



JSC VEF, Brīvības gatve 214, Rīga, LV-1039

JOINT STOCK COMPANY VEF
(Unified registration number 40003001328)

NON- AUDITED FINACIAL STATEMENTS
For the period ended on March 31, 2015



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GENERAL INFORMATION

Title of enterprise	Joint stock company VEF
Legal type of enterprise	Public joint stock company
Registered:	On April 15, 1991 in the Register of Enterprises of the Republic of Latvia, re-registered on December 7, 2000 with Nbr. 000300132 On April 14, 2004 registered in the Commercial Register, Nbr. 40003001328
Taxpayers' Reg. Nbr.	LV 40003001328
Legal address	Brīvības gatve 214, Rīga, LV-1039, Republic of Latvia phone: 67270618.
Equity capital ¹ :	EUR 2 766 969 registered and paid up capital.
Core businesses:	*Power supply - distribution of power; *Letting and renting of real-estate property
Name of the holder of shares And share capital (%) ² :	As on march 31. 2015 ; *VEF KOMUNIKĀCIJU SERVISS SIA” 45.52 % ; * Laila Līduma 6.31 % ; * Tamāra Kampāne 9.70 % ; * Gints Feņuks 24.49 % ; *Other shareholders 13.98 % .
Chief executive officer:	Chairman of the Board of the Company: GINTS FEŅUKS TAMĀRA KAMPĀNE
Members of the Board:	MĀRTIŅŠ CAUNA MODRIS ZOMMERS ANDRIS DENIŅŠ
Members of the Supervisory Council:	INTS KALNIŅŠ GUNTIS LIPIŅŠ ARNIS ZEKUNDE 01.01.2015. - 31.03.2015.
Period of account:	Aleksejs Ļitvinovs. Certificate Nbr.190
Qualified auditor:	_____

¹ Paid-up and registered equity capital EUR 2 766 969

² The company`s capital consists of the 623 528 bearer shares and 1 321 109 registered shares nominal value of shares EUR 1.422872



Report on the Management Board's responsibility to the non-audited financial statement of JSC „VEF” for the three months of 2015

Management Board of JSC „VEF” (hereinafter – the Company) is responsible for preparation of the middle-term financial statements of the Company. The middle-term financial statements are not audited.

Middle-term financial statements are prepared based on justifying documents and represent true and clear overview on the Company's Assets and Equity and Liabilities, its financial standing and results of activity as well as cash flows within the reporting period ended on March 31, 2015.

Accounting principles used in preparation of the middle-term financial statements have not been changed comparing to the previous reporting period. During preparation of the middle-term financial statements decisions taken by the Management Board and estimations made have been cautious and well-founded. The information included in the middle-term management's report is true.

The Management Board of the Company is responsible for ensuring the corresponding accounting system, securing the assets of the Company, as well as for prevention and exposure of fraud and other violation within the Company.

On behalf of the Management Board of JSC „VEF”,

Gints Feņuks
Chairman of the Management Board



ASSETS		
	EUR	EUR
	31.03.2015	31.03.2014
LONG-TERM INVESTMENTS		
Intangible assets		
Concessions, patents, licences	423	793
Total intangible assets	423	793
Fixed Assets		
Land, buildings and other property	5 540 100	5 596 929
Equipment and machinery	0	0
Other fixed assets and inventory	58 781	120 775
Advance payments for fixed assets		
Total fixed assets	5 598 881	5 717 704
Total long-term investments	5 599 304	5 718 497
Current assets		
Inventory		
Goods for sale		
Total inventory	0	0
Debtors		
Customers and client debts	82 510	101 021
Other debtors	11 120	7 471
Future period	0	0
Future period expenses	1 874	1 968
Total debtors	95 504	110 460
Cash	99 169	32 395
Total Current assets	194 673	142 855
TOTAL ASSETS	5 793 977	5 861 352



LIABILITIES		
	EUR	EUR
	31.03.2015	31.03.2014
Stockholder's Equity		
Common stock	2 766 969	2 766 969
Long-term investments revaluation reserve	801 562	801 562
Total accumulation		
Retained earnings from the previous years	-1 104 359	-1 092 219
Retained earnings of the financial years	-2 230	4 317
Total stockholder's equity	2 461 942	2 480 629
PROVISIONS		
Other provisions	12 401	12 585
Total provisions	12 401	12 585
LIABILITIES		
Long-term liabilities		
Borrowings from credit institutions	2 853 641	2 993 984
Prepayments from buyers	38 118	32 106
Other liabilities	43 021	61 977
Deferred tax liability	171 860	122 741
Total long-term liabilities	3 106 640	3 210 808
Current liabilities		
Borrowings from credit institutions	105 257	46 781
Accounts payable	48 376	47 555
Taxes and social security payments	28 744	31 636
Other liabilities	10 445	9 560
Other borrowings	14 251	13 963
Prepayments from buyers	5 921	7 835
Total current liabilities	212 994	157 330
Total liabilities	3 319 634	3 368 138
TOTAL LIABILITIES&STOCKHOLDER'S EQUITY	5 793 977	5 861 352

**PROFIT AND LOSSES ACCOUNT FOR YEAR, WHICH ENDS
ON MARCH 31.2015.**

		EUR 31.03.2015 -	EUR 31.03.2014 -
1	2	4	4
Net turnover		285 807	319 008
Cost of goods sold	1	-210 138	-230 640
Gross profit		75 669	88 368
Selling expenses			
Administrative expenses	2	-25 812	-30 777
Other income from operations	3	617	491
Other expenses from operations	4	-716	-753
Financial services income	5	0	0
Financial services expenses	6	-34 368	-38 305
Profit before taxes		15 390	19 024
Other taxes	7	-5 458	-3 395
Deferred tax		-12 162	-11 312
Net profit		-2 230	4 317

Earnings per share (EPS) on

31.03.2015 – 0 EUR**31.03.2014 -0.00156 EUR**

Chairman of the Board

G.Feņuks

Member of the Board

T.Kampāne

**CASH FLOW STATEMENT FOR YEAR THAT ENDS ON MARCH 31, 2015**

	2015 31.03.	2014 31.03.
	EUR	EUR
I. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before outstanding items and taxes (+)	15 390	19 024
<i>Adjustments:</i>		
fixed assets depreciation (+)	28 116	31 428
intangible assets depreciation (+)	84	105
increase/decrease in provisions	0	0
profit or losses from exchange rates fluctuation (+/-)	0	0
financial services income	34 368	38 305
Profit or losses before adjustments from current assets and liabilities	77 958	88 862
<i>Adjustments:</i>		
debtors : increase (-); decrease (+)	14 956	3 346
inventory: increase (-); decrease (+)	0	0
liabilities: increase (-); decrease (+)	48 020	-5 397
Gross cash provide by operating activities	140 934	86 811
Payments for financial	-34 368	-38 305
Net cash provided by operating activities before outstanding items:	106 566	48 506
Cash flow from outstanding items (-/+)		
Net cash provided by operating activities :	106 566	48 506
CASH FLOWS FROM INVESTING ACTIVITIES :		
Fixed assets purchase	0	0
II. Interest received	0	0
Net cash used in investing activities :	0	0
CASH FLOWS FROM FINANCING ACTIVITIES:		
III. Expenses for borrowings repayment	-35 086	-20 000
Expenses on lease liabilities	-4 706	-4 611
Net cash provided by financing activities :	-39 792	-24 611
Net cash provided by financing activities :	0	0
Exchange rate fluctuation result :		
	66 774	23 895
IV. Net cash floss	32 395	8 500
CASH AT BEGINNING OF YEAR	99 169	32 395
CASH AT END OF YEAR		

**STATEMENT OF CHANGES IN EQUITY FOR YEAR THAT ENDS ON
MARCH 31, 2015**

	31.03.2015 EUR	31.03.2014 EUR
Stockholder's equity		
Balance at the beginning of the financial year	2 766 969	2 766 969
Increase from		
Decrease from		
Balance at the end of the financial year	2 766 969	2 766 969
Long-term investments revaluation reserve		
Balance at the beginning of the financial year	801 562	801 562
Increase from		
Decrease from		
Balance at the end of the financial year	801 562	801 562
Accumulations		
Balance at the beginning of the financial year		
Increase from		
Decrease from		
Balance at the end of the financial year		
Retained earnings		
Balance at the beginning of the financial year	-1 104 359	-1 092 219
Profit or losses of the financial year	-2 230	4 317
Dividendes		
Included in accumulations		
Balance at the end of the financial year	-1 106 589	-1 087 902
Stockholder's equity (total)		
Balance at the beginning of the financial year	2 480 629	2 476 312
Balance at the end of the financial year	2 461 942	2 480 629

**(1) Net turnover**

Turnover consists of revenues that the Company gained in the first three months of 2015 from its core business-service provision without VAT

Type of commercial operations	2015.03.31	2014.03.31
	EUR	EUR
power supply, distribution and servicing	86 346	75 441
Rental income	133 822	164 162
utility services	65 639	79 405
Total	285 807	319 008

Distribution of net turnover by geographical markets

Country	2015.03.31	2014.03.31
	EUR	EUR
Latvia	285 807	319 008
Total	285 807	319 008

(2) Cost of sales

	2015.03.31	2014.03.31
	EUR	EUR
labor and social payments	36 881	44 577
depreciation	28 116	31 428
cash turnover expenses	98	0
transport	1 909	2 781
residential services (electricity, water....)	112 923	121 500
personnel training	70	78
telecommunication service	294	240
other costs tied to commercial operations	26 953	26 957
intangible asset depreciation	84	105
insurance (buildings)	1 304	1 467
land rent to LPA	1 506	1 507
Total	210 138	230 640

**(3) Costs of administration**

	2015.03.31	2014.03.31
	EUR	EUR
labor and social payments	17 836	21 131
telecommunication service	294	240
office supplies	288	492
cash turnover expenses	0	58
transport expenses for administrative needs	1 909	2 781
representative expenses 40%	8	9
legal assistance or raid	1 031	1 620
RFB annual fee	4 446	4 446
Total	25 812	30 777

(4) Other revenues from commercial operation

	2015.03.31	2014.03.31
	EUR	EUR
finances	617	171
repayment VAT	0	320
Total	617	491

(5) Other costs of commercial operations

	2015.03.31	2014.03.31
	EUR	EUR
60% of representative costs	15	16
foreign currency loss	0	0
allowances and bonuses	339	330
finances	362	407
Total	716	753



(6) **Payments of interest and similar expenses**

	2015.03.31	2014.03.31
	EUR	EUR
credit interests	33 933	37 698
Interest to Swedbank Līzings	115	162
interest to SEB Līzings	320	445
Total	34 368	38 305

(7) **Other taxes**

	2015.03.31	2014.03.31
	EUR	EUR
real estate tax (buildings ,land)	5 458	3 395
Total	5 458	3 395