



**TRASTA KOMERCBANKA**

**JSC "TRASTA KOMERCBANKA"  
INTERIM CONDENSED FINANCIAL STATEMENTS  
AND CONSOLIDATED CONDENSED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED  
30 SEPTEMBER 2009  
(UNAUDITED)**

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**MANAGEMENT REPORT OF THE BANK (GROUP HOLDING COMPANY)**

In the third quarter of 2009, the plummeting decline in the economy of Latvia continued: according to the data of the Central Statistical Bureau of Latvia, its national GDP during this period dropped by 18.4%; and during the first 9 months of 2009, accordingly also by 18.4%); int. al., industry by 29.2%, retail trade by 27.7%. The majority of experts forecast an 18% decline of GDP in Latvia in 2009.

Direct results of rising unemployment (which reached 13.2% at the end of the third quarter of 2009) and reduction of population's income is a decrease of internal consumer spending (which caused the decline of retail trade) and a slowdown of inflation, which started in Latvia in May of 2008. In September of 2009, the level of inflation in the country was 0.5%; meanwhile, during the first nine months of the year it was on average 5.2% (in 2008 it was 15.4%). Based on this dynamics, experts forecast that Latvia may even face deflation in October of 2009.

Along with a slowdown of inflation, a current account deficit has also decreased, which during the first nine months of 2009 was even positive (for the first time since the third quarter of 1995) and amounted to 8.1% of GDP. However, this is connected with a sharp reduction in the volume of foreign trade (by 35.6%): export declined by 25.6% during the first nine months of 2009, and import by 41.4%.

Currently, the government of Latvia continues negotiations with IMF about issuance of the next portion of the loan to Latvia (in 2008, Latvia already received from IMF 590 million EUR; on February 25 and July 27 of 2009, it received from the European Commission 1.0 billion EUR and 1.2 billion EUR, respectively, on August 28 of 2009 - 0.2 billion EUR from IMF). These negotiations are taking place upon approval of the budget of 2010 and on condition that the allowed state budget deficit will not exceed 8.5% of GDP. Recent data shows that the state budget deficit in the first nine months of 2009 amounted to 493.7 million LVL (4.9% of GDP).

Taking into account the economic situation in Latvia and continuous deterioration of the global lending, the results of the Bank's activities during the first nine months of 2009 are considered satisfactory. The Bank gained profit and considerably increased its provisions for loans (up to 9.3% of the total bank loan portfolio). As of September 30 of 2009, the Bank's capital adequacy was 16.87%, liquidity – 60.60%. At the end of September, 2009, ROE of the Bank was 5.04%, and ROA was 0.77%.

As of September 30, 2009, assets of the Bank amounted to 249,7 million LVL, which is by 32.6 million more than the closing reading of 2008. The amount of attracted deposits during the first nine months of 2009 was 195.9 million LVL. As of September 30, 2009, the loan portfolio of the Bank was 104.7 million LVL, and the amount of equity and reserves – 35.97 million LVL. The Bank closed the first nine months of 2009 with the profit of 1.4 million LVL.

The consolidation group of the Bank consists of three subsidiary companies: TKB Nekustamie Īpašumi, TKB Līzings, and Misto Banka. Loss of the Group during nine months of 2009 was 3.3 million LVL and the amount of assets as of the end of the reporting period reached 290.4 million LVL.

**MANAGEMENT REPORT OF THE BANK (GROUP HOLDING COMPANY) (continued)**

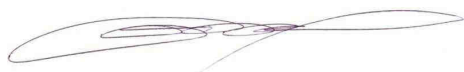
The management confirms that the consolidated financial statements and the separate financial statements set out on pages 7 to 28 for the period from 1 January 2009 to 30 September 2009 have been prepared consistently applying relevant accounting methods and the management's judgments and estimates in relation to preparation of these statements are reasonable and prudent. The management confirms that the applicable International Financial Reporting Standards have been used in the preparation of the financial statements and that these financial statements have been prepared on a going concern concept basis. The purpose of the statement is to present comprehensive information regarding financial standing of the Bank and the Group, performance results, and the Bank's activities-related risks. .

For the accounting period from 01 January 2009 to 30 June the Bank prepared condensed interim financial statements which were audited by "Ernst & Young Baltic",Ltd (Licence No.17). For the accounting period from 01 July 2009 to 30 September the Bank has not performed any additional interim audit. This public financial statement has been prepared based on unaudited financial statements for this period.

This report is available on the Bank's Internet page at [www.tkb.eu](http://www.tkb.eu).

This year, Trasta Komercbanka celebrates its 20th anniversary, which in itself is an indicator of the Bank's experience, solidity and successful operation in the Latvian and foreign financial markets. On behalf of the management of the Bank I would like to express our appreciation to customers, shareholders and employees of the Bank for their trust, support and for the accomplishments.

On behalf of the Bank's management:



Gundars Grieze  
Chairman of the Board

Riga,  
November 30, 2009

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**MANAGEMENT OF THE BANK (GROUP HOLDING COMPANY)**

**(1) Shareholders of the Bank (Group Holding Company)**

**Paid up share capital**

The Bank's registered and paid up share capital Bank's registered and paid up share capital on 30 September, 2009 amounted to 6 337 thousand LVL (2008: 6 337 thousand LVL), consisting of 126 742 ordinary shares with voting rights, with a nominal value of EUR 71. The total number of shareholders is 46, out of which 11 legal entities and 35 individuals.

**List of shareholders:**

Shareholder	Country	Shareholding 30 September 2009		Shareholding 31 December 2008	
		%	LVL'000	%	LVL'000
I.Buimisters	Latvia	37.10	2 351	37.10	2 351
S.Tarasenoks*	Latvia	14.15	896	14.15	896
SIA "C&R Invest"	Latvia	13.58	861	13.58	861
C.E.G. Treherne	Great Britain	9.18	582	9.18	582
GCK Holdings					
Netherlands B.V.	Netherlands	6.80	431	6.80	431
Rikam S.A.H.	Luxembourg	6.79	430	6.79	430
Figon Co Limited	Cyprus	3.16	201	3.16	201
Another shareholders		9.24	585	9.24	585

\* Since Sergejs Tarasenoks has passed away, his shares have been include in the succession mass.

**MANAGEMENT OF THE BANK (GROUP HOLDING COMPANY)**

**(2) Supervisory Council**

<b>Name, surname</b>	<b>Positions</b>	<b>Election date</b>
Igors Buimisters	Chairman of the Council	24.03.2006, reelected 27.03.2009
Alfrēds Čepānis	Member of the Council	30.03.1999, reelected 27.03.2009
Charles E.G. Treherne	Member of the Council	16.03.2001, reelected 27.03.2009

During the current period no changes in the Supervisory Council occurred.

**Management Board**

<b>Name, surname</b>	<b>Positions</b>	<b>Election date</b>
Gundars Grieze	Chairman of the Board	28.06.1999, reelected 24.03.2009
Māris Fogelis	First vice-chairman of the Board	28.06.1999, reelected 24.03.2009
Viktors Ziemelis	Vice-chairman of the Board	28.03.2003, reelected 24.03.2009
Svetlana Krasovska	Member of the Board	24.10.1995, reelected 24.03.2009
Tatjana Konnova	Member of the Board	23.03.2006, reelected 24.03.2009

During the current period no changes in the Management Board occurred.

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**STATEMENT OF COMPREHENSIVE INCOME AND CONSOLIDATED STATEMENT OF  
COMPREHENSIVE INCOME**

In thousands of lats	Note	The Group		The Bank	
		2009 (9 months)	2008 (9 months)	2009 (9 months)	2008 (9 months)
Interest revenue		7346	12 103	7 437	11 969
Interest expense		(2 531)	(2 187)	(2 549)	(2 220)
<b>Net interest income</b>		<b>4 815</b>	<b>9 916</b>	<b>4 488</b>	<b>9 749</b>
Loan impairment charge, net	6	(6 368)	(654)	(5 998)	(501)
<b>Net interest (loss)/income after allowance for impairment</b>		<b>(1 553)</b>	<b>9 262</b>	<b>(1 110)</b>	<b>9 248</b>
Commission income		4 098	5 745	4 089	5 727
Commission expense		(938)	(1 020)	(938)	(1 023)
<b>Net commission income</b>		<b>3 160</b>	<b>4 725</b>	<b>3 151</b>	<b>4 704</b>
Dividends		1	4	1	4
Net gains and losses from trading financial assets	8	2 209	(3 133)	2 209	(3 133)
Realised gains and losses from available-for-sale financial assets		-	139	-	139
Net gain and losses from foreign currency	8	2 938	6 237	2 939	6 238
Other income		96	643	79	581
<b>Other non-interest income</b>		<b>5 244</b>	<b>3 890</b>	<b>5 228</b>	<b>3 829</b>
Salaries and benefits expenses		(3 549)	(4 466)	(3 472)	(4 389)
(4 389)Administrative expenses	9	(1 612)	(2 483)	(1 654)	(2 491)
Tangible and intangible assets amortisation and depreciation		(511)	(376)	(507)	(373)
Other expenses		(86)	(103)	(84)	(92)
Other release of allowance		31	(25)	31	25
<b>Other non-interest expense</b>		<b>(5 727)</b>	<b>(7 453)</b>	<b>(5 686)</b>	<b>(7 320)</b>
<b>Profit before corporate income tax</b>		<b>1 124</b>	<b>10 424</b>	<b>1 583</b>	<b>10 461</b>

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STATEMENT OF COMPREHENSIVE INCOME AND CONSOLIDATED STATEMENT OF  
COMPREHENSIVE INCOME (continued)

In thousands of lats	Note	The Group		The Bank	
		2009 (9 months)	2008 (9 months)	2009 (9 months)	2008 (9 months)
Corporate income tax		(227)	(2 533)	(212)	(2 507)
<b>Profit for the period from continuing operations</b>		<b>897</b>	<b>7 891</b>	<b>1 371</b>	<b>7 954</b>
Loss after tax from discontinued operations	12	(4 200)	455	-	-
<b>Profit/(loss) for the period</b>		<b>(3 303)</b>	<b>8 346</b>	<b>1 371</b>	<b>7 954</b>
<i>Attributable to equity holders of the Bank</i>		(1 181)	8 117	1 371	7 954
<i>Attributable to minority interest</i>		(2 122)	229	-	-
<i>Earnings per share (basic and diluted) in lats</i>		<i>7.08</i>	<i>62.26</i>	-	-
<i>Earnings per share (basic and diluted) in lats for continuing operations</i>		<i>(26.06)</i>	<i>65.85</i>	-	-
Other comprehensive income:					
Available for sale financial asset revaluation		50	(7)	50	2
Foreign currency translation reserve		(1 157)	(10)	-	-
<b>Total comprehensive income</b>		<b>(4 410)</b>	<b>8 329</b>	<b>1 421</b>	<b>7 956</b>
<i>Attributable to equity holders of the Bank</i>		(2 088)	8 110	1 421	7 956
<i>Attributable to minority interest</i>		(2 322)	219	-	-

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**STATEMENT OF FINANCIAL POSITION AND CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

In thousands of lats	Note	The Group		The Bank	
		30.09.2009	31.12.2008	30.09.2009	31.12.2008
<b>ASSETS</b>					
Cash and balances due from the Bank of Latvia		14 623	19 235	14 623	19 235
Due from credit institutions with a maturity of less than 3 months		86 465	47 562	89 524	47 562
<i>On demand</i>		65 726	37 946	65 902	37 946
<i>Other</i>		20 739	9 616	23 622	9 616
Held for trading financial assets		2 031	2 410	2 031	2 410
<i>Fixed income securities</i>		1 224	1 972	1 224	1 972
<i>Equity shares and other non-fixed income securities</i>		767	360	767	360
<i>Derivatives</i>		40	78	40	78
Available for sale financial assets		4 189	255	4 189	255
<i>Fixed income securities</i>		4 140	206	4 140	206
<i>Equity shares and other non-fixed income securities</i>		49	49	49	49
Due from credit institutions with a maturity of more than 3 months		834	8 755	834	8 755
Loans	6	103 806	118 033	104 709	118 731
Accrued income and deferred expenses		196	132	194	133
Long-term projects costs		2 291	2 282	2 291	2 282
Property and equipment	10	9 466	3 953	9 439	3 932
Intangible assets	10	242	222	241	222
Investments in share capital of subsidiary	11	-	-	52	52
Corporate income tax assets		832	671	822	668
Deferred corporate income tax assets		-	14	-	14
Other assets		7 827	1 856	7 894	1 659
Assets of disposal group classified as held for sale	12	57 570	73 536	12 894	11 225
<b>TOTAL ASSETS</b>		<b>290 372</b>	<b>278 916</b>	<b>249 737</b>	<b>217 135</b>

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**STATEMENT OF FINANCIAL POSITION AND CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)**

In thousands of lats	Note	The Group		The Bank	
		30.09.2009	31.12.2008	30.09.2009	31.12.2008
<b>LIABILITIES</b>					
Due to credit institutions		1 888	10 562	1 888	10 562
<i>On demand</i>		1 839	10 512	1 839	10 512
<i>Term deposits with a maturity of more than 3 months</i>		49	50	49	50
Due to customers		195 875	159 595	195 875	159 599
<i>On demand</i>		107 573	131 311	107 573	131 315
<i>Term deposits</i>		88 302	28 284	88 302	28 284
Debt securities issued		2 808	2 814	3 512	3 520
Accrued expenses and deferred income		784	603	787	591
Provisions for contingent liabilities		15	54	130	209
Corporate income tax liabilities		-	20	-	5
Deferred corporate income tax liabilities		11	-	11	-
Other liabilities	7	6 414	2 962	6 562	2 928
Liabilities directly associated with the assets classified as held for sale	12	47 100	63 786	-	-
<b>Liabilities before subordinated liabilities</b>		<b>254 895</b>	<b>240 396</b>	<b>208 765</b>	<b>177 414</b>
Subordinated liabilities		5 002	5 172	5 002	5 172
<b>TOTAL LIABILITIES</b>		<b>259 897</b>	<b>245 568</b>	<b>213 767</b>	<b>182 586</b>

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**STATEMENT OF FINANCIAL POSITION AND CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)**

In thousands of lats	<u>The Group</u>		<u>The Bank</u>	
	<u>30.09.2009</u>	<u>31.12.2008</u>	<u>30.09.2009</u>	<u>31.12.2008</u>
<b>EQUITY AND RESERVES</b>				
Share capital	6 337	6 337	6 337	6 337
Share premium	111	111	111	111
Reserve capital and other reserves	3 814	3 804	3 804	3 804
Available for sale financial assets revaluation reserves	(30)	(80)	(30)	(80)
Foreign exchange revaluation reserve	(4 369)	(3 412)	-	-
Retained earnings	22 413	23 594	25 748	24 377
<b>Equity and reserves attributable to shareholders of the Bank</b>	<b>28 276</b>	<b>30 354</b>	<b>35 970</b>	<b>34 549</b>
Minority shareholder interest	2 199	2 994	-	-
<b>Total equity and reserves</b>	<b>30 475</b>	<b>33 348</b>	<b>35 970</b>	<b>34 549</b>
<b>TOTAL LIABILITIES AND EQUITY AND RESERVES</b>	<b>290 372</b>	<b>278 916</b>	<b>249 737</b>	<b>217 135</b>

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**STATEMENTS OF CHANGES IN EQUITY AND RESERVES AND CONSOLIDATED STATEMENTS OF  
CHANGES IN EQUITY**

**(1) The Group**

In thousands of lats	Share capital	Share premium	Reserve capital and other reserves	Available for sale financial asset revalu- ation reserves	Foreign exchange transala- tion reserve	Retained earnings	Total	Minority share- holder interest	Total equity and reserves
<b>BALANCE AS AT 31 DECEMBER 2007</b>	6 337	111	3 804	17	-	21 102	31 371	12	31 383
Total comprehensive income	-	-	-	(7)	-	8 117	8 110	219	8 329
Purchase of subsidiary	-	-	-	-	-	-	-	5 560	5 560
Dividends paid	-	-	-	-	-	(3 800)	(3 800)	-	(3 800)
<b>BALANCE AS AT 30 SEPTEMBER 2008</b>	6 337	111	3 804	10	-	25 419	35 681	5 791	41 472
<b>BALANCE AS AT 31 DECEMBER 2008</b>	6 337	111	3 804	(80)	(3 412)	23 594	30 354	2 994	33 348
Total comprehensive income	-	-	-	50	(957)	(1 181)	(2 088)	(2 322)	(4 410)
New share issue	-	-	-	-	-	-	-	1 485	1 485
Changes in reserves	-	-	10	-	-	-	10	42	52
<b>BALANCE AS AT 30 SEPTEMBER 2009</b>	6 337	111	3 814	(30)	(4 369)	22 413	28 276	2 199	30 475

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**STATEMENTS OF CHANGES IN EQUITY AND RESERVES AND CONSOLIDATED STATEMENTS OF  
CHANGES IN EQUITY (continued)**

**(2) The Bank**

In thousands of lats	Share capital	Share premium	Reserve capital and other reserves	Available for sale financial asset revaluation reserves	Retained earnings	Total equity and reserves
<b>BALANCE AS AT 31 DECEMBER 2007</b>	6 337	111	3 804	17	21 048	31 317
Total comprehensive income	-	-	-	2	7 954	7 956
Dividends paid	-	-	-	-	(3 800)	(3 800)
<b>BALANCE AS AT 30 SEPTEMBER 2008</b>	6 337	111	3 804	19	25 202	35 473
<b>BALANCE AS AT 31 DECEMBER 2008</b>	6 337	111	3 804	(80)	24 377	34 549
Total comprehensive income	-	-	-	50	1 371	1 421
<b>BALANCE AS AT 30 SEPTEMBER 2009</b>	6 337	111	3 804	(30)	25 748	35 970

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**STATEMENTS OF CASH FLOWS AND CONSOLIDATED STATEMENTS OF CASH FLOWS**

In thousands of lats	<u>The Group</u>		<u>The Bank</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
	<u>(9 months)</u>	<u>(9 months)</u>	<u>(9 months)</u>	<u>(9 months)</u>
<b>Cash flow as a result of operating activity:</b>				
Profit before corporate income tax	1 124	10 424	1 583	10 461
(Loss)/profit before tax for the period from discontinued operations	(4 200)	455	-	-
Amortisation and depreciation	511	376	507	373
Increase in allowance for impairment of debts	6 251	697	5 939	540
Decrease in other provisions	(39)	25	(79)	25
Revaluation of changes of investments in share capital of subsidiaries and associated companies	-	-	-	(975)
Foreign currency revaluation loss/(profit)	(1 288)	(854)	(1 288)	(854)
(Gain) from revaluation of trading financial assets	(2 318)	922	(2 318)	922
Gain on disposal of fixed and intangible assets	3	-	3	-
<b>Increase in cash and cash equivalents from operating activities before changes in assets and liabilities</b>	<b>44</b>	<b>12 045</b>	<b>4 347</b>	<b>10 492</b>
Purchase of held for trading financial assets	-	-	-	-
Sales of held for trading financial assets	2 581	1 989	2 581	1 989
Sales of available-for-sale financial assets	(3 852)	(2 151)	(3 852)	(2 142)
Decrease in due from credit institutions	7 921	(3 161)	7 921	(3 161)
Decrease/(increase) in loans	7 976	(30 462)	8 083	(30 290)
(Increase)/decrease in accrued income and deferred expense	(64)	30	(61)	22
Decrease in other assets	(5 225)	488	(5 489)	477
Increase (decrease) in due to credit institutions	(1)	322	(1)	322
(Decrease)/ increase in deposits	36 280	(52 094)	36 276	(52 138)
Increase in accrued expenses and deferred income	181	395	196	402
Increase in other liabilities	2 816	2 555	2 996	2545
	<b>48 657</b>	<b>(70 044)</b>	<b>52 997</b>	<b>(71 482)</b>
Corporate income tax paid	(383)	(3 414)	(346)	(3 387)
<b>Increase/(decrease) in cash and cash equivalents from operating activities</b>	<b>48 274</b>	<b>(73 458)</b>	<b>52 651</b>	<b>(74 869)</b>
<b>Cash flows from investing activities</b>				
Purchase of fixed and intangible fixed assets	(6 047)	(1 455)	(6 036)	(1 436)
Purchase of net assets of disposal group classified as held for sale	(1 669)	(12 898)	(1 669)	(11 225)
Net cash flows of disposal group classified as available for sale	1 329	302	-	-
Cash outflow on long-term projects	(9)	(21)	(9)	-
<b>Decrease in cash and cash equivalents from investing activities</b>	<b>(6 396)</b>	<b>(14 072)</b>	<b>(7 714)</b>	<b>(12 661)</b>

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**STATEMENTS OF CASH FLOWS AND CONSOLIDATED STATEMENTS OF CASH FLOWS  
(continued)**

In thousands of lats	<u>The Group</u>		<u>The Bank</u>	
	<u>2009</u> <u>(9 months)</u>	<u>2008</u> <u>(9 months)</u>	<u>2009</u> <u>(9 months)</u>	<u>2008</u> <u>(9 months)</u>
<b>Cash flows from financing activities</b>				
Repayment of subordinated liabilities	(109)	3 947	(109)	3 947
Dividends paid	-	(3 800)	-	(3 800)
<b>Decrease in cash and cash equivalents from financing activities</b>	<b>(109)</b>	<b>147</b>	<b>(109)</b>	<b>147</b>
<b>Increase/(decrease) in cash and cash equivalents</b>	<b>41 769</b>	<b>(87 383)</b>	<b>44 828</b>	<b>(87 383)</b>
Cash and cash equivalents at the beginning of the period	56 285	163 475	56 285	163 475
Foreign currency revaluation (loss)/profit	1 195	854	1 195	854
<b>Cash and cash equivalents at the end of the period</b>	<b>99 249</b>	<b>76 946</b>	<b>102 308</b>	<b>76 946</b>

Cash and cash equivalents are calculated as follows

In thousands of lats	<u>The Group</u>		<u>The Bank</u>	
	<u>2009</u> <u>(9 months)</u>	<u>2008</u> <u>(9 months)</u>	<u>2009</u> <u>(9 months)</u>	<u>2008</u> <u>(9 months)</u>
Due from credit institutions with a maturity of less than 3 months	86 465	59 374	89 524	59 374
Cash and balances due from the Bank of Latvia and other Central Banks	14 623	23 041	14 623	23 041
Due to credit institutions with a maturity of less than 3 months	(1 839)	(5 469)	(1 839)	(5 469)
<b>CASH AND CASH EQUIVALENTS</b>	<b>99 249</b>	<b>76 946</b>	<b>102 308</b>	<b>76 946</b>

Reflection of the received and (paid) sums of interest income/(expense) and dividends is provided below:

In thousands of lats	<u>The Group</u>		<u>The Bank</u>	
	<u>2009</u> <u>(9 months)</u>	<u>2008</u> <u>(9 months)</u>	<u>2009</u> <u>(9 months)</u>	<u>2008</u> <u>(9 months)</u>
Interest income received during the reporting period	7 041	11 823	6 949	11 716
Interest expenses paid during the reporting period	(2 329)	(2 148)	(2 349)	(2 149)
Dividends paid during the reporting period	-	(3 800)	-	(3 800)



**NOTES TO THE FINANCIAL STATEMENTS AND CONSOLIDATED FINANCIAL STATEMENTS**

**1 GENERAL INFORMATION**

JSC "Trasta Komercbanka" (hereinafter – the Bank) has been registered as a joint stock company, in the Latvian Register of Companies with the identification No. LV40003029667, and operates under the legislation of the Republic of Latvia and Credit institution license No.8 issued by the Bank of Latvia. The head office of the Bank is located in Miesnieku street 9, Riga, Latvia, LV-1050. The Bank provides full scope of banking services, however, the priority of the Bank is exclusive banking services for private individuals and companies.

By the end of the period the Bank had five representative offices outside Latvia, i.e. in Canada, Kazakhstan, Tajikistan, Ukraine and Belarus. Their mission is to represent interests of the Bank in the respective countries, maintain relations with the Bank customers and provide them with necessary information. The Bank has a foreign branch in Cyprus and two branches in Latvia – in Liepaja and Daugavpils. Their functions incorporate provision of financial services to customers of the Bank.

The Bank has established two subsidiaries, SIA TKB LĪZINGS and SIA TKB NEKUSTAMIE ĪPAŠUMI, thus broadening the range of services offered by the Bank. As of the end of the reporting period, the Bank had direct and indirect holdings in the Ukrainian bank Misto Banka. Detailed information on this acquisition is provided in Note 12.

This financial statements were approved by the Board of the Bank on 30 November 2009.

**2 ACCOUNTING AND ASSESSMENT PRINCIPLES**

**(1) General principles**

These interim condensed financial statements have been prepared in accordance with International Accounting Standard 34 as adopted by European Union and do not include a complete set of financial statements as required by IAS 1 „Presentation of Financial Statements”. Therefore, these interim condensed financial statements should be analysed together with the Group’s and Bank’s financial statements for the previous reporting year.

The Group has adopted the following new and amended IFRS interpretations as of 1 January 2009:

- Amendment to IFRS 2 „Share-based payment”,
- IFRS 8 „Operating Segments”,
- IAS 1 (Revised) „Presentation of Financial Statements”,
- Amendment to IAS 23 „Borrowing costs”,
- Amendment to IFRS 7 „Financial Instruments: Disclosures”.

Adoption of these revised standards and interpretations did not have any material effect on the financial performance or position of the Group. The key changes related to presentation as a result of revised IAS 1, where principle effects are:

This standard separates owner and non-owner changes in equity requiring all owner changes in equity to be presented in a statement of changes in equity, and all non-owner changes either in one statement of comprehensive income or in two separate statements, which are an income statement and a statement of comprehensive income. The previous standard required components of comprehensive income to be presented in the statement of changes in equity. The revised standard also requires that the income tax effect of each component of comprehensive income to be disclosed.

NOTES TO THE FINANCIAL STATEMENTS AND CONSOLIDATED FINANCIAL STATEMENTS

2 ACCOUNTING AND ASSESSMENT PRINCIPLES (continued)

In addition, it requires entities to present a comparative statement of financial position as at the beginning of the earliest comparative period when the entity has applied an accounting policy retrospectively, makes a retrospective restatement, or reclassifies items in the financial statements. The Group has elected to present comprehensive income in one statements of comprehensive income.

The monetary unit used in the financial statements is **the lat (LVL)**, the monetary unit of the Republic of Latvia. All amounts in the financial statements are reported in **thousands of Lats (LVL 000's)**.

The Bank maintains its accounts based on appropriate accounting methods and policies which have been applied on a consistent basis. Since the end of the previous reporting year, no other changes in accounting policies have been made.

(2) Consolidation principles

The Bank has consolidated its subsidiaries in the consolidated financial statements according to International Accounting Standard 27. Information on the Bank's subsidiaries is disclosed in Note 11. The consolidation was based on control over the subsidiaries arising from the majority of voting rights in the subsidiaries.

3) Foreign currency exchange rates

		<u>30.09.2009</u>	<u>31.12.2008</u>	<u>30.09.2008</u>
LVL 1 =	EUR	1.423	1.423	1.423
	USD	2.083	2.020	2.058
	GBP	1.307	1.374	1.127
	RUB	62.893	58.479	51.546
	UAH	17.606	15.244	10.395

3 GOING CONCERN

The global crisis factors described in the Management Report may exert direct influence on the development of banking sector and the stability at large, including the development of the Bank. In 2009, the core task for ensuring of ongoing development is to maintain a sufficient level of capital and liquid assets.

The main Bank's source of attracted resources consists of deposits from private persons and companies, whose share in the total volume of all attracted deposits is 91.63%. Thereby the deposit attraction policy of the Bank is to be aimed at maintaining of a steady deposit volume.

These consolidated Group's and separate Bank's financial statements have been prepared consistently applying the International Accounting Standard 34 as adopted by the European Union based on a going concern basis. The validity of this assumption is dependant upon the Group's and Bank's ability to maintain sufficient amount of deposits and liquidity under the current economic environment in Latvia. It can not be excluded that the existence of these uncertainties may cast doubt on the ability of the Group to continue to operate on going concern basis for foreseeable future.

The Bank has made assessment of the cash flow scenarios for 2009 and has determined the measures to be taken to improve the liquidity. The planned amount of Bank's capital will have to ensure an optimal ratio between the risk and maintaining of profitability. On the grounds of the mentioned above, the decisions taken are aimed at continuation of activities of the Group and the Bank in 2009 and onwards.

**NOTES TO THE FINANCIAL STATEMENTS AND CONSOLIDATED FINANCIAL STATEMENTS**

**4 INTERNAL CONTROL SYSTEM OF LAUNDERING OF THE PROCEEDS FROM CRIME  
AND PREVENTION OF TERRORISM FINANCING**

During the first six months of 2009, we continued to improve the documents of the internal control system, the work that was launched in 2008, to ensure that said documents comply with *Law on Prevention of Money Laundering and Terrorism Financing* and *Normative Regulations on In-Depth Customer Investigation* published by FCMC. As of now, all internal control system documents, which regulate handling by the Bank of any issues concerning anti-money laundering and prevention of terrorism financing, have been updated.

Since 2007, the Bank develops and approves a plan of measures for each calendar year designed to improve the internal control system overseeing anti-money laundering and prevention of terrorism financing. According to this plan, the Bank takes steps to improve its activities in the sphere of anti-money laundering and prevention of terrorism financing.

Within the plan for this year, the most important measure is introduction of a new automated customer monitoring system that will considerably improve the efficacy of the supervision of customers' activities.

**5 RISK CONTROL AND MANAGEMENT**

In order to manage risks and meet the performance standards for Bank activities - capital adequacy, liquidity, foreign currency positions and risk control and administration of Bank transactions - the Bank has approved its Risk Management Policy and other policies, including its Capital Adequacy Assessment Policy, Liquidity Management Policy, Foreign Currency Risk Management Policy, Country Risk Management Policy, Lending Policy, Trading Portfolio Policy and other policies approved by the Council and the Board of the Bank. These policies have been developed in accordance with the Strategic Plan of the Bank, and they are regularly updated based on the development of the market and Bank core activities.

These policies set the principles according to which the Bank defines:

- ✓ General guidelines applied by the Bank in its operations in order to minimise all kinds of risks which may result in losses;
- ✓ Classification of risk transactions and other risks to which the Bank is exposed in its operating activities;
- ✓ General day-to-day control and administration of the Bank's risk exposures.

The main purpose of the Bank's Risk Management Policy is to describe and determine the set of measures which would help the Bank to minimise any probability of incurring losses in situations where the funds deposited by the Bank or the funds that are due to the Bank are not fully paid in a timely fashion, or where the Bank incurs losses of another kind.

The Bank's Risk Management Policy is implemented by the Council, the Board, the Asset-Liability Assessment Committee (hereinafter – ALCO), the Loan Committee and the Loan Assessment Committee of the Bank, as well as by the respective structural units of the Bank engaged in risk transaction control.

The Risk Control and Management Policy of the Group has not differ materially from the Bank's policies. An extended comparison of these policies is to be made until the end of the reporting year.

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In thousand of lats	The Group		The Bank	
	30.09.2009	31.12.2008	30.09.2009	31.12.2008
<b>6 LOANS</b>				
Private enterprises	92 354	96 476	87 660	91 914
Private persons	20 850	23 412	20 465	23 013
Related companies	-	-	5 665	5 695
Financial institutions	61	1 322	61	1 322
Employees	1 755	1 786	1 575	1 565
<b>Total gross loans</b>	<b>115 020</b>	<b>122 996</b>	<b>115 426</b>	<b>123 509</b>
Impairment allowances, <i>individually assessed</i>	(10 564)	(4 497)	(10 067)	(4 312)
Impairment allowances, <i>collectively assessed</i>	(650)	(466)	(650)	(466)
	<b>103 806</b>	<b>118 033</b>	<b>104 709</b>	<b>118 731</b>

Loans by types of loans may be specified as follows:

Commercial loans	30 609	38 050	36 274	43 744
Mortgage loans	47 433	47 591	47 235	47 424
Industrial loans	11 702	13 591	11 702	13 591
Consumer loans	321	320	191	147
Finance lease	4 931	4 841	-	-
Overdrafts	1 500	1 076	1 500	1 076
Bills of Exchange	-	1 284	-	1 284
Reverse REPO	981	75	981	75
Factoring	448	818	448	818
Credit cards	247	151	247	151
Security deposits	388	327	388	327
Other	16 460	14 872	16 460	14 872
	<b>115 020</b>	<b>122 996</b>	<b>115 426</b>	<b>123 509</b>

Movements in impairment allowances during the reporting period :

	The Group		The Bank	
	2009 (9 months)	2008 (9 months)	2009 (9 months)	2008 (9 months)
<b>Balance as at 1 January</b>	<b>4 963</b>	<b>1 576</b>	<b>4 778</b>	<b>1 472</b>
Additional <i>individual</i> allowance	6 272	700	5 920	549
Change in <i>collective</i> allowance	184	-	184	-
Release of <i>individual</i> allowances	(88)	(46)	(106)	(48)
Effect of changes in currency exchange rates	(117)	43	(59)	39
<b>Balance as at 30 September</b>	<b>11 214</b>	<b>2 273</b>	<b>10 717</b>	<b>2 012</b>

Significant increases in impairment are due to overall worsening economic and financial situation, as a result the borrowers are not able to repay the issued loans.



**NOTES TO THE FINANCIAL STATEMENTS AND CONSOLIDATED FINANCIAL STATEMENTS**

**7 OTHER LIABILITIES**

Other liabilities include suspense accounts, unpaid dividends and money in transit.

Suspense accounts (cleared after the period) represent payments received by the Bank where the beneficiary is not clearly identified. In the reporting period this amount was 2 792 thousand lats (2008: 376 thousand lats). After clarification they are credited to customer accounts.

Unpaid dividends of previous periods mostly consist of payments to the estate of S. Tarasenoks also. In the reporting period this amount was 1 767 thousand lats (2008: 1 767 thousand lats).

The funds, transferred to other correspondent accounts of the Bank, whose crediting has not been confirmed by the correspondent bank yet, are disclosed as money in transit. In the reporting period this amount was 253 thousand lats (2008: 247 thousand lats).

**8 PROFIT AND LOSS FROM FINANCIAL ASSETS HELD FOR TRADING AND FOREIGN CURRENCY TRADING AND REVALUATION GAIN**

Changes in profit/loss from the financial instruments held for trading are mainly associated with fair value changes of these securities, whereof profit of 681 thousand lats in the reporting period (2008: loss of 734 thousand lats) is related to equity securities and profit of 1 528 thousand lats in the reporting period (2008: profit of 162 thousand lats) is related to debt securities.

Changes in profit/loss from foreign currency are associated with the decrease in volume of trade transactions.

**9 ADMINISTRATIVE EXPENSES**

Changes in administrative expenses are associated with the measures taken by the Bank for enhancement of its efficiency, incl. reduction of rental, expenses for professional and other services.

**10 PROPERTY AND EQUIPMENT AND INTANGIBLE ASSETS**

In the reporting period, the Bank purchased a head office building that is situated at 9 Miesnieku Street, Riga. The real estate purchase price amounted to 5.4 million Latvian lats. Pursuant to the Rental Agreement, the Bank has been using this building for its economic activity since 1995. There are no other major purchases or disposals of property and equipment and intangible assets.

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11 INVESTMENTS IN SHARE CAPITAL OF SUBSIDIARY

<u>Group companies: name, registration number and address</u>	<u>Type of activity</u>	<u>30.09.2009</u>				<u>31.12.2008</u>			
		<u>Investment and participation share</u>				<u>Investment and participation share</u>			
		Total book value of assets	Cost	Fixed capital portion (%)	Cost less impair- ment	Total book value of assets	Cost	Fixed capital portion (%)	Cost less impair- ment
SIA "TKB Līzings", reg.No.40003591059, Latvia, Riga,Miesnieku 9	Līzings un kreditēšanas operācijas	6 094	50	100	50	6 075	50	100	50
SIA "TKB Nekustamie īpašumi", reg. No. 40003723143, Latvia,Riga,Miesnieku 9	Operācijas ar nekustamo īpašumu	53	2	75	2	58	2	75	2
		<b>6 147</b>	<b>52</b>	<b>-</b>	<b>52</b>	<b>6 133</b>	<b>52</b>	<b>-</b>	<b>52</b>

The below data reflects consolidated information on subsidiaries and associated companies:

	<u>30.09.2009</u>	<u>31.12.2008</u>
Assets	6 147	6 133
Liabilities	(6 232)	(5 961)
<b>Net assets</b>	<b>(85)</b>	<b>172</b>
Profit for the period	(257)	107

NOTES TO THE FINANCIAL STATEMENTS AND CONSOLIDATED FINANCIAL STATEMENTS

12 DISCONTINUED OPERATIONS

Taking into account the crisis situation in the world, at the end of the year 2008 the Bank decided to sell the investment into the subsidiary – commercial bank of Ukraine Misto Bank (registration code 20966466). Consequently, the Group classified the investment into the subsidiary according to requirement of the International Financial Reporting Standard 5 reclassifying this investment into the category “assets held for sale”. In implementing this plan, the Bank has signed agreements on sale of the investment whose total purchase price amounts to approximately 29 million U.S. dollars.

The assets and liabilities of this subsidiary are disclosed in the Group’s consolidated financial statements separated from other Group’s assets and liabilities as assets of disposal group classified as held for sale.

Presented below is the information about the assets and liabilities of disposal group classified as held for sale, and also results of its activity:

Goodwill	UAH	LVL
Goodwill as of 30.06.2008	57 298	5 598
Goodwill as of 30.09.2009	58 864	5 751
<b>Changes in goodwill</b>	<b>1 566</b>	<b>153</b>
Goodwill after changes	58 864	3 343
<b>Changes in goodwill (foreign exchange translation reserve)</b>	<b>-</b>	<b>2 408</b>

Goodwill after changes as of 30.09.2009.

	<u>30.09.2009</u>
Net interest income	1 407
Allowance for impairment of debts, net	(4 718)
Net fee and commission income	305
Other non-interest income	196
Other non-interest expense	(1 691)
<b>Loss before taxation</b>	<b>(4 501)</b>
Corporate income tax	301
<b>Loss after tax for the period from discontinued operations</b>	<b>(4 200)</b>

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12 DISCONTINUED OPERATIONS (continued)

ASSETS	<u>30.09.2009</u>	<u>31.12.2008</u>
Cash and balances due from credit institutions with a maturity of less than 3 months	6 603	4 421
Held for trading financial assets	887	2 591
Due from credit institutions with a maturity of more than 3 months	1 138	1 768
Loans	39 695	54 192
Tangible and intangible assets	5 454	6 579
Other assets	450	226
<b>Assets of disposal group classified as available for sale financial assets</b>	<b>54 227</b>	<b>69 777</b>
Goodwill	3 343	3 759
<b>Total assets of disposal group classified as available for sale financial assets</b>	<b>57 570</b>	<b>73 536</b>
LIABILITIES		
Due to credit institutions	22 797	13 179
Due to customers	23 944	50 187
Other liabilities	359	420
<b>Liabilities directly associated with the assets classified as available for sale</b>	<b>47 100</b>	<b>63 786</b>
<b>Net assets directly associated with disposal group</b>	<b>10 470</b>	<b>9 750</b>

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**NOTES TO THE FINANCIAL STATEMENTS AND CONSOLIDATED FINANCIAL STATEMENTS**

**13 SEGMENT ANALYSIS**

The following analysis of segments is based on the Group's and the Bank's internal reports.

**(1) Balance**

In thousand of lats	The Group		The Bank	
	30.09.2009	31.12.2008	30.09.2009	31.12.2008
Cash	14 623	19 235	14 623	19 235
Balance from credit institutions	87 258	56 270	90 314	56 270
Loans and receivables	113 777	122 325	114 199	122 844
Other state fixed income securities	5 334	2 086	5 334	2 086
Shares and other investments	815	408	13 761	11 685
Fixed assets and intangible assets	9 708	12 056	9 680	6 437
Other assets	79 011	92 819	12 869	3 700
<b>Total assets</b>	<b>310 526</b>	<b>305 199</b>	<b>260 780</b>	<b>222 257</b>
Balances due to banks	1 887	10 562	1 887	10 562
Deposits	195 514	159 441	195 515	159 445
Issued bonds	2 803	2 802	3 506	3 504
Other liabilities	63 636	83 265	8 207	4 120
Impairment and accrued liabilities	11 285	5 020	10 770	4 991
Equity	35 401	44 109	40 895	39 635
<b>Total equity and liabilities</b>	<b>310 526</b>	<b>305 199</b>	<b>260 780</b>	<b>222 257</b>
<b>Total assets per internal reporting</b>	<b>310 526</b>	<b>305 199</b>	<b>260 780</b>	<b>222 257</b>
Reconciling items:				
<i>Impairment</i> <sup>1</sup>	(11 285)	(4 963)	(10 770)	(4 778)
<i>Other reconciling items</i> <sup>2</sup>	(8 869)	(21 320)	(273)	(344)
<b>Total assets per IFRS statements</b>	<b>290 372</b>	<b>278 916</b>	<b>249 737</b>	<b>217 135</b>
<b>Total liabilities per internal reporting</b>	<b>275 125</b>	<b>261 090</b>	<b>219 885</b>	<b>182 622</b>
Reconciling items:				
<i>Impairment</i> <sup>1</sup>	(11 285)	(4 963)	(10 770)	(4 778)
<i>Subordinated liabilities</i> <sup>3</sup>	4 925	5 086	4 925	5 086
<i>Other reconciling items</i> <sup>2</sup>	(8 868)	(15 645)	(273)	(344)
<b>Total liabilities per IFRS statements</b>	<b>259 897</b>	<b>245 568</b>	<b>213 767</b>	<b>182 586</b>

<sup>1</sup> For internal reporting purposes impairment is shown as a liability and not netted with related assets.

<sup>2</sup> Other reconciling items mostly represent cut-off and classification required by IFRS.

<sup>3</sup> For internal reporting purposes subordinated liabilities are classified as equity.

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**13 SEGMENT ANALYSIS (continued)**

The following analysis of segments is based on the Group's and the Bank's internal reports.

**(2) Profit and loss statement**

In thousand of lats	The Group		The Bank	
	2009 (9 months)	2008 (9 months)	2009 (9 months)	2008 (9 months)
Interest revenue	7 346	12 071	7 437	11 937
Commission revenue	4 098	5 777	4 089	5 759
Profit from trading	5 148	3 247	5 149	3 244
Impairment	650	46	668	48
Other income <sup>3</sup>	9 666	4 512	79	634
<b>Total revenues</b>	<b>26 908</b>	<b>25 653</b>	<b>17 422</b>	<b>21 622</b>
Interest expenses	2 531	2 187	2 549	2 220
Commission expenses	938	1 020	938	1 023
Administration expenses <sup>1</sup>	5 673	7 325	5 635	7 252
Tax expenses	227	2 533	212	2 507
Impairment	6 988	725	6 635	574
Other expenses <sup>3</sup>	13 854	3 517	82	92
<b>Total expenses</b>	<b>30 211</b>	<b>17 307</b>	<b>16 051</b>	<b>13 668</b>
<b>Profit</b>	<b>(3 303)</b>	<b>8 346</b>	<b>1 371</b>	<b>7 954</b>
<b>Total revenues per internal reporting</b>	<b>11 444</b>	<b>17 848</b>	<b>11 526</b>	<b>17 696</b>
Reconciling item <sup>2</sup>	-	-	-	-
<b>Total revenues per IFRS statements</b>	<b>11 444</b>	<b>17 848</b>	<b>11 526</b>	<b>17 696</b>

<sup>1</sup> The Bank's administration expenses include depreciation charge in the amount of 507 thousand lats (2008: 373 thousand lats). The Group's administration expenses accordingly include depreciation charge in the amount of 511 thousand lats (2008: 376 thousand lats).

<sup>2</sup> Reconciling item is mainly due to cut-off, as well as nominal interest rate accounting used for internal reporting purposes in contrast to effective interest rate accounting used for IFRS compliant financial statements.

<sup>3</sup> Other income and other expenses in 9-month period ending 30 September 2009 includes income and expenses of discontinued operations of Misto bank in amount of 9 570 thousand lats and 13 770 thousand lats respectively.

**(3) The Group's income analysis by the place of customers' residence**

In thousand of lats	2009 (9 months)		2008 (9 months)	
	Latvian residents	Latvian non-residents	Latvian residents	Latvian non-residents
Interest income	2 890	4 456	5 499	6 604
Commission income	227	3 871	223	5 522
<b>Total income</b>	<b>3 117</b>	<b>8 327</b>	<b>5 722</b>	<b>12 126</b>

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13 SEGMENT ANALYSIS (continued)

(4) The Bank's income analysis by the place of customers' residence

In thousand of lats	2009 (9 months)		2008 (9 months)	
	Latvian residents	Latvian non-residents	Latvian residents	Latvian non-residents
Interest income	2 809	4 628	5 382	6 587
Commission income	218	3 871	206	5 521
<b>Total income</b>	<b>3 027</b>	<b>8 499</b>	<b>5 588</b>	<b>12 108</b>

14 OFF-BALANCE SHEET ITEMS

Off-balance liabilities

In thousand of lats	The Group		The Bank	
	30.09.2009	31.12.2008	30.09.2009	31.12.2008
Contingent liabilities	6 833	7 356	7 219	7 742
<i>including guarantees</i>	355	260	741	646
<i>including rent commitments</i>	6 478	7 096	6 478	7 096
Commitments to customers	4 253	3 589	4 803	3 723
<i>including unused credit limits</i>	3 005	2 949	3 555	3 083
<i>including letters of credit</i>	1 191	121	1 191	121
<i>including other liabilities<sup>1</sup></i>	57	519	57	519
<b>Total off-balance sheet liabilities</b>	<b>11 086</b>	<b>10 945</b>	<b>12 022</b>	<b>11 465</b>
Provisions for off-balance sheet liabilities	(15)	(54)	(130)	(209)
	<b>11 071</b>	<b>10 891</b>	<b>11 892</b>	<b>11 256</b>

<sup>1</sup> Other liabilities are disclosed as the Bank's future liabilities for acquisition of fixed assets.

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15 THE GROUP'S AND BANK'S TRANSACTIONS WITH RELATED PARTIES

Related parties are defined as shareholders of the Bank who have a significant influence in the Bank, as well as their spouses, parents and children, the Bank's subsidiaries, chairpersons and members of the council and management board, internal service manager and members and other employees of the Bank, who are authorized to perform planning, management and control activities on behalf of the Bank, or are in charge of these activities, as well as their spouses, parents, children and companies in which the above-mentioned persons have a controlling interest.

The Bank has offered standard services to related parties, such as the settlement of accounts, the purchase and sale of securities, securities management on behalf of clients, and brokerage etc. These transactions are conducted on normal business terms.

(1) Amount of the Group transactions with related persons is presented below

In thousand lats	<u>30.09.2009</u>				<u>31.12.2008</u>			
	Share-holders	Other related parties <sup>1</sup>	Council and board	Total	Share-holders	Other related parties <sup>1</sup>	Council and board	Total
<b>Assets</b>								
Loans	619	949	132	1 700	628	1 012	151	1 791
<i>Allowance for loans-</i>	-	(51)	-	(51)	-	(35)	-	(35)
Loans, net	619	898	132	1 649	628	977	151	1 756
<b>Liabilities</b>								
Deposits	3	258	215	476	40	436	258	734
<b>Non-balance items</b>								
Unused credit lines	87	9	15	111	10	11	16	37
<b>Profit and loss statement</b>								
	<u>30.09.2009</u>				<u>30.09.2008</u>			
Interest income	21	32	7	60	35	47	8	90
Commissions income	1	20	2	23	1	7	3	11
Interest expense	-	(9)	(9)	(18)	(6)	(6)	(9)	(21)
Other expenses	(10)	(55)	(29)	(94)	(10)	(44)	(36)	(90)

<sup>1</sup> Other related parties are spouses, children of the shareholders and council and board members and companies in which they have a controlling interest.

**INTERIM CONDENSED FINANCIAL STATEMENTS  
AND CONSOLIDATED CONDENSED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED  
30 SEPTEMBER 2009**

**TRASTA KOMERCBANKA**

**TKB**

**NOTES TO THE FINANCIAL STATEMENTS AND CONSOLIDATED FINANCIAL STATEMENTS**

**15 THE GROUP'S AND BANK'S TRANSACTIONS WITH RELATED PARTIES (continued)**

(2) Amount of the Bank transactions with related persons is presented below

In thousand of lats	30.09.2009					31.12.2008				
	Shareholders	Subsidiary companies	Other related persons <sup>1</sup>	Council and Board	Total	Shareholders	Subsidiary companies	Other related	Council and Board	Total
<b>Assets</b>										
Credits	499	8 725	889	100	10 213	488	5 695	940	106	7 229
<i>Reserves for unsecured credits</i>	-	-	(51)	-	(51)	-	-	(35)	-	(35)
Credits, neto	499	8 725	838	100	10 162	488	5 695	905	106	7 194
<b>Liabilities</b>										
Deposits	3	4	258	215	480	40	5	436	258	739
<b>Non-balance items</b>										
Unused credit limits	87	550	9	15	661	10	134	11	16	171
<b>Profit and loss statement</b>										
	30.09.2009					30.09.2008				
Interest income	15	363	29	5	412	34	167	44	5	250
Commissions income	1	-	20	2	23	1	2	7	3	13
Interest expenditure	-	(18)	(9)	(9)	(36)	(6)	(1)	(6)	(9)	(22)
Reserve decreasing income, net	-	39	(19)	-	20	-	5	-	-	5
Other expenses	(10)	(110)	(36)	(29)	(185)	(10)	(82)	(44)	(36)	(172)

<sup>1</sup> Other related parties are spouses, children of the shareholders and council and board members and companies in which they have a controlling interest.

**16 EVENTS AFTER BALANCE SHEET DATE**

During the period from the last day of the reporting period until the publication date of these financial statements there have not been any subsequent events that could materially affect these statements or notes thereto.

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