

“Riga shipyard” JSC /Rīgas Kuģu Būvētava A/S/

“RIGA SHIPYARD” JSC
financial statements for 6 months of the year 2006
(not audited)
(not consolidated)

Riga, 2006

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“Riga shipyard” JSC
financial statements for 6 months of the year 2006

Information on the company

Name of the company	Joint stock company “Riga shipyard”
Legal status	Joint stock company
Incorporation number, place and date	000304589, 5 December 1991, companies register, Riga 40003045892, 26 August 2004, commercial register, Riga
Registered office	2 Gales street, Riga, LV-1015
Stock capital of the enterprise	Ls 11 672 107
Core business of the enterprise	- building and repair of ships, yachts, catamarans, roll trailers and technological equipment -Port services -Wood processing, manufacturing of furniture designed for various functional purposes etc.
Associate enterprise	“Tosmare Shipyard” JSC
Address	42/44 Generala Baloza Street, Liepaya
Partnership	49,72%
Name, surnames and positions of members of the Board	
Vasilijs Melniks	Chairman of the Board,
Aivars Stolders	Member of the Board
Igors Komarovs	Member of the Board,
Larisa Artemenko	Member of the Board,
Janis Davidovics	Member of the Board, (resigned on 25.06.2006)
Name, surnames and positions of members of the Council	
Sergejs Golcins	Chairman of the Council
Anatolijs Ustinovs	Deputy Chairman of the Council
Girts Stelbovics	Member of the Council, (resigned on 26.07.2006)
Aleksandrs Cernavskis	Member of the Council,
Andris Kravalis	Member of the Council,
Juris Kaksitis	Member of the Council (appointed on 26.07.2006)
Chief accountant	Marina Pudova, phone 7080868
Annual report	1 January – 30 June 2006
Tax authority	SRS Riga regional institution Ziemeļu district division
Name and address of the auditor	Natalija Zaiceva, p ID 140366-10722 A sworn auditor (LSAA certificate No 138)
Responsible person	Sworn auditors firm KSIA “ORIENTS N” LSAA certificate No 28 Larisa Artemenko Member of the board t.7353411 E-mail :larisa@riga-shipyard.com

"Riga shipyard" JSC directorship statement to 2006 6 months annual report

Dear shareholders!

JSC "Riga shipyard" business in year 2006 6 months was persistent, it continued the previous years set in course of development.

In the past 2006 6 month "Riga shipyard" JSC'S total net turnover made up Ls 13180958 (compared to 2005 6 months Ls 12064682). Gross profit is Ls 391075 (year 2005 6 months - Ls 769311). The net profit for 2006 6 months has made Ls 81867, accordingly in 2005 year - Ls 470133.

In year 2006 6 months JSC "Riga shipyard" in total repaired 41 ships (in 2005 6 months there had been repaired 47 ships). In year 2006 6 months has been made and launched on water of 8 halls (accordingly in 2005 - 4).

Decrease of the profit has taken place at increase net turnover. It is a result of not predicted rise in prices on metal, all power resources, a high level of inflation in country.

Especially it has affected in orders of shipbuilding. Market condition in shipbuilding dictated the conclusion of long-term contracts 1,5-2 year ago and then it was impossible to provide a present jump in prices.

Now at the conclusion of agreements the administration has found the decision for decrease of risks of not predicted rise in prices, including actions on improvement of parameters of technological process are conducted: the new technology of welding, use of the new materials is entered, allowing to reduce cost prices to finish year with the best results.

In year 2006 6 months JSC "Riga shipyard" invested into acquisition of new technological facilities and repair Ls 595762 (in 2005 6 months - Ls 538361).

31 August 2006

"Riga shipyard" JSC
Chairmen of the Board

V. Melniks

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Profit & Loss calculation for 2006 year 6 months and 2005 year 6 months

	Remarks	2006 6 months Ls	2005 6 months Ls	2006 6 months EUR	2005 6 months EUR
1. Net turnover	(1)	13180958	12064682	18754814	17166496
2. Sold production operating costs	(2)	12789883	11295371	18198364	16071865
3. Gross profit or losses		391075	769311	556450	1094631
4. Selling costs	(3)	35996	20809	51218	29609
5. Administration costs	(4)	315962	346269	449573	492 696
6. Other enterprise's business activity's income	(5)	523919	739731	745470	1052542
7. Other enterprise's business activity's costs	(6)	309529	531675	440420	756505
8. Profit & Loss of business activity's		253507	610289	360709	868363
9. Income from investments in capital of related and associated companies					
10. Other percents and the like income	(7)	1070	1076	1522	1531
11. Write-offs of the value of long-term financial investments and short-term securities					
12. Payment of percents and the like costs	(8)	82181	68193	116933	97030
13. Profit & Loss prior to extra ordinary items and taxes		172396	543172	245298	772864
14. Extraordinary income					
15. Extraordinary expense					
16. Profit & loss prior to taxes		172396	543172	245298	772864
17. Income taxes of the enterprise for the year of account		65532	49720	93244	70745
18. Other taxes	(9)	24997	23319	35568	33179
19. Year of account profit & loss (net income)		81867	470133	116486	668940

Chairman of the Board _____ V. Melniks

“Riga shipyard” JSC
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Balance as at 30 June 2006 year

ASSETS	Remarks	30.06.2006 Ls	30.06.2005 Ls	30.06.2006 EUR	30.06.2005 EUR
Long-term investments					
I Intangible investments					
1. Research and development costs					
2. Concessions, patents, licences, trade-marks and similar right					
3. Other intangible investments		40965	22150	58288	31516
4. Goodwill					
5. Advance payments of intangible investments		121890		173434	
Intangible investments in total	(10)	162855	22150	231722	31516
II Fixed assets					
1. Lands, buildings, constructions, perennial plants		3110780	2404915	4426241	3421886
2. Long-term investments into leased fixed assets		17074	24664	24294	35094
3. Equipment and machinery		3560760	3169214	5066505	4509385
4. Other fixed assets and stock		400840	317058	570344	451133
5. Up building of fixed assets and unfinished building objects costs		664556	863087	945578	1228062
6. Advanced payments for fixed assets		18901	53807	26894	76560
Fixed assets in total	(11)	7772911	6832745	11059856	9722120
III Long-term financial investments					
1. Participation in capital of related companies					
2. Participation in capital of associated companies	(12)	2164782	2164782	3080207	3080207
3. Other equities and investments	(13)	165	165	235	235
4. Other loans and other long-term debtors	(14)	602223	530746	856886	755184
5. Loans to copartners of the enterprises and to the directorship	(15)	362284	326381	515484	464398
Long-term financial investments in total		3129454	3022074	4452812	4300025
Long-term investments in total		11065220	9876969	15744390	14 053661
Current assets					
I Reserves					
1. Raw materials, direct materials and auxiliary materials	(16)	3455023	2884890	4916055	4104829
2. Unfinished production	(17)	5749977	2410302	8181480	3429551
3. Production and goods ready for sale	(18)	513816	1163287	731094	1655208
4. Advance payments for goods	(19)	650843	1170674	926066	1665719
Reserves in total		10369659	5218851	14754695	10855307
II Debts of debtors					
1. Debts of buyers and customers	(20)	2929115	2860998	4167756	4070834
2. Debts of related companies			-		
3. Associated companies debts			156644		222884
4. Other debtors	(21)	737974	1587120	1050042	2258268
5. Short-term loans to copartners of the enterprise's and to the directorship	(22)	1137446	1129058	1618440	1606504
6. Next period costs	(23)	64727	40705	92098	57918
7. Recognized incomes					
Debtors in total		4869262	7629153	6928336	8216408
III Short-term financial investments					
1. Participation in capital of related companies					
Short-term financial investments in total			0		0
IV. Cash assets	(24)	11919	54942	16959	78176
Current assets in total		15250840	13458620	21699990	19149891
Assets in total		26316060	23335589	37444380	33203552

Chairman of the Board _____ V. Melniks

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LIABILITIES	Remarks	30.06.2006 Ls	30.06.2005 Ls	30.06.2006 EUR	30.06.2005 EUR
Equity capital					
1. Stock or share capital (equity capital)	(25)	11672107	11672107	16607912	16 607 912
2. Retained earnings					
a) previous years retained earnings		3135441	2999294	4461331	4267611
b) year of account retained earnings		81867	470133	116486	668939
Retained earnings in total		3217308	3469427	4577817	4936550
Equity capital in total		14889415	15141534	21185729	21544462
II Provision for liabilities and charges					
1. Provision for pensions and similar obligations					
2. Provision for contingent tax					
3. Other provisions					
Provision for liabilities and charges in total					
III Creditors					
I Long-term debts					
1. Liability of leasing	(26)	8660	11223	12322	15969
2. Deferred taxation reserves liabilities		319634		454798	
Long-term debts in total		328294	11223	467120	15969
II Short-term debts					
1. Loans from credit institutions	(27)	2787721	2064416	3966570	2937399
2. Other loans					
3. Liability of leasing		2756	6771	3921	9635
4. Advance payments received from buyers	(28)	4828026	2736071	6869662	3893079
5. Debts to suppliers and contractors	(29)	2681900	2687292	3816000	3823672
6. Debts to related companies					
7. Debts to associated companies			15594		22188
8. Taxes and social insurance payments	(30)	207390	221519	295089	315193
9. Other creditors	(31)	316644	243515	450544	346490
10. Next period income					
11. Unpaid previous years dividends	(32)	14997	10547	21339	15007
12. Accrued liabilities		258917	197107	368406	280458
Short-term creditors in total		11098351	8182832	15791531	11643121
Creditors in total		11426645	8194055	16258651	11659090
Total		26316060	23335589	37444380	33203552

Chairman of the Board _____ V. Melniks

31 August 2006

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Cash flow statement for 6 months of the year 2006 and 2005

	2006 year 6 months Ls	2005 year 6 months Ls	2006 year 6 months EUR	2005 year 6 months EUR
A. Cash flow from primary activity				
- Sales income	14281063	12410929	20320122	17659161
- Cash to suppliers, personnel and others primary activity costs	15030328	12354590	21386230	17578998
- Gross cash flow from primary activity	-749265	56 339	-1066108	80163
- Interest paid	82181	68193	116933	97030
- Corporate income tax	44568	41434	63415	58955
- Primary activity before extraordinary items				
- Cash flow from extraordinary items				
Net cash flow from primary activity	-876014	-53288	-1246456	-75822
B. Cash flow from investment activity				
- Selling out of shares				
- Paid for fixed assets acquisition	146262	397560	208112	565677
- Received for the fixed assets sold	9755	3 120	13880	4440
- Loans granted	6763	20296	9623	28879
- Repayment of loans				
- Interest received	1070	1076	1523	1531
Net cash flow from investment activity	-142200	-413660	-202332	-588585
C. Cash flow from financial activities				
- Loan received	975887	654116	1388562	930723
- Loan repaid	2517	159600	3581	227090
- Dividend paid	680	97	968	138
Net cash flow from financial activities	972690	494419	1384013	703495
D.	43398		61750	
Net cash flow and equivalent increase or decrease (A+B+C+D)	-2126	27471	-3025	39088
Cash and equivalent thereof at beginning of the period of accounts	14045	27471	19984	39088
Cash and equivalent thereof at the end of the period of account	11919	54942	16959	78176

Chairman of the Board _____ V. Melniks

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Changes in own capital report for 2006 and 2005 year 6 months.						
Types of changes	Stock or		Retained		Total	
	Share		earnings			
	capital					
	LVL	EUR	LVL	EUR	LVL	EUR
Balance as at 31.12.2004.	11672107	16607912	2999294	4267611	14671401	20875523
Stock or share capital						
Increase/decrease						
Increase/decrease of reserves						
Dividends						
Period of account net profit & loss			470133	668939	470133	668939
Balance as at 30.06.2005.	11672107	16607912	3469427	4936550	15141534	21544462
Balance as at 31.12.2005.	11672107	16607912	3135441	4461331	14807548	21069243
Stock or share capital						
Increase/decrease						
Increase/decrease of reserves						
Dividends						
Period of account net profit & loss			81867	116486	81867	116486
Balance as at 30.06.2006.	11672107	16607912	3217308	4577817	14889415	21185729

EPS to 30.06.2006. 81867 LVL:11672107=0,01 LVL or
0,01 EUR to 30.06.2005. EPS -0,04 LVL or 0,06 EUR

Chairman of the Board _____ V. Melniks

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Notes: all sections of the financial reports are to be evaluated in EURO according to the rates of Bank of Latvia on 30.06.2006.

Notes to the financial statements of the years 2006 and 2005.

Accounting policy

(1) General principles

The annual report has been prepared in compliance with LR laws “On accounting” and “On enterprises’ annual reports”, as well as in compliance with accounting principles in the Republic of Latvia.

Profit & Loss calculation has been prepared as per turnover costs scheme.

Cash flow statement has been prepared as per third method.

Comparing to previous year of account methods of accountancy and evaluation applied in the Company haven’t changed.

The annual report has been prepared basing on the conception of continuation of business.

(2) Agency continuation

Present financial report has been prepared with reference to uninterrupted operation of company that an active realization and repayment liability is proceeding in an ordinary way.

(3) Net turnover

Net turnover is a total sum of services rendered and sold within the six months and services free from tax and granted trade discounts.

(4) Revaluation of foreign currency in lats

All the company accounting is carried out into lats.

All transactions within the year made in foreign currency have been converted into lats pursuant to the currency exchange rate officially established by the Bank of Latvia on a respective day of a transaction.

Foreign currency exchange rate as at the end of the year of account within the last two years was as following:

	30.06.2006	30.06.2005
	<u>Ls</u>	<u>Ls</u>
1 USD	0,56	0,583
1 EUR	0,702804	0,702804
1 NOK	0,0889	0,0884
1 GBP	1,018	1,059
1 RUB	0,0207	0,0204

(5) Fixed assets and low-grade stock

Fixed assets have been evaluated as per initial costs value, deducting accumulated depreciation. Depreciation has been calculated as per linear method, considering the rate established by the JSC order No.4 dated 8 January 2002. Calculation of depreciation of the fixed assets was commenced starting with the first date of the month next to commissioning and was finished on the first date of the month next to their exclusion from the fixed assets’ number.

Company capitalizes permanent assets with value more Ls 50 and time of valid usage is more than 1

year. Increased value of revaluing permanent assets is reflected as moving towards long-term investments revaluation reserve. It is attributed to the dissolution of permanent assets in the calculation of profits, incomes, losses. To calculate enterprise's income tax the depreciation of the fixed assets was estimated pursuant to rates and requirements under article 13 of LR law "On enterprises' income tax".

Low-grade stock booked at the purchase prices and costs was 100% written off after commissioning.

(6) Affiliated undertaking deposits.

Affiliated undertaking deposits are shown taking into account SGS Nr.27, 28, 36 as well as SFPS Nr.3 requirements. Though since year 2004 goodwill amortization and 36 SGS requirements were suspended.

(7) Other long-term investments.

Other long-term investments have been reflected in purchase costs.

(8) Reserves

Raw materials, materials and goods subject to sale were booked at the purchase price, including costs related to purchase, and were accounted as per FIFO methods. Sum of Illiquid assets', stored in the enterprise's warehouses, in comparison to total commodity stock was not essential.

Balance of reserves has been shown at the lowest costs.

Unfinished production has been reflected at the prime cost, excluding administration costs.

(9) Debtors

Debtors' debts in the balance sheet have been shown at the net value. Debtors' actual sum complies with contracts and other accounting basic documents.

(10) Cash and cash equivalents

In the report of cash flow consist of the money in cash-box and remnants of active bank cont.

(11) Accumulation for holidays

Accumulations for payments on holidays are formed, taking into account quantity of days of holiday to all workers and defining the average salary of workers in day.

(12) Taxes

There has been made reconciliation of taxes liabilities by data of SRS Ziemeļu division.

(13) Bookkeeping arrangement

The bookkeeping has been arranged using a chart of accounts endorsed in the company.
The bookkeeping accountancy has been arranged with the help of computers.

(14) Use of estimation

In financial reports enterprise management must make estimations, assumptions which influence presented assets and liabilities at the date of annual report processing. Real results can differ from estimations.

(15) Financial risks

In ordinary work enterprise was subjected to credit risk and currency risk.

(16) Credit risk

Financial plants potentially dangerous for enterprise are rest of money and its equivalents, account receivable, deposit.

(17) Percentage risk

Enterprise is subjected from credit interest rate changing risk.

(18) Currency risk

Enterprise is subjected from currency changing risk in marketing and purchases operations, borrowings in different currency. Financial risk is possible in relation of Ls to USD.

(19) Dividend

Dividend was reflex as fixed in announced period.

(20) Comparative information

Comparing to the period of previous report, accounting and appraisal methods is changed in accordance to request of International accounting Standard.

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Profit & Loss calculation supplement

(1) Net turnover

	2006 year 6 months Ls	2005 year 6 months Ls
On aspects of business		
- Shipbuilding	4471503	3627399
- Ship repair	8428875	8286559
- Mechanical engineering	235976	149481
- Other works	44604	1243
Total	13180958	12064682

(2) Sold products operating costs

	2006 year 6 months Ls	2005 year 6 months Ls
Material costs (raw materials and materials, value of goods, services from outside)	9840389	7612635
Remuneration of labor	1949759	2481787
Social insurance costs	451100	586511
Depreciation of fixed assets	361780	367323
Other costs	186855	247115
Total	12789883	11295371

(3) Selling costs

	2006 year 6 months Ls	2005 year 6 months Ls
Advertisement	35996	20809
Total	35996	20809

(4) Administration costs

	2006 year 6 months Ls	2005 year 6 months Ls
Communication costs	6096	8077
Office maintenance costs	3819	3532
Administration salary	34622	89821
Remuneration of the board	78414	66293
Remuneration of the council	72000	60000
Social insurance costs	43489	50902
Depreciation of fixed assets	20517	26546
Transport costs, travel allowances	37483	17028
Legal services	7321	14745
Representation costs	12201	9325
Total	315962	346269

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(5) Other enterprise’s business activity’s income

	2006 year 6 months	2005 year 6 months
	Ls	Ls
Income generated from transport services rendering	4404	2432
Income generated from leased FA payments and public services	244090	175421
Tugboat services income	45126	44258
Raw materials and materials selling out	106659	317565
Income generated from fluctuation of currency rate	96634	55938
Educational services	508	1102
Income generated from chemical analyses	2588	2014
Income generated from realization of fixed assets	9755	3120
Income generated from difference between face value of certificates and costs of their acquisition	0	91810
Paying for enter to the territory	5775	6105
Reimbursement of losses	0	35300
Other income	8380	4666
Total	523919	739731

(6) Other enterprise’s business activity’s costs

	2006 year 6 months	2005 year 6 months
	Ls	Ls
Material purchase costs	92921	279566
Losses due to currency rate fluctuation	59710	52218
Losses incurred by currency selling out		
Compressed air purchase costs		
Social infrastructure objects costs (medical services)	4766	3494
Costs on tugboat services	22025	22118
Donations	3802	1150
Material benefits	110	345
Burial costs	4466	1430
Damages	0	45925
Costs incurred by fixed assets’ exclusion	2064	3099
Representation costs	7879	6206
Costs on maintenance of leased FA	110630	115995
Other costs	1156	129
Total	309529	531675

“Riga shipyard” JSC
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(7) Other percents and the like income

	2006 year 6 months	2005 year 6 months
	Ls	Ls
Depositing percentage	862	892
Bank interests	151	152
Interests income for loans	0	0
Received penalty payments	57	32
Total	1070	1076

(8) Payment of percents and the like costs

	2006 year 6 months	2005 year 6 months
	Ls	Ls
Paid off penalty	135	214
Paid off interests	43179	29541
Guarantee maintenance	38867	38438
Total	82181	68193

(9) Other taxes

	2006 year 6 months	2005 year 6 months
	Ls	Ls
Real estate building and construction tax	13052	11374
Real estate tax	11945	11945
Total	24997	23319

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(10) Other intangible investments

	Concessions, patents, licenses, trade-marks and similar rights	Research and development costs	Other intangible rights	Intangible value of enterprise	Advance payments of intangible investments	Intangible investments total
Initial value						
01.01.2006			51242		72421	123663
Acquired					49469	49469
Written off						
Relocated						
Revaluated						
30.06.2006.	0	0	51242	0	121890	173132
Depreciation						
01.01.2006			5153			5153
Estimated			5124			5124
Written off						
30.06.2006			10277			10277
Balance value						
01.01.2006			46089		72421	118510
Balance value						
30.06.2006			40965		121890	162855

(11) Report on long-term investments movement

	Land, buildings, constructions Ls	Long-term investments into leased FA Ls	Equipment and machinery Ls	Other fixed assets Ls	Building of fixed assets Ls	Unfinished construction Ls	Advance Payment for FA Ls	Total Ls
Initial value								
01.01.2006	4579791	17074	9293993	708483		474756	27017	15101114
Acquired	148477		350848	96438		785563	193711	1575037
Written off			70940	2965		595763	201827	871495
Relocated								
30.06.2006	4728268	17074	9573901	801956		664556	18901	15804656
Depreciation								
01.01.2006	1526218		5768641	365219				7660078
Estimated	91270		313395	37269				441934
Written off			68895	1372				70267
30.06.2006	1617488		6013141	401116				8031745
Balance value								
01.01.2006	3053573	17074	3525352	343264		474756	27017	7441036
Balance value								
30.06.2006	3110780	17074	3560760	400840		664556	18901	7772911

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Supplements to the balance sheet

(12) Participation in capital of associated companies

	2006 year 6 months Ls	2005 year 6 months Ls
Branch enterprise “Tosmare shipyard” JSC investment value	2164782	2164782
Total	2164782	2164782

(13) Other equities and investments

	2006 year 6 months Ls	2005 year 6 months Ls
“Baltic International Bank” JSC 33 shares	165	165
	-	-
Total	165	165

(14) Other loans and other long-term debtors

	2006 year 6 months Ls	2005 year 6 months Ls
Student loan payout	58797	40178
Shares loan payout	543426	490568
Total	602223	530746

(15) Loans to copartners of the enterprises and to the directorship

	2006 year 6 months Ls	2005 year 6 months Ls
Long-term loans	362284	326381
Total	362284	326381

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Supplement to the balance sheet

(16) Raw materials, direct materials and auxiliary materials

	2006 year 6 months Ls	2005 year 6 months Ls
1. Metal ware	85852	78015
2. Timbering	8346	9225
3. Metal	2167925	1544087
4. Pipes	249635	241856
5. Wire cables	5177	7230
6. Non-ferrous metals	217156	113369
7. Fuel	35012	33540
8. Coveralls	4859	4421
9. Equipment	18328	371773
10. Spare parts	11415	9245
11. Cables	31712	33332
12. Varnish and paint	88251	32563
13. Building materials	90957	57344
14. Household goods	3163	4939
15. Tools	24815	27730
16. Technical rubber ware	42421	36156
17. Other	369999	280065
Total	3455023	2884890

(17) Unfinished production

	2006 year 6 months Ls	2005 year 6 months Ls
Shipbuilding orders	5749977	2410302
Total	5749977	2410302

(18) Production and goods ready for sale

	2006 year 6 months Ls	2005 year 6 months Ls
1) Ship repair orders	466954	1089635
2) Mechanical engineering orders	46508	69823
3) Various	354	3829
Total	513816	1163287

(19) Advance payments for goods

	2006 year 6 months Ls	2005 year 6 months Ls
For materials	650843	1170674
Total	650843	1170674

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Supplement to the balance sheet

(20) Buyers and customers debts

	2006 year 6 months	2005 year 6 months
	Ls	Ls
Buyers and customers accounting value	3594231	3507706
Generated reserves	-665116	-646708
Net value balance	2929115	2860998

(21) Other debtors

	2006 year 6 months	2005 year 6 months
	Ls	Ls
Accounting value	889366	1738512
Generated reserves	-151392	-151392
Net value balance	737974	1587120

Other debtors debts are as following:

	2006 year 6 months	2005 year 6 months
	Ls	Ls
Accounted VAT	23299	17088
Overpaid taxes		
- Value added tax	272607	154117
- Enterprise income tax	53529	0
Personal debts payments	1768	16335
Short-term loans for “Tosmare Shipyard” JSC’S shares	15000	72358
Short-term loans	260328	253502
Advance payments	86499	515401
Other debtors	24944	558319
Total	737974	1587120

(22) Short-term loans to the enterprise’s copartners and directorship

	2006 year 6 months	2005 year 6 months
	Ls	Ls
Total	1137446	1129058

(23) Next period costs

	2006 year 6 months	2005 year 6 months
	Ls	Ls
Enterprise’s property insurance premium sum	36311	4621
Press subscription to the	88	103
Specialists inviting	9931	14945
Health insurance	5850	5850
Check of floating means	7349	8029
Expenses for repair of the rented basic means	3794	3796
Advertisement	711	3361
Other	693	0
Total	64727	40705

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Supplement to the balance sheet

(24) Cash assets

	2006 year 6 months	2005 year 6 months
	Ls	Ls
Money at a cash department	1913	3573
Money on current accounts	10006	51369
Total	11919	54942

(25) Stock or share capital (equity capital)

“Riga shipyard” JSC was founded in 1995 with the equity capital of Ls 10 000000, which was comprised of 10 000000 shares, face value of one share made up Ls 1.

The joint stock company is public and its shares are quoted on Securities Exchange.

Amendments to the Acts:

1. Growth of the equity capital up to Ls 11 000000 on 31 December 1998.
2. Growth of the equity capital up to Ls 11 672 107 on 30 December 1999.

(26) Liability of leasing

	2006 year 6 months	2005 year 6 months
	Ls	Ls
Liability of leasing long stake	8660	11223
Liability of leasing short stake	2756	6771
Total	11416	17994

(27) Loans from credit institutions (short-term)

	2006 year 6 months	2005 year 6 months
	Ls	Ls
Nordea Bank Finland Plc. Latvian branch	2787721	2064416
Total	2787721	2064416

Overdraft and guarantee contract No 2003/4/OD/GA with the overdraft limit 15 000 000 EUR. Session contracts and contract of pledge were signed, for the amplification of obligations.

(28) Advance payments received from buyers

	2006 year 6 months	2005 year 6 months
	Ls	Ls
For shipbuilding	4744863	2374475
For ship repair	68888	353252
Others	14275	8344
Total	4828026	2736071

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(29) Debts to suppliers and contractors

	2006 year 6 months Ls	2005 year 6 months Ls
Services and materials debts	822465	882247
Subcontractors debts	1859435	1805045
Total	2681900	2687292

(30) Taxes and social insurance payments

	2006 year 6 months Ls	2005 year 6 months Ls
Social insurance payments	125157	122754
Residents income tax	80975	79272
Enterprise income tax	0	18457
Risk tax	252	399
Natural resources tax	1006	637
Total	207390	221519

(31) Other creditors

	2006 year 6 months Ls	2005 year 6 months Ls
Salary	201502	194869
Payments for deductions from salary	1530	2865
Payments for debts to other enterprises	113612	45781
Total	316644	243515

(32) Unpaid previous years dividends

31.12.2005	15677
Calculated	0
Paid off	680
30.06.2006	14997

Chairman of the Board _____ V. Melniks

31 Augusta 2006