

**IV quarter**  
**Financial Statements 2017**

(in accordance with Bol requirements, not audited)

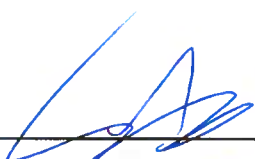
LUMINOR BANKAS, AB

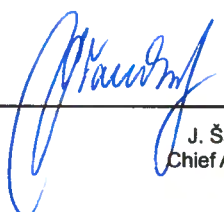


## The financial group and bank income statement

	31 December 2017	
	Bank	EUR thou Financial group*
Interest income	84,889	87,534
Interest expense	(11,820)	(11,821)
<b>Net interest income</b>	<b>73,069</b>	<b>75,713</b>
Fee and commission income	42,130	45,735
Fee and commission expense	(9,891)	(10,012)
<b>Net interest fee and commission income</b>	<b>105,308</b>	<b>111,436</b>
Net gain on operations with securities, derivative financial instruments and foreign exchange	18,512	17,248
Share of profit of an associate	-	84
Impairment losses and provision	(52,912)	(52,890)
Other income	4,689	4,917
Personnel expenses	(31,964)	(32,849)
Depreciation and amortisation	(3,683)	(4,161)
Other administrative expenses	(47,780)	(49,332)
<b>Profit (loss) before taxes</b>	<b>(7,830)</b>	<b>(5,547)</b>
Income tax	(5,269)	(5,314)
<b>Net profit (loss) for the period</b>	<b>(13,099)</b>	<b>(10,861)</b>
<b>Profit (loss) attributable to:</b>		
Equity holders of the parent	(13,099)	(10,861)

\*Financial group include the Bank and subsidiaries engaged in financial services activities: *Luminor investicijų valdymas, UAB, Luminor Bostas, UAB, Luminor Izingas, UAB, Industrious, UAB, RECURSO, UAB, PROMANO LIT, UAB and Intractus, UAB.*

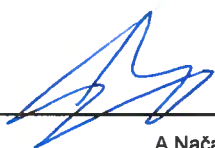
  
A. Načajus  
CEO

  
J. Šaučiūnienė  
Chief Accountant

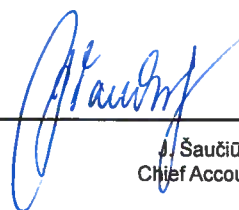
## Statement of comprehensive income (expense)

	31 December 2017	
	Bank	EUR thou Financial group*
<b>Profit (loss) for the period</b>	(13,099)	(10,861)
Other comprehensive income (expenses) to be reclassified to profit or loss in subsequent periods:		
Available for sale assets revaluation	953	953
Reclassification adjustments to the income statement	-	-
Other comprehensive income (expenses) not to be reclassified to profit or loss in subsequent periods:	-	-
<b>Total other comprehensive income(expenses)</b>	953	953
<b>Total comprehensive income(expenses) for the period, net of tax</b>	(12,146)	(9,908)
<b>Attributable to:</b>		
Equity holders of the parent	(12,146)	(9,908)

\*Financial group include the Bank and subsidiaries engaged in financial services activities: *Luminor investicijų valdymas, UAB, Luminor Bostas, UAB, Luminor ūzingas, UAB, Industrijus, UAB, RECURSO, UAB, PROMANO LIT, UAB and Intractus, UAB.*



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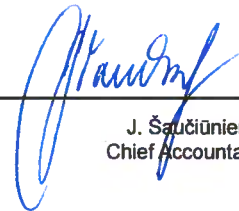
## Statement of financial positions

Assets	31 December 2017	
	Bank	Financial group*
Cash and balances with central banks	1,362,543	1,362,543
Due from banks and other credit institutions	251,142	251,142
Financial assets held for trading	2,325	2,325
Financial assets designated at fair value through profit or loss	84,171	85,586
Derivative financial instruments	6,369	6,369
Available for sale financial assets	3,265	3,265
Loans and advances to customers	4,858,475	4,445,709
Finance lease receivables	178,472	639,778
Investments in subsidiaries	92,922	892
Investment in an associate	-	1,658
Investment property	812	17,147
Property, plant and equipment	11,918	12,304
Intangible assets	3,329	3,344
Deferred tax asset	907	1,350
Other assets	12,825	16,854
Non-current assets and disposal groups held for sale	29	1,310
<b>Total assets</b>	<b>6,869,504</b>	<b>6,851,576</b>
<b>Liabilities and equity</b>		
Due to banks and other credit institutions	2,229,590	2,229,590
Derivative financial instruments	7,744	7,744
Due to customers	3,888,188	3,857,540
Provisions	1,093	1,093
Current income tax liabilities	1,916	1,811
<b>Other liabilities</b>	<b>20,074</b>	<b>27,222</b>
<b>Total liabilities</b>	<b>6,148,605</b>	<b>6,125,000</b>
<b>Equity attributable to equity holders of parent</b>		
Ordinary shares	190,205	190,205
Share premium	81,942	81,942
Retained earnings	70,482	75,908
Reserves	378,270	378,521
<b>Total shareholders' equity</b>	<b>720,899</b>	<b>726,576</b>
<b>Total liabilities and equity</b>	<b>6,869,504</b>	<b>6,851,576</b>

\*Financial group includes the Bank and subsidiaries engaged in financial services activities: Luminor investicijų valdymas, UAB, Luminor Bostas, UAB, Luminor lizingas, UAB, Industrias, UAB, RECURSO, UAB, PROMANO LIT, UAB and Intractus, UAB.



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Chief Accountant

## Assets quality information

31 December 2017

(EUR mio)

### Impaired loans

	Loans total amount	Total amount	Specific provisions
Material assessed loans	2,659.3	226.5	83.9
Immaterial assessed loans*	2,653.0	47.4	6.5
<b>Total</b>	<b>5,312.3</b>	<b>273.9</b>	<b>90.4</b>

\*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

31 December 2017

Ratios	Amount in EUR thou	Percentage
Specific provisions for loans	102,517	
Gross loans to customers	4 960 992	
Specific provisions to total loans granted to customers ratio		2.1
Specific provisions for other assets	38	
Other assets	13,770	
Specific provisions for other assets to all other assets		0.3



## Information on the compliance with prudential ratios for banking activities

31 December 2017  
(percent)

Name of the ratio	Factual (quarterly annual) amount
Capital adequacy	16.98
Liquidity coverage	147.43

31 December 2017  
(percent)

Name of the ratio	Factual (quarterly annual) amount
Return on equity (ROE)	-1.9
Return on assets (ROA)	-0.2

### Ratings

Nordea Bank AB and DNB Bank ASA are ultimate owners of holding company Luminor Group AB. Nordea Bank AB owns 56,2% and DNB Bank ASA owns 43,6% of proprietary rights. DNB Bank ASA has a credit rating (Fitch A+, Moody's Aa2). Nordea Bank AB has a credit rating (Fitch AA-, Moody's Aa3).

As of the end of 2017 the Group exceeded Maximum exposure to one borrower prudential requirement and actual exposure was 28.7 per cent (maximum exposure limit is 25 per cent). Management of the Group took actions to decrease the exposure and the Group meets all prudential requirements at the end of February 2018.

