

### **The results of Šiaulių bankas Group's performance for I half-year, 2014**

- Šiaulių bankas' Group earned LTL 22.4 million of the net profit, the Bank generated LTL 24.2 million.
- Net service income and commission fee increased by 16 per cent over the second quarter
- Active lending activities resulted in the loan portfolio growth.
- Net interest margin remains stable.

In the middle of 2014 Šiaulių bankas and the Bank Group have been further improving the key performance indicators and maintaining the stable growth. The unaudited net profit of Šiaulių bankas' Group reached LTL 22.4 million over the first half-year which is by 3.4 times more than over the respective period in 2013 when it earned LTL 6.5 million. Since the beginning of 2014 the unaudited net profit of Šiaulių bankas comprised LTL 24.2 million which by 3.9 times exceeds the net profit generated over the first half-year of the year 2013 when the bank earned LTL 6.3 million.

The Group's assets reached LTL 5.5 billion after the first half of this year. The positive impact on its growth was made by more active lending actions taken from the very beginning of the year - the loan portfolio increased by LTL 39 million over the second quarter of the year and comprised LTL 2.3 billion at the end of June, 2014. In total, the Bank has granted more than LTL 200 million of loans to its clients over the second quarter of 2014.

Preparing for the euro adoption more and more depositors trust their funds to Šiaulių bankas. This is also reflected in the bank's deposit portfolio which increased by LTL 92 million during the first six months of the year and exceeded LTL 4.6 billion. According to the data as at the end of the first quarter, Šiaulių bankas owned 5 per cent of the country's loan market and 9.3 per cent of the deposit market.

The consistently growing number of the customers as well as their increasing activity using the services of Šiaulių bankas resulted in the income growth. The net service and commission fee earned over the second quarter increased by 16 per cent while the result of the transactions in foreign currency grew by 34 per cent if to compare with the first quarter. Though the net interest income decreased by 7 per cent in the second quarter, however, eliminating the impact of the one-off and atypical factors of the previous periods, the net interest margin remains stable.

Over the second quarter the Bank's Group additionally recognized an impairment of LTL 15.2 million in loans and assets. The Group's cost to income ratio comprised 56.8 per cent at the end of the half -year of 2014, while the return on equity formed 13.4 per cent.

"We do appreciate the results achieved by the Bank and the Bank Group over the half-year. An active work with the bank's corporate and private customers led to the good results, the loan portfolio has increased, and the significant growth of commission and other income also reflect the positive tendencies. Over the second half a year the Bank's performance is also going to be based on the consistent business development achieved resuming the started project and continually seeking to take advantage of the synergy of the increased Bank Group's activities. Also, much attention will be paid to improvement of the quality of customer servicing as well as to the euro adoption which would certainly require significant human and financial resources. I have no doubt that the adoption of the euro would give tangible benefits to the entire national economy which means to our clients too, - says Vytautas Sinius, Chief Executive Officer of Šiaulių bankas.

Currently the number of private and corporate customers of Šiaulių bankas exceeds 330 thousand. Šiaulių bankas, operating through 74 outlets in 39 towns of Lithuania, is the second largest if ranked by the number of the customer service points. The Bank's customers can use 230 ATMs of the joint ATM network of four banks which operates in 46 cities and towns throughout Lithuania, moreover, the customers can cash their funds or place them to the payment card accounts through more than 1800 terminals of "Perlo paslaugos" UAB all over Lithuania.