



BIGBANK AS
Public Interim Report
I Q 2009





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CONSOLIDATED INFORMATION

Business name: BIGBANK AS

Register: Commercial Register of the Republic of Estonia

Registration number: 10183757

Date of entry: 30.01.1997

Address: Rõutli 23, 51006 Tartu, Estonia

Phone: 3 727 377 570

Fax: 3 727 377 582

E-mail: bigbank@bigbank.ee

Website: www.bigbank.ee

Ratings: *Moody's Investors Service*
Long-term Deposit Rating B1
Short-term Deposit Rating *not prime*
Financial Strength Rating E+
Outlook negative

Date of report: 31.03.2009

Reporting period: 01.01.2009 – 31.03.2009

Auditors: KPMG Baltics AS audit firm, entered in the list of auditors on 11 July 2001 under no. 17, address Narva mnt 5 Tallinn 10117, registration number 10096082.

Auditors responsible for the audit:

- Andres Root, authorised public accountant since 20 June 1990

- Eero Kaup, authorised public accountant since 10 December 1998

Audit: A review on the financial information of 1Q of 2009 has been performed in compliance with the international standard ISRE 2400 for the review of financial information.

Reporting currency: The reporting currencies are the Estonian kroon and euro; data has been presented in millions of kroons and millions of euros.

The degree of accuracy of figures is three decimal places.

Public Interim Report is available on the website of BIGBANK AS at www.bigbank.ee.

From 28 May 2009 the *Public Interim Report for 1Q 2009* is available at the head office of BIGBANK AS at Rõutli 23, Tartu, and all the other offices of the company.

DESCRIPTION OF THE CREDIT INSTITUTION GROUP

The principal activity of BIGBANK AS is granting consumer loans.

In addition to the parent company the group of BIGBANK AS (Group) includes two subsidiaries:

Company: AS Baltijas Izaugsmes Grupa
Address: Citadelas 2, LV-1010 Riga, Latvia
Registration number: 40003291179
Register: Register of Enterprises of the Republic of Latvia
Date of entry: 18 April 1996
Core activity: Granting consumer loans in the Republic of Latvia
Ownership interest: 100%

Company: OÜ Rütli Majad
Address: Rütli 23, 51006 Tartu, Estonia
Registration number: 10321320
Register: Commercial Register of the Republic of Estonia
Date of entry: 27 November 1997
Core activity: Real estate management
Ownership interest: 100%

Subsidiaries have been consolidated line-by-line.

BIGBANK AS is operating a branch in Lithuania (registration number 301048563) that was registered in 2007 and a branch in Latvia (registration number 40103200513) that was registered on 12 November 2008.



DECLARATION OF THE MANAGEMENT BOARD

The Management Board of BIGBANK AS is of the following position as of the date of publication of the Report:

- The data and additional information presented in the Public Interim Report for 1Q are true and complete.
- The consolidated financial statement provides a true and fair view of the financial situation, financial results and cash flows of the Group.

The summary consolidated interim report as of 30.03.2009 is in compliance with the international financial reporting standard IAS 34 "Interim Financial Reporting" (IFRS) as adopted by the European Union and with the requirements established by the Bank of Estonia for the disclosure of information.

BIGBANK AS is a continually operating company.

	Date	Signature
Targo Raus Chairman of the Management Board	28.05.2009	
Kaido Saar Member of the Management Board	28.05.09	
Veiko Kandla Member of the Management Board	28.05.09	
Ingo Pöder Member of the Management Board	28.05.2009	

OVERVIEW OF THE ECONOMIC ACTIVITY

KEY FINANCIAL INDICATORS

(in millions of kroons)	Group		Bank*		Latvian subsidiary**	
	31.03.09	31.12.08	31.03.09	31.12.08	31.03.09	31.12.08
Assets	2758.597	2913.250	2795.060	2807.338	973.019	1049.929
Receivables from customers***	2148.240	2293.781	1363.569	1390.387	794.385	912.641
incl. loan portfolio	2232.708	2321.090	1412.469	1394.541	829.953	935.797
incl. interest receivable	188.432	186.759	105.359	105.177	83.074	81.581
incl. interest prepayments	-2.531	-3.287	-1.422	-1.656	-1.109	-1.631
incl. impairment allowance	-270.369	-210.781	-152.837	-107.675	-117.533	-103.106
incl. to loan receivables	-213.965	-176.981	-118.971	-94.557	-94.995	-82.424
incl. to interest receivables	-29.562	-24.940	-15.866	-13.118	-13.696	-11.822
incl. additional impairment allowance	-26.842	-8.860	-18.000	-	-8.842	-8.860

(in millions of kroons)	Group		Bank*		Latvian subsidiary**	
	1Q 09	1Q 08	1Q 09	1Q 08	1Q 09	1Q 08
Interest income	148.006	181.180	118.163	125.271	56.764	80.222
Interest expense	58.714	57.147	58.824	57.050	26.360	24.387
Net profit	23.588	48.712	95.586	28.756	7.770	20.258

(in millions of euros)	Group		Bank*		Latvian subsidiary**	
	31.03.09	31.12.08	31.03.09	31.12.08	31.03.09	31.12.08
Assets	176.306	186.191	178.637	179.422	62.187	67.103
Receivables from customers***	137.297	146.599	87.148	88.862	50.770	58.328
incl. loan portfolio	142.696	148.345	90.273	89.127	53.044	59.808
incl. interest receivable	12.043	11.936	6.734	6.722	5.309	5.214
incl. interest prepayments	-0.162	-0.211	-0.091	-0.105	-0.071	-0.104
incl. impairment allowance	-17.280	-13.471	-9.768	-6.882	-7.512	-6.590
incl. to loan receivables	-13.675	-11.311	-7.604	-6.043	-6.071	-5.268
incl. to interest receivables	-1.889	-1.594	-1.014	-0.839	-0.876	-0.756
incl. collective impairment allowance	-1.716	-0.566	-1.150	-	-0.565	-0.566

(in millions of euros)	Group		Bank*		Latvian subsidiary**	
	1Q 09	1Q 08	1Q 09	1Q 08	1Q 09	1Q 08
Interest income	9.459	11.579	7.552	8.006	3.628	5.127
Interest expenditure	3.752	3.652	3.760	3.646	1.685	1.559
Net profit	1.508	3.113	6.109	1.838	0.497	1.295

* - Data on the parent company and the branches in Lithuania and Latvia

** - Data of AS Baltijas Izaugsmes Grupa excluding loan to Latvian branch

*** - Bank data excluding loans to Latvian subsidiary

RATIOS

(in % and in millions)	1Q 2009		4Q 2008	
	EEK	EUR	EEK	EUR
Return on equity (ROE)	15.8%	15.8%	18.8%	18.8%
Equity multiplier (EM)	4.8	4.8	5.1	5.1
Profit margin (PM)	10.0%	10.0%	12.7%	12.7%
Adjusted profit margin	25.3%	25.3%	27.7%	27.7%
Asset utilization ratio (AU)	32.9%	32.9%	28.8%	28.8%
Return on assets (ROA)	3.3%	3.3%	3.7%	3.7%
Earnings per share (EPS)	1 179.4	75.4	1 341.3	85.7
SPREAD	15.1%	15.1%	14.3%	14.3%
TIER 1 capital ratio	21.3%	21.3%	22.1%	22.1%

Ratios shall be presented on an annual basis (i.e. annualised).

The statement of financial position indicators used when calculating the ratios are found as the arithmetic mean of the respective data as of the end of the month preceding the reporting quarter and as of the end of each month of the reporting quarter. In case of statement of comprehensive income indicators the annualized actual data of the reporting quarter shall serve as the basis.

Explanations on ratios:

- Return on equity (ROE) – net profit to equity
- Equity multiplier (EM) – total assets to total equity
- Profit margin (PM) – profit to total income
- Adjusted profit margin – profit without impairment allowances and without profit from premature redemption of bonds to total income
- Asset utilisation (AU) – total income to total assets
- Return on assets (ROA) – profit to total assets
- Earnings per share (EPS) – net profit per number of shares
- SPREAD – ratio of interest expenses to interest-bearing liabilities deducted from the ratio of interest income to interest earning assets
- TIER 1 own funds (TIER 1 ratio) – ratio of Tier 1 funds to risk weighted assets



IMPORTANT ECONOMIC EVENTS

In the 1st quarter of 2009 the total assets of BIGBANK AS decreased by 154.7 million kroons and receivables from customers reduced by 145.5 million kroons. The reduction in the loan portfolio is associated with the surrounding economic environment. On one hand considerably reduced consumer confidence reduces the customers' interest in taking loans and at the same time BIGBANK has continued to make the criteria for granting loans more conservative.

BIGBANK AS does not forecast the loan sales volumes to increase to the previous level in 2009 and in connection with that the sales network is currently being optimized in order to respond to today's loan sales volumes, in the course of which the number of sales offices as well as number of employees shall be reduced. During the 1st quarter a total of 4 sales offices were closed in the Group (including 2 in Estonia and 2 in Latvia) and the company made 39 employees redundant (including 8 in Estonia and 31 in Latvia). It is planned to continue with optimizing the office network also in the 2nd quarter. The aim of restructuring is to keep an optimal and efficient sales structure and to retain the profitability of the activity also in a complicated economic environment.

Loan repayments from customers outbalance the volume of sales of new loans, thus generating positive cash flow. From available resources, in the 1st quarter of 2009 BIGBANK AS has acquired bonds issued by the Group in the total amount of 189.6 million kroons in nominal value. The initial redemption date was in 2011. Transaction prices remained below the nominal value. In addition, in 2009 a bonds restructuring aimed at the domestic market has been performed, in the course of which BIGBANK AS acquired bonds and subordinated liabilities with a total value of 156.5 million kroons (including 98.5 million kroons with a maturity date in 2009 and subordinated liabilities in the amount of 58.0 million kroons with a maturity date in 2014) and at the same time issued bonds with a maturity date in 2010 with a total value of 93.8 million kroons and subordinated liabilities with a maturity date in 2015 with a total value of 62.6 million kroons. The aim of the transaction was to extend and diversify the maturity of liabilities.

As of 31 March 2009 the volume of cash and equivalents totalled 463.9 million kroons (16.8% of total assets), at the end of 2008 the respective figure was 479.4 million kroons (16.5% of total assets).

Bonds (1 237.4 million kroons, reduction by 250.2 million kroons during the quarter) and term deposits (763.7 million kroons, increase by 133.1 million kroons during the quarter) continue to form the largest share of liabilities. As of the end of the 1st quarter the total volume of liabilities amounted to 2 176.2 million kroons, reducing by 157.6 million kroons during the quarter. The liabilities' weighted average duration until maturity extends to 19.6 months and the weighted average interest rate was 8.8% (9.6% as of the year-end). The weighted average interest rate has reduced during the quarter above all in connection with the decrease in Euribor.

In the 1st quarter of 2009 the interest income amounted to 148.0 million kroons and the revenue related to enforcement process amounted to 40.9 million kroons. The respective figures in the 4th quarter of 2008 were 169.3 million kroons and 39.4 million kroons. The reduction of the interest income is connected to the reduction of loan portfolio and also increase in the volume of loan portfolio in payment delay. Profit from the acquisition of bonds below nominal value totalled 46.4 million kroons in the 1st quarter.

In connection with the considerably worsened economic environment the customers' payment behaviour has also deteriorated during the recent periods, due to which the volume of loans with payment delays over 90 days has increased both in the 4th quarter of 2008 as well as in the 1st quarter of 2009. The main reasons for the deterioration of the payment behaviour could be the increase in unemployment, also the considerable reduction of incomes, which immediately became evident particularly in case of customers with a lower income, who did not have any monetary reserve, with the emergence of solvency problems. In the 1st quarter the growth of loan portfolio with payment delays over 90 days has been stopped in Estonia and slowed down in Latvia and Lithuania with more active credit management activity. In the loan portfolio with payment delays, the short-term payment delays have been reduced through more active credit management activity and resulting thereof it is possible to predict in the future a smaller volume of loan portfolio in long-term payment delays.

In connection with the changes in economic environment the volume of impairment allowance has been increased considerably during the 1st quarter and the impairment allowance costs totalled 82.6 million kroons in the 1st quarter. As of 31 March 2009 the total volume of impairment

allowances amounts to 279.9 million kroons, including additional impairment allowances and the reserves of potential assessment error of 29.5 million kroons and impairment allowances for other assets in the amount of 9.5 million kroons.

In the 1st quarter the net profit of the reporting period amounted to 23.6 million kroons (26.8 million kroons in the 4th quarter of 2008). Profit before impairment allowances and profit from premature termination of bonds amounted to 59.8 million kroons in the 1st quarter of 2009 (61.2 million kroons respectively in the previous quarter).

As of the end of the 1st quarter of 2009 equity totalled 582.4 million kroons (579.4 million kroons as of the end of 2008). In the 1st quarter dividends were paid out as the allocation of profit of the financial year in the total amount of 19.0 million kroons. Capital adequacy as of the end of the quarter was 19.2%. The share of the equity amounted to 21.1% of total assets.

As of 31 March 2009 the Group had 46 offices all over the Baltics, of which 20 offices were located in Estonia, 15 in Latvia and 11 in Lithuania. As of 31 March 2009 there were 468 employees working in the Group, including 216 in Estonia, 176 in Latvia and 76 in Lithuania.



ANALYSIS OF STATEMENT OF FINANCIAL POSITION AND STATEMENT OF COMPREHENSIVE INCOME

Statement of Financial Position Indicators

Total assets As of 31 March 2009 total assets of BIGBANK AS Group totalled 2 758.6 million kroons.

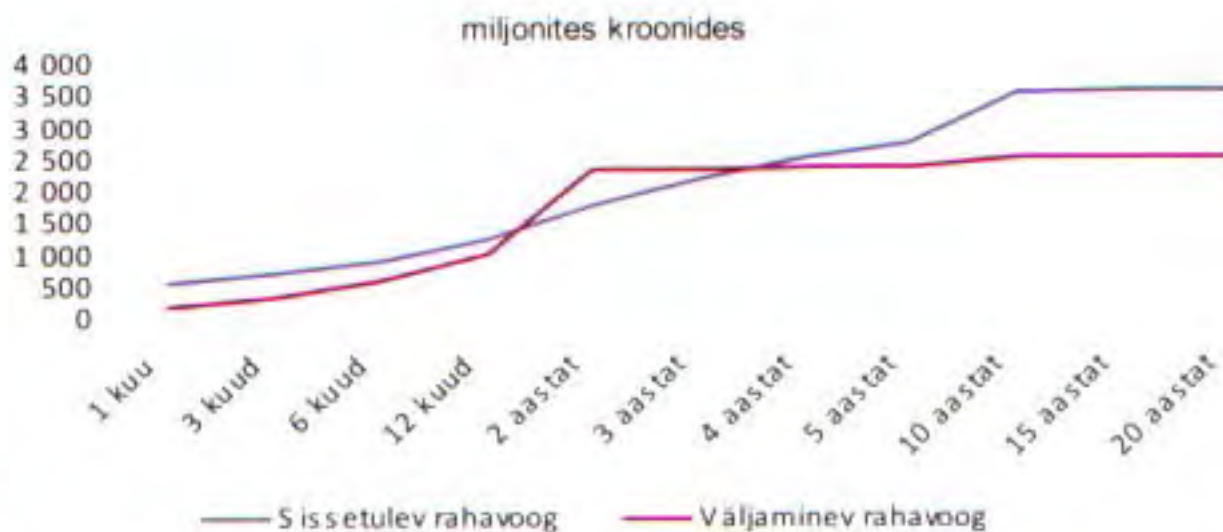
As of 31 March 2009 receivables from customers accounted for 77.9% of total assets, cash and equivalents accounted for 16.8%.

Monetary funds

In connection with the changes in the macroeconomic environment the Group has maintained high liquidity, as of 31 March 2009 cash and equivalents amounted to 463.9 million kroons (16.8% of total assets).

In the 1st quarter of 2009 bonds issued by the Company have been acquired in the total amount of 189.6 million kroons (in nominal value) for allocating the positive cash flow associated with the main activity, which has contributed to the reduction of the concentration of maturity of liabilities in 2011.

The graph below demonstrates the future contract-based cash flows, which is increased by the receivables from the portfolio of more than 90 days in payment delay (cash based recording) and reduced by the deviations from the concluded payment schedule by the customers. The starting point of the graph takes into account the available monetary funds.



In 2009 there will be maturity date for bonds directed to domestic market in the total amount of 54.0 million kroons and for subordinated liabilities in the amount of 15.5 million kroons. These bonds shall be redeemed from internal funds.

Receivables from customers By the end of the 1st quarter the Group had 130 thousand active loan contracts, including 46 thousand in Estonia, 72 thousand in Latvia and 12 thousand in Lithuania.

At the end of the quarter, the volume of receivables from customers was divided as follows:

- 49.2% Estonia,
- 40.7% Latvia,
- 10.1% Lithuania.

As of 31 March 2009 receivables from customers totalled 2 148.2 million kroons, comprising of:

- Volume of loan portfolio accounted for 2 232.7 million kroons. Loans to individuals account for 98.4% of the total loan portfolio.
- Net interest receivables from loan customers totalled 185.9 million kroons.
- Impairment reserve amounted to 270.4 million kroons (including impairment allowance for loan receivables with reserve for assessment error in the amount of 214.0 million kroons, impairment allowance for interest receivables in the amount of 29.6 million kroons and additional impairment of 26.8 million kroons).

In connection with the changes in the macroeconomic environment a special additional impairment allowance and reserve of possible assessment error in the amount of 29.5 million kroons have been formed in addition to regular individual assessment of loan portfolio. The aim of the additional impairment allowance is to cover the possible negative impacts resulting from the changes in macroeconomic environment on the payment behaviour.

In the 1st quarter the ratio of impairment allowances to gross receivables from customers accounted for 12.0%, the respective figure in the 4th quarter of 2008 was 9.0%.

**Overdue
loans**

BIGBANK AS is currently the only bank in the region that focuses on the provision of consumer credit only. In line with the corporate strategy, as of 31 March 2009 loans against income accounted for 76.8% of the loan portfolio, loans secured with suretyship 15.1% and loans secured with real estate accounted for 8.1%.

Within recent quarters the payment behaviour has been influenced by the decrease in incomes and increase in unemployment at the company's domestic markets. At the same time BIGBANK has considerably increased the efficiency of credit management activity and the growth trend of the portfolio in payment delays has reduced since March.

Starting from the 1st quarter of 2009 more active debt management principles are implemented in the Group than previously, which has enabled to considerably slow down the process of the portfolio becoming nonperforming. More active debt management includes a greater frequency of seeking contact and more differentiated methods, more operative reaction to customers' needs for deferring the date of debt or restructuring the debt, debt consultancy by phone and in the office, making compromise proposals on the initiative of the bank in all phases of the proceedings (including court proceedings, enforcement proceedings and bailiff).

The preparedness of customers to make agreements with the bank has increased.

The loan portfolio of BIGBANK is well diversified – the average loan amount was 20 thousand kroons, while as of 31 March 2009, 40 largest loans accounted for 2.9% of the total loan portfolio.

In case of overdue loans an important fact needs to be noted, that in case of consumer loans the process of recovering nonperforming receivables differs considerably from the process of recovering these loans, which are secured with physical security (e.g. mortgage on property). Owing to the nature of the loans (as a rule, consumer loans are backed with the customer's regular income), amounts due under terminated agreements are satisfied over an extended period in small instalments, not in a lump sum raised by the realisation of collateral.

Overdue loans comprise of unpaid loan repayments according to the loan schedule and the principal amount of the loan which has become subject to enforcement. According to the terms of the loan agreements, the Group may terminate the agreement unilaterally when at least three consecutive loan payments are not met. Upon termination, the Group will demand repayment of the outstanding loan principal, any interest payments that have fallen due and any associated claims arising from the payment delay.

In the 1st quarter of 2009 the payments (both loan principal as well as other receivables) from the 90 days overdue loan portfolio totalled 153.9 million kroons, on an annual basis accounting for 63.7% of the average 90 days overdue loan portfolio of that period. The respective figures in the 4th quarter of 2008 were 175.2 million kroons and 76.3%.

To mitigate the risks arising from settlement behaviour and cover potential credit losses, the Group has established respective reserves, which as of 31 March 2009 totalled 270.4 million kroons. Reserve is established on a conservative basis.

For receivables, regarding which enforcement proceedings have not provided the desired results, an impairment allowance of 100% has been formed or these receivables have been written off from the balance sheet. In the 1st quarter of 2009 receivables in the total amount of 11.8 million kroons have been written off from the balance sheet.

As of the end of the 1st quarter of 2009 the volume of other assets totals 23.5 million kroons, comprising of assets held for sale and the reserve of decrease in value of these assets in the amount of 9.5 million kroons.

Liabilities	<p>In the 1st quarter of 2009 the liabilities of the Group amounted to 2 176.2 million kroons. Issued bonds formed the bulk of liabilities, i.e. 1 237.4 million kroons.</p> <p>The structure of financing has become more conservative; the share of term deposits in total financing has been increased. As of 31 March 2009 term deposits accounted for 35.1% of total liabilities and amounted to 763.7 million kroons.</p> <p>As of 31 March 2009 amounts due to credit institutions amounted to 13.9 million kroons, forming 0.6% of total liabilities.</p> <p>Subordinated liabilities totalled 141.0 million kroons, forming 6.5% of liabilities.</p>
Equity	<p>In the 1st quarter of 2009 the Group's equity increased by 2.9 million kroons, amounting to 582.4 million kroons. The share of equity in total assets totals to 21.1%. As of the end of the 1st quarter the capital adequacy was 19.15% (Basel II).</p> <p>As of 31 March 2009 TIER 1 and TIER 2 capital totalled 700.7 million kroons, accounting for 25.4% of total assets.</p>

Statement of Comprehensive Income Indicators

Interest income	<p>In the 1st quarter interest income amounted to 148.0 million kroons, reducing by 18.3% compared to the same period of the previous year. The decrease in interest income is related to the reduction of loan portfolio and the increase of share of portfolio in payment delays in the conditions of limited sales of new loans. In the 1st quarter the ratio of interest income (annualised) to interest bearing assets was 25.7% and the interest income from loan portfolio accounted for 26.0% of the average loan portfolio (annualised).</p>
Interest expenses	<p>In the 1st quarter of 2009 interest expenses totalled 58.7 million kroons. The ratio of interest expenses to interest income was 39.7%. The ratio of interest expenses (annualised) to interest-bearing liabilities was 10.7% in the 1st quarter.</p>
Other operating expenses	<p>In the 1st quarter other operating expenses totalled 35.4 million kroons (growth of 12.2 million kroons compared to the 1st quarter of 2008), mainly on account of a rise in stamp duties paid to the state.</p>
Salaries	<p>In the 1st quarter salaries amounted to 27.3 million kroons, increasing by 9.8% compared to the same period of the previous year and decreasing by 9.0% compared to the 4th quarter of 2008. As of the end of the period the Group had 468 employees (excluding employees on maternity leave).</p>
Net impairment loss on loans and interest receivables	<p>In the 1st quarter impairment allowances for loan and interest receivables totalled 73.6 million kroons (growth of 90.7% compared to the 1st quarter of 2008). Impairment allowances are established on a conservative basis.</p> <p>In connection with the changes in the macroeconomic environment a special additional impairment allowance in the amount of 26.8 million kroons and reserve of possible assessment error in the amount of 2.6 million kroons have been formed in addition to regular individual impairment allowance. The aim of the additional impairment allowance is to cover the possible negative impacts resulting from the changes in macroeconomic environment on the settlement behaviour.</p> <p>In addition, in the 1st quarter the assets held for sale were discounted in the extent of 9.5 million kroons.</p>
Other operating income and other expenses	<p>In the 1st quarter of 2009 other income amounted to 87.8 million kroons. In the same period of 2008, other income was 21.5 million kroons. Growth in other income is above all related to the income received from premature redemption of bonds below nominal price. Bonds with a nominal value of 346.1 million kroons were prematurely redeemed. Also income from collection proceedings was of great importance, which accounted for 41.4 million kroons of other income.</p> <p>Other expenses totalled 0.5 million kroons in the 1st quarter (compared to 0.6 million kroons in the 1st quarter of 2008).</p>

Profit of the reporting period

In the 1st quarter of 2009 the Group's profit of the reporting period amounted to 23.6 million kroons. Compared to the 1st quarter of 2008 the net profit has reduced by 25.1 million kroons, this above all due to significantly greater impairment allowances. Increase in impairment allowances is related to the growth of the volume of loan portfolio in payment delays and to the changes in macroeconomic environment. The size of the net profit is also influenced by the additional impairment allowance formed in the 1st quarter for covering possible future impacts subject to the possible changes in macroeconomic environment in the amount of 18 million kroons.

In the 1st quarter of 2009 profit without the impairment allowance and one-time revenue from the premature redemption of bonds below the nominal price totalled 59.8 million kroons, compared to 87.3 million kroons in the same period of the previous year.

CONSOLIDATED CAPITAL ADEQUACY

(in millions of kroons)	31.03.2009	31.12.2008
Paid-in share capital	80.000	80.000
Reserves established from profits	8.000	8.000
Retained earnings/losses	480.370	354.600
Unrealised exchange differences	-9.609	-7.945
Intangible assets	-6.128	-6.240
Profit for the reporting period	23.589	144.770
Total TIER 1 capital	576.222	573.185
Subordinated liabilities	124.437	121.381
Total TIER 2 capital	124.437	121.381
Deductions	-	-
Total TIER 3 capital	-	-
Total capital for calculation of capital adequacy	700.659	694.566
Capital requirements		
Central governments and central banks under standardised approach	6.633	6.614
Companies under standardised approach	1.376	1.782
Retail claims under standardised approach	86.840	96.341
Claims secured by real estate under standardised approach	7.908	8.171
Overdue claims under standardised approach	132.603	107.824
Short-term debt of credit institutions, investment firms and other companies under standardised approach	9.471	7.434
Other assets under standardised approach	14.037	31.288
Total capital requirements for credit and counterparty credit risk	258.868	259.454
Capital requirement for foreign-exchange risk	57.262	56.675
Capital requirement for operational risk, basic indicator approach	-	43.307
Capital requirement for operational risk, standard method	52.726	-
Capital requirements for the calculation of capital adequacy	365.855	359.436
Capital adequacy	19.151%	19.320%

CONSOLIDATED CAPITAL ADEQUACY

(in millions of euros)	31.03.2009	31.12.2008
Paid-in share capital	5.113	5.113
Reserves established from profits	0.511	0.511
Retained earnings/losses	30.701	22.663
Unrealised exchange differences	-0.614	-0.507
Intangible assets	-0.392	-0.399
Profit for the reporting period	1.508	9.252
Total TIER 1 capital	36.827	36.633
Subordinated liabilities	7.953	7.758
Total TIER 2 capital	7.953	7.758
Deductions	-	-
Total TIER 3 capital	-	-
Total capital for calculation of capital adequacy	44.780	44.391
Capital requirements		
Central governments and central banks under standardised approach	0.424	0.423
Companies under the standardised approach	0.088	0.114
Retail claims under the standardised approach	5.550	6.157
Claims secured by real estate under standardised approach	0.505	0.522
Overdue claims under the standardised approach	8.475	6.891
Short-term debt of credit institutions, investment firms and other companies under the standardised approach	0.605	0.475
Other assets under standardised approach	0.897	2.000
Total capital requirements for credit and counterparty credit risk	16.544	16.582
Capital requirement for foreign-exchange risk	3.468	3.622
Capital requirement for operational risk, basic indicator approach	-	2.768
Capital requirement for operational risk, standard method	3.370	-
Capital requirements for the calculation of capital adequacy	23.382	22.972
Capital adequacy	19.151%	19.320%

Capital requirements of AS Baltijas Izaugsmes Grupa belonging to the consolidation group:

(in millions)	EEK 31.03.2009	EUR 31.03.2009	EEK 31.12.2008	EUR 31.12.2008
Central governments and central banks under standardised approach	-	-	-	-
Companies under standardised approach	-	-	-	-
Retail claims under standardised approach	28.484	1.820	39.224	2.507
Claims secured by real estate under standardised approach	0.757	0.048	0.706	0.045
Overdue claims under standardised approach	60.957	3.896	45.251	2.892
Short-term debt of credit institutions, investment firms and other companies under standardised approach	5.402	0.345	3.852	0.246
Other assets under standardised approach	6.006	0.383	13.313	0.851
Capital requirement for foreign-exchange risk	48.241	3.083	52.181	3.335
Capital requirement for operational risk, basic indicator approach	-	-	10,982	0,701
Capital requirement for operational risk, standard method	18,189	1,162	-	-



The capital adequacy standards are applied to BIGBANK AS.

The specification of consolidation group used when calculating the capital adequacy does not differ from the specification of consolidation group used when preparing financial reports.

Pursuant to §73 of the Credit Institutions Act the following can be included in TIER 1 capital:

- Paid-in share capital;
- Reserves and reserve capital formed on the basis of law and the articles of association on account of the profits;
- Audited retained earnings of previous years;
- Profits for the current financial year, the size of which has been verified by an auditor.

In order to calculate the size of TIER 1 capital, the following shall be deducted from the total of own funds:

- Intangible assets.

Pursuant to §77 of the Credit Institutions Act For calculation of TIER 1 capital on a consolidated basis, the unrealised exchange rate differences created upon consolidation shall be added to the Tier 1 capital.

Pursuant to §74 of the Credit Institutions Act subordinated liabilities may be included in TIER 2 capital.

A liability of a credit institution is deemed to be subordinated if the claim arising out of such liability, in the event of the dissolution or bankruptcy of the credit institution is satisfied after the justified claims of all other creditors have been satisfied.

BIGBANK has requested for permission from the Financial Supervision Authority for including subordinated liabilities in TIER 2 capital.

The credit institution does not have TIER 3 capital.

Standardised approach has been used for calculating the capital requirements for credit risk, and basic indicator approach for calculating the capital requirements for operation risk.

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in millions of kroons)	Note	31.03.2009	31.12.2008 adjusted
Assets			
Receivables from Central Bank		329.570	330.720
Receivables from banks		134.289	148.672
Receivables from customers	2,3,4,5,6,7,8	2 148.240	2 293.781
Other receivables and prepaid expenses		69.643	62.337
Intangible assets		6.128	6.240
Tangible assets		47.215	49.137
Other assets	9	23.512	22.363
Total assets		2 758.597	2 913.250
Liabilities			
Payable to credit institutions	11	13.946	14.867
Payable to customers	12	763.671	630.612
Other payables and deferred income		20.317	28.397
Issued bonds	13	1 237.361	1 487.592
Subordinated liabilities	13	140.952	172.357
Total liabilities		2 176.247	2 333.825
Equity			
Share capital		80.000	80.000
Reserves		8.000	8.000
Unrealised exchange differences		-9.608	-7.945
Retained earnings		480.370	354.600
Profit for the accounting period		23.588	144.770
Total equity		582.350	579.425
Total liabilities and equity		2 758.597	2 913.250

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 (in millions of euros)

	Note	31.03.2009	31.12.2008 adjusted
Assets			
Receivables from Central Bank		21.063	21.137
Receivables from banks		8.583	9.502
Receivables from customers	2,3,4,5,6,7,8	137.297	146.599
Other receivables and prepaid expenses		4.451	3.984
Intangible assets		0.392	0.399
Tangible assets		3.017	3.141
Other assets	9	1.503	1.429
Total assets		176.306	186.191
Liabilities			
Payable to credit institutions	11	0.891	0.950
Payable to customers	12	48.807	40.303
Other payables and deferred income		1.299	1.816
Issued bonds	13	79.082	95.074
Subordinated bonds	13	9.008	11.016
Total liabilities		139.087	149.159
Equity			
Share capital		5.113	5.113
Reserves		0.511	0.511
Unrealised exchange differences		-0.614	-0.507
Retained earnings		30.701	22.663
Profit for the accounting period		1.508	9.252
Total equity		37.219	37.032
Total liabilities and equity		176.306	186.191

GUARANTEES AND PLEDGED ASSETS

	31.03.2009	
(millions)	EEK	EUR
Irrevocable transactions	18.041	1.153
incl. guarantees and other similar irrevocable transactions*	17.760	1.135
incl. credit lines and overdraft facilities	0.281	0.018
Assets pledged and encumbered with usufruct to secure liabilities*	23.400	1.496

* - guarantee in the amount of 17.760 million kroons (1.135 million euros) has been issued in order to guarantee fulfilment of obligations of 100% subsidiary Rütli Majad OÜ, this liability has been recorded also in the consolidated report as a liability. In addition, there are assets pledged and encumbered with usufruct in the amount of 14.92 million kroons (0.954 million euros), the related liabilities have been fulfilled as of the date of the report.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in millions of kroons)	Note	1Q 2009	1Q 2008 adjusted
Interest income	15	148.006	181.180
Interest expenses	16	58.714	57.147
Net interest income		89.292	124.033
Net fees and commissions		-0.694	-0.272
Net profit/loss from financial transactions		-0.249	-0.360
Other operating income	15	87.770	21.492
Total income		176.119	144.893
Salaries		27.250	24.829
Other operating expenses	17	35.380	23.164
Depreciation and amortisation expense		2.778	2.276
Allowances for loans and receivables		73.616	38.601
Allowances for other assets		8.953	-
Other expenses	16	0.530	0.584
Total expenses		148.507	89.454
Profit before income tax		27.612	55.439
Income tax expense		4.024	6.727
Profit for the accounting period		23.588	48.712
Unrealised exchange differences		-1.663	0.905
Total other income and expenses		-1.663	0.905
Total profit for the accounting period		21.925	49.617
Basic earnings per share (EEK)		295	609
Diluted net profit per share (EEK)		295	609

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in millions of euros)	Note	1Q 2009	1Q 2008 adjusted
Interest income	15	9.459	11.579
Interest expenses	16	3.752	3.652
Net interest income		5.707	7.927
Net service charges		-0.044	-0.017
Net profit/loss from financial transactions		-0.016	-0.023
Other operating income	15	5.610	1.373
Total income		11.257	9.260
Salaries		1.742	1.587
Other operating expenses	17	2.261	1.480
Depreciation and amortisation expense		0.178	0.146
Allowances for loans and receivables		4.705	2.467
Allowances for other assets		0.572	-
Other expenses	16	0.034	0.037
Total expenses		9.492	5.717
Profit before income tax		1.765	3.543
Income tax expense		0.257	0.430
Profit for the accounting period		1.508	3.113
Unrealised exchange differences		-0.106	0.058
Total other income and expenses		-0.106	0.058
Total profit for the accounting period		1.402	3.171
Basic earnings per share (EUR)		19	39
Diluted net profit per share (EUR)		19	39

CONSOLIDATED STATEMENT OF CASH FLOWS

(in millions of kroons)	1Q 2009	1Q 2008
Cash flow from operations		
Interests received	125.266	147.862
Interests paid	-61.496	-47.963
Administrative expenses paid	-70.309	-50.174
Other operating income received	35.505	16.554
Other operating expenses paid	-3.261	-0.895
Reversal of impairment losses	0.494	0.235
Paid for other assets	-0.842	-
Loans granted	-26.157	-234.107
Repayment of loans granted	116.217	173.536
Change in mandatory reserve in Central Bank and related interest receivables	0.893	-10.740
Proceeds from customer deposits	180.803	78.109
Paid on redemption of deposits	-56.573	-56.705
Income tax paid	-10.383	-1.234
Effect of change in exchange rates	-0.689	0.036
Cash flow from operating activities	229.468	14.514
Cash flow from investing activities		
Acquisition of tangible and intangible assets	-1.011	-22.447
Cash flow from investing activities	-1.011	-22.447
Cash flow from financing activities		
Proceeds from debt securities issues	-	84.129
Paid on redemption of debt securities	-223.618	-0.350
Proceeds from loans from credit institutions	-	47.760
Repayments of loans from credit institutions	-0.888	-1.902
Dividends paid	-19.000	-
Cash flow from financing activities	-243.506	129.637
Effect of exchange rate fluctuations	0.416	-0.069
Increase in cash and cash equivalents	-14.633	121.635
Cash and cash equivalents at the beginning of the year	149.298	93.405
Cash and cash equivalents at the end of the period	134.665	215.040
	31.03.2009	31.03.2008
Cash	-	0.005
Demand and overnight deposits with credit institutions	134.289	207.050
Surplus on mandatory reserve with Central Bank	0.239	7.268
Interest receivable from mandatory reserve to Central Bank	0.137	0.717
Total	134.665	215.040

CONSOLIDATED STATEMENT OF CASH FLOWS

(in millions of euros)	1Q 2009	1Q 2008
Cash flow from operations		
Interests received	8.006	9.450
Interests paid	-3.930	-3.065
Administrative expenses paid	-4.493	-3.207
Other operating income received	2.269	1.058
Other operating expenses paid	-0.208	-0.057
Reversal of impairment losses	0.032	0.015
Paid for other assets	-0.054	-
Loans granted	-1.672	-14.962
Repayment of loans granted	7.428	11.091
Change in mandatory reserve in Central Bank and related interest receivables	0.057	-0.686
Proceeds from customer deposits	11.555	4.992
Paid on redemption of deposits	-3.616	-3.624
Income tax paid	-0.664	-0.079
Effect of change in exchange rates	-0.044	0.002
Cash flow from operating activities	14.666	0.928
Cash flow from investing activities		
Acquisition of tangible and intangible assets	-0.065	-1.435
Cash flow from investing activities	-0.065	-1.435
Cash flow from financing activities		
Proceeds from debt securities issues	-	5.377
Paid on redemption of debt securities	-14.292	-0.022
Proceeds from loans from credit institutions	-	3.052
Repayments of loans from credit institutions	-0.057	-0.122
Dividends paid	-1.214	-
Cash flow from financing activities	-15.563	8.285
Effect of exchange rate fluctuations	0.027	-0.004
Increase in cash and cash equivalents	-0.935	7.774
Cash and cash equivalents at the beginning of the year	9.542	5.970
Cash and cash equivalents at the end of the period	8.607	13.744
	31.03.2009	31.03.2008
Cash	-	-
Demand and overnight deposits with credit institutions	8.583	13.233
Surplus on mandatory reserve with Central Bank	0.015	0.465
Interest receivable from mandatory reserve to Central Bank	0.009	0.046
Total	8.607	13.744

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in millions of kroons)

Equity belonging to the owners of the parent company

	Share capital	Statutory capital reserve	Unrealised exchange differences	Retained earnings	Total
Balance 01.01.2008	80.000	8.000	5.474	378.975	472.449
Total profit for the accounting period	-	-	-1.280	48.712	47.432
Dividends paid	-	-	-	-	-
Balance 31.03.2008	80.000	8.000	4.194	427.687	519.881
Balance 01.01.2009	80.000	8.000	-7.945	499.370	579.425
Total profit for the accounting period	-	-	-1.663	23.588	21.925
Dividends paid	-	-	-	-19.000	-19.000
Balance 31.03.2009	80.000	8.000	-9.608	503.958	582.350

(in millions of euros)

Equity belonging to the owners of the parent company

	Share capital	Statutory capital reserve	Unrealised exchange differences	Retained earnings	Total
Balance 01.01.2008	5.113	0.511	0.350	24.221	30.195
Total profit for the accounting period	-	-	-0.082	3.113	3.031
Dividends paid	-	-	-	-	-
Balance 31.03.2008	5.113	0.511	0.268	27.334	33.226
Balance 01.01.2009	5.113	0.511	-0.508	31.915	37.032
Total profit for the accounting period	-	-	-0.106	1.508	1.402
Dividends paid	-	-	-	-1.214	-1.214
Balance 31.03.2009	5.113	0.511	-0.614	32.209	37.219

NOTES TO THE FINANCIAL STATEMENTS

Note 1. Accounting Principles

The accounting principles used in the consolidated interim report for the 1st quarter of 2009 of BIGBANK AS are in accordance with the accounting principles used in the last annual report of the year ended on 31 December 2008. Consolidated interim report does not include all information necessary for presenting the annual report and it should be read with the Group's last published annual report as of 31 December 2008.

Compared to the annual report of the year ended on 31 December 2008 the following reclassifications have been performed in the consolidated statement of financial position:

In the statement of financial position, the line "Receivables from customers" excludes the prepayments of loan interests, regarding which the customers have the right of claim and the Group has the obligation to return. In the statement of financial position, the line "Other payables and deferred income" has been increased by the same amount.

Consolidated statement of financial position

Balance sheet line	Change		31.12.2008 adjusted	
	in millions of kroons	in millions of euros	in millions of kroons	in millions of euros
Receivables from customers	+ 4.426	+0.283	2 293.781	146.599
Total assets	+ 4.426	+0.283	2 913.250	186.191
Other payables and deferred income	+ 4.426	+0.283	28.397	1.816
Total liabilities	+ 4.426	+0.283	2 333.825	149.159
Total liabilities and equity	+ 4.426	+0.283	2 913.280	185.908

The **consolidated statement of comprehensive income** of the comparative period has been improved in connection with the fact that the company calculates the Group's total profit and reflects all income and expenses of the period, including unrealised exchange differences formed when consolidating foreign subsidiary, in the statement of comprehensive income.

Line of statement of comprehensive income

Line of statement of comprehensive income	Change		1Q 2008 adjusted	
	in millions of kroons	in millions of euros	in millions of kroons	in millions of euros
Unrealised exchange differences	+0.905	+0.058	+0.905	+0.058
Total other income and expenses	+0.905	+0.058	+0.905	+0.058
Total profit for the accounting period	+49.617	+3.171	+49.617	+3.171

Consolidated statement of changes in equity has been amended in connection with excluding changes in unrealised exchange differences from retained earnings.

Column in the statement of changes in equity

Column in the statement of changes in equity	Change		31.03.2008 adjusted	
	in millions of kroons	in millions of euros	in millions of kroons	in millions of euros
Unrealised exchange differences	-0.375	-0.024	4.194	0.268
Retained earnings	+0.375	+0.024	427.687	27.334

Note 2. Receivables from Customers

(in millions of kroons)	31.03.2009	31.12.2008
Loan receivables from customers	2 232.708	2 321.090
Impairment allowance for loan receivables	-213.965	-176.981
Interest receivables from customers	188.432	186.759
Impairment allowance for interest receivables	-29.562	-24.940
Interest prepayments	-2.531	-3.287
Additional impairment allowance	-26.842	-8.860
Total receivables from customers	2 148.240	2 293.781

(in millions of euros)	31.12.2008	31.12.2008
Loan receivables from customers	142.696	148.345
Impairment allowance for loan receivables	-13.675	-11.311
Interest receivables from customers	12.043	11.936
Impairment allowance for interest receivables	-1.889	-1.594
Interest prepayments	-0.162	-0.211
Additional impairment allowance	-1.716	-0.566
Total receivables from customers	137.297	146.599

Note 3. Distribution of Loan Receivables by Maturity

(in millions of kroons)	31.03.2009	31.12.2008
Up to 1 year	1 266.450	1 278.829
1-2 years	192.760	236.241
2-5 years	352.383	403.207
More than 5 years	421.115	402.813
Total	2 232.708	2 321.090

Group (in millions of euros)	31.03.2009	31.12.2008
Up to 1 year	80.941	81.732
1-2 years	12.320	15.099
2-5 years	22.521	25.770
More than 5 years	26.914	25.744
Total	142.696	148.345

Note 4. Distribution of Loan Receivables by Geographic Areas

(in millions of kroons)	Balance sheet obligations, including			31.03.2009
	Loan portfolio	Overdue loans	Impairment allowance (incl. additional impairment allowance)	Relative share of area
Estonia	1 103.469	465.978	120.826	49.4%
Latvia	909.503	451.986	106.455	40.7%
Lithuania	219.736	58.250	13.526	9.9%
Total	2 232.708	976.214	240.807	100.0%

(in millions of euros)	Consolidated statement of financial position obligations, including			31.03.2009
	Loan portfolio	Overdue loans	Impairment allowance (incl. additional impairment allowance)	Relative share of area
Estonia	70.525	29.781	7.723	49.4%
Latvia	58.128	28.887	6.804	40.7%
Lithuania	14.044	3.723	0.864	9.9%
Total	142.696	62.391	15.391	100.0%

Note 5. Loan Receivables by Security

(in millions of kroons)	31.03.2009	31.12.2008
Loan secured with income	1 714.962	1 777.312
Loan against surety	336.701	347.911
Loan secured with real estate	181.045	195.867
Total loan receivables	2 232.708	2 321.090

Group (in millions of euros)	31.03.2009	31.12.2008
Loan secured with income	109.606	113.591
Loan against surety	21.519	22.236
Loan secured with real estate	11.571	12.518
Total loan receivables	142.696	148.345

Note 6. Loan Receivables by Contract Currencies

(in millions of kroons)	31.03.2009	31.12.2008
EEK	659.243	776.093
EUR	1 103.62	1 025.804
LTL	74.183	83.819
LVL	395.662	435.374
Total loan receivables	2 232.708	2 321.090

(in millions of euros)	31.03.2009	31.12.2008
EEK	42.134	49.602
EUR	70.534	65.561
LTL	4.741	5.357
LVL	25.287	27.825
Total loan receivables	142.696	148.345

Note 7. Impairment Allowances for Customer Receivables by Groups

(in millions of kroons)					31.03.2009
	Loans to customers	Impairment allowance for loans	Interest receivable	Impairment allowance for interest receivable	Total impairment allowance
Homogeneous groups	1 231.555	18.187	38.782	0.727	18.914
Individually assessed items	1 001.153	195.778	149.650	28.835	224.613
Additional impairment allowance	-	26.842	-	-	26.842
Total	2 232.708	240.807	188.432	29.562	270.369

Group (in millions of euros)					31.03.2009
	Loans to customers	Impairment allowance for loans	Interest receivable	Impairment allowance for interest receivable	Total impairment allowance
Homogeneous groups	78.711	1.163	2.479	0.046	1.209
Individually assessed items	63.985	12.513	9.564	1.843	14.355
Additional impairment allowance	-	1.716	-	-	1.716
Total	142.696	15.391	12.043	1.889	17.280

Note 8. Overdue Loan Receivables

(in millions of kroons)*	31.03.2009	31.12.2008
Up to 30 days	3.403	7.071
31 - 60 days	3.113	8.312
61-90 days	11.281	15.772
91-180 days	115.532	124.167
Over 180 days	842.885	764.676
Total	976.214	919.998

* Overdue loans comprise of unpaid loan repayments according to the loan schedule and the principal amount of the loan which has become subject to enforcement. In accordance with the terms of the loan agreements, the Group may cancel the agreement unilaterally if the Customer is more than 90 days in arrears. When an agreement is cancelled, the customer has to settle the entire loan amount.

(in millions of euros)*	31.03.2009	31.12.2008
Up to 30 days	0.217	0.452
31 - 60 days	0.199	0.531
61-90 days	0.721	1.008
91-180 days	7.384	7.936
Over 180 days	53.870	48.872
Total	62.391	58.799

* Overdue loans comprise of unpaid loan repayments according to the loan schedule and the principal amount of the loan which has become subject to enforcement. In accordance with the terms of the loan agreements, the Group may cancel the agreement unilaterally if the Customer is more than 90 days in arrears. When an agreement is cancelled, the customer has to settle the entire loan amount.

Annex 9. Other Assets

(in millions)	EEK	EUR	EEK	EUR
	31.03.2009	31.03.2009	31.12.2008	31.12.2008
Value of collateral in auction document / contract for purchase and sale	30.963	1.979	22.952	1.467
Additional expenses related to acquisition	2.080	0.133	-	-
Impairment allowances	-9.531	-0.609	-0.589	-0.038
Balance sheet value	23.512	1.503	22.363	1.429

Note 10. Segment Reporting

Based on the internal management structure segment information has been published according to the geographic segments. The consolidation group does not have various business segments.

In the presentation of segments income, expenses, assets and liabilities have been reflected according to the location.

Geographic segments, statement of financial position indicators

31.03.2009	Estonia	Latvia	Lithuania	Eliminations	Group
(in millions of kroons)					
Cash and receivables from banks	392.366	74.099	15.059	-17.665	463.859
<i>incl. Central Bank</i>	328.196	1.374	-	-	329.570
Receivables from customers	2.297.394	873.449	216.687	-1.239.290	2.148.240
<i>incl. loan receivables</i>	2.342.760	909.503	219.735	-1.239.290	2.232.708
<i>incl. impairment allowance for loan receivables</i>	-120.826	-106.455	-13.526	-	-240.807
<i>incl. outstanding interests</i>	89.834	84.167	11.900	-	185.901
<i>incl. impairment allowance for interest receivables</i>	-14.374	-13.766	-1.422	-	-29.562
Other receivables and prepaid expenses	12.922	52.894	3.827	-	69.643
Tangible and intangible assets	45.302	5.975	2.066	-	53.343
Other assets	24.823	5.668	-	-6.979	23.512
<i>incl. assets held for sale</i>	17.843	5.668	-	-	23.511
Segment's total assets	2.772.807	1.012.085	237.639	-1.263.934	2.758.597
Payable to credit institutions	13.946	977.956	253.015	-1.230.971	13.946
Payable to customers	767.441	14.065	-	-17.835	763.671
Other payables and deferred income	6.700	11.936	1.681	-	20.317
Issued bonds and subordinated bonds	1.378.313	-	-	-	1.378.313
Segment's total liabilities	2.166.400	1.003.957	254.696	-1.248.806	2.176.247
Equity	606.407	8.128	-17.057	-15.128	582.350

31.12.2008 (in millions of kroons)	Estonia	Latvia	Lithuania	Eliminations	Group
Cash and receivables from banks	395.681	78.478	5.233	-	479.392
<i>incl. Central Bank</i>	330.720	-	-	-	330.720
Receivables from customers	2 360.715	922.272	216.888	-1 206.094	2 293.781
<i>incl. loan receivables</i>	2 365.031	945.310	216.843	-1 206.094	2 321.090
<i>incl. impairment allowance for loan receivables</i>	-84.810	-91.363	-9.668	-	-185.841
<i>incl. outstanding interests</i>	92.514	80.148	10.810	-	183.472
<i>incl. impairment allowance for interest receivables</i>	-12.020	-11.823	-1.097	-	-24.940
Other receivables and prepaid expenses	11.796	47.582	2.970	-0.011	62.337
Tangible and intangible assets	46.494	6.715	2.168	-	55.377
Other assets	23.219	6.123	-	-6.979	22.363
<i>incl. assets held for sale</i>	16.240	6.123	-	-	22.363
Segment's total assets	2 837.905	1 061.170	227.259	-1 213.084	2 913.250
Payable to credit institutions	14.867	952.922	246.744	-1 199.666	14.867
Payable to customers	626.883	3.729	-	-	630.612
Other payables and deferred income	7.253	19.346	1.809	-0.011	28.397
Issued bonds and subordinated bonds	1 659.949	-	-	-	1 659.949
Segment's total liabilities	2 308.952	975.997	248.553	-1 199.677	2 333.825
Equity	528.953	85.173	-21.294	-13.407	579.425

Geographic segments, statement of comprehensive income indicators

1Q 2009 (in millions of kroons)	Estonia	Latvia	Lithuania	Eliminations	Group
External revenue					
Interest income	69.827	59.960	18.219	-	148.006
Other income	60.420	21.237	6.113	-	87.770
<i>incl. income from redemption of bonds below nominal value</i>	46.401	-	-	-	-
Total external revenue	130.247	81.197	24.332	-	235.776
Inter-segment revenue					
Inter-segment interest income	34.089	0.228	-	-34.317	-
Dividend income	79.933	-	-	-79.933	-
Net service fees	-0.379	-0.228	-0.087	-	-0.694
Total revenue	243.890	81.197	24.245	-114.250	235.082
Interest expenses					
External interest expenses	58.508	0.206	-	-	58.714
Inter-segment interest expenses	-	27.012	6.967	-33.979	-
Total interest expenses	58.508	27.218	6.967	-33.979	58.714

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1Q 2009 (in millions of kroons)	Estonia	Latvia	Lithuania	Eliminations	Group
Net profit/loss from financial transactions	0.412	-0.567	-	-0.094	-0.249
Total net income	185.794	53.412	17.278	-80.365	176.119
Salaries	13.917	9.801	3.532	-	27.250
Other operating expenses	14.656	15.791	4.933	-	35.380
Depreciation and amortisation expense	1.742	0.780	0.256	-	2.778
Allowances for receivables	-52.054	-17.276	-4.286	-	-73.616
Allowances for other assets	-6.651	-2.302	-	-	-8.953
Other expenses	0.316	0.180	0.034	-	0.530
Profit/loss before tax	96.458	7.282	4.237	-80.365	27.612
Expenses on income tax	-	4.024	-	-	4.024
Profit of the accounting period	96.458	3.258	4.237	-80.365	23.588

1Q 2008 (in millions of kroons)	Estonia	Latvia	Lithuania	Eliminations	Group
External revenue					
Interest income	91.809	80.222	9.149	-	181.180
Other income	13.692	7.458	0.342	-	21.492
<i>incl. income from redemption of bonds below nominal value</i>	-	-	-	-	-
Total external revenue	105.501	87.680	9.491	-	202.672
Inter-segment revenue					
Inter-segment interest income	27.261	-	-	-27.261	-
Dividend income	-	-	-	-	-
Net service fees	-0.192	-0.032	-0.048	-	-0.272
Total revenue	132.570	87.648	9.443	-27.261	202.400
Interest expenses					
External interest expenses	57.147	-	-	-	57.147
Inter-segment interest expenses	-	24.387	3.047	-27.434	-
Total interest expenses	57.147	24.387	3.047	-27.434	57.147
Net profit/loss from financial transactions	-0.015	0.001	-	-0.173	-0.187
Total net income	75.408	63.262	6.396	-	145.066
Salaries	12.497	10.212	2.120	-	24.829
Other operating expenses	9.583	8.030	5.551	-	23.164
Depreciation and amortisation expense	1.578	0.566	0.132	-	2.276
Allowances for receivables	-19.932	-17.215	-1.454	-	-38.601
Allowances for other assets	-	-	-	-	-
Other expenses	0.324	0.254	0.006	-	0.584
Profit/loss before tax	31.494	26.985	-2.867	-	55.612
Expenses on income tax	-	6.727	-	-	6.727
Profit of the accounting period	31.494	20.258	-2.867	-	48.885

Geographic segments, statement of financial position indicators

31.03.2009	Estonia	Latvia	Lithuania	Eliminations	Group
(in millions of euros)					
Cash and receivables from banks	25.077	4.736	0.962	-1.129	29.646
<i>incl. Central Bank</i>	20.976	0.087	-	-	21.063
Receivables from customers	146.830	55.823	13.849	-79.205	137.297
<i>incl. loan receivables</i>	149.730	58.128	14.043	-79.205	142.696
<i>incl. impairment allowance for loan receivables</i>	-7.722	-6.805	-0.864	-	-15.391
<i>incl. outstanding interests</i>	5.741	5.379	0.761	-	11.881
<i>incl. impairment allowance for interest receivables</i>	-0.919	-0.879	-0.091	-	-1.889
Other receivables and prepaid expenses	0.825	3.381	0.245	-	4.451
Tangible and intangible assets	2.895	0.382	0.132	-	3.409
Other assets	1.587	0.362	-	-0.446	1.503
<i>incl. assets held for sale</i>	1.140	0.362	-	-	1.502
Segment's total assets	177.214	64.684	15.188	-80.780	176.306
Payable to credit institutions	0.891	62.502	16.171	-78.673	0.891
Payable to customers	49.048	0.899	-	-1.140	48.807
Other payables and deferred income	0.428	0.764	0.107	-	1.299
Issued bonds and subordinated liabilities	88.090	-	-	-	88.090
Segment's total liabilities	138.457	64.165	16.278	-79.813	139.087
Equity	38.757	0.519	-1.090	-0.967	37.219

31.12.2008	Estonia	Latvia	Lithuania	Eliminations	Group
(in millions of euros)					
Cash and receivables from banks	25.289	5.016	0.334	-	30.639
<i>incl. Central Bank</i>	21.137	-	-	-	21.137
Receivables from customers	150.877	58.944	13.862	-77.084	146.599
<i>incl. loan receivables</i>	151.153	60.417	13.859	-77.084	148.345
<i>incl. impairment allowance for loan receivables</i>	-5.420	-5.839	-0.618	-	-11.877
<i>incl. outstanding interests</i>	5.912	5.122	0.691	-	11.725
<i>incl. impairment allowance for interest receivables</i>	-0.768	-0.756	-0.070	-	-1.594

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31.12.2008 (in millions of euros)	Estonia	Latvia	Lithuania	Eliminations	Group
Other receivables and prepaid expenses	0.754	3.041	0.190	-0.001	3.984
Tangible and intangible assets	2.972	0.429	0.139	-	3.540
Other assets	1.484	0.391	-	-0.446	1.429
<i>incl. assets held for sale</i>	1.038	0.391	-	-	1.429
Segment's total assets	181.376	67.821	14.525	-77.531	186.191
Payable to credit institutions	0.950	60.903	15.770	-76.673	0.950
Payable to customers	40.065	0.238	-	-	40.303
Other payables and deferred income	0.464	1.237	0.116	-0.001	1.816
Issued bonds and subordinated liabilities	106.090	-	-	-	106.090
Segment's total liabilities	147.569	62.378	15.886	-76.674	149.159
Equity	33.807	5.443	-1.361	-0.857	37.032

Geographic segments, statement of comprehensive income indicators

1Q 2009 (in millions of euros)	Estonia	Latvia	Lithuania	Eliminations	Group
External revenue					
Interest income	4.463	3.832	1.164	-	9.459
Other income	3.862	1.357	0.391	-	5.610
<i>incl. income from redemption of bonds below nominal value</i>	2.966	-	-	-	-
Total external revenue	8.325	5.189	1.555	-	15.069
Inter-segment revenue					
Inter-segment interest income	2.179	0.015	-	-2.194	-
Dividend income	5.108	-	-	-5.108	-
Net service fees	-0.024	-0.014	-0.006	-	-0.044
Total revenue	15.588	5.190	1.549	-7.302	15.025
Interest expenses					
External interest expenses	3.738	0.014	-	-	3.752
Inter-segment interest expenses	-	1.726	0.445	-2.171	-
Total interest expenses	3.738	1.740	0.445	-2.171	3.752
Net profit/loss from financial transactions	0.026	-0.036	-	-0.006	-0.016
Total net income	11.876	3.414	1.104	-5.137	11.257
Salaries	0.890	0.626	0.226	-	1.742
Other operating expenses	0.936	1.010	0.315	-	2.261
Depreciation and amortisation expense	0.112	0.050	0.016	-	0.178
Allowances for receivables	-3.327	-1.104	-0.274	-	-4.705
Allowances for other assets	-0.425	-0.147	-	-	-0.572
Other expenses	0.020	0.012	0.002	-	0.034
Profit/loss before tax	6.166	0.465	0.271	-5.137	1.765
Expenses on income tax	-	0.257	-	-	0.257
Profit of the accounting period	6.166	0.208	0.271	-5.137	1.508

1Q 2008	Estonia	Latvia	Lithuania	Eliminations	Group
(in millions of euros)					
External revenue					
Interest income	5.867	5.127	0.585	-	11.579
Other income	0.874	0.477	0.022	-	1.373
<i>incl. income from redemption of bonds below nominal value</i>	-	-	-	-	-
Total external revenue	6.741	5.604	0.607	-	12.952
Inter-segment revenue					
Inter-segment interest income	1.742	-	-	-1.742	-
Dividend income	-	-	-	-	-
Net service fees	-0.012	-0.002	-0.003	-	-0.017
Total revenue	8.471	5.602	0.604	-1.742	12.935
Interest expenses					
External interest expenses	3.652	-	-	-	3.652
Inter-segment interest expenses	-	1.559	0.195	-1.754	-
Total interest expenses	3.652	1.559	0.195	-1.754	3.652
Net profit/loss from financial transactions	-0.001	-	-	-0.011	-0.012
Total net income	4.818	4.043	0.409	0.001	9.271
Salaries	0.799	0.653	0.135	-	1.587
Other operating expenses	0.612	0.513	0.355	-	1.480
Depreciation and amortisation expense	0.101	0.036	0.009	-	0.146
Allowances for receivables	-1.274	-1.100	-0.093	-	-2.467
Allowances for other assets	-	-	-	-	-
Other expenses	0.021	0.016	-	-	0.037
Profit/loss before tax	2.011	1.725	-0.183	0.001	3.554
Expenses on income tax	-	0.430	-	-	0.430
Profit of the accounting period	2.011	1.295	-0.183	-	3.124

Note 11. Payable to Credit Institutions

(in millions of kroons)	Short-term	31.03.2009			31.12.2008		
		Long-term	Total	Short-term	Long-term	Total	
Swedbank AS	2.698	11.248	13.946	3.619	11.248	14.867	
Total	2.698	11.248	13.946	3.619	11.248	14.867	

(in millions of euros)	Short-term	31.03.2009			31.12.2008		
		Long-term	Total	Short-term	Long-term	Total	
Swedbank AS	0.172	0.719	0.891	0.231	0.719	0.950	
Total	0.172	0.719	0.891	0.231	0.719	0.950	

Note 12. Payable to Customers

(in millions of kroons)	31.03.2009	31.12.2008
Balance of term deposits	763.671	630.612
Distribution by customer type		
incl. private persons	679.732	540.724
incl. legal persons	83.939	89.888
Distribution by currency		
incl. EEK	580.387	512.437
incl. EUR	176.953	116.278
incl. LVL	6.332	1.897
Distribution by maturity date		
incl. redemption within 6 months	415.441	317.501
incl. redemption within 6-12 months	300.091	281.114
incl. redemption within 12-18 months	15.900	19.525
incl. redemption within 18-24 months	23.448	4.583
incl. redemption within 24+ months	8.791	7.89
Average deposit amount	0.110	0.105
Weighted average interest rate	8.00%	8.00%
Weighted average duration up to maturity date (in months)	6.620	6.347
Weighted average total contract period (in months)	13.267	12.571
(in millions of euros)	31.03.2009	31.12.2008
Balance of term deposits	48.807	40.303
Distribution by customer type		
incl. private persons	43.443	34.559
incl. legal persons	5.365	5.745
Distribution by currency		
incl. EEK	37.093	32.751
incl. EUR	11.309	7.432
incl. LVL	0.405	0.121
Distribution by maturity date		
incl. redemption within 6 months	26.552	20.292
incl. redemption within 6-12 months	19.179	17.966
incl. redemption within 12-18 months	1.016	1.248
incl. redemption within 18-24 months	1.499	0.293
incl. redemption within 24+ months	0.562	0.504
Average deposit amount	0.007	0.007
Weighted average interest rate	8.00%	8.00%
Weighted average duration up to maturity date (in months)	6.620	6.347
Weighted average total contract period (in months)	13.267	12.571

Note 13. Issued Bonds and Subordinated Liabilities

(in millions of kroons)	31.03.2009	31.12.2008
Balance of bonds and subordinated bonds	1378.314	1659.949
Distribution by customer type		
incl. private persons	53.823	76.163
incl. legal persons	1324.491	1583.786
Distribution by currency		
incl. EEK	79.398	175.488
incl. EUR	1298.916	1434.926
incl. LVL	-	49.535
Distribution by maturity date		
incl. redemption within 6 months	56.254	151.867
incl. redemption within 6-12 months	15.891	114.991
incl. redemption within 12-18 months	78.233	-
incl. redemption within 18-24 months	1102.874	-
incl. redemption within 24+ months	125.062	1393.091
(in millions of euros)	31.03.2009	31.12.2008
Balance of bonds and subordinated bonds	88.090	106.090
Distribution by customer type		
incl. private persons	3.440	4.868
incl. legal persons	84.650	101.222
Distribution by currency		
incl. EEK	5.074	11.216
incl. EUR	83.016	91.708
incl. LVL	-	3.166
Distribution by maturity date		
incl. redemption within 6 months	3.595	9.706
incl. redemption within 6-12 months	1.016	7.349
incl. redemption within 12-18 months	5.000	-
incl. redemption within 18-24 months	70.487	-
incl. redemption within 24+ months	7.993	89.035

Note 14. Net Currency Positions

(in millions of kroons)					31.03.2009
	Balance sheet position		Off-balance sheet position		Net position
	Assets	Liabilities	Assets	Liabilities	
EEK	1 057.374	662.595	-	0.306	394.473
EUR	1 132.531	1 493.703	-	-	-361.172
LVL	471.060	18.267	-	-	452.793
LTL	91.478	1.682	-	-	89.796
SEK	0.026	-	-	-	0.026

31.03.2009

(in millions of euros)	Balance sheet position		Off-balance sheet position		Net position
	Assets	Liabilities	Assets	Liabilities	
EEK	67.579	42.348	-	0.020	25.211
EUR	72.382	95.465	-	-	-23.083
LVL	30.106	1.167	-	-	28.939
LTL	5.847	0.107	-	-	5.740
SEK	0.002	-	-	-	0.002

Note 15. Interest Income and Other Operating Income

(in millions of kroons)	1Q 2009	1Q 2008
Interest income	148.006	181.180
From loans to customers	145.836	177.846
From deposits	2.170	3.334
Other operating income	87.770	21.492
Income from redemption of bonds below nominal price	46.401	-
Interest on arrears, penalties and other operating income received	41.369	21.492
Total	235.776	202.672

(in millions of euros)	1Q 2009	1Q 2008
Interest income	9.459	11.579
From loans to customers	9.320	11.366
From deposits	0.139	0.213
Other operating income	5.610	1.373
Income from redemption of bonds below nominal price	2.966	-
Interest on arrears, penalties and other operating income received	2.644	1.373
Total	15.069	12.952

Note 16. Interest Expenses and Other Operating Expenses

(in millions of kroons)	1Q 2009	1Q 2008
Interest expenses	58.714	57.147
On debt securities	46.001	52.122
On deposits	12.488	2.732
On loans	0.225	2.293
Other operating expenses	0.530	0.584
Total	59.244	57.731

(in millions of euros)	1Q 2009	1Q 2008
Interest expenses	3.752	3.652
On debt securities	2.940	3.330
On deposits	0.798	0.175
On loans	0.014	0.147
Other operating expenses	0.034	0.037
Total	3.786	3.689

Note 17. Other Expenses

(in millions of kroons)	EEK	EUR	EEK	EUR
	I Q 2009	1 Q 2009	I Q 2008	1 Q 2008
Expenses related to debt collection	14.605	0.933	3.740	0.239
Marketing expenses	4.548	0.291	6.479	0.414
Other operating expenses	16.227	1.037	12.945	0.827
Total other operating expenses	35.380	2.261	23.164	1.480

Note 18. Sensitivity Analysis
Interest rate risk

The Group mitigates interest rate risk on loans granted by fixing the interest rate in the loan agreement. The Group manages interest rate risk by charging a higher rate of return on loans granted. Part of the Group's liabilities has fixed interest rates and part is linked to Euribor.

The following table provides an overview of the effect of changes in Euribor on the Group's profit and equity, provided that the volume and structure of liabilities remain constant within a year (based on the financial indicators of the end of the 1st quarter of 2009).

(in millions of kroons)	Amount	Incl fixed interest rate	Incl linked to Euribor	Change if 1% rise in Euribor	31.03.2009
					Change if 1% decrease in Euribor
Payable to credit institutions	13.912	-	13.912	-0.139	0.139
Issued debt securities (incl. subordinated)	1 376.247	53.981	1 322.266	-13.223	13.223
Term deposits	734.526	734.526	-	-	-
Total	2 124.685	788.507	1 336.178	-13.362	13.362

(in millions of euros)	Amount	Incl fixed interest rate	Incl linked to Euribor	Change if 1% rise in Euribor	31.03.2009
					Change if 1% decrease in Euribor
Payable to credit institutions	0.889	-	0.889	-0.009a	0.009
Issued debt securities (incl. subordinated)	87.958	3.450	84.508	-0.845	0.845
Term deposits	46.945	46.945	-	-	-
Total	135.792	50.395	85.397	-0.854	0.854

Currency risk

The Group operates in regions with stable exchange rates. The Estonian kroon is pegged to the euro at a fixed exchange rate by law. The Lithuanian litas and the Latvian lats are the national currencies of EU member states and their exchange rates are fixed by the central banks of their respective countries and pegged to the euro. Exchange rate fluctuations are limited to a permissible fluctuation corridor established by law. The currencies are based on the euro.

To mitigate the risk of losses arising from significant exchange rate fluctuations, the agreements of loans denominated in the local currency of a region include a devaluation clause that ensures the proportions of contractual liabilities throughout the loan term.

The following table provides an overview of the impact of a possible devaluation, without taking into account indirect impacts and the contractual protection against devaluation

31.03.2009

(in millions of kroons)	Exposure	Change 10%	
		Monetary impact	Percentage of equity
EEK	394.473	39.447	6.8%
LVL	452.793	45.279	7.8%
LTL	89.796	8.980	1.5%
SEK	0.026	0.003	0.0%
Total	937.088	93.709	16.1%

31.03.2009

(in millions of euros)	Exposure	Change 10%	
		Monetary impact	Percentage of equity
EEK	25.211	2.521	6.8%
LVL	28.939	2.894	7.8%
LTL	5.739	0.574	1.5%
SEK	0.002	-	0.0%
Total	59.891	5.989	16.1%