

# **AB DnB NORD Bankas Financial Statements**

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(In accordance with BoL requirements)

II quarter

2011

**DnB NORD**

**AB DnB NORD Bankas**  
**THE FINANCIAL GROUP AND BANK INCOME STATEMENT**

**30 June 2011**

LTL thou

	<b>Bank</b>	<b>Financial group*</b>
Interest income	194,466	198,350
Interest expense	(84,750)	(84,752)
<b><u>Net interest income</u></b>	<b><u>109,716</u></b>	<b><u>113,598</u></b>
Fee and commission income	43,849	41,602
Fee and commission expense	(8,758)	(8,831)
<b><u>Net interest fee and commission income</u></b>	<b><u>144,807</u></b>	<b><u>146,369</u></b>
Net gain on operations with securities and derivative financial instruments	7,206	5,411
Net foreign exchange result	8,022	7,845
Impairment losses and provisions	(37,564)	(41,876)
Other income	2,504	5,263
Personnel expenses	(43,574)	(43,931)
Depreciation and amortisation	(7,016)	(7,295)
Other administrative expenses	(38,150)	(38,901)
<b><u>Profit (loss) before taxes</u></b>	<b><u>36,235</u></b>	<b><u>32,885</u></b>
Income tax	(20)	(234)
<b><u>Net profit (loss) for the period</u></b>	<b><u>36,215</u></b>	<b><u>32,651</u></b>
<b>Profit (loss) attributable to:</b>		
Equity holders of the parent	36,215	32,651

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



B. Lund  
 President



J. Šaučiūnienė  
 Chief Accountant

**AB DnB NORD Bankas**  
**STATEMENT OF COMPREHENSIVE INCOME (EXPENSE)**

	<b>30 June 2011</b>	
	LTL thou	
	<b>Bank</b>	<b>Financial group*</b>
	_____	_____
<b><u>Profit (loss) for the period</u></b>	<b><u>36,215</u></b>	<b><u>32,651</u></b>
Other comprehensive income (expenses), net of tax available for sale assets revaluation	3,171	3,149
Total other comprehensive income, net of tax	3,171	3,149
<b><u>Total comprehensive income(expenses) for the period, net of tax</u></b>	<b><u>39,386</u></b>	<b><u>35,800</u></b>
<b>Attributable to:</b>		
Equity holders of the parent	39,386	35,800

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



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 Chief Accountant

**AB DnB NORD Bankas**  
**STATEMENT OF FINANCIAL POSITIONS**

**30 June 2011**

LTL thou

	<b>Bank</b>	<b>Financial group*</b>
<b>ASSETS</b>		
Cash and balances with central banks	510,655	510,655
Due from banks	834,838	834,838
Trading securities	25,738	25,738
Securities designated at fair value through profit or loss	350,799	350,799
Derivative financial instruments	16,830	16,830
Securities available-for-sale	153,060	157,535
Loans and advances to customers	9,011,789	8,513,184
Finance lease receivables	-	343,790
Investments in subsidiaries	58,818	72,315
Property plant and equipment	91,466	92,294
Intangible assets	5,366	5,413
Deferred income tax asset	30,188	30,188
Other assets	28,756	50,809
<b>Total assets</b>	<b>11,118,303</b>	<b>11,004,388</b>
<b>LIABILITIES AND EQUITY</b>		
Due to banks	5,055,310	5,055,310
Derivative financial instruments	39,965	39,965
Due to customers	4,446,901	4,444,783
Debt securities in issue	122,422	122,422
Subordinated loans	403,703	403,703
Provisions	56,801	699
Other liabilities	93,303	33,895
<b>Total liabilities</b>	<b>10,218,405</b>	<b>10,100,777</b>
<b>Equity attributable to equity holders of parent</b>		
Ordinary shares	656,665	656,665
Share premium	282,929	282,929
Retained earnings	(40,880)	(37,395)
Reserves	1,184	1,412
	<b>899,898</b>	<b>903,611</b>
<b>Total shareholders' equity</b>	<b>899,898</b>	<b>903,611</b>
<b>Total liabilities and equity</b>	<b>11,118,303</b>	<b>11,004,388</b>

\*Financial group includes the Bank and subsidiaries engaged in financial services activities UAB DnB NORD Lizingas and UAB DnB NORD Investiciju, valdymas



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 President



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 Chief Accountant

**ASSETS QUALITY INFORMATION**

30 June 2011  
(LTL mio)

	<b>Impaired loans</b>		
	<b>Total amount</b>	<b>Total amount</b>	<b>Specific provisions</b>
Individually assessed loans	5,841.2	2,126.0	649.6
Collectively assessed loans (excluding payment cards)*	3,847.4	743.7	88.9
<b>Total</b>	<b>9,688.6</b>	<b>2,869.7</b>	<b>738.5</b>

\* Mortgage loans to private individuals up to 0,5 LTL mio, consumer loans to private individuals up to 0.05 LTL mio, loans to farmers and SME up to 0,3 mio LTL.

**IMPAIRMENT LOSSES (SPECIFIC PROVISIONS) FOR LOANS AND OTHER ASSETS**

30 June 2011

<b>Ratios</b>	<b>Amount in LTL thou</b>	<b>Percentage</b>
Specific provisions for loans	799,745	
Gross loans to customers	9,811,534	
Specific provisions to total loans granted to customers ratio		8.15
Specific provisions for other assets	918	
Other assets	59,862	
Specific provisions for other assets to all other assets		1.53

**INFORMATION ON THE COMPLIANCE WITH PRUDENTIAL RATIOS FOR BANKING ACTIVITIES**

30 June 2011  
(percent)

<b>Name of the ratio</b>	<b>Factual (quarterly annual) amount</b>
Liquidity	33.57
Capital adequacy	13.25
Overall open position	-0.28
Maximum position in one currency (according to currencies)	Complies with the ratio
Maximum exposure	Complies with the ratio
Large exposure	83.68

**30 June 2011  
(percent)**

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Return on equity (ROE)	8.2
Return on assets (ROA)	0.6

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**RATINGS**

On 21 March 2011 Fitch Ratings agency affirmed the long-term issuer default rating for *AB DnB NORD Bankas* at 'A' with stable outlook. The agency also affirmed *AB DnB NORD Bankas*' short-term IDR rating at 'F1', individual rating at 'D/E' and support rating at '1'. At the same time the ratings were withdrawn as *AB DnB NORD Bankas* chose to stop participating in the rating process. After Norway's *DnB NOR Bank ASA* has become the sole shareholder of the bank, it was decided that *AB DnB NORD Bankas* will use the ratings as assigned to its parent bank in its operations.

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**During the reporting quarter the bank performed its activity in compliance with all ratios set by the Legal Acts and no sanctions were imposed on the bank.**

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