

The performance results of Šiaulių Bankas Group over 2014

- Šiaulių Bankas Group generated 40.7 million litas (11.8 million euro), the Bank earned 36.6 million litas (10.6 million euro) of pre-audited net profit.
- Net fee and commission income grew by 23 per cent.
- Deposit portfolio reached 4.9 billion litas (1.4 billion euro).
- The Group strengthened its positions in leasing and life insurance markets.
- National currency changeover carried out successfully.

The year of 2014 was a period of a consistent resumption and on-going strive forward to Šiaulių bankas Group - both the Bank and the Group improved their performance results. The Group generated 40.7 million litas (11.8 million euro) of the pre-audited net profit of, which 2.2 times exceeded the result achieved in 2013 when the net profit amounted to 18.4 million litas (5.3 million euro). The pre-audited net profit of Šiaulių bankas amounted to 36.6 million litas (10.6 million euro) in 2014, which is 3.4 times more than in 2013 when the profit reached 10.7 million litas (3.1 million euros).

"Last year, we had been working in a focused and purposeful manner, we became, we implemented the key goals, achieved significant results and improved the customer satisfaction indicators - all this gives a solid foundation and strong boost for further development", - says Chief Executive Officer of Šiaulių bankas Vytautas Sinius.

Loans and deposits

The increased customers' confidence in Bank enlarged the deposit portfolio by 358 million litas (104 million euro) or by 8 per cent during the reporting year and reached 4.9 billion litas (1.4 billion euro) at the end of the year - 98 per cent of this portfolio mainly consisted of funds placed by the Lithuanian residents and companies. The deposits of the private customers grew by 5 per cent over 2014 while the growth of corporate clients' funds comprised 25 per cent. Among other banks operating in Lithuania, Šiaulių Bankas steadily holds the fourth position in deposit market.

Decline in lending volumes caused by the geopolitical and economical uncertainty together with the fairly successful realization of the bad loans previously acquired from the failed Ūkio bankas led to the loan portfolio decrease. The loan and leasing portfolio of the Group decreased by 2 per cent over 2014 and comprised almost 2.5 billion litas (0.8 billion euro) at the end of 2014. The Bank granted more than 800 million litas in loans to its clients over 2014.

Income and expenses

Constantly decreasing costs of the main funding source - time deposits - led to increase of the net interest income. The net interest income increased by 30 per cent comparing to 2013 and amounted to almost 142 million litas (41.1 million euro). Growing number of customers and their increasing activity resulted in 23 per cent growth of the net fee and commission income over the year.

The profit from the foreign exchange operations and securities account for a quite considerable impact on the annual results of the Group. The annual result from the transactions in foreign currency grew by 86 per cent and comprised 12.6 million litas (3.6 million euro), while the result from operations with securities increased by 30 per cent up to 11.5 million litas (3.3 million euro).

Increased operating expenses in 2014 influenced the performance ratios of the Group too. The cost to income ratio decreased by 11.5 percentage points over the year to 50.6 per cent while annual ratios of the return on equity and return on assets had doubled and comprised 11.4 per cent and 0.7 per cent respectively.

The Group expands the scope of its activities

In October 2014 Ūkio Banko Lizingas UAB and life insurance company Bonum Publicum UAB joined Šiaulių Bankas Group. Reclassification of these companies into the consolidated subsidiaries had a positive impact on the result of their continuous activities.

The most notable event over the reporting year - changeover of the national currency to Euro - was implemented very smoothly and according to the plan. Having successfully coped with the increased number of financial operations Šiaulių bankas was in the second position among other banks operating in the country by volumes of cash exchange transactions in January of the current year.

At the end of 2014 the customer service network of the Bank consisted of 74 units operating in 39 towns throughout Lithuania. The number of corporate customers increased by 13 per cent to 23 thousand while the number of private clients grew by 5 per cent to 337 thousand. The Bank's clients were able to use 230 ATMs belonging to banks' ATM network. In 2014 the Bank's clients were able to withdraw cash or place their funds to the payment card accounts through more than 1800 terminals of Perlo Paslaugos UAB all over Lithuania.