



**AB ŪKIO BANKAS INTERIM INFORMATION FOR
THE THREE MONTH PERIOD OF THE YEAR 2011
(unaudited)**

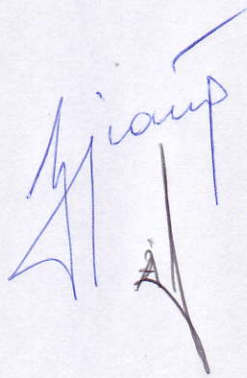
(Prepared in accordance with the Rules of Preparing and Disclosure of Periodic and Additional Information approved by the Lithuanian Securities Commission)

	PAGE
CONFIRMATION OF RESPONSIBLE PERSONS	3
CONDENSED INTERIM FINANCIAL STATEMENTS:	
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION	4
CONDENSED INTERIM INCOME STATEMENTS	5
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME	6
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY	7-8
CONDENSED INTERIM CASH FLOWS STATEMENTS	9-10
EXPLANATORY NOTES	11-43
ADDITIONAL INFORMATION	44-46

CONFIRMATION OF RESPONSIBLE PERSONS

We hereby confirm that condensed interim financial statements for the three month period ended 31 March 2011 prepared in accordance with applicable accounting standards are true and fairly present assets, liabilities, financial position, profit or loss and cash flows of AB Ūkio bankas, as well as of AB Ūkio bankas Group consolidated companies.

Chairman –
Chief Executive Officer

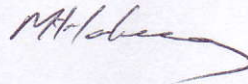


Gintaras Ugianskis

Deputy Chairman –
Head of Finance Division

Arnas Žalys

Head of Financial Institutions and Fund Raising Department



Marius Arlauskas



The report is prepared in Kaunas, 5 May 2011

AB ŪKIO BANKAS**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
AS OF 31 MARCH 2011**

(All amounts in LTL thousands unless otherwise stated)



	The Group	The Group	The Bank	The Bank	
	Notes	2011.03.31	2010.12.31	2011.03.31	2010.12.31
ASSETS					
Cash and balances with central bank		823,305	695,866	823,305	695,864
Loans and advances to banks and other credit institutions		102,701	547,693	90,654	535,335
Financial assets at fair value through profit or loss		61,510	74,836	16,896	32,067
Loans and finance lease receivable	4	2,464,967	2,616,760	2,120,379	2,287,838
Investment securities:					
<i>available-for-sale</i>	5	30,266	31,197	29,774	30,733
<i>held-to-maturity</i>	5	864,627	639,404	1,197,807	967,841
Investments in subsidiaries	6	-	-	241,152	241,152
Intangible assets		21,329	21,578	1,364	1,576
Property, plant and equipment		28,897	30,460	25,652	26,893
Investment property		236,296	236,468	6,031	6,031
Deferred tax assets		17,969	18,070	16,742	16,835
Other assets	7	133,719	98,371	117,143	81,081
Total assets		<u>4,785,586</u>	<u>5,010,703</u>	<u>4,686,899</u>	<u>4,923,246</u>
LIABILITIES AND EQUITY					
LIABILITIES					
Due to banks and other credit institutions		89,862	396,169	89,862	396,169
Financial liabilities at fair value through profit or loss		180	1,016	190	1,016
Due to customers	8	4,003,427	3,953,178	4,003,902	3,962,918
Debt securities in issue		72,038	44,698	72,038	44,698
Subordinated loans		93,895	93,956	93,895	93,956
Deferred tax liabilities		21,019	21,054	-	-
Other liabilities		78,719	71,641	26,923	19,459
Total liabilities		<u>4,359,140</u>	<u>4,581,712</u>	<u>4,286,810</u>	<u>4,518,216</u>
EQUITY					
Share capital	9	295,824	295,824	295,824	295,824
Share premium		76,500	76,500	76,500	76,500
Revaluation reserve - available-for-sale investment securities		(3,522)	(4,617)	(3,548)	(4,636)
General reserve for losses of assets		-	-	-	-
Currency translation reserve		(198)	(200)	-	-
Legal reserve		16,947	16,617	15,532	15,532
Other reserves		21,811	61,650	21,811	61,650
Retained earnings (accumulated loss)		19,084	(16,783)	(6,030)	(39,840)
Equity attributable to equity holders of the parent		<u>426,446</u>	<u>428,991</u>	<u>400,089</u>	<u>405,030</u>
Non-controlling interest		-	-	-	-
Total equity		<u>426,446</u>	<u>428,991</u>	<u>400,089</u>	<u>405,030</u>
Total liabilities and equity		<u>4,785,586</u>	<u>5,010,703</u>	<u>4,686,899</u>	<u>4,923,246</u>

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 2011 (All amounts in LTL thousands unless otherwise stated)



	Notes	The Group 2011.01.01- 2011.03.31	The Group 2010.01.01- 2010.03.31	The Bank 2011.01.01- 2011.03.31	The Bank 2010.01.01- 2010.03.31
Interest income	10	49,625	50,148	43,790	42,407
Interest expense	10	(35,770)	(51,601)	(35,827)	(51,650)
Interest income, net		13,855	(1,453)	7,963	(9,243)
Fees and commission income	11	13,132	13,964	11,725	12,611
Fees and commission expense	11	(2,290)	(2,501)	(2,212)	(2,393)
Fees and commission income, net		10,842	11,463	9,513	10,218
Net gains from dealing in foreign currencies		598	3,960	765	3,623
Net gains (losses) from financial assets at fair value through profit or loss		4,573	1,102	4,279	(885)
Net gains (losses) arising from investment securities		296	17,279	296	17,279
Impairment charge		(3,127)	(5,258)	(1,954)	(923)
Recoveries of loans written off		1,134	852	12	13
Insurance income, net		849	(383)	-	-
Dividend income		1	-	1	-
Other operating income		559	4,888	552	5,208
Operating profit before operating expenses		29,580	32,450	21,427	25,290
Operating expenses	12	(33,173)	(30,136)	(27,557)	(24,307)
Profit (loss) before income tax		(3,593)	2,314	(6,130)	983
Income tax benefit (expence)		(50)	(781)	100	(412)
Net profit (loss) for the year		(3,643)	1,533	(6,030)	571
NET PROFIT (LOSS) FOR THE YEAR					
Attributable to:					
Equity holders of the parent		(3,643)	1,533	(6,030)	571
Non-controlling interest		-	-	-	-
NET PROFIT (LOSS) FOR THE YEAR		(3,643)	1,533	(6,030)	571
EARNINGS PER SHARE					
Basic (in LTL)	13	(0.01)	0.01	(0.02)	0.00
Diluted (in LTL)	13	(0.01)	0.01	(0.02)	0.00

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 2011**
(All amounts in LTL thousands unless otherwise stated)

	The Group 2011.01.01- 2011.03.31	The Group 2010.01.01- 2010.03.31	The Bank 2011.01.01- 2011.03.31	The Bank 2010.01.01- 2010.03.31
Profit (loss) for the year	(3,643)	1,533	(6,030)	571
Other comprehensive income				
Exchange differences on translating foreign operations				
Exchange differences arising during the period on translating foreign operations, net of tax	2	119	-	-
	2	119	-	-
Available-for-sale financial assets				
Net gain (loss) arising on revaluation of available-for-sale financial assets during the year, net of tax	1,095	712	1,088	698
	1,095	712	1,088	698
Other reclassification adjustments	1	(7)	1	-
Total comprehensive income for the year	(2,545)	2,357	(4,941)	1,269
Attributable to:				
Equity holders of the parent	(2,545)	2,357	(4,941)	1,269
Non-controlling interest	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(2,545)	2,357	(4,941)	1,269

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 2011

(All amounts in LTL thousands unless otherwise stated)



The Bank	Share Capital	Share premium	Other reserves	Revaluation reserve on available-for-sales investment securities	Legal reserve	Retained earnings (accumulated loss)	Total
As of 31 December 2009	245,824	76,500	136,647	(5,175)	15,532	(74,997)	394,331
Transfer to legal reserve	-	-	-	-	-	-	-
Increase of share capital (Note 9)	-	-	-	-	-	-	-
Transfer to other reserves	-	-	-	-	-	-	-
Transfer to retained earnings (loss)	-	-	(74,997)	-	-	74,997	-
Total comprehensive income for the year:	-	-	-	698	-	571	1,269
<i>Net profit</i>	-	-	-	-	-	571	571
<i>Other comprehensive income</i>	-	-	-	698	-	-	698
As of 31 March 2010	245,824	76,500	61,650	(4,477)	15,532	571	395,600
Increase of share capital (Note 9)	50,000	-	-	-	-	-	50,000
Tax loss transfer to subsidiary	-	-	-	-	-	(1,826)	(1,826)
Total comprehensive income for the year:	-	-	-	(159)	-	(38,585)	(38,744)
<i>Net loss</i>	-	-	-	-	-	(38,585)	(38,585)
<i>Other comprehensive income</i>	-	-	-	(159)	-	-	(159)
As of 31 December 2010	295,824	76,500	61,650	(4,636)	15,532	(39,840)	405,030
Transfer to retained earnings (loss)	-	-	(39,840)	-	-	39,840	-
Total comprehensive income for the year:	-	-	1	1,088	-	(6,030)	(4,941)
<i>Net loss</i>	-	-	-	-	-	(6,030)	(6,030)
<i>Other comprehensive income</i>	-	-	1	1,088	-	-	1,089
As of 31 March 2011	295,824	76,500	21,811	(3,548)	15,532	(6,030)	400,089

(Continued)

AB ÜKIO BANKAS

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2011

(All amounts in LTL thousands unless otherwise stated)



The Group	Share Capital	Share premium	Other reserves	Revaluation reserve on available- for-sale investment securities	Foreign currency translation reserve	Legal reserve	Retained earnings (accumulated loss)	Equity attributable to equity holders of the parent	Non- controlling interest	Total
As of 31 December 2009	245,824	76,500	136,647	(5,193)	(313)	16,046	(57,706)	411,805	-	411,805
Transfer to legal reserve	-	-	-	-	-	193	(193)	-	-	-
Transfer to retained earnings (loss)	-	-	(74,997)	-	-	-	74,997	-	-	-
Total comprehensive income for the year:	-	-	-	712	119	-	1,526	2,357	-	2,357
Net profit	-	-	-	-	-	-	1,533	1,533	-	1,533
Other comprehensive income	-	-	-	712	119	-	(7)	824	-	824
As of 31 March 2010	245,824	76,500	61,650	(4,481)	(194)	16,239	18,624	414,162	-	414,162
Transfer to legal reserve	-	-	-	-	-	378	(378)	-	-	-
Increase of share capital (Note 9)	50,000	-	-	-	-	-	-	50,000	-	50,000
Total comprehensive income for the year:	-	-	-	(136)	(6)	-	(35,029)	(35,171)	-	(35,171)
Net loss	-	-	-	-	-	-	(35,029)	(35,029)	-	(35,029)
Other comprehensive income	-	-	-	(136)	(6)	-	-	(142)	-	(142)
As of 31 December 2010	295,824	76,500	61,650	(4,617)	(200)	16,617	(16,783)	428,991	-	428,991
Transfer to retained earnings (loss)	-	-	(39,840)	-	-	-	39,840	-	-	-
Transfer to legal reserve	-	-	-	-	-	330	(330)	-	-	-
Total comprehensive income for the year:	-	-	1	1,095	2	-	(3,643)	(2,545)	-	(2,545)
Net loss	-	-	-	-	-	-	(3,643)	(3,643)	-	(3,643)
Other comprehensive income	-	-	1	1,095	2	-	-	1,098	-	1,098
As of 31 March 2011	295,824	76,500	21,811	(3,522)	(198)	16,947	19,084	426,446	-	426,446

(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 2011

(All amounts in LTL thousands unless otherwise stated)



	The Group 2011.01.01- 2011.03.31	The Group 2010.01.01- 2010.03.31	The Bank 2011.01.01- 2011.03.31	The Bank 2010.01.01- 2010.03.31
Cash flows from (to) operating activities				
Net (loss) for the year	(3,643)	1,533	(6,030)	571
Adjustments to net loss:				
Income tax (benefit) recognized in profit or loss	50	781	(100)	412
Impairment charge	1,993	4,406	1,942	910
Interest income	(49,625)	(50,148)	(43,790)	(42,407)
Interest expense	35,770	51,601	35,827	51,650
Dividends income	(1)	-	(1)	-
Depreciation and amortization	1,508	2,427	1,361	1,576
(Profit) loss from sales of property, plant and equipment	131	(4,354)	(220)	(4,880)
Cash (to) operating activities before changes in operating assets and liabilities	(13,817)	6,246	(11,011)	7,832
Changes in operating assets and liabilities				
Net change in balances with Central Bank	(837)	(23,395)	(837)	(23,395)
Net change in loans to banks and other credit institutions	1,670	1,936	(1)	2
Net change in financial assets at fair value through profit or loss	12,986	(3,457)	14,835	301
Net change in loans and finance lease	140,680	(66,109)	154,329	75,576
Net change in other assets	(13,238)	(3,810)	(11,979)	(4,428)
Net change in due to banks and other credit institutions	(305,434)	110,957	(305,434)	119,957
Net change in financial liabilities at fair value through profit or loss	(836)	109	(826)	109
Net change in due to customers	52,651	327,683	43,434	326,927
Net change in other liabilities	7,046	12,170	7,467	1,645
Cash generated from operations	(119,129)	362,330	(110,023)	504,526
Interest received	32,790	44,103	31,423	37,044
Interest paid	(38,751)	(52,315)	(38,856)	(52,453)
Income tax paid	(50)	(50)	-	-
Net cash generated from operating activities	(125,140)	354,068	(117,456)	489,117

(Continued)

AB ŪKIO BANKAS**CONDENSED INTERIM CASH FLOW STATEMENTS
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2011**
(All amounts in LTL thousands unless otherwise stated)

Notes	The Group 2011.01.01- 2011.03.31	The Group 2010.01.01- 2011.03.31	The Bank 2011.01.01- 2011.03.31	The Bank 2010.01.01- 2010.03.31
Cash flows from (to) investing activities				
Dividends received	1	-	1	-
Acquisition of investment securities	(409,940)	(858,371)	(410,446)	(995,371)
Proceeds from sale of investment securities	190,924	649,586	182,527	649,579
Acquisition of property, plant and equipment and investment property	(391)	(271)	(360)	(261)
Proceeds from sale of property plant and equipment	453	14,416	685	14,920
Acquisition of intangible assets	(22)	(239)	(13)	(217)
Net cash generated from / (used in) investing activities	(218,975)	(194,879)	(227,606)	(331,350)
Cash flows from (to) financing activities				
Debt securities issued	64,474	8,742	64,474	8,742
Debt securities redeemed	(37,491)	(4,474)	(37,491)	(4,474)
Subordinated loans repaid	-	(3,608)	-	(3,608)
Net cash generated from financing activities	26,983	660	26,983	660
Net increase in cash and cash equivalents	(317,132)	159,849	(318,079)	158,427
Effect of exchange rate changes on cash and cash equivalents	-	-	-	-
Cash and cash equivalents at the beginning of the year	1,072,469	989,006	1,071,178	987,967
Cash and cash equivalents at the end of the year	755,337	1,148,855	753,099	1,146,394

(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 2011 (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 Lithuanian Banks Law and providing other services allowed under Lithuanian Financial Institutions Law.

The Bank has 12 branches and 47 client service departments in Lithuania and 2 representative offices in foreign countries (Ukraine and Kazakhstan). In addition, the Bank controls, directly or indirectly, 9 subsidiaries: UAB Ūkio Banko Lizingas, set up in 1997; Ūkio Banko Investicijų Valdymas, set up in 2006; GD UAB Bonum Publicum, acquired in 2007; Ūkio Banko Rizikos Kapitalo Valdymas, set up in 2007; UAB Investicinio Turto Valdymas, acquired in 2009; UAB Eastern Europe Development Fund, acquired in 2009, UAB Turto Valdymo Paslaugos, set up in 2010, and UAB Trade Project, acquired in 2010. UAB Ūkio Banko Rizikos Kapitalo Valdymas owns 100% of shares of RAB Ūkio Bank Lizing (Ukraine; set up in 2006).

As of 31 March 2011 the Group and the Bank employed 823 and 730 employees respectively (as of 31 December 2011: 825 and 725).

AB Ūkio Bankas ordinary registered shares are being traded on the NASDAQ OMX 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>2011-03-31</u>	<u>2010-12-31</u>
Vladimir Romanov	53.10 proc.	53.10 proc.
UAB Universal Business Investment Group Management	8.30 proc.	8.30 proc.
UAB First Partneriai	5.57 proc.	6.45 proc.
In kompleks L.L.C.	5.91 proc.	5.91 proc.

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 2010, 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 2010.

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.

NOTE 4 LOANS AND FINANCE LEASE RECEIVABLE

The Group			The Bank	
2011.03.31	2010.12.31		2011.03.31	2010.12.31
		Loans and finance lease receivable		
		Loans to small and medium size enterprises (SMEs)	1,189,694	1,208,121
1,300,793	1,317,588	Loans to other enterprises	546,834	677,403
851,864	978,277	Loans to individuals	176,505	184,188
314,530	320,742	Loans to financial institutions	339,913	354,717
3,873	3,986	Finance lease receivable	58,603	55,383
211,852	213,881			
2,682,912	2,834,474	Total loans and finance lease receivable	2,311,549	2,479,812
		Provisions for impairment loss of loans and finance lease receivable	(191,170)	(191,974)
(217,945)	(217,714)	<i>Provisions for impairment loss of loans receivable</i>	(191,170)	(191,974)
(207,332)	(207,054)	<i>Provisions for impairment loss of finance lease receivables</i>	-	-
(10,613)	(10,660)			
		Total loans and finance lease receivable from customers, net of provisions	2,120,379	2,287,838
2,464,967	2,616,760			

NOTE 5 INVESTMENT SECURITIES

The Group			The Bank	
2011.03.31	2010.12.31		2011.03.31	2010.12.31
		Equity investment securities available-for-sale		
10,545	10,357	Investment funds	10,083	9,922
30	29	Equity securities of entities available-for-sale	-	-
		Equity securities of banks and financial institutions available-for-sale	489	1,618
489	1,618			
11,064	12,004	Total equity investment securities available-for-sale	10,572	11,540
		Debt investment securities available-for-sale		
7,323	7,393	Debt investment securities of entities available-for-sale	7,323	7,393
		Debt investment securities of banks and financial institutions available-for-sale	11,879	17,969
11,879	17,969			
19,202	25,362	Total debt investment securities available-for-sale	19,202	25,362
		Provisions for the impairment of securities available-for-sale		
-	(6,169)		-	(6,169)
30,266	31,197	Total investment securities available-for-sale	29,774	30,733
		Investment securities held to maturity		
371,259	166,690	Debt securities of entities held to maturity	370,875	166,690
		Debt securities of banks and financial institutions held to maturity	482,533	455,251
148,569	126,385	Government debt securities held to maturity	344,399	345,900
344,799	346,329		1,197,807	967,841
864,627	639,404	Total debt investment securities held to maturity	7	967,841

As of 31 March 2011 investment securities held to maturity with carrying amount LTL'000 68,586 were pledged under repurchase agreements (as of 31 December 2010: LTL'000 268,569).

AB ŪKIO BANKAS

EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2011 (All amounts in LTL thousands unless otherwise stated)



NOTE 6 INVESTMENTS IN SUBSIDIARIES

The Group		The Bank	
2011.03.31	2010.12.31	2011.03.31	2010.12.31
Investments in subsidiaries			
-	-	36,321	36,321
-	-	2,000	2,000
-	-	1,000	1,000
-	-	19,924	19,924
-	-	98,391	98,391
-	-	56,626	56,626
-	-	26,880	26,880
-	-	10	10
-	-	241,152	241,152

NOTE 7 OTHER ASSETS

The Group		The Bank	
2011.03.31	2010.12.31	2011.03.31	2010.12.31
Other assets			
103,223	81,302	93,070	69,681
9,900	-	9,900	-
8,212	8,752	5,664	5,841
4,901	2,863	2,729	1,559
971	997	971	997
302	871	-	647
104	604	104	604
643	392	643	392
185	277	123	169
5,722	2,734	4,378	1,607
134,163	98,792	117,582	81,497
(444)	(421)	(439)	(416)
133,719	98,371	117,143	81,081

AB ŪKIO BANKAS

EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2011 (All amounts in LTL thousands unless otherwise stated)



NOTE 8 DUE TO CUSTOMERS

The Group			The Bank	
2011.03.31	2010.12.31		2011.03.31	2010.12.31
		Due to customers		
893,789	813,043	Current and demand deposits	895,056	814,964
3,035,958	3,064,593	Term deposits, letters of credit	3,039,414	3,077,154
73,680	75,542	Loans	69,432	70,800
4,003,427	3,953,178	Total due to customers	4,003,902	3,962,918
The Group			The Bank	
2011.03.31	2010.12.31		2011.03.31	2010.12.31
		Current and demand deposits		
525,940	475,053	Companies	526,225	475,893
318,958	273,117	Individuals	318,958	273,117
48,891	64,873	Financial institutions	49,873	65,954
893,789	813,043		895,056	814,964
		Term deposits, letters of credit		
389,202	475,190	Companies	389,202	475,190
2,439,431	2,449,244	Individuals	2,439,431	2,449,244
177,195	107,577	Financial institutions	180,586	120,046
3,005,828	3,032,011		3,009,219	3,044,480
		Loans		
12,227	8,000	Government institutions	8,000	8,000
61,083	62,480	Financial institutions	61,083	62,480
-	4,649	Private companies	-	-
73,310	75,129		69,083	70,480
30,500	32,995	Accrued interest	30,544	32,994
4,003,427	3,953,178	Total due to customers	4,003,902	3,962,918

NOTE 9 SHARE CAPITAL AND RESERVES

The authorized capital of the Bank as of 31 December 2010 was LTL'000 295,824 (31 December 2009: LTL'000 245,824; 31 December 2008: LTL'000 196,708) and consisted of 295,824,000 (31 December 2009: 245,824,000; 31 December 2008: 196,708,000) ordinary shares with par value of LTL 1 each. All shares are fully paid.

On 13 September 2010 AB Ūkio bankas authorized capital was increased 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 was 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.

The ordinary general shareholders' meeting of AB Ūkio bankas on 25 March 2011 adopted the resolution To increase AB Ūkio bankas authorized capital from additional contributions by a new LTL 50,000,000 (fifty million) issue of 50,000,000 ordinary registered shares of 1 (one) litas.

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 Meeting of the Shareholders 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 39,840 from other reserves to retained earnings. 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 2011 Other reserves amounted to LTL'000 21,811 (31 December 2010: LTL'000 61,650 tūkšt. Lt.).

NOTE 10 INTEREST INCOME AND EXPENSE

The Group			The Bank	
2011.01.01- 2011.03.31	2010.01.01- 2010.03.31		2011.01.01- 2011.03.31	2010.01.01- 2010.03.31
		Interest income		
43,761	44,858	on loans and other receivables (including finance leases)	32,552	34,992
5,001	4,541	on investment securities held to maturity	10,563	6,818
319	399	on investment securities available-for-sale	319	399
349	187	on trading debt securities	161	35
195	163	on balances with central bank	195	163
49,625	50,148	Total interest income	43,790	42,407

The Group			The Bank	
2011.01.01- 2011.03.31	2010.01.01- 2010.03.31		2011.01.01- 2011.03.31	2010.01.01- 2010.03.31
		Interest expense		
27,242	40,761	on due to customers	27,299	40,905
1,724	3,297	on due to banks and other credit institutions	1,724	3,202
1,908	3,408	on subordinated loans	1,908	3,408
587	360	on debt securities issued	587	360
4,309	3,775	deposit insurance expenses	4,309	3,775
35,770	51,601	Total interest expense	35,827	51,650

In the three month period ended 31 March 2011 the Group's/Bank's total interest income includes income accrued on impaired financial assets in the amount of LTL'000 5,900 and 5,038 respectively (three month period ended 31 March 2010: LTL'000 10,422 and LTL'000 8,980).

NOTE 11 FEES AND COMMISSION INCOME AND EXPENSE

The Group			The Bank	
2011.01.01- 2011.03.31	2010.01.01- 2010.03.31		2011.01.01- 2011.03.31	2010.01.01- 2010.03.31
		Fees and commission income		
7,045	8,059	for money transfer operations	7,077	8,083
963	738	for credit services	963	738
498	845	for bank accounts' services	498	845
1,536	2,083	for payment card services	993	844
399	433	for collection of taxes	406	441
562	500	for EUR currency exchange	562	500
2,129	1,306	other	1,226	1,160
13,132	13,964	Total fees and commission income	11,725	12,611

The Group			The Bank	
2011.01.01- 2011.03.31	2010.01.01- 2010.03.31		2011.01.01- 2011.03.31	2010.01.01- 2010.03.31
		Fees and commission expenses		
576	795	for money transfer operations	504	707
1,361	1,410	for payment card services	1,362	1,406
353	296	other	346	280
2,290	2,501	Total fees and commission expenses	2,212	2,393

NOTE 12 OPERATING EXPENSES

The Group			The Bank	
2011.01.01- 2011.03.31	2010.01.01- 2010.03.31		2011.01.01- 2011.03.31	2010.01.01- 2010.03.31
Operating expenses				
11,841	11,524	Salary and related expenses	9,342	9,070
6,514	3,901	Marketing and charity expenses	5,714	3,309
5,814	5,766	Rent of premises and household expenses	4,965	5,024
1,605	1,739	Taxes (other than income tax)	1,523	1,615
1,508	2,427	Depreciation and amortization	1,361	1,576
		Transport, post and communication service expenses	683	649
932	931			
1,046	867	IT expenses	1,033	857
410	420	Training and business trip expenses	188	115
3,503	2,561	Other expenses	2,748	2,092
33,173	30,136	Total operating expenses	27,557	24,307

NOTE 13 EARNINGS PER SHARE

The Group			The Bank	
2011.01.01- 2011.03.31	2010.01.01- 2010.03.31		2011.01.01- 2011.03.31	2010.01.01- 2010.03.31
Basic earnings per share calculation				
(3,643)	1,533	Profit (loss) attributable to equity holders of the Parent	(6,030)	571
		Weighted average number of ordinary shares in issue (thousands units)		
295,824	245,824		295,824	245,824
(0.01)	0.01	Basic earnings per share (in LTL)	(0.02)	0.00

The Group			The Bank	
2011.01.01- 2011.03.31	2010.01.01- 2010.03.31		2011.01.01- 2011.03.31	2010.01.01- 2010.03.31
Diluted earnings per share calculation				
(3,643)	1,533	Profit (loss) attributable to equity holders of the Parent	(6,030)	571
-	-	Interest expense on subordinated loans (net of tax)	-	-
(3,643)	1,533	Net profit (loss) used to determine diluted earnings per share	(6,030)	571
		Weighted average number of ordinary shares in issue (thousands units)		
295,824	245,824		295,824	245,824
-	-	Adjustment for assumed conversion of subordinated loans (thousands units)	-	-
295,824	245,824		295,824	245,824
(0.01)	0.01	Diluted earnings per share (in LTL)	(0.02)	0.00

NOTE 14 CREDIT RISK

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

The Group			The Bank	
2011.03.31	2010.12.31		2011.03.31	2010.12.31
Assets				
757,491	621,075	Funds with central banks	757,491	621,075
102,701	547,693	Loans and advances to banks and other credit institutions	90,654	535,335
61,510	74,836	Financial assets at fair value through profit or loss	16,896	32,067
2,464,967	2,616,760	Loans and finance lease receivable:	2,120,379	2,287,838
1,330,835	1,347,926	<i>loans to and finance lease receivable from SMEs</i>	1,108,259	1,121,513
835,515	962,447	<i>loans to and finance lease receivable from other enterprises</i>	526,069	656,751
3,873	3,986	<i>loans to and finance lease receivable from financial institutions</i>	339,913	354,717
294,744	302,401	<i>loans to and finance lease receivable from individuals</i>	146,138	154,857
894,893	670,601	Investment securities:	1,227,581	998,574
30,266	31,197	<i>available-for-sale</i>	29,774	30,733
864,627	639,404	<i>held to maturity</i>	1,197,807	967,841
48,433	35,106	Other assets	40,789	28,209
4,329,995	4,566,071	Total	4,253,790	4,503,098
Contingent liabilities and commitments				
66,374	67,704	Guarantees and warranties	66,374	67,704
2,533	-	Commitments to issue letters of credit	2,533	-
151,749	138,968	Irrevocable lending commitments	99,599	85,557
220,656	206,672	Total	168,506	153,261
4,550,651	4,772,743	Total credit risk exposure	4,422,296	4,656,359

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 2011 was LTL 111 million or 22% of the capital base (31 December 2010: 109 million or 22% of the capital base) before taking into account of collateral or other credit enhancements.

The maximum Bank's credit exposure to any client or counterparty (excluding subsidiaries) as of 31 March 2011 was LTL 110 million or 24% of the capital base (31 December 2010: 109 million or 24% of the capital base) before taking into account of collateral or other credit enhancements.

As of 31 March 2011 and during the year the Group and the Bank complied with the maximum loan to one customer requirement established by Bank of Lithuania, according to which the total amount of loans granted to one customer and the customer's related parties may not exceed 25% of the Group's and the Bank's capital (Note 17).

As of 31 March 2011 and during the year the Group and the Bank complied with the large loans requirement established by 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).

AB ŪKIO BANKAS

EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2011 (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 2011:

	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	-	-	-	-	-	-	-	-	-	-	757,491	-	757,491
Loans and advances to banks and other credit institutions	-	102,701	-	-	-	-	-	-	-	-	-	-	102,701
Financial assets at fair value through profit or loss	289	38,202	1,579	587	597	1,412	271	748	232	753	16,840	-	61,510
Loans and finance lease receivable	-	1,368,119	135,727	-	27,731	14,145	96,408	512,206	10,943	26,069	12,956	260,663	2,464,967
Investment securities:													
<i>available-for-sale</i>	-	29,106	-	-	30	-	-	-	-	-	1,130	-	30,266
<i>held-to-maturity</i>	60,216	125,575	37,313	-	27,188	43,056	46,121	3,229	14,813	89,880	417,236	-	864,627
Other assets	-	-	-	-	-	-	-	-	-	-	-	48,433	48,433
Total	60,505	1,663,703	174,619	587	55,546	58,613	142,800	516,183	25,988	116,702	1,205,653	309,096	4,329,995

As of 31 March 2010, the Group's loans to real estate and construction sectors amounted to LTL'000 1,077,754. 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.

AB ŪKIO BANKAS

EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2011 (All amounts in LTL thousands unless otherwise stated)



The Group as of 31 December 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	-	-	-	-	-	-	-	-	-	-	621,075	-	621,075
Loans and advances to banks and other credit institutions	-	547,693	-	-	-	-	-	-	-	-	-	-	547,693
Financial assets at fair value through profit or loss	842	38,447	1,347	414	637	2,793	245	411	112	962	28,626	-	74,836
Loans and finance lease receivable	-	1,431,183	141,951	-	31,276	17,316	91,603	578,792	7,290	34,139	13,410	269,800	2,616,760
Investment securities: <i>available-for-sale</i>	-	29,954	-	-	29	-	-	-	-	-	1,214	-	31,197
<i>held-to-maturity</i>	34,478	110,086	22,487	-	8,614	21,319	18,386	9,535	-	21,873	392,626	-	639,404
Other assets	-	-	-	-	-	-	-	-	-	-	-	35,106	35,106
Total	35,320	2,157,363	165,785	414	40,556	41,428	110,234	588,738	7,402	56,974	1,056,951	304,906	4,566,071

As of 31 December 2010, the Group's loans to real estate and construction sectors amounted to LTL'000 1,066,801. 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.

AB ŪKIO BANKAS

EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2011 (All amounts in LTL thousands unless otherwise stated)



The Bank as of 31 March 2011:

	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	-	-	-	-	-	-	-	-	-	-	757,491	-	757,491
Loans and advances to banks and other credit institutions	-	90,654	-	-	-	-	-	-	-	-	-	-	90,654
Financial assets at fair value through profit or loss	289	5,814	1,320	587	597	202	271	748	232	753	6,083	-	16,896
Loans and finance lease receivable	-	1,222,810	119,916	-	22,732	14,145	92,399	485,993	10,943	25,897	12,956	112,588	2,120,379
Investment securities:													
<i>available-for-sale</i>	-	28,644	-	-	-	-	-	-	-	-	1,130	-	29,774
<i>held-to-maturity</i>	60,216	459,155	37,313	-	27,188	43,056	46,121	3,229	14,813	89,880	416,836	-	1,197,807
Other assets	-	-	-	-	-	-	-	-	-	-	-	40,789	40,789
Total	60,505	1,807,077	158,549	587	50,517	57,403	138,791	489,970	25,988	116,530	1,194,496	153,377	4,253,790

As of 31 March 2011, the Bank's loans to real estate and construction sectors amounted to LTL'000 691,345. 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.

AB ŪKIO BANKAS

EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2011 (All amounts in LTL thousands unless otherwise stated)



The Bank as of 31 December 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	-	-	-	-	-	-	-	-	-	-	621,075	-	621,075
Loans and advances to banks and other credit institutions	-	535,335	-	-	-	-	-	-	-	-	-	-	535,335
Financial assets at fair value through profit or loss	842	7,665	1,103	414	637	1,566	245	411	112	962	18,110	-	32,067
Loans and finance lease receivable	-	1,306,580	126,392	-	25,767	17,316	87,306	551,311	7,290	34,000	13,410	118,466	2,287,838
Investment securities:													
<i>available-for-sale</i>	-	29,519	-	-	-	-	-	-	-	-	1,214	-	30,733
<i>held-to-maturity</i>	34,478	438,952	22,487	-	8,614	21,319	18,386	9,535	-	21,873	392,197	-	967,841
Other assets	-	-	-	-	-	-	-	-	-	-	-	28,209	28,209
Total	35,320	2,318,051	149,982	414	35,018	40,201	105,937	561,257	7,402	56,835	1,046,006	146,675	4,503,098

As of 31 December 2010, the Bank's loans to real estate and construction sectors amounted to LTL'000 684,535. 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.

AB ŪKIO BANKAS

EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2011 (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 2011:

	The Group			The Bank		
	Higher rated countries	Lower rated countries	Total	Higher rated countries	Lower rated countries	Total
Assets						
Funds with central banks	757,491	-	757,491	757,491	-	757,491
Loans and advances to banks and other credit institutions	96,912	5,789	102,701	85,319	5,335	90,654
Financial assets at fair value through profit or loss	58,893	2,617	61,510	15,756	1,140	16,896
Loans and finance lease receivable	2,222,058	242,909	2,464,967	1,974,848	145,531	2,120,379
Investment securities:	850,483	44,410	894,893	1,187,133	40,448	1,227,581
<i>available-for-sale</i>	27,825	2,441	30,266	27,333	2,441	29,774
<i>held-to-maturity</i>	822,658	41,969	864,627	1,159,800	38,007	1,197,807
Other assets	46,612	1,821	48,433	40,505	284	40,789
Total	4,032,449	297,546	4,329,995	4,061,052	192,738	4,253,790

As of 31 December 2010:

	The Group			The Bank		
	Higher rated countries	Lower rated countries	Total	Higher rated countries	Lower rated countries	Total
Assets						
Funds with central banks	621,075	-	621,075	621,075	-	621,075
Loans and advances to banks and other credit institutions	528,685	19,008	547,693	516,738	18,597	535,335
Financial assets at fair value through profit or loss	70,982	3,854	74,836	29,551	2,516	32,067
Loans and finance lease receivable	2,309,190	307,570	2,616,760	2,074,090	213,748	2,287,838
Investment securities:	611,004	59,597	670,601	939,370	59,204	998,574
<i>available-for-sale</i>	28,000	3,197	31,197	27,536	3,197	30,733
<i>held-to-maturity</i>	583,004	56,400	639,404	911,834	56,007	967,841
Other assets	26,695	8,411	35,106	28,199	10	28,209
Total	4,167,631	398,440	4,566,071	4,209,023	294,075	4,503,098

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 2011, largest single country concentrations of Group's financial assets without taking into account any collateral held or other credit enhancements were in Lithuania – 65.4%, USA – 8.5% (as of 31 December 2010: Lithuania – 61.5%, USA – 7.8%).

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.

As of 31 March 2011 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	757,491	-	-	-	-	-	757,491
Loans and advances to banks and other credit institutions	79,660	20,085	2,954	2	-	-	102,701
Financial assets at fair value through profit or loss	9,279	50,504	1,019	708	-	-	61,510
Loans and finance lease receivable:	158,781	647,925	829,988	344,467	2,714	481,092	2,464,967
<i>loans to SMEs</i>	6,782	94,853	659,123	313,597	133	256,347	1,330,835
<i>loans to other enterprises</i>	14,692	484,042	160,072	28,573	-	148,136	835,515
<i>loans to financial institutions</i>	-	3,873	-	-	-	-	3,873
<i>loans to individuals</i>	137,307	65,157	10,793	2,297	2,581	76,609	294,744
Investment securities:	667,637	181,070	39,890	6,296	-	-	894,893
<i>available-for-sale</i>	6,011	11,064	8,437	4,754	-	-	30,266
<i>held-to-maturity</i>	661,626	170,006	31,453	1,542	-	-	864,627
Other assets	14	44,957	3,177	-	-	285	48,433
Total	1,672,862	944,541	877,028	351,473	2,714	481,377	4,329,995

AB ŪKIO BANKAS

EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2011 (All amounts in LTL thousands unless otherwise stated)



As of 31 December 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	621,075	-	-	-	-	-	621,075
Loans and advances to banks and other credit institutions	463,217	79,869	4,606	1	-	-	547,693
Financial assets at fair value through profit or loss	18,758	52,223	3,160	695	-	-	74,836
Loans and finance lease receivable:	159,401	765,268	1,003,155	249,912	2,083	436,941	2,616,760
<i>loans to SMEs</i>	6,348	81,777	800,969	216,153	264	242,415	1,347,926
<i>loans to other enterprises</i>	13,709	610,638	192,473	29,259	-	116,368	962,447
<i>loans to financial institutions</i>	-	3,986	-	-	-	-	3,986
<i>loans to individuals</i>	139,344	68,867	9,713	4,500	1,819	78,158	302,401
Investment securities:	389,378	219,932	56,845	3,940	-	506	670,601
<i>available-for-sale</i>	6,130	10,875	10,135	3,551	-	506	31,197
<i>held-to-maturity</i>	383,248	209,057	46,710	389	-	-	639,404
Other assets	1	32,978	2,079	-	-	48	35,106
Total	1,651,830	1,150,270	1,069,845	254,548	2,083	437,495	4,566,071

As of 31 March 2011 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	757,491	-	-	-	-	-	757,491
Loans and advances to banks and other credit institutions	77,131	11,021	2,500	2	-	-	90,654
Financial assets at fair value through profit or loss	37	16,859	-	-	-	-	16,896
Loans and finance lease receivable:	36,131	624,165	819,894	232,808	1,577	405,804	2,120,379
<i>loans to SMEs</i>	6,620	87,298	605,032	201,938	133	207,238	1,108,259
<i>loans to other enterprises</i>	14,692	166,259	169,685	28,573	-	146,860	526,069
<i>loans to financial institutions</i>	-	305,524	34,389	-	-	-	339,913
<i>loans to individuals</i>	14,819	65,084	10,788	2,297	1,444	51,706	146,138
Investment securities:	667,367	518,173	36,179	5,862	-	-	1,227,581
<i>available-for-sale</i>	6,011	10,572	8,437	4,754	-	-	29,774
<i>held-to-maturity</i>	661,356	507,601	27,742	1,108	-	-	1,197,807
Other assets	14	37,313	3,177	-	-	285	40,789
Total	1,538,171	1,207,531	861,750	238,672	1,577	406,089	4,253,790

AB ŪKIO BANKAS

EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2011 (All amounts in LTL thousands unless otherwise stated)



As of 31 December 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	621,075	-	-	-	-	-	621,075
Loans and advances to banks and other credit institutions	460,620	70,520	4,194	1	-	-	535,335
Financial assets at fair value through profit or loss	9,819	20,322	1,926	-	-	-	32,067
Loans and finance lease receivable:	32,453	754,436	885,455	246,951	2,076	366,467	2,287,838
<i>loans to SMEs</i>	2,915	73,668	634,213	213,192	264	197,261	1,121,513
<i>loans to other enterprises</i>	13,709	296,700	202,273	29,259	-	114,810	656,751
<i>loans to financial institutions</i>	-	315,309	39,408	-	-	-	354,717
<i>loans to individuals</i>	15,829	68,759	9,561	4,500	1,812	54,396	154,857
Investment securities:	389,096	548,690	56,731	3,551	-	506	998,574
<i>available-for-sale</i>	6,130	10,411	10,135	3,551	-	506	30,733
<i>held-to-maturity</i>	382,966	538,279	46,596	-	-	-	967,841
Other assets	1	26,081	2,079	-	-	48	28,209
Total	1,513,064	1,420,049	950,385	250,503	2,076	367,021	4,503,098

AB ŪKIO BANKAS

**EXPLANATORY NOTES
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2011**
(All amounts in LTL thousands unless otherwise stated)



d) Aging analysis of financial assets

As of 31 March 2011 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	757,491	-	-	-	-	-	-	-	-	-	-	-	757,491
Loans and advances to banks and other credit institutions	102,701	-	-	-	-	-	-	-	-	-	-	-	102,701
Financial assets at fair value through profit or loss	61,510	-	-	-	-	-	-	-	-	-	-	-	61,510
Loans and finance lease receivable	1,983,875	33,183	21,938	40,356	37,462	132,939	152,229	15,482	31,872	44,168	104,402	348,153	2,464,967
<i>loans to SMEs</i>	1,074,488	13,104	19,130	33,956	25,400	91,590	9,609	15,160	18,695	34,308	86,985	164,757	1,330,835
<i>loans to other enterprises</i>	687,379	4,164	68	-	917	5,149	139,857	-	-	1,986	1,144	142,987	835,515
<i>loans to financial institutions</i>	3,873	-	-	-	-	-	-	-	-	-	-	-	3,873
<i>loans to individuals</i>	218,135	15,915	2,740	6,400	11,145	36,200	2,763	322	13,177	7,874	16,273	40,409	294,744
Investment securities:	894,893	-	-	-	-	-	-	-	-	-	-	-	894,893
<i>available-for-sale</i>	30,266	-	-	-	-	-	-	-	-	-	-	-	30,266
<i>held-to-maturity</i>	864,627	-	-	-	-	-	-	-	-	-	-	-	864,627
Other assets	48,148	250	23	-	-	273	-	11	-	-	1	12	48,433
Total	3,848,618	33,433	21,961	40,356	37,462	133,212	152,229	15,493	31,872	44,168	104,403	348,165	4,329,995

AB ŪKIO BANKAS

EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2011 (All amounts in LTL thousands unless otherwise stated)



As of 31 December 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	621,075	-	-	-	-	-	-	-	-	-	-	-	621,075
Loans and advances to banks and other credit institutions	547,693	-	-	-	-	-	-	-	-	-	-	-	547,693
Financial assets at fair value through profit or loss	74,836	-	-	-	-	-	-	-	-	-	-	-	74,836
Loans and finance lease receivable	2,179,819	45,302	6,835	39,285	41,924	133,346	136,873	4,630	10,435	38,547	113,110	303,595	2,616,760
<i>loans to SMEs</i>	1,105,511	22,198	4,966	32,509	30,253	89,926	16,968	4,168	6,142	30,771	94,440	152,489	1,347,926
<i>loans to other enterprises</i>	846,079	5,177	71	-	974	6,222	107,677	-	-	-	2,469	110,146	962,447
<i>loans to financial institutions</i>	3,986	-	-	-	-	-	-	-	-	-	-	-	3,986
<i>loans to individuals</i>	224,243	17,927	1,798	6,776	10,697	37,198	12,228	462	4,293	7,776	16,201	40,960	302,401
Investment securities:	670,095	-	-	-	-	-	286	-	-	220	-	506	670,601
<i>available-for-sale</i>	30,691	-	-	-	-	-	286	-	-	220	-	506	31,197
<i>held-to-maturity</i>	639,404	-	-	-	-	-	-	-	-	-	-	-	639,404
Other assets	35,058	30	17	-	-	47	-	-	-	-	1	1	35,106
Total	4,128,576	45,332	6,852	39,285	41,924	133,393	137,159	4,630	10,435	38,767	113,111	304,102	4,566,071

AB ŪKIO BANKAS

EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2011 (All amounts in LTL thousands unless otherwise stated)



As of 31 March 2011 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	757,491	-	-	-	-	-	-	-	-	-	-	-	757,491
Loans and advances to banks and other credit institutions	90,654	-	-	-	-	-	-	-	-	-	-	-	90,654
Financial assets at fair value through profit or loss	16,896	-	-	-	-	-	-	-	-	-	-	-	16,896
Loans and finance lease receivable	1,714,575	12,978	7,490	35,061	33,145	88,674	151,779	14,761	26,793	27,351	96,446	317,130	2,120,379
<i>loans to SMEs</i>	901,021	4,572	5,092	28,935	22,415	61,014	9,588	14,674	17,976	22,184	81,802	146,224	1,108,259
<i>loans to other enterprises</i>	379,209	4,164	-	-	-	4,164	139,857	-	-	1,731	1,108	142,696	526,069
<i>loans to financial institutions</i>	339,913	-	-	-	-	-	-	-	-	-	-	-	339,913
<i>loans to individuals</i>	94,432	4,242	2,398	6,126	10,730	23,496	2,334	87	8,817	3,436	13,536	28,210	146,138
Investment securities:	1,227,581	-	-	-	-	-	-	-	-	-	-	-	1,227,581
<i>available-for-sale</i>	29,774	-	-	-	-	-	-	-	-	-	-	-	29,774
<i>held-to-maturity</i>	1,197,807	-	-	-	-	-	-	-	-	-	-	-	1,197,807
Other assets	40,504	250	23	-	-	273	-	11	-	-	1	12	40,789
Total	3,847,701	13,228	7,513	35,061	33,145	88,947	151,779	14,772	26,793	27,351	96,447	317,142	4,253,790

AB ŪKIO BANKAS

EXPLANATORY NOTES FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2011 (All amounts in LTL thousands unless otherwise stated)



As of 31 December 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	621,075	-	-	-	-	-	-	-	-	-	-	-	621,075
Loans and advances to banks and other credit institutions	535,335	-	-	-	-	-	-	-	-	-	-	-	535,335
Financial assets at fair value through profit or loss	32,067	-	-	-	-	-	-	-	-	-	-	-	32,067
Loans and finance lease receivable	1,921,371	14,803	4,376	34,572	39,120	92,871	135,802	4,361	6,741	20,033	106,659	273,596	2,287,838
<i>loans to SMEs</i>	924,252	4,661	2,620	27,973	28,462	63,716	16,222	4,058	5,952	17,010	90,303	133,545	1,121,513
<i>loans to other enterprises</i>	541,941	4,701	-	-	-	4,701	107,677	-	-	-	2,432	110,109	656,751
<i>loans to financial institutions</i>	354,717	-	-	-	-	-	-	-	-	-	-	-	354,717
<i>loans to individuals</i>	100,461	5,441	1,756	6,599	10,658	24,454	11,903	303	789	3,023	13,924	29,942	154,857
Investment securities:	998,068	-	-	-	-	-	286	-	-	220	-	506	998,574
<i>available-for-sale</i>	30,227	-	-	-	-	-	286	-	-	220	-	506	30,733
<i>held-to-maturity</i>	967,841	-	-	-	-	-	-	-	-	-	-	-	967,841
Other assets	28,161	30	17	-	-	47	-	-	-	-	1	1	28,209
Total	4,136,077	14,833	4,393	34,572	39,120	92,918	136,088	4,361	6,741	20,253	106,660	274,103	4,503,098

NOTE 15 LIQUIDITY RISK

As of 31 March 2011 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	823,305	-	-	-	-	-	823,305
Loans and advances to banks and credit institutions	89,728	1,804	6,206	4,607	-	356	102,701
Financial assets at fair value through profit or loss	3,523	708	609	8,197	11,928	36,545	61,510
Loans and finance lease receivable	222,859	559,171	623,312	644,077	169,968	245,580	2,464,967
Investment securities:	98,789	43,886	196,880	512,352	31,922	11,064	894,893
<i>available-for-sale</i>	73	33	-	-	19,096	11,064	30,266
<i>held-to-maturity</i>	98,716	43,853	196,880	512,352	12,826	-	864,627
Intangible assets	-	-	-	-	-	21,329	21,329
Property, plant and equipment	-	-	-	-	-	28,897	28,897
Investment property	-	-	-	-	-	236,296	236,296
Deferred income tax assets	-	-	-	-	-	17,969	17,969
Other assets	14,388	793	2,535	7,867	2,049	106,087	133,719
Total assets	1,252,592	606,362	829,542	1,177,100	215,867	704,123	4,785,586
Liabilities							
Due to banks and other credit institutions	17,556	70,287	472	1,547	-	-	89,862
Financial liabilities at fair value through profit or loss	180	-	-	-	-	-	180
Due to customers	1,527,630	620,176	1,603,949	241,910	9,762	-	4,003,427
Debt securities in issue	-	18,037	36,447	17,554	-	-	72,038
Subordinated loans	669	-	-	-	93,226	-	93,895
Deferred tax liabilities	-	-	-	-	-	21,019	21,019
Other liabilities	35,025	373	1,328	4,189	37,214	590	78,719
Total liabilities	1,581,060	708,873	1,642,196	265,200	140,202	21,609	4,359,140
Net position	(328,468)	(102,511)	(812,654)	911,900	75,665	682,514	426,446

As of 31 December 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
Total assets	1,468,801	468,611	1,334,843	893,991	233,582	610,875	5,010,703
Total liabilities	1,704,724	647,550	1,845,737	218,669	143,638	21,394	4,581,712
Net position	(235,923)	(178,939)	(510,894)	675,322	89,944	589,481	428,991

**EXPLANATORY NOTES
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2011**
(All amounts in LTL thousands unless otherwise stated)



As of 31 March 2011 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	823,305	-	-	-	-	-	823,305
Loans and advances to banks and other credit institutions	88,840	-	-	1,458	-	356	90,654
Financial assets at fair value through profit or loss	3,523	-	35	470	6,296	6,572	16,896
Loans and finance lease receivable	198,714	319,950	721,809	546,021	110,304	223,581	2,120,379
Investment securities:	148,780	103,329	424,777	511,803	28,320	10,572	1,227,581
<i>available-for-sale</i>	73	33	-	-	19,096	10,572	29,774
<i>held-to-maturity</i>	148,707	103,296	424,777	511,803	9,224	-	1,197,807
Investments in subsidiaries	-	-	-	-	-	241,152	241,152
Intangible assets	-	-	-	-	-	1,364	1,364
Property, plant and equipment	-	-	-	-	-	25,652	25,652
Investment property	-	-	-	-	-	6,031	6,031
Deferred income tax assets	-	-	-	-	-	16,742	16,742
Other assets	12,842	597	2,042	5,286	2,035	94,341	117,143
Total assets	1,276,004	423,876	1,148,663	1,065,038	146,955	626,363	4,686,899
Liabilities							
Due to banks and other credit institutions	17,556	70,287	472	1,547	-	-	89,862
Financial liabilities at fair value through profit or loss	190	-	-	-	-	-	190
Due to customers	1,529,158	620,335	1,606,170	240,167	8,072	-	4,003,902
Debt securities in issue	-	18,037	36,447	17,554	-	-	72,038
Subordinated loans	669	-	-	-	93,226	-	93,895
Other liabilities	26,698	13	61	21	-	130	26,923
Total liabilities	1,574,271	708,672	1,643,150	259,289	101,298	130	4,286,810
Net position	(298,267)	(284,796)	(494,487)	805,749	45,657	626,233	400,089

As of 31 December 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
Total assets	1,710,053	818,098	899,419	787,872	160,751	547,053	4,923,246
Total liabilities	1,701,778	652,314	1,845,283	213,120	105,721	-	4,518,216
Net position	8,275	165,784	(945,864)	574,752	55,030	547,053	405,030

NOTE 16 MARKET RISK

a) currency risk

Concentrations of assets, liabilities and off balance sheet items of the Group as of 31 March 2011:

	EUR	USD	LTL	Other	Total
Assets					
Cash and balances with central bank	655,421	10,174	156,303	1,407	823,305
Loans and advances to banks and other credit institutions	29,261	55,963	9,339	8,138	102,701
Financial assets at fair value through profit or loss	29,865	15,544	14,030	2,071	61,510
Loans and finance lease receivable	793,573	119,854	1,535,089	16,451	2,464,967
Investment securities:	733,677	146,939	10,675	3,602	894,893
<i>available-for-sale</i>	1,608	17,983	10,675	-	30,266
<i>held-to-maturity</i>	732,069	128,956	-	3,602	864,627
Intangible assets	-	-	21,298	31	21,329
Property, plant and equipment	-	-	26,896	2,001	28,897
Investment property	-	-	233,544	2,752	236,296
Deferred income tax assets	-	-	16,919	1,050	17,969
Other assets	11,932	3,860	110,254	7,673	133,719
Total assets	2,253,729	352,334	2,134,347	45,176	4,785,586
Liabilities					
Due to banks and other credit institutions	67,890	5,626	16,084	262	89,862
Financial liabilities at fair value through profit or loss	-	-	180	-	180
Due to customers	1,155,222	533,310	2,267,361	47,534	4,003,427
Debt securities in issue	10,175	-	61,863	-	72,038
Subordinated loans	93,895	-	-	-	93,895
Deferred income tax liabilities	-	-	20,712	307	21,019
Other liabilities	23,358	9,534	44,714	1,113	78,719
Total liabilities	1,350,540	548,470	2,410,914	49,216	4,359,140
Total equity	-	-	426,687	(241)	426,446
Total liabilities and equity	1,350,540	548,470	2,837,601	48,975	4,785,586
Net balance sheet position	903,189	(196,136)	(703,254)	(3,799)	-
Net off-balance sheet position	(900,537)	183,961	698,581	19,609	1,614
Net balance and off-balance sheet position	2,652	(12,175)	(4,673)	15,810	1,614
Credit commitments	33,086	3,052	114,024	1,587	151,749
Issued guarantees	5,390	3,722	57,203	59	66,374

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

	EUR	USD	LTL	Other	Total
Total assets	2,290,311	650,031	1,989,995	80,366	5,010,703
Total liabilities and equity	1,508,916	678,355	2,757,619	65,813	5,010,703
Net balance sheet position	781,395	(28,324)	(767,624)	14,553	-
Net off-balance sheet position	(780,192)	12,929	766,774	(497)	(986)
Net balance and off-balance sheet position	1,203	(15,395)	(850)	14,056	(986)

EXPLANATORY NOTES
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2011
 (All amounts in LTL thousands unless otherwise stated)



Concentrations of assets, liabilities and off balance sheet items of the Bank as of 31 March 2011:

	EUR	USD	LTL	Other	Total
Assets					
Cash and balances with central bank	655,421	10,174	156,303	1,407	823,305
Loans and advances to banks and other credit institutions	26,796	55,949	-	7,909	90,654
Financial assets at fair value through profit or loss	3,693	10,135	1,967	1,101	16,896
Loans and finance lease receivable	760,479	132,945	1,210,509	16,446	2,120,379
Investment securities:	732,798	146,600	348,183	-	1,227,581
<i>available-for-sale</i>	1,608	17,983	10,183	-	29,774
<i>held-to-maturity</i>	731,190	128,617	338,000	-	1,197,807
Investments in subsidiaries	-	-	241,152	-	241,152
Intangible assets	-	-	1,364	-	1,364
Property, plant and equipment	-	-	25,652	-	25,652
Investment property	-	-	6,031	-	6,031
Deferred income tax assets	-	-	16,742	-	16,742
Other assets	11,914	3,848	99,539	1,842	117,143
Total assets	2,191,101	359,651	2,107,442	28,705	4,686,899
Liabilities					
Due to banks and other financial institutions	67,890	5,626	16,084	262	89,862
Financial liabilities at fair value through profit or loss	-	-	190	-	190
Due to customers	1,155,826	533,310	2,267,232	47,534	4,003,902
Debt securities in issue	10,175	-	61,863	-	72,038
Subordinated loans	93,895	-	-	-	93,895
Other liabilities	5,576	3,926	17,288	133	26,923
Total liabilities	1,333,362	542,862	2,362,657	47,929	4,286,810
Total equity	-	-	400,089	-	400,089
Total liabilities and equity	1,333,362	542,862	2,762,746	47,929	4,686,899
Net balance sheet position	857,739	(183,211)	(655,304)	(19,224)	-
Net off-balance sheet position	(857,378)	184,297	655,076	19,609	1,604
Net balance and off-balance sheet position	361	1,086	(228)	385	1,604
Credit commitments	32,803	3,052	63,744	-	99,599
Issued guarantees	5,390	3,722	57,203	59	66,374

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

	EUR	USD	LTL	Other	Total
Total assets	2,230,581	658,466	1,968,651	65,548	4,923,246
Total liabilities and equity	1,492,907	672,970	2,693,019	64,350	4,923,246
Net balance sheet position	737,674	(14,504)	(724,368)	1,198	-
Net off-balance sheet position	(737,485)	13,286	723,735	(497)	(961)
Net balance and off-balance sheet position	189	(1,218)	(633)	701	(961)

Sensitivity to currency risk, LTL'000:

The Group			Bankas	
2011.03.31	2010.12.31		2011.03.31	2010.12.31
		Sensitivity to changes in EUR rates		
-	-	Expected rate fluctuation, %	-	-
2,652	1,203	Open position	361	189
-	-	Effect on profit or loss	-	-
-	-	Effect on equity	-	-
		Sensitivity to changes in USD rates		
3.85	8.51	Expected rate fluctuation, %	3.85	8.51
(12,175)	(15,395)	Open position	1,086	(1,218)
±469	±1,310	Effect on profit or loss	±42	±104
±399	±1,114	Effect on equity	±36	±88
		Sensitivity to changes in UAH rates		
4.23	9.87	Expected rate fluctuation, %	4.23	9.87
11,697	13,242	Open position	365	388
±495	±1,307	Effect on profit or loss	±15	±38
±421	±1,111	Effect on equity	±13	±32

Expected rate fluctuation is based on the actual changes from the beginning of the year till the end of the year.

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

The Group/Bank takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. Interest margins may increase as a result of such changes but may reduce or create losses in the event that unexpected movements arise.

The Group/Bank has internal interest rate limits and ratios that are set in accordance with its procedures. Compliance with interest rate limits and ratios is reported on a monthly basis.

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 2011 loans with fixed lowest interest rate for the Group/Bank comprised LTL'000 847,347 (31 December 2010: LTL'000 940,689).

EXPLANATORY NOTES
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2011
(All amounts in LTL thousands unless otherwise stated)



Groups' assets and liabilities stated at their carrying amounts at earlier of interest reprising and contractual maturity date as of 31 March 2011.

	Up to 1 month	1-3 months	3-12 months	Over 1 year	Non- interest bearing	Total
Assets						
Cash and balances with central bank	79,522	-	-	-	743,783	823,305
Loans and advances to banks and other credit institutions	28,292	1,750	6,097	4,357	62,205	102,701
Financial assets at fair value through profit or loss	21,036	-	-	-	40,474	61,510
Loans and finance lease receivable	348,244	627,744	864,422	307,150	317,407	2,464,967
Investment securities:	108,587	41,728	189,870	520,918	33,790	894,893
<i>available-for-sale</i>	15,559	-	-	-	14,707	30,266
<i>held-to-maturity</i>	93,028	41,728	189,870	520,918	19,083	864,627
Intangible assets	-	-	-	-	21,329	21,329
Property, plant and equipment	-	-	-	-	28,897	28,897
Investment property	-	-	-	-	236,296	236,296
Deferred income tax assets	-	-	-	-	17,969	17,969
Other assets	-	-	-	-	133,719	133,719
Total assets	585,681	671,222	1,060,389	832,425	1,635,869	4,785,586

Liabilities						
Due to banks and other credit institutions	13,426	70,503	117	466	5,350	89,862
Financial liabilities at fair value through profit or loss	-	-	-	-	180	180
Due to customers	673,156	607,117	1,601,138	184,322	937,694	4,003,427
Debt securities in issue	-	17,329	35,962	17,554	1,193	72,038
Subordinated loans	-	-	-	93,226	669	93,895
Deferred income tax liabilities	-	-	-	-	21,019	21,019
Other liabilities	-	-	-	-	78,719	78,719
Total liabilities	686,582	694,949	1,637,217	295,568	1,044,824	4,359,140

Off balance sheet claims sensitive to interest rate changes	-	-	-	-	-	-
Off balance sheet liabilities sensitive to interest rate changes	-	7,947	-	-	-	7,947
Interest rate risk	(100,901)	(31,674)	(576,828)	536,857	591,045	418,499

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

	Up to 1 month	1-3 months	3-12 months	Over 1 year	Non- interest bearing	Total
Total assets	1,331,259	455,682	1,051,495	523,312	1,648,955	5,010,703
Total liabilities	913,410	634,941	1,815,772	248,949	968,640	4,581,712
Off balance sheet claims sensitive to interest rate changes	-	-	-	-	-	-
Off balance sheet liabilities sensitive to interest rate changes	-	17,237	-	-	-	17,237
Interest rate risk	417,849	(196,496)	(764,277)	274,363	680,315	411,754

**EXPLANATORY NOTES
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2011**
(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 2011:

	Up to 1 month	1-3 months	3-12 months	Over 1 year	Non- interest bearing	Total
Assets						
Cash and balances with central bank	79,522	-	-	-	743,783	823,305
Loans and advances to banks and other credit institutions	28,267	-	-	1,458	60,929	90,654
Financial assets held for trading	6,766	-	-	-	10,130	16,896
Loans and finance lease receivable	333,101	286,798	1,040,206	164,616	295,658	2,120,379
Investment securities:	162,124	101,247	417,771	516,837	29,602	1,227,581
<i>available-for-sale</i>	19,096	-	-	-	10,678	29,774
<i>held-to-maturity</i>	143,028	101,247	417,771	516,837	18,924	1,197,807
Investments in subsidiaries	-	-	-	-	241,152	241,152
Intangible assets	-	-	-	-	1,364	1,364
Property, plant and equipment	-	-	-	-	25,652	25,652
Investment property	-	-	-	-	6,031	6,031
Deferred income tax assets	-	-	-	-	16,742	16,742
Other assets	-	-	-	-	117,143	117,143
Total assets	609,780	388,045	1,457,977	682,911	1,548,186	4,686,899
Liabilities						
Due to banks and other financial institutions	13,426	70,503	117	466	5,350	89,862
Financial liabilities at fair value through profit or loss	-	-	-	-	190	190
Due to customers	673,413	607,276	1,603,379	180,829	939,005	4,003,902
Debt securities in issue	-	17,329	35,962	17,554	1,193	72,038
Subordinated loans	-	-	-	93,226	669	93,895
Other liabilities	-	-	-	-	26,923	26,923
Total liabilities	686,839	695,108	1,639,458	292,075	973,330	4,286,810
Off balance sheet claims sensitive to interest rate changes	-	-	-	-	-	-
Off balance sheet liabilities sensitive to interest rate changes	-	7,947	-	-	-	7,947
Interest rate risk	(77,059)	(315,010)	(181,481)	390,836	574,856	392,142

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

	Up to 1 month	1-3 months	3-12 months	Over 1 year	Non- interest bearing	Total
Total assets	1,579,911	764,523	622,504	381,157	1,575,151	4,923,246
Total liabilities	918,716	640,323	1,816,520	245,333	897,324	4,518,216
Off balance sheet claims sensitive to interest rate changes	-	-	-	-	-	-
Off balance sheet liabilities sensitive to interest rate changes	-	17,237	-	-	-	17,237
Interest rate risk	661,195	106,963	(1,194,016)	135,824	677,827	387,793

**EXPLANATORY NOTES
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2011**
(All amounts in LTL thousands unless otherwise stated)



Sensitivity to interest rate risk, LTL'000:

The Group			The Bank	
2011.03.31	2010.12.31		2011.03.31	2010.12.31
		Changes in profit or loss if interest rates increased by 1 percentage point		
(1,912)	(3,131)	LTL	(1,077)	(271)
136	2,452	EUR	(220)	2,075
(862)	(14)	USD	(841)	(51)
(118)	55	Other currencies	(125)	48
(2,756)	(638)	Total changes in profit or loss if interest rates increased by 1 percentage point	(2,263)	1,801
		Changes in equity or loss if interest rates increased by 1 percentage point		
(2,343)	(542)		(1,924)	1,531
		Changes in profit or loss if interest rates decreased by 1 percentage point		
3,523	5,162	LTL	2,687	2,301
1,771	219	EUR	2,127	597
1,573	1,009	USD	1,553	1,047
148	54	Other currencies	155	60
7,015	6,444	Total changes in profit or loss if interest rates decreased by 1 percentage point	6,522	4,005
		Changes in equity or loss if interest rates decreased by 1 percentage point		
5,963	5,477		5,544	3,404

NOTE 17 COMPLIANCE WITH PRUDENTIAL REQUIREMENTS

In 2011 and 2010, 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 2011 is presented in the table below:

Ratio	Requirement	Bank's ratio	Group's ratio
Capital adequacy ratio	>= 10%	12.69%	13.14%
Liquidity ratio	>= 30%	56.28%	55.92%
Maximum credit exposure to a single borrower	<= 25% (for subsidiaries - 75%) of eligible capital <= 800% of eligible capital	74.65% (subsidiary) 24.37% (other)	22.28%
Large loans		384.90%	263.32%
Aggregate open foreign currency position	<= 25% of eligible capital	0.36%	3.21%
Single open foreign currency position	<= 15% of eligible capital	0.24%	(2.44)%

The compliance with the limits and ratios set by the Bank of Lithuania as of 31 December 2010 is presented in the table below:

Ratio	Requirement	Bank's ratio	Group's ratio
Capital adequacy ratio	>= 10%	12.58%	13.01%
Liquidity ratio	>= 30%	49.33%	49.06%
Maximum credit exposure to a single borrower	<= 25% (for subsidiaries - 75%) of eligible capital <= 800% of eligible capital	72.06% (subsidiary) 23.84% (other)	21.86%
Large loans		370.35%	259.01%
Aggregate open foreign currency position	<= 25% of eligible capital	(0.27)%	(3.08)%
Single open foreign currency position	<= 15% of eligible capital	(0.27)%	(3.08)%

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 10% 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 2011 and 31 December 2010 calculated in accordance with the Bank of Lithuania regulations, is presented in the table below:

The Group			The Bank	
2011.03.31	2010.12.31		2011.03.31	2010.12.31
		Tier 1 capital		
295,824	295,824	Share capital	295,824	295,824
76,500	76,500	Share premium	76,500	76,500
21,811	61,650	Reserve capital	21,811	61,650
22,727	16,713	Undistributed profit of previous years	-	(1,826)
(3,643)	(33,496)	Loss of current year	(6,030)	(38,014)
16,947	16,617	Legal reserve	15,532	15,532
		Revaluation reserve – available-for-sale investment securities	(3,548)	(4,636)
(21,329)	(21,578)	Deductions	(20,879)	(21,091)
405,315	407,613	Total Tier 1 capital	379,210	383,939
		Tier 2 capital		
(198)	(200)	Currency translation reserve		-
		Eligible for inclusion in Tier 2 capital part of subordinated loans	93,226	93,226
93,226	93,226	Deductions	(19,515)	(19,515)
-	-			
93,028	93,026	Total Tier 2 capital	73,711	73,711
498,343	500,639	Total Capital Base	452,921	457,650
		Risk-weighted assets and off-balance sheet items		
3,326,950	3,366,410	Banking book risk-weighted assets and off-balance sheet items	3,276,740	3,325,780
134,390	150,910	Trading book risk-weighted assets and off-balance sheet items	63,500	84,630
330,570	330,570	Operational risk risk-weighted assets and off-balance sheet items	228,540	228,540
3,791,910	3,847,890	Total risk-weighted assets and off-balance sheet items	3,568,780	3,638,950
10.69	10.59	Tier 1 capital / Total risk-weighted assets and off-balance sheet items, %	10.63	10.55
13.14	13.01	Capital adequacy ratio, %	12.69	12.58

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 FMĮ Finbaltus 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 2011 and 2010 Group companies entered into the following transactions with related parties that are not members of the Group Grupei:

The Group	Members of the Board and the Council		Other related parties
	Shareholders		
As of 31 March 2011			
Loans, finance lease receivable	2,595	14	2,727
Interest income	21	-	587
Deposits	2,868	237	7,836
Interest expenses	41	3	94
As of 31 December 2010			
Loans, finance lease receivable	2,590	-	3,023
Interest income	86	-	1,791
Deposits	4,102	762	10,565
Interest expenses	141	66	379
The Bank	Members of the Board and the Council		Other related parties
	Shareholders		
As of 31 March 2011			
Loans, finance lease	2,585	-	2,680
Interest income	21	-	586
Deposits	2,868	237	7,836
Interest expense	41	3	94
As of 31 December 2010			
Loans, finance lease	2,580	-	2,963
Interest income	85	-	1,785
Deposits	4,102	762	10,565
Interest expense	141	66	379

The Group		Compensation to key management personnel	The Bank	
2011.01.01-2011.03.31	2010.01.01-2010.03.31		2011.01.01-2011.03.31	2010.01.01-2010.03.31
820	836	Short-terms payments	413	421
		Long-terms payments		

**EXPLANATORY NOTES
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2011**
(All amounts in LTL thousands unless otherwise stated)



As of 31 March 2011 and for the twelve 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	3,334	18	10	67
UAB Ūkio Banko Lizingas	861	338,004	5,667	(15)
UAB Ūkio Banko Investicijų Valdymas	281	-	-	1
RAB Ūkio Bank Lizing	-	34,389	564	-
UAB Ūkio Banko Rizikos Kapitalo Valdymas	-	10,750	128	-
UAB Investicinio Turto Valdymas	86	-	-	-
UAB Trade Project	178	-	-	-
UAB Eastern Europe Development Fund	21	-	-	-
UAB Turto valdymo paslaugos	-	301,651	4,323	-

As of 31 December 2010 and for the twelve 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	6,765	3	35	257
UAB Ūkio Banko Lizingas	6,142	329,657	14,809	53
UAB Ūkio Banko Investicijų Valdymas	255	26	2	3
RAB Ūkio Bank Lizing	485	39,408	3,259	-
UAB Ūkio Banko Rizikos Kapitalo Valdymas	26	10,499	7,264	6,887
UAB Investicinio Turto Valdymas	101	-	-	-
UAB Trade Project	690	-	110	2
UAB Eastern Europe Development Fund	23	-	1,531	-
UAB Turto valdymo paslaugos	-	311,323	13,236	-

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	
2011.03.31	2010.12.31		2011.03.31	2010.12.31
66,374	67,704	Guarantees and warranties	66,374	67,704
2,533	-	Commitments to issue letters of credit	2,533	-
151,749	138,968	Irrevocable lending commitments	99,599	85,557
718,866	824,059	Spot liabilities	762,371	867,098
718,811	824,025	Spot claims	762,316	867,064
-	-	Other off balance commitments	-	-

As of 31 December 2010 UAB Ūkio Banko Lizingas has finance lease contracts in the amount LTL'000 1,987 signed, but not yet executed (31 December 2009: LTL'000 122).

Finance lease – as of 31 March 2011 the Bank has outstanding finance lease obligations under finance lease contracts in the amount of LTL'000 101 121 (31 December 2010: 121). 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 2011 amounting to LTL'000 65,281 (31 December 2009: LTL'000 65,006).

As of 31 March 2011 the Group's and the Bank's future annual minimum commitments under leases were following:

	2011.03.31		2010.12.31	
	Finance lease	Operating lease	Finance lease	Operating lease
For the year ending 31 December				
2011	61	10,701	81	10,439
2012	42	8,470	42	8,461
2013	-	7,641	-	7,633
2014	-	6,842	-	6,837
2015	-	5,678	-	5,674
Thereafter	-	25,949	-	25,962
Minimum lease payments	103	65,281	123	65,006
Less: interest	(2)		(2)	
Present value of minimum lease payments	101		121	

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 2011 and 31 December 2010 the Group/Bank was not involved in any legal proceedings except for those related to loan/lease 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 for the twelve month period ended 31 March 2011 includes financial information of UAB Ūkio Banko Rizikos Kapitalo Valdymas, UAB Ūkio Banko Investicijų Valdymas, UAB Investicinio Turto Valdymas, GD UAB Bonum Publicum, UAB Eastern Europe Development Fund, UAB Trade Project, UAB Turto Valdymo Paslaugos. Other activities segment for the twelve month period ended 31 March 2010 includes financial information of UAB Ūkio Banko Rizikos Kapitalo Valdymas, UAB Ūkio Banko Investicijų Valdymas, UAB Investicinio Turto Valdymas, GD UAB Bonum Publicum and UAB Eastern Europe Development Fund.

	2011.01.01-2011.03.31				
	Banking	Finance lease	Other activities	Elimination	Group
Interest revenues:					
Internal	10,644	7	72	(10,723)	-
External	33,146	11,514	4,965	-	49,625
	43,790	11,521	5,037	(10,723)	49,625
Interest expenses:					
Internal	(78)	(6,194)	(4,450)	10,722	-
External	(35,749)	-	(21)	-	(35,770)
	(35,827)	(6,194)	(4,471)	10,722	(35,770)
Net interest income	7,963	5,327	566	(1)	13,855
Non-interest revenues:					
Internal	49	-	57	(106)	-
External	21,741	1,335	4,702	-	27,778
	21,790	1,335	4,759	(106)	27,778
Non-interest expenses:					
Internal	26	(65)	(67)	106	-
External	(32,606)	(3,780)	(5,339)	-	(41,725)
	(32,580)	(3,845)	(5,406)	106	(41,725)
Segment result before impairment, amortization and taxes	(2,827)	2,817	(81)	(1)	(92)
Depreciation and amortization	(1,361)	(60)	(87)	-	(1,508)
Impairment losses	(1,942)	(56)	5	-	(1,993)
Profit (loss) before tax	(6,130)	2,701	(163)	(1)	(3,593)
Income tax	100	(169)	19	-	(50)
PROFIT (LOSS)	(6,030)	2,532	(144)	(1)	(3,643)
Attributable to:					
Equity holders of the parent	(6,030)	2,532	(144)	(1)	(3,643)
Minority interest	-	-	-	-	-
Assets	4,686,899	400,591	642,854	(944,758)	4,785,586
Liabilities	4,286,810	380,707	395,219	(703,596)	4,359,140

**EXPLANATORY NOTES
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2011**
(All amounts in LTL thousands unless otherwise stated)



	2010.01.01-2010.03.31				
	Banking	Finance lease	Other activities	Elimination	Group
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	5,570	-	48,772
	41,481	1,771	5,684	(164)	48,772
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	129	497	9,147
Depreciation and amortization	(1,576)	(776)	(75)	-	(2,427)
Impairment losses	(910)	(3,728)	232	-	(4,406)
Profit (loss) before tax	983	548	286	497	2,314
Income tax	(412)	(369)	-	-	(781)
PROFIT (LOSS)	571	179	286	497	1,533
Attributable to:					
Equity holders of the parent	571	179	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

CREDIT RATINGS

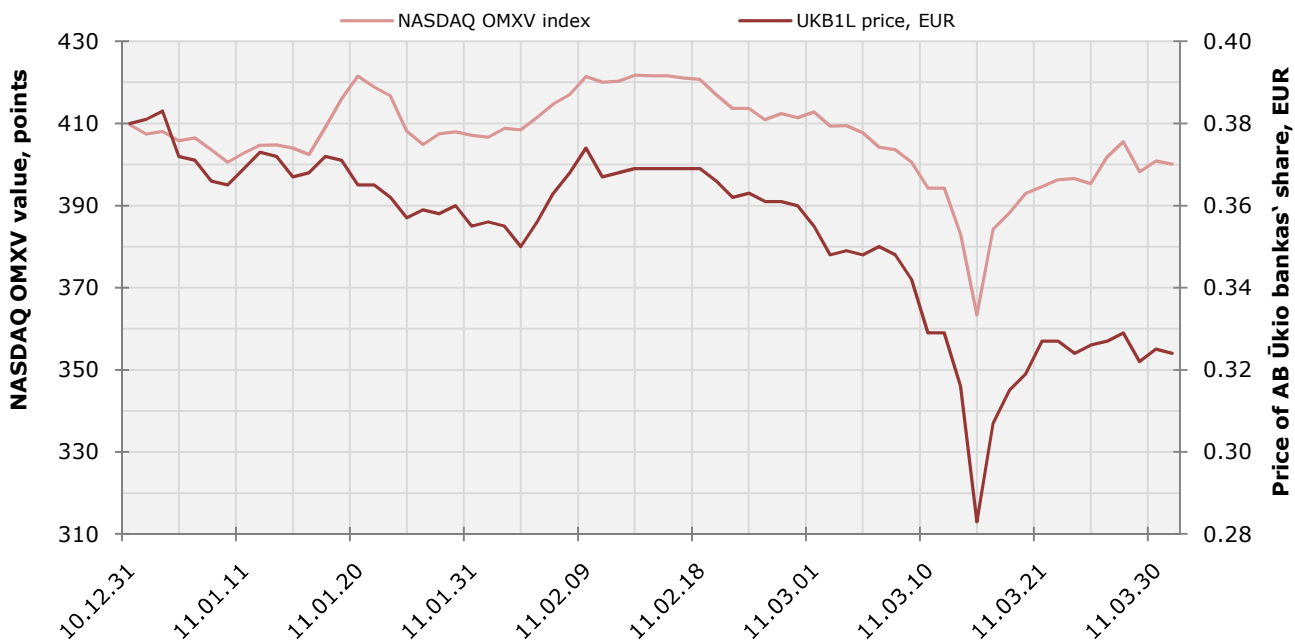
International rating agency Standard&Poor’s has assigned the following ratings to Ūkio bankas:

- 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).

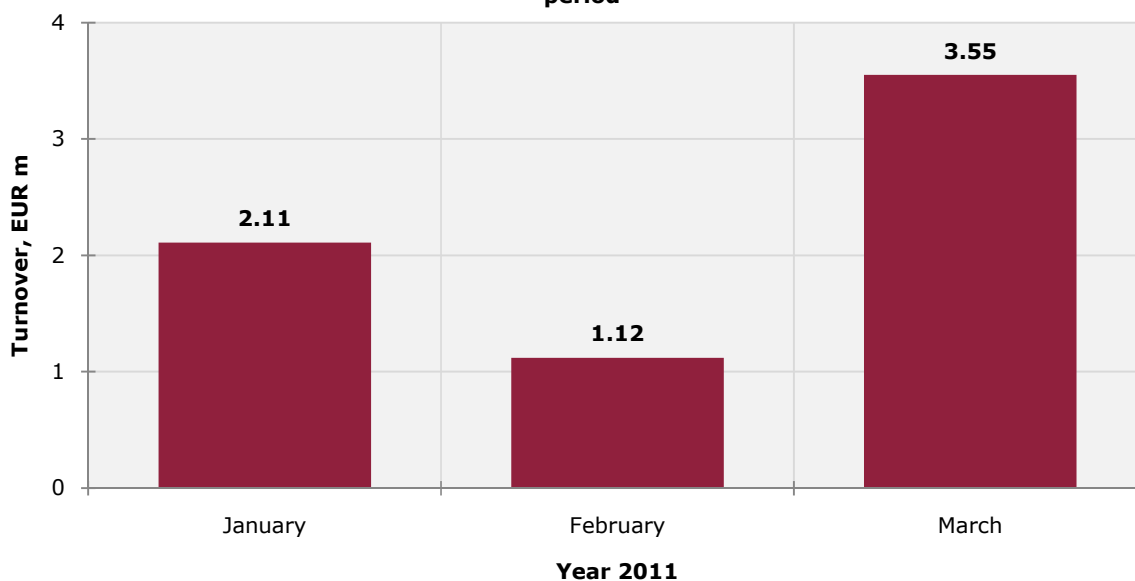
The outlook of ratings is negative.

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

AB Ūkio bankas' share price and NASDAQ OMX Vilnius index development for the reporting period



Turnover of AB Ūkio bankas' shares in NASDAQ OMX Vilnius 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 2011)

Name, surname, position	Number of shares held	Percentage of Bank capital, %	Percentage of votes, %
SUPERVISORY COUNCIL OF THE BANK			
Karpavičienė Edita Chairwoman	197,450	0.0667	0.0667
Kurauskienė Ala Deputy Chairwoman	405,024	0.1369	0.1369
Gončaruk Olga Member	8,124,854	2.7465	2.7465
Jakavičienė Gražina Member	11,286	0.0038	0.0038
Soldatenko Viktor Member	2,785	0.0009	0.0009
BOARD OF THE BANK			
Ugianskis Gintaras Chairman, CEO	96,225	0.0325	0.0325
Balandis Rolandas Deputy Chairman, Head of Financial Markets Division	80,105	0.0271	0.0271
Žalys Arnas Deputy Chairman, Head of Finance Division	51,000	0.0172	0.0172

MATERIAL EVENTS IN AB ŪKIO BANKAS ACTIVITIES

- 07 January 2011** Announced that at the meeting of the Board of AB Ūkio bankas as of 6 January 2011, a resolution was taken to issue fixed rate bond emission in LTL under the "Base prospectus of LTL 200,000,000 short and medium term bonds offering programme" approved on 7 October 2010 by the Security Commission of the Republic of Lithuania, and to approve the Final terms and conditions of the emission. 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.
- 11 February 2011** Announced that on 10 February 2011 AB Ūkio bankas finished the issue of Fixed rate bond issue LTL No. 1/2011 issued under LTL 200,000,000 short and medium term bonds offering program. During distribution period (from 10 January 2011 till 10 February 2011) 138,213 bonds with nominal value of LTL 100 and fixed 4.0 percent annual interest rate were issued. Redemption of bonds on 21 February 2012.
- 24 February 2011** Announced that on 24 February 2011 AB Ūkio bankas according to the provisions specified in Base Prospectus of LTL 200,000,000 Short and Medium Term Bonds Offering Programme and Final Terms and Conditions approved by the Board of the Bank as at 19 January 2010, redeemed "Fixed rate bond issue EUR No 1/2010" (ISIN code – LT1000401307).
- 25 February 2011** Announced that at the meeting of the Board of AB Ūkio bankas as of 24 February 2011, a resolution was taken to issue fixed rate bond emission in LTL under the "Base prospectus of LTL 200,000,000 short and medium term bonds offering programme" approved on 7 October 2010 by the Security Commission of the Republic of Lithuania, and to approve the Final terms and conditions of the emission. 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.
- 28 February 2011** Announced AB Ūkio bankas group preliminary unaudited net loss of year 2010 is LTL 33.5 million (EUR 9.7 million) – i.e. 53 percent less than in 2009, when LTL 70.5 million (EUR 20.4 million) net loss was incurred. AB Ūkio bankas preliminary unaudited net loss of year 2010 is LTL 38.0 million (EUR 11.0 million) – i.e. 49 percent less than in 2009, when LTL 75.0 million (EUR 21.7 million) net loss was incurred.

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- 04 March 2011** Convocation of an ordinary General Meeting of AB Ūkio bankas Shareholders announced. The Bank's Board has approved the agenda and draft resolutions of the meeting to be held on 25 March 2011.
- 25 March 2011** Announced the resolutions of AB Ūkio bankas ordinary General Shareholders' Meeting held on 25 March 2011.

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.
