

# **UAB MEDICINOS BANKAS**

**FINANCIAL STATEMENTS AS OF 31 March, 2009**

## **Medicinos Bankas Earns LTL 424 thousand in Profit in Q1**

Medicinos Bankas posted LTL 424 thousand pre-audited net profit in the first quarter of the year, compared to LTL 2.57 million in the corresponding period of 2008. The Bank's assets have grown by 2.8 per cent to LTL 753.99 million, compared to LTL 733.22 million at the end of last March.

Compared with the corresponding period of the last year, customers' deposits at the Bank increased by 11.9 per cent in the first quarter of the year to LTL 523.59 million, compared to LTL 468.13 million. In the first three months of the year, 1,167 new accounts were opened in the Bank, which is nearly twice as many as in the corresponding period of the previous year. Since the beginning of the year, the number of depositors has increased by more than 6 per cent and the number of corporate customers has grown by 4 per cent. In the same period, the customers' loan portfolio decreased by 4.5 per cent to LTL 465.82 million, compared to LTL 487.76 million at the end of last March.

At the beginning of April, Medicinos Bankas won the Ministry of Economy and Investicijos ir Verslo Garantijos UAB (INVEGA) tender for granting up to LTL 2 million in loans to small business from the Lithuanian state budget assignments. The Bank will invest additional 16 per cent of its own funds in this programme. Micro, small and medium-sized enterprises that are registered as well as carry out their main activities in Lithuania are welcome to contact the Bank regarding credits for investments or financing of circulating capital. Up to LTL 175 thousand may be granted for one credit recipient. The maximum margin of the Bank applied to the credits in the first two years is intended not to exceed 5.6 per cent.

In February, Medicinos Bankas entered into a contract with the German bank Kreditanstalt für Wiederaufbau (hereinafter referred to as KfW) and the Council of Europe Development Bank (CEB) on the LTL 10.36 million value credit line for funding micro, small and medium-sized companies. KfW funds, allocated in accordance with the preliminary action plan of the European Union support, are devoted to financing Lithuanian projects by granting credits to farmers and agricultural companies.

**UAB MEDICINOS BANKAS****FINANCIAL STATEMENTS AS OF 31 March, 2009**  
(All amounts in LTL thousand unless otherwise stated)**BALANCE SHEET**

<b>Assets</b>	<b>31 March 2009</b>
<b>Cash and due from central bank</b>	
<i>Cash</i>	21.845
<i>Placements with the central bank</i>	36.532
	<b>58.377</b>
Placements with banks	90.658
<b>Financial assets at fair value through profit or loss</b>	
<i>Debt securities</i>	2.997
<i>Equity securities</i>	3
	<b>3.000</b>
<b>Available-for-sale financial assets</b>	
<i>Debt securities</i>	42.455
<i>Equity securities</i>	5
	<b>42.460</b>
<b>Assets held for sale</b>	-
<b>Held-to-maturity investments</b>	<b>81.511</b>
<b>Loans and receivables (including finance lease receivable)</b>	
<i>Loans</i>	465.819
<i>Finance lease receivable</i>	-
	<b>465.819</b>
<b>Investments in subsidiaries</b>	-
<b>Investment properties</b>	-
<b>Property and equipment</b>	<b>7.834</b>
<b>Intangible assets</b>	<b>636</b>
<b>Tax assets</b>	
<i>Current taxes</i>	170
<i>Deferred taxes</i>	-
	<b>170</b>
<b>Other assets</b>	<b>3.521</b>
<b>Total assets</b>	<b>753.986</b>

*(Continued on the next page)*

**FINANCIAL STATEMENTS AS OF 31 March, 2009**  
 (All amounts in LTL thousand unless otherwise stated)

**BALANCE SHEET (CONT'D)**

Liabilities and shareholders' equity	31 March 2009
<b>Liabilities</b>	
Due to credit and other financial institutions	48.798
Due to customers	523.592
Debt securities issued	10.070
Finance lease liabilities	165
Paid in but not registered capital	-
Subordinated loans	69.056
Tax liabilities	
<i>Current taxes</i>	-
<i>Deferred taxes</i>	31
	<b>31</b>
Other liabilities	9.555
Provisions	299
<b>Total liabilities</b>	<b>661.566</b>
<b>Shareholders' equity</b>	
Issued capital	68.875
Reserve capital and legal reserve	23.418
Retained earnings	480
Revaluation reserve of financial assets	1.240
Revaluation reserve of property and equipment	(1.593)
<b>Total shareholders' equity</b>	<b>92.420</b>
<b>Total liabilities and shareholders' equity</b>	<b>753.986</b>

**FINANCIAL STATEMENTS AS OF 31 March, 2009**  
 (All amounts in LTL thousand unless otherwise stated)

**INCOME STATEMENT**

	<b>31 March 2009</b>
Interest revenue	14.716
Interest expenses	(9.837)
<b>Net interest income</b>	<b>4.879</b>
Service fee and commission revenue	2.520
Service fee and commission expenses	(140)
<b>Net service fee and commission income</b>	<b>2.380</b>
Dividend revenue	-
Net income on securities trading	31
Net foreign exchange gain	949
Net result of derivative financial instruments transactions	-
Rental revenue	-
Other income	1.113
<b>Total operating income</b>	<b>9.352</b>
Impairment of loans and other financial assets	(2.047)
Provision expenses	-
<b>Operating income after impairment and provision expenses</b>	<b>7.305</b>
Salaries and benefits	(4.178)
Depreciation	(288)
Amortisation	(127)
Other operating expenses	(2.182)
<b>Total operating expenses</b>	<b>(6.775)</b>
<b>Profit</b>	<b>530</b>
<b>Income tax expense</b>	<b>(106)</b>
<b>Operating profit</b>	<b>424</b>
Basic and diluted earnings per share (in LTL)	3,08

**Assets Quality and Other Information**

<b>Provisions for the Loan Portfolio</b>	
Provisions to loans portfolio ratio (%)	16.317
Provisions for loans (LTL thousands)	3.38

**Compliance with the Regulatory Requirements**

<b>Ratio</b>	<b>Ratio according to the Bank of Lithuania (%)</b>	<b>Actual proportion (%)</b>
Liquidity	Not less than 30	60.58
Capital adequacy	Not less than 8	20.94
Maximum open position in foreign currency and precious metals: general/single currency	Not more than 25/15	1.15/0.49
Maximum exposure to a single borrower	Not more than 25	18.74
Ratio of large exposures	Not more than 800	18.74

During the first quarter of 2009, the Bank was in compliance with the regulatory requirements of the Bank of Lithuania.

**Measures of Effect Applied to the Bank**

During the first quarter of 2009 any measures of effect were not applied to the Medicinos Bankas.

<b>Main Profitability Showings</b>	
Return on assets (%)	0.23
Return on equity (%)	1.84