

**AS “AKCIJU KOMERCBANKA
“BALTIKUMS””**

**CONDENSED BANK’S INTERIM FINANCIAL
STATEMENTS
FOR SIX MONTH PERIOD ENDED
30 JUNE 2009 (IN EUROS)**

AS "AKCIJU KOMERCBANKA "BALTIKUMS"" CONDENSED BANK'S INTERIM FINANCIAL STATEMENTS FOR SIX MONTH PERIOD ENDED 30 JUNE 2009 (IN EUROS)

CONSOLIDATED BALANCE SHEET

Position	30.06.2009 LVL`000	31.12.2008 LVL`000	30.06.2009 EUR`000	31.12.2008 EUR`000
Cash and deposits with the Bank of Latvia	6 389	5 550	9 091	7 897
Deposits with credit institutions	29 207	37 178	41 558	52 900
Financial assets at fair value through profit or loss	11 014	7 857	15 672	11 180
Available-for-sale financial assets	766	10	1 090	14
Loans and receivables	27 204	34 556	38 708	49 169
Held to maturity financial investments	14 747	14 581	20 983	20 747
Investments in associated entities and in subsidiaries	3 060	2	4 354	3
Intangible assets	276	257	393	366
Property, Plant and Equipment	1 691	1 738	2 406	2 473
Investment property	3 537	3 619	5 031	5 147
Other assets	5 421	7 075	7 713	10 067
Prepayments and accrued income	487	86	693	122
Total assets	103 799	112 509	147 692	160 085
Balances due to credit institutions on demand	939	7	1 336	10
Trading liabilities	263	135	374	192
Financial liabilities carried at amortized cost	80 338	90 850	114 311	129 268
<i>Balances due to credit institutions on term</i>	<i>1 199</i>	<i>1 270</i>	<i>1 706</i>	<i>1 807</i>
<i>Customers deposits</i>	<i>74 756</i>	<i>79 096</i>	<i>106 368</i>	<i>112 543</i>
<i>Notes payable</i>	<i>4 383</i>	<i>10 484</i>	<i>6 237</i>	<i>14 918</i>
Current tax liabilities	0	629	0	895
Deferred tax liabilities	36	0	51	0
Other liabilities	779	275	1 108	391
Total liabilities	82 355	91 896	117 180	130 756
Shareholders' equity				
Share capital	15 178	15 178	21 596	21 596
Reserve capital and other reserves	17	17	24	24
Retained earnings	3 704	3 137	5 271	4 464
Profit of the year	3 704	3 137	5 271	4 464
<i>Attributable to:</i>				
<i>Equity holders of the Bank</i>	<i>3 440</i>	<i>2 135</i>	<i>4 895</i>	<i>3 038</i>
<i>Minority interest</i>	<i>264</i>	<i>0</i>	<i>376</i>	<i>0</i>
Minority interest	2 545	2 281	3 621	3 245
Total liabilities and shareholders' equity	103 799	112 509	147 692	160 085
Contingent liabilities	298	80	424	114
Financial commitments	4 323	3 582	6 151	5 097
Assets / Liabilities under management	6 617	6 599	9 415	9 390

The fixed exchange rate of the Bank of Latvia is 1 EUR=0.702804 LVL

AS "AKCIJU KOMERCBANKA "BALTIKUMS"" CONDENSED BANK'S INTERIM FINANCIAL STATEMENTS FOR SIX MONTH PERIOD ENDED 30 JUNE 2009 (IN EUROS)

CONSOLIDATED INCOME STATEMENT

Position	30.06.2009 LVL`000	30.06.2008 LVL`000	30.06.2009 EUR`000	30.06.2008 EUR`000
Interest income	3 055	2 254	4 347	3 207
Interest expense	-600	-731	-854	-1 040
Securities income	0	0	0	0
Fees and commission income	2 050	2 020	2 917	2 874
Fees and commission expense	-357	-387	-508	-551
Net profit/loss from financial assets and liabilities valued at fair value	360	231	512	329
Net trading income from foreign exchange	402	1 606	572	2 285
Trading income from financial instruments and foreign exchange	0	0	0	0
Other operating income	253	114	360	162
Administrative expenses	-2 789	-1 902	-3 968	-2 706
Other operating expenses	-76	-275	-108	-391
Impairment of financial assets	-718	-408	-1 022	-581
Gains arising from investment in associates	238	0	339	0
Income before corporate income tax	1 818	2 522	2 587	3 588
Income tax	-147	-387	-209	-550
Profit for the period	1 671	2 135	2 378	3 038
<i>Attributable to:</i>				
<i>Equity holders of the Bank</i>	<i>1 407</i>	<i>2 135</i>	<i>2 002</i>	<i>3 038</i>
<i>Minority interest</i>	<i>264</i>	<i>0</i>	<i>376</i>	<i>0</i>
Net income	1 671	2 135	2 378	3 038

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CONSOLIDATED INCOME STATEMENT

	Share capital, LVL'000	Reserve capital and other reserves, LVL'000	Retained earnings, LVL'000	Profit for the year, LVL'000	Minority interest, LVL'000	Total, LVL'000
Balance as at 31 December 2006	10 525	17	2 361	12 903	182	13 085
Profit for the year	0	0	2 740	2 740	-264	2 476
Effect of disposal of interest in subsidiary	0	0	0	0	2 363	2 363
Issue of shares	4 653	-	-	4 653	-	4 653
Dividends paid	0	0	-1 964	-1 964	0	-1 964
Balance as at 31 December 2007	15 178	17	3 137	18 332	2 281	20 613
Profit for the year	0	0	1 407	1 407	264	1 671
Dividends paid	-	0	-840	-840	-	-840
Balance as at 30 June 2008	15 178	17	3 704	18 899	2 545	21 444

	Share capital, EUR'000	Reserve capital and other reserves, EUR'000	Retained earnings, EUR'000	Profit for the year, EUR'000	Minority interest, EUR'000	Total, EUR'000
Balance as at 31 December 2006	14 975	24	3 360	18 359	259	18 618
Profit for the year	0	0	3 899	3 899	-376	3 523
Effect of disposal of interest in subsidiary	0	0	0	0	3 362	3 362
Issue of shares	6 621	0	0	6 621	0	6 621
Dividends paid	0	0	-2 795	-2 795	0	-2 795
Balance as at 31 December 2007	21 596	24	4 464	26 084	3 245	29 329
Profit for the year	0	0	2 002	2 002	376	2 378
Dividends paid	-	-	-1 195	-1 195	-	-1 195
Balance as at 30 June 2008	21 596	24	5 271	26 891	3 621	30 512

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CONSOLIDATED STATEMENT OF CASH FLOWS

	30.06.2009 LVL`000	31.12.2008 LVL`000	30.06.2009 EUR`000	31.12.2008 EUR`000
Cash flow from operating activities				
Profit before income tax	1 818	2 522	2 587	3 588
Depreciation and amortisation	185	69	263	98
Impairment of financial assets, net	718	408	1 022	581
Unrealized loss from foreign exchange	59	109	84	155
Investment property and other revaluation	-463	19	-659	27
<i>Increase in cash and cash equivalents from operating activities before changes in assets and liabilities</i>	2 317	3 127	3 297	4 449
Changes in loans and receivables	5 633	-5 618	8 015	-7 994
Changes in financial assets classified as available-for-sale	-756	2 116	-1 076	3 011
Changes in financial assets classified as trading assets	-3 157	-8 558	-4 492	-12 177
Changes in financial assets classified at fair value through profit or loss	0	15	0	21
Changes in financial assets classified as held-to-maturity financial assets	-1 147	-362	-1 632	-515
Changes in prepayments and accrued income	-1	3	-1	4
Changes in other assets	-447	-2 444	-636	-3 477
Changes in other customer deposits	-4 340	21 951	-6 175	31 233
Changes in financial liabilities held for trading	128	-86	182	-122
Changes in other and tax liabilities	820	-1 930	1 167	-2 746
Changes in deferred income and accrued expense	108	180	154	256
<i>Net cash from operating activities before income tax</i>	-842	8 394	-1 197	11 943
Income taxes paid	-1 198	-488	-1 704	-694
<i>Increase in cash and cash equivalents from operating activities</i>	-2 040	7 906	-2 901	11 249
Cash flow from investing activities				
Acquisition of fixed and intangible assets	-75	-1 403	-107	-1 996
Proceeds from disposals of fixed and intangible assets	0	2	0	3
Cash flow from other investing activities	826	0	1 174	0
Acquisition of investments in subsidiaries, net of cash acquired	0	-1 515	0	-2 156
<i>Cash and cash equivalents used in investing activities</i>	751	-2 916	1 067	-4 149
Cash flow from financing activities				
Issue of shares	0	4 653	0	6 621
Redemption of notes	-5 876	0	-8 361	0
Dividends paid	-840	-1 964	-1 195	-2 795
<i>Cash and cash equivalents provided by financing activities</i>	-6 716	2 689	-9 556	3 826
Net increase in cash and cash equivalents	-8 005	7 679	-11 390	10 926
Cash and cash equivalents at the beginning of the year	42 696	51 938	60 751	73 901
Loss from foreign exchange revaluation	-59	-109	-84	-155
<i>Cash and cash equivalents at the end of the year</i>	34 632	59 508	49 277	84 672

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