



2014

FOURTH QUARTER INTERIM REPORT

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Bigbank AS

consolidated interim report for the fourth quarter of 2014

Business name Bigbank AS

Registry Commercial Register of the Republic of Estonia

Registration number 10183757

Date of entry 30 January 1997

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Financial year 1 January 2014 – 31 December 2014

Reporting period 1 January 2014 – 31 December 2014

Chairman of the management board Kaido Saar

Business line Provision of consumer loans and acceptance of deposits

Auditor Ernst & Young Baltic AS

Reporting currency The reporting currency is the euro and numerical financial data is presented in millions of currency units rounded to three digits after the decimal point.

The Public interim report can be accessed on the website of Bigbank AS at www.bigbank.ee.

The version in English can be accessed at www.bigbank.eu.

Review of operations

Significant economic events

Loan portfolio of Bigbank AS (hereafter also “Bigbank” or the “Group”) grew moderately during the fourth quarter of 2014. Group’s loan portfolio increased 7.6 million euros i.e. 2.5% during the quarter. The largest contribution to the growth of the loan portfolio was made by Lithuanian branch.

The Group’s net profit for the fourth quarter of 2014 comprised 4.4 million euros. In the fourth quarter of 2014, profit before impairment allowances was 10.6 million euros. In the fourth quarter of 2013, the corresponding figure was 10.2 million euros (an increase of 3.9%).

Activities of Bigbank did not undergo any significant changes in the fourth quarter of year 2014. Bigbank carried out a successful small loan campaign and refinancing campaign and started to offer a beneficial car loan. Bigbank introduced a satisfaction guarantee to the market in October

2014, whereby an option is granted to the customer to repay a 300 - 10,000 euro loan within 60 calendar days without incurring additional expenses. Bigbank introduced a new brand name after the close of the reporting period, in February 2015.

The supervisory board of Bigbank AS has five members – the chairman of the supervisory board Parvel Pruunsild and the members Vahur Voll, Juhani Jaeger, Raul Eamets and Andres Koern.

At the end of the fourth quarter of 2014, Bigbank employed a total of 452 people: 199 in Estonia, 94 in Latvia, 67 in Lithuania, 31 in Finland, 39 in Spain and 22 in Sweden.

At the end of the fourth quarter, the Group had 8 branch offices, of which 1 were located in Estonia, 2 in Latvia, 4 in Lithuania and 1 in Spain.

Key performance indicators and ratios

Financial position indicators (in millions of euros)	31 Dec 2014	31 Dec 2013	Change
Total assets	324.758	311.935	4.1%
Loans to customers	275.101	261.369	5.3%
of which loan portfolio	304.216	281.426	8.1%
of which interest receivable	23.405	24.758	-5.5%
of which impairment allowances	-52.520	-44.815	17.2%
of which impairment allowances for loans	-40.832	-32.647	25.1%
of which impairment allowances for interest receivables	-7.615	-6.305	20.8%
of which statistical impairment allowances	-4.073	-5.863	-30.5%
Deposits from customers	239.033	238.648	0.2%
Equity	81.259	69.665	16.6%

Financial performance indicators (in millions of euros)	Q4 2014	Q4 2013	Change
Interest income	15.080	14.343	5.1%
Interest expense	1.815	2.018	-10.1%
Expenses from impairment allowances	6.184	5.086	21.6%
Income from debt collection proceedings	1.702	1.637	4.0%
Profit before impairment allowances	10.629	9.456	12.4%
Net profit	4.445	4.370	1.7%

Ratios	Q4 2014	Q3 2014	Q2 2014	1Q 2014	Q4 2013
Return on equity (ROE)	22.6%	20.2%	10.1%	14.7%	26.3%
Equity multiplier (EM)	4.1	4.2	4.3	4.4	4.7
Profit margin (PM)	25.6%	20.6%	11.2%	15.3%	25.8%
Asset utilization ratio (AU)	21.7%	23.3%	20.8%	21.8%	21.9%
Return on assets (ROA)	5.6%	4.8%	2.3%	3.3%	5.6%
Price difference (SPREAD)	15.0%	16.1%	13.8%	15.0%	14.9%

Explanations of ratios:

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

The statement of financial position indicators used in calculating the ratios are found as the arithmetic means of respective data as at the end of the month preceding the reporting quarter and as at the end of each month of the reporting quarter. In the case of indicators of the consolidated statement of comprehensive income, the annualized actual data of the reporting quarter are used.

Return on equity (ROE) – net profit to equity

Equity multiplier (EM) – total assets to total equity

Profit margin (PM) – net profit to total income

Asset utilisation (AU) – total income (incl. interest income, fee income, dividend income and other operating income) to total assets

Return on assets (ROA) – net profit to total assets

SPREAD – ratio of interest income to interest-bearing assets less ratio of interest expense to interest-bearing liabilities

Financial review

Financial position

As at 31 December 2014, the consolidated assets of Bigbank AS Group totalled 324.8 million euros, having increased by 8.7 million euros (+2.7%) during the quarter.

As at 31 December 2014, loans to customers accounted for 84.7% of total assets, the propor-

tion of liquid assets (amounts due from banks and held-to-maturity financial assets) was 10.8%.

At the end of the fourth quarter, liquid assets totalled 35.0 million euros.

Free funds are partly invested in short-term debt securities with fixed payments and maturities, which the Group intends to and is able to hold until maturity. At 30 December 2014, the Group had debt securities of 1.2 million euros.

At the end of the fourth quarter, the Group had 176 thousand loan agreements, 70 thousand of them in Latvia, 41 thousand in Estonia, 32 thousand in Lithuania, 15 thousand in Finland, 11 thousand in Spain and 7 thousand in Sweden.

Geographical distribution of loans to customers:

- 23.7% Latvia,
- 18.9% Estonia,
- 17.9% Finland,
- 14.8% Sweden,
- 13.9% Lithuania,
- 10.8% Spain.

At 31 December 2014, loans to customers totalled 275.1 million euros, comprising of:

- the loan portfolio of 304.2 million euros, loans to individuals accounting for 94.2% of the total;
- interest receivable on loans of 23.4 million euros;
- impairment allowances for loans and interest receivables of 52.5 million euros (consisting of an impairment allowance for loans of 40.8 million euros, an impairment allowance for interest receivables of 7.6 million euros and a statistical impairment allowance of 4.1 million euros).

Bigbank's loan portfolio is diversified – at the reporting date the average loan was 1,726 euros and as at 31 December 2014, 40 largest loans written off for 2.5% of the total portfolio.

Bigbank AS focuses on the provision of consumer loans. In line with the corporate strategy, as at 31 December 2014 loans against income accounted for 87.4%, loans against surety for 4.6%, loans secured with real estate for 7.7%, loans with insurance coverage for 0.2% and loans granted against other types of collateral for 0.1% of the total loan portfolio.

As regards past due receivables, it is important to note that the collection of non-performing consumer loans differs significantly from the recovery of loans that have physical collateral (for example, mortgage-backed loans). Due to their nature (as a rule, consumer loans are backed with the customer's regular income), claims related to terminated consumer loans are satisfied in smaller instalments over an extended period rather than in a lump sum raised through the sale of the collateral.

Past due loans comprise loan principal that has fallen due. Under the terms and conditions of its loan agreements, the Group may terminate an agreement unilaterally if at least three scheduled payments are in arrears. When an agreement is terminated, the customer has to settle any outstanding loan principal, any accrued interest, and any collateral claims resulting from the settlement delay.

Loans past due for more than 90 days consist of past due principal payments plus the total amount of loan principal that has fallen due in connection with termination of agreements.

To mitigate the risks arising from customers' payment behaviour and to cover potential credit losses, the Group makes impairment allowances, which are created on a conservative basis. At 31 December 2014, impairment allowances totalled 53.7 million euros, consisting of:

- impairment allowances for loan receivables of 40.8 million euros,
- impairment allowances for interest receivables of 7.6 million euros,
- statistical impairment allowances of 4.1 million euros,
- impairment allowances for other receivables of 1.2 million euros.

Where debt recovery proceedings do not yield expected results, the underlying receivable is

At the end of the fourth quarter of 2014, the Group's liabilities totalled 243.5 million euros. Most of the debt raised by the Group, i.e. 239.0 million euros (98.2%) consisted of term deposits (including subordinated deposits in the amount of 1.8 million euros).

In the fourth quarter of 2014, the Group's equity grew by 4.5 million euros (5.8%) to 81.3 million euros. The equity to assets ratio amounted to 25.0%.

Financial performance

Interest income for the fourth quarter reached 15.1 million euros, increasing by 0.7 million euros (5.1%) year over year. The increase in interest income results from growth in the loan portfolio.

The period's ratio of interest income (annualised) to average interest-earning assets was 18.2% and (annualised) return on the loan portfolio accounted for 20.0% of the average loan portfolio.

Interest expense for the fourth quarter of 2014 was 1.8 million euros, decreasing by 0.2 million euros year over year (10.1%).

The ratio of interest expense to interest income was 12.0%. The ratio of interest expense to average interest-bearing liabilities (annualised) was 3.2%.

Other operating expenses for the fourth quarter totalled 2.7 million euros (a increase of 0.6 million euros year over year).

Salaries and associated charges for the fourth quarter of 2014 amounted to 3.2 million euros, including remuneration of 2.1 million euros. As at the end of the period, the Group had 452 employees.

In the fourth quarter, impairment losses increased by 6.2 million euros, consisting of:

- impairment losses on loan receivables of 5.2 million euros,

- impairment losses on interest receivables of 0.8 million euros,
- impairment losses on other receivables of 0.2 million euros.

Impairment allowances are made on a conservative basis.

Other income for the fourth quarter of 2014 was 1.8 million euros, the largest proportion of which resulted from debt collection income. In the same period of 2013, other income was 2.0 million euros.

Other expenses for the fourth quarter reached 0.7 million euros, therefore remaining the same in comparison to the same period of 2013.

The Group's net profit for the fourth quarter of 2014 amounted to 4.4 million euros. In comparison to the fourth quarter of 2013, net profit has increased by 0.1 million euros (1.7%).

Fourth-quarter profit before impairment allowances was 10.6 million euros, the corresponding figure for the fourth quarter of 2013 was 10.2 million euros (an increase of 3.9%).

Group's capital ratios

Own funds

	Basel III 31 Dec 2014	Basel III 31 Dec 2013	Basel II 31 Dec 2013
Paid up capital instruments	8.000	8.000	8.000
Other reserves	0.800	0.800	0.800
Previous years retained earnings	58.897	49.183	49.183
Accumulated other comprehensive income	1.087	1.009	0.030
Other intangible assets	-1.181	-1.039	-1.039
Profit or loss eligible	11.168*	9.715	9.715
Adjustments to CET1 due to prudential filters	-0.193	-0.122	-0.122
Common equity Tier 1 capital	78.578	67.546	66.567
Tier 1 capital	78.578	67.546	66.567
Asset revaluation reserve	-	-	0.979
Tier 2 capital	1.689	-	0.979
Deductions	-	-	-
Total own funds	80.267	67.546	67.546

*The profit for reporting period has been verified by an auditor and the profit of the year has been adjusted by the dividends proposed in the profit allocation proposal.

Total risk exposure amount

	Basel III 31 Dec 2014	Basel III 31 Dec 2013	Basel II 31 Dec 2013
Risk weighted exposure amounts for credit and counterparty credit (standardized approach)			
Central governments or central banks	0.635	8.373	8.373
Institutions	3.455	2.381	6.365
Corporates	13.680	14.882	14.882
Retail	146.966	131.878	131.878
Secured by mortgages on immovable property	4.488	5.329	5.429
Exposures in default	58.279	63.947	63.947
Other items	17.290	18.342	11.126
Total risk weighted exposure amounts for credit and counterparty credit (standardized approach)	244.793	245.132	242.000
Total risk exposure amount for foreign exchange risk (standardized approach)	2.501	5.453	5.453
Total risk exposure amount for operational risk (standardized approach)	68.504	55.531	44.425
Total risk exposure amount for credit valuation adjustment (standardized approach)	2.924	3.794	-
Total risk exposure amount	318.722	309.910	291.878

Capital ratios

	Basel III 31 Dec 2014	Basel III 31 Dec 2013	Basel II 31 Dec 2013
CET1 Capital ratio	24.7%	21.8%	22.8%
T1 Capital ratio	24.7%	21.8%	22.8%
Total capital ratio	24.7%	21.8%	23.1%
Leverage ratio	22.9%		

Regulation (EU) no 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms (hereafter "Banking regulation"), that incorporate the Basel III framework, applies from January 2014.

Capital elements used in calculations of capital ratios comply with the Banking regulation.

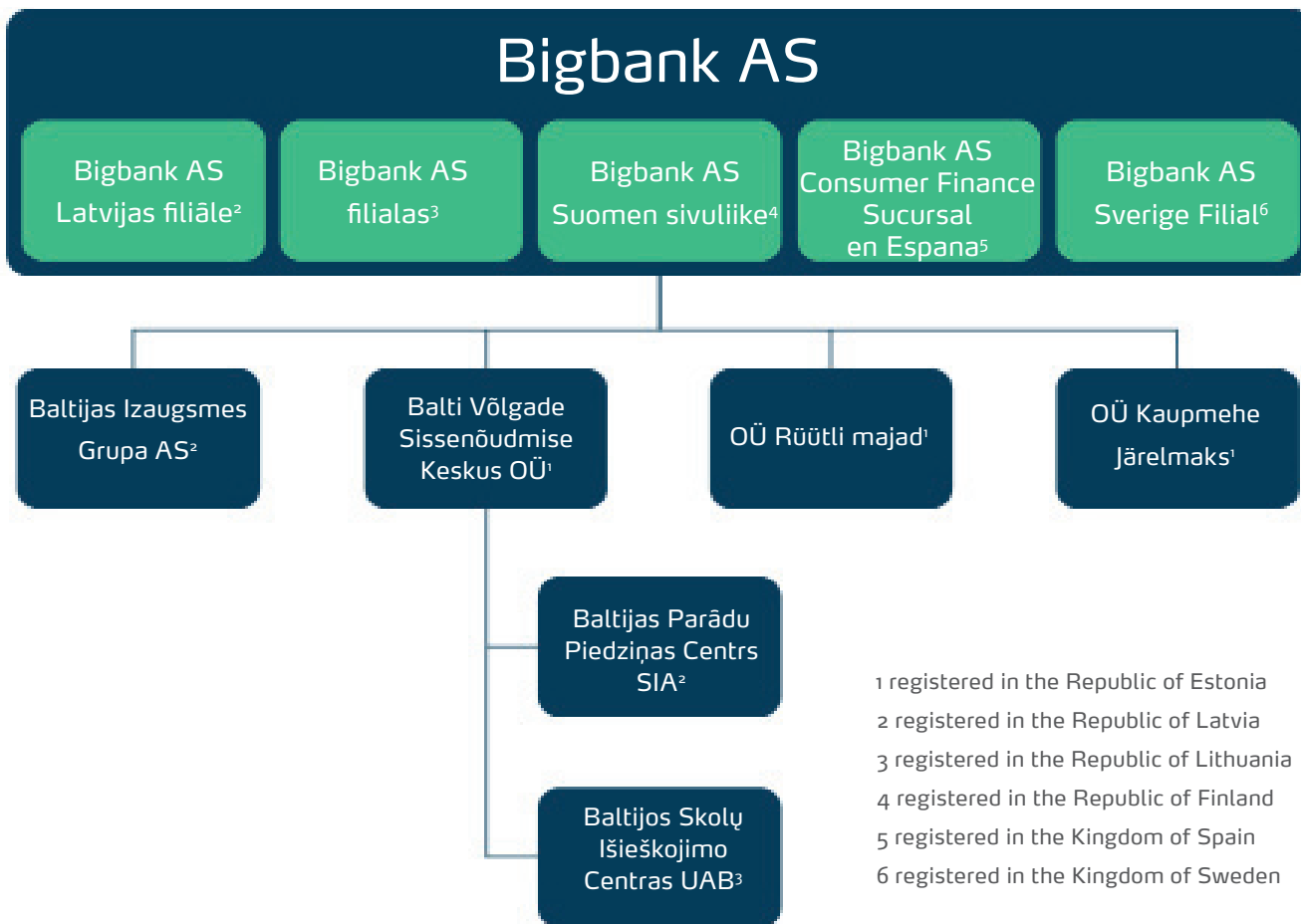
Bigbank publishes the Leverage ratio according to the new regulations effective from January 2014. Leverage ratio is calculated by dividing the capital

measure (Tier 1 capital) by total exposure measure and is expressed as a percentage.

Bigbank group structure

Bigbank AS was founded on 22 September 1992. A licence for operating as a credit institution was obtained on 27 September 2005. Bigbank’s core services are term deposits and consumer loans.

The Group’s structure at the reporting date:



The branches in Latvia, Lithuania, Finland, Spain and Sweden offer lending services similar to those of the parent. In addition, the parent and its Latvian, Finnish and Swedish branches offer deposit services. In addition, Bigbank AS provides cross-border deposit services in Germany, the Netherlands and Austria. The core business of

OÜ Rütli Majad is managing the real estate used in the parent’s business operations in Estonia. OÜ Balti Völgade Sissenöudmise Keskus and its subsidiaries support the parent and its branches in debt collection and OÜ Kaupmehe Järelmaks offers hire purchase services.

Condensed consolidated interim financial statements

Consolidated statement of financial position

	Note	31 Dec 2014	31 Dec 2013
Assets			
Cash and balances at central banks		20.150	23.267
Due from banks		13.665	7.000
Loans to customers	3,4,5,6,7,8	275.101	261.369
Held-to-maturity financial assets	9	1.186	7.972
Derivatives with positive fair value		0.225	0.163
Other receivables	10	2.064	2.207
Prepayments	10	3.967	1.086
Property and equipment		3.426	3.563
Investment properties	11	1.100	1.382
Intangible assets		1.181	1.039
Deferred tax assets		2.693	2.887
Total assets		324.758	311.935
Liabilities			
Deposits from customers	12	239.033	238.648
Derivatives with negative fair value		0.075	0.182
Provisions		0.216	-
Other liabilities		3.032	2.411
Deferred income and tax liabilities		1.143	1.029
Total liabilities		243.499	242.270
Equity			
Share capital		8.000	8.000
Capital reserve		0.800	0.800
Other reserves	13	0.894	0.887
Earnings retained in prior years		71.565	59.978
Total equity		81.259	69.665
Total liabilities and equity		324.758	311.935

Consolidated statement of comprehensive income

	Note	Q4 2014	Q4 2013	2014	2013
Interest income	16	15.080	14.343	59.680	53.363
Interest expense	17	-1.815	-2.018	-7.591	-7.981
Net interest income		13.265	12.325	52.089	45.382
Net fee income		0.479	0.522	1.946	1.917
Net gain/loss on financial transactions		-0.120	-0.138	-0.358	-0.304
Other income	18	1.758	2.038	7.260	7.600
Total income		15.382	14.747	60.937	54.595
Salaries and associated charges		-3.230	-3.082	-12.267	-12.428
Other operating expenses	19	-2.706	-2.075	-8.741	-8.621
Depreciation and amortisation expense		-0.215	-0.154	-0.603	-0.581
Impairment losses on loans and financial investments		-6.184	-5.852	-24.665	-19.601
Impairment losses on other assets		-0.226	-	-0.226	-
Other expenses	20	-0.753	-0.706	-3.241	-2.830
Total expenses		-13.314	-11.869	-49.743	-44.061
Profit before income tax		2.068	2.878	11.194	10.534
Income tax expense/income		2.377	1.492	1.474	0.261
Profit for the period		4.445	4.370	12.668	10.795
Other comprehensive income					
Other comprehensive income to be reclassified to profit or loss in subsequent periods:					
Exchange differences on translating foreign operations		0.029	0.032	0.078	-0.451
Net profit on hedges of net investments in foreign operations		-0.021	-0.074	-0.071	-0.014
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		0.008	-0.042	0.007	-0.465
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:					
Revaluation of land and buildings		-	0.979	-	0.979
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		-	0.979	-	0.979
Other comprehensive income for the period		0.008	0.937	0.007	0.514
Total comprehensive income for the period		4.453	5.307	12.675	11.309
Basic earnings per share (EUR)					
		56	55	158	135
Diluted earnings per share (EUR)					
		56	55	158	135

Consolidated statement of cash flows

	Note	2014	2013
Cash flows from operating activities			
Interest received		53.922	48.142
Interest paid		-7.234	-6.214
Salary and other operating expenses paid		-20.922	-21.916
Other income received		7.573	8.686
Other expenses paid		-4.571	-5.000
Fees received		1.550	1.487
Fees paid		-0.182	-1.208
Recoveries of receivables previously written off		3.965	3.491
Received for other assets		0.237	0.539
Paid for other assets		-0.336	-0.094
Loans provided		-145.190	-146.278
Repayment of loans provided		109.825	93.113
Change in mandatory reserves with central banks		1.542	0.085
Proceeds from customer deposits		58.806	67.862
Paid on redemption of deposits		-57.299	-43.869
Income tax paid/received		-1.520	-0.247
Effect of movements in exchange rates		0.105	0.151
Net cash from/used in operating activities		0.271	-1.270
Cash flows from investing activities			
Acquisition of property and equipment and intangible assets		-0.500	-0.546
Proceeds from sale of property and equipment		0.027	0.043
Proceeds from sale of investment in subsidiary		-	0.046
Change in term deposits		-	0.173
Acquisition of financial instruments		-11.142	-15.190
Proceeds from redemption of financial instruments		17.961	15.852
Net cash from investing activities		6.346	0.378
Cash flows from financing activities			
Repayment of loans from central banks		-	-3.934
Repayment of loans from banks (with interest)		-	-0.038
Dividends paid		-1.080	-1.052
Net cash used in financing activities		-1.080	-5.024
Effect of exchange rate fluctuations		-0.312	-0.315
Increase/decrease in cash and cash equivalents		5.225	-6.231
Cash and cash equivalents at beginning of period		28,377	34,608
Cash and cash equivalents at end of period	2	33.602	28.377

Consolidated statement of changes in equity

	Attributable to equity holders of the parent				Total
	Share capital	Statutory capital reserve	Other reserves	Retained earnings	
Balance at 1 January 2013	8.000	0.794	0.373	50.241	59.408
Profit for the period	-	-	-	10.795	10.795
Other comprehensive income					
Exchange differences on translating foreign operations	-	-	-0.451	-	-0.451
Net loss on hedges of net investments in foreign operations	-	-	-0.014	-	-0.014
Revaluation of land and buildings	-	-	0.979	-	0.979
Total other comprehensive income	-	-	0.514	-	0.514
Total comprehensive income for the period	-	-	0.514	10.795	11.309
Dividend distribution	-	-	-	-1.052	-1.052
Increase of statutory capital reserve	-	0.006	-	-0.006	-
Total transactions with owners	-	0.006	-	-1.058	-1.052
Balance at 31 December 2013	8.000	0.800	0.887	59.978	69.665
Balance at 1 January 2014	8.000	0.800	0.887	59.978	69.665
Profit for the period	-	-	-	12.668	12.668
Other comprehensive income					
Exchange differences on translating foreign operations	-	-	0.078	-	0.078
Net loss on hedges of net investments in foreign operations	-	-	-0.071	-	-0.071
Total other comprehensive income	-	-	0.007	-	0.007
Total comprehensive income for the period	-	-	0.007	12.668	12.675
Dividend distribution	-	-	-	-1.080	-1.080
Total transactions with owners	-	-	-	-1.080	-1.080
Balance at 31 December 2014	8.000	0.800	0.894	71.565	81.259

Notes to the condensed consolidated interim financial statement

Note 1. Accounting policies

The condensed consolidated interim financial statements of Bigbank AS as at and for the fourth quarter ended 31 December 2014 have been prepared in accordance with the international financial reporting standard IAS 34 Interim Financial Reporting as adopted by the European Union. The interim financial statements do not include all the information required for full annual financial statements and they should be read in conjunction with the Group's latest published annual financial statements as at and for the year ended 31 December 2013, which have been prepared in accordance with International Financial

Reporting Standards (IFRS EU). The condensed interim financial statements have been prepared using the same accounting policies and measurement bases that were applied in preparing the latest annual financial statements as at and for the ended 31 December 2013. The new and revised standards and interpretations effective from 1 January 2014 do not have a significant impact on the Group's financial statements as at the preparation of the interim report.

This interim report has not been audited or otherwise reviewed by auditors and only includes the condensed consolidated financial statements of the Group. The financial statements are presented in millions of euros, unless otherwise indicated and numerical data has been rounded to three digits after the decimal point.

Note 2. Cash equivalents

As at	31 Dec 2014	31 Dec 2013
Demand and overnight deposits with credit institutions*	11.079	5.488
Term deposits with credit institutions with maturity of less than 1 year*	2.585	1.507
Demand and overnight deposits with central banks*	-	-
Surplus on mandatory reserves with central banks*	19.938	21.382
Term deposits with credit institutions with maturity of over one year	-	-
Mandatory reserves	0.212	1.884
Interest receivable from central banks	0.001	0.005
Total cash and balances at banks	33.815	30.266
of which cash and cash equivalents	33.602	28.377

* Cash equivalents

Note 3. Loans to customers**Loans to customers as at 31 December 2014**

	Estonia	Latvia	Lithuania	Finland	Spain	Sweden	Total
Loan receivables from customers	57,137	75,336	43,159	53,088	33,205	42,291	304,216
Impairment allowances for loans	-8,690	-14,411	-5,663	-4,982	-4,508	-2,578	-40,832
Interest receivable from customers	7,180	9,689	2,158	1,421	1,573	1,384	23,405
Impairment allowances for interest receivables	-2,584	-3,279	-0,876	-0,239	-0,442	-0,195	-7,615
Statistical impairment allowance	-1,200	-2,035	-0,660	-0,065	-0,029	-0,084	-4,073
Total loans to customers, incl. interest and allowances	51,843	65,300	38,118	49,223	29,799	40,818	275,101
Share of region	18,9%	23,7%	13,9%	17,9%	10,8%	14,8%	100,0%

Loans to customers as at 31 December 2013

	Estonia	Latvia	Lithuania	Finland	Spain	Sweden	Total
Loan receivables from customers	63,856	72,264	37,835	52,506	23,691	31,274	281,426
Impairment allowances for loans	-8,445	-11,366	-4,347	-3,785	-3,298	-1,406	-32,647
Interest receivable from customers	8,061	10,085	2,899	1,911	1,099	0,703	24,758
Impairment allowances for interest receivables	-2,241	-2,571	-0,868	-0,244	-0,296	-0,085	-6,305
Statistical impairment allowance	-1,567	-2,846	-1,347	-0,056	-0,019	-0,028	-5,863
Total loans to customers, incl. interest and allowances	59,664	65,566	34,172	50,332	21,177	30,458	261,369
Share of region	22,8%	25,1%	13,1%	19,3%	8,1%	11,6%	100,0%

Note 4. Loan receivables from customers by due dates

As at	31 Dec 2014	31 Dec 2013
Up to 1 year	158,722	146,591
1-2 years	51,482	45,859
2-5 years	80,481	73,671
More than 5 years	13,531	15,305
Total	304,216	281,426

Note 5. Ageing analysis of loan receivables**Ageing analysis as at 31 December 2014**

	Not past due	30 days	31-60 days	61-90 days	Over 90 days	Total
Loans against income						
Loan portfolio	160,959	18,546	6,342	2,939	77,173	265,959
Impairment allowance	-3,916	-0,630	-0,426	-0,344	-34,195	-39,511
Surety loans						
Loan portfolio	6,003	1,224	0,301	0,471	5,865	13,864
Impairment allowance	-0,387	-0,089	-0,060	-0,096	-2,960	-3,592
Loans secured with real estate						
Loan portfolio	15,838	3,801	0,265	0,186	3,406	23,496
Impairment allowance	-0,403	-0,122	-0,017	-0,005	-1,114	-1,661
Loans with insurance cover						
Loan portfolio	0,374	0,075	0,010	0,013	0,269	0,741
Impairment allowance	-0,020	-0,005	-0,001	-0,002	-0,107	-0,135
Loans against other collaterals						
Loan portfolio	0,148	-	0,005	-	0,003	0,156
Impairment allowance	-0,004	-	-	-	-0,001	-0,005
Total loan portfolio	183,322	23,646	6,923	3,609	86,716	304,216
Total impairment allowance	-4,730	-0,846	-0,504	-0,447	-38,377	-44,904

Ageing analysis as at 31 December 2013

	Not past due	30 days	31-60 days	61-90 days	Over 90 days	Total
Loans against income						
Loan portfolio	139,121	19,107	6,402	3,319	74,807	242,756
Impairment allowance	-4,112	-0,879	-0,374	-0,238	-27,585	-33,188
Surety loans						
Loan portfolio	5,732	1,452	0,476	0,174	7,132	14,966
Impairment allowance	-0,490	-0,156	-0,061	-0,021	-2,652	-3,380
Loans secured with real estate						
Loan portfolio	14,066	2,659	0,257	0,104	2,901	19,987
Impairment allowance	-0,608	-0,153	-0,047	-0,011	-0,950	-1,769
Loans with insurance cover						
Loan portfolio	0,625	0,171	0,043	0,015	0,183	1,037
Impairment allowance	-0,027	-0,010	-0,003	-0,002	-0,049	-0,091
Loans against other collaterals						
Loan portfolio	2,675	0,003	-	-	0,002	2,680
Impairment allowance	-0,080	-	-	-	-0,002	-0,082
Total loan portfolio	162,219	23,392	7,178	3,612	85,025	281,426
Total impairment allowance	-5,317	-1,198	-0,485	-0,272	-31,238	-38,510

Note 6. Loan receivables from customers by contractual currency

As at	31 Dec 2014	31 Dec 2013
EUR (euro)	261.417	242.710
LTL (Lithuanian litas)	0.508	0.876
LVL (Latvian lats)	-	6.566
SEK (Swedish krona)	42.291	31.274
Total loan receivables from customers	304.216	281.426

Note 7. Impairment allowances by loan assessment category**Impairment allowances as at 31 December 2014**

	Loan receivables	Impairment allowance for loans	Interest receivables	Impairment allowance for loan interest	Total impairment allowances
Collectively assessed items	268.955	-24.065	20.380	-5.015	-29.080
Individually assessed items	35.261	-16.767	3.025	-2.600	-19.367
Statistical impairment allowance	-	-4.073	-	-	-4.073
Total	304.216	-44.905	23.405	-7.615	-52.520

Impairment allowances as at 31 December 2013

	Loan receivables	Impairment allowance for loans	Interest receivables	Impairment allowance for loan interest	Total impairment allowances
Collectively assessed items	251.198	-22.470	22.228	-4.699	-27.169
Individually assessed items	30.228	-10.177	2.530	-1.606	-11.783
Statistical impairment allowance	-	-5.863	-	-	-5.863
Total	281.426	-38.510	24.758	-6.305	-44.815

Change in impairment of loans, receivables and financial investments

	31 Dec 2014	31 Dec 2013
Balance at beginning of year	-44.815	-37.148
Loan and interest receivables written off the statement of financial position	20.281	14.801
Increase in allowances for loan and interest receivables	-28.117	-22.622
Effect of movements in exchange rates	0.131	0.154
Balance at end of period	-52.520	-44.815

Impairment losses on loans, receivables and financial investments

	Q4 2014	Q4 2013	2014	2013
Recovery of loan and interest receivables written off the statement of financial position	1.629	1.174	4.102	3.359
Increase in allowances for loan and interest receivables	-7.651	-6.901	-28.117	-22.622
Impairment losses on financial investments	-	0.053	-	0.071
Impairment losses on other receivables	-0.162	-0.178	-0.650	-0.409
Total impairment losses	-6.184	-5.852	-24.665	-19.601

Note 8. Past due loans**Past due loans as at 31 December 2014**

	Estonia	Latvia	Lithuania	Finland	Spain	Sweden	Total
Up to 30 days	0.547	0.658	0.282	0.146	0.088	0.099	1.820
31 - 60 days	0.557	0.410	0.131	0.126	0.090	0.029	1.343
61-90 days	0.798	0.236	0.097	0.103	0.059	0.001	1.294
Over 90 days	17.351	25.833	10.046	12.195	6.951	7.260	79.636
Total	19.253	27.137	10.556	12.570	7.188	7.389	84.093

Past due loans as at 31 December 2013

	Estonia	Latvia	Lithuania	Finland	Spain	Sweden	Total
Up to 30 days	1.930	0.640	0.691	0.142	0.092	0.073	3.568
31 - 60 days	0.451	0.436	0.243	0.116	0.056	0.038	1.340
61-90 days	0.185	0.316	0.144	0.171	0.030	0.014	0.860
Over 90 days	18.336	28.664	8.984	11.563	4.978	3.799	76.324
Total	20.902	30.056	10.062	11.992	5.156	3.924	82.092

The table above shows only loan principal that is past due. In accordance with the terms of the loan agreements, the Group may terminate the agreement unilaterally if at least three scheduled

payments are in arrears. When an agreement is terminated, the customer has to settle the entire loan amount.

Note 9. Held-to-maturity financial assets

As at	31 Dec 2014	31 Dec 2013
Acquisition cost of the debt securities portfolio	1.186	7.942
Accrued interest	-	0.030
Total held-to-maturity financial assets	1.186	7.972
Held-to-maturity financial assets by issuer		
Government bonds	1.186	5.870
Corporate bonds	-	2.102
Held-to-maturity financial assets by currency		
EUR (euro)	-	7.972
LTL (Lithuanian litas)	1.186	-
Held-to-maturity financial assets by rating		
Baa1-Baa3	1.186	7.792

Held-to-maturity financial assets include acquired bonds that the Group has the intention and ability to hold until maturity.

Note 10. Other receivables and prepayments

As at	31 Dec 2014	31 Dec 2013
Other receivables	2.064	2.207
Prepayments	3.967	1.086
Total	6.031	3.293

Other receivables

As at	31 Dec 2014	31 Dec 2013
Late payment interest and penalty payments receivable	0.010	0.017
Fees receivable	0.375	0.300
Collection, recovery and other charges receivable	2.454	2.496
Guarantee and deposit payments made	0.140	0.118
Miscellaneous receivables	0.266	0.185
Impairment allowance for other receivables	-1.181	-0.909
Total	2.064	2.207

Prepayments and taxes

As at	31 Dec 2014	31 Dec 2013
Prepaid taxes	3.238	0.410
Other prepayments	0.729	0.676
Total	3.967	1.086

Note 11. Investment properties

As at	2014	2013
Opening balance at 1 January	1.382	1.675
Sales of investment properties	-0.050	-0.293
Net loss from fair value adjustment	-0.232	-
Closing balance at 31 December	1.100	1.382

The investment properties comprise plots, houses and apartments originally pledged by customers as loan collateral and later bought by the Group through auctions. In prior interim reports these

items were recognised under other assets, reclassification was performed in the 4th quarter 2014.

Note 12. Deposits from customers

As at	31 Dec 2014	31 Dec 2013
Term deposits	239,033	238,648
Term deposits by customer type		
Individuals	233,489	233,094
Legal persons	5,544	5,554
Term deposits by currency		
EUR (euro)	202,239	219,015
LVL (Latvian lats)	-	1,582
SEK (Swedish krona)	36,794	18,051
Term deposits by maturity		
Maturing within 6 months	42,111	36,392
Maturing between 6 and 12 months	48,149	50,979
Maturing between 12 and 18 months	22,125	33,237
Maturing between 18 and 24 months	28,402	27,259
Maturing between 24 and 36 months	44,688	32,222
Maturing between 36 and 48 months	20,346	28,575
Maturing in over 48 months	33,212	29,984
Average deposit amount	0,019	0,018
Weighted average interest rate	3,1%	3,7%
Weighted average duration until maturity (months)	25,5	25,5
Weighted average total contract term (months)	45,3	43,6

Note 13. Other reserves

	31 Dec 2014	Change	31 Dec 2013	Change	31 Dec 2012
Exchange differences on translating foreign operations	0.108	0.078	0.030	-0.451	0.481
Net gain/loss on hedges of net investments in foreign operations	-0.193	-0.071	-0.122	-0.014	-0.108
Asset revaluation reserve	0.979	-	0.979	0.979	-
Total other reserves	0.894	0.007	0.887	0.514	0.373

Note 14. Net currency positions**Net currency positions as at 31 December 2014**

	Position in the statement of financial position		Position off the statement of financial position		Net position
	Assets	Liabilities	Assets	Liabilities	
EUR (euro)	272,002	206,746	8,208	0,183	73,281
LTL (Lithuanian litas)*	0,973	0,337	-	-	0,636
SEK (Swedish krona)	41,532	32,058	-	8,326	1,148
GBP (British pound)	0,229	0,001	-	-	0,228

Net currency positions as at 31 December 2013

	Position in the statement of financial position		Position off the statement of financial position		Net position
	Assets	Liabilities	Assets	Liabilities	
EUR (euro)	270,723	221,559	13,641	0,770	62,035
LVL (Latvian lats)	6,315	1,966	-	-	4,349
LTL (Lithuanian litas)*	0,880	0,331	-	-	0,549
GBP (British pound)	32,747	18,229	-	14,028	0,490
SEK (Swedish krona)	0,068	0,003	-	-	0,065

* On 1 January 2015, the Republic of Lithuania joined the euro area and all currency positions in Lithuanian litas were converted to euros on that date.

The loans provided by the Group are denominated in the currency of the corresponding region or in euros.

To mitigate the risk of losses arising from significant exchange rate fluctuations, loan agreements signed in Lithuania in earlier periods include a devaluation clause that ensures that the

proportions of contractual liabilities are maintained throughout the loan term. Devaluation clause has been taken into account in the net currency positions.

Note 15. Contingent liabilities and assets pledged as collateral

As at	31 Dec 2014	31 Dec 2013
Irrevocable transactions, of which	1.076	0.770
Guarantees and similar irrevocable transactions	-	-
Issued bank guarantees	0.090	0.070
Credit lines and overdrafts	0.986	0.700
Assets pledged and encumbered with usufruct, of which	3.619	3.921
Mortgages*	2.449	2.449
Bonds and deposits encumbered with collateral	1.170	1.472

* The liabilities related to mortgages have been settled by the date of release of this report.

Note 16. Interest income

	Q4 2014	Q4 2013	2014	2013
Interest income on loans to customers	15,070	14,292	59,578	53,135
Interest income on deposits	0,005	0,027	0,049	0,106
Interest income on held-to-maturity financial assets	0,005	0,024	0,053	0,122
Total interest income	15,080	14,343	59,680	53,363

Note 17. Interest expense

	Q4 2014	Q4 2013	2014	2013
Interest expense on deposits	1.815	2.018	7.591	7.981

Note 18. Other income

	Q4 2014	Q4 2013	2014	2013
Income from debt recovery proceedings	1.702	1.775	7.019	7.066
Miscellaneous income	0.056	0.263	0.241	0.534
Total other income	1.758	2.038	7.260	7.600

Note 19. Other operating expenses

	Q4 2014	Q4 2013	2014	2013
Marketing expenses	1,051	1,071	4,066	4,582
Office, rental and similar expenses	0,413	0,377	1,428	1,661
Miscellaneous operating expenses	1,242	0,627	3,247	2,378
Total other operating expenses	2,706	2,075	8,741	8,621

Note 20. Other expenses

	Q4 2014	Q4 2013	2014	2013
Expenses related to enforcement proceedings	0,469	0,361	1,572	1,491
Legal regulation charges	0,128	0,150	0,548	0,566
Expenses from investment properties	0,004	0,005	0,024	0,023
Onerous contracts provisions	-0,085	-	0,215	-
Miscellaneous expenses	0,237	0,190	0,882	0,750
Total other expenses	0,753	0,706	3,241	2,830

Note 21. Related parties

For the purposes of these financial statements, parties are related if one controls the other or exerts significant influence on the other's business decisions. Related parties include:

- shareholders of Bigbank AS;
- members of Group companies' management and supervisory boards;
- close family members of the above;

- companies connected with the above persons, except where the persons cannot exert significant influence on the company's business decisions.

As at 31 December 2014, the Group had no interest and deposit liabilities to related parties.

Statement by the management board

According to the knowledge and belief of the Management Board of Bigbank AS, as at the date of publication:

- the figures and additional information presented in the condensed consolidated interim report for the fourth quarter of 2014 are true and complete; and
- the condensed consolidated financial statements provide a true and fair view of the Group's financial position, financial performance and cash flows.

The condensed consolidated interim report as at 31 December 2014 has been prepared in accordance with the international financial reporting standard IAS 34 Interim Financial Reporting as adopted by the European Union and with the information disclosure requirements established by the Bank of Estonia.

Bigbank AS is a going concern.

Kaido Saar
Chairman of the
Management Board

27. veebruar 2015
[digitally signed]

Veiko Kandla
Member of the
Management Board

27. veebruar 2015
[digitally signed]

Ingo Pöder
Member of the
Management Board

27. veebruar 2015
[digitally signed]