Joint Stock Company LODE

non – audited consolidated and

parent financial statements

for the period ended 30 September 2007

prepared according IAS

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Company Information

Company name	*JSC LODE*
Legal status of the company	*Joint Stock Company*
Number, place and date of registration	*50003032071, Rīga, October 01, 1991*
Legal address	*Lodes Street 1, Liepa Parish, Cēsis District, LV-4128*
Postal address	*Lodes Street 1, Liepa Parish, Cēsis District, LV-4128*
Chief executive	*Jānis SLESARS*
Members of the Board and their positions	*Jānis Slesars, Chairman of the Board, personal ID number 010349-11297, Skubiņa Street 28, Priekuļi Parish, Cēsis District, LV-4126* *Jenkins David Christopher, Member of the Board from 20.07.2007* *Ainārs Ozols, Member of the Board from 20.07.2007*
Report period	*01.01.2007 – 30.09.2007*
Details of the daughter companies	*1. SIA „Lodes ķieģelis”* *Lodes Street 1, Liepa Parish, Cēsis District, LV-4128* *Ownership interest: 100 %* *2. SIA „Latvijas māli”* *Lodes Street 1, Liepa Parish, Cēsis District, LV-4128* *Ownership interest: 100 %* *3. SIA „Līvānu ķieģelis”* *” Iesalnieki”, Jersika Parish, Preiļi District, LV-5316* *Ownership interest: 100 %* *4. SIA „Kalnciema ķieģelis”* *Jelgavas 17, Kalnciems, Jelgava District, LV-3016* *Ownership interest: 100 %*

According to the information available to the responsible persons the summarized financial statements were drawn up in line with requirements provided by the effective normative acts and deliver true information and clear presentation of the capital company's and the consolidated group's assets, liabilities, financial situation and profit or losses.

Jānis Slesars
Chairman of the Board

27 November 2007

Konsolidētā un mātes uzņēmuma bilance 2007. gada 30 September

Management report for first half of 2007

		Consolidated		Parent company	
	Number of note	**01.01.2007-30.09.2007 EUR**	**01.01.2006-30.09.2006 EUR**	**01.01.2007-30.09.20007 EUR**	**01.01.2006-30.09.2006 EUR**
Net turnover	2	10211702	10048928	4975727	4955976
Production costs of the sold output	3	(6811787)	(5951915)	(3419101)	(3263671)
Gross profit or loss		**3399915**	**4097013**	**1556626**	**1692305**
Selling costs	4	(964664)	(1040122)	(476480)	(519002)
Administration costs	5	(1148904)	(1007508)	(416922)	(389492)
Other Company's income from operating activities	6	158637	1519547	51852	144441
Other Company's expenses of operating activities	7	(20307)	(385789)	(34165)	(98773)
Profit from participation in capitals of the Concern's daughter companies and associated entities		-	-	240879	17309
Interest income and similar income	8	3506	431	36116	89
Interest payments and similar expenses	9	(142273)	(142979)	(78890)	(53895)
Profit [or loss] before taxes		**1285910**	**3040593**	**879015**	**792980**
Income tax		(225)	-	-	-
Other taxes	10	(43435)	(120269)	(14052)	(8862)
Profit [or loss] of the report period		**1242251**	**3020324**	**864963**	**784118**
Profit per share (EPS)		**1**	**1**	**0**	**0**

The accompanying notes from on pages 12 to 23 form an integral part of these Financial Statements.

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Jānis Slesars
Chairman of the Board

27 November 2007

Consolidated and Parent Balance Sheet as at 30 September2007

Assets	Number of note	Consolidated		Parent company	
		01.01.2007-30.09.2007 EUR	01.01.2006-30.09.2006 EUR	01.01.2007-30.09.2007 EUR	01.01.2006-30.09.2006 EUR
Long term investments					
Intangible investments					
Other intangible investments		49098	53816	45967	53816
Total intangible investment	11	**49098**	**53816**	**45967**	**53816**
Fixed assets					
Land plots, buildings and constructions, perennial plants		2414764	2496823	1438182	2150023
Deferred income		15869	-	-	-
Equipment and machinery		7509499	3456168	490443	1657422
Other fixed assets and inventory		339617	216302	109403	156490
Formation of fixed assets and expenses of unfinished building projects		6812251	260350	17722	53935
Advance payments for fixed assets		1725457	67419	33859	9993
Total fixed assets	12	**18801588**	**6497062**	**2089608**	**4027864**
Long term financial investments					
Participation in capital of allied companies	13	-	-	5603302	1880876
Loans to allied companies		-	-	1969956	1104164
Total long term financial investments		**-**	**-**	**7573258**	**2985040**
Total long term investments		**18850685**	**6550878**	**9708833**	**7066720**
Current assets					
Stock					
Raw materials, basic materials and subsidiary materials		829651	846021	59146	101533
Unfinished output		162735	142799	-	-
Finished output and goods for sale	14	926228	1260553	101853	123403
Advance payments for goods		17575	237455	6410	145198
Total stock		**1936190**	**2486828**	**167409**	**370134**
Debtors					
Debts of customers and clients	15	1751113	2411809	1735869	2401367
Debts of related parties	16	-	-	406285	191877
Loans to related parties	17	-	-	426862	-
Other debtors	18	594143	242719	340384	204371
Prepayments	19	50750	65779	35181	59385
Total debtors		**2396005**	**2720308**	**2944581**	**2857000**
Cash means	**20**	**370200**	**1070296**	**176681**	**626456**
Total floating assets		**4702395**	**6277432**	**3288671**	**3853591**
Total sum of assets		**23553080**	**12828309**	**12997504**	**10920311**

Consolidated and Parent Balance Sheet as at 30 September2007

Liabilities	Number of note	Consolidated		Parent company	
		01.01.2007-30.09.2007 EUR	01.01.2006-30.09.2006 EUR	01.01.2007-30.09.2007 EUR	01.01.2006-30.09.2006 EUR
Equity capital					
Share capital	21	3166086	3166086	3166086	3166086
Retained earnings of previous years		5639090	2955410	4526904	2854948
Retained earnings of the year		1242251	3020324	1751175	1587497
Total equity capital		**10047427**	**9141820**	**944165**	**7608531**
Accruals					
Other accruals	22	419502	443035	254651	264041
Total accruals		**419502**	**443035**	**254651**	**264041**
Creditors					
Long term creditors					
Deferred tax liabilities	23	283995	292486	148710	275432
Loans from credit institutions	25	6335774	4042	-	-
Other loans	24	133445	72049	34056	58099
Long term investments in leased asseds		1193610	-	-	-
Total long term creditors		**7946824**	**368576**	**182766**	**333531**
Short term creditors					
Loans from credit institutions	25	3916359	1818944	2087549	1335035
Other loans	24	52473	33325	24041	30007
Advance payments received from clients		81733	227476	80506	226878
Debts to suppliers and contractors		731540	415692	217016	218870
Debts to allied companies	26	-	-	642038	839678
Taxes and social security payments	27	188664	216709	29674	28170
Other creditors	28	184427	162731	35097	35569
Total short term creditors		**5155195**	**2874877**	**3115921**	**2714208**
Total creditors		**13102020**	**3243453**	**3298688**	**3047739**
Total sum of liabilities		**23568950**	**12828309**	**12997504**	**10920311**

The accompanying notes from on pages 13 to 23 form an integral part of these Financial Statements.

Jānis Slesars
Chairman of the Board

27 November 2007

Consolidated and Parent Statement of Cash Flows for the period ended 30 September 2007

	Number of note	Consolidated 01.01.2007-30.09.2007 EUR	Consolidated 01.01.2006-30.09.2006 EUR	Parent company 01.01.2007-30.09.2007 EUR	Parent company 01.01.2006-30.09.2006 EUR
Cash flow from basic activities					
1. Profit or loss before exceptional items and taxes		**1242251**	**3020324**	**1751174**	**1587492**
Corrections:					
Depreciation of fixed assets and intangible investments;		500050	311306	94392	158265
Non-amortized value of excluded fixed assets;		753203	191028	753196	780025
Formation of accruals (excluding accruals for doubtful debts);		(110218)	128511	(61555)	48419
Interest payments		131259	142982	96158	109116
Interest income		(3495)	-	(323)	-
2. Profit or loss before corrections influenced by changes in balance of the floating assets and short term liabilities		**2513049**	**3794150**	**2633041**	**2683317**
Corrections:					
increase or decrease in balance of debtors' debts;		(602095)	(1208856)	79973	(422151)
increase or decrease in balance of accruals;		254653	71720	(1998)	238926
increase or decrease in balance of debts payable to suppliers, contractors and other creditors		96741	509042	185165	741396
Unrealized profit of previous periods		-	110460	-	-
3. Net cash flow from basic activities		**2262348**	**3276517**	**2896182**	**3041488**
4. Expenses on interest payments		(131259)	(142982)	(96156)	(109116)
5. Payed income tax		-	(287937)	-	(242161)
Net cash flow from basic activities		***2131089***	***2845598***	***2800025***	***2690211***
Cash flow investing activities					
Purchase of fixed assets and intangible investments		(10491033)	(1087424)	(74412)	(466814)
Investments in subsidiaries		-	-	(2129887)	(35038)
Income from selling of fixed assets and intangible investments		-	-	-	-
loans issued		-	-	(1258522)	-
Interest received		3495		323	-
Dividends paid			(158304)	-	(158304)
Net cash flow from investing activities		***(10487538)***	***(1245729)***	***(3462497)***	***(660157)***

Consolidated and Parent Statement of Cash Flows for the period ended 30 September 2007

	Number of note	Consolidated 01.01.2007-30.09.2007 EUR	Consolidated 01.01.2006-30.09.2006 EUR	Parent company 01.01.2007-30.09.2007 EUR	Parent company 01.01.2006-30.09.2006 EUR
Cash flow from financing activities					
Paid liabilities of financial leasing		(41179)	(140564)	(21039)	(102859)
Loans received		6276956	-	-	
Expenses on repayment of loans		-	(237854)	-	(217699)
Received liabilities of financial leasing		-	18332	-	-
EU grants received		1193610	-	-	-
Loan to Group companies for investment in the fixed capital		-	-	-	(1039850)
Using of credit line		111004	(291440)	341834	(157631)
Net cash flow from financing activities		***7540391***	***(651526)***	***320795***	***(1518041)***
Net increase/(decrease) in money and its equivalents		**(816201)**	**948344**	**(341677)**	**512156**
Money and its equivalents in the beginning of the period	20	**1186399**	**121951**	**518358**	**114301**
Money and its equivalents at the end of the period		**370199**	**1070296**	**176681**	**626456**

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Jānis Slesars
Chairman of the Board

27 November 2007

Consolidated and the Parent Statement of Changes in Shareholder's Equity for the period ended 30 September 2007

Consolidated

	Fixed capital	Undivided profit of the previous years	Undivided profit of the report year	Total equity
	EUR	EUR	EUR	EUR
31.12.2005	**3166086**	**1747665**	**1255589**	**6169340**
Profit of 2005 carried over to undivided profit of the previous years	-	1255589	(1255589)	-
Correction for the unrealized profit of the year 2005	-	110460	-	110460
Paid dividends for the year 2005	-	(158304)	-	(158304)
Retained earnings of the report period	-	-	3020324	3020324
30.09.2006	**3166086**	**2955410**	**3020324**	**9141820**
Retained earnings of the report period (01.10.-31.12.06)	-	-	(245603)	(245603)
Correction for the unrealized profit of the year 2005	-	(110460)	-	(110460)
31.12.2006	**3166086**	**2844950**	**2774721**	**8785757**
Profit of the year 2006 moved to profit of previous periods	-	2774721	(2774721)	-
Retained earnings of the report period	-	-	1760613	1760613
Correction for the unrealized profit of the year 2006	-	19419	-	19419
30.09.2007	**3166086**	**5639090**	**1760613**	**10565789**

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Jānis Slesars
Chairman of the Board

27 November 2007

Consolidated and the Parent Statement of Changes in Shareholder's Equity for the period ended 30 September 2007

Parent company

	Fixed capital	Undivided profit of the previous years	Undivided profit of the report year	Total equity capital
	EUR	**EUR**	**EUR**	**EUR**
31.12.2005				
Profit of year 2005 moved to profit of previous periods	**320343**	**1800920**	**1212332**	**6179339**
Paid dividends for the year 2005	-	1212332	(1212332)	-
Profit inverted in subsidiary companies	-	(158304)	-	(158304)
Undivided profit of the report period	-	-	35042	35042
30.09.2006	-	-	1552454	1552454
Undivided profit of the report period **01.10.-31.12.06**	**320343**	**2854948**	**1587497**	**7608531**
31.12.2006.	-	-	84456	84456
Profit of year 2006 moved to profit of previous periods	**320343**	**2854948**	**1671953**	**7692987**
Undivided profit of the report period	-	1671955	(1671955)	-
30.09.2007	-	-	1751175	1751175
	320343	**4526904**	**1751175**	**9444162**

The accompanying notes from on pages 13 to 23 form an integral part of these Financial Statements.

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Jānis Slesars
Chairman of the Board

27 November 2007

(1) Accounting policy

There are no changes in accounting policy during the reporting period

(2) Net Turnover

Turnover is the income gained during the year from the Company's basic activity – selling of output without value added tax, except allowances.

	Consolidated		Parent Company	
Activity form	**01.01.2007-30.09.2007 EUR**	**01.01.2006-30.09.2006 EUR**	**01.01.2007-30.09.2007 EUR**	**01.01.2006-30.09.2006 EUR**
Ceramic bricks, tiles, Keraterm blocks and clinker sales	12011702	10048928	10073678	10033692
	10211702	**10048928**	**10073678**	**10033692**

(3) Costs of goods sold

	Consolidated		Parent Company	
	01.01.2007-30.09.2007 EUR	**01.01.2006-30.09.2006 EUR**	**01.01.2007-30.09.2007 EUR**	**01.01.2006-30.09.2006 EUR**
Expenses on materials	1422614	866731	1175	1976
Electric power	385873	308917	-	-
Gas	1694125	1485336	-	-
Personnel expenses	1697707	1529001	-	-
Depreciation of fixed assets	390334	260714	-	-
Expenses related to purchase of goods	218811	802652	6881557	6479980
Other	540967	255098	-	-
Changes in stock	461356	443466	39456	125556
	6811787	**5951915**	**6922189**	**6607512**

(4) Distribution expenses

	Consolidated		Parent Company	
	01.01.2007-30.09.2007 EUR	**01.01.2006-30.09.2006 EUR**	**01.01.2007-30.09.2007 EUR**	**01.01.2006-30.09.2006 EUR**
Personnel expenses	196383	182471	196383	182471
Depreciation of fixed assets	6918	7150	6918	7150
Expenses on advertising and representations	82766	90876	82766	91032
Transportation expenses	597087	703486	597087	703845
Expenses on business trips	6992	7920	6992	7920
Transport expenses of selling administration	25518	14545	25518	14545
Other	49001	33675	49001	43792
	964664	**1040122**	**964664**	**1050754**

(5) Administrative expenses

	Consolidated		Parent Company	
	01.01.2007-30.09.2007 EUR	01.01.2006-30.09.2006 EUR	01.01.2007-30.09.2007 EUR	01.01.2006-30.09.2006 EUR
Personnel expenses	667906	607913	449115	475834
Depreciation of fixed assets	45437	34241	39771	33884
Rent of premises	9273	10161	9273	10161
Business trip expenses	5238	16113	5201	11390
Office expenses	5596	6172	2509	2550
Communication expenses	27764	30454	17962	20911
Transportation	98968	91269	72811	76114
Training	2654	4276	2309	3035
Riga Stock Exchange fees	7114	5339	7114	5339
State duty payable to the Land Register	36215	-	36215	-
Insurance	14609	27410	11915	23251
Security	45735	32303	33594	22736
Professional services	50626	41204	46709	29977
Other	131769	90654	109588	73370
	1148904	**1007508**	**844086**	**788551**

(6) Other operating income

	Consolidated		Parent Company	
	01.01.2007-30.09.2007 EUR	01.01.2006-30.09.2006 EUR	01.01.2007-30.09.2007 EUR	01.01.2006-30.09.2006 EUR
Profit from sales of materials	28321	207934	11719	189196
Profit from sales of scrap metal	88929	-	41956	-
Profit from sales of fixed assets	26774	-	2705	-
Income from rent of fixed assets	33	30	47441	93151
Income from sauna services	794	818	798	818
Employment of the unemployed	1707	6569	-	-
Income from sales of greenhouse gas emission quota	-	1293153	-	-
EU grants	10030	-	-	-
Other	2049	11043	359	9264
	158637	**1519547**	**104978**	**292430**

(7) Other operating expenses

	Consolidated		Parent Company	
	01.01.2007-30.09.2007 EUR	01.01.2006-30.09.2006 EUR	01.01.2007-30.09.2007 EUR	01.01.2006-30.09.2006 EUR
Amortisation of leased fixed assets	-	17833	47410	110954
Write off of fixed assets	979	-	973	-
Expenses on materials	-	329496	4353	59625
Expenses not related to operating activities	18503	27449	15841	19710
Penalties	208	34	-	18
Other expenses	618	10977	592	9666
	20307	**385789**	**69169**	**199973**

(8) Interest Income and Similar Income

	Consolidated		Parent Company	
	01.01.2007-30.09.2007 EUR	01.01.2006-30.09.2006 EUR	01.01.2007-30.09.2007 EUR	01.01.2006-30.09.2006 EUR
Interest income from related parties	-	-	39082	-
Profit from currency exchange rate fluctuaations	-	-	33714	-
Other interest income and similar income	3506	431	322	179
	3506	**431**	**73117**	**179**

(9) Interest Expenses and Other Expenses

	Consolidated		Parent Company	
	01.01.2007-30.09.2007 EUR	01.01.2006-30.09.2006 EUR	01.01.2007-30.09.2007 EUR	01.01.2006-30.09.2006 EUR
Interest payments to credit institutions	114174	99952	96156	71791
Loss of foreign exchange	15790	36367	59520	30933
Other interest expenses and similar costs	12309	6659	4042	6648
	142273	**142979**	**159719**	**109372**

(10) Other Taxes

	Consolidated		Parent Company	
	01.01.2007-30.09.2007 EUR	01.01.2006-30.09.2006 EUR	01.01.2007-30.09.2007 EUR	01.01.2006-30.09.2006 EUR
Real estate tax on land	2777	2933	794	1374
Real estate tax on buildings, constructions	40657	17336	27655	16568
	43435	**20269**	**28449**	**17942**

(11) Intangible Investments

(Consolidated and Parent Company)

	Other intangible investments LVL
Initial costs	
31.12.2006	**72545**
Purchased	4898
30.09.2007	**77443**
Accumulated depreciation	
31.12.2006	**18486**
Calculated depreciation	7213
30.09.2007	**25698**
Balance value as of 31.12.2006	**54059**
Balance value as of 30.09.2007	**51744**

(12) Statement on Changes in Fixed Assets

(Consolidated)

	Land, buildings and construct-ions	Equipment and machinery	Other fixed assets	Fixed assets under construction	Advance payments on fixed assets	Total
	EUR	EUR	EUR	EUR	EUR	EUR
Initial cost						
31.12.2006	**2841052**	**4259032**	**538857**	**813978**	**2573619**	**11026538**
Purchased	741560	162300	77603	3314893	6229202	1052558
Excluded	(957640)	(25437)	(54265)	(38933)	(1774)	(1078049)
Transferred to other item	-	4352637	640	2722311	(7075590)	-
30.09.2007	**2624972**	**8748533**	**562835**	**6812249**	**1725457**	**20474047**
Accumulated depreciation						
31.12.2006	**395281**	**888125**	**168418**	**-**	**-**	**1451824**
Calculated depreciation	40801	337787	110317	-	-	488904
Depreciation of excluded fixed assets	(241743)	(18233)	(24163)	-	-	(284139)
30.09.2007	**194339**	**1207680**	**254572**	**-**	**-**	**1656590**
Balance value as of 31.12.2006	**2445772**	**3370907**	**370439**	**813978**	**2573619**	**9574714**
Balance value as of 30.09.2007	**2430634**	**7540853**	**308264**	**6812249**	**1725457**	**18817457**

(Parent Company)

	Land, buildings and construct-ions	Equipment and machinery	Other fixed assets	Fixed assets under construction	Advance payments on fixed assets	Total
	EUR	EUR	EUR	EUR	EUR	EUR
Initial cost						
31.12.2006	**2498300**	**102880**	**289388**	**17722**	**-**	**3828289**
Purchased	-	-	37145	-	34500	71646
Excluded	(957640)	(25430)	(54182)	-	-	(1037251)
Transferred to other item	-	-	642	-	(642)	-
30.09.2007	**1540660**	**997450**	**272994**	**17722**	**33859**	**2862684**
Accumulated depreciation						
31.12.2006	**329386**	**495929**	**148282**	**-**	**-**	**973597**
Calculated depreciation	14835	29311	39387	-	-	83534
Depreciation of excluded fixed assets	(241743)	(18233)	(24078)	-	-	(284054)
30.09.2007	**102478**	**507008**	**163590**	**-**	**-**	**773078**
Balance value as of 31.12.2006	**2168913**	**526951**	**141106**	**17722**	**-**	**2854692**
Balance value as of 30.09.2007	**1438182**	**490443**	**109403**	**17722**	**33859**	**2089607**

(13) Investments in subsidiaries

	SIA Līvānu Ķieģelis	SIA Kalnciema Ķieģelis	SIA Lodes Ķieģelis	SIA Latvijas Māli	Kopā
	EUR	EUR	EUR	EUR	EUR
31.12.2005	**349985**	**529781**	**318723**	**2846**	**1201335**
Invested in 1st half of 2006	-	-	431066	213431	644497
30.09.2006	**349985**	**529781**	**749789**	**216277**	**1845832**
Invested 01.07.-31.12.2006	-	1148090	444450	-	1592539
Invested 01.07.-31.12.2006 (using increase of retained earnings)	35044	-	-	-	**35044**
31.12.2006	**385029**	**1677870**	**1194239**	**216277**	**3473415**
Invested in 1st half of 2007	-	-	2129887	-	2129887
30.09.2007	**385029**	**1677870**	**3324126**	**216277**	**5603302**

Investments into Group companies:

Name of a company	Number of equities hold as of 30.09.2007	Purchase value	Value of a daughter company's equity capital as of 30.09.2007	Profit / (loss) of daughter companies of the report period
	%	EUR	EUR	EUR
SIA „Lodes ķieģelis"	100	3324126	3692012	(249431)
SIA „Latvijas māli"	100	216277	381492	15977
SIA „Līvānu ķieģelis"	100	385029	597504	157829
SIA „Kalnciema ķieģelis"	100	1677870	1535556	54375
		5603302	**6206564**	**(21249)**

(14) Finished outputs and goods for sale

	Consolidated		Parent Company	
	30.09.2007	30.09.2006	30.09.2007	30.09.2006
	EUR	EUR	EUR	EUR
Goods for sale	926228	1260553	101853	123403
	-	-	-	-
	926228	**1260553**	**101853**	**123403**

(15) Debts of customers and clients

	Consolidated		Parent Company	
	30.09.2007	30.09.2006	30.09.2007	30.09.2006
	EUR	EUR	EUR	EUR
Trade debtors	1821933	2483149	1805101	2471853
Accurals for doubtful debtors	(70821)	(71340)	(69231)	(70486)
	1751113	**2411809**	**1735869**	**2401367**

(16) Debts of Group Companies

	Consolidated		Parent Company	
	30.09.2007 EUR	30.09.2006 EUR	30.09.2007 EUR	30.09.2006 EUR
SIA „Līvānu ķieģelis"	-	-	-	-
SIA „Lodes ķieģelis"	-	-	246424	175507
SIA „Latvijas māli"	-	-	85123	13385
SIA „Kalnciema ķieģelis"	-	-	74738	2985
	-	**-**	**406285**	**191877**

(17) Loans to Group Companies (Parent Company)

Distribution of loans:	30.09.2007 EUR	30.09.2006 EUR
Balance sheei value for 31.12.2005	**-**	**708811**
SIA „Kalnciema ķieģelis"	-	102562
SIA „Lodes ķieģelis"	426862	-
Lodes ķieģelis Ltd. Registered investment in stock capital	-	(431066)
Latvijas māli Ltd. Registered investment in stock capital	-	(213431)
SIA „Latvijas māli"	-	14229
	426862	**1104164**

(18) Other debtors

	Consolidated		Parent Company	
	30.09.2007 EUR	30.09.2006 EUR	30.09.2007 EUR	30.09.2006 EUR
VAT on unpaid services	48483	42878	11162	33220
Overpayment of taxes	459206	179655	321060	156590
Settlements with personnel	-	986	-	952
Advance payments on services	78291	19200	-	13610
Other debtors	8162	-	8162	-
	594142	**242719**	**340384**	**204371**

(19) Deferred expenses

The item demonstrates costs borne during the report period but relating to the next report periods.

	Consolidated		Parent Company	
	30.09.2007 EUR	30.09.2006 EUR	30.09.2007 EUR	30.09.2006 EUR
Advertisement expenses	-	972	-	972
Insurance	18319	12945	3803	6678
Subscription of press	370	791	370	664
Write-off of advance payments for use of cars into operative leasing	26426	42827	26426	42827
Annual fee for membership in the Riga Stock Exchange	-	1776	-	1776
Maintenance works in the rented Riga Office premises	482	2412	482	2412
Other costs of the next periods	5152	4057	4099	4057
	50750	**65779**	**24 725**	**59385**

(20) Cash means in LVL and in Foreign Currency according to the exchange rate established by the Bank of Latvia

Cash means by currency types:		Consolidated				Parent Company			
		30.09.2007		30.09.2006		30.09.2007		30.09.2006	
		Currency	LVL	Currency	LVL	Currency	LVL	Currency	LVL
Vault cash	LVL	24 469	34816	4 102	5837	23 755	22800	4 061	5778
	USD	7	6	7	6	7	6	7	6
	EUR	108	108	108	108	108	108	108	108
Current account	LVL		19457						
		136 748	5	378 513	538575	1 558	2217	66 622	94795
Current account	PLN								31699
		51 222	13556	1 258 684	316997	51 222	13556	1 258 684	7
Current account	EUR								11058
		83 270	83271	110 584	110584	83 126	83127	110 584	4
Current account	USD	-	-	33 519	26327	-	-	33 519	26327
Current account	RUB	1 015 595	28756	1 358 758	39826	1015595	28756	1 358 758	39826
Current account	LTL	32 300	9375	65 743	18990	32 300	9375	65 743	18990
Current account	EEK	89 796	5736	204 199	13085	89 796	5736	204 199	13085
			370199		**1070335**		**176681**		**626496**

(21) Fixed Capital

The Company's fixed capital as of the September 30, 2007 is LVL 2 225 138 and consists of 2 225 138 capital shares, nominal value of each share is LVL 1.

(22) Other Accruals

	Consolidated		Parent Company	
	30.09.2007	30.09.2006	30.09.2007	30.09.2006
	EUR	EUR	EUR	EUR
Vacation accruals	239402	285198	115398	132686
Accruals for restoration of clay-pits	130351	125243	130351	125243
Other accruals	49749	32595	8903	6113
	419502	**443035**	**254651**	**264041**

(23) Accruals for Deferred Tax

	Consolidated		Parent Company	
	30.09.2007	30.09.2006	30.09.2007	30.09.2006
	EUR	EUR	EUR	EUR
Accruals for the deferred corporate income tax	283995	292486	148710	275432
	283995	**292486**	**148710**	**275432**

(24) Other Loans

		Consolidated		Parent Company	
		30.09.2007	30.09.2006	30.09.2007	30.09.2006
Long term division		**EUR**	**EUR**	**EUR**	**EUR**
Financial leasing SIA „Unilīzings"	LVL	133445	72049	34058	58099
		133445	**72049**	**34058**	**58099**
Short term division					
Financial leasing SIA „Unilīzings"	LVL	52473	33325	24041	30007
		52473	**33325**	**24041**	**30007**
Total other loans		**185918**	**105374**	**58099**	**88106**

Financial Leasing Liabilities

(Parent Company)
As of September 30th, 2007 the Company has frontal loaders financial leasing agreement concluded with the following conditions:

No.	Company	Annual interest rate	Repayment date	Unpaid value as of 30.09.2007
1.	SIA „Unilīzings"	3 mēn.RIGIBOR + 1.5 %	25.02.2010.	EUR 58099

(subsidiaries)
As of September 30th, 2007 SIA "Kalnciema Ķieģelis" has concluded agreement on financial leasing for a vehicle and two financial leasing for a loaders with the following conditions:

No.	Company	Annual interest rate	Repayment date	Unpaid value as of 30.09.2007
1.	SIA „Unilīzings"	3 mēn.RIGIBOR+ 2 %	25.05.2011	EUR 13950
2.	SIA „Unilīzings"	3 mēn.RIGIBOR+1.5 %	25.10.2011	EUR 20994
3.	SIA „Unilīzings"	3 mēn.RIGIBOR+ 1.5 %	25.11.2011	EUR 15233

As of September 30th, 2007 SIA "Latvijas māli" has three agreements concluded on financial leasing for loaders with the following conditions:

No.	Company	Annual interest rate	Repayment date	Unpaid value as of 30.09.2007
1.	SIA „Unilīzings"	3 mēn.RIGIBOR+ 1.5 %	25.10.2011	EUR 25696
2.	SIA „Unilīzings"	3 mēn.RIGIBOR+1.5 %	25.10.2011	EUR 25696
3.	SIA „Unilīzings"	3 mēn.RIGIBOR+ 1.5 %	25.11.2007	EUR 26252

(25) Loans from Credit Institutions

		Consolidated				Parent Company			
		30.09.2007		30.09.2006		30.09.2007		30.09.2006	
Long term division		**EUR**	**LVL**	**EUR**	**LVL**	**EUR**	**LVL**	**EUR**	**LVL**
Loan from JSC „SEB Latvijas Unibanka"	LVL			-	2 841	-	-	-	-
Loan from JSC „SEB Latvijas Unibanka"	EUR	6 335774	4452807	-	-	-	-	-	-
Total			**4452807**	-	**2 841**	-	**-**	-	**-**
Short term division									
Loan from JSC „SEB Latvijas Unibanka"	LVL			-	16 998	-	-	-	-
Loan from JSC „SEB Latvijas Unibanka"	EUR	1580247	1110604	-	-	-	-	-	-
Short term credit line in JSC „SEB Latvijas Unibanka"	LVL		1641829	-	1 261 363	-	1 467 138	-	938 268
Total			**2752433**	-	**1 278 361**	-	**1 467 138**	-	**938 268**
Total of loans from credit institutions			**7205240**	-	**1 281 202**	-	**1 467 138**	-	**938 268**

Loans

(subsidiaries)

A loan from JSC "SEB Latvijas Unibanka" was received by SIA "Kalnciema Ķieģelis" on 20 November 2002 for reconstruction and modernization of production equipment, and as at 30 September loan amounted to LVL - 0. The loan is due on 25 October 2007, the annual interest rate is 3 months UNIBOR + 2,26%. The loan is secured by the collateral of the entire subsidiary's movable property collectively as of November 20, 2002 and future components of this collective property.

SIA "Kalnciema Ķieģelis" signed a loan agreement with JSC "SEB Latvijas Unibanka" on 22 December 2006 for the total amount of EUR 7 571 000 for the Āne factory reconstruction and construction of new production lines. As at 30 September 2007 the loan received amounted to EUR 7 571 000. The loan is due on 20 December 2011, and the first principal payment is due on 21 January 2008. The annual interest rate is 3 months EURIBOR + 0,95%. The loan is secured by the collateral of existing and future fixed assets, inventories, receivables, mortgages on JSC "Lode" real estate located in Jelgava rajons, Kalnciems, Jelgavas street 17, as well as guarantees of JSC "Lode", SIA "Latvijas Māli", and SIA "Līvānu ķieģelis".

SIA "Lodes Ķieģelis" signed a loan agreement with JSC "SEB Latvijas Unibanka" on 22 December 2006 for the total amount of EUR 857 000 for reconstruction of production lines. As at 30 September 2007 the loan received amounted to EUR 345 021. The loan is due on 20 December 2011, and the first principal payment is due on 21 January 2008. The annual interest rate is 3 months UNIBOR + 0,95%. The loan is secured by the collateral of existing and future non-current assets, inventories, receivables, as well as guarantees of JSC "Lode", SIA "Latvijas Māli", and SIA "Līvānu ķieģelis".

Credit lines
(Parent Company)

A credit line agreement with JSC "SEB Latvijas Unibanka" for amount of 1 600 000 LVL was concluded on 12 December 2000. As at 30 September 2007, the amount of utilized credit line was LVL 1 467 138. The credit line is due on 30 November 2007 and the annual interest rate is 3 months UNIBOR + 0,95 % for the funds used.

(subsidiaries)

SIA "Kalnciema ķieģelis" concluded a credit line agreement with JSC "SEB Latvijas Unibanka" for 400 000 LVL on 26 March 2003. As at 30 September 2007 the credit line was not used. The credit line expires on 21 March 2008, and the annual interest rate is 3 months UNIBOR + 0,95 % on the used funds.

SIA "Līvānu ķieģelis" concluded a credit line agreement with SEB Latvijas Unibanka AS on 21 March 2007. As at 30 September 2007, the amount of utilized credit line was LVL 174 691. The credit line expires on 20 March 2008, and the annual interest rate is 3 months UNIBOR + 0,95% on the used funds.

(26) Debts to Group Companies (Parent Company)

	EUR	**EUR**
Short term division		
Debt on goods to SIA „Lodes ķieģelis"	360598	474154
Debt on goods to SIA „Latvijas māli"	149	3301
Debt on goods to SIA „Līvānu ķieģelis"	255905	104237
Debt on goods to SIA „Kalnciema ķieģelis"	25385	257987
	642038	**839678**

(27) Taxes and Social Insurance Payments

(Consolidated)

Type of tax	**Balance as of 31.12.2006**	**Calculated in 01.01.2007-30.09.2007**	**Paid in 01.01.2007-30.09.2007**	**Transferred from / to other taxes**	**Balance as of 30.09.2007**
	EUR	**EUR**	**EUR**	**EUR**	**EUR**
Corporate income tax	254351	225	(407323)	(201594)	(354345)
Value added tax	(180154)	(395069)	(114406)	617289	(72340)
Social security contributions	79753	808698	(476248)	(321434)	90769
Personal income tax	55631	499371	(401300)	(94261)	59442
Nature resource tax	4506	12380	(11979)	-	4907
Real estate tax (land)	-	2776	(2776)	-	-
Real estate tax (buildings)	1084	40659	(41743)	-	-
Risk fee	152	1374	(1404)	-	122
	215325	**970414**	**(1457179)**	**-**	**(271444)**

Including:	**31.12.2006**	**30.09.2007**
	EUR	**EUR**
Tax overpayments	(215299)	(426685)
Tax debt	430624	155241

Tax overpayments are shown in the item "Other Debtors".

(Parent Company)

Type of tax	Balance as of 31.12.2006	Calculated in 01.01.2007-30.09.2007	Paid in 01.01.2007-30.09.2007	Transferred from / to other taxes	Balance as of 30.09.2007
	EUR	EUR	EUR	EUR	EUR
Corporate income tax	216618	-	(305445)	(212748)	(301575)
Value added tax	(7302)	(313752)	-	306827	(14227)
Social security contributions	10884	161657	(67918)	(94079)	10545
Personal income tax	12117	125176	(125741)	-	11552
Nature resource tax	255	7099	(5211)	-	2143
Real estate tax (land)	-	793	(793)	-	-
Real estate tax (buildings)	300	27658	(27958)	-	-
Risk fee	18	145	(151)		13
	232890	**8775**	**(533216)**	**0**	**(291549)**

Including:	31.12.2006	31.09.2007
	EUR	EUR
Tax overpayments	(7302)	(315792)
Tax debt	240192	24243

Tax overpayments are shown in the item "Other Debtors".

(28) Other Creditors

	Consolidated		Parent Company	
	30.09.2007	30.09.2006	30.09.2007	30.09.2006
	EUR	EUR	EUR	EUR
Settlements with personnel	1182	744	538	-
Salary of employees	181722	157759	34453	35479
Withheld rent fee on apartment	1225	1781	105	90
Withheld alimony	171	320	-	-
Credit card balance	127	23	-	-
Other creditors	-	2103	-	-
	184427	**162731**	**35097**	**35569**

(29) Number of Employees Employed by the Company

	Consolidated		Parent Company	
	01.01.2007-30.09.2007	01.01.2006-30.09.2006	01.01.2007-30.09.2007	01.01.2006-30.09.2006
An average number of employees in the report period	423	441	41	58

(30) Personnel Expenses

	Consolidated		Parent Company	
Type of expenses	**01.01.2007-30.09.2007 EUR**	**01.01.2006-30.09.2006 EUR**	**01.01.2007-30.09.2007 EUR**	**01.01.2006-30.09.2006 EUR**
Remuneration for work	2489879	2075364	584825	544977
State obligatory social security payments	570922	480260	116012	115362
	3060801	**2555624**	**700837**	**660339**

(31) Information about remuneration of members of Council and Board

(Parent Company)

	01.01.2007-30.09.2007 EUR	**01.01.2006-30.09.2006 EUR**
Board members	156044	120664
Council members	62141	79243
	218185	**199906**

Exchange rate

30.11.2007. 1 EUR = 0.702804 LVL