

AB ŪKIO BANKAS SEMI-ANNUAL REPORT FOR THE FIRST HALF OF THE YEAR 2007

(Prepared in accordance with the Resolution No 1K-3, 23 February 2007, of the Lithuanian Securities Commission on the Rules of Preparing and Disclosure of Periodic and Additional Information, unaudited)

AB ŪKIO BANKAS

CONDENSED INTERIM BALANCE SHEET AS OF 30 JUNE 2007

(All amounts in LTL thousands unless otherwise stated)

	Notes	The Group 2007.06.30	The Group 2006.12.31	The Bank 2007.06.30	The Bank 2006.12.31
ASSETS					
Cash and balances with central bank		225,628	214,723	225,627	214,723
Loans and advances to banks and other financial institutions		836,887	890,837	1,303,829	1,280,205
Financial assets designated at fair value		358,301	363,071	357,752	363,071
Loans and receivables	4,5	1,340,417	838,696	1,275,160	801,852
Finance lease receivables		175,704	156,608	-	-
Investment securities:					
<i>available-for-sale</i>	6	36,054	35,908	33,570	32,982
<i>held-to-maturity</i>	6	414,100	261,930	414,087	261,916
Investments in subsidiaries	7	-	-	6,500	4,600
Intangible assets		5,732	5,280	1,668	1,220
Property, plant and equipment		353,198	352,537	20,141	19,532
Investment property		18,813	18,813	11,483	11,483
Deferred income tax assets		-	-	-	-
Other assets	8	117,608	64,075	53,798	33,637
Total assets		3,882,442	3,202,478	3,703,615	3,025,221
LIABILITIES AND EQUITY					
LIABILITIES					
Deposits from banks and other financial institutions		620,629	589,524	589,759	581,547
Due to customers	9	2,698,351	2,106,116	2,698,351	2,106,116
Financial liabilities designated at fair value		-	-	-	-
Subordinated loans		8,555	8,563	8,555	8,563
Deferred income tax liabilities		39,233	42,364	1,676	2,863
Other liabilities		89,544	69,658	69,164	40,550
Total liabilities		3,456,312	2,816,225	3,367,505	2,739,639
EQUITY					
Share capital	10	176,708	176,708	176,708	176,708
Share premium		34,500	34,500	34,500	34,500
Revaluation reserve – available-for-sale investment securities		10,467	8,191	9,763	7,484
General reserve for losses of assets		21,543	8,377	21,543	8,377
Fixed assets revaluation reserve		55,752	60,145	-	-
Currency translation reserve		5,648	5,492	-	-
Legal reserve		5,300	2,296	4,900	2,183
Other reserves		2,000	2,000	2,000	2,000
Retained earnings		87,478	58,958	86,696	54,330
Equity attributable to equity holders of the parent		399,396	356,667	336,110	285,582
Minority interest		26,734	29,586	-	-
Total equity		426,130	386,253	336,110	285,582
Total liabilities and equity		3,882,442	3,202,478	3,703,615	3,025,221

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

AB ŪKIO BANKAS

CONDENSED INTERIM STATEMENTS OF INCOME FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

(All amounts in LTL thousands unless otherwise stated)

	Notes	The Group 2007.01.01 – 2007.06.30	The Group 2006.01.01 – 2006.06.30	The Bank 2007.01.01 – 2007.06.30	The Bank 2006.01.01 – 2006.06.30
Interest income	11	97,205	55,525	88,216	46,520
Interest expense	11	(43,013)	(25,314)	(42,157)	(24,535)
Net interest income		54,192	30,211	46,059	21,985
Fees and commission income		57,840	46,045	58,599	45,132
Fees and commission expense		(9,591)	(9,842)	(9,337)	(9,611)
Net fee and commission income		48,249	36,203	49,262	35,521
Gains less losses arising from dealing in foreign currencies		20,336	27,948	20,133	16,677
Net income from financial instruments designated at fair value		(4,344)	(4,712)	(4,358)	(4,705)
Gains less losses arising from investment securities		533	-	533	-
Gains less losses arising from dealing in derivatives and other financial instruments		(1,471)	(3,287)	(1,471)	3,737
Impairment charge for credit losses		(642)	(23,196)	2,450	(21,015)
Written off loans recovered		634	81	634	81
Other operating income		908	1,335	766	1,018
OPERATING PROFIT		118,395	64,583	114,008	53,299
OPERATING EXPENSES	12	(64,132)	(43,141)	(55,349)	(33,268)
PROFIT BEFORE INCOME TAX		54,263	21,442	58,659	20,031
Income tax expense		(9,195)	(4,754)	(8,642)	(3,410)
NET PROFIT FOR SIX MONTH PERIOD		45,068	16,688	50,017	16,621
Attributable to:					
Equity holders of the parent		46,458	17,764	50,017	16,621
Minority interest		(1,390)	(1,076)	-	-
NET PROFIT FOR SIX MONTH PERIOD		45,068	16,688	50,017	16,621
Basic Earnings Per Share (in LTL)		0.26	0.14	0.28	0.13
Diluted Earnings Per Share (in LTL)		0.26	0.14	0.28	0.13

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

AB ŪKIO BANKAS

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

(All amounts in LTL thousands unless otherwise stated)

The Bank	Share Capital	Share premium	Other reserves	Revaluation reserve available for sales investment securities	General reserve for losses of assets	Legal reserve	Retained earnings	Total
As of 31 December 2005	126,708	-	2,000	1,903	-	339	18,435	149,385
Dividends paid	-	-	-	-	-	-	(1267)	(1,267)
Increase in share capital	50,000	34,500	-	-	-	-	-	84,500
Transfer to legal reserve	-	-	-	-	-	1,844	(1,844)	-
Transfer to general reserve for losses of assets	-	-	-	-	8,377	-	(8,377)	-
Net profit	-	-	-	-	-	-	15,941	15,941
As of 30 June 2006	176,708	34,500	2,000	1,903	8,377	2,183	22,888	248,559
Changes in fair value of investment securities available for sale, net of tax	-	-	-	5,581	-	-	-	5,581
Net profit	-	-	-	-	-	-	31,442	31,442
As of 31 December 2006	176,708	34,500	2,000	7,484	8,377	2,183	54,330	285,582
Transfer to legal reserve	-	-	-	-	-	2,717	(2,717)	-
Transfer to general reserve for losses of assets	-	-	-	-	13,166	-	(13,166)	-
Dividends paid	-	-	-	-	-	-	(1,768)	(1,768)
Changes in fair value of investment securities available for sale, net of tax	-	-	-	2,279	-	-	-	2,279
Net profit	-	-	-	-	-	-	50,017	50,017
As of 30 June 2007	176,708	34,500	2,000	9,763	21,543	4,900	86,696	336,110

(Continued)

AB ŪKIO BANKAS

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

(All amounts in LTL thousands unless otherwise stated)

The Group	Share Capital	Share premium	Other reserves	Revaluation reserve available for sales investment securities	General reserve for losses of assets	Fixed assets revaluation reserve	Currency translation reserve	Legal reserve	Retained earnings	Equity attributable to equity holders of the parent	Minority interest	Total
As of 31 December 2005	126,708	-	2,000	1,903	-	49,875	3,037	339	23,848	207,710	26,828	234,538
Dividends paid	-	-	-	-	-	-	-	-	(1,267)	(1,267)	-	(1,267)
Transfer to legal reserve	-	-	-	-	-	-	-	1,957	(1,957)	-	-	-
Currency translation adjustment	-	-	-	-	-	-	(2,996)	-	162	(2,834)	(1,610)	(4,444)
Increase in fixed assets revaluation reserve, net of tax	-	-	-	-	-	(5,206)	-	-	-	(5,206)	(661)	(5,867)
Transfer to reserve for losses of receivables	-	-	-	-	8,377	-	-	-	(8,377)	-	-	-
Increase in share capital	50,000	34,500	-	-	-	-	-	-	-	84,500	-	84,500
Net profit (loss)	-	-	-	-	-	-	-	-	17,764	17,764	(1,076)	16,688
As of 30 June 2006	176,708	34,500	2,000	1,903	8,377	44,669	41	2,296	30,173	300,667	23,481	324,148
Changes in fair value of investment securities available for sale, net of tax	-	-	-	6,288	-	-	-	-	-	6,288	-	6,288
Increase in fixed assets revaluation reserve, net of tax	-	-	-	-	-	15,476	-	-	-	15,476	3,869	19,345
Currency translation adjustment	-	-	-	-	-	-	5,451	-	(162)	5,289	2,506	7,795
Net profit (loss)	-	-	-	-	-	-	-	-	28,947	28,947	(270)	28,677
As of 31 December 2006	176,708	34,500	2,000	8,191	8,377	60,145	5,492	2,296	58,958	356,667	29,586	386,253
Dividends paid	-	-	-	-	-	-	-	-	(1,768)	(1,768)	-	(1,768)
Transfer to legal reserve	-	-	-	-	-	-	-	3,004	(3,004)	-	-	-
Transfer to reserve for losses of receivables	-	-	-	-	13,166	-	-	-	(13,166)	-	-	-
Currency translation adjustment	-	-	-	-	-	-	156	-	-	156	3	159
Increase in fixed assets revaluation reserve, net of tax	-	-	-	-	-	(4,393)	-	-	-	(4,393)	(1,465)	(5,858)
Changes in fair value of investment securities available for sale, net of tax	-	-	-	2,276	-	-	-	-	-	2,276	-	2,276
Net profit (loss)	-	-	-	-	-	-	-	-	46,458	46,458	(1,390)	45,068
As of 30 June 2007	176,708	34,500	2,000	10,467	21,543	55,752	5,648	5,300	87,478	399,396	26,734	426,130

(Concluded)

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

AB ŪKIO BANKAS

CONDENSED INTERIM STATEMENTS OF CASH FLOWS FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

(All amounts in LTL thousands unless otherwise stated)

Notes	The Group 2007.01.01 – 2007.06.30	The Group 2006.01.01 – 2006.06.30	The Bank 2007.01.01 – 2007.06.30	The Bank 2006.01.01 – 2006.06.30
CASH FLOW FROM (TO)				
OPERATING ACTIVITIES				
Interest received	71,999	48,489	64,280	39,563
Interest paid	(36,858)	(23,675)	(35,917)	(22,237)
Recovery of previously written off loans	634	167	634	167
Net receipts from operations with foreign currency	20,049	11,060	20,128	18,093
Net receipts from operations with trading securities	21,828	8,359	21,811	8,356
Net receipts for services and commission	47,899	36,131	48,912	35,449
Payments of salaries and associated payments	(19,611)	(12,490)	(16,317)	(10,763)
Income tax paid	(1,838)	(290)	(1,401)	(190)
Other payments	(41,303)	(27,450)	(36,112)	(19,783)
Net cash provided by operating activities before change in operating assets and liabilities	62,799	40,301	66,018	48,655
Changes in operating assets and liabilities:				
Compulsory reserves held in central bank	(24,622)	(27,077)	(24,622)	(27,077)
Loans and advances to banks and other financial institutions	451,507	128,545	372,125	112,185
Securities at fair value through profit or loss	(2,586)	(19,605)	(2,479)	(14,358)
Loans and advances to customers	(508,647)	(103,973)	(480,236)	(99,789)
Other assets	(72,629)	787	(17,960)	(5,734)
Due to central bank	31,066	(46,067)	8,088	(45,955)
Due to other banks and financial institutions	586,519	339,315	586,519	339,330
Due to customers	15,460	(6,442)	22,389	(7,559)
Other liabilities	538,867	305,784	529,842	299,698
Net cash provided by/(used in) operating activities				
CASH FLOW FROM (TO)				
INVESTING ACTIVITIES				
Acquisition of subsidiaries	(1,900)	-	(1,900)	(600)
Purchase of fixed assets	(11,529)	(9,504)	(3,049)	(5,176)
Acquisition of securities available for sale or held to maturity	(153,884)	(33,536)	(153,885)	(32,062)
Net cash used in investing activities	(167,313)	(43,040)	(158,834)	(37,838)

(Continued)

AB ŪKIO BANKAS

CONDENSED INTERIM STATEMENTS OF CASH FLOWS FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

(All amounts in LTL thousands unless otherwise stated)

Notes	The Group 2007.01.01 – 2007.06.30	The Group 2006.01.01 – 2006.06.30	The Bank 2007.01.01 – 2007.06.30	The Bank 2006.01.01 – 2006.06.30
CASH FLOW FROM (TO) FINANCING ACTIVITIES				
Issue of share capital	-	84,500	-	84,500
Interest paid	(210)	(180)	(210)	(180)
Issued debt securities	-	1,830	-	1,830
Dividends paid	(1,767)	(1,267)	(1,767)	(1,267)
Net cash from financing activities	(1,977)	84,883	(1,977)	84,883
Net decrease in cash and cash equivalents	369,577	347,627	369,031	346,743
Cash and cash equivalents at the beginning of period	310,999	395,908	309,781	395,048
Cash and cash equivalents at the end of period	680,576	743,535	678,812	741,791

(Concluded)

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

AB ŪKIO BANKAS

CONDENSED INTERIM STATEMENTS OF CASH FLOWS FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

(All amounts in LTL thousands unless otherwise stated)

NOTE 1 GENERAL INFORMATION

AB Ūkio Bankas ("the Bank") was established in June 1989 as Commercial Industry Bank. The Bank's main office is located in Kaunas, Maironio str. 25.

The Bank has a business license issued from Bank of Lithuania for conducting all financial services specified by Lithuanian Banks Law and providing other services allowed under Lithuanian Financial Institutions Law.

The Bank has 12 branches and 36 client service departments in Lithuania and 3 representative offices in foreign countries. In addition, the Bank has, directly or indirectly, 8 subsidiaries, UAB Ūkio Banko Lizingas, set up in 1997, UAB Turto Valdymo Strategija, UAB Turto Valdymo Sprendimai and UAB Turto Valdymo Sistemai, set up in 2004, UAB Ūkio Banko Investicijų Valdymas set up in 2006, and UAB Ūkio Banko Rizikos Kapitalo Valdymas set up in 2007. OAO Russkij Karavaj (Russia), acquired in 2005 with 75% of shares owned by UAB Turto Valdymo Strategija and UAB Ūkio Banko Lizingas has set up RAB Ūkio Bank Lizing (Ukraine) in 2006.

As of 30 June 2007 the Group and the Bank employed 669 and 576 employees respectively (as of 31 December 2006: 572 and 504).

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

	2007.06.30	2006.12.31
Mr. Vladimir Romanov	32.95%	32.95%
UAB Universal Business Investment Group Management	9.99%	9.99%
Ms. Zinaida Romanova	8.62%	8.31%
UAB FMĪ Finbaltus	6.49%	6.96%

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied by the Group and the Bank in these condensed interim financial statements are the same as those applied by the Group and the Bank in its statements as at and for the year ended 31 December 2006.

Condensed interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting. Condensed interim financial statements such as these do not include information as extensive as annual financial statements compiled in accordance with IFRS and should be read in conjunction with the Group's and the Bank's annual financial statements for the year ended 31 December 2006.

The condensed interim financial statements reflect the IFRS and interpretations issued and effective 1 January 2007.

The Group and the Bank has adopted IFRS 7, Financial Instruments: Disclosures, from annual periods beginning 1 January 2007. Full disclosures as required by IFRS 7 will be disclosed in the Annual Financial Statements for the year 2007.

The Condensed Interim Financial Statements are presented in Lithuanian Litas (LTL), rounded to the nearest thousand.

NOTE 3 SEASONALITY OF THE RESULTS

No significant amounts of the Group's and the Bank's income or expenses are of a seasonal nature.

AB ŪKIO BANKAS

CONDENSED INTERIM STATEMENTS OF CASH FLOWS FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

(All amounts in LTL thousands unless otherwise stated)

NOTE 4 LOANS AND RECEIVABLES

As of 30 June 2007 and 31 December 2006 loans and receivables consisted of the following:

The Group			The Bank	
2007.06.30	2006.12.31		2007.06.30	2006.12.31
		Loans and receivables		
914,291	518,961	Falling due after one year	889,176	518,961
274,655	221,520	Falling due within one year	235,025	185,415
154,955	106,532	Factoring	152,092	103,733
42,101	44,007	Reverse repos	42,101	44,007
1,386,002	891,020	Total loans and receivables	1,318,394	852,116
		Provisions for impairment loss of loans and receivables (Note 13)		
(45,585)	(52,324)		(43,234)	(50,264)
1,340,417	838,696	Total loans and receivables, net of provisions	1,275,160	801,852

As of 30 June 2007 the Group's/Bank's "Loans and receivables" balances include accrued interest in the amount of LTL'000 4,702 and LTL'000 4,328 respectively (31 December 2006: LTL'000 2,824 and LTL'000 2,567 respectively).

AB ŪKIO BANKAS

CONDENSED INTERIM STATEMENTS OF CASH FLOWS FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

(All amounts in LTL thousands unless otherwise stated)

NOTE 5 LOANS AND RECEIVABLES BY INDUSTRIES AND SECTORS

As of 30 June 2007 and 31 December 2006 loans and receivables by industries and sectors consisted of the following:

The Group			The Bank	
2007.06.30	2006.12.31		2007.06.30	2006.12.31
		Loans and receivables by industries and sectors		
		to real estate, rent and commercial companies	201,064	149,070
201,064	149,070	to manufacturing	187,874	114,925
190,719	117,702	to other wholesales	122,375	82,590
122,375	82,590	to other utilities, social and personal services	96,246	48,342
121,246	48,342	to construction	112,772	90,415
112,772	90,415	to oil, gas, electricity and water supply	110,063	64,370
110,063	64,370	to agriculture, hunting, forestry	40,519	29,522
40,519	29,522	to retail	38,796	20,675
38,796	20,675	to wholesale of metals	18,738	6,304
18,738	6,304	to hotels and restaurants	15,581	13,228
15,581	13,228	to wholesale of food products	10,914	7,655
10,914	7,655	to government institutions	10,312	8,372
10,312	8,372	to auto repair	10,146	5,374
10,146	5,374	to wholesale of timber products	8,484	3,605
8,484	3,605	to other financial intermediaries	6,894	2,881
6,894	2,881	to education	2,607	2,536
2,607	2,536	to fishery and agriculture	808	1,122
808	1,122	to mining and quarrying	143	704
143	704	to health care and social works	1,904	114
1,904	114	to other types of economic activity	-	8,141
-	8,141	Total loans and receivables by industries and sectors	1,170,806	748,803
1,198,651	751,580	to natural persons	144,763	100,746
184,152	136,616	Total loans and receivables	1,315,569	849,549
1,382,803	888,196	Accrued interest	4,328	2,567
4,702	2,824	Deferred expenses	(1,503)	-
(1,503)	-	Provisions for impairment loss of loans and receivables (Note 13)	(43,234)	(50,264)
(45,585)	(52,324)	Total loans and receivables, net of provisions	1,275,160	801,852
1,340,417	838,696			

As of 30 June 2007 and during the half of the year the Bank complied with the maximum loan to one customer requirement established by Bank of Lithuania, according to which the total amount of loans granted to one customer and the customer's related parties may not exceed 25% of the Bank's capital.

AB ŪKIO BANKAS

CONDENSED INTERIM STATEMENTS OF CASH FLOWS FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

(All amounts in LTL thousands unless otherwise stated)

NOTE 6 INVESTMENT SECURITIES

As of 30 June 2007 and 31 December 2006 investment securities consisted of the following:

The Group			The Bank	
2007.06.30	2006.12.31		2007.06.30	2006.12.31
		Equity investment securities available for sale		
30,888	28,626	Securities of Lithuanian issuers	28,404	25,700
5,166	7,282	Securities of foreign issuers	5,166	7,282
36,054	35,908	Total equity investment securities available for sale	33,570	32,982
		Investment securities held to maturity		
272,173	184,921	Companies debt securities	272,173	184,921
136,158	72,496	Bank's debt securities	136,158	72,496
5,756	4,499	Foreign government debt securities	5,756	4,499
13	14	Other companies securities	-	-
414,100	261,930	Total investment securities held to maturity	414,087	261,916

NOTE 7 INVESTMENTS IN SUBSIDIARIES

As of 30 June 2007 and 31 December 2006 investments in subsidiaries consisted of the following:

The Group			The Bank	
2007.06.30	2006.12.31		2007.06.30	2006.12.31
		Investments in subsidiaries		
-	-	UAB Ūkio Banko Lizingas	1,000	1,000
-	-	UAB Turto Valdymo Sistemose	1,000	1,000
-	-	UAB Turto Valdymo Sprendimai	1,000	1,000
-	-	UAB Turto Valdymo Strategija	1,000	1,000
-	-	UAB Ūkio Banko Investicijų Valdymas	2,000	600
-	-	UAB Ūkio Banko Rizikos Kapitalo Valdymas	500	-
-	-	Total investments in subsidiaries	6,500	4,600

In June 2007 the Bank established 100% subsidiary company UAB Ūkio Banko Rizikos Kapitalo Valdymas registered in Kaunas, Lithuania. The contribution cost was LTL'000 500. The main business activity of the company is venture capital.

AB ŪKIO BANKAS

CONDENSED INTERIM STATEMENTS OF CASH FLOWS FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

(All amounts in LTL thousands unless otherwise stated)

NOTE 8 OTHER ASSETS

As of 30 June 2007 and 31 December 2006 other assets consisted of the following:

The Group			The Bank	
2007.06.30	2006.12.31		2007.06.30	2006.12.31
		Other assets		
55,213	16,090	prepayments	3,683	322
15,677	13,750	claims on derivative financial instruments	15,677	13,750
14,146	11,414	deferred expenses	11,938	9,316
10,864	10,036	VAT receivable in Russia	-	-
4,513	4,695	accounts receivable	4,513	4,695
925	2,131	transit accounts	637	1,770
4,271	837	receivables on Spot transactions	4,271	837
29	29	foreclosed assets	29	29
4,552	-	receivables on transactions with securities	4,552	-
11,025	9,106	other receivables	9,802	4,619
121,215	68,088	Total other assets	55,102	35,338
		Provisions for impairment loss of other assets (Note 13)		
(3,607)	(4,013)		(1,304)	(1,701)
117,608	64,075	Total other assets, net of provisions	53,798	33,637

NOTE 9 DUE TO CUSTOMERS

As of 30 June 2007 and 31 December 2006 due to customers consisted of the following:

The Group			The Bank	
2007.06.30	2006.12.31		2007.06.30	2006.12.31
		Due to customers		
812,932	707,914	Current and demand deposits	812,932	707,914
1,885,419	1,398,202	Term deposits, letters of credit	1,885,419	1,398,202
2,698,351	2,106,116	Total due to customers	2,698,351	2,106,116

The Group			The Bank	
2007.06.30	2006.12.31		2007.06.30	2006.12.31
		Current and demand deposits		
673,964	593,529	Companies	673,964	593,529
138,968	114,385	Individuals	138,968	114,385
812,932	707,914		812,932	707,914
		Term deposits letters of credit		
749,074	452,461	Companies	749,074	452,461
1,119,724	932,861	Individuals	1,119,724	932,861
1,868,798	1,385,322		1,868,798	1,385,322
18,597	12,880	Accrued interest	18,597	12,880
(1,976)	-	Deferred expenses	(1,976)	-
2,698,351	2,106,116	Total due to customers	2,698,351	2,106,116

AB ŪKIO BANKAS

CONDENSED INTERIM STATEMENTS OF CASH FLOWS FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

(All amounts in LTL thousands unless otherwise stated)

NOTE 10 SHARE CAPITAL

The authorized capital of the Bank as of 30 June 2007 was LTL'000 176,708 and consisted of 176,708,000 ordinary shares with par value of LTL 1 each. All shares are fully paid.

At the shareholders meeting on 22 March 2007, dividends in respect of 2006 of LTL 0.01 per share amounting to total of LTL'000 1,767 were proposed.

At the shareholders meeting on 24 March 2006, dividends in respect of 2005 of LTL 0.01 per share amounting to total of LTL'000 1,267 were proposed.

NOTE 11 NET INTEREST INCOME

For the six month period ended 30 June 2007 and for the year ended 31 December 2006 net interest income consisted of the following:

The Group			The Bank	
2007.01.01- 2007.06.30	2006.01.01 - 2006.06.30		2007.01.01- 2007.06.30	2006.01.01 - 2006.06.30
		Interest income		
37,466	17,270	on loans and receivables from customers	34,804	16,474
24,236	20,204	on loans and advances to banks and other financial institutions	34,243	24,014
16,329	12,016	on finance lease receivables	-	-
10,506	2,847	on debt securities held to maturity	10,506	2,847
7,598	2,671	on trading debt securities	7,593	2,668
1,070	517	on deposits in central bank	1,070	517
97,205	55,525	Total interest income	88,216	46,520

The Group			The Bank	
2007.01.01- 2007.06.30	2006.01.01 - 2006.06.30		2007.01.01- 2007.06.30	2006.01.01 - 2006.06.30
		Interest expense		
34,454	17,006	on deposits due to customers	34,454	17,006
8,349	7,994	on deposits from banks and other financial institutions	7,493	7,215
210	180	on subordinated loans	210	180
-	134	on debt securities issued	-	134
43,013	25,314	Total interest expense	42,157	24,535

NOTE 12 OPERATING EXPENSES

The Group			The Bank	
2007.01.01- 2007.06.30	2006.01.01- 2006.06.30		2007.01.01- 2007.06.30	2006.01.01- 2006.06.30
		Operating expenses		
19,611	12,490	Staff expenses	16,317	10,763
19,275	7,990	Marketing expenses	16,819	6,350
5,997	3,913	Deposit insurance expenses	5,997	3,913
5,358	3,948	Rent of premises and household expenses	5,086	3,704
2,310	1,866	Depreciation and amortization	2,154	1,704
1,642	1,094	Taxes	1,629	1,076
1,723	1,280	Transport, post and communication service expenses	1,243	967
1,420	864	Training and business trip expenses	1,151	654
6,796	9,696	Other expenses	4,953	4,137
64,132	43,141	Total operating expenses	55,349	33,268

AB ŪKIO BANKAS

CONDENSED INTERIM STATEMENTS OF CASH FLOWS FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

(All amounts in LTL thousands unless otherwise stated)

NOTE 13 CAPITAL ADEQUACY

The capital adequacy ratio set by Bank of Lithuania is to be at least 8 percent of the Group's and the Bank's capital.

The capital adequacy ratio as of 30 June 2007 and 31 December 2006 is presented in the tables below:

The Group			The Bank	
2007.06.30	2006.12.31		2007.06.30	2006.12.31
		Tier 1 capital		
176,708	176,708	Share capital	176,708	176,708
34,500	34,500	Share premium	34,500	34,500
41,020	12,247	Undistributed profit of previous years	36,679	6,947
(5,732)	(5,280)	Deductions	(1,668)	(1,220)
246,496	218,175	Total Tier 1 capital	246,219	216,935
		Tier 2 capital		
21,543	8,377	General reserves for loan losses	21,543	8,377
10,467	8,191	Revaluation reserve – available-for-sale investment securities	9,763	7,484
55,752	60,145	Fixed assets revaluation reserve	-	-
5,648	5,492	Currency translation reserve	-	-
2,000	2,000	Restricted (distributable) profit	2,000	2,000
5,300	2,296	Legal reserve	4,900	2,183
3,077	3,946	Eligible for inclusion in Tier 2 capital part of subordinated loans	3,077	3,946
-	-	Deductions	(5,850)	(4,140)
103,787	90,447	Total Tier 2 capital	35,433	19,850
350,283	308,622	Total Capital Base	281,652	236,785
		Risk-weighted assets and off-balance sheet items		
2,664,839	1,970,860	Banking book risk-weighted assets and off-balance sheet items	2,491,495	1,798,371
307,350	343,590	Trading book risk-weighted assets and off-balance sheet items	293,960	354,200
2,972,189	2,314,450	Total risk-weighted assets and off-balance sheet items	2,785,455	2,152,571
8.29	9.43	Tier 1 capital / Total risk-weighted assets and off-balance sheet items, %	8.84	10.08
11.79	13.33	Capital adequacy ratio, %	10.11	11.00

AB ŪKIO BANKAS

CONDENSED INTERIM STATEMENTS OF CASH FLOWS FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

(All amounts in LTL thousands unless otherwise stated)

NOTE 14 RELATED PARTY TRANSACTIONS

As of 30 June 2007 related party transactions consisted of the following:

The Group	Members of the Board	Members of the Council	Shareholders	Other related parties
Loans, finance lease	1,199	1,912	-	1,379
Average interest rate, %	3.74	3.67	-	3.77
Income	22	35	-	23
Deposits	330	135	-	1,014
Average interest rate, %	3.11	3.30	-	3.99
Expenses	2	1	-	11

Other related parties include the Bank's subsidiaries' heads of administration and their close relatives, also companies, which are owned and/or managed by the Bank's shareholders or management.

The Bank	Members of the Board	Members of the Council	Shareholders	Other related parties
Loans, finance lease	1,199	1,902	-	1,353
Average interest rate, %	3.74	3.67	-	3.77
Income	22	34	-	23
Deposits	330	135	-	1,014
Average interest rate, %	3.11	3.30	-	3.99
Expenses	2	1	-	11

For the six month period ended 30 June 2007 the Bank's management payroll and related taxes expenses amounted to LTL'000 1,707.

As of 30 June 2007 and for the six month period then ended Bank's related party transactions were as follows:

Related parties	Bank's payables	Bank's receivables	Income received	Expenses
UAB Ūkio Banko Lizingas	323	158,505	5,038	101
UAB Turto Valdymo Sistemos	13	86,055	1,978	1
UAB Turto Valdymo Strategija	12	125,177	1,864	1
UAB Turto Valdymo Sprendimai	-	103,524	2,019	1
UAB Ūkio Banko Investicijų Valdymas	1,413	-	-	9
RAB Ūkio Bank Lizing	-	18,170	386	-
OAo Russkiy Karavay	317	-	-	-

The transactions with related parties were concluded on an arm's length basis.

AB ŪKIO BANKAS

CONDENSED INTERIM STATEMENTS OF CASH FLOWS FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

(All amounts in LTL thousands unless otherwise stated)

NOTE 15 CONTINGENT ASSETS AND LIABILITIES AND COMMITMENTS

As of 30 June 2007 and 31 December 2006 contingent assets and liabilities and commitments consisted of the following:

The Group		Claims and liabilities	The Bank	
2007.06.30	2006.12.31		2007.06.30	2006.12.31
400,477	431,251	Spot liabilities	400,477	431,251
400,514	431,030	Spot claims	400,514	431,030
178,046	143,270	Irrevocable lending commitments	184,539	133,359
50,257	34,031	Guarantees and warranties	50,257	34,031
1,951	5,662	Commitments to issue letters of credit	1,951	5,662
1,741	98	Other off balance commitments	1,936	290

As of 30 June 2007 UAB Ūkio Banko Lizingas has finance lease contracts in the amount LTL'000 4,060 signed, but not yet executed (31 December 2006: LTL'000 2,336)

Finance lease – as of 30 June 2007 the Bank has outstanding finance lease obligations under finance lease contracts in the amount of LTL'000 240 (31 December 2006: LTL'000 1,247). Minimum finance lease payment obligations are recorded on the balance sheet under liabilities. The Bank's obligations under finance leases are secured by the lessor's right to the leased assets. The Bank's finance lease obligations relate to lease contracts signed with the Bank's wholly owned subsidiary UAB Ūkio Banko Lizingas.

Operating leases – The Bank rents offices, other premises and land for banking activities. The Bank has outstanding non-cancelable commitments in connection with the rental agreements as of 30 June 2007 amounting to LTL'000 37,765 (31 December 2006: LTL'000 24,524).

As of 30 June 2007 and 31 December 2006 the future annual minimum commitments under leases were following:

	2007.06.30		2006.12.31	
	Finance lease	Operating lease	Finance lease	Operating lease
2007	69	6,311	832	4,984
2008	130	5,685	419	3,903
2009	61	5,394	90	3,514
2010	-	5,413	-	3,092
2011	-	4,677	-	2,756
Thereafter	-	10,285	-	6,275
Minimum lease payments	260	37,765	1,341	24,524
Less: interest	(20)		(94)	
Present value of minimum lease payments	240		1,247	

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

Litigation and claims – As of 30 June 2007 and 31 December 2006 the Group/Bank was not involved in any legal proceedings except for those related to loan loss recovery.

AB ŪKIO BANKAS

CONDENSED INTERIM STATEMENTS OF CASH FLOWS FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

(All amounts in LTL thousands unless otherwise stated)

NOTE 16 SEGMENT ANALYSIS BY BUSINESS SEGMENT

For the six month period ended 30 June 2007 and as of 30 June 2007 business segments consisted of the following:

	01.01.2007-30.06.2007				
	Banking	Finance lease	Other activities	Elimination	Group
Revenues:					
Internal	11,317	101	5,051	(16,469)	-
External	159,894	18,871	1,067	-	179,832
	171,211	18,972	6,118	(16,469)	179,832
Expenses:					
Internal	(109)	(5,459)	(10,901)	16,469	-
External	(113,373)	(9,214)	(664)	-	(123,251)
	(113,482)	(14,673)	(11,565)	16,469	(123,251)
Segment result	57,729	4,299	(5,447)	-	56,581
Impairment losses	3,084	(3,091)	(1)	-	(8)
Depreciation and amortization	(2,154)	(155)	(1)	-	(2,310)
Profit before tax	58,659	1,053	(5,449)	-	54,263
Income tax	(8,642)	(483)	(70)	-	(9,195)
Net result for the year	50,017	570	(5,519)	-	45,068
Attributable to:					
Equity holders of the parent	50,017	570	(4,129)	-	46,458
Minority interest	-	-	(1,390)	-	(1,390)
Assets	3,703,615	234,633	707,417	(763,223)	3,882,442
Liabilities	3,367,505	223,495	563,980	(698,668)	3,456,312

The Banking segment includes financial information of AB Ūkio Bankas, Finance lease segment includes financial information of UAB Ūkio Banko Lizingas and RAB Ūkio Bank Lizing. Other activities segment includes financial information of OAO Russkij Karavaj, UAB Turto Valdymo Strategija, UAB Turto Valdymo Sprendimai, UAB Turto Valdymo Sistemai, UAB Ūkio Banko Investicijų Valdymas and UAB Ūkio Banko Rizikos Kapitalo valdymas.

NOTE 17 POST BALANCE SHEET EVENTS

On 2 July 2007 the Bank has increased share capital investment in UAB Bonum publicum up to 100%.

AB ŪKIO BANKAS
INTERIM CONSOLIDATED REPORT
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

1. General provisions

1.1. Reporting period

The report includes information for the first half of year 2007. All amounts are presented as of 30 June 2007, unless otherwise stated. AB Ūkio bankas can also be referred to as “the Bank”, AB Ūkio bankas group – “the Group”.

1.2. Companies constituting the Group and their contact details

At of 30 June 2007, AB Ūkio bankas group consisted of AB Ūkio bankas (parent company) and the 8 subsidiaries listed below:

Name	Activity	Country	Ownership share
UAB Ūkio Banko Lizingas	Finance lease	Kaunas, Lithuania	100 percent
UAB Turto Valdymo Strategija	Financial intermediation	Kaunas, Lithuania	100 percent
UAB Turto Valdymo Sprendimai	Financial intermediation	Kaunas, Lithuania	100 percent
UAB Turto Valdymo Sistemose	Financial intermediation	Kaunas, Lithuania	100 percent
UAB Ūkio Banko Investicijų Valdymas	Financial intermediation	Kaunas, Lithuania	100 percent
UAB Ūkio Banko Rizikos Kapitalo Valdymas	Financial intermediation	Kaunas, Lithuania	100 percent
OAD Ruskij Karavaj *	Real estate and financial intermediation	Moscow, Russia	75 percent
RAB Ūkio Bank Lizing **	Finance lease	Kiev, Ukraine	100 percent

* UAB Turto Valdymo Strategija owns 75 percent of the shares of OAD Ruskij Karavaj.

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

Contact details of parent company:

Name of the Issuer	Joint-stock company Ūkio bankas
Legal organizational form	Joint-stock company
Registration date and place	State Enterprise Registers Centre, Republic of Lithuania, 1990 11 19
Company (Register) number	112020136
Head Office address	Maironio str. 25, LT-44250 Kaunas, Republic of Lithuania
Telephone and Fax numbers	+370 37 301 301 +370 37 323 188
E-mail address	ub@ub.lt
Website	www.ub.lt

Contact details of UAB “Ūkio banko lizingas”:

Name of the Subsidiary	Closed joint-stock company “Ūkio banko lizingas”
Legal organizational form	Closed joint-stock company
Registration date and place	State Enterprise Registers Centre, Republic of Lithuania, 1997 07 14
Company (Register) number	234995490
Head Office address	Donelaičio str. 60, LT-44248 Kaunas, Republic of Lithuania
Telephone number	+370 37 40 72 00
E-mail address	info@ubl.lt
Website	www.ubl.lt

AB ŪKIO BANKAS
INTERIM CONSOLIDATED REPORT
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

Contact details of UAB "Turto valdymo sistemos":

Name of the Subsidiary	Closed joint-stock company "Turto valdymo sistemos"
Legal organizational form	Closed joint-stock company
Registration date and place	State Enterprise Registers Centre, Republic of Lithuania, 2004 06 14
Company (Register) number	300033722
Head Office address	J.Gruodžio str. 9, LT-44293 Kaunas, Republic of Lithuania
Telephone number	+370 37 301 362
E-mail address	e.sankuniene@ub.lt

Contact details of UAB "Turto valdymo sprendimai":

Name of the Subsidiary	Closed joint-stock company "Turto valdymo sprendimai"
Legal organizational form	Closed joint-stock company
Registration date and place	State Enterprise Registers Centre, Republic of Lithuania, 2004 06 14
Company (Register) number	300033747
Head Office address	J.Gruodžio str. 9, LT-44293 Kaunas, Republic of Lithuania
Telephone number	+370 37 301 362
E-mail address	e.sankuniene@ub.lt

Contact details of UAB "Turto valdymo strategija":

Name of the Subsidiary	Closed joint-stock company "Turto valdymo strategija"
Legal organizational form	Closed joint-stock company
Registration date and place	State Enterprise Registers Centre, Republic of Lithuania, 2004 06 14
Company (Register) number	300033715
Head Office address	J.Gruodžio str. 9, LT-44293 Kaunas, Republic of Lithuania
Telephone number	+370 37 301 362
E-mail address	e.sankuniene@ub.lt

Contact details of UAB "Ūkio banko investicijų valdymas":

Name of the Subsidiary	Closed joint-stock company "Ūkio banko investicijų valdymas"
Legal organizational form	Closed joint-stock company
Registration date and place	State Enterprise Registers Centre, Republic of Lithuania, 2006 04 03
Company (Register) number	300556509
Head Office address	J.Gruodžio str. 9, LT-44293 Kaunas, Republic of Lithuania
Telephone number	+37037301390, +37037395526
E-mail address	fondai@ub.lt
Website	www.ub.lt

AB ŪKIO BANKAS
INTERIM CONSOLIDATED REPORT
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

Contact details of UAB "Ūkio banko rizikos kapitalo valdymas":

Name of the Subsidiary	Closed joint-stock company "Ūkio banko rizikos kapitalo valdymas"
Legal organizational form	Closed joint-stock company
Registration date and place	State Enterprise Registers Centre, Republic of Lithuania, 2007 06 26
Company (Register) number	300890619
Head Office address	J.Gruodžio str. 9, LT-44293 Kaunas, Republic of Lithuania
Telephone number	+37068674002

Contact details of OAO "Russkij Karavaj ":

Name of the Subsidiary	Joint-stock company "Russkij Karavaj "
Legal organizational form	Joint-stock company
Registration date and place	State Enterprise Moscow Registers Centre, Russian Federation, 1993 01 18
Company (Register) number	021.349
Head Office address	Sretenka str. 18, 107045 Maskva, Russian Federation

Contact details of RAB "Ūkio Bank Lizing":

Name of the Subsidiary	LLC „Ūkio bank lizing“
Legal organizational form	Limited liability company
Registration date and place	State administration of Sevchenko district, Kiev, Ukraine, 2006 02 13
Company (Register) number	34003114
Head Office address	Artema 14A-43, Kiev, 04053, Ukraine
Telephone number	+38-044-502-83-10
E-mail address	ubl-ukraine@ubl.lt
Website	www.ubleasing.kiev.ua

1.3. Main activities of the Group

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

The description of the main activities of AB Ūkio bankas subsidiaries has been provided in the subsection 2.1.2.

1.4. Agreements with market intermediaries of public trading in securities

AB Ūkio bankas has entered into service agreements with the following intermediaries of public trading in securities:

Intermediary	Address	Nature of the agreement
AB DnB NORD Bankas	J. Basanavičiaus g. 26, Vilnius	Securities account handling agreement
AB bankas Hansabankas	Savanorių pr. 19, Vilnius	Securities custody and account handling agreement
AB bankas Hansabankas	Savanorių pr. 19, Vilnius	Brokerage service agreement
AB SEB Vilniaus bankas	Gedimino pr. 12, Vilnius	Securities account handling agreement
AB Parex bankas	Kražių str. 21, Vilnius	Agreement on the accounting, custody, and lending of securities and monetary funds

AB ŪKIO BANKAS
INTERIM CONSOLIDATED REPORT
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

		and on acceptance and execution of orders
UAB FMĮ Finbaltus	Ukmergės str. 41-660, Vilnius	Securities accounts servicing agreement
AB FMI Finasta	Ukmergės str. 41-510, Vilnius	Agreement on the accounting, custody, and lending of securities and monetary funds and on acceptance and execution of orders
UAB FMĮ Suprema	Goštauto str. 40, Vilnius	Securities and cash account handling agreement
Nova Banka A.D. Bijeljina	Banja Luka, Srpska Republika	Brokerage service agreement
Balkan Investment Bank AD – Balkan Investment Broker	Krajiških brigada br. 2, Banja Luka, Srpska Republika	Brokerage service agreement
Troika Dialog (Bermuda) Limited	Chancery Hall 52 Reid Street, Hamilton HM 12 Bermuda	Intermediation and brokerage service agreement
Deutsche Bank AG London	Winchester House, 1 Great Winchester Street, London	Securities custody agreement
OAD Bank Zenit	Banij per. 9, Moscow	Agreement on the performance of operations on the securities market
Erste Bank Befektetesi Rt.	Madach Imre u. 13-15, Budapest	Brokerage agreement
SC Parex Asset Management	Basteja Boulevard 14, Riga, Latvia	Agreement on investment portfolio management
AS LHV Financial Advisory Services	Tartu mnt 2, Tallinn	Agreement on investment services
SG Private Banking	Rue de la Corraterie 6, Case postale 5022, 1211 Geneve 11	Agreement on securities custody and brokerage service
Credit Suisse	Uetlibergstrasse 231, Postfach 100, Zurich, Switzerland	Agreement on securities custody and brokerage service

1.5. Trading in the Issuer's securities on stock exchanges

AB Ūkio bankas securities are traded on Vilnius Stock Exchange (VSE) (<http://www.lt.omxgroup.com/>) Main List. As of 30 06 2007 176, 708, 000 shares were included into the trade.

2. Additional information about the Issuer

2.1. Issued share capital and its structure

As of 30 June 2007 the issued share capital of the Bank amounted to LTL'000 **176, 708** (one hundred and seventy six million seven hundred and eight thousand) and it was divided into 176, 708, 000 (one hundred and seventy six million seven hundred and eight thousand) ordinary registered shares. The nominal value of one share is LTL 1 (one).

All shares are paid up in full. The property and non-property rights of all the shares are the same, there are no restrictions on share disposal.

The Bank has not issued any debt or derivative securities that are going to be converted into or exchanged for shares.

As of 30 June 2007 the Bank had two subordinated loans (denominated in USD) amounting to LTL'000 8,555. The balance includes accrued interest of LTL'000 863.

The first subordinated loan (USD'000 1,500 received on 1 July 2004) and accrued interest should be repaid till 1 July 2009 or be converted to newly issued shares.

The second subordinated loan (USD'000 1,500 received on 30 December 2004) and accrued interest should be repaid till 7 January 2010 or be converted to newly issued shares.

AB ŪKIO BANKAS
INTERIM CONSOLIDATED REPORT
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

The Bank of Lithuania by order No 121 dated 21 June 2004 and order No 18 dated 3 February 2005 gave permission to include the subordinated loans to the Bank's tier 2 capital.

2.2. All restrictions of securities transfer

Restraints to freely transfer securities

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

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

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

2.3. Shareholders

As of 29 June 2007 the number of the Bank shareholders amounted to 7201 who were holding 176, 708, 000 shares. The nominal value of each AB Ūkio bankas ordinary registered share was LTL 1.00.

Over 5% of the registered authorised capital of the Bank was owned by the following shareholders (29 June 2007):

No	Shareholder's corporate name/ full name	Shareholder's code	Address	Shares held under the property right, number/percentage of authorised capital, %	Votes held under the property right, number/percentage of votes, %	Votes held in concert with other persons, number/percentage of votes, %
1.	Romanov Vladimir	-	Trakų str. 5-11, Kaunas, Lithuania	58,219,998/ 32.9470%	58,219,998/ 32.9470%	58,219,998/ 32.9470%
2.	UAB "Universal Business Investment Group Management"	210869960	Donelaičio str. 60, Kaunas, Lithuania	17,652,726/ 9.9898%	17,652,726/ 9.9898%	17,652,726/ 9.9898%
3.	Romanova Zinaida	-	Putvinskio str. 41-1, Kaunas, Lithuania	15,227,931/ 8.6176%	15,227,931/ 8.6176%	15,227,931/ 8.6176%
4.	UAB FMJ "Finbaltus"	122020469	Konstitucijos ave. 23-660, Vilnius, Lithuania	11,465,250/ 6.4882%	11,465,250/ 6.4882%	11,465,250/ 6.4882%
Other:				74,142,095/ 41.96 %	74,142,095/ 41.96 %	74,142,095/ 41.96 %
TOTAL:				176,708,000/ 100.00%	176,708,000/ 100.00%	176,708,000/ 100.00%

In the Bank there are no shareholders acting in concert.

AB ŪKIO BANKAS
INTERIM CONSOLIDATED REPORT
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

Bank has no shareholders having special control rights.

Bank does not have any information on any restrictions of voting rights.

Bank does not have any information on any reciprocal agreements of shareholders because of which restrictions upon securities and voting rights transfer can be applied.

2.4. Employees of the Issuer

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

Employee group	Average number of employees			Of these with higher education			Average monthly salary (before taxes LTL)		
	2007 06 30	2006	2005	2007 06 30	2006	2005	2007 06 30	2006	2005
Managing employees	85	75	80	81	73	78	9,797	8,436	5,465
Specialists	415	348	291	321	278	212	2,683	2,432	1,992
Other employees	28	26	26	3	3	3	2,280	1,935	1,667
TOTAL:	528	449	397	405	354	293	3,807	3,411	2,740

2.5. Rules governing the statute change of the Issuer

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

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

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

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

2.6. Management bodies of the Issuer

The management structure of AB Ūkio bankas includes:

1. General Meeting of Shareholders
2. Supervisory Council of the Bank
3. Board of the Bank
4. Administration of the Bank

AB ŪKIO BANKAS
INTERIM CONSOLIDATED REPORT
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

The General Meeting of Shareholders is the supreme management body of the Bank. The right of participating at the General Meeting is vested in the shareholders of the Bank whereas the Board members and the administration staff who are not the shareholders can also attend the General Meeting with the right of deliberative vote.

The supervisory Council of the Bank includes 7 members elected by the General Meeting of Shareholders for a 4-year term.

The Board of the Bank consisting of 5 members is elected by the Supervisory Council of the Bank for a term not exceeding 4 years.

The activities of the administration are managed by the Head of Administration (CEO)

2.7. Members of the management bodies

Members of AB Ūkio bankas management bodies, commencement and end of their office, participation in the share capital as of 29 June 2007 are presented in the table below:

Full name	Position	Number of held shares	Percentage of Bank capital, %	Percentage of votes, %
SUPERVISORY COUNCIL OF THE BANK				
Varanavičius Liutauras (elected 24 March 2006, office term expires in 2010)	Chairman	2,678	0.0015%	0.0015%
Lowenhav Ulf (elected 24 March 2006, office term expires in 2010)	Deputy Chairman	--	--	--
Gončaruk Olga (elected 24 March 2006, office term expires in 2010)	Member	1,983,023	1.1222%	1.1222%
Jakavičienė Gražina (elected 24 March 2006 office term expires in 2010)	Member	21,366	0.0121%	0.0121%
Kurauskienė Ala (elected 24 March 2006 office term expires in 2010)	Member	285,990	0.1618%	0.1618%
Soldatenko Viktor (elected 24 March 2006 office term expires in 2010)	Member	--	--	--
Butkus Leonas Rimantas (elected 24 March 2006 office term expires in 2010)	Member	--	--	--
BOARD OF THE BANK				
Karpavičienė Edita (appointed 24 March 2006, office term expires in 2010)	Chairwoman, Deputy CEO	119,702	0.0677%	0.0677%
Ugianskis Gintaras (appointed 24 March 2006 office term expires in 2010)	Deputy Chairman, CEO	49,604	0.0281%	0.0281%
Balandis Rolandas (appointed 24 March 2006 office term expires in 2010)	Member – Head of International Banking Division	29,967	0.0170%	0.0170%
Žalys Arnas (appointed 24 March 2006., office term expires in 2010)	Member – Head of Finance Division	30,167	0.0171%	0.0171%
Grigaliauskas Antanas (appointed 24 March 2006 office term expires in 2010)	Member, Director of UAB Ūkio banko rizikos kapitalo valdymas	137,177	0.0776%	0.0776%
CHIEF ACCOUNTANT				
Petraitenė Vidutė Since 01 July 1999 to present	Head of Accounting Department – Chief Accountant	452	0.0003%	0.0003%

AB ŪKIO BANKAS
INTERIM CONSOLIDATED REPORT
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

2.8. Information about the agreements part of which is an Issuer

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

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

2.9. Related parties transactions

As of 30 June 2007 and for the six month period then ended Group's related party transactions (in LTL 000s) were as follows:

	<u>Members of the Board</u>	<u>Members of the Council</u>	<u>Shareholders</u>	<u>Other related parties</u>
Loans, finance lease	1,199	1,912	-	1,379
Average interest rate, %	3.74	3.67	-	3.77
Income	22	35	-	23
Deposits	330	135	-	1,014
Average interest rate, %	3.11	3.30	-	3.99
Expenses	2	1	-	11

Other related parties include the Bank's subsidiaries' heads of administration and their close relatives, also companies, which are owned and/or managed by the Bank's shareholders or management.

For the six month period ended 30 June 2007 the Bank's management payroll and related taxes expenses amounted to LTL'000 1,707.

As of 30 June 2007 and for the six month period then ended Bank's related party transactions (in LTL 000s) were as follows:

<u>Related parties</u>	<u>Bank's payables</u>	<u>Bank's receivables</u>	<u>Income received</u>	<u>Expenses</u>
UAB Ūkio Banko Lizingas	323	158,505	5,038	101
UAB Turto Valdymo Sistemai	13	86,055	1,978	1
UAB Turto Valdymo Strategija	12	125,177	1,864	1
UAB Turto Valdymo Sprendimai	-	103,524	2,019	1
UAB Ūkio Banko Investicijų Valdymas	1,413	-	-	9
RAB Ūkio Bank Lizing	-	18,170	386	-
OAO Ruskiy Karavay	317	-	-	-

The transactions with related parties were concluded on an arm's length basis.

3. Information related to interim consolidated financial statements

AB ŪKIO BANKAS
INTERIM CONSOLIDATED REPORT
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

3.1. Objective overview of group's position, activities and development, description of main risks and uncertainties

AB Ūkio Bankas was established in June 1989 as Commercial Industry Bank. The Bank's main office is located in Kaunas, Maironio str. 25. The Bank has a business license issued from Bank of Lithuania for conducting all financial services specified by Lithuanian Banks Law and providing other services allowed under Lithuanian Financial Institutions Law, except for trading in precious metals.

At the end of first half of year 2007, AB Ūkio bankas ranked 5th by capital and 7th by assets among the banks in Lithuania. In the first half of year 2007, Bank's assets increased by LTL 678 million (22 percent) and made LTL 3.7 billion at 30 June 2007. In the first half of year 2007, the assets of the Group increased by LTL 680 million (21 percent) and made LTL 3.9 billion at 30 June 2007.

The Bank has 12 branches and 36 client service departments in Lithuania and 3 representative offices in foreign countries (Russia, Ukraine and Kazakhstan). During the first half of year 2007, 2 new client service departments were opened. In addition, the Bank, directly or indirectly, has 8 subsidiaries. In the first half 2007, the Bank has set up UAB Ūkio banko rizikos kapitalo valdymas.

The Group's first half of yr. 2007 results by business segments (in LTL thousand) are presented in the table below. As of 30 June 2007, the Banking segment includes financial information of AB Ūkio Bankas, Finance Lease segment includes financial information of UAB Ūkio Banko Lizingas and RAB Ūkio Bank Lizing. Other activities segment includes financial information of OAO Russkij Karavaj, UAB Turto Valdymo Strategija, UAB Turto Valdymo Sprendimai, UAB Turto Valdymo Sistemai, UAB Ūkio Banko Investicijų Valdymas and UAB Ūkio banko Rizikos Kapitalo Valdymas.

	Group's first half of year 2007 results by business segment				
	Banking	Finance lease	Other activities	Elimination	Group
Net result for the half year	50,017	570	(5,519)	-	45,068
Attributable to:					
<i>Equity holders of the parent</i>	50,017	570	(4,129)	-	46,458
<i>Minority interest</i>	-	-	(1,390)	-	(1,390)
Assets	3,703,615	234,633	707,417	(763,223)	3,882,442
Liabilities	3,367,505	223,495	563,980	(698,668)	3,456,312

Main risks the Group and the Bank primarily face are credit, market (interest rate, currency rate, equity investments, equity price), liquidity and operational risks.

Credit risk

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

The exposure to any individual 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.

AB ŪKIO BANKAS

INTERIM CONSOLIDATED REPORT

FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

Grouping of loans granted by AB Ukie bankas Group according to the Minimal Loan Assessment Requirements approved by the Bank of Lithuania revealed that as of 30 June 2007:

- Book value of loans for which, a loss event and an impairment loss has occurred, made 6.2 percent of the book value of Group's loan portfolio;
- Discounted cash flows from the collateral for the loans for which a loss event and an impairment loss has occurred made 28.2 percent of the nominal value of these loans;
- Provision for the impairment of Group's loans of LTL 45.6 million is formed. It makes 33.4 percent of the nominal value of the loans for which a loss event and an impairment loss has occurred and 3.0 percent of the nominal value of the Group's loan portfolio;
- A major part of the loans for which a loss event and an impairment loss has occurred consists of loans for which a loss event is recognized not because of payment delays, but because of the conservative assessment of the financial status of the borrower. Book value of the loans that have payment delays of 60 or more days makes up 0.46 percent of the book value of the whole loan portfolio.

At 30 June 2007, for the investments held to maturity, no loss event has occurred and no provision was made. Provisions for the impairment of other assets amounted to LTL 9.8 million i.e. 1.0 percent of other assets. No impairment of the off-balance sheet items was detected, and no provisions against the impairment of other assets were formed.

Market risk

Market risks result from open positions from transactions with interest rate, cross-currency and equity products subject to general and specific market changes. To assess the approximate level of market risks associated with the Group's/Bank's positions, and the expected maximum amount of potential losses, the Group/Bank uses internal reports and models for individual types of risks faced by the Group/Bank. The Group/Bank uses a system of limits, the aim of which is to ensure that the level of risks the Group/Bank is exposed to at any time does not exceed the level of risks the Group/Bank is willing and able to take. These limits are monitored on a daily basis.

For risk management purposes, the market risk is regarded as the risk of potential losses the Group/Bank may incur due to unfavorable development in market rates and prices. To manage market risks, the Group/Bank uses a system of limits imposed on individual positions and portfolios.

Currency risk. The Group/Bank 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.

Interest rate risk. The Group/Bank 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. In order to reduce interest rate risk, the Group/Bank apply fixed lowest rate when granting loans with variable interest rates.

Equity price risk. The Group and the Bank take on exposure to the effects of fluctuations in the prevailing equity prices on its financial position and cash flows. Equity price risk is assessed using statistical value-at-risk (VaR) models and managed by setting investment priorities, diversification criteria, setting and controlling limits.

Liquidity risk

Liquidity risk is the risk that the Group/Bank will be unable to meet its financial liabilities and the risk of loss resulting from a sudden drop of available resources and increased price of funds used to replenish the withdrawals. Group/Bank manages liquidity risk by projecting daily and short-term (<1 year) cash flows, analyzing long-term cash flows. Liquidity risk is limited by setting and controlling limits.

Operational risk

The Bank has established a Risks Management Committee. The principal objectives of this committee involve implementing such operational risk management that will facilitate the fulfilment of the requirements arising to the Group/Bank under Basel as well as general requirements of the regulator in respect of the

AB ŪKIO BANKAS
INTERIM CONSOLIDATED REPORT
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

Group's/Bank's internal management and control system. This committee is also responsible for business continuity planning and insurance.

Compliance with prudential requirements

In the first half of year 2007, the Group and the Bank constantly were in compliance with all the requirements set by the Bank of Lithuania. The compliance with the limits and ratios set by the Bank of Lithuania as of 30 June 2007 is presented in the table below:

Ratio	Requirement	Bank's ratio	Group's ratio
Capital adequacy ratio	>= 8 percent	10.11 percent	11.79 percent
Liquidity ratio	>= 30 percent	53.80 percent	54.46 percent
Maximum credit exposure to a single borrower	<= 25 percent (for subsidiaries – 75 percent) of eligible capital	complied	complied
Large loans	<= 800 percent of eligible capital	300.08 percent	100.49 percent
Aggregate open foreign currency position	<= 25 percent of eligible capital	4.86 percent	6.47 percent
Single open foreign currency position	<= 15 percent of eligible capital	4.37 percent	5.21 percent

3.2. Analysis of financial and non-financial activity results

First half of year 2007 was very successful both to AB Ūkio bankas and AB Ūkio bankas group. In the first half of year 2007, the management of AB Ūkio bankas successfully implemented strategic plans of the Bank's and the Group's development and main goals set by shareholders.

The result of the activity of the Bank for the first half of year 2007 is a net profit of LTL 50.017 million – i.e. 88 percent more than planned (LTL 26.561 million) and 3 times more than in the same period of year 2006. AB Ūkio bankas group earned net profit of LTL 45.068 million in the first half of year 2007 – i.e. 2.7 times more than in the same period of year 2006. In the first half of year 2007, the Bank's assets increased by LTL 678 million (22 percent) and made LTL 3.7 billion at 30 June 2007. The Group's assets increased by LTL 680 million (21 percent) and made LTL 3.9 billion at 30 June 2007. Main financial indicators of the Group and the Bank (in LTL thousand unless stated otherwise) are presented in the table below:

1H 2007	Group's indicators			ITEM	1H 2007	Bank's indicators		
	1H 2006	Increase LTL 000s	per cent			1H 2006	Increase LTL 000s	per cent
118,403	87,698	30,705	35	Net interest, fee, commission, trading and other income, before provisions	110,924	74,233	36,691	49
64,132	43,141	20,991	49	Operating expenses before provisions and income tax	55,349	33,268	22,081	66
54,271	44,557	9,714	22	Profit before provisions and income tax	55,575	40,965	14,610	36
8	23,115	(23,107)	(100)	Provision expense	(3,084)	20,934	(24,018)	(115)
54,263	21,442	32,821	153	Pre-tax profit	58,659	20,031	38,628	193
9,195	4,754	4,441	93	Income tax	8,642	3,410	5,232	153
45,068	16,688	28,380	170	Net profit	50,017	16,621	33,396	201
(1,390)	(1,076)	(314)	29	Net profit attributable to minority interest	-	-	-	-
46,458	17,764	28,694	162	Net profit attributable to the shareholders of the Bank	50,017	16,621	33,396	201
3,882,442	2,740,138	1,142,304	42	Assets	3,703,615	2,585,252	1,118,363	43
1,340,417	657,985	682,432	104	Loans to customers, net	1,275,160	603,306	671,854	111
2,698,351	1,810,739	887,612	49	Deposits from customers	2,698,351	1,810,754	887,597	49
426,130	324,148	101,982	31	Equity	336,110	248,559	87,551	35
176,708	176,708	0	0	Number of ordinary shares in issue at the end period (thousands units)	176,708	176,708	0	0

AB ŪKIO BANKAS
INTERIM CONSOLIDATED REPORT
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

				Weighted average numbers of ordinary shares in issue (thousands units)					
176,708	126,984	49,724	39		176,708	126,984	49,724		39
2.54%	1.31%			Return on assets (percent)	2.97%	1.39%			
22.19%	11.95%			Return on equity (percent)	32.18%	16.71%			
0.54	0.76			Expense / Income before income tax	0.47	0.73			
0.26	0.14			Basic earnings per share (in LTL)	0.28	0.13			
0.26	0.14			Diluted earnings per share (in LTL)	0.28	0.13			

Main indicators of activity:

- In the first half of year 2007, Ūkio bankas Group earned net profit of LTL 45.068 million – i.e. 2.7 times more than in the same period of year 2006.
- In February 2007, international rating agency Moody's upgraded credit ratings assigned to AB Ūkio bankas.
- In the first half of year 2007 the Bank opened 2 new client service departments. At 30 June 2007, the Bank's service network consisted of 48 outlets – 12 branches and 36 client service departments.
- As of 30 June 2007, the Bank had 3 representative offices in Kiev (Ukraine), Moscow (Russia) and Almaty (Kazakhstan).
- In 2007, the Bank established a 100 percent owned subsidiary UAB Ūkio Banko Rizikos Kapitalo Valdymas, which specializes in venture capital.
- In the first half of 2007, the number of active customers of AB Ūkio bankas increased by 15 percent and was more than 75 thousand as of 30 June 2007.
- During the first half of yr. 2007, the Bank's market share in Lithuanian market by assets increased from 5.1 percent up to 5.5 percent.
- The Bank's 100 percent owned leasing subsidiary UAB Ūkio banko lizingas offers its services through over 2.5 thousand sales points located throughout entire Lithuania. As of 30 June 2007, UAB Ūkio Banko Lizingas had 173 thousand customers – i.e. the number of customers increased by 5 percent during the first half year.
- In the first half of 2007, compared to the same period of previous year, net interest, fee, commission, trading and other income before provisions earned by the Group increased by 35 percent and made LTL 118 million. The Group's expenses before provisions and income tax increased by 49 percent and made LTL 64 million.

Credit rating

Credit ratings assigned by the international rating agency Moody's to AB Ūkio bankas 24 February 2007, were as follows:

- Deposit rating Ba3/NP (upgraded from B1/NP)
- Financial strength rating D- (upgraded from E+)

The perspective of the ratings was stable.

Income and expenses

As compared to the same period of previous year, net interest, fee, commission, trading and other income of AB Ūkio bankas group increased by LTL 31 million or 35 percent up to LTL 118 million. Increase in interest-earning assets and increased interest margin caused the growth of net interest income by 79 percent up to LTL 54 million. They made the largest share of the Group's income (46 percent). Second largest share of the Group's income (41 percent) was comprised of net service fees and commission income, which grew by 33 percent up to LTL 48 million. Their growth was influenced by growth in number of customers and operations. Net trading income decreased by 25 percent to LTL 15 million and made 13 percent of the Group's income. Other income decreased by 32 percent to LTL 1 million and made 1 percent of the Group's income. Income structure of the Group and the Bank (in LTL thousand) is presented in the table below:

Group				ITEM	Bank			
1H 2007	1H 2006	GROWTH LTL 000s	per cent		1H 2007	1H 2006	GROWTH LTL 000s	per cent
54,192	30,211	23,981	79	Net interest income	46,059	21,985	24,074	110

AB ŪKIO BANKAS
INTERIM CONSOLIDATED REPORT
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

48,249	36,203	12,046	33	Net service fees and commission income	49,262	35,521	13,741	39
15,054	19,949	(4,895)	(25)	Net trading income	14,837	15,709	(872)	(6)
908	1,335	(427)	(32)	Other income	766	1,018	(252)	(25)
118,403	87,698	30,705	35	Total income	110,924	74,233	36,691	49

Intensive expansion of AB Ūkio bankas group, growth in assets and service network, growth in number of customers and operations caused the increase in operating expenses of the Group by LTL 21 million or 49 percent compared to the same period of previous year up to LTL 64 million. 31 percent of the Group's expenses consisted of staff expenses, which increased by 57 percent up to LTL 20 million.

The Group's provision expenses due to the reversal of provisions earlier formed against several large positions decreased 100 percent down to LTL 8 thousand, income tax expenses increased by 93 percent up to LTL 9 million.

Assets, liabilities and equity

In the first half of 2007, the Group's assets increased by LTL 680 million or 21 percent and made LTL 3.9 billion at 30 June 2007. Loans to customers made 35 percent of the Group's assets. In the first half of 2007, they increased by 60 percent and made LTL 1.3 billion as of 30 June 2007. Due from banks and other financial institutions comprising 22 percent of the Group's assets decreased by 6 percent and amounted to LTL 837 million at 30 June 2007. Securities portfolio increased by 22 percent up to LTL 808 million and made 21 percent of the Group's assets. Plant, property and equipment, major part of which includes unfinished construction building in Moscow, increased by LTL 1 million and amounted to LTL 353 million, or 9 percent of the Group's assets at 30 June 2007.

As of 30 June 2007, corporate deposits made 41 percent of Group's liabilities. During the first half year, they increased by LTL 378 million or 36 percent and amounted to LTL 1.4 billion at the year-end. Deposits from private persons, comprising 37 percent of Group's liabilities, increased by LTL 215 million or 20 percent and made LTL 1.3 billion as of 30 June 2007. Due to banks and other financial institutions made 18 percent of the Group's liabilities. During the first half-year, they increased by 5 percent up to LTL 621 million as of 30 June 2007.

Good results of activity caused the Group's equity to increase during first half of 2007 by 10 percent up to LTL 426 million. As of 30 June 2007, equity attributable to equity holders of the parent amounted to LTL 399 million (increased by 12 percent during the half-year), and minority interest made LTL 27 million (decreased by 10 percent).

4. Information on publicly presented information

25 January 2007: Based on non-audited data, in 2006 Ūkio bankas earned profit of LTL 42.5 million (EUR 12.3 million). Non-audited profit of Ūkio bankas Group of the yr. 2006 is LTL 45.8 million (EUR 13.3 million). In the year 2007 Ūkio bankas plans to earn net profit of LTL 61.4 million (EUR 17.8 million).

26 January 2007: Ūkio bankas informs that the Board has adopted the decision to increase the life insurance company Bonum Publicum shareholding, held by the Bank's Group, up to 100 percent. In the sitting of the Management Board of AB Ūkio bankas as of 25 January 2007 was decided:

a) Ūkio bankas Group will increase its shareholding in the life insurance company Bonum Publicum up to 100 percent by acquiring a 6,409-share interest (80.01% of the share capital).

b) In the nearest future an application for all authorizations to acquire securities of the insurance company prescribed by legislation will be filed with responsible institutions.

15 February 2007: Upon the Board's decision, the Ordinary General Meeting of AB Ūkio bankas shareholders will be convened on 22 March 2007. The Bank's Board has approved the agenda of the meeting.

AB ŪKIO BANKAS
INTERIM CONSOLIDATED REPORT
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

23 February 2007: Amendment to agenda of Ordinary General AB Ūkio Bankas Shareholders meeting made.

9 March 2007: Draft resolutions of General Meeting prepared by the Board.

20 March 2007: The Board of AB Ūkio bankas informs that if the right to set up the final price of the new share emission will be given to the Board by the General Meeting of shareholders, which will be held on 22 March 2007, the price will be set up according to this order:

1. the arithmetic mean of the last 20 trading sessions on Vilnius Stock Exchange will be calculated;
2. the arithmetic mean set, by the Board decision can be reduced for not more than 40 percent, and the figure received rounded down till hundredth according to mathematical rounding rules.

22 March 2007: Announced resolutions of the Ordinary General Meeting of AB Ūkio bankas shareholders.

11 April 2007: In the first quarter of 2007, Ūkio bankas earned LTL 14.5 million (EUR 4.2 million) of non-audited net profit.

2 May 2007: In the first quarter of 2007, Ūkio bankas group earned consolidated unaudited net profit of LTL 11.8 million (EUR 3.4 million). Main factors that caused the growth of the profit of the bank and the group during the first quarter were increased volume of assets and growth in number of customers and operations.

11 June 2007: Ūkio bankas reports the profit of LTL 28.4 million (EUR 8.2 million) for the 5-month period of 2007.

15 June 2007: Ūkio bankas Board set the price of new issue of 20 million ordinary registered shares of the par value of LTL 1 each. The share of the par value of 1 litas will be offered at the price of LTL 3.10. The offering of the new issue shares will start on 18 June.

Share offering will be commenced on 18 June and will be held in 3 stages. A 15-day term from the beginning of the offering has been set for the Bank's shareholders to exercise their right of pre-emption to acquire the newly issued shares in proportion to the number of shares held by them on the day of the

meeting of 22 March 2007. After the term set for the shareholders to exercise their right of pre-emption is over, all other investors will be able to apply for, subscribe to and acquire the Bank's shares in proportion to the number of shares specified in their application during the second stage from 8 to 11 July. Members of the Bank's Board and Supervisory Council will have the right to acquire the remaining shares, if any, in proportion to the submitted applications during the third stage from 20 to 22 July.

21 June 2007: Ūkio bankas sets up the subsidiary UAB Ūkio banko rizikos kapitalo valdymas

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

AB ŪKIO BANKAS
INTERIM CONFIRMATION OF RESPONSIBLE PERSONS
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2007

INTERIM CONFIRMATION OF RESPONSIBLE PERSONS

We hereby confirm that submitted consolidated semi-annual report for the first half of the year 2007 is prepared in accordance with International Financial Reporting Standards, is actual and fairly presents the Bank's and consolidated subsidiaries' assets, liabilities, financial statement and profit or loss as well as interim consolidated report fairly presents data on development and performance.

Valdybos pirmininkė



Edita Karpavičienė

Finansų tarnybos vadovas –
Finansų ir rizikų valdymo departamento direktorius



Arnas Žalys

Finansinių institucijų ir išteklių departamento
direktorius



Marius Arlauskas

31 August 2007