

AB DNB Bankas Financial Statements

(in accordance with BoL requirements)

II quarter

2017



30 June 2017

EUR thou

	Bank	Financial group*
Interest income	38,396	38,379
Interest expense	(5,437)	(5,438)
<u>Net interest income</u>	<u>32,959</u>	<u>32,941</u>
Fee and commission income	19,453	20,778
Fee and commission expense	(4,537)	(4,537)
<u>Net interest fee and commission income</u>	<u>47,875</u>	<u>49,182</u>
Net gain on operations with securities, derivative financial instruments and foreign exchange	5,718	4,461
Impairment losses and provisions	3,059	936
Other income	1,765	2,019
Personnel expenses	(13,561)	(13,713)
Depreciation and amortisation	(1,896)	(2,153)
Other administrative expenses	(16,513)	(17,180)
Profit (loss) before taxes	<u>26,447</u>	<u>23,552</u>
Income tax	(1,963)	(2,080)
<u>Net profit (loss) for the period</u>	<u>24,484</u>	<u>21,472</u>

Profit (loss) attributable to:

Equity holders of the parent 24,484 21,472

* Financial group include the Bank and subsidiaries engaged in financial services activities: UAB DNB Investicijų valdymas UAB Intractus group and UAB Industrious.



B. Lund
President



J. Šaučiūnienė
Chief Accountant

AB DNB Bankas
STATEMENT OF COMPREHENSIVE INCOME (EXPENSE)

	30 June 2017 EUR thou	
	Bank	Financial group*
<u>Profit (loss) for the period</u>	<u>24,484</u>	<u>21,472</u>
Other comprehensive income (expenses) to be reclassified to profit or loss in subsequent periods :		
available for sale assets revaluation	302	302
<u>Reclassification adjustments to the income statement</u>	<u>(193)</u>	<u>(193)</u>
Other comprehensive income (expenses) not to be reclassified to profit or loss in subsequent periods :	-	-
<u>Total other comprehensive income(expenses)</u>	<u>109</u>	<u>109</u>
<u>Total comprehensive income(expenses) for the period, net of tax</u>	<u>24,593</u>	<u>21,581</u>
Attributable to:		
Equity holders of the parent	24,593	21,581

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AB DNB Bankas
STATEMENT OF FINANCIAL POSITIONS

30 June 2017
 EUR thou

	Bank	Financial group*
ASSETS		
Cash and balances with central banks	165,714	165,714
Due from banks and other credit institutions	680,427	680,427
Financial assets held for trading	3,460	3,460
Financial assets designated at fair value through profit or loss	85,089	86,715
Derivative financial instruments	6,663	6,663
Available for sale financial assets	2,723	2,723
Loans and advances to customers	2,826,451	2,826,451
Finance lease receivables	171,390	171,390
Investments in subsidiaries	41,291	892
Investment property	-	23,819
Property, plant and equipment	13,760	13,760
Intangible assets	3,806	4,020
Deferred tax asset	3,357	3,357
Other assets	14,152	16,774
Non-current assets and disposal groups held for sale	29	954
Total assets	4,018,312	4,007,119
LIABILITIES AND EQUITY		
Due to banks and other credit institutions	986,257	986,257
Derivative financial instruments	11,162	11,162
Due to customers	2,507,824	2,495,944
Provisions	195	195
Current income tax liabilities	2,150	2,144
Other liabilities	14,491	16,326
Total liabilities	3,522,079	3,512,028
Equity attributable to equity holders of parent		
Ordinary shares	190,205	190,205
Share premium	81,942	81,942
Retained earnings	104,730	103,530
Reserves	119,356	119,414
Total shareholders' equity	496,233	495,091
Total liabilities and equity	4,018,312	4,007,119

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ASSETS QUALITY INFORMATION

30 June 2017
(EUR mio)

	Impaired loans		
	Total amount	Total amount	Specific provisions
Material assessed loans	1,965.2	190.6	70.2
Immaterial assessed loans*	1,757.7	40.4	8.6
Total	3,722.9	231.0	78.8

* Mortgage loans to private individuals up to 0. 289 EUR mio, consumer loans to private individuals up to 0.01 EUR mio, loans to farmers and business customers up to 0. 289 mio EUR.

IMPAIRMENT LOSSES (SPECIFIC PROVISIONS) FOR LOANS AND OTHER ASSETS

30 June 2017

Ratios	Amount in EUR thou	Percentage
Specific provisions for loans	92,534	
Gross loans to customers	2,918,985	
Specific provisions to total loans granted to customers ratio		3.2
Specific provisions for other assets	0	
Other assets	17,509	
Specific provisions for other assets to all other assets		0

AB DNB Bankas

INFORMATION ON THE COMPLIANCE WITH PRUDENTIAL RATIOS FOR BANKING ACTIVITIES 30 June 2017

(percent)

Name of the ratio	Factual (quarterly annual) amount
Capital adequacy	18.45
Liquidity coverage	178.17

30 June 2017
(percent)

Return on equity (ROE)	10.1
Return on assets (ROA)	1.2

RATINGS

With Norway's DNB Bank ASA becoming the sole shareholder of AB DNB Bankas it has been decided that AB DNB Bankas shall use the ratings as assigned to the parent bank. No separate credit ratings are set for AB DNB Bankas starting 21 March 2011.

Full rating's history of DNB Bank ASA and the latest reports are presented on AB DNB Bankas' website www.dnb.it in the section About us – Financial Reports and Ratings.

During the reporting quarter AB DNB Bankas acted in compliance with all ratios set by the legal acts and no sanctions were imposed on the bank.