



**AB ŪKIO BANKAS INTERIM INFORMATION FOR
THE THREE MONTH PERIOD OF THE YEAR 2010
(unaudited)**

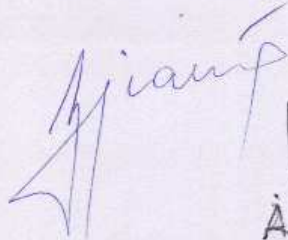
(Prepared in accordance with the Rules of Preparing and Disclosure of Periodic and Additional Information approved by the Lithuanian Securities Commission)

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CONFIRMATION OF RESPONSIBLE PERSONS

We hereby confirm that condensed interim financial statements for the three month period ended 31 March 2010 prepared in accordance with applicable accounting standards are true and fairly present assets, liabilities, financial position, profit or loss of AB Ūkio bankas, as well as of AB Ūkio bankas Group consolidated companies.

Chairman –
Chief Executive Officer



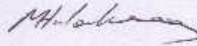
Gintaras Ugianskis

Deputy Chairman –
Head of Finance Division



Arnas Žalys

Head of Financial Institutions and Fund Raising Department



Marius Arlauskas



The report is prepared in Kaunas, 4th May 2010

AB ŪKIO BANKAS

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION AS OF 31 MARCH 2010

(All amounts in LTL thousands unless otherwise stated)

	Notes	The Group 2010.03.31	The Group 2009.12.31	The Bank 2010.03.31	The Bank 2009.12.31
ASSETS					
Cash and balances with central bank		320,837	442,736	320,827	442,719
Loans and advances to banks and other credit institutions		981,268	677,968	974,054	670,326
Financial assets at fair value through profit or loss		46,359	42,989	10,650	11,102
Loans and finance lease receivable	4	2,482,961	2,420,504	2,194,134	2,271,821
Investment securities:					
<i>available-for-sale</i>	5	19,969	43,339	19,550	42,935
<i>held-to-maturity</i>	5	506,254	268,496	834,948	460,233
Investments in subsidiaries	6	-	-	157,636	157,636
Intangible assets		21,983	22,095	2,112	2,220
Property, plant and equipment		33,465	34,311	24,188	25,197
Investment property		135,873	142,840	6,031	16,052
Deferred tax assets		13,337	13,337	13,337	13,337
Other assets	7	131,274	131,005	108,760	107,146
Assets classified as held for sale		56,963	56,963	4,261	-
Total assets		4,750,543	4,296,583	4,670,488	4,220,724
LIABILITIES AND EQUITY					
LIABILITIES					
Due to banks and other credit institutions		397,146	285,864	397,146	276,864
Financial liabilities at fair value through profit or loss		115	6	115	6
Due to customers	8	3,681,044	3,354,061	3,689,019	3,362,881
Debt securities in issue		22,480	17,860	22,480	17,860
Subordinated loans		144,538	148,836	144,538	148,836
Deferred tax liabilities		15,068	14,984	84	-
Other liabilities		73,996	61,184	21,506	19,946
Liabilities directly associated with assets classified as held for sale		2,628	2,617	-	-
Total liabilities		4,337,015	3,885,412	4,274,888	3,826,393
EQUITY					
Share capital	9	245,824	245,824	245,824	245,824
Share premium		76,500	76,500	76,500	76,500
Revaluation reserve - available-for-sale investment securities		(4,481)	(5,193)	(4,477)	(5,175)
General reserve for losses of assets		-	-	-	-
Fixed assets revaluation reserve		-	-	-	-
Currency translation reserve		(194)	(313)	-	-
Legal reserve		16,239	16,046	15,532	15,532
Other reserves		61,650	136,647	61,650	136,647
Retained earnings		17,990	(58,340)	571	(74,997)
Equity attributable to equity holders of the parent		413,528	411,171	395,600	394,331
Minority interest		-	-	-	-
Total equity		413,528	411,171	395,600	394,331
Total liabilities and equity		4,750,543	4,296,583	4,670,488	4,220,724

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

AB ŪKIO BANKAS

CONDENSED INTERIM INCOME STATEMENTS FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010

(All amounts in LTL thousands unless otherwise stated)

	Notes	The Group 2010-01-01 – 2010-03-31	The Group 2009-01-01 – 2009-03-31	The Bank 2010-01-01 – 2010-03-31	The Bank 2009-01-01 – 2009-03-31
CONTINUING OPERATIONS					
Interest income	10	50,148	80,946	42,407	79,812
Interest expense	10	(51,601)	(53,490)	(51,650)	(60,461)
Interest income, net		(1,453)	27,456	(9,243)	19,351
Fees and commission income	11	13,964	17,634	12,611	16,519
Fees and commission expense	11	(2,501)	(2,727)	(2,393)	(2,584)
Fees and commission income, net		11,463	14,907	10,218	13,935
Net gains from dealing in foreign currencies		3,960	(8,824)	3,623	(9,394)
Net gains (losses) from financial assets at fair value through profit or loss		1,102	12,650	(885)	12,627
Net gains (losses) arising from investment securities		17,279	(13)	17,279	12
Impairment charge for credit losses	14	(5,258)	(13,659)	(923)	(9,513)
Recoveries of loans written off		852	531	13	24
Insurance income, net		(383)	1,751	-	-
Dividend income		-	-	-	-
Other operating income		5,708	1,418	5,208	1,396
Operating profit before operating expenses		33,270	36,217	25,290	28,438
Operating expenses	12	(30,136)	(30,519)	(24,307)	(24,524)
Profit (loss) before income tax		3,134	5,698	983	3,914
Income tax benefit (expense)		(781)	(165)	(412)	104
Net profit (loss) for the year from continuing operations		2,353	5,533	571	4,018
Profit (loss) for the year from discontinued operations		(820)	-	-	-
NET PROFIT (LOSS) FOR THE PERIOD		1,533	5,533	571	4,018
Attributable to:					
Equity holders of the parent		1,533	5,533	571	4,018
Minority interest		-	-	-	-
NET PROFIT (LOSS) FOR THE PERIOD		1,533	5,533	571	4,018
EARNINGS PER SHARE					
From continuing and discontinued operations:					
Basic (in LTL)	13	0.01	0.03	0.00	0.02
Diluted (in LTL)		0.01	0.03	0.00	0.02
From continuing operations:					
Basic (in LTL)	13	0.01	0.03	0.00	0.02
Diluted (in LTL)		0.01	0.03	0.00	0.02

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

AB ŪKIO BANKAS

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010

(All amounts in LTL thousands unless otherwise stated)

	The Group 2010-01-01 – 2010-03-31	The Group 2009-01-01 – 2009-03-31	The Bank 2010-01-01 – 2010-03-31	The Bank 2009-01-01 – 2009-03-31
Profit (loss) for the year	1,533	5,533	571	4,018
Other comprehensive income				
Exchange differences on translating foreign operations				
Exchange differences arising during the year on translating foreign operations, net of tax	119	(3,248)	-	-
Reclassification adjustments relating to foreign operations disposed of in the year, net of tax	-	-	-	-
	119	(3,248)	-	-
Available-for-sale financial assets				
Net gain (loss) arising on revaluation of available-for-sale financial assets during the year, net of tax	712	31	698	-
	712	31	698	-
Revaluation of properties				
Reclassification adjustments relating to revaluation of properties disposed of in the year, net of tax	-	-	-	-
Income from sale of subsidiaries included directly in retained earnings	-	-	-	-
Other reclassification adjustments	(7)	5	-	-
	(7)	2,321	1,269	4,018
Total comprehensive income for the year	(7)	2,321	1,269	4,018
Attributable to:				
Equity holders of the parent	2,357	2,321	1,269	4,018
Minority interest	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	2,357	2,321	1,269	4,018

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

AB ŪKIO BANKAS

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010

(All amounts in LTL thousands unless otherwise stated)

The Bank	Share Capital	Share premium	Other reserves	Revaluation reserve on available-for-sales investment securities	General reserve for losses of assets	Legal reserve	Retained earnings	Total
As of 31 December 2008	196,708	76,500	50,000	-	49,116	10,971	91,208	474,503
Transfer to legal reserve	-	-	-	-	-	4,561	(4,561)	-
Transfer to general reserve for losses of assets	-	-	-	-	-	-	-	-
Transfer to other reserves	-	-	86,647	-	-	-	(86,647)	-
Transfer to retained earnings	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-
Net profit	-	-	-	-	-	-	4,018	4,018
As of 31 March 2009	196,708	76,500	136,647	-	49,116	15,532	4,018	478,521
Transfer to legal reserve	-	-	-	-	-	-	-	-
Transfer to other reserves	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-
Increase of share capital (Note 9)	49,116	-	-	-	(49,116)	-	-	-
Other comprehensive income	-	-	-	(5,175)	-	-	-	(5,175)
Net loss	-	-	-	-	-	-	(79,015)	(79,015)
As of 31 December 2009	245,824	76,500	136,647	(5,175)	-	15,532	(74,997)	394,331
Transfer to retained earnings	-	-	(74,997)	-	-	-	74,997	-
Transfer to other reserves	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	698	-	-	-	698
Net profit	-	-	-	-	-	-	571	571
As of 31 March 2010	245,824	76,500	61,650	(4,477)	-	15,532	571	395,600

(Continued)

AB ŪKIO BANKAS

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010

(All amounts in LTL thousands unless otherwise stated)

The Group	Share Capital	Share premium	Other reserves	Revaluation reserve on available-for-sale investment securities	General reserve for losses of assets	Fixed assets revaluation reserve	Foreign currency translation reserve	Legal reserve	Retained earnings	Equity attributable to equity holders of the parent	Minority interest	Total
As of 31 December 2008	196,708	76,500	50,000	(110)	49,116	-	2,358	11,245	103,624	489,441	-	489,441
Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to legal reserve	-	-	-	-	-	-	-	4,801	(4,801)	-	-	-
Transfer to general reserve for losses of assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to other reserves	-	-	86,647	-	-	-	-	-	(86,647)	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	(3,248)	-	-	(3,248)	-	(3,248)
Net profit	-	-	-	-	-	-	-	-	5,533	5,533	-	5,533
As of 31 March 2009	196,708	76,500	136,647	(110)	49,116	-	(890)	16,046	17,709	491,726	-	491,726
Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to legal reserve	-	-	-	-	-	-	-	-	-	-	-	-
Increase of share capital	49,116	-	-	-	(49,116)	-	-	-	-	-	-	-
Transfer to general reserve for losses of assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to other reserves	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	(5,083)	-	-	577	-	5	(4,501)	-	(4,501)
Net loss	-	-	-	-	-	-	-	-	(76,054)	(76,054)	-	(76,054)
As of 31 December 2009	245,824	76,500	136,647	(5,193)	-	-	(313)	16,046	(58,340)	411,171	-	411,171
Transfer to other reserves	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to legal reserve	-	-	-	-	-	-	-	193	(193)	-	-	-
Transfer to retained earnings	-	-	(74,997)	-	-	-	-	-	74,997	-	-	-
Increase of share capital (Note 9)	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	712	-	-	119	-	(7)	824	-	824
Net profit	-	-	-	-	-	-	-	-	1,533	1,533	-	1,533
As of 31 March 2010	245,824	76,500	61,650	(4,481)	-	-	(194)	16,239	17,990	413,528	-	413,528

(Concluded)

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

AB ŪKIO BANKAS

CONDENSED INTERIM CASH FLOW STATEMENTS FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010

(All amounts in LTL thousands unless otherwise stated)

	The Group 2010-01-01 – 2010-03-31	The Group 2009-01-01 – 2009-03-31	The Bank 2010-01-01 – 2010-03-31	The Bank 2009-01-01 – 2009-03-31
Cash flows from (to) operating activities				
Net profit (loss) for the year	1,533	5,533	571	4,018
Adjustments to net profit:				
Income tax (benefit) expense recognized in profit or loss	781	165	412	(104)
Gain on disposal of subsidiaries	-	-	-	-
Excess of the fair value of net assets acquired in subsidiary over the cost of acquisition	-	-	-	-
Decrease in fair value of investment property	-	-	-	-
Impairment charge for credit losses	4,406	13,128	910	9,489
Interest income	(50,148)	(80,946)	(42,407)	(79,812)
Interest expense	51,601	53,490	51,650	60,461
Dividends income				
Depreciation and amortization	2,427	1,826	1,576	1,649
(Profit) loss from sales of property, plant and equipment	(4,354)	(367)	(4,880)	(367)
Cash from (to) operating profits before changes in operating assets and liabilities	6,246	(7,140)	7,832	(4,666)
Changes in operating assets and liabilities				
Net change in balances with Central Bank	(23,395)	(9,276)	(23,395)	(9,276)
Net change in loans to banks and other credit institutions	1,843	(289)	(14)	188
Net change in financial assets at fair value through profit or loss	(3,370)	4,507	638	4,034
Net change in loans and finance lease	(23,675)	54,460	109,124	522,985
Net change in other assets	(3,682)	(26,198)	(4,300)	(12,625)
Net change in due to banks and other credit institutions	107,533	(9,843)	116,484	(3,644)
Net change in financial liabilities at fair value through profit or loss	109	1,222	109	1,163
Net change in due to customers	286,299	(21,551)	285,365	(320,973)
Net change in other liabilities	7,724	(4,820)	(2,801)	(7,153)
Cash generated from (used in) operations	355,632	(18,928)	489,042	170,033
Interest received	6,389	39,808	5,510	45,501
Interest paid	(3,061)	(13,209)	(2,972)	(20,238)
Income tax paid	(50)	(720)	-	(500)
Net cash generated from / (used in) operating activities	358,910	6,951	491,580	194,796

(Continued)

AB ŪKIO BANKAS

CONDENSED INTERIM CASH FLOW STATEMENTS FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010

(All amounts in LTL thousands unless otherwise stated)

	The Group 2010-01-01 – 2010-03-31	The Group 2009-01-01 – 2009-03-31	The Bank 2010-01-01 – 2010-03-31	The Bank 2009-01-01 – 2009-03-31
Cash flows from (to) investing activities				
Dividends received	-	-	-	-
Proceeds on sale of subsidiaries	-	-	-	-
Net change in investment securities	(213,627)	23,878	(348,255)	(166,317)
Acquisition of property, plant and equipment and investment property	(271)	(1,521)	(261)	(811)
Sales of property plant and equipment	14,416	592	14,920	606
Acquisition of intangible assets	(239)	(800)	(217)	(775)
Sale of intangible assets	-	952	-	952
Net cash generated from / (used in) investing activities	(199,721)	23,101	(333,813)	(166,345)
Cash flows from (to) financing activities				
Dividends paid	-	-	-	-
Debt securities issued	8,742	3,501	8,742	4,598
Debt securities redeemed	(4,474)	(4,968)	(4,474)	(4,923)
Subordinated loans received	-	-	-	-
Subordinated loans repaid	(3,608)	-	(3,608)	-
Net cash generated from financing activities	660	(1,467)	660	(325)
Net (decrease) increase in cash and cash equivalents	159,849	28,585	158,427	28,128
Effect of exchange rate changes on cash and cash equivalents	-	14	-	-
Cash and cash equivalents at the beginning of the year	989,006	161,081	987,967	160,692
Cash and cash equivalents at the end of the year	1,148,855	189,680	1,146,394	188,818

(Concluded)

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

AB ŪKIO BANKAS

EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010

(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 the Bank of Lithuania for conducting all financial services specified by Law on Banks and providing other services allowed under Law on Financial Institutions.

The Bank has 12 branches and 48 client service departments in Lithuania and 2 representative offices in foreign countries (Ukraine and Kazakhstan). In addition, the Bank controls, directly or indirectly, 6 subsidiaries: UAB Ūkio Banko Lizingas, UAB Ūkio Banko Investicijų Valdymas, GD UAB Bonum Publicum, UAB Ūkio Banko Rizikos Kapitalo Valdymas and UAB Investicinio Turto Valdymas. UAB Ūkio Banko Rizikos Kapitalo Valdymas owns RAB Ūkio Bank Lizing (Ukraine).

As of 31 March 2010 the Group and the Bank employed 798 and 698 employees respectively (as of 31 December 2009: 806 and 700).

AB Ūkio Bankas ordinary registered shares have been traded on the Vilnius Stock Exchange since June 1998. The trade in AB Ūkio Bankas shares on the Official List was started on 13 July 2006. AB Ūkio Bankas is the first financial sector company having its shares quoted on the Official List of the Stock Exchange.

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

	<u>2010.03.31</u>	<u>2009.12.31</u>
Vladimir Romanov	32.95%	32.95%
UAB Universal Business Investment Group Management	9.99%	9.99%
Zinaida Romanova	8.73%	8.73%
UAB First Partneriai	7.76%	6.84%

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 their financial statements as at and for the year ended 31 December 2009, which were prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the EU and International Financial Reporting Standards ("IFRS"), respectively. IFRSs as adopted by the EU do not currently differ from IFRS as issued by the International Accounting Standards Board (IASB) and currently effective for the purpose of these financial statements, except for certain hedge accounting requirements under IAS 39, which have not been adopted by the EU. The Group and the Bank has determined that the unendorsed hedge accounting requirements under IAS 39 would not impact the Bank's and the consolidated financial statements had they been endorsed by the EU at the balance sheet date.

The condensed interim financial statements for the Group and the Bank have been prepared in accordance with IAS 34, *Interim Financial Reporting*, as adopted by the EU and IAS 34, *Interim Financial Reporting*, respectively. Condensed interim financial statements such as these do not include information as extensive as annual financial statements compiled in accordance with IFRSs as adopted by the EU or IFRS and should be read in conjunction with the Group's and the Bank's annual financial statements for the year ended 31 December 2009.

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

EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010

(All amounts in LTL thousands unless otherwise stated)

NOTE 4 LOANS AND FINANCE LEASE RECEIVABLE

The Group			The Bank	
2010.03.31	2009.12.31		2010.03.31	2009.12.31
		Loans and finance lease receivable		
		Loans to small and medium size enterprises (SMEs)	1,182,897	1,152,249
1,131,385	1,111,862	Loans to other enterprises	945,256	854,116
934,389	851,844	Loans to individuals	195,016	211,471
323,222	334,665	Loans to financial institutions	48,793	230,545
3,775	185,950	Finance lease receivable	-	-
300,767	141,301			
2,693,538	2,625,622	Total loans and finance lease receivable	2,371,962	2,448,381
		Provisions for impairment loss of loans and finance lease receivable (note 14 (f))	(177,828)	(176,560)
(210,577)	(205,118)	<i>Provisions for impairment loss of loans receivable</i>	(177,828)	(176,560)
(199,001)	(193,492)	<i>Provisions for impairment loss of finance lease receivables</i>	-	-
(11,576)	(11,626)			
2,482,961	2,420,504	Total loans and finance lease receivable from customers, net of provisions	2,194,134	2,271,821

NOTE 5 INVESTMENT SECURITIES

The Group			The Bank	
2010.03.31	2009.12.31		2010.03.31	2009.12.31
		Equity investment securities available-for-sale		
22	11,504	Equity securities of entities available-for-sale	-	11,487
887	10,832	Equity securities of banks and financial institutions available-for-sale	490	10,445
909	22,336	Total equity investment securities available-for-sale	490	21,932
		Debt investment securities available-for-sale		
7,342	6,446	Debt investment securities of entities available-for-sale	7,342	6,446
11,718	14,557	Debt investment securities of banks and financial institutions available-for-sale	11,718	14,557
19,060	21,003	Total debt investment securities available-for-sale	19,060	21,003
19,969	43,339	Total investment securities available-for-sale	19,550	42,935
		Total investment securities available-for-sale		
84,009	86,591	Investment securities held to maturity	441,032	337,340
111,916	145,172	Debt securities of entities held to maturity	309,907	36,302
310,329	36,733	Debt securities of banks and financial institutions held to maturity		
506,254	268,496		834,948	460,233

As of 31 March 2010 investment securities held to maturity with carrying amount 239,985 were pledged under repurchase agreements (as of 31 December 2009: LTL'000 121,935).

AB ŪKIO BANKAS

EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010 (All amounts in LTL thousands unless otherwise stated)

NOTE 6 INVESTMENTS IN SUBSIDIARIES

The Group			The Bank	
2010.03.31	2009.12.31		2010.03.31	2009.12.31
		Investments in subsidiaries		
-	-	GD UAB Bonum Publicum	36,321	36,321
-	-	UAB Ūkio Banko Investicijų Valdymas	2,000	2,000
-	-	UAB Ūkio Banko Lizingas	1,000	1,000
-	-	UAB Ūkio Banko Rizikos Kapitalo Valdymas	19,924	19,924
-	-	UAB Investicinio Turto Valdymas	98,391	98,391
-	-	Total investments in subsidiaries	157,636	157,636

NOTE 7 OTHER ASSETS

The Group			The Bank	
2010.03.31	2009.12.31		2010.03.31	2009.12.31
		Other assets		
26,297	26,084	Prepayments	25,158	24,818
15,799	16,810	Deferred expenses	12,554	13,239
1,026	1,566	Accounts receivable	1,441	2,268
3,731	3,898	Income tax paid in advance	2,000	2,000
78,286	77,250	Foreclosed assets	63,096	61,172
309	147	Transit accounts	223	23
381	352	Receivables on securities transactions	381	352
5,811	5,402	Other receivables	4,270	3,775
131,640	131,509	Total other assets	109,123	107,647
(366)	(504)	Provisions for impairment loss of other assets (Note 14 (f))	(363)	(501)
131,274	131,005	Total other assets, net of provisions	108,760	107,146

NOTE 8 DUE TO CUSTOMERS

The Group			The Bank	
2010.03.31	2009.12.31		2010.03.31	2009.12.31
		Due to customers		
705,505	649,248	Current and demand deposits	705,847	649,692
2,930,895	2,662,221	Term deposits, letters of credit	2,938,528	2,670,597
44,644	42,592	Loans	44,644	42,592
3,681,044	3,354,061	Total due to customers	3,689,019	3,362,881
		Current and demand deposits		
		Companies	424,576	434,348
		Individuals	181,511	170,575
		Financial institutions	99,760	44,769
705,505	649,248		705,847	649,692
		Term deposits, letters of credit		
		Companies	598,109	482,857
		Individuals	2,223,398	2,080,431
		Financial institutions	76,316	66,023
2,890,237	2,621,071		2,897,823	2,629,311
		Loans		
		Government institutions	8,000	8,000
		Financial institutions	36,300	34,040
		Private companies	-	-
44,300	42,040		44,300	42,040
41,002	41,702	Accrued interest	41,049	41,838
3,681,044	3,354,061	Total due to customers	3,689,019	3,362,881

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(All amounts in LTL thousands unless otherwise stated)

NOTE 9 SHARE CAPITAL AND RESERVES

The authorized capital of the Bank as of 31 March 2010 was LTL'000 245,824 (31 December 2009: LTL'000 245,824) and consisted of 245,824,000 ordinary shares with par value of LTL 1 each. All shares are fully paid.

The ordinary General Shareholders' Meeting of AB Ūkio bankas on 26 March 2010 adopted resolution to increase AB Ūkio bankas authorized capital from additional contributions to LTL'000 295,824 issuing new LTL'000 50,000 issue of 50 million ordinary registered shares of 1 LTL nominal value. AB Ūkio bankas authorized capital will be increased from additional contributions converting subordinated loan, received from Vladimir Romanov, to a new issue of ordinary registered shares. The price of the shares of the new issue – 1 LTL for one share.

Other reserves are formed from shareholder's additional contributions or deductions from the profit of the Bank. The purpose of Other reserves is to guarantee the financial stability of the Bank. Other reserves following the decision of the ordinary General Shareholders' Meeting of AB Ūkio bankas can be used to cover the losses and for the purpose discussed in Part 6 of Article 41 of Law on the Banks of the Republic of Lithuania. The ordinary general shareholders' meeting of AB Ūkio bankas on 26 March 2010 adopted resolution to transfer LTL'000 74,997 from other reserves to retained earnings. As of 31 March 2010 Other reserves amounted to LTL'000 61,650 (31 December 2009: LTL'000 136,647).

NOTE 10 INTEREST INCOME AND EXPENSE

The Group			The Bank	
2010-01-01 – 2010-03-31	2009-01-01 – 2009-03-31		2010-01-01 – 2010-03-31	2009-01-01 – 2009-03-31
		Interest income		
		on loans and other receivables (including finance leases)	34,992	73,064
44,858	74,082	on investment securities held to maturity	6,818	5,725
4,541	5,775	on investment securities available-for-sale	399	566
399	566	on trading debt securities	35	110
187	176	on balances with central bank	163	347
163	347			
50,148	80,946	Total interest income	42,407	79,812

The Group			The Bank	
2010-01-01 – 2010-03-31	2009-01-01 – 2009-03-31		2010-01-01 – 2010-03-31	2009-01-01 – 2009-03-31
		Interest expense		
		on due to customers	40,905	51,297
40,761	44,201	on due to banks and other credit institutions	3,202	2,938
3,297	3,109	on subordinated loans	3,408	2,023
3,408	2,023	on debt securities issued	360	504
360	458	deposit insurance expenses	3,775	3,699
3,775	3,699			
51,601	53,490	Total interest expense	51,650	60,461

In the three month period ended 31 March 2010 the Group's/Bank's total interest income includes income accrued on impaired financial assets in the amount of LTL'000 10,422 and LTL'000 8,980 respectively (three month period ended 31 March 2009: LTL'000 7,498 and LTL'000 6,147).

AB ŪKIO BANKAS

EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010 (All amounts in LTL thousands unless otherwise stated)

NOTE 11 FEES AND COMMISSION INCOME AND EXPENSE

The Group			The Bank	
2010-01-01 – 2010-03-31	2009-01-01 – 2009-03-31		2010-01-01 – 2010-03-31	2009-01-01 – 2009-03-31
Fees and commission income				
8,059	9,865	for money transfer operations	8,083	9,900
738	1,395	for credit services	738	1,647
845	1,266	for bank accounts' services	845	1,266
2,083	2,302	for payment card services	844	849
433	830	for collection of taxes	441	983
500	968	for EUR currency exchange	500	968
1,306	1,008	other	1,160	906
13,964	17,634	Total fees and commission income	12,611	16,519

The Group			The Bank	
2010-01-01 – 2010-03-31	2009-01-01 – 2009-03-31		2010-01-01 – 2010-03-31	2009-01-01 – 2009-03-31
Fees and commission expenses				
795	1,312	for money transfer operations	707	1,174
1,410	836	for payment card services	1,406	836
296	579	other	280	574
2,501	2,727	Total fees and commission expenses	2,393	2,584

NOTE 12 OPERATING EXPENSES

The Group			The Bank	
2010-01-01 – 2010-03-31	2009-01-01 – 2009-03-31		2010-01-01 – 2010-03-31	2009-01-01 – 2009-03-31
Operating expenses				
11,524	9,724	Salary and related expenses	9,070	7,576
3,901	4,852	Marketing and charity expenses	3,309	2,989
5,766	4,892	Rent of premises and household expenses	5,024	4,604
1,739	2,659	Taxes (other than income tax)	1,615	2,034
2,427	1,826	Depreciation and amortization	1,576	1,649
		Transport, post and communication service expenses	649	726
931	1,010			
867	888	IT expenses	857	863
420	396	Training and business trip expenses	115	205
2,561	4,272	Other expenses	2,092	3,878
30,136	30,519	Total operating expenses	24,307	24,524

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EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010

(All amounts in LTL thousands unless otherwise stated)

NOTE 13 EARNINGS PER SHARE

The Group			The Bank	
2010-01-01 – 2010-03-31	2009-01-01 – 2009-03-31		2010-01-01 – 2010-03-31	2009-01-01 – 2009-03-31
Basic earnings per share calculation				
2,523	5,533	Profit attributable to equity holders of the Parent <i>from continuing operations</i>	571	4,018
(820)	-	<i>from discontinued operations</i>	-	-
1,533	5,533	Total profit attributable to equity holders of the Parent	571	4,018
245,824	196,708	Weighted average number of ordinary shares in issue (thousands units)	245,824	196,708
0.01	0.03	Basic earnings per share from continuing operations (in LTL)	0.00	0.02
(0.00)	-	Basic earnings per share from discontinued operations (in LTL)	-	-
0.01	0.03	Basic earnings per share (in LTL)	0.00	0.02

The Group			The Bank	
2010-01-01 – 2010-03-31	2009-01-01 – 2009-03-31		2010-01-01 – 2010-03-31	2009-01-01 – 2009-03-31
Diluted earnings per share calculation				
1,533	5,533	Profit attributable to equity holders of the Parent	571	4,018
-	43	Interest expense on subordinated loans (net of tax)	-	43
1,533	5,576	Net profit used to determine diluted earnings per share	571	4,061
2,523	5,576	<i>from continuing operations</i>	571	4,061
(820)	-	<i>from discontinued operations</i>	-	-
245,824	196,708	Weighted average number of ordinary shares in issue (thousands units)	245,824	196,708
-	9,298	Adjustment for assumed conversion of subordinated loans (thousands units)	-	9,298
245,824	206,006		245,824	206,006
0.01	0.03	Diluted earnings per share from continuing operations (in LTL)	0.00	0.02
(0.00)	-	Diluted earnings per share from discontinued operations (in LTL)	-	-
0.01	0.03	Diluted earnings per share (in LTL)	0.00	0.02

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EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010

(All amounts in LTL thousands unless otherwise stated)

NOTE 14 CREDIT RISK

a) Maximum exposure to credit risk without taking account of any collateral and other credit enhancements

The Group			The Bank	
2010.03.31	2009.12.31		2010.03.31	2009.12.31
Assets				
248,362	338,070	Funds with central banks	248,362	338,070
981,268	677,968	Loans and advances to banks and other credit institutions	974,054	670,326
46,359	42,989	Financial assets at fair value through profit or loss	10,650	11,102
2,482,961	2,420,504	Loans and finance lease receivable:	2,194,134	2,271,821
1,247,940	1,057,130	<i>loans to and finance lease receivable from SMEs</i>	1,057,520	1,032,745
916,059	826,120	<i>loans to and finance lease receivable from other enterprises</i>	920,148	820,689
3,775	185,950	<i>loans to and finance lease receivable from financial institutions</i>	48,793	230,545
315,187	351,304	<i>loans to and finance lease receivable from individuals</i>	167,673	187,842
526,223	311,835	Investment securities:	854,498	503,168
19,969	43,339	<i>available-for-sale</i>	19,550	42,935
506,254	268,496	<i>held to maturity</i>	834,948	460,233
70,390	83,154	Other assets	58,986	59,295
4,355,563	3,874,520	Total	4,340,684	3,853,782
Contingent liabilities and commitments				
56,619	47,702	Guarantees and warranties	56,619	47,702
444	4,015	Commitments to issue letters of credit	444	4,015
98,254	118,587	Irrevocable lending commitments	47,638	63,454
155,317	170,304	Total	104,701	115,171
4,510,880	4,044,824	Total credit risk exposure	4,445,385	3,968,953

b) Risk concentrations of the maximum exposure to credit risk

Concentration of risk is managed by client/counterparty, by industry sector and by geographical region.

The maximum Group's credit exposure to any client or counterparty as of 31 March 2010 was LTL 124 million or 23% of the capital base (31 December 2009: LTL 122 million, or 23% of the capital base) before taking into account of collateral or other credit enhancements.

As of 31 March 2010 and during the year the Group and the Bank 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 the customer's related parties may not exceed 25% of the Group's and the Bank's capital (Note 17).

As of 31 March 2010 and during the year the Group and the Bank complied with the large loans requirement established by the Bank of Lithuania, according to which the total amounts of loans granted to one customers and the customer's related parties that exceed 10% of the Group's and the Bank's capital may not exceed 800% of the Group's and the Bank's capital (Note 17).

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EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010 (All amounts in LTL thousands unless otherwise stated)

An industry sector analysis of the Group's and the Bank's financial assets before taking into account any collateral held or other credit enhancements is as follows:

The Group as of 31 March 2010:

	Telecom- munication services	Financials	Industrials	Informa- tion Techno- logy	Materials	Energy	Consumer Staples	Consumer Discre- tionary	Health Care	Utilities	Govern- ment	Other	Total
Assets													
Cash and balances with central bank	-	-	-	-	-	-	-	-	-	-	248,362	-	248,362
Loans and advances to banks and other credit institutions	-	981,268	-	-	-	-	-	-	-	-	-	-	981,268
Financial assets at fair value through profit or loss	-	35,502	253	-	264	-	-	-	-	-	10,340	-	46,359
Loans and finance lease receivable	-	1,382,495	181,794	-	28,259	16,989	98,420	461,730	6,390	8,646	12,667	285,571	2,482,961
Investment securities:													
<i>available-for-sale</i>	-	18,836	-	-	22	-	-	-	-	-	1,111	-	19,969
<i>held-to-maturity</i>	26,943	103,590	7,938	-	11,132	9,925	1,953	5,625	1,746	12,224	325,178	-	506,254
Other assets	-	-	-	-	-	-	-	-	-	-	-	70,390	70,390
Total	26,943	2,521,691	189,985	-	39,677	26,914	100,373	467,355	8,136	20,870	597,658	355,961	4,355,563

As of 31 March 2010, the Group's loans to real estate and construction sectors amounted to LTL'000 1,135,254. In accordance with Global Industry Classification Standard (GICS) loans to real estate and construction sector are included in to industry sector "Financials" and "Consumer Discretionary", respectively in the above presented table.

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EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010 (All amounts in LTL thousands unless otherwise stated)

The Group as of 31 December 2009:

	Telecom- munication services	Financials	Industrials	Informa- tion Techno- logy	Materials	Energy	Consumer Staples	Consumer Discre- tionary	Health Care	Utilities	Govern- ment	Other	Total
Assets													
Cash and balances with central bank	-	-	-	-	-	-	-	-	-	-	338,070	-	338,070
Loans and advances to banks and other credit institutions	-	677,968	-	-	-	-	-	-	-	-	-	-	677,968
Financial assets at fair value through profit or loss	-	33,372	224	-	188	-	-	-	-	-	9,205	-	42,989
Loans and finance lease receivable	841	1,307,219	187,204	254	31,148	15,046	98,607	443,098	6,402	9,233	13,030	308,422	2,420,504
Investment securities: <i>available-for-sale</i>	-	42,250	-	-	17	-	-	-	-	-	1,072	-	43,339
<i>held-to-maturity</i>	27,397	135,211	7,859	-	10,608	11,030	2,004	7,707	1,722	11,769	53,189	-	268,496
Other assets	-	-	-	-	-	-	-	-	-	-	-	83,154	83,154
Total	28,238	2,196,020	195,287	254	41,961	26,076	100,611	450,805	8,124	21,002	414,566	391,576	3,874,520

As of 31 December 2009, the Group's loans to real estate and construction sectors amounted to LTL'000 1,177,897. In accordance with Global Industry Classification Standard (GICS) loans to real estate and construction sector are included in to industry sector "Financials" and "Consumer Discretionary", respectively in the above presented table.

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EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010 (All amounts in LTL thousands unless otherwise stated)

The Bank as of 31 March 2010:

	Telecom- munication services	Financials	Industrials	Informa- tion Technology	Materials	Energy	Consumer Staples	Consumer Discretio- nary	Health Care	Utilities	Govern- ment	Other	Total
Assets													
Cash and balances with central bank	-	-	-	-	-	-	-	-	-	-	248,362	-	248,362
Loans and advances to banks and other credit institutions	-	974,054	-	-	-	-	-	-	-	-	-	-	974,054
Financial assets at fair value through profit or loss	-	10,386	-	-	264	-	-	-	-	-	-	-	10,650
Loans and finance lease receivable	-	1,304,574	161,696	-	24,855	16,989	93,530	430,095	6,360	8,646	12,605	134,784	2,194,134
Investment securities:													
<i>available-for-sale</i>	-	18,439	-	-	-	-	-	-	-	-	1,111	-	19,550
<i>held-to-maturity</i>	26,943	432,706	7,938	-	11,132	9,925	1,953	5,625	1,746	12,224	324,756	-	834,948
Other assets	-	-	-	-	-	-	-	-	-	-	-	58,986	58,986
Total	26,943	2,740,159	169,634	-	36,251	26,914	95,483	435,720	8,106	20,870	586,834	193,770	4,340,684

As of 31 March 2010, the Bank's loans to real estate and construction sectors amounted to LTL'000 997,568. In accordance with Global Industry Classification Standard (GICS) loans to real estate and construction sector are included in to industry sector „Financials“ and „Consumer Discretionary“ respectively in the above presented table.

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EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010 (All amounts in LTL thousands unless otherwise stated)

The Bank as of 31 December 2009:

	Telecom- munication services	Financials	Industrials	Informa- tion Technology	Materials	Energy	Consumer Staples	Consumer Discretio- nary	Health Care	Utilities	Govern- ment	Other	Total
Assets													
Cash and balances with central bank	-	-	-	-	-	-	-	-	-	-	338,070	-	338,070
Loans and advances to banks and other credit institutions	-	670,326	-	-	-	-	-	-	-	-	-	-	670,326
Financial assets at fair value through profit or loss	-	10,914	-	-	188	-	-	-	-	-	-	-	11,102
Loans and finance lease receivable	-	1,396,784	154,515	-	24,888	14,577	92,375	415,394	6,370	8,928	13,030	144,960	2,271,821
Investment securities:													
<i>available-for-sale</i>	-	41,863	-	-	-	-	-	-	-	-	1,072	-	42,935
<i>held-to-maturity</i>	27,397	327,379	7,859	-	10,608	11,030	2,004	7,707	1,722	11,769	52,758	-	460,233
Other assets	-	-	-	-	-	-	-	-	-	-	-	59,295	59,295
Total	27,397	2,447,266	162,374	-	35,684	25,607	94,379	423,101	8,092	20,697	404,930	204,255	3,853,782

As of 31 December 2009, the Bank's loans to real estate and construction sectors amounted to LTL'000 1,209,226. In accordance with Global Industry Classification Standard (GICS) loans to real estate and construction sector are included in to industry sector „Financials“ and „Consumer Discretionary“ respectively in the above presented table.

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EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010

(All amounts in LTL thousands unless otherwise stated)

The analysis of the Group's and the Bank's financial assets before taking into account any collateral held or other credit enhancements by geographical region is as follows:

As of 31 March 2010:

	The Group			The Bank		
	Higher rated countries	Lower rated countries	Total	Higher rated countries	Lower rated countries	Total
Assets						
Funds with central banks	248,362	-	248,362	248,362	-	248,362
Loans and advances to banks and other credit institutions	944,923	36,345	981,268	937,793	36,261	974,054
Financial assets at fair value through profit or loss	45,930	428	46,359	10,359	291	10,650
Loans and finance lease receivable	2,217,035	265,926	2,482,961	1,909,917	284,217	2,194,134
Investment securities:	451,560	74,663	526,223	780,223	74,275	854,498
<i>available-for-sale</i>	17,538	2,431	19,968	17,119	2,431	19,550
<i>held-to-maturity</i>	434,022	72,232	506,255	763,104	71,844	834,948
Other assets	69,431	959	70,390	58,980	6	58,986
Total	3,977,242	378,321	4,355,563	3,945,634	395,050	4,340,684

As of 31 December 2009:

	The Group			The Bank		
	Higher rated countries	Lower rated countries	Total	Higher rated countries	Lower rated countries	Total
Assets						
Funds with central banks	338,070	-	338,070	338,070	-	338,070
Loans and advances to banks and other credit institutions	660,292	17,676	677,968	652,802	17,524	670,326
Financial assets at fair value through profit or loss	42,669	320	42,989	10,914	188	11,102
Loans and finance lease receivable	2,215,268	205,236	2,420,504	2,092,643	179,178	2,271,821
Investment securities:	226,216	85,619	311,835	417,934	85,234	503,168
<i>available-for-sale</i>	36,534	6,805	43,339	36,130	6,805	42,935
<i>held-to-maturity</i>	189,682	78,814	268,496	381,804	78,429	460,233
Other assets	76,534	6,620	83,154	59,290	5	59,295
Total	3,559,049	315,471	3,874,520	3,571,653	282,129	3,853,782

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EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010

(All amounts in LTL thousands unless otherwise stated)

Higher rated countries include countries belonging to the European Union and/or countries that have credit ratings ranging from AAA/Aaa to A-/A3, lower rated countries include countries not belonging to the European Union that have lower ratings.

As of 31 March 2010, largest single country concentrations of Group's financial assets without taking into account any collateral held or other credit enhancements were in Lithuania – 56.0%, USA - 7.1%. (as of 31 December 2009: Lithuania – 63.7%, USA – 7.7%, Germany – 4.3%).

c) Credit quality of financial assets

The credit quality of financial assets of the Group and the Bank is managed by using internal credit ratings. Exposures are rated to 5 internal risk grades. Grade 1 represents best credit quality and Grade 5 represents the worst credit quality.

For the counterparties that have external credit ratings, internal ratings are assigned based on the following principles: Grade 1 is assigned to counterparties that have a long-term credit rating of at least A-/A3; Grade 2 is assigned to counterparties that have a credit rating ranging from BBB+/Baa1 to BBB-/Baa3; Grade 3 is assigned to counterparties that have a credit rating ranging from BB+/Ba1 to B-/B3. For the banks or foreign bank branches registered in Lithuania, internal rating higher by one grade to that which would result from the before mentioned principle, is assigned.

As of 31 March 2010 the Group's financial assets by internal credit ratings were as follows.

The Group	Neither past due nor individually impaired					Past due or individually impaired	Total
	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5		
Funds with central banks	248,362	-	-	-	-	-	248,362
Loans and advances to banks and other credit institutions	684,111	243,223	53,931	3	-	-	981,268
Financial assets at fair value through profit or loss	8,870	35,203	1,622	664	-	-	46,359
Loans and finance lease receivable:	151,026	440,024	625,290	438,986	45,261	782,374	2,482,961
<i>loans to SMEs</i>	6,025	103,468	427,010	376,233	44,278	290,926	1,247,940
<i>loans to other enterprises</i>	12,913	257,947	189,581	54,435	-	401,183	916,059
<i>loans to financial institutions</i>	-	3,775	-	-	-	-	3,775
<i>loans to individuals</i>	132,088	74,834	8,699	8,318	983	90,265	315,187
Investment securities:	259,906	192,711	57,545	16,061	-	-	526,223
<i>available-for-sale</i>	6,024	911	8,149	4,885	-	-	19,969
<i>held-to-maturity</i>	253,882	191,800	49,396	11,176	-	-	506,254
Other assets	1,016	43,196	26,061	-	-	117	70,390
Total	1,353,291	954,357	764,449	455,714	45,261	782,491	4,355,563

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EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010

(All amounts in LTL thousands unless otherwise stated)

As of 31 December 2009 the Group's financial assets by internal credit ratings were as follows.

The Group	Neither past due nor individually impaired					Past due or individually impaired	Total
	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5		
Funds with central banks	338,070	-	-	-	-	-	338,070
Loans and advances to banks and other credit institutions	529,260	126,050	15,582	7,075	-	1	677,968
Financial assets at fair value through profit or loss	7,907	32,782	1,105	1,195	-	-	42,989
Loans and finance lease receivable:	177,488	452,120	667,132	272,107	6,938	844,719	2,420,504
<i>loans to SMEs</i>	4,337	76,969	396,098	207,075	5,712	366,939	1,057,130
<i>loans to other enterprises</i>	18,892	184,146	181,591	56,454	-	385,037	826,120
<i>loans to financial institutions</i>	-	105,128	80,822	-	-	-	185,950
<i>loans to individuals</i>	154,259	85,877	8,621	8,578	1,226	92,743	351,304
Investment securities:	116,113	103,171	65,480	27,071	-	-	311,835
<i>available-for-sale</i>	9,044	19,628	5,350	9,317	-	-	43,339
<i>held-to-maturity</i>	107,069	83,543	60,130	17,754	-	-	268,496
Other assets	1,050	55,101	26,995	-	-	8	83,154
Total	1,169,888	769,224	776,294	307,448	6,938	844,728	3,874,520

As of 31 March 2010 the Bank's financial assets by internal credit ratings were as follows:

The Bank	Neither past due nor individually impaired					Past due or individually impaired	Total
	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5		
Funds with central banks	248,362	-	-	-	-	-	248,362
Loans and advances to banks and other credit institutions	680,737	239,467	53,847	3	-	-	974,054
Financial assets at fair value through profit or loss	-	10,650	-	-	-	-	10,650
Loans and finance lease receivable:	34,229	428,404	703,094	323,633	13,895	690,879	2,194,134
<i>loans to SMEs</i>	3,202	94,494	452,827	261,989	12,913	232,095	1,057,520
<i>loans to other enterprises</i>	12,913	255,692	198,930	54,435	-	398,178	920,148
<i>loans to financial institutions</i>	-	3,775	42,676	-	-	2,342	48,793
<i>loans to individuals</i>	18,114	74,443	8,661	7,209	982	58,264	167,673
Investment securities:	259,629	525,861	53,342	15,666	-	-	854,498
<i>available-for-sale</i>	6,024	492	8,149	4,885	-	-	19,550
<i>held-to-maturity</i>	253,605	525,369	45,193	10,781	-	-	834,948
Other assets	1,016	31,792	26,061	-	-	117	58,986
Total	1,223,973	1,236,174	836,344	339,302	13,895	690,996	4,340,684

AB ŪKIO BANKAS

EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010

(All amounts in LTL thousands unless otherwise stated)

As of 31 December 2009 the Bank's financial assets by internal credit ratings were as follows:

The Bank	Neither past due nor individually impaired					Past due or individually impaired	Total
	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5		
Funds with central banks	338,070	-	-	-	-	-	338,070
Loans and advances to banks and other credit institutions	525,308	122,360	15,582	7,075	-	1	670,326
Financial assets at fair value through profit or loss	-	10,522	-	580	-	-	11,102
Loans and finance lease receivable:	44,389	437,724	700,579	321,667	5,168	762,294	2,271,821
<i>loans to SMEs</i>	1,184	65,376	384,726	257,735	3,942	319,782	1,032,745
<i>loans to other enterprises</i>	18,892	181,473	181,815	56,454	-	382,055	820,689
<i>loans to financial institutions</i>	-	105,128	125,417	-	-	-	230,545
<i>loans to individuals</i>	24,313	85,747	8,621	7,478	1,226	60,457	187,842
Investment securities:	115,961	295,154	65,371	26,682	-	-	503,168
<i>available-for-sale</i>	9,044	19,224	5,350	9,317	-	-	42,935
<i>held-to-maturity</i>	106,917	275,930	60,021	17,365	-	-	460,233
Other assets	1,050	31,242	26,995	-	-	8	59,295
Total	1,024,778	897,002	808,527	356,004	5,168	762,303	3,853,782

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EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010 (All amounts in LTL thousands unless otherwise stated)

d) Aging analysis of financial assets

As of 31 March 2010 the Group's financial assets by aging intervals were:

	Neither past due nor individually impaired	Past due but not individually impaired					Individually impaired						TOTAL	
		<= 30 days	31-60 days	61 days – 1 year	Over 1 year	Total	not past due	<=30 days	31-60 days	61 days – 1 year	Over 1 year	Total		
Funds with central banks	248,362	-	-	-	-	-	-	-	-	-	-	-	-	248,362
Loans and advances to banks and other credit institutions	981,268	-	-	-	-	-	-	-	-	-	-	-	-	981,268
Financial assets at fair value through profit or loss	46,359	-	-	-	-	-	-	-	-	-	-	-	-	46,359
Loans and finance lease receivable	1,700,587	63,751	18,108	63,306	38,643	183,808	391,545	3,058	19,158	120,863	63,942	598,566	2,482,961	
<i>loans to SMEs</i>	957,014	43,145	13,854	43,041	16,366	116,406	15,935	2,030	7,987	91,265	57,303	174,520	1,247,940	
<i>loans to other enterprises</i>	514,876	4,513	1,110	8,809	9,897	24,329	371,262	743	-	4,658	191	376,854	916,059	
<i>loans to financial institutions</i>	3,775	-	-	-	-	-	-	-	-	-	-	-	3,775	
<i>loans to individuals</i>	224,922	16,093	3,144	11,456	12,380	43,073	4,348	285	11,171	24,940	6,448	47,192	315,187	
Investment securities:	526,223	-	-	-	-	-	-	-	-	-	-	-	526,223	
<i>available-for-sale</i>	19,969	-	-	-	-	-	-	-	-	-	-	-	19,969	
<i>held-to-maturity</i>	506,254	-	-	-	-	-	-	-	-	-	-	-	506,254	
Other assets	70,273	8	104	-	-	112	-	-	1	4	-	5	70,390	
Total	3,573,072	63,759	18,212	63,306	38,643	183,920	391,545	3,058	19,159	120,867	63,942	598,571	4,355,563	

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EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010 (All amounts in LTL thousands unless otherwise stated)

As of 31 December 2009 the Group's financial assets by aging intervals were:

	Neither past due nor individually impaired	Past due but not individually impaired					Individually impaired					TOTAL	
		<= 30 days	31-60 days	61 days – 1 year	Over 1 year	Total	not past due	<=30 days	31-60 days	61 days – 1 year	Over 1 year		Total
Funds with central banks	338,070	-	-	-	-	-	-	-	-	-	-	-	338,070
Loans and advances to banks and other credit institutions	677,967	-	-	-	-	-	1	-	-	-	-	1	677,968
Financial assets at fair value through profit or loss	42,989	-	-	-	-	-	-	-	-	-	-	-	42,989
Loans and finance lease receivable	1,575,785	33,519	10,315	64,008	22,572	130,414	509,650	1,487	9,829	157,250	36,089	714,305	2,420,504
<i>loans to SMEs</i>	690,191	15,667	5,592	42,111	11,702	75,072	139,069	324	635	120,368	31,471	291,867	1,057,130
<i>loans to other enterprises</i>	441,084	3,319	93	1,083	42	4,537	367,332	452	585	12,130	-	380,499	826,120
<i>loans to financial institutions</i>	185,950	-	-	-	-	-	-	-	-	-	-	-	185,950
<i>loans to individuals</i>	258,560	14,533	4,630	20,814	10,828	50,805	3,249	711	8,609	24,752	4,618	41,939	351,304
Investment securities:	311,835	-	-	-	-	-	-	-	-	-	-	-	311,835
<i>available-for-sale</i>	43,339	-	-	-	-	-	-	-	-	-	-	-	43,339
<i>held-to-maturity</i>	268,496	-	-	-	-	-	-	-	-	-	-	-	268,496
Other assets	83,146	-	-	-	-	-	-	-	-	8	-	8	83,154
Total	3,029,792	33,519	10,315	64,008	22,572	130,414	509,651	1,487	9,829	157,258	36,089	714,314	3,874,520

AB ŪKIO BANKAS

EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010 (All amounts in LTL thousands unless otherwise stated)

As of 31 March 2010 the Bank's financial assets by aging intervals were:

	Neither past due nor individually impaired	Past due but not individually impaired					Individually impaired					TOTAL	
		<= 30 days	31-60 days	61 days – 1 year	Over 1 year	Total	Not past due	<=30 days	31-60 days	61 days – 1 year	Over 1 year		Total
Funds with central banks	248,362	-	-	-	-	-	-	-	-	-	-	-	248,362
Loans and advances to banks and other credit institutions	974,054	-	-	-	-	-	-	-	-	-	-	-	974,054
Financial assets at fair value through profit or loss	10,650	-	-	-	-	-	-	-	-	-	-	-	10,650
Loans and finance lease receivable	1,503,255	25,094	13,151	50,419	38,054	126,718	391,094	1,264	7,246	102,519	62,038	564,161	2,194,134
<i>loans to SMEs</i>	825,425	12,015	9,960	33,419	16,307	71,701	15,937	344	5,796	81,131	57,186	160,394	1,057,520
<i>loans to other enterprises</i>	521,970	4,142	-	8,393	9,897	22,432	371,262	743	-	3,550	191	375,746	920,148
<i>loans to financial institutions</i>	46,451	-	2,342	-	-	2,342	-	-	-	-	-	-	48,793
<i>loans to individuals</i>	109,409	8,937	849	8,607	11,850	30,243	3,895	177	1,450	17,838	4,661	28,021	167,673
Investment securities:	854,498	-	-	-	-	-	-	-	-	-	-	-	854,498
<i>available-for-sale</i>	19,550	-	-	-	-	-	-	-	-	-	-	-	19,550
<i>held-to-maturity</i>	834,948	-	-	-	-	-	-	-	-	-	-	-	834,948
Other assets	58,869	8	104	-	-	112	-	-	1	4	-	5	58,986
Total	3,649,688	25,102	13,255	50,419	38,054	126,830	391,094	1,264	7,247	102,523	62,038	564,166	4,340,684

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EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010 (All amounts in LTL thousands unless otherwise stated)

As of 31 December 2009 the Bank's financial assets by aging intervals were:

	Neither past due nor individually impaired	Past due but not individually impaired				Total	Individually impaired					Total	TOTAL
		<= 30 days	31-60 days	61 days – 1 year	Over 1 year		Not past due	<=30 days	31-60 days	61 days – 1 year	Over 1 year		
Funds with central banks	338,070	-	-	-	-	-	-	-	-	-	-	-	338,070
Loans and advances to banks and other credit institutions	670,325	-	-	-	-	-	1	-	-	-	-	1	670,326
Financial assets at fair value through profit or loss	11,102	-	-	-	-	-	-	-	-	-	-	-	11,102
Loans and finance lease receivable	1,509,527	13,718	5,725	44,757	22,404	86,604	508,197	628	1,597	130,259	35,009	675,690	2,271,821
<i>loans to SMEs</i>	712,963	3,381	3,419	26,560	11,700	45,060	138,168	19	281	104,868	31,386	274,722	1,032,745
<i>loans to other enterprises</i>	438,634	3,319	-	267	42	3,628	367,332	-	-	11,095	-	378,427	820,689
<i>loans to financial institutions</i>	230,545	-	-	-	-	-	-	-	-	-	-	-	230,545
<i>loans to individuals</i>	127,385	7,018	2,306	17,930	10,662	37,916	2,697	609	1,316	14,296	3,623	22,541	187,842
Investment securities:	503,168	-	-	-	-	-	-	-	-	-	-	-	503,168
<i>available-for-sale</i>	42,935	-	-	-	-	-	-	-	-	-	-	-	42,935
<i>held-to-maturity</i>	460,233	-	-	-	-	-	-	-	-	-	-	-	460,233
Other assets	59,287	-	-	-	-	-	-	-	-	8	-	8	59,295
Total	3,091,479	13,718	5,725	44,757	22,404	86,604	508,198	628	1,597	130,267	35,009	675,699	3,853,782

AB ŪKIO BANKAS

EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010

(All amounts in LTL thousands unless otherwise stated)

e) Impairment of financial assets

As of 31 March 2010, amounts of provisions for the impairment of the assets per class of financial assets were as follows:

	The Group			The Bank		
	Value gross of provisions	Provisions for the impairment	Value net of provisions	Value gross of provisions	Provisions for the impairment	Value net of provisions
Funds with central banks	248,362	-	248,362	248,362	-	248,362
Loans and advances to banks and other credit institutions	981,269	(1)	981,268	974,055	(1)	974,054
Financial assets at fair value through profit or loss	46,359	-	46,359	10,650	-	10,650
Loans and finance lease receivable:	2,693,538	(210,577)	2,482,961	2,371,962	(177,828)	2,194,134
<i>loans to SMEs</i>	1,381,124	(133,184)	1,247,940	1,182,897	(125,377)	1,057,520
<i>loans to other enterprises</i>	942,448	(26,389)	916,059	945,256	(25,108)	920,148
<i>loans to financial institutions</i>	3,775	-	3,775	48,793	-	48,793
<i>loans to individuals</i>	366,191	(51,004)	315,187	195,016	(27,343)	167,673
Investment securities:	526,223	-	526,223	854,498	-	854,498
<i>available-for-sale</i>	19,969	-	19,969	19,550	-	19,550
<i>held-to-maturity</i>	506,254	-	506,254	834,948	-	834,948
Other assets	70,756	(366)	70,390	59,349	(363)	58,986
Total	4,566,507	(210,944)	4,355,563	4,518,876	(178,192)	4,340,684

As of 31 December 2009, amounts of provisions for the impairment of the assets per class of financial assets were as follows:

	The Group			The Bank		
	Value gross of provisions	Provisions for the impairment	Value net of provisions	Value gross of provisions	Provisions for the impairment	Value net of provisions
Funds with central banks	338,070	-	338,070	338,070	-	338,070
Loans and advances to banks and other credit institutions	677,969	(1)	677,968	670,327	(1)	670,326
Financial assets at fair value through profit or loss	42,989	-	42,989	11,102	-	11,102
Loans and finance lease receivable:	2,625,622	(205,118)	2,420,504	2,448,381	(176,560)	2,271,821
<i>loans to SMEs</i>	1,184,265	(127,135)	1,057,130	1,152,249	(119,504)	1,032,745
<i>loans to other enterprises</i>	861,040	(34,920)	826,120	854,116	(33,427)	820,689
<i>loans to financial institutions</i>	185,950	-	185,950	230,545	-	230,545
<i>loans to individuals</i>	394,367	(43,063)	351,304	211,471	(23,629)	187,842
Investment securities:	311,835	-	311,835	503,168	-	503,168
<i>available-for-sale</i>	43,339	-	43,339	42,935	-	42,935
<i>held-to-maturity</i>	268,496	-	268,496	460,233	-	460,233
Other assets	83,658	(504)	83,154	59,796	(501)	59,295
Total	4,080,143	(205,623)	3,874,520	4,030,844	(177,062)	3,853,782

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EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010 (All amounts in LTL thousands unless otherwise stated)

Movements in the provision for impairment losses on Group's financial assets for the period are as follows:

The Group	Loans and advances to banks and other credit institutions	Loans and finance lease receivable:					Other assets	Total
		Loans to financial institutions	Loans to SMEs	Loans to other enterprises	Loans to individuals	Total		
As of 1 January 2009	-	-	64,412	14,515	21,705	100,632	412	101,044
Reversal of provisions	-	-	(23,651)	(10,945)	(3,889)	(38,485)	(121)	(38,606)
Provisions written-off	-	-	-	(1)	-	(1)	(8)	(9)
Currency exchange rate effect	-	-	628	7	13	648	3	651
Provision charged	-	-	41,990	4,197	5,805	51,992	135	52,127
As of 31 March 2009	-	-	83,379	7,773	23,634	114,786	421	115,207
Reversal of provisions	(64)	-	(51,273)	(21,270)	(10,430)	(82,973)	(219)	(83,256)
Provisions written-off	(87)	-	(73)	(55)	(8,474)	(8,602)	(33)	(8,722)
Currency exchange rate effect	-	-	(1,167)	(102)	(77)	(1,346)	(3)	(1,349)
Provision charged	152	-	96,269	48,574	38,410	183,253	338	183,743
As of 31 December 2009	1	-	127,135	34,920	43,063	205,118	504	205,623
Reversal of provisions	(13)	-	(13,828)	(12,329)	(3,592)	(29,749)	(193)	(29,955)
Provisions written-off	-	-	-	-	(582)	(582)	(6)	(588)
Currency exchange rate effect	-	-	487	103	60	650	1	651
Provision charged	13	-	19,390	3,695	12,055	35,140	60	35,213
As of 31 March 2010	1	-	133,184	26,389	51,004	210,577	366	210,944

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EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010 (All amounts in LTL thousands unless otherwise stated)

Movements in the provision for impairment losses on Bank's financial assets for the period are as follows:

The Bank	Loans and advances to banks and other credit institutions	Loans and finance lease receivable:					Other assets	Total
		Loans to financial institutions	Loans to SMEs	Loans to other enterprises	Loans to individuals	Total		
As of 1 January 2009	-	5,839	57,869	13,663	9,808	87,179	412	87,591
Reversal of provisions	-	-	(23,651)	(10,945)	(3,889)	(38,485)	(121)	(38,606)
Provisions written-off	-	-	-	(1)	-	(1)	(8)	(9)
Currency exchange rate effect	-	296	597	-	4	897	3	900
Provision charged	-	-	37,748	4,188	5,910	47,846	135	47,981
As of 31 March 2009	-	6,135	72,563	6,905	11,833	97,436	421	97,857
Reversal of provisions	(64)	(6,154)	(51,273)	(21,270)	(10,430)	(89,127)	(219)	(89,410)
Provisions written-off	(87)	-	(2)	-	(8)	(10)	(33)	(130)
Currency exchange rate effect	-	19	(860)	-	(5)	(846)	(3)	(849)
Provision charged	152	-	99,076	47,792	22,239	169,107	335	169,594
As of 31 December 2009	1	-	119,504	33,427	23,629	176,560	501	177,062
Reversal of provisions	(13)	-	(13,636)	(12,011)	(3,592)	(29,239)	(193)	(29,445)
Provisions written-off	-	-	-	-	-	-	(6)	(6)
Currency exchange rate effect	-	-	207	-	3	210	1	211
Provision charged	13	-	19,302	3,692	7,303	30,297	60	30,370
As of 31 March 2010	1	-	125,377	25,108	27,343	177,828	363	178,192

Movements in the provision for off-balance sheet items for the period are as follows:

The Group		The Bank	
2010-01-01 – 2010-03-31	2009-01-01 – 2009-03-31	2010-01-01 – 2010-03-31	2009-01-01 – 2009-03-31
Provisions for off-balance sheet items:			
128	-	128	-
-	-	-	-
8	-	8	-
-	138	-	138
136	138	136	138
Balance as of 31 March		Balance as of 31 March	

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EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010 (All amounts in LTL thousands unless otherwise stated)

Impairment charge for credit losses reconciles to the income statement as follows:

The Group			The Bank	
2010-01-01- 2010-03-31	2009-01-01 - 2010-03-31		2010-01-01- 2010-03-31	2009-01-01 - 2010-03-31
35,213 (29,955)	52,127 (38,606)	Provisions charged for balance sheet items	30,370 (29,445)	47,981 (38,606)
-	138	Provisions charged for off-balance sheet items	-	138
-	-	Provisions reversed for off-balance sheet items	-	-
5,258	13,659	Provisions charged to profit or loss	925	9,513

f) Collateral and other credit enhancements

The Group as of 31 March 2010:

	Neither past due nor individually impaired			Past due but not individually impaired			Individually impaired			Total		
	Book value	Fair value of the collateral	Book value less collateral	Book value	Fair value of the collateral	Book value less collateral	Book value	Fair value of the collateral	Book value less collateral	Book value	Fair value of the collateral	Book value less collateral
Funds with central banks	248,362	-	248,362	-	-	-	-	-	-	248,362	-	248,362
Loans and advances to banks and other credit institutions	981,268	1,216	980,052	-	-	-	-	-	-	981,268	1,216	980,052
Financial assets at fair value through profit or loss	46,359	-	46,359	-	-	-	-	-	-	46,359	-	46,359
Loans and finance lease receivable:	1,700,587	1,304,131	396,456	183,808	173,187	10,621	598,566	577,502	21,064	2,482,961	2,054,820	428,141
<i>loans to SMEs</i>	957,014	752,448	204,566	116,406	116,363	43	174,520	171,700	2,820	1,247,940	1,040,511	207,429
<i>loans to other enterprises</i>	514,876	443,137	71,739	24,329	22,277	2,052	376,854	376,854	-	916,059	842,268	73,791
<i>loans to financial institutions</i>	3,775	3,775	-	-	-	-	-	-	-	3,775	3,775	-
<i>loans to individuals</i>	224,922	104,771	120,151	43,073	34,547	8,526	47,192	28,948	18,244	315,187	168,266	146,921
Investment securities:	526,223	-	526,223	-	-	-	-	-	-	526,223	-	526,223
<i>available-for-sale</i>	19,969	-	19,969	-	-	-	-	-	-	19,969	-	19,969
<i>held-to-maturity</i>	506,254	-	506,254	-	-	-	-	-	-	506,254	-	506,254
Other assets	70,273	-	70,273	112	-	112	5	-	5	70,390	-	70,390
Total	3,573,072	1,305,347	2,267,725	183,920	173,187	10,733	598,571	577,502	21,069	4,355,563	2,056,036	2,299,527

AB ŪKIO BANKAS

EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010 (All amounts in LTL thousands unless otherwise stated)

The Group as of 31 December 2009:

	Neither past due nor individually impaired			Past due but not individually impaired			Individually impaired			Total		
	Book value	Fair value of the collateral	Book value less collateral	Book value	Fair value of the collateral	Book value less collateral	Book value	Fair value of the collateral	Book value less collateral	Book value	Fair value of the collateral	Book value less collateral
Funds with central banks	338,070	-	338,070	-	-	-	-	-	-	338,070	-	338,070
Loans and advances to banks and other credit institutions	677,967	1,109	676,858	-	-	-	1	-	1	677,968	1,109	676,859
Financial assets at fair value through profit or loss	42,989	-	42,989	-	-	-	-	-	-	42,989	-	42,989
Loans and finance lease receivable:	1,575,785	1,081,466	494,319	130,414	122,053	8,361	714,305	694,710	19,595	2,420,504	1,898,229	522,275
<i>loans to SMEs</i>	690,191	531,260	158,931	75,072	75,042	30	291,867	291,275	592	1,057,130	897,577	159,553
<i>loans to other enterprises</i>	441,084	330,251	110,833	4,537	4,133	404	380,499	380,483	16	826,120	714,867	111,253
<i>loans to financial institutions</i>	185,950	95,407	90,543	-	-	-	-	-	-	185,950	95,407	90,543
<i>loans to individuals</i>	258,560	124,548	134,012	50,805	42,878	7,927	41,939	22,952	18,987	351,304	190,378	160,926
Investment securities:	311,835	-	311,835	-	-	-	-	-	-	311,835	-	311,835
<i>available-for-sale</i>	43,339	-	43,339	-	-	-	-	-	-	43,339	-	43,339
<i>held-to-maturity</i>	268,496	-	268,496	-	-	-	-	-	-	268,496	-	268,496
Other assets	83,146	-	83,146	-	-	-	8	-	8	83,154	-	83,154
Total	3,029,792	1,082,575	1,947,217	130,414	122,053	8,361	714,314	694,710	19,604	3,874,520	1,899,338	1,975,182

AB ŪKIO BANKAS

EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010

(All amounts in LTL thousands unless otherwise stated)

The Bank as of 31 March 2010:

	Neither past due nor individually impaired			Past due but not individually impaired			Individually impaired			Total		
	Book value	Fair value of the collateral	Book value less collateral	Book value	Fair value of the collateral	Book value less collateral	Book value	Fair value of the collateral	Book value less collateral	Book value	Fair value of the collateral	Book value less collateral
Funds with central banks	248,362	-	248,362	-	-	-	-	-	-	248,362	-	248,362
Loans and advances to banks and other credit institutions	974,054	1,216	972,838	-	-	-	-	-	-	974,054	1,216	972,838
Financial assets at fair value through profit or loss	10,650	-	10,650	-	-	-	-	-	-	10,650	-	10,650
Loans and finance lease receivable:	1,503,255	1,140,781	362,474	126,718	117,676	9,042	564,161	558,700	5,461	2,194,134	1,817,157	376,977
<i>loans to SMEs</i>	825,425	620,903	204,522	71,701	71,664	37	160,394	157,576	2,818	1,057,520	850,143	207,377
<i>loans to other enterprises</i>	521,970	439,364	82,606	22,432	20,379	2,053	375,746	375,746	-	920,148	835,489	84,659
<i>loans to financial institutions</i>	46,451	3,775	42,676	2,342	-	2,342	-	-	-	48,793	3,775	45,018
<i>loans to individuals</i>	109,409	76,739	32,670	30,243	25,633	4,610	28,021	25,378	2,643	167,673	127,750	39,923
Investment securities:	854,498	-	854,498	-	-	-	-	-	-	854,498	-	854,498
<i>available-for-sale</i>	19,550	-	19,550	-	-	-	-	-	-	19,550	-	19,550
<i>held-to-maturity</i>	834,948	-	834,948	-	-	-	-	-	-	834,948	-	834,948
Other assets	58,869	-	58,869	-	-	-	-	-	-	58,869	-	58,869
Total	3,649,688	1,141,997	2,507,691	126,718	117,676	9,042	564,161	558,700	5,461	4,340,567	1,818,373	2,522,194

AB ŪKIO BANKAS

EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010 (All amounts in LTL thousands unless otherwise stated)

The Bank as of 31 December 2009:

	Neither past due nor individually impaired			Past due but not individually impaired			Individually impaired			Total		
	Book value	Fair value of the collateral	Book value less collateral	Book value	Fair value of the collateral	Book value less collateral	Book value	Fair value of the collateral	Book value less collateral	Book value	Fair value of the collateral	Book value less collateral
Funds with central banks	338,070	-	338,070	-	-	-	-	-	-	338,070	-	338,070
Loans and advances to banks and other credit institutions	670,325	1,109	669,216	-	-	-	1	-	1	670,326	1,109	669,217
Financial assets at fair value through profit or loss	11,102	-	11,102	-	-	-	-	-	-	11,102	-	11,102
Loans and finance lease receivable:	1,509,527	1,062,573	446,954	86,604	81,931	4,673	675,690	672,236	3,454	2,271,821	1,816,740	455,081
<i>loans to SMEs</i>	712,963	554,059	158,904	45,060	45,033	27	274,722	274,136	586	1,032,745	873,228	159,517
<i>loans to other enterprises</i>	438,634	325,530	113,104	3,628	3,224	404	378,427	378,411	16	820,689	707,165	113,524
<i>loans to financial institutions</i>	230,545	95,407	135,138	-	-	-	-	-	-	230,545	95,407	135,138
<i>loans to individuals</i>	127,385	87,577	39,808	37,916	33,674	4,242	22,541	19,689	2,852	187,842	140,940	46,902
Investment securities:	503,168	-	503,168	-	-	-	-	-	-	503,168	-	503,168
<i>available-for-sale</i>	42,935	-	42,935	-	-	-	-	-	-	42,935	-	42,935
<i>held-to-maturity</i>	460,233	-	460,233	-	-	-	-	-	-	460,233	-	460,233
Other assets	59,287	-	59,287	-	-	-	8	-	8	59,295	-	59,295
Total	3,091,479	1,063,682	2,027,797	86,604	81,931	4,673	675,699	672,236	3,463	3,853,782	1,817,849	2,035,933

NOTE 15 LIQUIDITY RISK AND FUNDING

As of 31 March 2010 the Group's assets and liabilities by maturity were as follows:

	Up to 1 month	1-3 months	3-12 months	1-5 years	5 years and up	Unlimited period	Total
Assets							
Cash and balances with central bank	320,837	-	-	-	-	-	320,837
Loans and advances to banks and credit institutions	973,368	1,764	2,832	3,304	-	-	981,268
Financial assets at fair value through profit or loss	1,363	613	1,394	6,080	3,817	33,092	46,359
Loans and finance lease receivable	168,298	148,077	948,710	803,682	181,105	233,089	2,482,961
Investment securities:	11,114	19,026	169,491	290,874	34,809	909	526,223
<i>available-for-sale</i>	76	24	272	-	18,688	909	19,969
<i>held-to-maturity</i>	11,038	19,002	169,219	290,874	16,121	-	506,254
Intangible assets	-	-	-	-	-	33,465	33,465
Property, plant and equipment	-	-	-	-	-	21,983	21,983
Investment property	-	-	-	-	-	135,873	135,873
Deferred income tax assets	-	-	-	-	-	13,337	13,337
Assets classified as held for sale	-	-	56,963	-	-	-	56,963
Other assets	11,335	1,035	3,759	12,135	4,608	98,402	131,274
Total assets	1,486,315	170,515	1,183,149	1,116,075	224,339	570,150	4,750,543
Liabilities							
Due to banks and other credit institutions	106,107	67,171	80,180	13,884	-	129,804	397,146
Financial liabilities at fair value through profit or loss	115	-	-	-	-	-	115
Due to customers	1,538,938	665,723	1,302,661	168,909	4,813	-	3,681,044
Debt securities in issue	8,508	9,576	4,396	-	-	-	22,480
Subordinated loans	1,312	-	-	-	143,226	-	144,538
Deferred tax liabilities	-	-	-	-	-	15,068	15,068
Liabilities directly associated with assets classified as held for sale	-	-	2,628	-	-	-	2,628
Other liabilities	36,902	482	1,428	4,405	30,488	291	73,996
Total liabilities	1,691,882	742,952	1,391,293	187,198	178,527	145,163	4,337,015
Net position	(205,567)	(572,437)	(208,144)	928,877	45,812	424,987	413,528

As of 31 December 2009 the Group's assets and liabilities by maturity were as follows:

	Up to 1 month	1-3 months	3-12 months	1-5 years	5 years and up	Unlimited period	Total
Total assets	1,643,084	558,945	547,019	789,232	177,054	581,249	4,296,583
Total liabilities	1,681,833	663,760	1,166,745	168,122	179,538	25,414	3,885,412
Net position	(38,749)	(104,815)	(619,726)	621,110	(2,484)	555,835	411,171

**EXPLANATORY NOTES
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(All amounts in LTL thousands unless otherwise stated)



As of 31 March 2010 the Bank's assets and liabilities by maturity were as follows:

	Up to 1 month	1-3 months	3-12 months	1-5 years	5 years and up	Unlimited period	Total
Assets							
Cash and balances with central bank	320,827	-	-	-	-	-	320,827
Loans and advances to banks and other credit institutions	972,681	-	-	1,373	-	-	974,054
Financial assets at fair value through profit or loss	870	-	-	-	-	9,780	10,650
Loans and finance lease receivable	152,822	122,179	929,566	684,593	85,641	219,333	2,194,134
Investment securities:	345,114	18,416	165,833	289,836	34,809	490	854,498
<i>available-for-sale</i>	76	24	272	-	18,688	490	19,550
<i>held-to-maturity</i>	345,038	18,392	165,561	289,836	16,121	-	834,948
Investments in subsidiaries	-	-	-	-	-	157,636	157,636
Intangible assets	-	-	-	-	-	2,112	2,112
Property, plant and equipment	-	-	-	-	-	24,188	24,188
Investment property	-	-	-	-	-	6,031	6,031
Assets classified as held for sale	-	-	4,261	-	-	-	4,261
Deferred income tax assets	-	-	-	-	-	13,337	13,337
Other assets	3,415	702	2,751	9,670	4,595	87,627	108,760
Total assets	1,795,729	141,297	1,102,411	985,472	125,045	520,534	4,670,488
Liabilities							
Due to banks and other credit institutions	106,107	67,171	80,180	13,884	-	129,804	397,146
Financial liabilities at fair value through profit or loss	115	-	-	-	-	-	115
Due to customers	1,540,370	665,827	1,308,748	169,261	4,813	-	3,689,019
Debt securities in issue	8,508	9,576	4,396	-	-	-	22,480
Subordinated loans	1,312	-	-	-	143,226	-	144,538
Deferred tax liabilities	-	-	-	-	-	84	84
Other liabilities	20,543	61	614	288	-	-	21,5061
Total liabilities	1,676,955	742,635	1,393,938	183,433	148,039	129,888	4,274,888
Net position	118,774	(601,338)	(291,527)	802,039	(22,994)	390,646	395,600

As of 31 December 2009 the Bank's assets and liabilities by maturity were as follows:

Total assets	1,870,912	537,637	411,385	728,644	144,587	527,559	4,220,724
Total liabilities	1,676,014	659,645	1,164,547	168,263	147,764	10,160	3,826,393
Net position	194,898	(122,008)	(753,162)	560,381	(3,177)	517,399	394,331

NOTE 16 MARKET RISK

a) currency risk

Concentrations of assets, liabilities and off balance sheet items of the Group as of 31 March 2010:

	EUR	USD	LTL	Other	Total
Assets					
Cash and balances with central bank	69,662	4,581	244,948	1,646	320,837
Loans and advances to banks and other credit institutions	689,107	268,070	4,568	19,523	981,268
Financial assets at fair value through profit or loss	22,007	5,428	18,180	744	46,359
Loans and finance lease receivable	935,505	244,766	1,286,332	16,358	2,482,961
Investment securities:	373,117	133,102	20,004	-	526,223
<i>available-for-sale</i>	3,011	16,438	520	-	19,969
<i>held-to-maturity</i>	370,106	116,664	19,484	-	506,254
Intangible assets	-	-	21,938	45	21,983
Property, plant and equipment	-	-	25,480	7,985	33,465
Investment property	-	-	135,873	-	135,873
Deferred income tax assets	-	-	13,337	-	13,337
Assets classified as held for sale	-	-	56,963	-	56,963
Other assets	5,147	302	117,513	8,312	131,274
Total assets	2,094,545	656,249	1,945,136	54,613	4,750,543
Liabilities					
Due to banks and other credit institutions	250,719	126,229	20,171	27	397,146
Financial liabilities at fair value through profit or loss	-	-	115	-	115
Due to customers	1,309,575	519,749	1,808,396	43,324	3,681,044
Debt securities in issue	8,040	-	14,440	-	22,480
Subordinated loans	94,538	-	50,000	-	144,538
Deferred income tax liabilities	-	-	15,068	-	15,068
Liabilities directly associated with assets classified as held for sale	-	-	2,628	-	2,628
Other liabilities	4,995	5,321	63,319	361	73,996
Total liabilities	1,667,867	651,299	1,974,137	43,712	4,337,015
Total equity	-	-	417,566	(4,038)	413,528
Total liabilities and equity	1,667,867	651,299	2,391,703	39,674	4,750,543
Net balance sheet position	426,678	4,950	(446,567)	14,939	-
Net off-balance sheet position	(423,933)	(15,374)	433,903	4,307	(1,097)
Net balance and off-balance sheet position	2,745	(10,424)	(12,664)	19,246	(1,097)
Credit commitments	17,853	937	79,464	-	98,254
Issued guarantees	4,831	4,581	47,207	-	56,619

Concentrations of assets, liabilities and off balance sheet items of the Group as of 31 December 2009:

	EUR	USD	LTL	Other	Total
Total assets	1,705,520	526,888	1,956,307	107,868	4,296,583
Total liabilities and equity	1,480,234	531,157	2,202,519	82,673	4,296,583
Net balance sheet position	225,286	(4,269)	(246,212)	25,195	-
Net off-balance sheet position	(231,646)	(5,769)	245,089	(5,672)	2,002
Net balance and off-balance sheet position	(6,360)	(10,038)	(1,123)	19,523	2,002

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(All amounts in LTL thousands unless otherwise stated)



Concentrations of assets, liabilities and off balance sheet items of the Bank as of 31 March 2010:

	EUR	USD	LTL	Other	Total
Assets					
Cash and balances with central bank	69,662	4,581	244,938	1,646	320,827
Loans and advances to banks and other credit institutions	686,549	268,067	-	19,438	974,054
Financial assets at fair value through profit or loss	583	1,002	9,062	3	10,650
Loans and finance lease receivable	893,996	259,784	1,023,996	16,358	2,194,134
Investment securities:	368,171	132,742	353,585	-	854,498
<i>available-for-sale</i>	3,011	16,438	101	-	19,550
<i>held-to-maturity</i>	365,160	116,304	353,484	-	834,948
Investments in subsidiaries	-	-	157,636	-	157,636
Intangible assets	-	-	2,112	-	2,112
Property, plant and equipment	-	-	24,188	-	24,188
Investment property	-	-	6,031	-	6,031
Assets classified as held for sale	-	-	4,261	-	4,261
Deferred income tax assets	-	-	13,337	-	13,337
Other assets	5,124	287	101,490	1,859	108,760
Total assets	2,024,085	666,463	1,940,636	39,304	4,670,488
Liabilities					
Due to banks and other financial institutions	250,719	126,229	20,171	27	397,146
Financial liabilities at fair value through profit or loss	-	-	115	-	115
Due to customers	1,311,058	519,749	1,814,888	43,324	3,689,019
Debt securities in issue	8,040	-	14,440	-	22,480
Subordinated loans	94,538	-	50,000	-	144,538
Deferred tax liabilities	-	-	84	-	84
Other liabilities	2,158	5,070	14,196	82	21,506
Total liabilities	1,666,513	651,048	1,913,894	43,433	4,274,888
Total equity	-	-	395,600	-	395,600
Total liabilities and equity	1,666,513	651,048	2,309,494	43,433	4,670,488
Net balance sheet position	357,572	15,415	(368,858)	(4,129)	-
Net off-balance sheet position	(360,757)	(15,009)	370,371	4,305	(1,090)
Net balance and off-balance sheet position	(3,185)	406	1,513	176	(1,090)
Credit commitments	17,853	937	28,848	-	47,638
Issued guarantees	4,831	4,581	47,207	-	56,619

Concentrations of assets, liabilities and off balance sheet items of the Bank as of 31 December 2009:

	EUR	USD	LTL	Other	Total
Total assets	1,639,462	536,405	1,952,616	92,241	4,220,724
Total liabilities and equity	1,481,331	531,325	2,121,914	86,154	4,220,724
Net balance sheet position	158,131	5,080	(169,298)	6,087	-
Net off-balance sheet position	(162,920)	(5,429)	172,906	(5,671)	(1,114)
Net balance and off-balance sheet position	(4,789)	(349)	3,608	416	(1,114)

Sensitivity to currency risk, LTL'000:

The Group			The Bank	
2010.03.31	2009.12.31		2010.03.31	2009.12.31
Sensitivity to changes in EUR rates				
-	-	Expected rate fluctuation, %	-	-
2,745	(6,360)	Open position	(3,185)	(4,789)
-	-	Effect on profit or loss	-	-
-	-	Effect on equity	-	-
Sensitivity to changes in USD rates				
2.47	1.86	Expected rate fluctuation, %	2.47	1.86
(10,424)	(10,038)	Open position	406	(349)
±257	±187	Effect on profit or loss	±10	±6
-	-	Effect on equity	-	-
Sensitivity to changes in UAH rates				
0.92	7.21	Expected rate fluctuation, %	0.92	7.21
18,709	18,780	Open position	381	354
±172	±1,354	Effect on profit or loss	±4	±26
-	-	Effect on equity	-	-

Expected rate fluctuation is based on the actual changes during the year till reporting date.

In case open position is long (i.e. positive number), the increase in currency rates has positive impact on the results and the decrease in currency rates has negative impact on the results. In case open position is short (i.e. negative number), the increase in currency rates has negative impact on the results and the decrease in currency rates has positive impact on the results.

b) interest rate risk

To minimize the risk of interest rate fluctuations granting loans with variable interest rate the Group/Bank sets a floor for fixed interest rates. As of 31 March 2010 loans with fixed lowest interest rate for the Group/Bank comprised LTL'000 1,070,186 (31 December 2009: LTL'000 1,185,575).

Groups' assets and liabilities stated at their carrying amounts at earlier of interest reprising and contractual maturity date as of 31 March 2010.

	Up to 1 month	1-3 months	3-12 months	Over 1 year	Non- interest bearing	Total
Assets						
Cash and balances with central bank	73,548	-	-	-	247,289	320,837
Loans and advances to banks and other credit institutions	455,672	1,750	2,681	3,171	517,994	981,268
Financial assets at fair value through profit or loss	12,104	-	-	-	34,255	46,359
Loans and finance lease receivable	451,204	129,131	1,330,330	306,064	266,232	2,482,961
Investment securities:	25,158	15,452	169,528	303,654	12,431	526,223
<i>available-for-sale</i>	18,686	-	-	-	1,283	19,969
<i>held-to-maturity</i>	6,472	15,452	169,528	303,654	11,148	506,254
Intangible assets	-	-	-	-	21,983	21,983
Property, plant and equipment	-	-	-	-	33,465	33,465
Investment property	-	-	-	-	135,873	135,873
Deferred income tax assets	-	-	-	-	13,337	13,337
Assets classified as held for sale	-	-	-	-	56,963	56,963
Other assets	-	-	-	-	131,274	131,274
Total assets	1,017,686	146,333	1,502,539	612,889	1,471,096	4,750,543
Liabilities						
Due to banks and other credit institutions	171,688	69,562	10,504	-	145,392	397,146
Financial liabilities at fair value through profit or loss	-	-	-	-	115	115
Due to customers	856,635	653,269	1,293,009	119,819	758,312	3,681,044
Debt securities in issue	8,078	9,216	4,372	-	814	22,480
Subordinated loans	-	-	-	143,226	1,312	144,538
Deferred income tax liabilities	-	-	-	-	15,068	15,068
Liabilities directly associated with assets classified as held for sale	-	-	-	-	2,628	2,628
Other liabilities	-	-	-	-	76,996	76,996
Total liabilities	1,036,401	732,047	1,307,885	263,045	997,637	4,337,015
Off balance sheet claims sensitive to interest rate changes	-	-	-	-	-	-
Off balance sheet liabilities sensitive to interest rate changes	-	-	-	-	-	-
Interest rate risk	(18,715)	(585,714)	194,654	349,844	473,459	413,528

Groups' assets and liabilities stated at their carrying amounts at earlier of interest reprising and contractual maturity date as of 31 December 2009:

	Up to 1 month	1-3 months	3-12 months	Over 1 year	Non- interest bearing	Total
Total assets	1,563,912	557,658	259,049	389,456	1,526,508	4,296,583
Total liabilities	1,029,084	647,915	1,146,220	250,265	811,928	3,885,412
Off balance sheet claims sensitive to interest rate changes	-	-	-	-	-	-
Off balance sheet liabilities sensitive to interest rate changes	-	-	-	-	-	-
Interest rate risk	534,828	(90,257)	(887,171)	139,191	714,580	411,171

**EXPLANATORY NOTES
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010**
(All amounts in LTL thousands unless otherwise stated)



Banks' assets and liabilities stated at their carrying amounts at earlier of interest reprising and contractual maturity date as of 31 March 2010:

	Up to 1 month	1-3 months	3-12 months	Over 1 year	Non- interest bearing	Total
Assets						
Cash and balances with central bank	73,548	-	-	-	247,279	320,827
Loans and advances to banks and other credit institutions	455,348	-	-	1,372	517,334	974,054
Financial assets held for trading	-	-	-	-	10,650	10,650
Loans and finance lease receivable	438,985	92,104	1,235,582	172,691	254,772	2,194,134
Investment securities:	359,158	14,895	165,938	302,637	11,870	854,498
<i>available-for-sale</i>	18,686	-	-	-	862	19,548
<i>held-to-maturity</i>	340,472	14,895	165,938	302,637	11,008	834,950
Investments in subsidiaries	-	-	-	-	157,636	157,636
Intangible assets	-	-	-	-	2,112	2,112
Property, plant and equipment	-	-	-	-	24,188	24,188
Investment property	-	-	-	-	6,031	6,031
Deferred income tax assets	-	-	-	-	13,337	13,337
Assets classified as held for sale	-	-	-	-	4,261	4,261
Other assets	-	-	-	-	108,760	108,760
Total assets	1,327,039	106,999	1,401,520	476,700	1,358,230	4,670,488
Liabilities						
Due to banks and other financial institutions	171,688	69,562	10,504	-	145,392	397,146
Financial liabilities at fair value through profit or loss	-	-	-	-	115	115
Due to customers	857,724	653,373	1,299,092	120,130	758,700	3,689,019
Debt securities in issue	8,078	9,216	4,372	-	814	22,480
Subordinated loans	-	-	-	143,226	1,312	144,538
Deferred tax liabilities	-	-	-	-	84	84
Other liabilities	-	-	-	-	21,506	21,506
Total liabilities	1,037,490	732,151	1,313,968	263,356	927,923	4,274,888
Off balance sheet claims sensitive to interest rate changes	-	-	-	-	-	-
Off balance sheet liabilities sensitive to interest rate changes	-	-	-	-	-	-
Interest rate risk	289,549	(625,152)	87,552	213,344	430,307	395,600

Banks' assets and liabilities stated at their carrying amounts at earlier of interest reprising and contractual maturity date as of as of 31 December 2009:

	Up to 1 month	1-3 months	3-12 months	Over 1 year	Non- interest bearing	Total
Total assets	1,771,290	521,338	177,279	333,240	1,417,577	4,220,724
Total liabilities	1,031,047	643,898	1,147,263	250,576	753,609	3,826,393
Off balance sheet claims sensitive to interest rate changes	-	-	-	-	-	-
Off balance sheet liabilities sensitive to interest rate changes	-	-	-	-	-	-
Interest rate risk	740,243	(122,560)	(969,984)	82,664	663,968	394,331

**EXPLANATORY NOTES
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010**
(All amounts in LTL thousands unless otherwise stated)



Sensitivity to interest rate risk, LTL'000:

The Group			The Bank	
2010.03.31	2009.12.31		2010.03.31	2009.12.31
		Changes in profit or loss if interest rates increased by 1 percentage point		
(4,556)	(442)	LTL	(2,014)	1,353
(223)	1,301	EUR	(665)	813
392	109	USD	413	133
(138)	(468)	Other currencies	(142)	(472)
(4,525)	500	Total changes in profit or loss if interest rates increased by 1 percentage point	(2,408)	1,827
		Changes in profit or loss if interest rates decreased by 1 percentage point		
4,742	442	LTL	2,202	(1,353)
2,290	1,610	EUR	2,730	2,097
716	1,255	USD	695	1,231
176	572	Other currencies	180	575
7,972	3,879	Total changes in profit or loss if interest rates decreased by 1 percentage point	5,807	2,550

NOTE 17 COMPLIANCE WITH PRUDENTIAL REQUIREMENTS

In 2010 and 2009, the Group and the Bank 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 31 March 2010 is presented in the table below:

Ratio	Requirement	Bank's ratio	Group's ratio
Capital adequacy ratio	$\geq 8\%$	13.40%	13.68%
Liquidity ratio	$\geq 30\%$	52.85%	52.47%
Maximum credit exposure to a single borrower	$\leq 25\%$ (for subsidiaries – 75%) of eligible capital	Complied	Complied
Large loans	$\leq 800\%$ of eligible capital	303.59%	219.67%
Aggregate open foreign currency position	$\leq 25\%$ of eligible capital	0.20%	3.68%
Single open foreign currency position	$\leq 15\%$ of eligible capital	0.08%	3.51%

The compliance with the limits and ratios set by the Bank of Lithuania as of 31 December 2009 is presented in the table below:

Ratio	Requirement	Bank's ratio	Group's ratio
Capital adequacy ratio	$\geq 8\%$	13.80%	14.10%
Liquidity ratio	$\geq 30\%$	52.29%	50.86%
Maximum credit exposure to a single borrower	$\leq 25\%$ (for subsidiaries – 75%) of eligible capital	Complied	Complied
Large loans	$\leq 800\%$ of eligible capital	287.43%	200.41%
Aggregate open foreign currency position	$\leq 25\%$ of eligible capital	0.12%	3.70%
Single open foreign currency position	$\leq 15\%$ of eligible capital	0.07%	3.53%

Please also refer to the note 18 for additional details on capital adequacy ratio calculation.

NOTE 18 CAPITAL ADEQUACY

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

The compliance with capital adequacy ratio is calculated based on the General Regulations for the Calculation of Capital Adequacy (No 138 09 11 2006) approved by the board of the Bank of Lithuania.

The capital adequacy ratio as of 31 March 2010 and 31 December 2009 calculated in accordance with the Bank of Lithuania regulations, is presented in the table below:

The Group			The Bank	
2010.03.31	2009.12.31		2010.03.31	2009.12.31
		Tier 1 capital		
245,824	245,824	Share capital	245,824	245,824
61,650	76,500	Share premium	61,650	76,500
76,500	136,647	Reserve capital	76,500	136,647
16,457	12,181	Undistributed profit of previous years	-	-
-	(70,521)	Loss of current year	-	(74,997)
16,239	16,046	Legal reserve	15,532	15,532
-	-	General reserve for losses of assets	-	-
(4,481)	(5,193)	Revaluation reserve – available-for-sale investment securities	(4,477)	(5,175)
<u>(21,983)</u>	<u>(22,095)</u>	Deductions	<u>(21,622)</u>	<u>(21,730)</u>
390,206	389,389	Total Tier 1 capital	373,407	372,601
		Tier 2 capital		
(194)	(313)	Currency translation reserve		-
143,226	143,226	Eligible for inclusion in Tier 2 capital part of subordinated loans	143,226	143,226
	-	Deductions	<u>(19,511)</u>	<u>(19,511)</u>
143,032	142,913	Total Tier 2 capital	123,715	123,715
533,238	532,302	Total Capital Base	497,122	496,316
		Risk-weighted assets and off-balance sheet items		
3,377,680	3,231,580	Banking book risk-weighted assets and off-balance sheet items	3,335,820	3,194,730
115,190	139,250	Trading book risk-weighted assets and off-balance sheet items	52,100	80,810
404,420	404,420	Operational risk risk-weighted assets and off-balance sheet items	321,530	321,530
3,897,290	3,775,250	Total risk-weighted assets and off-balance sheet items	3,709,450	3,597,070
10.01	10.31	Tier 1 capital / Total risk-weighted assets and off-balance sheet items, %	10.07	10.36
13.68	14.10	Capital adequacy ratio, %	13.40	13.80

NOTE 19 RELATED PARTY TRANSACTIONS

Related party	Description of relationship
Shareholders Members of the Board and Council Subsidiaries	Shareholders whose interest exceeds 5% of share capital Companies, comprising the Group as described in Note 1 to financial statements
Other related parties	UAB Ūkio Banko Investicinė Grupė; UAB Eastern Europe Development Fund; UAB FMĮ Finbaltus; UAB Apskaita ir Verslo Projektai and heads of administration of the Bank's subsidiaries and their close relatives, close relatives of the Bank's shareholders and members of the Board and Council

During the year 2010 and 2009 Group companies entered into the following transactions with related parties that are not members of the Group:

The Group	Members of the Board and the Council		Shareholders	Other related parties
As of 31 March 2010				
Loans, finance lease receivable	2,661		12	94,048
Interest income	22		-	3,649
Deposits	2,727		1,536	17,776
Interest expenses	34		1	62
As of 31 December 2009				
Loans, finance lease receivable	2,709		-	137,495
Interest income	107		-	9,354
Deposits	2,192		482	21,268
Interest expenses	130		17	465
The Bank				
As of 31 March 2010				
Loans, finance lease	2,648		-	93,979
Interest income	21		-	3,648
Deposits	2,727		1,536	17,776
Interest expense	34		1	62
As of 31 December 2009				
Loans, finance lease	2,656		-	137,444
Interest income	103		-	9,349
Deposits	2,192		482	21,268
Interest expense	130		17	465

In addition to the transactions described above, in December 2009 the Bank received a subordinated loan from its shareholder V.Romanov. The ordinary General Shareholders' Meeting of AB Ūkio bankas on 26 March 2010 adopted resolution to increase AB Ūkio bankas authorized capital from additional contributions by converting subordinated loan, received from Vladimir Romanov, to a new issue of ordinary registered shares.

The Group		Compensation to key management personnel	The Bank	
2010-01-01 – 2010-03-31	2009-01-01 – 2009-03-31		2010-01-01 – 2010-03-31	2009-01-01 – 2009-03-31
836	1,039	Short-terms payments	421	528
		Long-terms payments		

**EXPLANATORY NOTES
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(All amounts in LTL thousands unless otherwise stated)



As of 31 March 2010 and for the three month period then ended related party transactions between the Bank and subsidiaries were as follows:

Related parties	Bank's payables	Bank's receivables	Income received	Expenses
GD UAB Bonum Publicum	7,201	3	6	85
UAB Ūkio Banko Lizingas	850	334,002	2,377	(4)
UAB Ūkio Banko Investicijų Valdymas	196	8	-	1
RAB Ūkio Bank Lizing	-	45,019	665	-
UAB Ūkio Banko Rizikos Kapitalo Valdymas	53	11,292	110	(18)
UAB Investicinio Turto Valdymas	73	-	-	-

As of 31 December 2009 and for the year then ended related party transactions between the Bank and subsidiaries were as follows:

Related parties	Bank's payables	Bank's receivables	Income received	Expenses
GD UAB Bonum Publicum	6,451	2	17	543
UAB Ūkio Banko Lizingas	2,046	197,003	15,890	(98)
UAB Ūkio Banko Investicijų Valdymas	182	10	2	3
RAB Ūkio Bank Lizing	66	44,595	3,259	-
UAB Ūkio Banko Rizikos Kapitalo Valdymas	64	53,704	7,264	6,887
UAB Investicinio Turto Valdymas	11	-	4,214	-

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

NOTE 20 CONTINGENT ASSETS AND LIABILITIES AND COMMITMENTS

The Group		Claims and liabilities	The Bank	
2010.03.31	2009.12.31		2010.03.31	2009.12.31
56,619	47,702	Guarantees and warranties	56,619	47,702
444	4,015	Commitments to issue letters of credit	444	4,015
98,254	118,587	Irrevocable lending commitments	47,638	63,454
464,870	258,962	Spot liabilities	401,338	331,145
464,917	258,970	Spot claims	401,385	331,153
-	-	Other off balance commitments	-	-

As of 31 March 2010 UAB Ūkio Banko Lizingas has finance lease contracts in the amount LTL'000 118 signed, but not yet executed (31 December 2009: LTL'000 15).

Finance lease – as of 31 March 2010 the Bank has outstanding finance lease obligations under finance lease contracts in the amount of LTL'000 177 (31 December 2008: LTL'000 194). 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.

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 31 March 2010 amounting to LTL'000 70,438 (31 December 2009: LTL'000 72,542).

EXPLANATORY NOTES
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010
 (All amounts in LTL thousands unless otherwise stated)



As of 31 March 2010 the Bank's future annual minimum commitments under leases were following:

For the year ending 31 December	2010.03.31		2009.12.31	
	Finance lease	Operating lease	Finance lease	Operating lease
2010	59	8,505	78	10,938
2011	81	9,973	81	9,912
2012	42	8,257	42	8,197
2013	-	7,438	-	7,380
2014	-	6,547	-	6,490
Thereafter	-	29,718	-	29,625
Minimum lease payments	182	70,438	201	72,542
Less: interest	(5)		(7)	
Present value of minimum lease payments	177		194	

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 31 March 2010 and 31 December 2009 the Group/Bank was not involved in any significant legal proceedings except for those related to loan loss recovery.

NOTE 21 OPERATING SEGMENTS

Segments were identified by types of services Group's entities provide. The Banking segment includes financial information of AB Ūkio Bankas (main activity – banking services), Finance lease segment includes financial information of UAB Ūkio Banko Lizingas and RAB Ūkio Bank Lizing (main activity – finance lease). Other activities segment includes financial information of Group's entities not included in Banking or Finance lease segments. Other activities segment as of 31 March 2010 and for the three month period then ended includes financial information of UAB Ūkio Banko Rizikos Kapitalo Valdymas, UAB Ūkio Banko Investicijų Valdymas, UAB Investicinio Turto Valdymas and GD UAB Bonum Publicum and discontinued operations (financial information of UAB Eastern Europe Development Fund). Other activities segment as of 31 March 2009 and for the three month period then ended includes financial information of UAB Ūkio Banko Rizikos Kapitalo Valdymas, UAB Ūkio Banko Investicijų Valdymas and GD UAB Bonum Publicum.

	2010-01-01 – 2010-03-31				
	Banking	Finance lease	Other activities	Elimination	Group
CONTINUING OPERATIONS					
Interest revenues:					
Internal	3,119	17	127	(3,263)	-
External	39,288	10,264	596	-	50,148
	42,407	10,281	723	(3,263)	50,148
Interest expenses:					
Internal	(144)	(3,009)	(109)	3,262	-
External	(51,506)	(95)	-	-	(51,601)
	(51,650)	(3,104)	(109)	3,262	(51,601)
Net interest income	(9,243)	7,177	614	(1)	(1,453)
Non-interest revenues:					
Internal	40	10	114	(164)	-
External	41,441	1,761	6,390	-	49,592
	41,481	1,771	6,504	(164)	49,592
Non-interest expenses:					
Internal	81	(635)	(108)	662	-
External	(28,850)	(3,261)	(6,061)	-	(38,172)
	(28,769)	(3,896)	(6,169)	662	(38,172)
Segment result before impairment, amortization and taxes	3,469	5,052	949	497	9,967
Depreciation and amortization	(1,576)	(776)	(75)	-	(2,427)
Impairment losses	(910)	(3,728)	232	-	(4,406)
Profit (loss) before tax	983	548	1,106	497	3,134
Income tax	(412)	(369)	-	-	(781)
Net result for the period from continuing operations	571	179	1,106	497	2,353
Net result from discontinued operations	-	-	(820)	-	(820)
NET RESULT FROM CONTINUING AND DISCONTINUED OPERATIONS	571	179	286	497	1,533
Attributable to:					
Equity holders of the parent	571	180	286	497	1,533
Minority interest	-	-	-	-	-
Assets	4,670,488	402,318	266,141	(588,404)	4,750,543
Liabilities	4,274,888	395,462	121,081	(454,416)	4,337,015

EXPLANATORY NOTES
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2010
 (All amounts in LTL thousands unless otherwise stated)



	2009-01-01 – 2009-03-31				
	Banking	Finance lease	Other activities	Elimination	Group
CONTINUING OPERATIONS					
Interest revenues:					
Internal	13,774	1	7,141	(20,916)	-
External	66,038	14,447	461	-	80,946
	79,812	14,448	7,602	(20,916)	80,946
Interest expenses:					
Internal	(7,141)	(7,061)	(6,713)	20,915	-
External	(53,320)	(170)	-	-	(53,490)
	(60,461)	(7,231)	(6,713)	20,915	(53,490)
Net interest income	19,351	7,217	889	(1)	27,456
Non-interest revenues:					
Internal	553	25	394	(972)	-
External	39,128	1,895	5,011	-	46,034
	39,681	1,920	5,405	(972)	46,034
Non-interest expenses:					
Internal	(322)	(889)	(58)	1,269	-
External	(43,658)	(4,776)	(4,404)	-	(52,838)
	(43,980)	(5,665)	(4,462)	1,269	(52,838)
Segment result before impairment, amortization and taxes	15,052	3,472	1,832	296	20,652
Depreciation and amortization	(1,649)	(112)	(65)	-	(1,826)
Impairment losses	(9,489)	(3,344)	(295)	-	(13,128)
Profit (loss) before tax	3,914	16	1,472	296	5,698
Income tax	104	(192)	(77)	-	(165)
Net result for the period from continuing operations	4,018	(176)	1,395	296	5,533
Net result from discontinued operations	-	-	-	-	-
NET RESULT FROM CONTINUING AND DISCONTINUED OPERATIONS	4,018	(176)	1,395	296	5,533
Attributable to:					
Equity holders of the parent	4,018	(176)	1,395	296	5,533
Minority interest	-	-	-	-	-
Assets	3,936,955	343,291	52,344	(346,888)	3,985,702
Liabilities	3,458,434	335,669	26,929	(331,561)	3,489,471

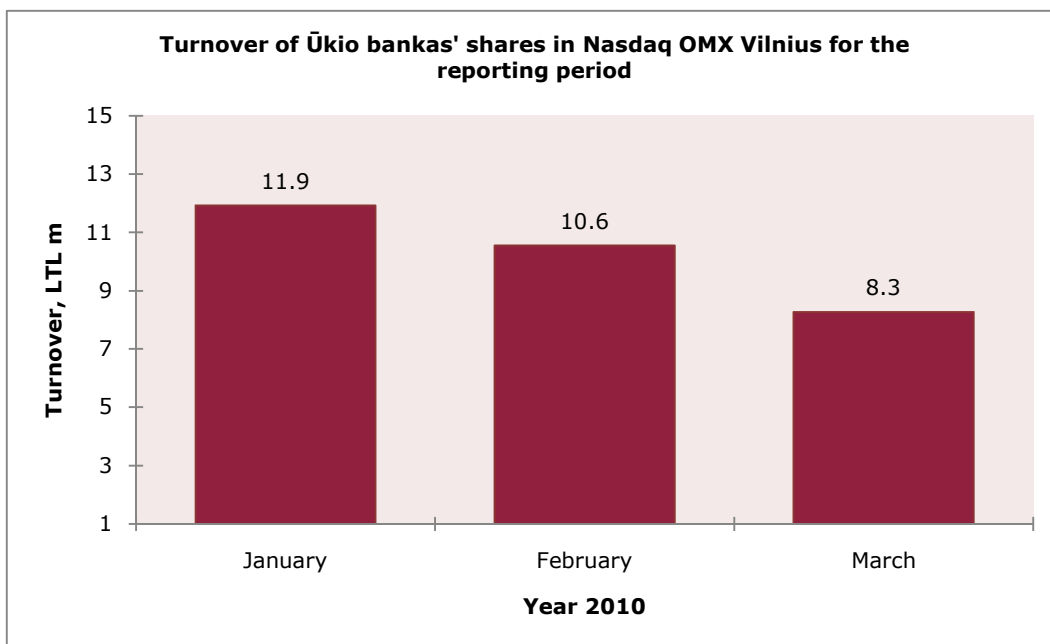
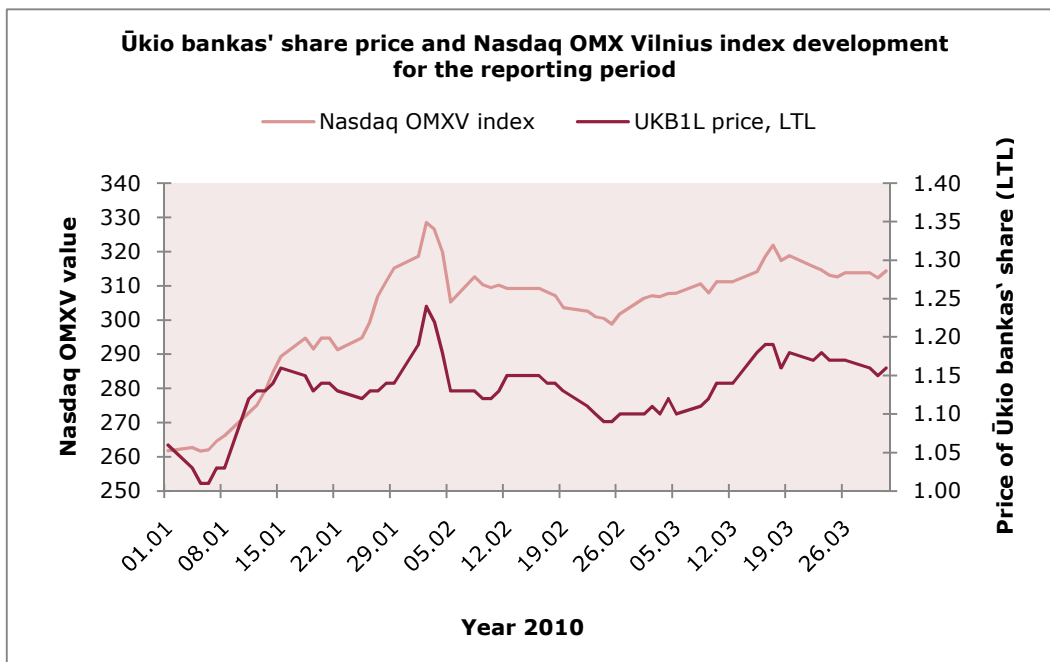
CREDIT RATINGS

International rating agency Standard&Poor’s has assigned the following ratings to Ūkio banks:

- Long-term counterparty credit rating B (rating assigned as of 28 August 2009);
- Short-term counterparty credit rating C (rating assigned as of 28 August 2009).

The outlook of ratings is negative.

AB ŪKIO BANKAS SHARE PRICE PERFORMANCE AND TURNOVER FOR THE REPORTING PERIOD



INFORMATION ON AB ŪKIO BANKAS MANAGING BODIES (NUMBER OF SHARES HELD, PERCENTAGES OF BANK CAPITAL AND VOTES PRESENTED AS OF 31 MARCH 2010)

Name, surname, position	Number of shares held	Percentage of Bank capital, %	Percentage of votes, %
SUPERVISORY COUNCIL OF THE BANK			
Karpavičienė Edita Chairwoman	197,450	0.0803	0.0803
Kurauskienė Ala Deputy Chairwoman	405,024	0.1648	0.1648
Gončaruk Olga Member	8,124,854	3.3052	3.3052
Jakavičienė Gražina Member	11,286	0.0046	0.0046
Soldatenko Viktor Member	2,785	0.0011	0.0011
BOARD OF THE BANK			
Ugianskis Gintaras Chairman, CEO	96,225	0.0391	0.0391
Balandis Rolandas Deputy Chairman, Head of Financial Markets Division	80,105	0.0326	0.0326
Žalys Arnas Deputy Chairman, Head of Finance Division	51,000	0.0207	0.0207

MATERIAL EVENTS IN AB ŪKIO BANKAS ACTIVITIES
20 January 2010

announced that at the meeting of the Board of AB Ūkio bankas as of 19 January 2010, a resolution was taken to issue fixed rate bond issue in EUR under the "Base prospectus of LTL 200,000,000 short and medium term bonds offering programme" approved on 1 October 2009 by the Security Commission of the Republic of Lithuania, and to approve the Final terms and conditions of the issue. To view the Final terms and conditions, approved "Base prospectus of LTL 200,000,000 short and medium term bonds offering programme" and related documents is possible at the AB Ūkio bankas secretary office, Maironio str. 25, Kaunas, branches and units of the Bank, the Internet website www.ub.lt, Central Storage Facility Internet website www.crib.lt and Nasdaq OMX Vilnius Internet website www.nasdaqomxbaltic.com.

20 February 2010

announced that on 19 February 2010 AB Ūkio bankas finished the issue of Fixed rate bond issue EUR No. 1/2010 issued under LTL 200,000,000 short and medium term bonds offering program. During distribution period (from 22 January 2010 till 19 February 2010) 12,664 bonds with nominal value of EUR 100 and fixed 5 percent annual interest rate were issued. Redemption of bonds on 24 February 2011.

26 February 2010

announced AB Ūkio bankas group preliminary unaudited net loss of year 2009 is LTL 70.5 million (EUR 20.4 million). AB Ūkio bankas preliminary unaudited net loss of year 2009 is LTL 75.0 million (EUR 21.7 million). During 2008 AB Ūkio bankas group earned a net profit of LTL 45.7 million (EUR 13.2 million) and AB Ūkio bankas earned a net profit LTL 57.4 million (EUR 16.6 million). Main reasons behind not reaching planned results are:

- significantly increasing provisions against the impairment of loans and receivables, caused by negative economic situation in Lithuania and growing number of problem debtors;
- decreasing net interest margin resulted low net interest income;
- number of banking operations performed by customers was lower than planned during economic recession.

3 March 2010

Convocation of an ordinary general meeting of AB Ūkio bankas shareholders announced. The Bank's Board has approved the agenda of the meeting to be held on 26 March 2010.

5 March 2010

announced Draft resolutions of the ordinary general meeting, to be held on 26 March 2010, prepared by the Bank's Board.

-
- 10 March 2010** announced that on 10 March 2010 the Board of the Bank of Lithuania permitted AB Ūkio bankas to include into Tier 2 capital a seven year LTL 50 million subordinated loan provided to the bank by Vladimir Romanov, considering the amended conditions. Conditions of subordinated loan were supplemented by individual agreement permitting subordinated loan be converted to ordinary shares.
- 10 March 2010** announced amendment to agenda of an ordinary general meeting of AB Ūkio bankas shareholders to be held on 26 March 2010.
- 15 March 2010** announced amendments of draft resolutions of the ordinary general shareholders' meeting, to be held on 26 March 2010, prepared by the Board.
- 26 March 2010** announced the resolutions of AB Ūkio bankas ordinary general shareholders' meeting held on 26 March 2010
- 26 March 2010** announced that AB Ūkio bankas Board was elected of the following composition: Gintaras Ugianskis (Chairman of the Board), Rolandas Balandis (Deputy Chairman of the Board) and Arnas Žalys (Deputy Chairman of the Board).

All notifications on material events in relation to AB Ūkio bankas activities were delivered to the Lithuanian Securities Commission, Stock Exchange NASDAQ OMX Vilnius, news agencies BNS and ELTA, and placed on the Bank's website www.ub.lt.
