



**Joint stock company
SIGULDAS CILTS LIETU UN
MĀKSLĪGĀS APSEKĻOŠANAS
STACIJA**

**INTERIM STATEMENT
for 3 months of 2011**

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Information on the Company

Company's name	<i>SIGULDAS CILTSLIETU UN MĀKSLĪGĀS APSĒKĻOŠANAS STACIJA</i>
Company's legal status	<i>Joint stock company</i>
Registration number, place and date	<i>40003013295, Riga, 26 July 1991</i> <i>Registration in the Commercial Register on 19 June 2004</i>
Legal address	<i>„Kalnabeites”8, Sigulda parish, Sigulda area, LV-2150</i>
Shareholders holding more than 5% of the total number of voting shares	<i>SIA „Siguldas mākslīgās apsēkļošanas stacija” (49.8%), registration No. 40003311954</i>
Members of the Board	<i>Nils Ivars Feodorovs, Chairman of the Board</i> <i>Sarmīte Arcimoviča, Member of the Board</i> <i>Valda Mālniece, Member of the Board</i>
Members of the Council	<i>Inīta Bedrīte, Chairman of the Council</i> <i>Maija Beča, Deputy Chairman of the Council</i> <i>Ērika Everte, Member of the Council</i> <i>Solvita Arcimoviča, Member of the Council</i> <i>Renia Beķere, Member of the Council</i>
Reporting year	<i>01.01.2011 – 31.03.2011</i>
Auditors	<i>Anita Sondore</i> <i>Sworn Auditor</i> <i>Certificate No. 129</i> <i>AUDITS A.S., SIA</i> <i>„Pīlādži”, Līgatne parish,</i> <i>Līgatne area, LV-4108, Latvia</i> <i>Sworn Auditors' Commercial Company's license No. 27</i>

Profit or loss account for the period ended 31 March 2011

	Note	2011 LVL	2010 LVL	2011 EUR	2010 EUR
Net sales	3	179 023	156 950	254 727	223 319
Changes in stock of ready-made goods and unfinished products	4	6 431	16 420	9 150	23 364
Other operating income	5	1 703	7 093	2 424	10 093
Costs of materials:		(75 677)	(58 862)	(107 679)	(83 754)
a) raw materials and auxiliary costs of materials		(59 479)	(44 768)	(84 631)	(63 699)
b) other external costs		(16 198)	(14 094)	(23 048)	(20 055)
Personnel costs:	6	(79 900)	(79 531)	(113 688)	(113 162)
a) salaries for work		(61 610)	(61 161)	(87 663)	(87 024)
b) state social insurance compulsory contributions		(14 611)	(14 547)	(20 790)	(20 698)
c) other social insurance costs		(3 679)	(3 823)	(5 235)	(5 440)
Write-off of assets and values:		(9 701)	(17 545)	(13 803)	(24 964)
a) depreciation of fixed assets and amortization of intangible assets		(9 701)	(17 545)	(13 803)	(24 964)
Other operating costs	7	(10 363)	(10 352)	(14 745)	(14 729)
Other interest income and similar income	8	470	2 151	669	3 060
Interest payments and similar costs	9	(1 112)	(1 386)	(1 583)	(1 972)
Profit or losses before taxes		10 874	14 938	15 472	21 255
Enterprise income tax for the reporting year		(2 274)	(3 975)	(3 236)	(5 656)
Other taxes	10	(1 111)	(1 107)	(1 581)	(1 575)
The profit or loss for the year		7 489	9 856	10 655	14 024
Equity per 1 share (EPS)	22	0.018	0.023	0.025	0.033

Notes on pages 9 to 21 form an integral part of these financial statements.

Nils Ivars Feodorovs
Chairman of the Board

Sarmīte Arcimoviča
Member of the Board

Valda Mālniece
Member of the Board

25 May 2011

Balance sheet as at 31 March 2011

Assets	Note	2011 LVL	2010 LVL	2011 EUR	2010 EUR
Long-term investments					
Intangible assets					
Concessions, patents, licenses, trade marks and similar rights		-	-	-	-
<i>Intangible assets total</i>	11	-	-	-	-
Fixed assets					
Land parcels, buildings and constructions and perennial plantings		136 939	152 241	194 846	216 619
Equipment and machinery		30 102	52 501	42 832	74 703
Other fixed assets and inventory		9 386	15 222	13 355	21 659
Costs of up-building of fixed assets		-	468	-	665
<i>Fixed assets total</i>	12	176 427	220 432	251 033	313 646
Investment properties	13	95 000	120 000	135 173	170 745
Biological assets		43 672	40 729	62 140	57 952
Long-term financial investments					
Investments in capital of associated companies	14	47 372	3 000	67 404	4 269
Other securities and investments	15	480	480	683	683
<i>Long-term financial investments total</i>		47 852	3 480	68 087	4 952
Long-term investments total		362 951	384 641	516 433	547 295
Current assets					
Stock					
Raw materials, basic materials and auxiliary materials		10 286	10 439	14 635	14 854
Ready-made goods and goods for sale	16	332 072	311 171	472 496	442 756
Prepayments for goods		197	523	280	744
<i>Stock total</i>		342 555	322 133	487 411	458 354
Receivables					
Trade receivables	17	137 705	130 246	195 935	185 323
Other receivables	18	1 758	7 724	2 502	10 991
Prepaid expenses	19	39	40	56	56
<i>Receivables total</i>		139 502	138 010	198 493	196 370
Short-term financial investments					
Other securities and shareholding in capitals	20	21 579	21 371	30 705	30 408
<i>Short-term financial investments total</i>		21 579	21 371	30 705	30 408
Cash	21	156 013	137 537	221 986	195 698
Current assets total		659 649	619 051	938 595	880 830
Assets total		1 022 600	1 003 692	1 455 028	1 428 125

Balance sheet as at 31 March 2011

Shareholders' equity and liabilities	Note	2011 LVL	2010 LVL	2011 EUR	2010 EUR
Shareholders' equity					
Share capital	22	422 440	422 440	601 078	601 078
Retained earnings:					
Retained earnings carried forward from previous years		489 491	488 734	696 484	695 406
Retained earnings of the reporting year		7 489	9 856	10 655	14 024
Shareholders' equity total		919 420	921 030	1 308 217	1 310 508
Payables					
Long-term payables					
Deferred tax liabilities	23	1 318	5 712	1 875	8 127
Long-term payables total		1 318	5 712	1 875	8 127
Short-term payables					
Prepayment received from customers		10 190	-	14 499	-
Trade payables		39 354	24 951	55 995	35 502
Taxes and social insurance payments	24	25 482	19 305	36 258	27 469
Other payables		9 928	10 894	14 126	15 500
Accrued liabilities	25	16 908	21 800	24 058	31 019
Short-term payables total		101 862	76 950	144 936	109 490
Payables total		103 180	82 662	146 811	117 617
Shareholders' equity and liabilities total		1 022 600	1 003 692	1 455 028	1 428 125

Notes on pages 9 to 21 form an integral part of these financial statements.

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25 May 2011

Cash flow statement for the period ended 31 March 2011

	Note	2011 LVL	2010 LVL	2011 EUR	2010 EUR
Cash flow from operating activities					
Income from sale of goods and provision of services		152 430	142 298	216 888	202 472
Payments to suppliers, employees, other expenses arising from basic operations		(189 858)	(171 890)	(270 144)	(244 578)
Other Company's basic income or expenses		1 703	8 476	2 424	12 060
Gross cash flow from basic operations		(35 725)	(21 116)	(50 832)	(30 046)
Expenses for tax payments		(3 385)	(5 082)	(4 817)	(7 231)
Net cash flow from operating activities		(39 110)	(26 198)	(55 649)	(37 277)
Cash flow from investing activities					
Purchase of fixed assets and intangible investments		(12 947)	(4 172)	(18 422)	(5 936)
Net cash flow from investing activities		(12 947)	(4 172)	(18 422)	(5 936)
Cash flow from financing activities					
Dividends paid		-	-	-	-
Net cash flow from financing activities		-	-	-	-
Result of foreign exchange rate fluctuations		(150)	(209)	(213)	(297)
Increase/ decrease of cash and its equivalents		(52 207)	(30 579)	(74 284)	(43 510)
Cash and its equivalents at the beginning of the period		208 220	168 116	296 270	239 208
Cash and its equivalents at the end of the period	21	156 013	137 537	221 986	195 698

Notes on pages 9 to 21 form an integral part of these financial statements.

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25 May 2011

**Statement on changes in shareholders' equity for the period ending
31 March 2011**

	Share capital	Retained earnings	Retained earnings for the reporting year	Shareholders' equity total
	LVL	LVL	LVL	LVL
31.12.2009	422 440	359 638	129 096	911 174
Profit for 2009 transferred to retained earnings of previous years	-	129 096	(129 096)	-
Retained earnings for the reporting year	-	-	9 856	9 856
31.03.2010	422 440	488 734	9 856	921 030
31.12.2010	422 440	454 939	34 552	911 931
Profit for 2010 transferred to retained earnings of previous years	-	34 552	(34 552)	-
Retained earnings for the reporting year	-	-	7 489	7 489
31.03.2011	422 440	489 491	7 489	919 420

	Share capital	Retained earnings	Retained earnings for the reporting year	Shareholders' equity total
	EUR	EUR	EUR	EUR
31.12.2009	601 078	511 719	183 687	1 296 484
Profit for 2009 transferred to retained earnings of previous years	-	183 687	(183 687)	-
Retained earnings for the reporting year	-	-	14 024	14 024
31.03.2010	601 078	695 406	14 024	1 310 508
31.12.2010	601 078	647 320	49 164	1 297 562
Profit for 2010 transferred to retained earnings of previous years	-	49 164	(49 164)	-
Retained earnings for the reporting year	-	-	10 655	10 655
31.03.2011	601 078	696 484	10 655	1 308 217

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Sarmīte Arcimoviča
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Member of the Board

25 May 2011

Notes to the Financial Statements

(1) General information on the Company

AS „Siguldas ciltslietu un mākslīgās apsēklošanas stacija” (hereinafter - the Company) was registered in the Register of Enterprises of the Republic of Latvia on 26 July 1991 and was reregistered in the Commercial Register of the Republic of Latvia on 19 June 2004.

The Company’s basic activities are agriculture and the types of business are as follows:

- Production and sale of agricultural products – high-quality breeding animals semen,
- making of milk analyses,
- evaluation of cow exterior,
- artificial insemination of cows,
- inspection of immune-genetic origin of cattle,
- milk recording data processing,
- animals breeding organization.

(2) Significant accounting principles

Underlying principles of preparation of the Financial Statements

The Company’s Financial Statements have been prepared according to the Law *On Annual Reports* of the Republic of Latvia and the obligatory applicable Latvian Accounting Standards. The Profit or Loss Account was prepared based on the period costs method. The Cash Flow Statement was prepared according to the direct method.

Accounting principles used

The items of the Financial Statements have been evaluated according to the following accounting principles:

- It is assumed that the Company will be a going concern;
- The same evaluation methods have been used, which were used in the previous year;
- Evaluation was done with sufficient prudence:
 - The Financial Statements include solely the profit gained until the balance sheet date,
 - All expected risk amounts and losses have been taken into account, which occurred during the reporting year or in previous years, also if they were known during a certain period of time between the balance sheets date and the day of preparing the Financial Statements,
 - All value decreasing and depreciation amounts have been taken into account irrespective whether the reporting year was closed with profit or loss;
- reporting year related income and costs were recognized irrespective of the payment date and the date of receipt or issuance of invoice. Costs have been agreed with the income in the reporting period;
- components of asset and liabilities items have been recognized separately;
- the opening balance of the reporting year agrees with the closing balance of the previous year;
- all items have been recognized, which materially influence assessment or decision-making process of the users of the annual report, insignificant items are merged and they are detailed in the Appendix;
- operating transactions in the reporting year have been recognized in the Financial Statements by taking into account their economic substance and contents, rather than legal form.

Financial instruments

Fair value of financial assets and liabilities

Fair value of financial assets and liabilities reflect the amount, for which it is possible to exchange assets or perform liabilities in a deal between well informed, interested and financially independent persons. If in the Company’s management opinion, fair value of financial assets and liabilities materially differs from the value recognized in the balance sheet, then the fair value of these assets and liabilities is recognized in the Notes to the Financial Statements.

Notes to the Financial Statements

Financial risks management

Credit risk

The Company's management has developed credit policy, which is constantly controlled. Client evaluation is done for all customers above a fixed amount. The Company cooperates with clients who have proper credit assessment.

Currency risk

Based on the current structure of Company's financial assets and liabilities held in foreign currencies, the currency risk is not material.

Reporting period

The reporting period is 3 months from 1 January to 31 March 2011.

Revaluation of foreign currencies

The Company's functional currency and the currency used in the Financial Statements is the Republic of Latvia national currency Lat (LVL). All transactions in foreign currencies are translated to Lats according to the exchange rate set by the Central Bank of Latvia on the day of making the respective transaction.

Monetary assets and liabilities, which are expressed in foreign currency, are translated to Lats to the exchange rate set by the Central Bank of Latvia on the last day of the reporting year.

	31.03.2011	31.03.2010
EUR	0.702804	0.702804
USD	0.499	0.521

Currency exchange rate differences arising from settlements in currencies or when recognizing assets and liabilities using currency exchange rates, which differ from the initial currency exchange rates used for accounting of transactions, are recognized in the profit or loss account in net value.

Recognition of income

Income is recognized according to the conviction about the Company's possibility to gain economic benefit and in the amount, in which it is possible to state it, less value added tax and sales-related discounts. When recognizing income, also the following provisions are taken into account.

Sale of goods

Income is recognized when the Company has transferred to the purchaser major risks and indemnities related to the title of goods.

Provision of services

Income from services is recognized in the period when the services are provided.

Penalty and delay charges

Income from penalty and delay charges is recognized at the moment of their receipt.

Interest

Income is recognized according to the respective period of time.

Long-term and short-term items

Long-term items include amounts whose receipt, payments or write-off terms are due later after the end of the respective reporting year. Amounts, which are receivable, payable or written off during the year, are recognized in short-term items.

Notes to the Financial Statements

Leasing transactions

Financial leasing

In cases when fixed assets are purchased on the conditions of financial leasing and the related risks and return are taken over, these fixed assets are recognized in the value, for which they could be purchased with immediate payment. Leasing interest payments and similar payments are included in the profit or loss account of that period when they occurred.

Intangible assets and fixed assets

In the balance sheet, all intangible assets and fixed assets are reflected at their purchase prices, less depreciation. Depreciation is calculated from the first date of the next month after their commissioning and finished on the first date of the subsequent month after it is excluded from fixed assets. Depreciation is calculated according to the straight line method and is written off during the useful life time of respective fixed assets by choosing the following annual depreciation rates as fixed by the management:

Intangible assets:

Licenses	5 years
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Fixed assets:

Buildings and constructions	20 years
Equipment and machinery	5, 6 and 7 years
Computer hardware and communication equipment	5 years
Inventory and tools	3 and 5 years
Other fixed assets	2 and 3 years

Balances of fixed assets have been counted in the annual count of fixed assets.

Investment properties

Investment properties – land in possession of the stock company, which market value is expected to grow. Investment properties have been filed according to their purchase value. No later than on the end of the year of account the investments properties are being revalued according to their real market value considering any other activities related to particular property. Any changes in the market value of the investments properties are being shown in the profit and loss account.

Biological assets

Biological assets are assets, which are characterized by regeneration and changes in value as a result of growth. The Company in biological assets includes breeding animals – bulls, which are kept for getting agricultural products for sale. Biological assets are recognized in the purchase value.

Stock

Stock is recognized in the lowest cost or net sales value. All stock is assessed by using the average weighted method.

Net sales value is the sales price of stock fixed during normal Company's operations, less the stock completion and selling costs. In cases when the stock net selling value is lower than their cost price, provisions are made for these stocks for decrease of their value down to the net sales value.

All direct costs, which are related to production of breeding animals - bull semen, during the year are booked in the profit or loss account and are adjusted at the end of the year when evaluating stocks according to the lowest sales value or cost price and including them in stocks as “Ready-made goods and goods for sale”.

Notes to the Financial Statements

Trade receivables and other receivables

Receivables are recognized in the balance sheet in the amortized value, less provisions for doubtful and bad debts. Provisions for doubtful and bad debts are made in cases when there is objective evidence to the fact that the Company will not be able to receive the debts in full value according to the initially fixed repayment dates. Provisions for doubtful and bad debts are the difference between the amortized purchase value of receivables and the recoverable value. The recoverable value of receivables is the current value of planned cash flow.

Provisions

Provisions are recognized when the Company has liabilities (legal or substantial) due to some past event and there is a probability that the performance of these liabilities will require outflow of economic resources from the Company, and the amount of liabilities can be fairly assessed.

Corporate income tax

Corporate income tax for the reporting period consists of the tax calculated for the reporting period and deferred tax. Corporate income tax is recognized in the profit or loss account.

Calculated tax

The tax calculated for the reporting period has been calculated in compliance with the requirements of the Law “On Corporate Income Tax” by fixing the taxable income and applying the statutory rate of 15%.

Deferred tax

Deferred corporate income tax is calculated for temporary time differences, which are caused due to differences in the value of assets and liabilities in the financial statements (book-keeping) and its value for tax purposes. The mentioned differences are mainly due to different fixed assets depreciation rates applied in tax and financial accounting, provisions made and losses transferred according to the Company’s income tax declaration. Deferred tax is calculated by applying the statutory tax rate 15%.

Subsidies

Amounts, which are received as a state support for agricultural, i.e., for covering of expenses for maintaining high-quality breed bulls, are included in the income of that reporting period when they are received.

Use of assumptions

When preparing the financial statements, the Company’s management has to make calculations and assumptions, which impact recognition of assets and liabilities included in the financial statements as at the day of preparing the financial statements, as well as the income and expenses recognized in the specific reporting period. Management has made profit or loss assessment and considers that the financial statements reflect the true financial condition based on all currently available information.

Notes to the Financial Statements

(3) Net sales

Sales include income gained during the year from the Company's basic activities – sales of products and provision of services without value added tax and less discounts.

Type of operations	2011 LVL	2010 LVL	2011 EUR	2010 EUR
Livestock sperm	82 988	75 933	118 081	108 043
Milk laboratory services	47 376	45 245	67 410	64 378
Treatment of supervisory data	18 334	16 790	26 087	23 890
Inspection of cows	11 060	4 838	15 737	6 884
Artificial insemination of livestock	4 521	4 459	6 433	6 344
Immune-genetic laboratory services	2 717	2 916	3 866	4 149
Other income	12 027	6 769	17 113	9 631
	179 023	156 950	254 727	223 319

Distribution of net sales according to the geographical markets:

	2011 LVL	2010 LVL	2011 EUR	2010 EUR
Latvia	179 023	156 950	254 727	223 319
	179 023	156 950	254 727	223 319

Earnings from agricultural activities represented in net sales:

	2011 LVL	2010 LVL	2011 EUR	2010 EUR
Earnings from agricultural activities	179 023	156 950	254 727	223 319
	179 023	156 950	254 727	223 319

(4) Changes in stock of ready-made goods and unfinished products

	2011 LVL	2010 LVL	2011 EUR	2010 EUR
Changes in sperm stock value	9 728	16 420	13 842	23 364
Changes in stud bull herd value	(3 297)	-	(4 692)	-
	6 431	16 420	9 150	23 364

(5) Other operating income

	2011 LVL	2010 LVL	2011 EUR	2010 EUR
State support for agricultural	1 703	7 093	2 424	10 093
	1 703	7 093	2 424	10 093

Notes to the Financial Statements

(6) Personnel costs

	2011	2010	2011	2010
	LVL	LVL	EUR	EUR
Salaries for work	61 610	61 161	87 663	87 024
State social insurance contributions	14 611	14 547	20 790	20 698
Health insurance	2 670	3 351	3 799	4 768
Other costs	1 009	472	1 436	672
	79 900	79 531	113 688	113 162

(7) Other operating expenses

	2011	2010	2011	2010
	LVL	LVL	EUR	EUR
Insurance payments	1 124	519	1 599	739
Business trip expenses	-	310	-	441
Selling expenses	1 054	1 147	1 500	1 633
Company's management and administrative expenses	6 910	6 550	9 832	9 319
Other costs	1 275	1 826	1 814	2 597
	10 363	10 352	14 745	14 729

(8) Other interest income and similar income

	2011	2010	2011	2010
	LVL	LVL	EUR	EUR
Income from securities	27	271	39	385
Income from foreign currency exchange rate fluctuations	275	-	391	-
Interest income	-	1 383	-	1 968
Recovered doubtful and bad debts	168	497	239	707
	470	2 151	669	3 060

Notes to the Financial Statements

(9) Interest payments and similar costs

	2011 LVL	2010 LVL	2011 EUR	2010 EUR
Employees' leisure and other costs not connected with operating activities	1 112	661	1 583	940
	1 112	1 386	1 583	1 972

(10) Other taxes

	2011 LVL	2010 LVL	2011 EUR	2010 EUR
Real estate tax	1 111	1 107	1 581	1 575
	1 111	1 107	1 581	1 575

(11) Intangible assets

	Concessions, patents, licenses, trade marks and similar rights		Concessions, patents, licenses, trade marks and similar rights	
	LVL	Total LVL	EUR	Total EUR
Initial value				
31.12.2010	720	720	1 024	1 024
Purchased	-	-	-	-
Disposed	-	-	-	-
31.03.2011	720	720	1 024	1 024
Accrued depreciation				
31.12.2010	718	718	1 022	1 022
Calculated depreciation	-	-	-	-
Depreciation of excluded investments	-	-	-	-
31.03.2011	720	720	1 024	1 024
Book value as at 31.12.2010	-	-	-	-
Book value as at 31.03.2011	-	-	-	-

Notes to the Financial Statements

(12) Report on movement of fixed assets

	Land, buildings and constructions	Technological equipment and machinery	Other fixed assets	Total
	LVL	LVL	LVL	LVL
Initial value				
31.12.2010	255 107	359 809	85 905	700 821
Purchased	-	12 869	78	12 947
Disposed	-	-	(171)	(171)
31.03.2011	255 107	372 678	85 812	713 597
Accrued depreciation				
31.12.2010	114 061	338 537	75 042	527 640
Calculated depreciation	4 107	4 039	1 555	9 701
Depreciation of excluded fixed assets	-	-	(171)	(171)
31.03.2011	118 168	342 576	76 426	537 170
Book value as at 31.12.2010	141 046	21 272	10 863	173 181
Book value as at 31.03.2011	136 939	30 102	9 386	176 427

As at 31 March 2010, the cadastral value of **real estate – land and constructions** - was LVL 113 994

As at 31 March 2011, the cadastral value of **real estate – land and constructions** - was LVL 113 853

	Land, buildings and constructions	Technological equipment and machinery	Other fixed assets	Total
	EUR	EUR	EUR	EUR
Initial value				
31.12.2010	362 985	511 962	122 232	997 179
Purchased	-	18 311	111	18 422
Disposed	-	-	(243)	(243)
31.03.2011	362 985	530 273	122 100	1 015 358
Accrued depreciation				
31.12.2010	162 294	481 695	106 776	750 765
Calculated depreciation	5 845	5 746	2 212	13 803
Depreciation of excluded fixed assets	-	-	(243)	(243)
31.03.2011	168 139	487 441	108 745	764 325
Book value as at 31.12.2010	200 691	30 267	15 456	246 414
Book value as at 31.03.2011	194 846	42 832	13 355	251 033

As at 31 March 2010, the cadastral value of **real estate – land and constructions** - was EUR 162 199

As at 31 March 2011, the cadastral value of **real estate – land and constructions** - was EUR 161 998

Notes to the Financial Statements

(13) Investment properties

	Land	Total	Land	Total
	LVL	LVL	EUR	EUR
Book value as at 31.12.2009	120 000	120 000	170 745	170 745
Increase/decrease of value due to revaluation	-	-	-	-
Book value as at 31.03.2010	120 000	120 000	170 745	170 745
Book value as at 31.12.2010	95 000	95 000	135 173	135 173
Increase/decrease of value due to revaluation	-	-	-	-
Book value as at 31.03.2011	95 000	95 000	135 173	135 173

(14) Investments in capital of associated companies

	2011		2010			
	% from total share capital	LVL	EUR	% from total share capital	LVL	EUR
Ltd “Animal Breeders Association of Latvia” (SIA „Latvijas šķirnes dzīvnieku audzētāju savienība”) Legal address: Republikas laukums 2, Rīga, LV-1010, Latvia	26.6	47 372	67 404	7.4	3 000	4 269
		47 372	67 404		3 000	4 269

(15) Other securities and investments

	LVL	EUR
Purchase value as at 31.03.2010	480	683
Book value as at 31.03.2010	480	683
Purchase value as at 31.03.2011	480	683
Book value as at 31.03.2011	480	683

(16) Ready-made products and goods for sale

	2011	2010	2011	2010
	LVL	LVL	EUR	EUR
Bull semen	326 369	306 469	464 381	436 066
Other goods for sale	5 703	4 702	8 115	6 690
	332 072	311 171	472 496	442 756

(17) Trade receivables

	2011	2010	2011	2010
	LVL	LVL	EUR	EUR
Accounting value of trade receivables	144 255	133 724	205 255	190 272
Provisions for doubtful trade receivables	(6 550)	(3 478)	(9 320)	(4 949)
	137 705	130 246	195 935	185 323

Notes to the Financial Statements

(18) Other receivables

	2011	2010	2011	2010
	LVL	LVL	EUR	EUR
VAT for received goods and services	867	824	1 234	1 173
Overpayment of taxes	-	6 690	-	9 519
Other receivables	891	210	1 268	299
	1 758	7 724	2 502	10 991

(19) Prepaid expenses

The item recognizes the costs made during the reporting year, but referring to the next reporting periods.

	2011	2010	2011	2010
	LVL	LVL	EUR	EUR
Advertising costs	16	-	23	-
Insurance	18	40	26	56
Press subscription	5	-	7	-
	39	40	56	56

(20) Other securities and shareholding in capitals

	Number	2011		Number	2010	
		Market price	Amount LVL		Market price	Amount LVL
SEB Lats reserve fund	15 044	1.43440	21 579	15 044	1.42055	21 371
			21 579			21 371

	Number	2011		Number	2010	
		Market price	Amount EUR		Market price	Amount EUR
SEB Lats reserve fund	15 044	2.04097	30 705	15 044	2.02126	30 408
			30 705			30 408

Money market fund shares have no guaranteed interest rate. In 2011, the profitability was about 0.51 %. Exclusion of money market fund shares is carried out at the Company's request.

Notes to the Financial Statements

(21) Cash in LVL and foreign currencies according to the LCB exchange rate

Break-down of cash according to currencies:	2011		2010		
	Currency	LVL	Currency	LVL	
Cash in hand	LVL	-	2 380	-	4 651
Cash in bank	LVL	-	152 251	-	96 094
Cash in bank	EUR	1 966	1 382	52 351	36 792
			156 013		137 537

Break-down of cash according to currencies:

Break-down of cash according to currencies:	2011		2010		
	Currency	EUR	Currency	EUR	
Cash in hand	LVL	2 380	3 386	4 651	6 618
Cash in bank	LVL	152 251	216 634	96 094	136 729
Cash in bank	EUR	-	1 966	-	52 351
			221 986		195 698

(22) Share capital

The Company's shares are quoted on NASDAQ OMX Riga Stock Exchange's second listing. The Company's share capital consists of shareholders' investments. The total number of shares is 422 440, the nominal value per share is 1 Lat.

	2011 LVL	2010 LVL	2011 EUR	2010 EUR
Ordinary common shares with voting rights	421 440	421 440	599 655	599 655
Shares owned by the Board without voting rights	1 000	1 000	1 423	1 423
	422 440	422 440	601 078	601 078

421440 shares or 99.8% of the share capital are ordinary common shares with voting rights, which give equal rights to receive dividends, receipt of liquidation quota and voting rights in the Shareholders' Meeting.

1000 shares or 0.2% of the share capital, which are not included in the regulated market, are personnel shares, which may be obtained only by Members of the Board, and they give equal rights only to receipt of dividend and liquidation quota.

There are no share alienation restrictions, nor the necessity to receive the Company's or other shareholders' consent for alienation of shares.

There are no restrictions on voting rights, nor any other similar restrictions.

Profit per share

Profit per one share is calculated by dividing the profit of the reporting period with the average weighted number of shares during the year.

	2011 LVL	2010 LVL	2011 EUR	2010 EUR
Profit of the reporting period	7 489	9 856	10 655	14 024
Average weighted number of shares during the year	422 440	422 440	422 440	422 440
	0.018	0.023	0.025	0.033

Notes to the Financial Statements

(23) Provisions for deferred tax

	2011 LVL	2010 LVL	2011 EUR	2010 EUR
Temporary differences in fixed assets depreciation	25 694	59 881	36 559	85 203
Provisions for vacations	(16 908)	(21 800)	(24 058)	(31 019)
Total temporary differences	8 786	38 081	12 501	54 184
Deferred tax provisions at the beginning of the period	1 318	5 712	1 875	8 127
Increase or decrease	-	-	-	-
Deferred tax provisions at the end of the period	1 318	5 712	1 875	8 127

(24) Taxes and social insurance payments

Tax type	Balance as at 31.12.2010 LVL	Calculated in 2011 LVL	Paid in 2011 LVL	Balance as at 31.03.2011 LVL
Corporate income tax	1 348	2 274	(2 274)	1 348
Value added tax	9 321	21 809	(19 497)	11 633
Social insurance contributions	9 414	21 518	(23 087)	7 845
Personal income tax	6 482	12 373	(14 234)	4 621
Real estate tax	-	1 111	(1 111)	-
Nature resource tax	28	24	(28)	24
Business risk duty	11	31	(31)	11
	26 604	59 140	(60 262)	25 482

Including:	2009 LVL	2010 LVL
Tax overpaid	-	-
Tax due	26 604	25 482

Tax type	Balance as at 31.12.2010 EUR	Calculated in 2011 EUR	Paid in 2011 EUR	Balance as at 31.03.2011 EUR
Corporate income tax	1 918	3 236	(3 236)	1 918
Value added tax	13 262	31 032	(27 742)	16 552
Social insurance contributions	13 395	30 617	(32 849)	11 163
Personal income tax	9 223	17 605	(20 253)	6 575
Real estate tax	-	1 581	(1 581)	-
Nature resource tax	40	34	(40)	34
Business risk duty	16	44	(44)	16
	37 854	84 149	(85 745)	36 258

Including:	2009 EUR	2010 EUR
Tax overpaid	-	-
Tax due	37 854	36 258
Tax overpaid declared in position “Other receivables”		

Notes to the Financial Statements

(25) Accrued liabilities

	2011	2010	2011	2010
	LVL	LVL	EUR	EUR
Vacation reserve	16 908	21 800	24 058	31 019
	16 908	21 800	24 058	31 019

(26) Number of persons employed by the Company

	2011	2010
Average number of persons employed during the reporting year	40	42

(27) Information on remuneration to Council, Board and Managements Members

	2011	2010	2011	2010
	LVL	LVL	EUR	EUR
Council Members' salaries for work, including state social insurance contributions	1 654	1 647	2 354	2 344
Board Members' salaries for work, including state social insurance contributions	7 147	7 036	10 169	10 011
Total remuneration to management members	8 801	8 683	12 523	12 355

There are no special regulations worked out, which would regulate election of Board Members, changes in the composition of the Board and amending of the Articles of Association.

All Board Members have equal Company's representation rights. The Chairman of the Board represents the Company separately, but other Board Members can represent the Company only both together.

There is no agreement signed between the Company and the Board Members, which provides any compensation.

Report on Management Liability

According to the information being at our disposal, the Interim Financial statement for three months of 2011 have been prepared according to the effective requirements of legislative enactments and provide a true and fair view about the joint stock company’s “Siguldas ciltslietu un mākslīgās apsēklošanas stacija” assets, liabilities, financial condition and profit.

Interim Financial statement for three months of 2011 have not been audited by Sworn Auditor.

Nils Ivars Feodorovs

Chairman of the Board

Sarmīte Arcimoviča

*Member of the Board, Head
of Production and
Marketing Department in
branch of Laboratory*

Valda Mālniece

*Member of the Board, Head
of Financial and
Accounting Department*

25 May 2011