

03.08.2012.

Comment on information in the mass media

On 02.08.2012 in the mass media of the Republic of Latvia there appeared information that on JSC „Ditton pievadkēžu rūpnīca” there has been an administrative penalty imposed in connection with infringement of the terms of disclosing information on a significant event.

This information has been published without the company's explanations and contains significant inaccuracies.

1. Notification of a significant event should not be submitted to the Financial and Capital Market Commission (FCMC), but in accordance with the procedure should be published through the FCMC central storage of regulated information and on the home page of Nasdaq OMX Riga.

2. Notification of the event mentioned in the article was disclosed by the company on the above-mentioned sites in 2011, without participation of the FCMC.

3. The dispute between the FCMC and the company is about the term and procedures of the disclosure, and that is: should the company immediately publish information about a project of a commercially-financial deal before it enters into legal force or it should disclose only information on a valid deal binding the company. In this part the dispute between the company and FCMC has not been settled and in perspective the company is considering addressing this issue for the settlement to independent judicial institutions. The decision of these institutions has the status of the law, settle differences in interpretation of the legal norms of the Republic of Latvia between the company and FCMC and shall be accepted by the company for fulfilment without delay.

4. The deal mentioned in the articles in the media has been approved by the shareholders in the general meeting and since then, it has entered into force; prior to this decision the company at least twice publicly informed shareholders and other participants of the financial instruments market about the project of the deal; due to this as well as time limitation of the event (2010) the company believes that this information has lost its topicality.

5. In accordance with the Administrative Procedure Law, administrative act (decision of FCMC) shall come into effect at the time the addressee is notified of it. On the day of publication of this notice 03.08.2012 there is no administrative act (decision) at the company's disposal. An appeal to a court of the administrative act (decision) suspends its execution. The company has notified the Financial and Capital Market Commission on opportunities of appealing to a court of the administrative act (decision).

P. Dorofejevs

Chairman of the Management Board