

“RIGA SHIPYARD” JSC /AS “RĪGAS KUĢU BŪVĒTAVA /

***“RIGA SHIPYARD” JSC
financial statements for 3 months of the year 2009
(not audited)
(not consolidated)***

Riga, 2009

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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 Address Partnership | “Tosmare Shipyard” JSC 42/44 Generala Baloza Street, Liepaya 49,72% | |
| Associate enterprise Address Partnership | “Remars Granula” SIA 2 Gales street, Riga, LV-1015 49,80% | |
| Name, surnames and positions of members of the Board | | |
| Vasilijs Melniks | Chairman of the Board, | p. ID 310867-10726 |
| Igors Komarovs | Member of the Board, | p. ID 040756-10902 |
| Larisa Artemenko | Member of the Board, | p. ID 030349-12926 |
| Irina Rudzate | Member of the Board, | p. ID 091066-11012 (appointed on 20.03.2008) |
| Name, surnames and positions of members of the Council | | |
| Sergejs Golicins | Chairman of the Council, | p.ID 250154-10952 |
| Anatolijs Ustinovs | Deputy Chairman of the Council, | p.ID 010146-10964 |
| Aleksandrs Cernavskis | Member of the Council, | p. ID 230770-10102 |
| Andris Kravalis | Member of the Council, | p. ID 250977-11002 (resigned on 30.04.2009) |
| Juris Kaksitis | Member of the Council, | p. ID 270443-10124 |
| Gaidis Andrejs Zeibots | Member of the Council, | p. ID 260645-10807 (appointed on 01.05.2009) |
| Chief accountant | Marina Pudova | Phone 67080868 |
| Annual report Tax authority | 1 January – 31 March 2009 SRS Large tax payers department | |
| Name and address of an auditor | Natalija Zaiceva, p ID 140366-10722 Sworn auditors firm KSIA “ORIENTS N” LSAA certificate No 28 | |
| Responsible person | Larisa Artemenko Member of the board t. 67353411, E-mail: larisa@riga-shipyard.com | |

Notification on liability of the board

The board of the enterprise is liable for preparation of a financial report, grounding on initial accountancy per each accounting period, which correctly reflects financial situation of the enterprise as at the end of the year of account, as well as results and cash flow for this period.

The board endorses that, preparing this report for the period ended on March 31th 2009, there were used corresponding accounting methods, their application was consequent, there were made reasonable and prudent resolutions. The board endorses that corresponding International Accounting standards are observed and financial reports are prepared in compliance with principle of continuation of business.

The board is liable for administering of respective accounting reports, for perseverance of means of the enterprise, as well as for elimination of deceit and other dishonest acts.

Chairman of the Board

V. MELNIKS

May 29th, 2009
“Riga Shipyard” JSC

Profit & Loss calculation for 2009 year 3 months and 2008 year 3 months

| | Remarks | 2009 3 months Ls | 2008 3 months Ls | 2009 3 months EUR | 2008 3 months EUR |
|--|---------|---------------------------------|---------------------------------|----------------------------------|----------------------------------|
| Net turnover | 1 | 5 731 964 | 5 792 530 | 8 155 850 | 8 242 028 |
| Sold production operating costs | 2 | 6 547 420 | 6 272 319 | 9 316 139 | 8 924 706 |
| Gross profit or losses | | (815 456) | (479 789) | (1 160 289) | (682 678) |
| Selling costs | 3 | 3 433 | 7 538 | 4 885 | 10 726 |
| Administration costs | 4 | 197 289 | 207 340 | 280 717 | 295 018 |
| Other enterprise's business activity's income | 5 | 276 975 | 212 033 | 394 100 | 301 696 |
| Other enterprise's business activity's costs | 6 | 188 935 | 224 488 | 268 830 | 319 418 |
| Profit & Losses of business activity's | | (928 138) | (707 122) | (1 320 621) | (1 006 144) |
| Income from investments in capital of related and associated companies | | | | | |
| Other percents and the like income | 7 | 276 112 | 166 633 | 392 872 | 237 097 |
| Payment off percents and the like costs | 8 | 56 324 | 119 226 | 80 142 | |
| Profit & Losses prior to extra ordinary items and taxes | | (708 350) | (659 715) | (1 007 891) | 169 643 |
| Profit & loss prior to taxes | | (708 350) | (659 715) | (1 007 891) | (938 690) |
| Income taxes of the enterprise | 9 | 14 988 | 1 164 | 21 326 | 1 656 |
| Other taxes | 10 | 23 871 | | 33 966 | |
| Year of account profit & loss (net income) | | (747 209) | (660 879) | (1 063 183) | (940346) |

Chairman of the Board

V. MELNIKS

Member of the Board

L.ARTEMENKO

May 29th, 2009

“Riga shipyard” JSC
financial statements for 3 months of the year 2009

Balance as at 31 March 2009 year

| ASSETS | Remarks | 31.03.2009 Ls | 31.03.2008 Ls | 31.03.2009 EUR | 31.03.2008 EUR |
|---|---------|------------------|------------------|-------------------|-------------------|
| <i>Long-term investments</i> | | | | | |
| <i>I Intangible investments</i> | | | | | |
| 1 Other intangible investments | | 27012 | 37214 | 38435 | 52951 |
| 2 Advance payments of intangible investments | | 167895 | 186634 | 238893 | 265556 |
| Intangible investments in total | | 11 | 194907 | 277328 | 318507 |
| <i>II Fixed assets</i> | | | | | |
| 1. Lands, buildings, constructions, perennial plants | | 3814579 | 3520127 | 5427657 | 5008690 |
| 2. Long-term investments into leased fixed assets | | 28615 | 3304 | 40715 | 4701 |
| 3. Equipment and machinery | | 13866672 | 14039830 | 19730497 | 19976878 |
| 4. Other fixed assets and stock | | 391420 | 450608 | 556940 | 641157 |
| 5. Up building of fixed assets and unfinished building objects costs | | 306999 | 153010 | 436820 | 217714 |
| 6. Advanced payments for fixed assets | | 35999 | | 51222 | |
| Fixed assets in total | | 18444284 | 18166879 | 26243851 | 25849140 |
| <i>III Property deposit</i> | | | | | |
| | | 440334 | 440796 | 626539 | 627196 |
| Fixed assets and property deposit in total | | 12 | 18884618 | 18607675 | 26870390 |
| <i>IV Long-term financial investments</i> | | | | | |
| 1. Participation in capital of related companies | 13 | 3008147 | 3008147 | 4280207 | 4280207 |
| 2. Participation in capital of associated companies | | | 283540 | | 403441 |
| 3. Other equities and investments | 14 | 165 | 165 | 235 | 235 |
| 4. Other loans and other long-term debtors | 15 | 555394 | 570690 | 790254 | 812019 |
| 5. Loans to copartners of the enterprises and to the directorship | 16 | 332284 | 342284 | 472798 | 487026 |
| 6. Long-term deposit | 17 | 4322245 | 0 | 6150000 | |
| Long-term financial investments in total | | 8218235 | 4204826 | 11693494 | 5982928 |
| Long-term investments in total | | 27297760 | 23036349 | 38841212 | 32777771 |
| <i>Current assets</i> | | | | | |
| <i>I Reserves</i> | | | | | |
| 1. Raw materials, direct materials and auxiliary materials | 18 | 3600938 | 4021373 | 5123673 | 5721898 |
| 2. Unfinished production | 19 | 789097 | 342585 | 1122785 | 487456 |
| 3. Unfinished order | 20 | 450080 | 1416214 | 640406 | 2015091 |
| 4. Advance payments for goods | 21 | 3863571 | 604572 | 5497366 | 860228 |
| Reserves in total | | 8703686 | 6384744 | 12384230 | 9084673 |
| <i>II Debts of debtors</i> | | | | | |
| 1. Debts of buyers and customers | 22 | 3390740 | 2590931 | 4824588 | 3686563 |
| 2. Associated companies debts | 23 | 394313 | 302683 | 561057 | 430679 |
| 3. Other debtors | 24 | 465366 | 580385 | 662157 | 825813 |
| 4. Short-term loans to copartners of the enterprise's and to the directorship | 25 | 224394 | 222676 | 319284 | 316839 |
| 6. Next period costs | 26 | 108445 | 137478 | 154303 | 195614 |
| 7. Accrued proceeds | 27 | 4701782 | 12804307 | 6690032 | 18218888 |
| Debtors in total | | 9285040 | 16638460 | 13211421 | 23674396 |
| <i>III Short-term financial investments</i> | | | | | |
| <i>Short-term financial investments in total</i> | | | | | |
| <i>Cash assets</i> | 28 | 11862719 | 9256075 | 16879129 | 13170208 |
| Current assets in total | | 29851445 | 32279279 | 42474780 | 45929277 |
| Assets in total | | 57149205 | 55315628 | 81315992 | 78707048 |

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“Riga shipyard” JSC
financial statements for 3 months of the year 2009

| LIABILITIES | | Remarks | 31.03.2009 Ls | 31.03.2008 Ls | 31.03.2009 EUR | 31.03.2008 EUR |
|--------------------|--|---------|--------------------------------|--------------------------------|---------------------------------|---------------------------------|
| I | Equity capital | | | | | |
| | 1. Stock or share capital (equity capital) | 29 | 11672107 | 11672107 | 16607912 | 16607912 |
| | 2. Overrate reserved of financial fixed assets | 30 | 8810776 | 10666906 | 12536605 | 15177640 |
| | 3. Retained earnings | | | | | |
| | a) previous years retained earnings | | 3286347 | 3077375 | 4676051 | 4378711 |
| | b) year of account retained earnings | | (747209) | (660879) | (1063183) | (940346) |
| | <i>Retained earnings in total</i> | | <i>2539138</i> | <i>2416496</i> | <i>3612868</i> | <i>3438365</i> |
| | Equity capital in total | | 23022021 | 24755509 | 32757385 | 35223917 |
| II | Reserves | | | | | |
| | <i>Reserves in total</i> | | | | | |
| III | Creditors | | | | | |
| I | Long-term debts | | | | | |
| | 1. Liability of leasing | | | | | |
| | 2. Deferred taxation reserves liabilities | | 2024555 | 417985 | 2880682 | 594739 |
| | Long-term debts in total | | 2024555 | 417985 | 2880682 | 594739 |
| II | Short-term debts | | | | | |
| | 1. Loans from credit institutions | 31 | 5537908 | 7061842 | 7879733 | 10048096 |
| | 2. Liability of leasing | | | 1486 | | 2114 |
| | 3. Advance payments received from buyers | 32 | 23658692 | 19727132 | 33663286 | 28069180 |
| | 4. Debts to suppliers and contractors | 33 | 1726033 | 2192345 | 2455924 | 3119426 |
| | 5. Debts to associated companies | 34 | 1200 | | 1707 | |
| | 6. Taxes and social insurance payments | 35 | 171549 | 223971 | 244092 | 318682 |
| | 7. Other creditors | 36 | 274864 | 300543 | 391096 | 427634 |
| | 8. Unpaid previous years dividends | 37 | 24915 | 25058 | 35451 | 35654 |
| | 9. Next period income | 38 | 6833 | | 9722 | |
| | 10. Accrued liabilities | 39 | 700635 | 487518 | 996914 | 693676 |
| | Short-term creditors in total | | 32102629 | 30019895 | 45677925 | 42714462 |
| | Creditors in total | | 34127184 | 30437880 | 48558607 | 43309201 |
| | Liabilities total | | 57149205 | 55315628 | 81315992 | 78707048 |

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Member of the Board

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May 29th, 2009

Cash flow statement for 2009 year 3 months and 2008 year 3 months

| | 2009 3 months Ls | 2008 3 months Ls | 2009 3 months EUR | 2008 3 months EUR |
|---|---|---|--|--|
| A Cash flow from primary activity | | | | |
| Sales income | 7601627 | 8213862 | 10816141 | 11687273 |
| Cash to suppliers, personnel and others primary activity costs | 7195698 | 7847413 | 10238556 | 11165863 |
| Gross cash flow from primary activity | 405929 | 366449 | 577585 | 521410 |
| Interest paid | 56324 | 119226 | 80142 | 169643 |
| Corporate income tax | 3747 | | 5332 | |
| Primary activity before extraordinary items | 345858 | 247223 | 492111 | 351767 |
| Cash flow from extraordinary items | 345858 | 247223 | 492111 | 351767 |
| Net cash flow from primary activity | 345858 | 247223 | 492111 | 351767 |
| B Cash flow from investment activity | | | | |
| Related and associated enterprises shares acquisition | | | | |
| Selling out of shares | 75785 | 153993 | 107832 | 219112 |
| Paid for fixed assets acquisition | 1394 | 45784 | 1984 | 65145 |
| Received for the fixed assets sold | 3651 | 2706 | 5195 | 3850 |
| Loans granted | | | | |
| Deposit | | | | |
| Repayment of loans | | | | |
| Interest received | 276112 | 166632 | 392873 | 237096 |
| Received dividend | | | | |
| Net cash flow from financial activity | 198070 | 55717 | 281830 | 79279 |
| C Cash flow from financial activities | | | | |
| Loan received | | | | |
| Loan repaid | 306545 | 279393 | 436174 | 397540 |
| Dividend paid | 2 | 3420 | 3 | 4866 |
| Net cash flow from financial activities | (306547) | (282813) | (436177) | (402406) |
| Result of currency exchange rates changing | (9922) | 875 | (14118) | 1243 |
| Net cash flow and equivalent increase or decrease (A+B+C) | 227459 | 21002 | 323646 | 29883 |
| Cash and equivalent thereof at beginning of the period of accounts | 11635260 | 9235073 | 16555483 | 13140325 |
| Cash and equivalent thereof at the end of the period of account | 11862719 | 9256075 | 16879129 | 13170208 |

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May 29th, 2009

Changes in own capital report for 2009 year 3 months and 2008 year 3 months

| Types of changes | Stock or Share capital | | Long-term asset reevaluation reserve | | Retained earnings | | Total | |
|-------------------------------------|------------------------|-----------------|--------------------------------------|-----------------|-------------------|----------------|-----------------|-----------------|
| | LVL | EUR | LVL | EUR | LVL | EUR | LVL | EUR |
| Balance as at 31.12.2007 | 11672107 | 16607912 | 10666906 | 15177640 | 3077375 | 4378711 | 25416388 | 36164263 |
| Reevaluation reserve | | | | | | | | |
| Dividends | | | | | | | | |
| Period of account net profit & loss | | | | | (660879) | (940346) | (660879) | (940346) |
| Balance as at 31.03.2008 | 11672107 | 16607912 | 10666906 | 15177640 | 2416496 | 3438365 | 24755509 | 35223917 |
| Balance as at 31.12.2008 | 11672107 | 16607912 | 8868979 | 12619419 | 3286347 | 4676051 | 23827433 | 33903382 |
| Reevaluation reserve * | | | (58203) | (82814) | | | (58203) | (82814) |
| Dividends | | | | | (747209) | (1063183) | (747209) | (1063183) |
| Period of account net profit & loss | | | | | | | | |
| Balance as at 31.03.2009 | 11672107 | 16607912 | 8810776 | 12536605 | 2539138 | 3612868 | 23022021 | 32757385 |

* Long-term asset reevaluation reserve to the calculated depreciation amount

EPS uz 31.03.2009. LVL (747209) : 11672107 = (0,06) LVL vai (0,09) EUR ;

EPS uz 31.03.2008. (0,06) LVL vai (0,08) EUR

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May 29th, 2009

Notes: all sections of the financial reports are to be evaluated in EURO according to the rates of Bank of Latvia on 31.03.2009.

Notes to the financial statements

Accounting policy

(1) General principles

The annual report has been prepared in compliance with “International Accounting Standard”(IAS) and “International Reporting Standard”(IFRS).

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 have been changed.

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

Financial reports, which are applied to the given annual report, are made in the Latvian national currency - in an LVL and counted in EURO.

(2) Agency continuation

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

(3) Income recognition and net sales

Net sales contains the total value of goods and services sold during the period under review excluding discounts and value added tax.

Income is recognized according to the following principles:

Sales of goods - after significant ownership risk and rewards have been passed to the buyer;

Rendering of services - under the percentage of completion method;

Income from fines and penalties - at the moment of receiving the payments;

Interest income - on an accrual basis;

Dividends - at the moment of acquiring legal rights to receive them.

(4) Revaluation of foreign currency in lats

All the company accounting is carried out into lats.

All monetary assets in foreign currency were revaluated in lats in the end of the year of account pursuant to the currency exchange rate officially established by the Bank of Latvia

Cash, debtors and creditors in currency at the end of the year was converted in Ls in accordance to the Bank of Latvia currency rate at the last day of year of the account. Net income or losses at the result of exchange rate fluctuations was reflected in profit-loss statement.

Currency rate for financial statements at March:

| | 31.03.2009. | 30.03.2008. |
|-------|--------------------|--------------------|
| | Ls | Ls |
| 1 USD | 0,532 | 0,445 |
| 1 EUR | 0,702804 | 0,702804 |
| 1 NOK | 0,0797 | 0,0876 |
| 1 GBP | 0,756 | 0,893 |
| 1 RUB | 0,0157 | 0,0189 |

(5) Fixed assets and low-grade stock

Intangible and fixed assets are initially defined at the purchase cost. Purchase cost includes costs, directly related to the acquisition of intangible and fixed assets. In financial statements the intangible and fixed assets are defined at purchase cost or revalued amount less depreciation.

Increase in value arising from revaluation is shown in equity under “Long-term investments revaluation reserve”.

Depreciation is calculated on a straight-line basis applying the following rates of depreciation set by the management, based on the estimated useful life of the fixed assets:

| Depreciation % per annum | |
|-----------------------------------|----------|
| Buildings | 2-15 |
| Other buildings and constructions | 3,5 - 20 |
| Technological equipment | 5-50 |
| Other fixed assets and stock | 10-40 |

Wear of basic means begins to count from the first date of the next month after its delivery to exploitation and is finished by the first date of the next after its exclusion from the basic means.

Company capitalizes permanent assets with value more than Ls 100 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.

In case of the obvious evident that as a result of fixed asset’s repair and reconstruction in the future the economical achieved effect would be higher that the primary defined output, then such investments are capitalized as an additional cost of fixed assets staff. With capitalization of the spare parts installation expense the remaining cost of exchange spare parts is written off to the profit or losses account.

Net profit or losses from fixed assets disposal is calculated as the difference between fixed assets balanced value and income received from the sales and defined in the income or loss calculation of the period where they had occurred from.

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) Property deposit

There is some property that is hold in order to gain cost for the rent.

(7) 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.

(8) Other long-term investments.

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

(9) 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.

(10) Long-term contract

Initial and final dates of execution of the contract about creation of an active are in the different accounting periods.

Incomes of long-term contracts admit according to a degree of their readiness. The degree of readiness is determined surveying results of work personally and physically ascertaining the termination of a part of works of the named contracts.

(11) 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.

(12) Accumulated income

Riga Shipyard's new building incomes are acknowledged respective to its executive degree.

(13) Cash and cash equivalents

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

(14) Reserves for unused vocations

Vocation cost reserves was calculated considering vocation days and average earnings for all workers.

(15) Income tax of the enterprise

Enterprise income tax was calculated according to Latvia Republic tax laws. Tax laws in 2009 and further fix 15% tax rate.

Deferred taxation was referable to all short-term distinctions, which appear as a result of making accountancy of earnings and expenses according to tax laws. Deferred taxation is liability, which was calculated using tax rates. The main short-term distinctions appear from distinctions of fixed assets and nonmaterial wealth depreciation norms in taxes and financial bookkeeping calculation.

Deferred taxation assets item was included in financial reports only when regain of assets is real.

(16) Taxes

There has been made reconciliation of taxes liabilities by State Revenue Service data.

(17) Bookkeeping arrangement

The bookkeeping accountancy has been arranged with the help of computers using the software (Microsoft Business Solutions – NAVISION 4.0).

(18) 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.

(19) Financial risks

The principal financial instruments of the Company are money. The main objective of these financial instruments is to provide financing for the operations of the Company. The Company interacts with various other financial instruments, for example, trade receivables and payables and other creditors, following directly from its operations. Financial risks, connected with the financial instruments of the Company, mainly, are interest rate risk, liquidity risk and credit risk. In the conditions of regular activities the Enterprise is subject to credit and foreign exchange risks.

(20) Credit risk

The Company is subject to the credit risk with respect to the debts of its buyers and customers, issued short-term loans and money and its equivalents. The Company manages its credit risk constantly reviewing the repayment history of the client debts and stating the credit conditions for each client separately. The Company has no significant concentration of credit risk on any separate business partner or group of partners corresponding to the similar description.

(21) Percentage risk

Enterprise is subjected from credit interest rate changing risk.

(22) Currency risk

The company is subject to foreign currency exchange rate fluctuations; mainly due to its loans and other operations performed in euro currency as well as trade receivables is also in euro.

Since 2005 the Bank of Latvia has stated a fixed official currency exchange rate for lats against euro, i.e. 0.702804, and ensure that the market rate will not differ from the official rate by more than 1%. As far as the Bank of Latvia maintains the above mentioned exchange corridor, the Company will not have a significant currency exchange risks in respect of assets and liabilities nominated in euro.

(23) Dividend

Dividend was reflex as fixed in announced period.

(24) Retraining

In comparative readings for year 2008 in necessary cases individual post classification is changed in order to meet post classification for year 2009.

Profit & Loss calculation supplement

According to the standard demands No 14 “Information on segments presenting”, management defined the following kinds of industrial works:

| (1) Net turnover | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
|---|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| On aspects of business | | | | |
| Shipbuilding | 3 254 277 | 3 161 385 | 4 630 419 | 4 498 245 |
| Ship repair | 2 441 520 | 2 517 434 | 3 473 970 | 3 581 986 |
| Mechanical engineering | 14 754 | 111 397 | 20 993 | 158 504 |
| Other works | 21 413 | 2 314 | 30 468 | 3 293 |
| Total | 5 731 964 | 5 792 530 | 8 155 850 | 8 242 028 |
| (2) Sold products operating costs | | | | |
| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
| Material costs (raw materials and materials, value of goods, services from outside) | 4 868 144 | 4 590 834 | 6 926 745 | 6 532 168 |
| Remuneration of labor | 1 069 957 | 1 097 884 | 1 522 412 | 1 562 148 |
| Social insurance costs | 249 414 | 255 824 | 354 884 | 364 005 |
| Depreciation of fixed assets | 250 171 | 219 190 | 355 961 | 311 879 |
| Other costs | 109 734 | 108 587 | 156 137 | 154 506 |
| Total | 6 547 420 | 6 272 319 | 9 316 139 | 8 924 706 |
| (3) Selling costs | | | | |
| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
| Advertisement | 3 433 | 7 538 | 4 885 | 10 726 |
| Total | 3 433 | 7 538 | 4 885 | 10 726 |
| (4) Administration costs | | | | |
| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
| Liaison costs | 2 188 | 2 006 | 3 113 | 2 854 |
| Office maintenance costs | 363 | 1 161 | 517 | 1 652 |
| Salary of administration | 17 164 | 12 190 | 24 422 | 17 345 |
| Remuneration of the board | 59 995 | 70 507 | 85 365 | 100 322 |
| Remuneration of the council | 49 000 | 52 500 | 69 721 | 74 701 |
| Social insurance costs | 29 326 | 31 786 | 41 727 | 45 227 |
| Depreciation of fixed assets | 5 939 | 9 590 | 8 450 | 13 645 |
| Transport costs, travel allowances | 20 546 | 21 571 | 29 234 | 30 693 |
| Legal services | 0 | 351 | 0 | 499 |
| Assurance | 2 166 | 3 209 | 3 082 | 4 566 |
| Representation costs | 3 147 | 2 469 | 4 478 | 3 514 |
| Vehicle representation costs | 7 455 | 0 | 10 608 | 0 |
| Total | 197 289 | 207 340 | 280 717 | 295 018 |

Profit & Loss calculation supplement

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

| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
|--|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| Income generated by transport services rendering | 2 001 | 599 | 2 847 | 852 |
| Income generated by leased FA payments and public services | 184 300 | 139 898 | 262 235 | 199 057 |
| Tugboat services income | 17 551 | 15 329 | 24 973 | 21 811 |
| Selling out of raw materials and materials | 64 863 | 36 196 | 92 292 | 51 502 |
| Education expenses recovery | 138 | 2 526 | 196 | 3 594 |
| Income generated by chemical analyses | 1 080 | 682 | 1 537 | 971 |
| Income generated by realization of fixed assets | 0 | 9 659 | 0 | 13 744 |
| Currency selling income | 6 147 | 0 | 8 746 | 0 |
| Income generated by fluctuation of currency rate | 0 | 325 | 0 | 462 |
| Other income | 895 | 6 819 | 1 274 | 9 703 |
| Total | 276 975 | 212 033 | 394 100 | 301 696 |

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

| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
|---|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| Material purchase costs | 55 566 | 29 883 | 79 063 | 42 520 |
| Losses due to currency rate fluctuation | 4 564 | 0 | 6 494 | |
| Losses incurred by currency selling out | 0 | 19317 | 0 | 27 486 |
| Medical services | 3 063 | 2 088 | 4 358 | 2 971 |
| Costs on tugboat services | 7 913 | 2 330 | 11 259 | 3 315 |
| The donations | 1 100 | 1 000 | 1 565 | 1 423 |
| Material benefits | 60 | 110 | 85 | 157 |
| Burial costs | 630 | 550 | 896 | 783 |
| Costs incurred by fixed assets’ exclusion | 0 | 1 377 | 0 | 1 959 |
| Representation costs | 2 161 | 1 671 | 3 075 | 2 378 |
| Costs on maintenance of leased FA | 113 878 | 166 159 | 162 035 | 236 422 |
| Other costs | 0 | 3 | 0 | 4 |
| Total | 188 935 | 224 488 | 268 830 | 319 418 |

Profit & Loss calculation supplement

(7) Other percents and the like income

| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
|-----------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| Depositing percentage | 276 014 | 165 860 | 392 733 | 235 997 |
| Bank interests | 98 | 773 | 139 | 1 100 |
| Total | 276 112 | 166 633 | 392 872 | 237 097 |

(8) Payment off percents and the like costs

| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
|-----------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| Paid off penalty | 595 | 0 | 847 | 0 |
| Paid off interests | 33 678 | 93 378 | 47 919 | 132 865 |
| Guarantee maintenance | 22 051 | 25 848 | 31 376 | 36 778 |
| Total | 56 324 | 119 226 | 80 142 | 169 643 |

(9) Income taxes of the enterprise

| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
|-----------------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| Income tax advance payments | 14 988 | 1 164 | 21326 | 1 656 |
| Total | 14 988 | 1 164 | 21 326 | 1 656 |

(10) Other taxes

| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
|-----------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| Real estate tax | 23 871 | 0 | 33 966 | 0 |
| Total | 23 871 | 0 | 33 966 | 0 |

Supplement to the balance sheet

(11) Other intangible investments LVL

| | 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 | | | | | | |
| 01.01.2009 | | | 70 409 | | 167 701 | 238 110 |
| Bought | | | 3 880 | | 1 694 | 5 574 |
| Relocated | | | | | | |
| Written off | | | | | 1 500 | 1 500 |
| 31.03.2009 | 0 | 0 | 74 289 | 0 | 167 895 | 242 184 |
| Depreciation | | | | | | |
| 01.01.2009 | | | 43 756 | | | 43 756 |
| Estimated | | | 3 521 | | | 3 521 |
| Written off | | | | | | |
| 31.03.2009 | 0 | 0 | 47 277 | | | 47 277 |
| Balance value 01.01.2009 | 0 | 0 | 26 653 | | 167 701 | 194 354 |
| Balance value 31.03.2009 | 0 | 0 | 27 012 | | 167 895 | 194 907 |

(11) Other intangible investments EUR

| | 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 | | | | | | |
| 01.01.2009. | | | 100 183 | | 238 617 | 338 800 |
| Bought | | | 5 521 | | 2 410 | 7 931 |
| Written off | | | | | | |
| Relocated | | | | | | |
| Revaluated | | | | | 2 134 | 2 134 |
| 31.03.2009. | 0 | 0 | 105 704 | 0 | 238 893 | 344 597 |
| Depreciation | | | | | | |
| 01.01.2009. | | | 62 259 | | | 62 259 |
| Estimated | | | 5 010 | | | 5 010 |
| Written off | | | | | | |
| 31.03.2009. | 0 | 0 | 67 269 | | | 67 269 |
| Balance value 01.01.2009. | 0 | 0 | 37 924 | 0 | 238 617 | 276 541 |
| Balance value 31.03.2009. | 0 | 0 | 38 435 | 0 | 238 893 | 277 328 |

“Riga shipyard” JSC
financial statements for 3 months of the year 2009

Supplements to the balance sheet

(12) Report on long-term investments movement LVL

| | Land, buildings, constructions Ls | Investments assets | Long-term investments into leased FA | Equipment and machinery | Other fixed assets | Unfinished construction Ls | Advance Payment for FA Ls | Total Ls |
|----------------------|-----------------------------------|--------------------|--------------------------------------|-------------------------|--------------------|----------------------------|---------------------------|-----------------|
| Initial value | | | | | | | | |
| 01.01.2009 | 5825261 | 531039 | 28615 | 18495598 | 960479 | 128891 | 5835 | 25975718 |
| Bought | | | | 44721 | | 222829 | 37577 | 305127 |
| Written off | | | | 2406 | | 44721 | 7413 | 54540 |
| Relocated | | | | | | | | |
| 31.03.2009 | 5825261 | 531039 | 28615 | 18537913 | 960479 | 306999 | 35999 | 26226305 |
| Depreciation | | | | | | | | |
| 01.01.2009 | 1964620 | 89279 | | 4490582 | 546962 | | | 7091443 |
| Estimated | 46062 | 1426 | | 124862 | 22097 | | | 194447 |
| Written off | | | | 2406 | | | | 2406 |
| Relocated | | | | 58203 | | | | 58203 |
| 31.03.2009 | 2010682 | 90705 | | 4671241 | 569059 | | | 7341687 |
| Balance value | | | | | | | | |
| 01.01.2009 | 3860641 | 441760 | 28615 | 14005016 | 413517 | 128891 | 5835 | 18884275 |
| Balance value | | | | | | | | |
| 31.03.2009 | 3814579 | 440334 | 28615 | 13866672 | 391420 | 306999 | 35999 | 18884618 |

Immovable property (building) cadastral value at 31.03.2009. is **5843723 LVL**

(12) Report on long-term investments movement (EUR)

| | Land, buildings, constructions | Investment assets | Long-term investments into leased FA | Equipment and machinery | Other fixed assets | Unfinished construction | Advance Payment for FA | Total |
|----------------------|--------------------------------|-------------------|--------------------------------------|-------------------------|--------------------|-------------------------|------------------------|-----------------|
| Initial value | | | | | | | | |
| 01.01.2009 | 8288600 | 755600 | 40715 | 26316865 | 1366639 | 183395 | 8302 | 36960116 |
| Bought | | | | 63632 | | 317057 | 53468 | 434157 |
| Written off | | | | 3424 | | 63632 | 10548 | 77604 |
| Relocated | | | | | | | | |
| 31.03.2009 | 8288600 | 755600 | 40715 | 26377073 | 1366639 | 436820 | 51222 | 37316669 |
| Depreciation | | | | | | | | |
| 01.01.2009 | 2795402 | 127033 | | 6389523 | 778257 | | | 10090215 |
| Estimated | 65541 | 2028 | | 177662 | 31442 | | | 276673 |
| Written off | | | | 3423 | | | | 3423 |
| Relocated | | | | 82814 | | | | 82814 |
| 31.03.2009 | 2860943 | 129061 | | 6646576 | 809699 | | | 10446279 |
| Balance value | | | | | | | | |
| 01.01.2009 | 5493197 | 628568 | 40715 | 19927342 | 588382 | 183395 | 8302 | 26869903 |
| Balance value | | | | | | | | |
| 31.03.2009 | 5427657 | 626539 | 40715 | 19730497 | 556940 | 436820 | 51222 | 26870390 |

Immovable property (building) cadastral value at 31.03.2009. is **8314869 LVL**

Supplements to the balance sheet

(13) Partnership in capital of associated companies

| | 31.03.2009. | Share | 31.03.2008. | Share | 31.03.2009. | 31.03.2008. |
|---|--------------------|----------------|--------------------|----------------|--------------------|--------------------|
| | Ls | capital | Ls | capital | EUR | EUR |
| | | (%) | | (%) | | |
| Branch enterprise “Tosmare shipyard” JSC investment value | 2 164 782 | 49,72 | 2 164 782 | 49,72 | 3 080 207 | 3 080 207 |
| SIA “Remars Granula” | 843 365 | 49,80 | 843 365 | 49,80 | 1 200 000 | 1 200 000 |
| Investments | 3 008 147 | | 3 008 147 | | 4 280 207 | 4 280 207 |

(14) Other equities and investments

| Name enterprise | Parts or shares | Parts or shares value | | 31.03.2009 | | | 31.03.2008 | | |
|---------------------------------|-----------------|-----------------------|----------|------------|------------|------------|------------|------------|------------|
| | | 2009 | 2008 | Quantity | Ls | EUR | Quantity | Ls | EUR |
| “Baltic International Bank” JSC | | 5 | 5 | 33 | 165 | 235 | 33 | 165 | 235 |
| Total | | 5 | 5 | 33 | 165 | 235 | 33 | 165 | 235 |

(15) Other loans and other long-term debtors

| | 2009 year | 2008 year | 2009 year | 2008 year |
|---------------------|------------------|------------------|------------------|------------------|
| | 3 months | 3 months | 3 months | 3 months |
| | Ls | Ls | EUR | EUR |
| Student loan payout | 56 952 | 57 242 | 81 035 | 81 448 |
| Shares loan payout | 498 442 | 513 448 | 709 219 | 730 571 |
| Total | 555 394 | 570 690 | 790 254 | 812 019 |

Amount to be pay back after 5 years – 506 836 Ls or 721 163 EUR

Supplements to the balance sheet

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

| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
|-----------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| Long-term loans | 332 284 | 342 284 | 472 798 | 487 026 |
| Total | 332 284 | 342 284 | 472 798 | 487 026 |

| | Ls | EUR |
|-----------------------------|----------------|----------------|
| Copartners and directorship | | |
| Including: Long-term | 332 284 | 472 798 |
| Short-term | 10 000 | 14 229 |
| 31.03.2009 | 342 284 | 487 027 |

There is a management of JSC “Tosmare shipyard” shares in this position.
The sum, which should be paid in 5 years - 292 284 Ls or 415 883 EUR.

(17) Long-term deposit

| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
|--------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| | 4 322 245 | 0 | 6 150 000 | 0 |
| Total | 4 322 245 | 0 | 6 150 000 | 0 |

The enterprise had made investments at JSC “UniCredit Bank” with final term 2011-2012 that serves as a loan (financial guarantee) to 4 signed guarantee agreements dated July 10th 2008 referring guarantee delivery and agreements dated January 28th 2009 on issuance of letters of credit concluded between “JSC “Riga Shipyard” and JSC “UniCredit Bank” based on May 30 2008 agreement concluded between “JSC “Riga Shipyard” and ‘Abeking & Rasmussen” Schiffts- un Yachtwerft GMBH & Co. KG about 5 SWAT vessels building and delivery to the Ministry of Defense.

Supplement to the balance sheet

(18) Raw materials, direct materials and auxiliary materials

| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
|-------------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| 1. Metal ware | 74 898 | 78 540 | 106 570 | 111 752 |
| 2. Timbering | 4 642 | 9 318 | 6 605 | 13 258 |
| 3. Metal, non-ferrous metals, pipes | 2 529 084 | 1 890 619 | 3 598 562 | 2 690 108 |
| 4. Wire cables | 5 687 | 22 723 | 8 092 | 32 332 |
| 5. Fuel | 6 401 | 15 170 | 9 108 | 21 585 |
| 6. Coveralls | 8 691 | 7 438 | 12 366 | 10 583 |
| 7. Equipment | 5 278 | 55 040 | 7 510 | 78 315 |
| 8. Cables | 30 200 | 34 989 | 42 971 | 49 785 |
| 9. Varnish and paint | 56 306 | 80 831 | 80 116 | 115 012 |
| 10. Tools | 5 013 | 5 906 | 7 133 | 8 403 |
| 12. Technical rubber ware | 13 100 | 14 613 | 18 640 | 20 793 |
| 13. Other | 861 638 | 1 806 186 | 1 226 000 | 2 569 972 |
| Total | 3 600 938 | 4 021 373 | 5 123 673 | 5 721 898 |

(19) Unfinished production

| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
|---------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| Shipbuilding orders | 789 097 | 342 585 | 1 122 785 | 487 456 |
| Total | 789 097 | 342 585 | 1 122 785 | 487 456 |

These columns reflect the orders with up to 10% executive degree from contractual value.

(20) Unfinished orders

| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
|----------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| 1) Ship repair orders | 432 915 | 1 402 973 | 615 982 | 1 996 250 |
| 2) Mechanical engineering orders | 6 157 | 11 134 | 8 761 | 15 842 |
| 3) Various | 11 008 | 2 107 | 15 663 | 2 999 |
| Total | 450 080 | 1 416 214 | 640 406 | 2 015 091 |

(21) Advance payments for goods

| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
|---------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| For materials | 3 863 571 | 604 572 | 5 497 366 | 860 228 |
| Total | 3 863 571 | 604 572 | 5 497 366 | 860 228 |

Supplement to the balance sheet

(22) Debts of buyers and customers

| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
|---------------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| Buyers and customers accounting value | 3 618 956 | 2 815 661 | 5 149 310 | 4 006 325 |
| Generated reserves | (228 216) | (224 730) | (324 722) | (319 762) |
| Balance net value | 3 390 740 | 2 590 931 | 4 824 588 | 3 686 563 |

(23) Associated companies debts

| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
|--|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| “Tosmare shipyard” JSC | 2 872 | 19 143 | 4 087 | 27 238 |
| SIA “Remars Granula” debt for service and credit | 391 441 | 283 540 | 556 970 | 403 441 |
| Total | 394 313 | 302 683 | 561 057 | 430 679 |

(24) Other debtors

| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
|--------------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| Accounting value | 606 845 | 714 385 | 863 463 | 1 016 477 |
| Generated reserves | (141 479) | (134 000) | (201 306) | (190 664) |
| Balance net value | 465 366 | 580 385 | 662 157 | 825 813 |

Other debtors debts are as following:

| | | | | |
|--|----------------|----------------|----------------|----------------|
| Accounted VAT | 2 816 | 2 816 | 4007 | 4 007 |
| Overpaid taxes | | | | |
| - Value added tax | 226 071 | 253 791 | 321 670 | 361 112 |
| - Enterprise income tax | 34 982 | 33 348 | 49 775 | 47 450 |
| - Real estate tax | | | | |
| Payments personal debts | 331 | 19 251 | 471 | 27 392 |
| Payment of salary | 624 | 224 | 888 | 319 |
| Short-term loans for “Tosmare Shipyard” JSC’S shares | 14 961 | 14 955 | 21 288 | 21 279 |
| Advance payment of service | 180 440 | 212 930 | 256 743 | 302 972 |
| Other debtors | 5141 | 43 070 | 7 316 | 61 282 |
| Total | 465 366 | 580 385 | 662 157 | 825 813 |

Supplement to the balance sheet

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

| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
|--------------|-----------------------------|-----------------------------|------------------------------|------------------------------|
| Total | 224 394 | 222 676 | 319 284 | 316 839 |

| | Directorship, copartners Ls | Directorship, copartners EUR |
|-------------------------|-----------------------------------|------------------------------------|
| Loan JSC “Remars Riga” | 214 394 | 305 055 |
| leaders debt for shares | 10 000 | 14 229 |
| 31.03.2009 | 224 394 | 319 284 |

(26) Next period costs

| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
|---|-----------------------------|-----------------------------|------------------------------|------------------------------|
| Enterprise’s property insurance premium sum | 12 296 | 13 214 | 17 496 | 18 802 |
| Subscription to the press | 239 | 279 | 340 | 397 |
| Inviting of specialists | 21 498 | 17 336 | 30 589 | 24 667 |
| Insurance of health | 0 | 11 012 | 0 | 15 669 |
| Check of floating means | 15 629 | 15 021 | 22 238 | 21 373 |
| Expenses for repair of the rented basic means | 27 214 | 68 443 | 38 722 | 97 386 |
| Advertisements | 9 367 | 4 957 | 13 328 | 7 053 |
| Payment lease of land | 8 139 | 5 978 | 11 581 | 8 506 |
| Others | 14 063 | 1 238 | 20 009 | 1 761 |
| Total | 108 445 | 137 478 | 154 303 | 195 614 |

(27) Accrued proceeds

| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
|--------------|-----------------------------|-----------------------------|------------------------------|------------------------------|
| Shipbuilding | 4 701 782 | 12 804 307 | 6 690 032 | 18 218 888 |
| Total | 4 701 782 | 12 804 307 | 6 690 032 | 18 218 888 |

Supplement to the balance sheet

(28) Cash assets

| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
|----------------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| Money at a cash department | 3 886 | 7 991 | 5 529 | 11 370 |
| Money on current accounts | 93 202 | 9 248 084 | 132 615 | 13 158 838 |
| Short-term deposit | 11 765 631 | 0 | 16 740 985 | |
| Total | 11 862 719 | 9 256 075 | 16 879 129 | 13 170 208 |

(29) Stock or share capital (equity capital)

“Riga shipyard” JSC was founded in 1995 with the equity capital of Ls 10 000 000, which was comprised of 10 000 000 shares, face value of one share made up Ls 1.

The joint stock company is public and its shares are quoted on exchange market. All the shares give equal rights for dividends receive, liquidation quotes and vote rights at the shareholders meeting. 1 share gives 1 vote right. The enterprise does not have shares that it held or anybody else on its behalf.

Amendments to the Acts:

1. Growth of the equity capital up to Ls 11 000 000 on 31 December 1998.
2. Growth of the equity capital up to Ls 11 672 107 on 30 December 1999.

| | 2009 year 3 months Ls | % | 2008 year 3 months Ls | % | 2009 year 3 months EUR | 2008 year 3 months EUR |
|-------------------------|--------------------------------------|------------|--------------------------------------|------------|---------------------------------------|---------------------------------------|
| “Remars-Riga” JSC | 5 819 194 | 49.86 | 5 819 194 | 49.86 | 8 279 967 | 8 279 967 |
| Other limited companies | 3 329 177 | 28.52 | 3 335 061 | 28.57 | 4 736 992 | 4 745 364 |
| Private personae | 2 523 736 | 21.62 | 2 517 852 | 21.57 | 3 590 953 | 3 582 581 |
| Total | 11 672 107 | 100 | 11 672 107 | 100 | 16 607 912 | 16 607 912 |

(30) Long term investments reevaluation reserves

| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
|--------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| | 8 810 776 | 10 666 906 | 12 536 605 | 15 177 640 |
| Total | 8 810 776 | 10 666 906 | 12 536 605 | 15 177 640 |

On December 2007 the enterprise had made 3 floating docks reevaluation based on certificate marine experts. As a result, reevaluation reserve of the amount of 10 666 906 LVL had been made up.

Supplement to the balance sheet

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

| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
|--------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| | 5 537 908 | 7 061 842 | 7 879 733 | 10 048 096 |
| Total | 5 537 908 | 7 061 842 | 7 879 733 | 10 048 096 |

The enterprise had concluded the Overdraft and guarantee line agreement Nr 2003 / 4 / OD / GA with JSC “Nordea Bank Finland Plc.” for 2 floating docks, 2 running new building projects, all requirement rights belonging to the depositor, reserves and debtor debts had been pawned as a guarantee to the received loan.

(32) Advance payments received from buyers

| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
|------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| For shipbuilding | 23 606 286 | 19 038 553 | 33 588 719 | 27 089 420 |
| For ship repair | 50 524 | 686 262 | 71 889 | 976 463 |
| Others | 1 882 | 2 317 | 2 678 | 3 297 |
| Total | 23 658 692 | 19 727 132 | 33 663 286 | 28 069 180 |

(33) Debts to suppliers and contractors

| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
|----------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| Debts for services | 52 361 | 65 467 | 74 503 | 93 151 |
| Debts for materials | 502 912 | 644 040 | 715 579 | 916 386 |
| Debts subcontractors | 1 170 760 | 1 482 838 | 1 665 842 | 2 109 889 |
| Total | 1 726 033 | 2 192 345 | 2 455 924 | 3 119 426 |

(34) Debts to associated companies

| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
|------------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| “Tosmare Shipyard” JSC | 1 200 | 0 | 1 707 | 0 |
| Total | 1 200 | 0 | 1 707 | 0 |

Supplement to the balance sheet

(35) Taxes and social insurance payments

| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
|---------------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| Social insurance payments | 107 512 | 137 304 | 152 976 | 195 366 |
| Residents income tax | 59 934 | 83 809 | 85 278 | 119 249 |
| Risk tax | 208 | 200 | 296 | 285 |
| Natural resources tax | 3 895 | 2 658 | 5 542 | 3 782 |
| Total | 171 549 | 223 971 | 244 092 | 318 682 |

(36) Other creditors

| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
|---|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| Salary | 242 685 | 262 530 | 345 310 | 373 547 |
| Payments for deductions from salary | 893 | 1 375 | 1 271 | 1 956 |
| Payments by return to personae | 1 407 | 2 319 | 2 002 | 3 300 |
| Payments for credit cards | 2 641 | 4 226 | 3 758 | 6 013 |
| Payments for debts to other enterprises | 27 238 | 30 093 | 38 755 | 42 818 |
| Total | 274 864 | 300 543 | 391 096 | 427 634 |

(37) Unpaid previous years dividends

| | 2008 year Ls | 2008 year EUR |
|-------------------|-------------------------|--------------------------|
| 31.12.2008 | 24 917 | 35 454 |
| Calculated | 0 | 0 |
| Paid off | 2 | 3 |
| 31.03.2009 | 24 915 | 35 451 |

(38) Next period income

| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
|---|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| Free of charge received base means had been formed that will be referred to PL incomings at the period of base means use. | 6 833 | 0 | 9 722 | 0 |
| Total | 6 833 | 0 | 9 722 | 0 |

Supplement to the balance sheet

(39) Accrued liabilities

| | 2009 year 3 months Ls | 2008 year 3 months Ls | 2009 year 3 months EUR | 2008 year 3 months EUR |
|------------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| For services | 437 643 | 243 174 | 622 710 | 346 005 |
| Accruals for vocations | 262 992 | 244 344 | 374 204 | 347 671 |
| Total | 700 635 | 487 518 | 996 914 | 693 676 |

(40) Out of balance supplements.

On May 12th 2005 a Treaty Nr KD05091/12 for the final amount of 100000 LVL had been concluded with JSC “SEB LATVIJAS Unibanka” as a guarantee of “Remars Granula” responsibilities that is based on Credit agreement Nr KD 05091 dated May 2nd 2005.

On February 10th 2006 Loan agreement (mortgage) had been concluded with JSC “SEB LATVIJAS Unibanka” as an additional guarantee to “Remars Granula” responsibilities based on Credit agreement Nr KD 05091 dated May 2nd 2005 (with May 12th 2005 improvements) with loan of belonging to the enterprise building workshop of Granula.

Chairman of the Board

V. MELNIKS

Member of the Board

I.KOMAROVS

Member of the Board

L.ARTEMENKO

Member of the Board

I.RUDZATE

May 29th, 2009