PRICEWATERHOUSECOOPERS

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INDEPENDENT AUDITORS' REPORT

To the shareholders JSC Mortgage and Land bank of Latvia

Report on the Condensed Interim Financial Information

We have audited the accompanying consolidated condensed interim financial information of JSC Mortgage and Land Bank of Latvia and its subsidiaries (the Group) and the condensed interim financial information of JSC Mortgage and Land Bank of Latvia (the Bank) (hereinafter referred as „condensed interim financial information") on pages 9 to 37 which comprise the balance sheets as of 30 June 2009 and the income statements, statements of comprehensive income, statements of changes in equity and cash flow statements for the six-month period then ended and explanatory notes.

Management's Responsibility for the Financial Information
Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Accounting Standard 34 "Interim Financial Reporting". This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and presentation of financial information that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility
Our responsibility is to express an opinion on this condensed interim financial information based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial information is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial information. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial information, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and presentation of the financial information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial information.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the accompanying consolidated condensed interim financial information of the Group and condensed interim financial information of the Bank are prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

Report on Other Legal and Regulatory Requirements
We have read the Management Report set out on pages 3 to 5 and did not identify material inconsistencies between the financial information contained in the Management Report and that contained in the condensed interim financial information for the six-month period ended 30 June 2009.

PricewaterhouseCoopers SIA
Certified audit company
Licence No. 5

Ilandra Lejiņa
Certified auditor in charge
Certificate No. 168

Member of the Board

Riga, Latvia
28 August 2009