

JOINT STOCK COMPANY OLAINFARM
(UNIFIED REGISTRATION NUMBER 40003007246)
CONSOLIDATED ANNUAL REPORT
FOR THE PERIOD ENDED 30 2009
PREPARED IN ACCORDANCE WITH
INTERNATIONAL FINANCIAL REPORTING STANDARDS

Olaine, 2009

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General information

Name of the Parent Company	Olainfarm
Legal status of the Parent Company	Joint stock Company
Unified registration number, place and date of registration	40003007246 Riga, 10 June 1991 (re-registered on 27 March 1997)
Registered office	Rūpnīcu iela 5 Olaine, Latvia, LV-2114
Major shareholders	SIA Olmafarm (42.56 %) Rūpnīcu iela 5 Olaine, Latvia, LV-2114 Juris Savickis (26.17 %)
Board	Valērijs Maligins, Chairman of the Board (President) <i>Positions held in other companies:</i> SIA Aroma, Chairman of the Board, SIA Olmafarm, Chairman of the Board, SIA New Classic, Board Member <i>Participation in other companies:</i> Non-governmental organisation Latvian Academic Library Foundation, Nature Restoration Foundation, SIA Vega MS (60%), SIA Briz (51%), SIA Olfa Press (45%), SIA Carbochem (50%), SIA Aroma (100%), SIA Olmafarm (100%). Jeļena Borcova, Board Member <i>Positions held in other companies:</i> SIA Carbochem – Board Member <i>Participation in other companies:</i> none Jurijs Kaplinovs <i>Participation in other companies:</i> none Inga Liščika <i>Participation in other companies:</i> none Vjačeslavs Kuļikovs <i>Participation in other companies:</i> none

Council	<p>Juris Savickis, Chairman of the Council <i>Positions held in other companies:</i> The Latvian Tennis Union (unregistered office), AS Sibur Itera, Chairman of the Council, AS Latvijas Gāze, Deputy Chairman of the Council,, SIA Itera Latvija, Chairman of the Board, AS Nordeka, Chairman of the Council, SIA Islande Hotel, Board Member, <i>Participation in other companies:</i> SIA Islande Hotel (75.31%), SIA Energo SG (50%), SIA Nordeka Serviss (100%), SIA Palasta nami (100%), SIA Elssa-SIA (55%), Company of apartment owners' Četri pluss (20%), AS Latvijas Krājbanka (1.02%), SIA Bobrova nams (28.75%), AS Nordeka (48.09%), Tennis club Prezidents, SIA Blūza klubs (50%), SIA Ajura (50%), SIA SWH Sets (15.29%), SIA Babbord (33%), AS Dinamo Rīga (9.76%), AS VEF banka (9.99%).</p> <p>Eļena Dudko, Deputy Chairperson of the Council <i>Positions held and participation in other companies:</i> none</p> <p>Aleksandrs Raicis <i>Positions held in other companies:</i> Latvian Pharmaceutical Wholesalers Association <i>Participation in other companies:</i> SIA VIP Pharma (50%), SIA Reclusus(30%).</p>		
Movements in the Board during the period 1 January 2009 through 30 September 2009	none		
Movements in the Council during the period 1 January 2009 through 30 September 2009	Rolands Klincis (resigned 26.01.2009.)		
Subsidiaries	SIA Reinolds (100%) Dzegužu iela 1/2, LV-1007, from 26/08/2008		
Core business activity	Manufacturing and distribution of chemical and pharmaceutical products		
Financial year	1 January – 30 September 2009		
Auditors	<table border="0"> <tr> <td style="vertical-align: top;">Dāna Krišjāne Certified Auditor Certificate No. 124</td> <td style="vertical-align: top;">SIA Ernst & Young Baltic Muitas iela 1, Riga Latvia, LV – 1010 Licence No. 17</td> </tr> </table>	Dāna Krišjāne Certified Auditor Certificate No. 124	SIA Ernst & Young Baltic Muitas iela 1, Riga Latvia, LV – 1010 Licence No. 17
Dāna Krišjāne Certified Auditor Certificate No. 124	SIA Ernst & Young Baltic Muitas iela 1, Riga Latvia, LV – 1010 Licence No. 17		

Management Report

General information

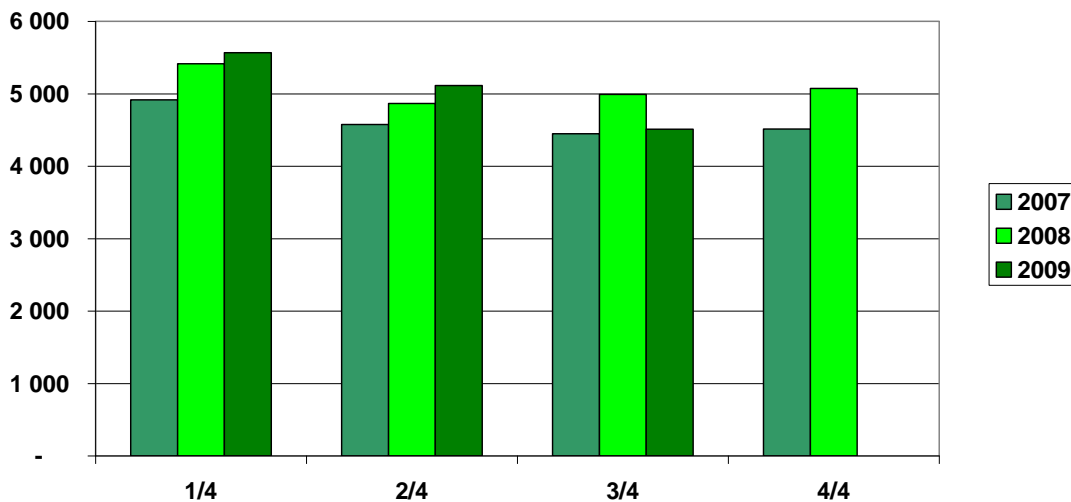
During the reporting period no changes have been made to the composition of the Concern and it still consists of its Parent company JSC „Olainfarm” and its daughter company SIA „Reinolds”, which owns several patents related to new products.

Concern is one of the biggest companies in the Baltic States with more than 35 years of experience in production of medicines as well as chemical and pharmaceutical products. Production of reliable and effective top quality products for Latvia and the rest of the world is the key principle of Concern’s operations. Currently products of the Concern are being exported to more than 30 countries worldwide, including the Baltic States, Russia, CIS countries, Scandinavia, Western Europe, Asia and the USA.

Financial results

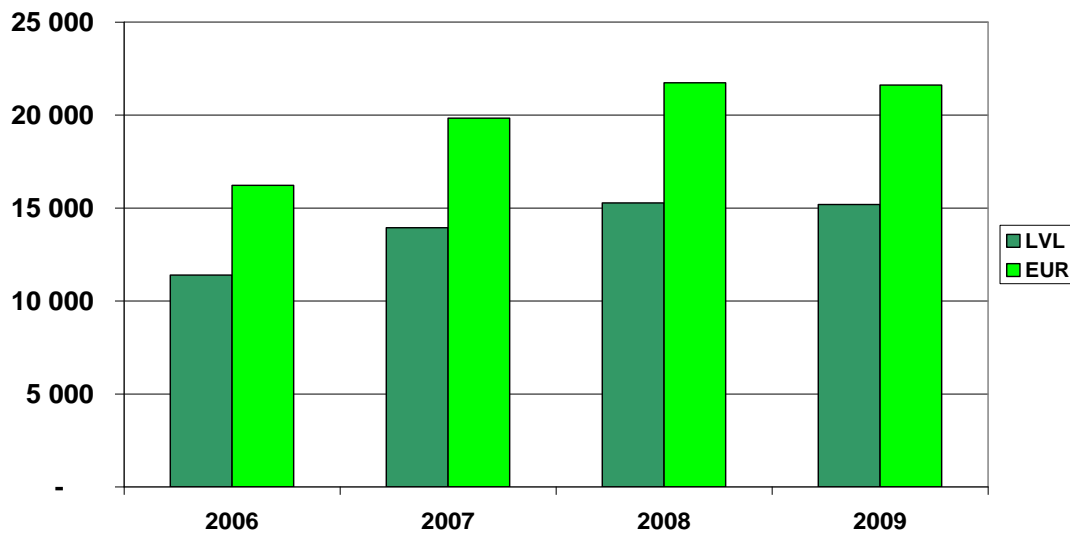
Concern’s sales in third quarter of 2009 have fallen by 10% compared to the similar period of 2008 and amounted to 4 511 265 lats (6 418 952 euros).

Consolidated Sales by Quarters, thsnd. LVL



In nine months of 2009 the sales of the Concern were 15.2 million lats (21.6 million euros) which is by only 0.5% less than during the similar period of 2008.

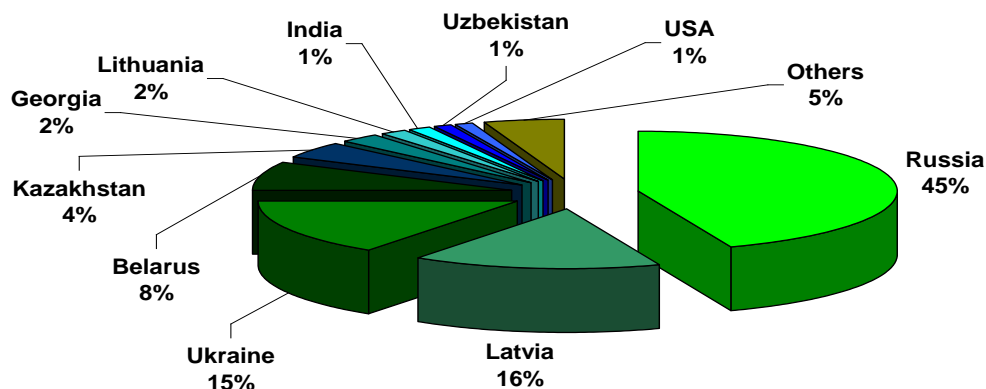
9 Months Sales in Thsnd.



It must be noted that during the 3rd quarter only a small part of planned shipments to Poland were made. The rest of such shipments as well as shipments to British and Bulgarian markets have already been made during the 4th quarter of this year.

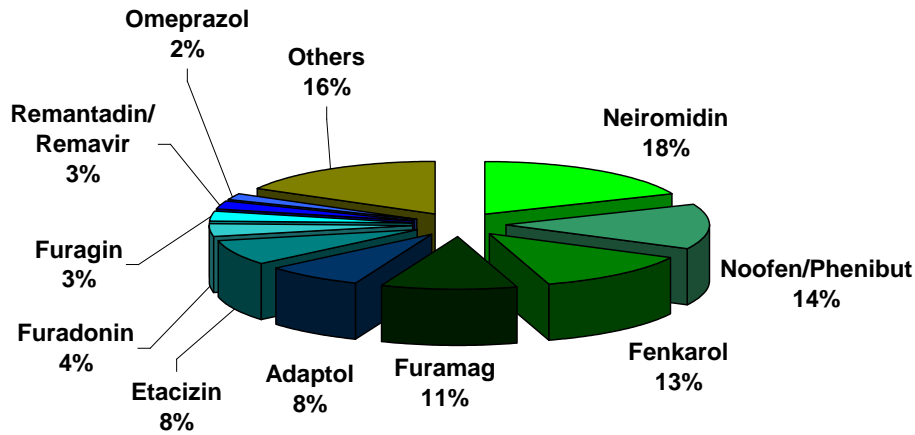
The development of 9 months also confirms the increase in sales to countries where strengthened marketing effort has been made. Nine months sales to Moldova have increased by 21%, Russia by 27%, Kazakhstan by 42% and Azerbaijan even by 104%. Small increase has been achieved even in Latvia, where 9 months sales have increased by 0.5% compared to similar period of 2008. The biggest decreases in sales to the regular markets of Olainfarm have been seen in Belarus (by 4%), Ukraine (by 13%) and Uzbekistan (by 16%). Some decrease in sales has also been observed in some other markets with smaller influence on overall sales of Olainfarm, including Estonia, Lithuania and Tajikistan. In all of major Olainfarm's markets the trend has been that even if Olainfarm's sales to these countries have fallen, the pharmaceutical markets of these countries themselves have fallen even sharper. Sales to Russia, Moldova, Latvia, Azerbaijan and Kirgizstan have increased, despite the fact that pharma markets of these countries were allegedly shrinking.

Sales by Countries, 9 Months of 2009



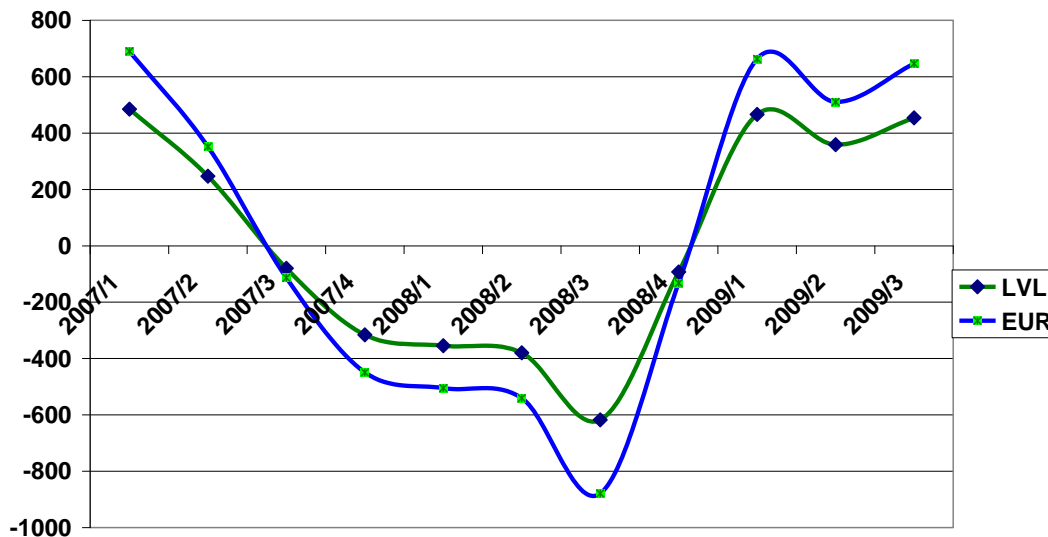
In 9 months of 2009 product portfolio of Olainfarm remains rather well diversified. None of the products makes up more than one fifth of total sales. It must be noted that meldonium (Vazonat®, Mildroksin®, Midolat®), sales of which were started by Olainfarm only in second quarter of 2009, after 9 months has become 14th best sold product of Olainfarm. During the nine months period this product in capsules has been registered in Russia, Uzbekistan, Ukraine, Georgia, Kazakhstan and Turkmenistan, while the ampouled form has been registered in Turkmenistan, Uzbekistan and Georgia.

Sales by Products, 9 Months of 2009

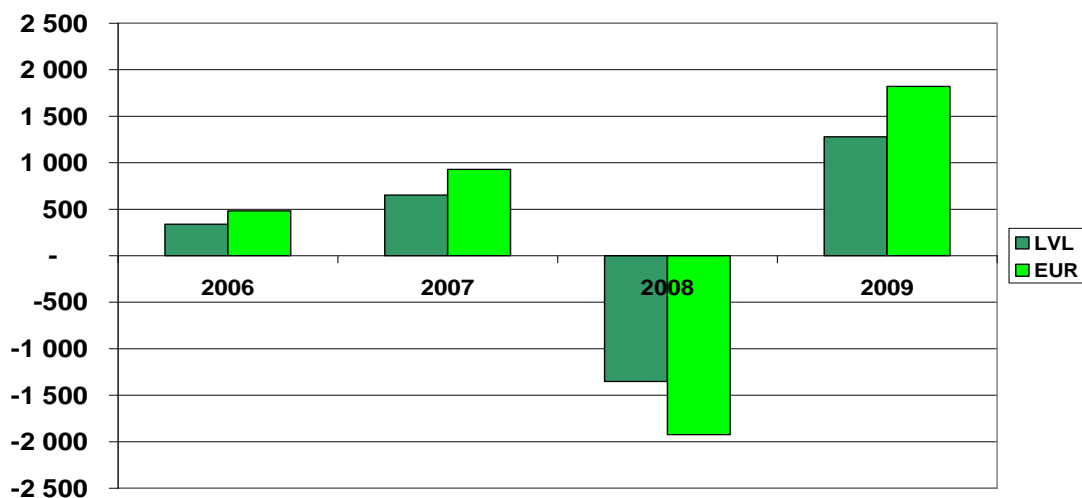


Decisions made earlier regarding the marketing effort and cost cutting, still leave considerable favorable impact on margins of Olainfarm. Despite the fact that sales growth has stopped, the company still operates with considerable net profit. In the 3rd quarter of 2009 it reached 454 thousand lats (646 thsnd. Euros).

Quarterly Net Profit, Thsnd. LVL and EUR



Overall figures for 9 months of 2009 still demonstrate the record high profits. In 9 months of 2009 the Concern has made a net profit of 1.3 million lats (1.8 million euros).

Consolidated Profit for 9 Months, Thsnd.

Because of the good profitability of the Concern, different other financial indicators are improving rather sharply too. EBITDA of Olainfarm has more than tripled and in this 9 months period has reached nearly 5 million euros. All the margins have improved too.

Key financial indicators	30.09.2009.	30.09.2008.	% to the previous period
Net sales (LVL)	15 192 881	15 272 818	99%
Net profit (LVL)	1 279 106	-1 352 930	NA
EBITDA (LVL)	3 427 724	1 067 331	321%
EBIT (LVL)	1 635 616	-834 350	NA
Net sales (EUR)	21 617 523	21 731 262	99%
Net profit (EUR)	1 820 004	-1 925 046	NA
EBITDA (EUR)	4 877 212	1 518 675	321%
EBIT (EUR)	2 327 272	-1 187 173	NA
EBITDA margin, %	23	7	
Net margin, %	8,4	-8,9	
EBIT margin %	11	-5	
ROA, % (9 months)	4,1	-4,3	
ROE, % (9 months)	8,0	-9,1	
EPS, LVL (9 months)	0,091	-0,096	NA
EPS, EUR (9 months)	0,129	-0,137	NA
Share price at the end of period, LVL	0,74	1,08	69%
Share price at the end of period, EUR	1,05	1,54	69%
Price / Earnings of last 4 quarters	8,8	-9,1	NA
P/B	0,65	1,02	64%

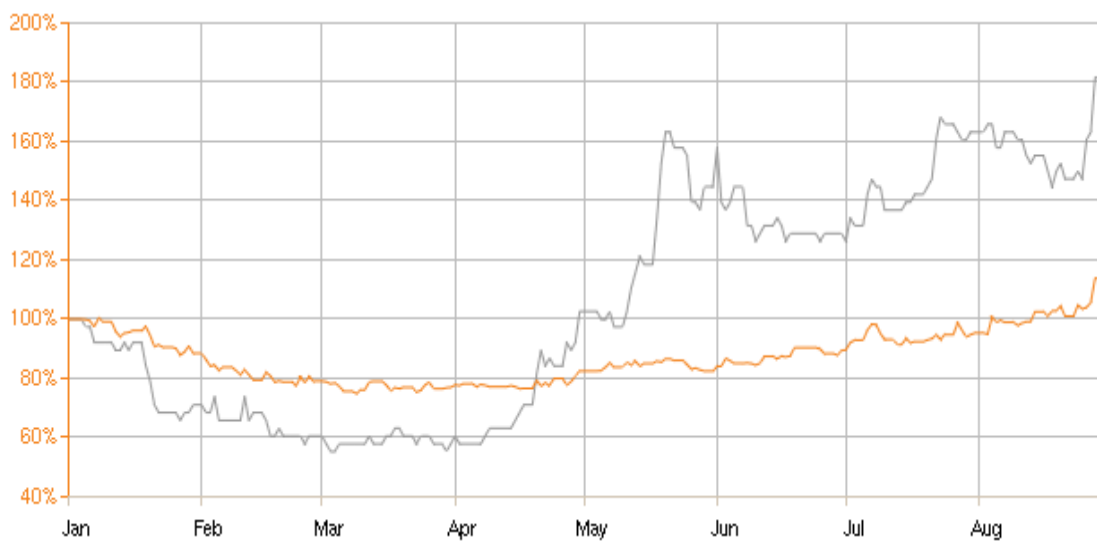
Successful performance of the Company was reflected on a development of Company's share price on NASDAQ OMX Riga Stock Exchange. The growth of the share price has been particularly sharp after the results of the first quarter were announced. After that it mainly floated between 0.6 – 0.7 lats (0.85 – 1.0 euros) per share.

Price of the Share of JSC “Olainfarm” on Riga Stock Exchange (January – August 2009)



Increase of Olainfarm's share price is still significantly outperforming the development of OMX Riga Index. During the nine months of this year share price of Olainfarm has nearly doubled, while OMX Riga Index has increased by about 15%.

Rebased share price of “Olainfarm” vs. OMX Riga Index (January – August 2009)



-- OMR Riga

-- Olainfarm

Events after the end of the reporting period

Already on 4th quarter of 2009 several relatively large and untypical shipments have been made, including sales of medicines to Polish and Bulgarian markets as well as sale of chemical product to British client. Total value of such shipments as of the date of preparing this report exceeds 1 million euros.

On November 13th, 2009 during the "Top 500" Awards event JSC "Olainfarm" was awarded a special award by "NASDAQ OMX Riga" for the biggest share price increase on Riga Stock Exchange from the beginning of the year until November 1st. During that period price of Olainfarm's share had increased by 160% from 0.38 lats (0.54 euros) on January 1st to 0.99 lats (1.41 euros) on November 1st.

Financial reports have been approved by the Management Board of the Parent Company on behalf they are signed by:

27 November 2009



Jelena Borcova
Member of the Management Board



Statement of Responsibility of the Management

The Management Board prepares financial statements for each financial year which give a true and fair view of the state of affairs of the Group, the cash flows and the results of the Group for that period in accordance with International Financial Reporting Standards as adopted by the EU. In preparing those financial statements, they:

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ make judgments and estimates that are reasonable and prudent;
- ♦ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Management Board is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position, financial performance and cash flows of the Parent Company and the Group and enable them to ensure that financial statements drawn up from them comply with International Financial Reporting Standards as adopted by the EU.

On behalf of the Board

27 November 2009



Jelena Borcova
Member of the Management Board



Consolidated income statement

	Notes	2009	2009	2008	2008
		III.quarter LVL	III.quarter EUR	III.quarter LVL	III.quarter EUR
Net sales	3	15 192 881	21 617 523	15 272 818	21 731 262
Changes in stock of finished goods and work in progress		489 967	697 160	462 369	657 892
Other operating income	4	329 153	468 343	381 726	543 147
Cost of materials:					
<i>raw materials and consumables</i>		(1 670 716)	(2 377 215)	(2 478 189)	(3 526 145)
<i>other external costs</i>		(1 211 072)	(1 723 200)	(1 395 726)	(1 985 939)
		(2 881 788)	(4 100 415)	(3 873 915)	(5 512 084)
Staff costs:					
<i>Wages and salaries</i>	8	(3 760 807)	(5 351 146)	(5 367 393)	(7 637 112)
<i>Statutory social insurance contributions</i>	8	(847 032)	(1 205 218)	(1 174 619)	(1 671 332)
		(4 607 839)	(6 556 364)	(6 542 012)	(9 308 444)
Depreciation/ amortization	10,11.	(1 792 108)	(2 549 940)	(1 901 681)	(2 705 848)
Other operating expense	5	(5 094 650)	(7 249 034)	(4 633 655)	(6 593 097)
Income from investments into subsidiaries		-	-	32 631	46 430
Financial income	6	52 081	74 105	31 668	45 060
Financial expense	7	(403 676)	(574 379)	(492 525)	(700 800)
(Loss)/ profit before taxes		1 284 021	1 826 997	(1 262 576)	(1 796 484)
Corporate income tax		(4 915)	(6 993)	(90 354)	(128 562)
(Loss)/ profit for the reporting year		1 279 106	1 820 004	(1 352 930)	(1 925 046)
Basic and diluted earnings per share	9	0.091	0.129	(0.096)	(0.137)

The accompanying notes form an integral part of these financial statements.

For the Board of the Group:


 Jelena Borcova
 Member of the Management Board



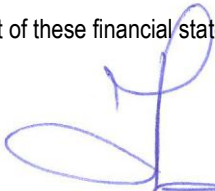
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Consolidated balance sheet

		ASSETS				
		Notes	30.09.2009.	30.09.2009.	30.09.2008.	30.09.2008.
			LVL	EUR	LVL	EUR
NON-CURRENT ASSETS						
Intangible assets						
		10	503 930	717 028	-	-
		10	5 943 952	8 457 482	3 359 532	4 780 183
		10	475 665	676 811	3 307 876	4 706 684
			202 207	287 715	290 395	413 195
		TOTAL	7 125 754	10 139 034	6 957 803	9 900 062
Property, plant and equipment						
		11	6 576 307	9 357 242	5 164 289	7 348 121
		11	3 054 777	4 346 556	4 349 199	6 188 353
		11	201 178	286 251	283 881	403 926
		11	110 805	157 661	1 870 584	2 661 601
			202 270	287 804	283 874	403 916
		TOTAL	10 145 337	14 435 514	11 951 827	17 005 918
Financial assets						
			386	549	386	549
			650	925	650	925
			-	-	-	-
		TOTAL	1 036	1 474	1 036	1 474
		TOTAL NON-CURRENT ASSETS	17 272 127	24 576 023	18 910 666	26 907 454
CURRENT ASSETS						
Inventories						
			941 939	1 340 258	1 183 337	1 683 737
			4 177 236	5 943 671	3 918 356	5 575 318
			2 125 734	3 024 647	1 846 496	2 627 327
			24 703	35 149	63 823	90 812
		TOTAL	7 269 612	10 343 726	7 012 012	9 977 195
Receivables						
		13	4 426 766	6 298 721	4 275 927	6 084 096
			71 967	102 400	94 223	134 067
			-	-	-	-
			571 729	813 497	602 226	856 890
			47 223	67 192	235	334
			361 407	514 236	315 409	448 787
			43 914	62 484	25 466	36 235
		TOTAL	5 523 006	7 858 529	5 313 486	7 560 408
		14	650 675	925 827	31 238	44 448
		TOTAL CURRENT ASSETS	13 443 293	19 128 082	12 356 736	17 582 051
		TOTAL ASSETS	30 715 420	43 704 105	31 267 402	44 489 505

The accompanying notes form an integral part of these financial statements.

For the Board of the Group:


 Jelena Borcova
 Member of the Management Board



27 November 2009

EQUITY AND LIABILITIES					
	Notes	30.09.2009. LVL	30.09.2009. EUR	30.09.2008. LVL	30.09.2008. EUR
EQUITY					
Share capital	15	14 085 078	20 041 260	14 085 078	20 041 260
Share premium		1 759 708	2 503 839	1 759 708	2 503 839
Retained earnings/ (accumulated deficit):					
brought forward		(1 096 253)	(1 559 827)	350 275	498 396
for the period		1 279 106	1 820 004	(1 352 930)	(1 925 046)
TOTAL EQUITY		16 027 639	22 805 276	14 842 131	21 118 450
LIABILITIES					
Non-current liabilities					
Loans from credit institutions	16	3 909 551	5 562 790	5 288 995	7 525 562
Long term payables for the long-term investment	20	2 453 050	3 490 376	2 400 000	3 414 892
Finance lease liabilities	17	125 679	178 825	241 229	343 238
Other loans		557 232	792 870	56 836	80 870
Taxes payable	18	206 959	294 476	444 353	632 257
Deferred corporate income tax liabilities		718 164	1 021 855	309 800	440 806
TOTAL		7 970 635	11 341 192	8 741 213	12 437 626
Current liabilities					
Loans from credit institutions	16	2 912 042	4 143 462	3 438 297	4 892 256
Finance lease liabilities	17	119 432	169 936	182 636	259 868
Other loans		-	-	-	-
Prepayments received from customers		302 839	430 901	235 865	335 606
Trade and other payables	20	1 640 196	2 333 789	2 222 447	3 162 257
Payables to related companies		203 100	288 985	303 972	432 513
Taxes payable	18	951 747	1 354 214	645 311	918 195
Accrued liabilities	19	587 790	836 349	655 530	932 735
TOTAL		6 717 146	9 557 637	7 684 058	10 933 430
TOTAL LIABILITIES		14 687 781	20 898 829	16 425 271	23 371 055
TOTAL EQUITY AND LIABILITIES					
		30 715 420	43 704 105	31 267 402	44 489 505

The accompanying notes form an integral part of these financial statements.

For the Board of the Group:


 Jelena Borcova
 Member of the Management Board



27 November 2009

Consolidated cash flow statement

	2009 III quarter		2008 III quarter	
	LVL	EUR	LVL	EUR
Cash flows to/from operating activities				
(Loss)/ Profit before taxes	1 284 021	1 826 997	(1 262 576)	(1 796 484)
Adjustments for:				
Amortisation and depreciation	1 799 246	2 560 096	1 902 256	2 706 666
Loss on sale/ disposal of property, plant and equipment	9 485	13 496	27 839	39 611
Increase in allowances	285 085	405 639	(183 927)	(261 705)
Interest expenses	263 374	374 747	509 845	725 444
Interest receivable	(16 833)	(23 951)	(31 666)	(45 057)
Operating cash flows before working capital changes	3 624 378	5 157 025	961 770	1 368 475
Increase in inventories	(596 235)	(848 366)	(467 506)	(665 201)
(Increase)/ decrease in receivables and prepaid expense	(38 392)	(54 627)	732 430	1 042 154
Increase/ (decrease) in payables and prepayments received	(835 006)	(1 188 106)	197 814	281 464
Cash generated from operations	2 154 745	3 065 926	1 424 508	2 026 892
Interest paid	(266 887)	(379 746)	(509 766)	(725 332)
Corporate income tax paid	(45 691)	(65 012)	(162 895)	(231 779)
Real estate tax paid	(26 679)	(37 961)	(40 338)	(57 396)
Net cash flows to/ from operating activities	1 815 488	2 583 207	711 508	1 012 385
Cash flows to/from investing activities				
Purchase of property, plant and equipment	(202 685)	(288 395)	(2 447 040)	(3 481 824)
Acquisition of subsidiary	(53 000)	(75 412)	-	-
Proceeds from sale of intangible assets and property, plant and equipment	7 154	10 179	1 470	2 092
Loans repaid	1 660	2 362	109 372	155 622
Interest receivable	8 852	12 595	23 350	33 224
Loans granted	(144 037)	(204 946)	(292 309)	(415 918)
Net cash flows to/from investing activities	(382 055)	(543 615)	(2 605 157)	(3 706 804)
Cash flows to/from financing activities				
Borrowings repaid	(819 864)	(1 166 561)	846 283	1 204 152
Net cash flows to/from financing activities	(819 864)	(1 166 561)	846 283	1 204 152
Change in cash	613 569	873 030	(1 047 366)	(1 490 268)
Cash at the beginning of the year	37 106	52 797	1 078 604	1 534 715
Cash at the end of the year	650 675	925 827	31 238	44 448

The accompanying notes form an integral part of these financial statements.

Consolidated statement of changes in equity

	Share capital	Share capital	Share premium	Share premium	Retained earnings/ (Accumulated deficit)	Retained earnings/ (Accumulated deficit)	Total	Total
	LVL	EUR	LVL	EUR	LVL	EUR	LVL	EUR
Balance as at 31 December 2008	14 085 078	20 041 260	1 759 708	2 503 839	(1 096 253)	(1 559 827)	14 748 533	20 985 272
Loss for the reporting year	-	-	-	-	1 279 106	1 820 004	1 279 106	1 820 004
Balance as at 30 September 2009	14 085 078	20 041 260	1 759 708	2 503 839	182 853	260 176	16 027 639	22 805 276

The accompanying notes form an integral part of these financial statements.

Notes to the consolidated financial statements

1. Corporate information

The principal activities of Olainfarm Group (hereinafter, the Group) are manufacturing and distribution of chemical and pharmaceutical products.

The Parent Company of the Group, AS Olainfarm (hereinafter, the Parent Company) was registered with the Republic of Latvia Enterprise Register on 10 June 1991 (re-registered on 27 March 1997) and with the Republic of Latvia Commercial Register on 4 August 2004.

The shares of the Parent Company are listed on Riga Stock Exchange, Latvia.

These consolidated financial statements were approved by the Board on 27 November 2009.

The Parent Company's shareholders have the power to amend the consolidated financial statements after the issue.

2. Summary of significant accounting policies

Foreign currency translation

The functional and reporting currency of companies of the Group is the Lat (LVL). All transactions denominated in foreign currencies are converted into Lats at the Bank of Latvia rate of exchange prevailing on the day the transaction took place. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement. At the year end foreign currency financial assets and liabilities are translated at the Bank of Latvia rate of exchange ruling at 31 December, and all associated exchange differences are dealt with through the income statement.

Exchange rates against the USD and EUR in the last two years have been:

	<u>30/09/2009</u>	<u>30/09/2008</u>
EUR	0.702804	0.702804
USD	0.480	0.486

3. Net sales

<i>By business segments</i>	2009 III.quarter		2008 III.quarter	
	LVL	EUR	LVL	EUR
Finished form medicine	14 374 442	20 452 989	13 972 848	19 881 572
Chemicals	818 439	1 164 534	1 299 970	1 849 691
TOTAL:	15 192 881	21 617 523	15 272 818	21 731 262

<i>By geographical segments</i>	2009 II.quarter		2008 II.quarter	
	LVL	EUR	LVL	EUR
CIS	11 705 464	16 655 375	10 683 600	15 201 393
Latvia	2 337 182	3 325 510	2 326 538	3 310 365
Europe	468 179	666 158	1 651 201	2 349 447
Baltic states (Lithuania and Estonia)	292 394	416 039	419 750	597 250
Other	389 663	554 441	191 730	272 807
TOTAL:	15 192 881	21 617 523	15 272 818	21 731 262

4. Other operating income

	2009 II.quarter		2008 II.quarter	
	LVL	EUR	LVL	EUR
Treatment of waste water	148 979	211 979	118 058	167 981
Lease of premises	54 373	77 367	35 703	50 801
Income of services*	56 114	79 843	86 807	123 515
Other operating income	46 872	66 692	63 116	89 806
Incomes from catering services	18 983	27 010	33 226	47 276
Gains from sale of non-current assets	3 081	4 384	1 470	2 092
Sale of current assets	751	1 069	43 346	61 676
TOTAL:	329 153	468 343	381 726	543 147

* Income from services includes the analysis of preparations based on customer's orders.

5. Other operating expense

	30.09.2009		30.09.2008	
	LVL	EUR	LVL	EUR
Marketing expense	3 451 897	4 911 606	3 133 197	4 458 138
Sales commissions	79 759	113 487	91 065	129 574
Transportation expense	49 099	69 861	90 151	128 273
Other distribution costs	50 215	71 449	71 844	102 225
Expert analysis of medicines	6 085	8 658	18 316	26 061
Exhibition expense	471	670	-	-
<i>Total distribution costs:</i>	<i>3 637 526</i>	<i>5 175 733</i>	<i>3 404 573</i>	<i>4 844 271</i>
Other operating expense	534 378	760 351	121 971	173 549
Insurance	134 636	191 569	138 973	197 741
Security	108 529	154 423	23 839	33 920
Write-offs of current assets	91 325	129 944	90 833	129 244
Information and business consulting	77 103	109 707	91 164	129 715
Business trips	65 015	92 508	108 580	154 495
Permits for import and export of medicines	23 984	34 126	2 944	4 189
Annual payment for the medicines registered in Latvia	22 200	31 588	17 500	24 900
Other taxes	44 913	63 905	41 236	58 674
Communications expense	42 903	61 045	56 399	80 249
Car fleet maintenance	31 581	44 936	58 818	83 690
Allowances to staff	29 768	42 356	38 398	54 635
Representation expense	26 741	38 050	77 209	109 859
Social infrastructure	24 048	34 217	35 452	50 444
Education	22 145	31 509	21 037	29 933
Current repairs	22 479	31 985	43 500	61 895
Bank charges	20 745	29 517	20 696	29 448
New product research and development costs	14 524	20 665	37 116	52 811
Hosting expense	13 627	19 390	19 525	27 782
Inventoring of buildings	13 000	18 497	-	-
Waste removal	12 837	18 266	16 085	22 887
Write-offs and disposal of tangible assets	9 335	13 283	18 277	26 006
Membership fees	8 614	12 256	19 873	28 277
Flowers and gifts	8 341	11 868	34 945	49 722
Laboratory tests	8 320	11 838	9 320	13 261
Land lease for eco-field	8 075	11 489	5 972	8 497
Donations	7 440	10 586	21 314	30 327
Office expense	6 982	9 935	17 791	25 314
Legal and audit expense	6 868	9 772	24 344	34 638
Administrative offices maintenance	6 171	8 781	7 108	10 114
Humanitarian aid	5 335	7 591	1 081	1 538
Visas, invitations	2 542	3 617	3 857	5 488
Unemployment risk duty	1 972	2 806	2 488	3 540
Provisions for impairment of tangible assets	650	925	1 437	2 045
TOTAL:	5 094 650	7 249 034	4 633 655	6 593 097

6. Financial income

	2009 III. quarter		2008 III. quarter	
	LVL	EUR	LVL	EUR
Currency exchange gain, net	10 706	15 234	-	-
Currency exchange commission	24 542	34 920	-	-
Received penalties	-	-	4 818	6 855
Loan interest payments	7 981	11 356	8 316	11 833
Interest accrued on bank account balances	8 852	12 595	18 534	26 372
TOTAL:	52 081	74 105	31 668	45 060

7. Financial expense

	2009 III. quarter		2008 III. quarter	
	LVL	EUR	LVL	EUR
Loan interest expenses	263 374	374 747	408 168	580 771
Penalties paid for late payments	107 545	153 023	39 186	55 757
Currency exchange commission	32 757	46 609	41 388	58 890
Currency exchange loss, net	-	-	3 783	5 383
TOTAL:	403 676	574 379	492 525	700 800

8. Staff costs and number of employees

	2009 III. quarter		2008 III. quarter	
	LVL	EUR	LVL	EUR
Wages and salaries	3 760 807	5 351 146	5 367 393	7 637 112
Statutory social insurance contributions	847 032	1 205 218	1 174 619	1 671 332
TOTAL:	4 607 839	6 556 364	6 542 012	9 308 444

	2009 III. quarter		2008 III. quarter	
	LVL	EUR	LVL	EUR
Management of the Group				
Wages and salaries	280 392	398 961	408 527	581 282
Statutory social insurance contributions	67 268	95 714	94 456	134 399
Board Members				
Wages and salaries	273 217	388 753	307 672	437 777
Statutory social insurance contributions	46 641	66 364	16 288	23 176
Council Members				
Wages and salaries	64 575	91 882	114 955	163 566
Statutory social insurance contributions	14 321	20 377	18 657	26 546
TOTAL:	746 414	1 062 052	960 554	1 366 745

	30/09/2009	30/09/2008
Average number of employees during the reporting year	794	999

9. Basic and diluted earnings per share

Earnings per share are calculated by dividing the net result for the year after taxation attributable to shareholders by the weighted average number of shares in issue during the year. The table below presents the income and share data used in the computations of basic earnings per share:

	2009 III. quarter		2008 III. quarter	
	LVL	EUR	LVL	EUR
Net result attributable to shareholders	1 279 106	1 820 004	(1 352 930)	(1 925 046)
Weighted average number of ordinary shares*	14 085 078	14 085 078	14 085 078	14 085 078
Earnings per share	0,091	0,129	(0,096)	(0,137)

The Parent Company has no potential dilutive ordinary shares and therefore diluted earnings per share are the same as the basic earnings per share.

10. Intangible assets

	Goodwill		Patents		Other intangible assets		TOTAL	
	LVL	EUR	LVL	EUR	LVL	EUR	LVL	EUR
Acquisition value as at 31/12/2007	-	-	950 000	1 351 728	375 480	534 260	3 036 376	4 320 374
2008. III. quarter Additions	-	-	1 900 000	2 703 456	143 135	203 663	2 043 135	2 907 119
2008. III. quarter Disposals	-	-	-	-	(42 615)	(60 636)	(42 615)	(60 636)
Acquisition value as at 30/09/2008	-	-	2 850 000	4 055 185	476 000	677 287	5 036 896	7 166 857
Accumulated amortisation as at 31/12/2007	-	-	-	-	185 150	263 445	1 355 589	1 928 829
2008. III. quarter Amortisation	-	-	108 830	154 851	67 639	96 242	416 047	591 982
2008. III. quarter Amortisation of disposals	-	-	-	-	(42 615)	(60 636)	(42 615)	(60 636)
Accumulated amortisation as at 30/09/2008	-	-	108 830	154 851	210 174	299 051	1 729 021	2 460 175
Net carrying amount as at 31/12/2007	-	-	950 000	1 351 728	190 330	270 815	1 680 787	2 391 544
Net carrying amount as at 30/09/2008	-	-	2 741 170	3 900 334	265 826	378 236	3 307 876	4 706 684

	Goodwill		Patents		Other intangible assets		TOTAL	
	LVL	EUR	LVL	EUR	LVL	EUR	LVL	EUR
Acquisition value as at 31/12/2008	503 930	717 028	6 209 531	8 835 367	818 783	1 165 023	7 532 244	10 717 418
2009. III. quarter Additions	-	-	-	-	199 204	283 442	199 204	283 442
2009. III. quarter Disposals	-	-	-	-	(20 330)	(28 927)	(20 330)	(28 927)
Acquisition value as at 30/09/2009	503 930	717 028	6 209 531	8 835 367	997 657	1 419 538	7 711 118	10 971 932
Accumulated amortisation as at 31/12/2008	-	-	148 018	210 611	419 672	597 139	567 690	807 750
2009. III. quarter Amortisation	-	-	117 562	167 276	122 509	174 314	240 071	341 590
2009. III. quarter Amortisation of disposals	-	-	-	-	(20 187)	(28 724)	(20 187)	(28 724)
Accumulated amortisation as at 30/09/2009	-	-	265 580	377 886	521 994	742 730	787 574	1 120 617
Net carrying amount as at 31/12/2008	503 930	717 028	6 061 513	8 624 756	399 111	567 884	6 964 554	9 909 668
Net carrying amount as at 30/09/2009	503 930	717 028	5 943 952	8 457 482	475 665	676 811	6 923 547	9 851 321

11. Property, plant and equipment

LVL

	Land	Buildings and constructions	Equipment and machinery	Other tangible assets	Construction in progress	TOTAL
Acquisition value as at 31/12/2007	55 928	10 562 122	11 286 226	652 428	1 187 133	23 743 837
2008. III quarter						
Additions	-	713 669	1 041 832	85 576	683 452	2 524 529
Liquidation	-	(46 945)	(288 084)	(19 528)	-	(354 557)
Reclassification	-	-	111 387	(111 387)	-	-
Acquisition value as at 30/09/2008	55 928	11 228 846	12 151 361	607 089	1 870 584	25 913 808
Accumulated depreciation as at 31/12/2007	-	5 857 445	6 926 328	277 799	-	13 061 572
2008. III quarter						
Depreciation	-	291 973	1 146 169	71 391	-	1 509 533
Depreciation of disposals	-	(28 933)	(276 903)	(19 412)	-	(325 248)
Reclassification	-	-	6 568	(6 568)	-	-
Accumulated depreciation as at 30/09/2008	-	6 120 485	7 802 162	323 210	-	14 245 857
Net carrying amount as at 31/12/2007	55 928	4 704 678	4 359 898	374 630	1 187 132	10 682 266
Net carrying amount as at 30/09/2008	55 928	5 108 361	4 349 199	283 881	1 870 584	11 667 953
	Land	Buildings and constructions	Equipment and machinery	Other tangible assets	Construction in progress	TOTAL
Acquisition value as at 31/12/2008	55 928	13 023 139	12 264 667	602 694	88 779	26 035 207
2009. III quarter						
Additions	-	-	106 438	3 176	23 678	133 292
Disposals	-	(30 745)	(94 963)	(3 404)	(1 652)	(130 764)
Reclassification	-	-	(206)	206	-	-
Acquisition value as at 30/09/2009	55 928	12 992 394	12 275 936	602 672	110 805	26 037 735
Accumulated depreciation as at 31/12/2008	-	6 098 312	8 212 375	339 756	-	14 650 443
2009. III quarter						
Depreciation	-	395 719	1 098 671	64 785	-	1 559 175
Depreciation of disposals	-	(22 016)	(89 206)	(3 047)	-	(114 269)
Reversed impairment	-	-	(681)	-	-	(681)
Accumulated depreciation as at 30/09/2009	-	6 472 015	9 221 159	401 494	-	16 094 668
Net carrying amount as at 31/12/2008	55 928	6 924 828	4 052 292	262 939	88 779	11 384 766
Net carrying amount as at 30/09/2009	55 928	6 520 379	3 054 777	201 178	110 805	9 943 067

11. Property, plant and equipment (cont'd)

EUR

	Land	Buildings and constructions	Equipment and machinery	Other tangible assets	Construction in progress	TOTAL
Acquisition value as at 31/12/2007	79 578	15 028 546	16 058 853	928 322	1 689 138	33 784 437
2008. III quarter						
Additions	-	1 015 460	1 482 393	121 764	972 465	3 592 081
Liquidation	-	(66 797)	(409 907)	(27 786)	-	(504 489)
Reclassification	-	-	158 489	(158 489)	-	-
Acquisition value as at 30/09/2008	79 578	15 977 208	17 289 829	863 810	2 661 601	36 872 027
Accumulated depreciation as at 31/12/2007	-	8 334 393	9 855 277	395 272	-	18 584 942
2008. II quarter						
Izslēgšana	-	-	-	-	-	-
Depreciation	-	415 440	1 630 852	101 580	-	2 147 872
Depreciation of disposals	-	(41 168)	(393 997)	(27 621)	-	(462 786)
Reclassification	-	-	9 345	(9 345)	-	-
Accumulated depreciation as at 30/09/2008	-	8 708 666	11 101 476	459 886	-	20 270 028
Net carrying amount as at 31/12/2007	79 578	6 694 154	6 203 576	533 050	1 689 137	15 199 495
Net carrying amount as at 30/09/2008	79 578	7 268 543	6 188 353	403 926	2 661 601	16 602 002

	Land	Buildings and constructions	Equipment and machinery	Other tangible assets	Construction in progress	TOTAL
Acquisition value as at 31/12/2008	79 578	18 530 257	17 451 049	857 556	126 321	37 044 762
2009. III quarter						
Additions	-	-	151 448	4 519	33 691	189 657
Disposals	-	(43 746)	(135 120)	(4 843)	(2 351)	(186 060)
Reclassification	-	-	(293)	293	-	-
Acquisition value as at 30/09/2009	79 578	18 486 511	17 467 083	857 525	157 661	37 048 359
Accumulated depreciation as at 31/12/2008	-	8 677 116	11 685 157	483 429	-	20 845 702
2009. III quarter						
Depreciation	-	563 057	1 563 268	92 181	-	2 218 506
Depreciation of disposals	-	(31 326)	(126 929)	(4 335)	-	(162 590)
Reversed impairment	-	-	(969)	-	-	(969)
Accumulated depreciation as at 30/09/2009	-	9 208 847	13 120 527	571 275	-	22 900 649
Net carrying amount as at 31/12/2008	79 578	9 853 143	5 765 892	374 128	126 321	16 199 063
Net carrying amount as at 30/09/2009	79 578	9 277 664	4 346 556	286 251	157 661	14 147 710

There is a difference of LVL 7 138 between total depreciation and amortisation under the income statement and the total depreciation and amortisation stated in Notes 10 and 11. Difference is explained as depreciation of the property, plant and equipment in the cafe and the canteen – LVL 4 265 which was disclosed in the income statement as other operating expense and 2 873 LVL depreciation and amortization expenses included in other operating expense.

12. Inventories

	30.09.2009.		30.09.2008.	
	LVL	EUR	LVL	EUR
Raw materials (at cost)	1 062 394	1 511 651	1 294 846	1 842 400
Work in progress (at cost)	4 508 367	6 414 828	4 060 035	5 776 909
Finished goods and goods for resale (at cost)*	2 367 736	3 368 984	1 904 513	2 709 878
Goods in transit	-	-	-	-
Prepayments for goods	24 703	35 149	63 823	90 812
TOTAL:	7 963 200	11 330 613	7 323 217	10 419 999
Allowances for raw materials	(120 456)	(171 393)	(111 509)	(158 662)
Allowances for work in progress	(331 131)	(471 157)	(141 679)	(201 591)
Allowances for finished goods and goods for resale	(242 001)	(344 337)	(58 017)	(82 551)
TOTAL:	(693 588)	(986 886)	(311 205)	(442 804)
TOTAL:	7 269 612	10 343 726	7 012 012	9 977 195

* As at 30 September 2009, the Group's inventories comprised goods on consignment in the amount of LVL 237 307 (30/09/2008: LVL 212 806).

13. Trade receivables

	30.09.2009.		30.09.2008.	
	LVL	EUR	LVL	EUR
Trade receivables	4 447 554	6 328 299	4 295 438	6 111 858
Allowances for doubtful trade receivables	(20 788)	(29 579)	(19 512)	(27 763)
TOTAL:	4 426 766	6 298 721	4 275 927	6 084 096

14. Cash and short term deposits

	30.09.2009.		30.09.2008.	
	LVL	EUR	LVL	EUR
Cash at banks and on hand	150 279	213 827	31 238	44 448
Short-term deposits	500 396	712 000	-	-
	650 675	925 827	31 238	44 448

On March 23, 2009, the Company entered into a Deposit agreement with AS SEB Banka, whereby it deposited 712 000 euros for 6 months. Thereby the Bank undertook to pay an interest of 3.35% per annum.

Cash by currency profile:	30.09.2009.		30.09.2008.	
	Foreign currency	LVL	Foreign currency	LVL
RUB	158	3	-	-
LVL	-	80 170	-	27 168
EUR	792 312	556 840	2 390	1 680
USD	28 463	13 662	4 917	2 390
KOPĀ:	-	650 675	-	31 238

Cash at banks earns interest at average 0.25% based on bank account service agreement.

15. Share capital

The share capital of the Parent Company on 30.09.2009 is LVL 14 085 078 (30/09/2008: LVL 14 085 078) and consists of 14 085 078 (2008: 14 085 078) shares. The par value of each share is LVL 1.

All 14 085 078 shares are ordinary publicly traded dematerialized voting shares to bearer.

16. Loans from credit institutions

		Interest rate (%) as at 30/06/2009	Maturity	30.09.2009. LVL	30.09.2009. EUR	30.09.2008. LVL	30.09.2008. EUR
Non-current:							
Loan from AS SEB banka	6 950 000	EUR (3-month)+1.3%	08.12.2011.	1 712 081	2 436 072	2 252 738	3 205 357
Loan from AS SEB banka	4 000 000	EUR (3-month)+1.3%	23.05.2013.	1 267 027	1 802 817	1 742 162	2 478 873
Loan from AS SEB banka	2 000 000	EUR (3-month)+1.3%	10.10.2012.	689 023	980 392	1 019 755	1 450 981
Loan from AS SEB banka	445 000	EUR (3-month)+1.3%	30.01.2015.	241 419	343 509	274 340	390 351
TOTAL:				3 909 551	5 562 790	5 288 995	7 525 562
Current:							
Loan from AS SEB banka	6 950 000	EUR (3-month)+1.3%	08.12.2011.	540 657	769 286	540 657	769 286
Loan from AS SEB banka	4 000 000	EUR (3-month)+1.3%	23.05.2013.	475 135	676 056	475 135	676 056
Loan from AS SEB banka	2 000 000	EUR (3-month)+1.3%	10.10.2012.	330 731	470 588	330 731	470 588
Loan from AS SEB banka	445 000	EUR (3-month)+1.3%	30.01.2015.	32 921	46 842	32 921	46 842
Credit line from AS SEB banka *	2 200 000	EUR (3-month)+2.9%	31.12.2009.	1 532 598	2 180 691	2 058 852	2 929 482
TOTAL:				2 912 042	4 143 462	3 438 297	4 892 256

On March 27, 2009 amendments were signed to the Credit line Agreement with JSC SEB Banka, providing that the new due date of the credit line is June 30, 2009 and the limit of the credit line is to be reduced to 2 200 000 Euro (Ls 1 546 169) by May 31, 2009. The new interest rate of the credit line was set at Euribor 3m +2,9%. On July 14, 2009 new amendments to the Credit Line Agreement with JSC SEB Banka were signed, providing the new due date of the credit line to be on December 31, 2009 and the reduction of the credit limit to 2 200 000 Euro (Ls 1 546 169) by August 31, 2009. On May 22, 2009 Olainfarm signed a Factoring agreement with SIA „SEB Lizings” about factoring services with the total limit of EUR 800 000 (LVL 562 243). The Concern has put a deposit of 712 000 Euro (Ls 500 996) as an additional financial collateral to secure its obligations towards SEB Banka

17. Finance lease liabilities

	30.09.2009.		30.09.2009.		30.09.2008.		30.09.2008.	
	LVL		EUR		LVL		EUR	
	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
Finance lease liabilities to SIA SEB Unilizings, EUR	125 679	119 088	178 825	169 447	240 886	162 396	342 750	231 069
Finance lease liabilities to SIA Hanza Lizings, EUR	-	-	-	-	-	10 690	-	15 210
Finance lease liabilities to SIA SEB Unilizings, LVL	-	344	-	489	344	1 980	489	2 817
Finance lease liabilities to SIA Parex Lizings, EUR	-	-	-	-	-	7 571	-	10 773
TOTAL:	125 679	119 432	178 825	169 936	241 229	182 636	343 238	259 868

Future minimum lease payments for the above finance leases can be specified as follows:

	30.09.2009.		30.09.2009.		30.09.2008.		30.09.2008.	
	Present		Present		Present		Present	
	Minimum payments	value of payments	Minimum payments	value of payments	Minimum payments	value of payments	Minimum payments	value of payments
	LVL	LVL	EUR	EUR	LVL	LVL	EUR	EUR
Within one year	128 437	119 432	182 749	169 936	197 113	182 636	280 467	259 868
Between one and five years	131 226	125 679	186 718	178 825	253 601	241 229	360 842	343 238
Total minimum lease payments	259 663	245 111	369 467	348 762	450 714	423 865	641 308	603 106
Less amounts representing finance charges	(14 552)	-	(20 706)	-	(26 849)	-	(38 203)	-
Present value of minimum lease payments	245 111	245 111	348 761	348 761	423 865	423 865	603 106	603 106

18. Taxes payable/ receivable

	30.09.2009.	30.09.2009.	30.09.2008.	30.09.2008.
	LVL	EUR	LVL	EUR
Personal income tax *	(543 947)	(773 967)	(475 711)	(676 876)
Statutory social insurance contributions *	(559 222)	(795 702)	(559 178)	(795 639)
Real estate tax *	(51 692)	(73 552)	(49 516)	(70 455)
Natural resource tax	(3 587)	(5 104)	(2 995)	(4 262)
Corporate income tax	47 223	67 192	(46)	(65)
Value added tax	67 718	96 355	141 685	201 600
TOTAL:	(1 043 507)	(1 484 777)	(945 761)	(1 345 697)
Total liabilities:	(1 158 704)	(1 648 689)	(1 089 664)	(1 550 452)
Total assets:	115 197	163 910	143 903	204 756

19. Accrued liabilities

	30.09.2009.		30.09.2008.	
	LVL	EUR	LVL	EUR
Vacation pay reserve	378 833	539 031	402 850	573 204
Accruals for electricity and gas	102 431	145 746	88 458	125 865
Accruals for discounts for customers (Rojalti)	16 357	23 273	-	-
Provisions for penalties related to taxes (see Note 25)	45 539	64 796	65 483	93 174
Accruals for marketing services	4 628	6 585	-	-
Other accrued liabilities	40 003	56 919	98 738	140 492
TOTAL:	587 790	836 349	655 530	932 735

20. Trade and other payables

	30.09.2009.		30.09.2008.	
	LVL	EUR	LVL	EUR
Liability for long term investment	2 453 050	3 490 376	2 789 050	3 968 461
Trade and other payables	1 365 001	1 942 221	1 326 495	1 887 432
Wages and salaries	269 032	382 797	436 916	621 675
Other payables	6 163	8 769	69 986	99 581
TOTAL:	4 093 246	5 824 165	4 622 447	6 577 149

21. Segment information

For management purposes group is organized into business units based on its products, and has two reportable operating segments as follows:

The finished form medicine segment represents tablets, capsules, ampoules and sachets, namely the products ready for final consumption by end users.

The chemicals segment is sales of chemicals to the clients of the Group for further processing, eventually into finished form medicines. Production of both segments is separated.

Under the segment „Chemicals” the Group has stated revenues from sale of chemical and pharmaceutical substances only to customers outside the Group. However, most of the chemicals are used to produce the final dosage forms within the Group and revenues generated by them do cover the resources invested into fixed assets used for chemical production. The Group does not keep separate books by segments.

21. Segment information (cont'd)**LVL**

	Finished form medicine		Chemicals		Unallocated		Total	
	30.09.2009.	30.09.2008.	30.09.2009.	30.09.2008.	30.09.2009.	30.09.2008.	30.09.2009.	30.09.2008.
Assets								
Intangible assets	3 608 582	3 350 983	2 920 543	2 920 543	166 189	3 554 823	7 125 754	6 957 803
Tangible assets	7 395 494	8 776 578	1 816 631	2 155 881	933 212	1 019 369	10 145 337	11 951 827
Financial assets	-	-	-	-	1 036	1 036	1 036	1 036
Inventories	5 835 773	5 577 836	1 433 499	1 370 141	340	64 034	7 269 612	7 012 012
Receivables	4 740 415	4 588 337	231 088	226 106	551 504	499 043	5 523 006	5 313 486
Cash	-	-	-	-	650 675	31 238	650 675	31 238
Total assets	21 580 263	19 425 188	6 832 201	6 672 671	2 302 955	5 169 543	30 715 420	31 267 402
Equity and liabilities								
Total equity	-	-	-	-	16 027 639	14 842 131	16 027 639	14 842 131
Deferred income tax liability	-	-	-	-	718 164	309 800	718 164	309 800
Loans from credit institution	5 476 375	7 006 270	1 345 218	1 721 022	-	-	6 821 593	8 727 292
Other loans	644 121	340 279	158 222	83 586	-	56 836	802 343	480 701
Taxes payable	929 683	872 565	228 368	214 337	655	2 761	1 158 706	1 089 664
Prepayments received from customers	150 560	193 293	152 279	42 572	-	-	302 839	235 865
Trade payables	1 314 423	4 166 610	322 875	455 837	2 455 948	-	4 093 246	4 622 447
Payables to related companies	163 049	244 029	40 051	59 943	-	-	203 100	303 972
Accrued liabilities	-	-	-	-	587 790	655 530	587 790	655 530
Total equity and liabilities	8 678 211	12 823 046	2 247 014	2 577 297	19 790 196	15 867 058	30 715 420	31 267 402
Income statement								
Net turnover	14 374 442	13 972 848	818 439	1 299 970	-	-	15 192 881	15 272 818
Changes in stock of finished goods and work in progress	393 346	371 190	96 621	91 179	-	-	489 967	462 369
Other operating income	-	-	-	-	329 153	381 726	329 153	381 726
Cost of materials	(2 309 843)	(3 151 030)	(567 390)	(722 886)	(4 555)	-	(2 881 788)	(3 873 915)
Staff costs	(3 699 173)	(5 262 487)	(908 666)	(1 279 525)	-	-	(4 607 839)	(6 542 012)
Depreciation/ amortisation and write-offs	(1 438 704)	(1 527 314)	(353 404)	(374 367)	-	-	(1 792 108)	(1 901 681)
Other operating expense	(4 041 111)	(3 698 316)	(992 659)	(894 104)	(60 880)	-	(5 094 650)	(4 633 655)
Income from investments in subsidiaries	-	-	-	-	-	32 631	-	32 631
Financial income	-	-	-	-	52 081	31 668	52 081	31 668
Financial expenses	-	-	-	-	(403 676)	(492 525)	(403 676)	(492 525)
Taxes	-	-	-	-	(4 915)	(90 354)	(4 915)	(90 354)
Net profit/ (loss) for the year	3 278 957	704 891	(1 907 059)	(1 879 733)	(92 792)	(178 090)	1 279 106	(1 352 930)

21. Segment information (cont'd)**EUR**

	Finished form medicine		Chemicals		Unallocated		Total	
	30.09.2009.	30.09.2008.	30.09.2009.	30.09.2008.	30.09.2009.	30.09.2008.	30.09.2009.	30.09.2008.
Assets								
Intangible assets	5 134 549	686 446	4 768 020	4 155 558	236 466	5 058 057	10 139 035	9 900 062
Tangible assets	10 522 840	12 487 945	2 584 833	3 067 542	1 327 840	1 450 431	14 435 513	17 005 918
Financial assets	-	-	-	-	1 474	1 474	1 474	1 474
Inventories	8 303 557	7 936 546	2 039 685	1 949 535	483	91 112	10 343 725	9 977 194
Receivables	6 745 002	6 528 615	328 809	321 720	784 719	710 074	7 858 530	7 560 409
Cash	-	-	-	-	925 827	44 448	925 827	44 448
Total assets	30 705 948	27 639 552	9 721 346	9 494 355	3 276 810	7 355 597	43 704 106	44 489 505
Equity and liabilities								
Total equity	-	-	-	-	22 805 276	21 118 450	22 805 276	21 118 450
Deferred income tax liability	-	-	-	-	1 021 855	440 806	1 021 855	440 806
Loans from credit institution	7 792 179	9 969 024	1 914 073	2 448 794	-	-	9 706 252	12 417 818
Other loans	916 502	484 173	225 130	118 932	-	80 870	1 141 631	683 976
Taxes payable	1 322 820	1 241 548	324 938	304 974	932	3 929	1 648 690	1 550 452
Prepayments received from customers	214 228	275 031	216 674	60 574	-	-	430 902	335 606
Trade payables	1 870 255	5 928 552	459 410	648 598	3 494 499	-	5 824 164	6 577 150
Payables to related companies	231 997	347 222	56 988	85 292	-	-	288 985	432 513
Accrued liabilities	-	-	-	-	836 350	932 735	836 350	932 735
Total equity and liabilities	12 347 981	18 245 550	3 197 212	3 667 164	28 158 912	22 576 790	43 704 106	44 489 505
Income statement								
Net turnover	20 452 989	19 881 572	1 164 534	1 849 691	-	-	21 617 523	21 731 262
Changes in stock of finished goods and work in progress	559 680	528 156	137 480	129 736	-	-	697 160	657 892
Other operating income	-	-	-	-	468 343	543 147	468 343	543 147
Cost of materials	(3 286 610)	(4 483 512)	(807 324)	(1 028 574)	(6 481)	-	(4 100 415)	(5 512 084)
Staff costs	(5 263 449)	(7 487 844)	(1 292 915)	(1 820 600)	-	-	(6 556 364)	(9 308 444)
Depreciation/ amortisation and write-offs	(2 047 092)	(2 173 172)	(502 848)	(532 676)	-	-	(2 549 940)	(2 705 848)
Other operating expense	(5 749 982)	(5 262 230)	(1 412 427)	(1 272 195)	(86 624)	(58 674)	(7 249 034)	(6 593 097)
Income from investments in subsidiaries	-	-	-	-	-	46 430	-	46 430
Financial income	-	-	-	-	74 105	45 060	74 105	45 060
Financial expenses	-	-	-	-	(574 379)	(700 800)	(574 379)	(700 800)
Taxes	-	-	-	-	(6 993)	(128 562)	(6 993)	(128 562)
Net profit/ (loss) for the year	4 665 535	1 002 970	(2 713 500)	(2 674 619)	(132 031)	(253 399)	1 820 004	(1 925 046)

Secondary information is reported geographically. The geographical segments, based on location of the Group's assets, are not presented, as major part of the Group assets (approx. 92%) are located in Latvia. Sales to external customers disclosed in geographical segments are based on the geographical location of its customers, see Note 3.