

Parex banka's shareholder structure

Shareholders	% of total shares
Latvian Privatisation Agency*	85.14%
East Capital Funds	4.2%
Danske Capital Funds	2.7%
Artio International Equity Fund	2.2%
Firebird Funds	1.8%
<i>Other Institutional Investors</i>	1.3%
<i>Other Private Investors</i>	2.7%

* State Joint Stock Company

Parex banka's Management Board



Nils Melngailis
Chairman of the Board



Guntis Belavskis
Member of the Board



Valters Abele
Member of the Board



Vladimirs Ivanovs
Member of the Board



Roberts Stugis
Member of the Board

Parex banka's Supervisory Council

Andzs Ubelis	Chairman of the Supervisory Council
Rolands Panko	Deputy Chairman of the Supervisory Council
Kaspars Abolins	Member of the Supervisory Council
Gints Freimanis	Member of the Supervisory Council
Carl Hakan Kallaker	Member of the Supervisory Council
Zaneta Jaunzeme-Grende	Member of the Supervisory Council

• Current events in *Parex banka*:

- ✓ The Chairman of *Parex banka* has affirmed the stability of the Bank emphasizing that the conditions in the banking sector continue stabilizing following the Government intervention.
- ✓ As *Parex banka* has always been a leader in deposit market and fund management, the Bank has launched a new deposit campaign and increased interest rates for the most successful products to improve its positions in this segment.
- ✓ In the first week of 2009 *Parex banka* has concluded more than a thousand new term deposit agreements; thus, the total amount of deposits at the Bank has considerably increased.
- ✓ 24 February 2009 – the Government made a decision to transfer state-owned 85,14% of *Parex banka's* shares into holding of *Privatisation Agency* to ensure further professional actions and prepare the Bank for capital increase and further selling.
- ✓ 25 February 2009 – *Privatisation Agency* entered into negotiations with the *Mortgage and Land Bank of Latvia* for the conclusion of *Parex banka's* Share Purchase Agreement.
- ✓ 27 February 2009 – *Privatisation Agency* became a shareholder of 85,14% shares of *Parex banka*.
- ✓ 3 March 2009 – *Nomura International plc*, the global investment bank, was selected as a strategic advisor for the sale of Government's stake in *Parex banka*.

• Status of the syndicated loan agreements:

- ✓ *Parex banka* has two outstanding syndicated loan agreements: the EUR 275 million credit agreement dated 21 February 2008 and the EUR 500 million credit agreement dated 29 June 2007.
- ✓ 5 February 2009 – *Parex banka* submitted a proposal to syndicated lenders with an offer to change the terms of their existing loan agreements. Terms of the proposal involve a 20% or EUR 155 million cumulative interest payment by the end of March 2009, a EUR 387 million payment in February 2010 and the remaining EUR 232.5 million payment in January 2012.
- ✓ 17 February 2009 – the Government supported the provision of State guarantee for the roll-over repayment of *Parex banka's* syndicated loans.
- ✓ 27 February 2009 – *Parex banka* and its syndicated lenders reached an agreement to extend the negotiation process between them until 19 March 2009, in order to restructure the loans and changes in the repayment terms in accordance with the proposal submitted by the Bank.

• *Parex banka's* acquisition process in retrospect:

- ✓ 10 November 2008 – Latvian Government takes control of 51% of *Parex banka*.
- ✓ 3 December 2008 – the Government increases its stake to 84% of the Bank and the acquisition agreement signed on 5 December 2008.
- ✓ 8 December 2008 – the new Management Board of *Parex banka* elected and approved by the local regulator FCMC. Nils Melngailis appointed as Chairman of the Management Board.
- ✓ 19 December 2008 – new Supervisory Council of *Parex banka* elected. Andzs Ubelis, the Deputy State Secretary of the Ministry of Finance of Latvia, appointed as a Chairman.