

PUBLIC LIMITED LIABILITY COMPANY BANKAS SNORAS
(HEREINAFTER REFERRED TO AS "BANK" OR "ISSUER")

SUMMARY LETTER

This summary letter along with letter of securities, registration document, addendum to the registration document, financial information of Bankas SNORAS for 2004, 2005 and 2006 and other documents incorporated by virtue of reference or otherwise published (whether now or in future) shall constitute an integral part of Issuer's Securities Prospectus (hereinafter referred to as Prospectus).

All of the documents mentioned above are available at the Financial Brokerage Department of Bankas SNORAS at A. Vivulskio street 7, Vilnius during business hours from 8 a.m. to 4.30 p.m. (Fridays to 3.30 p.m.), in the branches of the Bank, and on website: www.snoras.lt. Contact phone numbers: (8-5) 232 7212, (8-5) 232 7223.

This summary letter shall be read as an introduction to the Prospectus. Future investors should read with all the documents constituting the Prospectus, including registration document and securities letter and documents referred to, prior to the adoption of decision on acquisition of the Issuer's securities.

Drafters of this summary letter bear civil liability for the information provided herein in case the data is misleading, incorrect or discrepant against other parts of the prospectus.

In case an investor files a claim in the court regarding information provided in the summary, the complainant, in accordance with national legal acts of member states, might have to cover translation expenses prior to legal proceedings.

Vilnius, April 2007

INFORMATION ON THE ISSUER

Legal name of the Issuer:	AB bankas „Snoras“
Commercial name	Bankas SNORAS
Registration date and place:	March 17, 1992, the Bank of Lithuania
Company's (register) code:	112025973
Registration No.:	AB 92-20
Date of foundation:	March 17, 1992
Period of operation:	Unlimited
Head office address:	A.Vivulskio str. 7, LT-03221 Vilnius
Legal organizational form:	Public limited liability company
Governing legislation:	Law of the Republic of Lithuania
Country in which the Issuer is established:	The Republic of Lithuania
Phone numbers:	(8~5) 232 71 37, (8~5) 232 71 93
Fax numbers:	(8~5) 232 73 01, (8~5) 232 73 00
e-mail:	info@snoras.com
Internet site:	www.snoras.lt

Only the main information regarding Issuer and securities issued is provided in the summary. More information regarding Issuer, activity thereof, financial state and other aspects shall be provided in the Registration document, addendum thereto and financial information of Snoras for 2004, 2005 and 2006. More information regarding the securities issued shall be provided in the letter of securities. The above listed documents form an integral part of the prospectus. One can access all documents at the Financial Brokerage Department of Bankas SNORAS (7 A. Vivulskio Str., Vilnius) and at all branches of the Bank (at the addresses given in the subsection 5.1.1 of the letter of securities) and website www.snoras.lt.

Bankas Snoras shall also be referred to as the Bank or the Issuer in the summary letter.
Bankas Snoras together with affiliates shall also be referred to as the Group in the letter.

PERSONS BEARING LIABILITY FOR THE INFORMATION PROVIDED IN THE SUMMARY LETTER

First and last name	Position	Responsible for
Raimondas Baranauskas	Chairman of the Board (President of the Bank) tel. (8~5) 232 70 00, fax (8~5) 232 73 15.	All the information provided
Zita Selenkovienė	Senior Accountant tel. (8~5) 232 70 04, fax (8~5) 232 73 01.	All the information provided
Vladimir Streckij	Director of the Financial Brokerage Department tel. (8~5) 232 72 12, fax (8~5) 232 73 06.	All the information provided

By signing hereunder we confirm, that to the extent of our knowledge the information provided in this summary letter is true and not exclusive of any facts that could influence its meaning or decision-making of future investors, and that we took all the reasonable steps to ensure the foresaid.

Raimondas
Baranauskas

Zita Selenkovienė

Vladimir Streckij

(signature)

(signature)

(signature)

1. RISK FACTORS

Risk factors, related to investment in the shares

Market risk shall be risk to incur loss due to adverse change of prices of financial instruments in the markets. Where there are shares additionally issued in the market, the price whereof is lesser than the market one, price of ordinary shares on the market may decrease.

Share liquidation risk where investors acquire Bank shares, they accept liquidation risk of the securities, i.e. having stricken the shares off the property trade list of Vilnius securities market, investors may face difficulties in selling the same.

Money freezing risk where amendments of the Bank Articles related to the increase of the statutory capital, are not submitted for registration in the Register of Legal Persons, in accordance with the laws, before 7 of December 2007, all contributions shall be restored to the Bank accounts given by the investors.

Inflation risk where inflation increases, there appears risk the increase of share value fails to reach the inflation level. In this case the investor shall not recover the entire amount. Nevertheless, the risk is identical as when investing in other financial instruments.

Specific investing risk more than 93 percent of the Bank shares are now owned by two shareholders; there is therefore risk that main shareholders may take decisions unfavourable to small shareholders.

Risk factors, related to investment in subscription rights

Market risk where investor purchases the subscription rights, acquire price of shares newly issued increases and where market price of the shares decreases, there is possibility they incur greater losses compared to the investors, having subscription rights attributed free of charge.

Specific investing risk where persons, prevented by the Law on Banks of the Republic of Lithuania from acquiring Bank shares, purchase subscription rights and acquire shares, money shall be repaid for subscribed and paid shares only.

Risk factors related to the Bank activity

Credit risk shall be risk to incur loss, where clients fail to perform financial obligations to the Bank. Credit risk is of key importance in the Bank risk system. The credit risk shall be managed by way of thorough risk analysis prior to granting credit and by monitoring following granting thereof, by analysis and control of concentration risk, establishment of limits restricting credit risk and by control the way they are followed. Credit risk shall also be partly managed by demanding pledge and guarantees and / or warranty of natural and legal persons.

The limits established to given debtors, including to banks and brokers, shall be limited by establishment of sub-limits for balance and non-balance transactions and by establishment of daily risk limits for trading instruments, e. g. transactions on foreign currency. Every excess of limit shall be controlled daily.

Apart from restrictions, established by the Bank of Lithuania, the Bank shall apply internal limits, which ensure proper structure of loan portfolio and optimum management of credit risk. The credit risk shall be distributed to structural levels by establishment risk restrictions to a single debtor, group thereof. This risk shall be managed by reviews on time-to-time basis. Credit risk shall be managed by regular analysis of possibility of debtors and potential debtors to pay interest and repay loan and by change of credit limits. Credit risk shall also be managed partly by demanding pledge of natural persons and guarantees and of natural and legal persons. Nevertheless, the listed measures to manage credit risk may prove insufficient or implemented not in timely manner; this can have effect on the ability of the Bank to perform payments related to the Bank securities.

Liquidity risk shall be risk that the Bank shall not be able to procure enough funds to perform obligations related to the repayment of deposits and financial instruments due. With view to manage liquidity risk, the Bank shall observe future likely money flows from the clients and bank activity daily, which is part of assets /liabilities management process. The Bank board shall establish limits to the funds proportion with time-limit of minimal duration, in order to ensure enough funds to pay on deposits, and establish minimal obligation level of inter-bank and other debt obligations, to be covered by funds in case of unexpected rise of requirements regarding the performance of Bank obligations.

Finance market risk shall be risk that the Bank incurs loss due to adverse change of finance market (interest rates, currency rates, prices of property securities etc.). Risk of interest rate is of key importance. It influences risk of valid interest rates fluctuations, which influences financial position of the Group and the Bank and cash

flows. These fluctuations can increase margin of interest rates, yet it can decrease due to unexpected change, and this in turn can cause loss. The Board of the Bank establishes limits, defining the level of interest level as inadequate in case financial measures are re-evaluated, if needed. The foreign currency exchange rate risk of the Issuer is related to fluctuations of foreign currency exchange rates, which influences financial position of the Group and the Bank and cash flows.

Operational risk shall be risk to incur direct or indirect loss due to inadequate or ineffective internal processes, systems, technologies, employees' activities or external factors. An integral part of operational risk is legal risk – i.e. risk to incur loss due to failure to perform current or previous rights of the Bank, arising from agreements or other contract, cases or laws.

The Lithuanian Bank monitors the activity of the Bank, and due to the fact that shares of the Issuer are offered for trade in OMX, Vilnius Securities Market, Securities Commission of the Republic of Lithuania also does so. The Issuer, when organising its activity, management and provision of information to the public, shall follow relevant laws and other regulations governing the activity of banks and companies, and the securities market. Whereas, the activity of the Issuer is licensed, the same shall strictly follow the requirements of the above laws and of monitoring institutions (restrictions regarding the Bank activities, establishment of compulsory reserve values, changes in asset classification etc.). Despite the fact that the Bank performs all requirements, it is still possible, that where significant changes occur, requirements applicable to the Issuer can also change. There is no certainty that the Bank will than be able to implement new requirements and further perform activity successfully. In case of failure to follow all or part of these requirements, it might result in prohibition to the Bank to provide certain services, to suspend the activity of branches or subdivisions for definite or indefinite period, its licence cancelled right to use funds restricted and other measures applied. Furthermore despite monitoring it may happen that present requirements shall not cover all groups of Bank operational risks and the groups shall not be subjected to control. All of the above can have significant influence on the results of Bank activity and its ability to perform obligations related to securities.

Interest rates risk the Bank shall accept interest rates risk due to interest rate which changes constantly and has impact on the financial situation and cash flows. Interest margins can both increase and decrease due to the said changes, even cause loss, where these changes happen unexpectedly. The Board of the Bank shall establish limits for acceptable differences of interest rates. These limits shall be reviewed daily.

Currency risk the Bank shall accept currency risk due to constantly changing currency exchange rates, which has impact on the financial situation and cash flows. The board of the Bank shall establish open positions of common and specific currency and currency purchase limits for day and night contracts, which are reviewed daily.

Technical-technological risk factors shall be physical and moral wear and tear of main measures, standardization problems, etc. This kind of risk has indirect impact; as modern banking technologies require costs to acquire and restoration of Bank buildings, equipment, and other assets. That decreases the Bank profit.

As far as other risk factors are concerned, one should point out, that there is always impact of political risk factors, which has impact on the Bank profit. That is changing basis tax legislation, various proposals, by providing for taxation of interest for deposits and income tax for depositing, etc.

Intensive competition Bankas SNORAS, when performing its activity faces intensive competition on the national market. There are other 9 commercial banks, 3 foreign bank representative offices, 2 foreign bank departments, Central Credit Union and 66 credit unions, as well as 124 EU banks, which act in the Republic of Lithuania without branch, that provide the same or similar services compared to the Issuer. In the future the number of commercial banking market players can increase. Once Lithuania entered the European Union, it is much easier for new large commercial banks, acting in Europe, to enter the country and they can use it in the future. Both current and future competitors can take active steps in order to take as large portion of market, as possible by decreasing the prices of services, by using vast international market, better loan possibilities, and modern technologies, and to offer advanced services of commercial banking. It is not certain that the Issuer then is able to compete successfully and the decreased demand for its services can have significant negative impact on the business, financial state and activity results of the Bank, as well as its ability to settle with the creditors.

Dependence on the main managers the ability of the Issuer to implement and sustain development strategy is mostly determined by experience and expertise of its management. Yet it is not certain, that all main Bank

employees shall work in the Bank in the future. The loss of such employees or inability of the Issuer to hire new employees having relevant expertise and experience can have negative impact on the perspective of the activity and financial situation of the Bank.

Rapid growth risk the Bank undergoes rapid expansion and intends to grow further. Therefore its activity can become more complex, and problems of management and activity resources can appear. With view to ensure efficient activity during rapid growth period, it may be necessary to improve large management resources, procedures, and activity. Where the resources of the Issuer prove to be insufficient to ensure pace of growth planned, it can have negative impact of the entire activity of the Issuer and its abilities to settle for securities.

Risk related to the assets mortgaged and its value the Issuer faces risk that the value of assets mortgaged in its favour, used to guarantee loans can be established incorrectly and not reflect the selling value of the assets, which is the greatest amount the Issuer could receive upon selling the assets. Furthermore evaluation of certain assets mortgaged may be obsolete and no longer correspond to its true value. In some cases assets mortgaged before can have lost demand in the market, therefore can be of no value as a pledge. Whereas part of loans is guaranteed by real estate, certain changes in the market can have impact on decrease of value of the asset. Any decrease in value of assets mortgaged to the Bank, can have impact on protection measures of the Bank applied to prevent loss of loans and the inability to completely recover loans granted can have impact on its financial results.

Lawsuits to the Bank whereas the Issuer has so far evaded large lawsuits, that does not influenced the possibility to the involved in long and costly procedures. Some demands in the lawsuit can be so significant that the inability of the Bank to protect itself and obligations to perform the same can have significant impact on the financial situation of the Bank and significantly disturb its activity.

Nawar international trading & agency Co. Egypt based enterprise demands 5 million USD in court from the Bank pursuant to guarantee issued by the same. The guarantee is fraud; the plaintiff fails to produce any original documents. Criminal case has been initiated due to forgery of the guarantee. According to the advocates, protecting the interests of the Bank, no right can rise from illegal act (crime), therefore the decision of the court should be favourable to the Bank.

Performance of normative restricting the risk of the Bank and the Group¹

Normative of capital sufficiency is the relation of Bank capital and all Bank assets and non-balanced articles, evaluated by the risk, in percentage. This indicator shall be no less than 8 percent.

Capital sufficiency indicator (%)	31/12/2006	31/12/2005
Bank	10.26	9.79
Group	8.95	9.60

Bank liquidity normative shall be the relation of liquid assets with current obligations. The resolution of the Board of Lithuanian Bank establishes that this indicator shall not be less than 30 percent.

Liquidity indicator (%)	31/12/2006	31/12/2005
Bank	44.57	57.60
Group	48.96	50.92

Common open position of foreign currency. Resolution of the Board of Lithuanian Bank establishes that maximum common open position of foreign currencies shall not exceed 25 percent of Bank capital, and the maximum open position of single foreign currency shall not exceed 15 percent of Bank capital.

Common open position of foreign currency (%)	31/12/2006	31/12/2005
Bank	1.98	-2.23
Group	12.0	1.33

¹ The Group consists of the Bank and the subsidiaries; the following were consolidated in 2005: Snoro lizingas UAB, Vilniaus kapitalo vystymo projektai UAB, Snoro turto valdymas UAB, Interfa UAB, Snoro investiciju valdymas UAB, Latvija krajbanka AS; for the results of the semester 2006 the following were consolidated: Snoro lizingas UAB, Vilniaus kapitalo vystymo projektai UAB, Snoro turto valdymas UAB, Interfa UAB, Snoro fondu valdymas UAB (former name Interfa UAB), Snoro investiciju valdymas UAB, Latvija krajbanka AS.

Normative of maximum loan amount for single debtor shall be the overall value of loans, guarantees, warranties, obligations, issued by the Bank in litas and in currency (up to 25 percent of Bank capital). The loan sum granted by the Bank to enterprise mother enterprise, other subsidiaries of this mother or its own subsidiaries, every debtor, where the Bank of Lithuania monitors in a consolidated way the entire financial group, shall not exceed 75 percents of the Bank capital. Where Lithuanian Bank does not perform consolidated monitoring of total financial group, the loan sum for the enterprises above shall not exceed 20 percent of Bank capital.

Maximum loan sum for single debtor (%)

	Loan limit from calculated Bank capital	31/12/2006	31/12/2005
Bank	25.00	21.98	24.16
Group	25.00	16.06	15.93

Normative of large loans. The resolution of the Board of Lithuanian Bank of 18 May, 2000, establishes that the total sum of large loans granted by the Bank shall not exceed 800 percent of Bank capital.

	Indicator of large loans (%)	31/12/2006	31/12/2005
Bank		369.99	384.8
Group		178.18	133.19

2. MAIN STATISTICAL INFORMATION REGARDING THE OFFER

Name of securities issued:	Ordinary registered shares
Form of share issue:	Intangible
Number of shares issued:	41 180 160 units
Nominal unit value:	1 Litas
Total nominal value:	LTL 41 180 160
Issue currency:	Litas of the Republic of Lithuania
Price of share issue:	3.40 Litas
Total price of share issue:	140 012 544 Litas
The way shares are distributed:	Public, by use of primary right to acquire shares.
The procedure to use primary right:	The procedure of distribution of share issue provides for issue of subscription rights.
Number of subscription rights:	41 180 160 (forty-one million one hundred eighty thousand one hundred and sixty) units
Persons receiving subscription rights:	The subscription rights shall be attributed free of charge to those, who were holders of ordinary registered shares of the Bank on the date of general shareholders meeting, wherein decision to increase statutory capital of the Bank was taken, i.e. on 7 December, 2006.
Distribution of subscription rights:	3 (three) subscription rights shall be attributed to each ordinary registered share of 10 litas ² nominal value.

² All ordinary registered shares issued by the Bank Snoras AB were of 10 litas nominal value, as of the date of general meeting of the shareholders, wherein decision was taken to increase statutory capital of the Bank, i.e. 7 December, 2006.

Subscription quotient:	1 (one) subscription right grants right to acquire (subscribe) one ordinary registered share, issued at issue price.
Beginning of share distribution:	next working day following the public announcement of the Register of Legal Persons in the website and Respublika daily (regarding offer by way of primary right to acquire shares of new issue)
Time limit of share distribution:	69 calendar days since the beginning of the distribution
Secondary circulation of shares:	Current securities list of Vilnius Securities markets
Use of income	the income of the issue shall be invested in Bank expansion and for performance of typical banking activity, i.e. financing private and legal persons, investment in securities, etc.

3. AUDIT OF FINANCIAL REPORTS PROVIDED IN THE PROSPECTUS:

Audit period	First and last names of auditors	Company	Address
2006 Y	Jonas Akelis Ramūnas Bartašius	Ernst & Young Baltic UAB	Subačiaus str. 7, LT-01008, Vilnius
2005 Y	Ramūnas Bartašius	Ernst & Young Baltic UAB	Subačiaus str. 7, LT-01008, Vilnius
2004 Y	Jonas Akelis Ramūnas Bartašius	Ernst & Young Baltic UAB	Subačiaus str. 7, LT-01008, Vilnius

4. ESSENTIAL FINANCIAL INFORMATION

4.1. Main financial indicators of the Bank and the Group

Main financial indicators reflecting the performance of the Bank and the Group for the last three financial years:

	31/12/2006		31/12/2005		31/12/2004	
	Bank	Group	Bank	Group	Bank	Group
Interest income, LTL 000	149 708	266 633	104 678	149 827	78 325	101 501
Service fees and commissions income, LTL 000	68 795	93 881	59 293	55 261	47 759	38 595
Other income, LTL 000	22 739	37 017	5 240	12 576	11 381	7 730
Net profit, LTL 000	51 856	65 335	40 669	45 274	13 345	11 405
Total Assets, LTL 000	4 211 407	6 539 480	3 297 735	4 507 570	1 925 164	1 981 956
Total liabilities, LTL 000	3 910 463	6 191 220	3 056 388	4 245 578	1 714 877	1 771 636
Equity, LTL 000	300 944	348 260	241 347	261 992	210 287	210 320
ROA, %	1.23	1.0	1.23	1.0	0.69	0.57
ROE, %	17.23	18.76	16.9	17.28	6.35	5.42
Bank's capital per share LTL	20.47	23.91	17.60	19.09	15.32	15.32
Earnings per share, LTL	3.63	4.35	2.96	3.25	0.97	0.83

4.2. Securities included in market trade list

Ordinary registered shares and bonds of the Bank shall be sold in Vilnius securities market.

The current trading list now includes 105 840 000 ordinary registered shares of the Bank, nominal value of one share being 1 litas and 2 000 000 privileged nominal shares, nominal value of one share being 10 litas, and total nominal value of shares included in the current trade list is 125 840 000 litas.

There are 86 334 080 not listed securities, ordinary registered share, of 1 litas nominal value, and the total nominal value of securities not listed is 86 334 080 litas.

The debt securities list now includes 300 000 Bank bonds, nominal value of one bond being 100 litas and total nominal value of bonds included in the debt securities list is 30 000 000 litas.

4.3. Amount of capital issued and information regarding the composition of capital depending on the share class (06/03/2007):

- a) Those issued and paid in full: 192 174 080 shall be ordinary registered shares of 1 litas nominal value; 2 000 000 shall be privileged shares of 10 litas nominal value;
- b) Number of shares in free circulation (number of shares apart from the shares held by the major shareholders):

	<u>06/03/2007</u>
Ordinary registered shares:	12 009 536;
Privileged nominal shares:	233 091.

4.4. Capitalization of the Bank

December 31, 2004 – LTL 178 172 825.60

December 30, 2005 – LTL 899 100 160.00

December 29, 2006 – LTL 722 836 000.00

4.5. Bank products and services for private and business clients

The Bank and its subsidiaries offer the private clients the following: bank accounts in litas and foreign currency, cumulative deposits in litas and foreign currency, definite deposits in litas and foreign currency, money loan services (including hypothetical loans): credits for legal persons, house loans, consumer loans, financial and guarantees, local and international settlements, money managing services, international payment card Visa, Visa Electron, Euro card/MasterCard, Maestro and local payment cards of Bankas SNORAS, acceptance and issue of commercial cheques, services of currency exchange, cash registry operations, keeping services, account of securities and services of financial brokers, automatic and mechanical safe boxes for individual use, lease products, factoring, real estate services.

5. DESCRIPTION OF MAIN ACTIVITY

The main market of Bankas SNORAS is Lithuania, and the principal clients are natural and legal persons of the Republic of Lithuania, and those, residing abroad. The Bank also has its representative offices in Latvia, Estonia, Belarus, Ukraine and Czech Republic.

5.1. Bank situation in the market

According to the data of audited financial statements, the assets of Bankas SNORAS amounted to LTL 4.2 billion as of 1 January, 2007, and increased by LTL 0.9 billion or 27.7 percent. The assets of commercial banks and departments of foreign banks in the country (assets), increased by 31.4 percent per year.

Loans granted to the clients in the Bank amounted LTL 1.55 billion and increased by LTL 0.47 billion or 43.8 percent (banks in total 48.9 percent) by comparison with 1 January, 2006.

The obligations to the clients of Bankas SNORAS increased by LTL 0.62 billion or 24.9 percent (all banks 20.5 percent).

The ownership of Bank shareholders amounted to LTL 300.9 million on 1 January, 2007 and increased by 24.5 percent during 2006 (all banks 39.4 percent).

The audited profit of the Bank in 2006 was LTL 51.86 million that is 27.5 percent more than in 2005; the total profit of national banks increased by 88.4 percent.

6. MANAGERS AND EMPLOYEES

6.1. Supervision and Management

Supervisory Board:

Chairman	Vladimir Antonov
Members:	Veronika Dolenko Dmitry Yakovlev Pavel Kryzhanovsky Maxim Safonov Alexander Antonov Oleg Sukhorukov

Board:

Chairman	Raimondas Baranauskas
Members:	Juozas Lukauskas Romasis Vaitekūnas Žita Selenkovienė Naglis Stancikas Žoržas Šarafanovičius Aušra Ižičkienė

The General Meeting of March 14, 2007 adopted a decision to revoke Supervisory Board of Bankas SNORAS and to elect the following members of the Supervisory Board of Bankas SNORAS for a new term of office:

Vladimir Antonov;
Maxim Safonov;
Alexander Antonov;
Oleg Sukhorukov;
Dmitry Yakovlev;
Andrey Vernikov;
Michael Duncan Chartres

It has been established that the mandates of Bank observation board newly elected composition shall be granted and the same shall act and time limit of office shall be counted only and from the moment where persons newly elected shall be granted licenses for observes by the Lithuanian Bank. Until that moment the previous observation board shall continue their activity.

6.2. Number of employees as of the end of periods

	31/12/2006	31/12/2005	31/12/2004
Total number of employees	1 049	930	860
Including:			
Management	70	63	60
Experts	874	766	701
Other staff	105	101	99
Education:			
University degree	629	553	495
Special secondary (higher)	320	298	300
Secondary	100	79	65
Average gross salary, LTL	2 808.80	2 457.01	2 412.30

7. Holders of blocks of shares

Shareholders owning more than 5% of the authorized capital of the Bank as of the 1st of March 2007:

Shareholder	Amount of shares		Share of the authorized capital/votes, %
	Preference	Ordinary	
VLADIMIR ANTONOV	-	131 920 334	62,18/68,65
RAIMONDAS BARANAUSKAS	200 000	48 244 210	23,68/25,10

8. FINANCIAL INFORMATION

Main financial indicators reflecting the performance of the Bank and the Group for the last three financial years:

	<u>31/12/2006</u>		<u>31/12/2005</u>		<u>31/12/2004</u>	
	<u>Bank</u>	<u>Group</u>	<u>Bank</u>	<u>Group</u>	<u>Bank</u>	<u>Group</u>
Interest income, LTL 000	149 708	266 633	104 678	149 827	78 325	101 501
Service fees and commissions income, LTL 000	68 795	93 881	59 293	55 261	47 759	38 595
Other income, LTL 000	22 739	37 017	5 240	12 576	11 381	7 730
Net profit, LTL 000	51 856	65 335	40 669	45 274	13 345	11 405
Total Assets, LTL 000	4 211 407	6 539 480	3 297 735	4 507 570	1 925 164	1 981 956
Loans granted to customers, LTL 000	1 552 173	2 537 860	1 079 155	1 865 862	638 237	671 294
Total liabilities, LTL 000	3 910 463	6 191 220	3 056 388	4 245 578	1 714 877	1 771 636
Liabilities for customers	3 107 308	4 721 612	2 487 022	3 484 041	1 446 830	1 444 541
Equity, LTL 000	300 944	348 260	241 347	261 992	210 287	210 320

Financial reports of the Bank for 2004, 2005 and 2006 prepared in accordance with International Financial Reporting Standards are presented in clause 20 of registration document as well as in clause 8 of addendum to the registration document.

9. TERMS AND CONDITIONS OF SHARE OFFER AND DISTRIBUTION PROCEDURE

9.1. Terms and conditions of share distribution:

- This prospectus of the shares has been drawn by issuing new share issue to primary circulation.
- The share issue shall be distributed exclusively in Lithuania.
- The procedure of issue distribution provides for issue of subscription rights.
- The issue distribution procedure provides for issue of subscription rights. The subscription rights shall be attributed free of charge to those, who were holders of ordinary registered shares of the Bank on the date of general shareholders meeting, wherein decision to increase statutory capital of the Bank was taken, i.e. on 7 December, 2006. 3 (three) subscription rights shall be attributed to each ordinary registered share of 10 litas nominal value.
- The share issue shall be distributed in three stages: by offering shares to the holders of subscription rights (first stage), for holder of privileged shares (second stage), and to other investors (third stage).
- The shares shall be distributed every working day 8 am -3 pm in the Head office of the Bank, 7 A. Vivulskio Str. Vilnius and Bank branches.
- Issue price of one share issued shall be 3.40 litas. The Board of the Bank has approved the share issue price.
- No number of shares exceeding the share number provided by decision of general meeting of shareholders shall be distributed.

9.2. The time limit of share distribution and the procedure for signing of agreements.

The shares of new issue of the Issuer shall be distributed after approving this prospectus in the Securities Commission of the Republic of Lithuania and having disclosed the information to the Bank shareholders regarding their primary right to acquire shares and personal subscription rights accounts opened on their account at the Financial Brokerage Department of Bankas SNORAS.

The subscription rights shall be security that the holder thereof can sell, i.e. to subscribe newly issued shares or transfer to the property of third party for consideration. Those who were not holders of ordinary registered shares of the Bank on the date of general shareholders meeting, wherein decision to increase statutory capital of the Bank was taken, i.e. on 7 December, 2006, wishing to acquire shares in the first distribution period, shall be entitled to acquire subscription rights issued at issue price.

Common subscription rights account in the Central Depository of Securities of Lithuania shall be opened and subscription rights attributed to their holders on the day the registry of legal persons announces it (regarding the right of shareholders to primary right to acquire shares of new issue) on the website and Respublika daily.

Issue of subscription rights:

Holders accounting date of subscription rights: the date of general meeting of shareholders wherein decision was taken to increase Bank statutory capital, i.e. 7 December, 2006.

Number of subscription rights: 41 180 160 (forty one million one hundred eighty thousand one hundred and sixty) units.

Distribution of subscription rights: Subscription rights shall be attributed to those, who at the end of subscription rights holders accounting day (07/12/2006) were shareholders of the Bankas SNORAS, pursuant to the number of shares held. 3 (three) subscription rights shall be attributed to each ordinary registered share of 10 litas nominal value³.

Validity duration of subscription rights: 30 days since the date of common subscription rights account opening in the Central Securities Depository of Lithuania.

Subscription quotient: 1 (one) subscription right grants right to acquire (subscribe) one ordinary registered share issued at issue price.

Accounting of subscription rights: subscription rights shall be recorded in personal securities accounts opened on account of holder of subscription rights in the Bankas SNORAS.

Secondary circulation of subscription rights

Transfer of subscription rights: the holder of subscription rights shall be entitled to transfer the subscription rights held to the third party by concluding agreement of purchase and sale or other agreement of transfer of rights.

Trade place: subscription rights shall not be included in the list of securities market, transfer of the same shall take place outside the market.

Beginning of circulation: next working day following the opening of common subscription rights account in the Central Securities Depository of Lithuania

End of circulation: the transfer of subscription rights shall be cancelled within 3 days until the expiry of subscription rights.

At the expiry of the subscription rights, all subscription rights not sold, kept in personal securities accounts, and at the end of payment time limit, transferred to accumulation account of subscription shall be cancelled.

Notice on the beginning of share distribution and the information as to where share issue prospectus can be received, shall be provided to the Securities Commission, Vilnius Securities Market, Respublika daily, Register of Legal Persons and published on the Bank website www.snoras.lt.

Shares shall be distributed in three stages:

First stage

Beginning of the stage: on the next day following the public announcement of the Register of Legal Persons (on the primary right of the holders of ordinary shares to acquire shares of new issue and the accounts of personal subscription rights) on the website and Respublika daily;

Stage duration: 30 calendar days;

³ All ordinary registered shares issued by the Bankas Snoras were of 10 litas nominal value, as of the date of general meeting of the shareholders, wherein decision was taken to increase statutory capital of the Bank, i.e. 7 December, 2006.

Share subscription place: the securities issued shall be subscribed in branches of the Bankas SNORAS and the Financial Brokerage Department.

Persons entitled to acquire shares: persons holding subscription rights in their personal securities account shall be entitled to acquire shares. One, who decides to sell subscription rights held, shall have to address the Bankas SNORAS regarding the signing of share subscription agreement and produce to transfer subscription rights from personal account to cumulative account of the Issuer.

Amount of subscribed shares: amount of shares issued and desired for subscription shall not exceed the number of subscription rights held by the investor on the subscription date.

Payment for shares: within three working days following the signature of share subscription agreement.

Financial Brokerage Department of the Bankas Snoras shall transfer subscription rights from personal account of the investor to cumulative account of the Issuer the day it receives transfer. Subscription rights transferred to the accumulative account of the Issuer shall not be subjected to contract and shall not be transferred to other accounts.

On 35th calendar day following the beginning of share distribution, the Bank shall publish information notice in the websites of Vilnius Securities Market and its own regarding the number of shares remaining at the end of the 1st stage.

Where all shares issued shall not be distributed at the end of the first stage, second share distribution stage shall take place. The Bank shall announce the beginning of the second period of share distribution in the information notice on the website of Vilnius Securities Market and its own, Respublika daily.

Second stage:

Beginning of the stage: on 36th day following the beginning of share distribution;

Stage duration: 14 calendar days;

Persons entitled to acquire shares: holders of privileged shares on 7 December 2006 of the Bank shall be entitled to acquire shares.

Amount of subscribed shares: in proportion to the nominal value of privileged shares held by the Bank shareholder on the date of general meeting of shareholders wherein decision to increase Bank statutory capital was taken, i.e. 7 December, 2006.

Number of shares shall be calculated on the basis of this formula:

$$S_i = L_1 \times B_i / 2000000, \text{ where}$$

S_i – number of shares for investor;

L_1 – share number remaining not distributed following the first stage;

B_i – number of privileged shares held by the investor on 7 December, 2006.

The number shall be approximated until integer following approximation rules and the investor shall be granted right to subscribe number of shares calculated this way.

Payment for shares: within three working days following the signature of share subscription agreement.

On 55th calendar day following the beginning of share distribution, the Bank shall publish information notice in the websites of Vilnius Securities Market and its own regarding the number of shares remaining at the end of the II stage.

Where all shares issued shall not be distributed at the end of the second stage, third share distribution stage shall take place. The Bank shall announce the beginning of the third period of share distribution in the information notice on the website of Vilnius Securities Market and its own, Respublika daily.

Third stage:

Beginning of the stage: on 56th day following the beginning of share distribution;

Stage duration: 14 calendar days;

Persons entitled to acquire shares: the shares shall be distributed following the applications for all shareholders, wishing to acquire shares not distributed in the second stage. Those participants of the first and second stage, who have signed share subscription agreement, but failed to pay in timely manner, shall be prevented from taking part in the third stage.

Amount of subscribed shares: amount of shares desired shall not exceed the number of shares remaining for the third stage

Transfer of money for shares

desired to purchase: within three working days following the application submission date.

Third stage shall be divided into 4 stages:

1. the acceptance of applications for the remaining shares, not distributed in the second stage, in the Central Bank office and Bank branches, 3 calendar days;
2. to ensure the intentions are serious, transfer of money to cumulative account for the entire amount of shares desired to acquire 3 calendar days since the day of submitting the application;
3. distribution of shares to those submitted applications - 3 calendar days;
4. signing of agreements of share subscription 5 calendar days.

Where there are more applications submitted to the share amount, exceeding amount not distributed following the second stage, the remaining shares shall be distributed to persons in proportion to the number given in their application as follows:

- a. amounts of shares as provided in the applications to acquire shares shall be added;
- b. the number shall be divided by the remaining number of shares unsubscribed;
- c. the number shall, following mathematical rules, be approximated up to eight digits after comma and the number of shares desired to acquire, provided in the application, shall be divided by the above number;
- d. the number shall, following mathematical rules, be approximated up to integer and the investor shall be granted right to subscribe number of shares calculated this way.

Investor funds not used to pay for the shares shall be repaid to the account given in the investor application or other account given in written commission of the same, no later than the following working day after the expiry of third distribution stage. No number of shares exceeding the number approved by the general meeting of the shareholders shall be distributed.

Where at the expiry of share distribution, all shares issued new by the Bank shall not be subscribe the statutory capital shall be increased by the sum of nominal value of shares subscribed.

9.3. Method and time limit of payment of shares and provision thereof.

Shares issued shall be paid in cash contributions within 3 (three) working days following the signing of share subscription agreement. The shares shall be paid by paying in the cumulative account given in the share subscription agreement. In this case no advance payment shall be collected.

The shares shall be accounted to securities account of person acquired the shares in the Bankas SNORAS (where other manager of securities accounts shall not be given at the acquiring moment) within one working day following the registration of articles of the Issuer, related to the increase of statutory capital in the Register of Legal Persons and the opening of common securities account for issue in the Central Securities Depository of Lithuania.

All contributions shall be returned to the Bank accounts given by the investors where changes of Bank articles related to the increase to the statutory capital are not submitted for registration in the Register of Legal Persons as provided by law and regulations before 7 December, 2008.

9.4. Announcement of distribution results.

Public announcement of the increase of statutory capital and issue of shares shall be published in Respublika daily within three working days since the amendments of Articles of the Issuer, related to the increase of statutory capital, are registered in the Register of Legal persons as provided by laws.

9.5. Planned decrease of shares profitability due to increased number of shares

Shares issued by the Bank shall grant the shareholders the same rights as all previous issues of shares. Where the amendments of the Articles due to increase of capital are registered, they can be traded in Vilnius Securities Market. Their profitability should not decrease significantly due to increased number of ordinary shares, whereas share issue is issued by increasing statutory capital by additional contributions. The Bank, having distributed

shares, shall gain 140 million Lt for its activity, i.e. its assets and income shall increase; increase in profitability is also to be expected.

10. SECONDARY CIRCULATION OF SHARES

Once share issue is distributed, application shall be submitted to coin shares newly distributed with shares, listed in the current list of Vilnius Securities Market, at the price listed, the ISIN number is LT0000101925.

There are no subjects to be firmly obliged to act in capacity of secondary trade brokers and to ensure liquidity at the prices in the offer.