

JSC " Tosmare" shipyard

31 decembris 2005
for 12 months of 2005

Not audited
Financial report

Liepāja

MANAGEMENT REPORT

On the financial statements for 12 months of the year 2005.

In 2005, JSC "Tosmares kuģubūvētava" increased its goods turnover in amount of LVL 6,545,634. Comparing to 2004, the goods turnover has gained by 2,2 million LVL, i.e., 150 %.

87 % of the goods turnover consists of ship repair services, and it is the same amount as in 2004. During the previous period, 56 ships were repaired. In 2005, two ferries ordered by a customer from Austria were built completely from start to finish for the first time both in the company and Latvia.

At present, the company has a wide market for its repair services: the Great Britain, Russia, Malta, Germany, Cyprus, Sweden, Belize, Austria, Norway, Netherlands, etc.

In 2005, net profit from the goods turnover was LVL 310,186. or 4,7 %.

During 2005, modernisation works continued at the company: the necessary technical equipment was purchased, and reconstruction works of production premises was continued.

Responsible person

Profit and Loss Account for 12 months of the year 2005

(according to the circulating costs-based method)

Nr.		Notes	2005g. 12 m.		2004 g. 12 m.	
			Ls	EUR	Ls	EUR
1.	Net turnover	1	6545634	9313598	4371899	6220652
2.	Production costs of the products sold	2	5931917	8440357	4032303	5737450
3.	Gross profit or loss		613717	872997	339596	483202
4.	Selling costs	3	38501	54782	26791	38120
5.	Administrative costs	4	105139	149599	89078	126747
6.	Other income as a result of economic activities of the company	5	277556	394927	299674	426398
7.	Other expenses as a result of economic activities the company	6	288443	410417	142213	202351
12.	Interest payment and similar costs	7	40964	58287	29610	42131
15.	Profit or loss before special items and taxes		418226	594916	351578	500250
17.	Extra-budgetary expenses					
18.	Profit or loss before taxes		418226	594916	351578	500250
19.	Corporate income tax for the year of account					
20.	Deferred payment		64255	91427		
21.	Other taxes	8	43785	62300	44342	63093
22.	Profit or loss for the yer of account (net incomes)		310186	441189	307236	437157

31.12.2005.

Ls

1 EUR

0.702804

ASSETS		Notes N	2005.12.31.		2004.12.31.	
			Ls	EUR	Ls	EUR
II Fixed assets						
1.	land,buildings and structures and long-term plantings	60	2003846	2851216	1945475	2768162
2.	Long term lease fixed assets	70	61831	87978		
3.	Machinery and equipment	80	1127388	1604129	1175110	1672031
4.	Other fixed assets and inventory	90	33943	48297	16365	23285
5.	Fixed assets formation costs	100	50168	71383	45041	64088
6.	Advance payments for the fixed assets	110				
TOTAL		120	3277176	4663001	3181991	4527565
III Long-tern financial investments						
1.	Participation in the related companies capital	130				
2.	Loans to the related companies	140				
3.	Participation in the associated companies capital	150				
4.	Loans to the associated companies	160				
5.	Other securities and investments	170				
6.	Other loans	180	7460	10615	5224	7433
7.	Owners stocks and shares	190				
8.	Loans of the Company to joint owners and management	200				
TOTAL		210	7460	10615	5224	7433
TOTAL AMOUNT ACCORDING TO THE PART		220	3284636	4673616	3187215	4534998
CURRENT ASSETS						
I Stocks						
1.	Raw materials,direct materials and supplementary materials	230	798542	1136223	362804	516224
2.	Unfinished products	240	60784	86488	706479	1005229
3.	Finished products and goods for sales	250				
4.	Ongoing orders	260				
5.	Advance payments for goods	270	40970	58295	10553	15016
6.	Working livestock and productive livestock	280				
TOTAL		290	900296	1281006	1079836	1536468
II Debtors						
1.	Buyers and customers debts	13	471356	670679	711676	1012624
2.	Related companies debts					
3.	Associated companies debts		92175	131153		
4.	Other accounts receivable	14	109604	155952	45350	64527
5.	Unpaid part of the compny capital					
6.	Short-term loans of an enterprise to joint owners and managem					
7.	Prepaid expenses	15	11652	16579	10419	14825
TOTAL			684787	974364	767445	1091976
III Vērtspapīri un līdzdalība k securities and sharing in capitals						
1.	Participation in the related companies capital					
2.	Owners stocks and shares					
3.	Other securities and sharing in capitals					
TOTAL			0		0	
IV Cash		16	8994	12797	3759	5349
TOTAL AMOUNT ACCORDING TO THE PART			1594077	2268167	1851040	2633793
BALANCE			4878713	6941783	5038255	7168791

LIABILITIES		Notes N	2005.12.31.		2004.12.31.	
			Ls	EUR	Ls	EUR
I OWNERS EQUITY						
1. Share capital	17	3203397	4558023	3203397	4558023	
2. Share issue extra charge						
3. Long-term investment revaluation reserve						
4. Reserves:						
a) reserves set by law						
b) owners shares reserves						
c) reserves provided for by the company Articles of Association						
d) other reserves						
TOTAL						
5. Undivided profit						
a) undivided profit for the previous year		-207396	-295098	-514632	-732255	
b) undivided profit for the year of account		310186	441355	307236	437157	
		102790	146257	-207396	-295098	
TOTAL AMOUNT ACCORDING TO THE PART 1			3306187	4704280	2996001	4262925
II Savings						
1. Savings for allocated taxes		123953	176369	59698	84943	
2. Other savings		30380	43227			
TOTAL		154333	219596	59698	84943	
III Creditors						
I Long-term accounts payable						
1. loans against bonds						
2. Loans transferred in shares						
3. Loans from credit institutions						
4. Other loans		16760	23847	34501	49091	
5. Advance payments from customers						
6. Debts to suppliers and contractors						
7. Payment bills						
8. Debts to the related companies						
9. Debts to the associated companies						
10. Taxes and social security payments						
11. Other creditors						
12. Prepaid income						
13. Dividends for the year of account						
14 Unpaid dividends for the previous year						
TOTAL		16760	23847	34501	49091	
II Short-term accounts payable						
1. Loans against bonds						
2. Loans transferred in shares						
3. Loans from credit institutions	18	907392	1291102	616680	877457	
4. Other loans						
5. Advance payments from customers	19	53470	76081	351396	499991	
6. Debts to suppliers and contractors	20	301128	428467	677468	963950	
7. Bills payable						
8. Debts to the related companies						
9. Debts to the associated companies		34220	48691	208337	296437	
10. Taxes and social security payments	21	45357	64537	42763	60846	
11. Other creditors	22	59866	85182	51411	73151	
12. Prepaid income						
13. Dividends for the year of account						
14. Unpaid dividends for the previous year						
15. Accured liabilities						
TOTAL		1401433	1994060	1948055	2771833	
TOTAL AMOUNT ACCORDING TO THE PART 3			1418193	2017907	1982556	2820923
BALANCE			4878713	6941783	5038255	7168791

Cash flow statement for 12 months of the year 2005

	2005.12 m.		2004.12 m.	
	Ls	EUR	Ls	EUR
I. Cash from primary activity				
Received from buyers	6003994	8542914	3996175	5686045
Paid to suppliers	5384899	7662021	3385952	4817776
Wages and the related taxes paid	542464	771857	462329	657835
Interest paid	39685	56467	24446	34784
Interest received	54	77	39	55
Corporate income tax				
Other tax payments	51021	72596	100642	143201
Other incomes	20200	28742	7740	11013
Other payments	1828	2601		
Net cash flow from the primary activity	4351	6191	30585	43519
II. Cash flow from investment activities				
Paid for the fixed assets acquisition	295813	420904	196562	279683
Received for the fixed assets sold	92557	131697		
Paid for long-terms investments				
Loans granted				
Loans repaid				
Shares purchasing				
Shares sales				
Net cash flow from investment activities	-203256	-289207	-196562	-279683
III. Cash flow from financing				
Loan received	27722353	39445355	1270148	1807258
Loan repaid	27518213	39154890	1103983	1570826
Dividend paid				
Net cash flow from financial activities	204140	290465	166165	236431
Net cash flow and equivalent changes thereof	5235	7449	188	267
Cash and equivalent thereof in the beginning of the period of account	3759	5349	3571	5081
Cash and equivalent there of at the end of the period of account	8994	12797	3759	5349

Report on equity capital change for 12 months of 2005	Stock or share capital,Ls	Stock or share	Profit,Ls	Profit,EUR	TOTAL,Ls	TOTAL,EUR
Balance as of 31.12.2003.	3203397	4558023	-454934	-647313	2748463	3910711
Balance as of 31.12.2004.	3203397	4558023	-207396	-295098	2996001	4262925
Net profit or loss for the period of account			310186	441355	310186	441355
Balance as of 31.12.2005.	3203397	4558023	102790	146257	3306187	4704280

EPS = 0,032 Ls / akciju
 EPS = 0,046 EUR / akciju