

**A/ s "Latvijas Krājbanka"**  
**Balance Sheet**  
**31 March 2005**  
**(thousands of Lats)**

Name of the Item	Reporting period 31.03.2005 (unaudited)	Previous reporting period 31.03.2004 (unaudited)
Cash and balances due from the Bank of Latvia	13 327	13 553
Due from credit institutions and central banks	18 515	8 388
Loans	123 695	100 106
Debt securities and other fixed income securities	32 602	37 229
Equity shares and other non- fixed income securities	49	77
Derivative financial instruments	173	16
Participation in share capital of related and affiliated companies	126	-
Intangible assets	871	992
Fixed assets	7 034	7 628
Other assets	5 595	3 767
<b>Total assets</b>	<b>201 987</b>	<b>171 756</b>
Due to credit institutions and central banks	5 027	17 173
Deposits	172 163	135 119
Derivative financial instruments	195	17
Other liabilities	7 602	4 621
Subordinated liabilities	3 403	3 134
Shareholders' equity	13 597	11 692
<b>Total liabilities</b>	<b>201 987</b>	<b>171 756</b>
Contingent liabilities	1 196	457
Commitments	9 406	8 945
Assets under management	8 721	10 100

Chairman of the Council

I.Razumovskis

President

A.Nātriņš

**A/ s "Latvijas Krājbanka"**  
**Profit and Loss**  
**31 March 2005**  
**(thousands of Lats)**

Name of the Item	Reporting period 31.03.2005 (unaudited)	Previous reporting period 31.03.2004 (unaudited)
Interest income	2 915	2 434
Interest expense	-1 074	-982
Income from securities	-	-
Commission and fee income	1 496	1 256
Commission and fee expense	-303	-196
Profit/loss from trading in financial instruments	572	243
Other operating income	159	182
Administrative expenditure	-2 300	-2 389
Depreciation and amortisation of intangible assets and fixed assets, corrections in their value	-429	-477
Other operating income	-53	-69
Impairment losses	-418	-157
Reversal of impairment losses	119	244
<b>Profit/loss before taxes</b>	<b>684</b>	<b>89</b>
Corporate income tax	-59	-44
<b>Profit/loss of the reporting period</b>	<b>625</b>	<b>45</b>
<b>Basic earnings per share (in lats per share)</b>	<b>0.069</b>	<b>0.005</b>

Chairman of the Council

I. Razumovskis

President

A. Nātriņš

**A/s "Latvijas Krājbanka"**  
**Cash flow statement**  
**31 March 2005**  
**(thousands of Lats)**

Name of the Item	Reporting period 31.03.2005 (unaudited)	Previous reporting 31.03.2004 (unaudited)
<b>Operating activities</b>		
Result before corporate income tax	684	89
Depreciation and amortisation	424	473
Impairment losses	(75)	(78)
Increase / (decrease) in provisions for liabilities and charges	284	298
Gain on revaluation of foreign currency	(37)	(80)
Gain on revaluation of investments	(209)	(100)
Loss / (gain) from disposal of fixed assets, net	11	(33)
<b>Increase in cash and cash equivalents before changes in assets and liabilities, as a result of ordinary operations</b>	<b>1 082</b>	<b>569</b>
Decrease in deferred income and accrued expenses	(225)	(451)
(Increase) in prepayments and accrued income	274	341
Net decrease / (increase) in derivative instruments	(5)	40
Decrease / (increase) in other assets	(1 607)	499
Increase in other liabilities	742	(1 300)
Decrease / (increase) investments	1 545	3 912
(Increase) in loans and advances to non-banking customers	(1 505)	(4 074)
Increase in balances due to the central bank and credit institutions	-	(48)
Increase / (decrease) in deposits from the public	14 172	(6 638)
<b>Net increase in cash and cash equivalents from operating activities</b>	<b>14 473</b>	<b>(7 150)</b>
<b>Cash inflow/ outflow from investing activities</b>		
(Purchase) of fixed and intangible assets	(218)	(273)
Proceeds from disposal of fixed and intangible assets	92	301
Investment in associate and subsidiary, net	-	-
<b>Increase in cash and cash equivalents from investing activities</b>	<b>(126)</b>	<b>28</b>
<b>Cash inflow from financing activities</b>		
Issue of shares and subordinated debt	-	534
(Repurchase)/sale of treasury shares	-	-
<b>Increase in cash and cash equivalents from financing activities</b>	<b>-</b>	<b>534</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>14 347</b>	<b>(6 588)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>12 867</b>	<b>11 275</b>
Profit/(loss) from revaluation of foreign currency positions, net	37	80
<b>Cash and cash equivalents at the end of the period</b>	<b>27 251</b>	<b>4 767</b>

Chairman of the Council

I.Razumovskis

President

A.Nātriņš

**A/s "Latvijas Krājbanka"**

**Unaudited statement of changes in shareholders' equity**

**31 March 2005**

**(thousands of Lats)**

	<b>Paid-in share capital</b>	<b>Share premium</b>	<b>Treasury shares</b>	<b>Reserve capital and other reserves</b>	<b>Revaluation reserve</b>	<b>Retained earnings</b>	<b>Total shareholders' equity</b>
<b>Balance on 31 December 2003</b>	<b>9 106</b>	<b>1 323</b>	<b>-</b>	<b>626</b>	<b>402</b>	<b>209</b>	<b>11 666</b>
Change in revaluation reserve due to sold property	-	-	-	-	(23)	23	-
Deferred tax recognised in the revaluation reserve	-	-	-	-	4	-	4
Net profit for the year	-	-	-	-	-	1 302	1 302
<b>Balance on 31 December 2004</b>	<b>9 106</b>	<b>1 323</b>	<b>-</b>	<b>626</b>	<b>383</b>	<b>1 534</b>	<b>12 972</b>
Net profit for the period	-	-	-	-	-	625	625
<b>Balance on 31 March 2005</b>	<b>9 106</b>	<b>1 323</b>	<b>-</b>	<b>626</b>	<b>383</b>	<b>2 159</b>	<b>13 597</b>

Chairman of the Council

I.Razumovskis

President

A.Nātriņš