

**Balance sheet of Latvijas Hipoteku un zemes banka, State Joint Stock Company  
 as of September 30, 2008**

<u>Assets</u>	Thousands LVL
Cash and balances with Central Bank	46 710
Trading securities	4 366
Investment securities – held to maturity	14 981
Investment securities – available for sale	64 124
Due from credit institutions	89 006
Derivative financial instruments	142
Loans to customers	715 243
Investment properties	2 116
Investments in subsidiaries and associated undertakings	900
Intangible assets	1 927
Property and equipment	7 837
Other assets	825
Deferred expenses and accrued income	606
<b>Total assets</b>	<b>948 783</b>

<u>Liabilities</u>	Thousands LVL
Due to credit institutions	522 985
Due to customers	277 833
Derivative financial instruments	810
Transit funds	2 467
Issued debt securities	40 270
Other liabilities	10 168
Deferred income and accrued expenses	1 948
Current income tax liabilities	-
Deferred tax liabilities	937
Subordinated liabilities	31 544
<b>Total liabilities</b>	<b>888 962</b>
<b>Shareholder's equity</b>	
Share capital	48 513
Reserve capital	2 063
Revaluation deficit on available for sale investments	(4 658)
Profit for the reporting period	11 713
Retained earning	2 190
<b>Total shareholder's equity</b>	<b>59 821</b>
<b>Total liabilities and shareholder's equity</b>	<b>948 783</b>