



AS VENTSPILS NAFTA

(UNIFIED REGISTRATION NUMBER 50003003091)

UNAUDITED CONSOLIDATED FINANCIAL REPORT FOR THE NINE MONTHS OF 2009

PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS

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General information

Name	AS Ventspils nafta
Type of entity	Joint stock company
Registration	50003003091 Riga, 9 May 1991 Registered in Commercial Register on 5 August 2004
Legal address	Ostas street 23, LV-3601, Ventspils, Republic of Latvia
Subsidiaries of AS Ventspils nafta	SIA LatRosTrans (66%) 7 Balvu street, LV-5043, Daugavpils SIA Ventspils nafta termināls (51%) 75 Talsu street, LV-3600, Ventspils
Associated entities of the Group	AS Latvijas kuģniecība (49.94%) 2 Basteja bulvāris, LV-1807, Riga SIA Futbola klubs Ventspils (42.50%) 20a Dzintaru iela, LV-3602, Ventspils

Council of AS Ventspils nafta

Chairman of the Council:

Vladimirs Solomatins

Deputy Chairman of the Council:

Dennis Crema

Andris Vilcmeiers

Jeffrey Scott Martz

Members of the Council:

Māris Gailis

Gints Laiviņš - Laivenieks

Paul Edward Mulholland

Ashley John Neale

Ansis Sormulis

Mamerts Vaivads

Vladimirs Krastiņš

Board of AS Ventspils nafta

Members of the Board:

Olga Pētersone

Aldis Āķis till 26/02/2008

Ilva Purēna

Guntis Tīrmanis till 31/08/2009

Normunds Staņēvičs from 26/02/2008

Income Statement

	Group	
	9 months of 2009	9 months of 2008
	EUR thousand	EUR thousand
Net sales	75 934	83 375
Cost of sales	(69 187)	(83 113)
Gross profit	6 747	262
Sales and distribution expense	-	(2 234)
General and administrative expense	(5 512)	(8 796)
Other operating income/(expense), net	(1 056)	7 211
Result from operating activities	179	(3 557)
Gain/ (loss) in subsidiaries and associated entities, net	229	22 619
Financial income/ (expense), net	3 304	(1 140)
Result before taxes	3 712	17 922
Corporate income tax	(424)	(37)
Net profit	3 288	17 885
Attributable to:		
Minority interest	2 312	(1 985)
Parent company's shareholders	976	19 870
Earnings per share		
in EUR per share	0.010	0.191

EUR exchange rate of the Bank of Latvia on 30 September 2009 – 0.702804 LVL

Simon D.Boddy
 Member of the Board

Ilva Purēna
 Member of the Board

Normunds Staņēvičs
 Member of the Board

Balance Sheet

ASSETS

	Group		Reference
	30/09/2009	31/12/2008	30/09/2008
	EUR thousand	EUR thousand	EUR thousand
NON CURRENT ASSETS			
Intangible assets	38 427	39 268	39 744
Property, plant and equipment			
Land, buildings and networks	122 339	125 204	152 037
Investment properties	-	-	50 243
Machinery and equipment	58 537	61 159	74 051
Other property, plant and equipment	4 748	5 356	6 256
Construction in progress	1 734	1 483	27 487
Prepayments for property, plant and equipment	657	304	403
TOTAL	188 015	193 506	310 477
Investments			
Investments in subsidiaries and associated entities	178 731	178 740	177 704
Receivables from related companies	-	59 130	-
Other long-term loans to corporate entities	61 468	63 389	62 236
Other long-term receivables	415	444	458
TOTAL	240 614	301 703	240 398
TOTAL NON CURRENT ASSETS	467 056	534 477	590 619
CURRENT ASSETS			
Inventories	2 960	3 456	5 578
Trade accounts receivable	1 355	2 053	4 596
Receivables from related companies	59 901	35 485	-
Loans to related companies	-	778	-
Other accounts receivable	3 575	1 885	4 059
Cash and cash equivalents	87 287	50 876	27 587
TOTAL CURRENT ASSETS	155 078	94 533	41 820
TOTAL ASSETS	622 134	629 010	632 439

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LIABILITIES AND SHAREHOLDERS' EQUITY

	Group		Reference
	30/09/2009	31/12/2008	30/09/2008
	EUR thousand	EUR thousand	EUR thousand
SHAREHOLDERS' EQUITY			
Share capital	148 660	148 660	148 660
Share premium	60 249	60 249	60 249
Foreign currency translation reserve	(22 461)	(22 461)	(38 234)
Restricted reserves	1 017	1 017	1 017
Other reserves	319 085	277 678	277 678
Current period unappropriated result	976	42 313	19 870
MINORITY INTEREST	106 392	104 080	105 893
TOTAL SHAREHOLDERS' EQUITY	613 918	611 536	575 133
PROVISIONS			
Deferred corporate income tax	2 127	1 860	10 034
TOTAL PROVISIONS	2 127	1 860	10 034
LIABILITIES			
Long-term liabilities			
Long-term portion of lease liabilities	10	10	19 441
Long-term loan from credit institution	-	-	8 980
TOTAL	10	10	28 420
Current liabilities			
Short-term portion of long-term loan	-	-	4 284
Financial lease liabilities	1	10	1 628
Advances from customers	105	1 012	1 160
Trade accounts payable	1 236	3 376	7 069
Payables to related companies	-	206	-
Taxes payable	535	7 950	992
Other liabilities	573	768	1 020
Accrued liabilities	2 723	2 282	2 699
Unpaid dividends	906	-	-
TOTAL	6 079	15 604	18 852
TOTAL LIABILITIES	6 089	15 614	47 272
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	622 134	629 010	632 439

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Statement of Cash Flows

	Group	
	9 months of 2009	9 months of 2008
	EUR thousand	EUR thousand
Cash flow from/ (to) operating activities		
Net Result	976	19 870
Adjustments	9	(19 139)
Amortisation and depreciaiton	9 900	9 858
Operating profit before changes in current assets and liabilities	10 885	10 589
Decrease/(increase) in inventory	497	623
Decrease/ (increase) in trade accounts receivable	(24 630)	2 191
Increase/ (decrease) in provisions	267	-
Increase/ (decrease) in current liabilities	(8 102)	(1 397)
Net cash from/ (to) operating activities	(21 083)	12 006
Cash flow from/ (to) investment activities		
Purchase of fixed assets	(3 594)	(10 612)
(Increase)/ decrease in long-term financial investments	61 088	(10 191)
(Increase)/ decrease in securities	-	73
Net cash flow from/ (to) investment activities	57 494	(20 730)
Cash flow from/ (to) financing activities		
Increase/(decrease) in loans and leases	-	8 405
Net cash from/ (to) financing activities	-	8 405
Net increase (decrease) in cash	36 411	(320)
Cash at the beginning of the period	50 876	27 907
Cash at the end of the period	87 287	27 587

EUR exchange rate of the Bank of Latvia on 30 September 2009 – 0.702804 LVL

Statement of Changes in Shareholders' Equity

Group (EUR thousand)

	Share capital	Share premium	Foreign currency translation reserve	Restricted reserves	Other reserves	Current year unappropriated result	Minority interest	Total
Balance as of 31 December 2008	148 660	60 249	(22 461)	1 017	277 678	42 313	104 080	611 536
Current period result	-	-	-	-	-	976	2 312	3 288
Transfer of 2008 net result	-	-	-	-	41 407	(41 407)	-	-
Dividends	-	-	-	-	-	(906)	-	(906)
Balance as of 30 September 2009	148 660	60 249	(22 461)	1 017	319 085	976	106 392	613 918

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