



**LIETUVOS BANKO
PRIEŽIŪROS TARNYBOS
DIREKTORIUS**

**SPRENDIMAS
DĖL AB SEB BANKO BAZINIO PROSPEKTO PATVIRTINIMO**

2014 m. gruodžio 2 d. Nr. 241-163
Vilnius

Atsižvelgdamas į AB SEB banko 2014 m. lapkričio 11 d. prašymą, į tai, kad nenustatyta Lietuvos Respublikos vertybinių popierių įstatymo 8 straipsnio 9 dalyje nurodytų aplinkybių, ir vadovaudamasis Lietuvos Respublikos vertybinių popierių įstatymo 8 straipsnio 1 ir 8 dalimis, 42 straipsnio 1 dalies 3 punktu ir Lietuvos banko valdybos 2012 m. kovo 15 d. nutarimo Nr. 03-67 „Dėl tam tikrų su finansų rinkos priežiūra susijusių Lietuvos banko valdybos funkcijų pavedimo vykdyti Lietuvos banko struktūriniais padaliniais“ 2 punktu, n u s p r e n d ž i u:

Patvirtinti AB SEB banko (juridinio asmens kodas 112021238, registruotos buveinės adresas: Gedimino pr. 12, Vilnius, Lietuvos Respublika) 250 000 000 eurų ne nuosavybės vertybinių popierių bazinį prospektą.

Bazinio prospekto patvirtinimas pažymi, kad jame pateikta informacija atitinka 2004 m. balandžio 29 d. Europos Komisijos (EB) reglamente Nr. 809/2004 (su vėlesniais jo pakeitimais ir papildymais) ir Lietuvos Respublikos vertybinių popierių įstatyme bei kituose teisės aktuose nustatytas informacijos pateikimo taisykles.

Bazinio prospekto patvirtinimas neužtikrina jame pateiktos informacijos teisingumo ir negali būti laikomas Lietuvos banko rekomendacija investuotojams.

Direktorius

Vytautas Valvonis

BANK OF LITHUANIA
SUPERVISION SERVICE

APPROVED

Resolution No. 241 - 163
of 02 December 2014

EUR 250,000,000

**BASE PROSPECTUS OF
NON-EQUITY SECURITIES ISSUES**

AB SEB BANKAS

S|E|B

NOVEMBER 2014

VILNIUS

THIS BASE PROSPECTUS INCLUDING INFORMATION ABOUT NON-EQUITY SECURITIES IS ISSUED IN ACCORDANCE WITH THE RULES OF DRAWING UP AND APPROVAL OF THE PROSPECTUS OF SECURITIES AND DISCLOSURE OF INFORMATION APPROVED BY THE BANK OF LITHUANIA NO. 03-44 OF 28 FEBRUARY 2013, COMMISSION DELEGATED REGULATION (EU) NO 382/2014 OF 7 MARCH 2014 SUPPLEMENTING DIRECTIVE 2003/71/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL, THE EUROPEAN COMMISSION REGULATION NO. 809/2004 OF 29 APRIL 2004, IMPLEMENTING DIRECTIVE 2003/71/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL AS REGARDS INFORMATION CONTAINED IN PROSPECTUSES AS WELL AS THE FORMAT, INCORPORATION BY REFERENCE AND PUBLICATION OF SUCH PROSPECTUSES AND DISSEMINATION OF ADVERTISEMENTS, COMMISSION DELEGATED REGULATION NO. 1787/2006 OF 4 DECEMBER 2006, AMENDING REGULATION NO. 809/2004, COMMISSION DELEGATED REGULATION NO. 211/2007 OF 27 FEBRUARY 2007, AMENDING REGULATION NO. 809/2004, COMMISSION REGULATION NO. 1289/2008 OF 12 DECEMBER 2008, AMENDING REGULATION NO. 809/2004, COMMISSION DELEGATED REGULATION (EU) NO 311/2012 OF 21 DECEMBER 2011, AMENDING REGULATION NO. 809/2004, COMMISSION DELEGATED REGULATION NO. 486/2012 OF 30 MARCH 2012 AMENDING REGULATION NO. 809/2004, COMMISSION DELEGATED REGULATION (EU) NO 862/2012 OF 4 JUNE 2012, AMENDING REGULATION NO. 809/2004 AND COMMISSION DELEGATED REGULATION NO. 759/2013 OF 30 APRIL 2013, AMENDING REGULATION (EC) NO. 809/2004 (HEREINAFTER - THE EUROPEAN COMMISSION REGULATION NO. 809/2004 OF 29 APRIL 2004).

INFORMATION IN THIS BASE PROSPECTUS (SUMMARY, SECURITIES LETTER AND REGISTRATION DOCUMENT) IS PROVIDED ACCORDING TO DESCRIPTIONS INCLUDED IN ANNEXES V, XI, XII AND XXII OF THE EUROPEAN COMMISSION REGULATION NO. 809/2004 OF 29 APRIL 2004.

AT THE MOMENT OF APPROVAL OF THE BASE PROSPECTUS, SOME TERMS OF NON-EQUITY SECURITIES ISSUE(S) ARE UNKNOWN. SUCH TERMS OF NON-EQUITY SECURITIES ISSUE(S) UNKNOWN ON THE BASE PROSPECTUS APPROVAL DATE SHALL BE SPECIFIED IN THE FINAL TERMS TO BE SEPARATELY ANNOUNCED BEFORE EACH NON-EQUITY SECURITIES ISSUE OFFER.

AUDITED FINANCIAL REPORTS FOR THE YEAR 2012 AND 2013 AND NON-AUDITED FINANCIAL REPORTS FOR THE SIX-MONTH OF 2013 AND FOR THE SIX-MONTH OF 2014 OF AB SEB BANKAS ARE INCORPORATED IN THE BASE PROSPECTUS BY REFERENCE AND IS AN INTEGRAL PART THEREOF.

THE ABOVE LISTED DOCUMENTS ARE AVAILABLE ON WEBSITE OF AB SEB BANKAS WWW.SE.BLT, THE MARKETS DEPARTMENT OF AB SEB BANKAS (J. BALČIKONIO G. 7, VILNIUS) AND OTHER BRANCH OFFICES OF AB SEB BANKAS (AT THE ADDRESSES SPECIFIED IN THE FINAL TERMS). IN CASE

OF CHANGE IN ADDRESSES OF THE MARKETS DEPARTMENT OR OTHER BRANCH OFFICES OF AB SEB BANKAS SPECIFIED IN THE FINAL TERMS, A RELEVANT NOTIFICATION SHALL BE ANNOUNCED ON THE BANK'S WEBSITE WWW.SE.B.LT. IF MORE PLACEMENT AGENTS OF THE ISSUES ARE INVOLVED ACCORDING TO THE FINAL TERMS, THE BASE PROSPECTUS AND THE FINAL TERMS SHALL BE AVAILABLE FOR VIEWING AT THEIR BRANCH OFFICES AND ON WEBSITES. INFORMATION TO BE ANNOUNCED BY THE BANK ACCORDING TO THE LEGAL ACTS SHALL BE ALSO AVAILABLE ON WWW.CRIB.LT (THE CENTRAL STORAGE FACILITY).

IF ANY INVESTOR LODGES A CLAIM WITH THE COURT RELATED TO INFORMATION INCLUDED IN THE BASE PROSPECTUS, THE PLAINTIFF BASED ON THE CIVIL CODE AND OTHER LEGAL ACTS OF THE REPUBLIC OF LITHUANIA MAY BE REQUIRED TO COVER THE COSTS OF THE BASE PROSPECTUS TRANSLATION PRIOR TO COMMENCEMENT OF THE LEGAL PROCEEDINGS.

PRIOR TO MAKING AN INVESTMENT DECISION, PROSPECTIVE INVESTORS SHOULD CONSIDER THE SUITABILITY OF THAT INVESTMENT CAREFULLY, IN LIGHT OF THEIR OWN FINANCIAL CIRCUMSTANCES AND INVESTMENT OBJECTIVES, INCLUDING A CONSIDERATION OF ALL THE INFORMATION SET FORTH IN THIS BASE PROSPECTUS, FINAL TERMS OF THE PARTICULAR ISSUE ALL THE DOCUMENTS INCORPORATED BY REFERENCE.

NEITHER THIS BASE PROSPECTUS NOR ANY FINAL TERMS DOES CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY THE SECURITIES IN ANY JURISDICTION TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH AN OFFER OR SOLICITATION IN SUCH JURISDICTION.

GENERAL DEFINITIONS USED IN THE BASE PROSPECTUS

Base Prospectus or Prospectus means the document assigned for investors and the general public including main information about the issuer and non-equity securities publicly offered by the issuer or admitted to trading on a regulated market.

Business day means any day except weekends and public holidays. In respect of several reference items, the business day shall have the meaning, as specified in this Base Prospectus when defining the risk of an extraordinary event and in the description of the Final Terms of each specific issue.

Capital guarantee means specific characteristics of non-equity securities ensuring payment equal to the nominal value of non-equity securities on the redemption date of such non-equity securities.

Central Securities Depository of Lithuania means the Lithuanian operator of securities settlements, engaged in general accounting of securities and their circulation, offering services of securities custody, securities account handling, settlement and other. The Central Securities Depository of Lithuania is also referred to as CSDL in this Prospectus.

Client of a bank - person and/or legal entity who has entered to any kind of agreement with a bank or has any business relationship with a bank as well as those who had concluded agreement with a bank, even though such agreement is currently terminated and/or invalid.

Coupon bonds mean non-equity securities entitling the investor to receive periodic interest (coupon) payments on the specified dates to be calculated as a percentage of the bond nominal value, and on the bond redemption date, the bond nominal value shall be paid.

Credit event means any event related to certain legal entity (bankruptcy, moratorium, debt restructuring, failure to fulfil obligations under the issued debt securities, etc.), the (non)occurrence of which determines profitability of reference item linked note, investment note or structured note issue and/or whether the investment notes retain capital guarantee. Particular credit events, the (non)occurrence of which determines profitability of non-equity securities shall be specified in the Final Terms of the issue.

Discount bonds mean non-equity securities offered at a lower price than nominal value of non-equity securities. Interest on discount bonds shall be included into the nominal value of the discount bond to be paid to the investor on the bond redemption date.

Enforcement event means the event related to third party credit risk, i.e., the event related to fulfilment of third party obligations under the securities issued by it and specified in the Final Terms of the structured notes issue on occurrence of which the Bank shall mandatorily purchase the structured notes of a particular issue from investors prior to the specified redemption date. The enforcement event related to third party credit risk is not deemed identical to the credit event upon (non)occurrence of which profitability of the reference item linked notes, investment notes or structured notes (unless the Final Terms of particular issue of the structured notes define otherwise) may be determined and/or investment notes may retain the capital guarantee.

Final Terms mean an integral part of the Base Prospectus that includes information about the specific terms of each particular non-equity securities issue unknown at the moment of the Base Prospectus approval.

Investment notes mean non-equity securities and on the date of redemption thereof the investor is paid a premium for a favourable change in value of the reference item to which the investment notes are linked and/or a premium for (non)occurrence of a certain credit event related to a specific legal entity. In certain cases, no premium on the investment notes or other payments shall be paid except for accrued interest (coupon). However under certain conditions specified in the documents of the investment note issue, the investment is not backed

up by a capital guarantee, i.e., the risk exists that by the end of the maturity term, the investor may be paid the investment note redemption price that is lower than the nominal value of the investment note – investor may lose a portion of investment or all invested amount. If certain conditions specified in the documents of the investment note issue on occurrence of which the investment is not backed up by a capital guarantee, do not occur, on the date of redemption of investment notes the investor is paid nominal value of the investment note.

Investor category means a certain group of investors that is offered and has a right to subscribe for non-equity securities issued according to this Base Prospectus and is granted certain exclusive rights specified in the Final Terms of non-equity securities issue. The investor category or information that a particular issue is offered without any limitations to all investors shall be specified in the Final Terms of each issue.

Issuer means a legal entity issuing securities. The issuer in this Base Prospectus shall mean the Bank.

Legal entity in relation to which (non)occurrence of a credit event may have effect on profitability of non-equity securities means the company, institution or organisation (including but not limited to governments, and public authorities) or another legal entity indicated in the Final Terms of a particular issue of non-equity securities in relation to which (non)occurrence of a certain credit event may have effect on profitability of reference item linked notes, investment notes or structured notes and/or whether investment notes retain the capital guarantee.

Non-business day means any day-off or public holiday.

Non-equity securities issue date means the day when non-equity securities maturity term commences.

Non-equity securities redemption date means the day when non-equity securities are redeemed from the investor and the amount specified in the issue terms of each particular issue of non-equity securities is paid.

Non-equity securities subscription agreement means the agreement between the issuer and investor under which the investor subscribes for the issuer's non-equity securities.

Participation ratio indicates the portion of gains in value of the financial instrument, to which the reference item linked notes, investment notes or structured notes are linked to, assigned to the holder of the particular note.

Placement agent means the intermediary of non-equity securities' public trading nominated by the Issuer to offer non-equity securities under the Prospectus.

Programme means the plan approved by Decision No. 43.3 of the Bank Board of 27 October 2014 on the basis of which the non-equity securities shall be issued within the period of 12 months from the announcement date of the Base Prospectus following the procedure established in the legal acts.

Reference item means transferable securities, money market instruments, units of collective investment undertakings in transferable securities and other instruments as specified in Par.4 of Article 3 of the Law on the Markets in Financial Instruments of the Republic of Lithuania, and also other instruments such as commodities, currencies, interest rates, etc. that are commonly called the "reference item" in this Base Prospectus.

Reference item linked notes mean non-equity securities on the redemption date of which the investor is paid the note nominal value and premium for a favourable change in value of the reference item to which the notes are linked, and/or premium for (non)occurrence of certain credit event related to certain legal entity.

Risk Premium means the additional amount to be paid by investor when subscribing for reference item linked notes, investment notes or structured notes exceeding nominal value of non-equity securities and the purpose of the premium is to increase values of the issue variables (participation ratio, the range of interval values of the

reference item, etc.). If the investor subscribes for non-equity securities with the risk premium, the investor shall accept the risk of additionally invested funds – in case of unfavourable change in value of the reference item which the non-equity securities are linked, the additionally invested funds shall not be refunded to the investor or only a portion of the additionally invested funds shall be refunded, if on the date of note redemption the premium for change in the reference item value is lower than risk premium paid.

SEB Bankas Group (hereinafter also referred to as “the Group”) means AB SEB bankas and its subsidiaries: UAB “SEB investicijų valdymas”, UAB “SEB Venture Capital”.

SEB Group - Northern European group of financial companies, engaged in business activities in 20 countries, providing a wide range of financial services in Sweden and in Estonia, Latvia and Lithuania, with strong focus on a full-service offering to corporate and institutional clients in Denmark, Finland, Norway and Germany.

Special Banking Service Agreement means alternatively Private Banking Service Agreement, Consulting Agreement, E-banking Service Agreement, Securities Account Handling Agreement.

Structured notes mean non-equity securities subscribed by investors who accept not only the Bank’s, i.e., non-equity securities issuer’s, risk but also third party’s credit risk. If within the maturity term of the structured notes any event related to third party credit risk occurs, the structured notes shall be mandatorily purchased from the investor by making relevant payments, and the investor shall be transferred securities of the third party and relevant claims rights specified in the documents of a particular issue of the structured notes, or other securities replacing the above securities or relevant claim rights or any portion thereof together with a payment in cash. If within the maturity term of the structured notes no event related to third party credit risk occurs, on the redemption date of structured note the investor shall be paid the nominal value of the structured note and a premium for favourable change in value of the reference item to which the structured notes are linked.

The Bank means AB SEB bankas (hereinafter also referred to as “AB SEB bankas or SEB Bank”), legal person code 112021238, registered address Gedimino ave. 12, Vilnius.

The Bank of Lithuania means the Central Bank of the Republic of Lithuania, also referred to as LB in this Prospectus.

Third party means any company, institution or organisation of private or public sector (including but not limited to governments, government institutions, central banks), specified in the Final Terms of a particular issue of structured notes, which issues the securities specified in the Final Terms of a particular issue of structured notes (these securities may be placed for public offering in the Republic of Lithuania) to be transferred to investors if within the maturity term of the structured notes at least one enforcement event occurs.

Variables of the issue means the participation ratio, the range of value fluctuation of the reference item, other variables specified in the Final Terms of the reference item linked note, investment note or structured note issue, which determines the profitability of each specific non-equity securities issue. The indicative and expected lowest (or highest) values of variables of each non-equity securities issue shall be specified in the Final Terms. Actual values of variables shall be published on the date specified in the Final Terms on the Bank’s website www.seb.lt.

Definitions in the Base Prospectus used in the singular shall also include the plural and *vice versa*.

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PERSONS RESPONSIBLE FOR INFORMATION INCLUDED IN BASE PROSPECTUS

Raimondas Kvedaras, President of AB SEB bankas, Jonas Iržikevičius, Head of the Business Support Division and CFO and Saulius Salda, Head of the Finance Department are responsible for the information contained in this Base Prospectus. They hereby represent that, to the best of their knowledge, the data included in the Base Prospectus based on information available to them reflects the actual situation and contains no omissions that might affect its meaning and that all reasonable measures were taken to ensure the above.

Rolandas Sungaila, Head of the Markets Department hereby represents that all data submitted to the above Department by the employees and heads of the Bank is included in the Base Prospectus, and shall be responsible for proper formalisation of information submitted to him.

AB SEB bankas shall be responsible for the correctness of information.

President of AB SEB bankas

Raimondas Kvedaras

Head of Business Support Division and Chief
Financial Officer of AB SEB bankas

Jonas Iržikevičius

Head of the Finance Department of AB SEB bankas

Saulius Salda

Head of the Markets Department of AB SEB bankas

Rolandas Sungaila

2014

SUMMARY

CHAPTER A – INTRODUCTION AND WARNINGS

The Summary includes information that is subject to disclosure in accordance with the European Commission Regulation No 809/2004 of 29 April 2004 and said information is divided into elements. Each information element is assigned a number (A.1 – E.7) and described in Sections A– E.

This Summary provides a description of all elements, which must be included into the Summary in accordance with the requirements when non-equity securities specified in this Base Prospectus are offered by such legal entity as the issuer. Whereas information elements in the European Commission Regulation No 809/2004 of 29 April 2004 are sequentially numbered, seeking to disclose information about different types of securities, the numbering of elements of this Summary may not be sequential, since the described elements are applied only for non-equity securities that might be issued according to this Base Prospectus.

In certain cases, whereas a certain element may be applied for non-equity securities that might be issued according to this Base Prospectus, particular information about the element that is required to be disclosed may be not relevant. Due to this reason it may be specified: “not applicable” to particular elements.

A.1 This summary must be read as an introduction to the Base Prospectus and Issue(s) (Final Terms No. 2014XXXX/XXX).

Prior to making any decision to invest in non-equity securities, the investors should review carefully the entire Base Prospectus, the Final Terms No. 2014XXXX/XXX and all the documents incorporated by reference.

If any investor lodges a claim with the court regarding the information established in the Base Prospectus, the plaintiff according to the Civil Code and other legal acts of the Republic of Lithuania may be required to cover the costs of the translation of the Base Prospectus before the legal proceedings are initiated.

Civil liability regarding the information established in this Summary shall be imposed on the persons who drafted the Summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus or it does not provide, when read together with the other parts of the Base Prospectus, key information in order to aid investors when considering whether to invest in such securities.

A.2 Subject to the conditions set out below, the Bank consents to the use of the Base Prospectus (as supplemented as at the relevant time, if applicable) in connection with a public offering by placement agents specified in the Final Terms of the issue or any placement agent appointed after the date of the Final Terms and whose name is published on the Bank’s website. The conditions of the Bank’s consent are that such consent:

(a) is only valid in respect of the relevant issue of securities;

(b) is only valid during the subscription period specified in the Final Terms.

The Bank accepts responsibility for the content of the Base Prospectus with respect to public offering of securities by any placement agents which was given consent to use the Base Prospectus. The Bank shall provide the placement agents with the Base Prospectus, the Final Terms and other data related to the non-equity securities issue (e.g. cancellation of a particular issue offered by the specified placement agent, estimation of the actual values of variables of the issue, etc.), however, the Bank shall assume no liability for announcement of such data on the websites of the placement

agents. A printed copy of the Base Prospectus and the Final Terms available in electronic form and also other documents incorporated by reference shall be submitted free of charge to each investor upon request at any branch office of the placement agents specified in the Final Terms of the issue (at the addresses and during business hours specified in the Final Terms).

In the event of an offer being made by a placement agent, the placement agent will provide information to investors on the terms and conditions of the offer at the time the offer is made, The Bank has no responsibility or liability to an investor in respect of such information provided by the placement agent.

CHAPTER B – ISSUER

B.1	AB SEB bankas
Issuer's name	
B.2	Gedimino ave. 12, LT-01103 Vilnius, Republic of Lithuania Tel: (8 5) 268 2800, fax: (8 5) 268 2333 www.seb.lt Legal person code 1120 21238 Legal form – Public Limited Company
Legal address, legal form, jurisdiction of the Issuer, country of incorporation	

The Bank while performing its activities shall act in accordance with the Civil Code of the Republic of Lithuania, the Law on Banks of the Republic of Lithuania, legal acts adopted by the supervisory institution and the Articles of Association of the Bank. The Bank while performing its activities shall also act in accordance with the Law on Financial Institutions of the Republic of Lithuania, the Company Law of the Republic of Lithuania and other legal acts if the Law on Banks of the Republic of Lithuania does not provide otherwise. The Bank shall act independently and shall comply with investment limitations and standards minimizing the Bank's performance risk, the size and calculation methodology of which are set forth in the laws and other legal acts. The Bank shall organise its business and implement the decisions of the Bank's bodies.

Applicable law: law of the Republic of Lithuania.

Country of incorporation: the Republic of Lithuania.

B.4b	The loan portfolio of banks operating in Lithuania did not change significantly in 2013. As of 1 January 2014, the loans granted by the banks amounted to LTL 51 billion. As compared to the beginning of 2013, the loan portfolio was larger by 0.4 per cent. It did not expand more, because the flow of new loans being granted was not significantly larger than the flow of earlier granted loans being repaid. The loan portfolio changes were due to several large single transactions; in the future, however, favourable conditions for the growth of the loan portfolio will be created by moderate growth of the domestic economy, the increasing use of enterprises' industrial capacities. In the first half-year of 2014 positive trends dominated in the banking sector: banks operated profitably, in the second quarter the deposits of residents went up, the loan portfolio slightly increased. The banking system's loan portfolio is impacted also by the international political environment. In the assessment by the market participants themselves, the impact of the sanctions announced by Russia on the ability of customers to fulfil their assumed
Information on any known trends that may influence the Issuer or market perspective in which the Issuer operates	

obligations to banks is insignificant. According to banks' analysts, the food product import sanctions by Russia will affect a limited number of fields of business – food product transporters, dairies and part of the beef cattle growers and processors, as well as vegetable growers and some customers that have close ties with Russian residents.

Recently, a lot of attention has been paid by the European Central Bank (ECB) to the loan portfolio quality. The single supervisory mechanism began to operate from 4 November 2014 and it began to carry out banking supervision. Together with the supervisory authorities of the euro area banks, in all 18 countries of the euro area asset quality review was performed, and its results were published in October 2014. As Lithuania integrates into the euro area, the Bank of Lithuania also performed this ECB task, as in the euro area countries. The results confirm that three largest banks operating in Lithuania – AB SEB bankas, „Swedbank“, AB and AB DNB bankas – have very solid capital buffers and assess risks conservatively enough. The newest data shows that all of the banks operating in Lithuania comply, with a reserve, with the capital adequacy requirements, while Lithuania's financial system is well-prepared to withstand adverse shocks.

Already year 2014 the banking activity results will be impacted by the euro adoption and it is expected that in 2014 banks should experience about LTL 100 million in expenses directly related to the euro adoption, while it is later projected that bank's income will decrease by about LTL 110 million (banks will lose part of their income related to currency exchange operations).

B.5 Description of the Issuer Group and Issuer's position in the Group
 AB SEB bankas is a member of the Nordic financial services group SEB. The SEB Bankas Group in Lithuania consists of AB SEB bankas and its two subsidiaries: UAB "SEB investicijų valdymas" and UAB "SEB VentureCapital". AB "SEB lizingas", a subsidiary, was merged to AB SEB bankas on 23 of November 2013.

B.9 Profit forecast, if any
 Profit forecast issued by the Bank is not assessed by independent accountants or auditors and is not publicly announced, thus such forecast is not included in the Base Prospectus.

B.10 Description of independent auditor's opinion
 In the auditor's opinion, the financial statements provide true and correct financial data of the Bank and the Group as of 31 December 2012 and 2013 as well as performance results and cash flows at the end of the year in accordance with the approved International Financial Reporting Standards applicable in the European Union.

B.12 Information on material financial events in the Issuer's activity of the last date of announcement of the audited financial statements
 The scope of AB SEB bankas and SEB Bankas Group performance and dynamics is partially characterised by the below data of the balance sheet and profit (loss) statements prepared in accordance with the International Financial Reporting Standards (IFRS).

LTL million	31 Dec 2012		30 June 2013		31 Dec 2013		30 June 2014	
	SEB Bankas Group	the Bank	SEB Bankas Group	the Bank	SEB Bankas Group	the Bank	SEB Bankas Group	the Bank
Loans	15 637	15 663	15 535	15 562	15 251	15 278	15 211	15 242
Investment	1 113	1 069	1 170	1 126	1 219	1 173	1 168	1 117
Lease receivables	1 503	1 503	1 422	1 422	1 428	1 428	1 375	1 375
Deposits	12 797	12 817	12 249	12 265	13 225	13 246	13 257	13 275
Amounts owed to credit institutions	6 789	6 789	7 329	7 329	7 178	7 178	7 286	7 286
Equity	2 386	2 385	2 484	2 487	2 602	2 600	2 648	2 647
Assets	23 122	23 138	22 778	22 793	23 591	23 607	23 739	23 753

The structure of the income of AB SEB bankas and SEB Bankas Group over the past years was as follows:

LTL million	31 Dec 2012		30 June 2013		31 Dec 2013		30 June 2014	
	SEB Bankas Group	the Bank	SEB Bankas Group	the Bank	SEB Bankas Group	the Bank	SEB Bankas Group	the Bank
Net interest income (loss) after impairment losses	262.7	262.6	114.6	114.4	246.0	245.6	153.1	153.1
Other income before operating expenses, net	251.0	247.8	141.2	142.8	297.0	292.3	136.3	134.1
Result before operating expenses	513.7	510.4	255.8	257.2	543.0	537.9	289.4	287.2
Operating expenses	-347.8	-344.1	-140.0	-137.7	-299.5	-295.7	-120.8	-119.2
Intangible asset write off	-58.5	-58.5	0	0	0	0	0	0
Profit (loss) before profit tax from continues activities	107.4	107.8	115.8	119.5	243.5	242.2	168.6	168.0
Net profit (loss) from continued activities	84.9	87.6	97.5	101.8	212.3	212.3	148.5	148.4

The main indicators describing the activities of AB SEB bankas and SEB Bankas Group are presented in the table below:

SEB Bankas Group				Indicator	the Bank			
31 Dec 2012	30 June 2013	31 Dec 2013	30 June 2014		31 Dec 2012	30 June 2013	31 Dec 2013	30 June 2014
15.17%	15.84%	15.59%	18.67%**	Capital adequacy ratio	13.37%*	13.85%*	15.51%	18.57%**
0.34%	0.85%	0.91%	1.27%	Return on Assets	0.53%*	0.9%*	0.92%	1.27%
3.55%	8.00%	8.50%	11.42%	Return on Equity	5.69%*	8.92%*	8.93%	11.42%
35.76%	33.87%	38.85%	38.92%	Liquidity ratio	35.69%*	33.48%*	38.81%	38.87%
5.50	6.31	13.75	9.62	Earnings per share, LTL	5.67*	6.62*	13.75	9.61
154.52	161.59	168.48	171.50	Book value per share, LTL	154.44*	152.25*	168.39	171.40

*The ratio is calculated not taking into account AB "SEB lizingas" merger

**The ratio is calculated in accordance with the European Parliament and of the European Union Council Regulation (EU) No. 575/2013 part III (in force since 1 January 2014)

AB SEB bankas and SEB Bankas Group's financial statements for the year ended as of 31 December of 2012 and 2013 are audited. AB SEB bankas and SEB Bankas Group's financial statements for the year 2013 and for 6 month of 2014 are unaudited.

Since the date of publication of the latest audited financial statements until the submission date of the Base Prospectus to the Bank of Lithuania any negative changes did not occur.

On the submission date of the Base Prospectus to the Bank of Lithuania any information on trends, uncertainties, requirements, liabilities or material events that may have a significant impact on the Bank's perspective was not available.

B.13
Material events that may have impact on the Issuer's solvency

Not applicable. There is no information on material events that may have an impact on the Issuer's solvency on the submission date of the Base Prospectus to LB.

B.14
Issuer's relations with other members of the Group

Skandinaviska Enskilda Banken AB (publ) is registered with the Company Register of Sweden, legal form – a public limited liability company, legal person code 502032-8091, legal address Kungstradgardsgatan 8, Stockholm, Kingdom of Sweden, is a holder of 15,441,423 ordinary registered shares of AB SEB bankas that constitute 100 per cent of share capital of AB SEB bankas.

B.15
Principal activity of

The Bank is a credit institution holding authorised capital. The Bank is issued a licence to engage in acceptance of deposits and other repayable funds from non-professional

the Issuer	market participants and lending, and also has a right to provide other financial services and assumes related risks and responsibility.
B.16 Control of the Issuer and this control type	Currently Skandinaviska Enskilda Banken AB (publ) is a holder of 100 per cent of shares of AB SEB bankas in Lithuania.
B.17 Credit ratings assigned to the Issuer or non-equity securities issued by it	Not applicable. Any rating is not assigned to non-equity securities issued by the Bank. Currently, any rating agency, based on a request of the Bank, or with participation of the Bank in the rating process, has not assigned any credit rating of the Bank.

CHAPTER C – SECURITIES

C.1 Offered securities, types and classes of securities	<p>Under this Prospectus, the Bank may issue for public offering one or several short-term (up to 1 year) and from 1 year to 10 year term non-subordinated, non-guaranteed and non-convertible non-equity securities.</p> <p>Summary of the Issue(s) (Final Terms No. 2014XXXX/XXX): Issue maturity term: [<i>Maturity term in days</i>]</p> <p>The Bank under this Programme may issue the below specified non-equity securities:</p> <ul style="list-style-type: none"> • coupon bonds; • discount bonds; • reference item linked notes; • investment notes; • structured notes; • any combinations of the above non-equity securities. <p>Maximum total nominal value of non-equity securities issued under this Programme may not exceed EUR 250,000,000 or its equivalent in any other currency.</p> <p>On the date of approval of the Base Prospectus, any ISIN codes are not assigned to non-equity securities to be issued.</p> <p>Summary of the Issue(s) (Final Terms No. 2014XXXX/XXX): Type of non-equity securities: [•]</p>
C.2 Securities issue currency	<p>Non-equity securities may be issued in Euros or in any other currency. Non-equity securities may be issued in the Litas only until 31 December 2014, when the Euro is adopted in the Republic of Lithuania and becomes national currency of the Republic of Lithuania. According to the Law on the Adoption of the Euro in the Republic of Lithuania, the nominal value of the non-equity securities denominated in the Litas will be converted into the Euro dividing the total nominal value of securities held by an individual investor in his/her each separate account by the rate of exchange of the Euro and the Litas irrevocably fixed by the European Union Council, calculating multiplying by 100 and rounding the result up to a whole number. The resulting value will be the number of securities held by a particular investor at the nominal value of one Euro cent. The issue currency shall be specified in the Final Terms of each issue.</p> <p>Summary of the Issue(s) (Final Terms No. 2014XXXX/XXX): Currency: [<i>Currency code</i>]</p>
C.5 Description of	Non-equity securities to be issued under this Base Prospectus shall be publicly offered in Lithuania, also shall be publicly and/or on the basis of private placement offered in Latvia and

securities transfer restrictions

in other member states of the European Union without any transfer restrictions. The non-equity securities to be issued under this Base Prospectus are not registered and shall not be registered following the requirements of legal acts of the US and other subordinate jurisdictions regulating the securities' market and shall not be offered or sold in any such jurisdiction except if registered in accordance with applicable laws or if relevant registration exclusions are applied. Legal and natural persons willing to subscribe for non-equity securities to be issued under this Base Prospectus must be aware of such restrictions and comply with the above requirements.

C.8
Description of rights attached to the securities and procedure for exercising the rights

All the holders of non-equity securities, issued by the Bank under this Base Prospectus are granted equal rights, which are described in the Base Prospectus and in the Final Terms of each issue, and also established in the laws and other legal acts of the Republic of Lithuania.

Non-equity securities issued under this Base Prospectus, except the structured notes, shall grant the investors a right following the terms established in the Final Terms to receive from the Bank a payment in cash, which is calculated according to the procedure established in this Base Prospectus and in the Final Terms of each issue.

The holders of structured notes issued under this Programme, shall be entitled following the terms established in the Final Terms of each issue to receive payment in cash from the Bank, when such non-equity securities are redeemed, or securities of the third party or relevant claims rights to such securities or securities issued by such third party replacing the securities of the third party above or relevant claims rights to such securities or any portion thereof together with a payment in cash, if such non-equity securities prior to the established redemption date are mandatorily purchased from investors, in case at least one enforcement event related to third party credit risk occurs.

The Bank under this Programme may issue coupon or discount bonds, and investors subscribing for such bonds are entitled within the bond maturity term on the dates and prices specified in advance to sell all or any portion of such issue of bonds to the Bank in the secondary trading, if such right of the investor is established in the Final Terms of such issue.

Holders of non-equity securities shall have the below rights:

- on the date of non-equity securities redemption, early redemption or mandatory purchase (in case of structured notes) and/or on the date of interest (coupon) payment, and/or premium payment, and/or payment of other amounts for non-equity securities to receive payment from the Bank established in this Base Prospectus and following the procedure established in the Final Terms of each issue under this Programme;
- sell or transfer in any other form all or any portion of non-equity securities;
- if a holder of non-equity securities is a natural person, to bequeath all securities or any portion thereof to one or several persons;
- other rights established by legal acts, including but not limited to those exercised by other creditors in respect of the Bank assets to whom the Banks' obligations are not secured by the asset pledge.

Summary of the Issue(s) (Final Terms No. 2014XXXX/XXX):

Rights granted to the non-equity securities: [•]

C.9
Calculation and payment terms of interest (coupon), premium and

Calculation and payment terms of interest (coupon), premium and other amounts payable to the investor

The Final Terms of each issue under this Programme shall announce the type of securities to be issued (coupon bonds, discount bonds, reference item linked notes, investment notes, structured notes and any combinations of the above non-equity securities).

other amounts payable to the investor, redemption date, loan amortisation and repayment procedure and sale to the Bank in the secondary trading, representation of holders of non-equity securities

Coupon bonds

In case of coupon bond issue, the Issuer shall pay coupon on each bond on the specified date, and coupon amount shall be calculated as a certain percentage of the bond nominal value. Coupon on the coupon bonds may be fixed (it remains of the same amount for the entire bond maturity term) or variable (established on the dates specified in the Final Terms, taking into consideration the changes of the selected base interest rate). Coupon or its calculation method and coupon payment dates shall be specified in the Final Terms of each issue.

(if not relevant, delete) **Summary of the Issue(s) (Final Terms No. 2014XXXX/XXX):**

Terms and procedure for calculation and payment of interest (coupon): *[specify whether fixed or floating interest will be paid; actual interest or procedure for calculating interest (coupon); date(s) of interest (coupon) payment, etc.]*

Coupon bonds redemption price or procedure for its calculation: [●]

Method for calculating days: *[Act/365, Act/Act or other]*

Discount bonds

Discount bonds within the subscription period shall be sold at the lower price than the bond nominal value (nominal bond value shall be discounted by the annual yield established in the Final Terms). On the bond redemption date, the investor shall be paid the bond nominal value.

(if not relevant, delete) **Summary of the Issue(s) (Final Terms No. 2014XXXX/XXX):**

Terms and procedure for calculation and payment of interest (coupon): *[specify whether fixed or floating interest will be paid; actual interest or procedure for calculating interest (coupon); date(s) of interest (coupon) payment, etc.]*

Discount bonds redemption price or procedure for its calculation: [●]

Method for calculating days: *[Act/365, Act/Act or other]*

Reference item linked notes

Profitability of reference item linked notes depends on change in value of the reference item (shares, commodities, currencies, etc.) to be specified in the Final Terms, and on values of variables (participation ratio, range of interval values of the reference item, etc.) and/or on (non)occurrence of certain credit events related to the legal entity described in the Final Terms of the issue (e.g. whether bankruptcy proceedings, etc. have been initiated against the legal entity indicated in the Final Terms within the note maturity term) and on interest (coupon) (if interest (coupon) payment is established in the Final Terms). If change in value of the reference item is favourable, i.e., the reference item value changes or does not change as established in the Final Terms, the investor on the redemption date of the reference item linked notes shall receive the premium for change in value of the reference item. If change in value of the reference item is unfavourable, i.e., change in value of the reference item is different from that specified in the Final Terms, the investor shall be paid the nominal value of the reference item linked note on the redemption date.

If the note profitability depends on (non)occurrence of certain credit events related to the legal entity indicated in the Final Terms, and the situation is favourable, i.e., the credit event (does not) occur, the investor shall be paid the premium for (non)occurrence of certain credit event on the note redemption date. If the situation is unfavourable, i.e., the situation occurs when the notes become unprofitable, the investor shall be paid the note nominal value on the note redemption date.

(if not relevant, delete) **Summary of the Issue(s) (Final Terms No. 2014XXXX/XXX):**

Terms and procedure for calculation and payment of interest (coupon): *[specify whether fixed or floating interest will be paid; actual interest or procedure for calculating interest (coupon); date(s) of interest (coupon) payment, etc.]*

Terms and procedure for calculation and payment of premium: *[specify terms when premium is paid to an investor, e.g. if the value of the reference item increases or decreases; specify formula for calculating premium, etc.]*

Expected value of participation ratio: [●]/not applicable

Minimum participation ratio value: [●]/not applicable
 Date of announcement of actual variables of the issue: [●]/not applicable
 Notes redemption price or procedure for its calculation: *[specify the constituent parts of redemption price: nominal value, premium, interest]*
 Initial value of reference item: [●]
 Final value of reference item: as indicated in C.19
 Method for calculating days: *[Act/365, Act/Act or other]*

Investment notes

Profitability of investment notes, as well as of the reference item linked notes, depends on change in value of the reference item (shares, commodities, currencies, etc.) to be specified in the Final Terms of a particular issue, and on values of variables (participation ratio, range of interval values of the reference item, etc.) and/or on (non)occurrence of certain credit events related to the legal entity indicated in the Final Terms of the issue and on interest (coupon) (if interest (coupon) payment is established in the Final Terms). If premium is paid on the above non-equity securities, the Final Terms of the issue shall establish the method for calculating the premium for change in value of the reference item. In certain cases, no premium on the investment notes or other payments shall be paid except for accrued interest (coupon).

Differently from the reference item linked notes, the investor who subscribed for the investment notes is not guaranteed that on the redemption date the investor shall be refunded nominal value of such non-equity securities. If within the period specified in the Final Terms the certain conditions occur, the investment is not backed up by a capital guarantee, i.e., at the end of maturity term the investor shall be paid the redemption price that may be lower than the nominal value of such non-equity securities. In such case, the investor may lose a portion or total invested amount.

(if not relevant, delete) **Summary of the Issue(s) (Final Terms No. 2014XXXX/XXX):**

Terms and procedure for calculation and payment of interest (coupon): *[specify whether fixed or floating interest will be paid; actual interest or procedure for calculating interest (coupon); date(s) of interest (coupon) payment, etc.]*

Expected interest: [●]/not applicable

Minimum interest: [●]/not applicable

Date of announcement of actual interest: [●]/not applicable

Date of payment of interest: [●]/not applicable

Terms and procedure for calculation and payment of premium: *[specify terms when premium is paid to an investor, e.g. if the value of the reference item increases or decreases; specify formula for calculating premium, etc.]*

Expected value of participation ratio: [●]/not applicable

Minimum participation ratio value: [●]/not applicable

Date of announcement of actual variables of the issue: [●]/not applicable

Notes redemption price or procedure for its calculation: *[specify the constituent parts of redemption price: nominal value, premium, interim premium, interest]*

Initial value of reference item: [●]

Final value of reference item: as indicated in C.19

Method for calculating days: *[Act/365, Act/Act or other]*

Structured notes

Profitability of structured notes, as well as of the reference item linked notes or investment notes, depends on change in value of the reference item (shares, commodities, currencies, etc.) to be specified in the Final Terms, and on values of variables (participation ratio, range of interval values of the reference item, etc.) and/or on (non)occurrence of certain credit events related to the legal entity indicated in the Final Terms of the issue and on interest (coupon) (if interest (coupon) payment is established in the Final Terms).

(if not relevant, delete) **Summary of the Issue(s) (Final Terms No. 2014XXXX/XXX):**

Terms and procedure for calculation and payment of interest (coupon): *[specify whether fixed or floating interest will be paid; actual interest or procedure for calculating interest (coupon); date(s) of interest (coupon) payment, etc.]*

Terms and procedure for calculation and payment of premium: *[specify terms when premium is paid to an investor, e.g. if the value of the reference item increases or decreases; specify formula for calculating premium, etc.]*

Expected value of participation ratio: [●]/not applicable

Minimum participation ratio value: [●]/not applicable

Date of announcement of actual variables of the issue: [●]/not applicable

Notes redemption price or procedure for its calculation: *[specify the constituent parts of redemption price: nominal value, premium, interim premium, interest]*

Initial value of reference item: [●]

Final value of reference item: as indicated in C.19

Method for calculating days: *[Act/365, Act/Act or other]*

Differently from the reference item linked notes or investment notes, the issued structured notes shall be mandatorily purchased by the Bank from investors prior to the specified redemption date, if within maturity term thereof at least one enforcement event related to third party credit risk occurs. The enforcement event(s) related to third party credit risk is (are) not deemed identical to the credit event(s) upon (non)occurrence of which profitability of the reference item linked notes, investment notes or structured notes (unless the Final Terms of particular issue of the structured notes define otherwise) may be determined and/or investment notes may retain the capital guarantee. The Final Terms of the issue shall specify third party and securities issued by such party in respect of which enforcement events may occur. Mandatory purchase of the structured notes means that the structured notes are not backed up by capital guarantee, i.e., the investor may lose a portion or total invested amount.

(if not relevant, delete) **Summary of the Issue(s) (Final Terms No. 2014XXXX/XXX):**

Third party: [●]

Securities issued by a third party: [●]

The Final Terms of the issue of the reference item linked notes, investment notes and structured notes may specify that the investor who subscribe for such non-equity securities, shall be paid not only the premium for change in value of the reference item and/or the premium that depends on (non)occurrence of certain credit events related to the legal entity specified in the Final Terms of the issue but shall also receive interest (coupon). Interest (coupon) shall be paid irrespective of the change in value of the reference item to which the notes are linked or (non)occurred credit events related to the legal entity specified in the Final Terms of the issue.

Redemption date, loan amortisation and repayment procedure and sale to the Bank in the secondary trading

The Final Terms of each issue under this Programme shall establish the non-equity securities redemption date.

Summary of the Issue(s) (Final Terms No. 2014XXXX/XXX):

Redemption date: [●]

A right to request redemption of the issued non-equity securities prior to maturity shall not be granted to the investors. The Bank shall redeem the reference item linked note, investment note and structured note issue prior to its maturity if such right of early redemption is established in the Final Terms of the issue.

(if not relevant, delete) **Summary of the Issue(s) (Final Terms No. 2014XXXX/XXX):**

Early redemption: *[specify if applicable or not]*

The Bank shall mandatorily purchase of the structured notes from the investors if within the maturity term of the structured notes at least one enforcement event related to third party credit risk established in the Final Terms of the structured note issue occurs.

(if not relevant, delete) **Summary of the Issue(s) (Final Terms No. 2014XXXX/XXX):**

Enforcement events: *The Bank will mandatorily purchase the issue of structured notes from investors if any of the following enforcement events occurs:*

- *a third party fails to fulfil its obligations in accordance with set terms and procedure with regard to securities issued by it (issue ISIN code [●]);*
- *it is announced that, at the request of a third party or holders of the securities issued by the third party (issue ISIN code [●]), the terms for fulfilment of obligations under, and/or for disposal of securities issued by the third party (issue ISIN code [●]) are amended.*

In case the Bank issues coupon or discount bonds and the investors subscribing for such bonds are entitled within the maturity term of the issue to sell all or any portion of such bonds to the Bank in the secondary trading, the Final Terms shall specify the dates when the bonds may be sold to the Bank and the sale price effective on the dates when the bonds are sold to the Bank. The opportunity to sell the bonds in the secondary trading on the dates other than the dates established in the Final Terms, depends only on the existing market demand.

(if not relevant, delete) **Summary of the Issue(s) (Final Terms No. 2014XXXX/XXX):**

Procedure for selling bonds in a secondary trading: [applicable at the dates and prices specified in the Final Terms No. 2014XXXX/XXX / Not applicable]

There are no intermediaries ensuring liquidity of non-equity securities issued under this Programme in the secondary trading.

Profitability

Profitability of non-equity securities issued under the Programme depends on the subscription price, maturity term, redemption price or price of the bonds when they are sold to the Bank in the secondary trading, following the procedure established in the Final Terms (if investors assume such right), interest (coupon), change in value of the reference item, subscription fees and other factors. The calculation procedure of all amounts payable for non-equity securities shall be specified in the Final Terms of each issue.

Investors should note that the subscription fee is not subject to refund when calculating the return on investment.

Representative of holders of non-equity securities

Prior to announcement of the Final Terms of each issue the Issuer shall sign an agreement with intermediary of securities' public trading on the protection of interests of non-equity securities holders. It shall be specified in the Final Terms of each issue. The agreement shall be available for viewing at the Markets Department of the Bank, address J. Balčikonio g. 7, Vilnius.

Summary of the Issue(s) (Final Terms No. 2014XXXX/XXX):

Protector of interests of owners of the non-equity securities: [specify company name, address of branch offices, telephone, website]

Information about replacement of intermediary protecting interests of non-equity securities holders shall be published on the Bank's website www.seb.lt.

C.10, C.15
Value

The value of the reference item linked notes, investment notes and structured notes depends on the change in value of the underlying reference item (shares, commodities, currencies, etc.)

dependence of non-equity securities on change in value of reference item to which non-equity securities are linked and on (non)occurrence of certain credit events related to the legal entity and/or on (non)occurrence of certain credit events, related to the legal entity indicated in the Final Terms of the issue.

Investors investing in the reference item linked notes, investment notes or structured notes should know that changes in value of non-equity securities linked to reference item prior to their redemption date may not correlate with the change in value of the reference item to which such non-equity securities are linked or with (non)occurrence of certain credit events related to particular legal entity; it depends on the change in value of the derivative of the reference item to which these non-equity securities are linked and the changes in the market interest rates within the maturity term of such non-equity securities.

For instance, if interest rates in the market increase, the value of non-equity securities linked to reference item may decrease irrespective of the change in value of the reference item or (non)occurrence of certain credit events related to particular legal entity. Changes in value of non-equity securities linked to reference item prior to the redemption date may be great and bigger than the changes in value of the reference item to which such non-equity securities are linked and depend on the values of the variables of the issue (participation ratio, range of interval values of the reference item, etc.). In general, the bigger participation ratio, the greater changes in value of non-equity securities within the period until the redemption date thereof.

The above feature of non-equity securities linked to reference item is not important for investors who retain the subscribed non-equity securities until the redemption date thereof. The calculation method (i.e., components of the redemption price) of the non-equity security value (redemption price), which shall be paid to the investors on the redemption date, shall be specified in the Final Terms of the issue.

C.11 Admission to trading on regulated market

Non-equity securities issued under this Base Prospectus may be admitted to the trading lists of regulated markets (Debt Securities Trading List of NASDAQ OMX Vilnius Stock Exchange, other regulated markets trading lists).

Information about the application to the regulated market operator for admission to trading on the regulated market of the particular securities issued under this Prospectus shall be established in the Final Terms.

Summary of the Issue(s) (Final Terms No. 2014XXXX/XXX):

Listing on regulated market trading lists: [*Specify whether the securities of the issue will be listed on regulated market trading lists and, if known, the date when the securities of the issue will be listed on regulated market trading lists*]

In case it is established in the Final Terms of the issues under the Programme that the request to admit the issued non-equity securities on the regulated market may be submitted to trading, the investor subscribing for non-equity securities issued by the Bank in the primary trading shall face the risk that the Bank's application to admit the securities on the regulated market to trading may be rejected due to technical or other reasons.

C. 16 Maturity date of the derivative transactions of reference items to which non-equity securities are linked

Maturity date of the derivative transactions entered when issuing non-equity securities under this Base Prospectus is not later date than redemption date of non-equity securities.

<p>C. 17 Settlements for the derivative transactions</p>	<p>Settlements for the derivative transactions entered by the Bank when issuing non-equity securities under this Base Prospectus shall be made in accordance with the rules approved by International Swap and Derivatives Association (ISDA) and following other practice recognized in the international financial market.</p>
<p>C. 18 Profitability of derivative transactions and its impact on non-equity securities' values</p>	<p>Changes in the value of reference item linked notes, investment notes and structured notes until redemption date of such non-equity securities, and also the value of such non-equity securities on the redemption date thereof (redemption price) respectively depend on changes in value of the derivative transaction(s) entered by the Bank within the maturity term of such non-equity securities and the value of derivative transaction(s) on the maturity date of such transaction(s). The higher positive return on the derivative transaction(s), the higher profitability of reference item linked notes, investment notes and structured notes for the investor, i.e., higher value of such non-equity securities within the maturity term thereof and higher redemption price of such non-equity securities. In certain cases, no derivative transactions may be concluded when issuing reference item linked notes, investment notes and structured notes under this Base Prospectus.</p>
<p>C. 19 Final value of reference items to which non-equity securities are linked</p>	<p>The Final Terms of the reference item linked notes, investment notes and structured notes to be issued under this Base Prospectus shall include a definition of the final value of the reference item(s) to which non-equity securities are linked, its valuation date and its calculation formula (if any).</p> <p><i>(if not relevant, delete)</i> Summary of the Issue(s) (Final Terms No. 2014XXXX/XXX):</p> <p>Final value of reference item: <i>[specify the definition, valuation date, calculation method or formula]</i></p>
<p>C. 20 Reference items to which non-equity securities are linked</p>	<p>Reference items to which non-equity securities issued under this Base Prospectus shall be:</p> <ul style="list-style-type: none"> • shares, global depositary receipts, other transferable securities equivalent to shares admitted to trading on regulated markets; • bonds issued by private and public sector companies, institutions or organisations, including but not limited to governments, public authorities, central banks; • stocks, bonds, commodities, mixed (stocks, bonds, commodities and other financial instruments) indexes; • undertakings for collective investment in transferable securities (UCITS) (e.g. mutual funds units); • units of exchange traded funds (ETF); • commodities (industrial metals, precious metals, energy, agricultural, other) spot and future prices; • exchange rates; • interest rates (e.g. base interest rate on London, Europe and other interbank markets (e.g. LIBOR, EURIBOR)). <p>Particular reference item(s) to which non-equity securities issued under this Base Prospectus are linked shall be specified in the Final Terms. In such case, the Final Terms shall include a link to the website of a stock exchange/market/association establishing the value of the reference item and publication its historical changes.</p> <p><i>(if not relevant, delete)</i> Summary of the Issue(s) (Final Terms No. 2014XXXX/XXX):</p> <p>Reference item: <i>[description of reference item; if non-equity securities are linked to several reference items, specify the value of each of the reference items concerned or procedure for determining the value of each of the reference items concerned]</i></p>

(if not relevant, delete) Currency of the derivative of the reference item to which the non-equity securities are linked: *[Currency code]*

[Specify the actual currency risk related to the non-equity securities issue, i.e. relevant changes in exchange rates that may influence the profitability of the non-equity securities in case of the different currency denomination of non-equity securities issue and derivative]

Currency risk described in D.3.

CHAPTER D – RISK FACTORS

- D.2
Main risk factors related to the Issuer
- Main types of risk incurred by the Bank are:
- **Credit risk** means the risk that other contracting party may fail to duly fulfil its obligations to the Bank;
 - **Market risk** means the risk of losses or loss of future income resulting from changes in the interest rates, currency exchange rates and share price;
 - **Operational risk** means the risk of financial loss, impairment of goodwill or loss of confidence that may result from the external events (including natural disasters, , criminal acts of third parties, activity disorders of major suppliers, etc.) or internal events (e.g. IT system disorder, fraud cases, non-compliance with the internal regulations and legal acts, inadequate internal control, etc.);
 - **Business risk** means the risk of income decrease, caused by unforeseen lack of usual income that typically results from lower business volume, downward pressure on prices or competition;
 - **Strategic risk** means the risk resulting from unfavourable or misleading business solutions, improper implementation of solution or inadequate reaction to political changes, amendments of legal acts and changes in the banking sector;
 - **Liquidity risk** means the risk that the Bank will be unable to timely meet its financial obligations and/or seeking to meet thereof will be forced to sell its financial assets and/or close positions or will incur losses caused by low liquidity in the market. In this case the risk that in certain conditions the Bank's creditors will initiate the bankruptcy proceedings against the Bank exists.
- D.3
Main risk factors related to non-equity securities
- Main risk factors related to non-equity securities issued are as follows:
- **market risk** means the risk that the market price of non-equity securities may fluctuate, i.e., the price of securities subscribed by the investor may go down and up in the secondary trading;
 - **liquidity risk** means the risk of potential losses in case of failure to sell securities in a short-term or if it is impossible to sell the non-equity securities held for a certain period;
 - **issuer credit risk** means the risk that in case of the Bank's insolvency, bankruptcy, moratorium and in other similar cases the Bank within the established term and conditions fails to settle with the investors (i.e. fails to redeem the non-equity securities, pay coupon or premium, etc.). The above risk of the Bank is not covered by insurance, i.e., the Bank's obligations to redeem non-equity securities issued is not insured by State Company "Indėlių ir investicijų draudimas";
 - **issue cancellation risk** means the risk that in certain cases the issue of non-equity securities may be cancelled; in such case the investors shall not subscribe for non-equity securities, and the Bank shall refund non-equity securities' subscription price and subscription fee;
 - **currency risk** means the risk that fluctuations in currency exchange rates may result in decrease in the actual value and the profitability of securities; therefore, investors, holding the non-equity securities denominated in other than the investors' home currency, will be exposed to movements in exchange rates that may adversely affect

the value of the holdings. If non-equity securities are issued in Litas and within the maturity term thereof the Euro becomes national currency of the Republic of Lithuania, the amount to be paid for redeemable non-equity securities to investor shall be calculated according to the exchange rate of the Litas with the Euro in accordance with the exchange rate irrevocably fixed by the European Union Council.

This includes the risk that the non-equity securities and the derivative of the reference item to which such non-equity securities are linked may be denominated in different currency. In such case, movements in exchange rates between currencies of the denomination of the non-equity securities and the denomination of the derivative may affect (positively or negatively) the value of investor's holdings;

- **inflation risk** means the risk that real value of non-equity securities may decrease due to inflation;
- **tax and legal risk** means the risk that amendments to the legal acts of the Republic of Lithuania or changes in the state tax policy may have a material adverse effect on the non-equity securities, resulting in lower liquidity of non-equity securities and/or price and net profitability;
- **rating downgrade risk** means the risk that SEB Group's credit rating may be downgraded or the risk that the estimated credit rating of the Bank is lower than SEB Group's credit rating, which may have a material adverse effect on the non-equity securities, resulting in lower liquidity of non-equity securities and/or price;
- **risk related to the securities admission to trading on the regulated market** means the risk that non-equity securities that are supposed to be admitted to trading on the regulated market in fact are not admitted to the trading list due to any technical or other reasons, which may decrease the liquidity and eventually the price of the non-equity securities;

Risks applicable to coupon and discount bonds and structured notes:

- **risk related to the shortening of the issue subscription period** – the risk that the investor fails to subscribe for the issued non-equity securities if the Final Terms of such non-equity securities establish the Bank's right to shorten the issue subscription period and the Bank exercises the right thereof;
- **risk related to the subscription through placement agents in Latvia** means the risk of the investors subscribing for non-equity securities through placement agents in Latvia, that in case of issues of limited size, they may not be able to subscribe for the non-equity securities even if the investors applied for subscription within the subscription period due to the fact that the payment day for such investors may be the final day of subscription period and by the payment day thereof all the non-equity securities may be subscribed by other investors. This means that investors subscribing for non-equity securities through placement agents in Latvia shall not be deemed as having subscribed for the non-equity securities up to the final day of the subscription period. In case of an issue of limited size, the non-equity securities are allocated by the time priority principle, therefore the investors who actually subscribe and pay for the non-equity securities on the final day of subscription period should consider this unfavourable condition. The investors subscribing for non-equity securities through placement agents in Latvia should also consider the risk that their right to dispose of the funds necessary to pay for the non-equity securities may be limited within the whole period from the day they applied for subscription until the payment day (which is the final day of the subscription period).

Risks applicable to the reference item linked notes, investment notes and structured notes:

- **premium risk** means the risk that on the redemption date of non-equity securities the investor shall not receive premium for change in the value of the reference item in case of unfavourable change in the value of reference item, i.e., the investor assumes the risk of loss of the subscription fee (if applicable) as well as the risk of additionally invested funds, if non-equity securities were issued with the risk premium;

- **risk of reference item value adjustment and change of calculation method** means the risk that the agency calculating/announcing the reference item value may adjust the value of the reference item and/or change the method for calculation the reference item value and/or change the reference item itself; suspend the value calculation and/or announcing temporarily or for an unlimited term. The risk of reference item value adjustment, change of calculation method of the reference item value (including but not limited to the risk of change in the reference item itself) shall exist not only within maturity term of non-equity securities issue but also within the subscription period of such non-equity securities;
- **risk of unforeseen events in the markets** mean the risk that due to unforeseen events, the valuation date of the reference item (shares, commodities, exchange rates, etc.) may be moved to another date when unforeseen events cease to exist;
- **premium calculation risk** means the risk that due to factors that are beyond the Bank's control, the premium calculation method or its value may be changed; the premium calculation risk shall exist not only within maturity term of non-equity securities but also during the subscription period of such non-equity securities;
- **risk of the early redemption** means the risk that profitability of non-equity securities if redeemed prior to maturity may be lower than profitability of non-equity securities that are held until the scheduled redemption date.

Risks applicable to investment notes and structured notes:

- **risk of investment loss** means the risk that upon occurrence of certain conditions, established in the Final Terms of the issue, the investor may lose all invested funds or a portion thereof.

Risks applicable to structured notes:

- **third party credit risk** means the risk that in case the Bank executes mandatory purchase of the structured notes from the investor and transfers to the investor securities of the third party or relevant claims rights, as specified in the Final Terms of the issue, or the securities issued by such third party replacing the securities of the third party above or relevant claims rights or any portion thereof, third party may fail to settle with the investor.

Summary of the Issue(s) (Final Terms No. 2014XXXX/XXX):

Main risk factors related to [*specify the type of non-equity securities*] :

[*specify the list of applicable risk factors:*

-
-
- *etc.*]

D.6
Risk related to
the loss of
funds invested

Investment notes and structured notes are risky investment instruments, therefore may not be suitable for all investors and should be chosen by such investors who may assume higher investment risk.

In case of reference item linked notes

Issue price of reference item linked notes may be higher than the nominal note value. The difference between reference item linked note issue price and nominal reference item linked note value is called risk premium. The purpose of the risk premium is to increase values of the issue variables (participation ratio, the range of interval values of the reference item, etc.). If the investor subscribes for notes with the risk premium, the investor shall assume the risk of a loss of additionally invested funds: the additionally invested funds shall not be refunded to the investor, if a change of the value of the reference item is different from that specified in the Final Terms, or only a portion of the additionally invested funds shall be refunded, if the premium for change of the value of the reference item on the note redemption date is lower than the risk premium paid by the investor.

In case of investment notes

Upon occurrence of certain conditions specified in the Final Terms of investment notes issue (e.g. if the reference item value reaches the specified limit), the investment is not backed up by a capital guarantee, i.e., the investor assumes the risk that the redemption price of the investment note may be lower than the nominal value of the investment note, i.e., the investor may lose all invested funds or a portion thereof.

Risk related to the loss of funds invested also occurs when prior to the redemption date of the investment notes due to factors that are beyond the Bank's control the risk management costs of the derivative transaction entered by the Bank significantly increase; the derivative transaction is terminated or replaced; factors not permitting the Bank to subscribe, manage or dispose of the reference items, which determine profitability of investment notes occur; or the reference items are nationalised, expropriated or it is ordered to transfer them in any other way to the government or any other public institution; or due to liquidation, bankruptcy, insolvency, dissolution or winding-up of the issuer of the reference item (if relevant) or due to other analogous proceedings affecting the latter, the right to manage, use or dispose of the reference items is limited; or the legal entity that issued the reference items fails to fulfil its obligations related to the reference items issued (e.g. fails to timely pay the coupon); or it is publicly announced that the terms of fulfilment of obligations related to the reference items and/or disposal terms of such reference items are amended (e.g. the nominal value of the reference items is reduced, redemption date is deferred, etc.); due to factors that are beyond Bank's control, certain conditions arise due to which the reference items to which investment notes are linked are excluded from the securities trading lists (or trading in such reference items is suspended). If any of the above events occur the investment may be not backed up by a capital guarantee, i.e., the investor assumes the risk that the redemption price of the investment note may be lower than the nominal value of the investment note, i.e., the investor may lose all invested funds or a portion thereof.

In case of structured notes

If within maturity term of the structured notes enforcement event related to third party credit risk occurs the Bank shall mandatorily purchase the issue of the structured notes from the investors. The Bank shall settle with the investors for mandatorily purchased structured notes by transferring securities of the third party or relevant claims rights or securities issued by such third party replacing the securities of the third party above or relevant claims rights or any portion thereof, and payment in cash. On the settlement date for the mandatorily purchased structured notes the value of third party's securities transferred to the investor or other securities issued by the third party replacing thereof and payment in cash may be lower than the nominal value of the structured notes. In such case the investor may lose a portion of invested funds, and in case of third party insolvency, bankruptcy, moratorium or in similar cases, the investor may lose the total invested amount.

CHAPTER E – OFFER

E.2b Reasons of the offer and use of proceeds	The Bank issuing non-equity securities intends to offer a wide range of investment instruments and services. Funds accumulated from the issues of non-equity securities shall be used for general corporate purposes of the issuer.
E.3 Terms and procedure of the offer	<p>Summary of the Issue(s) (Final Terms No. 2014XXXX/XXX):</p> <p>Issue date: [●]</p> <p>Nominal value per non-equity security: [●]</p> <p>Subscription price(s) of non-equity securities: [●] <i>(If during the subscription period the subscription</i></p>

prices of the non-equity securities differ, subscription prices shall be specified in Annex No. [●] to the Final Terms No. 2014XXXX/XXX)

Risk premium: [●] (if applicable)

Non-equity securities to be issued under the Prospectus shall be publicly offered in Lithuania, also shall be publicly and/or on the basis of private placement offered in Latvia and in other states of the European Union. The Final Terms of the issue shall specify the country(ies) in which non-equity securities are offered.

Summary of the Issue(s) (Final Terms No. 2014XXXX/XXX):

Markets where the offer takes place: [●]

The offer to subscribe for non-equity securities shall be valid within the subscription period specified in the Final Terms.

The subscription term shall be specified in the Final Terms of each issue under the Prospectus.

Summary of the Final Terms No. 2014XXXX/XXX:

Subscription period: [●]

In case of any coupon and discount bonds issue of unlimited size, when coupon on bonds (in case of the coupon bond issue) or annual yield (in case of discount bond issue) shall be fixed and published in the Final Terms, the Final Terms may establish that the Bank, taking into consideration the number of subscribed bonds and market interest rates, has a right to unilaterally shorten the subscription period established in the Final Terms for such coupon and discount bond issue.

In case of structured notes issue, the Bank taking into consideration the number of subscribed structured notes and market interest rates, has a right to unilaterally shorten the subscription period established in the Final Terms.

No specific plan of securities offering and distribution shall be prepared, non-equity securities subscription agreements shall be signed during the entire subscription period on a time basis without any other restrictions.

The Final Terms may specify the category (categories) of the investors who shall be offered the securities of a particular issue, as well as relevant identification criteria and rights granted to the investors. The below categories of the investors are approved: a) professional investors (as established in Par. 39 of Article 2 of the Law on Securities of the Republic of Lithuania); b) non-professional investors (natural and legal persons not meeting the requirements applicable to the professional investors defined in Par. 39 of Article 2 of the Law on Securities of the Republic of Lithuania); c) investors that are clients of a bank in Lithuania and/or Latvia; d) investors, who signed one or several Special Banking Service Agreements with a bank in Lithuania and/or Latvia; e) investors holding non-equity securities previously issued by the Bank, which within a particular subscription period of non-equity securities shall be redeemed; f) investors subscribing for the number of non-equity securities at least equal to the minimum number of securities specified in the Final Terms; g) employees of a bank in Lithuania and/or Latvia; h) any combination of at least two categories above. It shall be noted that an investor who falls under category d) shall also automatically fall into category c), but not necessarily vice versa.

Summary of the Issue(s) (Final Terms No. 2014XXXX/XXX):

Category of investors proposed for acquiring the non-equity securities and rights granted: [●]

The investors shall subscribe for the non-equity securities during business hours at the branch

offices of the Bank and placement agents, at the addresses specified in the Annex of the Final Terms. Non-equity securities may be subscribed using the Internet Securities Trading System.

Non-equity securities shall be deemed subscribed and issued if the investors who signed non-equity securities subscription agreement have paid for non-equity securities pursuant to the procedure and within the term established in the agreement thereof.

The Final Terms of each issue of non-equity securities shall specify the payment method and term.

The minimum amount of non-equity securities to be offered to one investor is 1 (one) unless the Final Terms provide otherwise. The maximum amount of non-equity securities to be offered to one investor is not established, unless the Final terms provide otherwise; however if the issue is of a limited size, the number of securities to be subscribed may not exceed the number of unsubscribed non-equity securities remaining on the agreement date, or if the issue is of an unlimited size, the number of securities to be subscribed may not exceed the number of all unsubscribed non-equity securities issued under the Programme remaining on the agreement date.

Summary of the Issue(s) (Final Terms No. 2014XXXX/XXX):

Total nominal value of the issue: [[●]/Unlimited]

Minimum number of non-equity securities offered to one investor: [●]

Maximum number of non-equity securities offered to one investor: [●]

In case of coupon and discount bond issue, if the range of interest (coupon) on bonds (in case of coupon bond issue) or annual yield (in case of discount bond issue) are specified and actual interest (coupon) or annual yield are fixed only at the end of the bond subscription period, the investors are entitled to sign the bond subscription agreements as well as submit application for bond subscription. In such case, the Final Terms shall specify the minimum amount to be invested by the investor submitting the application for bond subscription.

(if not relevant, delete) **Summary of the Issue(s) (Final Terms No. 2014XXXX/XXX):**

Minimum amount invested: [●]

E.4 Related parties' interests arising in relation to non-equity securities issues At the moment of the approval of the Base Prospectus there is no interest of natural and legal persons involved in the issues under the Programme. Any interests of the related parties arising in relation to a particular issue of non-equity securities issued under this Base Prospectus shall be specified in the Final Terms.

E.7 Investor's costs The Final Terms of a particular issue of non-equity securities may specify the subscription fee to be paid by the investor to the issuer together with the subscription price for non-equity securities subscribed.

Summary of the Issue(s) (Final Terms No. 2014XXXX/XXX):

Subscription fee: [●]

SECURITIES NOTE

PROCEDURE FOR DETERMINING THE FINAL TERMS

The Final Terms of each issue of non-equity securities issued under this Base Prospectus shall be determined on the Bank's initiative taking into consideration the financial needs and financial market conditions. The template of the Final Terms shall be established in the Annex of the Base Prospectus. The Final Terms shall be published on the Bank's website www.seb.lt. If there are more placement agents specified in the Final Terms, the Final Terms shall be also published on the websites of such placement agents. The Bank shall provide the Final Terms above to the Bank of Lithuania. It shall also communicate the Summary translations into local languages, together with the Final Terms, to the supervisory authority of financial market of the relevant countries, where it is intended to publicly offer the non-equity securities. Starting from 31 March 2015 the Final Terms shall be made available to investors, filed with the Bank of Lithuania, and communicated by the Bank of Lithuania to the supervisory authority of the financial market of the relevant country as soon as practicable upon the making of a public offer and, where possible, before the beginning of the public offer or admission to trading. Information to be announced by the Bank in accordance with the legal acts shall be also available on the website of the Central Storage Facility www.crib.lt.

In case of coupon and discount bonds

In case of issue of coupon or discount bonds, which at the end of subscription period shall be immediately merged with any previous outstanding issue of the same type of bonds effective on the new issue date, the Final Terms of the new issue shall be determined and announced following the procedure identical to the one followed for announcing the Final Terms of the previous outstanding bond issue.

In case of issue of coupon or discount bonds, and investors subscribing for such bonds are entitled within the bond maturity term to sell all subscribed bonds or any portion thereof to the Bank in the secondary trading, the Final Terms shall establish the dates for the bond sale to the Bank and the bond sale price applicable on the bond sale dates to the Bank.

In case of any coupon and discount bond issue of unlimited size, when coupon (in case of coupon bond issue) or annual yield (in case of discount bond issue) are fixed and specified in the Final Terms, the Final Terms shall establish that the Bank taking into consideration the number of subscribed bonds and market interest rates shall have a right to unilaterally shorten the subscription period of the coupon and discount bond issue indicated in the Final Terms. If the Bank passes a decision to shorten the subscription period of such coupon and discount bonds, on the final date of the shortened bonds subscription period, after expiry of the time for bonds subscription, a special notice on the shortening of bond subscription period shall be published on the Bank's website www.seb.lt and on websites of the placement agents (if more placement agents are involved).

If the coupon and discount bond subscription period is shortened and the notice is published following the above procedure, other data on coupon and discount bonds issue (e.g. issue maturity term, issue date, redemption date, coupon payment date (in case of coupon bond)) established in the Final Terms and available to investors on the bond subscription date shall not be changed.

In case of reference item linked notes, investment notes and structured notes

The Final Terms of the reference item linked notes, investment notes and structured notes issue shall establish that upon the occurrence of certain conditions, the Bank shall redeem such non-equity securities prior to the established securities redemption date. In such case, the Final Terms of non-

equity securities shall specify: a) special conditions upon the occurrence of which the early redemption of non-equity securities is allowed (conditions for early redemption), b) price of early redemption or relevant calculation procedure, c) dates of early redemption. A special notice on the early redemption of the non-equity securities shall be published on the Bank's website www.seb.lt at least 1(one) business day prior to the early redemption day of the non-equity securities.

Any structured note issue shall be mandatorily purchased by the Bank prior to the established redemption date, if within the maturity term thereof at least one enforcement event related to third party credit risk occurs. The Final Terms of each particular structured note issue shall specify third party and securities issued by it in respect of which enforcement event may occur.

Taking into consideration changes in the market conditions, the Bank shall have a right to make amendments to the Final Terms of the reference item-linked notes, investment notes and structured notes within the subscription period of such non-equity securities. Such amendments to the Final Terms shall be permitted if: a) the Bank seeks on its initiative to improve the conditions in favour of investors, i.e., to increase interest (coupon), increase the value of participation ratio, expand the range of interval values of the reference item, increase the value of expected premium, improve the conditions in favour of investors in relation to the risk of loss of invested funds (in case of investment notes and structured notes), b) certain events occur beyond the Bank's control, when the investors face risk factors related to the reference item-linked notes, investment notes and structured notes – the risk of reference item value adjustment and change of the calculation method and premium calculation risk (see more in paragraph "Issue-related risk factors". In such case the below actions shall be carried out: a) amendments to the Final Terms shall be set forth in the Annex to the Final Terms to be submitted to the Bank of Lithuania and published on the Bank's website www.seb.lt and on the websites of the placement agents (if more placement agents are involved); b) information about amendments to the Final Terms shall be published on the Bank's website www.seb.lt and on the websites of the placement agents (if more placement agents are involved).

The amended terms established in the Annex to the Final Terms shall be applied to the investors who subscribed for non-equity securities of the specified issue prior to amendment of the Final Terms of such issue and did not refuse of the subscribed non-equity securities within 5 (five) business days from the amendment of the Final Terms of such issue. The Annex shall include the specific amended terms of the non-equity securities issue without making amendments to the non-equity securities subscription agreements signed prior to the amendment of the Final Terms. After the amended terms are published following the procedure established in the Base Prospectus, the Bank shall make relevant amendments to the non-equity securities subscription agreements and shall sign the amended non-equity securities agreements with the new investors.

If the terms of reference item-linked notes, investment notes and structured notes applicable to investors are changed following the procedure established in the Base Prospectus, implementation of the amended terms becomes binding and irrevocable obligation of the Bank from the date the amendment of the Final Terms is published on the Bank's website www.seb.lt

In case of structured notes

It should be noted that in case of structured note issue, the Bank taking into consideration the number of subscribed structured notes and market interest rates, has a right to unilaterally shorten the subscription period and / or limit the size of structured notes issue established in the Final Terms. If the Bank passes a decision to shorten the subscription period and / or limit the size of such structured notes issue, on the final date of the shortened structured notes subscription period, after expiry of the time for subscription of the structured notes, a special notice on the shortening of structured notes subscription period shall be published on the Bank's website www.seb.lt and on websites of the placement agents (if more placement agents are involved). If the Bank adopts a decision to limit the

size of structured notes issue, a special notice regarding the limit of the size of structured notes issue shall be immediately published on the Bank's website www.seb.lt and on websites of the placement agents (if more placement agents are involved).

If the structured notes subscription period is shortened and (or) the size of the structured notes issue is limited and the notice is published following the above procedure, other data on structured notes issue (e.g. issue maturity term, issue date, redemption date), established in the Final Terms and available to investors on the subscription date of the structured notes, shall not be changed.

DESCRIPTION OF THE PROGRAMME

The Board of the Bank on 27 October 2014 passed a Resolution No. 43.3 and approved the Programme of non-equity securities issue of the total value of EUR 250,000,000 (or its equivalent in any another currency). Under the above Programme the Bank is entitled within a period of 12 months from the approval date of the Base Prospectus by the Bank of Lithuania according to the procedure set forth in the legal acts to issue short-term (up to 1 year) and from 1 year to 10 year term non-subordinated, non-guaranteed and non-convertible non-equity securities.

Under the Programme, the Bank may issue for a public trading one or several short-term (up to 1-year) and from 1 year to 10 year term issues of non-subordinated, non-guaranteed and non-convertible non-equity securities. The Bank under this Programme may issue coupon bonds, discount bonds, reference item linked bonds, investment notes, structured notes and any combinations of the above non-equity securities. Maximum total nominal value of non-equity securities issued under this Programme may not exceed EUR 250,000,000 (two hundred and fifty million euros) or equivalent amount in any other currency. The issue terms that are unknown at the time of approval of the Base Prospectus shall be established in the Final Terms of each non-equity securities issue. The Programme shall be effective for the period of 12 months from the approval date of the Base Prospectus by the Bank of Lithuania.

Under this Programme, the Bank may issue coupon or discount bond issue, which at the end of the bond subscription period shall be immediately merged with any previous outstanding issue of the same type of bonds effective on the new issue date. Coupon and discount bond issue at the end of the bond subscription period may be merged with any previous outstanding issue of the same type of bonds effective on the new issue date only if the investor is granted the rights identical to those of the previous issue. All the rights of the investors arising from the bonds held are described in the Base Prospectus and in the Final Terms of each issue, and also in the laws and other legal acts of the Republic of Lithuania.

Under this Programme, the Bank may issue coupon or discount bonds and the investor who subscribes for the above-mentioned securities shall have a right within the issue maturity term at the pre-established dates and price to sell all or any portion of bonds of such issue to the Bank in the secondary trading, if said right granted to the investor is established in the Final Terms of the specified issue.

According to this Programme, the Bank may issue non-equity securities to be offered only to particular category (categories) of investors. The below categories of the investors are approved:

- professional investors (as established in Par. 39 of Article 2 of the Law on Securities of the Republic of Lithuania);
- non-professional investors (natural and legal persons not meeting the requirements applicable to the professional investors defined in Par. 39 of Article 2 of the Law on Securities of the Republic of Lithuania);

- investors that are clients of a bank (AB SEB bankas in Lithuania and/or AS SEB banka in Latvia);
- investors, who signed one or several Special Banking Service Agreements with a bank (AB SEB bankas in Lithuania and/or AS SEB banka in Latvia);
- investors holding non-equity securities previously issued by the Bank, which within a particular subscription period of non-equity securities shall be redeemed;
- investors subscribing for the number of non-equity securities at least equal to the minimum number of securities specified in the Final Terms;
- employees of a bank (AB SEB bankas in Lithuania and/or AS SEB banka in Latvia)
- any combination of at least two categories above.

It shall be noted that an investor who signed one or several Special Banking Service Agreements with a bank shall be automatically deemed a client of a bank, but not necessarily vice versa.

The Final Terms shall specify the category (categories) of the investors whom a particular issue of non-equity securities shall be offered, as well as relevant identification criteria and rights granted to the investors. In case the investor meets criteria of several categories established in the Final Terms of the particular issue, the most favourable conditions with respect to the particular investor will be applied by the Bank (the best-execution policy terms).

This Base Prospectus after its approval by the Bank of Lithuania and other documents incorporated by reference shall be available in electronic form on the Bank's website www.seb.lt. If there are more placement agents specified in the Final Terms of the issue, the Base Prospectus and the Final Terms shall be also available for viewing on the websites of the placement agents. A printed copy of the Base Prospectus and the Final Terms available in electronic form and also other documents incorporated by reference shall be submitted free of charge to each investor upon request at the Markets Department (address J. Balčikonio g. 7, Vilnius) and at any branch office of the Bank (at the addresses and during business hours specified in the Final Terms). If there are more placement agents specified in the Final Terms of the issue, the Base Prospectus and the Final Terms shall be available for viewing at their branch offices (at the addresses and during business hours specified in the Final Terms).

The Bank shall provide the placement agents with the Base Prospectus, the Final Terms and other data related to the non-equity securities issue (e.g. cancellation of a particular issue offered by the specified placement agent, estimation of the actual values of variables of the issue, etc.), however, the Bank shall assume no liability for announcement of such data on the websites of the placement agents.

Information that has to be announced by the Bank in accordance with the legal acts shall be also available on a website of the Central Storage Facility (www.crib.lt).

1. PERSONS RESPONSIBLE

Raimondas Kvedaras, President of AB SEB bankas, Jonas Iržikevičius, Head of the Business Support Division and CFO and Saulius Salda, Head of the Finance Department are responsible for the information contained in this Base Prospectus. They hereby represent that, to the best of their knowledge, data included in the Base Prospectus based on information available to them reflects the actual situation and contains no omissions that might affect its meaning, and that all reasonable measures were taken to ensure the above.

Rolandas Sungaila, Head of the Markets Department, hereby represents that all data submitted to the above Department by the employees and heads of the Bank is included in the Base Prospectus, and shall be responsible for proper formalisation of information submitted to him.

2. ISSUE RELATED RISK FACTORS

Market risk. Investors subscribing for non-equity securities have to take into consideration the market price fluctuation risk: non-equity securities price may go down as well as up in the secondary trading. Investors should note that after the Bank issues the coupon and discount bond issue, which at the end of the bond subscription period shall be immediately merged with any previous outstanding issue of the same type of bonds effective on the new issue date, the bond price in the secondary trading, after the adjustments (increase) of the size of the issue in the general account of the previous securities issue are made with the Central Securities Depository of Lithuania, may go down as well as up. Such risk is not so relevant to investors who subscribe for coupon and discount bonds issued by the Bank and are entitled to sell all or any portion of such bonds in the secondary trading to the Bank within the bond maturity term, as the Final Terms of such issue establish the bond sale price effective on the bond sale dates to the Bank. The above risk is not substantial for investors who retained the subscribed non-equity securities issued under this Programme until the redemption date.

Liquidity risk. Investors subscribing for the Bank's non-equity securities accept the liquidity risk of the securities, i.e., the investor may suffer loss if he fails to sell the non-equity securities within the shortest possible term or the sale of the non-equity securities held is limited for a certain period of time. Possibility to sell non-equity securities in the secondary trading depends only on the market demand. There are no intermediaries who assume an obligation to ensure liquidity of non-equity securities issued in the secondary trading. Such risk is less important for investors who subscribed for coupon and discount bonds issued by the Bank and are entitled to sell all or any portion of such bonds in the secondary trading to the Bank within the bond maturity term, as the Final Terms of such issue establish the bond sale dates to the Bank in the secondary trading.

Issuer credit risk. Investors investing into the Bank's non-equity securities accept the risk that in case of the Bank's insolvency, bankruptcy, moratorium and in other similar cases, Bank may have no sufficient funds for redemption of non-equity securities issued, payment of coupon or premium, and may fail to settle with the investors within the term and under the conditions established in the Final Terms. The above risk of the Bank is not covered by insurance, i.e., the Bank's obligations to redeem non-equity securities issued are not insured by State Company "Indėlių ir investicijų draudimas". In case of Bank's bankruptcy the claims of the holders of non-equity securities shall be satisfied in accordance with the terms and procedures established by the legal acts of the Republic of Lithuania.

Issue cancellation risk. Investors have to note that non-equity securities issue in certain cases may be considered failed and cancelled.

Issue of the reference item-linked notes, investment notes and structured notes may be deemed failed or cancelled if the established actual values of variables of the issue (participation ratio, range of interval values of the reference item, etc.) are lower than the lowest values of variables established in the Final Terms of such issue (or higher than the highest values of variables established in the Final Terms of such issue). Expected lowest (or highest) values of such variables shall be specified in the Final Terms of the issue. Actual values of variables shall be published on the date specified in the Final terms of the issue on the Bank's website www.seb.lt.

The structured note issue shall be deemed failed and cancelled if within the structured note subscription period at least one enforcement event related to the third party credit risk occurs.

Non-equity securities issue may be deemed failed and cancelled if the nominal value of subscribed non-equity securities is lower than the value established in the Final Terms. If at the same time several issues of non-equity securities are offered (and the subscription periods of such issues coincide,

maturity term is identical and they are linked to the same reference item (in case of reference item linked notes, investment notes and structured notes), such issues may be deemed failed and cancelled if the total nominal value of the subscribed non-equity securities issues is lower than the value established in the Final Terms.

Any issue of the reference item linked notes, investment notes and structured notes may be deemed failed and cancelled if economic, financial and political events that might prevent from a successful issue of non-equity securities occur.

Information about a cancellation of the issue shall be published on websites of the Bank and placement agents within the period established in the Final Terms. The Final Terms shall also specify the procedure for repayment of funds for the subscribed non-equity securities.

If within the subscription period of reference item linked notes, investment notes and structured notes any events beyond the Bank's control occur and such events cause for investors risk factors related to reference item linked notes, investment notes and structured notes, i.e., risk of reference item value adjustment and change of the calculation method and premium calculation risk (see more in chapter "Issue-related risk factors"), the Bank shall have a right to cancel the issue of non-equity securities in respect of which the specified risk factors occurred during the subscription period.

If any event beyond the Bank's control, leading to the above-mentioned risk factors and consequences thereof with respect to the investors, occurs and more than 7 (seven) business days remain until the end of the subscription period of non-equity securities, the Bank shall have a right to cancel non-equity securities issue and shall have a right to apply the measures listed in the chapter "Issue-related risk factors" (change of the reference item, change of premium calculation method or change of a premium value). In such case, the Bank shall provide an opportunity for investors within the period of 5 (five) business days from the amendment date of the Final Terms of the issue, to refuse of the subscribed non-equity securities and shall refund a subscription price of non-equity securities effective on the announcement date of the Annex to the Final Terms (i.e. the Bank shall refund a subscription price of non-equity securities and also interest accrued within the subscription period) and subscription fee.

If any event beyond the Bank's control occurs, leading to the above-mentioned risk factors and consequences with respect to the investors, and 7 (seven) or less business days remain until the end of the subscription period of non-equity securities, the Bank shall cancel such non-equity securities issue. In such case, information about cancellation of the issue shall be immediately published on the Bank's website www.seb.lt and on the websites of the placement agents (if more placement agents are involved). Investors within 5 (five) business days from the date of announcement about the issue cancellation shall be refunded a subscription price of non-equity securities effective on the issue cancellation date (i.e. the Bank shall refund a subscription price of non-equity securities and also interest accrued within the subscription period) and subscription fee.

Currency risk. All payments related to non-equity securities issues and redemption thereof shall be made in the currency in which the non-equity securities issues are denominated. If an investor invests into non-equity securities which are not denominated in the investor's home currency (i.e., investor's currency), he will be exposed to movements in exchange rates that may adversely affect the value of the holding. This includes the risk that exchange rates may significantly change (including changes due to devaluation of the currency in which non-equity securities are denominated or revaluation of investor's currency) and the risk that authorities with jurisdiction over investor's currency may impose or modify exchange controls.

Specifically, if non-equity securities are issued in Litas and within the maturity term thereof the Euro becomes national currency of the Republic of Lithuania, the amount to be paid for redeemable

non-equity securities to investor shall be calculated according to the exchange rate of the Litas with the Euro in accordance with the exchange rate irrevocably fixed by the European Union Council.

The investors should note that in case of the reference item linked notes, investment notes and structured notes, any changes in particular exchange rate within the entire maturity term of the above securities may have impact on profitability of such non-equity securities, i.e., changes in the value of reference item linked notes, investment notes and structured notes until redemption date of such non-equity securities, and also the value of such non-equity securities on the redemption date thereof (redemption price), and the investors shall have to assume this currency risk. This includes the risk that the non-equity securities and the derivative of the reference item to which such non-equity securities are linked may be denominated in different currency. In such case, movements in exchange rates between currencies of the denomination of the non-equity securities and the denomination of the derivative may affect (positively or negatively) the value of investor's holdings. In case of such different currency denomination of non-equity securities and derivative of the reference item to which these non-equity securities are linked, the Final Terms shall specify the actual currency risk related to each particular such non-equity securities issue, i.e., the currencies and relevant changes in exchange rates that may influence the profitability of such non-equity securities.

Inflation risk. Investors subscribing for non-equity securities shall accept the risk of possible decrease in non-equity securities real value due to inflation.

Tax and legal risk. If legal acts related to non-equity securities of the Republic of Lithuania are amended or the state tax policy is changed, non-equity securities issued under this Programme may become less attractive for all investors or for certain groups of investors. The above may result in lower liquidity of non-equity securities and/or price and net yield of non-equity securities issued under this Programme. Investors willing to subscribe for non-equity securities issued under this Programme should consider the existing legal regulation on investment into non-equity securities in the relevant jurisdiction and shall also focus on and evaluate the taxation requirements applicable to income generated from non-equity securities.

Rating downgrade risk. Investors subscribing for non-equity securities issued under this Programme shall accept the risk that the market demand for non-equity securities issued by the Bank may decrease as well as the price thereof in case of deterioration of the Bank's financial condition and/or the downgrade of SEB Group's rating, or if the estimated credit rating of the Bank is lower than SEB Group's credit rating, which may have a material adverse effect on the non-equity securities, resulting in lower liquidity of non-equity securities and/or price.

Risk related to securities admission to the trading lists on the regulated market. Non-equity securities issued under this Base Prospectus may be admitted to the trading lists on regulated markets (Debt Securities Trading List of NASDAQ OMX Vilnius Stock Exchange, trading lists of other regulated markets). If the Final Terms of the issues under the Programme specify that the request to admit the issued non-equity securities to trading on the regulated market may be submitted, the investor subscribing for non-equity securities issued by the Bank in the primary trading shall assume the risk that due to technical or other reasons, the Bank's application to admit the securities to trading on the regulated market may be rejected. In such case, liquidity of the non-equity securities may decrease and certain groups of investors due to limitations established in the legal acts may be forced to sell the securities subscribed on the primary trading and it may result in decrease of the price of the securities.

Risk factors applicable to coupon and discount bonds, structured notes

Risk related to the shortening of the issue subscription period. If the coupon bond and discount bond issues are of an unlimited size, the Final Terms of the issue shall establish that the Bank, taking into consideration the number of subscribed bonds and market interest rates, shall have a right to unilaterally shorten the issue subscription period specified in the Final Terms. The investor shall assume the risk that due to shortening of the subscription period for bonds the investor may fail to subscribe on time for such non-equity securities.

The Bank, taking into consideration the number of subscribed structured notes and market interest rates, shall have a right to unilaterally shorten the issue subscription period specified in the Final Terms, therefore the investor shall assume the risk that due to shortening of the subscription period of structured notes the investor may fail to subscribe on time for such non-equity securities.

This includes also the risk that investors having an opportunity to choose a subscription day for non-equity securities and also the relevant non-equity securities subscription price applicable on such day assumes the risk that their order to subscribe for non-equity securities may be rejected due to shortened subscription period.

Risk related to the subscription through placement agents in Latvia

In case of issues of limited size of non-equity securities, the investors subscribing for non-equity securities through placement agents in Latvia assume the risk that their order may be rejected due to the fact that the payment day for such investors may be the final day of the subscription period, thus during the non-equity securities subscription period up to the final day of subscription period the whole issue of non-equity securities may already be subscribed by other investors. This means that, in contrary to the subscription for non-equity securities through the Bank, such investors shall not be deemed as having subscribed for the non-equity securities up to the final day of the subscription period. In case of an issue of limited size, the non-equity securities are allocated by the time priority principle, therefore, the investors who actually subscribe and pay for the non-equity securities on the final day of subscription period should consider this unfavourable condition.

The Final Terms may specify that if the investors subscribe for non-equity securities through placement agents in Latvia, their right to dispose of the funds necessary to pay for the non-equity securities may be limited within the whole period from the day they applied for subscription until the payment day (which is the final day of the subscription period).

Risk factors applicable to reference item linked notes, investment notes and structured notes

Premium risk. In case of an unfavourable change in value of the reference item to which the non-equity securities are linked, i.e., the change in value of the reference item is different from that established in the Final Terms, or (non)occurrence of a certain credit event (if the Final Terms provide that the premium for one redeemable non-equity security or interim premium payable within the maturity term of non-equity securities depends on (non)occurrence of the credit event in respect of a certain legal entity), the premium payable for one redeemable non-equity security on the redemption date, or interim premium payable within the maturity term of non-equity securities shall be equal to 0 (zero). Investors should note that in case of a unfavourable change in value of the reference item, i.e., the change in value of the reference item is different from that established in the Final Terms, or (non)occurrence of a certain credit event (if the Final Terms provide that the premium for one redeemable non-equity security or interim premium payable within the maturity term of non-equity

securities depends on (non)occurrence of the credit event in respect of a certain legal entity), the investor on the redemption date of the non-equity securities shall be paid only the nominal value of non-equity securities (in case of reference item linked notes). However in case of investment notes and structured notes the investors are not guaranteed that the redemption price shall not be lower than the nominal value of non-equity securities, i.e., the investor assumes the risk of loss of the subscription fee (if any), and also the loss of the additionally invested funds if non-equity securities were issued with the risk premium. Investors should also pay attention to the fact that the risk premium is used to increase values of the issue variables (participation ratio, the range of interval values of the reference item, expected value of the premium, etc.) and is not included in the redemption price of the non-equity securities.

If the Bank prior to the specified redemption date mandatorily purchases the structured notes from the investors, the premium shall not be paid to investors. In such case, the Bank shall transfer to the investors the securities of the third party or relevant claims rights to such securities, or other securities (replacing the above securities), issued by the same third party or relevant claims rights to such securities or any portion thereof, together with a payment in cash. The amount of the payment in cash depends on the amount to be received by the Bank for the termination of the derivative transaction of the reference item. The derivative transactions should be terminated no later than on the following business day after the date of enforcement event. The payment in cash shall be calculated taking into consideration the size of the structured note issue and values of the issue variables (participation ratio, the range of interval values of the reference item, etc.) and interest (coupon) (if interest (coupon) payment is specified in the Final Terms of such issue) accrued until the date of mandatory purchase (such date excluded).

Risk of reference item value adjustment and change of calculation method. If any price or value of the reference item, which is announced by the stock exchange or by an agency announcing and/or calculating the reference item value, and used to calculate and fix any payouts to investors, is modified, the Bank shall have a right to recalculate any amounts payable to investors to the extent necessary for such modification, following the principle of goodwill, common practice recognized in the international financial market and acting in the interests of investors.

If on the valuation date of the reference item or prior to such date, the agency announcing and/or calculating the reference item value informs that a major amendment to the formula for calculating the reference item value or to the calculation method shall be made, or the value of the reference item shall be adjusted, or that the reference item shall be materially modified in any other way (i.e., another change shall be made that is not specified in the formula or method), or if the reference item value calculation and/or announcement is suspended temporarily or for an unlimited period, and if at least one of the above events makes a material impact on calculation of the amounts of the gain payable to the investor, the actions specified below may be taken, following the principle of goodwill, common practice recognized in the international financial market and acting in the interests of investors:

- the reference item may be used, the value of which is calculated in accordance with the formula and the calculation method effective prior to the replacement of reference item, failure to calculate its value or prior to the permanent cancellation of the reference item. The other reference items that were included into the reference item impacted prior to its replacement, failure to calculate its value or cancellation of such reference item should be included into the reference item being calculated (if it depends on the values of several other reference items), or
- valuation date of the reference item may be moved to the nearest business date of the stock exchange and/or the market, where such reference item is traded, and also the stock exchange(s) and/or market(s), where futures and/or options of such reference item are traded,

when the suspension of calculation and/or announcement of the reference item value expires. If the reference item valuation date is moved 8 (eight) business days in a row of the above-mentioned stock exchange and/or the market and the calculation and/or announcement of the reference item value is still suspended, then the eighth business date of the stock exchange(s) and/or market(s) shall be the reference item valuation date, provided that the Bank calculates the reference item value taking into consideration the reference item formula and calculation method applied prior to the suspension of the reference item valuation and shall include into value of the reference item being calculated (if it depends on the value of several other reference items) other reference items, which were included into the reference item prior to suspension of calculation of such reference item;

- reference item may be replaced with another reference item of a similar investment strategy;
- premium calculation method or premium value may be amended, or premium value to be paid on the redemption date of the non-equity securities may be established in advance.

The Bank shall inform the holders of securities about the amended calculation method of the reference item value, changed reference item, amended premium calculation method or premium value, or the premium value established in advance by announcing the above information on the Bank's website www.seb.lt.

Investors should note that the risk of reference item value adjustment or change of the calculation method of the reference item value (including but not limited to replacement of the reference item) exists not only within maturity term of reference item linked notes, investment notes or structured notes issues but also during the subscription period of such non-equity securities. In such case, the Bank shall have a right to cancel the issue of the non-equity securities or to apply the above-mentioned measures (reference item replacement, change of the premium calculation method or change of its value).

If any event beyond the Bank's control, resulting in the above-mentioned risk factor with respect to the investors, occurs and more than 7 (seven) business days remain until the end of the subscription period of non-equity securities, the Bank has a right to cancel non-equity securities issue in respect of which the said risk factor arises, if the consequences of the above risk may violate the interests of investors, or to impose the above listed measures. In case of the issue cancellation, the Bank shall immediately announce about it on its website www.seb.lt and on the websites of the placement agents (if more placement agents are involved). If the Bank considers it necessary, it is entitled to announce the event of issue cancellation as a material event of the Bank and inform the investors pursuant to the relevant requirements established in the legal acts. The investors within 5 (five) business days from the announcement about the issue cancellation shall be paid the non-equity securities subscription price effective on the issue cancellation date (i.e., non-equity securities subscription price paid together with the interest accrued within the subscription period shall be refunded to the investor) and the subscription fee. If the above specified measures are implemented, the following actions shall be executed: a) the amendments to the Final Terms related to the consequences of the event that occurred beyond Bank's control shall be set forth in the Annex to the Final Terms to be submitted to the Bank of Lithuania and published on the Bank's website www.seb.lt and on the websites of the placement agents (if more placement agents are involved); b) information about amendments to the Final Terms shall be published on the Bank's website www.seb.lt and on the websites of the placement agents (if more placement agents are involved). In such case, the Bank shall give an opportunity for investors to refuse of the subscribed non-equity securities within 5 (five) business days from the amendment of the Final Terms of the issue and shall pay non-equity securities subscription price effective on the date of announcement of the Annex to the Final Terms (i.e., shall refund a non-equity securities subscription price paid together with the interest accrued within the subscription period) and the subscription fee.

If any event beyond the Bank's control occurs causing the above mentioned risk factor and consequences with respect to the investors, and 7 (seven) or less business days remain until the end of the subscription period of non-equity securities, the Bank shall cancel such non-equity securities issue. In such case, the Bank shall immediately announce about cancellation of the issue on the Bank's website www.seb.lt and on the websites of the placement agents (if more placement agents are involved). The investors within 5 (five) business days from the announcement about the issue cancellation shall be refunded the subscription price of non-equity securities effective on the issue cancellation date (i.e., non-equity securities subscription price paid together with the interest accrued within the subscription period shall be refunded) and the subscription fee.

Unforeseen events in the markets. If any unforeseen event occurs on the valuation date of the reference item value, which influences the calculation of the amounts payable to investors, the valuation date of the reference item may be moved to the nearest business day of the stock exchange(s) and/or market(s), where such reference item is traded, and also of the stock exchange(s) and/or market(s), where futures and/or options related to such reference item are traded, when the unforeseen events have ended. The Bank shall seek to immediately notify the holders of non-equity securities about such unforeseen events, however shall not assume such obligation. If the reference item valuation date is moved 8 (eight) business days in a row of the above-mentioned stock-exchange(s) and/or market(s) and unforeseen events still continue to last, the eighth business day of the above mentioned stock exchange(s) and/or market(s) shall be the reference item valuation date, provided that the Bank calculates the reference item value, taking into consideration the reference item value formula and calculation method, applied prior to occurrence of unforeseen events, at the value of the reference items included into the underlying reference item to which non-equity securities are linked and announced by relevant stock exchange or market, or at the market value of such reference items. If the unforeseen events influence a specific reference item, the Bank shall calculate the value of such reference item following the principle of goodwill common practice recognized in the international financial market and acting in the interests of investors.

Unforeseen events mean the following:

- general trade suspension or trade limitation on the stock exchanges or markets, where such reference items and /or futures and/or options related to such reference items are traded and/or which announce the values of such reference items;
- other interruptions of stock exchange and markets preventing from making transactions in reference items, futures and/or options related to such reference items, as well as preventing from getting the values of the reference items, futures and/or options related to such reference items;
- early closure of regular trading on the stock exchanges and markets, except for the cases when relevant stock exchanges and markets inform at least 1 (one) hour prior to regular trade closure on stock exchanges and markets.

If profitability of non-equity securities depends on changes in value of several reference items (a basket of reference items) and on the valuation date of the interim value of the basket of reference items it is impossible to calculate the value of one or several reference items due to any unforeseen events, the value of the basket of reference items is calculated using (i) the values of such reference items in respect of which unforeseen events did not occur and (ii) the values of the reference items in respect of which unforeseen events occur, if such values of such reference item were determined. Valuation date of the reference items, in respect of which unforeseen events occur, shall be moved to the nearest business day of the stock exchange(s) and/or market(s), when unforeseen events have ended. If valuation date of the reference item, in respect of which unforeseen events occur, is moved 8 (eight) business days in a row of the stock exchange(s) and/or market(s) and unforeseen events still

continue to last, the eighth business day of the stock exchange(s) and/or market(s) shall be the reference item valuation date, provided that the Bank calculates the value of such reference item following the principles of goodwill, common practice recognized in the international financial market and acting in the interests of investors.

Business day of the stock exchange(s) and/or market(s) is a day when the stock exchange(s) is regularly trading in the reference items as well as in futures and/or options of a relevant reference item and/or market(s), where a relevant reference item, futures and/or options of a relevant reference item are being traded.

Risk of unforeseen events related to commodities. Investors should note that they assume the additional risk of unforeseen events related to commodities if profitability of non-equity securities' issue depends on the change in value/price of the particular commodity. The Bank shall fairly and reasonably from the economic point of view identify which of the below specified unforeseen events may occur with respect to commodities. Unforeseen events related to commodities mean the following:

- market disruption when the stock exchange executing trading in commodities and in futures of relevant commodities cannot notify or announce the closing price of the respective commodity or future transaction, or when the closing price of the respective commodity or future is temporarily or permanently not announced or unknown;
- trading disruption, i.e., general trading suspension or trading limitation on the stock exchange executing trading in commodities and futures. Suspension of the trading in commodity or futures shall be deemed general and effective only if one of the below specified factors exist: (1) trading in commodity or futures is suspended during the entire valuation day; or (2) all trading in the respective commodity and futures is suspended on the valuation day at any time after trade opening, if notified about such suspension less than 1 (one) hour prior to such suspension of trading in commodity and futures, and commodity and futures trading is not resumed until closure of the regular trading session; (3) if the relevant stock exchange sets the limits of price change (fluctuation limit) of the commodity and future, and closing price of the commodity or future is higher or lower than the limit set by the stock exchange;
- commodity disappears, when trading in commodity futures is completely terminated; the commodity disappears or trading in such commodity is completely terminated; the commodity disappears but irrespective of that the stock exchange still announces the commodity price, or if trading in commodity or futures is not taking place, however it is not completely terminated in the stock exchange;
- change in calculation formula, if formula or calculation method of the closing price of the commodity or future changes;
- change in composition, if the composition, quantity or structure of the commodity or future changes.

If any unforeseen events related to commodities arise or occur on the valuation date of the commodity price, which influences the calculation of the amounts payable to the investor, the Bank shall determine the price of commodity in respect of which unforeseen events occurred based on the price of another closest kind of such commodity. If it is impossible to determine the commodity price, the commodity price valuation date may be moved to the nearest commodity price valuation date when such unforeseen events cease to exist. If the commodity price valuation date is moved 2 (two) commodity valuation business days in a row and unforeseen events still continue to last, the Bank in accordance with the relevant legal acts, following the principle of goodwill and common practice recognized in the international financial market and acting in the interests of investors shall put best efforts to determine the commodity price based on the respective commodity price announced by

other stock exchanges or investment banks, which announce the respective commodity price. If it fails to determine the commodity price within 3 (three) business days starting from the date when the unforeseen events in respect of commodities occurred or were identified, the Bank shall determine the commodity price by itself in accordance with the relevant legal acts, following the principle of goodwill, common practice recognized in the international financial market and acting in the interests of investors.

Business day for commodity valuation is the day when the relevant market announces the commodity price during its regular trading hours or another relevant information source announces the commodity price.

Risk of unforeseen events related to exchange rate. Investors should note that the additional risk of unforeseen events related to exchange rate exists if profitability of non-equity securities' issue depends on fluctuations of the currency exchange rate as a reference item to which non-equity securities are linked. The Bank shall fairly and reasonably from the economic point of view identify which of the below listed unforeseen events may prevent from fixing the exchange rate. Unforeseen events related to exchange rate mean the following:

- exchange rate is not announced or it is impossible to fix it in any other ways;
- exchange rate is not announced and it may only be fixed based on other currency exchange rates;
- the premium value depends on the fluctuations of the currency exchange rate of the country and the government of that country fails to timely settle for the securities issued, return the funds lent, pay coupon or other due amounts or announces about amendments to the schedule of due amounts payable or terms for settlement;
- other events beyond the Bank's control occur in the country above and it becomes impossible to fulfil obligations under the derivative transaction.

If the currency exchange rate may not be fixed on the specified date or other unforeseen events preventing from fixing the exchange rate on its fixing date or within the nearest 2 (two) business days after the specified date occur, then the Bank following the principle of goodwill and recognized practice shall fix the currency exchange rate by itself no later than on the third business day of currency exchange rate fixing after the specified date of initial or final currency exchange rate fixing.

Business for currency exchange rate fixing is any day when relevant currency markets are open and they execute settlements in such currency and related transactions, and commercial banks executing settlements in respective currency are open.

Premium calculation risk. The investors should note that the Bank has a right to change the premium calculation method (including the right to replace the reference item) or its value, or to calculate in advance the premium value to be paid on non-equity securities redemption date or on any other dates of premium payment, specified in the Final Terms, seeking to minimize or totally eliminate the economic impact on interests of holders of non-equity securities, if prior to non-equity securities redemption date any of the below events occur:

a) due to the factors that occur beyond the Bank's control, the risk management costs of the derivative transaction entered significantly increase, the derivative transaction is terminated or derivative transactions is replaced in any other way;

b) factors (related to amendments of legal acts, etc.) occur preventing the Bank to subscribe, manage or dispose of the reference items determining profitability of non-equity securities, or the reference items that determine profitability of non-equity securities are nationalized, expropriated or an order is given to transfer thereof in any other way to the government or any other public institution, or the right to manage, use or dispose thereof is limited due to liquidation, bankruptcy, insolvency, dissolution or winding-up or other similar procedure of the issuer of the reference item (if relevant) or the legal entity that issued the reference items fails to fulfil its obligations under the issued reference items (e.g. fails to timely pay the coupon), or it is publicly announced that the terms of

fulfilment of obligations related to the reference items and/or disposal terms of such reference items are amended (e.g. the nominal value of the reference items is reduced, redemption date is deferred, the reference items are replaced with other reference items, etc.);

c) due to factors that occur beyond the Bank's control, certain conditions arise due to which the reference items to which non-equity securities are linked are excluded from the securities trading lists (or trade in such reference items is suspended).

The Bank shall change the premium calculation method or its value on the basis of the above events following the principle of goodwill, common practice recognized in the international financial market and acting in the interests of investors.

Investors should also note that the Bank shall have a right to change (recalculate) the share initial (strike) value and/or change the participation ratio and/or other variables and/or change the calculation of share final value, if reference items to which non-equity securities are linked are shares and if until the redemption date of non-equity securities beyond the Bank's control certain events occur or conditions arise (e.g. increase/decrease of the authorised capital, increase/decrease of the share nominal value, reorganisation of the issuer of the shares, etc.), due to which the nominal value of shares to which non-equity securities are linked changes.

The Bank shall put the best efforts to inform the holders of non-equity securities about the amended premium calculation method or premium value, the premium value determined in advance, changed (recalculated) initial (strike) value of the reference item or amended values of variables by announcing the above information on website www.seb.lt, but does not assume any responsibility for announcing such information.

Investors have to note that the premium calculation risk exists not only within the maturity term of reference item linked notes, investment notes and/or structured notes, but also within subscription period of such non-equity securities. In such case, the Bank has a right to cancel non-equity securities issue or impose the above specified measures (change the premium calculation method (including the right to replace the reference item) or its value, or to establish in advance the premium value to be paid on the non-equity securities redemption date or on other days of premium payment specified in the Final Terms.

If any event beyond Bank's control resulting in the above-mentioned risk factor with respect to the investors occurs and more than 7 (seven) business days remain until the end of non-equity securities subscription period, the Bank shall have a right to cancel non-equity securities issue in respect of which the specified risk factor arises, if the consequences of the above risk may violate the interests of investors, or the Bank shall have a right to impose the measures, mentioned in the above description of the "Risk of reference item value adjustment and change of calculation method". In case of the issue cancellation, the information shall be immediately announced on the Bank's website www.seb.lt and on the websites of the placement agents (if more placement agents are involved). The investors within 5 (five) business days from the announcement about the issue cancellation shall be paid the non-equity securities subscription price effective on the issue cancellation date (i.e., non-equity securities subscription price paid together with the interest accrued within the subscription period shall be refunded to the investor) and the subscription fee. If the above specified measures are implemented, the following actions shall be executed: a) the amendments to the Final Terms related to the consequences of the event that occurred beyond Bank's control shall be set forth in the Annex to the Final Terms to be submitted to the Bank of Lithuania and published on the Bank's website www.seb.lt and on the websites of the placement agents (if more placement agents are involved); b) information about amendments to the Final Terms shall be published on the Bank's website www.seb.lt and on the websites of the placement agents (if more placement agents are involved). In such case, the Bank shall give an opportunity for investors to refuse of the subscribed non-equity securities within 5 (five)

business days from the amendment of the Final Terms of the issue and shall pay non-equity securities subscription price effective on the date of announcement of the Annex to the Final Terms (i.e., shall refund a non-equity securities subscription price paid and the interest accrued within the subscription period) and the subscription fee.

If any event beyond Bank's control occurs causing the above-mentioned risk factor and consequences with respect to the investors and 7 (seven) or less business days remain until the end of the subscription period of non-equity securities, the Bank shall cancel such non-equity securities issue. In such case, the information shall be immediately announced on the Bank's website www.seb.lt and on the websites of the placement agents (if more placement agents are involved). The investors within 5 (five) business days of announcement about the issue cancellation shall be refunded the subscription price of non-equity securities effective on the issue cancellation date (i.e., non-equity securities subscription price paid together the interest accrued within the subscription period shall be refunded) and the subscription fee.

Risk of early redemption. The investor shall assume the risk that profitability of securities in case of early redemption of the non-equity securities may be lower compared to profitability of non-equity securities held until the redemption date if the Final Terms of non-equity securities establish that under certain conditions specified in the Final Terms, non-equity securities shall be redeemed on the specified dates prior to the non-equity securities redemption date.

Risk factors applicable to investment notes and structured notes

The risk of loss of invested funds.

Investment notes and structured notes are risky investment instruments, therefore may not be suitable for all investors and should be chosen by such investors who may assume higher investment risk.

In case of investment notes. If from the valuation date of the initial (strike) value of the reference item until the valuation date of its final value, or on the particular date specified in the Final Terms, the certain conditions specified in the Final Terms of the issue occur (e.g. reference item value reaches the specified limit, etc.), the investment is not backed up by capital guarantee, i.e., the investor assumes the risk that the redemption price of investment notes may be lower than the nominal value of such non-equity securities. Thus, the investor may lose all invested amount or a portion thereof.

Investors should note that the risk of loss of the invested amount in respect of the investment notes may appear also if any of the below events occur prior to the redemption date of the investment notes:

a) due to the factors beyond the Bank's control, the risk management costs of the derivative transaction entered significantly increase, the derivative transaction is terminated or replaced in any other way;

b) factors (related to amendments to legal acts, etc.) not permitting the Bank to subscribe, manage or dispose of the reference items, which determine profitability of investment notes, occur, or the reference items that determine profitability of investment notes are nationalized, expropriated or an order is given to transfer thereof to the government or any other public institution in any other way, or due to liquidity, bankruptcy, insolvency or other similar procedure the right to manage, use or dispose thereof is limited, or the legal entity that issued the reference items fails to fulfil its obligations under such issued reference items (e.g. fails to timely pay coupon), or it is publicly announced that the terms of fulfilment of obligations related to the reference items and/or disposal terms of such reference items

are amended (e.g. the nominal value of the reference items is reduced, redemption date is deferred, reference items are replaced with other reference items, etc.);

c) due to factors beyond the Bank's control, conditions arise due to which the reference items to which investment notes are linked are excluded from the securities trading lists (or trade in such reference items is suspended).

If at least one of the above specified events occurs, the investment is not backed by capital guarantee, i.e., the investor assumes the risk that the redemption price of the investment notes may be lower than the nominal value of such non-equity securities, i.e., the investor may lose all invested amount or a portion thereof.

The Bank shall immediately inform the holders of non-equity securities about occurrence of the above specified events and about the fact that investment notes are no longer backed up by capital guarantee by announcing about it on its website www.seb.lt. The Bank seeks to minimize or totally eliminate the economic impact of the above-mentioned events on interests of holders of non-equity securities, following the principles of goodwill, common practice recognized in the international financial market and acting in the interests of investors.

In case of structured notes. If within maturity term of the structured notes at least one enforcement event related to third party credit risk occurs, the Bank shall mandatorily purchase the structured notes from investors. The Bank shall settle with the investors for mandatory purchase of the structured notes by transferring securities of the third party specified in the Final Terms or relevant claims rights, or securities issued by such third party replacing the securities of the third party above or relevant claims or any portion thereof, and payment in cash. On the settlement date for mandatorily purchased structured notes, the value of third party securities transferred to the investor or other securities of the third party replacing thereof and payment in cash may be lower than the nominal value of the structured notes. In such case the investor may lose a portion of invested funds and in case of third party insolvency, bankruptcy, moratorium or similar event, the investor may lose the total invested amount.

Risk factors applicable to structured notes

Third party credit risk. The investors subscribing for the structured notes shall assume the risk that upon occurrence of at least one enforcement event related to the third party credit risk, the Bank shall mandatorily purchase the structured notes from investors and shall transfer as a payment the securities of the third party specified in the Final Terms or relevant claims rights or any portion thereof or, other securities issued by the same third party replacing the above securities or relevant claims or any portion thereof and payment in cash. Enforcement events are related to the creditworthiness of the third party, therefore, the risk exists that in case of third party insolvency, bankruptcy, moratorium or other similar situation, the third party shall fail to settle with the investor, after the Bank mandatorily purchases the structured notes from investors and transfers to the investor (as a payment) the securities of the third party specified in the Final Terms or relevant claims rights or any portion thereof or other securities issued by the same third party replacing the above securities or relevant claims rights or any portion thereof.

3. ESSENTIAL INFORMATION

3.1. *Interests of natural and legal persons involved in the issues*

At the moment of the approval of the Base Prospectus there is no interest of natural and legal persons involved in the issues under the Programme. Any interests of related parties arising in relation to a particular issue of non-equity securities issued under this Base Prospectus shall be specified in the Final Terms.

3.2. *Reasons of the offer and use of proceeds*

The Bank issuing non-equity securities intends to offer a wide range of investment instruments and services. Funds accumulated from the issues of non-equity securities shall be used for general corporate purposes of the issuer.

4. INFORMATION ABOUT THE SECURITIES TO BE OFFERED

4.1. *Description of the type and class of the securities, including the ISIN (International Securities Identification Number) or other security identification code*

The Bank under this Programme may issue the below specified non-equity securities:

- Coupon bonds;
- Discount bonds;
- Reference item linked notes;
- Investment notes;
- Structured notes;
- Any combinations of the above non-equity securities.

Non-equity securities issued under the Programme may be short-term (up to 1 year) and from 1 to 10 year term maturity, non-subordinated, non-guaranteed and non-convertible.

After the approval of the Base Prospectus by LB and after announcement of the Final Terms of each issue, prior to the start of the subscription period, LCSD shall be requested to provide the ISIN code for each issue of the securities under the Programme. As soon as the subscription period of particular issue of non-equity securities ends and if the issue is deemed valid, a separate general account shall be opened with LCSD. If the Bank issues coupon or discount bonds, which at the end of subscription period shall be immediately merged with any previous outstanding issue of the same type of bonds effective on the new issue date, LCSD shall not be requested to provide an ISIN code for the new issue; and the ISIN code, provided by LCSD for the previous bond issue of the same type, shall be used. LCSD shall be requested to make adjustments (increase) on the size of the issue in the general account of the previous bond issue, without opening any new general account with LCSD for the new issue. The ISIN code provided for each issue shall be specified in the relevant non-equity securities' subscription agreement.

4.2. *Legislation governing securities issue and offering*

Non-equity securities shall be issued following the requirements of the below legal acts (valid at the time of reference):

- The Company Law of the Republic of Lithuania;
- The Law on Securities of the Republic of Lithuania;

- The Law on Markets in Financial Instruments of the Republic of Lithuania;
- The Civil Code of the Republic of Lithuania;
- Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC;
- Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements
- The Rules on drawing up and approval of the prospectus of securities and disclosure of information, adopted under the decision of the Bank of Lithuania No. 03-44 of 28 February 2013;
- The Law on the Euro adoption in the Republic of Lithuania
- Amendments, supplements to all the above legal acts and related documents.

The Bank shall also follow the rules approved by International Swap and Derivatives Association (ISDA), the common practice recognised in the international financial markets and the principles established in the Chapter 2 of the Base Prospectus “Issue-related risk factors” with respect to each risk factor.

4.3. Record keeping of the securities

The Bank under this Programme shall issue book-entry bearer non-equity securities. Each investor signing non-equity securities subscription agreement shall be entitled to apply and select a record keeper who will be in charge of keeping the subscribed non-equity securities. Unless another record keeper is specified, non-equity securities shall be recorded in the securities accounts opened with AB SEB bankas (Gedimino ave. 12, LT-01103 Vilnius).

4.4. Currency of securities issues

Non-equity securities may be issued in Euros or in any other currency. Non-equity securities may be issued in the Litas only until 31 December 2014, when the Euro is adopted in the Republic of Lithuania and becomes national currency of the Republic of Lithuania. According to the Law on the Adoption of the Euro in the Republic of Lithuania, the nominal value of the non-equity securities denominated in the Litas will be converted into the Euro dividing the total nominal value of securities held by an individual investor in his/her each separate account by the rate of exchange of the Euro and the Litas irrevocably fixed by the European Union Council, calculating multiplying by 100 and rounding the result up to a whole number. The resulting value will be the number of securities held by a particular investor at the nominal value of one Euro cent.

The issue currency shall be specified in the Final Terms of each issue. If the Bank issues coupon or discount bonds, which at the end of subscription period shall be immediately merged with any previous outstanding issue of the same type of bonds effective on the new issue date, the new issue shall be denominated in the currency of the previous issue.

All payments related to non-equity securities issues and their redemption shall be made in the currency, which the non-equity securities issues are denominated. If non-equity securities are issued in the Litas and within the maturity period thereof the Euro becomes national currency of the Republic of Lithuania, the payments to be paid for non-equity securities to investors shall be calculated according to the exchange rate of the Litas with the Euro as described above in this paragraph.

4.5. Ranking of the securities

Issued non-equity securities are transferable non-equity securities as specified in the Law on Markets in Financial Instruments of the Republic of Lithuania. The types of non-equity securities to be issued by the Bank are specified in Chapter 4.1. Coupon bonds, discount bonds and reference item linked notes shall be attributed to bonds as defined in the Company Law of the Republic of Lithuania.

The type of non-equity securities to be issued under this the Base Prospectus shall be selected taking into consideration the financial needs, situation in the foreign and local markets and also analytical forecast. Each issue of non-equity securities under the Base Prospectus shall be approved by the resolution of the Bank Board.

4.6. Description of rights attached to the securities and procedure for the exercise of the rights

The below described are general rights attached to non-equity securities to be issued by the Bank and procedure for the exercise of such rights.

All holders of non-equity securities, issued by the Bank under the Programme, are granted equal rights, which are described in the Base Prospectus and in the Final Terms of each issue, and also established in the laws and other legal acts of the Republic of Lithuania.

Non-equity securities issued under this Programme, except the structured notes, shall grant the investors a right following the terms established in the Final Terms to receive from the Bank payment in cash, which is calculated according to the procedure established in this Base Prospectus and in the Final Terms of each issue.

The holders of the structured notes issued under this Programme shall be entitled following the terms established in the Final Terms of each issue to receive payment in cash from the Bank, when such non-equity securities are redeemed, or securities of the third party or relevant claims rights to such securities or securities issued by such third party replacing the securities of the third party above or relevant claims rights to such securities or any portion thereof together with a payment in cash, if such non-equity securities prior to the established redemption date are mandatorily purchased from investors, in case at least one enforcement event related to third party credit risk occurs.

The Bank shall have an obligation to settle with the holders of non-equity securities issued under the Programme and shall assume obligations against the holders of non-equity securities as creditors of the Bank.

In case of liquidation of the Bank, the claims of the creditors shall be satisfied following the procedure and order of priority established in the Civil Code of the Republic of Lithuania and other legal acts of the Republic of Lithuania.

If the Bank until the end of the maturity period of non-equity securities issued under the Programme issues more issues of non-equity securities, the new creditors shall assume the same rights as other creditors of the Bank.

The right to redeem non-equity securities prior to the specified redemption date shall not be granted to the investors. The Bank shall have a right to redeem non-equity securities prior to redemption day specified only in the cases established in Chapter 4.8 of this Programme.

The Bank under this Programme may issue coupon or discount bonds, and investors subscribing for such bonds are entitled within the bond maturity term on the dates and prices specified in advance to sell all or any portion of such issue of bonds to the Bank in the secondary trading, if such right of the investor is established in the Final Terms of such issue. The procedure for exercising the above right of the investor is established in Chapter 4.8 of the Programme.

Holders of non-equity securities shall have the below rights:

- on the date of redemption, early redemption or mandatory purchase (in case structured notes) and/or on the date of interest (coupon) payment, and/or premium payment, and/or other amounts for non-equity securities to receive from the Bank a payment established in this Base Prospectus and following the procedure established in the Final Terms of each issue under this Programme;
- sell or transfer in any other form all or any portion of non-equity securities;
- if a holder of non-equity securities is a natural person, to bequeath all securities or any portion thereof to one or several persons;
- other rights established by acts of law, including but not limited to those exercised by other creditors in respect of the Bank assets to whom the Banks' obligations are not secured by the asset pledge.

Holders of more than ½ of particular issue of bonds shall have the following rights:

- to suspend functions of the intermediary of securities' public trading, protecting the interests of the investors, and request the Bank to sign an agreement with the other intermediary of securities' public trading proposed;
- to specify to the intermediary of securities' public trading, protecting their interests that a breach committed by the Bank and related to non-securities issue is a non-material breach, therefore no actions to defend their interests are required (this provision shall not be applied in case of breaches committed by the Bank, if the bond redemption and payment of the interest (coupon) are concerned).

Coupon and discount bond issue at the end of subscription period can be merged with any previous outstanding issue of the same type of bonds effective on the new issue date only if the investors of the new issue are granted the rights identical to the rights of a previous issue.

Rights of holders of non-equity securities shall be exercised following the procedure established in this Base Prospectus and the Final Terms and valid laws and other legal acts of the Republic of Lithuania.

4.7. Terms for calculation and payment of interest (coupon), premium and other amounts to the investor

Coupon bonds

In case of coupon bond issue, the Issuer shall pay on the specified date the interest (coupon) on each bond, calculated as a certain percentage of the bond nominal value. Interest (coupon) on the coupon bonds may be fixed (the percentage established for the entire bond maturity term) or floating (the percentage established on the specified dates described in the Final Terms). Floating interest (coupon) on coupon bonds shall be determined taking into consideration the base interest rate of certain period and currency of London, Europe or other interbank markets (e.g. LIBOR, EURIBOR) specified in the Final Terms of a particular coupon bond issue and fixed share of interest (coupon) (if any, specified in the Final Terms of the issue). The Final Terms of the issue may also specify maximum and minimum floating interest (coupon), indicating fluctuation limits of floating interest (coupon).

Fixed interest (coupon) or its calculation method and fixed interest (coupon) payment dates shall be specified in the Final Terms of each particular issue. If floating interest (coupon) is paid, the Final Terms of the issue shall specify: a) floating interest (coupon) calculation method (formula), b) base interest rate; c) base interest rate calculation date; d) fixed share of interest (coupon) (if any); e) maximum and minimum floating interest (coupon) (if any); f) floating interest (coupon) payment dates.

Interest (coupon) for each period shall start to accrue on the date of interest (coupon) payment of the previous period. In case of the first interest (coupon) payment or if interest (coupon) is paid only once, the interest (coupon) shall start to accrue from the issue date of non-equity securities and shall accrue until the payment date of the interest (coupon) for such period or until redemption date, unless the Final Terms provide otherwise. Interest (coupon) accrued per each non-equity security shall be rounded to the nearest of 1 (one) cent value (or the smallest unit of the currency of each issue) based on the arithmetic rules for rounding. The Act/Act day count convention method shall be used to calculate the interest (coupon) payment for bond issue. This method evaluates the actual number of days in the interest (coupon) payment period and the actual number of days in a year (365 or, in case of a leap year, 366). The Final Terms of the coupon bond issue may specify another day count convention method for calculating interest (coupon) of coupon bonds issued under this Programme.

If the Bank issues coupon bonds, which at the end of the subscription period shall be immediately merged with any previous outstanding issue of the same type bonds effective on the new issue date, the offering terms of the coupon bonds of the new issue (interest (coupon), interest (coupon) payment dates, day count convention method) shall be identical to the offering terms of the previous bond issue.

If the Bank issues coupon bonds, which at the end of the subscription period shall be immediately merged with any previous outstanding issue of the same type of bonds effective on the new issue date, and if the range of expected interest (coupon) of the previous issue was established and actual interest (coupon) was fixed only at the end of the bond subscription period, the interest (coupon) of the new issue bonds shall be equal to the fixed interest (coupon) of the previous bond issue.

Discount bonds

Discount bonds within the subscription period shall be offered at the lower price than the bond nominal value (nominal value of the bond shall be discounted by the annual yield rate specified in the Final Terms). On the bond redemption date, the investor shall be paid the bond nominal value. The discount bonds subscription price shall be calculated using Act/365 day count convention method, which evaluates the actual number of days in the interest (coupon) payment period and considers that there are 365 days in the calendar year. The Final Terms of the discount bond issue may specify another day count convention method to be used for calculating the bond price.

If the Bank issues discount bonds, which at the end of the subscription period shall be immediately merged with any previous outstanding issue of the same type of bonds outstanding on the new issue date, the annual yield of the new issue of discount bonds shall be determined taking into consideration the market interest rate effective on the date of a new issue.

Reference item linked notes

Profitability of the reference item linked notes depends on a change in value of the reference item to be specified in the Final Terms of the issue, and on actual values of variables (participation ratio, range of interval values of the reference item, etc.) and/or on (non)occurrence of certain credit events related to the legal entity indicated in the Final Terms of the issue and on interest (coupon) (if interest (coupon) payment is specified in the Final Terms). If profitability of the reference item linked notes depends on (non)occurrence of certain credit events, the Final Terms shall specify: a) legal entity in respect of which certain event ensuring the bond profitability must occur or must not occur; b) credit event(s), which must occur or must not occur; c) source of information for investors about the above-mentioned legal entity; d) exact value of a premium.

The investor subscribing for reference item linked notes shall be refunded the note nominal value thereof on the redemption date, if the notes are retained until the redemption date.

If profitability of the reference item linked notes depends on a change in value of the reference item, and if such change in value of the reference item is favourable to the investor, i.e., the reference item value changes or does not change in a way established in the Final Terms, the investor on the redemption date of the notes shall receive the premium for a change in value of the reference item. As a rule, the premium is paid for positive change in the reference item value, however the Final Terms of the issue may establish that the premium shall be paid for any changes in the reference item value: for positive and negative changes, for changes above or below some specified level or for unchanged value of the reference item. If change in the reference item value is unfavourable to the investor, i.e., if change in value of the reference item is different from the one specified in the Final Terms, the investor on the notes redemption date shall be paid only the nominal value of the reference item linked notes and the premium shall not be paid.

If the note profitability depends on (non)occurrence of certain credit events related to the legal entity indicated in the Final Terms, and if the situation is favourable, i.e., the credit event (does not) occur(s), the investor on the note redemption date shall be paid the premium for (non)occurrence of certain credit events. If the situation is unfavourable, i.e., the situation occurs, when the notes become unprofitable, the investor on the note redemption date shall be paid the note nominal value.

Premium for a change in the reference item value or for unchanged reference item value, as well as a premium for (non)occurrence of certain credit events, related to certain legal entity specified in the Final Terms of the issue, may be paid to the investors not only on the note redemption date, but also within the maturity term on the dates established in the Final Terms. It is an interim premium and its value, payment terms and dates shall be specified in the Final Terms of the issue. The premium paid on the note redemption date, and the interim premium paid within the maturity term shall be generally referred to as the "premium". The Final Terms of each issue shall specify, whether the premium shall be paid on the note redemption date or within the maturity term on the dates, specified in the Final Terms.

The value of the premium to be paid for each reference item linked note to investors for a favourable change in reference item value can be fixed or calculated according to the formula and shall be rounded to the nearest 4 (four) decimal places based on the arithmetic rules for rounding. The Final Terms of each reference item linked note issue shall specify fixed value of the premium or its calculation method (formula).

Day count convention method Act/Act (when the premium is paid within the maturity term on the dates established in the Final Terms) evaluating the actual number of days in premium payment period and the actual number of days in a calendar year or Act/365 (when the premium is paid for the entire maturity term on the notes redemption date) evaluating the actual number of days in premium payment period and the 365 days in a calendar year shall be used to calculate premium for reference item linked notes. The Final Terms of particular issue of reference item linked notes may specify another day count convention method to be used for calculating of the value of the premium.

If notes are linked to several reference items (basket), the Final Terms may establish that the value thereof in the basket of reference items shall be established at the end of maturity term (following the procedure established in the Final Terms) taking into consideration the change in value of each reference item. The calculation method of the reference item initial (strike) and final value shall be established in the Final Terms.

The participation ratio, the range of value fluctuation of reference item, etc. are the variables of the issue. The indicative (expected) and the minimum (or maximum) values of variables of each issue shall be specified in the Final Terms. Actual values of variables shall be announced on the date specified in the Final Terms on the Bank's website www.seb.lt.

Issue price of reference item linked notes may be higher than the nominal note value. The difference between issue price and nominal value of the reference item linked note is called risk

premium. The purpose of the risk premium is to increase values of the issue variables (participation ratio, the range of interval values of the reference item, etc.). If the investor subscribes for notes with the risk premium, the investor shall assume the risk of additionally invested funds: the additionally invested funds shall not be refunded to the investor, if a change in the reference item value is unfavourable for the investor, i.e., a change in value is different from the one specified in the Final Terms, or only a portion of the additionally invested funds shall be refunded, if on the note redemption date the premium for change in the reference item value is lower than risk premium paid.

Investment notes

Profitability of these non-equity securities, as well as of the reference item linked notes, depends on change in value of the reference item to be specified in the Final Terms of the issue, and on value of variables (e.g. participation ratio, range of interval values of the reference item, etc.) and/or on (non)occurrence of certain credit events related to the legal entity indicated in the Final Terms of the issue and on interest (coupon) (if interest (coupon) payment is specified in the Final Terms of the issue). In certain cases the Final Terms may establish only payment of interest (coupon) without a payment of premium or other amounts.

If a value of a premium to be paid for the investment notes depends on a change in the reference item value, the Final Terms of the issue shall establish the method for calculating the premium for change in value of the reference item: whether the premium to the investor shall be paid only for increase (or only for decrease) in the value of the reference item, or for both the increase and decrease in value, or in such case when the reference item value reaches certain specified limit or when such limit is not reached, or when the reference item value remains unchanged.

If the payment of premium for investment notes depends on (non)occurrence of certain credit events, related to certain legal entity specified in the Final Terms of the issue, the Final Terms shall specify: a) legal entity in respect of which certain event ensuring the note profitability must occur or must not occur; b) credit event(s), which must occur or must not occur; c) source of information for investors about the above-mentioned legal entity; d) exact value of a premium.

Premium for change in the reference item value or for unchanged reference item value, and also the premium depending on (non)occurrence of certain credit events, related to certain legal entity specified in the Final Terms of the issue may be paid to the investors not only on the investment note redemption date but also within the maturity term on the dates established in the Final Terms. It is an interim premium and its value, payment terms and dates shall be specified in the Final Terms of the issue. The premium paid on the investment note redemption date, and the interim premium paid within the investment note maturity term shall be generally referred to as the "premium". The Final Terms of each issue shall specify whether the premium shall be paid on the investment notes redemption date or within the investment notes maturity term on the dates specified in the Final Terms.

The value of a premium to be paid to investors for each investment note for a favourable change in reference item value can be fixed or calculated according to the formula and shall be rounded to the nearest 4 (four) decimal places based on the arithmetic rules for rounding. The Final Terms of each investment note issue shall specify fixed premium value or its calculation method (formula).

Day count convention method Act/Act (when the premium is paid within the maturity term on the dates established in the Final Terms) evaluating the actual number of days in premium payment period and the actual number of days in a calendar year or Act/365 (when the premium is paid for the entire maturity term on the notes redemption date) evaluating the actual number of days in premium payment period and the 365 days in a calendar year shall be used to calculate premium for investment notes. The Final Terms of particular issue of investment notes may specify another day count convention method to be used for calculating of the value of the premium.

If investment notes are linked to several reference items (basket), the Final Terms may establish that the value thereof in the basket of reference items shall be established at the end of maturity term (following the procedure established in the Final Terms) taking into consideration the change in value of each reference item. The calculation method of reference item initial (strike) and final value shall be established in the Final Terms.

The participation ratio, the range of value fluctuation of reference item, etc. are the variables of the issue. The indicative (expected) and minimum (or maximum) values of variables of each issue shall be specified in the Final Terms. Actual values of variables shall be announced on the date specified in the Final Terms on the Bank's website www.seb.lt.

Issue price of investment notes may be higher than the nominal value. The difference between issue price and nominal value of the investment note is called risk premium. The purpose of the risk premium is to increase values of the issue variables (participation ratio, the range of interval values of the reference item, etc.). If the investor subscribes for investment notes with the risk premium, the investor shall assume the risk of additionally invested funds: the additionally invested funds shall not be refunded to the investor, if change in the reference item value is unfavourable for the investor, i.e., the change in value is different from the one specified in the Final Terms, or only a portion of the additionally invested funds shall be refunded, if on the investment notes redemption date the premium for change in the reference item value is lower than risk premium paid.

Differently from the reference item linked notes, the investors who subscribed for the investment notes, are not guaranteed that on the note redemption date they will be refunded the nominal value of these non-equity securities. The Final Terms of the investment notes shall establish the events, upon occurrence of which (e.g. if the reference item value falls below the specified limit or change in value of the reference item within a certain period of time reaches the specified limit; in respect of certain legal entity the credit event occurs (or does not occur), etc.) the investment notes are not backed up by capital guarantee. The Final Terms of the issue shall also specify the period of time (any time from the estimation day of reference item initial (strike) value until the calculation date of its final value or a specific period of time within non-equity securities maturity term) for verifying whether the conditions when the investment notes are no longer backed up by capital guarantee exist. If within the period of time determined in the Final Terms of the issue, the specified events occur, investment notes are no longer backed up by capital guarantee, i.e., at the end of maturity term the investor shall be paid the note redemption price that may be lower than the nominal value of these non-equity securities. The Bank may issue investment notes that upon occurrence of the events specified in the Final Terms of the issue (e.g. if the reference item value falls below the specified limit or if in respect of certain legal entity the credit event occurs (or does not occur), etc.) result in loss of all invested amount, i.e., at the redemption date of the investment notes, the investor shall be paid the investment notes redemption price equal to 1 (one) cent (or to the smallest unit of a currency of the particular issue). In such case the Final Terms shall establish the events upon occurrence of which the investor loses all invested funds, i.e., the events upon occurrence of which the investment notes redemption price is equal to 1 (one) cent (or to the smallest unit of currency of a particular issue).

The investor should note that the investment is not backed up by capital guarantee, if prior to the investment note redemption date any of the below events occur:

a) due to the factors that are beyond Bank's control, the risk management costs of the derivative transaction concluded by the Bank significantly increase, the derivative transaction is terminated or is replaced in any other way;

b) factors (related to amendments of legal acts, etc.) not permitting the Bank to subscribe, manage or dispose of the reference items which determine profitability of investment notes occur; or the reference items that determine profitability of investment notes are nationalised, expropriated or it is ordered to transfer them in any other way to the government or any other public institution, or due to

liquidation, bankruptcy, insolvency, dissolution or winding-up or due to other similar procedure of the issuer of the reference item (if relevant) the right to manage, use or dispose of the reference items is limited; or the legal entity that issued the reference items fails to fulfil its obligations related to the reference items issued (e.g. fails to timely pay the coupon); or it is publicly announced that the terms of fulfilment of obligations related to the reference items and / or disposal terms of such reference items are amended (e.g. the nominal value of the reference items is reduced, redemption date is deferred, reference items are replaced by other reference items, etc.);

c) due to factors that are beyond Bank's control, certain conditions arise due to which the reference items to which investment notes are linked are excluded from the securities trading lists (or trading in such reference items is suspended).

The Bank shall immediately inform the holders of non-equity securities on its website www.seb.lt about occurrence of the above specified events or about the fact that investment notes are no longer backed up by capital guarantee. The Bank shall seek to minimize or totally eliminated the economic impact of the above-mentioned events on interests of holders of non-equity securities, following the principles of goodwill, common practice recognized in the international financial market and acting in the interests of investors.

Structured notes

The investors subscribing for structured notes shall assume not only the credit risk of the Bank as the issuer of non-equity securities, but also the credit risk of the third party, specified in the Final Terms of the issue. The Bank shall mandatorily purchase the structured notes from investors if within maturity term thereof at least one of the below specified enforcement events related to third party's credit risk occurs:

- third party under the established terms and procedure fails to fulfil obligations related to the securities issued by it and specified in the Final Terms of the structured notes issue (e.g. third party fails to timely pay interest (coupon), to redeem the securities specified in the Final Terms, etc.);
- it is publicly announced that at the request of third party or holders of the securities issued by third party and specified in the Final Terms of the structured notes issue, the terms of fulfilment of obligations and/or disposal terms of the securities specified in the Final Terms are amended (e.g. the nominal value of the securities issued by third party is reduced, redemption date is deferred, securities are replaced by other securities, etc.).

The Bank shall immediately announce about the enforcement event occurred on the Bank's website www.seb.lt. The Bank no later than within 4 (four) business days from the enforcement event date shall mandatorily purchase the structured notes from investors. On the same mandatory purchase date, i.e., no later than on the 4th (fourth) business day from the enforcement event date, the Bank shall settle with the investors for the mandatorily purchased structured notes. The Bank shall settle with the investors for mandatorily purchased structured notes by transferring non-equity securities of the third party specified in the Final Terms or relevant claims rights, or securities issued by such third party replacing the securities of the third party above or relevant claims rights or any portion thereof, and payment in cash. For one mandatorily purchased structured note the investor shall be transferred such number of securities of the third party that the total nominal value of one mandatorily purchased structured note would be equal to the nominal value of securities of the third party transferred for one structured note purchased. If third party replaces the securities of a particular issue specified in the Final Terms with other securities issued by the same third party until the date of mandatory purchase, and the Bank is unable to transfer to the investors the securities of a particular issue specified in the Final Terms, the investor for the mandatorily purchased structured notes shall be transferred other securities issued by the same third party replacing the above securities issued by third party. The investor shall be transferred as many securities of the third party replacing the securities of a particular issue specified in the Final Terms of structured notes issue as the investor would have received, if on

the replacement day of the securities he/she would have held the securities of a particular issue specified in the Final Terms of structured notes and the above specified rule would have been applied, i.e., that the investor is transferred such number of securities of the third party that the total nominal value of one mandatorily purchased structured note would be equal to the nominal value of securities of the third party transferred for one structured note purchased.

The amount of a payment in cash to the investor at the moment of mandatory purchase depends on the amount to be received by the Bank for the termination of the derivative transaction of the reference item. The derivative transactions should be terminated no later than on the following business day after the date of enforcement event. The payment in cash shall be calculated taking into consideration the size of the issue of the structured notes issued and values of the issue variables (participation ratio, range of interval values of the reference item, etc.) as well as the interest (coupon) (if interest (coupon) payment is specified in the Final Terms of the issue) accrued until the date of mandatory purchase (such date excluded).

Profitability of the structured notes, as well as of the reference item linked notes or investment notes, depends on change in value of the reference item to be specified in the Final Terms of the issue, and on value of variables (e.g. participation ratio, range of interval values of the reference item, etc.) and/or on (non)occurrence of certain credit events related to the legal entity indicated in the Final Terms of the issue and on interest (coupon) (if interest (coupon) payment is specified in the Final Terms of the issue).

If value of the premium to be paid for the structured notes depends on change in the reference item value, the Final Terms of the issue shall establish the method for calculating the change in value of the reference item: whether the premium to the investor shall be paid only for increase (or only for decrease) in the value of the reference item, or both the increase and decrease in value, or in such case when the reference item value reaches certain specified limit or when such limit is not reached, or when the reference item value remains unchanged.

If premium for the structured notes depends on (non)occurrence of certain credit events, related to certain legal entity specified in the Final Terms of the issue, the Final Terms shall specify: a) legal entity in respect of which certain event ensuring the note profitability must occur or must not occur; b) credit event(s), which must occur or must not occur; c) source of information for investors about the above-mentioned legal entity d) exact value of the premium.

Premium for change in the reference item value or for unchanged reference item value, and also the premium depending on (non)occurrence of certain credit events, related to certain legal entity specified in the Final Terms of the issue may be paid to the investors not only on the structured note redemption date but also within the structured note maturity term on the dates established in the Final Terms. It is an interim premium and its value, payment terms and dates shall be specified in the Final Terms of the issue. The premium paid on the structured note redemption date, and the interim premium paid within the structured note maturity term shall be generally referred to as the "premium". The Final Terms of each issue specify whether the premium shall be paid on the redemption date or within the structured note maturity term on the dates specified in the Final Terms.

The value of a premium to be paid for each structured note to investors for a favourable change in reference item value can be fixed or calculated according to the formula and shall be rounded to the nearest 4 (four) decimal places based on the arithmetic rules for rounding. The Final Terms of each structured note issue shall specify fixed premium value or its calculation method (formula).

Day count convention method Act/Act (when the premium is paid within the maturity term on the dates established in the Final Terms) evaluating the actual number of days in premium payment period and the actual number of days in a calendar year or Act/365 (when the premium is paid for the entire maturity term on the notes redemption date) evaluating the actual number of days in premium payment period and the 365 days in a calendar year shall be used to calculate premium for structured

notes. The Final Terms of particular issue of structured notes may specify another day count convention method to be used for calculating of the value of the premium.

If structured notes are linked to several reference items (basket), the Final Terms may establish that the value thereof in the basket of reference items shall be established at the end of maturity term (following the procedure established in the Final Terms) taking into consideration the change in value of each reference item. The calculation method of reference item initial (strike) and final value shall be established in the Final Terms.

The indicative (expected) and minimum (or maximum) values of variables of each issue shall be specified in the Final Terms. Actual values of variables shall be announced on the date specified in the Final Terms on the Bank's website www.seb.lt.

Issue price of structured notes may be higher than the nominal value of the note. The difference between issue price and nominal value of the structured note is called risk premium. The purpose of the risk premium is to increase values of the issue variables (participation ratio, the range of interval values of the reference item, etc.). If the investor subscribes for structured notes with the risk premium, the investor shall assume the risk of additionally invested funds: the additionally invested funds shall not be refunded to the investor, if change in the reference item value is unfavourable for the investor, i.e., the change in value is different from the one specified in the Final Terms, or only a portion of the additionally invested funds shall be refunded, if on the structured notes redemption date the premium for change in the reference item value is lower than risk premium paid.

Differently from the reference item linked notes and investment notes, if at least one enforcement event related to third party credit risk occurs, the Bank shall mandatorily purchase the structured notes from the investor prior to the specified redemption date. The investor is not guaranteed that the amount equivalent to the nominal value of such non-equity securities shall be refunded after the Bank mandatorily purchases these non-equity securities. Mandatory purchase of structured notes means that the structured notes are not anymore backed up by capital guarantee. The Bank shall settle with the investor for mandatorily purchased structured notes by transferring the securities of the third party or relevant claims rights specified in the Final Terms of a particular issue, or the securities issued by such third party replacing the securities of the third party above or relevant claims rights or any portion thereof, and payment in cash. On the date of settlement for mandatorily purchased structured notes, the value of securities of the third party transferred to the investor or other securities issued by the same third party replacing thereof and payment in cash may be lower than the nominal value of the structured notes. In such case the investor may lose a portion of invested funds, and in case of third party insolvency, bankruptcy, moratorium or in similar cases, the investor may lose the total invested amount.

Investors should note that the subscription fee is not subject to refund when calculating the return on investment. If the Final Terms of the issue establish the subscription fee for non-equity securities, on the issue date of non-equity securities issue such fee shall be considered as the Bank's income.

Value dependence on change in value of reference items to which the reference item linked notes, investment notes and structured notes are linked and on (non)occurrence of certain credit events related to the legal entity and derivative transactions of these reference items

Value of reference item linked notes, investment notes and structured notes depends on change in value of the reference item (shares, commodities, currencies, etc.) and/or on (non)occurrence of certain credit events related to the legal entity specified in the Final Terms of the issue.

Reference items to which non-equity securities issued under this Base Prospectus shall be:

- shares, global depositary receipts, other transferable securities equivalent to shares admitted to trading on regulated markets;
- bonds issued by private and public sector companies, institutions or organisations, including but not limited to governments, public authorities, central banks;
- indices of stocks, bonds, commodities, mixed indices (comprised of stocks, bonds, commodities and other reference items);
- units of undertakings for collective investment in transferable securities (UCITS) (e.g. mutual funds units);
- units of exchange traded funds (ETF);
- commodities (industrial metals, precious metals, energy, agricultural, other) spot and future prices;
- exchange rates;
- interest rates (e.g. base interest rate of London, Europe and other interbank markets (e.g. LIBOR, EURIBOR)).

Particular reference item(s) to which non-equity securities issued under this Base Prospectus are linked shall be specified in the Final Terms. In such case, the Final Terms shall include a link to the website of a stock exchange/market/association, which establishes and publishes the value of reference item as well as its historical changes.

Investors investing in the reference item linked notes, investment notes or structured notes should note that changes in value of non-equity securities linked to reference item prior to these securities redemption date may not correlate with the change in value of the reference item to which such non-equity securities are linked or with (non)occurrence of certain credit events related to the legal entity; it depends on the change in value of the derivative of the reference item to which these non-equity securities are linked and the changes in the market interest rates within the maturity term of such non-equity securities. For instance, if interest rates in the market increase, the value of non-equity securities linked to reference item may decrease irrespective of the change in value of the reference item or (non)occurrence of certain credit events related to the legal entity. Changes in value of non-equity securities linked to reference item prior to the redemption date may be great and bigger than the changes in value of the reference item to which such non-equity securities are linked and depend on the values of the issue variables (participation ratio, range of interval values of the reference item, etc.). In general, the bigger participation ratio, the greater changes in value of non-equity securities within the period prior to redemption date thereof.

The above feature of non-equity securities linked to reference item is not important for investors who retain the subscribed non-equity securities until the redemption date thereof. The value of non-equity securities (redemption price) to be paid to the investor on the redemption date and its calculation method (i.e., components of the redemption price) shall be specified in the Final Terms of the issue.

Changes in the value of reference item linked notes, investment notes and structured notes until redemption date of such non-equity securities, and also the value of such non-equity securities on the redemption date thereof (redemption price) depend respectively on changes in value of the derivative transaction(s) entered by the Bank within the maturity term of such non-equity securities and the value of derivative transaction(s) at the maturity date thereof. The higher positive return of the derivative transaction(s), the higher profitability of reference item linked notes, investment notes and structured notes for the investor, i.e., higher value of such non-equity securities within the maturity term thereof and higher redemption price of such non-equity securities. In certain cases, no derivative

transactions may be concluded by the Bank when issuing reference item linked notes, investment notes and structured notes under this Base Prospectus.

Settlements for the derivative transactions entered by the Bank when issuing non-equity securities under this Base Prospectus shall be made in accordance with the rules approved by International Swap and Derivatives Association (ISDA) and following common practice recognized in the international financial market.

Interest (coupon) payment on reference item linked notes, investment notes and structured notes

The Final Terms of the issue of the reference item linked notes, investment notes and structured notes may specify that the investor who has subscribed for such non-equity securities, shall be paid not only the premium for change in value of the reference item and/or the premium that depends on (non)occurrence of certain credit events related to the legal entity specified in the Final Terms of the issue but shall also receive interest (coupon). Interest (coupon) may be fixed or floating and paid irrespective of the change in value of the reference item to which non-equity securities are linked and/or (non)occurrence of credit events related to the legal entity specified in the Final Terms of the issue. Interest (coupon) may be paid for the entire maturity term on the non-equity securities redemption date or on the specified dates (e.g. on annual basis). Interest (coupon) accrued per each non-equity security shall be rounded to the nearest 4 (four) decimal places based on the arithmetic rules for rounding.

Day count convention method Act/Act or Act/365 shall be used to calculate interest (coupon) accrued on the reference item linked notes, investment notes and structured notes. The Final Terms of the non-equity securities issue may specify another day count convention method to be used for calculating the value of (coupon) to be paid.

Fixed interest (coupon)

If interest is paid for the entire maturity term on the non-equity securities redemption date, the interest shall be calculated according to the below formula taking into account day count convention method Act/365 evaluating the actual number of days in interest payment period and the 365 days in a calendar year:

$$I = N \times \left((1 + r)^{\frac{t}{365}} - 1 \right)$$

I – fixed interest for the entire non-equity securities maturity term;
 N – non-equity security nominal value;
 r – annual interest rate;
 t – issue maturity term in days.

If interest is paid in the form of coupon, the coupon payment shall be calculated according to the below formula taking into account day count convention method Act/Act evaluating the actual number of days in coupon payment period and the actual number of days in a calendar year:

$$C = N \times \frac{d}{D} \times \frac{r}{100}$$

C – coupon payment;
 N – non-equity security nominal value;
 d – number of calendar days in a coupon;
 D – number of days in the year;
 r – annual interest rate.

If the structured notes are mandatorily purchased prior to the redemption date specified, the interest (coupon) (if interest (coupon) payment is specified in the Final Terms of the issue) accrued until the mandatory purchase date (such date excluded) shall be included into the cash payment paid for investors.

If the Final Terms of the structured notes issue specify that interest shall be paid for the entire maturity term, the interest accrued until the mandatory purchase date (such date excluded) of the structured notes shall be calculated according to the below formula taking into account day count convention method Act/365 evaluating the actual number of days in interest payment period and the 365 days in a calendar year:

$$I = N \times ((1 + r)^{\frac{T}{365}} - 1)$$

I – accrued interest;
 N – structured note nominal value;
 r - annual interest rate;
 T – structured note issue maturity term in days until mandatory purchase date (such date excluded).

If the Final Terms of the structured notes issue specify that interest shall be paid in the form of coupon, the coupon accrued until the mandatory purchase date (such date excluded) shall be calculated according to the below formula taking into account day count convention method Act/Act evaluating the actual number of days in interest payment period and the actual number of days in a calendar year:

$$C = N \times \frac{T}{D} \times \frac{r}{100}$$

C – accrued coupon;
 N - structured note nominal value;
 r – annual interest rate;
 T – structured note issue term in days until mandatory purchase date (such date excluded);
 D - number of days in the year.

Fixed interest (coupon) or its calculation method and payment dates of such interest (coupon) shall be specified in the Final Terms of the issue.

Floating interest (coupon)

Floating interest (coupon) shall be paid taking into consideration the base interest rate of certain period and currency of London, Europe and other interbank markets (e.g. LIBOR, EURIBOR) specified in the Final Terms of a particular issue and fixed share of interest (coupon) (if any specified in the Final Terms of the issue). The Final Terms of the issue may specify maximum and minimum floating interest (coupon, indicating fluctuation limits of floating interest (coupon).

If floating interest (coupon) is paid, the Final Terms of the issue shall specify: a) floating interest (coupon) calculation method (formula), b) base interest rate; c) calculation date of base interest rate; d) fixed share of interest (coupon) (if any); e) maximum and minimum floating interest (coupon) (if any); f) floating interest (coupon) payment dates.

Procedure for payment of due amounts to investor for non-equity securities

If valuation date of the reference item, the change in value of which determines profitability of reference item linked notes, investment notes or structured notes is a non-business day, the reference item value shall be calculated on the nearest valuation business date of the particular reference item.

The Final Terms of each issue of non-equity securities shall include the definition of a business day applicable to each reference item to which the notes are linked.

If a redemption day, early redemption day, payment day of interest (coupon), premium or any other amounts for non-equity securities is a non-business day, payments to investors shall be made on the nearest business day.

The Final Terms of non-equity securities issue shall specify the procedure for returning the funds for investors in case of the issue cancellation, also a calculation method of non-equity securities redemption price.

Due amounts for non-equity securities shall be disbursed to investors by transferring thereof to the account manager of non-equity securities, who shall record the non-equity securities held by the investor by the end of the business day until the funds disbursement. If the records of the non-equity securities held by the investor by the end of the business day until the funds disbursement is kept in the Bank, the due amount shall be transferred on the payment date to the non-equity securities account specified in the securities subscription agreement or another account specified by the investor.

4.8. Redemption date, arrangements for the amortisation of a loan, repayment procedures and sale to the Bank in the secondary trading

Redemption of non-equity securities

The Final Terms of each issue under the Programme shall specify non-equity securities redemption date. On non-equity securities redemption date, the non-equity securities shall be redeemed and due amount to the holders thereof shall be transferred:

- to account managers of the holder of non-equity securities, that manages the securities of the investor at the end of the last business day prior to the redemption day ;
- to the account specified in the non-equity securities subscription agreement or to other account specified by investor, if non-equity securities held by the investors at the end of a the last business day prior the redemption day are managed by AB SEB bankas.

It should be noted that if within the structured note maturity term at least one enforcement event related to third party credit risk occurs, the Bank shall mandatorily purchase the structured notes from the investors prior to the established redemption date. In such case the structured notes shall not be redeemed on the established redemption date.

If the Bank issues coupon or discount bonds, which at the end of subscription period shall be immediately merged with any previous outstanding issue of the same type bonds effective on the new issue date, the redemption date of the new bond issue specified in the Final Terms and the redemption date of the previous bond issue shall coincide.

A right to request for early redemption of the non-equity securities shall not be granted to the investors. The Bank shall redeem the reference item linked notes, investment notes and structured notes prior to maturity, if such right of early redemption is established in the Final Terms of the issue. In such case, the Final Terms of non-equity securities shall specify: a) special conditions, when the early redemption of non-equity securities is allowed (conditions of early redemption), b) price of the early redemption or relevant calculation method, c) dates of the early redemption. Information on the early redemption on the issued non-equity securities shall be published on the Bank's website www.seb.lt at least 1 (one) day prior to the early redemption of non-equity securities.

The Bank shall not maintain secondary trading of the reference item linked notes, investment notes and structured notes redeemed prior to maturity and shall request LCSD to liquidate the issue prior to the specified redemption date.

Procedure of mandatory purchase of structured notes

The Bank shall mandatorily purchase the structured notes from investors prior to the specified redemption date if at least one enforcement event related to third party credit risk occurs within the maturity term of the structured notes:

- the third party fails under the established terms and procedure to fulfil obligations related to securities issued by it and specified in the Final Terms (e.g. third party fails to timely pay the coupon, to redeem the securities specified in the Final Terms, etc.);
- it is publicly announced that at request of third party or holders of the securities issued by the third party and specified in the Final Terms of the issue, the terms of fulfilment of obligations related to third party securities specified in the Final Terms and / or disposal terms of such securities are amended (e.g. the nominal value of securities issued by third party is reduced, redemption date is deferred, securities are replaced with other securities, etc.);

The Bank shall immediately announce about the occurred enforcement event on the Bank's website www.seb.lt and no later than within 4 (four) business days from the enforcement event date shall mandatorily purchase the structured notes from investors. On the same mandatory purchase date, i.e., no later than on the 4th (fourth) business day from the enforcement event date, the Bank shall settle with the investors for the mandatorily purchased structured notes. The Bank shall settle with the investors for the mandatorily purchased structured notes following the bellow procedure:

- a) the investor for one mandatorily purchased structured note shall be transferred the securities of third party specified in the Final Terms of the structured note issue and relevant claims rights or securities issued by the same third party replacing the securities above or relevant claims rights or any portion thereof. For one mandatorily purchased structured note the investor shall be transferred such number of securities of the third party that the total nominal value of mandatorily purchased structured notes would be equal to the nominal value of securities of the third party transferred for one structured note. If third party replaces the securities of a particular issue specified in the Final Terms with other securities issued by the same third party until the date of mandatory purchase, and the Bank is unable to transfer to the investors the securities of a particular issue specified in the Final Terms, the investor for mandatorily purchased structured notes shall be transferred other securities issued by the same third party replacing the above securities issued by third party. The investor shall be transferred as many securities of the third party replacing the securities of a particular issue specified in the Final Terms of structured notes issue as the investor would have received, if on the replacement day of the securities he/she have held the securities of a particular issue specified in the Final Terms of structured notes and the above specified rule would have been applied, i.e., that the investor is transferred such number of securities of the third party that the total nominal value of one mandatorily purchased structured note would be equal to the nominal value of securities of the third party transferred for one structured note purchased, and
- b) payment in cash.

The amount of a payment in cash to the investor at the moment of mandatory purchase of structured notes depends on the amount to be received by the Bank for the termination of the derivative transaction of the reference item. The derivative transactions should be terminated no later than on the following business day after the date of enforcement event. The payment in cash shall be

calculated taking into consideration the size of the issue of the structured note issued and values of the issue variables (participation ratio, range of interval values of the reference item, etc.) as well as interest (coupon) accrued (if interest (coupon) payment is specified in the Final Terms of a particular structured notes issue) until the date of mandatory purchase (such date excluded).

The mandatory purchase of the structured notes from investors shall be executed following the principle of delivery versus payment (DVP), i.e., on the same day the structured notes shall be mandatorily purchased and third party securities or relevant claims rights or securities replacing thereof or relevant claims rights or any portion thereof and payment in cash shall be transferred to investors. The mandatory purchase of the structured notes from investors shall be executed according to the list of holders of non-equity securities drafted at the end of 1 (one) business day prior to the mandatory purchase date. The settlement with the holders of such non-equity securities for the mandatorily purchased structured notes shall be made on the mandatory purchase date by transferring third party securities or securities replacing thereof and payment in cash:

- to the account managers of the holder of structured notes, that manages the non-equity securities of the investor at the end of the last business day prior to the mandatory purchase; or
- to the account specified in the non-equity securities subscription agreement or to other account specified by investor, if non-equity securities held by the investors at the end of the last business day prior to the mandatory purchase are managed by AB SEB banks.

Sale of securities to the Bank in the secondary trading

In case of coupon and discount bonds

If the Bank issues coupon or discount bonds, and the investor subscribing for such bonds is granted a right within the issue maturity term to sell all or any portion of such bonds to the Bank in the secondary trading, the Final Terms shall specify the dates when the bond may be sold to the Bank and the sale prices effective on the dates when bonds are sold to the Bank. The opportunity to sell the bonds in the secondary trading on the days other than the dates specified in the Final Terms, depends only on the existing market demand.

- The date of the bond sale to the Bank in the secondary trading. The first date of bond sale to the Bank in the secondary trading shall be specified not earlier than after 1 (one) month from the issue date of the bond issue. The dates of bond sale to the Bank in the secondary trading shall be established periodically (e.g. each month, etc.); it may depend on maturity term of each issue, categories of the investors whom bonds were offered and other bond offering terms. The date of bond sale to the Bank in the secondary trading in all cases means that on such date, the Bank based on the investor's application for bond sale to the Bank in the secondary trading (hereinafter "Application for sale of securities") shall purchase from the investor all or a portion of bonds (as many as the investor requires) of a particular issue, i.e., the Bank shall debit all bonds or a portion of bonds held by the investor of a particular issue from the investor's securities account opened with the Bank and shall transfer a relevant amount to be paid for all bonds or a portion of bonds sold by the investor to the cash account opened with the Bank. The investor willing to sell all bonds or a portion of bonds of a particular issue held by him / her to the Bank in the secondary trading should submit the Application for sale of securities to the Bank on any date specified in the Final Terms of a particular issue as the date for Application for sale of securities. The transaction of bond sale to the Bank in the secondary trading signed on the date of submitting the Application for sale of securities to the Bank shall be executed on the bond sale date to the

Bank in the secondary trading to be calculated as the 3rd (third) business day from the date of transaction (T+3).

- Bond sale price to the Bank in the secondary trading. The bond sale price to the Bank in the secondary trading specified in the Final Terms shall be applied on each day of the bond sale to the Bank in the secondary trading which is established periodically and specified in the Final Terms of a particular issue. The bond sale price to the Bank in the secondary trading specified in the Final Terms in all cases means that the investor, who submits the Application for sale of securities to the Bank pursuant to the established procedure, shall receive such amount for one sold bond of a particular issue. In case of the discount bonds, the bond sale price to the Bank in the secondary trading shall be equal to the bond nominal value discounted by the annual interest fixed by the Bank; in case of the coupon bond sale to the Bank in the secondary trading, the price shall be equal to the estimated payments (coupon(s) and the nominal value), discounted by the annual interest fixed by the Bank.
- Procedure for submitting the Application for sale of securities. The investor willing to sell all bonds or any portion of the bonds held by him / her to the Bank in the secondary trading has to fill out and submit an Application for sale of securities to the Bank in the template approved by the Bank. The investor willing to sell all bonds or any portion of the bonds of a particular issue to the Bank in the secondary trading may address any branch office of the Bank specified in the Final Terms of such issue and fill out the Application for sale of securities. The date for submitting the Application for sale of securities to the Bank shall be specified in the Final Terms of the issue. If the date specified in the Final Terms for submitting the Application for the sale of securities to the Bank is non-business day, the Application for sale of securities shall be submitted to the Bank on the nearest business day following such non-business day. The Application for sale of securities must be submitted to the Bank by 3 P.M. of the date for submitting the Application for sale of securities to the Bank, specified in the Final Terms of a particular bond issue, at any branch office of the Bank, specified in the Final Terms of such bond issue. Any Application for sale of securities submitted after 3 P.M. of the date specified in the Final Terms, or on any other day prior or after the date specified in the Final Terms, or in other way but not addressing the branch office of the Bank specified in the Final Terms of a particular bond issue, shall be deemed invalid and shall not be executed. Investors have to note that the bonds (all currently held bonds or any portion thereof, depending on the number of bonds intended to be sold to the Bank) should be managed in the securities account opened on behalf of the investor with the Bank at the moment of submitting the Application for sale of securities to the Bank; in other case the Application for sale of securities shall not be executed. It also means that the Application for sale of securities shall not be executed, if the number of bonds indicated in the Application for sale of bonds at the moment of submitting the latter exceeds the number of bonds managed in the securities account opened on behalf of the investor with the Bank.

Investors willing to sell all bonds or a portion of currently held bonds to the Bank in the secondary trading (if such right is granted to the investors), the Bank may apply a certain fee for sale of securities to the Bank in the secondary trading. The fee (if any) for the sale of securities to the Bank in the secondary or relevant calculation method shall be specified in the Final Terms of a particular bond issue.

In case of all non-equity securities issued under the Programme

There are no intermediaries who assume an obligation to ensure liquidity of non-equity securities issued under this Programme in the secondary trading.

If the date of non-equity securities redemption, date of security sale to the Bank in the secondary trading (if such right is granted to the investors), date of mandatory purchase (in case of the structured notes) is a non-business day, the settlement for the non-equity securities, which were redeemed, sold to the Bank in the secondary trading or mandatorily purchased shall be executed on the nearest business day. If the account of the investor is changed, the investor shall immediately inform its Account Manager about the changes. Otherwise the funds and / or the securities to be transferred shall be kept in the Bank for the period established in legal acts of the Republic of Lithuania (according to the Par. 9 of the Article 55 of Company Law of the Republic of Lithuania, the funds for coupon bonds, discount bonds and reference item linked notes shall be kept for the period of 3 years; the funds for investment notes and structured notes and transferable securities (in case of the structured notes), in accordance with the Civil Code of the Republic of Lithuania, shall be kept for the period of 10 years) and paid / transferred upon the first request of the investor.

Investors may contact the Bank if any questions arise with respect to any payments for non-equity securities redeemed or sold to the Bank (if such right is granted to the investors), and also with respect to the securities of the third party or related claims rights or other securities replacing such securities or relevant claim rights or any portion thereof to be transferred or payment in cash to be paid if the structured notes are mandatorily purchased.

If the Bank fails to timely redeem non-equity securities, to transfer funds for non-equity securities sold to the Bank in the secondary trading (if such right is granted to the investors), to transfer securities of the third party or related claims rights or other securities replacing such securities or relevant claim rights or any portion thereof or fails to pay cash payment if the structured notes are mandatorily purchased, or fails to pay the premium, accrued interest (coupon) or other due amounts for the non-equity securities and the investor lodges a written claim to the Bank, the Bank shall pay default interest of 0.02% of the overdue amount to the investor for each day of delay until the date of full settlement.

4.9. Information about profitability

Profitability of non-equity securities to be issued under the Programme depends on: the subscription price; maturity term; whether the non-equity securities are held until redemption date; whether no enforcement events resulting in mandatory purchase of non-equity securities from the investors occur (in case of the structured notes); bond sale price to the Bank in the secondary trading following the established procedure (if such right is granted to the investors); interest (coupon or annual yield); changes in value of the reference item to which the notes are linked; subscription fees and other factors.

All amounts payable for the redeemable non-equity securities, settlement for mandatorily purchased non-equity securities (in case of the structured notes) shall be calculated following the procedure established in this Base Prospectus and in the Final Terms of each issue.

4.10. Representation of the holders of non-equity securities

Prior to announcement of the Final terms of each issue, the issuer shall sign the agreement on protection of interests of the holders of non-equity securities with the intermediary of securities' public trading. The intermediary of securities' public trading shall be specified in the Final Terms of each issue. The agreement shall be available for viewing at the Markets Department of the Bank, address J. Balčikonio g. 7, Vilnius.

If the Bank issues coupon bonds or discount bonds, which at the end of the bond subscription period shall be immediately merged with any previous outstanding issue of the same type bonds

effective on the new issue date, the interests of the holders of the new issue of non-equity securities shall be protected according to the agreement signed with the intermediary of securities' public trading on protection of interests of the holders of the previous bond issue. Each agreement on protection of interests of the holders of non-equity securities (coupon bonds and discount bonds) signed with the intermediary of securities' public trading shall establish the obligation of the intermediary of securities' public trading to protect also the interests of holders of the new issues of the coupon bonds and discount bonds, which at the end of the subscription period shall be immediately merged with the previously issued and outstanding issue of non-equity securities.

The protector of interests of the holders of non-equity securities shall assume an obligation to protect the rights and legitimate interests of the holders of non-equity securities in accordance with the Company Law and other legal acts of the Republic of Lithuania by taking the identical measures necessary to protect its rights and legitimate interests that the Bank would be the holder of all non-equity securities. The provisions of the Company Law of the Republic of Lithuania regulating the mutual relationship between the bond issuer and the holder of such bonds, the content of rights and obligations shall be applied *mutatis mutandis* to all non-equity securities issued under this Base Prospectus. Based on Par. 7 of Article 55 of the Company Law of the Republic of Lithuania, the holders of more than ½ of one particular bond issue shall have a right to suspend the functions of the intermediary of securities' public trading protecting their interests, and request the Bank to sign an agreement with the other intermediary of securities' public trading proposed and/or to specify to the intermediary of securities' public trading protecting their interests that a breach committed by the Bank and related to the public offer of a particular non-equity securities issue is a non-material breach, therefore no actions to protect their interests are required (this provision shall not be applied in case of breaches committed by the public company if the redemption of non-equity securities and payment of a reasonable redemption price are concerned). If services provided by the protector of interests of the holders of non-equity securities are suspended, an agreement on protection of interests of the holders of non-equity securities shall be immediately signed with another intermediary of securities' public trading. Information about the replacement of the protector of interests of the holders of non-equity securities shall be published on the Bank's website www.seb.lt.

4.11. Resolutions, authorisations and approvals by virtue of which the non-equity securities are issued

The Board of the Bank by its resolution No. 43.3. of 27 October 2014 has decided:

1. To approve a new non-equity securities Programme of the value of EUR 250 million (or in equivalent amount in other currency) according to which the Bank within the period of 12 months from the approval of Base Prospectus is entitled to issue short-term (up to 1 year) and from 1 to 10 years-term non-guaranteed, non-convertible and non-subordinated non-equity securities. The Bank under the Programme shall issue the below specified non-equity securities:

- coupon bonds,
- discount bonds,
- reference item linked notes,
- investment notes,
- structured notes,
- any combinations of the above non-equity securities.

2. To authorise the Markets Department to:

- prepare the Base Prospectus of non-equity securities Programme of the value of EUR 250 million;

- prepare the Final Terms of each non-equity securities issue;
- in accordance with Chapter VII of the Article of Association of the Bank, to submit the decisions on each issue under the Programme to the Bank's Board for approval.

4.12. Non-equity securities issue date

The issue date of each non-equity securities shall be specified in the Final Terms.

4.13. Restrictions on transfer of securities

Non-equity securities to be issued under this Base Prospectus shall be publicly offered in Lithuania, also shall be publicly and/or on the basis of private placement offered in Latvia and in other member states of the European Union without any transfer restrictions. The non-equity securities to be issued under this Base Prospectus are not registered and shall not be registered following the requirements of legal acts of the US and other subordinate jurisdictions regulating the securities' market and shall not be offered or sold in any such jurisdiction except if registered in accordance with applicable laws or if relevant registration exclusions are applied. Legal and natural persons willing to subscribe for non-equity securities to be issued under this Base Prospectus must be aware of such restrictions and comply with the above requirements.

4.14. Information on taxes to be deducted at the moment of securities income disbursement

Review on taxes applicable to the non-equity securities prepared by the Bank is provided below, however it is not and it should not be considered as tax advice. Investors willing to subscribe for the securities to be issued under the Programme should consider the income tax requirements applicable to the non-equity securities in the relevant jurisdiction.

Taxes to be deducted from non-equity securities income in Lithuania

Individual income tax

Individual income taxation is regulated by the Law on Individual Income Tax of the Republic of Lithuania No. IX-1007 (hereinafter referred to as the "LIIT") adopted on 2 July 2002 (with all valid amendments) and other subordinate legislation.

Individual income tax applied to permanent residents of Lithuania

In accordance with Par. 20 of Part 1 of Article 17 of LIIT when the non-equity securities are acquired after 1 January 2014, tax exemption is applied only on the amount of interest (including interest from other securities acquired after 1 January 2014 and deposits in case agreement concluded after 1 January 2014) which does not exceed LTL 10,000 (EUR 3,000 after 1 January 2015) per tax year.

In accordance with Par. 20-1 of Part 1 of Article 17 of LIIT when the non-equity securities are acquired before 31 December 2013, interest on non-equity securities (except for non-equity securities issued by a person connected with an individual through employment relations or corresponding relations, if the person connected with the individual through employment relations or corresponding relations pays to the individual higher interest on those non-equity securities than to the other holders of the same non-equity securities) is non-taxable if the redemption of those securities commences not earlier than 366 days after the date of the issue of those securities.

In accordance with Par. 30 of Part 1 of Article 17 of LIIT capital gains from transfer of financial instruments (including non-equity securities) or from realization of derivatives not exceeding LTL 10,000 (EUR 3,000 after 1 January 2015) per tax year would also be tax exempt.

Interest income from non-equity securities received after 1 January 2014 in accordance with the Article 22 of LIIT is attributed to category B income. Also, income from sales of non-equity securities is attributed to category B income. Therefore, in such cases when mentioned income from non-equity securities does not meet the above-mentioned tax-exemption criteria, based on Article 25 of LIIT the income tax withheld from such income following the procedure established in LIIT is estimated and paid by the individual himself/herself or by a person authorised by him/her. The Bank is not obligated and does not assume an obligation on behalf of the resident to submit a declaration, account for and pay income tax being applied to the individual's income. Part 1 of Article 6 of LIIT establishes 15 per cent rate of income tax on income from interest of non-equity securities and sales of non-equity securities. In addition to the above seeking to estimate taxable income based on Article 19 of LIIT, acquisition costs and paid commission fee and taxes, charges related to non-equity securities sale and any other transfer may be deducted from the selling price of non-equity securities.

Individual income tax applied to non-residents of Lithuania

Based on Part 4 of Article 5 of LIIT, interest income from non-equity securities is the subject of income tax of a non-resident of Lithuania. In case if interest income from non-equity securities does not meet tax-exemption requirements established in LIIT as mentioned above for residents of Lithuania (before and after 1 January 2014), income tax is withheld and transferred to the budget of the Republic of Lithuania by the person who paid out such benefits as such income according to requirements of Article 22 of LIIT is attributed to category A income. Based on requirements of Part 1 of Article 6 of LIIT, 15 per cent rate of income tax is applied to such income.

Based on requirements of Part 1 of Article 5 of the Law on Tax Administration of the Republic of Lithuania (hereinafter referred to as the "LTA"), if international treaties signed by the Republic of Lithuania establish different rules than the taxation rules established in relevant taxation laws and such treaties are ratified, effective and applicable in the Republic of Lithuania, the rules established in such international treaties will have priority.

In accordance with Part 4 of Article 5 of LIIT capital gains received by a non-resident from non-equity securities is not subject to income tax in Lithuania.

Corporate income tax

Taxation procedure of legal entities is regulated by Law on Corporate Income Tax of the Republic of Lithuania Nr. IX-675 (hereinafter referred to as the "LCIT") adopted on 20 December 2001 (as amended) and other subordinated legislation based on the above-mentioned Law.

Taxation of income of Lithuanian legal entities

Interest income from non-equity securities issued by the Bank generated by Lithuanian legal entity is subject to taxable income of such legal entity.

Lithuanian legal entity after selling non-equity securities recognises income from increase in the asset value in accordance with requirements of Article 16 of LCIT (the difference between selling price and acquisition costs). Based on requirements of Part 5 of the above Article, if the legal entity transfers non-equity securities the result of such non-equity securities transfer for the legal entity – income from increase in the asset value – is discounted by the amount reflected in income of the legal entity which transferred non-equity securities.

The above specified interest income from non-equity securities and after sale of non-equity securities - income from increase in the asset value – are included into the total taxable result of the Lithuanian legal entity taxable following the procedure established in LCIT. The Company is not obligated and does not assume an obligation for any Lithuanian legal entity to submit a declaration, account for and pay income tax being applied to the legal entity's income.

Taxation of income of foreign legal entities

Based on requirements of Part 4 of Article 4 of LCIT, only interest income from non-equity securities is deemed subject to corporate income tax. Based on requirements of Part 1 of Article 5 of LTA, the interest income of foreign entities which are registered or otherwise organised in a state of the European Economic Area or in a state with which a double tax treaty has been concluded and brought into effect, sourced in the Republic of Lithuania and received otherwise than through their permanent establishments situated in the Republic of Lithuania shall not be subject to taxation. Interest income from non-equity securities generated in the Republic of Lithuania and received in any other way than through their permanent establishments by a foreign entity that is not registered or otherwise established in a member state of the European Economic Area or in a state, which signed a double tax treaty shall be subject to 10 per cent income tax at source of income. In accordance with requirements of Article 37 of LCIT, Bank undertakes to calculate and transfer to the budget of the Republic of Lithuania the corporate income tax at the source of income on interest paid out to foreign legal entities.

Based on requirements of Part 1 of Article 5 of LTA, if international treaties signed by the Republic of Lithuania establish different rules than the taxation rules established in relevant taxation laws and such treaties are ratified, effective and applicable in the Republic of Lithuania, the rules established in such international treaties will have priority.

Taxes to be deducted from non-equity securities income in Latvia

Individual income tax applied to permanent residents of Latvia

Individual income taxation is regulated by the Law on Personal Income Tax of the Republic of Latvia (hereinafter referred to as the "LPIT") adopted on 11 May 1993 (as amended from time to time) and other subordinate legislation based on the above-mentioned Law.

According to the LPIT an individual resident in Latvia is taxed on interest income (or income which is similar to interest income) at a rate of 10 per cent provided the income is not from the individual's business activity. If the applicable tax has not been withheld at source then it is the obligation of the recipient to declare the income in the individual's annual tax return and pay the applicable tax.

According to the LPIT an individual resident in Latvia is taxed on any gain on the disposition of capital assets including financial instruments at a rate of 15 per cent. The gain is determined as the difference between the acquisition value and the disposal value. It is the individual's obligation to declare the income and pay the tax on a monthly, quarterly or annual basis depending on the amount of gains realized on a monthly basis.

If tax has been paid in another jurisdiction on the income earned from the non-equity securities or from the disposal of the non-equity securities the individual is eligible to reduce his/her Latvian tax liability by the amount of tax paid in the other jurisdiction.

Taxation of income of Latvian legal entities

Taxation of legal entities is regulated by the Law on Enterprise Income Tax of the Republic of Latvia (hereinafter referred to as the “LEIT”) adopted on 09 February 1995 (as amended from time to time) and other subordinated legislation based on the above-mentioned Law.

According to the LEIT interest income received by a company tax resident in Latvia from European Union or the European Economic Area bonds are not included in the taxable income of the company. Otherwise, interest income received by a company tax resident in Latvia is treated as ordinary income and is subject to tax at the rate of 15 per cent.

According to the LEIT capital gains realized by a company tax resident in Latvia from the disposal of securities which are publicly traded in the European Union or the European Economic Area are not included in the taxable income of the company. Otherwise, capital gains are taxed at the ordinary corporate tax rate of 15 per cent.

In accordance with the Law on Taxes and Duties of the Republic of Latvia if international treaties signed by the Republic of Latvia establish different rules than the taxation rules established in relevant taxation laws and such treaties are ratified, effective and applicable in the Republic of Latvia, the rules established in such international treaties will have priority.

If any additional questions arise, investors are required to contact tax consultants independent from the Bank and/or relevant tax administration authorities to obtaining information on taxes applicable to the non-equity securities to be subscribed.

5. TERMS AND CONDITIONS OF THE OFFER

5.1. Conditions, offer statistics, expected timetable, procedure for responding to the offer and subscription procedure

Validity term of the offer and procedure

The non-equity securities to be issued shall be publicly offered in Lithuania, also shall be publicly and/or on the basis of private placement offered in Latvia and in other member states of the European Union. In case of a private placement, the non-equity securities shall be offered following the restrictions set forth in the legal acts. The Final Terms of a particular issue shall specify the country(s), where such non-equity securities are offered. The non-equity securities issued by the Bank shall be offered by the Bank itself and by placement agents if such placement agents are specified in the Final Terms. The offer to subscribe the Bank’s non-equity securities shall be valid within the subscription period specified in the Final Terms.

Non-equity securities may be offered by the Bank to the potential investors by mass media, via the Baltic News Service (BNS), at private meetings and presentations.

Non-equity securities may be subscribed for at the branch offices of the Bank and in the offices of the placement agents, at the addresses and during business hours specified in the Annex to the Final Terms.

Non-equity securities may be subscribed for via the Internet Securities Trading System of the Bank. Only the investors, who have signed with the Bank the Internet Securities Trading Agreement may be subscribed for non-equity securities via the above System. Non-equity securities via the Internet Securities Trading System may be subscribed at any time within the subscription period. Not all the issues of the non-equity securities will be available for subscription via Internet Securities Trading System. The Final Terms may specify, whether the particular issue of non-equity securities may be subscribed via Internet Securities Trading System of the Bank.

Non-equity securities shall be subscribed by signing a subscription agreement of the said securities. Non-equity securities' subscription agreements between the Bank and professional investors (as established in Par. 39 of Article 2 of the Law on Securities of the Republic of Lithuania) may be also signed by both parties of the deal by sending the agreements on the agreed date and time to another party of the deal by facsimile and by sending on the same day the original of the signed agreement via courier or registered mail to another party of the deal. The Agreement shall be signed by a person authorised by the Bank and the investor in person or through his/her authorised persons. The subscription agreement may be also concluded through the Bank's acceptance of the investor's application submitted within the subscription period, if the opportunity for submitting the application is specified in the Final Terms.

According to this Programme, the Bank may issue non-equity securities to be offered only to particular category (categories) of investors. The below investor categories are approved:

- professional investors (as established in Par. 39 of Article 2 of the Law on Securities of the Republic of Lithuania);
- non-professional investors (natural and legal persons not meeting the requirements applicable to the professional investors defined in Par.39 of Article 2 of the Law on Securities of the Republic of Lithuania);
- investors that are clients of a bank (AB SEB bankas in Lithuania and/or AS SEB banka in Latvia);
- investors, who signed one or several Special Banking Service Agreements with a bank (AB SEB bankas in Lithuania and/or AS SEB banka in Latvia);
- investors holding non-equity securities previously issued by the Bank, which within a particular subscription period of non-equity securities shall be redeemed;
- investors subscribing for the number of non-equity securities at least equal to the minimum number of securities specified in the Final Terms;
- employees of a bank (AB SEB bankas in Lithuania and/or AS SEB banka in Latvia)
- any combination of at least two categories above.

It shall be noted that an investor who signed one or several Special Banking Service Agreements with a bank shall be automatically deemed a client of a bank, but not necessarily vice versa.

The Final Terms shall specify the investor category (categories) to whom a particular issue of securities shall be offered, as well as relevant identification criteria and rights granted. If the same investor is attributed to more than one investor category specified in the Final Terms, the most favourable conditions with respect to the particular investor will be applied by the Bank (the best-execution policy terms).

The Final Terms may establish that the professional investor (as established in Par. 39 of Article 2 of the Law on Securities of the Republic of Lithuania) may settle with the Bank for the non-equity securities subscribed by issuing a payment order to the Bank account indicated in the non-equity securities' subscription agreement (or in the application for bond subscription, in case of coupon bonds and discount bonds, if the Final Terms establish an opportunity for submitting the application).

Non-equity securities shall be deemed issued if the investors who signed non-equity securities' subscription agreement have paid for non-equity securities pursuant to the procedure and within the term established in the agreement thereof.

In case of an issue of a limited size, the Bank shall control that the number of non-equity securities subscribed does not exceed the number specified in the Final Terms. Each non-equity securities' subscription agreement during the subscription period shall be numbered. At the end of each day during the subscription period, the employee of the Bank shall check, whether the number of non-equity securities subscribed does not exceed the number specified in the Final Terms of the issue. If the investors sign non-equity securities' subscription agreements for subscription of a number of non-equity securities exceeding the number specified in the Final Terms, non-equity securities shall be distributed to investors taking into consideration the time of submitting the agreement. The agreements that were submitted to the Bank at the earlier date and time shall have a priority. The non-equity securities' subscription agreements shall be implemented following the principle of time priority until the established total size of the issue of non-equity securities is reached. If the investor intends to subscribe for a number of non-equity securities exceeding the total number of the remaining non-subscribed non-equity securities, such non-equity securities' subscription agreement shall be satisfied partially, i.e., the investors shall subscribe only for the remaining number of non-subscribed non-equity securities. If two or more non-equity securities' subscription agreements are signed at the same time and the requested number of the non-equity securities to be subscribed exceeds the total remaining number of non-subscribed non-equity securities, the non-equity securities' subscription agreements shall be satisfied *pro rata* based on the required number of non-equity securities. All non-equity securities' subscription agreements signed later on shall be deemed invalid. Funds paid by the investors for the subscribed non-equity securities shall be credited to the investor's account from which such funds were debited within 5 (five) business days.

In case of an issue of a limited size and if the non-equity securities are to be offered in Lithuania, Latvia and (or) other member states, there will be no plans set in advance to allocate the non-equity securities between the countries.

In case of an issue of an unlimited size, the Bank shall control that the number of subscribed non-equity securities does not exceed maximum total nominal value of the non-equity securities to be issued under the Programme, i.e., EUR 250,000,000 or its equivalent in any other currency.

The ownership right to the subscribed non-equity securities shall be recorded in the investor's personal securities account. If not specified otherwise, the non-equity securities shall be held in the investor's personal securities account being managed by AB SEB bankas. The non-equity securities subscribed through placement agents in Latvia and (or) other member states shall all be held in one account opened in the name of a particular placement agent's clients. Within the term of a non-equity securities issue, investors may request to transfer the subscribed non-equity securities to the investor's personal securities account opened with the intermediary of securities' public trading specified by the investor.

Specific features of coupon and discount bond offer

In case of any coupon and discount bond issue of an unlimited size, when interest (coupon in case of coupon bond issue or annual yield in case of discount bond issue) are fixed and specified in the Final Terms, the Final Terms shall establish that the Bank taking into consideration the number of subscribed bonds and market interest rates shall have a right to unilaterally shorten the subscription period of the coupon and discount bond issue indicated in the Final Terms. The Final Terms shall be published on the Bank's website www.seb.lt and on websites of the placement agents (if more placement agents are involved).

If the coupon and discount bond subscription period is shortened and if a respective notice is published following the above procedure, the other data on coupon and discount bond issue (e.g. issue term, issue date, redemption date, coupon payment date (in case of coupon bond)) established in the Final Terms and available to investors on the bond subscription date, shall not be changed.

In case of any coupon and discount bond issue, when coupon (in case of coupon bond issue) or annual yield (in case of discount bond issue) are fixed and specified in the Final Terms, the bonds shall be subscribed within the bond subscription period by signing the bond subscription agreements. In case of coupon and discount bond issue, if the indicative coupon on bonds (in case of coupon bond issue) or annual yield (in case of discount bond issue) are specified and actual interest (coupon or annual yield) are fixed only at the end of the bond subscription period, the bonds may be subscribed within the bond subscription period not only by signing the bond subscription agreements but also by submitting the application for bond subscription, i.e., the investor will be able to choose and subscribe for bonds by signing the bond subscription agreement or by submitting the above application. In such case, the bonds shall be subscribed following the below procedure:

1. The Final Terms shall specify:

- a) fluctuation range of bond interest (coupon or annual yield) indicated as minimum and maximum interest (coupon or annual yield)
- b) minimum amount to be invested in bonds by the investor submitting the application for bond subscription, and indicating higher than fixed minimum interest (coupon or annual yield);
- c) fixing date of actual interest (coupon or annual yield);
- d) announcement procedure of actual interest (coupon or annual yield).

The bond subscription agreement shall specify minimum interest (coupon or annual yield), i.e., the lowest range, which means that the investor signing the bond subscription agreement shall not have a right to select the interest (coupon or annual yield). If the amount indicated by the investor in the application for bond subscription is bigger than minimum amount of investment established in the Final Terms or equal to minimum amount of investment specified in the Final Terms, the investor may indicate minimum or higher than established minimum interest (coupon or annual yield) in his/her application. The application for bond subscription submitted by the investor shall be deemed invalid and rejected, if i) the amount specified in the application is lower than the minimum amount of investment established in the Final Terms and/or ii) interest (coupon or annual yield) specified by the investor in the application exceeds maximum interest (coupon or annual yield) defined in the Final Terms.

2. At the end of the bond subscription period:

- a) in case of coupon and discount bond issue of a limited size, if within the bond subscription period the total issue is subscribed by signing the bond subscription agreements, the minimum interest (coupon or annual yield) established in the Final Terms shall be applied, i.e., the lowest range. If the investors sign the bond subscription agreements for a number of non-equity securities exceeding the number specified in the Final Terms, the bonds shall be distributed to investors taking into consideration the time of submitting the agreement. The agreements that were submitted to the Bank at the earlier date and time shall have a priority. The bond subscription agreements shall be implemented following the principle of time priority until the established total size of the bond issue is reached. If two or more bond subscription agreements are signed at the same time and the requested number of the bonds to be subscribed under such agreements exceeds the total remaining number of non-subscribed bonds, the bond subscription agreements shall be satisfied *pro rata* based on the required number of bonds.
- b) in case of any coupon and discount bond issue of a limited size, if within the bond subscription period only a portion of the total issue is subscribed by signing the bond subscription agreements, and there are valid applications for bond subscription submitted, the Bank shall

distribute the remaining bonds to the investors who have submitted the applications seeking to ensure subscription of the nominal value of bonds of the issue specified in the Final Terms or a lower nominal value of the bonds issue. In any case the nominal value of the bonds subscribed shall not be lower than the total nominal value of the bonds subscribed under the bond subscription agreements together with the applications for bond subscription submitted and to be satisfied. The priority shall be given to the applications, which specify the lowest interest (coupon or annual yield). In case the several investors indicated the same interest (coupon or annual yield) and the remaining number of bonds is insufficient, the bonds shall be distributed to the investors *pro rata* based on the number indicated in the applications. The applications for bond subscription, in which the investors indicated the interest (coupon or annual yield) higher than the fixed actual interest (coupon or annual yield), shall be rejected. All holders of the bonds issued, irrespective of whether the bonds were subscribed by signing the bond subscription agreements or by submitting the applications, shall be paid the highest interest (coupon or annual yield) specified in the applications that were satisfied by the Bank;

- c) in case of any coupon and discount bond issue of an unlimited size, the Bank taking into consideration the number of subscribed bonds under the subscription agreements and applications and market interest rates, shall fix actual interest (coupon or annual yield). When actual interest (coupon or annual yield) is fixed, the applications for bond subscription in which the investors have indicated the interest (coupon or annual yield) higher than the fixed actual interest (coupon or annual yield), shall be rejected. The actual interest (coupon or annual yield) in any case shall not exceed maximum interest (coupon or annual yield) specified in the Final Terms;
- d) actual interest (coupon or annual yield) shall be fixed on the last day of the subscription period of coupon bond and discount bond issue, specified in the Final Terms. On the actual interest (coupon or annual yield) fixing date, the investors who have indicated in the submitted application the interest (coupon or annual yield) lower or equal to the actual interest (coupon or annual yield), fixed by the Bank, shall be informed by e-mail, facsimile or by phone about the number of bonds allocated to them. The Bank shall also inform in a form specified above that the investor subscribing for bonds has to pay on the date specified in the Final Terms and by the time specified in the Final Terms, however in any case no later than until the bond issue date. If the investor fails to pay until the specified terms for the bonds allocated to him/her, according to the submitted application: i) fixed actual interest (coupon or annual yield) shall not be changed and shall be announced following the procedure established in the Final Terms, and ii) the bonds, which were allocated according to the application, however unpaid, shall not be allocated to other investors. If the investor on the date specified in the Final Terms and by the time specified in the Final Terms pays only for a portion of bonds allocated to him/her under the submitted application, such application shall be deemed invalid, and the amounts paid by the investor for the subscribed bonds shall be credited to the investor's account from which the funds were debited within 5 (five) business days.

The investor who submitted the application for bond subscription shall not be bound to sign the bond subscription agreement, i.e., the bond subscription agreement and the application shall have identical legal power.

Specific features of the structured note offer

It should be noted that in case of the structured note issue, the Bank taking into consideration the number of subscribed structured notes and market interest rates shall have a right to unilaterally shorten the subscription period and/or limit the size of the issue indicated in the Final Terms. If the Bank passes a decision to shorten the subscription period of such structured note issue and/or limit the

size of the issue, on the final date of the shortened subscription period of the structured note, after expiry of the structured note subscription time, a special notice on the structured note subscription period shortening shall be announced on the Bank's website www.seb.lt and on websites of the placement agents (if more placement agents are involved). If the Bank passes a decision to limit the size of the issue, a special notice on the limitation of the size of the issue shall be immediately published on the Bank's website www.seb.lt and on websites of the placement agents (if more placement agents are involved).

If the structured note subscription period is shortened or if the size of the issue is limited and a relevant notice is published following the above procedure, other data on the structured note issue (e.g. issue maturity term, issue date, redemption date) established in the Final Terms and available to investors on the structured note subscription shall not be changed.

The procedure for reducing subscriptions and refund of the excess amount paid by investors who signed non-equity securities documents

If the issue of non-equity securities comes into effect, all non-equity securities subscribed and paid up shall be considered issued and number thereof shall not be decreased.

In case of the discount bond issue, if the limits of indicative annual yield is established but the actual annual yield at the end of the bond subscription period exceeds the minimum annual yield used in the calculation of the bond subscription price, the difference between the price paid by the investor and to be paid for the subscribed bonds (if any) shall be credited to the investor's account specified in the bond subscription agreement within 5 (five) business days from the fixing date of actual annual yield of bonds.

Information on minimum and (or) maximum number of non-equity securities specified in non-equity securities subscription documents

Minimum number of the non-equity securities to be subscribed by one investor is 1 (one), unless the Final Terms provide otherwise. In case of the coupon and discount bond issue, when the bond subscription agreements may be signed and the applications for bond subscription may be submitted, the Final Terms shall specify minimum amount to be invested in the bonds by the investor who submits the application for bond subscription and indicates the interest (coupon or annual yield) not lower than established minimum interest (coupon or annual yield).

Unless the Final Terms provide otherwise, the largest number of non-equity securities to be offered to one investor shall not be specified. However if the issue is of a limited size, it may not exceed the number of the non-subscribed non-equity securities remaining on the signing date of the agreement, or if the issue is of an unlimited size, it may not exceed the total number of non-subscribed non-equity securities under the Programme remaining on the signing date of the agreement.

Method and term for paying up the securities and delivery of securities

The Final Terms of each issue of non-equity securities shall specify the method and term for paying up the securities.

If the Final Terms specify that the payment date for non-equity securities subscribed under the subscription agreement is the last day of non-equity securities subscription period, it means that the investors shall have to pay up for non-equity securities on the last day of non-equity securities subscription period by the time specified in the Final Terms and at the price that is effective on such date.

If the Final Terms specify that the payment day for non-equity securities subscribed under the subscription agreements is the subscription date of non-equity securities, it means that the investors shall have to pay for non-equity securities on the subscription date of non-equity securities by the time specified in the Final Terms and at the price that is effective on that subscription date. Such payment method for non-equity securities shall always be applied in respect of the issues of coupon bond and discount bond of an unlimited size, when coupon on bonds (in case of the coupon bond issue) and annual yield (in case of the discount bond issue) are estimated and published in the Final Terms, and the Final Terms also specify that the Bank, taking into consideration the number of subscribed bonds and market interest rates, shall have a right to unilaterally shorten the subscription period of such issue of coupon and discount bond, indicated in the Final Terms. Such payment method for non-equity securities shall also be applied in case of the issue of structured note when the Final Terms specify that the Bank, taking into consideration the number of subscribed structured notes and market interest rates, shall have a right to unilaterally shorten the subscription period of such issue of structured notes, indicated in the Final Terms.

The Final Terms may specify that each investor signing the agreement has an opportunity to select a payment date for non-equity securities, if such date is the subscription date of non-equity securities, and the price applicable on the relevant subscription date. It means that the investor may sign the agreement and to immediately pay for the non-equity securities being subscribed (at the price effective on the date of signing the agreement) or sign the agreement, which establish an obligation to subscribe for the requested number of non-equity securities and pay for non-equity securities later on (on the date selected by the investor until the time specified in the Final Terms) at the price effective on the payment date. If on the date of signing the agreement it is impossible to pay the subscription price (e.g. if the signing date is Saturday, etc.) for non-equity securities being subscribed, the investor in all cases shall have to select the date of payment for the non-equity securities. All payments under such agreements shall be made within the term specified in the Final Terms. If the investor signs an agreement with the Bank which binds the investor to pay for the non-equity securities being subscribed later than on the signing date of the agreement and the investor fails to timely pay for non-equity securities, such agreement shall become invalid.

The Final Terms may specify that each investor signing the subscription agreement of non-equity securities has to accumulate in his/her account indicated in the subscription agreement the amount of funds necessary to pay for the non-equity securities. The investor may also sign the subscription agreement of non-equity securities, when the amount of funds accumulated in the account is insufficient to pay for the non-equity securities being subscribed, but only if on the selected date of payment for the non-equity securities the sufficient funds are received in the account from the sale of other securities in relation to which the sale order is submitted by the investor.

The Final Terms may also specify that if the date of payment for non-equity securities is later than the date of the signing the subscription agreement of non-equity securities, the Bank shall limit the investor's right to dispose of the specified amount in the investor's account, which is necessary to pay for the non-equity securities being subscribed.

The Final Terms may specify an exact term for subscription and payment for non-equity securities and hours. The Final Terms shall also specify the date by which the agreement with the deferred payment may be signed (if applicable). After this date passes all non-equity securities being subscribed shall be paid up only on the subscription date of non-equity securities. If such date coincides with the final date for subscription of non-equity securities, such date shall not be specified.

The investors who submitted the applications for bond subscription shall have to pay up on the date by the particular time as specified in the Final Terms, however no later than until the bond issue date.

The Final Terms may also specify that for the investors subscribing for non-equity securities through placement agents in Latvia there is only one payment date, which most probably shall be the final day of the subscription period, and the relevant subscription price of such day shall be applied. Even though the application is submitted earlier than the final day of the subscription period, the investors shall not be deemed as having subscribed for the non-equity securities up to the final day of the subscription period when the payment for the non-equity securities shall be executed.

The Final Terms may also specify that if investors subscribe for non-equity securities through placement agents in Latvia, their right to dispose of the funds necessary to pay for the non-equity securities may be limited within the whole period from the day they applied for subscription until the payment day (which is the final day of the subscription period).

Amounts paid by the investors for non-equity securities under the subscription agreements of non-equity securities that become invalid (in case of the issue cancellation) shall be refunded to investors no later than within 5 (five) business days from the announcement about the issue cancellation. If the issue of non-equity securities is cancelled at the end of the subscription period of non-equity securities, the amount, paid by the investor for each non-equity security under cancelled subscription agreement equal to the value of the non-equity securities effective on the issue date under the cancelled subscription agreements and the subscription fee (if any), shall be credited to the account from which respective amount was debited for each subscribed non-equity security. If the issue is cancelled prior to the end of the subscription period, the investors shall be credited the amount equal to the subscription price effective on issue cancellation date paid for non-equity securities subscribed under the cancelled subscription agreements and the subscription fee (if any).

Manner and date of the public announcement of the offer results

At the end of the subscription period of non-equity securities and after the issue came into effect, on the nearest business day the Bank shall submit to LB and LCSD the report on distribution of securities, and shall request LCSD to open the issue registration account. If the Bank issues coupon or discount bonds, which at the end of subscription period shall be immediately merged with any previous outstanding issue of the same type bonds effective on the new issue date, LCSD shall be requested to make adjustments (increase in value) to the size of the issue in the general account of the previous bond issue, and no other general account for the new issue shall be opened with the LCSD. Information to be announced by the Bank in accordance with the legal acts shall be also available on the website of the Central Storage Facility www.crib.lt.

If the issue does not come into effect, the securities issue registration account shall not be opened.

5.2. Plan of distribution and allotment

Non-equity securities to be issued shall be publicly offered in Lithuania, also shall be publicly and/or on the basis of private placement offered in Latvia and in other member states of the European Union. The Final Terms of the issue shall specify the country (countries) in which non-equity securities are offered. If the Final Terms establish that non-equity securities shall be offered in other member states of the European Union than Lithuania, the Bank shall inform about the intent to offer the non-equity securities publicly and to list thereof on the regulated markets in several countries the Bank of Lithuania. The Bank shall provide the Final Terms above to the Bank of Lithuania. It shall also communicate the Summary translations into local languages, together with the Final Terms, to the supervisory authority of financial market of the relevant countries, where it is intended to publicly offer the non-equity securities. Special plan of distribution and allotment of non-equity securities

among the countries shall not be arranged. In case of an issue of a limited size and if the non-equity securities are to be offered in Lithuania, Latvia and (or) other member states, there will be no plans set in advance to allocate the non-equity securities between the countries.

The Final Terms shall establish the category (categories) of the investors, who shall be offered the securities of particular issue, as well as relevant identification criteria, according to which the persons are attributed to the category enabling to subscribe for the securities of a particular issue. The investors may be attributed to the below categories:

- professional investors (as established in Par. 39 of Article 2 of the Law on Securities of the Republic of Lithuania);
- non-professional investors (natural and legal persons not meeting the requirements applicable to the professional investors defined in Par. 39 of Article 2 of the Law on Securities of the Republic of Lithuania);
- investors that are clients of a bank (AB SEB bankas in Lithuania and/or AS SEB banka in Latvia);
- investors, who signed one or several Special Banking Service Agreements with a bank (AB SEB bankas in Lithuania and/or AS SEB banka in Latvia);
- investors holding non-equity securities previously issued by the Bank, which within a particular subscription period of non-equity securities shall be redeemed;
- investors subscribing for the number of non-equity securities at least equal to the minimum number of securities specified in the Final Terms
- employees of a bank (AB SEB bankas in Lithuania and/or AS SEB banka in Latvia)
- any combination of at least two categories above.

The Final Terms shall specify the investor category (categories) to whom a particular issue of securities shall be offered, as well as relevant identification criteria and rights granted. If the same investor is attributed to more than one investor category specified in the Final Terms, the most favourable conditions with respect to the particular investor will be applied by the Bank (the best-execution policy terms). If the Final Terms specify that securities are offered to several categories of the investors, neither certain issue of non-equity securities nor any portion hereof shall be reserved for a particular category of the investors.

In case of an issue of limited size, if prior to the end of the subscription period of the non-equity securities all the non-equity securities are subscribed, the subscription of non-equity securities shall be terminated.

In case of coupon and discount bond issue of an unlimited size, when interest (coupon in case of coupon bond issue or annual yield in case of discount bond issue) are established and published in the Final Terms, the Final Terms may specify that the Bank taking into consideration the number of subscribed bonds and market interest rates shall have a right to unilaterally shorten the subscription period of such coupon and discount bond issue indicated in the Final Terms. Also some other principles of allotment of coupon or discount bond issue can be established and specified in the Final Terms of the relevant issue.

In case of the structured note issue, the Bank taking into consideration the number of the subscribed structured notes and market interest rates shall have a right to unilaterally shorten the subscription period indicated in the Final Terms and/or limit the size of the structured notes issue.

Information on non-equity securities subscribed by investors shall be provided by the Bank by making entries in the personal securities accounts after the end of the subscription period of the non-equity securities. The non-equity securities subscribed through placement agents in Latvia and (or)

other member states shall all be held in one account opened in the name of a particular placement agent's clients. It is the responsibility of a placement agent in Latvia and (or) other member states to inform the final client about his non-equity securities held with the Bank.

5.3. Estimation of price

During the subscription period the non-equity securities may be subscribed at the price that depends on the date of payment for non-equity securities.

The estimated prices of non-equity securities shall be specified in the Final Terms of each issue. The investors shall pay the total subscription price for the non-equity securities being subscribed effective on the date of payment for non-equity securities according to the agreement. The Final Terms may establish the subscription fee to be paid by the investor to the issuer together with the price for non-equity securities.

In case of discount bond issue

Unless the Final Terms provide otherwise, the subscription price of discount bond shall be calculated according to the below formula:

$$SP = N \times \frac{1}{\left(1 + \frac{Y}{100}\right)^{\frac{d+D}{365}}}$$

SP – subscription price of non-equity securities;
 Y – annual yield;
 N – nominal value of non-equity securities;
 d – days remaining until the end of subscription period of non-equity securities;
 D – non-equity securities maturity term in days.

In case of discount bond issue, when expected range of the bond annual yield (defined as maximum and minimum annual yield) are calculated, and the actual annual yield is fixed only at the end of the bond subscription period, at the moment of signing the bond subscription agreement, the bond subscription price shall be calculated using the minimum annual yield specified (the lowest range of the fixed annual yield). At the end of the bond subscription period, when the actual annual bond yield is fixed and it exceeds the minimum annual yield used in the calculation of the bond subscription price, the difference between the amounts paid and to be paid by the investor for the subscribed bonds, if any, within 5 (five) business days from identification of the actual annual bond yield shall be credited to the investor's account specified in the bond subscription agreement.

In case of other non-equity securities issued under this Programme

Unless the Final Terms provide otherwise, the subscription price of the coupon bonds, reference item linked notes, investment notes, structured notes and any other combinations of the non-equity securities issued under the Programme shall be calculated according to the below formula:

$$SP = (N + R) \times \frac{1}{1 + \frac{Y}{100} \times \frac{d}{365}}$$

SP – subscription price of non-equity securities;
 Y – annual interest rate;
 N – nominal value of non-equity securities;
 R – risk premium (if applicable);
 d – days remaining until the end of subscription period of non-equity securities.

The Final Terms may specify another formula/procedure for subscription price calculation.

5.4. Placement and guarantees

Non-equity securities to be issued under this Base Prospectus shall be publicly offered in Lithuania, also shall be publicly and/or on the basis of private placement offered in Latvia and in other member states of the European Union without any transfer limitations. The non-equity securities to be issued according to this Base Prospectus are not registered and shall not be registered following the requirements of legal acts of the United States of America and other subordinate jurisdictions regulating the securities market and shall not be offered or sold in any such jurisdiction except if registered in accordance with applicable legal acts or if relevant registration exclusions are applied. Natural and legal persons willing to subscribe for non-equity securities to be issued under this Base Prospectus must be aware of such limitations and comply with the above requirements.

The non-equity securities issued by the Bank shall be offered by the Bank itself. The Bank may nominate one or more placement agents and include relevant information in the Final Terms of each issue under the Programme. Such placement agents nominated by the Bank may use this Base Prospectus and other documents prepared by the Issuer for the subscription purposes of non-equity securities while offering the non-equity securities. Any other legal or natural persons who offer non-equity securities issued under this Base Prospectus and/or admit thereof to the trading list on the regulated market shall not be granted a right to use this Base Prospectus or any other documents incorporated by reference.

Any agreements ensuring subscription of the issue under the Programme are not signed and shall not be signed. If an agreement ensuring the subscription of the total issue of non-equity securities or any portion hereof is signed with a certain legal or natural person, such legal or natural person shall be specified in the Final Terms of the issue.

Claim rights of the investors related to the non-equity securities are not secured by any guarantee and/or in any other way.

6. ADMISSION TO TRADING

6.1. Information related to admission of issuer securities to trading on the regulated market

Non-equity securities issued under this Programme may be admitted to the trading lists on regulated markets (Debt Securities Trading List of NASDAQ OMX Vilnius Stock Exchange, other regulated markets trading lists). Information about the application to the regulated market operator on admission to trading on the regulated market of the securities issued under the Programme shall be announced in the Final Terms. If the Final Terms of the issues under the Programme specify that the request to admit the issued non-equity securities to trading on the regulated market may be submitted, the investor subscribing for non-equity securities issued by the Bank in the primary trading assumes the risk that due to technical or other reasons, the Bank's application to admit the securities to trading on the regulated market may be rejected. In such case, the liquidity of securities would decrease and certain groups of investors due to restrictions established in legal acts would have to sell the securities subscribed on the primary trading, and it may reduce the price of the securities.

If the Final Terms of the coupon or discount bonds specify that the Bank shall request the regulated market operator to admit to trading on the regulated market the issue of coupon or discount bonds, and if within maturity term of the issue the Bank issues coupon or discount bonds, which at end of the bond subscription period shall be immediately merged with any previous outstanding issue of the same type bonds, the Bank shall also request the regulated market operator to admit to trading on the regulated market the new issue of bonds.

6.2. Information on the same type securities admitted to trading on the regulated market

The Bank has three issues of non-equity securities, which are admitted to the Debt Securities Trading List of NASDAQ OMX Vilnius Stock Exchange:

Parameters	Issue
ISIN code	LT0000405060
Issue size in units	46 575
Unit nominal value	LTL 100,00
Issue nominal value	4 657 500,00 LTL
Issue date	2011 05 17
Redemption date	2016 06 03

Parameters	Issue
ISIN code	LT0000405078
Issue size in units	38 857
Unit nominal value	LTL 100,00
Issue nominal value	LTL 3 885 700,00
Issue date	2011 12 21
Redemption date	2017 01 09

Parameters	Issue
ISIN code	LT0000405086
Issue size in units	47 032
Unit nominal value	LTL 100,00
Issue nominal value	LTL 4 703 200,00
Issue date	2012 05 30
Redemption date	2017 06 13

6.3. Legal and natural persons, who has a firm commitment to act as intermediaries in the secondary trading and ensure liquidity at the existing prices

There are no intermediaries having a firm commitment to ensure liquidity of non-equity securities issued under this Programme in the secondary trading or other regulated markets and no arrangements with such intermediaries are signed and are planned to sign. In cases of certain issues of coupon or discount bonds the investor subscribing for such bonds may be entitled within the issue maturity term to sell all or any portion of such bonds to the Bank in the secondary trading. In such case The Final Terms shall specify the dates of bond sale to the Bank and the price of bond sale effective on the date of the bond sale to the Bank. The opportunity to sell the bonds on the dates other than the dates of the bond sale established in the Final Terms in the secondary trading depends only on the existing market demand.

If other intermediaries assuming the obligation to ensure liquidity of non-equity securities in the secondary trading are nominated for a particular non-equity securities issue, such intermediaries shall be specified in the Final Terms.

7. ADDITIONAL INFORMATION RELATED TO ISSUES

7.1. Issue advisors

There are no advisors involved in the preparation process of the Base Prospectus.

7.2. Audited data and expert's statement

Financial statements for the years 2012 and 2013 included in the Registration Document of this Base Prospectus are audited but financial statements for the six-month period of the year 2013 and for the six-month period of the year 2014 are unaudited. Recent financial data of the Bank is available on Bank's website www.seb.lt and on website of the Central Storage Facility www.crib.lt. There is no statement or report of a person acting as the expert included in the Base Prospectus.

7.3. Credit rating assigned to the issuer and non-equity securities issued by it

No rating is assigned to the non-equity securities issued by the Bank.

Currently, no rating agency assigns any credit ratings at the Bank's request or with cooperation of the Bank in the rating process.

The below ratings are assigned to the SEB Group. AB SEB bankas is a member of SEB Group.

Rating agency	Short-term credit rating	Long-term credit rating
Moody's	P-1	A1
Standard & Poor's	A-1	A+
Fitch ratings	F1	A+

REGISTRATION DOCUMENT

INFORMATION IN THIS REGISTRATION DOCUMENT IS PROVIDED IN ACCORDANCE WITH THE DESCRIPTION PROVIDED IN ANNEX XI OF COMMISSION REGULATION NO. 809/2004 OF 29 APRIL 2004.

8. CERTIFIED AUDITORS

8.1. Names and addresses of auditors that conducted the audit of the Issuer's financial information

The audit of the financial information for the year 2012 and 2013 was conducted by auditor Rimvydas Jogėla, holder of auditor certificate No. 000457,

Company that conducted the audit:

Name	UAB "PricewaterhouseCoopers"
Registered address	J. Jasinskio str. 16B, LT-01112 Vilnius, Lithuania Tel. (8 5) 239 2300, fax (8 5) 239 2301
Date of registration	29 December 1993
Legal person code	111473315
Audit company licence	No. 00173

8.2. Information on whether auditors have resigned, been removed or not been re-appointed during the period covered by the historical financial information

The audit company has not been substituted during the periods covered by the historical financial information.

9. RISK FACTORS

Within SEB Bankas Group, risks are managed in a centralised manner. The main types of risks managed by the Bank include issuer risk, credit risk, liquidity risk, market risk (covering foreign exchange risk exposure, interest rate risk, and share price risk), and operational risk. The risks are managed through adherence both to internal norms as well as to those set by the Bank of Lithuania. In 2013, the Bank met all the parameters limiting risks as set forth by the Bank of Lithuania.

Issuer risk. Bank's obligations against investors are not additionally secured by any guarantee and/or in any other manner, the Bank's obligation to redeem non-equity securities is not insured by State Company „Indėlių ir investicijų draudimas“, therefore, the investor assumes operational risk of the bank, related to political, economic, technical and technological as well as social factors. In case of the Bank's bankruptcy, claims of holders of non-equity securities would be satisfied according to the procedure and order of priority established by legal acts of the Republic of Lithuania.

Credit risk. The Group assumes credit risk, i.e., the risk of another counterparty being unable to duly meet its obligations against the Bank. Counterparty risk is assessed based on credit equivalents calculated depending on the type of a financial deal. The Group Credit Policy is applied adhering to the principle that any lending transaction may be executed only subject to credit analysis. Taking into account the complexity of the deal and customer's creditworthiness, various credit risk management measures are applied.

The Group loans are assessed individually as well as in total, taking into account its total portfolio. Assessment of the portfolio of homogeneous loan groups with similar risk characteristics, i.e. natural persons' mortgage loans, consumer loans, payment card account overdraft limits, also, loans to

small enterprises, is performed. Special provisions for homogenous loans are formed by applying statistical methodology based on historical data on any defaults of the borrowers and sustained losses within the corresponding homogeneous loan group. Individually assessed borrowers are assigned to a relevant risk class, based on which special provisions requirement is established. The Group classifies its individually assessed borrowers based on 16 risk classes.

Risks are managed by carrying out regular analysis of the borrower's ability to meet its obligations: to repay the loan and pay interest. The Group establishes credit risk limits per single borrower, a group of borrowers or per economic activities. Borrower credit risk, taking into consideration the risk class assigned to the borrower, is revised on a regular basis, no less than once a year. Analysis of the borrower, borrower group and industry sector risks is also performed on regular basis.

Applied credit portfolio concentration risk limits are as follows:

- maximum exposure per single borrower must not exceed 25 per cent of the Bank's/ SEB Bankas Group's equity, and the total amount of large exposures may not exceed 800 per cent of the Bank's/ SEB Bankas Group's equity;
- total loans issued by the Bank to other subsidiary companies of the parent company or the Bank's subsidiary companies per single borrower may not exceed 75 per cent of the Bank's equity, if the Bank of Lithuania performs consolidated supervision of the entire financial group. If the Bank of Lithuania does not perform any consolidated supervision of the entire financial group, the maximum exposure per each SEB Bankas Group company may not exceed 20 per cent of the Bank's equity.

Presented below is the information on the Bank's individually assessed client's credit losses, on changes in the total value and the ratio to the credit portfolio over periods of historic financial information.

	31 Dec 2012*	30 June 2013*	31 Dec 2013*	30 June 2014*
Individually assessed client credits, which value has impaired, gross amount (impaired loans), in LTL'000	1 773 698	1 615 492	1 101 427	740 189
Client credit portfolio (without special provisions), in LTL'000	16 679 036	16 520 858	15 900 735	15 798 185
Ratio (in per cent)	10,63 per cent	9,78 proc.	6,93 proc.	4,69 proc.

* According to Official Letter of the Credit Institutions Supervision Department of the Bank of Lithuania No. 1203-310, dated 10 June 2008.

The Bank's Impairment losses on loan portfolio (LTL'000) according to the International Financial Reporting Standards (IFRS):

	31 Dec 2012	30 June 2013	31 Dec 2013	30 June 2014
Impairment losses on loans to customers (special provisions)	1 022 564	976 164	708 950	577 850
Impairment losses on loans to credit institutions as of year end (special provisions)	0	1	2	0
Balance of impairment losses as of year end (special provisions)	1 022 564	976 165	708 952	577 850
Special provisions to loan portfolio ratio	6.13%	5,54 %	4,43%	3,65 %

Market risk is the risk of losses or of a loss of future net income due to changes in interest rates, credit spreads, foreign exchange rates and share prices (including the price risk in case of sales of assets or closing of positions).

Interest rate risk is managed by forecasting market interest rates and making relevant adjustments so that there is no mismatch in the assets and liabilities within the revaluation periods. The Bank applies interest rate risk management methodologies that help to measure the Group's sensitivity to interest rate changes by computing the impact to the net effect on the market value of shareholders equity (delta 1%) in case of a parallel shift by one percentage point in the yield curve.

Credit margin risk is defined as the risk that the value of debt securities will decrease as a result of a change in the issuer's credit risk. This type of risk is managed by establishing limits on investments in debt securities.

Foreign exchange risk exposure is defined by two measures: the single open foreign currency position and the aggregate open currency position - the larger one of all summed-up long and short open currency positions. Foreign exchange risk measures include net exposure of spot and forward positions, FX futures, including gold, the delta equivalent position of FX options and other balance sheet items. The currency risk control is ensured by monitoring the risk exposure against the limits established for single open currency position. The Bank adheres to the open currency position limits established by the Bank of Lithuania: 1) maximum open position in one currency (other than the Euro) must be no more than 15 per cent of the bank's equity; 2) maximum total (other than the Euro) open position must be no more than 25 per cent of the bank's equity.

Changes in the Group's maximum open single currency position as a percent of the Group's total equity during the recent years is shown in the table below (the data provided in the Table have been calculated including also the EUR position).

SEB Bankas Group	31 Dec 2012	30 June 2013	31 Dec 2013	30 June 2014
Maximum open single currency position	133,48 per cent	57,47 per cent	75,57 percent	71,73 percent
Maximum aggregate open currency position	0,22 per cent	0,80 per cent	0,33 percent	0,08 percent

Share price risk is managed by establishing limits that describe acceptable share price risk, taking into consideration any possible losses related to market price volatility, by establishing the structure of the share portfolio.

Liquidity risk – is the risk that the bank may be unable to timely meet its financial obligations and/or, aiming to meet them, it may have to sell its financial assets and/or close positions and will sustain losses due to a lack of liquidity in the market.

SEB Bankas Group adheres to conservative liquidity risk management policy that ensures adequate fulfilment of its current financial obligations, the level of obligatory reserves with the Bank of Lithuania, liquidity ratio higher than that established by the Bank of Lithuania and solvency capacity under unforeseen unfavourable circumstances. The liquidity risk management system is based on the analysis of actual and forecasted cash flows.

Changes in the Bank's and SEB Bankas Group's liquidity ratio over years are shown in the table below.

Ratio	the Bank				SEB Bankas Group			
	31 Dec 2012	30 June 2013	31 Dec 2013	30 June 2014	31 Dec 2012	30 June 2013	31 Dec 2013	30 June 2014
Liquidity ratio (at least 30%)	35.69%*	33.48%*	38.81%	38.87%	35.76%	33.87%	38.85%	38,92%

*The ratio is calculated not taking into account AB "SEB lizingas" merger

Operational risk is defined as the risk of loss due to external events (natural disasters, external crime, etc) or internal factors (e.g. breakdown of IT systems, mistakes, fraud, non-compliance with external and internal rules, other deficiencies in internal controls).

On 1 January 2008, the regulators issued a permission to the Bank to use the AMA (Advanced Measurement Approach) model in the operational risk assessment process for the calculation of regulatory capital for the operational risk.

The Bank has developed and continuously upgrades and improves its operational risk management tools: operational risk policy, ORSA (Operational Risk Self Assessment) and RTSA (Rogue Trading Self Assessment) methodologies, activities continuity planning requirements and continuity plans, new product and services approval process, etc.

Bank continuously uses its operation risk management system ORMIS, which is a SEB Bankas Group wide IT solution. The operational risk management system enables each employee of SEB Bankas Group to register all operational risk incidents and the management at all levels – to assess, monitor and control risks and compile various reports. With the aim to achieve as detailed as possible

assessment of the operational risk, ORSA and RTSA methodologies are applied, internal controls are undertaken, regular assessment of subdivision and process risks is performed.

Another two systems related to operational risk management are used for the development of new products and/or services NAMIS (New Activity Management Information System) and for the formation of activity continuity plans for subdivisions LDRPS (Living Disaster Recovery Planing System).

The Bank has the Operational Risk Committee, which is aimed at improving the operational risk management and ensure appropriate cooperation between risk managers and control units. The management board is provided with quarterly operational risk reports, which contain a review of new operational risk cases, efficiency of the application of the operational risk management measures as well as other risks.

Business risk is the risk of a decrease in income due to any unforeseen shortage of regular income that is usually determined by a drop in business volumes, price pressure or competition. Business risk also includes reputation risk, which is a risk of a decrease in income from ordinary activities and which may arise due to any adverse rumours about the bank or about the banking sector generally.

Strategy risk is the risk caused by unfavourable or erroneous business solutions, improper implementation of decisions or insufficient response to any political changes or changes in the regulatory acts or the banking sector. Business and strategy risk management at the Bank is delegated to relevant responsible units, which based on business plans and their implementation control, identify such risks and manage/mitigate them. Said units continuously monitor the set ratios. In case any decline is found, relevant information is provided to the management board and/or other responsible persons. Also, the Bank has approved activity continuity plans.

Capital adequacy. Lithuanian banks are required to maintain capital adequacy ratio, which is calculated as the capital base to risk-weighted assets ratio. During the internal capital adequacy assessment process for 2013, the target capital adequacy ratio was set at higher than 12 per cent. In the first quarter of 2013, at the shareholder's decision the capital and at the same time capital adequacy was strengthened by profit earned in 2012 (no dividends were paid).

In April 2013, the Management Board of the Bank of Lithuania gave its permission to the Bank to repay its open-ended subordinated loan (to redeem an open-ended security) (obtained based on a subordinated loan agreement with Skandinaviska Enskilda Banken AB (publ), dated 18 February 2010) worth EUR 100,000,000 (LTL 345,280,000). The Bank has availed of a possibility to terminate said agreement (to redeem the security) with the aim to decrease the Bank's borrowing costs, maintaining an appropriate capital adequacy level.

Merger of AB "SEB lizingas" to AB SEB bankas had a significant positive impact on the Bank's capital adequacy ratio.

After the repayment of the subordinated loan and after the merger of AB "SEB lizingas", at the close of 2013 the Bank's and the Group's capital adequacy ratios were, respectively, 15.51 per cent and 15.59 per cent.

During the first half-year 2014, SEB Bankas Group was compliant with all the requirements set by supervisory institutions.

Changes in the bank and SEB Bankas Group capital adequacy ratios during recent years are presented in the table below.

SEB Bankas Group				Ratio	the Bank			
31 Dec 2012	30 June 2013	31 Dec 2013	30 June 2014		31 Dec 2012	30 June 2013	31 Dec 2013	30 June 2014
15.17%	15.84%	15.59%	18.67%**	Capital adequacy ratio	13.37%*	13.85%*	15.51%	18.57%**

*The ratio is calculated not taking into account AB "SEB lizingas" merger

10. INFORMATION ABOUT THE ISSUER

10.1. History and development of the Issuer

AB SEB bankas, a member of the Northern European financial group SEB, is the largest commercial bank in Lithuania. SEB Bankas Group in Lithuania provides a full range of banking services to private individual and corporate customers as well as to financial institutions. The SEB Bankas Group in Lithuania consists of AB SEB bankas and its two subsidiaries: UAB “SEB investicijų valdymas”, and UAB “SEB VentureCapital”. AB “SEB lizingas”, a subsidiary, was merged to AB SEB bankas on 23 of November 2013.

AB SEB bankas was established in Lithuania in 1990 (it was first called Spaudos Bankas, later—Vilniaus Bankas, and still later—SEB Vilniaus Bankas). AB SEB bankas was one of the pioneers of cutting-edge commercial banking in Lithuania. From the very beginning of its operation in Lithuania, the Bank has implemented new financial services, encouraging the development of the country's banking, and exercising great influence on the development of the country's bank market.

In November 1991, the Bank (which at that time was called Vilniaus Bankas) became a member of the international payment card association Visa International. In December 1993, the Bank issued the first Visa Classic card in Lithuania. In December of the same year, the Bank joined the global interbank transfer network SWIFT.

In 1995, two new divisions of the Bank were established to provide new services in Lithuania: the Financial Brokerage Department and the leasing company (AB “SEB lizingas”). Furthermore, the first large long-term credit lines from the World Bank and the European Bank for Reconstruction and Development (EBRD) were received and the first in Lithuania twin bank programme with ABN AMRO Bank (Holland) was started. In October of the same year, the bank rating agency granted the Bank with the first international rating.

In March 1998, a strategic cooperation agreement was signed between the banks of the three Baltic States: Eesti Uhispank, Latvijas Unibanka, and the Bank. In June, the Bank acquired 70% of UAB FMĮ Vilfima, which was then reorganised as a subsidiary—UAB “SEB Enskilda” that is now within SEB Bankas Group. In December, the Bank issued a targeted issue of shares, which was subscribed for by the strategic investor Skandinaviska Enskilda Banken AB (Sweden). The authorised capital of the Bank increased to LTL 150 million.

In 1999, a subsidiary, life insurance company (now—UAB “SEB gyvybės draudimas”) began operations; this was the first company in Lithuania to offer investment life insurance.

On 31 December 1999, AB SEB bankas acquired AB Bankas Hermis, which was fully integrated into the structure of the Bank by July 2000. Furthermore, AB SEB bankas distributed a new issue of shares intended to replace the shares of AB Bankas Hermis with the shares of AB SEB bankas, and this led to the authorised capital of the Bank increasing to LTL 154 million.

In October and November 2000, after the implementation of the official offer to purchase all the shares of AB SEB bankas, AB SEB bankas became a subsidiary bank of Skandinaviska Enskilda Banken AB. In 2000, AB SEB bankas became the first bank in Lithuania to establish an investment management company (now—UAB “SEB investicijų valdymas”).

In January 2005, after the acquisition of 95.02% of the shares of Agio bank (Ukraine) by the Bank, SEB Bankas Group began its expansion into the Eastern European markets.

On 18 April 2005, the name of the Bank was changed from AB Vilniaus Bankas to AB SEB Vilniaus Bankas. The names of subsidiaries were also changed accordingly. In 2005, a new modern online service system was launched and the Bank began to issue chip payment cards.

In December 2006, the principal shareholder of AB SEB bankas, Skandinaviska Enskilda Banken AB, started the compulsory process of redemption of minority shares with a view to acquiring the remaining shares of the Bank for the price approved by the Securities Commission of the Republic of Lithuania—LTL 266.96 per share.

During the extraordinary meeting of the shareholders of AB SEB bankas held on 15 November 2007, it was decided to change the name of the Bank from AB SEB Vilniaus Bankas to AB SEB bankas and to change the names of subsidiaries accordingly.

According to current international practice, the sale of the real estate belonging to the banks of SEB Bankas Group was completed at the end of 2007. AB SEB bankas sold 25 real properties to the Homburg Invest Inc. group of companies with a view to ensuring even more effective operation and engaging exclusively in its main banking activities after the release of the capital.

At the end of 2007, the Bank of Lithuania took the decision to allow AB SEB bankas, from 1 January 2008, to independently evaluate and set the Bank's need for capital by the method of credit risk evaluation based on internal ratings in compliance with the requirements of the new EU directives concerning capital adequacy. The possibility to independently set the need for capital proves that the Bank has developed procedures that meet the most stringent international standards for the management of credit risk in the banking sector.

On 21 January 2008, after the Register of Legal Entities of the Republic of Lithuania registered the amended Articles of Association of the Bank and issued the Bank with a new registration certificate, AB SEB bankas changed its name (from SEB Vilniaus Bankas) and completed the process of change of the name that lasted for over two years, thus finally affirming its membership in the international financial group SEB. The names of the Bank's branch offices, Bank's companies and their representative offices were also changed accordingly.

In the same year, SEB Bankas Group transferred some of its operations to Lithuania—the Vilnius Branch of Skandinaviska Enskilda Banken AB was established, which provides SEB Bankas Group in different countries with IT, finance, operation and personnel administration services.

At the beginning of 2009, with a view to increasing the efficiency of its operation and ensuring an even higher quality of services provided to customers, AB SEB bankas adjusted the structure of its customer service branches and changed the names of the branches. After the new organisational structure of the branches had been implemented, the branches (of the Eastern Region, of the Central Region, and of the Western Region) became responsible for the coordination of the operation of all the Bank's branches (financial services centres (FSC) and units) belonging to them. The Bank's branches that operated prior to this adjustment became financial services centres and assumed the functions that were previously performed by the branches, while the customer service branches became FSC units and assumed the functions that were previously performed by customer service units.

Based on the model used throughout SEB Bankas Group, in 2009 AB SEB bankas started integrating its leasing business activities to ensure the provision of services that best satisfy the needs of customers and allow business administration costs to be reduced. All the leasing services and their administration were transferred from the subsidiary AB "SEB lizingas" to AB SEB bankas in 2013.

At the beginning of 2010, AB SEB bankas transferred all the shares of its subsidiary UAB "SEB gyvybės draudimas" to the company SEB Trygg Liv Holding AB, which belongs to the international SEB Group and is registered in the Kingdom of Sweden. The shares were transferred with a view to

strengthening the management and coordination of life insurance activities in the international SEB Group.

At the beginning of 2010, AB SEB bankas transferred all the shares of its subsidiary UAB “Litectus” to the real estate management company Warehold B.V. of SEB Group. This company received the shares of real estate management companies owned by SEB banks in all three Baltic States. The transfer of the shares was aimed at optimising the management of the real estate of the Group both in the Baltic States and throughout the SEB Group. The activities of UAB “Litectus” in Lithuania did not change after the transfer—the aim of the company remains the assurance of the management, development and sale of real estate which is purchased and disposed of by the Bank and which serves as a guarantee of loan repayment; the name of the company did not change either.

In July 2010, AB SEB bankas completed and launched a new main information system of the Bank, FlexCube, which is used to provide the Bank’s services and to manage business processes. The new system opened new development prospects for the Bank—provided the Bank with an opportunity to implement various customer-targeted novelties in a more flexible manner and to speed up the Bank’s internal processes. The FlexCube system is one of the most advanced and popular systems currently used by financial institutions in 105 countries.

In 2010, AB SEB bankas, together with AB DNB bankas, distributed Lithuanian Government 7-year bonds in euros with a value of LTL 259 million.

In 2010, the principal shareholder of AB SEB bankas, Skandinaviska Enskilda Banken AB (publ), completed the compulsory process of acquiring minority shares that was started in December 2006 and that was aimed at acquiring all the shares of the Bank. At present, 100% of the shares of AB SEB bankas in Lithuania is owned by Skandinaviska Enskilda Banken AB (publ).

On 3 March 2011, AB SEB bankas transferred 100% of the shares of its subsidiary UAB “SEB Enskilda” (legal person code 221949450, registered address Gedimino ave. 12, Vilnius) to the holding company of AB SEB bankas, Skandinaviska Enskilda Banken AB.

In 2011, AB SEB bankas successfully completed the integration of the payment card information system and the Bank’s main information system. Having enhanced its IT systems, the Bank can now offer more opportunities to debit card holders—the Bank’s debit cards were related to bank accounts and now debit card holders can execute the same banking operations as they can execute if they have bank account.

In 2011, AB SEB bankas was the first in the Lithuanian banking market to introduce financial services schemes for private customers for a fixed monthly fee and provided individuals and companies with an opportunity to receive new debit cards by post directly at their home or business address.

At the end of 2011, State Company “Indėlių ir investicijų draudimas” entrusted AB SEB bankas to pay insurance benefits to the former depositors of akcinė bendrovė bankas SNORAS (individuals and companies registered in Vilnius County). By the end of 2011, AB SEB bankas paid out the greatest share—over LTL 3 billion—of insurance benefits to these depositors.

In 2012, the Bank offered its customers new services and financial solutions: AB SEB bankas was the first in Lithuania to offer 24/7 advice by phone (1528) to private individual customers on daily banking issues, also it launched for them a free-of-charge banking service Financial Planner, e-signature and electronic mobile signature, a new payment and loyalty card SEB Mylimiausia MasterCard, started applying a new financial advice model for small and medium enterprises, started offering the Lithuanian Government saving bonds as well as a new financial instrument in the Lithuanian market, namely, structured bonds. In 2012, AB SEB bankas for its customers in the Baltic countries started providing cash management service Baltic Online, presented financial service plans

to corporate customers and expanded possibilities for private individuals who are users of daily financial service plans, proposed private individuals to receive their new debit cards by mail, started communicating with its customers in social media Facebook profile.

In 2013 SEB Bankas Group launched new services and improved the existing ones. AB SEB bankas has fully integrated its leasing services with its banking activities. In the process of the pension system reform, SEB Bankas Group provided its customers with detailed information with the aim to help them decide which further pension saving method to select, also, the Group rolled out a small and medium enterprise advisory campaign. AB SEB bankas upgraded its mobile banking services via the Internet website, offered its customers a possibility to call the bank via Skype. The bank installed cash-in ATMs at each of the 46 customer service sub-branches of the Bank, expanded its network of selfservice areas by opening five new areas, their total number all over Lithuania now being fifteen. AB SEB bankas launched its free-of-charge reminder system for its customers by SMS, e-mail and by its Internet Banking System. In 2013, AB SEB bankas joined such global security programmes as MasterCard Secure Code and Verified by Visa as their member. The Bank offered its customers an overdraft service, and for its customers who have already obtained or intend to obtain a mortgage loan it launched a new insurance service Secure Mortgage. Furthermore, the Bank offered its customers detailed remote financial advisory service that is provided taking into account relevant customer needs, and launched the Bank's software specially adapted for smart Windows Phones.

In 2013, SEB Bankas Group won significant global and local awards: AB SEB bankas received the award of the Best Bank in Lithuania (Euromoney), the Best FX Bank in Lithuania (Global Finance), for the fifth year in a row it was recognised to be the Most Attractive Employee in Lithuania ("Verslo Žinios" and "CV.lt") and for the second year in a row – the Most Desirable Employer in Lithuania ("CV Market").

In the first half of 2014, SEB Bankas Group paid close attention to improvement of the daily banking services that may be used by residents independently and at lower cost compared to the Bank branches. One of the top priorities of SEB Bankas Group in the first-half of the 2014 year was proper preparation for the euro adoption in the year 2015 and related support and assistance to its customers.

In the first six months of the year 2014, SEB Bankas Group has introduced new services and improved its current services. AB SEB bankas has updated its Internet bank for private individuals and corporate customers, which is more tailored for smart devices (smart phones and tablets), thus private individuals and companies will have access to a larger number of the banking services. AB SEB bankas has expanded its network of customer self-service zones in Lithuania operating on a 24-hour-a-day basis and has installed cash withdrawal and acceptance ATMs – in addition to currently operating fifteen self-service zones, four self-service zones in branches and sub-branches of AB SEB bankas (Rokiškio, Šilutės, Kauno Šilainių and Vilniaus Naugarduko) were installed.

In the first six months of 2014, the AB SEB bankas' Group was awarded with significant international and local awards: Global Finance named SEB bankas Lithuania's best bank, Global Finance elected it the best FX Bank/House in Lithuania and Euromoney named AB SEB bankas the best provider of private banking services in Lithuania.

Legal name of the Issuer

AB SEB bankas

Place of registration and registration number of the Issuer

Place of registration: Register of Legal Persons of Republic of Lithuania

Legal person code: 112021238

Date of incorporation of the Issuer

29 November 1990

Registered address and telephone number of the Issuer, legal form of the Issuer, legislation under which the Issuer operates, country of incorporation of the Issuer

Registered address: Gedimino ave. 12, Vilnius, Republic of Lithuania

Telephone: +370 5 268 2800

Legal form: public limited company

Legislation: Republic of Lithuania

Country of incorporation: Republic of Lithuania

Information about any recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency

There were no important events particular to the Bank which are to a material extent relevant to the evaluation of the Bank's solvency.

11. BUSINESS OVERVIEW

11.1. Principal activities

AB SEB bankas is a credit institution operating on the basis of its share capital and holding a licence to engage and is actually engaged in the acceptance of deposits and other repayable funds from market retail participants and in lending these funds. AB SEB bankas also has the right to provide other financial services and assumes the related risks and responsibility. AB SEB bankas and its subsidiaries offer the following services to their customers: bank accounts, deposits, loans, local and international payments, international and local payment cards, acceptance and issue of commercial cheques, currency exchange, cash register operations, safe-keeping, financial brokerage, safe-keeping of securities and accounting of securities, personal automatic/mechanical safe boxes, leasing, pension funds, investment management, funds handling, business consultancy, and other services.

11.2. Information about the Issuer's principal activities stating the main categories of products sold and/or services performed

The scope and dynamics of the activities of AB SEB bankas and SEB Bankas Group is in part described by the following data from the balance sheet and profit (loss) accounts that were prepared in accordance with the International Financial Reporting Standards (IFRS):

LTL million	31 Dec 2012		30 June 2013		31 Dec 2013		30 June 2014	
	SEB Bankas Group	the Bank	SEB Bankas Group	the Bank	SEB Bankas Group	the Bank	SEB Bankas Group	the Bank
Loans	15 637	15 663	15 535	15 562	15 251	15 278	15 211	15 242
Investment	1 113	1 069	1 170	1 126	1 219	1 173	1 168	1 117
Lease receivables	1 503	1 503	1 422	1 422	1 428	1 428	1 375	1 375
Deposits	12 797	12 817	12 249	12 265	13 225	13 246	13 257	13 275
Amounts owed to credit institutions	6 789	6 789	7 329	7 329	7 178	7 178	7 286	7 286
Equity	2 386	2 385	2 484	2 487	2 602	2 600	2 648	2 647
Assets	23 122	23 138	22 778	22 793	23 591	23 607	23 739	23 753

The structure of the income of AB SEB bankas and SEB Bankas Group over the past years was as follows:

LTL million	31 Dec 2012		30 June 2013		31 Dec 2013		30 June 2014	
	SEB Bankas Group	the Bank	SEB Bankas Group	the Bank	SEB Bankas Group	the Bank	SEB Bankas Group	the Bank
Net interest income (loss) after impairment losses	262.7	262.6	114.6	114.4	246.0	245.6	153.1	153.1
Other income before operating expenses, net	251.0	247.8	141.2	142.8	297.0	292.3	136.3	134.1
Result before operating expenses	513.7	510.4	255.8	257.2	543.0	537.9	289.4	287.2
Operating expenses	-347.8	-344.1	-140.0	-137.7	-299.5	-295.7	-120.8	-119.2
Intangible asset write off	-58.5	-58.5	0	0	0	0	0	0
Profit (loss) before profit tax from continues activities	107.4	107.8	115.8	119.5	243.5	242,2	168.6	168.0
Net profit (loss) from continued activities	84.9	87.6	97.5	101.8	212.3	212,3	148.5	148.4

The main indicators describing the activities of AB SEB bankas and SEB Bankas Group are presented in the table below:

SEB Bankas Group				Indicator	the Bank			
31 Dec 2012	30 June 2013	31 Dec 2013	30 June 2014		31 Dec 2012	30 June 2013	31 Dec 2013	30 June 2014
15.17%	15.84%	15.59%	18,67%**	Capital adequacy ratio	13.37%*	13.85%*	15.51%	18.57%**
0.34%	0.85%	0.91%	1.27%	Return on Assets	0.53%*	0.9%*	0.92%	1.27%
3.55%	8.00%	8.50%	11.42%	Return on Equity	5.69%*	8.92%*	8.93%	11.42%
35.76%	33.87%	38.85%	38.92%	Liquidity ratio	35.69%*	33.48%*	38.81%	38.87%
5.50	6.31	13.75	9.62	Earnings per share, LTL	5.67*	6.62*	13.75	9.61
154.52	161.59	168.48	171.50	Book value per share, LTL	154.44*	152.25*	168.39	171.40

*The ratio is calculated not taking into account AB "SEB lizingas" merger

**The ratio is calculated in accordance with the European Parliament and of the European Union Council Regulation (EU) No. 575/2013 part III (in force since 1 January 2014)

The year 2013 saw an improvement in Lithuania's economy. The domestic market was recovering, there were more opportunities to finance companies and private individuals. All this enabled the country's entire banking sector to gain strength.

Audited net profit earned by AB SEB bankas in 2013 was LTL 212.3 million (EUR 61.5 million), and that earned by SEB Bankas Group was LTL 212.3 million (EUR 61.5 million).

In 2013, the SEB Bankas Group's operation was positive: its net profit and assets as well as deposit portfolio increased, its income grew, and its cost/income ratio improved. There was further growth in customer activity using various services of AB SEB bankas contributing to an 8 per cent increase in the SEB Bankas Group's income. In 2013, the amount issued in new loans by the SEB Bankas Group to corporate and private individual customers was LTL 4.6 billion, which is a 12 per cent increase as compared to a relevant period in 2012. SEB Bankas Group was committed to responsible issuance of loans to private individual customers and businesses, to financing promising business projects.

As of 31 December 2013, SEB Bankas Group's equity was worth LTL 2.6 billion (as of 31 December 2012, it was LTL 2.4 billion), which is a 9 per cent increase.

As of 31 December 2013, SEB Bankas Group's assets were LTL 23.6 billion (in 2012 they were LTL 23.1 billion), which is a 2 per cent increase. Over the year 2013, an increase in AB SEB bankas deposit portfolio was from LTL 12.8 billion to LTL 13.2 billion, i. e. 3 per cent.

As of 31 December 2013, net worth of SEB Bankas Group's loan and leasing portfolio was LTL 16.6 billion (in 2012, it was LTL 17.1 billion), which is a 3 per cent decrease.

SEB Bankas Group year 2013 income was LTL 586 million (its year 2012 income was LTL 539 million).

As at the close of 2013, SEB Bankas Group's liquidity ratio was 38.8 per cent (standard requirement being 30 per cent).

Over a year, the number of registered users AB SEB bank's Internet banking system increased by 46 thousand and at the close of the year 2013 it was 1.1 million, which is a 4.3 per cent as compared to the end-of-the-year data in 2012.

In the first half of the year 2014, economic development pace in Lithuania has slightly slowed down mostly due to a decrease in exports. Nevertheless, positive impact on the banking system was made by strengthening local market and revitalising investment process that results in higher demand for credits and other financial services. Future expectations of households and businesses remained positive also due to the economic recovery in the eurozone, and the euro introduction in Lithuania in the year 2015. On the other hand, the local economy growth perspectives will depend on the situation in the Eastern markets, where operating companies face a higher risk resulting from a conflict between Russia and Ukraine.

Unaudited net profit earned over the first half-year of the year 2014 by AB SEB bankas is LTL 148.4 million (EUR 43.0 million) and by SEB Bankas Group is LTL 148.5 million (EUR 43.0 million).

As of 30 June 2014, SEB Bankas Group's equity was LTL 2.6 billion (LTL 2.5 billion as of 30 June 2013), i.e. increased by 6 per cent.

As of 30 June 2014, SEB Bankas Group's assets were LTL 23.7 billion (LTL 22.8 billion as of 30 June 2013), i.e. increased by 4 per cent.

Since 30 June 2014, AB SEB bankas' deposit portfolio went up by 8 per cent, i.e. from LTL 12.2 billion to LTL 13.3 billion as of 30 June 2014.

As of 30 June 2014, net value of SEB Bankas Group's loans and leasing portfolio was LTL 16.6 billion (LTL 16,9 billion as of 30 June 2013), i.e. decreased by 2 per cent.

Over the 1st half 2014, the amount of new loans issued by AB SEB bankas increased up to LTL 2.7 billion as compared to the amount of new loans issued over 1 half of the year 2013, i.e. increased by 3 per cent.

The 1st half 2014 income of SEB Bankas Group was LTL 294 million (LTL 278 million as of 30 June 2013), i.e. increased by 6 per cent.

At the close of June 2014, SEB Bankas Group liquidity ratio was 38.9 per cent (requirement being 30 per cent).

The number of registered SEB Internet Bank users increased by 43 thousand and at the close of the 1st half 2014 was 1.135 million, which is a 4per cent increase year over year. As compared to the data of 30 June 2013, the number of cash transactions at cash-in ATMs increased by 20 per cent, and a drop in of cash transactions at the bank's branches over the same period was 42 per cent. Over a relevant period, an increase in the turnover of payment cards was 5 per cent, and that in the number of POS terminals was 7 per cent.

At the close of the 1st half 2014, AB SEB bankas had 46 customer service branches all over Lithuania. The ATM network offered to AB SEB bankas customers is the largest one in Lithuania and includes ATMs of both AB SEB bankas and DNB bankas, i.e. 550 ATMs.

11.3. Information about new types of activity and/or new products

In 2013, SEB Bankas Group launched new services and improved the existing ones. AB SEB bankas has fully integrated its leasing services with its banking activities. In the process of the pension system reform, SEB Bankas Group provided its customers with detailed information with the aim to help them decide which further pension saving method to select, also, the Group rolled out a small and medium enterprise advisory campaign. AB SEB bankas upgraded its mobile banking services via the Internet website, offered its customers a possibility to call the bank via Skype. The bank installed cash-in ATMs at each of the 46 customer service sub-branches of the bank, expanded its network of

selfservice areas by opening five new areas, their total number all over Lithuania now being fifteen. AB SEB bankas launched its free-of-charge reminder system for its customers by SMS, e-mail and by its Internet Banking System. In 2013, AB SEB bankas joined such global security programmes as MasterCard Secure Code and Verified by Visa as their member. The bank offered its customers an overdraft service, and for its customers who have already obtained or intend to obtain a mortgage loan it launched a new insurance service Secure Mortgage. Furthermore, the bank offered its customers detailed remote financial advisory service that is provided taking into account relevant customer needs, and launched SEB Bank's software specially adapted for smart Windows Phones.

In the first six months of the year 2014, AB SEB bankas has updated its Internet bank for private individuals and corporate customers, which is more tailored for smart devices (smart phones and tablets), thus private individuals and companies will have access to a larger number of the banking services. AB SEB bankas has expanded its network of customer self-service zones in Lithuania operating on a 24-hour-a-day basis and has installed cash withdrawal and acceptance ATMs – in addition to currently operating fifteen self-service zones, four self-service zones in branches and sub-branches of AB SEB bankas (Rokiškio, Šilutės, Kauno Šilainių and Vilniaus Naugarduko) were installed.

11.4. Principal markets

AB SEB bankas provides its services in Lithuania only. In the year 2014, AB SEB bankas Group offered a full-range of banking services to private individuals, corporate customers and finance institutions. As of 30 June 2014, AB SEB bankas and two companies: UAB "SEB investicijų valdymas", UAB "SEB Venture Capital" were the members of the Group in Lithuania. On 30 June 2014, AB SEB bankas had 46 customer service branches all over Lithuania.

11.5. The basis for any statements made by the Issuer regarding its competitive position

Currently, 7 commercial banks holding a license from the Bank of Lithuania, 8 foreign bank branches, 2 foreign banks representative offices, 280 EU banks providing cross-border services in the Republic of Lithuania without a branch operating in the country.

AB SEB bankas is one of the three largest commercial banks in Lithuania. The main competitors of the Bank are "Swedbank" AB and AB DNB banks.

The results of operation of AB SEB bankas and its main competitors as of 31 December 2013 and 30 June 2014 are presented in the table below.

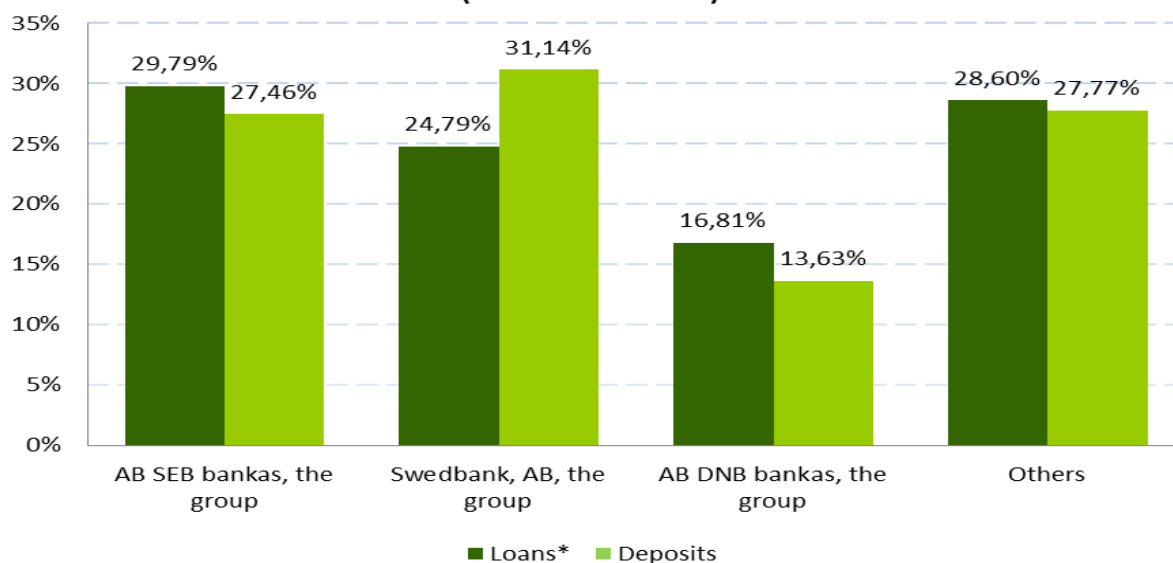
	AB SEB bankas (LTL million)		"Swedbank" AB (LTL million)		AB DNB bankas (LTL million)	
	31 Dec 2013	30 June 2014	31 Dec 2013	30 June 2014	31 Dec 2013	30 June 2014
Assets	23 607	23 753	19 418	19 647	12 037	12 385
Net profit (loss)	212,3	148,4	563,5	175,9	57,1	27,7
Loans provided to customers	15 192	16 595*	13 372	13 811*	9 357	9 366*
Deposits	13 246	13 260*	14 925	15 035*	6 244	6 582*
Debt securities issued	118	83	265	283	13	8

*Bank Group data

Sources: websites of the Association of Lithuanian Banks, AB SEB bankas, AB DNB bankas, and "Swedbank" AB

Market share of AB SEB bankas and its main competitors as of 30 June 2014 by individual product groups are shown below.

**Lithuanian loans, deposits market shares
(as of 30 June 2014)**



*Loans issued to customers (excluding spec. reserves (provisions), administration fee, including accrued interest)

Source: Association of Lithuanian Banks

Information about the activities of banks and about the supervision of these institutions in Lithuania in 2013 and in the 1st half-year of 2014 is presented below (source: Bank of Lithuania).

In 2013 the operations of the banking sector were profitable, banks were well capitalized and held a sufficient liquidity buffer. The year was distinguished for the dynamics of market participants: AB Ūkio bankas went bankrupt, AS UniCredit Bank Lithuania branch discontinued operations and Pohjola Bank Plc Lithuania branch began operating.

Dynamics of the key indicators in the banking sector

	Indicator	Amount as of 01-01-2013 LTL millions	Amount as of 01-10-2013 LTL millions	Amount as of 01-01-2014 LTL millions	Change in Q4 2013 %	Change in 2013 %
1.	Assets	75,323.0	76,468.1	77,578.1	1.5	3.0
2.	Debt securities	5,187.7	6,297.1	7,877.7	25.1	51.9
3.	Leasing	3,435.3	3,482.8	3,489.9	0.2	1.6
4.	Loans granted to customers	50,811.0	51,741.2	51,015.9	-1.4	0.4
4.1.	to private enterprises	24,333.0	24,304.6	23,575.0	-3.0	-3.1
4.2.	to financial institutions	404.5	421.1	481.0	14.2	18.9
4.3.	to natural persons	22,810.4	22,831.1	22,802.0	-0.1	0.0
4.3.1.	Housing loans	19,246.8	19,309.3	19,375.5	0.3	0.7
5.	Loan impairment	2,994.3	2,419.4	2,212.4	-8.6	-26.1
5.1.	Loan impairment to granted loans ratio, %	5.6	4.5	4.2	-	-
6.	Deposits and letters of credit	43,586.0	46,108.5	47,604.5	3.2	9.2
6.1.	of private enterprises	14,840.5	14,855.3	16,062.1	8.1	8.2
6.2.	of financial institutions	1,041.0	792.7	803.6	1.4	-22.8
6.3.	of natural persons	24,379.9	26,669.2	28,038.4	5.1	15.0
7.	Shareholders' equity	7,401.0	7,854.3	8,029.6	2.2	8.5
8.	Profit (loss) for current year	715.2	605.0	785.7	-	-

As of 1 January 2014, the assets of the banking system amounted to LTL 77.6 billion. Most of the assets (LTL 51 billion) consisted of loans granted to customers; however, as the assets did not grow significantly during the year, the volume of the banks' liquid assets expanded. In 2013, banks' funds with the Bank of Lithuania grew by 13 per cent – to LTL 5 billion, investment in the securities of the

Government of the Republic of Lithuania increased by 34 per cent over a year — to LTL 4.5 billion. Investment in the debt securities of the governments of EU countries also increased by almost four times over the year — to LTL 0.8 billion. Investment in the debt securities of banks in the EU rose by 14 per cent over the year — to LTL 1.4 billion. As of 1 January 2014, total liquid assets accounted for as much as 27 per cent of the banking system's assets.

The bulk of bank's liabilities (LTL 47.6 billion) consisted of customer deposits attracted by banks in Lithuania. Despite the prevailing low interest rate environment, the volumes of deposits with banks expanded in 2013. In 2014, additional preconditions for growth in deposits may arise: prior to the adoption of the euro, residents may be inclined to transfer their funds held at home to banks in order to avoid currency exchange related trouble.

With growth in deposits in 2013, banks reduced their indebtedness to parent banks: these liabilities contracted by almost LTL 1 billion over the year and as of 1 January 2014 stood at LTL 19.1 billion. As of 1 January 2014, the net indebtedness to parent banks (the differential between the liabilities to parent banks and funds with them) amounted to LTL 13.1 billion.

In the first half-year of 2014 positive trends dominated in the banking sector: banks operated profitably, in the second quarter the deposits of residents went up, the loan portfolio slightly increased.

Banks' loan portfolio

The loan portfolio of banks operating in Lithuania did not change significantly in 2013. As of 1 January 2014, the loans granted by the banks amounted to LTL 51 billion. As compared to the beginning of 2013, the loan portfolio was larger by 0.4 per cent. It did not expand more, because the flow of new loans being granted was not significantly larger than the flow of earlier granted loans being repaid. The loan portfolio changes were due to several large single transactions; in the future, however, favourable conditions for the growth of the loan portfolio will be created by moderate growth of the domestic economy, the increasing use of enterprises' industrial capacities.

The improving financial standing of borrowers, completion of recovery procedures that were initiated as early as in the crisis years, write-off of non-performing loans and new crediting directed to clients with low risk profile led to an improvement in the loan portfolio quality indicators. The rate of specific provisions to the loan portfolio decreased by 1.4 percentage points over a year — to 4.2 per cent; the loan portfolio share of depreciated loans contracted by 2.9 percentage points — to 8.5 per cent, while the indicator of non-performing loans declined by 2.6 percentage points — to 11 per cent. In 2010, when the indicators defining the quality of the loan portfolio had recorded the highest values, the indicator of non-performing loans was 19.4 per cent, while specific provisions accounted for 8.4 per cent of the loan portfolio.

Having decreased in Q1 this year, the banks' loan portfolio (on a net basis) increased in the second quarter by almost LTL 601 million (or 1.2%) and as of 1 July 2014 amounted to LTL 51 billion. The leasing portfolio (on a net basis) also grew by LTL 50.4 million (1.5%) — to LTL 3.5 billion. All of the loan portfolio (on a net basis) segments increased, but the greatest influence came from loans to private enterprises (especially the sectors providing electricity, gas and water) and housing loans to residents. The loan portfolio of business undertakings (on a net basis) increased by LTL 357 million, or 1.5 per cent, while the housing loan portfolio (on a net basis) — by LTL 144 million, or 0.7 per cent. With the country's economic development remaining stable, as well as the banks ending the loan restructuring and recovery procedures begun during the crisis, the indicators defining the quality of the portfolio in all of the loan portfolio segments and continue to show improvement trends. During the second quarter in the banking system's loan portfolio both the share of non-performing loans (0.9 p.p — to 9.6%) and the loan impairment indicator (0.4 p.p. — to 3.7%) continued to decrease. The share

of non-performing loans in the housing loan portfolio decreased over the quarter by 0.3 p.p. (to 6.5%), while in the consumer finance loans — by 1 p.p. (to 11%).

The banking system's loan portfolio is impacted also by the international political environment. In the assessment by the market participants themselves, the impact of the sanctions announced by Russia on the ability of customers to fulfil their assumed obligations to banks is insignificant. According to banks' analysts, the food product import sanctions by Russia will affect a limited number of fields of business — food product transporters, dairies and part of the beef cattle growers and processors, as well as vegetable growers and some customers that have close ties with Russian residents. The total balance of liabilities in the enterprises operating in these economic sectors amounts about 6 per cent of the business loan portfolio. However, it should be noted that large credit losses are not expected, as some enterprises have opportunities to refocus their fields of activities, others have a smaller financial leverage (than before the earlier crisis) and decreased scope of activity, while even other enterprises have sufficient collateral positions.

Recently, a lot of attention has been paid by the European Central Bank (ECB) to the loan portfolio quality. The single supervisory mechanism began to operate from 4 November 2014 and it began to carry out banking supervision. Together with the supervisory authorities of the euro area banks, in all 18 countries of the euro area asset quality review was performed, and its results were published in October 2014. As Lithuania integrates into the euro area, the Bank of Lithuania also performed this ECB task, as in the euro area countries. The results confirm that three largest banks operating in Lithuania — AB SEB bankas, „Swedbank“, AB and AB DNB bankas — have very solid capital buffers and assess risks conservatively enough. Having assessed the assets of the inspected banks, it was ascertained that their capital adequacy ratios at the beginning of this year significantly exceeded the minimum 8 per cent requirement: capital adequacy ratio of AB SEB bankas amounted to 14.87 per cent, „Swedbank“ AB — 22.39 per cent and AB DNB bankas — 16.34 per cent. Stress testing also revealed that banks would be able to withstand significant shocks. Even in the adverse scenario the banks' capital adequacy ratios would exceed by more than two times the required minimum capital adequacy ratio. The newest data shows that all of the banks operating in Lithuania comply, with a reserve, with the capital adequacy requirements, while Lithuania's financial system is well-prepared to withstand adverse shocks.

Profitability and efficiency of operations

In 2013, the profits earned by banks and foreign bank branches operating in the country amounted to LTL 785.7 million, LTL 70.5 million, or 9.9 per cent above the figure for 2012.

Net interest income — the most significant income for banks — has been declining for several consecutive years already. Although in 2013 the decline in this income was not significant (LTL 16 million), one should take into account the fact that, with the banking system's loan portfolio basically unchanged in 2013, last year the banks' interest income from their loan portfolio declined by even LTL 406.2 million (16.7%). Thus banks only managed to avoid a somewhat greater decline in their net interest income by cutting interest income by LTL 390.3 million. As the banks' interest on liabilities in 2013 reached the historically lowest level (1.19%), the possibilities to cut the current interest expenditure still more (and to maintain net interest income stable) have been almost explored.

The indicators defining banks' operating efficiency, due to banks' higher profits, improved somewhat from 2012: the indicator of the banking sector's annual return on equity was 8.9 per cent and did not stand out on an EU scale. Banks' net interest margin, which shows the differential between the interest that banks receive on invested assets and the interest they pay to their creditors, in 2013 actually remained unchanged and, standing at 1.5 per cent, was lower than in 2011 and 2012. The

expenses to income ratio defining banks' operating efficiency also remained unchanged and stood at 56.5 per cent.

In the first half-year of 2014, banks and foreign bank branches earned LTL 454.6 million – 17.1 per cent more than in the first half-year of 2013. This change was most affected by increasing net interest income and net services and commission income, as well as the decision of the Administrative Court of Lithuania to terminate the December 2012 Decision of the Competition Council of the Republic of Lithuania, according to which three banks were fined LTL 47.7 million for violating the Republic of Lithuania Law on Competition. According to the International Financial Reporting Standards, banks included these fines in their 2012 expenditure; therefore, after the court's decision these expenses were eliminated.

Already this year the banking activity results will be impacted by the euro adoption and it is expected that in 2014 banks should experience about LTL 100 million in expenses directly related to the euro adoption, while it is later projected that bank's income will decrease by about LTL 110 million (banks will lose part of their income related to currency exchange operations).

Due to the increased banking activity income, the banking activity efficiency indicators were slightly larger than in the respective period in 2013: the banking sector's return on equity indicator totalled 10 per cent (a year ago – 8.7 per cent), return on assets indicator – 1.17 per cent (a year ago – 1.01%). These indicators are better than the averages of the 45 biggest banks in the countries of the European Union (7.5% and 0.4%, respectively). Net interest margin of banks, showing the difference between interest rates received by banks for their invested assets and interest rates paid to creditors, increased by 0.1 per cent (to 1.53%).

Compliance with prudential requirements

As of 1 January 2014, all banks complied with prudential requirements for banking activities; moreover, according to preliminary estimates, they would also comply with new capital adequacy and liquidity ratios, the application of which is provided for in Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms.

The banking sector was characterised by high capital adequacy levels. Based on 1 January 2014 data, capital adequacy in the banking system was 17.6 per cent, almost 2 p.p. higher than based on 1 January 2013 data. The improvement of this ratio was mainly due to the inclusion by banks of the audited profits for 2012 in the capital base. In spite of the high capitalization of the banking system, strengthening of the capital base remains relevant to smaller banks.

The liquidity ratio as of 1 January 2014 was 41.2 per cent, 10 p. p. above the requirement. In addition, the banking sector had sufficient liquidity reserve to fill the financing gap (almost two times above the requirement).

As of 1 January 2014, the banking sector's maximum open position in foreign currencies and precious metals requirement was 0.4 per cent.

With the coming into force of the Capital Requirements Directive of the European Parliament and of the Council and the Regulation from the beginning of the year 2014, the regulatory environment for banking activities has changed substantially all over the European Union. The regulation is of direct applicability to all Member States and it establishes uniform supervisory requirements for banks operating in them. Despite the fact that compared to the previous banking activity regulation the new one is more strict, the prudential ratios for banks operating in Lithuania, as was expected, significantly exceeded the minimum levels: on 1 July the bank's capital adequacy ratio amounted to 20.4 per cent (required – 8%), the liquidity coverage ratio (LCR) and the net stable funding (NSFR) ratios were, respectively, 436 per cent and 1.5 times (required – 100% and 1 time, respectively).

Credit Unions

As of 1 July 2014, along with the banks in the credit market, 74 credit unions operated in Lithuania, with their total membership of over 145.6 thousand. 63 credit unions were members of the Lithuanian Central Credit Union (LCCU), 11 were not its members.

After declining marginally in Q2 2014 (by 3.6% as compared to 1 July 2013 data), the assets of credit unions amounted to almost LTL 2 billion and accounted for 2.5 per cent of the assets of the system of operating banks on 1 July 2014 (2.7% a year ago). Loans granted to members represented the largest share (46.8%) of credit union assets. The loan portfolio increased by 4.5 per cent in Q2 2014 and amounted to LTL 915.6 million on 1 July 2014.

Payments market

Banks control the biggest share of Lithuania's payments market. All seven commercial banks holding a banking license from the Bank of Lithuania and most foreign bank branches provided payment services at the end of 2013. For businesses and private persons, banks provided access to nearly 8 million payment accounts, of which 70 per cent can be managed online.

Payment and e-money institutions compete with banks in this area. Payment institutions were allowed to provide payment services from 2009 and e-money institutions – from 2012. On 1 January 2014, there were thirty two payment institutions and two e-money institutions registered. Payment institutions controlled around 12 per cent of the payments market.

However, the share of credit unions, incumbents of the payments market, has remained limited. Credit unions usually provide the most popular types of payment services (credit transfers, issuance and management of payment cards, collecting payments for various services) to their members. Their operations are limited to a certain territory, so their attempts to offer more intense competition to banks and payment institutions are hardly noticeable. In 2013, members of credit unions executed only 0.6 per cent of total credit transfers and service payments in the country.

12. ORGANISATIONAL STRUCTURE

12.1. Information about the position of the Issuer within the group it belongs to

On 30 June 2014, the SEB Bankas Group in Lithuania (hereinafter the 'Group') consisted of AB SEB bankas and two subsidiary companies: UAB "SEB investicijų valdymas" and UAB "SEB Venture Capital".

On 23 November 2013, AB "SEB lizingas", wholly owned by AB SEB bankas, was merged to AB SEB bankas in a manner established under Item 3 of Article 2.97 of the Civil Code of the Republic of Lithuania and under Item 1 of Article 70 of the Company Law of the Republic of Lithuania. AB "SEB lizingas" as a legal entity was deregistered from the Register of Legal Persons of the Republic of Lithuania on 28 November 2013 (the last financial statements of AB "SEB lizingas" is provided alongside with the annual financial reporting for the year 2013).

The key information about the subsidiaries of the Bank as of 30 June 2014 is presented below.

Name	UAB "SEB Venture Capital"
Type of core activities	Own asset investment into other companies' equity and asset management on trust basis
Legal form	Private limited company
Registration date and place	16 October 1997, Vilnius
Legal person code	124186219

Registered address	Gedimino ave. 12, LT-01103 Vilnius
Office address	Jogailos str. 10, LT-01116 Vilnius
Telephone	(8 5) 2682 407
Fax	(8 5) 2682 402
E-mail address	kapitalas@seb.lt
Website address	www.seb.lt
Name	
	UAB "SEB investicijų valdymas"
Type of core activities	Various investment management services, consultancy services
Legal form	Private limited company
Registration date and place	3 May 2000, Vilnius
Legal person code	125277981
Registered address	Gedimino ave. 12, LT-01103 Vilnius
Office address	Olimpiečių str. 1, LT-09235 Vilnius
Telephone	(8 5) 2681 594
Fax	(8 5) 2681 575
E-mail address	info.invest@seb.lt
Website address	www.seb.lt

12.2. Information about the nature of the Issuer's dependency upon the group

Skandinaviska Enskilda Banken AB (publ) which as of 30 June 2013 controlled 100% of the shares of AB SEB bankas, is a Northern European group of financial companies. As a bank retaining long-term relations with its customers, Skandinaviska Enskilda Banken AB (publ) provides consultancy to customers in Sweden and in the Baltic States on issues of finance and provides customers with multifaceted financial services. The main fields of activities of the banks belonging to SEB Group and operating in Denmark, Finland, Norway and Germany include corporate and investment banking services for corporate customers and institutions.

13. TREND INFORMATION

13.1. Information about material adverse change in the prospects of the Issuer since the date of its last published audited financial statements

No material adverse change has occurred since the date of the last published audited financial statements and until the date of submission of the Base Prospectus to the Bank of Lithuania.

13.2. Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for at least the current financial year

No information on any trends, uncertainties, demands, commitments or significant events that are likely to have a material effect on the Bank's prospects was known of on the date of submission of the Base Prospectus to the Bank of Lithuania.

14. PROFIT FORECASTS OR ESTIMATES

The profit forecasts prepared by the Bank are not evaluated by any independent accountants or auditors and they are not published, for which reason they are not presented in the Base Prospectus.

15. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

15.1. *The Issuer's bodies*

The articles of association of AB SEB bankas establish that the bodies of the Bank are as follows:

- The General Meeting of Shareholders of the Bank (hereinafter the "Meeting")
- The Supervisory Council of the Bank (hereinafter the "Council")
- The Board of the Bank (hereinafter the "Board")
- Head of the Bank's administration (president) (hereinafter the "President").

The competence of the Meeting and shareholders' rights and their exercising are provided for by the laws of the Republic of Lithuania.

The Board and the President are the Bank's management bodies.

The Council is a collegiate supervisory body carrying out the function of supervision over the Bank's activities. The Council consisting of 5 members is elected by the Meeting. The Council elects the Board members and revokes them from their positions, supervises over the activities of the Board and the President and has other rights and duties attributed to its competence by acts of law of the Republic of Lithuania and the articles of association of the Bank.

The Board is a collegiate management body of the Bank, consisting of 5 members and is elected by the Council. The Board manages the Bank, handles its daily matters, represents the Bank's interests and is liable for the financial services of the Bank as prescribed by law. The Board elects (appoints) and revokes the President and his deputies and has other rights and duties attributed to its competence by acts of law of the Republic of Lithuania and the articles of association of the Bank. Individual members of the Board have no powers granted to them as members of the Board, they act jointly as a collegiate body and separately as directors of relevant divisions of AB SEB bankas.

The President acts in the name of the Bank, organizes the Bank's day-to-day activities and has other functions attributed to his competence by laws of the Republic of Lithuania and the articles of association of the Bank.

THE COUNCIL OF THE BANK (as of 30 June 2014)

KNUT JONAS MARTIN JOHANSSON

Head of Business Support Division of Swedish bank SEB. Education: university degree, specialisation – economics. No shares of the Bank are held by the Member.

Member of the Council elected by an extraordinary meeting of shareholders of AB SEB bankas held on 29 October 2009, Chairman of the Council since 13 November 2009.

An extraordinary meeting of shareholders held on 29 October 2013 re-elected him for a new tenure. On 13 November 2009 he was elected Chairman of the Council, on 14 November 2013 he was re-elected Chairman of the Council.

MARK BARRY PAYNE

Head of Finance of SEB Baltic Division. Education: university degree, specialisation – economics. No shares of the Bank are held by the Member.

Member of the Council elected by an extraordinary meeting of shareholders of AB SEB bankas held on 29 October 2009. An extraordinary meeting of shareholders held on 29 October 2013 re-elected him for a new tenure.

DAVID BAMFORTH TEARE

Head of Baltic Division. Education: university degree, specialisation – economics. No shares of the Bank are held by the Member.

Member of the Council elected by an extraordinary meeting of shareholders of AB SEB bankas held on 29 October 2013.

STEFAN STIGNÄS

Head of Retail Banking, SEB Baltic Division. Education: university degree, specialisation – economics. No shares of the Bank are held by the Member.

Member of the Council elected by an extraordinary meeting of shareholders of AB SEB bankas held on 29 October 2009. An extraordinary meeting of shareholders held on 29 October 2013 re-elected him for a new tenure.

TED TONY KYLBERG

Head of Procurement and Vendor Management of SEB Business Support Division. Education: university degree, specialisation – law. No shares of the Bank are held by the Member.

Member of the Council elected by a Meeting of shareholders of AB SEB bankas held on 25 March 2010. An extraordinary meeting of shareholders held on 29 October 2013 re-elected him for a new tenure.

The tenure of all members of the Council expires on 29 October 2017.

THE BOARD OF THE BANK (as of 30 June 2014)**RAIMONDAS KVEDARAS**

Chairman of the Board and President of AB SEB bankas since 19 October 2009. Elected to the Board as its Member of on 4 February 2004. Education: higher, specialisation – international finance. No shares of the Bank are held by the Member.

AIVARAS ČIČELIS

Vice President and Head of Corporate Banking Division of AB SEB bankas. Member of the Board since 19 October 2009. Education: higher, specialisation – economics. No shares of the Bank are held by the Member.

ROBERTS BERNIS

Vice President and Head of Credit and Risk Management Division of AB SEB bankas. Member of the Board since 19 October 2009. Education: higher, specialisation – engineering. No shares of the Bank are held by the Member.

VIRGINIJUS DOVEIKA

Vice President and Head of Retail Banking Division of AB SEB bankas. Elected to the Board as its member on 14 June 2010. Education: higher, specialisation – business administration and management. No shares of the Bank are held by the Member.

JONAS IRŽIKEVIČIUS

Vice President and Head of Business Support Division and Chief Financial Officer of AB SEB bankas. Member of the Board since 11 April 2011. Education: higher, specialisation – business administration. No shares of the Bank are held by the Member.

The tenure of all members of the Board expires on 7 February 2016 (on 8 February 2012, the Council of the Bank took a decision to re-elect the Board of the Bank for a new four-year tenure).

CHIEF EXECUTIVE OFFICER

RAIMONDAS KVEDARAS – Chairman of the Board and President of AB SEB bankas since 19 October 2009. Elected to the Board as its member on 4 February 2004.

CHIEF FINANCIAL OFFICER

JONAS IRŽIKEVIČIUS – Vice President and Head of Business Support Division and Chief Financial Officer of AB SEB bankas. Member of the Board and Chief Financial Officer since 11 April 2011.

The members of management bodies of AB SEB bankas have not been convicted for any crimes to property, economic order, and/or finance.

15.2. Administrative, management and supervisory bodies conflicts of interests

There are no administrative, management and supervisory bodies conflicts of interest between any duties with regard to the Bank and their private interests and/or any other duties.

16. MAJOR SHAREHOLDERS

16.1. Information on whether the Issuer is directly or indirectly owned or controlled and by whom, description of the nature of such control, and description of the measures in place to ensure that such control is not abused

The authorised capital of the Bank registered with the Register of Legal Persons is LTL 1,034,575,341 (one billion, thirty-four million, five hundred seventy-five thousand, three hundred and forty-one). The authorised capital of the Bank is divided into 15,441,423 (fifteen million, four hundred forty-one thousand, four hundred and twenty-three) ordinary registered shares with a nominal value of LTL 67 (sixty-seven) per share. All shares of the Bank are paid up and are not subject to any restrictions in terms of securities assignment. No restrictions on the Bank's shares with regard to voting rights have been imposed, also, no special control rights as per paragraph 5 of Item 3 of Article 25 of the Law of the Republic of Lithuania on Financial Statements of Entities have been established.

On 19 November 2010, the squeeze-out procedure of AB SEB bankas shares was finalized. As of June 30, 2014 a 100 % stake in AB SEB bankas represented by its 15,441,423 ordinary registered shares is owned by bank Skandinaviska Enskilda Banken AB (publ) registered with the Enterprise Register of Sweden, its legal form: a public limited company, legal entity number: 502032-9081, domicile address: Kungsträdgårdsgatan 8, Stockholm, the Kingdom of Sweden.

16.2. Description of any arrangements, known to the Issuer, the operation of which may at a subsequent date result in a change in control of the Issuer

AB SEB bankas is not aware of any such arrangements.

17. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES

17.1. *Historical financial information*

The financial information of AB SEB bankas and SEB Bankas Group is prepared in accordance with the International Financial Reporting Standards. The financial statements of the Bank and the Group for the years ended on 31 December 2012 and 31 December 2013—more precisely, their reports on the financial position, profit (loss) accounts, income statements, reports on changes in equity, and cash flow statements have been audited. Investors can familiarise themselves with the aforementioned financial information (which is also detailed below) by visiting the Bank's website www.seb.lt, the Markets Department of AB SEB bankas (J. Balčikonio g. 7, Vilnius), and other branch offices of AB SEB bankas (at the addresses specified in the Final Terms). Information, which the Bank must publish pursuant to legislation regulating the securities market, is also stored in the Central Storage Facility at www.crib.lt.

AB SEB bankas had 2 subsidiaries - UAB "SEB investicijų valdymas" and UAB "SEB Venture Capital. The Bank and its subsidiaries thereafter are referred to as the Group.

STATEMENT OF FINANCIAL POSITION
AS OF 31 DECEMBER 2013
 (All amounts in LTL thousand unless otherwise stated)

The Group			The Bank	
2013	2012 (restated)	Note	2013	2012 (restated)
Assets				
418,136	443,393		418,136	443,393
935,323	1,002,933	16	935,323	1,002,933
3,691,046	2,666,929	17	3,691,046	2,666,929
59,895	60,900	18	59,228	60,234
953,982	651,603	19	909,613	608,544
259,288	326,230	20, 46	259,288	326,230
86,077	6,242	21, 46	86,077	6,242
15,164,544	15,630,514	7, 22, 46	15,191,785	15,656,472
1,428,253	1,502,759	23	1,428,394	1,502,919
Investment securities:				
191,126	386,010	24	191,126	386,010
200	200	24	200	200
13,302	13,812	24	13,302	13,812
-	-	25	34,900	34,900
48,239	58,260	26	48,239	58,260
24,643	22,645	27	24,469	22,451
-	375		-	375
3,924	23,686	42	3,924	23,686
14,047	14,232	28	14,047	14,232
167,633	197,753	14, 46	167,600	197,706
131,288	113,842	29	130,295	112,083
23,590,946	23,122,318		23,606,992	23,137,611
Liabilities				
33	37		33	37
7,177,824	6,789,296	30	7,177,824	6,789,296
270,943	380,892	20, 46	270,943	380,892
13,224,857	12,797,100	31	13,245,685	12,816,617
51,822	61,181	33	50,778	59,964
2,135	1,316		-	-
117,556	561,016	32	117,556	561,016
144,249	145,409	33	143,996	145,070
20,989,419	20,736,247		21,006,815	20,752,892
Equity				
Equity attributable to owners of the Bank				
1,034,575	1,034,575	34	1,034,575	1,034,575
2,200	2,200		2,200	2,200
(2,550)	(4,098)		(2,550)	(4,098)
289,202	239,612		287,327	237,737
15,731	14,132		15,731	14,132
1,262,369	1,099,650	46	1,262,894	1,100,173
2,601,527	2,386,071		2,600,177	2,384,719
-	-		-	-
2,601,527	2,386,071		2,600,177	2,384,719
23,590,946	23,122,318		23,606,992	23,137,611
Total liabilities and equity				

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2013
(All amounts in LTL thousand unless otherwise stated)

The Group			The Bank		
2013	2012 (restated)		Note	2013	2012 (restated)
470,985	623,735	Interest income		470,505	623,745
(182,245)	(335,802)	Interest expenses		(182,262)	(335,879)
288,740	287,933	Net interest income	6	288,243	287,866
(80,673)	(55,031)	Impairment (losses)/ reversals on loans	7	(80,673)	(55,031)
33,415	27,412	Impairment reversals on lease portfolio	7	33,415	27,412
4,567	2,380	Provisions, reversals for guarantees and other off balance sheet items		4,567	2,380
(42,691)	(25,239)	Total impairment (losses), reversals		(42,691)	(25,239)
246,049	262,694	Net interest income after impairment losses		245,552	262,627
264,799	251,454	Fee and commission income	8	251,656	238,579
(67,653)	(66,806)	Fee and commission expenses	8	(66,855)	(66,271)
197,146	184,648	Net fee and commission income		184,801	172,308
23,406	(7,152)	Net gains (loss) on operations with debt securities and derivative financial instruments	10	23,183	(7,031)
(1,073)	(859)	Net loss on investment securities		(1,073)	(859)
-	-	Dividend income from subsidiaries	9	7,351	8,344
71,303	67,833	Net foreign exchange gain	11	71,357	67,836
6,171	6,492	Other income, net		6,666	7,197
99,807	66,314	Net investment activities		107,484	75,487
(129,141)	(141,720)	Staff costs	12	(126,813)	(139,477)
(170,332)	(264,563)	Other administrative expenses	13	(168,879)	(263,083)
243,529	107,373	Operating profit		242,145	107,862
243,529	107,373	Profit before income tax		242,145	107,862
(31,220)	(22,514)	Income tax expenses	14	(29,834)	(20,285)
212,309	84,859	Net profit for the year		212,311	87,577
		Attributable to:			
212,309	84,859	Owners of the Bank		212,311	87,577
-	-	Non controlling interest		-	-
212,309	84,859			212,311	87,577

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2013
 (All amounts in LTL thousand unless otherwise stated)

The Group			The Bank	
2013	2012 (restated)		2013	2012 (restated)
212,309	84,859	Net profit for the year	212,311	87,577
		<i>Items that may subsequently be reclassified to the income statement:</i>		
1,565	5,184	Net gain on available for sale assets	1,565	5,184
		Amortisation of financial assets revaluation reserve		
256	1,450	of reclassified financial assets	256	1,450
		Income tax relating to the components of other		
(273)	(995)	comprehensive income	(273)	(995)
-	-	<i>Items that will not be reclassified to the income statement:</i>	-	-
1,548	5,639	Total other comprehensive income	1,548	5,639
213,857	90,498	Total comprehensive income	213,859	93,216
		Attributable to:		
213,857	90,498	Owners of the Bank	213,859	93,216
-	-	Non controlling interest	-	-
213,857	90,498		213,859	93,216

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2013
(All amounts in LTL thousand unless otherwise stated)

Equity attributable to owners of the Bank										
The Group	Note	Share capital	Reserve capital	Financial assets revaluation reserve (deficit)	Legal reserve	General and other reserves	Retained earnings	Total before noncontrolling interest	Non controlling interest	Total Equity
31 December 2011		1,034,575	2,200	(9,737)	194,708	12,497	1,096,516	2,330,759	-	2,330,759
Impairment of homogenous loans	46	-	-	-	-	-	(9,599)	(9,599)	-	(9,599)
Adjusted balance as of 31 December 2011		1,034,575	2,200	(9,737)	194,708	12,497	1,086,917	2,321,160	-	2,321,160
Net change in available for sale investments, net of deferred tax		-	-	4,189	-	-	-	4,189	-	4,189
Amortisation of financial assets revaluation reserve of reclassified financial assets		-	-	1,450	-	-	-	1,450	-	1,450
Net profit for the year		-	-	-	-	-	84,859	84,859	-	84,859
<i>Total comprehensive income</i>		-	-	5,639	-	-	84,859	90,498	-	90,498
Other movements		-	-	-	(711)	-	711	-	-	-
Share-based compensation		-	-	-	-	1,635	-	1,635	-	1,635
Transfers to reserves		-	-	-	45,615	-	(45,615)	-	-	-
31 December 2012		1,034,575	2,200	(4,098)	239,612	14,132	1,126,872	2,413,293	-	2,413,293
Change in fair value measurement of financial assets	46	-	-	-	-	-	(27,222)	(27,222)	-	(27,222)
Adjusted balance as of 31 December 2012		1,034,575	2,200	(4,098)	239,612	14,132	1,099,650	2,386,071	-	2,386,071
Net change in available for sale investments, net of deferred tax	34	-	-	1,292	-	-	-	1,292	-	1,292
Amortisation of financial assets revaluation reserve of reclassified financial assets	34	-	-	256	-	-	-	256	-	256
Net profit for the year		-	-	-	-	-	212,309	212,309	-	212,309
<i>Total comprehensive income</i>		-	-	1,548	-	-	212,309	213,857	-	213,857
Other movements		-	-	-	-	-	-	-	-	-
Share-based compensation		-	-	-	-	1,599	-	1,599	-	1,599
Transfers to reserves		-	-	-	49,590	-	(49,590)	-	-	-
31 December 2013		1,034,575	2,200	(2,550)	289,202	15,731	1,262,369	2,601,527	-	2,601,527

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2013
 (All amounts in LTL thousand unless otherwise stated)

The Bank	Note	Share capital	Reserve capital	Financial assets revaluation reserve (deficit)	Legal reserve	General and other reserves	Retained earnings	Total Equity
31 December 2011		1,034,575	2,200	(9,737)	191,184	12,497	911,059	2,141,778
Effect of merger with subsidiary	25	-	-	-	1,000	-	183,911	184,911
Impairment of homogenous loans	46	-	-	-	-	-	(9,599)	(9,599)
Adjusted balance as of 31 December 2011		1,034,575	2,200	(9,737)	192,184	12,497	1,085,371	2,317,090
Net change in available for sale investments, net of deferred tax		-	-	4,189	-	-	-	4,189
Amortisation of financial assets revaluation reserve of reclassified financial assets		-	-	1,450	-	-	-	1,450
Net profit for the year		-	-	-	-	-	87,577	87,577
<i>Total comprehensive income</i>		-	-	5,639	-	-	87,577	93,216
Share-based compensation		-	-	-	-	1,635	-	1,635
Transfers to reserves		-	-	-	45,553	-	(45,553)	-
31 December 2012		1,034,575	2,200	(4,098)	237,737	14,132	1,127,395	2,411,941
Change in fair value measurement of financial assets	46	-	-	-	-	-	(27,222)	(27,222)
Adjusted balance as of 31 December 2012		1,034,575	2,200	(4,098)	237,737	14,132	1,100,173	2,384,719
Net change in available for sale investments, net of deferred tax	34	-	-	1,292	-	-	-	1,292
Amortisation of financial assets revaluation reserve of reclassified financial assets	34	-	-	256	-	-	-	256
Net profit for the year		-	-	-	-	-	212,311	212,311
<i>Total comprehensive income</i>		-	-	1,548	-	-	212,311	213,859
Share-based compensation		-	-	-	-	1,599	-	1,599
Transfers to reserves		-	-	-	49,590	-	(49,590)	-
31 December 2013		1,034,575	2,200	(2,550)	287,327	15,731	1,262,894	2,600,177

17.2. The Issuer's accounting policies and explanatory notes

The main accounting policies are described in the notes to the financial statements of AB SEB bankas for the year 2012 and 2013. Complete audited financial statements for the year ended 31 December 2012 and 31 December 2013 constitute an integral part of this Base Prospectus. Investors can familiarise themselves with the aforementioned information by visiting the Bank's website at www.seb.lt, the Markets Department of AB SEB bankas (J. Balčikonio g. 7, Vilnius), and other branch offices of AB SEB bankas (at the addresses specified in the Final Terms). Information, which AB SEB bankas must publish pursuant to legislation regulating the securities market, is also stored in the Central Storage Facility at www.crib.lt.

17.3. Auditing of historical annual financial information

Presented below is the auditor's report for the shareholders of AB SEB bankas on the financial statements for the years 2012 and 2013. Complete audited financial statements for the years ended 31 December 2012 and 31 December 2013 constitute an integral part of the Base Prospectus. Investors can familiarise themselves with the aforementioned information by visiting the Bank's website at www.seb.lt, the Markets Department of AB SEB bankas (J. Balčikonio g. 7, Vilnius), and other branch offices of AB SEB bankas (at the addresses specified in the Final Terms). Information, which AB SEB bankas must publish pursuant to legislation regulating the securities market, is also stored in the Central Storage Facility at www.crib.lt.

The audit of the financial statements for the year 2012 was conducted by auditor Rimvydas Jogėla, holder of auditor certificate No. 000457, UAB "PricewaterhouseCoopers". The audit report was signed on 13 March 2013.

Independent auditor's report

To the shareholder of AB SEB bankas

We have audited the accompanying stand alone and consolidated financial statements (together "the Financial Statements") of AB SEB bankas ("the Bank") and its subsidiaries (collectively "the Group") set out on pages 24–103, which comprise the stand alone and consolidated statement of financial position as of 31 December 2012 and the stand alone and consolidated income statement, statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with the International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of the Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the Financial Statements, 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 Statements 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 Statements.

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 statements present fairly, in all material respects, the financial position of the Bank and the Group as of 31 December 2012, and their financial performance and their cash flows for the year then ended in accordance with the International Financial Reporting Standards as adopted by the European Union.

Report on other legal and regulatory requirements

Furthermore, we have read the consolidated Annual Report for the year ended 31 December 2012 set out on pages 5–23, including its Appendix 1 set out on pages 104–130 and have not noted any material inconsistencies between the financial information included in it and the audited Financial Statements for the year ended 31 December 2012.

The audit of the Financial Statements for the year 2013 was conducted by auditor Rimvydas Jogėla, holder of auditor certificate No. 000457, UAB "PricewaterhouseCoopers". The audit report was signed on 14 March 2014.

Independent auditor's report

To the shareholder of AB SEB bankas.

We have audited the accompanying stand alone and consolidated financial statements (together "the Financial Statements") of AB SEB bankas ("the Bank") and its subsidiaries (collectively "the Group") set out on pages 23–104, which comprise the stand alone and consolidated statement of financial position as of 31 December 2013 and the stand alone and consolidated income statement, statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with the International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including an assessment of the risks of material misstatements of the Financial Statements, 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 Statements 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 Statements.

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 statements present fairly, in all material respects, the financial position of the Bank and the Group as of 31 December 2013, and their financial performance and their cash flows for the year then ended in accordance with the International Financial Reporting Standards as adopted by the European Union.

Report on other legal and regulatory requirements

Furthermore, we have read the consolidated Annual Report for the year ended 31 December 2013 set out on pages 5–22, including its Appendix 1 set out on pages 105–131 and have not noted any material inconsistencies between the financial information included in it and the audited Financial Statements for the year ended 31 December 2013.

17.4. Interim and other financial information

Presented below are the Bank's and the Group's 2013 and 2014 6-month statements of financial position, income statement, profit (loss) account, statements of comprehensive income, changes in equity and cash flows prepared in accordance with the International Financial Reporting Standards (IFRS). AB SEB bankas and SEB Bankas Group's 2013 and 2014 6-month financial statements have not been audited.

**CONDENSED INTERIM STATEMENT
OF FINANCIAL POSITION AS OF 30 JUNE 2014**
(All amounts in LTL thousands unless otherwise stated)

The Group			The Bank	
30 June 2014	31 December 2013		30 June 2014	31 December 2013
		Assets		
405,138	418,136	Cash on hand	405,138	418,136
1,347,649	935,323	Balances with the Central Bank	1,347,649	935,323
3,616,429	3,691,046	Due from banks, net	3,616,429	3,691,046
59,967	59,895	Government securities available for sale	59,337	59,228
		Financial assets at fair value through		
907,236	953,982	profit and loss	857,426	909,613
259,755	259,288	Derivative financial instruments	259,755	259,288
		Loans to credit institutions,		
21,545	86,077	net of impairment losses	21,545	86,077
15,189,828	15,164,544	Loans to customers, net of impairment losses	15,220,334	15,191,785
		Finance lease receivable, net of impairment		
1,374,896	1,428,253	losses	1,374,956	1,428,394
		Investment securities:		
186,940	191,126	– loans and receivables	186,940	191,126
200	200	– available for sale	200	200
13,423	13,302	– held to maturity	13,423	13,302
-	-	Investments in subsidiaries	34,900	34,900
43,327	48,239	Intangible fixed assets	43,327	48,239
24,168	24,643	Property, plant and equipment	23,961	24,469
2,490	3,924	Non-current assets held for sale	2,490	3,924
11,964	14,047	Investment property	11,964	14,047
155,034	167,633	Deferred tax asset	155,007	167,600
118,817	131,288	Other assets, net of impairment losses	118,110	130,295
23,738,806	23,590,946	Total assets	23,752,891	23,606,992
		Liabilities		
47	33	Amounts owed to the Central Bank	47	33
7,286,220	7,177,824	Amounts owed to credit institutions	7,286,220	7,177,824
268,897	270,943	Derivative financial instruments	268,897	270,943
13,257,404	13,224,857	Deposits from public	13,274,649	13,245,685
49,663	51,822	Accrued expenses and deferred income	49,437	50,778
10,792	2,135	Income tax payable	9,537	-
82,764	117,556	Debt securities in issue	82,764	117,556
134,866	144,249	Other liabilities and provisions	134,629	143,996
21,090,653	20,989,419	Total liabilities	21,106,180	21,006,815
		Equity		
		Equity attributable to equity holder of the parent		
1,034,575	1,034,575	Share capital	1,034,575	1,034,575
2,200	2,200	Reserve capital	2,200	2,200
(1,477)	(2,550)	Financial assets revaluation reserve	(1,477)	(2,550)
352,347	289,202	Legal reserve	350,472	287,327
16,349	15,731	General and other reserves	16,349	15,731
1,244,159	1,262,369	Retained earnings	1,244,592	1,262,894
2,648,153	2,601,527		2,646,711	2,600,177
-	-	Non controlling interest in equity	-	-
2,648,153	2,601,527	Total equity	2,646,711	2,600,177
23,738,806	23,590,946	Total liabilities and equity	23,752,891	23,606,992

CONDENSED INTERIM INCOME STATEMENT
FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2014
(All amounts in LTL thousands unless otherwise stated)

The Group				The Bank			
January 1 - June 30 2014	The second quarter 2014	January 1 - June 30 2013	The second quarter 2013	January 1 - June 30 2014	The second quarter 2014	January 1 - June 30 2013	The second quarter 2013
233,916	116,168	236,210	117,061	233,897	116,238	235,970	116,941
(76,513)	(37,503)	(99,203)	(46,838)	(76,524)	(37,508)	(99,209)	(46,842)
157,403	78,665	137,007	70,223	157,373	78,730	136,761	70,099
(14,248)	3,801	(12,153)	(1,426)	(14,248)	3,801	(12,153)	(1,426)
10,366	6,087	(10,920)	(6,530)	10,366	6,087	(10,920)	(6,530)
(448)	589	708	(245)	(448)	589	708	(245)
9	3	1	1	9	3	1	1
(4,321)	10,480	(22,364)	(8,200)	(4,321)	10,480	(22,364)	(8,200)
153,082	89,145	114,643	62,023	153,052	89,210	114,397	61,899
130,109	66,703	128,991	65,748	124,318	63,494	122,756	62,365
(33,189)	(17,261)	(32,429)	(17,115)	(32,493)	(16,989)	(32,026)	(16,867)
96,920	49,442	96,562	48,633	91,825	46,505	90,730	45,498
9,374	5,049	6,402	10,887	4,382	5,064	6,179	10,887
(119)	(21)	(561)	(660)	(119)	(20)	(560)	(659)
-	-	-	-	7,477	-	7,351	-
27,607	13,600	35,971	18,689	27,610	13,602	35,994	18,712
2,519	1,164	2,826	1,211	2,894	1,351	3,074	1,335
39,381	19,792	44,638	30,127	42,244	19,997	52,038	30,275
(65,411)	(33,419)	(63,164)	(31,725)	(64,391)	(33,102)	(61,656)	(30,760)
(55,424)	(19,556)	(76,828)	(38,568)	(54,821)	(19,232)	(76,062)	(38,172)
168,548	105,404	115,851	70,490	167,909	103,378	119,447	68,740
(20,029)	(11,946)	(18,340)	(11,650)	(19,481)	(11,646)	(17,677)	(11,303)
148,519	93,458	97,511	58,840	148,428	91,732	101,770	57,437
148,519	93,458	97,511	58,840	148,428	91,732	101,770	57,437
-	-	-	-	-	-	-	-

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2014
 (All amounts in LTL thousands unless otherwise stated)

<u>The Group</u>			<u>The Bank</u>	
<u>January 1 - June 30</u>	<u>January 1 - June 30</u>		<u>January 1 - June 30</u>	<u>January 1 - June 30</u>
<u>2014</u>	<u>2013</u>		<u>2014</u>	<u>2013</u>
148,519	97,511	Net gain (losses) for the year	148,428	101,770
		<i>Items that may subsequently be reclassified to the income statement:</i>		
1,162	(398)	Net gain (loss) on available for sale financial assets	1,162	(398)
100	154	Amortisation of financial assets revaluation reserve of reclassified financial assets	100	154
(189)	37	Income tax relating to the components of other comprehensive income	(189)	37
		<i>Items that will not be reclassified to the income statement:</i>		
-	-		-	-
1,073	(207)	Total other comprehensive income	1,073	(207)
149,592	97,304	Total comprehensive income	149,501	101,563
		Attributable to:		
149,592	97,304	Owners of the Bank	149,501	101,563
-	-	Non controlling interest	-	-

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2014
(All amounts in LTL thousands unless otherwise stated)

The Group	Equity attributable to equity holder of the parent								
	Share capital	Reserve capital	Financial assets revaluation reserve	Legal reserve	General and other reserves	Retained earnings	Total before non controlling interest	Non controlling interest	Total
31 December 2012	1,034,575	2,200	(4,098)	239,612	14,132	1,137,930	2,424,351	-	2,424,351
Change in fair value measurement of financial assets	-	-	-	-	-	(27,222)	(27,222)	-	(27,222)
Impairment of homogenous loans interest	-	-	-	-	-	(11,058)	(11,058)	-	(11,058)
Adjusted balance as of 31 December 2012	1,034,575	2,200	(4,098)	239,612	14,132	1,099,650	2,386,071	-	2,386,071
Net change in available for sale investments, net of deferred taxes	-	-	(361)	-	-	-	(361)	-	(361)
Amortisation of financial assets revaluation reserve of reclassified financial assets	-	-	154	-	-	-	154	-	154
Net profit for the year	-	-	-	-	-	97,511	97,511	-	97,511
<i>Total comprehensive income</i>	-	-	(207)	-	-	97,511	97,304	-	97,304
Share-based compensation	-	-	-	-	727	-	727	-	727
Transfers to reserves	-	-	-	49,590	-	(49,590)	-	-	-
30 June 2013	1,034,575	2,200	(4,305)	289,202	14,859	1,147,571	2,484,102	-	2,484,102
31 December 2013	1,034,575	2,200	(2,550)	289,202	15,731	1,262,369	2,601,527	-	2,601,527
Net change in available for sale investments, net of deferred taxes	-	-	973	-	-	-	973	-	973
Amortisation of financial assets revaluation reserve of reclassified financial assets	-	-	100	-	-	-	100	-	100
Net profit for the year	-	-	-	-	-	148,519	148,519	-	148,519
<i>Total comprehensive income</i>	-	-	1,073	-	-	148,519	149,592	-	149,592
Share-based compensation	-	-	-	-	618	-	618	-	618
Transfers to reserves	-	-	-	63,145	-	(63,145)	-	-	-
Dividends	-	-	-	-	-	(103,584)	(103,584)	-	(103,584)
30 June 2014	1,034,575	2,200	(1,477)	352,347	16,349	1,244,159	2,648,153	-	2,648,153

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2014
(All amounts in LTL thousands unless otherwise stated)

The Bank	Share capital	Reserve capital	Financial assets revaluation reserve	Legal reserve	General and other reserves	Retained earnings	Total
31 December 2012	1,034,575	2,200	(4,098)	236,737	14,132	991,793	2,275,339
Change in fair value measurement of financial assets	-	-	-	-	-	(27,222)	(27,222)
Impairment of homogenous loans interest	-	-	-	-	-	(11,058)	(11,058)
Effect of merger with subsidiary	-	-	-	1,000	-	146,660	147,660
Adjusted balance as of 31 December 2012	1,034,575	2,200	(4,098)	237,737	14,132	1,100,173	2,384,719
Net change in available for sale investments, net of deferred taxes	-	-	(361)	-	-	-	(361)
Amortisation of financial assets revaluation reserve of reclassified financial assets	-	-	154	-	-	-	154
Net profit for the year	-	-	-	-	-	101,770	101,770
<i>Total comprehensive income</i>	-	-	(207)	-	-	101,770	101,563
Share-based compensation	-	-	-	-	727	-	727
Transfers to reserves	-	-	-	49,590	-	(49,590)	-
30 June 2013	1,034,575	2,200	(4,305)	287,327	14,859	1,152,353	2,487,009
31 December 2013	1,034,575	2,200	(2,550)	287,327	15,731	1,262,894	2,600,177
Net change in available for sale investments, net of deferred taxes	-	-	973	-	-	-	973
Amortisation of financial assets revaluation reserve of reclassified financial assets	-	-	100	-	-	-	100
Net profit for the year	-	-	-	-	-	148,428	148,428
<i>Total comprehensive income</i>	-	-	1,073	-	-	148,428	149,501
Share-based compensation	-	-	-	-	618	-	618
Transfers to reserves	-	-	-	63,145	-	(63,145)	-
Dividends	-	-	-	-	-	(103,584)	(103,584)
30 June 2014	1,034,575	2,200	(1,477)	350,472	16,349	1,244,592	2,646,711

CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2014
 (All amounts in LTL thousands unless otherwise stated)

The Group			The Bank	
January 1 - June 30, 2014	January 1 - June 30, 2013		January 1 - June 30, 2014	January 1 - June 30, 2013
		Net cash from operating activities before change in operating assets		
	(1,820,248)	Net decrease (increase) in operating assets		
	(441,370)	Net (decrease) increase in operating liabilities		
2,063,060	(2,188,874)	Net cash from (to) operating activities	2,055,132	(2,189,650)
-	-	Income tax paid	-	-
2,063,060	(2,188,874)	Net cash from (to) operating activities after income tax	2,055,132	(2,189,650)
	22,855	Cash used in investing activities		
	107,931	Cash (used in) received from financing activities		
2,099,588	(2,058,088)	Net increase in cash	2,099,588	(2,058,088)
1,454,891	3,118,790	Cash at the beginning of the period		3,118,790
3,554,479	1,060,702	Cash at the end of the period	3,554,479	1,060,702
		Specified as follows:		
145,248	(61,815)	Balance available for withdrawal with the Central Banks		(61,815)
2,834,746	600,506	Overnight deposits		600,506
405,138	396,206	Cash on hand		396,206
169,347	125,805	Current accounts with other banks		125,805
3,554,479	1,060,702		3,554,479	1,060,702

The main accounting principles are described in the explanatory notes to the financial information for the year ended 31 December 2013. Short interim financial statements for the period ended 30 June 2014 constitute an integral part of this Base Prospectus. Investors can familiarise themselves with this financial information by visiting the Bank's website at www.seb.lt, the Markets Department of AB SEB bankas (J. Balčikonio g. 7, Vilnius), and other branch offices of AB SEB bankas (at the addresses specified in the Description of the Final Terms). Information, which AB SEB bankas must publish pursuant to legislation regulating the securities market, is also stored in the Central Storage Facility at www.crib.lt.

17.5. Legal and arbitration proceedings

There are no legal proceedings to which the Bank is a party and which could have material effects on the operations of the Bank.

17.6. Significant changes in the Issuer's financial or trading position

After the 2014 6-month interim financial information was published, notification on a material event was published on 23 October 2014. According to preliminary data, unaudited net profit earned over the three quarters of the year 2014 by AB SEB bankas is LTL 216.5 million (EUR 62.7 million) and by SEB Bankas Group is LTL 219.5 million (EUR 63.6 million). The result has been calculated in accordance with the requirements set by the acts of the Bank of Lithuania and legal acts of the Republic of Lithuania. Over the three quarters of the year 2013, unaudited net profit earned by AB SEB bankas was LTL 169.6 million (EUR 49.1 million) and by SEB Bankas Group – LTL 167.5 million (EUR 48.5 million). In November 2013 AB "SEB lizingas" was merged with AB SEB bankas, therefore AB SEB bankas results of the three quarters of the year 2013 are presented including the result of AB "SEB lizingas". On the submission date of the Base Prospectus to the Bank of Lithuania, AB SEB bankas and SEB Bankas Group's 2014 9-month financial statements have not been published publicly.

No any other significant changes in the financial or trading position of AB SEB bankas or SEB Bankas Group have taken place, after the 2014 6-month interim financial information was published.

18. MATERIAL CONTRACTS

There are no material contracts, with the exclusion of those finalised by AB SEB bankas in the ordinary course of business under which any member of SEB Bankas Group has any obligation or entitlement, which is material to the fulfilment by AB SEB bankas of obligations connected with securities being issued. Certain material agreements are provided for in loan contracts, but the parties to such contracts as well as their provisions qualify as confidential information both with regard to AB SEB bankas and the other parties.

19. THIRD PARTY INFORMATION AND STATEMENT BY EXPERTS AND DECLARATIONS OF ANY INTEREST

This Registration Document contains auditor's reports for 2012 and 2013 and the Bank of Lithuania annual report for 2013. Furthermore, during the preparation of the Registration Document, information provided on the websites of the Bank of Lithuania, the Association of Lithuanian Banks, AB SEB bankas, AB DNB bankas, and "Swedbank" AB was used. This information has been accurately reproduced and as far as the Bank is aware and was able to ascertain from the information published

by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

20. DOCUMENTS ON DISPLAY

The Bank's Incorporation Deed and Articles of Association, audit and other reports, letters, historical financial information and other related documents can be familiarised with at: headquarter of AB SEB bankas at Gedimino ave. 12, Vilnius, opening hours: Monday to Thursday from 8.00 a.m. to 5.00 p.m., Friday from 8.00 a.m. to 3.45 p.m. Furthermore, AB SEB bankas annual and other audited financial statements and AB SEB bankas and SEB Bankas Group's annual operation overviews can be familiarised with by visiting the website www.seb.lt. Information, which AB SEB bankas must publish pursuant to legislation regulating the securities market, is also stored in the Central Storage Facility at www.crib.lt.

ANNEX NO. 1

AB SEB BANKAS

THE FINAL TERMS NO. 2014XXXX/XXX [date of approval of the Base Prospectus by the Bank of Lithuania and No. of the Final Terms]

[TITLE OF ISSUE]

ISSUED UNDER THE BASE PROSPECTUS OF EUR 250,000,000 NON-EQUITY SECURITIES
ISSUE PROGRAMME,

[date]

Vilnius

These Final Terms and the EUR 250,000,000 non-equity securities issue Programme Base Prospectus, which was approved by the Bank of Lithuania on [date], [approval certificate No.], Annex to the Base Prospectus (if any) [if Annex was prepared, date of the approval by the Bank of Lithuania and approval certificate No. is indicated], as well as documents incorporated by reference constitute the Prospectus of the issue that was prepared in accordance with the Rules for Drawing up and Approval of a Prospectus of Securities and Information Disclosure approved by the Bank of Lithuania No. 03-44 of 28 February 2013 and in accordance with Commission Regulation No. 809/2004 of 29 April 2004 implementing Directive No. 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements and all of its subsequent amendments.

These Final Terms is accompanied by a Summary of the Issue(s).

Prior to taking a decision to acquire any of the securities offered by the Issuer, investors should review all the documents comprising the Base Prospectus.

A paper copy of the Base Prospectus, Annex to the Base Prospectus (if any), the Final Terms, and documents incorporated by reference will be provided free of charge to each investor upon request at the Markets Department of AB SEB bankas (J. Balčikonio g. 7, Vilnius, Monday to Thursday 8.00 a.m.–5.00 p.m., Friday 8.00 a.m.–3.45 p.m.) and other branch offices of AB SEB bankas (at the addresses and during the opening hours specified in Annex [●] to the Final Terms). Investors can also review the aforementioned documents by visiting the Bank's website at www.seb.lt. The Base Prospectus and the Final Terms are also available on the branch offices of placement agents (at the addresses and during the opening hours specified in the Final Terms) and on their websites [if applicable, specify websites of the placement agents involved] [if the Bank has not finalised any non-equity securities distribution agreements, this sentence is to be deleted]. Information, which must be published by the Bank pursuant to legislation, will also be stored in the Central Storage Facility at www.crib.lt.

(If several issues are issued simultaneously and their maturity term, nominal value, reference item, start/end and redemption dates coincide, certain lines may be split into columns and the details of each individual issue is to be presented in each of the columns (where such details for individual issues differ). Also, if a certain item of the Final Terms is not applicable, it may be deleted and the numbering may be adjusted accordingly)

KEY INFORMATION

- | | | |
|----|---|---------------|
| 1. | Issuer | AB SEB bankas |
| 2. | Interests of parties related to the issue | [●] |
| 3. | Reasons of the offer and use of income | [●] |

INFORMATION ABOUT NON-EQUITY SECURITIES OFFERED

4.	Type of non-equity securities	[●]
5.	ISIN	[●]
6.	Entity accounting for the non-equity securities	AB SEB bankas
7.	Currency	[Currency code]
8.	Issue maturity term	[Maturity term in days]
9.	Issue date	[●]
10.	Redemption date	[●]
11.	Basis for the issue of the non-equity securities	Resolution No. [●] of [date] of the Board of AB SEB bankas.
12.	Coupon bonds	<i>(If not applicable, item 12 is to be deleted)</i>
12.1.	applicable interest (coupon)	<i>[Specify whether fixed or floating interest will be paid]</i>
12.1.1.	terms and procedure for calculation and payment of fixed interest	<i>(If not applicable, item 12.1.1 is to be deleted)</i>
12.1.1.1.	fixed interest	<i>(If not applicable, item 12.1.1.1 is to be deleted)</i>
12.1.1.2.	minimum interest	<i>[Specify the lowest limit of range in which fixed interest will be set]</i> <i>(If not applicable, item 12.1.1.2 is to be deleted)</i>
12.1.1.3.	maximum interest	<i>[Specify the highest limit of range in which fixed interest will be set]</i> <i>(If not applicable, item 12.1.1.3 is to be deleted)</i>
12.1.1.4.	date of announcement of actual interest	<i>(If not applicable, item 12.1.1.4 is to be deleted)</i>
12.1.2.	terms and procedure for calculation and payment of floating interest	<i>(If not applicable, item 12.1.2 is to be deleted)</i>
12.1.2.1.	procedure for calculating floating interest	<i>[Specify formula for calculating floating interest and terms for paying floating interest]</i> <i>(If not applicable, item 12.1.2.1 is to be deleted)</i>
12.1.2.2.	base interest rate	<i>(If not applicable, item 12.1.2.2 is to be deleted)</i>
12.1.2.3.	day(s) of setting of base interest rate	<i>(If not applicable, item 12.1.2.3 is to be deleted)</i>
12.1.2.4.	fixed share of interest	<i>(If not applicable, item 12.1.2.4 is to be deleted)</i>
12.1.2.5.	expected bottom range of floating interest	<i>(If not applicable, item 12.1.2.5 is to be deleted)</i>
12.1.2.6.	minimum bottom range of floating interest	<i>(If not applicable, item 12.1.2.6 is to be deleted)</i>
12.1.2.7.	expected top range of floating interest	<i>(If not applicable, item 12.1.2.7 is to be deleted)</i>
12.1.2.8.	maximum top range of floating interest	<i>(If not applicable, item 12.1.2.8 is to be deleted)</i>
12.1.2.9.	date of announcement of actual range of floating interest	<i>(If not applicable, item 12.1.2.9 is to be deleted)</i>
12.2.	date(s) of coupon(s) payment	[●]
12.3.	method for calculating days	[Act/365, Act/Act or other]
12.4.	minimum amount invested	<i>[If interest range (interval) is set, specify minimum amount for which an investor willing to subscribe for bonds may apply and may specify a higher-than-specified minimum interest (bottom range of interest)]</i> <i>(If not applicable, item 12.4 is to be deleted)</i>
12.5.	bonds redemption price or procedure for its calculation	[●]
12.6.	procedure for selling bonds in a secondary trading	<i>(If not applicable, item 12.6 is to be deleted)</i>
12.6.1.	dates of submission of application for sale of securities	<i>[Dates of application for sale of securities in a secondary trading are specified in Annex No. XX to the Final Terms]</i>
12.6.2.	date of sale of bonds in a secondary trading	<i>[Dates of application for bond sale in a secondary trading are specified in Annex No. XX to the Final Terms]</i>
12.6.3.	prices of sale of bonds in a secondary	<i>[Prices of sale of bonds in a secondary trading are specified in Annex</i>

12.6.4.	trading fee for sale of bonds in a secondary trading	<i>No. XX to the Final Terms]</i> <i>[Specify rate of fee for sale of bonds in a secondary trading or procedure for its calculation]</i>
13.	Terms of discount bonds	<i>(If not applicable, item 13 is to be deleted)</i>
13.1.	annual yield	<i>[Specify rate (range) of annual yield and procedure for determining annual yield]</i>
13.2.	method for calculating days	<i>[Act/365, Act/Act or other]</i>
13.3.	minimum amount invested	<i>[If annual yield range (interval) is set in item 13.1, specify minimum amount for which an investor willing to subscribe for bonds may apply and may specify a higher-than-specified minimum yield (bottom range of annual yield)]</i> <i>(If not applicable, item 13.3 is to be deleted)</i>
13.4.	date of fixing actual annual yield	<i>[To be filled in if item 13.1 sets annual yield range (interval); otherwise item 13.4 is to be deleted]</i>
13.5.	procedure for announcing actual annual yield	<i>[To be filled in if item 13.1 sets annual yield range (interval); otherwise item 13.5 is to be deleted]</i>
13.6.	bonds redemption price or procedure for its calculation	[●]
13.7.	procedure for selling bonds in a secondary trading	<i>(If not applicable, item 13.7 is to be deleted)</i>
13.7.1.	dates of submission of application for sale of securities	<i>[Dates of application for sale of securities in a secondary trading are specified in Annex No. XX to the Final Terms]</i>
13.7.2.	dates of sale of bonds in a secondary trading	<i>[Dates of application for bond sale in a secondary trading are specified in Annex No. XX to the Final Terms]</i>
13.7.3.	prices of sale of bonds in a secondary trading	<i>[Prices of sale of bonds in a secondary trading are specified in Annex No. XX to the Final Terms]</i>
13.7.4.	fee for sale of bonds in a secondary trading	<i>[Specify rate of fee for sale of bonds in a secondary trading or procedure for its calculation]</i>
14.	Terms of reference item linked notes	<i>(If not applicable, item 14 is to be deleted)</i>
14.1.	applicable interest	<i>[Specify whether fixed or floating interest will be paid]</i> <i>(If not applicable, item 14.1 is to be deleted)</i>
14.1.1.	terms and procedure for calculation and payment of fixed interest	<i>(If not applicable, item 14.1.1 is to be deleted)</i>
14.1.1.1.	fixed interest	<i>(If not applicable, item 14.1.1.1 is to be deleted)</i>
14.1.1.2.	minimum interest	<i>[Specify the lowest limit of range in which the fixed interest will be set]</i> <i>(If not applicable, item 14.1.1.2 is to be deleted)</i>
14.1.1.3.	maximum interest	<i>[Specify the highest limit of range in which the fixed interest will be set]</i> <i>(If not applicable, item 14.1.1.3 is to be deleted)</i>
14.1.1.4.	date of announcement of actual interest	<i>(If not applicable, item 14.1.1.4 is to be deleted)</i>
14.1.2.	terms and procedure for calculation and payment of floating interest	<i>(If not applicable, item 14.1.2 is to be deleted)</i>
14.1.2.1.	procedure for calculating floating interest	<i>[Specify formula for calculating floating interest and terms for paying floating interest]</i> <i>(If not applicable, item 14.1.2.1 is to be deleted)</i>
14.1.2.2.	base interest rate	<i>(If not applicable, item 14.1.2.2 is to be deleted)</i>
14.1.2.3.	day(s) of setting base interest rate	<i>(If not applicable, item 14.1.2.3 is to be deleted)</i>
14.1.2.4.	fixed share of interest	<i>(If not applicable, item 14.1.2.4 is to be deleted)</i>
14.1.2.5.	expected bottom range of floating interest	<i>(If not applicable, item 14.1.2.5 is to be deleted)</i>
14.1.2.6.	minimum bottom range of floating interest	<i>(If not applicable, item 14.1.2.6 is to be deleted)</i>
14.1.2.7.	expected top range of floating interest	<i>(If not applicable, item 14.1.2.7 is to be deleted)</i>
14.1.2.8.	maximum top range of floating interest	<i>(If not applicable, item 14.1.2.8 is to be deleted)</i>

14.1.2.9.	date of announcement of actual range of floating interest	<i>(If not applicable, item 14.1.2.9 is to be deleted)</i>
14.2.	date(s) of payment of interest	[●]
14.3.	method for calculating days	[Act/365, Act/Act or other] <i>(If not applicable, item 14.3 is to be deleted)</i>
14.4.	reference item	[Description of reference item; if non-equity securities are linked to several reference items, specify the value of each of the reference items concerned or procedure for determining the value of each of the reference items concerned] <i>(If not applicable, item 14.4 is to be deleted)</i>
14.5.	historical changes in the value of the reference item	[Provide a reference to a source where information on historical changes in the value of reference item can be found]
14.6	currency of the derivative of the reference item to which the non-equity securities are linked	[Currency code] [Specify the actual currency risk related to the non-equity securities issue, i.e. relevant changes in exchange rates that may influence the profitability of the non-equity securities in case of the different currency denomination of non-equity securities issue and derivative] <i>(If not relevant, item 14.6 is to be deleted)</i>
14.7.	notes redemption price or procedure for its calculation	[Specify the constituent parts of redemption price: nominal value, premium, interim premium, interest]
14.8.	premium rate or procedure for its calculation	<i>(If not applicable, item 14.8 is to be deleted)</i>
14.8.1.	premium paid on notes redemption date:	<i>(If not applicable, item 14.8.1 is to be deleted)</i>
14.8.1.1.	terms of payment of premium	[Specify terms when premium is paid to an investor, e.g. if the value of the reference item increases or decreases]
14.8.1.2.	premium rate	[Specify specific rate of fixed premium. If the rate of the fixed premium is not known in advance and will be set on the date specified in item 14.8.1.6, item 14.8.1.2 does not apply and is to be deleted]
14.8.1.3.	procedure for calculating premium	[Specify formula for calculating premium. If the premium rate is known in advance, it will be specified in item 14.8.1.2]
14.8.1.4.	expected premium rate	[Specify expected premium rate which will be paid to an investor if conditions set out in item 14.8.1.1 of the Description of the Final Terms are fulfilled] <i>(If the premium rate is known in advance, it will be specified in item 14.8.1.2 or, if the premium rate is not a specific value, a formula for calculating the premium rate will be specified in item 14.8.1.3)</i>
14.8.1.5.	minimum premium rate	<i>(If not applicable, item 14.8.1.5 is to be deleted)</i>
14.8.1.6.	date of announcement of actual premium rate	<i>(If not applicable, item 14.8.1.6 is to be deleted)</i>
14.8.1.7.	expected value of participation ratio	<i>(If not applicable, item 14.8.1.7 is to be deleted)</i>
14.8.1.8.	minimum participation ratio value	<i>(If not applicable, item 14.8.1.8 is to be deleted)</i>
14.8.1.9.	expected bottom limit of change in the value of the reference item	<i>(If not applicable, item 14.8.1.9 is to be deleted)</i>
14.8.1.10.	maximum bottom limit of change in the value of the reference item	<i>(If not applicable, item 14.8.1.10 is to be deleted)</i>
14.8.1.11.	expected top limit of change in the value of the reference item	<i>(If not applicable, item 14.8.1.11 is to be deleted)</i>
14.8.1.12.	minimum top limit of change in the value of the reference item	<i>(If not applicable, item 14.8.1.12 is to be deleted)</i>
14.8.1.13.	date of announcement of actual variables of the issue	<i>(If variables of the issue are not applicable, item 14.8.1.13 does not apply and is to be deleted)</i>
14.8.1.14.	participation ratio value	<i>(If the actual value of the participation ratio is not known at the time of subscription period of non-equity securities and will be set on the date specified in item 14.8.1.13, item 14.8.1.14 does not apply and is to be deleted)</i>

		<i>deleted)</i>
14.8.1.15.	limit(s) of change in the value of the reference item	<i>(If a limit(s) of change in the value of the reference item does not apply or if the actual limit(s) of the value of the reference item is not known at the time of subscription period of non-equity securities and will be set on the date specified in item 14.8.1.13, item 14.8.1.15 does not apply and is to be deleted)</i>
14.8.2.	interim premium:	<i>(If no interim premium is provided for, item 14.8.2 is to be deleted)</i>
14.8.2.1.	terms of payment of interim premium	<i>[Specify terms on the occurrence of which interim premium is paid to an investor]</i>
14.8.2.2.	date(s) of payment of interim premium	<i>[Specify date(s) when interim premium is paid to an investor]</i>
14.8.2.3.	interim premium rate	<i>[Specify specific rate of fixed interim premium. If the rate of fixed premium is not known in advance and will be set on the date specified in item 14.8.2.7, item 14.8.2.3 does not apply and is to be deleted]</i>
14.8.2.4.	procedure for calculating interim premium	<i>[Specify formula for calculating interim premium. If the interim premium rate is known in advance, it will be specified in item 14.8.2.3]</i>
14.8.2.5.	expected interim premium rate	<i>[Specify expected interim premium rate which will be paid to an investor if conditions set out in item 14.8.2.1 of the Description of the Final Terms are fulfilled]</i> <i>(If the interim premium rate is known in advance, it will be specified in item 14.8.2.3 or, if the premium rate is not a specific value, a formula for calculating the interim premium rate will be specified in item 14.8.2.4)</i>
14.8.2.6.	minimum interim premium rate	<i>(If not applicable, item 14.8.2.6 is to be deleted)</i>
14.8.2.7.	date of announcement of actual rate of interim premium	<i>(If not applicable, item 14.8.2.7 is to be deleted)</i>
14.8.2.8.	expected value of participation ratio	<i>(If not applicable, item 14.8.2.8 is to be deleted)</i>
14.8.2.9.	minimum value of participation ratio	<i>(If not applicable, item 14.8.2.9 is to be deleted)</i>
14.8.2.10.	expected bottom limit of change in the value of reference item	<i>(If not applicable, item 14.8.2.10 is to be deleted)</i>
14.8.2.11.	maximum bottom limit of change in the value of the reference item	<i>(If not applicable, item 14.8.2.11 is to be deleted)</i>
14.8.2.12.	expected top limit of change in the value of the reference item	<i>(If not applicable, item 14.8.2.12 is to be deleted)</i>
14.8.2.13.	minimum top limit of change in the value of the reference item	<i>(If not applicable, item 14.8.2.13 is to be deleted)</i>
14.8.2.14.	date of announcement of actual variables of the issue	<i>(If variables of the issue do not apply, item 14.8.2.14 does not apply and is to be deleted)</i>
14.8.2.15.	participation ratio value	<i>(If the actual value of the participation ratio is not known at the time of subscription period of non-equity securities and will be set on the date specified in item 14.8.2.14, item 14.8.2.15 does not apply and is to be deleted)</i>
14.8.2.16.	limit(s) of change in the value of the reference item	<i>(If a limit(s) of change in the value of the reference item does not apply or if the actual limit(s) of the value of the reference item is not known at the time of subscription period of non-equity securities and will be set on the date specified in item 14.8.2.14, item 14.8.2.16 is not applied and is to be deleted)</i>
14.9.	initial value of reference item	<i>(If not applicable, item 14.9 is to be deleted)</i>
14.10.	final value of reference item	<i>(If not applicable, item 14.10 is to be deleted)</i>
14.11.	value of reference item and other related terms	<i>[Specify what is considered as the value/price of the reference item; specify exchange/market/association whose information is used to set the price/value of the reference item; specify what days are considered as business days with regard to the reference item in question]</i>
14.12.	entity that will carry out calculations	AB SEB bankas
14.13.	terms of credit linked notes:	<i>(If not applicable, item 14.13 is to be deleted)</i>
14.13.1.	entity(ies) in whose regard a credit event must (not) occur	<i>[Specify entity(ies) in whose regard a certain credit event(s) listed in item 14.13.3 must or must not occur for notes to be profitable]</i>

14.13.2.	source of information	<i>[Source of information related to the entity specified in item 14.13.1 is indicated]</i>
14.13.3.	credit event(s)	<i>[Specify credit event(s) that must or must not occur with regard to entity(ies) listed in item 14.13.1 for notes to be profitable]</i>
15.	Terms of investment notes	<i>(If not applicable, item 15 is to be deleted)</i>
15.1.	applicable interest	<i>[Specify whether fixed or floating interest will be paid]</i> <i>(If not applicable, item 15.1 is to be deleted)</i>
15.1.1.	terms and procedure for calculation and payment of fixed interest	<i>(If not applicable, item 15.1.1 is to be deleted)</i>
15.1.1.1.	fixed interest	<i>(If not applicable, item 15.1.1.1 is to be deleted)</i>
15.1.1.2.	minimum interest	<i>[Specify the lowest limit of range in which fixed interest will be set]</i> <i>(If not applicable, item 15.1.1.2 is to be deleted)</i>
15.1.1.3.	expected interest	<i>[Specify the expected fixed interest]</i> In case of positive changes in the market, the actual interest may be higher than the expected interest. The actual interest shall be set after the end of subscription period of the investment notes, in accordance with market conditions, and shall be announced on the Bank's website www.seb.lt and on the websites of the placement agents (if applicable). <i>(If not applicable, item 15.1.1.3 is to be deleted)</i>
15.1.1.4.	date of announcement of actual interest	<i>(If not applicable, item 15.1.1.4 is to be deleted)</i>
15.1.2.	terms and procedure for calculation and payment of floating interest	<i>(If not applicable, item 15.1.2 is to be deleted)</i>
15.1.2.1.	procedure for calculating floating interest	<i>[Specify formula for calculating floating interest and terms for paying floating interest]</i> <i>(If not applicable, item 15.1.2.1 is to be deleted)</i>
15.1.2.2.	base interest rate	<i>(If not applicable, item 15.1.2.2 is to be deleted)</i>
15.1.2.3.	day(s) of fixing base interest rate	<i>(If not applicable, item 15.1.2.3 is to be deleted)</i>
15.1.2.4.	fixed share of interest	<i>(If not applicable, item 15.1.2.4 is to be deleted)</i>
15.1.2.5.	expected bottom range of floating interest	<i>(If not applicable, item 15.1.2.5 is to be deleted)</i>
15.1.2.6.	minimum bottom range of floating interest	<i>(If not applicable, item 15.1.2.6 is to be deleted)</i>
15.1.2.7.	expected top range of floating interest	<i>(If not applicable, item 15.1.2.7 is to be deleted)</i>
15.1.2.8.	maximum top range of floating interest	<i>(If not applicable, item 15.1.2.8 is to be deleted)</i>
15.1.2.9.	date of announcement of actual range of floating interest	<i>(If not applicable, item 15.1.2.9 is to be deleted)</i>
15.2.	date(s) of payment of interest	【●】
15.3.	method for calculating days	<i>[Act/365, Act/Act or other]</i> <i>(If not applicable, item 15.3. is to be deleted)</i>
15.4.	reference item	<i>[Description of reference item; if non-equity securities are linked to several reference items, specify the value of each of the reference items concerned or the procedure for determining the value of each of the reference items concerned]</i> <i>(If not applicable, item 15.4 is to be deleted)</i>
15.5.	historical changes in the value of the reference item	<i>[Provide a reference to a source where information on historical changes in the value of the reference item can be found]</i>
15.6.	currency of the derivative of the reference item to which the non-equity securities are linked	<i>[Currency code]</i> <i>[Specify the actual currency risk related to the non-equity securities issue, i.e. relevant changes in exchange rates that may influence the profitability of the non-equity securities in case of the different currency denomination of non-equity securities issue and derivative]</i> <i>(If not relevant, item 15.6 is to be deleted)</i>
15.7.	investment notes redemption price or	<i>[Specify the constituent parts of redemption price: nominal value,</i>

	procedure for its calculation	<i>premium, interim premium, interest]</i>
15.8.	premium rate or procedure for its calculation	<i>(If not applicable, item 15.8 is to be deleted)</i>
15.8.1.	premium paid on the day of redemption of investment notes:	<i>(If not applicable, item 15.8.1 is to be deleted)</i>
15.8.1.1.	terms of payment of premium	<i>[Specify terms when premium is paid to an investor, e.g. if the value of the reference item increases or decreases]</i>
15.8.1.2.	premium rate	<i>[Specify specific rate of fixed premium. If the rate of fixed premium is not known in advance and will be set on the date specified in item 15.8.1.6, item 15.8.1.2 does not apply and is to be deleted]</i>
15.8.1.3.	procedure for calculating premium	<i>[Specify formula for calculating premium. If the premium rate is known in advance, it will be specified in item 15.8.1.2]</i>
15.8.1.4.	expected premium rate	<i>[Specify expected premium rate which will be paid to an investor if conditions set out in item 15.8.1.1 of the Final Terms are fulfilled] (If the premium rate is known in advance, it will be specified in item 15.8.1.2 or, if the premium rate is not a specific value, a formula for calculating the premium rate will be specified in item 15.8.1.3)</i>
15.8.1.5.	minimum premium rate	<i>(If not applicable, item 15.8.1.5 is to be deleted)</i>
15.8.1.6.	date of announcement of actual premium rate	<i>(If not applicable, item 15.8.1.6 is to be deleted)</i>
15.8.1.7.	expected value of participation ratio	<i>(If not applicable, item 15.8.1.7 is to be deleted)</i>
15.8.1.8.	minimum value of participation ratio	<i>(If not applicable, item 15.8.1.8 is to be deleted)</i>
15.8.1.9.	expected bottom limit of change in the value of the reference item	<i>(If not applicable, item 15.8.1.9 is to be deleted)</i>
15.8.1.10.	maximum bottom limit of change in the value of the reference item	<i>(If not applicable, item 15.8.1.10 is to be deleted)</i>
15.8.1.11.	expected top limit of change in the value of the reference item	<i>(If not applicable, item 15.8.1.11 is to be deleted)</i>
15.8.1.12.	minimum top limit of change in the value of the reference item	<i>(If not applicable, item 15.8.1.12 is to be deleted)</i>
15.8.1.13.	date of announcement of actual variables of the issue	<i>(If no variables of the issue apply, item 15.8.1.13 does not apply and is to be deleted)</i>
15.8.1.14.	participation ratio value	<i>(If the actual value of the participation ratio is not known at the time of subscription period of non-equity securities and will be set on the date specified in item 15.8.1.13, item 15.8.1.14. does not apply and is to be deleted)</i>
15.8.1.15.	limit(s) of change in the value of the reference item	<i>(If a limit(s) of change in the value of reference item does not apply or if the actual limit(s) of the value of reference item is not known at the time of subscription period of non-equity securities and will be set on the date specified in item 15.8.1.13, item 15.8.1.15 does not apply and is to be deleted)</i>
15.8.2.	interim premium:	<i>(If no interim premium is provided for, item 15.8.2 is to be deleted)</i>
15.8.2.1.	terms of payment of interim premium	<i>[Specify terms on the occurrence of which interim premium is paid to an investor]</i>
15.8.2.2.	date(s) of payment of interim premium	<i>[Specify date(s) when interim premium is paid to an investor]</i>
15.8.2.3.	interim premium rate	<i>[Specify specific rate of fixed interim premium. If the rate of fixed premium is not known in advance and will be set on the date specified in item 15.8.2.7, item 15.8.2.3 does not apply and is to be deleted]</i>
15.8.2.4.	procedure for calculating interim premium	<i>[Specify formula for calculating interim premium. If the premium rate is known in advance, it will be specified in item 15.8.2.3]</i>
15.8.2.5.	expected interim premium rate	<i>[Specify expected interim premium rate which will be paid to an investor if conditions set out in item 15.8.2.1 of the Final Terms are fulfilled] (If the interim premium rate is known in advance, it will be specified in item 15.8.2.3 or, if the premium rate is not a specific value, a formula for calculating the premium rate will be specified in item 15.8.2.4)</i>
15.8.2.6.	minimum interim premium rate	<i>(If not applicable, item 15.8.2.6 is to be deleted)</i>
15.8.2.7.	date of announcement of actual interim	<i>(If not applicable, item 15.8.2.7 is to be deleted)</i>

	premium rate	
15.8.2.8.	expected value of participation ratio	<i>(If not applicable, item 15.8.2.8 is to be deleted)</i>
15.8.2.9.	minimum value of participation ratio	<i>(If not applicable, item 15.8.2.9 is to be deleted)</i>
15.8.2.10.	expected bottom limit of change in the value of the reference item	<i>(If not applicable, item 15.8.2.10 is to be deleted)</i>
15.8.2.11.	maximum bottom limit of change in the value of the reference item	<i>(If not applicable, item 15.8.2.11 is to be deleted)</i>
15.8.2.12.	expected top limit of change in the value of the reference item	<i>(If not applicable, item 15.8.2.12 is to be deleted)</i>
15.8.2.13.	minimum top limit of change in the value of the reference item	<i>(If not applicable, item 15.8.2.13 is to be deleted)</i>
15.8.2.14.	date of announcement of actual variables of the issue	<i>(If no variables of the issue apply, item 15.8.2.14 does not apply and is to be deleted)</i>
15.8.2.15.	participation ratio value	<i>(If the actual value of the participation ratio is not known at the time of subscription period of non-equity securities and will be set on the date specified in item 15.8.2.14, item 15.8.2.15 does not apply and is to be deleted)</i>
15.8.2.16.	limit(s) of change in the value of the reference item	<i>(If a limit(s) of change in the value of the reference item does not apply or if the actual limit(s) of the value of the reference item is not known at the time of subscription period of non-equity securities and will be set on the date specified in item 15.8.2.14, item 15.8.2.16 does not apply and is to be deleted)</i>
15.9.	initial value of reference item	<i>(If not applicable, item 15.9 is to be deleted)</i>
15.10.	final value of reference item	<i>(If not applicable, item 15.10 is to be deleted)</i>
15.11.	terms when capital guarantee ceases to be valid	<i>[Specify terms on the occurrence of which an investor faces the risk of losing the funds invested]</i>
15.12.	period for checking whether any conditions due to which notes may not be backed up by capital guarantee occur	[●]
15.13.	value of reference item and other related terms	<i>[Specify what is considered as the value/price of the reference item; specify exchange/market/association whose information is used to set the price/value of the reference item; specify what days are considered as business days with regard to the reference item in question]</i>
15.14.	entity that will carry out calculations	AB SEB bankas
15.15.	terms of investment notes associated with credit risk:	<i>(If not applicable, item 15.15 is to be deleted)</i>
15.15.1.	entity(ies) in whose regard a credit event must (not) occur	<i>[Specify entity(ies) in whose regard a certain credit event(s) listed in item 15.15.3 must or must not occur for investment notes to be profitable]</i>
15.15.2.	source of information	<i>[Source of information related to the entity specified in item 15.15.1. is indicated]</i>
15.15.3.	credit event(s)	<i>[Specify credit event(s) that must or must not occur with regard to entity(ies) listed in item 15.15.1 for investment notes to be profitable]</i>
16.	Terms of structured notes	<i>(If not applicable, item 16 is to be deleted)</i>
16.1.	applicable interest	<i>[Specify whether fixed or floating interest will be paid]</i> <i>(If not applicable, item 16.1 is to be deleted)</i>
16.1.1.	terms and procedure for calculation and payment of fixed interest	<i>(If not applicable, item 16.1.1 is to be deleted)</i>
16.1.1.1.	fixed interest	<i>(If not applicable, item 16.1.1.1 is to be deleted)</i>
16.1.1.2.	minimum interest	<i>[Specify the lowest limit of range in which fixed interest will be set]</i> <i>(If not applicable, item 16.1.1.2 is to be deleted)</i>
16.1.1.3.	maximum interest	<i>[Specify the highest limit of range in which fixed interest will be set]</i> <i>(If not applicable, item 16.1.1.3 is to be deleted)</i>
16.1.1.4.	date of announcement of actual interest	<i>(If not applicable, item 16.1.1.4 is to be deleted)</i>
16.1.2.	terms and procedure for calculation and	<i>(If not applicable, item 16.1.2 is to be deleted)</i>

16.1.2.1.	payment of floating interest procedure for calculating floating interest	<i>[Specify formula for calculating floating interest and terms for paying floating interest]</i> <i>(If not applicable, item 16.1.2.1 is to be deleted)</i>
16.1.2.2.	base interest rate	<i>(If not applicable, item 16.1.2.2 is to be deleted)</i>
16.1.2.3.	day(s) of fixing base interest rate	<i>(If not applicable, item 16.1.2.3 is to be deleted)</i>
16.1.2.4.	fixed share of interest	<i>(If not applicable, item 16.1.2.4 is to be deleted)</i>
16.1.2.5.	expected bottom range of floating interest	<i>(If not applicable, item 16.1.2.5 is to be deleted)</i>
16.1.2.6.	minimum bottom range of floating interest	<i>(If not applicable, item 16.1.2.6 is to be deleted)</i>
16.1.2.7.	expected top range of floating interest	<i>(If not applicable, item 16.1.2.7 is to be deleted)</i>
16.1.2.8.	maximum top range of floating interest	<i>(If not applicable, item 16.1.2.8 is to be deleted)</i>
16.1.2.9.	date of announcement of actual range of floating interest	<i>(If not applicable, item 16.1.2.9 is to be deleted)</i>
16.2.	method for calculating days	<i>[Act/360, Act/Act or other]</i> <i>(If not applicable, item 16.2 is to be deleted)</i>
16.3.	third party	Investors assume third party credit risk. <i>[Specify entity whose securities specified in item 16.15 of the Final Terms or claim right to such securities or securities replacing such securities or claim rights to such securities, either in full or partially, will be transferred to an investor after mandatory purchase in the case of occurrence of any enforcement event listed in item 16.12 of the Final Terms]</i>
16.4.	reference item	<i>[Description of reference item; if non-equity securities are linked to several reference items, specify the value of each of the reference items concerned]</i> <i>(If not applicable, item 16.4 is to be deleted)</i>
16.5.	historical changes in the value of the reference item	<i>[Provide a reference to a source where information on historical changes in the value of the reference item can be found]</i>
16.6.	currency of the derivative of the reference item to which the non-equity securities are linked	<i>[Currency code]</i> <i>[Specify the actual currency risk related to the non-equity securities issue, i.e. relevant changes in exchange rates that may influence the profitability of the non-equity securities in case of the different currency denomination of non-equity securities issue and derivative]</i> <i>(If not relevant, item 16.6 is to be deleted)</i>
16.7.	structured notes redemption price or procedure for its calculation	<i>[Specify the constituent parts of the redemption price: nominal value, premium, interim premium, interest]</i>
16.8.	premium rate or procedure for its calculation	<i>(If not applicable, item 16.8 is to be deleted)</i>
16.8.1.	premium paid on the date of structured notes redemption:	<i>(If not applicable, item 16.8.1 is to be deleted)</i>
16.8.1.1.	terms of payment of premium	<i>[Specify terms when premium is paid to an investor, e.g. if the value of reference item increases or decreases]</i>
16.8.1.2.	premium rate	<i>[Specify specific rate of fixed premium. If the rate of the fixed premium is not known in advance and will be set on the date specified in item 16.8.1.6, item 16.8.1.2 does not apply and is to be deleted]</i>
16.8.1.3.	procedure for calculating premium	<i>[Specify formula for calculating premium. If the premium rate is known in advance, it will be specified in item 16.8.1.2]</i>
16.8.1.4.	expected premium rate	<i>[Specify expected premium rate which will be paid to an investor if conditions set out in item 16.8.1.1 of the Final Terms are fulfilled]</i> <i>(If the premium rate is known in advance, it will be specified in item 16.8.1.2 or, if the premium rate is not a specific value, a formula for calculating the premium rate will be specified in item 16.8.1.3)</i>
16.8.1.5.	minimum premium rate	<i>(If not applicable, item 16.8.1.5 is to be deleted)</i>
16.8.1.6.	date of announcement of actual premium rate	<i>(If not applicable, item 16.8.1.6 is to be deleted)</i>

16.8.1.7.	expected value of participation ratio	<i>(If not applicable, item 16.8.1.7 is to be deleted)</i>
16.8.1.8.	minimum value of participation ratio	<i>(If not applicable, item 16.8.1.8 is to be deleted)</i>
16.8.1.9.	expected bottom limit of change in the value of the reference item	<i>(If not applicable, item 16.8.1.9 is to be deleted)</i>
16.8.1.10.	maximum bottom limit of change in the value of the reference item	<i>(If not applicable, item 16.8.1.10 is to be deleted)</i>
16.8.1.11.	expected top limit of change in the value of the reference item	<i>(If not applicable, item 16.8.1.11 is to be deleted)</i>
16.8.1.12.	minimum top limit of change in the value of the reference item	<i>(If not applicable, item 16.8.1.12 is to be deleted)</i>
16.8.1.13.	date of announcement of actual variables of the issue	<i>(If no variables of the issue apply, item 16.8.1.13 does not apply and is to be deleted)</i>
16.8.1.14.	participation ratio value	<i>(If the actual value of participation ratio is not known at the time of subscription period of securities and will be set on the date specified in item 16.8.1.13, item 16.8.1.14. does not apply and is to be deleted)</i>
16.8.1.15.	limit(s) of change in the value of the reference item	<i>(If a limit(s) of change in the value of reference item does not apply or if the actual limit(s) of the value of reference item is not known at the time of subscription period of non-equity securities and will be set on the date specified in item 16.8.1.13, item 16.8.1.15 does not apply and is to be deleted)</i>
16.8.2.	interim premium:	<i>(If no interim premium is provided for, item 16.8.2 is to be deleted)</i>
16.8.2.1.	terms of payment of interim premium	<i>[Specify terms on the occurrence of which interim premium will be paid to an investor]</i>
16.8.2.2.	date(s) of payment of interim premium	<i>[Specify date(s) on which interim premium will be paid to an investor]</i>
16.8.2.3.	interim premium rate	<i>[Specify specific rate of fixed interim premium. If the rate of fixed premium is not known in advance and will be set on the date specified in item 16.8.2.7, item 16.8.2.3 does not apply and is to be deleted]</i>
16.8.2.4.	procedure for calculating interim premium	<i>[Specify formula for calculating interim premium. If the interim premium rate is known in advance, it will be specified in item 16.8.2.3]</i>
16.8.2.5.	expected interim premium rate	<i>[Specify expected interim premium rate which will be paid to an investor if conditions set out in item 16.8.2.1 of the Final Terms are fulfilled] <i>(If the interim premium rate is known in advance, it will be specified in item 16.8.2.3, or, if the premium rate is not a specific value, a formula for calculating the premium rate will be specified in item 16.8.2.4)</i></i>
16.8.2.6.	minimum interim premium rate	<i>(If not applicable, item 16.8.2.6 is to be deleted)</i>
16.8.2.7.	date of announcement of actual interim premium rate	<i>(If not applicable, item 16.8.2.7 is to be deleted)</i>
16.8.2.8.	expected value of participation ratio	<i>(If not applicable, item 16.8.2.8 is to be deleted)</i>
16.8.2.9.	minimum value of participation ratio	<i>(If not applicable, item 16.8.2.9 is to be deleted)</i>
16.8.2.10.	expected bottom limit of change in the value of the reference item	<i>(If not applicable, item 16.8.2.10 is to be deleted)</i>
16.8.2.11.	maximum bottom limit of change in the value of the reference item	<i>(If not applicable, item 16.8.2.11 is to be deleted)</i>
16.8.2.12.	expected top limit of change in the value of the reference item	<i>(If not applicable, item 16.8.2.12 is to be deleted)</i>
16.8.2.13.	minimum top limit of change in the value of the reference item	<i>(If not applicable, item 16.8.2.13 is to be deleted)</i>
16.8.2.14.	date of announcement of actual variables of the issue	<i>(If no variables of the issue apply, item 16.8.2.14 does not apply and is to be deleted)</i>
16.8.2.15.	participation ratio value	<i>(If the actual value of participation ratio is not known at the time of subscription period of non-equity securities and will be set on the date specified in item 16.8.2.14, item 16.8.2.15 does not apply and is to be deleted)</i>
16.8.2.16.	limit(s) of change in the value of the reference item	<i>(If a limit(s) of change in the value of the reference item does not apply or if the actual limit(s) of the value of the reference item is not known at the time of subscription period of non-equity securities and will be set on the date specified in item 16.8.2.14, item 16.8.2.16 does not apply and is</i>

to be deleted)

16.9.	initial value of reference item	<i>(If not applicable, item 16.9 is to be deleted)</i>
16.10.	final value of reference item	<i>(If not applicable, item 16.10 is to be deleted)</i>
16.11.	terms of credit linked structured notes:	<i>(If not applicable, item 16.11 is to be deleted)</i>
16.11.1.	entity(ies) in whose regard a credit event must (not) occur	<i>[Specify entity(ies) in whose regard a certain credit event(s) listed in item 16.11.3 must or must not occur for structured notes to be profitable]</i>
16.11.2.	source of information	<i>[Source of information related to the entity specified in item 16.11.1 is indicated]</i>
16.11.3.	credit event(s)	<i>[Specify credit event(s) that must or must not occur with regard to entity(ies) listed in item 16.11.1 for structured notes to be profitable]</i>
16.12.	enforcement events	<p>The Bank will mandatorily purchase the issue of these structured notes from investors if any of the following enforcement events occurs:</p> <ul style="list-style-type: none"> • a third party fails to fulfil its obligations in accordance with set terms and procedure with regard to securities issued by it and listed in item 16.15 of the Final Terms; • it is announced that, at the request of a third party or holders of the securities issued by the third party which are specified in item 16.15 of the Final Terms, the terms for fulfilment of obligations under, and/or for disposal of securities issued by the third party and listed in item 16.15 of the Final Terms are amended.
16.13.	procedure for provision of information about an occurred enforcement event	<p>The Bank will announce information about a enforcement event immediately on the Bank's website at www.seb.lt. <i>(If an additional procedure is set on how and when information about an occurred enforcement event must be provided, specify this procedure)</i></p>
16.14.	terms and procedure for mandatory purchase	<p>The Bank will, not later than within 4 (four) business days from the date of the relevant enforcement event (this date coincides with the date of announcement of the occurred enforcement event), mandatorily purchase the issue of these securities from investors. The Bank will settle accounts with the investors on the same day of the mandatory purchase. Account settlement for the structured notes being mandatorily purchased will take place according to the following procedure:</p> <p>a) for one mandatorily purchased structured note, an investor will receive third party securities specified in item 16.15 of the Final Terms or the claim right to such securities, or other securities replacing such securities or the claim rights to them or any portion thereof. For one mandatorily purchased structured note, an investor will receive such number of securities of the third party that the total nominal value of mandatorily purchased structured note would be equal to the nominal value of securities of the third party transferred for one structured note purchased. If the third party concerned replaces its securities of a certain issue that are specified in the Final Terms with other securities issued by it before the date of the mandatory purchase and for this reason the Bank will not be able to transfer the securities of a certain issue that are specified in the Final Terms to an investor, the investor will be provided with securities that replace the securities of the third party and that are issued by the same third party for the structured notes being mandatorily purchased; the investor will receive such number of securities replacing the third party securities of a specific issue that are specified in the Final Terms that the investor would have received if, on the date of replacement of the securities, it disposed of the third party securities of a specific issue that are specified in the Final Terms</p>

received according to the aforementioned rule—that is, the number of third party securities that the investor must receive for each structured note must ensure that the nominal value of the structured note and the total nominal value of all the third party securities being transferred for the structured note be equal; and b) cash payment specified in item 16.16 of the Final Terms.

16.15.	securities issued by a third party	<i>[Specify specific securities issued by the third party, which or the claim right to which, or securities issued by the same third party and replacing such securities or their part will be transferred to an investor on occurrence of a enforcement event]</i>
16.16.	cash payment	<i>[Specify the procedure for calculating the cash payment payable upon occurrence of a enforcement event]</i>
16.17.	value of the reference item and other terms connected with reference item	<i>[Specify what is considered as the value/price of the reference item; specify exchange/market/association whose information is used to set the price/value of reference item; specify what days are considered as business days with regard to reference item in question]</i>
16.18.	entity that will carry out calculations	AB SEB bankas
17.	Early redemption	<i>(If not applicable, item 17 is to be deleted)</i>
17.1.	terms of the early redemption	<i>[Terms of the early redemption, e.g. occurrence of a certain change in the value of the reference item]</i>
17.2.	early redemption price or procedure for its calculation	[●]
17.3.	dates of early redemption	[●]
17.4.	procedure for informing about early redemption	[●]

TERMS OF THE OFFER

18.	Category of investors proposed for acquiring the non-equity securities and rights granted	<i>[Specify whether the non-equity securities are offered to all investors without restrictions or to a specific category of investors. If the non-equity securities are offered to an individual category of investors, specify what criteria apply and rights are granted to parties that qualify as investors of this category]</i>
19.	Nominal value per non-equity security	[●]
20.	Issue size in units	[[●]units/ Unlimited]
21.	Total nominal value of the issue	[[●] / Unlimited]
22.	Subscription price(s) of non-equity security	[●] <i>(If during the subscription period the subscription prices of the non-equity securities differ “Subscription prices of non-equity securities are specified in Annex No. [●]”)</i>
22.1	risk premium	[●] <i>(If not applicable, item 22.1 is to be deleted)</i>
22.2	calculation of subscription price	[●]
23.	Subscription fee	[●]
24.	Subscription period	[●] <i>[In the case of issue of coupon and discount bonds: specify whether the Bank, considering the number of subscribed bonds and the market interest rates, may shorten the bonds subscription period; in the case of the structured note issue it shall be always specified that the bank taking into consideration the number of subscribed notes and the market interest rates has a right to shorten the structured notes’ subscription period. Specify what steps will be taken if the Bank is granted this right]</i>
25.	Information about the possibility to reduce the number of subscribed securities	[[●] / Not applicable]
26.	Minimum number of non-equity securities offered to one investor	[●]
27.	Maximum number of non-equity	[●]

- securities offered to one investor
28. Venues of finalisation of non-equity securities subscription agreements and deadline for payment for the securities [●]
29. Venues for presentation of applications to acquire non-equity securities and deadline for payment for the securities *(If not applicable, item 29 is to be deleted)*
30. Share of the issue reserved for certain investors *[If a share of the issue is reserved for certain investors, specify the exact size of such share]*
(If no share of the issue is reserved, item 30 is to be deleted)
31. Procedure for provision of information about non-equity securities assigned to investors [●]
32. Markets where the offer take place [●]
33. Announcement of the offer results [●]
34. Placement agents *[Company name, address of branch offices, telephone, website]*
35. Information about parties who assumes the firm commitment to underwrite a part of the securities of the issue *[Company name, address of branch offices, telephone, website; date of the obligation to underwrite a part of the issue, applicable number of securities of the issue, commission fee]*
36. Protector of interests of owners of the non-equity securities *[Company name, address of branch offices, telephone, website]*

LISTING ON REGULATED MARKET TRADING LISTS

37. Listing on regulated market trading lists *[Specify whether the securities of the issue will be listed on regulated market trading lists and, if known, the date when the securities of the issue will be listed on regulated market trading lists]*
38. Entities who undertook the obligation to support secondary trading No intermediaries assume an obligation to ensure liquidity of non-equity securities issued under this Programme in the secondary trading or other regulated markets.
[If any intermediary assumes an obligation to ensure liquidity of a particular non-equity securities issue, company name of the intermediary, address of branch offices, telephone and website are indicated]

ADDITIONAL INFORMATION

39. Cancellation of the issue(s) *[Specify cases of cancellation of issues; information on where and when cancellation of an issue will be announced; amount of refund per non-equity security subscribed; deadlines and procedure for returning the funds]*
(If not applicable, item 39 is to be deleted)
40. Advisors *[Specify advisors, if their services were used during preparation of the securities issue documents; specify scope of advisor services used]*
41. Third party information *[If third party information was used during preparation of the securities issue documents, specify the source(s) of such information and provide confirmations as to the reliability of such information]*
42. Credit ratings *[Specify the credit rating of the securities of the issues and provide a description of the credit rating, if such is provided by the rating agency]*

The Issuer is responsible for the accuracy of the information contained in these Final Terms.

[Title, signature, given name and surname of the authorised representative of the Issuer]

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Seal