



AB BANKAS SNORAS

A.Vivulskio str. 7, LT-03221 Vilnius

Interim Condensed Financial Information

(not audited)

12 month 2007

INTERMEDIARY CONFIRMATION OF THE RESPONSIBLE PERSONS

We, the undersigned responsible persons, hereby confirm that the following summary of the intermediary financial accountability corresponds to reality and correctly displays the assets, obligations, financial state and profit of Bankas Snoras consolidated subsidiary companies belonging to its group.

President



Raimondas Baranauskas

Chief Accountant





Zita Selenkoviene

CONDENSED CONSOLIDATED BALANCE SHEETS

(LTL thousand)

	<i>31 December 2007</i>	<i>31 December 2006</i>
Assets	<i>(not audited)</i>	<i>(audited)</i>
Cash and cash equivalents	3.099.436	1.754.600
Financial assets at fair value through profit or loss	848.053	467.010
Loans and placements with credit institutions	438.360	173.002
Available-for-sale financial assets	33.835	866.486
Assets of subsidiary classified as held for sale	-	371.479
Held-to-maturity financial assets	149.999	145.287
Loans to customers, net	4.086.816	2.537.860
Investment property	34.100	18.381
Property, plant and equipment	203.232	133.227
Intangible assets	20.845	19.190
Deferred income tax asset	544	250
Other assets	81.764	52.708
Total assets	8.996.984	6.539.480
Liabilities		
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Amounts due to credit institutions	873.066	897.580
Derivative financial liabilities	2.677	1.667
Liabilities of subsidiary classified as held for sale	-	361.344
Debt securities issued	639.920	8.324
Amounts due to customers	6.663.567	4.721.612
Subordinated loans	114.379	108.024
Deferred income tax liabilities	11.718	9.245
Provisions	-	204
Paid, but not register share capital	-	-
Other liabilities	96.162	83.220
Total liabilities	8.401.489	6.191.220
Equity		
Share capital	253.354	157.267
Reserves	164.516	67.632
Retained earnings	123.864	93.927
Total equity attributable to equity holders of the parent	541.734	318.826
Minority interest	53.761	29.434
Total equity	595.495	348.260
Total equity and liabilities	8.996.984	6.539.480

President	Raimondas Baranauskas		February 2008
Chief Accountant	Zita Selenkoviene		February 2008

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(LTL thousand)

	<i>12-month period ended 31 December</i>	
	<i>2007</i>	<i>2006</i>
	<i>(not audited)</i>	<i>(audited)</i>
Interest income		
On loans to customers	292.940	194.057
On debt securities acquired	53.028	41.988
On loans and placements with credit institutions	79.652	34.682
	425.620	270.727
Interest expense		
On deposits	(179.672)	(106.088)
On placements from credit institutions	(14.104)	(8.330)
On debt securities issued	(28.284)	(653)
On subordinated loans	(7.158)	(4.429)
	(229.218)	(119.500)
Net interest income	196.402	151.227
(Impairment) of interest earning assets	(1.271)	(8.659)
Net interest income after impairment of interest earning assets	195.131	142.568
Fee and commission income	103.151	93.881
Fee and commission expenses	(24.129)	(18.336)
Net fee and commission income	79.022	75.545
Gains less losses from securities at fair value through profit or loss	(5.478)	(5.484)
Gains less losses from derivative instruments	(739)	4.800
Gains less losses from foreign currencies	29.617	25.547
Dividend income	1.147	47
Other income	8.316	8.013
Other operating income	32.863	32.923
Salaries and benefits	(106.216)	(81.976)
Depreciation and amortisation	(20.243)	(18.279)
Other operating expenses	(88.785)	(71.707)
Other (impairment and provisions) releases	140	(5)
Operating expenses	(215.104)	(171.967)
Profit before income tax	91.912	79.069
Income tax expense	(18.995)	(14.090)
Profit for the period	72.917	65.335
Attributable to:		
Equity holders of the parent	67.372	61.644
Minority interest	5.545	3.691
	72.917	65.335
Basic and diluted earnings per share	0,33	0,45

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Bankas Snoras AB interim condensed consolidated financial statements
for the 12-month period ended 31 December 2007

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(LTL thousand)

31 December 2007 and 2006

	<i>Attributable to the equity holders of the Bank</i>									
	<i>Share Capital</i>	<i>Share surplus</i>	<i>Reserve capital</i>	<i>Revaluation reserve of property and equipment</i>	<i>Revaluation reserve of financial assets</i>	<i>Reserve of foreign currency translation</i>	<i>Other general reserves</i>	<i>Retained earnings</i>	<i>Minority interest</i>	<i>Total equity</i>
31 December 2005	137,267	305	2,790	18,312	-	(20)	40,808	45,872	16,658	261,992
Revaluation of financial assets	-	-	-	-	(2,650)	-	-	-	-	(2,650)
Reserve of foreign currency translation	-	-	-	-	-	(154)	-	-	-	(154)
Total income and expense recognised directly in equity	-	-	-	-	(2,650)	(154)	-	-	-	(2,804)
Net profit	-	-	-	-	-	-	-	61,644	3,691	65,335
Total income and expenses for the period	-	-	-	-	(2,650)	(154)	-	61,644	3,691	62,531
Increase of share capital	20,000	-	-	-	-	-	-	-	-	20,000
Dividends	-	-	-	-	-	-	-	(9,608)	-	(9,608)
Sale of minority interest	-	-	-	-	-	-	-	4,260	9,085	13,345
Transfer to reserve capital	-	-	6,000	-	-	-	-	(6,000)	-	-
Transfer to other reserves	-	-	-	-	-	-	2,241	(2,241)	-	-
31 December 2006	157,267	305	8,790	18,312	(2,650)	(174)	43,049	93,927	29,434	348,260
Revaluation of financial assets	-	-	-	-	2,584	-	-	-	-	2,584
Transfer of revaluation reserve to the retained earnings	-	-	-	-	-	-	-	56	-	56
Revaluation of property and equipment	-	-	-	23,663	-	-	-	-	2,997	26,660
Reserve of foreign currency translation	-	-	-	-	-	230	-	-	-	230
Total income and expense recognised directly in equity	-	-	-	23,663	2,584	230	-	56	2,997	29,530
Net profit	-	-	-	-	-	-	-	67,372	5,545	72,917
Total income and expenses for the period	-	-	-	23,663	2,584	230	-	67,428	8,542	102,447
Increase of share capital	96,087	98,832	-	-	-	-	(39,020)	(15,887)	15,434	155,446
Dividends	-	-	-	-	-	-	-	(25,061)	(2,364)	(27,425)
Sale of minority interest	-	-	-	-	-	-	-	14,052	2,715	16,906
Transfer to reserve capital	-	-	7,400	-	-	-	-	(7,400)	-	-
Transfer to other reserves	-	-	-	-	-	-	3,195	(3,195)	-	-
31 December 2007	253,354	99,137	16,190	41,975	(66)	56	7,224	123,864	53,761	595,495

STATEMENTS OF CASH FLOWS

(LTL thousand)

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

	<i>2007</i>	<i>2006</i>
Cash flows from operating activities		
Income (expenses)		
Interest income	410,895	269,708
Interest (expenses)	(183,393)	(103,403)
Recovery of loans previously written-off	4,394	2,826
Income from foreign exchange operations, net	41,727	25,928
(Expenses) from operations with securities, net	(1,653)	(3,808)
Service fees and commission income, net	86,859	75,545
Remuneration-related (expenses)	(97,322)	(82,410)
Profit from subsidiary classified as held for sale	-	356
Other (expenses)	(74,322)	(73,183)
Operating result	187,185	111,559
(Increase) decrease in assets		
(Increase) decrease in loans and placements with credit institutions	(256,991)	(134,636)
(Increase) in loans	(1,543,735)	(690,734)
Decrease (increase) in securities	221,609	457,980
Decrease (increase) in other assets	(62,031)	6,524
(Increase) in assets	(1,641,148)	(360,866)
Increase (decrease) in liabilities		
Increase in amounts due to credit institutions	(23,278)	330,845
Increase in public deposits and letters of credit	1,920,810	1,236,297
(Decrease) increase in debt securities issued	605,784	(8,389)
Increase in other liabilities	(3,865)	23,897
Increase in liabilities	2,499,451	1,582,650
Net cash flows from operating activities before taxes	1,045,488	1,333,343
Income tax	(10,661)	(9,016)
Net cash from operating activities after taxes	1,034,827	1,324,327
Cash from (used in) investing activities		
(Acquisitions) of tangible and intangible fixed assets	(64,931)	(27,514)
Disposals of tangible assets	1,017	-
Cash outflow from acquisitions of subsidiary, net of cash received	-	-
Cash inflow from disposal of subsidiary	17,264	-
Cash inflow from acquisitions subsidiary classified as held for sale	-	(21,745)
(Investments into) available for sale securities	227,612	(869,136)
(Investments into) and redemption of held to maturity investments	(6,222)	25,210
Dividends received	1,147	47
Net cash (used in) investing activities	175,887	(893,138)
Cash (used in) from financing activities		
Subordinated loans received	6,101	18,860
Increase of the share capital	155,446	20,000
Dividends (paid)	(27,425)	(9,608)
Net cash from financing activities	134,122	29,252
Increase in cash	1,344,836	460,441
Cash and cash equivalents at the beginning of the financial year	1,754,600	1,294,159
Cash and cash equivalents at the end of the financial year	3,099,436	1,754,600

**Notes to the interim condensed consolidated financial statements of Bankas Snoras AB
for the 12-month period ended 31 December 2007**

(LTL thousand)

1. Principal Activities

Bankas Snoras AB (the “Bank”) is the parent company in the Group. It was formed on 17 March 1992 under the laws of the Republic of Lithuania. The Bank operates under a general banking license issued by the Bank of Lithuania (“BoL”). The Bank’s main office is in Vivulskio Str. 7, Vilnius, Lithuania and it has 10 branches in Vilnius, Kaunas, Klaipėda, Šiauliai, Panevėžys, Utena, Marijampolė, Mažeikiai, Alytus, Tauragė and 248 operating outlets.

The Bank offers the following banking services: accepts deposits from individuals, issues loans and provides short-term trade financing and consults clients, processes payments in Litas and other currencies, issues and services magnetic and microchip cards, collects payments, exchanges currency and provides other services.

The controlling shareholder of the Bank is Mr. V. Antonov. The Bank till 19 February 2007 was the member of Conversbank Group and its financial statements was consolidated into the financial statements of Conversbank Group consolidated financial statements.

The authorized and issued share capital of the Bank consists of 233,354,240 ordinary shares with the par value of LTL 1 each and 2,000 thousand preference shares with the par value of LTL 10 each. As of 31 December 2006 the authorized and issued share capital of the Bank consisted of 13,727 thousand ordinary shares and 2,000 thousand preference shares with the par value of LTL 10 each. As of 31 December 2007 and 2006 all shares were fully paid.

Shareholders (ordinary shares) of Bankas Snoras AB	2007, %	2006, %
Mr. Vladimir Antonov, chairman of the Bank’s Council	68.65	0.00
Mr. Raimondas Baranauskas, chairman of the Bank’s Board	25.10	9.99
Conversgroup Holding Company	0.00	49.89
Nuntel holding LLC	0.00	9.89
Hoffman development LLC	0.00	8.76
Skepi shipping Co limited	0.00	8.31
CTPS limited	0.00	5.21
Other: number of shareholders/owned %	2.365/6,25	1,538 / 7.95
Total	100.00	100.00

Shareholders (preference shares) of Bankas Snoras AB	2007, %	2006, %
Conversgroup Holding Company	45.00	45.00
Mr. Raimondas Baranauskas, chairman of the Bank’s Board	10.00	10.00
Clients of Skandinaviska Enskilda Banken	9.93	24.56
Mr. Žilinskis Algirdas Liudvikas	5.64	6.82
Other: number of shareholders/owned %	305/29.43	173/13.62
Total	100.00	100.00

As of 31 December 2007 the members of the Board of Directors and Management Board controlled 58,584,341 shares (25.10%) (2006 – 1,372,960 or 10.00%) of the Bank.

**Notes to the interim condensed consolidated financial statements of Bankas Snoras AB
for the 12-month period ended 31 December 2007**

(LTL thousand)

The Bank has the following subsidiaries, which were consolidated in these financial statements:

Subsidiary	Ownership %		Country	Industry
	2007	2006		
Snoro Lizingas UAB	100%	100%	Lithuania	Consumer financing
Snoro rizikų kapitalo valdymas UAB*	100%	-	Lithuania	Debt recovery
Vilniaus kapitalo vystymo projektai UAB	60%	100%	Lithuania	Real estate
Snoro Turto Valdymas UAB	100%	100%	Lithuania	Venture capital projects
Snoro Fondų Valdymas UAB	100%	100%	Lithuania	Fund management
Snoro Investicijų Valdymas UAB	100%	100%	Lithuania	Real estate
Latvijas Krājbanka A/S	75.93%	75%	Latvia	Banking
Krājinvestīcijas SIA*	75.93%	75%	Latvia	Real estate
Ieguldījumu pārvaldes sabiedrība LKB Assets Management*	75.93%	75%	Latvia	Fund management
Ieguldījumu sabiedrība Astra fondi A/S *	75.93%	75%	Latvia	Fund management
Pirmais Atklātais Pensiju Fonds A/S *	75.93%	-	Latvia	Fund management
LKB Līzings SIA*	75.93%	-	Latvia	Consumer financing
Conversbank (UK) Ltd. (held for sale)	-	100%	Great Britain	Fund management

* The companies are not under direct control.

The Bank and the above mentioned subsidiaries are further referred as a Group. In the consolidated financial statements all inter-company balances and transactions were eliminated. Consolidated financial statements were prepared using the same accounting principles for similar transactions and events.

Snoro Lizingas UAB was formed as a closed joint stock company under the laws of the Republic of Lithuania on 30 April 1999. The company's principal activity is consumer financing. In 16 November 2007, Snoro lizingas founded 100% controlled subsidiary company Snoro rizikų kapitalo valdymas UAB. The company's principal activity is debt recovery.

Vilniaus Kapitalo Vystymo Projektai UAB was formed as a closed joint stock company under the laws of the Republic of Lithuania on 17 November 2000. The company's principal activity is real estate development, rent and sale. On 29 December 2007 the Bank sold 40% of Vilniaus Kapitalo Vystymo Projektai UAB shares. Gain from sale of shares in amount of LTL 14,408 thousand in the consolidated financial statements of the Group was accounted for directly in the statement of changes in equity.

Snoro Turto Valdymas UAB was formed as a closed joint stock company under the laws of the Republic of Lithuania on 18 December 2003. The company's principal activity is venture capital projects.

Snoro Fondų Valdymas UAB (former Interfa UAB) was formed as a closed joint stock company under the laws of the Republic of Lithuania on 4 March 1992. The company's principal activity is fund management.

Snoro Investicijų Valdymas UAB was formed as a closed joint stock company under the laws of the Republic of Lithuania on 14 February 2005. The company's principal activity is real estate management.

Latvijas Krājbanka A/S has a 100% owned Limited Liability Company Krājinvestīcijas with a share capital of LVL 5,000. The Limited Liability Company Krājinvestīcijas was registered with the Latvian Enterprise Registry on 30 June 2004. The principal activities of Krājinvestīcijas are real estate property management.

In 2006 subsidiary of the Bank Latvijas Krājbanka A/S founded 100% controlled investment fund management equity LKB Assets Management.

In 9 January 2007 the subsidiary of the Bank A/S Latvijas Krājbanka founded a 100% controlled company SIA LKB Līzings. The share capital of the company is LVL 120 thousand (594 thousand in LTL equivalent). The principal activities of LKB Līzings A/S - consumer financing.

In 30 June 2007 the subsidiary of the Bank A/S Latvijas Krājbanka acquired 100% of shares in a pension fund management company A/S Pirmais Atklātais Pensiju Fonds. The share capital of the company is LVL 32 thousand (160 thousand in LTL equivalent).

In March 2006 the United Kingdom Financial Services Authority (FSA) gave its permission for the Bank, the Convers group, controlling the Bank, and Mr. Vladimir Antonov (the controlling shareholder of Convers group) to acquire a bank in UK - Pointon York Limited UK (later renamed to Conversbank (UK) Ltd.). The transaction was performed by the

**Notes to the interim condensed consolidated financial statements of Bankas Snoras AB
for the 12-month period ended 31 December 2007**

(LTL thousand)

Bank on behalf of Mr. Vladimir Antonov and the shares were held by the Bank in trust. The Bank did not gain the control over this bank. As of 29 September 2006 the main shareholder of the Group, Mr. V. Antonov transferred the control of Conversbank (UK) Ltd. to the Bank. According to the order of FSA, the share capital of Conversbank (UK) Ltd. was increased by GBP 1,900 thousand (LTL 9,779 thousand). AB Bankas Snoras acquired all newly issued shares. Taking into consideration that the Bank was willing to transfer the shares of Conversbank (UK) Ltd. as soon as possible, this investment in 31 December 2006 was treated as an asset held for sale and is disclosed according to IFRS 5. On 5 February 2007 the Bank transferred the control of Conversbank (UK) Ltd. The subsidiary was disposed with the carrying value.

As of 31 December 2007 the number of employees of the Group was 2,111 (1,949 as of 31 December 2006). As of 31 December 2007 the number of employees of the Bank was 1,103 (1,004 as of 31 December 2006).

2. Significant Accounting Policies

The interim consolidated financial statements for the 6-month period ended 30 June 20067 have been prepared in accordance to the IAS 34 Interim Financial Statements.

The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as of 31 December 2006.

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2006.

The accompanying consolidated financial statements are presented in thousands of Lithuanian Litas (LTL), the national currency of the Republic of Lithuania (which is also Group's functional currency), except per share amounts and unless otherwise stated. Subsidiaries in Latvia maintain their records in Latvian Lat (LVL).

3. Cash and Cash Equivalents

Cash and cash equivalents comprise:

	<i>31 December 2007</i>	<i>31 December 2006</i>
	<i>(not audited)</i>	<i>(audited)</i>
Cash on hand	223.135	199.099
Current accounts with the Central Banks	415.561	542.252
Current accounts with other credit institutions	755.691	479.178
Time deposits with credit institutions up to 90 days	1.705.049	534.071
Cash and cash equivalents	3.099.436	1.754.600

4. Financial Assets and Liabilities at Fair Value through Profit or Loss

Financial Assets and Liabilities at Fair Value through Profit or Loss comprise:

	<i>2007</i>	<i>2006</i>
Treasury bills and bonds of the Republic of Lithuania	196,356	207,425
Other governments' debt securities	311,490	89,612
Corporate bonds	280,903	118,901
Corporate shares	38,391	2,938
Investment funds' units	821	45,145
Derivative financial instruments	20,092	2,989
Trading assets	848,053	467,010

Notes to the interim condensed consolidated financial statements of Bankas Snoras AB
for the 12-month period ended 31 December 2007

(LTL thousand)

5. Loans to Customers, net

Loans to customers comprise:

	<i>31 December 2007</i>	<i>31 December 2006</i>
	<i>(not audited)</i>	<i>(audited)</i>
Loans to customers	3,747,754	2.219.247
Overdrafts	295,638	243.730
Bills of exchange	7,407	86.930
Repurchase agreements	54,489	20.667
Factoring	11,472	1.981
	4,116,760	2.572.555
Less – Allowance for loan impairment	(29,944)	(34.695)
Loans to clients, net	4,086,816	2.537.860

During 2007 the management of the Group has made certain assumptions to arrive to the current estimates of impairment. The management of the Group constantly monitors loan portfolio and investigates market trends so that it could make necessary changes in impairment estimation, if required. Having other information available, management of the Group may change assumptions underlying impairment assessment, which would result in change of impairment allowance.

Below table represents breakdown of loans to actual payable of the customer and accrued and / or impaired amounts:

	<i>31 December 2007</i>	<i>31 December 2006</i>
	<i>(not audited)</i>	<i>(audited)</i>
Unpaid principal	4,117,578	2.574.762
Accrued and unpaid interest	19,852	10.248
Deferred income	(20,670)	(12.455)
Impairment loss allowance	(29,944)	(34.695)
	4,086,816	2.537.860
Loans to customers, net	4,086,816	2.537.860

6. Other Assets and Liabilities

Other assets comprise:

	<i>31 December 2007</i>	<i>31 December 2006</i>
	<i>(not audited)</i>	<i>(audited)</i>
Other assets		
Accounts receivable for credit cards	1.104	6.320
Projects under development	43.503	24.126
Prepayments to suppliers	12.333	6.102
Accounts receivable	4.510	1.867
Inventories	4.274	4.820
Deferred expenses	3.582	2.416
Transit accounts	7.136	663
VAT receivable	753	668
Accrued income for other assets	364	207
Other asset	4.703	5.519
Total other assets	82.262	52.708
Impairment of other assets	-	-
Total other assets, net	82.262	52.708

**Notes to the interim condensed consolidated financial statements of Bankas Snoras AB
for the 12-month period ended 31 December 2007**

(LTL thousand)

Other liabilities comprise:

	<u><i>31 December 2007</i></u>	<u><i>31 December 2006</i></u>
Other liabilities	<i>(not audited)</i>	<i>(audited)</i>
Accounts payable to suppliers	24.480	30.274
Transit accounts	12.886	13.324
Payments collected	12.369	12.385
Accrued expenses	17.357	8.053
Advances received	4.810	2.018
Deferred income	1.152	668
Other	16.666	11.319
Total other liabilities	<u>89.720</u>	<u>78.041</u>

Transit accounts represent funds that were disbursed from / to the correspondent account of the Bank, but that have not been written off from / to customers' accounts as of the reporting date.

7. Amounts Due to Credit Institutions

Amounts due to credit institutions comprise:

	<u><i>31 December 2007</i></u>	<u><i>31 December 2006</i></u>
	<i>(not audited)</i>	<i>(audited)</i>
Time deposits and loans	572.699	885.721
Repurchase agreements	259.909	-
Current accounts	40.458	11.859
Amounts due to credit institutions	<u>873.066</u>	<u>897.580</u>

8. Amounts Due to Customers

The amounts due to customers include the following:

	<u><i>31 December 2007</i></u>	<u><i>31 December 2006</i></u>
	<i>(not audited)</i>	<i>(audited)</i>
Time deposits	3.567.649	2.798.501
Current accounts	3.095.918	1.923.111
Amounts due to customers	<u>6.663.567</u>	<u>4.721.612</u>

9. Debt Securities Issued

As of 31 December 2007 the Group has the coupon debt securities issued which have the amortised cost amounts to LTL 639,920 thousand:

- In 21 May 2007 the Bank issued debt securities with the aggregate par value of EUR 175,000 thousand (LTL 604,240 thousand), coupon rate - 7% and maturing on 21 May 2010. The amortised cost of debt securities amounts to LTL 625,378 thousand as of 31 December 2007. As of 31 December 2007 the subsidiary of the Bank Latvijas Krājbanka A/S had these debt securities in amount of LTL 3,269 thousand, which were eliminated in consolidated accounts.
- In 31 January 2007 Latvijas Krājbanka A/S issued debt securities with the aggregate par value of EUR 5,000 thousand (LTL 17,264 thousand), coupon rate – 4.875% and maturing on 31 January 2010. The amortised cost of debt securities amounts to LTL 17,811 thousand as of 31 December 2007.
- In 20 September 2007 the Bank had redeemed the discount debt securities emission, which have the aggregate par value of LTL 30,000 thousand with discount rate of 4.5% and maturing on 20 September 2007. The amortised cost of issued discount debt securities amounts to LTL 8,324 thousand as of 31 December 2006.

**Notes to the interim condensed consolidated financial statements of Bankas Snoras AB
for the 12-month period ended 31 December 2007**

(LTL thousand)

10. Equity

Movements in shares outstanding, issued and fully paid were as follows (including preference shares):

Calculation of weighted average for 2007	Number of shares	Par value	Issued/ 365 (days)	Weighted average of ordinary shares
Ordinary shares issued as of 31 December 2006	13,726,720	10	365/365	13,726,720
Preference shares issued as of 31 December 2006	2,000,000	10	365/365	-
Number of ordinary shares after share split*	137,267,200	1	365/365	137,267,200
New emission of ordinary shares on 15 January 2007	54,906,880	1	351/365	52,800,863
New emission of ordinary shares on 16 August 2007	41,180,160	1	138/365	15,569,485
Ordinary shares issued as of 31 December 2007	253,354,240		365/365	205,637,548

* In January 2007 the par value of ordinary shares was decreased from LTL 10 to LTL 1 by increasing the number of shares respectively.

Preference shares are without voting right with 10% non cumulative dividends (nominal amount – LTL 20.000 thousand) and therefore excluded from the calculations of the weighted average.

11. Earnings per Share

	2007	2006
Net profit attributable to Bank shareholders	67,372	61,644
Weighted average number of ordinary shares as of 31 December 2007 (thousand)	205,637	13,727
Number of shares after share split (thousand)*	-	137,270
Basic earnings per ordinary share (LTL)	0.33	0.45
Diluted earnings per ordinary share (LTL)	0.33	0.45

* In January 2007 the par value of ordinary shares was decreased from LTL 10 to LTL 1 by increasing the number of shares respectively

On the 17 November 2006 the Bank has registered a new emission of LTL 20,000 thousand nominal amount preference shares. Preference shares are without voting rights and with 10% non cumulative dividends. Once the dividends are declared, LTL 2,000 thousand is to be paid for these shares. If the dividends are declared this year, it will adjust the basic and diluted earnings per share to 0.32 and to 0.34 for the Group and the Bank, respectively.

The Bank and the Group has been granted subordinated loans that can be converted into shares, but because neither the conversion date nor conversion terms are reliably set, diluted earnings can not be calculated and therefore corresponds to basic earnings per share.

12. Commitments and Contingencies

Legal

In the ordinary course of business, the Group and the Bank are subject to legal actions and complaints. Management believes that the ultimate liability, if any, arising from such actions or complaints will not have a material adverse effect on the financial condition or the results of future operations of the Group.

**Notes to the interim condensed consolidated financial statements of Bankas Snoras AB
for the 12-month period ended 31 December 2007**

(LTL thousand)

Financial commitments and contingencies

As of 31 December, the Group's and the Bank's financial commitments and contingencies comprised the following:

	<u>2007</u>	<u>2006</u>
Credit related commitments		
Credit commitments	511,222	413,494
Issued guarantees	47,694	26,284
	558,916	439,778
Less - Provisions	-	(204)
Credit related commitments, net	<u>558,916</u>	<u>439,574</u>

13. Salaries, Benefits and Other Operating Expenses

Salaries and benefits, and other operating expenses comprise:

	<u>2007</u>	<u>2006</u>
Salaries and benefits	84,030	65,014
Social security costs	22,186	16,962
Salaries and benefits	<u>106,216</u>	<u>81,976</u>
Rent	14,867	6,784
Repair and maintenance of property and equipment	12,760	12,062
Marketing, advertising and representation	11,021	10,069
Communications	9,681	9,060
Taxes, other than income tax	7,593	6,613
Charity	2,386	3,392
Legal and other consultancy	3,364	2,946
Security	3,000	2,870
Loss on disposal property and equipment	2,620	2,451
Data processing	2,197	1,671
Stationery	1,175	1,143
Business travel and other related expenses	1,992	1,010
Personnel training	473	496
Other	15,656	11,140
Other operating expenses	<u>88,785</u>	<u>71,707</u>

19. Capital Adequacy

The Bank of Lithuania and Latvian Financial and Capital Market Commission (FCMC) require banks in Lithuania and Latvia respectively to maintain a capital adequacy ratio of 8%, computed based on requirements of respective regulator, Group's capital adequacy is calculated based on Bank of Lithuania requirements. As of 31 December 2007 and 2006, the Group's and the Bank's capital adequacy ratio on this basis exceeded the statutory minimum.

Capital adequacy ratios of the Group and the Bank for the year 2007 can be specified as follows (%):

	<u>Group</u>
31 December 2006	8.95
31 March 2007	10.24
30 June 2007	9.24
30 September 2007	11.89
31 December 2007	10.55