



AB BANK SNORAS

A. Vivulskio str. 7, LT-03221 Vilnius

Interim Condensed Financial Information
(not audited)

I quarter 2008

INTERMEDIARY CONFIRMATION OF THE RESPONSIBLE PERSONS


We, the undersigned responsible persons, hereby confirm that the following summary of the intermediary financial accountability corresponds to reality and correctly displays the assets, obligations, financial state and profit of Bankas Snoras consolidated subsidiary companies belonging to its Financial group.

President



Raimondas Baranauskas

Chief Accountant



Zita Selenkovienė

BALANCE SHEETS

	31 March 2008		31 December 2007	
	Financial Group	Bank	Financial Group	Bank
Assets				
Cash and cash equivalents	2,257,509	1,603,446	3,099,201	1,587,821
Financial assets at fair value through profit or loss	752,953	517,849	848,053	708,028
Loans and placements with credit institutions	346,703	307,628	438,360	387,828
Available-for-sale financial assets	-	-	32,865	32,865
Loans to customers, net	4,454,906	2,941,393	4,133,122	2,648,726
Held-to-maturity financial assets	149,967	126,630	149,999	126,309
Investment in to subsidiaries	4,883	137,188	4,883	136,912
Property, plant and equipment	199,231	104,537	200,152	105,890
Intangible assets	21,271	3,416	20,830	3,607
Other assets	107,794	76,027	37,700	15,788
Total assets	8,295,217	5,818,114	8,965,165	5,753,774
Liabilities				
Amounts due to credit institutions	165,730	109,262	492,529	382,596
Derivative financial liabilities	4,128	1,391	2,677	418
Debt securities issued	654,058	640,295	639,920	625,378
Amounts due to customers	6,572,035	4,423,630	7,018,972	4,117,040
Subordinated loans	112,336	70,186	114,379	70,198
Current income tax liabilities	4,681	3,660	8,490	3,558
Deferred income tax liabilities	11,630	5,169	11,056	5,160
Other liabilities	145,356	73,059	83,923	44,942
Total liabilities	7,669,954	5,326,652	8,371,946	5,249,290
Equity				
Share capital	253,354	253,354	253,354	253,354
Share surplus	99,137	99,137	99,137	99,137
Reserves	72,664	62,608	65,396	55,255
Retained earnings	151,011	76,363	124,286	96,738
Total equity attributable to equity holders of the parent	576,166	491,462	542,173	504,484
Minority interest	49,097	-	51,046	-
Total equity	625,263	491,462	593,219	504,484
Total equity and liabilities	8,295,217	5,818,114	8,965,165	5,753,774

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

President

 Raimondas Baranauskas

Chief Accountant

 Zita Selenkoviene

STATEMENTS OF INCOME

	<i>31 March 2008</i>		<i>31 March 2007</i>	
	<i>Financial Group</i>	<i>Bank</i>	<i>Financial Group</i>	<i>Bank</i>
Interest income				
On loans to customers	99,746	57,639	55,130	28,299
On debt securities acquired	9,892	7,859	11,537	9,506
On loans and placements with credit institutions	17,914	11,312	14,222	11,726
	127,552	76,810	80,889	49,531
Interest expense				
On deposits	59,225	36,795	(36,006)	(23,995)
On placements from credit institutions	2,005	1,518	(2,811)	(1,861)
On debt securities issued	11,219	11,056	(234)	(92)
On subordinated loans	1,990	1,130	(1,652)	(926)
	(74,439)	(50,499)	(40,703)	(26,874)
Net interest income	53,113	26,311	40,186	22,657
(Impairment) of interest earning assets	(3,871)	259	(970)	(596)
Net interest income after impairment of interest earning assets	49,242	26,570	39,216	22,061
Fee and commission income	27,349	18,008	26,480	17,149
Fee and commission expenses	(6,053)	(1,908)	(4,862)	(1,698)
Net fee and commission income	21,344	16,100	21,618	15,451
Gains less losses from transactions with financial assets designated at fair value through profit or loss	50,420	(3,058)	(136)	442
Gains less losses from transactions with financial instruments classified as held for trading	5,089	4,312	2,069	1,833
Gains less losses from transactions in foreign currencies	2,916	(3,728)	3,027	1,122
Gains less losses from sales of available-for-sale financial assets	(45)	(48)	-	-
Dividend revenue	2	9,608	1	1
Other income	89	78	1,434	437
Other non interest income	58,471	7,164	6,395	3,835
Salaries and benefits	(32,630)	(17,666)	(22,154)	(11,619)
Depreciation and amortisation	(5,507)	(2,540)	(4,612)	(2,058)
Other operating expenses	(22,210)	(10,703)	(18,799)	(11,437)
Other (impairment and provisions) releases	-	-	50	50
Operating expenses	(60,347)	(30,909)	(45,515)	(25,064)
Profit before income tax	68,710	18,925	21,714	16,283
Income tax expense	(3,113)	(1,993)	(3,075)	(2,524)
Profit for the year	65,597	16,932	18,639	13,759
Attributable to:				
Minority interest	1,088	-	799	-
Equity holders of the parent	64,509	16,932	17,840	13,759
	65,597	16,932	18,639	13,759

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

(LTL thousand)

STATEMENTS OF CASH FLOWS

	31 March 2008	
	Financial Group	Bank
Operating activities		
Net result for the year	65,597	16,932
Adjustments to reconcile net profit or loss to net cash provided by operating activities:	51,684	34,632
Income tax expenses	3,113	1,993
Unrealised foreign currency gains and losses	15,351	11,822
Depreciation / amortisation	5,507	2,540
Impairment	3,869	(256)
Provisions, net	-	-
Investing and financing		
(Gains) losses on sale of investments, net	15	(2)
Operating		
Change in accrued interest income	4,853	4,332
Change in accrued interest expenses	18,976	14,203
Cash flows from operating profits before changes in operating assets and liabilities	117,281	51,564
(Increase) decrease in operating assets:		
(Increase) in balances with central banks	911,155	80,317
(Increase) in loans and receivables	(320,763)	(288,283)
Decrease in financial assets held for trading	113,820	118,169
(Increase) decrease in other assets	(89,005)	(71,282)
Increase (decrease) in operating liabilities:		
Increase (decrease) in deposits from credit institutions	(326,736)	(273,354)
Increase (decrease) in deposits (other than from credit institutions)	(371,984)	367,023
Increase (decrease) in other financial liabilities	63,458	27,708
Income tax (paid)	(6,922)	(1,993)
Cash flow from operating activities	729,696	9,869
Investing activities		
Cash (payments) to acquire tangible assets	(3,556)	(889)
Cash receipts from the sale of tangible assets	(15)	2
Cash (payments) to acquire intangible assets	(1,471)	(105)
Cash (payments) for the investment in subsidiaries, net of cash acquired	-	(276)
(Purchase of) available-for-sale assets	32,728	32,728
(Purchase) of financial assets designated at fair value through profit or loss	(27,036)	64,012
Cash (payments) to acquire held-to-maturity investments	(677)	-
Cash receipts from the redemption of held-to-maturity investments	-	-
Net cash flow from investing activities	(27)	95,472
Financing activities		
Dividends (paid)	(33,040)	(30,003)
Issue of debt certificates (including bonds)	3,862	3,862
(Repayments) of debt certificates (including bonds)	-	-
Cash proceeds from the issuance of subordinated liabilities	-	-
Cash proceeds from issuing shares or other equity instruments	-	-
Net cash flow from financing activities	(29,178)	(26,141)
Net increase in cash and cash equivalents	(758,901)	79,200
Net foreign exchange difference	(82,791)	(63,575)
Cash and cash equivalents at beginning of the period	3,099,201	1,587,821
Cash and cash equivalents at end of the period	2,257,509	1,603,446

	31 March 2008	
	Financial Group	Bank
Interest received	133,175	81,142
Interest (paid)	(66,682)	(47,352)
Dividends received	2	9,608

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

STATEMENTS OF CHANGES IN EQUITY

Financial Group

	Attributable to the equity holders of the Bank									Total Equity
	Share capital	Share surplus	Reserve capital	Revaluation reserve of property and equipment	Revaluation reserve of financial assets	Reserve of foreign currency translation	Other general reserves	Retained earnings	Minority interest	
As of 31 December 2006	157,267	305	8,790	18,310	(2,650)	(393)	43,392	96,350	29,434	350,805
Gains less losses from sales of available-for-sale financial assets	-	-	-	-	(2,164)	-	-	-	-	(2,164)
Revaluation of financial assets	-	-	-	-	4,765	-	-	-	-	4,765
Revaluation of property and equipment	-	-	-	23,721	-	-	-	-	2,997	26,718
Reserve of foreign currency translation	-	-	-	-	-	98	-	-	-	98
Total income and expense recognized directly in equity	-	-	-	23,721	2,601	98	-	-	2,997	29,417
Net profit	-	-	-	-	-	-	-	79,787	5,545	85,332
Total income and expenses for the period	-	-	-	23,721	2,601	98	-	79,787	8,542	114,749
Transfer of revaluation reserve to the retained earnings	-	-	-	(56)	-	-	-	56	-	-
Increase of share capital	96,087	98,832	-	-	-	-	(39,020)	(15,887)	15,434	155,446
Dividends	-	-	-	-	-	-	-	(25,061)	(2,364)	(27,425)
Sale of minority interest	-	-	-	-	-	-	-	(356)	-	(356)
Transfer to reserve capital	-	-	7,400	-	-	-	-	(7,400)	-	-
Transfer to other reserves	-	-	-	-	-	-	3,203	(3,203)	-	-
As of 31 December 2007	253,354	99,137	16,190	41,975	(49)	(295)	7,575	124,286	51,046	593,219
Revaluation of financial assets	-	-	-	-	49	-	-	-	-	49
Reserve of foreign currency translation	-	-	-	-	-	(85)	-	(477)	-	(562)
Total income and expense recognized directly in equity	-	-	-	-	49	(85)	-	(477)	-	(513)
Net profit	-	-	-	-	-	-	-	64,509	1,088	65,597
Total income and expenses for the period	-	-	-	-	49	(85)	-	64,032	1,088	65,084
Dividends	-	-	-	-	-	-	-	(30,003)	(3,037)	(33,040)
Transfer to reserve capital	-	-	2,467	-	-	-	-	(2,467)	-	-
Transfer to other reserves	-	-	-	-	-	-	4,837	(4,837)	-	-
As of 31 March 2008	253,354	99,137	18,657	41,975	-	(380)	12,412	151,011	49,097	625,263

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

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Interim condensed consolidated financial statements for the 3-month period ended 31 March 2008

(LTL thousand)

STATEMENTS OF CHANGES IN EQUITY

Bank

	Share capital	Share surplus	Reserve capital	Revaluation reserve of property and equipment	Revaluation reserve of financial assets	Reserve of foreign currency translation	Other general reserves	Retained earnings	Total Equity
As of 31 December 2006	157.267	305	8.790	18.310	(2.650)	-	42.593	76.329	300.944
Gains less losses from sales of available-for-sale financial assets	-	-	-	-	(2.164)	-	-	-	(2.164)
Revaluation of financial assets	-	-	-	-	4.765	-	-	-	4.765
Revaluation of property and equipment	-	-	-	14.265	-	-	-	-	14.265
Total income and expense recognized directly in equity	-	-	-	14.265	2.601	-	-	-	16.866
Net profit	-	-	-	-	-	-	-	71.723	71.723
Total income and expenses for the period	-	-	-	14.265	2.601	-	-	71.723	88.589
Transfer of revaluation reserve to the retained earnings	-	-	-	(56)	-	-	-	56	-
Increase of share capital	96.087	98.832	-	-	-	-	(39.020)	(15.887)	140.012
Dividends	-	-	-	-	-	-	-	(25.061)	(25.061)
Transfer to reserve capital	-	-	7.400	-	-	-	-	(7.400)	-
Transfer to other reserves	-	-	-	-	-	-	3.022	(3.022)	-
As of 31 December 2007	253.354	99.137	16.190	32.519	(49)	-	6.595	96.738	504.484
Revaluation of financial assets	-	-	-	-	49	-	-	-	49
Total income and expense recognized directly in equity	-	-	-	-	49	-	-	-	49
Net profit	-	-	-	-	-	-	-	16.932	16.932
Total income and expenses for the period	-	-	-	-	49	-	-	16.932	16.981
Dividends	-	-	-	-	-	-	-	(30.003)	(30.003)
Transfer to reserve capital	-	-	2.467	-	-	-	-	(2.467)	-
Transfer to other reserves	-	-	-	-	-	-	4.837	(4.837)	-
As of 31 March 2008	253.354	99.137	18.657	32.519	-	-	11.432	81.297	496.396

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

PRINCIPAL ACTIVITIES

AB Bank SNORAS (the "Bank") is the parent company in the Group. It was formed on 17 March 1992 under the laws of the Republic of Lithuania. The Bank operates under a general banking license issued by the Bank of Lithuania ("BoL"). The Bank's main office is in Vivulskio Str. 7, Vilnius, Lithuania and it has 10 branches (Vilnius, Kaunas, Klaipėda, Šiauliai, Panevėžys, Utena, Marijampolė, Mažeikiai, Alytus, Tauragė) and 252 operating outlets in Lithuania and 1 branch in Estonia.

The Bank offers the following banking services: accepts deposits from individuals, issues loans and provides short-term trade financing and consults clients, processes payments in Litas and other currencies, issues and services magnetic and microchip cards, collects payments, exchanges currency and provides other services. The subsidiary companies of the Bank provide the real estate management, construction and renovation, asset management, consumer financing and securities fund management services to the participants of the markets of Lithuania and Baltic states.

The authorized and issued share capital of the Bank consists of 233,354,240 ordinary shares with the par value of LTL 1 each and 2,000 thousand preference shares with the par value of LTL 10 each. As of 31 March 2008 and 31 December 2007 all shares were fully paid.

The Group consisted of the following companies:

Subsidiary	Ownership %		Country	Industry
	31-03-2008	31-12-2007		
Snoro Lizingas UAB	100%	100%	Lithuania	Consumer financing
Snoro rizikos kapitalo valdymas UAB	100%	100%	Lithuania	Debt recovery
Vilniaus kapitalo vystymo projektai UAB	60%	60%	Lithuania	Real estate
Snoro Turto Valdymas UAB	100%	100%	Lithuania	Venture capital projects
Snoro Fondų Valdymas UAB	100%	100%	Lithuania	Fund management
Snoro Investicijų Valdymas UAB	100%	100%	Lithuania	Real estate
Latvijas Krājbanka A/S	76%	75,93%	Latvia	Banking
Krājinvestīcijas SIA	76%	75,93%	Latvia	Real estate
Ieguldījumu Pārvaldes Sabiedrība LKB Asset Management	76%	75,93%	Latvia	Fund management
Ieguldījumu Sabiedrība Astra Fondi A/S	76%	75,93%	Latvia	Fund management
Pirmais Atklātais Pensiju Fonds A/S	76%	75,93%	Latvia	Fund management
LKB Līzings SIA	76%	75,93%	Latvia	Consumer financing

**The companies are not under direct control.*

In the consolidated financial statements all inter-company balances and transactions were eliminated. Consolidated financial statements were prepared using the same accounting principles for similar transactions and events.

BASIS OF PREPARATION

The accounting policies adopted in the preparation of the interim consolidated financial statements is consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2007.

The interim consolidated financial statements do not contain all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements as of 31 December 2007.

1. Cash and Cash Equivalents

Cash and cash equivalents comprise:

	<i>Financial Group</i>		<i>Bank</i>	
	<i>31 March 2008</i>	<i>31 December 2007</i>	<i>31 March 2008</i>	<i>31 December 2007</i>
Cash at hand	213.300	223.135	135.506	136.679
Current accounts with the Central Banks	499.754	415.561	320.038	263.337
Current accounts with other credit institutions	950.240	755.456	940.211	710.681
Time deposits with credit institutions up to 90 days	594.215	1.705.049	207.692	477.124
Cash and cash equivalents	2.257.509	3.099.201	1.603.446	1.587.821

2. Financial Assets and Liabilities at Fair Value through Profit or Loss

Financial assets at fair value through profit or loss are held for trading (with Derivative financial instruments) or designated as financial assets at fair value through profit or loss upon initial recognition.

Financial assets designated as at fair value through profit and loss comprise:

	<i>Financial Group</i>		<i>Bank</i>	
	<i>31 March 2008</i>	<i>31 December 2007</i>	<i>31 March 2008</i>	<i>31 December 2007</i>
Held for trading assets	125.268	243.856	124.243	242.603
Available for sale assets designated at fair value through profit and loss upon initial recognition	608.193	584.105	380.116	446.776
Derivative financial instruments	19.492	20.092	13.490	18.649
Financial assets designated as at fair value through profit and loss	752.953	848.053	517.849	708.028

3. Loans to Customers, net

Loans to customers comprise:

	<i>Financial Group</i>		<i>Bank</i>	
	<i>31 March 2008</i>	<i>31 December 2007</i>	<i>31 March 2008</i>	<i>31 December 2007</i>
Loans to customers	4.084.891	3.794.060	2.571.141	2.313.715
Credit lines	325.406	295.638	300.627	270.275
Promissory notes	7.992	7.407	7.992	7.405
Reverse repurchase agreements	56.037	54.489	55.320	54.489
Factoring	14.350	11.472	12.647	9.930
	4.488.676	4.163.066	2.947.727	2.655.814
Less: allowance for loan impairment	(33.770)	(29.944)	(6.334)	(7.088)
Loans to customers, net	4.454.906	4.133.122	2.941.393	2.648.726

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(LTL thousand)

Loans have been extended to the following types of customers:

	<i>Financial Group</i>		<i>Bank</i>	
	<i>31 March 2008</i>	<i>31 December 2007</i>	<i>31 March 2008</i>	<i>31 December 2007</i>
Corporate clients	2.435.513	2.177.306	1.951.790	1.709.562
Individuals	1.910.003	1.868.482	919.405	879.043
State budget or municipal authorities	43.200	42.878	40.275	39.640
State companies	22.777	5.402	12.330	5.402
Other	43.413	39.054	17.593	15.079
Loans to customers, net	4.454.906	4.133.122	2.941.393	2.648.726

Loans are issued within the following industry sectors:

	<i>Financial Group</i>		<i>Bank</i>	
	<i>31 March 2008</i>	<i>31 December 2007</i>	<i>31 March 2008</i>	<i>31 December 2007</i>
Individuals	1.910.003	1.868.482	919.405	879.043
Real estate	749.339	635.059	434.654	373.827
Trading	309.427	282.857	228.104	208.067
Manufacturing	286.264	255.565	224.465	192.090
Services	223.655	218.078	169.500	162.409
Transport	208.401	203.286	98.896	101.958
Financial services	207.114	201.402	506.733	414.857
Construction	242.206	198.208	197.687	160.487
Agriculture and food processing	106.757	106.425	69.326	66.199
Electricity	26.627	32.370	19.314	25.099
Government and municipalities	25.083	24.221	22.112	20.948
Fuel, gas and chemical	3.968	3.473	-	-
Other	156.062	103.696	51.198	43.742
Loans to customers, net	4.454.906	4.133.122	2.941.394	2.648.726

4. Amounts Due to Credit Institutions

Amounts due to credit institutions comprise:

	<i>Financial Group</i>		<i>Bank</i>	
	<i>31 March 2008</i>	<i>31 December 2007</i>	<i>31 March 2008</i>	<i>31 December 2007</i>
Time deposits and loans	143.810	192.162	87.270	82.519
Repurchase agreements	-	259.909	-	259.909
Current accounts	21.920	40.458	21.992	40.168
Amounts due to credit institutions	165.730	492.529	109.262	382.596

5. Amounts Due to Customers

The amounts due to customers include the following:

	<i>Financial Group</i>		<i>Bank</i>	
	<i>31 March 2008</i>	<i>31 December 2007</i>	<i>31 March 2008</i>	<i>31 December 2007</i>
Time deposits	3.718.122	3.921.403	2.489.578	2.791.466
Current accounts	2.853.913	3.097.569	1.934.052	1.325.574
Amounts due to customers	6.572.035	7.018.972	4.423.630	4.117.040

Amounts due to customers include accounts with the following types of customers:

	<i>Financial Group</i>		<i>Bank</i>	
	<i>31 March 2008</i>	<i>31 December 2007</i>	<i>31 March 2008</i>	<i>31 December 2007</i>
Individuals	4.017.946	3.696.000	2.630.459	2.381.234
Corporate clients	2.067.071	2.973.358	1.625.352	1.561.108
Government departments and state owned enterprises	462.141	344.795	158.769	162.972
Other	24.877	4.819	9.050	11.726
Amounts due to customers	6.572.035	7.018.972	4.423.630	4.117.040

6. Debt Securities Issued

As of 31 March 2008 the Group had the coupon debt securities issued with the amortised cost in amount of LTL 650,189 thousand:

- In 21 May 2007 the Bank issued debt securities with the aggregate par value of EUR 175,000 thousand (LTL 604,240 thousand), coupon rate - 7% and maturing on 21 May 2010. The amortised cost of debt securities amounts to LTL 636,427 thousand as of 31 March 2008. As of 31 March 2008 the subsidiary of the Bank Latvijas Krājbanka A/S had these debt securities in amount of LTL 3,806 thousand, which were eliminated in consolidated accounts. The debt securities place various restrictions on the Bank and its subsidiaries including limitations on indebtedness, issuance of guarantees and the pledging, mortgage or sale of certain assets; the debt securities also contain a cross-default provision.
- In 31 January 2007 Latvijas Krājbanka A/S issued debt securities with the aggregate par value of EUR 5,000 thousand (LTL 17,264 thousand), coupon rate - 4.875% and maturing on 31 January 2010. The amortised cost of debt securities amounts to LTL 17,569 thousand as of 31 March 2008.

In 2008 Bank distributed six issues of debt securities, related to Russian RDX index. The amortised cost of debt securities amounts to LTL 3,868 thousand as of 31 March 2008 (maturing on 22 March 2011).

7. Financial Risk Management***Capital Adequacy***

The Bank of Lithuania and Latvian Financial and Capital Market Commission (FCMC) require banks in Lithuania and Latvia respectively to maintain a capital adequacy ratio of 8%, computed based on requirements of respective regulator, Group's capital adequacy is calculated based on Bank of Lithuania requirements. As of 31 March 2008, the Financial Group's capital adequacy ratio on this basis exceeded the statutory minimum and amounted 10.05 % and 10.02 % respectively:

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(LTL thousand)

Compliance with the benchmark ratios set by the Bank of Lithuania 31 March 2008:

	Financial Group	Bank
Liquidity, %	-	57.52
Open currency position, %	7.8	2.92
Maximum exposure requirement to one borrower, %	13.27	20.04*
Large exposure ratio, %	68.02	299.75

*Excluding loans to subsidiary companies

8. Ratings

Ratings of AB bankas SNORAS assigned or affirmed by the international rating company S&P (7 March 2007):

Rating type		Rating Outlook
Long-term	BB-	Stable
Short-term	B	Stable

Ratings of AB bankas SNORAS assigned or affirmed by the international rating company Fitch Ratings Ltd (14 November 2007):

Rating type		Rating Outlook
Long-term	BB-	Stable
Short-term	B	Stable
Individual	D	
Support	4	

Ratings of AB bankas SNORAS assigned or affirmed by the international rating company Moody's (27 September 2007):

Rating type		Rating Outlook
Long-term	Ba3	Stable
Short-term	NP	Stable
Financial strength	D-	