

*AS DnB NOR Banka*

*Unaudited*

*Financial Statement*

*For the period ended*

*30 September 2007*

**Balance Sheet**

30 September 2006

(the last date of the reported period)

Name of credit institution  
AS DnB NORD Banka  
Credit institution's code: 784  
Address: Rīgā, Smilšu ielā 6

Position	2007.09.30	2007.09.30	2006.12.31	2006.12.31
	Group LVL`000	Group EUR`000	Group LVL`000	Group EUR`000
Cash and balances with central banks	143 379	204 010	81 001	115 254
Due from other credit institutions	6 061	8 624	40 100	57 057
Loans and advances to customers	1 646 033	2 342 094	1 219 561	1 735 279
Financial assets at fair value through profit or loss	44 932	63 932	44 249	62 961
Shares and other non-fixed income securities	10	14	10	14
Derivative financial instruments	880	1 252	323	460
Due from other credit institutions (term)	31 077	44 219	11 139	15 849
Intangible fixed assets	981	1 396	484	689
Property and equipment	32 188	45 799	26 326	37 459
Deferred expenses and accrued income	1 875	2 668	1 752	2 493
Other assets	15 654	22 274	5 033	7 161
<b>Total assets</b>	<b>1 923 070</b>	<b>2 736 282</b>	<b>1 429 978</b>	<b>2 034 675</b>
Due to credit institutions (demand)	4 379	6 231	16 525	23 513
Due to customers	323 065	459 680	316 742	450 683
Debt securities in issue	0	0	21 413	30 468
Derivative financial instruments	366	521	185	263
Due to credit institutions (term)	1 402 097	1 995 004	949 413	1 350 893
Corporate income tax liability	1 128	1 605	170	242
Deferred tax liabilities	346	492	209	297
Deferred income and accrued expenses	6 545	9 313	3 304	4 701
Other liabilities	6 760	9 619	4 815	6 851
Subordinated loan	40 370	57 441	35 629	50 695
Capital and reserves	138 014	196 376	81 573	116 068
<b>Total liabilities</b>	<b>1 923 070</b>	<b>2 736 282</b>	<b>1 429 978</b>	<b>2 034 675</b>
Contingent liabilities	20 807	29 606	19 645	27 952
Due to customers	227 165	323 227	132 562	188 619
Managed assets	-	-	-	-

The translation of the balance sheet items into EUR was done at the official rate quoted by the Bank of Latvia:

1 EUR = 0.702804 LVL

Board member \_\_\_\_\_

Board member \_\_\_\_\_

Date: 26 November 2006

**Profit and Loss Account**

30 September 2006

(the last date of the reported period)

 Name of credit institution  
AS DnB NORD Banka  
Credit institution's code: 784  
Address: Rīgā, Smiļņu ielā 6

Position	Reported period	Reported period	The respective period of the preceding year	The respective period of the preceding year
	Group LVL`000	Group EUR`000	Group LVL`000	Group EUR`000
Interest income	68 873	97 997	33 821	48 123
Interest expenses	(45 252)	(64 388)	(18 230)	(25 939)
Fees and commissions income	11 132	15 839	8 872	12 624
Fees and commissions expenses	(3 350)	(4 767)	(2 599)	(3 698)
Profit/loss from financial instruments trade transactions	4 251	6 049	1 564	2 225
Other operating income	5 522	7 857	2 996	4 263
Administrative expenses	(16 287)	(23 174)	(11 805)	(16 797)
Depreciation of intangible and fixed assets and the adjustments of their value	(4 873)	(6 934)	(2 588)	(3 682)
Other operating expenses	(314)	(447)	(202)	(287)
Provisions for bad debts and off-balance sheet liabilities	(4 341)	(6 177)	(2 842)	(4 044)
Income from the reduction of provisions	1 409	2 005	991	1 410
Operating profit/loss	16 770	23 862	9 978	14 197
Extraordinary income				
Extraordinary expenses				
Profit/loss before taxation	16 770	23 862	9 978	14 197
Deferred tax	(136)	(194)	52	74
Corporate income tax	(2 412)	(3 432)	(1 555)	(2 213)
<b>Net profit for the period</b>	<b>14 222</b>	<b>20 236</b>	<b>8 475</b>	<b>12 059</b>
<b>Attributable to:</b>				
Equity holders of the Bank	14 236	20 256	8 492	12 083
Minority interest	(14)	(20)	(17)	(24)
Profit on share (EPS)	20,04	28,51	18,91	26,91

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Board member \_\_\_\_\_

Board member \_\_\_\_\_

Date: 26 November 2006

**Statement of Changes in Shareholders` Equity of the Group for the period ended 30 September 2007**

Name of credit institution  
AS DnB NORD Banka  
Credit institution's code: 784  
Address: Rīgā, Smiļšu ielā 6

	Share capital	Share premium	Reserve capital	Revaluation reserve	Retained loss	Current year profit	Minority interest	Total
	LVL`000	LVL`000	LVL`000	LVL`000	LVL`000	LVL`000	LVL`000	LVL`000
<b>31 December 2006</b>	<b>56 961</b>	<b>48 994</b>	<b>214</b>	<b>133</b>	<b>(34 609)</b>	<b>9 842</b>	<b>38</b>	<b>81 573</b>
Increase of share capital	42 169	-	-	-	-	-	17	42 186
Transfer to retained loss	-	-	-	-	9 875	(9 842)	-	33
Profit for the year	-	-	-	-	-	14 236	(14)	14 222
<b>30 September 2007</b>	<b>99 130</b>	<b>48 994</b>	<b>214</b>	<b>133</b>	<b>(24 734)</b>	<b>14 236</b>	<b>41</b>	<b>138 014</b>

	Share capital	Share premium	Reserve capital	Revaluation reserve	Retained loss	Current year profit	Minority interest	Total
	EUR`000	EUR`000	EUR`000	EUR`000	EUR`000	EUR`000	LVL`000	EUR`000
<b>31 December 2006</b>	<b>81 048</b>	<b>69 712</b>	<b>304</b>	<b>189</b>	<b>(49 244)</b>	<b>14 004</b>	<b>54</b>	<b>116 068</b>
Increase of share capital	60 001	-	-	-	-	-	24	60 025
Transfer to retained loss	-	-	-	-	14 051	(14 004)	-	47
Profit for the year	-	-	-	-	-	20 256	(20)	20 236
<b>30 September 2007</b>	<b>141 049</b>	<b>69 712</b>	<b>304</b>	<b>189</b>	<b>(35 193)</b>	<b>20 256</b>	<b>58</b>	<b>196 376</b>

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Board member \_\_\_\_\_

Board member \_\_\_\_\_

Date: 26 November 2006

**Statement of Cash Flows**

 30 September 2006  
 (the last date of the reported period)

 Name of credit institution  
 AS DnB NORD Banka  
 Credit institution's code: 784  
 Address: Rīgā, Smiļšu ielā 6

Position	Reported period	Reported period	The respective period of the preceding year	The respective period of the preceding year
	Group LVL` 000	Group EUR` 000	Group LVL` 000	Group EUR` 000
Profit before income tax	16 770	23 862	9 978	14 197
Adjustments for:				
Depreciation and amortisation	4 873	6 934	2 604	3 705
Loss/profit from revaluation of financial assets	(54)	(77)	419	596
Provisions for impairment of loans and other assets, net	1 774	2 524	1 747	2 486
Profit from sale of fixed assets	(605)	(861)	(521)	(741)
Corporate income tax paid	(1 454)	(2 069)	(2 092)	(2 977)
<b>Increase in cash and cash equivalents before changes in assets and liabilities as a result of ordinary operations</b>	<b>21 304</b>	<b>30 313</b>	<b>12 135</b>	<b>17 267</b>
(Increase) in other assets and accrued income	(10 745)	(15 289)	(2 709)	(3 855)
Increase/(decrease) in other liabilities and accrued expenses	5 218	7 425	(914)	(1 301)
(Increase) in securities	(22 418)	(31 898)	(13 656)	(19 431)
(Increase) / decrease in due from credit institutions	(13)	(18)	900	1 281
(Increase) in loans	(428 245)	(609 338)	(433 094)	(616 237)
Increase in due to credit institutions	452 680	644 106	351 568	500 236
Increase in deposits	6 323	8 997	84 540	120 290
<b>Net cash used in operating activities</b>	<b>24 104</b>	<b>34 297</b>	<b>(1 230)</b>	<b>(1 750)</b>
<b>Investing activities</b>				
Acquisition of fixed assets	(14 698)	(20 913)	(10 165)	(14 463)
Proceeds from sale of fixed assets and intangible assets	4 071	5 793	1 987	2 827
Purchase of shares of a subsidiary	-	-	-	-
<b>Net cash used in investing activities</b>	<b>(10 627)</b>	<b>(15 121)</b>	<b>(8 178)</b>	<b>(11 636)</b>
<b>Cash flows from financing activities</b>				
Increase of share capital	42 187	60 027	13 000	18 497
Subordinated loan	4 742	6 747	11 198	15 933
Dividends paid	-	-	-	-
<b>Net increase in cash and cash equivalents</b>	<b>60 406</b>	<b>85 950</b>	<b>14 790</b>	<b>21 044</b>
Cash and cash equivalents at the beginning of the year	115 241	163 973	49 529	70 473
Cash and cash equivalents at the end of the period	175 647	249 923	64 319	91 518
<b>Net increase in cash and cash equivalents</b>	<b>60 406</b>	<b>85 950</b>	<b>14 790</b>	<b>21 044</b>

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Board member

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Board member

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Date: 26 November 2006