

AS "SMP Bank"
Quarterly Financial Statements
for the period ended 30 June, 2012

Appendix 1
of the Financial and Capital Market Commission Regulation Nr. 145 of 15.09.2006.

Balance Sheet
as of June 30, 2012
(Last date of the reporting period)

000`Ls

Name of the Item	Group; Reported period	Group; Previous financial year *
Cash in Hand and Demand Claims on Central Banks	12875	17808
Demand Claims on Credit Institutions	38657	39181
Trading securities	27	35
Securities designated at fair value through profit or loss	0	0
Investment securities available-for-sale	0	0
Loans and advances to customers	74329	77630
Held-to-maturity investments	30227	6051
incl. USA Treasury Bonds	22480	0
incl. Latvian Government Bonds	4410	3498
incl. Lithuanian Government Bonds	638	0
incl. Russian Federation corporate entities' Eurobonds	2699	2553
Changes in fair value of portfolio part hedged against percentage risk	0	0
Prepayments and Accrued Income	0	0
Property and equipment	764	743
Investment properties	4974	3331
Intangible assets	0	0
Investments in subsidiaries	0	0
Tax receivables	14	4
Other Assets	1133	697
Total assets	163000	145480
Liabilities to Central Banks	27	37
Demand Liabilities to Credit Institutions	228	238
Held-for-trading financial liabilities	0	0
Financial liabilities at fair value with changes in fair value in net profit or loss	0	0
Financial liabilities at amortised cost	143485	132959
Financial liabilities after transferring of financial assets	0	0
Changes in fair value of portfolio part hedged against percentage risk	0	0
Deferred Income and Accrued Expenses	0	0
Provisions for Liabilities and Charges	102	102
Deffered tax liabilities	39	24
Other liabilities	8527	3082
Total liabilities	152408	136442
Shareholders' equity	10592	9038
Total liabilities and shareholders' equity	163000	145480
Off-Balance-Sheet Items		
Contingent Liabilities	6707	6298
Off-Balance-Sheet Commitments to Customers	2092	7141

*) audited

Income Statement
as of June 30, 2012
(Last date of the reporting period)

000`Ls

Name of the Item	Group; Reported period	Group; Previous financial year appropriate period*
Interest income	1,866	1,518
Interest expense	(657)	(611)
Dividend income	-	-
Fee and commission income	1,628	1,046
Fee and commission expense	(288)	(232)
Net profit/(loss) from financial assets and financial liabilities at amortised cost	-	-
Net profit/(loss) from from available-for-sale investments	-	-
Net profit/(loss) from held-for-trading investments	-	-
Net profit/(loss) from financial liabilities at fair value with changes in fair value in net profit or loss	-	-
Changes in fair value in hedge accounting	-	-
Profit/loss on foreign exchange trading and on foreign exchange revaluation	797	461
Profit/ (loss) from derecognising of property, plant and equipment, investment properties and intangible assets	-	-
Other income	52	44
Other expense	(85)	(37)
Administrative expense	(1,939)	(1,711)
Depreciation	(145)	(117)
Allowances for credit losses	(656)	(350)
Value impairment losses	-	-
Profit before corporate income tax	573	11
Corporate income tax	(19)	(1)
Net profit for the period	554	10

*) audited

Bank activity indices

as of June 30, 2012

(Last date of the reporting period)

Name of the Item	Previous financial year appropriate period (audited)	Previous financial year appropriate period (audited) *
Return on equity (ROE) (%)	12.40	0.22
Return on assets (ROA) (%)	0.76	0.02

*) audited

Consolidated group

as of June 30, 2012

(Last date of the reporting period)

Nr.	The name of the commercial company	Registration place code, address	Company type *	Portion of a holding in share capital (%)	Portion of voting rights in the company (%)	Motivation for inclusion in the group**
1	AS "SMP Finance"	LV, Rīga, Elizabetes 57	CFI	49.03	49.03	MS

*BNK – bank, APS – insurance company, PAP – reinsurance company,
APP – insurance management company, IBS – investment brokerage company,
IPS – investment management company, PFO – pension fund, CFI – other financial institution,
FPS – financial management company, CKS – other commercial company.
** MS – subsidiary; KS – joint venture; MAS – parent company.

Summary report of equity and minimum capital requirements

as of June 30, 2012

(Last date of the reporting period)

000`Ls

Nr.	Name of the item	Group; Reported period
1	Capital (1.1+1.2+1.3+1.6) vai (1.4+1.5+1.6)	11409
1.1	Tier 1 capital	10039
1.2	Tier 2 capital	3766
1.3	Tier 1 and Tier 2 capital Decrease (-)	-2396
1.4	Tier 1 capital with Decrease	8841
1.5	Tier 2 capital with Decrease	2568
1.6	Tier 3 capital used	0
2	Total capital requirements (2.1+2.2+2.3+2.4+2.5)	8217
2.1	Credit risk, counterparty risk, dilution risk and free delivery capital requirements	7493
2.2	Settlement/supply risk capital requirements	0
2.3	Position, currency and commodity risk capital requirements.	57
2.4	Operational risk capital requirement	667
2.5	Capital requirements for other risk and transition period.	0
Additional information		0
3.1	Capital requirements covered by capital (positive (+) or negative (-)), excluding capital requirements for other risk and transition period = 1-(2-2.5)	3192
3.1.a	Capital adequacy ratio (%), excluding capital requirements for other risk and transition period = $1/(2-2.5)*8\%$	11.11
3.2	Capital requirements covered by capital (positive (+) or negative (-)) = 1-2	3192
3.2.a	Capital adequacy ratio (%) = $1/2*8\%$	11.11

Additional information:

1. In the reporting period auditors have not audited AS "SMP Bank" Financial Statements.
2. The Information on risks in activities of AS „SMP Bank” was published in the Annual report for the year ended 31 December 2011 on pages 21-65 and in the Information Disclosure Statement for the year 2011 on pages 1-7 and has not changed from the moment of the publication.
3. Information on management of the Bank was published in the Annual report for the year ended 31 December 2011 on p.4., and has not changed from the moment of the publication.
4. The information on economic activities strategy was published on the AS „SMP Bank” home page in the section "About bank" and in the Information Disclosure Statement for the year 2011 on pages 4 - 5, and has not changed from the moment of the publication.
5. The information about Remuneration policies and practices of the Bank was published in the Information Disclosure Statement for the year 2011 on pages 5 - 6, and has not changed from the moment of the publication.

Chairperson of the Board _____ / S.Dzene /