

RIGA ELECTRIC MACHINE BUILDING WORKS

Consolidated balance sheet for the 6 months of the 2006 year

0.702804

ASSETS	Notes	Line code	30.06. 2006. LVL	31.12. 2005. LVL	30.06. 2006. EUR	31.12. 2005. EUR
1. Long - term investments						
I. Intangible investments						
1. Research and development costs		010				
2. Concessions, patents, licences, trade-marks and similarrights		020	613	524	872	746
3. Other intangible rights		021	185	393	263	559
4. Intangible value of enterprise		030				
5. Advance payments of intangible investments		040				
I total		050	798	917	1135	1305
II. Fixed assets						
1. Lands, buildings, constructions and prennial plantations		060	1574638	1589353	2240508	2261446
2. Long-term leased fixed		070	14312		20364	
3. Tehnological equipment and machines		080	1016529	826882	1446390	1176547
4. Other fixed assets and inventory		090	34461	32990	49034	46941
5. Forming of fixed assets and costs of unfinished objects of construc.		100	465047	203306	661702	289278
6. Advance payments for fixed assets		110	29784	129534	42379	184310
II total		120	3134771	2782065	4460377	3958522
III. Long-term financial investments						
1. Participation in capital of related companies		130			0	0
2. Loans to related companies		140				
3. Participation in capital of affiliated companies		150			0	0
4. Loans to affiliated companies		160				
5. Other securities and investments		170				
6. Other loans		180				
7. Own stocks and shares		190				
8. Loans to joint owners and administration		200				
III total		210	0	0	0	0
1. TOTALLY		220	3135569	2782982	4461512	3959827
2. Current assets						
I. Stocks						
1. Row materials, direct materials and auxiliary materials		230	1662072	1530937	2364915	2178327
2. Unfinished products		240	985557	877965	1402321	1249232
3. Complete products and goods for sale		250	112069	92691	159460	131887
4. Unfinished order		260				
5. Advance payments for goods		270	462850	119744	658576	170380
6. Work animals and productive animals		280				
I total		290	3222548	2621337	4585272	3729826
II. Debtors						
1. Customers and client debts		300	213767	233867	304163	332763
2. Related companies debts		310			0	0
3. Affiliated companies debts		320	18	238	26	339
4. Other debts		330	155215	200660	220851	285513
5. Undeposited shares in business capital		340				
6. Short-term loans to joint owners and administration		350				
7. Accrued income		360	30560	84856	43483	120739
II total		370	399560	519621	568523	739354
III. Securities and participation in capitals						
1. Participation in capital of related companies		380				
2. Own stocks and shares		390				
3. Other securities and participatio in capitals		400				
III total		410	0	0	0	0
IV. Cash assets		420	434622	1941530	618411	2762548
2. TOTALLY		430	4056730	5082488	5772206	7231728
BALANCE		440	7192299	7865470	10233718	11191555

LIABILITIES	Notes	Line code	30.06. 2006. LVL	31.12. 2005. LVL	30.06. 2006. EUR	31.12. 2005. EUR
1. Equity capital						
1. Stock or share capital (equity capital)		450	5799005	5799005	8251241	8251241
2. Stock issue extra charge		460				
3. Long-term investment reestimation reserve		470	164749	165909	234417	236067
4. Reserves:						
a) prescribed reserves		480				
b) reserves for own stocks and shares		490				
c) reserves prescribed by enterprise		500				
d) other reserves		510	192922	192922	274503	274503
Total		520	192922	192922	274503	274503
6. Retained profit:						
a) retained profit of previous years		530	2505	236736	3564	336845
b) retained profit of the year of accountant		540	-262741	171409	-373847	243893
1. TOTALLY		550	5896440	6565981	8389878	9342549
2. STOCKPILES						
1. Reserves for pensions and similar obligations		560				
2. Reserve for prospective taxes		570				
3. Other stockpiles		580	302861	302861	430932	430932
2. TOTALLI		590	302861	302861	430932	430932
3. CREDITORS						
I. Long-term debts						
1. Funded borrowings		600				
2. Borrowings for shares		610				
3. Bank borrowings		620				
4. Other borrowings		630	517	1365	736	1942
5. Customers advanced payments		640				
6. Debts to suppliers and contractors		650				
7. Bills to be paid		660				
8. Borrowings from related companies		670				
9. Borrowings from affiliated companies		680				
10. Tax and social security payments		690				
11. Other creditors		700				
12. Deferred income		710				
13. Dividends of the year of account		720				
14. Unpaid dividends of previous years		730				
15. Deferred tax on profit		731			0	
I total		740	517	1365	736	1942
II. Short-term debts						
1. Funded borrowings		750				
2. Borrowings for shares		760				
3. Bank borrowings		770				
4. Other borrowings		780	3514	3514	5000	5000
5. Customers advanced payments		790	364365	339559	518445	483149
6. Debts to suppliers and contractors		800	276867	124194	393946	176712
7. Bills to be paid		810				
8. Borrowings from related companies		820			0	0
9. Borrowings from affiliated companies		830	1699	777	2417	1106
10. Tax and social security payments		840	147713	324269	210177	461393
11. Other creditors		850	178249	182667	253625	259912
12. Deferred income		860				
13. Dividends of the year of account		870				
14. Unpaid dividends of previous years		880	1453		2067	
II kopā		890	973860	974980	1385677	1387272
3. TOTALLY		900	974377	976345	1386413	1389214
Minority vote of stockholders			18621	20283	26495	28860
Negative difference of a consolidation					0	0
B A L A N C E		910	7192299	7865470	10233718	11191555

RIGA ELECTRIC MACHINE BUILDING WORKS

CONSOLIDATED PROFIT or LOSS STATEMENT

for the 6 months of the 2006 year

0.702804

No	Special rate	Note	Row	30.06. 2006. LVL	31.12. 2005. LVL	30.06. 2006. EUR	31.12. 2005. EUR
1	Net turnover		010	5727589	15863256	8149626	22571380
2	Cost of sales (prime cost)		020	-4562469	#####	-6491809	-1.8E+07
3	Gross profit or loss		030	1165120	3449670	1657817	4908438
4	Sales distribution costs		040	-100848	-192741	-143494	-274246
5	Administration costs		050	-1108728	-1511599	-1577578	-2150812
6	Other operating income		060	58000	138219	82527	196668
7	Other operating expenses		070	-202605	-760617	-288281	-1082260
8	Income from participation in capital of related and affiliated companies		080		132506	0	188539
9	Income from securities and long-term loans		090			0	0
10	Other interestd receivable and similar income		100	547	1117	778	1589
11	Amounts written off investments		110				
12	Interest payable and similar shanges		120	-128	-3221	-182	-4583
12.1.	Loss of a consolidation		121	-64320	-687937	-91519	-978846
12.2.	Profit of a consolidation		122	15837	15110	22534	21500
13	Profit or loss before extraordinary items and tax		130	-237125	580507	-337398	825987
14	Extraordinary income		140		132	0	188
15	Extraordinary charges		150			0	0
16	Profit or loss before tax		160	-237125	580639	-337398	826175
17	Tax on profit or loss for the financial period		170		-214843	0	-305694
18	Deferred tax on profit		180		-167794	0	-238749
19	Other taxes		190	-22985	-24629	-32705	-35044
19.1.	Minority vote of stockholders		191	-2631	-1964	-3744	-2795
20	Profit or loss for the financial period		200	-262741	171409	-373847	243893

EPS index

5799005

-0.05

0.03

-0.06

0.04

RIGA ELECTRIC MACHINE BUILDING WORKS

Consolidated cash flow statement for the 6 months of the 2006 year (an indirect method)

I. Basic action cash flow

0.702804

No	Items	30.06. 2006. LVL	31.12. 2005. LVL	30.06. 2006. EUR	31.12. 2005. EUR
1	Profit or loss before axtraordinary items and tax	-237125	580507	-337398	825988
	Corrections				
	Depreciation of fixed assets	78275.5	143204	111376	203761
	Amounts written off investments	1208	98	1719	139
	Depreciation of intangible assets	469	930	667	1323
	Profit of sales of fixed assets	-3339	-3231	-4751	-4597
	Forming of accumulations		135067	0	192183
	Losses from foreign currency axchange rate fluctuations	82253	54312	117035	77279
	Income from participation in capital of related and affilliated companies		-132506	0	-188539
	Income from securities and long-term loans				
	Other interestd receiveable and similar income				
	Loss of a consolidation	48483	86155	68985	122588
	Corections	-9945.5	137603	-14151	195791
	Amounts written off investments		144560	0	205690
	Interest payable and similar shanges				
	Long-term investment reestimation reserve	-1160	-10103	-1651	-14375
2	Earning or losses before the current assets and short-term creditors remaining amounts influencing	-40881	1136596	-58169	1617231
	Corrections				
	Increase (-) or decrease (+) of debts	160762	-371676	228744	-528847
	Increase (-) or decrease (+) of supplies	-601212	337881	-855447	480761
	Increase (-) or decrease (+) of payments of next periods	54158	110920	77060	157825
	Increase (+) or decrease (-) of creditors	170924	385149	243203	548018
	Increase (+) or decrease (-) of accumulations			0	0
	Real estate tax payment (-)	-23034	-30330	-32775	-43156
3	Basic action cash flow	-279283	1568540	-397384	2231832
4	Paid presents (-)				
5	Income tax payment (-)	-218877	-4914	-311434	-6992
6	Cash flow before extraordinary items	-498160	1563626	-708818	2224840
7	Cash flow of extraordinary items		132	0	188
I	NET BASIC ACTION CASH FLOW	-498160	1563758	-708818	2225028

II. Investment cash flow

No	Items	30.06.	31.12.	30.06.	31.12.
		2006.	2005.	2006.	2005.
		LVL	LVL	EUR	EUR
1	Acquisition of stocks and shares of related or affiliated companies	-4695		-6680	0
2	Sales of stocks and shares of related or affiliated companies				
3	Acquisition of fixed assets and non-material investments	-532290	-325076	-757380	-462541
4	Sales of fixed assets and non-material investments	3339	10788	4750	15349
5	Given loans out				
6	Profits from the repayment of loans				
7					
8	Drawn interests				
9	Received dividends		132506	0	188539
II	NET INVESTMENT CASH FLOW	-533646	-181782	-759310	-258653

III. Financing action cash flow

No	Items	30.06.	31.12.	30.06.	31.12.
		2006.	2005.	2006.	2005.
		LVL	LVL	EUR	EUR
1	Profits from parts investments in equity				
2	Got loans		-1556	0	-2214
3	Charges for reward of loans			0	0
4	Charges leased for buying fixed assets			0	0
5	Paid dividends	-408646	-1055	-581451	-1501
6	Others financing action	-848		-1207	0
7	Increase of equity capital	10000		14229	0
8				0	0
9				0	0
10					
III	NET FINANCING ACTION CASH FLOW	-399494	-2611	-568429	-3715

Naudas ieņēmumu un izdevumu kopsavilkums

No	Items	30.06.	31.12.	30.06.	31.12.
		2006.	2005.	2006.	2005.
		LVL	LVL	EUR	EUR
I	Net basic action cash flow	-498160	1563758	-708818	2225028
II	Net investment cash flow	-533646	-181782	-759310	-258653
III	Net financing action cash flow	-399494	-2611	-568429	-3715
IV	Result of foreign currency exchange rate fluctuations	-75608	-67386	-107580	-95882
V	Net cash flow for the period	-1506908	1311979	-2144137	1866778
VI	Cash and cash equivalents in beginning of the period	1941530	629551	2762548	895770
VII	Cash and cash equivalents at the end of the period	434622	1941530	618411	2762548

RIGA ELECTRIC MACHINE BUILDING WORKS

Consolidated statement of changes in equity for the 6 months of the year 2006

0.702804

	Stock or share capital		Long-term inves. reestim.reserve		Other reserves		Profit or losses		Kopā	
	LVL	EUR	LVL	EUR	LVL	EUR	LVL	EUR	LVL	EUR
Balance at 31 December 2004	5799005	8251241	176012	250443	340625	484666	-161365	-229602	6154277	8756748
Earnings of the year 2004		0	-10103	-14376		0		0	-10103	-14376
Corections					-147703	-210163	398101	566447	250398	356284
Profit (+) or losses (-) of the year 2004							171409	243893	171409	243893
Balance at 31 December 2005	5799005	8251241	165909	236067	192922	274503	408145	580738	6565981	9342549
Earnings of the reporting period			-1160	-1650		0		0	-1160	-1650
Corections						0	-405640	-577174	-405640	-577174
Profit (+) or losses (-) of the reporting period							-262741	-373847	-262741	-373847
Balance at 30 June 2006	5799005	8251241	164749	234417	192922	274503	-260236	-370283	5896440	8389878