CONTENTS


Everything starts with
an idea.

CHAIRWOMAN'S REPORT

Edita NAVICKAITĖ
Chairwoman of the Board

2001 was once again a successful business year for *Ūkio bankas*. We continued on our course to implement our projects, strengthened our position in Lithuania's banking market and attracted new individual clients. In addition, we developed ties with new business partners, while maintaining ties with loyal clients.

In 2001, client confidence in the Bank rose, income from main activity grew and all main bank indicators improved. In 2001, the Bank earned LTL 4.4 million of audited net profit, or 10.8 percent more than the earnings in 2000.

Ūkio bankas' assets increased by LTL 283 million in 2001, and at the end of the year equalled LTL 645 million. The Bank's asset share in the Lithuania's bank market increased as well. According to the amount of assets, *Ūkio bankas* remained in the fifth position among commercial banks functioning in Lithuania. Based on capital effectiveness, we are the second amongst all Lithuanian banks.

In 2001, the share of income-earning assets within the Bank's total assets increased, the net worth of the Bank's loan portfolio to business companies and financial sector grew, and the Bank attracted 65.3 percent more deposits compared to the previous year. All these positive results indicate that we have chosen the correct strategy for our banking activity and have followed appropriate work principles that were formed on the basis of our long-term experience, good understanding of our clients and knowledge of the financial market.

Following the new trends in the market and needs of our clients, we paid special attention to launching new technologies, improvement of their security and reliability, as well as to expanding and improving existing modern banking services. The Bank's Internet banking system *Eta bankas* became more secure and reliable. Thus, quite justifiably, the number of clients using this system increased 4.5 times in 2001. The Bank was the first in Lithuania to introduce a virtual Eurocard/MasterCard payment card. We offered our clients a possibility to order banking services over the Internet. Aiming to ensure security of inter-banking transactions, we have introduced *RSA Security* - a high-level system guaranteeing security of electronic transactions.

In 2001, *Ūkio bankas* devoted utmost attention to raising Bank personnel qualifications, provided employees opportunities to enhance their skills and further their careers. We took an active part in Lithuania's public life, continued sponsorship activities and fostered a dialogue between the business and art communities.

In 2002, we plan to increase the Bank's capital - this will allow us to attract more clients and provide more flexible services, as well as successfully develop our business and increase its market share. We will further monitor innovations in the financial market and implement them. We will continue our efforts to enhance the Bank's effectiveness, primarily, by increasing income-earning assets and expanding availability of credit. Certainly, we will pay great attention to the Internet banking. We will pursue innovations in the financial market; we will strive to be a universal, reliable, always and everywhere accessible bank offering quality and client oriented services.

Edita NAVICKAITĖ
Chairwoman of the Board

COUNCIL OF THE BANK

Liutauras VARANAVIČIUS
Chairman of the Council

Ulf LÖWENHAV
Deputy Chairman of the Council

Olga GONČARUK
Member of the Council

Ala KURAUSKIENĖ
Member of the Council

Gražina JAKAVIČIENĖ
Member of the Council

Olegs JEFIMENKO
Member of the Council

Leonas Rimantas BUTKUS
Member of the Council

BOARD OF THE BANK

Edita NAVICKAITĖ
Chairwoman of the Board

Gintaras UGIANSKIS
Deputy Chairman of the Board

Rolandas BALANDIS
Member of the Board

Sergejus FEDOTOVAS
Member of the Board

Note: The Council of *Ūkio bankas* was elected in a general shareholders meeting on 26 March 2002. The newly elected Council approved the Board of *Ūkio bankas*

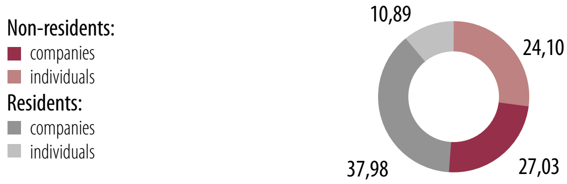
SHARE CAPITAL

In 2001, share capital of *Ūkio bankas* remained unchanged, and on 31 December 2001 totalled LTL 72.708 million. Overall, 6.059 million ordinary shares have been issued by *Ūkio bankas*, with a par value of LTL 12.

Foreign investors own more than 50 percent of the Bank's share capital. Local investors own the remaining capital.

The primary *Ūkio bankas* shareholders collectively chart the course of the primary direction of the Bank's activities and actively participate in its management.

Distribution of Ūkio bankas Share Capital According to Legal Status. 31 December 2001, percentage

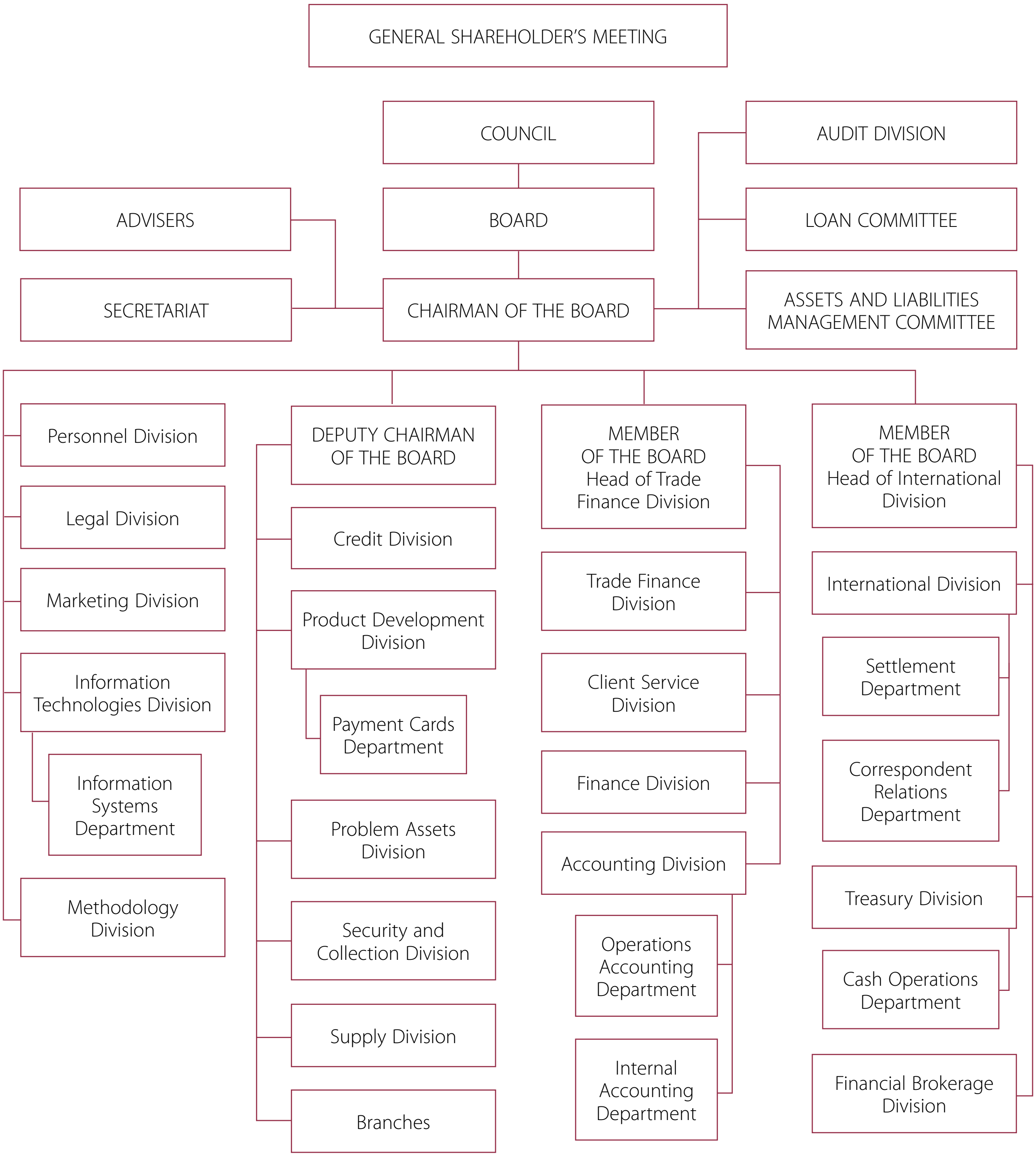


Ūkio bankas sells its shares in the National Stock Exchange of Lithuania (NSEL). Shares have been quoted in current NSEL trading list since 1 June 1998.

In 2001, the turnover of share trading at NSEL equalled LTL 14.924 million.


The best way
to have a good idea is
to have a lot of ideas.
Linus Pauling

ORGANIZATIONAL STRUCTURE



PERSONNEL

At the end of 2001, *Ūkio bankas* had 326 employees, 139 of whom worked at the main headquarters, while 187 worked in various branches.

In 2001, *Ūkio bankas* dedicated significant attention to the improvement of its employees' qualifications, provided opportunities to enhance their skills, advance their careers, and actively introduced innovations in personnel training.

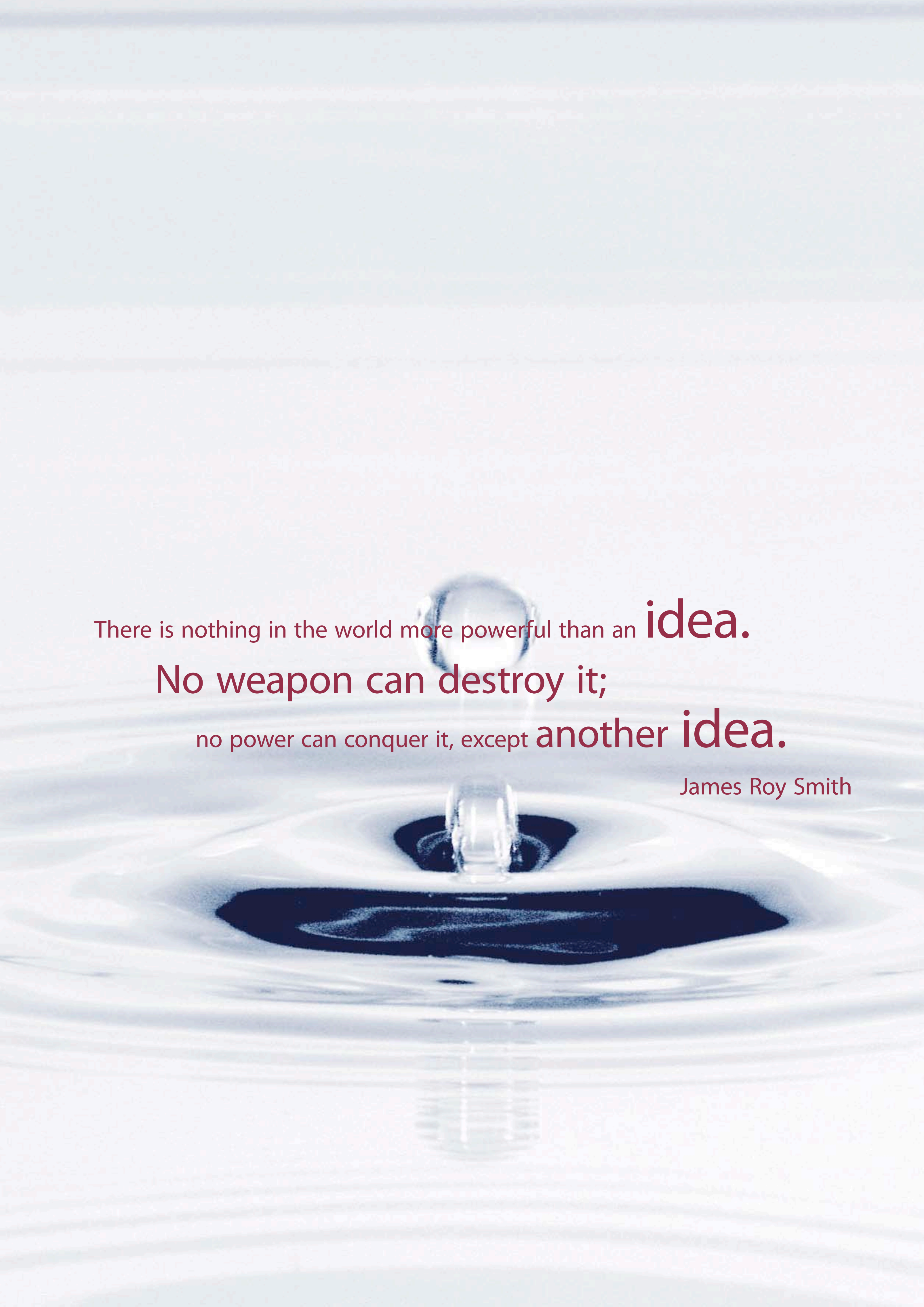
The Bank's personnel raised their qualifications at the *Lithuanian Banking, Insurance and Finance Institute* (LBIFI), established by the *Lithuanian Banking Association*. In 2001, 33 Bank employees successfully completed distance-learning studies at LBIFI. More than 90 employees enhanced their professional knowledge attending short-term seminars organised by LBIFI or courses organised by various information and consulting firms. Some of the employees interned or advanced their qualifications abroad.

In autumn of 2001, *Ūkio bankas* was the first in Lithuania to try a new virtual training methodology prepared by JSC *CESIM Corporate Empowerment* in the form of finance competition. Employees from the main headquarters, branches and subsidiaries took part in the competition. The aim of such training is to promote teamwork and modern organisational skills, foster strategic thinking of the employees, and effective use of information technologies.

As in previous years, in 2001 a team of Bank employees participated in the International Management Tournament in the Baltic States *Baltic Business Challenge* organised by JSC *CESIM Corporate Empowerment*, and earned the right to represent Lithuania in the final round.

In 2001, the organisational structure of the Bank was reformulated in order to improve the management and more effectively utilise internal resources. New Methodology, Information Technologies, Client Service, Trade Finance, and Problem Assets divisions were introduced.

The network of *Ūkio bankas* branches and Client Service departments was also reorganised. The Kalniečiai branch was reorganized into the Kaunas branch Kalniečiai Client Service Department; Jonava branch – into Ukmergė branch Jonava Client Service Department. New Klaipėda branch Kuršiai Client Service and Marijampolė branch Kazlų Rūda Client Service departments were introduced.

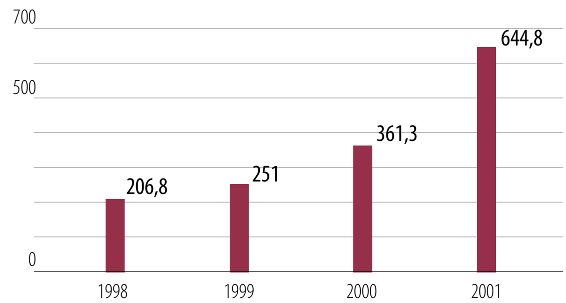

There is nothing in the world more powerful than an idea.
No weapon can destroy it;
no power can conquer it, except another idea.
James Roy Smith

BANK ACTIVITY OVERVIEW

Assets

Ūkio bankas assets increased by LTL 283.5 million or 78 percent, and at the end of the year totalled LTL 644.8 million. The main asset growth sources were derived from deposits and letters of credit that increased by LTL 145.9 million, as well as due to banks and other financial institutions that increased by LTL 123.2 million.

Assets, LTL million



The Bank's rate of growth exceeded that of Lithuania's commercials banks' sector by more than four times. *Ūkio bankas* share of the overall Lithuanian bank asset market increased by more than 1.5 times. In 2001 *Ūkio bankas* was the fifth largest among all banks in Lithuania as measured by asset amount.

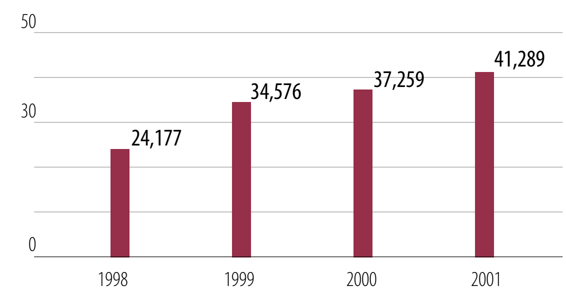
At the end of 2001, the largest share of the Bank's assets - 48 percent – consisted of the due from other banks and financial institutions. Loans made up 31.2 percent and securities – 6.8 percent of the total Bank's assets. The Bank managed to improve the quality of the assets: in 2001 the share of specialised provisions in the loans portfolio decreased by 4.5 percentage points, and at the end of the year equalled 2.8 percent.

In 2001, successfully working with non-performing assets, accumulated during the Bank's prior activity timeframe, the Bank decreased their share in the total assets of the Bank. The Bank successfully sold a larger part of foreclosed assets, their worth consisting of LTL 5.57 million - decreasing by LTL 11.33 million over the year. Successfully working with non-performing assets and making an effort to increase the total of income earning assets, the Bank increased their percentage in the total net worth from 61.3 to 80.5 percent.

Income Structure

The net profit, calculated according to international accounting standards, earned by the Bank in 2001 consisted of LTL 4.4 million; or 10.8 percent more than the earnings in 2000. All main bank indicators improved, income from main activity grew and client confidence in the Bank rose.

Income from Main Activity, LTL million



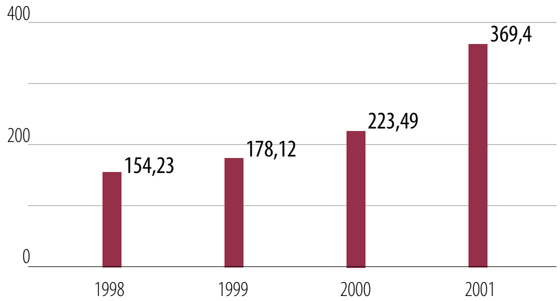
In 2001, the Bank earned LTL 48.2 million of gross income, or 11.2 percent more than in 2000. Income derived from interest formed 45 percent, while service fees, commissions and other income – 51 percent of the Bank's gross income. Due to the rapidly increasing amount of the interest-earning assets, income from interest in 2001 grew by LTL 5.7 million or 35 percent, and net interest income – by LTL 3.1 million, or 81 percent.

Deposits

In 2001, active marketing and public relations strategy, competitive interest rates and increasing confidence in the Bank helped to attract individual and business funds. The success of the Bank's policy to attract clients is evidenced by the consistent increase in depositors and the increase in the *Ūkio bankas* deposit market share.

Compared to 2000, deposits and letters of credit in the bank increased by 65.3 percent in 2001; and on 31 December 2001 they totalled LTL 369.40 million, equalling 63.6 percent of all Bank liabilities. Individual deposits in 2001 grew from LTL 127.84 million to LTL 194.60 million, or increased by 52.2 percent. In 2001, term deposits in *Ūkio bankas* grew by LTL 58.53 million, or 33.6 percent; and on 31 December 2001 they totalled LTL 232.92 million.

Deposits and Letters of Credit, LTL million.



Because of considerable growth of deposits and letters of credit, their structure changed. Account share of the business deposits grew within the overall deposit structure: on 31 December 2000 business accounts constituted 42.8 percent of all deposits and letters of credit; whereas, on 31 December 2001 – 47.3 percent; in other words an increase by 4.5 percentage points. The share of individual term deposits within the deposit and letter of credit structure decreased from 54.7 percent to 49.5 percent. The share of current accounts within the deposits and letters of credit at the end of 2001 made up 36.9 percent.

Credit Services

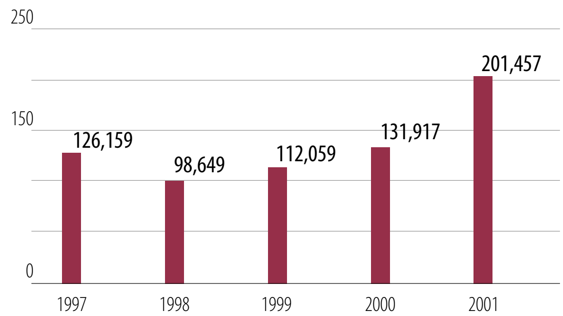
At this time, *Ūkio bankas* provides various short-term and long-term credit services for the financing of its clients' investment projects and working capital. These services enable business clients to develop and modernise their businesses, advance production and save costs. *Ūkio bankas* offers its individual clients a variety of mortgage loans, consumer credits and small business development loans.

Although in 2001, in its credit activities, the Bank gave priority to short-term loans (up to one year), the number of mid-term loans (from 2 to 5 years) for the financing of business investment projects grew. The financing of these projects came from both local resources and foreign financing institutions, i.e. *DZ Bank and Hypo Vereinsbank* credit resources, as well as from *Lithuanian Environmental Protection Investment Fund* and PHARE funds allocated through the Ministry of Finance of the Republic of Lithuania.

In 2001, *Ūkio bankas* provided its clients loans totalling LTL 370 million. Compared to 2000, the loans portfolio increased by LTL 69.5 million (52.7 percent) and on 31 December 2001 constituted LTL 201.5 million, a net value of LTL 195.9 million.

The quality of the loans portfolio of the Bank improved, as evidenced by decreasing special provisions for loans and their share in the overall loans portfolio. In 2001, special provisions for loans decreased by LTL 4 million, down from LTL 9.6 million (7.3 percent) to LTL 5.6 million (2.8 percent), including LTL 3 million of total provisions for loans accumulated by the Bank to compensate for the overall risk of the loans portfolio. The improvement in the quality of loans portfolio is also shown by the dynamics of its distribution among loan risk groups. During the past few years the share of standard and possible risk loans (1st and 2nd risk groups) in the Bank substantially increased, and problem loans that could be ascribed to 4th and 5th risk groups decreased. At the end of 2001, the latter group of loans amounted to 4 percent, while at the end of 1999 they made up 18 percent of the loans portfolio, and, at the end of 2000 – 11 percent.

Loans Portfolio According to Par Value, LTL million.



In 2001, because of constantly growing activity of *Ūkio bankas* in the field of trade financing, the former department within the Credit Division was transformed into the Trade Financing Division. Over the year, factoring and other trade financing services were developed. These services enable clients to effectively rectify their short-term liquidity capital needs and address issues of liability to the Bank.

Compared to 2000, trade financing operations in 2001 increased by more than 5 times, and the number of companies whose liabilities were taken over by the Bank, through the provision of trade financing services, increased by 4.1 times.

Increasing interest of *Ūkio bankas* clients, as well as the rise in demand of these services prove that the Bank has correctly chosen the direction of its activity.

Treasury

In 2001, *Ūkio bankas* paid utmost attention to the liquidity of the Bank and asset quality, as well as to the interest rates, exchange rate risk and effective management of cash flow.

Beside spot transactions, *Ūkio bankas* also provided forward currency exchange transactions, FX swap and other transactions as well. Income from money market transactions and currency trade consisted of LTL 4.722 million. The Bank provided its business clients favourable conditions to invest their funds into deposit accounts (of different terms) or government securities.

In 2001, the Bank completed the implementation of a money market and currency exchange transaction module into the General bank information system *Forpost;* thus, providing an opportunity to effectively monitor and control changes in currency position, liquidity and other financial indicators.

Risk Management

Risk monitoring and control is the main function of *Ūkio bankas* management process. The Bank's executive management participates in the creation and implementation of risk management policy. Market, credit, and liquidity risk management is a fundamental aspect of primary Bank activities. The Board of the Bank and the main governing bodies – the Loan Committee and the Assets and Liabilities Management Committee - evaluate and control these risks. The Loan Committee controls credit and contracting parties' risk. One of the functions of the Assets and Liabilities Management Committee, as well as Treasury Division and Finance Division is to manage liquidity and market risks. The Internal Audit Division manages operational risks and oversees internal control.

Traditionally, banks' main risks are associated with providing loans. Presently, the Bank's credit risk management procedures involve a multi-layered process of risk control of the client and his acquired loan. The amount of the loan determines who makes the decision within the decision-making hierarchy. Decisions regarding loans begin at local branches of the Bank, in some instances, may proceed to the Loans Committee, and, in some select situations, may even reach the Board or the Council. The Bank maintains its liquidity risks by managing assets and liabilities according to their terms and by diversifying deposits. The Treasury Division of *Ūkio bankas* predicts and plans cash flow, as well as manages liquid funds. The Finance Division continually evaluates fulfilment of liquidity ratio established according to rules and regulations of the Bank of Lithuania. *Ūkio bankas* has a liquidity crisis plan, which establishes employee responsibilities, method of actions, and means for liquidity crisis management.

Ūkio bankas manages market risks with the aid of internal credit limits, as well as external requirements set by the Bank of Lithuania. Credit limits are set to lessen the negative effects of the fluctuation of market prices on the Bank's earning capacity and capital market worth. The Bank manages interest rate risk by: (1) differentiating between assets and liabilities, which have interest rates that are particularly vulnerable to the interest rate changes in the market, and (2) using internal limits system. The Bank manages currency risk by setting limits on open currency exposure, as well as by overseeing how the requirements, which limit open currency exposure as set by the Bank of Lithuania, are implemented. In order to manage this risk, *Ūkio bankas* utilises derived financial instruments, balances the structure of assets and liabilities according to major foreign currencies, and reinforces the system of internal limits.

Information Technologies

Ūkio bankas has always aspired to be a modern and readily accessible bank. Accordingly, the introduction of new technologies continues to be a priority of *Ūkio bankas* business development. The Bank has paid special attention to the expansion and improvement of existing modern electronic banking services.

In 2001, the Bank improved its information system *Forpost*. Because this system connects all branches of the Bank and works in real time, it enables clients to readily access the extensive information necessary for decision-making.

In 2001, the Internet banking system *Eta bankas* was fundamentally modified and expanded. The great majority of changes were aimed at improving the system's reliability and security. *Ūkio bankas* implemented a new inter-banking transaction system, which includes highly developed security features guaranteeing security of electronic transactions. These features were created by *RSA Security* - the world leader of electronic security products, and for the first time introduced in Lithuania and on the territory of the former Soviet Union. In the course of the year, the number of clients using *Eta bankas* has increased by 4.5 times.

Due to rapid development of information technologies and increased popularity of the Internet, in 2001, *Ūkio bankas* introduced a new service on its website enabling its clients to order bank services by Internet. In autumn of 2001 *Ūkio bankas* was the first in the Lithuanian market to introduce a virtual *Eurocard/MasterCard* payment card that can be used for Internet transactions. In October 2001, the first virtual card was issued, and the first virtual card transactions over the Internet were performed.

In 2001, the package of additional information services provided via WAP or SMS messages was widely developed. With the help of these services, clients can access the balances of their accounts, receive information about their latest transactions or changes in their accounts.

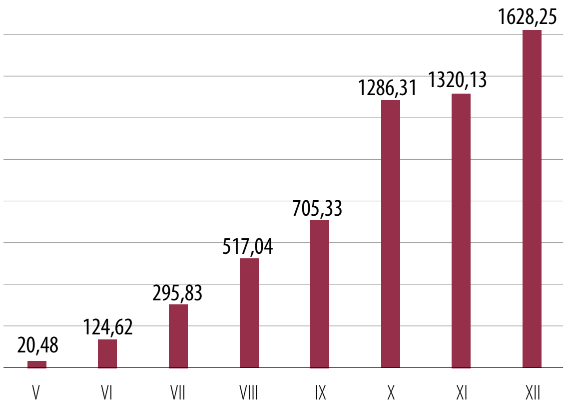
Introducing electronic banking services, *Ūkio bankas* aspired to create favourable conditions for business-to-business projects and ensure their smooth implementation.

International Payments

In 2001, *Ūkio bankas* further developed a variety of international payment services.

In the first half of 2001, *Ūkio bankas* offered its clients a new international payment service – the transfer of private funds using *Contact* correspondent network. Due to low fees and the expedient, effortless procedure of international money transfers, this service soon became very popular. Using the *Contact* correspondent network, clients transferred or received approximately LTL 6 million in 2001; in the last quarter of 2001 alone, LTL 4 million were transferred. The number of clients using the *Contact* network is constantly growing. Currently, *Ūkio bankas* clients can transfer money using the *Contact* network throughout 68 countries.

Turnover of Client Funds Using the Contact Correspondent Network in 2001, LTL thousand.



In 2001, the volume of international transactions by *Ūkio bankas* clients increased also. The number of international transfers increased by 47 percent; and compared to 1999 - even by 135 percent. An increasing amount of transactions are executed in the new European Union currency - the euro.

Ūkio bankas successfully provided documentary transaction services for its clients in 2001. Clients actively used the Bank's documentary transaction services, such as check collection, issuance of Bank checks, as well as the sale and purchase of travellers checks. Compared to 2000, income earned from checking services grew by 54 percent.

At the end of 2001, *Ūkio bankas* kept correspondent relations with more than 270 banks. To ensure consistent and stable investment control, evaluate partner credibility and set limits for mutual cooperation, *Ūkio bankas* constantly monitors and analyses financial standing of its correspondent banks, as well as evaluates their reliability and monitors changes in their shareholder structures. Therefore, the Bank selects only reliable and stable financial institutions for its clients' transactions.

At the end of 2001, *Ūkio bankas* kept *Nostro* correspondent accounts in 80 banks in 25 countries abroad. 37 foreign banks from 6 countries kept *Loro* correspondent accounts in *Ūkio bankas*.

The List of Main Correspondent Banks:

Country	Currency	Bank	SWIFT code
Austria	EUR	Creditanstalt AG	CABVATWW
Belgium	EUR	Fortis Bank	GEBABEBB
Belorussia	BYB	Priorbank JS CB	PJCBBY2X
Czech Republic	CZK	Československa Obchodni Banka A.S.	CEKOCZPP
Denmark	DKK	Danske Bank	DABADKKK
	DKK	Nordea Bank Denmark A/S	NDEADKKK
Great Britain	GBP	Barclays Bank PLC	BARCGB22
Estonia	EEK	Hansabank Ltd.	HABAEE2X
Spain	EUR	Citibank N.A.	CITIESMX
Italy	EUR	IntesaBci S.p.A.	BCITITMM
Japan	JPY	The Bank of Tokyo-Mitsubishi Ltd.	BOTK JPJT
USA	USD	Citibank N.A.	CITIUS33
	USD	Harris Bank International	HATRUS33
Canada	CAD	Canadian Imperial Bank of Commerce	CIBCCATT
Kazakhstan	KZT	Kazkommertsbank	KZKOKZKX
Poland	PLN	Kredyt Bank S.A.	KRDBPLPW
Latvia	MULTI	Rietumu Banka	RTMBLV2X
Lithuania	MULTI	Vilniaus Bankas	CBVILT2X
Norway	NOK	Den Norske Bank	DNBANOKK
Russia	RUR	International Moscow Bank	IMBK RU MM
	RUR	Savings Bank of RF (Moscow)	SABR RU MM
	RUR	Kaliningradskoe OSB Nr.8626	-
Finland	EUR	Nordea Bank Finland	NDEAFIHH
Sweden	SEK	Swedbank	SWEDSESS
Switzerland	CHF	Union Bank of Switzerland	UBSWCHZH
Ukraine	UAH	Privatbank CB	PBANUA2X
Germany	EUR	Commerzbank	COBADEFF
	EUR	Dresdner Bank AG	DRESDEFF
	EUR	DZ Bank	GENODEFF
	EUR	Deutsche Bank	DEUTDEFF
	EUR	Vereins- und Westbank	VUWBDEHH

Payment Cards

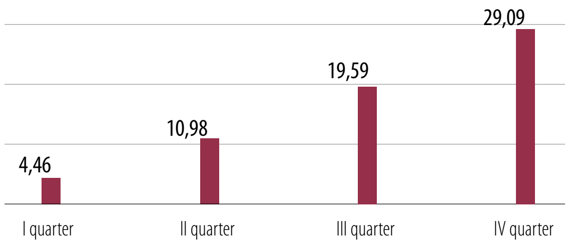
In 2000, *Ūkio bankas* became a full-fledged member of *Europay International S.A.* and *MasterCard International Incorporated*. In 2001 *Ūkio bankas* continued to strengthen its position in the Lithuanian payment cards market by offering its clients, both business and private, a possibility to acquire international *Maestro* and *Eurocard/MasterCard* payment cards under favourable terms.

Due to rapid development of information technologies and increased popularity of the Internet, in autumn of 2001, *Ūkio bankas* was the first in the Lithuanian market to introduce a virtual *Eurocard/MasterCard* payment card that can be used for Internet transactions. In October 2001, the first virtual card was issued, and the first virtual card transactions over the Internet were performed.

In 2001, *Ūkio bankas* payment card holders made especially active use of the Bank's direct debit service, which offers them the opportunity to pay for various services, e.g. mobile phone and cable television bills, newspaper subscription, etc., directly from their payment card account.

The quantity of *Ūkio bankas* payment cards issued in 2001 grew rapidly: the number of *Maestro* payment cards grew by 151 percent and the number of *Eurocard/MasterCard* grew by 235 percent. Although *Maestro* payment cards - mainly used in Lithuania -formed a greater part of all issued cards, *Eurocard/MasterCard* payment cards remained the most profitable. An average turnover of one *Maestro* payment card reached LTL 4.8 thousand, whereas, *Eurocard/MasterCard* payment cards – LTL 14.4 thousand.

Turnover of Payment Cards in 2001, LTL million



Sponsorship

In 2001, *Ūkio bankas* steadily developed art and sports sponsorship programmes, thus contributing to the revival and expansion of sponsorship traditions, and fostered a dialogue between the business and art communities.

Ūkio bankas sponsored the production of the ballet *Red Giselle* by modern, contemporary and world-renowned choreographer Boris Eifman at the National Opera and Ballet Theatre. *Ūkio bankas* also cooperated with the Lithuanian National Philharmonic and Lithuanian National Drama Theatre.

Traditionally, *Ūkio bankas* extensively sponsored a variety of sports activities. *Ūkio bankas* further collaborated with the *Kaunas County Football Support Fund, Kaunas Football and Baseball Club* and *Kaunas Automobile Club*.

An invasion of armies can be resisted,

but not an idea

a time for which has come.

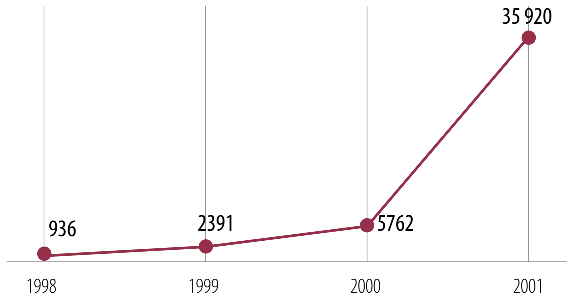
Victor Hugo

SUBSIDIARIES

Leasing Services

In 2001, Joint-Stock Company *Ūkio banko lizingas* consistently pursued the goals set by the shareholders and strengthened its position in the Lithuanian leasing market. Clients signed 35.3 thousand leasing contracts equalling LTL 48.76 million (without VAT) of total value of goods. In 2001, *Ūkio banko lizingas* portfolio increased by 3 times, and grew from LTL 10.9 million to LTL 29.7 million. On 1 January 2002, the number of signed leasing contracts totalled 32.66 thousand, whereas on the same day in 2001 the number was 5.47 thousand.

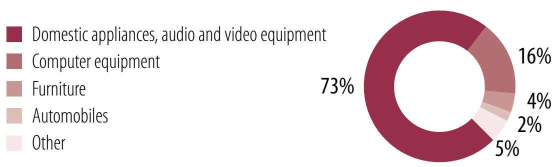
Quantity of Contracts Signed, units



Seeking to more effectively utilise its funds, *Ūkio banko lizingas* directs its leasing activities toward the acquisition of relatively inexpensive goods. In doing so, *Ūkio banko lizingas* is able to retain a high profit margin even in a climate of rigorous competition. In 2000, the market share of the Company in this field was 20 percent, while in 2001, *Ūkio banko lizingas* managed to even further strengthen its position as one of the leaders in the market of small goods leasing, and increase its market share to 30 percent.

As in 2000, in 2001, domestic appliances, audio and video equipment (73 percent of the total value of goods sold through leasing), as well as computer equipment (16 percent of the sold goods) dominated the field of goods sold through long-term leasing.

Distribution of Goods Sold through Leasing in 2001



In 2001, much was accomplished in launching, modernising and utilising new technologies. *Ūkio banko lizingas* was one of the first in Lithuania to introduce an Internet client service programme enabling clients to make leasing contracts with vendors directly at their places of business. This new programme simplified client service procedure and the leasing company's relationship with the vendors, as well as significantly improved the company's business results. Due to the Internet service programme, clients are served optimally and expediently; having entered into a lease agreement, a client is able take immediate possession of the goods. The programme encouraged vendors even in remote regions of Lithuania to co-operate with *Ūkio banko lizingas*.

Since 2000, a joint project with *IBM Lietuva* - a subsidiary of the worldwide information technology company *IBM* – continues to be implemented. IBM computer equipment is leased under favourable terms.

In 2001, *Ūkio banko lizingas* started a joint project with domestic appliances company *Whirlpool Baltic*. *Whirlpool* products are leased under favourable terms in all retail places that sell *Whirlpool* products. Currently, *Ūkio banko lizingas* negotiates with other large companies concerning joint leasing projects.

The improvement of *Ūkio banko lizingas* business results was due to the flexible and attractive leasing terms offered to clients, as well as fast and effective service.

Having started its activities in January of 2001, *Ūkio bankas* subsidiary Joint-Stock Company *Energetinių sistemų lizingas* successfully strengthened its position in the market. The company was established to implement regional energy economy modernisation projects, as well as supply customers with cheaper electric power and heat energy. In 2001, several such projects were launched in Lithuania.

Life Insurance

For life insurance company Joint-Stock Company *Bonum Publicum*, 2001 was a year of successful activity and one of establishing its stronghold in the market. During the course of the year, *Bonum Publicum* insured more than 5 thousand customers and signed insurance contracts worth more than LTL 0.5 million.

In 2001, *Bonum Publicum* implemented effective investment policy, created and offered clients competitive insurance services and successfully co-operated with insurance brokers.

In 2001, the clients of *Bonum Publicum* were offered a variety of life and additional forms of insurance services, namely, life assurance, life assurance in case of survival, life risk insurance, life risk insurance with receding insurance coverage, pension insurance, student insurance, health insurance abroad, accident insurance abroad, health insurance in Lithuania, and universal life insurance with changing capital.

In the summer of 2001, *Bonum Publicum* became a sponsor of the Lithuanian National Olympic Committee. *Bonum Publicum* provided members of the Lithuanian Olympic team with accident insurance, as well as health insurance abroad.

Investment Activities

In 2001, Joint-Stock Company *Ūkio banko investicinė grupė* successfully launched and implemented investment projects, and rendered professional investment portfolio management and consulting services.

Ūkio banko investicinė grupė further strengthened its position in the prospective Balkan region, where in the summer of 2000, Lithuanian capital bank *Balkan Investment Bank A.D.* started its activities.

In 2001, *Ūkio banko investicinė grupė* endorsed *Balkan Investment Bank A.D.* activity strategy and laid the foundation for its further successful activity. Clients are offered international payment, trade financing, investment banking and other services. Strategic companies, government institutions, business companies, and individuals became clients of the Bank. The development of the Internet enabled the Bank to attract not only local, but also non-resident clients.

Seeking to better serve its clients' needs, *Balkan Investment Bank A.D.* opened *Loro* and *Nostro* correspondent accounts in local and foreign banks, established correspondent relations with *Deutsche Bank, Trust Company Americas* and other foreign banks, and started cooperation with Balkan regional banks in Slovenia, Croatia and Yugoslavia.

The increase of capital to KM 10 million and significant growth of deposit accounts enabled *Balkan Investment Bank A.D.* to increase its credit portfolio. The Bank's assets grew by 4 times, its deposit account and credit portfolio grew as well.

In 2001, much of the Bank's efforts were focused not only on the Bank itself, but also on the participation in local and international public and business activities. In 2001, *Balkan Investment Bank A.D.* was one of the nine founders of the Banja Luka Stock Exchange, sponsored the conference *Regional finances and investors* organized by *Euromoney PLC,* started cooperation with the University of Economics in Banja Luka, and published the information bulletin *Business and Investment Opportunities in Bosnia and Herzegovina.*


The power of an idea can be measured by the degree
of resistance it attracts.
David Yoho

ECONOMIC ENVIRONMENT AND BANKING ACTIVITIES IN LITHUANIA IN 2001

In 2001, Lithuania made significant progress in implementing structural reforms and advancing fiscal consolidation. According to the international agency *Moody's* report issued in March 2002, despite the lower than expected budget income, gross state deficit decreased by half. In addition, implemented or undergoing reforms in the fields of tax policy, administrative and local government financing even further improved fiscal management in Lithuania. As indicated in *Moody's* report, in 2001, the process of privatisation proceeded faster than expected, considerable progress was noted in reforming the social security system and labour market, and the advancement in the European Union accession negotiations enabled Lithuania to surpass some of the "first wave" candidate countries. All these advancements stimulated faster economic growth and strengthened confidence in the existing currency management model.

Experts predict that the introduction of the cash-based euro will have an extended and significant affect not only on the economic development within the euro zone, but will also affect economic development of the entire world market. The cash-based euro will also influence structural changes in the international trade and international finance flows. Moreover, the common European currency will create better conditions for European countries' economic development. On 28 June 2001, the Bank of Lithuania issued a decree that on 2 February 2002 Lithuania will peg the Litas to the euro.

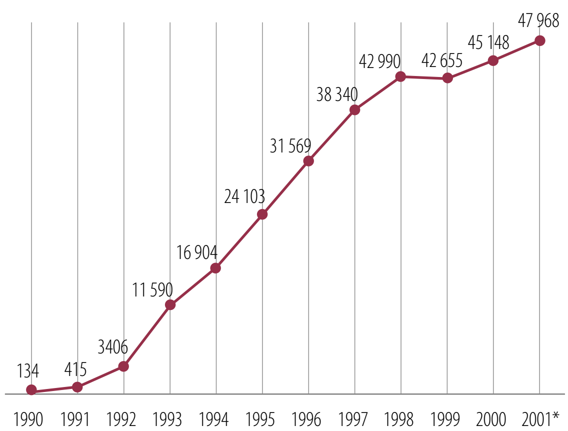
In 2001, two international agencies – *Moody's* and *Fitch* - upgraded Lithuania's credit rating prospect from stable to positive.

Good economic indicators reflect the growth of Lithuania's economy.

Gross Domestic Product

According to data collected by the Lithuanian Department of Statistics, gross domestic product in Lithuania in 2001 grew by 5.9 percent, and, based on the then existing prices, it equalled LTL 47.968 billion. In 2000, Lithuania's GDP grew by 3.9 percent, and according to the then existing prices, it equalled LTL 45.254 billion.

Gross Domestic Product Based on Existing Prices, LTL million



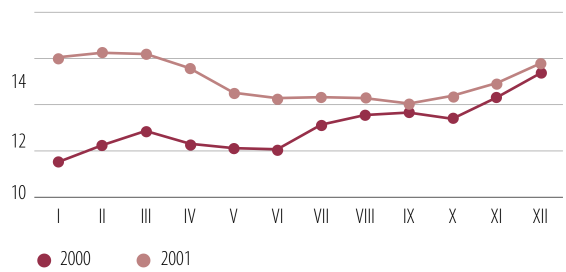
* Preliminary data

The Ministry of Finance of Lithuania predicted that the GDP in 2001 would grow by 4.8 percent, while the International Monetary Fund and the European Union predicted that the GDP would grow by 4.5 percent. However, the growth of the GDP in 2001 outperformed the economic forecasts not only because of the increase in industry, construction and trade, but also the expansion of financial brokerage services. Last year, the growth in industry was the sharpest since 1996; for first time in a quarter it reached 25 percent. Of special note was the robust growth in the following industries: oil refinery, textile, lumber and its products, as well as metal production.

Employment

According to data collected by the State Labour Exchange, unemployment in Lithuania in 2001 slightly decreased: it dropped from 13.1 percent in January to 12.9 percent in December. Unemployment primarily affected youth without any work experience and necessary skills or qualifications. The main causes of unemployment were structural, namely, limited work force mobility and inadequacy between qualifications and market demands. As research shows, in 2000, approximately 70 percent of the unemployed were unqualified or had basic/ high school education and minimum professional qualifications.

The Rate of Unemployment, percent



With the growth in Lithuania's economy, the rate of unemployment in 2002 should decrease. However, it will most likely not dip below 10 percent.

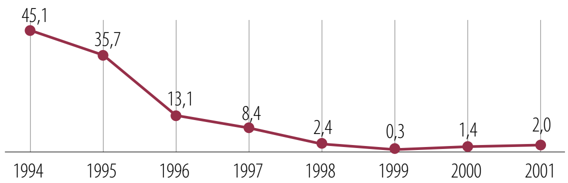
In 2001, an average gross monthly salary slightly increased and reached LTL1015, whereas, in 2000, the average gross monthly salary equalled LTL 1008.

Inflation

Since 1997, inflation has remained relatively low in Lithuania. Due to the decrease in exports to the Eastern markets and decrease in local demand, prices also declined in 1999 and 2000. Thus, the yearly inflation rate in 1999 and the first half of 2000, was at the deflation rate. In addition to these factors, during the same timeframe, inflation was affected by: the strengthening of the US dollar vis-à-vis the euro, and the relative price convergence due to the inadequately appraised Litas exchange rate.

In 2001, inflation was mostly affected by the increase in prices of food products and non-alcoholic beverages. After the Russian financial crisis, these prices were constantly decreasing. However, in 2001, this trend changed.

Inflation, percent

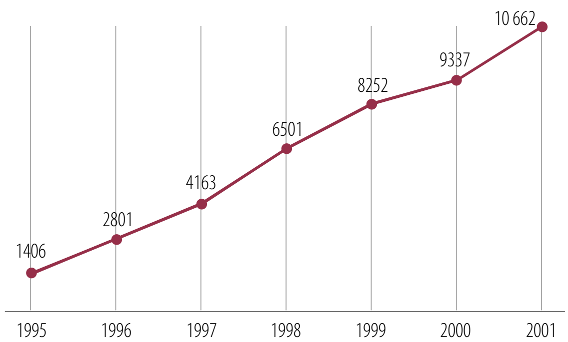


Foreign Direct Investment

Foreign direct investment increased by 14 percent in 2001, and at the end of the year it was LTL 2,673 per capita.

Lithuania's successful process of integration into the EU, further improvement of the investment environment, restructuring of the energy sector and privatisation of separate economic entities in the nearest future should help attract foreign investment. According to economic forecasts, in 2004, 58 percent of the current account deficit will be financed from foreign direct investment. In addition, the country's total foreign debt is predicted to increase (during the next three years – approximately by LTL 400 million) mostly due to the private sector loans abroad, and will equal approximately 45 percent of the GDP.

Foreign Direct Investment, LTL million



Foreign Trade

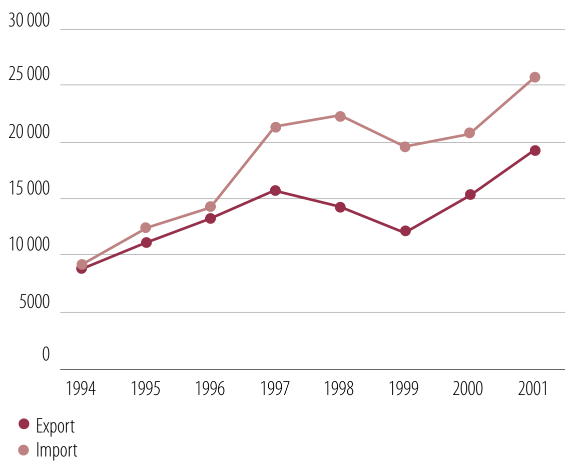
In 2001, Lithuania became a member of the World Trade Organisation.

Compared to 2000, in 2001, Lithuania's exports increased by 20.3 percent (or LTL 3,094 million), and imports increased by 16.4 percent (or LTL 3,587 million). Total foreign trade balance in Lithuania was negative, and consisted of LTL 7,081 million.

Lithuania's main export partners are: United Kingdom (14 percent), Latvia (12.6 percent), Germany (12.5 percent), and Russia (10.9 percent). Lithuania's main import partners are: Russia (25.6 percent), Germany (17.4 percent), Poland (4.9 percent), and Italy (4.3 percent). In 2001, most of Lithuania's goods were exported to the EU countries, 47.9 percent of the gross Lithuanian exports. Exports to the CIS equalled 19.5 percent. In 2001, most goods were imported from the EU countries, 44.4 percent of the gross Lithuanian imports. Imports to the CIS equalled 29.7 percent.

Lithuania has chosen a liberal policy of trade and movement of capital. Lithuania's economy is characterised by a low level of protectionism. In 2001, customs duties made up 0.3 percent of the GDP. Import of goods constituted 53.2 percent of the GDP. Efforts of the business community to adapt to the changing market conditions and measures by the Government of the Republic of Lithuania to strengthen Lithuania's economic competitiveness, encourage exports, as well as protect the internal market, should create preconditions to sustain and promote positive foreign trade development tendencies.

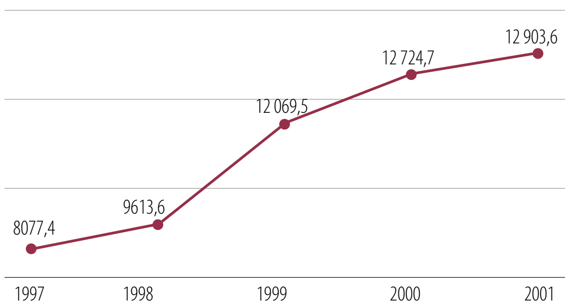
Foreign Trade, LTL million



State Debt

According to data collected by the Ministry of Finance of the Republic of Lithuania, the state debt in 2001 grew by 1.4 percent (from LTL 12,724.7 million on 31 December 2001 to LTL 12,903,6). Whereas, compared to 1999, in 2000, the state debt increased by 5.42 percent, and compared to 1998, in 1999 it grew by 25.54 percent.

State Debt, LTL million



	1997	1998	1999	2000	2001
Total state debt	8077,4	9613,6	12 069,5	12 724,7	12 903,6
Internal debt	2470,1	2876,2	2354,2	2827,4	3047,3
Foreign debt	5607,3	6737,4	9715,3	9897,3	9856,2

In the beginning of 2002, the Government of the Republic of Lithuania approved stricter state medium-term loan limits. Lithuania, which is negotiating its membership in the European Union, seeks to link loan indicators to the GDP. Since 1999, the state debt indicators were not tied to the GDP, and the foreign debt could not exceed 85 percent of the total debt. At the end of 2001, Lithuania's state debt equalled 26.9 percent of the GDP, and the foreign debt equalled 20.54 percent of the GDP.

According to predictions, at the end of 2004, the state debt should not exceed 30 percent of the GDP for that year, and the foreign debt should not exceed 25 percent of the GDP. Whereas, the state debt for the EU member states is predicted not toexceed 60 percent of the GDP.

Banking Market

The International rating agency *Fitch* while re-evaluating credit ratings assigned to Lithuania for 2001, acknowledged Lithuania's continuous progress, and noted that the country's financial system was stable and reliable. The Agency's report states that Lithuania's financial system is solid, and the country's strict fiscal policy, low level of foreign debt, well-developed banking system, as well as generated reserve fund demonstrate that Lithuania's economy is resilient to economic and financial blows.

During the last few years, major changes occurred in Lithuania's banking market. For example, on 23 April 2001, pursuant to a stock purchase and sale agreement, the State Property Fund sold 90.733 percent of *Lietuvos taupomasis bankas* (LTB) shares to Estonian bank *Hansabank*. As part of the agreement, the State Property Fund set additional terms for the primary investor aiming to limit possible systemic risk that could occur as a result of the planned merger between Swedish bank *Swedbank* - the main shareholder of the *LTB's* new owner – and another Swedish bank *Skandinavska Enskilda Banken*, a banking group that includes the largest Lithuanian bank AB *Vilniaus bankas*. German bank *Vereins Und Westbank AG,* which earlier only had its representation in Lithuania, opened its branch in Vilnius. On 15 November 2001, German bank *Nord/LB* was officially declared the winner of the privatisation competition for the last state owned bank – AB *Lietuvos žemės ūkio bankas*.

In 2001, 9 banks with Lithuanian banking licenses (AB *Ūkio bankas,* AB *Vilniaus bankas,* AB *Šiaulių bankas*, AB bankas *Snoras*, UAB *Medicinos bankas*, AB *Parex bankas*, AB bankas *Hansa-LTB*, UAB *Sampo bankas* and state bank AB *Lietuvos žemės ūkio bankas*), 4 foreign bank branches (German *Norddeutsche Landesbank Girozentrale*, German *Vereins Und Westbank AG*, Finnish *Merita Bank Plc*, Polish *Kredyt Bank S.A.*), and 5 foreign bank representations operated in Lithuania.

In 2001, all commercial banks operating in Lithuania suffered a general audited loss of LTL 22.5 million. In 2000, the banks' net profit was LTL 52,7 million. The general results of the banking system in 2001 were most negatively affected by *Hansa-LTB*. Having reappraised long-term material assets and having made LTL 85.5 million in provisions, general losses of AB *Hansabankas* and *LTB* reached LTL 114 million.

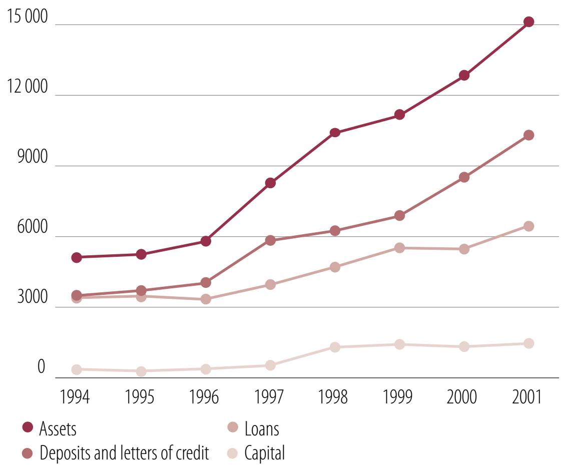
The Banks' Audited Net Profit, LTL million

Bank	2000	2001
AB *Vilniaus bankas*	82,2	95,2
AB *Lietuvos žemės ūkio bankas*	7,3	8,2
AB Bankas *Snoras*	3,9	4,5
AB *Ūkio bankas*	4,0	4,4
AB *Šiaulių bankas*	1,9	2,4
UAB *Medicinos bankas*	1,4	1,6
AB Bankas *Hansabankas*	-3,7	
AB *Parex bankas*	-4,6	-7,1
UAB *Sampo bankas*	1,3	-10,1
AB Bankas *Hansa-LTB*	-32,6	-114,0
Total – all banks	**61,1**	**-14,9**
Kredyt Bank S.A. Vilnius branch	6,2	0,7
Vereins Und Westbank AG Vilnius branch	-	-2,2
Nord/LB Vilnius branch	-11,3	-2,2
Merita Bank Plc Vilnius branch	-3,3	-4,0
Total – foreign bank branches	**-8,4**	**-7,7**
Total	**52,7**	**-22,5**

Falling interest rates and a loan portfolio that hardly grew during the course of two years resulted in banks earning LTL 10.8 million less in interest earnings in 2001 than they earned in 2000. However, income from fees and commissions increased by LTL 52.2 million, and the increase of their share from 19 to 22 percent in the overall income evidences that banks expanded other operations and services.

At the end of 2001, the total assets of all banks operating in Lithuania was LTL 15.351 billion – that year assets grew the most in the last three years - 17.2 percent. Deposits and letters of credit totalled LTL 10.416 billion (21.2 percent) – approximately LTL 6.4 billion from individuals (26.1 percent), loans portfolio equalled LTL 6.5 billion (17.8 percent), and shareholder ownership – LTL 1.441 billion (10.1 percent).

The Main Activity Indicators of Commercial Banks, LTL million

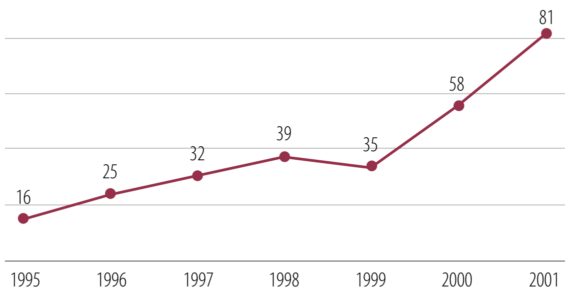


Providing loans remains the primary source of income for banks, and loans constitute 42.8 percent of all banks' income. In 2001, loans to private companies and individuals increased the most, LTL 830 million and LTL 143 million, respectively. Meanwhile, in 2000, loans to state and municipal enterprises, as well as local government institutions increased the most.

In the beginning of 2002, Lithuania's banking system's capital sufficiency indicator was 15.56 percent (minimum - 10 percent) and liquidity – 48.02 percent (minimum – 30 percent). On 1 January 2002 all commercial banks and foreign bank branches implemented established risk limiting requirements.

In 2001, having privatised *Lietuvos taupomasis bankas,* the share of foreign investors in the capital stock of all banks increased from 58 to 81 percent; thus, furthering the tendency of foreign investors having extensive influence in banks' capital. Foreign investors held more than half of the capital in six out of nine Lithuanian banks.

The Share of Foreign Investors in the Capital Stock of all Banks, percent



Today there are over five billion people on the planet,

and more are on the way.

Each person

has the potential to create and share an idea

or invention that will change the course of history.

Isaac Asimov

FINANCIAL STATEMENTS 2001

Deloitte & Touche
Aludarių 2
2001 Vilnius
Lithuania

Tel: (370) 2 497425
Fax: (370) 5 2126844
www.deloitteCE.com

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of *AB Ūkio bankas*:

We have audited the accompanying consolidated balance sheets of *AB Ūkio bankas* (the "Bank") and subsidiaries (the "Group") as of 31 December 2001 and 2000 and the related consolidated statements of profit and loss, shareholders' investment and cash flows for the years then ended. These financial statements are the responsibility of the Group's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with International Standards on Auditing. Those standards require that we plan and perform our audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Group as of 31 December 2001 and 2000, and the results of its operations and cash flows for the years then ended in accordance with International Accounting Standards.

Deloitte & Touche

Deloitte & Touche
Vilnius, Lithuania
20 March 2002

CONSOLIDATED BALANCE SHEETS

As of 31 December 2001 and 2000

	Notes	2001	2000
		LTL'000	LTL'000
ASSETS			
Cash		9,425	8,532
Due from central banks	2	36,152	23,375
Due from other banks and financial institutions	3	306,572	87,187
Loans and advances to customers, net	4	165,888	83,362
Investments	5	46,158	30,208
Investment property		2,682	-
Other assets, net	6	148,494	85,221
Fixed assets	7	59,887	49,903
Total assets		**775,258**	**367,788**
LIABILITIES, MINORITY INTEREST AND SHAREHOLDERS' INVESTMENT			
LIABILITIES			
Due to central banks	8	2,497	2,635
Due to other banks	9	259,519	51,840
Current and term deposit accounts	10	371,354	238,586
Other liabilities	11	44,068	6,246
Total liabilities		**677,438**	**299,307**
SHAREHOLDERS' INVESTMENT			
Share capital	12	72,708	72,708
Accumulated deficit		(4,214)	(11,071)
Currency translation reserve		(518)	(113)
Total shareholders' investment		**67,976**	**61,524**
Less: treasury shares		(3,635)	-
Total shareholders' investment, net		**64,341**	**61,524**
Minority interest		**33,479**	**6,957**
Total liabilities, shareholders' investment and minority interest		**775,258**	**367,788**

The accompanying notes to the consolidated financial statements are an integral part of these consolidated financial statements.

The financial statements were approved by the Management Board on 26 March 2002 and signed on its behalf by:

Chairwoman of the Management Board
E. Navickaitė

Chief Accountant
V. Petraitienė

CONSOLIDATED STATEMENTS OF PROFIT AND LOSS

For the years ended 31 December 2001 and 2000

	Notes	2001	2000
		LTL'000	LTL'000
Interest income	13	23,923	18,275
Interest expense	14	(15,823)	(15,131)
NET INTEREST INCOME		**8,100**	**3,144**
Fees and commission income, net	15	21,169	10,325
Foreign exchange profit, net		481	7,236
Income from investment activities, net	16	153	4,395
Other operating income	17	18,915	8,455
TOTAL INCOME		**48,818**	**33,555**
Provisions for losses	18	(2,234)	(2,162)
NET INCOME AFTER PROVISION		**46,584**	**31,393**
Salaries and related social expenses	19	14,997	12,408
Depreciation expense	7	4,785	2,099
Other administrative expenses	20	22,427	13,286
		42,209	**27,793**
NET INCOME BEFORE INCOME TAX AND MINORITY INTEREST		**4,375**	**3,600**
Income tax	21	-	-
NET INCOME BEFORE MINORITY INTEREST		**4,375**	**3,600**
Minority interest		62	404
NET INCOME		**4,437**	**4,004**
Basic Earnings Per Share (in LTL)		**0.77**	**0.72**

The accompanying notes to the consolidated financial statements are an integral part of these consolidated financial statements.

The financial statements were approved by the Management Board on 26 March 2002 and signed on its behalf by:

Chairwoman of the Management Board
E. Navickaitė

Chief Accountant
V. Petraitienė

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' INVESTMENT

For the years ended 31 December 2001 and 2000

	Share Capital	Accumulated Deficit	Currency Translation Reserve	Treasury Shares	Total
	LTL'000	LTL'000	LTL'000	LTL'000	LTL'000
31 December 1999	**60,000**	**(17,170)**	**-**	**(1,422)**	**41,408**
Sale of treasury shares	-	2,095	-	1,422	3,517
Issuance of shares	12,708	-	-	-	12,708
Currency translation adjustment	-	-	(113)	-	(113)
Net income	-	4,004	-	-	4,004
31 December 2000	**72,708**	**(11,071)**	**(113)**	**-**	**61,524**
Purchase of treasury shares (Note 12)	-	2,420	-	(3,635)	(1,215)
Currency translation adjustment	-	-	(405)	-	(405)
Net income	-	4,437	-	-	4,437
31 December 2001	**72,708**	**(4,214)**	**(518)**	**(3,635)**	**64,341**

The accompanying notes to the consolidated financial statements are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended 31 December 2001 and 2000

	2001 LTL'000	2000 LTL'000
CASH FLOW FROM OPERATING ACTIVITIES		
Interest received	25,515	17,969
Interest paid	(14,995)	(15,131)
Repayment of previously written off loans	3,227	
Net receipts from operations with foreign currency	727	7,703
Net receipts from operations with securities	266	2,878
Net receipts for services and commission	17,711	10,325
Cash payments of salaries and associated payments	(16,514)	(12,408)
Other payments	(4,136)	(7,681)
Net cash provided by operating activities before change in operating assets	**11,801**	**3,655**
Changes in operating assets and liabilities:		
Due from central banks	(6,865)	(7,445)
Loans and advances to customers	(88,806)	8,132
Due from other banks and financial institutions	(23,837)	(15,405)
Other assets	(53,033)	(31,968)
Due to central banks	(138)	(2,486)
Due to other banks	190,113	40,911
Current and term deposits	133,808	60,465
Other liabilities	11,038	2,246
Net cash provided by operating activities	**174,081**	**58,105**
CASH FLOW FROM INVESTING ACTIVITIES		
Additions of fixed assets, net of disposals	(190)	(16,958)
Investments in non-trading securities	(11,785)	(10,194)
Net treasury share (purchase)/sale	(1,215)	3,517
Net cash used in investing activities	**(13,190)**	**(23,635)**
CASH FLOW FROM FINANCING ACTIVITIES		
Issuance of shares	10,132	708
Net cash provided by financing activities	**10,132**	**708**
Net increase in cash and cash equivalents	**171,023**	**35,178**
Cash and cash equivalents at the beginning of year	**82,394**	**47,216**
Cash in consolidated subsidiary not consolidated in 2000	**436**	**-**
Cash and cash equivalents at the end of year	**253,853**	**82,394**
Cash and cash equivalents consist of:		
Cash on hand	9,425	8,532
Demand deposits due from other banks within 3 month	227,122	71,782
Due from central bank in LTL	17,306	2,080

The accompanying notes to the consolidated financial statements are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the years ended 31 December 2001 and 2000

1. ACCOUNTING POLICIES

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, J. Gruodžio str. 9. The Bank has 12 branches in Lithuania. The Bank accepts deposits from the public and makes loans, provides trade finance, transfer payments and exchanges currencies for its clients.

The significant accounting policies adopted for the preparation of the consolidated financial statements are set out below.

Basis of Preparation

The financial statements have been prepared on the historical cost basis of accounting as modified by the revaluation of certain financial assets and liabilities, in accordance with International Accounting Standards (IAS).

These financial statements are presented in the national currency of Lithuania, the Litas (LTL).

The following summarizes the more significant of the policies applied.

Principles of Consolidation

At 31 December 2001 the consolidated financial statements include the accounts of the Bank and the following consolidated entities.

Name	Activity	Country	Ownership
UAB *Ūkio banko lizingas*	Finance lease	Kaunas, Lithuania	100%
Life Insurance UAB *Bonum Publicum*	Life insurance	Vilnius, Lithuania	40%
Balkan Investment Bank A.D.	Commercial bank	Banja Luka, Republic Srpska	24%
UAB *Ūkio banko investicinė grupė*	Investment activities	Kaunas, Lithuania	37,53%
UAB *Energetinių sistemų lizingas*	Leasing activities	Vilnius, Lithuania	44,84%

All significant intercompany balances, transactions, unrealised surpluses and deficits on transactions between Group enterprises have been eliminated.

At 31 December 2000 the consolidated financial statements include the accounts of the Bank, its wholly owned subsidiary *UAB Ūkio banko lizingas*, 50% owned Life Insurance *UAB Bonum Publicum* and 49% minority owned, but controlled subsidiary *Balkan Investment Bank A. D.* All significant intercompany balances, transactions, unrealised surpluses and deficits on transactions between Group enterprises have been eliminated.

Subsidiaries are consolidated from the date on which effective control is transferred to the Group and are no longer consolidated from the date of disposal. All intercompany transactions, balances and unrealised surpluses and deficits on transactions between Group companies have been eliminated. The accounting policies used by subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

In translating the financial statements of a foreign subsidiary for incorporation in the consolidated financial statements, the Group translates the assets and liabilities, both monetary and non-monetary, of the foreign subsidiary at the closing exchange rate. Income and expense items of the foreign subsidiary are translated at an average exchange rate for the period. All resulting exchange differences are classified as equity until the disposal of the investments.

Interest, Fees and Commissions

Interest income is recognized on the accrual basis. For loans, which are considered to be non-performing or risky, provision for accrued interest income is estimated. The accrual of interest income is suspended for loans when repayment of the principal amount or interest is overdue for more than 90 days. Any interest income that has been previously recognized, but not received, is recorded as provision expenses in the profit and loss account and a decrease in short-term assets in the balance sheet at the time the related loans is placed on non-performing status.

Interest expense is recognized on the accrual basis.

Commissions, fees and other income are credited to income and expenses are debited to expense when earned or incurred.

Fixed Assets

Fixed assets are stated at historical cost as adjusted for the revaluation of certain buildings less accumulated depreciation and amortization. Depreciation is provided in equal monthly instalments from the month following the month the asset is placed in service over the estimated useful lives as follows:

Buildings	60–90 years
Vehicles	5 years
Furniture, fixtures and equipment	3–30 years
Computer hardware	4–6 years
Software	1 year

The above expected useful lives are set in accordance with Lithuanian tax legislation, which approximate the actual useful lives. All assets in excess of LTL 100 are capitalized.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Gains and losses on disposal of property and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit. Repairs and renewals are charged to the income statement when the expenditure is incurred.

Derivative Financial Instruments

Derivative financial instruments including foreign exchange contracts, forward rate agreements and other derivative financial instruments are recognized in the balance sheet at cost (including transaction costs).

Trading Securities

Trading securities are securities, which were either acquired for generating a profit from short-term fluctuations in price or dealer's margin, or are securities included in a portfolio in which a pattern of short-term profit taking exists. Trading securities are initially recognized at cost (which includes transaction costs) and subsequently re-measured at fair value based on quoted bid prices. All related realized and unrealised gains and losses are included in income from trading securities and investments securities held for trading and available for sale. Interest earned whilst holding trading securities is reported as interest income. Dividends received are included in income from trading securities and investments securities held for trading and available for sale.

All purchases and sales of trading securities that require delivery within the time frame established by regulation or market convention ('regular way' purchases and sales) are recognized at trade date, which is the date that the Group commits to purchase or sell the asset. Otherwise such transactions are treated as derivatives until settlement occurs.

Sale and Repurchase Agreements and Lending Securities

Securities sold subject to a linked repurchase agreements ('repos') are retained in the financial statements as trading or investment securities and the counterparty liability is included in amounts due to other banks, deposits from banks, other deposits, or deposits due to customers, as appropriate. Securities purchased under agreements to resell ('reverse repos') are recorded as loans and advances to other banks or customers as appropriate. The difference between sale and repurchase price is treated as interest and accrued over the life of repo agreements using the effective yield method. Securities lent to counterparties are also retained in the financial statements.

Securities borrowed are not recognized in the financial statements, unless these are sold to third parties, in which case the purchase and sale are recorded with the gain or loss included in trading income. The obligation to return them is recorded at fair value as a trading liability.

Investment Securities

Group classifies its investment securities and purchased loans and receivables into the following two categories: held-to-maturity and available-for-sale assets. Investment securities and purchased loans and receivables with fixed maturity where management has both the intent and the ability to hold to maturity are classified as held-to-maturity. Investment securities and purchased loans and receivables intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices are classified as available for sale. Management determines the appropriate classification of its investments at the time of the purchase.

Investment securities and purchased loans and receivables are initially recognized at cost (which includes transaction costs). Available-for-sale financial assets are subsequently re-measured at fair value based on quoted bid prices or amounts derived from cash flow models. Fair values for unquoted equity instruments are estimated using applicable price/earnings or price/cash flow ratios refined to reflect the specific circumstances of the issuer. Unrealised gains and losses arising from changes in the fair value of securities classified as available-for-sale are recognized as they arise in the income statement. When the securities are disposed of or impaired, the related accumulated fair value adjustments are included in the income statement as gains and losses from investment securities.

Held-to-maturity investments are carried at amortized cost using the effective yield method, less any provision for impairment.

A financial asset is impaired if its carrying amount is greater than its estimated recoverable amount. The amount of the impairment loss for assets carried at amortized cost is calculated as the difference between the asset's carrying amount and the present value of expected future cash flows discounted at the financial instrument's original effective interest rate. By comparison, the recoverable amount of an instrument measured at fair value is the present value of expected future cash flows discounted at the current market rate of interest for a similar financial asset.

Interest earned whilst holding investment securities is reported as interest income. Dividends receivable are included separately in income from trading securities and investments securities held for trading and available for sale when a dividend is declared.

All regular way purchases and sales of investment securities are recognized at trade date, which is the date that the Group commits to purchase or sell the asset. All other purchases and sales are recognized as derivative forward transactions at the date of settlement.

Investment Property

Investment property, which is properly held to earn rentals and for capital appreciation, is stated at cost less any accumulated depreciation and any accumulated impairment losses.

Originated Loans and Provisions for Loans Impairment

Loans represent the unpaid principal balance of loans less provisions for loan losses.

The Bank provides commercial and consumer loans to customers throughout its market area. The economic condition of the market area may have an impact on the borrowers' ability to repay their loans. Management has considered risk in determining the balance of provisions and possible loan losses.

Provisions for loan losses at the balance sheet date are established in accordance with IAS and represent the estimated amounts of probable losses that have been incurred at the balance sheet date. The value of the collateral held in connection with the loan is based on its estimated realizable value and is taken into account when estimating the required provision.

The level of the provision is based on estimates considering known relevant factors affecting loan collectability and collateral values. Ultimate losses will vary from the current estimates. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in earnings in the period in which they become known. Due to an inherent lack of reliable information about the customers' financial position, the estimate of probable losses is uncertain. Nevertheless, management has made their best estimates of potential losses and believe those loss estimates presented in the financial statements are reasonable in light of available information.

Finance Lease

Leases are classified as finance leases whenever the terms of the lease transfer substantially all of the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

A Group company as lessor:

When assets are held subject to a finance lease, the present value of the lease payments is recognized as a receivable. The difference between the gross receivable and the present value of the receivable is recognized as unearned finance income. Lease income is recognized over the term of the lease using the net investment method (before tax), which reflects a constant periodic rate of return.

A Group company as lessee:

Assets held under finance leases are recognised as assets of the Group company at their fair value at the date of acquisition. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Finance costs, which represent the difference between the total leasing commitments and the fair value of the asset acquired, are charged to the statement of profit and loss over the term of the relevant lease, so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease.

Foreclosed Assets Held for Resale

Assets acquired through foreclosures are recorded at the estimated fair value at time of foreclosure, net of disposal cost. Write-downs from cost to fair value at the time of foreclosure are charged to the provision for losses. Subsequent adjustments to the fair value are charged to the provision for those foreclosed assets held for resale. Gains or losses recognized on the sale of such assets are included in the profit and loss account. Determinations of fair value are based on periodic appraisals, which are subject to significant fluctuations as economic conditions change.

Deferred Income Taxes

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

The principal temporary differences arise from revaluation of certain financial assets and liabilities and tax losses carried forward. The rates enacted or substantively enacted at the balance sheet date are used to determine deferred income tax.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Employee entitlements to annual leave and long service leave are recognized when they accrue to employees. A provision is made for the estimated liability for annual leave and long-service leave as a result of services rendered by employees up to the balance sheet date.

Foreign Currencies

Transactions denominated in foreign currency are translated into LTL at the official Bank of Lithuania exchange rate on the date of the transaction, which approximates the prevailing market rates. Monetary assets and liabilities, including unmatured commitments to deliver or acquire foreign currencies under spot exchange transactions, if any, are translated at the rate of exchange on the balance sheet date.

The applicable rates used for the principal currencies at year-end were following:

	2001	2000
1 USD	4.0000	4.0000
1 EUR	3.5272	3.7212

All resulting gains and losses relating to cash operations are recorded in the profit and loss account in the period in which they arise. Gains and losses on translation are credited or charged at the prevailing foreign exchange rate at period-end.

Cash and Cash Equivalents

For the purpose of the statements of cash flows, highly liquid investments with an original maturity of three months or less when purchased are considered cash equivalents. Obligatory reserves held at the Bank of Lithuania are not considered to be cash equivalents.

Earnings Per Share

For the purpose of calculating earnings per share the weighted average number of common shares outstanding during year 2001 and 2000 was 5,756,286 and 5,593,351, respectively. At 31 December 2001 and 2000 the Group had no dilutive shares outstanding.

Regulatory Requirements

The Bank is subject to the regulatory requirements of the Bank of Lithuania. These requirements include capital adequacy, liquidity, foreign currency position and loan concentration for individual loan customers.

The consolidated subsidiary Life Insurance *UAB Bonum Publicum* is subject to the regulatory requirements of the Ministry of Finance of the Republic of Lithuania and the Insurance Supervisory Authority. These requirements include minimum capital, restricted investments and accounting and reserve setting policies.

The consolidated subsidiary *Balkan Investment Bank A. D.* is required to operate and maintain certain ratios with respect to its activities in compliance with the Republic of Srpska accounting regulations and regulations prescribed by the Agency for Banking of the Republic of Srpska, as a supervision body of the banking sector in the Republic of Srpska.

Treasury Shares

Treasury shares are accounted for under the par value method.

Reclassifications

Certain balances of year 2000 have been reclassified in order to conform to the year 2001 presentation.

2. DUE FROM CENTRAL BANKS

Due from central banks as of 31 December are as follows:

	2001	2000
	LTL'000	LTL'000
Obligatory reserves	23,524	15,885
Other deposits	12,628	7,490
Total due from central banks	**36,152**	**23,375**

In accordance with Bank of Lithuania regulations, the Bank maintains 8% (calculated monthly) of the average monthly balance of:

- resident and non-resident Litas and foreign currencies liabilities
- non-resident banks and credit institutions liabilities and other liabilities

Obligatory reserves in foreign currencies are not available for general use by the Bank. The Bank was in compliance with this regulation as of 31 December 2001 and 2000.

Credits received from other Lithuanian and foreign banks are excluded from the calculation base.

In accordance with the Agency for Banking of the Republic of Srpska regulations, the consolidated subsidiary *Balkan Investment Bank A. D.* maintains an obligatory reserve of 10% of the average balance of the non-banking customer deposits (calculated on a ten-day average basis). This deposit is available for liquidity purposes. The consolidated subsidiary *Balkan Investment Bank A. D.* was in compliance with this regulation as of 31 December 2001.

3. DUE FROM OTHER BANKS AND FINANCIAL INSTITUTIONS

Due from other banks and financial institutions as of 31 December are as follows:

	2001	2000
	LTL'000	LTL'000
Due from Lithuanian banks and financial institutions	15,716	29,700
Due from foreign banks	290,856	57,487
Total due from banks and other financial institutions	**306,572**	**87,187**

4. LOANS AND ADVANCES TO CUSTOMERS, NET

Loans and advances to customers, by maturity, as of 31 December are as follows:

	2001	2000
	LTL'000	LTL'000
Due within one year	130,104	70,649
Due after one year	43,404	22,480
Total loans and advances to customers	**173,508**	**93,129**
Provision for loan losses	(7,620)	(9,767)
Total loans and advances to customers, net	**165,888**	**83,362**

Loans and advances to customers, by industry, are as follows:

	2001	2000
	LTL'000	LTL'000
Wholesale and retail trade	95,270	45,805
Manufacturing	23,608	26,548
Real estate	12,990	3,110
Construction	8,142	1,976
Transportation	3,233	4,096
Hotel and restaurant	728	850
Agriculture	483	527
Other (including individuals)	29,054	10,217
Total loans and advances to customers	**173,508**	**93,129**

5. INVESTMENTS

Investments as of 31 December are as follows:

	2001 LTL'000	2000 LTL'000
Trading securities		
Listed equity securities:		
AB Šiaulių bankas	500	500
AB Lietuvos telekomas	162	412
AB Žemaitijos pienas	16	-
AB Kalnapilis	13	-
AB Ekranas	9	68
AB Rokiškio sūris	-	21
AB Linas	-	14
AB Mažeikių nafta	-	4
Total trading securities	**700**	**1,019**
Investment securities		
Available for sale	-	-
Lithuanian Government T-bonds	14,369	11,491
Equity securities:		
OAO Zavod Dnepropress	14,632	-
AB Holdinginė tekstilės kompanija	3,522	-
ZAO TK MGZ	3,143	6,846
FMĮ Finbaltus	2,035	-
OAO Russkij Karavaj	1,787	-
UAB Ortopedijos paslaugos	1,483	-
UAB Nidos pušynas	1,336	-
UAB Bankinės konsultacijos	999	-
AB Pramprojektas	669	126
Balkan Investment Management A. D.	487	515
AB Tauragės grūdai	438	-
UAB Nidos smiltė	189	-
AB Šiaulių komercija	154	-
UAB Balkan Invest	40	41
UAB Energolinija	40	-
NVPB	15	15
UAB Šiaulių LEZ valdymo bendrovė	6	6
SWIFT	-	8
Other equity investments	114	-
Investments in subsidiaries:		
UAB Ūkio banko investicinė grupė	-	10,141
Total investment securities	**45,458**	**29,189**
Total investments	**46,158**	**30,208**

Lithuanian government bonds (treasury bills) have maturities ranging up to three years with an average yield of approximately 3.5% to 10.4%.

Trading securities include shares of Lithuanian companies that are actively traded on the Lithuanian Stock Exchange or for which management is actively seeking buyers and intends to hold for less than 1 year.

As of 31 December 2001 and 2000 the Bank has a 100% investment in *UAB Ūkio banko lizingas*. The subsidiary is engaged in leasing activities. The subsidiary commenced its operations in September 1997. For the years ended 31 December 2001 and 2000 this subsidiary has been consolidated.

As of 31 December 2001 and 2000 the Bank has a 40% and 50% investment, correspondingly, in Life Insurance *UAB Bonum Publicum*. The subsidiary is engaged in providing wide range of life and non-life insurance services. The subsidiary commenced its operations in August 2000. The subsidiary is minority owned, but controlled. For the years ended 31 December 2001 and 2000 the subsidiary has been consolidated.

As of 31 December 2001 and 2000 the Bank has a 24% and 49% investment, correspondingly, in *Balkan Investment Bank A. D.* The subsidiary is engaged in commercial banking activities. The subsidiary commenced its operations in April 2000 and is located in Banja Luka, Republic Srpska. The subsidiary is minority owned, but controlled. For the years ended 31 December 2001 and 2000 the subsidiary has been consolidated.

As of 31 December 2001 and 2000 the Bank has 37.53% and 24.82% interest, correspondingly, in an associate, *UAB Ūkio banko investicinė grupė*. The subsidiary is minority owned, but controlled. For the year ended 31 December 2001 *UAB Ūkio banko investicinė grupė* is consolidated and for the year ended 31 December 2000 the investment is accounted for under the equity method.

As of 31 December 2001 the Bank has 44.84% interest in *UAB Energetinių sistemų lizingas*. The subsidiary is minority owned, but controlled. For the year ended 31 December 2001 *UAB Energetinių sistemų lizingas* is consolidated.

According to Bank of Lithuania regulations the Bank's investment portfolio should not exceed 10% of the shareholders' investment. As of 31 December 2001 and 2000 the Bank was in compliance with this requirement. For the investments in to subsidiary, as investment into financial institution, *UAB Ūkio banko investicinė grupė,* mentioned investment restrictions are not applied.

6. OTHER ASSETS, NET

Net other assets as of 31 December are as follows:

	2001	2000
	LTL'000	**LTL'000**
Factoring accounts receivable	29,403	-
UAB Ūkio banko lizingas accounts receivable	28,057	8,169
Prepayment for *UAB Energolinija* shares	7,000	-
Accounts receivable from *InComplex LLC*	6,612	-
Prepayment to Bosnian privatisation agency	5,861	-
Foreclosed assets held for resale, net	5,573	16,906
Prepayment to *Uniline LLC* for shares	5,233	-
Accounts receivable from *AB Pramprojektas*	2,999	-
Accounts receivable from *Tusklane Limited*	2,341	-
Accounts receivable from *Inter Trade* for shares	1,615	-
Accounts receivable from *Century Management*	1,515	-
Accounts receivable from *Plough Investment LTD*	1,120	-
Accounts receivable from *Tempex*	1,051	-
Deferred expenses	751	1,096
Interest receivable, net	677	956
Other receivables, net	48,686	58,094
Total other assets, net	**148,494**	**85,221**

Foreclosed assets held for resale consist of the following:

	2001	2000
	LTL'000	**LTL'000**
Premises	2,033	12,178
Equipment	4,028	5,739
Houses and apartments	136	136
Constructions	-	122
Materials	-	39
Securities	-	2
Total foreclosed assets	**6,197**	**18,216**
Less: provisions for losses	(624)	(1,310)
Total foreclosed assets, net	**5,573**	**16,906**

Other receivables consist of the following:

	2001	2000
	LTL'000	**LTL'000**
Other receivables	48,782	60,401
Less: Provision for losses	(96)	(2,307)
Total other receivables, net	**48,686**	**58,094**

7. FIXED ASSETS

Fixed assets as of 31 December are as follows:

LTL'000	Buildings	Office equipment	Vehicles	Construction in progress	Intangible assets	Total
Historical cost						
31 December 1999	30,079	8,702	1,775	343	405	41,304
Additions	13,612	2,392	380	306	3,301	19,991
Disposals and transfers	(478)	(875)	-	(297)	-	(1,650)
31 December 2000	43,213	10,219	2,155	352	3,706	59,645
Assets of consolidated subsidiary	10,034	511	895	-	56	11,496
Additions	-	2,190	2,043	1,675	737	6,645
Transfers to other accounts	(1,600)	52	-	(52)	-	(1,600)
Disposals	(498)	(2,143)	(1,005)	-	(770)	(4,416)
31 December 2001	51,149	10,829	4,088	1,975	3,729	71,770
Accumulated depreciation						
31 December 1999	1,342	5,511	1,125	-	381	8,359
Charge for period	391	1,098	213	-	397	2,099
Disposals	(33)	(683)	-	-	-	(716)
31 December 2000	1,700	5,926	1,338	-	778	9,742
Accumulated depreciation of consolidated subsidiary	121	144	49	-	23	337
Charge for period	1,372	1,381	612	-	1,420	4,785
Change due to currency translation	-	(6)	-	-	(44)	(50)
Transfers to other accounts	(4)	-	-	-	-	(4)
Disposals	(29)	(1,881)	(806)	-	(211)	(2,927)
31 December 2001	3,160	5,564	1,193	-	1,966	11,883
Net book value						
31 December 2000	**41,513**	**4,293**	**817**	**352**	**2,928**	**49,903**
31 December 2001	**47,989**	**5,265**	**2,895**	**1,975**	**1,763**	**59,887**

The assets stated above are held for the Group's own use.

8. DUE TO CENTRAL BANK

Due to Bank of Lithuania represent long-term loans in DEM.

As of 31 December 2001 loans denominated in DEM account for LTL'000 2,497 (in year 2000 2,635 LTL'000) and mature in 2005 with annual interest rate of 4-6%.

9. DUE TO OTHER BANKS

Due to other banks as of 31 December are as follows:

	2001	2000
	LTL'000	LTL'000
Due to Lithuanian banks	9,505	16,916
Due to foreign banks	250,014	34,924
Total due to other banks	**259,519**	**51,840**

10. CURRENT AND TERM DEPOSIT ACCOUNTS

Current and term deposit accounts as of 31 December are as follows:

	2001	2000
	LTL'000	LTL'000
Current accounts		
Private companies	121,357	39,876
Individuals	11,963	5,637
State enterprises	1,925	1,246
Non-profit organizations	1,367	1,210
Local authorities	712	943
National authorities	891	641
Deposits of contracts	70	-
Total current accounts	**138,285**	**49,553**
Term deposit accounts		
Individuals	182,795	137,850
Private companies	46,728	16,065
Non-profit organizations	1,692	2,381
National authorities	1,158	32,000
State enterprises	696	711
Deposits under custody agreements	-	26
Total term deposit accounts	**233,069**	**189,033**
Total current and term deposit accounts	**371,354**	**238,586**

The maturity of current and term deposits is as follows:

Current accounts due on demand	138,285	49,553
Term deposits:		
Due within 3 months	91,781	70,230
Due within 3 to 6 months	61,744	40,606
Due within 6 months to one year	73,188	58,933
More than one year	6,356	19,264
Total current and term deposit accounts	**371,354**	**238,586**

For the year ended 31 December 2001 the average interest rate on term deposits in Litas was 5.6% (2000 – 8.8%) and in foreign currency 4.2% (2000 – 5.8%). The average interest rate for demand deposits in Litas was 1.24% (2000 – 1.6%) and in foreign currency 0.77% (2000 - 1.3%). Typically, term deposits are renewed at maturity.

11. OTHER LIABILITIES

Other liabilities as of 31 December are as follows:

	2001	2000
	LTL'000	LTL'000
Advance payments received related to purchase of equity investments	18,926	-
Currency exchange commitments	10,081	-
Accounts payable to suppliers of assets sold under finance lease	3,820	-
Other liabilities	11,241	6,246
Total other liabilities	**44,068**	**6,246**

12. SHARE CAPITAL

Issued share capital as of 31 December 2001 and 2000 consisted of 6,059,000 ordinary shares, with a par value of LTL 12 each. All shares are outstanding and fully paid.

During 2000 the Bank purchased 302,947 treasury shares for LTL'000 1,215. Treasury shares are accounted for under the par value method. The difference between the nominal value and acquisition cost is presented as decrease in accumulated deficit.

13. INTEREST INCOME

Interest income for the years ended 31 December are as follows:

	2001	2000
	LTL'000	LTL'000
Loans and advances to customers	13,578	14,923
Placements with other banks	7,652	1,179
Leasing interest income	1,446	1,904
Debt securities	1,247	269
Total interest income	**23,923**	**18,275**

For the years ended 31 December 2001, the average interest rates were approximately respectively for litas and currency loans 10.17% (13.9% in 2000) and 10.39% (12.3% in 2000) for short-term lending, and 10.01% (12.4% in 2000) and 8.29% (9.7% in 2000) for long-term loans.

14. INTEREST EXPENSE

Interest expense for the years ended 31 December are as follows:

	2001	2000
	LTL'000	LTL'000
Current and term deposit accounts	13,450	11,036
Deposits from other banks	2,213	3,712
Central banks	107	185
Other borrowings	53	-
Subordinated loans	-	198
Total interest expense	**15,823**	**15,131**

15. FEES AND COMMISSION INCOME, NET

Fees and commission income, net, for the years ended 31 December are as follows:

	2001	2000
	LTL'000	LTL'000
Fees and commission income	22,511	12,221
Fees and commission expense	(1,342)	(1,896)
Total fees and commission income, net	**21,169**	**10,325**

16. INCOME (LOSS) FROM INVESTMENT ACTIVITIES, NET

Income (loss) from investment activities for the years ended 31 December are as follows:

	2001	2000
	LTL'000	LTL'000
(Loss)/gain on sales of securities, net	(211)	2,878
Unrealised securities loss, net	(244)	(779)
Other income on securities	608	2,296
Total income (loss) from investment activities, net	**153**	**4,395**

17. OTHER OPERATING INCOME

Other operating income for the years ended 31 December are as follows:

	2001	2000
	LTL'000	LTL'000
Gain on sale of fixed assets	4,362	-
Fines and penalties	4,130	-
Other operating income	10,423	8,455
Total other operating income	**18,915**	**8,455**

18. PROVISIONS

Activity in the provision for loan losses, foreclosed assets, other assets and due from other banks for the years ended 31 December are as follows:

	Loan loss provision	Foreclosed, other assets, guarantees and due from other banks	Total
	LTL'000	LTL'000	LTL'000
Balance as of 31 December 1999	**15,168**	**4,187**	**19,355**
Reversal of provisions	(4,608)	(4,816)	(9,424)
Write off of loans fully provided for	(7,817)	(129)	(7,946)
Exchange rate and other adjustments	(108	(4)	(112)
Provision charged	7,132	4,454	11,586
Balance as of 31 December 2000	**9,767**	**3,692**	**13,459**
Reversal of provisions	(427)	(2,755)	(3,182)
Write off loans fully provided for	(6,562)	(15)	(6,577)
Exchange rate and other adjustments	(84)	(628)	(712)
Provision charged	4,926	490	5,416
Balance as of 31 December 2001	**7,620**	**784**	**8,404**

19. SALARY AND RELATED SOCIAL EXPENSES

Salaries and related social expenses include compensation of employees and related social security and other benefits. Salaries and related social expenses for the years ended 31 December 2001 and 2000 were 14,997 and 12,408 LTL'000, respectively. As of 31 December 2001 and 2000 the Group employed 357 and 343, respectively.

20. OTHER ADMINISTRATIVE EXPENSES

Other administrative expenses for the years ended 31 December are as follows:

	2001	2000
	LTL'000	LTL'000
Housing and other costs related to premises	2,850	2,057
Payments for services	1,667	838
Training and travel	1,036	385
Transport, post and communications	1,618	1,395
Advertising	907	1,311
Minor construction, maintenance and other	14,349	7,300
Total other administrative expenses	**22,427**	**13,286**

21. TAXATION

The income tax expense for the years ended 31 December is as follows:

	2001
	LTL'000
Current tax	-
Deferred tax	-
Total	**-**

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate as follows:

	2001
	LTL'000
Profit before tax	**4,554**
Tax calculated at a tax rate of 24%	1,093
Income not subject to tax:	
Treasury bills	(49)
Fines	(914)
Other	(188)
Expenses not deductible for tax purposes:	
Loss on disposal of fixed assets	91
Revaluation of securities	39
Provisions	110
Accruals	9
Other	172
Loss carried forward	242
Difference in tax rate within the Group	(34)
Allowance for subsidiaries' income	(53)
Utilized loss carried forward	(518)
Income tax expense	**-**
Effective tax rate	**0%**

Since the beginning of 1997 more than USD 2 million of the share capital of the Bank has been owned by foreign shareholders. Pursuant to the provision of then existing corporate profit tax legislation, the Bank is eligible for a three-year relief from profit tax payments followed by a three year 50% reduction in profit tax payments. Accordingly, in the year ended 31 December 2000 no corporate tax liability has been recognized.

Deferred Tax Calculation. Deferred income taxes are calculated on all temporary differences under the liability method using an effective tax rate of 15%.

The movement on the deferred income tax liability is as follows:

	2001
	LTL'000
At the beginning of the year	-
Current year changes	-
Total	**-**

Current year changes are composed of the following temporary differences:

	2001
	LTL'000
Effect of change in taxation rate from 24% to 15%	2,825
Provisions	(107)
Revaluation of securities	(39)
Accruals	(9)
Loss carried forward	(7,376)
Valuation allowance	4,706
Total	**-**

Deferred income tax (assets) and liabilities are attributable to the following items:

	2001
	LTL'000
Deferred income tax assets	
Provisions	(67)
Accruals	(6)
Loss carried forward	(4,609)
Revaluation of securities	(24)
	(4,706)
Valuation allowance	4,706
Total deferred tax liability, net	-

Deferred income tax assets are recognized for tax loss carry forwards only to the extent that realization of the related tax benefit is probable. The benefit of these tax losses has not been recognized in these financial statements due to uncertainty of their recoverability.

22. CONTINGENCIES AND COMMITMENTS

At 31 December contingencies and commitments are as follows:

	2001
	LTL'000
Credit commitments	7,237
Issued guarantees	10,220
Other	1,074
Total	**18,531**

Finance leases - The Group has outstanding finance lease obligations of approximately LTL'000 737 in connection with lease agreements to acquire vehicles. The net book value of fixed assets under finance lease obligations at 31 December 2001 is approximately LTL'000 867. The minimum lease payment obligations are included in lease liabilities. Included in depreciation expense are charges related to finance leases.

At 31 December 2001 the future annual minimum commitments under financial leases of fixed assets are as follows:

	Financial Lease	Fair value
	LTL'000	LTL'000
2002	312	270
2003	312	289
2004	182	178
Minimum lease payments	**806**	**737**
Less amount representing interest	(69)	
Present value of minimum lease payments	**737**	

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 - The Group was not involved in any legal proceedings as of 31 December 2001 and 2000 except for those related to loan loss recovery.

23. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following disclosure of the estimated fair value of financial instruments is made in accordance with the requirements of International Accounting Standard 32, "Financial Instruments: Disclosure and Presentation". The estimated fair value amounts have been determined by the Group using market information and valuation methodologies considered appropriate. However, considerable judgement is required to interpret market data to develop the estimates of fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Group could realize in a current market exchange. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value amounts.

The fair value estimates presented herein are based on pertinent information available to the Group as of 31 December 2001 and 31 December 2000. Although the Group is not aware of any factors that would significantly affect the estimated fair value amounts, such amounts have not been comprehensively revalued for purposes of these financial statements since those dates and, therefore, current estimates of fair value may differ significantly from the amounts presented herein.

The carrying amount and the estimated fair value of the financial instruments for the years ended 31 December are as follows:

	2001		2000	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
	LTL'000	LTL'000	LTL'000	LTL'000
Financial Assets:				
Loans and advances to customers	165,888	166,833	83,362	83,988
Financial liabilities:				
Term deposit accounts	371,354	370,649	238,586	239,154

The methods and assumptions used in estimating the fair value of financial instruments are as follows:

Loans Receivable. The fair value of loans is estimated by discounting the expected future cash flows using the current market rates at which similar loans would be made to borrowers with similar credit ratings and for the same remaining maturities.

Time Deposits. The fair value of term deposits is estimated by discounting expected future cash flows using the current market rates of deposits with similar characteristics and remaining maturities.

24. RELATED PARTY TRANSACTIONS

Related parties are defined as shareholders, members of the council, members of the management board, their close relatives and companies in which they have a controlling interest.

	Members of the Board	Members of the Council	Share-holders	Other related parties
	LTL'000	LTL'000	LTL'000	LTL'000
2001				
Loans, finance lease	56	471	18,502	391
Average interest rate (%)	5.00	5.90	10.38	4.87
Deposits	30	2	12	4
Average interest rate (%)	3.48	1.58	1.50	4.00

In the opinion of management, all transactions entered into between the Group and such related parties have been made on the same terms and conditions as similar transactions with unaffiliated persons.

25. CREDIT RISK

The Group takes on exposure to credit risk which is the risk that a counterparty will be unable to pay amounts in full when due. The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or groups of borrowers, and to geographical and industry segments. Such risks are monitored on a revolving basis and subject to an annual or more frequent review.

The exposure to any one borrower including banks and brokers is further restricted by sublimits covering on and off-balance sheet exposures and daily delivery risk limits in relation to trading items such as forward foreign exchange contracts. Actual exposures against limits are monitored daily.

Exposure to credit risk is managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing these lending limits where appropriate. Exposure to credit risk is also managed in part by obtaining collateral and corporate and personal guarantees, but a significant portion is personal lending where no such facilities can be obtained.

Credit Commitments. The primary purpose of these instruments is to ensure that funds are available to a customer as required. Guarantees and standby letters of credit, which represent irrevocable assurances that the Group will make payments in the event that a customer cannot meet its obligations to third parties, carry the same credit risk as loans. Documentary and commercial letters of credit, which are written undertakings by the Group on behalf of a customer authorizing a third party to draw drafts on the Group up to a stipulated amount under specific terms and conditions, are collateralized by the underlying shipments of goods to which they relate and therefore carry less risk than a direct borrowing.

26. FOREIGN CURRENCY RISK

The Group takes on exposure to effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. The Management sets limits on the level of exposure by currency and in total for both overnight and intra-day positions, which are monitored daily. The table below summarizes the Group's exposure to foreign currency exchange rate risk at 31 December 2001. Included in the table are the Group's assets and liabilities at carrying amounts, categorized by currency.

Concentrations of assets, liabilities and off balance sheet items as of 31 December 2001:

	EUR'000	USD'000	LTL'000	Other	Total
Assets					
Cash	765	2,932	5,443	285	9,425
Due from central banks	-	15,752	20,400	-	36,152
Due from other banks	14,156	228,807	53,404	10,205	306,572
Loans and advances to customers	19,435	85,546	22,281	38,626	165,888
Investments	4,398	11,260	27,164	3,336	46,158
Investment property	-	-	2,682	-	2,682
Fixed assets	-	-	56,807	3,080	59,887
Other assets	6,776	16,535	119,857	5,326	148,494
Total assets	**45,530**	**360,832**	**308,038**	**60,858**	**775,258**
Liabilities					
Due to central and other banks	11,389	201,475	1,534	47,618	262,016
Current and term deposit accounts	19,410	225,104	122,196	4,644	371,354
Other liabilities	277	2,311	41,271	209	44,068
Total liabilities	**31,076**	**428,890**	**165,001**	**52,471**	**677,438**
Net on balance sheet position	**14,454**	**(68,058)**	**143,037**	**8,387**	**97,820**
Credit commitments	**7,237**	**-**	**-**	**-**	**7,237**
Issued guaranties	**9,889**	**233**	**98**	**-**	**10,220**

Bank of Lithuania regulations require the Bank to maintain its aggregate open position in foreign currencies at less than 25% of bank capital, and its single currency open position at less than 15% of bank capital. As of 31 December 2001, the Bank's actual ratios were 3.2% - aggregate open position and 0.9% - single currency open position.

27. INTEREST RATE RISK

The Group takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. Interest margins may increase as a result of such changes but may reduce or create losses in the event that unexpected movements arise. The Board sets limits on the level of mismatch of interest rate reprising that may be undertaken, which is monitored daily.

The table below summarizes the Group's exposure to interest rate risks. Included in the table are the Group's assets and liabilities at carrying amounts, categorized by the earlier of contractual reprising or maturity dates.

	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Non-interest bearing	Total
	LTL'000	LTL'000	LTL'000	LTL'000	LTL'000	LTL'000	LTL'000
Assets							
Cash	-	-	-	-	-	9,425	9,425
Due from central banks	-	-	-	-	-	36,152	36,152
Due from other banks	298,409	5,227	2,936	-	-	-	306,572
Loans and advances to customers	47,201	24,228	48,759	45,700	-	-	165,888
Investments	-	-	14,369	-	-	31,789	46,158
Investment property	-	-	-	-	2,682	-	2,682
Fixed assets	-	-	-	-	-	59,887	59,887
Other assets	-	-	-	-	-	148,494	148,494
Total assets	**345,610**	**29,455**	**66,064**	**45,700**	**2,682**	**285,747**	**775,258**
Liabilities							
Due to central and other banks	241,904	6,645	3,506	9,961	-	-	262,016
Current and term deposit accounts	182,227	45,880	134,932	8,245	-	70	371,354
Other liabilities	-	-	-	-	-	44,068	44,068
Total liabilities	**424,131**	**52,525**	**138,438**	**18,206**	**-**	**44,138**	**677,438**
Interest sensitivity gap	**(78,521)**	**(23,070)**	**(72,374)**	**27,494**	**2,682**		

The table below summarizes the effective average interest rate by major currencies for monetary financial instruments:

	EURO	USD	LTL	Other
	%	%	%	%
Assets				
Due from other banks	3.22	1.86	4.74	-
Loans and advances to customers	8.50	11.55	9.42	-
Investment securities	9.97	8.78	7.47	-
Other assets	-	-	11.12	-
Liabilities				
Due to other banks	-	5.85	4.06	-
Current and term deposit accounts	3.58	4.05	5.85	4.01

28. LIQUIDITY RISK

The Group is exposed to daily calls on its available cash resources from overnight deposits, current accounts, maturing deposits, loan draw downs, guarantees and from margin and other calls on cash settled derivatives. The group does not maintain cash resources to meet all of these needs as experience shows that a minimum level of reinvestment of maturing funds can be predicted with a high level of certainty. The Board sets limits on the minimum proportion of maturing funds available to meet such calls and on the minimum level of inter bank and other borrowing facilities that should be in place to cover withdrawals at unexpected levels of demand.

The table below provides an analysis of assets and liabilities into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. Those assets that do not have a contracted maturity date are grouped together in the "over 5 years" category and those liabilities that do not have a contracted maturity date are grouped together in the "up to 1 month" category.

The remaining period to maturity of assets and liabilities at 31 December 2001 was as follows:

	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Total
	LTL'000	LTL'000	LTL'000	LTL'000	LTL'000	LTL'000
Assets						
Cash	9,425	-	-	-	-	9,425
Due from Bank of Lithuania	36,152	-	-	-	-	36,152
Due from other banks	298,409	5,227	2,936	-	-	306,572
Loans and advances to customers	47,201	24,228	48,759	45,700	-	165,888
Investments	-	-	13,128	2,260	30,770	46,158
Investment property	-	-	-	-	2,682	2,682
Fixed assets	-	-	-	-	59,887	59,887
Other assets	1,383	8,969	117,901	18,050	2,191	148,494
Total assets	**392,570**	**38,424**	**182,724**	**66,010**	**95,530**	**775,258**
Liabilities						
Due to central and other banks	241,904	6,645	3,506	9,961	-	262,016
Current and term deposit accounts	182,297	45,880	134,932	8,245	-	371,354
Other liabilities	12,866	1,015	28,848	1,239	100	44,068
Total liabilities	**437,067**	**53,540**	**167,286**	**19,445**	**100**	**677,438**
Net liquidity gap	**(44,497)**	**(15,116)**	**15,438**	**(46,565)**	**95,430**	

The Bank of Lithuania requires banks to maintain a liquidity ratio not less than 30.00% based on specific liquidity calculations. As of 31 December 2001, the Bank's actual ratio was 67.5%.

29. CAPITAL ADEQUACY AND REGULATORY MATTERS

The Bank of Lithuania requires banks to maintain a capital adequacy ratio of 10.00% based on specific capital adequacy calculations. As of 31 December 2001, the Bank's actual ratio was 10.97%.

Under the guidelines set forth by the Basle Agreement, the Bank's capital adequacy as of 31 December 2001 is as follows; Tier I Capital to Risk Weighted Assets 8.96%; Total Capital to Risk Weighted Assets 11.05%. Basle committee confirms that the target standard ratio of capital to risk weighted assets should be set at 8%, of which the Tier I capital element will be at least 4%.

The consolidated subsidiary *Balkan Investment Bank A. D.* (the "Subsidiary Bank") is required to operate and maintain certain ratios with respect to its activities in compliance with the Republic of Srpska accounting regulations and regulations prescribed by the Agency for Banking of the Republic of Srpska, as a supervision body of the banking sector in the Republic of Srpska.

As of 31 December 2001, the following requirements of the Agency for Banking of the Republic of Srpska regulations were not within the prescribed limits:

- The individual overnight position of EUR (long) of 53% and the Bank's total position (long) of 65% were higher than the prescribed maximum of 20% and 30% of the Bank's core capital, respectively;
- The Bank's total individual loan risk exposures to certain clients that were not secured by any collateral was higher than the allowed maximum of 5% of the Bank's core capital;
- The Bank's total individual loan risk exposures to certain clients that were not secured by a quality collateral was higher than the allowed maximum of 25% of the core capital.

The effect of non-compliance with the Agency for Banking of the Republic of Srpska could result in actions, if any. The outcome of this uncertainty can not be determined at this time. Management of the Group is actively working to resolve the current non-compliant situation and has developed a business plan to return the bank to stable operations within the prescribed limits. These actions are in discussion with the Srpska regulatory authorities. In the opinion of the Group management, this uncertainty does not have a material effect on the financial statements of the Group.

Lithuanian State Insurance Authority requires insurance companies to maintain minimum solvency reserves that should exceed a certain solvency minimum. These reserve amounts are based on prescribed requirements and calculated for each insurance company individually. As of 31 December 2001, the consolidated subsidiary's Life Insurance *UAB Bonum Publicum* solvency minimum solvency minimum was LTL 1,763, the total of solvency reserve elements was LTL 4,839,907.

30. SEGMENT INFORMATION

Geographical segments. One of the Group companies, *Balkan Investment Bank A. D.* is located and operates in the Republic of Srpska. All other Group's assets and liabilities are located and revenues are generated in the Republic of Lithuania.

The distribution of the Group assets and liabilities by geographical segments is presented below:

	Republic of Srpska	Lithuania	Total
	LTL'000	LTL'000	LTL'000
ASSETS			
Cash	182	9,243	9,425
Due from central banks	3,094	33,058	36,152
Due from other banks, net	14,007	292,565	306,572
Loans and advances to customers, net	63,142	102,746	165,888
Investments	2,655	43,503	46,158
Investment property	-	2,682	2,682
Other assets, net	2,186	146,308	148,494
Fixed assets	3,081	56,806	59,887
Total assets	**88,347**	**686,911**	**775,258**
LIABILITIES			
Due to central banks	-	2,497	2,497
Due to other banks	67,360	192,159	259,519
Current and term deposit accounts	3,023	368,331	371,354
Other liabilities	191	43,877	44,068
Total liabilities	**70,574**	**606,864**	**677,438**

Net income for the period by geographical segments:

	Republic of Srpska	Lithuania	Total
	LTL'000	LTL'000	LTL'000
Net income for the period	88	4,349	4,437

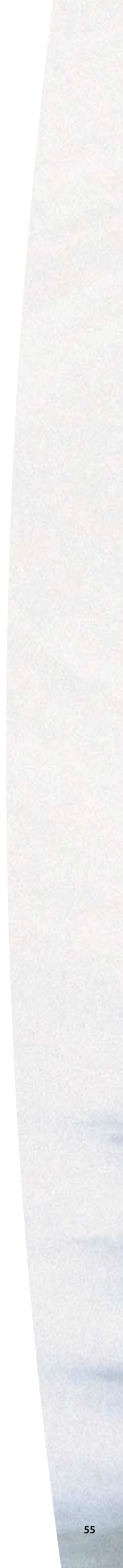
31. PARENT COMPANY INFORMATION

Parent condensed balance sheets as of 31 December are as follows:

	2001	2000
	LTL'000	LTL'000
ASSETS		
Cash	8,553	8,165
Due from Bank of Lithuania	33,058	23,350
Due from other banks, net	375,107	106,775
Loans and advances to customers, net	96,913	78,304
Investments	43,898	36,238
Other assets, net	43,543	64,036
Fixed assets	43,694	44,415
Total assets	**644,766**	**361,283**
LIABILITIES		
Due to Bank of Lithuania	2,497	2,635
Due to other banks	191,417	68,202
Current and term deposit accounts	369,465	223,516
Other liabilities	17,046	5,377
Total liabilities	**580,425**	**299,730**
SHAREHOLDERS' INVESTMENT		
Share capital	72,708	72,708
Accumulated deficit	(4,214)	(11,071)
Currency translation adjustment	(518)	(84)
Total shareholders' investment	**67,976**	**61,553**
Less: treasury shares	(3,635)	-
Total shareholders' investment, net	**64,341**	**61,553**
Total liabilities and shareholders' investment	**644,766**	**361,283**

Parent condensed statements of profit (loss) for the years ended 31 December are as follows:

	2001	2000
	LTL'000	LTL'000
Interest income	22,142	16,395
Interest expense	(15,126)	(12,527)
NET INTEREST INCOME	**7,016**	**3,868**
Fees and commission income, net	16,844	7,789
Foreign exchange profit, net	1,173	7,766
Income (loss) from investment activities, net	530	4,853
Other operating income	7,538	6,581
TOTAL INCOME	**33,101**	**30,857**
Provisions for losses	182	(2,036)
NET INCOME AFTER PROVISION	**33,283**	**28,821**
Salaries and related social expenses	12,651	11,836
Depreciation and amortization expense	2,528	1,995
Other administrative expenses	13,667	10,986
	28,846	**24,817**
NET INCOME	**4,437**	**4,004**
Basic Earnings Per Share (in LTL)	**0.77**	**0.72**



ADDRESSES

Headquarters
J. Gruodžio str. 9, LT-3000 Kaunas, Lithuania
phone +370 37 301301, fax +370 37 323188
e-mail: ub@ub.lt
http://www.ub.lt

Alytus Branch
Jotvingių str. 7 a, LT-4580 Alytus
phone +370 35 75014, fax +370 35 75660

Jurbarkas Branch
Dariaus ir Girėno str. 37, LT-4430 Jurbarkas
phone +370 48 71101, fax +370 48 71102

Kaunas Branch
J. Gruodžio str. 9, LT-3000 Kaunas
phone +370 37 301401, fax +370 37 301404

Dainava Client Service Department
Pramonės str. 16, LT-3031 Kaunas
phone +370 37 452809, fax +370 37 452809

Kalniečiai Client Service Department
Savanorių str. 352, LT-3042 Kaunas
phone +370 37 312724, fax +370 37 313067

Vilijampolė Client Service Department
Raudondvario str. 70, LT-3026 Kaunas
phone +370 37 360733, fax +370 37 360733

Kėdainiai Branch
J. Basanavičiaus str. 47 c, LT-5030 Kėdainiai
phone +370 347 57213, fax +370 347 54510

Klaipėda Branch
Žvejų str. 2, LT-5800 Klaipėda
phone +370 6 397921, fax +370 6 397923

Kuršiai Client Service Department
Vytauto str. 24, LT-5800 Klaipėda
phone +370 6 400561, fax +370 6 400561

Plungė Client Service Department
Telšių str. 2, LT-5640 Plungė
phone +370 18 71011, fax +370 18 71011

Marijampolė Branch
Bažnyčios str. 28, LT-4520 Marijampolė
phone +370 343 91878, fax +370 343 91965

Kazlų Rūda Client Service Department
Gedimino str. 1, LT-4500 Kazlų Rūda
phone +370 343 98016, fax +370 343 98016

Panevėžys Branch
Laisvės sq. 15, LT-5300 Panevėžys
phone +370 45 439369, fax +370 45 438747

Raseiniai Branch
Dubysos str. 2, LT-4400 Raseiniai
phone +370 28 70411, fax +370 28 70412

Šiauliai Branch
Vilniaus str. 130, LT-5400 Šiauliai
phone +370 1 598131, fax +370 1 598130

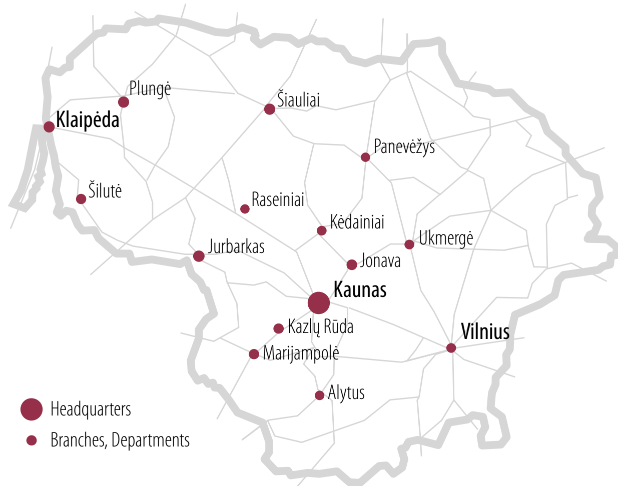
Šilutė Branch
Lietuvininkų str. 45, LT-5730 Šilutė
phone +370 441 77337, fax +370 441 77390

Ukmergė Branch
Kęstučio sq. 7, LT-4120 Ukmergė
phone +370 340 63608, fax +370 340 63928

Jonava Client Service Department
Sodų str. 19, LT-5000 Jonava
phone +370 349 53494, fax +370 349 52689

Vilnius Branch
A. Goštauto str. 40, LT-2001 Vilnius
phone +370 2 362730, fax +370 2 362735

Naujamiestis Client Service Department
Vytenio str. 20, LT-2006 Vilnius
phone +370 2 262811, fax +370 2 262808



JOINT-STOCK COMPANY *ŪKIO BANKO LIZINGAS*
(Leasing Company)
K. Donelaičio str. 60, LT-3000 Kaunas, Lithuania
phone +370 37 407200, fax +370 37 407203
e-mail: info@lizingas.ub.lt

JOINT-STOCK COMPANY *BONUM PUBLICUM*
(LIFE INSURANCE COMPANY)
A. Goštauto str. 40, LT–2001 Vilnius, Lithuania
phone +370 2 362723, fax +370 2 362724
e-mail: life@bonumpublicum.lt
http://www.bonumpublicum.lt

JOINT-STOCK COMPANY *ŪKIO BANKO INVESTICINĖ GRUPĖ*
(Investment Company)
K. Donelaičio str. 60, LT-3000 Kaunas, Lithuania
phone +370 37 404103, fax +370 37 404170
e-mail: general@ubig.lt

JOINT-STOCK COMPANY *ENERGETINIŲ SISTEMŲ LIZINGAS*
(Leasing Company)
Sodų str. 21-2, LT-2006 Vilnius, Lithuania
phone +370 2 222834, fax: +370 2 397534
e-mail: esl@etb.lt

BALKAN INVESTMENT BANK A. D.
Krajiskih Brigada 2
78000 Banja Luka, Republika Srpska
Bosnia and Hearzegovina
phone +387 51 216285, fax +387 51 211445
e-mail: bib@inecco.net
http://www.balkaninvestment.com