

**17.01.2014**

**On transactions with assets**

Pursuant to Financial Instruments Market Law, JSC „Ditton pievadkēžu rūpnīca” informs its shareholders and investors on transactions with assets:

1) Identifying and evaluating nonliquid equipment and other movable property owned by the Company, considering that they are worn-out and morally obsolete as they are mostly produced in 60-ies and 90-ies, are unable to ensure modern requirements for environment and work safety and protection in a current state, and their reconditioning and adjustment is not economically feasible and requires disproportionate investments, the Management Board of the Company came to a decision about their alienation by sale. The residual book value of the equipment to be alienated makes EUR 9 223,64 (LVL 6 482,41).

Considering the actual unsuitability of the movable property for the use in industrial processes and downward trend in the output volume in the past few years, their sale will not affect the company's economic activities.

2) Considering the fact that the part of buildings and structures owned by the Company, that are used in the Company's economic activities, is located on a plot of land with cadastral number 0500 007 1413, in 17a Visku Str., Daugavpils, which on the basis of property rights is owned by a third party, as well as offer by the third-party to use preemption rights, the Management Board of the Company is planning to acquire the title to the given plot of land by conclusion of the appropriate purchase contract. Previously the relationship with the owner of the plot of land existed in the form of lease legal relations under lease contract.

The deal will be implemented in two stages with the purchase price of EUR 860 517,44 (LVL 604 775,10) and the final pay period until 31 December 2015.

In accordance with the parties' agreement, settlement is expected to be made by discharge of long-term debt obligations, without attracting additional external funding. Management Board of the Company has received consent of the Council for the given transaction.

J.Sokolovskis

Member of the Management Board