

AB DNB Bankas Financial Statements

(in accordance with BoL requirements)

II quarter

2016



THE FINANCIAL GROUP AND BANK INCOME STATEMENT

30 June 2016

EUR thou

	Bank	Financial group*
Interest income	39,411	39,364
Interest expense	(5,339)	(5,340)
<u>Net interest income</u>	<u>34,072</u>	<u>34,024</u>
Fee and commission income	16,553	17,771
Fee and commission expense	(3,812)	(3,812)
<u>Net interest fee and commission income</u>	<u>46,813</u>	<u>47,983</u>
Net gain on operations with securities, derivative financial instruments and foreign exchange	8,976	7,334
Impairment losses and provisions	(8,055)	(10,273)
Other income	4,231	4,588
Personnel expenses	(13,103)	(13,277)
Depreciation and amortisation	(1,647)	(1,905)
Other administrative expenses	(17,018)	(18,899)
Profit (loss) before taxes	<u>20,197</u>	<u>15,551</u>
Income tax	(1,641)	(1,737)
<u>Net profit (loss) for the period</u>	<u>18,556</u>	<u>13,814</u>
Profit (loss) attributable to:	<u>18,556</u>	<u>13,814</u>
Equity holders of the parent		

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



B. Lund
President



J. Šaučiūnienė
Chief Accountant

AB DNB Bankas
STATEMENT OF COMPREHENSIVE INCOME (EXPENSE)

30 June 2016
 EUR thou

	Bank	Financial group*
	<hr/>	<hr/>
<u>Profit (loss) for the period</u>	<u>18,556</u>	<u>13,814</u>
Other comprehensive income (expenses) to be reclassified to profit or loss in subsequent periods :		
available for sale assets revaluation	-	-
<u>Total other comprehensive income to be reclassified to profit or loss in subsequent periods</u>	<u>-</u>	<u>-</u>
<u>Total comprehensive income(expenses) for the period, net of tax</u>	<u>18,556</u>	<u>13,814</u>
Attributable to:		
Equity holders of the parent	18,556	13,814

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STATEMENT OF FINANCIAL POSITIONS

30 June 2016

EUR thou

	Bank	Financial group*
ASSETS		
Cash and balances with central banks	131,642	131,642
Due from banks and other credit institutions	712,847	712,847
Financial assets held for trading	11,082	11,082
Financial assets designated at fair value through profit or loss	74,693	75,963
Derivative financial instruments	9,021	9,021
Available for sale financial assets	749	749
Loans and advances to customers	2,843,960	2,832,039
Finance lease receivables	155,369	155,369
Investments in subsidiaries	47,991	892
Investment property	-	45,394
Property, plant and equipment	17,300	17,301
Intangible assets	4,350	5,078
Deferred income tax asset	170	198
Deferred tax asset	3,857	3,857
Other assets	16,993	18,228
Non-current assets and disposal groups held for sale	29	2,626
Total assets	4,030,053	4,022,286
LIABILITIES AND EQUITY		
Due to banks and other credit institutions	1,252,371	1,252,371
Derivative financial instruments	8,019	8,019
Due to customers	2,277,143	2,271,137
Provisions	339	339
Other liabilities	24,227	25,217
Total liabilities	3,562,099	3,557,083
Equity attributable to equity holders of parent		
Ordinary shares	190,205	190,205
Share premium	81,942	81,942
Retained earnings	80,281	77,472
Reserves	115,526	115,584
Total shareholders' equity	467,954	465,203
Total liabilities and equity	4,030,053	4,022,286

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ASSETS QUALITY INFORMATION

30 June 2016
(EUR mio)

	Impaired loans		
	Total amount	Total amount	Specific provisions
Material assessed loans	2,125.8	227.0	85.1
Immaterial assessed loans*	1,616.3	45.3	9.3
Total	3,742.1	272.3	94.4

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

IMPAIRMENT LOSSES (SPECIFIC PROVISIONS) FOR LOANS AND OTHER ASSETS

30 June 2016

Ratios	Amount in EUR thou	Percentage
Specific provisions for loans	109,592	
Gross loans to customers	2,953,552	
Specific provisions to total loans granted to customers ratio		3.7
Specific provisions for other assets	0	
Other assets	21,020	
Specific provisions for other assets to all other assets	0	0

AB DNB Bankas

INFORMATION ON THE COMPLIANCE WITH PRUDENTIAL RATIOS FOR BANKING ACTIVITIES 30 June 2016

(percent)

Name of the ratio	Factual (quarterly annual) amount
Capital adequacy	18.26
Liquidity coverage	166.17

30 June 2016
(percent)

Return on equity (ROE)	8.0
Return on assets (ROA)	0.9

RATINGS

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

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