

J/S The Ditton Driving Chain Factory

BALANCE SHEET

ASSETS	30.09.2004	30.09.2003	30.09.2004	30.09.2003
I	LVL	LVL	EUR	EUR
1. LONG-TERM INVESTMENTS				
I. Non-material investments				
1. Costs of the research work and the development of the enterprise	-	-	-	-
2. Concessions, patents, licences, trade marks and similar rights	12236	20104	18235	31121
3. Other non-material investments	-	-		
4. Non-material value of the enterprise	-	-		
5. Advance payments for non-material investments	-	-		
I. TOTAL:	12236	20104	18235	31121
II. Fixed assets				
1. Plots of land, buildings and constructions and perennial plantations	2557325	2599737	3811215	4024361
2. Technological equipment and machines	770792	911297	1148721	1410676
3. Other fixed assets and stock	100352	132155	149556	204574
4. Formation of fixed assets and costs of unfinished construction objects	212842	255069	317201	394844
II. TOTAL:	3641311	3898258	5426693	6034455
III. Long-term financial investments				
1. Participation in the capital of related enterprises	720695	720695	1074062	1115627
2. Loans to related enterprises				
3. Participation in the capital of bound enterprises				
4. Loans to bound enterprises		331347		512921
5. Other securities and investments				
6. Other loans				
7. One's own shares and portions				
8. Loans to co-owners of the enterprise and to governing body				
III. TOTAL:	720695	1052042	1074062	1628548
Total sum of the 1st part	4374242	4970404	6518990	7694124
2. CURRENT ASSETS				
I. Stocks				
1. Raw materials, basic materials and subsidiary materials	1048185	1102618	1562124	1706839
2. Unfinished products	194602	161011	290018	249243
3. Finished products and goods for sale	2050820	1314291	3056363	2034506
4. Unfinished orders				
5. Advance payments for goods	181788	43591	270921	67479
6. Work animals and productive animals				
I. TOTAL:	3475395	2621511	5179426	4058067
II. Debtors				
1. Debts of buyers and customers	1712546	2488031	2552229	3851441
2. Debts of related enterprises				
3. Debts of bound enterprises				
4. Other debtors	120924	372376	180215	576433
5. Non-paid portions in the capital of the society				
6. Short-term loans to the co-owners of the enterprise and governing body				
7. Payments of future periods	128	1441	191	2231
II. TOTAL:	1833598	2861848	2732635	4430105
III. Securities and participation in capitals				
1. Participation in the capital of related enterprises				
2. One's own shares and portions				
3. Other securities and participation in capitals				
III. TOTAL:				
IV. Money means (TOTAL)	222295	69432	331289	107480
Total sum of the 2nd part	5531288	5552791	8243350	8595652
BALANCE	9905530	10523195	14762340	16289776

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LIABILITIES	30.09.2004	30.09.2003	30.09.2004	30.09.2003
I	LVL	LVL	EUR	EUR
I. ONE'S OWN CAPITAL				
1. Share capital or capital of the portions (fixed capital)	7400000	7400000	11028316	11455108
2. Addition of price of the emission of shares	-	-	-	-
3. Reserve of re-evaluation of long-term investments	-	-	-	-
4. Reserves:				
a) reserves determined by law				
b) reserves of one's own shares or portions	-	-	-	-
c) reserves determined by the society's statutes	-	-	-	-
d) other reserves	-	-	-	-
4. TOTAL:	7400000	7400000	11028316	11455108
5. Non-distributed profit:	1025978	933755	1529028	1445441
a) non-distributed profit of previous years				
b) non-distributed profit of report year	108703	340417	162002	526962
Total sum of the 1st part	8534681	8674172	12719346	13427511
2. ACCUMULATIONS		-		
1. Accumulations for pensions and similar commitments	-		-	-
2. Accumulations for the envisaged taxes	16268	200634	24244	310579
3. Other accumulations	55935	71212	83361	110235
Total sum of the 2nd part	72203	271846	107605	420814
3. CREDITORS				
I. LONG-TERM DEBTS				
1. Loans for bonds				
2. Loans to be changed into shares				
3. Loans from credit institutions	817480	1021750	1218301	1581656
4. Other loans				
5. Debts to related enterprises				
6. Debts to bound enterprises				
7. Incomes of future periods	28548	58975	42545	91293
I. TOTAL:	846028	1080725	1260846	1672949
II. SHORT-TERM DEBTS				
1. Loans for bonds				
2. Loans to be changed into shares				
3. Loans from credit institutions	66000	-	98361	-
4. Other loans				
5. Advance received from buyers	16510	703	24605	1088
6. Debts to suppliers and contractors	206804	288327	308203	446327
7. Bills of exchange to pay				
8. Debts to related enterprises				
9. Debts to bound enterprises				
10. Taxes and social security payments	65636	78713	97818	121847
11. Other creditors	89951	120549	134055	186608
12. Incomes of future periods	7717	8160	11501	12632
13. Dividends of report year				
14. Non-paid dividends of previous years				
II. TOTAL:	452618	496452	674543	768502
Total sum of the 3rd part	1298646	1577177	1935389	2441451
BALANCE	9905530	10523195	14762340	16289776

Manager (owner) /signature/

E. Zavadsky /deciphering of signature/

Name of the enterprise

J/S "The Ditton Driving Chain Factory"

Registration No.

40003030187

Address

LR, Daugavpils, Vishku Street 17

Phone 54-02333

Fax 54- 45101

Management institution according to VPIIK

Kind of activity the manufacturing of Driving Chains

Unit of measure: *Ls, EUR*

ESTIMATION OF PROFIT AND LOSSES

(classified according to the model of turnover costs)

Number	Name of the indicator	30.09.2004	30.09.2003	30.09.2004	30.09.2003
		LVL	LVL	EUR	EUR
1.	Netto turnover	5365622	5266336	7996456	8152222
2.	Production costs of the sold production	3138835	3859177	4677846	5973958
3.	Brutto profit or losses (from the turnover)	2226787	1407159	3318610	2178264
4.	Costs of sales	129489	112138	192979	173588
5.	Administration costs	1883031	893165	2806306	1382608
6.	Other incomes of the economic activities of the enterprise	60485	37188	90141	57566
7.	Other expenses of the economic activities of the enterprise	108609	44266	161861	68523
8.	Incomes from the participation in the capitals of filial and bound enterprises	-	-	-	-
9.	Incomes from securities and loans that formed long-term loans	-	-	-	-
10.	Incomes of other interest rates and similar incomes	-	-	-	-
11.	Writing off of long-term financial investments and short-term securities' value	-	-	-	-
12.	Payments for interest rate and similar payments	-	-	-	-
13.	Profit or losses before extraordinary positions and taxes	166143	394778	247605	611111
14.	Extraordinary incomes	-	4183	-	6475
15.	Extraordinary payments	-	410	-	635
16.	Extraordinary profit or losses before taxes	166143	398551	247605	616951
17.	Tax on profit during report period	29643	28505	44177	44125
18.	Other taxes	27797	29629	41426	45865
19.	Profit or losses after taxes (real incomes) of the report period	108703	340417	162002	526961

Manager (owner) /signature/

E. Zavadsky

JSC Ditton Driving Chain factory

Cash Flow Statement	2004.09.30	2003.09.30	2004.09.30	2003.09.30
	Q3	Q3	Q3	Q3
	LVL	LVL	EUR	EUR
CASH GENERATED FROM OPERATIONS	557 360	223 168	830 640	345 461
Cash received from customers	1 351 944	1 532 039	2 014 819	2 371 577
Cash received from customers MLGroup	0	0	0	0
Cash paid to suppliers and employees	-794 584	-1 308 871	-1 184 179	-2 026 116
Cash paid to suppliers and employees MLGroup	0	0	0	0
NET CASH USED IN INVESTING ACTIVITIES	-344 707	-297 448	-513 721	-460 446
Cash paid for purchasing shares in subsidiary MLGroup	0	0	0	0
Business acquisition	0	0	0	0
Cash paid for purchasing non-current physical assets	-364 667	-314 149	-543 468	-486 299
Cash paid for purchasing non-current physical assets MLGroup	0	0	0	0
Cash received from the sale of non-current physical assets	19 960	16 701	29 747	25 858
Loans given	0	0	0	0
Interest received	0	0	0	0
NET CASH USED IN FINANCING ACTIVITIES	-58 600	-22 250	-87 332	34 442
Short-term loans received	139 400	241 750	207 750	374 226
Repayment of short-term loans	-198 000	-264 000	-295 082	-408 668
Cash paid as capital lease payments	0	0	0	0
Paid interest	0	0	0	0
Paid interest MLGroup	0	0	0	0
TOTAL CASH FLOW:	154 053	-96 530	229 587	-149 427
Cash and cash equivalents as at the beginning of period	-68 242	-165 962	-101 702	-256 907
Cash and cash equivalents as at the end of period	222 295	69 432	331 289	107 480
NET INCREASE / DECREASE IN CASH AND CASH EQUIVALENTS	154 053	-96 530	229 587	-149 427

President

E.Zavadskis

JSC Ditton Driving Chain Factory

Statement of changes in owners' equity

	30.09.2004. LVL	30.09.2003. LVL	30.09.2004. EUR	30.09.2003. EUR
Share capital				
As at 01.01.2004.	7 400 000	7 400 000	11 028 316	11 455 108
As at 30.09.2004.	7 400 000	7 400 000	11 028 316	11 455 108
Not distributed profit				
As at 01.01.2004.	1 025 977	933 755	1 529 027	1 445 441
As at 30.09.2004.	1 134 681	1 274 172	1 691 030	1 972 402
Equity capital				
As at 01.01.2004.	8 425 977	8 333 755	12 557 343	12 900 549
As at 30.09.2004.	8 534 681	8 674 172	12 719 346	13 427 510

President

E.Zavadskis