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**Information about the Company**

Name of the Company	Stock company "Tosmare shipyard"
Legal status of the Company	Stock company
Registration number, place and date	210302283, 3 January 2000, Company register, Liepaja. 42103022837, 12 May, 2004 Commercial register, Liepaja
Address	42/44G. Baloza Street, Liepaja, LV-3402
The main forms of Company's activities	Construction and repair of technological equipment, ships, yachts, catamarans, containers, roltrailers port services
Names, surnames and held positions of members of the board	Chairman of the board, Member of the board, Member of the board
Names, surnames and held positions of members of the council	Chairman of the council, Vice-chairman of the council Member of the council, Member of the council, Member of the council,
Period of account	1 January 2014 - 31.March 2014
Name and address of the auditor	Ēvalds Figurnovs Certified auditor (LZRA certificate No.38) Profesors,ekonom. habil. Doctor Auditorfirma "Sarguns" Malnavas, 13 LV - 1011, Rīga Latvia

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**Announcement for management's responsibility.**

Company's management is responsible for finance preparation, basing on the initial accounting register for each accounting period, that truly reflects the company's financial standing at the end of the year of account, as well as results of activities and cash flow for year.

Management confirms that for compiling this report that ends at 31.March of 2014, corresponding methods of accounting were used, their application was consequent, reasonable and cautious decisions were made. Management confirms that corresponding International regulation were observed, and financial reports were compiled according to activity continuation principle.

Management is responsible for keeping of corresponding accounting registers, for company's means maintenance, as well as for prevention of deception and other unfair action.

Chairman of the board  
Member of the board  
Member of the board

/Ivica Galich/  
/Boris Galcovich /  
/ Vladislav Blums/

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**PROFIT OR LOSS STATEMENT**  
for 3 month of years 2014 and 2013

	Appendix	3 month of 2014		3 month of 2013	
		EUR		EUR	
Net turnover	(1)	868 954		0	973 866
Production costs of sold output	(2)	(785 255)		0	(1 140 464)
<b>Gross profit or losses</b>		<b>0</b>	<b>83 699</b>	<b>0</b>	<b>(166 598)</b>
Selling costs	(3)	(1 348)		0	(1 222)
Administration costs	(4)	(60 016)		0	(72 114)
Other company's economic activity incomes	(5)	35 265		0	8 429
Other company's economic activity costs	(6)	(21 190)		0	(14 249)
Incomes from membership in holding company's branch and associated companies					
Incomes from securities and loans that have formed the long-term investments					
Other interest incomes and similar incomes					
Long-term financial investments and write off of short-term securities values					
Interest payments and similar costs	(7)	(21 573)		0	(17 733)
<b>Profit or loss before extraordinary items and taxes</b>		<b>0</b>	<b>14 837</b>	<b>0</b>	<b>(263 487)</b>
Extraordinary incomes					
Extraordinary costs					
<b>Profit or loss before taxes</b>		<b>0</b>	<b>14 837</b>	<b>0</b>	<b>(263 487)</b>
Company's income tax for the year of account				0	
Deferred tax				0	
Other taxes	(8)	(9 438)		0	
<b>Profit or loss of the year of account</b>		<b>0</b>	<b>5 399</b>	<b>0</b>	<b>(263 487)</b>

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28.May of 2014 year.

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<u>BALANCE on 31. March 2014 and 2013</u>	31 March of 2014	31. March of 2013
	Appendix	EUR
	EUR	EUR
<b>ACTIVE</b>		
<b>Long-term investments</b>		
<b>I. Intangible investments</b>		
Company's development costs		
Concessions, patents, licenses, trade marks and similar rights		
Other intangible investments	1 009	1 534
Intangible value of the company		
Advance payments for intangible investments		
<b>Intangible investments total</b>	<b>(9)</b>	<b>1 009</b>
<b>II. Fixed assets</b>		
Lands, buildings, constructions, perennial plantations	2 629 161	2 583 980
Long-term investments in leased fixed assets		
Equipment and machines	3 264 539	3 470 179
Other fixed assets and inventory	25 952	37 606
Forming of fixed assets and costs of unfinished objects of construction	536 016	16 340
Advance payments for fixed assets		
<b>Fixes assets total</b>	<b>(10)</b>	<b>6 455 668</b>
<b>III. Investment property</b>		
<b>IV. Biological actives</b>		
<b>V. Long-term financial investments</b>		
Participation in capital of related companies		
Loans to related companies		
Participation in capital of affiliated companies		
Loans to affiliated companies		
Other securities and investments		
Other loans and other long-term debtors		
Own stocks and shares		
Loans to shareholders or participants and management		
<b>Long-term financial investments total</b>		
<b>Long-term investments total</b>	<b>6 456 677</b>	<b>6 109 639</b>
<b>Current assets</b>		
<b>I. Stocks</b>		
Raw materials, direct materials and auxiliary materials	(11) 785 344	983 680
Unfinished products		
Complete products and goods for sale	(12) 885 806	
Unfinished orders	(13) 730 519	927 819
Advance payments for goods	86	704
<b>Stocks totally</b>	<b>2 401 755</b>	<b>1 912 203</b>
<b>II. For selling held long-term investments</b>		
<b>III. Debtors</b>		
Debts of customers and clients	(14) 1 648 698	2 167 933
Accrued incomes		
Other debtors	(15) 30 908	11 174
Undeposited shares in company's capital		
Short - term loans to joint owners and management		
Next periods costs	(16) 15 008	
<b>Debtors total</b>	<b>1 694 614</b>	<b>2 179 107</b>
<b>IV. Short-term financial investments</b>		
Participation in capital of related companies		
Own stocks and shares		
Other securities and participation in capitals		
Derivative financial instruments		
<b>Securities and participation in capitals total</b>		
<b>V. Cash assets</b>	<b>(17) 16 823</b>	<b>10 902</b>
<b>Current assets total</b>	<b>4 113 192</b>	<b>4 102 212</b>
<b>Actives total</b>	<b>10 569 869</b>	<b>10 211 851</b>

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Member of the board /Vladislav Blums /  
28.May of 2014 year.

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<b>BALANCE on 31.March of 2014 and 2013</b>	Appendix	<b>31 March of 2014</b>	<b>31. March of 2013</b>
		EUR	EUR
<b>PASSIVE</b>			
<b>I. Equity capital</b>			
Stock or share capital (equity capital)	(18)	4 558 023	4 558 023
Stock issue extra charge			
Long - term investment reestimation reserve	(19)	1 574 729	1 574 729
Financial instruments reestimation reserve			
Reserves:			
reserves prescribed by law			
reserves for own stocks and shares			
reserves prescribed by company's statutes			
other reserves			
Retained profit		<b>392 284</b>	<b>220 864</b>
retained profit of previous years		386 885	484 351
retained profit of the year of accountant		5 399	(263 487)
retained profit, amount		<b>6 525 036</b>	<b>6 353 616</b>
<b>Equity capital total</b>			
<b>II. Provisions</b>			
Provision for pensions and similar obligations			
Provision for prospective taxes			
Other provisions	(20)	48 299	57 320
<b>Provisions total</b>		<b>48 299</b>	<b>57 320</b>
<b>III. Creditors</b>			
<b>I. Long-term debts to creditors</b>			
Borrowings from credit institutions			
Other borrowings			
Leasing liabilities			
From customers received borrowings			
Debts to suppliers and contractors			
Debts to related companies			
Debts to associated companies			
Tax and social security payments			
Other creditors			
Deferred income liabilities	(21)	287 540	281 595
Unpaid dividends		6	6
Next periods incomes			
<b>Long-term debts to creditors total</b>		<b>287 546</b>	<b>281 601</b>
<b>II. Short-term debts to creditors</b>			
Borrowings from credit institutions	(22)	1 808 528	1 998 822
Other borrowings			
Leasing liabilities			
From customers received borrowings	(23)	242 505	52 073
Debts to suppliers and contractors	(24)	1 135 186	1 139 979
Debts to related companies	(25)	126 494	
Debts to associated companies			
Tax and social security payments	(26)	246 246	254 401
Other creditors	(27)	150 029	74 039
Next periods incomes			
Unpaid dividends			
Accrued liabilities			
Derivative financial instruments			
<b>Short-term debts to creditors total:</b>		<b>3 708 988</b>	<b>3 519 314</b>
<b>Creditors total:</b>		<b>3 996 534</b>	<b>3 519 314</b>
<b>Passives total</b>		<b>10 569 869</b>	<b>3 519 314</b>

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**CASH FLOW STATEMENT**

for 3 month of years 2014 and 2013 (according to direct method)

	3 month of 2014	3 month of 2013
	EUR	EUR
<b>I. Cash flow of basic activity</b>		
Incomes from selling the products and rendering of services	914 120	912 732
Payments to suppliers, employees, other basic activity expenses	(886 394)	(831 292)
Other company's basic activity incomes or expenses		
<b>Gross cash flow of basic activity</b>	<b>27 726</b>	<b>0</b>
Expenses for interest payments	(15 927)	(15 733)
Expenses for company's income tax payments		(2 006)
<b>Cash flow before extraordinary items</b>	<b>11 799</b>	<b>63 702</b>
Cash flow from extraordinary items		
<b>Net cash flow of basic activity</b>	<b>11 799</b>	<b>63 702</b>
<b>II. Cash flow of investment activity</b>		
Acquisition of stocks or shares of related or associated companies		
Incomes from detinue of stocks or shares of related or associated companies		
Acquisition of fixed assets and intangible investments	(13 721)	(57 574)
Incomes from selling fixed assets and intangible investments		
Issued loans		
Incomes from repayment of loans		
Received interests		
Received dividends		
<b>Net cash flow of investment action</b>	<b>(13 721)</b>	<b>(57 574)</b>
<b>III. Cash flow of financing action</b>		
Incomes from shares and bonds or capital participation stock investments		
Received loans		
Received subsidies, grants, gifts or donations		
Expenses for repayment of loans	(47 437)	(2 866)
Expenses for ransom of leased fixed asset		
Paid dividends		
<b>Net cash flow of financing action</b>	<b>(47 437)</b>	<b>(2 866)</b>
<b>IV. Result of foreign exchange rate fluctuations</b>		
<b>Net increase or decrease of cash and its equivalents</b>	<b>(49 359)</b>	<b>3 263</b>
<b>Cash and its equivalents residue at the beginning of the year of account</b>	<b>66 182</b>	<b>7 639</b>
<b>Cash and its equivalents residue at the end of the year of account</b>	<b>16 823</b>	<b>10 902</b>

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**EQUITY CAPITAL CHANGE REPORT**

for years 2013 and 2012

Position Title	3 month of 2014		3 month of 2013	
		EUR		EUR
<b>1. Stock capital (Core Capital)</b>				
1.1. Sum Indicated in the Previous Year's Balance		4 558 023		4 558 023
1.2. Correction of the Sum Indicated in the Previous Year's Balance				
1.3. Stock Capital (Core Capital) Increase / Decrease				
1.8. Sum Indicated in the Accounting period's Balance at the End of the Period		4 558 023		4 558 023
<b>2. Emission of Shares addition</b>				
2.1. Sum Indicated in the Previous Year's Balance				
2.2. Correction of the Sum Indicated in the Previous Year's Balance				
2.3. Emission of Shares Addition Increase / Decrease				
2.8. Sum Indicated in the Accounting Year's Balance at the End of the Period				
<b>3. Long Term Investment's Adjustment Reserve</b>		1 574 729		1 574 729
3.1. Sum Indicated in the Previous Year's Balance				
3.2. Correction of the Sum Indicated in the Previous Year's Balance				
3.3. Long Term Investment's Adjustment Surplus Increase / Decrease				
3.8. Sum Indicated in the Accounting Year's Balance at the End of the Period		1 574 729		1 574 729
<b>4. Financial Instrument's Adjustment Reserve</b>				
4.1. Sum Indicated in the Previous Year's Balance				
4.2. Correction of the Sum Indicated in the Previous Year's Balance				
4.3. Financial Instrument's Adjustment Reserve Surplus Increase /Decrease				
4.8. Sum Indicated in the Accounting Year's Balance at the End of the Period				
<b>5. Reserves</b>				
5.1. Sum Indicated in the Previous Year's Balance				
5.2. Correction of the Sum Indicated in the Previous Year's Balance				
5.3. reserves Surplus Increase /Decrease				
5.8. Sum Indicated in the Accounting Year's Balance at the End of the Period				
<b>6. Retained Earnings</b>		386 885		484 351
6.1. Sum Indicated in the Previous Year's Balance				0
6.2. Correction of the Sum Indicated in the Previous Year's Balance				
6.3. Retained Earning Increase / Decrease		5 399		(263 487)
Profit for 3 month of 2014		5 399		0
Losses for 3 month of 2013				(263 487)
6.8. Sum Indicated in the Accounting Year's Balance at the End of the Period		392 284		220 864
<b>7. Equity</b>				
7.1. Sum Indicated in the Previous Year's Balance		6 519 637		6 617 103
7.2. Correction of the Sum Indicated in the Previous Year's Balance				
7.3. Equity increase /Decrease		5 399		(263 487)
7.8. Sum Indicated in the Accounting period's Balance at the End of the Period		6 525 036		6 353 616

EPS on 31.03.2014. EUR ( 5 399 : 3 203 397 ) = 0,0017 EUR;

EPS on 31.03.2013. EUR (-263 487 : 3 203 397) = - 0,0823 EUR;

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Appendix from 9. to 17 page is an itegral part of this annual report.

28.May of 2014 year.



**APPENDIX**

**ACCOUNTING POLICY**

**(1) General principles**

Annual report is prepared according to laws of the Republic of Latvia "About book-keeping", "About annual report" and by the Regulation of Ministry Cabinet issued that are to be applied in the year of account.

Profit or loss statement is composed according to turnover outlay scheme.

Cash flow statement is composed according to direct method.

Comparing with previous period of account, accounting and evaluation methods used by the Company has not been changed.

Report has been prepared on the base of activity continuation conception.

The supplemented financial statements have been compiled in national currency of Latvia - euro (EUR).

**(2) Acknowledgement of incomes and net turnover**

Net turnover includes the value of rendered services in the year of account (value of sold production), excepting value added taxes and with selling connected discounts.

Other incomes are acknowledged as following:

- incomes from rent – at the moment of their emergence;
- incomes from fines and delay payments – at the moment of receipt;
- dividends – at the moment when legal rights on them arise.

**(3) Long-term contract.**

Contract about formation an active and performed actions because of the character the beginning and ending date of contract fulfillment is in different accounting periods.

Incomes from long-term contracts are acknowledged according to accomplishment level. Accomplishment level is defined having inspected the result of the work done and establishing the completion of physically definable part of work.

**(4) Foreign currency's reestimation in lats**

Company's accounting has been made in Latvian lats. All operations in foreign currencies are reestimated in lats according to official currency rate defined by the Bank of Latvia in the corresponding day of operation.

Monetary instruments, as well as debtors and creditors in foreign currencies t the end of year are recalculated in lats according to the official currency exchange rate defined by the bank of Latvia in the last day of accounting year.

The gained profit or loss from foreign currency exchange rate fluctuations are reflected in profit or loss statement of the of corresponding period in net value.

	<b>31.03.2014.</b>	<b>31.03.2013.</b>
	<b>EUR</b>	<b>EUR</b>
1 USD	0.728300	0.755600

**(5) Intangible investments**

Intangible investments are estimated according to their initial expanse value, excepting the accrued depreciation. Depreciation is calculated according to linear method for 4 years.

**(6) Fixed assets and low-grade inventory**

Fixed assets are estimated according to their initial expense value or reestimated initial value, excluding accrued depreciation. Depreciation is calculated according to (linear) method, using the rates of fixed assets depreciation calculation, that are based on the evaluation of fixed assets useful service duration:

	<b>Years</b>	<b>%</b>
Buildings, constructions	33.3	3
Equipment and technical utilities	10	10
Rolling stock, seacraft transport, power plant	14.3	7
Furniture and office machines	10	10
Computers and facilities	4	25
Vehicles	5	20
Instruments and inventory	10	10

The depreciation of fixed assets is started to calculate with the first day of next month after its commissioning and is finished with the first day of next month after its exclusion from fixed assets.

Company capitalizes fixed assets whose value exceeds EUR 142,29 and the period of useful utilization exceeds 1 year. Reestimating the fixed assets, their value increase is reflected as movement in long-term investment reestimation reserve. To incomes in profit or loss statement is applied to fixed assets liquidation.

For calculation of company's income tax the fixed assets calculation is calculated according to requirements and rates of LR law "About company's income tax" 13.paragraph.

Low-grade inventory is entered in purchase prices and in expenses written off for 100% after commissioning.

**(7) Long-term investments in leased fixes assets**

Expenses of leased fixed assets overhaul are written off according to linear method rate in time of the period.

**(8) Rate with ransom (financial leasing)**

In cases when fixed assets that are obtained in lease with ransom (financial leasing) in relation to what all risks and liabilities pass over to the company, that is characteristic to ownership, is considered as company's actives at such value as they could be acquired for spot cash. Leasing interest payments and similar payments are included in profit or loss statement of the period when they have arisen.

**(9) Lease without rights of ransom (operative leasing)**

In cases when fixed assets are leased on lease provisions without rights on ransom, lese payments and prepayments for lease are included in profit or loss statement according to linear method in the period of lease.

**(10) Stocks**

Stocks are reflected at the lowest market or purchase value, using the FIFO (weighted average) method. In case of necessity the value of obsolete, slow turnover or damaged stock is written off.

In prime costs of produces goods are included the costs of used raw materials and materials and other expenses that are directly connected with production of corresponding object.

**(11) Debtors**

Debtors are estimated observing the principle of caution showing in balance sheet only the actual debtors. The actual sums of debtors conform with the ones shown in contacts and other accounting original documents. A comparison of debtors has been made and hopeless debts are written off, provisions for suspicious debtors was formed as well (or provisions has not been formed), on the base of evaluation of separate client financial standing and economic activity, considering the repayment of debt according to the concluded agreement (or otherwise – explain).

**(12) Other investments**

Long-term investments, excluding investments in holding company's sister or associated companies, are listed at acquisition value that is corrected in cases of their permanent value increase or decrease.

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**(13) Cash and cash equivalents**

For cash flow statement purposes cash and cash equivalents consist of residues in cash-desk, current bank account residues and short-term deposits with term to 90 days.

**(14) Provisions for not used holidays**

Provisions for not used holidays are estimated multiplying the average daily earnings of a worker for the last six month of the year of account with accrued number of days of not used holidays at the end of the year of account.

**(15) Company's income tax**

Company's income tax is calculated according to the tax legislation of Republic of Latvia. The legislation in force in year 2010 and in future sets a tax rate of 15%.

**(16) Deferred company's income tax**

Deferred company's income tax is calculated according to liability method in relation to all interim differences between active and liability values in financial statements and their values for tax calculation purposes. In deferred tax calculations a tax rate is used that is prospective in periods, when interim difference equalizes. Interim differences mainly arise using different depreciation rates of fixed assets, as well as from tax losses that are to be posted on next taxation periods. In cases when the deferred tax calculation result should be reflected in balance active, it is included in financial statement only then when it is anticipated that a profit imposable with tax shall be available, to that it will be possible to relate the deductible interim differences that formed the deferred tax active.

**(17) Grants**

For fixed assets formation received grants are regarded as next periods incomes, that gradually includes the in incomes received of for grants acquired fixed assets in useful utilization time of period. Other grants are related to results of the year of account in the period of grant receipt.

**(18) Use of calculations**

Preparing the financial statements, company's management has to make calculations and assumptions that influence the actives and passives shown in statements and off-balance for the day of statement preparation, as well as shown incomes and expenses of accounting period. The actual results can differ from these calculations.

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**Financial statement annexes**  
**Annexes to profit or loss statement**

<u>(1) Net turnover</u>	3 month of 2014	3 month of 2013
	EUR	EUR
Incomes from ship building	356 508	782 370
Incomes from ship repair services	492 029	132 296
Other incomes	20 417	59 200
<b>Total</b>	<b>868 954</b>	<b>973 866</b>
<b>Per geographic regions</b>		
Incomes from service selling in local market	3 700	799 993
Incomes from service selling to		
Farer's island	356 508	
Russia	254 821	30 947
Lietuvania	26 938	10 630
Beleez		132 296
Niderland	201 632	
Germany	13 538	
Poland	11 817	
	<b>868 954</b>	<b>973 866</b>
<b>(2) Production costs of sold goods</b>		
Material purchase costs	189 571	158 536
Employees salary	122 810	86 677
Social insurance costs	28 323	20 304
Electricity costs	59 373	43 908
Depreciation of fixed assets	58 002	78 198
Contagent's services	265 756	703 688
Running repairs of equipment	14 236	2 126
Running repairs of buildings	314	1 141
Security staff	13 153	18 139
Services from outside	23 068	15 461
Lease payment	10 187	11 612
Other costs	462	673
<b>Total</b>	<b>785 255</b>	<b>1 140 464</b>

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**Appendixes to profit or loss statement (continuation)**

	3 month of 2014	3 month of 2013
	EUR	EUR
<b>(3) Selling costs</b>		
Media advertising expenditures		221
Business trips	1 348	991
Other		10
<b>Total</b>	<b>1 348</b>	<b>1 222</b>
<b>(4) Administration costs</b>		
Communication costs	369	664
Reward for the board	19 763	18 625
Reward for the council	16 356	29 169
Social insurance costs	8 333	11 115
Office maintenance costs	300	563
Stock exchange costs	4 446	4 446
Lawyer's services	6 110	2 978
Transport costs, business trips	2 022	3 422
Bank services	1 146	687
Representation expenses	1 171	443
<b>Total</b>	<b>60 016</b>	<b>72 114</b>
<b>(5) Other incomes from company's economic activity</b>		
Incomes from realization of materials	8 026	410
Incomes from rent	14 795	592
Incomes from tugboat's services	7 138	2 921
Other incomes	5 306	4 506
<b>Total</b>	<b>35 265</b>	<b>8 429</b>
<b>(6) Other expenses from company's economic activity</b>		
Material purchase expenses	7 521	
Personnel expenses (material assistance)	320	285
Tugboat's services expenses	12 746	10 269
Losses from exchange rate fluctuations	120	3 546
Property maintenance	483	149
<b>Total</b>	<b>21 190</b>	<b>14 249</b>
<b>(7) Interest payments and similar expenses</b>		
Paid interests	15 927	15 732
Paid fines	5 646	2 001
<b>Total</b>	<b>21 573</b>	<b>17 733</b>
<b>(8) Other taxes</b>		
Immovable property tax for land	3623	
Immovable property tax for buildings and constructions	5815	
<b>Total</b>	<b>9438</b>	

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Appendixes to balance sheet on 31.03.2014.

(9) Intangible investments	Concessions, patents, licenses, trade marks and similar rights	Research work and company's development expenses	Other intangible investments (computer pr.)	Company's intangible value	Advance payments for intangible investments	Total
	EUR	EUR	EUR	EUR	EUR	EUR
<b>Undepreciated value</b>						
2013.12.31.			10 465			10 465
Purchased						0
Written off						0
Reestimated						0
2014.03.31.	0	0	10 465	0	0	10 465
<b>Depreciation</b>						
2013.12.31.			9 325			9 325
Calculated			131			131
Written off						0
2014.03.31.	0	0	9 456	0	0	9 456
<b>Residual value 31.12.2013.</b>	<b>0</b>	<b>0</b>	<b>1 140</b>	<b>0</b>	<b>0</b>	<b>1 140</b>
<b>Residual value 31.03.2014.</b>	<b>0</b>	<b>0</b>	<b>1 009</b>	<b>0</b>	<b>0</b>	<b>1 009</b>

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(10) Fixed assets

	Land, buildings, constructions	Equipment and machines	Long-term investments in leased fixed assets	Other fixed assets and inventory	Formation of fixed assets	Advance payments for fixed assets	Unfinished construction works	Total
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
<b>Undepreciated value</b>								
2013.12.31.	3 884 470	5 571 527		128 504			536 016	10 120 517
Purchased	24 803	5 523		219			28 240	58 785
Written off				476			28 240	28 716
Reestimated								0
<b>2014.03.31.</b>	<b>3 909 273</b>	<b>5 577 050</b>	<b>0</b>	<b>128 247</b>	<b>0</b>	<b>0</b>	<b>536 016</b>	<b>10 150 586</b>
<b>Depreciation</b>								
2013.12.31.	1 246 330	2 240 061		100 261				3 586 652
Calculated	33 782	72 450		2 510				108 742
Written off				476				476
<b>2014.03.31.</b>	<b>1 280 112</b>	<b>2 312 511</b>	<b>0</b>	<b>102 295</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3 694 918</b>
<b>Residual value 31.12.2013</b>	<b>2 638 140</b>	<b>3 331 466</b>	<b>0</b>	<b>28 243</b>	<b>0</b>	<b>0</b>	<b>536 016</b>	<b>6 533 865</b>
<b>Residual value 31.03.2014</b>	<b>2 629 161</b>	<b>3 264 539</b>	<b>0</b>	<b>25 952</b>	<b>0</b>	<b>0</b>	<b>536 016</b>	<b>6 455 668</b>

*AS "Tosmare shipyard"  
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Appendixes to balance sheet (continuation)

(11) Raw materials, direct materials and auxiliary materials	<u>31.03.2014.</u>	<u>31.03.2013</u>
	EUR	EUR
1. Metal	412 409	566 885
2. Abrasive	88	1 177
3. Pipes	164 226	188 219
4. Non-ferrous metals	46 758	67 949
5. Products of technical rubber	38 953	41 955
6. Other expenses	122 910	117 495
<b>Total</b>	<u><u>785 344</u></u>	<u><u>983 680</u></u>
(12) Good for sale		
Yahta	885 806	
<b>Total</b>	<u><u>885 806</u></u>	
(13) Unfinished products		
1 Ship building	295 922	881 418
2 Ship repair services	434 541	46 401
3 Other	56	
<b>Total</b>	<u><u>730 519</u></u>	<u><u>927 819</u></u>
(14) Accounting value of purchaser's and clients' debts		
Accounting value of purchaser's and clients' debts	1 648 698	2 167 933
<b>Net debts of purchasers and clients</b>	<u><u>1 648 698</u></u>	<u><u>2 167 933</u></u>
(15) Other debtors		
In budget advance and overpaid taxes	30 784	
Income's tax advance payments		10 021
Advance payments for services	124	1 153
<b>Total</b>	<u><u>30 908</u></u>	<u><u>11 174</u></u>
(16) Next periods coasts		
Payment for press	988	
Other costs	14 020	
<b>Total</b>	<u><u>15 008</u></u>	
(17) Cash		
Money in cash-desk	1 284	6 198
Money in current accounts	15 539	4 704
<b>Total</b>	<u><u>16 823</u></u>	<u><u>10 902</u></u>
(19) Information about company's own shares and total stock		

"Tosmare Shipyard" JSC was established in 2000 with share capital EUR 2 281 428 (LVL 1 603 397) that consist of 1 603 397 common shares, nominal value of share is EUR 1,42.

The join-stock company is public and its shares counts among the stock exchange. All shares give equal rights to receipt of dividends, receipt of liquidation quotas and right to vote in the shareholders meeting. One share gives the right to 1 vote in the shareholders meeting. The Company has no shares that are held by the Company itself or anyone else in its assignment.

Modifications in statues:

1. Increase of share capital of the company to EUR 3 704 300 (LVL 2 603 397) in 2001
2. Increase of share capital of the company to EUR 4 558 023 (LVL 3 203 397) in 2002
3. In 2011 2 562 660 shares were determined as registered shares, and 640 737 shares as bearer shares; all shares are non-certificated shares / book-entry shares.



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Appendixes to balance sheet (continuation)

	<u>31.03.2014</u>	<u>31.03.2013</u>
<b>(19) Long-term investment reestimation reserve</b>		
Investment reestimation of water's dok	1 574 729	1 574 729
<b>Total</b>	<u>1 574 729</u>	<u>1 574 729</u>
<b>(20) Provisions</b>		
Accruals for holiday grants	48 299	57 320
<b>Total</b>	<u>48 299</u>	<u>57 320</u>
<b>(21) Deferred tax liabilities</b>		
Deferred tax liabilities at the beginning of year	287 540	281 595
Deferred tax liability lost in the year of account		
<b>Total</b>	<u>287 540</u>	<u>281 595</u>
<b>(22) Loans from credit institutions (short-term)</b>		
<b>Total</b>	<u>1 808 528</u>	<u>1 998 822</u>
<p>The Company has EUR 2 000 000 credit line with AS "SEB banka".            Tehnological equipment, floating dock and two dry docks owned by the company are pledged guarantee the liabilities.</p>		
<b>(23) From customers received borrowings</b>		
Ship building	177 650	47 190
Ship repair services	60 000	
Other	4 855	4 883
<b>Total</b>	<u>242 505</u>	<u>52 073</u>
<b>(24) Debts to suppliers and contractors</b>		
Raw materials, direct materials and auxiliary materials	350 265	286 230
Services	263 905	251 591
Contragent's services	458 691	538 206
Capotal assets	62 325	63 952
<b>Total</b>	<u>1 135 186</u>	<u>1 139 979</u>
<b>(25) Debts to related companies</b>		
JSC "Riga's shipyard"	126 494	
<b>Total</b>	<u>126 494</u>	

*AS "Tosmare shipyard"*  
*report for 3 month of 2014 year*

(26) **Movement of tax liabilities for 3 months of 2014**

	01.01.2014.	Calculated for 3 m. 2014	Calculated fine and delay payment	(Paid)/ repaid	Posted to/ (from) other taxes	31.03.2014.
	EUR	EUR	EUR	EUR	EUR	EUR
Value added tax	(26 560)	(90 647)	1		86 422	(30 784)
Population income tax	101 659	53 795	2 762	(61 000)		97 216
State social insurance compulsory payments	99 172	97 822	2 276	(11 000)	(86 422)	101 848
Company's income tax	26 765					26 765
Immovable property tax (land)	3 623	3 623	218			7 464
Immovable property tax (buildings)	5 404	5 816	330			11 550
Tax of natural resources	1 452	1 277	16	(1 471)		1 274
Risk duty of business	64	202	1	(138)		129
<b>Total</b>	<b>211 579</b>	<b>71 888</b>	<b>5 604</b>	<b>(73 609)</b>	<b>0</b>	<b>215 462</b>

incl.:

<b>Debt to budget</b>	<b>238 139</b>	<b>246 246</b>
<b>Overpayment</b>	<b>(26 560)</b>	<b>(30 784)</b>

(27) **Other creditors**

	31.03.2014	31.03.2013
Salary	147 765	68 629
Deductions from salary	770	1 299
Other creditors	1 494	4 111
<b>Total</b>	<b>150 029</b>	<b>74 039</b>

Chairman of the board /Ivica Galich/  
Member of the board /Boris Galcovich/  
Member of the board /Vladislav Blums /

28.May of 2014 year.