



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

**INTERIM STATEMENT
for 9 months of 2010**

Index of Contents

	Page
Information on the Company	3
Profit or Loss Account	4
Balance sheet	5
Cash flow statement	7
Statement on changes in shareholders' equity	8
Notes to the Financial Statements	9
Report on Management Liability	23

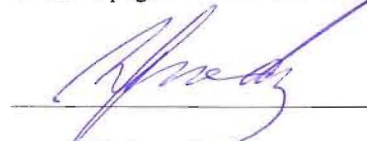
Information on the Company

Company's name	<i>SIGULDAS CILTS LIETU UN MĀKSLĪGĀS APSĒKLOŠANAS 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 apsēklošanas 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>Solvīta Arcimoviča, Member of the Council</i> <i>Renīa Beķere, Member of the Council</i>
Reporting year	<i>01.01.2010 – 30.09.2010</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 30 September 2010

	Note	2010 LVL	2009 LVL	2010 EUR	2009 EUR
Net sales	3	554 683	553 391	789 243	787 405
Changes in stock of ready-made goods and unfinished products	4	25 985	93 599	36 974	133 179
Other operating income	5	10 318	5 770	14 680	8 210
Costs of materials:		(213 130)	(197 040)	(303 256)	(280 362)
a) raw materials and auxiliary costs of materials		(166 717)	(150 387)	(237 217)	(213 980)
b) other external costs		(46 413)	(46 653)	(66 039)	(66 382)
Personnel costs:	6	(255 595)	(267 512)	(363 679)	(380 635)
a) salaries for work		(200 209)	(208 167)	(284 872)	(296 195)
b) state social insurance compulsory contributions		(47 302)	(49 690)	(67 304)	(70 703)
c) other social insurance costs		(8 084)	(9 655)	(11 503)	(13 737)
Write-off of assets and values:		(51 452)	(59 672)	(73 209)	(84 906)
a) depreciation of fixed assets and amortization of intangible assets		(51 452)	(52 226)	(73 209)	(74 309)
b) write-off of value of current assets above the normal deductions		-	(7 446)	-	(10 597)
Other operating costs	7	(21 331)	(22 158)	(30 352)	(31 528)
Other interest income and similar income	8	5 041	3 231	7 173	4 596
Interest payments and similar costs	9	(2 506)	(2 415)	(3 566)	(3 437)
Profit or losses before taxes		52 013	107 194	74 008	152 522
Enterprise income tax for the reporting year		(7 675)	(12 088)	(10 921)	(17 200)
Other taxes	10	(1 107)	(1 091)	(1 575)	(1 552)
The profit or loss for the year		43 231	94 015	61 512	133 770
Equity per 1 share (EPS)	22	0.102	0.223	0.146	0.317

Notes on pages 9 to 22 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

24 November 2010

Balance sheet as at 30 September 2010

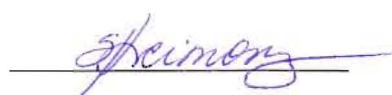
Assets	Note	2010 LVL	2009 LVL	2010 EUR	2009 EUR
Long-term investments					
Intangible assets					
Concessions, patents, licenses, trade marks and similar rights		-	7	-	9
Intangible assets total	11	-	7	-	9
Fixed assets					
Land parcels, buildings and constructions and perennial plantings		145 252	159 293	206 675	226 654
Equipment and machinery		29 721	73 945	42 289	105 214
Other fixed assets and inventory		12 190	12 850	17 344	18 284
Fixed assets total	12	187 163	246 088	266 308	350 152
Investment properties	13	120 000	16 245	170 745	23 114
Biological assets		48 166	40 729	68 535	57 952
Long-term financial investments					
Investments in capital of associated companies	14	47 062	3 000	66 963	4 269
Other securities and investments	15	480	480	683	683
Long-term financial investments total		47 542	3 480	67 646	4 952
Long-term investments total		402 871	306 549	573 234	436 179
Current assets					
Stock					
Raw materials, basic materials and auxiliary materials		12 467	14 831	17 738	21 103
Ready-made goods and goods for sale	16	315 327	361 065	448 670	513 750
Prepayments for goods		733	1 166	1 043	1 659
Stock total		328 527	377 062	467 451	536 512
Receivables					
Trade receivables	17	119 764	104 595	170 409	148 825
Other receivables	18	6 195	1 925	8 814	2 740
Prepaid expenses	19	3 329	3 999	4 737	5 689
Receivables total		129 288	110 519	183 960	157 254
Short-term financial investments					
Other securities and shareholding in capitals	20	21 526	20 627	30 629	29 350
Short-term financial investments total		21 526	20 627	30 629	29 350
Cash	21	134 022	154 829	190 696	220 302
Current assets total		613 363	663 037	872 736	943 418
Assets total		1 016 234	969 586	1 445 970	1 379 597


Balance sheet as at 30 September 2010

Shareholders' equity and liabilities	Note	2010 LVL	2009 LVL	2010 EUR	2009 EUR
Shareholders' equity					
Share capital	22	422 440	422 440	601 078	601 078
Retained earnings:					
Retained earnings carried forward from previous years		454 939	359 638	647 320	511 719
Retained earnings of the reporting year		43 231	94 015	61 512	133 770
Shareholders' equity total		920 610	876 093	1 309 910	1 246 567
Payables					
Long-term payables					
Deferred tax liabilities	23	5 712	9 961	8 127	14 174
Long-term payables total		5 712	9 961	8 127	14 174
Short-term payables					
Prepayment received from customers		4 146	-	5 898	-
Trade payables		29 812	31 511	42 419	44 836
Taxes and social insurance payments	24	24 180	19 680	34 405	28 003
Other payables		9 974	10 232	14 192	14 559
Accrued liabilities	25	21 800	22 109	31 019	31 458
Short-term payables total		89 912	83 532	127 933	118 856
Payables total		95 624	93 493	136 060	133 030
Shareholders' equity and liabilities total		1 016 234	969 586	1 445 970	1 379 597

Notes on pages 9 to 22 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

24 November 2010

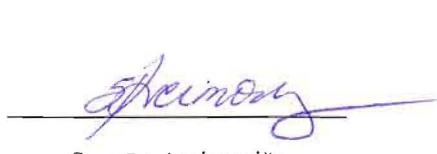
Cash flow statement for the period ended 30 September 2010

	Note	2010 LVL	2009 LVL	2010 EUR	2009 EUR
Cash flow from operating activities					
Income from sale of goods and provision of services		651 762	638 442	927 373	908 420
Payments to suppliers, employees, other expenses arising from basic operations		(609 334)	(596 035)	(867 004)	(848 082)
Other Company's basic income or expenses		11 748	7 809	16 716	11 111
Gross cash flow from basic operations		54 176	50 216	77 085	71 449
Expenses for tax payments		(6 407)	(10 353)	(9 116)	(14 731)
Net cash flow from operating activities		47 769	39 863	67 969	56 718
Cash flow from investing activities					
Purchase of fixed assets and intangible investments		(4 809)	(8 018)	(6 843)	(11 405)
Purchase of capital shares of other company		(44 062)	-	(62 694)	-
Dividends received		1 360	440	1 935	626
Purchase of securities		-	(15 000)	-	(21 343)
Net cash flow from investing activities		(47 511)	(22 578)	(67 602)	(32 122)
Cash flow from financing activities					
Dividends paid		(33 795)	(33 795)	(48 086)	(48 086)
Net cash flow from financing activities		(33 795)	(33 795)	(48 086)	(48 086)
Result of foreign exchange rate fluctuations		(557)	(386)	(793)	(550)
Increase/ decrease of cash and its equivalents		(34 094)	(16 896)	(48 512)	(24 040)
Cash and its equivalents at the beginning of the period		168 116	171 725	239 208	244 342
Cash and its equivalents at the end of the period	21	134 022	154 829	190 696	220 302

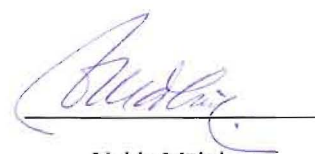
Notes on pages 9 to 22 form an integral part of these financial statements.



Nils Ivars Feodorovs
Chairman of the Board



Sarmīte Arcimoviča
Member of the Board



Valda Mālniece
Member of the Board

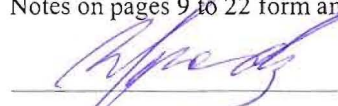
24 November 2010

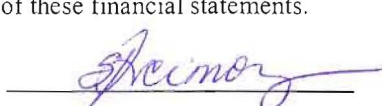
**Statement on changes in shareholders' equity for the period ending
30 September 2010**


	Share capital	Retained earnings	Retained earnings for the reporting year	Shareholders' equity total
	LVL	LVL	LVL	LVL
31.12.2008	422 440	310 555	82 878	815 873
Profit for 2008 transferred to retained earnings of previous years	-	82 878	(82 878)	-
Dividends for 2008	-	(33 795)	-	(33 795)
Retained earnings for the reporting year	-	-	94 015	94 015
30.09.2009	422 440	359 638	94 015	876 093
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)	-
Dividends for 2009	-	(33 795)	-	(33 795)
Retained earnings for the reporting year	-	-	43 231	43 231
30.09.2010	422 440	454 939	43 231	920 610

	Share capital	Retained earnings	Retained earnings for the reporting year	Shareholders' equity total
	EUR	EUR	EUR	EUR
31.12.2008	601 078	441 880	117 925	1 160 883
Profit for 2008 transferred to retained earnings of previous years	-	117 925	(117 925)	-
Dividends for 2008	-	(48 086)	-	(48 086)
Retained earnings for the reporting year	-	-	133 770	133 770
30.09.2009	601 078	511 719	133 770	1 246 567
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)	-
Dividends for 2009	-	(48 086)	-	(48 086)
Retained earnings for the reporting year	-	-	61 512	61 512
30.09.2010	601 078	647 320	61 512	1 309 910

Notes on pages 9 to 22 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

24 November 2010

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 6 months from 1 January to 30 September 2010.

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.

	30.09.2010	30.09.2009
EUR	0.702804	0.702804
USD	0.517	0.48

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
----------	---------

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	2010 LVL	2009 LVL	2010 EUR	2009 EUR
Livestock sperm	281 168	284 237	400 066	404 433
Milk laboratory services	142 621	144 060	202 932	204 979
Treatment of supervisory data	50 678	41 491	72 108	59 036
Inspection of cows	19 201	23 218	27 321	33 036
Artificial insemination of livestock	17 384	18 444	24 735	26 244
Immune-genetic laboratory services	8 589	4 660	12 221	6 631
Other income	35 042	37 281	49 860	53 046
	554 683	553 391	789 243	787 405

Distribution of net sales according to the geographical markets:

	2010 LVL	2009 LVL	2010 EUR	2009 EUR
Latvia	554 683	552 896	789 243	786 700
Estonia	-	495	-	705
	554 683	553 391	789 243	787 405

Earnings from agricultural activities represented in net sales:

	2010 LVL	2009 LVL	2010 EUR	2009 EUR
Earnings from agricultural activities	554 683	553 391	789 243	787 405
	554 683	553 391	789 243	787 405

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

	2010 LVL	2009 LVL	2010 EUR	2009 EUR
Changes in sperm stock value	18 548	95 574	26 391	135 989
Written-off sperm	-	-	-	-
Changes in stud bull herd value	7 437	(1 975)	10 583	(2 810)
	25 985	93 599	36 974	133 179

(5) Other operating income

	2010 LVL	2009 LVL	2010 EUR	2009 EUR
State support for agricultural	10 318	5 770	14 680	8 210
	10 318	5 770	14 680	8 210

Notes to the Financial Statements

(6) Personnel costs

	2010 LVL	2009 LVL	2010 EUR	2009 EUR
Salaries for work	200 209	208 167	284 872	296 195
State social insurance contributions	47 302	49 690	67 304	70 703
Health insurance	7 176	7 278	10 211	10 355
Other costs	908	2 377	1 292	3 382
	255 595	267 512	363 679	380 635

(7) Other operating expenses

	2010 LVL	2009 LVL	2010 EUR	2009 EUR
Insurance payments	599	1 158	852	1 647
Business trip expenses	1 367	733	1 946	1 043
Selling expenses	1 541	3 508	2 193	4 991
Company's management and administrative expenses	13 216	11 030	18 804	15 695
Audit of the financial statement	-	1 570	-	2 234
Other costs	4 608	4 159	6 557	5 918
	21 331	22 158	30 352	31 528

(8) Other interest income and similar income

	2010 LVL	2009 LVL	2010 EUR	2009 EUR
Income from shareholding in the company capitals	1 360	440	1 935	626
Income from securities	426	601	606	855
Interest income	1 431	2 040	2 036	2 902
Contractual penalties from clients	137	132	195	188
Recovered doubtful and bad debts	1 396	15	1 987	21
Other income	291	3	414	4
	5 041	3 231	7 173	4 596

Notes to the Financial Statements

(9) Interest payments and similar costs

	2010 LVL	2009 LVL	2010 EUR	2009 EUR
Losses from foreign currency exchange rate fluctuations	1 149	409	1 635	582
Employees' leisure and other costs not connected with operating activities	1 346	2 006	1 915	2 855
Other costs	11	-	16	-
	2 506	2 415	3 566	3 437

(10) Other taxes

	2010 LVL	2009 LVL	2010 EUR	2009 EUR
Real estate tax	1 107	1 091	1 575	1 552
	1 107	1 091	1 575	1 552

(11) Intangible assets

	Concessions, patents, licenses, trade marks and similar rights LVL	Total LVL	Concessions, patents, licenses, trade marks and similar rights EUR	Total EUR
Initial value				
31.12.2009	720	720	1 024	1 024
Purchased	-	-	-	-
Disposed	-	-	-	-
30.09.2010	720	720	1 024	1 024
Accrued depreciation				
31.12.2009	718	718	1 022	1 022
Calculated depreciation	2	2	2	2
Depreciation of excluded investments	-	-	-	-
30.09.2010	720	720	1 024	1 024
Book value as at 31.12.2009	2	2	2	2
Book value as at 30.09.2010	-	-	-	-

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				
31.12.2009	255 107	357 311	85 951	698 369
Purchased	-	2 498	2 782	5 280
Disposed	-	-	(2 965)	(2 965)
30.09.2010	255 107	359 809	85 768	700 684
Accrued depreciation				
31.12.2009	99 340	295 252	70 442	465 034
Calculated depreciation	10 515	34 836	6 101	51 452
Depreciation of excluded fixed assets	-	-	(2 965)	(2 965)
30.09.2010	109 855	330 088	73 578	513 521
Book value as at 31.12.2009	155 767	62 059	15 509	233 335
Book value as at 30.09.2010	145 252	29 721	12 190	187 163

As at 30 September 2009, the cadastral value of real estate – land and constructions - was LVL 245 152

As at 30 September 2010, the cadastral value of real estate – land and constructions - was LVL 113 994

	Land, buildings and constructions	Technological equipment and machinery	Other fixed assets	Total
	EUR	EUR	EUR	EUR
Initial value				
31.12.2009	362 985	508 408	122 297	993 690
Purchased	-	3 554	3 957	7 511
Disposed	-	-	(4 219)	(4 219)
30.09.2010	362 985	511 962	122 035	996 982
Accrued depreciation				
31.12.2009	141 348	420 106	100 230	661 684
Calculated depreciation	14 962	49 567	8 680	73 209
Depreciation of excluded fixed assets	-	-	(4 219)	(4 219)
30.09.2010	156 310	469 673	104 691	730 674
Book value as at 31.12.2009	221 637	88 302	22 067	332 006
Book value as at 30.09.2010	206 675	42 289	17 344	266 308

As at 30 September 2009, the cadastral value of real estate – land and constructions - was EUR 348 820

As at 30 September 2010, the cadastral value of real estate – land and constructions - was EUR 162 199

Notes to the Financial Statements

(13) Investment properties

	Land	Total	Land	Total
	LVL	LVL	EUR	EUR
Book value as at 31.12.2008	16 245	16 245	23 114	23 114
Increase/decrease of value due to revaluation	-	-	-	-
Book value as at 30.09.2009	16 245	16 245	23 114	23 114
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 30.09.2010	120 000	120 000	170 745	170 745

(14) Investments in capital of associated companies

	2010			2009		
	% 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	26.3	47 062	66 963	7.4	3 000	4 269
		47 062	66 963		3 000	4 269

(15) Other securities and investments

	LVL	EUR
Purchase value as at 30.09.2009	480	683
Book value as at 30.09.2009	<u>480</u>	<u>683</u>
Purchase value as at 30.09.2010	480	683
Book value as at 30.09.2010	<u>480</u>	<u>683</u>

(16) Ready-made products and goods for sale

	2010	2009	2010	2009
	LVL	LVL	EUR	EUR
Bull semen	307 992	357 024	438 233	508 000
Other goods for sale	7 335	4 041	10 437	5 750
	<u>315 327</u>	<u>361 065</u>	<u>448 670</u>	<u>513 750</u>

(17) Trade receivables

	2010	2009	2010	2009
	LVL	LVL	EUR	EUR
Accounting value of trade receivables	122 343	104 616	174 079	148 855
Provisions for doubtful trade receivables	(2 579)	(21)	(3 670)	(30)
	<u>119 764</u>	<u>104 595</u>	<u>170 409</u>	<u>148 825</u>

Notes to the Financial Statements

(18) Other receivables

	2010 LVL	2009 LVL	2010 EUR	2009 EUR
VAT for received goods and services	828	920	1 178	1 310
Overpayment of taxes	4 315	-	6 139	-
Other receivables	1 052	1 005	1 497	1 430
	6 195	1 925	8 814	2 740

(19) Prepaid expenses

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

	2010 LVL	2009 LVL	2010 EUR	2009 EUR
Advertising costs	102	152	145	216
Insurance	2 758	3 569	3 925	5 078
Press subscription	24	8	34	11
Other prepaid expenses	445	270	633	384
	3 329	3 999	4 737	5 689

(20) Other securities and shareholding in capitals

	Number	2010 Market price	Amount LVL	Number	2009 Market price	Amount LVL
SEB Lats reserve fund	15 044	1.43086	21 526	15 044	1.37110	20 627
			21 526			20 627

	Number	2010 Market price	Amount EUR	Number	2009 Market price	Amount EUR
SEB Lats reserve fund	15 044	2.03593	30 629	15 044	1.95090	29 350
			30 629			29 350

Money market fund shares have no guaranteed interest rate. In 2010, the profitability was about 2.68 %. 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:		2010		2009	
		Currency	LVL	Currency	LVL
Cash in hand	LVL	-	8 326	-	6 696
Cash in bank	LVL	-	123 911	-	64 638
Cash in bank	EUR	2 540	1 785	11 888	8 355
Deposits in credit institutions (with due dates not exceeding 90 days)	LVL	-	-	-	40 000
Deposits in credit institutions (with due dates not exceeding 90 days)	EUR	-	-	50 000	35 140
			134 022		154 829

Break-down of cash according to currencies:		2010		2009	
		Currency	EUR	Currency	EUR
Cash in hand	LVL	8 326	11 847	6 696	9 527
Cash in bank	LVL	123 911	176 309	64 638	91 972
Cash in bank	EUR	-	2 540	-	11 888
Deposits in credit institutions (with due dates not exceeding 90 days)	LVL	-	-	40 000	56 915
Deposits in credit institutions (with due dates not exceeding 90 days)	EUR	-	-	-	50 000
			190 696		220 302

(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.

	2010 LVL	2009 LVL	2010 EUR	2009 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.

Notes to the Financial Statements

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.

	2010 LVL	2009 LVL	2010 EUR	2009 EUR
Profit of the reporting period	43 231	94 015	61 512	133 770
Average weighted number of shares during the year	422 440	422 440	422 440	422 440
	0.102	0.223	0.146	0.317

(23) Provisions for deferred tax

	2010 LVL	2009 LVL	2010 EUR	2009 EUR
Temporary differences in fixed assets depreciation	59 881	88 518	85 203	125 950
Provisions for vacations	(21 800)	(22 109)	(31 019)	(31 458)
Total temporary differences	38 081	66 409	54 184	94 492
Deferred tax provisions at the beginning of the period	5 712	9 961	8 127	14 174
Increase or decrease	-	-	-	-
Deferred tax provisions at the end of the period	5 712	9 961	8 127	14 174

Notes to the Financial Statements

(24) Taxes and social insurance payments

Tax type	Balance as at 31.12.2009 LVL	Calculated in 2010 LVL	Paid in 2010 LVL	Balance as at 30.09.2010 LVL
Corporate income tax	(6 690)	7 675	(5 300)	(4 315)
Value added tax	5 251	81 675	(74 185)	12 741
Social insurance contributions	6 553	64 976	(64 661)	6 868
Personal income tax	3 673	42 787	(41 919)	4 541
Real estate tax	-	1 107	(1 107)	-
Nature resource tax	18	85	(84)	19
Business risk duty	10	98	(97)	11
	8 815	198 403	(187 353)	19 865
Including:	2009			2010
	LVL			LVL
Tax overpaid	(6 690)			(4 315)
Tax due	15 505			24 180

Tax type	Balance as at 31.12.2009 EUR	Calculated in 2010 EUR	Paid in 2010 EUR	Balance as at 30.09.2010 EUR
Corporate income tax	(9 519)	10 921	(7 541)	(6 139)
Value added tax	7 472	116 213	(105 556)	18 129
Social insurance contributions	9 324	92 452	(92 004)	9 772
Personal income tax	5 226	60 880	(59 645)	6 461
Real estate tax	-	1 575	(1 575)	-
Nature resource tax	26	121	(120)	27
Business risk duty	14	140	(138)	16
	12 543	282 302	(266 579)	28 266
Including:	2009			2010
	EUR			EUR
Tax overpaid	(9 519)			(6 139)
Tax due	22 062			34 405

Tax overpaid declared in position “Other receivables”

Notes to the Financial Statements

(25) Accrued liabilities

	2010 LVL	2009 LVL	2010 EUR	2009 EUR
Vacation reserve	21 800	22 109	31 019	31 458
	21 800	22 109	31 019	31 458

(26) Number of persons employed by the Company

	2010	2009
Average number of persons employed during the reporting year	42	43

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

	2010 LVL	2009 LVL	2010 EUR	2009 EUR
Council Members' salaries for work, including state social insurance contributions	4 941	4 991	7 030	7 102
Board Members' salaries for work, including state social insurance contributions	22 319	21 276	31 757	30 273
Total remuneration to management members	27 260	26 267	38 787	37 375

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 Financial Statement for nine months of the 2010 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 statements for nine months of 2010 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*

24 November 2010