PRESS RELEASE
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Government conceptually agrees to the participation of EBRD in Parex banka's equity capital

On 24 March, the Cabinet of Ministers conceptually approved the participation of EBRD in Parex banka's equity capital. Similarly the Government reached an agreement to increase Parex banka's capital by 227 million lats. Of those, 165 million will be invested in equity capital by means of Privatisation Agency obtaining registered voting shares of the new issue for the nominal value of 1 lats, but 62 million will be invested in subordinated capital ensuring the capital adequacy of 12%.

Government also agreed on the conclusion of the agreement with the lead advisor Nomura International plc about the organization of forfeiting process of Parex banka's shares and advisory services during the negotiations with EBRD and other multilateral financial institutions.

About Parex banka
Founded in 1992, Parex banka offers universal banking services throughout the Baltic region, the CIS and other European nations such as Germany, Switzerland and Sweden. Parex Group companies operate across the banking, finance, leasing, asset management and life insurance sectors. Parex banka is the only partner of American Express in Latvia and Lithuania, allowed to issue American Express credit cards. Since 27 February 2008, the Latvian Privatisation Agency is the majority shareholder of Parex banka.

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