

# AB DNB bankas

## INTERIM CONSOLIDATED REPORT, SIX MONTHS 2013

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(UNAUDITED)



## CONTENTS

REPORTING PERIOD COVERED BY THIS REPORT	3
THE ISSUER AND ITS CONTACT DETAILS	3
MAIN ACTIVITIES OF THE ISSUER	3
ORGANIZATIONAL STRUCTURE OF THE GROUP AND THE ISSUER	3
STRUCTURE OF THE AUTHORIZED CAPITAL	4
SHAREHOLDERS	5
ARRANGEMENTS THAT WOULD BE ENFORCED, CHANGED OR TERMINATED AS A RESULT OF CHANGE IN THE ISSUER'S CONTROL	5
INFORMATION ON SECURITIES LISTED ON REGULATED MARKETS	6
MAIN CHARACTERISTICS OF DEBT SECURITIES ISSUED FOR PUBLIC TRADING	6
INFORMATION ON RELEVANT AGREEMENTS WITH RELATED PARTIES	6
MATERIAL EVENTS OVER THE REPORTING PERIOD	6
INFORMATION ON PERFORMANCE RESULTS	7
SUBSIDIARIES	10
RISK MANAGEMENT AND INTERNAL CONTROL	13
RATINGS	13
STRATEGY AND PLANS	14
INVESTMENTS	14
ORGANIZATIONAL MANAGEMENT STRUCTURE OF THE ISSUER	14
MANAGEMENT OF THE ISSUER	15
SUPERVISORY COUNCIL	17
MANAGEMENT BOARD	18
INFORMATION ON THE ACTIVITIES OF THE COMMITTEES OF THE ISSUER	20
EMPLOYEES	22
INFORMATION ON EXECUTIVE REMUNERATION POLICY	22
INFORMATION ON HARMFUL TRANSACTIONS CARRIED OUT ON BEHALF OF THE ISSUER DURING THE REPORTING PERIOD	23
PROCEDURE FOR AMENDING THE BYLAWS	23
INFORMATION ON LEGAL OR ARBITRAL PROCEEDINGS	24
SOCIAL PROJECTS	24
ANNEX I	25

## REPORTING PERIOD COVERED BY THIS REPORT

This Interim Consolidated Report for the first six months of 2013 covers the period from 1 January 2013 to 30 June 2013.

## THE ISSUER AND ITS CONTACT DETAILS

Name of the Issuer	<i>AB DNB Bankas</i>
Legal status	Joint stock company
Date and place of registration	Registered with the Bank of Lithuania on 13 September 1993, registration No. 29
Company code	112029270
Office address	J. Basanavičiaus str. 26, Vilnius, Republic of Lithuania
Telephone number	(+370 5) 239 34 44
Fax number	(+370 5) 213 90 57
E-mail	<a href="mailto:info@dnb.lt">info@dnb.lt</a>
Website	<a href="http://www.dnb.lt">www.dnb.lt</a>

## MAIN ACTIVITIES OF THE ISSUER

*AB DNB Bankas* (hereinafter referred to as the "Bank" or the "Issuer") is a credit institution holding a license for and is engaged in acceptance of deposits and other repayable funds from unprofessional market players and lending, as well as provision of other financial services, and assumes the risks and liabilities related thereto.

The Bank shall provide the following financial services:

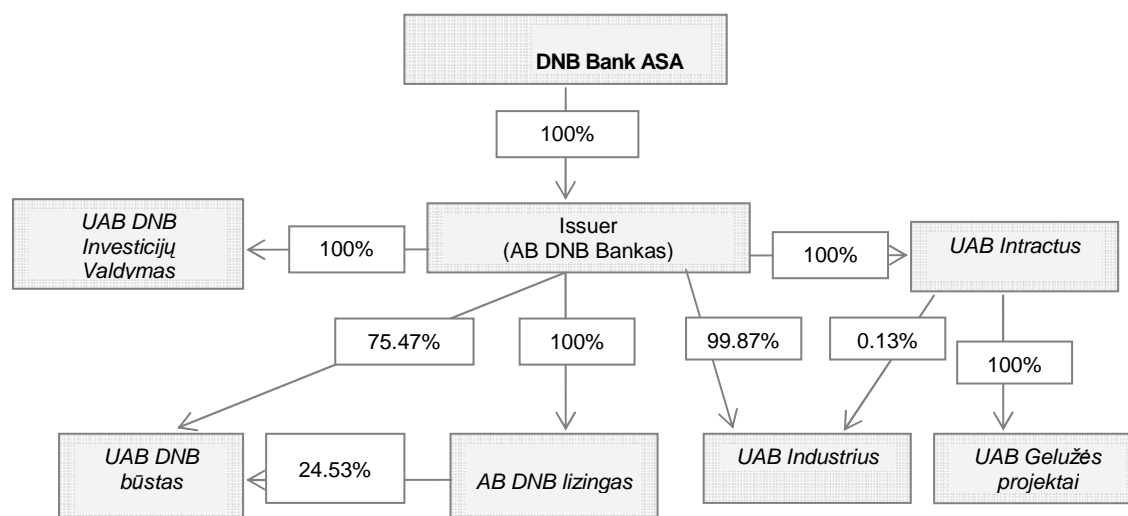
- taking of deposits and other repayable funds;
- lending (including mortgage loans);
- money transfers;
- issuing of payment cards and other payment vehicles and (or) execution of transactions with them;
- financial lease (leasing);
- issuing of financial indemnities and guarantees;
- trading, on its own account or on account of customers, in money market instruments (cheques, bills, certificates of deposits, etc.), foreign exchange, financial futures and options, foreign exchange and interest rate instruments, public trading securities, precious metals;
- investment services;
- financial brokerage (agent activities);
- cash handling;
- consultancy on credits and payments;
- rent of safe deposit lockers;
- currency exchange (cash);
- safekeeping and administration of monetary funds;
- advice to undertakings on the capital structure, manufacturing strategy and the issues related thereto as well as advice and services related to the reorganization, restructuring and acquisition of undertakings;
- provision of services related to issuance of securities;
- issuance and maintenance of electronic money;
- settlements of credit institutions (clearing);
- administration of investment funds or investment companies with a variable capital.

## ORGANIZATIONAL STRUCTURE OF THE GROUP AND THE ISSUER

On 30 June 2013 Norway's *DNB Bank ASA* was a sole direct shareholder of *AB DNB Bankas* and held 100 percent direct ownership of the Bank's shares and voting rights.

*AB DNB Bankas'* group in Lithuania (hereinafter referred to as "the Group") consisted of *AB DNB Bankas* and its subsidiaries *UAB DNB Investicijų Valdymas*, *AB DNB Lizingas*, *UAB DNB Būstas*, *UAB Industrious*, and *UAB Intractus* with its subsidiary *UAB Gėlužės projektai*. Comprehensive information regarding the subsidiaries of the Bank are described in the below section of this report.

*AB DNB Bankas* provided financial services to its customers in 77 branches across Lithuania as at 30 June 2013.



### STRUCTURE OF THE AUTHORIZED CAPITAL

On 30 June 2013 the authorized capital of *AB DNB Bankas* was LTL 656,665,410 (six hundred fifty six million six hundred sixty five thousand four hundred ten). It is divided into 5,710,134 (five million seven hundred ten thousand one hundred thirty four) ordinary registered shares with LTL 115 (one hundred and fifteen) par value each.

The authorized capital of *AB DNB Bankas* did not change during the reporting period.

On 30 June 2013 the authorised capital of *AB DNB Bankas* consisted of:

Type and class of shares	ISIN code of securities	Number of issued shares	Nominal value per share, LTL	Aggregate nominal value, LTL	Share in authorized capital, percent
Ordinary registered shares	LT0000100174	5,710,134	115	656,665,410	100.00

The entire authorized capital of *AB DNB Bankas* is paid up and no restrictions apply to the shares of the Bank as to their disposal.

*AB DNB Bankas* had not issued any convertible securities.

In the first six months of 2013 *AB DNB Bankas* did not hold its own shares and did not sell the shares of its subsidiaries to the third parties.

No restrictions other than those provided by the legal acts, if any, apply to the securities of *AB DNB Bankas*. No other Issuer or other holders' requirements apply to the securities.

The history of the Issuer's authorized capital formation:

Date	Authorized capital	Increase of the authorized capital	Description
2001	102,839,115	-	
2002	176,585,430	73,746,315	Increase of the authorized capital by additional contributions
2004	195,116,795	18,531,365	Increase of the authorized capital by additional contributions
2005	234,110,020	38,993,225	Increase of the authorized capital by additional contributions
2006	283,396,340	49,286,320	Increase of the authorized capital from undistributed profit
2006	311,735,790	28,339,450	Increase of the authorized capital by additional contributions
2007	363,691,755	51,955,965	Increase of the authorized capital by additional contributions
2008	590,998,800	227,307,045	Increase of the authorized capital from undistributed profit and additional contributions
2009	656,665,410	65,666,610	Increase of the authorized capital by additional contributions

NOTE. On 30 June 2011 Norway registered *DNB Bank ASA*, then operating under *DnB NOR Bank ASA* name, has acquired 100 percent of shares of the Bank from *Bank DnB NOR A/S*, controlled by *DnB NOR Bank ASA* and registered in Denmark, thus becoming a direct shareholder of the Bank owning 100 percent of its shares and voting rights from that date.

## SHAREHOLDERS

On 30 June 2013 Norway's *DNB Bank ASA* was the sole direct shareholder of *AB DNB Bankas* that held 100 percent of the Bank's registered authorized capital of LTL 656,665,410.

Shareholder	Office address	Type of the company	Code	Number of ordinary registered shares	Share of the authorized capital held and number of votes, percent	
					Owned	With associates
<i>DNB Bank ASA</i>	Dronning Eufemias gate 30, 0191 Oslo, Norway	Bank	984851006MVA	5,710,134	100	100

The shareholders of the Issuer shall have the following property rights:

- To receive a share of the profit of the Bank (dividend);
- To receive funds of the Issuer if the authorized capital of the Issuer is decreased on purpose to disburse funds of the Issuer to the shareholders;
- To receive a share of the assets of the Issuer in the event of liquidation;
- To receive shares free of charge when the authorized capital is increased from the Bank's own funds, except in the events stipulated in laws;
- In case the shareholder is a natural person, to devise and bequeath all or any part of the shares to one or several persons;
- To sell or otherwise transfer all or any part of the shares to the ownership of other persons in the procedure and under the conditions prescribed in laws;
- To exercise the pre-emption right in acquisition of the shares or convertible bonds issued by the Issuer unless the General Meeting decides to withdraw the pre-emption right from all the shareholders in the procedure prescribed in laws;
- To lend to the Issuer in the manner prescribed in laws; however, when borrowing from its shareholders, the Issuer shall not pledge its assets to the shareholders. When the Issuer borrows from a shareholder, the interest shall not be higher than the average interest rate offered by commercial banks of the place of residence or business of the lender effective on the date of conclusion of the loan agreement. Thus the Issuer and the shareholders shall be prohibited from negotiating a higher interest rate;
- Other property rights stipulated in laws.

The shareholders of the Issuer shall have the following non-property rights:

- To participate in the General Meetings of Shareholders;
- To cast the votes granted by the shares held in the General Meetings of Shareholder;
- To receive the information about the Bank to the extent specified in the Law on Companies;
- To appeal to the court for the compensation of the damage suffered by the Bank due to the failure to perform the obligations of the President and the Members of the Management Board of the Bank stipulated in laws and the Bylaws of the Bank, or to perform them duly, and in other cases stipulated in laws.
- Other non-property rights stipulated in laws.

Unless otherwise established by law, the shareholders of the Issuer shall only hold an obligation to pay to the Issuer the issue price for all subscribed shares under the established procedure.

The shareholders of the Issuer shall not have special control rights. No Issuer's restrictions shall apply to the voting rights of the shareholders of the Issuer.

The Issuer is not aware of any reciprocal agreements between the shareholders that might lead to any restrictions on the disposal of the Issuers securities and (or) voting rights.

## ARRANGEMENTS THAT WOULD BE ENFORCED, CHANGED OR TERMINATED AS A RESULT OF CHANGE IN THE ISSUER'S CONTROL

On 30 June 2013 the following ISDA Master Agreements and TBMA/ISMA Global Master Repurchase Agreement, whereby the counterparties thereto have the right to terminate the transactions with the Issuer in case of a change in the Issuer's control, were in force:

- ISDA Master Agreement with *UBS Limited* dated 13 January 2006;
- ISDA Master Agreement with *UBS AG* dated 13 January 2006;
- ISDA Master Agreement with *Calyon* dated 15 November 2007;

- ISDA 2002 Master Agreement with *JPMorgan Chase Bank N.A.* dated 19 May 2008;
- ISDA Master Agreement with *Barclays Bank Plc.* dated 18 December 2008;
- ISDA 2002 Master Agreement with *Deutsche Bank AG* dated 19 February 2009;
- ISDA 2002 Master Agreement with *BNP Paribas S.A.* dated 22 June 2009;
- TBMA/ISMA Global Master Repurchase Agreement with *AB SEB Bankas* dated 29 October 2009;
- ISDA 2002 Master Agreement with *Svenska Handelsbanken AB (publ.)* dated 2 June 2010.

As of 30 June 2013 the Issuer also had the Finance Contract dated 13 March 2009 with the European Investment Bank, whereby the European Investment Bank has the right to terminate the Finance Contract in case of a change in the Issuer's control if, in the reasonable opinion of the European Investment Bank, such a change in the Issuer's control has or is likely to have a material adverse effect on the future repayment of the loan received under the Finance Contract.

The provisions of the aforementioned bilateral contracts are deemed confidential with regard to the Bank and the other parties involved and the disclosure thereof could cause damage to the Bank.

On 30 June 2013 the Issuer had no other significant arrangements that would be enforced, changed or terminated as a result of the change in the Issuer's control.

#### INFORMATION ON SECURITIES LISTED ON REGULATED MARKETS

Shares of *AB DNB Bankas* or of the other companies of the Group are not traded on regulated markets.

As of 30 June 2013 the following debt securities of *AB DNB Bankas* were listed on regulated markets:

Name of securities (ISIN code)	Name in regulated market	Number of securities	Nominal value per unit	Aggregate nominal value	Maturity
Fixed rate notes issue No. 10/2013 (LT0000431132)	NASDAQ OMX Vilnius Stock Exchange list of debt securities	350,000	100 (LTL)	35,000,000 (LTL)	2013-10-07
Fixed rate notes issue No. 05/2015 (LT0000405052)	NASDAQ OMX Vilnius Stock Exchange list of debt securities	150,000	100 (LTL)	15,000,000 (LTL)	2015-05-07

The Issuer is engaged in public trading brokerage activities; relevant transactions are performed by the Markets Department of the Bank.

#### MAIN CHARACTERISTICS OF DEBT SECURITIES ISSUED FOR PUBLIC TRADING

As of 30 June 2013 the par value of debt securities issued by *AB DNB Bankas* for public trading constituted LTL 64.7 million.

All Issuer's debt securities were made available for public trading during the issues. No restrictions apply to those securities as to their negotiability. All these securities are non-convertible.

The main characteristics of the debt securities issued by the Issuer are provided in Annex 1 of this interim report.

#### INFORMATION ON RELEVANT AGREEMENTS WITH RELATED PARTIES

Information on relevant agreements with related parties are provided in Note 14 of the Interim Condensed Financial Information for the first six months of 2013.

#### MATERIAL EVENTS OVER THE REPORTING PERIOD

The material events of *AB DNB Bankas* that took place in the first six months of 2013:

**On 7 February 2013** *AB DNB Bankas* notified that according to preliminary unaudited data calculated in accordance with the international financial reporting standards *AB DNB Bankas* earned a net profit of LTL 88.4 million (EUR 25.6 million) in the full year 2012. Net profit of *AB DNB Bankas* group in the full year 2012 was LTL 80.4 million (EUR 23.3 million). In the full year 2011 net profit of *AB DNB Bankas* was LTL 81.0 million (EUR 23.5 million). *AB DNB Bankas* group net profit was LTL 74.3 million (EUR 21.5 million).

**On 1 March 2013** *AB DNB Bankas* notified that after the resignation of Margrethe Melbye Gronn and Olaf Tronsgaard from the position of the members of the Supervisory Council on 26 February 2013, on 1 March 2013 based on the decision of the bank's

sole shareholder – Norway's *DNB Bank ASA* – Leif Rene Hansen was elected as a member of the Supervisory Council of *AB DNB Bankas* until the expiry of term of office of the current Supervisory Council.

**On 26 March 2013** *AB DNB Bankas* presented 2012 financial statements that include audited separate and consolidated financial statements prepared in accordance with International Financial Reporting Standards and consolidated annual report assessed by the auditors. The documents were approved by the Bank's sole shareholder Norway's *DNB Bank ASA* on 26 March 2013. The audited results of *AB DNB Bankas* for the full year 2012 did not differ from the previously reported preliminary data.

**On 26 March 2013** the sole shareholder of *AB DNB Bankas* Norway's *DNB Bank ASA*:

1. acknowledged the Bank's consolidated annual report and approved the set of annual financial statements - the separate and consolidated financial statements for the year ended 31 December 2012.

2. approved distribution of the profit (loss) of the Bank. It was decided to allocate the 2012 net result of LTL 88.43 million (EUR 25.61 million) to the distributable profit of the Bank equal to LTL 92.09 million (EUR 26.67 million). LTL 4.61 million (EUR 1.34 million) from the distributable profit shall be allocated to the obligatory reserve. The remaining part of the retained earnings of LTL 87.49 million (EUR 25.34million) shall be transferred to the next financial year.

3. elected close stock company „Ernst & Young Baltic“ as an audit firm to perform audit of the annual financial statements of the Bank for the year 2013 and authorized the president of the Bank to establish the other terms and conditions of the agreement on auditing services with the audit firm within the remuneration amount set by the sole shareholder.

4. approved the following amendments to the Bylaws of the Bank:

4.1. the section 11.2 of the Bylaws of the Bank shall read as follows:

„11.2. The Credit Committee seeks to improve the overall quality of the credit risk management in the Bank, to ensure objective evaluation of the credit risk in decision making when this is related to a significant credit exposure and also performs other functions stipulated in the regulations thereof.“

4.2. the amendment to the section 11.3 of the Bylaws of the Bank shall read as follows:

„11.3. The Risk Management Committee seeks to ensure the efficiency of the Bank's capital structuring, risk management and control, to optimize the structure of the Bank's assets, liabilities and capital in view of the acceptable risk criteria and profitability, and also performs other functions stipulated in the regulations thereof.“

**On 8 April 2013** the amended Bylaws of *AB DNB Bankas* were registered with the Register of the Legal Entities. The Bylaws were amended in line with the decision of the sole shareholder of the Bank – *DNB Bank ASA* – as of 26 March 2013. The following amendments to the Bylaws were made:

1. the Section 11.2 of the Bylaws of the Bank reads as follows:

„11.2. The Credit Committee seeks to improve the overall quality of the credit risk management in the Bank, to ensure objective evaluation of the credit risk in decision making when this is related to a significant credit exposure and also performs other functions stipulated in the regulations thereof.“

2. the Section 11.3 of the Bylaws of the Bank reads as follows:

„11.3. The Risk Management Committee seeks to ensure the efficiency of the Bank's capital structuring, risk management and control, to optimize the structure of the Bank's assets, liabilities and capital in view of the acceptable risk criteria and profitability, and also performs other functions stipulated in the regulations thereof.“

**On 26 April 2013** *AB DNB Bankas* notified that according to preliminary unaudited data calculated in accordance with the international financial reporting standards *AB DNB Bankas* earned LTL 13.3 million (EUR 3.85 million) net profit in the first quarter of 2013. In the first quarter of 2012 *AB DNB Bankas* net profit was LTL 21.7 million (EUR 6.3 million).

Full information on material events related with the Issuer's activities is presented to the Bank of Lithuania, *AB NASDAQ OMX Vilnius* Stock Exchange, Central storage facility, the daily *Lietuvos Rytas*, news agencies BNS and ELTA and is available on the Bank's website [www.dnb.lt](http://www.dnb.lt).

## **INFORMATION ON PERFORMANCE RESULTS**

*AB DNB Bankas group* operated profitably in the first six months of 2013 and consolidated its stand in the key business areas – the Bank took strong position in the mortgage loans market, its corporate loan portfolio had increased and over a third of the start-up businesses registered this year chose DNB to be their home bank. The number of the Group's individual and corporate customers topped 800 thousand benchmark, its deposit portfolio rose by almost twenty per cent year-on-year while the loan losses became lower compared to the economic cycle average.

In the first six months of 2013 the Bank earned LTL 25.5 million net profit while the Group's net profit was LTL 15.6 million. In the first half of 2012 the Bank's net profit was LTL 55.3 million and the Group's net profit was LTL 56.0 million. The profit level for the

period was largely affected by the expenses related to the ongoing upgrade of the banking systems and investments into IT, the process scheduled to be completed by the end of the year.

*AB DNB Bankas* group signed new credit contracts worth LTL 1.2 billion in the first six months of 2013 and its net loan portfolio totaled LTL 8.7 billion as at the end of June. It grew 2.6 percent compared to the same period a year ago mainly due to the growing financing to business entities and a significant rise in demand for mortgage credits that in the reporting period was the highest in five years.

*AB DNB Bankas* deposit portfolio increased by 19.2 percent year-on-year to LTL 6.2 billion. This resulted from the growth in the number of customers. Due to consistent implementation of customer oriented business model and concerted efforts aimed to increase the number of new and existing customers who choose *DNB* as their home bank, the number of individual and corporate customers rose by 64 thousand compared to the same period a year ago up to 810 thousand also contributing positively to the Group's non-lending income growth.

In the first six months of 2013 the net income of *AB DNB Bankas* group made LTL 177.8 million. The largest relative weight – 59 percent – of the operating income fell on the net interest income. As the market interest rates remained at record lows, the interest income eased by 15.1 percent year-on-year. The non-lending income for the services rendered to customers rose by 14.4 percent compared to the same period a year ago.

The Group's operating and other expenses made LTL 158.7 million in the first six months 2013. They rose by LTL 43.9 million compared to the same period a year ago, LTL 39.6 million of it was related to investments into modern banking information systems.

With economy remaining on the growth path and customer risks declining the Group set aside LTL 3.3 million for special provisions in the first six months of 2013 compared to LTL 22.4 million in the same period the year before.

As at the end of June 2013 the Group's assets stood at LTL 11.8 billion recording an increase of 6.8 percent year-on-year.

As of 30 June 2013 the Group's return on equity (ROE) was 2.2 percent and its cost/income ratio (CIR) was 89.3 percent.

Year	2010		2011		2012		2013 06 30	
	Group	Bank	Group	Bank	Group	Bank	Group	Bank
Return on equity (percent)	-13.5	-14.7	6.8	7.5	6.0	6.5	2.2	3.6
Cost/income ratio (percent)	61.5	57.0	53.6	52.9	67.4	66.4	89.3	87.4

*AB DNB Bankas* group served its private and corporate customers through the country's second largest nationwide customer service network consisting of 77 branches with self-service terminals installed in each of them. During the reporting period the Bank paid major attention to evaluate the operating efficiency and potential of each of its branches. The Bank approved a new design concept of its branches and installed the first one designed accordingly in one of the largest shopping malls in Vilnius at the year-start.

During the first half of 2013 the Group's customers could use the country's largest ATM network that connects 544 ATMs (*DNB* (186) and *SEB* (358)) in 80 cities and towns thanks to the outstanding common network agreement. *AB DNB Bankas* extended installation of new ATMs with cash deposit function providing this convenient self-service option to its customers in the centers of Lithuania's seven counties. Due to the cooperation agreement with *UAB Perlo Paslaugos* signed in December last year, the Group's individual and corporate customers were welcomed with an option to deposit or withdraw cash from their payment card accounts in more than 1,578 terminals across the country. This service was particularly attractive to customers in towns where there was no banking outlet, ATM or at weekends and off office hours. The Bank intends to continue investments in the ATM network upgrade installing new ATMs with cash deposit function in all the counties of Lithuania and cities where this service is under high customer demand.

In line with the growing number of customers the Bank issued 53 thousand new payment cards in the first six months of 2013, therefore the number of outstanding active payment cards portfolio rose to 526 thousand as at the end of June. This also positively affected the turnover of transactions made on the payment cards that grew to LTL 2.5 billion in the first six months of the year from LTL 2.1 billion in the same period a year ago.

With focus on payment cards business development the Bank further expanded its card acquiring network, signing agreements with 312 new merchants over the first half reporting year. Thus the Bank's entire network of payment card acquiring rose to 2 519 POS terminals as at the end of June. The turnover in payment card acquiring business totaled LTL 159.5 million LTL in the first half of 2013.

As the result of consistent efforts to further improve user-friendliness and functionality of the internet banking system, the number of customers using *AB DNB Bankas* internet banking services rose 17 percent year-on-year to 569 thousand as at the end of June. During the first six months of the year 94.1 percent of all money transfers were executed via internet banking of *AB DNB Bankas*.

To ensure high level of financial services *AB DNB Bankas* continued to perform the "Mystery Shopping" and individual customer satisfaction surveys in the first half of 2013. These surveys measured customer service quality and customer satisfaction at *AB*



*DNB Bankas* from different aspects - from general service quality up to functionality of individual products. The surveys' results allow for identifying of strengths and set priority actions for further improvement.

### **Retail banking**

The Bank rendered the following range of services to individual customers: bank accounts in litas and foreign currencies, term deposits in litas and foreign currencies, mortgage loans, consumer credits, private credits, local and international transfers, payment cards of MasterCard and VISA international organizations, acceptance of bank cheques and traveler's cheques (American Express, Thomas Cook, Swiss Bankers), cash exchange services, cash operations, rent of individual safe-deposit boxes, financial brokerage services, electronic banking services, leasing services, and investment products.

Consistently aiming to increase the number of new and existing individual customers who use DNB as their home bank and encourage them to use various banking services more actively, in the first six months of 2013 the Group continued to focus on individual customer service quality and culture, implementation of customer segment approach that focuses on a more flexible response to customer needs and enhancement of the Bank's brand, service and product awareness. As the result the number of individual customers of *AB DNB Bankas* rose by 29 thousand in the first six months of the year to 745 thousand as at the end of June.

Pursuing responsible lending practices *AB DNB Bankas* upgrades its mortgage loan program "Your first home" in the first six months of the year. From now on the programme provides an opportunity to the Bank's customers not only to repay the entire credit or part of it early free of charge, but also to defer a monthly payment of credit principal for 1, 2 or 3 months except during the first and the last three years of the credit contract. Due to the active presentation of the programme to customers and its competitive terms *AB DNB Bankas* was one of the leading new mortgage credit providers in Lithuania's banking market in the first half of 2013.

Facilitating responsible financial behavior the Bank also launched a specially designed savings campaign "Sign agreement with yourself". As a result a noticeable increase of customers who started saving on regular basis was recorded that also contributed positively to the growth of the Bank's overall deposit portfolio.

Pursuing further its segment strategy *AB DNB Bankas* continued to upgrade its specially designed UP programme for life beginners. To facilitate their first steps in the independent life the Bank presented them a useful advice book "Deposits and zippers" free of charge. The Bank extended credit cards to full-time students and together with its partners, was an active participant in "Runaway for your career" events.

To provide customers with various financial services at the Bank, *AB DNB Bankas* continued collaboration with *ERGO Life Insurance SE* and *UAB DK PZU Lietuva*. As a result of active sales of insurance services in the six months of 2013 more than 35 percent of new mortgage takers of *AB DNB Bankas* were insured with life insurance and over 75 percent of them chose to insure their property. Within the reporting period over 80 percent of new consumer credit takers were insured with life insurance while the total number of payment cards insured topped 140 thousand.

### **Corporate banking**

The Bank maintained its strong position in corporate banking sector in the first six months of 2013 due to its long-term constructive relationships with its customers, flexible decision making and constant focus on service quality. Alongside with the increasing number of corporate customers who chose DNB as their home bank, the number of the Bank's corporate customers rose by 4 thousand in the first six months of the year to 64.8 thousand. This clearly indicated the efficiency of the Bank's customer centric business model.

At the beginning of 2013 *DNB Bankas* has changed the structure of the units responsible for large corporate banking that helped to strength credit risk management, combined different competences in the same hands and paved way for higher specialization in different industry sectors.

More stable operating environment and markedly better economic sentiment of businesses stimulated higher demand for financial services and investment credits for business expansion in the first six months of 2013. As a result the Group's net loan portfolio to corporate customers rose 1.8 percent in the first six months of the year to LTL 5.15 billion. The Bank's loan portfolio to the agriculture, food processing, electricity and gas supply, public industries as well as accommodation and food service activities increased the most during the period while financing of construction and transport sectors was still subdued.

In the reporting period *AB DNB Bankas* continued to pay major attention to small and medium size enterprises (SMEs) by offering them solutions designed to meet their specific needs. *AB DNB Bankas* had developed a special on-line application "Establish Your Business" that was actively used by people who were planning to establish their new business. An option to register a new company and form its authorized capital online, active work in branches and via contact centre, close cooperation with partners provided that 35.2 percent of all newly registered companies in the first half of 2013 chose DNB as their financial partner. For investment credit takers the Bank also offered a unique option to postpone a credit principal installment once a year. The Bank's relationships with SME segment were positively affected by allocation of a personal relationship manager to each SME customer who is charged to maintain long-term relationship with them.

In the first six months of 2013 agriculture and food processing sectors remained to be among the most important segments to *AB DNB Bankas* and financing to farmers and agricultural enterprises for working capital and investments had increased. The Bank continued close co-operation with the state agricultural credit fund *UAB „Žemės ūkio paskolų garantijos fondas"*, extending credits secured by guarantees of this state institution. In the reporting period the Bank continued cooperation with partners trading goods for agricultural sector embedding more favorable financing terms to farmers, agricultural companies and other enterprises purchasing products from these partners. The major advantage of these programmes was that farmers would enjoy interest-

free financing without collateral as the credits were backed by guarantees of the state rural credit guarantee fund while the seller of the production would pay the interest on the credit to the Bank. To extend its product line in the first half of 2013 *AB DNB Bankas* started granting collateral free credit to breeding and dairy farms' working capital.

During the reporting year the Bank continued cooperation with *UAB „Investicijų ir verslo garantijos“* and extended micro credits and loans backed by guarantees of this state institution.

The Bank, in cooperation with leasing and investment management subsidiaries, offered corporate customers a variety of solutions that meet the borrowing, investment and settlement needs of companies. Favorable offers were made not only for businesses but also for employees of corporate customers.

#### Investment banking

*AB DNB Bankas'* investment banking activity includes trading in securities, liquidity management, funding arrangement for the Bank and its subsidiaries, full service brokerage services, provision of leverage solutions for private and corporate customers including derivative and structured products, as well as corporate finance services, including M&A advisory and fund-raising.

The main sources of investment banking income were foreign exchange, securities brokerage and commission income from DNB Trade™ on-line platform in the first six months of 2013. The bank's foreign exchange turnover in the first six months of 2013 made LTL 8.5 billion and generated LTL 5.8 million income to the Bank. Securities brokerage income reached LTL 3.5 million on turnover of LTL 4 billion within the reporting period.

The turnover through the DNB Trade™ on-line platform was LTL 35.9 billion and generated LTL 1.3 million income. DNB Trade™ is an electronic real-time trading platform, which offers wide choice of financial instruments worldwide including FOREX, equities (over 20 bourses), CFDs and futures.

#### SUBSIDIARIES

On 30 June 2013 *AB DNB Bankas* owned the following subsidiaries: *UAB DNB Investicijų Valdymas*, *AB DNB Lizingas*, *UAB DNB Būstas*, *UAB Industrius* and *UAB Intractus* and its subsidiary *Gėlužės projektai*.

#### *UAB DNB Investicijų Valdymas*

Name	UAB DNB Investicijų Valdymas
Legal status	Limited company
Date and place of registration	Registered with the State enterprise Centre of Registers on 19 August 2003
Company code	226299280
Registered and actual office address	J. Basanavičiaus g. 26, Vilnius, Lietuvos Respublika
Telephone numbers	(+370 5) 239 3567
Fax number	(+370 5) 239 3473
E-mail	<a href="mailto:investicija@dnb.lt">investicija@dnb.lt</a>
Website	<a href="http://www.dnb.lt">www.dnb.lt</a>
Number of the permission to be engaged in the activities of a management company	VĮK –003

*AB DNB Bankas* 100 percent owned subsidiary *UAB DNB Investicijų Valdymas* is engaged in management of pension and investment funds. It is the country's third largest asset management company in terms of assets.

On 30 June 2013 *UAB DNB Investicijų Valdymas* managed three II pillar pension funds, two III pillar pension funds and two investment funds.

The assets under management of *UAB DNB Investicijų Valdymas* made LTL 551.5 million as at the end of June 2013. It was 8.2 percent or LTL 85 million less compared to the year-start due to maturity of portfolio management agreement with one legal entity. Other assets, including II pillar pension and investment funds, increased by LTL 35.9 million during the first six months of 2013.

Results of funds under management as of 30 June 2013:

Fund	Equity part, %	YTD	Benchmark YTD
DNB pensija 1	0%	0,04%	-0,01%
DNB liquidity fund		0,07%	0,00%
DNB pensija 2	<25%	0,99%	-0,05%
DNB pensija 3	<50%	2,14%	0,13%
DNB papildoma pensija		1,42%	-0,59%
DNB papildoma pensija 100	100%	3,95%	0,57%
DNB equity fund of funds		4,38%	1,01%

#### AB DNB Lizingas

Name	AB DNB Lizingas
Legal status	Joint stock company
Date and place of registration	Registered with the State enterprise Centre of Registers on 6 March 1998
Company code	124385737
Registered office address	J. Basanavičiaus str. 26, Vilnius, Republic of Lithuania
Actual office address	J. Basanavičiaus str. 26, Vilnius, Republic of Lithuania
Telephone number	(+370 5) 239 3030
Fax number	(+370 5) 239 3031
E-mail	<a href="mailto:lizingas@dnb.lt">lizingas@dnb.lt</a>
Website	<a href="http://www.dnb.lt">www.dnb.lt</a>

AB DNB Lizingas is the Bank's subsidiary that provides vehicle, agriculture machinery, equipment and real estate leasing services to corporates and private individuals. For customer convenience AB DNB Lizingas services are provided using the nation-wide AB DNB Bankas branch network. AB DNB Bankas is the sole shareholder of the leasing subsidiary owning 100 percent of its LTL 130 150 000 registered authorized share capital.

At the end of the reporting period AB DNB Lizingas leasing portfolio before provisions was LTL 378,9 million recording 3.7 percent growth compared to the year-start. The company's leasing portfolio to private individuals rose 11 percent over the reporting period to LTL 36.5 million outpacing market growth. Its leasing portfolio for legal entities dynamics matched the country's leasing market trend. It went up 3.0 percent compared to the year-start and made LTL 342.1 million as at the end of June.

Responding to the market trend AB DNB Lizingas continued to focus on its portfolio quality, credit risk management, and further improvement of customer service quality and increase of new sales during the reporting period.

#### UAB DNB Būstas

Name	UAB DNB Būstas
Legal status	Limited liability company
Date and place of registration	Registered with the State enterprise Centre of Registers on 10 January 2007
Company code	300631876
Registered office address	J. Basanavičiaus str. 26, Vilnius, Republic of Lithuania
Actual office address	Švitrigailos str. 11M, LT-03228 Vilnius, Republic of Lithuania
Telephone number	(+370 5) 2499 277
Fax number	(+370 5) 2499 276
E-mail	<a href="mailto:info@dnbbustas.lt">info@dnbbustas.lt</a>
Website	<a href="http://www.dnbbustas.lt">www.dnbbustas.lt</a>

UAB DNB Būstas is a subsidiary of AB DNB Bankas that provides brokerage services in the country's real estate market. The company also sells franchises to real estate brokerage companies and individual brokers. On 30 June 2013 AB DNB Bankas owned 75.47 percent of UAB DNB Būstas registered authorized capital of LTL 1,378, 000 and the remaining 24.53 percent in the company was owned by the Bank's subsidiary AB DNB Lizingas.

UAB DNB Būstas carried out its activities in Vilnius, Kaunas, Klaipėda, Palanga, Šiauliai, Druskininkai, Mažeikiai, Akmenė, Skuodas and the surrounding regions in 2013. At the end of the reporting period three real estate brokerage companies and 46 individual brokers were providing real estate brokerage services under franchise agreements with UAB DNB Būstas. During the reporting period UAB DNB Būstas retained its leading position in newly constructed residential segment and was among the largest real estate brokerage companies in terms of sales and number of listings.

In the first half of 2013 UAB DNB Būstas income rose to LTL 1.5 million compared to LTL 0.92 million in the same period the year before. UAB DNB Būstas brokers sold real estate assets worth LTL 115.36 million during the reporting period.

#### UAB Intractus

Name	UAB Intractus
Legal status	Limited liability company
Date and place of registration	Registered with the state enterprise Centre of Registers on 6 August 2009
Company code	302424698
Registered office address	J. Basanavičiaus str. 26, Vilnius, Republic of Lithuania
Actual office address	Liejyklos g.3, LT-01120 Vilnius, Republic of Lithuania
Telephone number	(+370 5) 243 1679
Fax number	(+370 5) 243 1681
E-mail	<a href="mailto:intractus@intractus.lt">intractus@intractus.lt</a>
Website	-

The Bank's subsidiary UAB Intractus is a limited liability company set up for efficient management of foreclosed real estate assets. The company is entitled to effect operations related to the efficient management of real estate, such as buying, selling, letting of real estate and planning its development. On 30 June 2013 AB DNB Bankas was the sole shareholder of UAB Intractus with a registered authorized share capital of LTL 111 247 100.

The real estate assets on the UAB Intractus' consolidated statement of financial position were LTL 216 million as of 30 July 2013 including land plots, buildings and premises.

UAB Intractus fully owned a limited liability company UAB Gėlužės projektai (company code 301135524) with authorized capital of LTL 24.9 million as at the end of the reporting period. UAB Gėlužės projektai develops one project.

On 30 June 2013 UAB Intractus owned 0.13 percent of UAB Industrious (company code 302593805) registered shares.

#### UAB Industrious

Name	UAB Industrious
Legal status	Limited liability company
Date and place of registration	Registered with the state enterprise Centre of Registers on 15 February 2011
Company code	302593805
Registered office address	J. Basanavičiaus str. 26, Vilnius, Republic of Lithuania
Actual office address	J. Basanavičiaus str. 26, Vilnius, Republic of Lithuania
Telephone number	(+370 5) 243 1679
Fax number	(+370 5) 243 1681
E-mail	-
Website	-

The Bank's subsidiary UAB Industrious is a limited liability company set up for efficient management of foreclosed real estate assets marked not for further development status. On 30 June 2012 UAB Industrious' authorized capital was LTL 29 849 000 after its increase by LTL 10 737 000 in non-monetary contributions of the Bank. Following the increase on 30 June 2013 AB DNB Bankas owned 99.79 percent of UAB Industrious ordinary registered shares and 0.13 percent of the company's shares were owned by the Bank's subsidiary UAB Intractus.

At the reporting date *UAB Industrious* real estate assets on the balance sheet was LTL 35 million, including real estate like land plots, buildings and premises.

## RISK MANAGEMENT AND INTERNAL CONTROL

The permanently functioning internal control system and risk management framework are implemented in the Group. The internal control – as a system of organisational measures, actions and internal procedures – ensures effective and efficient operations and prudent conduct of business, compliance with laws and regulations, adequate assessment and control of risks, as well as reliability of financial and non-financial information and submission thereof in a timely manner.

The Group analyses, evaluates, accepts and manages the risk or combinations of risks it is exposed to. The aim of risk management in *AB DNB Bankas group* is assuring an acceptable return on equity pursuing the conservative policy of risk management. While implementing a sound risk management policy the Group focuses not only on minimizing potential risk but also on improving pricing and achieving efficient capital allocation. Risk-related activity of the Bank and the Group has been strictly restricted by applying the system of limits. Limitations are set and supervision thereof is executed on a centralized basis at the Group level.

The risk management function of the Group is organized in such a way that ensures efficient risk management and facilitates the realization of the tasks stipulated in the Risk management strategy. The management of separate risks of the Group falls under responsibility of structural units within their competence limits. The function of all-type risk control is segregated from risk taking, i.e. from the front-office units.

The Bank assesses and manages credit, liquidity, market (interest rate, foreign exchange rate, equity price), operational (including compliance and legal) and other risks it is exposed to in its activities. Credit risk is the dominant in the Bank's risk structure. Detailed information about financial risks assessment and management is provided in section Financial Risk Management of the *AB DNB Bankas 2012* consolidated financial statements. The risk management principles have not changed significantly during the reporting period. The risk management processes were further improved with the aim to implement practice applied by the parent bank *DNB Bank ASA* and in order to use the more advanced methods for calculation of capital requirement for credit risk in the future.

As a result of pursuing the appropriate risk management policy over the reporting period the Bank was compliant with all prudential requirements set by the Bank of Lithuania.

Compliance with prudential requirements:

30 June 2013 (percent)

Ratio	Bank	
Liquidity	42.77	
Capital adequacy	15.39	
Overall open position	0.08	
Maximum position in one currency (KZT)	0.03	
Maximum exposure to one borrower	< = 25 pct.	14.61
	< = 75 pct. (for subsidiaries)	52.50
Liquidity buffer covers net funding gap under stressed market conditions according to possible scenario during survival period (expressed as the number of times)	9.2	

The duly established and regulated control function is operating in the Bank. The control function includes risk control, compliance and internal audit function. The risk control function is performed by the Operational Risk Department, Risk Quantification and Portfolio Analysis Department and Markets and Treasury Support and Control Unit. The compliance function is performed by the Compliance Unit and the internal audit function – by the Internal Audit Department. Each control function periodically submits reports to the management of the Bank and *DNB Bank ASA*.

## RATINGS

With Norway's *DNB Bank ASA* becoming the sole shareholder of the Bank 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 available on the Bank's website [www.dnb.lt](http://www.dnb.lt) in the section About the Bank – Financial Reports – Ratings.

STRATEGY AND PLANS

The strategy and plans of *AB DNB Bankas* remained unchanged from the ones presented in the 2013 annual report. *AB DNB Bankas*' strategy based on common platform for the group's banks operating in the Baltic countries and named "Building the future" puts prime focus on a customer centric business model and long term value creation to customers, employees, shareholders and the society rather than product development or market share growth alone. For its customers *AB DNB Bankas* aims to be present and attentive, offer competitive prices, attractive products and be responsive and clear. This is aimed at to achieve a balanced growth of the customer portfolios and a higher penetration of all banking products and services.

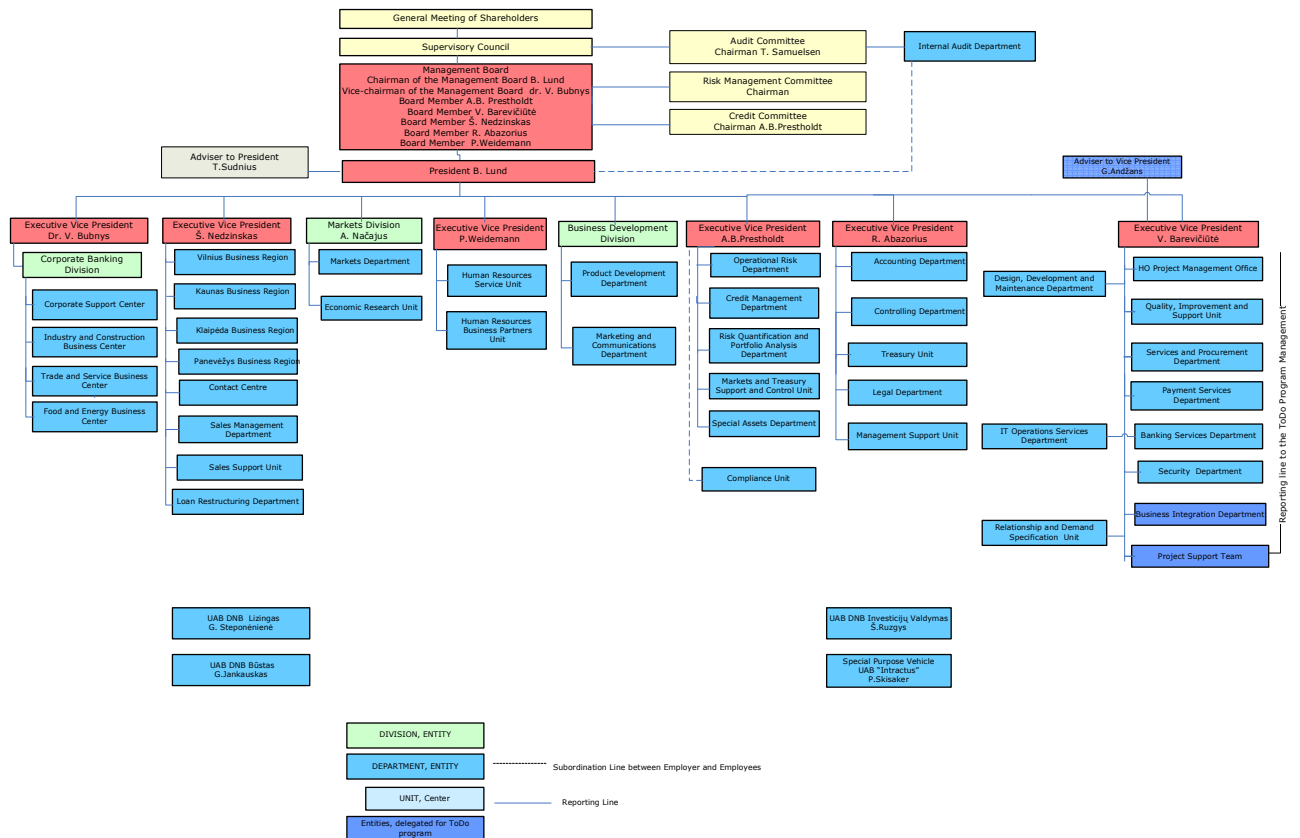
The Bank targets to further improve the quality of its loan portfolios, achieve better operational efficiency and continuously develop the competences of its employees. One of the key outstanding success factors remains the full scale implementation and migration of all existing applications to the new IT platform by the end of 2013. The bank also aims to capitalize on its affiliation to the *DNB group* by utilizing common product solutions and competences within the integrated organizational set-up.

Additionally *AB DNB Bankas* aims to contribute to maturing the Lithuanian financial market with clear stance on banking and economic issues, considering responsible banking and business ethics and promoting fundamentals of banking. To the Lithuanian society the bank aims to be perceived as transparent, socially responsible, educating people in financial and banking issues as well as supporting children and youth programmes and the Lithuania's men national basketball team.

INVESTMENTS

Investments into property, plant, equipment and intangible assets done during the first six months of 2013 are described in notes 6 and 7 of the consolidated financial statements of this interim consolidated report.

ORGANIZATIONAL MANAGEMENT STRUCTURE OF THE ISSUER



No relevant changes to the organizational management structure were planned during the period of preparation of this report.

## MANAGEMENT OF THE ISSUER

The Bylaws of *AB DNB Bankas* provide that the bodies of the Issuer are the following: General Meeting of Shareholders, Supervisory Council, Management Board and Chief Executive Officer (President).

The General Meeting of Shareholders of the Issuer:

- amends the Bylaws of the Issuer, save for the exceptions stipulated in laws;
- elects the Supervisory Council or the individual Members thereof;
- removes the Supervisory Council or the individual Members thereof;
- elects and removes the audit company, establishes the terms and conditions of payment for audit services;
- approves the annual financial statements of the Issuer and the report on the performance of the Issuer;
- establishes the class, the number and sets the nominal value and the minimum issue price of the shares to be issued by the Bank;
- makes the decision to issue the convertible bonds;
- makes the decision to withdraw the pre-emptive right to acquire the shares or convertible bonds of the specific issue of the Issuer from all the shareholders;
- makes the decision to convert the Issuer's shares of one class into the shares of another class, to approve the share conversion procedure;
- adopts the decision on the profit (loss) distribution;
- adopts the decision on the formation, use, reduction and liquidation of reserves;
- adopts the decision to increase the authorised capital;
- adopts the decision to reduce the authorised capital save for the exceptions stipulated in laws;
- adopts the decision to acquire the Issuer's own shares;
- adopts the decision on the reorganization or division of the Issuer and to approve the terms and conditions of the reorganization or division;
- adopts the decision to transform the Issuer;
- adopts the decision to liquidate the Issuer, to cancel the liquidation of the Issuer, except in the events stipulated in laws;
- adopts the decision to elect and remove the liquidator of the Issuer, except in the events stipulated in laws.

The General Meeting of Shareholders may also make decisions on other issues unless they are attached to the competence of other bodies of the Issuer according to laws or the Bylaws of the Issuer and unless they are the functions of the management bodies of the Issuer by their essence. The General Meeting of Shareholders shall not delegate the issues attached to its competence for other bodies of the Issuer to decide.

The Supervisory Council of the Issuer shall be a collegial supervisory body supervising the operation of the Issuer. The Chairman of the Supervisory Council shall be in charge of the Supervisory Council. The General Meeting shall elect 5 Members of the Supervisory Council. At such election, every shareholder shall have the number of votes equal to the number of the votes granted by his/her shares multiplied by the number of the Supervisory Council Members to be elected. These votes shall be cast, at the shareholders' sole discretion, for one or for several candidates. The candidates who receive the greatest number of votes shall be elected. Should the number of the candidates who have received an equal number of votes be greater than the number of the vacancies on the Supervisory Council, a repeat voting shall be held, and in such voting each shareholder shall vote only for one of the candidates who have received the equal number of votes. The Supervisory Council shall be elected for the period of 4 years.

The Supervisory Council:

- elects the Management Board Members and removes them from the office, makes proposals to the Management Board with regard to the candidate Chairman of the Management Board. Establishment of the salaries and other terms and conditions of the respective employment contracts of the Management Board Members holding other offices in the Issuer, the President and the Executive Vice Presidents shall be subject to obtaining of the prior consent of the Supervisory Council. If operation of the Issuer generates losses, the Supervisory Council shall consider whether the Management Board Members are suitable to hold the office;
- supervises the activity of the Management Board and the President;
- approves the Regulations of the Supervisory Council;
- approves the business plans of the Issuer;
- ensures the existence of the effective internal control system in the Issuer;
- makes the proposals and comments to the General Meeting on the Issuer's business strategy, the Issuer's annual financial statements, the draft profit (loss) distribution and the report on the performance of the Issuer as well as on the performance of the Management Board and the President;
- approves the lending policy and establishes the procedure for the lending which is subject to the approval of the Supervisory Council;
- makes the proposal for the Management Board and the President to revoke their decisions which contradict laws and other legal acts, the Bylaws of the Issuer or the decisions of the General Meeting of Shareholders;
- establishes the transactions and the decisions which are subject to obtaining of the consent of the Supervisory Council prior to the conclusion or implementation thereof by the management bodies of the Issuer;
- takes the decisions on the issues within the competence of the Supervisory Council under the procedures, the approval whereof are delegated to the Supervisory Council under laws, the Bylaws of the Issuer and the decisions of the General Meeting of Shareholders;
- discusses or resolves other issues which under laws, the Bylaws of the Issuer and the decisions of the General Meeting of Shareholders shall be discussed and resolved by the Supervisory Council.

The Management Board of the Issuer is a collegial management body consisting of 7 Members. The Management Board shall be elected by the Supervisory Council for 4 years. Where individual Members of the Management Board are elected, they shall be elected for the period remaining until the expiry of the term of office of the current Management Board. A Member of the Management Board may resign from his/her office prior to the expiry of the term of office subject to a written notice thereof to the Issuer at least 14 days in advance. The Management Board shall discuss and approve:

- the management structure of the Issuer and the job positions;
- the positions to be filled in by the way of competition;
- the regulations of the branches, representative offices and other individual outlets of the Issuer;
- the lending procedure of the Issuer, in accordance with the lending policy approved by the Supervisory Council;
- the Issuer's procedure for issuing of guarantees and sureties and assuming of other obligations;
- the procedure for writing off of loans and other debt obligations;
- the Regulations of the Credit and the Risk Management Committees.

The Management Board shall elect (appoint) and remove the President and the Executive Vice Presidents. The Management Board shall establish the salary of the President and other terms and conditions of his employment contract, approve his job description, apply incentives to or impose penalties on him. The Management Board shall determine what information shall be deemed to be a commercial secret of the Bank.

The Management Board shall adopt:

- the decisions for the Issuer to become a founder, a member of other legal persons;
- the decisions to establish branches, representative offices and other individual outlets of the Issuer and to terminate their operation;
- the decisions on the investment, transfer, lease of the fixed assets at the book value above 1/20 of the authorised capital of the Issuer (per each type of transaction);
- the decisions on the pledge and mortgage of the fixed assets at the book value above 1/20 of the authorised capital of the Issuer (in the aggregate amount);
- the decisions on the issuing of guarantees or sureties for the fulfillment of the obligations of other persons in the amount above 1/20 of the authorised capital of the Issuer;
- the decisions on the acquisition of the fixed assets for the price above 1/20 of the authorised capital of the Issuer;
- the decisions on the issuing of non-convertible bonds;
- the Regulations of the Management Board;
- the decisions on other issues which shall be discussed or resolved by the Management Board under laws and the Bylaws of the Issuer.

The Management Board shall establish:

- the terms and conditions of the share issue of the Issuer;
- the procedure for the issuing of bonds of the Issuer. Where the General Meeting of Shareholders takes the decision on the issuing of the convertible bonds, the Management Board shall have the right to establish additional terms and conditions of their issuing and to approve the bond subscription agreements to be signed by the President or the persons duly authorized thereby;
- the procedure for the recruitment of employees by the Issuer and the events when recruitment of employees by the Issuer shall be subject to the consent of the Management Board.

The Management Board shall implement the decisions taken by the General Meeting of Shareholders and the Supervisory Council. The Management Board shall analyse and assess the information submitted by the President on the following issues:

- the implementation of the business strategy of the Issuer;
- the organisation of the business of the Issuer;
- the financial state of the Issuer;
- the results of the business activities, the income and expenditure estimates, the stocktaking data and other accounting data of the changes in the assets.

The Management Board shall analyse and assess the draft annual financial statements of the Issuer and the draft profit (loss) distribution, and shall submit them to the Supervisory Council and the General Meeting of Shareholders. The Management Board shall establish the methodology for the calculation of the depreciation of the tangible assets and the amortization of the intangible assets to be applied in the Bank.

The President shall be a single person management body of the Issuer. The President shall act as follows:

- organise the daily operation of the Issuer;
- hire and dismiss the employees of the Bank, conclude and terminate the employment contracts with them, apply incentives to and impose penalties on them;
- establish the rates applied in the calculation of the depreciation of the assets in the Bank;
- represent the Bank in the relations with other persons, the court and the arbitrage without a special power of attorney;
- issue and revoke the powers of attorney and powers of procurator of the Bank;
- issue orders;
- perform any other actions necessary to perform his functions, to implement the decisions of the bodies of the Bank and to ensure of the operation of the Bank.

The President shall be responsible:

- for the organization of the operation and the realization of the objectives of the Issuer;
- for the drawing up of the annual financial statements;
- for the drawing up of the contract with the audit company;
- for the submission of the information and documents to the General Meeting of Shareholders, the Supervisory Council and the Management Board in the events stipulated in laws or upon their request;
- for the submission of the documents and particulars of the Issuer to the administrator of the register of legal persons;



- for the submission of the documents to the Securities Commission and the Central Securities Depository of Lithuania;
- for the publishing of the information stipulated in laws and other legal acts in the daily stipulated in the Bylaws if the Issuer;
- for the submission of the information to the shareholders;
- implementation of the provisions of the Law on Money Laundering Prevention;
- for the performance of other duties stipulated in laws and legal acts, the Bylaws of the Issuer and the job description of the President.

The President shall act on behalf of the Issuer and shall have the right to conclude transactions at his own discretion save for the exceptions stipulated herein or in the decisions of the bodies of the Issuer.

#### SUPERVISORY COUNCIL

According to the Bylaws the Supervisory Council of *AB DNB Bankas* consists of five members. As of 30 June 2013 the Supervisory Council consisted of four members. The term of office of the existing Supervisory Council expires on 18 March 2014.

On 1 March 2013 Leif Rene Hansen was elected to the Supervisory Council, after Margrethe Melbye Grønn and Olaf Tronsgaard resigned from the positions of members of the Supervisory Council on 26 February 2013.

Two meetings of the Supervisory Council were held during the reporting period.

Information about position, office term, education, professional qualification and management competence of the members of the Supervisory Council:

Name	Position	Information on start and end of holding the office		Education	Information about management competence and experience
		Start	End		
Terje Turnes	Chairman of the Supervisory Council	01 03 2011	18 03 2014	Trondheim School of Economics; Diploma in economics and administration; the Norwegian School of Marketing Diploma in Marketing; Norwegian School of Economics and Business administration, MBA	Den norske Bank ASA, DnB NOR Bank ASA, various positions (1997-2010); DnB NOR Bank ASA, Head of Baltic and Poland Division (since 2010)
Tony Samuelsen	Member of the Supervisory Council	18 03 2010	18 03 2014	Norwegian School of Economics and Business Administration, diploma in economics and business administration	DnB NOR, New York, CEO, (1995-1998); DnB NOR, London, CEO (2000-2005); DnB NOR A/S, Chief financial officer (2006-2008); DnB NOR vice-president (since 2008)
Eline Skramstad	Member of the Supervisory Council	11 12 2012	18 03 2014	Science and Technology University of Norway, Master degree	DNB Bank ASA/Den norske Bank ASA account manager (2001-2005); DNB Bank ASA vice president (2005-2009)DNB BANK ASA senior vice president (2009 - 2012); <i>DNB Bank ASA</i> senior credit officer (since 2012)
Leif Rene Hansen	Member of the Supervisory Council	01 03 2013	18 03 2014	Trade School, Kolding branch; certificate of the state authorised auditor	KPMG Lithuania partner and managing director (1994-2009); DNB Poland, DNB Lithuania and DNB Latvia member of the Internal Audit Committees (since 2009), member of the Supervisory Council of DNB Poland (since 2010)

## MANAGEMENT BOARD

According to the Bylaws the Management Board of *AB DNB Bankas* consists of seven members. All members of the Management Board were appointed until the end of the term of office of the Bank's Supervisory Council that expires on 18 March 2014.

No changes in the composition of the Bank's Management Board took place in the first six months of 2013.

Information about position, office term, education, professional qualification and management competence of the members of the Management Board:

Name	Position	Information on start and end of holding the office		Education	Information about management competence and experience
		Beginning	End		
Bjørnar Lund	Chairman of the Management Board, president	06 05 2011	18 03 2014	Norwegian School of management, economist	DnB NOR Bank ASA, various positions (1987 – 2011)
Dr. Vygintas Bubnys	Vice-chairman of the Management Board, Executive Vice-president	18 03 2010	18 03 2014	Vilnius University, PhD, Economist-mathematician	AB Lietuvos Taupomasis Bankas, Chairman of the Management Board (1991 – 1997); FBC Balticum Managment, Advisor, Deputy Manager, Manager (1997-2000); AB Lietuvos Žemės Ūkio Bankas, Advisor to the Chairman of the Management Board (2000-2002); AB Lietuvos žemės ūkio bankas (later AB bankas NORD/LB Lietuva), member of the Management Board (2002-2003); AB bankas NORD/LB Lietuva, (later AB DnB NORD bankas), vice-chairman of the Management Board (since 2003)
Ramūnas Abazorius	Member of the Management Board, Executive Vice-president	18 03 2010	18 03 2014	Vilnius University, master in finance	AB Lietuvos žemės ūkio bankas, manager of the Asset and Liability Management Team (1999-2001); AB Lietuvos žemės ūkio bankas, manager of the Asset and Liability Management Unit of the Financial Risk Department (2001-2003); NORD/LB, manager of the Credit Risk Unit of the Financial Risk Department (2003-2004); DnB NORD bankas, manager of the Controlling Department (2004-2010)
Dr. Šarūnas Nedzinskas	Member of the Management Board, Executive Vice-president	18 03 2010	18 03 2014	Vilnius University, Diploma in Economics; Vytautas Magnus University, MBA, PhD	AB Lietuvos Žemės ūkio bankas, Manager of the Stock Brokerage Division, Deputy Director of the Deposits and Credit Department, Director of the Credit Department, Member of the Management Board (1994-1997); AB bankas Hermis, vice-chairman of the Management Board (1998-2000); SEB Vilniaus bankas, Director of the Business Development Department, Director of the Financial Institutions Department, Director of the Special Loans Department (2000-2003); UAB Švyturys – Utenos alus, Sales Director (2003-2004);

					AB Lietuvos draudimas, Member of the Board, Director of Business and Risk Department (2004-2007); AB FMI Finasta, Director, chairman of the Board (2007-2008); AB DnB NORD bankas advisor to the president (2008-2009), member of the Management Board (since 2009)
Vaineta Barevičiūtė	Member of the Management Board, Executive Vice-president	01 07 2011	18 03 2014	Vilnius University, law diploma; ISM university, MBA	Vilnius municipality, lawyer (1998-1999); State Tax Inspectorate at the Ministry of Finance, lawyer, deputy unit head (1999-2003); AB bankas NORD/LB Lietuva, DnB NORD bankas, unit manager, Internal audit department manager (2003-2011)
Anne Birgitte Prestholdt	Member of the Management Board, Executive Vice-president	01 02 2012	18 03 2014	The Norwegian School of Economics and Business Administration	DnB NOR Corporate Clients department, manager (1999-2003); SME Sarpsborg, manager (2003-2009); Assets Restructuring, manager (2009); Retail Norge, Akershus Østfold, Head of Quality (2009-2012)
Per Weidemann	Member of the Management Board, Executive Vice-president	01 08 2012	18 03 2014	Oslo Business school, Master of business administration and marketing	DNB Bank ASA senior relationship manager (1994 – 2008); DNB Bank ASA senior vice president (2008-2011); AB DNB bankas, advisor to the president (2012)

The members of the Supervisory Council and the Management Board have no shares of the Issuer.

The members of the Supervisory Council, the Management Board and the administrative bodies are not connected by any family relationship between any of them.

The members of the Supervisory council, the Management Board and the administrative bodies of the Bank have not been convicted for any crimes of forgery. They have not been publicly officially incriminated or imposed any sanctions by any regulatory authority over the period of past five years. They have not been disqualified by a court from holding office as the member of the bank's administrative, management or supervisory body acting in the management or conduct of the affairs of any Issuer.

The members of the Supervisory Council, the Management Board and the administrative bodies of the Bank have no interests of conflict between any duties to the Issuer and their private interests and/or other duties. The Issuer has not entered into any deal with the above mentioned persons outside his/her principal activities.

**Additional information about the Chairman of the Management Board-and and the Bank's president and Chief Financier:**

**Bjørnar Lund** (Chairman of the Management Board and the president of the Bank): holds diploma in economics from BI Norwegian School of Management. He has been working in the Bank since 2011. Previous work record:

Bjørnar Lund has been working in Norway's *DnB NOR Bank ASA* since 1987. He has extensive experience working in various managerial positions in corporate and retail banking in Norway. In addition, he has international experience working abroad as the head of the Nordic Desk of *DnB NOR Bank ASA* in Singapore.

Bjørnar Lund has no shares of the Issuer.

**Jurgita Šaučiūnienė** (Chief Accountant, Manager of the Accounting Department): Master's degree in business management from Vilnius University. Start of holding the office as Manager of the Accounting Department at the Bank in 2004. Previous work record:

Auditor Assistant, audit company TŪB "J. Kabašinskas ir partneriai" (1997 - 1998);  
Member of KŪB, J. Kabašinsko KŪB "JKP konsultacijos" (1998 - 1999);  
Agency NORD/LB bank / NORD/LB Vilnius branch – Account, Chief Accountant (1999-2003);  
Head of the Accounting Policy and Accountability Unit, *AB bankas NORD/LB Lietuva* (2003 - 2004).

Jurgita Šaučiūnienė has no shares of the Issuer.

## INFORMATION ON THE ACTIVITIES OF THE COMMITTEES OF THE ISSUER

In the reporting period Internal audit, Risk management, Credit and Remuneration committees were operating in *AB DNB Bankas*.

### Internal audit committee

*AB DNB Bankas* Internal audit committee is established by the Supervisory Council of the Bank. Its functions are as follows:

- supervising the functioning of the internal control system and risk management of the Bank,
- ensuring the efficiency of internal audit functions,
- approving the annual audit plan for the Internal audit department and supervising the audit process,
- with regard to the auditing procedure and accounting policy, observing the integrity of financial information,
- reviewing the conclusions and recommendations of the external auditor, monitoring their independence and impartiality,
- determining the risk areas of the Bank's operations to be audited by the Internal audit department and by the external auditor.

On 4 March 2013 the Supervisory Council of the Bank appointed Eline Skramstad as a new member of the Internal audit committee. She replaced Margrethe Melbye Grønn in that position.

Internal audit committee consists of three members:

<b>Chairman</b>	<b>Tony Samuelsen.</b> Employer - <i>DNB Bank ASA</i> .
<b>Members</b>	<b>Eline Skramstad.</b> Employer - <i>DNB Bank ASA</i> . <b>Leif Rene Hansen,</b> the independent member.

Members of Internal audit committee have no shareholdings in *AB DNB Bankas*.

In the first six months of 2013 three meetings of the Internal audit committee were held.

### Risk Management Committee

Risk management committee (hereinafter referred to as the RMC) is a non-structural unit of the Bank established by the resolution of the Management Board of the Bank. The chairman, the vice- chairman and the members of the RMC are appointed by the Management Board of the Bank. The RMC reports to the Management Board of the Bank. RMC is responsible for ensuring effective formation of optimal capital structure, liquidity and market risk management and control, Optimization of the Bank's asset and liability structure with regards to acceptable risk and return.

Competence areas of RMC:

- capital management of the Bank,
- market risk management,
- liquidity risk management,
- internal fund pricing,
- operational risk including compliance and legal risk.

Risk management committee consists of ten members:

<b>Chairwoman</b>	<b>Anne Birgitte Prestholdt,</b> Executive Vice president of the Bank.
<b>Vice-chairman</b>	<b>Ramūnas Abazorius,</b> Executive Vice-president of the Bank. <b>Dr. Šarūnas Nedzinskas,</b> Executive Vice-president of the Bank.
<b>Members</b>	<b>Dalius Darulis,</b> Manager of the Food and Energy Business Center <b>Andrius Načajus,</b> Manager of the Markets Division; <b>Mantas Gikys,</b> Manager of the Treasury Unit; <b>Michail Leontjev,</b> Manager of Markets and Treasury Support and Control Unit, <b>Šarūnas Vaineikis,</b> Manager of the Prevention Department, <b>Vaidas Žiedelis,</b> Manager of the Operational Risk Department, <b>Vytautas Danta,</b> Manager of the Compliance Unit.

Risk management committee held four meetings in the first half of 2013

Members of the Risk management committee have no shareholdings in *AB DNB Bankas*.

#### Credit committee

The regulations of the Credit committee of *AB DNB Bankas* and its composition are approved by the Management Board of the Bank. Its functions are as follows:

- discussing general situation of credit risk in the Bank;
- discussing and counseling decisions related with risk of significant exposures;
- discussing and approving exposure strategies towards problem borrowers;
- approving results of provisioning both for pool and individually assessed borrowers and leasing;
- reporting to Management board of the Bank on implementing the objectives on regular basis.

Credit committee consists of:

#### Chairwoman

**Anne Birgitte Prestholdt**, Executive Vice president of the Bank.

**Bjornar Lund**, President of the Bank

#### Members

**Dr. Vygintas Bubnys**, Executive Vice-president of the Bank

**Dr. Šarūnas Nedzinskas**, Executive Vice-president of the Bank

Representative from Credit management department

Representative from the Loan restructuring/Special assets department

Representative from the Corporate banking service

NOTE. Participation in the meetings of the Credit Committee is required depending on the competence level of the considered case and the segment of the client.

Twenty six meetings of the Credit Committee were held in the first six months of 2013.

Members of the Credit Committee have no shareholdings in *AB DNB Bankas*.

#### Remuneration committee

The Remuneration committee is set up by the Bank's supervisory council.

The committee is authorized to evaluate the variable remuneration policy and application thereof with the aim to manage the Bank's assumed risk, equity and liquidity, submit proposals on components of the remuneration package of the Bank's employees, supervise the variable remunerations of executives responsible for risk management and compliance control, prepare draft decisions regarding variable remuneration to be adopted, after approval of the Management Board of the Bank, by the Supervisory Council of the Bank with regard to long-term goals of the Bank, shareholders and investors.

The Bank's Remuneration committee consists of five members:

<b>Chairwoman</b>	<b>Sigutė Dindaitė-Kairienė</b> , Manager of the Human Resources Service Unit
<b>Members</b>	<b>Dalius Darulis</b> , Manager of the Food and Energy Business Center <b>Vytautas Jūras</b> , Manager of the Risk Quantification and Portfolio Analysis Department <b>Lijana Žmoginaitė</b> , Manager of the Sales Management Department, <b>Vytautas Naruševičius</b> , Manager of the Controlling Department

Members of the Remuneration committee have no shareholdings in *AB DNB Bankas*.

## EMPLOYEES

As of 30 June 2013 AB DNB Bankas employed 1 322 people and there were 1 353 employees in the Group. Their average monthly salary before taxes was LTL 4,270.

### Changes in the number of employees and salaries

	31 12 2009	31 12 2010	31 12 2011	31 12 2012	30 06 2013
Number of staff in the Bank	1,263	1,276	1,325	1,364	1,322
Number of staff in the Group	1,282	1,300	1,353	1,395	1,353
Average monthly salary in the Group in LTL	3,855	3,895	3,995	4,220	4,270

In the reporting period the number of AB DNB Bankas group employees averaged 1,373. The average monthly salary by main staff groups was as follows: LTL 8,490 to the administration (Members of the Management Board excluded); LTL 3,650 to specialists; LTL 2,230 to clerical staff and workers.

### The Group's staff by groups of positions as of 30 June 2013

	Number of employees	Staff structure by education		
		Higher	Specialised secondary (high)	Secondary
Administration	194	184	8	2
Specialists	1106	826	120	160
Clerical staff and workers	53	35	7	11
<b>Total</b>	<b>1353</b>	<b>1045</b>	<b>135</b>	<b>173</b>

## INFORMATION ON EXECUTIVE REMUNERATION POLICY

The guidelines and principals of AB DNB Bankas remuneration policy and of variable payments are presented in detail in item No. 24 of Consolidated Annual Report for the year 2012.

Information presented below for the first six months of 2013 is based on the data available on 30 June 2013. All amounts indicated are before taxes

### Overall quantitative information on remuneration divided by employee groups (total remuneration amount, total variable remuneration amount, number of employees)

AB DNB Bankas	Fixed remuneration	Variable remuneration	Number of recipients
Bank administration	989	785	7
Employees risk takers *	770	578	7
Employees	32,399	3,779	1,350
Total:	34,158	5,142	1,364

Variable remuneration was paid to the Bank's administration members for performance results of 2012.

The structure of the variable remuneration:

AB DNB Bankas	Variable remuneration paid in cash	Allocated deferred variable remuneration in shares	Non-allocated deferred variable remuneration in shares
Bank administration	395	130	260
Employees risk takers *	289	96	193
Employees	3,659	0	120
Total:	4,343	226	573

\*Indicated variable remuneration paid for 2012 result

### Amount of deferred variable remuneration allocated in the financial year, paid out and adjusted in respect of the performance results

In 2013 no such adjustments were made

**Amount of guaranteed variable remuneration provided under new agreements and severance payments in the financial year and the number of recipients of such payments**

No guaranteed variable remuneration was provided.

**Amounts of severance pays allocated in the financial year, number of recipients of such pays and the largest allocated amount per person:**

AB DNB Bankas	Number of recipients	Severance payments amount	Largest amount per person
	43	1,115	133

The Bank has no special commitments for employees regarding severance payment except the listed below:

- a) The employment contract of two members of the Management Board who also act as executive vice-presidents of the Bank provide that the Bank shall pay to the employee a severance pay amounting to his/her three average monthly salaries, unless a higher severance pay amount is established by law, when the employment contract terminates or is cancelled on one of the following grounds:(a) on the Employers' will, (b) on the Employer's initiative, when the Employee is not at fault, (c) when the Employee refuses to be transferred together with the Bank (its unit) to another location, (d) when the Employee refuses to work after the introduction of changes to the employment conditions, (e) when the medical commission or the commission for the establishment of disability concludes that the Employee is unable to work under the employment contract.
- b) The employment contract of two members of the Management Board who also act as executive vice-presidents of the Bank provide that the Bank shall pay to the employee a severance pay amounting to his/her six average monthly salaries, unless a higher severance pay amount is established by law, when the employment contract terminates or is cancelled on one of the following grounds:(a) on the Employers' will, (b) on the Employer's initiative, when the Employee is not at fault, (c) when the Employee refuses to be transferred together with the Bank (its unit) to another location, (d) when the Employee refuses to work after the introduction of changes to the employment conditions, (e) when the medical commission or the commission for the establishment of disability concludes that the Employee is unable to work under the employment contract.
- c) The employment contract of the advisor to president of the Bank provide that the Bank shall pay to the employee a severance pay amounting to his/her nine average monthly salaries, unless a higher severance pay amount is established by law, when the employment contract terminates or is cancelled on one of the following grounds:(a) on the Employers' will, (b) on the Employer's initiative, when the Employee is not at fault, (c) when the Employee is not returned to the position of Executive Vice President of the Bank.

Additional retirement benefit or early retirement scheme does not apply for Members of Management Board.

**Information on amounts allocated within the reporting period to the Bank's Management Board Members holding other positions at the Bank and to the Chief Financier**

In 2013 no assets were gratuitously transferred or guarantees granted to these employees on behalf of the Bank. The information below shows the amounts allocated to these persons in total and the average amounts allocated to the Bank's executives, chief executive officer, and chief financial officer. Information on amounts paid individually to each person is not provided following the regulations related to the Bank's secret and personal data protection requirements.

	Allocated amounts
<b>Overall amount to the Bank's all executives and to the chief financier.</b>	<b>1,423</b>
Under employment agreement	1,085
Employer's social insurance contributions	338
<b>Other payments including the employer's social insurance contributions*</b>	<b>350</b>
<b>Average per executive and chief financier of the Bank.</b>	<b>203</b>
Under employment agreement	155
Employer's social insurance contributions	48

\*expenses related with car rent, accommodation and settling

**INFORMATION ON HARMFUL TRANSACTIONS CARRIED OUT ON BEHALF OF THE ISSUER DURING THE REPORTING PERIOD**

During the reporting period neither *AB DNB Bankas* nor the Group were engaged into harmful transactions that would be contradictory to the goals of the company, were carried out opposite to usual market terms or could harm the interests of the Bank's shareholder or other groups of interested persons.

**PROCEDURE FOR AMENDING THE BYLAWS**

Following the effective Bylaws of the Issuer (the recent wording of the Bylaws registered with the Register of Legal Entities on 8 April 2013), and the Law on Joint Stock Companies, the Bylaws of the Issuer may be amended by decision of the General Meeting of Shareholders taken by at least 2/3 of the votes of all the shareholders participating in the General Meeting of Shareholders, save for the exceptions established by law.

#### INFORMATION ON LEGAL OR ARBITRAL PROCEEDINGS

During the period from 1 January 2013 to 30 June 2013 the number of litigation (arbitration) proceedings, where Bank is a party, has not increased significantly. The legal cases are related to the financial services provided by the Bank, i.e. executions of the obligations assumed by the customers to the Bank are disputed.

As at the end of the reporting period the Bank was a defendant in 21 civil cases, the total disputed amount being approximately LTL 34.06 million. The disputes are related to equity linked bond issued by the Bank in 2006-2008, which were acquired by the claimants from the funds borrowed from the Bank. Due to unfavorable market terms the bonds did not record sufficient returns while the obligation of the customers to pay interest on the granted loans remained. The customers state that the relevant risks and circumstances were not properly disclosed, i.e. the Bank provided investment services not in compliance with legal requirements. The Bank takes the consistent position that the information was properly disclosed and the investment services were rendered to the clients in accordance with the legal requirements

On 20 December 2012 the Competition Council of the Republic of Lithuania adopted Resolution No. 2S-15 regarding *AB SEB Bank, AB Swedbank AB, DNB bank, UAB First Data Lithuania and UAB Lithuania G4S* 'operational compliance with the requirements of article 5 of the Lithuanian competition law and requirements of article 101 of the Treaty on the Functioning of the European Union and ruled that the parties, including *AB DNB Bankas*, had violated the aforementioned requirements of article 5 of the Lithuanian competition law and the requirements of article 101 of the Treaty on the Functioning of the European Union. The Competition council imposed a fine of LTL 8,630,200 to the Bank. The Bank appealed the resolution to the Vilnius Regional Administrative Court on 9 January 2013. The aforementioned decision also was appealed by *AB SEB bankas, Swedbank AB, UAB G4S Lietuva, Eurocash1 and UAB First Data Lithuania*. On 18 June 2013 the court decided to reduce the fine imposed by the Competition Council to the banks, including *AB DNB Bankas*, by 60 percent. The Bank continues to hold its position it did not violate the competition law therefore appealed to the Lithuanian Supreme Administrative Court on 2 July 2013 seeking for the annulment of the Vilnius Regional Administrative court decision and requesting to satisfy the Bank's claim against Competition Council Resolution to full extent.

#### SOCIAL PROJECTS

Over the first six months of 2013 *AB DNB Bankas* actively supported relevant future-oriented local and nation-wide social initiatives and shared its expertise and skills with the society.

In the first half of 2013 the Bank's primary focus was on educational projects. For a second consecutive year the Bank continued the project LIFTAS dedicated to promotion of youth entrepreneurship which attracted active participation of even 70 gymnasiums of Lithuania. The Bank invited SE Versli Lietuva (the agency Enterprise Lithuania) and ISM University to become LIFTAS project partners. Moreover, collectively with them for a few years already the Bank is running a number of projects aimed at improvement of business environment in Lithuania, promotion of entrepreneurship and development of practical instruments for business start-ups.

To promote science and innovations in 2013 a 10th year already the Bank awarded the Best Thesis along with the Lithuanian Society of Young Researchers. The Bank continued close cooperation with Lithuanian higher education schools, with the Bank's partner ISM University in particular, by contributing to their program called 100 Talents and by involving their students in practical business projects.

To promote rational behaviour in finance management and good saving habits the Bank invited to "Make an agreement with yourself" and reinforce that by participating in *DNB half marathon* in Vilnius. *Nike I run Vilnius/DNB half marathon* attracted more than 5 000 participants. Next year the running event is planned to be of larger-scale by contributing in parallel to both the running and saving cultures. Moreover, in the spring 2013 the Bank launched an initiative "*DNB Nordic walking club*" and invited to join free walking exercises in Vilnius Vingis Park.

To promote future-oriented projects the Bank encourages not to forget the history – in 2013 the Bank initiated a new project in Vilnius "*V-16 – Day of Excursions*" dedicated to the Lithuanian Independence Day. This project received great public support and is planned to be continued.

Showing its commitment to long-term partnership, in 2013 the Bank marks a 11-year partnership with the Lithuanian Basketball Federation. Sponsorship of the Lithuanian National Men's Basketball Team is the main sports sponsorship project of the Bank.

To promote and support the culture and arts, in 2013 the Bank contributed to the staging, for the first time in Lithuania, of V.A.Mozart's opera "*Così fan tutte (Thus do They All)*" by D.İbelhauptaitė together the innovative artists – the Bohemians' Group. Moreover, the Bank continued to sponsor Kaunas Musical Theatre and such events like the festival "Operetta in Kaunas Castle" and Klaipėda Castle FAZZ festival.

**The President of AB DNB Bankas**



**Bjørnar Lund**



ANNEX I

**Main characteristics of debt securities issued for public trading**

As of 30 June 2013 the following debt securities issues were made by the Issuer for public trading:

Name of securities (ISIN code)	Number of securities	Nominal value per unit	Issue price per unit	Aggregate nominal value	Interest (gain) amount, percent	Maturity	Redemption price, terms and procedure	Coupons paid in 1H 2013 (LTL)
Fixed rate note issue No. 5/2015 (LT0000405052)	150,000	100 (LTL)	99.3519 (LTL)	15,000,000 (LTL)	5.00	07 05 2015	Par	750,000
Fixed rate note issue No. 10/2013 (LT0000431132)	350,000	100 (LTL)	99.7195 (LTL)	35,000,000 (LTL)	3.50	07 10 2013	Par	0
<b>Security and commodity index linked notes</b>								
Nothern Europe equity-linked note issue No. 1 (LT1000430215)	5,669	100 (EUR)	100.00 (EUR)	566,900 (EUR)	Subject to index change	10 03 2014	Par +/- premium	-
USA equity-linked note issue No. 1 (LT1000430231)	9,565	100 (EUR)	100.00 (EUR)	956,500 (EUR)	Subject to index change	21 04 2014	Par +/- premium	-
Germany equity-linked note issue No. 1 (LT1000430371)	3,203	100 (EUR)	103.00 (EUR)	320,300 (EUR)	Subject to index change	16 05 2014	Par +/- premium	-
Germany equity-linked note issue No. 2 (LT0000431280)	27,513	100 (LTL)	100.00 (LTL)	2,751,300 (LTL)	Subject to index change	16 05 2014	Par +/- premium	-
Nothern Europe equity-linked note issue No. 2 (LT0000431363)	56,427	100 (LTL)	100.00 (LTL)	5,642,700 (LTL)	Subject to index change	25 10 2014	Par +/- premium	-