

Review of the Medicinos bankas results for the third quarter of 2003 (30 09 2003)

Balance sheets			
			(LTL thousands)
No.	Item	Bank	Group
Assets			
1.	Cash, precious metals and other valuables	7869.00	7876.00
2.	Due from central bank	3384.00	3384.00
3.	Due from credit and financial institutions	21164.00	21164.00
4.	Loans to credit and financial institutions	18987.00	-
4.1.	Loans to credit institutions	-	-
4.2.	Loans to financial institutions	18987.00	-
5.	Short-term treasury bills	-	-
6.	Loans to customers	42876.00	42876.00
7.	Financial lease receivable	-	10785.00
8.	Securities for bank restructuring	-	-
9.	Debt securities	36780.00	37612.00
10.	Equity securities	9709.00	4159.00
10.1.	Investments put into accounts using ownership method	5805.00	-
11.	Intangible assets (less amortisation)	799.00	799.00
12.	Tangible fixed assets (less depreciation)	6593.00	15585.00
12.1.	Buildings and other real estate	5241.00	14056.00
12.2.	Vehicles	503.00	659.00
12.3.	Office equipment, etc.	849.00	870.00
13.	Accrued income and deferred expenses	327.00	338.00
14.	Other assets	866.00	3927.00
15.	Assets under management	-	-
16.	Total assets	149354.00	148505.00
Liabilities			
17.	Due to central bank	-	-
18.	Amounts owned to financial institution	22801.00	22531.00
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	80800.00	80800.00
22.	Deposits according to custody agreements	-	-
23.	Special and lending funds	4925.00	4925.00
24.	Debt securities issued	-	-
25.	Accrued expenses and deferred income	514.00	650.00
26.	Subordinated loans	-	-
27.	Other liabilities	2963.00	2244.00
28.	Liabilities for assets on management	-	-
29.	Total liabilities	112003.00	111150.00
Shareholders' equity			
30.	Capital and reserves	37351.00	37355.00
30.1.	Registered share capital	34347.00	34347.00
30.2.	(Own shares purchased)	-	-
30.3.	Share premium	-	-
30.4.	Revaluation reserve	2098.00	3420.00
30.5.	Accumulated deficit	-3948.00	-5266.00
30.6.	Current year result	1289.00	1289.00
30.7.	Other capital and reserves	3565.00	3565.00
31.	Minority interest	-	-
32.	Total liabilities and shareholders' equity	149354.00	148505.00

Off balance sheet items			
Liabilities and claims of the bank			
1.	Guarantees and warranties	265.00	265.00
2.	Commitments to issue letters of credit	-	-
3.	Irrevocable lending commitments	7424.00	7424.00
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	456.00	456.00
5.2.2.	Currency sales agreements	463.00	463.00

Statements of income			
(LTL thousands)			
No.	Item	Bank	Group
1.	Interest income	4926.00	5179.00
1.1.	On loans to credit and financial institutions and placements with credit institutions	650.00	253.00
1.2.	On other loans	2662.00	2662.00
1.3.	On subordinated loans	-	-
1.4.	On debt securities acquired	705.00	707.00
1.5.	Other interest and related income	909.00	1557.00
2.	Interest expense	1693.00	1693.00
2.1.	On liabilities to credit and financial institutions and amounts due to financial institutions	309.00	309.00
2.2.	On deposits and other repayable funds	1384.00	1384.00
2.3.	On subordinated loans	-	-
2.4.	On debt securities issued	-	-
2.5.	Other interest expense	-	-
3.	Net interest income (1-2)	3233.00	3486.00
4.	Provision expense	2481.00	2481.00
4.1.	Specific provisions for loans and accrued interest	2481.00	2481.00
4.2.	Specific provisions for executed guarantees	-	-
4.3.	Specific provisions for the loan portfolio	-	-
5.	Net interest income after provision (3-4)	752.00	1005.00
6.	Service fees and commission income	1812.00	1931.00
7.	Service fees and commission expense	126.00	126.00
8.	Net interest, service fees and commission income (5+6-7)	2438.00	2810.00
9.	Income from equity securities	89.00	10.00
9.1.	Gain on investments accounted under the equity method	79.00	-
10.	Gain from operations in foreign currencies	2035.00	2035.00
10.1.	Realized gain	2124.00	2124.00
10.2.	Unrealized loss	-89.00	-89.00
11.	Gain from operations with securities	2049.00	2049.00
11.1.	Realized gain	816.00	816.00
11.2.	Unrealized loss	1233.00	1233.00
12.	Income from operations (8+9+10+11)	6611.00	6904.00
13.	Other banking income	2681.00	3010.00
14.	Operating expenses	4932.00	5040.00
14.1.	Salaries, social security and other related expenses	3547.00	3806.00
14.2.	Training and business trips expense	16.00	20.00
14.3.	Rent and premises maintenance	418.00	201.00
14.4.	Transportation and communication expense	367.00	395.00
14.5.	Advertising and marketing expense	109.00	111.00
14.6.	Other administrative expense	475.00	507.00
15.	Other banking expense	922.00	1228.00
16.	Depreciation and amortization expense	563.00	705.00
17.	Other specific provisions	1605.00	1671.00
17.1.	Provisions for doubtful assets	1588.00	1654.00
17.2.	Provisions for off-balance sheet items	17.00	17.00
18.	Operating result (12+13-14-15-16-17)	1270.00	1270.00
19.	Extraordinary profit (loss)	19.00	19.00

20.	Net income before tax (18+19)	1289.00	1289.00
21.	Income tax	-	-
22.	Deferred taxes	-	-
23.	Minority interest		
24.	Net result for the year	1289.00	1289.00
25.	Earnings per (LTL)	18.76	18.76

Assets Quality and Other Information:

- Advances Breakdown by Risk Group**

Risk group	Share (%)	Provision ratio (%)
Standard	8.44	0
Possible risk	49.37	0
Increased risk	23.22	20
Doubtful	18.41	40
Loss	0.56	100
Total:	100.00	

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

Specific provisions for loans (LTL thousands)	4057.00
Specific provisions to loans portfolio ratio (%)	8.64

Specific provisions for doubtful assets (LTL thousands)	2302.00
Specific provisions to doubtful assets ratio (%)	12.94

- Compliance with the Regulatory Requirements**

During the third quarter of 2003, 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 third quarter of 2003, the National Bank of Lithuania didn't apply any measures of effect to the Medicinos Bankas.

- Main Profitability Showings**

Return on assets (%)	0.90
Return on equity (%)	3.73