

AB BANKAS "HANSABANKAS"**STATEMENT OF INCOME
OF 30 SEPTEMBER 2005**

(All amounts in LTL thousand unless otherwise stated)

| | | The Financial group* | The Bank |
|------------|--|---------------------------------|-----------------|
| 1. | Interest income | 273,058 | 197,555 |
| 1.1 | on loans to credit and financial institutions and placements with credit institutions | 16,834 | 24,232 |
| 1.2 | on other loans | 162,959 | 149,248 |
| 1.3 | on subordinated loans | - | - |
| 1.4 | on debt securities acquired | 35,660 | 24,022 |
| 1.5 | other interest and related income | 57,552 | - |
| 1.6 | other interest and related income | 53 | 53 |
| 2. | Interest expense | 75,100 | 45,913 |
| 2.1 | on liabilities to credit and financial institutions and amounts due to financial institutions | 33,164 | 4,036 |
| 2.2 | on deposits and other repayable funds | 41,657 | 41,657 |
| 2.3 | on subordinated loans | - | - |
| 2.4 | on debt securities issued | - | - |
| 2.5 | other interest expense | 279 | 220 |
| 3. | Net interest income (1-2) | 197,958 | 151,642 |
| 4. | Provision expense | 17,252 | 13,865 |
| 4.1. | Specific provisions for loans and accrued interest | 30,915 | 27,528 |
| 4.2. | Specific provisions for executed guarantees | 444 | 444 |
| 4.3. | general provisions for the loan portfolio | 1,162 | 1,162 |
| 4.4. | adjustments of expenses incurred due to the recovery of the previously written-off loans | (15,269) | (15,269) |
| 5. | Net interest income after provision (3-4) | 180,706 | 137,777 |
| 6. | Service fees and commission income | 120,494 | 114,788 |
| 7. | Service fees and commission expense | 24,279 | 22,016 |
| 8. | Net interest, service fees and commission income (5+6-7) | 276,921 | 230,549 |
| 9. | Gain from equity securities | 54 | - |
| 9.1 | Gain (loss) on investments accounted under the equity method | - | - |
| 10. | Realized profit (loss) | 27,248 | 25,728 |
| 10.1. | from operations with foreign currency | 25,870 | 26,403 |
| 10.2. | from operations with debt securities | 466 | (615) |
| 10.3. | from operations with ownership securities | 984 | - |
| 10.4 | from operations with other financial instruments | (72) | (60) |

(Continued)

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(All amounts in LTL thousand unless otherwise stated)

| | | The Financial group* | The Bank |
|------------|--|---------------------------------|-----------------|
| 11. | Unrealized profit (loss) | (4,263) | (6,649) |
| 11.1 | from operations with foreign currency | (6,819) | (6,414) |
| 11.2. | from operations with debt securities | (47) | (398) |
| 11.3. | from operations with ownership securities | 2,440 | - |
| 11.4. | from operations with other financial instruments | 163 | 163 |
| 12. | Income from operations (8+9+10+11) | 299,960 | 249,628 |
| 13. | Other banking income | 87,396 | 7,152 |
| 14. | Operating expenses | 143,193 | 128,016 |
| 14.1 | Salaries, social security and other related expenses | 86,456 | 77,002 |
| 14.2 | Training and business trips expense | 2,412 | 2,068 |
| 14.3 | Rent and premises maintenance | 18,600 | 18,649 |
| 14.4 | Transportation and communication expense | 6,653 | 5,463 |
| 14.5 | Advertising and marketing expense | 6,632 | 4,511 |
| 14.6 | Other administrative expense | 22,440 | 20,323 |
| 15. | Other banking expense | 114,947 | 29,822 |
| 16. | Depreciation and amortisation expense | 13,537 | 12,438 |
| 17. | Other special provisions | 11,996 | 4,460 |
| 17.1 | Provisions for doubtful assets | 7,186 | -350 |
| 17.2 | Provisions for off-balance sheet items | 4,810 | 4,810 |
| 18. | Operating result (12+13-14-15-16-17) | 103,683 | 82,044 |
| 19. | Extraordinary gain (loss) | 2,487 | 211 |
| 20. | Income (loss) before income tax (18+19) | 106,170 | 82,255 |
| 21. | Income tax | 5,201 | - |
| 22. | Deferred taxes | - | - |
| 23. | Minority interest | - | - |
| 24. | Net income (loss) for the year | 100,969 | 82,255 |
| 25. | Basic Earnings per Share (in LTL) | 2.08 | 1.69 |

The financial statement have been prepared in accordance with the requirements by Bank of Lithuania

(Completed)

AB BANKAS "HANSABANKAS"**BALANCE SHEET
OF 30 SEPTEMBER 2005**

(All amounts in LTL thousand unless otherwise stated)

| | | The Financial group* | The Bank |
|---------------|--|---------------------------------|-------------------------|
| Assets | | | |
| 1. | Cash, precious metals and other valuables | 224,888 | 224,888 |
| 2. | Placements with the Bank of Lithuania | 651,679 | 651,679 |
| 3. | Due from banks and other credit and financial institutions | 848,054 | 1,255,703 |
| 3.1 | <i>Deposits</i> | <i>744,264</i> | <i>744,104</i> |
| 3.2 | <i>Repurchase agreements</i> | <i>103,581</i> | <i>103,581</i> |
| 3.3 | <i>Loans</i> | <i>209</i> | <i>408,018</i> |
| 4. | Short-term treasury bills | 123,105 | 123,105 |
| 5. | Loans to customers | 5,614,968 | 5,190,922 |
| 6. | Financial lease receivables | 1,716,969 | - |
| 8. | Debt securities | 960,973 | 680,429 |
| 9. | Financial claims under derivative agreements | 811 | 869 |
| 10. | Equity investments | 37,758 | 48,883 |
| 10.1 | <i>Investments accounted for under the equity method</i> | - | - |
| 11. | Intangible fixed assets (less amortisation) | 45,435 | 45,388 |
| 12. | Tangible fixed assets (less depreciation) | 117,739 | 100,170 |
| 12.1 | <i>buildings and other real estate</i> | <i>93,369</i> | <i>78,259</i> |
| 12.2 | <i>Vehicles</i> | <i>8,534</i> | <i>6,699</i> |
| 12.3 | <i>office equipment, etc.</i> | <i>15,836</i> | <i>15,212</i> |
| 13. | Accrued income and deferred expenses | 35,993 | 22,391 |
| 14. | Other assets | 173,797 | 24,566 |
| 16. | Total assets | <u>10,552,169</u> | <u>8,368,993</u> |

(Continued)

AB BANKAS "HANSABANKAS"**BALANCE SHEET
OF 30 SEPTEMBER 2005**

(All amounts in LTL thousand unless otherwise stated)

| | | The Financial group* | The Bank |
|-----------------------------|--|---------------------------------|------------------|
| Liabilities | | | |
| 17. | Due to central banks | - | - |
| 18. | Due to banks and other credit and financial institutions | 2,224,022 | 564,622 |
| 18.1 | <i>Deposits</i> | <i>76,821</i> | <i>98,494</i> |
| 18.2 | <i>Repurchase agreements</i> | - | - |
| 18.3 | <i>Loans</i> | <i>2,147,201</i> | <i>466,128</i> |
| 19. | Deposits and letters of credit | 6,562,303 | 6,562,303 |
| 20. | Commitments under derivative agreements | 1,624 | 1,649 |
| 21. | Special and lending funds | 405,310 | 404,064 |
| 22. | Debt securities issued | - | - |
| 23. | Accrued expenses and deferred income | 165,298 | 46,022 |
| 24. | Subordinated loans | - | - |
| 25. | Other liabilities | 467,463 | 112,108 |
| 27. | Total liabilities | 9,826,020 | 7,690,768 |
| Shareholders' equity | | | |
| 30. | Capital and reserves | 726,149 | 678,225 |
| 30.1 | Registered share capital | 485,332 | 485,332 |
| 30.2 | Treasury shares | - | - |
| 30.3 | Share premium | 7,585 | 7,585 |
| 30.4 | Fixed assets revaluation reserve | 18,587 | 18,587 |
| 30.5 | Financial assets revaluation reserve | - | - |
| 30.6 | Retained earnings (accumulated deficit) | 94,877 | 65,680 |
| 30.7 | Net income (loss) for the year | 100,969 | 82,255 |
| 30.8 | Other capital and reserves | 18,799 | 18,786 |
| 30.9 | Funds of overseas banks (branches) received from the Head Office | - | - |
| 31. | Minority interest | - | - |
| 32. | Total liabilities and shareholders' equity | 10,552,169 | 8,368,993 |

(Continued)

AB BANKAS "HANSABANKAS"**BALANCE SHEET
OF 30 SEPTEMBER 2005**

(All amounts in LTL thousand unless otherwise stated))

| | | The Financial group* | The Bank |
|--------------------------------|--|-----------------------------|-----------------|
| Off balance sheet items | | | |
| 1. | Guarantees and warrantees | 104,873 | 104,873 |
| 2. | Commitments to issue letters of credit | 19,109 | 19,109 |
| 3. | Irrevocable lending commitments | 1,928,919 | 1,507,515 |
| 4. | Other commitments | 42,299 | 42,299 |
| 5. | Financial derivatives | | |
| 5.1 | Accounts receivables (claims) | 2,962,985 | 2,967,462 |
| 5.2 | Accounts payable (liabilities) | 2,962,532 | 2,966,967 |

The financial statement have been prepared in accordance with the requirements by Bank of Lithuania

** - Financial group include the bank, UAB Hansa Lizingas, UAB Hansa Investiciju valdymas, UAB Hansa gyvybes draudimas.*

As of 30 September 2005 the Bank has liabilities in the amount of LTL 1,572,100 thousand and assets in the amount of LTL 1,572,100 thousand related to the restoration of public deposits.

The Financial group's and the Bank's liabilities under FX spot deals as of 30 September 2005 stood at LTL 42,298 thousand.

The assets put under the Financial group's and the Bank's management and the liabilities arising thereof as at 30 September 2005 were LTL 68,300 thousand.

As of 30 September 2005 the Financial group manages customers' assets worth LTL 162,437 thousand. At the same time the customers' liabilities toward the Financial group stand at LTL 361 thousand.

(Completed)

AB BANKAS "HANSABANKAS"

BALANCE SHEET OF 30 SEPTEMBER 2005

(All amounts in LTL thousand unless otherwise stated))

Grant loans to customers bunching by risk ratio:

| Risk ratio | Risk Rate % | % of loans portfolio |
|-------------------|-------------|----------------------|
| Standard loans | 0 | 51.0 |
| Watch loans | 1-15 | 46.5 |
| Substandard loans | 15-40 | 1.4 |
| Doubtful loans | 40-60 | 1.1 |
| Loss loans | 100 | 0.0 |
| Total: | | 100.0 |

Special provisions, to customers loans – LTL 59,204 thousand

Special provisions / to customers loans % - 1.05

Special provisions, to other doubtful active - LTL 659 thousand

Special provisions / other doubtful amounts % - 40.00

Observation of Bank risk limiting normative:

| Ratio name | Of Bank of Lithuania fixed value | The Financial group* 2005 09 30 | The Bank 2005 09 30 |
|----------------------------------|----------------------------------|---------------------------------|---------------------|
| Liquidity % | Min 30 | 43.33 | 39.62 |
| Capital adequacy % | Min 8 | 8.87 | 10.75 |
| Overall open currency position % | Max 25 | 0.84 | 0.57 |
| Maximum loans to one customer % | Max 25 | Complied | Complied |
| Larges loans ratio % | Max 800 | 162.81 | 200.75 |

During nine month of 2005, there were no sanctions imposed by Bank of Lithuania on AB Bankas Hansabankas

International agency ratings, bestow on mother company:

Moody's 2005 07 20

Long-term deposit A1

Short-term deposit Prime 1

Financial strength C

Senior-debt A1

Fitch 2005 08 03

Long-term A

Short-term F1

Individual rating B/C

Yield rates:

| | The Financial group* | The Bank |
|--------------------|----------------------|----------|
| Return on assets % | 1.5 | 1.5 |
| Return on equity % | 20.0 | 17.1 |

* - Financial group include the bank, UAB Hansa Lizingas, UAB Hansa Investiciju valdymas, UAB Hansa gyvybes draudimas.

AB BANKAS "HANSABANKAS"

**INFORMATION ON ASSETS QUALITY
OF 30 SEPTEMBER 2005**

(All amounts in LTL thousand unless otherwise stated)
