

Riga, 14 April 2015

## ANNOUNCEMENT

### on the transfer of AS "LATVIJAS TILTI" *Construction department* to SIA „Celtniecības Kvalitātes Aģentūra (CKA)”

Taking into account the current market situation in the construction sphere, within the framework of resource optimization and in order to ensure the employment of workforce, AS "LATVIJAS TILTI" has decided to continue performance of the construction projects' management, as well as machinery, production and other tangible asset administration functions, while separating the construction workforce management function on the territory of Latvia. The construction workforce management function will be transferred to the reliable business partner of AS "LATVIJAS TILTI" being able to more effectively run the said business division.

Given the above considerations and according to Article 117 (1) and Article 120 of the Labour Law and to the Decision of the Council meeting Nr. SP-10042015, AS "LATVIJAS TILTI" hereby announces that with in a time period from May 18 till July 18, 2015 the *Construction department* of AS "LATVIJAS TILTI" - an economic unit containing tangible assets and workforce (hereinafter - Construction department) within the framework of the Transfer of an Undertaking will be transferred to SIA "Celtniecības Kvalitātes Aģentūra (CKA)" unified reg. No. 50003072341, legal address: 60 Dārzciema Street, Riga, LV-1073 (hereinafter - CKA). CKA and AS "LATVIJAS TILTI" are not considered as affiliated companies.

The transfer of the Construction department to CKA will ensure economic development of the unit: besides construction projects of AS "LATVIJAS TILTI" where CKA, including the assets and workforce of the Construction department, will be actively involved, CKA will focus on the attraction of the new orders. That will enable active and rational use of the workforce, fully ensuring the employees with work and social guarantees, regardless of the change of the employer, thereby protecting the interests of the Construction department employees.

AS "LATVIJAS TILTI" herewith declares that the concluded employment agreements of the Construction department employees will remain in force the employer in these agreements will be replaced by SIA "Celtniecības Kvalitātes Aģentūra (CKA)". The transfer of the Construction department will have no adverse effects on the employees, (including legal, economic or social consequences) and previous working conditions will not be changed.

CKA will retain the identity of the Construction department after its transfer and will continue its operation by performing the construction works corresponding to the qualifications and professional capacities of the Construction department.

As a result of the transfer of the Construction department AS "LATVIJAS TILTI" will not change the existing ways of company's operation and such transfer will not affect the share capital of the company.

Yours Sincerely,

AS "LATVIJAS TILTI"  
Chairman of the Board  
GENADIJS KAMKALOVŠ

