

Commercial Banks in Bulgaria

July – September 2005



BULGARIAN
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Commercial Banks in Bulgaria



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I. State of the Banking System

(third quarter of 2005)

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1. Introduction

This report includes analyses of major trends in the banking system during the third quarter of 2005. Monthly and quarterly supervisory reports and on-site inspection and special supervision findings form the basis of analysis. A package of statistical statements containing data on the quality of loans, capital position and liquidity was applied. The risk profile of the banking system and that of individual banks was determined using the CAMELS/CAEL valuation system. Complex CAMELS ratings are assigned as part of full supervisory inspections (once each 12 to 18 months), and ratings on four of the components (C: capital, A: asset quality, E: earnings, L: liquidity) are assigned quarterly. CAEL ratings indicate current fluctuations in the financial position and risk profile of individual banks. Early full supervisory inspections are initiated where serious indications of negative trends emerge.

The approach to preparing figures by bank, group of banks, and the banking system includes computing medians for all individual ratios in addition to computing average values (for the banking system). This helps avoid "contaminating" average values by the weights set for individual banks and presents a more complete picture of developments in each analysed bank.

The classification of commercial banks into three groups was retained: *Group I* with the ten largest banks, *Group II* with 18 medium- and small-sized banks, and *Group III* with foreign bank branches. This focuses greater attention to processes in the groups which form the banking system, and pinpoints similarities and differences in institutions which have less influence within the banking system. The classification is *only for analytical purposes* and relates directly to the *average values or medians for any individual bank group* introduced by the new Uniform Bank Performance Report (UBPR). The larger number of banks in each group allows for more precise computation of medians, while offsetting acute fluctuations at individual banks (these fluctuations are taken into account in analysing the profiles of relevant banks, and their significance for the bank group or banking system is not underestimated).

2. The Banking System

2.1. Structure, Changes and Trends

In the third quarter of 2005 total banking assets reached BGN 29,708,535,000, with their growth rates (6.38 per cent or BGN 1,782,015,000) matching those in the corresponding quarter of 2004 (7.23 per cent or BGN 1,453,765,000). Compared with the first half-year, downward trends were reported by four banks and three branches. Between September 2004 and September 2005 banking system's assets increased by BGN 8,158,755,000 (37.86 per cent), with the ten largest banks retaining their contribution to asset growth both in the previous 12 months and third quarter: a bit over 80 per cent.

Changes in banks' balance sheet aggregates include:

- *Cash* went up by BGN 212 million (7.94 per cent) on the first half of 2005, although one-third of banks reported declines. Cash dynamics had no significant effect on its share in banking assets: 9.71 per cent. At some banks, the significant increase in cash over the third quarter was due to depositing additional minimum reserves as a result of exceeded half-year limits. Over the last 12 months cash increased by BGN 987 million, with the 52.05 per cent rise exceeding that in other asset balance sheet aggregates.

- By the end of the third quarter of 2005 *net claims on financial institutions* picked up by 5.03 per cent to reach BGN 4763 million, with their share amounting to 16.03 per cent of total banking assets

(14.87 per cent a year earlier). The 48.65 per cent (BGN 1559 million) growth in these placements over the last 12 months outstripped credit growth (36.57 per cent). As in the previous reviewed period, half of domestic banks reported growth and the rest declines in these assets. The increase of BGN 407 million in Group I banks was partially offset by falls in Group II banks (BGN 85 million) and foreign bank branches (BGN 94 million). Although the end-2004 trend to retaining placements with foreign institutions was changed over the quarter under review, the slight increase (by BGN 77 million) prompted no rise in their share in total claims on banks. The sustainable growth in deposits with domestic banks, which by end-September comprised over one-third of total placements with banks (27 per cent a year earlier), confirms the conclusion of the half-year analysis that at least until BNB restrictive measures are in force these resources will not be used in lending to the extent they were used a year earlier.

Chart 1

Dynamics of Major Balance Sheet Aggregates by Quarter

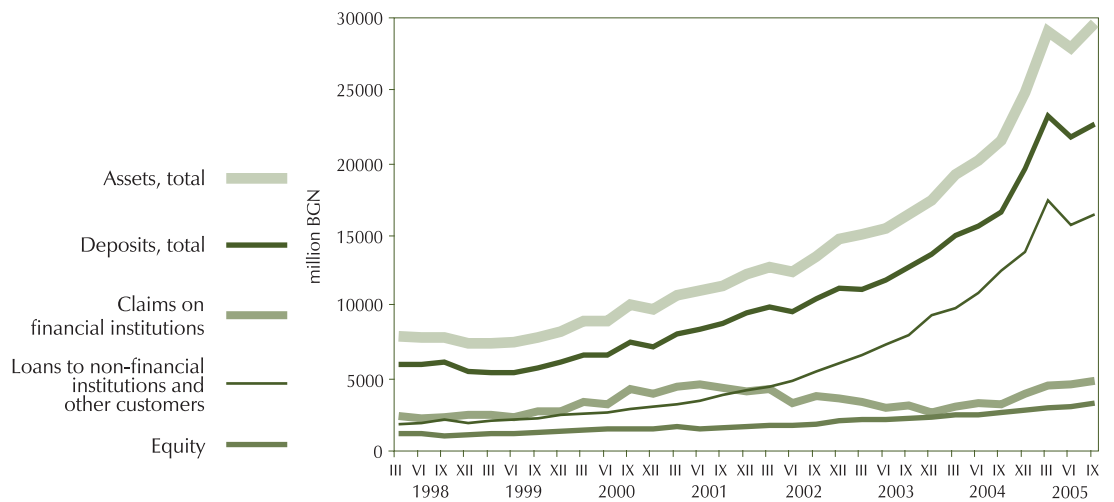


Chart 2

Dynamics of Major Balance Sheet Aggregates

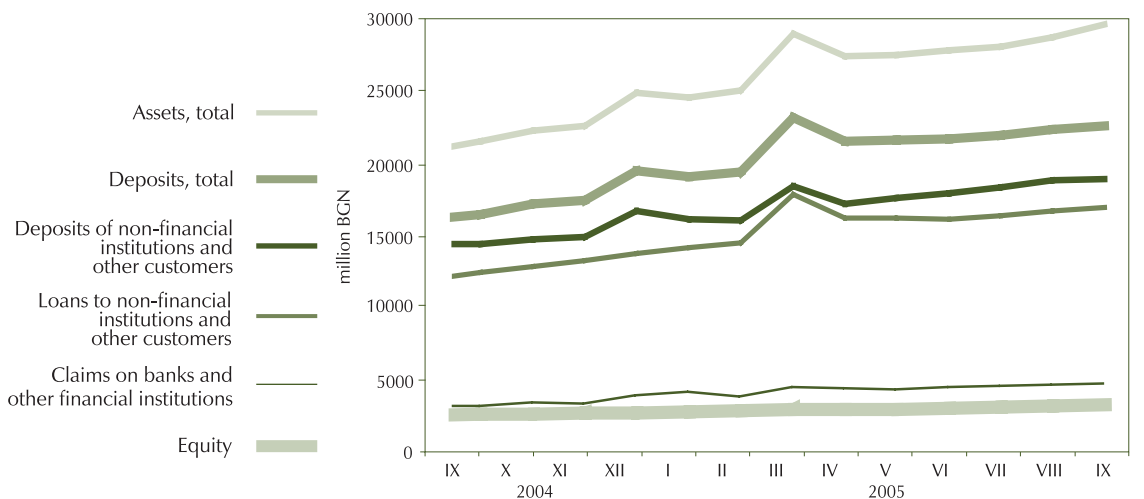
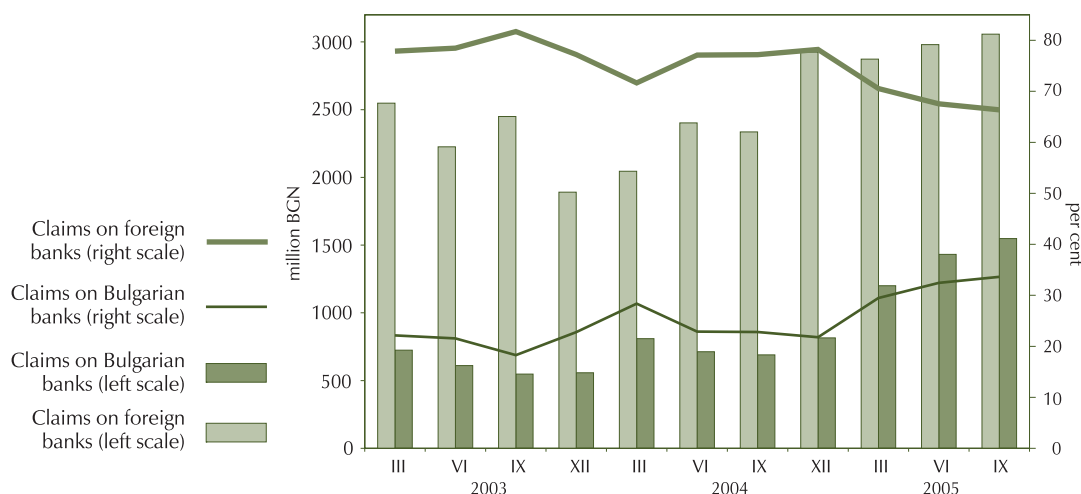


Chart 3

Claims on Financial Institutions

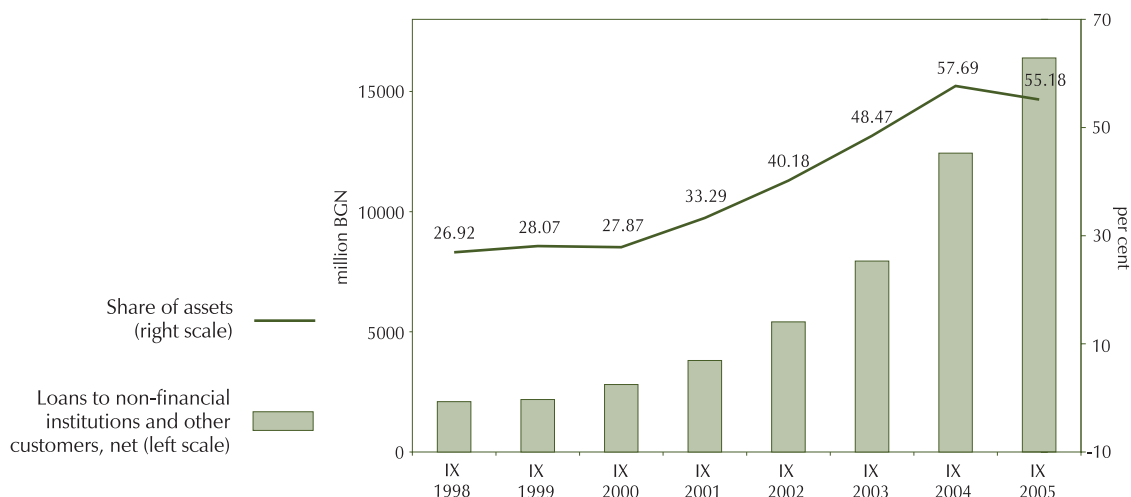


Over the third quarter *assets in trading portfolio* posted an increase of 24.2 per cent (BGN 384 million) following the fall reported as of June 2005. This prompted an almost 1 percentage point rise in their share (6.63 per cent) in total assets. Group I and Group III banks reported growth in trading portfolio assets, while Group II banks reported falls for the second consecutive quarter. Reduced assets were registered in 12 of all 27 banks. Investments in Bulgarian government securities continued rising over the third quarter, while those in foreign issuers' securities remained almost unchanged. As a result, investments in foreign issuers' securities contracted by some 2 percentage points to 7.1 per cent on the prior quarter and by 8 percentage points over the last 12 months. Although securities of issuers outside the list under Appendices 1 and 2 of BNB Ordinance No. 8 and corporate securities of foreign issuers occupied over two-thirds of total foreign issuers' securities, they posed no significant risk to the banking system since their share was merely 5 per cent of the system's trading portfolio assets. The currency structure of this portfolio underwent no changes: nearly half the investments were in national currency, with a sustained ratio between securities denominated in euro and in other currencies (53 per cent to 47 per cent).

Over the last 12 months *investment portfolio* grew by 33.71 per cent or BGN 612 million against trading portfolio growth of 30.96 per cent or BGN 466 million. In the third quarter investment portfolio rose merely 7.32 per cent (BGN 166 million), retaining its share in the system assets at 8.18 per cent (8.43 per cent a year earlier). Due to the sustained volume of securities held to maturity and progressive growth in securities available for sale, the latter occupied a little bit more than half of banking investment portfolio (36 per cent a year earlier). The share of EUR-denominated securities continued rising to 43 per cent of overall portfolio against 38 per cent in the previous quarter, while retaining the share of lev-denominated securities (one-third of the investment portfolio). As a result of transforming assets in trading and investment portfolios over the previous two quarters, the share of placements in foreign issuers' debt securities meeting the criteria of reporting at fair value increased significantly: from 5 per cent in total investment portfolio as of September 2004 to 25 per cent by the end of the review period.

Chart 4

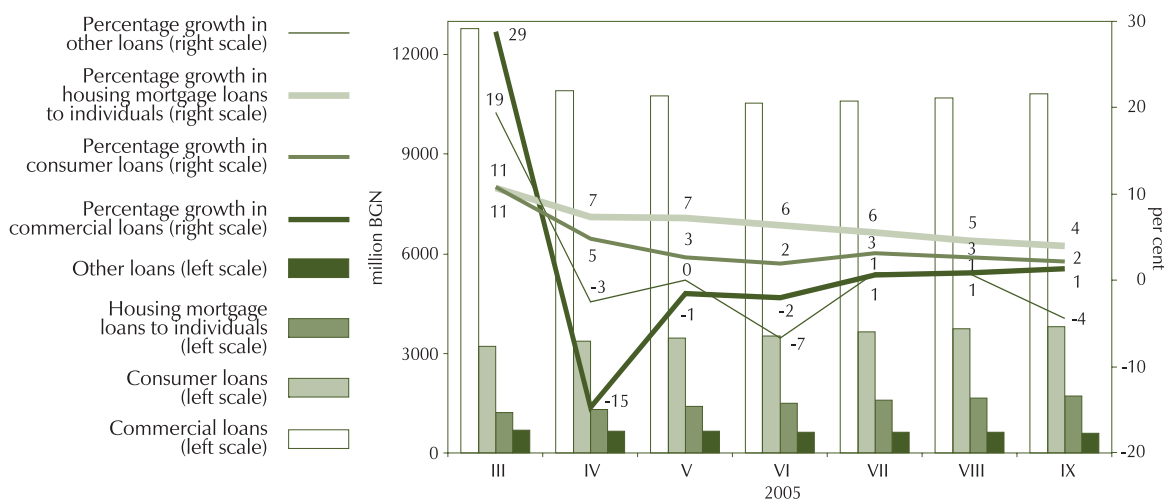
Loans to Non-financial Institutions and Other Customers



Following *credit* declines by June 2005, the third quarter saw an increase in credit portfolios of individual banks (with few exceptions) and the banking system, consistent with the rates under Ordinance No. 21. Gross loans rose by BGN 797 million (4.92 per cent), reflecting the expanded portfolios of 25 banks and four foreign bank branches. After reporting impairment through allocated provisions, credit growth was 5 per cent (BGN 781 million). Traditionally, two-thirds of credit growth are due to Group I banks. Credit growth of Group II banks (5.34 per cent or BGN 161 million) almost matched that of the banking system.

Chart 5

Loans Dynamics



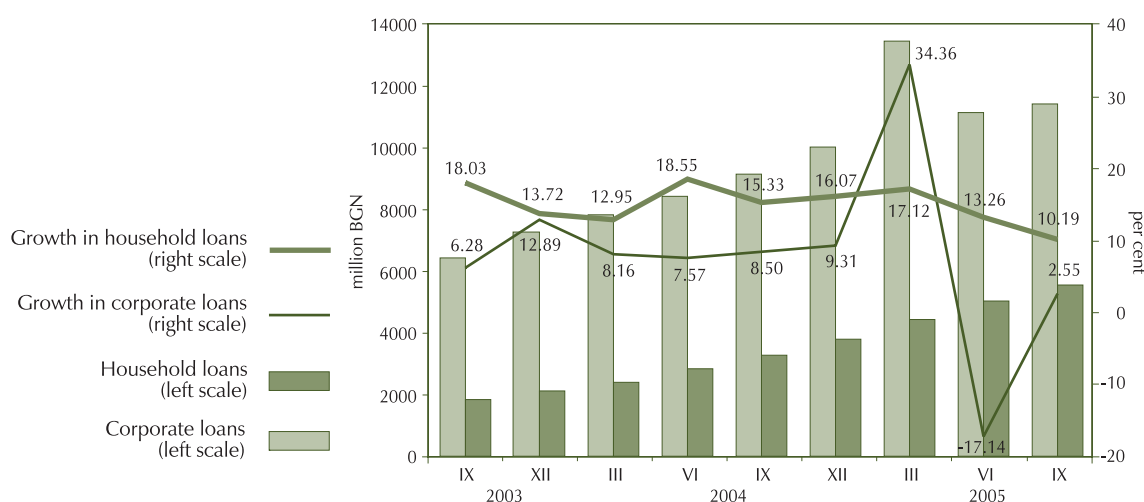
No significant changes occurred in the portfolio's internal structure compared with the previous quarter: consumer and housing mortgage loans continued rising (by 8.2 per cent and 14.84 per cent respectively). Newly extended consumer loans (BGN 289 million) over the third quarter almost

matched newly extended commercial loans over the same period (up BGN 301 million or 2.86 per cent). Similar trends emerged in a one-year horizon: by September 2005 loans to households (total consumer and mortgage loans) of BGN 2277 million were almost equal to commercial loans (BGN 2287 million). Due to the lower reporting base of mortgage and consumer lending, the 12-month growth in both segments (124.13 per cent and 52.81 per cent respectively) exceeded commercial loan growth (26.75 per cent). Over the same period total gross loans increased by BGN 4549 million (36.59 per cent). In terms of portfolio's foreign currency structure, EUR-denominated loans prevailed (49.18 per cent annual growth) followed by BGN-denominated loans (33.42 per cent) and loans in other currencies experiencing a 6.78 per cent fall. However, this prompted no significant change in the ratio of loans in national and foreign currencies, since a year later BGN-denominated loans still prevailed in the portfolio. The increase in the EUR-denominated loans' share in bank credit portfolio from 39 per cent by September 2004 to 43 per cent by September 2005 caused no serious concerns about their servicing due to the fact that 88 per cent of them were commercial loans. The analysis shows that such borrowers have enough cash flows in euro.

Credit growth rates during the third quarter require no adjustments to BNB expectations about credit market developments over the coming two quarters. Except for institutions able to pay additional reserves by freezing a portion of their resources, the other banks will seek adherence to imposed restrictions. During the reporting quarter several banks offered credit products (mostly mortgage loans) in Swiss francs. Given the opportunities to borrow CHF-denominated funds thanks to the parent banks and similar trends in other Eastern European countries, demand for loans denominated in unusual currencies is likely to gradually increase in the future.

Chart 6

Dynamics of Corporate and Household Loans*



* Corporate loans include commercial loans, loans to the budget, agricultural loans and other loans, while household loans include consumer loans and housing mortgage loans.

2.2. Liabilities and Equity Structure

Deposits of financial institutions continued to decrease over the third quarter (a drop of BGN 128 million or 3.37 per cent), while non-financial corporations' deposits increased by BGN 1010 million (5.62 per cent). As a result, the total deposit base increased by BGN 882 million (4.05 per cent) to

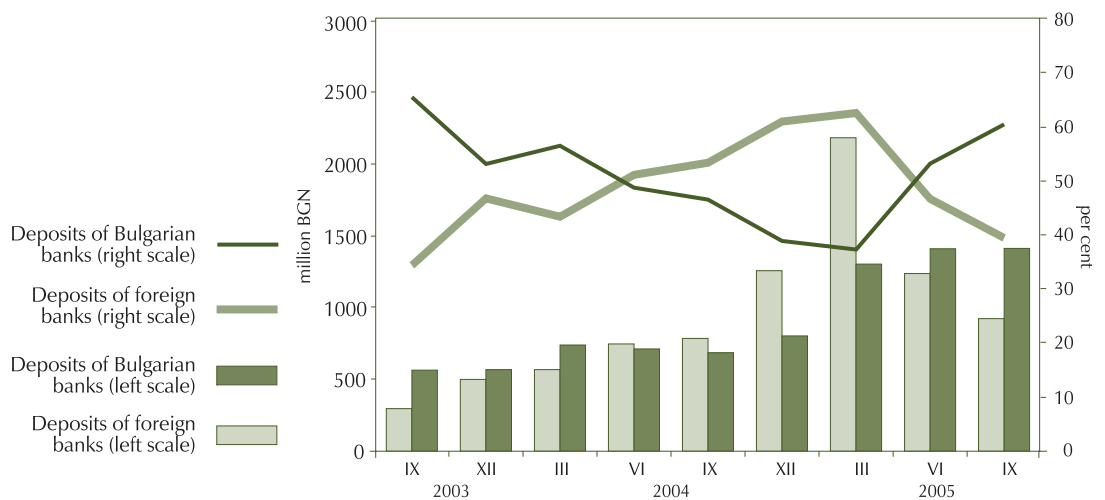
BGN 22,652 million. At the end of the third quarter the deposit base remained lower than in the first quarter of 2005. However, taking into account its fictitious rise as of end-March, it could be ascertained that it continued to grow at steady rates. In the last 12 months deposits rose by BGN 6136 million (37.15 per cent).

Declines in *financial institutions' deposits* of BGN 3657 million during the third quarter were entirely due to the decrease in Group I banks by BGN 259 million, while the other two groups reported increases: BGN 45 million (8.45 per cent) in Group II banks and BGN 87 million (15.2 per cent) in foreign bank branches. An increase in these deposits was reported by 15 institutions. The third quarter saw no change in the ratio between local and foreign borrowings: by the end of September deposits attracted from foreign banks decreased further by BGN 314 million, while these from local banks increased by around BGN 187 million.

With the exception of eight banks, all other institutions reported increases in the volume of *borrowed funds from non-financial institutions*. At the end of September these deposits totaled BGN 18,955 million and over the last 12 months they increased by BGN 4556 million (31.55 per cent). Again a few Group I banks reported the biggest growth, providing approximately two-thirds of total growth in non-financial institutions' deposits.

Chart 7

Dynamics of Financial Institutions' Deposits



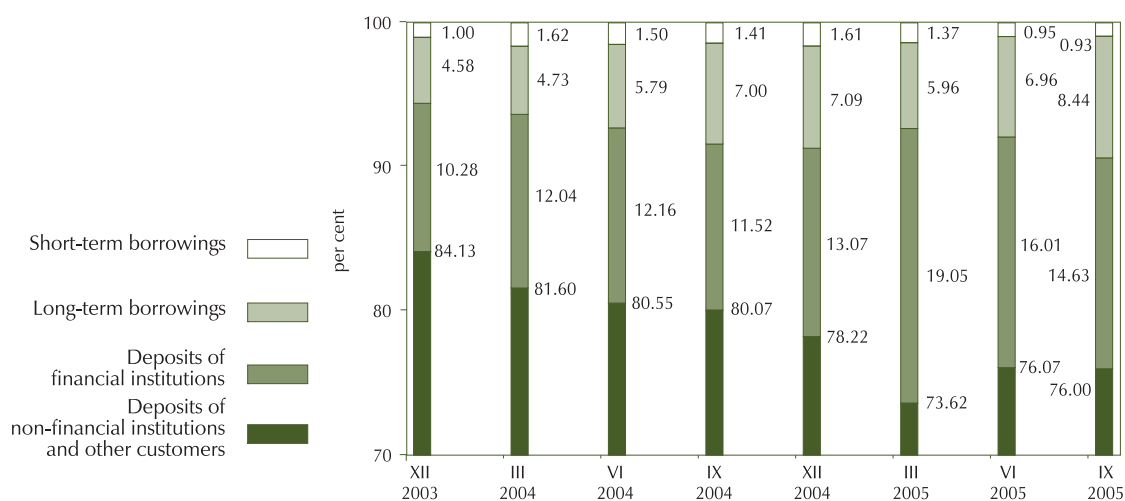
The analysis of the deposits' currency structure shows that in a one-year horizon BGN-denominated deposits demonstrated the largest increase of BGN 2619 million (38 per cent), followed by EUR-denominated deposits of BGN 1763 million (42 per cent) and those denominated in other currencies of BGN 173 million (5 per cent). As regards the internal structure, time deposits rose most significantly (BGN 2353 million or 34 per cent), followed by demand deposits (BGN 1824 million or 32 per cent) and savings deposits (BGN 378 million or 19 per cent).

At the banking system level, quarterly dynamics in *short-term borrowed funds* led to their slight increase by BGN 7 million (2.95 per cent). In a one-year horizon the decline of these funds in some banks prompted a fall in total banking borrowings by BGN 21 million (8.4 per cent). This led to a decreased share of short-term funds in total borrowings from 1.41 per cent by September 2004 to 0.93 per cent by September 2005.

Long-term borrowed funds, another possible source of liquidity, continued their steady growth: up BGN 462 million (28.12 per cent) in the third quarter and BGN 846 million (67 per cent) in the 12-month period. Group I banks reported a rise of BGN 551 million, while Group II banks reported a fall of BGN 88 million, reflecting reduced long-term borrowings in most institutions. At the banking system level, the share of long-term borrowings in financing sources progressively increased, reaching 8.44 per cent at the end of the third quarter compared to 7 per cent a year earlier. Opposite trends occurred in most small- and medium-sized banks which were either unable to borrow such funds or preferred other sources for asset financing (due to high prices of long-term borrowings). Correspondingly, their share in total borrowings of this group decreased by 4.7 percentage points to 10.76 per cent by the end of September 2005. Over 80 per cent of borrowed funds was denominated in euro and merely 5 per cent in other currencies which gives confidence that long-term borrowings entailed no significant currency risk to the banking system.

Over the third quarter of 2005 total *financing funds* (excluding capital) grew by BGN 1352 million or 5.72 per cent. Between September 2004 and September 2005 they increased by BGN 6960 million (38.6 per cent).

Chart 8
Total Funds

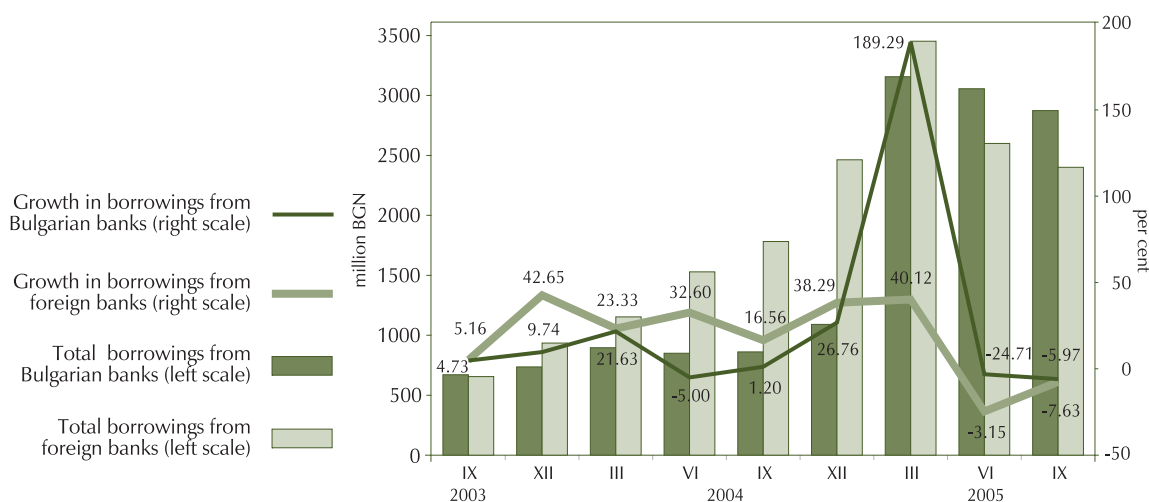


In the third quarter resources attracted from abroad continued decreasing, albeit at slower rates (BGN 198 million or 7.6 per cent). This fall was accompanied by decreased domestic resources (down BGN 182 million or 8 per cent), thus confirming the expectations that most banks tended to refrain from foreign financing (and evidently domestic also) under the present economic conditions (see Chart 9).

Between June and September 2005 the *equity* balance sheet aggregate increased by BGN 241 million, with its quarterly growth of 7.94 per cent exceeding credit growth (5 per cent) for the first time since the beginning of the credit expansion. The current year profit growth of BGN 184 million contributed most significantly to this, with a real capital increase of BGN 59 million reporting by one bank. In a one-year horizon the banking system's equity increased by BGN 684 million or 26.39 per cent.

Chart 9

Dynamics of Borrowings from Banks



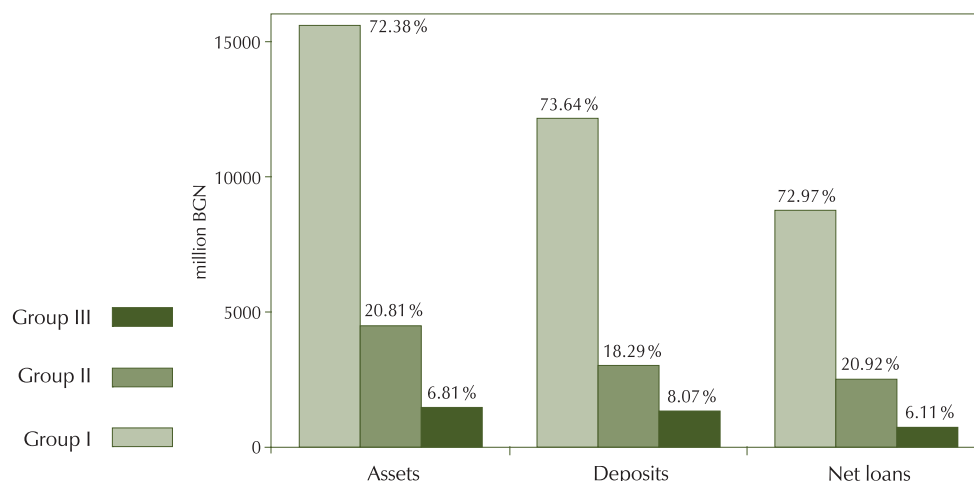
Proprietorship Changes

Between July and September 2005 no significant proprietorship changes were reported.

2.3. Dynamics of Major Balance Sheet Aggregates by Bank Group

Chart 10

Market Shares of Bank Groups as of September 2004



In the third quarter of 2005 the market shares of the three bank groups underwent no sizable changes. *The ten largest banks* retained their dominating positions in the market of bank services and backed by international experience, they managed to increase their market share in the system's assets by 2.5 percentage points in a year to 74.9 per cent by the end of September 2005. The group's share in the system's deposit base and total loans grew at similar rates: by 1.14 percentage points to 74.78 per cent as for deposits and by 1.42 percentage points to 74.39 per cent for net loans. The upward trend in the group's share of placements with banks and assets in trading portfolio was more

clearly pronounced, although this was at the expense of the contracting share of the ten largest banks in the system's investment portfolio. Net claims on financial institutions occupied 75.27 per cent (62.07 per cent a year earlier) of all system's placements, while assets in trading portfolio 76.09 per cent (an increase of some 11 percentage points). Accordingly, the share of these banks in the system's investment portfolio decreased from 89.31 per cent to 83.65 per cent within 12 months. Due to the above-mentioned decrease in short-term borrowed funds, the group's share in the total amount of these resources dropped dramatically: by some 18 percentage points to 59.23 per cent. However, this was offset by the growing share of long-term borrowings: from 55.42 per cent by September 2004 to 72.88 per cent by September 2005. Group I banks' equity comprised 74.87 per cent (an increase of 1.6 percentage points). Given the leading positions of the group in major balance sheet aggregates (and particularly of the first seven banks with the largest assets), it can be concluded that these institutions define the system's profile, and the stricter control over assumed risks is crucial for the banking system's performance.

Chart 11

Market Shares of Bank Groups as of June 2005

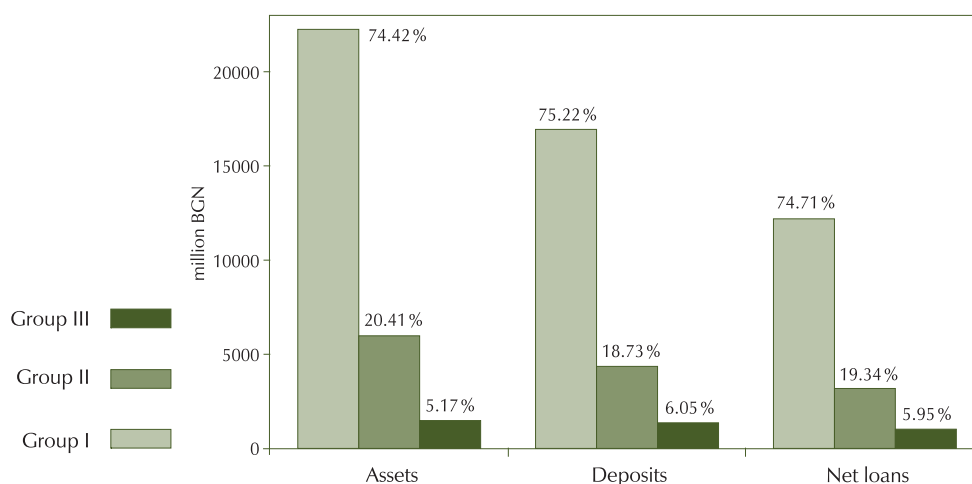
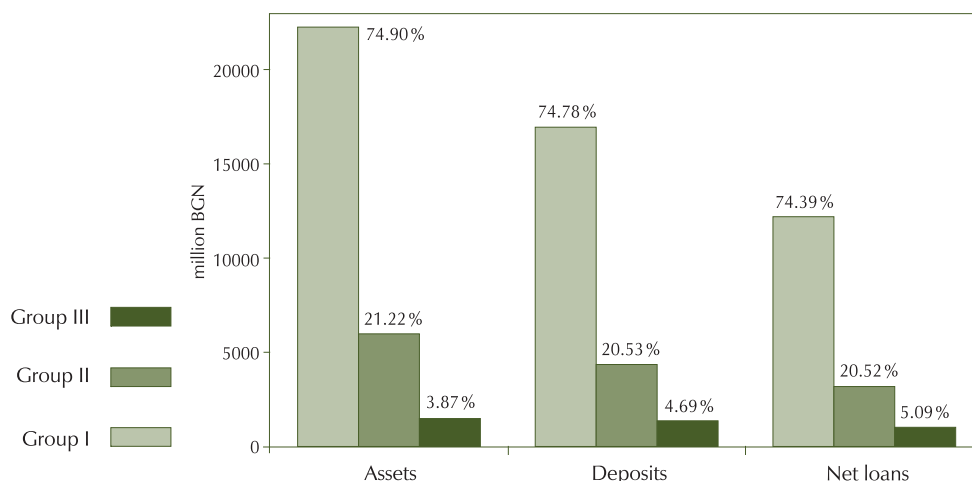


Chart 12

Market Shares of Bank Groups as of September 2005



The increased market share of *the 18 Group II banks* in the system's assets from 20.81 per cent in September 2004 to 21.22 per cent by the end of the period under review reflected mostly contracted transactions of foreign bank branches rather than improved competitiveness. This conclusion was supported by falling shares in most balance sheet aggregates excluding cash funds, repo agreements and investment portfolio. In the last 12 months the group extended its share predominantly in claims under repurchase agreements: from 28.85 per cent to 82.24 per cent. The group's share in net loans slightly went down by 0.4 percentage points to 20.52 per cent, in net claims on financial institutions by 0.6 percentage points to 21.44 per cent and in trading portfolio assets by 8.5 percentage points to 23.86 per cent. The group's market share in investment portfolio rose from 8.23 per cent to 14.35 per cent. On the other hand, the group's share in the deposit base of the system picked up by 2.3 percentage points to 20.53 per cent and in the short-term borrowed funds by some 18 percentage points to 40.77 per cent. The 18 banks lost some of their market positions in long-term borrowed funds which fell from 44.58 per cent to 27.12 per cent, as well as in the system's equity which decreased by 1 per cent to 23.31 per cent.

The analysis of the foreign bank branches' position should take into consideration the reduced transactions of the National Bank of Greece' branch due to its forthcoming closing. Thus, the share of this group in the system's assets went down from 6.81 per cent to 3.87 per cent, in net loans by 1 percentage point to 5.09 per cent and in the banking deposit base from 8.07 per cent to 4.69 per cent.

3. Operational Results: State and Trends

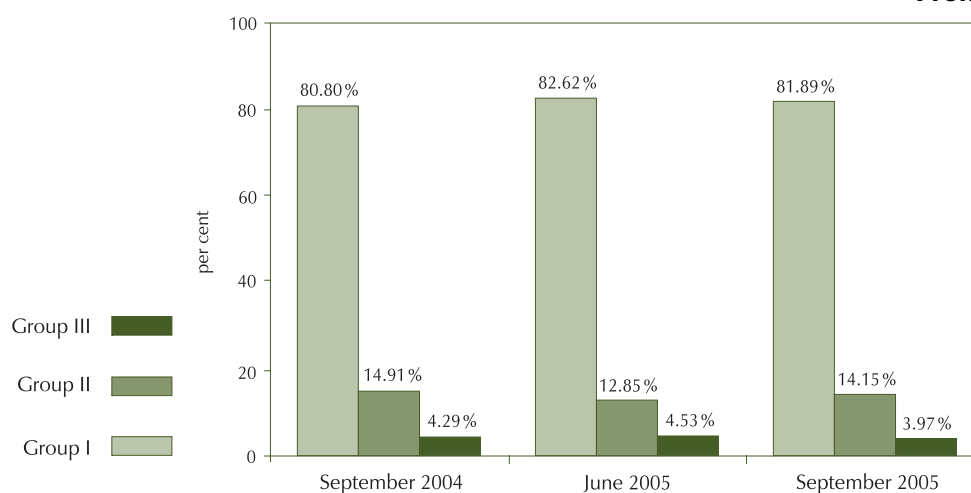
By end-September 2005 the banking system's profit was BGN 462 million: up by BGN 184 million (66.32 per cent) on the first half of 2005 and by BGN 126 million (37.62 per cent) on the same period of 2004. Although Group I banks still contributed mostly to the financial result, their constantly rising market share in the system's assets since the start of 2005 was accompanied with a fall in their share in the system's profit. By end-March their contribution to the financial result came to 88 per cent (against 72 per cent of the system's assets), while by end-September it was 82 per cent (against a 75 per cent market share in the system's assets). This also concerns the share of the three largest banks in the total financial result: over the same period it fell by 5 per cent to 55.5 per cent. However, compared with their results in the third quarter of 2004 (50.4 per cent), they became more profitable. Despite the increasing competition in the banking sector, the group of the small- and medium-sized banks managed to expand slightly not only its market positions but also its share in the system's profit (from 9 per cent as of March to 14 per cent as of September). Concurrently, the foreign bank branches' share slightly increased (by 1 per cent to 4 per cent).

Net interest income rose by BGN 231 million between September 2004 and September 2005 compared with the BGN 206 million growth over the previous 12-month period. Nevertheless, growth rates of this important for the banking system source remained low (31 per cent in the current 12-month period against 38 per cent for the previous period). The rising financing costs (mainly interest expenditure on time deposits of non-financial institutions and on long-term borrowings) will continue to exert pressure on banks' opportunities to profit mainly from lending. Thus, interest expenditure went up by 67 per cent (BGN 173 million) in the one-year horizon (by BGN 69 million or 37 per cent for the previous 12 months), while interest revenue growth rates sustained within the range of 38 to 40 per cent in both reporting periods.¹ The sustainable non-interest expenditure growth rates (22 per cent for both periods) and slowing growth in allocated provisions boosted the system's earnings. No substantial changes occurred in non-interest income growth which gives grounds to conclude that

¹ Over the period between September 2003 and September 2004 interest income grew by BGN 276 million (38 per cent), while in the next 12 months by BGN 404 million (40 per cent).

banks have not used all possibilities of offering most advanced products and services ensuring higher core revenue.

Chart 13

Profit**Market Concentration Index (HHI)**

Risk concentration analysis of balance sheet items in individual banks shows no significant changes compared with previous review periods which is another proof of the dominating positions of the first two or three institutions with the largest assets. By bank group, high concentration was observed in all items of the ten Group I largest banks (values of this index varied from 3000 in other loans and claims to 8000 in consumer and mortgage loans). DSK Bank retained its moderate concentration level in consumer loans and savings deposits. Accordingly, the United Bulgarian Bank preserved the moderate concentration level in agricultural loans and the First Investment Bank in short-term borrowings. Group II banks reported moderate concentration in agricultural loans, other loans and claims, and short-term borrowings.

4. Banking System Risk Profile: Major Bank Risks

Major risks forming the system's profile underwent no significant changes in the third quarter of 2005. The system retained its financial indicators involving:

- good asset quality;
- good current profitability;
- capital position adequate to the risk in operations;
- stable liquidity levels.

With a few exceptions, these indicators were typical of most banks. Even in the cases of increased risk appetite, good capital position and liquidity levels were retained.

At the same time, *negative trends in credit risk of individual loans* intensified further in the three-month period. This reflected the direct correlation between the risk and the aggressive behaviour of several systematically important banks aimed at preserving and expanding market positions in particular market niches (basically household loans) and products, for instance bank cards.

Despite the slowdown in lending rates, the credit risk profile changed which is an early indicator of fundamental trends toward further worsening of portfolios. Classified asset quarterly growth of 11.07 per cent equals BGN 135,068,000 (against BGN 50,564,000 for the previous quarter), the rise reflecting changes in classified loans by BGN 135,521,000 (from BGN 1,224,187,000 or 7.56 per cent of the system's total loans to BGN 1,359,708,000 or 8.01 per cent). An unfavourable conclusion is that the worsening resulted entirely from processes in lowest-risk segments: consumer and housing mortgage loans.

The change in the quality of consumer loans has been accelerating in the last 12 months. For instance, by March 2005 total classified consumer loans comprised BGN 144,566,000, by June BGN 211,763,000 and by September BGN 314,739,000. Accordingly, their share in total consumer loans rose from 4.5 per cent by March to 6.01 per cent by June and to 8.25 per cent by September. Examining the reasons for this migration (including through discussions with banks' representatives), at least three groups of factors affecting the economic environment, legal framework and bank products were outlined:

- With regard to economic environment: a number of reasons behind increasing household's indebtedness and problems in servicing credit exposures to banks were registered. Some banks assessed the excessive provision of bonuses in promoting new products on the market as an inappropriate business decision.
- With regard to legal framework: a factor behind the partial change in consumer loan classification characteristics are the provisions of Ordinance No. 9 on the conditions under which an exposure may be reclassified into a lower-risk classification group. By banks' admission, the Ordinance was not the major reason for worsening of this loan segment. This was also confirmed by October preliminary data. On the other hand, banks classify their exposures as 'watch' after 30 days, although under Ordinance No. 9 they are required to do that immediately. In this way, they do not report a great number of effective arrears.
- With regard to bank products: sizable deviations were registered in bank card business. Analysed data based on supervision reports and current on-site inspections show that there were sizable deviations in several banks with more dynamic card business. Major reasons include customers' unawareness in card servicing, weaknesses in sales and fail to pay credit card debts. The general conclusion is that customers are not prepared to use card products correctly. However, it should be noted that banks were not surprised by such behaviour since new markets face similar problems. It is pointed out that in retail banking the combination of credit card arrears (an unpaid annual fee or an amount used within the credit limit) and a correctly serviced consumer loan leads to classification of the customer's overall exposure (in line with regulatory requirements). Loans classified as a result of arrears on credit cards of individuals still occupy a small share in total classified consumer and mortgage loans. Inspections showed that banks' information systems are still inadequate and unable to report this kind of product.

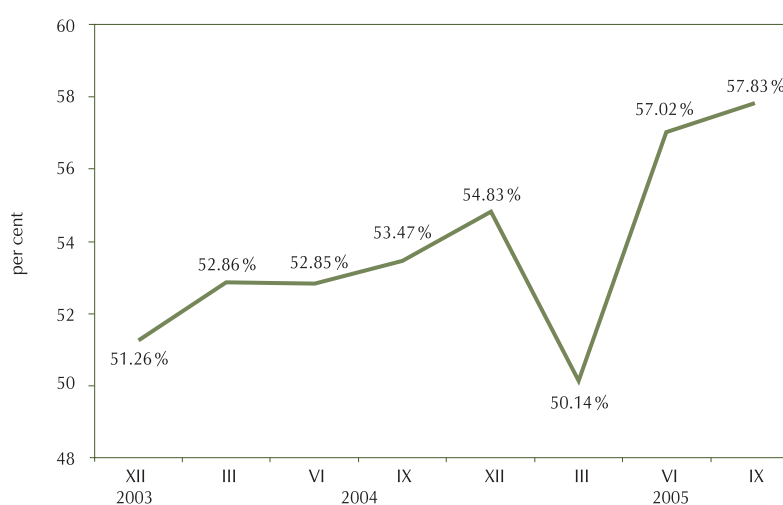
Most banks admit that the reasons behind the worsening were attributable to the approach applied to extending loans by emphasizing (insufficiently) the creditworthiness of the particular customer instead of examining trends in the macro environment. Nevertheless, expectations of banks experiencing more serious problems in lending to individuals are for classified loans to stabilize around the present levels in pursuit of a good level of loan repayment (in view of the relatively small average amount of these loans).

Analogous trends were observed in *mortgage loans*. In March 2005 overdue loans came to BGN 37,385,000 (3.04 per cent of total mortgage loans), in June they reached BGN 66,060,000 (4.38 per cent) and in September BGN 120,979,000 (6.99 per cent). Unlike consumer and mortgage loans, *commercial loans* preserved their quality tending slightly to improve. The total amount of their classi-

fied portion was BGN 848,748,000 (against BGN 860,894,000 by June and BGN 888,667,000 by March) which comprised a 7.83 per cent share in total commercial loans (8.37 per cent by June and 6.98 per cent by March). This suggests that as of September banks' corporate customer segment was in a good financial position.

Chart 14

Loans with a Term of over One Year/Total Loans



Banks' enhanced consumer and mortgage lending contributed significantly to loan maturity extension. By September 2005 loans with a term of over one year reached BGN 9,478,533,000 (57.83 per cent of total loans) which, coupled with the above-mentioned changes in the classification structure, determined the change in risk sensibility of the whole credit portfolio.

Loans of over BGN 1 million increased by some BGN 177 million to BGN 7,999,176,000. They occupied approximately 47 per cent of all loans, with their share reporting a decline compared with previous periods. The share of standard loans came to 91.38 per cent (90.61 per cent as of June), loans classified as 'watch' to 4.98 per cent (5.69 per cent in the previous quarter) and those classified as 'substandard' and 'non-performing' to 2.01 per cent (2.07 per cent) and 1.63 per cent (1.63 per cent) respectively. The concentration level of individual large borrowers by bank gave no grounds for serious concerns.

The sensibility of the system and of individual banks to changes in *market risk* has been subject to monitoring since the start of July 2005 under the new BNB Ordinance No. 8. Data support the conclusions (reached in previous periods and by a rather imperfect methodology) that *market risk is not of key importance for the risk profile of the system and of most banks*. A trading portfolio meeting the market risk requirements was reported by 22 out of all 28 banks. The average banking system *percentage of market risk capital coverage* measured by the share of RWA (the equivalent of risk-weighted assets) for market risk in the total risk component of all banks (excluding branches) was 4.41 per cent. The internal structure was dominated by position risk (89.13 per cent of RWA for market risk) with risk related to debt instruments playing the key role in position risk: 82.74 per cent of RWA for market risk. With a few exceptions, banks invest in low credit risk securities of first-class issuers. This also explains banks' low propensity to invest in capital instruments: just 6.39 per cent of RWA was in capital instruments. Currency risk occupied 10.82 per cent of RWA for market risk, with its values posing no significant threat to the system's stability.

5. Asset Quality 'A'

- *Most institutions reported accelerated impairment rates of consumer and mortgage loans.*
- *Between September 2003 and September 2004 growth rates of classified loans (30 per cent or BGN 201 million) matched the asset growth (32 per cent) but the trend reversed in the last 12 months: assets grew by 38 per cent, while their classified portion increased by 55 per cent (BGN 482 million).*

The third quarter of 2005 was not marked by new or different trends: banks continued to pursue credit policy consistent with Ordinance No. 21 restrictions. Except for three banks and two foreign bank branches, all other institutions' credit portfolios continued to grow at moderate paces: from 0.26 per cent to 19.48 per cent. Trying to preserve their market positions, several banks did not decrease their lending rates to reach regulatory limits.

After slowing growth rates of classified and problem assets as of half-year, at the end of the reviewed period higher growth was reported again, prompting an increase in their share in total assets. This trend was most clearly pronounced in loans to households: over the third quarter classified mortgage loans increased by 83 per cent and consumer loans by 49 per cent. Although the portion classified outside 'standard' loans is still not large, their share in total classified loans has decreased constantly: from 14 per cent by September 2004 to 32 per cent in the third quarter.

Claims on financial institutions matched half-year's levels, with their growth in some institutions at the end of the reviewed period reflecting both propensity to change the total risk component of assets and/or liquidity considerations.

Basic qualitative characteristics of assets in trading and investment portfolios remained almost unchanged, with investments in Bulgarian government securities and foreign securities of issuers under Appendices 1 and 2 of BNB Ordinance No. 8 continuing to dominate.

5.1. The Increased Credit Risk Zone

During the third quarter institutions assigned ratings of 3 and 4 for asset quality continued to attract increased supervisory attention. In these institutions, the risk sharpness remained above the system average. Banks of this zone retained their reduced standards in identifying, measuring and evaluating credit risks, which was proven by supervisory inspections requiring significant additional provisions. Inspection findings include opaque transactions within these institutions both in lending and passive operations. Off-shore companies were credited, and banks had no data on their financial performance according to the inspection. Despite the good asset quality, signs of increasing credit risk were seen in several institutions (mainly in consumer and mortgage loans). In view of that, although outside this zone, they became also subject to increased attention by the Banking Supervision Department over the period under review. Particular transactions in other banks again raised questions related to their capacity to effectively manage the assumed credit risk.

During the reviewed period assets showed the following dynamics:

Classified assets of the banking system increased at rates similar to those in the same period of 2004: 11 per cent (BGN 136 million) reaching 4.5 per cent of gross banking assets (4 per cent a year earlier). Concerns about accelerating credit portfolio contamination expressed in the previous analysis were confirmed by the third quarter data. Between September 2003 and September 2004 growth rates of classified loans at 30 per cent (BGN 201 million) matched the asset growth at 32 per cent, while in the last 12 months the trend reversed: assets grew by 38 per cent, while their classified portion rose by 55 per cent (BGN 482 million). A drop in the level of classified assets on June 2005 was registered by merely one-third of institutions, while some systematically important banks reported sig-

nificant increases in these assets. In several Group I banks, classified asset growth was BGN 155 million, prompting a slight increase in classified assets as a percentage of gross assets from 3.43 per cent in the second quarter to 3.79 per cent in the third quarter. However, these values remained lower than those registered in the same period of 2004: 4.59 per cent.

Chart 15

Classified Asset Growth Rates

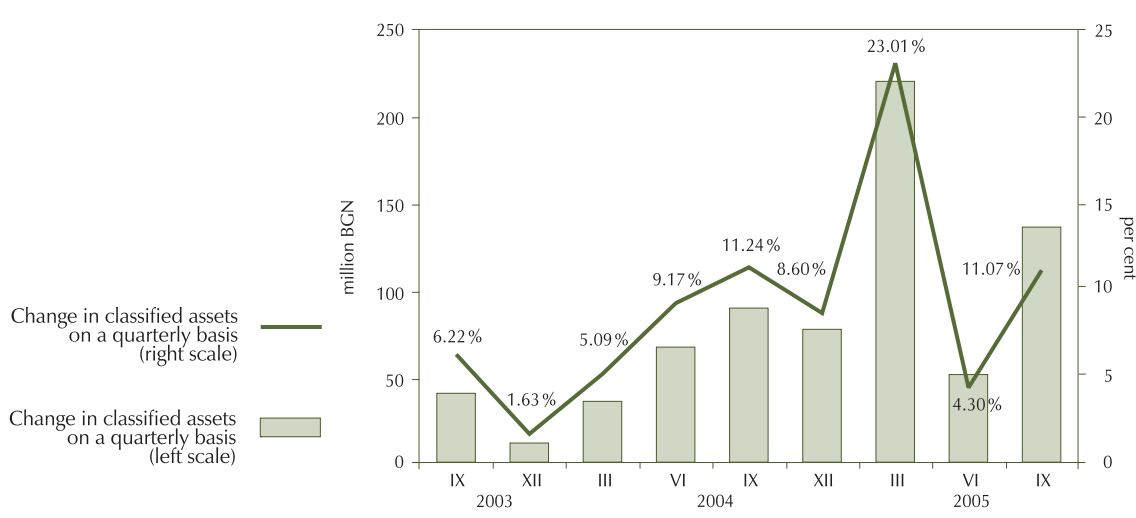
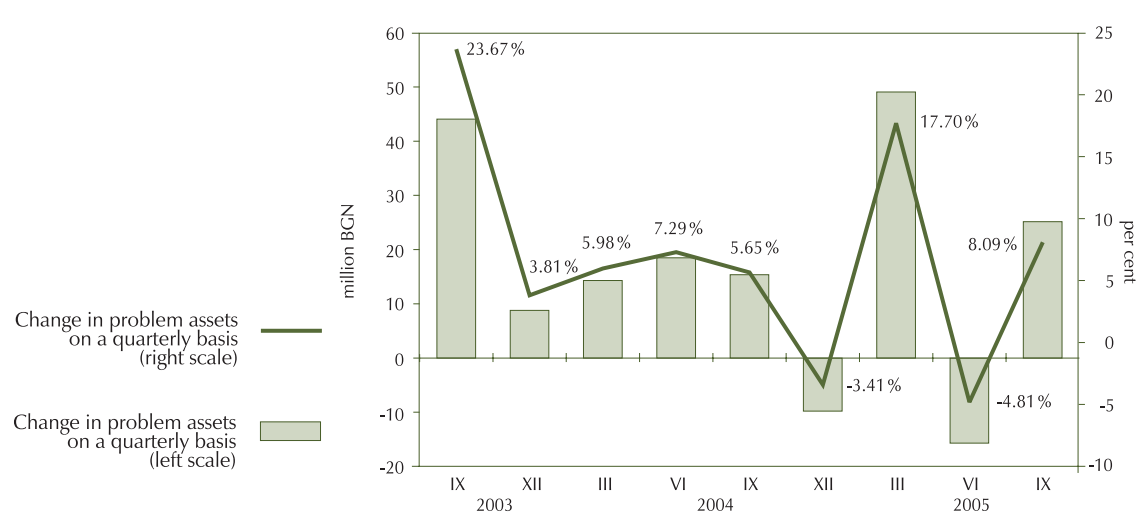


Chart 16

Problem Asset Growth Rates

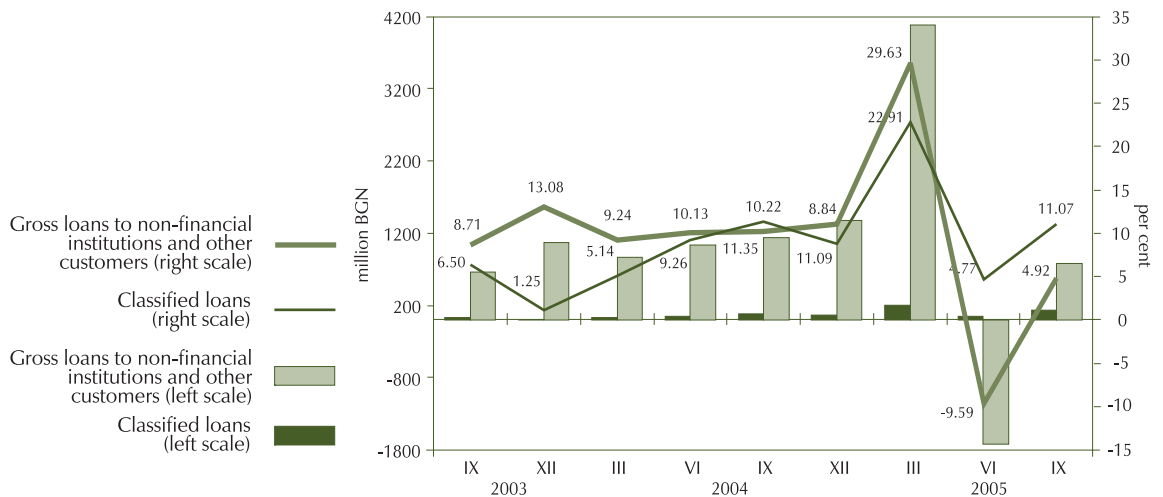


Problem asset dynamics matched classified asset developments: an increase by BGN 25 million (8.09 per cent) in the third quarter as a result of growth in half of the banks. However, their level caused no concerns about the financial performance of the system. The steady values of problem assets as a percentage of gross assets at around 1 per cent (1.11 per cent by the end of September) and the last two years' trend confirm our conclusions. Group II banks have traditionally maintained higher-than-average values of this ratio.

Given the steady growth of classified assets broken down into three classification groups (excluding 'standard' assets), no dramatic changes occurred in the weight of each of these groups by the end of the review period. Assets classified as 'watch' sustained their largest share (52.12 per cent) posting a decline of 3.6 percentage points in a one-year horizon. The almost three-fold increase in loans classified as 'substandard' between September 2004 and September 2005 led to a rise in their share from 10.40 per cent to 18.97 per cent. This was accompanied by about a 5 per cent decline in the share of loans classified as 'non-performing' to 28.91 per cent. Data review for the last 12 months suggests that the number of institutions reporting values of classified watch and non-performing exposures higher than average increased, while those reporting higher-than-average values of classified non-performing exposures halved.

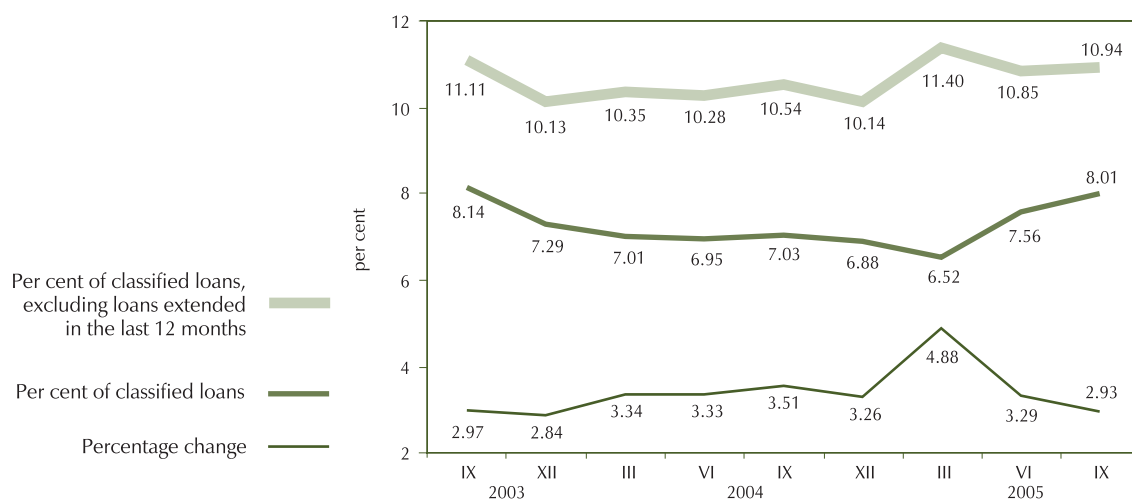
Chart 17

Growth Rates of Loans and Classified Loans



Since *classified loans* were dominant in total classified assets, their dynamics followed the same pattern: classified loans over the last 12 months (September 2004 – September 2005) grew faster (by 56 per cent) than gross loans (37 per cent). Over the previous one-year period the ratio was quite opposite: gross loans posted a 50 per cent growth, while classified loans rose by 30 per cent. Taking into account the measures initiated to curb lending, impairment rate is expected to accelerate. This may be seen if the loans extended for the last one year were eliminated from the banking system portfolio (see Chart 18): after December 2004 their level steadily grew from 10.14 to 10.94 per cent. Irrespective of the credit growth, the ratio of classified loans to total loans in 14 banks exhibited an increase in one-year horizon.

Chart 18
Classified Loans



Faster contamination of consumer and mortgage loans compared with commercial loans, a trend which occurred at the end of 2004, led to a significant increase in their share in the structure of classified loans. Over the last two quarters the share of classified consumer loans in total classified claims rose by approximately 5 percentage points on average. By end-September they reached almost one-fourth of total classified loans (11 per cent by September 2004). Given the specificity of mortgage loans, these loans grew at a slower rate: from 2.6 per cent to 8.9 per cent for the last 12 months. This was accompanied by a dramatic decline in the share of classified commercial loans: from 78.7 per cent to 62.4 per cent (see Chart 19). The share of non-performing loans in classified consumer loans comprised about one-third, while those in classified commercial and mortgage loans accounted for 25 and 22 per cent respectively.

Chart 19
Classified Loans' Structure

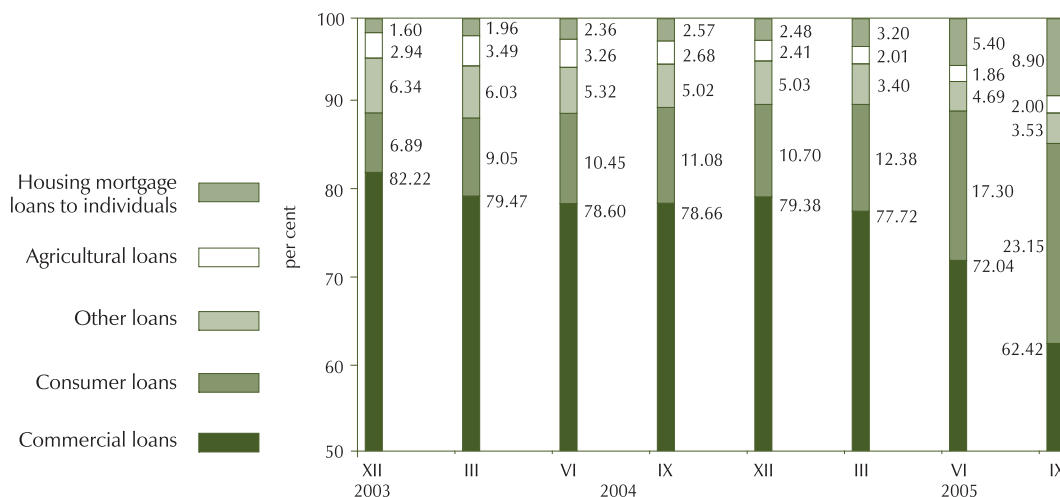
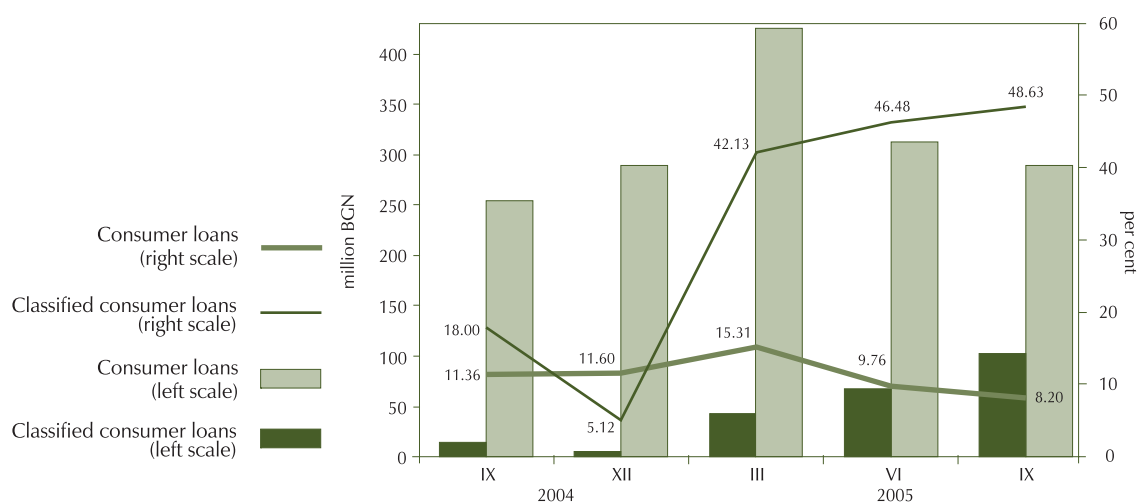


Chart 20

Growth Rates of Consumer Loans and Their Classified Portion

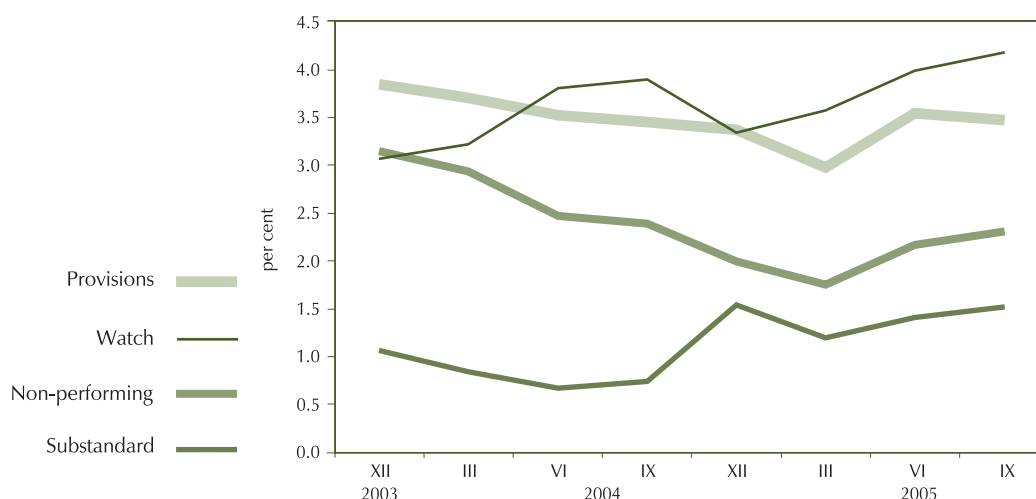


More modest credit growth after March 2004 made the picture for evaluating credit risk in banks' portfolio more realistic. Given the high credit growth between September 2004 and March 2005, the share of standard loans went up, while after March it started gradually falling. As a result, by the end of the review period these loans accounted for 91.99 per cent against 92.44 per cent in the previous quarter and 92.97 per cent a year earlier. Over the last 12 months the share of substandard loans rose most substantially: from 0.74 per cent to 1.52 per cent, while non-performing loans posted a slight decrease by 0.08 percentage points to 2.32 per cent.

The distribution of credit risk sharpness by bank group was as follows:

	September 2004	June 2005	September 2005
Group I			
Total (million BGN)	9 080	12 106	12 646
Standard (%)	93.13	92.47	91.76
Non-performing (%)	2.47	2.12	2.27
Group II			
Total (million BGN)	2 609	3 138	3 305
Standard (%)	91.84	91.35	91.53
Non-performing (%)	2.74	2.94	3.08
Group III			
Total (million BGN)	744	941	1 031
Standard (%)	95.11	95.63	96.30
Non-performing (%)	0.39	0.22	0.36

Chart 21
Loans Classification



5.2. Provision Analysis

Over the review quarter the state of balance sheet provisions allocated to cover impairment suggests that banks have not reacted in due course to the change in credit risk indicators. Values of almost all indicators evaluating the degree of provisioning matched the previous year's levels or even went down. *The gross asset provisioning degree* of banks matched the September 2004 level (1.95 per cent) but is lower compared with the first half of the year (2.02 per cent). Provisions reached BGN 590 million, a 37 per cent increase on the corresponding quarter of 2004. This matched assets growth in the same period but it significantly lagged behind the growth rate of classified assets (55 per cent). The values of this ratio in half of the banks were higher than in September 2004.

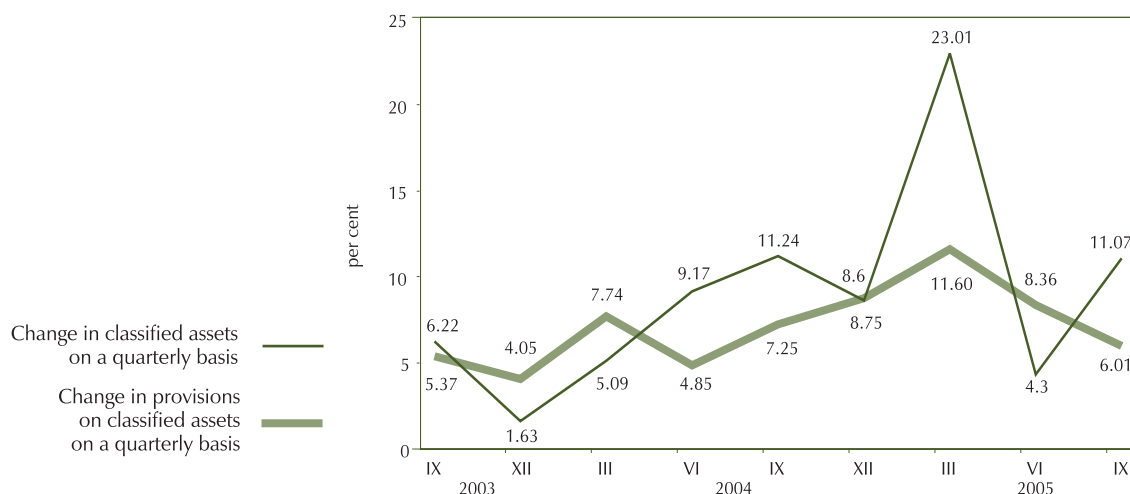
Provisions of claims on non-financial institutions also sustained their previous year's level (3.47 per cent) exhibiting a decline on the second quarter (3.54 per cent). In a one-year horizon they grew by BGN 159 million, indicating the same growth rates as loans. Provisions of claims on financial institutions were negligibly small: 0.04 per cent against 0.06 per cent by September 2004.

The degree of classified exposure provisioning is the only indicator posting a significant decline both on the quarter and the corresponding period of 2004. For a period of one quarter it went down by approximately 2 percentage points and for a year by 4 percentage points to 36.49 per cent. Lower values of this indicator should neither be treated as a change in the impairment policy, nor as lower degree of credit risk sharpness. These values should be considered as a result of the impact of two major factors: a lower weight of the group of highest risk in the one-year horizon and a probability for an increase in the amount of high-liquid security.² In some banks, classified assets of the highest risk group increased significantly accompanied by a decline in the provisioning degree. *The degree of provisioning on a portfolio basis* slightly increased on the two review periods³ to reach 1.21 per cent. *The coverage degree* indicating the total provisions to classified non-performing assets ratio rose from 145 per cent by September 2004 to 150 per cent in the review quarter (against 163 per cent by June 2005).

² Classified exposures covered by high-liquid assets require less provisioning and *vice versa* the lower amount of high-liquid security requires higher provisioning.

³ Compared with the first half of 2005 and the third quarter of 2004.

Chart 22

Growth in Classified Exposures and Provisions Thereon**6. Earnings 'E'**

- *The faster growth rates of major income centres over the last 12 months compared with asset growth contributed to more modest decline in profitability indicators.*
- *Small- and medium-sized banks managed to improve their profitability indicators. Moreover, their declining share in the banking system assets was accompanied by an increase in the share of profit.*

Over the review period (September 2004 – September 2005) the major factors affecting banks' profitability were:

- the slight fall in the share of interest-bearing assets in the banking system's gross assets, a result of limited lending;
- the steady increase in the cost of financing of interest-bearing assets;
- the increase in credit provisions, a result of accelerated loan impairment;
- the gradual decline in lending interest rates due to an increasing competition.

The combination of these and some other factors led to yet another decline in the profitability coefficients of the banking system. In contrast to the expectations that the group of small- and medium-sized banks is more vulnerable to the competition in the sector and the probability of faster worsening in profitability indicators, the group improved its key indicators compared to the same period of 2004. Opposite trends occurred in the ten largest banks expressed in declining earnings in most of these institutions. Despite slowing growth rates of net interest income over the review period (31 per cent or BGN 231 million) compared to the September 2003 – September 2004 period (38 per cent or BGN 206 million), profit growth was higher (38 per cent or BGN 126 million) compared to 14 per cent growth (BGN 42 million) over the previous 12-month period. A major factor here was the profit-making transactions in trading and investment portfolios, as well as retaining growth in non-interest expenditure (22 per cent in both periods). The fee and commission income grew at a steady rate of 30 per cent in the reporting 12-month period and 19 per cent in the previous period, with its contribution to income from core operations slightly declining to 24 and 26 per cent for the September 2005 – September 2004 and September 2004 – September 2003 periods respectively.

6.1. The High-problem Income Zone

In the period under review the zone again included banks with problematic income and significant earnings fluctuations. These institutions continued to generate an unstable and insufficient income from core operations, frequently resulting from atypical banking transactions. Operating expenditure was high, and internal sources of capital support were practically missing or minimal.

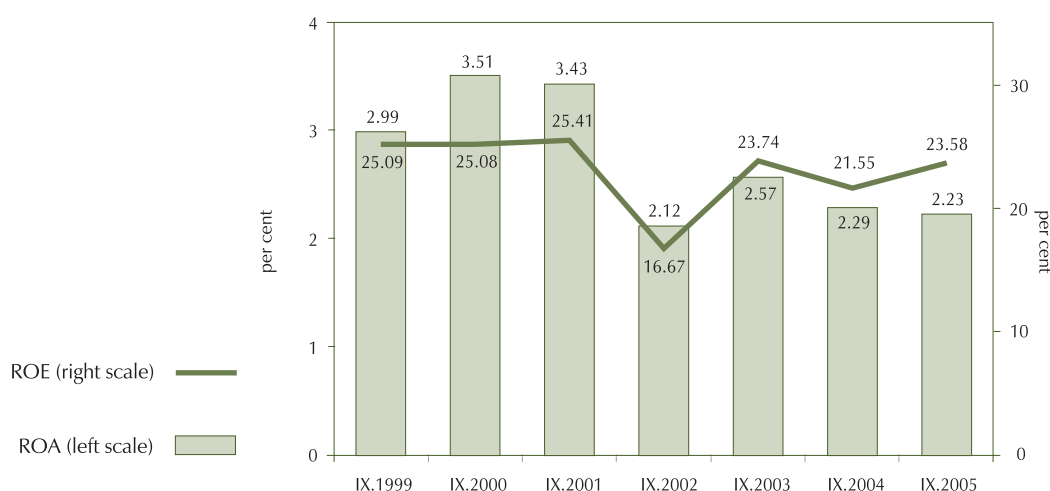
Leading banking indicators were:

Ratio as a percentage of average assets	September 2004	September 2005
Net interest income (%)	4.98	4.62
Non-interest expenditure (%)	4.20	3.63
Extraordinary gain/loss (%)	0.05	0.04
Efficiency ratio (%)	60.43	55.80
Net result (post-tax ROA since year start) (%)	2.29	2.23
Core ROA (income from core operations since year start) (%)	2.96	2.80
Return on equity (ROE) (%)	21.55	23.58
Average assets (million BGN)	19 547	27 608

The leading earnings indicators showed a sustainable downward trend over the last three years. It should be pointed out that as of September 2005 their values did not decline as sharply on the same period of 2004, as between September 2003 and September 2004. One of the reasons behind slowing earnings is the faster growth rates of major income centres over the last 12 months compared to the assets rates. *The Return on Assets indicator (ROA)* continued falling to reach 2.23 per cent *vis-à-vis* 2.29 per cent in the same period of 2004 and 2.57 per cent as of end-September 2003. Irrespective of the increasing competition, the group of small- and medium-sized banks showed improved ROA, its values reaching 1.53 per cent compared to 1.31 per cent a year earlier. The number of institutions reporting values of less than 1 per cent decreased. In Group I banks, only the top three in asset value managed to increase their returns compared to the same quarter of 2004, which prompted a decline in the group coefficient by 0.5 percentage points to 1.96 per cent. Similar dynamics showed the *core ROA* coefficient, describing quality earnings determinants: at the banking system level, its value declined from 2.96 per cent to 2.8 per cent over a one-year horizon.

Chart 23

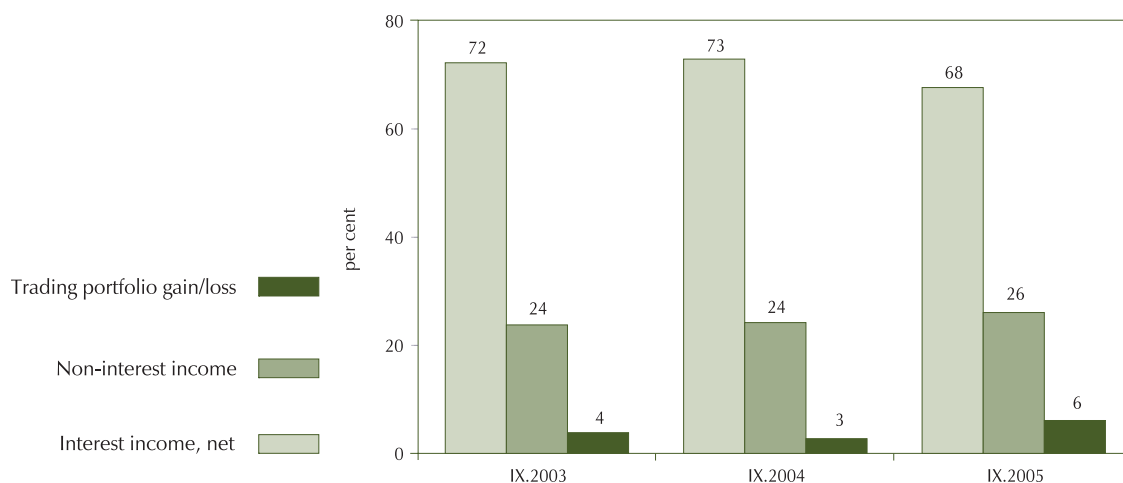
Return on Assets and Return on Equity



Most banks reported declines in *net interest income* on the third quarter of the previous year. The main reasons for this were the shrinking levels of interest-bearing assets and the growing price of resources for financing. Interest expenditure grew at faster rates than interest income: the former by 67 per cent and the latter by 40 per cent between September 2004 and September 2005 (37 per cent and 38 per cent respectively between September 2003 and September 2004). As a result, net interest income increased by 31 per cent against 38 per cent in the previous 12-month period. In the structure of interest income in both review periods, a tendency to increasing loan interest income was observed (from 78 per cent as of September 2003 to 84 per cent in the third quarter of 2005) at the expense of declined interest income from trading and investment portfolio assets (from 16 per cent to 9 per cent). At the banking system level, net interest income decreased from 4.98 per cent to 4.62 per cent in the last 12 months, with a more clearly pronounced trend in Group I banks (down 0.28 percentage points). Household- and retail-oriented banks succeeded in maintaining high values of this indicator.

Chart 24

Income from Core Operations



The simultaneous pressure of above factors predetermined a negative trend in *net interest margin*: down from 5.67 per cent to 5.3 per cent. Yet again opposite trends were reported in Group I and Group II banks. Banks having access to cheap resources will manage to keep up good levels of their profitability indicators, while others are likely to experience pressure on both income from core operations and net interest margin.

The sustained share of interest liabilities in interest-bearing assets measured by the excess of *interest-bearing liabilities over interest-bearing assets* (97.52 per cent in both June and September 2005) and increasing *prices of interest liabilities* support conclusions about growing pressure over the system's earnings. With few exceptions, banks' interest liabilities grew faster than interest-bearing assets, prompting an increase in the ratio by some 3 percentage points to 97.52 per cent in a one-year horizon. Few institutions (two Group I banks and seven Group II banks) reported lower interest-bearing liabilities prices compared to the base period. At the system level, values of this indicator increased considerably: from 2.07 per cent to 2.4 per cent. *The cost of interest-bearing asset financing* also continued rising: from 1.96 per cent to 2.34 per cent, demonstrating faster growing rates in the last 12 months compared to the prior 12-month period.

The only indicator which remained constant was the *return on interest-bearing assets* at 7.63 per cent. The level of this indicator contributed to maintaining total return on assets. On the other hand however, it proved the dominating position of interest income in income from core operations. The declining share of *non-interest income* confirmed the still low level of financial intermediation: down from 2.13 per cent to 1.98 per cent, with about two-thirds of the banks registering lower indicator values. It should be noted that despite the comparatively steady growth rate of this income (31 per cent over the September 2004 to September 2005 period and 34 per cent over the preceding period), the weight of fee and commission income (the quality portion of non-interest income) fell from 89 per cent by the end of the third quarter of 2003 to 78 per cent by the end of the third quarter of 2005.

Chart 25

Selected Profitability Ratios

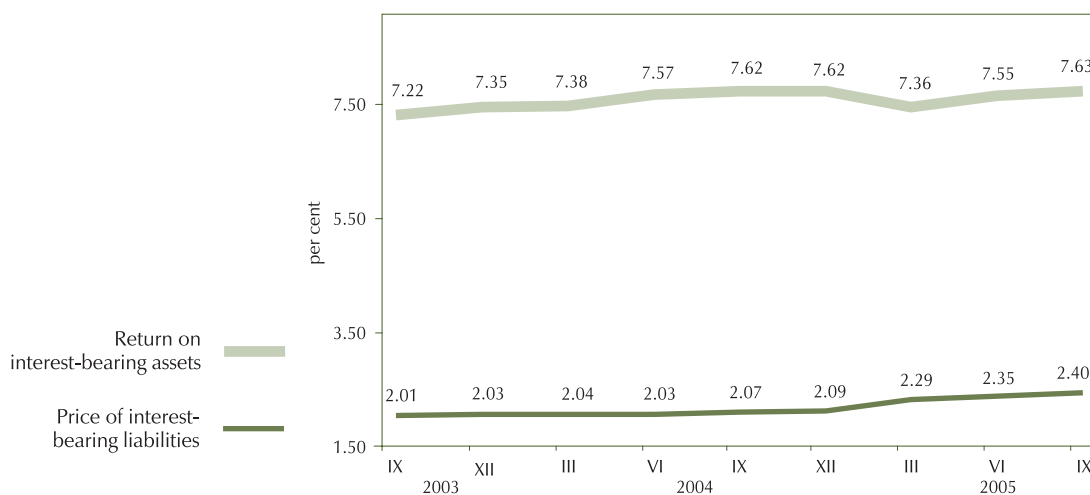


Chart 26

Net Interest Margin



A favourable influence on the system's profitability was exerted by declining *non-interest expenditure*: by about 0.6 percentage points to 3.63 per cent in a year. Banks managed to maintain a steady growth of non-interest expenditure at 22 per cent for both 12-month periods. This growth, coupled with higher rates of core operations income between September 2004 and September 2005 (32 per cent *vis-à-vis* 28 per cent over the previous period) resulted in an improved *efficiency ratio* of the banking system. It fell from 63.81 per cent as of September 2003 to 60.43 per cent as of September 2004 and further to 55.8 per cent by the end of the third quarter of 2005. Extremely high values reported by some institutions indicate that fundamental problems in earnings management have not yet been overcome.

Chart 27
Efficiency Ratio



Despite the more than two-fold increase in *credit provisions* over the last 12 months, their level still remained below 1 per cent of average banking assets. Currency operations' contribution to bank performance was insignificant, and extraordinary profit was reported mainly by high-problem income zone banks.

ROE, the indicator of system's good earnings, matched its September 2003 values (23.74 per cent), reaching 23.58 per cent as of the end of the third quarter and 21.55 per cent in the same quarter of 2004. High-problem banks again reported the lowest indicator values.

At the end of September 2005 bank employees under a labour contract numbered 23,930, an increase of 1446 on September 2004. Correspondingly, the amount of assets per employee reached BGN 1,241,000 against BGN 958,000 in the same period of the previous year (an increase of about BGN 283,000).

7. Capital 'C'

- *Banking system's capital ensured a good level of coverage of institutions' risk profile.*
- *At the system level and in most banks, adequate sources of internal capital support existed.*

The third quarter of 2005 saw enforcement of a new ordinance forcing banks to maintain additional capital resources to cover market risks. Capital adequacy showed no inevitable decline, typical of such changes. It fell from 16.66 per cent in June to 15.91 per cent at the end of September. Some

banks undertook various strategies to meet the additional capital weight: by decreasing the amount of trading portfolio securities below the levels which require reporting in trading portfolio, by increasing their own funds by using tier two capital resources through debt/capital (hybrid) instruments and subordinated term debt.

- Compared to June, own funds increased by BGN 148,232,000 (5.45 per cent quarterly growth), while tier one capital growth was BGN 69,539,000 (2.98 per cent). As a result, tier one capital's share in own funds came to 83.75 per cent, and subordinated term debt's share in tier two capital 33.88 per cent.
- RWA grew by BGN 1,700,989,000 (10.412 per cent). It is important to note that this is the first time the amount of the RWA equivalent for market risk amounting to BGN 794,979,000 has been included in RWA.

Subordinated term debt used for prompt capital support was reported by six banks, while debt/capital (hybrid) instruments of higher capital quality (compared to subordinated term debt) were used by two banks.

7.1. The Increased Capital Risk Zone

Banks included in this zone experienced strong internal or external pressure on capital. Measured by the assigned component rating, this stipulation is met by banks with a component rating of 3 or lower, in which deterioration in major capital ratios is underway or is likely to occur. Classification of banks into this group does not necessarily suppose a strong threat to solvency. It is rather a supervisory reaction to identify and prevent fundamental risks.

7.2. Capital Adequacy Level and Trends

The decline in the system's *capital adequacy ratio* was reported by 19 banks: seven from Group I and 12 from the small- and medium-sized banks group. However, the decline has not reached levels at which even the smallest fluctuation in the asset quality and/or earnings (and no flexible reaction of shareholders) would cause a regulator violation. For the group of small- and medium-sized banks, quite high levels of this indicator were typical, reflecting a couple of factors: a large share of own funds, weak market positions of most banks, a rather cautious model of business behaviour. Regardless of the good values of this indicator in some banks, concerns demanding closer monitoring arouse: in some institutions, this was due to the aggressive banking with corporate customers; in other, due to propensity to finance business-related customers, while formally following the statutory requirements; some banks aggressively promoted use of card products, generating operational loss and increasing impairment rate of this segment of credit portfolio. Nevertheless, grounds exist to confirm the projections of the previous analysis that in the coming quarters the capital position will correspond to the banking system's risk profile.

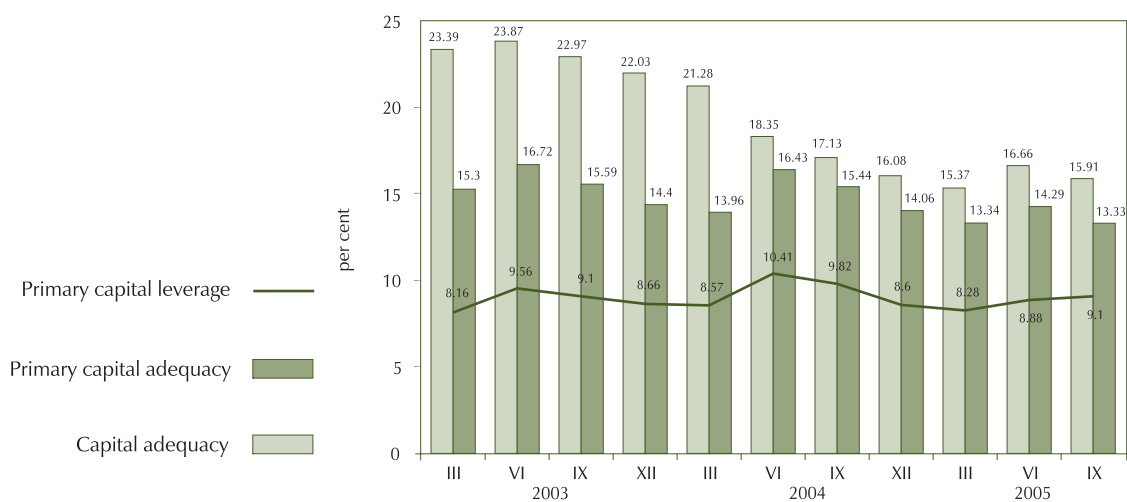
High values of *the tier one capital ratio* reflected the dominating position of tier one capital in own funds. Though marking a decline on June from 14.29 per cent to 13.33 per cent, they were still far above the minimum admissible level of 6 per cent.

Growth in own funds, and especially in tier one capital, predetermined changes in the indicator measuring *the tier one capital leverage*. The rise from 8.88 per cent in June to 9.1 per cent in September should not be interpreted as a decline in total indebtedness of the system. The ability of the capital to attract financial resources underwent no changes in individual banks and the banking system as a whole. The levels were stable (*e.g.* as of September 2004 the indicator's values were 9.82 per cent), with fluctuations exerting no substantial influence on business operations of individual banks. As a

rule, high values of this ratio indicate weak market positions and domination of funds provided by shareholders for business financing.

Chart 28

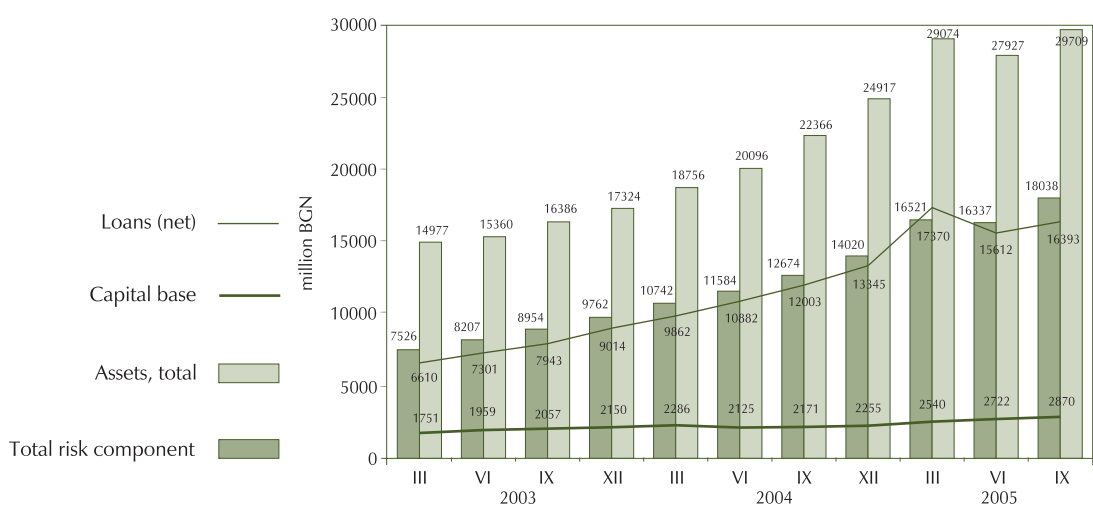
Capital Indicators Dynamics



The capital position stability is also assessed in terms of potential erosion the own funds are imposed to under hypothetical unfavourable scenarios in economic conditions and/or in the bank. From this point of view, *the share of net classified assets* is quite important. Compared to June 2005, they increased from 27.81 per cent to 30.11 per cent of banks' own funds, posting 6.02 per cent growth on September 2004.

Chart 29

Dynamics of the Major Factors Determining the Level of Capital Indicators



7.3 Capital in Excess of Capital Base Regulation

Capital in excess, measuring available reserves used to meet dramatic changes in financial performance of banks, amounted to BGN 705,735,000 as of September, indicating a fall of some BGN 56 million on June. This corresponds to the RWA equivalent growth and reflects the slight decline in the capital adequacy ratio. Declines were reported by systematically important banks, with no institution registering practically exhausted capital surplus. In the group of small- and medium-sized banks, the opposite trend was observed. The positive fact is that institutions with problematic quality of assets reported good levels of capital in excess of minimum required own funds. The good financial result of the system by the end of the third quarter amounting to BGN 461,521,000 generated by all banks should be considered a potential source of capital surplus. This justifies the expectation that in the following quarters the system will maintain levels of own funds sufficient enough to absorb substantial financial shocks.

Investment in fixed assets reached BGN 706,856,000 (an increase of BGN 18,254,000), occupying 24.63 per cent of own funds (25.3 per cent in June). No bank violated the admissible 50 per cent level. However, few institutions reported values close to regulatory minimum.

8. Liquidity 'L'

- *Major indicators showed a good level of banking liquidity.*

The third quarter saw no change in banking liquidity position and hence, the overall assessment of the banking system. Individual institutions continued to provide good cover of borrowed funds by liquid assets.

8.1. The Increased Liquidity Risk Zone

Institutions with component and complex ratings of 3 or lower, which had a very limited access (*in case of liquidity problems*) to financial resources under favourable conditions, were included in this zone. Banks which may be a subject of strong pressure of internal and/or external factors (*inter alia*, corroded public image, shareholder conflict, excessive dependence of business financing on large deposit concentrations, risk exposures to banks and markets with a higher-than-average degree of risk) were put under supervisory monitoring. Also included were banks experiencing persistent liquidity difficulties (excluded from the payment system, with continuous shortage of minimum required reserves with the BNB).

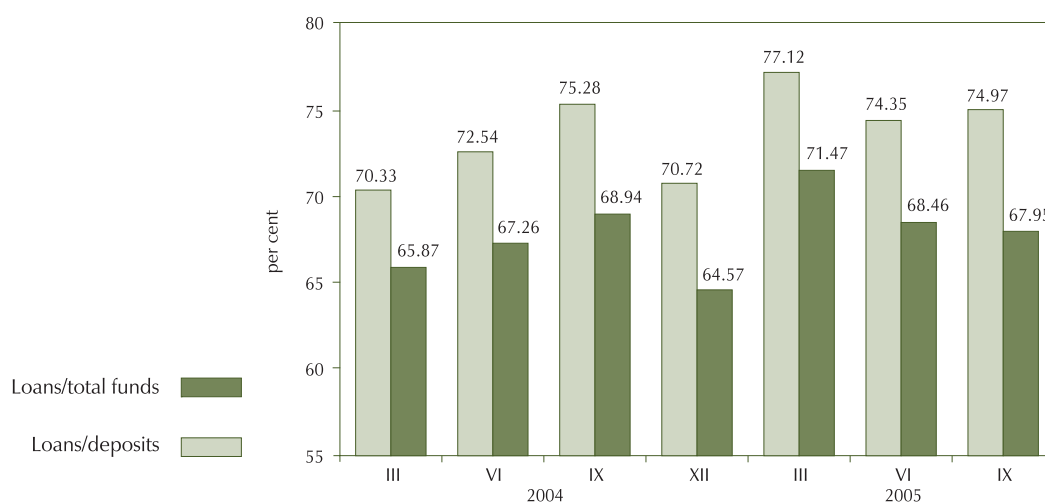
8.2. Major Liquidity Indicators: Level and Trends

Over the period under review *tradable assets as a share of total assets* retained their good level at BGN 7,973,975,000 (up 4.25 per cent on June against total asset growth of 6.38 per cent). The level of 26.84 per cent at the end of the period (27.39 per cent as of June 2004 and 25.45 per cent as of September 2004) is an indicator of liquidity adequate to the risk profile of the banking system and individual banks. This level reflected the existing maturity imbalance between assets and liabilities, requiring a capacity to meet higher withdrawal of financial resources to be maintained. The steady level of tradable assets guaranteed an *adequate coverage of borrowed funds*. The level of 31.4 per cent (31.84 per cent in June and 30.05 per cent a year earlier) reflects banks' policy aimed at securing liquidity position by adequate placements. The reporting period saw no indications of distrust towards the banking system which would provoke larger withdrawals and threaten institutions' abilities to meet payments. The banking system's liquidity reported as a proportion between liquid assets and

outgoing cash flows broken down into periods (up to seven days, up to one month, up to three months, up to six months, up to twelve months and over one year) experienced no significant changes. The maturity imbalance was mostly expressed in the period between one and six months where the *liquid assets ratio* (measuring the level of outgoing cash flow coverage by liquid assets for the review period) approached the most unfavourable values of 44.83 per cent for the period between three and six months and 89.52 per cent between three and six months (with recommended values of 100 per cent). It was the presence of such imbalances in flows, a result of prevalence of short-term resources coupled with extending asset terms (lending being the driver), that predetermined the necessity of maintaining high values of this indicator. At the end of September it was 29.76 per cent (30.19 per cent in June and 26.07 per cent a year earlier). Similar imbalances were reported by individual bank groups. Therefore, such maturity structure of assets and liabilities require relevant volume and quality of liquid assets to be maintained. Consequently, no sharp falls in major indicators measuring the ability of individual banks and the whole banking system to meet customer payments are expected.

Chart 30

The Loans to Deposits and Loans to Total Funds Ratios



Lending restrictions under the amended BNB Ordinance No. 21 had a stabilizing effect on the *loans to deposits ratio*. Its values averaged 75 per cent (74.97 per cent as of September 2005, 74.35 per cent as of June 2005 and 75.28 per cent as of September 2004), still regarded as high in terms of asset quality dynamics and the existing maturity imbalance. Similar trends occurred in the *loans to total funds ratio*. Albeit still high, they stabilized at 67.95 per cent as of September (68.46 per cent as of June and 68.94 per cent as of September 2004). The decrease in external financial flows, especially provided by parent companies, had a favourable effect on this ratio. Yet there are no grounds to expect faster declines in the coming couple of periods.

Appendix 1

Chart 31
Total Amount of Loans by Quarter



Chart 32
Loan Structure as of September 2005

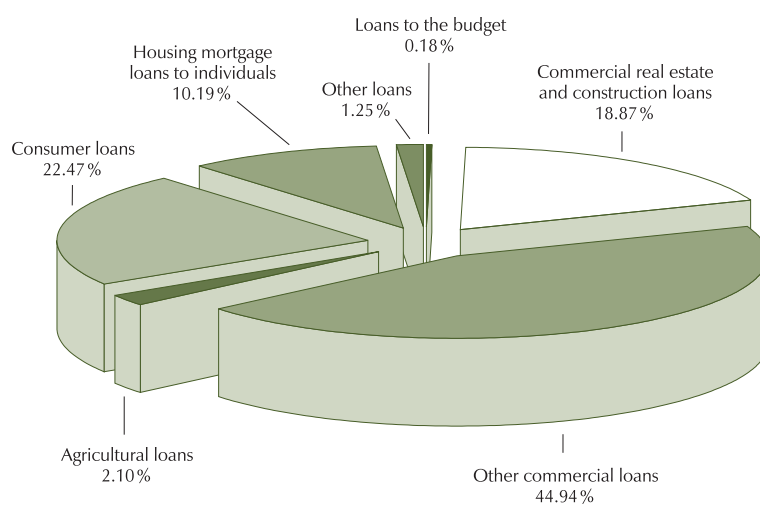


Chart 33

Structure of Claims on Financial and Non-financial Institutions by Quarter

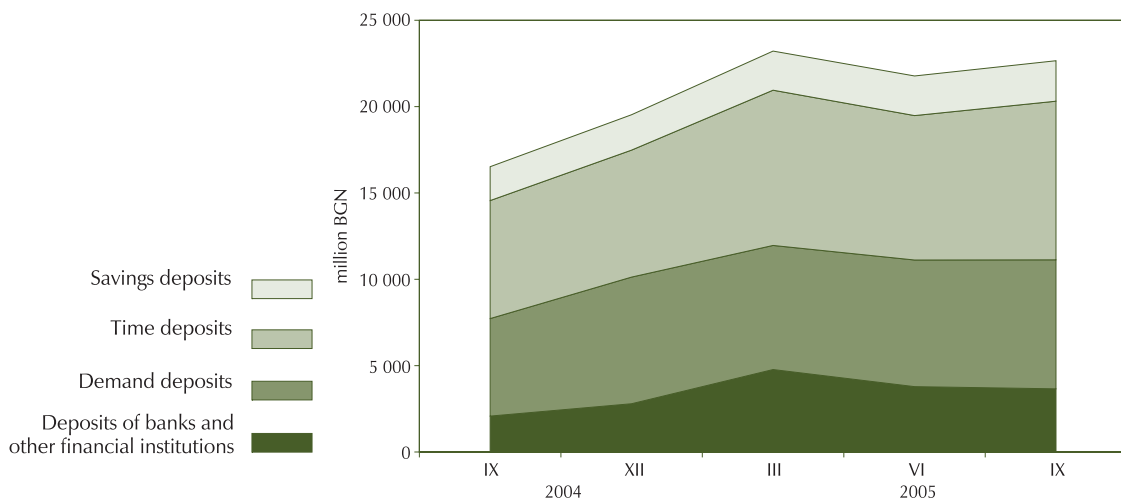


Chart 34

The Loans to Deposits Ratios

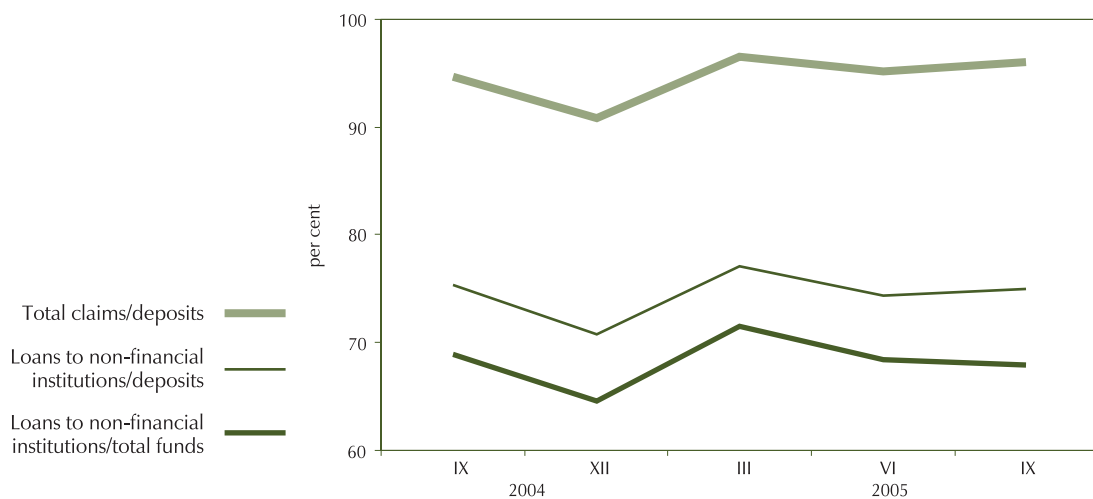


Chart 35
Return on Assets (ROA) and Return on Equity (ROE)

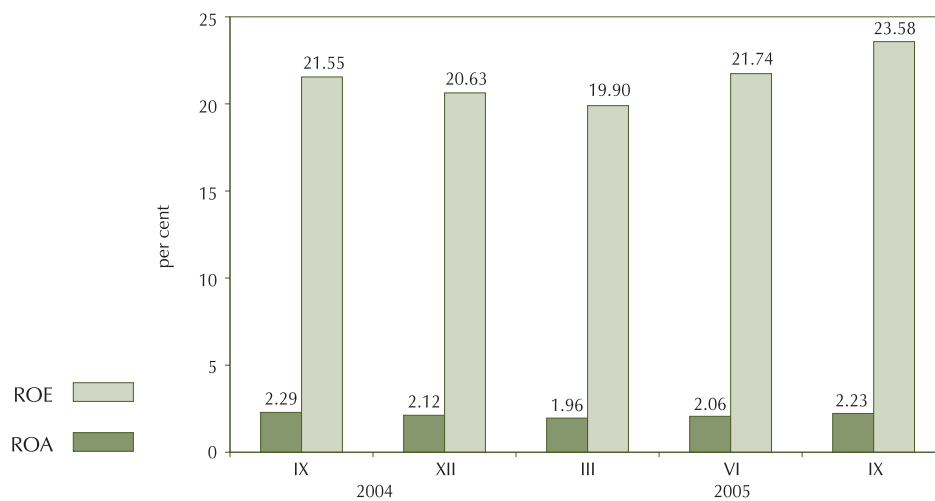
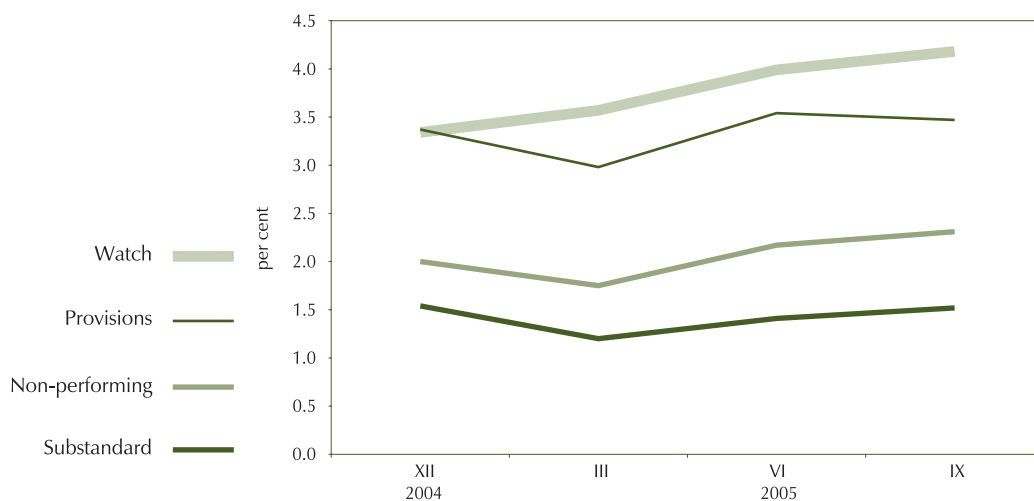


Chart 36
Loans to Non-financial Institutions by Quarter and Allocated Provisions



Appendix 2

Used Indicators

Asset Quality Ratios

1.	Problem assets as a percentage of gross assets	Gross assets past due 90 or more days + assets with discontinued interest payment + assets for resale/gross assets
2.	Classified assets as a percentage of gross assets	Gross assets classified as watch, substandard, non-performing/gross assets
3.	Classified loans as a percentage of gross loans of non-financial institutions and other customers	Gross loans classified as watch, substandard, non-performing/gross loans
4.	Degree of asset provisioning	Provisions in the balance sheet of claims on financial institutions, non-financial institutions and other customers and on other assets/gross assets

Ratios Used to Analyse Provisions

5.	Degree of provisioning of claims on financial institutions	Provisions in the balance sheet of claims on financial institutions/gross claims on financial institutions
6.	Degree of provisioning of claims on non-financial institutions	Provisions in the balance sheet of claims on non-financial institutions and other customers/gross claims on non-financial institutions and other customers
7.	Degree of classified exposures provisioning	Total specific provisions on impairment loss under Ordinance No. 9/gross classified risk exposures
8.	Degree of portfolio basis provisioning	Provisions allocated on claims on non-financial institutions and other customers on a portfolio basis (Ordinance No. 9)/gross standard exposures on non-financial institutions and other customers to be provisioned on a portfolio basis

Income Ratios

1.	Return on assets, ROA (net profit since early year as a percentage of average assets since early year)	Net profit since early year/average assets since early year
2.	Core ROA (net revenue from core operations since early year as a percentage of average assets since early year)	Revenue from core operations since early year (= net interest income + trading portfolio profit/loss + revenue from credit service + income from fees on off-balance sheet commitments + service charge on deposits + Other fees and commissions) – net credit provisions (only when the figure is positive) – operating expenditure (= salary and social security expenditure + net expenditure on the use of fixed assets + expenditure on hired services paid to shareholders, subsidiaries and associated companies + Other expenditure on hired services)/average assets since the beginning of the year
3.	Net interest rate margin	Net interest income since the beginning of the year/average gross interest-bearing assets since the beginning of the year
4.	Share of interest-bearing assets in the average gross assets since the beginning of the year	Average gross interest-bearing assets since the beginning of the year/average gross assets since the beginning of the year
5.	Net interest income as a percentage of average gross assets since the beginning of the year	Net interest income since the beginning of the year/average gross assets since the beginning of the year
6.	Return on interest-bearing assets (%)	Interest income since the beginning of the year/average interest-bearing assets since the beginning of the year
7.	Excess of interest liabilities	Average interest liabilities since the beginning of the year/average gross interest-bearing assets since the beginning of the year
8.	Price of interest asset financing (%)	Interest expenditure since the beginning of the year/average gross interest-bearing assets since the beginning of the year
9.	Non-interest revenue as a percentage of average assets since the beginning of the year	Non-interest revenue since the beginning of the year/average assets since the beginning of the year

10.	Efficiency ratio (non-interest expenditure since the beginning of the year as a percentage of the revenue from core operations)	Non-interest expenditure since the beginning of the year/revenue from core operations since the beginning of the year
11.	ROE (net profit since the beginning of the year as a percentage of the balance sheet capital and reserves)	Net profit since the beginning of the year/balance sheet capital and reserves

Capital Ratios

1.	Tier one capital adequacy ratio	Tier one capital/total risk component
2.	Total capital adequacy ratio	Equity/total risk component
3.	Tier one capital leverage	Tier one capital/total assets under Ordinance No. 8
4.	Degree of asset risk	Total risk component/total assets under Ordinance No. 8: refers to banks which do not report market risk in trading portfolios
5.	Capital exceeding regulatory minimum under Ordinance No. 8	The smallest amount of: 1) total capital base – BGN 10,000 or 2) total capital base – 12 per cent of the total risk component
6.	Net classified assets as a percentage of the capital base	Classified assets (watch, substandard, non-performing) less provisions on them/capital base
7.	Share of investments in fixed assets	Investments in real estate and other fixed assets/capital base

Basic Indicators' Dynamics

1.	Tier one capital growth in previous 12 months	Tier one capital (current quarter, current year) – tier one capital (corresponding quarter, previous year)/tier one capital (corresponding quarter, previous year)
2.	Capital base growth in previous 12 months	Capital base (current quarter, current year) – capital base (corresponding quarter, previous year)/capital base (corresponding quarter, previous year)
3.	Asset growth in previous 12 months	Total assets (current quarter, current year) – total assets (corresponding quarter, previous year)/total assets (corresponding quarter, previous year)
4.	Credit growth in previous 12 months	Gross loans (current quarter, current year) – gross loans (corresponding quarter, previous year)/gross loans (corresponding quarter, previous year)
5.	Borrowed funds growth in previous 12 months	Total borrowed funds (current quarter, current year) – total borrowed funds (corresponding quarter, previous year)/ total borrowed funds (corresponding quarter, previous year)
6.	Non-core borrowed funds growth in previous 12 months	Non-core borrowed funds (current quarter, current year) – non-core borrowed funds (corresponding quarter, previous year)/non-core borrowed funds (corresponding quarter, previous year)

Liquidity Ratios

1.	Tradable assets as a per cent of gross assets	Tradable assets (source: <i>Ordinance No. 11</i> , cash + demand deposits in banks payable at sight or at notice of up to seven days + time deposits in banks payable at sight or at notice of up to one month + claims on repurchase agreements payable at sight or at notice of up to one month + securities in trading portfolio payable at sight or at notice of up to seven days)/gross assets
2.	Tradable assets as a per cent of total borrowed funds	Tradable assets/total borrowed funds (= total deposits + obligations under repurchase agreements + short-term borrowings + long-term borrowings + interest liabilities, source: <i>balance sheets</i>)
3.	Non-core borrowed funds as a per cent of gross assets	Non-core borrowed funds/gross assets
4.	Loans to deposits ratio	Gross loans of non-financial institutions and other customers/total deposits
5.	Pledged securities as a per cent of total securities	Pledged securities/total securities (trading portfolio + investment for sale + up to maturity)
6.	Large deposits ratio	Deposits of non-financial institutions and other customers exceeding 10 per cent of total deposits of non-financial institutions and other customers/total deposits of non-financial institutions and other customers
7.	Primary liquidity	Cash/deposits of financial institutions + deposits of non-financial institutions + short-term borrowings + long-term borrowings
8.	Secondary liquidity	Liquid assets ratio under Ordinance No. 11

1. In order to ensure full comparability with quarterly data for previous periods the form of monthly *balance sheet* and *income statement* was chosen.

2. Data on individual banks are based on official quarterly reports presented by commercial banks at the BNB.

3. A bank *passport* includes basic information on the structure of shareholder capital and management, which reflect the *actual state at the time of preparing the information* (end-October 2005). Data on basic items of the balance sheet and income statement are based on relevant total lines.

4. Commercial banks are divided into groups by asset size (foreign bank branches are classified into a separate group) as follows:

Group I: *the first ten banks with the biggest assets. It includes Bulbank, DSK Bank, United Bulgarian Bank, HVB Bank Biochim, First Investment Bank, Raiffeisenbank, Bulgaria, Bulgarian Post Bank, SG Expressbank, Economic and Investment Bank, and DZI Bank (former Roseximbank).*

Group II: *the other Bulgarian banks. It includes Hebros Commercial Bank, Municipal Bank, Central Cooperative Bank, Corporate Commercial Bank, Allianz Bulgaria Commercial Bank (former Bulgaria-Invest Commercial Bank), Eurobank, Unionbank, Bulgarian-American Credit Bank, ProCredit Bank, BNP Paribas, Bulgaria, International Asset Bank (former First East International Bank), Investbank (former Neftinvestbank), Emporiki Bank, Bulgaria (former Commercial Bank of Greece, Bulgaria), Encouragement Bank, D Commerce Bank (former Demirbank, Bulgaria), Tokuda Bank, WestEast Bank, Texim Private Entrepreneurial Bank.*

Group III: *branches of foreign banks in Bulgaria. It includes Piraeus Bank, ING Bank N. V., National Bank of Greece C. A., Citibank N. A., Alpha Bank, T. C. Ziraat Bank.*

Banks are classified only for statistical purposes. The group classification does not imply banks' financial performance evaluation and it should not be interpreted as a rating system.

5. Appendices containing information on selected coefficients are based on reports under BNB ordinances on the capital adequacy, risk exposures evaluation and liquidity. Data on primary liquidity are based on the ratio of cash to borrowed funds, and data on secondary liquidity are based on the ratio of liquid assets to borrowed funds under BNB Ordinance No. 11. Data about net cumulative flows based on banks' reports on their liquidity are also published.

III. Banking Supervision Regulation

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CAPITAL ADEQUACY OF COMMERCIAL BANKS AS OF 30 SEPTEMBER 2005

(under Ordinance No. 8 of the BNB)

Banks	Equity (BGN'000)	Tier one capital (BGN'000)	Risk component (%)	Capital adequacy ratio (%)	Tier one capital ratio (%)
Group I	2 175 368	1 778 698	14 252 235	15.26	12.48
Group II	694 947	625 048	3 785 929	18.36	16.51
Banking system, total	2 870 315	2 403 746	18 038 164	15.91	13.33

Source: BNB.

CREDIT PORTFOLIO OF COMMERCIAL BANKS AS OF 30 SEPTEMBER 2005

(under Ordinance No. 9 of the BNB)

Bank groups	Loans	September 2005
Group I	Total (BGN'000)	16 231 855
	Standard (%)	93.58
	Watch (%)	3.15
	Substandard (%)	1.50
	Non-performing (%)	1.77
	Provisions (%)	2.78
Group II	Total (BGN'000)	4 249 200
	Standard (%)	93.40
	Watch (%)	3.86
	Substandard (%)	0.33
	Non-performing (%)	2.41
	Provisions (%)	2.94
Group III	Total (BGN'000)	1 265 158
	Standard (%)	96.99
	Watch (%)	2.67
	Substandard (%)	0.05
	Non-performing (%)	0.29
	Provisions (%)	1.09
Banking system, total	Total (BGN'000)	21 746 213
	Standard (%)	93.74
	Watch (%)	3.26
	Substandard (%)	1.19
	Non-performing (%)	1.81
	Provisions (%)	2.72

Source: BNB.

LIQUIDITY OF COMMERCIAL BANKS AS OF 30 SEPTEMBER 2005

(under Ordinance No. 11 of the BNB)

(BGN'000)

Items	Total	Overdue assets of 15 or more days/ assets in pawn	At sight up to 7 days	From 8 days to 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	Over 1 year
Group I								
Liquid assets, total	7 276 979	1 346 933						
ASSETS, TOTAL – inflow	21 456 172	1 514 254	7 004 067	1 888 632	762 925	1 061 574	2 496 710	8 242 264
BORROWED FUNDS, TOTAL (DEPOSITS)	19 777 144		5 277 682	3 115 565	1 719 629	1 073 585	1 773 341	6 817 342
Coefficient of liquid assets	29.98							
Adjusted coefficient of liquid assets to deposits			132.71	113.74	56.29	98.88	140.79	120.90
Group II								
Liquid assets, total	1 985 887	370 189						
ASSETS, TOTAL – inflow	5 710 739	502 425	2 075 764	326 563	300 856	498 702	662 403	1 846 451
BORROWED FUNDS, TOTAL (DEPOSITS)	5 230 957		1 180 258	828 515	734 936	757 893	706 813	1 022 542
Coefficient of liquid assets	30.89							
Adjusted coefficient of liquid assets to deposits			175.87	131.91	67.92	65.80	93.72	180.57
Group III								
Liquid assets, total	311 690	2 521						
ASSETS, TOTAL – inflow	1 459 886	4 749	487 727	29 083	99 161	169 011	219 228	455 676
BORROWED FUNDS, TOTAL (DEPOSITS)	1 386 568		559 039	141 993	327 057	100 286	67 706	190 487
Coefficient of liquid assets	22.30							
Adjusted coefficient of liquid assets to deposits			87.24	20.48	30.32	168.53	323.79	239.22
BANKING SYSTEM, TOTAL								
Liquid assets, total	9 574 556	1 719 643						
ASSETS, TOTAL – inflow	28 626 797	2 021 428	9 567 558	2 244 278	1 162 942	1 729 287	3 378 341	10 544 391
BORROWED FUNDS, TOTAL (DEPOSITS)	26 394 669		7 016 979	4 086 073	2 781 622	1 931 764	2 547 860	8 030 371
Coefficient of liquid assets	29.76							
Adjusted coefficient of liquid assets to deposits			136.35	110.85	44.83	89.52	132.60	131.31

Source: BNB.

HIGH LIQUIDITY ASSET RATIOS

(share of deposits, %)

Commercial bank groups		September 2005
Group I	Primary liquidity	12.48
	Secondary liquidity	29.98
Group II	Primary liquidity	14.95
	Secondary liquidity	30.89
Group III	Primary liquidity	8.82
	Secondary liquidity	22.30
Banking system, total	Primary liquidity	12.73
	Secondary liquidity	29.76

Source: BNB.

IV. Balance Sheets and Income Statements

(as of September 2005)

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BALANCE SHEET OF THE BANKING SYSTEM AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including			
		Related parties	BGN	EUR	Other currencies
ASSETS					
Vault cash and current accounts with the BNB	2 883 840		1 571 696	1 189 597	122 547
Claims on financial institutions					
Demand deposits with banks	492 301	55 625	12 550	296 091	128 035
Time deposits with banks	4 049 913	78 805	817 160	1 863 916	1 290 032
Loans to banks	57 221	0	1 017	41 521	14 683
Other claims on banks	6 060	0	1 860	2 117	2 083
Loans to other financial institutions	159 042	0	26 065	132 977	0
Claims on financial institutions, total	4 764 537	134 430	858 652	2 336 622	1 434 833
Less: specific provisions	1 676		1 164	362	150
Claims on financial institutions, net	4 762 861	134 430	857 488	2 336 260	1 434 683
Claims under repurchase agreements	188 259	0	57 912	74 822	55 525
Trading portfolio	1 970 310	129	923 215	557 710	489 256
Investment portfolio					
Investments held to maturity	1 189 802	0	383 023	431 588	375 191
Investments available for sale	1 239 298	0	446 042	603 372	189 884
Loans to non-financial institutions and other customers					
Loans to budget	30 269		29 879	390	0
Commercial loans					
Commercial real estate and construction loans	3 203 621		640 671	2 361 078	201 872
Other commercial loans	7 631 354		3 006 752	4 022 260	602 342
Agricultural loans	357 429		260 492	90 678	6 259
Consumer loans	3 815 139		3 665 682	144 089	5 368
Housing mortgage loans to individuals	1 731 338		1 222 810	494 071	14 457
Other loans	212 526	0	83 519	104 669	24 338
Loans to non-financial institutions and other customers, total	16 981 676	0	8 909 805	7 217 235	854 636
Less: specific provisions	588 750		367 310	165 457	55 983
Loans to non-financial institutions and other customers, net	16 392 926	0	8 542 495	7 051 778	798 653
Memo: purchased loans	10 053				
Assets for resale	16 468		16 468	0	0
Investments in subsidiaries, associated and joint-venture companies	64 626		64 626	0	0
Other assets					
Hedging derivatives	410	0	410	0	0
Other assets	159 911	844	111 355	33 883	13 829
Other assets, total	160 321	844	111 765	33 883	13 829
Intangible assets	127 036		126 975	0	61
Premises and other fixed assets	712 788		712 314	0	474
Assets, total	29 708 535	135 403	13 814 019	12 279 010	3 480 103

(continued)

(continued)		(BGN'000)			
	Total	Including			
		Related parties	BGN	EUR	Other currencies
LIABILITIES, MINORITY INTEREST, AND CAPITAL					
Deposits of financial institutions					
Demand deposits of banks	116 300	5 684	57 329	35 737	17 550
Time deposits of banks	2 323 003	343 509	878 621	794 370	306 503
Deposits of other financial institutions	1 217 887	0	440 307	715 127	62 453
Deposits of non-financial institutions and other customers					
Demand deposits	7 472 525	0	4 859 357	1 941 788	671 380
Time deposits	9 186 902	0	3 507 732	3 283 573	2 395 597
Savings deposits	2 335 237	0	1 168 006	692 569	474 662
Deposits, total	22 651 854	349 193	10 911 352	7 463 164	3 928 145
Borrowings under repurchase agreements	401 637	0	56 880	291 449	53 308
Short-term borrowings					
From the BNB	0		0	0	0
From banks	201 398	0	8 141	165 625	27 632
Other	30 760	0	18 536	2 358	9 866
Long-term borrowings	2 108 893	0	265 847	1 740 058	102 988
Memo: borrowings from banks	1 416 905	0	47 306	1 340 257	29 342
Subordinated term debt and debt/equity (hybrid) instruments					
Subordinated term debt	190 368		25 203	164 541	624
Debt/equity (hybrid) instruments	160 205		11 086	132 877	16 242
Other liabilities					
Trading portfolio liabilities	17 150	131	512	9 695	6 812
Hedging derivatives	2 171	0	2 171	0	0
Specific provisions on off-balance sheet commitments	54 400	0	3 323	4 235	46 842
Other liabilities	615 838	18 210	381 076	157 308	59 244
Liabilities, total	26 434 674	367 534	11 684 127	10 131 310	4 251 703
Minority interest in consolidated subsidiaries	0		0	0	0
Equity					
Common stock	1 167 126		1 167 126		
Share premium on common stock	1 619		1 619		
Preferred stock and related premium	0		0		
Reserves					
Retained profit/loss, previous years	50 709	41 110	9 599		
Statutory reserves	627 298		627 298		
Other reserves	763 115	25 437	737 678		
Cumulative foreign exchange translation adjustment	0		0		
Other equity components					
Revaluation – fixed assets	193 921	219	193 702		
Revaluation – investments available for sale	10 191	826	9 365		
Revaluation – cash flow hedges	0	0	0		
Profit/loss, current year	461 521		461 521		
One-off effect of the change in accounting regime	-1 639	0	-1 639		
Equity, total	3 273 861	67 592	3 206 269		
Liabilities, minority interest, and capital, total	29 708 535	435 126	14 890 396	10 131 310	4 251 703
Memo: credit substitutes and other off-balance sheet commitments	4 928 275	95 104	2 051 203	2 112 547	669 421

INCOME STATEMENT OF THE BANKING SYSTEM (September 2005)

(BGN'000)

	Total	Including			
		Related parties	BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME					
Interest income from demand deposits with banks	5 710	2 716	91	1 916	987
Interest income from time deposits with banks	71 829	2 544	7 123	27 952	34 210
Interest income from loans to banks	1 266	0	16	639	611
Interest income from other claims on banks	1 146	0	0	66	1 080
Interest income from loans to other financial institutions	8 374	2 682	1 353	4 099	240
Interest income from claims under repurchase agreements	4 052	0	1 675	1 925	452
Interest income from trading portfolio	64 090	0	40 512	12 553	11 025
Interest income from investment portfolio	68 606	0	29 216	25 467	13 923
Bulgarian government securities	42 780		27 394	12 861	2 525
Other domestic debt securities	3 695	0	1 401	1 663	631
Debt securities issued by foreign governments and international financial institutions	12 045		290	6 818	4 937
Other external debt securities	10 086	0	131	4 125	5 830
Interest income from loans	1 179 382	0	693 327	418 087	67 968
Loans to budget	1 533		1 505	28	0
Commercial real estate and construction loans	207 846		42 794	146 554	18 498
Other commercial loans	500 457		225 662	228 735	46 060
Agricultural loans	22 429		18 091	3 967	371
Consumer loans	331 269		323 570	7 216	483
Housing mortgage loans to individuals	104 082		77 212	25 443	1 427
Other loans	11 766	0	4 493	6 144	1 129
Dividend income	1 675	0	1 636	32	7
Interest and dividend income, total	1 406 130	7 942	774 949	492 736	130 503
INTEREST EXPENDITURE					
Interest expenditure on deposits of banks	41 626	8 321	13 735	13 851	5 719
Interest expenditure on deposits of other financial institutions	49 311	2	11 911	35 178	2 220
Interest expenditure on demand deposits of non-financial institutions and other customers	36 349	0	21 623	12 377	2 349
Interest expenditure on time deposits of non-financial institutions and other customers	199 658	0	88 330	65 151	46 177
Interest expenditure on savings deposits of non-financial institutions and other customers	21 866	0	15 106	4 799	1 961
Interest expenditure on borrowings under repurchase agreements	3 731	0	2 191	1 173	367
Interest expenditure on short-term borrowings	12 021	0	1 100	6 901	4 020
Interest expenditure on long-term borrowings	51 891	0	5 894	41 207	4 790
Interest expenditure on subordinated term debt	7 171	0	203	6 941	27
Interest expenditure on debt/equity (hybrid) instruments	3 924		86	2 786	1 052
Interest expenditure on other liabilities	3 126		37	1 268	1 816
Interest expenditure, total	430 674	8 328	160 216	191 632	70 498
INTEREST AND DIVIDEND INCOME, NET	975 456	-386	614 733	301 104	60 005
CREDIT PROVISIONS					
Accrued provisions	360 738	0			
Reintegrated provisions	199 679	0			
Credit provisions, net	161 059	0			

(continued)

(continued)		(BGN'000)			
	Total	Including			
		Related parties	BGN	EUR	Other currencies
TRADING PORTFOLIO GAIN/LOSS					
Gain/loss on securities trading portfolio	58 757	0			
Gain/loss on derivatives held for trading	-7 315	0			
Gain/loss on other instruments in trading portfolio	221	0			
Trading portfolio gain/loss, total	51 663	0			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE					
Gain/loss on investments available for sale	29 728	0			
Gain/loss on instruments effectively hedging investments available for sale	0	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY					
	1 729	0			
OTHER NON-INTEREST INCOME					
Loan servicing income	84 048	393			
Fee income on off-balance sheet accounts	19 138	0			
Service charges on deposits	112 191	0			
Other fees and commissions	105 278	9			
Gain/loss on assets held for resale	47	0			
Gain/loss on sale of other assets	4 174	0			
Gain/loss on foreign currency transactions	66 700	359			
Other non-interest income	17 785	0			
NON-INTEREST EXPENDITURE					
Salary, social security, and pension expenditure	253 620				
Occupancy expenditure, net	131 841				
External service expenditure paid to shareholders, subsidiaries and associated companies	10 696				
Other external service expenditure	211 114	690			
Other non-interest expenditure	144 834	0			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE, AND TAX ITEMS					
	554 773	-315			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS					
	-22 325	31			
EXTRAORDINARY GAIN/LOSS					
	7 321	0			
TAX					
	78 248				
MINORITY INTEREST					
	0				
PROFIT/LOSS, NET					
	461 521	-284			

BALANCE SHEET OF GROUP I BANKS AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	2 113 464	1 074 670	952 492	86 302
Claims on financial institutions				
Demand deposits with banks	358 785	7 520	269 697	81 568
Time deposits with banks	3 070 304	552 163	1 545 505	972 636
Loans to banks	37 678	1 017	21 978	14 683
Other claims on banks	5 564	1 571	1 910	2 083
Loans to other financial institutions	113 561	18 916	94 645	0
Claims on financial institutions, total	3 585 892	581 187	1 933 735	1 070 970
Less: specific provisions	841	473	220	148
Claims on financial institutions, net	3 585 051	580 714	1 933 515	1 070 822
Claims under repurchase agreements	32 310	18 221	11 872	2 217
Trading portfolio	1 499 116	620 228	446 400	432 488
Investment portfolio				
Investments held to maturity	1 080 079	336 875	380 097	363 107
Investments available for sale	951 945	270 370	515 727	165 848
Loans to non-financial institutions and other customers				
Loans to budget	22 399	22 399	0	0
Commercial loans				
Commercial real estate and construction loans	2 004 205	427 273	1 437 405	139 527
Other commercial loans	5 310 952	1 904 202	3 003 116	403 634
Agricultural loans	205 137	126 332	77 245	1 560
Consumer loans	3 458 668	3 340 091	115 036	3 541
Housing mortgage loans to individuals	1 526 418	1 154 617	361 605	10 196
Other loans	118 184	52 586	48 917	16 681
Loans to non-financial institutions and other customers, total	12 645 963	7 027 500	5 043 324	575 139
Less: specific provisions	450 875	297 569	104 709	48 597
Loans to non-financial institutions and other customers, net	12 195 088	6 729 931	4 938 615	526 542
Memo: purchased loans	9 092			
Assets for resale	7 545	7 545	0	0
Investments in subsidiaries, associated and joint-venture companies	59 787	59 787	0	0
Other assets				
Hedging derivatives	410	410	0	0
Other assets	90 814	67 585	12 426	10 803
Other assets, total	91 224	67 995	12 426	10 803
Intangible assets	99 316	99 255	0	61
Premises and other fixed assets	537 288	536 814	0	474
Assets, total	22 252 213	10 402 405	9 191 144	2 658 664

(continued)

(continued)		(BGN'000)			
	Total	Including			
		BGN	EUR	Other currencies	
LIABILITIES, MINORITY INTEREST, AND CAPITAL					
Deposits of financial institutions					
Demand deposits of banks	92 838	48 328	28 005	16 505	
Time deposits of banks	1 351 211	632 845	529 779	188 587	
Deposits of other financial institutions	979 023	255 772	679 216	44 035	
Deposits of non-financial institutions and other customers					
Demand deposits	5 447 137	3 488 473	1 450 920	507 744	
Time deposits	7 054 270	2 720 680	2 488 268	1 845 322	
Savings deposits	2 015 472	1 053 539	553 589	408 344	
Deposits, total	16 939 951	8 199 637	5 729 777	3 010 537	
Borrowings under repurchase agreements					
	378 403	38 676	286 419	53 308	
Short-term borrowings					
From the BNB	0	0	0	0	
From banks	129 366	0	101 734	27 632	
Other	8 152	8 152	0	0	
Long-term borrowings					
Memo: borrowings from banks	1 537 006	166 031	1 294 466	76 509	
	1 129 805	40 276	1 065 162	24 367	
Subordinated term debt and debt/equity (hybrid) instruments					
Subordinated term debt	163 085	25 203	137 882	0	
Debt/equity (hybrid) instruments	124 289	11 086	113 203	0	
Other liabilities					
Trading portfolio liabilities	15 184	403	8 277	6 504	
Hedging derivatives	2 171	2 171	0	0	
Specific provisions on off-balance sheet commitments	53 763	2 773	4 148	46 842	
Other liabilities	449 548	288 956	122 849	37 743	
Liabilities, total	19 800 918	8 743 088	7 798 755	3 259 075	
Minority interest in consolidated subsidiaries					
	0	0	0	0	
Equity					
Common stock	722 547	722 547			
Share premium on common stock	0	0			
Preferred stock and related premium	0	0			
Reserves					
Retained profit/loss, previous years	10 154	10 154			
Statutory reserves	495 697	495 697			
Other reserves	657 397	657 397			
Cumulative foreign exchange translation adjustment	0	0			
Other equity components					
Revaluation – fixed assets	185 540	185 540			
Revaluation – investments available for sale	5 034	5 034			
Revaluation – cash flow hedges	0	0			
Profit/loss, current year	377 918	377 918			
One-off effect of the change in accounting regime	-2 992	-2 992			
Equity, total	2 451 295	2 451 295			
Liabilities, minority interest, and capital, total	22 252 213	11 194 383	7 798 755	3 259 075	
Memo: credit substitutes and other off-balance sheet commitments					
	3 371 655	1 394 595	1 440 287	536 773	

INCOME STATEMENT OF GROUP I BANKS
 (September 2005)

	(BGN'000)			
	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME				
Interest income from demand deposits with banks	2 614	61	1 810	743
Interest income from time deposits with banks	51 120	4 158	20 200	26 762
Interest income from loans to banks	914	8	309	597
Interest income from other claims on banks	1 117	0	40	1 077
Interest income from loans to other financial institutions	3 850	630	3 220	0
Interest income from claims under repurchase agreements	2 035	755	1 195	85
Interest income from trading portfolio	45 405	27 994	8 367	9 044
Interest income from investment portfolio	58 340	24 523	21 402	12 415
Bulgarian government securities	34 894	23 000	10 539	1 355
Other domestic debt securities	2 937	1 138	1 234	565
Debt securities issued by foreign governments and international financial institutions	10 680	254	5 744	4 682
Other external debt securities	9 829	131	3 885	5 813
Interest income from loans	874 050	559 541	269 680	44 829
Loans to budget	1 152	1 152	0	0
Commercial real estate and construction loans	122 527	26 983	83 919	11 625
Other commercial loans	334 864	147 591	155 751	31 522
Agricultural loans	11 858	8 715	3 024	119
Consumer loans	305 439	299 950	5 168	321
Housing mortgage loans to individuals	92 951	73 724	18 399	828
Other loans	5259	1426	3419	414
Dividend income	1343	1336	0	7
Interest and dividend income, total	1 040 788	619 006	326 223	95 559
INTEREST EXPENDITURE				
Interest expenditure on deposits of banks	24 844	11 008	9 933	3 903
Interest expenditure on deposits of other financial institutions	39 911	4 175	34 018	1 718
Interest expenditure on demand deposits of non-financial institutions and other customers	25 310	14 077	9 351	1 882
Interest expenditure on time deposits of non-financial institutions and other customers	143 229	65 940	44 655	32 634
Interest expenditure on savings deposits of non-financial institutions and other customers	16 717	12 394	3 182	1 141
Interest expenditure on borrowings under repurchase agreements	2 360	1 149	862	349
Interest expenditure on short-term borrowings	9 868	124	5 829	3 915
Interest expenditure on long-term borrowings	27 837	3 810	21 090	2 937
Interest expenditure on subordinated term debt	6 634	203	6 431	0
Interest expenditure on debt/equity (hybrid) instruments	2 872	86	2 786	0
Interest expenditure on other liabilities	2 404	4	1 071	1 329
Interest expenditure, total	301986	112970	139208	49808
INTEREST AND DIVIDEND INCOME, NET	738 802	506 036	187 015	45 751
CREDIT PROVISIONS				
Accrued provisions	242 882			
Reintegrated provisions	120 020			
Credit provisions, net	122 862			

(continued)

(continued)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
TRADING PORTFOLIO GAIN/LOSS				
Gain/loss on securities trading portfolio	35 943			
Gain/loss on derivatives held for trading	-7 584			
Gain/loss on other instruments in trading portfolio	224			
Trading portfolio gain/loss, total	28 583			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE				
Gain/loss on investments available for sale	23 347			
Gain/loss on instruments effectively hedging investments available for sale	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	1 849			
OTHER NON-INTEREST INCOME				
Loan servicing income	62 842			
Fee income on off-balance sheet accounts	11 258			
Service charges on deposits	88 226			
Other fees and commissions	74 844			
Gain/loss on assets held for resale	226			
Gain/loss on sale of other assets	3 451			
Gain/loss on foreign currency transactions	50621			
Other non-interest income	9 597			
NON-INTEREST EXPENDITURE				
Salary, social security, and pension expenditure	170 110			
Occupancy expenditure, net	90 301			
External service expenditure paid to shareholders, subsidiaries and associated companies	5 221			
Other external service expenditure	163 977			
Other non-interest expenditure	88 266			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE, AND TAX ITEMS	452 909			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-15 624			
EXTRAORDINARY GAIN/LOSS	7 047			
TAX	66 414			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	377 918			

BALANCE SHEET OF GROUP II BANKS AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	650 555	440 928	176 683	32 944
Claims on financial institutions				
Demand deposits with banks	71 382	4 955	22 261	44 166
Time deposits with banks	832 022	215 995	299 281	316 746
Loans to banks	19 543	0	19 543	0
Other claims on banks	496	289	207	0
Loans to other financial institutions	21 239	6 288	14 951	0
Claims on financial institutions, total	944 682	227 527	356 243	360 912
Less: specific provisions	741	691	48	2
Claims on financial institutions, net	943 941	226 836	356 195	360 910
Claims under repurchase agreements	155 949	39 691	62 950	53 308
Trading portfolio	430 953	273 665	104 730	52 558
Investment portfolio				
Investments held to maturity	109 723	46 148	51 491	12 084
Investments available for sale	238 886	155 102	63 917	19 867
Loans to non-financial institutions and other customers				
Loans to budget	7 870	7 480	390	0
Commercial loans				
Commercial real estate and construction loans	794 221	153 154	600 377	40 690
Other commercial loans	1 762 461	839 123	758 332	165 006
Agricultural loans	149 128	134 153	13 390	1 585
Consumer loans	347 837	318 629	27 520	1 688
Housing mortgage loans to individuals	166 248	56 175	106 049	4 024
Other loans	76 753	30 734	38 412	7 607
Loans to non-financial institutions and other customers, total	3 304 518	1 539 448	1 544 470	220 600
Less: specific provisions	124 183	65 241	52 055	6 887
Loans to non-financial institutions and other customers, net	3 180 335	1 474 207	1 492 415	213 713
Memo: purchased loans	961			
Assets for resale	8 923	8 923	0	0
Investments in subsidiaries, associated and joint-venture companies	4 839	4 839	0	0
Other assets				
Hedging derivatives	0	0	0	0
Other assets	62 689	39 871	20 327	2 491
Other assets, total	62 689	39 871	20 327	2 491
Intangible assets	23 445	23 445	0	0
Premises and other fixed assets	165 618	165 618	0	0
Assets, total	5 975 856	2 899 273	2 328 708	747 875

(continued)

(continued)		(BGN'000)			
	Total	Including			
		BGN	EUR	Other currencies	
LIABILITIES, MINORITY INTEREST, AND CAPITAL					
Deposits of financial institutions					
Demand deposits of banks	9 771	1 062	7 731	978	
Time deposits of banks	373 046	191 712	138 519	42 815	
Deposits of other financial institutions	190 929	148 096	26 873	15 960	
Deposits of non-financial institutions and other customers					
Demand deposits	1 554 059	1 152 442	283 385	118 232	
Time deposits	1 946 204	717 655	728 958	499 591	
Savings deposits	278 861	108 922	109 842	60 097	
Deposits, total	4 352 870	2 319 889	1 295 308	737 673	
Borrowings under repurchase agreements	23 234	18 204	5 030	0	
Short-term borrowings					
From the BNB	0	0	0	0	
From banks	72 032	8 141	63 891	0	
Other	22 608	10 384	2 358	9 866	
Long-term borrowings					
Memo: borrowings from banks	287 100	7 030	275 095	4 975	
Subordinated term debt and debt/equity (hybrid) instruments					
Subordinated term debt	27 283	0	26 659	624	
Debt/equity (hybrid) instruments	35 916	0	19 674	16 242	
Other liabilities					
Trading portfolio liabilities	1 656	109	1 418	129	
Hedging derivatives	0	0	0	0	
Specific provisions on off-balance sheet commitments	637	550	87	0	
Other liabilities	131 077	84 740	29 352	16 985	
Liabilities, total	5 239 200	2 541 833	1 889 369	807 998	
Minority interest in consolidated subsidiaries	0	0	0	0	
Equity					
Common stock	444 579	444 579			
Share premium on common stock	1 619	1 619			
Preferred stock and related premium	0	0			
Reserves					
Retained profit/loss, previous years	-555	-555			
Statutory reserves	131 601	131 601			
Other reserves	80 281	80 281			
Cumulative foreign exchange translation adjustment	0	0			
Other equity components					
Revaluation – fixed assets	8 162	8 162			
Revaluation – investments available for sale	4 331	4 331			
Revaluation – cash flow hedges	0	0			
Profit/loss, current year	65 285	65 285			
One-off effect of the change in accounting regime	1 353	1 353			
Equity, total	736 656	736 656			
Liabilities, minority interest, and capital, total	5 975 856	3 278 489	1 889 369	807 998	
Memo: credit substitutes and other off-balance sheet commitments	916 440	462 998	389 665	63 777	

INCOME STATEMENT OF GROUP II BANKS
 (September 2005)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME				
Interest income from demand deposits with banks	235	1	76	158
Interest income from time deposits with banks	15 979	1 697	7 024	7 258
Interest income from loans to banks	352	8	330	14
Interest income from other claims on banks	29	0	26	3
Interest income from loans to other financial institutions	1 461	555	666	240
Interest income from claims under repurchase agreements	2 017	920	730	367
Interest income from trading portfolio	17 608	11 492	4 159	1 957
Interest income from investment portfolio	8 455	4 006	3 123	1 326
Bulgarian government securities	7 155	3 707	2 278	1 170
Other domestic debt securities	758	263	429	66
Debt securities issued by foreign governments and international financial institutions	285	36	176	73
Other external debt securities	257	0	240	17
Interest income from loans	262 902	121 257	120 465	21 180
Loans to budget	381	353	28	0
Commercial real estate and construction loans	71 953	13 539	52 188	6 226
Other commercial loans	140 052	69 295	57 419	13 338
Agricultural loans	10 307	9 210	918	179
Consumer loans	25 109	23 020	1 939	150
Housing mortgage loans to individuals	9 175	2 779	5 824	572
Other loans	5925	3061	2149	715
Dividend income	332	300	32	0
Interest and dividend income, total	309 370	140 236	136 631	32 503
INTEREST EXPENDITURE				
Interest expenditure on deposits of banks	4 765	1 718	1 964	1 083
Interest expenditure on deposits of other financial institutions	8 673	7 389	836	448
Interest expenditure on demand deposits of non-financial institutions and other customers	7 375	6 123	910	342
Interest expenditure on time deposits of non-financial institutions and other customers	53 317	20 783	19 467	13 067
Interest expenditure on savings deposits of non-financial institutions and other customers	5 016	2 691	1 526	799
Interest expenditure on borrowings under repurchase agreements	1 366	1 037	311	18
Interest expenditure on short-term borrowings	2 153	976	1 072	105
Interest expenditure on long-term borrowings	24 054	2 084	20 117	1 853
Interest expenditure on subordinated term debt	537	0	510	27
Interest expenditure on debt/equity (hybrid) instruments	1 052	0	0	1 052
Interest expenditure on other liabilities	713	32	197	484
Interest expenditure, total	109021	42833	46910	19278
INTEREST AND DIVIDEND INCOME, NET	200 349	97 403	89 721	13 225
CREDIT PROVISIONS				
Accrued provisions	112 813			
Reintegrated provisions	76 985			
Credit provisions, net	35 828			

(continued)

(continued)		(BGN'000)		
	Total	Including		
		BGN	EUR	Other currencies
TRADING PORTFOLIO GAIN/LOSS				
Gain/loss on securities trading portfolio	21 842			
Gain/loss on derivatives held for trading	39			
Gain/loss on other instruments in trading portfolio	-2			
Trading portfolio gain/loss, total	21 879			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE				
Gain/loss on investments available for sale	5 650			
Gain/loss on instruments effectively hedging investments available for sale	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	-120			
OTHER NON-INTEREST INCOME				
Loan servicing income	19 861			
Fee income on off-balance sheet accounts	6 786			
Service charges on deposits	21 529			
Other fees and commissions	24 264			
Gain/loss on assets held for resale	-181			
Gain/loss on sale of other assets	723			
Gain/loss on foreign currency transactions	10492			
Other non-interest income	6 734			
NON-INTEREST EXPENDITURE				
Salary, social security, and pension expenditure	74 010			
Occupancy expenditure, net	37 137			
External service expenditure paid to shareholders, subsidiaries and associated companies	5 475			
Other external service expenditure	35 560			
Other non-interest expenditure	51 202			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE, AND TAX ITEMS	78 754			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-5 178			
EXTRAORDINARY GAIN/LOSS	312			
TAX	8 603			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	65 285			

BALANCE SHEET OF GROUP III BANKS AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	119 821		119 821	56 098	60 422	3 301
Claims on financial institutions						
Demand deposits with banks	62 134	55 625	6 509	75	4 133	2 301
Time deposits with banks	147 587	78 805	68 782	49 002	19 130	650
Loans to banks	0	0	0	0	0	0
Other claims on banks	0	0	0	0	0	0
Loans to other financial institutions	24 242	0	24 242	861	23 381	0
Claims on financial institutions, total	233 963	134 430	99 533	49 938	46 644	2 951
Less: specific provisions	94	0	94	0	94	0
Claims on financial institutions, net	233 869	134 430	99 439	49 938	46 550	2 951
Claims under repurchase agreements	0	0	0	0	0	0
Trading portfolio	40 241	129	40 112	29 322	6 580	4 210
Investment portfolio						
Investments held to maturity	0	0	0	0	0	0
Investments available for sale	48 467	0	48 467	20 570	23 728	4 169
Loans to non-financial institutions and other customers						
Loans to budget	0		0	0	0	0
Commercial loans						
Commercial real estate and construction loans	405 195		405 195	60 244	323 296	21 655
Other commercial loans	557 941		557 941	263 427	260 812	33 702
Agricultural loans	3 164		3 164	7	43	3 114
Consumer loans	8 634		8 634	6 962	1 533	139
Housing mortgage loans to individuals	38 672		38 672	12 018	26 417	237
Other loans	17 589	0	17 589	199	17 340	50
Loans to non-financial institutions and other customers, total	1 031 195	0	1 031 195	342 857	629 441	58 897
Less: specific provisions	13 692	0	13 692	4 500	8 693	499
Loans to non-financial institutions and other customers, net	1 017 503	0	1 017 503	338 357	620 748	58 398
Memo: purchased loans						
related parties	0					
unrelated parties	0					
Assets for resale	0		0	0	0	0
Other assets						
Hedging derivatives	0	0	0	0	0	0
Other assets	6 408	844	5 564	3 899	1 130	535
Other assets, total	6 408	844	5 564	3 899	1 130	535
Intangible assets	4 275		4 275	4 275	0	0
Premises and other fixed assets	9 882		9 882	9 882	0	0
Assets, total	1 480 466	135 403	1 345 063	512 341	759 158	73 564

(continued)

(continued)		(BGN'000)				
	Total	Related parties	Unrelated parties			Other currencies
			Total	BGN	EUR	
LIABILITIES, RESERVES, AND FINANCIAL RESULT						
Deposits of financial institutions						
Demand deposits of banks	13 691	5 684	8 007	7 939	1	67
Time deposits of banks	598 746	343 509	255 237	54 064	126 072	75 101
Deposits of other financial institutions	47 935	0	47 935	36 439	9 038	2 458
Deposits of non-financial institutions and other customers						
Demand deposits	471 329	0	471 329	218 442	207 483	45 404
Time deposits	186 428	0	186 428	69 397	66 347	50 684
Savings deposits	40 904	0	40 904	5 545	29 138	6 221
Deposits, total	1 359 033	349 193	1 009 840	391 826	438 079	179 935
Borrowings under repurchase agreements	0	0	0	0	0	0
Short-term borrowings						
From the BNB	0		0	0	0	0
From banks	0	0	0	0	0	0
Other	0	0	0	0	0	0
Long-term borrowings						
Memo: borrowings from banks	0	0	0	0	0	0
Other liabilities						
Trading portfolio liabilities	310	131	179	0	0	179
Hedging derivatives	0	0	0	0	0	0
Specific provisions on off-balance sheet commitments	0	0	0	0	0	0
Other liabilities	35 213	18 210	17 003	7 380	5 107	4 516
Liabilities, total	1 394 556	367 534	1 027 022	399 206	443 186	184 630
Reserves and financial result						
Reserves						
Retained profit/loss, previous years	41 110	41 110				
Other reserves	25 437	25 437				
Revaluation reserves						
Revaluation – fixed assets	219	219				
Revaluation – investments available for sale	826	826				
Revaluation – cash flow hedges	0	0				
Profit/loss, current year	18 318		18 318	18 318		
One-off effect of the change in accounting regime	0	0				
Reserves and financial result, total	85 910	67 592	18 318	18 318		
Liabilities, reserves, and financial result, total	1 480 466	435 126	1 045 340	417 524	443 186	184 630
Memo: credit substitutes and other off-balance sheet commitments	640 180	95 104	545 076	193 610	282 595	68 871

INCOME STATEMENT OF GROUP III BANKS
 (September 2005)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME						
Interest income from demand deposits with banks	2 861	2 716	145	29	30	86
Interest income from time deposits with banks	4 730	2 544	2 186	1 268	728	190
Interest income from loans to banks	0	0	0	0	0	0
Interest income from other claims on banks	0	0	0	0	0	0
Interest income from loans to other financial institutions	3 063	2 682	381	168	213	0
Interest income from claims under repurchase agreements	0	0	0	0	0	0
Interest income from trading portfolio	1 077	0	1 077	1 026	27	24
Interest income from investment portfolio	1 811	0	1 811	687	942	182
Bulgarian government securities	731		731	687	44	0
Other domestic debt securities	0	0	0	0	0	0
External debt securities issued by foreign governments and international financial institutions	1 080		1 080	0	898	182
Other external debt securities	0	0	0	0	0	0
Interest income from loans	42 430	0	42 430	12 529	27 942	1 959
Loans to budget	0		0	0	0	0
Commercial real estate and construction loans	13 366		13 366	2 272	10 447	647
Other commercial loans	25 541		25 541	8 776	15 565	1 200
Agricultural loans	264		264	166	25	73
Consumer loans	721		721	600	109	12
Housing mortgage loans to individuals	1 956		1 956	709	1 220	27
Other loans	582	0	582	6	576	0
Dividend income	0	0	0	0	0	0
Interest and dividend income, total	55 972	7 942	48 030	15 707	29 882	2 441
INTEREST EXPENDITURE						
Interest expenditure on deposits of banks	12 017	8 321	3 696	1 009	1 954	733
Interest expenditure on deposits of other financial institutions	727	2	725	347	324	54
Interest expenditure on demand deposits of non-financial institutions and other customers	3 664	0	3 664	1 423	2 116	125
Interest expenditure on time deposits of non-financial institutions and other customers	3 112	0	3 112	1 607	1 029	476
Interest expenditure on savings deposits of non-financial institutions and other customers	133	0	133	21	91	21
Interest expenditure on borrowings under repurchase agreements	5	0	5	5	0	0
Interest expenditure on short-term borrowings	0	0	0	0	0	0
Interest expenditure on long-term borrowings	0	0	0	0	0	0
Interest expenditure on other liabilities	9	5	4	1	0	3
Interest expenditure, total	19 667	8 328	11 339	4 413	5 514	1 412
INTEREST AND DIVIDEND INCOME, NET	36 305	-386	36 691	11 294	24 368	1 029
CREDIT PROVISIONS						
Accrued provisions	5 043	0	5 043			
Reintegrated provisions	2 674	0	2 674			
Credit provisions, net	2 369	0	2 369			

(continued)

(continued)		(BGN'000)			
	Total	Related parties	Unrelated parties		
			Total	BGN	EUR
TRADING PORTFOLIO GAIN/LOSS					
Gain/loss on trading portfolio securities	972	0	972		
Gain/loss on derivatives held for trading	230	0	230		
Gain/loss on other instruments in trading portfolio	-1	0	-1		
Total trading portfolio gain/loss	1 201	0	1 201		
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE					
Gain/loss on investments available for sale	731	0	731		
Gain/loss on instruments effectively hedging investments available for sale	0	0	0		
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY					
	0	0	0		
OTHER NON-INTEREST INCOME					
Loan servicing income	1 345	393	952		
Fee income on off-balance sheet accounts	1 094	0	1 094		
Service charges on deposits	2 436	0	2 436		
Other fees and commissions	6 170	9	6 161		
Gain/loss on assets held for resale	2	0	2		
Gain/loss on sale of other assets	0	0	0		
Gain/loss on foreign currency transactions	5 587	359	5 228		
Other non-interest income	1 454	0	1 454		
NON-INTEREST EXPENDITURE					
Salary, social security, and pension expenditure	9 500		9 500		
Occupancy expenditure, net	4 403		4 403		
External service expenditure	11 577	690	10 887		
Other non-interest expenditure	5 366	0	5 366		
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE, AND TAX ITEMS					
	23 110	-315	23 425		
FOREIGN EXCHANGE REVALUATION GAIN/LOSS					
	-1 523	31	-1 554		
EXTRAORDINARY GAIN/LOSS					
	-38	0	-38		
TAX					
	3 231		3 231		
PROFIT/LOSS, NET					
	18 318	-284	18 602		

V. Balance Sheets and Income Statements of Individual Commercial Banks*

Allianz Bulgaria Commercial Bank	69
Alpha Bank, Sofia Branch	72
BNP Paribas, Bulgaria	75
Bulbank	78
Bulgarian-American Credit Bank	81
Central Cooperative Bank	84
Citibank N. A., Sofia Branch	87
Corporate Commercial Bank	90
D Commerce Bank	93
DSK Bank	96
DZI Bank	99
Economic and Investment Bank	102
Emporiki Bank – Bulgaria	105
Encouragement Bank	108
Eurobank	111
First Investment Bank	114
Hebros Bank	117
HVB Bank Biochim	120
ING Bank N. V., Sofia Branch	123
International Asset Bank	126
Investbank	129
Municipal Bank	132
National Bank of Greece C. A., Sofia Branch	135
Piraeus Bank, Sofia Branch	138
Post Bank	141
ProCredit Bank	144
Raiffeisenbank, Bulgaria	147
SG Expressbank	150
T. C. Ziraat Bank, Sofia Branch	153
Texim Private Entrepreneurial Bank	156
Tokuda Bank	159
Unionbank	162
United Bulgarian Bank	165
WestEast Bank	168

* Banks are arranged in alphabetical order, not according to bank code.

BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	53 882	32 122	18 293	3 467
Claims on financial institutions, net	83 106	14 829	26 953	41 324
Claims under repurchase agreements	66 462	3 929	45 522	17 011
Trading portfolio	65 605	40 865	18 337	6 403
Investment portfolio	65 404	30 444	24 008	10 952
Loans to non-financial institutions and other customers, net	200 346	112 558	81 054	6 734
Loans to budget	249	249	0	0
Commercial loans	127 193	81 187	39 740	6 266
Commercial real estate and construction loans	41 037	23 200	16 576	1 261
Other commercial loans	86 156	57 987	23 164	5 005
Agricultural loans	5 765	5 672	93	0
Consumer loans	18 591	15 675	2 656	260
Housing mortgage loans to individuals	54 087	13 852	40 019	216
Other loans	0	0	0	0
Loans to non-financial institutions and other customers, total	205 885	116 635	82 508	6 742
Less: specific provisions	5 539	4 077	1 454	8
Assets for resale	49	49	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	2 648	2 416	228	4
Intangible assets	1 678	1 678	0	0
Premises and other fixed assets	10 462	10 462	0	0
Assets, total	549 642	249 352	214 395	85 895
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	95 071	80 927	900	13 244
Demand deposits of banks	2	2	0	0
Time deposits of banks	19 771	19 771	0	0
Deposits of other financial institutions	75 298	61 154	900	13 244
Deposits of non-financial institutions and other customers	342 496	146 525	127 926	68 045
Demand deposits	120 555	82 857	31 163	6 535
Time deposits	187 325	56 625	74 314	56 386
Savings deposits	34 616	7 043	22 449	5 124
Deposits, total	437 567	227 452	128 826	81 289
Borrowings under repurchase agreements	5 030	0	5 030	0
Short-term borrowings	0	0	0	0
Long-term borrowings	57 400	2 519	54 881	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	8 806	4 420	2 371	2 015
Liabilities, total	508 803	234 391	191 108	83 304
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	40 839	40 839		
Shareholder capital	19 000	19 000		
Reserves	15 912	15 912		
Profit/loss, current year	5 927	5 927		
Liabilities, minority interest, and capital, total	549 642	275 230	191 108	83 304
Memo: credit substitutes and other off-balance sheet commitments	59 558	27 854	19 318	12 386

* Former Bulgaria-Invest Commercial Bank.


INCOME STATEMENT
(September 2005)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	23 895	12 286	9 102	2 507
Interest income from claims on financial institutions	1 873	419	584	870
Interest income from claims under repurchase agreements	632	32	494	106
Interest income from trading portfolio	2 553	1 827	600	126
Interest income from investment portfolio	2 123	700	889	534
Interest income from loans	16 658	9 252	6 535	871
Dividend income	56	56	0	0
INTEREST EXPENDITURE	12 236	6 305	4 207	1 724
Interest expenditure on deposits of financial institutions	4 852	4 390	53	409
Interest expenditure on deposits of non-financial institutions and other customers	4 994	1 899	1 790	1 305
Interest expenditure on borrowings under repurchase agreements	171	16	155	0
Interest expenditure on borrowings	2 219	0	2 209	10
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	11 659	5 981	4 895	783
CREDIT PROVISIONS				
Accrued provisions	2 702			
Reintegrated provisions	2 135			
Credit provisions, net	567			
TRADING PORTFOLIO GAIN/LOSS	3 286			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	-120			
OTHER NON-INTEREST INCOME	5 668			
NON-INTEREST EXPENDITURE	12 181			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	7 745			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-772			
EXTRAORDINARY GAIN/LOSS	0			
TAX	1 046			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	5 927			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB Resolution No. 345 of 3 June 1997 of the BNB Governing Council.
License updated by Order No. 100-00515 of 22 November 1999 and amended by
Order No. RD 22-0446 of 27 October 2000, Order No. RD 22-0469 of 20 June 2002

Legal registration Company file No. 12684 of 1997, vol. 487, p. 202, lot No. 44383

Address of the head office 79 Knyaginya Maria-Luiza Blvd., Sofia 1000
tel. 02/988 54 88; 921 54 04
Website: www.allianz.bg

Management

Supervisory Board Oleg Nikolov Nedialkov – Chairman
Sofia Kamenova Hristova – Deputy Chairman
Emil Dimitrov Gavrilov – Deputy Chairman
Maxim Stanev Sirakov

Temenouga Nenova Matrakchieva
Radka Stefanova Rasina

Management Board Dimitar Georgiev Zhelev – Chairman
Strahil Nikolov Vidinov – Deputy Chairman
Galya Dimitrova Dimitrova
Georgi Yanchev Momchilov
Hristo Borisov Babev

Shareholders
(shares over 10%)

Allianz Bulgaria Holding Ltd. – 79.61%



BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	11 964	0	11 964	10 451	783	730
Claims on financial institutions, net	5 701	0	5 701	5 500	152	49
Claims under repurchase agreements	0	0	0	0	0	0
Trading portfolio	0	0	0	0	0	0
Investment portfolio	12	0	12	12	0	0
Loans to non-financial institutions and other customers, net	126 367	0	126 367	13 075	103 210	10 082
Loans to budget	0	0	0	0	0	0
Commercial loans	107 453	0	107 453	12 947	84 455	10 051
Commercial real estate and construction loans	78 353	0	78 353	5 170	63 761	9 422
Other commercial loans	29 100	0	29 100	7 777	20 694	629
Agricultural loans	0	0	0	0	0	0
Consumer loans	63	0	63	33	30	0
Housing mortgage loans to individuals	1 609	0	1 609	95	1 483	31
Other loans	17 242	0	17 242	0	17 242	0
Loans to non-financial institutions and other customers, total	126 367	0	126 367	13 075	103 210	10 082
Less: specific provisions	0	0	0	0	0	0
Assets for resale	0	0	0	0	0	0
Other assets, net	1 488	151	1 337	1 075	61	201
Intangible assets	12	0	12	12	0	0
Premises and other fixed assets	4 002	0	4 002	4 002	0	0
Assets, total	149 546	151	149 395	34 127	104 206	11 062
LIABILITIES, MINORITY INTEREST, AND CAPITAL						
Deposits of financial institutions	88 985	31 507	57 478	13 743	41 943	1 792
Demand deposits of banks	0	0	0	0	0	0
Time deposits of banks	70 197	31 507	38 690	0	37 066	1 624
Deposits of other financial institutions	18 788	0	18 788	13 743	4 877	168
Deposits of non-financial institutions and other customers	53 176	0	53 176	13 932	31 835	7 409
Demand deposits	24 015	0	24 015	9 092	13 785	1 138
Time deposits	19 342	0	19 342	3 721	11 979	3 642
Savings deposits	9 819	0	9 819	1 119	6 071	2 629
Deposits, total	142 161	31 507	110 654	27 675	73 778	9 201
Borrowings under repurchase agreements	0	0	0	0	0	0
Short-term borrowings	0	0	0	0	0	0
Long-term borrowings	0	0	0	0	0	0
Other liabilities	926	703	223	127	52	44
Liabilities, total	143 087	32 210	110 877	27 802	73 830	9 245
Reserves and financial result, total	6 459	5 043	1 416	1 416		
Reserves	5 043	5 043	0	0		
Profit/loss, current year	1 416	0	1 416	1 416		
Liabilities, reserves, and financial result, total	149 546	37 253	112 293	29 218	73 830	9 245
Memo: credit substitutes and other off-balance sheet commitments	48 940	0	48 940	15 907	30 270	2 763



INCOME STATEMENT (September 2005)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	5 377	2	5 375	639	4322	414
Interest income from claims on financial institutions	106	2	104	104	0	0
Interest income from claims under repurchase agreements	0	0	0	0	0	0
Interest income from trading portfolio	0	0	0	0	0	0
Interest income from investment portfolio	0	0	0	0	0	0
Interest income from loans	5 271	0	5 271	535	4322	414
Dividend income	0	0	0	0	0	0
INTEREST EXPENDITURE	2 088	874	1 214	392	713	109
Interest expenditure on deposits of financial institutions	1 692	874	818	288	465	65
Interest expenditure on deposits of non-financial institutions and other customers	396	0	396	104	248	44
Interest expenditure on borrowings under repurchase agreements	0	0	0	0	0	0
Interest expenditure on borrowings	0	0	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	3 289	-872	4 161	247	3609	305
CREDIT PROVISIONS						
Accrued provisions	70	0	70			
Reintegrated provisions	70	0	70			
Credit provisions, net	0	0	0			
TRADING PORTFOLIO GAIN/LOSS	0	0	0			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0	0	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0	0	0			
OTHER NON-INTEREST INCOME	943	0	943			
NON-INTEREST EXPENDITURE	2 544	0	2 544			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	1 688	-872	2 560			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	3	0	3			
EXTRAORDINARY GAIN/LOSS	-25	0	-25			
TAX	250	0	250			
PROFIT/LOSS, NET	1 416	-872	2 288			



ALPHA BANK, SOFIA BRANCH

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB	Resolution No. 31 of 2 February 1995 of the BNB Governing Council; Order No. 100-00564 of 22 December 1999 for license update. Order No. RD22-571 of 27 November 2000: the BNB grants a permit to Alpha Bank AE, Athens, Greece, as a legal successor of the Ionian and Popular Bank of Greece, Athens (licensed by Order No. 100-00564 of 22 December 1999), to conduct bank activities through a branch named 'Alpha Bank, Sofia Branch'
Legal registration	Entered in the Commercial Register on company file No. 4005, vol. 280, p. 156 by Resolution No. 2 of 1 September 1995 of the Sofia City Court
Address	11 Narodno Sabranie Square, Sofia 1000 tel. 02/981 65 54 Website: www.alphabank.bg
Management	The branch is represented by two persons with first signature or with first and second signatures put jointly, i. e. with the signatures of: Yoannis Yordanis Yordanidis – Governor, and Teoni Georgios Ziguraki – Deputy Governor, put jointly, or with the signature of one of them and one of the signatures of the deputy governors entitled to second signature: Iskrenna Stefanova Makarieva
Shareholders (shares over 10%)	Branch of Alpha Bank AE, Athens, Greece

BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	27 023	26 223	361	439
Claims on financial institutions, net	84 148	6 517	58 791	18 840
Claims under repurchase agreements	15 470	0	15 470	0
Trading portfolio	3 579	3 535	0	44
Investment portfolio	9 760	4 857	4 188	715
Loans to non-financial institutions and other customers, net	187 293	35 482	124 171	27 640
Loans to budget	0	0	0	0
Commercial loans	187 334	35 645	124 598	27 091
Commercial real estate and construction loans	43 637	0	43 637	0
Other commercial loans	143 697	35 645	80 961	27 091
Agricultural loans	0	0	0	0
Consumer loans	225	216	5	4
Housing mortgage loans to individuals	333	333	0	0
Other loans	1 390	0	724	666
Loans to non-financial institutions and other customers, total	189 282	36 194	125 327	27 761
Less: specific provisions	1 989	712	1 156	121
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	205	193	10	2
Intangible assets	57	57	0	0
Premises and other fixed assets	14 392	14 392	0	0
Assets, total	341 927	91 256	202 991	47 680
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	125 312	41 565	57 186	26 561
Demand deposits of banks	5 414	211	4 900	303
Time deposits of banks	114 059	37 018	51 799	25 242
Deposits of other financial institutions	5 839	4 336	487	1 016
Deposits of non-financial institutions and other customers	162 193	78 860	61 363	21 970
Demand deposits	135 855	73 728	48 878	13 249
Time deposits	26 338	5 132	12 485	8 721
Savings deposits	0	0	0	0
Deposits, total	287 505	120 425	118 549	48 531
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	0	0	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	4 035	3 394	487	154
Liabilities, total	291 540	123 819	119 036	48 685
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	50 387	50 387		
Shareholder capital	36 000	36 000		
Reserves	11 763	11 763		
Profit/loss, current year	2 624	2 624		
Liabilities, minority interest, and capital, total	341 927	174 206	119 036	48 685
Memo: credit substitutes and other off-balance sheet commitments	199 121	71 436	118 776	8 909


INCOME STATEMENT
 (September 2005)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	9 163	1 971	5 480	1 712
Interest income from claims on financial institutions	1 096	74	619	403
Interest income from claims under repurchase agreements	123	0	123	0
Interest income from trading portfolio	311	149	11	151
Interest income from investment portfolio	269	191	61	17
Interest income from loans	7 364	1 557	4 666	1 141
Dividend income	0	0	0	0
INTEREST EXPENDITURE	2 488	879	1 025	584
Interest expenditure on deposits of financial institutions	1 469	399	701	369
Interest expenditure on deposits of non-financial institutions and other customers	800	446	247	107
Interest expenditure on borrowings under repurchase agreements	34	34	0	0
Interest expenditure on borrowings	0	0	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	185	0	77	108
INTEREST AND DIVIDEND INCOME, NET	6 675	1 092	4 455	1 128
CREDIT PROVISIONS				
Accrued provisions	1 851			
Reintegrated provisions	1 945			
Credit provisions, net	-94			
TRADING PORTFOLIO GAIN/LOSS	-16			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	40			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	3 994			
NON-INTEREST EXPENDITURE	7 810			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	2 977			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	88			
EXTRAORDINARY GAIN/LOSS	0			
TAX	441			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	2 624			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB	No. 349 of 14 November 1994 by Resolution of the BNB Governing Council accompanied by Letter No. 440-01046 of 25 November 1994 and Order No. 100-00496 of 18 November 1999 of the BNB Governor for license update
Legal registration	Company file No. 22740 of 1994, lot No. 21406, vol. 259, p. 142
Address of the head office	2 Tsar Osvoboditel Blvd., Sofia 1000 tel. 02/921 86 40; 921 86 50 Website: www.bnparibas-bg.com
Management	
Supervisory Board	Matthieu Lacaze Gilles Franck Arnaud Denis Jean-Sebastien Tellier
Management Board	Ullrich-Günther Schubert – Chief Executive Director David Joel Goyon – Executive Director Ivailo Lyubomirov Lyubomirov – Executive Director Blagoi Vankov Bochev – Executive Director
Shareholders (shares over 10%)	Bank Nationale de Paris, France – 100%



BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	226 025	83 561	134 900	7 564
Claims on financial institutions, net	388 134	5 321	231 635	151 178
Claims under repurchase agreements	0	0	0	0
Trading portfolio	137 283	89 478	42 850	4 955
Investment portfolio	849 651	304 039	239 465	306 147
Loans to non-financial institutions and other customers, net	1 529 287	677 775	758 736	92 776
Loans to budget	2 263	2 263	0	0
Commercial loans	1 281 872	462 602	726 770	92 500
Commercial real estate and construction loans	200 216	52 472	146 504	1 240
Other commercial loans	1 081 656	410 130	580 266	91 260
Agricultural loans	16 704	14 885	1 591	228
Consumer loans	76 893	70 987	3 752	2 154
Housing mortgage loans to individuals	195 842	156 906	38 936	0
Other loans	1 738	362	45	1 331
Loans to non-financial institutions and other customers, total	1 575 312	708 005	771 094	96 213
Less: specific provisions	46 025	30 230	12 358	3 437
Assets for resale	34	34	0	0
Investments in unconsolidated subsidiaries and associated companies	7982	7982	0	0
Other assets	9 940	9 073	506	361
Intangible assets	47 737	47 737	0	0
Premises and other fixed assets	103 889	103 889	0	0
Assets, total	3 299 962	1 328 889	1 408 092	562 981
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	118 019	94 956	9 238	13 825
Demand deposits of banks	14 772	754	4 918	9 100
Time deposits of banks	71 342	68 604	0	2 738
Deposits of other financial institutions	31 905	25 598	4 320	1 987
Deposits of non-financial institutions and other customers	2 350 169	742 706	946 179	661 284
Demand deposits	1 183 003	557 896	415 896	209 211
Time deposits	1 160 915	184 051	527 613	449 251
Savings deposits	6 251	759	2 670	2 822
Deposits, total	2 468 188	837 662	955 417	675 109
Borrowings under repurchase agreements	27 309	27 309	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	4 404	0	4 404	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	203 135	103 337	35 320	64 478
Liabilities, total	2 703 036	968 308	995 141	739 587
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	596 926	596 926		
Shareholder capital	166 370	166 370		
Reserves	347 768	347 768		
Profit/loss, current year	82 788	82 788		
Liabilities, minority interest, and capital, total	3 299 962	1 565 234	995 141	739 587
Memo: credit substitutes and other off-balance sheet commitments	534 655	234 870	171 896	127 889

INCOME STATEMENT
 (September 2005)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	141 527	65 449	57 035	19 043
Interest income from claims on financial institutions	10 186	58	4 528	5 600
Interest income from claims under repurchase agreements	1	1	0	0
Interest income from trading portfolio	7 566	3 626	3 137	803
Interest income from investment portfolio	29 788	13 125	8 848	7 815
Interest income from loans	93 986	48 639	40 522	4 825
Dividend income	0	0	0	0
INTEREST EXPENDITURE	21 857	5 351	12 015	4 491
Interest expenditure on deposits of financial institutions	1 700	816	764	120
Interest expenditure on deposits of non-financial institutions and other customers	17 214	4 009	10 160	3 045
Interest expenditure on borrowings under repurchase agreements	526	526	0	0
Interest expenditure on borrowings	91	0	91	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	2 326	0	1 000	1 326
INTEREST AND DIVIDEND INCOME, NET	119 670	60 098	45 020	14 552
CREDIT PROVISIONS				
Accrued provisions	24 623			
Reintegrated provisions	10 875			
Credit provisions, net	13 748			
TRADING PORTFOLIO GAIN/LOSS	3 321			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	1 678			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	1 424			
OTHER NON-INTEREST INCOME	44 092			
NON-INTEREST EXPENDITURE	59 545			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	96 892			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	557			
EXTRAORDINARY GAIN/LOSS	0			
TAX	14 661			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	82 788			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB	Licensed by Resolution of the BNB Governing Council of 25 February 1991, updated by Order No. 100-00485 of the BNB Governor dated 17 November 1999
Legal registration	Entered under No. 17 of 21 February 1964 of the Sofia Regional Court on company file No. 9 of 1964 and in the Commercial Register under No. 503, vol. 5, p. 99 on company file No. 2010 of 1990 of the Sofia City Court
Address of the head office	7 Sveta Nedelya Sq., Sofia 1000 tel. 02/923 21 11 Website: www.bulbank.bg
Management	
Supervisory Board	Andrea Moneta – Chairman Alberto Fausto Galmarini – Deputy Chairman Massimiliano Moi Dimitar Georgiev Zhelev Ivan Stancioff Jan Bielecki Marcello Arloto
Management Board	Levon Hampartsumyan – Chairman and Chief Executive Director Alessandro Decio – Deputy Chairman and Chief Operating Director, Executive Director Kalinka Kirova Stanislav Georgiev Lyubomir Ignatov Punchev
Shareholders (shares over 10%)	UniCredito Italiano S. A. – 85.19%

BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	18 409	2 751	14 869	789
Claims on financial institutions, net	30 832	3 011	4 284	23 537
Claims under repurchase agreements	0	0	0	0
Trading portfolio	127	127	0	0
Investment portfolio	9 810	1 119	6 510	2 181
Loans to non-financial institutions and other customers, net	263 383	1 757	235 877	25 749
Loans to budget	0	0	0	0
Commercial loans	266 434	2 088	243 638	20 708
Commercial real estate and construction loans	189 822	106	175 530	14 186
Other commercial loans	76 612	1 982	68 108	6 522
Agricultural loans	4 082	0	3 300	782
Consumer loans	386	0	386	0
Housing mortgage loans to individuals	11 087	0	7 953	3 134
Other loans	4 196	0	0	4 196
Loans to non-financial institutions and other customers, total	286 185	2 088	255 277	28 820
Less: specific provisions	22 802	331	19 400	3 071
Assets for resale	459	459	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	340	306	27	7
Intangible assets	237	237	0	0
Premises and other fixed assets	4 231	4 231	0	0
Assets, total	327 828	13 998	261 567	52 263
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	10 380	2 706	6 884	790
Demand deposits of banks	0	0	0	0
Time deposits of banks	2 056	2 056	0	0
Deposits of other financial institutions	8 324	650	6 884	790
Deposits of non-financial institutions and other customers	61 180	10 918	33 817	16 445
Demand deposits	27 764	9 425	16 150	2 189
Time deposits	33 416	1 493	17 667	14 256
Savings deposits	0	0	0	0
Deposits, total	71 560	13 624	40 701	17 235
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	35 851	0	26 016	9 835
Long-term borrowings	132 583	0	119 444	13 139
Subordinated term debt and debt/equity (hybrid) instruments	16 242	0	0	16 242
Other liabilities	3 261	2 037	899	325
Liabilities, total	259 497	15 661	187 060	56 776
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	68 331	68 331		
Shareholder capital	12 746	12 746		
Reserves	40 842	40 842		
Profit/loss, current year	14 743	14 743		
Liabilities, minority interest, and capital, total	327 828	83 992	187 060	56 776
Memo: credit substitutes and other off-balance sheet commitments	69 027	780	67 290	957

INCOME STATEMENT
 (September 2005)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	36 781	266	31 510	5 005
Interest income from claims on financial institutions	672	11	256	405
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	3	3	0	0
Interest income from investment portfolio	456	36	318	102
Interest income from loans	35 650	216	30 936	4 498
Dividend income	0	0	0	0
INTEREST EXPENDITURE	10 099	125	7 130	2 844
Interest expenditure on deposits of financial institutions	172	70	93	9
Interest expenditure on deposits of non-financial institutions and other customers	884	55	397	432
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	7 991	0	6 640	1 351
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	1 052	0	0	1 052
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	26 682	141	24 380	2 161
CREDIT PROVISIONS				
Accrued provisions	13 341			
Reintegrated provisions	5 531			
Credit provisions, net	7 810			
TRADING PORTFOLIO GAIN/LOSS	1			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	63			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	3 382			
NON-INTEREST EXPENDITURE	6 819			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	15 499			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	880			
EXTRAORDINARY GAIN/LOSS	0			
TAX	1 636			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	14 743			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB	Resolution of the BNB Governing Council of 11 July 1996; updated in accordance with the Law on Banks by BNB Order No. 100-000476 of 30 December 1999
Legal registration	Entered by Resolution No.1 of 3 December 1996 of the Sofia City Court on company file No. 12587 of 1996, lot No. 35659, vol. 397, p. 180
Address of the head office	16 Krakra Str., Sofia 1504 tel. 02/965 83 58 e-mail: bacb@baefinvest.com
Management	The Bank is managed and represented jointly by each two of the executive directors: Franc Luis Bauer, Stoyan Nikolov Dinchiyski and Dimitar Stoyanov Vuchev
Board of Directors	Franc Luis Bauer Stephen William Filo Dimitar Stoyanov Vuchev Michael Hunsberger Dennis Earl Fiehler Marshal Lee Miller Stoyan Nikolov Dinchiyski
Shareholders (shares over 10%)	Bulgarian-American Investment Fund – 99.9%



BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	161 775	131 667	20 826	9 282
Claims on financial institutions, net	13 813	6 131	5 655	2 027
Claims under repurchase agreements	1 039	1 039	0	0
Trading portfolio	10 203	6 571	3 632	0
Investment portfolio	111 850	63 134	48 716	0
Loans to non-financial institutions and other customers, net	369 980	248 732	83 895	37 353
Loans to budget	41	41	0	0
Commercial loans	248 963	141 531	69 657	37 775
Commercial real estate and construction loans	34 696	19 867	14 829	0
Other commercial loans	214 267	121 664	54 828	37 775
Agricultural loans	28 673	26 529	2 144	0
Consumer loans	61 109	60 655	415	39
Housing mortgage loans to individuals	35 155	22 417	12 538	200
Other loans	1 111	1 033	3	75
Loans to non-financial institutions and other customers, total	375 052	252 206	84 757	38 089
Less: specific provisions	5 072	3 474	862	736
Assets for resale	15	15	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	27 700	8 355	17 784	1 561
Intangible assets	2 938	2 938	0	0
Premises and other fixed assets	27 645	27 645	0	0
Assets, total	726 958	496 227	180 508	50 223
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	7 239	6 420	668	151
Demand deposits of banks	130	88	42	0
Time deposits of banks	2	2	0	0
Deposits of other financial institutions	7 107	6 330	626	151
Deposits of non-financial institutions and other customers	594 045	356 174	167 636	70 235
Demand deposits	215 674	182 022	28 490	5 162
Time deposits	347 198	159 277	129 143	58 778
Savings deposits	31 173	14 875	10 003	6 295
Deposits, total	601 284	362 594	168 304	70 386
Borrowings under repurchase agreements	10 462	10 462	0	0
Short-term borrowings	21 618	0	21 618	0
Long-term borrowings	10 120	10 120	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	20 167	12 878	3 372	3 917
Liabilities, total	663 651	396 054	193 294	74 303
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	63 307	63 307		
Shareholder capital	32 338	32 338		
Reserves	26 530	26 530		
Profit/loss, current year	4 439	4 439		
Liabilities, minority interest, and capital, total	726 958	459 361	193 294	74 303
Memo: credit substitutes and other off-balance sheet commitments	44 541	31 090	7 103	6 348

INCOME STATEMENT
(September 2005)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	33 736	21 710	7 500	4 526
Interest income from claims on financial institutions	1 994	20	1 246	728
Interest income from claims under repurchase agreements	267	168	84	15
Interest income from trading portfolio	164	148	1	15
Interest income from investment portfolio	2 246	1 464	751	31
Interest income from loans	29 059	19 904	5 418	3 737
Dividend income	6	6	0	0
INTEREST EXPENDITURE	12 585	6 305	4 534	1 746
Interest expenditure on deposits of financial institutions	606	508	13	85
Interest expenditure on deposits of non-financial institutions and other customers	10 335	4 894	4 159	1 282
Interest expenditure on borrowings under repurchase agreements	746	743	0	3
Interest expenditure on borrowings	438	141	297	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	460	19	65	376
INTEREST AND DIVIDEND INCOME, NET	21 151	15 405	2 966	2 780
CREDIT PROVISIONS				
Accrued provisions	9 929			
Reintegrated provisions	3 850			
Credit provisions, net	6 079			
TRADING PORTFOLIO GAIN/LOSS	1 292			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	-23			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	16 562			
NON-INTEREST EXPENDITURE	27 942			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	4 961			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	261			
EXTRAORDINARY GAIN/LOSS	0			
TAX	783			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	4 439			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB	Resolution No. 14 of 25 February 1991 of the BNB Governing Council. Updated by Order No. 100-00493 of the BNB Governor dated 17 November 1999
Legal registration	Resolution of the Sofia City Court of 28 March 1991 on company file No. 5227 of 1991, lot No. 334, vol. 4, p. 11
Address of the head office	103 Rakovski Str., Sofia 1000 tel. 02/926 62 66 Website: www.ccbank.bg
Management	The company is represented jointly by two of the executive directors Borislav Yavorov Chilikov, Georgi Dimitrov Konstantinov, Lazar Petrov Iliev and Victor Ivanov Mechkarov, or by one of them and the procurator Tihomir Angelov Atanasov
Supervisory Board	Nikola Alexandrov Damyanov – Chairman CCB Group Assets Management EAD* Central Cooperative Union represented by Petar Ivanov Stefanov
Management Board	Alexander Asenov Vodenicharov – Chairman Georgi Dimitrov Konstantinov – Executive Director Borislav Yavorov Chilikov – Executive Director** Lazar Petrov Iliev – Executive Director Victor Ivanov Mechkarov – Executive Director Alexander Dimitrov Kerezov Tsvetan Tsankov Botev Biser Yordanov Slavkov
Procurator	Tihomir Angelov Atanasov
Shareholders (shares over 10%)	CCB Group Assets Management EAD – 67%

* By Resolution of the General Shareholders' Meeting of 21 October 2005 the legal entity was dismissed from the Supervisory Board and Mr. Marin Velikov Mitev was elected member of it. Entry in the Sofia City Court is pending.

** Removed from office as member of the Management Board and executive director at the Supervisory Board's meeting on 27 October 2005. Entry in the Sofia City court is pending.

BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	13 702	0	13 702	13 204	307	191
Claims on financial institutions, net	101 659	48 814	52 845	43 002	9 780	63
Claims under repurchase agreements	0	0	0	0	0	0
Trading portfolio	131	129	2	0	2	0
Investment portfolio	20 485	0	20 485	20 485	0	0
Loans to non-financial institutions and other customers, net	102 513	0	102 513	61 677	39 324	1 512
Loans to budget	0	0	0	0	0	0
Commercial loans	106 179	0	106 179	61 986	42 567	1 626
Commercial real estate and construction loans	15 799	0	15 799	0	15 799	0
Other commercial loans	90 380	0	90 380	61 986	26 768	1 626
Agricultural loans	0	0	0	0	0	0
Consumer loans	94	0	94	94	0	0
Housing mortgage loans to individuals	0	0	0	0	0	0
Other loans	50	0	50	1	0	49
Loans to non-financial institutions and other customers, total	106 323	0	106 323	62 081	42 567	1 675
Less: specific provisions	3 810	0	3 810	404	3 243	163
Assets for resale	0	0	0	0	0	0
Other assets, net	766	0	766	701	12	53
Intangible assets	598	0	598	598	0	0
Premises and other fixed assets	543	0	543	543	0	0
Assets, total	240 397	48 943	191 454	140 210	49 425	1 819
LIABILITIES, MINORITY INTEREST, AND CAPITAL						
Deposits of financial institutions	12 242	68	12 174	8 317	1 760	2 097
Demand deposits of banks	68	68	0	0	0	0
Time deposits of banks	7 000	0	7 000	7 000	0	0
Deposits of other financial institutions	5 174	0	5 174	1 317	1 760	2 097
Deposits of non-financial institutions and other customers	216 698	0	216 698	106 623	79 833	30 242
Demand deposits	185 145	0	185 145	101 984	68 418	14 743
Time deposits	31 553	0	31 553	4 639	11 415	15 499
Savings deposits	0	0	0	0	0	0
Deposits, total	228 940	68	228 872	114 940	81 593	32 339
Borrowings under repurchase agreements	0	0	0	0	0	0
Short-term borrowings	0	0	0	0	0	0
Long-term borrowings	0	0	0	0	0	0
Other liabilities	7 594	5 382	2 212	2 008	43	161
Liabilities, total	236 534	5 450	231 084	116 948	81 636	32 500
Reserves and financial result, total	3 863	747	3 116	3 116		
Reserves	747	747	0	0		
Profit/loss, current year	3 116	0	3 116	3 116		
Liabilities, reserves, and financial result, total	240 397	6 197	234 200	120 064	81 636	32 500
Memo: credit substitutes and other off-balance sheet commitments	159 612	24 007	135 605	52 073	69 406	14 126


**CITIBANK N. A.,
SOFIA BRANCH**
INCOME STATEMENT
(September 2005)

(BGN'000)

	Total	Related parties	Unrelated parties			Other currencies
			Total	BGN	EUR	
INTEREST AND DIVIDEND INCOME	5 987	1 803	4 184	2 737	1412	35
Interest income from claims on financial institutions	2 649	1 803	846	846	0	0
Interest income from claims under repurchase agreements	0	0	0	0	0	0
Interest income from trading portfolio	0	0	0	0	0	0
Interest income from investment portfolio	695	0	695	664	31	0
Interest income from loans	2 643	0	2 643	1 227	1381	35
Dividend income	0	0	0	0	0	0
INTEREST EXPENDITURE	2 094	5	2 089	875	1074	140
Interest expenditure on deposits of financial institutions	349	0	349	59	237	53
Interest expenditure on deposits of non-financial institutions and other customers	1 736	0	1 736	815	837	84
Interest expenditure on borrowings under repurchase agreements	0	0	0	0	0	0
Interest expenditure on borrowings	0	0	0	0	0	0
Interest expenditure on other liabilities	9	5	4	1	0	3
INTEREST AND DIVIDEND INCOME, NET	3 893	1 798	2 095	1 862	338	-105
CREDIT PROVISIONS						
Accrued provisions	672	0	672			
Reintegrated provisions	2 428	0	2 428			
Credit provisions, net	-1 756	0	-1 756			
TRADING PORTFOLIO GAIN/LOSS	231	0	231			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	709	0	709			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0	0	0			
OTHER NON-INTEREST INCOME	3 436	0	3 436			
NON-INTEREST EXPENDITURE	6 157	653	5 504			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	3 868	1 145	2 723			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-197	0	-197			
EXTRAORDINARY GAIN/LOSS	0	0	0			
TAX	555	0	555			
PROFIT/LOSS, NET	3 116	1 145	1 971			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB	Order No. RD 22-319 of 22 June 2000 and Order No. RD 22-319 of 11 December 2000 amending Order No. RD 22-319 of 22 June 2000 which permitted Citibank N. A., Sofia Branch to conduct transactions under Article 1, para. 2, item 4 of the Law on Banks excluding purchases of shares and issuance of shares on its own account
Legal registration	Entered under No. 57 183, vol. 627, reg. I, p. 132 on company file No. 8611 of the Sofia City Court of 2000
Address of the branch	2 Knyaginya Maria-Luiza Blvd., floor 5, Sofia 1000 tel. 02/917 51 00; 917 51 01; 917 51 02
Management	
Management Board	Amin Manekia – Country Corporate Officer Chavdar Petrov Risin Silvana Vasileva Gruncharova Borislava Stoyanova Zhereva–Naimoushina Grigoriy Ananiev Ananiev Silvia Tsenkova Kamenova Premislav Kachikovski
Shareholders (shares over 10%)	Branch of Citibank N. A., New York, the USA



BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	58 299	30 743	26 064	1 492
Claims on financial institutions, net	126 120	37	84 554	41 529
Claims under repurchase agreements	1 006	1 006	0	0
Trading portfolio	25 988	16 738	9 250	0
Investment portfolio	2 603	2 600	3	0
Loans to non-financial institutions and other customers, net	236 681	120 675	88 333	27 673
Loans to budget	0	0	0	0
Commercial loans	223 132	116 649	79 376	27 107
Commercial real estate and construction loans	15 477	7 527	7 304	646
Other commercial loans	207 655	109 122	72 072	26 461
Agricultural loans	547	547	0	0
Consumer loans	2 962	1 483	1 422	57
Housing mortgage loans to individuals	610	132	438	40
Other loans	10 442	2 598	7 199	645
Loans to non-financial institutions and other customers, total	237 693	121 409	88 435	27 849
Less: specific provisions	1 012	734	102	176
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	5	5	0	0
Other assets	2 117	2 090	24	3
Intangible assets	474	474	0	0
Premises and other fixed assets	14 817	14 817	0	0
Assets, total	468 110	189 185	208 228	70 697
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	22 633	11 528	10 981	124
Demand deposits of banks	0	0	0	0
Time deposits of banks	0	0	0	0
Deposits of other financial institutions	22 633	11 528	10 981	124
Deposits of non-financial institutions and other customers	398 209	183 211	156 603	58 395
Demand deposits	157 939	107 692	34 103	16 144
Time deposits	140 184	27 656	89 921	22 607
Savings deposits	100 086	47 863	32 579	19 644
Deposits, total	420 842	194 739	167 584	58 519
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	187	187	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	4 105	209	120	3 776
Liabilities, total	425 134	195 135	167 704	62 295
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	42 976	42 976		
Shareholder capital	30 000	30 000		
Reserves	8 515	8 515		
Profit/loss, current year	4 461	4 461		
Liabilities, minority interest, and capital, total	468 110	238 111	167 704	62 295
Memo: credit substitutes and other off-balance sheet commitments	79 896	41 608	28 457	9 831



INCOME STATEMENT
(September 2005)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	19 126	7 481	9 160	2 485
Interest income from claims on financial institutions	2 109	91	1 396	622
Interest income from claims under repurchase agreements	16	7	9	0
Interest income from trading portfolio	823	648	175	0
Interest income from investment portfolio	40	40	0	0
Interest income from loans	16 138	6 695	7 580	1 863
Dividend income	0	0	0	0
INTEREST EXPENDITURE	8 971	3 973	3 670	1 328
Interest expenditure on deposits of financial institutions	691	308	381	2
Interest expenditure on deposits of non-financial institutions and other customers	8 239	3 624	3 289	1 326
Interest expenditure on borrowings under repurchase agreements	2	2	0	0
Interest expenditure on borrowings	34	34	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	5	5	0	0
INTEREST AND DIVIDEND INCOME, NET	10 155	3 508	5 490	1 157
CREDIT PROVISIONS				
Accrued provisions	545			
Reintegrated provisions	1 637			
Credit provisions, net	-1 092			
TRADING PORTFOLIO GAIN/LOSS	930			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	212			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	4 038			
NON-INTEREST EXPENDITURE	12 669			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	3 758			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	1 490			
EXTRAORDINARY GAIN/LOSS	0			
TAX	787			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	4 461			


STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB	Resolution No. 24 of 21 January 1994. Pursuant to the provisions of § 47 of the Transitional and Final Provisions of the Amendments to the Law on Banks, the license was updated by Order No. 100-00499 of the BNB Governor dated 18 November 1999
Legal registration	Resolution of the Sofia City Court of 6 May 1994 on company file No. 3989 of 1994, lot No. 568, vol. 11, reg. II, p. 29. Changed by Resolution No. 8 of the Sofia City Court dated 19 June 2000
Address of the head office	10 Graf Ignatiev Str., Sofia 1000 tel. 02/980 93 62 Website: www.corpbank.bg
Management	
Supervisory Board	Tsvetan Radoev Vasilev – Chairman Zlatozar Krustev Surlekov Yancho Panayotov Angelov
Management Board	Orlin Nikolov Rousev – Chairman and Executive Director Ilian Atanasov Zafirov – Executive Director Lyubomir Ivanov Vesov – Executive Director
Shareholders (shares over 10%)	Bromak – 86.68% directly, and jointly with Victoria Insurance Company (indirectly) – 93.34%

BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	7 955	5 259	1 159	1 537
Claims on financial institutions, net	10 104	0	4 925	5 179
Claims under repurchase agreements	1 958	0	1 958	0
Trading portfolio	12 436	5 953	6 483	0
Investment portfolio	4 257	3 115	1 142	0
Loans to non-financial institutions and other customers, net	31 855	10 595	13 444	7 816
Loans to budget	0	0	0	0
Commercial loans	31 117	10 055	13 169	7 893
Commercial real estate and construction loans	3 880	428	3 452	0
Other commercial loans	27 237	9 627	9 717	7 893
Agricultural loans	0	0	0	0
Consumer loans	1 063	661	339	63
Housing mortgage loans to individuals	0	0	0	0
Other loans	79	0	79	0
Loans to non-financial institutions and other customers, total	32 259	10 716	13 587	7 956
Less: specific provisions	404	121	143	140
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	244	201	3	40
Intangible assets	97	97	0	0
Premises and other fixed assets	1 083	1 083	0	0
Assets, total	69 989	26 303	29 114	14 572
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	3 075	1 546	1 496	33
Demand deposits of banks	1 202	0	1 174	28
Time deposits of banks	2	0	2	0
Deposits of other financial institutions	1 871	1 546	320	5
Deposits of non-financial institutions and other customers	43 740	9 753	11 439	22 548
Demand deposits	31 392	6 122	8 366	16 904
Time deposits	11 166	3 249	2 602	5 315
Savings deposits	1 182	382	471	329
Deposits, total	46 815	11 299	12 935	22 581
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	0	0	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	3 999	406	2 673	920
Liabilities, total	50 814	11 705	15 608	23 501
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	19 175	19 175		
Shareholder capital	20 000	20 000		
Reserves	-1 542	-1 542		
Profit/loss, current year	717	717		
Liabilities, minority interest, and capital, total	69 989	30 880	15 608	23 501
Memo: credit substitutes and other off-balance sheet commitments	15 150	3 072	11 064	1 014

* Former Demirbank, Bulgaria.


INCOME STATEMENT
 (September 2005)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	2 996	1 012	1 395	589
Interest income from claims on financial institutions	241	17	116	108
Interest income from claims under repurchase agreements	3	0	3	0
Interest income from trading portfolio	561	287	274	0
Interest income from investment portfolio	40	6	34	0
Interest income from loans	2 151	702	968	481
Dividend income	0	0	0	0
INTEREST EXPENDITURE	605	127	260	218
Interest expenditure on deposits of financial institutions	158	52	64	42
Interest expenditure on deposits of non-financial institutions and other customers	326	75	90	161
Interest expenditure on borrowings under repurchase agreements	66	0	51	15
Interest expenditure on borrowings	0	0	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	55	0	55	0
INTEREST AND DIVIDEND INCOME, NET	2 391	885	1 135	371
CREDIT PROVISIONS				
Accrued provisions	307			
Reintegrated provisions	277			
Credit provisions, net	30			
TRADING PORTFOLIO GAIN/LOSS	366			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	2 058			
NON-INTEREST EXPENDITURE	3 552			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	1 233			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-516			
EXTRAORDINARY GAIN/LOSS	0			
TAX	0			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	717			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB	No. 100-000101 of 12 March 1999
Legal registration	Resolution No. 1 of the Sofia City Court dated 15 April 1999, company file No. 3936 of 1999
Address of the head office	8 Tsar Osvoboditel Blvd., Sofia 1000 tel. 02/935 71 71 Website: www.dbank.bg
Management	
Supervisory Board	Tayfun Bayazit – Chairman Huseyin Faik Acikalin Ismail Hasan Akchakayaluoglu Dinc Uner Mevlyut Tyufan Darbaz
Management Board	Muammer Ozkural – Chief Executive Director Rafi Karagiol – Executive Director Sinan Kircali – Executive Director Ognyan Yordanov – Executive Director
Shareholders (shares over 10%)	 Isil Dogan – 50% Halit Djangalluoglu – 40%


BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	397 812	254 393	132 950	10 469
Claims on financial institutions, net	503 922	44 008	330 177	129 737
Claims under repurchase agreements	0	0	0	0
Trading portfolio	91 357	31 696	37 479	22 182
Investment portfolio	346 909	145 039	152 490	49 380
Loans to non-financial institutions and other customers, net	2 661 749	2 318 103	318 640	25 006
Loans to budget	1 736	1 736	0	0
Commercial loans	569 794	328 430	219 252	22 112
Commercial real estate and construction loans	35 285	22 379	12 757	149
Other commercial loans	534 509	306 051	206 495	21 963
Agricultural loans	7 695	6 985	710	0
Consumer loans	1 617 966	1 607 421	10 138	407
Housing mortgage loans to individuals	538 578	441 560	94 396	2 622
Other loans	1 995	1 957	11	27
Loans to non-financial institutions and other customers, total	2 737 764	2 388 089	324 507	25 168
Less: specific provisions	76 015	69 986	5 867	162
Assets for resale	60	60	0	0
Investments in unconsolidated subsidiaries and associated companies	18043	18043	0	0
Other assets	13 978	13 924	46	8
Intangible assets	7 032	7 032	0	0
Premises and other fixed assets	133 870	133 870	0	0
Assets, total	4 174 732	2 966 168	971 782	236 782
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	37 537	37 092	428	17
Demand deposits of banks	102	102	0	0
Time deposits of banks	561	561	0	0
Deposits of other financial institutions	36 874	36 429	428	17
Deposits of non-financial institutions and other customers	3 247 395	2 457 095	558 099	232 201
Demand deposits	600 883	549 593	45 569	5 721
Time deposits	1 772 075	1 207 874	387 239	176 962
Savings deposits	874 437	699 628	125 291	49 518
Deposits, total	3 284 932	2 494 187	558 527	232 218
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	49 081	0	49 081	0
Long-term borrowings	278 266	0	278 266	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	77 539	60 033	13 877	3 629
Liabilities, total	3 689 818	2 554 220	899 751	235 847
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	484 914	484 914		
Shareholder capital	93 984	93 984		
Reserves	292 798	292 798		
Profit/loss, current year	98 132	98 132		
Liabilities, minority interest, and capital, total	4 174 732	3 039 134	899 751	235 847
Memo: credit substitutes and other off-balance sheet commitments	249 288	109 932	121 378	17 978



INCOME STATEMENT
(September 2005)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	253 746	216 385	30 913	6 448
Interest income from claims on financial institutions	5 227	224	2 362	2 641
Interest income from claims under repurchase agreements	3	3	0	0
Interest income from trading portfolio	2 800	1 397	918	485
Interest income from investment portfolio	15 187	7 001	6 639	1 547
Interest income from loans	230 527	207 758	20 994	1 775
Dividend income	2	2	0	0
INTEREST EXPENDITURE	54 056	41 104	11 254	1 698
Interest expenditure on deposits of financial institutions	2 282	1 310	813	159
Interest expenditure on deposits of non-financial institutions and other customers	46 952	39 768	5 645	1 539
Interest expenditure on borrowings under repurchase agreements	26	26	0	0
Interest expenditure on borrowings	4 796	0	4 796	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	199 690	175 281	19 659	4 750
CREDIT PROVISIONS				
Accrued provisions	56 301			
Reintegrated provisions	29 975			
Credit provisions, net	26 326			
TRADING PORTFOLIO GAIN/LOSS	4 730			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	-16			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	455			
OTHER NON-INTEREST INCOME	47 544			
NON-INTEREST EXPENDITURE	108 119			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	117 958			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-2 452			
EXTRAORDINARY GAIN/LOSS	0			
TAX	17 374			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	98 132			


STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB	State Savings Bank (SSB) was transformed into a commercial bank according to Ordinance No. 59 of 25 November 1998 of the Council of Ministers pursuant to the Law on Transformation of the SSB (Darjaven Vestnik, issue 28 of 1998). Order RD 22-0882 of the BNB Governor dated 26 September 2002 for DSK Bank's license. By Resolution No. 10 of 8 January 2003 the Sofia City Court entered the change in the name of DSK Bank reflecting its legal status: sole equity proprietorship company, named DSK Bank EAD
Legal registration	Resolution No. 1 of the Sofia City Court of 26 January 1999, company file No. 756 of 1999, lot No. 875, vol. 16, reg. II, p. 22
Address of the head office	19 Moskovska Str., Sofia 1036 tel. 02/9391 220 Website: www.dskbank.bg
Management	
Supervisory Board	Sándor Csányi – Chairman Zoltán Spéder – Deputy Chairman László Wolf – Deputy Chairman Gyula Pap
Management Board	Violina Marinova Spasova – Chairman, Chief Executive Director Diana Decheva Miteva – Executive Director Georgi Dinev Zhelev – Executive Director Kalin Nikolov Klisarov – Executive Director Miroslav Stanimirov Vichev – Member of the Management Board and Procurator
Procurator	Doroteya Nikolaeva Nikolova
Shareholders (shares over 10%)	OTP Bank RT, Budapest – 100%



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DZI BANK*

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BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	109 036	97 491	7 424	4 121
Claims on financial institutions, net	319 043	51 139	150 818	117 086
Claims under repurchase agreements	0	0	0	0
Trading portfolio	117 079	90 492	11 402	15 185
Investment portfolio	90 186	14 229	42 293	33 664
Loans to non-financial institutions and other customers, net	359 110	192 322	104 796	61 992
Loans to budget	6 712	6 712	0	0
Commercial loans	259 098	113 284	88 796	57 018
Commercial real estate and construction loans	109 799	52 623	20 818	36 358
Other commercial loans	149 299	60 661	67 978	20 660
Agricultural loans	1 829	1 829	0	0
Consumer loans	27 549	26 296	1 172	81
Housing mortgage loans to individuals	59 045	45 526	11 944	1 575
Other loans	10 613	308	5 531	4 774
Loans to non-financial institutions and other customers, total	364 846	193 955	107 443	63 448
Less: specific provisions	5 736	1 633	2 647	1 456
Assets for resale	375	375	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	13 717	11 403	1 108	1 206
Intangible assets	940	940	0	0
Premises and other fixed assets	18 514	18 514	0	0
Assets, total	1 028 000	476 905	317 841	233 254
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	68 239	60 968	996	6 275
Demand deposits of banks	2 876	2 443	98	335
Time deposits of banks	20 285	20 001	284	0
Deposits of other financial institutions	45 078	38 524	614	5 940
Deposits of non-financial institutions and other customers	845 327	374 497	249 507	221 323
Demand deposits	310 226	235 402	59 094	15 730
Time deposits	507 063	126 685	179 433	200 945
Savings deposits	28 038	12 410	10 980	4 648
Deposits, total	913 566	435 465	250 503	227 598
Borrowings under repurchase agreements	2 575	2 575	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	0	0	0	0
Subordinated term debt and debt/equity (hybrid) instruments	36 289	36 289	0	0
Other liabilities	17 502	10 187	6 144	1 171
Liabilities, total	969 932	484 516	256 647	228 769
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	58 068	58 068		
Shareholder capital	50 000	50 000		
Reserves	5 585	5 585		
Profit/loss, current year	2 483	2 483		
Liabilities, minority interest, and capital, total	1 028 000	542 584	256 647	228 769
Memo: credit substitutes and other off-balance sheet commitments	55 622	32 543	14 534	8 545

* Former Roseximbank.



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DZI BANK

INCOME STATEMENT
 (September 2005)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	31 810	13 222	9 668	8 920
Interest income from claims on financial institutions	6 535	507	3 466	2 562
Interest income from claims under repurchase agreements	8	8	0	0
Interest income from trading portfolio	3 841	2 802	572	467
Interest income from investment portfolio	1 121	136	651	334
Interest income from loans	20 233	9 697	4 979	5 557
Dividend income	72	72	0	0
INTEREST EXPENDITURE	16 851	5 321	5 346	6 184
Interest expenditure on deposits of financial institutions	674	507	23	144
Interest expenditure on deposits of non-financial institutions and other customers	15 853	4 490	5 323	6 040
Interest expenditure on borrowings under repurchase agreements	8	8	0	0
Interest expenditure on borrowings	24	24	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	289	289	0	0
Interest expenditure on other liabilities	3	3	0	0
INTEREST AND DIVIDEND INCOME, NET	14 959	7 901	4 322	2 736
CREDIT PROVISIONS				
Accrued provisions	3 152			
Reintegrated provisions	1 871			
Credit provisions, net	1 281			
TRADING PORTFOLIO GAIN/LOSS	-20			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	60			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	-30			
OTHER NON-INTEREST INCOME	12 750			
NON-INTEREST EXPENDITURE	27 339			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	-901			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	938			
EXTRAORDINARY GAIN/LOSS	2 884			
TAX	438			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	2 483			



THE BULGARIAN FINANCIAL GROUP

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Balance Sheets and Income Statements of Individual Commercial Banks

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB	Roseximbank is a successor of the Trakia United Private Commercial Bank, Plovdiv, licensed by Resolution No. 77 of the BNB Governing Council dated 13 March 1995; Order No. 100-000251 of 17 July 1998 of the BNB Governor for licensing Roseximbank AD; Order No. 100-00514 of the BNB Governor dated 22 November 1999 amending the previous Order; Order No. RD 22-413 of the BNB Governor dated 28 July 2000 amending the previous Order. Order No. RD22-1093 of the BNB Deputy Governor heading the Banking Supervision Department dated 9 July 2004, permitting Roseximbank AD to change its name in the license to DZI Bank AD
Legal registration	Resolution No. 1 of 10 March 1998 of the Sofia City Court, company file No. 3006 of 1998; entered under No. 45652, v. 500, reg. I, p. 128
Address of the head office	4-6 Dondukov Blvd., Sofia 1000 tel. 02/9307 136, 980 25 38 Website: www.dzibank.bg
Management	
Supervisory Board	DZI AD, represented by Vesela Ognyanova Kyuleva – Chairman Asen Raikov Oshanov – Deputy Chairman DZI General Insurance, represented by Milena Kamenova Plocheva Contract Holding Company, represented by Yuriy Alexandrov Kyulev Maxim Moncho Behar
Management Board	Diana Zhivkova Mladenova – Chairman and Executive Director Krasimir Totev Angarski – Chief Executive Director Tatyana Todorova Yankova – Executive Director Mincho Hristov Mihov – Executive Director Iliyan Stoyanov Mitev – Executive Director Radka Ganeva Ganeva – Executive Director Plamen Borisov Itsov Stanimir Metodiev Hristov
Chief Procurator	Emil Alexandrov Kyulev
Procurator	Plamen Yordanov Milkov
Shareholders (shares over 10%)	DZI AD – 50.09%; jointly with related parties – 69.78% Bank Austria Creditanstalt – 24.84%

BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	96 789	82 921	6 834	7 034
Claims on financial institutions, net	391 541	41 016	296 840	53 685
Claims under repurchase agreements	1 257	0	0	1 257
Trading portfolio	196 706	46 998	1 728	147 980
Investment portfolio	23 960	23 957	3	0
Loans to non-financial institutions and other customers, net	278 472	114 325	101 341	62 806
Loans to budget	100	100	0	0
Commercial loans	308 861	111 468	117 879	79 514
Commercial real estate and construction loans	80 190	12 169	37 435	30 586
Other commercial loans	228 671	99 299	80 444	48 928
Agricultural loans	198	198	0	0
Consumer loans	19 559	18 720	774	65
Housing mortgage loans to individuals	3 893	281	3 446	166
Other loans	15 369	15 203	149	17
Loans to non-financial institutions and other customers, total	347 980	145 970	122 248	79 762
Less: specific provisions	69 508	31 645	20 907	16 956
Assets for resale	410	410	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	11 385	4 364	4 134	2 887
Intangible assets	337	337	0	0
Premises and other fixed assets	29 906	29 906	0	0
Assets, total	1 030 763	344 234	410 880	275 649
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	127 933	53 498	71 443	2 992
Demand deposits of banks	35 953	35 854	47	52
Time deposits of banks	32 229	2 696	29 533	0
Deposits of other financial institutions	59 751	14 948	41 863	2 940
Deposits of non-financial institutions and other customers	780 746	224 230	280 657	275 859
Demand deposits	166 973	143 088	15 293	8 592
Time deposits	579 565	66 915	251 298	261 352
Savings deposits	34 208	14 227	14 066	5 915
Deposits, total	908 679	277 728	352 100	278 851
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	13 570	0	0	13 570
Long-term borrowings	10 850	0	10 850	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	8 487	6 915	1 166	406
Liabilities, total	941 586	284 643	364 116	292 827
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	89 177	89 177		
Shareholder capital	56 000	56 000		
Reserves	28 256	28 256		
Profit/loss, current year	4 921	4 921		
Liabilities, minority interest, and capital, total	1 030 763	373 820	364 116	292 827
Memo: credit substitutes and other off-balance sheet commitments	23 006	20 242	1 885	879

INCOME STATEMENT
(September 2005)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	42 543	15 617	15 917	11 009
Interest income from claims on financial institutions	8 846	184	6 162	2 500
Interest income from claims under repurchase agreements	106	74	0	32
Interest income from trading portfolio	3 019	1 839	2	1 178
Interest income from investment portfolio	873	486	144	243
Interest income from loans	28 740	12 075	9 609	7 056
Dividend income	959	959	0	0
INTEREST EXPENDITURE	30 776	3 740	14 766	12 270
Interest expenditure on deposits of financial institutions	4 280	864	3 325	91
Interest expenditure on deposits of non-financial institutions and other customers	25 878	2 874	10 991	12 013
Interest expenditure on borrowings under repurchase agreements	2	2	0	0
Interest expenditure on borrowings	616	0	450	166
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	11 767	11 877	1 151	-1 261
CREDIT PROVISIONS				
Accrued provisions	19 929			
Reintegrated provisions	5 991			
Credit provisions, net	13 938			
TRADING PORTFOLIO GAIN/LOSS	-2 100			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	19 833			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	13 630			
NON-INTEREST EXPENDITURE	24 003			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	5 189			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-145			
EXTRAORDINARY GAIN/LOSS	-87			
TAX	36			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	4 921			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB	Resolution No. 26 of 27 January 1995; the bank was renamed by Order No. RD 22-482 of 29 September 2000. Pursuant to § 47 of the Transitional and Final Provisions of the Law on Amendments to the Law on Banks the license was updated by Order No. 100-00502 of the BNB Governor of 18 November 1999
Legal registration	Resolution No.1 of 18 March 1995 of the Sofia City Court on company file No. 2757 of 1995, lot No. 665, vol. 12, reg. II, p. 126
Address of the head office	2 Slavyanska Str., Sofia 1000 tel. 02/9399 240; 9399 400 Website: www.eibank.bg
Management	
Supervisory Board	Tsvetelina Borislavova Karagiozova – Chairman Valentina Radkova Ivanova – Deputy Chairman Bost AD, represented by Evgeni Stoyanov Palyov
Management Board	Vasil Stefanov Simov – Chairman and Executive Director Danail Mihailov Kamenov – Executive Director Anton Nikolaev Andonov Alexander Alexandrov Denev Vladimir Trifonov Penchev
Shareholders (shares over 10%)	Katex AD – 13.21% directly, and together with related parties Runo-Kazanlak AD and Tsvetelina B. Karagiozova – 16.38% Tsvetelina Borislavova Karagiozova – 16.38% directly, and indirectly – through Katex AD and related Runo-Kazanlak AD



BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	4 683	2 677	1 874	132
Claims on financial institutions, net	8 769	1 991	2 690	4 088
Claims under repurchase agreements	0	0	0	0
Trading portfolio	0	0	0	0
Investment portfolio	1 168	73	965	130
Loans to non-financial institutions and other customers, net	54 393	1 754	51 468	1 171
Loans to budget	0	0	0	0
Commercial loans	55 395	1 523	52 578	1 294
Commercial real estate and construction loans	14 419	0	14 419	0
Other commercial loans	40 976	1 523	38 159	1 294
Agricultural loans	106	106	0	0
Consumer loans	275	275	0	0
Housing mortgage loans to individuals	2 396	0	2 396	0
Other loans	40	0	40	0
Loans to non-financial institutions and other customers, total	58 212	1 904	55 014	1 294
Less: specific provisions	3 819	150	3 546	123
Assets for resale	155	155	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	343	301	41	1
Intangible assets	161	161	0	0
Premises and other fixed assets	5 291	5 291	0	0
Assets, total	74 963	12 403	57 038	5 522
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	16 819	1 878	13 867	1 074
Demand deposits of banks	0	0	0	0
Time deposits of banks	15 417	500	13 843	1 074
Deposits of other financial institutions	1 402	1 378	24	0
Deposits of non-financial institutions and other customers	30 824	10 405	16 069	4 350
Demand deposits	17 086	7 331	6 771	2 984
Time deposits	13 738	3 074	9 298	1 366
Savings deposits	0	0	0	0
Deposits, total	47 643	12 283	29 936	5 424
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	0	0	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	1 675	340	1 134	201
Liabilities, total	49 318	12 623	31 070	5 625
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	25 645	25 645		
Shareholder capital	17 852	17 852		
Reserves	5 810	5 810		
Profit/loss, current year	1 983	1 983		
Liabilities, minority interest, and capital, total	74 963	38 268	31 070	5 625
Memo: credit substitutes and other off-balance sheet commitments	11 161	1 218	8 939	1 004

* Former Commercial Bank of Greece (Bulgaria).


INCOME STATEMENT
 (September 2005)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	4 287	217	3 858	212
Interest income from claims on financial institutions	395	135	163	97
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	0	0	0	0
Interest income from investment portfolio	47	0	47	0
Interest income from loans	3 845	82	3 648	115
Dividend income	0	0	0	0
INTEREST EXPENDITURE	1 132	154	926	52
Interest expenditure on deposits of financial institutions	510	38	448	24
Interest expenditure on deposits of non-financial institutions and other customers	291	116	147	28
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	331	0	331	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	3 155	63	2 932	160
CREDIT PROVISIONS				
Accrued provisions	842			
Reintegrated provisions	1 272			
Credit provisions, net	-430			
TRADING PORTFOLIO GAIN/LOSS	0			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	1 417			
NON-INTEREST EXPENDITURE	2 739			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	2 263			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-62			
EXTRAORDINARY GAIN/LOSS	0			
TAX	218			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	1 983			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB	BNB Order No. 100-01112 of 8 September 1997; updated by Order No. 100-00501 of the BNB Governor dated 18 November 1999; amended by Order No. RD 22-0447 of the BNB Governor dated 7 September 2000; Order No. RD 22-186 of the Deputy Governor heading the Banking Supervision Department dated 6 February 2004, permitting Commercial Bank of Greece – Bulgaria to change its name in the license to Emporiki Bank – Bulgaria
Legal registration	Resolution No. 1 of the Sofia City Court of 28 November 1994, company file No. 21376 of 1994, lot No. 20768, vol. 253, p. 168
Address of the head office	4 Laiosh Koshut Str., Sofia 1606 tel. 02/917 17 17
Management	
Supervisory Board	Leonidas Aristotelis Zonios Ioannis Vassilios Xippas Dionisios Evstatios Divaris Georgios Iraklis Vlahakis Evangelos Konstantinos Athanasiou
Management Board	Elefterios Patroclos Baharopoulos – Chairman and Chief Executive Director Georgios Vassilios Tzamos – Executive Director Teodor Nikolov Palev – Executive Director
Shareholders (shares over 10%)	Commercial Bank of Greece, Athens – 100%



BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	4 842	4 812	22	8
Claims on financial institutions, net	5 671	2 203	3 343	125
Claims under repurchase agreements	0	0	0	0
Trading portfolio	0	0	0	0
Investment portfolio	13 884	4 393	9 491	0
Loans to non-financial institutions and other customers, net	66 724	32 459	34 265	0
Loans to budget	0	0	0	0
Commercial loans	64 712	27 005	37 707	0
Commercial real estate and construction loans	53 399	17 280	36 119	0
Other commercial loans	11 313	9 725	1 588	0
Agricultural loans	7 386	7 386	0	0
Consumer loans	249	249	0	0
Housing mortgage loans to individuals	0	0	0	0
Other loans	0	0	0	0
Loans to non-financial institutions and other customers, total	72 347	34 640	37 707	0
Less: specific provisions	5 623	2 181	3 442	0
Assets for resale	8	8	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	137	136	1	0
Intangible assets	182	182	0	0
Premises and other fixed assets	2 305	2 305	0	0
Assets, total	93 753	46 498	47 122	133
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	852	818	5	29
Demand deposits of banks	529	529	0	0
Time deposits of banks	0	0	0	0
Deposits of other financial institutions	323	289	5	29
Deposits of non-financial institutions and other customers	2 900	2 148	645	107
Demand deposits	2 559	1 869	611	79
Time deposits	139	77	34	28
Savings deposits	202	202	0	0
Deposits, total	3 752	2 966	650	136
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	138	0	138	0
Long-term borrowings	52 380	5 282	47 098	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	470	470	0	0
Liabilities, total	56 740	8 718	47 886	136
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	37 013	37 013		
Shareholder capital	29 574	29 574		
Reserves	4 570	4 570		
Profit/loss, current year	2 869	2 869		
Liabilities, minority interest, and capital, total	93 753	45 731	47 886	136
Memo: credit substitutes and other off-balance sheet commitments	15 792	6 776	9 016	0


INCOME STATEMENT
 (September 2005)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	6 873	2 885	3 987	1
Interest income from claims on financial institutions	146	74	71	1
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	0	0	0	0
Interest income from investment portfolio	416	283	133	0
Interest income from loans	6 279	2 528	3 751	0
Dividend income	32	0	32	0
INTEREST EXPENDITURE	1 054	97	957	0
Interest expenditure on deposits of financial institutions	8	8	0	0
Interest expenditure on deposits of non-financial institutions and other customers	9	7	2	0
Interest expenditure on borrowings under repurchase agreements	1	1	0	0
Interest expenditure on borrowings	1 036	81	955	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	5 819	2 788	3 030	1
CREDIT PROVISIONS				
Accrued provisions	1 068			
Reintegrated provisions	672			
Credit provisions, net	396			
TRADING PORTFOLIO GAIN/LOSS	0			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	40			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	465			
NON-INTEREST EXPENDITURE	2 552			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	3 376			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-1			
EXTRAORDINARY GAIN/LOSS	0			
TAX	506			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	2 869			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB	Order No. 100-000078 of 25 February 1999 of the BNB Governor
Legal registration	Resolution No. 1 of the Sofia City Court of 11 March 1999 on company file No. 3400 of 1999
Address of the head office	1 Dyakon Ignatii Str., Sofia 1000 tel. 02/930 63 33 Website: www.nasbank.bg
Management	The Bank is managed and represented jointly by the executive directors Dimitar Kirilov Dimitrov and Sasho Petrov Chakalski or by each of the executive directors and the procurator Krasimirka Davitkova Velinova-Saeva
Supervisory Board	Iliya Nikolov Lingorski – Chairman Atanas Slavchev Katsarчев – Deputy Chairman Dimitar Hristov Hadzhinikolov
Management Board	Dimitar Kirilov Dimitrov – Chairman and Executive Director Sasho Petrov Chakalski – Executive Director Dimitar Nikolov Tadarakov
Procurator	Krasimirka Davitkova Velinova-Saeva
Shareholders (shares over 10%)	Ministry of Finance – 99.995%



BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	55 998	43 427	8 829	3 742
Claims on financial institutions, net	102 939	1 289	32 167	69 483
Claims under repurchase agreements	305	305	0	0
Trading portfolio	71 735	34 947	11 362	25 426
Investment portfolio	11 994	1 400	3	10 591
Loans to non-financial institutions and other customers, net	224 186	129 112	79 326	15 748
Loans to budget	0	0	0	0
Commercial loans	170 756	81 048	74 184	15 524
Commercial real estate and construction loans	41 303	15 089	21 575	4 639
Other commercial loans	129 453	65 959	52 609	10 885
Agricultural loans	8 572	6 689	1 080	803
Consumer loans	47 626	46 193	1 430	3
Housing mortgage loans to individuals	6 816	3 438	3 331	47
Other loans	464	330	55	79
Loans to non-financial institutions and other customers, total	234 234	137 698	80 080	16 456
Less: specific provisions	10 048	8 586	754	708
Assets for resale	1 676	1 676	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	3 385	3 267	71	47
Intangible assets	337	337	0	0
Premises and other fixed assets	13 946	13 946	0	0
Assets, total	486 501	229 706	131 758	125 037
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	10 744	10 080	301	363
Demand deposits of banks	0	0	0	0
Time deposits of banks	0	0	0	0
Deposits of other financial institutions	10 744	10 080	301	363
Deposits of non-financial institutions and other customers	397 390	169 113	101 856	126 421
Demand deposits	95 912	57 308	17 799	20 805
Time deposits	301 478	111 805	84 057	105 616
Savings deposits	0	0	0	0
Deposits, total	408 134	179 193	102 157	126 784
Borrowings under repurchase agreements	2 042	2 042	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	28 395	14 816	13 579	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	9 052	5 718	2 643	691
Liabilities, total	447 623	201 769	118 379	127 475
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	38 878	38 878		
Shareholder capital	25 823	25 823		
Reserves	9 428	9 428		
Profit/loss, current year	3 627	3 627		
Liabilities, minority interest, and capital, total	486 501	240 647	118 379	127 475
Memo: credit substitutes and other off-balance sheet commitments	81 933	71 279	9 092	1 562


INCOME STATEMENT
 (September 2005)

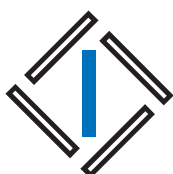
(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	25 423	14 388	7 249	3 786
Interest income from claims on financial institutions	1 951	391	381	1 179
Interest income from claims under repurchase agreements	16	16	0	0
Interest income from trading portfolio	2 069	1 195	284	590
Interest income from investment portfolio	161	13	0	148
Interest income from loans	21 157	12 704	6 584	1 869
Dividend income	69	69	0	0
INTEREST EXPENDITURE	13 244	6 065	3 457	3 722
Interest expenditure on deposits of financial institutions	682	577	36	69
Interest expenditure on deposits of non-financial institutions and other customers	11 197	4 898	2 646	3 653
Interest expenditure on borrowings under repurchase agreements	112	112	0	0
Interest expenditure on borrowings	1 253	478	775	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	12 179	8 323	3 792	64
CREDIT PROVISIONS				
Accrued provisions	6 970			
Reintegrated provisions	3 075			
Credit provisions, net	3 895			
TRADING PORTFOLIO GAIN/LOSS	6 103			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	61			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	7 571			
NON-INTEREST EXPENDITURE	14 804			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	7 215			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-3 040			
EXTRAORDINARY GAIN/LOSS	0			
TAX	548			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	3 627			

**STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005**

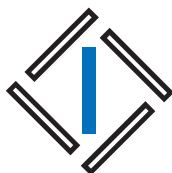
License granted by the BNB	Protocol of Meeting of the BNB Governing Council No. 101-00013 of 2 March 1994, Order No. 100-000484 of 3 October 1997 of the BNB Governor; license updated by Order No. 100-00503 of the BNB Governor dated 18 November 1999
Legal registration	Company file No. 24013 of 1993 of the Sofia City Court, lot No. 15059, vol. 194, p. 174
Address of the head office	43 Cherni Vrah Blvd., Sofia 1407 tel. 02/969 07 60 Website: www.eurobank.bg
Management	
Supervisory Board	Ioannis Kyriakopoulos George Mantakas Michael Colakides
Management Board	Emil Angelov Angelov – Chairman Bisser Parashkevov Mitrikov – Deputy Chairman Anton Hristov Todorov Ivelina Yordanova Decheva Konstantin Angelov Yordanov* Yuriy Asenov Stanchev*
Executive Members of the Management Board	Emil Angelov Angelov Bisser Parashkevov Mitrikov Yuriy Asenov Stanchev*
Shareholders (shares over 10%)	Piraeus Bank, Athen, Greece – 99.66%

* Deletion in the Sofia City Court is pending.


BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	219 911	106 424	105 161	8 326
Claims on financial institutions, net	229 008	12 988	134 199	81 821
Claims under repurchase agreements	10 831	738	10 093	0
Trading portfolio	7 529	3 556	80	3 893
Investment portfolio	544 603	70 353	348 723	125 527
Loans to non-financial institutions and other customers, net	1 238 346	449 484	666 790	122 072
Loans to budget	0	0	0	0
Commercial loans	972 499	238 600	616 046	117 853
Commercial real estate and construction loans	658 992	128 684	473 242	57 066
Other commercial loans	313 507	109 916	142 804	60 787
Agricultural loans	15 872	13 896	1 474	502
Consumer loans	140 010	112 858	26 678	474
Housing mortgage loans to individuals	118 260	92 395	24 777	1 088
Other loans	22 088	8 676	4 367	9 045
Loans to non-financial institutions and other customers, total	1 268 729	466 425	673 342	128 962
Less: specific provisions	30 383	16 941	6 552	6 890
Assets for resale	1 706	1 706	0	0
Investments in unconsolidated subsidiaries and associated companies	4355	4355	0	0
Other assets	9 317	7 800	827	690
Intangible assets	405	344	0	61
Premises and other fixed assets	54 415	53 941	0	474
Assets, total	2 320 426	711 689	1 265 873	342 864
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	676 667	33 057	610 976	32 634
Demand deposits of banks	1 507	290	628	589
Time deposits of banks	26 030	12 002	7 063	6 965
Deposits of other financial institutions	649 130	20 765	603 285	25 080
Deposits of non-financial institutions and other customers	1 002 556	438 064	298 159	266 333
Demand deposits	480 961	297 986	124 250	58 725
Time deposits	521 595	140 078	173 909	207 608
Savings deposits	0	0	0	0
Deposits, total	1 679 223	471 121	909 135	298 967
Borrowings under repurchase agreements	252 197	8 128	244 069	0
Short-term borrowings	74 867	8 152	52 653	14 062
Long-term borrowings	69 760	0	45 393	24 367
Subordinated term debt and debt/equity (hybrid) instruments	114 990	0	114 990	0
Other liabilities	5 665	5 138	449	78
Liabilities, total	2 196 702	492 539	1 366 689	337 474
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	123 724	123 724		
Shareholder capital	10 000	10 000		
Reserves	98 673	98 673		
Profit/loss, current year	15 051	15 051		
Liabilities, minority interest, and capital, total	2 320 426	616 263	1 366 689	337 474
Memo: credit substitutes and other off-balance sheet commitments	375 537	164 543	110 135	100 859



INCOME STATEMENT
(September 2005)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	115 193	39 517	56 601	19 075
Interest income from claims on financial institutions	3 245	164	949	2 132
Interest income from claims under repurchase agreements	891	41	850	0
Interest income from trading portfolio	2 317	1 649	118	550
Interest income from investment portfolio	5 838	931	2 824	2 083
Interest income from loans	102 902	36 732	51 860	14 310
Dividend income	0	0	0	0
INTEREST EXPENDITURE	71 049	7 585	50 800	12 664
Interest expenditure on deposits of financial institutions	32 772	281	31 003	1 488
Interest expenditure on deposits of non-financial institutions and other customers	18 975	7 040	5 668	6 267
Interest expenditure on borrowings under repurchase agreements	405	100	303	2
Interest expenditure on borrowings	12 743	164	7 672	4 907
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	6 154	0	6 154	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	44 144	31 932	5 801	6 411
CREDIT PROVISIONS				
Accrued provisions	11 849			
Reintegrated provisions	4 850			
Credit provisions, net	6 999			
TRADING PORTFOLIO GAIN/LOSS	5 983			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	187			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	25 998			
NON-INTEREST EXPENDITURE	47 190			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	22 123			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-4 244			
EXTRAORDINARY GAIN/LOSS	0			
TAX	2 828			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	15 051			


STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB	Limited license: Resolution of the BNB Governing Council No. 278 of 1 October 1993. Full license: Resolution of the BNB Governing Council No. 273 of 14 September 1995. License update: Order No. 100-00498 of the BNB Governor dated 18 November 1999 in accordance with the Law on Banks
Legal registration	Entered in the Commercial Register by Resolution of the Sofia City Court on company file No. 18045 of 1993, lot No. 11941, vol. 163, p. 106
Address of the head office	10 Stefan Karadzha Str., Sofia 1000 tel. 02/910 01 Website: www.fibank.bg
Management	
Supervisory Board	Georgi Dimitrov Moutafchiev – Chairman David Cameron Mathew Radka Veselinova Mineva Todor Breshkov
Management Board	Jonathan Henry Martyn Harfield – Chief Executive Director Matio Alexandrov Mateev – Deputy Chief Executive Director Maya Lyubenova Georgieva – Executive Director Yordan Velichkov Skorchev – Executive Director Evgeni Krustev Lukanov – Executive Director Ivan Stefanov Ivanov Evgeniya Dimitrova Stoyanova Maya Oyfalosh
Shareholders (shares over 10%)	Ivailo Dimitrov Moutafchiev – 31.83% Tseko Todorov Minev – 31.83% European Bank for Reconstruction and Development – 20% First Financial Brokerage House – 13.89%

BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	57 522	51 463	3 220	2 839
Claims on financial institutions, net	216 037	150 907	10 082	55 048
Claims under repurchase agreements	36 297	0	0	36 297
Trading portfolio	0	0	0	0
Investment portfolio	21 713	18 782	0	2 931
Loans to non-financial institutions and other customers, net	406 545	242 957	159 127	4 461
Loans to budget	595	595	0	0
Commercial loans	210 077	89 107	116 543	4 427
Commercial real estate and construction loans	70 845	21 504	49 341	0
Other commercial loans	139 232	67 603	67 202	4 427
Agricultural loans	26 097	19 935	6 162	0
Consumer loans	153 975	142 530	11 439	6
Housing mortgage loans to individuals	20 304	6 354	13 777	173
Other loans	21 255	5 823	15 196	236
Loans to non-financial institutions and other customers, total	432 303	264 344	163 117	4 842
Less: specific provisions	25 758	21 387	3 990	381
Assets for resale	742	742	0	0
Investments in unconsolidated subsidiaries and associated companies	2334	2334	0	0
Other assets	11 119	10 473	190	456
Intangible assets	10 423	10 423	0	0
Premises and other fixed assets	25 598	25 598	0	0
Assets, total	788 330	513 679	172 619	102 032
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	144 597	116 010	28 456	131
Demand deposits of banks	1	1	0	0
Time deposits of banks	143 498	115 006	28 361	131
Deposits of other financial institutions	1 098	1 003	95	0
Deposits of non-financial institutions and other customers	502 955	285 067	116 243	101 645
Demand deposits	182 895	158 822	17 121	6 952
Time deposits	252 701	102 779	75 010	74 912
Savings deposits	67 359	23 466	24 112	19 781
Deposits, total	647 552	401 077	144 699	101 776
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	7 399	7 324	0	75
Subordinated term debt and debt/equity (hybrid) instruments	20 058	0	20 058	0
Other liabilities	27 268	26 021	922	325
Liabilities, total	702 277	434 422	165 679	102 176
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	86 053	86 053		
Shareholder capital	41 103	41 103		
Reserves	54 226	54 226		
Profit/loss, current year	-9 276	-9 276		
Liabilities, minority interest, and capital, total	788 330	520 475	165 679	102 176
Memo: credit substitutes and other off-balance sheet commitments	58 737	30 945	24 659	3 133



INCOME STATEMENT
(September 2005)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	32 361	20 545	9 504	2 312
Interest income from claims on financial institutions	2 044	288	568	1 188
Interest income from claims under repurchase agreements	266	19	1	246
Interest income from trading portfolio	412	212	1	199
Interest income from investment portfolio	902	300	189	413
Interest income from loans	28 660	19 649	8 745	266
Dividend income	77	77	0	0
INTEREST EXPENDITURE	7 477	4 003	2 483	991
Interest expenditure on deposits of financial institutions	236	67	129	40
Interest expenditure on deposits of non-financial institutions and other customers	6 128	3 820	1 371	937
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	628	113	501	14
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	482	0	482	0
Interest expenditure on other liabilities	3	3	0	0
INTEREST AND DIVIDEND INCOME, NET	24 884	16 542	7 021	1 321
CREDIT PROVISIONS				
Accrued provisions	42 803			
Reintegrated provisions	32 522			
Credit provisions, net	10 281			
TRADING PORTFOLIO GAIN/LOSS	1 203			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	3 570			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	12 688			
NON-INTEREST EXPENDITURE	41 835			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	-9 771			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-1 128			
EXTRAORDINARY GAIN/LOSS	0			
TAX	-1 623			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	-9 276			

**STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005**

License granted by the BNB	Resolution No.177 of 3 June 1993 of the BNB Governing Council, updated in accordance with the Law on Banks by Order No. 100-00489 of the BNB Governor dated 17 November 1999
Legal registration	Entered in the registers of the Plovdiv Regional Court by Resolution No. 6965 of 8 June 1993
Address of the head office	37 Tsar Boris III Obedinitel Blvd., Plovdiv 4018 tel. 032/63 18 76; 62 88 70 Website: www.hebros.bg
Management	
Supervisory Board	Helmut Bernkopf – Chairman Ludwig Wagner – Deputy Chairman Josef Duregger
Management Board	Peter Harold – Chairman and Chief Executive Director Ludmil Gatchev – Executive Director Alexander Tsachev – Executive Director
Procurator	Georgi Kostadinov Zamanov
Shareholders (shares over 10%)	 Bank Austria Creditanstalt – 89.92% HVB Bank Biochim – 9.99%

BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	193 922	78 649	107 752	7 521
Claims on financial institutions, net	407 801	290 185	53 326	64 290
Claims under repurchase agreements	2 900	2 900	0	0
Trading portfolio	323 129	94 503	91 706	136 920
Investment portfolio	19 230	19 230	0	0
Loans to non-financial institutions and other customers, net	1 332 453	586 484	727 390	18 579
Loans to budget	8 596	8 596	0	0
Commercial loans	991 912	327 300	644 644	19 968
Commercial real estate and construction loans	482 020	104 455	374 594	2 971
Other commercial loans	509 892	222 845	270 050	16 997
Agricultural loans	15 928	11 629	4 299	0
Consumer loans	304 801	243 180	61 479	142
Housing mortgage loans to individuals	61 870	20 931	39 684	1 255
Other loans	10 071	9 650	16	405
Loans to non-financial institutions and other customers, total	1 393 178	621 286	750 122	21 770
Less: specific provisions	60 725	34 802	22 732	3 191
Assets for resale	2 609	2 609	0	0
Investments in unconsolidated subsidiaries and associated companies	24614	24614	0	0
Other assets	4 119	3 938	179	2
Intangible assets	4 228	4 228	0	0
Premises and other fixed assets	44 826	44 826	0	0
Assets, total	2 359 831	1 152 166	980 353	227 312
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	690 529	355 471	258 804	76 254
Demand deposits of banks	899	713	87	99
Time deposits of banks	661 526	336 072	249 316	76 138
Deposits of other financial institutions	28 104	18 686	9 401	17
Deposits of non-financial institutions and other customers	1 108 114	592 243	325 391	190 480
Demand deposits	560 595	400 810	126 312	33 473
Time deposits	323 116	107 083	117 488	98 545
Savings deposits	224 403	84 350	81 591	58 462
Deposits, total	1 798 643	947 714	584 195	266 734
Borrowings under repurchase agreements	95 658	0	42 350	53 308
Short-term borrowings	0	0	0	0
Long-term borrowings	109 135	364	108 771	0
Subordinated term debt and debt/equity (hybrid) instruments	75 464	0	75 464	0
Other liabilities	84 603	38 060	39 739	6 804
Liabilities, total	2 163 503	986 138	850 519	326 846
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	196 328	196 328		
Shareholder capital	36 842	36 842		
Reserves	131 177	131 177		
Profit/loss, current year	28 309	28 309		
Liabilities, minority interest, and capital, total	2 359 831	1 182 466	850 519	326 846
Memo: credit substitutes and other off-balance sheet commitments	1 073 521	373 486	543 995	156 040

* Former Biochim Commercial Bank.

INCOME STATEMENT

(September 2005)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	91 136	49 120	33 038	8 978
Interest income from claims on financial institutions	10 224	2 777	2 747	4 700
Interest income from claims under repurchase agreements	227	84	128	15
Interest income from trading portfolio	7 893	4 065	1 466	2 362
Interest income from investment portfolio	337	223	0	114
Interest income from loans	72 444	41 960	28 697	1 787
Dividend income	11	11	0	0
INTEREST EXPENDITURE	26 686	12 379	10 887	3 420
Interest expenditure on deposits of financial institutions	14 327	7 576	4 654	2 097
Interest expenditure on deposits of non-financial institutions and other customers	7 548	4 452	2 118	978
Interest expenditure on borrowings under repurchase agreements	1 243	344	554	345
Interest expenditure on borrowings	2 470	6	2 464	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	1 097	0	1 097	0
Interest expenditure on other liabilities	1	1	0	0
INTEREST AND DIVIDEND INCOME, NET	64 450	36 741	22 151	5 558
CREDIT PROVISIONS				
Accrued provisions	23 607			
Reintegrated provisions	5 298			
Credit provisions, net	18 309			
TRADING PORTFOLIO GAIN/LOSS	3 813			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	8			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	37 382			
NON-INTEREST EXPENDITURE	55 050			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	32 294			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	1 192			
EXTRAORDINARY GAIN/LOSS	0			
TAX	5 177			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	28 309			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB	No. 140-00415 of 5 September 1995, Resolution No. 266 of 4 September 1995 of the BNB Governing Council. License updated in accordance with requirements of § 47 of the Transitional and Final Provisions of the Law on Amendments to the Law on Banks by Order No. 100-00486 of the BNB Governor dated 17 November 1999
Legal registration	Resolution of 13 September 1995 of the Sofia City Court on company file No. 14835 of 1995 of the Sofia City Court, entered in the Commercial Register, lot No. 691, vol. 13, reg. I, p. 12
Address of the head office	1 Ivan Vazov Str., Sofia 1026 tel. 02/926 92 10 Website: www.biochim.com
Management	
Supervisory Board	Regina Prehofer – Chairman Helmut Bernkopf – Deputy Chairman Wolfgang Helpa Wolfgang Edelmüller Heinz Meidlinger Josef Duregger Robert Zadrazil
Management Board	Peter Harold – Chairman and Chief Executive Director Emiliya Stefanova Palibachiyska – Executive Director Maria Dimova Ilieva – Executive Director Ludwig Wagner
Shareholders (shares over 10%)	Bank Austria Creditanstalt – 99.59%

BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	26 367	0	26 367	13 153	12 436	778
Claims on financial institutions, net	77 146	70 608	6 538	898	5 030	610
Claims under repurchase agreements	0	0	0	0	0	0
Trading portfolio	39 147	0	39 147	28 359	6 578	4 210
Investment portfolio	46	0	46	46	0	0
Loans to non-financial institutions and other customers, net	183 672	0	183 672	135 264	35 070	13 338
Loans to budget	0	0	0	0	0	0
Commercial loans	171 128	0	171 128	125 976	34 929	10 223
Commercial real estate and construction loans	4 169	0	4 169	4 169	0	0
Other commercial loans	166 959	0	166 959	121 807	34 929	10 223
Agricultural loans	3 164	0	3 164	7	43	3 114
Consumer loans	2 138	0	2 138	2 138	0	0
Housing mortgage loans to individuals	8 602	0	8 602	8 602	0	0
Other loans	291	0	291	192	98	1
Loans to non-financial institutions and other customers, total	185 323	0	185 323	136 915	35 070	13 338
Less: specific provisions	1 651	0	1 651	1 651	0	0
Assets for resale	0	0	0	0	0	0
Other assets, net	2 057	0	2 057	1 046	800	211
Intangible assets	163	0	163	163	0	0
Premises and other fixed assets	1 081	0	1 081	1 081	0	0
Assets, total	329 679	70 608	259 071	180 010	59 914	19 147
LIABILITIES, MINORITY INTEREST, AND CAPITAL						
Deposits of financial institutions	34 890	2 461	32 429	16 553	12 044	3 832
Demand deposits of banks	10 468	2 461	8 007	7 939	1	67
Time deposits of banks	20 355	0	20 355	7 000	9 780	3 575
Deposits of other financial institutions	4 067	0	4 067	1 614	2 263	190
Deposits of non-financial institutions and other customers	261 612	0	261 612	111 869	110 293	39 450
Demand deposits	200 675	0	200 675	75 280	102 171	23 224
Time deposits	60 937	0	60 937	36 589	8 122	16 226
Savings deposits	0	0	0	0	0	0
Deposits, total	296 502	2 461	294 041	128 422	122 337	43 282
Borrowings under repurchase agreements	0	0	0	0	0	0
Short-term borrowings	0	0	0	0	0	0
Long-term borrowings	0	0	0	0	0	0
Other liabilities	6 772	1 077	5 695	1 654	707	3 334
Liabilities, total	303 274	3 538	299 736	130 076	123 044	46 616
Reserves and financial result, total	26 405	22 237	4 168	4 168		
Reserves	22 237	22 237	0	0		
Profit/loss, current year	4 168	0	4 168	4 168		
Liabilities, reserves, and financial result, total	329 679	25 775	303 904	134 244	123 044	46 616
Memo: credit substitutes and other off-balance sheet commitments	210 991	0	210 991	72 280	101 008	37 703

INCOME STATEMENT
(September 2005)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	11 852	2 763	9 089	6 453	1 910	726
Interest income from claims on financial institutions	3 993	2 763	1 230	481	551	198
Interest income from claims under repurchase agreements	0	0	0	0	0	0
Interest income from trading portfolio	1 026	0	1 026	1 026	0	0
Interest income from investment portfolio	0	0	0	0	0	0
Interest income from loans	6 833	0	6 833	4 946	1359	528
Dividend income	0	0	0	0	0	0
INTEREST EXPENDITURE	3 283	51	3 232	1 262	1556	414
Interest expenditure on deposits of financial institutions	603	51	552	282	51	219
Interest expenditure on deposits of non-financial institutions and other customers	2 675	0	2 675	975	1 505	195
Interest expenditure on borrowings under repurchase agreements	5	0	5	5	0	0
Interest expenditure on borrowings	0	0	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	8 569	2 712	5 857	5 191	354	312
CREDIT PROVISIONS						
Accrued provisions	53	0	53			
Reintegrated provisions	10	0	10			
Credit provisions, net	43	0	43			
TRADING PORTFOLIO GAIN/LOSS	764	0	764			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0	0	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0	0	0			
OTHER NON-INTEREST INCOME	8 838	0	8 838			
NON-INTEREST EXPENDITURE	11 537	37	11 500			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	6 591	2 675	3 916			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-1 530	0	-1 530			
EXTRAORDINARY GAIN/LOSS	0	0	0			
TAX	893	0	893			
PROFIT/LOSS, NET	4 168	2 675	1 493			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB	Resolution No.199 of 16 June 1994 of the BNB Governing Council; License updated by Order No. 100-00563 of 22 December 1999
Legal registration	Company file No. 11357 of 26 July 1994
Address of the branch	12 Emil Bersinski Str., Ivan Vazov District, Sofia 1408 tel. 02/917 64 00 Website: www.ing.bg
Management	Jan Willem Overwater – Country Manager Frank Hawkes – Chief Operating Officer Vladimir Boyanov Tchimov – Head of Legal and Compliance Department Dimitar Nikolov Kostadinov*
Shareholders (shares over 10%)	Sole shareholder: ING Group N. V./4972

* Resolution of the Sofia City Court is expected.



BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	20 130	10 811	8 670	649
Claims on financial institutions, net	26 242	203	9 023	17 016
Claims under repurchase agreements	0	0	0	0
Trading portfolio	169	169	0	0
Investment portfolio	26 778	20 102	4 763	1 913
Loans to non-financial institutions and other customers, net	152 975	93 266	50 397	9 312
Loans to budget	1 946	1 946	0	0
Commercial loans	110 468	63 777	37 229	9 462
Commercial real estate and construction loans	23 780	8 698	13 511	1 571
Other commercial loans	86 688	55 079	23 718	7 891
Agricultural loans	8 666	8 666	0	0
Consumer loans	3 507	3 272	119	116
Housing mortgage loans to individuals	1 508	309	1 199	0
Other loans	28 767	16 493	11 940	334
Loans to non-financial institutions and other customers, total	154 862	94 463	50 487	9 912
Less: specific provisions	1 887	1 197	90	600
Assets for resale	5 207	5 207	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	3 361	2 931	224	206
Intangible assets	165	165	0	0
Premises and other fixed assets	14 188	14 188	0	0
Assets, total	249 215	147 042	73 077	29 096
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	18 969	4 094	14 857	18
Demand deposits of banks	19	19	0	0
Time deposits of banks	18 712	3 858	14 854	0
Deposits of other financial institutions	238	217	3	18
Deposits of non-financial institutions and other customers	158 890	84 858	44 288	29 744
Demand deposits	86 394	68 255	12 086	6 053
Time deposits	61 735	13 002	27 230	21 503
Savings deposits	10 761	3 601	4 972	2 188
Deposits, total	177 859	88 952	59 145	29 762
Borrowings under repurchase agreements	5 700	5 700	0	0
Short-term borrowings	11 810	70	11 740	0
Long-term borrowings	10 078	10 078	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	9 540	4 070	4 744	726
Liabilities, total	214 987	108 870	75 629	30 488
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	34 228	34 228		
Shareholder capital	20 050	20 050		
Reserves	8 811	8 811		
Profit/loss, current year	5 367	5 367		
Liabilities, minority interest, and capital, total	249 215	143 098	75 629	30 488
Memo: credit substitutes and other off-balance sheet commitments	74 867	53 265	19 441	2 161

* Former First East International Bank, UNIBANK.

INCOME STATEMENT
 (September 2005)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	12 479	7 976	3 455	1 048
Interest income from claims on financial institutions	287	7	23	257
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	785	600	149	36
Interest income from investment portfolio	0	0	0	0
Interest income from loans	11 407	7 369	3 283	755
Dividend income	0	0	0	0
INTEREST EXPENDITURE	3 639	1 559	1 457	623
Interest expenditure on deposits of financial institutions	205	112	89	4
Interest expenditure on deposits of non-financial institutions and other customers	3 434	1 447	1 368	619
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	0	0	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	8 840	6 417	1 998	425
CREDIT PROVISIONS				
Accrued provisions	2 091			
Reintegrated provisions	721			
Credit provisions, net	1 370			
TRADING PORTFOLIO GAIN/LOSS	492			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	151			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	5 932			
NON-INTEREST EXPENDITURE	8 610			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	5 435			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-93			
EXTRAORDINARY GAIN/LOSS	25			
TAX	0			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	5 367			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB	Protocol No. 42 of the BNB Governing Council dated 25 October 1989. License updated under § 47 of the Transitional and Final Provisions of the Amendments to the Law on Banks, Order No. 100-00492 of the BNB Governor dated 17 November 1999
Legal registration	Resolution of the Sofia City Court of 6 May 1991, company file No. 2367
Address of the head office	81–83 Todor Alexandrov Blvd., Sofia 1303 tel. 02/812 01 11; 920 43 03 Website: www.iabank.com
Management	
Supervisory Board	Ivan Minkov Dragnevski – Chairman Georgi Stoinev Harizanov – Deputy Chairman Georgi Borislavov Georgiev Trayan Georgiev Lyalev Mladen Ivanov Moutafchiyski
Management Board	Anna Dimitrova Sabeva – Chairman and Governor Rositsa Asenova Tosheva – Executive Member of the Management Board and Deputy Governor Ivan Yovev Kolev Yuri Jaque Aroio
Shareholders (shares over 10%)	Dynatrade International – 25.51%

BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	22 817	16 497	4 379	1 941
Claims on financial institutions, net	27 882	3 993	13 794	10 095
Claims under repurchase agreements	1 933	1 933	0	0
Trading portfolio	10 585	7 664	2 921	0
Investment portfolio	37 911	33 810	2 969	1 132
Loans to non-financial institutions and other customers, net	109 049	73 486	24 160	11 403
Loans to budget	390	0	390	0
Commercial loans	85 552	51 976	22 822	10 754
Commercial real estate and construction loans	27 659	15 251	9 714	2 694
Other commercial loans	57 893	36 725	13 108	8 060
Agricultural loans	13 480	13 480	0	0
Consumer loans	12 120	10 651	820	649
Housing mortgage loans to individuals	641	228	413	0
Other loans	488	439	0	49
Loans to non-financial institutions and other customers, total	112 671	76 774	24 445	11 452
Less: specific provisions	3 622	3 288	285	49
Assets for resale	17	17	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	1 119	790	308	21
Intangible assets	648	648	0	0
Premises and other fixed assets	3 819	3 819	0	0
Assets, total	215 780	142 657	48 531	24 592
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	17 433	12 936	4 365	132
Demand deposits of banks	1 109	21	978	110
Time deposits of banks	0	0	0	0
Deposits of other financial institutions	16 324	12 915	3 387	22
Deposits of non-financial institutions and other customers	155 072	75 928	56 209	22 935
Demand deposits	41 905	34 795	5 272	1 838
Time deposits	101 725	37 251	45 208	19 266
Savings deposits	11 442	3 882	5 729	1 831
Deposits, total	172 505	88 864	60 574	23 067
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	31	0	0	31
Long-term borrowings	18 698	8 896	9 802	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	6 858	5 626	925	307
Liabilities, total	198 092	103 386	71 301	23 405
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	17 688	17 688		
Shareholder capital	16 000	16 000		
Reserves	754	754		
Profit/loss, current year	934	934		
Liabilities, minority interest, and capital, total	215 780	121 074	71 301	23 405
Memo: credit substitutes and other off-balance sheet commitments	32 274	15 967	15 467	840

* Former Neftinvestbank.


INCOME STATEMENT
 (September 2005)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	10 071	6 277	2 533	1 261
Interest income from claims on financial institutions	755	430	208	117
Interest income from claims under repurchase agreements	48	32	16	0
Interest income from trading portfolio	385	285	100	0
Interest income from investment portfolio	735	552	161	22
Interest income from loans	8 072	4 902	2 048	1 122
Dividend income	76	76	0	0
INTEREST EXPENDITURE	5 468	2 466	2 400	602
Interest expenditure on deposits of financial institutions	879	672	203	4
Interest expenditure on deposits of non-financial institutions and other customers	4 009	1 607	1 804	598
Interest expenditure on borrowings under repurchase agreements	52	52	0	0
Interest expenditure on borrowings	528	135	393	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	4 603	3 811	133	659
CREDIT PROVISIONS				
Accrued provisions	1 459			
Reintegrated provisions	452			
Credit provisions, net	1 007			
TRADING PORTFOLIO GAIN/LOSS	450			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	1 051			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	3 104			
NON-INTEREST EXPENDITURE	7 187			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	1 014			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-219			
EXTRAORDINARY GAIN/LOSS	275			
TAX	136			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	934			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB	Resolution No. 364 of the BNB Governing Council of 1 December 1994, updated in accordance with the Law on Banks by Order No. 100-000574 of 27 December 1999
Legal registration	Resolution No.1 of the Sofia City Court dated 16 December 1994
Address of the head office	83 A Bulgaria Blvd., Sofia 1404 tel. 02/81 86 130 Website: www.ibank.bg
Management	
Supervisory Board	Petya Ivanova Barakova-Slavova – Chairman Vincom AD, represented by Krastinka Radkova Stoyanova – Deputy Chairman Festa Holding AD, represented by Petya Slavova
Management Board	Vladimir Ivanov Vladimirov – Chairman and Executive Director Stefan Stoev Stoev – Executive Director Pencho Stoyanov Cherkezov – Procurator
Shareholders (shares over 10%)	 Festa Holding – 78.73% Vincom – 19.37%



MUNICIPAL BANK PLC

BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	44 718	39 976	2 828	1 914
Claims on financial institutions, net	65 780	12 574	34 438	18 768
Claims under repurchase agreements	31 234	31 234	0	0
Trading portfolio	150 871	127 590	20 907	2 374
Investment portfolio	2 028	2 004	4	20
Loans to non-financial institutions and other customers, net	152 105	90 058	51 120	10 927
Loans to budget	4 436	4 436	0	0
Commercial loans	134 746	69 005	55 531	10 210
Commercial real estate and construction loans	48 943	12 964	33 846	2 133
Other commercial loans	85 803	56 041	21 685	8 077
Agricultural loans	3 670	3 377	293	0
Consumer loans	15 673	15 271	402	0
Housing mortgage loans to individuals	6 188	4 368	1 802	18
Other loans	6 412	3 783	1 930	699
Loans to non-financial institutions and other customers, total	171 125	100 240	59 958	10 927
Less: specific provisions	19 020	10 182	8 838	0
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	1 754	1 732	22	0
Intangible assets	2 338	2 338	0	0
Premises and other fixed assets	8 434	8 434	0	0
Assets, total	459 262	315 940	109 319	34 003
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	11 429	7 329	850	3 250
Demand deposits of banks	416	173	133	110
Time deposits of banks	3 307	0	196	3 111
Deposits of other financial institutions	7 706	7 156	521	29
Deposits of non-financial institutions and other customers	356 556	285 632	41 461	29 463
Demand deposits	238 497	223 286	11 173	4 038
Time deposits	105 880	56 730	26 034	23 116
Savings deposits	12 179	5 616	4 254	2 309
Deposits, total	367 985	292 961	42 311	32 713
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	6 737	0	6 737	0
Long-term borrowings	34 923	775	34 148	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	8 479	6 771	1 093	615
Liabilities, total	418 124	300 507	84 289	33 328
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	41 138	41 138		
Shareholder capital	25 000	25 000		
Reserves	12 701	12 701		
Profit/loss, current year	3 437	3 437		
Liabilities, minority interest, and capital, total	459 262	341 645	84 289	33 328
Memo: credit substitutes and other off-balance sheet commitments	31 037	22 031	7 013	1 993



INCOME STATEMENT (September 2005)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	21 475	13 452	6 304	1 719
Interest income from claims on financial institutions	1 268	176	753	339
Interest income from claims under repurchase agreements	645	645	0	0
Interest income from trading portfolio	6 630	5 361	1 195	74
Interest income from investment portfolio	39	39	0	0
Interest income from loans	12 887	7 225	4 356	1 306
Dividend income	6	6	0	0
INTEREST EXPENDITURE	6 037	2 478	2 951	608
Interest expenditure on deposits of financial institutions	425	315	32	78
Interest expenditure on deposits of non-financial institutions and other customers	3 364	2 146	688	530
Interest expenditure on borrowings under repurchase agreements	1	1	0	0
Interest expenditure on borrowings	2 247	16	2 231	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	15 438	10 974	3 353	1 111
CREDIT PROVISIONS				
Accrued provisions	7 301			
Reintegrated provisions	2 795			
Credit provisions, net	4 506			
TRADING PORTFOLIO GAIN/LOSS	4 670			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	12			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	5 830			
NON-INTEREST EXPENDITURE	16 900			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	4 544			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-357			
EXTRAORDINARY GAIN/LOSS	2			
TAX	752			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	3 437			



MUNICIPAL BANK PLC

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB	Order No. 100-00491 of the BNB Governor dated 17 November 1999
Legal registration	Resolution No. 1 of 4 April 1996 of the Sofia City Court on company file No. 5197 of 1996, lot No. 737, reg. II, vol. 13, p. 138
Address of the head office	6 Vrabcha Str., Sofia 1000 tel. 02/930 01 11 Website: www.municipalbank.bg
Management	
Supervisory Board	Dimitar Paounov Kolev – Chairman Nikifor Istaliyanov Vangelov – Deputy Chairman Spas Simeonov Dimitrov
Management Board	Vasil Petrov Vasilev – Chairman Alexander Petrov Lichev – Executive Director Vasil Svilenov Piralkov – Executive Director Georgi Hristov Belovski – Executive Director Violeta Stefanova Ilieva
Chief Procurator	Darya Stoeva Penkova
Procurators	Violeta Stefanova Ilieva Radostina Draganova Dimova
Shareholders (shares over 10%)	
	Sofia Municipality – 67%



NATIONAL BANK OF GREECE C. A., SOFIA BRANCH

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BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	1 604	0	1 604	1 604	0	0
Claims on financial institutions, net	9 591	9 545	46	0	46	0
Claims under repurchase agreements	0	0	0	0	0	0
Trading portfolio	0	0	0	0	0	0
Investment portfolio	15	0	15	15	0	0
Loans to non-financial institutions and other customers, net	0	0	0	0	0	0
Loans to budget	0	0	0	0	0	0
Commercial loans	0	0	0	0	0	0
Commercial real estate and construction loans	0	0	0	0	0	0
Other commercial loans	0	0	0	0	0	0
Agricultural loans	0	0	0	0	0	0
Consumer loans	0	0	0	0	0	0
Housing mortgage loans to individuals	0	0	0	0	0	0
Other loans	0	0	0	0	0	0
Loans to non-financial institutions and other customers, total	0	0	0	0	0	0
Less: specific provisions	0	0	0	0	0	0
Assets for resale	0	0	0	0	0	0
Other assets, net	248	0	248	246	2	0
Intangible assets	95	0	95	95	0	0
Premises and other fixed assets	31	0	31	31	0	0
Assets, total	11 584	9 545	2 039	1 991	48	0
LIABILITIES, MINORITY INTEREST, AND CAPITAL						
Deposits of financial institutions	0	0	0	0	0	0
Demand deposits of banks	0	0	0	0	0	0
Time deposits of banks	0	0	0	0	0	0
Deposits of other financial institutions	0	0	0	0	0	0
Deposits of non-financial institutions and other customers	2	0	2	2	0	0
Demand deposits	2	0	2	2	0	0
Time deposits	0	0	0	0	0	0
Savings deposits	0	0	0	0	0	0
Deposits, total	2	0	2	2	0	0
Borrowings under repurchase agreements	0	0	0	0	0	0
Short-term borrowings	0	0	0	0	0	0
Long-term borrowings	0	0	0	0	0	0
Other liabilities	7 988	7 988	0	0	0	0
Liabilities, total	7 990	7 988	2	2	0	0
Reserves and financial result, total	3 594	2 385	1 209	1 209		
Reserves	2 385	2 385	0	0		
Profit/loss, current year	1 209	0	1 209	1 209		
Liabilities, reserves, and financial result, total	11 584	10 373	1 211	1 211	0	0
Memo: credit substitutes and other off-balance sheet commitments	613	0	613	178	313	122



NATIONAL BANK OF GREECE C. A., SOFIA BRANCH

INCOME STATEMENT (September 2005)

(BGN'000)

	Total	Related parties	Unrelated parties			Other currencies
			Total	BGN	EUR	
INTEREST AND DIVIDEND INCOME	3 456	2 766	690	6	659	25
Interest income from claims on financial institutions	2 795	2 766	29	6	22	1
Interest income from claims under repurchase agreements	0	0	0	0	0	0
Interest income from trading portfolio	51	0	51	0	27	24
Interest income from investment portfolio	0	0	0	0	0	0
Interest income from loans	610	0	610	0	610	0
Dividend income	0	0	0	0	0	0
INTEREST EXPENDITURE	1 940	1 687	253	15	188	50
Interest expenditure on deposits of financial institutions	1 899	1 687	212	12	169	31
Interest expenditure on deposits of non-financial institutions and other customers	41	0	41	3	19	19
Interest expenditure on borrowings under repurchase agreements	0	0	0	0	0	0
Interest expenditure on borrowings	0	0	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	1 516	1 079	437	-9	471	-25
CREDIT PROVISIONS						
Accrued provisions	0	0	0			
Reintegrated provisions	0	0	0			
Credit provisions, net	0	0	0			
TRADING PORTFOLIO GAIN/LOSS	187	0	187			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0	0	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0	0	0			
OTHER NON-INTEREST INCOME	610	402	208			
NON-INTEREST EXPENDITURE	952	0	952			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	1 361	1 481	-120			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	62	0	62			
EXTRAORDINARY GAIN/LOSS	-1	0	-1			
TAX	213	0	213			
PROFIT/LOSS, NET	1 209	1 481	-272			



NATIONAL BANK OF GREECE C. A., SOFIA BRANCH

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STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB Resolution No. 78 of 13 March 1995 of the BNB Governing Council. License updated under § 47 of the Transitional and Final Provisions of the Amendments to the Law on Banks. Order No. 100-00565 of 22 December 1999

Legal registration Resolution of 6 March 1996 of the Sofia City Court, entered in the Commercial Register, company file No. 100924 of 1995, lot No. 30385, vol. 348, p. 176

Address of the branch 96 Rakovski Str., Sofia 1000
tel. 02/981 50 10; 980 29 96
Website: www.nbg.gr

Management

Moissis Romanidis-Kyriakidis – Governor

Donka Yordanova Popovska – Deputy Governor

Shareholders (shares over 10%)

A branch of the National Bank of Greece, Athens



BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	64 840	0	64 840	17 158	46 293	1 389
Claims on financial institutions, net	28 290	4 489	23 801	33	22 191	1 577
Claims under repurchase agreements	0	0	0	0	0	0
Trading portfolio	963	0	963	963	0	0
Investment portfolio	12	0	12	12	0	0
Loans to non-financial institutions and other customers, net	604 391	0	604 391	127 976	443 035	33 380
Loans to budget	0	0	0	0	0	0
Commercial loans	578 079	0	578 079	122 534	422 088	33 457
Commercial real estate and construction loans	306 874	0	306 874	50 905	243 736	12 233
Other commercial loans	271 205	0	271 205	71 629	178 352	21 224
Agricultural loans	0	0	0	0	0	0
Consumer loans	6 076	0	6 076	4 560	1 463	53
Housing mortgage loans to individuals	28 461	0	28 461	3 321	24 934	206
Other loans	6	0	6	6	0	0
Loans to non-financial institutions and other customers, total	612 622	0	612 622	130 421	448 485	33 716
Less: specific provisions	8 231	0	8 231	2 445	5 450	336
Assets for resale	0	0	0	0	0	0
Other assets, net	1 786	693	1 093	770	253	70
Intangible assets	3 077	0	3 077	3 077	0	0
Premises and other fixed assets	4 164	0	4 164	4 164	0	0
Assets, total	707 523	5 182	702 341	154 153	511 772	36 416
LIABILITIES, MINORITY INTEREST, AND CAPITAL						
Deposits of financial institutions	521 100	312 002	209 098	59 829	79 364	69 905
Demand deposits of banks	0	0	0	0	0	0
Time deposits of banks	501 194	312 002	189 192	40 064	79 226	69 902
Deposits of other financial institutions	19 906	0	19 906	19 765	138	3
Deposits of non-financial institutions and other customers	156 343	0	156 343	59 190	77 042	20 111
Demand deposits	54 879	0	54 879	30 374	20 172	4 333
Time deposits	70 379	0	70 379	24 390	33 803	12 186
Savings deposits	31 085	0	31 085	4 426	23 067	3 592
Deposits, total	677 443	312 002	365 441	119 019	156 406	90 016
Borrowings under repurchase agreements	0	0	0	0	0	0
Short-term borrowings	0	0	0	0	0	0
Long-term borrowings	0	0	0	0	0	0
Other liabilities	12 025	3 191	8 834	3 429	4 259	1 146
Liabilities, total	689 468	315 193	374 275	122 448	160 665	91 162
Reserves and financial result, total	18 055	10 113	7 942	7 942		
Reserves	10 113	10 113	0	0		
Profit/loss, current year	7 942	0	7 942	7 942		
Liabilities, reserves, and financial result, total	707 523	325 306	382 217	130 390	160 665	91 162
Memo: credit substitutes and other off-balance sheet commitments	219 697	71 097	148 600	53 102	81 355	14 143

INCOME STATEMENT
 (September 2005)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	28 009	590	27 419	5 845	20534	1040
Interest income from claims on financial institutions	940	590	350	25	258	67
Interest income from claims under repurchase agreements	0	0	0	0	0	0
Interest income from trading portfolio	0	0	0	0	0	0
Interest income from investment portfolio	36	0	36	23	13	0
Interest income from loans	27 033	0	27 033	5 797	20263	973
Dividend income	0	0	0	0	0	0
INTEREST EXPENDITURE	10 158	5 711	4 447	1 852	1947	648
Interest expenditure on deposits of financial institutions	8 201	5 711	2 490	715	1 356	419
Interest expenditure on deposits of non-financial institutions and other customers	1 957	0	1 957	1 137	591	229
Interest expenditure on borrowings under repurchase agreements	0	0	0	0	0	0
Interest expenditure on borrowings	0	0	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	17 851	-5 121	22 972	3 993	18587	392
CREDIT PROVISIONS						
Accrued provisions	4 248	0	4 248			
Reintegrated provisions	166	0	166			
Credit provisions, net	4 082	0	4 082			
TRADING PORTFOLIO GAIN/LOSS	19	0	19			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	22	0	22			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0	0	0			
OTHER NON-INTEREST INCOME	4 115	359	3 756			
NON-INTEREST EXPENDITURE	8 855	0	8 855			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	9 070	-4 762	13 832			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	121	31	90			
EXTRAORDINARY GAIN/LOSS	-12	0	-12			
TAX	1 237	0	1 237			
PROFIT/LOSS, NET	7 942	-4 731	12 673			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB	By Resolution No. 80 of 18 March 1993 the BNB Governing Council granted a license to <i>Xiosbank, Athens</i> , to conduct bank transactions in Sofia under Article 1, para. 2 of the Law on Banks and Credit Activity. License updated under § 47 of the Transitional and Final Provisions of the Law on Amendments to the Law on Banks by Order No. 100-00562 of 22 December 1999. By Resolution No. 11 of 15 February 2001 of the Sofia City Court the change in the branch name was entered in the Commercial Register, vol. 133, p. 82, lot No. 8939: Xiosbank, Sofia Branch, is renamed to Piraeus Bank, Sofia Branch, due to effected merger of Xiosbank, Athens, Greece, and Piraeus Bank, Athens, Greece
Legal registration	Resolution of the Sofia City Court of 27 April 1993, lot No. 8931, vol. 133, reg. I, p. 52
Address of the branch	3 Vitosha Blvd., Sofia 1000 tel.02/980 89 03; 980 56 54 Website: www.piraeusbank.gr
Management	Athanasios Aristeidis Koutsopoulos Georgios Aristopenis Haralampakis Margarita Dobрева Petrova–Karidi Zhasmina Stoilova Uzunova Silva Videnova Nakova
Management Board	Piraeus Bank, Sofia Branch, is managed jointly by each two of the five authorized governors: Athanasios Aristeidis Koutsopoulos Georgios Aristopenis Haralampakis Margarita Dobрева Petrova–Karidi Zhasmina Stoilova Uzunova Silva Videnova Nakova
Shareholders (shares over 10%)	A branch of Piraeus Bank, Athens

BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	114 437	86 821	21 275	6 341
Claims on financial institutions, net	233 022	27 527	187 531	17 964
Claims under repurchase agreements	15 662	13 755	947	960
Trading portfolio	53 023	26 096	21 844	5 083
Investment portfolio	63 542	11 671	46 863	5 008
Loans to non-financial institutions and other customers, net	1 021 258	511 181	482 417	27 660
Loans to budget	0	0	0	0
Commercial loans	599 540	207 244	366 076	26 220
Commercial real estate and construction loans	94 536	24 282	66 402	3 852
Other commercial loans	505 004	182 962	299 674	22 368
Agricultural loans	6 817	2 796	4 021	0
Consumer loans	268 474	267 480	821	173
Housing mortgage loans to individuals	140 748	63 118	76 817	813
Other loans	46 125	7 073	38 529	523
Loans to non-financial institutions and other customers, total	1 061 704	547 711	486 264	27 729
Less: specific provisions	40 446	36 530	3 847	69
Assets for resale	667	667	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	11 738	3 706	3 309	4 723
Intangible assets	8 279	8 279	0	0
Premises and other fixed assets	29 009	29 009	0	0
Assets, total	1 550 637	718 712	764 186	67 739
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	257 067	64 577	187 562	4 928
Demand deposits of banks	2 405	1 683	215	507
Time deposits of banks	226 734	42 802	183 932	0
Deposits of other financial institutions	27 928	20 092	3 415	4 421
Deposits of non-financial institutions and other customers	850 427	430 861	252 364	167 202
Demand deposits	288 826	191 824	74 497	22 505
Time deposits	372 051	163 352	121 530	87 169
Savings deposits	189 550	75 685	56 337	57 528
Deposits, total	1 107 494	495 438	439 926	172 130
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	240 402	30 276	210 126	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	30 103	18 253	6 470	5 380
Liabilities, total	1 377 999	543 967	656 522	177 510
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	172 638	172 638		
Shareholder capital	109 925	109 925		
Reserves	48 522	48 522		
Profit/loss, current year	14 191	14 191		
Liabilities, minority interest, and capital, total	1 550 637	716 605	656 522	177 510
Memo: credit substitutes and other off-balance sheet commitments	383 530	249 708	113 466	20 356


INCOME STATEMENT
 (September 2005)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	71 243	42 983	23 574	4 686
Interest income from claims on financial institutions	2 865	394	541	1 930
Interest income from claims under repurchase agreements	550	456	71	23
Interest income from trading portfolio	2 453	903	745	805
Interest income from investment portfolio	3 317	577	2 461	279
Interest income from loans	61 971	40 566	19 756	1 649
Dividend income	87	87	0	0
INTEREST EXPENDITURE	18 986	7 146	10 219	1 621
Interest expenditure on deposits of financial institutions	3 005	545	2 095	365
Interest expenditure on deposits of non-financial institutions and other customers	9 549	5 799	2 497	1 253
Interest expenditure on borrowings under repurchase agreements	86	86	0	0
Interest expenditure on borrowings	6 007	716	5 291	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	265	0	265	0
Interest expenditure on other liabilities	74	0	71	3
INTEREST AND DIVIDEND INCOME, NET	52 257	35 837	13 355	3 065
CREDIT PROVISIONS				
Accrued provisions	20 752			
Reintegrated provisions	6 380			
Credit provisions, net	14 372			
TRADING PORTFOLIO GAIN/LOSS	7 160			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	1 233			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	26 383			
NON-INTEREST EXPENDITURE	49 445			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	23 216			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-5 176			
EXTRAORDINARY GAIN/LOSS	-1 098			
TAX	2 751			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	14 191			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB	Resolution No. 21 of 14 March 1991 and No.104 of 31 March 1992 of the BNB Governing Council; updated by Order No. 100-00488 of 17 November 1999
Legal registration	Entered by Resolution of the Sofia City Court on company file No. 10646 of 1991, lot No. 14, vol. 4, p. 91
Address of the head office	14 Tsar Osvoboditel Blvd., Sofia 1048 tel. 02/816 60 00 Website: www.postbank.bg
Management	
Supervisory Board	George Gondicas David Watson Andrew Stone
Management Board	Antonios C. Hassiotis – Chief Executive Director Theodore Karakassis – Executive Director Athanasios Dionissios Petropoulos – Executive Director Asen Vasilev Yagodin – Executive Director
Shareholders (shares over 10%)	EFG Eurobank Ergasias S. A. – 53.38% CEN Balkan Holdings Limited – 45.32%



BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	63 718	24 527	37 187	2 004
Claims on financial institutions, net	41 187	1 663	37 248	2 276
Claims under repurchase agreements	0	0	0	0
Trading portfolio	0	0	0	0
Investment portfolio	8 711	95	7 814	802
Loans to non-financial institutions and other customers, net	333 296	171 318	158 990	2 988
Loans to budget	0	0	0	0
Commercial loans	301 230	151 234	147 057	2 939
Commercial real estate and construction loans	14 192	1 109	12 555	528
Other commercial loans	287 038	150 125	134 502	2 411
Agricultural loans	6 414	6 391	23	0
Consumer loans	14 858	14 346	507	5
Housing mortgage loans to individuals	17 283	3 640	13 577	66
Other loans	0	0	0	0
Loans to non-financial institutions and other customers, total	339 785	175 611	161 164	3 010
Less: specific provisions	6 489	4 293	2 174	22
Assets for resale	7	7	0	0
Investments in unconsolidated subsidiaries and associated companies	500	500	0	0
Other assets	2 470	2 142	267	61
Intangible assets	1 530	1 530	0	0
Premises and other fixed assets	5 919	5 919	0	0
Assets, total	457 338	207 701	241 506	8 131
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	36 984	23 454	888	12 642
Demand deposits of banks	841	0	498	343
Time deposits of banks	19 266	6 967	0	12 299
Deposits of other financial institutions	16 877	16 487	390	0
Deposits of non-financial institutions and other customers	203 026	122 732	57 470	22 824
Demand deposits	65 751	51 524	11 906	2 321
Time deposits	135 587	70 514	44 806	20 267
Savings deposits	1 688	694	758	236
Deposits, total	240 010	146 186	58 358	35 466
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	18 455	18 455	0	0
Long-term borrowings	118 318	10 040	103 303	4 975
Subordinated term debt and debt/equity (hybrid) instruments	19 674	0	19 674	0
Other liabilities	9 800	4 002	5 282	516
Liabilities, total	406 257	178 683	186 617	40 957
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	51 081	51 081		
Shareholder capital	34 500	34 500		
Reserves	8 237	8 237		
Profit/loss, current year	8 344	8 344		
Liabilities, minority interest, and capital, total	457 338	229 764	186 617	40 957
Memo: credit substitutes and other off-balance sheet commitments	58 439	40 995	11 838	5 606



INCOME STATEMENT (September 2005)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	35 048	19 194	15 192	662
Interest income from claims on financial institutions	1 492	33	1 164	295
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	0	0	0	0
Interest income from investment portfolio	364	0	326	38
Interest income from loans	33 192	19 161	13 702	329
Dividend income	0	0	0	0
INTEREST EXPENDITURE	10 969	5 118	5 055	796
Interest expenditure on deposits of financial institutions	1 224	960	46	218
Interest expenditure on deposits of non-financial institutions and other customers	3 977	2 642	950	385
Interest expenditure on borrowings under repurchase agreements	64	64	0	0
Interest expenditure on borrowings	5 704	1 452	4 059	193
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	24 079	14 076	10 137	-134
CREDIT PROVISIONS				
Accrued provisions	11 447			
Reintegrated provisions	9 015			
Credit provisions, net	2 432			
TRADING PORTFOLIO GAIN/LOSS	0			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	221			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	5 205			
NON-INTEREST EXPENDITURE	17 408			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	9 665			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	31			
EXTRAORDINARY GAIN/LOSS	94			
TAX	1 446			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	8 344			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB	Order No. RD 22-442 of 25 September 2001
Legal registration	Company file No. 9478 of the Sofia City Court of 2001, lot No. 64 228 , vol. 733, reg. I, p. 116
Address of the head office	131 Hristo Botev Blvd., Sofia 1233 tel. 02/921 71 00; 921 71 41 Website: www.procreditbank.bg
Management	
Supervisory Board	Klaus-Peter Zeitinger – Chairman Judith Brandsma – Deputy Chairman Hanns Martin Hagen – Deputy Chairman Christoph Freytag Helmut Toellner
Management Board	Susanne Decker – Chairman Kai Ilm Petar Slavchev Slavov Emilia Hristova Tsareva
Shareholders (shares over 10%)	
	ProCredit Holding AG – 20.29%
	European Bank for Reconstruction and Development – 19.71%
	DEG – Deutsche Investitions- und Entwicklungsgesellschaft mbH – 19.71%
	Commerzbank AG – 19.71%
	International Financial Corporation – 19.13%



BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	251 125	140 694	97 098	13 333
Claims on financial institutions, net	601 854	26 552	381 166	194 136
Claims under repurchase agreements	1 540	708	832	0
Trading portfolio	373 367	150 378	198 514	24 475
Investment portfolio	92 264	17 109	65 926	9 229
Loans to non-financial institutions and other customers, net	1 210 139	407 274	750 502	52 363
Loans to budget	1 233	1 233	0	0
Commercial loans	940 884	181 106	704 392	55 386
Commercial real estate and construction loans	189 191	10 348	175 581	3 262
Other commercial loans	751 693	170 758	528 811	52 124
Agricultural loans	17 902	6 752	10 320	830
Consumer loans	228 041	219 323	8 712	6
Housing mortgage loans to individuals	61 038	9 418	50 296	1 324
Other loans	0	0	0	0
Loans to non-financial institutions and other customers, total	1 249 098	417 832	773 720	57 546
Less: specific provisions	38 959	10 558	23 218	5 183
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	3 490	3 490	0	0
Other assets	6 240	4 024	1 528	688
Intangible assets	6 693	6 693	0	0
Premises and other fixed assets	13 489	13 489	0	0
Assets, total	2 560 201	770 411	1 495 566	294 224
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	216 590	48 114	68 168	100 308
Demand deposits of banks	10 755	2 577	8 075	103
Time deposits of banks	188 549	32 766	56 663	99 120
Deposits of other financial institutions	17 286	12 771	3 430	1 085
Deposits of non-financial institutions and other customers	1 571 497	607 040	773 960	190 497
Demand deposits	901 714	423 010	385 386	93 318
Time deposits	669 783	184 030	388 574	97 179
Savings deposits	0	0	0	0
Deposits, total	1 788 087	655 154	842 128	290 805
Borrowings under repurchase agreements	245	245	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	470 694	4 532	414 020	52 142
Subordinated term debt and debt/equity (hybrid) instruments	60 631	0	60 631	0
Other liabilities	56 517	20 193	30 232	6 092
Liabilities, total	2 376 174	680 124	1 347 011	349 039
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	184 027	184 027		
Shareholder capital	94 932	94 932		
Reserves	53 575	53 575		
Profit/loss, current year	35 520	35 520		
Liabilities, minority interest, and capital, total	2 560 201	864 151	1 347 011	349 039
Memo: credit substitutes and other off-balance sheet commitments	372 909	99 356	206 936	66 617



INCOME STATEMENT (September 2005)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	89 043	32 139	50 123	6 781
Interest income from claims on financial institutions	6 602	161	3 776	2 665
Interest income from claims under repurchase agreements	90	32	57	1
Interest income from trading portfolio	8 349	8 349	0	0
Interest income from investment portfolio	1 879	2 044	-165	0
Interest income from loans	72 123	21 553	46 455	4 115
Dividend income	0	0	0	0
INTEREST EXPENDITURE	26 301	5 428	16 257	4 616
Interest expenditure on deposits of financial institutions	2 491	767	694	1 030
Interest expenditure on deposits of non-financial institutions and other customers	14 990	4 635	8 550	1 805
Interest expenditure on borrowings under repurchase agreements	7	0	5	2
Interest expenditure on borrowings	7 112	26	5 307	1 779
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	1 701	0	1 701	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	62 742	26 711	33 866	2 165
CREDIT PROVISIONS				
Accrued provisions	18 469			
Reintegrated provisions	12 591			
Credit provisions, net	5 878			
TRADING PORTFOLIO GAIN/LOSS	2 577			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	361			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	25 191			
NON-INTEREST EXPENDITURE	43 445			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	41 548			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-457			
EXTRAORDINARY GAIN/LOSS	697			
TAX	6 268			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	35 520			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB	Resolution No. 198 of 16 June 1994 of the BNB Governing Council, updated by Order No. 100-00497 of the BNB Governor dated 18 November 1999
Legal registration	Resolution of the Sofia City Court of 1 August 1994 on company file No. 14195, lot No. 18414, vol. 230, p. 38
Address of the head office	18–20 Gogol Str., Sofia 1000 tel. 02/919 85 101 Website: www.rbb.bg
Management	
Supervisory Board	Herbert Stepic – Chairman Heinz Heudel Peter Lenkh
Management Board	Momchil Ivanov Andreev – Chairman and Executive Director Tsenka Kalcheva Petkova – Executive Director Evelina Miltenova Georgieva – Executive Director Jan Majtan – Executive Director
Shareholders (shares over 10%)	Raiffeisen International Bank-Holding AG – 100%

BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	78 425	45 065	29 352	4 008
Claims on financial institutions, net	146 417	7 188	21 973	117 256
Claims under repurchase agreements	0	0	0	0
Trading portfolio	33 225	25 586	920	6 719
Investment portfolio	787	783	4	0
Loans to non-financial institutions and other customers, net	600 522	386 860	189 395	24 267
Loans to budget	28	28	0	0
Commercial loans	345 534	122 792	189 975	32 767
Commercial real estate and construction loans	0	0	0	0
Other commercial loans	345 534	122 792	189 975	32 767
Agricultural loans	2 677	713	1 964	0
Consumer loans	255 434	255 317	115	2
Housing mortgage loans to individuals	15 300	12 142	2 039	1 119
Other loans	5 947	5 535	138	274
Loans to non-financial institutions and other customers, total	624 920	396 527	194 231	34 162
Less: specific provisions	24 398	9 667	4 836	9 895
Assets for resale	477	477	0	0
Investments in unconsolidated subsidiaries and associated companies	500	500	0	0
Other assets	4 375	3 359	778	238
Intangible assets	3 120	3 120	0	0
Premises and other fixed assets	47 720	47 720	0	0
Assets, total	915 568	520 658	242 422	152 488
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	45 958	45 255	693	10
Demand deposits of banks	4	4	0	0
Time deposits of banks	21 758	21 758	0	0
Deposits of other financial institutions	24 196	23 493	693	10
Deposits of non-financial institutions and other customers	704 757	356 407	162 231	186 119
Demand deposits	215 187	170 567	31 652	12 968
Time deposits	314 940	156 754	76 288	81 898
Savings deposits	174 630	29 086	54 291	91 253
Deposits, total	750 715	401 662	162 924	186 129
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	1	1	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	22 684	17 760	1 874	3 050
Liabilities, total	773 400	419 423	164 798	189 179
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	142 168	142 168		
Shareholder capital	28 530	28 530		
Reserves	92 221	92 221		
Profit/loss, current year	21 417	21 417		
Liabilities, minority interest, and capital, total	915 568	561 591	164 798	189 179
Memo: credit substitutes and other off-balance sheet commitments	112 637	63 352	33 747	15 538

INCOME STATEMENT
 (September 2005)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	47 170	35 119	8 701	3 350
Interest income from claims on financial institutions	2 603	20	429	2 154
Interest income from claims under repurchase agreements	3	3	0	0
Interest income from trading portfolio	1 043	1 043	0	0
Interest income from investment portfolio	0	0	0	0
Interest income from loans	43 318	33 850	8 272	1 196
Dividend income	203	203	0	0
INTEREST EXPENDITURE	11 173	8 465	1 769	939
Interest expenditure on deposits of financial institutions	1 502	1 244	258	0
Interest expenditure on deposits of non-financial institutions and other customers	9 671	7 221	1 511	939
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	0	0	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	35 997	26 654	6 932	2 411
CREDIT PROVISIONS				
Accrued provisions	11 576			
Reintegrated provisions	8 722			
Credit provisions, net	2 854			
TRADING PORTFOLIO GAIN/LOSS	635			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	22 803			
NON-INTEREST EXPENDITURE	26 596			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	29 985			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-4 789			
EXTRAORDINARY GAIN/LOSS	0			
TAX	3 779			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	21 417			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB	License No. 00246 of 4 June 1993, updated in accordance with the Law on Banks by Order No. 100-00490 of the BNB Governor dated 17 November 1999
Legal registration	Resolution No. 4024 of 24 June 1993 of the Varna Regional Court. A permit was given to Expressbank to be renamed SG Expressbank by Order No. 100-00504 of the BNB Governor dated 18 November 1999. A permit was given to SG Expressbank to be renamed to Société Générale Expressbank by Order No. 22-1387 of the BNB Deputy Governor heading the Banking Supervision Department dated 29 July 2005. The change was entered in the Commercial Register by Resolution No. 6452 of the Varna Regional Court dated 4 October 2005.
Address of the head office	92 Vladislav Varnenchik Blvd., Varna 9000 tel. 052/686 100; 02/937 04 76 Website: www.sgexpressbank.bg
Management	
Supervisory Board	Jacques Tournebize – Chairman Roger Bernard Servonet – Deputy Chairman Jean-Louis Mattei Andre-Marc Prudent
Management Board	Philippe Charles Lhotte – Chairman and Chief Executive Officer Philippe Ives Victor Lame – Deputy Chairman and Executive Director Krassimir Georgiev Zhilov – Executive Director Maria Stoyanova Dobрева Zhivka Stoyanova Sarachinova Elenka Petrova Bakalova
Shareholders (shares over 10%)	Société Générale, Paris – 97.95%



T. C. ZIRAAT BANK, SOFIA BRANCH

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BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	1 344	0	1 344	528	603	213
Claims on financial institutions, net	11 482	974	10 508	505	9 351	652
Claims under repurchase agreements	0	0	0	0	0	0
Trading portfolio	0	0	0	0	0	0
Investment portfolio	27 897	0	27 897	0	23 728	4 169
Loans to non-financial institutions and other customers, net	560	0	560	365	109	86
Loans to budget	0	0	0	0	0	0
Commercial loans	297	0	297	228	69	0
Commercial real estate and construction loans	0	0	0	0	0	0
Other commercial loans	297	0	297	228	69	0
Agricultural loans	0	0	0	0	0	0
Consumer loans	263	0	263	137	40	86
Housing mortgage loans to individuals	0	0	0	0	0	0
Other loans	0	0	0	0	0	0
Loans to non-financial institutions and other customers, total	560	0	560	365	109	86
Less: specific provisions	0	0	0	0	0	0
Assets for resale	0	0	0	0	0	0
Other assets, net	63	0	63	61	2	0
Intangible assets	330	0	330	330	0	0
Premises and other fixed assets	61	0	61	61	0	0
Assets, total	41 737	974	40 763	1 850	33 793	5 120
LIABILITIES, MINORITY INTEREST, AND CAPITAL						
Deposits of financial institutions	3 155	3 155	0	0	0	0
Demand deposits of banks	3 155	3 155	0	0	0	0
Time deposits of banks	0	0	0	0	0	0
Deposits of other financial institutions	0	0	0	0	0	0
Deposits of non-financial institutions and other customers	10 830	0	10 830	1 768	3 965	5 097
Demand deposits	6 613	0	6 613	1 710	2 937	1 966
Time deposits	4 217	0	4 217	58	1 028	3 131
Savings deposits	0	0	0	0	0	0
Deposits, total	13 985	3 155	10 830	1 768	3 965	5 097
Borrowings under repurchase agreements	0	0	0	0	0	0
Short-term borrowings	0	0	0	0	0	0
Long-term borrowings	0	0	0	0	0	0
Other liabilities	218	0	218	162	46	10
Liabilities, total	14 203	3 155	11 048	1 930	4 011	5 107
Reserves and financial result, total	27 534	27 067	467	467		
Reserves	27 067	27 067	0	0		
Profit/loss, current year	467	0	467	467		
Liabilities, reserves, and financial result, total	41 737	30 222	11 515	2 397	4 011	5 107
Memo: credit substitutes and other off-balance sheet commitments	327	0	327	70	243	14



T. C. ZIRAAT BANK, SOFIA BRANCH

INCOME STATEMENT (September 2005)

(BGN'000)

	Total	Related parties	Unrelated parties			Other currencies
			Total	BGN	EUR	
INTEREST AND DIVIDEND INCOME	1 291	18	1 273	27	1045	201
Interest income from claims on financial institutions	171	18	153	3	140	10
Interest income from claims under repurchase agreements	0	0	0	0	0	0
Interest income from trading portfolio	0	0	0	0	0	0
Interest income from investment portfolio	1080	0	1080	0	898	182
Interest income from loans	40	0	40	24	7	9
Dividend income	0	0	0	0	0	0
INTEREST EXPENDITURE	104	0	104	17	36	51
Interest expenditure on deposits of financial institutions	0	0	0	0	0	0
Interest expenditure on deposits of non-financial institutions and other customers	104	0	104	17	36	51
Interest expenditure on borrowings under repurchase agreements	0	0	0	0	0	0
Interest expenditure on borrowings	0	0	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	1 187	18	1 169	10	1009	150
CREDIT PROVISIONS						
Accrued provisions	0	0	0			
Reintegrated provisions	0	0	0			
Credit provisions, net	0	0	0			
TRADING PORTFOLIO GAIN/LOSS	0	0	0			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0	0	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0	0	0			
OTHER NON-INTEREST INCOME	146	0	146			
NON-INTEREST EXPENDITURE	801	0	801			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	532	18	514			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	18	0	18			
EXTRAORDINARY GAIN/LOSS	0	0	0			
TAX	83	0	83			
PROFIT/LOSS, NET	467	18	449			



T. C. ZIRAAT BANK, SOFIA BRANCH

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STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB	Order No. 100-000218 of 26 June 1998 of the BNB Governor. By Order No. RD 22-512 of 19 October 2000 changes were made in item 6 on transactions under Article 54, para. 1 of the Law on Public Offering of Securities and item 9 was repealed; item 6 was repealed by Order No. RD 22-458 of 2 October 2001 of the BNB Governor
Legal registration	Company file No. 8801 of 1998 of the Sofia City Court, lot No. 863, vol. 15, p. 173
Address of the branch	19 Sveta Nedelya Sq., Sofia 1000 tel. 02/980 00 87 e-mail: ziraat@medicom.bg
Management	
Management Board	Sezgin Bayar – President Gurgan Sener – Vice President
Shareholders (shares over 10%)	
	T. C. Ziraat Bank, Ankara – 100%



TEXIM PRIVATE ENTREPRENEURIAL BANK

BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	2 281	1 093	1 082	106
Claims on financial institutions, net	13 804	6 357	1 592	5 855
Claims under repurchase agreements	245	245	0	0
Trading portfolio	209	209	0	0
Investment portfolio	46	46	0	0
Loans to non-financial institutions and other customers, net	19 643	7 081	9 549	3 013
Loans to budget	0	0	0	0
Commercial loans	14 985	6 068	6 571	2 346
Commercial real estate and construction loans	2 940	320	2 418	202
Other commercial loans	12 045	5 748	4 153	2 144
Agricultural loans	1 081	786	295	0
Consumer loans	1 535	344	1 191	0
Housing mortgage loans to individuals	369	0	330	39
Other loans	1 895	30	1 237	628
Loans to non-financial institutions and other customers, total	19 865	7 228	9 624	3 013
Less: specific provisions	222	147	75	0
Assets for resale	161	161	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	1 902	1 839	12	51
Intangible assets	144	144	0	0
Premises and other fixed assets	5 782	5 782	0	0
Assets, total	44 217	22 957	12 235	9 025
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	28	6	22	0
Demand deposits of banks	0	0	0	0
Time deposits of banks	0	0	0	0
Deposits of other financial institutions	28	6	22	0
Deposits of non-financial institutions and other customers	22 219	14 466	2 742	5 011
Demand deposits	10 182	9 077	314	791
Time deposits	10 547	4 533	2 124	3 890
Savings deposits	1 490	856	304	330
Deposits, total	22 247	14 472	2 764	5 011
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	5 575	1 658	3 917	0
Subordinated term debt and debt/equity (hybrid) instruments	1 358	0	734	624
Other liabilities	1 059	794	145	120
Liabilities, total	30 239	16 924	7 560	5 755
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	13 978	13 978		
Shareholder capital	10 000	10 000		
Reserves	3 709	3 709		
Profit/loss, current year	269	269		
Liabilities, minority interest, and capital, total	44 217	30 902	7 560	5 755
Memo: credit substitutes and other off-balance sheet commitments	2 254	1 748	100	406



TEXIM PRIVATE ENTREPRENEURIAL BANK

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INCOME STATEMENT (September 2005)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	2 025	975	778	272
Interest income from claims on financial institutions	153	19	21	113
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	35	35	0	0
Interest income from investment portfolio	0	0	0	0
Interest income from loans	1 837	921	757	159
Dividend income	0	0	0	0
INTEREST EXPENDITURE	638	436	66	136
Interest expenditure on deposits of financial institutions	2	2	0	0
Interest expenditure on deposits of non-financial institutions and other customers	338	191	38	109
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	238	238	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	55	0	28	27
Interest expenditure on other liabilities	5	5	0	0
INTEREST AND DIVIDEND INCOME, NET	1 387	539	712	136
CREDIT PROVISIONS				
Accrued provisions	147			
Reintegrated provisions	77			
Credit provisions, net	70			
TRADING PORTFOLIO GAIN/LOSS	0			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	932			
NON-INTEREST EXPENDITURE	2 298			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	-49			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	331			
EXTRAORDINARY GAIN/LOSS	0			
TAX	13			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	269			



TEXIM PRIVATE ENTREPRENEURIAL BANK

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB	Protocol Resolution No. 243 of 4 March 1992 of the BNB Governing Council, Resolution No. 248 of 11 April 1997 of the BNB Governing Council. License updated by Order No. 100-00570 of the BNB Governor dated 23 December 1999
Legal registration	Company file No. 24103 of the Sofia City Court of 1992, lot No. 4542, vol. 89, p. 180
Address of the head office	107 Knyaginya Maria-Luiza Blvd., Sofia 1202 tel. 02/9359 300; 9359 301 Website: www.teximbank.bg
Management	
Supervisory Board	Marieta Georgieva Naidenova Rosen Ivanov Chobanov Madlena Dimova Dimova
Management Board	Maria Petrova Vidolova – Chairman and Chief Executive Director Elena Borisova Delcheva – Executive Director Roumen Emilov Vasilev
Shareholders (shares over 10%)	
	Paton Anstalt – 27.33%
	Marieta Georgieva Naidenova – 15.24%
	Pavlina Georgieva Naidenova – 15.09%

BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	6 224	4 436	1 514	274
Claims on financial institutions, net	26 211	14 376	6 857	4 978
Claims under repurchase agreements	0	0	0	0
Trading portfolio	16 941	12 729	4 212	0
Investment portfolio	542	541	1	0
Loans to non-financial institutions and other customers, net	37 689	24 477	12 054	1 158
Loans to budget	0	0	0	0
Commercial loans	27 381	14 777	11 355	1 249
Commercial real estate and construction loans	5 460	2 700	2 135	625
Other commercial loans	21 921	12 077	9 220	624
Agricultural loans	6 055	6 055	0	0
Consumer loans	4 809	3 788	979	42
Housing mortgage loans to individuals	1 017	967	50	0
Other loans	214	205	9	0
Loans to non-financial institutions and other customers, total	39 476	25 792	12 393	1 291
Less: specific provisions	1 787	1 315	339	133
Assets for resale	13	13	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	260	256	3	1
Intangible assets	151	151	0	0
Premises and other fixed assets	2 427	2 427	0	0
Assets, total	90 458	59 406	24 641	6 411
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	6 573	6 017	392	164
Demand deposits of banks	0	0	0	0
Time deposits of banks	0	0	0	0
Deposits of other financial institutions	6 573	6 017	392	164
Deposits of non-financial institutions and other customers	44 539	30 796	7 016	6 727
Demand deposits	16 751	11 611	2 665	2 475
Time deposits	27 788	19 185	4 351	4 252
Savings deposits	0	0	0	0
Deposits, total	51 112	36 813	7 408	6 891
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	7 564	7 564	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	864	478	238	148
Liabilities, total	59 540	44 855	7 646	7 039
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	30 918	30 918		
Shareholder capital	45 000	45 000		
Reserves	-16 575	-16 575		
Profit/loss, current year	2 493	2 493		
Liabilities, minority interest, and capital, total	90 458	75 773	7 646	7 039
Memo: credit substitutes and other off-balance sheet commitments	5 445	2 262	3 134	49

INCOME STATEMENT
 (September 2005)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	4 693	2 539	1 840	314
Interest income from claims on financial institutions	218	29	134	55
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	421	200	201	20
Interest income from investment portfolio	0	0	0	0
Interest income from loans	4 054	2 310	1 505	239
Dividend income	0	0	0	0
INTEREST EXPENDITURE	949	422	88	439
Interest expenditure on deposits of financial institutions	100	97	2	1
Interest expenditure on deposits of non-financial institutions and other customers	763	239	86	438
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	86	86	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	3 744	2 117	1 752	-125
CREDIT PROVISIONS				
Accrued provisions	1 211			
Reintegrated provisions	672			
Credit provisions, net	539			
TRADING PORTFOLIO GAIN/LOSS	787			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	1 159			
NON-INTEREST EXPENDITURE	2 553			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	2 598			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-21			
EXTRAORDINARY GAIN/LOSS	-84			
TAX	0			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	2 493			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB	No. 14004410 of 5 October 1994 by Resolution No. 365 of 1 December 1994 of the BNB Governing Council. License updated in accordance with the requirements of § 47 of the Transitional and Final Provisions of the Amendments to the Law on Banks by Order No. 100-00571 of the BNB Governor dated 23 December 1999. License by Order No. RD22-147 of 30 January 2003 to conduct bank operations in Bulgaria and abroad under Article No. 1, paras. 1 and 2 of the Law on Banks
Legal registration	Resolution No. 4196 of 15 July 2002 of the Plovdiv Regional Court on company file No. 4463 of 2001 of the Plovdiv Regional Court, entered in the Commercial Register, lot No. 31, vol. 23, p. 122
Address of the head office	1, Sixth of September Str., Sofia 1000 tel. 02/981 21 05; 937 00 30
Management	
Supervisory Board	Takahito Ohashi – Chairman International Hospital Services Co., represented by Rumen Slaveikov Serbezov Tokushukai, Sofia, represented by Lyubomir Petrov Dachev, Lachezar Kostadinov Dinchev and Momchil Tsenov Krustev
Management Board	Stoyan Peikov Stoyanov – Chairman Lozana Lyubenova Slavchova – Executive Director Svetlozar Georgiev Karaneshev – Executive Director
Shareholders	(shares over 10%) International Hospital Services Co. – 93.84%



BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	34 118	9 986	22 169	1 963
Claims on financial institutions, net	51 833	20	13 899	37 914
Claims under repurchase agreements	0	0	0	0
Trading portfolio	62 210	16 273	27 626	18 311
Investment portfolio	15 783	12 884	2 315	584
Loans to non-financial institutions and other customers, net	267 463	58 654	191 156	17 653
Loans to budget	213	213	0	0
Commercial loans	241 834	41 415	182 711	17 708
Commercial real estate and construction loans	130 963	3 758	115 579	11 626
Other commercial loans	110 871	37 657	67 132	6 082
Agricultural loans	15 884	15 884	0	0
Consumer loans	8 597	2 955	5 198	444
Housing mortgage loans to individuals	7 992	87	7 814	91
Other loans	0	0	0	0
Loans to non-financial institutions and other customers, total	274 520	60 554	195 723	18 243
Less: specific provisions	7 057	1 900	4 567	590
Assets for resale	414	414	0	0
Investments in unconsolidated subsidiaries and associated companies	2 000	2 000	0	0
Other assets	2 498	2 262	232	4
Intangible assets	1 452	1 452	0	0
Premises and other fixed assets	4 328	4 328	0	0
Assets, total	442 099	108 273	257 397	76 429
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	28 315	13 042	15 187	86
Demand deposits of banks	99	18	0	81
Time deposits of banks	20 225	6 534	13 691	0
Deposits of other financial institutions	7 991	6 490	1 496	5
Deposits of non-financial institutions and other customers	271 022	105 225	99 360	66 437
Demand deposits	90 776	62 584	19 647	8 545
Time deposits	173 563	42 199	75 502	55 862
Savings deposits	6 683	442	4 211	2 030
Deposits, total	299 337	118 267	114 547	66 523
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	71 680	8 952	54 438	8 290
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	11 993	7 522	2 692	1 779
Liabilities, total	383 010	134 741	171 677	76 592
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	59 089	59 089		
Shareholder capital	15 412	15 412		
Reserves	32 853	32 853		
Profit/loss, current year	10 824	10 824		
Liabilities, minority interest, and capital, total	442 099	193 830	171 677	76 592
Memo: credit substitutes and other off-balance sheet commitments	47 838	34 900	10 276	2 662

INCOME STATEMENT
 (September 2005)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	23 316	5 159	14 733	3 424
Interest income from claims on financial institutions	1 171	41	290	840
Interest income from claims under repurchase agreements	1	1	0	0
Interest income from trading portfolio	2 456	542	1 168	746
Interest income from investment portfolio	449	331	97	21
Interest income from loans	19 229	4 234	13 178	1 817
Dividend income	10	10	0	0
INTEREST EXPENDITURE	10 296	2 061	5 593	2 642
Interest expenditure on deposits of financial institutions	807	524	253	30
Interest expenditure on deposits of non-financial institutions and other customers	6 308	1 426	2 660	2 222
Interest expenditure on borrowings under repurchase agreements	117	12	105	0
Interest expenditure on borrowings	3 064	99	2 575	390
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	13 020	3 098	9 140	782
CREDIT PROVISIONS				
Accrued provisions	7 514			
Reintegrated provisions	10 337			
Credit provisions, net	-2 823			
TRADING PORTFOLIO GAIN/LOSS	2 375			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	252			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	9 571			
NON-INTEREST EXPENDITURE	13 122			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	14 919			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-2 182			
EXTRAORDINARY GAIN/LOSS	0			
TAX	1 913			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	10 824			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB	Protocol Resolution of 20 October 1994 of the BNB Governing Council accompanied by Letter No. 140-00332 of 2 November 1994 and Order No. 100-00494 of 17 November 1999 of the BNB Governor for license update
Legal registration	Company file No. 31533 of 1992, lot No. 648, vol. 12, p. 75
Address of the head office	10–12 Damyan Gruev Str., Sofia 1606 tel. 02/9153 333; 9153 315 Website: www.unionbank.bg
Management	
Supervisory Board	Emanuil Yankov Manolov – Chairman Emil Ivanov Ivanov – Deputy Chairman Andrew Seton Boras, represented by Georgi Nikolov Atanasov
Management Board	Ivan Totev Radev – Chairman and Chief Executive Director Anna Ivanova Asparouhova – Deputy Chairman and Executive Director Dorcho Dimitrov Ilchev – Executive Director Todor Kostadinov Nikolov Ivailo Tsvetanov Donchev
Shareholders (shares over 10%)	Union Group – 29.06% European Bank for Reconstruction and Development – 15% Boras – 14.14%



BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	425 982	98 651	309 746	17 585
Claims on financial institutions, net	364 309	74 790	145 850	143 669
Claims under repurchase agreements	120	120	0	0
Trading portfolio	166 418	61 445	39 877	65 096
Investment portfolio	892	835	57	0
Loans to non-financial institutions and other customers, net	1 963 752	1 086 123	838 608	39 021
Loans to budget	1 731	1 731	0	0
Commercial loans	1 045 163	238 649	766 691	39 823
Commercial real estate and construction loans	153 976	19 861	130 072	4 043
Other commercial loans	891 187	218 788	636 619	35 780
Agricultural loans	119 515	66 649	52 866	0
Consumer loans	519 941	518 509	1 395	37
Housing mortgage loans to individuals	331 844	312 340	19 270	234
Other loans	4 238	3 822	131	285
Loans to non-financial institutions and other customers, total	2 022 432	1 141 700	840 353	40 379
Less: specific provisions	58 680	55 577	1 745	1 358
Assets for resale	1 207	1 207	0	0
Investments in unconsolidated subsidiaries and associated companies	803	803	0	0
Other assets	6 415	6 404	11	0
Intangible assets	20 545	20 545	0	0
Premises and other fixed assets	61 650	61 650	0	0
Assets, total	3 012 093	1 412 573	1 334 149	265 371
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	184 533	143 957	28 692	11 884
Demand deposits of banks	23 565	3 908	13 937	5 720
Time deposits of banks	102 197	95 583	2 988	3 626
Deposits of other financial institutions	58 771	44 466	11 767	2 538
Deposits of non-financial institutions and other customers	2 055 891	1 039 549	646 230	370 112
Demand deposits	738 769	518 297	172 971	47 501
Time deposits	833 167	383 858	264 896	184 413
Savings deposits	483 955	137 394	208 363	138 198
Deposits, total	2 240 424	1 183 506	674 922	381 996
Borrowings under repurchase agreements	419	419	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	353 494	130 858	222 636	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	14 431	14 427	3	1
Liabilities, total	2 608 768	1 329 210	897 561	381 997
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	403 325	403 325		
Shareholder capital	75 964	75 964		
Reserves	252 255	252 255		
Profit/loss, current year	75 106	75 106		
Liabilities, minority interest, and capital, total	3 012 093	1 732 535	897 561	381 997
Memo: credit substitutes and other off-balance sheet commitments	190 950	46 563	122 315	22 072


INCOME STATEMENT
(September 2005)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	157 377	109 455	40 653	7 269
Interest income from claims on financial institutions	3 282	368	619	2 295
Interest income from claims under repurchase agreements	156	53	89	14
Interest income from trading portfolio	6 124	2 321	1 409	2 394
Interest income from investment portfolio	0	0	0	0
Interest income from loans	147 806	106 711	38 536	2 559
Dividend income	9	2	0	7
INTEREST EXPENDITURE	24 251	16 451	5 895	1 905
Interest expenditure on deposits of financial institutions	1 722	1 273	322	127
Interest expenditure on deposits of non-financial institutions and other customers	18 626	12 123	4 725	1 778
Interest expenditure on borrowings under repurchase agreements	57	57	0	0
Interest expenditure on borrowings	3 846	2 998	848	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	133 126	93 004	34 758	5 364
CREDIT PROVISIONS				
Accrued provisions	52 624			
Reintegrated provisions	33 467			
Credit provisions, net	19 157			
TRADING PORTFOLIO GAIN/LOSS	2 484			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	3			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	45 292			
NON-INTEREST EXPENDITURE	77 143			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	84 605			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	-1 048			
EXTRAORDINARY GAIN/LOSS	4 651			
TAX	13 102			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	75 106			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB Resolution of the BNB Governing Council of 25 February 1991. Updated by Order No. 100-00487 of 17 November 1999

Legal registration Entered on company file No. 31848 of the Sofia City Court of 1992, lot No. 376, vol. 8, p. 105

Address of the head office 5 Sv. Sofia Str., Sofia 1000
tel. 02/811 28 00
Website: www.ubb.bg

Management

Board of Directors Stilian Petkov Vatev – Chief Executive Director

Christos Katsanis – Executive Director

Radka Ivanova Toncheva – Executive Director

Agis Leopoulos

Alexandros Tourkolias

Efstratios-Georgios Arapoglou

Anthimos Thomopoulos

Ioannis Pechlivanidis

Konstantinos Othoneos

Shareholders
(shares over 10%)

National Bank of Greece – 99.9%



WestEast Bank

BALANCE SHEET AS OF 30 SEPTEMBER 2005

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	6 161	2 458	3 337	366
Claims on financial institutions, net	9 463	735	5 900	2 828
Claims under repurchase agreements	0	0	0	0
Trading portfolio	295	295	0	0
Investment portfolio	4 367	1 851	2 516	0
Loans to non-financial institutions and other customers, net	66 729	19 786	44 029	2 914
Loans to budget	0	0	0	0
Commercial loans	55 373	8 187	44 243	2 943
Commercial real estate and construction loans	31 769	3 353	27 837	579
Other commercial loans	23 604	4 834	16 406	2 364
Agricultural loans	12 650	12 650	0	0
Consumer loans	277	65	212	0
Housing mortgage loans to individuals	462	50	412	0
Other loans	0	0	0	0
Loans to non-financial institutions and other customers, total	68 762	20 952	44 867	2 943
Less: specific provisions	2 033	1 166	838	29
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets	1 087	181	880	26
Intangible assets	433	433	0	0
Premises and other fixed assets	951	951	0	0
Assets, total	89 486	26 690	56 662	6 134
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	17 293	514	15 818	961
Demand deposits of banks	9	0	6	3
Time deposits of banks	16 731	0	15 773	958
Deposits of other financial institutions	553	514	39	0
Deposits of non-financial institutions and other customers	31 868	7 208	20 042	4 618
Demand deposits	16 172	4 134	10 870	1 168
Time deposits	15 696	3 074	9 172	3 450
Savings deposits	0	0	0	0
Deposits, total	49 161	7 722	35 860	5 579
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	16 587	11 605	4 982	0
Subordinated term debt and debt/equity (hybrid) instruments	5 867	0	5 867	0
Other liabilities	1 939	243	1 117	579
Liabilities, total	73 554	19 570	47 826	6 158
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	15 932	15 932		
Shareholder capital	15 800	15 800		
Reserves	-1 371	-1 371		
Profit/loss, current year	1 503	1 503		
Liabilities, minority interest, and capital, total	89 486	35 502	47 826	6 158
Memo: credit substitutes and other off-balance sheet commitments	29 370	5 772	18 682	4 916

INCOME STATEMENT
(September 2005)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	5 622	1 903	3 051	668
Interest income from claims on financial institutions	191	6	129	56
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	0	0	0	0
Interest income from investment portfolio	168	51	117	0
Interest income from loans	5 263	1 846	2 805	612
Dividend income	0	0	0	0
INTEREST EXPENDITURE	1 134	260	651	223
Interest expenditure on deposits of financial institutions	412	8	257	147
Interest expenditure on deposits of non-financial institutions and other customers	312	65	171	76
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	410	187	223	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	4 488	1 643	2 400	445
CREDIT PROVISIONS				
Accrued provisions	1 285			
Reintegrated provisions	0			
Credit provisions, net	1 285			
TRADING PORTFOLIO GAIN/LOSS	-60			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NON-INTEREST INCOME	632			
NON-INTEREST EXPENDITURE	2 403			
GAIN/LOSS BEFORE FOREIGN EXCHANGE REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	1 372			
FOREIGN EXCHANGE REVALUATION GAIN/LOSS	132			
EXTRAORDINARY GAIN/LOSS	0			
TAX	1			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	1 503			



WestEast Bank

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2005

License granted by the BNB	Order No. RD 22-1067 of 13 August 2003 of the BNB Governor entitling the WestEast Bank to conduct bank operations in Bulgaria and abroad
Legal registration	Resolution of the Sofia City Court No. 1 of 28 August 2003, company file No. 9270 of 2003, lot No. 78318, vol. 927, reg. I, p. 158
Address of the head office	36 Dragan Tsankov Blvd., Sofia 1040 Interpred World Trade Center tel. 02/970 24 10 Website: www.westeastbank.bg
Management	
Supervisory Board	Boris Pesjak – Chairman Darko Horvat – Deputy Chairman Janez Sencar Ales Okorn Andrej Hazabent
Management Board	Dusan Valencic – Chairman Nabil Khalil Issa – Executive Director Margarita Atanasova Gencheva – Executive Director
Procurator	Safi Said Harb
Shareholders (shares over 10%)	 Aktiva Holdings BV, Amsterdam – 72.51% LB Maxima, Ljubljana – 24.50%