

CONFIRMATION FROM THE RESPONSIBLE PERSONS

We, Chief Executive Officer of Šiaulių bankas AB Vytautas Sinius and Chief Accountant Vita Adomaitytė, confirm that as far as we know, the financial statements for 9 months of 2015 are formed in compliance with the applicable accounting standards, correspond the reality and correctly reflect the total assets, liabilities, financial status, activity result and cash flow of Šiaulių bankas AB and consolidated companies.

Chief Executive Officer



Vytautas Sinius

Chief Accountant



Vita Adomaitytė

20-11-2015



CONDENSED INTERIM FINANCIAL STATEMENTS

for the nine month period ended 30 September 2015

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THE GROUP'S AND THE BANK'S CONDENSED STATEMENTS OF FINANCIAL POSITION

		30-09-2015		31-12-2014	
	Notes	Group	Bank	Group	Bank
ASSETS					
Cash and cash equivalents	3	103 701	80 328	197 436	196 481
Due from other banks		26 398	26 368	5 665	5 265
Securities at fair value through profit or loss	2	60 488	23 417	52 098	56 068
Derivative financial instruments		7 634	7 003	7 097	6 650
Loans to customers	1	834 422	898 641	720 191	790 756
Finance lease receivables	1	56 976	1 382	53 670	3 068
Investment securities:					
- available-for-sale	2	23 723	23 126	22 118	21 844
- held-to-maturity	2	503 970	478 319	454 116	447 757
Investments in subsidiaries and associates	2	-	35 405	-	29 686
Intangible assets		3 659	465	3 325	412
Property, plant and equipment		11 401	10 157	11 223	10 083
Investment property		16 543	3 484	20 166	3 303
Current income tax prepayment		10	-	83	-
Deferred income tax asset		867	159	622	-
Other assets	3	51 032	6 818	54 642	11 113
Assets classified as held for sale	2	3 440	16 089	37 557	27 620
Total assets		1 704 264	1 611 161	1 640 009	1 610 106
LIABILITIES					
Due to other banks and financial institutions		69 679	73 833	55 839	61 979
Derivative financial instruments		345	-	-	-
Subordinated loan	12	19 465	19 465	19 295	19 295
Due to customers	4	1 433 371	1 379 641	1 415 313	1 415 716
Special and lending funds		1 180	1 180	2 499	2 499
Current income tax liabilities		2 680	2 375	919	535
Deferred income tax liabilities		920	-	1 360	108
Liabilities related to insurance activities		22 138	-	19 945	-
Other liabilities		17 556	7 925	14 329	5 245
Liabilities related to assets classified as held for sale	2	5 737	-	3 898	-
Total liabilities		1 573 071	1 484 419	1 533 397	1 505 377
EQUITY					
Share capital	6	91 226	91 226	78 197	78 197
Share premium	6	-	-	3 684	3 684
Reserve capital		756	756	756	756
Statutory reserve		2 468	2 290	1 450	1 275
Financial assets revaluation reserve		(297)	(295)	516	516
Retained earnings		37 040	32 765	22 009	20 301
Non-controlling interest		-	-	-	-
Total equity		131 193	126 742	106 612	104 729
Total liabilities and equity		1 704 264	1 611 161	1 640 009	1 610 106

The notes on pages 10-29 constitute an integral part of these financial statements.

Chief Executive Officer
Chief Accountant

20 November 2015



Vytautas Sinius
Vita Adomaitytė

THE GROUP'S AND THE BANK'S CONDENSED INCOME STATEMENTS

for the nine month period ended

	Notes	Group	30-09-2015 Bank	Group (restated)	30-09-2014 Bank (restated)
Continuing operations					
Interest and similar income	7	47,648	41,539	47,591	41,434
Interest expense and similar charges	7	(14,111)	(14,043)	(17,991)	(18,000)
Net interest income		33,537	27,496	29,600	23,434
Fee and commission income	8	8 661	8 305	7 263	7 245
Fee and commission expense	8	(3 004)	(2 622)	(3 053)	(2 576)
Net fee and commission income		5 657	5 683	4 210	4 669
Net loss from embedded derivatives		(2 903)	(2 908)	(2 455)	(2 455)
Net loss from changes in fair value of subordinated loan		(175)	(175)	(33)	(33)
Net gain (loss) from operations with securities		(378)	56	3 382	2 356
Net foreign exchange gain		2 553	1 991	2 590	2 269
Net gain from derecognition of financial assets	11	3 248	3 248	6 714	6 714
Net gain from disposal of tangible assets		2 426	2 563	334	233
Revenue related to other activities of Group companies	11	10 009	-	8 353	-
Other operating income		1 311	470	1 339	650
Salaries and related expenses		(11 936)	(9 228)	(11 218)	(8 800)
Depreciation and amortization expenses		(1 163)	(778)	(1 110)	(870)
Expenses related to other activities of Group companies	11	(9 359)	-	(7 492)	-
Other expenses	9	(6 783)	(4 943)	(6 717)	(5 442)
Operating profit before impairment losses		26 044	23 475	27 497	22 725
Allowance for impairment losses on loans and other assets	10	(12 323)	(8 660)	(14 940)	(10 259)
Allowance for impairment losses on investments in subsidiaries	10	-	(14 363)	-	(7 111)
Dividends from investments in subsidiaries		-	18 373	-	6 097
Profit from continuing operations before income tax		13 721	18 825	12 557	11 452
Income tax (expense)		(2 742)	(2 254)	(2 050)	(1 924)
Profit from continuing operations		10 979	16 571	10 507	9 528
Profit (loss) from discontinued operations, net of tax	2	6 261	-	(313)	-
Net profit for the period		17 240	16 571	10 194	9 528
Net profit attributable to:					
Owners of the Bank		17 240	16 571	10 194	9 528
from continuing operations		10 979	16 571	10 507	9 528
from discontinued operations		6 261	-	(313)	-
Non-controlling interest (from continuing operations)		-	-	-	-
Basic earnings per share (in EUR per share) attributable to owners of the Bank		0.06		0.04	
from continuing operations		0.04		0.04	
from discontinued operations		0.02		(0.00)	
Diluted earnings per share (in EUR per share) attributable to owners of the Bank		0.05		0.04	
from continuing operations		0.03		0.04	
from discontinued operations		0.02		(0.00)	

The notes on pages 10-29 constitute an integral part of these financial statements.

Chief Executive Officer
Chief Accountant

20 November 2015



Vytautas Sinius
Vita Adomaitytė

THE GROUP'S AND THE BANK'S CONDENSED STATEMENTS OF COMPREHENSIVE INCOME

for the nine month period ended				
	30-09-2015		30-09-2014	
	Group	Bank	Group (restated)	Bank
Net profit	17 240	16 571	10 194	9 528
Other comprehensive income (loss):				
Items that may be subsequently reclassified to profit or loss:				
Gain from revaluation of financial assets	(956)	(954)	1 346	1 346
Deferred income tax on gain from revaluation of financial assets	143	143	(204)	(204)
Other comprehensive income, net of deferred tax	(813)	(811)	1 142	1 142
Total comprehensive income	16 427	15 760	11 336	10 670
Total comprehensive income attributable to:				
Owners of the Bank	16 427	15 760	11 336	10 670
from continuing operations	10 166	15 760	11 649	10 670
from discontinued operations	6 261	-	(313)	-
Non-controlling interest	-	-	-	-

The notes on pages 10-29 constitute an integral part of these financial statements.

Chief Executive Officer
Chief Accountant

20 November 2015



Vytautas Sinius
Vita Adomaitytė

THE GROUP'S AND THE BANK'S INCOME STATEMENTS FOR THE PERIOD

	01-07-2015 - 30-09-2015		01-07-2014 - 30-09-2014	
	Group	Bank	Group (restated)	Bank (restated)
<i>Interest and similar income</i>	16 890	14 807	15 839	13 768
<i>Interest expense and similar charges</i>	(4 440)	(4 325)	(5 846)	(5 848)
Net interest income	12 450	10 482	9 993	7 920
<i>Fee and commission income</i>	3 489	3 194	2 881	2 872
<i>Fee and commission expense</i>	(1 033)	(858)	(1 100)	(990)
Net fee and commission income	2 456	2 336	1 781	1 882
<i>Net loss from embedded derivatives</i>	(847)	(852)	(652)	(652)
<i>Net loss from changes in fair value of subordinated loan</i>	(98)	(98)	(73)	(73)
<i>Net gain (loss) from operations with securities</i>	(1 124)	84	767	377
<i>Net foreign exchange gain</i>	955	821	1 263	982
<i>Gain from derecognition of financial assets</i>	771	771	5 129	5 129
<i>Net gain from disposal of tangible assets</i>	84	256	53	87
<i>Revenue related to other activities of Group companies</i>	2 922	-	1 888	-
<i>Other operating income</i>	493	123	453	198
<i>Salaries and related expenses</i>	(4 119)	(2 998)	(3 564)	(2 831)
<i>Depreciation and amortization expenses</i>	(413)	(263)	(366)	(282)
<i>Expenses related to other activities of Group companies</i>	(1 345)	-	(1 759)	-
<i>Other expenses</i>	(2 204)	(1 527)	(2 572)	(2 095)
Operating profit before impairment losses	9 981	9 135	12 341	10 642
<i>Impairment losses on loans and other assets</i>	(7 072)	(4 956)	(7 545)	(4 239)
<i>Impairment losses on investments in subsidiaries</i>	-	(14 363)	-	(2 867)
<i>Dividends from investments in subsidiaries</i>	-	14 898	-	-
Profit from continuing operations before income tax	2 909	4 714	4 796	3 536
<i>Income tax (expense)</i>	(618)	(542)	(997)	(1 031)
Profit from continuing operations	2 291	4 172	3 799	2 505
<i>Profit from discontinued operations</i>	(249)	-	(88)	-
Net profit for the period	2 042	4 172	3 711	2 505
Net profit attributable to:				
<i>Owners of the Bank</i>	2 042	4 172	3 711	2 505
<i>from continuing operations</i>	2 291	4 172	3 799	2 505
<i>from discontinued operations</i>	(249)	-	(88)	-
<i>Non-controlling interest (from continuing operations)</i>	-	-	-	-

The notes on pages 10-29 constitute an integral part of these financial statements.

THE GROUP'S CONDENSED STATEMENT OF CHANGES IN EQUITY

	Notes	Share capital	Share premium	Reserve capital	Financial assets revaluation reserve	Statutory reserve	Retained earnings	Total	Non-controlling interest	Total equity
		Attributable to the owners of the Bank								
31 December 2013		72 405	9 476	756	(576)	939	10 746	93 746	145	93 891
Transfer to statutory reserve		-	-	-	-	511	(511)	-	-	-
Increase in share capital	6	5 792	(5 792)	-	-	-	-	-	-	-
Acquisition of subsidiary		-	-	-	-	-	-	-	(145)	(145)
Total comprehensive income		-	-	-	1 142	-	10 194	11 336	-	11 336
30 September 2014		78 197	3 684	756	566	1 450	20 429	105 082	-	105 082
Total comprehensive income		-	-	-	(50)	-	1 580	1 530	-	1 530
31 December 2014		78 197	3 684	756	516	1 450	22 009	106 612	-	106 612
Payment of dividends	6	-	-	-	-	-	(196)	(196)	-	(196)
Currency conversion of share capital	6	103	-	-	-	-	(103)	-	-	-
Increase in share capital	6	6 734	(3 684)	-	-	-	(3 050)	-	-	-
Business combination	6	6 192	-	-	-	-	257	6 449	-	6 449
Transfer to statutory reserve		-	-	-	-	1 018	(1 018)	-	-	-
Disposal of subsidiaries		-	-	-	-	-	1 901	1 901	-	1 901
Total comprehensive income		-	-	-	(813)	-	17 240	16 427	-	16 427
30 September 2015		91 226	-	756	(297)	2 468	37 040	131 193	-	131 193

THE BANK'S CONDENSED STATEMENT OF CHANGES IN EQUITY

	Notes	Share capital	Share premium	Reserve capital	Financial assets revaluation reserve	Statutory reserve	Retained earnings	Total
31 December 2013		72 405	9 476	756	(576)	764	10 208	93 033
Transfer to statutory reserve		-	-	-	-	511	(511)	-
Increase in share capital	6	5 792	(5 792)	-	-	-	-	-
Total comprehensive income		-	-	-	1 142	-	9 528	10 670
30 September 2014		78 197	3 684	756	566	1 275	19 225	103 703
Total comprehensive income		-	-	-	(50)	-	1 076	1 026
31 December 2014		78 197	3 684	756	516	1 275	20 301	104 729
Payment of dividends	6	-	-	-	-	-	(196)	(196)
Currency conversion of share capital	6	103	-	-	-	-	(103)	-
Increase in share capital	6	6 734	(3 684)	-	-	-	(3 050)	-
Business combination	6	6 192	-	-	-	-	257	6 449
Transfer to statutory reserve		-	-	-	-	1 015	(1 015)	-
Total comprehensive income		-	-	-	(811)	-	16 571	15 760
30 September 2015		91 226	-	756	(295)	2 290	32 765	126 742

The notes on pages 10-29 constitute an integral part of these financial statements.

THE GROUP'S AND THE BANK'S CONDENSED STATEMENTS OF CASH FLOWS

for the nine month period ended

	30-09-2015		30-09-2014 (restated)	
	Group	Bank	Group	Bank
Operating activities				
Interest received on loans	36 268	29 754	40 526	18 524
Interest received on securities at fair value through profit or loss	1 989	1 747	1 004	1 004
Interest paid	(14 106)	(15 740)	(12 151)	(12 152)
Net cash received from service and commission fees	5 657	5 683	4 243	4 544
Cash inflows from trade in trading securities	154	583	4 653	1 176
Net inflows from foreign exchange operations	2 737	2 173	2 401	1 292
Recoveries on loans previously written off	719	56	908	11
Salaries and related payments to and on behalf of employees	(11 998)	(9 220)	(11 388)	(5 695)
Other net cash (payments) receipts	8 838	949	(19 471)	(1 871)
Income tax paid	(1 457)	(538)	(1 153)	-
Net cash flow from operating activities before change in operating assets and liabilities:	28 801	15 447	9 572	6 833
Change in operating assets and liabilities:				
(Increase) decrease in securities at fair value through profit or loss	(9 779)	31 262	(4 714)	1 947
(Increase) in loans to credit and financial institutions	(20 398)	(21 103)	(1 842)	(1 842)
Decrease (increase) in loans to customers	(121 523)	(116 822)	15 068	583
(Increase) in other assets	24 532	(1 187)	(7 506)	(3 290)
(Decrease) in liabilities to credit and financial institutions	13 835	11 874	4 566	575
(Decrease) increase in deposits	18 058	(34 398)	26 060	25 918
(Decrease) increase in special and lending funds	(1 319)	(1 319)	(430)	(430)
Decrease (increase) in other liabilities	13 884	2 668	(2 067)	(1 449)
Change	(82 710)	(129 025)	29 135	22 012
Net cash flow from from operating activities	(53 909)	(113 578)	38 707	28 845
Investing activities				
(Acquisition) of tangible and intangible assets	(1 420)	(1 015)	(2 267)	(618)
Disposal of tangible and intangible assets	11 248	6 842	10 356	10 261
(Acquisition) of held-to-maturity securities	(193 027)	(167 651)	(128 669)	(124 890)
Proceeds from redemption of held-to-maturity securities	130 311	130 289	42 970	42 970
Interest received on held-to-maturity securities	15 161	15 571	15 089	15 089
Dividends received	28	18 401	45	6 124
(Acquisition) of available-for-sale securities	(21 068)	(20 710)	(10 917)	(10 891)
Disposal or redemption of available-for-sale securities	18 293	18 258	28 425	28 424
Interest received on available-for-sale securities	840	840	1 648	1 648
(Increase) in investment in subsidiaries	-	(3 208)	-	(1 735)
Net cash from (used in) investing activities	(39 634)	(2 383)	(43 320)	(33 618)
Financing activities				
Payment of dividends	(192)	(192)	(3)	(3)
Payment to minority shareholders	-	-	(145)	-
Net cash flow from financing activities	(192)	(192)	(148)	(3)
Net increase in cash and cash equivalents	(93 735)	(116 153)	(4 761)	(4 776)
Cash and cash equivalents at 1 January	197 436	196 481	139 308	139 307
Cash and cash equivalents at 30 September	103 701	80 328	134 547	134 531

The notes on pages 10-29 constitute an integral part of these financial statements.

GENERAL INFORMATION

Šiaulių Bankas AB was registered as a public company in the Enterprise Register of the Republic of Lithuania on 4 February 1992. The Bank is licensed by the Bank of Lithuania to perform all banking operations provided for in the Law on Commercial Banks of the Republic of Lithuania and the Statute of the Bank. In this document, Šiaulių Bankas AB is referred to as the Bank, Šiaulių Bankas AB and its subsidiaries - the Group. The Head Office of the Bank is located in Šiauliai, Tilžės str. 149, LT-76348. The bank has 71 client service outlets in 38 cities. As of 30 September 2015 the Bank had 661 employees (31 December 2014: 677). As of 30 September 2015 the Group (except subsidiaries held for sale) had 882 employees (31 December 2014: 829).

The Bank's shares are listed on the Baltic Main List of the NASDAQ Stock Exchange.

As of 30 September 2015 the Bank owned the following directly controlled subsidiaries:

1. Šiaulių Banko Lizingas UAB (finance and operating lease activities),
2. Šiaulių Banko Investicijų Valdymas UAB (investment management activities),
3. Šiaulių Banko Turto Fondas UAB (real estate management activities),
4. Minera UAB (real estate management activities),
5. SBTF UAB (real estate management activities),
6. Pavasaris UAB (development of the area of multi-apartment residential houses),
7. SB Lizingas UAB (name changed from Ūkio Banko Lizingas UAB; consumer financing activities),
8. Bonum Publicum GD UAB (life insurance activities).

As of 30 September 2015 the Bank owned the following indirectly controlled subsidiary:

9. Sandworks UAB (real estate management activities).

As of 30 September 2015 the Bank owned directly controlled subsidiaries held for sale:

10. Sporto Klubų Investicijos UAB (real estate management activities),
11. Trade Project UAB (real estate management activities),
12. Investicinio Turto Valdymas UAB (real estate management activities),
- 13-17. ŽSA 1 UAB, ŽSA 2 UAB, ŽSA 3 UAB, ŽSA 4 UAB, ŽSA 5 UAB (real estate management activities).

As of 30 September 2015 the Bank had the indirectly controlled subsidiary held for sale:

18. Žalgirio Sporto Arena UAB (real estate management activities).

As of 31 December 2014 the Bank owned the following directly controlled subsidiaries:

1. Šiaulių Banko Lizingas UAB (finance and operating lease activities),
2. Šiaulių Banko Investicijų Valdymas UAB (investment management activities),
3. Šiaulių Banko Turto Fondas UAB (real estate management activities),
4. Minera UAB (real estate management activities),
5. SBTF UAB (real estate management activities),
6. Pavasaris UAB (development of the area of multi-apartment residential houses),
7. Ūkio Banko Lizingas UAB (consumer financing activities),
8. Bonum Publicum GD UAB (life insurance activities).

As of 31 December 2014 the Bank owned the following indirectly controlled subsidiaries:

9. Sandworks UAB (real estate management activities),
10. Semelitas UAB (real estate management activities).

As of 31 December 2014 the Bank owned directly controlled subsidiaries held for sale:

11. Sporto Klubų Investicijos UAB (real estate management activities),
12. Trade Project UAB (real estate management activities),
13. Investicinio Turto Valdymas UAB (real estate management activities),
- 14.-18. ŽSA 1 UAB, ŽSA 2 UAB, ŽSA 3 UAB, ŽSA 4 UAB, ŽSA 5 UAB (real estate management activities).

As of 31 December 2014 the Bank had the indirectly controlled subsidiaries held for sale:

19. Kėdainių Oda UAB (leather processing, production activities),
20. Žalgirio Sporto Arena UAB (real estate management activities),
21. Nacionalinio Futbolo Stadionas UAB (development of the football stadium).

This condensed interim financial information for the nine month period ended 30 September 2015 has been prepared in accordance with IAS 34, "Interim Financial Reporting" as adopted by the EU. The condensed interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2014, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by EU. Except for the points described below, all the accounting policies applied in the preparation of this condensed interim financial information are consistent with those of the annual financial statements of the Bank for the year ended 31 December 2014.

Income tax

Income tax in the interim periods is accrued using the tax rate that would be applicable to expected total annual earnings.

Functional and presentation currency

This condensed interim financial information is presented in the national currency the euro (EUR), which is the Bank's and Financial Group's functional and presentation currency. Until 31 December 2014, the currency of the Republic of Lithuania was the litas (LTL). The litas was pegged to the euro at the exchange rate of LTL 3.4528 to EUR 1. With effect from 1 January 2015, Lithuania joined the euro area and the euro became its national currency. The euro replaced the litas at the exchange rate of LTL 3.4528 to EUR 1. The Bank converted comparative figures from the litas to the euro using the official exchange rate, i.e. LTL 3.4528 to EUR 1. The conversion of the authorised share capital is disclosed in Note 6.

New and amended standards, and interpretations

There are no new standards, amendments and interpretations that are mandatory for the Bank with effect from 2015, and that would have a material impact on the Bank's financial information.

The Bank's management do not believe the newly published standards, amendments and interpretations that are mandatory for the Bank's reporting periods beginning on or after 1 January 2016 will have a material impact on the Bank's financial statements.

The comparative financial information of the Group for the nine month period ended 30 September 2014 was restated to reflect the composition of the Group presented in the financial statements as of 30 September 2015 and 31 December 2014 - i.e. - to include the activity results of Ūkio Banko Lizingas UAB and Bonum Publicum GD UAB in Continuing operations instead of Discontinued operations. From 2015, the recognition of certain income related to the loans granted by the Bank using third-party funding was adjusted to include such income in commission income instead of interest income, therefore the comparative financial information was restated accordingly. Total activity result of the Group was not affected by this restatement, amounts were represented between the results of Continuing and Discontinued operations and line items of Continuing operations. The tables in the financial statement, which have been impacted the restatements described above, are marked with the word "restated" in the header.

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current event and actions, actual results ultimately may differ from those estimates. In preparing these condensed interim financial statements, the significant judgements made in applying Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the financial statements as at and for the year ended 31 December 2014.

These financial statements combine the consolidated financial statements for the Group and stand-alone financial statements of the Bank. Such format of reporting was adopted to ensure consistency of presentation with the format prescribed by the Bank of Lithuania and applied for statutory reporting.

No significant amounts of the Group's and the Bank's income or expenses are of a substantial seasonal nature.

NOTE 1 LOANS TO CUSTOMERS AND FINANCE LEASE RECEIVABLES

Credit risk is defined as the risk for the Group to incur losses due to the Group's customers' failure to fulfil their financial obligations towards the Group. Credit exposures arise principally in lending activities and it is the most significant risk in the Group's banking activities. There is also credit risk in investment activities that arise from debt securities and in the Group's asset portfolio as well as in the off-balance sheet financial instruments, such as loan commitments, guarantees and letters of credit.

The Bank regularly reviews its credit risk management policies which include lending policies, credit risk limit control, other credit risk mitigation measures as well as the internal control and internal audit of credit risk management.

The Bank takes risks only in the fields, which are well known to it and where it has long-term experience, trying to avoid excessive risk in transactions that can have negative influence to the big portion of shareholders' equity but seeks the sufficient profitability which, in terms of increasing competition, would ensure the stable Bank's position in the market and would increase the Bank's value. In assessing exposure to credit risk, the Bank adheres to the principle of prudence.

The aim of the Bank's credit risk management policy is to ensure that the conflict between interests of staff or structural units is avoided. With respect to provision of credits to clients, the principle stating that profit should not be earned at the expense of excessive credit risk is observed.

Maximum exposure to credit risk before collateral held or other credit enhancements:

	30-09-2015		31-12-2014	
	Group	Bank	Group	Bank
<i>Loans and advances to banks</i>	26 398	26 368	5 665	5 265
<i>Loans and advances to customers:</i>	834 422	898 641	720 191	790 756
<i>Loans and advances to financial institutions -</i>	17	97 679	10	58 600
<i>Loans to individuals (Retail) -</i>	104 662	58 095	103 114	56 233
<i>Loans to business customers -</i>	729 743	742 867	617 067	675 923
<i>Finance lease receivables</i>	56 976	1 382	53 670	3 068
<i>Trading assets:</i>				
<i>Debt securities -</i>	46 211	23 302	38 769	55 956
<i>Derivative financial instruments</i>	7 634	7 003	7 097	6 650
<i>Securities available for sale:</i>				
<i>Debt securities -</i>	22 905	22 564	21 316	21 316
<i>Investment securities held to maturity:</i>				
<i>Debt securities -</i>	503 970	478 319	454 116	447 757
<i>Other financial assets</i>	6 623	5 568	667	135
<i>Credit risk exposures relating to off-balance sheet items are as follows:</i>				
<i>Financial guarantees -</i>	34 930	34 949	29 202	29 219
<i>Letters of credit -</i>	212	212	315	315
<i>Loan commitments and other credit related liabilities -</i>	106 902	115 363	101 444	103 703
Total	1 647 183	1 613 671	1 432 452	1 464 140

Loans to customers

	30-09-2015		31-12-2014	
	Group	Bank	Group	Bank
Loans to individuals	113 145	60 987	111 133	59 488
Loans to business customers	844 564	953 875	760 392	876 630
Subtract: Fair value revaluation on acquisition*	(82 907)	(82 907)	(103 698)	(103 698)
Gross	874 802	931 955	767 827	832 420
Subtract: Allowance for impairment	(40 380)	(33 314)	(47 636)	(41 664)
of which: for individually assessed loans	(40 086)	(33 314)	(47 261)	(41 664)
of which: for collectively assessed loans	(294)	-	(375)	-
Net	834 422	898 641	720 191	790 756

	30-09-2015		31-12-2014	
	Group	Bank	Group	Bank
Neither past due not impaired	736 483	810 111	609 692	687 089
Past due but not impaired	71 475	66 272	84 323	80 215
Impaired	66 844	55 572	73 812	65 116
Gross	874 802	931 955	767 827	832 420
Subtract: Allowance for impairment	(40 380)	(33 314)	(47 636)	(41 664)
of which: for individually assessed loans	(40 086)	(33 314)	(47 260)	(41 664)
of which: for collectively assessed loans	(294)	-	(376)	-
Net	834 422	898 641	720 191	790 756

* Fair value revaluation on acquisition is the difference between the estimated fair value by appraisers of the loans acquired under the transaction transfer of assets, rights, transactions and liabilities of Ūkio Bankas and the gross value of the above-mentioned loans.

Loans and advances neither past due not impaired are loans which are not impaired and payments of which are not past due.

Past due but not impaired loans are loans for which principal or interest is past due but no allowance for impairment is recognized.

Impaired loan is a loan to which a loss event is recognized and allowance for impairment is made.

The list of loss events:

- 1) significant financial difficulties of the debtor or issuer, i.e. the borrower's financial status is evaluated as poor or bad;
- 2) violation of the loan agreement (non-payment of the periodic loan payments (the part of the loan or interest)) for more than 30 days;
- 3) the loan is being recovered;
- 4) funds granted to the borrower are used not according to the loan purpose and the implementation terms of investment project are violated or decrease in collateral value, when repayment terms of the evaluated loans directly depend on the value of the object of security measure;
- 5) third parties related to the borrower do not fulfil their obligations, which impacts the borrower's ability to fulfil its financial obligations;
- 6) other loss events (termination or cancellation of the licence validity of the borrower or issuer engaged in licensed activity; the death of the borrower or issuer).

Loans and advances past due but not impaired

	30-09-2015		31-12-2014	
	Group	Bank	Group	Bank
Past due up to 7 days	20 451	19 022	29 331	27 947
Past due 8 to 30 days	19 357	17 623	11 364	9 926
Past due 31 -60 days	4 860	4 803	14 106	14 100
Past due 61 -90 days	1 648	1 645	2 688	1 479
Past due more than 90 days	25 159	23 179	26 834	26 763
Total:	71 475	66 272	84 323	80 215
Allowance for impairment of collectively assessed loans	(80)	-	(92)	-
Fair value of collateral	65 546	63 494	64 019	62 832

Loans and advances individually impaired

	30-09-2015		31-12-2014	
	Group	Bank	Group	Bank
Impaired loans	66 844	55 572	73 812	65 116
Allowance for impairment of individually assessed loans	(40 086)	(33 314)	(47 260)	(41 664)
Fair value of collateral	38 393	37 251	36 707	37 814

Unsecured loans also include loans secured by other types of collateral (e.g. future inflow of funds into the borrowers' Bank accounts (controlled by the Bank), third party warrantees, bills of exchange, etc.).

Finance lease receivables

Segment information

	30-09-2015		31-12-2014	
	Group	Bank	Group	Bank
<i>By type of customer:</i>				
Business customers	61 552	12 253	65 918	19 011
Individuals	7 323	-	5 577	-
Subtract: Fair value revaluation on acquisition*	(10 810)	(10 810)	(15 882)	(15 882)
Gross	58 065	1 443	55 613	3 129
Neither past due not impaired	45 544	1 329	38 434	2 747
Past due but not impaired	10 566	3	14 546	271
Impaired	1 955	111	2 633	111
Gross	58 065	1 443	55 613	3 129
Subtract: Allowance for impairment	(1 089)	(61)	(1 943)	(61)
of which: for individually assessed finance lease receivables	(1 087)	(61)	(1 939)	(61)
of which: for collectively assessed finance lease receivables	(2)	-	(4)	-
Net	56 976	1 382	53 670	3 068

* Fair value revaluation on acquisition is the difference between the estimated fair value by appraisers of the finance lease receivables acquired under the transaction transfer of assets, rights, transactions and liabilities of Ukio Bankas.

	30-09-2015			31-12-2014		
	Individuals	Business customers	Total	Individuals	Business customers	Total
Group						
Unsecured finance lease receivables	216	30	246	19	323	342
Finance lease receivables secured by:	7 107	50 712	57 819	5 558	49 713	55 271
transport vehicles -	5 824	16 455	22 279	3 789	15 439	19 228
real estate -	1 015	25 541	26 556	1 012	24 886	25 898
airplanes -	-	1 198	1 198	-	1 372	1 372
railway equipment -	-	-	-	-	-	-
production equipment -	-	2 105	2 105	3	2 598	2 601
other equipment -	105	4 981	5 086	261	4 719	4 980
other assets -	163	432	595	493	699	1 192
Total	7 323	50 742	58 065	5 577	50 036	55 613

	30-09-2015			31-12-2014		
	Individuals	Business customers	Total	Individuals	Business customers	Total
Bank						
Unsecured finance lease receivables	-	-	-	-	90	90
Finance lease receivables secured by:	-	1 443	1 443	-	3 039	3 039
transport vehicles -	-	37	37	-	29	29
real estate -	-	1 253	1 253	-	2 819	2 819
airplanes -	-	-	-	-	-	-
railway equipment -	-	-	-	-	-	-
production equipment -	-	144	144	-	179	179
other equipment -	-	9	9	-	12	12
other assets -	-	-	-	-	-	-
Total	-	1 443	1 443	-	3 129	3 129

NOTE 2 SECURITIES

Securities at fair value through profit or loss

	30-09-2015		31-12-2014	
	Group	Bank	Group	Bank
Debt securities:				
Government bonds	31 504	15 831	24 961	17 836
Corporate bonds	14 707	7 471	13 808	38 120
Equities	14 277	115	13 329	112
Total	60 488	23 417	52 098	56 068

	30-09-2015		31-12-2014	
	Group	Bank	Group	Bank
Trading securities:				
Debt securities	44 683	23 302	37 258	55 956
from AA-to AAA	1 713	1 713	2 539	2 425
from A- to A+	23 707	15 403	23 932	20 954
from BBB- to BBB+	15 265	6 186	10 075	3 615
from BB- to BB+	3 954	-	598	-
lower than BB-	44	-	114	-
no rating	-	-	-	28 962
Equities	269	115	112	112
listed	211	114	112	112
unlisted	1	1	-	-
units of investment funds	57	-	-	-
Total trading securities	44 952	23 417	37 370	56 068
Securities designated at fair value through profit or loss at initial recognition:				
Debt securities	1 528	-	1 511	-
from AA-to AAA	234	-	286	-
from A- to A+	603	-	589	-
from BBB- to BBB+	691	-	636	-
from BB- to BB+	-	-	-	-
lower than BB-	-	-	-	-
no rating	-	-	-	-
Equities	14 008	-	13 217	-
listed	-	-	-	-
unlisted	-	-	-	-
units of investment funds	14 008	-	13 217	-
Total securities designated at fair value through profit or loss at initial recognition	15 536	-	14 728	-
Total:	60 488	23 417	52 098	56 068

Group's securities designated at fair value through profit or loss at initial recognition portfolio consists of securities that cover technical insurance provisions under unit-linked insurance contracts of life insurance subsidiary.

Investment securities

<i>Securities available-for-sale</i>		<i>30-09-2015</i>		<i>31-12-2014</i>	
		Group	Bank	Group	Bank
<i>Debt securities:</i>					
Government bonds		3 844	3 692	6 331	6 331
Corporate bonds		19 061	18 872	14 985	14 985
<i>Equity securities</i>		818	562	802	528
Total		23 723	23 126	22 118	21 844
<i>Securities held-to-maturity</i>		<i>30-09-2015</i>		<i>31-12-2014</i>	
		Group	Bank	Group	Bank
<i>Debt securities:</i>					
Government bonds		384 916	359 540	335 863	335 863
Corporate bonds		119 054	118 779	118 253	111 894
Total		503 970	478 319	454 116	447 757
		<i>30-09-2015</i>		<i>31-12-2014</i>	
		Group	Bank	Group	Bank
<i>Securities available-for-sale:</i>					
<i>Debt securities</i>		22 905	22 564	21 316	21 316
from AA- to AAA		1 356	1 356	1 243	1 243
from A- to A+		11 231	11 161	10 226	10 226
from BBB- to BBB+		10 129	10 047	9 847	9 847
from BB- to BB+		189	-	-	-
lower than BB-		-	-	-	-
no rating		-	-	-	-
<i>Equities</i>		818	562	802	528
listed		-	-	-	-
unlisted		683	427	677	403
units of investment funds		135	135	125	125
Total securities available-for-sale:		23 723	23 126	22 118	21 844
<i>Securities held-to-maturity:</i>					
<i>Debt securities</i>		503 970	478 319	454 116	447 757
from AA- to AAA		17 036	17 036	18 113	18 113
from A- to A+		367 073	353 376	347 026	347 026
from BBB- to BBB+		109 530	97 851	77 813	77 813
from BB- to BB+		10 056	10 056	4 805	4 805
lower than BB-		-	-	-	-
no rating		275	-	6 359	-
Total securities held-to-maturity:		503 970	478 319	454 116	447 757

During the nine month periods ended 30 September 2015 and 30 September 2014, no reclassifications between portfolios of securities were performed.

Investments in subsidiaries

Investments in consolidated directly controlled subsidiaries

	30-09-2015			31-12-2014		
	Share in equity, %	Acquisition cost	Carrying amount	Share in equity, %	Acquisition cost	Carrying amount
Šiaulių Banko Lizingas UAB	100	3 910	869	100	3 910	869
Šiaulių Banko Investicijų Valdymas UAB	100	5 044	312	100	4 066	312
Šiaulių Banko Turto Fondas UAB	100	1 682	1 237	100	1 482	1 237
Minera UAB	100	3 464	864	100	1 884	1 594
SBTF UAB	100	1 029	579	100	579	579
Ūkio Banko Lizingas UAB	100	8 862	8 862	100	8 862	8 862
Bonum Publicum GD UAB	100	8 399	8 399	100	8 399	8 399
Pavasaris UAB	100	10 456	7 834	100	10 456	7 834
Bank Finasta AB	100	5 983	5 983	-	-	-
Brokerage Firm Finasta AB	100	466	466	-	-	-
Total		49 295	35 405		39 638	29 686

Investments in consolidated indirectly controlled subsidiaries

	30-09-2015			31-12-2014		
	Share in equity, %	Acquisition cost	Carrying amount	Share in equity, %	Acquisition cost	Carrying amount
Semelitas UAB	-	-	-	100	3	3
Sandworks UAB	100	3	3	100	3	3

In 2014, the Bank changed its plans to sell two entities (Ūkio Banko Lizingas UAB and Bonum Publicum GD UAB) that were included in subsidiaries held for sale and decided to classify these entities as consolidated subsidiaries.

These reclassifications caused restatements in the comparative financial information of the Group for the nine month period ended 30 September 2014, which was represented to include the activity results of Ūkio Banko Lizingas UAB and Bonum Publicum GD UAB in Continuing operations (total activity result of the Group was not affected by this representation, amounts were represented between the results of Continuing and Discontinued operations).

In May 2015, the Group sold Semelitas UAB. The result of sale is included in the result of discontinued operations.

Acquisition of Finasta

On 17 July 2015 the Bank acquired 100% shares of Bank Finasta AB and brokerage firm Finasta AB and gained control over these entities. In settlement for the shares, the Bank presented 21.35 million new shares with a total nominal value of EUR 6.19 million to AB Invalda INVL for subscription. The new issue was registered on 14 September 2015.

Acquisition, and, according to the main scenario, integration of these entities will allow the Bank to increase its market share, to expand the range of services provided with the investment-banking related services and to achieve the economy of scale.

The fair values of the consideration paid and assets and liabilities acquired on the date of acquisition are presented in the table below:

Fair value of net assets acquired:	
Cash and funds with the central bank	11 166
Financial assets at fair value through profit or loss	41 461
Loans and receivables	15 102
Available-for-sale securities	342
Property, plant and equipment	41
Intangible assets	74
Other assets	684
Financial liabilities at fair value through profit or loss	(636)
Financial liabilities carried at amortised cost	(61 182)
Provisions	(43)
Other liabilities	(793)
Total identifiable net assets acquired	6 216
Goodwill	233
Total	6 449
Fair value of the consideration paid in issued shares	6 449

The following valuation techniques were used in establishing fair values of assets and liabilities acquired:

- Fair values of securities were established using market price quotations (Level I in fair value measurements hierarchy);
- Fair values of derivatives were obtained using valuation techniques that maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates (Level II in fair value measurement hierarchy);
- Fair values of other items of assets and liabilities were derived using valuation techniques attributable to Level III in the fair value measurement hierarchy (discounted cash flows was the valuation technique used the most).

Assets classified as held for sale

Subsidiaries held for sale

3 March 2013, under the agreement on the transfer of assets, rights, transactions and liabilities of Ūkio Bankas, based on which a part of assets, rights, transactions and liabilities of Ūkio Bankas was transferred to Šiaulių Bankas, Šiaulių Bankas AB acquired 100 % control over following subsidiaries engaged in real estate development activities: Eastern Europe Development Fund UAB, Sporto Klubų Investicijos UAB, Trade Project UAB, Investicinio Turto Valdymas UAB, ŽSA 1 UAB, ŽSA 2 UAB, ŽSA 3 UAB, ŽSA 4 UAB and ŽSA 5 UAB (ŽSA 1 UAB, ŽSA 2 UAB, ŽSA 3 UAB, ŽSA 4 UAB and ŽSA 5 UAB together own 100% shares of Žalgirio Sporto Arena UAB; Žalgirio Sporto Arena UAB owns 100% shares of Nacionalinis Futbolo Stadionas UAB).

Above-mentioned subsidiaries are classified as subsidiaries held for sale. Initially, they are accounted at acquisition value which is equal to their fair value and subsequently adjusted by the amount of activity result (in case of profit, the value is increased; in case of loss, the value is decreased).

In 2014, the Bank sold 100% shares of Eastern Europe Development Fund UAB.

In the first quarter of 2015, Nacionalinis Futbolo Stadionas UAB was liquidated.

In the second quarter of 2015, Kėdainių Oda UAB, indirectly owned subsidiary held for sale, and Semelitas UAB, indirectly owned subsidiary, were sold.

30-09-2015			
	Entities acquired under the agreement on the transfer of assets, rights, transactions and liabilities of Ūkio Bankas	Kėdainių oda UAB, Semelitas UAB	Total:
Assets held for sale attributable to the group of entities	3 336	0	3 336
Liabilities attributable to assets held for sale attributable to the group of entities	5 737	0	5 737
Profit (loss) of the current year	6 917	(656)	6 261

31-12-2014			
	Entities acquired under the agreement on the transfer of assets, rights, transactions and liabilities of Ūkio Bankas	Kėdainių Oda UAB	Total:
Assets held for sale attributable to the group of entities	35 421	926	36 347
Liabilities attributable to assets held for sale attributable to the group of entities	3 542	356	3 898
Profit (loss) of the current year	(65)	(248)	(313)

Property, plant and equipment held for sale

In addition to the subsidiaries held for sale, real estate properties, which are expected by the Bank to be sold during the year from the inclusion in this item are also included in assets held for sale. The fair value of real estate properties included in assets held for sale was EUR 104 thousand as of 30 September 2015 (31 December 2014: EUR 1 210 thousand).

NOTE 3 SIGNIFICANT INFORMATION ON CHANGES IN OTHER ASSET ITEMS

Cash and cash equivalents

During the nine month period ended 30 September 2015, the carrying amount of the Group's cash and cash equivalents reduced by EUR 93 735 thousand, from EUR 197 436 thousand at the beginning of the period to EUR 103 701 thousand at the end of the period. At the year-end 2014 the Bank had to hold larger than usual amount of cash and cash equivalents because of its preparation for adoption of euro as local currency in Lithuania. Major part of LTL-EUR exchange operations were performed during the first quarter of 2015, and in the end of the period there was no such demand for cash and cash equivalents as in the beginning of the year.

Other assets

	30-09-2015		31-12-2014	
	Group	Bank	Group	Bank
<i>Inventories</i>	35 724	-	35 542	-
<i>Amounts receivable</i>	2 359	2 148	667	135
<i>Deferred expenses</i>	669	525	849	526
<i>Assets under reinsurance and insurance contracts</i>	566	-	485	-
<i>Prepayments</i>	4 264	3 420	3 807	3 300
<i>Foreclosed assets</i>	5 904	583	10 895	5 681
<i>Other assets</i>	1 546	142	2 397	1 471
Total	51 032	6 818	54 642	11 113

NOTE 4 DUE TO CUSTOMERS

	30-09-2015		31-12-2014	
	Group	Bank	Group	Bank
Demand deposits:				
<i>National government institutions</i>	8 702	8 702	8 883	8 883
<i>Local government institutions</i>	43 936	43 936	25 289	25 289
<i>Governmental and municipal companies</i>	4 582	4 579	4 002	4 002
<i>Corporate entities</i>	166 378	149 632	132 308	132 711
<i>Non-profit organisations</i>	9 405	9 365	7 949	7 949
<i>Individuals</i>	225 507	214 800	187 572	187 572
<i>Unallocated amounts due to customers</i>	7 683	7 683	4 962	4 962
Time deposits:	466 193	438 697	370 965	371 368
Terminuotieji indėliai:				
<i>National government institutions</i>	339	339	375	375
<i>Local government institutions</i>	557	557	540	540
<i>Governmental and municipal companies</i>	1 021	670	714	714
<i>Corporate entities</i>	35 779	33 667	51 545	51 545
<i>Non-profit organisations</i>	3 152	2 938	3 750	3 750
<i>Individuals</i>	926 330	902 773	987 424	987 424
Total time deposits:	967 178	940 944	1 044 348	1 044 348
Total:	1 433 371	1 379 641	1 415 313	1 415 716

NOTE 5 SIGNIFICANT INFORMATION ON CHANGES IN OTHER LIABILITY ITEMS

Debt securities in issue

During the nine month period ended 30 September 2015 the Bank did not issue debt securities. As of 30 September 2015 and as of 31 December 2014, the Bank did not have any liabilities related to holders of its debt securities. As of 30 September 2015 the Group had certificates of deposits in issue amounting to EUR 58 thousand, maturity - December 2016 (the Group had no such liabilities as of 31 December 2014). Financial instruments mentioned above are the liabilities of the acquired Bank Finasta AB (see note 2 for more details on the acquisition).

NOTE 6 CAPITAL

As of 30 September 2015 the Bank's share capital comprised 314 573 731 ordinary registered shares with par value of EUR 0.29 each (31 December 2014 - 270 000 000 ordinary registered shares with par value of LTL 1 (EUR 0.28962) each. According to legislation, on 1 January 2015, as the Bank adopted euro, the nominal value of shares was rounded to two decimal digits, from EUR 0.28962 to EUR 0.29. This caused an increase in Bank's share capital by EUR 103 thousand, from EUR 78 197 thousand to EUR 78 300 thousand. The difference was accounted as change in retained earnings.

The ordinary meeting of shareholders of Šiaulių bankas that took place on 27 March 2015 passed a resolution to increase Bank's share capital by EUR 6 734 thousand (8.6%) using Bank's own resources (share premium and retained earnings). After the procedures of new share issue registration are complete, the shares will be distributed among Bank's shareholders using the proportion of their stakes at the end of accounting date of the shares (13 April 2015).

On 14 September 2015, the increase in share capital by additional contributions was registered as 21 353 731 ordinary registered shares were distributed to one shareholder - Invalda INVLA AB. This way, the Bank settled for the Finasta acquisition transaction (see note 2 for more details).

As at 30 September 2015, the Bank had 3 557 shareholders. A share of capital and votes held by Bank's shareholders by the place of residence: residents 63.49%, non-residents 36.51% (as at 31 December 2014: 3 585 shareholders, of which residents 65.21%, non-residents 34.79%).

As of 30 September 2015, the shareholders holding over 5% of the Bank's shares and votes are listed in the table below:

Shareholder	Share of votes held, % 31-03-2015	Share of votes held, % 31-12-2014
The European Bank for Reconstruction and Development (EBRD)	18.24	19.57
Invalda INVLA AB	6.79	0.81
Gintaras Kateiva	5.82	6.24

Shareholders of the Bank that have signed shareholders agreement - European Bank for Reconstruction and Development, Prekybos namai „Aiva“ UAB, Mintaka UAB, Įmonių grupė „Alita“ AB, Arvydas Salda, Sigintas Baguckas, Vigintas Butkus, Vytautas Junevičius, Gintaras Kateiva, Kastytis Jonas Vyšniauskas, Algirdas Butkus, and shareholders related to them, votes of which are calculated together based on the legal acts of Republic of Lithuania, form a group of acting together shareholders. As of 30 September 2015, this group possessed 39.43 percent of the authorised capital and votes of the Bank (31 December 2014: 42.26%).

Dividends

On 27 March 2015 the ordinary general meeting of shareholders made a decision to pay EUR 0.000725 dividends per one ordinary registered share with EUR 0.29 nominal value each (i.e. 0.25% of the nominal value of the share). On 28 March 2014 the annual general meeting of shareholders decided to not to pay dividends.

7 NOTE NET INTEREST INCOME

	01-01-2015 - 30-09-2015		01-01-2014 - 30-09-2014	
	Group	Bank	Group (restated)	Bank (restated)
<i>Interest income:</i>				
<i>on loans to other banks and financial institutions and placements with credit institutions</i>	397	2 775	394	1 825
<i>on loans to customers</i>	33 970	28 153	33 469	27 384
<i>on debt securities</i>	10 046	10 158	10 693	11 588
<i>on finance leases</i>	3 235	453	3 035	637
Total interest income	47 648	41 539	47 591	41 434
<i>Interest expense:</i>				
<i>on liabilities to other banks and financial institutions and amounts due to credit institutions</i>	(1 971)	(1 962)	(2 081)	(2 090)
<i>on customer deposits and other repayable funds</i>	(7 349)	(7 342)	(11 437)	(11 437)
<i>compulsory insurance of deposits</i>	(4 791)	(4 739)	(4 473)	(4 473)
Total interest expense	(14 111)	(14 043)	(17 991)	(18 000)
Net interest income	33 537	27 496	29 600	23 434

NOTE 8 NET FEE AND COMMISSION INCOME

	01-01-2015 - 30-09-2015		01-01-2014 - 30-09-2014	
	Group	Bank	Group (restated)	Bank (restated)
<i>Fee and commission income:</i>				
<i>for administration of loans of third parties</i>	2 844	2 844	557	557
<i>for settlement services</i>	2 116	2 133	2 067	2 117
<i>for cash operations</i>	1 247	1 247	1 241	1 241
<i>for currency exchange</i>	289	289	1 608	1 609
<i>for payment administration</i>	914	914	834	834
<i>for guarantees, letters of credit, documentary collection</i>	386	386	418	418
<i>for collection of utility and similar payments</i>	219	219	229	257
<i>for services related to securities</i>	280	190	94	175
<i>other fee and commission income</i>	366	83	215	37
Total fee and commission income	8 661	8 305	7 263	7 245
<i>Fee and commission expense:</i>				
<i>for payment cards</i>	(1 798)	(1 798)	(1 463)	(1 463)
<i>for cash operations</i>	(577)	(577)	(800)	(800)
<i>for correspondent bank and payment system fees</i>	(316)	(125)	(365)	(185)
<i>for services of financial data vendors</i>	(84)	(84)	(67)	(67)
<i>for services related to securities</i>	(113)	(33)	(36)	(36)
<i>other fee and commission expenses</i>	(116)	(5)	(322)	(25)
Total fee and commission expense	(3 004)	(2 622)	(3 053)	(2 576)
Net fee and commission income	5 657	5 683	4 210	4 669

NOTE 9 OTHER EXPENSES

	01-01-2015 - 30-09-2015		01-01-2014 - 30-09-2014	
	Group	Bank	Group (restated)	Bank
<i>Rent of buildings and premises</i>	(995)	(876)	(899)	(775)
<i>Utility services for buildings and premises</i>	(583)	(504)	(652)	(584)
<i>Other expenses related to buildings and premises</i>	(270)	(224)	(283)	(255)
<i>Transportation expenses</i>	(340)	(417)	(389)	(444)
<i>Legal costs</i>	(107)	(107)	(75)	(55)
<i>Personnel and training expenses</i>	(84)	(67)	(64)	(38)
<i>IT and communication expenses</i>	(1 143)	(945)	(1 371)	(1 204)
<i>Marketing and charity expenses</i>	(1 037)	(300)	(544)	(159)
<i>Service organisation expenses</i>	(799)	(816)	(742)	(910)
<i>Non-income taxes, fines</i>	(560)	(137)	(482)	(150)
<i>Costs incurred due to debt recovery</i>	(272)	(196)	(627)	(511)
<i>Other expenses</i>	(593)	(354)	(589)	(357)
Total other expenses	(6 783)	(4 943)	(6 717)	(5 442)

NOTE 10 IMPAIRMENT LOSSES

	01-01-2015 - 30-09-2015		01-01-2014 - 30-09-2014	
	Group	Bank	Group (restated)	Bank
<i>Impairment losses on loans</i>	(9 353)	(8 652)	(10 390)	(10 254)
<i>Recoveries of loans previously written-off</i>	586	56	844	16
<i>Impairment losses on finance lease receivables</i>	854	-	(24)	(33)
<i>Recovered previously written-off finance lease receivables</i>	129	-	-	-
<i>Impairment losses on investment in subsidiaries</i>	-	(14 363)	-	(7 111)
<i>Impairment losses on other assets</i>	(4 614)	(64)	(5 370)	12
<i>Recoveries of other assets previously written-off</i>	75	-	-	-
Total	(12 323)	(23 023)	(14 940)	(17 370)

	2015-01-01 - 2015-09-30		2014-01-01 - 2014-09-30	
	Group	Bank	Group (restated)	Bank
<i>Allowance for impairment of loans</i>				
<i>As at 1 January</i>	47 636	41 664	46 312	41 388
<i>Change in allowance for loan impairment</i>	9 353	8 652	10 390	10 254
<i>Loans written off during the period</i>	(18 014)	(17 185)	(12 177)	(12 000)
<i>Allowance for impairment acquired in business combination</i>	1 222	-	-	-
<i>Other factors (reclassification, FX rate shift, etc.)</i>	183	183	2 323	273
<i>As at 30 September</i>	40 380	33 314	46 848	39 915
<i>Allowance for impairment of finance lease receivables</i>				
<i>As at 1 January</i>	1 943	61	2 648	-
<i>Change in allowance for loan impairment</i>	(854)	-	24	33
<i>Loans written off during the period</i>	-	-	(737)	-
<i>Other factors (reclassification, FX rate shift, etc.)</i>	-	-	-	-
<i>As at 30 September</i>	1 089	61	1 935	33

NOTE 11 SIGNIFICANT INFORMATION ON OTHER INCOME STATEMENT ITEMS

Net gain from derecognition of financial assets

Net gain from derecognition of financial assets of EUR 3 248 thousand during the nine month period ended 30 September 2015 is attributable to the derecognition of the acquisition value adjustment (i.e. the difference between acquisition value and the gross value) for the fully or partially repaid/refinanced or sold loans that were acquired under the transaction of transfer of assets, rights, transactions and liabilities of Ūkio Bankas.

Revenues and expenses related to other activities of Group companies

	01-01-2015 - 30-09-2015		01-01-2014 - 30-09-2014	
	Group	Bank	Group (restated)	Bank
<i>Revenue from sale of apartments</i>	5 553	-	4 256	-
<i>Revenue related to insurance activities</i>	4 456	-	4 097	-
<i>Cost of apartments sold</i>	(5 323)	-	(3 715)	-
<i>Expenses related to insurance activities</i>	(4 036)	-	(3 777)	-

The result from assets of life insurance subsidiary, which cover liabilities under unit-linked insurance contracts are not included in income-expense items presented in the table above. The result from the assets mentioned above is included in following items of income statement for the nine month period ended 30 September 2015: Interest and similar income EUR 53 thousand, Net gain (loss) from operations with securities - a loss of EUR 121 thousand, Net foreign exchange gain - a gain of EUR 372 thousand (for the nine month period ended 30 September 2014: Interest and similar income EUR 56 thousand, Net gain from operations with securities - a gain of EUR 531 thousand, Net foreign exchange gain - a gain of EUR 318 thousand).

NOTE 12 RELATED-PARTY TRANSACTIONS

Related parties with the Bank are classified as follows:

a) members of the Bank's Supervisory Council and Board (which also are the main decision makers of the Group), their close family members and companies that are controlled, jointly controlled or significantly influenced over by these related parties. For some companies the presumed significant influence threshold of 20% voting rights has been reduced if other evidence shows that a person/ entity can exercise significant influence by additional means (e.g. by holding a seat in the Board of Directors of a particular entity);

b) subsidiaries of the Bank;

c) the Shareholders holding over 5% of the Bank's share capital.

During 2014, 2015 a certain number of banking transactions were entered into with related parties in the ordinary course of business. These transactions include settlements, loans, debt securities, deposits and foreign currency transactions.

The balances of loans granted to and deposits accepted from the Bank's related parties, except for subsidiaries, were as follows:

	30-09-2015		31-12-2014	
	Balances of deposits	Balances of loans (incl.off-balance sheet credit commitments)	Balances of deposits	Balances of loans (incl.off-balance sheet credit commitments)
<i>Members of the Council and the Board</i>	892	1 238	677	1 330
<i>Other related parties (excluding subsidiaries of the Bank)</i>	3 918	33 459	2 190	35 543
Total	4 810	34 697	2 867	36 873

Transactions with EBRD:

The Group/Bank has a subordinated loan received from European Bank for Reconstruction and Development (hereinafter – EBRD), book value of which was EUR 19 465 thousand as of 30 September 2015 (31 December 2014: EUR 19 295 thousand). The agreement for the loan was signed at the end of February 2013. Loan amount is EUR 20 million, term – 10 years. Loan agreement provides a conversion option to EBRD, under which EBRD has a right to convert a part of or the whole loan to ordinary shares of the Bank at a price, which at certain scenarios could be more favourable than the market price (but in any case, not less than the nominal value of the share). Because of this option, which is an embedded derivative, the Bank chose to account the whole instrument for as Financial liabilities at fair value through profit or loss. Subordinated loan related interest expenses amounted to EUR 1 104 thousand, a loss of EUR 175 thousand related to revaluation of the liability to fair value was recorded in income statement for the nine month period ended 30 September 2015 (nine month period ended 30 September 2014: interest expenses EUR 992 thousand, revaluation loss EUR 33 thousand).

Balances of transactions with the subsidiaries (including subsidiaries held for sale) are presented below:

	30-09-2015		31-12-2014	
	Balances of deposits	Balances of loans, debt securities (incl.off-balance sheet credit commitments)	Balances of deposits	Balances of loans, debt securities (incl.off-balance sheet credit commitments)
<i>Non-financial institutions</i>	1 360	52 766	317	65 658
<i>Financial institutions</i>	4 882	99 951	6 227	60 815
Total	6 242	152 717	6 544	126 473

Transactions with subsidiaries:

	Assets	30-09-2015	31-12-2014
	Loans	121 594	121 993
	Debt securities	-	28 962
	Bank's investment in subsidiaries	35 405	29 686
	Bank's investment in subsidiaries classified as assets held for sale	15 985	26 410
	Other assets	15	25
	Liabilities and shareholders' equity		
	Deposits	6 242	6 543
	Other liabilities	46	136
	Income	01-01-2015 - 30-09-2015	01-01-2014 - 30-09-2014
	Interest	3 712	4 276
	Commission income	146	163
	Income from foreign exchange operations	-	-
	Dividends	18 373	6 097
	Other income	119	127
	Expenses		
	Interest	(3)	(11)
	Commission expense	-	-
	Expenses from foreign exchange operations	-	-
	Operating expenses	(387)	(400)
	Reversal of impairment of loans	-	(524)
	Impairment of an investment to subsidiaries	(14 363)	(7 111)

NOTE 13 LIQUIDITY, MARKET AND OPERATIONAL RISKS

Liquidity risk

Liquidity risk means the risk that the Bank is unable to meet its financial obligations in time or that it will not manage to receive financial resources during a short time by borrowing or selling the assets.

Liquidity risk management process

The liquidity risk management depends on the Bank's ability to cover the cash shortage by borrowing from the market and the liquidity of the market itself. Liquidity risk management is regulated by the Procedures for Liquidity Risk Management approved by the Board of the Bank. The management of the current and non-current liquidity risk is distinguished in the mentioned procedures. The current liquidity is based on the control of the incoming and outgoing cash flow. The non-current liquidity is managed on the limit system basis.

Tables below present the assets and liabilities according to their remaining maturity defined in the agreements. However, actual maturity of the particular types of assets and liabilities may be longer as, for example a portion of loans and deposits is extended and thus the real repayment terms of short-term loans and demand deposits move forward.

The structure of the Group's liabilities by maturity as of 30 September 2015 was as follows:

	Demand	Up to 1 month.	1 to 3 month	3 to 6 month	6 to 12 month	1 to 3 years	More than 3 years	Maturity undefined	Total
Total assets	80 933	76 637	77 055	89 816	138 866	482 319	658 095	100 543	1 704 264
Total liabilities and equity	469 650	120 161	214 918	263 292	335 563	103 351	56 736	140 593	1 704 264
Net liquidity gap	(388 717)	(43 524)	(137 863)	(173 476)	(196 697)	378 968	601 359	(40 050)	-

The structure of the Group's liabilities by maturity as of 31 December 2014 was as follows:

	Demand	Up to 1 month.	1 to 3 month	3 to 6 month	6 to 12 month	1 to 3 years	More than 3 years	Maturity undefined	Total
Total assets	147 715	84 536	94 363	95 527	167 174	365 181	536 863	148 650	1 640 009
Total liabilities and equity	376 382	156 314	191 017	242 760	398 736	103 313	57 494	113 993	1 640 009
Net liquidity gap	(228 667)	(71 778)	(96 654)	(147 233)	(231 562)	261 868	479 369	34 657	-

The structure of the Bank's liabilities by maturity as of 30 September 2015 was as follows:

	Demand	Up to 1 month.	1 to 3 month	3 to 6 month	6 to 12 month	1 to 3 years	More than 3 years	Maturity undefined	Total
Total assets	57 077	71 162	63 529	115 681	138 335	447 700	618 583	99 094	1 611 161
Total liabilities and equity	450 862	111 457	208 454	250 694	328 801	96 009	35 547	129 337	1 611 161
Net liquidity gap	(393 785)	(40 295)	(144 925)	(135 013)	(190 466)	351 691	583 036	(30 243)	-

The structure of the Bank's liabilities by maturity as of 31 December 2014 was as follows:

	Demand	Up to 1 month.	1 to 3 month	3 to 6 month	6 to 12 month	1 to 3 years	More than 3 years	Maturity undefined	Total
Total assets	146 684	85 582	117 554	100 348	188 661	336 585	519 066	115 626	1 610 106
Total liabilities and equity	381 964	152 334	190 127	241 885	398 092	99 696	39 414	106 594	1 610 106
Net liquidity gap	(235 280)	(66 752)	(72 573)	(141 537)	(209 431)	236 889	479 652	9 032	-

Market risk

The Group takes on exposure to market risk, which means the risk for the Bank to incur losses due to the adverse fluctuations in the market parameters such as currency exchange rates (foreign currency risk), interest rates (interest rate risk) or equities prices (equity risk). The most significant market risk for a Group is interest rate risk while other market risks are of lower significance.

Interest rate risk

Interest rate risk is the risk to incur loss because of uncoordinated re-evaluation of the Bank's assets and liabilities. The risk management is regulated by the Interest Rate Risk Management Procedures which define the risk assessment approaches as well as risk management measures. The present procedure specifies that the Bank shall avoid guessing the future interest rates. The scope of the risk is assessed referring to the interest rate gap model.

Sensitivity of interest rate risk

Assessing the sensitivity of the Group's profit towards the change of interest rates, it has been assumed that interest is to change by 1 percentage point.

The data provided in the table below specify the Group and the Bank's interest rate risk when the assets and liabilities shown at the carrying amount are allocated by the date of the interest rate review or by maturity of assets and liabilities, depending on which comes first. The scenarios presented in the table show the changes in Group's/Bank's profit in the event of interest rate increase by the number specified. In case interest rates decreased, the values of the changes in profit would be opposite.

Group 30 September 2015:

	<i>Demand and less than 1 month</i>	<i>1 to 3 months</i>	<i>3 to 6 months</i>	<i>6 to 12 months</i>	<i>More than 1 year</i>	<i>Non monetary</i>	<i>Total</i>
Assets	213 605	281 556	357 980	60 613	558 170	232 340	1 704 264
Liabilities and equity	131 803	227 605	246 999	318 932	126 623	652 302	1 704 264
Net interest sensitivity gap	81 802	53 951	110 981	(258 319)	431 547	(419 962)	-
Higher/lower impact on profit from balance sheet assets and liabilities	784	450	694	(646)	-	-	1 282

Group 31 December 2014:

	<i>Demand and less than 1 month</i>	<i>1 to 3 months</i>	<i>3 to 6 months</i>	<i>6 to 12 months</i>	<i>More than 1 year</i>	<i>Non monetary</i>	<i>Total</i>
Assets	202 788	260 256	291 216	84 553	444 344	356 852	1 640 009
Liabilities and equity	174 430	210 465	234 920	376 540	112 644	531 010	1 640 009
Net interest sensitivity gap	28 358	49 791	56 296	(291 987)	331 700	(174 158)	-
Higher/lower impact on profit from balance sheet assets and liabilities	272	415	352	(730)	-	-	309

Bank 30 September 2015:

	<i>Demand and less than 1 month</i>	<i>1 to 3 months</i>	<i>3 to 6 months</i>	<i>6 to 12 months</i>	<i>More than 1 year</i>	<i>Non monetary</i>	<i>Total</i>
Assets	197 221	259 415	359 299	70 360	547 465	177 401	1 611 161
Liabilities and equity	129 036	222 888	239 877	312 678	98 240	608 442	1 611 161
Net interest sensitivity gap	68 185	36 527	119 422	(242 318)	449 225	(431 041)	-
Higher/lower impact on profit from balance sheet assets and liabilities	653	304	746	(606)	-	-	1 097

Bank 31 December 2014:

	<i>Demand and less than 1 month</i>	<i>1 to 3 months</i>	<i>3 to 6 months</i>	<i>6 to 12 months</i>	<i>More than 1 year</i>	<i>Non monetary</i>	<i>Total</i>
Assets	200 509	266 716	278 416	116 334	454 294	293 837	1 610 106
Liabilities and equity	180 135	210 381	234 846	376 286	93 341	515 117	1 610 106
Net interest sensitivity gap	20 374	56 335	43 570	(259 952)	360 953	(221 280)	-
Higher/lower impact on profit from balance sheet assets and liabilities	195	470	272	(650)	-	-	287

Operational risk

Objectives of the operational risk management of the Bank are: to properly identify and assess the operational risk; to prevent the occurrence of major events and losses by implementing effective internal controls; to properly organize and maintain the internal control environment by regularly reviewing internal control methods; to concentrate time and resources on the identification and management of key sources of operational risk of the Bank across all lines of its activity; to assure the enforcement of the compliance legislation.

In view of operational risk management system, the Bank's activities are grouped into the following categories: credit facilities, other financial services to customers, cash and other valuables, tangible assets, areas not related to the provision of financial services to customers, and information security.

The bank distinguishes a reputation risk as an operational risk sub-group. The reputation risk is the existing or foreseen risk, which might have a negative impact on the Bank's income and (or) capital with regard to unfavourable opinion about the Bank's reputation and which is made by the clients, parties of the agreement, shareholders and investors.

The following key sources of the operational risk are distinguished within the Bank based on the type and volume of the activity:

1. internal fraud;
2. external fraud;
3. working conditions and occupational safety;
4. customers, products and business environment;
5. damage of tangible assets;
6. business process malfunctions and system errors;
7. execution, delivery and process management.

The Bank accumulates the historical data related to operational risk and losses caused by it with the aim to gather information on operational risk events. For this purpose, the Bank developed a system the operation of which is described by the Operational Risk Events Registration Instruction.

To ensure continuity of the activities the Bank has approved the Activity Continuity Plan and Procedures for Provision of Banking Products, in case of the incident occurring in the Bank's Information Systems. According to the policies mentioned above the particular procedures and actions are taken in case of a contingency event and emergency cases seeking to minimize and avoid operational risks and loss of values if the daily activities of the Bank are disturbed.

NOTE 14 FINANCIAL ASSETS AND LIABILITIES MEASURED AT FAIR VALUE

Types of inputs used in valuation techniques determine the following fair value hierarchy:

- Level I – Quoted prices (unadjusted) or public price quotations in active markets for identical assets or liabilities;
- Level II – Inputs other than quoted prices included within Level I that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices);
- Level III – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

During the nine month period ended 30 September 2015, the process of fair value measurement did not change significantly as compared to the process described in the annual financial statements for the year 2014. For the valuation of financial assets and liabilities purposes, estimates, valuation techniques and inputs used to develop those measurements have not changed significantly during the nine month period ended 30 September 2015, no new circumstances that could have a significant impact on the fair values of financial assets and liabilities were identified during the period.

Measurement of financial assets and liabilities according to the fair value hierarchy

	30-09-2015		31-12-2014	
	Group	Bank	Group	Bank
LEVEL I				
Financial assets at fair value through profit or loss	60 470	23 416	52 098	27 106
Available for sale financial assets	23 040	22 699	21 441	21 441
Total Level I Financial assets	83 510	46 115	73 539	48 547
LEVEL II				
Financial assets at fair value through profit or loss	201	-	-	-
Financial liabilities at fair value through profit or loss	345	-	-	-
LEVEL III				
Financial assets at fair value through profit or loss	7 451	7 004	7 097	35 612
Available for sale financial assets	683	427	677	403
Total Level III Financial assets	8 134	7 431	7 774	36 015
Financial liabilities at fair value through profit or loss	19 465	19 465	19 295	19 295
Total Level III Financial liabilities	19 465	19 465	19 295	19 295

There were no transfers between fair value hierarchy levels during 2015 and 2014.

The changes in Level III instruments during the nine month period ended 30 September:

Group	Financial assets at fair value through profit or loss		Available for sale financial assets		Financial liabilities at fair value through profit or loss	
	01-01-2015 - 30-09-2015	01-01-2014 - 30-09-2014	01-01-2015 - 30-09-2015	01-01-2014 - 30-09-2014	01-01-2015 - 30-09-2015	01-01-2014 - 30-09-2014
Value as of 1 January	7 097	6 472	677	916	19 295	19 942
Additions	3 257	3 049	91	27	-	-
Disposals	-	-	(13)	(2)	-	-
Changes due to interest accrued/paid	-	-	-	-	(5)	(338)
Revaluations through profit or loss	(2 903)	(2 455)	(72)	(253)	175	33
Value as of 30 September	7 451	7 066	683	688	19 465	19 637

Bank	Financial assets at fair value through profit or loss		Available for sale financial assets		Financial liabilities at fair value through profit or loss	
	01-01-2015 - 30-09-2015	01-01-2014 - 30-09-2014	01-01-2015 - 30-09-2015	01-01-2014 - 30-09-2014	01-01-2015 - 30-09-2015	01-01-2014 - 30-09-2014
Value as of 1 January	35 612	41 707	403	403	19 295	19 942
Additions	3 262	3 049	24	-	-	-
Disposals	(28 962)	(6 661)	-	-	-	-
Changes due to interest accrued/paid	-	-	-	-	(5)	(338)
Revaluations through profit or loss	(2 908)	(2 455)	-	-	175	33
Value as of 30 September	7 004	35 640	427	403	19 465	19 637

01-01-2015 - 30-09-2015		01-01-2014 - 30-09-2014	
Group	Bank	Group	Bank
Total result from revaluation of Level III instruments included in the income statement			
(3 150)	(3 083)	(2 741)	(2 488)

NOTE 15 SEGMENT INFORMATION

Business segments

A summary of major indicators for the main business segments of the Group included in the statement of financial position as at 30 September 2015 and in the income statement for the nine month period ended 30 September 2015 is presented below:

	<i>Banking</i>	<i>Leasing</i>	<i>Investment management</i>	<i>Other activity</i>	<i>Eliminations</i>	<i>Total</i>
<i>Internal</i>	3 709	(2 785)	26	(674)	(276)	-
<i>External</i>	23 769	8 813	83	872	-	33 537
Net interest income	27 478	6 028	109	198	(276)	33 537
<i>Internal</i>	3 855	(2 830)	26	(711)	(340)	-
<i>External</i>	29 457	8 774	83	880	-	39 194
Net interest, fee and commission income	-	33 312	5 944	109	169	(340)
<i>Internal</i>	(387)	(81)	(5)	(32)	505	-
<i>External</i>	(14 335)	(2 564)	(150)	(11 029)	-	(28 078)
Operating expenses	(14 722)	(2 645)	(155)	(11 061)	505	(28 078)
Amortisation charges	(139)	(32)	-	(16)	-	(187)
Depreciation charges	(682)	(134)	(3)	(157)	-	(976)
<i>Internal</i>	(14 363)	-	-	-	14 363	-
<i>External</i>	(8 734)	862	(16)	(4 435)	-	(12 323)
Impairment expenses	(23 097)	862	(16)	(4 435)	14 363	(12 323)
<i>Internal</i>	18 490	8	40	7	(18 545)	-
<i>External</i>	5 479	88	14	10 510	-	16 091
Net other income	23 969	96	54	10 517	(18 545)	16 091
<i>Profit before tax</i>	18 641	4 091	(11)	(4 983)	(4 017)	13 721
<i>Profit from discontinued operations</i>	-	-	-	-	6 261	6 261
<i>Income tax</i>	(2 246)	(507)	-	11	-	(2 742)
Profit per segment after tax	16 395	3 584	(11)	(4 972)	2 244	17 240
Profit for the period attributable to owners of the Bank						17 240
Profit for the period attributable to non-controlling interest						-
Total segment assets	1 674 654	115 546	1 286	83 670	(170,892)	1 704 264
Total segment liabilities	1 542 321	102 718	128	62 858	(134,954)	1 573 071
Net segment assets (shareholders' equity)	132 333	12 828	1 158	20 812	(35,938)	131 193

A summary of major indicators for the main business segments of the Group (restated) included in the statement of financial position as at 30 September 2014 and in the income statement for the nine month period ended 30 September 2014 is presented below:

	<i>Banking</i>	<i>Leasing</i>	<i>Investment management</i>	<i>Other activity</i>	<i>Eliminations</i>	<i>Total</i>
<i>Internal</i>	4 265	(3 343)	58	(513)	(467)	-
<i>External</i>	19 169	9 387	49	995	-	29 600
Net interest income	23 434	6 044	107	482	(467)	29 600
<i>Internal</i>	4 428	(3 418)	58	(520)	(548)	-
<i>External</i>	23 675	9 128	49	958	-	33 810
Net interest, fee and commission income	28 103	5 710	107	438	(548)	33 810
<i>Internal</i>	(399)	(83)	(5)	(15)	502	-
<i>External</i>	(13 843)	(2 315)	(119)	(9 150)	-	(25 427)
Operating expenses	(14 242)	(2 398)	(124)	(9 165)	502	(25 427)
Amortisation charges	(85)	(14)	(1)	(16)	-	(116)
Depreciation charges	(785)	(121)	(4)	(84)	-	(994)
<i>Internal</i>	(7 635)	-	-	-	7 635	-
<i>External</i>	(9 735)	(3 271)	(1 957)	23	-	(14 940)
Impairment expenses	(17 370)	(3 271)	(1 957)	23	7 635	(14 940)
<i>Internal</i>	6 224	-	66	74	(6 364)	-
<i>External</i>	9 607	159	7	10 451	-	20 224
Net other income	15 831	159	73	10 525	(6 364)	20 224
<i>Profit before tax</i>	11 452	65	(1 906)	1 721	1 225	12 557
<i>Profit from discontinued operations</i>	-	-	-	-	(313)	(313)
<i>Income tax</i>	(1 924)	(102)	-	(24)	-	(2 050)
Profit per segment after tax	9 528	(37)	(1 906)	1 697	912	10 194
Profit for the period attributable to owners of the Bank						10 194
Profit for the period attributable to non-controlling interest						-
Total segment assets	1 571 217	112 962	7 459	97 356	(189 301)	1 599 693
Total segment liabilities	1 467 514	101 502	6 660	76 146	(157 212)	1 494 610
Net segment assets (shareholders' equity)	103 703	11 460	799	21 210	(32 089)	105 083



ADDITIONAL INFORMATION

1. Information on the Bank's and Group's Performance Results

The period of the first nine months of 2015 was challenging and full of changes for both the Bank and the country itself. The euro adoption in Lithuania was one of the key challenges faced by the Bank and the country over the period. Reducing fee applicable to international transfers in euro and caution of the corporate entities caused by the geopolitical situation also account for a considerable impact.

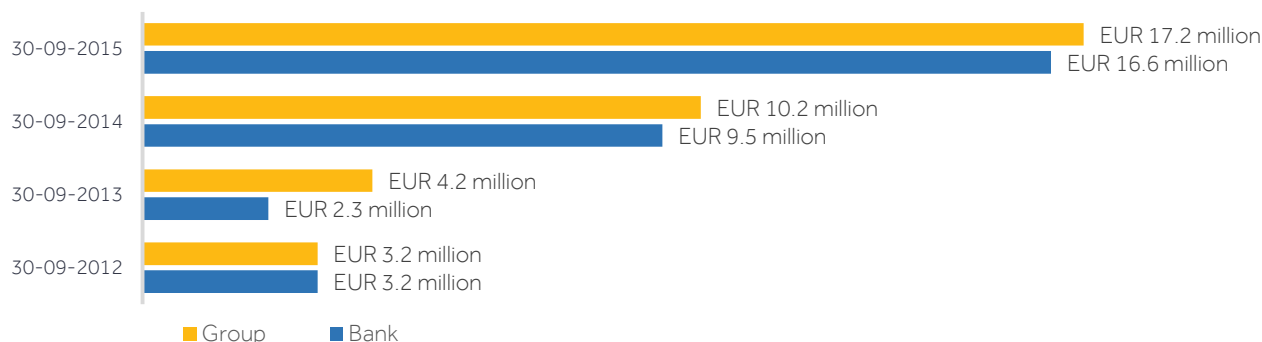
The challenges were handled smoothly. The Bank successfully contributed to the introduction of the EU single currency in the country - over Q1 2015 it exchanged almost 500 million litas, i.e. one fourth of the total national currency converted by the commercial banks operating in Lithuania.

This year, the Bank introduced its renewed brand and kept cultivating the educed values and goals during the Forums of Values arranged to its employees in the course of the year. The Bank participated in launching the Information System of Cash-Flow Restrictions (abbr. PLAIS in Lithuanian), fortified its leading position in financing housing renovation projects and extension of the guarantee-supported loans to the farmers, it paid much attention to organizational and activity rearrangements related to integration of the leasing and investment companies into the Bank's internal structure and into development of the aforementioned services.

The three quarters results of the Bank indicate that focus on domestic market, business continuity, flexibility and fast decision-making consistently strengthened the Bank and opened new prospects for the company's growth and continuous development.

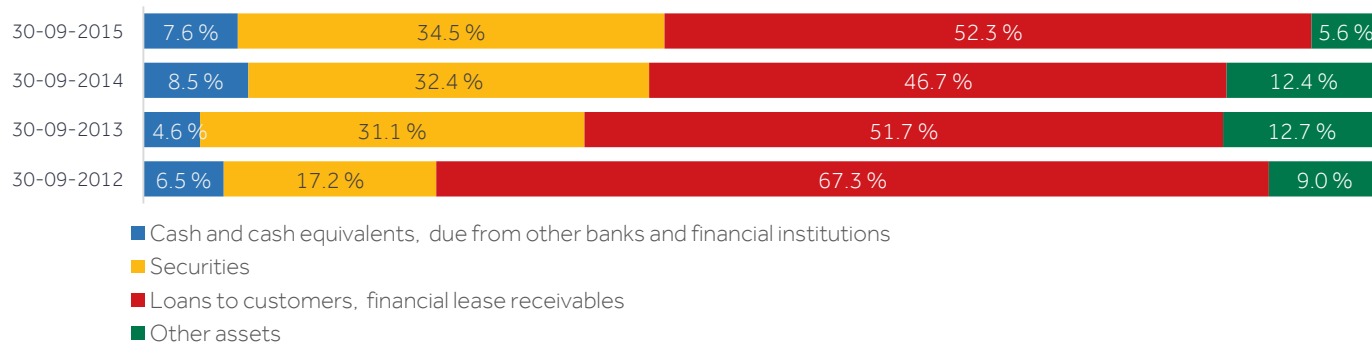
The profit of Šiaulių Bankas Group grew over the first nine months of the year. The Group earned an unaudited net profit of 17.2 million euros which is by 69 per cent more than over the respective period last year (10.2 million euros). Net profit of Šiaulių Bankas amounted to 16.6 million euros and increased by 74 per cent in comparison to the first three quarters of the previous year when the Bank earned 9.5 million euros.

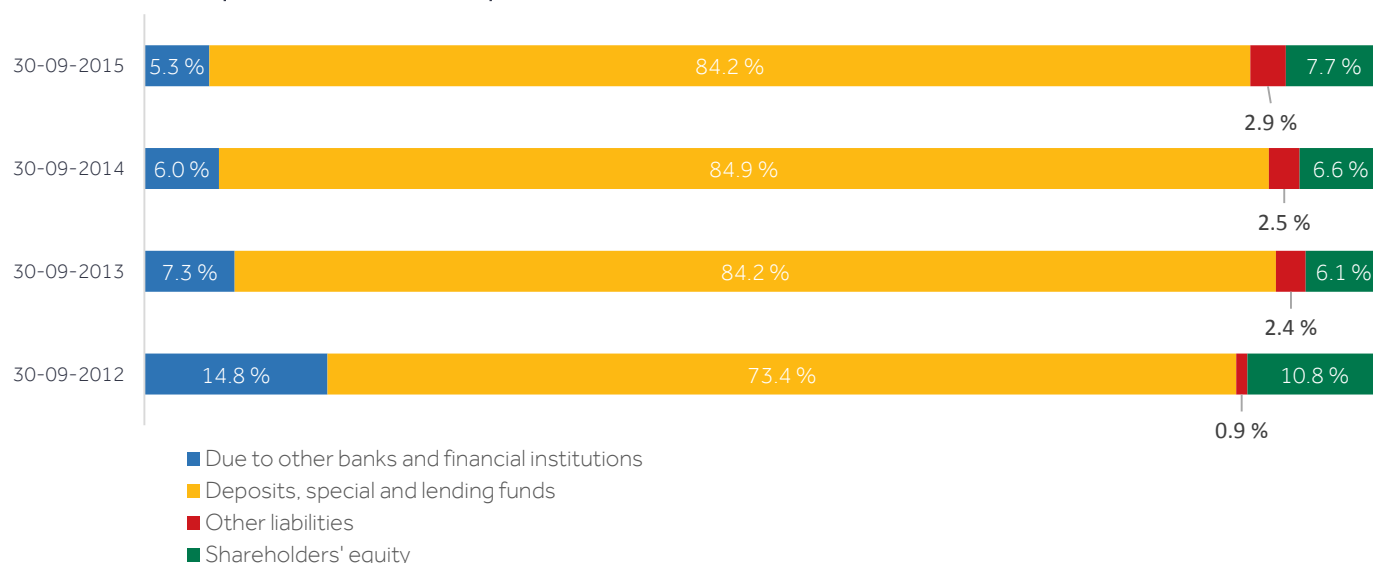
Net profit of the Bank and the Group for the period between 30 September 2012 and 30 September 2015:



This year more vivid recovery was felt in lending - both the business entities and households borrowed more. The Group's loan and finance lease portfolio grew by 7 per cent up to 891 million euros over Q3, while from the beginning of the year it increased by 15 per cent. Šiaulių Bankas granted more than 350 million euros in loans to its customers over the three quarters of the year.

Structure of Group's Assets on 30 September 2012 - 2015:



Structure of Group's Liabilities on 30 September 2012 – 2015:


Deposits remain the most popular means of saving for the country's population. The Group's deposit portfolio exceeded 1.4 billion euros at the end of September, i.e. increased by 1 per cent from the beginning of the year. This increase is an outcome of the acquisition of the bank Finasta by Šiaulių Bankas Group. Excluding the influence of this single factor, the deposit portfolio decreased slightly since the beginning of the year as the result of the euro adoption - in order to convert the currency safely and without standing in queues, part of the population decided to place deposits in litas at the end of 2014, which later were withdrawn in euros. Comparing to the respective period of last year, the Group's deposit portfolio grew even after elimination of the impact arising from the acquisition of the bank Finasta.

The net interest income was boosted by increasing lending. Over the first nine months of 2015, Šiaulių Bankas Group earned 13 per cent more from this type of income as compared to the same period of previous year.

A positive change in the net service and commission fees have been observed over the year: 5.7 million euros were earned and the result of the respective period of last year was exceeded by 34 per cent. This was largely impacted by the proficiency in financing of projects under the multi-apartment house modernization programme gained by Šiaulių Bankas over a few recent years.

Cost to income ratio comprised 52.9 per cent, return on equity reached 19.2 per cent and return on assets amounted 1.4 per cent at the end of September.

Profitability ratios, in per cent:

Profitability ratios, %		2012	2013	2014	30-09-2015
The Bank	ROAA	0.52	0.20	0.68	1.37
	ROAE	4.79	3.36	10.38	19.22
	Cost / income	47.13	52.68	38.74	38.91
Financial group	ROAA	0.54	0.16	0.70	1.43
	ROAE	4.90	2.65	10.69	19.78
	Cost / income	47.64	52.70	39.65	39.11
Group	ROAA	0.46	0.34	0.74	1.39
	ROAE	4.24	5.79	11.45	19.47
	Cost / income	61.52	62.05	50.58	52.89

Increase in the authorized capital of Šiaulių Bankas was registered on 14 September of the current year and went in line with implementation of other capital strengthening measures. These actions have ensured the bank's compliance with the capital adequacy ratios with a comfortable cushion. After the implementation of the above mentioned measures, the capital adequacy ratio exceeded 14 per cent.

The transaction of acquisition of the bank Finasta AB and brokerage company Finasta was closed in July. The process of companies' integration has been already launched by Šiaulių Bankas and is planned to be accomplished within the current year. Supplementing the range of its services with securities trading and brokerage services, Šiaulių Bankas will be able to offer more complex investment solutions and better saving conditions to its customers.

Also, the Bank is intensively working on other projects that will be finished within this year: SEPA, which will allow the bank's clients to make payments throughout the euro area just as easily and safely as national payments starting from

2016 and an e-invoice service, which is supposed to replace currently used direct debit and allow handling regular invoices according to the customers' needs, are in the process of implementation.

At the end of period, the Bank's customer service network consisting of 71 unit was operating in 38 cities and towns of Lithuania. The Bank's customers were able to use 230 ATMs of the joint ATM network and 1939 terminals of Perlo paslaugos UAB all over Lithuania.

2. Information on compliance with the Prudential requirements set to the Bank

The Bank and Group complied with all prudential requirements and complied with the standards set out for liquidity reserve and counterbalancing capacity. The relevant information on compliance with the prudential requirements is provided on the Bank's internet site at: <http://sb.lt/en/about-bank/investors/prospectus-and-reports/> (see Prudential Standards).

3. The Bank's Authorized Capital and Shareholders

The authorized capital of the Bank totals to EUR 91 226 381,99 and is comprised of 314 573 731 units of ordinary registered shares with a nominal value of EUR 0.29 each. The amendments of the Charter related to the capital increase were registered the Register of Legal Entities on 14 September 2015.

The General Meeting of Shareholders held on 27 March 2015 passed a resolution to increase the Bank's authorized capital by 8.6 per cent from the Bank's funds in the amount of EUR 6.73 million and to distribute issued shares to the shareholders that owned the Bank's shares at the end of the day of accounting of rights (13 April 2015). 23 220 000 units of shares have been issued in total.

The General Meeting of Shareholders held on 22 June 2015 passed a resolution to issue a new share issue by additional contributions and to revoke the preference right exercised by all shareholders to purchase the newly issued shares. An issue consisting of 21 353 731 shares was acquired by the single shareholder Invalda INVLA AB for 6 192 581.99 euros.

Authorized capital by types of shareholders (in million euros)*:



* Data as of 30 September 2015

Dynamics of Bank's authorized capital:

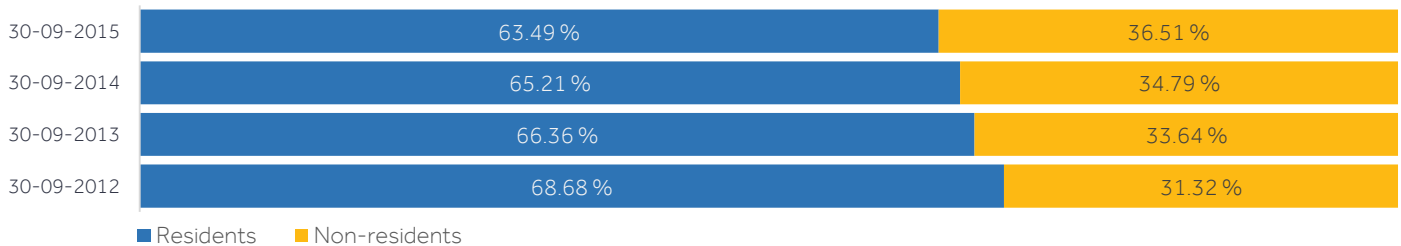
Registration date	22-06-2010	04-08-2011	31-05-2013	03-06-2014	26-05-2015	14-09-2015
Capital, EUR	59 408 685	68 108 685	72 500 000	78 300 000	85 033 800	91 226 381.99

Structure of the Bank's authorized capital:

Type of shares	Number of shares	Nominal value, EUR	Total nominal value, EUR
Ordinary registered shares, ISIN LT0000102253	314 573 731	0.29	91 226 381.99

The number of the Bank's shareholders was 3 557 as of 30 September 2015. All issued shares grant the shareholders equal rights foreseen by the Law on Companies of the Republic of Lithuania and the Charter of the Bank.

Authorized capital of the Bank by shareholders place of residence (per cent):



4. Trade in shares of the companies of the Bank Group in regulated markets

In the Main List of AB NASDAQ OMX Vilnius, only the shares of the Bank are quoted. ISIN code LT0000102253; the number of shares: 314 573 731. Shares of the Bank's subsidiaries are issued for non-public circulation.

The Bank's shares are included in to the OMX Baltic 10 (*OMX Baltic Tradable Index*), which consists of shares of the 10 the most liquid companies enrolled into the trading list of the Baltic stock exchanges.

Shares issued by the Bank are also included in the comparative index of the OMX Baltic states securities market OMX Baltic Benchmark (OMXBBGI), which is comprised of the shares of the highest capitalization and most liquid companies as well as in such indexes as *OMX Baltic All Share Price Index* (OMXBPI), *OMX Baltic Financials Price Index* (B40PI), *OMX Baltic Benchmark Price Index* (OMXBBPI) and *OMX Baltic Benchmark Capped Price Index* (OMXBBCPP).

Besides, shares issued by the Bank are included in the indexes of STOXX Eastern Europe TMI, STOXX Eastern Europe TMI Small, STOXX EU Enlarged TMI, STOXX Global Total Market, *STOXX All Europe Total Market Price Index* and *STOXX Lithuania Total Market*.

Changes in the share price within three years:

Source: NASDAQ OMX Vilnius AB website

<http://www.nasdaqomxbaltic.com/market/?instrument=LT0000102253&list=2&pg=details&tab=historical&lang=en¤cy=0&dwnloadcsv=0&date=&start=2012.09.30&end=2015.09.30>



Turnover the the Bank's shares during the period between 2012 and 30 September 2015:

Year	Last trading session price, EUR	Max. price, EUR	Min. price, EUR	Average price, EUR	Number of shares	Turnover, EUR mln
2012	0.231	0.285	0.230	0.256	11 106 241	2.48
2013	0.266	0.310	0.227	0.266	20 496 506	5.45
2014	0.266	0.331	0.266	0.290	28 107 139	8.15
30-09-2015	0.284	0.315	0.267	0.292	31 566 442	9.23

Turnover and price of the Bank's shares over the period of three quarters of 2015 (EUR):

Source: NASDAQ OMX Vilnius AB website

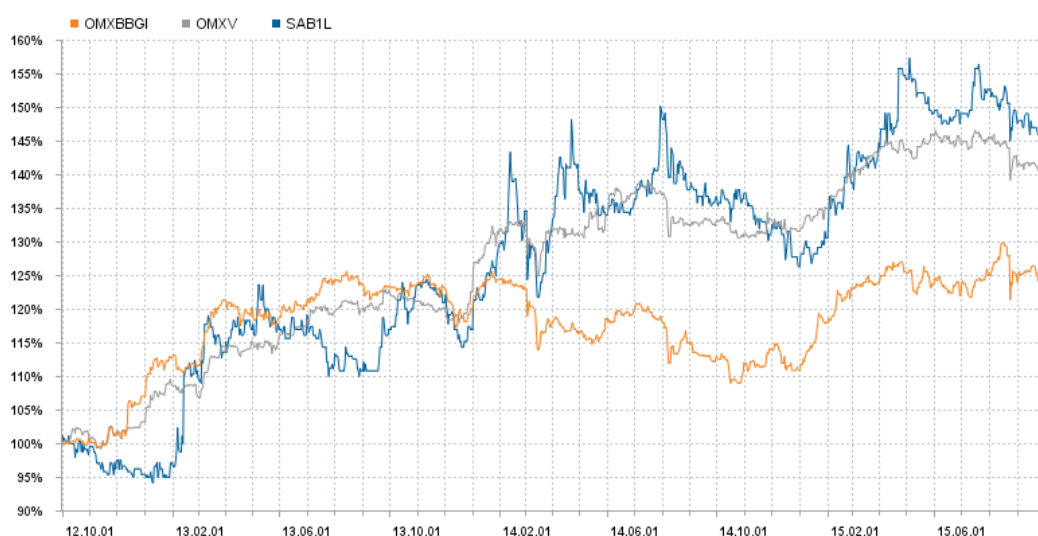
<http://www.nasdaqomxbaltic.com/market/?instrument=L.T0000102253&list=2&pg=details&tab=historical&lang=en¤cy=0&downloadcsv=0&date=&start=2015.01.01&end=2015.09.30>



The charts of the share price changes of OMX Vilnius index, OMX Baltic Benchmark and Bank's shares during the period between 30 September 2012 and 30 September 2015 are provided below:

Source: NASDAQ OMX Vilnius AB website

http://www.nasdaqomxbaltic.com/market/?pg=charts&lang=lt&idx_main%5B%5D=OMXBBGI&idx_main%5B%5D=OMXV&add_index=OMXBBPI&add_equity=L.T0000128696&idx_equity%5B%5D=L.T0000102253&period=other&start=2012.09.30&end=2015.09.30



The Chart's data:

Index/Shares	30-09-2012	30-09-2015	+/-, per cent
■ OMX Baltic Benchmark GI	510.85	629.27	23.18
— OMX Vilnius	343.80	479.82	39.56
— SAB1L	0.194 Eur	0.284 Eur	46.52

As of 30 September 2015 the Bank's capitalization was EUR 89.34.

The capitalization the Bank and the total capitalization of shares quoted on the NASDAQ OMX Vilnius AB as of the last trading day of 30 September 2014 and 30 September 2015 is provided below:

Index/Shares	30-09-2014	30-09-2015	Change	Source: NASDAQ OMX Vilnius AB website
Šiaulių Bankas – SAB1L	77 760 000 Eur	89 338 940 Eur	14.89 %	http://www.nasdaqomxbaltic.com/market/?pg=capital&list%5B0%5D=BAMT&list%5B1%5D=BAIT&list%5B2%5D=BAFN&period=other&start=2014.09.30&end=2015.09.30&lang=en
The Baltic market in total:	5 917 903 121 Eur	6 313 240 835 Eur	6.68 %	

P/E ratio:

	31-12-2012	31-12-2013	31-12-2014	30-09-2015
P/E	13.29	13.12	6.12	4.26

5. Information about the agreements with the following intermediaries in public circulation of securities

The Bank's Securities Accounting Department is in charge of accounting of the securities issued by the Bank.

To execute and account other transactions with securities the Bank has concluded agreements with the following intermediaries in public circulation of securities:

- with the Lithuanian branch of Danske Bank A/S - Investment service provision agreement.
- with DnB bankas AB - Agreement regarding management of financial instrument account and execution of orders.
- With Swedbank, AB - Agreements of securities account management and brokerage.
- with the bank Finasta AB - Investment service provision agreement.
- with SEB bankas AB - Agreements of securities account management.
- with Raiffeisen Bank International AG - Agreements of securities account management and brokerage.

6. Acquisition of own shares

The Bank and its subsidiaries or persons acting at the instruction of the subsidiaries do not hold any shares of the Bank. The Bank has not acquired its own shares and has not transferred them to others over the accounting period. The shares to those employees who in compliance with the Bank's Remuneration Policy should receive the shares are purchased at the NASDAQ OMX Vilnius stock exchange on behalf of the group by the joint order covered from the Bank's funds.

7. Ratings assigned by international agencies

The credit rating agencies are registered and certified in accordance with Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on Credit Rating Agencies.

The credit rating of the Bank is determined by the international rating agency Moody's Investors Service LTD, the licence of which was updated on 31 October 2011.

Moody's Investors Service updated the rating of the Bank on 17 June 2015. The Bank's long-term deposit rating improved by two notches from B1 to Ba2:

Long-term credit rating	Ba2
Short-term credit rating	NP
Rating outlook	Stable

8. Bank's Management Bodies

The management bodies of the Bank are as follows: the General Meeting of the Shareholders of the Bank, Council of the Bank, Board of the Bank and Chief Executive Officer (Head of the Bank).

General Meeting of Shareholders takes place annually, within three months after the end of fiscal year. The shareholders, having no less than 1/10 of all the votes, as well as the Board and Council have an initiative right of convening the meeting. The Law on Companies of the Republic of Lithuania specifies the cases when a general meeting can be convened by other persons.

General Meeting of Shareholders is organized, voting is carried out and resolutions passed in compliance with the Law on Companies. If the meeting cannot take place due to lack of a quorum (more than ½ of the total votes), the re-convened meeting of shareholders with the valid agenda of the previous meeting shall be summoned.

The Supervisory Council of the Bank is a collegial body supervising the activities of the Bank. The Supervisory Council is directed by its Chairman. The Supervisory Council consisting of eight members is elected by the General Meeting of Shareholders for a term of four years. The initiators of the Meeting or the shareholders holding shares that grant at least 1/20 of the Bank's shares, shall have the right of proposing the members of the Supervisory Council.

The candidates are proposed before the Meeting or during such Meeting. Each candidate to the Supervisory Council's members shall inform the Meeting about his current capacity and how his activities are related to the Bank or to other legal entities associated with the Bank.

While electing the Supervisory Council's members each shareholder shall have such number of votes which is equal to the product of the numbers of votes granted to him by the shares owned and number of the Supervisory Council's members to be elected. These votes are allocated by the shareholder at his own discretion - for one or several candidates. The candidates who receive the biggest number of votes are elected. One independent member is elected to the current tenure of the Supervisory Council. In accordance with the Bank's Charter the number of tenures of the Council member is not limited.

The members of the Bank's Supervisory Council (except an independent member) are the Bank's shareholders or legal entities representing the Bank's shareholders, therefore, they participate in the Bank's shareholders meetings according to their possibilities.

The Board of the Bank is a collegial Bank management body, consisting of seven members. It manages the Bank, handles its matters and answers under the laws of the Republic of Lithuania for the execution of the Bank's financial services. Order of the Board's work is set by the Board work regulations.

The members of the Bank's Management Board are elected, recalled and supervised by the Bank's Supervisory Council for four-year tenure. The number of tenures of the Board member is not limited. If individual Board members are elected, they are elected till the end of the active Board's term.

All members of the Management Board of the Bank usually participate in General meeting of shareholders - each of them owns the Bank's shares.

Chief Executive Officer arranges everyday activities of the Bank and performs other actions necessary to perform his functions, to implement the decisions of the Bank's bodies and to ensure the Bank's activities.

9. The members of Bank's Collegial bodies

Supervisory Council of the Bank:

Arvydas Salda



Member of the Supervisory Council of Šiaulių Bankas AB since 1991, Chairman of the Supervisory Council since 1999.

Education:

Kaunas Institute of Technology, Vilnius University, Master in applicable mathematics.

Work experience (not less than 5 years):

A consultant of SB Turto Fondas UAB since 2004.

Sigitas Baguckas



Deputy Chairman of Council of Šiaulių Bankas AB since 2000, Member of Council since 1991;

Education:

Vilnius Civic Engineering Institute, an engineer-constructor.

Work experience (not less than 5 years):

Procurist and director at Namų Statyba UAB since 2007

Gintaras Kateiva



Member of the Supervisory Council of Šiaulių Bankas AB since 2008.

Education:

Vilnius Pedagogic Institute, a teacher.

Work experience (not less than 5 years):

Chairman of the Board of Litagra UAB since 2005, director of Litagros Prekyba UAB until 2008.

Vigintas Butkus



Member of the Supervisory Council of Šiaulių Bankas AB since 2004.

Education:

Marijampole School of Culture, a director.

Work experience (not less than 5 years):

Director of Mintaka UAB since 2000, Director of Trade House Aiva UAB since 2002.

Valdas Vitkauskas



Member of the Supervisory Council of Šiaulių Bankas AB since 2014.

Education:

Vytautas Magnus University, Master in Business Administration and Management; Southern Methodist University (USA), Master.

Work experience (not less than 5 years):

Head of the EBRD representative office in Minsk until 2011, EBRD senior banker since 2011, member of the Council of the bank belonging to the Societe Generale Group in Mobiasbank (Moldova).

Peter Reiniger



Member of the Supervisory Council of Šiaulių Bankas AB since 2011.

Education:

Technical University of Budapest, an engineer-mechanic, an engineer of production organization.

Work experience (not less than 5 years):

Director of the EBRD Business Group until 2010, the Managing Director since 2010, Chief Advisor of the First Vice-president and Executive Committee since 2011.

Ramunė Vilija Zabulienė



Independent Member of the Supervisory Council of Šiaulių Bankas AB since May 2012.

Education:

Vilnius University, an engineer-economist.

Work experience (not less than 5 years):

Member of the Board of the Bank of Lithuania, Deputy Chairman of the Board until 2011. Director of ArsDomina.

Board of the Bank:

Algirdas Butkus



Chairman of the Board of Šiaulių Bankas AB

Education:

Kaunas Technology Institute, Master in Economy.

Work experience (not less than 5 years):

Chairman of the Board, Chief Executive Officer of Šiaulių Bankas AB from 1999 to February 2011, the Deputy Chief Executive Officer since 2011.

Vytautas Sinius



Member of the Board, Chief Executive Officer of Šiaulių Bankas AB from 1999 to 2011.

Education:

Vilnius Higher School of Economics, a bank officer.
Vilnius University, a bachelor of economy.
Vytautas Magnus University, Master in Business Administration and Management.

Work experience (not less than 5 years):

Director of Retail Banking Division of SEB AB 2006-2010, Head of Corporate Banking Division of Šiaulių Bankas AB 2011 - 2014.

Donatas Savickas



Donatas Savickas
Member of the Board of Šiaulių Bankas AB, Deputy Chief Executive Officer, Head of Finance and Risk Management Division.

Education:

Vilnius University, Bachelor in Economy.
Vytautas Magnus University, Master of Business Administration and Management.

Work experience (not less than 5 years):

Deputy Chairman of the Board of Šiaulių bankas AB since 1995, Deputy Chief Executive Officer, Head of Finance and Credit Division since 2005, Head of Finance and Risk Management Division since 2011.

Daiva Kiburienė



Member of the Board of Šiaulių Bankas AB, Deputy Chief Executive Officer, Head of Business Development Division.

Education:

Vilnius University, Master of Economy.
Vytautas Magnus University, Master in Business Administration and Management.

Work experience (not less than 5 years):

Deputy Chairperson of the Board of Šiaulių Bankas AB since 1998, Deputy Chief Executive Officer, Head of Corporate and Retail Banking Division since 2005, Head of Business Development Division since 2014.

Vita Adomaitytė



Member of the Board of Šiaulių Bankas AB, Chief Accountant, Head of Accounting and Tax Division since 01 July 2015.

Education:

Vilnius University, Master in Finance and Credit.

Work experience (not less than 5 years):

Chief Financial Officer of Šiaulių Bankas since 2002, Head of Accounting and Reporting Division since 2005.

Jonas Bartkus



Member of the Board of Šiaulių Bankas AB, Head of IT Division.

Education:

Vilnius University, Master in mathematics.

Work experience (not less than 5 years):

Head of Business Development Division of the Bank since 2005, Head of the IT Division since 2011.

Ilona Baranauskienė



Member of the Board since February 2014; Head of the Assets Restructuring Division.

Education:

Kaunas University of Technology, Bachelor of Business Administration and Management; Šiauliai University, a master of economy.

Work experience (not less than 5 years):

Director General of SLEZVB UAB until 2013, Deputy Director of SBTF UAB since 2006, Director of the Special Financing Department of Šiaulių Bankas AB.

Name, surname	Beginning / end of tenure	Share of capital under the right of ownership, %	Share of votes together with the related persons, %
Arvydas Salda	beginning 29/03/2012/ end 2016	2.42	39.43
Sigitas Baguckas	beginning 29/03/2012/ end 2016	0.61	39.43
Vigintas Butkus	beginning 29/03/2012/ end 2016	0.03	39.43
Gintaras Kateiva	beginning 29/03/2012/ end 2016	5.82	39.43
Peter Reiniger	beginning 29/03/2012/ end 2016	—	—
Ramunė Vilija Zabulienė	beginning 04/05/2012/ end 2016	—	—
Valdas Vitkauskas	beginning 28/03/2014/ end 2016	—	—
Vytautas Junevičius	beginning 29/03/2012 /end 22/04/2015.	0.39	39.43
Algirdas Butkus	beginning 29/03/2012/ end 2016	3.60	39.43
Vytautas Sinius	beginning 29/03/2012/ end 2016	0.11	39.43
Donatas Savickas	beginning 29/03/2012/ end 2016	0.09	39.43
Daiva Kiburienė	beginning 29/03/2012/ end 2016	0.06	39.43
Vita Adomaitytė	beginning 29/03/2012/ end 2016	0.05	39.43
Jonas Bartkus	beginning 29/03/2012/ end 2016	0.07	39.43
Ilona Baranauskienė	beginning 12/02/2014/ end 2016	0.04	39.43

10. The most important events over the accounting period

On 23 January 2015, the Bank chose the *MasterCard* as its strategic partner for provision of payment card products and services and signed the respective collaboration agreement.

In February, the company *Dive Lietuva* („Slapto pirkėjo tyrimai“ UAB) published the results of the conducted survey. According to the received data the Bank's customer servicing quality ratio increased by one fifth in 2014 comparing to the results of the same survey on the customer servicing quality level in banking sector in 2013.

Since 17 February 2015, a new service has been launched by the Bank - from now on the Bank's customers are able to place cash to their payment card accounts free of charge. This can be done through the ATMs for cash placement and withdrawal located in trading centres *Akropolis* in Vilnius, Kaunas, Klaipėda and Šiauliai.

On 7 March, the Bank and Invalda LT signed a Letter of Intent regarding integration of the banking activities of Finasta into the Bank's activities.

On 19 March, the Customer's Day was organized in the Bank's customer service points.

During the General Shareholders' Meeting of the Bank held on 27 March it was resolved to increase the authorized capital of the bank by EUR 6,733,800 (to EUR 85 million) from the Bank's own funds issuing 23,220,000 ordinary registered shares with EUR 0.29 nominal value and to distribute issued shares to the shareholders free of charge in proportion to the total nominal value of shares owned by them at the end of the day of accounting of rights of the Meeting.

On 31 March, the Bank introduced its re-branding strategy.

On 2 April, the Bank announced about the possibility to open an accumulative account and form authorized capital on-line to the companies in the process of establishment.

30 April, three subsidiary companies of the Bank - Žalgirio Sporto Arena UAB, Investicinio Turto Valdymas UAB and Trade Project UAB - signed the agreements on the basis of which the real estate objects located on Olimpiečių, Rinktinės and Šeimyniškių streets in Vilnius were sold.

Since May the Bank's customers using the services provided by the mobile connection operator Omnitel can acquire a mobile signature in the Bank's customer service point free of charge. Before, this service was available to the Tele2 customers only.

On 8 May, the Bank announced that its subsidiary Ūkio Banko Lizingas UAB was changing its name to SB Lizingas UAB and would continue providing the consumer leasing services.

On 11 May, the Bank signed an agreement on the basis of which it acquired 100 per cent of shares of Bank Finasta AB from Invalda LT AB and its small shareholders and 100 per cent of shares of Finasta FMĮ AB from Invalda AB.

On 26 May the amended Charter of Šiaulių Bankas AB with the authorized capital increased up to EUR 85 033 800 was registered at the the Registry of Legal Entities.

On June 4, the Bank's activities and performance results were presented during the traditional meeting between investors and CEOs of the companies listed on the Stock Exchange initiated by NASDAQ OMX Baltic.

On 17 June, the international rating agency Moody's Investors Service LTD improved the Bank's rating: the long-term deposit rating improved by two notches from B1 to Ba2.

The extraordinary Meeting of the Shareholders held on 22 June 2015 passed a resolution to increase the Bank's authorized capital by additional contributions issuing a share issue of EUR 6 771 500 comprised of 23350000 units of ordinary registered shares with a nominal value of EUR 0.29 each.

On 17 July, with the permit from the Competition Council and Bank of Lithuania, the Bank closed the transaction of acquisition of 100 percent of the shares the bank Finasta AB and financial brokerage company Finasta AB.

On 10 September, the Bank introduced two new payment cards Debit MasterCard and Debit MasterCard Business to private and corporate customers and offered a possibility to change a card's PIN code in the joint ATM network.

On 17 August, it was announced that the Bank signed agreement for additional EUR 68 million under the Jessica II fund for refurbishment of about 350 multi-apartment buildings. The Bank contributed additional EUR 30 million from its own funds for refurbishment of another 125 multi-apartment buildings.

At the end of August, the Bank updated application for intelligent devices was one of the first among the banks operating in Lithuania to offer executing payments and utility bills by mobile phone.

Since 1 September, following the travel and money insurance agreements, the Bank and the Lithuanian branch of insurance company ERGO Insurance SE started applying better insurance conditions and several new types of insurance to the cardholders of the credit cards MasterCard Gold and Visa Gold issued by the Bank.

On 7 - 14 September, the Bank arranged four free seminars on the Single Euro Payments Area (SEPA) to the corporate customers in Vilnius, Kaunas, Klaipėda and Šiauliai.

On 14 September 2015, the Bank joined the the Information System of Cash-Flow Restrictions (abbr. PLAIS in Lithuanian) developed by the state enterprise Centre of Registers.

On 14 September, the amended Charter of the Bank with the authorized capital increased up to EUR 91 226 381.99 was registered at the the Registry of Legal Entities. All shares were acquired by Invalda INVLA AB by way of offset, thus, offsetting the amount of EUR 6 182 581.99 due from the Bank for the purchased companies - the bank Finasta AB and brokerage firm Finasta AB.

On 23 September, the Management Board of the Bank passed a resolution to rearrange the bank Finasta AB and brokerage company Finasta AB by merge with Šiaulių Bankas AB. The Management Board approved the terms of reorganization as well as the Charter of Šiaulių Bankas which continues operating after the reorganization.

On 1 October 2015, the Bank announced that according to the Regulation (EU) No. 575/2013 and general provisions of the Supervisory Review and Evaluation Process approved by the Board of the Bank of Lithuania since the aforementioned mentioned date a minimum common equity Tier I capital adequacy ratio of 9 per cent and a common capital adequacy ratio of 12.5 per cent, covering capital conservation buffer and additional capital requirement, shall apply to Šiaulių Bankas AB.

On 19 October, the Bank was announced as the leader in provision of the guarantee-supported loans to the farmers in Lithuania. In cooperation with the Agricultural Credit Guarantee Fund the Bank issued more than 40 per cent of such type of credits in terms of the country over three quarters of the year.

On October 30, the Bank announced the conditions of a new electronic invoice (e-invoice) service. This service shall be provided since the beginning of the next year and will replace the currently existing direct debit service. The customers will be able to conveniently manage and settle all received invoices on the on-line banking system SB Linija or in the customer service points of the Bank.

11. Data on the publicly disclosed information

The following information was publicly disclosed over the three quarters of 2015:

02-02-2015	notification on received offers regarding acquisition of Žalgiris Stadium and surrounding plots of land;
02-02-2015	information on the sold part of the real estate;
03-02-2015	supplemented information on the sold part of the real estate;
26-02-2015	a pre-audited activity result of the Bank and the Group for 2014 and interim information for twelve months;
02-03-2015	information on the final negative adjustment amount payable to Ūkio Bankas BAB;
06-03-2015	convocation of the Ordinary General Meeting of Shareholders;
06-03-2015	draft resolutions prepared by the Board for the Ordinary General Meeting of Shareholders to be held on 27/03/2015;
09-03-2015	notification regarding a Letter of Intent with Invalda LT AB;
27-03-2015	resolutions of the Ordinary General Meeting of Shareholders held on 28/03/2013;

27-03-2015	annual information;
09-04-2015	information on resignation of the member of the Supervisory Council of the Bank;
13-04-2015	information on the results of the inspection carried out by the Bank of Lithuania;
15-04-2015	notification regarding acquisition of the bank Finasta;
22-04-2015	unaudited performance result of the Bank and the Group for Q1 of 2015;
04-05-2015	information on the signed agreements of non-banking assets sales;
12-05-2015	notification regarding agreements signed with respect to acquisition of the bank Finasta and Finasta FMJ;
19-05-2015	interim information for 3 months of 2015;
19-05-2015	notification on the received permit to register the amendment Charter of the Bank;
21-05-2015	information on concluded transactions, related to payment of the variable remuneration in the Bank's shares;
27-05-2015	registration of the Bank's with the increased authorized capital;
29-05-2015	information on the shares and authorized capital;
29-05-2015	convocation of the Extra-Ordinary General Meeting of Shareholders;
29-05-2015	draft resolutions prepared by the Board for the Extra-Ordinary General Meeting of Shareholders;
04-06-2015	information on the Bank's presentation to the Investors;
18-06-2015	notification regarding the upgraded rating of the Bank;
22-06-2015	information on the resolutions passed by of the Extra-Ordinary General Meeting of Shareholders;
02-07-2015	information on the Competition Council's permission for concentration based on the acquisition of the bank Finasta and brokerage company Finasta.
03-07-2015	information on the amended Charter of the Bank ;
14-07-2015	information on received permissions regarding acquisition of the bank Finasta and brokerage company Finasta.
20-07-2015	information on closing the transaction of the acquisition of the bank Finasta and brokerage company Finasta.
21-07-2015	a pre-audited activity result of the Bank and the Bank Group for 1H of 2015;
18-08-2015	a notification from the Bank of Lithuania received by the Bank regarding passed resolution to agree with reorganization of the bank Finasta AB by way of merge with Šiaulių Bankas AB.
20-08-2015	the Bank's interim information for 6 months;
08-09-2015	the Bank received consent from the Bank of Lithuania to register the Bank's Charter with the increased authorized capital;
15-09-2015	information on the amended Charter of the Bank;
17-09-2015	notification regarding acquisition of voting rights by Invalda INVLA AB;
17-09-2015	information on the total number of shares issued by the Bank and votes granted by them;
18-09-2015	information on adjusted accounting records and corrected interim information for 6 months;
29-09-2015	notification regarding the resolution passed by the Management Board of the Bank to reorganize the bank Finasta and brokerage company Finasta by way of merge with Šiaulių Bankas AB;
	reports regarding the transactions related to the Bank's shares entered by the Bank's senior managers.

In accordance with the procedures set by the Charter of the Bank and the legal acts of the Republic of Lithuania all the stock events are announced in the Central regulated information base and on the Bank's site www.sb.lt. Reports on the Meetings of Shareholders are additionally announced in the daily newspaper *Lietuvos rytas*.

After registration of the recast of the Bank's Charter on 02 July 2015, the notifications regarding meetings of shareholder shall be published in the electronic publication for announcement of public releases issued by the Legal Entities Registry Custodian.

Chief Executive Officer

20 November 2015



Vytautas Sinius