



**BANK'S BALANCE SHEET
AS AT 31 MARCH 2005**

Position	Accounting period, LVL'000	Previous accounting year, LVL'000	Accounting period, EUR'000	Previous accounting year, EUR'000
Cash and deposits with the Bank of Latvia	2 146	516	3 053	734
Claims on domestic credit institutions	16 332	20 767	23 238	29 549
Loans	13 847	10 220	19 703	14 542
Fixed income securities (bonds)	4 808	4 602	6 841	6 548
Shares and other non-fixed income securities	1	1	1	1
Derivatives	15	0	21	0
Investments in associated entities and in subsidiaries	508	508	723	723
Intangible assets	84	77	120	110
Fixed assets	91	1 090	129	1 551
Other assets	134	189	191	269
Prepayments and accrued income	188	228	267	324
Total assets	38 154	38 198	54 287	54 351
Liabilities to credit institutions and to foreign Central banks	9 009	11 572	12 819	16 465
Deposits	20 891	18 156	29 725	25 834
Notes payable	2 710	2 710	3 856	3 856
Derivatives	0	7	0	10
Other liabilities	195	152	275	217
Shareholders' equity	5 349	5 601	7 612	7 969
Share capital	5 100	5 100	7 257	7 257
Reserve capital and other reserves	17	17	24	24
Retained earnings	77	48	110	68
Profit of the year	155	436	221	620
Total liabilities and shareholders' equity	38 154	38 198	54 287	54 351
Contingent liabilities	50	61	71	87
Financial commitments	3 013	4 888	4 287	6 955
Assets / Liabilities under management	393	1 534	559	2 183



BANK'S INCOME STATEMENT AS AT 31.03.2005.

Pozīcijas nosaukums	Accounting period, LVL`000	Respective period of the previous accounting year, LVL`000	Accounting period, EUR`000	Respective period of the previous accounting year, EUR`000
Interest income	364	343	518	488
Interest expense	-119	-96	-169	-137
Securities income	0	0	0	0
Fees and commission income	165	114	235	162
Fees and commission expense	-40	-24	-57	-34
Trading income from financial instruments and foreign exchange	94	55	134	78
Other operating income	26	3	37	4
Administrative expenses	-299	-243	-425	-346
Depreciation and amortisation	-22	-20	-31	-28
Other operating expenses	-4	-4	-6	-6
Provisions for impairment losses	0	0	0	0
Income from decrease of provisions	11	0	16	0
Gains/loses from revaluation of long-term financial investments	0	0	0	0
Investments in associated entities and in subsidiaries income/expense	0	0	0	0
Operating income/loss	176	128	252	181
Extraordinary income	0	0	0	0
Extraordinary expenses	0	0	0	0
Income before corporate income tax	176	128	252	181
Income tax	-21	0	-30	0
Net income	155	128	222	181



**BANK'S STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
AS AT 31 MARCH 2005**

	Share capital, LVL'000	Reserve capital and other reserves, LVL'000	Retained earnings, LVL'000	Total, LVL'000
Balance as at 31 December 2003	5 100	17	348	5 465
Profit for the year	-	-	436	436
Dividends paid	-	-	-300	-300
Balance as at 31 December 2004	5 100	17	484	5 601
Profit for the year	-	-	155	155
Dividends paid	-	0	-400	-400
Balance as at 31 March 2005	5 100	17	239	5 356

0.702804

	Share capital, EUR'000	Reserve capital and other reserves, EUR'000	Retained earnings, EUR'000	Total, EUR'000
Balance as at 31 December 2003	7 257	24	495	7 776
Profit for the year	-	-	620	620
Dividends paid	-	-	-427	-427
Balance as at 31 December 2004	7 257	24	688	7 969
Profit for the year	-	-	221	221
Dividends paid	-	-	-569	-569
Balance as at 31 March 2005	7 257	24	340	7 621



BANK'S STATEMENT OF CASH FLOWS
1st quarter of the year 2005

	Accounting period, LVL'000	Previous accounting year, LVL'000	Accounting period, EUR'000	Previous accounting year, EUR'000
Cash flow from operating activities				
Income before income tax	176	475	250	676
Depreciation and amortisation	22	83	31	118
Impairment losses	-11	54	-16	77
Loss on foreign exchange revaluation	45	249	64	354
	232	861	329	1 225
<i>Increase in cash and cash equivalents from operating activities before changes in assets and liabilities</i>				
Increase in deferred income and accrued expense	45	11	64	16
Decrease/(increase) in prepayments and accrued income	40	28	57	40
Decrease/(increase) in other assets	27	67	38	95
Increase /(decrease) in other liabilities and provisions	-2	-325	-3	-462
Decrease/(increase) in investments in securities and derivatives	-228	1 936	-324	2 755
Decrease in balances due from credit institutions	0	87	0	124
(Increase)/decrease in loans to customers	-3 616	4 639	-5 145	6 601
Increase /(decrease) in balances due to credit institutions	115	-167	164	-238
Decrease in Deposits from the public	2 735	5 865	3 892	8 345
	-652	13 002	-928	18 501
<i>Net cash from operating activities before income tax</i>				
Income taxes paid	0	-7	0	-10
<i>Increase in cash and cash equivalents from operating activities</i>	-652	12 995	-928	18 491
Cash flow from investing activities				
Acquisition of fixed and intangible assets	-25	-31	-36	-44
Proceeds from disposals of fixed and intangible assets	995	3	1 416	4
	970	-28	1 380	-40
<i>Cash and cash equivalents used in investing activities</i>				
Cash flow from financing activities				
Proceeds from issue of debt securities	0	2 710	0	3 856
Dividends paid	-400	-300	-569	-427
<i>Cash and cash equivalents provided by financing activities</i>	-400	2 410	-569	3 429
Net increase in cash and cash equivalents	-82	15 377	-117	21 880
Cash and cash equivalents at the beginning of the year	11 924	-3 204	16 966	-4 559
Loss from foreign exchange revaluation	-45	-249	-64	-354
<i>Cash and cash equivalents at the end of the year</i>	11 797	11 924	16 786	16 967