

RIGA ELECTRIC MACHINE BUILDING WORKS

Balance sheet for the 6 months of the 2006

0.702804

A S S E T S	Notes	Line code	30.06. 2006. LVL	30.06. 2005. LVL	30.06. 2006. EUR	30.06. 2005. EUR
I. Long - term investments						
I. Intangible investments						
1. Research and development costs		010				
2. Concessions, patents, licences, trade-marks and similar rights		020	613	636	872	905
3. Other intangible rights		021	185	646	263	919
4. Intangible value of enterprise		030				
5. Advance payments of intangible investments		040				
I total		050	798	1282	1135	1824
II. Fixed assets						
1. Lands, buildings, constructions and perennial plantations		060	1291421	1305173	1837527	1857094
2. Long-term leased fixed		070	14312		20364	
3. Tehnological equipment and machines		080	931799	579095	1325831	823978
4. Other fixed assets and inventory		090	26526	14875	37743	21165
5. Forming of fixed assets and costs of unfinished objects of construc.		100	465047	120078	661702	170856
6. Advance payments for fixed assets		110	29784	5195	42379	7392
II total		120	2758889	2024416	3925546	2880485
III. Long-term financial investments						
1. Participation in capital of related companies		130	448093	589549	637579	838853
2. Loans to related companies		140				
3. Participation in capital of affiliated companies		150	59927	61728	85268	87831
4. Loans to affiliated companies		160				
5. Other securities and investments		170				
6. Other loans		180				
7. Own stocks and shares		190				
8. Loans to joint owners and administration		200				
III total		210	508020	651277	722847	926684
I. TOTALLY		220	3267707	2676975	4649528	3808993
2. Current assets						
I. Stocks						
1. Row materials, direct materials and auxiliary materials		230	1658233	1181534	2359453	1681171
2. Unfinished products		240	985557	1307001	1402321	1859695
3. Complete products and goods for sale		250	46576	19019	66272	27062
4. Unfinished order		260				
5. Advance payments for goods		270	462655	122207	658299	173885
6. Work animals and productive animals		280				
I total		290	3153021	2629761	4486345	3741813
II. Debtors						
1. Customers and client debts		300	168691	116275	240026	165444
2. Related companies debts		310		6671	0	9492
3. Affiliated companies debts		320	18	1069	26	1521
4. Other debts		330	149958	164436	213370	233972
5. Undeposited shares in business capital		340				
6. Short-term loans to joint owners and administration		350				
7. Accrued income		360	30546	120316	43463	171194
II total		370	349213	408767	496885	581623
III. Securities and participation in capitals						
1. Participation in capital of related companies		380				
2. Own stocks and shares		390				
3. Other securities and participatio in capitals		400				
III total		410	0	0	0	0
IV. Cash assets		420	419923	936966	597497	1333183
2. TOTALLY		430	3922157	3975494	5580727	5656619
B A L A N C E		440	7189864	6652469	10230255	9465612

LIABILITIES	Notes	Line code	30.06. 2006. LVL	30.06. 2005. LVL	30.06. 2006. EUR	30.06. 2005. EUR
1. Equity capital						
1. Stock or share capital (equity capital)		450	5799005	5799005	8251241	8251241
2. Stock issue extra charge		460				
3. Long-term investment reestimation reserve		470	164749	174743	234417	248637
4. Reserves:						
a) prescribed reserves		480				
b) reserves for own stocks and shares		490				
c) reserves prescribed by enterprise		500				
d) other reserves		510	192922	384330	274503	546852
Total		520	192922	384330	274503	546852
6. Retained profit:						
a) retained profit of previous years		530	2505	-283299	3564	-403098
b) retained profit of the year of accountant		540	-282876	-29825	-402496	-42437
1. TOTALLY		550	5876305	6044954	8361229	8601195
2. STOCKPILES						
1. Reserves for pensions and similar obligations		560				
2. Reserve for prospective taxes		570	159401		226807	0
3. Other stockpiles		580	115107		163782	0
2. TOTALLI		590	274508	0	390589	0
3. CREDITORS						
I. Long-term debts						
1. Funded borrowings		600				
2. Borrowings for shares		610				
3. Bank borrowings		620				
4. Other borrowings		630				
5. Customers advanced payments		640				
6. Debts to suppliers and contractors		650				
7. Bills to be paid		660				
8. Borrowings from related companies		670				
9. Borrowings from affiliated companies		680				
10. Tax and social security payments		690				
11. Other creditors		700				
12. Deferred income		710				
13. Dividends of the year of account		720				
14. Unpaid dividends of previous years		730				
I total		740	0	0	0	0
II. Short-term debts						
1. Funded borrowings		750				
2. Borrowings for shares		760				
3. Bank borrowings		770				
4. Other borrowings		780				
5. Customers advanced payments		790	361893	41409	514927	58920
6. Debts to suppliers and contractors		800	215037	189753	305970	269994
7. Bills to be paid		810				
8. Borrowings from related companies		820	167914	119852	238920	170534
9. Borrowings from affiliated companies		830	1690	615	2405	875
10. Tax and social security payments		840	127824	106111	181877	150982
11. Other creditors		850	164693	149775	234338	213112
12. Deferred income		860				
13. Dividends of the year of account		870				
14. Unpaid dividends of previous years		880				
II kopā		890	1039051	607515	1478437	864417
3. TOTALLY		900	1039051	607515	1478437	864417
BALANCE		910	7189864	6652469	10230255	9465612

RIGA ELECTRIC MACHINE BUILDING WORKS

PROFIT or LOSS STATEMENT

for the 6 months of 2006

0.702804

No	Special rate	Note	Row	30.06. 2006. LVL	30.06. 2005. LVL	30.06. 2006. EUR	30.06. 2005. EUR
1	Net turnover		010	5525443	3880814	7861997	5521901
2	Cost of sales (prime cost)		020	-4635153	-2961493	-6595229	-4213825
3	Gross profit or loss		030	890290	919321	1266768	1308076
4	Sales distribution costs		040	-100037	-73701	-142340	-104867
5	Administration costs		050	-911258	-547034	-1296603	-778359
6	Other operating income		060	57671	51676	82058	73528
7	Other operating expenses		070	-201230	-370493	-286324	-527164
8	Income from participation in capital of related and affiliated companies		080				0
9	Income from securities and long-term loans		090				
10	Other interestd receivable and similar income		100	513	93	730	132
11	Amounts written off investments		110				
12	Interest payable and similar shanges		120				
13	Profit or loss before extraordinary items and tax		130	-264051	-20138	-375711	-28654
14	Extraordinary income		140		28645	0	40758
15	Extraordinary charges		150		-28513	0	-40570
16	Profit or loss before tax		160	-264051	-20006	-375711	-28466
17	Tax on profit or loss for the financial period		170			0	0
18	Prospective tax on profit or loss		180			0	0
19	Other taxes		190	-18825	-9819	-26786	-13971
20	Profit or loss for the financial period		200	-282876	-29825	-402497	-42437

EPS index

-0.05 -0.01 -0.07 -0.01

5799005

RIGA ELECTRIC MACHINE BUILDING WORKS

Cash flow statement for the 6 months of the year 2006 (an indirect method)

I. Basic action cash flow

0.702804

No	Items	30.06. 2006. LVL	30.06. 2005. LVL	30.06. 2006. EUR	30.06. 2005. EUR
1	Profit or loss before extraordinary items and tax	-264051	-20138	-375711	-28654
	Corrections				
	Depreciation of fixed assets	73082	64480	103986	91747
	Depreciation of intangible assets	469	415	667	590
	Profit from the sales of fixed assets	-3339		-4751	0
	Forming of accumulations				0
	Losses from foreign currency exchange rate fluctuations	82254	5998	117037	8534
	Income from participation in capital of related and affiliated companies				0
	Income from securities and long-term loans				
	Other interestd receivable and similar income				
	Amounts written off investments			0	0
	Interest payable and similar shanges				
	Long-term investment reestimation reserve	-1160	-1269	-1651	-1806
2	Earning or losses before the current assets and short-term creditors remaining amounts influencing	-112745	49486	-160423	70411
	Corrections				
	Increase (-) or decrease (+) of debts	190479	13599	271027	19350
	Increase (-) or decrease (+) of supplies	-592875	268379	-843585	381869
	Increase (-) or decrease (+) of payments of next periods	54158		77060	0
	Increase (+) or decrease (-) of creditors	214823	186444	305666	265286
	Increase (+) or decrease (-) of accumulations				
	Real estate tax payment (-)	-18875	-9819	-26857	-13971
3	Basic action cash flow	-265035	508089	-377112	722945
4	Paid presents (-)				
5	Income tax payment (-)	-218877		-311434	
6	Cash flow before extraordinary items	-483912	508089	-688546	722945
7	Cash flow of extraordinary items		132	0	188
I	NET BASIC ACTION CASH FLOW	-483912	508221	-688546	723133

II. Investment cash flow

No	Items	30.06. 2006. LVL	30.06. 2005. LVL	30.06. 2006. EUR	30.06. 2005. EUR
1	Acquisition of stocks and shares of related or affiliated companies	-4695		-6680	0
2	Sales of stocks and shares of related or affiliated companies				
3	Acquisition of fixed assets and non-material investments	-532110	-26543	-757124	-37767
4	Sales of fixed assets and non-material investments	3339	12296	4751	17496
5	Given loans out				
6	Profits from the repayment of loans				
7					
8	Drawn interests				
9	Received dividends		109330	0	155562
II	NET INVESTMENT CASH FLOW	-533466	95083	-759053	135291

III. Financing action cash flow

No	Items	30.06. 2006. LVL	30.06. 2005. LVL	30.06. 2006. EUR	30.06. 2005. EUR
1	Profits from parts investments inequity				
2	Got loans				
3	Charges for reward of loans				
4	Charges leased for buying fixed assets				
5					
6					
7					
8					
9					
10	Paided dividends	-408646		-581450	
III	NET FINANCING ACTION CASH FLOW	-408646	0	-581450	0

Naudas ieņēmumu un izdevumu kopsavilkums

No	Items	30.06. 2006. LVL	30.06. 2005. LVL	30.06. 2006. EUR	30.06. 2005. EUR
I	Net basic action cash flow	-483912	508221	-688546	723133
II	Net investment cash flow	-533466	95083	-759053	135291
III	Net financing action cash flow	-408646	0	-581450	0
IV	Result of foreign currency exchange rate fluctuations	-75609	-5998	-107582	-8534
V	Net cash flow for the period	-1501633	597306	-2136631	849890
VI	Cash and cash equivalents in beginning of the period	1921556	339660	2734128	483293
VII	Cash and cash equivalents at the end of the period	419923	936966	597497	1333183

RIGA ELECTRIC MACHINE BUILDING WORKS

Statement of changes in equity for the 6 months of the year 2006

0.702804

	Stock or share capital		Long-term inves. reestim.reserve		Other reserves		Profit or losses		Kopā	
	LVL	EUR	LVL	EUR	LVL	EUR	LVL	EUR	LVL	EUR
Balance at 31 December 2004	5799005	8251241	176012	250443	340625	484666	-239594	-340912	6076048	8645438
Earnings of the year 2005		0	-1269	-1806	43705	62186	-43705	-62186	-1269	-1806
Profit (+) or losses (-) of the year 2004							-29825	-42437	-29825	-42437
Balance at 30 June 2005	5799005	8251241	174743	248637	384330	546852	-313124	-445535	6044954	8601195
Balance at 31 December 2005	5799005	8251241	165909	236067	192922	274503	454827	647161	6612663	9408972
Earnings of the reporting period			-1160	-1650		0		0	-1160	-1650
Dividends of the 2005							-452322	-643597	-452322	-643597
Profit (+) or losses (-) of the reporting period							-282876	-402496	-282876	-402496
Balance at 30 June 2006	5799005	8251241	164749	234417	192922	274503	-280371	-398932	5876305	8361229