

JOINT STOCK COMPANY VENTSPILS NAFTA
(UNIFIED REGISTRATION NUMBER 50003003091)

**CONDENSED SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (EUR)**

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SEPARATE STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
	EUR	EUR
Revenue	180 749	362 774
Gross profit	180 749	362 774
General and administrative expenses	(1 145 991)	(1 290 045)
Other operating expenses, net	(3 123)	(48 800)
Operating loss	(968 365)	(976 071)
Income from investment in subsidiaries	18 969 568	-
Impairment of investment in subsidiaries	(47 324 001)	-
Finance income, net	1 170 921	1 372 186
(Loss) / profit before income tax	(28 151 877)	396 115
Income tax expense	1 183	(28 759)
(Loss) / profit for the year	(28 150 694)	367 356
Other comprehensive income / (expenses)	-	-
Total comprehensive (loss) / income for the year	(28 150 694)	367 356

SEPARATE STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013

ASSETS			
	31/12/2013	31/12/2012	01/01/2012
	EUR	EUR	EUR
NON-CURRENT ASSETS			
Property, plant and equipment			
Property, plant and equipment	76 906	83 639	1 137 401
TOTAL	76 906	83 639	1 137 401
Other non-current assets			
Investments in subsidiaries	171 986 431	219 310 432	219 310 432
Loans to related parties	91 393 894	89 700 986	69 455 300
Other financial assets	30 248 358	30 248 358	30 248 358
TOTAL	293 628 683	339 259 776	319 014 090
TOTAL NON-CURRENT ASSETS	293 705 589	339 343 415	320 151 491
CURRENT ASSETS			
Receivables			
Short term deposits	22 500 367	6 689 908	10 395 267
Loan to related parties	1 204 182	-	-
Receivables from related parties	71 761	47 601	138 659
Other assets	233 136	208 111	265 908
TOTAL	24 009 446	6 945 620	10 799 834
Cash and cash equivalents	513 396	108 266	119 267
TOTAL CURRENT ASSETS	24 522 842	7 053 886	10 919 101
TOTAL ASSETS	318 228 431	346 397 301	331 070 592

SEPARATE STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013 (CONT'D)

	31/12/2013	31/12/2012	01/01/2012
	EUR	EUR	EUR
EQUITY			
Share capital	148 660 962	148 660 962	148 660 962
Share premium	60 248 061	60 248 061	60 248 061
Retained earnings	94 070 081	122 220 774	121 853 419
TOTAL EQUITY	302 979 104	331 129 797	330 762 442
LIABILITIES			
Non-current liabilities			
Borrowings from related companies	15 057 924	15 066 245	-
Deferred income tax liabilities	3 461	4 644	13 274
TOTAL	15 061 385	15 070 889	13 274
Current liabilities			
Prepayments	-	-	16 666
Payables to related companies	8 655	3 172	5 694
Taxes payable	13 566	24 323	11 475
Payables and accruals	165 721	169 120	261 041
TOTAL	187 942	196 615	294 876
TOTAL LIABILITIES	15 249 327	15 267 504	308 150
TOTAL EQUITY AND LIABILITIES	318 228 431	346 397 301	331 070 592

SEPARATE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
	EUR	EUR
Cash flow from operating activities		
(Loss) / profit before tax	(28 151 877)	396 115
Non-cash adjustments to reconcile (loss)/ profit before tax to net cash flows:		
Interest income	(1 643 724)	(1 694 175)
Depreciation	13 477	26 986
Dividends	(18 969 568)	-
Impairment of investment in subsidiaries	47 324 001	-
Interest expense	456 726	302 863
Loss on disposal of property, plant and equipment	-	28 726
	(970 965)	(939 485)
(Increase) / decrease in receivables	(18 530)	121 008
Decrease in current liabilities	(8 671)	(135 649)
Net cash flows used in operating activities	(998 166)	(954 126)
Corporate income tax received / (paid)	84 201	(142 868)
Net cash used in operating activities	(913 965)	(1 096 994)
Investing activities		
Purchase of property, plant and equipment	(6 744)	(2 910)
Interest received	836 730	1 390 109
Loans issued	(2 670 000)	(20 450 608)
Dividends received	18 969 568	-
Proceeds from disposal of property, plant and equipment	-	1 000 000
Decrease / (increase) in short-term deposits	(15 810 459)	3 705 359
Net cash flow generated/ (used in) from investing activities	1 319 095	(14 358 050)
Financing activities		
Loans received	-	15 444 043
Net cash generated from financing activities	-	15 444 043
Net increase / (decrease) in cash and cash equivalents	405 130	(11 001)
Cash and cash equivalents at the beginning of the reporting year	108 266	119 267
Cash and cash equivalents at the end of the reporting year	513 396	108 266

SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2013

	Share capital	Share premium	Retained earnings	Total
	EUR	EUR	EUR	EUR
Balance as at 1 January 2012	148 660 962	60 248 061	121 853 419	330 762 442
Total comprehensive income for the reporting year	-	-	367 356	367 356
Balance as at 31 December 2012	148 660 962	60 248 061	122 220 774	331 129 797
Total comprehensive loss for the reporting year	-	-	(28 150 694)	(28 150 694)
Balance as at 31 December 2013	148 660 962	60 248 061	94 070 081	302 979 104

These financial statements should be read in conjunction with the audited separate financial statements of *JSC Ventspils nafta* for year 2013.

These financial statements are translated into Euros using the rate of exchange set by the Bank of Latvia prevailing at the 31.12.2013: 1 EUR = 0.702804 LVL, 31.12.2012: 1 EUR = 0.702804 LVL, 01.01.2012: 1 EUR = 0.702804 LVL.