



JSC VENTSPILS NAFTA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (EUR) 31 December 2013

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Consolidated statement of income

for the year ended 31 December 2013

		2013	2012
	Notes	EUR thousand	EUR thousand
Revenue	4	166 729	193 045
Cost of sales	5	(125 277)	(154 669)
Gross profit		41 452	38 376
General and administrative expense	6	(10 960)	(12 671)
Other operating income	7	1 689	23 470
Other operating expense	8	(6 683)	(2 450)
Impairment of other non-financial assets	10	(80 932)	(21 740)
Finance income	11	1 631	1 935
Finance costs	11	(12 437)	(15 122)
(Loss)/ Profit before tax		(66 240)	11 798
Corporate income tax	12	5 026	(6 293)
(Loss)/ Profit for the year		(61 214)	5 505
Attributable to:			
Parent company's shareholders		(39 874)	5 807
Non-controlling interest	25	(21 340)	(302)
		(61 214)	5 505
(Loss)/ Farnings par share (FUR par share) attributable			
(Loss)/ Earnings per share (EUR per share) attributable		(0.20)	0.00
to the Parent company's shareholders:		(0.38)	0.06
(Loss)/ Earnings per share (EUR per share)		(0.59)	0.05

Consolidated statement of comprehensive income

for the year ended 31 December 2013

	2013	2012
	EUR thousand	EUR thousand
(Loss)/ Profit for the year	(61 214)	5 505
Other comprehensive income/ (loss)		
Items that may be subsequently recalssified to profit or loss		
- Foreign currency translation reserve	(3 832)	(3 961)
- Cash flow hedge reserve	536	653
Other comprehensive loss for the year	(3 296)	(3 308)
Total comprehensive (loss)/ income for the year	(64 510)	2 197
Attributable to:		
Parent company's shareholders	(41 520)	4 155
Non-controlling interests	(22 990)	(1 958)
	(64 510)	2 197

Consolidated statement of financial position

as of 31 December 2013

	Notes _	31.12.2013. EUR thousand	31.12.2012. EUR thousand
Assets	_		
Non-current assets			
Intangible assets	13	21 572	35 930
Property, plant and equipment	14	428 889	560 825
Investment properties	15	1 589	1 629
Investments in associated entities	17	10	10
Loans to affiliated companies	18	97 454	67 955
Other non-current financial assets	19 (a) _	33 694	33 836
Total non-current assets	_	583 208	700 185
Current assets			
Inventories	20	3 469	4 341
Trade and other receivables	21	8 983	18 639
Short term deposits	22	44 443	46 260
Other current financial assets	19 (b)	24 239	23 162
Cash and cash equivalents	23	51 125	72 024
Total current assets	_	132 259	164 426
Total assets	_	715 467	864 611
	-		

Consolidated statement of financial position (cont'd)

as of 31 December 2013

		31.12.2013.	31.12.2012.
	Notes	EUR thousand	EUR thousand
Equity and liabilities			
Equity			
Share capital	25	148 660	148 660
Share premium		60 249	60 249
Foreign currency revaluation reserve	25	(11 084)	(9 170)
Cash flow hedge reserve	25	(445)	(713)
Retained earnings	25	176 166	170 359
(Loss)/ Profit for the year		(39 874)	5 807
Equity attributable to equity holders of the parent		333 672	375 192
Non-controlling interest	25	174 660	213 539
Total equity	. <u> </u>	508 332	588 731
Non-current liabilities			
Borrowings	26	157 981	200 948
Finance lease	28	137 981	18 405
Deferred tax liability	12	1 581	7 154
Deferred income	29	3 297	3 516
Derivative financial instruments	25	418	915
Total non-current liabilities	27	163 277	230 938
Current liabilities			
Borrowings	26	27 170	23 577
Financelease	28	-	1 093
Trade and other payables	30	12 735	15 748
Taxes payable	31	421	588
Derivative financial instruments	27	740	571
Deferred income	29	1 483	2 050
Provisions	32	1 309	1 315
Total current liabilities		43 858	44 942
Total liabilities		207 135	275 880
Total equity and liabilities		715 467	864 611

Consolidated statement of cash flows

for the year ended 31 December 2013

Operating activities (Loss) / Profit before taxIntroduction (G6 240)EUR thousand (G6 240)Non-cash adjustments to reconcile (loss)/ profit before tax to net cash flows: Depreciation of property, plant and equipment1428 38533 504Depreciation of prosenty, plant and equipment1428 38533 504Depreciation of investment properties154020Decrease in financial instruments(303)-Loss on disposal of non-financial assets83 265415Currency translation difference992906Net profit from disposal of Group's subsidiary(141)-Finance income1110 631(1935)Finance costs1017 62721 740Recognized impairment of the fleet and assets clasified as held for sale1017 62721 740Recognized impairment of the property, plant and equipment1048 944-Impairment loss of good/lil at acquisition27Decrease (in trade and other recelvables and prepayments8 98519 648Decrease (in trade and other payables60 27191 007Corporate income tax received/ (paid)107(1 204)Nextan flows from operating activities21 921090Purchase of non-current assets21 921090Loss flows from operating activities(23 060)(4000)Interest received43312033Loss flows used in investing activities(24 686)9 572)Corporate income tax sectioned </th <th></th> <th></th> <th>2013</th> <th>2012</th>			2013	2012
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Cash and cash equivalents at 1 January72 02447 387Exchange losses on cash and cash equivalents189(569)				
Exchange losses on cash and cash equivalents 189 (569)				25 206
	Cash and cash equivalents at 1 January		72 024	47 387
Cash and cash equivalents at 31 December2351 12572 024				
	Cash and cash equivalents at 31 December	23	51 125	72 024

Consolidated statement of changes in equity

for the year ended 31 December 2013

Attributable to the equity holders of the parent						Non-	Total		
				Foreign				controlling interest	
				currency					
	.	Share			Cash flow hedge	Retained			
	Share capital	premium	Legal reserve	reserve	reserve	earnings	Total		
	EUR thousand	EUR thousand	EUR thousand	EUR thousand	EUR thousand	EUR thousand	EUR thousand	EUR thousand	EUR thousand
Balances as of 1 January 2012	148 660	60 249	1017	(7 191)	(1 040)	169 342	371 037	215 497	586 534
Profit/ (Loss) for the year	-	-	-	-	-	5 807	5 807	(302)	5 505
Other comprehensive income/ (loss)	-	-	-	(1 979)	327	-	(1 652)	(1 656)	(3 308)
Total comprehensive income/ (loss)	-	-	-	(1 979)	327	5 807	4 155	(1 958)	2 197
Reclassification of legal reseves	-	-	(1 0 1 7)	-	-	1017	-	-	-
Balances as of 31 December 2012	148 660	60 249	-	(9 170)	(713)	176 166	375 192	213 539	588 731
Loss for the year	-	-	-	-	-	(39 874)	(39 874)	(21 340)	(61 214)
Other comprehensive (loss)/ income	-	-	-	(1914)	268	-	(1 646)	(1 650)	(3 296)
Total comprehensive income/ (loss)	-	-	-	(1914)	268	(39 874)	(41 520)	(22 990)	(64 510)
Dividends declared	-	-	-	-	-	-	-	(15 889)	(15 889)
Balances as of 31 December 2013	148 660	60 249	-	(11 084)	(445)	136 292	333 672	174 660	508 332

These financial statements should be read in conjunction with the audited consolidated financial statements of JSC "Ventspils nafta" and its subsidiaries for year 2013.

These financial statements are translated into Euros using the rate of exchange set by the Bank of Latvia prevailing at the 31.12.2013: 1 EUR = 0.702804 LVL, 31.12.2012: 1 EUR = 0.702804 LVL.