

A N N U A L R E P O R T

2002

CONTENTS

■ Chairwoman's Report	2
■ Council of the Bank	4
■ Board of the Bank	5
■ Management Structure	6
■ Employees	8
■ Service Network	9
■ Risk Management	10
■ Information Technologies	11
■ Activity Overview	
Share Capital	12
Ownership Securities	12
Assets	12
Income	13
Credit Services	14
Trade Finance	15
Treasury	15
Deposits	16
Payment Cards	16
Internet Banking	17
International Payments	19
The List of Main Correspondent Bank	20
■ Sponsorship Projects	21
■ Ūkio bankas Group	
Leasing Services	22
Life Insurance	23
■ Lithuania's Macroeconomics Overview	24
■ Financial Statements 2002	29



2002 was a year full of important events for *Ūkio bankas, AB*. These events shall certainly have an impact on our successful future activities.

Ūkio bankas' net profit for 2002 stands at 139 percent of projected levels. The amount of net profit, as calculated by international accounting standards, is LTL 6.2 million (2001 – LTL 2.9 million).

During 2002, the bank's assets increased by 9 percent, i.e. by LTL 59 million. At the end of the year assets were LTL 702 million. In regard to its asset levels, *Ūkio bankas* remains fifth among commercial banks operating in Lithuania. *Ūkio bankas'* assets comprised 4.1 percent of assets in the Lithuanian banking market at the end of 2002.

Ūkio bankas' income rose by 7.4 percent in 2002, in comparison to 2001. This increase, reflected in real numbers, is LTL 50.1 million. Income from loan interest made up 30 percent, services, commissions and other income made up 46 percent, and income from currency trading and securities comprised the remaining 24 percent of income.

The Bank's share capital was increased by 25 percent. An LTL 18 million share emission was successfully sold, and now the share capital of *Ūkio bankas* stands at LTL 90.7 million.

In 2002, the number of business clients increased by 10 percent, while private banking client numbers increased by a substantial 23 percent. These figures show that people appreciate the efforts of the Bank's staff to meet the needs of every single client. We strive to be flexible and attentive to every client. The Bank operates in the Lithuanian market for fourteen years. During this period, we have accumulated significant experience and knowledge about business conditions, and the needs of the business community. We have 12 branches and 9 client service departments throughout Lithuania.

Our clients have reacted favorably to our Internet banking system, *Eta bankas*, and are using it effectively. There was an increase of 2.7 times in the use-frequency of *Eta bankas* this year. Every user completed, on average, one transaction per day.

Eta bankas advantages were evaluated not only by our clients, but by IT specialists as well. The software used for our Bank's Internet banking system was evaluated as Product of the Year by the Infobalt association.

CHAIRWOMAN'S REPORT

The betterment of existing information technologies and the introduction of new technologies remained one of our top priorities. We initiated a strategic partnership with the Lithuanian subsidiary of IT world leader IBM, "IBM Lietuva", in order to continue modernizing and developing the technical base and software of the Bank's IT system.

Seeking to provide small and medium businesses with optimal financing conditions, we cooperate closely with guarantee funds that provide loan guarantees for businesses.

In 2002 Bank's subsidiary leasing company *Ūkio banko lizingas* reinforced its position on the leasing market. Its portfolio has increased by 90 percent, up to LTL 57.8 million.

In 2002, the Bank began an active campaign to contribute to the drive to creation of the information driven economy in Lithuania. We became full members in the Forum for the Information Economy. We also began cooperation with the Free Market Institute of Lithuania.

In the future, we plan to direct the bulk of our attention to the betterment of client services, so that they would feel respected and that their problems are understood at our Bank. Because we have competitive banking services, and a team of professional specialists, we will not only consult our clients, but we will offer them the best financial services most suited to their needs.

I hope that the coming year will be successful both for us and for our clients.



Edita Navickaitė
Chairwoman of the Board

COUNCIL OF THE BANK

4

Liutauras VARANAVIČIUS

Chairman of the Council

Ulf LÖWENHAV

Deputy Chairman of the Council

Olga GONČARUK

Member of the Council

Aia KURAUŠKIENĖ

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

5



■ **Gintaras UGIANSKIS**
Deputy Chairman of the Board



■ **Rolandas BALANDIS**
Member of the Board



■ **Sergejus FEDOTOVAS**
Member of the Board

GENERAL SHAREHOLDER'S MEETING

COUNCIL

BOARD

- Audit Division
- Loan Committee
- Assets and Liabilities Management Committee

6

CHAIRMAN OF THE BOARD

- Advisers
- Secretariat

- Personnel Division
- Legal Division
- Marketing Division
- Information Technology Division
 - *Information Systems Exploitation Department*
- Methodology Division

DEPUTY CHAIRMAN OF THE BOARD

- Credit Division
- Product Development Division
 - *Payment Cards Department*
- Problem Assets Division
- Security and Collection Division
- Supply Division
- Branches

MANAGEMENT STRUCTURE

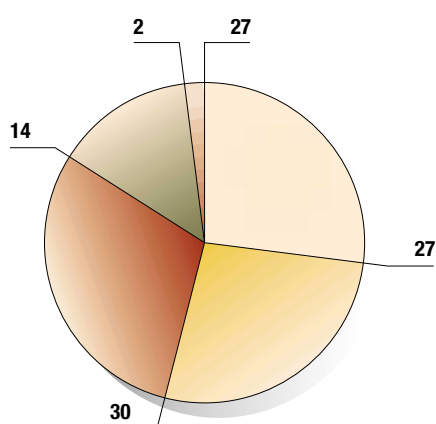
MEMBER OF THE BOARD HEAD OF INTERNATIONAL DIVISION

- International Division
 - *Settlement Department*
 - *Correspondent Relations Department*
- Treasury Division
 - *Cash Operations Department*
- Financial Brokerage Division

MEMBER OF THE BOARD HEAD OF TRADE FINANCE DIVISION

- Trade Finance Division
- Client Service Division
- Finance Division
- Accounting Division
 - *Operations Accounting Department*
 - *Internal Accounting Department*

Distribution of Bank Employees by Age, percentage



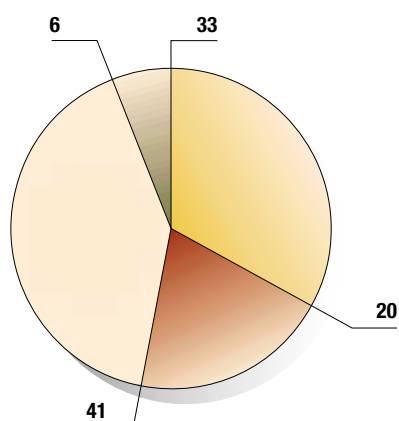
EMPLOYEES

A professional and motivated team of employees is one of the fundamental reasons for our successful activity not only in 2002, but from the beginning of the Bank's activities as well. Our employees are always given opportunities to broaden and deepen their professional education. They are always encouraged to stay abreast of developments in financial services, understand them, and put them into practice at work.

At the end of 2002, the Bank had 323 employees: 136 at the Headquarters, and 187 at the branches. 80 percent of employees have diplomas from institutions of higher learning or professional education institutions. 25 percent have participated in qualification-raising workshops, seminars and through distance-learning programs in 2002.

8

Distribution of Bank Employees by Experience, percentage



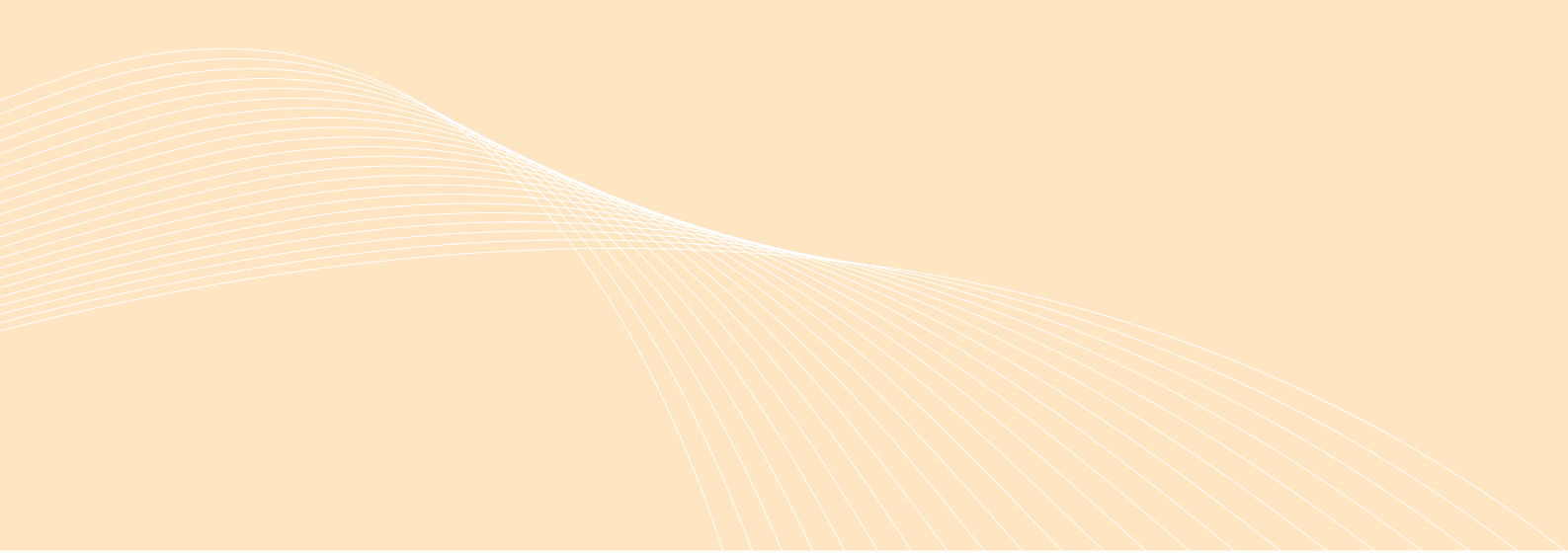
Up to 3 years	33
From 3 to 5 years	20
From 5 to 10 years	41
10 years and more	6

SERVICE NETWORK

Ūkio bankas has an optimized client service network. There are 12 bank branches and 9 Client Service Departments in the main industrial cities and counties of Lithuania.

Much attention was paid to bettering client service at the Bank's branches and departments. Seminars for branch managers and clients were organized, in order to acquaint them with national foundations that help business to better use the Bank's services.





RISK MANAGEMENT

Effective risk management is one of the most important areas that guarantees the Bank's activities and stability. Risk management at the Bank was refined in 2002.

Striving to improve risk management quality, a Risk Management Manual was drafted and approved by the Board of the Bank. The manual covers risk management policy, separate financial risk management procedures and limits to lessen risk.

The Bank's risk management policy gives rise to a unified risk assessment and management system. This system denotes the functions of the Bank's structural departments, of the Loan Committee, Asset and Liability Committees, of the Bank's Board and Council, and at which levels risk assessment and decision-making is done.

Much attention was paid to formation of the commercial financial instrument portfolio. For this, the banking and commercial investment portfolios were separated, and their commercial position limits fixed and approved.

The implementation in 2002 of testing the Bank and the Bank group under the most unfavourable conditions had a significant positive impact on the Bank's risk management system. The Bank's board evaluated the results of the testing under most unfavourable conditions and approved an action plan for unforeseen situations.

INFORMATION TECHNOLOGIES

The Bank's computer systems were improved during 2002. The Bank's data transfer network was updated by installing the new MPLS VPN technologies, which increased data transfer speeds and created alternative communication lines. This provides for faster and more secure operation of the Bank's computer system and also for greater flexibility in changes in the Bank's branch structure.

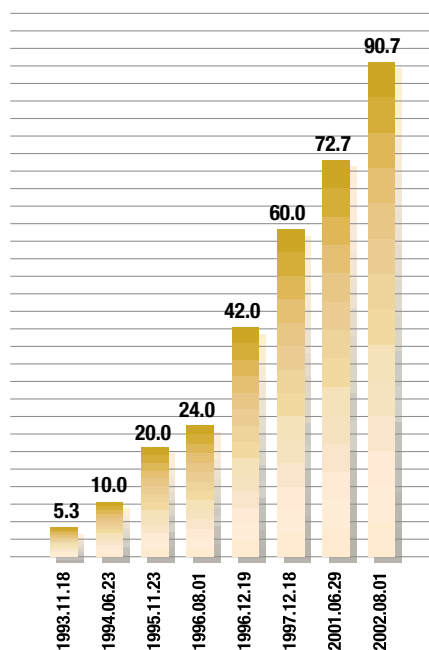
The Bank installed a powerful, but compact four-processor IBM eServer xSeries 360 network server station with new-generation Intel Xeon MP processors, operating under the Linux operating system. The new station operates up to 10 times faster than the previous one.

IBM was the first manufacturer to present the market with the Intel Xeon MP processors. The eServer xSeries 360 was brought to Lithuania in the beginning of 2002, just after its world-presentation.

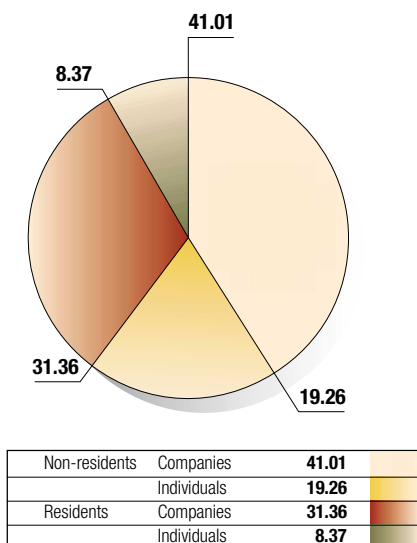
After the installation of the Bank's computer system Forpost modules, and after increasing the capabilities of Internet banking system *Eta bankas* functions, the amount of data processed increased significantly. The new server provides for conditions that allow us to service our clients all over Lithuania, even when the amount of data processed increases. Also, now we have the capability to continue developing the Bank's computer system, to develop new modern banking services on the basis of newest information technologies.

In order to improve the servicing of our client's payment cards, the Bank concluded an agreement with Tieto Enator Financial Solutions, a company that provides the banking and financial sectors with informational technologies. Transmaster software, designed for the issuing and servicing of payment cards, is being installed. This software uses the newest in database and operations management technologies, which will allow the Bank to make a smooth transition into new payment card technologies and to start issuing microprocessor payment cards.

Share Capital, LTL million



Distribution of Ūkio bankas Share Capital According to Legal Status. 31 December 2002, percentage



SHARE CAPITAL

The share capital of *Ūkio bankas* is LTL 90.7 million. The latest increase in share capital was registered on August 1, 2001, when the share capital was increased by LTL 18 million, from LTL 72.7 million to LTL 90.7 million.

The Bank has issued 7.6 million ordinary shares, with a par value of LTL 12.

In 2002, the amount of shares held by non-resident shareholders increased from 51.1 percent to 60.3 percent.

Ūkio bankas' shares are listed on the Current List of the National Stock Exchange of Lithuania. The turnover of *Ūkio bankas* shares trading at the National Stock Exchange was LTL 19.74 million in 2002. In comparison to 2001, this signifies a 32.2 percent increase (from LTL 14.9 million).

OWNERSHIP SECURITIES

Ūkio Bankas has ongoing trade in shares of various corporations.

At the end of 2002, the most was invested in the shares of the following companies: *Ūkio banko lizingas, UAB* (100 percent of the company's share capital is owned by *Ūkio bankas*), *Holdinginė tekstilės korporacija, AB* (19.99 percent), *Energetinių sistemų lizingas, UAB* (19 percent), Life Insurance company *Bonum Publicum, UAB* (10 percent), *Ūkio banko investicinė grupė, UAB* (9.99 percent), *Balkan Investment Bank AD* (9.97 percent), Financial Broker Company *Finbaltus, UAB* (9.12 percent).

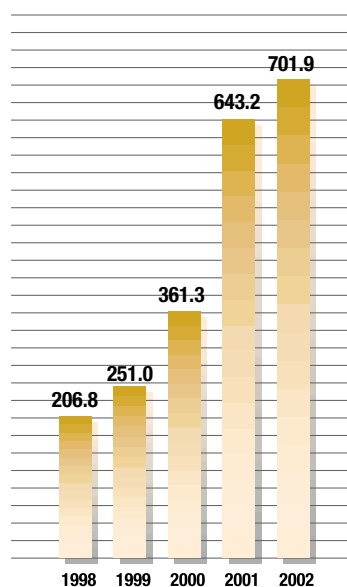
ASSETS

In 2002, the Bank's assets increased by LTL 59 million, or 9 percent. At the end of the year assets totaled LTL 702 million. The greatest impact on asset growth came from increased investments in real estate and an increased Treasury securities portfolio. In regard to asset value, *Ūkio bankas* remained fifth among commercial banks operating in Lithuania. *Ūkio bankas*' assets comprised 4.1 percent of Lithuanian bank assets.

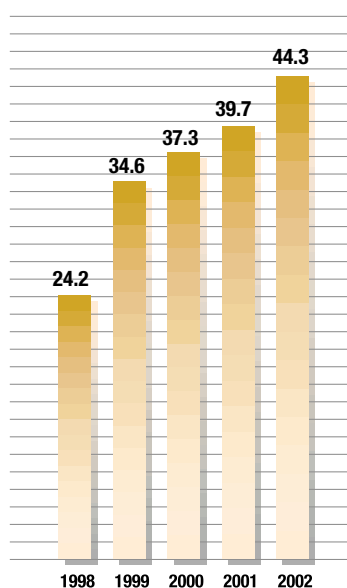
The main source of asset growth in 2002 was deposits and letters of credit, which increased LTL 108 million (29 percent): business deposits increased LTL 50 million (29 percent), individuals deposits increased LTL 58 million (30 percent). Fixed long-term asset value increased LTL 186.6 million, and at the end of 2002 comprised LTL 229.7 million. The short-term and long-term Treasury securities portfolio more than doubled in size, from 13.1 to LTL 28.4 million.

ACTIVITY OVERVIEW

Assets, LTL million



Income from Main Activity, LTL millions



In 2002, *Ūkio bankas* changed its investment policy priorities and divested itself of a majority of investments in other companies. Having profitably sold shares acquired earlier, the Bank decreased its ownership securities portfolio by 45 percent, to LTL 16 million.

Due to changes in the structure of the Bank's loan portfolio, the loan portfolio for Bank client and financial sector loans decreased 31 percent to LTL 135 million. However, the number of loans granted by the Bank grew 32 percent. The Bank's ratio of special reserves for loans to loans decreased from 2.8 to 1.8 percent.

INCOME

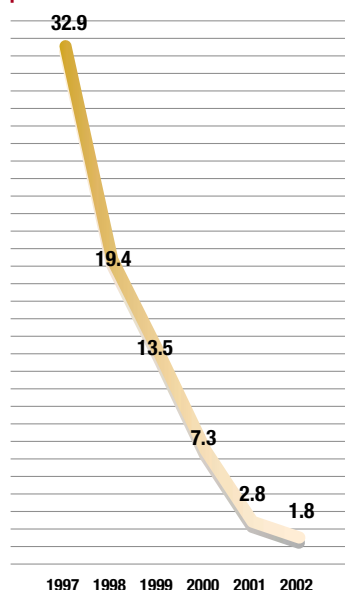
Ūkio bankas' net profit in 2002, as calculated by International Accounting Standards, was LTL 6.2 million (2001 – LTL 2.9 million).

Return on assets (ROA) was 0.9 percent in 2002 (2001 – 0.6 percent), return on equity (ROE) was 8.2 percent (2001 – 4.7 percent). In regard to net profit amount, *Ūkio bankas* remained fourth among commercial banks and foreign commercial bank branches in Lithuania. The Bank's ROE is fourth in the market.

In 2002, the Bank generated LTL 50.1 million of income, i.e. LTL 3.6 million more than in 2001. Interest income was 30 percent, services, commissions and other income – 46 percent, income from currency trading and ownership securities comprised 24 percent of the Bank's general income. In implementing the Bank's strategy, much attention is paid to increasing financial services, hence why the majority of income is derived from client services. Net income from services and commissions was LTL 17.2 million, i.e. LTL 0.4 million more than in 2001.

Bank received LTL 9.8 million in income from securities trading, i.e. 19 percent of Bank's income. The Bank's income from foreign currency transactions went up 75 percent, or plus 0.9 percent, and comprised LTL 2.1 million. 12 percent of income for 2002 was other income.

Special Provisions of Loan Portfolio, percent



CREDIT SERVICES

Ūkio bankas provides various short-term and long-term credit services to business and individual clients.

For business clients this means short-term and long-term loans, credit lines, overdraft, factoring. Client's of the Bank use the Bank's guarantee, vouchers, and letters of credit.

Individual clients receive housing loans, and loans for purchase of other property, consumer loans and loans for micro-business development. For short-term current spending, individual clients can use credit through their payment card accounts.

With the growth of market demand for long-term loans, the Bank has increased the volume of long-term loans (over 5 years) for the financing of companies' investment projects. In 2002, the long-term loan portfolio increased more than twice – to LTL 62.1 million.

The quality of the Bank's loan portfolio increased. Special provisions decreased by 3.1 million Litas in 2002, down from 5.6 million at the beginning of the year to 2.5 million at the end 2002. There was a significant decrease in problematic loans within risk groups 4 and 5, from 4 percent to 1.5 percent of the entire loan portfolio.

Long-term business projects were financed using not only local resources, but foreign institutional funds through cooperation with *Deutsche Genossenschaftsbank*, *HypoVereinsbank*. In 2002, similar cooperation agreements were concluded with Dresdner Bank AG and Standard Bank London. The Bank also assisted companies in absorbing funds received through PHARE etc.

Ūkio bankas actively cooperates with institutions that provide loan guarantees to banks. Agreements were signed in 2002 with several guarantee funds, thus paving the way for companies with good possibilities, but not enough collateral, to get loans from *Ūkio bankas*.

TRADE FINANCE

In 2002, the Bank increased trade financing, and began offering factoring services. In such a way, the Bank provided its business clients an opportunity to provide for their short-term turnover capital needs.

Factoring contracts signed in 2002 raised the financing limits to LTL 5.6 million, while the sum of transferred claims went up to LTL 5 million.

The Bank provides trade finance operations by financing commercial liabilities on the basis of issued invoices both to Lithuanian and European Union corporations. In concentrating on growth in clients' exports, the Bank is quickly expanding its international trade finance operations. The total 2002 turnover in trade finance operations was LTL 44.4 million.

TREASURY

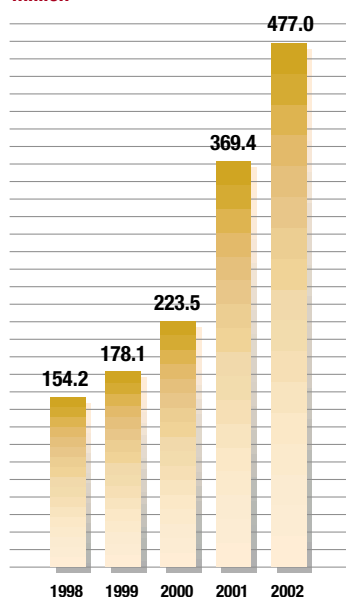
In 2002, *Ūkio bankas* was one of the first in Lithuania to begin activity in world's FUTURE markets. The main currency FUTURE operations are done at the Chicago Mercantile Exchange (CME). In this way the insurance and transaction possibilities of the Bank's and clients' currency positions are broadened. It also provides for the possibility to conclude interest rate contracts, which are important both for banks and for their clients, though these are seldom used in Lithuania.

The Bank has effectively handled its monetary stream, has constantly analyzed and appreciated liquidity, interest rate and currency risk management, and has bettered its short-term asset quality. Business clients have the possibility of investing surplus capital in short-term or long-term deposits for a duration of their choosing, or in Government securities, as well as other market instruments offered by the Bank.

2002 saw the installation of the fundamentally improved banking computer system module for money market and currency exchange contracts, Forpost, which established conditions for the effective monitoring and control of position, liquidity and changes in other financial indicators.

The Bank's income from operations in the money market and currency trade in 2002 was LTL 6.8 million, up 30 percent from 2001.

Deposits and Letters of Credit, LTL million



DEPOSITS

Deposits and letters of credit increased by 29.1 percent, i.e. by LTL 107.6 million in 2002, when compared to 2001, and at the end of 2002 comprised LTL 477 million. Fixed-term deposits for individuals and for business clients increased by LTL 59.3 million, or 25.5 percent. Non-fixed-term deposits increased LTL 48.3 million, or 35.4 percent.

Even though the US Dollar, a currency in which many individual deposits were made, weakened considerably against the Litas (LTL) during 2002, the amount of deposits increased by 29.6 percent, up to LTL 57.6 million. This was due to the 25 percent increase in depositors.

There was also a significant increase in business deposits, up 28.6 percent, or LTL 50 million.

Encouraging the possibilities for *Ūkio bankas*' business clients to safely and profitably invest, the list of deposit types was supplemented by the one-night, and short-term fixed-term, and business fixed-term deposits. The one-night and short-term fixed term deposits give the investor an opportunity to invest large amounts of funds on hand to be invested profitably for a minimal time period. The business fixed-term deposit allows the client to avoid interest loss risk, if a need for the deposited funds were to arise.

PAYMENT CARDS

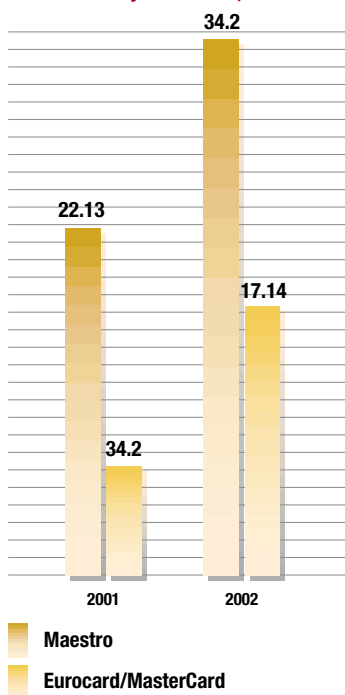
Ūkio bankas held to its strategy in 2002 – to orient itself at clients who are effectively using payment cards.

The payment cards were some of the most effectively used in Lithuania. The average annual turnover of a single Maestro card was LTL 5.3 thousand, while Eurocard/MasterCard was LTL 17.8 thousand per year. About 88 percent of Maestro cardholders have their monthly salary transferred directly to the payment card.

2002 marked a continuing increase in the number of payment cards issued: Maestro issuance increased 92 percent, Eurocard/MasterCard issuance rose 108 percent.

Though the bulk of issued cards are Maestro cards, which are the most often used in Lithuania, the most effective are still the Eurocard/MasterCard payment cards. The general turnover of Eurocard/MasterCard increased 146 percent in 2002. Seeking to simplify operations with payment cards in Eurozone countries, Eurocard/Mastercard payment card accounts were converted from USD to Euro accounts.

Turnover of Payment Cards, LTL million



Connections were established with the prestigious American Express corporation in 2002. At the end of the year, the Bank signed an agreement for the issuing of the American Express card, and will present these payment cards to the Lithuanian market in 2003.

Ūkio bankas cardholders can control their payment card accounts through the Internet banking system *Eta bankas*. The direct debit feature to pay for various services is being used more often and is becoming more popular.

INTERNET BANKING

Ūkio bankas was one of the first in Lithuania to offer its clients an Internet banking system *Eta bankas*. The system continued to be updated in 2002, and new Internet banking services were introduced. *Eta bankas* was developed with the Lithuanian IT company *Etronika*, *UAB*. *Ūkio bankas* Internet banking system is convenient both for business and private clients.

Eta bankas has been given high marks, not only by the Bank's clients, but by IT specialists as well.

The company *Etronika* wrote a multichannel financial and banking services software package called *Banktron*, which is the basis of *Eta bankas*. During the international IT and software exhibition *InfoBalt 2003*, this software package was declared the product of the year. The Lithuanian Industrialist Confederation, and the *Infobalt* association also recognized *Banktron* as product of the year.

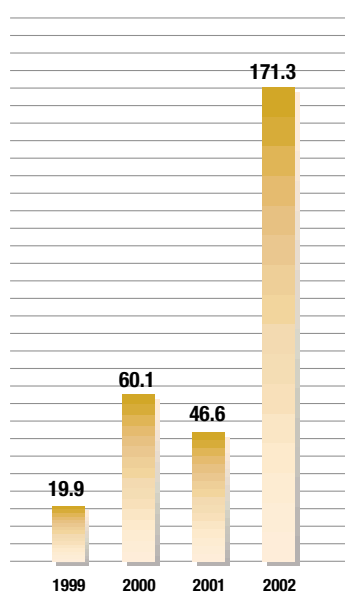
The *Banktron* software package allows a financial institution to provide its business and private clients with services through various electronic channels – internet, e-mail, SMS, WAP, as well as B2B (Business to Business).

Business clients of *Ūkio bankas* have a unique possibility to configure their employees access rights in *Eta bankas*. They can denote the number of e-signatures and hierarchy needed. All of the channels used for e-banking are integrated, so the client can choose interact through the medium of their choice.

Eta bankas has an integrated authentication and e-signature generating module that allows business clients to use the Vasco Data Security e-signature generators. These systems generate not only one-time user access passwords, but e-signatures as well. This bouquet of functions in *Ūkio bankas' Eta bankas* is unique – no other commercial bank in Lithuania can compare.

The idea behind offering clients the opportunity to use the internet to “refill” their pre-paid mobile phone accounts, pay their bills, make fixed-term deposits, was to popularize e-banking among private clients. These modern financial services are, first and foremost, oriented at the active, modern-thinking clients.

Increase of Number of International Transfers in Comparison with Previous Year, percentage



INTERNATIONAL PAYMENTS

In 2002 *Ūkio bankas* continued developing its international payment services. Almost three times as many international transactions were made in 2002, as compared to 2001.

Taking into account the needs of the client, the Bank continued to develop its ties with banks in Lithuania and abroad during all of 2002. At the end of the year, *Ūkio bankas* has correspondent ties with more than 300 banks, had Nostro correspondent accounts at 90 banks in 25 countries, and the number of Loro accounts at *Ūkio bankas* grew to 48.

Ūkio bankas does international transactions through the largest and most trustworthy world banks – Citibank N.A., Deutsche Bank Trust Company Americas, Harris Bank International, Commerzbank AG, Dresdner Bank AG, Deutsche Bank AG, Vereins un Westbank AG, Nordea Bank Group, UBS AG, Barclays Bank PLC, Fortis Bank, Sberregatelnjy Bank Rossijskoj Federacii, and many other banks.

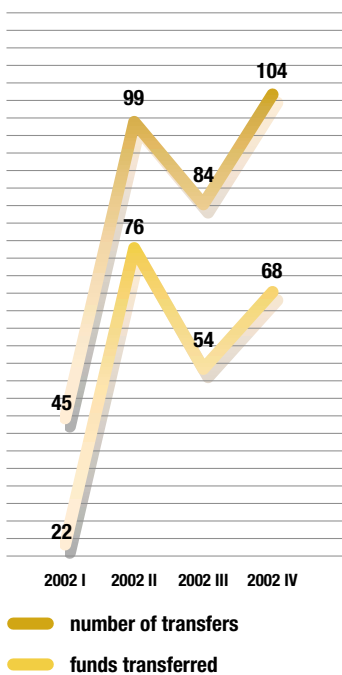
Much attention has been paid to the trustworthiness of bank correspondents, to the cost schedule and scope of services offered. The security of monies in correspondent accounts is ensured through regular analysis of the financial position of bank correspondents.

There was a significant upswing in the number of the transfer of private funds using the CONTACT correspondent network.

During 2002, clients transferred 4.3 times more funds using the CONTACT correspondent system than in 2001. Transfer figures rose more than 5.3 times than those of 2001.

The CONTACT correspondent network at the end of 2002 was connecting more than 120 financial institutions, and is continuing to grow. This network of institutions allowed for the transfer of cash in 70 countries.

Private Funds Transfer Using CONTACT Correspondent Network (compared to 2002 4th quarter), percentage



Ükio bankas provided more services in the area of purchasing and selling international bills of exchange in 2002. *Ükio bankas'* clients actively used documentary transaction services, check depositing, bank draft sales, as well as purchase and sales of travelers' check in 2002.

In 2002, there was close cooperation with foreign correspondent banks in developing *Ükio bankas'* commercial financing for its clients. *Ükio bankas* has the possibility of using the services of Bayerische Hypo und Vereinsbank, DZ Bank, and other correspondent banks in financing long-term commercial and investment project. At the end of the year, a contract for cooperation in long-term commercial and investment projects was signed with Germany's Dresdner Bank AG (Frankfurt am Main). Negotiations with other correspondent banks are ongoing.

LIST OF MAIN CORRESPONDENT BANKS

Country	Currency	Bank	SWIFT Code
Austria	EUR	Bank Austria Creditanstalt AG	BKAUATWW
Belgium	EUR	Fortis Bank	GEBABEBB
Belarus	BYB	Priorbank JS CB	PJCBBY2X
Czech Republic	CZK	Československa Obchodni Banka A.S.	CEKOCZPP
Denmark	DKK	Danske Bank	DABADKKK
Denmark	DKK	Nordea Bank Denmark A/S	NDEADKKK
Great Britain	GBP	Barclays Bank PLC	BARCGB22
Estonia	EEK	Hansabank Ltd.	HABAE2X
Italy	EUR	Banca Intesa S.p.A.	BCITITMM
Japan	JPY	The Bank of Tokyo- Mitsubishi Ltd.	BOTKJPJT
USA	USD	Citibank N.A.	CITIUS33
USA	USD	Deutsche Bank Trust Company Americas	BKTRUS33
USA	USD	Harris Bank International	HATRUS33
Canada	CAD	Canadian Imperial Bank of Commerce	CIBCCATT
Canada	CAD	Bank of Montreal	BOFMCAM2
Kazachstan	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	RUB	International Moscow Bank	IMBKRUUM
Russia	RUB	Savings Bank of RF (Moscow)	SABRRUUM
Russia	RUB	Kaliningradskoe OSB Nr.8626	
Finland	EUR	Nordea Bank Finland	NDEAFIHH
Sweden	SEK	Foreningssparbanken AB	SWDESESS
Switzerland	CHF	UBS AG	UBSWCHZH
Ukraine	UAH	Privatbank CB	PBANUA2X
Germany	EUR	Commerzbank	COBADEFF
Germany	EUR	Dresdner Bank AG	DRESDEFF
Germany	EUR	DZ Bank	GENODEFF
Germany	EUR	Deutsche Bank	DEUTDEFF
Germany	EUR	Vereins- und Westbank	VUWBDEHH
Germany	EUR	Ost-West Handelsbank AG	OWHBDEFF

SPONSORSHIP PROJECTS

Ūkio bankas continued to pursue its earlier strategy of sponsorship in 2002. Most sponsorship funds were used to support sports and art. The Bank was actively involved in the activities of associations pursuing the dissemination of progressive ideas and information based economy.

Last year, the Bank sponsored the Kaunas County Football Foundation. The Bank is an important sponsor of football development in Kaunas County and the rest of Lithuania.

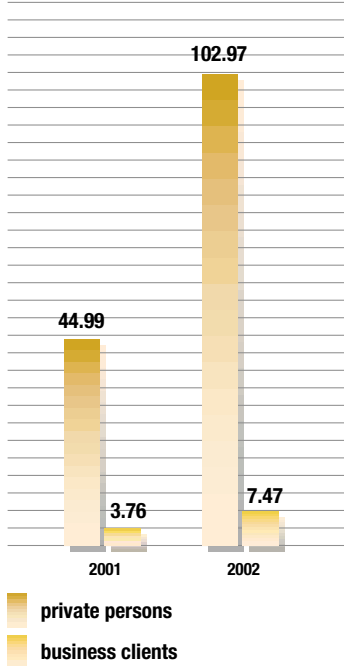
Ūkio bankas is also an active sponsor of motor sports in Lithuania. Traditionally the Bank has is the main sponsor of the motor rally Kaunas Autumn.

The Bank's headquarters in Kaunas is a constant host for art and photo showings of young, and established artists.

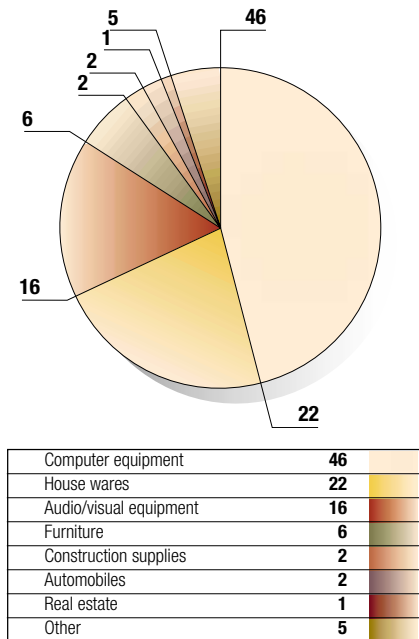
June 1, 2002 was Children's Defense Day. *Ūkio bankas* sponsored a charity concert in Vilnius' Mountain Park – It shouldn't hurt to be a child. Funds collected during the event were donated to the Vilnius University Children's Hospital so that it could purchase a computer arthroscope, and finance summer vacations for socially needy families.

In 2002 *Ūkio bankas* was also a sponsor of the Lithuanian Free Market Institute program – A Free Market for Lithuania's Future. As the first commercial bank member of the Information Economy Forum, *Ūkio bankas* sponsored the autumn international conference – Will *Sauletekis* valley be as successfull as Silicon Valley? The idea behind this conference was to discuss the future possibilities of the *Sauletekis* Valley project with foreign scientists, experts, and modern-technology business professionals.

Contracts Signed with Private and Business Clients Total, LTL million



Distribution of Goods Sold through Leasing in 2002, percent



LEASING SERVICES

In 2002, leasing company *Ūkio banko lizingas, UAB* concluded more than 62 thousand rent-to-own contracts for a total of LTL 110.4 million. The company's leasing portfolio grew by 90 percent in 2002 when compared to 2001, up to LTL 57.8 million.

The flexibility of services, the variety of new services and a speedy contract conclusion network are what determined the bettering of the company's numbers. The company's success was also influenced by the possibility of concluding a lease agreement with the company through the new internet-based client service system adopted in 2002. This system speeds up the process of concluding an agreement with the company. Now, clients can sign a leasing agreement at the retail store in some minutes.

Successful results were achieved by cooperation between *Ūkio banko lizingas* and retailers of house wares and computer products. The joint project between the company and IBM Lithuania, started in 2000, was continued in 2002. IBM computer products can be obtained rent-to-own under especially favorable conditions.

Computer equipment jumped to 46 percent of the whole leasing portfolio by the end of 2002. A large part of the leasing portfolio is made up of house wares (22 percent) and audio/visual equipment (16 percent).

ŪKIO BANKAS GROUP

LIFE INSURANCE

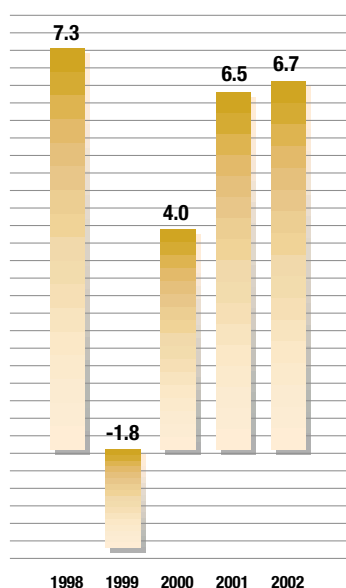
In 2002, the Life Insurance Company *Bonum Publicum*, UAB signed 339 percent more life insurance payment plans than in 2001, while non-life insurance plans went up by 109 percent. The growth of the company's number of insurance payment plans was well beyond the average growth in Lithuania's life insurance market. The life insurance market grew about 50 percent, while the non-life insurance market grew about 72 percent. The whole Lithuanian insurance market grew 67 percent.

The company concluded 13.6 thousand insurance contracts in 2002, and signed LTL 1.5 million in insurance payments, 103 percent of projections. In comparison to 2001, the number of insurance payments received in 2002 went up 205 percent.

The biggest share of all the life insurance contracts were investment life insurance contracts, 49 percent. 17 percent was life insurance/savings contracts, 13 percent were pension insurance, and 10 percent student insurance.

Bonum Publicum offers all of the traditional forms of life insurance services. Family insurance, where the entire family is covered with one policy, is especially popular. A large portion, 60 percent, of all contracts concluded in 2002 were life insurance contracts, while the rest were insurance for accident, health insurance, etc.

Gross Domestic Product Growth, percent



This overview has been prepared by the Lithuanian Free Market Institute. The Lithuanian Free Market Institute is an independent, non-profit organization established in 1990 to advance the ideas of individuals freedom and responsibility, free market and limited government.

LITHUANIA'S ECONOMY IS SPEEDILY GROWING

Lithuania's economy, having recovered from recession in 2000, is constantly growing. According to the Department of Statistics, Lithuania's gross domestic product (GDP), calculating on the basis of recalculated 2000 prices, grew 6.7 percent in 2002, and 6.5 percent in 2001. The total GDP in 2002 amounted to LTL 50.67 billion. Per capita GDP was LTL 14609. The main indicators encouraging growth were an active domestic economy and bigger exports. Conditions for economic growth were also based in a large, 31 percent, jump in investments in 2001. An upswing in import of investment goods, and a rise in construction allowed for a quick 12.4 percent leap in growth of fundamental capital growth in 2002. Household and government spending grew at a slower pace, 4.2 and 4.3 percent, respectively.

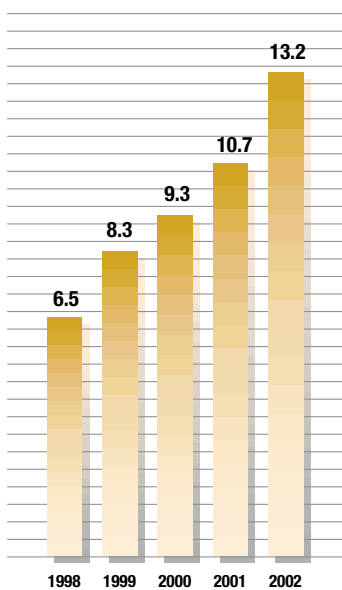
Unlike 2001, 2002 showed increased growth in domestic consumption and a drop in foreign demand, and the largest gains were in sectors geared at the domestic market, especially the services (manufacturing or consumer) sector.

Most value-added was created in the construction, transportation, communications, financial brokerage sectors, and in wholesale and retail sales. Construction was up 12.8 percent, while construction of residential space grew for the first time in several years. The financial brokerage sector grew 10.6 percent, mostly due to positive numbers coming out of commercial banks and the insurance market. The insurance market was a big gainer in 2002, because of the April start of the mandatory civil liability insurance scheme, as well as income tax incentives for life-insurance pay-outs contracted for by the end of the year. An 8.7 percent growth in the retail sector shows that domestic consumption is up. Though agriculture was down in 2001, in 2002 it grew at 6.1 percent. The manufacturing sector's growth slowed down in 2002, growing at 5.5 percent, as compared to 15.9 percent in 2001. This was conditioned by the slowdown in sales of refined oil products.

2002 marked one of the biggest upsurges in direct foreign investment in the last several years. Direct foreign investment grew 23.7 percent in 2002, and on January 1, 2003 amounted to LTL 13.184 billion. Per capita direct foreign investment was LTL 3808, an increase of almost LTL 700. Most was invested in manufacturing, financial brokerage, sales, post and communications. Direct foreign investment got a big boost from investments in Mazeikiu Nafta shares by the Russian company Jukos. Investments in the Agricultural Bank of Lithuania and Lithuanian Gas also contributed to this jump.

LITHUANIA'S MACROECONOMICS OVERVIEW

Direct Foreign Investment, LTL
million



NATIONAL DEBT

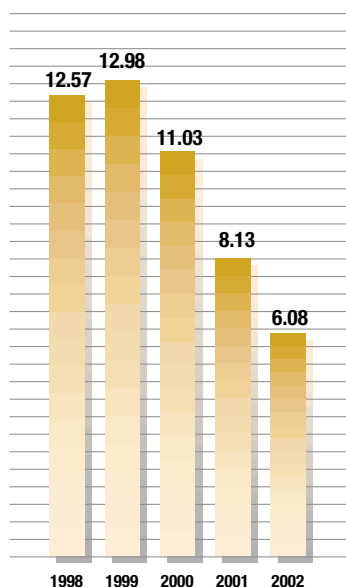
The National debt grew in 2002. According to the Ministry of Finance, the National debt grew by LTL 260 million and at the end of the year, amounted to LTL 13.163 billion, or 26 percent of the GDP. Direct National liabilities grew 644 million Litass to LTL 11.368 billion (86.4 percent of the debt), while indirect liabilities shrank LTL 384 million to LTL 1.796 billion (13.6 percent). The National debt for domestic and foreign Government Securities (GS) went up by 20 percent. Cash borrowing of Litass, in comparison to 2001, went up more than 4 times, while borrowing in foreign currencies went up 7.2 percent.

Last year, issued GS had longer terms. The average term of a GS went from 951 days at the end of 2001 to 1269 days at the end of 2002. Treasury bills (GS with a term of up to one year) constituted 20 percent of all GS issued in 2002, while in 2001, this figure was 30 percent. No 1 and 3 month GS were issued last year, while 10 year Treasury bonds were issued for the first time in March (there were a total of 4 auctions). The average annual interest rate on these bonds was 5.98 percent.

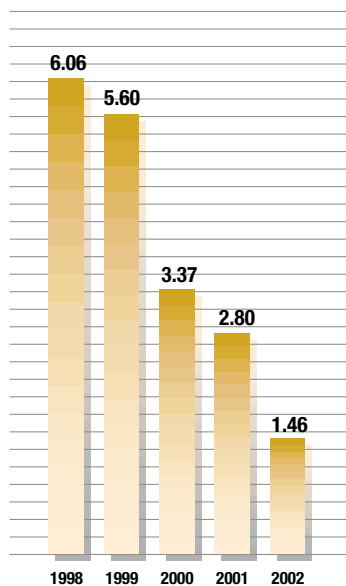
The stability of Lithuania's political and financial position, as well as the drop in interest rates on the world market conditioned the drop in GS profit rates. The average profitability rate of GS (including savings bonds) dropped from 6.46 percent in 2001 to 4.62 percent in 2002. The average 6-12 month GS was 3.7 percent, 1-5 year – 5.5 percent. At the beginning of 2002, the boundaries of the National debt did not touch 30 percent of GDP, and from March on, GS issues are not limited in auctions. Even though it is still quite a way to the Maastricht criteria levels for National debt (60 percent of GDP), the fast growth rate of the debt could raise borrowing costs both for the State and for all economic entities, thus slowing economic growth.

International rating agencies raised Lithuania's borrowing ratings based on Lithuania's good macroeconomic position and the stability of the financial system. In December of 2002, Fitch ranked Lithuania in the highest A rating country group. Lithuania's long-term investment foreign currency borrowing rating was upped from BBB- to BBB, while borrowing in the national currency went from BBB+ to A-. Standard and Poor's raised Lithuania's long-term foreign currency borrowing rating from BBB to BBB+ in the middle of February 2003. The short term foreign currency borrowing rating was improved from A3 to A2, and the long-term national currency borrowing rating from BBB+ to A-. These higher ratings mean recognition of Lithuania's economic development, and a deeper trust of the national currency.

**Litas Loan Average Interest Rates,
percent**



**Fixed-term Deposit Interest Rates,
percent**



BANKING SECTOR

The banking sector had an especially good year in 2002 – the assets of the banks grew, their financial position got better, loan portfolios grew, and all of the banks and foreign bank branches stayed within the risk limit rates. The audited profit of all Lithuania's commercial banks consisted of LTL 146.8 million. This is the best result the banking sector has had from the reestablishment of independence.

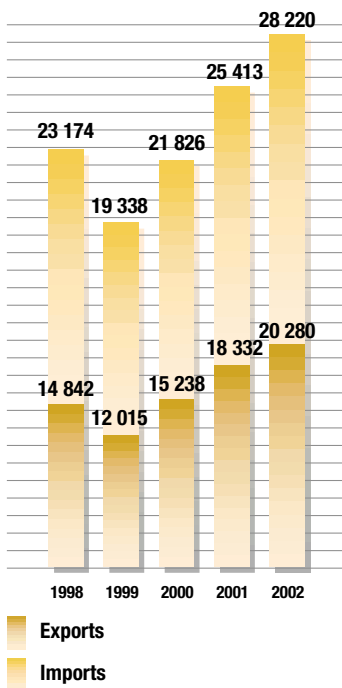
According to the Bank of Lithuania, commercial bank assets grew LTL 1.9 billion in 2002, or 12.2 percent, and at the beginning of this year, amounted to LTL 17.2 billion.

There was especially intense growth in commercial bank loan portfolios. In 2002, commercial banks extended loans for LTL 7.4 billion, i.e. 40 percent more than in 2001. There was large growth in the scope of private client loans: LTL 1.2 billion in loans were granted to private clients, 84 percent more than in 2001. Legal entities received loans for LTL 6.1 billion in 2002, 35 percent more than in 2001. This marks the biggest growth in loan portfolios from 1994. The growth of loan portfolios was conditioned by Lithuania's strong economic growth, the drop in world interest rates, and the high rate of liquidity of the banking sector. The 2002 average interest rate for 6-12 month loans was 6.8 percent, 1-5 year – 7.2 percent. At the end of 2001, the average interest rate for 6-12 month Litas loans was 6.47 percent, Euro loans – 5.92 percent, while at the end of 2002, the 1-5 year interest rate on Litas loans was 6.19 percent, and Euro loans – 4.34 percent.

With the drop in interest rates, the growth of deposit portfolios in banks also dropped. According to the Bank of Lithuania, the average profitability on Litas deposits was 1.46 percent in 2002, while at the end of 2001, the rate was 2.80 percent. The amount deposited with commercial banks was LTL 11.7 billion, as of January 1, 2003, this signifies growth of 12.1 percent. It should be noted that current account deposits grew relatively quickly (28 percent), while fixed-term deposits shrank by 1.5 percent. Current account deposits grew because of growing salaries, which are usually transferred directly into employees' current bank accounts. The higher incidence of loan funds being transferred into newly opened current accounts also increased this figure. The drop in fixed-term deposits was mostly caused by the drop in interest rates and the rise in consumption. The average interest rates for fixed-term deposits were 1.21 percent for USD and 2.31 percent for Euro at the end of 2002, as compared to 2001's year end 1.95 and 2.75 percent respectively.

When 76.01 percent of the State's shares in the Agricultural Bank of Lithuania were sold to German Norddeutsche Landesbank Girozentrale in March of 2002, the privatization of Lithuania's commercial banks came to an end. The number of commercial banks in Lithuania did not change. At the end of 2002, there were 10 banks working under Lithuanian licenses, and 4 foreign bank branches.

Exports and imports, LTL million



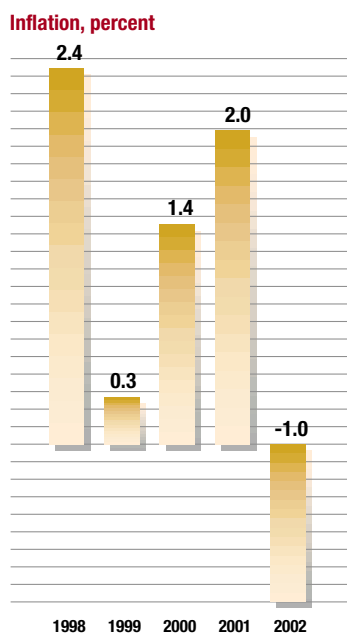
However, last year, a new specialized bank for housing loans and bonds was established under a limited license from the bank of Lithuania.

EXPORT AND IMPORT

Last year showed steady growth in the scope of foreign trade. In 2002, both export and import growth slowed, but kept a pretty good pace. Export grew by 10.6 percent, import by 11 percent in 2002. The trade balance was negative and reached LTL 7.94 billion. Weaker export growth was conditioned by the Litas' strengthening against both the USD and the Euro, as well as the weakening of the US and Euro economies. On the other hand, export growth continued nonetheless because of structural export problems falling by the wayside, the rapid modernization of manufacturing, and the rise in investments. Lithuanian exporters to Euro zone countries got a boost from the Litas being unpegged from the USD and pegged to the Euro – this lessened currency risk. The Litas was pegged to the Euro on February 1, 2002 at LTL 3.4528 to the Euro. This rate was determined by the Bank of Lithuania based on that day's official European Central Bank USD/Euro rate. After repegging, the Litas – USD rate fluctuates together with the Euro/USD rates in the currency markets.

The European Union is the main trading partner of Lithuania. 48.4 percent of Lithuania's export in 2002 went to EU countries. Export to CIS countries was 19.2 percent. Export to EU and CIS countries grew by 12 and 7.7 percent respectively. The amount of imports was largest from EU countries – 45 percent, while imports from CIS countries amounted to 26.2 percent. Imports from the EU grew by 13,6 percent, and dropped by 0.9 percent from CIS countries. Last year marked a sudden drop in export growth the CIS countries and the CIS share of Lithuanian imports dropped as part of the whole import picture. This drop is tied to strengthening of the Litas vis a vis the USD, which is the currency favoured in CIS economies. The strengthening Litas lowered raw-materials costs, as well as the costs of other goods imported.

The growth in investment demand, which always goes hand in hand with economic growth and manufacturing capacity expansion, was one of the most important factors in growth if imports both in 2001 and 2002. The import of investment goods went up 31 percent in 2001 and 46 percent in 2002. Their share of total imports went up from 14.1 percent in 2001 to 18.6 percent in 2002.



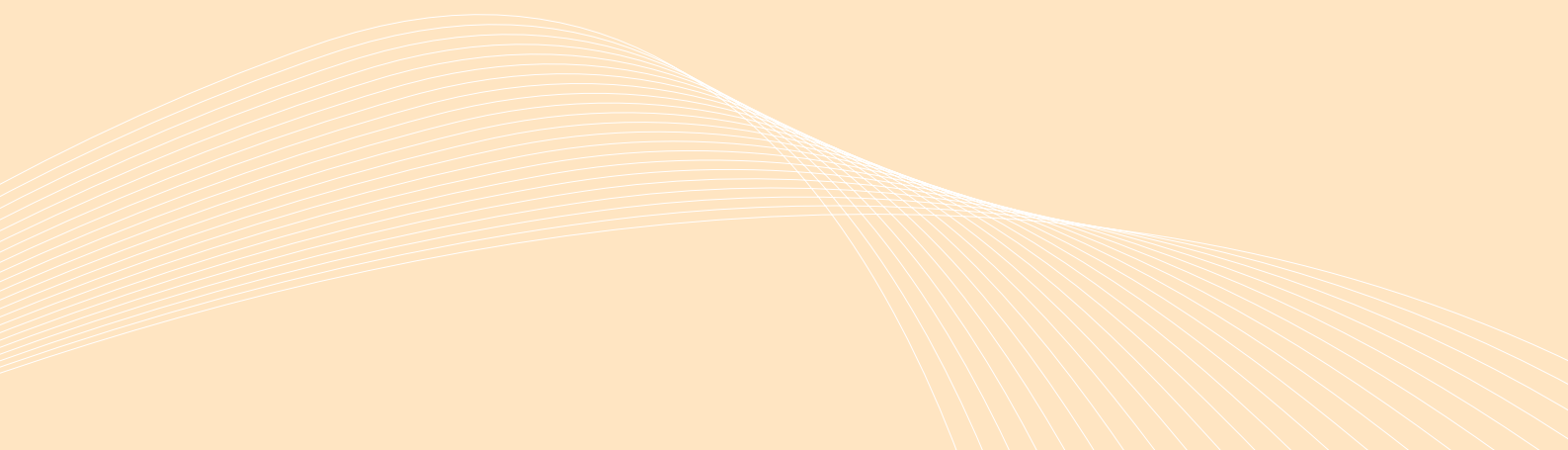
CONSUMER GOODS AND SERVICES PRICES (INFLATION)

The common consumer goods and services price index dropped 1 percent in 2002, while average annual inflation was 0.3 percent. The biggest drop was in food and drink prices – 5.3 percent, while the largest jump was 9.4 percent in transportation service prices, due mostly to the rise in fuel costs. The strengthening of the Litas vis a vis the Euro and USD was the main reason for the drop in consumer goods and services prices. In 2002, the Litas strengthened 6 percent against the Euro, and 18 percent against the USD. The strengthened Litas made imported goods from USD markets (China, CIS, USA) cheaper. The competitiveness of foreign goods forced a drop in Lithuanian made goods and services. Prices also dropped because of stronger domestic competition, which was strengthened by Lithuanian exporters looking towards the domestic market to fill gaps left by fallen foreign demand.

BREAK IN THE LABOUR MARKET

The fast and stable economic development, and growth in investment and export, allowed for a strong drop in unemployment. The Lithuanian Work – Exchange (the unemployment office), which registers unemployment numbers, announced that at the end of 2002, unemployment was at 10.9 percent (the lowest numbers in the last three years), compared to 12.9 percent at the end of 2001. The median unemployment rate dropped from 12.5 percent to 11.3 percent.

FINANCIAL
STATEMENTS 2002



Deloitte & Touche
Aludarių 2
2001 Vilnius
Lithuania



Tel: (370) 5 2497425
Fax: (370) 5 2126844
www.deloitteCE.com

INDEPENDENT AUDITORS' REPORT

To the shareholders of *AB Ūkio bankas*:

We have audited the accompanying consolidated balance sheets of *AB Ūkio bankas* (the "Bank") and subsidiaries (the "Group") and the separate balance sheets of *AB Ūkio bankas* as of 31 December 2002 and 2001, and the related statements of income, changes in shareholders' equity 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 Lithuanian National and 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 financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Group and the financial position of the Bank as of 31 December 2002 and 2001, and the respective results of their operations and their cash flows for the years then ended in accordance with International Financial Reporting Standards.

UAB Deloitte & Touche
Vilnius, Lithuania
20 March 2003

Auditor Lina Drakšienė
Auditor's certificate Nr. 000062

STATEMENTS OF INCOME

FOR THE YEARS ENDED 31 DECEMBER 2002 AND 2001

LTL thousand

No.	Item	Notes	2002		2001 (restated)	
			The Bank	The Group	The Bank	The Group
1.	Interest income		15,039	19,570	22,142	22,374
	on loans to credit and financial institutions and placements with credit institutions		6,021	4,215	7,428	7,652
	on other loans		8,082	8,082	14,286	13,578
	on subordinated loans		-	-	-	-
	on debt securities acquired		936	936	428	428
	other interest and similar income	20	-	6,337	-	716
2.	Interest expenses		11,758	11,833	15,126	15,823
	on liabilities to credit and financial institutions and amounts due to financial institutions		610	655	2,269	2,373
	on deposits and other repayable funds		11,053	11,053	12,857	13,450
	on subordinated loans		51	51	-	-
	on debt securities issued		44	44	-	-
	other interest expense	20	-	30	-	-
3.	Net interest income (1-2)		3,281	7,737	7,016	6,551
4.	(Reversal of provision) / Provision expense		(2,075)	(2,075)	2,576	4,992
	specific provisions for loans and accrued interest	33	925	925	(424)	(424)
	specific provisions for executed guarantees	33	-	-	-	-
	specific provisions for the loan portfolio	33	(3,000)	(3,000)	3,000	5,416
5.	Net interest income after provisions (3-4)		5,356	9,812	4,440	1,559
6.	Service fees and commission income		18,834	18,946	17,726	22,511
7.	Service fees and commission expense		1,607	1,274	882	1,342
8.	Net interest, service fees and commission income (5+6-7)		22,583	27,484	21,284	22,728
9.	Gain (loss) from equity securities		314	13	(644)	608
	gain (loss) from investments accounted under equity method		301	-	(663)	11
	gain on other equity investments		13	13	19	597
10.	Gain from operations with foreign currency		2,055	1,987	1,173	481
	realised gain from operations with foreign currency		5,654	5,654	727	513
	unrealised (loss) gain from operations with foreign currency		(3,599)	(3,667)	446	(32)
11.	Gain (loss) from operations with securities		9,535	9,535	(375)	(455)
	realized gain (loss)		4,492	4,492	(211)	(211)
	unrealised gain (loss)		5,043	5,043	(164)	(244)
12.	Income from operations (8+9+10+11)		34,487	39,019	21,438	23,362
13.	Other banking income	34	5,967	7,576	7,538	18,915
14.	Operating expenses		20,019	23,769	18,812	29,019
	salaries, social security and other related expense	28	13,203	14,203	12,651	14,997
	training and business trip expense		541	569	572	1,036
	rent and premises maintenance expense		1,818	2,879	1,279	2,850
	transportation and communication expense		1,319	1,576	1,371	1,618
	advertising and marketing expense		1,030	1,728	799	907
	other administrative expense		2,108	2,814	2,140	7,611
15.	Other banking expense	35	8,562	9,436	7,506	8,405
16.	Depreciation and amortisation expense		2,609	3,568	2,528	4,785
17.	Other specific provisions		3,108	3,666	(2,758)	(2,758)
	provision for doubtful assets	10, 33	3,108	3,666	(2,758)	(2,758)
	provisions for off balance sheet items	11, 33	-	-	-	-
18.	Operating result (12+13-14-15-16-17)		6,156	6,156	2,888	2,826
19.	Extraordinary gain	38	-	-	-	-

(Continued)

STATEMENTS OF INCOME (Continued)

FOR THE YEARS ENDED 31 DECEMBER 2002 AND 2001

LTL thousand

No.	Item	Notes	2002		2001 (restated)	
			The Bank	The Group	The Bank	The Group
20.	Net income before income tax (18+19)		6,156	6,156	2,888	2,826
21.	Income tax	32	-	-	-	-
22.	Deferred taxes	32	-	-	-	-
23.	Minority interest		-	-	-	62
24.	Net result for the year		6,156	6,156	2,888	2,888
25.	Basic Earnings per Share (in LTL)		0.93	0.93	0.50	0.50

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

The financial statements were approved by the Board of the Bank on 20 March 2003 and signed on its behalf by:

Chairwoman of the Board
E. Navickaitė



Chief Accountant
V. Petraitiene



BALANCE SHEETS

AS OF 31 DECEMBER 2002 AND 2001

LTL thousand

No.	Item	Notes	2002		2001 (restated)	
			The Bank	The Group	The Bank	The Group
ASSETS						
1.	Cash, precious metals and other valuables		10,150	10,153	8,553	9,425
2.	Placements with central banks	1	40,708	40,708	33,058	36,152
3.	Due from banks and other credit and financial institutions	2	271,990	221,825	375,107	306,572
3.1.	deposits		212,590	212,668	276,143	276,969
3.2.	repurchase agreements		-	-	-	-
3.3.	loans		59,400	9,157	98,964	29,603
4.	Short-term treasury bills	6,	6,964	6,964	3,928	3,928
5.	Loans to customers	3, 4	75,255	75,255	96,913	165,888
6.	Financial lease receivables	5	-	56,224	-	30,211
7.	Government securities for restructuring of banks		-	-	-	-
8.	Debt securities	6	21,453	21,453	9,200	10,441
9.	Financial claims under derivative agreements		321	321	-	-
10.	Equity investments	7	16,206	14,966	29,221	31,789
10.1.	Investments accounted for under the equity method		1,240	-	24,274	32
11.	Intangible assets (less depreciation)	8	924	1,012	558	1,763
12.	Tangible fixed assets (less depreciation)	9	229,686	232,838	43,136	58,124
12.1.	buildings and other real estate		224,736	226,747	38,639	49,964
12.2.	vehicles		903	1,663	351	2,895
12.3.	office equipment, etc.		4,047	4,428	4,146	5,265
13.	Accrued income and deferred expenses	10	993	1,821	1,428	1,428
14.	Other assets	10	27,286	35,014	42,115	119,537
15.	Trusted assets	12	-	-	-	-
16.	Total assets		701,936	718,554	643,217	775,258
LIABILITIES						
17.	Due to central banks		4,171	4,171	2,497	2,497
18.	Due to banks and other credit and financial institutions	13	120,187	122,852	191,417	259,519
18.1.	deposits		115,395	115,338	182,685	249,848
18.2.	repurchase agreements		-	-	-	-
18.3.	loans		4,792	7,514	8,732	9,671
19.	Deposits and letters of credit	14	476,973	476,973	369,465	371,354
20.	Commitments under derivative agreements		-	-	-	-
21.	Special and lending funds	15	-	-	-	-
22.	Debt securities issued	16	4,140	4,140	-	-
23.	Accrued expenses and deferred income		3,032	4,565	3,305	4,854
24.	Subordinated loans	17	-	-	-	-
25.	Other liabilities	17	5,426	17,846	13,741	40,763
26.	Trusted liabilities	12	-	-	-	-
27.	TOTAL LIABILITIES		613,929	630,547	580,425	678,987

(Continued)

BALANCE SHEETS (Continued)

AS OF 31 DECEMBER 2002 AND 2001

LTL thousand

No.	Item	Notes	2002		2001 (restated)	
			The Bank	The Group	The Bank	The Group
SHAREHOLDERS' EQUITY						
30.	Capital and reserves		88,007	88,007	62,792	62,792
30.1.	registered share capital		90,708	90,708	72,708	72,708
30.2.	treasury shares		-	-	(3,635)	(3,635)
30.3.	share premium		-	-	-	-
30.4.	fixed assets revaluation reserve		-	-	-	-
30.5.	financial assets revaluation reserve		-	-	-	-
30.6.	accumulated deficit	18	(10,266)	(10,266)	(13,154)	(13,154)
30.7.	current year result	18	6,156	6,156	2,888	2,888
30.8.	other capital and reserves		1,409	1,409	3,985	3,985
30.9.	funds received by foreign bank branch from the head office		-	-	-	-
31.	Minority interest		-	-	-	33,479
32.	TOTAL LIABILITIES AND SHAREHOLDERS EQUITY AND MINORITY INTEREST		701,936	718,554	643,217	775,258

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

The financial statements were approved by the Board of the Bank on 20 March 2003 and signed on its behalf by:

Chairwoman of the Board
E. Navickaitė



Chief Accountant
V. Petraitiene



OFF BALANCE SHEET ITEMS

AS OF 31 DECEMBER 2002 AND 2001

LTL thousand

No.	Item	Notes	2002		2001 (restated)	
			The Bank	The Group	The Bank	The Group
OFF BALANCE SHEET ITEMS						
1.	Guarantees and warranties	36	5,276	5,075	9,987	9,987
2.	Commitments to issue letters of credit	36	-	-	233	233
3.	Irrevocable lending commitments	36	22,832	20,548	7,237	7,237
4.	Other commitment	36	133	-	1,074	1,074
5.	Financial derivatives	19				
5.1.	interest rate agreements		-	-	-	-
5.1.1.	accounts receivable (claims)		-	-	-	-
5.1.2.	accounts payable (liabilities)		-	-	-	-
5.2.	currency sale/purchase agreements					
5.2.1.	currency purchase agreements (claims)		555,340	555,340	57,147	54,353
5.2.2.	currency sale agreements (liabilities)		555,019	555,019	56,671	53,861

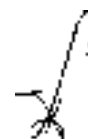
The accompanying notes are an integral part of these financial statements.

The financial statements were approved by the Board of the Bank on 20 March 2003 and signed on its behalf by:

Chairwoman of the Board
E. Navickaitė



Chief Accountant
V. Petraitiene



STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEARS ENDED 31 DECEMBER 2002 AND 2001

LTL thousand

No.	Item	2002		2001 (restated)		Increase (+) or decrease (-)	
		The Bank	The Group	The Bank	The Group	The Bank	The Group
1.	Capital and reserves						
1.1.	registered share capital	90,708	90,708	72,708	72,708	18,000	18,000
1.2.	treasury shares	-	-	(3,635)	(3,635)	3,635	3,635
1.3.	ashare premium	-	-	-	-	-	-
1.4.	reserve capital	-	-	-	-	-	-
1.5.	accumulated deficit	(10,266)	(10,266)	(13,154)	(13,154)	2,888	2,888
1.6.	general provision for loan losses	-	-	-	-	-	-
1.7.	other general reserves	(591)	(591)	1,985	1,985	(2,576)	(2,576)
1.8.	fixed assets revaluation reserve	-	-	-	-	-	-
1.9.	financial asset revaluation reserve	-	-	-	-	-	-
1.10.	restricted (distributable) profit	2,000	2,000	2,000	2,000	-	-
1.11.	current year result	6,156	6,156	2,888	2,888	3,268	3,268
2.	Total shareholders equity	88,007	88,007	62,792	62,792	25,215	25,215

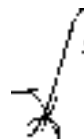
The accompanying notes are an integral part of these financial statements.

The financial statements were approved by the Board of the Bank on 20 March 2003 and signed on its behalf by:

Chairwoman of the Board
E. Navickaitė



Chief Accountant
V. Petraitiene



STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED 31 DECEMBER 2002 AND 2001

LTL thousand

Item	2002		2001 (restated)	
	The Bank	The Group	The Bank	The Group
Cash flows from (to) banking activities:				
Interest income	14,658	18,798	21,781	25,515
Interest expenses	(11,978)	(11,904)	(14,378)	(14,995)
Recovery of loans previously written-off	5,053	5,053	3,227	3,227
Net income from operations with foreign currency	5,654	5,654	727	727
Net income from operations with securities	5,441	5,441	236	266
Net income for services and fees	17,227	17,672	16,844	17,711
Expenses associated with payment of salaries	(13,203)	(14,203)	(12,651)	(16,514)
Other income (expenses)	(10,169)	(12,184)	(9,356)	(4,136)
A. Result of activities	12,683	14,327	6,430	11,801
(Increase) decrease in short - term assets:				
(Increase) decrease in required reserves with central bank	(13,141)	(13,134)	(6,865)	(6,865)
(Increase) decrease in loans to credit and financial institutions	87,260	68,960	(93,880)	(23,837)
(Increase) decrease in granted loans	23,192	94,207	(12,472)	(88,806)
(Increase) decrease in securities	(4,725)	(3,521)	(5,598)	(5,598)
(Increase) decrease in other short-term assets	14,269	53,942	11,439	(47,435)
B. Changes in short-term assets	106,855	200,454	(107,376)	(172,541)
Increase (decrease) in liabilities:				
Increase (decrease) in liability to central bank	1,674	1,674	(138)	(138)
Increase (decrease) in liabilities to credit and financial institutions	(71,230)	(136,667)	123,215	190,113
Increase (decrease) in deposits and letters of credit	107,573	105,684	145,949	133,808
Increase (decrease) in other liabilities	(4,854)	(17,467)	10,921	11,038
C. Changes in liabilities	33,163	(46,776)	279,947	334,821
D. Net cash flows from bank activities before taxes (A+B+C)	152,701	168,005	179,001	174,081
Profit tax	-	-	-	-
E. Net cash flows from bank activities after taxes (D-4)	152,701	168,005	179,001	174,081
Cash flows from (to) investing activities				
(Acquisition) sales of tangible fixed assets and intangible assets	(195,812)	(194,218)	1,073	(190)
(Investment) into securities and sales thereof	20,483	-	(4,319)	(11,785)
Dividends received	-	-	-	-
Income received	-	-	-	-
Cash flow from other investing activities	301	-	886	-
F. Net cash flow (to) investing activities	(175,028)	(194,218)	(2,360)	(11,975)
Cash flows from financing activities				
Paid in share capital	18,000	18,000	-	10,132
(purchase) of own securities	1,059	1,059	(1,215)	(1,215)
Dividends paid	-	-	-	-
Interest paid	-	-	-	-
Cash flow from other financial activities	-	-	-	-
G. Net cash flows from investing activities	19,059	19,059	(1,215)	8,917
Increase (decrease) in cash (E+F+G)	(3,268)	(7,154)	175,426	171,023
Cash as at 31 December of current financial year	246,618	246,699	249,886	253,853
Cash as at 1 January of the current financial year	249,886	253,853	74,460	82,830

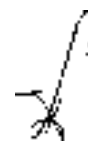
The accompanying notes are an integral part of these financial statements.

The financial statements were approved by the Board of the Bank on 20 March 2003 and signed on its behalf by:

Chairwoman of the Board
E. Navickaitė



Chief Accountant
V. Petraitiene



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 DECEMBER 2002 AND 2001

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 and 9 divisions in Lithuania. The Bank accepts deposits from the public and makes loans, provides trade finance, transfer payments and exchanges currencies for its clients.

Basis of Preparation

The financial statements have been prepared in accordance with all standards and interpretations approved by the International Accounting Standards Board (IASB) which are referred to as International Financial Reporting Standards (IFRS). These standards and interpretations were previously referred to as International Accounting Standards (IAS). The following summarises the more significant of these policies.

The accompanying financial statements are presented in the national currency of Lithuania, the Litas (LTL), since that is the currency in which the majority of the Group's transactions are denominated.

Principles of Consolidation

At 31 December 2002 the financial statements include the accounts of the Bank and its fully owned subsidiary UAB Ūkio banko lizingas.

At 31 December 2001 the 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 percent
Life Insurance UAB Bonum Publicum	Life insurance	Vilnius, Lithuania	40 percent
Balkan Investment Bank A. D.	Commercial bank	Banja Luka, Republic Srpska	24 percent
UAB Ūkio banko investicinė grupė	Investment activities	Kaunas, Lithuania	37.53 percent
UAB Energetinių sistemų lizingas	Leasing activities	Vilnius, Lithuania	44.84 percent

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.

In translating the financial statements of a foreign subsidiary for incorporation in the 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.

Significant Accounting Policies

The principal accounting policies adopted are set out below:

(a) Change in Accounting Policy of Subsidiary

Starting from 1 January 2002 the fully owned subsidiary of AB Ūkio bankas UAB Ūkio banko lizingas (the "Company") has changed the policy of accounting for income on leasing contracts that bear no interest. Before 1 January 2002 the Company's policy was to recognise income on interest free leasing contracts at the time of execution of the contract. Starting from 1 January 2002 the Company recognises leasing accounts receivable at fair value based on the interest rate on leasing contracts of a similar nature and recognises interest income in the income statement over the period of lease contract. Due to this change in accounting policy, the financial statements for the year ended 31 December 2001 were restated, resulting in a decrease in interest income earned and increase in deferred income in the amount of LTL'000 1,549.

(b) Interest Income and Expense, Fees and Commissions

Interest income and expense are accounted for on an accrual basis on interest earning assets and liabilities in accordance with agreements between lenders and borrowers. Income is not recognized on non-performing assets.

Income from financial leases is allocated based on a constant periodic rate of return.

Income from commission fees and other activities are recognized at the date of related transaction.

(c) Tangible Fixed Assets

Tangible fixed assets, except buildings, are recorded at cost, less accumulated depreciation. Depreciation is calculated starting from the month following the month the asset was brought into use. Depreciation is calculated on a straight-line basis over the estimated useful economic lives of assets. No depreciation is calculated for construction in progress.

Buildings are recorded at revalued amounts, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which is determined using fair value at the balance sheet date. The fair value of the buildings is determined by appraisals undertaken by certified independent real estate appraisers. The depreciation of buildings is calculated on a straight-line basis over the estimated useful economic lives of assets.

The principal annual depreciation rates that have been applied are as follows:

	Years
Buildings	60-90
Vehicles	5-8
Office equipment	3-30
Computer hardware	4-6

Intangible fixed assets are recorded at cost, less accumulated amortization, which is calculated on a straight-line basis over the estimated useful economic lives of assets. Intangible assets are amortized over a period of one year.

(d) Investment Property

Investment property is the property, which is held to earn rentals and for capital appreciation. Investment property is initially measured at cost, after initial recognition, at cost less any accumulated depreciation and any accumulated impairment losses. Investment property is included within the tangible fixed assets and depreciated over the useful economic lives.

(e) Derivative Financial Instruments

Derivative financial instruments including foreign exchange contracts, forward rate agreements and other derivative financial instruments are initially recognized in the balance sheet at cost (including transaction costs) and subsequently remeasured at their fair value. Fair values are obtained from quoted market prices, discounted cash flow models and options pricing models as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

Changes in the fair value of derivatives held for trading are included in net income from trading securities and investments securities held for trading and available for sale.

(f) 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.

(g) 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 counter party 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 counter parties are also retained in the financial statements

(h) Investment Securities

Investment securities and purchased loans and receivables are categorised as follows:

- held-to-maturity;
- 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 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 until settlement.

(i) Originated Loans and Provisions for Loans Impairment

Loans originated by the Group by providing money directly to the borrower or to a sub-participation agent at draw down are categorized as loans originated by the Group and are carried at amortized cost. Third party expenses, such as legal fees, incurred in securing a loan are treated as part of the cost of the transaction.

All loans and advances are recognized when cash is advanced to borrowers.

A credit risk provision for loan impairment is established if there is objective evidence that the Group will not be able to collect all amounts due. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the present value of expected cash flows, including amounts recoverable from guarantees and collateral, discounted based on the interest rate at inception.

In the case of loans to borrowers in countries where there is an increased risk of difficulties in servicing external debt, an assessment of the political and economic situation is made, and additional country risk provisions are established.

The loan loss provision also covers losses where there is objective evidence that probable losses are present in components of the loan portfolio at the balance sheet date. These have been estimated based upon historical patterns of losses in each component, the credit ratings allocated to the borrowers and reflecting the current economic climate in which the borrowers operate. When a loan is uncollectable, it is written off against the related provision for impairments; subsequent recoveries are credited to the bad and doubtful debt expense in the statement of income.

If the amount of the impairment subsequently decreases due to an event occurring after the write down, the release of the provision is credited to the bad and doubtful debt expense.

(j) Leases

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

The Group 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.

The Group as lessee - Assets held under finance leases are recognized as assets of the Group 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 assets acquired, are charged to the income statement 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

(k) 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 statement of income. Determinations of fair value are based on periodic appraisals, which are subject to significant fluctuations as economic conditions change.

(l) Taxation

The Bank records the corporate income tax related to the taxable profit computed in accordance with Lithuanian tax rules. It is calculated using tax rates that have been enacted at the balance sheet date. Corporate income tax rate in Lithuania is 15 percent (2001: 24 percent).

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realized.

Deferred tax assets and liabilities are offset when the Company intends to settle its current tax assets and liabilities on a net basis.

(m) Cash and Cash Equivalents

Cash and cash equivalents consist of cash, balances with the Bank of Lithuania (except of the mandatory reserve) balances held in correspondent accounts of the Bank and short term deposits in correspondent banks.

(n) Accounting for Transactions in 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 denominated in foreign currency are translated into LTL at the rate of exchange on the balance sheet date.

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

	2002	2001
USD	3.3114	4.0000
EUR	3.4528	3.5272

All resulting gains and losses relating to cash are recorded in the statement of income as realised gain (loss) from foreign exchange operations in the period in which they arose.

Gains and losses on translation are credited or charged to the statement of income at the prevailing foreign exchange rate at period-end.

(n) Fair value of financial instruments

Fair value represents the amount at which an asset could be exchanged or liability settled on an arms length basis. Where, in the opinion of management, the fair value of financial assets and liabilities differs materially from their book value, such fair values are separately disclosed in the notes to the financial statements.

(o) Earnings per share

For the purpose of calculating earnings per share, the weighted average number of common shares outstanding during 2002 and 2001 was 6,635,126 and 5,756,286 respectively. The Group had no dilutive options outstanding during 2002 and 2001 and at 31 December 2002 and 2001.

NOTE 1

PLACEMENTS WITH CENTRAL BANKS

LTL thousand

	2002		2001	
	The Bank	The Group	The Bank	The Group
Correspondent accounts with central banks	581	581	9,541	12,628
Compulsory reserves	40,127	40,127	23,517	23,524
Total placements with central banks	40,708	40,708	33,058	36,152

The compulsory reserves are held with the *Bank of Lithuania* in the form of non-interest bearing deposits under the Bank of Lithuania's regulations. The compulsory reserves held with the *Bank of Lithuania* comprise the funds calculated on a monthly basis as 6percent (8percent before May 2002) share of the average balance of deposits of the month. Compulsory reserves in foreign currency are not available to finance the Bank's day-to-day operations.

NOTE 2

DUE FROM BANKS AND OTHER CREDIT AND FINANCIAL INSTITUTIONS

LTL thousand

	2002		2001	
	The Bank	The Group	The Bank	The Group
Due from banks and other credit and financial institutions				
funds on correspondent accounts	159,423	159,423	209,757	209,553
deposits with banks and other credit and financial institutions	53,167	53,245	66,386	67,416
repurchase agreements	-	-	-	-
Loans:	59,400	9,157	98,964	29,603
falling due within one year	397	397	47,735	23,603
falling due after one year	59,003	8,760	51,229	6,000
Total	271,990	221,825	375,107	306,572
Less: provisions for loans				
specific provisions	-	-	-	-
specific provisions for loan portfolio	-	-	-	-
Total provisions	-	-	-	-
Due from banks and other credit and financial institutions, net	271,990	221,825	375,107	306,572

Correspondent nostro accounts in the amount of LTL'000 132,427 are held with correspondent banks operating in Russia (Note 40).

NOTE 3

LOANS GRANTED

LTL thousand

	2002		2001	
	The Bank	The Group	The Bank	The Group
Loans to customers:				
falling due within one year	44,908	44,908	65,919	127,944
falling due after one year	32,830	32,830	36,574	45,564
Total loans to customers	77,738	77,738	102,493	173,508
Less: provisions for loans				
specific provisions	(2,483)	(2,483)	(2,580)	(2,810)
specific provisions for loan portfolio	-	-	(3,000)	(4,810)
Total provisions	(2,483)	(2,483)	(5,580)	(7,620)
Total loans to customers, net of provisions	75,255	75,255	96,913	165,888

LTL thousand

	2002		2001	
	The Bank	The Group	The Bank	The Group
Specific provisions at the beginning of the year	2,580	2,810	9,641	9,641
Increase in specific provisions:				
due to increased risk	7,997	7,934	12,077	12,307
due to changes in foreign exchange rates	9	9	28	28
	8,006	7,943	12,105	12,335
Decrease in specific provisions:				
elimination of specific provisions of disposed subsidiary	-	(167)	-	-
due to decreased or eliminated risk	(7,086)	(7,086)	(12,504)	(12,504)
due to write off of loans	(873)	(873)	(6,557)	(6,557)
due to changes in foreign exchange rates	(144)	(144)	(105)	(105)
	8,103	8,270	19,166	19,166
Specific provisions at the end of the year	2,483	2,483	2,580	2,810

LTL thousand

	2002		2001	
	The Bank	The Group	The Bank	The Group
Specific provisions for loan portfolio at the beginning of the year	3,000	4,810	-	-
Elimination of specific provisions of disposed subsidiary	-	(1,810)	-	-
Increase in specific provision	-	-	3,000	4,810
(Decrease) in specific provisions	(3,000)	(3,000)	-	-
Specific provisions for loan portfolio at the end of the year	-	-	3,000	4,810

NOTE 4

LOANS BY INDUSTRIES AND SECTORS

LTL thousand

Loans by industry and sectors	2002			
	Short term loans	Long term loans	Total loans	Specific provisions
Loans to legal entities and individuals by industries:				
to agriculture, hunting, forestry	1,621	300	1,921	10
to fishery	-	-	-	-
to manufacturing	3,459	10,817	14,276	76
to utilities	3,311	113	3,424	-
to construction	856	4,948	5,804	-
to wholesale and retail trade	28,349	12,149	40,498	1,992
to hotels and restaurants	-	552	552	-
to transportation, storage and telecommunication	3,146	599	3,745	323
to real estate, rent and commercial	2,768	703	3,471	-
to education	-	-	-	-
to health care and social works	80	109	189	-
to other utilities, social and personal services	159	-	159	-
to other types of economic activity	-	-	-	-
Total	43,749	30,290	74,039	2,401
To individuals	1,159	2,540	3,699	82
Total loans by industries and sectors	44,908	32,830	77,738	2,483

LTL thousand

Loans by industry and sectors	2001			
	Short term loans	Long term loans	Total amount of loans	Specific provisions
Loans to legal entities and individuals by industries:				
to agriculture, hunting, forestry	483	-	483	1
to fishery	-	-	-	-
to manufacturing	4,537	19,071	23,608	151
to utilities	-	-	-	-
to construction	8,059	83	8,142	8
to wholesale and retail trade	40,542	2,990	43,532	1,711
to hotels and restaurants	73	655	728	250
to transportation, storage and telecommunication	2,489	744	3,233	18
to real estate, rent and commercial	2,268	10,722	12,990	103
to education	-	-	-	-
to health care and social works	-	-	-	-
to other utilities, social and personal services	-	-	-	-
to other types of economic activity	5,563	182	5,745	-
Total	64,014	34,447	98,461	2,242
To individuals	1,906	2,126	4,032	338
Total loans by industries and sectors	65,920	36,573	102,493	2,580

Specific provisions do not include specific provisions equal to LTL'000 3,000 formed for loan portfolio in year 2001.

As of 31 December 2002 AB Ūkio bankas complied with the maximum loan to one customer requirement established by the Bank of Lithuania, according to which the total amount of loans granted to one customer and customer's related parties thereto may not exceed 25 percent of the Bank's capital.

NOTE 5

FINANCIAL LEASE RECEIVABLES

Wholly owned subsidiary of the Bank UAB Ūkio banko lizingas is engaged in financial lease activities.

LTL thousand

Amounts receivable under finance leases:	Minimum lease payments		Present value of minimum lease payments	
	2002	2001	2002	2001
Due within one year	52,674	29,871	47,674	25,894
Due within second to fifth year inclusive	10,223	6,020	9,165	4,377
Total	62,897	35,891	56,839	30,271
Less: unearned finance income	(6,058)	(5,620)	-	-
Minimum lease payments receivable	56,839	30,271	56,839	30,271
Less: provisions for lease receivables	(615)	(60)	(615)	(60)
Finance lease receivables, net of provisions	56,224	30,211	56,224	30,211

LTL thousand

Financial lease receivables by type of assets leased:	2002		2001	
	The Bank	The Group	The Bank	The Group
real estate	-	610	-	384
manufacturing equipment	-	508	-	1,087
vehicles	-	998	-	553
computer equipment	-	24,521	-	4,161
audio and video equipment	-	9,384	-	2,968
household equipment	-	13,350	-	18,587
furniture	-	3,111	-	836
other assets	-	4,357	-	1,695
Total financial lease receivables by type of assets leased	-	56,839	-	30,271
less: specific provisions for lease receivables	-	(615)	-	(60)
Total financial lease receivables by type of assets leased, net of provisions	-	56,224	-	30,211

NOTE 6

INVESTMENTS IN DEBT SECURITIES

LTL thousand

	2002		2001	
	The Bank	The Group	The Bank	The Group
Debt securities held for trade				
Treasury bills:				
falling due within one year	6,964	6,964	3,928	3,928
falling due after one year	21,453	21,453	9,200	10,441
Other debt securities:				
falling due within one year	-	-	-	-
falling due after one year	-	-	-	-
Total debt securities held for trade	28,417	28,417	13,128	14,369
Debt securities held until maturity				
Treasury bills				
falling due within one year	-	-	-	-
falling due after one year	-	-	-	-
Total debt securities held until maturity	-	-	-	-
Provisions				
Special provisions	-	-	-	-
General provisions	-	-	-	-
Total provisions	-	-	-	-
Total debt securities, net	28,417	28,417	13,128	14,369

NOTE 7

INVESTMENTS IN EQUITY SECURITIES

LTL thousand

	2002		2001	
	The Bank	The Group	The Bank	The Group
Equity securities held for trade:				
<i>AB Lietuvos telekomas PVA</i>	-	-	125	162
<i>AB Ekranas</i>	18	18	9	9
<i>AB Žemaitijos pienas</i>	-	-	16	16
<i>AB Klaipėdos transporto laivynas</i>	61	61	-	-
<i>AB Vilniaus bankas</i>	1	1	-	-
<i>AB Vingis</i>	91	91	-	-
<i>AB Stumbras</i>	84	84	-	-
<i>AB Holdinginė tekstilės korporacija</i>	5,038	5,038	-	3,522
<i>UAB FMI Finbaltus</i>	789	789	-	2,035
<i>AB Kalnapilis</i>	-	-	13	13
Other trading securities	1	1	-	-
Total debt securities held for trade	6,083	6,083	163	5,757
Equity securities available for sale:				
<i>AB Šiaulių bankas</i>	500	500	500	500
<i>OAO Zavod Dneproress</i>	-	-	-	14,632
<i>ZAO TK MGZ</i>	-	-	3,143	3,143
<i>OAO Russkij karavaj</i>	-	-	-	1,787
<i>UAB Ortopedijos paslaugos</i>	-	-	-	1,483
<i>UAB Nidos pušynas</i>	-	-	-	1,336
<i>UAB Bankinės konsultacijos</i>	-	-	-	999
<i>AB Pramprojektas</i>	-	-	526	669
<i>Balkan Investment Management A. D.</i>	-	-	-	487
<i>AB Tauragės grūdai</i>	439	439	438	438
<i>UAB Nidos smiltė</i>	-	-	-	189
<i>AB Šiaulių komercija</i>	154	154	154	154
<i>UAB Balkan Invest</i>	-	-	32	40
<i>UAB Energo linija</i>	-	-	-	40
<i>NVPB</i>	15	15	15	15
<i>UAB Šiaulių LEZ valdymo bendrovė</i>	4	4	6	6
<i>UAB Ūkio banko investicinė grupė</i>	4,512	4,512	16,897	-
<i>Balkan Investment Bank A. D.</i>	2,619	2,619	4,265	-
<i>GD UAB Bonum Publicum</i>	469	469	1,748	-
<i>UAB Energetinių sistemų lizingas</i>	171	171	396	-
Other equity investments	-	-	-	114
Total debt securities available for sale	8,883	8,883	28,120	26,032
Investment in subsidiaries:				
<i>UAB Ūkio banko lizingas</i>	1,240	-	938	-
Total investments in subsidiaries	1,240	-	938	-
Total equity securities	16,206	14,966	29,221	31,789

NOTE 8
INTANGIBLE FIXED ASSETS

LTL thousand

	Software	
	The Bank	The Group
Carrying value		
Balance as of 31 December 2001	2,057	3,729
elimination of previously consolidated subsidiaries	-	(1,573)
additions	974	1,054
disposals and transfers	(731)	(731)
Balance as of 31 December 2002	2,300	2,479
Accumulated depreciation		
Balance as of 31 December 2001	1,499	1,966
elimination of previously consolidated subsidiaries	-	(413)
charge for the year	533	570
disposals	(656)	(656)
Balance as of 31 December 2002	1,376	1,467
Net book value		
31 December 2001	558	1,763
31 December 2002	924	1,012

NOTE 9
FIXED ASSETS

LTL thousand

	The Bank				
	Buildings	Vehicles	Office equipment	Construction in progress	Total
Carrying value					
Balance as of 31 December 2001	40,383	928	9,217	352	50,880
additions	489	748	1,206	195,180	197,623
disposals	(9,040)	-	(1,078)	-	(10,118)
Balance as of 31 December 2002	31,832	1,676	9,345	195,532	238,385
Accumulated depreciation					
Balance as of 31 December 2001	2,096	577	5,071	-	7,744
charge for the year	683	196	1,197	-	2,076
disposals	(151)	-	(970)	-	(1,121)
Balance as of 31 December 2002	2,628	773	5,298	-	8,699
Net book value					
31 December 2001	38,287	351	4,146	352	43,136
31 December 2002	29,204	903	4,047	195,532	229,686

Unfinished construction in the amount of LTL'000 195,532 represents unfinished construction located in Moscow, Russia (Note 40).

The depreciation charge for the year is included in the depreciation and amortisation expenses in the statement of income.

LTL thousand

	The Group				
	Buildings	Vehicles	Office equipment	Construction in progress	Total
Carrying value					
Balance as of 31 December 2001	51,149	4,088	10,829	1,975	68,041
elimination of previously consolidated subsidiaries	(9,536)	(1,295)	(1,014)	(1,623)	(13,468)
additions	1,589	790	1,494	195,180	199,053
disposals	(9,040)	(606)	(1,089)	-	(10,735)
Balance as of 31 December 2002	34,162	2,977	10,220	195,532	242,891
Accumulated depreciation					
31 December 2001	3,160	1,193	5,564	-	9,917
elimination of previously consolidated subsidiaries	(941)	(285)	(281)	-	(1,507)
charge for the year	879	634	1,485	-	2,998
disposals	(151)	(228)	(976)	-	(1,355)
31 December 2002	2,947	1,314	5,792	-	10,053
Net book value					
31 December 2001	47,989	2,895	5,265	1,975	58,124
31 December 2002	31,215	1,663	4,428	195,532	232,838

Unfinished construction in the amount of LTL'000 195,532 represents unfinished construction located in Moscow, Russia (Note 40).

The depreciation charge for the year is included in the depreciation and amortisation expenses in the statement of income.

Tangible fixed assets of the Group include investment property with the net book value of LTL'000 2,011 (2001 – LTL'000 2,682), which are classified under buildings category.

Building, owned by *UAB Ūkio banko lizingas* (100 percent owned subsidiary of *AB Ūkio bankas*), with net book value of LTL'000 984 is pledged to *UAB Bonum Publicum* for the securization of the loan payable to related company *UAB Bonum Publicum*.

NOTE 10

OTHER ASSETS

LTL thousand

	2002		2001	
	The Bank	The Group	The Bank	The Group
Other assets:				
foreclosed assets	1,552	1,552	6,197	6,197
accounts receivable from sale of foreclosed and other assets	10,957	10,957	7,160	4,819
prepayments for purchase of fixed assets	-	-	8,070	8,070
accounts receivable from operations with securities	-	-	4,177	12,076
factored accounts receivable	12,414	12,414	14,390	29,403
other receivables	5,900	13,630	2,841	59,696
Total other assets	30,823	38,553	42,835	120,261
Provisions				
on foreclosed assets	(207)	(207)	(624)	(624)
on factored accounts receivable	(2,305)	(2,305)	-	-
on accounts receivable for sales on credit	(860)	(860)	-	-
on other assets	(165)	(167)	(96)	(100)
Total provisions	(3,537)	(3,539)	(720)	(724)
Total other assets, net of provisions	27,286	35,014	42,115	119,537

Foreclosed assets comprises of real estate, equipment and other assets, taken over for bad debts.

LTL thousand

	2002		2001	
	The Bank	The Group	The Bank	The Group
Specific provisions for other assets at the beginning of the year	720	724	3,616	3,692
Increase in specific provision :				
due to increased risk	9,620	9,622	3,266	430
Decrease of specific provisions:				
elimination of provisions of disposed subsidiary	-	(4)	-	-
due to decreased or eliminated risk	(6,803)	(6,803)	(6,162)	(3,398)
Specific provisions for other assets at the end of the year	3,537	3,539	720	724

LTL thousand

	2002		2001	
	The Bank	The Group	The Bank	The Group
Accrued income and deferred expenses:	1,023	1,851	1,491	1,491
Provisions	(30)	(30)	(63)	(63)
Accrued income and deferred expenses, net of provisions	993	1,821	1,428	1,428

NOTE 11

PROVISIONS FOR OFF-BALANCE SHEET LIABILITIES

As of 31 December 2002 and 2001 the Bank had no provisions for off balance sheet items.

NOTE 12

TRUSTED ASSETS

As of 31 December 2002 and 2001 the Bank and the Group had no trusted assets.

NOTE 13

AMOUNTS DUE TO BANKS AND OTHER CREDIT AND FINANCIAL INSTITUTIONS

LTL thousand

	2002		2001	
	The Bank	The Group	The Bank	The Group
Amounts due to banks and other credit and financial institutions				
Amounts due to correspondent banks	33,107	33,107	159,308	159,111
Deposits of banks, other credit and financial institutions	82,288	82,231	23,377	90,737
including collateralised deposits for the loans granted	397	397	6,000	6,000
Repurchase agreements	-	-	-	-
Loans from credit and financial institutions	4,792	7,514	8,732	9,671
falling due within one year	-	519	891	891
falling due after one year	4,792	6,995	7,841	8,780
Total amounts due to banks and other credit and financial institutions	120,187	122,852	191,417	259,519

NOTE 14

DEPOSITS FROM PUBLIC AND LETTERS OF CREDIT

LTL thousand

	2002		2001	
	The Bank	The Group	The Bank	The Group
Deposits from public and letters of credit				
Current and demand deposits	184,771	184,771	136,549	138,285
Term deposits and letters for credit	292,202	292,202	232,916	233,069
falling due within one year	280,198	280,198	226,560	226,713
falling due after one year	12,004	12,004	6,356	6,356
Total deposits from public and letters of credit	476,973	476,973	369,465	371,354

NOTE 15

SPECIAL AND LENDING FUNDS

As of 31 December 2002 and 2001 the Bank had no special and lending funds.

NOTE 16

DEBT SECURITIES ISSUED

LTL thousand

	2002		2001	
	The Bank	The Group	The Bank	The Group
Short term bills	4,140	4,140	-	-
Total	4,140	4,140	-	-

As of 31 December 2002 the Bank had short term ordinary bills issued to *Standart Bank London Ltd.*, London, in the amount of EUR'000 1,000 with the maturity on 20 October 2003; and to *Dresdner Bank AG*, Frankfurt am Main, in the amount of EUR'000 199 with the maturity on 8 July 2003.

NOTE 17

SUBORDINATED LOANS AND OTHER LIABILITIES

As of 31 December 2002 and 2001 the Bank and the Group had no subordinated loans.

Other liabilities comprises of the following:

LTL thousand

	2002		2001	
	The Bank	The Group	The Bank	The Group
Trade payables	-	11,415	-	3,820
Prepayments from customers for finance leases	-	934	-	833
Factoring liabilities	466	466	-	-
Suspense accounts	811	811	650	650
Deposit insurance accrued expense	218	218	126	126
Finance lease payable	1,105	77	1,466	3,820
Currency exchange commitments	-	-	10,081	10,081
Advances received for acquisition of equity securities	-	-	-	18,926
Other liabilities	2,826	3,925	1,418	2,507
Total	5,426	17,846	13,741	40,763

NOTE 18

PROFIT DISTRIBUTION

LTL thousand

	2002	2001
Undistributed retained earnings (accumulated deficit) at the beginning of the year	(10,266)	(13,154)
Net profit of the year	6,156	2,888
Distributable profit	6,156	2,888
Distribution of profit:		
transferred to accumulated loss	6,156	2,888
Undistributed retained earnings (accumulated deficit) at the end of the year	(4,110)	(10,266)

NOTE 19

OTHER BANK OFF BALANCE SHEET LIABILITIES

LTL thousand

Financial derivatives	Currency exchange agreements
Claims	
futures	60,424
swap transactions	587
spot transactions	494,329
Total claims	555,340
Liabilities	
futures	60,075
swap transactions	590
spot transactions	494,354
Total liabilities	555,019

NOTE 20

OTHER INTEREST AND SIMILAR INCOME

LTL thousand

	2002		2001	
	The Bank	The Group	The Bank	The Group
Other interest and related income:				
income from leases	-	6,337	-	716
other interest income	-	30	-	-
Total other interest and related income	-	6,307	-	716

NOTE 21

CAPITAL ADEQUACY

AB Ūkio bankas and the Group capital adequacy ratio is calculated in accordance with the rules approved by the Bank of Lithuania, which substantially conform to Basel committee recommendations. The capital adequacy ratio set by the Bank of Lithuania should be more than 10percent of eligible assets.

The movements of the capital adequacy ratio during 2002 (quarterly) is presented in the table below:

Percent

	The Bank	The Group
31 December 2001	10.97	11.26
31 March 2002	10.87	11.44
30 June 2002	13.79	14.11
30 September 2002	15.75	15.63
31 December 2002	14.45	14.23

Additionally, under the guidelines set forth by the *Basle* Agreement, the Bank's capital adequacy as of 31 December 2002 is as follows; Tier I Capital to Risk Weighted Assets 13.70 percent; Total Capital to Risk Weighted Assets 13.30 percent. *Basle* committee confirms that the target standard ratio of capital to risk weighted assets should be set at 8percent, of which the Tier I capital element will be at least 4percent.

NOTE 22
LIQUIDITY

AB Ūkio bankas and the Group liquidity ratio is calculated in accordance with the rules approved by the Bank of Lithuania, which substantially conform to Basel committee recommendations. The Bank's liquidity ratio cannot be lower than 30percent. The fluctuations of the Bank's and the Group's liquidity ratio during the year 2002 is shown below.

	The Bank			The Group		
	Current assets, LTL thousand	Current liabilities, LTL thousand	Liquidity ratio, percent	Current assets, LTL thousand	Current liabilities, LTL thousand	Liquidity ratio, percent
January	314,273	472,453	66.52	n/a	n/a	n/a
February	314,507	486,951	64.59	n/a	n/a	n/a
March	280,793	463,083	60.64	301,723	513,779	58.73
April	166,123	407,867	40.73	n/a	n/a	n/a
May	149,274	320,509	46.57	n/a	n/a	n/a
June	127,772	314,689	40.60	127,449	318,202	40.05
July	252,378	498,065	50.67	n/a	n/a	n/a
August	211,268	443,587	47.63	n/a	n/a	n/a
September	266,450	513,654	51.87	267,445	519,810	51.45
October	363,087	631,254	57.52	n/a	n/a	n/a
November	330,787	602,203	54.93	n/a	n/a	n/a
December	270,496	529,086	51.13	275,913	541,970	50,91

As of 31 December 2002 the Bank's assets and liabilities by the remaining period of maturity were as follows:

LTL thousand

	Up to 1 month	1–3 month	3–12 months	1–5 years	5 years and up	Total
Assets:						
Cash and commemorative coins	10,150	-	-	-	-	10,150
Precious metals	-	-	-	-	-	-
Funds with central banks	11,815	-	-	-	-	11,815
Required reserves in foreign currency	-	-	-	-	28,893	28,893
Securities issued by the Government of the Republic of Lithuania, the Bank of Lithuania, and governments and central banks settled by the Bank of Lithuania	15,488	995	11,934	-	-	28,417
Securities issued by governments and central banks unsettled by the Bank of Lithuania	-	-	-	-	-	-
Claims on subsidiary banks	-	-	-	-	-	-
Claims on banks and other credit and financial institutions	214,731	5,000	31,183	21,076	-	271,990
Loans granted	11,819	5,939	31,122	24,007	2,368	75,255
Leasing	-	-	-	-	-	-
Acquired deposit certificates	-	-	-	-	-	-
Government bonds aimed at bank restructuring	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-
Ownership securities included in the Official Trading List of the NSE	-	-	-	-	109	109
Other ownership securities	-	-	-	-	16,097	16,097
Bank's own long-term tangible and intangible assets	-	-	-	-	230,610	230,610
Assets taken over for debts	-	-	-	-	1,345	1,345
Transit accounts	222	-	-	-	-	222
Accrued income	8	-	-	-	102	110
Other assets	3,007	5,887	4,447	4,254	9,328	26,923
Total assets	267,240	17,821	78,686	49,337	288,852	701,936

LTL thousand

	Up to 1 months	1–3 months	3–12 months	1–5 years	5 years and up	Total
Liabilities and shareholders' equity:						
Liability to the Bank of Lithuania	-	-	-	4,171	-	4,171
Liabilities on subsidiary banks	-	-	-	-	-	-
Liabilities to banks and other credit and financial institutions	114,460	185	3,172	2,370	-	120,187
Time deposits and letters of credit of enterprises and organisations	33,426	10,678	18,014	1,131	-	63,249
Time deposits of individuals	43,788	56,658	117,548	10,873	86	228,953
Demand deposits	184,771	-	-	-	-	184,771
Issued deposit certificates	-	-	-	-	-	-
Deposits according to custody agreements	-	-	-	-	-	-
Special and lending funds	-	-	-	-	-	-
Issued debt securities	-	-	4,140	-	-	4,140
Paid up but not registered share capital	-	-	-	-	-	-
Transit accounts	811	-	-	-	-	811
Other liabilities	3,355	1,360	1,875	698	359	7,647
Specific provisions	-	-	-	-	-	-
Reserves	-	-	-	-	-	-
Subordinated loans	-	-	-	-	-	-
Bank capital	-	-	-	-	88,007	88,007
Minority interest	-	-	-	-	-	-
Total liabilities and shareholders' equity	380,611	68,881	144,749	19,243	89,452	701,936
Balance-sheet items' liquidity risk	(113,371)	(51,060)	(66,063)	30,094	200,400	
Off-balance-sheet liabilities, which may increase assets	20,914	671	1,293	87	-	22,965
Liquidity risk	(134,285)	(51,731)	(67,356)	30,007	200,400	(22,965)
Liquidity risk in percent from assets	(19.13)	(7.37)	(9.59)	4.27	28.55	(3.27)
DI=						82,599
S= DI-LT						(188,708)
Liquid assets						270,496
Current liabilities						529,086
Liquidity ratio, percent						51.13

As of 31 December 2002 the Group's assets and liabilities by the remaining period of maturity were as follows:

LTL thousand

	Up to 1 months	1–3 months	3–12 months	1–5 years	5 years and up	Total
Assets:						
Cash and commemorative coins	10,153	-	-	-	-	10,153
Precious metals	-	-	-	-	-	-
Funds with central banks	11,815	-	-	-	-	11,815
Required reserves in foreign currency	-	-	-	-	28,893	28,893
Securities issued by the Government of the Republic of Lithuania, the Bank of Lithuania, and governments and central banks settled by the Bank of Lithuania	15,488	995	11,934	-	-	28,417
Securities issued by governments and central banks unsettled by the Bank of Lithuania	-	-	-	-	-	-
Claims on subsidiary banks	-	-	-	-	-	-
Claims on banks and other credit and financial institutions	213,065	-	8,684	76	-	221,825
Loans granted	11,819	5,939	31,122	24,007	2,368	75,255
Leasing	7,080	10,109	29,451	9,101	483	56,224
Acquired deposit certificates	-	-	-	-	-	-
Government bonds aimed at bank restructuring	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-
Ownership securities included in the Official Trading List of the NSE	-	-	-	-	109	109
Other ownership securities	-	-	-	-	14,857	14,857
Bank's own long-term tangible and intangible assets	-	-	-	-	233,850	233,850
Assets taken over for debts	-	-	-	-	1,345	1,345
Transit accounts	222	-	-	-	-	222
Accrued income	8	-	-	-	493	501
Other assets	3,541	11,667	5,863	4,254	9,763	35,088
Total assets	273,191	28,710	87,054	37,438	292,161	718,554

LTL thousand

	Up to 1 months	1–3 months	3–12 months	1–5 years	5 years and up	Total
Liabilities and shareholders' equity:						
Liability to the Bank of Lithuania	-	-	-	4,171	-	4,171
Liabilities on subsidiary banks	-	-	-	-	-	-
Liabilities to banks and other credit and financial institutions	114,716	229	3,821	4,086	-	122,852
Time deposits and letters of credit of enterprises and organisations	33,426	10,678	18,014	1,131	-	63,249
Time deposits of individuals	43,788	56,658	117,548	10,873	86	228,953
Demand deposits	184,771	-	-	-	-	184,771
Issued deposit certificates	-	-	-	-	-	-
Deposits according to custody agreements	-	-	-	-	-	-
Special and lending funds	-	-	-	-	-	-
Issued debt securities	-	-	4,140	-	-	4,140
Paid up but not registered share capital	-	-	-	-	-	-
Transit accounts	811	-	-	-	-	811
Other liabilities	18,274	1,238	1,558	171	359	21,600
Specific provisions	-	-	-	-	-	-
Reserves	-	-	-	-	-	-
Subordinated loans	-	-	-	-	-	-
Bank capital	-	-	-	-	88,007	88,007
Minority interest	-	-	-	-	-	-
Total liabilities and shareholders' equity	395,786	68,803	145,081	20,432	88,452	718,554
Balance-sheet items' liquidity risk	(122,595)	(40,093)	(58,027)	17,006	203,709	-
Off-balance-sheet liabilities, which may increase assets	18,623	664	1,261	-	-	20,548
Liquidity risk	(141,218)	(40,757)	(59,288)	17,006	203,709	(20,548)
Liquidity risk in per cent from assets	(19.65)	(5.67)	(8.25)	2.36	28.35	(2.86)
DI=	-	-	-	-	-	82,599
S= DI-LT	-	-	-	-	-	(194,125)
Liquid assets	-	-	-	-	-	275,913
Current liabilities	-	-	-	-	-	541,970
Liquidity ratio, percent	-	-	-	-	-	50.91

NOTE 23

FOREIGN CURRENCY POSITION

According to the *Bank of Lithuania* requirements the maximum overall open position in foreign currency shall not exceed 25 percent of the bank capital, and maximum open position for one currency shall not exceed 15 percent of the bank capital. During the year ended 31 December 2002 overall open position was from 9.2 percent to 18.48 percent of the bank capital. The biggest open positions were in U.S. Dollars and Euros. As of 31 December 2002 overall open position of *AB Ūkio bankas* was 6.69 percent, and the biggest open position of one currency was 2.21 percent (in U.S. Dollars).

For the purpose of the calculation of the foreign currency position share capital of the Bank and the Group was calculated at LTL'000 85,688 and LTL'000 86,708 correspondingly.

Foreign currency	Exchange rate	The Bank		The Group	
		Position, LTL thousand	Position as percentage of capital, percent	Position, LTL thousand	Position as percentage of capital, percent
U.S. Dollars (USD)	3.3114	1,890	2.21	1,890	2.18
Convertible Marks (BAM)	1.7641	1,756	2.05	1,756	2.03
Euro (EUR)	3.4528	1,205	1.41	(326)	(0.38)
Norwegian Crone (NOK)	0.4740	364	0.42	364	0.42
Russian Rubble (RUB)	0.1038	184	0.21	184	0.21
Other currencies (long position)	Various	333	0.39	332	0.38
Other currencies (short position)	Various	(113)	(0.13)	(113)	(0.13)
Total of long position +		5,732	6.69	4,526	5.22
Total of short position -		(113)	(0.13)	(439)	(0.51)
Total exposure		5,732	6.69	4,526	5.22

NOTE 24

SUBSEQUENT EVENTS

No significant events occurred subsequent to the year-end.

NOTE 25

RELATED PARTY TRANSACTIONS

The Bank	Members of the Board	Members of the Council	Shareholders	Other Related Parties
2002				
Loans, financial lease, LTL thousand	86	351	-	-
Average interest rate, percent	5.43	5.81	-	-
Deposits, LTL thousand	17	4	57	-
Average interest rate, percent	3.46	1.09	0.19	-
2001				
Loans, financial lease, LTL thousand	56	471	18,502	-
Average interest rate, percent	5.00	5.90	10.38	-
Deposits, LTL thousand	30	2	12	-
Average interest rate, percent	3.48	1.58	1.50	-

The Group	Members of the Board	Members of the Council	Shareholders	Other Related Parties
2002				
Loans, finance lease, LTL thousand	86	351	-	-
Average interest rate, percent	5.43	5.81	-	-
Deposits, LTL thousand	17	4	57	53
Average interest rate, percent	3.46	1.09	0.19	3.88
2001				
Loans, finance lease, LTL thousand	56	471	18,502	391
Average interest rate, percent	5.00	5.90	10.38	4.87
Deposits, LTL thousand	30	2	12	4
Average interest rate, percent	3.48	1.58	1.50	4.00

NOTE 26

COLLATERALISATION OF NON-PERFORMING LOANS (CLASSIFIED IN THE RISK GROUPS III, IV, AND V) BY REAL ESTATE AND OTHER ASSETS

As of 31 December 2002 the loans classified in risk groups III, IV and V comprised LTL'000 13,762.

All non-performing loans are collateralised by tangible fixed assets according to the coverage rules set by the Bank of Lithuania. Collateral agreements are confirmed and properly registered in the Mortgage Register.

The balance of loans classified in risk groups III, IV and V less collaterals evaluated by the coverage coefficients set by the *Bank of Lithuania* comprised LTL'000 11,088.

NOTE 27

ACTIVITIES OF BROKERAGE DIVISION

The turnover of Brokerage division during 2002 in the *National Stock Exchange of Lithuania* was:

LTL thousand

	Equity securities	Government T-bonds	Total
Central market	859	-	859
Block trading	2,966	32,237	35,203
Total	3,825	32,237	36,062

During 2002 Brokerage division completed 345 transactions with the total value of LTL'000 36,062. Total value of securities accounted by Brokerage division as of 31 December 2002 was LTL'000 44,619 comprising of LTL'000 28,416 of Government T-bonds and LTL'000 16,203 equity securities of private enterprises.

Equity securities of private enterprises were comprised of equity securities of Lithuanian credit and financial institutions in the amount of LTL'000 6,905, equity securities of foreign banks in the amount of LTL'000 2,619 and equity securities of other Lithuanian private enterprises in the amount of LTL'000 6,679. Equity securities held for trading comprised LTL'000 6,083 of equity securities of other Lithuanian private enterprises, LTL'000 754 out of which were listed in the official and current list of the *National Stock Exchange of Lithuania*.

During 2002 Brokerage division has earned LTL'000 92 commission income for intermediation in the securities market.

NOTE 28

PERSONNEL EXPENSES

Personnel expenses are composed of salaries, social security payments, compensations for employees and other payments. Salaries and related social expenses for the years ended 31 December 2002 and 2001 were LTL'000 14,203 and 14,997, respectively. At 31 December 2002 and 2001, the Group employed 354 and 357, respectively.

NOTE 29

SHARE CAPITAL

Share capital of the Bank as of 31 December 2002 and 2001 was comprised of 7,558,999 and 6,058,999 ordinary shares with a par value of LTL 12. All shares are outstanding and fully paid.

The Bank did not pay or announce dividends during the year ended 31 December 2002.

As of 31 December 2002 the shareholding of *AB Ūkio bankas* was as follows:

	Ordinary Shares Held, LTL thousand	Par Value of Shares Held, LTL thousand	Per cent of Ownership, percent
<i>Megavest LLC</i>	649,247	7,791	8,59
<i>Yellow Star International LLC</i>	629,232	7,551	8,32
<i>Uniline LLC</i>	605,899	7,271	8,02
O. Jefimenko	605,899	7,271	8,02
<i>Tempo LLC</i>	602,336	7,228	7,97
N. Stamatiadis	495,000	5,940	6,55
<i>FMĮ UAB Finbaltus</i>	459,506	5,514	6,08
<i>Universal Business Investment Group Management</i>	457,519	5,490	6,05
<i>AB Kauno Tiekimas</i>	416,667	5,000	5,51
<i>AB Prampjektas</i>	397,087	4,765	5,25
Other private shareholders	2,240,607	26,887	29,64
Total	7,558,999	90,708	100

LTL thousand

	Registered Share Capital	Accumulated Deficit	Currency Revaluation Reserve	Treasury Shares	Total
Balance as of 31 December 2000	72,708	(11,071)	(84)	-	61,553
Purchase of treasury shares		2,420	-	(3,635)	(1,215)
Net profit for the year as reported in 2001 financial statements	-	4,437	-	-	4,437
Change in accounting policy	-	(1,549)	-	-	(1,549)
Net profit for the year as restated in 2002 financial statements	-	2,888	-	-	2,888
Change in currency revaluation reserve	-	-	(434)	-	(434)
Balance as of 31 December 2001	72,708	(5,763)	(518)	(3,635)	62,792
Contribution to share capital	18,000	-	-	-	18,000
Sale of treasury shares	-	(2,576)	-	3,635	1,059
Net result for the year	-	6,156	-	-	6,156
Balance as of 31 December 2002	90,708	(2,183)	(518)	-	88,007

NOTE 30

SEGMENT INFORMATION

LTL thousand

	Banking	Leasing	Total	Elimination	Group
Revenues:	51,443	9,220	60,663	(3,036)	57,627
internal	3,034	2	3,036	(3,036)	-
external	48,409	9,218	57,627	-	57,627
Expenses:	42,979	7,960	50,939	(3,036)	47,903
internal	2	3,034	3,036	(3,036)	-
external	42,977	4,926	47,903	-	47,903
Depreciation	2,609	959	3,568	-	3,568
Net profit for the year	5,855	301	6,156	-	6,156
Assets	701,936	69,186	771,122	52,568	718,554
Liabilities	613,929	67,945	681,874	51,327	630,547

The banking segment includes financial information of *AB Ūkio bankas*, and leasing segment includes financial information of *UAB Ūkio banko lizingas*.

NOTE 31

COMPLIANCE WITH THE REGULATORY REQUIREMENTS

As of 31 December 2002 the Bank was in compliance with the maximum lending to one customer, related party lending, investments, open foreign currency position and liquidity limits established by the *Bank of Lithuania*.

NOTE 32

INCOME TAXES

As of 31 December income tax was comprised of the following:

LTL thousand

	2002		2001	
	The Bank	The Group	The Bank	The Group
Current tax	-	-	-	-
Deferred tax	-	-	-	-
Total	-	-	-	-

The charge for the year can be reconciled to the profit per the income statement as follows:

LTL thousand

Income tax	2002		2001	
	The Bank	The Group	The Bank	The Group
Profit before tax	6,156	6,156	2,888	2,888
Tax calculated at a tax rate of 15percent (2001: 24 percent)	923	923	693	693
Tax effect on income not subject to tax:				
Fines and penalties	(112)	(192)	(435)	(914)
Government Treasury bills	(140)	(140)	(37)	(49)
Dividends	(2)	(2)	-	-
Other	(3)	(259)	(377)	(160)
Tax effect of expenses not deductible in determining taxable profit:				
Provision for debts	16	104	40	43
Charity	104	104	-	-
Fines and penalties	108	-	-	-
Write – off of fixed assets	12	12	83	91
Revaluation of investments	-	-	387	15
Other	163	242	67	175
Reduction in deferred tax asset due to change in tax rate	-	-	-	139
Difference in tax rate within the Group	-	-	-	(34)
Allowance for subsidiary income	-	-	-	(53)
Tax loss utilized	(723)	(723)	(518)	(518)
Change in valuation allowance	(346)	(69)	97	572
Income tax expense	-	-	-	-
Effective tax rate, percent	0.00	0.00	0.00	0.00

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

LTL thousand

Income tax	2002		2001	
	The Bank	The Group	The Bank	The Group
Deferred tax asset is composed of the following:				
Deferred income	-	(208)	-	(233)
Accrued expense	-	-	(6)	(6)
Vacation reserve	(50)	(50)	-	-
Write off of receivables	(31)	(42)	-	-
Revaluation of investments	-	-	(24)	(24)
Provisions	-	-	(67)	(67)
Tax loss carried forward	(930)	(1,002)	(1,518)	(4,609)
Total deferred tax asset	(1,011)	(1,302)	(1,615)	(4,939)
Deferred tax liability is composed of the following:				
Revaluation of investments	778	733	-	-
Accrued income	-	59	-	-
Total deferred tax liability	778	792	-	-
Net deferred tax asset before valuation allowance	(233)	(510)	(1,615)	(4,939)
Valuation allowance	233	510	1,615	4,939
Net deferred tax position	-	-	-	-

The benefit of the tax losses has not been recognized in these financial statements due to uncertainty of their recoverability.

NOTE 33
PROVISIONS

Movements in the provision for loan losses, foreclosed assets and other assets for the years ended 31 December were as follows:

LTL thousand

The Bank	Specific provisions for loan loss and interest	Specific provision for loan portfolio	Other provisions	Total
Balance as of 31 December 2000	9,716	-	3,616	13,332
Reversal of provisions	(12,663)	-	(6,024)	(18,687)
Write off of loans fully provided for	(6,572)	-		(6,572)
Exchange rate and other adjustments	(77)	-	(138)	(215)
Provision charged	12,239	3,000	3,266	18,505
Balance as of 31 December 2001	2,643	3,000	720	6,363
Reversal of provisions	(7,242)	(3,000)	(6,512)	(16,754)
Write off of loans fully provided for	(918)	-	(29)	(947)
Exchange rate and other adjustments	(137)	-	(262)	(399)
Provision charged	8,167	-	9,620	17,787
Balance as of 31 December 2002	2,513	-	3,537	6,050

LTL thousand

The Group	Specific provisions for loan loss and interest	Specific provision for loan portfolio	Other provisions	Total
Balance as of 31 December 2000	9,767	-	3,692	13,459
Reversal of provisions	(12,663)	-	(6,024)	(18,687)
Write off of loans fully provided for	(6,562)	-	(15)	(6,577)
Exchange rate and other adjustments	(84)		(628)	(712)
Provision charged	12,352	4,810	3,759	20,921
Balance as of 31 December 2001	2,810	4,810	784	8,404
Elimination of provision in disposed subsidiaries	(167)	(1,810)	(4)	(1,981)
Reversal of provisions	(7,242)	(3,000)	(6,512)	(16,754)
Write off of loans fully provided for	(918)	-	(29)	(947)
Exchange rate and other adjustments	(137)	-	(262)	(399)
Provision charged	8,167	-	10,177	18,344
Balance as of 31 December 2002	2,513	-	4,154	6,667

NOTE 34
OTHER BANKING INCOME

LTL thousand

	2002		2001	
	The Bank	The Group	The Bank	The Group
Other banking income:				
recovery of loans previously written off	758	758	685	685
finances and penalties received	2,054	2,783	1,219	6,531
rent income	1,438	2,199	416	1,118
gain on sale of fixed assets	986	986	4,361	4,361
other income	731	850	857	6,220
Total other banking income	5,967	7,576	7,538	18,915

NOTE 35

OTHER BANKING EXPENSES

LTL thousand

	2002		2001	
	The Bank	The Group	The Bank	The Group
Other banking expenses:				
payments to the Deposit Insurance Fund	2,292	2,292	1,174	1,174
taxes	957	1,136	1,119	1,149
charity	696	846	819	873
rent 855	855	1,550	1,550	
maintenance of foreclosed and leased assets	800	800	880	880
finances and penalties	717	717	8	8
payment cards service expense	710	710	526	526
other expenses	1,535	2,080	1,430	2,245
Total other banking expenses	8,562	9,436	7,506	8,405

NOTE 36

CONTINGENCIES AND COMMITMENTS

LTL thousand

	2002		2001	
	The Bank	The Group	The Bank	The Group
Contingencies and commitments				
credit commitments	22,832	20,548	7,237	7,237
guarantees issued	5,276	5,075	10,220	10,220
other	133	-	1,074	1,074
Total contingencies and commitments	28,241	25,623	18,531	18,531

Finance leases - The Group has outstanding finance lease obligations of approximately LTL'000 77 in connection with lease agreements to acquire vehicles. The net book value of fixed assets under finance lease obligations at 31 December 2002 is approximately LTL'000 271. The minimum lease payment obligations are included in lease liabilities. Included in depreciation expense are charges related to finance leases.

At 31 December 2002 the future annual minimum commitments under financial leases of fixed assets are as follows:

LTL thousand

	Financial lease	Fair value
2003	49	40
2004	40	37
2005	-	-
Minimal lease payments	89	77
Less: interest	(12)	
Present value of minimal lease payments	77	

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

Operating lease - the Group rents offices, premises for banking activities. The Group has outstanding non-cancellable commitments in connection with the rental agreements in the amount of LTL'000 1,320.

As of 31 December 2002 the future annual minimum commitments under operating leases were as follows:

LTL thousand

For the years ending 31 December	Operating lease
2003	617
2004	389
2005	194
2006	58
2007	62
Thereafter	-
Minimum lease payment	1,320

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

Litigation and claims – As of 31 December 2002 the Group was not involved in any legal proceedings except for those related to loan loss recovery.

NOTE 37

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 Bank using market information and valuation methodologies considered appropriate. However, considerable judgment 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 Bank as of 31 December 2002 and 2001. 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 following table summarizes the carrying amounts and fair values of those financial assets and liabilities not presented on the Group's balance sheet at their fair value for the years ended 31 December. Bid prices are used to estimate fair values of assets, whereas offer prices are applied for liabilities.

LTL thousand

	2002		2001	
	The Group		The Group	
	Carrying amount	Estimated fair value	Carrying amount	Estimated fair value
Financial assets:				
Loans and advances to customers	75,255	77,922	165,888	166,833
Financial liabilities:				
Deposits accounts	476,973	477,365	371,354	370,649

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

Financial Instruments with book value equal to fair value

The fair value of financial instruments that are short-term or re-priced frequently and have a history of negligible credit losses is considered to approximate their carrying value. Those instruments include balances recorded in the following captions:

Loans and advances to customers

Loans and advances are net of specific and other provisions for impairment. The estimated fair value of loans and advances represents the discounted amount of estimated future cash flows expected to be received. Expected cash flows are discounted at current market rates to determine fair value.

Deposits and borrowings

The estimated fair value of deposits with no stated maturity, which includes non-interest-bearing deposits, is the amount repayable on demand. The estimated fair value of fixed interest bearing deposits and other borrowings without quoted market price is based on discounted cash flows using interest rates for new debts with similar remaining maturity.

NOTE 38

EXTRAORDINARY INCOME

For the year ended 31 December 2002 Bank and Group had no extraordinary income.

NOTE 39

CREDIT RISK

The Group takes on exposure to credit risk which is the risk that a counter party 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 sub limits 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 related 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 collateralised by the underlying shipments of goods to which they relate and therefore carry less risk than a direct borrowing.

NOTE 40

COUNTRY RISK

As of 31 December 2002 the Bank is significantly exposed to Russia having 46.72 percent of its total assets located in Russia. The assets consists mainly of unfinished construction in the amount of LTL'000 195,532 and the correspondent nostro accounts in the amount of LTL'000 132,427 held with correspondent banks operating in Russia. As of 31 December 2002 these correspondent nostro accounts are fully secured.

NOTE 41

FOREIGN CURRENCY RISK

The Bank and the Group takes on exposure to effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. The Board 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 Bank's and the Group's and exposure to foreign currency exchange rate risk at 31 December 2002. Included in the table are the Bank's and the Group's assets and liabilities at carrying amounts, categorized by currency.

Concentration of assets, liabilities and off balance sheet items as of 31 December 2002 was as follows:

LTL thousand

The Bank	EUR	USD	LTL	Other	Total
Assets					
Cash	2,545	2,786	4,554	265	10,150
Funds with central banks	28,893	-	11,815	-	40,708
Funds with other banks	19,675	178,126	58,783	15,406	271,990
Loans and advances to customers	19,733	22,957	32,421	144	75,255
Debt securities	-	-	28,417	-	28,417
Ownership securities	-	-	13,586	2,620	16,206
Long-term assets	-	195,335	35,275	-	230,610
Other assets	9,788	770	18,042	-	28,600
Total assets	80,634	399,974	202,893	18,435	701,936
Liabilities					
Liabilities to banks	9,529	109,403	3,622	1,804	124,358
Demand deposits and time deposits	43,324	220,147	200,345	13,157	476,973
Other liabilities	4,892	1,620	5,988	98	12,598
Total liabilities	57,745	331,170	209,955	15,059	613,929
Net on balance sheet position	22,889	68,804	(7,062)	3,376	88,007
Credit commitments	1,461	5,758	15,613	-	22,832
Issued guaranties	278	130	4,806	62	5,276

LTL thousand

The Group	EUR	USD	LTL	Other	Total
Assets					
Cash	2,545	2,786	4,557	265	10,153
Funds with central banks	28,893	-	11,815	-	40,708
Funds with other banks	19,455	178,126	8,838	15,406	221,825
Loans and advances to customers	19,733	22,957	32,421	144	75,255
Leasing	-	-	56,224	-	56,224
Debt securities	-	-	28,417	-	28,417
Ownership securities	-	-	12,346	2,620	14,966
Long-term assets	-	195,335	38,515	-	233,850
Other assets	9,808	770	26,578	-	37,156
Total assets	80,434	399,974	219,711	18,435	718,554
Liabilities					
Liabilities to banks	10,861	109,403	4,955	1,804	127,023
Demand deposits and time deposits	43,324	220,147	200,345	13,157	476,973
Other liabilities	4,892	1,620	19,941	98	26,551
Total liabilities	59,077	331,170	225,241	15,059	630,547
Net on balance sheet position	21,357	68,804	(5,530)	3,376	88,007
Credit commitments	1,461	5,758	13,329	-	20,548
Issued guaranties	278	130	4,605	62	5,075

NOTE 42

INTEREST RATE RISK

The Bank and 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 Bank's and the Group's exposure to interest rate risks as of 31 December 2002. Included in the table are the Group's and the Bank's assets and liabilities at carrying amounts, categorized by the earlier of contractual reprising or maturity dates.

LTL thousand

The Bank	Up to 1 month	1-3 months	3-12 months	1-5 years	5 years and up	Non-interest bearing	Total
Assets							
Cash	-	-	-	-	-	10,150	10,150
Funds with central banks	-	-	-	-	-	40,708	40,708
Due from banks and other credit and financial institutions	55,308	5,000	31,183	21,076	-	159,423	271,990
Loans and advances to customers	11,819	5,939	31,122	22,997	2,368	1,010	75,255
Debt securities	15,488	995	11,934	-	-	-	28,417
Equity securities	-	-	-	-	-	16,206	16,206
Long-term assets	-	-	-	-	-	230,610	230,610
Other assets	104	3,637	1,305	969	-	22,585	28,600
Total assets	82,719	15,571	75,544	45,042	2,368	480,692	701,936
Liabilities							
Due to banks and other credit and financial institutions	53,076	185	5,386	4,327	-	61,384	124,358
Current and term deposit accounts	77,214	67,336	135,562	12,004	-	184,857	476,973
Other liabilities	-	-	4,140	-	-	8,458	12,598
Total liabilities	130,290	67,521	145,088	16,331	-	254,699	613,929
Interest sensitivity gap	(47,571)	(51,950)	(69,544)	28,711	2,368	225,993	-

LTL thousand

The Group	Up to 1 month	1-3 months	3-12 months	1-5 years	5 years and up	Non-interest bearing	Total
Assets							
Cash	-	-	-	-	-	10,153	10,153
Funds with central banks	-	-	-	-	-	40,708	40,708
Due from banks and other credit and financial institutions	53,564	-	8,684	76	-	159,501	221,825
Loans and advances to customers	11,819	5,939	31,122	22,997	2,368	1,010	75,255
Leasing	7,080	10,109	29,451	9,101	-	483	56,224
Debt securities	15,488	995	11,934	-	-	-	28,417
Equity securities	-	-	-	-	-	14,966	14,966
Long-term assets	-	-	-	-	-	233,850	233,850
Other assets	104	3,637	1,305	969	-	31,141	37,156
Total assets	88,055	20,680	82,496	33,143	2,368	491,812	718,554
Liabilities							
Due to banks and other credit and financial institutions	53,389	230	6,034	6,043	-	61,327	127,023
Current and term deposit accounts	77,214	67,336	135,562	12,004	-	184,857	476,973
Other liabilities	-	-	4,140	-	-	22,411	26,551
Total liabilities	130,603	67,566	145,736	18,047	-	268,595	630,547
Interest sensitivity gap	(42,548)	(46,886)	(63,240)	15,096	2,368	223,217	-

The table below summarises the effective average interest rate by major currencies for monetary assets and liabilities:

Percent

	EUR	USD	LTL
Assets			
Due from other banks	0.92	0.61	-
Loans and advances to customers	8.11	8.37	5.93
Debt securities	-	-	3.08
Other assets	0.52	-	-
Liabilities			
Liabilities to banks and other credit and financial institutions	1.89	0.86	2.86
Current and term deposit accounts	1.41	1.06	2.01

Ūkio bankas, AB
J. Gruodžio str. 9
LT-3000 Kaunas, Lithuania
Phone +370 37 301301
Fax +370 37 323188
E-mail: ub@ub.lt
www.ub.lt