



**AB ŪKIO BANKAS INTERIM INFORMATION FOR
THE SIX MONTH PERIOD OF THE YEAR 2009
(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

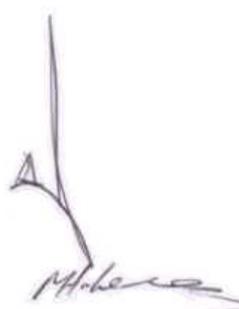
We hereby confirm that condensed interim financial statements for the six month period ended 30 June 2009 prepared in accordance with International Financial Reporting Standards are true and fairly present assets, liabilities, financial position, profit or loss of AB Ūkio bankas, as well as of AB Ūkio bankas Group consolidated companies. As per our knowledge, interim report includes a fair review of the development and performance of the business.

Deputy Chief Executive Officer –
Head of IT Division



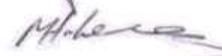
Saulius Valdšteinas

Deputy Chairman –
Head of Finance Division



Arnas Žalys

Head of Financial Institutions and Fund Raising Department



Marius Arlauskas



The report is prepared in Kaunas, 4th August 2009

REPORTING PERIOD

The report includes information for the six month period ended 30 June 2009. All amounts are presented as of 30 June 2009, unless otherwise stated. AB Ūkio Bankas can also be referred to as "the Bank", AB Ūkio Bankas Group – "the Group".

COMPANIES CONSTITUTING THE GROUP AND THEIR CONTACT DETAILS

As of 30 June 2009, AB Ūkio Bankas Group consisted of AB Ūkio Bankas (parent company) and 5 subsidiaries listed below:

<u>Name</u>	<u>Activity</u>	<u>Country</u>	<u>Ownership share</u>
UAB Ūkio Banko Lizingas	Finance lease	Kaunas, Lithuania	100%
UAB GD Bonum Publicum	Life insurance	Vilnius, Lithuania	100%
UAB Ūkio Banko Investicijų Valdymas	Financial intermediation	Kaunas, Lithuania	100%
UAB Ūkio Banko Rizikos Kapitalo Valdymas	Financial intermediation	Kaunas, Lithuania	100%
RAB Ūkio Bank Lizing*	Finance lease	Kiev, Ukraine	100%

*UAB Ūkio Banko Lizingas owns 100% of the shares of RAB Ūkio Bank Lizing.

Contact details of parent company:

Name of the Bank	AB Ūkio Bankas
Legal organizational form	Joint-stock company
Registration place and date	State Enterprise Registers Centre, Republic of Lithuania, 19 November 1990
Registration number	112020136
Head Office address	Maironio str. 25, LT-44250 Kaunas, Republic of Lithuania
Telephone number	+370 37 301 301
Fax number	+370 37 323 188
E-mail address	ub@ub.lt
Website	www.ub.lt

Contact details of UAB Ūkio Banko Lizingas:

Name of the Subsidiary	UAB Ūkio Banko Lizingas
Legal organizational form	Closed joint-stock company
Registration date and place	State Enterprise Registers Centre, Republic of Lithuania, 14 July 1997
Registration number	234995490
Head Office address	Donelaičio str. 60, LT-44248 Kaunas, Republic of Lithuania
Telephone number	+370 37 40 72 00
E-mail address	info@ubl.lt
Website	www.ubl.lt

Contact details of GD UAB Bonum Publicum:

Name of the Subsidiary	GD UAB Bonum Publicum
Legal organizational form	Closed joint-stock company
Registration date and place	State Enterprise Registers Centre, Republic of Lithuania, 31 August 2000
Registration number	110081788
Head Office address	A. Goštauto str. 40, LT-01112 Vilnius, Republic of Lithuania
Telephone number	+370 5 236 27 23
E-mail address	life@bonumpublicum.lt
Website	www.bonumpublicum.lt

Contact details of UAB Ūkio Banko Investicijų valdymas:

Name of the Subsidiary	UAB Ūkio Banko Investicijų Valdymas
Legal organizational form	Closed joint-stock company
Registration date and place	State Enterprise Registers Centre, Republic of Lithuania, 3 April 2006
Registration number	300556509
Head Office address	J. Gruodžio str. 9, LT-44293 Kaunas, Republic of Lithuania
Telephone number	+37037301390, +37037395526
E-mail address	fondai@ub.lt
Website	www.ub.lt

Contact details of UAB Ūkio Banko Rizikos Kapitalo Valdymas:

Name of the Subsidiary	UAB Ūkio Banko Rizikos Kapitalo Valdymas
Legal organizational form	Closed joint-stock company
Registration date and place	State Enterprise Registers Centre, Republic of Lithuania, 26 June 2007
Registration number	300890619
Head Office address	J. Gruodžio str. 9, LT-44293 Kaunas, Republic of Lithuania
Telephone number	+37037395550, +37068674002
E-mail address	info@ubrkv.lt
Website	www.ubrkv.lt

Contact details of RAB Ūkio Bank Lizing:

Name of the Subsidiary	RAB Ūkio Bank Lizing
Legal organizational form	Limited liability company
Registration date and place	State administration of Sevchenko district, Kiev, Ukraine, 13 February 2006
Registration number	34003114
Head Office address	Artema 14A-43, Kiev, 04053, Ukraine
Telephone number	+38 044 502 83 10
E-mail address	ubl-ukraine@ubl.lt
Website	www.ubleasing.kiev.ua

MAIN ACTIVITIES OF THE GROUP

According to the License No. 1 issued to AB Ūkio Bankas pursuant to the resolution No. 19 of the Bank of Lithuania as of 19 November 1990 the Bank is entitled to provide licensed financial services defined in the Republic of Lithuania Law on Banks Article 2(6).

The description of the main activities of AB Ūkio Bankas subsidiaries has been provided above.

AGREEMENTS WITH FINANCIAL BROKERAGE COMPANIES AND CREDIT INSTITUTIONS WHICH PROVIDE INVESTMENT SERVICES AND (OR) CARRY OUT INVESTMENT ACTIVITY

AB Ūkio Bankas has entered into service agreements with the following financial brokerage companies and credit institutions:

<u>Intermediary</u>	<u>Address</u>	<u>Nature of the agreement</u>
AB DnB NORD Bankas	J. Basanavičiaus str. 26, Vilnius	Agreement on financial instruments account handling and execution of orders.
"Swedbank" AB	Savanorių ave. 19, Vilnius	Securities account handling and intermediation agreement.
AS Hansapank	Liivalaia 8, Tallinn, Estonia	Securities account handling and intermediation agreement.
AS Hansabanka	Balasta dambis 1 a, Riga, Latvia	Securities account handling and intermediation agreement.
AB SEB bankas	Gedimino ave. 12, Vilnius	Securities account handling agreement.
AB Šiaulių bankas	Tilžės str. 149, Šiauliai	Agreement with trustee of securities.
AB Parex bankas	Kražių str. 21, Vilnius	Agreement on the accounting, custody, and lending of securities and monetary funds and on acceptance and execution of orders.
UAB FMĮ "Finbaltus"	Ukmergės str. 41-660, Vilnius	Securities accounts servicing agreement.
AB FMĮ "Finasta"	Ukmergės str. 41-510, Vilnius	Agreement on the accounting, custody, and lending of securities and monetary funds and on acceptance and execution of orders.
Nova Banka A. D. Bijeljina	Banja Luka, Srpska Republika	Brokerage service agreement.
„Balkan Investment Bank" AD – Balkan Investment Broker	Krajiških brigada br. 2, Banja Luka, Srpska Republika	Brokerage service agreement.
Troika Dialog (Bermuda) Limited	Chancery Hall 52 Reid Street, Hamilton HM 12 Bermuda	Intermediation and brokerage service agreement.
Deutsche Bank AG London	Winchester House, 1 Great Winchester Street, London	Securities custody agreement.

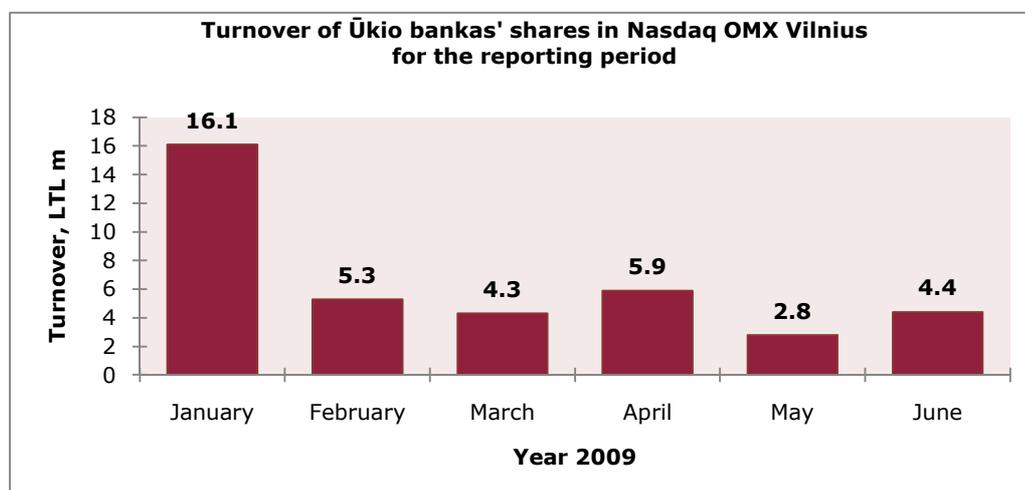
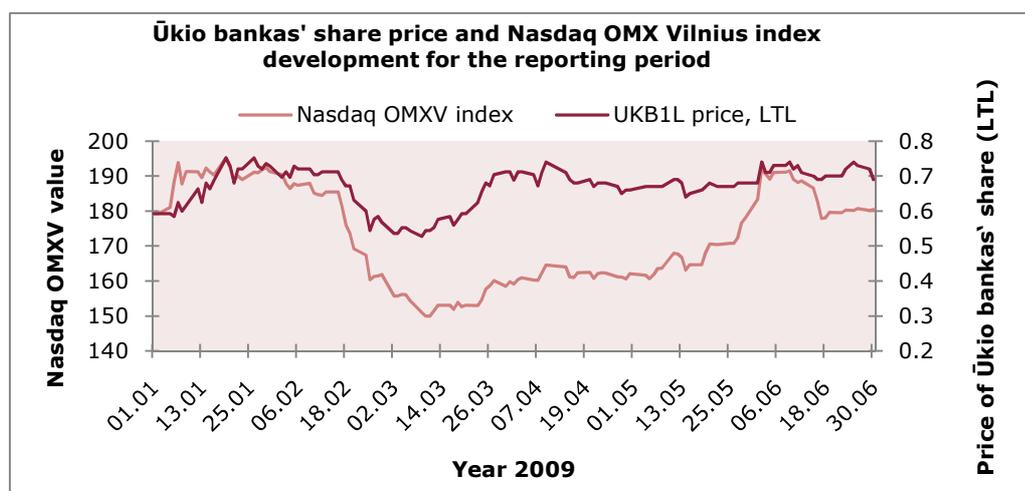
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Deutsche Bank AG Amsterdam	Herengracht 450-454 NL-1017 CA Amsterdam	Securities custody agreement.
OAO „Bank Zenit“	Banij per. 9, Moskva	Agreement on the performance of operations on the securities market.
Erste Bank Befektetesi Rt.	Madach Imre u. 13-15, Budapest	Brokerage agreement.
Erste bank Hungary	Nepfurdo 24-26, Budapest	Securities custody agreement.
SC „Parex Asset Management“	Basteja Boulevard 14, Riga, Latvia	Agreement on investment portfolio management.
SG Private Banking	Rue de la Corraterie 6, Case postale 5022, 1211 Geneve 11	Agreement on securities custody and brokerage service.
Credit Suisse	Uetlibergstrasse 231, Postfach 100, Zurich, Switzerland	Agreement on securities custody and brokerage service.
Interactive brokers	Gotthardstrasse 3, 6301 Zug, Switzerland	Brokerage service agreement.

TRADING IN THE BANK'S SECURITIES ON STOCK EXCHANGES

AB Ūkio bankas ordinary registered shares (name: UKB1L) are traded on NASDAQ OMX Vilnius Stock Exchange (VSE) (<http://www.nasdaqomxbaltic.com/>) Official List. As of 30 June 2009 245,824,000 (two hundred forty five million eight hundred twenty four thousand) ordinary registered shares were quoted on the NASDAQ OMX Vilnius Stock Exchange.

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



ISSUED SHARE CAPITAL AND ITS STRUCTURE

As of 30 June 2009 the issued share capital of the Bank amounted to LTL'000 245,824 (two hundred forty five million eight hundred twenty four thousand) and it was divided into 245,824,000 (two hundred forty five million eight hundred twenty four thousand) ordinary registered shares. The nominal value of one share is LTL 1 (one).

All shares are fully paid. The rights of all the shares are equal, there are no restrictions on the share disposal.

Every ordinary registered share of the Bank provides 1 (one) vote for its owner in the General Meeting of the Shareholders.

Shareholders have property and non-property rights.

The shareholders of AB Ūkio bankas have the following property rights:

- gain part of the profit of the Bank (dividend);
- gain Bank's funds when an authorised capital is decreased seeking to pay out for shareholders.
- gain part of the property of the liquidated Bank;
- gain shares free of charge when the authorized capital is increased out of the funds of the Bank except for the exceptions as stated in Part 3 of Article 42 of the Law on Joint Stock Companies of the Republic of Lithuania;
- have a right of pre-emption to acquire shares or converted bonds emitted by the Bank except for the case when the General Meeting of the Shareholders following the order established by the Law on Joint Stock Companies of the Republic of Lithuania decides to cancel the right of pre-emption for all the shareholders;
- in the manner established by laws lend to the Bank, but the Bank borrowing from its shareholders does not have a right to mortgage its property to the shareholders. When the Bank borrows from the shareholder, the interests must not exceed the average interest rate that is valid at the moment of the conclusion of the loan agreement at the commercial banks located in the place of residence and business of the lender. In this case, the Bank and the shareholders are forbidden to agree on higher interest rate;
- other property rights as established by laws.

The shareholders of AB Ūkio bankas have the following non-property rights:

- participate at the General Meetings of the Shareholders;
- according to the rights as provided by the shares to vote in General Meetings of the Shareholders;
- receive information on the Bank as stated in Part 1 of Article 18 of the Law on Joint Stock Companies of the Republic of Lithuania;
- address the court with a claim pleading to recover the loss for the Bank that was incurred due to the non-performance or improper performance of the duties of the Head of the Administration of the Bank and members of the Board as established in the Law on Joint Stock Companies and other laws of the Republic of Lithuania as well as Articles of the Bank, as well as in other cases as established by the laws;
- other non-property rights as established by the laws.

Voting right in the General Meetings of the Shareholders is provided only by fully paid shares.

In case of increasing the Bank's authorised capital, a person shall become the Bank's shareholder and acquire all rights and duties granted to him by the proportion of the Bank's authorised capital and/or voting rights acquired by him from the date of registration of amendments to the Bank's Statute regarding an increase in the Bank's authorised capital and/or voting rights.

The part of the authorized capital of the Bank and (or) voting rights that are possessed by a person having acquired the qualified part of the authorized capital of the Bank and (or) voting rights or having increased it without a consent of the supervising institution when such a consent was necessary, or when the supervising institution makes a decision to suspend the right to use the voting right, loses the voting right in the General Meeting of the Shareholders of the Bank.

Increasing the authorized capital of the Bank by additional contributions, the new shares of the Bank can be paid only by money or demand rights according to the commitments of the Bank to pay, except for the cases when the authorized capital of the Bank is increased during the re-organization of the Bank. The person having signed the shares must fully pay the shares of the Bank no later than until the day when the Bank addresses the supervising institution regarding the issue of a permission to register the amendments of the Articles of the Bank related to the increase of the authorized capital of the Bank.

As of 30 June 2009 the Bank had two subordinated loans in the amount of LTL'000 7,393 denominated in USD which could be converted to newly issued shares on the maturity date (1 July 2009 and 7 January 2010, respectively).

RESTRICTIONS ON SECURITIES TRANSFER

There are no restrictions to freely transfer shares of the Bank, except for the cases cited in the Republic of Lithuania Law on Banks. Shareholders of a bank may not be:

- the legal persons financed from State or municipal budgets;
- the persons who have not submitted, in the cases and according to the procedure set forth by legal acts, to the supervisory institution data on their identities, members, activities, financial situation, the heads of a legal person, the persons for whose benefit shares are acquired or the legitimacy of the acquisition of the funds used to acquire the bank's shares or who have not proved the legitimacy of the acquisition of the funds used to acquire the bank's shares;
- the persons who object that the supervisory institution manages, in the cases and according to the procedure set forth by laws and other legal acts, their data required for the issuance of the licenses and granting of the authorizations and consents provided for under this Law, including their personal data and information on a person's previous convictions and health.

A person wishing to acquire 10 percent or more holding of a bank's authorized capital and/or voting rights or to increase it so that the proportion of the authorized capital and/or voting rights held by him would make up 1/5, 1/3 or 1/2 of the holding or so that the bank would become controlled by him must obtain prior consent of the supervisory institution.

SHAREHOLDERS

As of 30 June 2009 the Bank had 11,115 Bank's shareholders, who were holding 245,824,000 shares. The nominal value of each AB Ūkio Bankas ordinary registered share is LTL 1.

Over 5% of the registered authorized capital of the Bank was owned by the following shareholders (30 June 2009):

Shareholder's corporate name/ full name	Shareholder's code	Address	Shares held under the property right, number/ percentage of authorized capital, %	Votes held under the property right, number/ percentage of votes, %	Votes held in concert with other persons, number/ percentage of votes, %
Romanov Vladimir	-	-	80,992,132/ 32.9472 proc.	80,992,132/ 32.9472 proc.	80,992,132/ 32.9472 proc.
UAB Universal Business Investment Group Management	210869960	Donelaičio str. 60, Kaunas, Lietuva	24,557,256/ 9.9898 proc.	24,557,256/ 9.9898 proc.	24,557,256/ 9.9898 proc.
Romanova Zinaida	-	-	21,452,470/ 8.7268 proc.	21,452,470/ 8.7268 proc.	21,452,470/ 8.7268 proc.
UAB FIRST Partneriai	301145610	Donelaičio str. 60, Kaunas, Lietuva	14,453,123/ 5.8795 proc.	14,453,123/ 5.8795 proc.	14,453,123/ 5.8795 proc.
Other:			104,369,019/ 42.4567 proc.	104,369,019/ 42.4567 proc.	104,369,019/ 42.4567 proc.
TOTAL:			245,824,000/ 100.00%	245,824,000/ 100.00%	245,824,000/ 100.00%

- there are no shareholders of AB Ūkio Bankas acting in concert;
- Bank has no shareholders having special control rights;
- Bank does not have any information on any restrictions of voting rights;
- Bank does not have any information on any reciprocal agreements of shareholders because of which restrictions upon securities and voting rights transfer can be applied.

EMPLOYEES OF THE BANK

As of 30 June 2009, average number of AB Ūkio bankas employees was 646, 82 per cent of whom had the university education (9 per cent of them are recently studying), 14 per cent had college, 3 per cent secondary and vocational education.

AB Ūkio Bankas employee groups and average monthly salary in each group are presented in the table below:

	Average number of employees			Of these with higher education			Average monthly salary (before taxes, in LTL)		
	2009-06-30	2008	2007	2009-06-30	2008	2007	2009-06-30	2008	2007
Managing employees	128	120	90	115	110	83	6,331	7,040	9,932
Specialists	479	514	442	409	404	360	2,957	2,963	2,848
Other employees	39	34	31	6	5	3	2,744	2,934	2,358
Total	646	668	563	530	519	446	3,612	3,694	3,953

The staff policy of AB Ūkio bankas is oriented to long-term employment relations. Almost 22 per cent of the staff have worked with the Bank for over 10 years. Conditions are created for the employees to advance their skills, raise qualification, study, be carer-oriented and realise their best abilities. There are no collective agreements signed in AB Ūkio bankas.

RULES GOVERNING THE STATUTE CHANGE OF THE BANK

The annual shareholders meeting can, by a qualified majority of votes, that cannot be less than 2/3 of all the possible votes of shareholders that are attending the meeting, make a decision to change the Bank's statute. There are exceptions to this general rule that are put down in the Law Governing Joint-Stock Companies of the Republic of Lithuania.

Changes of the Banks statute can only be registered at the judicial persons registrar after receiving a permission to do so from a supervising institution, if the changes are made about: 1) The Name or the Principal registered office of the Bank; 2) The size of the authorized capital; 3) The number of shares, also about the number of each type of shares, their par value and the rights they grant; 4) The competence of the bodies of the Bank, the order of electing and deposing their members.

Permission to register changes in the Bank's statute is given by a supervising institution, following the rules, mentioned in the Bank Law of the Republic of Lithuania and in acts of the supervising institution itself. If the Bank wants to receive the permission to register the changes in the statute, it is required to give a request to the supervising institution along with other documents and data that are required by the acts of that institution. If changes in the statute are related with increase of authorized capital of the Bank, documents and data mentioned in section 8, part 2, points 6 and 7 of the Law on the Banks of the Republic of Lithuania have to be provided.

Changes in the statute cease to exist if they are not given to the judicial persons' registrar within 12 months from the signing of the changes or from the moment when the annual shareholders meeting decides to change the statute.

BODIES OF THE BANK AND THEIR AUTHORITY

The bodies of AB Ūkio Bankas are the General Meeting of the Shareholders, the Supervisory Council of the Bank, the Board of the Bank and the Head of the Administration (CEO) of the Bank. The managing bodies of the Bank are the Board and the Head of Administration of the Bank.

The General Meeting of the Shareholders

The General Meeting of Shareholders by a simple majority of votes is entitled:

- to elect the members of the Supervisory Council of the Bank;
- to revoke Supervisory Council of the Bank or its members;
- to elect and to revoke the auditing company, to define the conditions of payment for the auditing services;
- to approve of the annual financial accountability;
- to adopt a resolution for the Bank to acquire its own shares;
- to elect and to revoke the Liquidator of the Bank, excluding cases of exceptions specified in the Law of the Republic of Lithuania on Joint-Stock Companies.

The General Meeting of Shareholders by a qualified majority of votes that cannot be less than 2/3 of votes attached to the shares of shareholders participating in the General Meeting of Shareholders adopts the following resolutions:

- to change the Articles of the Bank, excluding cases of exceptions specified in the Law of the Republic of Lithuania on Joint-Stock Companies;
- to determine the class, number, nominal value and minimum emission price of shares issued by the Bank;
- to convert shares of the Bank from one class to another, to approve of the regulations for conversion of shares;
- to issue convertible securities;
- regarding distribution of profit (loss);
- regarding formation, usage, reduction and cancellation of reserves;
- to increase the authorized capital;
- to reduce the authorized capital, excluding cases of exceptions specified in the Law of the Republic of Lithuania on Joint-Stock Companies;
- regarding reorganization or separation of the Bank and approval of conditions for reorganization or separation;
- regarding reformation of the Bank;
- regarding restructuring of the Bank;
- regarding liquidation or revocation of liquidation of the Bank, excluding cases of exceptions specified in the Law of the Republic of Lithuania on Joint-Stock Companies;
- to transfer to the managerial bodies of the Bank the right to manage the total property of the Bank.

The resolution to cancel the priority right of all shareholders to obtain shares of a concrete emission issued by the Bank or convertible securities of a concrete emission issued by the Bank is adopted by a qualified majority of votes which cannot be less than 3/4 of votes attached to the shares held by shareholders participating in the General Meeting of Shareholders and holding the right to vote in solving the issue.

The General Meeting of Shareholders considers or solves other issues that have to be considered or solved by the General Meeting of Shareholders according to the laws or other legal acts of the Republic of Lithuania.

The General Meeting of Shareholders may adopt resolutions and is considered to have taken place when it is attended by shareholders who hold shares that entitle them to more than 1/2 of total votes. After establishing the presence of the quorum, it is considered that it is present throughout the meeting. If there is no quorum, the General Meeting of Shareholders is considered not to have taken place and a repeated General Meeting of Shareholders must be convened with the right to adopt resolutions only on the agenda of the failed meeting, the requirement for quorum being not applicable.

In the determination of the total number of votes attached to the shares of the Bank and the quorum of the General Meeting of Shareholders, the shares with an attached right of vote the usage of which is prohibited under the laws or by a Court judgment are considered to be not entitling to vote.

The voting at the General Meeting of Shareholders is open. Secret voting is obligatory for all shareholders on those issues on which secret voting is requested by at least one shareholder and this is supported by shareholders holding shares that entitle to no less than 1/10 of votes at the General Meeting of Shareholders.

The Supervisory Council of the Bank

The Supervisory Council of the Bank is a collegial body conducting the supervision over the Bank's activities. The Supervisory Council of the Bank is formed of 5 members. It is elected by the General Meeting of Shareholders. In the election of the members of the Supervisory Council of the Bank, each shareholder has such number of votes that is equal to the product obtained by multiplying the number of votes granted to him by the shares held by him and the number of the members of the Supervisory Council of the Bank to be elected. Such votes are distributed by the shareholder at his own discretion – by voting either for one or several candidates. The candidates who receive more votes are elected. If the number of candidates who receive an equal number of votes is higher than the number of positions to be taken at the Supervisory Council of the Bank, a repeated voting is held during which each shareholder may only vote for one of those candidates who received an equal number of votes.

The Supervisory Council of the Bank is elected for 4 years. The Supervisory Council of the Bank performs its functions for a period of time indicated in the Articles of the Bank or till a new Supervisory Council of the Bank is elected but no longer than till the ordinary General Meeting of Shareholders held in the year of the end of term of office of the Supervisory Council of the Bank. The number of terms of office of a member of the Supervisory Council of the Bank is not limited.

The Supervisory Council of the Bank elects the Chairman of the Supervisory Council of the Bank from its members.

The sittings of the Supervisory Council of the Bank are summoned by the Chairman of the Supervisory Council of the Bank.

A member of the Supervisory Council of the Bank may resign from office before the expiry of the term of office by giving a notification in writing to the Bank no later than 14 days in advance.

If a member of the Supervisory Council of the Bank is recalled, resigns or for some other reason ceases to be in office and the shareholders holding the shares that entitle them to no less than 1/10 of total votes oppose the election of separate members of the Supervisory Council of the Bank, the Supervisory Council of the Bank is deprived of its authorities and a complete Supervisory Council of the Bank has to be elected. If separate members of the Supervisory Council of the Bank are elected, they are elected till the end of the term of office of the Supervisory Council of the Bank currently in office.

The Supervisory Council or its members start their activities at the end of the General Meeting of Shareholders that elected the Supervisory Council of the Bank or its members.

The Supervisory Council of the Bank:

- approves plans of the Bank activities;
- determines regulations for lending which can only be executed with the approval of the Supervisory Council of the Bank;
- ensures that the Bank has an effective internal control system;
- elects members of the Board of the Bank and recalls them from office. If the Bank experiences losses in its work, the Supervisory Council of the Bank has to consider whether the members of the Board of the Bank are suitable for the office;
- supervises the activities of the Head of the Board and the Heads of Administration of the Bank and fixes the range of the salaries for the members of the Board of the Bank who hold a position in the Bank and Heads of Administration of the Bank;
- presents to the General Meeting of Shareholders suggestions and comments regarding Bank activity strategies, annual financial accountability, profit distribution project and report on the Bank activities as well as on the activities of the Head of the Board and the Head of Administration of the Bank;
- submits suggestions to the Board and the Head of Administration of the Bank to revoke their resolutions that contradict laws and other legal acts, the Articles of the Bank or resolutions adopted by the General Meeting of Shareholders;
- forms a Committee for Internal Audit, approves of its Articles and controls its activities.
- considers and solves issues that must be considered or solved by the Supervisory Council of the Bank according to the laws on banks and other laws of the Republic of Lithuania or the Articles of the Bank, and other issues of supervision of activities of the Bank and its managerial bodies assigned to the competence of the Supervisory Council of the Bank by the resolutions of the General Meeting of Shareholders.

The Board of the Bank

The Board of the Bank is a collegial body of Bank management. The Board of the Bank consisting of 3 members is elected by the Supervisory Council of the Bank for no more than 4 years. If separate members of the Board of the Bank are elected, they are elected only till the end of the term of office of the Board currently in office. The Board of the Bank elects the Chairman of the Board of the Bank from its members.

The Board of the Bank performs its functions for a period of time indicated in the Articles of the Bank or till a new Board is elected and starts working but no longer than till the ordinary General Meeting of Shareholders held in the year of the end of the term of office of the Board of the Bank.

A member of the Board of the Bank may resign from office before the expiry of the term of office by giving a notification in writing to the Bank no later than 14 days in advance.

The Supervisory Council of the Bank may recall the entire Board of the Bank or its separate members before the end of the term of office.

The Board of the Bank:

1. elects (appoints) and recalls the Head and the Deputy Head of Administration of the Bank;
2. considers and approves of:
 - 2.1. the strategy of Bank activity;
 - 2.2. Bank's annual statement;
 - 2.3. Bank management structure and positions of employees;
 - 2.4. positions to which employees are admitted by a competition procedure;
 - 2.5. regulations for branches, representation offices and structural sub-divisions of the Bank;
3. determines the salaries, other provisions of the employment agreements of the Heads of Administration of the Bank, approves of the regulations for their positions held, motivates them, administers penalties;
4. determines information that is considered a secret of the Bank; information that has to be public according to the Law of the Republic of Lithuania on Joint-Stock Companies and other laws may not be considered a secret of the Bank;
5. determines areas of activities of the members of the Board of the Bank;
6. approves of the manner for payment for work and payment of bonuses for the employees, fixes the range of their salaries;
7. approves of the functions and procedure for the formation and activities of the Bank's Committee for Loans and the Committee for Management of Risks, approves of the regulations of these Committees;
8. approves of the categories of residents' deposits and conditions of keeping them;
9. adopts resolutions regarding the improvement of working, domestic, social, recreation conditions of the employees of the Bank;
10. adopts resolutions regarding granting and taking of loans within the competence assigned to it;
11. adopts resolutions regarding writing off detrimental loans and determines the procedure of writing loans off.
12. manages, uses and operates the property taken over for loans;
13. appoints persons for representation in companies in which the Bank has shares;
14. adopts resolutions regarding emission of the Bank's debenture bonds and the regulations for their circulation;
15. determines the crediting policy of the Bank;
16. founds departments for serving the clients, approves of their regulations and terminates their activities;
17. ensures that the rights, obligations and accountability of each structural sub-division of the Bank are clearly defined, and ensures that the obligations assigned are appropriately fulfilled;
18. develops procedures that would help to establish, measure, assess and monitor the risk of the Bank's activities;
19. determines the Bank's policy of internal control and watches whether the internal control system is appropriate and efficient;
20. determines the prices and tariffs of the services of the Bank;
21. is responsible for developing a system enabling to determine, measure, assess and monitor the risk of the Bank's activity. The Board of the Bank must periodically revise and assess the system and inform Supervisory Council of the Bank about it;
22. the Board analyzes and evaluates the material submitted by the Head of Administration of the Bank on:
 - 22.1. implementation of the strategy of the Bank's activities;
 - 22.2. organization of the Bank's activities;
 - 22.3. the financial condition of the Bank;
 - 22.4. the results of economic activities, estimates of income and expenses, data of inventory taking and other data of accounts on changes in the property;
23. adopts resolutions for the Bank to become a founder of, participant in other legal entities;
24. adopts resolutions to found branches of the Bank and representation offices and to terminate their activities, and appoints and recalls their managers;
25. adopts resolutions regarding investment, transfer, rent of long-term property the balance value of which is higher than 1/20 of the authorized capital of the Bank (to be calculated separately for each type of transaction);
26. adopts resolutions regarding mortgage and hypothec of long-term property the balance value of which is higher than 1/20 of the authorized capital of the Bank (the total amount of transactions is calculated);
27. adopts resolutions regarding vouching or guarantee for liabilities of other persons the amount of which is higher than 1/20 of the authorized capital of the Bank;
28. adopts resolutions to obtain long-term property at a cost that is higher than that of 1/20 of the authorized capital of the Bank;
29. analyzes, assesses the draft report on the annual financial accountability of the Bank and the profit (loss) distribution project and submits them to the Supervisory Council of the Bank and the General Meeting of Shareholders. The Board of the Bank determines the methods of calculation of tangible property depreciation and intangible property amortization;
30. considers or solves other issues that must be considered or solved by the Board of the Bank according to the laws of the Republic of Lithuania on banks and other laws or the Articles of the Bank, resolutions of the General Meeting of Shareholders;
31. solves other issues of the Bank's activities that are not assigned to the competence of other bodies of the Bank according to the laws or other legal acts of the Republic of Lithuania.

Before adopting resolutions specified in 25, 26, 27 paragraphs above, the Board of the Bank must get an approval of the General Meeting of Shareholders.

The Board of the Bank is responsible for convening and organizing the General Meetings of Shareholders on time.

The Board must submit to the Supervisory Council of the Bank documents related to the activities of the Bank requested by it.

The members of the Board of the Bank must keep the secrets of the Bank that became known to them when they were members of the Board.

Work order of the Board is defined by working regulations of the Board of the Bank adopted by it.

Each member of the Board of the Bank must take all possible measures to ensure that the Board of the Bank solves issues assigned to its competence and that the solutions comply with the requirements provided in legal acts. The member of the Board of the Bank who does not fulfil or fails to fulfil appropriately this obligation or other obligations provided in legal acts bears responsibility according to laws, the Articles of the Bank, agreements concluded with the Bank.

Head of Bank Administration (CEO)

There is a Head and a Deputy Head of Administration in the Bank (hereunder referred to as Heads of Bank Administration).

The Chairman of the Board of the Bank must be the Head or the Deputy Head of Administration.

The Head of Bank Administration is an individual body of Bank management.

The Head of Bank Administration must be a natural person. A person who must not take this position according to legal acts cannot be the Head of Bank Administration.

An employment agreement is concluded with the Head of Bank Administration. The agreement with the Head of Bank Administration is signed by the Chairman of the Board of the Bank or another authorized member of the Board of the Bank. The agreement with the Head of Bank Administration who is the Chairman of the Board of the Bank is signed by a member of the Board of the Bank authorized by the Board. An agreement on total material responsibility of the Head of Bank Administration may be concluded with him. If the body that elected the Head of Bank Administration adopts a resolution to recall the Head of Bank Administration, the employment agreement concluded with him is terminated. Work-related disputes between the Head of Bank Administration and the Bank are heard at Court.

The Head of Bank Administration starts working in the position starting from his election if the agreement concluded with him does not state otherwise.

The Head of Bank Administration:

- organizes daily activities of the Bank;
- admits and dismisses employees, concludes and terminates employment agreements with them, approves of the regulations for their positions held, motivates them and administers penalties;
- represents the Bank in the Republic of Lithuania and abroad without additional authorization;
- conducts transactions in the name of the Bank, represents the Bank in court, arbitration court, the authorities and management bodies and other institutions in the manner provided for in the laws;
- issues and cancels authorizations to represent the Bank;
- performs functions assigned to his competence by laws and other legal acts.

The Head of Bank Administration acts on behalf of the Bank and has the autocratic right to conduct transactions. The Head of Bank Administration may conduct transactions specified in the Law of the Republic of Lithuania on Joint-Stock Companies, Article 34, Part 4, Items 3, 4, 5 and 6, when there is a resolution of the Board of the Bank to conduct such transactions.

The Head of Bank Administration is responsible for:

- organization of Bank's activities and implementation of its goals;
- formation of annual financial accountability and preparation of annual report of the Bank;
- concluding an agreement with an auditing company;
- submitting information and documents to the General Meeting of Shareholders, Supervisory Council of the Bank and the Board of the Bank in cases specified in the Law of the Republic of Lithuania on Joint-Stock Companies or upon their request;
- submitting documents and data of the Bank to the registrar of legal entities;
- submitting documents of the Bank to the Commission for Securities and the Lithuanian Central Depository of Securities;
- public announcement of information determined in the Law of the Republic of Lithuania on Joint-Stock Companies;
- presenting information to the shareholders;
- fulfilment of other obligations determined in the Law on Joint- Stock Companies and other laws and legal acts of the Republic of Lithuania as well as the Articles of the Bank and working regulations of the Head of Bank Administration;

Transactions regarding investment, transfer, rent of long-term property the balance value of which is from 1/100 to 1/20 of the authorized capital of the Bank (calculated separately for each type of transaction) may be conducted only by both Heads of Administration acting together and being of the same opinion. In all other areas of activities that are assigned to the competence of the Head or the Deputy Head of Administration according to the laws, other legal acts of the Republic of Lithuania and Articles of the Bank, working regulations, resolutions of the bodies of the Bank, both the Head of Administration and his Deputy or persons authorized by them may act and conduct transactions independently.

INFORMATION ABOUT MEMBERS OF COLLEGIAL BODIES, CEO, CHIEF ACCOUNTANT

As of 30 June 2009 members of AB Ūkio Bankas collegial bodies, CEO, Chief Accountant commencement and end of their office term and participation in the share capital are presented in the table below:

Full name	Position	Number of shares held	Percentage of Bank capital, %	Percentage of votes, %
SUPERVISORY COUNCIL OF THE BANK				
Karpavičienė Edita , (elected 27 March 2009, office term expires in 2010)	Chairwoman	197,450	0.0803	0.0803
Kurauskienė Ala , (elected 24 March 2006, office term expires in 2010)	Deputy Chairwoman	405,024	0.1648	0.1648
Gončaruk Olga , (elected 24 March 2006, office term expires in 2010)	Member	8,124,854	3.3052	3.3052
Jakavičienė Gražina , (elected 24 March 2006, office term expires in 2010)	Member	11,286	0.0046	0.0046
Soldatenko Viktor , (elected 24 March 2006, office term expires in 2010)	Member	2,785	0.0011	0.0011
BOARD OF THE BANK				
Ugianskis Gintaras , (appointed 24 March 2006, office term expires in 2010)	Chairman, Chief Executive Officer	96,225	0.0391	0.0391
Balandis Rolandas , (appointed 24 March 2006, office term expires in 2010)	Deputy Chairman, Head of International Banking Division	80,105	0.0326	0.0326
Žalys Arnas (appointed 24 March 2006, office term expires in 2010)	Deputy Chairman, Head of Finance Division	51,000	0.0207	0.0207
CEO				
Ugianskis Gintaras (since 11 October 2004 to present)		96,225	0.0391	0.0391
CHIEF ACCOUNTANT				
Petraitiienė Vidutė (since 1 July 1999 to present)	Head of Accounting Department – Chief Accountant	629	0.0003	0.0003

Amounts of funds in total and average amounts per members of the collegial bodies, CEO and Chief Accountant calculated by the Bank during the first six months of 2009 are presented in the table below:

	Supervisory Council of the Bank	Board of the Bank	CEO	Chief Accountant
Total amounts, LTL	362,295	730,151	246,200	67,823
Average amounts, LTL	181,148	208,615	-	-

There were no guarantees or warranties issued during the first six months of 2009 regarding the fulfillment of liabilities of collegial bodies' members, CEO or Chief Accountant.

INFORMATION ABOUT AGREEMENTS OF WHICH THE BANK IS A PART

There are no significant agreements that could come into force, change or terminate due to the change of the Bank's control except of the cases when the disclosure of agreements could cause harm to the Bank because of their nature.

The Bank does not have any information about agreements that give its management bodies' members or employees, the right for compensation in case of their resignation, unfair dismissal or termination of their employment due to the change of the Bank's control.

RELATED PARTIES TRANSACTIONS

The information on related parties transactions for the year ended 30 June 2009 is presented in Note 19 to the financial statements.

OBJECTIVE OVERVIEW OF THE BANK'S AND THE GROUP'S POSITION, ACTIVITIES AND DEVELOPMENT, DESCRIPTION OF MAIN RISKS AND UNCERTAINTIES

AB Ūkio Bankas 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.

At the end of June 2009 AB Ūkio Bankas ranked 7th by assets among the banks in Lithuania. During the first half of 2009 the Bank's assets decreased by LTL 48 million (1%) and as of 30 June 2009 amounted to LTL'000 4,176,194. During the first half of 2009, the assets of the Group increased by LTL 246 million (6%) and as of 30 June 2009 amounted to LTL'000 4,230,759.

As of 30 June 2009, the Bank had 12 branches and 47 client service departments in Lithuania and 2 representative offices in foreign countries (Ukraine and Kazakhstan). During the first six months of 2009, 2 new client service departments were opened and 2 client service departments were liquidated. In addition, the Bank, directly and indirectly, has 5 (five) 100% subsidiaries.

As of 30 June 2009, the Banking segment includes financial information of AB Ūkio Bankas, Leasing segment includes financial information of UAB Ūkio Banko Lizingas and RAB Ūkio Bank Lizing. Other activities segment includes financial information of UAB Ūkio Banko Rizikos Kapitalo Valdymas, UAB Ūkio Banko Investicijų Valdymas and GD UAB Bonum Publicum.

For the six month period ended 30 June 2009 the Group's results by business segments are presented in the table below (LTL'000):

	2009-01-01 – 2009-06-30				
	Banking	Leasing	Other activities	Elimination	Group
Net result from continuing and discontinued operations	4,639	4,125	3,311	(5,839)	6,236
Attributable to:					
<i>Equity holders of the parent</i>	4,639	4,125	3,311	(5,839)	6,236
<i>Minority interest</i>	-	-	-	-	-
Assets	4,176,194	318,076	85,276	(348,787)	4,230,759
Liabilities	3,697,052	305,718	38,562	(307,972)	3,733,360

The main risks the Group and the Bank primarily face are credit, market, liquidity and operational risks. The Group seeks to keep optimal level of risk management measures while maximizing its profits so that unexpected changes in economic environment, fluctuations in market variables, unexpected incidents in the Group's internal processes and systems would not result in threatening the stable operations of the Group, partners' trust in the Group or compliance with prudential requirements.

Detailed information on main risks as well as on compliance with prudential requirements for the six month period ended 30 June 2009 is presented in Notes 14-18 of the interim condensed financial statements.

ANALYSIS OF FINANCIAL AND NON-FINANCIAL ACTIVITY RESULTS

The results of the Bank's activity for the six month period ended 30 June 2009: net profit of LTL'000 4,639 – i.e. 91% less than in the same period of previous year. AB Ūkio Bankas Group earned net profit of LTL'000 6,236 in first half of 2009 – i.e. 88% less than in the same period of year 2008. During first six months of 2009 the Bank's assets decreased by LTL 48 million (1%) and made LTL 4.2 billion at the end of the period. During first six months of 2009 the assets of the Group increased by LTL 246 million (6%) and made LTL 4.2 billion at the end of the period. The main financial indicators of the Group and the Bank (in LTL thousand unless stated otherwise) are presented in the table below:

Group's indicators				Bank's indicators			
1H 2009	1H 2008	Increase (Decrease)		1H 2009	1H 2008	Increase (Decrease)	
		LTL'000	%			LTL'000	%
95,596	129,981	(34,385)	(26)	69,447	112,296	(42,849)	(38)
67,617	81,416	(13,799)	(17)	56,730	71,409	(14,679)	(21)
27,979	48,565	(20,586)	(42)	12,717	40,887	(28,170)	(69)
20,718	(14,585)	35,303		7,852	(17,647)	25,499	
7,261	63,150	(55,889)	(89)	4,865	58,534	(53,669)	(92)
1,025	8,300	(7,275)	(88)	226	7,897	(7,671)	(97)
6,236	54,850	(48,614)	(89)	4,639	50,637	(45,998)	(91)
-	(1,158)	1,158	(100)	-	-	-	-
6,236	53,692	(47,456)	(88)	4,639	50,637	(45,998)	(91)
-	(54)	54	(100)	-	-	-	-
6,236	53,746	(47,510)	(88)	4,639	50,637	(45,998)	(91)
4,230,759	4,510,164	(279,405)	(6)	4,176,194	4,224,687	(48,493)	(1)
2,885,229	2,423,683	461,546	19	2,579,994	2,083,382	496,612	24
3,093,776	2,935,379	158,397	5	3,093,776	2,935,379	158,397	5
497,399	558,928	(61,529)	(11)	479,142	475,505	3,637	1
245,824	196,708	49,116	25	245,824	196,708	49,116	25
211,361	196,708	14,653	7	211,361	196,708	14,653	7
0.30	2.43			0.22	2.46		
2.52	20.01			1.95	22.37		
0.92	0.51			0.93	0.48		
0.03	0.27			0.02	0.26		
0.03	0.27			0.02	0.26		

Main indicators of activity:

- In the first half of 2009 Ūkio Bankas Group earned net profit of LTL'000 6,236 – i.e. 88% less than in the same period of 2008;
- During the first half of 2009, the Bank opened 2 new client service departments and closed 2 client service departments. As of 30 June 2009 the Bank's service network consisted of 59 outlets – 12 branches and 47 client service departments. In addition as of 30 June 2009 the Bank had 2 representative offices in Kiev (Ukraine) and Almaty (Kazakhstan);
- As of 30 June 2009 the Bank had 147 thousand customers – i.e. 2% more than in the beginning of the year;
- The Bank's wholly owned subsidiary UAB Ūkio Banko Lizingas offers its services through about 3 thousand sales points located throughout entire Lithuania. As of 30 June 2009 UAB Ūkio Banko Lizingas had 157 thousand customers – i.e. the number of customers decreased by 13% during the first six months of 2009;

- In the first six months of 2009, Group's income decreased by 26% as compared to the same period of previous year and amounted to LTL 96 million. Group's expenses before provisions and income tax decreased by 17% and amounted to LTL 68 million;
- Throughout first half of 2009, the Bank and the Group complied with all the prudential requirements set by the Bank of Lithuania. As of 30 June 2009, Group's capital adequacy ratio was 14.67% (requirement – not less than 8%), liquidity ratio – 42.74% (requirement – not less than 30%).

Credit ratings

Ratings assigned to Ūkio Bankas by the international rating agency Moody's are as follows:

- Long-term counterparty credit rating B2 (rating assigned 16 April 2009).
- Short-term counterparty credit rating NP (rating assigned 13 June 2005).
- Financial strength rating E+ (rating assigned 16 April 2009).

The outlook of the long-term counterparty credit rating is negative.

The outlook of the financial strength rating is stable.

International rating agency Standard&Poor's has assigned the following ratings to Ūkio bankas:

- Long-term counterparty credit rating B+ (rating assigned 31 March 2009).
- Short-term counterparty credit rating B (rating assigned 31 March 2009).

The outlook of ratings is negative.

Income and expenses

As compared to the same period of previous year, in the first six months of 2009 the operating profit before provisions and operating expenses of AB Ūkio Bankas Group decreased by LTL 34 million (26%) to LTL 96 million. Increasing costs of borrowing caused the reduction of net interest income by 26% to LTL 52 million. Decrease in number of banking operations performed by customers caused the reduction of net service fee and commission income by 45% to LTL 29 million. Net result from trading activities was a profit of LTL 12 million, other income amounted to LTL 3 million. Income structure of the Group and the Bank (in LTL thousand) is presented in the table below:

The Group				ITEM	The Bank			
1H 2009	1H 2008	INCREASE (DECREASE)			1H 2009	1H 2008	INCREASE (DECREASE)	
		LTL'000	%			LTL'000	%	
51,581	69,723	(18,142)	(26)	Net interest income	34,198	54,373	(20,175)	(37)
28,956	52,532	(23,576)	(45)	Net service fees and commission income	26,605	53,246	(26,641)	(50)
12,090	3,518	8,572	244	Net trading income	7,311	3,301	4,010	121%
2,969	4,208	(1,239)	(29)	Other income	1,333	1,376	(43)	(3)
95,596	129,981	(34,385)	(26)	Operating profit before impairment charge	69,447	112,296	(42,849)	(38)

In the first six month period of 2009, as compared to the same period of 2008, an optimization of activity costs led to reduction in operating expenses of AB Ūkio Bankas Group by LTL 14 million to LTL 68 million. 32% of these expenses consisted of staff expenses, which reduced by LTL 2 million to LTL 22 million. Changes in Lithuanian and global economics caused the impairment charge for credit losses of LTL 21 million. Income tax expenses decreased 88% to LTL 1 million.

Assets, liabilities and equity

During the first six months of 2009 the Group's assets increased by LTL 246 million i.e. 6% and amounted to LTL 4.23 billion at the end of the period. Largest share of the Group's assets – i.e. 68% consisted of loans and finance lease receivables, the book value of which remained at similar level and amounted to LTL 2.89 billion at the end of June 2009. Securities portfolio at the end of first half of 2009 amounted to LTL 412 million i.e. 10% of Group's assets, during the first six months of 2009 they decreased by LTL 43 million. Due from banks and other financial institutions comprised 9% of Group's assets. During the first six months of 2009 they increased by LTL 81 million and amounted to LTL 375 million as of 30 June 2009.

As of 30 June 2009, the largest share of the Group's liabilities – i.e. 83% - consisted of deposits from customers, which increased by LTL 178 million or 6% and amounted to LTL 3.09 billion at the end of period. Due to banks and other financial institutions, which comprised 12% of Group's liabilities, increased by LTL 70 million during first six months of 2009 and amounted to LTL 451 million as of 30 June 2009. The Group's equity showed an increase of 1% and amounted to LTL 497 million at the end of period.

INFORMATION ON ACQUIRED OR DISPOSED OF OWN SHARES

During the first half of 2009 the Bank did not acquire or dispose own shares.

SIGNIFICANT EVENTS THAT HAPPENED AFTER THE END OF FINANCIAL YEAR

In the opinion of the management, no significant events happened after the end of reporting period to the date the report is signed.

INFORMATION ON PUBLICLY PRESENTED INFORMATION

- 13 January 2009** Announced, that as of 8th of January 2009 the Board of Bank of Lithuania in respect with results of inspection on AB Ūkio bankas, accepted the resolution that AB Ūkio bankas has to strengthen it's capital base and limit the growth of certain risky assets;
- 13 February 2009** Announced that at the meeting of the Board of AB Ūkio bankas as of 12 February 2009, a resolution was taken to issue fixed rate bond issue in LTL under the "Base prospectus of LTL 200,000,000 short and medium term bonds offering programme" approved on 19 June 2008 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 and the Internet website www.ub.lt;
- 21 February 2009** Announced AB Ūkio bankas preliminary unaudited net profit of year 2008 is LTL 57.4 million (EUR 16.6 million) – i. e. 30.6 percent less than in year 2007, when a net profit of LTL 82.7 million (EUR 24.0 million) was earned and 37.3 percent less than planned (LTL 91.5 million, or EUR 26.5 million). Main reasons behind not reaching planned profit are: higher than planned provisions against the impairment of loans and receivables, caused by changes in Lithuanian economics; number of banking operations performed by customers was lower than planned; levels of interest earning assets were lower than planned; cost of borrowing increased more than was planned; result of trading activities was lower than planned.
AB Ūkio bankas group preliminary unaudited net profit of year 2008 is LTL 48.0 million (EUR 13.9 million) – i. e. 37.9 percent less than in year 2007, when a net profit of LTL 77.4 million (EUR 22.4 million) was earned;
- 24 February 2009** 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 27 March 2009;
- 27 February 2009** Announced that on 26 February 2009 AB Ūkio bankas finished the issue of Fixed rate bond issue LTL No. 1/2009 issued under LTL 200,000,000 short and medium term bonds offering program. During distribution period from 17 February 2009 till 26 February 2009 20,839 bonds with nominal value of LTL 100 and fixed 12 percent annual interest rate were issued. Redemption of bonds on 28 May 2009;
- 10 March 2009** Amendment to agenda of ordinary general meeting of shareholders was announced;
- 17 March 2009** Draft resolutions of the ordinary general meeting, to be held on 27 03 2009, prepared by the Board were announced;
- 27 March 2009** Announced that Edita Karpavičienė and Antanas Grigaliauskas resigned from the position of the member of the Board of AB Ūkio bankas;
- 27 March 2009** Announced that Liutauras Varanavičius, Lars Ulf Uno Lowenhav, Leonas Rimantas Butkus resigned from the position of the member of the Supervisory Council of AB Ūkio bankas;
- 27 March 2009** Announced resolutions of the Ordinary General Meeting of AB Ūkio bankas shareholders;
- 27 March 2009** Announced affirmed composition of AB Ūkio bankas Board as follows: Gintaras Ugianskis (Chairman of the Board), Rolandas Balandis (Deputy Chairman of the Board) and Arnas Žalys (Deputy Chairman of the Board);
- 27 March 2009** Announced composition of AB Ūkio bankas Supervisory council: Edita Karpavičienė (Chairwoman of the Supervisory council), Ala Kurauskienė (Deputy Chairwoman of the Supervisory council), Olga Gončaruk (Member of the Supervisory council), Gražina Jakavičienė (Member of the Supervisory council), Viktor Soldatenko (Member of the Supervisory council);
- 31 March 2009** Announced that international rating agency Standard&Poor's Ratings Services as at 31 March 2009 changed ratings assigned to AB Ūkio bankas: long-term counterparty credit rating B+, short-term counterparty credit rating B, the outlook of ratings is negative.
- 16 April 2009** Announced that international rating agency Moody's Investors Service as at 16 April 2009 changed ratings assigned to AB Ūkio bankas: long-term deposit rating B2 (the outlook of rating is negative), financial strength rating E+ (the outlook of rating is stable). Short-term rating remains unchanged NP.
- 5 May 2009** Announced AB Ūkio bankas group consolidated unaudited net profit of the three months of year 2009 is LTL 5.5 million (EUR 1.6 million). AB Ūkio bankas unconsolidated unaudited net profit of the three months of year 2009 is LTL 4.0 million (EUR 1.2 million).
- 8 May 2009** Announced that On 8th May 2009 AB Ūkio bankas Statute 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 245 824 000 (EUR 71.20 million). One share has a nominal value of LTL 1 (EUR 0.29).

14 May 2009

Announced that on 14th May 2009 Central Securities Depository of Lithuania effected amendments in the AB Ūkio bankas securities issue registration account in accordance with the adding of the new LTL 49,116,000 share issue to the share issue of the LTL 196,708,000 valid until now. After the assimilation of issues the authorized share capital of AB Ūkio bankas amounts LTL 245,824,000.

28 May 2009

Announced that AB Ūkio bankas according to the provisions specified in Base Prospectus of Short and Medium Term Bonds Offering Programme and Final Terms and Conditions approved by the Board of the Bank as of 12 February 2009 redeemed whole Fixed rate bond issue No. 1/2009, ISIN code – LT0000330540.

All notifications provided should be made public are announced in the Lietuvos Rytas daily in compliance with the terms set forth in the Republic of Lithuania laws and acts of law of the supervising institution and material events are delivered to the news agencies BNS and ELTA, the Lithuanian Securities Commission, and NASDAQ OMX Vilnius Stock Exchange. Bank's notifications are also available on AB Ūkio bankas website www.ub.lt.

**CONDENSED INTERIM BALANCE SHEET
AS OF 30 JUNE 2009**

(All amounts in LTL thousands unless otherwise stated)



	Notes	The Group 2009-06-30	The Group 2008-12-31	The Bank 2009-06-30	The Bank 2008-12-31
ASSETS					
Cash and balances with central bank		370,885	188,875	370,884	188,874
Loans and advances to banks and other financial institutions		375,435	294,340	439,598	928,873
Financial assets at fair value through profit or loss		40,899	45,250	17,799	26,511
Loans and finance lease receivable	4	2,885,229	2,879,888	2,579,994	2,512,504
Investment securities:					
<i>available-for-sale</i>	5	52,096	50,676	51,879	50,482
<i>held-to-maturity</i>	5	323,262	375,208	548,325	372,011
Investments in subsidiaries	6	-	-	39,821	39,821
Intangible assets		22,511	22,671	2,654	2,778
Property, plant and equipment		34,155	30,928	26,498	27,934
Investment property		26,026	26,026	16,052	16,052
Deferred tax assets		1,938	910	1,938	910
Kitas turtas	7	98,323	69,881	80,752	57,500
Total assets		4,230,759	3,984,653	4,176,194	4,224,250
LIABILITIES AND EQUITY					
LIABILITIES					
Due to banks and other financial institutions		450,710	380,635	450,876	673,783
Financial liabilities at fair value through profit or loss		110	1,161	139	1,223
Due to customers	8	3,093,776	2,915,898	3,093,776	2,915,898
Debt securities in issue		21,987	24,784	22,396	27,021
Subordinated loans		103,368	103,220	103,368	103,220
Deferred tax liabilities		1,248	1,186	-	-
Other liabilities		62,161	63,794	26,497	28,602
Total liabilities		3,733,360	3,490,678	3,697,052	3,749,747
EQUITY					
Share capital	9	245,824	196,708	245,824	196,708
Share premium		76,500	76,500	76,500	76,500
Revaluation reserve – available-for-sale investment securities		(49)	(110)	-	-
General reserve for losses of assets		-	49,116	-	49,116
Currency translation reserve		(455)	2,358	-	-
Legal reserve		16,046	11,245	15,532	10,971
Other reserves		136,647	50,000	136,647	50,000
Retained earnings		22,886	108,158	4,639	91,208
Equity attributable to equity holders of the parent		497,399	493,975	479,142	474,503
Minority interest		-	-	-	-
Total equity		497,399	493,975	479,142	474,503
Total liabilities and equity		4,230,759	3,984,653	4,176,194	4,224,250

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

**CONDENSED INTERIM INCOME STATEMENTS
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2009**
(All amounts in LTL thousands unless otherwise stated)



	Notes	The Group 2009-01-01 – 2009-06-30	The Group 2008-01-01 – 2008-06-30	The Bank 2009-01-01 – 2009-06-30	The Bank 2008-01-01 – 2008-06-30
CONTINUING OPERATIONS					
Interest income	10	155,998	135,631	145,607	119,333
Interest expense	10	(104,417)	(65,908)	(111,409)	(64,960)
Interest income, net		51,581	69,723	34,198	54,373
Fees and commission income	11	35,008	61,920	32,376	62,373
Fees and commission expense	11	(6,052)	(9,388)	(5,771)	(9,127)
Fees and commission income, net		28,956	52,532	26,605	53,246
Net gains (losses) from dealing in foreign currencies		(4,135)	20,860	(6,634)	20,657
Net gains (losses) from financial assets at fair value through profit or loss		16,183	(17,361)	13,877	(17,374)
Net gains (losses) arising from investment securities		42	19	68	18
Impairment charge for credit losses		(21,456)	14,514	(7,893)	17,576
Recoveries of loans written off		738	71	41	71
Insurance income, net		1,363	-	-	-
Dividend income		7	135	7	135
Other operating income		1,599	4,073	1,326	1,241
Operating profit before operating expenses		74,878	144,566	61,595	129,943
Operating expenses	12	(67,617)	(81,416)	(56,730)	(71,409)
Profit before income tax		7,261	63,150	4,865	58,534
Income tax expense		(1,025)	(8,300)	(226)	(7,897)
Net profit for the period from continuing operations		6,236	54,850	4,639	50,637
Profit for the period from discontinued operations		-	(1,158)	-	-
NET PROFIT FOR THE PERIOD		6,236	53,692	4,639	50,637
Attributable to:					
Equity holders of the parent		6,236	53,746	4,639	50,637
Minority interest		-	(54)	-	-
NET PROFIT FOR THE PERIOD		6,236	53,692	4,639	50,637
EARNINGS PER SHARE					
From continuing and discontinued operations:	13				
Basic (in LTL)		0.03	0.27	0.02	0.26
Diluted (in LTL)		0.03	0.27	0.02	0.26
From continuing operations:	13				
Basic (in LTL)		0.03	0.28	0.02	0.26
Diluted (in LTL)		0.03	0.28	0.02	0.26

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

**CONDENSED INTERIM INCOME STATEMENTS
FOR THE THREE MONTH PERIOD ENDED 30 JUNE 2009**
(All amounts in LTL thousands unless otherwise stated)



	The Group 2009-04-01 – 2009-06-30	The Group 2008-04-01 – 2008-06-30	The Bank 2009-04-01 – 2009-06-30	The Bank 2008-04-01 – 2008-06-30
CONTINUING OPERATIONS				
Interest income	75,052	68,378	65,795	60,351
Interest expense	(54,626)	(33,992)	(54,647)	(33,511)
Interest income, net	20,426	34,386	11,148	26,840
Fees and commission income	17,374	32,303	15,857	32,617
Fees and commission expense	(3,325)	(4,630)	(3,187)	(4,523)
Fees and commission income, net	14,049	27,673	12,670	28,094
Net gains (losses) from dealing in foreign currencies	4,689	7,412	2,760	7,189
Net gains (losses) from financial assets at fair value through profit or loss	3,533	(2,246)	1,250	(2,246)
Net gains (losses) arising from investment securities	55	1	56	-
Impairment charge for credit losses	(7,797)	18,410	1,620	19,861
Recoveries of loans written off	207	33	17	33
Insurance income, net	(388)	-	-	-
Dividend income	7	119	7	119
Other operating income	181	1,866	(70)	576
Operating profit before operating expenses	34,962	87,654	29,458	80,466
Operating expenses	(33,399)	(45,396)	(28,507)	(40,019)
Profit before income tax	1,563	42,258	951	40,447
Income tax expense	(860)	(5,935)	(330)	(5,877)
Net profit for the period from continuing operations	703	36,323	621	34,570
Profit for the period from discontinued operations	-	(1,040)	-	-
NET PROFIT FOR THE PERIOD	703	35,283	621	34,570
Attributable to:				
Equity holders of the parent	703	35,310	621	34,570
Minority interest	-	(27)	-	-
NET PROFIT FOR THE PERIOD	703	35,283	621	34,570
EARNINGS PER SHARE				
From continuing and discontinued operations:				
Basic (in LTL)	0.00	0.18	0.00	0.18
Diluted (in LTL)	0.00	0.18	0.00	0.18
From continuing operations:				
Basic (in LTL)	0.00	0.19	0.00	0.18
Diluted (in LTL)	0.00	0.19	0.00	0.18

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

**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2009**

(All amounts in LTL thousands unless otherwise stated)



The Bank	Share Capital	Share premium	Other reserves	Revaluation reserve on available-for-sale investment securities	General reserve for losses of assets	Legal reserve	Retained earnings	Total
As of 31 December 2007	196,708	76,500	2,000	8,984	21,543	4,900	119,403	430,038
Transfer to legal reserve	-	-	-	-	-	6,071	(6,071)	-
Transfer to general reserve for losses of assets	-	-	-	-	27,573	-	(27,573)	-
Dividends paid	-	-	-	-	-	-	(3,934)	(3,934)
Transfer to retained earnings	-	-	(2,000)	-	-	-	2,000	-
Transfer to other reserves	-	-	50,000	-	-	-	(50,000)	-
Net profit	-	-	-	-	-	-	50,637	50,637
Changes in fair value of investment securities available-for-sale, net of tax	-	-	-	(1,236)	-	-	-	(1,236)
As of 30 June 2008	196,708	76,500	50,000	7,748	49,116	10,971	84,462	475,505
Changes in fair value of investment securities available-for-sale, net of tax	-	-	-	(7,748)	-	-	-	(7,748)
Net profit	-	-	-	-	-	-	6,746	6,746
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)	-
Transfer to share capital	49,116	-	-	-	(49,116)	-	-	-
Transfer to other reserves	-	-	86,647	-	-	-	(86,647)	-
Net profit	-	-	-	-	-	-	4,639	4,639
As of 30 June 2009	245,824	76,500	136,647	-	-	15,532	4,639	479,142

(Continued)

**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2009**

(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 reserves	Foreign currency translation reserve	Legal reserve	Retained earnings	Equity attributable to equity holders of the parent	Minority interest	Total
As of 31 December 2007	196,708	76,500	2,000	10,178	21,543	79,874	7,546	5,300	113,519	513,168	1,025	514,193
Dividends paid	-	-	-	-	-	-	-	-	(3,934)	(3,934)	-	(3,934)
Transfer to other reserves	-	-	50,000	-	-	-	-	-	(50,000)	-	-	-
Transfer to retained earnings	-	-	(2,000)	-	-	-	-	-	2,000	-	-	-
Transfer to legal reserve	-	-	-	-	-	-	-	6,245	(6,245)	-	-	-
Transfer to general reserve for losses of assets	-	-	-	-	27,573	-	-	-	(27,573)	-	-	-
Currency translation adjustment	-	-	-	-	-	-	3,135	-	-	3,135	-	3,135
Decrease in fixed assets revaluation reserve, net of tax	-	-	-	-	-	(8,005)	-	-	-	(8,005)	(96)	(8,101)
Changes in fair value of investment securities available-for-sale, net of tax	-	-	-	(1,186)	-	-	-	-	-	(1,186)	-	(1,186)
Net profit (loss)	-	-	-	-	-	-	-	-	53,746	53,746	(54)	53,692
As of 30 June 2008	196,708	76,500	50,000	8,992	49,116	71,869	10,681	11,545	81,513	556,924	875	557,799
Currency translation adjustment	-	-	-	-	-	-	(566)	-	-	(566)	(17)	(583)
Decrease in fixed assets revaluation reserve, net of tax	-	-	-	-	-	(39,790)	-	-	-	(39,790)	(345)	(40,135)
Changes in fair value of investment securities available-for-sale, net of tax	-	-	-	(9,102)	-	-	-	-	-	(9,102)	-	(9,102)
Disposal of subsidiaries	-	-	-	-	-	(32,079)	(7,757)	(300)	32,378	(7,758)	(513)	(8,271)
Net profit (loss)	-	-	-	-	-	-	-	-	(5,733)	(5,733)	-	(5,733)
As of 31 December 2008	196,708	76,500	50,000	(110)	49,116	-	2,358	11,245	108,158	493,975	-	493,975
Transfer to other reserves	-	-	86,647	-	-	-	-	-	(86,647)	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-
Payments from profit	-	-	-	-	-	-	-	-	(65)	(65)	-	(65)
Transfer to share capital	49,116	-	-	-	(49,116)	-	-	-	-	-	-	-
Transfer to legal reserve	-	-	-	-	-	-	-	4,801	(4,801)	-	-	-
Currency translation adjustment	-	-	-	-	-	-	(2,813)	-	-	(2,813)	-	(2,813)
Changes in fair value of investment securities available-for-sale, net of tax	-	-	-	61	-	-	-	-	-	61	-	61
Adjustment to profit of previous years of subsidiary	-	-	-	-	-	-	-	-	5	5	-	5
Net profit (loss)	-	-	-	-	-	-	-	-	6,236	6,236	-	6,236
As of 30 June 2009	245,824	76,500	136,647	(49)	-	-	(455)	16,046	22,886	497,399	-	497,399

(Concluded)

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

**CONDENSED INTERIM CASH FLOW STATEMENTS
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2009**

(All amounts in LTL thousands unless otherwise stated)



Notes	The Group 2009-01-01 – 2009-06-30	The Group 2008-01-01 – 2008-06-30	The Bank 2009-01-01 – 2009-06-30	The Bank 2008-01-01 – 2008-06-30
Cash flows from (to) operating activities				
Net profit for the year	6,236	53,692	4,639	50,637
Adjustments to net profit:				
Income tax expense recognized in profit or loss	1,025	8,300	226	7,897
Gain on disposal of subsidiaries	-	-	-	-
Impairment charge for credit losses	20,718	(14,514)	7,852	(17,576)
Interest income	(155,998)	(135,631)	(145,607)	(119,333)
Interest expense	104,417	65,908	111,409	64,960
Dividend income	(7)	(135)	(7)	(135)
Depreciation and amortization	3,625	3,625	3,207	3,353
Increase in fair value of investments	(61)	1,725	-	1,775
(Profit) loss from property, plant and equipment	(331)	32	(332)	42
Cash from (to) operating profits before changes in operating assets and liabilities	(20,376)	(16,998)	(18,613)	(8,380)
Changes in operating assets and liabilities				
Net change in balances with Central Bank	(858)	(44,099)	(858)	(44,099)
Net change in investment securities	50,648	10,771	(177,711)	(25,697)
Net change in loans to banks and other financial institutions	85,897	23,652	657,081	(11,966)
Net change in financial assets at fair value through profit or loss	8,272	13,253	12,633	12,922
Net change in loans and finance lease	18,559	(255,186)	(35,741)	(239,383)
Net change in other assets	(30,637)	(87,215)	(25,447)	(22,196)
Net change in due to banks and other financial institutions	69,253	(63,115)	(223,673)	(37,574)
Net change in financial liabilities at fair value through profit or loss	(1,051)	(465)	(1,084)	(473)
Net change in due to customers	141,265	173,638	141,265	173,638
Net change in other liabilities	(1,568)	12,102	(1,683)	(7,147)
Cash generated from (used in) operations	319,404	(233,662)	326,169	(210,355)
Interest received	105,134	124,832	101,820	99,868
Interest paid	(65,606)	(36,802)	(72,654)	(35,937)
Income tax paid	(940)	(4,830)	(500)	(3,952)
Net cash generated from / (used in) operating activities	357,992	(150,462)	354,835	(150,376)

(Continued)

**CONDENSED INTERIM CASH FLOW STATEMENTS
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2009**
(All amounts in LTL thousands unless otherwise stated)



Notes	The Group 2009-01-01 – 2009-06-30	The Group 2008-01-01 – 2008-06-30	The Bank 2009-01-01 – 2009-06-30	The Bank 2008-01-01 – 2008-06-30
Cash flows from (to) investing activities				
Dividends received	7	135	7	135
Acquisition of subsidiaries	-	-	-	-
Proceeds on sale of subsidiaries	-	-	-	-
Acquisition of property, plant and equipment and investment property	(6,147)	(13,371)	(1,858)	(6,237)
Sales of property plant and equipment	331	375	606	342
Acquisition of intangible assets	(1,484)	(2,427)	(1,015)	(2,415)
Sales of intangible assets	952	1,187	952	1,186
Net cash generated from / (used in) investing activities	(6,341)	(14,101)	(1,308)	(6,989)
Cash flows from (to) financing activities				
Proceeds from issues of equity shares	-	-	-	-
Dividends paid	-	(3,934)	-	(3,934)
Debt securities issued	3,469	-	3,500	-
Debt securities redeemed	(7,642)	-	(9,501)	-
Subordinated loans received	-	-	-	-
Net cash generated from financing activities	(4,173)	(3,934)	(6,001)	(3,934)
Net (decrease) increase in cash and cash equivalents	347,478	(168,497)	347,526	(161,299)
Effect of exchange rate changes on cash and cash equivalents	(13)	8,665	-	-
Cash and cash equivalents at the beginning of the year	161,081	687,350	160,692	686,062
Cash and cash equivalents at the end of the period	508,546	527,518	508,218	524,763

(Concluded)

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

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, 5 subsidiaries: UAB Ūkio Banko Lizingas, set up in 1997; Ūkio Banko Investicijų Valdymas, set up in 2006; GD UAB Bonum Publicum, acquired in 2007 and Ūkio Banko Rizikos Kapitalo Valdymas, set up in 2007. UAB Ūkio Banko Lizingas has set up RAB Ūkio Bank Lizing (Ukraine) in 2006.

As of 30 June 2009 the Group and the Bank employed 830 and 709 employees respectively (as of 31 December 2008: 841 and 723).

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

	2009-06-30	2008-12-31
Vladimir Romanov	32.95%	32.95%
UAB Universal Business Investment Group Management	9.99%	9.99%
Zinaida Romanova	8.73%	8.73%
UAB FIRST Partneriai	5.88%	5.88%

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 2008, 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 2008.

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.

NOTE 4 LOANS AND FINANCE LEASE RECEIVABLE

The Group			The Bank	
2009-06-30	2008-12-31		2009-06-30	2008-12-31
Loans and finance lease receivable				
1,571,036	1,601,682	Loans to small and medium size enterprises (SMEs)	1,563,946	1,597,899
878,762	733,879	Loans to other enterprises	878,762	733,879
365,329	391,700	Loans to individuals	232,506	262,066
192,002	253,259	Finance lease receivable	-	-
3,007,129	2,980,520	Total loans and finance lease receivable	2,675,214	2,593,844
Provisions for impairment loss of loans and finance lease receivable (note 14 (e))				
(121,900)	(100,632)		(95,220)	(81,340)
(106,114)	(85,732)	Provisions for impairment loss of loans receivable	(95,220)	(81,340)
(15,786)	(14,900)	Provisions for impairment loss of finance lease receivables	-	-
2,885,229	2,879,888	Total loans and finance lease receivable from customers, net of provisions	2,579,994	2,512,504

As of 30 June 2009 the Group's/Bank's "Loans and finance lease receivable" balances include accrued interest in the amount of LTL'000 47,431 and LTL'000 39,601 respectively (31 December 2008: LTL'000 13,222 and LTL'000 8,446 respectively).

NOTE 5 INVESTMENT SECURITIES

The Group			The Bank	
2009-06-30	2008-12-31		2009-06-30	2008-12-31
Equity investment securities available-for-sale				
11,501	11,509	Equity securities of entities available-for-sale	11,486	11,486
10,653	9,221	Equity securities of banks and other financial institutions available-for-sale	10,451	9,050
22,154	20,730	Total equity investment securities available-for-sale	21,937	20,536
Debt securities available-for-sale				
7,457	-	Debt securities of entities available-for-sale	7,457	-
22,485	29,946	Debt securities of banks and financial institutions available-for-sale	22,485	29,946
29,942	29,946	Total debt securities available-for-sale	29,942	29,946
52,096	50,676	Total investment securities available-for-sale	51,879	50,482
Investment securities held to maturity				
106,907	123,242	Debt securities of entities held to maturity	106,855	123,140
179,303	205,789	Debt securities of banks and other financial institutions held to maturity	404,702	202,981
37,052	46,177	Government debt securities held to maturity	36,768	45,890
323,262	375,208	Total debt investment securities held to maturity	548,325	372,011

As of 30 June 2009 investment securities held to maturity with carrying amount LTL'000 50,057 (31 December 2008: LTL'000 70,469) were pledged under repurchase agreements.

NOTE 6 INVESTMENTS IN SUBSIDIARIES

The Group			The Bank	
2009-06-30	2008-12-31		2009-06-30	2008-12-31
		Investment in subsidiaries		
-	-	UAB Ūkio Banko Lizingas	1,000	1,000
-	-	UAB Ūkio Banko Investicijų Valdymas	2,000	2,000
-	-	GD UAB Bonum Publicum	36,321	36,321
-	-	UAB Ūkio Banko Rizikos Kapitalo Valdymas	500	500
-	-	Total investments in subsidiaries	39,821	39,821

NOTE 7 OTHER ASSETS

The Group			The Bank	
2009-06-30	2008-12-31		2009-06-30	2008-12-31
		Other assets		
56,746	34,313	Prepayments	55,506	31,813
24,243	24,623	Deferred expenses	14,574	15,748
2,381	2,372	Accounts receivable	2,381	2,372
2,667	1,972	Income tax paid in advance	1,849	1,849
5,864	917	Foreclosed assets	1,676	917
283	318	Transit accounts	81	104
7	9	Receivables on securities transactions	7	9
6,559	5,769	Other receivables	5,105	5,100
98,750	70,293	Total other assets	81,179	57,912
(427)	(412)	Provisions for impairment loss of other assets (note 14 (e))	(427)	(412)
98,323	69,881	Total other assets, net of provisions	80,752	57,500

NOTE 8 DUE TO CUSTOMERS

The Group			The Bank	
2009-06-30	2008-12-31		2009-06-30	2008-12-31
		Due to customers		
487,484	476,892	Current and demand deposits	487,484	476,892
2,606,292	2,439,006	Term deposits, letters of credit	2,606,292	2,439,006
3,093,776	2,915,898	Total due to customers	3,093,776	2,915,898
The Group			The Bank	
2009-06-30	2008-12-31		2009-06-30	2008-12-31
		Current and demand deposits		
341,195	323,717	Companies	341,195	323,717
146,289	153,175	Individuals	146,289	153,175
487,484	476,892		487,484	476,892
		Term deposits, letters of credit		
726,716	786,171	Companies	726,716	786,171
1,843,370	1,621,358	Individuals	1,843,370	1,621,358
2,570,086	2,407,529		2,570,086	2,407,529
36,206	31,477	Accrued interest	36,206	31,477
3,093,776	2,915,898	Total due to customers	3,093,776	2,915,898

NOTE 9 SHARE CAPITAL

The authorized capital of the Bank as of 30 June 2009 was LTL'000 245,824 and consisted of 245,824,000 ordinary shares with par value of LTL 1 each. All shares are fully paid.

The authorized capital of the Bank as of 31 December 2008 was LTL'000 196,708 and consisted of 196,708,000 ordinary shares with par value of LTL 1 each. All shares are fully paid.

At the shareholders meeting on 27 March 2009 no dividends were proposed and the decision to increase AB Ūkio bankas authorized capital from company's resources up to LTL 245,824,000 by using LTL 49,116,000 general reserve for losses of assets was taken. On 8 May 2009 AB Ūkio bankas Statute with increased authorized share capital has been registered with the Register of legal entities.

At the shareholders meeting on 27 March 2008, dividends in respect of 2007 of LTL 0.02 per share amounting to total of LTL'000 3,934 were proposed (dividends paid as of 30 June 2009 amounted to LTL'000 3,898).

NOTE 10 INTEREST INCOME AND EXPENSE

The Group			The Bank	
2009-01-01 – 2009-06-30	2008-01-01 – 2008-06-30		2009-01-01- 2009-06-30	2008-01-01 – 2008-06-30
		Interest income		
143,015	119,604	on loans and other receivables (including finance leases)	130,697	103,445
10,645	11,245	on investment securities held to maturity	13,077	11,106
1,114	-	on investment securities available-for-sale	1,114	-
680	3,441	on trading debt securities	175	3,441
544	1,341	on balances with central bank	544	1,341
155,998	135,631	Total interest income	145,607	119,333

The Group			The Bank	
2009-01-01 – 2009-06-30	2008-01-01- 2008-06-30		2009-01-01- 2009-06-30	2008-01-01 – 2008-06-30
		Interest expense		
93,096	49,774	on liabilities due to customers	93,096	49,774
6,367	12,036	on liabilities due to banks and other financial institutions	13,288	11,088
4,043	4,096	on subordinated loans	4,043	4,096
911	2	on debt securities issued	982	2
104,417	65,908	Total interest expense	111,409	64,960

In the six month period ended 30 June 2009 the Group's/Bank's total interest income includes income accrued on impaired financial assets in the amount of LTL'000 13,094 and LTL'000 10,243 respectively (six month period ended 31 June 2008: LTL'000 7,212 and LTL'000 6,110 respectively).

NOTE 11 FEES AND COMMISSION INCOME AND EXPENSE

The Group			The Bank	
2009-01-01 – 2009-06-30	2008-01-01 – 2008-06-30		2009-01-01 – 2009-06-30	2008-01-01 – 2008-06-30
		Fees and commission income		
20,154	48,122	for money transfer operations	20,216	48,188
2,692	3,238	for credit services	2,947	3,326
2,251	2,997	for bank accounts' services	2,251	2,997
4,574	2,571	for payment card services	1,691	2,777
1,496	1,593	for collection of taxes	1,663	1,957
1,771	929	for EUR currency exchange	1,771	929
2,070	2,470	other	1,837	2,199
35,008	61,920	Total fees and commission income	32,376	62,373

The Group			The Bank	
2009-01-01 – 2009-06-30	2008-01-01 – 2008-06-30		2009-01-01 – 2009-06-30	2008-01-01 – 2008-06-30
		Fees and commission expenses		
2,586	6,069	for money transfer operations	2,318	5,834
2,069	1,533	for payment card services	2,069	1,511
1,397	1,786	other	1,384	1,782
6,052	9,388	Total fees and commission expenses	5,771	9,127

NOTE 12 OPERATING EXPENSES

The Group			The Bank	
2009-01-01 –	2008-01-01 –		2009-01-01 –	2008-01-01 –
2009-06-30	2008-06-30		2009-06-30	2008-06-30
		Operating expenses		
21,705	23,578	Salary and related expenses	17,219	20,675
9,389	16,130	Marketing and charity expenses	6,493	12,727
8,836	7,869	Rent of premises and household expenses	8,137	7,366
7,165	6,480	Deposit insurance expenses	7,165	6,480
4,263	5,838	Taxes (other than income tax)	4,180	5,824
3,625	3,625	Depreciation and amortization	3,207	3,353
		Transport, post and communication		
1,890	1,910	service expenses	1,321	1,570
1,761	1,662	IT expenses	1,717	1,636
665	1,879	Training and business trip expenses	344	1,430
8,318	12,445	Other expenses	6,947	10,348
67,617	81,416	Total operating expenses	56,730	71,409

NOTE 13 EARNINGS PER SHARE

The Group			The Bank	
2009-01-01 – 2009-06-30	2008-01-01 – 2008-06-30		2009-01-01 – 2009-06-30	2008-01-01 – 2008-06-30
Basic earnings per share calculation				
		Profit attributable to equity holders of the Parent		
6,236	54,850	<i>from continuing operations</i>	4,639	50,637
-	(1,104)	<i>from discontinued operations</i>	-	-
6,236	53,746	Total profit attributable to equity holders of the Parent	4,639	50,637
211,361	196,708	Weighted average number of ordinary shares in issue (thousands units)	211,361	196,708
0.03	0.28	Basic earnings per share from continuing operations (in LTL)	0.02	0.26
-	(0.01)	Basic earnings per share from discontinued operations (in LTL)	-	-
0.03	0.27	Basic earnings per share (in LTL)	0.02	0.26

The Group			The Bank	
2009-01-01 – 2009-06-30	2008-01-01 – 2008-06-30		2009-01-01 – 2009-06-30	2008-01-01 – 2008-06-30
Diluted earnings per share calculation				
		Profit attributable to equity holders of the Parent		
6,236	53,746		4,639	50,637
83	134	Interest expense on subordinated loans (net of tax)	83	134
6,319	53,880	Net profit used to determine diluted earnings per share	4,722	50,771
6,319	54,984	<i>from continuing operations</i>	4,722	50,771
-	(1,104)	<i>from discontinued operations</i>	-	-
211,361	196,708	Weighted average number of ordinary shares in issue (thousands units)	211,361	196,708
8,829	2,279	Adjustment for assumed conversion of subordinated loans (thousands units)	8,829	2,279
220,190	198,987		220,190	198,987
0.03	0.28	Diluted earnings per share from continuing operations (in LTL)	0.02	0.26
-	(0.01)	Diluted earnings per share from discontinued operations (in LTL)	-	-
0.03	0.27	Diluted earnings per share (in LTL)	0.02	0.26

NOTE 14 CREDIT RISK MANAGEMENT

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

The Group			The Bank	
2009-06-30	2008-12-31		2009-06-30	2008-12-31
		Assets		
330,037	144,216	Funds with central banks	330,037	144,216
375,435	294,340	Loans and advances to banks and other financial institutions	439,598	928,873
40,899	45,250	Financial assets at fair value through profit or loss	17,799	26,511
2,885,229	2,879,888	Loans and finance lease receivable:	2,579,994	2,512,504
1,596,016	1,643,004	<i>loans to and finance lease receivable from SMEs</i>	1,502,969	1,540,030
869,363	733,727	<i>enterprises</i>	858,735	720,216
419,850	503,157	<i>loans to and finance lease receivable from individuals</i>	218,290	252,258
375,358	425,884	Investment securities:	600,204	422,493
52,096	50,676	<i>available-for-sale</i>	51,879	50,482
323,262	375,208	<i>held to maturity</i>	548,325	372,011
98,569	69,861	Other assets	80,998	57,480
4,105,527	3,859,439	Total	4,048,630	4,092,077
		Contingent liabilities and commitments		
44,055	33,072	Guarantees and warranties	44,055	33,072
3,184	981	Commitments to issue letters of credit	3,184	981
104,006	169,748	Irrevocable lending commitments	48,180	96,847
151,245	203,801	Total	95,419	130,900
4,256,772	4,063,240	Total credit risk exposure	4,144,049	4,222,977

b) Risk concentrations of the maximum exposure to credit risk

The maximum Group's credit exposure to any client or counterparty as of 30 June 2009 was LTL 123 million or 22% of the capital base (31 December 2008: LTL 116 million, or 22% of the capital base) before taking into account of collateral or other credit enhancements.

As of 30 June 2009 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 (see note 17).

As of 30 June 2009 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 (see note 17).

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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 June 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	-	-	-	-	-	-	-	-	-	-	330,037	-	330,037
Loans and advances to banks and other financial institutions	-	375,435	-	-	-	-	-	-	-	-	-	-	375,435
Financial assets at fair value through profit or loss	-	33,745	181	-	131	-	596	-	-	-	6,246	-	40,899
Loans and finance lease receivable	-	1,502,522	250,671	-	34,745	54,280	134,624	496,815	3,866	11,693	27,015	368,998	2,885,229
Investment securities:	29,510	224,799	9,639	-	12,233	14,309	4,624	11,809	1,753	11,940	54,742	-	375,358
<i>available-for-sale</i>	-	50,848	-	-	15	-	-	-	-	-	1,233	-	52,096
<i>held-to-maturity</i>	29,510	173,951	9,639	-	12,218	14,309	4,624	11,809	1,753	11,940	53,509	-	323,262
Other assets	-	-	-	-	-	-	-	-	-	-	-	98,569	98,569
Total	29,510	2,136,501	260,491	-	47,109	68,589	139,844	508,624	5,619	23,633	418,040	467,567	4,105,527

As of 30 June 2009, the Group's loans to real estate and construction sectors amounted to LTL'000 1,112,692. 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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The Group as of 31 December 2008:

	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	-	-	-	-	-	-	-	-	-	-	144,216	-	144,216
Loans and advances to banks and other financial institutions	-	294,340	-	-	-	-	-	-	-	-	-	-	294,340
Financial assets at fair value through profit or loss	-	22,046	157	-	93	-	546	651	-	-	5,986	15,771	45,250
Loans and finance lease receivable	1,109	1,231,965	283,983	343	149,816	47,672	158,190	526,913	3,954	11,895	18,970	445,078	2,879,888
Investment securities:													
<i>available-for-sale</i>	-	50,653	-	-	10	13	-	-	-	-	-	-	50,676
<i>held-to-maturity</i>	33,134	196,986	9,619	2,560	19,403	14,421	5,375	12,050	1,706	16,180	63,774	-	375,208
Other assets	-	-	-	-	-	-	-	-	-	-	-	69,861	69,861
Total	34,243	1,795,990	293,759	2,903	169,322	62,106	164,111	539,614	5,660	28,075	232,946	530,710	3,859,439

As of 31 December 2008, the Group's loans to real estate and construction sectors amounted to LTL'000 1,170,260. 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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The Bank as of 30 June 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	-	-	-	-	-	-	-	-	-	-	330,037	-	330,037
Loans and advances to banks and other financial institutions	-	439,598	-	-	-	-	-	-	-	-	-	-	439,598
Financial assets at fair value through profit or loss	-	17,668	-	-	131	-	-	-	-	-	-	-	17,799
Loans and finance lease receivable	-	1,491,054	228,549	-	28,357	52,548	126,791	442,719	3,830	11,693	27,015	167,438	2,579,994
Investment securities:	29,510	449,996	9,639	-	12,218	14,309	4,572	11,809	1,753	11,940	54,458	-	600,204
<i>available-for-sale</i>	-	50,646	-	-	-	-	-	-	-	-	1,233	-	51,879
<i>held-to-maturity</i>	29,510	399,350	9,639	-	12,218	14,309	4,572	11,809	1,753	11,940	53,225	-	548,325
Other assets	-	-	-	-	-	-	-	-	-	-	-	80,998	80,998
Total	29,510	2,398,316	238,188	-	40,706	66,857	131,363	454,528	5,583	23,633	411,510	248,436	4,048,630

As of 30 June 2009, the Bank's loans to real estate and construction sectors amounted to LTL'000 1,093,506, respectively. 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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The Bank as of 31 December 2008:

	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	-	-	-	-	-	-	-	-	-	-	144,216	-	144,216
Loans and advances to banks and other financial institutions	-	928,873	-	-	-	-	-	-	-	-	-	-	928,873
Financial assets at fair value through profit or loss	-	10,647	-	-	93	-	-	-	-	-	-	15,771	26,511
Loans and finance lease receivable	-	1,216,459	246,434	-	142,869	47,107	146,760	484,113	3,913	11,699	18,970	194,180	2,512,504
Investment securities:													
<i>available-for-sale</i>	-	50,482	-	-	-	-	-	-	-	-	-	-	50,482
<i>held-to-maturity</i>	33,134	194,178	9,619	2,560	19,403	14,421	5,325	11,998	1,706	16,180	63,487	-	372,011
Other assets	-	-	-	-	-	-	-	-	-	-	-	57,480	57,480
Total	33,134	2,400,639	256,053	2,560	162,365	61,528	152,085	496,111	5,619	27,879	226,673	267,431	4,092,077

As of 31 December 2008, the Bank's loans to real estate and construction sectors amounted to LTL'000 1,146,369, respectively. 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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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 June 2009:

	The Group			The Bank		
	Higher rated countries	Lower rated countries	Total	Higher rated countries	Lower rated countries	Total
Assets						
Funds with central banks	330,037	-	330,037	330,037	-	330,037
Loans and advances to banks and other financial institutions	358,854	16,581	375,435	369,364	70,234	439,598
Financial assets at fair value through profit or loss	40,769	130	40,899	17,669	130	17,799
Loans and finance lease receivable	2,712,442	172,787	2,885,229	2,446,271	133,723	2,579,994
Investment securities:	248,684	126,674	375,358	474,023	126,181	600,204
<i>available-for-sale</i>	47,335	4,761	52,096	47,118	4,761	51,879
<i>held-to-maturity</i>	201,349	121,913	323,262	426,906	121,420	548,325
Other assets	94,228	4,341	98,569	80,991	7	80,998
Total	3,785,014	320,513	4,105,527	3,718,355	330,275	4,048,630

As of 31 December 2008:

	The Group			The Bank		
	Higher rated countries	Lower rated countries	Total	Higher rated countries	Lower rated countries	Total
Assets						
Funds with central banks	144,216	-	144,216	144,216	-	144,216
Loans and advances to banks and other financial institutions	279,305	15,035	294,340	860,869	68,004	928,873
Financial assets at fair value through profit or loss	45,157	93	45,250	26,418	93	26,511
Loans and finance lease receivable	2,691,286	188,602	2,879,888	2,377,673	134,831	2,512,504
Investment securities:	274,854	151,030	425,884	271,750	150,743	422,493
<i>available-for-sale</i>	47,503	3,173	50,676	47,309	3,173	50,482
<i>held-to-maturity</i>	227,351	147,857	375,208	224,441	147,570	372,011
Other assets	68,074	1,787	69,861	55,886	1,594	57,480
Total	3,502,892	356,547	3,859,439	3,736,812	355,265	4,092,077

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 June 2009, largest single country concentrations of Group's financial assets without taking into account any collateral held or other credit enhancements were in Lithuania – 72.5%, USA – 7.3% (as of 31 December 2008: Lithuania – 74.1%, USA – 7.2%).

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 June 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	330,037	-	-	-	-	-	330,037
Loans and advances to banks and other financial institutions	230,774	117,545	27,065	5	-	46	375,435
Financial assets at fair value through profit or loss	6,246	33,734	-	919	-	-	40,899
Loans and finance lease receivable:	205,968	1,161,778	530,126	463,270	10,068	514,019	2,885,229
<i>loans to SMEs</i>	2,055	524,535	335,466	408,409	9,186	316,365	1,596,016
<i>loans to other enterprises</i>	19,101	527,689	184,508	50,934	-	87,131	869,363
<i>loans to individuals</i>	184,812	109,554	10,152	3,927	882	110,523	419,850
Investment securities:	143,922	118,448	103,618	9,370	-	-	375,358
<i>available-for-sale</i>	17,383	25,023	9,690	-	-	-	52,096
<i>held-to-maturity</i>	126,539	93,425	93,928	9,370	-	-	323,262
Other assets	2,381	37,403	58,648	-	-	137	98,569
Total	919,328	1,468,908	719,457	473,564	10,068	514,202	4,105,527

As of 31 December 2008 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	144,216	-	-	-	-	-	144,216
Loans and advances to banks and other financial institutions	65,207	103,200	124,660	1,252	-	21	294,340
Financial assets at fair value through profit or loss	5,986	38,480	157	627	-	-	45,250
Loans and finance lease receivable:	292,798	520,359	1,274,294	385,067	4,710	402,660	2,879,888
<i>loans to SMEs</i>	15,225	266,911	721,234	378,907	4,117	256,610	1,643,004
<i>loans to other enterprises</i>	17,174	93,868	548,977	4,601	-	69,107	733,727
<i>loans to individuals</i>	260,399	159,580	4,083	1,559	593	76,943	503,157
Investment securities:	202,041	94,153	129,690	-	-	-	425,884
<i>available-for-sale</i>	27,488	8,515	14,673	-	-	-	50,676
<i>held-to-maturity</i>	174,553	85,638	115,017	-	-	-	375,208
Other assets	2,373	34,356	33,053	-	-	79	69,861
Total	712,621	790,548	1,561,854	386,946	4,710	402,760	3,859,439

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As of 30 June 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	330,037	-	-	-	-	-	330,037
Loans and advances to banks and other financial institutions	230,587	116,565	92,395	5	-	46	439,598
Financial assets at fair value through profit or loss	-	17,312	-	487	-	-	17,799
Loans and finance lease receivable:	50,143	1,144,110	509,716	458,727	4,770	412,528	2,579,994
<i>loans to SMEs</i>	1,811	509,513	317,283	403,866	3,888	266,608	1,502,969
<i>loans to other enterprises</i>	18,566	525,435	182,281	50,934	-	81,519	858,735
<i>loans to individuals</i>	29,766	109,162	10,152	3,927	882	64,401	218,290
Investment securities:	143,359	344,452	103,401	8,992	-	-	600,204
<i>available-for-sale</i>	17,383	24,806	9,690	-	-	-	51,879
<i>held-to-maturity</i>	125,976	319,646	93,711	8,992	-	-	548,325
Other assets	2,381	19,832	58,648	-	-	137	80,998
Total	756,507	1,642,271	764,160	468,211	4,770	412,711	4,048,630

As of 31 December 2008 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	144,216	-	-	-	-	-	144,216
Loans and advances to banks and other financial institutions	64,810	381,483	427,996	1,252	-	53,332	928,873
Financial assets at fair value through profit or loss	-	25,884	-	627	-	-	26,511
Loans and finance lease receivable:	71,142	485,186	1,253,538	383,343	4,710	314,585	2,512,504
<i>loans to SMEs</i>	14,383	237,999	703,834	377,183	4,117	202,514	1,540,030
<i>loans to other enterprises</i>	16,369	88,068	545,621	4,601	-	65,557	720,216
<i>loans to individuals</i>	40,390	159,119	4,083	1,559	593	46,514	252,258
Investment securities:	201,060	91,969	129,464	-	-	-	422,493
<i>available-for-sale</i>	27,488	8,334	14,660	-	-	-	50,482
<i>held-to-maturity</i>	173,572	83,635	114,804	-	-	-	372,011
Other assets	2,373	21,975	33,053	-	-	79	57,480
Total	483,601	1,006,497	1,844,051	385,222	4,710	367,996	4,092,077

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d) Aging analysis of financial assets

As of 30 June 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	330,037	-	-	-	-	-	-	-	-	-	-	-	330,037
Loans and advances to banks and other financial institutions	375,389	-	-	-	-	-	46	-	-	-	-	46	375,435
Financial assets at fair value through profit or loss	40,899	-	-	-	-	-	-	-	-	-	-	-	40,899
Loans and finance lease receivable:	2,371,210	75,034	36,188	135,072	10,369	256,663	36,552	3,720	12,484	191,503	13,097	257,356	2,885,229
<i>loans to SMEs</i>	1,279,651	26,729	24,583	104,550	2,625	158,487	28,306	2,984	8,413	108,340	9,835	157,878	1,596,016
<i>loans to other enterprises</i>	782,232	18,126	2,965	9,563	-	30,654	10	-	771	55,696	-	56,477	869,363
<i>loans to individuals</i>	309,327	30,179	8,640	20,959	7,744	67,522	8,236	736	3,300	27,467	3,262	43,001	419,850
Investment securities:	375,358	-	-	-	-	-	-	-	-	-	-	-	375,358
<i>available-for-sale</i>	52,096	-	-	-	-	-	-	-	-	-	-	-	52,096
<i>held-to-maturity</i>	323,262	-	-	-	-	-	-	-	-	-	-	-	323,262
Other assets	98,432	58	78	-	-	136	-	-	-	1	-	1	98,569
Total	3,591,325	75,092	36,266	135,072	10,369	256,799	36,598	3,720	12,484	191,504	13,097	257,403	4,105,527

EXPLANATORY NOTES
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2009
(All amounts in LTL thousands unless otherwise stated)



As of 31 December 2008 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	144,216	-	-	-	-	-	-	-	-	-	-	-	144,216
Loans and advances to banks and other financial institutions	294,319	-	-	-	-	-	12	9	-	-	-	21	294,340
Financial assets at fair value through profit or loss	45,250	-	-	-	-	-	-	-	-	-	-	-	45,250
Loans and finance lease receivable	2,477,228	86,229	23,877	31,482	634	142,222	167,200	15,190	30,464	44,103	3,481	260,438	2,879,888
<i>loans to SMEs</i>	1,386,394	50,348	16,411	20,911	634	88,304	105,931	12,225	14,236	33,451	2,463	168,306	1,643,004
<i>loans to other enterprises</i>	664,620	12,434	3,026	250	-	15,710	51,672	3	513	1,209	-	53,397	733,727
<i>loans to individuals</i>	426,214	23,447	4,440	10,321	-	38,208	9,597	2,962	15,715	9,443	1,018	38,735	503,157
Investment securities:	425,884	-	-	-	-	-	-	-	-	-	-	-	425,884
<i>available-for-sale</i>	50,676	-	-	-	-	-	-	-	-	-	-	-	50,676
<i>held-to-maturity</i>	375,208	-	-	-	-	-	-	-	-	-	-	-	375,208
Other assets	69,782	77	-	-	-	77	2	-	-	-	-	2	69,861
Total	3,456,679	86,306	23,877	31,482	634	142,299	167,214	15,199	30,464	44,103	3,481	260,461	3,859,439

EXPLANATORY NOTES
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2009
(All amounts in LTL thousands unless otherwise stated)



As of 30 June 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	330,037	-	-	-	-	-	-	-	-	-	-	-	-	330,037
Loans and advances to banks and other financial institutions	439,552	-	-	-	-	-	46	-	-	-	-	-	46	439,598
Financial assets at fair value through profit or loss	17,799	-	-	-	-	-	-	-	-	-	-	-	-	17,799
Loans and finance lease receivable	2,167,466	46,732	28,466	114,857	10,169	200,224	34,900	2,637	6,924	156,692	11,151	212,304	2,579,994	
<i>loans to SMEs</i>	1,236,361	20,011	21,317	89,189	2,614	133,131	27,349	2,402	5,212	88,736	9,778	133,477	1,502,969	
<i>loans to other enterprises</i>	777,216	16,134	2,738	9,562	-	28,434	10	-	-	53,075	-	53,085	858,735	
<i>loans to individuals</i>	153,889	10,587	4,411	16,106	7,555	38,659	7,541	235	1,712	14,881	1,373	25,742	218,290	
Investment securities:	600,204	-	-	-	-	-	-	-	-	-	-	-	-	600,204
<i>available-for-sale</i>	51,879	-	-	-	-	-	-	-	-	-	-	-	-	51,879
<i>held-to-maturity</i>	548,325	-	-	-	-	-	-	-	-	-	-	-	-	548,325
Other assets	80,861	58	78	-	-	136	-	-	-	1	-	1	80,998	
Total	3,635,919	46,790	28,544	114,857	10,169	200,360	34,946	2,637	6,924	156,693	11,151	212,351	4,048,630	

EXPLANATORY NOTES
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2009
(All amounts in LTL thousands unless otherwise stated)



As of 31 December 2008 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	144,216	-	-	-	-	-	-	-	-	-	-	-	-	144,216
Loans and advances to banks and other financial institutions	875,541	-	-	-	-	-	53,323	9	-	-	-	-	53,332	928,873
Financial assets at fair value through profit or loss	26,511	-	-	-	-	-	-	-	-	-	-	-	-	26,511
Loans and finance lease receivable	2,197,919	53,133	18,283	25,133	634	97,183	167,200	6,096	15,356	25,269	3,481	217,402	2,512,504	
<i>loans to SMEs</i>	1,337,516	30,788	11,964	14,562	634	57,948	105,930	4,781	8,576	22,816	2,463	144,566	1,540,030	
<i>loans to other enterprises</i>	654,659	11,499	2,136	250	-	13,885	51,672	-	-	-	-	51,672	720,216	
<i>loans to individuals</i>	205,744	10,846	4,183	10,321	-	25,350	9,598	1,315	6,780	2,453	1,018	21,164	252,258	
Investment securities:	422,493	-	-	-	-	-	-	-	-	-	-	-	-	422,493
<i>available-for-sale</i>	50,482	-	-	-	-	-	-	-	-	-	-	-	-	50,482
<i>held-to-maturity</i>	372,011	-	-	-	-	-	-	-	-	-	-	-	-	372,011
Other assets	57,401	77	-	-	-	77	2	-	-	-	-	2	57,480	
Total	3,724,081	53,210	18,283	25,133	634	97,260	220,525	6,105	15,356	25,269	3,481	270,736	4,092,077	

e) Impairment of financial assets

As of 30 June 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	330,037	-	330,037	330,037	-	330,037
Loans and advances to banks and other financial institutions	375,435	-	375,435	439,598	-	439,598
Financial assets at fair value through profit or loss	40,899	-	40,899	17,799	-	17,799
Loans and finance lease receivable:	3,007,129	(121,900)	2,885,229	2,675,214	(95,220)	2,579,994
<i>loans to SMEs</i>	1,666,606	(70,590)	1,596,016	1,563,946	(60,977)	1,502,969
<i>loans to other enterprises</i>	890,522	(21,159)	869,363	878,762	(20,027)	858,735
<i>loans to individuals</i>	450,001	(30,151)	419,850	232,506	(14,216)	218,290
Investment securities:	375,358	-	375,358	600,204	-	600,204
<i>available-for-sale</i>	52,096	-	52,096	51,879	-	51,879
<i>held-to-maturity</i>	323,262	-	323,262	548,325	-	548,325
Other assets	98,996	(427)	98,569	81,425	(427)	80,998
Total	4,227,854	(122,327)	4,105,527	4,144,277	(95,647)	4,048,630

As of 31 December 2008, 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	144,216	-	144,216	144,216	-	144,216
Loans and advances to banks and other financial institutions	294,340	-	294,340	934,712	(5,839)	928,873
Financial assets at fair value through profit or loss	45,250	-	45,250	26,511	-	26,511
Loans and finance lease receivable:	2,980,520	(100,632)	2,879,888	2,593,844	(81,340)	2,512,504
<i>loans to SMEs</i>	1,707,416	(64,412)	1,643,004	1,597,899	(57,869)	1,540,030
<i>loans to other enterprises</i>	748,242	(14,515)	733,727	733,879	(13,663)	720,216
<i>loans to individuals</i>	524,862	(21,705)	503,157	262,066	(9,808)	252,258
Investment securities:	425,884	-	425,884	422,493	-	422,493
<i>available-for-sale</i>	50,676	-	50,676	50,482	-	50,482
<i>held-to-maturity</i>	375,208	-	375,208	372,011	-	372,011
Other assets	70,273	(412)	69,861	57,892	(412)	57,480
Total	3,960,483	(101,044)	3,859,439	4,179,668	(87,591)	4,092,077

As of 30 June 2009, provisions for off-balance sheet items amounted to LTL 130 thousand. No provisions for off-balance sheet items were formed as of 31 December 2008.

EXPLANATORY NOTES
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2009
(All amounts in LTL thousands unless otherwise stated)



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

The Group	Loans and finance lease receivable:						
	Loans and advances to banks and other financial institutions	Loans to SMEs	Loans to other enterprises	Loans to individuals	Total	Other assets	Total
As of 31 December 2007	-	15,528	39,720	10,291	65,539	3,036	68,575
Reversal of provisions	-	(13,116)	(41,719)	(1,852)	(56,687)	(134)	(56,821)
Provisions written-off	-	(1)	-	(10)	(11)	(73)	(84)
Currency exchange rate effect	-	(800)	(545)	40	(1,305)	(30)	(1,335)
Provision charged	-	33,864	2,820	5,427	42,111	196	42,307
Change in provisions attributable to discontinued operations	-	-	-	-	-	(59)	(59)
As of 30 June 2008	-	35,475	276	13,896	49,647	2,936	52,583
Reversal of provisions	-	(30,440)	(49)	(2,567)	(33,056)	(548)	(33,604)
Provisions written-off	-	(44)	-	(4,964)	(5,008)	(39)	(5,047)
Currency exchange rate effect	-	(1,656)	(348)	(447)	(2,451)	7	(2,444)
Provision charged	-	61,077	14,636	15,787	91,500	224	91,724
Change in provisions attributable to discontinued operations	-	-	-	-	-	(2,168)	(2,168)
As of 31 December 2008	-	64,412	14,515	21,705	100,632	412	101,044
Reversal of provisions	-	(49,808)	(22,263)	(6,346)	(78,417)	(204)	(78,621)
Provisions written-off	-	(1)	(1)	-	(2)	(18)	(20)
Currency exchange rate effect	-	(13)	(6)	2	(17)	2	(15)
Provision charged	-	56,000	28,914	14,790	99,704	235	99,939
As of 30 June 2009	-	70,590	21,159	30,151	121,900	427	122,327

EXPLANATORY NOTES
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2009
(All amounts in LTL thousands unless otherwise stated)



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

The Bank	Loans and finance lease receivable:						
	Loans and advances to banks and other financial institutions	Loans to SMEs	Loans to other enterprises	Loans to individuals	Total	Other assets	Total
As of 31 December 2007	-	15,468	39,720	1,612	56,800	809	57,609
Reversal of provisions	-	(13,116)	(41,719)	(1,852)	(56,687)	(134)	(56,821)
Provisions written off	-	(1)	-	(10)	(11)	(73)	(84)
Currency exchange rate effect	-	(800)	(545)	(4)	(1,349)	(30)	(1,379)
Provision charged	-	33,847	2,820	2,382	39,049	196	39,245
As of 30 June 2008	-	35,398	276	2,128	37,802	768	38,570
Reversal of provisions	-	(30,440)	(49)	(2,567)	(33,056)	(548)	(33,604)
Provisions written off	-	-	-	(4)	(4)	(39)	(43)
Currency exchange rate effect	-	133	-	8	141	7	148
Provision charged	5,839	52,778	13,436	10,243	76,457	224	82,520
As of 31 December 2008	5,839	57,869	13,663	9,808	81,340	412	87,591
Reversal of provisions	(6,154)	(49,808)	(22,263)	(6,346)	(78,417)	(204)	(84,775)
Provisions written off	-	(1)	(1)	-	(2)	(18)	(20)
Currency exchange rate effect	315	3	-	1	4	2	321
Provision charged	-	52,914	28,628	10,753	92,295	235	92,530
As of 30 June 2009	-	60,977	20,027	14,216	95,220	427	95,647

EXPLANATORY NOTES
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2009
 (All amounts in LTL thousands unless otherwise stated)



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

The Group			The Bank	
2009-01-01- 2009-06-30	2008-01-01- 2008-06-30		2009-01-01- 2009-06-30	2008-01-01- 2008-06-30
Provisions for off-balance sheet items:				
-	-	Balance as of 1 January	-	-
-	-	Reversal of provisions	-	-
(8)	-	Currency exchange effect	(8)	-
138	-	Provisions charged	138	-
130	-	Balance as of 30 June	130	-

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

The Group			The Bank	
2009-01-01- 2009-06-30	2008-01-01- 2008-06-30		2009-01-01- 2009-06-30	2008-01-01- 2008-06-30
99,939	42,307	Provisions charged for balance sheet items	92,530	39,245
(78,621)	(56,821)	Provisions reversed for balance sheet items	(84,775)	(56,821)
138	-	Provisions charged for off-balance sheet items	138	-
-	-	Provisions reversed for off-balance sheet items	-	-
21,456	(14,514)	Provisions charged to profit or loss	7,893	(17,576)

EXPLANATORY NOTES
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2009
(All amounts in LTL thousands unless otherwise stated)



f) Collateral and other credit enhancements

The Group as of 30 June 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	330,037	-	330,037	-	-	-	-	-	-	330,037	-	330,037
Loans and advances to banks and other financial institutions	375,389	82,559	292,830	-	-	-	46	-	46	375,435	82,559	292,876
Financial assets at fair value through profit or loss	40,899	-	40,899	-	-	-	-	-	-	40,899	-	40,899
Loans and finance lease receivable:	2,371,210	2,016,456	354,754	256,663	236,050	20,613	257,356	241,277	16,079	2,885,229	2,493,783	391,446
<i>loans to SMEs</i>	1,279,651	1,186,037	93,614	158,487	157,498	989	157,878	157,539	339	1,596,016	1,501,074	94,942
<i>loans to other enterprises</i>	782,232	670,705	111,527	30,654	30,629	25	56,477	56,092	385	869,363	757,426	111,937
<i>loans to individuals</i>	309,327	159,714	149,613	67,522	47,923	19,599	43,001	27,646	15,355	419,850	235,283	184,567
Investment securities:	375,358	-	375,358	-	-	-	-	-	-	375,358	-	375,358
<i>available-for-sale</i>	52,096	-	52,096	-	-	-	-	-	-	52,096	-	52,096
<i>held-to-maturity</i>	323,262	-	323,262	-	-	-	-	-	-	323,262	-	323,262
Other assets	98,432	-	98,432	136	-	136	1	-	1	98,569	-	98,569
Total	3,591,325	2,099,015	1,492,310	256,799	236,050	20,749	257,403	241,277	16,126	4,105,527	2,576,342	1,529,185

EXPLANATORY NOTES
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2009
(All amounts in LTL thousands unless otherwise stated)



The Group as of 31 December 2008:

	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	144,216	-	144,216	-	-	-	-	-	-	144,216	-	144,216
Loans and advances to banks and other financial institutions	294,319	173,764	120,555	-	-	-	21	-	21	294,340	173,764	120,576
Financial assets at fair value through profit or loss	45,250	-	45,250	-	-	-	-	-	-	45,250	-	45,250
Loans and finance lease receivable:	2,477,228	2,059,510	417,718	142,222	122,479	19,743	260,438	247,107	13,331	2,879,888	2,429,096	450,792
<i>loans to SMEs</i>	1,386,394	1,286,952	99,442	88,304	85,984	2,320	168,306	166,972	1,334	1,643,004	1,539,908	103,096
<i>loans to other enterprises</i>	664,620	539,708	124,912	15,710	6,140	9,570	53,397	52,909	488	733,727	598,757	134,970
<i>loans to individuals</i>	426,214	232,850	193,364	38,208	30,355	7,853	38,735	27,226	11,509	503,157	290,431	212,726
Investment securities:	425,884	-	425,884	-	-	-	-	-	-	425,884	-	425,884
<i>available-for-sale</i>	50,676	-	50,676	-	-	-	-	-	-	50,676	-	50,676
<i>held-to-maturity</i>	375,208	-	375,208	-	-	-	-	-	-	375,208	-	375,208
Other assets	69,782	-	69,782	77	-	77	2	-	2	69,861	-	69,861
Total	3,456,679	2,233,274	1,223,405	142,299	122,479	19,820	260,461	247,107	13,354	3,859,439	2,602,860	1,256,579

EXPLANATORY NOTES
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2009
(All amounts in LTL thousands unless otherwise stated)



The Bank as of 30 June 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	330,037	-	330,037	-	-	-	-	-	-	330,037	-	330,037
Loans and advances to banks and other financial institutions	439,552	82,559	356,993	-	-	-	46	-	46	439,598	82,559	357,039
Financial assets at fair value through profit or loss	17,799	-	17,799	-	-	-	-	-	-	17,799	-	17,799
Loans and finance lease receivable:	2,167,466	1,910,695	256,771	200,224	192,068	8,156	212,304	207,819	4,485	2,579,994	2,310,582	269,412
<i>loans to SMEs</i>	1,236,361	1,142,753	93,608	133,131	132,141	990	133,477	133,137	340	1,502,969	1,408,031	94,938
<i>loans to other enterprises</i>	777,216	665,689	111,527	28,434	28,409	25	53,085	52,700	385	858,735	746,798	111,937
<i>loans to individuals</i>	153,889	102,253	51,636	38,659	31,518	7,141	25,742	21,982	3,760	218,290	155,753	62,537
Investment securities:	600,204	-	600,204	-	-	-	-	-	-	600,204	-	600,204
<i>available-for-sale</i>	51,879	-	51,879	-	-	-	-	-	-	51,879	-	51,879
<i>held-to-maturity</i>	548,325	-	548,325	-	-	-	-	-	-	548,325	-	548,325
Other assets	80,861	-	80,861	136	-	136	1	-	1	80,998	-	80,998
Total	3,635,919	1,993,254	1,642,665	200,360	192,068	8,292	212,351	207,819	4,532	4,048,630	2,393,141	1,655,489

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FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2009
(All amounts in LTL thousands unless otherwise stated)



The Bank as of 31 December 2008:

	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	144,216	-	144,216	-	-	-	-	-	-	144,216	-	144,216
Loans and advances to banks and other financial institutions	875,541	173,764	701,777	-	-	-	53,332	-	53,332	928,873	173,764	755,109
Financial assets at fair value through profit or loss	26,511	-	26,511	-	-	-	-	-	-	26,511	-	26,511
Loans and finance lease receivable:	2,197,919	1,897,951	299,968	97,183	79,891	17,292	217,402	212,895	4,507	2,512,504	2,190,737	321,767
<i>loans to SMEs</i>	1,337,516	1,241,856	95,660	57,948	55,628	2,320	144,566	143,236	1,330	1,540,030	1,440,720	99,310
<i>loans to other enterprises</i>	654,659	529,747	124,912	13,885	4,315	9,570	51,672	51,183	489	720,216	585,245	134,971
<i>loans to individuals</i>	205,744	126,348	79,396	25,350	19,948	5,402	21,164	18,476	2,688	252,258	164,772	87,486
Investment securities:	422,493	-	422,493	-	-	-	-	-	-	422,493	-	422,493
<i>available-for-sale</i>	50,482	-	50,482	-	-	-	-	-	-	50,482	-	50,482
<i>held-to-maturity</i>	372,011	-	372,011	-	-	-	-	-	-	372,011	-	372,011
Other assets	57,401	-	57,401	77	-	77	2	-	2	57,480	-	57,480
Total	3,724,081	2,071,715	1,652,366	97,260	79,891	17,369	270,736	212,895	57,841	4,092,077	2,364,501	1,727,576

NOTE 15 LIQUIDITY RISK MANAGEMENT

As of 30 June 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
Assets							
Cash and balances with central bank	370,885	-	-	-	-	-	370,885
Loans and advances to banks and other financial institutions	266,335	66,754	10,978	914	-	30,454	375,435
Financial assets at fair value through profit or loss	3,973	2	2,189	2,857	3,991	27,887	40,899
Loans and finance lease receivable	1,171,606	253,030	485,408	613,718	188,868	172,599	2,885,229
Investment securities:	4,037	18,082	101,115	182,371	47,599	22,154	375,358
<i>available-for-sale</i>	73	71	102	-	29,696	22,154	52,096
<i>held-to-maturity</i>	3,964	18,011	101,013	182,371	17,903	-	323,262
Intangible assets	-	-	-	-	-	22,511	22,511
Property, plant and equipment	-	-	-	-	-	34,155	34,155
Investment property	-	-	-	-	-	26,026	26,026
Deferred income tax assets	-	-	-	-	-	1,938	1,938
Other assets	6,938	1,515	3,716	11,250	44,959	29,945	98,323
Total assets	1,823,774	339,383	603,406	811,110	285,417	367,669	4,230,759
Liabilities							
Due to banks and other financial institutions	228,162	61,169	124,441	2,756	5,200	28,982	450,710
Financial liabilities at fair value through profit or loss	110	-	-	-	-	-	110
Due to customers	1,635,373	485,498	918,485	53,079	1,341	-	3,093,776
Debt securities in issue	10,928	11,059	-	-	-	-	21,987
Subordinated loans	5,776	-	4,366	-	93,226	-	103,368
Deferred tax liabilities	-	-	-	-	-	1,248	1,248
Other liabilities	26,250	732	495	9,407	25,000	277	62,161
Total liabilities	1,906,599	558,458	1,047,787	65,242	124,767	30,507	3,733,360
Net position	(82,825)	(219,075)	(444,381)	745,868	160,650	337,162	497,399

As of 31 December 2008 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	1,096,447	224,749	1,095,568	1,103,282	270,574	194,033	3,984,653
Total liabilities	1,464,575	554,699	1,222,958	102,595	113,171	32,680	3,490,678
Net position	(368,128)	(329,950)	(127,390)	1,000,687	157,403	161,353	493,975

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As of 30 June 2009 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	370,884	-	-	-	-	-	370,884
Loans and advances to banks and other financial institutions	268,810	69,162	11,243	54,357	5,288	30,738	439,598
Financial assets at fair value through profit or loss	3,921	2	342	456	-	13,078	17,799
Loans and finance lease receivable	1,154,384	225,970	397,968	491,216	163,341	147,115	2,579,994
Investment securities: available-for-sale	234,032	17,802	97,347	181,487	47,599	21,937	600,204
held-to-maturity	73	71	102	-	29,696	21,937	51,879
	233,959	17,731	97,245	181,487	17,903	-	548,325
Investments in subsidiaries	-	-	-	-	-	39,821	39,821
Intangible assets	-	-	-	-	-	2,654	2,654
Property, plant and equipment	-	-	-	-	-	26,498	26,498
Investment property	-	-	-	-	-	16,052	16,052
Deferred income tax assets	-	-	-	-	-	1,938	1,938
Other assets	1,042	1,318	3,050	11,179	36,419	27,744	80,752
Total assets	2,033,073	314,254	509,950	738,695	252,647	327,575	4,176,194
Liabilities							
Due to banks and other financial institutions	221,557	62,773	129,297	3,067	5,200	28,982	450,876
Financial liabilities at fair value through profit or loss	139	-	-	-	-	-	139
Due to customers	1,635,373	485,498	918,485	53,079	1,341	-	3,093,776
Debt securities in issue	10,928	11,468	-	-	-	-	22,396
Subordinated loans	5,776	-	4,366	-	93,226	-	103,368
Other liabilities	17,882	273	54	8,288	-	-	26,497
Total liabilities	1,891,655	560,012	1,052,202	64,434	99,767	28,982	3,697,052
Net position	141,418	(245,758)	(542,252)	674,261	152,880	298,593	479,142

As of 31 December 2008 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
Total assets	1,360,694	242,713	1,072,661	966,913	393,502	187,767	4,224,250
Total liabilities	1,446,969	851,045	1,224,357	102,214	93,790	31,372	3,749,747
Net position	(86,275)	(608,332)	(151,696)	864,699	299,712	156,395	474,503

NOTE 16 MARKET RISK MANAGEMENT

a) currency risk

Concentrations of assets, liabilities and off balance sheet items of the Group as of 30 June 2009:

	EUR	USD	LTL	Other	Total
Assets					
Cash and balances with central bank	191,035	7,245	169,864	2,741	370,885
Loans and advances to banks and other financial institutions	65,709	237,793	11,976	59,957	375,435
Financial assets at fair value through profit or loss	13,633	12,581	13,573	1,112	40,899
Loans and finance lease receivable	881,859	184,166	1,806,945	12,259	2,885,229
Investment securities:	158,472	193,578	18,229	5,079	375,358
<i>available-for-sale</i>	4,088	26,243	17,004	4,761	52,096
<i>held-to-maturity</i>	154,384	167,335	1,225	318	323,262
Intangible assets	-	-	22,466	45	22,511
Property, plant and equipment	-	-	27,545	6,610	34,155
Investment property	-	-	26,026	-	26,026
Deferred income tax assets	-	-	1,938	-	1,938
Other assets	5,672	285	85,825	6,541	98,323
Total assets	1,316,380	635,648	2,184,387	94,344	4,230,759
Liabilities					
Due to banks and other financial institutions	187,193	183,170	27,950	52,397	450,710
Financial liabilities at fair value through profit or loss	-	-	110	-	110
Due to customers	992,182	467,762	1,610,221	23,611	3,093,776
Debt securities in issue	3,836	-	18,151	-	21,987
Subordinated loans	94,539	8,829	-	-	103,368
Deferred income tax liabilities	-	-	1,248	-	1,248
Other liabilities	1,693	2,937	56,600	931	62,161
Total liabilities	1,279,443	662,698	1,714,280	76,939	3,733,360
Total equity	-	-	501,946	(4,547)	497,399
Total liabilities and equity	1,279,443	662,698	2,216,226	72,392	4,230,759
Net balance sheet position	36,937	(27,050)	(31,839)	21,952	-
Credit commitments	12,820	1,371	89,815	-	104,006
Issued guarantees	4,279	4,613	35,163	-	44,055
Net off balance FX deals position	22,311	18,475	(34,528)	(6,127)	131
Net balance sheet and off balance sheet position	59,248	(8,575)	(66,367)	15,825	131

Concentrations of assets, liabilities and off balance sheet items of the Group as of 31 December 2008:

	EUR	USD	LTL	Other	Total
Total assets	873,391	551,287	2,528,924	31,051	3,984,653
Total liabilities and equity	844,946	686,106	2,390,334	63,267	3,984,653
Net balance sheet position	28,445	(134,819)	138,590	(32,216)	-
Credit commitments	35,267	4,329	130,108	44	169,748
Issued guarantees	4,550	4,655	23,813	54	33,072
Net off balance FX deals position	(95,438)	128,369	(65,943)	38,266	5,254
Net balance sheet and off balance sheet position	(66,993)	(6,450)	72,647	6,050	5,254

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Concentrations of assets, liabilities and off balance sheet items of the Bank as of 30 June 2009:

	EUR	USD	LTL	Other	Total
Assets					
Cash and balances with central bank	191,035	7,245	169,863	2,741	370,884
Loans and advances to banks and other financial institutions	80,485	280,827	18,558	59,728	439,598
Financial assets at fair value through profit or loss	326	9,530	7,452	491	17,799
Loans and finance lease receivable	835,336	154,954	1,577,445	12,259	2,579,994
Investment securities:	154,319	193,000	247,806	5,079	600,204
<i>available-for-sale</i>	4,088	26,243	16,787	4,761	51,879
<i>held-to-maturity</i>	150,231	166,757	231,019	318	548,325
Investments in subsidiaries	-	-	39,821	-	39,821
Intangible assets	-	-	2,654	-	2,654
Property, plant and equipment	-	-	26,498	-	26,498
Investment property	-	-	16,052	-	16,052
Deferred income tax assets	-	-	1,938	-	1,938
Other assets	5,490	326	72,730	2,206	79,076
Total assets	1,266,991	645,882	2,180,817	82,504	4,176,194
Liabilities					
Due to banks and other financial institutions	193,559	183,176	21,744	52,397	450,876
Financial liabilities at fair value through profit or loss	-	-	139	-	139
Due to customers	992,182	467,762	1,610,221	23,611	3,093,776
Debt securities in issue	3,836	-	18,560	-	22,396
Subordinated loans	94,539	8,829	-	-	103,368
Other liabilities	1,693	3,003	21,727	74	26,497
Total liabilities	1,285,809	662,770	1,672,391	76,082	3,697,052
Total equity	-	-	479,142	-	479,142
Total liabilities and equity	1,285,809	662,770	2,151,533	76,082	4,176,194
Net balance sheet position	(18,818)	(16,888)	29,284	6,422	-
Credit commitments	12,846	1,371	33,963	-	48,180
Issued guarantees	4,279	4,613	35,163	-	44,055
Net off balance FX deals position	21,703	19,054	(34,528)	(6,127)	102
Net balance sheet and off balance sheet position	2,885	2,166	(5,244)	295	102

Concentrations of assets, liabilities and off balance sheet items of the Bank as of 31 December 2008:

	EUR	USD	LTL	Other	Total
Total assets	973,555	548,545	2,674,175	27,975	4,224,250
Total liabilities and equity	836,863	681,328	2,639,249	66,810	4,224,250
Net balance sheet position	136,692	(132,783)	34,926	(38,835)	-
Credit commitments	37,154	4,329	55,320	44	96,847
Issued guarantees	4,550	4,655	23,813	54	33,072
Net off balance FX deals position	(96,075)	128,945	(65,943)	38,266	5,193
Net balance sheet and off balance sheet position	40,617	(3,837)	(31,017)	(570)	5,193

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(All amounts in LTL thousands unless otherwise stated)



Sensitivity to currency risk, LTL'000:

The Group			The Bank	
2009-06-30	2008-12-31		2009-06-30	2008-12-31
		Sensitivity to changes in EUR rates		
-	-	Expected rate fluctuation, %	-	-
59,249	(66,993)	Open position	2,885	40,617
-	-	Effect on profit or loss	-	-
-	-	Effect on equity	-	-
		Sensitivity to changes in USD rates		
12.33	3.97	Expected rate fluctuation, %	12.33	3.97
(8,718)	(6,450)	Open position	2,023	(3,837)
±1,075	±256	Effect on profit or loss	±249	±152
-	-	Effect on equity	-	-
		Sensitivity to changes in RUB rates		
15.79	-	Expected rate fluctuation, %	15.79	-
(18)	-	Open position	19	-
±3	-	Effect on profit or loss	±3	-
-	-	Effect on equity	-	-
		Sensitivity to changes in UAH rates		
33.05	31.06	Expected rate fluctuation, %	33.05	31.06
14,909	5,881	Open position	1	1
±4,927	±1,827	Effect on profit or loss	-	-
-	-	Effect on equity	-	-

Expected rate fluctuation is based on the actual changes during the year to the date of calculation.

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 June 2009 loans with fixed lowest interest rate for the Group/Bank comprised LTL'000 1,203,542 (31 December 2008: LTL'000 1,570,530).

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(All amounts in LTL thousands unless otherwise stated)



The table below summarizes the Group's exposure to interest rate risks as of 30 June 2009.

	Up to 1 month	1-3 months	3-12 months	Over 1 year	Non- interest bearing	Total
Assets						
Cash and balances with central bank	64,069	-	-	-	306,816	370,885
Loans and advances to banks and other financial institutions	181,643	66,741	17,351	799	108,901	375,435
Financial assets at fair value through profit or loss	8,906	-	-	-	31,993	40,899
Loans and finance lease receivable	1,783,007	167,206	386,006	251,640	297,370	2,885,229
Investment securities:	36,599	23,886	89,298	197,751	27,824	375,358
<i>available-for-sale</i>	29,695	-	-	-	22,401	52,096
<i>held-to-maturity</i>	6,904	23,886	89,298	197,751	5,423	323,262
Intangible assets	-	-	-	-	22,511	22,511
Property, plant and equipment	-	-	-	-	34,155	34,155
Investment property	-	-	-	-	26,026	26,026
Deferred income tax assets	-	-	-	-	1,938	1,938
Other assets	-	-	-	-	98,323	98,323
Total assets	2,074,224	257,833	492,655	450,190	955,857	4,230,759
Liabilities						
Due to banks and other financial institutions	220,474	108,042	18,689	5,588	97,917	450,710
Financial liabilities at fair value through profit or loss	-	-	-	-	110	110
Due to customers	1,136,946	475,233	900,872	48,773	531,952	3,093,776
Debt securities in issue	10,183	10,460	-	-	1,344	21,987
Subordinated loans	3,696	-	3,697	93,226	2,749	103,368
Deferred income tax liabilities	-	-	-	-	1,248	1,248
Other liabilities	-	-	-	8,000	54,161	62,161
Total liabilities	1,371,299	593,735	923,258	155,587	689,481	3,733,360
Off balance sheet claims sensitive to interest rate changes	-	-	-	-	-	-
Off balance sheet liabilities sensitive to interest rate changes	-	-	-	-	-	-
Interest rate risk	702,925	(335,902)	(430,603)	294,603	266,376	497,399

The table below summarizes the Group's exposure to interest rate risks as of 31 December 2008.

	Up to 1 month	1-3 months	3-12 months	Over 1 year	Non- interest bearing	Total
Total assets	2,047,908	184,138	726,492	570,991	455,124	3,984,653
Total liabilities	886,388	577,313	1,193,793	152,407	680,777	3,490,678
Off balance sheet claims sensitive to interest rate changes	17,264	-	-	-	-	17,264
Off balance sheet liabilities sensitive to interest rate changes	17,264	-	-	-	-	17,264
Interest rate risk	1,161,520	(393,175)	(467,301)	418,584	(225,653)	493,975

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The table below summarizes the Bank's exposure to interest rate risks as of 30 June 2009.

	Up to 1 month	1-3 months	3-12 months	Over 1 year	Non-interest bearing	Total
Assets						
Cash and balances with central bank	64,069	-	-	-	306,815	370,884
Loans and advances to banks and other financial institutions	190,439	69,144	20,158	50,909	108,948	439,598
Financial assets held for trading	767	-	-	-	17,032	17,799
Loans and finance lease receivable	1,755,296	125,906	293,006	128,445	277,341	2,579,994
Investment securities:	266,599	23,612	85,572	196,871	27,550	600,204
<i>available-for-sale</i>	29,695	-	-	-	22,184	51,579
<i>held-to-maturity</i>	236,904	23,612	85,572	196,871	5,366	548,325
Investments in subsidiaries	-	-	-	-	39,821	39,821
Intangible assets	-	-	-	-	2,654	2,654
Property, plant and equipment	-	-	-	-	26,498	26,498
Investment property	-	-	-	-	16,052	16,052
Deferred income tax assets	-	-	-	-	1,938	1,938
Other assets	-	-	-	-	80,752	80,752
Total assets	2,277,170	218,662	398,736	376,225	905,401	4,176,194
Liabilities						
Due to banks and other financial institutions	220,617	100,646	23,546	5,899	100,168	450,876
Financial liabilities at fair value through profit or loss	-	-	-	-	139	139
Due to customers	1,136,946	475,233	900,872	48,773	531,952	3,093,776
Debt securities in issue	10,183	10,838	-	-	1,375	22,396
Subordinated loans	3,696	-	3,697	93,226	2,749	103,368
Other liabilities	-	-	-	8,000	18,497	26,497
Total liabilities	1,371,442	586,717	928,115	155,898	654,880	3,697,052
Off balance sheet claims sensitive to interest rate changes	-	-	-	-	-	-
Off balance sheet liabilities sensitive to interest rate changes	-	-	-	-	-	-
Interest rate risk	905,728	(368,055)	(529,379)	220,327	250,521	479,142

The table below summarizes the Bank's exposure to interest rate risks as of 31 December 2008.

	Up to 1 month	1-3 months	3-12 months	Over 1 year	Non-interest bearing	Total
Total assets	2,593,684	135,527	603,914	456,428	434,697	4,224,250
Total liabilities	881,116	873,800	1,197,190	152,718	644,923	3,749,747
Off balance sheet claims sensitive to interest rate changes	17,264	-	-	-	-	17,264
Off balance sheet liabilities sensitive to interest rate changes	17,264	-	-	-	-	17,264
Interest rate risk	1,712,568	(738,273)	(593,276)	303,710	(210,226)	474,503

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Sensitivity to interest rate risk:

The Group			The Bank	
2009-06-30	2008-12-31		2009-06-30	2008-12-31
Changes in profit or loss if interest rates increased by 1 percentage point				
2,838	4,152	LTL	4,409	4,782
(1,645)	1,257	EUR	(2,014)	2,426
470	(721)	USD	499	(671)
57	(238)	Other currencies	53	(245)
1,720	4,450	Total changes in profit or loss if interest rates increased by 1 percentage point	2,947	6,292
Changes in profit or loss if interest rates decreased by 1 percentage point				
(2,839)	(4,152)	LTL	(4,355)	(4,781)
4,473	1,514	EUR	4,875	1,775
308	1,792	USD	283	1,742
(15)	312	Other currencies	(11)	319
1,927	(534)	Total changes in profit or loss if interest rates decreased by 1 percentage point	792	(945)

Negative impact from the decrease in interest rates is lower than positive impact from the increase in interest rates because of the variable rate loans granted with fixed minimal interest rates.

NOTE 17 COMPLIANCE WITH PRUDENTIAL REQUIREMENTS

In 2008 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 June 2009 is presented in the table below:

Ratio	Requirement	Bank's ratio	Group's ratio
Capital adequacy ratio	>= 8 percent	14.50%	14.67%
Liquidity ratio	>= 30 percent	43.31%	42.74%
Maximum credit exposure to a single borrower	<= 25 percent (for subsidiaries – 75 percent) of eligible capital	Complied	Complied
Large loans	<= 800 percent of eligible capital	249.09%	182.15%
Aggregate open foreign currency position	<= 25 percent of eligible capital	0.47%	2.84%
Single open foreign currency position	<= 15 percent of eligible capital	0.38%	2.65%

The compliance with the limits and ratios set by the Bank of Lithuania as of 31 December 2008 is presented in the table below:

Ratio	Requirement	Bank's ratio	Group's ratio
Capital adequacy ratio	>= 8 percent	12.79%	13.29%
Liquidity ratio	>= 30 percent	42.75%	35.99%
Maximum credit exposure to a single borrower	<= 25 percent (for subsidiaries – 75 percent) of eligible capital	Complied	Complied
Large loans	<= 800 percent of eligible capital	357.06%	200.71%
Aggregate open foreign currency position	<= 25 percent of eligible capital	(0.99)%	(1.38)%
Single open foreign currency position	<= 15 percent of eligible capital	(0.82)%	(1.25)%

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 is to be at least 8 percent of the Group's and the Bank's capital.

Starting from year 2008, 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 June 2009 and 31 December 2008 calculated in accordance with the Bank of Lithuania regulations, is presented in the table below:

The Group			The Bank	
2009-06-30	2008-12-31		2009-06-30	2008-12-31
		Tier 1 capital		
245,824	196,708	Share capital	245,824	196,708
76,500	76,500	Share premium	76,500	76,500
136,647	50,000	Reserve capital	136,647	50,000
16,650	60,145	Undistributed profit of previous years	-	33,825
16,046	11,245	Legal reserve	15,532	10,971
-	49,116	General reserve for losses of assets	-	49,116
(49)	(110)	Revaluation reserve – available-for-sale investment securities	-	-
<u>(22,511)</u>	<u>(22,671)</u>	Deductions	<u>(22,389)</u>	<u>(22,513)</u>
469,107	420,933	Total Tier 1 capital	452,114	394,607
		Tier 2 capital		
(455)	2,358	Currency translation reserve	-	-
93,226	93,961	Eligible for inclusion in Tier 2 capital part of subordinated loans	93,226	93,961
-	-	Deductions	<u>(19,736)</u>	<u>(19,736)</u>
92,771	96,319	Total Tier 2 capital	73,490	74,225
561,878	517,252	Total Capital Base	525,604	468,832
		Risk-weighted assets and off-balance sheet items		
3,182,280	3,261,140	Banking book risk-weighted assets and off-balance sheet items	3,158,820	3,169,020
202,080	184,190	Trading book risk-weighted assets and off-balance sheet items	100,520	131,260
445,560	445,560	Operational risk risk-weighted assets and off-balance sheet items	<u>365,030</u>	<u>365,030</u>
3,829,920	3,890,890	Total risk-weighted assets and off-balance sheet items	3,624,370	3,665,310
12.25	10.82	Tier 1 capital / Total risk-weighted assets and off-balance sheet items, %	12.47	10.77
14.67	13.29	Capital adequacy ratio, %	14.50	12.79

NOTE 19 RELATED PARTY TRANSACTIONS

Related party	Description of relationship
Shareholders	Shareholders whose interest exceeds 5 percents 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	Balkan Investment Bank A. D.; UAB Ūkio banko investicinė grupė; UAB Asocijuoto turto valdymas; UAB FMI 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 2009 and 2008 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 June 2009				
Loans, finance lease receivable	2,804	-	-	125,141
Interest income	33	-	-	2,318
Deposits	1,732	29	-	16,097
Interest expenses	35	-	-	92
As of 31 December 2008				
Loans, finance lease receivable	3,494	-	-	112,371
Interest income	134	-	-	5,444
Deposits	2,215	21	-	39,807
Interest expenses	141	6	-	658
The Bank				
As of 30 June 2009				
Loans, finance lease receivable	2,757	-	-	125,078
Interest income	31	-	-	2,315
Deposits	1,732	29	-	16,097
Interest expenses	35	-	-	92
As of 31 December 2008				
Loans, finance lease receivable	3,480	-	-	112,255
Interest income	131	-	-	5,436
Deposits	2,215	21	-	39,807
Interest expenses	141	6	-	658

The Group		Compensation to key management personnel	The Bank	
2009-01-01 - 2009-06-30	2008-01-01 - 2008-06-30		2009-01-01 - 2009-06-30	2008-01-01 - 2008-06-30
(302)	2,645	Short-terms payments	(1,440)	2,194
-	-	Long-terms payments	-	33

**EXPLANATORY NOTES
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2009**
(All amounts in LTL thousands unless otherwise stated)



As of 30 June 2009 and for the six 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	9,495	14	76	392
UAB Ūkio banko lizingas	90	233,402	10,431	42
UAB Ūkio banko investicijų valdymas	75	-	1	1
UAB Ūkio banko rizikos kapitalo valdymas	-	11,449	6,810	6,916
RAB Ūkio bank lizing	-	53,881	1,791	-

As of 31 December 2008 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	10,145	1	96	532
UAB Ūkio banko lizingas	407	280,813	17,680	125
UAB Ūkio banko investicijų valdymas	153	-	1	9
UAB Ūkio banko rizikos kapitalo valdymas	300,001	303,336	2,848	2,539
RAB Ūkio bank lizing	-	53,311	3,572	-

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	
2009-06-30	2008-12-31		2009-06-30	2008-12-31
44,055	33,072	Guarantees and warranties	44,055	33,072
3,184	981	Commitments to issue letters of credit	3,184	981
104,006	169,748	Irrevocable lending commitments	48,180	96,847
79,232	76,161	Spot liabilities	79,232	76,161
79,196	75,798	Spot claims	79,196	75,798
4,737	6	Other off balance commitments	4,737	6

As of 30 June 2009 UAB Ūkio Banko Lizingas has finance lease contracts in the amount LTL'000 409 signed, but not yet executed (31 December 2008: LTL'000 1,378).

Finance lease – as of 30 June 2009 the Bank has outstanding finance lease obligations under finance lease contracts in the amount of LTL'000 0 (31 December 2008: LTL'000 60). 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. The Bank's finance lease obligations relate to lease contracts signed with the Bank's wholly owned subsidiary UAB Ūkio Banko Lizingas.

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 June 2009 amounting to LTL'000 78,322 (31 December 2008: LTL'000 84,343).

**EXPLANATORY NOTES
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2009**
(All amounts in LTL thousands unless otherwise stated)



As of 30 June 2009 the Group's and the Bank's future annual minimum commitments under leases were following:

For the year ending 31 December	2009-06-30		2008-12-31	
	Finance lease	Operating lease	Finance lease	Operating lease
2009	-	5,949	61	11,428
2010	-	10,607	-	10,444
2011	-	9,958	-	9,825
2012	-	8,241	-	8,290
2013	-	7,388	-	6,929
Thereafter	-	36,179	-	37,427
Minimum lease payments		78,322	61	84,343
Less: interest	-	-	(1)	-
Present value of minimum lease payments	-	-	60	-

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 June 2009 and 31 December 2008 the Group/Bank was not involved in any legal proceedings except for those related to loan loss recovery.

NOTE 21 SEGMENT ANALYSIS BY BUSINESS SEGMENT

	2009-01-01 – 2009-06-30				
	Banking	Finance lease	Other activities	Elimination	Group
CONTINUING OPERATIONS					
Revenues:					
Internal	19,108	51	8,016	(27,175)	-
External	186,663	33,091	12,464	-	232,218
	205,771	33,142	20,480	(27,175)	232,218
Expenses:					
Internal	(7,582)	(12,989)	(6,919)	27,490	-
External	(182,266)	(8,564)	(9,784)	-	(200,614)
	(189,848)	(21,553)	(16,703)	27,490	(200,614)
Segment result	15,923	11,589	3,777	315	31,604
Impairment losses	(7,851)	(6,459)	(254)	(6,154)	(20,718)
Depreciation and amortization	(3,207)	(293)	(125)	-	(3,625)
Profit before tax	4,865	4,837	3,398	(5,839)	7,261
Income tax	(226)	(712)	(87)	-	(1,025)
Net result for the period from continuing operations	4,639	4,125	3,311	(5,839)	6,236
Net result from discontinued operations	-	-	-	-	-
NET RESULT FROM CONTINUING AND DISCONTINUED OPERATIONS	4,639	4,125	3,311	(5,839)	6,236
Attributable to:					
Equity holders of the parent	4,639	4,125	3,311	(5,839)	6,236
Minority interest	-	-	-	-	-
Assets	4,176,194	318,076	85,276	(348,787)	4,230,759
Liabilities	3,697,052	305,718	38,562	(307,972)	3,733,360

The Banking segment includes financial information of AB Ūkio Bankas, Finance lease segment includes financial information of UAB Ūkio Banko Lizingas and RAB Ūkio Bank Lizing. Other activities segment includes financial information of UAB Ūkio Banko Rizikos Kapitalo Valdymas, UAB Ūkio Banko Investicijų Valdymas and GD UAB Bonum Publicum.

**EXPLANATORY NOTES
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2009**
(All amounts in LTL thousands unless otherwise stated)



	2008-01-01 – 2008-06-30				
	Banking	Finance lease	Other activities	Elimination	Group
CONTINUING OPERATIONS					
Revenues:					
Internal	11,585	68	5	(11,658)	-
External	193,405	26,959	4,478	-	224,842
	204,990	27,027	4,483	(11,658)	224,842
Expenses:					
Internal	(62)	(8,483)	(185)	8,730	-
External	(160,617)	(10,472)	(1,493)	-	(172,582)
	(160,679)	(18,955)	(1,678)	8,730	(172,582)
Segment result	44,311	8,072	2,805	(2,928)	52,260
Impairment losses	17,576	(3,062)	-	-	14,514
Depreciation and amortization	(3,353)	(252)	(20)	-	(3,625)
Profit before tax	58,534	4,758	2,785	(2,928)	63,149
Income tax	(7,897)	(392)	(10)	-	(8,299)
Net result for the period from continuing operations	50,637	4,366	2,775	(2,928)	54,850
Net result from discontinued operations	-	-	(4,086)	2,928	(1,158)
NET RESULT FROM CONTINUING AND DISCONTINUED OPERATIONS	50,637	4,366	(1,311)	-	53,692
Attributable to:					
Equity holders of the parent	50,637	4,366	(1,257)	-	53,746
Minority interest	-	-	(54)	-	(54)
Assets	4,224,687	361,969	689,449	(765,941)	4,510,164
Liabilities	3,749,182	340,920	578,962	(717,828)	3,951,236

The Banking segment includes financial information of AB Ūkio Bankas, Finance lease segment includes financial information of UAB Ūkio Banko Lizingas and RAB Ūkio Bank Lizing. Other activities segment includes financial information of UAB Ūkio Banko Rizikos Kapitalo Valdymas, UAB Ūkio Banko Investicijų Valdymas and GD UAB Bonum Publicum. Discontinued operations (attributed to other activities segment) includes financial information of UAB Turto valdymo strategija, UAB Turto Valdymo Sprendimai, UAB Turto Valdymo Sistemai and OAO Russkiy Karavay.

NOTE 22 MAIN PROFITABILITY RATIOS

The Group			The Bank	
2009-01-01 – 2009-06-30	2008-01-01 – 2008-06-30		2009-01-01 – 2009-06-30	2008-01-01 – 2008-06-30
0.30	2.43	Return on assets, annualised, in percent	0.22	2.46
2.52	20.01	Return on equity, annualised, in percent	1.95	22.37
0.92	0.51	Expense / Income before income tax	0.93	0.48
