comply with accounting policies applied in preparation of the consolidated financial statements of Latvian Shipping Company & its Subsidiaries for the year ended 31 December 2008, which were prepared in accordance with International Financial Reporting Standards.

The Financial Statements are prepared in U.S. dollars which is the functional currency of the Group and Latvian lats which is the presentation currency of the Group in accordance with legislation of the Republic of Latvia.

Monetary assets and liabilities of the Group denominated in other currencies are translated into U.S. dollars at the rate of exchange prevailing at the end of the reporting period.

Foreign currency transactions are accounted for into U.S. dollars at the exchange rate prevailing at the date of the transaction.

Presentation of financial statements in Latvian lats is done using the exchange rate set by the Bank of Latvia in the following way: assets and liabilities are translated at the closing rate at the end of the reporting year, income and expenses for income statement are translated at the average exchange rates for the reporting year, whilst resulting exchange differences are recognised as a separate component of equity.

LB rate of exchange as at 31.03.2009 USD/LVL - 0.532 (average – 0.537056)

LB rate of exchange as at 31.03.2008 USD/LVL - 0.445 (average – 0.469516)

These financial statements are translated into euros using the rate of exchange set by the Bank of Latvia prevailing at the 31.03.2009: 1 USD = 0.756968 EUR (31.03.2008: 1 USD = 0.633178 EUR).

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*NOTES (continued)*

**2. SEGMENT INFORMATION**

	<b>Shipping</b>		<b>Other activities</b>		<b>Total</b>	
	<b>31.03.09</b>	<b>31.03.08</b>	<b>31.03.09</b>	<b>31.03.08</b>	<b>31.03.09</b>	<b>31.03.08</b>
	<b>US \$'000</b>	<b>US \$'000</b>	<b>US \$'000</b>	<b>US \$'000</b>	<b>US \$'000</b>	<b>US \$'000</b>
Voyage income	56 712	67 022	-	-	56 712	67 022
Voyage costs	(4 010)	(10 167)	-	-	(4 010)	(10 167)
<b>Net voyage result</b>	<b>52 702</b>	<b>56 855</b>	<b>-</b>	<b>-</b>	<b>52 702</b>	<b>56 855</b>
Vessel operating costs	(24 650)	(30 622)	-	-	(24 650)	(30 622)
Vessel depreciation	(7 793)	(7 639)	-	-	(7 793)	(7 639)
<b>Vessel operating profit</b>	<b>20 259</b>	<b>18 594</b>	<b>-</b>	<b>-</b>	<b>20 259</b>	<b>18 594</b>
Revenues (Fleet excluding )	292	-	3 733	-	4 025	-
Cost of sales (Fleet excluding)	(943)	-	(5 043)	-	(5 986)	-
Sales and distribution expenses	-	-	(766)	-	(766)	-
Administration expenses	(5 061)	(5 720)	(1 937)	-	(6 998)	(5 720)
Gain on sale of assets	1 887	6 696	(2)	-	1 885	6 696
<b>Segment result</b>	<b>16 434</b>	<b>19 570</b>	<b>(4 015)</b>	<b>-</b>	<b>12 419</b>	<b>19 570</b>
Net financial items	(3 001)	(4 129)	(1 929)	-	(4 930)	(4 129)
Taxes	(15)	(2)	(76)	-	(91)	(2)
Minority interest	-	-	164	-	164	-
<b>Net profit for the period</b>	<b>13 417</b>	<b>15 439</b>	<b>(5 856)</b>	<b>-</b>	<b>7 562</b>	<b>15 439</b>
<b>Segment assets</b>	<b>878 448</b>	<b>876 980</b>	<b>227 269</b>	<b>-</b>	<b>1 105 717</b>	<b>876 980</b>
<b>Segment liabilities</b>	<b>407 322</b>	<b>372 633</b>	<b>151 739</b>	<b>-</b>	<b>559 061</b>	<b>372 633</b>

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*NOTES (continued)*

**2. SEGMENT INFORMATION (continued)**

	<b>Shipping</b>		<b>Other activities</b>		<b>Total</b>	
	<b>31.03.09</b>	<b>31.03.08</b>	<b>31.03.09</b>	<b>31.03.08</b>	<b>31.03.09</b>	<b>31.03.08</b>
	<b>LVL'000</b>	<b>LVL'000</b>	<b>LVL'000</b>	<b>LVL'000</b>	<b>LVL'000</b>	<b>LVL'000</b>
Voyage income	30 458	31 468	-	-	30 458	31 468
Voyage costs	(2 154)	(4 774)	-	-	(2 154)	(4 774)
<b>Net voyage result</b>	<b>28 304</b>	<b>26 694</b>	<b>-</b>	<b>-</b>	<b>28 304</b>	<b>26 694</b>
Vessel operating costs	(13 238)	(14 378)	-	-	(13 238)	(14 378)
Vessel depreciation	(4 185)	(3 587)	-	-	(4 185)	(3 587)
<b>Vessel operating profit</b>	<b>10 881</b>	<b>8 729</b>	<b>-</b>	<b>-</b>	<b>10 881</b>	<b>8 729</b>
Revenues (Fleet excluding )	157	-	2 005	-	2 162	-
Cost of sales (Fleet excluding)	(507)	-	(2 708)	-	(3 215)	-
Sales and distribution expenses	-	-	(412)	-	(412)	-
Administration expenses	(2 718)	(2 686)	(1 040)	-	(3 758)	(2 686)
Gain on sale of assets	1 013	3 144	(1)	-	1 012	3 144
<b>Segment result</b>	<b>8 826</b>	<b>9 187</b>	<b>(2 156)</b>	<b>-</b>	<b>6 670</b>	<b>9 187</b>
Net financial items	(1 612)	(1 939)	(1 036)	-	(2 648)	(1 939)
Taxes	(8)	(1)	(41)	-	(49)	(1)
Minority interest	-	-	88	-	88	-
<b>Net profit for the period</b>	<b>7 206</b>	<b>7 247</b>	<b>(3 145)</b>	<b>-</b>	<b>4 061</b>	<b>7 247</b>
<b>Segment assets</b>	<b>467 333</b>	<b>390 255</b>	<b>120 907</b>	<b>-</b>	<b>588 240</b>	<b>390 255</b>
<b>Segment liabilities</b>	<b>216 697</b>	<b>165 822</b>	<b>80 725</b>	<b>-</b>	<b>297 422</b>	<b>165 822</b>



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*NOTES (continued)*

**2. SEGMENT INFORMATION (continued)**

	<b>Shipping</b>		<b>Other activities</b>		<b>Total</b>	
	<b>31.03.09</b>	<b>31.03.08</b>	<b>31.03.09</b>	<b>31.03.08</b>	<b>31.03.09</b>	<b>31.03.08</b>
	<b>EUR'000</b>	<b>EUR'000</b>	<b>EUR'000</b>	<b>EUR'000</b>	<b>EUR'000</b>	<b>EUR'000</b>
Voyage income	42 929	42 437	-	-	42 929	42 437
Voyage costs	(3 035)	(6 437)	-	-	(3 035)	(6 437)
<b>Net voyage result</b>	<b>39 894</b>	<b>36 000</b>	<b>-</b>	<b>-</b>	<b>39 894</b>	<b>36 000</b>
Vessel operating costs	(18 661)	(19 389)	-	-	(18 661)	(19 389)
Vessel depreciation	(5 899)	(4 837)	-	-	(5 899)	(4 837)
<b>Vessel operating profit</b>	<b>15 334</b>	<b>11 774</b>	<b>-</b>	<b>-</b>	<b>15 334</b>	<b>11 774</b>
Revenues (Fleet excluding )	221	-	2 826	-	3 047	-
Cost of sales (Fleet excluding)	(714)	-	(3 817)	-	(4 531)	-
Sales and distribution expenses	-	-	(580)	-	(580)	-
Administration expenses	(3 830)	(3 622)	(1 466)	-	(5 296)	(3 622)
Gain on sale of assets	1 428	4 240	(1)	-	1 427	4 240
<b>Segment result</b>	<b>12 439</b>	<b>12 392</b>	<b>(3 038)</b>	<b>-</b>	<b>9 401</b>	<b>12 392</b>
Net financial items	(2 272)	(2 615)	(1 460)	-	(3 732)	(2 615)
Taxes	(11)	(1)	(58)	-	(69)	(1)
Minority interest	-	-	124	-	124	-
<b>Net profit for the period</b>	<b>10 156</b>	<b>9 776</b>	<b>(4 432)</b>	<b>-</b>	<b>5 724</b>	<b>9 776</b>
<b>Segment assets</b>	<b>664 957</b>	<b>555 284</b>	<b>172 036</b>	<b>-</b>	<b>836 993</b>	<b>555 284</b>
<b>Segment liabilities</b>	<b>308 333</b>	<b>235 942</b>	<b>114 861</b>	<b>-</b>	<b>423 194</b>	<b>235 942</b>

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***NOTES***

**Contact person with respect to information presented in these financial statements**

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