

AB DNB Bankas Financial Statements

(in accordance with BoL requirements)

IV quarter

2016



31 December 2016

EUR thou

	Bank	Financial group*
Interest income	79,185	79,117
Interest expense	(11,463)	(11,464)
Net interest income	<u>67,722</u>	<u>67,653</u>
Fee and commission income	34,507	37,029
Fee and commission expense	(8,298)	(8,302)
Net interest fee and commission income	<u>93,931</u>	<u>96,380</u>
Net gain on operations with securities, derivative financial instruments and foreign exchange	10,634	8,982
Impairment losses and provisions	(22,391)	(20,286)
Other income	8,228	8,576
Personnel expenses	(26,228)	(26,587)
Depreciation and amortisation	(3,433)	(3,949)
Other administrative expenses	(34,382)	(36,890)
Profit (loss) before taxes	<u>26,359</u>	<u>26,226</u>
Income tax	(3,755)	(3,743)
Net profit (loss) for the period	<u>22,604</u>	<u>22,483</u>
Profit (loss) attributable to:		
Equity holders of the parent	22,604	22,483

* 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)

31 December 2016
 EUR thou

	Bank	Financial group*
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<u>Profit (loss) for the period</u>	<u>22,604</u>	<u>22,483</u>
Other comprehensive income (expenses) to be reclassified to profit or loss in subsequent periods :		
available for sale assets revaluation	193	193
<u>Reclassification adjustments to the income statement</u>	<u>(10,800)</u>	<u>(10,800)</u>
Other comprehensive income (expenses) not to be reclassified to profit or loss in subsequent periods :	-	-
<u>Total other comprehensive income(expenses)</u>	<u>(10,607)</u>	<u>(10,607)</u>
<u>Total comprehensive income(expenses) for the period, net of tax</u>	<u>11,997</u>	<u>11,876</u>
Attributable to:		
Equity holders of the parent	11,997	11,876

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AB DNB Bankas
STATEMENT OF FINANCIAL POSITIONS

31 December 2016
 EUR thou

	Bank	Financial group*
ASSETS		
Cash and balances with central banks	134,149	134,149
Due from banks and other credit institutions	744,577	744,577
Financial assets held for trading	5,273	5,273
Financial assets designated at fair value through profit or loss	97,461	98,593
Derivative financial instruments	13,607	13,607
Available for sale financial assets	2,624	2,624
Loans and advances to customers	2,757,189	2,751,441
Finance lease receivables	160,600	160,600
Investments in subsidiaries	41,291	892
Investment property	-	30,015
Property, plant and equipment	15,640	15,641
Intangible assets	4,229	4,699
Deferred tax asset	4,807	4,807
Other assets	13,911	14,435
Non-current assets and disposal groups held for sale	29	7,994
Total assets	3,995,387	3,989,347
LIABILITIES AND EQUITY		
Due to banks and other credit institutions	1,012,291	1,012,291
Derivative financial instruments	9,378	9,378
Due to customers	2,486,137	2,476,895
Provisions	296	296
Current income tax liabilities	2,213	2,090
Other liabilities	13,626	15,081
Total liabilities	3,523,941	3,516,031
Equity attributable to equity holders of parent		
Ordinary shares	190,205	190,205
Share premium	81,942	81,942
Retained earnings	84,329	86,141
Reserves	114,970	115,028
Total shareholders' equity	471,446	473,316
Total liabilities and equity	3,995,387	3,989,347

*Financial group includes the Bank and subsidiaries engaged in financial services activities: UAB DNB Investicijų valdymas, UAB Intractus group and UAB Industrius.



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ASSETS QUALITY INFORMATION

31 December 2016
(EUR mio)

	Impaired loans		
	Total amount	Total amount	Specific provisions
Material assessed loans	2,030.9	216.8	76.0
Immaterial assessed loans*	1,686.7	43.9	8.4
Total	3,717.6	260.7	84.4

* 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

31 December 2016

Ratios	Amount in EUR thou	Percentage
Specific provisions for loans	98,656	
Gross loans to customers	2,855,845	
Specific provisions to total loans granted to customers ratio		3.5
Specific provisions for other assets	0	
Other assets	18,747	
Specific provisions for other assets to all other assets		0

AB DNB Bankas

INFORMATION ON THE COMPLIANCE WITH PRUDENTIAL RATIOS FOR BANKING ACTIVITIES 31 December 2016

(percent)

Name of the ratio	Factual (quarterly annual) amount
Capital adequacy	17.76
Liquidity coverage	178.59

30 September 2016
(percent)

Return on equity (ROE)	4.9
Return on assets (ROA)	0.6

RATINGS

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

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

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