

## Balance sheet as of 31 December 2010, LVL

Demand balances due from credit institutions   18     Financial assets held for trading   4     Financial assets available for sale   22     Loans and advances to customers   61     Held-to-maturity investments   100     incl.   from credit institutions   100     investments in securities   100     Accrued income and prepaid expenses   55     Fixed assets   44     Investment property   55     Non-material assets   22     Investments in subsidiaries and associated entities   22     Tax assets   11     Demand deposits due to credit institutions   46     Financial liabilities held for trading (derivative financial liabilities)   41     Financial liabilities at amortised value   96     incl   deposits   96     incl   deposits   44     Tax asset   42   44     Demand deposits due to credit institutions   46     Financial liabilities teld for trading (derivative financial liabilities)   47     Financial liabilities at amortised value   96     incl   deposits   40  <	26   779   646     33   194   416     1   371   430     2   371   324     18   892   050     05   712   444     0   4802   702     909   742   521	38 979 620 210 830 981 74 199 272 22 786 079 513 772 310
Demond details   4     Financial assets held for trading   4     Financial assets available for sale   22     Loans and advances to customers   61     Held-to-maturity investments   100     incl. from central banks   100     investments in securities   100     Accrued income and prepaid expenses   55     Fixed assets   44     Investment property   55     Non-material assets   22     Investment in subsidiaries and associated entities   22     Tax assets   00     Other assets   11     Demand deposits due to credit institutions   44     Financial liabilities at amortised value   96     incl deposits   96     incl deposits   96     incl deposits   96     ferred income and accrued expense   44     Tax liabilities   55     Other liabilities   50     Deferred income and accrued expense   44     Tax liabilities   55     Other liabilities   50     Deferred income and accrued expense   55     O	1 371 430 2 371 324 18 892 050 05 712 444 0 04 802 702 909 742	74 199 272 22 786 079
Financial assets available for sale   22     Loans and advances to customers   61     Held-to-maturity investments   10     incl. from central banks   10     investments in securities   10     Accrued income and prepaid expenses   55     Fixed assets   44     Investment property   55     Non-material assets   22     Investments in subsidiaries and associated entities   22     Tax assets   21     Other assets   11     Demand deposits due to credit institutions   44     Financial liabilities at amortised value   96     incl deposits   96     term of credit   96     det securities issued   44     Amounts payable under repurchase agreements   96     Deferred income and accrued expense   44     Tax liabilities   55     Other liabilities   55     Deferred income and accrued expense   44     Tax liabilities   55     Uncl deposits   55     Deferred income and accrued expense   55     Other liabilities   55	2 371 324 18 892 050 05 712 444 0 14 802 702 909 742	22 786 079
Financial assets available for sale22Loans and advances to customers61Held-to-maturity investments10incl.from central banks10investments in securities10investments in securities10Accrued income and prepaid expenses55Fixed assets44Investment property55Non-material assets22Investments in subsidiaries and associated entities22Investments in subsidiaries and associated entities22Investments in subsidiaries and associated entities21Demand deposits due to credit institutions44Financial liabilities at amortised value96incl deposits96term of credit96debt securities issued44Amounts payable under repurchase agreements96Deferred income and accrued expense44Provisions44Tax liabilities55Total liabilities55Incl paid-in capital10share premium44reserve capital20previous years profit/loss88retained profit / loss33fixed asset revaluation reserve12available for sale financial assets revaluation reserve14	18 892 050 15 712 444 0 14 802 702 909 742	
Loans and advances to customers61Held-to-maturity investments10incl.from central banksfrom credit institutions10investments in securities10Accrued income and prepaid expenses5Fixed assets4Investment property55Non-material assets22Investments in subsidiaries and associated entities22Tax assets11Demand deposits due to credit institutions44Financial liabilities at amortised value96incldepositsdebt securities issued44Amounts payable under repurchase agreements96term of credit44Deferred income and accrued expense44Total liabilities55Total liabilities55Inclpaid-in capitalOther liabilities55Total liabilities	05 712 444 0 04 802 702 909 742	513 772 310
incl.   from central banks     incl.   from central banks     10   investments in securities     Accrued income and prepaid expenses   5     Fixed assets   4     Investment property   5     Non-material assets   2     Investments in subsidiaries and associated entities   2     Tax assets   10     Other assets   11     Demand deposits due to credit institutions   4     Financial liabilities held for trading (derivative financial liabilities)   4     Financial liabilities at amortised value   96     incl   deposits   96     term of credit   4     debt securities issued   4     Amounts payable under repurchase agreements   96     Deferred income and accrued expense   4     Tax liabilities   5     Other liabilities   5 <td< td=""><td>0 04 802 702 909 742</td><td></td></td<>	0 04 802 702 909 742	
incl.   from central banks   10     investments in securities   10     Accrued income and prepaid expenses   5     Fixed assets   4     Investment property   55     Non-material assets   22     Investments in subsidiaries and associated entities   22     Tax assets   21     Other assets   11     Demand deposits due to credit institutions   44     Financial liabilities held for trading (derivative financial liabilities)   7     Financial liabilities at amortised value   96     incl   deposits   96     incl   debt securities issued   44     Amounts payable under repurchase agreements   96   96     Deferred income and accrued expense   44   44     Tax liabilities   55   5     Other liabilities   55   5     Incl   paid-in capital   10     S	94 802 702 909 742	93 892 503
investments in securities   3     Accrued income and prepaid expenses   5     Fixed assets   4     Investment property   55     Non-material assets   2     Investments in subsidiaries and associated entities   2     Tax assets   11     Other assets   11     Demand deposits due to credit institutions   4     Financial liabilities held for trading (derivative financial liabilities)   7     Financial liabilities at amortised value   96     incl   deposits   96     term of credit   96     debt securities issued   4     Amounts payable under repurchase agreements   0     Deferred income and accrued expense   4     Provisions   4     Tax liabilities   5     Other liabilities   5     Marcholder's equity   13     incl   paid-in capital   10     share premium   4   4     reserve capital   20   20     previous years profit/loss   33   33     fixed asset revaluation reserve   11  1	909 742	
Accrued income and prepaid expenses   5     Fixed assets   4     Investment property   5     Non-material assets   2     Investments in subsidiaries and associated entities   2     Tax assets   2     Other assets   11     Demand deposits due to credit institutions   4     Financial liabilities held for trading (derivative financial liabilities)   4     Financial liabilities at amortised value   96     incl   deposits   96     term of credit   4     debt securities issued   44     Amounts payable under repurchase agreements   44     Deferred income and accrued expense   44     Provisions   44     Tax liabilities   5     Other liabilities   5     Shareholder's equity   13     incl paid-in capital   10     share premium   44     reserve capital   20     previous years profit/loss   3     fixed asset revaluation reserve   3     fixed asset revaluation reserve   1     available for sale financial assets revaluation res		87 429 012
Fixed assets   44     Investment property   55     Non-material assets   22     Investments in subsidiaries and associated entities   22     Tax assets   21     Other assets   11     Demand deposits due to credit institutions   44     Financial liabilities held for trading (derivative financial liabilities)   44     Financial liabilities at amortised value   96     incl   deposits   96     term of credit   96     debt securities issued   44     Amounts payable under repurchase agreements   44     Deferred income and accrued expense   44     Tax liabilities   55     Other liabilities   5     Other liabilities   5     Shareholder's equity   13     incl paid-in capital   100     share premium   44     reserve capital   20     previous years profit/loss   33     fixed asset revaluation reserve   33     fixed asset revaluation reserve   14	504 503	6 463 491
Fixed assets   44     Investment property   55     Non-material assets   22     Investments in subsidiaries and associated entities   22     Tax assets   21     Other assets   11     Demand deposits due to credit institutions   44     Financial liabilities held for trading (derivative financial liabilities)   44     Financial liabilities at amortised value   96 <i>incl deposits</i> 96 <i>term of credit</i> 96 <i>debt securities issued</i> 44     Amounts payable under repurchase agreements   44     Deferred income and accrued expense   44     Provisions   44     Tax liabilities   5     Other liabilities   5     Shareholder's equity   13 <i>incl paid-in capital</i> 10 <i>share premium</i> 44 <i>reserve capital</i> 20 <i>previous years profit/loss</i> 33 <i>fixed asset revaluation reserve</i> 33 <i>fixed asset revaluation reserve</i> 14	5 591 521	5 921 283
Non-material assets   2     Investments in subsidiaries and associated entities   2     Tax assets   11     Other assets   11     Demand deposits due to credit institutions   4     Financial liabilities held for trading (derivative financial liabilities)   4     Financial liabilities at amortised value   96     incl   deposits   96     term of credit   96     debt securities issued   4     Amounts payable under repurchase agreements   96     Deferred income and accrued expense   4     Provisions   44     Tax liabilities   5     Other liabilities   5     Other liabilities   5     Incl paid-in capital   10     share premium   4     reserve capital   20     previous years profit/loss   8     retained profit / loss   3     fixed asset revaluation reserve   1     available for sale financial assets revaluation reserve   1	1 517 371	5 413 103
Non-material assets   2     Investments in subsidiaries and associated entities   2     Tax assets   11     Other assets   11     Demand deposits due to credit institutions   4     Financial liabilities held for trading (derivative financial liabilities)   4     Financial liabilities at amortised value   96     incl   deposits   96     term of credit   96     debt securities issued   4     Amounts payable under repurchase agreements   96     Deferred income and accrued expense   4     Provisions   44     Tax liabilities   5     Other liabilities   5     Other liabilities   5     Incl paid-in capital   10     share premium   4     reserve capital   20     previous years profit/loss   8     retained profit / loss   3     fixed asset revaluation reserve   1     available for sale financial assets revaluation reserve   1	5 861 000	5 802 804
Investments in subsidiaries and associated entities   2:     Tax assets   11:     Other assets   11:     Demand deposits due to credit institutions   4     Financial liabilities held for trading (derivative financial liabilities)   4     Financial liabilities at amortised value   96     incl   deposits   96     term of credit   96     debt securities issued   4     Amounts payable under repurchase agreements   96     Deferred income and accrued expense   4     Provisions   4     Tax liabilities   5     Other liabilities   5     Mareholder's equity   13     incl paid-in capital   10     share premium   4     reserve capital   20     previous years profit/loss   3     fixed asset revaluation reserve   1     available for sale financial assets revaluation reserve   1	2 748 754	2 968 842
Tax assets   11     Other assets   11     Demand deposits due to credit institutions   4     Financial liabilities held for trading (derivative financial liabilities)   96     Financial liabilities at amortised value   96     incl deposits   96     term of credit   96     debt securities issued   96     Amounts payable under repurchase agreements   96     Deferred income and accrued expense   4     Provisions   41     Tax liabilities   5     Other liabilities   5     Incl paid-in capital   10     share premium   4     reserve capital   20     previous years profit/loss   3     fixed asset revaluation reserve   1     available for sale financial assets revaluation reserve   1	3 349 293	16 497 239
Other assets   11     Other assets   11     Demand deposits due to credit institutions   4     Financial liabilities held for trading (derivative financial liabilities)   96     Financial liabilities at amortised value   96     incl   deposits   96     term of credit   96     debt securities issued   96     Amounts payable under repurchase agreements   96     Deferred income and accrued expense   44     Provisions   44     Tax liabilities   55     Other liabilities   50     Shareholder's equity   13     incl paid-in capital   100     share premium   44     reserve capital   20     previous years profit/loss   33     fixed asset revaluation reserve   33     fixed asset revaluation reserve   11     available for sale financial assets revaluation reserve   12	220 824	2 361 321
Total assets1 1Demand deposits due to credit institutions4Financial liabilities held for trading (derivative financial liabilities)96Financial liabilities at amortised value96incl deposits96term of credit96debt securities issued96Amounts payable under repurchase agreements96Deferred income and accrued expense44Tax liabilities55Other liabilities55Incl paid-in capital10share premium44reserve capital20previous years profit/loss88retained profit / loss33fixed asset revaluation reserve11available for sale financial assets revaluation reserve11	9 205 664	20 445 123
Demand deposits due to credit institutions4Financial liabilities held for trading (derivative financial liabilities)96Financial liabilities at amortised value96incl deposits96term of credit96debt securities issued96Amounts payable under repurchase agreements96Deferred income and accrued expense44Provisions41Tax liabilities55Other liabilities55Image: sequity13incl paid-in capital100share premium44reserve capital20previous years profit/loss88retained profit / loss33fixed asset revaluation reserve11available for sale financial assets revaluation reserve12	59 815 737	1 013 870 480
Financial liabilities held for trading (derivative financial liabilities)   96     Financial liabilities at amortised value   96     incl   deposits   96     term of credit   96     debt securities issued   96     Amounts payable under repurchase agreements   96     Deferred income and accrued expense   94     Provisions   44     Tax liabilities   55     Other liabilities   55     Shareholder's equity   13     incl paid-in capital   100     share premium   44     reserve capital   20     previous years profit/loss   88     retained profit / loss   33     fixed asset revaluation reserve   11     available for sale financial assets revaluation reserve   11	1 263 310	3 158 855
incl   deposits   96     term of credit   96     debt securities issued   96     Amounts payable under repurchase agreements   96     Deferred income and accrued expense   44     Provisions   44     Tax liabilities   55     Other liabilities   55     Shareholder's equity   13     incl   paid-in capital     share premium   44     reserve capital   20     previous years profit/loss   88     retained profit / loss   33     fixed asset revaluation reserve   11     available for sale financial assets revaluation reserve   12	495 391	356 178
term of credit   debt securities issued     Amounts payable under repurchase agreements   4     Deferred income and accrued expense   4     Provisions   4     Tax liabilities   5     Other liabilities   55     Shareholder's equity   13     incl paid-in capital   10     share premium   4     reserve capital   20     previous years profit/loss   8     retained profit / loss   3     fixed asset revaluation reserve   1     available for sale financial assets revaluation reserve   1	53 137 376	760 088 500
debt securities issuedAmounts payable under repurchase agreementsDeferred income and accrued expenseProvisions4Tax liabilitiesOther liabilities5Total liabilities10Shareholder's equity13incl paid-in capital10share premium4reserve capital20previous years profit/loss8retained profit / loss3fixed asset revaluation reserve1available for sale financial assets revaluation reserve	53 129 351	674 781 141
Amounts payable under repurchase agreementsDeferred income and accrued expense44Provisions42Tax liabilities55Other liabilities55Total liabilities10Shareholder's equity13incl paid-in capital100share premium44reserve capital200previous years profit/loss88retained profit / loss33fixed asset revaluation reserve11available for sale financial assets revaluation reserve11	8 025	84 412 849
Deferred income and accrued expense44Provisions44Tax liabilities5Other liabilities5Total liabilities10Shareholder's equity13incl paid-in capital10share premium44reserve capital20previous years profit/loss88retained profit / loss33fixed asset revaluation reserve11available for sale financial assets revaluation reserve11	0	894 510
Provisions   41     Tax liabilities   5     Other liabilities   55     Total liabilities   10     Shareholder's equity   13     incl paid-in capital   100     share premium   44     reserve capital   20     previous years profit/loss   88     retained profit / loss   33     fixed asset revaluation reserve   11     available for sale financial assets revaluation reserve   11	0	72 989 988
Tax liabilities   5     Other liabilities   5     Total liabilities   10     Shareholder's equity   13     incl paid-in capital   10     share premium   4     reserve capital   20     previous years profit/loss   8     retained profit / loss   3     fixed asset revaluation reserve   1     available for sale financial assets revaluation reserve   1	1 691 790	5 593 615
Other liabilities   55     Total liabilities   10     Shareholder's equity   13     incl paid-in capital   10     share premium   4     reserve capital   20     previous years profit/loss   8     retained profit / loss   3     fixed asset revaluation reserve   1     available for sale financial assets revaluation reserve   1	43 029 859 28 905 87	
Total liabilities10Shareholder's equity13incl paid-in capital10share premium4reserve capital20previous years profit/loss8retained profit / loss3fixed asset revaluation reserve1available for sale financial assets revaluation reserve1	686 514	808 010
Shareholder's equity13incl paid-in capital10share premium4reserve capital20previous years profit/loss88retained profit / loss33fixed asset revaluation reserve11available for sale financial assets revaluation reserve11	5 814 362 8 193 78	
inclpaid-in capital10share premium4reserve capital20previous years profit/loss8retained profit / loss3fixed asset revaluation reserve1available for sale financial assets revaluation reserve1	22 118 602	880 094 801
share premium4reserve capital20previous years profit/loss8retained profit / loss3fixed asset revaluation reserve1available for sale financial assets revaluation reserve1	87 697 135	133 775 679
reserve capital20previous years profit/loss8retained profit / loss3fixed asset revaluation reserve1available for sale financial assets revaluation reserve		100 000 000
previous years profit/loss8retained profit / loss3fixed asset revaluation reserve1available for sale financial assets revaluation reserve1	00 000 000	4 809 393
previous years profit/loss8retained profit / loss3fixed asset revaluation reserve1available for sale financial assets revaluation reserve1	0 000 000 809 393	20 016 104
retained profit / loss3fixed asset revaluation reserve1available for sale financial assets revaluation reserve1		5 429
fixed asset revaluation reserve 1 available for sale financial assets revaluation reserve	809 393	9 155 209
available for sale financial assets revaluation reserve	1 809 393 0 016 104	1 754 129
	809 393 0 016 104 3 142 233	-1 964 585
Total liabilities and shareholder's equity 11	809 393 0 016 104 3 142 233 8 050 926	1 30 1 303
	809 393 0 016 104 3 142 233 0 050 926 6 678 479	1 013 870 480
<u> </u>	809 393 0 016 104 142 233 0 050 926 678 479 0 59 815 737	1 013 870 480
Liquidity ratio	809 393 0 016 104 3 142 233 0 050 926 678 479 0 59 815 737 817 919	1 013 870 480 4 643 616
Capital adequacy ratio	809 393 0 016 104 142 233 0 050 926 678 479 0 59 815 737	1 013 870 480



### Income Statement

### as of 31 December 2010, LVL

Balance sheet items	In the accouting period	In the corresponding period of the previous reporting year	
Interest income	31 487 883	38 374 938	
Interest expense	-12 298 678	-12 803 832	
Dividends received	268 251	313 050	
Commission and fee income	16 961 920	17 004 433	
Commission and fee expense	-2 801 960	-3 100 158	
Profit / loss on financial assets and liabilities held for trading	794 676	957 521	
Profit / loss on foreign exchange trading	9 133 699	8 137 702	
Property, plant and equipment, investment property and intangible			
assets derecognition profit / loss	98 498	628 744	
Other income	1 060 510	1 246 163	
Other expense	-1 913 612	-1 740 649	
Administrative expense	-18 699 353	-18 042 763	
Depreciation	-2 108 669	-2 141 556	
Other ordinary expense	-86 433 -126 789		
Provisions for doubtful debts	-18 845 806	806 -19 551 595	
Profit / Loss for the period	3 050 926	9 155 209	

# Bank performance indicators as of 31 December 2010, LVL

Indicator	In the accouting period	In the corresponding period of the previous reporting year
Return on equity (ROE) (%)	2,25	9,19
Return on assets (ROA) (%)	0,29	1,16



#### JSC "Rietumu Banka" <u>Consolidation Group</u> as of 31 December 2010

No.	Company name	Registration location code and address	Commercial activity *	Share capital (%)	Voiting shares (%)	Justification for inclusion in the group **
1	RB Securities Limited	CY, 1 Stasinou Street, 1 Mitsi Building, 2nd Floor, Office 5, Plateia Eleftherias, P.C. 1060, Nicosia, Cyprus	CFI	99,99	99,99	MS
2	AS "RB Securities" IBS	LV, 7 Vesetas Street, 11th floor, Riga, Latvia	IBS	100,00	100,00	MS
3	SIA "RB Investments"	LV, 7 Vesetas Street, 10th floor, Riga, Latvia	CFI	100,00	100,00	MS
4	SIA "RB Vidzeme"	LV, 7 Vesetas Street, 10th floor, Riga, Latvia	CFI	100,00	100,00	MS
5	AS "RB Asset Management"	LV, 7 Vesetas Street, 11th floor, Riga, Latvia	IPS	100,00	100,00	MS
6	SIA "RB Drošība"	LV, 7 Vesetas Street, Riga, Latvia	СКЅ	100,00	100,00	MS
7	SIA "Westtransinvest"	BY, 8 Fabriciusa Street, 4th floor, room No. 18, Minsk, Belarus	CFI	50,00	51,00	MS
8	Westleasing Ltd	BY, Fabriciusa iela 8, 4th floor, room No. 42, Minsk, Belarus	CFI	50,00	51,00	MS
9	OOO "Westleasing-M"	RU, 10 Kostjakova Street, Moscow, Russia	CFI	50,00	51,00	MS
10	SIA "RB Namu serviss"	LV, 7 Vesetas Street, 10th floor, Riga, Latvia	СКЅ	100,00	100,00	MS
11	SIA "Parex leasing"	BY,23 Libavoromenskaja Street, room No. 7, Minsk, Belarus	CFI	100,00	100,00	MS
12.	SIA "InCREDIT GROUP"	LV, Krišjāna Barona iela 130, Rīga, Latvija	CFI	51,00	51,00	MS
13.	SIA "OVERSEAS Estates"	LV, 7 Vesetas Street, 3th floor, Riga, Latvia	СКЅ	100,00	100,00	MS

\* BNK - bank, ISP - the insurance company, offer - the reinsurer, APP - the insurance company, IBC - an investment firm, IPS - an investment management firm, PFO - pension fund, CFI - other financial institution, FPS - financial company, CKS - other company.

\*\* MS - subsidiary; KS - joint-venture company, MAS - parent company.