

AB DNB Bankas Financial Statements

(in accordance with BoL requirements)

II quarter

2013



THE FINANCIAL GROUP AND BANK INCOME STATEMENT

30 June 2013

LTL thou

| | Bank | Financial group* |
|---|-----------------------|-----------------------|
| | _____ | _____ |
| Interest income | 139,984 | 144,805 |
| Interest expense | (38,447) | (38,448) |
| <u>Net interest income</u> | <u>101,537</u> | <u>106,357</u> |
| Fee and commission income | 56,635 | 55,986 |
| Fee and commission expense | (11,217) | (11,174) |
| <u>Net interest fee and commission income</u> | <u>146,955</u> | <u>151,169</u> |
| Net gain on operations with securities and derivative financial instruments | 927 | (1,877) |
| Net foreign exchange result | 15,638 | 15,704 |
| Impairment losses and provisions | 3,465 | (3,231) |
| Other income | 10,965 | 12,534 |
| Personnel expenses | (54,723) | (55,178) |
| Depreciation and amortisation | (5,970) | (5,989) |
| Other administrative expenses | (91,723) | (92,500) |
| <u>Profit (loss) before taxes</u> | <u>25,534</u> | <u>20,632</u> |
| Income tax | - | (191) |
| <u>Net profit (loss) for the period</u> | <u>25,534</u> | <u>20,441</u> |
| Profit (loss) attributable to: | | |
| Equity holders of the parent | 25,534 | 20,441 |

* Financial group include the Bank and subsidiaries engaged in financial services activities AB DNB Lizingas and UAB DNB Investicijų valdymas



B. Lund
President



J. Šaučiūnienė
Chief Accountant

AB DNB Bankas
STATEMENT OF COMPREHENSIVE INCOME (EXPENSE)

| | 30 June 2013 | |
|---|----------------------|-------------------------|
| | LTL thou | |
| | Bank | Financial group* |
| | | |
| <u>Profit (loss) for the period</u> | <u>25,534</u> | <u>20,441</u> |
| Other comprehensive income (expenses), net of tax available for sale assets revaluation | - | - |
| Total other comprehensive income, net of tax | - | - |
| | <u>25,534</u> | <u>20,441</u> |
| <u>Total comprehensive income(expenses) for the period, net of tax</u> | | |
| Attributable to: | 25,534 | 20,441 |
| Equity holders of the parent | | |

* Financial group include the Bank and subsidiaries engaged in financial services activities UAB DNB Lizingas and UAB DNB Investicijų valdymas



B. Lund
 President



J.Šaučiūnienė
 Chief Accountant

STATEMENT OF FINANCIAL POSITIONS

30 June 2013

LTL thou

| | Bank | Financial group* |
|--|-------------------|-------------------|
| ASSETS | | |
| Cash and balances with central banks | 365,348 | 365,348 |
| Due from banks | 1,331,607 | 1,331,607 |
| Financial assets held for trading | 59,529 | 59,529 |
| Financial assets designated at fair value through profit or loss | 576,294 | 581,634 |
| Derivative financial instruments | 12,542 | 12,542 |
| Financial assets – available for-sale | 966 | 966 |
| Loans and advances to customers | 9,137,350 | 8,822,381 |
| Finance lease receivables | - | 315,101 |
| Investments in subsidiaries | 221,567 | 144,134 |
| Property plant and equipment | 85,226 | 85,483 |
| Intangible assets | 10,570 | 10,580 |
| Deferred income tax asset | 29,804 | 29,804 |
| Other assets | 55,251 | 78,503 |
| Non-current assets and disposal groups held for sale | 5,470 | 5,470 |
| Total assets | 11,891,524 | 11,843,082 |
| LIABILITIES AND EQUITY | | |
| Due to banks | 4,050,459 | 4,050,459 |
| Derivative financial instruments | 22,706 | 22,706 |
| Due to customers | 6,230,767 | 6,226,657 |
| Debt securities in issue | 54,382 | 54,382 |
| Subordinated loans | - | - |
| Provisions | 48,526 | 1,294 |
| Other liabilities | 62,170 | 68,582 |
| Total liabilities | 10,469,010 | 10,424,080 |
| Equity attributable to equity holders of parent | | |
| Ordinary shares | 656,665 | 656,665 |
| Share premium | 282,929 | 282,929 |
| Retained earnings | 113,021 | 109,309 |
| Reserves | 369,899 | 370,099 |
| Total shareholders' equity | 1,422,514 | 1,419,002 |
| Total liabilities and equity | 11,891,524 | 11,843,082 |

*Financial group includes the Bank and subsidiaries engaged in financial services activities AB DNB Lizingas and UAB DNB Investicijų, valdymas



B. Lund
President



J. Šaučiūnienė
Chief Accountant

ASSETS QUALITY INFORMATION

30 June 2013
(LTL mio)

Impaired loans

| | Total amount | Total amount | Specific provisions |
|------------------------------|--------------|--------------|---------------------|
| Individually assessed loans | 5,636.2 | 1,637.0 | 522.4 |
| Collectively assessed loans* | 4,074.3 | 583.0 | 65.0 |
| Total | 9,710.5 | 2,220.0 | 587.4 |

* Mortgage loans to private individuals up to 1 LTL mio, consumer loans to private individuals up to 0.05 LTL mio, loans to farmers and business customers up to 1 mio LTL.

IMPAIRMENT LOSSES (SPECIFIC PROVISIONS) FOR LOANS AND OTHER ASSETS

30 June 2013

| Ratios | Amount in LTL thou | Percentage |
|---|-----------------------|------------|
| Specific provisions for loans | 645,294 | |
| Gross loans to customers | 9,782,644 | |
| Specific provisions to total loans granted to customers ratio | | 6.6 |
| Specific provisions for other assets | 1,635 | |
| Other assets | 86,690 | |
| Specific provisions for other assets to all other assets | | 1.9 |

INFORMATION ON THE COMPLIANCE WITH PRUDENTIAL RATIOS FOR BANKING ACTIVITIES
30 June 2013
(percent)

| Name of the ratio | Factual (quarterly annual) amount |
|---|---|
| Liquidity | 42.77 |
| Capital adequacy | 15.39 |
| Overall open position | 0.08 |
| Maximum position in one currency (KZT) | 0.03 |
| Maximum exposure | < = 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 |

30 June 2013
(percent)

| | |
|------------------------|-----|
| Return on equity (ROE) | 3.6 |
| Return on assets (ROA) | 0.4 |

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.lt in the section About the bank – financial reports – 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.