



INDEPENDENT AUDITOR'S REPORT

To the shareholders of A/S „Rīgas kuģu būvētava”

Report on the Financial Statements

We have audited the accompanying financial statements of A/S „Rīgas kuģu būvētava” set out on pages 7 to 38 of the accompanying annual report, which comprise the balance sheet as of 31 December 2012 and the profit and loss account and the statements of changes in equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Law of the Republic of Latvia on Annual Reports, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Explanation of opinion with objection

As it is mentioned in the supplement Nr.14 of financial statement „Partnership in capital of associated companies”, in the balance sheet of the enterprise is included investment in capital of associated company to the tune of LVL 843 365, which is a purchase expense of the investment. In the financial statement not recognized losses from this values of investments decrease. In our opinion this value of investments decreased but as the company management has not made an estimate of future cash flows from these investments we could not reliably determine the amount of damages that should be recognized as a result of depreciation.

Opinion with objection

In our opinion, except for possible influence of circumstances mentioned in „Explanation of opinion with objection” paragraph, the financial statements give a true and fair view of the financial position of A/S „Rīgas kuģu būvētava” as of 31 December 2012, and its financial performance and its cash flows for the year then ended in accordance with the Latvian law “On the Annual Report”



Report on Other Legal and Regulatory Requirements

We have read the management report as shown on the page 4 to 5 of the annual report and we have not identified any material discrepancies between the historical financial information presented in the management report and the financial statements for the year ended 31 December 2012.

SIA "UHY Orients N" Member of the board
Licence No.28

Riga, Latvia
29 April 2013



Natalija Zaiceva
Certified Auditor of Latvia
Certificate No.138