



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

**Report for six months of 2013**

**(Not audited)**

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### **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>Eriks Kazha - Chairman (since 11.04.2013) Zigurds Kalninsh (since 1998 up to 05.02.2013) Gunars Lubis (since 11.04.2013) Maksym Araslanov (since 2003)</i>
Council	<i>Eriks Kazha – Chairman (up to 11.04.2013) Edgars Lubis – Chairman (since 11.04.2013) Gunars Lubis – Deputy Chairman (up to 11.04.2013) Viktors Rojs (Member of Council; since 11.04.2013 – Deputy Chairman) Zane Sproge (since 11.04.2013) Nina Kazha Galina Kraveca</i>
Reporting period	<i>01.01.2013 - 30.06.2013</i>
Main shareholders	<i>Basing on the list of shareholders prepared on April 30,2013: 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>

## **Management report**

### **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.

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

### **Economic activities in the reporting period**

Net turnover of the enterprise in six months of 2013 is 190832 LVL (271529 EUR). The result of economic activities in this period is gained profit 11210 LVL (15950 EUR).

Average number of employees in the reporting period is 28.

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. 54% of net turnover in the first half of 2013 is export to Russia.

### **Future prospects and further development**

The board predicts that the volumes of sales in 2013 will be much bigger than in 2012. The contract with GAZ for 2013 includes greater deliveries than the previous one. A contract for renewal of mutual collaboration with Belarus is in development. A further perspective is to perform assembly works of other goods besides the production of electrical appliances for automobiles and tractors. The negotiations with potential customers in the countries of European Union are going on.

The real estate that belongs to the company is much bigger than it is necessary for the process of production. To enhance the efficiency of the estate, the production is transferred to smaller premises. Thus appears a possibility to lease the vacated space. These activities will diminish the costs for maintenance of the enterprise and raise the competitiveness of the prices of the produced goods. It is scheduled that in the second half of 2013 the lease of the real estate will bring bigger revenue.

**Risks for the economic activities of the company**

- 1) 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) The price depends on three main factors – 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.
- 3) The activities of the company are subjected to the fluctuations of foreign currencies' exchange rate because different currencies are used in the deals with the purchasers as well as with the suppliers.  
Besides the introduction of euro in Latvia will cause the rise of prices in local market and the costs of production will increase.

Chairman of the Board: \_\_\_\_\_

E.Kazha

Members of the Board: \_\_\_\_\_

G.Lubis

\_\_\_\_\_

M. Araslanov

August 26, 2013

## **Statement of Management Responsibility**

The Management Board of JSC „Rīgas autoelektroaparātu rūpnīca” (the Company) is responsible for the preparation of the financial statements of the Company.

The financial statements on pages 6 to 16 are prepared in accordance with underlying accounting records and source documents and present fairly the financial position of the Company as on June 30, 2013 and the results of its operations and cash flows for the period ended on June 30, 2013.

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 Management Board in the preparation of the financial statements have been prudent and reasonable.

The Management Board of JSC “Rīgas autoelektroaparātu rūpnīca” 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 Management Board is also responsible for operating the Company in compliance with the legislation of the Republic of Latvia.

On behalf of the Board,

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Eriks Kazha  
Chairman of the Board

August 26, 2013

*JSC „Rīgas autoelektroaparātu rūpnīca”  
Report for six months of 2013*

**BALANCE SHEET**

**For six months of 2013**

K=0,702804

ASSETS	Notes	Row code	LVL	LVL	EUR	EUR	LVL	LVL	EUR	EUR
			At the end of the period 30.06.13.	At the beginning of the year 1.01.13.	At the end of the period 30.06.13.	At the beginning of the year 1.01.13.	At the end of the period 30.06.12.	At the beginning of the year 1.01.12.	At the end of the period 30.06.12.	At the beginning of the year 1.01.12.
<b>A. LONG-TERM INVESTMENTS</b>										
<b>1. Fixed assets</b>										
1.1. Land, buildings and constructions	1	010	2199347	2223609	3129389	3163911	1069766	409229	1522140	582280
1.2. Equipment and machinery		020	903	3614	1285	5142	8059	11520	11467	16392
1.3. Other fixed assets and inventory		030	102	176	145	250	245	346	348	492
1.4. Costs of unfinished building objects		040					4848		6898	
1.5. Payments on account for fixed assets		050					304200	0	432838	0
<b>1. TOTAL</b>		<b>060</b>	<b>2200352</b>	<b>2227399</b>	<b>3130819</b>	<b>3169303</b>	<b>1387118</b>	<b>421095</b>	<b>1973691</b>	<b>599164</b>
<b>2. Long-term financial investments</b>										
2.1. Other securities and investments		070	200	200	285	285	200	200	285	285
<b>2. TOTAL</b>		<b>080</b>	<b>200</b>	<b>200</b>	<b>285</b>	<b>285</b>	<b>200</b>	<b>200</b>	<b>285</b>	<b>285</b>
<b>A. TOTAL</b>		<b>090</b>	<b>2200552</b>	<b>2227599</b>	<b>3131104</b>	<b>3169588</b>	<b>1387318</b>	<b>421295</b>	<b>1973976</b>	<b>599449</b>
<b>B. CURRENT ASSETS</b>										
<b>1. Inventory</b>										
1.1. Raw materials, basic materials and consumables		100	226050	225900	321640	321427	217942	247309	310103	351889
1.2. Work in progress		110	70894	77439	100873	110186	34580	28834	49203	41027
1.3. Finished goods and goods for sale		120	472230	472177	671923	671847	571281	572896	812860	815158
1.4. Advance payments for goods	2	130	41410	64759	58921	92144	15856	15454	22561	21989
<b>1. TOTAL</b>		<b>140</b>	<b>810584</b>	<b>840275</b>	<b>1153357</b>	<b>1195604</b>	<b>839659</b>	<b>864493</b>	<b>1194727</b>	<b>1230063</b>
<b>2. Debtors</b>										
2.1. Purchasers' debts	3	150	46968	26458	66829	37646	45596	73684	64877	104843
2.2. Other debtors	4	160	145693	197998	207302	281726	354751	236491	504765	336496
2.3. Short term loans	5	170	50317	12265	71595	17452	40000	75640	56915	107626
2.4. Next period costs		180	1364	143	1941	203	1400	166	1992	236
<b>2. TOTAL</b>		<b>190</b>	<b>244342</b>	<b>236864</b>	<b>347667</b>	<b>337027</b>	<b>441747</b>	<b>385981</b>	<b>628549</b>	<b>549201</b>
<b>3. Cash</b>	6	200	50839	21475	72337	30556	221063	489497	314544	696492
<b>B. TOTAL</b>		<b>210</b>	<b>1105765</b>	<b>1098614</b>	<b>1573361</b>	<b>1563187</b>	<b>1502469</b>	<b>1739971</b>	<b>2137820</b>	<b>2475756</b>
<b>TOTAL ASSETS</b>		<b>220</b>	<b>3306317</b>	<b>3326213</b>	<b>4704465</b>	<b>4732775</b>	<b>2889787</b>	<b>2161266</b>	<b>4111796</b>	<b>3075205</b>

*JSC „Rīgas autoelektroaparātu rūpnīca”  
Report for six months of 2013*

**BALANCE SHEET**

**For six months of 2013**

K=0,702804

LIABILITIES	Notes	Row code	LVL	LVL	EUR	EUR	LVL	LVL	EUR	EUR
			At the end of the period 30.06.13.	At the beginning of the year 1.01.13.	At the end of the period 30.06.13.	At the beginning of the year 1.01.13.	At the end of the period 30.06.12.	At the beginning of the year 1.01.12.	At the end of the period 30.06.12.	At the beginning of the year 1.01.12.
<b>A. Equity</b>										
1. Share capital	7	230	3565509	3565509	5073262	5073262	3565509	3565509	5073262	5073262
2. Long-term investment revaluation reserve		240	664485	664485	945477	945477	664485	0	945477	0
<b>TOTAL</b>		<b>250</b>	<b>4229994</b>	<b>4229994</b>	<b>6018739</b>	<b>6018739</b>	<b>4229994</b>	<b>3565509</b>	<b>6018739</b>	<b>5073262</b>
2. Retained profit:										
a) brought forward from previous years		260	-1936273	-1936273	-2755068	-2755068	-1939628	-1939628	-2759842	-2759842
b) for the accounting year		270	11210		15950		4162		5922	
<b>A. TOTAL</b>		<b>280</b>	<b>2304931</b>	<b>2293721</b>	<b>3279621</b>	<b>3263671</b>	<b>2294528</b>	<b>1625881</b>	<b>3264819</b>	<b>2313420</b>
<b>B.PROVISIONS</b>										
1.Other provisions	8	290	6156	13070	8759	18597	7454	9674	10606	13765
<b>B. TOTAL</b>		<b>300</b>	<b>6156</b>	<b>13070</b>	<b>8759</b>	<b>18597</b>	<b>7454</b>	<b>9674</b>	<b>10606</b>	<b>13765</b>
<b>C.CREDITORS</b>										
<b>1. Long term creditors</b>										
1.1.Other loans	9	310	140954	331890	200560	472237	68989	0	98163	0
1.2.Next period income	10	320	717218	531651	1020509	756471	0	0	0	0
<b>1.TOTAL</b>		<b>330</b>	<b>858172</b>	<b>863541</b>	<b>1221069</b>	<b>1228708</b>	<b>68989</b>	<b>0</b>	<b>98163</b>	<b>0</b>
<b>2. Short term creditors</b>										
2.1. Advance payments from customers		340	7773	49998	11060	71141	10550		15011	
2.2. Accounts payable to suppliers and contractors	11	350	107386	67391	152797	95889	110446	131376	157150	186931
2.3. Taxes and State mandatory social insurance payments	12	360	6326	5813	9001	8271	18584	10907	26443	15520
2.4. Other creditors	13	370	8119	15514	11552	22074	12061	11659	17161	16589
2.5.Next period income	10	380	6511	12992	9264	18486	367175	367175	522443	522443
2.6. Accrued obligations		390	943	4173	1342	5938		4594		6537
<b>2.TOTAL</b>		<b>400</b>	<b>137058</b>	<b>155881</b>	<b>195016</b>	<b>221799</b>	<b>518816</b>	<b>525711</b>	<b>738208</b>	<b>748020</b>
<b>C.TOTAL</b>		<b>410</b>	<b>995230</b>	<b>1019422</b>	<b>1416085</b>	<b>1450507</b>	<b>587805</b>	<b>525711</b>	<b>836371</b>	<b>748020</b>
<b>TOTAL LIABILITIES</b>		<b>420</b>	<b>3306317</b>	<b>3326213</b>	<b>4704465</b>	<b>4732775</b>	<b>2889787</b>	<b>2161266</b>	<b>4111796</b>	<b>3075205</b>



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**PROFIT OR LOSS ACCOUNT**  
**For six months of 2013**

K=0.702804

Item	Row code	LVL	LVL	EUR	EUR
		Six months of 2013	Six months of 2012	Six months of 2013	Six months of 2012
1	2	3	4	5	6
Net turnover	010	190832	86762	271529	123451
Production costs of goods sold	020	157367	120895	223913	172018
<b>Gross profit or loss</b>	<b>030</b>	<b>33465</b>	<b>-34133</b>	<b>47616</b>	<b>-48567</b>
Sales costs	040	2145	1577	3052	2244
Administrative expenses	050	46728	54298	66488	77259
Other income from economic activities	060	107930	172898	153571	246012
Other costs of economic activities	070	64179	68118	91319	96923
Other interest income and similar income	080	381	3082	542	4385
Interest payments and similar expenses	090	5179	0	7369	0
Profit or loss before extraordinary items and taxes	100	23545	17854	33501	25404
<b>Profit or loss before taxes</b>	<b>110</b>	<b>23545</b>	<b>17854</b>	<b>33501</b>	<b>25404</b>
Other taxes (Real estate tax)	120	12335	13692	17551	19482
<b>Profit or loss for the accounting year</b>	<b>130</b>	<b>11210</b>	<b>4162</b>	<b>15950</b>	<b>5922</b>

**Earnings per share**

**0,003**

**0,001**

**0,004**

**0,002**

**STATEMENT OF CASH FLOWS for six months of 2013**

**I. Cash flow from operating activities**

K=0.702804

No	ITEMS	2013	2012	2013	2012
		6 months	6 months	6 months	6 months
		LVL	LVL	EUR	EUR
1	Income from sales and services	133270	55502	189626	78972
2	Payments to suppliers, to employees and other expenses for production	-188140	-196999	-267699	-280304
3	Other income or expenses for economic activities	37571	48049	53459	68368
4	Cash flow from gross operating activities	-17299	-93448	-24614	-132964
5	Real estate tax payments	-12335	-13692	-17551	-19482
<b>I.</b>	<b>Net cash flow from operating activities</b>	<b>-29634</b>	<b>-107140</b>	<b>-42165</b>	<b>-152446</b>

**II. Cash flow from investment activities**

No	ITEMS	2013	2012	2013	2012
		6 months	6 months	6 months	6 months
		LVL	LVL	EUR	EUR
1	Purchase of intangible and fixed assets		-304368		-433077
2	Sales of intangible and fixed assets	121603	35138	173025	49997
3	Given loans	-50000		-71143	
4	Repaid loans		35640		50711
5	Received interest		3076		4377
<b>II.</b>	<b>Net cash from investment activities</b>	<b>71603</b>	<b>-230514</b>	<b>101882</b>	<b>-327992</b>

**III. Cash flow from financing**

No	ITEMS	2013	2012	2013	2012
		6 months	6 months	6 months	6 months
		LVL	LVL	EUR	EUR
1	Repayment of loan	30000	68989	42686	98162
2	Received as financing of KPFI 10/51 project	185567		264038	
3	Repaid loans	-227000		-322992	
<b>III.</b>	<b>Net cash flow from financing</b>	<b>-11433</b>	<b>68989</b>	<b>-16268</b>	<b>98162</b>

*JSC „Rīgas autoelektroaparātu rūpnīca”  
Report for six months of 2013*

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**SUMMARY OF CASH INCOME AND EXPENDITURE**

No	ITEMS	2013	2012	2013	2012
		6 months	6 months	6 months	6 months
		LVL	LVL	EUR	EUR
I	The result from operating activities	-29634	-107140	-42165	-152446
II	The result from investment activities	71603	-230514	101882	-327992
III	The result from financing	-11433	68989	-16268	98162
IV	The result from currency rate fluctuations	-1172	231	-1668	328
	Cash increase or decrease	<b>29364</b>	<b>-268434</b>	<b>41781</b>	<b>-381948</b>
	Cash and cash equivalents at the beginning of the reporting period	<b>21475</b>	<b>489497</b>	<b>30556</b>	<b>696492</b>
	Cash and cash equivalents at the end of the reporting period	<b>50839</b>	<b>221063</b>	<b>72337</b>	<b>314544</b>

## STATEMENT OF EXCHANGES IN EQUITY

LVL	30.06.2013	At the end of 2012	30.06.2012	At the end of 2011
<b>Share capital</b>	3565509	3565509	3565509	3565509
<b>Long-term investment revaluation reserve</b>				
In the balance sheet of the previous period	664485	664485	0	0
In the balance sheet at the end of the accounting period	664485	664485	664485	0
<b>Retained profit</b>				
Retained profit brought forward from previous years	-1936273	-1939628	-1939628	-1596630
Profit of the accounting year	11210	3355	4162	-342998
Total profit in the balance sheet at the end of the accounting year	-1925063	-1936273	-1935466	-1939628
<b>Equity</b>				
In the balance sheet of the previous period	2293721	2293721	1625881	1625881
In the balance sheet at the end of the accounting period	2304931	2293721	2294528	1625881

EUR	30.06.2013	At the end of 2012	30.06.2012	At the end of 2011
<b>Share capital</b>	5073262	5073262	5073262	5073262
<b>Long-term investment revaluation reserve</b>				
In the balance sheet of the previous period	945477	945477	0	0
In the balance sheet at the end of the accounting period	945477	945477	945477	0
<b>Retained profit</b>				
Retained profit brought forward from previous years	-2755068	-2759842	-2759842	-2271800
Profit of the accounting year	15950	4774	5922	-488042
Total profit in the balance sheet at the end of the accounting year	-2739118	-2755068	-2753920	-2759842
<b>Equity</b>				
In the balance sheet of the previous period	3263671	3263671	2313420	2313420
In the balance sheet at the end of the accounting period	3279621	3263671	3264819	2313420

## NOTES TO FINANCIAL STATEMENTS

The report of six months of 2013 is prepared in accordance with the law „On accountancy”, „On the annual reports”, Regulations No.488 issued by the Cabinet of Ministers of the Republic of Latvia “Regulations on enforcement policies of the law on annual reports” and Regulations No.481 issued by the Cabinet of Ministers of the Republic of Latvia “Regulations on content and preparation procedures of the cash flow statement and statement of changes in equity”.

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

Statement of cash flows is prepared using the direct method.

The stock of finished goods, produced in 2013, is evaluated in production costs.

The stock of finished goods, produced in previous years, is valued in accordance with the lowest market price.

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).

### Balance sheet for six months of 2013

**1. Buildings, constructions and land are registered in Land Register** and the property belongs to „RAR”. **Balance sheet –row code 010**

Balance value on June 30, 2013:	2199347 LVL	on January 1, 2013:	2223609LVL
including: buildings and constructions-	1810120LVL		1834382LVL
land -	389227 LVL		389227 LVL
<b>Cadastral value on 01.01.2013</b>	<b>1920085 LVL</b>		
Cadastral value of the buildings -	1542885 LVL		
Cadastral value of the land -	377200LVL		

### 2.Advance payments for goods. Balance sheet –row code 130

<i>Advance payment</i>	<i>Total in LVL 30.06.2013</i>	<i>Total in LVL 01.01.2013</i>	<i>Total in LVL 30.06.2012</i>	<i>Total in LVL 01.01.2012</i>
For services			65	
For materials	189	35176	123	12081
For outfit	41221	29583	15668	3373
<b>TOTAL</b>	<b>41410</b>	<b>64759</b>	<b>15856</b>	<b>15454</b>

### 3.Purchasers’ debts. Balance sheet –row code 150

<i>Business partner</i>	<i>Total in LVL 30.06.2013</i>	<i>Total in LVL 01.01.2013</i>	<i>Total in LVL 30.06.2012</i>	<i>Total in LVL 01.01.2012</i>
Enterprises of Russia	34999	15669	34808	
Enterprises of Belarus	10789	10789	10788	11994
Enterprises of Latvia	1180			56864
Enterprises of Ukraine				4826
<b>TOTAL</b>	<b>46968</b>	<b>26458</b>	<b>45596</b>	<b>73684</b>

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

**4. Other debtors. Balance sheet –row code 160**

<i>Debt</i>	<i>Total in LVL 30.06.2013</i>	<i>Total in LVL 01.01.2013</i>	<i>Total in LVL 30.06.2012</i>	<i>Total in LVL 01.01.2012</i>
Agreement of lease	6722	6091	36	36
For materials and outfit	85481	34042	116430	42474
For the equipment	41664	31016	79167	34859
For real estate		118910	158131	158131
Overpaid taxes	9625	7913	221	
Other debts	2201	26	766	991
	<b>145693</b>	<b>197998</b>	<b>354751</b>	<b>236491</b>

**5. Short term loans. Balance sheet row code 170**

According to the agreement loaned 50000 LVL with terms of repayment – October, 2013.

**6. Cash. Balance sheet –row code 200**

<i>Currency</i>	<i>Balance in currency</i>	<i>Exchange rate of the Bank of Latvia</i>	<i>Balance LVL As on June 30, 2013</i>	<i>Balance LVL As on January 1, 2013</i>
LVL			10953.71	5065.75
USD	607.73	0.539	327.57	2071.93
EUR	54386.11	0.702804	38222.78	14337.20
RUR	82414.36	0.0164	1335.20	0.65
<b>Total</b>			<b>50839.26</b>	<b>21475.53</b>

**7. Share capital. Balance sheet –row code - 230**

Share capital 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 – 290**

In accordance with the law „On the annual reports” provisions for vacations of 2012 are calculated in total 13070 LVL. The balance of the provisions for vacations on June 30, 2013 was 6156 LVL.

**9. Other loans. Balance sheet row code – 310**

Reconstruction of office building is implemented attracting investments of Climate changes financial instrument. „RAR” is financing 35% of the project attaching credits of other enterprises.

**10. Next period income. Balance sheet row code 320 and 380**

The financing 730210.58 LVL was received for KPFI-10/51 project - reconstruction of office building improving effectiveness of expenditure of thermal energy. 12992,40 LVL of them will be included in the income of 2013 and 717218.18 LVL are long term next period income.

**11. Accounts payable to suppliers and contractors. Balance sheet row code – 350**

<i>Substantiation</i>	<i>Total in LVL 30.06.2013</i>	<i>Total in LVL 01.01.2013</i>	<i>Total in LVL 30.06.2012</i>	<i>Total in LVL 01.01.2012</i>
For electric power		2900	3841	
For water supply	213	911	226	212
For materials and sub-components	95861	58288	69389	106853
Payments to Stock exchange	756	756	762	762
Agreement of lease	9921		23289	11777
Different services	635	4536	12939	11772
<b>Total</b>	<b>107386</b>	<b>67391</b>	<b>110446</b>	<b>131376</b>

**12. Taxes and State mandatory social insurance payments. Balance sheet row code – 360**

<i>Tax</i>	<i>Total in LVL 30.06.2013</i>	<i>Total in LVL 01.01.2013</i>	<i>Total in LVL 30.06.2012</i>	<i>Total in LVL 01.01.2012</i>
Personal income tax	2404	2125	2143	2799
Social security payments	3915	3639	3950	4750
Business risk fee	7	9	7	8
VAT			12324	3350
Cars' tax for enterprises		40	160	
<b>Total</b>	<b>6326</b>	<b>5813</b>	<b>18584</b>	<b>10907</b>

There are no debts for tax payments.

**13. Other creditors. Balance sheet row code – 370**

<i>Debt</i>	<i>Total in LVL 30.06.2013</i>	<i>Total in LVL 01.01.2013</i>	<i>Total in LVL 30.06.2012</i>	<i>Total in LVL 01.01.2012</i>
Salary	6965	7456	10520	9672
Other creditors	1154	8058	1541	1987
<b>Total</b>	<b>8119</b>	<b>15514</b>	<b>12061</b>	<b>11659</b>

*JSC „Rīgas autoelektroaparātu rūpnīca”  
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**Notes to profit or loss account**

As from 2013 net turnover includes income from demise of real estate.

In six months of 2012 income from this branch was inessential – only 0,2% of net turnover. Therefore data for 2012 are not recalculated.

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>Different orders</i>	<i>Other metal ware</i>	<i>Demise of real estate</i>
Six months of 2013	190832	120605	1060	67425	1742
%	100	63.2	0.6	35.3	0.9
Six months of 2012	86762	81268	5494		
%	100	93.7	6.3		

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

	<i>Net turnover Total:</i>	<i>Including</i>			
		<i>Russia</i>	<i>Ukraine</i>	<i>EU</i>	<i>Latvia</i>
Six months of 2013	190832	102923	7360	10358	70191
%	100	53.9	3.9	5.4	36.8
Six months of 2012	86762	59842	3830	17520	5570
%	100	69.0	4.4	20.2	6.4

<b>Row code</b>	<b>Item</b>	<b>6 months of 2013 LVL</b>	<b>6 months of 2012 LVL</b>
<b>020</b>	<b>Production costs of goods sold, total:</b>		
	including	<b>157367</b>	<b>120895</b>
	-costs of materials and sub-components including transport expenses, custom fees and import duties	61918	48484
	-salaries and social security payments	45725	93647
	- electric power	15214	18239
	-contracts (for repairing works and maintenance of different systems)	2129	2432
	-inventory and outfit	1179	
	- amortization	19781	9996
	-changes of ready made goods' stock value		-59596
	-operating costs	11421	7693



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<b>040</b>	<b>Sales costs, total:</b>	<b>2145</b>	<b>1577</b>
	Incl. - wrapping and transport costs	1944	1412
	- other expenses	201	165
<b>050</b>	<b>Administrative expenses, total :</b>	<b>46728</b>	<b>54298</b>
	including - salaries and social security payments	32931	33006
	- communication expenses	811	1594
	- bank services	406	306
	- payments to Stock exchange	2500	2500
	- security costs	7066	14891
	- expenses due to shareholders' meeting	374	430
	- other administrative expenses	2640	1571
<b>060</b>	<b>Other income from economic activities</b>	<b>107930</b>	<b>172898</b>
	including - income from sales of fixed assets	13017	60469
	- sales of materials	58891	81317
	- sales of scrap metal	28136	30931
	- next period income referable to first quarter of 2013	6481	
	- other income	1405	181
<b>70</b>	<b>Other costs of economic activities:</b>	<b>64179</b>	<b>68118</b>
	including- exchange rate of foreign currency	2550	541
	- residual value of written-off fixed assets	7266	
	- changes of material stock	39819	57731
	- other expenses	14544	9846

Chairman of the Board \_\_\_\_\_ E.Kazha

Members of the Board \_\_\_\_\_ G.Lubis

\_\_\_\_\_ M.Araslanov

August 26, 2013