

Financial highlights

4th quarter 2005 (Bank)

Income statement

(LVL thsd)

	2005*	2004
Interest income	72,514	54,096
Interest expense	(31,581)	(19,153)
Net interest income	40,933	34,943
Commission and fee income	30,096	21,612
Commission and fee expense	(7,064)	(5,098)
Net commission and fee income	23,032	16,514
Profit on securities trading and foreign exchange	12,829	12,190
Other operating income	1,625	1,287
Net operating income	78,419	64,934
Administrative expense	(41,580)	(33,933)
Depreciation and amortization expense	(5,773)	(5,841)
Other operating expense	(340)	(340)
Provision expense for possible credit losses	(4,646)	(8,672)
Release of previously established provision	5,229	715
Profit from investments in subsidiaries	-	1,609
Operating profit before taxation	31,309	18,472
Taxation	(5,707)	(2,020)
Net profit for the period	25,602	16,452

* unaudited

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4th quarter 2005 (Bank)

Balance sheet

(LVL thsd)

	31-Dec-05*	31-Dec-04
Assets		
Cash and deposits with the Bank of Latvia	134,032	63,748
Balances due from credit institutions	311,275	320,259
Loans and advances to non-banking customers	813,169	640,349
Fixed income securities	411,745	274,122
Shares and other non-fixed income securities	29,104	11,429
Investments in subsidiaries	21,358	18,369
Intangible assets	2,636	3,318
Fixed assets	19,787	19,452
Prepayments and accrued interest income	9,274	8,006
Other assets	7,980	3,604
Total assets	1,760,360	1,362,656
Funds under trust management	3,013	131,829
Total assets and funds under trust management	1,763,373	1,494,485
Liabilities		
Balances due to credit institutions	257,267	162,663
Deposits from the public	1,256,992	1,058,256
Issued bonds and other fixed income securities	75,133	-
Deferred income and accrued expense	6,413	3,510
Other liabilities	13,038	10,896
Provisions for liabilities and charges	560	957
Total liabilities	1,609,403	1,236,282
Shareholders' equity		
Paid-in share capital	65,027	65,027
Share premium	12,694	12,694
Fair value revaluation reserve	2,847	3,867
Retained earnings	70,389	44,786
Total shareholder's equity	150,957	126,374
Total liabilities and shareholders' equity	1,760,360	1,362,656
Funds under trust management	3,013	131,829
Total liabilities, shareholders' equity and fund under trust management	1,763,373	1,494,485

* unaudited