

Review of the Medicinos bankas results for the first quarter of 2002 (31 03 2002)

Balance sheets			
			(LTL thousands)
No.	Item	Bank	Group
Assets			
1.	Cash, precious metals and other valuables	7007.00	7014.00
2.	Due from central bank	3031.00	3031.00
3.	Due from credit and financial institutions	12736.00	12736.00
4.	Loans to credit and financial institutions	12911.00	-
4.1.	Loans to credit institutions	-	-
4.2.	Loans to financial institutions	12911.00	-
5.	Short-term treasury bills	-	-
6.	Loans to customers	28983.00	28983.00
7.	Financial lease receivable	-	7907.00
8.	Securities for bank restructuring	-	-
9.	Debt securities	47064.00	47064.00
10.	Equity securities	7114.00	2643.00
10.1.	Investments put into accounts using ownership method	4671.00	-
11.	Intangible assets (less amortisation)	532.00	532.00
12.	Tangible fixed assets (less depreciation)	6970.00	16133.00
12.1.	Buildings and other real estate	5635.00	11779.00
12.2.	Vehicles	494.00	741.00
12.3.	Office equipment, etc.	841.00	3613.00
13.	Accrued income and deferred expenses	655.00	1059.00
14.	Other assets	1426.00	2103.00
15.	Assets under management	-	-
16.	Total assets	128428.00	129205.00
Liabilities			
17.	Due to central bank	-	-
18.	Amounts owned to financial institution	15763.00	16198.00
19.	Due to credit and financial institutions	-	-
19.1.	Due to credit institutions	-	-
19.2.	Due to financial institutions	-	-
20.	Deposits and letters of credit	81088.00	81088.00
22.	Deposits according to custody agreements	-	-
23.	Special and lending funds	-	-
24.	Debt securities issued	-	-
25.	Accrued expenses and deferred income	847.00	876.00
26.	Subordinated loans	-	-
27.	Other liabilities	3087.00	3400.00
28.	Liabilities for assets on management	-	-
29.	Total liabilities	100785.00	101562.00
Shareholders' equity			
30.	Capital and reserves	27643.00	27643.00
30.1.	Registered share capital	34347.00	34347.00
30.2.	(Own shares purchased)	-	-
30.3.	Share premium	-	-
30.4.	Revaluation reserve	1891.00	3213.00
30.5.	Accumulated deficit	-9068.00	-10390.00
30.6.	Current year result	473.00	473.00
30.7.	Other capital and reserves	-	-
31.	Minority interest	-	-
32.	Total liabilities and shareholders' equity	128428.00	129205.00

Off balance sheet items			
Liabilities and claims of the bank			
1.	Guarantees and warranties	1529.00	1529.00
2.	Commitments to issue letters of credit	-	-
3.	Irrevocable lending commitments	3063.00	3063.00
4.	Other off-balance commitments of the bank	-	-
5.	Financial derivatives	-	-
5.1.	Interest rate agreements	-	-
5.1.1.	Accounts receivables (commitments)	-	-
5.1.2.	Accounts payable (liabilities)	-	-
5.2.	Currency purchase/sales agreements	-	-
5.2.1.	Currency purchase agreements	330.00	330.00
5.2.2.	Currency sales agreements	327.00	327.00

Statements of income			
(LTL thousands)			
No.	Item	Bank	Group
1.	Interest income	1697.00	1762.00
1.1.	On loans to credit and financial institutions and placements with credit institutions	269.00	128.00
1.2.	On other loans	872.00	872.00
1.3.	On subordinated loans	-	-
1.4.	On debt securities acquired	254.00	254.00
1.5.	Other interest and related income	302.00	508.00
2.	Interest expense	784.00	784.00
2.1.	On liabilities to credit and financial institutions and amounts due to financial institutions	68.00	68.00
2.2.	On deposits and other repayable funds	716.00	716.00
2.3.	On subordinated loans	-	-
2.4.	On debt securities issued	-	-
2.5.	Other interest expense	-	-
3.	Net interest income (1-2)	913.00	978.00
4.	Provision expense	53.00	53.00
4.1.	Specific provisions for loans and accrued interest	127.00	127.00
4.2.	Specific provisions for executed guarantees	-	-
4.3.	Specific provisions for the loan portfolio	-74.00	-74.00
5.	Net interest income after provision (3-4)	860.00	925.00
6.	Service fees and commission income	424.00	557.00
7.	Service fees and commission expense	33.00	59.00
8.	Net interest, service fees and commission income (5+6-7)	1251.00	1423.00
9.	Income from equity securities	1.00	-
9.1.	Gain on investments accounted under the equity method	1.00	-
10.	Gain from operations in foreign currencies	519.00	519.00
10.1.	Realized gain	550.00	550.00
10.2.	Unrealized loss	-31.00	-31.00
11.	Gain from operations with securities	78.00	78.00
11.1.	Realized gain	55.00	55.00
11.2.	Unrealized loss	23.00	23.00
12.	Income from operations (8+9+10+11)	1849.00	2020.00
13.	Other banking income	640.00	640.00
14.	Operating expenses	1490.00	1588.00
14.1.	Salaries, social security and other related expenses	1089.00	1171.00
14.2.	Training and business trips expense	3.00	4.00
14.3.	Rent and premises maintenance	119.00	128.00
14.4.	Transportation and communication expense	118.00	122.00
14.5.	Advertising and marketing expense	24.00	25.00
14.6.	Other administrative expense	137.00	138.00
15.	Other banking expense	202.00	245.00
16.	Depreciation and amortization expense	160.00	202.00
17.	Other specific provisions	270.00	270.00
17.1.	Provisions for doubtful assets	238.00	238.00
17.2.	Provisions for off-balance sheet items	32.00	32.00
18.	Operating result (12+13-14-15-16-17)	367.00	355.00
19.	Extraordinary profit (loss)	106.00	118.00
20.	Net income before tax (18+19)	473.00	473.00

21.	Income tax	-	-
22.	Deferred taxes	-	-
23.	Minority interest		
24.	Net result for the year	473.00	473.00
25.	Earnings per (LTL)	6.89	6.89

Assets Quality and Other Information:

- **Advances Breakdown by Risk Group**

Risk group	Share (%)	Provision ratio (%)
Standard	7.59	0
Possible risk	74.75	0
Increased risk	6.92	20
Doubtful	10.32	40
Loss	0.42	100
Total:	100.00	

- **Specific Provisions for the Loan Portfolio and for Doubtful Assets**

Specific provisions for loans (LTL thousands)	2283.00
Specific provisions to loans portfolio ratio (%)	7.19
Specific provisions for doubtful assets (LTL thousands)	1369.00
Specific provisions to doubtful assets ratio (%)	7.22

- **Compliance with the Regulatory Requirements**

During the first quarter of 2002, the Bank was in compliance with the maximum lending to one customer, related party lending, investments, open foreign currency position and liquidity limits established by the Bank of Lithuania.

- **Measures of Effect Applied to the Bank**

During the first quarter of 2002, the National Bank of Lithuania didn't apply any measures of effect to the Medicinos Bankas.

- **Main Profitability Showings**

Return on assets (%)	1.7
Return on equity (%)	0.4