



**AB ŪKIO BANKAS INTERIM INFORMATION FOR
THE NINE MONTH PERIOD OF THE YEAR 2010
(unaudited)**

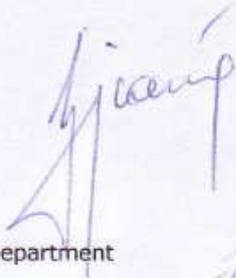
(Prepared in accordance with the Rules of Preparing and Disclosure of Periodic and Additional Information approved by the Lithuanian Securities Commission)

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CONFIRMATION OF RESPONSIBLE PERSONS

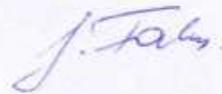
We hereby confirm that condensed interim financial statements for the nine month period ended 30 September 2010 prepared in accordance with applicable accounting standards are true and fairly present assets, liabilities, financial position, profit or loss and cash flows of AB Ūkio bankas, as well as of AB Ūkio bankas Group consolidated companies.

Chairman –
Chief Executive Officer



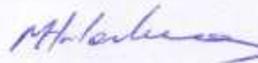
Gintaras Ugianskis

Deputy Head of Finance and Risk Management Department



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Head of Financial Institutions and Fund Raising Department



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The report is prepared in Kaunas, 4th November 2010

AB ŪKIO BANKAS

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION AS OF 30 SEPTEMBER 2010

(All amounts in LTL thousands unless otherwise stated)



	Notes	The Group 2010-09-30	The Group 2009-12-31	The Bank 2010-09-30	The Bank 2009-12-31
ASSETS					
Cash and balances with central bank	3	369,608	442,736	369,605	442,719
Loans and advances to banks and other credit institutions		803,852	677,968	796,258	670,326
Financial assets at fair value through profit or loss		75,517	42,989	34,826	11,102
Loans and finance lease receivable	4	2,644,574	2,420,504	2,320,239	2,271,821
Investment securities:					
<i>available-for-sale</i>	5	22,006	43,339	21,551	42,935
<i>held-to-maturity</i>	5	672,241	268,496	994,597	460,233
Investments in subsidiaries	6	-	-	184,526	157,636
Intangible assets		21,541	22,095	1,634	2,220
Property, plant and equipment		28,154	34,311	22,493	25,197
Investment property		176,688	142,840	6,031	16,052
Deferred tax assets		12,542	13,337	12,542	13,337
Other assets	7	64,589	131,005	41,041	107,146
Assets classified as held for sale		56,892	56,963	56,591	-
Total assets		4,948,204	4,296,583	4,861,934	4,220,724
LIABILITIES AND EQUITY					
LIABILITIES					
Due to banks and other credit institutions		546,865	285,864	546,865	276,864
Financial liabilities at fair value through profit or loss		372	6	382	6
Due to customers	8	3,714,752	3,354,061	3,719,448	3,362,881
Debt securities in issue		32,170	17,860	32,170	17,860
Subordinated loans		94,539	148,836	94,539	148,836
Deferred tax liabilities		18,762	14,984	-	-
Other liabilities		73,477	61,184	21,946	19,946
Liabilities directly associated with assets classified as held for sale		2,544	2,617	-	-
Total liabilities		4,483,481	3,885,412	4,415,350	3,826,393
EQUITY					
Share capital	9	295,824	245,824	295,824	245,824
Share premium		76,500	76,500	76,500	76,500
Revaluation reserve - available-for-sale investment securities		(4,457)	(5,193)	(4,466)	(5,175)
General reserve for losses of assets		-	-	-	-
Fixed assets revaluation reserve		-	-	-	-
Currency translation reserve		(346)	(313)	-	-
Legal reserve		16,239	16,046	15,532	15,532
Other reserves		61,650	136,647	61,650	136,647
Retained earnings		19,313	(58,340)	1,544	(74,997)
Equity attributable to equity holders of the parent		464,723	411,171	446,584	394,331
Minority interest		-	-	-	-
Total equity		464,723	411,171	446,584	394,331
Total liabilities and equity		4,948,204	4,296,583	4,861,934	4,220,724

The accompanying explanatory notes are an integral part of these financial statements.

AB ŪKIO BANKAS

CONDENSED INTERIM INCOME STATEMENTS FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2010 (All amounts in LTL thousands unless otherwise stated)



	Notes	The Group 2010-01-01 – 2010-09-30	The Group 2009-01-01 – 2009-09-30	The Bank 2010-01-01 – 2010-09-30	The Bank 2009-01-01 – 2009-09-30
CONTINUING OPERATIONS					
Interest income	10	150,875	218,742	128,910	199,007
Interest expense	10	(136,715)	(163,266)	(137,047)	(170,224)
Interest income, net		14,160	55,476	(8,137)	28,783
Fees and commission income	11	44,283	51,997	40,323	47,860
Fees and commission expense	11	(7,646)	(9,627)	(7,377)	(8,999)
Fees and commission income, net		36,637	42,370	32,946	38,861
Net gains from dealing in foreign currencies		16,594	(1,003)	16,246	(2,912)
Net gains (losses) from financial assets at fair value through profit or loss		(2,335)	18,841	(4,445)	13,586
Net gains (losses) arising from investment securities		16,365	134	16,365	160
Impairment charge for credit losses	14	5,315	(23,067)	16,472	(2,575)
Recoveries of loans written off		1,586	951	152	53
Insurance income, net		1,900	784	-	-
Dividend income		58	7	58	7
Other operating income		7,044	2,986	6,013	1,570
Operating profit before operating expenses		97,324	97,479	75,670	77,533
Operating expenses	12	(90,750)	(88,985)	(73,195)	(72,257)
Profit (loss) before income tax		6,574	8,494	2,475	5,276
Income tax benefit (expense)		(2,100)	(2,110)	(931)	(531)
Net profit (loss) for the year from continuing operations		4,474	6,384	1,544	4,745
Profit (loss) for the year from discontinued operations		(1,618)	-	-	-
NET PROFIT (LOSS) FOR THE PERIOD		2,856	6,384	1,544	4,745
Attributable to:					
Equity holders of the parent		2,856	6,384	1,544	4,745
Minority interest		-	-	-	-
NET PROFIT (LOSS) FOR THE PERIOD		2,856	6,384	1,544	4,745
EARNINGS PER SHARE					
From continuing and discontinued operations:					
Basic (in LTL)	13	0.01	0.03	0.01	0.02
Diluted (in LTL)		0.01	0.03	0.01	0.02
From continuing operations:					
Basic (in LTL)	13	0.02	0.03	0.01	0.02
Diluted (in LTL)		0.02	0.03	0.01	0.02

The accompanying explanatory notes are an integral part of these financial statements.

AB ŪKIO BANKAS**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2010**
(All amounts in LTL thousands unless otherwise stated)

	The Group 2010-01-01 – 2010-09-30	The Group 2009-01-01 – 2009-09-30	The Bank 2010-01-01 – 2010-09-30	The Bank 2009-01-01 – 2009-09-30
Profit (loss) for the year	2,856	6,384	1,544	4,745
Other comprehensive income				
Exchange differences on translating foreign operations				
Exchange differences arising during the year on translating foreign operations, net of tax	(33)	(4,332)	-	-
Reclassification adjustments relating to foreign operations disposed of in the year, net of tax	-	-	-	-
Available-for-sale financial assets				
Net gain (loss) arising on revaluation of available-for-sale financial assets during the year, net of tax	736	89	709	-
	736	89	709	-
Revaluation of properties				
Reclassification adjustments relating to revaluation of properties disposed of in the year, net of tax	-	-	-	-
Income from sale of subsidiaries included directly in retained earnings	-	-	-	-
Other reclassification adjustments	(7)	4,474	-	-
Total comprehensive income for the year	3,552	6,615	2,253	4,745
Attributable to:				
Equity holders of the parent	3,552	6,615	2,253	4,745
Minority interest	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	3,552	6,615	2,253	4,745

The accompanying explanatory notes are an integral part of these financial statements.

AB ŪKIO BANKAS

CONDENSED INTERIM INCOME STATEMENTS FOR THE THREE MONTH PERIOD ENDED 30 SEPTEMBER 2010 (All amounts in LTL thousands unless otherwise stated)



	Notes	The Group 2010-07-01 – 2010-09-30	The Group 2009-07-01 – 2009-09-30	The Bank 2010-07-01 – 2010-09-30	The Bank 2009-07-01 – 2009-09-30
CONTINUING OPERATIONS					
Interest income	10	50,794	62,744	43,891	53,400
Interest expense	10	(40,536)	(51,684)	(40,719)	(51,650)
Interest income, net		10,258	11,060	3,172	1,750
Fees and commission income	11	14,875	16,989	13,570	15,484
Fees and commission expense	11	(2,595)	(3,575)	(2,524)	(3,228)
Fees and commission income, net		12,280	13,414	11,046	12,256
Net gains from dealing in foreign currencies		1,899	3,132	2,320	3,722
Net gains (losses) from financial assets at fair value through profit or loss		4,906	2,658	2,959	(292)
Net gains (losses) arising from investment securities		61	92	61	93
Impairment charge for credit losses	14	2,136	(1,611)	4,794	5,318
Recoveries of loans written off		285	213	17	12
Insurance income, net		(584)	(579)	-	-
Dividend income		28	-	28	-
Other operating income		675	1,387	305	244
Operating profit before operating expenses		31,944	29,766	24,702	23,103
Operating expenses	12	(30,080)	(28,533)	(23,950)	(22,692)
Profit (loss) before income tax		1,864	1,233	752	411
Income tax benefit (expense)		(944)	(1,085)	(235)	(305)
Net profit (loss) for the year from continuing operations		920	148	517	106
Profit (loss) for the year from discontinued operations		(315)	-	-	-
NET PROFIT (LOSS) FOR THE PERIOD		605	148	517	106
Attributable to:					
Equity holders of the parent		605	148	517	106
Minority interest		-	-	-	-
NET PROFIT (LOSS) FOR THE PERIOD		605	148	517	106
EARNINGS PER SHARE					
From continuing and discontinued operations:					
Basic (in LTL)		0.00	0.00	0.00	0.00
Diluted (in LTL)		0.00	0.00	0.00	0.00
From continuing operations:					
Basic (in LTL)		0.00	0.00	0.00	0.00
Diluted (in LTL)		0.00	0.00	0.00	0.00

The accompanying explanatory notes are an integral part of these financial statements.

AB ŪKIO BANKAS**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTH PERIOD ENDED 30 SEPTEMBER 2010**
(All amounts in LTL thousands unless otherwise stated)

	The Group 2010-07-01 – 2010-09-30	The Group 2009-07-01 – 2009-09-30	The Bank 2010-07-01 – 2010-09-30	The Bank 2009-07-01 – 2009-09-30
Profit (loss) for the year	605	148	517	106
Other comprehensive income				
Exchange differences on translating foreign operations				
Exchange differences arising during the year on translating foreign operations, net of tax	301	(1,519)	-	-
Reclassification adjustments relating to foreign operations disposed of in the year, net of tax	-	-	-	-
	301	(1,519)	-	-
Available-for-sale financial assets				
Net gain (loss) arising on revaluation of available-for-sale financial assets during the year, net of tax	649	28	635	-
	649	28	635	-
Revaluation of properties				
Reclassification adjustments relating to revaluation of properties disposed of in the year, net of tax	-	-	-	-
Income from sale of subsidiaries included directly in retained earnings	-	-	-	-
Other reclassification adjustments	-	4,469	-	-
Total comprehensive income for the year	1,555	3,126	1,152	106
Attributable to:				
Equity holders of the parent	1,555	3,126	1,152	106
Minority interest	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	1,555	3,126	1,152	106

P The accompanying explanatory notes are an integral part of these financial statements.

AB ŪKIO BANKAS

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2010
(All amounts in LTL thousands unless otherwise stated)



The Bank	Share Capital	Share premium	Other reserves	Revaluation reserve on available-for-sales investment securities	General reserve for losses of assets	Legal reserve	Retained earnings	Total
As of 31 December 2008	196,708	76,500	50,000	-	49,116	10,971	91,208	474,503
Transfer to legal reserve	-	-	-	-	-	4,561	(4,561)	-
Increase of share capital	49,116	-	-	-	(49,116)	-	-	-
Transfer to other reserves	-	-	86,647	-	-	-	(86,647)	-
Net profit	-	-	-	-	-	-	4,745	4,745
As of 30 September 2009	245,824	76,500	136,647	-	-	15,532	4,745	479,248
Other comprehensive income	-	-	-	(5,175)	-	-	-	(5,175)
Net loss	-	-	-	-	-	-	(79,742)	(79,742)
As of 31 December 2009	245,824	76,500	136,647	(5,175)	-	15,532	(74,997)	394,331
Transfer to retained earnings	-	-	(74,997)	-	-	-	74,997	-
Increase of share capital	50,000	-	-	-	-	-	-	50,000
Other comprehensive income	-	-	-	709	-	-	-	709
Net profit	-	-	-	-	-	-	1,544	1,544
As of 30 September 2010	295,824	76,500	61,650	(4,466)	-	15,532	1,544	446,584

(Continued)

AB ŪKIO BANKAS

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2010 (All amounts in LTL thousands unless otherwise stated)



The Group	Share Capital	Share premium	Other reserves	Revaluation reserve on available-for-sale investment securities	General reserve for losses of assets	Fixed assets revaluation reserve	Foreign currency translation reserve	Legal reserve	Retained earnings	Equity attributable to equity holders of the parent	Minority interest	Total
As of 31 December 2008	196,708	76,500	50,000	(110)	49,116	-	2,358	11,245	103,624	489,441	-	489,441
Transfer to legal reserve	-	-	-	-	-	-	-	4,801	(4,801)	-	-	-
Increase of share capital	49,116	-	-	-	(49,116)	-	-	-	-	-	-	-
Transfer to other reserves	-	-	86,647	-	-	-	-	-	(86,647)	-	-	-
Other comprehensive income	-	-	-	89	-	-	(4,332)	-	4,474	231	-	231
Net profit	-	-	-	-	-	-	-	-	6,384	6,384	-	6,384
As of 30 September 2009	245,824	76,500	136,647	(21)	-	-	(1,974)	16,046	23,034	496,056	-	496,056
Other comprehensive income	-	-	-	(5,172)	-	-	1,661	-	-	(3,511)	-	(3,511)
Net loss	-	-	-	-	-	-	-	-	(81,374)	(81,374)	-	(81,374)
As of 31 December 2009	245,824	76,500	136,647	(5,193)	-	-	(313)	16,046	(58,340)	411,171	-	411,171
Increase of share capital	50,000	-	-	-	-	-	-	-	-	50,000	-	50,000
Transfer to legal reserve	-	-	-	-	-	-	-	193	(193)	-	-	-
Transfer to retained earnings	-	-	(74,997)	-	-	-	-	-	74,997	-	-	-
Other comprehensive income	-	-	-	736	-	-	(33)	-	(7)	696	-	696
Net profit	-	-	-	-	-	-	-	-	2,856	2,856	-	2,856
As of 30 September 2010	295,824	76,500	61,650	(4,457)	-	-	(346)	16,239	19,313	464,723	-	464,723

(Concluded)

The accompanying explanatory notes are an integral part of these financial statements.

AB ŪKIO BANKAS

CONDENSED INTERIM CASH FLOW STATEMENTS FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2010 (All amounts in LTL thousands unless otherwise stated)



	The Group 2010-01-01 – 2010-09-30	The Group 2009-01-01 – 2009-09-30	The Bank 2010-01-01 – 2010-09-30	The Bank 2009-01-01 – 2009-09-30
Cash flows from (to) operating activities				
Net profit (loss) for the year	2,856	6,384	1,544	4,745
Adjustments to net profit:				
Income tax (benefit) expense recognized in profit or loss	2,100	2,110	931	531
Gain on disposal of subsidiaries				
Change in fair value of investment property	-	(89)	-	-
Impairment charge for credit losses	(6,901)	22,116	(16,624)	2,522
Interest income	(150,875)	(218,742)	(128,910)	(199,007)
Interest expense	136,715	152,801	137,047	159,759
Dividends income	(58)	(7)	(58)	(7)
Depreciation and amortization	6,907	5,827	4,572	4,770
(Profit) loss from sales of property, plant and equipment	(5,240)	-	(5,239)	(333)
Cash from (to) operating profits before changes in operating assets and liabilities	(14,496)	(29,932)	(6,737)	(27,020)
Changes in operating assets and liabilities				
Net change in balances with Central Bank	(25,192)	6,607	(25,192)	6,607
Net change in loans to banks and other credit institutions	131	(4,318)	(85)	(1,111)
Net change in financial assets at fair value through profit or loss	(32,527)	7,127	(23,795)	16,886
Net change in loans and finance lease	(244,404)	540,862	(64,595)	943,056
Net change in other assets	95,497	(27,331)	26,262	(19,816)
Net change in due to banks and other credit institutions	259,288	7,212	268,288	13,385
Net change in financial liabilities at fair value through profit or loss	366	(178)	376	(213)
Net change in due to customers	366,861	11,255	362,865	(290,077)
Net change in other liabilities	13,992	12,623	2,001	(9,223)
Cash generated from (used in) operations	419,516	523,927	539,388	632,474
Interest received	143,763	157,619	112,627	145,618
Interest paid	(141,897)	(112,105)	(142,357)	(118,963)
Income tax paid	(100)	(2,100)		(1,500)
Net cash generated from / (used in) operating activities	421,282	567,341	509,658	657,629

(Continued)

AB ŪKIO BANKAS**CONDENSED INTERIM CASH FLOW STATEMENTS
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2010**
(All amounts in LTL thousands unless otherwise stated)

	The Group 2010-01-01 – 2010-09-30	The Group 2009-01-01 – 2009-09-30	The Bank 2010-01-01 – 2010-09-30	The Bank 2009-01-01 – 2009-09-30
Cash flows from (to) investing activities				
Dividends received	58	7	58	7
Acquisition of subsidiaries			(2,890)	
Net change in investment securities	(375,714)	91,863	(504,135)	(120,583)
Acquisition of property, plant and equipment and investment property	(48,556)	(129,138)	(1,021)	(4,775)
Sales of property plant and equipment	20,177	3,416	15,298	3,383
Acquisition of intangible assets	(421)	(1,146)	(299)	(1,442)
Sale of intangible assets	-	835	-	755
Net cash generated from / (used in) investing activities	(404,456)	(34,163)	(492,989)	(122,655)
Cash flows from (to) financing activities				
Debt securities issued	63,613	4,204	63,613	4,204
Debt securities redeemed	(49,268)	(9,559)	(49,268)	(11,796)
Subordinated loans repaid	(3,608)	(6,454)	(3,608)	(6,454)
Net cash generated from financing activities	10,737	(11,809)	10,737	(14,046)
Net (decrease) increase in cash and cash equivalents	27,563	521,369	27,406	520,928
Effect of exchange rate changes on cash and cash equivalents				
Cash and cash equivalents at the beginning of the year	989,006	161,081	987,967	160,692
Cash and cash equivalents at the end of the year	1,016,569	682,450	1,015,373	681,620

(Concluded)

The accompanying explanatory notes are an integral part of these financial statements.

AB ŪKIO BANKAS

EXPLANATORY NOTES FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2010 (All amounts in LTL thousands unless otherwise stated)



NOTE 1 GENERAL INFORMATION

AB Ūkio Bankas ("the Bank") was established in June 1989 as Commercial Industry Bank. The Bank's main office is located in Kaunas, Maironio str. 25.

The Bank has a business license issued from Bank of Lithuania for conducting all financial services specified by Lithuanian Banks Law and providing other services allowed under Lithuanian Financial Institutions Law.

The Bank has 12 branches and 47 client service departments in Lithuania and 2 representative offices in foreign countries (Ukraine and Kazakhstan). In addition, the Bank controls, directly or indirectly, 8 subsidiaries: UAB Ūkio banko lizingas, UAB Ūkio banko investicijų valdymas, GD UAB Bonum publicum, UAB Ūkio banko rizikos kapitalo valdymas, UAB Turto valdymo paslaugos, UAB Trade Project ir UAB Investicinio turto valdymas. UAB Ūkio banko rizikos kapitalo valdymas owns RAB Ūkio bank lizing (Ukraine).

As of 30 September 2010 the Group and the Bank employed 807 and 706 employees respectively (as of 31 December 2009: 806 and 700).

AB Ūkio Bankas ordinary registered shares have been traded on the Vilnius Stock Exchange since June 1998. The trade in AB Ūkio Bankas shares on the Official List was started on 13 July 2006. AB Ūkio Bankas is the first financial sector company having its shares quoted on the Official List of the Stock Exchange.

The Bank's shareholders owning more than 5% of the share capital are as follows:

	2010.09.30	2009.12.31
Vladimir Romanov	51.53 proc.	32.95 proc.
UAB Universal Business Investment Group Management	8.30 proc.	9.99 proc.
UAB First Partneriai	6.45 proc.	6.84 proc.
Zinaida Romanova	0.00 proc.	8.73 proc.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied by the Group and the Bank in these condensed interim financial statements are the same as those applied by the Group and the Bank in their financial statements as at and for the year ended 31 December 2009, which were prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the EU and International Financial Reporting Standards ("IFRS"), respectively. IFRSs as adopted by the EU do not currently differ from IFRS as issued by the International Accounting Standards Board (IASB) and currently effective for the purpose of these financial statements, except for certain hedge accounting requirements under IAS 39, which have not been adopted by the EU. The Group and the Bank has determined that the unendorsed hedge accounting requirements under IAS 39 would not impact the Bank's and the consolidated financial statements had they been endorsed by the EU at the balance sheet date.

The condensed interim financial statements for the Group and the Bank have been prepared in accordance with IAS 34, *Interim Financial Reporting*, as adopted by the EU and IAS 34, *Interim Financial Reporting*, respectively. Condensed interim financial statements such as these do not include information as extensive as annual financial statements compiled in accordance with IFRSs as adopted by the EU or IFRS and should be read in conjunction with the Group's and the Bank's annual financial statements for the year ended 31 December 2009.

The Condensed Interim Financial Statements are presented in Lithuanian Litas (LTL), rounded to the nearest thousand.

NOTE 3 SEASONALITY OF THE RESULTS

No significant amounts of the Group's and the Bank's income or expenses are of a seasonal nature.

AB ŪKIO BANKAS

EXPLANATORY NOTES FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2010 (All amounts in LTL thousands unless otherwise stated)



NOTE 4 LOANS AND FINANCE LEASE RECEIVABLE

The Group			The Bank	
2010-09-30	2009-12-31		2010-09-30	2009-12-31
		Loans and finance lease receivable		
		Loans to small and medium size enterprises (SMEs)	1,212,843	1,152,249
1,212,874	1,111,862	Loans to other enterprises	608,643	854,116
834,532	851,844	Loans to individuals	188,440	211,471
325,212	334,665	Loans to financial institutions	416,113	230,545
3,955	185,950	Finance lease receivable	54,549	-
467,892	141,301			
2,844,465	2,625,622	Total loans and finance lease receivable	2,480,588	2,448,381
		Provisions for impairment loss of loans and finance lease receivable (note 14 (f))	(160,349)	(176,560)
(199,891)	(205,118)	<i>Provisions for impairment loss of loans receivable</i>	(160,349)	(176,560)
(185,629)	(193,492)	<i>Provisions for impairment loss of finance lease receivables</i>	-	-
(14,262)	(11,626)			
2,644,574	2,420,504	Total loans and finance lease receivable from customers, net of provisions	2,320,239	2,271,821

NOTE 5 INVESTMENT SECURITIES

The Group			The Bank	
2010-09-30	2009-12-31		2010-09-30	2009-12-31
		Equity investment securities available-for-sale		
29	11,504	Equity securities of entities available-for-sale	-	11,487
915	10,832	Equity securities of banks and financial institutions available-for-sale	489	10,445
944	22,336	Total equity investment securities available-for-sale	489	21,932
		Debt investment securities available-for-sale		
7,380	6,446	Debt investment securities of entities available-for-sale	7,380	6,446
13,682	14,557	Debt investment securities of banks and financial institutions available-for-sale	13,682	14,557
21,062	21,003	Total debt investment securities available-for-sale	21,062	21,003
22,006	43,339	Total investment securities available-for-sale	21,551	42,935
		Investment securities held to maturity		
188,832	86,591	Debt securities of entities held to maturity	188,832	86,591
146,328	145,172	Debt securities of banks and financial institutions held to maturity	469,110	337,340
337,081	36,733	Government debt securities held to maturity	336,655	36,302
672,241	268,496	Total debt investment securities held to maturity	994,597	460,233

As of 30 September 2010 investment securities held to maturity with carrying amount LTL'000 385,536 were pledged under repurchase agreements (as of 31 December 2009: LTL'000 121,935).

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EXPLANATORY NOTES FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2010 (All amounts in LTL thousands unless otherwise stated)



NOTE 6 INVESTMENTS IN SUBSIDIARIES

The Group			The Bank	
2010-09-30	2009-12-31		2010-09-30	2009-12-31
		Investments in subsidiaries		
-	-	GD UAB Bonum publicum	36,321	36,321
-	-	UAB Ūkio banko investicijų valdymas	2,000	2,000
-	-	UAB Ūkio banko lizingas	1,000	1,000
-	-	UAB Ūkio banko rizikos kapitalo valdymas	19,924	19,924
-	-	UAB Investicinio turto valdymas	98,391	98,391
-	-	UAB Trade Project	26,880	-
-	-	UAB Turto valdymo paslaugos	10	-
-	-	Total investments in subsidiaries	184,526	157,636

NOTE 7 OTHER ASSETS

The Group			The Bank	
2010-09-30	2009-12-31		2010-09-30	2009-12-31
		Other assets		
3,837	26,084	Prepayments	2,128	24,818
14,810	16,810	Deferred expenses	11,838	13,239
84	1,566	Accounts receivable	79	2,268
2,497	3,898	Income tax paid in advance	1,936	2,000
32,916	77,250	Foreclosed assets	20,247	61,172
398	147	Transit accounts	55	23
402	352	Receivables on securities transactions	402	352
10,015	5,402	Other receivables	4,723	3,775
64,959	131,509	Total other assets	41,408	107,647
(370)	(504)	Provisions for impairment loss of other assets (Note 14 (e))	(367)	(501)
64,589	131,005	Total other assets, net of provisions	41,041	107,146

NOTE 8 DUE TO CUSTOMERS

The Group			The Bank	
2010-09-30	2009-12-31		2010-09-30	2009-12-31
		Due to customers		
741,664	649,248	Current and demand deposits	741,986	649,692
2,905,802	2,662,221	Term deposits, letters of credit	2,914,895	2,670,597
67,286	42,592	Loans	62,567	42,592
3,714,752	3,354,061	Total due to customers	3,719,448	3,362,881
		Current and demand deposits		
426,914	434,335	Companies	427,021	434,348
231,192	170,575	Individuals	231,192	170,575
83,558	44,338	Financial institutions	83,773	44,769
741,664	649,248		741,986	649,692
		Term deposits, letters of credit		
444,841	482,795	Companies	445,491	482,857
2,330,282	2,080,431	Individuals	2,330,282	2,080,431
95,617	57,845	Financial institutions	104,035	66,023
2,870,740	2,621,071		2,879,808	2,629,311
		Loans		
12,649	8,000	Government institutions	8,000	8,000
54,265	34,040	Financial institutions	54,265	34,040
-	-	Private companies	-	-
66,914	42,040		62,265	42,040
35,434	41,702	Accrued interest	35,389	41,838
3,714,752	3,354,061	Total due to customers	3,719,448	3,362,881

NOTE 9 SHARE CAPITAL AND RESERVES

The authorized capital of the Bank as of 30 September 2010 was LTL'000 295,824 (31 December 2009: LTL'000 245,824) and consisted of 295,824,000 ordinary shares with par value of LTL 1 each. All shares are fully paid.

On 13 September 2010 AB Ūkio bankas authorized capital was increased from additional contributions to LTL'000 295,824 issuing new LTL'000 50,000 issue of 50 million ordinary registered shares of 1 LTL nominal value. AB Ūkio bankas authorized capital was increased from additional contributions converting subordinated loan, received from Vladimir Romanov, to a new issue of ordinary registered shares. The price of the shares of the new issue – 1 LTL for one share.

Other reserves are formed from shareholder's additional contributions or deductions from the profit of the Bank. The purpose of Other reserves is to guarantee the financial stability of the Bank. Other reserves following the decision of the ordinary General Meeting of the Shareholders can be used to cover the losses and for the purpose discussed in Part 6 of Article 41 of Law on the Banks of the Republic of Lithuania. The ordinary general shareholders' meeting of AB Ūkio bankas on 26 March 2010 adopted resolution to transfer LTL'000 74,997 from other reserves to retained earnings. As of 30 September 2010 Other reserves amounted to LTL'000 61,650 (31 December 2009: LTL'000 136,647).

NOTE 10 INTEREST INCOME AND EXPENSE

The Group			The Bank	
2010-01-01 – 2010-09-30	2009-01-01 – 2009-09-30		2010-01-01 – 2010-09-30	2009-01-01 – 2009-09-30
		Interest income		
133,865	200,618	on loans and other receivables (including finance leases)	101,978	176,278
14,941	14,966	on investment securities held to maturity	25,297	20,141
1,034	1,642	on investment securities available-for-sale	1,034	1,642
507	808	on trading debt securities	73	238
528	708	on balances with central bank	528	708
150,875	218,742	Total interest income	128,910	199,007

The Group			The Bank	
2010-01-01 – 2010-09-30	2009-01-01 – 2009-09-30		2010-01-01 – 2010-09-30	2009-01-01 – 2009-09-30
		Interest expense		
105,269	136,136	on due to customers	105,696	144,361
9,095	9,318	on due to banks and other credit institutions	9,000	7,983
9,359	6,031	on subordinated loans	9,359	6,031
1,351	1,316	on debt securities issued	1,351	1,384
11,641	10,465	deposit insurance expenses	11,641	10,465
136,715	163,266	Total interest expense	137,047	170,224

In the nine month period ended 30 September 2010 the Group's/Bank's total interest income includes income accrued on impaired financial assets in the amount of LTL'000 18,999 and 16,082 respectively (nine month period ended 30 September 2009: LTL'000 17,691 and LTL'000 12,954).

NOTE 11 FEES AND COMMISSION INCOME AND EXPENSE

The Group			The Bank	
2010-01-01 – 2010-09-30	2009-01-01 – 2009-09-30		2010-01-01 – 2010-09-30	2009-01-01 – 2009-09-30
Fees and commission income				
26,521	30,635	for money transfer operations	26,604	30,721
2,097	3,621	for credit services	2,097	3,878
2,340	3,108	for bank accounts' services	2,340	3,108
6,187	6,849	for payment card services	2,668	2,584
1,171	1,971	for collection of taxes	1,193	2,149
1,847	2,442	for EUR currency exchange	1,847	2,442
4,120	3,371	other	3,574	2,978
44,283	51,997	Total fees and commission income	40,323	47,860

The Group			The Bank	
2010-01-01 – 2010-09-30	2009-01-01 – 2009-09-30		2010-01-01 – 2010-09-30	2009-01-01 – 2009-09-30
Fees and commission expenses				
2,476	4,100	for money transfer operations	2,233	3,495
4,204	3,314	for payment card services	4,204	3,314
966	2,220	other	940	2,198
7,646	9,634	Total fees and commission expenses	7,377	9,007

NOTE 12 OPERATING EXPENSES

The Group			The Bank	
2010-01-01 – 2010-09-30	2009-01-01 – 2009-09-30		2010-01-01 – 2010-09-30	2009-01-01 – 2009-09-30
Operating expenses				
33,169	32,611	Salary and related expenses	25,981	25,913
12,631	12,344	Marketing and charity expenses	10,696	8,757
16,809	13,020	Rent of premises and household expenses	14,522	12,069
6,680	6,115	Taxes (other than income tax)	6,094	5,922
6,907	5,827	Depreciation and amortization	4,572	4,770
		Transport, post and communication service expenses	1,953	1,917
2,794	2,818	IT expenses	2,703	2,502
2,752	2,561	Training and business trip expenses	447	530
1,310	1,124	Other expenses	6,227	9,877
7,698	12,565			
90,750	88,985	Total operating expenses	73,195	72,257

NOTE 13 EARNINGS PER SHARE

The Group			The Bank	
2010-01-01 – 2010-09-30	2009-01-01 – 2009-09-30		2010-01-01 – 2010-09-30	2009-01-01 – 2009-09-30
Basic earnings per share calculation				
4,474	6,384	Profit attributable to equity holders of the Parent from continuing operations	1,544	4,745
(1,618)	-	from discontinued operations	-	-
2,856	6,384	Total profit attributable to equity holders of the Parent	1,544	4,745
248,938	222,795	Weighted average number of ordinary shares in issue (thousands units)	248,938	222,795
0.02	0.03	Basic earnings per share from continuing operations (in LTL)	0.01	0.02
(0.01)	-	Basic earnings per share from discontinued operations (in LTL)	-	-
0.01	0.03	Basic earnings per share (in LTL)	0.01	0.02

The Group			The Bank	
2010-01-01 – 2010-09-30	2009-01-01 – 2009-09-30		2010-01-01 – 2010-09-30	2009-01-01 – 2009-09-30
Diluted earnings per share calculation				
2,856	6,384	Profit attributable to equity holders of the Parent	1,544	4,745
-	98	Interest expense on subordinated loans (net of tax)	-	98
2,856	6,482	Net profit used to determine diluted earnings per share	1,544	4,843
4,474	6,482	from continuing operations	1,544	4,843
(1,618)	-	from discontinued operations	-	-
248,938	222,795	Weighted average number of ordinary shares in issue (thousands units)	248,938	222,795
-	4,199	Adjustment for assumed conversion of subordinated loans (thousands units)	-	4,199
248,938	226,994		248,938	226,994
0.02	0.03	Diluted earnings per share from continuing operations (in LTL)	0.01	0.02
(0.01)	-	Diluted earnings per share from discontinued operations (in LTL)	-	-
0.01	0.03	Diluted earnings per share (in LTL)	0.01	0.02

NOTE 14 CREDIT RISK

a) Maximum exposure to credit risk without taking account of any collateral and other credit enhancements

The Group			The Bank	
2010-09-30	2009-12-31		2010-09-30	2009-12-31
		Assets		
303,046	338,070	Funds with central banks	303,046	338,070
803,852	677,968	Loans and advances to banks and other credit institutions	796,258	670,326
75,517	42,989	Financial assets at fair value through profit or loss	34,826	11,102
2,644,574	2,420,504	Loans and finance lease receivable:	2,320,239	2,271,821
1,382,907	1,057,130	<i>loans to and finance lease receivable from SMEs</i>	1,150,820	1,032,745
955,834	826,120	<i>loans to and finance lease receivable from other enterprises</i>	593,213	820,689
3,955	185,950	<i>loans to and finance lease receivable from financial institutions</i>	416,113	230,545
301,878	351,304	<i>loans to and finance lease receivable from individuals</i>	160,093	187,842
694,247	311,835	Investment securities:	1,016,148	503,168
22,006	43,339	<i>available-for-sale</i>	21,551	42,935
672,241	268,496	<i>held to maturity</i>	994,597	460,233
44,187	83,154	Other assets	33,308	59,295
4,565,423	3,874,520	Total	4,503,825	3,853,782
		Contingent liabilities and commitments		
61,783	47,702	Guarantees and warranties	61,783	47,702
-	4,015	Commitments to issue letters of credit	-	4,015
108,007	118,587	Irrevocable lending commitments	55,328	63,454
169,790	170,304	Total	117,111	115,171
4,735,213	4,044,824	Total credit risk exposure	4,620,936	3,968,953

b) Risk concentrations of the maximum exposure to credit risk

Concentration of risk is managed by client/counterparty, by industry sector and by geographical region.

The maximum Group's credit exposure to any client or counterparty as of 30 September 2010 was LTL 132 million or 25% of the capital base (31 December 2009: LTL 122 million, or 23% of the capital base) before taking into account of collateral or other credit enhancements.

As of 30 September 2010 and during the year the Group and the Bank complied with the maximum loan to one customer requirement established by Bank of Lithuania, according to which the total amount of loans granted to one customer and the customer's related parties may not exceed 25% of the Group's and the Bank's capital (Note 17).

As of 30 September 2010 and during the year the Group and the Bank complied with the large loans requirement established by Bank of Lithuania, according to which the total amounts of loans granted to one customers and the customer's related parties that exceed 10% of the Group's and the Bank's capital may not exceed 800% of the Group's and the Bank's capital (Note 17).

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EXPLANATORY NOTES FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2010 (All amounts in LTL thousands unless otherwise stated)



An industry sector analysis of the Group's and the Bank's financial assets before taking into account any collateral held or other credit enhancements is as follows:

The Group as of 30 September 2010:

	Telecom- munication services	Financials	Industrials	Informa- tion Techno- logy	Materials	Energy	Consumer Staples	Consumer Discre- tionary	Health Care	Utilities	Govern- ment	Other	Total
Assets													
Cash and balances with central bank	-	-	-	-	-	-	-	-	-	-	303,046	-	303,046
Loans and advances to banks and other credit institutions	-	803,852	-	-	-	-	-	-	-	-	-	-	803,852
Financial assets at fair value through profit or loss	140	41,378	587	145	255	1,246	119	139	-	327	31,181	-	75,517
Loans and finance lease receivable	-	1,455,311	160,965	-	29,862	17,170	92,808	572,436	8,971	23,266	14,430	269,355	2,644,574
Investment securities:													
<i>available-for-sale</i>	-	20,909	-	-	28	-	-	-	-	-	1,069	-	22,006
<i>held-to-maturity</i>	36,802	159,451	5,199	-	11,607	14,032	2,009	18,686	1,795	31,747	390,913	-	672,241
Other assets	-	-	-	-	-	-	-	-	-	-	-	44,187	44,187
Total	36,942	2,480,901	166,751	145	41,752	32,448	94,936	591,261	10,766	55,340	740,639	313,542	4,565,423

As of 30 September 2010, the Group's loans to real estate and construction sectors amounted to LTL'000 1,155,655. In accordance with Global Industry Classification Standard (GICS) loans to real estate and construction sector are included in to industry sector "Financials" and "Consumer Discretionary", respectively in the above presented table.

AB ŪKIO BANKAS

EXPLANATORY NOTES FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2010 (All amounts in LTL thousands unless otherwise stated)



The Group as of 31 December 2009:

	Telecom- munication services	Financials	Industrials	Informa- tion Techno- logy	Materials	Energy	Consumer Staples	Consumer Discre- tionary	Health Care	Utilities	Govern- ment	Other	Total
Assets													
Cash and balances with central bank	-	-	-	-	-	-	-	-	-	-	338,070	-	338,070
Loans and advances to banks and other credit institutions	-	677,968	-	-	-	-	-	-	-	-	-	-	677,968
Financial assets at fair value through profit or loss	-	33,372	224	-	188	-	-	-	-	-	9,205	-	42,989
Loans and finance lease receivable	841	1,307,219	187,204	254	31,148	15,046	98,607	443,098	6,402	9,233	13,030	308,422	2,420,504
Investment securities:													
<i>available-for-sale</i>	-	42,250	-	-	17	-	-	-	-	-	1,072	-	43,339
<i>held-to-maturity</i>	27,397	135,211	7,859	-	10,608	11,030	2,004	7,707	1,722	11,769	53,189	-	268,496
Other assets	-	-	-	-	-	-	-	-	-	-	-	83,154	83,154
Total	28,238	2,196,020	195,287	254	41,961	26,076	100,611	450,805	8,124	21,002	414,566	391,576	3,874,520

As of 31 December 2009, the Group's loans to real estate and construction sectors amounted to LTL'000 1,177,897. In accordance with Global Industry Classification Standard (GICS) loans to real estate and construction sector are included in to industry sector "Financials" and "Consumer Discretionary", respectively in the above presented table.

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EXPLANATORY NOTES FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2010 (All amounts in LTL thousands unless otherwise stated)



The Bank as of 30 September 2010:

	Telecom- munication services	Financials	Industrials	Informa- tion Technology	Materials	Energy	Consumer Staples	Consumer Discretio- nary	Health Care	Utilities	Govern- ment	Other	Total
Assets													
Cash and balances with central bank	-	-	-	-	-	-	-	-	-	-	303,046	-	303,046
Loans and advances to banks and other credit institutions	-	796,258	-	-	-	-	-	-	-	-	-	-	796,258
Financial assets at fair value through profit or loss	140	13,857	331	145	255	-	119	139	-	327	19,513	-	34,826
Loans and finance lease receivable	-	1,329,499	145,149	-	26,287	17,170	88,461	542,602	8,945	23,266	14,374	124,486	2,320,239
Investment securities:													
<i>available-for-sale</i>	-	20,482	-	-	-	-	-	-	-	-	1,069	-	21,551
<i>held-to-maturity</i>	36,802	482,233	5,199	-	11,607	14,032	2,009	18,686	1,795	31,747	390,487	-	994,597
Other assets	-	-	-	-	-	-	-	-	-	-	-	33,308	33,308
Total	36,942	2,642,329	150,679	145	38,149	31,202	90,589	561,427	10,740	55,340	728,489	157,794	4,503,825

As of 30 September 2010, the Bank's loans to real estate and construction sectors amounted to LTL'000 709,200. In accordance with Global Industry Classification Standard (GICS) loans to real estate and construction sector are included in to industry sector „Financials“ and „Consumer Discretionary“ respectively in the above presented table.

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EXPLANATORY NOTES FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2010 (All amounts in LTL thousands unless otherwise stated)



The Bank as of 31 December 2009:

	Telecom- munication services	Financials	Industrials	Informa- tion Technology	Materials	Energy	Consumer Staples	Consumer Discretio- nary	Health Care	Utilities	Govern- ment	Other	Total
Assets													
Cash and balances with central bank	-	-	-	-	-	-	-	-	-	-	338,070	-	338,070
Loans and advances to banks and other credit institutions	-	670,326	-	-	-	-	-	-	-	-	-	-	670,326
Financial assets at fair value through profit or loss	-	10,914	-	-	188	-	-	-	-	-	-	-	11,102
Loans and finance lease receivable	-	1,396,784	154,515	-	24,888	14,577	92,375	415,394	6,370	8,928	13,030	144,960	2,271,821
Investment securities:													
<i>available-for-sale</i>	-	41,863	-	-	-	-	-	-	-	-	1,072	-	42,935
<i>held-to-maturity</i>	27,397	327,379	7,859	-	10,608	11,030	2,004	7,707	1,722	11,769	52,758	-	460,233
Other assets	-	-	-	-	-	-	-	-	-	-	-	59,295	59,295
Total	27,397	2,447,266	162,374	-	35,684	25,607	94,379	423,101	8,092	20,697	404,930	204,255	3,853,782

As of 31 December 2009, the Bank's loans to real estate and construction sectors amounted to LTL'000 1,209,226. In accordance with Global Industry Classification Standard (GICS) loans to real estate and construction sector are included in to industry sector „Financials“ and „Consumer Discretionary“ respectively in the above presented table.

AB ŪKIO BANKAS

EXPLANATORY NOTES FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2010 (All amounts in LTL thousands unless otherwise stated)



The analysis of the Group's and the Bank's financial assets before taking into account any collateral held or other credit enhancements by geographical region is as follows:

As of 30 September 2010:

	The Group			The Bank		
	Higher rated countries	Lower rated countries	Total	Higher rated countries	Lower rated countries	Total
Assets						
Funds with central banks	303,046	-	303,046	303,046	-	303,046
Loans and advances to banks and other credit institutions	803,852	-	803,852	743,319	52,939	796,258
Financial assets at fair value through profit or loss	73,961	1,556	75,517	34,272	554	34,826
Loans and finance lease receivable	2,329,627	314,947	2,644,574	2,092,736	227,503	2,320,239
Investment securities:	623,962	70,285	694,247	946,250	69,898	1,016,148
<i>available-for-sale</i>	19,199	2,807	22,006	18,744	2,807	21,551
<i>held-to-maturity</i>	604,763	67,478	672,241	927,506	67,091	994,597
Other assets	43,123	1,064	44,187	33,278	30	33,308
Total	4,177,571	387,852	4,565,423	4,152,901	350,924	4,503,825

As of 31 December 2009:

	The Group			The Bank		
	Higher rated countries	Lower rated countries	Total	Higher rated countries	Lower rated countries	Total
Assets						
Funds with central banks	338,070	-	338,070	338,070	-	338,070
Loans and advances to banks and other credit institutions	660,292	17,676	677,968	652,802	17,524	670,326
Financial assets at fair value through profit or loss	42,669	320	42,989	10,914	188	11,102
Loans and finance lease receivable	2,215,268	205,236	2,420,504	2,092,643	179,178	2,271,821
Investment securities:	226,216	85,619	311,835	417,934	85,234	503,168
<i>available-for-sale</i>	36,534	6,805	43,339	36,130	6,805	42,935
<i>held-to-maturity</i>	189,682	78,814	268,496	381,804	78,429	460,233
Other assets	76,534	6,620	83,154	59,290	5	59,295
Total	3,559,049	315,471	3,874,520	3,571,653	282,129	3,853,782

Higher rated countries include countries belonging to the European Union and/or countries that have credit ratings ranging from AAA/Aaa to A-/A3, lower rated countries include countries not belonging to the European Union that have lower ratings.

As of 30 September 2010, largest single country concentrations of Group's financial assets without taking into account any collateral held or other credit enhancements were in Lithuania –56.4%, USA – 7.3% (as of 31 December 2009: Lithuania – 63.7%, USA – 7.7%, Germany – 4.3%).

c) Credit quality of financial assets

The credit quality of financial assets of the Group and the Bank is managed by using internal credit ratings. Exposures are rated to 5 internal risk grades. Grade 1 represents best credit quality and Grade 5 represents the worst credit quality.

For the counterparties that have external credit ratings, internal ratings are assigned based on the following principles: Grade 1 is assigned to counterparties that have a long-term credit rating of at least A-/A3; Grade 2 is assigned to counterparties that have a credit rating ranging from BBB+/Baa1 to BBB-/Baa3; Grade 3 is assigned to counterparties that have a credit rating ranging from BB+/Ba1 to B-/B3. For the banks or foreign bank branches registered in Lithuania, internal rating higher by one grade to that which would result from the before mentioned principle, is assigned.

As of 30 September 2010 the Group's financial assets by internal credit ratings were as follows.

The Group	Neither past due nor individually impaired					Past due or individually impaired	Total
	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5		
Funds with central banks	303,046	-	-	-	-	-	303,046
Loans and advances to banks and other credit institutions	560,448	192,502	50,900	2	-	-	803,852
Financial assets at fair value through profit or loss	25,314	48,108	1,410	685	-	-	75,517
Loans and finance lease receivable:	148,513	590,916	869,445	392,168	3,191	640,341	2,644,574
<i>loans to SMEs</i>	7,583	80,555	689,866	331,935	2,200	270,768	1,382,907
<i>loans to other enterprises</i>	9,460	435,176	169,849	54,976	-	286,373	955,834
<i>loans to financial institutions</i>	-	3,955	-	-	-	-	3,955
<i>loans to individuals</i>	131,470	71,230	9,730	5,257	991	83,200	301,878
Investment securities:	409,234	215,242	61,880	5,301	-	2,590	694,247
<i>available-for-sale</i>	5,972	1,215	11,421	3,398	-	-	22,006
<i>held-to-maturity</i>	403,262	214,027	50,459	1,903	-	2,590	672,241
Other assets	1	41,328	2,822	-	-	36	44,187
Total	1,446,556	1,088,096	986,457	398,156	3,191	642,967	4,565,423

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EXPLANATORY NOTES FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2010 (All amounts in LTL thousands unless otherwise stated)



As of 31 December 2009 the Group's financial assets by internal credit ratings were as follows:

The Group	Neither past due nor individually impaired					Past due or individually impaired	Total
	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5		
Funds with central banks	338,070	-	-	-	-	-	338,070
Loans and advances to banks and other credit institutions	529,260	126,050	15,582	7,075	-	1	677,968
Financial assets at fair value through profit or loss	7,907	32,782	1,105	1,195	-	-	42,989
Loans and finance lease receivable:	177,488	452,120	667,132	272,107	6,938	844,719	2,420,504
<i>loans to SMEs</i>	4,337	76,969	396,098	207,075	5,712	366,939	1,057,130
<i>loans to other enterprises</i>	18,892	184,146	181,591	56,454	-	385,037	826,120
<i>loans to financial institutions</i>	-	105,128	80,822	-	-	-	185,950
<i>loans to individuals</i>	154,259	85,877	8,621	8,578	1,226	92,743	351,304
Investment securities:	116,113	103,171	65,480	27,071	-	-	311,835
<i>available-for-sale</i>	9,044	19,628	5,350	9,317	-	-	43,339
<i>held-to-maturity</i>	107,069	83,543	60,130	17,754	-	-	268,496
Other assets	1,050	55,101	26,995	-	-	8	83,154
Total	1,169,888	769,224	776,294	307,448	6,938	844,728	3,874,520

As of 30 September 2010 the Bank's financial assets by internal credit ratings were as follows:

The Bank	Neither past due nor individually impaired					Past due or individually impaired	Total
	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5		
Funds with central banks	303,046	-	-	-	-	-	303,046
Loans and advances to banks and other credit institutions	557,923	188,194	50,139	2	-	-	796,258
Financial assets at fair value through profit or loss	14,471	20,056	299	-	-	-	34,826
Loans and finance lease receivable:	30,550	711,271	861,033	265,614	3,191	448,580	2,320,239
<i>loans to SMEs</i>	4,801	68,886	630,507	206,508	2,200	237,918	1,150,820
<i>loans to other enterprises</i>	9,460	196,390	179,564	54,976	-	152,823	593,213
<i>loans to financial institutions</i>	-	374,881	41,232	-	-	-	416,113
<i>loans to individuals</i>	16,289	71,114	9,730	4,130	991	57,839	160,093
Investment securities:	408,959	537,915	61,766	4,918	-	2,590	1,016,148
<i>available-for-sale</i>	5,972	760	11,421	3,398	-	-	21,551
<i>held-to-maturity</i>	402,987	537,155	50,345	1,520	-	2,590	994,597
Other assets	1	30,449	2,822	-	-	36	33,308
Total	1,314,950	1,487,885	976,059	270,534	3,191	451,206	4,503,825

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EXPLANATORY NOTES FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2010 (All amounts in LTL thousands unless otherwise stated)



As of 31 December 2009 the Bank's financial assets by internal credit ratings were as follows:

The Bank	Neither past due nor individually impaired					Past due or individually impaired	Total
	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5		
Funds with central banks	338,070	-	-	-	-	-	338,070
Loans and advances to banks and other credit institutions	525,308	122,360	15,582	7,075	-	1	670,326
Financial assets at fair value through profit or loss	-	10,522	-	580	-	-	11,102
Loans and finance lease receivable:	44,389	437,724	700,579	321,667	5,168	762,294	2,271,821
<i>loans to SMEs</i>	1,184	65,376	384,726	257,735	3,942	319,782	1,032,745
<i>loans to other enterprises</i>	18,892	181,473	181,815	56,454	-	382,055	820,689
<i>loans to financial institutions</i>	-	105,128	125,417	-	-	-	230,545
<i>loans to individuals</i>	24,313	85,747	8,621	7,478	1,226	60,457	187,842
Investment securities:	115,961	295,154	65,371	26,682	-	-	503,168
<i>available-for-sale</i>	9,044	19,224	5,350	9,317	-	-	42,935
<i>held-to-maturity</i>	106,917	275,930	60,021	17,365	-	-	460,233
Other assets	1,050	31,242	26,995	-	-	8	59,295
Total	1,024,778	897,002	808,527	356,004	5,168	762,303	3,853,782

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**EXPLANATORY NOTES
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2010**
(All amounts in LTL thousands unless otherwise stated)



d) Aging analysis of financial assets

As of 30 September 2010 the Group's financial assets by aging intervals were:

	Neither past due nor individually impaired	Past due but not individually impaired					Individually impaired					TOTAL	
		<= 30 days	31-60 days	61 days – 1 year	Over 1 year	Total	not past due	<=30 days	31-60 days	61 days – 1 year	Over 1 year		Total
Funds with central banks	303,046	-	-	-	-	-	-	-	-	-	-	-	303,046
Loans and advances to banks and other credit institutions	803,852	-	-	-	-	-	-	-	-	-	-	-	803,852
Financial assets at fair value through profit or loss	75,517	-	-	-	-	-	-	-	-	-	-	-	75,517
Loans and finance lease receivable	2,004,233	54,391	6,713	58,806	52,697	172,607	299,361	1,775	4,534	75,777	86,287	467,734	2,644,574
<i>loans to SMEs</i>	1,112,139	29,220	4,738	47,699	23,704	105,361	29,157	1,553	1,919	65,295	67,483	165,407	1,382,907
<i>loans to other enterprises</i>	669,461	5,240	75	164	18,130	23,609	259,213	-	-	220	3,331	262,764	955,834
<i>loans to financial institutions</i>	3,955	-	-	-	-	-	-	-	-	-	-	-	3,955
<i>loans to individuals</i>	218,678	19,931	1,900	10,943	10,863	43,637	10,991	222	2,615	10,262	15,473	39,563	301,878
Investment securities:	691,657	-	-	2,590	-	2,590	-	-	-	-	-	-	694,247
<i>available-for-sale</i>	22,006	-	-	-	-	-	-	-	-	-	-	-	22,006
<i>held-to-maturity</i>	669,651	-	-	2,590	-	2,590	-	-	-	-	-	-	672,241
Other assets	44,151	34	-	-	-	34	-	-	-	1	1	2	44,187
Total	3,922,456	54,425	6,713	61,396	52,697	175,231	299,361	1,775	4,534	75,778	86,288	467,736	4,565,423

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EXPLANATORY NOTES FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2010 (All amounts in LTL thousands unless otherwise stated)



As of 31 December 2009 the Group's financial assets by aging intervals were:

	Neither past due nor individually impaired	Past due but not individually impaired					Individually impaired					TOTAL	
		<= 30 days	31-60 days	61 days – 1 year	Over 1 year	Total	not past due	<=30 days	31-60 days	61 days – 1 year	Over 1 year		Total
Funds with central banks	338,070	-	-	-	-	-	-	-	-	-	-	-	338,070
Loans and advances to banks and other credit institutions	677,967	-	-	-	-	-	1	-	-	-	-	1	677,968
Financial assets at fair value through profit or loss	42,989	-	-	-	-	-	-	-	-	-	-	-	42,989
Loans and finance lease receivable	1,575,785	33,519	10,315	64,008	22,572	130,414	509,650	1,487	9,829	157,250	36,089	714,305	2,420,504
<i>loans to SMEs</i>	690,191	15,667	5,592	42,111	11,702	75,072	139,069	324	635	120,368	31,471	291,867	1,057,130
<i>loans to other enterprises</i>	441,084	3,319	93	1,083	42	4,537	367,332	452	585	12,130	-	380,499	826,120
<i>loans to financial institutions</i>	185,950	-	-	-	-	-	-	-	-	-	-	-	185,950
<i>loans to individuals</i>	258,560	14,533	4,630	20,814	10,828	50,805	3,249	711	8,609	24,752	4,618	41,939	351,304
Investment securities:	311,835	-	-	-	-	-	-	-	-	-	-	-	311,835
<i>available-for-sale</i>	43,339	-	-	-	-	-	-	-	-	-	-	-	43,339
<i>held-to-maturity</i>	268,496	-	-	-	-	-	-	-	-	-	-	-	268,496
Other assets	83,146	-	-	-	-	-	-	-	-	8	-	8	83,154
Total	3,029,792	33,519	10,315	64,008	22,572	130,414	509,651	1,487	9,829	157,258	36,089	714,314	3,874,520

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EXPLANATORY NOTES FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2010 (All amounts in LTL thousands unless otherwise stated)



As of 30 September 2010 the Bank's financial assets by aging intervals were:

	Neither past due nor individually impaired	Past due but not individually impaired				Individually impaired						TOTAL		
		<= 30 days	31-60 days	61 days – 1 year	Over 1 year	Total	Not past due	<=30 days	31-60 days	61 days – 1 year	Over 1 year		Total	
Funds with central banks	303,046	-	-	-	-	-	-	-	-	-	-	-	-	303,046
Loans and advances to banks and other credit institutions	796,258	-	-	-	-	-	-	-	-	-	-	-	-	796,258
Financial assets at fair value through profit or loss	34,826	-	-	-	-	-	-	-	-	-	-	-	-	34,826
Loans and finance lease receivable	1,871,659	26,406	3,090	53,816	51,693	135,005	166,226	1,659	1,798	64,376	79,516	313,575	2,320,239	
<i>loans to SMEs</i>	912,902	12,856	2,337	44,133	23,236	82,562	28,803	1,550	819	60,446	63,738	155,356	1,150,820	
<i>loans to other enterprises</i>	440,390	5,240	-	-	18,092	23,332	126,715	-	-	-	2,776	129,491	593,213	
<i>loans to financial institutions</i>	416,113	-	-	-	-	-	-	-	-	-	-	-	416,113	
<i>loans to individuals</i>	102,254	8,310	753	9,683	10,365	29,111	10,708	109	979	3,930	13,002	28,728	160,093	
Investment securities:	1,013,558	-	-	2,590	-	2,590	-	-	-	-	-	-	-	1,016,148
<i>available-for-sale</i>	21,551	-	-	-	-	-	-	-	-	-	-	-	-	21,551
<i>held-to-maturity</i>	992,007	-	-	2,590	-	2,590	-	-	-	-	-	-	-	994,597
Other assets	33,272	34	-	-	-	34	-	-	-	1	1	2	33,308	
Total	4,052,619	26,440	3,090	56,406	51,693	137,629	166,226	1,659	1,798	64,377	79,517	313,577	4,503,825	

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EXPLANATORY NOTES FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2010 (All amounts in LTL thousands unless otherwise stated)



As of 31 December 2009 the Bank's financial assets by aging intervals were:

	Neither past due nor individually impaired	Past due but not individually impaired				Individually impaired						TOTAL	
		<= 30 days	31-60 days	61 days – 1 year	Over 1 year	Total	Not past due	<=30 days	31-60 days	61 days – 1 year	Over 1 year		Total
Funds with central banks	338,070	-	-	-	-	-	-	-	-	-	-	-	338,070
Loans and advances to banks and other credit institutions	670,325	-	-	-	-	-	1	-	-	-	-	1	670,326
Financial assets at fair value through profit or loss	11,102	-	-	-	-	-	-	-	-	-	-	-	11,102
Loans and finance lease receivable	1,509,527	13,718	5,725	44,757	22,404	86,604	508,197	628	1,597	130,259	35,009	675,690	2,271,821
<i>loans to SMEs</i>	712,963	3,381	3,419	26,560	11,700	45,060	138,168	19	281	104,868	31,386	274,722	1,032,745
<i>loans to other enterprises</i>	438,634	3,319	-	267	42	3,628	367,332	-	-	11,095	-	378,427	820,689
<i>loans to financial institutions</i>	230,545	-	-	-	-	-	-	-	-	-	-	-	230,545
<i>loans to individuals</i>	127,385	7,018	2,306	17,930	10,662	37,916	2,697	609	1,316	14,296	3,623	22,541	187,842
Investment securities:	503,168	-	-	-	-	-	-	-	-	-	-	-	503,168
<i>available-for-sale</i>	42,935	-	-	-	-	-	-	-	-	-	-	-	42,935
<i>held-to-maturity</i>	460,233	-	-	-	-	-	-	-	-	-	-	-	460,233
Other assets	59,287	-	-	-	-	-	-	-	-	8	-	8	59,295
Total	3,091,479	13,718	5,725	44,757	22,404	86,604	508,198	628	1,597	130,267	35,009	675,699	3,853,782

e) Impairment of financial assets

As of 30 September 2010, amounts of provisions for the impairment of the assets per class of financial assets were as follows:

	The Group			The Bank		
	Value gross of provisions	Provisions for the impairment	Value net of provisions	Value gross of provisions	Provisions for the impairment	Value net of provisions
Funds with central banks	303,046	-	303,046	303,046	-	303,046
Loans and advances to banks and other credit institutions	803,852	-	803,852	796,258	-	796,258
Financial assets at fair value through profit or loss	75,517	-	75,517	34,826	-	34,826
Loans and finance lease receivable:	2,844,465	(199,891)	2,644,574	2,480,588	(160,349)	2,320,239
<i>loans to SMEs</i>	1,507,951	(125,044)	1,382,907	1,267,370	(116,550)	1,150,820
<i>loans to other enterprises</i>	973,472	(17,638)	955,834	608,643	(15,430)	593,213
<i>loans to financial institutions</i>	3,955	-	3,955	416,113	-	416,113
<i>loans to individuals</i>	359,087	(57,209)	301,878	188,462	(28,369)	160,093
Investment securities:	694,247	-	694,247	1,016,148	-	1,016,148
<i>available-for-sale</i>	22,006	-	22,006	21,551	-	21,551
<i>held-to-maturity</i>	672,241	-	672,241	994,597	-	994,597
Other assets	44,557	(370)	44,187	33,675	(367)	33,308
Total	4,765,684	(200,261)	4,565,423	4,664,541	(160,716)	4,503,825

As of 31 December 2009, amounts of provisions for the impairment of the assets per class of financial assets were as follows:

	The Group			The Bank		
	Value gross of provisions	Provisions for the impairment	Value net of provisions	Value gross of provisions	Provisions for the impairment	Value net of provisions
Funds with central banks	338,070	-	338,070	338,070	-	338,070
Loans and advances to banks and other credit institutions	677,969	(1)	677,968	670,327	(1)	670,326
Financial assets at fair value through profit or loss	42,989	-	42,989	11,102	-	11,102
Loans and finance lease receivable:	2,625,622	(205,118)	2,420,504	2,448,381	(176,560)	2,271,821
<i>loans to SMEs</i>	1,184,265	(127,135)	1,057,130	1,152,249	(119,504)	1,032,745
<i>loans to other enterprises</i>	861,040	(34,920)	826,120	854,116	(33,427)	820,689
<i>loans to financial institutions</i>	185,950	-	185,950	230,545	-	230,545
<i>loans to individuals</i>	394,367	(43,063)	351,304	211,471	(23,629)	187,842
Investment securities:	311,835	-	311,835	503,168	-	503,168
<i>available-for-sale</i>	43,339	-	43,339	42,935	-	42,935
<i>held-to-maturity</i>	268,496	-	268,496	460,233	-	460,233
Other assets	83,658	(504)	83,154	59,796	(501)	59,295
Total	4,080,143	(205,623)	3,874,520	4,030,844	(177,062)	3,853,782

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Movements in the provision for impairment losses on Group's financial assets for the period are as follows:

The Group	Loans and advances to banks and other credit institutions	Loans and finance lease receivable:					Other assets	Total
		Loans to financial institutions	Loans to SMEs	Loans to other enterprises	Loans to individuals	Total		
As of 1 January 2009	-	-	64,412	14,515	21,705	100,632	412	101,044
Reversal of provisions	-	-	(64,080)	(29,263)	(9,254)	(102,597)	(247)	(102,844)
Provisions written-off	-	-	-	(1)	-	(1)	(20)	(21)
Currency exchange rate effect	-	-	(958)	(229)	(103)	(1,290)	-	(1,290)
Provision charged	-	-	68,085	30,578	26,717	125,380	393	125,773
As of 30 September 2009	-	-	67,459	15,600	39,065	122,124	538	122,662
Reversal of provisions	(64)	-	(10,844)	(2,952)	(5,065)	(18,861)	(93)	(19,018)
Provisions written-off	(87)	-	(73)	(55)	(8,474)	(8,602)	(21)	(8,710)
Currency exchange rate effect	-	-	419	134	39	592	-	592
Provision charged	152	-	70,174	22,193	17,498	109,865	80	110,097
As of 31 December 2009	1	-	127,135	34,920	43,063	205,118	504	205,623
Reversal of provisions	(41)	-	(41,208)	(27,421)	(15,268)	(83,897)	(265)	(84,203)
Provisions written-off	-	-	-	-	(592)	(592)	(12)	(604)
Currency exchange rate effect	-	-	380	135	39	554	3	557
Provision charged	40	-	38,737	10,004	29,967	78,708	140	78,888
As of 30 September 2010	-	-	125,044	17,638	57,209	199,891	370	200,261

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Movements in the provision for impairment losses on Bank's financial assets for the period are as follows:

The Bank	Loans and advances to banks and other credit institutions	Loans and finance lease receivable:					Other assets	Total
		Loans to financial institutions	Loans to SMEs	Loans to other enterprises	Loans to individuals	Total		
As of 1 January 2009	-	5,839	57,869	13,663	9,808	87,179	412	87,591
Reversal of provisions	-	(6,154)	(64,080)	(29,263)	(9,254)	(108,751)	(247)	(108,998)
Provisions written-off	-	-	-	(1)	-	(1)	(20)	(21)
Currency exchange rate effect	-	315	(315)	-	(2)	(2)	-	(2)
Provision charged	-	-	63,797	29,506	17,739	111,042	393	111,435
As of 30 September 2009	-	-	57,271	13,905	18,291	89,467	538	90,005
Reversal of provisions	(64)	-	(10,844)	(2,952)	(5,065)	(18,861)	(93)	(19,018)
Provisions written-off	(87)	-	(2)	-	(8)	(10)	(21)	(118)
Currency exchange rate effect	-	-	52	-	1	53	-	53
Provision charged	152	-	73,027	22,474	10,410	105,911	77	106,140
As of 31 December 2009	1	-	119,504	33,427	23,629	176,560	501	177,062
Reversal of provisions	(41)	-	(41,208)	(26,402)	(15,268)	(82,878)	(265)	(83,184)
Provisions written-off	-	-	-	-	(8)	(8)	(12)	(20)
Currency exchange rate effect	-	-	153	-	(10)	143	3	146
Provision charged	40	-	38,101	8,405	20,026	66,532	140	66,712
As of 30 September 2010	-	-	116,550	15,430	28,369	160,349	367	160,716

Movements in the provision for off-balance sheet items for the period are as follows:

The Group		The Bank	
2010-01-01 – 2010-09-30	2009-01-01 – 2009-09-30	2010-01-01 – 2010-09-30	2009-01-01 – 2009-09-30
Provisions for off-balance sheet items:			
128	-	128	-
-	(24)	-	(24)
6	(12)	6	(12)
-	162	-	162
134	126	134	126
Balance as of 30 September		Balance as of 30 September	

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EXPLANATORY NOTES FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2010 (All amounts in LTL thousands unless otherwise stated)



Impairment charge for credit losses reconciles to the income statement as follows:

The Group			The Bank	
2010-01-01- 2010-09-30	2009-01-01 - 2010-09-30		2010-01-01- 2010-09-30	2009-01-01 - 2010-09-30
78,888	125,773	Provisions charged for balance sheet items	66,712	111,435
(84,203)	(102,844)	Provisions reversed for balance sheet items	(83,184)	(108,998)
-	162	Provisions charged for off-balance sheet items	-	162
-	(24)	Provisions reversed for off-balance sheet items	-	(24)
(5,315)	23,067	Provisions charged (reversed) to profit or loss	(16,472)	2,575

f) Collateral and other credit enhancements

The Group as of 30 September 2010:

	Neither past due nor individually impaired			Past due but not individually impaired			Individually impaired			Total		
	Book value	Fair value of the collateral	Book value less collateral	Book value	Fair value of the collateral	Book value less collateral	Book value	Fair value of the collateral	Book value less collateral	Book value	Fair value of the collateral	Book value less collateral
Funds with central banks	303,046	-	303,046	-	-	-	-	-	-	303,046	-	303,046
Loans and advances to banks and other credit institutions	803,852	2,646	801,206	-	-	-	-	-	-	803,852	2,646	801,206
Financial assets at fair value through profit or loss	75,517	-	75,517	-	-	-	-	-	-	75,517	-	75,517
Loans and finance lease receivable:	2,004,233	1,600,341	403,892	172,607	150,224	22,383	467,734	458,020	9,714	2,644,574	2,208,585	435,989
<i>loans to SMEs</i>	1,112,139	895,980	216,159	105,361	102,518	2,843	165,407	165,199	208	1,382,907	1,163,697	219,210
<i>loans to other enterprises</i>	669,461	602,178	67,283	23,609	17,141	6,468	262,764	262,764	-	955,834	882,083	73,751
<i>loans to financial institutions</i>	3,955	3,955	-	-	-	-	-	-	-	3,955	3,955	-
<i>loans to individuals</i>	218,678	98,228	120,450	43,637	30,565	13,072	39,563	30,057	9,506	301,878	158,850	143,028
Investment securities:	691,657	-	691,657	2,590	-	2,590	-	-	-	694,247	-	694,247
<i>available-for-sale</i>	22,006	-	22,006	-	-	-	-	-	-	22,006	-	22,006
<i>held-to-maturity</i>	669,651	-	669,651	2,590	-	2,590	-	-	-	672,241	-	672,241
Other assets	44,151	-	44,151	34	-	34	2	-	2	44,187	-	44,187
Total	3,922,456	1,602,987	2,319,469	175,231	150,224	25,007	467,736	458,020	9,716	4,565,423	2,211,231	2,354,192

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EXPLANATORY NOTES FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2010 (All amounts in LTL thousands unless otherwise stated)



The Group as of 31 December 2009:

	Neither past due nor individually impaired			Past due but not individually impaired			Individually impaired			Total		
	Book value	Fair value of the collateral	Book value less collateral	Book value	Fair value of the collateral	Book value less collateral	Book value	Fair value of the collateral	Book value less collateral	Book value	Fair value of the collateral	Book value less collateral
Funds with central banks	338,070	-	338,070	-	-	-	-	-	-	338,070	-	338,070
Loans and advances to banks and other credit institutions	677,967	1,109	676,858	-	-	-	1	-	1	677,968	1,109	676,859
Financial assets at fair value through profit or loss	42,989	-	42,989	-	-	-	-	-	-	42,989	-	42,989
Loans and finance lease receivable:	1,575,785	1,081,466	494,319	130,414	122,053	8,361	714,305	694,710	19,595	2,420,504	1,898,229	522,275
<i>loans to SMEs</i>	690,191	531,260	158,931	75,072	75,042	30	291,867	291,275	592	1,057,130	897,577	159,553
<i>loans to other enterprises</i>	441,084	330,251	110,833	4,537	4,133	404	380,499	380,483	16	826,120	714,867	111,253
<i>loans to financial institutions</i>	185,950	95,407	90,543	-	-	-	-	-	-	185,950	95,407	90,543
<i>loans to individuals</i>	258,560	124,548	134,012	50,805	42,878	7,927	41,939	22,952	18,987	351,304	190,378	160,926
Investment securities:	311,835	-	311,835	-	-	-	-	-	-	311,835	-	311,835
<i>available-for-sale</i>	43,339	-	43,339	-	-	-	-	-	-	43,339	-	43,339
<i>held-to-maturity</i>	268,496	-	268,496	-	-	-	-	-	-	268,496	-	268,496
Other assets	83,146	-	83,146	-	-	-	8	-	8	83,154	-	83,154
Total	3,029,792	1,082,575	1,947,217	130,414	122,053	8,361	714,314	694,710	19,604	3,874,520	1,899,338	1,975,182

AB ŪKIO BANKAS

EXPLANATORY NOTES FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2010 (All amounts in LTL thousands unless otherwise stated)



The Bank as of 30 September 2010:

	Neither past due nor individually impaired			Past due but not individually impaired			Individually impaired			Total		
	Book value	Fair value of the collateral	Book value less collateral	Book value	Fair value of the collateral	Book value less collateral	Book value	Fair value of the collateral	Book value less collateral	Book value	Fair value of the collateral	Book value less collateral
Funds with central banks	303,046	-	303,046	-	-	-	-	-	-	303,046	-	303,046
Loans and advances to banks and other credit institutions	796,258	2,646	793,612	-	-	-	-	-	-	796,258	2,646	793,612
Financial assets at fair value through profit or loss	34,826	-	34,826	-	-	-	-	-	-	34,826	-	34,826
Loans and finance lease receivable:	1,871,659	1,139,108	732,551	135,005	122,478	12,527	313,575	311,412	2,163	2,320,239	1,572,998	747,241
<i>loans to SMEs</i>	912,902	696,764	216,138	82,562	79,733	2,829	155,356	155,222	134	1,150,820	931,719	219,101
<i>loans to other enterprises</i>	440,390	362,167	78,223	23,332	16,864	6,468	129,491	129,491	-	593,213	508,522	84,691
<i>loans to financial institutions</i>	416,113	3,955	412,158	-	-	-	-	-	-	416,113	3,955	412,158
<i>loans to individuals</i>	102,254	76,222	26,032	29,111	25,881	3,230	28,728	26,699	2,029	160,093	128,802	31,291
Investment securities:	1,013,558	-	1,013,558	2,590	-	2,590	-	-	-	1,016,148	-	1,016,148
<i>available-for-sale</i>	21,551	-	21,551	-	-	-	-	-	-	21,551	-	21,551
<i>held-to-maturity</i>	992,007	-	992,007	2,590	-	2,590	-	-	-	994,597	-	994,597
Other assets	33,272	-	33,272	34	-	34	2	-	2	33,308	-	33,308
Total	4,052,619	1,141,754	2,910,865	137,629	122,478	15,151	313,577	311,412	2,165	4,503,825	1,575,644	2,928,181

AB ŪKIO BANKAS

EXPLANATORY NOTES FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2010 (All amounts in LTL thousands unless otherwise stated)



The Bank as of 31 December 2009:

	Neither past due nor individually impaired			Past due but not individually impaired			Individually impaired			Total		
	Book value	Fair value of the collateral	Book value less collateral	Book value	Fair value of the collateral	Book value less collateral	Book value	Fair value of the collateral	Book value less collateral	Book value	Fair value of the collateral	Book value less collateral
Funds with central banks	338,070	-	338,070	-	-	-	-	-	-	338,070	-	338,070
Loans and advances to banks and other credit institutions	670,325	1,109	669,216	-	-	-	1	-	1	670,326	1,109	669,217
Financial assets at fair value through profit or loss	11,102	-	11,102	-	-	-	-	-	-	11,102	-	11,102
Loans and finance lease receivable:	1,509,527	1,062,573	446,954	86,604	81,931	4,673	675,690	672,236	3,454	2,271,821	1,816,740	455,081
<i>loans to SMEs</i>	712,963	554,059	158,904	45,060	45,033	27	274,722	274,136	586	1,032,745	873,228	159,517
<i>loans to other enterprises</i>	438,634	325,530	113,104	3,628	3,224	404	378,427	378,411	16	820,689	707,165	113,524
<i>loans to financial institutions</i>	230,545	95,407	135,138	-	-	-	-	-	-	230,545	95,407	135,138
<i>loans to individuals</i>	127,385	87,577	39,808	37,916	33,674	4,242	22,541	19,689	2,852	187,842	140,940	46,902
Investment securities:	503,168	-	503,168	-	-	-	-	-	-	503,168	-	503,168
<i>available-for-sale</i>	42,935	-	42,935	-	-	-	-	-	-	42,935	-	42,935
<i>held-to-maturity</i>	460,233	-	460,233	-	-	-	-	-	-	460,233	-	460,233
Other assets	59,287	-	59,287	-	-	-	8	-	8	59,295	-	59,295
Total	3,091,479	1,063,682	2,027,797	86,604	81,931	4,673	675,699	672,236	3,463	3,853,782	1,817,849	2,035,933

NOTE 15 LIQUIDITY RISK AND FUNDING

As of 30 September 2010 the Group's assets and liabilities by maturity were as follows:

	Up to 1 month	1-3 months	3-12 months	1-5 years	5 years and up	Unlimited period	Total
Assets							
Cash and balances with central bank	369,608	-	-	-	-	-	369,608
Loans and advances to banks and credit institutions	795,991	-	3,319	4,542	-	-	803,852
Financial assets at fair value through profit or loss	2,044	-	891	11,975	24,024	36,583	75,517
Loans and finance lease receivable	232,352	257,494	1,137,453	685,497	147,812	183,966	2,644,574
Investment securities:	15,988	23,551	397,012	220,488	33,674	3,534	694,247
<i>available-for-sale</i>	76	23	404	-	20,559	944	22,006
<i>held-to-maturity</i>	15,912	23,528	396,608	220,488	13,115	2,590	672,241
Intangible assets	-	-	-	-	-	21,541	21,541
Property, plant and equipment	-	-	-	-	-	28,154	28,154
Investment property	-	-	-	-	-	176,688	176,688
Deferred income tax assets	-	-	-	-	-	12,542	12,542
Assets classified as held for sale	-	56,892	-	-	-	-	56,892
Other assets	12,566	832	2,803	8,812	2,498	37,078	64,589
Total assets	1,428,549	338,769	1,541,478	931,314	208,008	500,086	4,948,204
Liabilities							
Due to banks and other credit institutions	284,207	52,956	169,560	40,142	-	-	546,865
Financial liabilities at fair value through profit or loss	372	-	-	-	-	-	372
Due to customers	1,373,244	675,620	1,472,148	181,489	12,251	-	3,714,752
Debt securities in issue	-	-	32,170	-	-	-	32,170
Subordinated loans	1,313	-	-	-	93,226	-	94,539
Deferred tax liabilities	-	-	-	-	-	18,762	18,762
Liabilities directly associated with assets classified as held for sale	-	2,544	-	-	-	-	2,544
Other liabilities	34,287	705	1,790	3,938	32,431	326	73,477
Total liabilities	1,693,423	731,825	1,675,668	225,569	137,908	19,088	4,483,481
Net position	(264,874)	(393,056)	(134,190)	705,745	70,100	480,998	464,723

As of 31 December 2009 the Group's assets and liabilities by maturity were as follows:

	Up to 1 month	1-3 months	3-12 months	1-5 years	5 years and up	Unlimited period	Total
Total assets	1,643,084	558,945	547,019	789,232	177,054	581,249	4,296,583
Total liabilities	1,681,833	663,760	1,166,745	168,122	179,538	25,414	3,885,412
Net position	(38,749)	(104,815)	(619,726)	621,110	(2,484)	555,835	411,171

**EXPLANATORY NOTES
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2010**
(All amounts in LTL thousands unless otherwise stated)



As of 30 September 2010 the Bank's assets and liabilities by maturity were as follows:

	Up to 1 month	1-3 months	3-12 months	1-5 years	5 years and up	Unlimited period	Total
Assets							
Cash and balances with central bank	369,605	-	-	-	-	-	369,605
Loans and advances to banks and other credit institutions	794,798	-	-	1,460	-	-	796,258
Financial assets at fair value through profit or loss	774	-	80	5,445	16,970	11,557	34,826
Loans and finance lease receivable	103,292	238,786	1,049,771	653,828	108,532	166,030	2,320,239
Investment securities:	182,914	120,176	456,233	220,072	33,674	3,079	1,016,148
<i>available-for-sale</i>	76	23	404	-	20,559	489	21,551
<i>held-to-maturity</i>	182,838	120,153	455,829	220,072	13,115	2,590	994,597
Investments in subsidiaries	-	-	-	-	-	184,526	184,526
Intangible assets	-	-	-	-	-	1,634	1,634
Property, plant and equipment	-	-	-	-	-	22,493	22,493
Investment property	-	-	-	-	-	6,031	6,031
Assets classified as held for sale	-	56,591	-	-	-	-	56,591
Deferred income tax assets	-	-	-	-	-	12,542	12,542
Other assets	3,309	671	2,174	5,769	2,486	26,632	41,041
Total assets	1,454,692	416,224	1,508,258	886,574	161,662	434,524	4,861,934
Liabilities							
Due to banks and other credit institutions	284,207	52,956	169,560	40,142	-	-	546,865
Financial liabilities at fair value through profit or loss	382	-	-	-	-	-	382
Due to customers	1,376,645	675,798	1,476,831	180,036	10,138	-	3,719,448
Debt securities in issue	-	-	32,170	-	-	-	32,170
Subordinated loans	1,313	-	-	-	93,226	-	94,539
Deferred tax liabilities	-	-	-	-	-	-	-
Other liabilities	21,277	48	553	68	-	-	21,946
Total liabilities	1,683,824	728,802	1,679,114	220,246	103,364	-	4,415,350
Net position	(229,132)	(312,578)	(170,856)	666,328	58,298	434,524	446,584

As of 31 December 2009 the Bank's assets and liabilities by maturity were as follows:

Total assets	1,870,912	537,637	411,385	728,644	144,587	527,559	4,220,724
Total liabilities	1,676,014	659,645	1,164,547	168,263	147,764	10,160	3,826,393
Net position	194,898	(122,008)	(753,162)	560,381	(3,177)	517,399	394,331

NOTE 16 market risk

a) currency risk

Concentrations of assets, liabilities and off balance sheet items of the Group as of 30 September 2010:

	EUR	USD	LTL	Other	Total
Assets					
Cash and balances with central bank	203,397	5,606	158,665	1,940	369,608
Loans and advances to banks and other credit institutions	523,903	235,970	14,484	29,495	803,852
Financial assets at fair value through profit or loss	42,592	12,310	19,835	780	75,517
Loans and finance lease receivable	1,045,120	265,623	1,300,437	33,394	2,644,574
Investment securities:	532,285	142,086	19,876	-	694,247
<i>available-for-sale</i>	3,344	18,107	555	-	22,006
<i>held-to-maturity</i>	528,941	123,979	19,321	-	672,241
Intangible assets	-	-	21,502	39	21,541
Property, plant and equipment	-	-	23,774	4,380	28,154
Investment property	-	-	176,688	-	176,688
Deferred income tax assets	-	-	12,542	-	12,542
Assets classified as held for sale	-	-	56,892	-	56,892
Other assets	5,591	555	48,482	9,961	64,589
Total assets	2,352,888	662,150	1,853,177	79,989	4,948,204
Liabilities					
Due to banks and other credit institutions	355,203	144,319	30,171	17,172	546,865
Financial liabilities at fair value through profit or loss	-	-	372	-	372
Due to customers	1,187,840	462,728	2,016,641	47,543	3,714,752
Debt securities in issue	13,324	-	18,846	-	32,170
Subordinated loans	94,539	-	-	-	94,539
Deferred income tax liabilities	-	-	18,762	-	18,762
Liabilities directly associated with assets classified as held for sale	-	-	2,544	-	2,544
Other liabilities	18,573	9,618	44,286	1,000	73,477
Total liabilities	1,669,479	616,665	2,131,622	65,715	4,483,481
Total equity	-	-	469,644	(4,921)	464,723
Total liabilities and equity	1,669,479	616,665	2,601,266	60,794	4,948,204
Net balance sheet position	683,409	45,485	(748,089)	19,195	-
Net off-balance sheet position	(682,961)	(59,475)	742,347	(339)	(428)
Net balance and off-balance sheet position	448	(13,990)	(5,742)	18,856	(428)
Credit commitments	19,495	1,629	87,971	-	109,095
Issued guarantees	6,633	3,733	50,928	489	61,783

Concentrations of assets, liabilities and off balance sheet items of the Group as of 31 December 2009:

	EUR	USD	LTL	Other	Total
Total assets	1,705,520	526,888	1,956,307	107,868	4,296,583
Total liabilities and equity	1,480,234	531,157	2,202,519	82,673	4,296,583
Net balance sheet position	225,286	(4,269)	(246,212)	25,195	-
Net off-balance sheet position	(231,646)	(5,769)	245,089	(5,672)	2,002
Net balance and off-balance sheet position	(6,360)	(10,038)	(1,123)	19,523	2,002

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Concentrations of assets, liabilities and off balance sheet items of the Bank as of 30 September 2010:

	EUR	USD	LTL	Other	Total
Assets					
Cash and balances with central bank	203,397	5,606	158,662	1,940	369,605
Loans and advances to banks and other credit institutions	521,394	235,907	10,000	28,957	796,258
Financial assets at fair value through profit or loss	16,706	7,830	10,287	3	34,826
Loans and finance lease receivable	1,011,160	282,150	993,535	33,394	2,320,239
Investment securities:	527,861	141,735	346,552	-	1,016,148
<i>available-for-sale</i>	3,344	18,107	100	-	21,551
<i>held-to-maturity</i>	524,517	123,628	346,452	-	994,597
Investments in subsidiaries	-	-	184,526	-	184,526
Intangible assets	-	-	1,634	-	1,634
Property, plant and equipment	-	-	22,493	-	22,493
Investment property	-	-	6,031	-	6,031
Assets classified as held for sale	-	-	56,591	-	56,591
Deferred income tax assets	-	-	12,542	-	12,542
Other assets	5,539	361	33,498	1,643	41,041
Total assets	2,286,057	673,589	1,836,351	65,937	4,861,934
Liabilities					
Due to banks and other financial institutions	355,203	144,319	30,171	17,172	546,865
Financial liabilities at fair value through profit or loss	-	-	382	-	382
Due to customers	1,189,347	462,728	2,019,830	47,543	3,719,448
Debt securities in issue	13,324	-	18,846	-	32,170
Subordinated loans	94,539	-	-	-	94,539
Deferred tax liabilities	-	-	-	-	-
Other liabilities	2,110	4,779	14,857	203	21,946
Total liabilities	1,654,523	611,823	2,084,086	64,918	4,415,350
Total equity	-	-	446,584	-	446,584
Total liabilities and equity	1,654,523	611,823	2,530,670	64,918	4,861,934
Net balance sheet position	631,534	61,766	(694,319)	1,019	-
Net off-balance sheet position	(627,901)	(59,127)	686,930	(339)	(437)
Net balance and off-balance sheet position	3,633	2,639	(7,389)	680	(437)
Credit commitments	19,434	1,629	35,353	-	56,416
Issued guarantees	6,633	3,733	50,928	489	61,783

Concentrations of assets, liabilities and off balance sheet items of the Bank as of 31 December 2009:

	EUR	USD	LTL	Other	Total
Total assets	1,639,462	536,405	1,952,616	92,241	4,220,724
Total liabilities and equity	1,481,331	531,325	2,121,914	86,154	4,220,724
Net balance sheet position	158,131	5,080	(169,298)	6,087	-
Net off-balance sheet position	(162,920)	(5,429)	172,906	(5,671)	(1,114)
Net balance and off-balance sheet position	(4,789)	(349)	3,608	416	(1,114)

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Sensitivity to currency risk, LTL'000:

The Group			The Bank	
2010-09-30	2009-12-31		2010-09-30	2009-12-31
Sensitivity to changes in EUR rates				
-	-	Expected rate fluctuation, %	-	-
448	(6,360)	Open position	3,633	(4,789)
-	-	Effect on profit or loss	-	-
-	-	Effect on equity	-	-
Sensitivity to changes in USD rates				
7.46	1.86	Expected rate fluctuation, %	7.46	1.86
(13,989)	(10,038)	Open position	2,639	(349)
±1,044	±187	Effect on profit or loss	±197	±6
-	-	Effect on equity	-	-
Sensitivity to changes in UAH rates				
14.36	7.21	Expected rate fluctuation, %	14.36	7.21
18,124	18,780	Open position	378	354
±2,603	±1,354	Effect on profit or loss	±54	±26
-	-	Effect on equity	-	-

Expected rate fluctuation is based on the actual changes during the year till reporting date.

In case open position is long (i.e. positive number), the increase in currency rates has positive impact on the results and the decrease in currency rates has negative impact on the results. In case open position is short (i.e. negative number), the increase in currency rates has negative impact on the results and the decrease in currency rates has positive impact on the results.

b) interest rate risk

To minimize the risk of interest rate fluctuations granting loans with variable interest rate the Group/Bank sets a floor for fixed interest rates. As of 30 September 2010 loans with fixed lowest interest rate for the Group/Bank comprised LTL'000 1,039,344 (31 December 2009: LTL'000 1,185,575).

Groups' assets and liabilities stated at their carrying amounts at earlier of interest reprising and contractual maturity date as of 30 September 2010.

	Up to 1 month	1-3 months	3-12 months	Over 1 year	Non- interest bearing	Total
Assets						
Cash and balances with central bank	74,447	-	-	-	295,161	369,608
Loans and advances to banks and other credit institutions	342,357	-	3,282	4,357	453,856	803,852
Financial assets at fair value through profit or loss	37,771	-	-	-	37,746	75,517
Loans and finance lease receivable	490,920	241,082	1,417,101	251,592	243,879	2,644,574
Investment securities:	30,961	23,952	389,326	229,353	20,655	694,247
<i>available-for-sale</i>	17,161	-	-	-	4,845	22,006
<i>held-to-maturity</i>	13,800	23,952	389,326	229,353	15,810	672,241
Intangible assets	-	-	-	-	21,541	21,541
Property, plant and equipment	-	-	-	-	28,154	28,154
Investment property	-	-	-	-	176,688	176,688
Deferred income tax assets	-	-	-	-	12,542	12,542
Assets classified as held for sale	-	-	-	-	56,892	56,892
Other assets	-	-	-	-	64,589	64,589
Total assets	976,456	265,034	1,809,709	485,302	1,411,703	4,948,204
Liabilities						
Due to banks and other credit institutions	329,261	2,519	27,585	165,154	22,346	546,865
Financial liabilities at fair value through profit or loss	-	-	-	-	372	372
Due to customers	667,434	661,914	1,464,716	126,440	794,248	3,714,752
Debt securities in issue	-	-	31,745	-	425	32,170
Subordinated loans	-	-	-	93,226	1,313	94,539
Deferred income tax liabilities	-	-	-	-	18,762	18,762
Liabilities directly associated with assets classified as held for sale	-	-	-	-	2,544	2,544
Other liabilities	-	-	-	-	73,477	73,477
Total liabilities	996,695	664,433	1,524,046	384,820	913,487	4,483,481
Off balance sheet claims sensitive to interest rate changes	-	-	-	-	-	-
Off balance sheet liabilities sensitive to interest rate changes	-	6,465	-	-	-	6,465
Interest rate risk	(20,239)	(405,864)	285,663	100,482	498,216	458,258

Groups' assets and liabilities stated at their carrying amounts at earlier of interest reprising and contractual maturity date as of 31 December 2009:

	Up to 1 month	1-3 months	3-12 months	Over 1 year	Non- interest bearing	Total
Total assets	1,563,912	557,658	259,049	389,456	1,526,508	4,296,583
Total liabilities	1,029,084	647,915	1,146,220	250,265	811,928	3,885,412
Off balance sheet claims sensitive to interest rate changes	-	-	-	-	-	-
Off balance sheet liabilities sensitive to interest rate changes	-	-	-	-	-	-
Interest rate risk	534,828	(90,257)	(887,171)	139,191	714,580	411,171

**EXPLANATORY NOTES
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2010**
(All amounts in LTL thousands unless otherwise stated)



Banks' assets and liabilities stated at their carrying amounts at earlier of interest reprising and contractual maturity date as of 30 September 2010:

	Up to 1 month	1-3 months	3-12 months	Over 1 year	Non- interest bearing	Total
Assets						
Cash and balances with central bank	74,447	-	-	-	295,158	369,605
Loans and advances to banks and other credit institutions	342,229	-	-	1,458	452,571	796,258
Financial assets held for trading	22,415	-	-	-	12,411	34,826
Loans and finance lease receivable	364,649	212,367	1,319,225	201,332	222,666	2,320,239
Investment securities:	196,961	120,523	448,576	228,936	21,152	1,016,148
<i>available-for-sale</i>	17,161	-	-	-	4,390	21,551
<i>held-to-maturity</i>	179,800	120,523	448,576	228,936	16,762	994,597
Investments in subsidiaries	-	-	-	-	184,526	184,526
Intangible assets	-	-	-	-	1,634	1,634
Property, plant and equipment	-	-	-	-	22,493	22,493
Investment property	-	-	-	-	6,031	6,031
Deferred income tax assets	-	-	-	-	12,542	12,542
Assets classified as held for sale	-	-	-	-	56,591	56,591
Other assets	-	-	-	-	41,041	41,041
Total assets	1,000,701	332,890	1,767,801	431,726	1,328,816	4,861,934
Liabilities						
Due to banks and other financial institutions	329,261	2,519	192,739	-	22,346	546,865
Financial liabilities at fair value through profit or loss	-	-	-	-	382	382
Due to customers	670,512	662,092	1,469,442	122,824	794,578	3,719,448
Debt securities in issue	-	-	31,745	-	425	32,170
Subordinated loans	-	-	-	93,226	1,313	94,539
Deferred tax liabilities	-	-	-	-	-	-
Other liabilities	-	-	-	-	21,946	21,946
Total liabilities	999,773	664,611	1,693,926	216,050	840,990	4,415,350
Off balance sheet claims sensitive to interest rate changes	-	-	-	-	-	-
Off balance sheet liabilities sensitive to interest rate changes	-	6,465	-	-	-	6,465
Interest rate risk	928	(338,186)	73,875	215,676	487,826	440,119

Banks' assets and liabilities stated at their carrying amounts at earlier of interest reprising and contractual maturity date as of as of 31 December 2009:

	Up to 1 month	1-3 months	3-12 months	Over 1 year	Non- interest bearing	Total
Total assets	1,771,290	521,338	177,279	333,240	1,417,577	4,220,724
Total liabilities	1,031,047	643,898	1,147,263	250,576	753,609	3,826,393
Off balance sheet claims sensitive to interest rate changes	-	-	-	-	-	-
Off balance sheet liabilities sensitive to interest rate changes	-	-	-	-	-	-
Interest rate risk	740,243	(122,560)	(969,984)	82,664	663,968	394,331

**EXPLANATORY NOTES
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2010**
(All amounts in LTL thousands unless otherwise stated)



Sensitivity to interest rate risk, LTL'000:

The Group			The Bank	
2010-09-30	2009-12-31		2010-09-30	2009-12-31
Changes in profit or loss if interest rates increased by 1 percentage point				
(2,309)	(442)	LTL	(1,111)	1,353
1,902	1,301	EUR	1,445	813
(56)	109	USD	(79)	133
(92)	(468)	Other currencies	(98)	(472)
(555)	500	Total changes in profit or loss if interest rates increased by 1 percentage point	157	1,827
Changes in profit or loss if interest rates decreased by 1 percentage point				
3,684	442	LTL	2,487	(1,353)
761	1,610	EUR	1,217	2,097
1,172	1,255	USD	1,195	1,231
163	572	Other currencies	169	575
5,780	3,879	Total changes in profit or loss if interest rates decreased by 1 percentage point	5,068	2,550

NOTE 17 COMPLIANCE WITH PRUDENTIAL REQUIREMENTS

In 2010 and 2009, the Group and the Bank were in compliance with all the requirements set by the Bank of Lithuania.

The compliance with the limits and ratios set by the Bank of Lithuania as of 30 September 2010 is presented in the table below:

Ratio	Requirement	Bank's ratio	Group's ratio
Capital adequacy ratio	>= 8%	13.07%	13.35%
Liquidity ratio	>= 30%	45.19 %	46.84 %
Maximum credit exposure to a single borrower	<= 25% (for subsidiaries – 75%) of eligible capital	Complied	Complied
Large loans	<= 800% of eligible capital	346.06 %	252.66 %
Aggregate open foreign currency position	<= 25% of eligible capital	0.67 %	3.55 %
Single open foreign currency position	<= 15% of eligible capital	0.53 %	3.40 %

The compliance with the limits and ratios set by the Bank of Lithuania as of 31 December 2009 is presented in the table below:

Ratio	Requirement	Bank's ratio	Group's ratio
Capital adequacy ratio	>= 8%	13.80 %	14.10 proc.
Liquidity ratio	>= 30%	52.29 %	50.86 proc.
Maximum credit exposure to a single borrower	<= 25% (for subsidiaries – 75%) of eligible capital	Complied	Complied
Large loans	<= 800% of eligible capital	287.43 %	200.41 proc.
Aggregate open foreign currency position	<= 25% of eligible capital	0.12 %	3.70 proc.
Single open foreign currency position	<= 15% of eligible capital	0.07 %	3.53 proc.

Please also refer to the note 18 for additional details on capital adequacy ratio calculation.

NOTE 18 CAPITAL ADEQUACY

The capital adequacy ratio set by Bank of Lithuania has to be at least 8% of the Group's and the Bank's capital.

The compliance with capital adequacy ratio is calculated based on the General Regulations for the Calculation of Capital Adequacy (No 138 09 11 2006) approved by the board of the Bank of Lithuania.

The capital adequacy ratio as of 30 September 2010 and 31 December 2009 calculated in accordance with the Bank of Lithuania regulations, is presented in the table below:

The Group			The Bank	
2010-09-30	2009-12-31		2010-09-30	2009-12-31
		Tier 1 capital		
295,824	245,824	Share capital	295,824	245,824
76,500	76,500	Share premium	76,500	76,500
61,650	136,647	Reserve capital	61,650	136,647
16,457	12,181	Undistributed profit of previous years	-	-
-	(70,521)	Loss of current year	-	(74,997)
16,239	16,046	Legal reserve	15,532	15,532
-	-	General reserve for losses of assets	-	-
(4,457)	(5,193)	Revaluation reserve – available-for-sale investment securities	(4,466)	(5,175)
<u>(21,541)</u>	<u>(22,095)</u>	Deductions	<u>(21,149)</u>	<u>(21,730)</u>
440,672	389,389	Total Tier 1 capital	423,891	372,601
		Tier 2 capital		
(346)	(313)	Currency translation reserve	-	-
93,226	143,226	Eligible for inclusion in Tier 2 capital part of subordinated loans	93,226	143,226
-	-	Deductions	<u>(19,515)</u>	<u>(19,511)</u>
92,880	142,913	Total Tier 2 capital	73,711	123,715
533,552	532,302	Total Capital Base	497,602	496,316
		Risk-weighted assets and off-balance sheet items		
3,461,320	3,231,580	Banking book risk-weighted assets and off-balance sheet items	3,419,470	3,194,730
130,390	139,250	Trading book risk-weighted assets and off-balance sheet items	66,380	80,810
404,420	404,420	Operational risk risk-weighted assets and off-balance sheet items	321,530	321,530
3,996,130	3,775,250	Total risk-weighted assets and off-balance sheet items	3,807,380	3,597,070
11.03	10.31	Tier 1 capital / Total risk-weighted assets and off-balance sheet items, %	11.13	10.36
13.35	14.10	Capital adequacy ratio, %	13.07	13.80

NOTE 19 RELATED PARTY TRANSACTIONS

Related party	Description of relationship
Shareholders	Shareholders whose interest exceeds 5% of share capital
Members of the Board and Council	
Subsidiaries	Companies, comprising the Group as described in Note 1 to financial statements
Other related parties	UAB Ūkio Banko Investicinė Grupė; UAB Eastern Europe Development Fund; UAB FMĮ Finbaltus; UAB Apskaita ir Verslo Projektai and heads of administration of the Bank's subsidiaries and their close relatives, close relatives of the Bank's shareholders and members of the Board and Council

During the year 2010 and 2009 Group companies entered into the following transactions with related parties that are not members of the Group:

The Group	Members of the Board and the Council		Shareholders	Other related parties
As of 30 September 2010				
Loans, finance lease receivable	2,741	-	-	2,686
Interest income	65	-	-	5,321
Deposits	2,835	377	377	6,695
Interest expenses	100	5	5	171
As of 31 December 2009				
Loans, finance lease receivable	2,709	-	-	137,495
Interest income	107	-	-	9,354
Deposits	2,192	482	482	21,268
Interest expenses	130	17	17	465
The Bank				
As of 30 September 2010				
Loans, finance lease	2,604	-	-	2,632
Interest income	64	-	-	5,317
Deposits	2,835	377	377	6,695
Interest expense	100	5	5	171
As of 31 December 2009				
Loans, finance lease	2,656	-	-	137,444
Interest income	103	-	-	9,349
Deposits	2,192	482	482	21,268
Interest expense	130	17	17	465

In addition to the transactions described above, in December 2009 the Bank received a subordinated loan from its shareholder V.Romanov. The ordinary general shareholders' meeting of AB Ūkio bankas on 26 March 2010 adopted resolution to increase AB Ūkio bankas authorized capital from additional contributions by converting subordinated loan, received from Vladimir Romanov, to a new issue of ordinary registered shares. Conversion was made on September 2010.

The Group		Compensation to key management personnel	The Bank	
2010-01-01 – 2010-09-30	2009-01-01 – 2009-09-30		2010-01-01 – 2010-09-30	2009-01-01 – 2009-09-30
2,519	3,207	Short-terms payments	1,242	1,370
-	-	Long-terms payments	-	-

**EXPLANATORY NOTES
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(All amounts in LTL thousands unless otherwise stated)



As of 30 September 2010 and for the nine month period then ended related party transactions between the Bank and subsidiaries were as follows:

Related parties	Bank's payables	Bank's receivables	Income received	Expenses
GD UAB Bonum publicum	6,916	3	26	286
UAB Ūkio banko lizingas	1,531	327,133	10,659	(26)
UAB Ūkio banko investicijų valdymas	223	-	1	3
RAB Ūkio bank lizing	-	41,232	2,049	-
UAB Ūkio banko rizikos kapitalo valdymas	-	10,940	419	(51)
UAB Investicinio turto valdymas	78	-	-	-
UAB Turto valdymo paslaugos	1	370,926	8,182	-
UAB Trade Project	678	-	16	-

As of 31 December 2009 and for the year then ended related party transactions between the Bank and subsidiaries were as follows:

Related parties	Bank's payables	Bank's receivables	Income received	Expenses
GD UAB Bonum publicum	6,451	2	17	543
UAB Ūkio banko lizingas	2,046	197,003	15,890	(98)
UAB Ūkio banko investicijų valdymas	182	10	2	3
RAB Ūkio bank lizing	66	44,595	3,259	-
UAB Ūkio banko rizikos kapitalo valdymas	64	53,704	7,264	6,887
UAB Investicinio turto valdymas	11	-	4,214	-

The transactions with related parties were concluded on an arm's length basis.

NOTE 20 CONTINGENT ASSETS AND LIABILITIES AND COMMITMENTS

The Group		Claims and liabilities	The Bank	
2010-09-30	2009-12-31		2010-09-30	2009-12-31
61,783	47,702	Guarantees and warranties	61,783	47,702
-	4,015	Commitments to issue letters of credit	-	4,015
108,007	118,587	Irrevocable lending commitments	55,328	63,454
800,707	258,962	Spot liabilities	856,124	331,145
800,732	258,970	Spot claims	856,149	331,153
1,088	-	Other off balance commitments	1,088	-

As of 30 September 2010 UAB Ūkio Banko Lizingas has finance lease contracts in the amount LTL'000 291 signed, but not yet executed (31 December 2009: LTL'000 15).

Finance lease – as of 30 September 2010 the Bank has outstanding finance lease obligations under finance lease contracts in the amount of LTL'000 140 (31 December 2009: LTL'000 194). Minimum finance lease payment obligations are recorded on the balance sheet under liabilities. The Bank's obligations under finance leases are secured by the lessor's right to the leased assets.

Operating leases – the Bank rents offices, other premises and land for banking activities. The Bank has outstanding non-cancelable commitments in connection with the rental agreements as of 30 September 2010 amounting to LTL'000 68,424 (31 December 2009: LTL'000 72,542).

EXPLANATORY NOTES
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 (All amounts in LTL thousands unless otherwise stated)



As of 30 September 2010 the Bank's future annual minimum commitments under leases were following:

For the year ending 31 December	2010.09.30		2009.12.31	
	Finance lease	Operating lease	Finance lease	Operating lease
2010	20	3,726	78	10,938
2011	81	10,215	81	9,912
2012	42	8,430	42	8,197
2013	-	7,602	-	7,380
2014	-	6,807	-	6,490
Thereafter	-	31,644	-	29,625
Minimum lease payments	143	68,424	201	72,542
Less: interest	(3)		(7)	
Present value of minimum lease payments	140		194	

It is expected that in the normal course of business, expiring leases will be renewed or replaced by leases on other fixed assets.

Litigation and claims – As of 30 September 2010 and 31 December 2009 the Group/Bank was not involved in any significant legal proceedings except for those related to loan loss recovery.

NOTE 21 OPERATING SEGMENTS

Segments were identified by types of services Group's entities provide. The Banking segment includes financial information of AB Ūkio Bankas (main activity – banking services), Finance lease segment includes financial information of UAB Ūkio Banko Lizingas and RAB Ūkio Bank Lizing (main activity – finance lease). Other activities segment includes financial information of Group's entities not included in Banking or Finance lease segments. Other activities segment as of 30 September 2010 and for the nine month period then ended includes financial information of „UAB Ūkio Banko Rizikos Kapitalo Valdymas, UAB Ūkio Banko Investicijų Valdymas, UAB Investicinio Turto Valdymas, UAB Turto valdymo paslaugos, UAB Trade Project and GD UAB Bonum Publicum and discontinued operations (financial information of UAB Eastern Europe Development Fund). Other activities segment as of 30 September 2009 and for the nine month period then ended includes financial information of UAB Ūkio Banko Rizikos Kapitalo Valdymas, UAB Ūkio Banko Investicijų Valdymas, UAB Investicinio Turto Valdymas and GD UAB Bonum Publicum.

	2010-01-01 – 2010-09-30				
	Banking	Finance lease	Other activities	Elimination	Group
CONTINUING OPERATIONS					
Interest revenues:					
Internal	21,213	23	404	(21,640)	-
External	107,697	33,211	9,967	-	150,875
	128,910	33,234	10,371	(21,640)	150,875
Interest expenses:					
Internal	(427)	(12,597)	(8,616)	21,640	-
External	(136,620)	(95)	-	-	(136,715)
	(137,047)	(12,692)	(8,616)	21,640	(136,715)
Net interest income	(8,137)	20,542	1,755	-	14,160
Non-interest revenues:					
Internal	137	30	264	(431)	-
External	82,542	4,631	14,796	-	101,969
	82,679	4,661	15,060	(431)	101,969
Non-interest expenses:					
Internal	214	(812)	(330)	928	-
External	(84,333)	(10,173)	(15,043)	-	(109,549)
	(84,119)	(10,985)	(15,373)	928	(109,549)
Segment result before impairment, amortization and taxes	(9,577)	14,218	1,442	497	6,580
Depreciation and amortization	(4,572)	(2,116)	(219)	-	(6,907)
Impairment losses	16,624	(7,892)	(1,831)	-	6,901
Profit (loss) before tax	2,475	4,210	(608)	497	6,574
Income tax	(931)	(1,169)	-	-	(2,100)
Net result for the period from continuing operations	1,544	3,041	(608)	497	4,474
Net result from discontinued operations	-	-	(1,618)	-	(1,618)
NET RESULT FROM CONTINUING AND DISCONTINUED OPERATIONS	1,544	3,041	(2,226)	497	2,856
Attributable to:					
Equity holders of the parent	1,544	3,041	(2,226)	497	2,856
Minority interest	-	-	-	-	-
Assets	4,861,934	391,112	695,958	(1,000,800)	4,948,204
Liabilities	4,415,350	381,548	502,847	(816,264)	4,483,481

**EXPLANATORY NOTES
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2010**
(All amounts in LTL thousands unless otherwise stated)



	2009-01-01 – 2009-09-30				Group
	Banking	Finance lease	Other activities	Elimination	
CONTINUING OPERATIONS					
Interest revenues:					
Internal	22,398	7	7,485	(29,890)	-
External	176,609	40,026	2,107	-	218,742
	199,007	40,033	9,592	(29,890)	218,742
Interest expenses:					
Internal	(7,489)	(15,348)	(7,050)	29,887	-
External	(162,735)	(531)	-	-	(163,266)
	(170,224)	(15,879)	(7,050)	29,887	(163,266)
Net interest income	28,783	24,154	2,542	(3)	55,476
Non-interest revenues:					
Internal	708	74	885	(1,667)	-
External	79,937	7,901	18,275	-	106,113
	80,645	7,975	19,160	(1,667)	106,113
Non-interest expenses:					
Internal	(258)	(1,563)	(164)	1,985	-
External	(96,602)	(12,814)	(15,735)	-	(125,151)
	(96,860)	(14,377)	(15,899)	1,985	(125,151)
Segment result before impairment, amortization and taxes	12,568	17,752	5,803	315	36,438
Depreciation and amortization	(4,770)	(872)	(185)	-	(5,827)
Impairment losses	(2,522)	(13,056)	(385)	(6,154)	(22,117)
Profit (loss) before tax	5,276	3,824	5,233	(5,839)	8,494
Income tax	(531)	(1,483)	(96)	-	(2,110)
Net result for the period from continuing operations	4,745	2,341	5,137	(5,839)	6,384
Net result from discontinued operations	-	-	-	-	-
NET RESULT FROM CONTINUING AND DISCONTINUED OPERATIONS	4,745	2,341	5,137	(5,839)	6,384
Attributable to:					
Equity holders of the parent	4,745	2,341	5,137	(5,839)	6,384
Minority interest	-	-	-	-	-
Assets	3,968,648	287,049	215,474	(424,568)	4,046,603
Liabilities	3,489,400	277,994	166,989	(383,836)	3,550,547

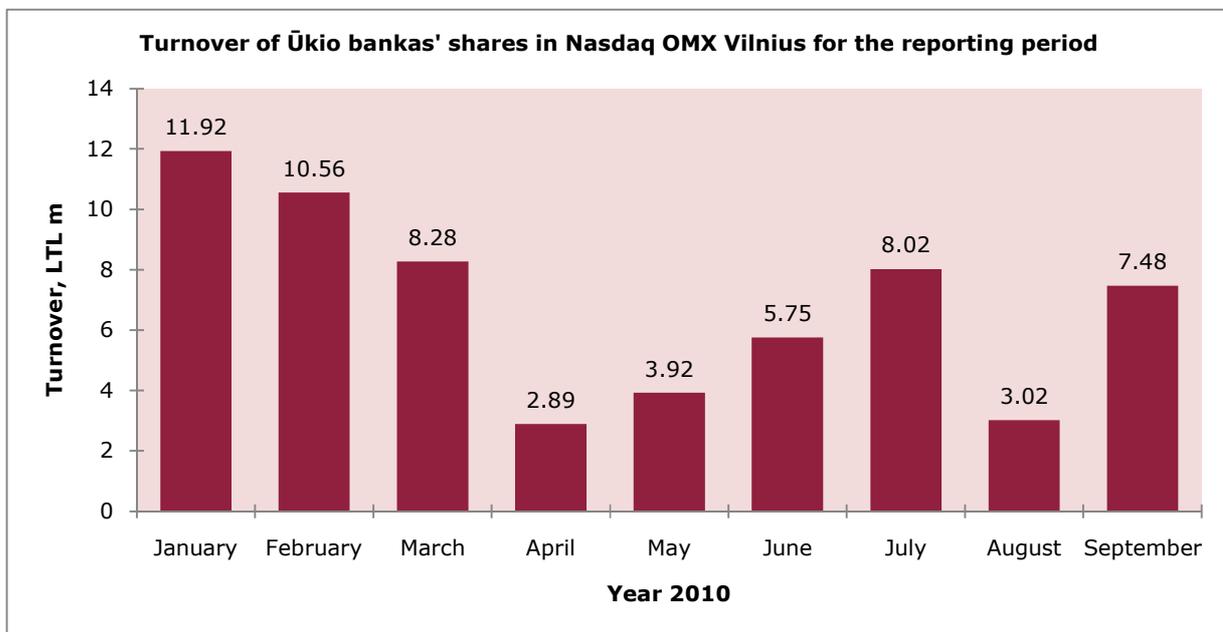
CREDIT RATINGS

International rating agency Standard&Poor’s has assigned the following ratings to Ūkio banks:

- Long-term counterparty credit rating B (rating assigned as of 28 August 2009);
- Short-term counterparty credit rating C (rating assigned as of 28 August 2009).

The outlook of ratings is negative.

AB ŪKIO BANKAS SHARE PRICE PERFORMANCE AND TURNOVER FOR THE REPORTING PERIOD



INFORMATION ON AB ŪKIO BANKAS MANAGING BODIES (NUMBER OF SHARES HELD, PERCENTAGES OF BANK CAPITAL AND VOTES PRESENTED AS OF 30 SEPTEMBER 2010)

Name, surname, position	Number of shares held	Percentage of Bank capital, %	Percentage of votes, %
SUPERVISORY COUNCIL OF THE BANK			
Karpavičienė Edita Chairwoman	197,450	0.0667	0.0667
Kurauskienė Ala Deputy Chairwoman	405,024	0.1369	0.1369
Gončaruk Olga Member	8,124,854	2.7465	2.7465
Jakavičienė Gražina Member	11,286	0.0038	0.0038
Soldatenko Viktor Member	2,785	0.0009	0.0009
BOARD OF THE BANK			
Ugianskis Gintaras Chairman, CEO	96,225	0.0325	0.0325
Balandis Rolandas Deputy Chairman, Head of Financial Markets Division	80,105	0.0271	0.0271
Žalys Arnas Deputy Chairman, Head of Finance Division	51,000	0.0172	0.0172

MATERIAL EVENTS IN AB ŪKIO BANKAS ACTIVITIES

20 January 2010	Announced that at the meeting of the Board of AB Ūkio bankas as of 19 January 2010, a resolution was taken to issue fixed rate bond issue in EUR under the "Base prospectus of LTL 200,000,000 short and medium term bonds offering programme" approved on 1 October 2009 by the Security Commission of the Republic of Lithuania, and to approve the Final terms and conditions of the issue. To view the Final terms and conditions, approved "Base prospectus of LTL 200,000,000 short and medium term bonds offering programme" and related documents is possible at the AB Ūkio bankas secretary office, Maironio str. 25, Kaunas, branches and units of the Bank, the Internet website www.ub.lt , Central Storage Facility Internet website www.crib.lt and Nasdaq OMX Vilnius Internet website www.nasdaqomxbaltic.com .
20 February 2010	Announced that on 19 February 2010 AB Ūkio bankas finished the issue of Fixed rate bond issue EUR No. 1/2010 issued under LTL 200,000,000 short and medium term bonds offering program. During distribution period (from 22 January 2010 till 19 February 2010) 12,664 bonds with nominal value of EUR 100 and fixed 5 percent annual interest rate were issued. Redemption of bonds on 24 February 2011.
26 February 2010	announced AB Ūkio bankas group preliminary unaudited net loss of year 2009 is LTL 70.5 million (EUR 20.4 million). AB Ūkio bankas preliminary unaudited net loss of year 2009 is LTL 75.0 million (EUR 21.7 million). During 2008 AB Ūkio bankas group earned a net profit of LTL 45.7 million (EUR 13.2 million) and AB Ūkio bankas earned a net profit LTL 57.4 million (EUR 16.6 million). Main reasons behind not reaching planned results are: <ul style="list-style-type: none"> • significantly increasing provisions against the impairment of loans and receivables, caused by negative economic situation in Lithuania and growing number of problem debtors; • decreasing net interest margin resulted low net interest income; • number of banking operations performed by customers was lower than planned during economic recession.
3 March 2010	Convocation of an ordinary General Meeting of AB Ūkio bankas Shareholders announced. The Bank's Board has approved the agenda of the meeting to be held on 26 March 2010.
5 March 2010	Announced Draft resolutions of the ordinary general meeting, to be held on 26 March 2010, prepared by the Bank's Board.
10 March 2010	Announced amendment to agenda of an ordinary General Meeting of AB Ūkio bankas Shareholders to be held on 26 March 2010.
15 March 2010	Announced amendments of draft resolutions of the ordinary General Shareholders' Meeting, to be held on 26 March 2010, prepared by the Board.

26 March 2010	Announced the resolutions of AB Ūkio bankas ordinary General Shareholders' Meeting held on 26 March 2010.
26 March 2010	Announced that AB Ūkio bankas Board was elected of the following composition: Gintaras Ugianskis (Chairman of the Board), Rolandas Balandis (Deputy Chairman of the Board) and Arnas Žalys (Deputy Chairman of the Board).
23 April 2010	Announced that at the meeting of the Board of AB Ūkio bankas as of 22 April 2010, a resolution was taken to issue fixed rate bond emissions in LTL and EUR under the "Base prospectus of LTL 200,000,000 short and medium term bonds offering programme" approved on 1 October 2009 by the Security Commission of the Republic of Lithuania, and to approve the Final terms and conditions of the emissions. To view the Final terms and conditions, approved "Base prospectus of LTL 200,000,000 short and medium term bonds offering programme" and related documents is possible at the AB Ūkio bankas secretary office, Maironio str. 25, Kaunas, branches and units of the Bank, the Internet website www.ub.lt , Central Storage Facility Internet website www.crib.lt and Nasdaq OMX Vilnius Internet website www.nasdaqomxbaltic.com .
4 May 2010	Announced AB Ūkio bankas group consolidated unaudited net profit of the first quarter of year 2010 – LTL 1.5 million (EUR 0.4 million). AB Ūkio bankas unconsolidated unaudited net profit of the first quarter of year 2010 is LTL 0.6 million (EUR 0.2 million).
13 May 2010	Announced that on 12 May 2010 AB Ūkio bankas has registered a subsidiary Joint Stock Company "Turto valdymo paslaugos". The main activity of a subsidiary is asset management.
1 June 2010	Announced that on 31 May 2010 AB Ūkio bankas finished the issue of Fixed rate bond issue LTL No. 2/2010 issued under LTL 200,000,000 short and medium term bonds offering program. During distribution period (from 26 April 2010 till 31 May 2010) 107,867 bonds with nominal value of LTL 100 and fixed 5.5 percent annual interest rate were issued. Redemption of bonds on 6 June 2011.
1 June 2010	Announced that on 31 May 2010 AB Ūkio bankas finished the issue of Fixed rate bond issue EUR No. 3/2010 issued under LTL 200,000,000 short and medium term bonds offering program. During distribution period (from 26 April 2010 till 31 May 2010) 19,348 bonds with nominal value of EUR 100 and fixed 4 percent annual interest rate were issued. Redemption of bonds on 6 June 2011.
21 June 2010	Reacting to the information about AB Ūkio bankas illegal acts being spread in media, AB Ūkio bankas informed that: <ol style="list-style-type: none"> 1. Facts do not reflect reality; 2. Up to now AB Ūkio bankas neither was requested nor being informed about the acts taken by any Lithuanian or any international institution, responsible for Anti money laundering; 3. AB Ūkio bankas emphasize that all banking activities and Anti money laundering monitoring follow the laws of EU and the Republic of Lithuania, recommendations of international organizations and Law on the Prevention of Money Laundering and Terrorist Financing; 4. AB Ūkio bankas is willing to actively participate in investigation, provide information and to offer any help needed to responsible Lithuanian or international institutions.
8 July 2010	Announced that as at July 8, 2010, AB Ūkio bankas received a report from shareholder Vladimir Romanov about applied request to Competition Council of the Republic of Lithuania for permission to increase the controlled block of shares of AB Ūkio bankas up to 100 percent, and about request to Bank of Lithuania for permission to increase the controlled block of shares of AB Ūkio bankas up to 100 percent. Implementing resolution of the AB Ūkio bankas ordinary general meeting held on March 26, 2010, to increase share capital, Vladimir Romanov is obligated to lay mandatory tender offer to purchase the rest shares of AB Ūkio bankas according to the Laws of the Republic of Lithuania.
16 July 2010	Announced that as at July 15, 2010, AB Ūkio bankas received a report from shareholder Vladimir Romanov about resolution, passed by Competition Council of the Republic of Lithuania, to give permission for Vladimir Romanov to pursue separate concentration acts presented in request: to sign share subscription agreement between AB Ūkio bankas and Vladimir Romanov and to convert subordinated loan by purchasing 50 million units newly signed ordinary registered shares with the nominal value of 1 (one) LTL per share; to register the new edition of the Bank's Articles of Association; to present the circular of the mandatory tender offer to purchase the rest shares of AB Ūkio bankas to Securities Commission of the Republic of Lithuania; to present the mandatory tender offer to purchase the rest shares of AB Ūkio bankas; to implement mandatory tender offer and to purchase shares of AB Ūkio bankas from individuals, responsive to tender offer and requesting to sell their holding shares of AB Ūkio bankas, according to applied request about concentration as of 1st July, 2010.

- 26 July 2010** Announced that AB Ūkio bankas received a report from shareholder Vladimir Romanov about resolution, passed by the Board of the Bank of Lithuania to give permission for Vladimir Romanov to increase his share of joint-stock company Ūkio bankas qualified capital and (or) voting rights up to controlling interest.
- 2 August 2010** Announced that as at 2 August 2010 AB Ūkio bankas according to the provisions specified in Base Prospectus of LTL 200,000,000 Short and Medium Term Bonds Offering Programme and Final Terms and Conditions approved by the Board of the Bank as at 19 June 2008, redeemed "Fixed rate bond issue No. 1/2008" (ISIN code – LT0000402372).
- 4 August 2010** Announced AB Ūkio bankas group consolidated unaudited net profit of the six months of year 2010 – LTL 2.3 million (EUR 0.7 million). AB Ūkio bankas unconsolidated unaudited net profit of the six months of year 2010 is LTL 1.0 million (EUR 0.3 million).
- 5 August 2010** Announced that on 4th August 2010 AB Ūkio bankas acquired 100 percent of Joint Stock Company "Trade Project" shares. The main activity of JSC "Trade Project" is lease and administration of real estate.
- 10 August 2010** Announced that on 4th August 2010 AB Ūkio bankas acquired 100 percent of Joint Stock Company "Trade Project" shares. The main activity of JSC "Trade Project" is lease and administration of real estate. Transaction value – LTL 26.9 million. Purpose of transaction – to acquire buildings and land belonging to JSC "Trade Project". Real estate objects will go for bank's use.
- 20 August 2010** Announced that at the meeting of the Board of AB Ūkio bankas as of 19 August 2010, a resolution was taken to issue fixed rate bond emissions in LTL and EUR under the "Base prospectus of LTL 200,000,000 short and medium term bonds offering programme" approved on 1 October 2009 by the Security Commission of the Republic of Lithuania, and to approve the Final terms and conditions of the emissions. To view the Final terms and conditions, approved "Base prospectus of LTL 200,000,000 short and medium term bonds offering programme" and related documents is possible at the AB Ūkio bankas secretary office, Maironio str. 25, Kaunas, branches and units of the Bank, the Internet website www.ub.lt, Central Storage Facility Internet website www.crib.lt and Nasdaq OMX Vilnius Internet website www.nasdaqomxbaltic.com.
- 2 September 2010** Announced that as at 2 September 2010 the Board of the Bank of Lithuania permitted to register the amendment of the Articles of AB Ūkio bankas regarding the increase of bank's authorized capital up to LTL 295,824,000. The capital is increased according to the resolution of AB Ūkio bankas ordinary general shareholders' meeting held on 26 March 2010 to increase AB Ūkio bankas authorized capital from additional contributions converting subordinated loan, received from Vladimir Romanov, to a new issue of ordinary registered shares.
- 3 September 2010** Announced that on September 3, 2010, AB Ūkio bankas received a report from shareholder Vladimir Romanov about resolution, passed by Competition Council of the Republic of Lithuania, to give permission for shareholder Vladimir Romanov to pursue concentration acquiring up to 100 percent shares of AB Ūkio bankas according to submitted report.
- 7 September 2010** Announced on 6 September 2010 AB Ūkio bankas received a report (in Lithuanian) from shareholder Vladimir Romanov regarding his intention to announce a mandatory offer to buy up ordinary registered shares with the nominal value of 1 LTL (EUR 0.29) of AB Ūkio bankas. On 6 September 2010 shareholder Vladimir Romanov owns 102,444,602 ordinary registered shares of AB Ūkio bankas (41.67 percent voting rights at the ordinary general meeting of AB Ūkio bankas). It is intended to buy up 143,379,398 ordinary registered shares of AB Ūkio bankas (58.33 percent voting rights at the ordinary general meeting of AB Ūkio bankas). For bought shares will be settled in cash. A mandatory offer is announced exceeding a limit of 1/3 votes by shareholder Vladimir Romanov at the ordinary general meeting of AB Ūkio bankas.
After implementation of the resolution of AB Ūkio bankas ordinary general shareholders' meeting held on 26 March 2010 to increase AB Ūkio bankas authorized share capital from additional contributions converting subordinated loan, received from Vladimir Romanov, to a new issue of ordinary registered shares and after registration of Articles with increased authorized share capital with the Register of legal entities to LTL 295,824,000 (EUR 85.68 million), shareholder Vladimir Romanov will own 152,444,602 ordinary registered shares of AB Ūkio bankas (51.53 percent voting rights at the ordinary general meeting of AB Ūkio bankas).

- 7 September 2010** Announced that on 7 September 2010 AB Ūkio bankas Articles with increased authorized share capital has been registered with the Register of legal entities. After increase the Bank's authorized share capital amounts to LTL 295,824,000 (EUR 85.68 million). One share has a nominal value of LTL 1 (EUR 0.29).
The capital was increased according to the resolution of AB Ūkio bankas ordinary general shareholders' meeting held on 26 March 2010 to increase AB Ūkio bankas authorized share capital from additional contributions converting subordinated loan, received from Vladimir Romanov, to a new issue of ordinary registered shares.
The shares of the new LTL 50,000,000 issue will be transferred to the securities account of shareholder Vladimir Romanov after amendments effected by Central Securities Depository of Lithuania in the AB Ūkio bankas securities issue registration account.
- 22 September 2010** Announced that on 21 September 2010 AB Ūkio bankas finished the issue of Fixed rate bond issue LTL No. 4/2010 issued under LTL 200,000,000 short and medium term bonds offering program. During distribution period (from 23 August 2010 till 21 September 2010) 78,563 bonds with nominal value of LTL 100 and fixed 5.2 percent annual interest rate were issued. Validity date of bonds – 24 September 2010. Maturity date of bonds – 29 September 2011.
- 22 September 2010** Announced that on 21 September 2010 AB Ūkio bankas finished the issue of Fixed rate bond issue EUR No. 5/2010 issued under LTL 200,000,000 short and medium term bonds offering program. During distribution period (from 23 August 2010 till 21 September 2010) 5,933 bonds with nominal value of EUR 100 and fixed 3.5 percent annual interest rate were issued. Validity date of bonds – 24 September 2010. Maturity date of bonds – 29 September 2011.
- 24 September 2010** Announced that on 24 September 2010, AB Ūkio bankas received a report from shareholder Vladimir Romanov about resolution, passed on 23 September 2010 by Securities Commission of the Republic of Lithuania, to approve a circular of mandatory non-competitive tender offer to buy up remaining ordinary registered voting bearer shares of AB Ūkio bankas.
The tender offer price is LTL 1.03 (one litas, three cents) (EUR 0.2983) per 1 (one) ordinary registered share of LTL 1 (one litas) (EUR 0.2896) nominal value (ISIN code LT0000102352) of AB Ūkio bankas share.
Implementation of the tender offer beginning and end: 29 September 2010 - 12 October 2010.
- 24 September 2010** Announced that on 24 September 2010, the Board of the Bank of Lithuania gave permission to AB Ūkio bankas to register the amendments of the Articles of AB Ūkio bankas, related to the changes of voting rights and competence of the bodies of the Bank, approved by ordinary general shareholders' meeting held on 26 March 2010. Amendments were accomplished in order to harmonize Articles of AB Ūkio bankas with amendments of Republic of Lithuania Company Law.
- 27 September 2010** Announced that on 27 September 2010 AB Ūkio bankas according to the provisions specified in Base Prospectus of LTL 200,000,000 Short and Medium Term Bonds Offering Programme and Final Terms and Conditions approved by the Board of the Bank as at 19 June 2008, redeemed "Fixed rate bond issue LTL No 2/2008" (ISIN code – LT0000402380) and "Fixed rate bond issue EUR No 3/2008" (ISIN code – LT1000402248).
- 28 September 2010** Announced that the Board of AB Ūkio bankas, having familiarised itself with the mandatory non-competitive tender offer material presented to it by offeror Vladimir Romanov, in its meeting held on 28 September 2010 presented its opinion on mandatory tender offer.

All notifications on material events in relation to AB Ūkio bankas activities were delivered to the Lithuanian Securities Commission, Stock Exchange NASDAQ OMX Vilnius, news agencies BNS and ELTA, and placed on the Bank's website www.ub.lt.
