



**Joint stock company
SIGULDAS CILTSLIETU UN
MĀKSLĪGĀS APSĒKLOŠANAS
STACIJA**

**INTERIM STATEMENT
for 6 months of 2013**

Index of Contents

	Page
Information on the Company	3
Interim Management Report	4
Profit or Loss Account	5
Balance sheet	6
Cash flow statement	8
Statement on changes in shareholders' equity	9
Notes to the Financial Statements	10
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>Solvita Arcimoviča, Member of the Council</i> <i>Jekaterina Kreise, Member of the Council</i>
Reporting year	<i>01.01.2013 – 30.06.2013</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>

Interim Management Report

The basic economic activity of the Stock Company continually is the production and sale of the bull semen, comprising 52% of its net turnover in the accounting period, as well as the milk assay and data processing services, which, taken together, comprise 36% of company's net turnover. There are no considerable changes in the proportion of the company's basic activities in comparison to the first six months in 2012.

Company's net turnover in the first half-year of 2013 was 363 thousand LVL (516 thousand EUR), showing a decrease of 4% against the corresponding period in 2012, while Company's profit of 30 thousand LVL (42 thousand EUR) in 2013 comprise a decrease of 14% against the corresponding period in 2012.

The commercial profitability in the first six months in 2013 was 10%, compared to 11% in 2012.

In the reporting period, continuing to carry out its uncompromised objective to guarantee the most superb product quality in market, company has purchased new latest technology sperm assay equipment AndroVision, costing 21 thousand LVL (29 thousand EUR), which will be put into operation in September this year, thus modernizing the production of the breed bull semen.

Nils Ivars Feodorovs
Chairman of the Board

Sarmīte Arcimoviča
Member of the Board

Valda Mālniece
Member of the Board

21 August 2013

Profit or loss account for the period ended 30 June 2013

	Note	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Net sales	3	362 992	377 180	516 491	536 679
Changes in stock of ready-made goods and unfinished products	4	25 560	18 323	36 368	26 072
Other operating income	5	2 453	3 401	3 491	4 839
Costs of materials:		(169 569)	(167 260)	(241 275)	(237 990)
a) raw materials and auxiliary costs of materials		(131 631)	(131 773)	(187 294)	(187 495)
b) other external costs		(37 938)	(35 487)	(53 981)	(50 495)
Personnel costs:	6	(151 218)	(153 589)	(215 164)	(218 538)
a) salaries for work		(117 912)	(120 371)	(167 774)	(171 273)
b) state social insurance compulsory contributions		(27 030)	(27 178)	(38 460)	(38 671)
c) other social insurance costs		(6 276)	(6 040)	(8 930)	(8 594)
Write-off of assets and values:		(17 695)	(20 820)	(25 178)	(29 624)
a) depreciation of fixed assets and amortization of intangible assets		(17 554)	(20 820)	(24 978)	(29 624)
b) write-off of value of current assets above the normal deductions		(141)	-	(200)	-
Other operating costs	7	(16 165)	(15 564)	(23 001)	(22 146)
Other interest income and similar income	8	983	1 145	1 399	1 630
Interest payments and similar costs	9	(1 594)	(1 753)	(2 268)	(2 494)
Profit or losses before taxes		35 747	41 063	50 863	58 428
Enterprise income tax for the reporting year		(5 092)	(5 648)	(7 245)	(8 036)
Other taxes	10	(1 133)	(1 119)	(1 612)	(1 593)
The profit or loss for the year		29 522	34 296	42 006	48 799
Equity per 1 share (EPS)	22	0.070	0.081	0.099	0.116

Notes on pages 10 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

21 August 2013

Balance sheet as at 30 June 2013

Assets	Note	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Long-term investments					
Fixed assets					
Land parcels, buildings and constructions and perennial plantings		116 893	118 940	166 324	169 236
Equipment and machinery		31 277	49 467	44 503	70 385
Other fixed assets and inventory		6 205	5 029	8 828	7 156
Fixed assets in formation		20 502	-	29 171	-
Fixed assets total	12	174 877	173 436	248 826	246 777
Investment properties	13	85 000	95 000	120 944	135 173
Biological assets		52 478	43 636	74 670	62 088
Long-term financial investments					
Investments in capital of associated companies	14	59 003	58 615	83 954	83 402
Other securities and investments	15	480	480	683	683
Long-term financial investments total		59 483	59 095	84 637	84 085
Long-term investments total		371 838	371 167	529 077	528 123
Current assets					
Stock					
Raw materials, basic materials and auxiliary materials		7 164	7 200	10 194	10 245
Ready-made goods and goods for sale	16	364 429	364 035	518 535	517 975
Prepayments for goods		911	180	1 297	257
Stock total		372 504	371 415	530 026	528 477
Receivables					
Trade receivables	17	116 790	102 809	166 177	146 284
Other receivables	18	1 214	5 270	1 727	7 499
Prepaid expenses	19	2 550	2 468	3 629	3 511
Receivables total		120 554	110 547	171 533	157 294
Short-term financial investments					
Other securities and shareholding in capitals	20	21 858	21 782	31 102	30 993
Short-term financial investments total		21 858	21 782	31 102	30 993
Cash	21	107 029	142 006	152 288	202 057
Current assets total		621 945	645 750	884 949	918 821
Assets total		993 783	1 016 917	1 414 026	1 446 944

Balance sheet as at 30 June 2013

Shareholders' equity and liabilities	Note	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Shareholders' equity					
Share capital	22	422 440	422 440	601 078	601 078
Retained earnings:					
Retained earnings carried forward from previous years		492 374	477 138	700 585	678 906
Retained earnings of the reporting year		29 522	34 296	42 006	48 799
Shareholders' equity total		944 336	933 874	1 343 669	1 328 783
Provisions					
Other provisions	23	5 746	8 823	8 176	12 555
Provisions total		5 746	8 823	8 176	12 555
Payables					
Long-term payables					
Deferred tax liabilities	24	3 059	3 325	4 353	4 731
Long-term payables total		3 059	3 325	4 353	4 731
Short-term payables					
Prepayment received from customers		400	-	569	-
Trade payables		10 914	40 112	15 529	57 074
Taxes and social insurance payments	25	22 489	22 783	31 999	32 417
Other payables		6 839	8 000	9 731	11 384
Short-term payables total		40 642	70 895	57 828	100 875
Payables total		43 701	74 220	62 181	105 606
Shareholders' equity and liabilities total		993 783	1 016 917	1 414 026	1 446 944

Notes on pages 10 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

21 August 2013

Cash flow statement for the period ended 30 June 2013

	Note	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Cash flow from operating activities					
Income from sale of goods and provision of services		402 257	452 890	572 359	644 405
Payments to suppliers, employees, other expenses arising from basic operations		(435 973)	(418 835)	(620 335)	(595 949)
Gross cash flow from basic operations		(33 716)	34 055	(47 976)	48 456
Expenses for enterprise income tax payments		(6 706)	(4 556)	(9 541)	(6 482)
Net cash flow from operating activities		(40 422)	29 499	(57 517)	41 974
Cash flow from investing activities					
Purchase of capital shares of associated company		(388)	(2 012)	(552)	(2 863)
Purchase of fixed assets and intangible investments		(21 874)	(1 712)	(31 123)	(2 436)
Net cash flow from investing activities		(22 262)	(3 724)	(31 675)	(5 299)
Cash flow from financing activities					
Subsidies received as a state support		2 453	3 397	3 491	4 834
Dividends paid		(42 244)	(42 244)	(60 108)	(60 108)
Net cash flow from financing activities		(39 791)	(38 847)	(56 617)	(55 274)
Result of foreign exchange rate fluctuations		(188)	71	(268)	101
Increase/ decrease of cash and its equivalents		(102 663)	(13 001)	(146 077)	(18 498)
Cash and its equivalents at the beginning of the period		209 692	155 007	298 365	220 555
Cash and its equivalents at the end of the period	21	107 029	142 006	152 288	202 057

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21 August 2013

**Statement on changes in shareholders' equity for the period ending
30 June 2013**

	Share capital	Retained earnings carried forward from previous years	Retained earnings for the reporting year	Shareholders' equity total
	LVL	LVL	LVL	LVL
31.12.2011	422 440	451 471	67 911	941 822
Profit for 2011 transferred to retained earnings of previous years	-	67 911	(67 911)	-
Dividends for 2011	-	(42 244)	-	(42 244)
Retained earnings for the reporting year	-	-	34 296	34 296
30.06.2012	422 440	477 138	34 296	933 874
31.12.2012	422 440	477 138	57 480	957 058
Profit for 2012 transferred to retained earnings of previous years	-	57 480	(57 480)	-
Dividends for 2012	-	(42 244)	-	(42 244)
Retained earnings for the reporting year	-	-	29 522	29 522
30.06.2013	422 440	492 374	29 522	944 336

	Share capital	Retained earnings carried forward from previous years	Retained earnings for the reporting year	Shareholders' equity total
	EUR	EUR	EUR	EUR
31.12.2011	601 078	642 386	96 628	1 340 092
Profit for 2011 transferred to retained earnings of previous years	-	96 628	(96 628)	-
Dividends for 2011	-	(60 108)	-	(60 108)
Retained earnings for the reporting year	-	-	48 799	48 799
30.06.2012	601 078	678 906	48 799	1 328 783
31.12.2012	601 078	678 906	81 787	1 361 771
Profit for 2012 transferred to retained earnings of previous years	-	81 787	(81 787)	-
Dividends for 2012	-	(60 108)	-	(60 108)
Retained earnings for the reporting year	-	-	42 006	42 006
30.06.2013	601 078	700 585	42 006	1 343 669

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Chairman of the Board

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21 August 2013

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,
- 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. 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 June 2013.

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.

	30.06.2013	30.06.2012
EUR	0.702804	0.702804
USD	0.539	0.562

Currency exchange rate differences arising from settlements in currencies or when recognizing assets and liabilities by 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	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Livestock sperm	187 654	193 085	267 008	274 735
Milk laboratory services	94 092	95 339	133 880	135 655
Treatment of supervisory data	36 543	36 804	51 996	52 367
Cow exterior appraisal	1 841	1 595	2 619	2 270
Artificial insemination of livestock	15 107	14 157	21 496	20 144
Immune-genetic laboratory services	-	1 092	-	1 554
Other income	27 755	35 108	39 492	49 954
	362 992	377 180	516 491	536 679

Distribution of net sales according to the geographical markets:

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Latvia	362 992	377 180	516 491	536 679
	362 992	377 180	516 491	536 679

Earnings from agricultural activities represented in net sales:

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Earnings from agricultural activities	362 992	377 180	516 491	536 679
	362 992	377 180	516 491	536 679

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

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Changes in sperm stock value	21 650	24 304	30 805	34 582
Written-off sperm	(5 596)	-	(7 962)	-
Changes in stud bull herd value	9 506	(5 981)	13 525	(8 510)
	25 560	18 323	36 368	26 072

(5) Other operating income

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Revenue from exclusion of fixed assets	-	4	-	6
State support for agricultural	2 453	3 397	3 491	4 833
	2 453	3 401	3 491	4 839

Notes to the Financial Statements

(6) Personnel costs

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Salaries for work	112 959	114 861	160 726	163 433
Life insurance with cash value accrual	4 953	5 510	7 048	7 840
State social insurance contributions	27 030	27 178	38 460	38 671
Health insurance	5 220	5 672	7 427	8 071
Other costs	1 056	368	1 503	523
	151 218	153 589	215 164	218 538

(7) Other operating expenses

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Insurance payments	912	1 086	1 298	1 546
Business trip expenses	1 163	684	1 656	973
Selling expenses	1 606	1 217	2 285	1 731
The costs of accreditation and employee training	817	1 137	1 162	1 619
The costs of security services	446	374	635	532
Taxes applied on the vehicles	410	330	583	470
Company's management and administrative expenses	8 254	9 069	11 744	12 904
Other costs	2 557	1 667	3 638	2 371
	16 165	15 564	23 001	22 146

(8) Other interest income and similar income

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Income from securities	26	93	37	133
Recovered doubtful and bad debts	957	1 052	1 362	1 497
	983	1 145	1 399	1 630

Notes to the Financial Statements

(9) Interest payments and similar costs

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Losses from foreign currency exchange rate fluctuations	241	572	343	813
Employees' leisure and other costs not connected with operating activities	1 353	1 181	1 925	1 681
	1 594	1 753	2 268	2 494

(10) Other taxes

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Real estate tax	1 133	1 119	1 612	1 593
	1 133	1 119	1 612	1 593

(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				
31.12.2012	720	720	1 024	1 024
Purchased	-	-	-	-
Disposed	-	-	-	-
30.06.2013	720	720	1 024	1 024
Accrued depreciation				
31.12.2012	718	718	1 022	1 022
Calculated depreciation	-	-	-	-
Depreciation of excluded investments	-	-	-	-
30.06.2013	720	720	1 024	1 024
Book value as at 31.12.2012	-	-	-	-
Book value as at 30.06.2013	-	-	-	-

Notes to the Financial Statements

(12) Report on movement of fixed assets

	Land, buildings and constructions	Technological equipment and machinery	Other fixed assets	Fixed assets in formation	Total
	LVL	LVL	LVL	LVL	LVL
Initial value					
31.12.2012	266 607	365 052	86 684	-	718 343
Purchased	-	-	1 372	20 502	21 874
Disposed	(935)	(47 092)	(3 078)	-	(51 105)
30.06.2013	265 672	317 960	84 978	20 502	689 112
Accrued depreciation					
31.12.2012	142 881	324 576	80 329	-	547 786
Calculated depreciation	6 794	9 199	1 522	-	17 515
Depreciation of excluded fixed assets	(896)	(47 092)	(3 078)	-	(51 066)
30.06.2013	148 779	286 683	78 773	-	514 235
Book value as at 31.12.2012	123 726	40 476	6 355	-	170 557
Book value as at 30.06.2013	116 893	31 277	6 205	20 502	174 877

As at 30 June 2012, the cadastral value of **real estate – land and constructions** - was LVL 110 291

As at 30 June 2013, the cadastral value of **real estate – land and constructions** - was LVL 110 968

	Land, buildings and constructions	Technological equipment and machinery	Other fixed assets	Fixed assets in formation	Total
	EUR	EUR	EUR	EUR	EUR
Initial value					
31.12.2012	379 348	519 422	123 341	-	1 022 111
Purchased	-	-	1 952	29 171	31 123
Disposed	(1 330)	(67 006)	(4 380)	-	(72 716)
30.06.2013	378 018	452 416	120 913	29 171	980 518
Accrued depreciation					
31.12.2012	203 302	461 830	114 298	-	779 430
Calculated depreciation	9 667	13 089	2 167	-	24 923
Depreciation of excluded fixed assets	(1 275)	(67 006)	(4 380)	-	(72 661)
30.06.2013	211 694	407 913	112 085	-	731 692
Book value as at 31.12.2012	176 046	57 592	9 043	-	242 681
Book value as at 30.06.2013	166 324	44 503	8 828	29 171	248 826

As at 30 June 2012, the cadastral value of **real estate – land and constructions** - was EUR 156 930

As at 30 June 2013, the cadastral value of **real estate – land and constructions** - was EUR 157 893

Notes to the Financial Statements

(13) Investment properties

	Land	Total	Land	Total
	LVL	LVL	EUR	EUR
Book value as at 31.12.2011	95 000	95 000	135 173	135 173
Increase/decrease of value due to revaluation	-	-	-	-
Book value as at 30.06.2012	95 000	95 000	135 173	135 173
Book value as at 31.12.2012	85 000	85 000	120 944	120 944
Increase/decrease of value due to revaluation	-	-	-	-
Book value as at 30.06.2013	85 000	85 000	120 944	120 944

(14) Investments in capital of associated companies

	2013			2012		
	% 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	36.3	59 003	83 954	36.0	58 615	83 402
		59 003	83 954		58 615	83 402

(15) Other securities and investments

	LVL	EUR
Purchase value as at 30.06.2012	480	683
Book value as at 30.06.2012	480	683
Purchase value as at 30.06.2013	480	683
Book value as at 30.06.2013	480	683

(16) Ready-made products and goods for sale

	2013	2012	2013	2012
	LVL	LVL	EUR	EUR
Bull semen	354 770	360 274	504 792	512 624
Other goods for sale	9 659	3 761	13 743	5 351
	364 429	364 035	518 535	517 975

(17) Trade receivables

	2013	2012	2013	2012
	LVL	LVL	EUR	EUR
Accounting value of trade receivables	120 429	105 366	171 355	149 922
Provisions for doubtful trade receivables	(3 639)	(2 557)	(5 178)	(3 638)
	116 790	102 809	166 177	146 284

Notes to the Financial Statements

(18) Other receivables

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
VAT for received goods and services	686	76	976	108
Overpayment of taxes	-	3 996	-	5 686
Other receivables	528	1 198	751	1 705
	1 214	5 270	1 727	7 499

(19) Prepaid expenses

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

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Advertising costs	208	195	296	277
Insurance	2 191	2 268	3 118	3 227
Press and legislation updates' subscription	63	5	89	7
Other prepaid expenses	88	-	126	-
	2 550	2 468	3 629	3 511

(20) Other securities and shareholding in capitals

	Number	2013 Market price	Amount LVL	Number	2012 Market price	Amount LVL
SEB Lats reserve fund	15 044	1.45296	21 858	15 044	1.44785	21 782
			21 858			21 782

	Number	2013 Market price	Amount EUR	Number	2012 Market price	Amount EUR
SEB Lats reserve fund	15 044	2.06738	31 102	15 044	2.06010	30 993
			31 102			30 993

Money market fund shares have no guaranteed interest rate. In 2013 the profitability was 0.23 %. 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:

		2013		2012	
		Currency	LVL	Currency	LVL
Cash in hand	LVL	-	6 031	-	5 460
Cash in bank	LVL	-	100 692	-	136 022
Cash in bank	EUR	435	306	745	524
			107 029		142 006

Break-down of cash according to currencies:

		2013		2012	
		Currency	EUR	Currency	EUR
Cash in hand	LVL	6 031	8 581	5 460	7 770
Cash in bank	LVL	100 692	143 272	136 022	193 542
Cash in bank	EUR	-	435	-	745
			152 288		202 057

(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.

	2013 LVL	2012 LVL	2013 EUR	2012 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 bearer shares, 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 registered 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.

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Profit of the reporting period	29 522	34 296	42 006	48 799
Average weighted number of shares during the year	422 440	422 440	422 440	422 440
	0.070	0.081	0.099	0.116

Notes to the Financial Statements

(23) Other Provisions

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Provisions for vacations	5 746	8 823	8 176	12 555
	5 746	8 823	8 176	12 555

(24) Provisions for deferred tax

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Temporary differences in fixed assets depreciation	26 141	30 992	37 195	44 098
Provisions for vacations	(5 746)	(8 823)	(8 176)	(12 555)
Total temporary differences	20 395	22 169	29 019	31 543
Deferred tax provisions at the beginning of the period	3 059	3 325	4 353	4 731
Increase or decrease	-	-	-	-
Deferred tax provisions at the end of the period	3 059	3 325	4 353	4 731

(25) Taxes and social insurance payments

Tax type	Balance as at 31.12.2012 LVL	Calculated in 2013 LVL	Paid in 2013 LVL	Balance as at 30.06.2013 LVL
Corporate income tax	1 614	5 092	(6 706)	-
Value added tax	4 032	50 960	(43 861)	11 131
Social insurance contributions	8 502	39 373	(40 699)	7 176
Personal income tax	5 079	22 248	(23 225)	4 102
Real estate tax	-	1 133	(1 133)	-
Nature resource tax	30	110	(69)	71
Business risk duty	9	52	(52)	9
Tax for the exploitation of the vehicles	-	211	(211)	-
Tax applied on company owned motorcars	-	199	(199)	-
	19 266	119 378	(116 155)	22 489
Including:	2012 LVL			2013 LVL
Tax overpaid	-			-
Tax due	19 266			22 489

Notes to the Financial Statements

Tax type	Balance as at 31.12.2012 EUR	Calculated in 2013 EUR	Paid in 2013 EUR	Balance as at 30.06.2013 EUR
Corporate income tax	2 296	7 245	(9 541)	-
Value added tax	5 737	72 509	(62 409)	15 837
Social insurance contributions	12 097	56 023	(57 909)	10 211
Personal income tax	7 227	31 656	(33 046)	5 837
Real estate tax	-	1 612	(1 612)	-
Nature resource tax	43	157	(99)	101
Business risk duty	13	74	(74)	13
Tax for the exploitation of the vehicles	-	300	(300)	-
Tax applied on company owned motorcars	-	283	(283)	-
	27 413	169 859	(165 273)	31 999
Including:	2012 EUR			2013 EUR
Tax overpaid	-			-
Tax due	27 413			31 999
Tax overpaid declared in position “Other receivables”				

(26) Number of persons employed by the Company

	2013	2012
Average number of persons employed during the reporting year	34	35

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

	2013 LVL	2012 LVL	2013 EUR	2012 EUR
Council Members’ salaries for work, including state social insurance contributions	3 682	3 683	5 239	5 241
Board Members’ salaries for work, including state social insurance contributions	14 072	14 618	20 022	20 799
Total remuneration to management members	17 754	18 301	25 261	26 040

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 statement for six months of 2013 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 statement for six months of 2013 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*

Valda Mālniece

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

21 August 2013