



JOINT STOCK COMPANY

**„Rīgas autoelektroaparātu rūpnīca”
(reg.Nr. 4 0003030454)**

Report for 12 months of 2011

(not audited)

CONTENT

	page
Information about the company	2
Management report	3
Statement of Management Responsibility	5
Balance sheet	6
Profit or loss account	8
Statement of cash flows	9
Statement of exchanges in equity	11
Notes to financial statements:	12
1. Notes to the balance sheet	13
2. Notes to the profit or loss account	16

Information about the company

Name of the company	<i>Rīgas autoelektroaparātu rūpnīca</i>
Legal form	<i>Joint stock company</i>
Registration number in the Register of Enterprises, place and date	<i>000303045, Riga, 22.04.1998</i>
Registration number in Commercial Register, place and date	<i>40003030454, Riga, 30.06.2004</i>
Address	<i>2, Klijanu street, Riga, Latvia, LV-1013</i>
Board	<i>Alfreds Auzinsh - Chairman (since 1998) Zigurds Kalninsh (since 1998) Maksims Araslanovs (since 2003)</i>
Council	<i>Eriks Kazha – Chairman Gunars Lubis Viktors Rojs Kristina Kazha Nina Kazha</i>
Reporting period	<i>01.01.2011 - 31.12.2011</i>
Main shareholders	<i>Basing on the list of shareholders on October 31,2010 as at the end of the day: 1. JSC „Baltijas Holdings”-43,9 % Reg.Nr.40003148033, 2, Klijanu street, Riga 2. „Tehprojekts”,Ltd.- 43,9% Reg.Nr. 40103020397, 12,Unijas street, Riga 3. Other physical and legal persons- 12.2%</i>
Auditor	<i>Auditing company “SARGUNS”, Ltd. Reg Nr. 41503013991 13,Malnavas street, Riga</i>

Management report

1. Information about the company and its basic activities

The company was found in 1946 under the Ministry of Automotive industry of the USSR as a manufacturer of electric equipment and other goods for automobiles and agricultural machinery. JSC “Rīgas autoelektroaparātu rūpnīca” has maintained the same profile of production - production of control and measuring devices for motorcars and tractors.

The following technological processes are used in the manufacturing: metal machining and punching, moulding of plastics, electroplating and paint coating and assembling of finished products.

The company has introduced quality management system corresponding to ISO 9001:2008.

Average number of employees in the reporting year is 40.

2. Statements

The total volume of sales in 2011 was only 46,4 % from that in 2010.

**Net turnover in 2010 was 803089 LVL
in 2011 – 372482 LVL**

The volume of production was approximately equal in both years, but in 2010 great part of sales was realized from warehouses.

The products of the enterprise are specific and are intended mainly for complete set of automobiles and agricultural machinery in Russia, Ukraine and Belarus. Therefore the production and delivery volumes are depending on the planned production volumes of automobiles’ producers and from the per cent of the production of our enterprise in total delivery volumes.

The production of several items is terminated therefore JSC “RAR” is selling materials and equipment that is no more necessary.

Cash holdings in bank guarantee the ability to execute the contracts.

Today all customers’ debts are real. According to the signed contracts customers shall pay for the delivered production in 30 up to 60 days.

Due to the complicated economic situation the result of economic activities in 2011 are losses 265243 LVL.

Future prospects and further development

The board predicts that the volumes of production and sales in 2012 will be the same as in 2011. There are contracts with Russia and Ukraine but requests for deliveries are not big. The managers of Belarus have set a target to assemble in tractors only self made parts thus refusing from importing. So “RAR” do not have a contract with Minsk Tractor Plant.

It is very complicate to predict further perspectives of the enterprise in this economic situation. There are new ideas how to enlarge collaboration with Ukraine, but meanwhile the Managing board is developing measures to change and improve the organizational structure and to diminish fixed costs to carry out economic activities.

Risks for the economic activities of the company:

1) Risk for technological innovations

Developing and introducing of new technologies is an expensive process. If it is necessary to obtain new machinery, equipment, punch press or introduce new technologies, it may cost from tens of thousands EUR up to hundred of thousands EUR. It is hard to return this money because the new product takes part in a tender where design, functions, quality as well as price are evaluated. As the products are intended for complete set of definite automobiles there is a risk that a contract will not be signed for any of reasons.

2) Quality risk and responsibility

The company has introduced quality management system corresponding to ISO 9001:2008. According to technical demands the guarantee period is two years from the production date. The producer guarantees substitution of faulty devices during guarantee period. According to contract the producer is responsible for the quality of the product. The supplier is to pay fine for delivery of imperfect goods therefore additional expenses may arise because of substitution of the products in guarantee period.

3) Exchange risk

There are different currencies denoted in contracts with the suppliers of materials and sub-components as well as contracts for deliveries of the company's production. The most often is EUR. 88% of net turnover is export. Before signing of contracts the company evaluates the exchange risk and tries to avoid it.

4) Economic and market risk

There are three main factors which must be taken into account when setting the price – costs of production, demand and prices of competitors. If the level of prices for materials and services remain lower for the internal market of NVS (Commonwealth of Independent States) it may create essential problems for competitiveness of goods manufactured by the company. Besides, even if the prices are equal the automobile and tractor producers prefer local suppliers. The only possibility to stay in the market is to offer products of higher quality for low prices.

5) Political risk

Political relationships among Latvia, Russia and Belarus can have an impact on the activities of the company. At the moments of ice jam economic sanctions against Latvia are possible.

JSC “Rīgas autoelektroaparātu rūpnīca” has neither foreign mission nor branch.

Board: _____

A.Auziņš

Z.Kalniņš

M. Araslanovs

February 29, 2012

Statement of Management Responsibility

The board of JSC „Rīgas autoelektroraparātu rūpnīca” (the Company) is responsible for the preparation of the financial statements of the Company.

The financial statements on pages 6 to 18 are prepared in accordance with underlying accounting records and source documents and present fairly the financial position of the Company as on December 31, 2011 and the results of its operations and cash flows for the period ended on December 31, 2011.

The financial statements are prepared in accordance with laws “On accountancy”, “On the annual reports” and Latvian Accounting Standards on a going company basis. Appropriate accounting policies have been applied on a consistent basis. Judgements and estimates made by the board in the preparation of the financial statements have been prudent and reasonable.

The board of JSC “RAR” is responsible for the maintenance of proper accounting records, the safeguarding of the Company’s assets and the prevention and detection of fraud and other irregularities in the Company. The board is also responsible for operating the Company in compliance with the legislation of the Republic of Latvia.

On behalf of the board,

Zigurds Kalniņš
Member of the Board

February 29, 2012

*JSC „Rīgas autoelektroaparātu rūpnīca”
Report for 12 months of 2011*

BALANCE SHEET		For the year 2011		0.702804	0.702804	
			LVL	LVL	EUR	EUR
ASSETS	Notes	Row code	At the end of the period 31.12.11	At the beginning of the year 01.01.11	At the end of the period 31.12.11	At the beginning of the year 01.01.11
A. LONG-TERM INVESTMENTS						
1. Fixed assets						
1.1. Land, buildings and constructions		010	409229	418215	582280	595066
1.2. Equipment and machinery		020	11520	25304	16392	36004
1.3. Other fixed assets and inventory		030	346	674	492	959
2. TOTAL		040	421095	444193	599164	632029
2. Long-term financial investments						
2.1. Other securities and investments		050	200	200	285	285
2. TOTAL		060	200	200	285	285
A. TOTAL		070	421295	44393	599449	632314
B. CURRENT ASSETS						
1. Inventory						
1.1. Raw materials, direct materials and auxiliary materials		080	247309	262497	351889	373500
1.2. Work in progress		090	28834	35628	41027	50694
1.3. Finished goods and goods for sale		100	651018	686289	926315	976501
1.4. Advance payments for goods		110	15454	26035	21989	37045
1. TOTAL		120	942615	1010449	1341220	1437740
2. Receivables						
2.1. Trade receivables		130	73683	176721	104842	251451
2.2. Other receivables		140	239537	221664	340830	315399
2.3. Short-term loans		150	75640	75640	107626	107626
2.4. Deferred expenses		160	166	195	236	278
2. TOTAL		170	389026	474220	553534	674754
3. Cash		3. TOTAL	489497	113664	696492	161729
B. TOTAL		190	1821138	1598333	2591246	2274223
TOTAL ASSETS		200	2242433	2042726	3190695	2906537

*JSC „Rīgas autoelektroaparātu rūpnīca”
Report for 12 months of 2011*

BALANCE SHEET		For the year 2011		0.702804	0.702804	
		LVL	LVL	EUR	EUR	
LIABILITIES	Notes	Row code	At the end of the period 31.12.11	At the beginning of the year 01.01.11	At the end of the period 31.12.11	At the beginning of the year 01.01.11
A. Equity capital						
1. Share capital		210	3565509	3565509	5073262	5073262
2. Retained profit:						
a) brought forward from previous years		220	-1589867	-1589867	-2262176	-2262177
b) for the current year		230	-265243		-377407	
A. TOTAL		240	1710399	1975642	2433679	2811085
B.PROVISIONS						
1.Other provisions		250	9674	8235	13765	11718
B. TOTAL		260	9674	8235	13765	11718
C.CREDITORS						
1. Current liabilities						
1.1. Trade creditors		270	131376	47377	186931	67411
1.2. Taxes and social security payments		280	7556	3545	10751	5044
1.3. Other creditors		290	378834	7927	539032	11279
1.4. Accrued liabilities		300	4594		6537	
C.TOTAL		310	522360	58849	743251	83734
TOTAL LIABILITIES		320	2242433	2042726	3190695	2906537

*JSC „Rīgas autoelektroaparātu rūpnīca”
Report for 12 months of 2011*

PROFIT OR LOSS ACCOUNT

For the year 2011

(LVL) (LVL)

EUR

EUR

0.702804

No	Item	Notes	Row code	2011	2010	2011	2010
1	Net turnover		010	372482	803089	529994	1142693
2	Cost of sales		020	443245	848645	630680	1207513
3	Gross profit or loss		030	-70763	-45556	-100686	-64820
4	Selling expenses		040	17368	28142	24712	40043
5	Administrative expenses		050	165171	272252	235017	387380
6	Other operating income		060	71665	78595	101970	111831
7	Other operating expenses		070	54420	38094	77433	54203
8	Interest receivable and similar income		080	0	1291	0	1837
9	Interest payable and similar expenses		090	0		0,00	
10	Profit or loss before extraordinary items and taxes		100	-236057	-304158	-335879	-432778
11	Profit or loss before taxes		110	-236057	-304158	-335879	-432778
12	Income tax		120				
13	Other taxes (Real estate tax)		130	29186	27474	41528	39092
14	Profit or loss for the period		140	-265243	-331632	-377407	-471870

Earnings per share

-0,074

-0,093

-0,106

-0,132

STATEMENT OF CASH FLOWS for 2011

I. Cash flow from operating activities

K=0.702804

No	ITEMS	2011 LVL	2010 LVL	2011 EUR	2010 EUR
1	Income from sales and services	486568	739778	692324	1052609
2	Payments to suppliers, to employees and other expenses for production	-496206	-748775	-706038	-1065411
3	Other income or expenses for economic activities	36527	13526	51973	19246
4	Cash flow from gross operating activities	26889	4529	38259	6444
5	Real estate tax payments	-29186	-27475	-41528	-39093
I.	Net cash flow from operating activities	-2297	-22946	-3269	-32649

II. Cash flow from investment activities

No	ITEMS	2011 LVL	2010 LVL	2011 EUR	2010 EUR
1	Purchase of parts of enterprises		-200		-285
2	Sales of intangible and fixed assets	13075	3582	18604	5097
3	Given loans	-15000	-66503	-21343	-94625
4	Repaid loans	15000	145480	21343	206999
5	Received interest		1261		1795
II.	Net cash from investment activities	13075	83620	18604	118981

III. Cash flow from financing

No	ITEMS	2011 LVL	2010 LVL	2011 EUR	2010 EUR
1	Advance received as financing of KPFI project	367175		522443	
2	Received interest for deposit		30		43
III.	Net cash flow from financing	367175	30	522443	43

*JSC „Rīgas autoelektroaparātu rūpnīca”
Report for 12 months of 2011*

**SUMMARY OF CASH INCOME AND
EXPENDITURE**

No	ITEMS	2011 LVL	2010 LVL	2011 EUR	2010 EUR
I.	The result from operating activities	-2297	-22946	-3269	-32649
II.	The result from investment activities	13075	83620	18604	118981
III.	The result from financing	367175	30	522443	43
IV.	The result from currency rate fluctuations	-2120	1950	-3016	2774
V.	Cash increase or decrease	375833	62654	534762	89149
VI.	Cash and cash equivalents at the beginning of the reporting period	113664	51010	161729	72580
VII.	Cash and cash equivalents at the end of the reporting period	489497	113664	696491	161729

STATEMENT OF EXCHANGES IN EQUITY
for the year 2011

(LVL)

	Share capital	Reserves	Profit from previous years	Profit of the reporting year	Total
On Dec. 31, 2009	3565509	0	-698239	-559996	2193534
Losses carried forward			-559996	559996	0
Profit (+) or losses (-) of the reporting year				-331632	-331632
On Dec. 31, 2010	3565509	0	-1258235	-331632	1975642
Losses carried forward			-331632	331632	0
Profit (+) or losses (-) of the reporting year				-265243	-265243
On Dec. 31, 2011	3565509	0	-1589867	-265243	1710399

0.702804 EUR

	Share capital	Reserves	Profit from previous years	Profit of the reporting year	Total
On Dec. 31, 2009	5073262	0	-993505	-796802	3121117
Losses carried forward			-796802	796802	0
Profit (+) or losses (-) of the reporting year				-471870	-471870
On Dec. 31, 2010	5073262	0	-1790307	-471870	2811085
Losses carried forward			-471870	471870	0
Profit (+) or losses (-) of the reporting year				-377407	-377407
On Dec. 31, 2011	5073262	0	-2262177	-377407	2433678

NOTES TO FINANCIAL STATEMENTS

1. General principles

The annual report is prepared in accordance with the law „On accountancy”, „On the annual reports” and Latvian accounting standards.

Profit or loss account is prepared in accordance with methods of turnover expenses.

Statement of cash flows is prepared using the direct method.

The financial statements include comparable information of the same period of the previous year.

The financial statements are presented in the national currency of Latvia, the lat (LVL) and in euro (EUR).

2. Accounting policy

The accounting policy of the Company was developed to ensure that the information is:

- applicable for decision making;
- is credible and fairly presents the results of activities and the financial position;
- reveals economic essence of a deal;
- is not prejudiced;
- is prudent;
- is complete is all essential aspects.

The reporting period is

January 1, 2011 till December 31, 2011.

Accounts in 2011 are kept according to the approved chart of accounts of the enterprise.

2.1. The synthetic register of accounting is general ledger. The entries in it are made from the grouping reports of economic operations. Registers of analytic accounting are accounting entry books, lists and cards.

2.2. Computers and software developed by “Bilance”, Ltd. are used to compile accounting registers.

2.3. Balances of assets were checked-up in an inventory from 01.11.2011 until 31.12.2011.

2.4. Depreciation of fixed assets is calculated using the straight-line method applying the depreciation rates set by management.

2.5. Stock of materials and purchased parts is estimated using weighted average prices.

2.6. Stock of finished goods is estimated using the production cost.

2.7. Foreign currency in bank accounts and in treasury is translated into Lats in accordance with the official Bank of Latvia exchange rate for the last day of reporting period.

Foreign currency	31.12.2011	31.12.2010
USD	0.544	0.535
EUR	0.702804	0.702804
RUR	0.017	0.0176

2.8. All debts are real and reconciled with debtors and creditors. Debts in foreign currency are translated into Lats in accordance with the official Bank of Latvia exchange rate for the last day of reporting period. The resulting profit or loss is revealed in profit or loss account of the period.

2.9. In compliance with the law „On annual reports” deferred taxation liabilities are to be calculated for the beginning of the year 2011 and at the end of it and included in balance sheet. Changes in liabilities of deferred income tax are to be revealed in profit or loss account. Deferred income tax is calculated by liability method including all temporary differences between asset and liability values in financial statements and their values in the calculations for taxes. Assets of deferred income tax are accepted only if it is expected to regain them.

The figures on the beginning of the year are corrected including the deal of the previous period concerning sale of a part of real estate.

3. Buildings, constructions and land are registered in Land Register and is the property of „RAR”. Balance sheet –row code 040

Balance value on Dec. 31, 2011:	421095 LVL	on January 1, 2011	444193 LVL
including: buildings and constructions-	308799LVL		331897 LVL
land -	112296 LVL		112296 LVL
Cadastral value on Jan. 01, 2012	2281525LVL		
Cadastral value of the buildings -	1559531LVL		
Cadastral value of the land -	721994 LVL		

4. Inventory. Balance sheet –row code 080;090;100;110.

4.1. On December 31, 2011 the total value of raw materials and sub-components in the warehouses is 204784 LVL, and they provide the process of production for one month.

The value of other inventory (material and outfit) for auxiliary bays on December 31, 2011 was 42525 LVL.

On January 1, 2011 the total value of stocks was 252852 LVL.

The value of other inventory on January 1, 2011 was 10645 LVL.

4.2. On December 31, 2011 the stock of work in progress (parts) 28834 LVL provide the process of production for two weeks.

On January 1, 2011 the stock of work in progress (parts) amounted to 35628 LVL.

4.3. On December 31, 2011 the stock of finished goods was 651018 LVL. The stock of finished goods is evaluated in production costs.

On January 1, 2011 the stock of finished goods amounted to 686289 LVL.

4.4. Advance payments for goods.

<i>Business partner</i>	<i>Advance payment</i>	<i>Total in LVL 31.12.2011</i>	<i>Total in LVL 01.01.2011</i>
Enterprises of Latvia	For materials		44
Enterprises of China	For materials	12081	128
Enterprises of Latvia	For outfit	3373	25863
	TOTAL	15454	26035

5. Receivables

5.1. Trade receivables. Balance sheet –row code 130

<i>Business partner</i>	<i>Debt</i>	<i>Total in LVL 31.12.2011</i>	<i>Total in LVL 01.01.2011</i>
Enterprises of Russia	For the goods		156453
Enterprises of Belarus	For the goods	11994	10789
Enterprise of Ukraine	For the goods	4825	
Enterprises of Latvia	For the goods	56864	9479
Total:		73683	176721

Customers' debts are real. According to the signed contracts customers shall pay for the delivered production in 30 up to 60 days. Enterprises of Belarus fall behind the term of payment.

5.2. Other receivables. Balance sheet –row code 140.

<i>Business partner</i>	<i>Debt</i>	<i>Total in LVL 31.12.2011</i>	<i>Total in LVL 01.01.2011</i>
Enterprises of Latvia	Agreement of lease, el. power, water, thermal energy and services	36	3356
Enterprises of Latvia	For materials	1365	1365
Enterprise of Belarus	For materials and outfit	41109	11617
Enterprises of Latvia	For the equipment	6360	5140
Enterprises of Latvia	For real estate	158131	158131
Enterprise of Belarus	For the equipment	28499	28499
Other enterprises of Latvia	Other debts	9	14
Employees of the enterprise	Settlements for business trips and other operating expenses	982	69
State Revenue Service	Overpaid taxes (VAT)	3046	12307
Enterprises of Latvia	VAT on unpaid invoices		1165
Total:		239537	221664

- Term of payment - within three years

5.3. Short term loans Balance sheet –row code 150

<i>Business partner</i>	<i>Debt</i>	<i>Total in LVL 31.12.2011</i>	<i>Total in LVL 01.01.2011</i>
Enterprises of Latvia	Agreements: Repayment – December 2012	75640	75640
Total:		75640	75640

*JSC „Rīgas autoelektroaparātu rūpnīca”
Report for 12 months of 2011*

6. Cash and cash equivalents. Balance sheet – row code 180

<i>Currency</i>	<i>Balance in currency</i>	<i>Exchange rate of the Bank of Latvia</i>	<i>Balance LVL As on Dec. 31, 2011</i>	<i>Balance LVL As on January 1, 2011</i>
LVL			376875.77	22903.60
USD	65687.07	0.544	35733.76	58384.51
EUR	1267.40	0.702804	892.14	31240.71
RUR	4470333.25	0.017	75995.67	1135.55
Total			489497.34	113664.37

367175 LVL is an advance payment from „Vides investīciju fonds” within the KPFI project. This money temporarily is blocked.

7. Share capital.

The share capital in 2010 is 3565509 LVL.

Nominal value of a share is 1.00 LVL.

There are 1802723 registered shares and 1762786 bearer’s shares.

All the shares have equal rights.

8. Other provisions. Balance sheet row code – 250

In accordance with the law „On the annual reports” provisions for vacations of 2011 are calculated in total 9674 LVL.

The provisions for vacations of 2010 were calculated 8235 LVL.

9. Current liabilities

9.1. Trade creditors. Balance sheet row code – 270

<i>Business partner</i>	<i>Substantiation</i>	<i>Total in LVL 31.12.2011</i>	<i>Total in LVL 01.01.2011</i>
PSJSC „Latvenergo”	Contract		6373
ME „Rīgas ūdens”	Contract	212	210
NasdaqOMX	Stock exchange payments	762	756
Enterprises of Latvia	Rental	11777	
Enterprise of Latvia	For materials and sub-components	106853	37118
Other enterprises of Latvia	Different services	11772	2920
Total:		131376	47377

9.2. Taxes and social security payments Balance sheet row code – 290

<i>Tax</i>	<i>Date of payment</i>	<i>Total in LVL 31.12.2011</i>	<i>Total in LVL 01.01.2011</i>
Personal income tax	January, 2011	2798	2061
Social security payments	January, 2011	4750	1474
Business risk fee	January, 2011	8	
Total:		7556	3545

In 2007 JSC „RAR” signed contract with „Zaļā josta”, Ltd for recovery of used wrapping materials and was exempted from natural resource tax for wrapping materials.

*JSC „Rīgas autoelektroaparātu rūpnīca”
Report for 12 months of 2011*

9.3. Other creditors. Balance sheet row code 290

<i>Debt</i>	<i>Date of payment</i>	<i>Total in LVL 31.12.2010</i>	<i>Total in LVL 01.01.2010</i>
Salary	January, 2011	9672	6453
Advance for KPFI project		367175	
Other creditors		1987	1474
Total:		378834	7927

9.4. Accrued liabilities. Balance sheet row code 300

4594 LVL for different services received in December 2011.

10. Notes to profit or loss account

Net turnover is income from basic economic activities of the Company. It consists of total value of sold goods and delivered services without discounts and value added tax. Production costs of sold goods are expenses for used materials, all kind of services and energy, costs for personnel, amortization of tangible assets and writing-off of intangible assets as well as other expenses (expenses for labour safety, certification of the goods etc.)

10.1. Breakdown of net turnover by kind of production: (LVL and %)

	<i>Net turnover Total:</i>	<i>Including</i>		
		<i>Control and measuring devices for vehicles</i>	<i>Locks</i>	<i>Different orders</i>
2011	372482	359044	2063	11374
%	100	96.4	0.6	3.0
2010	628859	803089	791697	4050
%	100	100	98.6	0.5

10.2. Breakdown of net turnover by geographical markets: (LVL and %)

	<i>Net turnover Total</i>	<i>including</i>				
		<i>Russia</i>	<i>Belarus</i>	<i>Ukraine</i>	<i>EU</i>	<i>Latvia</i>
2010	372482	165317	1205	142283	17301	46376
%	100	44.4	0.3	38.2	4.6	12.5
2010	803089	431740	22455	319145	10899	18850
%	100	53.8	2.8	39.7	1.4	2.3

<i>Row code</i>	<i>Item</i>	<i>2011 LVL</i>	<i>2010 LVL</i>	<i>% vs. 2010</i>
010	Net turnover	372482	803089	46.4

The net turnover in 2011 decreased and was 46.4% of the previous year.

*JSC „Rīgas autoelektroaparātu rūpnīca”
Report for 12 months of 2011*

Row code	Item	2011 LVL	2010 LVL
10	Net turnover	372482	803089
	including - income from basic activities, liable to VAT	46376	18850
	- income, liable to 0% VAT	326106	784239
20	Cost of sales	443245	848645
	including -costs of materials and sub-components including transport expenses, custom fees and import duties	161189	292093
	- salaries and social security payments	175977	297915
	- provisions for vacations	6262	5110
	- energy resources	37737	101113
	- contracts (for repairing works and maintenance of different systems)	16012	32997
	- amortization	22002	106190
	- different operating costs	24066	13227
30	Gross profit or loss	-70763	-45556
40	Selling expenses, total:	17368	28142
	Incl. - salaries and social security payments	11631	9876
	- provisions for vacations		787
	- wrapping and transport costs	5107	15257
	- write-off of a bad debt		831
	- other selling expenses	630	1391
50	Administrative expenses	165171	272252
	including - salaries and social security payments	86563	79842
	- provisions for vacations	169	2338
	- communication expenses	4358	5283
	- office expenses	737	794
	- expenses due to annual report	2000	2000
	- bank services	12427	1744
	- fee of Stock exchange	5000	5000
	- marketing, legal and other services		168952
	- other administrative expenses	53917	6299
60	Other operating income:	71665	78595
	- income from sales of fixed assets	12447	32611
	- sales of materials and outfit	44335	15459
	- income from rent charges	8148	22174
	- other income	6735	8351

*JSC „Rīgas autoelektroaparātu rūpnīca”
Report for 12 months of 2011*

Row code	Item	2011 LVL	2010 LVL
70	Other operating expenses:	54420	38094
	including- from sales of foreign currency	4860	830
	- fines		31
	- expenses due to substitution of devices during guarantee period	1282	2319
	- electric power for renters	7155	18946
	- write-off of fixed assets because of selling	1011	
	- other expenses	40112	15968
80	Interest receivable and similar income	0	1291
90	Interest payable and similar expenses	0	0
100	Profit or loss before extraordinary items and taxes	-236057	-304158
110	Profit or loss before taxes	-236057	-304158
120	Income tax for the reporting period as in Income Tax Statement	0	0
130	Other taxes	27474	25183
140	Profit or loss for the period after taxes (net income)	-265243	-331632

Chairman of the Board

A.Auzinsh

Members of the Board

Z.Kalninch

M.Araslanovs

