

Activity results of Šiaulių bankas' Group over I quarter of 2014

- Šiaulių bankas' Group has earned LTL 11.2 million of the net profit; the Bank has generated LTL 16 million.
- Dividends of the subsidiaries have had a positive impact on the Bank's result.
- Decreasing operating costs have also had a positive influence on the result.

Over the first quarter of 2014 Šiaulių bankas' Group earned LTL 11.2 million of the unaudited net profit which is a three-times better result comparing to the same period in 2013 when the Group generated LTL 3.7 million. The unaudited net profit earned by Šiaulių bankas over the first quarter reached LTL 16 million while over the first three months last year it generated LTL 3.4 million.

"Though the Bank's results achieved over the first quarter of the year have been significantly influenced by the higher dividends from the investments in subsidiaries, however, the certain changes in the Bank's activities faced last year have been positively reflected in all key entries of the financial statements," - says Vytautas Sinius, Chief Executive Officer of Šiaulių bankas.

The net interest income of the Group grew more than twice comparing to the first quarter of 2013, though, it decreased by 18 per cent in comparison to the last quarter of the previous year. To a large extent due to a substantially reduced positive effect associated with the revaluation of the acquisition value of the deposits taken over from Ūkio bankas, the interest expenses incurred over the first three months of the year increased by 26 per cent in comparison with the last three months of the previous year. Generally a more passive first quarter resulted in lower net income from net service and commission fee which comprised LTL 3.6 million.

The results of Šiaulių bankas' Group were positively influenced by the reduced operating expenses. Over the three quarters of the current year the Group incurred LTL 29.3 of operating costs which is by 24 per cent less than over the last quarter of the previous year.

The impairment of loans still had a negative impact on the Group's performance results - the impairment loss comprised LTL 11.2 million over the quarter, however, it was partially compensated by the loans repaid by the former customers of Ūkio bankas. The positive impact of these loans amounting to LTL 4.4 is accounted in other Group's income. Considering the latter, the actual loan impairment loss incurred over the quarter formed LTL 6.8 million.

The Group's cost to income ratio improved by 3.6 percentage points from the beginning of the year and reached 62.2 per cent at the end of the first quarter of the current year, while the return on equity amounted to 13.8 per cent.

The assets of Šiaulių bankas' Group formed LTL 5.4 billion at the end of the first quarter of the year. Over the first three months the deposit portfolio of Šiaulių bankas grew by LTL 24 million and reached LTL 4.6 billion. The loan portfolio comprised almost LTL 2.3 billion. Despite the active lending, the Group's loan portfolio has reduced.

Almost a double increase in the number of clientèle recorded last year continues growing this year too. Currently the number of private and corporate customers in the Bank exceeds 330 thousand. Šiaulių bankas, operating through 76 outlets in 37 towns of Lithuania, takes the second position by the number of the customer service points. The Bank's customers can use 220 ATMs of the joint ATM network of four banks which operates in 56 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.