

AB SEB BANK

CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTH PERIOD ENDED
30 JUNE 2008

Independent Auditor's Report

To the board of directors of AB SEB Bank

We have audited the accompanying consolidated condensed interim financial information of AB SEB Bank and its subsidiaries ('the Group') and the condensed interim financial information of AB SEB Bank ('the Bank') set out in pages 3 – 20 (together – 'the financial information') which comprise the condensed interim balance sheet as of 30 June 2008 and the condensed interim statements of income, cash flow and changes in equity for the half year then ended and other explanatory notes.

Management's responsibility for the financial information

Management is responsible for the preparation and fair presentation of the financial information in accordance with International Accounting Standard No. 34 "Interim Financial Reporting", as adopted by EU. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial information that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial information based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial information is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial information. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial information, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial information.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial information is properly prepared, in all material respects, in accordance with International Accounting Standard No. 34 "Interim Financial Reporting", as adopted by EU.

On behalf of PricewaterhouseCoopers UAB



Christopher C. Butler
Partner

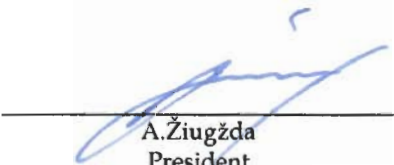


Rasa Radzevičienė
Auditor's Certificate No.000377

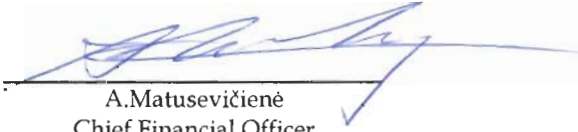
Condensed Interim Financial Information for the Six Month Period Ended 30 June 2008

Condensed Interim Income Statement
for the six month period ended 30 June
(LTL 000s)

The Group			The Bank	
2008	2007		2008	2007
779,791	535,252	Interest income	675,398	474,849
(458,039)	(279,168)	Interest expenses	(388,880)	(243,554)
321,752	256,084	Net interest income	286,518	231,295
(16,837)	(17,572)	Provisions for loan impairment	(16,837)	(17,572)
(2,460)	(1,421)	Provisions for lease portfolio and other doubtful leasing assets	-	-
(233)	(4,208)	Provisions for guarantees	(233)	(4,208)
2	(183)	Other provisions	2	(182)
(19,528)	(23,384)		(17,068)	(21,962)
302,224	232,700	Net interest income after provisions	269,450	209,333
96,238	101,596	Net service charges and other income	81,654	87,057
8,937	7,692	Net gain on equity investments	566	1,963
-	-	Dividends from subsidiaries	58,591	45,772
(13,662)	19,705	Net gain on operations with debt securities and financial instruments	(14,148)	18,396
42,512	28,862	Net foreign exchange gain	46,833	30,688
134,025	157,855		173,496	183,876
44,251	41,680	Net insurance premium revenue	-	-
(39,578)	(40,259)	Gross insurance expenses	-	-
4,673	1,421	Net life insurance income	-	-
(95,964)	(78,766)	Staff costs	(82,604)	(67,525)
(86,837)	(72,117)	Other administrative expenses	(77,663)	(68,457)
(182,801)	(150,883)		(160,267)	(135,982)
258,121	241,093	Profit before income tax	282,679	257,227
(32,523)	(41,951)	Income tax	(27,219)	(36,861)
225,598	199,142	Net income	255,460	220,366
225,598	199,142	Attributable to:	255,460	220,366
-	-	Equity holders of the parent	-	-
225,598	199,142	Minority interest	255,460	220,366
14.61	12.90	Earnings per share, attributable to equity holders of the parent (LTL)	16.54	14.27
14.61	12.90	Diluted earnings per share, attributable to equity holders of the parent (LTL)	16.54	14.27



A. Žiugžda
President



A. Matusevičienė
Chief Financial Officer

Condensed Interim Financial Information for the Six Month Period Ended 30 June 2008

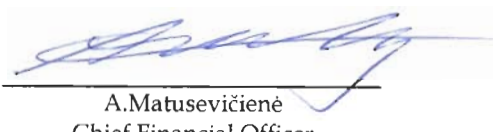
Condensed Interim Balance Sheet
(LTL 000s)

The Group			The Bank	
30 June 2008	31 December 2007		30 June 2008	31 December 2007
Assets				
299,621	460,494	Cash in hand	299,621	460,494
865,506	1,261,469	Balances with the Central Bank	865,506	1,261,469
670,598	978,270	Due from banks, net	669,878	977,976
1,656,981	2,060,853	Treasury bills – available for sale	1,656,359	2,060,257
660,228	594,860	Financial assets designated at fair value through profit or loss	297,647	192,653
208,905	340,182	Derivative financial instruments	208,905	340,182
27,787	30,254	Loans to credit and financial institutions, net	1,137,200	1,155,117
19,407,034	17,753,288	Loans to customers, net	19,404,984	17,750,245
4,376,120	3,928,138	Finance lease receivable, net	-	-
39,565	42,406	Investment securities – available for sale	25,157	27,401
11,627	12,493	Investment securities – held to maturity	11,627	12,493
-	-	Investments in subsidiaries	58,941	58,941
209,774	184,947	Intangible fixed assets	209,267	184,396
59,227	76,343	Tangible fixed assets	57,263	58,136
9,674	12,149	Assets under operating lease	-	-
2,785	835	Deferred tax asset	2,342	-
252,247	251,762	Other assets, net	123,127	155,085
<u>28,757,679</u>	<u>27,988,743</u>	Total assets	<u>25,027,824</u>	<u>24,694,845</u>
Liabilities				
33	25	Amounts owed to the Central Bank	33	25
13,955,016	12,545,769	Amounts owed to credit and financial institutions	10,713,300	9,822,423
207,712	393,431	Derivative financial instruments	207,712	393,431
10,249,554	10,808,095	Deposits from the public	10,259,662	10,822,658
268,195	258,367	Liabilities in life insurance operations	-	-
94,478	136,052	Liabilities to investment contract holders	-	-
54,061	69,721	Accrued expenses and deferred income	46,228	58,633
69,644	58,425	Income tax payable	61,846	51,009
601,974	654,008	Subordinated loans	601,974	654,008
874,497	873,247	Debt securities in issue	876,440	875,442
1,281	1,045	Deferred tax liability	-	1,045
156,856	179,649	Other liabilities and provisions	81,472	80,345
<u>26,533,301</u>	<u>25,977,834</u>	Total liabilities	<u>22,848,667</u>	<u>22,759,019</u>
Equity				
Equity attributable to equity holders of the parent				
1,034,575	1,034,575	Paid in capital	1,034,575	1,034,575
1,034	1,034	Reserve capital	2,200	2,200
(19,571)	(7,442)	Financial assets revaluation reserve	(19,571)	(7,442)
77,394	35,215	Legal reserve	74,639	31,348
9,338	9,338	General and other reserves	9,388	9,338
1,121,608	938,189	Net income for the period and retained earnings	1,077,976	865,807
<u>2,224,378</u>	<u>2,010,909</u>		<u>2,179,157</u>	<u>1,935,826</u>
-	-	Minority interest	-	-
<u>2,224,378</u>	<u>2,010,909</u>	Total equity	<u>2,179,157</u>	<u>1,935,826</u>
<u>28,757,679</u>	<u>27,988,743</u>	Total liabilities and equity	<u>25,027,824</u>	<u>24,694,845</u>
21.33%	29.53%	Return on Average Equity attributable to equity holders of the parent	24.77%	29.64%
2.06%	2.11%	Return on Average Total Assets	1.64%	2.30%

Vilnius, 28 August 2008



A. Žiugžda
President



A. Matusevičienė
Chief Financial Officer

Condensed Interim Statement of Changes in Equity of the Group
 (LTL 000s)

	Share capital	Share premium	Reserve capital	Financial assets revaluation reserve	Translation reserve	Legal reserve	General and other reserves	Retained earnings	Minority interest	Total
31 December 2006	1,034,575	-	104	591	-	15,270	9,338	448,433	-	1,508,311
Net charge to financial assets revaluation reserve for the period, net of deferred tax	-	-	-	(8,177)	-	-	-	-	-	(8,177)
Net income for the period	-	-	-	-	-	-	-	199,142	-	199,142
<i>Net income recognized directly in equity</i>	-	-	-	(8,177)	-	-	-	199,142	-	190,965
Transfers to reserves	-	-	-	-	-	19,944	-	(19,944)	-	-
30 June 2007	1,034,575	-	104	(7,586)	-	35,214	9,338	627,631	-	1,699,276
31 December 2007	1,034,575	-	1,034	(7,442)	-	35,215	9,338	938,189	-	2,010,909
Net charge to financial assets revaluation reserve for the period, net of deferred tax	-	-	-	(12,129)	-	-	-	-	-	(12,129)
Net income for the period	-	-	-	-	-	-	-	225,598	-	225,598
<i>Net income recognized directly in equity</i>	-	-	-	(12,129)	-	-	-	225,598	-	213,469
Transfers to reserves	-	-	-	-	-	42,179	-	(42,179)	-	-
30 June 2008	1,034,575	-	1,034	(19,571)	-	77,394	9,338	1,121,608	-	2,224,378


 A. Žiugžda
 President


 A. Matusevičienė
 Chief Financial Officer

Condensed Interim Statement of Changes in Equity of the Bank
 (LTL 000s)

	Share capital	Share premium	Reserve capital	Financial assets revaluation reserve	Legal reserve	General and other reserves	Retained earnings	Total
31 December 2006	1,034,575	-	2,200	577	11,888	9,338	389,173	1,447,751
Net charge to financial assets revaluation reserve for the period, net of deferred tax	-	-	-	(8,180)	-	-	-	(8,180)
Net income for the period	-	-	-	-	-	-	220,366	220,366
<i>Net income recognized directly in equity</i>	-	-	-	(8,180)	-	-	220,366	212,186
Transfers to reserves	-	-	-	-	19,460	-	(19,460)	-
30 June 2007	1,034,575	-	2,200	(7,603)	31,348	9,338	590,079	1,659,937
31 December 2007	1,034,575	-	2,200	(7,442)	31,348	9,338	865,807	1,935,826
Net charge to financial assets revaluation reserve for the period, net of deferred tax	-	-	-	(12,129)	-	-	-	(12,129)
Net income for the period	-	-	-	-	-	-	255,460	255,460
<i>Net income recognized directly in equity</i>	-	-	-	(12,129)	-	-	255,460	243,331
Transfers to reserves	-	-	-	-	43,291	-	(43,291)	-
30 June 2008	1,034,575	-	2,200	(19,571)	74,639	9,338	1,077,976	2,179,157


 A. Žiugžda
 President


 A. Matusevičienė
 Chief Financial Officer

Condensed Interim Financial Information for the Six Month Period Ended 30 June 2008

Condensed Interim Statement of Cash Flows
for the six month period ended 30 June
(LTL 000s)

The Group			The Bank	
2008	2007		2008	2007
		Cash from operating activities:		
775,976	527,739	Interest income received	671,583	467,336
(454,186)	(244,995)	Interest expenses paid	(385,027)	(209,384)
42,512	28,862	Net foreign exchange gain	46,833	30,688
(13,662)	19,705	Net gain in securities trading and financial instruments	(14,148)	18,396
96,238	101,596	Net commission and service income	81,654	87,057
(27,073)	73,837	Life insurance operations	-	-
(95,964)	(78,766)	Staff costs	(82,604)	(67,525)
(63,230)	(73,575)	Other payments	(104,316)	(81,371)
<u>260,611</u>	<u>354,403</u>	Net cash from operating activities before change in operating assets	<u>213,975</u>	<u>245,197</u>
		Changes in operating assets:		
40,696	77,591	Decrease (increase) in compulsory balances with the Central Bank	40,696	77,591
573,730	100	(Increase) decrease in due from banks and loans to credit and financial institutions	588,780	(193,179)
(1,666,768)	(2,320,717)	Increase in loans to customers	(1,667,761)	(2,322,364)
(2,434)	(8,899)	(Increase) decrease in other current assets	31,142	(5,955)
<u>(1,054,776)</u>	<u>(2,251,925)</u>	Net increase in operating assets	<u>(1,007,143)</u>	<u>(2,443,907)</u>
		Changes in operating liabilities:		
(558,541)	108,661	Increase (decrease) in deposits from the public	(562,996)	100,205
(42,764)	(26,312)	Increase in accrued expenses, deferred income and other liabilities	14,135	(48,469)
<u>(601,305)</u>	<u>82,349</u>	Net increase (decrease) in operating liabilities	<u>(548,861)</u>	<u>51,736</u>
<u>(1,395,470)</u>	<u>(1,815,173)</u>	Net cash to operating activities before income tax	<u>(1,342,029)</u>	<u>(2,146,974)</u>
(20,843)	(30,334)	Income tax paid	(19,307)	(28,887)
<u>(1,416,313)</u>	<u>(1,845,507)</u>	Net cash to operating activities after income tax	<u>(1,361,336)</u>	<u>(2,175,861)</u>

Condensed Interim Financial Information for the Six Month Period Ended 30 June 2008

**Condensed Interim Statement of Cash Flows
for the six month period ended 30 June
(LTL 000s) (continued)**

<u>The Group</u>			<u>The Bank</u>	
2008	2007		2008	2007
		Cash from (to) investing activities:		
		(Purchase) sale of tangible and intangible fixed assets, net	(25,522)	589
(21,353)	(20,213)	Decrease (increase) in investment in short-term and long-term treasury bonds	391,769	90,943
391,743	90,960	Change of investment into subsidiaries	-	4,563
-	-	Dividends received from subsidiaries	58,591	45,772
-	-	Decrease of investment in securities and derivatives	(156,326)	(550,699)
(114,655)	(627,917)	Increase in financial lease receivable	-	-
(450,442)	(573,693)	Cash (used in) from investing activities	<u>268,512</u>	<u>(408,832)</u>
(194,707)	(1,130,863)			
		Cash from (to) financing activities:		
		Increase (decrease) in amounts owed to the Central Bank	8	8
8	8	Increase in amounts owed to credit and financial institutions	890,877	1,906,279
1,409,247	2,290,229	Increase in subordinated loans	(52,034)	158,311
(52,034)	158,311	Debt securities (redeemed) issued, net	998	(133,907)
1,250	(126,488)	Cash from financing activities	<u>839,849</u>	<u>1,930,691</u>
1,358,471	2,322,060			
(252,549)	(654,310)	Net (decrease) increase in cash	(252,975)	(654,002)
1,290,448	1,327,746	Cash and cash equivalents 1 January	<u>1,290,154</u>	<u>1,327,432</u>
1,037,899	673,436	Cash and cash equivalents 30 June	<u>1,037,179</u>	<u>673,430</u>
		Which could be specified as follows:		
		Balances available for withdrawal with the Central Banks	237,392	-
237,392	-	Overnight deposits	345,434	282,731
345,434	282,731	Cash on hand	299,621	311,977
299,621	311,977	Current accounts with other banks	154,732	78,722
155,452	78,728		<u>1,037,179</u>	<u>673,430</u>
1,037,899	673,436			

*Notes to the interim financial report***1. Basis of presentation**

This interim financial report is presented in national currency of Lithuania, Litas (LTL).

At the end of the reporting period AB SEB Bankas had five subsidiaries. The Bank and its subsidiaries thereafter are referred as the Group. The subsidiaries are as follows: UAB SEB Lizingas is a fully owned subsidiary engaged in the leasing activities; UAB SEB Venture Capital is a fully owned subsidiary involved in venture capital activities; UAB SEB Gyvybės Draudimas is a fully owned subsidiary of the Bank and is engaged in provision of life insurance services; UAB SEB Enskilda is fully owned subsidiary engaged in provision of corporate finance services; UAB SEB Investicijų Valdymas is a fully owned subsidiary engaged in provision of investments' management services.

The books and records of the Bank and the Group are maintained in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union. This interim financial report has been prepared in accordance with International Accounting Standard 34.

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year. Deposit insurance expenses were relocated from other expenses into interest expense line (for the six month ended 30 June 2007: LTL 21,204 thousand).

2. Accounting policies

The accounting policies adopted and methods of computation used are consistent with those of the annual financial statements for the year ended 31 December 2007, as described in the annual financial statements for the year ended 31 December 2007. No new standards, amendments to standards or interpretations are mandatory for financial year ending 31 December 2008, other than already described in the annual financial statements for the year ended 31 December 2007.

The financial statements are prepared under the historical cost convention as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities held at fair value through profit and loss and all derivative contracts.

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current event and actions, actual results ultimately may differ from those estimates.

The implementation of these standards did not result in substantial changes to the Group accounting policies or the classification and valuation of financial instruments.

The following new standards, amendments to standards or interpretations are mandatory for the first time for the financial year beginning 1 January 2008 but are not currently relevant for the Group.

- IFRIC 11, 'IFRS 2 - Group and treasury share transactions'.
- IFRIC 12, 'Service concession arrangements'.
- IFRIC 14, 'IAS 19 - the limit on a defined benefit asset, minimum funding requirements and their interaction'.

The following new standards, amendments to standards and interpretations have been issued but are not effective for the financial year beginning 1 January 2008 and have not been early adopted:

- IFRS 8, 'Operating segments', effective for annual periods beginning on or after 1 January 2009.
- IAS 23 (amendment), 'Borrowing costs', effective for annual periods beginning on or after 1 January 2009.
- IFRS 2 (amendment) 'Share-based payment', effective for annual periods beginning on or after 1 January 2009.
- IFRS 3 (amendment), 'Business combinations' and consequential amendments to IAS 27, 'Consolidated and separate financial statements', IAS 28, 'Investments in associates' and IAS 31, 'Interests in joint ventures', effective prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009.
- IAS 1 (amendment), 'Presentation of financial statements', effective for annual periods beginning on or after 1 January 2009.
- IAS 32 (amendment), 'Financial instruments: presentation', and consequential amendments to IAS 1, 'Presentation of financial statements', effective for annual periods beginning on or after 1 January 2009.

Condensed Interim Financial Information for the Six Month Period Ended 30 June 2008
2. Accounting policies (continued)

- IFRIC 13, 'Customer loyalty programmes', effective for annual periods beginning on or after 1 July 2008.
- IFRIC 15, 'Agreements for the Construction of Real Estate', effective for annual periods beginning on or after 1 January 2009.
- IFRIC 16, 'Hedges of a Net Investment in a Foreign Operation', effective for annual periods beginning on or after 1 October 2008.

The International Accounting Standards Board in May 2008 approved a number of amendments to IFRS that consist of a mixture of substantive changes, clarifications, and changes in terminology in various standards. The substantive changes relate to the following areas: classification as held for sale under IFRS 5 in case of a loss of control over a subsidiary; possibility of presentation of financial instruments held for trading as non-current under IAS 1; accounting for sale of IAS 16 assets which were previously held for rental and classification of the related cash flows under IAS 7 as cash flows from operating activities; clarification of definition of a curtailment under IAS 19; accounting for below market interest rate government loans in accordance with IAS 20; making the definition of borrowing costs in IAS 23 consistent with the effective interest method; clarification of accounting for subsidiaries held for sale under IAS 27 and IFRS 5; reduction in the disclosure requirements relating to associates and joint ventures under IAS 28 and IAS 31; enhancement of disclosures required by IAS 36; clarification of accounting for advertising costs under IAS 38; amending the definition of the fair value through profit or loss category to be consistent with hedge accounting under IAS 39; introduction of accounting for investment properties under construction in accordance with IAS 40; and reduction in restrictions over manner of determining fair value of biological assets under IAS 41. Further amendments made to IAS 8, 10, 18, 20, 29, 34, 40, 41 and to IFRS 7 represent terminology or editorial changes only, which the IASB believes have no or minimal effect on accounting. The Group does not expect the amendments to have any material effect on its consolidated financial statements.

IFRIC 12, 13, 14, 15, 16 and amended IAS 1, IAS 23, IAS 27, IAS 32 as well as amended IFRS 2, revised IFRS 3 and Improvements to IFRS have not been yet endorsed by the EU.

3. Segment reporting (LTL 000s)

Primary reporting format – business segments. The Group is organised into six main business segments: banking, leasing, venture capital, investment management, corporate finance, life insurance. Transactions between the business segments are on normal commercial terms and conditions.

The six month period ended 30 June 2008

	Consolidated segments						Eliminations and adjustments	Total
	Banking	Leasing	Venture capital	Investment management	Corporate finance	Life insurance		
Revenues:								
Internal	92,910	130	131	219	14	(125)	(93,279)	-
External	789,983	136,230	338	12,544	5,771	28,495	-	973,361
	882,893	136,360	469	12,763	5,785	28,370	(93,279)	973,361
Expenses:								
Internal	(365)	(24,762)	(22)	(6,531)	(122)	(2,886)	34,688	-
External	(596,222)	(84,499)	(421)	(3,934)	(2,888)	(16,429)	-	(704,393)
	(596,587)	(109,261)	(443)	(10,465)	(3,010)	(19,315)	34,688	(704,393)
Depreciation and amortization	(13,778)	(2,043)	(4)	(18)	(13)	(261)	-	(16,117)
Impairment losses on loans	(17,068)	(2,460)	-	-	-	-	-	(19,528)
Life insurance technical provisions	-	-	-	-	-	(7,725)	-	(7,725)
Result for the period	255,460	22,596	22	2,280	2,762	1,069	(58,591)	225,598
Assets	25,027,824	4,501,868	26,566	15,905	9,294	396,966	(1,220,744)	28,757,679
Liabilities	22,848,667	4,468,272	659	3,567	3,218	370,722	(1,161,804)	26,533,301
Investments in fixed assets	(38,008)	(2,844)	(2)	(16)	(12)	(254)	-	(41,136)

Condensed Interim Financial Information for the Six Month Period Ended 30 June 2008

3. Segment reporting (LTL 000s) (continued)

The six month period ended 30 June 2007

	Consolidated segments							Eliminations and adjustments	Total
	Banking	Leasing	Venture capital	Investment management	Corporate finance	Life insurance	Real estate company		
Revenues:									
Internal	78,603	135	152	188	94	806	5,202	(85,180)	-
External	608,848	90,241	664	13,011	4,500	47,535	264	-	765,063
	687,451	90,376	816	13,199	4,594	48,341	5,466	(85,180)	765,063
Expenses:									
Internal	(5,642)	(19,758)	(22)	(7,877)	(110)	(3,490)	(2,508)	39,407	-
External	(426,516)	(47,574)	(362)	(3,031)	(3,781)	(8,670)	(1,187)	-	(491,121)
	(432,158)	(67,332)	(384)	(10,908)	(3,891)	(12,160)	(3,695)	39,407	(491,121)
Depreciation and amortization	(12,965)	(2,996)	(4)	(28)	(10)	(198)	(6)	-	(16,207)
Impairment losses on loans	(21,962)	(1,422)	-	-	-	-	-	-	(23,384)
Life insurance technical provisions	-	-	-	-	-	(35,209)	-	-	(35,209)
Result for the period	220,366	18,626	428	2,263	693	774	1,765	(45,773)	199,142
Assets	21,349,063	3,381,807	26,129	14,904	10,909	346,821	122,088	(1,329,643)	23,922,078
Liabilities	19,689,126	3,351,035	105	5,456	6,937	324,343	89,870	(1,244,070)	22,222,802
Investments in fixed assets	6,929	5,785	6	4	45	73	1	-	12,843

Secondary reporting format – geographical segment based on location of customers. The main segments are Lithuania (home market), United States, Ukraine, EU countries. None except Lithuania generates significant revenue.

Business segments are represented by legal entities and therefore costs are allocated directly to each business segment.

4. Loans by industries (LTL 000s)

The Group			The Bank	
30 June 2008	31 December 2007		30 June 2008	31 December 2007
20,750	18,554	Banks	20,750	18,554
7,037	11,700	Other financial intermediaries	1,116,450	1,136,563
27,787	30,254	Loans to credit and financial institutions, net	1,137,200	1,155,117
2,421,157	2,460,050	Trade and wholesale distribution	2,421,157	2,460,050
3,178,144	2,838,735	Processing industry	3,178,144	2,838,735
3,762,813	3,257,990	Real estate	3,762,813	3,257,990
390,787	333,997	Utilities	390,787	333,997
419,279	795,746	Construction	419,279	795,746
464,284	418,553	Transportation and telecommunication	464,284	418,553
719,765	360,691	Governmental and municipal services	719,765	360,691
146,378	144,048	Agriculture, hunting, forestry	146,378	144,048
159,003	187,478	Hotels and restaurants	159,003	187,478
3,794	4,221	Education	3,794	4,221
2,898	3,110	Exploitation and mining	2,898	3,110
23,573	35,385	Health care	23,573	35,385
203,524	279,790	Other industries	201,474	276,747
7,690,414	6,795,312	Other non-industrial customers	7,690,414	6,795,312
19,585,813	17,915,106	Total loans to customers	19,583,763	17,912,063
(178,779)	(161,818)	Less impairment losses on loans to customers	(178,779)	(161,818)
19,407,034	17,753,288	Loans to customers, net	19,404,984	17,750,245

Condensed Interim Financial Information for the Six Month Period Ended 30 June 2008

5. Amounts owed to credit and financial institutions (LTL 000s)

The Group			The Bank	
30 June 2007	31 December 2006		30 June 2007	31 December 2006
1,471,082	1,627,208	Falling due within one year	1,193,302	1,562,519
12,483,934	10,918,561	Falling due after one year	9,519,998	8,259,904
13,955,016	12,545,769	Total amounts owed to credit and financial institutions	10,713,300	9,822,423

As of 30 June 2008 the Group was in compliance with loan covenants in respect of the Bank's financial position related to the received credit lines from foreign credit institutions.

6. Assets under management (LTL 000s)

	The Group	
	30 June 2008	31 December 2007
Private individuals and corporate customers' assets under management	20,634	18,877
Pillar two equity pension fund (SEB Pension 3)	40,949	25,621
Pillar two balanced pension fund (SEB Pension 2)	504,667	415,279
Pillar two conservative pension fund (SEB Pension 1)	124,804	102,651
Conservative voluntary pension fund (SEB Pension 1 Plus)	12,404	14,078
Balanced voluntary pension fund (SEB Pension 2 Plus)	48,435	56,404
CIS equity fund	123,377	141,823
CIS bond fund	62,753	45,657
World market fund of funds	112,701	124,327
SEB equity fund of funds	64,712	75,941
Total assets under management	1,115,436	1,020,658

7. Off balance sheet items (LTL 000s)

The Group			The Bank	
30 June 2008	31 December 2007		30 June 2008	31 December 2007
4,654,907	4,613,854	Agreements to grant loans	4,736,328	4,846,003
740,771	662,638	Guarantees issued	743,817	666,183
126,337	81,180	Letters of credit issued	135,456	85,055
514,980	473,150	Commitments to purchase assets and other liabilities	-	-
7,437	8,440	Avalised bills of exchange	7,437	8,440
35,092	4,349	Commitments to sell securities	35,092	4,349
227	257	Customs guarantees collateralised by deposits	227	257

Condensed Interim Financial Information for the Six Month Period Ended 30 June 2008

7. *Off balance sheet items (LTL 000s) (continued)*

The Bank's and Group's derivative financial instruments portfolio as of 30 June 2008 was as follows:

	30 June 2008		31 January 2007	
	Purchase	Sale	Purchase	Sale
Foreign exchange derivatives				
Currency forwards	2,798,942	2,798,160	1,090,126	1,092,518
Currency swaps	-	-	1,540,513	1,538,472
Options	126,531	126,531	2,582	2,582
Interest rate derivatives				
Forward deposit	-	-	466,128	-
Futures	98,060	98,060	135,004	135,004
Interest rate swaps	3,531,612	3,531,612	3,004,585	3,004,585
Interest rate options	2,278,848	2,278,848	1,035,840	1,035,840
Equity derivatives				
Index linked debt securities option	1,052,710	1,052,710	1,055,354	1,055,354
Other derivatives				
Commodity options	29,763	29,763	5,073	5,073

The future lease and investment property rental payments under non-cancellable operating lease where the Bank and the Group act as lessor, can be specified as follows:

The Group			The Bank	
30 June 2008	31 December 2007		30 June 2008	31 December 2007
2,495	2,642	Short term deferred income (up to 1 year)	-	-
3,582	4,125	Long term deferred income (up to 5 years)	-	-
6,077	6,767	Total future lease and rental payments under non-cancellable operating lease	-	-

As of 30 June 2008 rental off balance sheet commitments of the Group amounted to LTL 176,989 thousand (LTL 177,111 thousand as of 31 December 2007) and rental off balance sheet commitments of the Bank amounted to LTL 174,746 thousand (LTL 174,640 thousand as of 31 December 2007).

Condensed Interim Financial Information for the Six Month Period Ended 30 June 2008
8. Related parties (LTL 000s)

A number of banking transactions are entered into with related parties in the normal course of business. The transactions with top parent company (SEB, Sweden) and subsidiaries include loans, deposits and debt instrument transactions.

The Group			Interest rate %	The Bank	
30 June 2008	31 December 2007			30 June 2008	31 December 2007
		Balances outstanding with SEB Group:			
471,673	704,090	Outstanding loan amount	2.70-6.90	471,673	704,090
201,932	329,760	Positive replacement values (HFT)		201,932	329,760
3,547	7,926	Other assets		1,089	2,311
(13,720,690)	(12,487,700)	Outstanding deposit amount	0.2-6.17	(10,442,347)	(9,731,148)
(253,851)	(288,654)	Other liabilities		(253,828)	(288,400)
424	4,902	Unused granted overdraft facilities		424	4,902
9,133	11,854	Guarantees issued at year end		9,133	11,854
75,755	108,651	Guarantees received at year end		75,755	108,651
		Transactions with Bank's subsidiaries during the six month period ended 30 June:			
-	-	Outstanding loan amount	2.52-5.41	1,109,413	1,124,865
-	-	Other assets		3,696	5,997
-	-	Outstanding deposit amount	0.25-1.45	(46,734)	(47,768)
-	-	Other liabilities		(1,948)	(2,195)
-	-	Agreements to grant loans		81,421	232,150
		Guarantees issued		3,046	3,544
		Letters of credit issued		9,120	3,875
		Transactions with SEB Group during the six month period ended 30 June:			
2008	2007			2008	2007
25,451	12,981	Interest income		25,451	12,981
(299,580)	(172,075)	Interest expense		(230,237)	(135,920)
(759)	2,059	Other services received and cost incurred from SEB group, net		(5,449)	(540)
		Transactions with Bank's subsidiaries during the six month period ended 30 June:			
-	-	Interest income		24,435	21,878
-	-	Dividends received		58,591	45,772
-	-	Interest expense		(186)	(659)
-	-	Other services received and cost incurred, net		9,706	5,970

Condensed Interim Financial Information for the Six Month Period Ended 30 June 2008
9. Debt securities issuances and redemption

In the first half year of 2008 the Bank successfully issued its twenty three debt securities emissions, as presented in table below:

Issue date	Redemption date	Duration	Currency	Amount in issue (in LTL)	Interest rate or index
2008.01.11	2011.01.11	1096 days	LTL	500,000,000	7.50 percent
2008.02.06	2011.02.24	1114 days	LTL	249,900	AB Apranga, AB Ükio bankas, AS Tallinna Kaubamaja, AS Arco Vara
2008.02.06	2011.02.24	1114 days	LTL	145,700	AB Apranga, AB Ükio bankas, AS Tallinna Kaubamaja, AS Arco Vara
2008.02.06	2011.02.24	1114 days	LTL	5,543,800	S&P BRIC 40
2008.02.06	2011.02.24	1114 days	LTL	6,174,300	S&P BRIC 40
2008.02.06	2011.02.24	1114 days	LTL	3,396,300	RDX (Russian Depository Index)
2008.02.06	2011.02.24	1114 days	LTL	5,185,800	RDX (Russian Depository Index)
2008.02.06	2011.02.24	1114 days	EUR	2,059,250	RDX (Russian Depository Index)
2008.03.01	2009.03.09	373 days	LTL	25,498,700	6.10 percent
2008.03.04	2011.02.22	1085 days	LTL	867,500	S&P Southeast Asia 40
2008.03.04	2011.02.22	1085 days	LTL	2,076,300	S&P Southeast Asia 40
2008.03.04	2011.03.23	1114 days	LTL	1,062,400	ABN AMRO Middle East Price Return
2008.03.04	2011.03.23	1114 days	LTL	2,225,400	ABN AMRO Middle East Price Return
2008.03.08	2010.03.09	731 days	LTL	17,818,800	6.40 percent
2008.03.18	2011.04.06	1114 days	LTL	5,467,600	BNP Paribas Millenium 10 Europe Excess Return
2008.03.18	2011.04.06	1114 days	LTL	5,731,000	BNP Paribas Millenium 10 Europe Excess Return
2008.03.18	2011.04.06	1114 days	EUR	1,921,138	BNP Paribas Millenium 10 Europe Excess Return
2008.04.05	2009.04.14	374 days	LTL	3,239,700	5.70 percent
2008.05.14	2010.06.02	749 days	LTL	6,317,600	UBS Comm-PASS Excess Return
2008.05.14	2010.06.02	749 days	LTL	9,230,800	UBS Comm-PASS Excess Return
2008.05.14	2010.06.02	749 days	EUR	4,289,759	UBS Comm-PASS Excess Return
2008.06.04	2011.06.06	1097 days	USD	87,867,401	4.20 percent
2008.06.28	2009.07.07	374 days	LTL	12,740,900	5.75 percent

Also during the first half year of 2008 the Bank successfully redeemed its seven debt securities emissions as presented in table below:

Issue date	Redemption date	Duration	Currency	Amount in issue (in LTL)	Interest rate
2005.02.19	2008.02.20	1096 days	LTL	100,000,000	3.10 percent
2005.04.21	2008.04.30	1106 days	LTL	10,000,000	TOPIX
2005.04.21	2008.04.30	1106 days	LTL	5,000,000	TOPIX
2006.02.14	2008.03.03	748 days	LTL	9,302,100	FTSE/Xinhua China 25 and S&P CNX Nifty
2006.02.14	2008.03.03	748 days	LTL	24,029,500	FTSE/Xinhua China 25 and S&P CNX Nifty
2007.06.09	2008.06.10	367 days	USD	33,703,424	4.90 percent
2007.09.08	2008.05.20	255 days	LTL	18,611,800	4.80 percent

Condensed Interim Financial Information for the Six Month Period Ended 30 June 2008

10. Financial Group information (LTL 000s)

Financial Group's (consolidated Group excluding SEB Venture Capital financial data) balance sheet and results for the six months period ended 30 June 2008 are presented below:

**Income Statement of Financial Group
for the six month period ended 30 June (LTL 000s)**

	<u>2008</u>	<u>2007</u>
Interest income	779,639	537,369
Interest expenses	<u>(458,169)</u>	<u>(279,323)</u>
Net interest income	321,470	258,046
Provisions for loan impairment	(16,837)	(17,572)
Provisions for lease portfolio and other doubtful leasing assets	(2,460)	(1,421)
Provisions for guarantees	(233)	(4,208)
Other provisions	<u>2</u>	<u>(183)</u>
	<u>(19,528)</u>	<u>(23,384)</u>
Net interest income after provisions	<u>301,942</u>	<u>234,662</u>
Net service charges and other income	96,242	101,241
Net gain on equity investments	8,767	7,534
Dividends from subsidiaries	5,511	8,943
Net gain on operations with debt securities and financial instruments	(13,662)	19,705
Net foreign exchange gain	<u>42,512</u>	<u>28,862</u>
	139,370	166,285
Net insurance premium revenue	44,251	41,680
Gross insurance expenses	<u>(39,578)</u>	<u>(40,259)</u>
Net life insurance income	4,673	1,421
Staff costs	(95,639)	(78,216)
Other administrative expenses	<u>(86,744)</u>	<u>(76,619)</u>
	<u>(182,383)</u>	<u>(154,835)</u>
Profit before income tax	<u>263,602</u>	<u>247,533</u>
Income tax	(32,515)	(41,641)
Net income	<u>231,087</u>	<u>205,892</u>
Attributable to:	-	-
Equity holders of the parent	231,087	205,892
Minority interest	<u>-</u>	<u>-</u>
	<u>231,087</u>	<u>205,892</u>

Condensed Interim Financial Information for the Six Month Period Ended 30 June 2008

10. Financial Group information (LTL 000s) (continued)
**Balance sheet of the Financial Group
(LTL 000s)**

	30 June 2008	31 December 2007
Assets		
Cash in hand	299,621	460,494
Balances with the Central Banks	865,506	1,261,469
Due from banks, net	670,598	978,270
Government securities – available for sale	1,656,981	2,060,853
Financial assets at fair value through profit or loss	660,228	594,859
Derivative financial instruments	208,905	340,182
Loans to credit and financial institutions, net	27,787	30,254
Loans to customers, net	19,404,984	17,750,245
Finance lease receivable, net	4,376,120	3,928,138
Investment securities – available for sale	25,465	27,705
Investment securities – held to maturity	11,627	12,493
Investments in subsidiaries	25,000	25,000
Intangible fixed assets	209,774	184,947
Tangible fixed assets	59,218	76,331
Assets under operating lease	9,674	12,149
Deferred tax asset	2,495	635
Other assets, net	252,236	251,598
Total assets	28,766,219	27,995,622
Liabilities		
Amounts owed to the Central Banks	33	25
Amounts owed to credit and financial institutions	13,955,016	12,545,769
Derivative financial instruments	207,712	393,431
Deposits from the public	10,259,661	10,560,254
Liabilities in life insurance operations	268,195	258,367
Liabilities to investment contract holders	94,478	136,052
Accrued expenses and deferred income	53,989	69,078
Income tax payable	68,771	59,806
Subordinated loans	601,974	654,008
Debt securities in issue	874,497	873,247
Deferred tax liabilities	1,281	1,045
Other liabilities and provisions	157,141	440,028
Total liabilities	26,542,748	25,991,110
Equity		
Equity attributable to equity holder of the parent		
Paid in capital	1,034,575	1,034,575
Reserve capital	1,034	1,034
Financial assets revaluation reserve	(19,571)	(7,442)
Legal reserve	76,509	34,363
General and other reserves	9,338	9,338
Net income for the period and retained earnings	1,121,586	932,644
Total equity	2,223,471	2,004,512
Total liabilities and equity	28,766,219	27,995,622
Return on Average Equity attributable to equity holders of the parent	21.90%	30.16 %
Return on Average Total Assets	1.64%	2.14 %

Condensed Interim Financial Information for the Six Month Period Ended 30 June 2008

10. Financial Group information (LTL 000s) (continued)
**Condensed Interim Statement of Changes in Equity of the Financial Group
(LTL 000s)**

	Share capital	Reserve capital	Financial assets revaluation reserve	Legal reserve	General and other reserves	Retained earnings	Minority interest	Total
31 December 2006	1,034,575	1,034	591	14,746	9,338	434,667	-	1,494,951
Net charge to financial assets revaluation reserve for the period, net of deferred tax	-	-	(8,177)	-	-	-	-	(8,177)
Net income for the period	-	-	-	-	-	205,892	-	205,892
<i>Net income recognized directly in equity</i>	-	-	(8,177)	-	-	205,892	-	197,715
Transfers to reserves	-	-	-	19,617	-	(19,616)	-	1
30 June 2007	1,034,575	1,034	(7,586)	34,363	9,338	620,943	-	1,692,667
31 December 2007	1,034,575,	1,034	(7,442)	34,363	9,338	932,644	-	2,004,512
Net charge to financial assets revaluation reserve for the period, net of deferred tax	-	-	(12,129)	-	-	-	-	(12,129)
Net income for the period	-	-	-	-	-	231,087	-	231,087
<i>Net income recognized directly in equity</i>	-	-	(12,129)	-	-	231,087	-	218,958
Transfers to reserves	-	-	-	42,146	-	(42,146)	-	-
30 June 2008	1,034,575,	1,034	(19,571)	76,509	9,338	1,121,586	-	2,223,471

Condensed Interim Financial Information for the Six Month Period Ended 30 June 2008

10. Financial Group information (LTL 000s) (continued)

**Condensed Interim Statement of Cash Flows
for the six month period ended 30 June
(LTL 000s)**

	2008	2007
Cash from operating activities:		
Interest income received	775,824	529,856
Interest expenses paid	(454,316)	(245,150)
Net foreign exchange gain	42,512	28,862
Net gain (loss) in securities trading and financial instruments	(19,173)	19,705
Net commission and service income	96,242	101,241
Life insurance operations	(27,073)	73,837
Staff costs	(95,639)	(78,216)
Other payments	(57,797)	(78,235)
Net cash from operating activities before change in operating assets	<u>260,580</u>	<u>351,900</u>
Changes in operating assets:		
Decrease (increase) in compulsory balances with the Central Bank	40,696	77,591
(Increase) decrease in due from banks and loans to credit and financial institutions	573,730	100
Increase in loans to customers	(1,667,761)	(2,322,364)
(Increase) decrease in other current assets	(2,496)	(11,893)
Net increase in operating assets	<u>(1,055,831)</u>	<u>(2,256,566)</u>
Changes in operating liabilities:		
Increase (decrease) in deposits from the public	(562,996)	100,205
Increase in accrued expenses, deferred income and other liabilities	(42,129)	(25,896)
Net increase (decrease) in operating liabilities	<u>(605,125)</u>	<u>74,309</u>
Net cash to operating activities before income tax	<u>(1,400,376)</u>	<u>(1,830,357)</u>
Income tax paid	(20,843)	(30,328)
Net cash to operating activities after income tax	<u>(1,421,219)</u>	<u>(1,860,685)</u>
Cash from (to) investing activities:		
(Purchase) sale of tangible and intangible fixed assets, net	(21,356)	(20,216)
Decrease (increase) in investment in short-term and long-term treasury bonds	391,743	90,960
Dividends received from subsidiaries	5,511	8,943
Decrease of investment in securities and derivatives	(115,257)	(621,679)
Increase in financial lease receivable	(450,442)	(573,693)
Cash (used in) from investing activities	(189,801)	(1,115,685)
Cash from (to) financing activities:		
Increase (decrease) in amounts owed to the Central Bank	8	8
Increase in amounts owed to credit and financial institutions	1,409,247	2,290,229
Increase in subordinated loans	(52,034)	158,311
Debt securities (redeemed) issued, net	1,250	(126,488)
Cash from financing activities	1,358,471	2,322,060
Net (decrease) increase in cash	(252,549)	(654,310)
Cash and cash equivalents 1 January	1,290,448	1,327,746
Cash and cash equivalents 30 June	1,037,899	673,436
Which could be specified as follows:		
Balances available for withdrawal with the Central Banks	237,392	-
Overnight deposits	345,434	282,731
Cash on hand	299,621	311,977
Current accounts with other banks	155,452	78,728
	<u>1,037,899</u>	<u>673,436</u>

11. Significant events after the balance sheet date

The Bank successfully completed issue of 5 debt securities emissions which sale started before 30 June 2008 and completed after 30 June 2008. As of 30 June 2008 they amounted to LTL 20,392 thousand and were accounted for in 'other liabilities and provisions' line in the balance sheet.

After the balance sheet date eight debt securities emissions were redeemed, the amount of nominal value was LTL 63,441 thousand.