

JSC “RĪGAS KUĢU BŪVĒTAVA”

Financial statements for 12 months of the year 2004

Riga, 2005

RIGA SHIPYARD

Reg.Nr. 40003045892

Profit and loss statement

	No.	31.12.2004.	31.12.2003.	31.12.2004.	31.12.2003.
		LVL	LVL	EUR	EUR
1	2	3	4	5	6
Net turnover	10	19 712 818	21 145 127	28 040 993	30 078 417
Production costs	20	18 232 930	20 264 872	25 935 889	28 826 276
Gross profit and loss	30	1 479 888	880 255	2 105 104	1 252 141
Selling costs	40	60 204	84 751	85 639	120 556
Administrative costs	50	643 890	599 279	915 918	852 459
Other operating income	60	1 927 250	2 574 356	2 741 465	3 661 957
Other operating expenses	70	1 493 721	1 994 055	2 124 781	2 836 493
Income from participating interests	80	152 758		217 294	
Income from other capital participation, securities and loans forming part of the long term assets	90				
Other interests receivable and similar income	100	108 219	124 659	153 939	177 324
Long term financial investments and short term equities value allocation	110	770 032	251 723	1 095 351	358 070
Interest payable and similar charges	120	99 265	99 982	141 202	142 222
Profit and loss before extraordinary items and taxes	130	601 003	549 480	854 911	781 622
Extraordinary income	140				
Extraordinary charges	150				
Extraordinary profit and loss before taxes	160	601 003	549 480	854 911	781 622
Tax on profit or loss for the financial year	170	118 934	80 550	169 181	114 580
Other taxes	180	47 482	46 080	67 542	65 548
Profit and loss for the financial year after taxes	190	434 587	422 850	618 188	601 494

RIGA SHIPYARD						
Balance Sheets (non-audited)						
		LVL	LVL	EUR	EUR	
	Line code	31.12.2004.	01.01.2004.	31.12.2004.	01.01.2004.	
ASSETS						
I Long - term investments						
<i>I Intangible investments</i>						
1.Research and development costs	010					
2.Concessions, patents, licences,trade-marks and similar rights	020					
3.Other intangible rights	021					
4.Intangible value of enterprise	030					
5.Advance payments of intangible investments	040					
I TOTAL	050					
<i>II Fixed assets</i>						
1.Lands, buildings, constructions and prennial plantations	060	2 300 471	2 038 741	3 272 363	2 900 058	
2.Long-term leased fixed	070	24 664	15 535	35 084	22 098	
3.Machinery and equipment	080	3 262 486	2 628 916	4 640 805	3 739 567	
4.Other fixed assets and inventory	090	327 481	261 659	465 834	372 203	
5.Fixed assets formation costs	100	500 428	144 533	711 846	205 595	
6.Advance payments for fixed assets	110	11 877	49 187	16 895	69 967	
II TOTAL	120	6 427 407	5 138 571	9 142 827	7 309 488	
<i>III Long - term financial investments</i>						
1.Participation in capital of related companies	130					
2.Loans to related companies	140					
3.Participation in the associated companies capital	150	2 268 417	2 164 782	3 226 767	3 079 349	
4.Loans to the associated companies	160					
5.Other securities and investments	170	165	165	235	235	
6.Other loans	180	525 449	400 312	747 438	569 434	
7.Owners' stocks and shares	190					
8.Loans of the Company to joint owners and management	200	326 381	497 000	464 269	706 970	
III TOTAL	210	3 120 412	3 062 259	4 438 709	4 355 988	
1. TOTAL AMOUNT ACCORDING TO THE PART	220	9 547 819	8 200 830	13 581 536	11 665 476	
2. Current assets						
<i>I Stocks</i>						
1.Raw materials, direct materials and auxiliary materials	230	2 955 377	2 046 888	4 203 950	2 911 647	
2.Unfinished products	240	2 959 649	1 172 112	4 210 027	1 667 300	
3.Finished products and goods for sales	250					
4.Ongoing orders	260					
5.Advance payments for goods	270	367 637	220 084	522 954	313 064	
6.Working livestock and productive livestock	280					
I TOTAL	290	6 282 663	3 439 084	8 936 931	4 892 011	
<i>II Debtors</i>						
1.Buyers and customers' debts	300	1 781 825	2 664 072	2 534 601	3 789 576	
2.Related companies debts	310					
3.Associated companies debts	320	204 644		291 101		
4.Other accounts receivable	330	630 086	1 418 009	896 281	2 017 083	
5.Unpaid part of the company capital	340					
6.Short - term loans of an enterprise to joint owners and manager	350	1 532 027	1 056 104	2 179 270	1 502 282	
7.Prepaid expenses	360	58 121	60 030	82 676	85 391	
II TOTAL	370	4 206 703	5 198 215	5 983 931	7 394 332	
<i>III Securities and sharing in capitals</i>						
1.Participation in capital of related companies capital	380		2 077 806		2 955 627	
2.Owners' stocks and shares	390					
3.Other securities and participation in capitals	400					
III TOTAL	410		2 077 806		2 955 627	
IV.Cash	IV TOTAL	420	27 471	464 160	39 077	660 256
2. TOTALL AMOUNT ACCORDING TO THE PART	430	10 516 837	11 179 265	14 959 937	15 902 226	
BALANCE	440	20 064 656	19 380 095	28 541 473	27 567 702	

RIGA SHIPYARD.					
Balance Sheets (non-audited)					
		LVL	LVL	EUR	EUR
	Line code	31.12.2004.	01.01.2004.	31.12.2004.	01.01.2004.
LIABILITIES					
<i>1. OWNERS' EQUITY</i>					
1.Share capital	450	11 672 107	11 672 107	16 603 282	16 603 282
2.Share issue extra charge	460				
3.Long - term investment revaluation reserve	470				
4. Reserves					
a) reserves set by law	480				
b) owners' shares reserves	490				
c) reserves provided for by the company Articles of Association	500				
d) other reserves	510				
IV TOTAL					
5. Undivided profit:					
a) undivided profit for the previous year	530	2 718 069	2 951 511	3 866 386	4 198 451
b) undivided profit for the year of account	540	434 587		618 188	
TOTAL AMOUNT ACCORDING TO THE PART 1	550	14 824 763	14 623 618	21 087 856	20 801 733
<i>2. PROVISIONS</i>					
1.Provision for pensions and similar obligations	560				
2.Provision for contingent taxes	570				
3.Other provisions	580				
TOTAL AMOUNT ACCORDING TO THE PART 2	590				
3. CREDITORS					
<i>I Long - term accounts payable</i>					
1.Funded borrowings	600				
2.Borrowings for shares	610				
3.Bank borrowings	620				
4.Other borrowings	630				
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.Prepaid income	710		91 809		130 596
13.Dividends of the year of account	720				
14.Unpaid dividends of previous years	730				
I TOTAL	740		91 809		130 596
<i>II Short - term debts</i>					
1.Funded borrowings	750				
2.Borrowings for shares	760				
3.Lons from credit institutions	770	1 410 300	1 569 488	2 006 117	2 232 558
4.Other borrowings	780				
5.Customers advanced payments	790	1 274 421	623 635	1 812 832	887 105
6.Debts to suppliers and contractors	800	2 063 622	1 634 473	2 935 451	2 324 997
7.Bills to be paid	810				
8.Borrowings from related companies	820		243 450		346 301
9.Borrowings from affiliated companies	830		65 775		93 563
10.Taxes and social security payments	840	196 166	163 493	318 220	232 565
11.Other creditors	850	192 930	175 445	274 438	249 566
12. Prepaid income	860	91 810	183 620	130 597	261 195
13.Dividends of the year of account	870				
14.Unpaid dividends of previous years	880	10 644	5 289	15 141	7 523
II TOTAL	890	5 239 893	4 664 668	7 453 617	6 635 373
TOTAL AMOUNT ACCORDING TO THE PART 3	900	5 239 893	4 756 477	7 453 617	6 765 969
BALANCE	910	20 064 656	19 380 095	28 541 473	27 567 702

Cash flow statement for 12 months of the year 2004

	y.2004.LVL	y.2003 LVL	y.2004.EUR	y..2003. EUR
A. Net cash flow from primary activity	-496874	-475897	-706791	-676952
1.Received from buyers (+)	20802379	20234435	29590866	28782980
2.Penalty received (+)	3106	114	4418	162
3.Interest received (+)	54150	40803	77027	58041
4. Paid to suppliers (-)	-16797625	-16428112	-23894203	-23368580
5.Wages and the related taxes paid (-)	-3670711	-3448388	-5221495	-4905246
6. Interest paid (-)	-99168	-99670	-141064	-141778
7.Corporate income tax (-)	-70865	-174094	-100804	-247645
8. Other taxes payments.(-)	-717825	-600673	-1021088	-854442
9.Penalty paid (-)	-315	-312	-448	-444
B. Net cash flow from investment activities:	447460	-605199	636501	-860881
1. Paid for fixed assets acquisition (-)	-89601	-635158	-127455	-903496
2.Received for the fixed assets sold (+)	51971	67366	73928	95826
3.Loans granted (-)	-76307	-546478	-108545	-777352
4. Repayment of loans (+)	540397	473881	768701	674084
5.Selling out of shares (+)	21000	35190	29872	50057
C.Net cash flow from financial activities:	-387275	1339957	-550889	1906056
1.Loan received (+)	1410300	1569488	2006117	2232558
2.Loan repaid (-)	-1569488		-2232558	
3.Dividend paid (-)	-228087	-229531	-324448	-326502
Net cash flow and equivalent shanger thereof (A+B+C)	-436689	258861	-621179	368223
Cash and equivalent thereof at beginning of the period of account	464160	205299	660256	292033
Cash and equivalent thereof at the end of the period of account	27471	464160	39077	660256

Changes in own capital report for 2003 and 2004

Types of shanges	Stock or Share capital		Statutory reserves		Long-term investments revaluation reserves		Other reserves		Retained earnings		Total	
	LVL	EUR	LVL	EUR	LVL	EUR	LVL	EUR	LVL	EUR	LVL	EUR
Balance as at 31.12.2002	11672107	16603282	0	0	0	0	0	0	2762103	3929022	14434210	20532304
Stock or share capital												
Increase/decrease												
Correction of the previous period due to changes in accounting policy												
Increase/decrease												
Increase/decrease of reserves												
Dividends									-233442	-332065	-233442	-332065
Period of account net profit & loss									422850	601494	422850	601494
Balance as at 31.12.2003.	11672107	16603282	0	0	0	0	0	0	2951511	4198451	14623618	20801733
Stock or share capital												
Increase/decrease												
Correction of the previous period due to changes in accounting policy pamatīdzekļu vērtības samazinājuma												
Increase/decrease												
Increase/decrease of reserves												
Dividends									-233442	-332065	-233442	-332065
Period of account net profit & loss									434587	618188	434587	618188
Balance as at 31.12.2004.	11672107	16603282	0	0	0	0	0	0	3152656	4484574	14824763	21087856

Notes: all sections of the financial reports are to be evaluated in EURO according to the rates of Bank of Latvia on 31.12.2004.